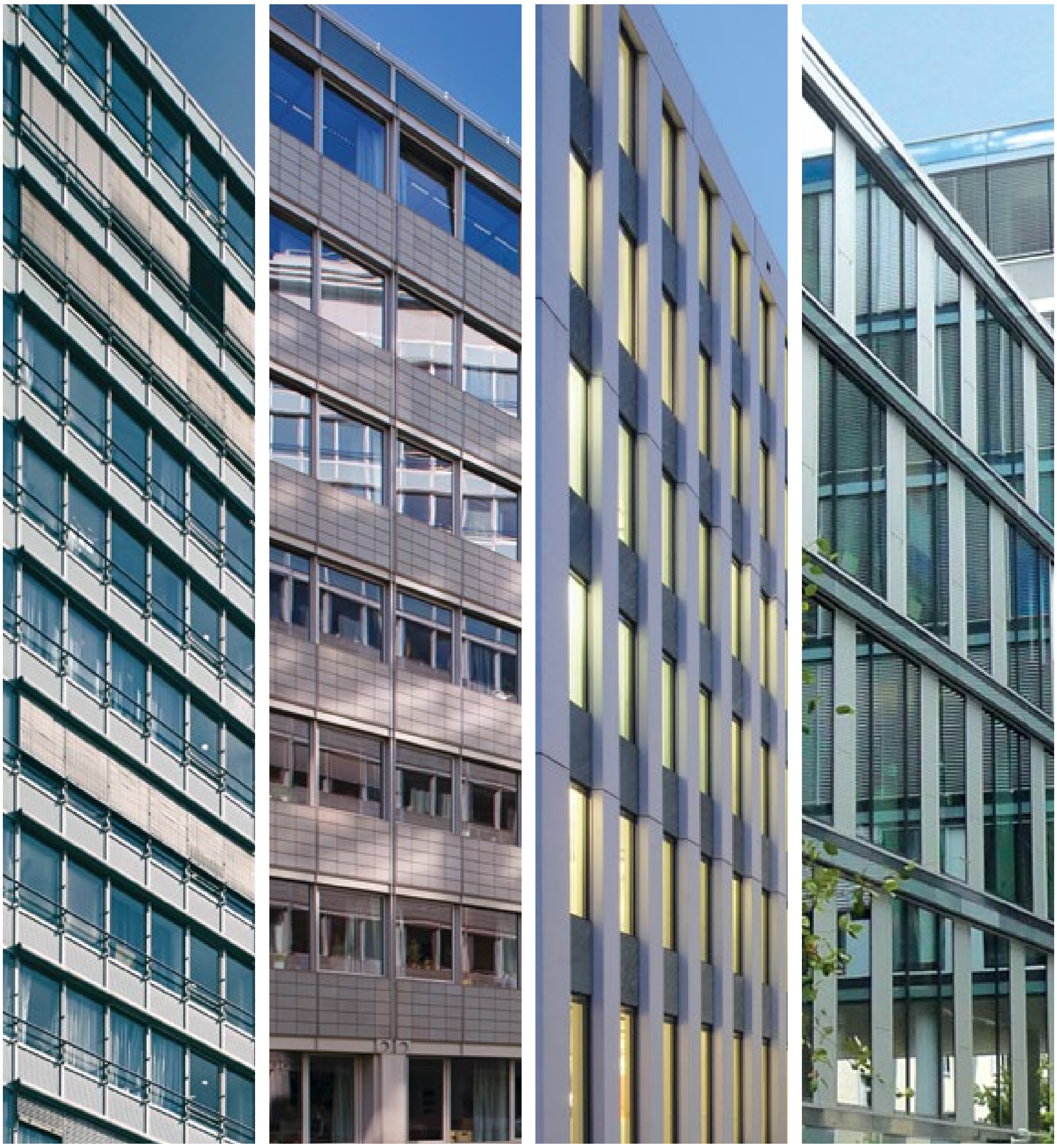
IREITGlobal

BUILDING A RESILIENT FUTURE



ANNUAL REPORT
2017

Under the stewardship of well-regarded pan-European asset management and investment group Tikehau Capital, the Manager of IREIT Global (IREIT) has celebrated a year of steady performance whilst positioning itself for the future.

In **building a resilient future**, IREIT will seek out investment opportunities in Europe via its four-pronged growth strategy of seeking diversification, adopting a long-term approach, achieving scale and leveraging on Tikehau Capital's local presence. With an expanded mandate, IREIT is able to invest in office, retail and industrial (including logistics) assets across Europe.

ABOUT IREIT GLOBAL

IREIT is the first Singapore-listed real estate investment trust (REIT) established with the investment strategy of principally investing, directly or indirectly, in a portfolio of income-producing real estate in Europe which is used for office, retail and industrial (including logistics) purposes, as well as real estate-related assets.

IREIT's current portfolio consists of five freehold properties in Germany.

IREIT is managed by IREIT Global Group Pte. Ltd. (the Manager), a subsidiary of pan-European asset management and investment group Tikehau Capital.

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KEY OBJECTIVES

The Manager's key financial objectives are to provide unitholders of IREIT (Unitholders) with regular and stable distributions, and the potential for sustainable long-term growth in distribution per Unit (DPU) and net asset value (NAV) per Unit, while maintaining an appropriate capital structure for IREIT.

About Tikehau Capital

Tikehau Capital is an asset management and investment group which directly or indirectly manages €13.8 billion of assets (as at 31 December 2017) and is supported by shareholders' equity of €2.3 billion (based on 1H2017 interim results). Tikehau Capital has been expanding dynamically through its four business lines – Private Debt, Real Estate, Private Equity and Liquid Strategies (Fixed Income management / Balanced and Equities management), and therefore provides investors with alternative investment opportunities which target long-term value creation. Its diversified real estate portfolio under management was valued at €2.2 billion as at 31 December 2017.

Tikehau Capital's independent positioning has consolidated its value and reputation within the asset management industry year after year. Its independence has enabled it to develop a business model with a flexible approach to allocate capital across all four business lines, clearly differentiating it from the competition.

By deploying its shareholders' equity towards its investment strategies, Tikehau Capital, working alongside leading institutional partners, continues to fortify its culture of aligning its interests with those of its shareholders and investors, thereby establishing a relationship founded on trust. Since its creation, Tikehau Capital has relentlessly focused on its core values of dedication, quality and reliability, which are enhanced by its recognised entrepreneurial driven investment skills.

Founded in Paris in 2004, Tikehau Capital has rapidly expanded in recent years. Today, Tikehau Capital employs 200 employees and partners across its offices in Paris, London, Brussels, Madrid, Milan, New York, Seoul and Singapore.

CHAIRMAN AND CEO
LETTER TO UNITHOLDERS

> "The demand for European commercial real estate is expected to maintain its positive momentum in 2018."

Mr Lim Kok Min, John
CHAIRMAN

Mr Aymeric Thibord
CHIEF EXECUTIVE OFFICER

Dear Unitholders,

On behalf of the Board of Directors of the Manager, we are delighted to present IREIT Global's (IREIT) annual report for the financial year ended 31 December 2017 (FY2017).

Year in Review

Despite a backdrop of political uncertainty, 2017 turned out to be a positive year for economic growth for most parts of Europe. Bolstered by domestic demand, falling unemployment rate and rising consumer confidence, the Eurozone saw its GDP growth accelerate from 1.8% in 2016 to 2.3%[1].

Along the same vein, Germany witnessed a higher economic growth of 2.2%[2] in 2017, compared to 1.9% registered in the previous year. Driving this healthy growth was a combination of favourable business climate, domestic consumption and higher employment. This has helped to support the office property market in Germany, both in terms of investment and letting demand.

IREIT's investment properties, which are all located in Germany, have continued to perform well on the leasing front. In September 2017, one of IREIT's key tenants at

1 Eurostat, 2018
2 Federal Statistical Office of Germany, 2018

Concor Park exercised its prolongation option to extend its lease for another three years, one year ahead of its lease expiry. With this extension, we are pleased to announce that there will not be any lease expiries for the rest of 2018, thereby placing us on a strong footing to maintain a stable and predictable cashflow for the year.

Financial Performance for FY2017

IREIT continued to deliver stable financial performance for FY2017, underpinned by firm rental contribution from its investment properties. The revenue from Bonn Campus was boosted as a result of a 10% CPI-linked increase in rental income with effect from December 2016. For the year, net property income came in at €31.5 million, an increase of 2.2% from that in FY2016, while distributable income was 1.7% higher at €26.0 million. After setting aside 10% of distributable income in line with our distribution policy, we are pleased to announce a distribution per Unit (DPU) of 5.77 Singapore cents for our Unitholders. This represents an attractive distribution yield of 7.4%, based on IREIT's closing unit price of S$0.775 on 29 December 2017, being the last trading day for 2017.

IREIT's financial position remains healthy, with net asset value (NAV) slightly higher year-on-year at €0.43 per Unit. As at 31 December 2017, IREIT's portfolio properties were valued at €463.1 million, according to independent appraisals performed by Jones Lang LaSalle Limited. This was €10.1 million higher than the valuation a year ago, and is reflective of IREIT's blue-chip tenant base with long stable leases and the strengthening of German real estate market. In August 2017, we commenced making the first of our four quarterly partial loan repayments of €1.275 million each, following the restructuring of HSH Nordbank AG's €23.6 million term loan facility in early 2017. The gradual reduction in borrowings via loan amortisation will improve the loan-to-value of IREIT's assets and further strengthen the balance sheet. More recently, we have also entered into an agreement with the bank to extend the remaining principal of €18.5 million by another two years. The completion of this extension has left us with no debt maturity for the rest of 2018.

Building a Resilient Future

As part of our motivated efforts in building a resilient and sustainable portfolio, we will continue to enhance our existing assets while optimising our long-term income through investments in income-producing quality assets across Europe. The integration of the Manager with Tikehau Capital has been successfully implemented with the formulation of long-term goals and plans for IREIT. Looking ahead, we intend to execute a strategy premised on four pillars, namely seeking diversification, adopting a long-term approach, achieving scale, and leveraging on Tikehau Capital's local presence in Europe, in order to position ourselves for a resilient future. In this regard, we are heartened by the strong support of Unitholders in April 2017 to broaden our mandate to invest in income-producing real estate beyond the office sector into the retail and industrial (including logistics) sectors.

In respect of IREIT's foreign currency risk exposure, we have also undertaken further hedging on the distributions to Unitholders for FY2018. From FY2019, in accordance with the currency hedging policy, we will be hedging the income to be repatriated from overseas to Singapore on a quarterly basis, one year in advance.

Market Outlook for 2018

Given Tikehau Capital's proven track record, strong management team and ample financial resources to support its growth, we remain positive on IREIT's prospects under its stewardship. Tikehau Capital has a target of achieving an aggregate asset under management (AUM) of €20.0 billion by 2020 from €13.8 billion at the end of 2017. We believe Tikehau Capital's established footprint will help to strengthen IREIT's position in Europe.

The demand for European commercial real estate is expected to maintain its positive momentum in 2018 amid continued economic growth, strong employment and relatively muted office developments in a number of cities. This is likely to pave the way for a year of rental growth, further declining vacancy rates and sustained investment activity in the office sector.

In 2018, Germany is expected to remain as one of the choice destinations for office real estate investments, supported by its status as a nation of stability and security, firm occupier demand and rising rents. Despite the scaling back of the European Central Bank's quantitative easing starting from 2018, we believe the impact of a rising interest rate environment should remain relatively benign against the backdrop of Germany's solid economic fundamentals and healthy demand for German office properties. In view of this positive outlook, we are hopeful we will be able to find quality assets that help us achieve the desired portfolio diversification and sustainable income growth.

Gratitude and Appreciation

We would like to take this opportunity to thank our trusted tenants, business partners and service providers for their continued support and confidence in IREIT. We would also like to express our sincere gratitude to you, our Unitholders, for your unwavering support and trust in our strategy and management. We look forward to your ongoing support and active participation at IREIT's upcoming Annual General Meeting (AGM) on 19 April 2018.

To our Board of Directors, we deeply appreciate your wise counsel and valued contributions throughout the year. Finally, we would like to thank our employees and management for their dedication and hard work in delivering these results.

主席与总裁

至单位持有者之信函

尊敬的单位持有者，

谨代表 IREIT Global Group Pte. Ltd. (IREIT 房地产信托基金经理) 董事会，我们很高兴为大家呈现截至 2017 年 12 月 31 日 (2017 财年) IREIT Global (IREIT) 的年度报告。

本年度回顾

尽管政治不稳定，但是 2017 年对于欧洲大部分地区的经济增长仍是非常有利的一年。受内需拉动、失业率下降和消费者信心提高的影响，欧元区的国内生产总值 (GDP) 由 2016 年的 1.8% 上升至 2.3%[1]。

与此同时，和前年 1.9% 的经济增长率相比之下，德国的经济在 2017 年取得较高的增长，经济增长率为 2.2%[2]。这一稳健的增长要归功于有利的商业环境、不断提升的国内消费以及较高的就业率的综合作用。这有助于促进德国办公楼市场的投资与出租需求。

IREIT 所投资的物业均位于德国，而且在租赁方面持续保持着良好的发展态势。2017 年 9 月，位于康科园 (Concor Park) 的其中一个主要租户已在租赁期满前一年行使了其租赁延期权，将其租约再延长三年。有了此租赁延期，我们很欣慰地向各位宣布，在 2018 年里将不会出现租约到期的情况，为我们在本年度保持稳定且可预测的现金流量奠定了坚实的基础。

2017 年财务摘要

由于其投资的物业方面拥有稳定租金收益，IREIT 在 2017 财年将继续保持着稳定的财务表现。自 2016 年 12 月起，基于消费者物价指数挂钩的租金收入增长了 10%，从而促进了波恩园区 (Bonn Campus) 收益的增长。本年度物业净收入为 3,150 万欧元，比 2016 财年增长了 2.2%，而可分配收入也增长了 1.7%，达到 2,600 万欧元。我们很高兴地宣布，根据我们的分配政策预留 10% 的可分配收入之后，单位持有者可获得的每单位派息额 (DPU) 为 5.77 新分。基于 2017 年 12 月 29 日为 2017 年的最后一个交易日，IREIT 的收盘价为 0.775 新元，相当于 7.4% 的可派发股息率。

IREIT 的财务状况仍保持良好，资产净值 (NAV) 为每单位 0.43 欧元，同比略有增长。截至 2017 年 12 月 31 日，根据仲量联行有限公司 (Jones Lang LaSalle Limited) 的独立评估，IREIT 的资产组合估价为 4.631 亿欧元。该估价比一年前的估价高出了 1,010 万欧元，并反映出 IREIT 所拥有的长期稳定的蓝筹公司租户以及强劲的德国房地产市场。我们在 2017 年初对德国北方银行有限公司 (HSH Nordbank AG) 的 2,360 万欧元的定期贷款机制进行调整，之后，在 2017 年 8 月，我们开始偿还首期的季度性分期贷款 (共四期，每期为 127.5 万欧元)。通过贷款分期偿还逐步减少借贷，这将提高 IREIT 资产的贷款价值比，同时进一步强化资产负债表。最近，我们还与银行签订协议，将剩余的 1,850 万欧元本金再延期两年。延期后，我们在 2018 年里将无到期该偿还的债务。

创造有韧性的未来

作为我们积极努力发展有韧性且可持续资产组合的一部分，我们将继续提升现有资产，同时通过在欧州各地投资能产生收益的优质资产来优化我们的长期收益。在房地产信托经理和 Tikehau Capital 的圆满整合之下，房地产信托经理的长期目标和计划已经制定完成。展望未来，我们计划实施以四大支柱为前提的战略，即寻求多样化、采用长期方案、实现规模化及运用 Tikehau Capital 在欧洲的当地业务优势，以便为打造有韧性的未来做好准备。与此同时，我们对于单位持有者在 2017 年 4 月支持我们扩大投资领域，使投资范围从能产生收益的房地产办公楼板块扩至零售及工业 (包括物流)，使我们备受鼓舞。

1 欧盟统计局，2018
2 德国联邦统计局，2018

就 IREIT 的外汇风险而言，针对 2018 财年可分配给单位持有者的股息，我们已进一步着手采取对冲措施。从 2019 财年起，根据货币对冲政策，我们将提前一年对即将从海外汇回新加坡的收益以季度为基础进行对冲。

2018 年市场展望

鉴于 Tikehau Capital 的良好记录、强大的管理团队和雄厚的财力资源支持其发展，我们对其管理下的 IREIT 前景持乐观态度。Tikehau Capital 的目标是将管理总资产 (AUM) 从 2017 年年底的 138 亿欧元增加到 2020 年的 200 亿欧元。我们也相信，Tikehau Capital 以往的经验将有助于加强 IREIT 在欧洲的地位。

由于欧洲多个城市的经济持续增长、就业强劲以及办公楼发展相对趋缓，预计 2018 年欧洲商业房地产需求将保持良好势头。这将进一步降低房产闲置率以及保持办公楼板块的持续投资活动，为一年的租金增长统奠定了基础。

预计 2018 年德国仍将继续成为办公楼房地产投资的首选目标地之一，这得益于其国家的稳定与安全、稳定的承租占用需求和不断上涨的租金。虽然欧洲中央银行所实施的量化宽松政策从 2018 年开始缩减，但是我们相信，在德国坚实的经济基础和对德国办公楼房地产的超额需求下，利率上升的环境影响应相对保持良好。鉴于此乐观前景，我们有希望找到优质房地产，以便实现所期望的资产组合多元化和收入的持续增长。

由衷致谢

我们希望借此机会对我们信赖的租户、商业合作伙伴和服务提供商表示感谢，感谢他们对 IREIT 持续的支持与信任。我们还希望向您 —— 我们的单位持有者表示诚挚的感谢，感谢您对我们的战略和管理给予坚定的支持与信任。我们期待您在即将于 2018 年 4 月 19 日召开的 IREIT 年度大会 (AGM) 上继续给予我们支持并积极参与。

我们也衷心感谢董事会在 2017 年所给予的英明建议与宝贵贡献。最后，我们还要感谢我们的员工和管理层，感谢他们为实现这些成果所付出的奉献和不懈努力。

林国鸣先生
主席

Aymeric Thibord 先生
总裁

DIVERSIFICATION

We plan to extend our reach across the spectrum of European countries and asset classes, as well as broaden our tenant base across various industries to strengthen our portfolio against the cyclical vagaries of any sector or country.

The broadening of our investment mandate allows us to look at acquisition opportunities across different sectors, placing us one step closer towards achieving our desired diversification.

NET PROPERTY INCOME

€31.5m

BOARD OF DIRECTORS

1 MR LIM KOK MIN, JOHN

Chairman and Independent Non-Executive Director

Date of First Appointment as Director
14 July 2014

Length of Service as Director (as at 31 December 2017)
3 years and 5 months

Mr Lim has more than 45 years of senior corporate experience in both the private and public sectors, and has worked in various countries in Southeast Asia, holding board appointments in these countries and in Australia and New Zealand. He has been the Chief Executive Officer of Cold Storage Holdings, President and Executive Deputy Chairman of LMA International NV, and Group Managing Director of Pan-United Corporation Ltd and JC-MPH Ltd.

Mr Lim is currently the Non-Executive Chairman of Boustead Projects Limited and an Independent Non-Executive Director of Silverlake Axis Limited, as well as a director of several private companies in education and corporate services. He also serves as an Adviser to a European private equity fund.

He is the Immediate Past Chairman of the Singapore Institute of Directors and Gas Supply Pte Ltd. He is a former Chairman of Senoko Power Ltd and the Building & Construction Authority, and a former Deputy Chairman of NTUC FairPrice Cooperative, the Agri-Food & Veterinary Authority and the Singapore Institute of Management. He is also a former member of the Securities Industry Council and a former Chairman of the OECD-Asia Network on Corporate Governance of State-Owned Enterprises.

Mr Lim was awarded the Public Service Medal by the President of Singapore in 2006.

Academic & Professional Qualifications
- Bachelor of Economics (Honours), University of Malaya
- Honorary Fellow of the Singapore Institute of Directors

Membership of Board Committee
- Member of Audit and Risk Committee

Present Directorships and Chairmanship in Other Listed Companies
- Boustead Projects Limited
- Silverlake Axis Limited

Present Principal Commitments
(other than directorships in other listed companies)
- In.Corp Global Pte Ltd. (Non-Executive Chairman)

Past Directorships and Chairmanship in Other Listed Companies held over the preceding three years
- Boustead Singapore Limited

2 MR TAN WEE PENG, KELVIN

Independent Non-Executive Director
and Chairman of the Audit and Risk Committee

Date of First Appointment as Director
14 July 2014

Length of Service as Director (as at 31 December 2017)
3 years and 5 months

Mr Tan has more than 30 years of professional experience in the private and public sector. He has held senior management positions, serving as President of AETOS Security Management Pte Ltd from 2004 to 2008 and as Global Head of Business Development at PSA International from 2003 to 2004. From 1996 to 2003, he was with Temasek Holdings Pte. Ltd, where his last held position was as Managing Director of its Private Equity Funds Investment Unit. He also sits on the boards of Sabana Real Estate Investment Management, Transcorp Holdings Limited, Unusual Limited, and Viking Offshore and Marine Limited, which are listed on the Singapore Exchange Trading Limited (SGX-ST).

Academic & Professional Qualifications
- Bachelor of Accountancy (First Class Honours), National University of Singapore
- Master of Business Administration, National University of Singapore
- Programme for Management Development, Harvard Business School
- Member, Singapore Institute of Directors
- Member, Institute of Management Consultants (Singapore)
- Fellow of the Institute of Singapore Chartered Accountants

Membership of Board Committee
- Chairman of the Audit and Risk Committee

Present Directorships and Chairmanship in Other Listed Companies
- Unusual Ltd
- Transcorp Holdings Limited
- Viking Offshore and Marine Limited

Present Principal Commitments
(other than directorships in other listed companies)
- Aperio Technology Pte. Ltd. (Director)
- Golden Equator Capital Pte. Ltd. (Director)
- Sabana Real Estate Investment Management Pte. Ltd. (Director)
- Adjunct Associate Professor, NUS Business School

Past Directorships and Chairmanship in Other Listed Companies held over the preceding three years
- WE Holdings Ltd
- Shanghai Turbo Enterprises

3 MR NIR ELLENBOGEN

Independent Non-Executive Director

Date of First Appointment as Director
5 December 2013

Length of Service as Director (as at 31 December 2017)
5 years

Mr Ellenbogen has more than 20 years of leadership and experience in the fields of medical technology and IT systems & software. He is the Managing Director of Eye-Lens Pte. Ltd., a multidisciplinary medical devices distributor, and the Chief Executive Officer of CeePro Pte. Ltd., a medical devices manufacturer. He is also the Managing Director of Focalpoint Asia, a sole proprietorship that provides medical consultancy services.

From 2000 to 2009, Mr Ellenbogen held senior management positions and directorships at NeuroVision, a medical devices manufacturer specialising in a visual improvement programme. While there, he served as Vice-President of R&D and Chief Operating Officer, and his last held positions were as Chief Executive Officer and Director.

Academic & Professional Qualifications
- Bachelor of Science, The Technion – Israel Institute of Technology
- Master of Business Administration, Tel Aviv University

Membership of Board Committee
- Member of Audit and Risk Committee

Present Directorships and Chairmanship in Other Listed Companies
- Nil

Present Principal Commitments (other than directorships in other listed companies)
- Eye-Lens Pte. Ltd. (Director)
- Shinagawa Eye Centre Pte. Ltd. (Director)

Past Directorships and Chairmanship in Other Listed Companies held over the preceding three years
- Nil

4 MR BRUNO DE PAMPELONNE

Non-Executive Director

Date of First Appointment as Director
11 November 2016

Length of Service as Director (as at 31 December 2017)
1 year 1 month

Mr de Pampelonne has 32 years of experience in various segments of the financial markets, from debt and real estate to equity, and from banking to asset management. He is currently a Senior Partner at Tikehau Capital and Chairman of Tikehau Investment Management SAS.

He started his career at Crédit Lyonnais in 1983 in the United States. In 1985, he joined Goldman Sachs International Corp in London, where he became an Executive Director at its proprietary European trading desk. In 1990, he joined Credit Suisse First Boston as Managing Director to establish its Paris operations and was in charge of equity and debt sales and trading. In April 1993, he joined Merrill Lynch France as Managing Director and was appointed as the Country Head for France from 2003 to 2006.

Currently the Chairman of the Board of Governors of EDHEC Business School, he also serves on the International Advisory Board of the EDHEC Risk Institute.

Academic & Professional Qualifications
Master of Finance, EDHEC Business School

Membership of Board Committee
- Nil

Present Directorships and Chairmanship in Other Listed Companies
- Nil

Present Principal Commitments (other than directorships in other listed companies)
Tikehau Investment Management SAS (Director)

Past Directorships and Chairmanship in Other Listed Companies held over the preceding three years
- Nil

5 MR TONG JINQUAN

Non-Executive Director

Date of First Appointment as Director
14 July 2014

Length of Service as Director (as at 31 December 2017)
3 years and 5 months

Mr Tong has more than 20 years of experience in property investment, development and management in the People's Republic of China. He is the founder and Chairman of the Summit Group, which he established in 1994 and whose growth he has been responsible for overseeing.

His experience with the Summit Group encompasses industrial, commercial and residential investments, investment management, trading, property development, hotel management, property management, business consultancy, convention and exhibition services, goods export and technology import, software services and maintenance of office equipment.

The Summit Group holds and operates commercial properties in Shanghai, Shenyang and Chengdu. Its portfolio includes hotels, serviced apartments, office buildings and a shopping mall.

Mr Tong also holds an indirect interest in the manager of Viva Industrial Real Estate Investment Trust and the trustee-manager of Viva Industrial Business Trust, which are responsible for managing Viva Industrial Trust, a stapled group that was listed on the SGX-ST in November 2013.

Membership of Board Committee
- Nil

Present Directorships and Chairmanship in Other Listed Companies
- New Century Asset Management Limited

Present Principal Commitments
(other than directorships in other listed companies)
- Summit Group (Chairman)
- Viva Industrial Trust Management Pte. Ltd. (Director)

Past Directorships and Chairmanship in Other Listed Companies held over the preceding three years
- Nil

6 MR HO TOON BAH

Non-Executive Director

Date of First Appointment as Director
17 February 2015

Length of Service as Director (as at 31 December 2017)
2 year and 10 months

Mr Ho has more than 20 years of experience in the banking and real estate industry. He is currently an Executive Director of Soilbuild Construction Group Ltd, a general construction group with three decades of operating history. He supports the strategic growth of its operations, and drives the development and execution of its business strategies. His areas of responsibilities include capital management, human resources and investor relations. He is also a Non-Executive Director of Soilbuild REIT Management Pte. Ltd., as Manager of Soilbuild Business Space REIT. From 2009 to 2013, he served as an Executive Director of Soilbuild Group Holdings Ltd.

Before joining the Soilbuild Group, he held various senior management roles at Standard Chartered Bank and United Overseas Bank. His last held appointment was as Head of Consumer Banking at Standard Chartered Bank in Malaysia.

Academic & Professional Qualifications
- Chartered Financial Analyst (CFA) Charterholder
- Bachelor of Business Administration, National University of Singapore

Membership of Board Committee
- Nil

Present Directorships in Other Listed Companies
- Soilbuild Construction Group Ltd.

Present Principal Commitments
(other than directorships in other listed companies)
- Soilbuild REIT Management Pte. Ltd. (Director)

Past Directorships and Chairmanship in Other Listed Companies held over the preceding three years
- Europtronic Group Ltd

MANAGEMENT TEAM

MR AYMERIC THIBORD

Chief Executive Officer

As Chief Executive Officer, Mr Thibord is responsible for planning and implementing IREIT's investment strategy, the overall day-to-day management and operations of IREIT, as well as working with the Manager's investment, asset management, financial, legal and compliance personnel in meeting IREIT's strategic investment and operational objectives.

Mr Thibord brings 19 years of experience, having worked for several major real estate investors. Most recently, he served as a Senior Director at US financial institution TIAA-CREF. He joined its newly established London branch in 2010, where he oversaw real estate investments in Continental Europe with a focus on France and Germany. He became director of fund management in 2014 when the dedicated real estate management subsidiary TH Real Estate was formed.

He started his career in 1998 at Archon Group France (Goldman Sachs' wholly-owned real estate asset management platform) to become acquisitions deal leader. From 2003, he spent seven years at Société Générale Asset Management, as a founding member of its real estate arm and serving as a director of acquisitions responsible for the development of the business.

Academic & Professional Qualifications

- Bachelor of Economics (Honours), University of Rennes
- Master of Finance (Honours), University of Montpellier

MR CHOO BOON POH

Chief Financial Officer

As Chief Financial Officer, Mr Choo is responsible for applying the appropriate capital management strategy (including tax, treasury, finance and accounting matters), as well as overseeing the implementation of IREIT's short and medium-term business plans, fund management activities, financial condition and investor relations.

Mr Choo has more than 17 years of experience in audit, banking and corporate finance-related work. From 1998 to 2009, he was with BNP Paribas Capital (Singapore) Ltd., where he served in various roles. His last position held there was as Director of Corporate Finance for Southeast Asia. In his role as a senior member of the corporate finance origination and execution team covering Southeast Asia, he successfully completed numerous domestic and cross-border mergers and acquisitions. Focusing mainly on the real estate sector and REIT transactions, he and his team successfully launched several initial public offerings of REITs in Singapore.

From 1994 to 1998, he was a supervisor with Price Waterhouse (now known as PricewaterhouseCoopers) in Singapore, where he led the financial audits of several high-profile corporations and public listed companies. At PricewaterhouseCoopers, he was also involved in transactions services including operational audits, due diligence reviews and special assignments for various corporates.

Academic & Professional Qualifications

- Bachelor of Accountancy (First Class Honours), Nanyang Technological University
- Chartered Accountant of Singapore
- Chartered Financial Analyst (CFA) Charterholder

LONG-TERM APPROACH

While our eyes are set on growing IREIT's portfolio, we look beyond short-term returns and maintain a prudent approach on investments, seeking assets that enhance the quality of our portfolio and anchor its position as a landlord with strong blue-chip tenant base.

We always engage our tenants, business partners and other stakeholders actively and form lasting relationships with them, enabling us to deliver predictable and sustainable returns to our Unitholders.

DISTRIBUTABLE INCOME

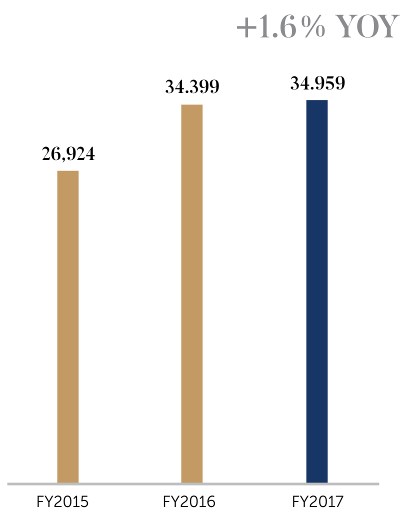
€26.0m

FINANCIAL REVIEW AND CAPITAL MANAGEMENT

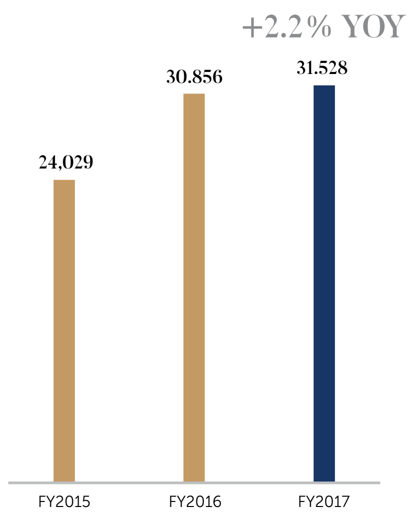
Key Financial Figures

	Actual FY2017 (EUR'000)	Actual FY2016 (EUR'000)	Change %
Gross Revenue	34,959	34,399	1.6
Property Operating Expenses	(3,431)	(3,543)	(3.2)
Net Property Income ("NPI")	31,528	30,856	2.2
Distributable Income	25,976	25,550	1.7
Income Distributed	23,378	25,550	(8.5)
Distribution per Unit ("DPU")			
In EUR cents	3.72	4.14	(10.1)
In S$ cents	5.77	6.33	(8.8)

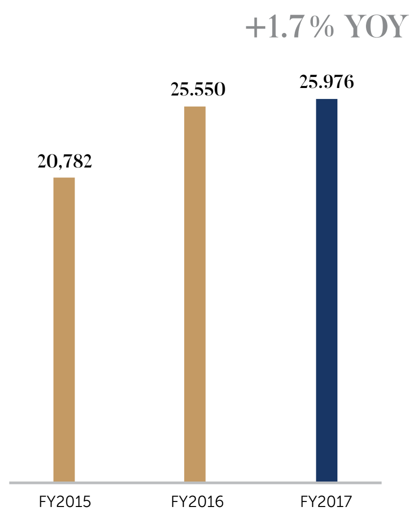
GROSS REVENUE
(EUR'000)



NET PROPERTY INCOME
(EUR'000)



DISTRIBUTABLE INCOME
(EUR'000)



Gross Revenue

Gross revenue was 1.6% higher at €35.0 million for FY2017 compared to FY2016. This was due mainly to higher contribution from Bonn Campus as a result of a 10% CPI-linked increase in rental income from December 2016, partially offset by lower rental income from Münster South Building as a result of the vacant floor with effect from April 2017.

NPI

As a result, NPI increased by 2.2% to €31.5 million for FY2017, also mainly driven by the higher contribution from Bonn Campus as described above.

Distributable Income And Distribution Per Unit

Distributable income of €26.0 million for FY2017 was 1.7% higher than that in FY2016.

IREIT distributed approximately 90% of its distributable income for FY2017 and 100% of its distributable income for FY2016. This accounted mainly for FY2017 DPU of 3.72 € cents being 10.1% lower as compared to FY2016 DPU of 4.14 € cents. In S$ terms, FY2017 DPU of 5.77 S$ cents was 8.8% lower as compared to FY2016 DPU of 6.33 S$ cents. The details of the distributions for FY2017 are as follows:

Period	Payment Date	Income Distributed (EUR'000)	DPU (EUR cents)	DPU (S$ cents)
1 January 2017 to 30 June 2017	15 September 2017	11,651	1.86	2.89
1 July 2017 to 31 December 2017	15 March 2018	11,727	1.86	2.88
Total FY2017		23,378	3.72	5.77

Total Operating Expenses

The total operating expenses of IREIT including all fees and charges paid to the Manager and interested parties for FY2017, amounted to €7,311,000 (FY2016: €8,365,000), representing 2.72% of the net assets attributable to Unitholders as at 31 December 2017 (FY2016: 3.22%). IREIT incurred €195,000 of income tax on the real estate assets for FY2017 (FY2016: €215,000).

For the year ended 31 December 2017, the total fees paid to the property managers were €544,000 (FY2016: €389,000)

Valuation Of Assets

As at 31 December 2017, IREIT's properties were valued at €463.1 million.

	Valuation (EUR'000) (as at 31 December 2017)[1]	Valuation (EUR'000) (as at 31 December 2016)[1]
Berlin Campus	164,400	158,600
Bonn Campus	101,700	100,500
Darmstadt Campus	82,900	82,200
Münster Campus	47,800	47,900
Concor Park	66,300	63,800
Total	463,100	453,000

1 The valuations were conducted by Jones Lang LaSalle Limited.

Net Assets Attributable To Unitholders

	As at 31 December 2017 (EUR'000)	As at 31 December 2016 (EUR'000)	Change %
Total Assets	486,755	477,580	1.9
Total Liabilities	218,064	217,705	0.2
Net Assets Attributable to Unitholders	268,691	259,875	3.4
NAV per Unit (€)	0.43	0.42	2.4

Total assets increased by 1.9% to €486.8 million as at 31 December 2017 as compared to €477.6 million as at 31 December 2016. The change was largely due to the increase in the value of investment properties.

Correspondingly, net assets attributable to Unitholders increased by 3.4% to €268.7 million as at 31 December 2017 as compared to a year ago, translating to a marginally higher net asset value ("NAV") per Unit of 0.43 € cents as at 31 December 2017 (0.42 € cents as at 31 December 2016).

Prudent Capital And Risk Management

The Manager continues to adopt a proactive strategy to manage IREIT's capital structure and takes a disciplined approach in addressing funding requirements and managing refinancing and interest rate risks.

The breakdown of IREIT's bank borrowings as at 31 December 2017 was as follows:

Debt Maturity Profile

% of Total Borrowings	Amount (EUR'000)	Maturity
10.7	21,075	July 2018[1]
49.3	96,594	August 2019
40.0	78,375	August 2020
100.0	196,044	

During FY2017, the wholly owned-subsidiaries of IREIT, which are the borrowers of the €23.63 million loan ("Short Term Facility") due for repayment in August 2017, entered into an amendment agreement with the lending bank to extend the maturity date of the loan to July 2018 (the "First Extension"). Pursuant to the First Extension, two quarterly principal repayments of €1.275 million each were made during the year (the "FY2017 Amortisations"), reducing the outstanding principal of the Short Term Facility to €21.07 million as at 31 December 2017. Two further quarterly principal repayments of €1.275 million each are scheduled to be made in FY2018 (the "FY2018 amortisations").

As at 31 December 2017, IREIT's total gross borrowings stood at €196.0 million, lower than the €198.6 million a year ago, due to the FY2017 Amortisations. Coupled with the increase in the value of its investment properties, the aggregate leverage improved from 41.6% as at 31 December 2016 to 40.3% as at 31 December 2017.

1 Subsequent to 31 December 2017, the maturity of the Short Term Facility was further extended to August 2020 without amortisation (the "Second Extension"). Pursuant to the Second Extension, the remaining outstanding principal of €18.52 million, after the scheduled FY2018 Amortisations, will be extended to August 2020 without amortisation. Had the effects of the Second Extension been taken into consideration, the weighted average term to maturity of IREIT's total gross borrowings of 1.9 years as at 31 December 2017 would improve to 2.1 years.

As at 31 December 2017, approximately 89.2% of the gross borrowings are at fixed interest rates. For FY2017, IREIT Global achieved a healthy interest coverage ratio of 8.5 times (FY2016: 8.4 times) and an average all-in cost of debt of 2.0% per annum (FY2016: 2.0% per annum). All borrowings are secured and denominated in Euro.

Key Financial Indicators

	As at 31 December 2017	As at 31 December 2016
Total Borrowings Outstanding (€'million)	196.0	198.6
% of Borrowings at Fixed Rates	89.2%	88.0%
Aggregate Leverage[1]	40.3%	41.6%
Interest Coverage Ratio[2]	8.5 times	8.4 times
Weighted Average Term to Maturity	1.9 years[4]	2.8 years
Weighted Average All-In Cost (per Annum)[3]	2.0%	2.0%

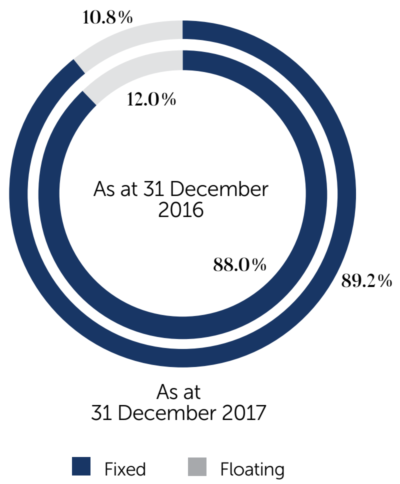
1 Based on total dept over deposited properties as at the year end.

2 Based on annual net property income over annual interest expense for the year ended 31 December.

3 Effective interest rate computed over the tenure of the borrowings.

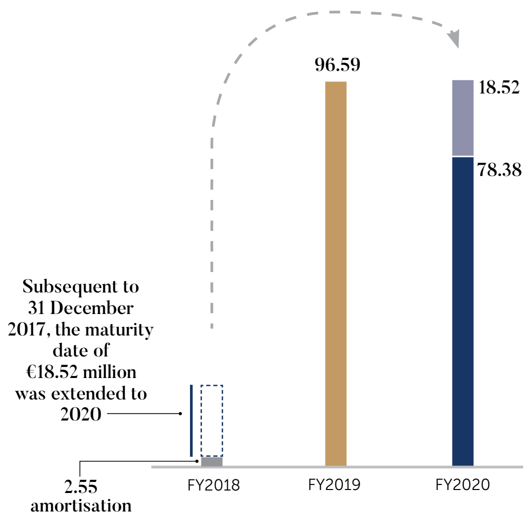
4 On a pro forma basis, assuming that the Second Extension had been effected on 31 December 2017, the weighted average term to maturity of debt would be 2.1 years.

DEBT COMPOSITION - FLOATING VERSUS FIXED INTEREST RATE



DEBT MATURITY PROFILE

(as at 31 December 2017)
EUR'million



FINANCIAL REVIEW AND CAPITAL MANAGEMENT

The Manager continues to actively manage the foreign exchange exposure for IREIT by adopting strategic hedging policies to optimise risk-adjusted returns to Unitholders, including the following initiatives:

- Use of Euro-denominated borrowings acts as a natural hedge to match the currency of assets and cashflows at the property level; and

- Use of forward foreign currency exchange contracts to hedge the currency risk for distribution to Unitholders. In this regard, IREIT has already undertaken hedging for its FY2018 distributions at an average hedge rate of approximately S$1.63 per € for an amount equivalent to approximately 80% of the income distributed for FY2017. From FY2019, in accordance with its currency hedging policy, IREIT will be hedging approximately 80% of the expected Euro-denominated income to be repatriated from overseas to Singapore on a quarterly basis, one year in advance.

The fair values of the forward foreign currency exchange contracts outstanding as at the end of FY2017 and FY2016 in absolute quantum and as a percentage of net assets attributable to Unitholders, are shown in the table below.

Key Hedging Indicators

	As at 31 December 2017	As at 31 December 2016
Fair Values of Forward Foreign Currency Exchange Contracts in EUR'000	(136)	169
Fair Values of Forward Foreign Currency Exchange Contracts as a Percentage of Total Fund Size[1]	0.03	0.04

1 Total fund size refers to the total assets.

Use Of Proceeds

For FY2017, the use of the remaining balances of the IPO and Rights Issue[1] proceeds is set out below:

	IPO Proceeds (EUR'000)	Right Issue Proceeds (EUR'000)
Balance of Proceeds at 1 January 2017	1,814	2,859
Amount Utilised:		
Capital Expenditure on Investment Properties	(216)	(97)
Repayment of Bank Borrowings[2]	–	(2,550)
Remaining Balance at 31 December 2017	1,598	212

1 Rights issue completed in August 2015 to part finance the acquisition of Berlin Campus.
2 As explained in the announcement titled "Extension of Loan Maturity" dated 13 March 2017.

PAN-EUROPEAN MARKET REVIEW

Economic Review[1]

The European Union (EU), excluding United Kingdom, saw its economic growth accelerate from 1.8% in 2016 to 2.4% in 2017. Contributing to the positive economic activity was a combination of falling unemployment, rising confidence and improving domestic consumption. Among the European countries, Spain, the Netherlands and most countries in Central Europe led the recovery in terms of GDP growth. However, equally noteworthy are the continued strong growth momentum in Germany and the Macron-inspired economic recovery in France. The political upheaval over possible far right election wins in the Netherlands, France and Germany were also unfounded.

As Europe's largest economy, Germany was a key contributor to the burgeoning economic activity, benefiting from a GDP growth of 2.2% in 2017 versus 1.9%[2] in 2016. In 2018, CBRE believes that the German economy may even accelerate to 2.4%, supported by a strong labour market. In the fourth quarter of 2017, the number of persons in employment whose place of employment was in Germany amounted to roughly 44.7 million according to provisional calculations of the Federal Statistical Office. Compared with a year earlier, the number of persons in employment rose by 1.5%[2], which was also related to the good economic situation.

Pan-European Main Office Market Overview[3]

The 2017 take-up in office leasing space of over 10 million sqm (a volume increase of 14% from 2016) in the main European markets was the best performance in the last 10 years, according to BNP Paribas Real Estate Research. Amid the strong letting demand, the average vacancy rate in the main European markets contracted by 80 basis points year-on-year to 7.1%, while the prime rents increased 5% on average over the last 12 months. The investment appetite for core properties in Europe's most liquid markets remained strong, particularly in the top German and French cities. This has resulted in further compression in property yields.

German Office Market Overview[1]

The office sector in Germany is one of the main beneficiaries of the strong macroeconomic environment. Climbing prime rents, decreasing vacancies and steady demand for office space from rising employment have enhanced the attraction of the office asset class, leading to a boost in the German commercial investment market.

In 2017, the office property market achieved a transaction volume of over €28 billion, an increase of 13% year-on-year from €24.8 billion in 2016, representing an all-time high record since records began. This overshadowed the other asset classes as it accounted for almost half of the entire German commercial investment volume of €57.4 billion for the year, being the second-best result since 2007.

With the investment appetite for core property remaining strong, the average net initial yield for office properties in the CBDs of the top seven cities compressed by seven basis points quarter-on-quarter to 3.28% in 4Q 2017. Prime yields have reached 3.0% in Munich, 3.1% for both Berlin and Hamburg and 3.2% in Frankfurt, all of which contributed to the 50 basis-point decline in average prime yield over the year 2017.

Given the steady demand for office space in the key German cities and the lack of product availability, investors' interest has turned towards alternative locations and strategies, seeking office assets in the city fringe and periphery or real estate with growth potential. The interest of investors in such assets has resulted in an increase of 53% in investment volume in major secondary submarkets.

Leasing Activity in Selected Markets[1]

In 2017, the take-up in office space within the top five locations in Germany reached an all-time high of over 3.6 million sqm, representing a 14% increase year-on-year. Correspondingly, the vacancy rates fell throughout the top locations during the year, with Berlin, Frankfurt and Düsseldorf experiencing the sharpest declines of 180, 160 and 130 basis points year-on-year, respectively. As a result, the average prime rents in top locations continued to face upward pressure.

Berlin[1]

The 2017 take-up in Berlin's office space of 925,500 sqm was 4% higher than that achieved in 2016. Compared to the top locations, the take-up in Berlin was the second highest after Munich. Notably, 41% of the take-up was attributable to major digital players along with the technology, media and telecommunications (TMT) industry players. Both of these players have maintained a strong interest in renting available space in Berlin. By the end of 2017, the vacancy rate in Berlin have fallen to 3.1%, matching Munich's vacancy level.

The tight supply situation has resulted in the weighted average rent to climb to €19.31/sqm per month, translating to the sharpest increase in rent for Germany's top locations. By the end of 2017, the prime rent for first-rate space in top locations to the east of the city stood at €30/sqm per month, a 9% increase from that registered at the end of 2016.

Munich[1]

With a 24% boost in the take-up of office space from 2016, Munich achieved a total of 982,600 sqm in office take-up, the highest level since 2001. In terms of sectoral comparison, the industrial and construction companies dominated the market with a 29% of the annual take-up. This is followed closely by the TMT sector, making up 25% of the total take-up for the year.

The vacancy in Munich dropped steadily in 2017 and reached 3.1% by the year-end, its lowest level in the last 15 years. According to CBRE Research, the office stock within the city border is virtually fully let.

The prime rent reached €36.50/sqm per month, up 4% year-on-year, on the back of tight supply situation and steady demand for premium office space in Munich's top locations next to the city centre. Similarly, the average rent across the entire Munich office market rose by nearly 9% and settled at €17.32/sqm per month.

Frankfurt[1]

The 2017 office take-up in Frankfurt totalled 716,600 sqm, delivering the best results since 2000. As a financial hub, banks and financial institutions accounted for 113,200 sqm or 16% of the total annual take-up, followed by the public sector with 101,600 sqm or 14% of the take-up. The Central Business District (CBD), which includes Banking District, Frankfurt City and Westend, contributed 311,100 sqm or 43% of the entire take-up in Frankfurt.

Given the strong letting activity, the vacancy rate in Frankfurt declined 160 basis points to 9.5% by the end of 2017, representing the first time the vacancy level has fallen below the 10% mark since 2003.

As Germany's financial capital, Frankfurt remained the most expensive rental market with the prime rent standing at €40.00/sqm per month at the end of 2017. Supported by high take-up in the CBD, the weighted average rent experienced a 12% year-on-year increase to reach €20.70/sqm per month.

Secondary Cities[4]

According to Jones Lang LaSalle's (JLL) 2017 market survey, the secondary cities of Bonn, Darmstadt and Münster enjoyed stable letting markets and retained their low single-digit vacancy rates during the year, supported by certain sectoral demand and strong local tenants.

Average rents in the secondary cities of Bonn, Darmstadt and Münster have remained stable in 2017. The broad range of rental rates for certain locations in these markets are a reflection of the diverse building ages and standards.

In Bonn, the office market comprises an inventory of approximately 3.8 million sqm. Demand for office space was mainly driven by the public sector, with Deutsche Post and Deutsche Telekom occupying a dominant market position. The Federal district is the largest submarket in Bonn, having close to 1.2 million sqm of lettable area in stock. Prime rent for modern office space is estimated at €19.50/sqm per month, while the average asking rent is at €12.90/sqm per month. The rental rates for similar quality properties in Bundesviertel, where the Deutsche Telekom property is located, range from €15.00-16.50/sqm per month.

The core sectors of the Darmstadt economy are the information technology, chemistry, pharmaceutical, mechanical engineering and cosmetics, making it the Science City of Germany (also known as "Wissenschaft Stadt"). Due to the economic importance and the large number of scientific facilities, Darmstadt has more than 1.72 million sqm of office space. Prime rent in the prime office locations in Darmstadt stood at €13.50/sqm per month. Based on JLL's leasing comparables in Europaviertel, the area where the Deutsche Telekom Darmstadt Campus is located, rental rates range from €11.00-12.50/sqm per month.

Münster's occupier market is relatively mixed as the tenants range from regional financial services institutions to locally-owned businesses. With an office market of approximately 2.2 million sqm, Münster serves as a regional hub. Prime rent in the city centre has remained at €14.00/sqm per month. Depending on the property quality, the location and the size of the rental area within the submarket Zentrum Nord, rents range from €9.50/sqm per month to €11.00/sqm per month for the office leases.

Investment Activity[1]

In 2017, the German commercial real estate market saw a 9% year-on-year increase in total transaction volume to reach €57.4 billion, the second best result since the boom year in 2007 (€57.5 billion). Given the persistent interest from international investors with large-scale portfolios and brisk investment activity from domestic investors, Germany remains one of the most attractive real estate markets in Europe. Office was once again the favourite asset class amongst investors as it accounted for €28.1 billion or almost half of the total investment volume.

It is also interesting to note that €13.9 billion were transacted by foreign investors out of the overall office investments. In addition, the top seven locations of Berlin, Düsseldorf, Frankfurt am Main, Hamburg, Cologne, Munich and Stuttgart made up almost 79% of the overall office transaction volume in Germany.

2017 also reflects a growing tendency for investors to seek alternative investments in secondary locations. This has led to a 13% year-on-year rise (an increase of €3.2 billion) in investment volume in such cities in 2017. The rise in German investment volume was also attributable to portfolio acquisitions, as reflected by the share of portfolio transactions amounting to 35% of the overall investment volume.

According to JLL, the secondary cities across Germany, including Bonn, Darmstadt and Münster, also witnessed a compression in yields in 2017. However, due to the diverse nature of the assets traded in Bonn, Darmstadt and Münster, the prime yields range from below 5% to 7% depending on the properties' ages and locations, as well as the quality of the lease covenants.[4]

Europe 2018 Outlook[1]

The European economy witnessed an economic upswing in 2017 on a positive note on the back of rising domestic demand, falling unemployment and benign inflation rate. While politics in Europe is likely to remain under focus in 2018, growth expectations for the next two years are expected to be favourable given the current healthy international economic landscape.

According to CBRE Research, Central European countries, Ireland, Spain and Sweden are projected to have the best five-year GDP growth potential from 2018-2022, whereas France and Germany are expected to experience stronger economic growth compared to their respective historical five-year averages.

PAN-EUROPEAN
MARKET REVIEW

Within the office sector, leasing activity is likely to remain positive in 2018 and lend support to rental growth and continued drop in vacancy levels. CBRE forecasts the European office leasing volume to grow by another 5% in 2018, after clocking around 3% in 2017.

German Office 2018 Outlook

Given the favourable macroeconomic fundamentals, rising employment figures and relatively low interest rate environment, CBRE anticipates brisk demand for German commercial property from both domestic and foreign investors. This is also helped by the notion that Germany is considered as one of the world's safest and most stable investment destinations. As such, the German commercial real estate market is likely to receive continued keen interest from international investors, particularly Asian investors.

In 2018, CBRE believes that the only constraint on the investment activity could be the shortage in supply in the prime and main office centres, given that there are only a few new large-scale building projects that are expected to be delivered in the year. This may lead to a spill-over effect within the secondary locations as they are the most likely investment alternatives. For 2018, the office property market is expected to attain at least €25 billion in transaction volume.

In view of the positive momentum in the German office market, an increase in prime rents is projected in 2018, with stronger growth likely to be experienced in Berlin, Frankfurt and Munich. The lack of available rental space and the low vacancy rates in the CBDs of Munich, Hamburg and Düsseldorf have precipitated the relocation of tenants to the city fringe submarkets. As a result, these submarkets may witness further increase in rental growth in 2018.

1 CBRE, 2018
2 Statistisches Bundesamt (Destatis), 2017
3 BNP Paribas, 2017
4 Jones Lang Lasalle, 2017

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INVESTOR RELATIONS

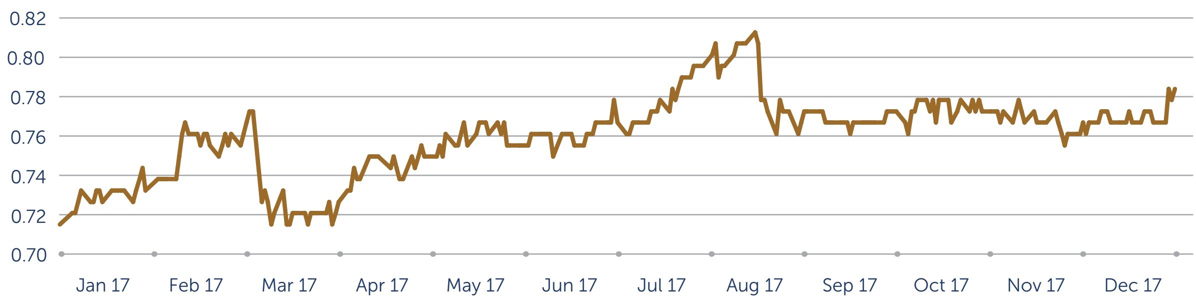
Financial Calendar

Financial Year Ended 31 December 2017	
11 May 2017	Announcement of first quarter results
10 August 2017	Announcement of second quarter results
15 September 2017	Payment of distributions for period from 1 January 2017 to 30 June 2017
9 November 2017	Announcement of third quarter results
14 February 2018	Announcement of fourth quarter results
15 March 2018	Payment of distributions for period from 1 July 2017 to 31 December 2017
19 April 2018	2018 Annual General Meeting
Financial Year Ended 31 December 2018[1]	
May 2018	Announcement of first quarter results
August 2018	Announcement of second quarter results
November 2018	Announcement of third quarter results
February 2019	Announcement of fourth quarter results

Trading Performance During the Financial Period[2]	FY2017	FY2016
Beginning opening price (S$)	0.715	0.695
Last closing price (S$)	0.775	0.715
Highest closing price (S$)	0.800	0.765
Lowest closing price (S$)	0.715	0.640
Trading volume (million units)	100.9	37.4
Average daily volume traded (million units)	0.4	0.1

Total Returns with Distributions Reinvested (%)[3]	
Since listing on 13 August 2014 to 31 December 2017	29.76%
1-year period from 1 January 2017 to 31 December 2017	17.44%
3-year period from 1 January 2015 to 31 December 2017	44.13%

Closing Unit Price Performance for Trading Period from 1 January 2017 to 31 December 2017[4]



Unitholders' Enquiries

If you have any enquiries or would like to find out more about IREIT Global, please contact:

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T: +65 6718 0590 | F: +65 6718 0599
Investor Relations Enquiries: ir@ireitglobal.com
Website: http://www.ireitglobal.com

1 Tentative dates that are subject to change.
2 For the trading period from 1 January to 31 December.
3 Total returns are computed based on the closing unit price on the last trading day of the preceding reporting period compared with the closing unit price on the last trading day of the current period. Distributions paid are assumed to be reinvested at the closing unit price on the day they were paid out.
4 ShareInvestor.com.

SCALE

Backed by a dedicated team with strong commitment to excellence, we aim to expand our footprint in Europe by building a critical mass in selected countries.

A greater scale will allow us to benefit from cost synergies, a stronger IREIT brand and better marketability, hence increasing the long-term attractiveness of our assets.

DISTRIBUTION PER UNIT

3.72 € cents

PORTFOLIO SUMMARY

Total Net Lettable Area
200,673 sqm

Total Number of Properties
5

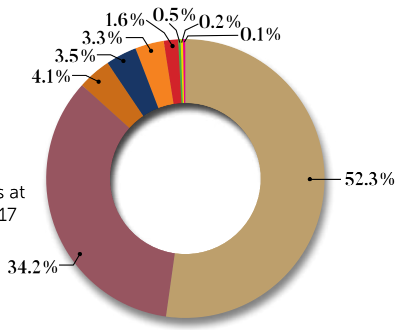
Portfolio Value
€463.1m

Number of Car Park Spaces
3,441

Number of Tenants
18

TOP 10 TENANTS

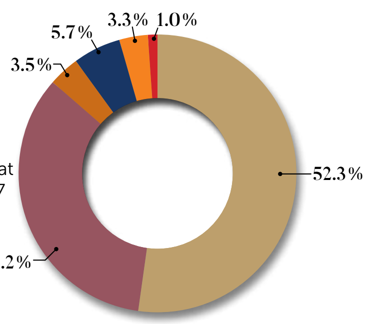
Based on Gross Rental Income as at 31 December 2017



Deutsche Telekom	52.3%	Yamaichi	1.6%
Deutsche Rentenversicherung Bund	34.2%	Mizuno	0.5%
ST Microelectronics	4.1%	Reiser	0.2%
Allianz Handwerker Services GmbH	3.5%	Kaiser	0.1%
Ebase	3.3%	Dywipox	0.0%

TRADE SECTOR

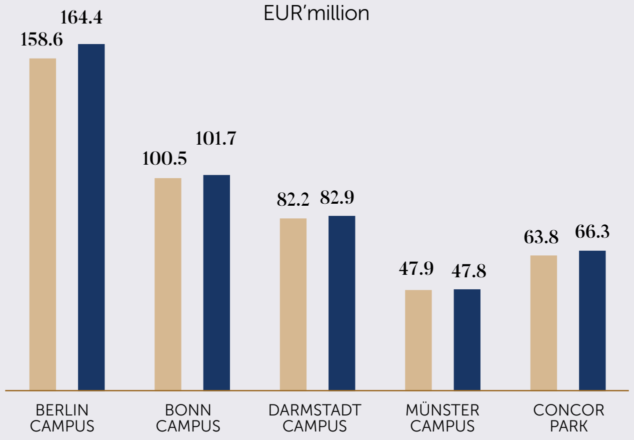
Based on Gross Rental Income as at 31 December 2017



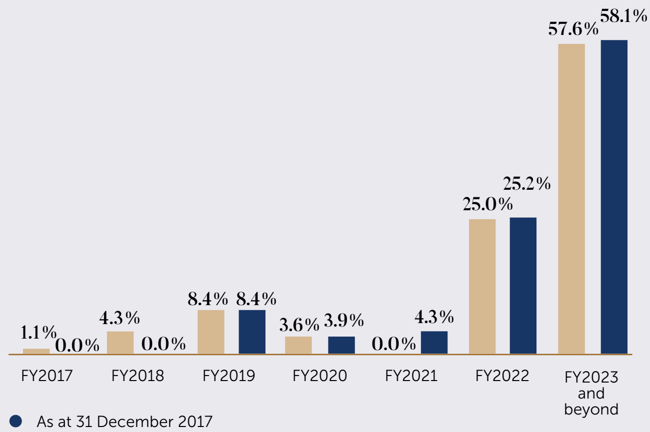
Telecommunications	52.3%
Government	34.2%
IT & Electronics	5.7%
Real Estate	3.5%
Banking & Finance	3.3%
Others	1.0%

ASSET VALUATION BY PROPERTY

EUR'million

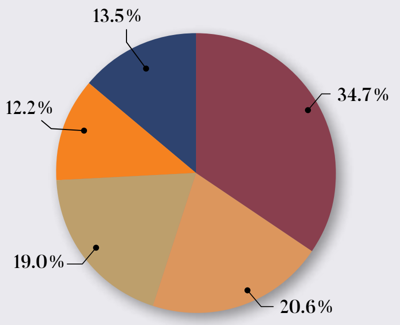


LEASE EXPIRY BY GROSS RENTAL INCOME

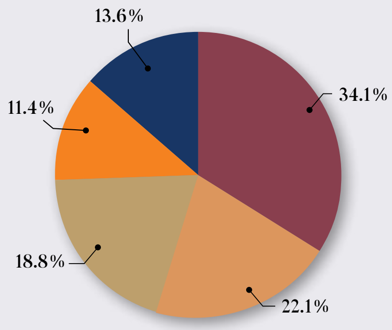


As at 31 December 2016 | As at 31 December 2017

GROSS RENTAL INCOME BY PROPERTY 2016



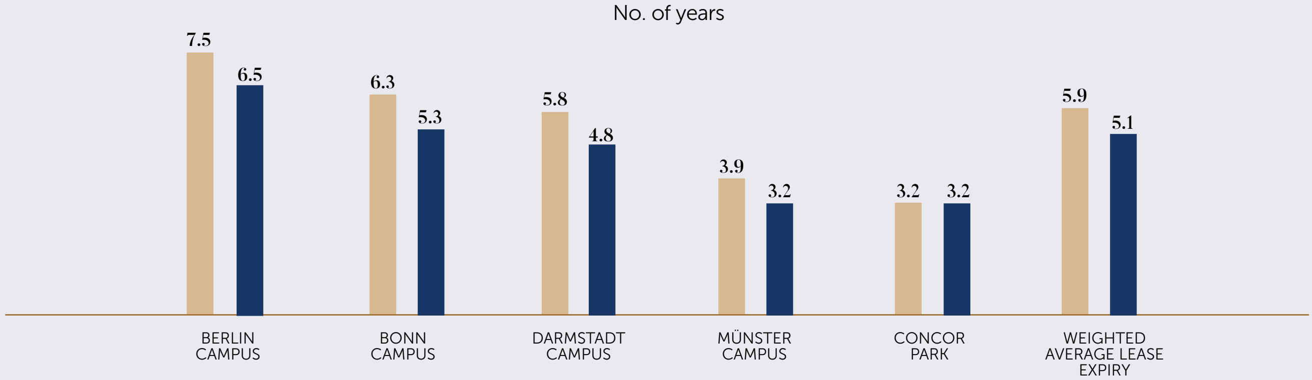
GROSS RENTAL INCOME BY PROPERTY 2017



Berlin Campus | Bonn Campus | Darmstadt Campus | Münster Campus | Concor Park

PORTFOLIO LEASE EXPIRY

No. of years



As at 31 December 2016 | As at 31 December 2017

For new and renewed leases which commenced in FY2017, the weighted average lease term to expiry based on the date of commencement of leases is 2.5 years. Such leases contributed approximately 4.90% towards the portfolio's committed monthly gross rental income as at 31 December 2017.

PORTFOLIO SUMMARY

	BERLIN CAMPUS	BONN CAMPUS	DARMSTADT CAMPUS	MÜNSTER CAMPUS	CONCOR PARK	TOTAL
Date of Building Completion	1994	2008	2007	2007	1978 and refurbished 2011	
Purchase Price (EUR'million)	144.2	99.5	74.1	50.9	58.6	**427.3**
Vendor	Immobilienfonds Deutschland 6 GmbH & Co. KG, managed by WealthCap	TC Bonn Objektgesellschaft mbH & Co. KG	TC Darmstadt Objektgesellschaft mbH & Co. KG	TC Münster Nord Objektgesellschaft mbH & Co. KG and TC Münster Süd	Münchner Grund Immobilien Bauträger AG	
Book Value / Valuation as at 31 Dec 2017 (EUR'million)	164.4	101.7	82.9	47.8	66.3	**463.1**
Book Value / Valuation as at 31 Dec 2016 (EUR'million)	158.6	100.5	82.2	47.9	63.8	**453.0**
Gross Rental Income for the year ended 31 Dec 2017 (EUR'million)	10.8	7.0	5.9	3.6	4.3	**31.6**
% of Total Gross Rental Income 2017	34.3%	22.2%	18.7%	11.4%	13.3%	**100.0%**
Gross Rental Income for the year ended 31 Dec 2016 (EUR'million)	10.8	6.4	5.9	3.8	4.2	**31.1**
% of Total Gross Rental Income 2016	18.4%	25.2%	23.6%	15.2%	17.6%	**100.0%**
Occupancy Rates as at 31 Dec 2017	99.2%	100.0%	100.0%	93.3	96.9	**98.3%**
Land Tenure	Freehold	Freehold	Freehold	Freehold	Freehold	
WALE (by gross rental income) as at 31 Dec 2017	6.5	5.3	4.8	3.2	3.2	**5.1**
Number of Tenants	5	1	1	1	12	**18**
Major Tenants	Deutsche Rentenversicherung Bund	GMG, a wholly-owned subsidiary of Deutsche Telekom	GMG, a wholly-owned subsidiary of Deutsche Telekom	GMG, a wholly-owned subsidiary of Deutsche Telekom	ST Microelectronics, Allianz, Ebase, Yamaichi	

PORTFOLIO OVERVIEW
BERLIN CAMPUS

As at 31 December 2017

Gross Rental Income for FY2017

€10.8m

Total Net
Lettable Area

79,097 sqm

Car Park Spaces

496

Occupancy Rate

99.2%

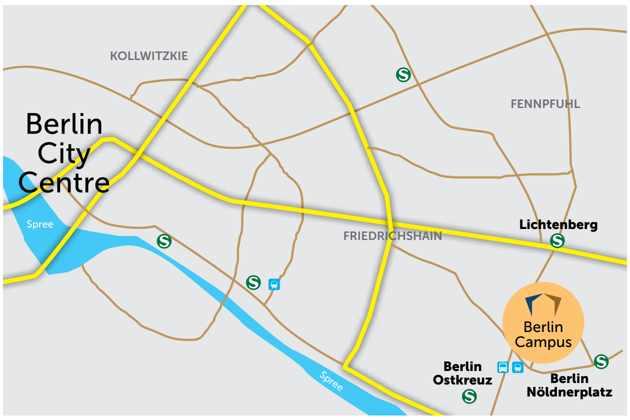
The campus is located in Schreiberhauer Straße in the Lichtenberg district, 6 km east of Berlin city centre.

Lichtenberg is located near the well-established Media Spree commercial centre.

Within walking distance to the Ostkreuz railway station, the campus is easily accessible by the S-Bahn (local railway) as well as regional trains and buses.

Comprising two fully connected 8- and 13-storey blocks, the "built-to-suit" development is tailored to the requirements of Deutsche Rentenversicherung Bund, the current single office tenant.

The ground floor units are leased to local retailers and service providers.



S-Bahn (local railway)

PORTFOLIO OVERVIEW
BONN CAMPUS

As at 31 December 2017

Gross Rental Income for FY2017

€7.0m

Total Net
Lettable Area

32,736 sqm

Car Park Spaces

652

Occupancy Rate

100.0%

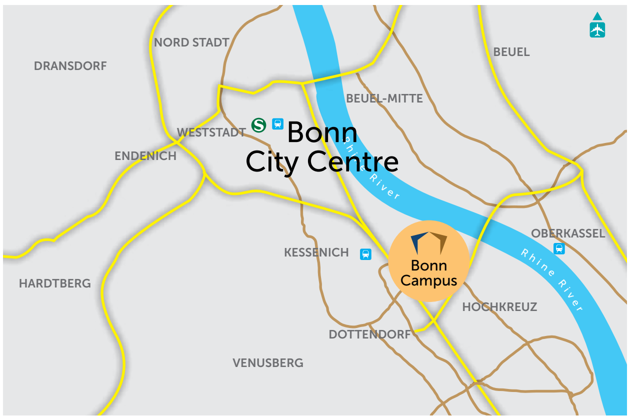
Centrally located in Bonn's prime office area of Bundesviertel (federal quarter), the campus is well-served by regular bus services with the nearest underground train station, U-Bahn, only 100m away.

A dedicated footbridge links the development to the global headquarters of Deutsche Telekom.

The U-shaped development comprises four 2-, 4- and 6-storey blocks that can be easily sub-divided into smaller offices, or function as independent self-contained units.

The campus has been built to high office specifications.

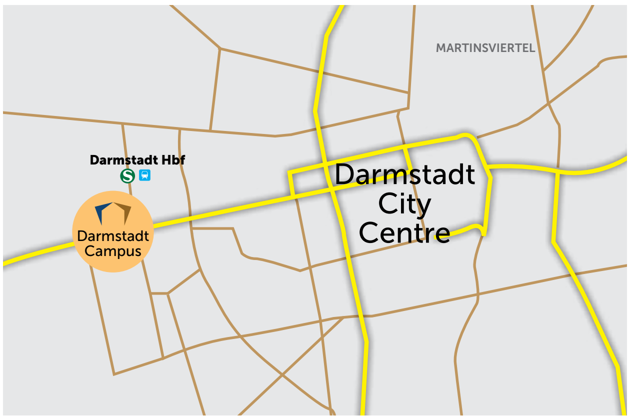
It currently operates as a single tenant property with a central entrance and a canteen facility for employees.



Railway

PORTFOLIO OVERVIEW

DARMSTADT CAMPUS



S-Bahn (local railway)

As at 31 December 2017

Gross Rental Income for FY2017

€5.9m

Total Net Lettable Area

30,371 sqm

Car Park Spaces

1,189

Occupancy Rate

100.0%

Located in the prime office location TZ Rhein Main Business Park of Darmstadt, approximately 30km south of Frankfurt, the campus is a convenient 100m from the nearest bus stop and 1km from the Darmstadt central railway station.

The six 5- and 7-storey office blocks are linked to form a double-H shape and offer 363 underground parking spaces. There is also a separate car park located 300m away with eight above-ground parking decks for another 826 vehicles.

The campus meets high building standard specifications and its office blocks can be sub-divided into smaller units.

The development operates as a single-tenant property and forms the home to the second largest Deutsche Telekom campus in Germany.

The property is well-incorporated into the overall Deutsche Telekom campus which provides canteen and other services in the surrounding buildings.

PORTFOLIO OVERVIEW

MÜNSTER CAMPUS

As at 31 December 2017

Gross Rental Income for FY2017

€3.6m

Total Net Lettable Area

27,183 sqm

Car Park Spaces

588

Occupancy Rate

93.3%

Located in Zentrum Nord, approximately 2.5km from the Münster city centre, the campus is within walking distance to the nearest train and bus depot.

The development comprises two independent high quality office buildings, Münster North and Münster South. Each 6-storey building is built around an open courtyard for maximum light. The campus includes an independent high rack carpark.

Given that the property was initially built for a single tenant, Münster South will undergo light modification to be converted into a multi-tenanted office block.

PORTFOLIO OVERVIEW
CONCOR PARK

As at 31 December 2017

Gross Rental Income for FY2017

€4.3m

Total Net
Lettable Area

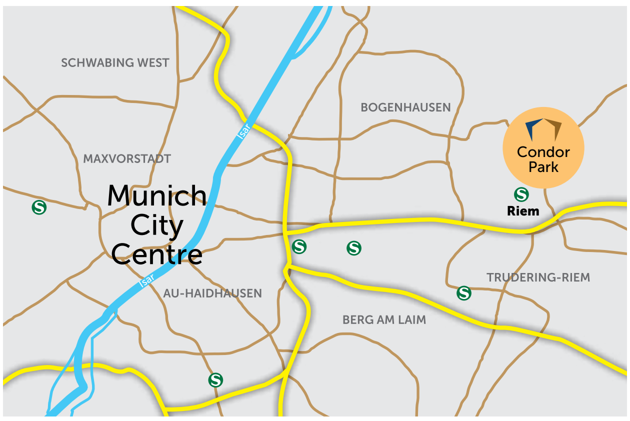
31,286 sqm

Car Park Spaces

516

Occupancy Rate

96.9%



S-Bahn (local railway)

Concor Park is located in the Aschheim-Dornach commercial area within a large suburban business park about 10km from Munich city centre, the third largest city in Germany.

Convenient and easily accessible, it is adjacent to the S-Bahn (local railway) train and bus depot for the area.

The 5-storey building with three independent wings and entrances was fully refurbished with a modern office fit-out in 2011.

In 2016, Concor Park became the first redevelopment project in Germany to be awarded the prestigious Green Building Gold Certificate by the German Sustainable Building Council.

The property operates as a multi-tenanted business park with a central canteen and coffee bar.

LOCAL PRESENCE

The partnership between IREIT and Tikehau Capital has opened up a new investment paradigm, given its established local presence and rich experience.

We will leverage on Tikehau Capital's pan-European network and expertise, strong industry reputation and solid financial standing to spearhead IREIT's growth.

AGGREGATE INDEPENDENT APPRAISED VALUE OF INVESTMENT PROPERTIES

€463.1m

(As at 31 December 2017)

FOUR PILLARS OF GROWTH

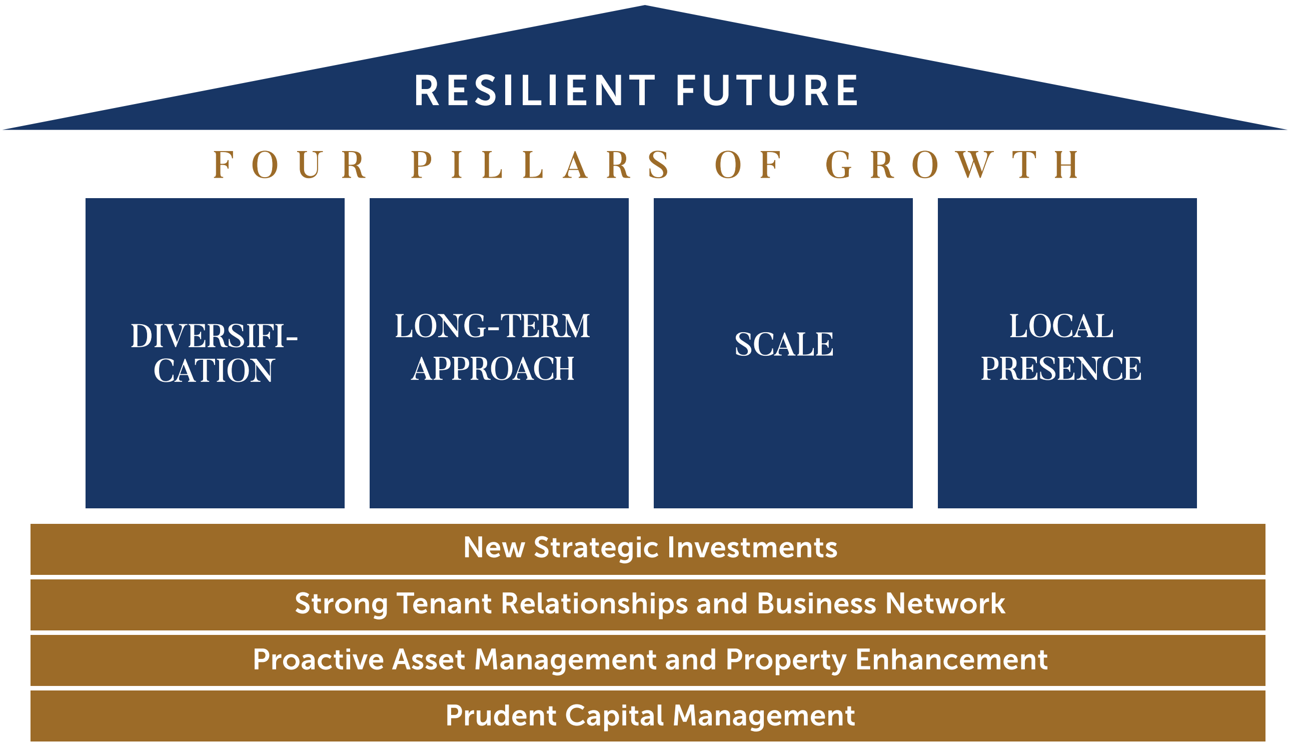
Tikehau Capital as IREIT's Growth Engine

The partnership between IREIT and Tikehau Capital has opened up a new investment paradigm and brought about a slew of industry best practices for IREIT, given Tikehau Capital's well-established local presence and rich experience. As at 31 December 2017, Tikehau Capital directly or indirectly manages €13.8 billion of assets and is supported by shareholders' equity of €2.3 billion (based on 1H2017 interim results). Through its regulated asset management company, Tikehau Investment Management, Tikehau Capital has a strong presence in European real estate, managing approximately €2.2 billion of real estate assets in the office, retail and industrial (including logistics) sectors.

In October 2017, Tikehau Investment Management was conferred the "Best 2017 Asset Manager" award at the Global Invest Forum event held by economic and financial press group L'Agefi. During the same quarter, Tikehau Capital also successfully raised €300 million through a bond issue and secured firm commitments for a €1 billion senior unsecured credit facility to diversify its funding sources and further enhance its balance sheet for future growth. Hence, the partnership will enable IREIT to leverage on Tikehau Capital's strong expertise and track record, as well as industry and financial standing to spearhead its growth.

Executing our Growth Strategy Based on Four Pillars

With the successful integration with Tikehau Capital, IREIT's key priority looking ahead is to build a resilient and sustainable future for its Unitholders. As such, it has formulated a growth strategy based on four pillars to achieve its goals. These four building blocks, namely seeking diversification, adopting a long-term approach, achieving scale and leveraging on Tikehau Capital's local presence, are deeply entrenched in all our operational processes, strategic initiatives and business relationships, as depicted below.



New Strategic Investments

With its eyes set on growth and supporting the steady long-term distributions to Unitholders, IREIT is seeking strategic asset acquisitions to complement its existing portfolio as well as diversify its tenant base across various industries and geographical locations. We intend to achieve this by expanding our investment footprint into new markets and asset classes. In addition, we look beyond the short-term returns and focus on the quality of the underlying property on a long-term perspective. This would enhance the stable long-term income and strengthen the portfolio against the cyclical vagaries of any sector or country. IREIT's portfolio expansion will be focused on European locations and real estate assets where Tikehau Capital has an established presence and experience or has a network of trusted business partners, so that we can reap the benefits of cost synergies, a stronger brand name and better marketability arising from a greater scale. The strong support from Unitholders to broaden our mandate in April 2017 enables us to invest in income-producing real estate in the office, retail and industrial sectors, and achieve our desired diversification.

Strong Tenant Relationships and Business Network

Strong tenancies are a hallmark of IREIT's portfolio and ongoing strategy. We always engage our tenants, business partners and other stakeholders actively and form lasting relationships with them, so as to anchor our position as a landlord of choice for office, retail and industrial (including logistics) tenants as well as to deliver predictable returns to our Unitholders. While being attentive to maintaining its current blue chip tenancies, IREIT is also focused on expanding and diversifying its tenant base in order to reduce the reliance on any single tenant. As such, we will capitalise on Tikehau Capital's strong presence and corporate connections and actively pursue acquisitions of properties with diversified tenancies and end-users.

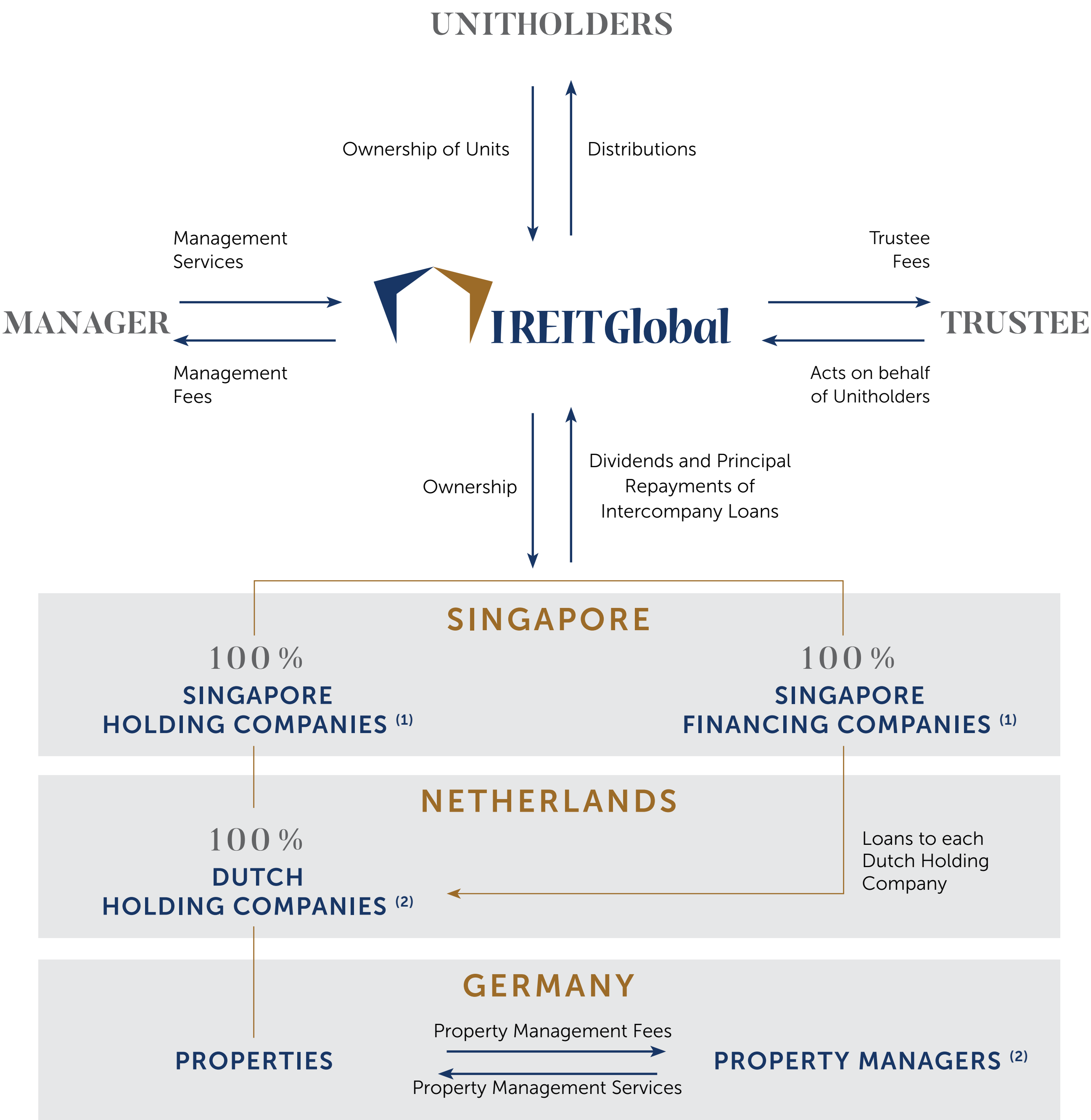
Proactive Asset Management and Property Enhancement

Through proactive asset management, we will monitor operating costs and assess the allocation of capital expenditures for asset enhancement initiatives. Leveraging on the use of a leading property management software, we are constantly tracking IREIT's costs with the goal of identifying opportunities for savings and investments. We are also monitoring our property managers closely to ensure high standards of services to ensure long-term performance for the properties. Within our existing portfolio, we see opportunities for tenant and income diversification via the conversion of single-user assets to multi-tenanted buildings. Our long-term plans for property enhancement include further building improvements, extension of lease agreements with existing tenants and new lettings.

Prudent Financial Management

Through a policy of prudent capital management, we shall continue to strengthen IREIT's financial position by deploying the optimal mix of debt and equity in new acquisitions. We will seek to establish long-term stable debt structures for IREIT and ensure that IREIT benefits from the natural hedge of borrowings in the relevant local currency. In addition, we will continue to foster good relationships with banks and keep a close tab on the interest rates so that we will have ready access to the capital markets when the need arises. For FY2018, we have undertaken further hedging in respect of the distributions to Unitholders. In order to better manage the foreign currency exposure and provide more clarity to Unitholders, we have also established a formal currency hedging policy for the income to be repatriated from overseas to Singapore starting from FY2019. This policy will be based on the use of currency forwards on a quarterly basis to hedge approximately 80% of the expected Euro-denominated income to be repatriated, one year in advance.

TRUST STRUCTURE



Notes
1 A separate Singapore Holding Company and Singapore Financing Company have been established for each property.
2 Professional third party property managers have been appointed pursuant to the property management agreements entered into between the relevant Dutch Holding Company and the property manager.

SUSTAINABILITY REPORT

BOARD STATEMENT

We are pleased to publish IREIT Global's (IREIT) sustainability report for the financial year ended 31 December 2017 (FY2017).

Sustainability can significantly impact the long-term value to our stakeholders. We are committed to high standards of corporate governance and transparency in the best interest of our Unitholders. We continually engage and collaborate with our tenants, business partners and employees to promote sustainable best practices. At the same time, we seek to enhance the positive impacts we have on the environment and our communities.

Sustainability issues are considered as part of our strategic formulation, and we oversee sustainability strategy and management within IREIT and the Manager. In discharging our responsibilities, we are supported by the Sustainability Steering Committee (SSC) comprising senior management from the Manager as well as management-level representatives from the parent company of the Manager, Tikehau Capital.

In support of the sustainability reporting regulatory requirements set out by Singapore Exchange Securities Trading Limited (SGX-ST) Listing Rules 711A and 711B, we have developed this inaugural sustainability report with reference to the internationally recognized Global Reporting Initiative (GRI) Standards (2016).

This sustainability report marks the first step of our sustainability journey, and we look forward to playing our part in contributing to a more sustainable world to live and work in.

SUSTAINABILITY REPORT

ABOUT THIS REPORT

[GRI 102-46, GRI 102-50, GRI 102-54]

This report covers the environmental, social and governance (ESG) policies, practices, performance and targets of IREIT and the Manager from 1 January to 31 December 2017. Pursuant to the terms of our lease agreements, several aspects of the operations at the property level are managed by our tenants. These include energy consumption, water usage, as well as waste disposal and recycling. While not directly involved in managing these operational aspects, as a responsible property owner, IREIT takes an active approach towards engaging tenants on the sustainability of the properties.

This report is guided by the SGX-ST Listing Rules 711A and 711B and prepared with reference to the GRI Standards (2016). The GRI Index and the relevant references are presented on pages 54 to 56.

No external assurance have been sought for this report, but may be considered for future reporting periods.

FEEDBACK

[GRI 102-53]

The Manager seeks to enhance the transparency of its report, and welcomes suggestions for improvements.

For feedback or specific enquiries on the sustainability report, please kindly contact us at ir@ireitglobal.com for further clarification.

MANAGING SUSTAINABILITY

SUSTAINABILITY GOVERNANCE
[GRI 102-20] [GRI 102-32]

The Board of Directors (the "Board") oversees the sustainability strategy and performance, and approves the sustainability report. The Board is supported by the SSC, comprising senior management from the Manager and management-level representatives from Tikehau Capital. The SSC drives IREIT's sustainability agenda and makes key decisions relating to ESG issues, in order to ensure that desired business outcomes are met. The Sustainability Working Committee (SWC), comprising representatives from the various business units, implements the sustainability initiatives within IREIT and the Manager.

STAKEHOLDER ENGAGEMENT
[GRI 102-40] [GRI 102-43]

The Manager considers the concerns of IREIT's key stakeholders when making business decisions. The following table lists IREIT's key stakeholders and how they have been engaged. These stakeholders have been identified as key stakeholders due to their significant influence on IREIT's business performance, and IREIT's significant dependence on them. The Manager strives to continue meaningful dialogue with IREIT's key stakeholders, enhancing transparency and accountability in the process.

Key Stakeholders	Engagement Methods
Tikehau Capital	• Financial results reporting • Regular meetings and discussions with various departments including the real estate and corporate communication teams • Monthly briefing on corporate developments
Unitholders	• Release of financial results, announcements, press releases, presentation slides and other relevant disclosures through SGXNet and IREIT's website • Email alert subscriptions via IREIT's website • Annual General Meeting • Extraordinary General Meeting, where necessary • Post-results meetings with senior management • Updates through non-deal roadshows, one-on-one and group meetings, and investor conferences
Tenants	• Regular site visits, periodic face-to-face meetings and telephone calls with existing and prospective tenants • Routine notices and email updates
Employees	• Ongoing dialogue regarding any concerns • Annual performance reviews
Regulators	• Participation in briefings and consultation with regulators such as SGX and Monetary Authority of Singapore (MAS) • Compliance with regulatory requirements

MATERIALITY ASSESSMENT
[GRI 102-47]

In December 2016, with the facilitation of an external consultant and guided by the GRI Principles, the SSC conducted a materiality assessment workshop to identify the factors material to IREIT and the Manager. Global and industry sustainability trends, guidance from sustainability bodies, sustainability reporting requirements, as well as insights gained from engagement with key stakeholders have been considered in the assessment. As a result of the assessment, the SSC identified five factors which are material to IREIT and the Manager as described in the table below.

Category	No.	Material Factors	Description
Economic	1	Active Ownership	• Integration of due diligence and ESG considerations into investment decisions.
Social	2	Training and Education	• Provision of professional training and assistance to enrich staff.
	3	Diversity and Equal Opportunity	• Treatment of all employees and potential employees based on merit, regardless of backgrounds, nationalities, gender and age.
	4	Talent Retention	• Provision of benefits to retain performing staff.
Governance	5	Regulatory Compliance, including: • Anti-corruption • Socioeconomic Compliance	• Socioeconomic compliance. • Compliance with various laws and regulations. • Anti-corruption. • Policies used to prevent and identify corrupt or fraudulent behaviour, such as whistle blowing, bribery and other related policies.

ECONOMIC

ACTIVE OWNERSHIP

[GRI 102-15]

The Manager believes that the quality of IREIT's investment decisions and investment management are key to sustaining IREIT's strong performance. While ESG policies are not formally developed into the business processes, IREIT considers not only the economic impacts of its investment decisions, but also the appropriateness and other non-financial aspects of these investments when assessing new investments or reviewing existing investments. Regular engagement with tenants, technical and financial due diligence teams and other professional advisors provides insights into IREIT's investment and monitoring decisions at both the property and portfolio levels.

The Manager's parent company, Tikehau Capital, is committed to responsible investment and has been a signatory of UN Principle of Responsible Investment since 2014. Tikehau Capital believes that the effective integration of ESG factors into business strategy is critical to achieving a long-term sustainable performance. Through its ESG policy, Tikehau Capital aims to contribute to a broader and universal agenda, including the UN Sustainable Development Goals (SDGs).

Going forward, the Manager will review and assess Tikehau Capital's ESG policies as well as industry best practices that are relevant and practical to IREIT's operations, in order to develop its own processes and policies to practise active ownership.

ESG BEST PRACTICES

While ESG policies are not formally developed into the business processes, the following sets out some of the key sustainability achievements of IREIT's properties and tenants.

- **Green certification:** In 2016, Concor Park became the first redevelopment project in Germany to be awarded the prestigious Green Building Gold Certificate by the German Sustainable Building Council.
- **Tenant committed to resource efficiency:** Deutsche Telekom, currently representing more than 50% of IREIT's gross rental income via GMG Generalmietgesellschaft mbH (GMG), is a sustainability leader (prestigious 2017 National German Sustainability Award), committed to reduce heat, hot water and electricity consumption.[1]

1 Deutsche Telekom corporate website

SOCIAL

TRAINING AND EDUCATION
[GRI 404-2]

FY2017 HIGHLIGHTS

Staff learning and development equip employees with relevant skills to continue delivering high quality work in a fast-changing environment. In FY2017, each employee received an average of 16.6 training hours.

Although there are currently no structured training programmes being implemented, with the exception of those on Anti-Money Laundering and Cybersecurity, employees are encouraged to attend external training courses which are relevant to their work and improve their functional and core competencies. These external courses may include certified skills training programmes, industry seminars and conferences by various organisations.

All employees are eligible for training on topics such as technical upgrades, certifications, acquisition of new knowledge when taking on a new position or as part of an internal promotion, enhancement of managerial skills, language learning, etc. In addition, throughout the year, employees receive, at their request, training related to the handling of new information technology (IT) tools and software, in order to (i) maintain state-of-the-art command of the technology tools and (ii) ensure best practice from a legal and regulatory perspective.

Type	Programmes available
Programs for upgrading employee skills	• Anti-Money Laundering • Cybersecurity

A recent example of an employee upgrading programme was the Cybersecurity course, which was conducted on 9 November 2017 for all employees and Directors. An external service provider was engaged to give a presentation on Cybersecurity and discuss certain threat scenarios and the best practices to counter such threats. This course raised the awareness on the potential threats during the use of IT and provided real-life examples to tackle these issues, thereby enabling employees and Directors to react effectively when these situations arise.

Apart from Anti-Money Laundering and Cybersecurity courses, employees also attended trainings through service providers such as real estate management software provider YARDI, associations including Institute of Singapore Chartered Accountants (ISCA), professional accounting firms, and other opportunities from banks and the SGX Academy from time to time. The Directors also receive training opportunities such as those organised by the Singapore Institute of Directors.

As an important aspect of the professional development, year-end appraisals are conducted to ensure IREIT and the Manager's goals and objectives are clearly cascaded down to the employees. During the performance evaluations, employees are encouraged to provide feedbacks, training plans and suggestions to their supervisor.

A training budget has been set aside for the coming year to continue supporting the learning and development needs of the Manager's employees and Directors.

DIVERSITY AND EQUAL OPPORTUNITY

[GRI 102-8] [GRI 405-1]

A diverse workforce enables the sharing of different perspectives and insights, which can be invaluable in enhancing decision-making processes. The Manager employs staff based on their competencies and capabilities, regardless of their backgrounds, nationalities, gender and age.

The Manager has developed human resource strategies and policies that are premised upon equal opportunities and fair employment practices. The employee handbook contains a human resource manual which includes policies on equal employment opportunities.

Except in the case of a genuine occupational qualification or need, the Manager provides equal opportunity to all employees and applicants without any discrimination on race, colour, ancestry, sex, sexual orientation, disability, age, religion, marital status, national origin, or any other characteristic protested by applicable law and maintains fair, objective and consistent policies for all aspects and all terms and conditions of employment.

The composition of the Board is also reviewed periodically to ensure that the board size is appropriate and comprises directors with an appropriate mix of expertise, skills, experience and diversity to discharge their duties and responsibilities. In addition, the Board reviews periodically and at least annually the independence of its Directors based on guidelines set out under the Code of Corporate Governance 2012 and Securities and Futures (Licensing and Conduct of Business Regulation).

The Manager strives to foster an inclusive workplace that is free from discrimination. In the future, the Manager will continue to hire based on merit.

TALENT RETENTION

[GRI 102-8] [GRI 401-1]

Human resource is one of the most important assets to IREIT and the Manager. The Manager values individuals with the right competencies, experience, qualifications and mind-set.

Various talent management initiatives are in place to ensure the satisfaction level of employees. Through the following procedures and policies, employee morale and career satisfaction are well maintained and monitored:

- **Feedback sessions:** The Manager has a performance appraisal process which focuses on employee recognition, reward for good performance and providing appropriate suggestions for improvement on a continuous and ongoing basis. In line with this objective, performance is formally evaluated in writing once a year by the employee's supervisors. This formalised evaluation session provides both the employee and supervisor with an opportunity to discuss the overall performance and to establish goals for improvement and further development. The objective is to enhance the employee's performance while establishing good communication channels between the employee and the supervisor.
- **Employee health and well-being programmes:** The Manager offers employees a slew of medical service offerings such as a panel of general practitioners (GP) and Traditional Chinese Medicine (TCM), dental services and complimentary health screenings via its group medical services plan.

To ensure that employees receive adequate coaching and development throughout their careers, the Manager will continue to ensure that the performance appraisal process is comprehensively carried out for all employees.

GOVERNANCE

REGULATORY COMPLIANCE

[GRI 419-1] [GRI 307-1] [GRI 205-1]

FY2017 Highlights

Number of Fines or Sanctions for Non-compliance in the Year Ended 31 December 2017		Target
Anti-Corruption	0	Zero incident of non-compliance with laws and regulations resulting in fines or legal action
Socioeconomic Compliance	0	Zero incident of non-compliance with laws and regulations resulting in fines or legal action

Any non-compliance and corruption cases within the organisation will cause damage to IREIT's reputation and stakeholders' trust. All employees of the Manager are required to make annual declarations that they do not engage in any unethical or corrupt practices.

The Manager strives to act in the best interests of IREIT and the Unitholders. The Manager ensures the compliance with applicable laws and regulations, such as those set out in the listing manual of SGX-ST, the Code on Collective Investment Schemes ("CIS Code") and the Capital Markets Services Licence for REIT management issued by the MAS, and the Securities and Futures Act, Chapter 289 of Singapore ("SFA").

The Manager has also implemented the Code of Conduct and Ethics to guide employees in relation to issues such as fraud, bribery, segregation of duties and insider trading. In the event of any identified incidence of non-compliance, the management will assess the legal and regulatory impacts and suggest remedial plans. A whistle-blowing policy is established to communicate the responsibility of every employee, director and officer to report any activity or suspected activity which might be prohibited by the Code of Conduct and Ethics, or which might otherwise be considered sensitive in preserving the corporate reputation.

The Manager has various internal policies and procedures to ensure regulatory compliance:

- Whistle-blowing policy
- Code of Conduct and Ethics
- Anti-Money Laundering and Anti-Terrorist Financing Policy
- Investor Relations Policy
- Ongoing Regulatory Obligations and Reporting License Conditions
- Business Continuity Management

The following processes are in place to monitor the implementation of policies:

- Update information when necessary
- Review accuracy of information on corporate website
- Review accuracy of all marketing materials before publication
- Conflict of interest declaration
- Fit and proper declaration
- Recording of all financial transactions according to financial and internal control policies and procedures
- Timely investigation and execution of preventive and corrective actions upon reported incidents by employees, tenants, consultants, vendors and other parties whom IREIT has a business relationship with

The Manager raises the awareness of regulatory compliance through educating its employees, such as those trainings related to Anti-Money Laundering and Cybersecurity. If there are related applicable regulatory updates, Directors and relevant employees will be notified by emails or meetings on a timely basis.

For prospective tenants or clients of IREIT, Anti-Money Laundering risks are monitored during the Customer Due Diligence (CDD) process, which is part of the policies and procedures.

GRI INDEX

This report is prepared with reference to the GRI Standards (2016). The GRI Index below sets out where we have drawn reference to the GRI principles and criteria against our disclosures in this report and other sections of the Annual Report.

GRI Standards (2016)		Notes/Page number(s)
General Disclosures		
Organisational Profile		
102-1	Name of the organisation	IREIT Global ("IREIT")
102-2	Activities, brands, products, and services	Annual Report, page 2 Portfolio Overview, page 34
102-3	Location of headquarter	Annual Report, page 2 Portfolio Overview, page 34
102-4	Location of operations	Annual Report, page 2 Portfolio Summary, page 32
102-5	Ownership and legal form	Annual Report, Structure of IREIT, page 44
102-6	Markets served	Annual Report, page 2 Portfolio Summary, page 32
102-7	Scale of the organisation	Annual Report, page 2 Portfolio Overview, page 34
102-8	Information on employees and other workers	Talent Retention, page 52
102-9	Supply chain	Not applicable
102-10	Significant changes to organisation and its supply chain	Not applicable
102-11	Precautionary principle or approach	Not applicable
102-12	External initiatives	Not applicable
102-13	Membership of associations	Not applicable
Strategy		
102-14	Statement from senior decision-maker	Board Statement, page 45
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102-16	Values, principles, standards, and norms of behaviour	About IREIT Global, page 2
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102-18	Governance structure	About IREIT Global, page 2
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102-40	List of stakeholder groups	Managing Sustainability, Stakeholder Engagement, page 47
102-41	Collective bargaining agreements	Not applicable
102-42	Identifying and selecting stakeholders	Managing Sustainability, Stakeholder Engagement, page 47
102-43	Approach to stakeholder engagement	Managing Sustainability, Stakeholder Engagement, page 47
102-44	Key topics and concerns raised	Managing Sustainability, Stakeholder Engagement, page 47

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102-48	Restatements of information	Not applicable
102-49	Changes in reporting	Not applicable
102-50	Reporting period	1 January 2017 – 31 December 2017
102-51	Date of most recent report	Not applicable
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	About this Report, page 46
102-54	Claims of reporting in accordance with GRI Standards	About this Report, Reporting Standard, page 46
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102-56	External assurance	IREIT has not sought external assurance for this reporting period and may consider it for future periods.
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405-1	Employing a diverse group of individuals. Diversity is based on gender, age, background and nationality. Treating all employees and potential employees the same and based on merit.	Social, Diversity and equal opportunity, page 51

CORPORATE GOVERNANCE REPORT

IREIT Global ("IREIT") is a trust constituted by a deed of trust (as amended, the "Trust Deed") entered into between IREIT Global Group Pte. Ltd., as manager of IREIT (the "Manager"), and DBS Trustee Limited, as trustee of IREIT (the "Trustee").

It is the duty and responsibility of the Manager to uphold high standards of corporate governance. The Manager believes that it has good corporate governance in place as there is proper oversight, good communication, a focus on risks and a commitment to transparency.

The Board of Directors of the Manager (each, a "Director" or collectively, the "Directors" or the "Board") has ensured that the Manager has implemented corporate governance policies and industry best practices to protect IREIT's assets and the interests of the unitholders of IREIT (the "Unitholders") while enhancing and delivering value to its Unitholders. The Manager is committed to uphold and adhere to the principles and guidelines of the Code of Corporate Governance 2012 (the "Code"). The Manager also ensures that all applicable requirements, laws and regulations are duly complied with. They include, but are not limited to, the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), the Securities and Futures (Licensing and Conduct of Business) Regulations (the "SF(LCB)R"), the Listing Manual of Singapore Exchange Securities Trading Limited (the "SGX-ST", and the Listing Manual of the SGX-ST, the "Listing Manual"), the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore (the "MAS"), including Appendix 6 to the CIS Code (the "Property Funds Appendix"), and the Trust Deed.

The Manager is responsible for managing IREIT's investments and liabilities as well as carrying out strategic expansion plans for the benefit of Unitholders. The Manager's investment strategy is detailed and defined on pages 42 to 43. The property manager's performance is also under the care of the Manager to ensure that it meets the objectives pursuant to the property management agreement. The Manager has been issued a capital market services licence (the "CMS Licence") by the MAS on 1 August 2014 to carry out REIT management under the SFA. Under its CMS Licence, the Manager appoints certain of its officers, employees and contractors as its representatives to conduct the same regulated activities on its behalf.

This report is focused on providing insights on the Manager's corporate governance framework and practices in compliance with the Code. Although IREIT is a listed REIT, not all principles of the Code may be applicable to IREIT and the Manager. Any deviations from the Code are explained.

BOARD MATTERS

The Board's Conduct Of Affairs

Principle 1: An effective Board to lead and control the Manager

The Board is collectively responsible for the long-term success of IREIT. The Board works with management of the Manager ("Management") which remains accountable to the Board for the achievement of this objective.

The Board is responsible for the overall corporate governance of the Manager, to lead and to supervise the management of the business and affairs of the Manager. The prime stewardship responsibility of the Board is to ensure that IREIT is managed in the best interests of all stakeholders, which include protecting IREIT's assets and Unitholders' interests and enhancing the long-term value of Unitholders' investment in IREIT.

The functions of the Board are defined broadly as follows:

- to guide the corporate strategy and directions of the Manager;
- to ensure that senior management discharges business leadership and demonstrates the highest quality of management skills with integrity and enterprise; and
- to oversee the proper conduct of the Manager.

The Manager has adopted a framework of delegated authorisations which sets out the level of authorisation and their respective approval limits for all business activities which include, but are not limited to, acquisitions, divestments, leasing, operating and capital expenditures. Activities and matters that are specifically reserved for the Board's decision and approval include but are not limited to:

- financial restructuring;
- bank borrowing;
- acquisitions and disposals;
- capital expenditure and annual budget;
- financial performance of IREIT and approval of the release of financial results;
- audited financial statements;
- issue of new units;
- income distributions and other returns to Unitholders; and
- matters which involve a conflict of interest.

In the discharge of its functions, the Board is supported by the Audit and Risk Committee (the "ARC") which operates under delegated authority from the Board. However, the Board retains overall responsibility for any decisions made by the ARC. The ARC was established to assist the Board in its oversight of IREIT and the Manager's governance in relation to financial, risk, audit and compliance matters. The scope of authority and responsibilities of the ARC are defined in its terms of reference (see disclosure in Principle 12).

The Board meets at least once every quarter and as and when its involvement is required, as deemed appropriate and necessary by the Board. The meetings are to review the key activities and business strategies of IREIT, including acquisitions and divestments, funding and hedging activities, approval of the annual budget and review of the performance of IREIT. Additionally, the Board will review IREIT's key financial risk areas and the outcome will be disclosed in the annual report or, where the findings are material, immediately announced via SGXNET.

The Manager's constitution permits Board meetings to be held by way of telephone conferences or any other means of similar communication equipment by which all persons participating in the meeting are able to hear and be heard by all other participants.

The number of meetings of the Manager's Board and the ARC held for the financial year ended 31 December 2017, as well as the attendance of each Director at the Board and the ARC meetings are as follows:

	Board		Audit and Risk Committee	
Name of Director	**No. of Meetings**	**Attendance**	**No. of Meetings**	**Attendance**
Mr Lim Kok Min, John	5	5	4	4
Mr Tan Wee Peng, Kelvin	5	5	4	4
Mr Nir Ellenbogen	5	5	4	4
Mr Bruno de Pampelonne	5	4	N.A.	N.A.
Mr Tong Jinquan	5	2	N.A.	N.A.
Mr Ho Toon Bah	5	5	N.A.	N.A.

N.A.: Not applicable as the Director is not a member of the Audit and Risk Committee

Composition Of The Board

Principle 2: A strong and independent element on the Board

The Board is represented by members with a breadth of expertise in finance and accounting, real estate and business management.

The Board seeks to ensure that the composition of the Board provides an appropriate balance and diversity of skills, experience and knowledge of the industry and that the Directors, as a group, have the necessary core competencies relevant to the business of the Manager and IREIT. The Board recognises the benefits of having a diverse board. Diversity in the Board's composition not only contributes to the quality of its decision-making through diversity of perspectives in its boardroom deliberations, the varied backgrounds of the Directors also enable Management to benefit from their respective expertise and diverse backgrounds.

The Board is committed to diversity and will continue to consider the differences in the skill sets, gender, age, ethnicity and educational background in determining the optimal composition of the Board. The composition will be reviewed periodically to ensure that the board size is appropriate and has the appropriate mix of skills, experience, gender and knowledge, taking into consideration the nature and scope of IREIT's operations, to discharge their duties and responsibilities.

The Board comprises six members, of which half are Independent Non-Executive Directors and the Chairman is an Independent Non-Executive Director.

The criterion of independence is based on the definition given in the Code. A Director is considered independent if he has no relationship with the Manager and IREIT, its related corporations, any shareholders or Unitholders (as the case may be) with a voting interest of 10% or more in the Manager or IREIT (as the case may be), or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement with a view to the best interests of the Manager and IREIT. This allows the Directors to engage in robust deliberations with Management and provide independent, diverse and objective insights into issues brought before the Board.

Further, such composition and separation of the roles of the Chairman and the Chief Executive Officer (the "CEO") provides oversight to ensure that Management discharges its roles with integrity. Each of the Independent Directors had carried out an assessment on whether there were any relationships or circumstances which may impact their independent status and had made a negative declaration.

The Board members as at the date of this Annual Report are as follows; and the profiles of the Directors are found on pages 10 to 13:

Board Member	Designation
Mr Lim Kok Min, John	Chairman and Independent Non-Executive Director
Mr Tan Wee Peng, Kelvin	Chairman of the Audit and Risk Committee and Independent Non-Executive Director
Mr Nir Ellenbogen	Independent Non-Executive Director
Mr Bruno de Pampelonne	Non-Executive Director
Mr Tong Jinquan	Non-Executive Director
Mr Ho Toon Bah	Non-Executive Director

The Board believes that the current board size, composition and balance is appropriate and provides sufficient diversity without interfering with efficient and effective decision-making. It allows for a balanced exchange of views, robust deliberations and debate among members and effective oversight over Management, ensuring no individual or small group dominates the Board's decisions or its process.

The Board is of the view that the background, skills, experience and core competencies of its members provide an appropriate mix of expertise, experience and skills needed in the strategic direction, planning and oversight of the business of IREIT.

The composition of the Board will be reviewed periodically to ensure that the board size is appropriate and comprises Directors with an appropriate mix of expertise, skills, experience and diversity to discharge their duties and responsibilities.

The Board also reviews periodically and at least annually the independence of its Directors based on guidelines set out under the Code and the draft amendments to the SF(LCB)R (the "draft SF(LCB)R"). In respect of the financial year ended 31 December 2017, the Board is of the view that the Board composition complies with the Code's requirement and the draft SF(LCB)R. Its Independent Non-Executive Directors are considered independent in character and judgement, and there are no relationships or circumstances which are likely to affect, or could appear to affect, the Directors' independent business judgement. Each Independent Non-Executive Director is independent from Management and business relationships with the Manager and IREIT, and is also independent from every substantial shareholder of the Manager and substantial Unitholder of IREIT.

Non-Executive Directors are encouraged to participate actively at Board meetings in the development of the Manager's strategic plans and direction, and in the review and monitoring of the Management's performance against targets. To facilitate this, they are kept informed of the businesses and performance through reports from the Management, and have access to IREIT's and the Manager's records and information. They also provide constructive input and the necessary review and monitoring of performance of the Manager and Management. The Non-Executive Directors would also confer among themselves without the presence of Management as and when the need arose.

To enable the Board to be able to properly discharge its duties and responsibilities, the Board is provided with regular updates on developments and changes in the operating environment, including revisions to accounting standards, and laws and regulations affecting IREIT and/or the Manager. The Board participates regularly in industry conferences, seminars and training programmes in connection with its duties.

Newly appointed Directors are given induction training and are provided with comprehensive information and the constitutional documents of IREIT and the Manager, the contact information of each Board member, Management and the company secretary. The training covers business activities of IREIT, its strategic directions and policies, the regulatory environment in which IREIT and the Manager operate, and the Manager's corporate governance practices, and statutory and other duties and responsibilities as Directors. Where a Director has no prior experience as a director of a listed company, further training in areas such as accounting, legal and industry specific knowledge is provided.

Chairman And CEO

Principle 3: A clear division of responsibilities between the leadership of the Board and executives responsible for Management

There is a clear separation of the roles and responsibilities between the Chairman and the CEO of the Manager. The Chairman of the Board, Mr Lim Kok Min, John, is an Independent Non-Executive Director while the CEO of the Manager is Mr Aymeric Thibord. Mr Aymeric Thibord is seconded by Tikehau Investment Management ("TIM") to the Manager to assume the role of the Manager's CEO, pursuant to a services agreement (the "Services Agreement") entered into between TIM and the Manager. TIM is an intermediate holding company of the Manager. Under the Services Agreement, TIM provides certain services to the Manager, which include the secondment of the CEO to the Manager. Mr Aymeric Thibord is ultimately responsible for the overall operations of the Manager and reports directly to the Board.

The Chairman and the CEO of the Manager are not related to each other and there is no business relationship between them. This is consistent with the principle of instituting an appropriate balance of power and authority.

The Chairman is responsible for leading the Board and overall management of the Manager. He is tasked to ensure the Board and Management work together with integrity and competency. His role also includes:

- promoting constructive debate and open discussions at the Board with Management on strategy, business operations, enterprise risk and other plans; and

- promoting high standards of corporate governance in general.

The CEO of the Manager has full executive responsibilities over the business direction and operational decisions in the day-to-day management of IREIT. He ensures the quality and timeliness of the flow of information between Management and the Board, Unitholders and other stakeholders.

The separation of the roles of the Chairman and the CEO, and the resulting clarity of roles provide a healthy professional relationship between the Board and Management, which will facilitate robust deliberations on the business activities and the exchange of ideas and views to help shape the strategic process. Accordingly, the Manager has not appointed a Lead Independent Director. In the case where the Chairman is not an Independent Director, or under any of the scenarios under Guideline 3.3 of the Code, the Board will appoint an Independent Director to be the Lead Independent Director.

The Independent Directors would confer among themselves without the presence of the other Directors and Management, as and when the need arose. The Chairman, being an Independent Non-Executive Director, will be present at the meetings and feedback will be well received or provided, if any.

Board Membership

Principle 4: A formal and transparent process for the appointment and re-appointment of Directors to the Board

The Board has deemed it unnecessary at this point to establish a nominating committee, taking into account the capacity of the Board to undertake the function of a nominating committee in light of the activities and scale of the business of the Manager. In addition, the Independent Directors constitute half the Board and therefore play a substantial role in assuring the objectivity and independence of the decision-making process.

The Board shall retain the responsibility for all nomination matters including the identification, review and appointment of suitable candidates to join the Board as its members. Any appointment of new Directors will be carefully evaluated. The candidate's skill, experience, ability to perform, other commitments, independence and the needs of the Board will be taken into consideration. All appointments and resignations of Board members are approved by the Board. In addition, the criteria under the Guidelines on Fit and Proper Criteria issued by the MAS for such appointments and re-appointments will also be taken into consideration.

Candidates may be put forward or sought through contacts and recommendations by the Directors when a vacancy arises under any circumstances. Any nomination, which may be made by any of the Manager's shareholders, is carefully evaluated by the Board before any appointment is made. If necessary, the Board may seek advice from the Singapore Institute of Directors, external search consultants or through external referrals. Potential Directors will be considered without regard to gender, and the ultimate choice will primarily be based on merit. All appointment of Directors is also subject to the MAS' approval. The letter of appointment that is issued to each Director sets out the duties and responsibilities to the Manager and IREIT. None of the Directors has entered into any service contract directly with IREIT.

Directors are normally appointed for an initial period of three years and may be re-elected for such further period or periods of one year each at the discretion of the Board. Directors are not subject to periodic retirement by rotation, nor re-appointment through voting by Unitholders. As at the date of this Annual Report, none of the Directors has served on the Board beyond nine years from the date of his first appointment.

The Board recommends the seeking of endorsement and re-endorsement of Directors for approval, having regard to the Director's contribution and performance, with reference to the results of the assessment of the performance of the individual Director. All Directors are subject to an annual review of their commitment and performance to the Board. The criteria for re-appointment and re-endorsement of existing Director is similar to the criteria set out in relation to the appointment of new Director.

In respect of the financial year ended 31 December 2017, there were no new appointments or resignations of Board members, and the Board has sought and approved the endorsement by way of resolution for the re-appointment of:

- Mr Lim Kok Min, John, to continue as Chairman and Independent Non-Executive Director,
- Mr Tan Wee Peng, Kelvin, to continue as Chairman of the ARC and Independent Non-Executive Director,
- Mr Nir Ellenbogen, to continue as Independent Non-Executive Director, and
- Mr Tong Jinquan, to continue as Non-Executive Director.

There are no alternate Directors appointed to the Board.

The Board believes that it is not practicable to fix the amount of time that each Director should devote to the affairs of the Manager or impose a limit on the maximum number of listed company board representations each Director may hold. The Manager believes that putting a maximum limit on the number of directorships a Director can hold is arbitrary, given that time requirements and complexity for each vary, and thus should not be prescriptive. The effectiveness of the Board and contributions of each Director cannot be assessed solely on a quantitative basis. The limit on the number of listed company board representations should be considered on a case-by-case basis, as a person's available time and attention may be affected by different factors such as whether they are in full-time employment and the nature of their other responsibilities. The Board does not wish to exclude from consideration suitable individuals who, despite the demands on their time, have the capacity to participate and contribute as members of the Board. The Board has determined through assessment of the Board's performance that each individual Director has devoted sufficient time and attention to his role as a Director and to the affairs of the Manager.

In respect of the financial year ended 31 December 2017, the Directors attended the Board meetings, had given feedback and participated constructively when discussing matters pertaining to the Manager and IREIT. Accordingly, the Board is of the view that such appointments do not hinder the Directors from carrying out their duties as Directors of the Manager and therefore believes that it would not be necessary to prescribe a maximum number of listed company board representations a Director may hold.

Board Performance

Principle 5: A formal annual assessment of the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board

There is a formal system in place to evaluate the Board performance and assess the effectiveness of the Board, the Committees and the individual Directors through the use of performance evaluation forms.

An annual review of the Board is carried out to assess the effectiveness of the Board, the ARC and their respective Chairman. The review process includes getting feedback from individual Directors on areas relating to the Board's and the ARC's competencies and effectiveness, and the respective Chairman's leadership.

Directors are requested to complete an assessment and evaluation form that is tailored to seek their input on the various aspects of the performance of the Board and the ARC. The purpose of the evaluation is to assess the overall effectiveness and efficiency of the Board as a whole. The criteria for the evaluation of individual Directors include, amongst others, the Directors' attendance and participation at Board and ARC meetings, and contributions of each Director to the Board.

The Board has not engaged any external consultant or facilitator to conduct an assessment of the performance of the Board and each individual Director. To ensure that the assessments are done promptly and fairly, the Board has appointed the company secretary to assist in collating and organising the returns of the Board members. The company secretary does not have any other connection with IREIT, the Manager or any of its Directors.

The last performance evaluation was carried out in February 2018 in respect of the financial year ended 31 December 2017. The Board is of the view that the Board was effective as a whole and that the Directors are contributing effectively and efficiently.

Access To Information

Principle 6: Board members to be provided with complete, adequate and timely information prior to Board meetings and on an ongoing basis

All Directors have access to IREIT's and the Manager's records and information.

The Board is provided with complete and adequate information on a timely basis so as to allow the Board to make informed decisions to discharge its duties and responsibilities. As a general rule, Board papers are sent out at least one week prior to the Board meetings to ensure that Directors have sufficient time to review them. However, sensitive matters may be tabled at the meeting itself, or discussed without papers being distributed.

At the quarterly Board meetings, Directors are provided with regular updates on developments and changes in the operating, business, operational and financial information to enable the Board to keep abreast of the performance and key developments. Explanatory background information relating to matters brought before the Board includes quarterly results announcements, budgets, and copies of relevant disclosure documents related to the operational and financial performance, which enable the Board to be fully aware of the matters of IREIT and exercise effective oversight. Any material variance between budget projections and actual results are also disclosed and explained.

In addition, as and when any significant matter arises, these matters are brought promptly to the Board's attention and the Board is provided with the relevant financial information. Parties who can provide relevant information and insights on matters tabled at Board meetings will be in attendance to provide any further information and respond to any queries from Directors.

Board meetings for each year are scheduled in advance to facilitate the Directors' administrative arrangements and commitments. If a Director is unable to attend the Board meetings, the Director will review the Board papers and advise the Chairman or ARC Chairman of his views on the matters to be discussed or conveyed to other Directors at the meetings. Where appropriate, meetings are also held to brief Directors on prospective transactions and potential developments in the early stages before formal Board approval is sought. Management is also required to furnish any additional information requested by the Board in a timely manner for the Board to make informed decisions.

The Board has separate and independent access to Management and the company secretary, as well as the internal and external auditors at all times. The company secretary or a representative of the company secretary attends to all corporate secretarial administration matters and attends all Board meetings. The company secretary is the corporate governance advisor on corporate matters to the Board and Management, and is responsible for ensuring that the Manager's constitution and applicable rules and regulations are complied with. The appointment and removal of the company secretary is a matter for the Board as a whole. The Board also has access to and can seek independent professional advice where appropriate and when requested at the Manager's expense, with consent from the Chairman.

REMUNERATION MATTERS

Procedures For Developing Remuneration Policies

Principle 7: A formal and transparent procedure for developing a policy on executive remuneration and for fixing remuneration packages for individual Directors

Level And Mix Of Remuneration

Principle 8: The level and structure of remuneration should be appropriate to attract, retain and motivate, but not excessive

Disclosure On Remuneration

Principle 9: Disclosure on remuneration policies, the level and mix of remuneration and the procedure for setting remuneration

The Board has deemed it unnecessary at this point to establish a remuneration committee, taking into account the capacity of the Board to undertake the function of a remuneration committee in light of the activities and scale of the business of the Manager. In addition, Independent Directors constitute half of the Board and therefore play a substantial role in assuring the objectivity and independence of the decision-making process.

The Board shall retain the responsibility for all remuneration matters including reviewing and making recommendations on the general framework of remuneration, specific remuneration packages for the Board, Management and key employees. The remuneration will cover all aspects of remuneration including Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind.

Constituted as a trust, IREIT is externally managed by the Manager and has no personnel of its own. IREIT does not pay Directors' fees and remuneration of the CEO and the employees of the Manager. Their fees and remuneration are paid by the Manager, save for the remuneration of the CEO, which is paid by TIM under the Services Agreement.

The Manager has adopted a balanced remuneration policy, aimed to ensure market competitiveness and alignment to best industry practices and Unitholders' interests.

Independent Directors and Non-Executive Directors (except for Mr Bruno de Pampelonne) are paid basic fees for their Board and ARC Committee membership.

Individual Non-Executive Directors' fees were determined based on the following factors:

- roles and responsibilities;
- benchmarking against peers;
- effort committed; and
- skills and expertise.

In order to maintain the independence of the Non-Executive Directors, the remuneration is not over-compensated, and was considered appropriate and in accordance with their level of contribution, taking into account the factors mentioned above.

Directors' fees are reviewed periodically to benchmark such fees against the amounts paid by other managers of listed REITs. The Directors do not decide their own fees, as each Director shall abstain from decisions by the Board involving his remuneration. The total costs of governance, as well as the average Director's fees were targeted around the median of the market.

The remuneration policy for Management and key employees is:

- to provide a fair and competitive compensation;
- to motivate a high level of performance;
- to ensure quality employee retention; and
- to correlate with the individuals' performance as well as IREIT and the Manager's performance.

Individual executives' remuneration levels were determined based on the following factors:

- roles and responsibilities;
- benchmarking against industry peers;
- unique skills and expertise; and
- experience.

To achieve an equitable and fair reward system that drives organisational performance, the remuneration policy is designed to attract, motivate, reward and retain high-performing employees, taking into consideration the employees' responsibilities, work experience and educational qualifications. The Manager also conducts an annual performance review process where the individual's performance is assessed based on the Manager's performance relative to the IREIT's performance. The review also reinforces strengths, identify improvements and plan for the progressive development of the employees.

The remuneration components include a guaranteed fixed salary and a variable bonus. The variable bonus is determined as a significant component in the remuneration of the C-level executives and should be paid in full upon full achievement of all IREIT's Key Performance Indicators (the "KPIs") or proportionally to the percentage of KPIs achieved.

The KPIs, which are set at the start of the financial year, are aligned to the business strategy of IREIT and linked to the individual performance and the performance of IREIT. This allows the Manager to better align the compensation of its C-level executives towards the performance of IREIT, which would also help align the interest of the C-level executives with that of Unitholders. The Board is of the view that the KPIs were achieved and that remuneration is aligned to performance in respect of the financial year ended 31 December 2017.

The Board has access to expert advice from external consultants where required. During the year under review, no external consultant was engaged. There are currently no option schemes or other long-term incentive schemes being implemented for Directors, Management and employees.

The Manager does not rely on any contractual provisions to reclaim incentive components of remuneration from its key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss. The Manager should be able to avail itself to remedies against its key management personnel in the event of such breach of fiduciary duties.

The level and mix of the remuneration of each of the Directors for the financial year ended 31 December 2017 are as follows:

Name of Director	Fees [1] (S$'000)	Base/Fixed Salary (S$'000)	Bonus (S$'000)	Benefits-in-kind (S$'000)
Mr Lim Kok Min, John	95	–	–	–
Mr Tan Wee Peng, Kelvin	80	–	–	–
Mr Nir Ellenbogen	65	–	–	–
Mr Bruno de Pampelonne [2]	–	–	–	–
Mr Tong Jinquan	50	–	–	–
Mr Ho Toon Bah	50	–	–	–

The level and mix of the remuneration of the CEO for the financial year ended 31 December 2017 is as follows:

Remuneration Band and Name	Fees (%)	Base/Fixed Salary [1] (%)	Bonus [3] (%)	Benefits-in-kind (%)
Above S$250,000 to S$500,000				
Mr Aymeric Thibord [4]	–	57	43	–

Notes:
(1) Paid in cash.
(2) Mr Bruno de Pampelonne has waived his entitlement to any fees for the financial year ended 31 December 2017.
(3) Paid in cash and shares (under the 2018 Plan as described on page 69).
(4) Mr Aymeric Thibord's remuneration for the financial year ended 31 December 2017 was paid by TIM under the Services Agreement. The remuneration is paid in Euro and a conversion rate of 1.62 into S$ has been used for the purpose of the disclosure in bands of S$250,000.

The Board has assessed and decided to provide disclosure of the remuneration of the Directors on a named basis in exact quantum. In addition, the Board has also decided to provide disclosure of the remuneration of the CEO, in bands of S$250,000. It has assessed and decided against disclosing the remuneration of the CEO in exact quantum and the remuneration of the top five executives (who are not Directors or the CEO) on an aggregate or named basis (whether in exact quantum or in bands of S$250,000). The Board took into account confidentiality concerns and also considered the importance of maintaining stability and continuity in the key management team of the Manager. Given the competitive pressures in the talent market, the Board considers that such disclosure may subject the Manager to negative impact including talent retention issues and the risk of unnecessary key management turnover, which in turn, will not be in the best interests of IREIT and its Unitholders. The Board is of the view that such non-disclosure will not be prejudicial to the interest of Unitholders.

Tikehau Capital, having successfully completed its initial public offering and listing on Euronext Paris in 2017, launched its 2017 Free Share Plans (the "Plans") in December 2017. Under the Plans, rights to receive fully paid Tikehau Capital shares were granted at no cost to all employees of the Tikehau Capital Group (the "Group") on 1 December 2017, subject to vesting periods of up to 3 years without any performance conditions. As the Manager is a subsidiary of Tikehau Capital, all employees of the Manager were entitled to the grant. In addition, Mr Aymeric Thibord, the CEO of the Manager, and Mr Bruno de Pampelonne, a Non-Executive Director of the Manager, were also entitled to the grant as employees of the Group. This is a one-time grant in order to allow all Group employees to share in the success of the Group, notably in connection with the initial public offering, and is not linked to any performance conditions in respect of the participants of the Plans or any entities within the Group.

In addition, a 2018 Free Share Plan (the "2018 Plan") was implemented in March 2018 at the Group level. The 2018 Plan is subject to a vesting period of 2 years. The 2018 Plan concerns the most senior personnel of the Group and represents a part of the remuneration. The cost of granting shares is solely borne by Tikehau Capital whilst allowing to motivate and retain key employees. The 2018 Plan would not result in a misalignment of interest with IREIT for the following reasons:

- The grant of the Tikehau Capital shares to senior personnel working for IREIT is based on the performance of the relevant employees in relation to the performance of IREIT, and is not tied to the performance of Tikehau Capital;

- Tikehau Capital is an asset management company and not a property development company, and accordingly, there would be few potential instances of Tikehau Capital selling a property to IREIT;

- The assets under management of IREIT form only a small proportion of the assets managed by Tikehau Capital (i.e. less than 4% as at 31 December 2017), and accordingly there is little incentive to favour Tikehau Capital to the detriment of IREIT, especially since the grant of the Tikehau Capital shares is tied to the performance of IREIT and not Tikehau Capital; and

- Apart from the management fees received by the Manager, IREIT does not pay Tikehau Capital for any other services (including property management services).

Accordingly, the Board is of the view that there would not be any conflicts of interest arising from the arrangement, nor would the arrangement result in any misalignment of interest with those of Unitholders.

There are no employees of the Manager who are immediate family members of any Director or CEO during the financial year ended 31 December 2017.

No compensation is payable to any Director, key management personnel or employee of the Manager in the form of options in Units or pursuant to any bonus or profit-sharing plan or any other profit-linked agreement or arrangement in respect of the Manager and/or IREIT. The Directors, the CEO and the key management personnel (who are not Directors or the CEO) are remunerated on an earned basis and there are no termination, retirement or post-employment benefits that are granted over and above what have been disclosed.

The Board reviews the Manager's obligations arising in the event of the appointment and reasons for resignations and terminations of the CEO (if not a Director), and key management personnel's contract of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

In respect of the year ended 31 December 2017, the Board is of the view that the remuneration policy and packages are aligned with the interests of Unitholders and are designed to attract and retain talented staff, while taking into account the prevailing market conditions within the industry. The remuneration is also aligned to performance and all the performance conditions used to determine the remuneration of Directors, Management and key employees, as set out on pages 65 to 69, were met during the year.

Accountability And Audit

Principle 10: Presentation of a balanced and understandable assessment of performance, position and prospects

The Board is responsible to give a balanced and comprehensive report on the performance, position, prospects, strategy and market outlook including other price-sensitive reports to the regulators (if required). To ensure this is accomplished efficiently, Management provides timely, accurate and adequate information to the Board, which includes management accounts and such explanation and information, to enable the Board to keep abreast, and make a balanced and informed assessment of the performance, position and prospects of IREIT.

The Board is required to release quarterly results and full year results of IREIT as well as price-sensitive announcements and all other regulatory announcements, as required by regulators. These announcements and information are disseminated to Unitholders via SGXNET, press releases, IREIT's website, media and analyst briefings.

Risk Management And Internal Controls

Principle 11: The Board is responsible for the governance of risk. The Board should ensure that the Manager maintains a sound system of risk management and internal controls to safeguard IREIT's assets and Unitholders' interests and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives

The Manager has put in place sufficient and effective risk control measures to address financial, operational, compliance, information technology security, and other potential risks. This is to safeguard Unitholders' interests and manage risk. The Board is responsible for the governance of risks and for overseeing the enforcement of risk management strategy and framework of the Manager.

The Board meets every quarter to review and track the financial performance of the Manager and IREIT against approved budgets and takes note of any significant changes on quarter-on-quarter and year-to-date results. During the review and analysis of business risk, the Board takes into consideration the property market and economic conditions where IREIT's properties are located and other related risks.

Apart from this, the Board also reviews the risks to the assets of IREIT, examines the management of liabilities, and acts upon any comments from the internal and external auditors ("EA") of IREIT.

In view of the importance of compliance and risk management, the ARC is assigned the duty to oversee this aspect of the Manager's and IREIT's operations.

The ARC reviews and assesses the adequacy of the Manager's risk management control measures that are established by Management. Additionally, the ARC supervises the implementation and operation of the risk management system, including going through the adequacy of risk management practices for material risks, such as commercial and legal, financial and economic, operational and technology risks, from time to time; and reviewing major policies for effective risk management and relevance.

The Manager has appointed experienced and well-qualified management personnel to handle the day-to-day operations of the Manager and IREIT.

In assessing business risk, the Board will consider the economic environment and risks relevant to the property industry. It reviews management reports and feasibility studies on individual investment projects prior to approving major transactions. The Board meets regularly to review the operations of the Manager and IREIT and discuss any disclosure issues.

The Manager has provided an undertaking to the SGX-ST that:

(i) the Manager will make periodic announcements on the use of the proceeds from the public offering of IREIT as and when such proceeds are materially disbursed and provide a status report on the use of such proceeds in the annual report;

(ii) in relation to foreign exchange hedging transactions (if any):

   (a) the Manager will seek the approval of the Board on the policy for entering into any such transactions;

   (b) the Manager will put in place adequate procedures which must be reviewed and approved by the ARC; and

   (c) the ARC will monitor the implementation of such policy, including reviewing the instruments, processes and practices in accordance with the policy approved by the Board; and

(iii) the ARC will review and provide their views on all hedging policies and instruments (if any), to be implemented by IREIT to the Board, and the trading of such financial and foreign exchange instruments will require the specific approval of the Board.

The Board has received assurance from the CEO and Chief Financial Officer that:

(i) the financial records of IREIT have been properly maintained and the financial statements give a true and fair view of IREIT's operations and finances; and

(ii) the Manager's risk management and internal controls systems are effective.

The Board, with the concurrence of the ARC, is of the opinion that as at 31 December 2017, the Manager's internal controls, including financial, operational, compliance and information technology controls, risk management systems and sustainability were adequate and effective, based on the risk management and internal controls framework established and maintained by the Manager, work performed by the internal auditors, the EA and other service providers as well as reviews performed by Management and the ARC.

Anti-Money Laundering and Countering the Financing of Terrorism Measures

The Manager as holder of a CMS Licence needs to comply with the MAS' Notice on the Prevention of Money Laundering and Countering the Financing of Terrorism (the "Notice"). Under the Notice, the main obligations of the Manager include:

- customer due diligence;
- ongoing customer monitoring;
- suspicious transaction reporting;
- record keeping; and
- employee training.

Anti-money laundering training sessions are organised for the Board members, licensed representatives and employees at least once every two years and as and when required.

Dealings In Units

Each Director and the CEO of the Manager is to give notice to the Manager of his acquisition of or any changes in the number of Units which he holds or in which he has an interest, within two business days after such acquisition or the occurrence of the event giving rise to changes in the number of Units which he holds or in which he has an interest.

All dealings in Units by the Directors will be announced via SGXNET, with the announcement to be posted on the SGX-ST website at http://www.sgx.com.

The Manager has an internal compliance policy which provides guidance to the Directors and employees of the Manager with regards to dealings in the Units. The Directors and employees of the Manager are prohibited from dealing in the Units:

- in the period commencing one month before the public announcement of IREIT's annual results and property valuations, and two weeks before the public announcement of IREIT's quarterly results and ending on the date of announcement of the relevant results or, as the case may be, property valuations; and
- at any time while in possession of undisclosed price-sensitive information.

The Directors and employees of the Manager are also prohibited from dealing with the Units on short-term basis and communicating price-sensitive information to any person. They are expected to observe the insider trading laws at all times even when dealing with Units within permitted trading periods.

Pursuant to Section 137ZC of the SFA, the Manager is required to, inter alia, announce to the SGX-ST the particulars of any acquisition or disposal of interest in Units by the Manager as soon as practicable, and in any case no later than the end of the business day following the day on which the Manager became aware of the acquisition or disposal. In addition, all dealings in Units by the CEO will also need to be announced by the Manager via SGXNET, with the announcement to be posted on the SGX-ST website at http://www.sgx.com and in such form and manner as the authority may prescribe.

Dealing With Conflicts Of Interest

The Manager has instituted the following procedures to deal with potential conflict of interest issues:

- The Manager will not manage any other REIT which invests in the same type of properties as IREIT;
- Management will be working exclusively for the Manager and will not hold other executive positions in other entities;
- All resolutions in writing of the Directors in relation to matters concerning IREIT must be approved by at least a majority of the Directors (excluding any interested Director), including at least one Independent Director;
- At least one-third of the Board shall comprise Independent Directors, except that in certain stipulated circumstances, at least half of the Board shall comprise Independent Directors;
- In respect of matters in which a Director or his associates (as defined in the Listing Manual) has an interest, direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors and must exclude such interested Director;
- In respect of matters in which Tikehau Capital and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by Tikehau Capital and/or its subsidiaries to the Board to represent their interests will abstain from deliberation and voting on such matters. In such matters, the quorum must comprise a majority of the Independent Directors and must exclude nominee Directors of Tikehau Capital and/or its subsidiaries;
- In respect of matters in which Shanghai Summit (Group) Co., Ltd. ("Summit") and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by Summit and/or its subsidiaries to the Board to represent their interests will abstain from deliberation and voting on such matters. In such matters, the quorum must comprise a majority of the Independent Directors and must exclude nominee Directors of Summit and/or its subsidiaries;
- In respect of matters in which Mr Lim Chap Huat ("LCH") and/or its related nominees have an interest, direct or indirect, any nominees appointed by LCH and/or its associates or subsidiaries to the Board to represent their interests will abstain from deliberation and voting on such matters. In such matters, the quorum must comprise a majority of the Independent Directors and must exclude nominee Directors of LCH and/or its associates or subsidiaries;
- Except for resolutions relating to the removal of the Manager, the Manager and its associates are prohibited from voting or being counted as part of a quorum for any meeting of the Unitholders convened to approve any matters in which the Manager and/or any of its associates has a material interest; and

- It is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of IREIT with a related party of the Manager ("Related Party"), the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) who shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of IREIT, has a prima facie case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The Directors (including its Independent Directors) will have a duty to ensure that the Manager so complies. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of IREIT with a Related Party of the Manager, and the Trustee may take such action as it deems necessary to protect the rights of the Unitholders and/or which is in the interests of the Unitholders. Any decision by the Manager not to take action against a Related Party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such Related Party.

RELATED PARTY TRANSACTIONS

The Manager's Internal Control System

The Manager has established an internal control system to ensure that all future Related Party Transactions (which term includes an "Interested Person Transaction" as defined under the Listing Manual and an "Interested Party Transaction" as defined under the Property Funds Appendix):

- will be undertaken on normal commercial terms; and
- will not be prejudicial to the interests of IREIT and the Unitholders. As a general rule, the Manager must demonstrate to the ARC that such transactions satisfy the foregoing criteria. This may entail:
  - obtaining (where practicable) quotations from parties unrelated to the Manager; or
  - obtaining two or more valuations from independent professional valuers (in compliance with the Property Funds Appendix). The Manager will maintain a register to record all Related Party Transactions which are entered into by IREIT and the basis, including any quotations from unrelated parties and independent valuations, on which they are entered into.

The Manager maintains a register to record all Related Party Transactions that are entered into by IREIT and the bases, including any quotations from unrelated parties and independent valuations, on which they are entered into.

The Manager will also incorporate into its internal audit plan a review of all Related Party Transactions entered into by IREIT. The ARC shall review the internal audit reports at least twice a year to ascertain that the guidelines and procedures established to monitor Related Party Transactions have been complied with. The Trustee will also have the right to review such audit reports to ascertain that the Property Funds Appendix has been complied with.

The following procedures will be undertaken:

- Transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of IREIT's net tangible assets will be subject to review by the ARC at regular intervals.

- Transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of IREIT's net tangible assets will be subject to the review and prior approval of the ARC.

- Such approval shall only be given if the transactions are on normal commercial terms and not prejudicial to the interests of IREIT and the Unitholders and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager.

- Transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding 5.0% of the value of IREIT's net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the ARC which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Furthermore, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

Where matters concerning IREIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of IREIT with a Related Party of the Manager (which would include relevant Associates (as defined in the Listing Manual) thereof) or IREIT, the Trustee is required to consider the terms of such transactions to satisfy itself that such transactions are conducted:

- on normal commercial terms;

- are not prejudicial to the interests of IREIT and the Unitholders; and

- are in accordance with all applicable requirements of the Property Funds Appendix and/or the Listing Manual relating to the transaction in question.

The Trustee has the discretion under the Trust Deed to decide whether or not to enter into a transaction involving a Related Party of the Manager or IREIT. If the Trustee is to enter into any transaction with a Related Party of the Manager or IREIT, the Trustee will review the proposed transaction to ensure that it complies with the relevant requirements relating to Related Party Transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST to apply to REITs.

IREIT will comply with Rule 905 of the Listing Manual by announcing any Interested Person Transaction in accordance with the Listing Manual if the value of such transaction, by itself or when aggregated with other Interested Person Transactions entered into with the same Interested Person during the same financial year, is 3.0% or more of IREIT's latest audited net tangible assets.

The aggregate value of all Related Party Transactions which are subject to Rules 905 and 906 of the Listing Manual in a particular financial year will be disclosed in the annual report of IREIT for the relevant financial year.

The ARC will periodically review all Related Party Transactions to ensure compliance with the Manager's internal control systems, the relevant provisions of the Listing Manual and the Property Funds Appendix.

The review will include the examination of the nature of the transaction and supporting documents or such other data deemed necessary by the ARC. If a member of the ARC has an interest in a transaction, the interested member is to abstain from participating in the review and approval process in relation to that transaction.

AUDIT AND RISK COMMITTEE

Principle 12: The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties

The ARC comprises Mr Tan Wee Peng, Kelvin (Chairman of the ARC), Mr Lim Kok Min, John and Mr Nir Ellenbogen, all of whom are Independent Non-Executive Directors. The key role of the ARC is to monitor and evaluate the effectiveness of the Manager's internal controls. The ARC also reviews the quality and reliability of information prepared for inclusion in financial reports, and is responsible for the nomination of the EA and reviewing the adequacy of the EA in respect of cost, scope and performance.

None of the ARC members were previously partners or Directors of the Manager's or IREIT's EA within the previous 12 months nor does any of the ARC members hold any financial interest in the EA.

The ARC's responsibilities also include:

- monitoring the procedures established to regulate Related Party Transactions, including ensuring compliance;
- reviewing transactions constituting Related Party Transactions;
- deliberating on resolutions relating to conflict of interest situations involving IREIT;
- reviewing EA reports to ensure that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by Management;
- reviewing arrangements by which employees and external parties may, in confidence, raise probable improprieties in matters of financial reporting or other matters, with the objective that arrangements are in place for the independent investigation of such matters and for appropriate follow up action;
- reviewing internal audit reports at least twice a year to ascertain that the guidelines and procedures established to monitor Related Party Transactions have been complied with;
- ensuring that the internal audit and accounting function is adequately resourced and has appropriate standing with IREIT;

- reviewing, on an annual basis, the adequacy and effectiveness of the internal audit function;
- the appointment, re-appointment or removal of internal auditors (including the review of their fees and scope of work);
- monitoring the procedures in place to ensure compliance with applicable legislation, including the Listing Manual and the Property Funds Appendix;
- reviewing the appointment, re-appointment or removal of the EA;
- reviewing the nature and extent of non-audit services performed by the EA;
- reviewing, on an annual basis, the independence and objectivity of the EA;
- meeting with the external and internal auditors, without the presence of Management, at least on an annual basis;
- reviewing the system of internal controls including financial, operational, compliance and information technology controls and risk management processes;
- reviewing the financial statements and the internal audit report;
- reviewing and providing their views on all hedging policies and instruments to be implemented by IREIT to the Board;
- reviewing and approving the procedures for the entry into of any foreign exchange hedging transactions and monitoring the implementation of such policy, including reviewing the instruments, processes and practices in accordance with the policy for entering into foreign exchange hedging transactions;
- investigating any matters within the ARC's terms of reference, whenever it deems necessary; and
- reporting to the Board on material matters, findings and recommendations.

The ARC is authorised to investigate any matters within its terms of reference. It has full access to and co-operation from Management and enjoys full discretion to invite any Director and executive officer of the Manager to attend its meetings. The ARC also has full access to reasonable resources to enable it to discharge its function properly. Regular updates and advice from both the internal auditors and EA are provided to enable the ARC to keep abreast of relevant changes to accounting standards and issues which have a direct impact on financial statements. Such updates include briefings conducted by the internal auditors or EA during ARC meetings and advice provided from time to time.

The ARC has conducted a review of all non-audit services provided by the EA of IREIT, Deloitte & Touche LLP and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the EA.

For the financial year ended 31 December 2017, the aggregate amount of fees paid and payable by IREIT to the EA was €284,000, comprising audit service fees of €117,000 and other non-audit service fees of €167,000.

ARC meetings are generally held after the end of every quarter before the official announcement of results pertaining to that quarter. In respect of the financial year ended 31 December 2017, the ARC has also met with the internal auditors and EA separately, without the presence of Management, to discuss the reasonableness of the financial reporting process, the system of internal controls, and the significant comments and recommendations by the auditors.

In appointing the EA for IREIT, the ARC is satisfied that IREIT has complied with the requirement of Rules 712 and 715 of the Listing Manual. The ARC has assessed the performance of the EA based on factors such as the performance and quality of their audit and the independence of the auditors.

The ARC typically meets with the EA several months before the end of the financial year to discuss the year's audit plans and progress, during which significant financial reporting issues including identification of key audit matters ("KAMs") are discussed.

As with the case last year, the EA has identified the valuation of investment properties as a KAM and in its report, the EA has communicated their findings that the valuation of the properties done by the external valuers and various inputs used are within reasonable range of the EA's expectation. The ARC has also reviewed the valuation reports and discussed the contents thereof with both Management and the EA and is satisfied with the assumptions and methodologies used. However, given that the assumptions are subjective and are highly susceptible to changes in the business environment, the ARC similarly cautions Unitholders against relying solely on the investment property valuations in assessing the financial performance of IREIT. This is particularly so as such valuations do not give any assurance that the investment properties will be sold at such prices in the event such a sale is to be effected and more so when such sales are not contemplated as part of IREIT's business strategy. Instead, the ARC advises Unitholders to focus on factors such as the net property income, tenant profile, tenancy duration, and their changes over the years to assess how well IREIT's portfolio has performed.

Both the EA and ARC are also satisfied that the potential for conflict of interest with the engagement of Jones Lang LaSalle ("JLL") as the external valuers has been mitigated given that the valuation team was deployed out of the United Kingdom while the property management team worked out of Berlin and their compensation is not linked to the valuation of the properties.

Other than the KAM identified in the EA's report, the ARC also reviewed matters such as revenue recognition, liquidity and going concern risks, and Management's override of controls with the EA and Management. The ARC is pleased to inform the Unitholders that there are no significant issues relating to such matters that warrant special mention this year as they have all been dealt with according to established procedures and control measures, generally accepted accounting principles, and financial reporting standards.

Principle 13: Establishment of an internal audit function that is independent of the activities it audits

The Manager has put in place a system of internal controls of procedures, including financial, operational, compliance and information technology controls, and risk management systems to safeguard IREIT's assets, Unitholders' interests as well as to manage risk.

The internal audit function of the Manager is outsourced to an independent assurance service provider and the ARC reviews the adequacy and effectiveness of the internal auditor at least once a year. The ARC is satisfied that the internal auditor has the relevant qualifications and experience and has met the standards established by internationally recognised professional bodies including the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The internal auditor reports directly to the ARC on audit matters and the ARC approves the hiring, removal, evaluation and fees of the internal auditor. The ARC also reviews and approves the annual internal audit plan and reviews the internal audit reports and activities. The ARC meets with the internal auditor, without the presence of Management, at least once a year. The ARC is of the view that the internal auditor has adequate resources to perform its functions and has to the best of its ability, maintained its independence from the activities that it audits.

UNITHOLDERS' RIGHTS AND RESPONSIBILITIES

Unitholders' Rights

Principle 14: Treat all Unitholders fairly and equitably, and should recognise, protect and facilitate the exercise of Unitholders' rights, and continually review and update such governance arrangements

Communications With Unitholders

Principle 15: Actively engage Unitholders and put in place an investor relations policy to promote regular, effective and fair communication with Unitholders Conduct of Unitholders' Meetings

Principle 16: Greater Unitholders' participation at annual general meetings and the opportunity to communicate views

The Manager upholds a strong culture of continuous disclosure and transparent communication with Unitholders, the investing community and other stakeholders. The Manager has developed a disclosure policy, which requires timely and full disclosure of financial reports and all material information relating to IREIT by way of public releases or announcements via SGXNET. The published materials will also be posted on IREIT's website at www.ireitglobal.com.

IREIT's website also has the option for visitors to subscribe for a free email alert service on public materials released by the Manager.

The Manager has a dedicated Head of Investor Relations who regularly communicates major developments in IREIT's businesses and operations to the Unitholders, analysts and other interested parties. The Manager believes in providing transparent communication. The Manager conducts regular briefings for analysts, which generally coincide with the release of IREIT's financial results. During these briefings, the Manager will review IREIT's most recent performance, as well as discuss the business outlook for IREIT.

To achieve the Manager's objective of providing transparent communication, briefing materials are released on SGXNET and made available on IREIT's website.

The Manager will also meet investors through institutional investor conferences, non-deal roadshows and private meetings on a regular basis. In compliance with the Property Funds Appendix, an AGM will be held after the close of the financial year to allow the Manager to interact with Unitholders, particularly retail investors, as well as providing the investors a direct channel to get responses to any queries they might have.

The notice of the AGM will be published on SGXNET, newspapers and IREIT's website. The AGM results will be screened at the meeting and announced via SGXNET after the meeting. All Unitholders are sent a copy of IREIT's annual report prior to the AGM. As and when an extraordinary general meeting ("EGM") is to be convened, a circular containing detail of the matters proposed for the Unitholders' consideration and approval will also be sent to Unitholders. The notice of the EGM will also be published on SGXNET, newspapers and IREIT's website.

The Management and the EA will be present at the AGM or EGM to address questions and concerns of Unitholders.

Separate resolutions are proposed for each distinct issue at the AGM or EGM. Unitholders will be invited to vote on each of the resolution by poll, using an electronic voting system. This will allow all Unitholders present, or represented at the meeting to vote on a one unit, one vote basis. An independent scrutineer is also appointed to validate the vote tabulation procedures. The Manager is not implementing absentia voting methods such as voting via mail, e-mail or fax until security, integrity and other pertinent issues are satisfactorily resolved. The voting results will be screened at the meeting and announced via SGXNET after the meeting.

To encourage Unitholders' participation at the AGM or EGM, a question and answer session will be held during the AGM or EGM to allow Unitholders the opportunity to put forth any questions and clarify any issues they may have with the Board, Management or EA regarding the business operations, strategy and financial standing of IREIT.

Minutes of general meetings which include substantial and relevant comments or queries from Unitholders relating to the agenda of the meeting, and responses from the Board and the Management, will be prepared and made available to Unitholders upon request.

Whistle-Blowing Policy

The Manager has also set in place a whistle-blowing policy, providing an avenue for its employees and external parties to raise concerns about possible improprieties in matters of financial reporting or other matters in good faith, with the confidence that the relevant persons making the reports will be treated fairly and protected from reprisal. External parties are able to lodge their concerns via IREIT's website at www.ireitglobal.com. All whistle-blower complaints will be reviewed by the ARC to ensure that investigations and follow-up actions are carried out, if needed. For the financial year ended 31 December 2017, the ARC did not receive any whistle-blower complaints.

REPORT OF THE TRUSTEE

FOR THE YEAR ENDED 31 DECEMBER 2017

DBS Trustee Limited (the "Trustee") is under a duty to take into custody and hold the assets of IREIT Global ("IREIT") held by it or through its subsidiaries (the "Group") in trust for the holders of units in IREIT (the "Unitholders"). In accordance with the Securities and Futures Act (Chapter 289) of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of IREIT Global Group Pte. Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 1 November 2013 and as amended and restated by an amending and restating deed dated 14 July 2014, supplemented by the first supplemental deed dated 6 November 2015 (collectively, the "Trust Deed") made between the Manager and the Trustee in each annual accounting period and report thereon to the Unitholders.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed IREIT and the Group during the financial year covered by these financial statements set out on pages 88 to 131, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
DBS Trustee Limited

Jane Lim Puay Yuen
Director

Singapore
16 March 2018

STATEMENT BY THE MANAGER

FOR THE YEAR ENDED 31 DECEMBER 2017

In the opinion of the directors of IREIT Global Group Pte. Ltd. (the "Manager"), the accompanying financial statements of IREIT Global ("IREIT") and its subsidiaries (collectively referred to as the "Group") as set out on pages 88 to 131, comprising the consolidated financial statements of the Group and the statement of financial position of IREIT as at 31 December 2017, the statement of changes in net assets attributable to Unitholders of IREIT for the financial year ended 31 December 2017, and a summary of significant accounting policies and other explanatory information for the year then ended, are drawn up so as to present a true and fair view, in all material respects, the financial position of the Group and IREIT as at 31 December 2017, the total profit or loss and other comprehensive income, amount distributable of the Group, the movements of Unitholders' funds of the Group and IREIT and consolidated cash flows of the Group for the year then ended, in accordance with the International Financial Reporting Standards and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and IREIT will be able to meet the financial obligations as and when they materialise.

For and on behalf of the Manager,
IREIT Global Group Pte. Ltd.

Lim Kok Min John
Director

Singapore
16 March 2018

INDEPENDENT AUDITOR'S REPORT

TO THE UNITHOLDERS OF IREIT GLOBAL

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of IREIT Global ("IREIT") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated financial statements of the Group and the statement of financial position of IREIT as at 31 December 2017, and the statement of distribution and statements of changes in net assets attributable to Unitholders of IREIT for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 88 to 131.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of distribution and statements of changes in net assets attributable to Unitholders of IREIT are properly drawn up in accordance with International Financial Reporting Standards ("IFRSs") so as to give a true and fair view of the financial position of the Group and of IREIT as at 31 December 2017, and of the consolidated financial performance, changes in net assets attributable to Unitholders and consolidated cash flows of the Group, and distribution and changes in net assets attributable to Unitholders of IREIT for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter

Fair Valuation and Disclosure of Fair Value for Investment Properties

The Group owns a portfolio of investment properties comprising commercial office complexes located in Germany. The investment properties represent the single largest category of assets with a carrying amount of €463.1 million as at 31 December 2017.

The Group has adopted the fair value model under IAS 40 *Investment Property* which requires all the investment properties to be measured at fair value. The Group has engaged external independent valuers ("Valuers") to perform the fair value assessment of the investment properties.

The fair valuation of investment properties is considered to be a matter of significance as the valuation process requires the application of judgement in determining the appropriate valuation methodology to be used, use of subjective assumptions and various unobservable inputs. The fair valuations are sensitive to underlying assumptions applied in deriving the underlying cash flows, discount rate, and terminal capitalisation rates as a small change in these assumptions can result in an increase or decrease in fair valuation of the investment properties.

The valuation techniques, their key inputs and the inter-relationships between the inputs and the valuation have been disclosed in Note 7 to the consolidated financial statements.

How the matter was addressed in the audit

We have assessed the Group's process of appointment and determination of the scope of work of the Valuers, as well as their process of reviewing, and accepting the Valuers' investment property valuations.

We have reviewed the qualifications, competence, independence, and the terms of engagement of the Valuers with the Group to determine whether there were any matters which might affect objectivity of the Valuers or impede their scope of work.

We held discussions with management and the Valuers on the valuation reports, and engaged our valuation specialist to assist in:

- assessing the valuation methodology, assumptions and estimates used by the Valuers against general market practice for similar types of properties;
- comparing valuation assumptions and the underlying cash flows, discount rate, and terminal capitalisation rates to historical rates, and available industry data for comparable markets and properties; and
- reviewing the integrity of the valuation calculations, valuation inputs, including review of lease schedules, lease agreements and compare it to the inputs made to the projected cash flows.

Based on the audit procedures performed, the fair valuation of the properties and the various inputs used are within a reasonable range of our expectations.

We have also assessed and validated the adequacy and appropriateness of the disclosures made in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager and Directors of the Manager for the Financial Statements

IREIT Global Group Pte. Ltd (the "Manager" of IREIT) is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and comply with the relevant provisions of the Trust Deed dated 1 November 2013 and amended by the amending and restating deed dated 14 July 2014, supplemented by the first supplemental deed dated 6 November 2015 (collectively, the "Trust Deed"), and the relevant requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The responsibilities of the directors of the Manager include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors of the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors of the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors of the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the financial statements have been properly prepared in accordance with the relevant provisions of the Trust Deed and the relevant requirements of the CIS Code.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Xu Jun.

DELOITTE & TOUCHE LLP
Public Accountants and
Chartered Accountants

Singapore
16 March 2018

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

	Notes	Group 31 December 2017 EUR'000	Group 31 December 2016 EUR'000	IREIT 31 December 2017 EUR'000	IREIT 31 December 2016 EUR'000
ASSETS					
Current assets					
Cash and cash equivalents	4	19,106	20,803	3,370	2,870
Trade and other receivables	5	1,579	1,438	7,930	8,383
Financial derivatives	6	68	85	68	85
		20,753	22,326	11,368	11,338
Non-current assets					
Investment properties	7	463,100	453,000	–	–
Investment in subsidiaries	8	–	–	241,406	251,756
Other receivable	5	961	567	–	–
Deferred tax assets	9	1,867	1,603	–	–
Financial derivatives	6	74	84	74	84
		466,002	455,254	241,480	251,840
Total assets		**486,755**	**477,580**	**252,848**	**263,178**
Current liabilities					
Borrowings	11	21,055	23,587	–	–
Trade and other payables	10	2,790	2,963	471	445
Distribution payable		11,727	12,731	11,727	12,731
Financial derivatives	6	278	–	278	–
Income tax payable		274	215	6	–
		36,124	39,496	12,482	13,176
Non-current liabilities					
Borrowings	11	174,421	174,144	–	–
Deferred tax liabilities	9	7,519	4,065	–	–
		181,940	178,209	–	–
Total liabilities		**218,064**	**217,705**	**12,482**	**13,176**
Net assets attributable to Unitholders		**268,691**	**259,875**	**240,366**	**250,002**
Units in issue and to be issued ('000)	12	**628,042**	**622,619**	**628,042**	**622,619**
Net asset value per unit (€) attributable to Unitholders	13	**0.43**	**0.42**	**0.38**	**0.40**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Group 2017 EUR'000	Group 2016 EUR'000
Gross revenue	14	34,959	34,399
Property operating expenses	15	(3,431)	(3,543)
Net property income		31,528	30,856
Foreign exchange (loss)/gain		(137)	16
Finance income		16	27
Finance costs	16	(4,029)	(4,028)
Manager's fees	17	(2,598)	(3,710)
Trustee's fees		(95)	(94)
Administrative costs		(329)	(301)
Other trust expenses	18	(858)	(717)
Change in fair value of financial derivatives		(305)	961
Change in fair value of investment properties	7	9,787	11,096
Profit before taxation and transactions with Unitholders		**32,980**	**34,106**
Income tax expense	19	(3,384)	(3,472)
Profit for the year, before transactions with Unitholders		**29,596**	**30,634**
Distributions to Unitholders		(23,378)	(25,550)
Profit for the year, after transactions with Unitholders, representing total comprehensive profit for the year		**6,218**	**5,084**
Basic and diluted earnings per unit (€ cents)	20	**4.74**	**4.97**

The accompanying notes form an integral part of these financial statements.

STATEMENT OF DISTRIBUTION

FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	Group 2017 EUR'000	Group 2016 EUR'000
Profit for the year, before transactions with Unitholders		29,596	30,634
Adjustments:			
Amortisation of upfront debt transaction costs		331	339
Manager's management fee payable in units		2,598	3,710
Foreign exchange loss/(gain)		137	(16)
Effects of recognising rental income on a straight-line basis over the lease term		(394)	(394)
Change in fair value of financial derivatives (unrealised)		305	(884)
Change in fair value of investment properties		(9,787)	(11,096)
Deferred tax expense		3,190	3,257
Amount available for distribution		**25,976**	**25,550**
Distribution to Unitholders:			
Distribution of €1.86 cents per unit for the period from 1 January 2017 to 30 June 2017		(11,651)	–
Distribution of €1.86 cents per unit for the period from 1 July 2017 to 31 December 2017		(11,727)	–
Distribution of €2.08 cents per unit for the period from 1 January 2016 to 30 June 2016		–	(12,819)
Distribution of €2.06 cents per unit for the period from 1 July 2016 to 31 December 2016		–	(12,731)
Total Unitholders' distribution		**(23,378)**	**(25,550)**
Amount available for distribution to Unitholders at end of the year		**2,598**	**–**
Units in issue at the end of the year	12	**626,666**	**618,842**
Distribution per unit (€ cents)	2(o)	**3.72**	**4.14**

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

FOR THE YEAR ENDED 31 DECEMBER 2017

Group	Units in issue and to be issued EUR'000	Unit issue costs EUR'000	Accumulated (losses) / profit EUR'000	Total EUR'000
Net assets attributable to Unitholders as at 1 January 2016	280,866	(8,233)	(21,552)	**251,081**
OPERATIONS				
Profit for the year, before transactions with Unitholders	–	–	30,634	**30,634**
Distribution paid of €2.08 cents per unit for the period from 1 January 2016 to 30 June 2016	–	–	(12,819)	**(12,819)**
Distribution payable of €2.06 cents per unit for the period from 1 July 2016 to 31 December 2016	–	–	(12,731)	**(12,731)**
Total comprehensive profit for the year	–	–	5,084	**5,084**
UNITHOLDERS' TRANSACTIONS				
Issue of units:				
Manager's management fee payable in units	3,710	–	–	**3,710**
Increase in net assets resulting from Unitholders' transactions	3,710	–	–	**3,710**
Net assets attributable to Unitholders as at 31 December 2016	**284,576**	**(8,233)**	**(16,468)**	**259,875**
OPERATIONS				
Profit for the year, before transactions with Unitholders	–	–	29,596	**29,596**
Distribution paid of €1.86 cents per unit for the period from 1 January 2017 to 30 June 2017	–	–	(11,651)	**(11,651)**
Distribution payable of €1.86 cents per unit for the period from 1 July 2017 to 31 December 2017	–	–	(11,727)	**(11,727)**
Total comprehensive profit for the year	–	–	6,218	**6,218**
UNITHOLDERS' TRANSACTIONS				
Issue of units:				
Manager's management fee payable in units	2,598	–	–	**2,598**
Increase in net assets resulting from Unitholders' transactions	2,598	–	–	**2,598**
Net assets attributable to Unitholders as at 31 December 2017	**287,174**	**(8,233)**	**(10,250)**	**268,691**

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

FOR THE YEAR ENDED 31 DECEMBER 2017

IREIT	Units in issue and to be issued EUR'000	Unit issue costs EUR'000	Accumulated losses EUR'000	Total EUR'000
Net assets attributable to Unitholders as at 1 January 2016	280,866	(8,233)	(13,148)	**259,485**
OPERATIONS				
Profit for the year, before transactions with Unitholders	–	–	12,357	**12,357**
Distribution paid of €2.08 cents per unit for the period from 1 January 2016 to 30 June 2016	–	–	(12,819)	**(12,819)**
Distribution payable of €2.06 cents per unit for the period from 1 July 2016 to 31 December 2016	–	–	(12,731)	**(12,731)**
Total comprehensive loss for the year	–	–	(13,193)	**(13,193)**
UNITHOLDERS' TRANSACTIONS				
Issue of units:				
Manager's management fee payable in units	3,710	–	–	**3,710**
Increase in net assets resulting from Unitholders' transactions	3,710	–	–	**3,710**
Net assets attributable to Unitholders as at 31 December 2016	**284,576**	**(8,233)**	**(26,341)**	**250,002**
OPERATIONS				
Profit for the year, before transactions with Unitholders	–	–	11,144	**11,144**
Distribution paid of €1.86 cents per unit for the period from 1 January 2017 to 30 June 2017	–	–	(11,651)	**(11,651)**
Distribution payable of €1.86 cents per unit for the period from 1 July 2017 to 31 December 2017	–	–	(11,727)	**(11,727)**
Total comprehensive loss for the year	–	–	(12,234)	**(12,234)**
UNITHOLDERS' TRANSACTIONS				
Issue of units:				
Manager's management fee payable in units	2,598	–	–	**2,598**
Increase in net assets resulting from Unitholders' transactions	2,598	–	–	**2,598**
Net assets attributable to Unitholders as at 31 December 2017	**287,174**	**(8,233)**	**(38,575)**	**240,366**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	Group 2017 EUR'000	Group 2016 EUR'000
Cash flows from operating activities			
Profit for the year, after transactions with Unitholders		6,218	5,084
Adjustments for:			
Manager's management fees payable in units		2,598	3,710
Finance costs		4,029	4,028
Finance income		(16)	(27)
Net change in fair value of financial derivatives		305	(884)
Net change in fair value of investment properties		(9,787)	(11,096)
Distribution to Unitholders		23,378	25,550
Income tax expense		3,384	3,472
Operating profit before working capital changes		30,109	29,837
Changes in working capital:			
Trade and other receivables		(534)	(247)
Trade and other payables		(165)	(934)
Income taxes paid		(135)	–
Cash generated from operations, representing net cash from operating activities		29,275	28,656
Cash flow from investing activity			
Capital expenditure on investment properties, representing net cash used in investing activity		(313)	(504)
Cash flows from financing activities			
Repayment of bank borrowings	26	(2,550)	–
Upfront debt transaction costs	26	(29)	–
Distribution paid to Unitholders	26	(24,382)	(24,877)
Interest paid		(3,698)	(3,689)
Net cash used in financing activities		(30,659)	(28,566)
Net decrease in cash and cash equivalents		(1,697)	(414)
Cash and cash equivalents at beginning of the year		20,803	21,217
Cash and cash equivalents at the end of the year	4	**19,106**	**20,803**

The accompanying notes form an integral part of these financial statements.

1. GENERAL

IREIT Global ("IREIT") is a real estate investment trust constituted by a trust deed entered into on 1 November 2013 and as amended and restated by an amending and restating deed dated 14 July 2014, supplemented by the first supplemental deed dated 6 November 2015 (collectively, the "Trust Deed") made between IREIT Global Group Pte. Ltd. as the manager of IREIT (the "Manager"), and DBS Trustee Limited, as the trustee of IREIT (the "Trustee"). IREIT was listed on the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 13 August 2014 ("Listing Date").

The registered office and principal place of business of the Manager is 8 Marina View, #15-07A Asia Square Tower 1, Singapore 018960.

The registered office and principal place of business of the Trustee is 12 Marina Boulevard, Level 44, Marina Bay Financial Centre Tower 3, Singapore 018982.

The principal activity of IREIT is investment holding whereas its subsidiaries (together with IREIT referred to as the "Group") are to own and invest in a portfolio of office properties in Europe with current primary focus on Germany. Collectively, the principal activity of the Group is to provide Unitholders with regular and stable distributions and the potential for sustainable long-term growth in distribution and appreciation in investment value, while maintaining an appropriate capital structure for IREIT.

The consolidated financial statements of the Group and the statement of financial position of IREIT as at 31 December 2017 and changes in net assets attributable to Unitholders of IREIT for the financial year then ended were authorised for issue by the Manager on 16 March 2018.

The financial statements are presented in Euro ("€" or "EUR").

The Group has entered into several service agreements in relation to the management of IREIT and its property operations. The fee structures of these services are as follows:

(a) Manager's fees

The Manager is entitled to receive the following remuneration for the provision of asset management services:

Base fee

Pursuant to the Trust Deed, the Manager is entitled to a Base Fee of 10.0% per annum of IREIT's Annual Distributable Income (calculated before accounting for the Performance Fee but after accounting for the Base Fee in each financial period). The Base Fee is payable to the Manager either in the form of cash or units as the Manager may elect. The Manager has elected to receive 100.0% of its Base Fee in the form of units for the financial year ended 31 December 2017.

The portion of the Base Fee, payable either in the form of cash or units, is payable quarterly in arrears. Where the Base Fee is payable in units, the units will be issued based on the volume weighted average price for a unit for all trades transacted on SGX-ST in the ordinary course of trading for a period of 10 Business Days (as defined in the Trust Deed) immediately preceding the relevant Business Day.

1. GENERAL (CONTINUED)

(a) Manager's fees (continued)

Performance fee

Pursuant to the Trust Deed, the Manager is entitled to a Performance Fee of 25.0% of the difference in Distribution Per Unit ("DPU") in a financial period with the DPU in the preceding financial period (calculated before accounting for the Performance Fee but after accounting for the Base Fee in each financial period) multiplied by the weighted average number of units in issue for such financial period.

The Performance Fee is payable if the DPU in any financial period exceeds the DPU in the preceding financial period, notwithstanding that the DPU in such financial period may be less than the DPU in any preceding financial period.

No performance fees were payable for the financial year ended 31 December 2017.

Acquisition fee

Under the Trust Deed, the Manager is entitled to receive an acquisition fee not exceeding a maximum of 1% of the acquisition price for any real estate purchased directly or indirectly by IREIT (pro-rated if applicable to the proportion of IREIT's interest in the real estate acquired) in the form of cash and/or units.

Divestment fee

Under the Trust Deed, the Manager is entitled to receive a divestment fee not exceeding a maximum of 0.5% of the sale price of any real estate directly or indirectly sold or divested by IREIT (pro-rated if applicable to proportion of IREIT's interest in the real estate sold) in the form of cash and/or units.

(b) Trustee's fees

The Trustee's fees shall not exceed 0.1% per annum of the value of all the assets of IREIT Group ("Deposited Property"), subject to a minimum of S$10,000 per month, excluding out-of-pocket expenses and GST in accordance with the Trust Deed. The Trustee will also be paid a one-time inception fee as may be agreed between the Trustee and the Manager, subject to a maximum of S$60,000.

1. GENERAL (CONTINUED)

(c) Property management fees

The Property Manager is entitled to the following fees on each property of IREIT under its management:

– 0.6% per annum of the Gross Revenue excluding service charge of Bonn Campus, subject to a minimum of €3,168.87 per month;

– 0.6% per annum of the Gross Revenue excluding service charge of Darmstadt Campus, subject to a minimum of €2,739.57 per month;

– 0.6% per annum of the Gross Revenue excluding service charge of Münster North, subject to a minimum of €1,006.04 per month;

– 0.6% per annum of the Gross Revenue excluding service charge of Münster South, subject to a minimum of €886.67 per month;

– 2.1% per annum of the Gross Revenue excluding service charge of Concor Park, subject to a minimum of €7,431.62 per month; and

– €79,500 per annum for Berlin Campus, subject to a minimum fee of €42,000 per annum if rental income falls below 70% of €10.8 million per annum.

(d) Leasing and marketing services fee

The Property Manager provides leasing and management services to the property owning subsidiaries in the Group. This enables IREIT to maximise rental returns and to achieve long term capital appreciation, market leadership in the respective asset classes and maintain its brand position. The Property Manager will carry out the day to day maintenance and leasing activities for the investment properties. The Manager and the Manager's local asset management team will oversee the Property Manager's activities and monitor its performance. In addition, the Manager will determine appropriate leasing policies and maintain direct contact with all major tenants.

For leasing and marketing services, the Property Manager is entitled to the following marketing services commissions:

– 0.5 month of Gross Revenue excluding service charge if a third party broker is involved; or

– 1.5 months of Gross Revenue excluding service charge if there is no third party broker involved.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB"), and are drawn up in accordance with the relevant provisions of the Trust Deed and the relevant requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS").

The financial statements have been prepared on historical cost basis, except for investment properties and certain financial instruments which are measured at fair values.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IAS 17, and the measurements that have same similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation of financial statements (continued)

NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

On 1 January 2017, the Group adopted all the new and revised IFRSs that are effective from that date and are relevant to its operations. The adoption of these new/revised IFRSs does not result in changes to the Group's and IREIT's accounting policies and has no material effect on the amounts reported for the current or prior years, except for:

Amendments to *IAS 7 Statement of Cash Flows: Disclosure Initiative*

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and non-cash changes.

The Group's liabilities arising from financing activities and a reconciliation between the opening and closing balances of these liabilities are set out in Note 26. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior period. Apart from the additional disclosure in Note 26, the application of these amendments has had no impact on the Group's consolidated financial statements.

At the date of authorisation of these financial statements, the following IFRSs and amendments to IFRS that are relevant to the Group were issued but not effective:

IFRS 9	Financial Instruments[1]
IFRS 15	Revenue from Contracts with Customers (with clarifications issued)[1]
IFRS 16	Leases[2]
Amendments to IAS 40	Investment property: Transfers of investment Property[1]

1 Applies to annual periods beginning on or after 1 January 2018, with early application permitted.
2 Applies to annual periods beginning on or after 1 January 2019, with early application permitted.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation of financial statements (continued)

IFRS 9 Financial Instruments

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2015 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

- All recognised financial assets that are within the scope of IAS 39 *Financial Instruments: Recognition and Measurement* are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation of financial statements (continued)

NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.

- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

Based on Manager's preliminary assessment, IFRS 9 is not expected to impact the classification and measurement of financial assets and financial liabilities in the financial statements in the period of its initial adoption. With the change in impairment requirements for financial assets using an expected credit loss model, the presentation and disclosure in the financial statements maybe impacted. For the final change covered by the standard in relation to general hedge accounting, it is not expected to have a material impact as IREIT does not perform hedge accounting even though there are certain hedges in place (Note 6).

IFRS 15 Revenue from Contracts with Customers (with clarifications issued)

IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation of financial statements (continued)

NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15. Based on Manager's preliminary assessment, IFRS 15 is not going to have a material impact in the period of its initial adoption, except for additional disclosure requirements, as IREIT's main revenue stream is rental income from investment properties.

IFRS 16 Leases

IFRS 16 will supersede the current leases guidance including IAS 17 *Leases* and the related Interpretations when it becomes effective. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying IAS 7 *Statement of Cash Flows*.

Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation of financial statements (continued)

NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

IFRS 16 contains disclosure requirements for lessees. Lessees will need to apply judgement in deciding upon the information to disclose to meet the objective of providing a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of the lessee.

IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. IFRS 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor's risk exposure, particularly to residual value risk.

Instead of applying the recognition requirements of IFRS 16 described above, a lessee may elect to account for lease payments as an expense on a straight-line basis over the lease term or another systematic basis for the following two types of leases:

- leases with a lease term of 12 months or less and containing no purchase options – this election is made by class of underlying asset; and

- leases where the underlying asset has a low value when new (such as personal computers or small items of office furniture) – this election can be made on a lease-by-lease basis.

IFRS 16 is effective for annual reporting periods beginning on or after 1 January 2019. Earlier application is permitted if IFRS 15 *Revenue from Contracts with Customers* has also been applied. Based on Manager's preliminary assessment, IFRS 16 is not expected to have a material impact except for the enhanced disclosure requirements as IREIT is a lessor of properties and the standard maintains substantially the same lessor accounting approach under the existing standard IAS 17, but has increased the level of disclosure required in the financial statements.

Amendments to IAS 40 Investment Property: Transfers of Investment Property

The International Accounting Standards Board (IASB) has published 'Transfers of Investment Property (Amendments to IAS 40)' to clarify transfers of property to, or from, investment property. Paragraph 57 of the Standard has been amended to state that an entity shall transfer a property to, or from, investment property when, and only when, there is evidence of a change in use. A change of use occurs if property meets, or ceases to meet, the definition of investment property. A change in management's intentions for the use of a property by itself does not constitute evidence of a change in use. The list of evidence in paragraph 57(a) – (d) was also designated as non-exhaustive list of examples instead of the previous exhaustive list.

Based on Manager's preliminary assessment, amendments to IAS 40 is not going to have a material impact in the period of its initial adoption.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of IREIT and entities controlled by IREIT ("subsidiaries"). Control is achieved when IREIT:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

IREIT reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when IREIT obtains control over the subsidiary and ceases when IREIT loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the date IREIT gains control until the date when IREIT ceases to control the subsidiary.

Profit or loss and each component of the other comprehensive income are attributed to the owners of IREIT and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the Unitholders of IREIT and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

On acquisition, the assets and liabilities of the relevant subsidiaries are measured at their fair values at the date of acquisition. Income and expenses of the subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition or disposal.

Where necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with those used by IREIT.

All intra-group assets and liabilities, income, expenses and cash flows are eliminated in full on consolidation.

(c) Investments in subsidiaries

Investments in subsidiaries are included in IREIT's statement of financial position at cost less any identified impairment loss. Results of subsidiaries are accounted for by IREIT on the basis of dividends received or receivable during the period.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured using the fair value model. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the investment property is derecognised.

(e) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs, including front-end fees and commitment fees, that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Effective interest rate method

The effective interest rate method is a method of calculating the amortised cost of a debt instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period.

Interest income or expense is recognised on an effective interest basis for debt instruments other than those financial instruments “at fair value through profit or loss”.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Financial instruments (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables and bank balances and cash) are measured at amortised cost using the effective interest rate method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Default or delinquency in interest or principal payments; or
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Financial instruments (continued)

Impairment of financial assets *(continued)*

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

<u>Classification as debt or equity</u>

Debt and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

<u>Equity instruments</u>

An equity instrument is any contract that evidences a residual interest in the assets of the group entity after deducting all of its liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Financial instruments (continued)

Financial liabilities

Financial liabilities (including trade and other payables, distributable payable and borrowings) are initially measured at fair value and subsequently measured at amortised cost, using the effective interest rate method.

Borrowing

Interest-bearing bank loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see below).

Borrowing is presented as a current liability unless the Group has an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case, they are presented as non-current liabilities.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Derivative financial instruments

The Group uses derivative financial instruments (primarily foreign exchange forward contracts) to economically hedge its significant future transactions and cash flows in the management of its exchange rate exposures. The Group does not use any financial derivative instruments to manage its interest rates exposure. The Group does not use derivative financial instruments for speculative purposes.

Derivative financial instruments are initially measured at fair value on the trade date, and are remeasured to fair value at the end of each reporting period. All changes in fair value are taken to profit or loss.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in an active market (such as exchange traded or over the counter derivatives) are based on quoted market prices prevailing on reporting date.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. IREIT uses a variety of methods and makes assumptions that are based on market conditions existing at the reporting date. Where appropriate, quoted market prices or dealer quotes for similar financial instruments are used.

The fair values of forward currency swaps are calculated based on estimated future cash flows discounted at actively quoted currency rates.

(g) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

(h) Issue costs

Unit issue costs are transactions costs relating to issuance of units in IREIT which are accounted for as a deduction from the proceeds raised to the extent they are incremental costs directly attributable to the transaction that otherwise would have been avoided. Other transaction costs are recognised as an expense in profit or loss.

(i) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for services and facilities provided in the course of the ordinary activities, net of discounts.

Rental income under operating leases, except for contingent rentals, is recognised in the profit or loss on a straight-line basis over the term of the relevant lease.

Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period on a receipt basis. No contingent rentals are recognised if there are uncertainties due to the possible return of amounts received.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Revenue recognition (continued)

Service charges income, which consist of payments in respect of the operation of the properties which are payable by the tenants, are recognised as income when the services and facilities are provided.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and the relevant effective interest rate.

Dividend income from subsidiaries is recognised when IREIT's right to receive payment has been established.

(j) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(k) Foreign currencies

The functional currency (the currency of the primary economic environment in which the entity operates) of IREIT and its subsidiaries is Euro.

In preparing the financial statements of each individual entity within the Group, transactions in currencies other than Euro are recorded in Euro at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Impairment of investments in subsidiaries

At the end of the reporting period, IREIT reviews the carrying amounts of its investments in each of the subsidiaries to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the investments in subsidiaries is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less cost to sell or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of the investments is estimated to be less than its carrying amount, the carrying amount of investments is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of investments is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for investments in prior years. A reversal of an impairment loss is recognised as income immediately.

(m) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before taxation" as reported in the statement of profit or loss and other comprehensive income because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on the temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all temporary difference to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such deferred assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Taxation (continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Current and deferred tax are recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling to IREIT pursuant to which the Singapore holding companies, which are wholly owned by IREIT, have been granted an in-principle tax exemption under Section 13(12) of the Singapore Income Tax Act ("SITA") on the dividend income from IREIT's wholly-owned Dutch subsidiary companies (Dutch Subsidiaries). The tax exemption has been granted by the IRAS based on certain representations made by IREIT and subject to certain conditions being satisfied.

The IRAS has also issued a tax ruling to IREIT pursuant to which the Singapore financing companies, which are wholly owned by IREIT, have been granted tax exemption under Section 13(12) of the SITA on the interest income from the Dutch Subsidiaries which are wholly owned by the Singapore holding companies. The tax exemption has been granted by the IRAS based on certain representations made by the Manager and subject to certain conditions being satisfied.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Segment reporting

Segment information is reported in a manner consistent with the internal reporting provided to the management of the Manager who conducts a regular review for allocation of resources and assessment of the performance of the operating segments.

(o) Distribution policy

Distributions for the financial period from the date of constitution of IREIT on 1 November 2013 to 31 December 2016 are based on 100% of IREIT Group's specified non-taxable income comprising rental and other property related income from its business of property letting after deducting allowable expenses ("Distributable Income"). IREIT will distribute at least 90% of the annual Distributable Income thereafter.

(p) Cash and cash equivalents in the statement of cash flows

Cash and cash equivalents in the statement of cash flows comprise cash on hand and demand deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2, the Manager is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the Group's accounting policies, the Manager is of the opinion that there are no instances of application of judgments or the use of estimation techniques which may have a significant effect on the amounts recognised in the financial statements other than valuation of investment properties.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

As described in Notes 2(d) and 7, investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair values of the properties, the valuers have used and considered the income capitalisation method and discounted cash flows method, which involve the making of certain assumptions and estimates. The Manager has exercised its judgment and is satisfied that the valuation methods, assumptions and estimates are reflective of the prevailing conditions in Germany, where the investment properties are located.

Information about the assumptions, estimation, uncertainties that have significant effect on the amounts recognised and the fair values of the investment properties are set out in Note 7 to the financial statements.

4. CASH AND CASH EQUIVALENTS

	Group		IREIT	
	2017	**2016**	**2017**	**2016**
	EUR'000	EUR'000	EUR'000	EUR'000
Cash at bank and in hand	17,752	19,401	2,016	1,468
Fixed deposits	1,354	1,402	1,354	1,402
	19,106	**20,803**	**3,370**	**2,870**

Fixed deposits bear interest rate of 1.02% to 1.16% (2016: 0.79% to 1.44%) per annum and for a tenure of 6 months to 1 year (2016: 1 month to 1 year). The fixed deposits can be readily converted into cash at minimal cost.

5. TRADE AND OTHER RECEIVABLES

	Group		IREIT	
	2017	**2016**	**2017**	**2016**
	EUR'000	EUR'000	EUR'000	EUR'000
(a) Trade receivables				
Outside parties	604	296	–	–
(b) Other receivables and prepayments				
Other receivables	430	765	7,923	8,374
Prepayments	545	377	7	9
	975	1,142	7,930	8,383
Current trade and other receivables	**1,579**	**1,438**	**7,930**	**8,383**
(c) Other receivable				
Outside parties	**961**	**567**	–	–
Non-current other receivable	**961**	**567**	**–**	**–**

5. TRADE AND OTHER RECEIVABLES (CONTINUED)

The average aging of trade receivables is between 1 to 5 days (2016: 1 to 5 days), with no amounts past due or impaired. The average credit period on billing for rental of properties is 2 days (2016: 2 days). No interest is charged on the trade receivables.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The trade receivables as at the end of the reporting period include €604,466 (2016: €296,157) owing by tenants of the investment properties in relation to the settlement of property operating expenses.

Included in other receivables at IREIT is an amount receivable from subisidiaries of €7.85 million (2016: €8.31 million) mainly comprising of approximately €7.35 million (2016: €7.80 million) of dividend receivable from subsidiaries.

The non-current other receivable from outside parties relate to the effects of the accounting adjustment to recognise rental income on a straight-line basis over the term of the leases which have step-up rental escalation clauses.

6. FINANCIAL DERIVATIVES

	Group and IREIT			
	2017		2016	
	Assets EUR'000	Liabilities EUR'000	Assets EUR'000	Liabilities EUR'000
Foreign currency forward contracts	**142**	**(278)**	169	–
Analysed as:				
Current	**68**	**(278)**	85	–
Non-current	**74**	**–**	84	–

The functional and presentation currency of IREIT is Euro, whereas the distributions to Unitholders are denominated in Singapore Dollar. In order to economically hedge the potential foreign currency fluctuation between Euro and Singapore Dollar, IREIT has entered into foreign currency forward contracts (the "contracts") to economically hedge the foreign currency exposure.

As at the end of financial year, the total notional amount of outstanding forward foreign exchange contracts to which the Group is committed to is approximately €28.44 million (2016: €38.40 million) at an average forward €/S$ rate of 1.61 (2016: 1.55) with settlement dates of 13 March 2018, 15 August 2018 and 15 February 2019 (2016: 13 March 2017, 13 September 2017, and 13 March 2018).

The fair values of the financial derivative falls under Level 2 of the fair value hierarchy.

7. INVESTMENT PROPERTIES

	Notes	Group 2017 EUR'000	Group 2016 EUR'000
Beginning of the year		453,000	441,000
Capital expenditure on investment properties		313	504
Net change in fair value of investment properties during the year		9,787	11,096
End of the year	(a)	**463,100**	**453,000**

(a) The fair values of the Group's investment properties at year end have been determined on the basis of valuations carried out on 31 December 2017 (2016: 31 December 2016) by independent valuer Messrs Jones Lang LaSalle Limited (2016: Messrs Jones Lang LaSalle Limited), having appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued, and are not related to the Group. The fair value was determined based on the capitalisation of net income method and discounted cash flows method. In estimating the fair value of the properties, the Manager is of the view that the highest and best use of the properties is their current use.

Details of the investment properties as at 31 December 2016 and 2017 which are all located in Germany are set out below:

Description of property	Type	Leasehold term	Location	Appraised value 2017 EUR'000	Appraised value 2016 EUR'000
Bonn Campus	Office	Freehold	Friedrich-Ebert-Allee,71, 73, 75, 77, Bonn, Germany	101,700	100,500
Darmstadt Campus	Office	Freehold	Heinrich-Hertz-Straße 3, 5, 7, Darmstadt, Germany Mina-Rees-Straße 4, Darmstadt, Germany	82,900	82,200
Münster Campus	Office	Freehold	Gartenstraße 215, 217, Münster, Germany	47,800	47,900
Concor Park	Office	Freehold	Bahnhofstraße 12 and Dywidagstraße 1, Bahnhofstraße 16, 18, 20, München, Germany	66,300	63,800
Berlin Campus	Office	Freehold	Schreiberhauer Straße 2, 4, 6, 8, 10, 12, 14, 16, 18, 20 and 22, Berlin 10317, Germany	164,400	158,600
Total				**463,100**	**453,000**

7. INVESTMENT PROPERTIES (CONTINUED)

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy:

2017

Valuation techniques	Income capitalisation rate	Discount rate	Terminal capitalisation rate
Income capitalisation method	5.37% to 7.73%	–	–
Discounted cash flow	–	6.75% to 9.00%	5.75% to 7.00%

2016

Valuation techniques	Income capitalisation rate	Discount rate	Terminal capitalisation rate
Income capitalisation method	5.48% to 6.80%	–	–
Discounted cash flow	–	6.25% to 8.50%	6.00% to 7.00%

There are inter-relationships between the above significant unobservable inputs. An increase in the income capitalisation rate, terminal capitalisation rate or discount rate will result in a decrease to the fair value of investment properties. An analysis of the sensitivity of each of the significant unobservable inputs is as follows:

Method	Impact on carrying value of properties
Income capitalisation method	If income capitalisation rate were to increase by 0.5%, the carrying value of all the investment properties would decrease by approximately €18.50 million (2016: €19.90 million).
Discounted cash flow method	If discount rate were to increase by 0.5%, the carrying value of all the investment properties would decrease by approximately €16.20 million (2016: €15.70 million).

Investment properties with a fair value of approximately €463.1 million (2016: €453.0 million) have been pledged as security for bank loans (Note 11). All the investment properties are located in Germany.

8. INVESTMENT IN SUBSIDIARIES

	IREIT	
	2017	2016
	EUR'000	EUR'000
Unquoted equity shares, at cost	28,903	28,903
Loans to subsidiaries	212,503	222,853
Total	**241,406**	**251,756**

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The loans to the financing subsidiaries are to fund the property investment holding subsidiaries for the purchase of the investment properties. The loans are long term in nature, unsecured, do not bear interest and are repayable at the sole discretion of the subsidiaries when they have the necessary cash flow to repay the loans.

IREIT has held the following wholly-owned subsidiaries as at 31 December 2016 and 2017:

Name of entity	Principal activities	Country/Place of incorporation	Interest held 2017 %	Interest held 2016 %
Directly held:				
IREIT Global Holdings Pte. Ltd. [a]	Investment holding	Singapore	100	100
IREIT Global Holdings 1 Pte. Ltd.[a]	Investment holding	Singapore	100	100
IREIT Global Holdings 2 Pte. Ltd.[a]	Investment holding	Singapore	100	100
IREIT Global Holdings 3 Pte. Ltd.[a]	Investment holding	Singapore	100	100
IREIT Global Holdings 4 Pte. Ltd.[a]	Investment holding	Singapore	100	100
IREIT Global Investments Pte. Ltd.[a]	Group lending	Singapore	100	100
IREIT Global Investments 1 Pte. Ltd.[a]	Group lending	Singapore	100	100
IREIT Global Investments 2 Pte. Ltd.[a]	Group lending	Singapore	100	100
IREIT Global Investments 3 Pte. Ltd.[a]	Group lending	Singapore	100	100
IREIT Global Investments 4 Pte. Ltd.[a]	Group lending	Singapore	100	100
Indirectly held:				
Laughing Rock 1 B.V.[b]	Real estate investment	Netherlands	100	100
Laughing Rock 2 B.V.[b]	Real estate investment	Netherlands	100	100
Laughing Rock 3 B.V.[b]	Real estate investment	Netherlands	100	100
Laughing Rock 4 B.V.[b]	Real estate investment	Netherlands	100	100
Laughing Rock 5 B.V.[b]	Real estate investment	Netherlands	100	100
Laughing Rock 6 B.V.[b]	Real estate investment	Netherlands	100	100
Laughing Rock 7 B.V.[b]	Real estate investment	Netherlands	100	100
Laughing Rock 8 B.V.[b]	Real estate investment	Netherlands	100	100
Laughing Rock 9 B.V.[b]	Real estate investment	Netherlands	100	100
Laughing Rock 11 B.V.[b]	Real estate investment	Netherlands	100	100
Laughing Rock 12 B.V.[b]	Real estate investment	Netherlands	100	100
Laughing Rock 13 B.V.[b]	Real estate investment	Netherlands	100	100
Laughing Rock 14 B.V.[b]	Real estate investment	Netherlands	100	100

[a] Audited by Deloitte & Touche LLP, Singapore.

[b] Audited by Deloitte & Touche GmbH, Germany.

9. DEFERRED TAX ASSETS/LIABILITIES

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The following are the major components of deferred tax (liabilities)/assets recognised and movements therein during the current and prior reporting period:

Group	Notes	Unutilised tax losses EUR'000	Revaluation difference of investment properties EUR'000	Total EUR'000
Deferred tax assets				
As at 1 January 2016		**676**	**1,452**	**2,128**
Recognised in profit or loss	19	532	(1,057)	(525)
Balance as at 31 December 2016		**1,208**	**395**	**1,603**
Recognised in profit or loss	19	370	(106)	264
Balance as at 31 December 2017		**1,578**	**289**	**1,867**
Deferred tax liabilities				
As at 1 January 2016		**(91)**	**(1,242)**	**(1,333)**
Recognised in profit or loss	19	80	(2,812)	(2,732)
Balance as at 31 December 2016		**(11)**	**(4,054)**	**(4,065)**
Recognised in profit or loss	19	–	(3,454)	(3,454)
Balance as at 31 December 2017		**(11)**	**(7,508)**	**(7,519)**

10. TRADE AND OTHER PAYABLES

	Group		IREIT	
	2017 EUR'000	**2016** EUR'000	**2017** EUR'000	**2016** EUR'000
(a) Trade payables				
Outside parties	230	456	–	–
	230	**456**	**–**	**–**
(b) Other payables				
Accrued expense and other payables	2,560	2,507	471	445
	2,560	**2,507**	**471**	**445**
Total	**2,790**	**2,963**	**471**	**445**

11. BORROWINGS

	Group 2017 EUR'000	Group 2016 EUR'000
Secured loans	196,044	198,594
Less: Unamortised transaction costs	(568)	(863)
Total	195,476	197,731
Less: Amount due for settlement within 12 months net of unamortised transaction costs (shown under current liabilities)	(21,055)	(23,587)
Amount due for settlement after 12 months	**174,421**	**174,144**

IREIT has in place three principal bank facility agreements:

a. Facility A: A loan facility of €96.59 million with a bank in Germany for a 5-year term. The facility was fully drawn down as at 31 December 2014 and was utilised as part payment of the acquisition of the investment properties. The loan bears fixed interest rates throughout the tenure of the facility with an average effective interest rate of approximately 2.11% per annum including the amortisation of the debt upfront transaction costs and is repayable on a bullet basis in August 2019.

b. Facility B: A facility of €78.38 million with a bank in Germany for a 5-year term. The facility was fully drawn down as at 31 December 2015 and was utilised as part payment of the acquisition of an investment property in 2015. The loan bears fixed interest rates throughout the tenure of the facility with an average effective interest rate of approximately 2.027% per annum including the amortisation of the debt upfront transaction costs and is repayable on a bullet basis in August 2020.

c. Facility C: A facility of €21.07 million (2016: €23.63 million) with a bank in Germany for a 1-year term. The facility was fully drawn down as at 31 December 2017 and was utilised as part payment of the acquisition of an investment property in 2015. The loan bears floating interest rates throughout the tenure of the Facility with an average effective interest rate of approximately 1.778% (2016: 1.778%) per annum including the amortisation of the debt upfront transaction costs and is repayable on a bullet basis in July 2018. IREIT is required to make installment payments of €1.275 million each quarter starting August 2017 until July 2018.

   Subsequent to year end, on 9 March 2018, IREIT signed an amendment agreement with the lending bank to extend the maturity date from July 2018 to August 2020. After the remaining installment repayments of €2.55 million up to July 2018 as above, IREIT is not required to make any further installment repayments on the remainder of Facility C loan of €18.52 million till the revised maturity date of August 2020.

The bank facilities have been secured on the investment properties, the assignment of rental proceeds and a fixed charge over the rent and deposit accounts of the investment properties.

The fair value of the bank borrowings as at 31 December 2017 is approximately €196.00 million (2016: €196.18 million).

12. UNITS IN ISSUE AND TO BE ISSUED

In accordance with the Trust Deed, IREIT's distribution policy provides the Unitholders with a right to receive distribution which IREIT has a contractual obligation to distribute to Unitholders. Accordingly, the units issued are compound instruments in accordance with IAS 32.

The Manager considers the equity component of the issued units to be insignificant and that the net assets attributable to Unitholders presented on the statements of financial position as at 31 December 2016 and 2017 mainly represent financial liabilities.

	Group and IREIT	
	2017	**2016**
	('000)	('000)
Units in issue:		
Beginning of year	618,842	613,314
Issue of new units relating to:		
Management fees paid in units	7,824	5,528
End of the year	626,666	618,842
Units to be issued:		
Manager's management fees payable in units	1,376	3,777
Total units in issue and to be issued at end of year	**628,042**	**622,619**

The units to be issued to the Manager as payment of Manager's fees was issued on 13 March 2018.

13. NET ASSET VALUE PER UNIT

Net asset value per unit is based on:

	Group		IREIT	
	2017	**2016**	**2017**	**2016**
	EUR'000	EUR'000	EUR'000	EUR'000
Net assets	268,691	259,875	240,366	250,002
Number of units in issue and to be issued at the end of the year ('000) (Note 12)	628,042	622,619	628,042	622,619
Net asset value per unit (€)	**0.43**	**0.42**	**0.38**	**0.40**

14. GROSS REVENUE

	Group	
	2017	2016
	EUR'000	EUR'000
Rental income	29,010	28,644
Service charges	2,893	2,784
Other income	3,056	2,971
Total	**34,959**	**34,399**

15. PROPERTY OPERATING EXPENSES

	Group	
	2017	2016
	EUR'000	EUR'000
Property management expenses	291	280
Repair and maintenance expenses	1,297	1,316
Utilities expenses	493	542
Property tax expenses	1,234	1,358
Other expenses	116	47
Total	**3,431**	**3,543**

16. FINANCE COSTS

	Group	
	2017	2016
	EUR'000	EUR'000
Interest on borrowings	3,698	3,689
Amortisation of debt upfront transaction costs	331	339
Total	**4,029**	**4,028**

17. MANAGER'S FEE

	Group	
	2017	2016
	EUR'000	EUR'000
Base fee	2,598	2,556
Performance fee	–	1,154
Total	**2,598**	**3,710**

The Manager's management fees comprise an aggregate of 5,423,090 (2016: 7,847,698) units, amounting to approximately €2,598,000 (2016: €3,710,000), that have been or will be issued to the Manager as Manager's management fees payable in units at S$0.7178 to S$0.7639 (2016: S$0.6929 to S$0.7339) per unit. No performance fee was payable for the financial year ended 31 December 2017.

18. OTHER TRUST EXPENSES

	Group 2017	Group 2016
	EUR'000	EUR'000
Audit fees	117	123
Non-audit fees	167	190
Legal and professional fees	302	176
Property valuation fees	93	84
Others	179	144
Total	**858**	**717**

19. INCOME TAX EXPENSE

	Group 2017	Group 2016
	EUR'000	EUR'000
Under provision of tax in the prior year	–	(7)
Current tax	(194)	(208)
	(194)	(215)
Deferred taxation		
– Current year	(3,190)	(3,257)
Total	**(3,384)**	**(3,472)**

IREIT is subjected to Singapore income tax at 17% (2016: 17%) and the subsidiaries at approximately 15.825% (2016: 15.825%) which is the tax rate prevailing in Germany where all the properties are located.

The income tax for the year can be reconciled to the accounting result as follows:

	Group 2017	Group 2016
	EUR'000	EUR'000
Profit before taxation and transactions with Unitholders	32,980	34,106
Tax at 17%	(5,607)	(5,798)
Tax effect of expenses not deductible for tax purposes	(600)	(585)
Tax effect of income not taxable for tax purposes	2,516	2,867
Effect of different tax rate of overseas operations	252	(28)
Underprovision of tax in the prior year	–	(7)
Others	55	79
Tax expense for the year	**(3,384)**	**(3,472)**

20. BASIC AND DILUTED EARNINGS PER UNIT

The calculation of basic earnings per unit is based on:

	Group	
	2017	2016
	EUR'000	EUR'000
Profit for the year before transactions with Unitholders	29,596	30,634
Weighted average number of units	623,367	615,735
Basic and diluted earnings per unit (€ cents)	**4.74**	**4.97**

The diluted earnings per unit is the same as the basic earnings per unit as there were no dilutive instruments issued during the period.

21. SEGMENTAL REPORTING

Operating segments are identified on the basis of internal reports on components of IREIT that are regularly reviewed by the chief operating decision maker, which is the management of the Manager, in order to allocate resources to segments and to assess their performance.

IREIT owns five (2016: five) properties which are all located in Germany. Revenue and net property income of the five properties (which constitute an operating segment on an aggregated basis) are the measures reported to the Manager for the purposes of resource allocation and performance assessment. The Manager considers that the properties held by IREIT have similar economic characteristics and have similar nature in providing leasing services to similar type of tenants for rental income. In addition, the cost structure and the economic environment in which each of the five (2016: five) properties operate are similar. Therefore, the Manager concluded that the five properties should be aggregated into a single reportable segment and no further analysis for segment information is presented by property.

22. CAPITAL RISK MANAGEMENT POLICIES AND OBJECTIVES

The Manager manages the capital of the Group to ensure that entities in the Group will be able to continue as a going concern while maximising the return to Unitholders through the optimisation of debt and net assets attributable to Unitholders, and to ensure that all other externally imposed capital requirements are complied with.

The capital structure of the Group consists of debts, which include bank borrowings and net assets attributable to Unitholders comprising issued and issuable units, and reserves. Effective 1 January 2016, IREIT and the Group are required to maintain aggregate leverage not exceeding 45% of the gross asset value of the Group in accordance with the CIS Code issued by MAS. A breach will result in a non-compliance to the regulation.

22. CAPITAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONTINUED)

As at 31 December 2017, the Group's aggregate borrowings amounted to €195.5 million (2016: €197.7 million) representing 40.3% (2016: 41.6%) of the gross asset value of the Group.

The Manager's strategy remains unchanged from 2016. The Group is in compliance with the bank covenants as at 31 December 2017.

23. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	Group		IREIT	
	2017	**2016**	**2017**	**2016**
	EUR'000	EUR'000	EUR'000	EUR'000
Financial assets				
Loans and receivables				
– Bank balances and cash	19,106	20,803	3,370	2,870
– Trade and other receivables	1,034	1,061	7,923	8,374
Total	**20,140**	**21,864**	**11,293**	**11,244**
Fair value				
Derivative financial instruments	**142**	**169**	**142**	**169**
Financial liabilities				
Amortised cost				
– Trade and other payables	2,790	2,963	471	445
– Distribution payable	11,727	12,731	11,727	12,731
– Borrowings	195,476	197,731	–	–
Total	**209,993**	**213,425**	**12,198**	**13,176**
Fair value				
Derivative financial instruments	**278**	**–**	**278**	**–**

(b) Financial risk management objectives and policies

Details of the Group's and IREIT's financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include interest rate risk, credit risk, liquidity risk and foreign currency risk.

The policies on how to mitigate these risks are set out below. The Manager manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies *(continued)*

Interest rate risk

IREIT's exposure to changes in interest rates relates primarily to interest-bearing financial liabilities. IREIT's policy is to maintain most of its cash and cash equivalents and borrowings in fixed rate instruments and the terms of repayment of IREIT's borrowing and its interest rate are shown in Note 11, and details of interest rate on IREIT's fixed deposits are shown in Note 4. IREIT does not currently hold or issue derivative instruments to hedge its interest rate instruments.

Accordingly, no sensitivity analysis is prepared.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a tenant or counterparty to settle its financial and contractual obligations to the property companies, as and when they fall due. IREIT has adopted a policy of obtaining either banker guarantees or cash deposits from tenants to mitigate the risk of financial loss from default. Credit evaluations are performed by the Property Manager on behalf of the Manager.

The credit risk on liquid funds is limited as cash and cash equivalents are placed with reputable financial institutions which are regulated. The maximum exposure to credit risk of IREIT is represented by the carrying value of each financial asset on the statement of financial position.

Approximately 55.9% (2016: 100.0%) of the Group receivables as at 31 December 2017 and 84.5% (2016: 85.0%) of Group revenue for the financial period are from two groups of companies in Germany.

Liquidity risk

The Manager monitors and maintains a level of cash and cash equivalents deemed adequate by the Manager to finance the Group's and IREIT's operations. In addition, the Manager also monitors and observes the CIS Code concerning limits of total borrowings.

The Group has net current liabilities of €15.37 million as at 31 December 2017 (2016 : net current liabilities of €17.17 million). On 9 March 2018, IREIT signed an amendment agreement with the lending bank to extend the maturity date of its current borrowings of €18.52 million from July 2018 to August 2020 (Note 11(c)). Therefore, the Manager is of the opinion that, taking into account the fair value of the investment properties, presently available banking facilities and internal financial resources of the Group, the Group has sufficient working capital for its present requirements within one year from the end of the reporting period. Hence, financial statements have been prepared on a going concern basis.

23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

***Liquidity risk** (continued)*

Liquidity risk analysis

The following table details the Group's and IREIT's remaining contractual maturity for its financial liabilities (other than issued and issuable units) based on the agreed repayment terms. For non-derivative financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and IREIT can be required to pay.

GROUP	Weighted average interest rate %	On demand or less than 12 months EUR'000	Undiscounted cash flows 2 years to 5 years EUR'000	Adjustments EUR'000	Total EUR'000
Non-derivative financial instrument – liabilities					
31 December 2017					
Non-interest bearing	–	14,517	–	–	14,517
Floating interest rate instrument	1.78%	21,326	–	(271)	21,055
Fixed interest rate instrument	2.05%	3,351	178,513	(7,443)	174,421
		39,194	**178,513**	**(7,714)**	**209,993**
31 December 2016					
Non-interest bearing	–	15,694	–	–	15,694
Floating interest rate instrument	1.78%	23,839	–	(252)	23,587
Fixed interest rate instrument	2.06%	3,351	181,864	(11,071)	174,144
		42,884	**181,864**	**(11,323)**	**213,425**

23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Liquidity risk *(continued)*

IREIT	Weighted average interest rate %	On demand or less than 12 months EUR'000	Undiscounted cash flows 2 years to 5 years EUR'000	Adjustments EUR'000	Total EUR'000
Non-derivative financial instrument– liabilities					
31 December 2017					
Non-interest bearing	–	12,198	–	–	12,198
		12,198	**–**	**–**	**12,198**
31 December 2016					
Non-interest bearing	–	13,176	–	–	13,176
		13,176	**–**	**–**	**13,176**

The Group's derivative financial instruments are settled on a gross basis. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date. The liquidity analysis for derivative financial instruments is prepared based on the contractual maturities as the management considers the contractual maturities are essential for an understanding of the timing of the cash flows of the derivatives.

The Group's derivative financial instruments are foreign currency forwards with notional amount totalling €28.44 million as at 31 December 2017 (2016: €38.40 million) of which €19.34 million (2016: €25.6 million) will be due for settlement within 1 year and €9.1 million (2016: 12.8 million) will be due between 2 to 5 years from inception date.

23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

***Liquidity risk** (continued)*

GROUP and IREIT	On demand or within 1 year	Within 2 years to 5 years	After 5 years
	EUR'000	EUR'000	EUR'000
Derivative financial instrument			
31 December 2017			
Gross settled:			
Foreign exchange forward contracts gross inflow	68	74	–
Foreign exchange forward contracts gross outflow	(278)	–	–
	(210)	**74**	**–**
31 December 2016			
Gross settled:			
Foreign exchange forward contracts gross inflow	85	84	–
	85	**84**	**–**

Foreign currency risk

The functional currency of IREIT and its subsidiaries is Euro.

The foreign currency risk is managed by the Manager on an ongoing basis by using forward exchange contracts to hedge the currency risk for distribution to Unitholders. At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the company's functional currency are as follows:

Group

	Assets		Liabilities	
	2017	**2016**	**2017**	**2016**
	EUR'000	EUR'000	EUR'000	EUR'000
Singapore dollars	2,908	2,209	260	335

IREIT

	Assets		Liabilities	
	2017	**2016**	**2017**	**2016**
	EUR'000	EUR'000	EUR'000	EUR'000
Singapore dollars	2,908	2,209	217	305

23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Foreign currency risk *(continued)*

Foreign currency sensitivity

The sensitivity rate used when reporting foreign currency risk to key management personnel is 5%, which is the change in foreign exchange rate that management deems reasonably possible which will affect outstanding foreign currency denominated monetary items at the end of the reporting period. The sensitivity analysis includes the potential impact from foreign currency fluctuation on the foreign currency forward contracts (Note 6).

If the relevant foreign currency strengthens by 5% against the functional currency of the company, profit will increase by:

	Group		IREIT	
	2017	**2016**	**2017**	**2016**
	EUR'000	EUR'000	EUR'000	EUR'000
Singapore dollars	1,554	2,014	1,557	2,015

(c) Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other receivables and trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The fair value of the other financial assets and financial liabilities is disclosed in the respective notes to the financial statements.

24. FUTURE MINIMUM COMMITMENTS

There are no capital expenditure commitments which are contracted but not provided for.

The Group leases out their investment properties. Non-cancellable operating lease rentals are receivable as follows:

	Group	
	2017	**2016**
	EUR'000	EUR'000
Within 1 year	31,558	31,462
After 1 year but within 5 years	111,089	114,191
After 5 years	19,438	41,834
Total	**162,085**	**187,487**

25. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability to directly or indirectly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or the Group with the Trustee, the Manager, and substantial Unitholders. Related parties may be individuals or other entities.

In the normal course of the operations of the Group, asset management fees and Trustee's fees have been paid or are payable to the Manager and Trustee respectively.

During the period, other than the transactions disclosed elsewhere in the financial statements, there were the following related party transactions:

	Group and IREIT	
	2017	**2016**
	EUR'000	EUR'000
DBS Trustee Limited as Trustee		
Trustee's fee	95	94
IREIT Global Group Pte. Ltd. as Manager		
Management base fee	2,598	2,556
Management performance fee	–	1,154

26. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

			Non-cash changes			
	At 1 January 2017	Financing cash flows	Distribution to Unitholders	Amortisation of upfront debt transaction costs	Upfront debt transaction costs payable	At 31 December 2017
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Bank Borrowings (Note 11)	197,731	(2,579)[(i)]	–	331	(7)[(i)]	195,476
Distribution Payable	12,731	(24,382)	23,378	–	–	11,727
	210,462	**(26,961)**	**23,378**	**331**	**(7)**	**207,203**

(i) The financing cash flows comprise €2.55 million of repayment of bank borrowings and €29,000 of upfront debt transaction costs. During the year, the Group incurred €36,000 in upfront debt transaction costs, of which €29,000 was paid and the remaining €7,000 upfront debt transaction costs was recognised in Other Payables (Note 10 (b)).

27. EVENTS OCCURING AFTER REPORTING DATE

On 9 March 2018, IREIT signed an amendment agreement with the lending bank (Note 11) to extend the maturity date of Facility C loan from July 2018 to August 2020. After the remaining total instalment repayments of €2.55 million up to July 2018, IREIT is not required to make any further instalment repayments on the remainder of Facility C loan of €18.52 million till the revised maturity date of August 2020.

On 13 March 2018, IREIT issued 1,376,368 units at an issue price of S$0.7639 per unit to the Manager as payment of 100% of the base fee component of the management fee payable to the Manager for the period from 1 October 2017 to 31 December 2017.

On 15 March 2018, the Manager paid a distribution of S$2.88 cents per unit, for the period from 1 July 2017 to 31 December 2017.

INTERESTED PERSON TRANSACTIONS

For the financial year ended 31 December 2017

The transactions entered into with interested persons during the financial year, which fall under the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Property Funds Appendix of the Code on Collective Investment Schemes (excluding transactions of less than S$100,000 each) are as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
	EUR'000	EUR'000
IREIT Global Group Pte. Ltd.		
- Base fees	2,598	–
DBS Trustee Limited		
- Trustee fees	95	–

Save as disclosed above, there were no additional interested person transactions and IREIT has not obtained a general mandate from Unitholders for interested person transactions.

FEES PAYABLE TO THE MANAGER

The Manager's key financial objectives are to provide Unitholders with regular and stable distributions and the potential for sustainable long-term growth in DPU and NAV per Unit, while maintaining an appropriate capital structure for IREIT. The fees payable to the Manager are structured to motivate the Manager towards achieving the key financial objectives.

The management fees which the Manager is entitled to for the management of IREIT's portfolio comprise the following two components:

Base Fee[1,2]
Under Clause 15.1.1 of the Trust Deed, the Manager is entitled to a Base Fee which is computed based on 10.0% per annum of the Annual Distributable Income of IREIT (calculated before accounting for the Base Fee and the Performance Fee).

Performance Fee[1]
Under Clause 15.1.2 of the Trust Deed, the Manager is entitled to a Performance Fee which is computed based on 25.0% of the difference in DPU of IREIT in a financial year with the DPU in the preceding financial year (calculated before accounting for the Performance Fee but after accounting for the Base Fee in each financial year) multiplied by the weighted average number of Units in issue for such financial year.

The management fees have an incentive-based element which has been designed to align the interest of the Manager with those of the Unitholders through incentivising the Manager to grow distributable income. In addition, the Performance Fee rewards the Manager appropriately by associating the fee payable with the value the Manager delivers to the Unitholders as a whole in the form of higher DPU. The Manager is incentivised to improve the long-term performance of IREIT's assets on a sustainable basis (as opposed to taking excessive short-term risks) through proactive portfolio management in line with IREIT's strategy, efficient asset management and employing an optimum mix of debt and equity. This deters the Manager from exposing IREIT to excessive short-term risks by deferring asset enhancement initiatives or repairs and maintenance as it would be in the Manager's interest to aim for long-term sustainability.

The Manager is also entitled to the following fees upon the successful completion of an acquisition or divestment.

Acquisition Fee[1,3]
Under Clause 15.2.1(i) of the Trust Deed, the Manager is entitled to receive an Acquisition Fee at a rate not exceeding a maximum of 1% of the acquisition price for any real estate purchased directly or indirectly by IREIT (pro-rated if applicable to the proportion of IREIT's interest in the real estate acquired).

Divestment Fee[1,3]
Under Clause 15.2.1(ii) of the Trust Deed, the Manager is entitled to receive a Divestment Fee at a rate not exceeding a maximum of 0.5% of the sale price of any real estate directly or indirectly sold or divested by IREIT (pro-rated if applicable to the proportion of IREIT's interest in the real estate sold).

The Acquisition Fee and Divestment Fee seek to incentivise the Manager to actively seek potential opportunities to acquire new properties and/or to unlock the underlying value of existing properties within IREIT's asset portfolio through divestments, in order to generate long term benefits to the Unitholders. As the Manager undertakes these activities over and above the provision of ongoing management services, the fees also serve to compensate the Manager for the additional costs and resources expended.

Note:
1 The Manager may elect to receive the fees in cash or Units or a combination of cash and Units (as it may in its sole discretion determine).
2 The Manager has elected to receive 100.0% of its Base Fee in the form of Units for the year ended 31 December 2017.
3 As set out under Clause 15.2.4 of the Trust Deed and as stipulated in Appendix 6 – Investment: Property Funds of the CIS Code, in the case of an interested party transaction, the fee is paid in the form of Units at the prevailing market price and such Units should not be sold within one year from their date of issuance.

STATISTICS OF UNITHOLDINGS

AS AT 1 MARCH 2018

DISTRIBUTION OF UNITHOLDINGS

SIZE OF UNITHOLDINGS	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
1 - 99	20	0.44	904	0.00
100 - 1,000	484	10.59	426,182	0.07
1,001 - 10,000	2,615	57.21	12,826,571	2.05
10,001 - 1,000,000	1,435	31.39	74,297,728	11.85
1,000,001 AND ABOVE	17	0.37	539,114,134	86.03
TOTAL	**4,571**	**100.00**	**626,665,519**	**100.00**

LOCATION OF UNITHOLDERS

COUNTRY	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
SINGAPORE	4,436	97.05	623,440,769	99.49
MALAYSIA	99	2.16	2,095,350	0.33
OTHERS	36	0.79	1,129,400	0.18
TOTAL	**4,571**	**100.00**	**626,665,519**	**100.00**

TWENTY LARGEST UNITHOLDERS

NO.	NAME	NO. OF UNITS	%
1	DBS NOMINEES (PRIVATE) LIMITED	216,543,829	34.56
2	CITIBANK NOMINEES SINGAPORE PTE LTD	191,987,036	30.64
3	RAFFLES NOMINEES (PTE) LIMITED	64,580,757	10.31
4	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	22,467,062	3.59
5	LIM CHAP HUAT	10,000,075	1.60
6	PHILLIP SECURITIES PTE LTD	9,457,525	1.51
7	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	4,009,345	0.64
8	MAYBANK KIM ENG SECURITIES PTE. LTD.	3,178,150	0.51
9	OCBC SECURITIES PRIVATE LIMITED	2,966,250	0.47
10	DBSN SERVICES PTE. LTD.	2,863,950	0.46
11	ABN AMRO CLEARING BANK N.V.	2,437,400	0.39
12	UOB KAY HIAN PRIVATE LIMITED	2,341,800	0.37
13	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	1,458,105	0.23
14	NG CHENG HWA	1,300,000	0.21
15	ATMA SINGH S/O NAND SINGH	1,277,600	0.20
16	DB NOMINEES (SINGAPORE) PTE LTD	1,148,000	0.18
17	RHB SECURITIES SINGAPORE PTE. LTD.	1,097,250	0.18
18	LEW FOON KEONG @CHARLES	1,000,000	0.16
19	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	998,585	0.16
20	MEREN PTE LTD	977,400	0.16
	TOTAL	**542,090,119**	**86.53**

STATISTICS OF UNITHOLDINGS

AS AT 1 MARCH 2018

ISSUED UNITS

There were 626,665,519 Units (voting rights: one vote per Unit) issued in IREIT as at 1 March 2018.

Market capitalisation: S$501,332,415.20 (based on closing price at S$0.800 per unit on 1 March 2018).

UNITHOLDINGS OF DIRECTORS OF THE MANAGER AS AT 21 JANUARY 2018

No	Name of Director	Direct Interest	Deemed Interest
1	Mr Lim Kok Min, John	290,000	–
2	Mr Tan Wee Peng, Kelvin	300,000	–
3	Mr Nir Ellenbogen	145,000	–
4	Mr Tong Jinquan [(a)]	51,137,000	296,417,811
5	Mr Ho Toon Bah	–	–
6	Mr Bruno de Pampelonne	–	–

SUBSTANTIAL UNITHOLDERS AS AT 1 MARCH 2018

No	Name of Substantial Unitholders	Direct Interest	Deemed Interest
1	Goodness Investments Limited	296,417,811	–
2	The Longemont (HongKong) Management Limited [(a)]	–	296,417,811
3	Shanghai Changfeng Real Estate Development Co., Ltd [(a)]	–	296,417,811
4	Shanghai Summit (Group) Co., Ltd [(a)]	–	296,417,811
5	Mr Tong Jinquan [(a)]	51,137,000	296,417,811
6	Mr Lim Chap Huat	64,149,425	–

Note (a) 296,417,811 units are held by Goodness Investments Limited ("Goodness Investments"), which is a wholly-owned subsidiary of The Longemont (HongKong) Management Limited ("The Longemont"). The Longemont is a wholly-owned subsidiary of Shanghai Changfeng Real Estate Development Co., Ltd ("Shanghai Changfeng"), which is 51.3% owned by Shanghai Summit (Group) Co., Ltd ("Shanghai Summit") and 48.7% owned by Mr Tong Jinquan. Shanghai Summit is wholly-owned by Mr Tong Jinquan. Accordingly, each of Mr Tong Jinquan, Shanghai Summit, Shanghai Changfeng and The Longemont has a deemed interest in the 296,417,811 units held by Goodness Investments.

PUBLIC FLOAT

Under Rule 723 of the Listing Manual of the SGX-ST, a listed issuer must ensure at least 10% of its listed securities are at all times held by the public. Based on the information made to the Manager as at 1 March 2018, approximately 34.19% of IREIT's Units were held in the hands of the public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

IREIT did not hold any treasury units as at 1 March 2018.

NOTICE OF ANNUAL GENERAL MEETING

IREIT Global

(a real estate investment trust constituted on 1 November 2013 under the laws of the Republic of Singapore (as amended))

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the holders of units of IREIT Global ("**IREIT**", and the holders of units of IREIT, "**Unitholders**") will be held at Meeting Rooms 334-335, Level 3, Suntec Singapore International Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Thursday, 19 April 2018 at 2.00 p.m., to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Report of DBS Trustee Limited (the "**Trustee**"), the Statement by IREIT Global Group Pte. Ltd. (the "**Manager**") and the Audited Financial Statements of IREIT for the financial year ended 31 December 2017 together with the Auditors' Report thereon. **(Ordinary Resolution 1)**

2. To re-appoint Deloitte & Touche LLP as Independent Auditors of IREIT and to hold office until the conclusion of the next AGM and to authorise the Manager to fix their remuneration. **(Ordinary Resolution 2)**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions, with or without any modifications:

3. That authority be and is hereby given to the Manager, to:

   (a) (i) issue units in IREIT ("**Units**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and

   (b) issue Units in pursuance of any Instruments made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued), provided that:

(1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders shall not exceed twenty per cent. (20%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below);

(2) subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units, if any) shall be based on the number of issued Units (excluding treasury Units, if any) at the time this Resolution is passed, after adjusting for:

    (a) any new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed; and

    (b) any subsequent bonus issue, consolidation or subdivision of Units;

(3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the trust deed constituting IREIT (as amended) (the "**Trust Deed**") for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);

(4) unless revoked or varied by the Unitholders in a general meeting, the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next AGM of IREIT or (ii) the date by which the next AGM of IREIT is required by the applicable regulations to be held, whichever is earlier;

(5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and

(6) the Manager and the Trustee, be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of IREIT to give effect to the authority conferred by this Resolution.

(Ordinary Resolution 3)

(Please see Explanatory Note)

4. That:

(a) approval be and is hereby given to amend the Trust Deed to include provisions regarding electronic communications of notices and documents to Unitholders in the manner set out in Annex A of the Letter to Unitholders dated 28 March 2018 (the "**Proposed Electronic Communications Trust Deed Supplement**"); and

(b) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee, may consider expedient or necessary or in the interests of IREIT to give effect to the Proposed Electronic Communications Trust Deed Supplement.

(Extraordinary Resolution 4)

(Please see Explanatory Note)

BY ORDER OF THE BOARD
IREIT GLOBAL GROUP PTE. LTD.
(Company Registration No. 201331623K)
As manager of IREIT

Lee Wei Hsiung
Wang Shin Lin, Adeline
Company Secretaries

Singapore
28 March 2018

NOTICE OF
ANNUAL GENERAL MEETING

Important Notice:

1. A Unitholder who is not a relevant intermediary entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder.

2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.

3. A Unitholder who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed.

   "relevant intermediary" means:

   (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds Units in that capacity;

   (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

4. The instrument appointing a proxy must be deposited at the office of the Manager's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 17 April 2018 at 2.00p.m. being 48 hours before the time fixed for the AGM.

Explanatory Note:

Ordinary Resolution 3

Ordinary Resolution 3 above, if passed, will empower the Manager from the date of this AGM until (i) the conclusion of the next AGM of IREIT or (ii) the date by which the next AGM of IREIT is required by the applicable regulations to be held, whichever is earlier, to issue Units and to make or grant instruments (such as securities, warrants or debentures) convertible into Units and issue Units pursuant to such instruments, up to a number not exceeding 50.0% of the total number of issued Units (excluding treasury Units, if any), of which up to 20.0% may be issued other than on a pro rata basis to Unitholders (excluding treasury Units, if any).

For determining the aggregate number of Units that may be issued, the percentage of issued Units will be calculated based on the issued Units at the time Ordinary Resolution 3 above is passed, after adjusting for new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Units.

Fund raising by issuance of new Units may be required in instances of property acquisition or debt repayments. In any event, if the approval of Unitholders is required under the Listing Manual of the SGX-ST and the Trust Deed or any applicable laws and regulations in such instances, the Manager will then obtain the approval of Unitholders accordingly.

Extraordinary Resolution 4

In connection with the amendments to the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), companies are allowed to send notices and documents electronically to their shareholders with the express, deemed or implied consent (the "**Deemed Consent Regime**" and the "**Implied Consent Regime**", respectively) of the shareholders if the constitution of the company provides for it and the specified modes of electronic communications are set out in the constitution of the company (the "**Companies Act Electronic Communications Amendments**"). The SGX-ST has recently amended the listing rules of the SGX-ST (the "**Listing Rules**") to align the Listing Rules with the Companies Act Electronic Communications Amendments, with issuers allowed to transmit certain types of notices and documents to shareholders (or Unitholders, in the case of a listed real estate investment trust ("**REIT**") such as IREIT) electronically with the express, deemed or implied consent of shareholders.

Although IREIT is not bound by the Companies Act, it is nonetheless bound by the Listing Rules as a listed REIT. Accordingly, the Manager proposes to amend the Trust Deed to adopt certain provisions of the Listing Rules to implement the Implied Consent Regime and the Deemed Consent Regime and allow for such electronic transmission of notices and documents in relation to IREIT.

(See the Letter to Unitholders dated 28 March 2018 in relation to the Proposed Communications Trust Deed Supplement for further details.)

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of the processing and administration by the Manager and the Trustee (or their agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

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IREITGlobal

(a real estate investment trust constituted on 1 November 2013 under the laws of the Republic of Singapore (as amended))

IMPORTANT:
1. Relevant intermediaries (as defined in the Notes Overleaf), may appoint more than two proxies to attend and vote at the Annual General Meeting.
2. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. A CPF/SRS Investor who wishes to attend the Annual General Meeting as proxy has to submit his request to his CPF Agent Bank so that his CPF Agent Bank may appoint him as its proxy within the specified timeframe (CPF Agent Bank: Please refer to Notes 3 and 5 on the reverse side of this form on the required details.)

Personal data privacy
By submitting an instrument appointing a proxy or proxies and/or representative(s), a unitholder of IREIT Global accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 28 March 2018.

PROXY FORM
ANNUAL GENERAL MEETING

I/We ________________________ (Name(s) and NRIC Number(s)/Passport Number(s)/Company Registration Number)

of ____ (Address)

being a unitholder/unitholders of IREIT Global, hereby appoint:

Name	NRIC/Passport No.	Proportion of Unitholdings	
		No. of Units	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Unitholdings	
		No. of Units	%
Address			

or failing which, the Chairman of the Annual General Meeting ("**AGM**") of IREIT Global as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the AGM of IREIT Global to be held at Meeting Rooms 334-335, Level 3, Suntec Singapore International Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on 19 April 2018 at 2.00 p.m. and any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the AGM.

No.	Resolutions relating to:	Number of Votes For(*)	Number of Votes Against(*)
	ORDINARY BUSINESS		
1.	To receive and adopt the Report of the Trustee, the Statement by the Manager and Audited Financial Statements for the financial year ended 31 December 2017 and the Auditors Report thereon.		
2.	To re-appoint Deloitte & Touche LLP as the Independent Auditors of IREIT and authorise the Manager to fix their remuneration.		
	SPECIAL BUSINESS		
3.	To authorise the Manager to issue Units and to make or grant convertible instruments.		
4.	To approve the Proposed Electronic Communications Trust Deed Supplement.		

* If you wish to exercise all your votes "For" or "Against", please mark with an "X" within the relevant box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _______________ day of ___________________ 2018

Total number of Units held

____

Signature of Unitholder (s)/ Common Seal of Corporate Unitholder

IMPORTANT : Please read the notes overleaf before completing this Proxy Form.

Notes to the Proxy Form

1. A unitholder of IREIT Global ("**Unitholder**") who is not a relevant intermediary entitled to attend and vote at the Annual General Meeting ("**AGM**") is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a Unitholder.

2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.

3. A Unitholder who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, it should annex to the instrument appointing proxies (the "**Proxy Form**") the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of unitholding (number of shares and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank who intends to appoint CPF/SRS investors as its proxies shall comply with this Note.

   "**relevant intermediary**" means:

   (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds Units in that capacity; or

   (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

4. A Unitholder should insert the total number of Units held. If the Unitholder has Units entered against his name in the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**"), he should insert that number of Units. If the Unitholder has Units registered in his name in the Register of Unitholders of IREIT Global, he should insert that number of Units. If the Unitholder has Units entered against his name in the said Depository Register and registered in his name in the Register of Unitholders, he should insert the aggregate number of Units. If no number is inserted, this Proxy Form will be deemed to relate to all the Units held by the Unitholder.

5. The Proxy Form must be deposited at the office of the Manager's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not later than 17 April 2018 at 2.00 p.m., not less than 48 hours before the time set for the AGM.

6. Completion and return of the Proxy Form shall not preclude a Unitholder from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the AGM in person, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the Proxy Form, to the AGM.

7. The Proxy Form shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointer is a corporation either under the common seal or under the hand of an officer or attorney so authorised. The Manager and the Trustee shall be entitled and be bound, in determining the rights to vote and other matters in respect of a completed Proxy Form submitted to it, to have regard to any instructions and/or notes set out in the Proxy Form. The Manager and the Trustee shall have the right to reject any Proxy Form which has not been duly completed.

8. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a duly certified copy of such power of attorney must (failing previous registration with the Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.

9. The Manager and the Trustee shall have the right to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Units entered in the Depository Register, each of the Trustee and the Manager: (a) may reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his name in the Depository Register as at 48 hours before the time appointed for holding the AGM, as certified by CDP to the Manager; and (b) shall be entitled and bound to accept as accurate the number of Units entered against the name of that Unitholder as shown in the Depository Register as at a time not earlier than 48 hours prior to the time of the AGM, supplied by CDP to the Trustee and to accept as the maximum number of votes which in aggregate that Unitholder and his proxy/ies (if any) are able to cast on a poll a number which is the number of Units entered against the name of that Unitholder as shown in the Depository Register, whether that number is greater or smaller than that specified by the Unitholder or in the Proxy Form.

10. All Unitholders will be bound by the outcome of the AGM regardless of whether they have attended or voted at the AGM.

CORPORATE DIRECTORY

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TRUSTEE
DBS Trustee Limited
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Marina Bay Financial Centre Tower 3
Singapore 018982
Tel: +65 6878 8888
Fax: +65 6878 3977

BOARD OF DIRECTORS (THE MANAGER)
Mr Lim Kok Min, John
Chairman and Independent Non-Executive Director

Mr Tan Wee Peng, Kelvin
Independent Non-Executive Director

Mr Nir Ellenbogen
Independent Non-Executive Director

Mr Bruno de Pampelonne
Non-Executive Director

Mr Tong Jinquan
Non-Executive Director

Mr Ho Toon Bah
Non-Executive Director

AUDIT AND RISK COMMITTEE (THE MANAGER)
Mr Tan Wee Peng, Kelvin
Chairman

Mr Lim Kok Min, John
Member

Mr Nir Ellenbogen
Member

AUDITORS
Deloitte & Touche LLP
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Singapore 068809
Partner-in-charge: Mr Xu Jun
(appointed with effect from financial year ended 31 December 2015)

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Wilhelm-Leuschner-Str.78
60329 Frankfurt
Germany

COMPANY SECRETARIES
Lee Wei Hsiung, ACIS
Wang Shin Lin, Adeline, ACIS

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STOCK EXCHANGE QUOTATIONS
SGX Stock Code: UD1U
Bloomberg Code: IREIT:SP
Reuters Code: IREI.SI

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(As manager of IREIT Global)
Company Registration No. 201331623K

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