



CapitaLand

ascendas Reit
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# ASCENDAS REIT

## FY2020 Financial Results Presentation

2 February 2021

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# Agenda

# Key Highlights for FY2020


510 Townsend Street, San Francisco, US

# Key Highlights for FY2020

Distributable Income
**S$538.4 m**
***+6.7% y-o-y***

Mainly attributable to newly acquired properties in United States, Australia and Singapore.

Distribution per Unit
**14.688 cents**
***-6.1% y-o-y***

Excluding the one-off distribution of rollover adjustments from prior years, DPU would have decreased by 4.5% y-o-y

Total Assets
**S$15.1 b**

Acquired S$973.2m of properties across the United States, Australia and Singapore.

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Stable Portfolio Occupancy
**91.7 %**
As at 31 Dec 2020

Positive Portfolio Rental Reversion#
**+3.8%**

Lower Aggregate Leverage to
**32.8%**
From 36.1% as at 30 Jun 2020

Stable Same-store Valuation
**S$12.83 b**
(vs. S$12.70 b as at 31 Dec 2019)

# 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 FY2020 and average gross rents are weighted by area renewed.

# Financial Performance

The Capricorn, Singapore

# FY2020 (12 months) vs 2019 (12 months)

| (S$'m) | FY2020 | 2019 | Variance | |
|---|---|---|---|---|
| **Gross revenue** | **1,049.5** | **924.1** | **13.6%** | Mainly attributable to:<br>• Contribution from the US Portfolio of 28 business park properties, two Singapore business park properties, which were acquired in December 2019 and acquisition of two properties in San Francisco in November 2020;<br>• Completion of 254 Wellington Road, Australia in September 2020;<br>• Partially offset by (i) lower occupancies of certain properties in FY2020, (ii) rent rebates provided to eligible tenants in FY2020 and (iii) divestments and redevelopment<br>• Included in the gross revenue in FY2020 is the Singapore government grant income pertaining to the property tax rebates received from IRAS as part of the government's initiatives to help businesses adapt to the challenges amid the pandemic |
| **Net property Income (NPI)** (1) | **776.2** | **709.5** | **9.4%** | • Increase in NPI is in tandem with the increase in gross revenue<br>• Partially offset by the rent rebates provided to tenants equivalent to the property tax rebates received from IRAS |
| **Total amount available for distribution (DI)** | **538.4** | **504.4** | **6.7%** | • Higher distributable income is in line with the increase in NPI<br>• Includes distribution income received from the associate company that owns Galaxis. The Group acquired the associate company on 31 March 2020.<br>• Partially offset by an increase in non property operating expenses relating to the new acquisitions, higher net finance costs mainly due to higher average debt balances as well as lower rental supports and reimbursements from vendors on certain acquisitions in Australia and UK<br>• 2019 included a rollover adjustment that is not recurring in FY2020. |
| **DPU (cents)** | **14.688** | **15.638** | **-6.1%** | • Excluding the rollover adjustment (DPU 0.25 cent) in 1Q 2019, DPU would have decreased by 4.5% |
| **Applicable no. of units (millions)** | **3,666** | **3,226** | **13.6%** | • Increase in unit base is due to the Rights Issue, Private Placement and Preferential Offering in Dec 19, Nov 20 and Dec 20 respectively. |

Note: The Group had 200 properties as at 31 Dec 2020 and 31 Dec 2019.
(1) In order to present the comparative information in a consistent manner, the Group has re-stated the net property income for the period from 1 January 2019 to 31 December 2019 by applying the principles of FRS 116 since 1 January 2019.

# 2H FY2020 (Jul-Dec) vs 1H FY2020 (Jan-Jun)

| (S$'m) | 2H FY2020 | 1H FY2020 | Variance | |
|---|---|---|---|---|
| Gross revenue | 528.2 | 521.2 | 1.3% | Mainly attributable to:<br>• Lower rent rebates provided to eligible tenants in 2H FY2020<br>• Completion of 254 Wellington Road, Australia in September 2020<br>• Acquisition of two San Francisco properties in November 2020<br>• Partially offset by lower Singapore government grant income pertaining to the property tax rebates received from IRAS as part of the government's initiatives to help businesses adapt to the challenges amid the pandemic |
| Net property Income (NPI) | 388.2 | 388.0 | - | • Included in property expenses is the rent rebates provided to tenants equivalent to the property tax rebates received from IRAS |
| Total amount available for distribution (DI) | 275.2 | 263.2 | 4.6% | • Higher distributable income is contributed mainly by the lower average borrowing rate in 2H FY2020.<br>• Additional distribution income was received from the associate company which owns Galaxis. The Group acquired the associate company on 31 March 2020. |
| DPU (cents) | 7.418 | 7.270 | 2.0% | • Increase in DPU in line with increase in DI |
| Applicable no. of units (millions) | 3,710 | 3,620 | 2.5% | • Increase in unit base is due to the Private Placement and Preferential Offering in Nov 20 and Dec 20 respectively. |

Note: The Group had 200 properties as at 31 Dec 2020 and 197 properties as at 30 Jun 2020.

# 2H FY2020 (Jul-Dec) vs 2H 2019 (Jul-Dec)

| (S$'m) | 2H FY2020 | 2H 2019 | Variance | |
|---|---|---|---|---|
| **Gross revenue** | **528.2** | **469.4** | **12.5%** | Mainly attributable to:<br>• Contribution from the US Portfolio of 28 business park properties and two Singapore business park properties, which were acquired in December 2019 and the acquisition of two San Francisco properties in November 2020;<br>• Completion of 254 Wellington Road, Australia in September 2020;<br>• Partially offset by (i) lower occupancies at certain properties in 2H FY2020, (ii) rent rebates provided to eligible tenants in FY2020, and (ii) divestments and redevelopment.<br>• Included in 2H FY2020 was the Singapore government grant income pertaining to the property tax rebates received from IRAS as part of the government's initiatives to help businesses adapt to the challenges amid the pandemic |
| **Net property Income (NPI)** | **388.2** | **360.2** | **7.8%** | • Increase in NPI is in tandem with the increase in gross revenue<br>• Partially offset by the rent rebates provided to tenants equivalent to the property tax rebates received from IRAS |
| **Total amount available for distribution (DI)** | **275.2** | **250.7** | **9.9%** | • Higher distributable income is in line with the increase in NPI<br>• Includes contribution from the associate company that owns Galaxis. The Group acquired the associate company on 31 March 2020. |
| **DPU (cents)** | **7.418** | **7.485** | **-0.9%** | |
| **Applicable no. of units (millions)** | **3,710** | **3,350** | **10.7%** | • Increase in unit base is due to the Rights Issue, Private Placement and Preferential Offering in Dec 19, Nov 20 and Dec 20 respectively. |

Note: The Group had 200 properties as at 31 Dec 2020 and 31 Dec 2019.

# Distribution Details

| Distribution Period | DPU (Singapore cents) |
|---|---|
| 19 November 2020 to 31 December 2020 (1) | 1.678 |

## Distribution timetable

| | |
|---|---|
| Last day of trading on "cum" basis | 8 February 2021 (Monday) |
| Ex-distribution date | 9 February 2021 (Tuesday), 9.00 am |
| Record date | 10 February 2021 (Wednesday), 5.00 pm |
| Distribution payment date | 9 March 2021 (Tuesday) |

(1) Ascendas Reit paid an advanced distribution of 5.740 cents per Unit on 11 Dec 2020 for the period from 1 Jul 2020 to 18 Nov 2020. Please refer to Ascendas Reit's announcement on 10 Nov 2020.

# Investment Management


254 Wellington, Melbourne, Australia

# Investment Highlights: Acquisitions

- Completed S$973.2 m worth of acquisitions in FY2020.
- An additional S$535.2 m worth of investments to be completed within the next two years

| FY2020 | City/Country | Sub-segment | Purchase Consideration / Land & Development Cost (S$m) | Completion Date |
|---|---|---|---|---|
| **Completed Acquisitions** | | | **973.2** | |
| Galaxis (25% stake) | Singapore | Business Park | 104.6 | 31 Mar 2020 |
| 254 Wellington Road | Melbourne, Australia | Suburban Office | 100.6[(1)] | 11 Sep 2020 |
| 505 Brannan Street | San Francisco, US | Office | 269.4[(2)] | 21 Nov 2020 |
| 510 Townsend Street | San Francisco, US | Office | 498.6[(2)] | 21 Nov 2020 |
| **Proposed Acquisitions** | | | **535.2** | |
| 1-5 Thomas Holt Drive, Macquarie Park | Sydney, Australia | Suburban Office | 284.0[(3)] | 13 Jan 2021 |
| Lot 7, Kiora Crescent, Yennora (under development) | Sydney, Australia | Logistics | 21.1[(4)] | 3Q 2021 (est.) |
| 500 Green Road, Crestmead (under development) | Brisbane, Australia | Logistics | 69.1[(3)] | 4Q 2021 (est.) |
| MQX4, Macquarie Park (under development) | Sydney, Australia | Suburban Office | 161.0[(5)] | Mid 2022 (est.) |
| | | **TOTAL :** | **1,508.4** | |

(1) Based on exchange rate of A$1.000: S$0.9628 as at 31 Jul 2020
(2) Based on exchange rate of US$1.000: S$1.37088 as at 30 Sep 2020
(3) Based on exchange rate of A$1.000: S$0.9830 as at 30 Sep 2020
(4) Based on exchange rate of A$1.00: S$0.89957 as at 31 May 2020
(5) Based on exchange rate of A$1.000: S$0.9628 as at 31 Jul 2020

# Investment Highlights: Asset Enhancements

- Completed seven asset enhancement initiatives for total cost of S$34.2 m

| FY2020 | City/Country | Sub-segment | Total Cost (S$m) | Completion Date |
|---|---|---|---|---|
| **Asset Enhancement Initiatives** | | | **34.2** | |
| The Capricorn | Singapore | Business & Science Park | 6.0 | 20 Feb 2020 |
| Plaza 8 | Singapore | Business & Science Park | 8.5 | 5 Mar 2020 |
| The Galen | Singapore | Business & Science Park | 7.0 | 6 Apr 2020 |
| 484-490 & 494-500 Great Western Highway | Sydney, Australia | Logistics | 1.4 (1) | 29 Apr 2020 |
| 52 & 53 Serangoon North Avenue 4 | Singapore | Light Industrial | 8.5 | 22 Jul 2020 |
| 197 – 201 Coward Street | Sydney, Australia | Suburban Office | 1.6 (2) | 30 Sep 2020 |
| Aperia | Singapore | Integrated Development Amenities and Retail | 1.2 | 25 Oct 2020 |

(1) Based on exchange rate of A$1.00: S$0.92791 as at 31 Dec 2019
(2) Based on exchange rate of A$1.000: S$0.9830 as at 30 Sep 2020

# Investment Highlights: Divestments

- Divested three properties in Singapore for total sales proceeds of S$125.3 m

| FY2020 | Country | Sub-segment | Sale Price (S$m) | Completion Date |
|---|---|---|---|---|
| **Divestments** | | | **125.3** | |
| Wisma Gulab | Singapore | High-Specifications Industrial | 88.0 | 23 Jan 2020 |
| 202 Kallang Bahru | Singapore | Light Industrial | 17.0 | 4 Feb 2020 |
| 25 Changi South Street 1 | Singapore | Light Industrial | 20.3 | 6 Mar 2020 |

# Acquisition *(Completed)* :
## Galaxis (25% stake), Singapore

| | |
|---|---|
| Purchase Consideration (1) | S$104.6 m |
| Acquisition Fee(2), Stamp Duty and Other Transaction Costs | S$2.99 m |
| Total Acquisition Cost | S$107.59 m |
| Vendor | MBK Real Estate Asia Pte Ltd, a wholly-owned subsidiary of Mitsui & Co, Ltd |
| Agreed Property Value (based on 100%) | S$630.0 m |
| Valuation as at Acquisition (based on 100%)(3) | S$650.0 m |
| Land Area | 19,283 sqm |
| Land Tenure | Approx. 52 years |
| Net Lettable Area | 60,752 sqm |
| Occupancy Rate (as at acquisition) | 99.6% |
| Weighted Average Lease Expiry (as at acquisition) | 2.5 years |
| Key Tenants | Canon, Oracle, Sea (formerly Garena) |
| Initial Net Property Income Yield | 6.2% (6.1% post-transaction cost) |
| Completion Date | 31 Mar 2020 |

Galaxis

**The Property**:
- Galaxis comprises a 17-storey building with business park and office space, a two-storey retail and F&B podium, a five-storey building with work lofts and a two-storey basement carpark. It is zoned for Business Park use with a 30% White Component.

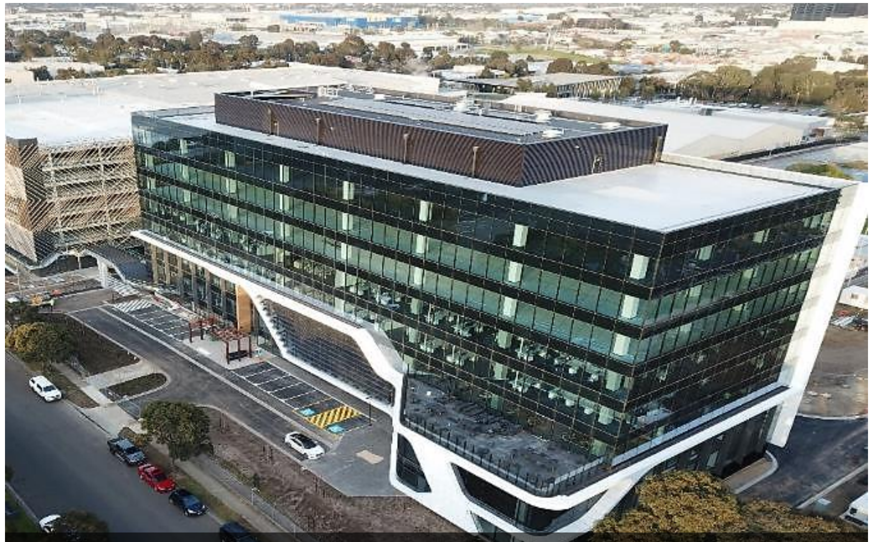
**Location**:
- Situated at the heart of Fusionopolis, one-north with direct access to the one-north MRT station
- About 5-minute drive to Ayer Rajah Expressway and a 15-minute drive to the Central Business District.

(1) Purchase consideration is based on 25% of the Adjusted Net Asset Value of Ascendas Fusion 5 Pte Ltd, the holding entity for Galaxis, as at the date of completion. This takes into consideration the Agreed Property value of S$630.00 m, which is about 3.1% lower than the independent market valuation of the Property of S$650.00 m as at 26 March 2020.
(2) Includes acquisition fees payable to the Manager in cash (being 1.0% of the 25% of Agreed Property Value, which amounts to approximately S$1.575 m)
(3) The valuation dated 26 Mar 2020 was commissioned by HSBC Institutional Trust Services (Singapore) Limited (as trustee of Ascendas Reit) and was carried out by CBRE Pte Ltd using the Income Capitalisation and Discounted Cash Flow approaches.

# Acquisition *(Completed)* :
## 254 Wellington Road, Melbourne, Australia

| | |
|---|---|
| Land and Development Costs (1)(2) | S$100.6 m (A$104.5 m) |
| Acquisition Fee(3) , Stamp duty and Other Transaction Costs | S$1.25 m (A$1.3 m) |
| Total Investment Cost | S$101.9 m (A$105.8 m) |
| Vendor/Developer | ESR FPA (Wellington Road) Pty Limited |
| Valuation (as if complete basis) (4) | A$104.5 m (S$100.6 m) |
| Land Area | 11,113 sqm |
| Land Tenure | Freehold |
| Net Lettable Area | 17,507 sqm |
| Occupancy Rate (5) | 100% |
| Key Tenant | Nissan |
| Initial Net Property Income Yield | 5.9% (5.8% post-transaction cost) |
| Completion Date | 11 Sep 2020 |

(1) All S$ amounts are based on exchange rate of A$1.000: S$0.9628 as at 31 July 2020
(2) Includes incentives to be reimbursed by the Vendor.
(3) In accordance to Ascendas Reit's Trust Deed, the Manager is entitled to an acquisition fee of 1.0% of the purchase consideration (includes land and development cost) of the property, which will be paid in cash.
(4) The valuation dated 1 Aug 2019 was commissioned by the Manager and The Trust Company (Australia) Limited, in its capacity as trustee of Ascendas Business Park Trust No. 2, and was carried out by Urbis Valuations Pty Ltd , using the capitalisation method and discounted cashflow methods.
(5) Physical occupancy is 65.2% (space leased to Nissan). From practical completion date, the Vendor will provide a 3-year rental guarantee for any remaining vacant space.


254 Wellington Road

**The Property:**
- The 8-level state-of-the-art office with 17,507 sqm net lettable area is expected to achieve 5-star NABERS energy rating and 5-Star Green Star Design.
- Nissan has leased 65.2% of the space for a 10-year lease period and the property will serve as its head office and training centre with emphasis on electric vehicles.

**Location:**
- Located 21km south east of the Melbourne CBD. Well located in one of Australia's most important innovation precincts, the Monash Technology Precinct houses prestigious research organisations and high-technology industries.

# Acquisition *(Completed)*:
## 510 Townsend Street | 505 Brannan Street San Francisco, United States

| | 510 Townsend Street | 505 Brannan Street |
|---|---|---|
| Purchase Consideration[1] | S$498.6 m (US$363.7 m) | S$269.4 m (US$196.5 m ) |
| Acquisition Fee [2], Stamp Duty and Other Transaction Costs | S$16.3 m (US$11.9 m) | |
| Total Acquisition Cost | S$784.3 m (US$572.1 m) | |
| Vendor | B505 Industries, LLC and ARE-San Francisco No. 47, LLC | |
| Valuations as at Acquisition[3] | S$510.0 m (US$372.0 m) | S$275.5 m (US$201.0 m) |
| Land Tenure | Freehold | Freehold |
| Net Lettable Area | 27,437 sqm | 13,935 sqm |
| Occupancy Rate (as at acquisition) | 100% | 100% |
| Weighted Average Lease to Expiry (as at acquisition) | 9.1 years | |
| Tenant | Stripe | Pinterest |
| Initial Net Property Income Yield | 4.9% (4.8 post-transaction cost) | |
| Completion Date | 21 Nov 2020 | |

(1) All S$ amounts are based on exchange rate of US$1.00: S$1.37088 as at 30 Sep 2020.
(2) In accordance to Ascendas Reit's Trust Deed, the Manager is entitled to receive an acquisition fee of 1.0% of the Purchase Consideration, which will be paid in cash.
(3) The valuation dated 15 Oct 2020 was commissioned by the Manager and HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Reit), and was carried out by Newmark Knight Frank Valuation & Advisory, LLC, using sales comparison and income capitalisation approaches.


510 Townsend Street

- 7-storey building featuring attractive brick façade, expansive floor plates, soaring ceiling heights
- Landscaped mini-plaza and roof deck with a large urban garden
- LEED Platinum Green Certification


505 Brannan Street

- 6-storey building with glass and steel exterior, light-filled two-story lobby, high ceiling heights
- Landscaped passageway at ground and a roof deck
- LEED Platinum Green Certification

# Acquisition:
## 1 – 5 Thomas Holt Drive, Macquarie Park, Sydney, Australia

| | |
|---|---|
| Purchase Consideration(1)(2) | S$284.0 m (A$288.9 m) |
| Acquisition Fee(3), Stamp Duty and Other Transaction Costs | S$19.3 m (A$19.6 m) |
| Total Acquisition Cost | S$303.3 m (A$308.5 m) |
| Vendor | AMP Capital |
| Valuation as at Acquisition (1 December 2020) (4) | S$284.0 m (A$288.9 m) |
| Land Tenure | Freehold |
| Net Lettable Area | 39,188 sqm |
| Occupancy Rate (as at acquisition) | 100%(5) (physical occupancy: 93%) |
| Weighted Average Lease to Expiry (as at acquisition) | 4.5 years |
| Key tenants | Metcash, Foxtel |
| Initial Net Property Income Yield | 5.9% (5.6% post-transaction cost) |
| Completion Date | 13 Jan 2021 |

Aerial view of 1 – 5 Thomas Holt Drive

**The Property**:
- The good quality office blocks sit on freehold land and are equipped with tenant-friendly amenities such as a café, two tennis courts, a swimming pool, BBQ area and a total of 1,107 carpark spaces.
- 1 & 3 THD each have 5-Star NABERS energy rating.

**Location**:
- Well connected via multiple transport nodes and home to global players across resilient industries such as the pharmaceutical, technology, electronics and telecommunications sectors.
- Well located within Macquarie park and approx. 250m from MQX4, a suburban office building owned by Ascendas Reit which is currently under development.

(1) All S$ amounts are based on exchange rate of A$1.000: S$0.983 as at 30 Sep 2020.
(2) Includes a two-year rental guarantee provided by the Vendor for vacant space.
(3) In accordance to Ascendas Reit's Trust Deed, the Manager is entitled to an acquisition fee of 1.0% of the Purchase Consideration, which will be paid in cash.
(4) The valuation dated 1 Dec 2020 was commissioned by the Manager and Perpetual Corporate Trust Limited (in its capacity as trustee of Ascendas REIT Australia) and was carried out by Jones Lang LaSalle Advisory Services Pty Limited using the capitalisation and discounted cash flow methods.
(5) Includes two-year rental guarantee provided by the Vendor for vacant space.

# Acquisition *(Under development)*:
## Lot 7 Kiora Crescent, Yennora, Sydney, Australia

| | |
|---|---|
| Land and Development Costs(1) (2) | S$21.1 m (A$23.5 m) |
| Acquisition Fee(3), Stamp Duty and Other Transaction Costs | S$1.29 m (A$1.43 m) |
| Total Acquisition Cost | S$22.39 m (A$24.93 m) |
| Vendor/Developer | Larapinta Project Pty Ltd |
| Valuation (as if complete basis)(4) | S$26.4 m (A$29.3 m) |
| Land Area | 26,632 sqm |
| Land Tenure | Freehold |
| Net lettable area | 13,100 sq m |
| Occupancy Rate Upon Completion(5) | 100% |
| Initial Net Property Income Yield | 6.2% (5.8% post-transaction cost) |
| Estimated Practical Completion Date | 3Q 2021 |

(1) All S$ amounts are based on exchange rate of A$1.00: S$0.89957 as at 31 May 2020.
(2) Includes 9.5 months of rental guarantee provided by the Vendor.
(3) In accordance to Ascendas Reit's Trust Deed, the Manager is entitled to an acquisition fee of 1.0% of the purchase consideration (which includes land and development cost) of the property, which will be paid in cash.
(4) The valuation dated 30 Jun 2020 was commissioned by Ascendas Funds Management (Australia) Pty Ltd and Perpetual Corporate Trust Limited (in its capacity as trustee of Ascendas Longbeach Trust No. 10), and was carried out by Knight Frank NSW Valuation & Advisory Pty Ltd using the capitalisation and discounted cash flow methods.
(5) Takes into account rental guarantee.

Artist's Impression of Lot 7 Kiora Crescent

**The Property**:
- The Property to be developed, is a logistics warehouse with an approximate lettable floor area of 13,100 sqm. It is designed to be functional and efficient for a wide range of users.
- The Property will sit on a vacant parcel of freehold land (26,632 sqm).

**Location**:
- The Property is well located in the established inner-western Sydney industrial precinct of Yennora, an area that enjoys renewed growth given its proximity to central western Sydney and the trend towards last mile logistics.

# Acquisition *(Under development)*:
## 500 Green Road, Crestmead, Brisbane, Australia

| | |
|---|---|
| Land and Development Costs(1)(2) | S$69.1m (A$70.3 m) |
| Acquisition Fee(3), Stamp Duty and Other Transaction Costs | S$1.4 m (A$1.4 m) |
| Total Investment Cost | S$70.5 m (A$71.7 m) |
| Vendor/Developer | GA12 Crestmead Trust / Goodman Property Services (Aust) Pty Limited(4) |
| Valuation (as if complete basis)(5) | S$69.1 m (A$70.3 m) |
| Land Area | 62,512 sqm |
| Land Tenure | Freehold |
| Net Lettable Area | 38,650 sqm |
| Occupancy Rate upon completion(6) | 100% |
| Initial Net Property Income Yield | 5.6% (5.4% post-transaction cost) |
| Estimated Practical Completion Date | 4Q 2021 |

Artist's Impression of 500 Green Road

**The Property**:
- Highly efficient and flexible design to accommodate warehouse sizes from 9,000 sqm to 38,000 sqm with high ceiling, electric roller shutter doors and wide awning
- Full LED lighting and rooftop solar panels
- Target to achieve 5-Star Green Star Design as Built rating

**Location**:
- Well located along Brisbane's south corridor, Crestmead is a preferred hub for interstate, intrastate and metropolitan distribution.
- Boasts excellent road connectivity and is in close proximity to the Logan, Gateway and Pacific Motorways that provide connection to key population areas on the eastern seaboard.

(1) All S$ amounts are based on exchange rate of A$1.000: S$0.983 as at 30 Sep 2020.
(2) Includes 2.5-year rental guarantee for vacant space in the property from practical completion.
(3) In accordance to Ascendas Reit's Trust Deed, the Manager is entitled to an acquisition fee of 1.0% of the Acquisition Consideration (includes land and development cost) of the Property.
(4) The land sale agreement was entered into with the custodian for GAI2 Crestmead Trust, the trustee of which is Goodman Funds Management Australia Limited, for the acquisition of the freehold land at 500 Green Road. A development management agreement was entered into with the Developer, Goodman Property Services (Aust) Pty Limited for the ensuing development of the Property.
(5) The valuation as at 10 Nov 2020 was commissioned by the Manager and Perpetual Corporate Trust Limited (in its capacity as trustee of Ascendas REIT Australia) and was carried out by Jones Lang LaSalle Advisory Services Pty Limited using the capitalisation and discounted cash flow methods.
(6) Takes into account 2.5-year rental guarantee on vacancies.

# Acquisition *(Under development)*:
## MQX4, Macquarie Park, Sydney, Australia

| | |
|---|---|
| Land and Development Costs[1][2] | S$161.0 m (A$167.2 m) |
| Total Investment Cost [3] | S$159.8 m (A$166.0 m) |
| Vendors/Developers | Australand Industrial No. 122 Pty Limited and Winten (No 35) Pty Limited |
| Valuation (as if complete basis) [4] | S$ 161.0 m (A$167.2 m) |
| Land Area | 3,308 sqm |
| Land Tenure | Freehold |
| Net Lettable Area | 19,384 sqm<br>- Office Area: 17,753 sqm<br>- Retail Area: 1,631 sqm |
| Occupancy Rate Upon Completion[5] | 100% |
| Initial Net Property Income Yield | 6.1% (post transaction cost) |
| Estimated Practical Completion Date | Mid-2022 |

(1) All S$ amounts are based on exchange rate of A$1.000: S$0.9628 as at 31 Jul 2020.
(2) Refers to Base Purchase Consideration and includes rental guarantee from the Developers. The Base Purchase Consideration is subject to adjustments. Please refer to press release on 18 September 2020 for more details.
(3) Includes coupon received from the developers (Ascendas Reit will fund the construction cost and is entitled to receive monthly coupons from the Developer at a rate of 5.75% per annum on the progressive payments made over the construction period), stamp duty, professional advisory fees, stamp duty and acquisition fee. In accordance to Ascendas Reit's Trust Deed, the Manager is entitled to an acquisition fee of 1.0% of the purchase consideration (which includes land and development cost). The acquisition fee of A$1.672 m is currently estimated based on the Base Purchase Consideration, which is subject to adjustment upwards or downwards. Please refer to press release on 18 September 2020 for details.
(4) The valuation dated 1 Jul 2020 was commissioned by the Manager and The Trust Company (Australia) Limited (in its capacity as trustee of Ascendas Business Park Trust No. 3) and was carried out by Jones Lang LaSalle Advisory Services Pty Limited using the capitalisation and discounted cash flow methods.
(5) Takes into account 3-year rental guarantee on vacancies.


Artist's Impression of MQX4

**The Property:**
- A new 9-storey suburban office building comprising office space, ground floor retail space, and 204 carpark lots.
- Targeting to achieve 6 Star Green Star Design & As Built rating and 5.5 Star NABERS Energy rating upon completion

**Location:**
- Property is within 100 metres to the Macquarie Park metro station
- The Sydney Metro City Line opening in 2024 provides seamless travel to North Sydney and the Sydney CBD from Macquarie Park (20 mins to Sydney CBD)
- Macquarie Park is home to global players across resilient industries such as the pharmaceutical, technology, electronics and telecommunications sectors

# Asset Enhancement Initiative *(Completed)*:
## Aperia, Singapore

| | |
|---|---|
| Description | Enhancement works to the tower lift lobby and common corridors to create a premium look and feel.<br><br>Enhancement works to the common area with the introduction of a new playground. |
| Property Segment | Integrated Development Amenities and Retail (IDAR) |
| Net Lettable Area | 70,835 sqm |
| Cost | S$1.2 m |
| Completion Date | 25 Oct 2020 |


Tower office main lift lobby


Mall interior and common area

# Capital Management


1, 3 & 5 Changi Business Park Crescent, Singapore

# Healthy Balance Sheet

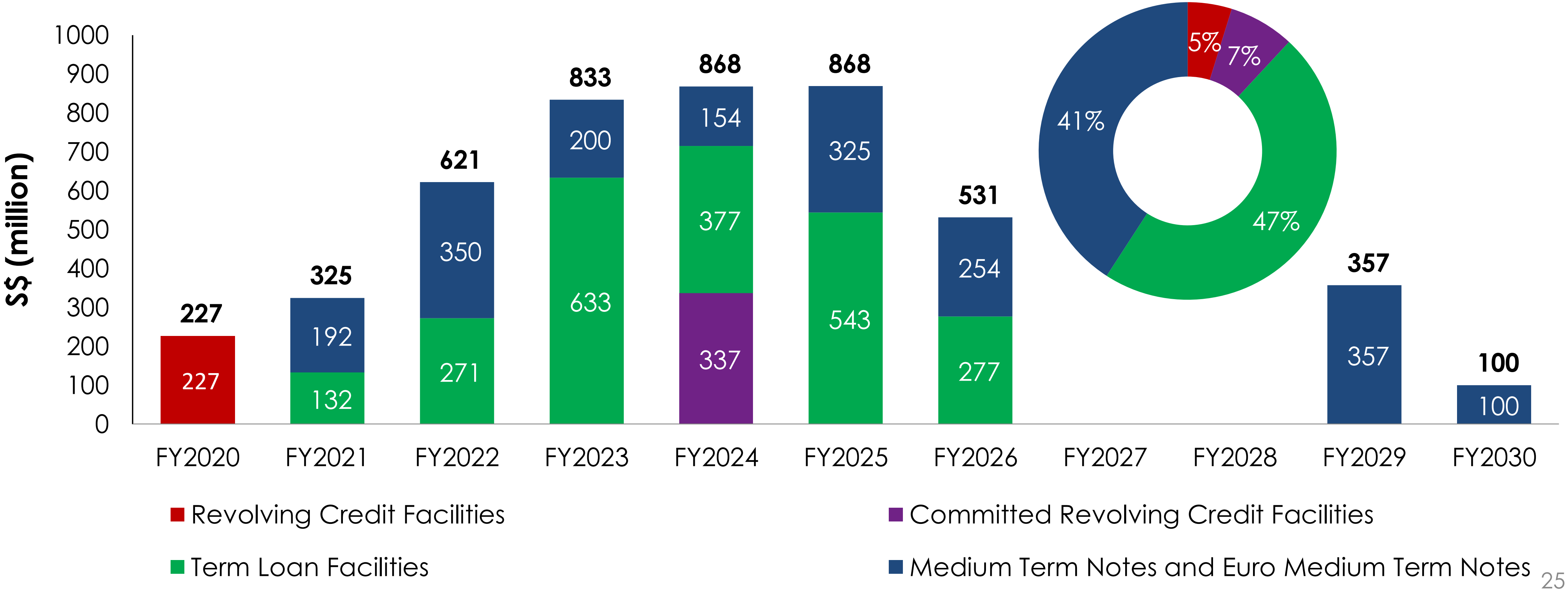
- Aggregate leverage is healthy at 32.8% [1][2]
- Available debt headroom of ~S$5.0 b [1][2] to reach 50.0% aggregate leverage
- Total assets include cash and fixed deposits of ~S$278 m to meet current financial and operational obligations

| | As at 31 Dec 2020 | As at 30 Jun 2020 | As at 31 Dec 2019 |
|---|---|---|---|
| Total Debt (S$m) [1][3] | 4,784 [2] | 4,963 [2] | 4,653 |
| Total Assets (S$m) [1] | 14,568 [2] | 13,739 [2] | 13,246 |
| Aggregate Leverage [1] | 32.8% [2] | 36.1% [2] | 35.1% |
| Unitholders' Funds (S$m) | 8,892 | 7,956 | 7,810 |
| Net Asset Value (NAV) per Unit | 221 cents | 220 cents | 216 cents |
| Adjusted NAV per Unit [4] | 220 cents | 213 cents | 213 cents |
| Units in Issue (m) | 4,021 | 3,620 | 3,613 |

(1) Excludes the effects of FRS 116.
(2) Includes interests in JV.
(3) Excludes fair value changes and amortised costs. Borrowings denominated in foreign currencies are translated at the prevailing exchange rates except for JPY/HKD-denominated debt issues, which are translated at the cross-currency swap rates that Ascendas Reit has committed to.
(4) Adjusted for the amount to be distributed for the relevant period after the reporting date.

# Well-spread Debt Maturity Profile

- Well-spread debt maturity with the longest debt maturing in FY2030
- Average debt maturity stable at 3.7 years
- Refinanced and termed out a A$282 m (S$277 m) loan
- S$200 m of committed and ~S$2.1 b of uncommitted facilities are unutilised



# Key Funding Indicators

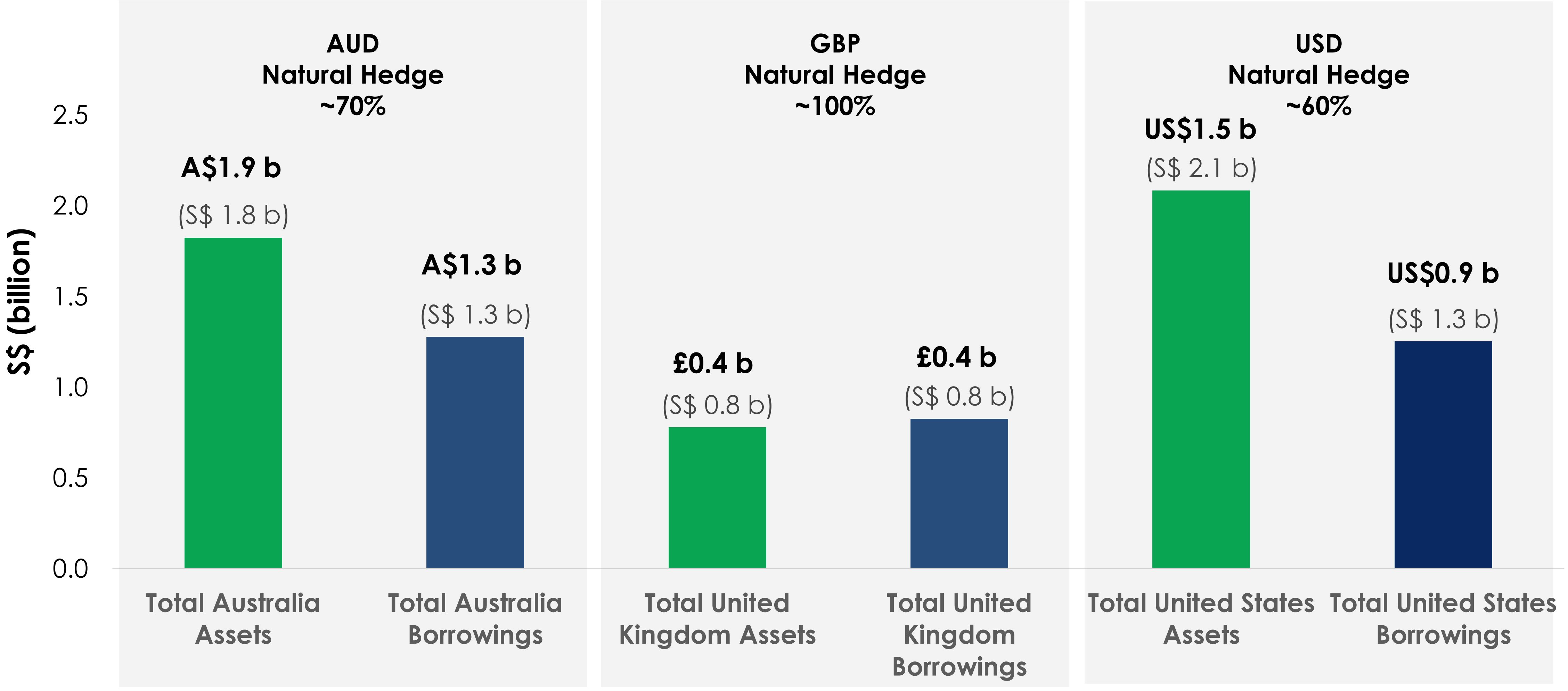
- Robust financial metrics that exceed bank loan covenants by a healthy margin
- A3 credit rating facilitates good access to wider funding options at competitive rates

| | As at 31 Dec 2020 | As at 30 Jun 2020 |
|---|---|---|
| Aggregate Leverage (1)(2)(3) | 32.8% | 36.1% |
| Unencumbered Properties as % of Total Investment Properties (4) | 91.7% | 92.0% |
| Interest Cover Ratio (5) | 4.3 x | 4.2 x |
| Net Debt (6) / EBITDA | 7.3 x | 7.6 x |
| Weighted Average Tenure of Debt (years) | 3.7 | 3.6 |
| Fixed rate debt as % of total debt | 78.1% | 80.9% |
| Weighted Average all-in Debt Cost | 2.7% | 2.9% |
| Issuer Rating by Moody's | A3 | A3 |

(1) Based on total gross borrowings divided by total assets. Correspondingly, the ratio of total gross borrowings (including perpetual securities) to unitholders' funds is 54.8%.
(2) Exclude the effects of FRS 116.
(3) Computation includes interests in JV.
(4) Total investment properties exclude properties reported as finance lease receivable.
(5) 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.
(6) Net debt includes lease liabilities arising from FRS 116, 50% of perpetual securities, offset by cash and fixed deposits.

# High Natural Hedge

- Maintained high level of natural hedge for Australia (~70%), the United Kingdom (~100%) and United States (~60%) to minimise the effects of adverse exchange rate fluctuations



# Annual Property Revaluation

- Total valuation of 197 investment properties[1] was **S$13.70 b**
- Stable same-store valuation for 194 properties[2] at S$12.83 b (vs. S$12.70 b @ 31 Dec 2019)

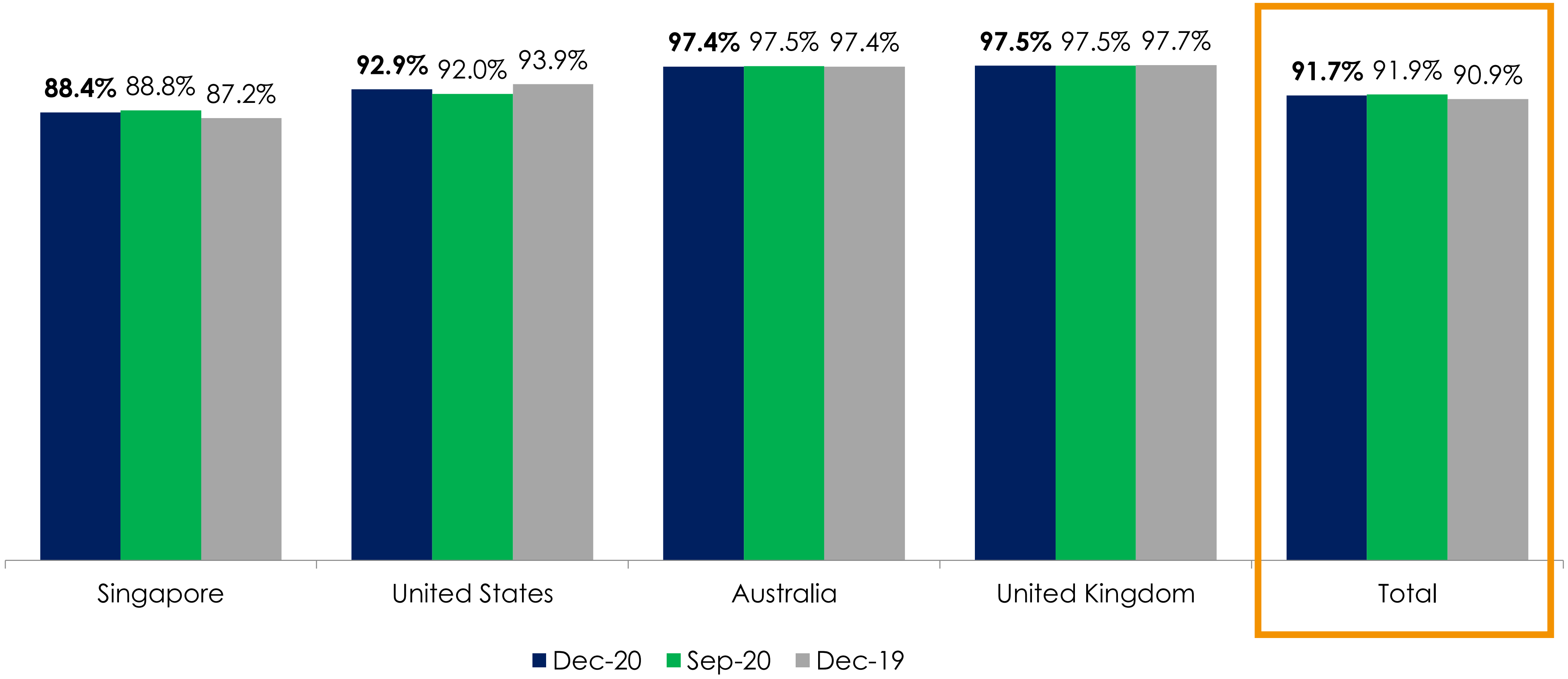
| As at 31 Dec 2020 | Valuation (S$b) | Weighted Average Cap Rates | Cap Rates Range |
|---|---|---|---|
| ***Singapore portfolio (93 properties)*** | **9.02** | **6.01%** | **5.25% - 7.25%** |
| Business & Science Parks[3] | 4.14 | 5.77% | 5.25% - 6.00% |
| High-Specifications/Data Centres | 2.11 | 6.30% | 5.75% - 6.90% |
| Light Industrial/Flatted Factories [4] | 0.88 | 6.33% | 6.00% - 7.25% |
| Logistics & Distribution Centres | 1.17 | 6.14% | 5.75% - 6.75% |
| Integrated Development, Amenities & Retail | 0.72 | 5.90% | 5.25% - 6.50% |
| ***United States portfolio (30 properties)*** [5] | **2.08** | **5.79%** | **4.75% - 7.25%** |
| ***Australia portfolio (36 properties)***[6] | **1.82** | **5.62%** | **4.75% - 6.75%** |
| Suburban Offices | 0.45 | 5.96% | 5.75% - 6.50% |
| Logistics & Distribution Centres | 1.37 | 5.51% | 4.75% - 6.75% |
| ***United Kingdom portfolio (38 properties)*** [7] | **0.78** | **5.81%**[8] | **4.26% - 7.50%**[8] |
| **Total Portfolio (197 properties)** | **13.70** | | |

(1) *Excludes 25 & 27 Ubi Road 4 and iQuest@IBP which are under redevelopment*
(2) Excludes 3 Singapore properties which were divested in FY2020 (Wisma Gulab, 202 Kallang Bahru and 25 Changi South Street 1), 3 properties under redevelopment (25 Ubi Road 4, 27 Ubi Road 4 and iQuest@IBP) and 3 properties acquired in FY2020 (254 Wellington Road, 510 Townsend Street and 505 Brannan Street).
(3) Excludes iQuest which is under redevelopment.
(4) Excludes 25 Ubi Road 4 and 27 Ubi Road 4 which are under redevelopment.
(5) All S$ amount based on exchange rate of US$1.00: S$1.34786 as at 31 Dec 2020. Valuation for 510 Townsend Street and 505 Brannan Street are as at 15 October 2020.
(6) All S$ amount based on exchange rate of A$1.00: S$0.98003 as at 31 Dec 2020.
(7) All S$ amount based on exchange rate of £1.00: S$1.77775 as at 31 Dec 2020.
(8) Refers to equivalent yield, which reflects the current level of return on property investments in the United Kingdom.

# Asset Management

Infineon Building , Singapore

# Overview of Portfolio Occupancy




| | | | | | |
|---|---|---|---|---|---|
| **Gross Floor Area (sqm)** (1) | **3,001,293** | **357,065** | **828,197** (2) | **509,908** (3) | **4,696,463** |

(1) Gross Floor Area as at 31 Dec 2020.
(2) Gross Floor Area for Australia portfolio refers to the Gross Lettable Area/Net Lettable Area.
(3) Gross Floor Area for United Kingdom portfolio refers to the Gross Internal Area.

# Singapore: Occupancy

- Occupancy declined to 88.4% mainly due to the non-renewal of a lease at 11 Changi North Way (30 Sep 2020: 100%; 31 Dec 2020: 0%)

| As at | 31 Dec 2020 | 30 Sep 2020 | 31 Dec 2019 |
|---|---|---|---|
| Total Singapore Portfolio GFA (sqm) | 3,001,293 (1)(2)(3) | 3,001,270 (1)(2)(3) | 3,061,210 (1) |
| Singapore Portfolio Occupancy (same store) (4) | 88.4% | 88.8% | 88.8% |
| Singapore MTB Occupancy (same store) (5) | 86.3% | 86.3% | 85.4% |
| Occupancy of Singapore Investments Completed in the last 12 months | N.A. | 94.5% | 93.7% |
| **Overall Singapore Portfolio Occupancy** | **88.4%** | **88.8%** | **87.2%** |
| **Singapore MTB Occupancy** | **85.4%** | **86.5%** | **83.4%** |

(1) Excludes 25 Ubi Road 4 and 27 Ubi Road 4 which were decommissioned for redevelopment since Jun 2019
(2) Excludes Wisma Gulab which was divested on 23 Jan 2020; 202 Kallang Bahru divested on 4 Feb 2020 and 25 Changi South Street 1 divested on 6 Mar 2020.
(3) Excludes iQuest@IBP which was decommissioned for redevelopment since Jan 2020.
(4) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 Dec 2020, excluding new investments completed in the last 12 months and divestments.
(5) Same store MTB occupancy rates for previous quarters are computed with the same list of properties as at 31 Dec 2020, excluding new investments completed in the last 12 months, divestments and changes in classification of certain buildings from single-tenant to multi-tenant buildings or vice-versa.

# United States: Occupancy

- Occupancy rose to 92.9% mainly due to the newly acquired properties in San Francisco

| As at | 31 Dec 2020 | 30 Sep 2020 | 31 Dec 2019 |
|---|---|---|---|
| Total United States Portfolio GFA (sqm) | 357,065 | 313,059 | 313,059 |
| United States Portfolio Occupancy (same store)[1] | 91.9% | 92.0% | 93.7% |
| Occupancy of United States Investments Completed in the last 12 months | 100%[2] | 92.0% | 93.7% |
| **Overall United States Portfolio Occupancy** | **92.9%** | **92.0%** | **93.7%** |

(1) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 Dec 2020, excluding new investments completed in the last 12 months
(2) Refers to 510 Townsend Street and 505 Brannan Street, in San Francisco

# Australia: Occupancy

- Occupancy remained high at 97.4%

| As at | 31 Dec 2020 | 30 Sep 2020 | 31 Dec 2019 |
|---|---|---|---|
| Total Australian Portfolio GFA (sqm) | 828,197 | 828,195 | 792,039 |
| Australian Portfolio Occupancy (same store)[1] | 97.3% | 97.5% | 97.4% |
| Occupancy of Australian Investments Completed in the last 12 months | 100%[2] | 100%[2] | N.A. |
| **Overall Australian Portfolio Occupancy** | **97.4%** | **97.5%** | **97.4%** |

(1) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 Dec 2020, excluding new investments completed in the last 12 months.
(2) Refers to 254 Wellington Rd, Mulgrave, in Melbourne.

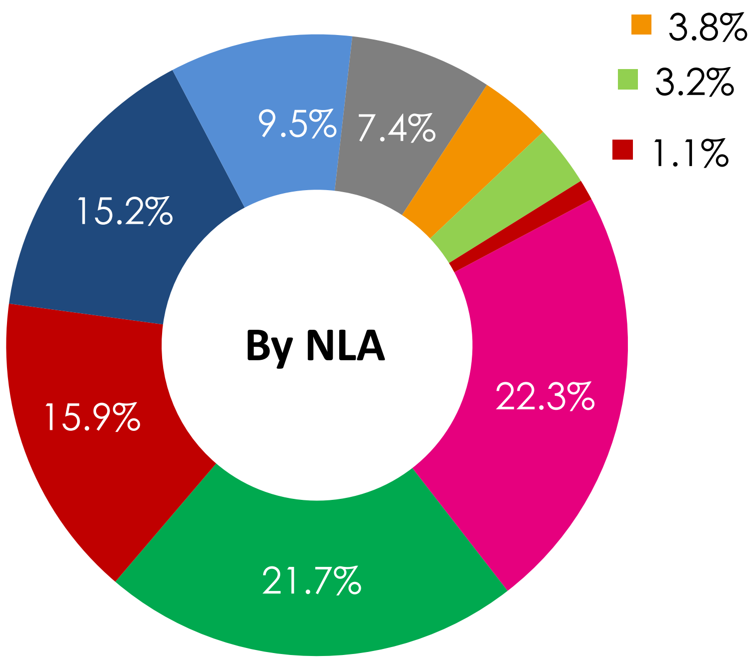
# United Kingdom: Occupancy

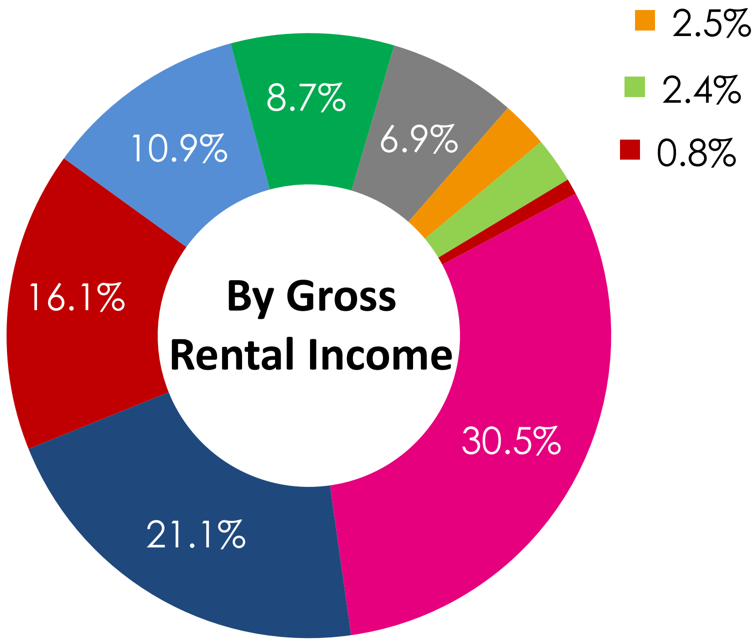
- Occupancy remained high at 97.5%

| As at | 31 Dec 2020 | 30 Sep 2020 | 31 Dec 2019 |
|---|---|---|---|
| Total United Kingdom Portfolio GFA (sqm) | 509,908 | 509,907 | 509,907 |
| Occupancy of United Kingdom Investments Completed in the last 12 months | N.A. | N.A. | N.A. |
| **Overall United Kingdom Portfolio Occupancy** | **97.5%** | **97.5%** | **97.7%** |

# Singapore: Sources of New Demand in 4Q FY2020

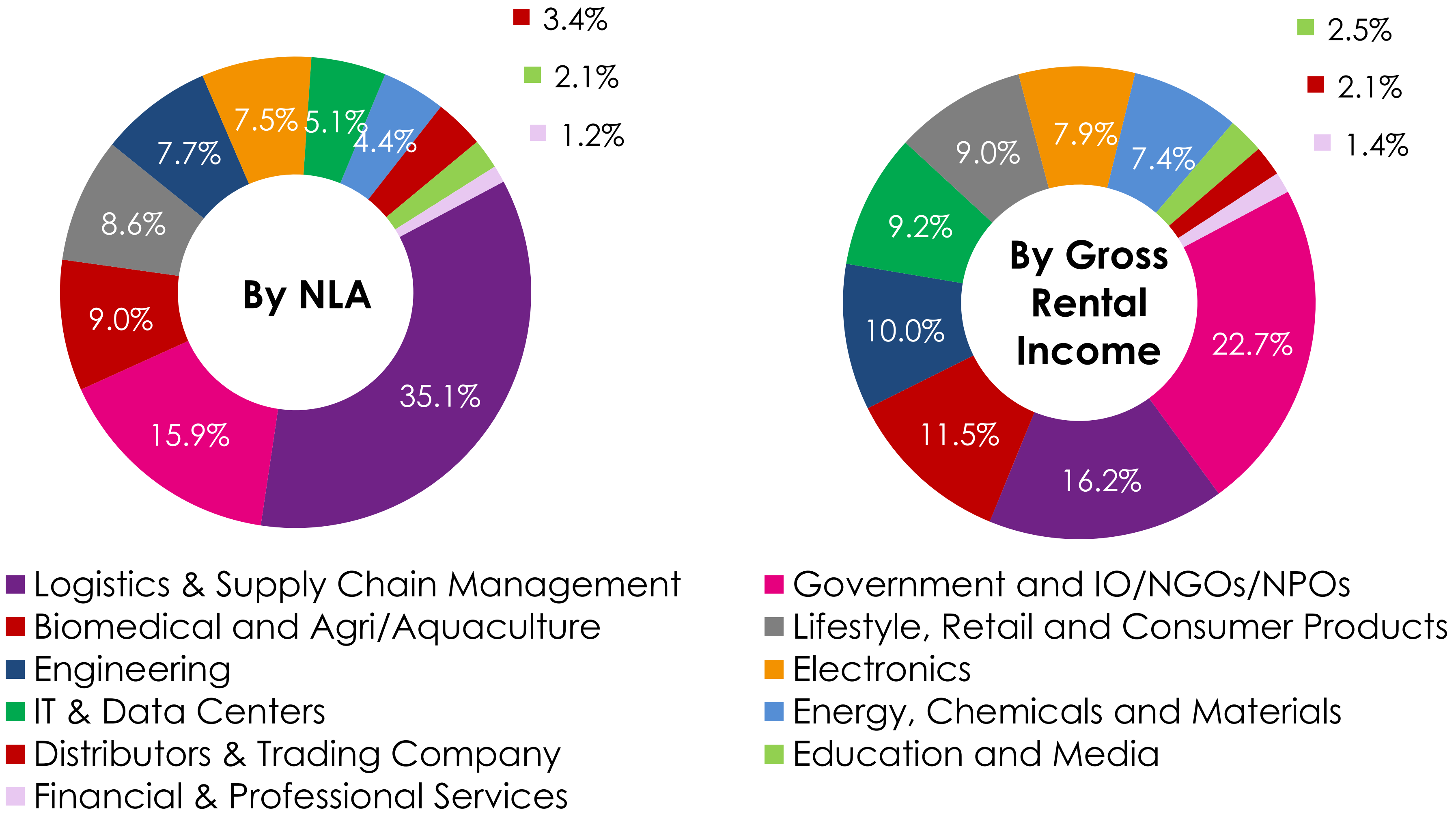
- Continues to attract demand from a wide spectrum of industries




# Singapore: Sources of New Demand in FY2020

- Continues to attract demand from a wide spectrum of industries



# Portfolio Rental Reversions

- Average portfolio rent reversion of **3.8%** was recorded for leases renewed in FY2020
- Rental reversion for FY2021 is expected to be in the low single-digit range in view of current market uncertainties

| % Change in Renewal Rates for Multi-tenant Buildings (1) | FY2020 | FY2019 | 4Q FY2020 (Oct – Dec 2020) | 3Q FY2020 (Jul – Sep 2020) |
|---|---|---|---|---|
| **Singapore** | **3.1%** | **6.2%** | **0.9%** | **-2.8%** |
| Business & Science Parks | 7.2% | 9.2% | -1.1% | 4.5% |
| High-Specifications Industrial and Data Centres | -2.6% | 3.3% | -0.1% | -3.3% |
| Light Industrial and Flatted Factories | 1.3% | 2.1% | -5.0% | -1.4% |
| Logistics & Distribution Centres | -7.9% | 4.9% | -7.1% | -16.2% |
| Integrated Development, Amenities & Retail | 13.5% | 0.7% | 11.5% | 0.0% |
| **United States** | **16.6%** | **N.A.** | **18.8%** | **11.5%** |
| Business Parks | 16.6% | N.A. | 18.8% | 11.5% |
| **Australia** | **14.0%** | **1.0%** | - (2) | - (2) |
| Suburban Offices | 15.7% | 1.9% | - (2) | - (2) |
| Logistics & Distribution Centres | 13.6% | -9.9% | - (2) | - (2) |
| **United Kingdom** | - (2) | - (2) | - (2) | - (2) |
| Logistics & Distribution Centres | - (2) | - (2) | - (2) | - (2) |
| **Total Portfolio :** | **3.8%** | **6.0%** | **2.5%** | **-2.3%** |

(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.

# Weighted Average Lease Expiry
## (By gross revenue)

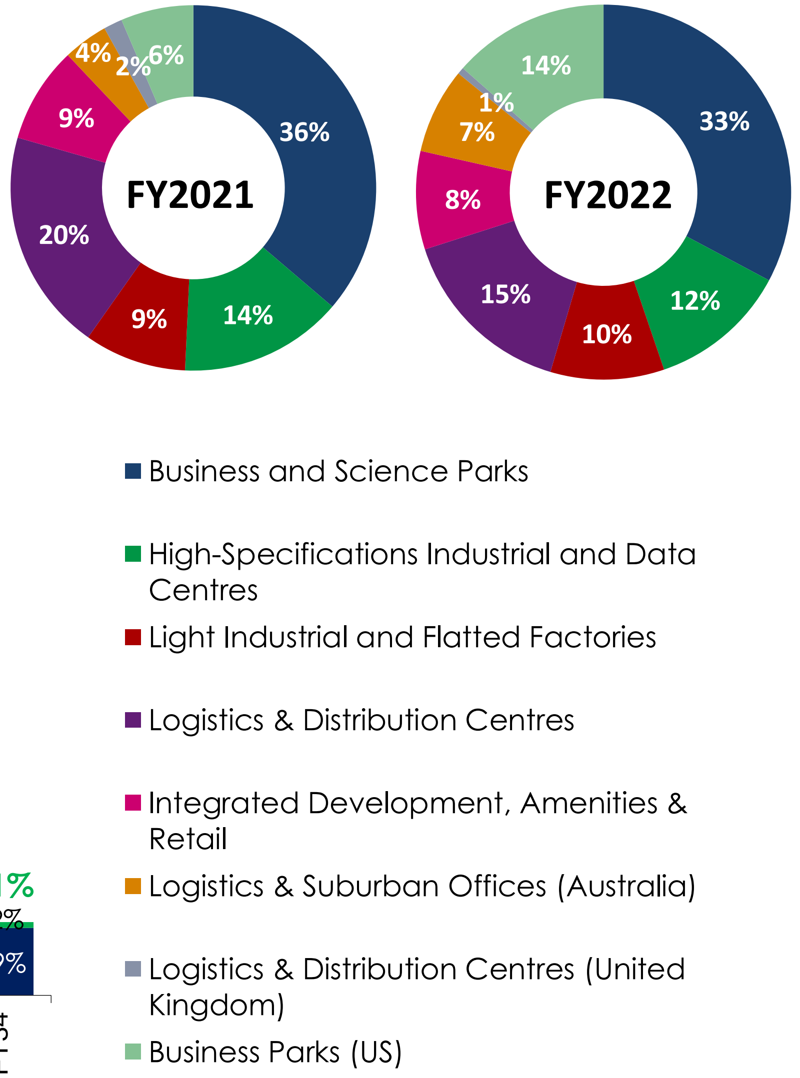
- Portfolio Weighted Average Lease Expiry (WALE) stood at 4.1 years

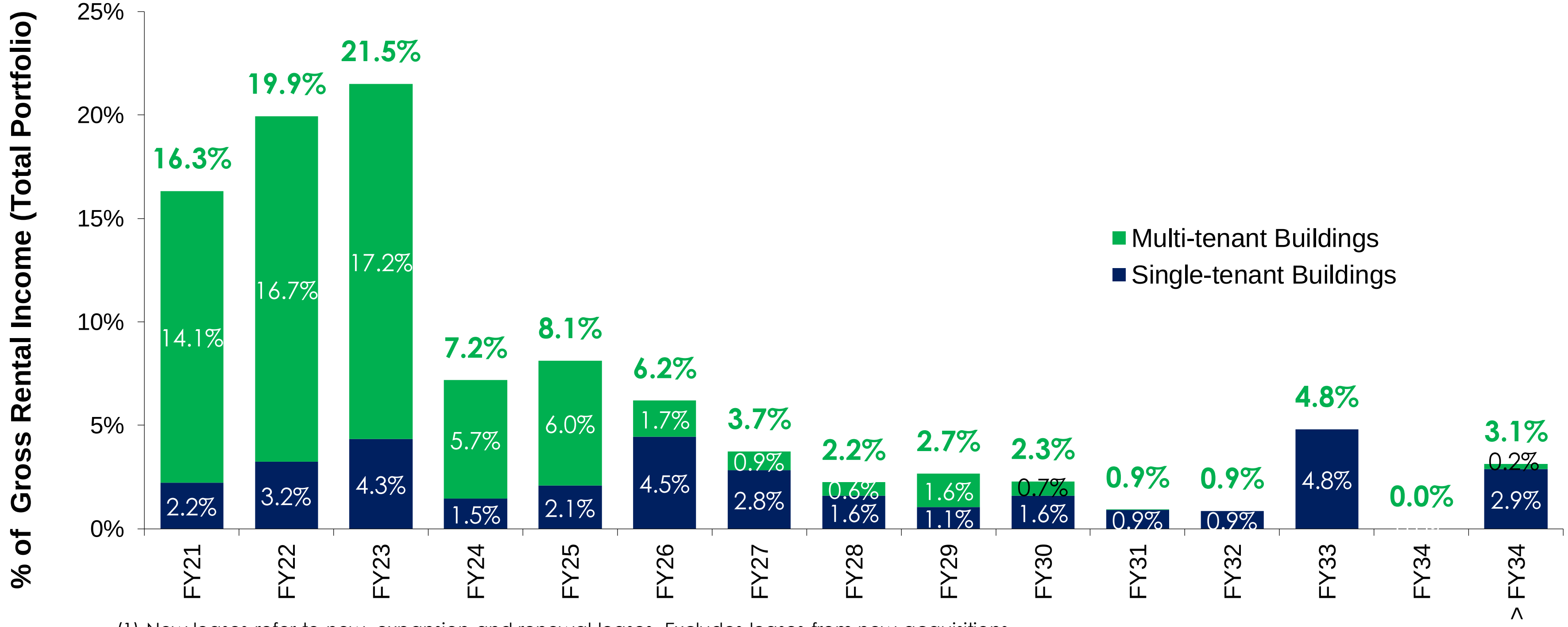
| WALE (as at 31 Dec 2020) | Years |
|---|---|
| Singapore | 3.5 |
| United States | 5.1 |
| Australia | 4.1 |
| United Kingdom | 8.8 |
| **Portfolio** | **4.1** |

# Portfolio Lease Expiry Profile
## (as at 31 Dec 2020)

- Portfolio weighted average lease to expiry (WALE) of 4.1 years.
- Lease expiry is well-spread, extending beyond FY2034
- About 16.3% of gross rental income is due for renewal in FY2021
- Weighted average lease term of new leases [1] signed in FY2020 was 3.7 years and contributed 7.4% of FY2020 total gross revenue

**Breakdown of expiring leases for FY2021 and FY2022**



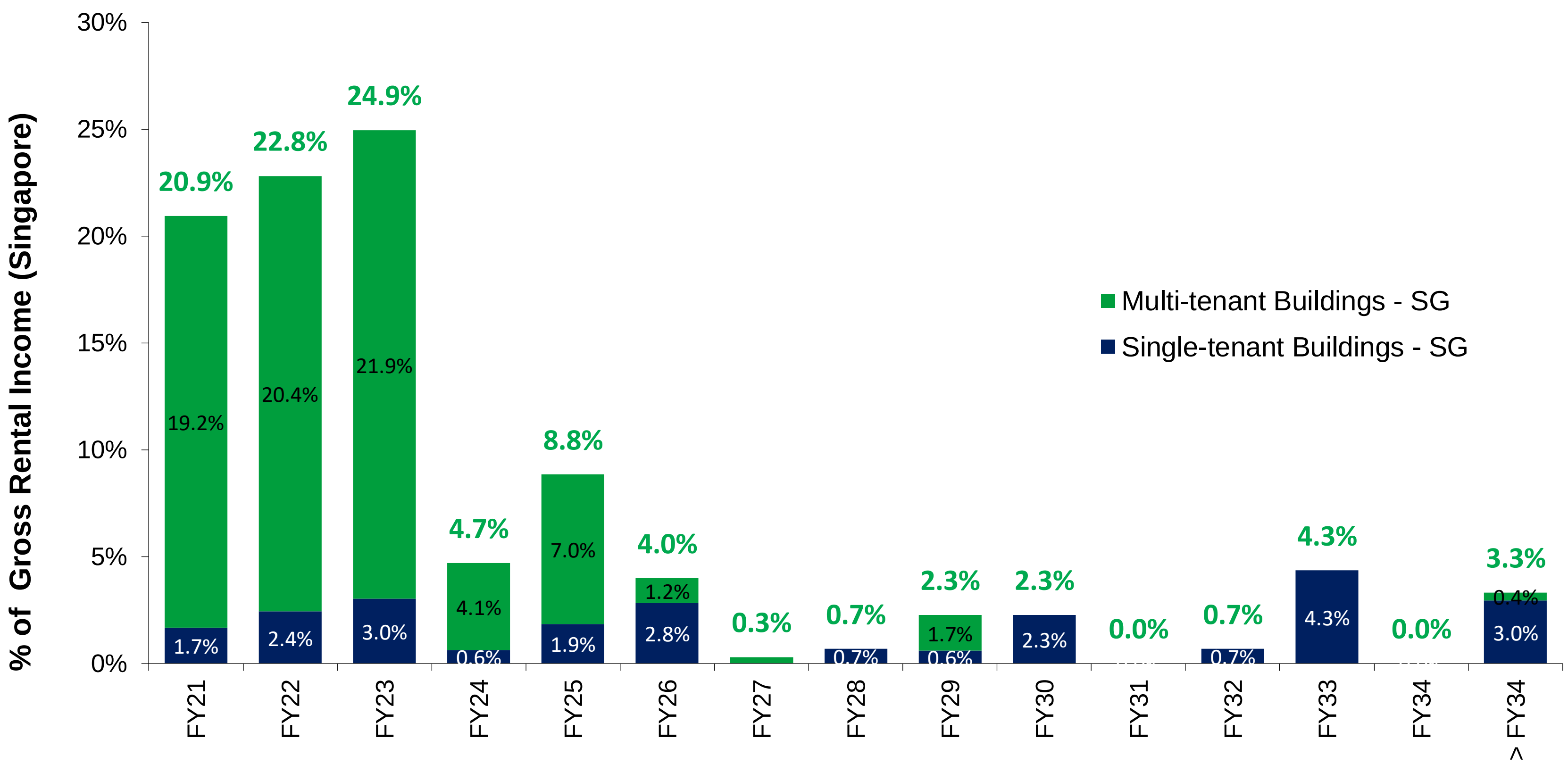




(1) New leases refer to new, expansion and renewal leases. Excludes leases from new acquisitions.

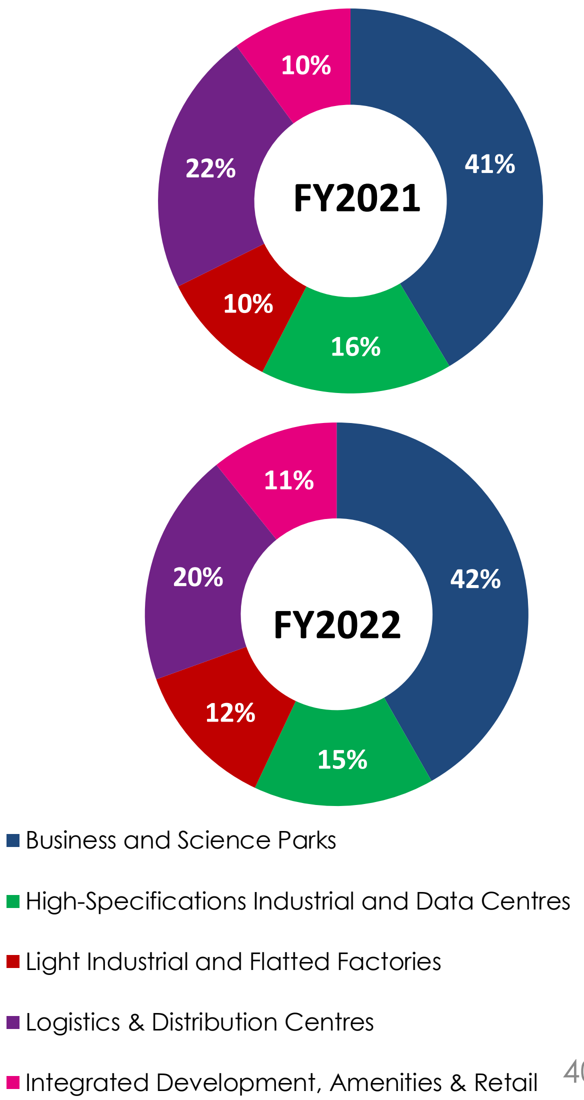
# Singapore: Lease Expiry Profile
## (as at 31 Dec 2020)

ascendas Reit
A Member of CapitaLand
CapitaLand

- Singapore portfolio weighted average lease to expiry (WALE) of 3.5 years
- Lease expiry is well-spread, extending beyond FY2034
- 20.9% of Singapore's gross rental income is due for renewal in FY2021

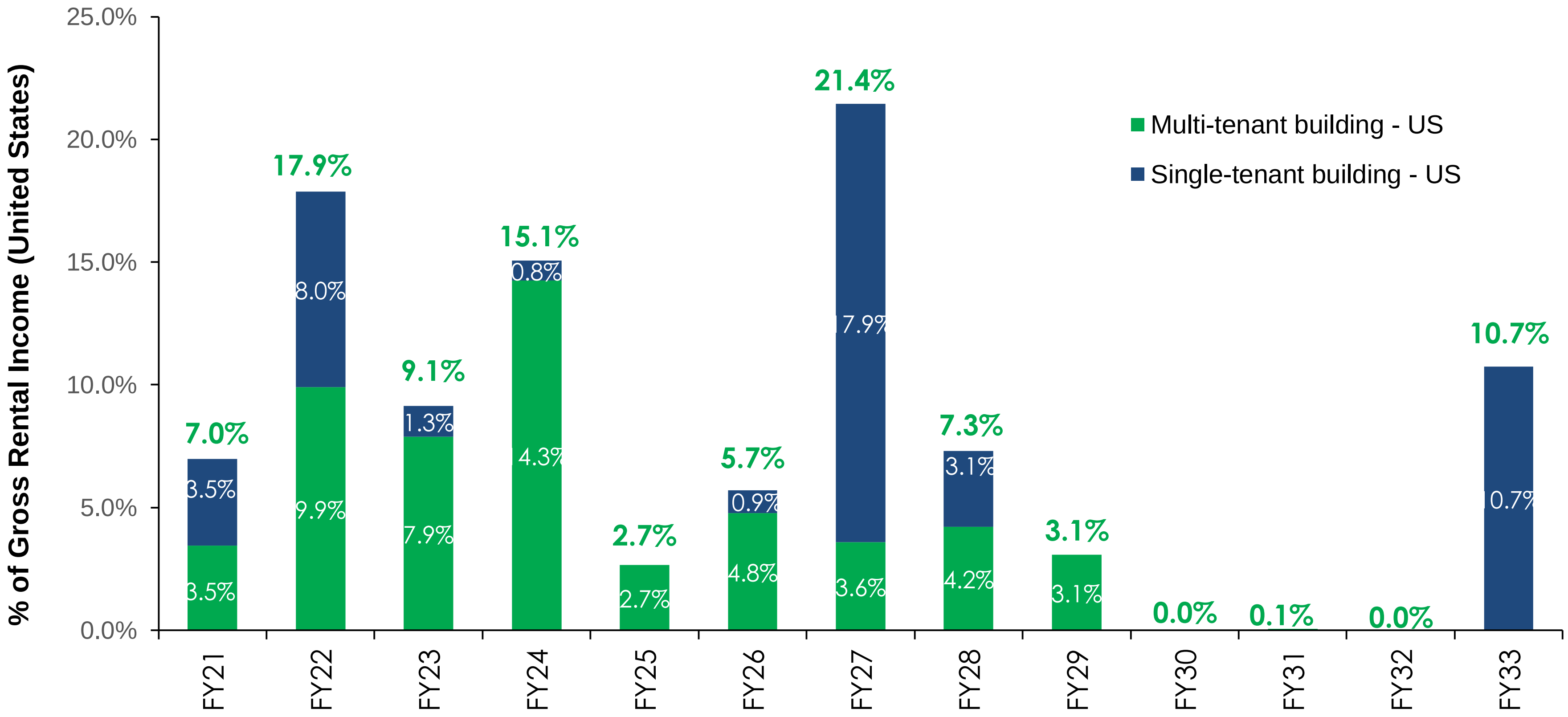



Breakdown of expiring leases for FY2020 and FY2021

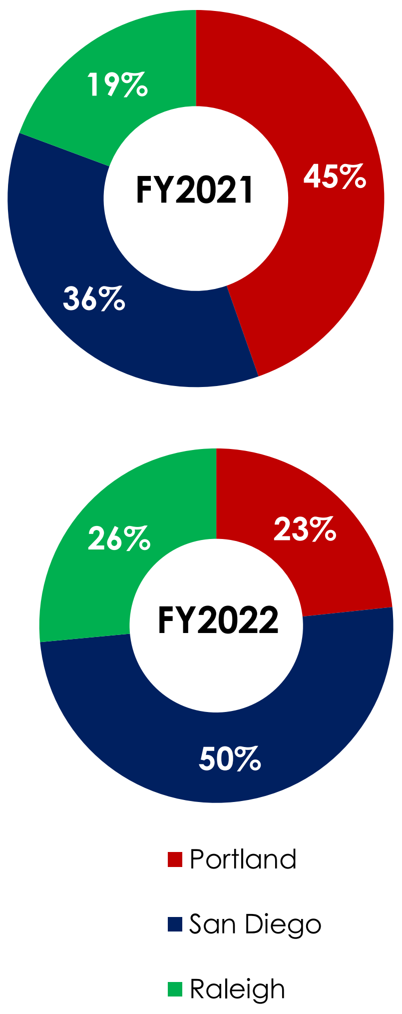


# United States: Lease Expiry Profile
## (as at 31 Dec 2020)

- United States portfolio weighted average lease to expiry (WALE) of 5.1 years
- Lease expiry is well-spread, extending well beyond FY2032
- 7.0% of United States' gross rental income is due for renewal in FY2021

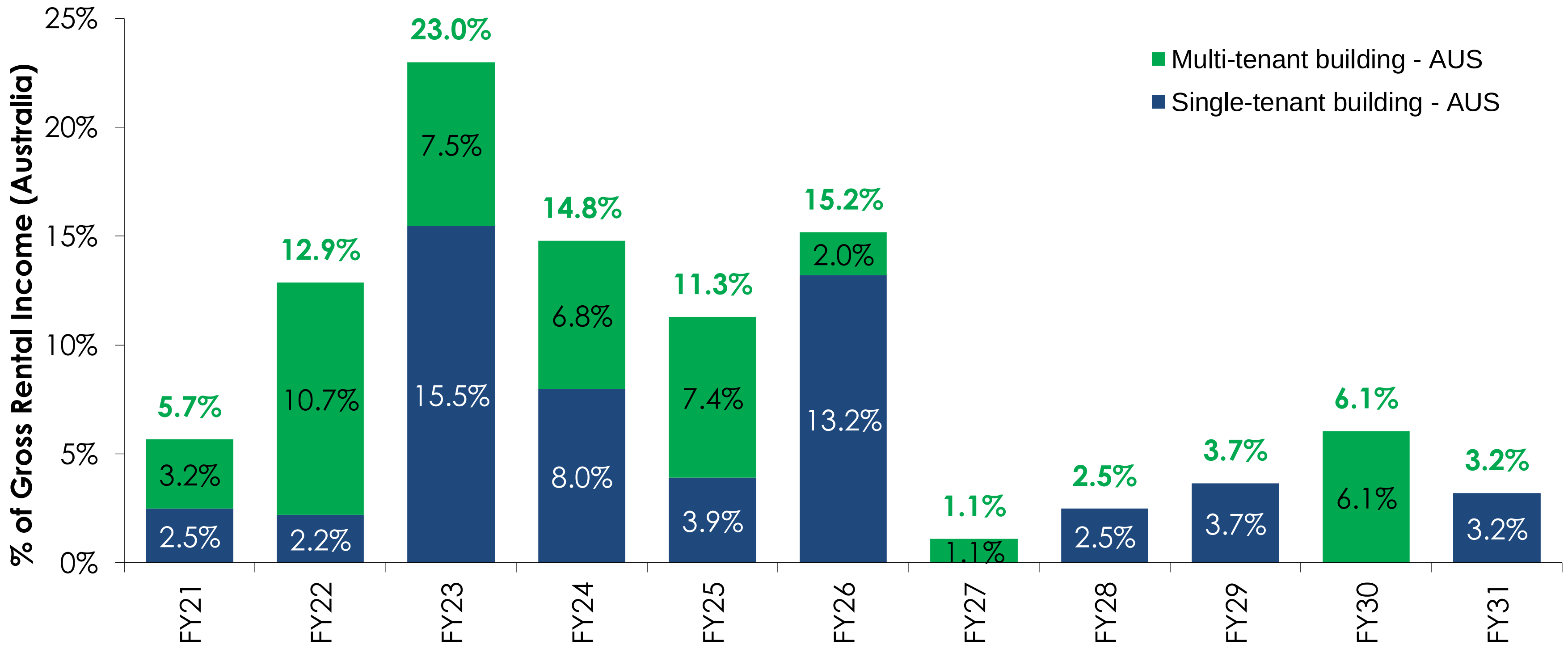



Breakdown of expiring leases for FY2020 and FY2021

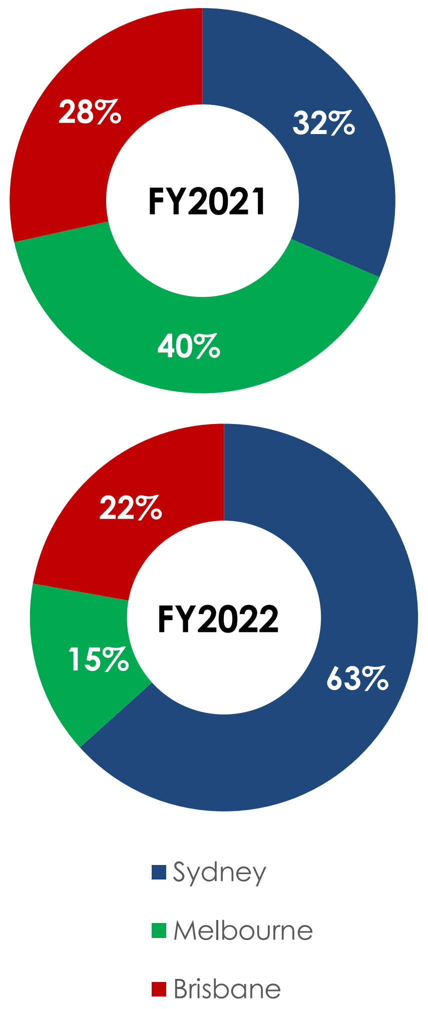


# Australia: Lease Expiry Profile
## (as at 31 Dec 2020)

- Australia portfolio weighted average lease to expiry (WALE) of 4.1 years
- Lease expiry is well-spread, extending beyond FY2030
- 5.7% of Australia's gross rental income is due for renewal in FY2021

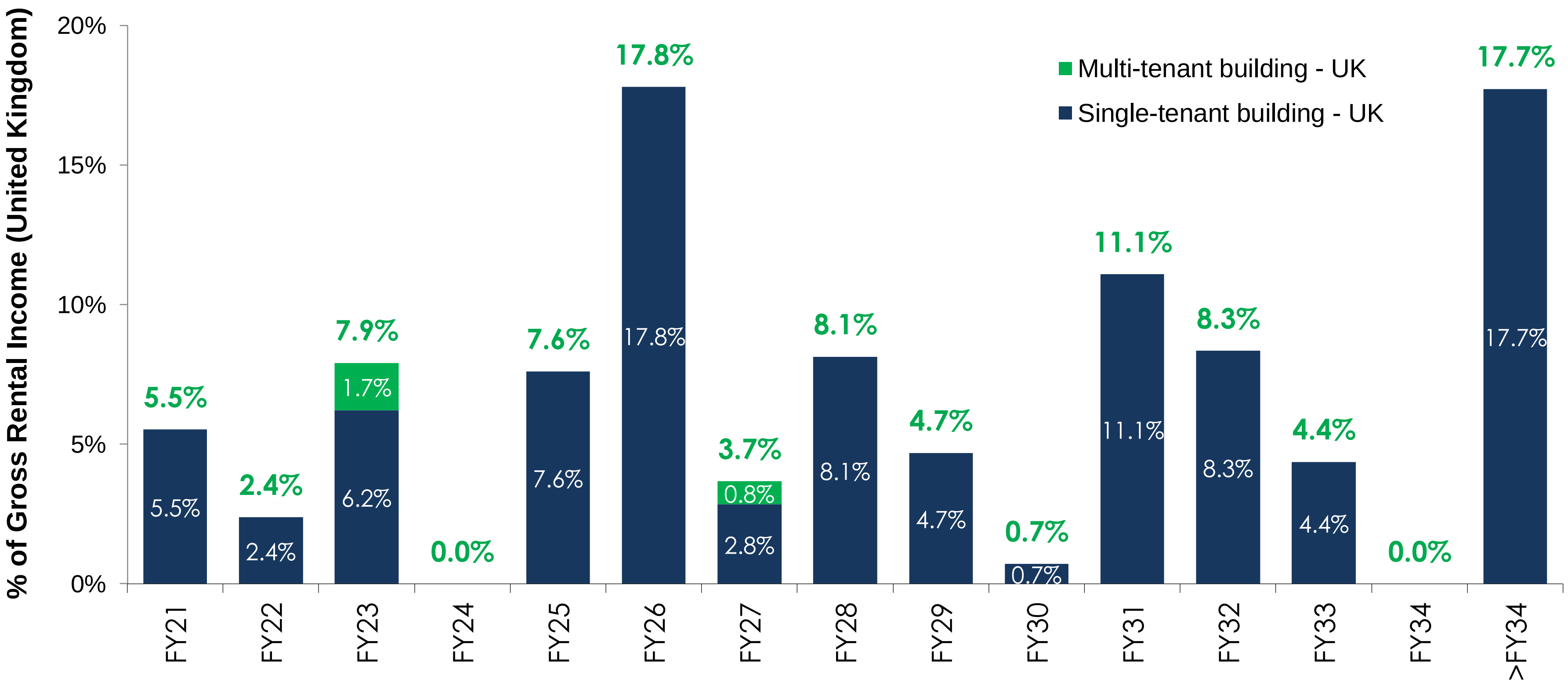



**Breakdown of expiring leases for FY2021 and FY2022**

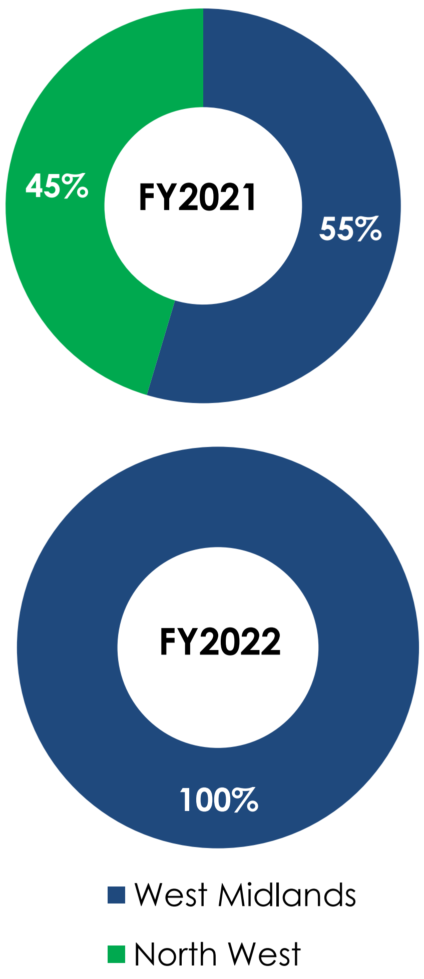


# United Kingdom: Lease Expiry Profile
**(as at 31 Dec 2020)**

- United Kingdom portfolio weighted average lease to expiry (WALE) of 8.8 years
- Lease expiry is well-spread, extending beyond FY2034
- 5.5% of United Kingdom's gross rental income is due for renewal in FY2021




**Breakdown of expiring leases for FY2020 and FY2021**



# Ongoing Projects:
## Improving Portfolio Quality

| | Country | Estimated Total Cost (S$m) | Estimated Completion Date |
|---|---|---|---|
| **Development** | | **182.6** | |
| Built-to-suit business park development for Grab | Singapore | 182.6 | 2Q 2021 |
| **Redevelopments** | | **119.3** | |
| UBIX (formerly 25 & 27 Ubi Road 4) | Singapore | 35.0 | 4Q 2021 |
| iQuest@IBP | Singapore | 84.3 | 1Q 2023 |
| **Asset Enhancement Initiatives** | | **26.1** | |
| 21 Changi South Avenue 2 | Singapore | 4.7 | 2Q 2021 (1) |
| 100 & 108 Wickham Street | Brisbane, Australia | 10.1 | 1Q 2021 (2) |
| Changi Logistics Centre *(New)* | Singapore | 11.3 | 2Q 2022 |
| | **TOTAL:** | **328.0** | |

(1) Delayed from 1Q 2021
(2) Delayed from 4Q 2020

# Asset Enhancement Initiative *(New)*:
## Changi Logistics Centre, Singapore

| | |
|---|---|
| **Description** | Enhancement works include upgrading of power transformer, warehouse spaces to latest fire code requirements and modernisation of toilets, cargo and passenger lifts |
| **Property Segment** | Logistics |
| **Net Lettable Area** | 39,460 sqm |
| **Estimated Cost** | S$11.3m |
| **Estimated Completion Date** | 2Q 2022 |

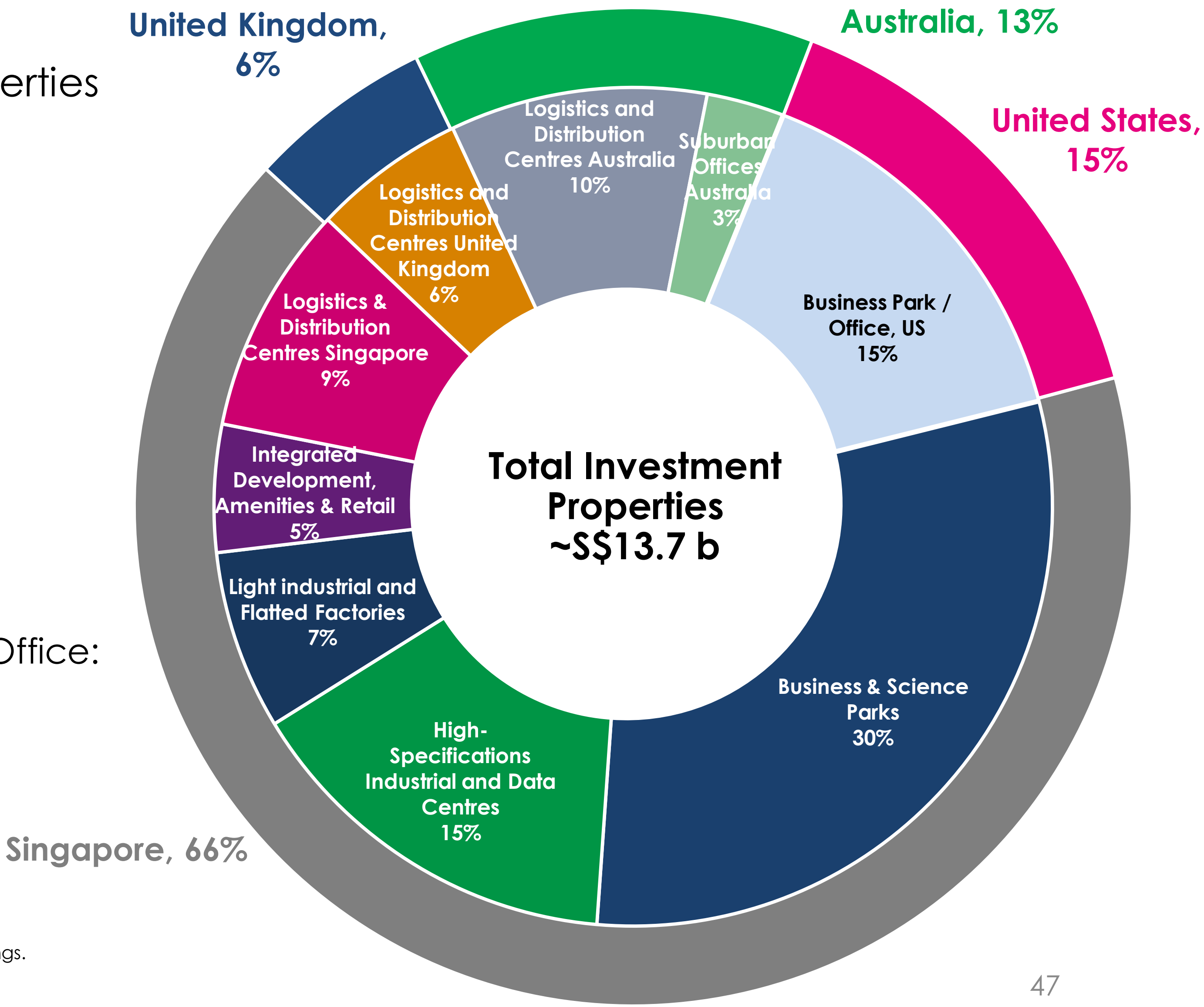

# Portfolio Resilience

The Galen, Singapore

# Diversified Portfolio

## By Value of Investment Properties

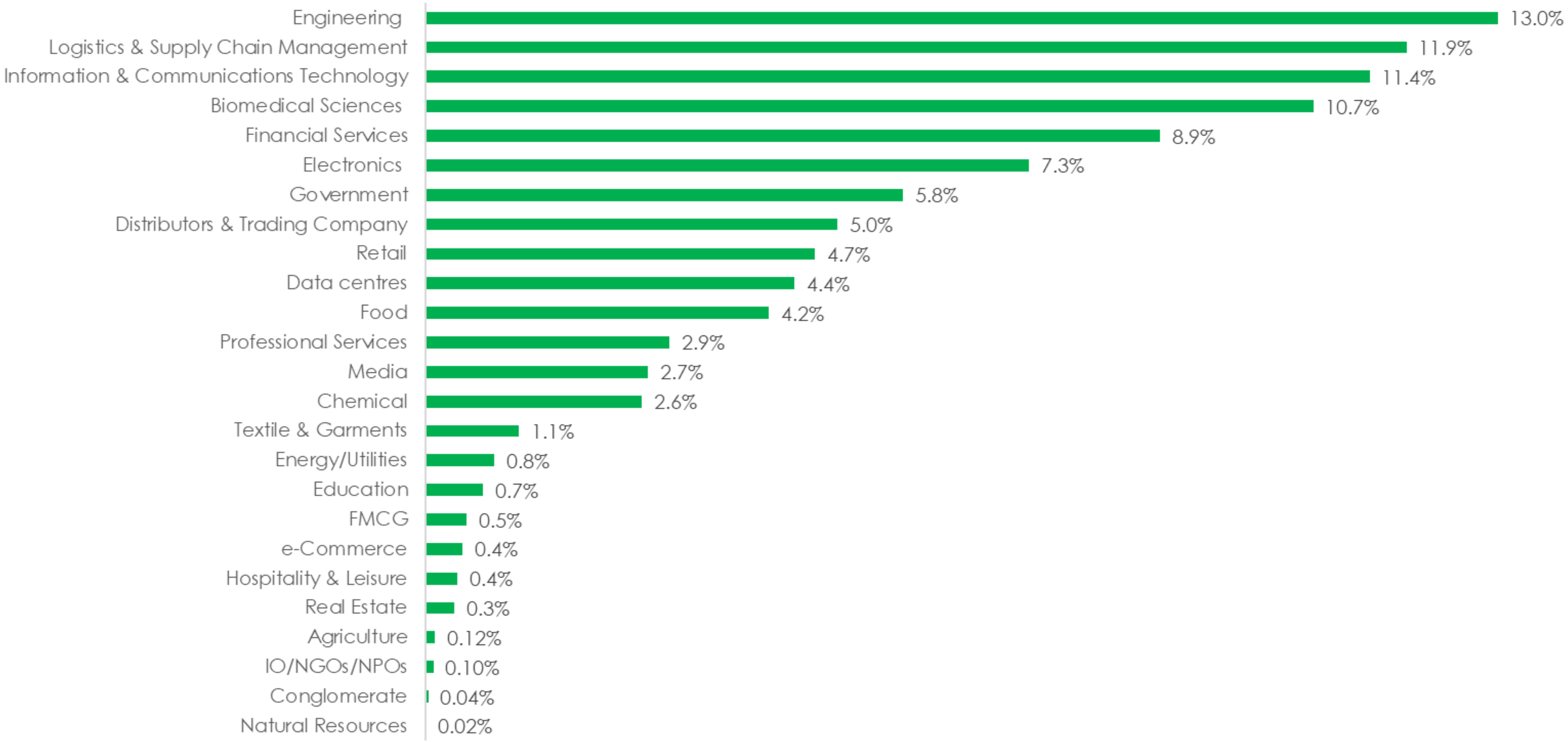
- As at 31 Dec 2020, total investment properties stood at **S$13.7 b** (197 Properties)
- Diversified **geographically**:
  - Singapore portfolio: ***S$9.0 b***
  - United States portfolio: ***S$2.1 b***
  - Australia portfolio: ***S$1.8 b***
  - United Kingdom portfolio: ***S$0.8 b***
- Diversified by **asset class**:
  - Business & Science Park/ Suburban office/Office: **49%**
  - Industrial: **27%**
  - Logistics & Distribution Centre: **24%**




Notes:
Multi-tenant buildings account for 67.9% of Ascendas Reit's portfolio by asset value as at 31 Dec 2020.
Within Hi-Specs Industrial, there are 3 data centres (4.0% portfolio), of which 2 are single-tenant buildings.
Within Light Industrial, there are 2 multi-tenant flatted factories (2.4% of portfolio).

# Customers' Industry Diversification
## (By Monthly Gross Revenue)

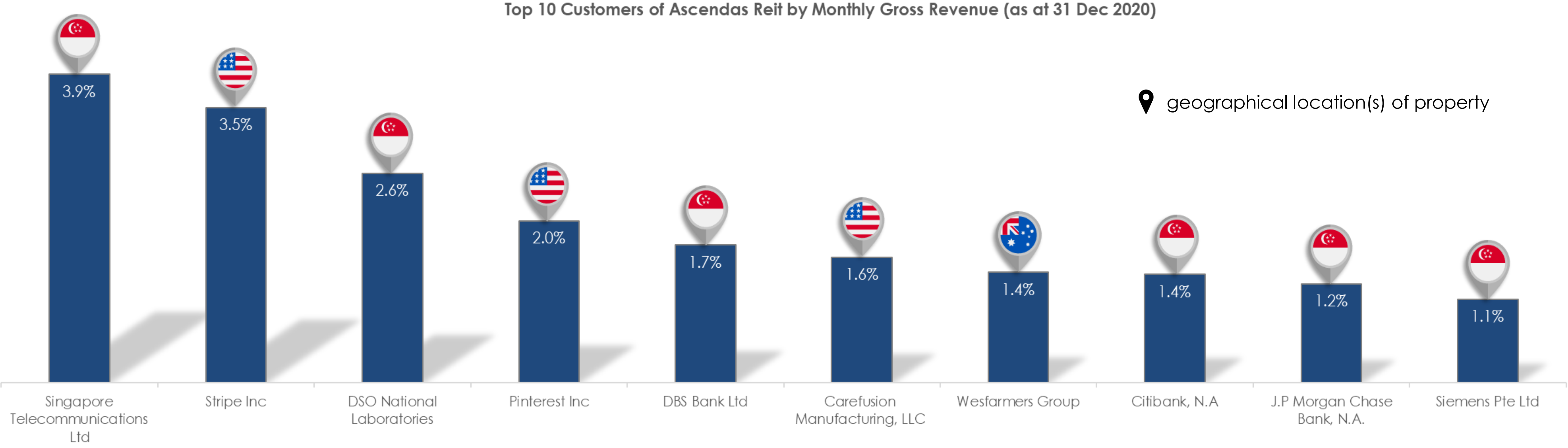
- Diversified customer base across more than 20 industries




**More than 20 industries**

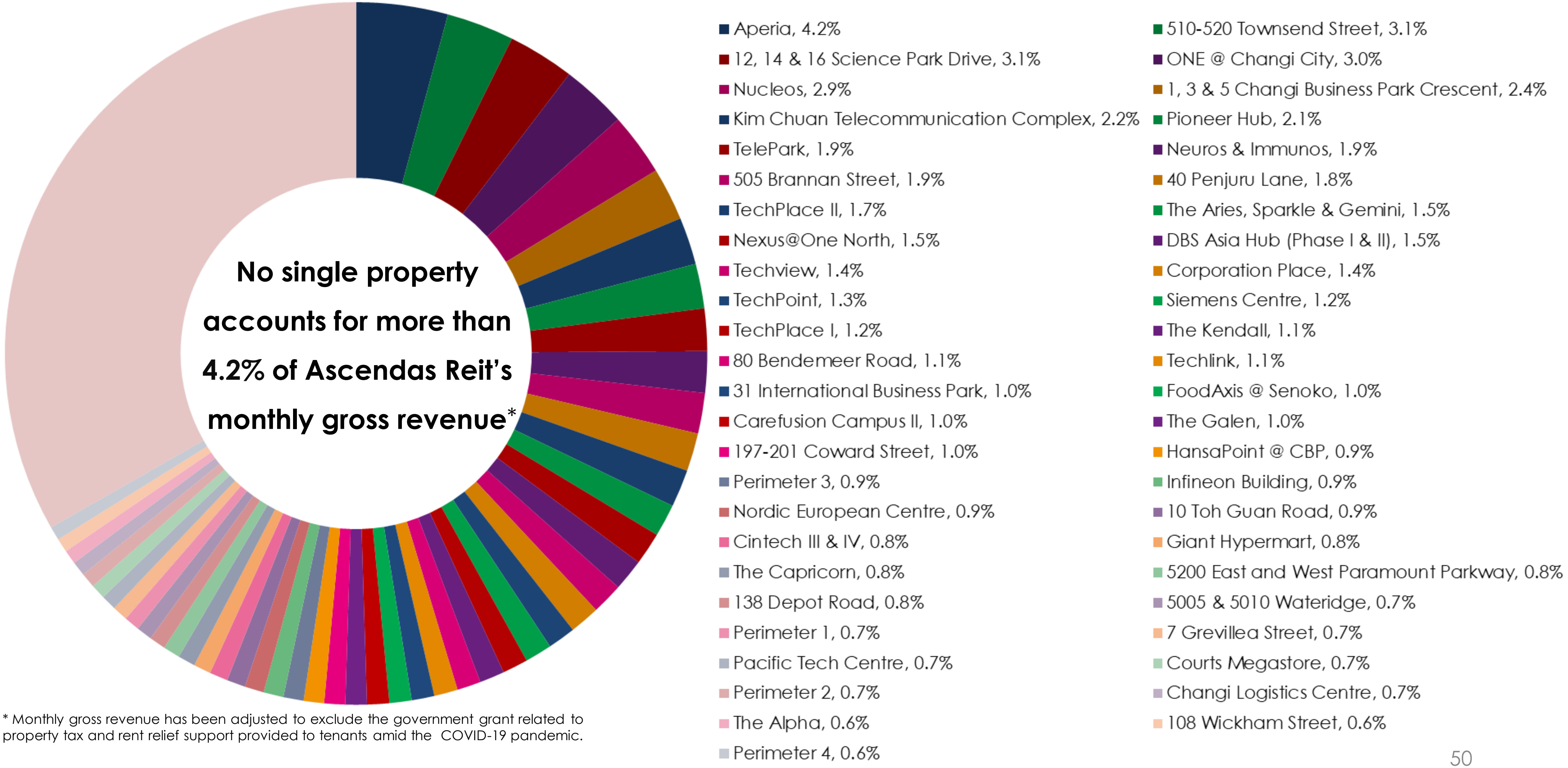
# Quality and Diversified Customer Base

- Total customer base of more than 1,450 tenants
- Top 10 customers (as at 31 Dec 20) account for about 20.5% of monthly portfolio gross revenue*
- On a portfolio basis, weighted average security deposit is about 5.9 months of rental income.




* Monthly gross revenue has been adjusted to exclude the government grant related to property tax and rent relief support provided to tenants amid the COVID-19 pandemic.

# Diversified Portfolio




* Monthly gross revenue has been adjusted to exclude the government grant related to property tax and rent relief support provided to tenants amid the COVID-19 pandemic.

# Sustainability


Techpoint, Singapore

# Sustainability Achievements

Aug 2020: Issued **first** S$100 m **Green Bond**
Sep 2020: Issued **first real estate** S$300 m **Green Perpetual Securities in Asia** (1)

**Largest no. of BCA** (2) **Green Mark Properties** amongst S-REITs – 34 Properties

1st industrial building in Singapore awarded Green Mark Platinum **Super Low Energy (SLE)** status by BCA

**LogisTech, Singapore**

Best-in-class energy efficient building

**Largest no.** of public Electrical Vehicle (EV) charging points in Singapore by S-REIT

**80 Bendemeer Road, Singapore**

40 lots across 8 properties providing high-speed charging

**Largest combined solar farm** by a real estate company in Singapore

**40 Penjuru Lane, Singapore**

>21,000 solar panels across 6 properties generating over 10,000 MWh of solar energy

(1) The Green Bond and Green Perpetual Securities were issued under a newly established Green Finance Framework. Please refer to https://ir.ascendas-reit.com/green_financing.html for details.
(2) Building and Construction Authority, Singapore

# Powering Properties with Renewable Energy

- Common facilities' electricity usage at three buildings located at one-north will be 100% powered with renewable energy generated from Ascendas Reit's solar farms by 2022
- In 2020, our solar farms have generated solar energy exceeding the amount required to power the common facilities at Neuros & Immunos

Neuros & Immunos

By 2020

Nexus @one-north

By 2021

Nucleos

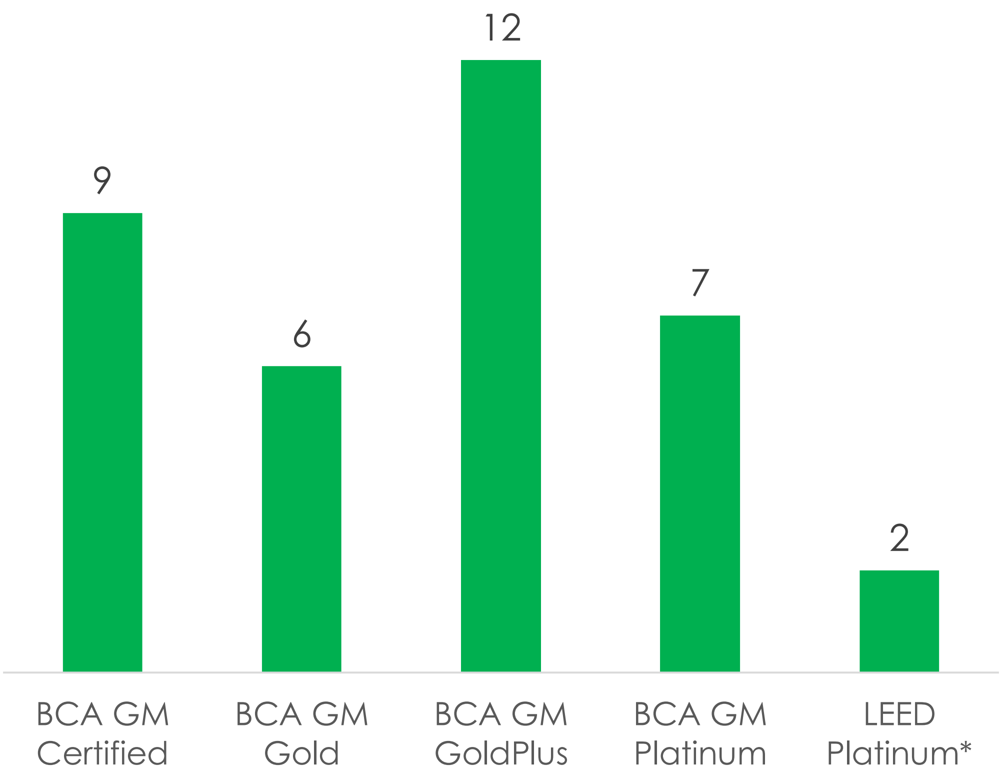
By 2022

Power 1,300 four-room HDB flats for a year

Avoid 2.4 mil kg of $CO_2$

# Building a Green and Sustainable Portfolio

## 36 Properties with Green Building Certifications




* LEED (BD+C) Platinum (BD+C: Building Design & Construction)

## Incorporating Green and Community Spaces

### New Developments


Grab's HQ, Singapore – Green Mark Gold[Plus]

MQX4, Sydney Australia – 6 Star Green Star Design & As Built*

### Existing Properties

Fustal courts @ Plaza 8, Singapore

Collaborative spaces @ The Galen, Singapore

* Target rating

# Embracing Innovation and Technology

- Initiated the Smart Urban Co-Innovation Lab (located at The Galen, Singapore Science Park 2), Southeast Asia's first industry-led lab for smart cities solutions development
- Supported by the Infocomm Media Development Authority and Enterprise Singapore, the Lab will bring together leaders to **co-create and test innovations with local built environment and technology enterprises in a live environment**
- Focus on six key industry verticals of advanced manufacturing, digital wellness, intelligent estates, smart mobility, sustainability, and urban agriculture.

28 Oct 2020: Official Opening of the Smart Urban Co-Innovation Lab


The Smart Urban Co-Innovation Lab is located at The Galen, at Singapore Science Park 2

- **30 industry players** such as Amazon Web Services, Cisco Systems, Johnson Controls, Microsoft, MooVita, NavInfo DataTech, Schneider Electric, SPTel, TPG Telecom and Vizzio.AI have committed to partner local firms to co-innovate, test ideas in the Lab or pilot trials at the **55-hectare 5G-enabled Singapore Science Park, the largest site in Singapore for trials of smart cities solutions**.

# COVID-19
# Country Updates


Units 1a, 1b, 2 & 3 Upwell Street,
Yorkshire & the Humber, United Kingdom

# COVID-19 Country Update

| | Singapore | United States |
|---|---|---|
| **Government Measures Implemented** | • Phase 3 of Re-opening commenced from 28 Dec 2020 and includes the following key measures:<br>✓ Permitted group sizes - increased from 5 to 8 people<br>✓ Capacity limit - increased from 10 sqm to 8 sqm per person for malls and large standalone stores<br>• Workplace safe management measures remains with working from home as the default mode of working to ensure no more than 50% of employees at workplace at any point of time<br>• Re-Align Framework was announced on 2 Dec 2020 to allow eligible SMEs(1) to renegotiate their contracts from 15 Jan 2021 to 26 Feb 2021:<br>✓ Termination of contract on default just and fair terms if there is no mutual agreement eventually<br>✓ Tenants' obligations – payment of rent up to the date of termination and reinstatement of premises to deliver vacant possession<br>✓ Landlords can offset accrued liabilities against security deposit and any advance payments but to refund balance | • In Dec 2020, a US$900 billion COVID-19 aid package was approved, including small-business aid and US$600 checks for most Americans.<br>• Eviction moratorium for Raleigh and San Diego have expired. In Portland, Oregon, landlords are not allowed to evict tenants due to non-payment of rents before 1 Apr 2021. |
| **Impact** | • Provided S$17.2 m of rent rebates in FY2020. Rental rebates extended are mainly to SME tenants and additional rent rebates in Aug and Sep 2020 period to retail tenants. | • Provided rental rebate to one small café operator in Portland<br>• Offered rent deferment to an SME tenant<br>• Total rent rebates amount to S$0.07m<br>• Restructured lease of a tenant whose supply chain was disrupted by COVID-19; rental relief provided in exchange for extension of lease term |
| **Outlook** | • 2021 GDP forecast: 4.0% to 6.0% (source: MTI)<br>• To date, 11 tenants have pre-terminated their leases (Total combined NLA : <2,900 sqm)<br>• Leasing activities continues to pick up with further resumption of activities with Phase 3 of re-opening. | • 2021 GDP forecast: 5.1% (source: IMF)<br>• To date, no tenant has pre-terminated due to COVID-19<br>• Majority of our tenants are operating with skeleton crew serving essential functions on site, with rest of staff working remotely<br>• Slowdown in leasing activity as tenants hold back expansion plans; trend towards shorter-term extensions for near-term expiries |

(1) Eligibility Criteria – FY2019 annual revenue less than S$30 m on a global group basis and experienced at least 70% fall in monthly average gross income from Jul to Dec 2020 compared to same period in 2019.

# COVID-19 Country Update

| | Australia | United Kingdom |
|---|---|---|
| **Government Measures Implemented** | • Mandatory code of conduct (for SMEs): landlords unable to terminate leases/draw on deposits and to offer reductions in rent (as waivers or deferrals) based on the tenant's reduction in trade during COVID-19, tenants to honour leases<br>• Final phase of tapering economic support before scheduled end date in Mar 2021<br>• Jobkeeper wage subsidy will continue through Mar 2021 but reduced from A$1,200 to A$1,000 per fortnight<br>• Jobseeker supplement will continue for another 3 months to Mar 2021 at a decreased rate of A$150 per fortnight | • Up until 31 Mar 2021, landlords are not allowed to terminate leases for any missed payments. The Secretary of State has indicated that this will be its final moratorium. Tenants will still be liable to pay rent i.e. no rent holiday<br>• The Coronavirus Job Retention Scheme, which provides grant to UK employers to cover up to 80 per cent of the wages of employees, has been extended until 30 Apr 2021.<br>• Business premises forced to close in England can receive grants worth up to £3,000 per month under the Local Restrictions Support Grant. |
| **Impact** | • Suspended rent collection from F&B tenants (<1% of Australia portfolio by rental income) from Apr until they reopen<br>• Restructured lease of one leisure/hospitality tenant, providing rental rebate; granted rent waiver and/or deferment to 4 SME tenants<br>• Total rent rebates amount to S$0.6 m<br>• Pro-active discussions with tenants to offer assistance via existing lease incentives/rent deferral | • No rent rebates given to date<br>• Allowed some tenants to change their rental payment from quarterly to monthly in advance and some to defer rent payments to help them with their cashflow management<br>• Defer the VAT payment by one year to Mar 2021<br>• Offering available space for short-term leases |
| **Outlook** | • 2021 GDP forecast: 4.5% (source: Australian Government Mid-Year Economic and Fiscal Outlook)<br>• To date, no tenant has pre-terminated due to COVID-19<br>• New leasing enquiry to remain subdued, but existing tenants may be more likely to renew than relocate on lease expiry. | • 2021 GDP forecast: 4.5% (source: IMF)<br>• To date, no tenant has pre-terminated due to COVID-19<br>• More leasing challenges expected as many interests have been aborted or put on hold. However, leases in the final stages are continuing to progress |

# Market Outlook

7 Grevillea Street, Sydney, Australia

# Market Outlook

- In January 2021, the International Monetary Fund (IMF) projected a return to global growth of 5.5% in 2021 from an estimated contraction of 3.5% in 2020. However, the recent resurgence of COVID-19 and new strains of the virus in many countries have triggered repeated lockdowns and restrictions. The IMF has cautioned that global economic recovery could be affected even if the distribution of COVID-19 vaccines takes place successfully.
- The Singapore economy contracted 5.8% y-o-y in 2020 (2021 GDP forecast: 4.0% to 6.0%). The Ministry of Trade and Industry (MTI) expects a slow and uneven recovery amongst major advanced and developing economies in 2021.
  - Companies remain cautious and are expected to continue to put their business and expansion plans on hold until there is greater clarity on the COVID-19 situation in Singapore and globally.
- In 2020, the US economy recorded a contraction of 3.5% y-o-y compared with a growth of 2.2% y-o-y in 2019 (2021 GDP forecast: 5.1%). The spike in COVID-19 infections towards the end of 2020 presents a key risk to economic recovery in 2021.
  - The US portfolio is located in the US technology cities of San Francisco, San Diego, Raleigh and Portland and is well-positioned to benefit from the growing technology and healthcare sectors. The strength of the US portfolio is also underpinned by its WALE of 5.1 years and the high proportion of leases with rent escalation clauses of between 2.5% to 4.0% per annum.

Source for Singapore GDP and GDP growth forecast: MTI
Source for US GDP: US Bureau of Economic Analysis; Source for GDP growth forecast: IMF

# Market Outlook

- Australia exited a technical recession after recording 3.3% q-o-q GDP growth for 3Q 2020 although this represented a 3.8% contraction y-o-y (2021 GDP forecast: 4.5%). The Reserve Bank of Australia expects the positive momentum to continue in 4Q 2020, with the easing of lockdown measures in Melbourne and the significant stimulus measures announced in October 2020 by the Australian Government.
  - The portfolio continues to deliver stable performance due to good locations in the key cities of Sydney, Melbourne and Brisbane, long WALE of 4.1 years and average rent escalations of approximately 3% per annum.
  - Australian portfolio value is expected to grow by 29% to S$2.4 billion after taking into account recently announced acquisitions.
- In 3Q 2020, the UK economy contracted by 8.6% y-o-y, following the record 20.8% y-o-y contraction in 2Q 2020. On a q-o-q basis, the economy grew 16.0% reflecting the easing of lockdown restrictions during the quarter and the base effects from the steep contraction of 8.6% q-o-q in 2Q 2020 (2021 GDP forecast: 4.5%).
  - On 1 Jan 2021, the UK formally separated from the European Union (EU). A free trade deal was secured, which avoided the introduction of tariffs or quotas on goods traded between the UK and the EU. Ascendas Reit's UK portfolio has a long WALE of 8.8 years, which will help to mitigate any uncertainties that may arise as businesses adjust to the new regime.
  - The proportion of internet sales in the UK remained consistently above 26% of total retail sales in the second half of 2020, higher than the previous year's record of 21.6% achieved in November 2019. This strong e-commerce penetration trend is expected to continue benefiting the logistics sector that all of Ascendas Reit's UK properties are in.
- Many countries are faced with a surge in coronavirus infection and it may take time to successfully roll out their vaccination programmes. The pace of business recovery globally is expected to vary across sectors and remain uncertain. The Manager will continue to exercise prudence, maintain a strong balance sheet and proactively manage its portfolio to deliver sustainable returns for its Unitholders.

Source for Australia GDP: Australian Bureau of Statistics; Source for Australia GDP growth forecast: Australian Government Mid-Year Economic and Fiscal Outlook
Source for UK GDP and internet sales: Office for National Statistics; GDP: Source for UK GDP growth forecast: IMF

# Additional Information

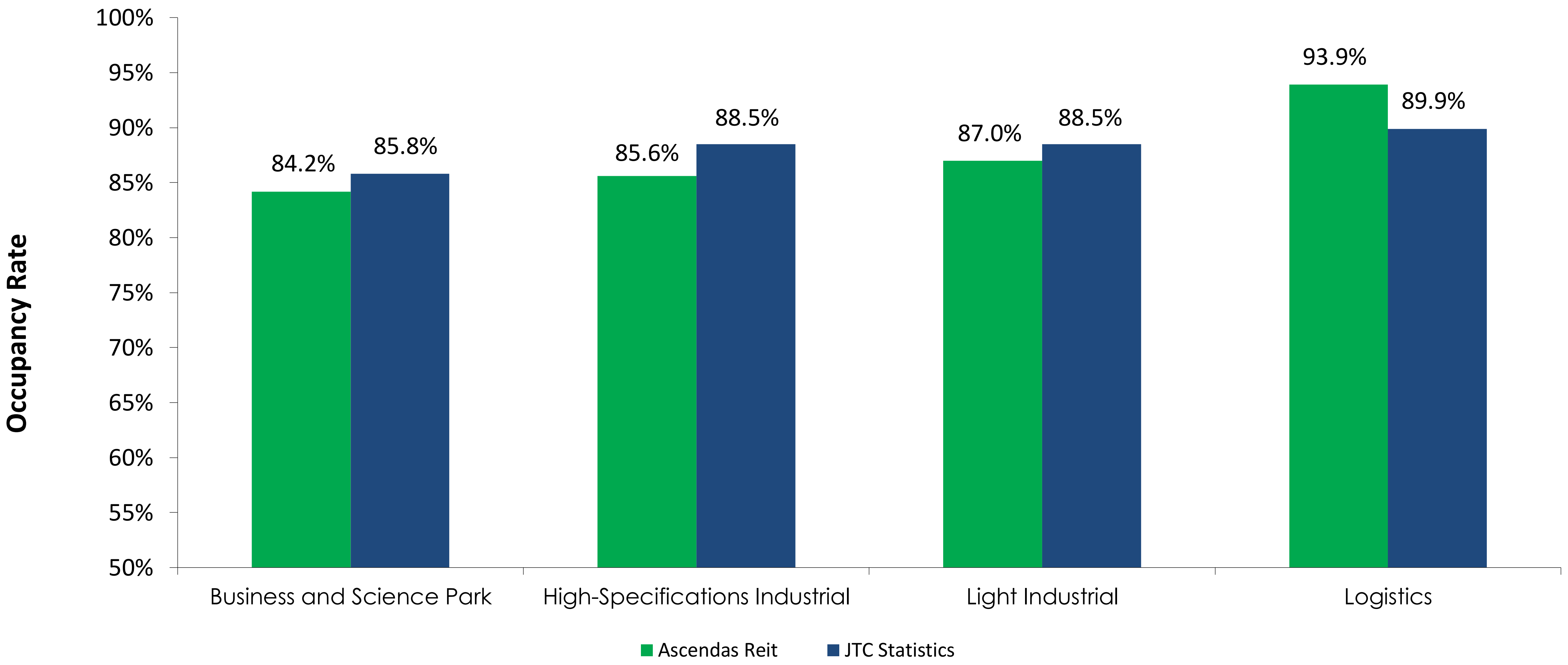
| | |
|---|---|
| 1 | Historical Financial Results |
| 2 | Ascendas Reit’s Singapore Occupancy vs Industrial Average |
| 3 | Singapore Industrial Property Market |
| 4 | Singapore New Supply |

# Historical Financial Results

| Financial Highlights | FY2019 | | | | FY2020 | | |
|---|---|---|---|---|---|---|---|
| (S$ m) | 1Q (Apr-Jun) | 2Q (Jul-Sep) | 3Q (Oct-Dec) | Total* | 1H (Jan-Jun) | 2H (Jun-Dec) | Total |
| Gross Revenue | 230 | 230 | 239 | 699 | 521 | 528 | 1,049 |
| Net Property Income | 178 | 178 | 182 | 538 | 388 | 388 | 776 |
| Total Amount Available for Distribution | 124 | 124 | 127 | 375 | 263 | 275 | 538 |
| No. of Units in Issue (m) | 3,113 | 3,113 | 3,613 | 3,613 | 3,620 | 4,021 | 4,021 |
| Distribution Per Unit (cents) | 4.005 | 3.978 | 3.507 | 11.490 | 7.270 | 7.418 | 14.688 |

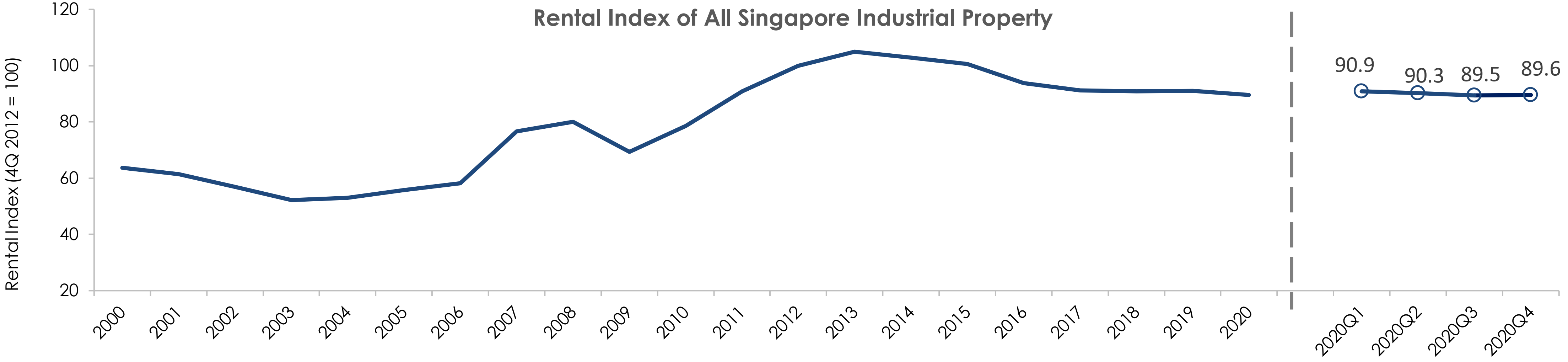
* Ascendas Reit changed its financial year end from 31 March to 31 December. Therefore, FY2019 is a nine-month period from 1 April 2019 to 31 December 2019. Please refer to the announcement dated 24 July 2019 for more information.

# Ascendas Reit's Singapore
## Occupancy vs Industrial Average

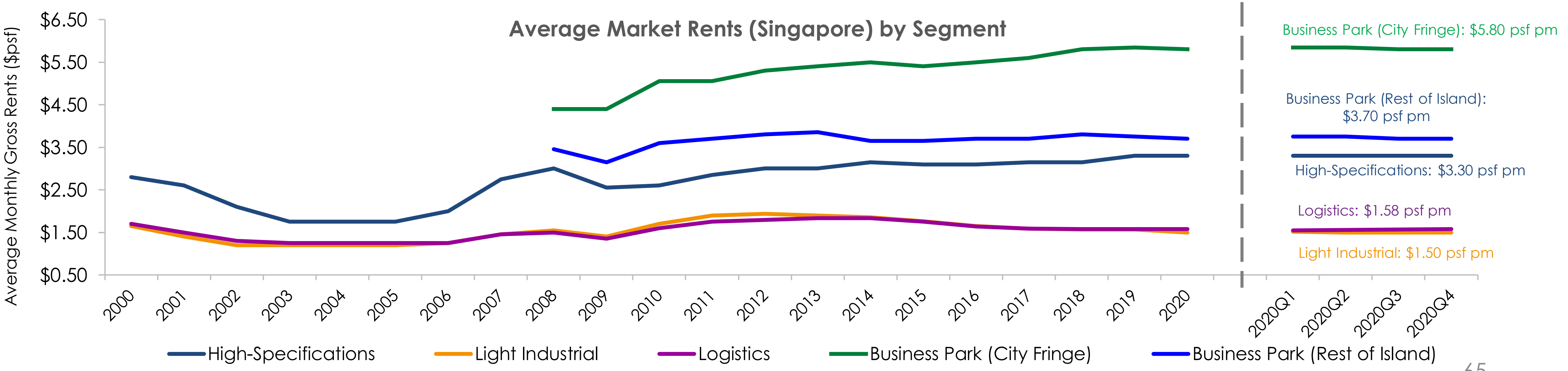



Source :
Ascendas Reit's Singapore portfolio as at Dec 2020. Market: JTC statistics (4Q 2020).
JTC statistics do not breakdown for High-Specifications Industrial space, The occupancy rate (88.5%) for the multiple-user factory category is taken as a proxy.

# Average Market Rents (Singapore)
## by Segment




*Source : JTC's 4Q 2020 Quarter Market Report*




Source :
CBRE Market View Report 4Q 2020 for Business Park (City Fringe), Business Park (Rest of Island), High-Specifications, Light Industrial and Logistics.

# Singapore Industrial Market:
## New Supply

- Potential new supply of about 3.1 m sqm (~6.4% of existing stock) over next 4 years, of which 34% are pre-committed
- Island-wide occupancy improved to 89.9% as at 31 Dec 20 (from 89.6% as at 30 Sep 20)

| Sector ('000 sqm) | 2021 | 2022 | 2023 | New Supply (Total) | Existing Supply (Total) | % of New/ Existing supply |
|---|---|---|---|---|---|---|
| **Business & Science Park** | **201** | **0** | **64** | **265** | **2,197** | 12.1% |
| % of Pre-committed (est) | 63% | 0% | 0% | 48% | | |
| **High-Specifications Industrial** | **255** | **105** | **207** | **567** | **36,721** | 5.8% |
| % of Pre-committed (est) | 74% | 0% | 100% | 70% | | |
| **Light Industrial** | **885** | **648** | **12** | **1,546** | | |
| % of Pre-committed (est) | 17% | 31% | 100% | 24% | | |
| **Logistics & Distribution Centres** | **345** | **347** | **117** | **809** | **11,071** | 7.3% |
| % of Pre-committed (est) | 27% | 27% | 0% | 23% | | |
| **Total** | **1,686** | **1,101** | **400** | **3,186** | **49,989** | **6.4%** |
| **% Pre-committed (est)** | **33%** | **27%** | **55%** | **34%** | | |

Note:
Excludes projects under 7,000 sqm. Based on gross floor area
Source:
JTC 4Q 2020 Industrial Report & Ascendas Reit internal research

# Singapore Business & Science Parks:
## New Supply [1]

| Expected Completion | Location | Developer | GFA (sqm) | % Pre-committed (Estimated) |
|---|---|---|---|---|
| 2021 | one-north | Wilmar International Limited | 18,460 | 100% |
| 2021 | one-north | Snakepit-BP LLP | 16,460 | 100% |
| 2021 | Changi Business Park | Kajima Development Pte Ltd | 12,970 | 100% |
| 2021 | Jurong Innovation District | Surbana Jurong Capital (JID) Pte Ltd | 41,350 | 100% |
| 2021 | one-north | Ascendas REIT (Grab HQ) | 36,770 | 100% |
| 2021 | Jurong Innovation District | JTC Corporation (Cleantech Loop) | 13,190 | 0% |
| 2021 | Jurong Innovation District | JTC Corporation (Cleantech Loop) | 61,690 | 0% |
| 2023 | one-north | HB Universal Pte Ltd | 35,160 | 0% |
| 2023 | Singapore Science Park | Science Park Property Trustee Pte Ltd | 28,820 | 0% |
| | | | **264,870** | **48%** |

(1) Excludes projects under 7,000 sqm. Based on gross floor area
Source JTC, as of 4Q 2020

# Singapore High-Specifications & Light Industrial:
## New Supply (1)

| Expected Completion | Location | Developer | GFA (sqm) | % Pre-committed (Estimated) |
|---|---|---|---|---|
| 2021 | Senoko Drive/Senoko Road | Tee Yih Jia Food Manufacturing Pte Ltd | 79,580 | 100% |
| 2021 | Seletar North Link | HL-Sunway JV Pte Ltd | 62,480 | 100% |
| 2021 | Ang Mo Kio Street 64 | United Engineers Limited | 60,180 | 100% |
| 2022 | Sunview Way | Malkoha Pte Ltd | 171,340 | 100% |
| 2021 | Defu South Street 1 | JTC Corporation | 325,770 | 0% |
| 2021 | Kranji Loop/Kranji Road | JTC Corporation | 143,370 | 0% |
| 2021 | Kranji Loop | JTC Corporation | 133,040 | 0% |
| 2022 | Bulim Lane 1/2 | JTC Corporation | 159,400 | 0% |
| 2022 | Ang Mo Kio Street 64/65 | JTC Corporation | 116,940 | 0% |
| 2022 | Tai Seng Avenue | SB (Ipark) Investment Pte. Ltd. | 105,250 | 0% |
| 2022 | Kallang Way | Mapletree Industrial Trust | 80,420 | 0% |
| 2023 | Lok Yang Way | Google Asia Pacific Pte Ltd | 120,070 | 100% |
| 2023 | Bulim Avenue | Hyundai Motor Singapore Pte Ltd | 86,900 | 100% |
| | | | **1,644,740** | **35%** |

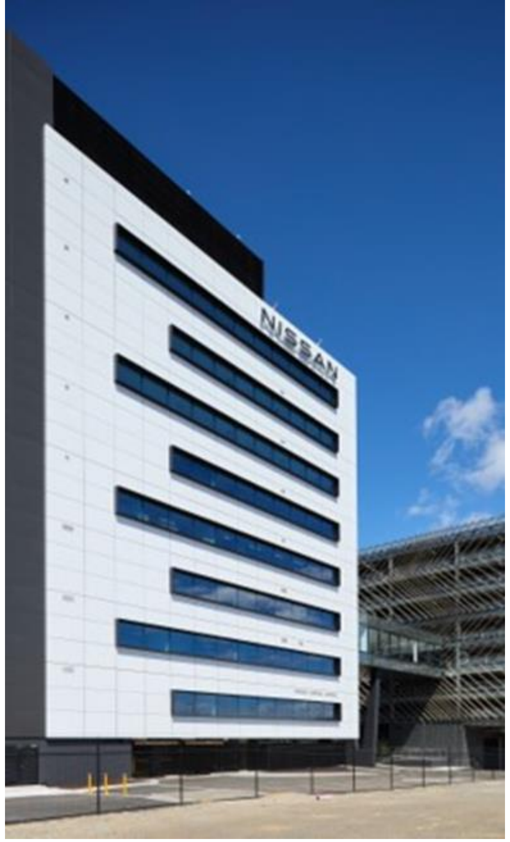
(1) Projects that are above 50,000 sqm
Source JTC, as of 4Q 2020

# Singapore Logistics:
## New Supply (1)

| Expected Completion | Location | Developer | GFA (sqm) | % Pre-committed (Estimated) |
|---|---|---|---|---|
| 2021 | Gul Circle | JTC Corporation | 140,090 | 0% |
| 2021 | Tembusu Crescent | S H Cogent Logistics Pte Ltd | 87,500 | 0% |
| 2022 | Sunview Road | NTUC Fairprice Co-operative Ltd | 69,610 | 100% |
| 2022 | Pandan Crescent | Pandan Crescent Pte Ltd | 116,810 | 0% |
| 2022 | Tuas South Avenue 14 | LOGOS SE Asia Pte Ltd | 80,130 | 0% |
| 2022 | Pioneer Sector 1 | Soilbuild Business Park REIT | 53,190 | 0% |
| 2023 | Sunview Road | Allied Sunview Pte Ltd | 116,810 | 0% |
| | | | **664,140** | **10%** |

(1) Projects that are above 50,000 sqm
Source JTC, as of 4Q 2020




# Thank you

CapitaLand

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