

Ascendas Reit

2022 Annual General Meeting

Thursday, 28 April 2022 10.00 am

20 Celebrating
Years

 ascendas
Reit
A Member of
CapitaLand Investment

Disclaimers

- This presentation may contain forward-looking statements. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other developments or companies, shifts in customer demands, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training, property operating expenses), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.
- You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management regarding future events. No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Neither Ascendas Funds Management (S) Ltd (“**Manager**”) nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use of, reliance on or distribution of this presentation or its contents or otherwise arising in connection with this presentation.
- The past performance of Ascendas Reit is not indicative of future performance. The listing of the units in the Ascendas Reit (“**Units**”) on the Singapore Exchange Securities Trading Limited (the “SGX-ST”) does not guarantee a liquid market for the Units. The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST.
- This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units.

Celebrating
20 Years

ascendas
Reit

A Member of
CapitaLand Investment

FM Global Centre, Singapore

Agenda

04

Our Growth Journey

07

FY2021 Achievements

10

Focused Growth Strategy

13

Proactive Asset Management

19

Prudent Capital Management

25

Commitment to Sustainability

27

20 Years and Beyond



Our Growth Journey

Nucleos, Singapore

nucleos

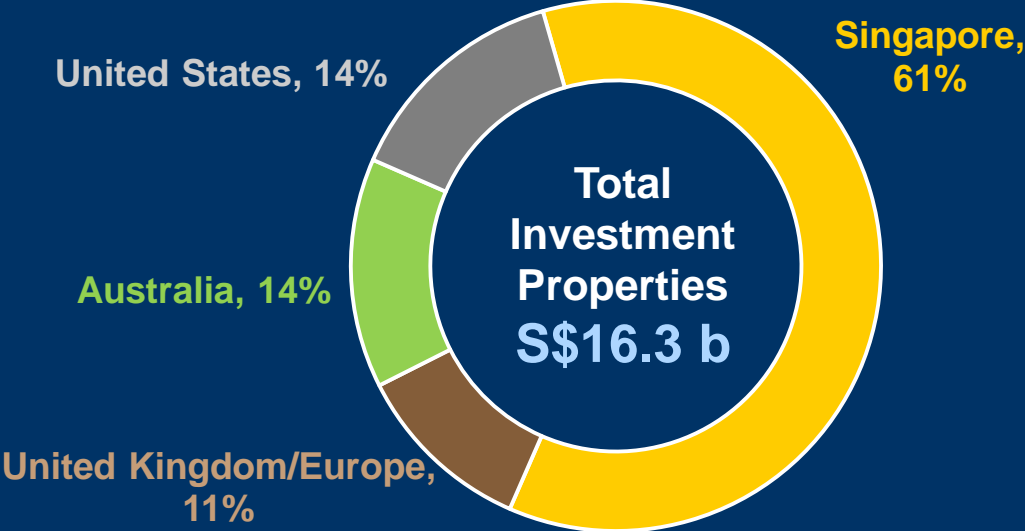
Celebrating
20 Years

ascendas
Reit

A Member of
CapitaLand Investment

Our Growth Journey

- From a single-country portfolio worth S\$0.6 billion in 2002 to a **Multi-Asset Developed Markets Portfolio worth S\$16.3 billion (2021)**
- Properties in Singapore account for 61% (S\$9.9 billion) of total investment properties and overseas assets make up the remaining 39% (S\$6.4 billion)



Portfolio Strategy

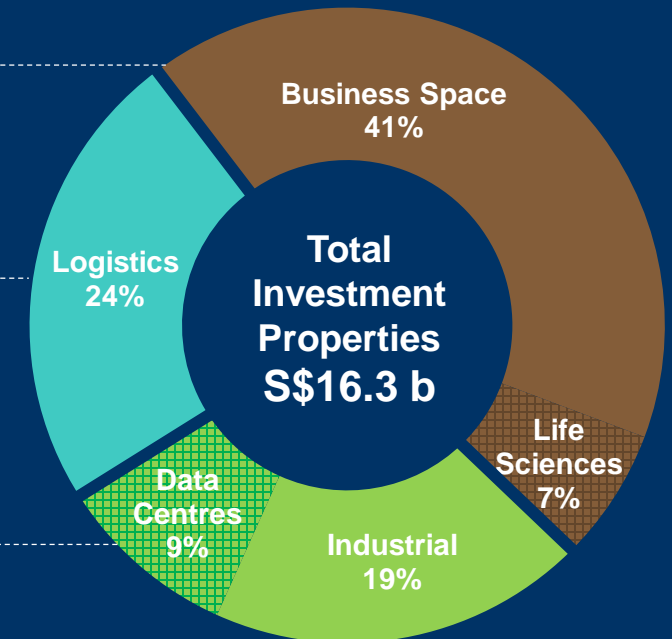
- Steering our portfolio towards asset classes to cater to the changing market and tenant requirements arising from structural trends and changing consumption patterns such as digitalisation, e-commerce, etc.
- Our multi-asset portfolio can be broadly classified into 3 key segments:
 - (1) Business Space and Life Sciences
 - (2) Logistics
 - (3) Industrial and Data Centres

Three Key Segments

■ **Business Space and Life Sciences (48%)**

■ **Logistics (24%)**

■ **Industrial and Data Centres (28%)**



20 Celebrating
Years

ascendas
Reit

A Member of
CapitalLand Investment

FY2021 Achievements



Grab Headquarters, Singapore

Delivering Healthy Returns in FY2021



Distributable
Income

S\$630.0 million

+17.0% y-o-y

Mainly attributable to contributions from newly acquired properties and completed developments during FY2020 and FY2021



Distribution
per Unit*

15.258 cents

+3.9% y-o-y

The Manager voluntarily made a one-off waiver of part of its entitled performance fee, resulting in a higher DPU growth of 3.9% vs 2.5% *(without waiver)*



Total Assets

S\$17.7 billion

+17.2%
vs 31 Dec 2020

Completed S\$2.1 billion worth of new investments across four developed markets

Note: Figures are for the period 1 January 2021 to 31 December 2021 (FY2021) or as at 31 December 2021.

Robust Operational & Capital Management Metrics



Healthy Portfolio Occupancy

93.2 %

From 91.7% as at 31 Dec 2020



Healthy Aggregate Leverage

35.9 %

From 32.8% as at 31 Dec 2020



Positive Portfolio Rent Reversion[#]

+4.5%

vs. 3.8% as at 31 Dec 2020



Higher Same-store Valuation

S\$13.95 billion

vs. S\$13.50 billion as at
31 Dec 2020

[#] Percentage change of the average gross rent over the lease period of the renewed leases against the preceding average gross rent from lease start date. Takes into account renewed leases in multi-tenant buildings that were signed in FY2021 and average gross rents are weighted by area renewed.



Focused Growth Strategy

Celebrating
20 Years

ascendas
Reit

A Member of
CapitaLand Investment

Croydon, London, United Kingdom

Investing in Technology and Logistics Sectors

USA
 S\$207.8 million
 11 logistics properties in
 Kansas City

UK / Europe
 S\$904.6 million
 11 data centres across London,
 Amsterdam, Paris, Manchester,
 Geneva

Singapore
 S\$719.0 million
 Galaxis and Grab Headquarters

Australia
 S\$284.0 million
 1-5 Thomas Holt Drive,
 in Sydney

A record **S\$2.1 billion** of investment was completed in FY2021

Logistics

Data Centres

Business Space



Investment Pipeline 2022 and Beyond

Recent completions – S\$128.4 million



7 Kiora Crescent, Sydney, Australia

Logistics warehouse located in Sydney's industrial precinct of Yennora

Purchase Consideration:
S\$21.1 million



500 Green Road, Brisbane, Australia

'Green' warehouse designed to achieve a 5-star Green Star Design & As-Built rating

Purchase Consideration:
S\$69.1 million



UBIX, Singapore

Premium industrial building with BCA Green Mark Gold^{Plus} certification

Total Development Cost:
S\$38.2 million

Ongoing Projects – S\$545.5 million



MQX4, Sydney, Australia

Business Space located in the heart of Macquarie Park, home to many technology and biomedical companies

Purchase Consideration:
S\$161.0 million



iQuest @ IBP, Singapore

To be reposition into a modern Business Space with double the gross floor area

Estimated Development Cost:
S\$84.3 million



1 Science Park Drive, Singapore

Development of a world-class life science and innovation campus

Estimated Development Cost:
S\$300.2 million



Proactive Asset Management

UBIX

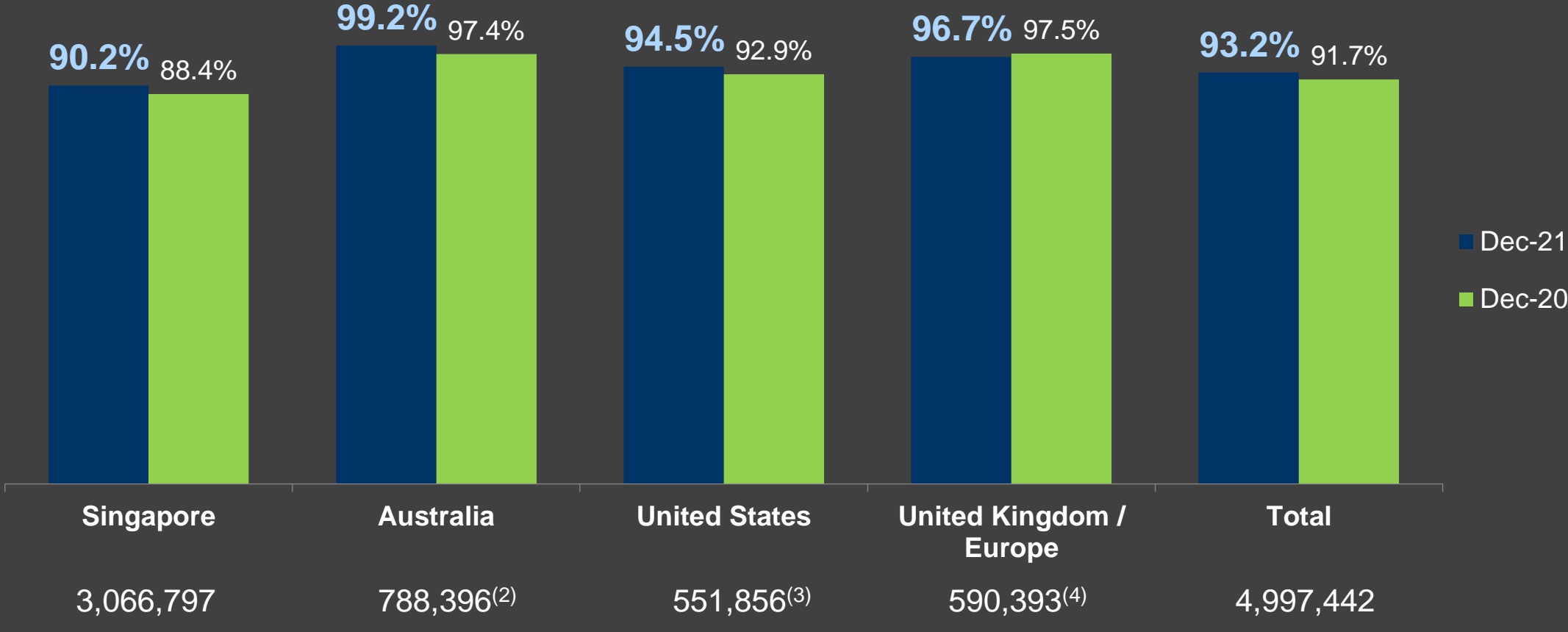
UBIX, Singapore

20 Celebrating Years

 **ascendas**
Reit

A Member of
CapitaLand Investment

Healthy Portfolio Occupancy Across All Markets



(1) Gross Floor Area as at 31 Dec 2021.
 (2) Gross Floor Area for Australia portfolio refers to the Gross Lettable Area/Net Lettable Area.
 (3) Gross Floor Area for USA Portfolio refers to Gross Lettable Area/Net Lettable Area excluding Greenbrier Court which is currently decommissioned for major refurbishment work.
 (4) Gross Floor Area for United Kingdom/Europe portfolio refers to the Gross Internal Area.

Positive Rental Reversions

- In FY2021, a portfolio rental reversion of **+4.5%** was recorded for leases renewed
- FY2022 portfolio rental reversion is expected to be positive low single-digit in view of current market uncertainties

% Change in Renewal Rates for Multi-tenant Buildings ⁽¹⁾	FY2021	FY2020
Singapore	2.9%	3.1%
Australia	_(2)	14.0%
United States	22.6%	16.6%
United Kingdom	6.2%	_(2)
Total Portfolio :	4.5%	3.8%

(1) Percentage change of the average gross rent over the lease period of the renewed leases against the preceding average gross rent from lease start date. Takes into account renewed leases that were signed in their respective periods and average gross rents are weighted by area renewed.

(2) There were no renewals signed in the period for the respective segments.

Stable Weighted Average Lease Expiry

By Gross Revenue

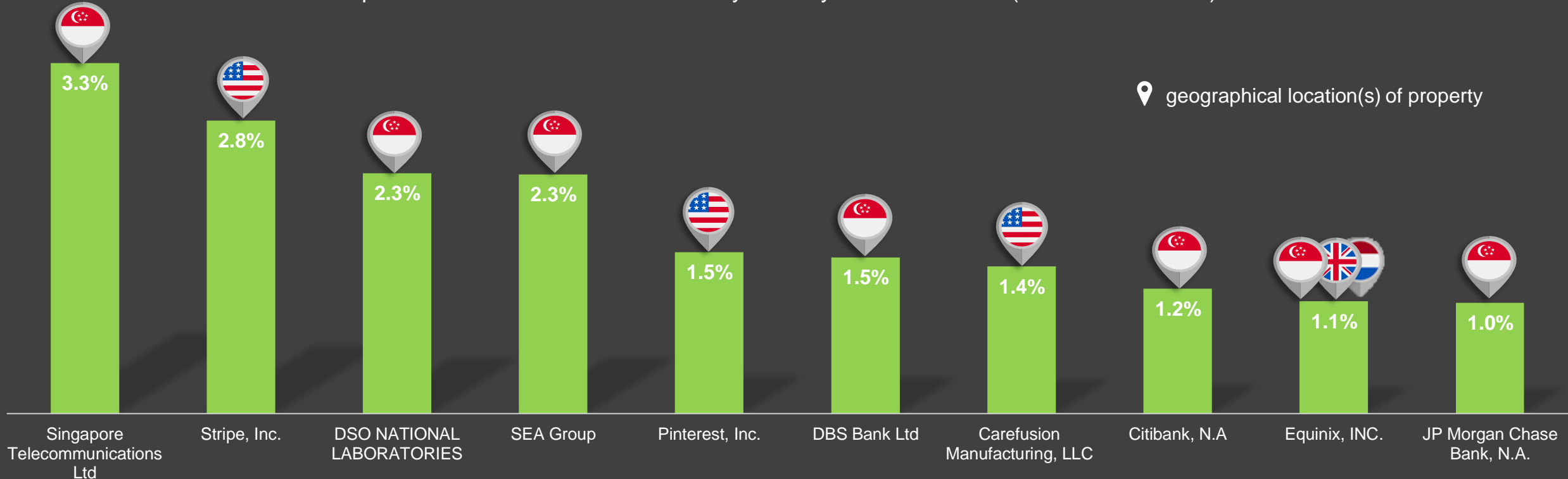
- Portfolio Weighted Average Lease Expiry (WALE) stood at **3.8 years**

WALE (as at 31 Dec 2021)	Years
Singapore	3.4
Australia	3.5
United States	4.4
United Kingdom/Europe	5.7
Portfolio	3.8

Quality and Diversified Customer Base

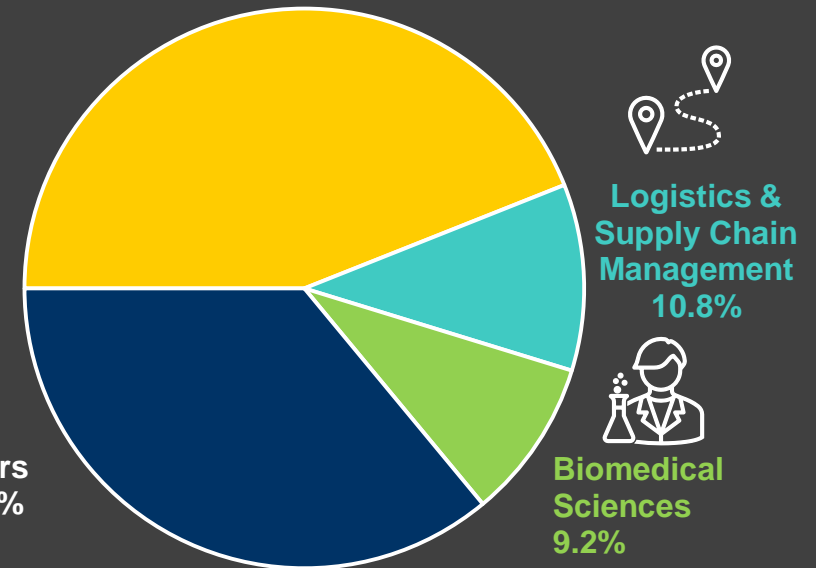
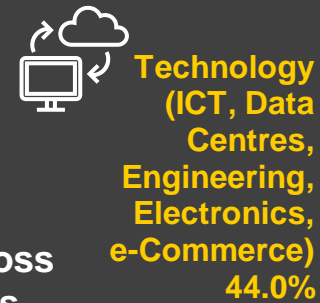
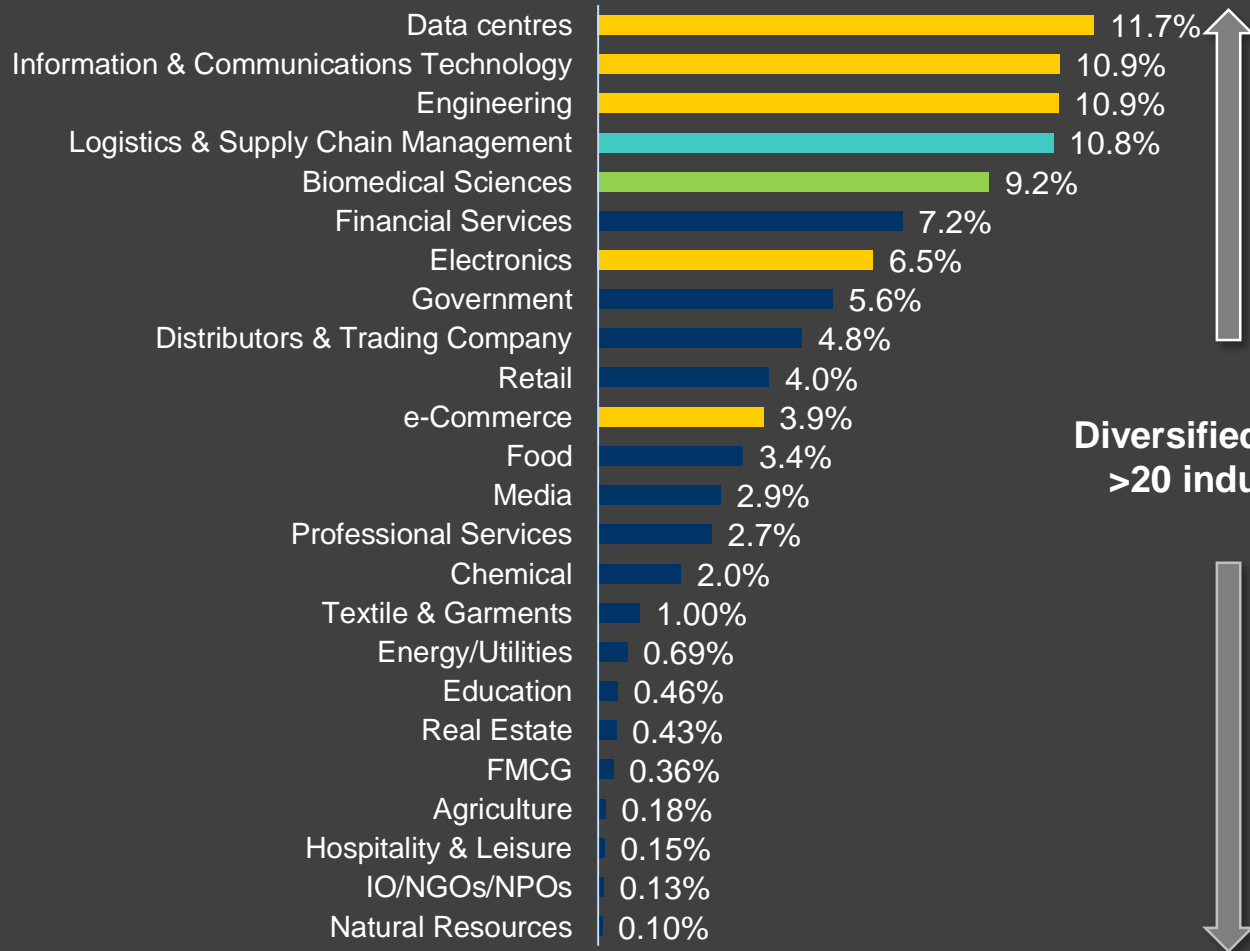
- Total customer base of more than 1,570 tenants.
- Top 10 customers (as at 31 Dec 2021) account for about **18.3%** of monthly portfolio gross revenue.
- On a portfolio basis, weighted average security deposit is about 5.0 months of rental income.

Top 10 Customers of Ascendas Reit by Monthly Gross Revenue (as at 31 Dec 2021)



Tapping the Growing Technology, Logistics and Life Sciences Industries

64% of our customer base is from the growing technology, logistics and life sciences industries



20 Celebrating
Years

ascendas
Reit





A Member of
CapitalLand Investment

Prudent Capital Management

The Galen, Singapore

Healthy Balance Sheet

- Aggregate leverage is healthy at **35.9%** ⁽¹⁾
- Available debt headroom of ~S\$4.8 billion to reach MAS’s aggregate leverage limit of 50.0%
- **A3** Moody’s credit rating maintained since 2010

 <p>Weighted Average Tenure of Debt</p> <p>3.5 years</p>	 <p>Interest Cover Ratio⁽²⁾</p> <p>5.7 x</p>
 <p>Weighted Average All-in Debt Cost</p> <p>2.2%</p>	 <p>Net Debt/ Annualised EBITDA⁽⁴⁾</p> <p>7.8 x</p>

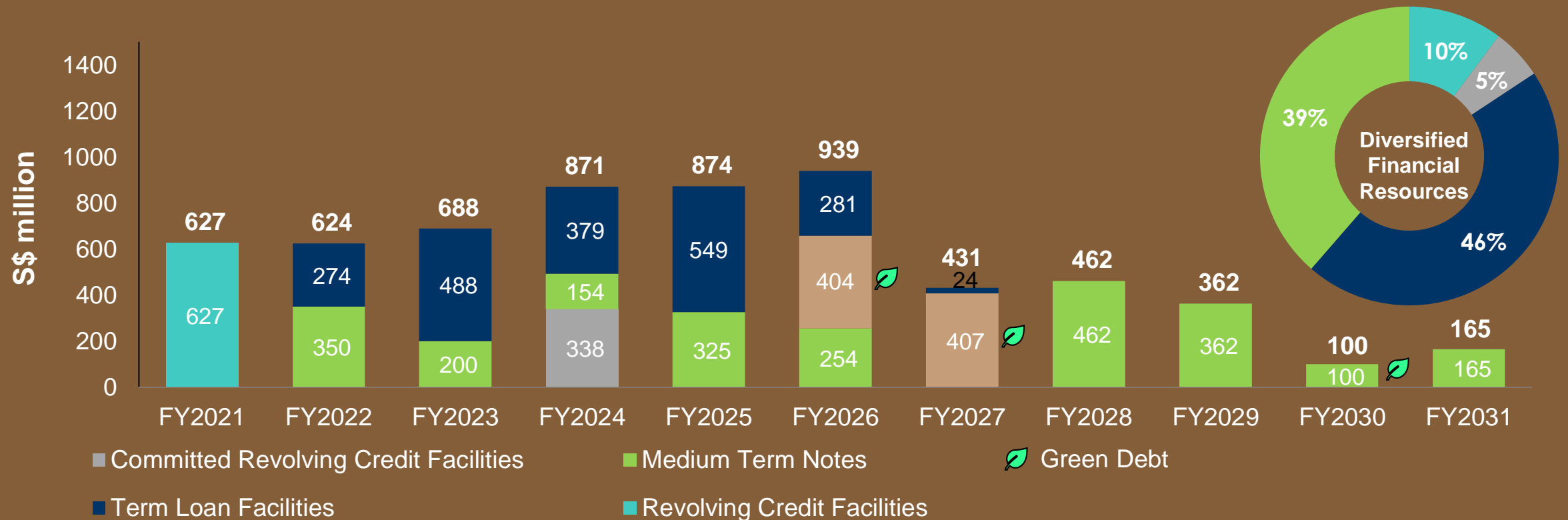
A3

Moody’s Rating Maintained since 2010

(1) Excludes the effects of FRS 116. In accordance with the Property Funds Appendix, Ascendas Reit’s proportionate share of its joint ventures’ borrowings and deposited property values are included when computing the aggregate leverage.
 (2) Based on the trailing 12 months EBITDA (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), divided by the trailing 12 months interest expense and borrowing-related fees
 (3) Net debt includes lease liabilities arising from FRS 116, 50% of perpetual securities, offset by cash and fixed deposits while annualised EBITDA does not pro-rate for full year EBITDA from new acquisitions

Well-spread Debt Maturity Profile

- Well-spread debt maturity with the longest debt maturing in FY2031
- Average debt maturity healthy at **3.5 years**



(1) Includes Green Perpetual Securities of S\$300m.

Prudent Interest Rate Risk Management

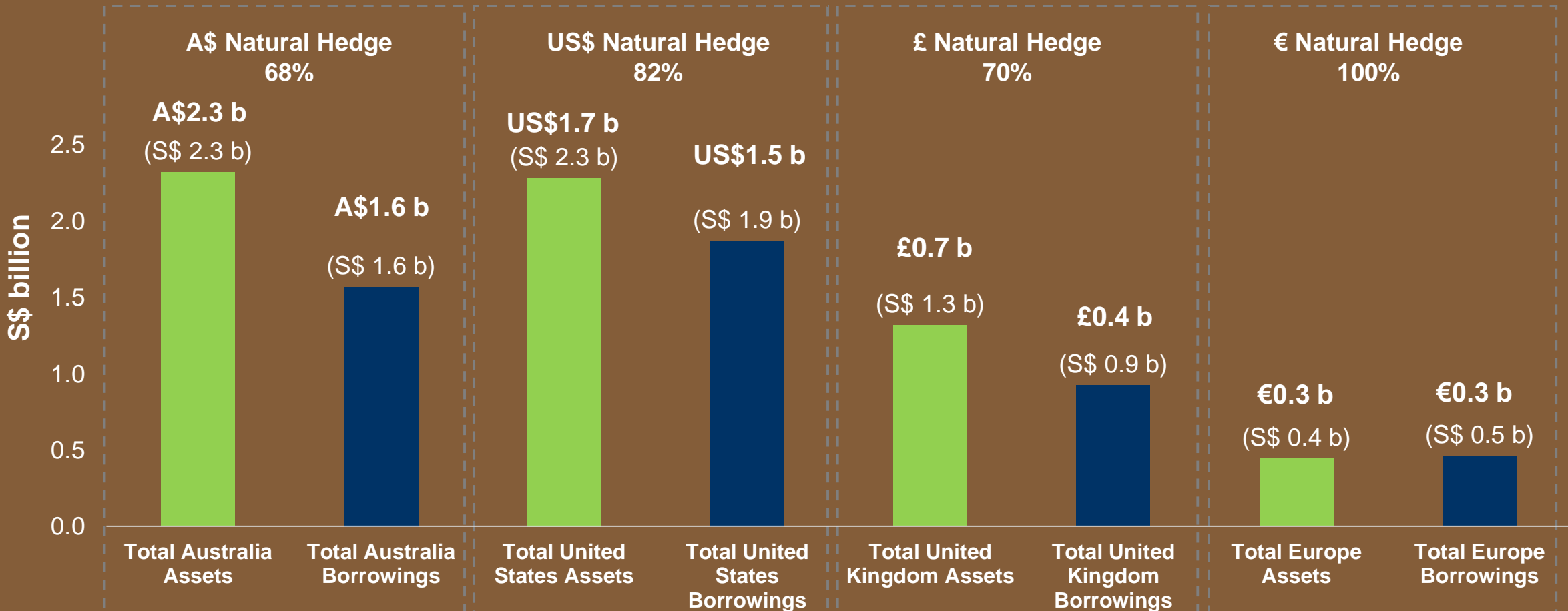
- **79.4%** of borrowings are on fixed rates with an average term of 3.6 years
- 20 bps increase in interest rate is expected to have a pro forma impact of S\$2.5 million decline in distribution or 0.06 cents decline in DPU

Change in Interest Rates	Decrease in Distribution (S\$m)	Change as % of FY2021 Distribution	Pro Forma DPU Impact (cents) ⁽¹⁾
+20 bps	2.5	-0.4%	-0.06
+40 bps	4.9	-0.8%	-0.12
+60 bps	7.4	-1.2%	-0.18
+80 bps	9.8	-1.6%	-0.23
+100 bps	12.3	-2.0%	-0.29

(1) Based on number of Units in issue of 4,198 m as at 31 Dec 2021.

High Natural Hedge

- Maintained high level of natural hedge of **~76%** for overseas investment to minimise effects of adverse exchange rate fluctuations



Annual Property Revaluation

- Total valuation of 217 investment properties⁽¹⁾ was **S\$16.29 billion**
- Same-store valuation for 192 properties⁽²⁾ improved (+3.3%) to S\$13.95 billion (vs. S\$13.50 billion as at 31 Dec 2020)

As at 31 Dec 2021	Valuation (S\$ b)	Weighted Average Cap Rates	Cap Rates Range
Singapore portfolio (93 properties)	9.93	5.82%	5.00% - 7.00%
Australia portfolio (34 properties)⁽³⁾	2.32	4.86%	3.75% - 6.00%
United States portfolio (41 properties)⁽⁴⁾	2.28	5.90%	4.75% - 7.25%
United Kingdom/Europe portfolio (49 properties)⁽⁵⁾	1.76	5.64% ⁽⁶⁾	3.91% - 7.20% ⁽⁶⁾
Total Portfolio (217 properties)	16.29	5.67%	3.75% - 7.25%

(1) Excludes 25 & 27 Ubi Road 4, and iQuest@IBP in Singapore which are under redevelopment.

(2) Excludes 25 properties acquired in 2021: Grab and Galaxis in Singapore, 1-5 Thomas Holt Drive in Australia, 11 data centres in Europe and 11 logistics properties in the USA. Excludes 3 Singapore properties under redevelopment: 25 Ubi Road 4, 27 Ubi Road 4 and iQuest@IBP.

(3) All S\$ amount based on exchange rate of A\$1.00: S\$0.9942 as at 31 Dec 2021.

(4) All S\$ amount based on exchange rate of US\$1.00: S\$1.3533 as at 31 Dec 2021.

(5) All S\$ amount based on exchange rate of £1.00: S\$1.8153 and €1.00: S\$1.5384 as at 31 Dec 2021.

(6) Refers to equivalent yield for UK logistics properties, which reflects the current level of return on property investments in the United Kingdom. Exclude properties which were valued based on Discounted Cash Flow method only.

Commitment to Sustainability

40 Penjuru Lane, Singapore

Celebrating
30
Years

 **ascendas**
Reit

A Member of
CapitaLand Investment

Building a Green Portfolio for Sustainable Returns



Green Buildings

- Largest number of BCA Green Mark certified properties amongst S-REITs: 40⁽¹⁾ (since 18 Mar 2021: +6)
- Total portfolio comprises 49⁽¹⁾ Green certified properties (since 18 Mar 2021: +10)



Renewable Energy

- Largest no. of public Electric Vehicle (EV) charging points in Singapore by a S-REIT: 76 (FY2021: +36)
- One of the largest combined rooftop solar installations in Singapore for a real estate company: ~11,600 MWh (FY2021: +1,245 MWh) of solar power generated
- Powered 100% of the common facilities' electricity usage at 4 properties (FY2021: +3 properties) in Singapore with the solar energy generated from our rooftop solar farms



Green Financing

- Raised approximately S\$1.2 billion via Green Bond, Green Perpetual Securities, Green Loans (accounting for ~20% of total borrowings as at 31 Dec 2021)



As at 17 Mar 2022

(1) Includes non-Ascendas Reit managed properties

20 Years and Beyond



Celebrating
20
Years

Ascendas
Reit

A Member of
Capitaland Investment

510 Townsend Street, San Francisco, United States

Beyond 20 Years

Enabling Businesses of Tomorrow; Delivering Sustainable Returns

1 Focused Growth Strategy

Scale up our investments in relevant asset classes across the four existing developed markets to meet the needs of existing and potential customers

3 Prudent Capital Management

Manage our capital prudently and maintain a strong and flexible balance sheet to seize growth opportunities

2 Proactive Asset Management

Manage our portfolio proactively to deliver quality spaces and customer service; achieve healthy occupancy, and maximise returns

4 Commitment to Sustainability

Commitment to place sustainability at the core of everything we do to deliver long-term sustainable returns for Unitholders



Thank you

20 Celebrating
Years

Ascendas
Reit

A Member of
CapitaLand Investment