



Celebrating  
**20** Years

**CapitaLand**  
Ascendas REIT



SGX-Credit Suisse Real Estate Day

**CapitaLand Ascendas REIT**

28 September 2022

Aperia, Singapore

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- 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.
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20 Celebrating  
Years

CapitaLand  
Ascendas REIT

FM Global Centre, Singapore

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# Overview of CapitaLand Ascendas REIT

20 Celebrating  
Years

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Ascendas REIT



Grab Headquarters, Singapore



# CapitaLand Ascendas REIT

A global REIT anchored in Singapore, with a strong focus on tech and logistics properties in developed markets.



Investment Properties

> S\$16 b



Market Capitalisation

> S\$12 b

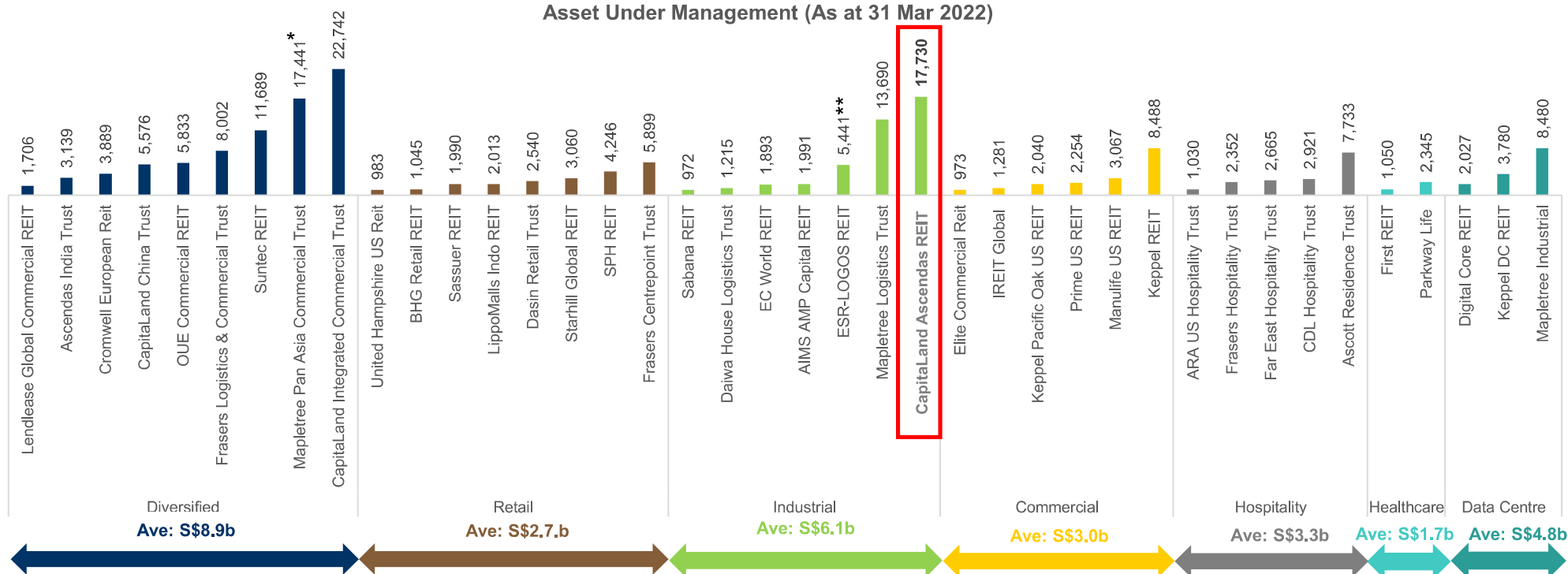


As at 30 Jun 2022

# Largest Singapore Industrial REIT

- Largest Singapore Industrial REIT by assets under management and market capitalisation
- A constituent of many indices such as MSCI, FTSE, EPRA/NAREIT, Straits Times Index

Asset Under Management (As at 31 Mar 2022)



Source: Bloomberg

\* Source: Pro forma basis, assuming the merger of Mapletree Commercial Trust and Mapletree North Asia Commercial Trust was completed as at 31 Mar 2022.

\*\* Source: Pro forma basis, assuming the merger of ESR-REIT and ARA Logos Logistics Trust was completed as at 31 Mar 2022.



# Diversified Portfolio Across Developed Markets

Investment Properties stood at **S\$16.6 b<sup>(1)</sup>** as at 30 Jun 2022

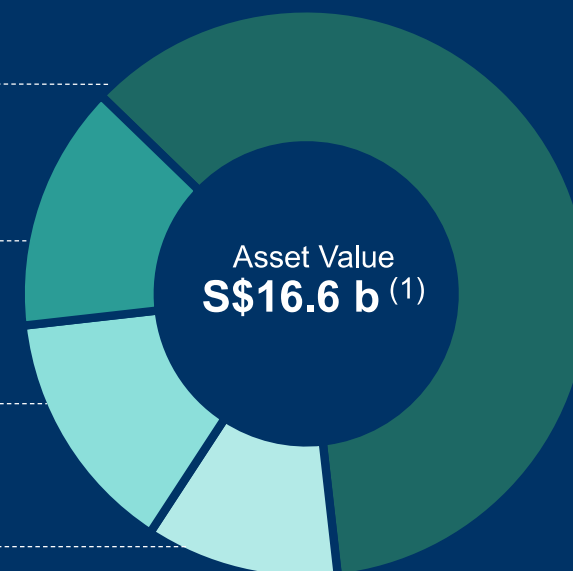
- Singapore: **S\$10.0 b**
- United States: **S\$2.5 b**
- Australia: **S\$2.4 b**
- United Kingdom/Europe: **S\$1.7 b**

■ 61% Singapore

■ 15% United States

■ 14% Australia

■ 10% United Kingdom/Europe



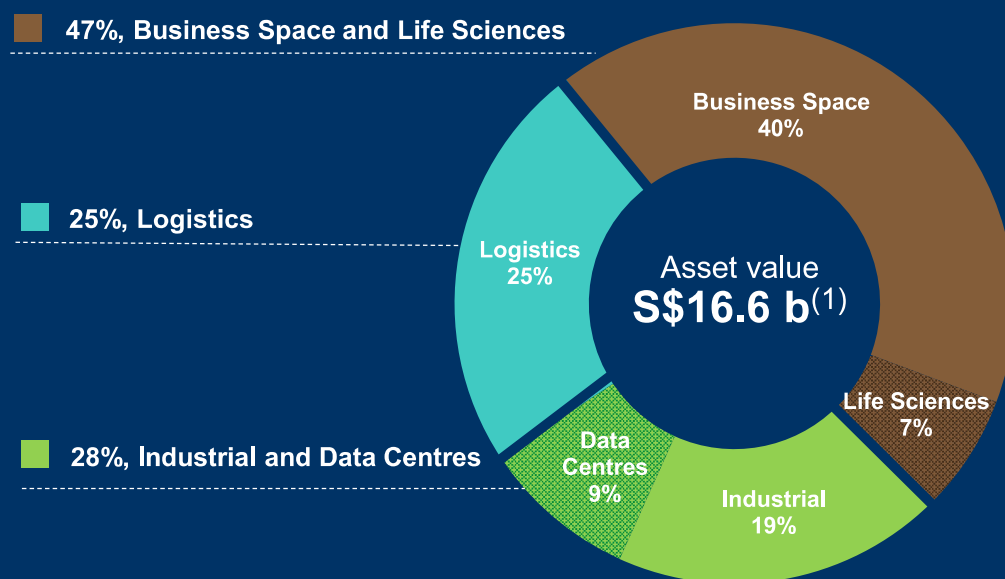
(1) Comprises 227 properties, which excludes one property in Singapore which is under redevelopment. Multi-tenant buildings account for 68.0% of CapitaLand Ascendas REIT's total investment properties (by asset value) as at 30 Jun 2022.

# Multi-Asset Portfolio

## Steering Towards Growth Sectors

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.

- Business Space and Life Sciences<sup>(2)</sup>: **S\$7.9 b**
- Logistics<sup>(3)</sup>: **S\$4.2 b**
- Industrial and Data Centres<sup>(4)</sup>: **S\$4.5 b**



(1) Comprises 227 properties which excludes 1 property in Singapore which is under redevelopment. Multi-tenant buildings account for 68.0% of CapitaLand Ascendas REIT's total investment properties (by asset value) as at 30 Jun 2022.

(2) Business Space segment includes properties located in business & science parks in Singapore, suburban offices in Australia as well as business park and office properties in USA. Life Science segment comprises properties with lab-ready specifications (currently 7 business park properties in Singapore). Business Space and Life Sciences properties are located in Singapore (31%), USA (13%) and Australia (5%).

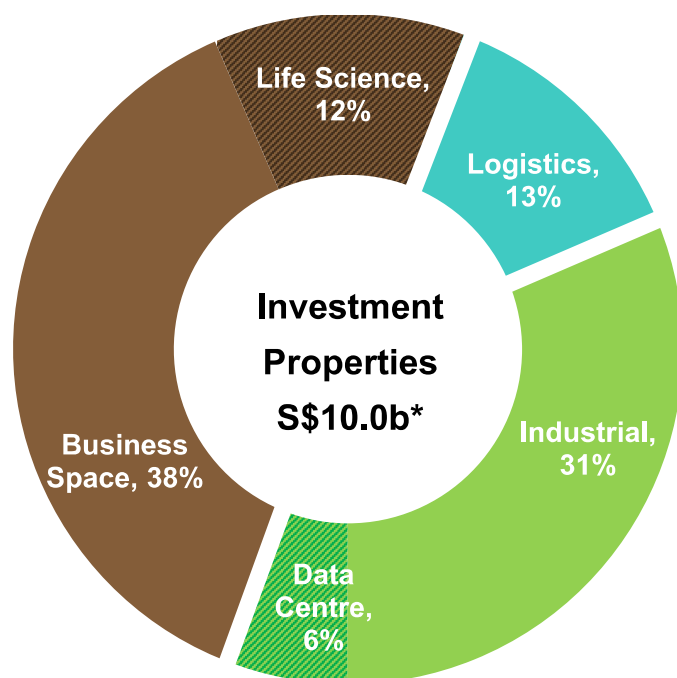
(3) Includes Courts Megastore and Giant Hypermart which have been reclassified from Integrated development, amenities and retail (IDAR) segment. These properties have large warehouse spaces (under the Retail Warehouse Scheme). Logistics properties are located in Singapore (8%), Australia (10%), UK (5%) and USA (2%).

(4) Industrial properties are all located in Singapore and comprise high-specifications and light industrial properties (includes Aperia which has been reclassified from IDAR segment given its predominant industrial space offering). Data centres are located in Singapore (3%) and UK/Europe (5%).



# Singapore: 95 properties

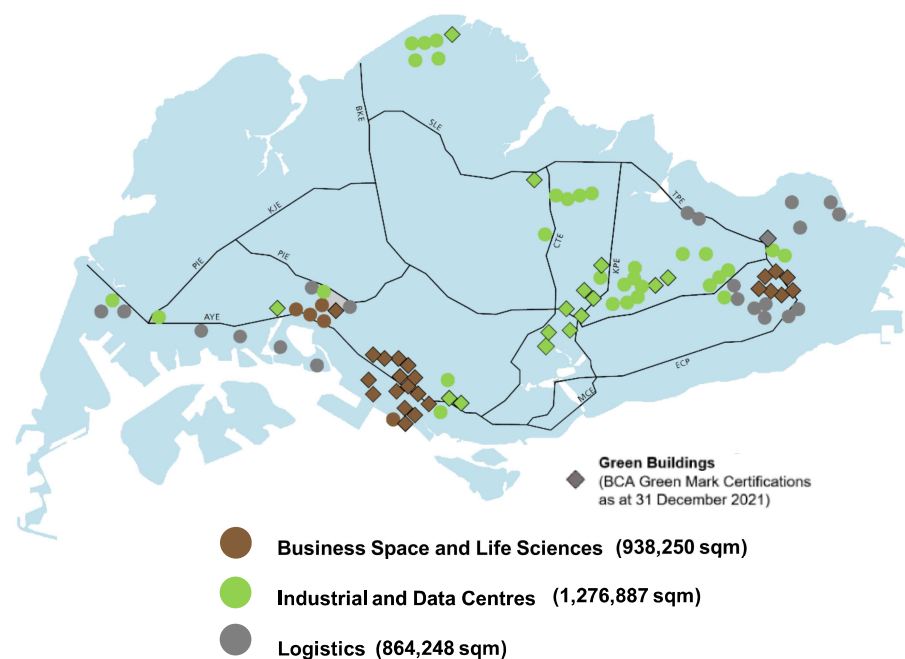
Breakdown by Asset Class



As at 30 Jun 2022

\* Excludes 1 property which is under redevelopment as at 30 Jun 2022.

Properties are well-located along major expressways, airport, seaport and proximity to MRT stations

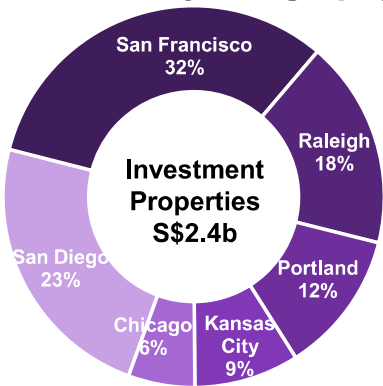


Note: Refers to Gross Floor Area

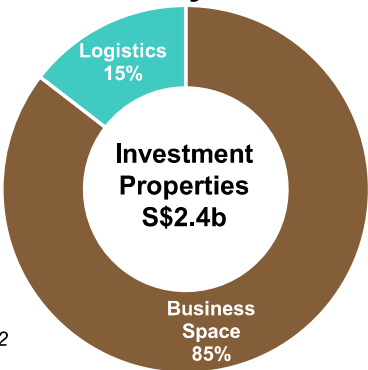
# United States: 48 Properties

30 Business Spaces, 18 Logistics

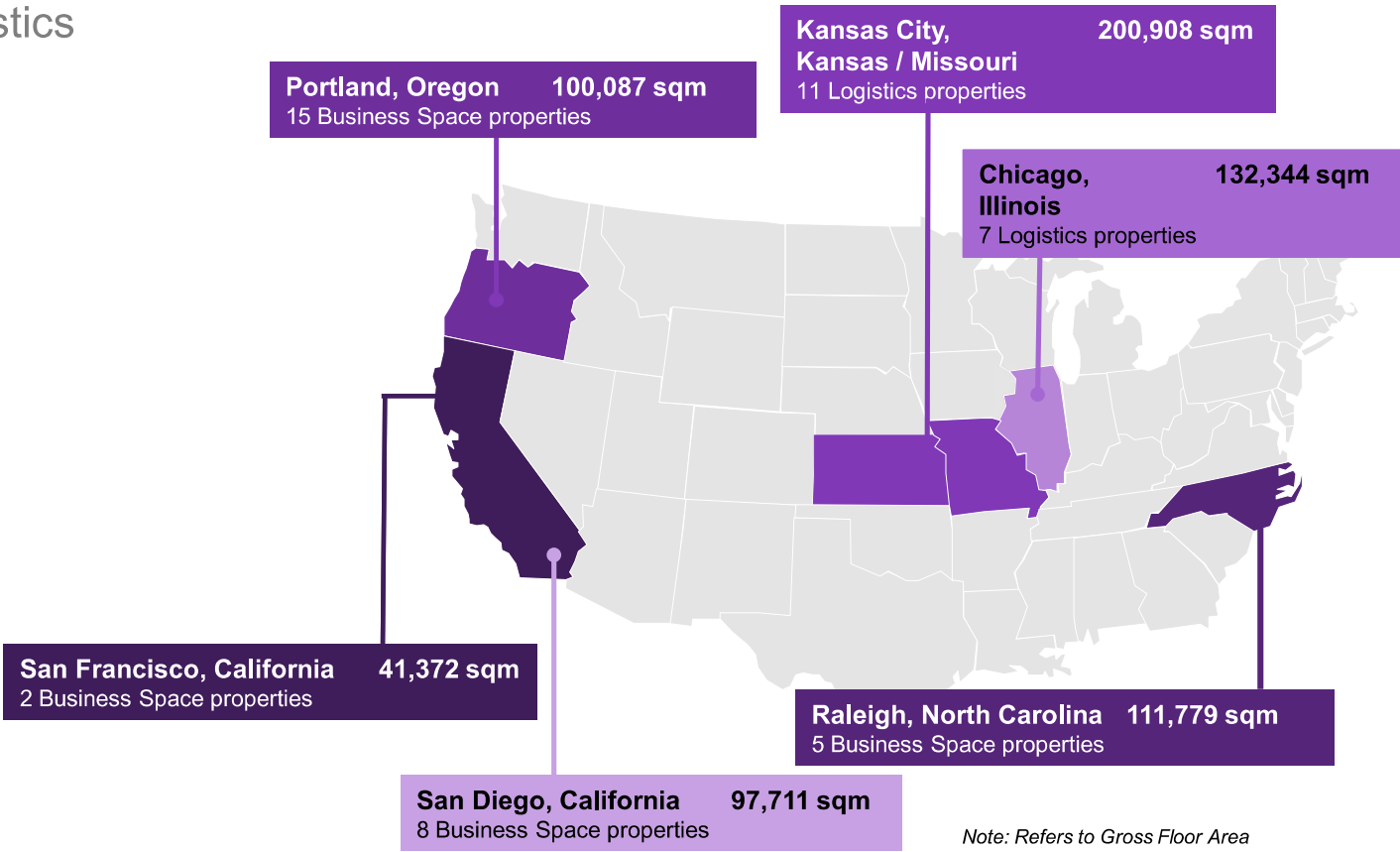
## Breakdown by Geography



## Breakdown by Asset Class



As at 30 Jun 2022



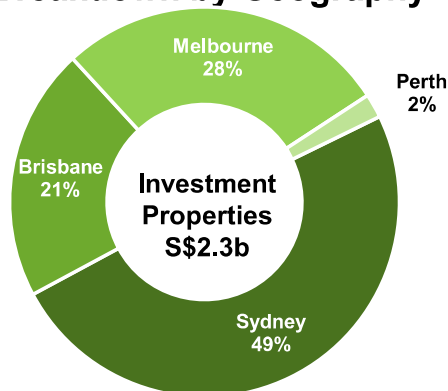
Note: Refers to Gross Floor Area



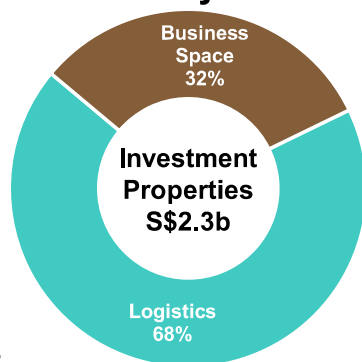
# Australia: 36 properties

31 logistics, 5 Business Spaces

## Breakdown by Geography

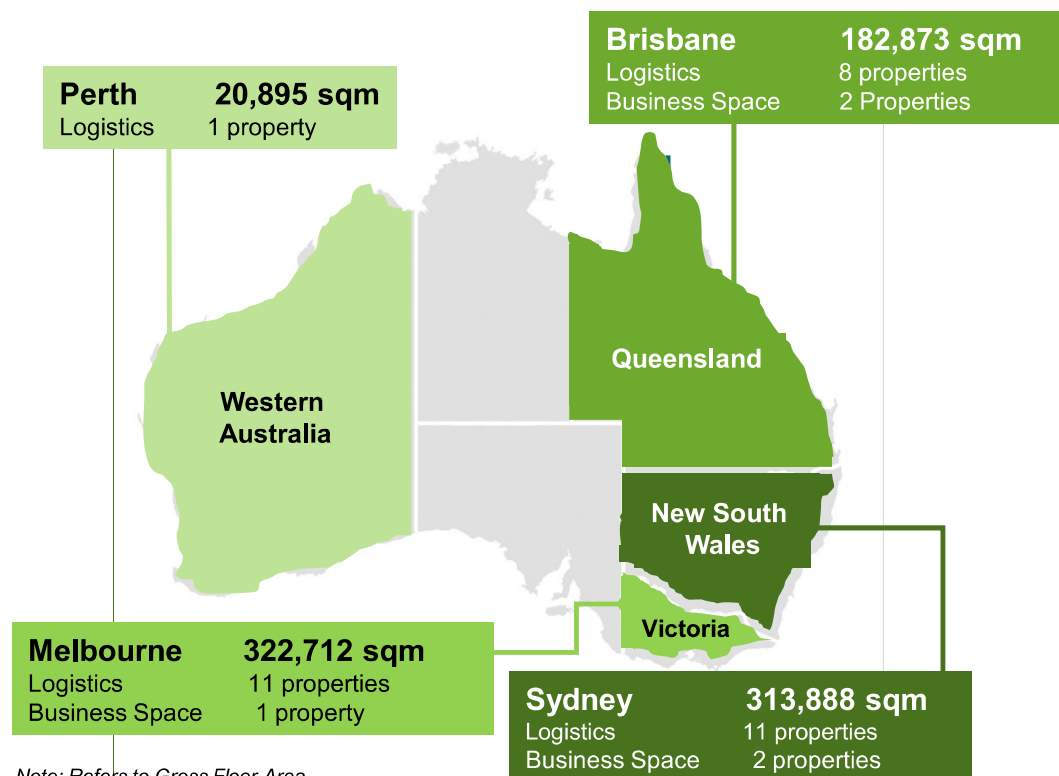


## Breakdown by Asset Class



As at 30 Jun 2022

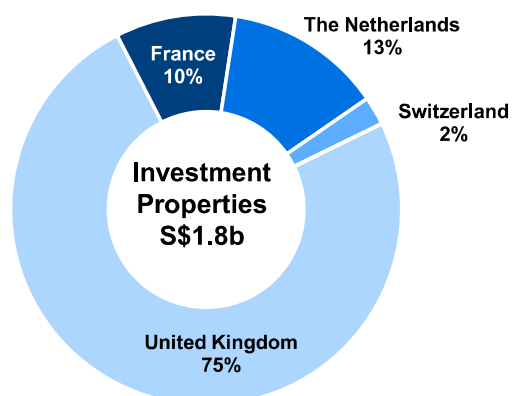
## Located in 4 key cities: Sydney, Melbourne, Brisbane and Perth



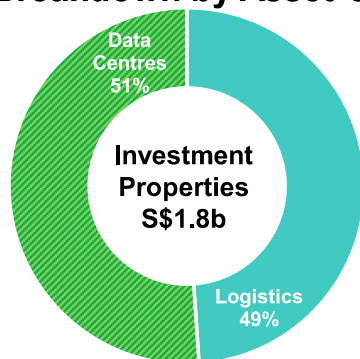
# United Kingdom/Europe: 49 properties

38 logistics, 11 data centres

## Breakdown by Geography



## Breakdown by Asset Class



### United Kingdom

38 Logistics	509,833 sqm
East England	1 property
East Midlands	2 properties
North West England	5 properties
South East England	3 properties
West Midlands	23 properties
Yorkshire and the Humber	4 properties
4 Data Centres	34,060 sqm
Manchester	1 property
London	3 properties

**Amsterdam, The Netherlands**  
3 Data Centres 22,006 sqm

**Geneva, Switzerland**  
1 Data Centre 6,114 sqm

**Paris, France**  
3 Data Centres 18,380 sqm

As at 30 Jun 2022

Note: Refers to Gross Floor Area



# Investment Management

510 Townsend Street, San Francisco, United States

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# 1H 2022 Investment Highlights

- Completed S\$272.9 m of acquisition, redevelopment and asset enhancement initiative.

1H 2022	City/Country	Sub-segment	Purchase Consideration / Total Cost (S\$ m)	Completion Date
<b>Completed Acquisitions</b>			<b>223.4</b>	
500 Green Road	Brisbane, Australia	Logistics	69.1 <sup>(1)</sup>	11 Feb 2022
7 Kiora Crescent	Sydney, Australia	Logistics	21.1 <sup>(2)</sup>	24 Feb 2022
Seven logistics properties	Chicago, United States	Logistics	133.2 <sup>(3)</sup>	10 Jun 2022
<b>Completed Redevelopment</b>			<b>38.2</b>	
UBIX (formerly 25 & 27 Ubi Road 4)	Singapore	Industrial and Data Centres	38.2	7 Jan 2022
<b>Completed Asset Enhancement Initiative</b>			<b>11.3</b>	
Changi Logistics Centre	Singapore	Logistics	11.3	Apr 2022
<b>TOTAL:</b>			<b>272.9</b>	

(1) Based on exchange rate of A\$1.00: S\$0.983 as at 30 Sep 2020.

(2) Based on exchange rate of A\$1.00: S\$0.89957 as at 31 May 2020.

(3) Based on exchange rate of US\$1.000: S\$1.3457 as at 31 Mar 2022.



# Acquisition *(Completed in 2Q 2022)*

7 logistics properties in Chicago, United States

Total Purchase Consideration <sup>(1)</sup>	S\$133.2 m (US\$99.0 m)
Acquisition Fee <sup>(2)</sup> , Stamp Duty and Other Transaction Costs	S\$3.5 m (US\$2.6 m)
Total Acquisition Cost <sup>(3)</sup>	S\$136.7 m (US\$101.6 m)
Vendor	BREIT Industrial HS Property Owner LLC, BREIT Industrial Canyon IL1M03 LLC, BCORE Jupiter NEMW 1 LLC and Icon Pac Owner Pool 4 Northeast/Midwest, LLC
Valuation as at 29 Mar 2022 <sup>(4)</sup>	\$140.5 m (US\$104.4 m)
Land Tenure	Freehold
Net Lettable Area	132,344 sqm
Occupancy Rate	100%
Initial Net Property Income Yield	5.3% (5.1% post-transaction cost)
Completion Date	10 Jun 2022

(1) All S\$ amounts are based on an illustrative exchange rate of US\$1.000: S\$1.3457 as announced on 31 Mar 2022.

(2) In accordance to CapitaLand Ascendas REIT's Trust Deed, the Manager is entitled to receive an acquisition fee of 1% of the Total Purchase Consideration, which has been paid in cash.

(3) The total acquisition cost will be funded by CapitaLand Ascendas REIT through internal resources and/or existing debt facilities.

(4) The independent valuer, CBRE Valuation & Advisory Services was commissioned by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of CapitaLand Ascendas REIT) and has carried out the valuation using the sales comparison and discounted cash flow approaches.

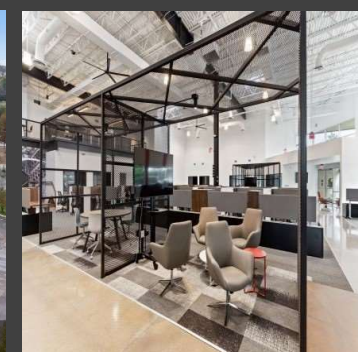


501 South Steward Road

- ✓ Situated on freehold land across submarkets of Chicago Metropolitan Statistical Area: O'Hare, Central DuPage, South Cook County, I-88 Corridor, Southwest Cook County and I-39 Corridor
- ✓ Major logistics hub supported by superior combination of transportation nodes and infrastructure



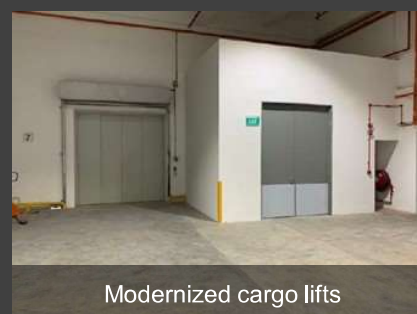
3950 Sussex Avenue



# Asset Enhancement Initiative *(Completed in 2Q 2022):*

Changi Logistics Centre, Singapore

Description	Enhancement works involved transformer power upgrading, fire safety regularization works and modernization of building services such as toilets, cargo and passenger lifts.
Property Segment	Logistics
Net Lettable Area	43,990 sqm
Cost	S\$11.3 m
Completion Date	Apr 2022







# Capital Management



Reynolds House, Manchester, United Kingdom

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# Healthy Balance Sheet

- Aggregate leverage is healthy at **36.7%** <sup>(1)(2)</sup>
- Available debt headroom of ~S\$4.6 b to reach MAS's aggregate leverage limit of 50.0%

	As at 30 Jun 2022	As at 31 Dec 2021	As at 30 Jun 2021
Total Debt (S\$ m) <sup>(1)(2)(3)</sup>	6,389	6,143	6,271
Total Assets (S\$ m) <sup>(1)(2)</sup>	17,420	17,126	16,697
Aggregate Leverage <sup>(1)(2)</sup>	36.7%	35.9%	37.6%
Unitholders' Funds (S\$ m)	10,035	9,978	9,510
Net Asset Value (NAV) per Unit	239 cents	238 cents	227 cents
Adjusted NAV per Unit <sup>(4)</sup>	231 cents	231 cents	225 cents
Units in Issue (m)	4,201	4,198	4,193

(1) Excludes the effects of FRS 116

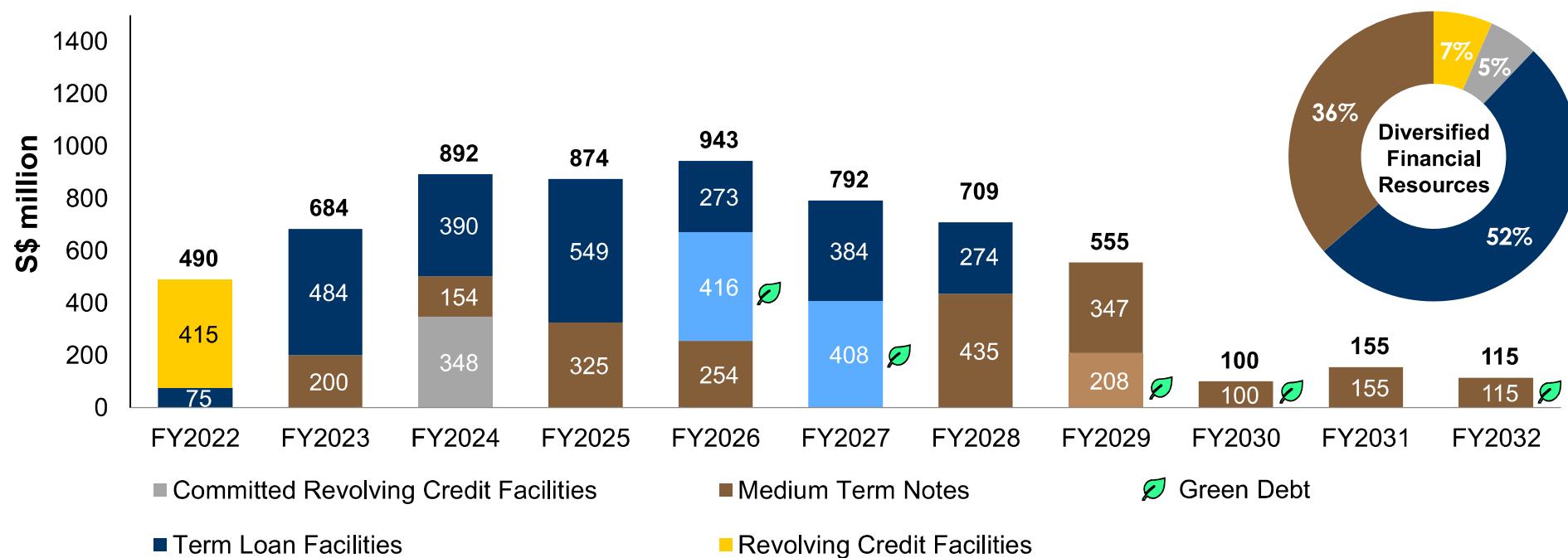
(2) In accordance with Property Funds Appendix, CapitaLand Ascendas REIT's proportionate share of its joint ventures' borrowings and deposited property values are included when computing aggregate leverage.

(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 FY2032
- Extended debt maturity to **3.9 years**
- To date, green financing totaling S\$1.5 b <sup>(1)</sup> accounts for about 23% of total borrowings



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

# 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 30 Jun 2022	As at 31 Dec 2021	As at 30 Jun 2021
Aggregate Leverage <sup>(1)(2)</sup>	36.7%	35.9%	37.6%
Unencumbered Properties as % of Total Investment Properties <sup>(3)</sup>	92.4%	92.1%	93.0%
Interest Cover Ratio <sup>(4)</sup>	6.1 x	5.7 x	4.6 x
Adjusted Interest Cover Ratio <sup>(5)</sup>	5.7 x	5.4 x	4.3 x
Net Debt / Annualised EBITDA <sup>(6)</sup>	7.8 x	7.8 x	8.2 x
Weighted Average Tenure of Debt (years)	3.9	3.5	3.7
Fixed rate debt as % of total debt	80.0%	79.4%	75.2%
Weighted Average all-in Debt Cost	2.1%	2.2%	2.4%
Issuer Rating by Moody's	A3	A3	A3

(1) In accordance with Property Funds Appendix, CapitalLand Ascendas REIT's proportionate share of its joint ventures' borrowings and deposited property values are included when computing the aggregate leverage. The ratio of total gross borrowings to total net assets is 63.9%.

(2) Excludes the effects of FRS 116.

(3) Total investment properties exclude properties reported as finance lease receivable.

(4) 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. With reference to MAS Circular No. CFC 01/2021, the interest expense on lease liabilities was excluded as it is an accounting classification and does not reflect the serviceability of debt.

(5) Accounts for distributions on perpetual securities.

(6) 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.



# Prudent Interest Rate Risk Management

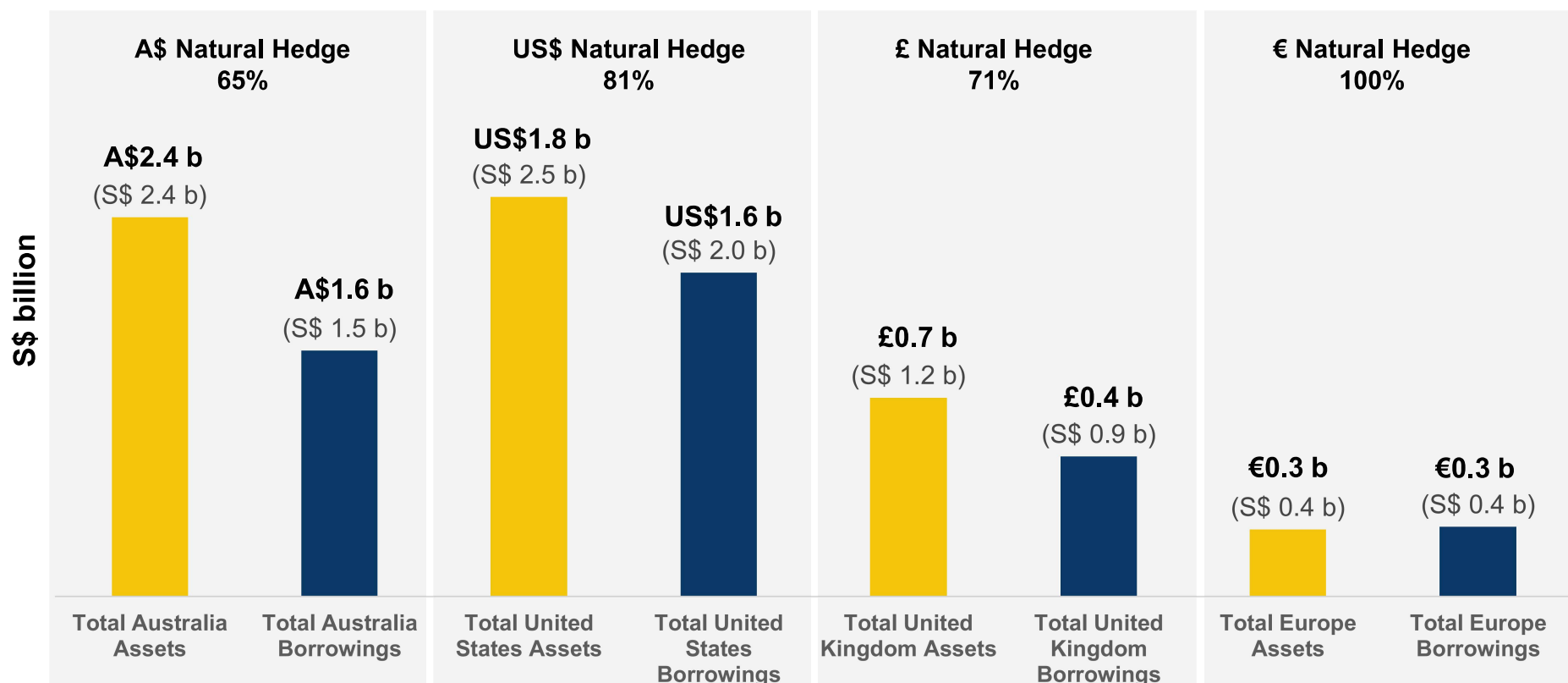
- **80.0%** of borrowings are on fixed rates with an average term of 3.7 years
- 25 bps increase in interest rate is expected to have a pro forma impact of S\$3.1 m decline in distribution or 0.07 cents decline in DPU

Change in Interest Rates	Decrease in Distributable Income (S\$m)	Change as % of FY2021 Distribution	Pro Forma DPU Impact (cents) <sup>(1)</sup>
+ 25 bps	3.1	-0.5%	-0.07
+ 50 bps	6.3	-1.0%	-0.15
+ 75 bps	9.4	-1.5%	-0.22
+ 100 bps	12.5	-2.0%	-0.30
+ 125 bps	15.7	-2.5%	-0.37
+ 150 bps	18.8	-3.0%	-0.45
+ 175 bps	22.0	-3.5%	-0.52
+ 200 bps	25.1	-4.0%	-0.60

(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 ~75% for overseas investment to minimise the effects of any adverse exchange rate fluctuations.





# Asset Management

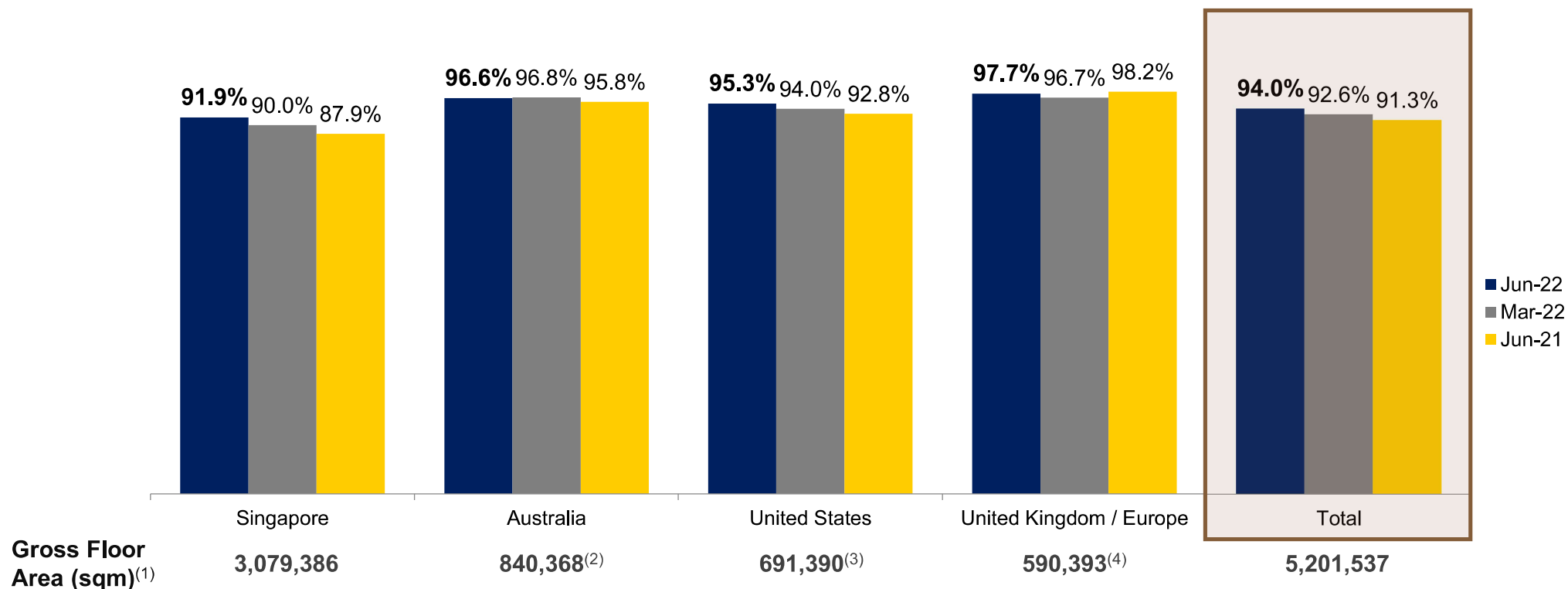
nucleos

Nucleos, Singapore

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# Overview of Portfolio Occupancy



(1) Gross Floor Area as at 30 Jun 2022.

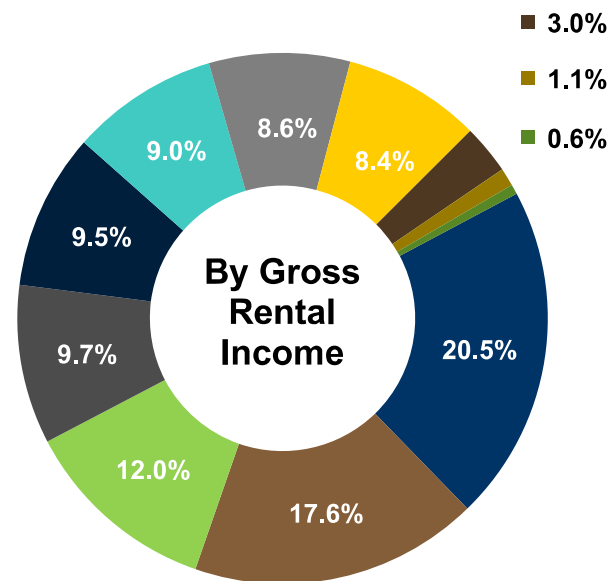
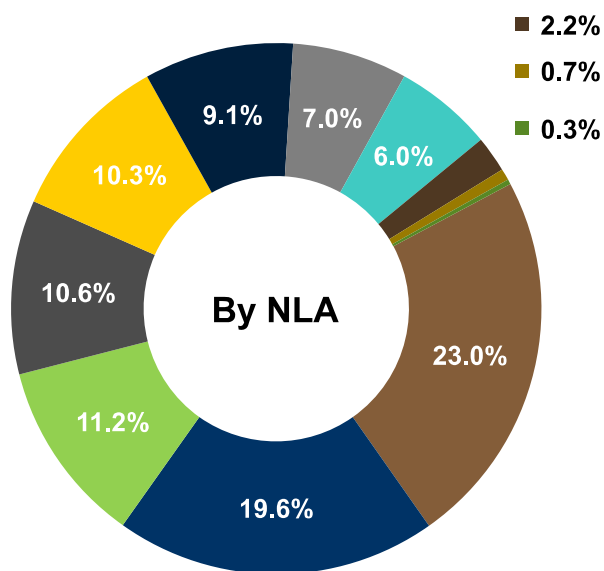
(2) Gross Floor Area for Australia portfolio refers to the Gross Lettable Area/Net Lettable Area.

(3) Gross Floor Area for USA Portfolio refers to Gross Lettable Area/Net Lettable Area including Greenbrier Court (recommission of space in Jun 2022) and 7 logistics properties in Chicago acquired on 10 Jun 2022.

(4) Gross Floor Area for United Kingdom/Europe portfolio refers to the Gross Internal Area.



# Singapore: Sources of New Demand in 1H 2022



- Engineering
- Logistics & Supply Chain Management
- Electronics
- Education and Media
- Lifestyle, Retail and Consumer Products
- IT & Data Centers
- Financial & Professional Services
- Distributors & Trading Company
- Biomedical and Agri/Aquaculture
- Government and IO/NGOs/NPOs
- Energy, Chemicals and Materials

# Portfolio Rental Reversions

- Average portfolio rent reversion of leases renewed in 2Q 2022 and 1H 2022 was 13.2% and 9.4% respectively.
- Rental reversion for FY2022 is expected to be in the positive mid single-digit range.

% Change in Renewal Rates for Multi-tenant Buildings <sup>(1)</sup>	2Q 2022	1Q 2022	2Q 2021
<b>Singapore</b>	<b>13.0%</b>	<b>3.9%</b>	<b>3.4%</b>
Business Space <sup>(2)</sup> and Life Sciences <sup>(3)</sup>	19.9%	3.6%	3.7%
Logistics <sup>(4)</sup>	7.5%	1.5%	1.8%
Industrial <sup>(5)</sup> and Data Centres	4.4%	4.4%	6.1%
<b>Australia</b>	<b>15.2%</b>	<b>16.5%</b>	<b>_(6)</b>
Business Space	_(6)	16.5%	_(6)
Logistics	15.2%	_(6)	_(6)
<b>United States</b>	<b>15.3%</b>	<b>14.0%</b>	<b>26.3%</b>
Business Space	15.3%	12.2%	26.3%
Logistics	_(6)	26.4%	N.A.
<b>United Kingdom/Europe</b>	<b>11.7%</b>	<b>_(6)</b>	<b>_(6)</b>
Data Centres	11.7%	_(6)	_(6)
Logistics	_(6)	_(6)	_(6)
<b>Total Portfolio :</b>	<b>13.2%</b>	<b>4.6%</b>	<b>8.9%</b>

- (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) Business Space segment includes properties located in business & science parks in Singapore, suburban offices in Australia as well as business park and office properties in USA.
- (3) Life Science segment comprises properties with lab-ready specifications (currently 7 business park properties in Singapore)
- (4) Includes Courts Megastore and Giant Hypermart which have been reclassified from Integrated development, amenities and retail (IDAR) segment. These properties have large warehouse spaces (under the Retail Warehouse Scheme).
- (5) Comprises high-specifications and light industrial properties (includes Aperia which has been reclassified from IDAR segment given its predominant industrial space offering).
- (6) There were no renewals signed in the period for the respective segments.

# Weighted Average Lease Expiry

By Gross Revenue

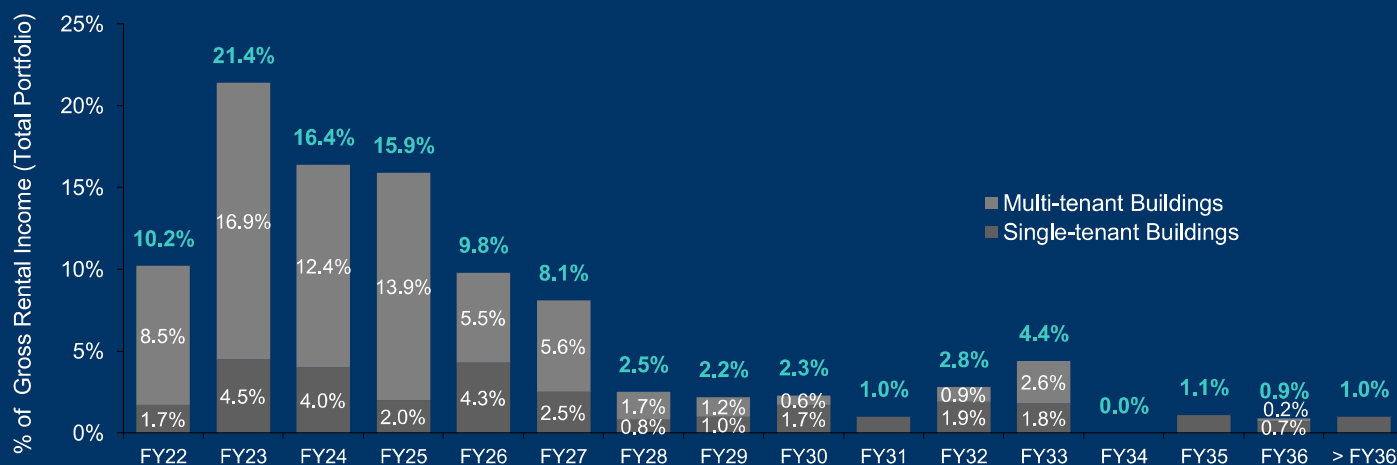
- Portfolio Weighted Average Lease Expiry (WALE) stood at 3.7 years

WALE (as at 30 Jun 2022)	Years
Singapore	3.4
Australia	3.1
United States	4.1
United Kingdom/Europe	5.3
Portfolio	3.7

# Portfolio Lease Expiry Profile

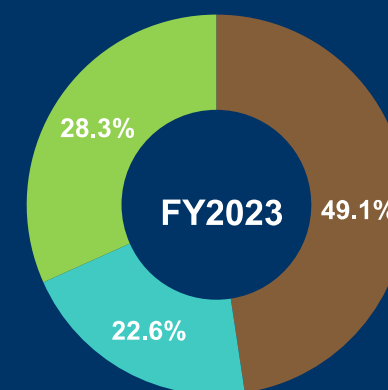
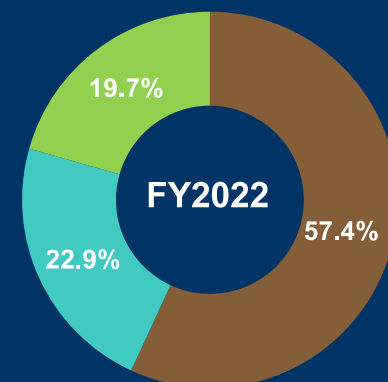
As at 30 Jun 2022

- Portfolio WALE of 3.7 years
- Lease expiry is well-spread, extending beyond FY2036
- About 10.2% of gross rental income is due for renewal in the remaining of FY2022
- Weighted average lease term of new leases <sup>(1)</sup> signed in 1H 2022 was 4.75 years and contributed 3.0% of 1H 2022 total gross revenue



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

Breakdown of expiring leases for FY2022 and FY2023



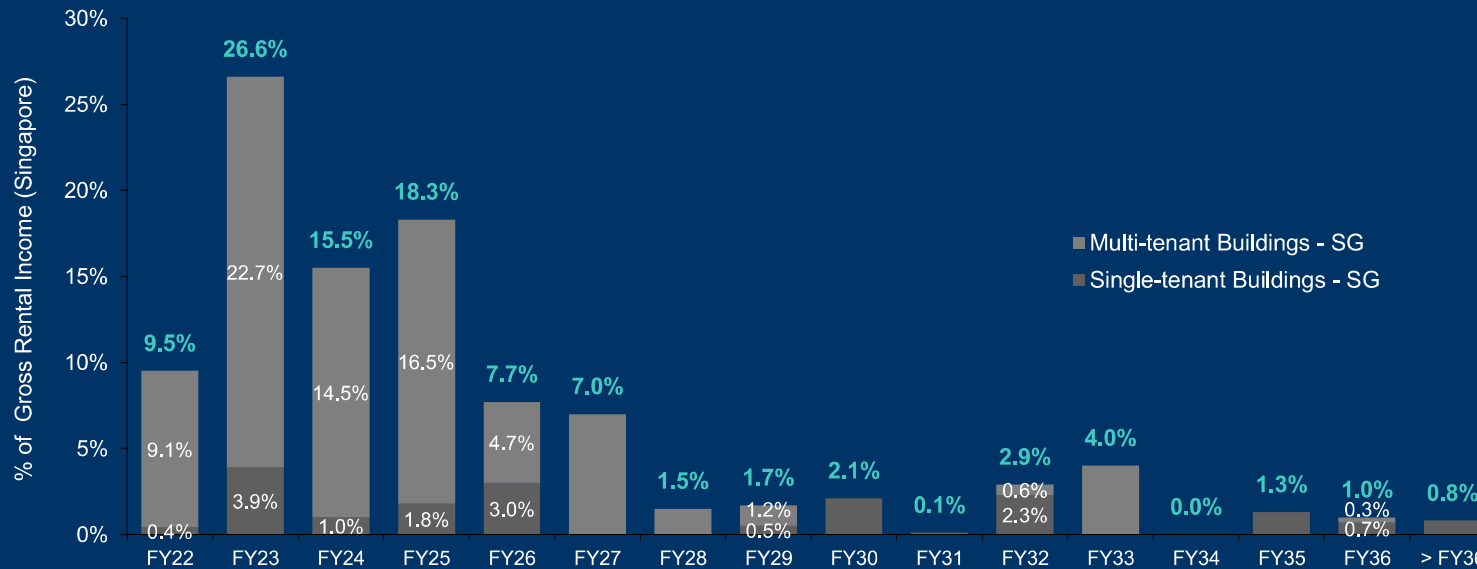
■ Business Space and Life Sciences  
■ Logistics  
■ Industrial and Data Centres



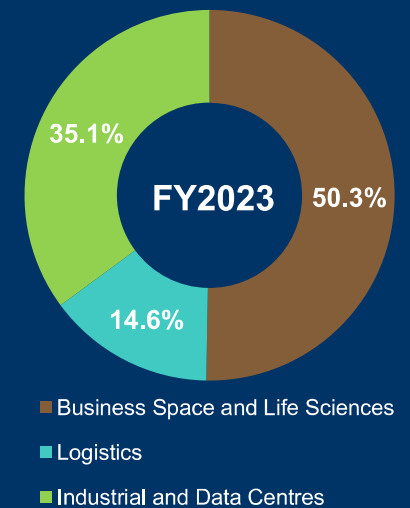
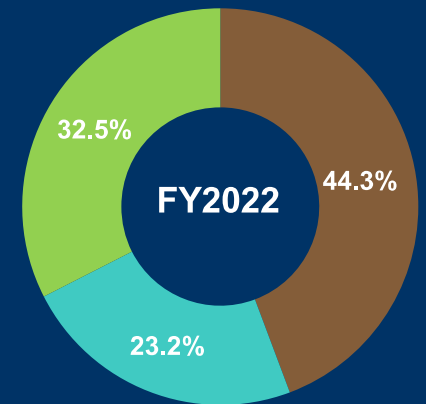
# Singapore: Lease Expiry Profile

As at 30 Jun 2022

- Singapore portfolio WALE of 3.4 years
- Lease expiry is well-spread, extending beyond FY2036
- About 9.5% of Singapore's gross rental income is due for renewal in the remaining of FY2022



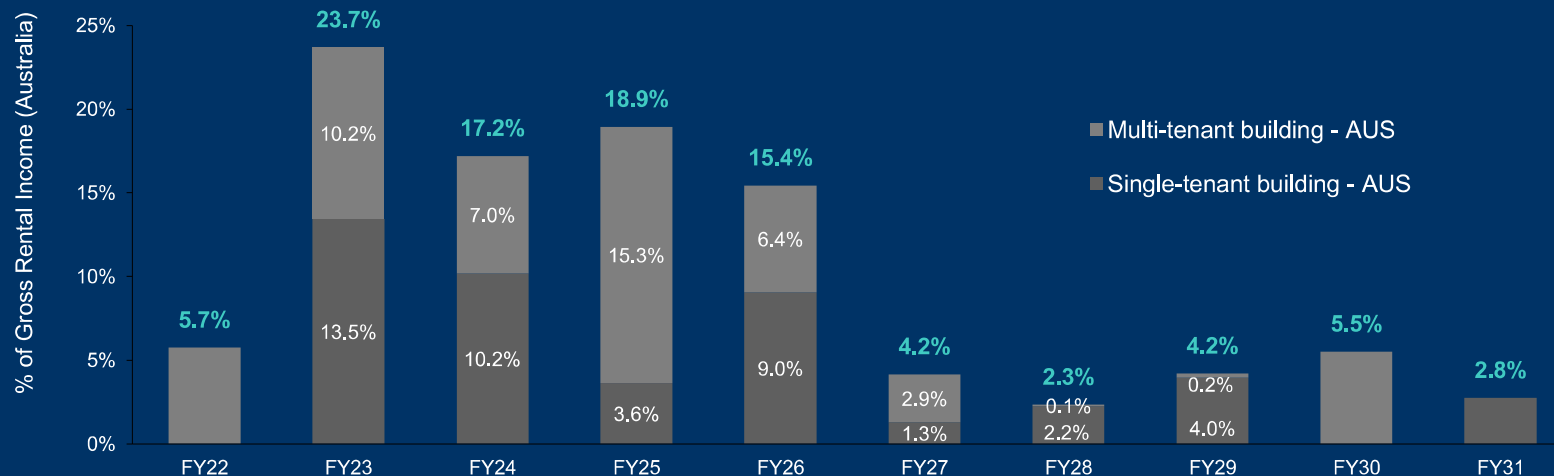
Breakdown of expiring leases for FY2022 and FY2023



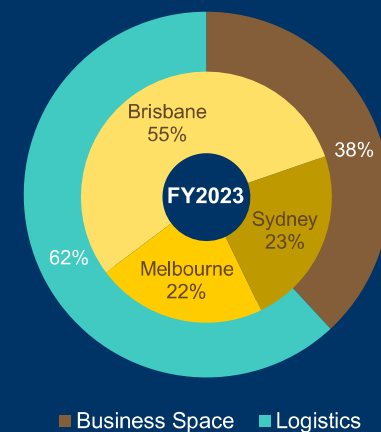
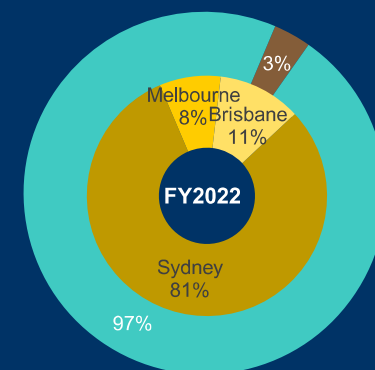
# Australia: Lease Expiry Profile

As at 30 Jun 2022

- Australia portfolio WALE of 3.1 years
- Lease expiry is well-spread, extending till FY2031
- About 5.7% of Australia's gross rental income is due for renewal in the remaining of FY2022



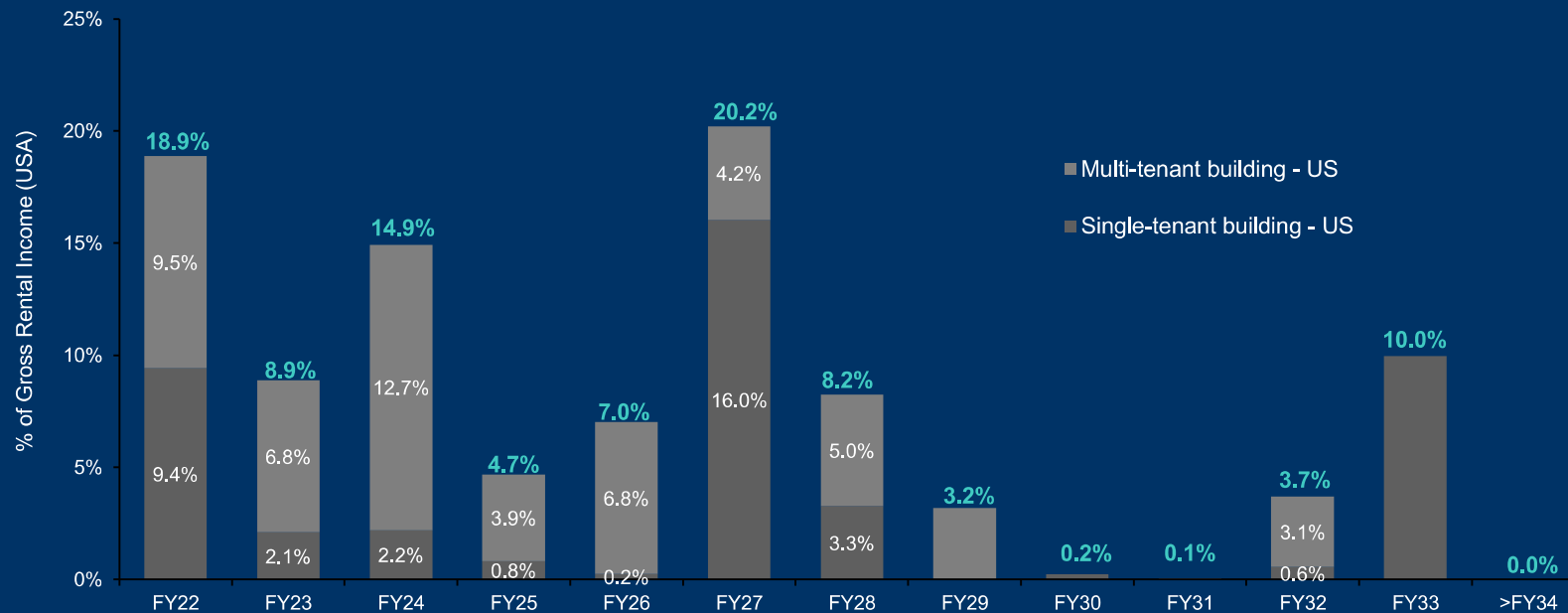
Breakdown of expiring leases for FY2022 and FY2023



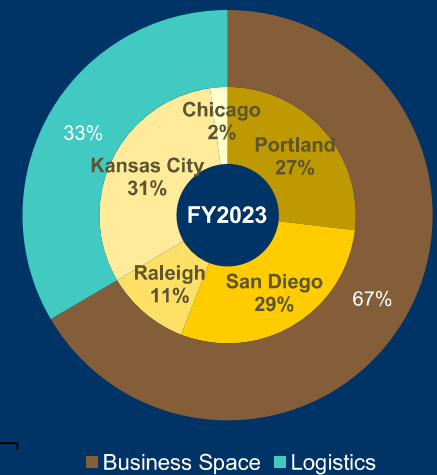
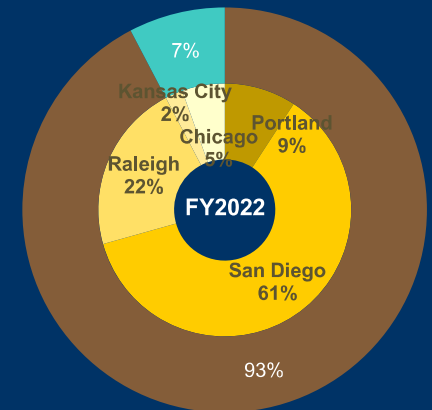
# United States: Lease Expiry Profile <sup>(1)</sup>

As at 30 Jun 2022

- United States portfolio WALE of 4.1 years
- Lease expiry is well-spread, extending beyond FY2033
- About 18.9% of United States' gross rental income is due for renewal in the remaining of FY2022



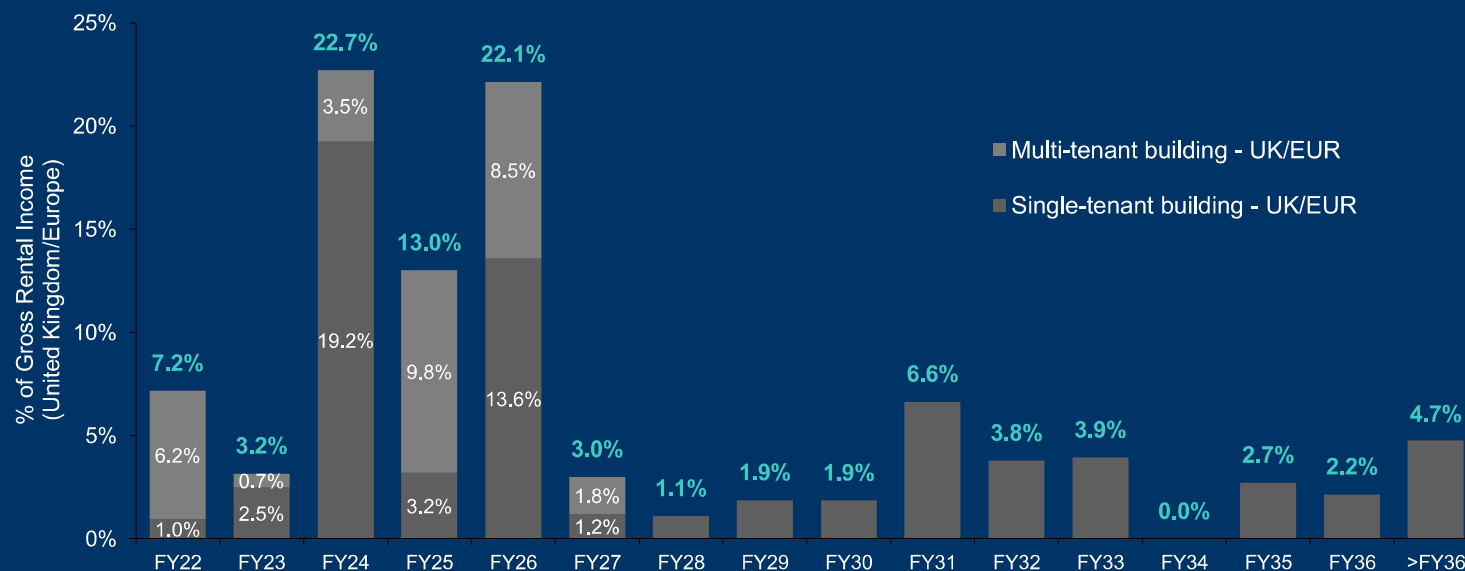
Breakdown of expiring leases for FY2022 and FY2023



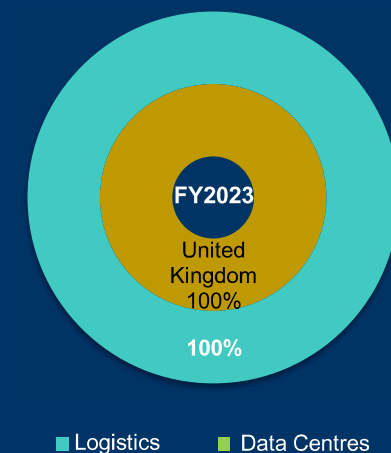
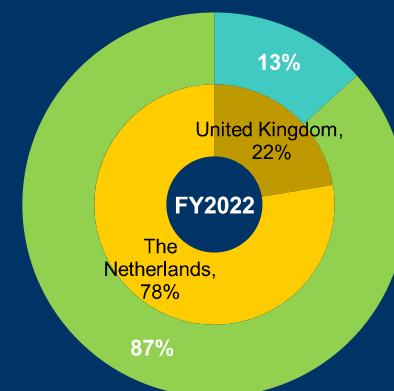
# United Kingdom/Europe: Lease Expiry Profile

As at 30 Jun 2022

- United Kingdom/Europe portfolio WALE of 5.3 years
- Lease expiry is well-spread, extending beyond FY2036
- About 7.2% of United Kingdom/Europe's gross rental income is due for renewal in the remaining of FY2022



Breakdown of expiring leases for FY2022 and FY2023





# Improving Portfolio Quality

## Ongoing Projects

	City/Country	Estimated Total Cost (S\$m)	Estimated Completion Date
<b>Acquisitions Under Development</b>		<b>161.0</b>	
MQX4, Macquarie Park	Sydney, Australia	161.0 <sup>(1)</sup>	1Q 2023 <sup>(2)</sup>
<b>Redevelopments</b>		<b>384.5</b>	
1 Science Park Drive (34% stake)	Singapore	300.2 <sup>(3)</sup>	2Q 2025
iQuest@IBP	Singapore	84.3	4Q 2024
<b>Asset Enhancement Initiatives</b>		<b>20.5</b>	
17 Changi Business Park Central 1	Singapore	5.0	4Q 2022
The Alpha <i>(new)</i>	Singapore	15.5	4Q 2023
<b>TOTAL:</b>		<b>566.0</b>	

(1) Based on exchange rate of A\$1.000: S\$0.9628 as at 31 Jul 2020.

(2) Delayed from 4Q 2022.

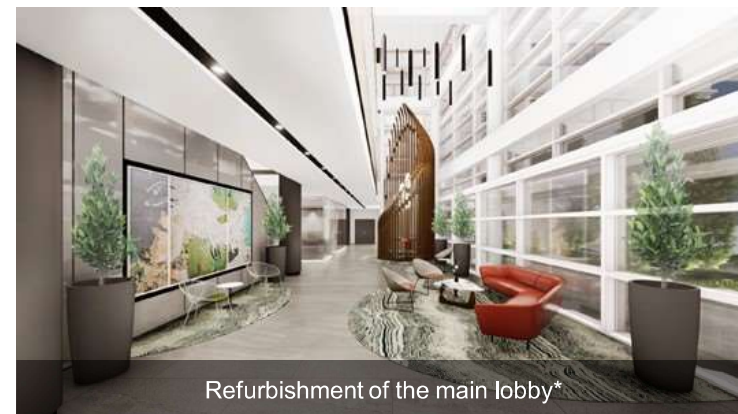
(3) Based on CapitaLand Ascendas REIT's proportionate share of the project.

# Asset Enhancement Initiative (New):

The Alpha, Singapore

<b>Description</b>	<p>Refurbishment of the main lobby will include modernization of the interiors and collaboration spaces such as meeting rooms and working pods to enhance the overall tenant experience. Lift lobbies and common corridors will also undergo a facelift to improve marketability.</p> <p>A new drop-off point will also be constructed to accommodate a larger traffic influx. Other building amenities such as the canteen and toilets will undergo expansion to cater to a larger capacity of users.</p>
<b>Property Segment</b>	Business Space
<b>Net Lettable Area</b>	21,109 sqm
<b>Estimated Cost</b>	S\$15.5m
<b>Estimated Completion Date</b>	4Q 2023

\*Artist's Impressions



Refurbishment of the main lobby\*



Construction of a new drop-off point\*



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Ascendas REIT

# Market Outlook

Perimeter Two, Raleigh, United States

# Market Outlook

Inflation rates have soared globally driven by supply chain disruptions exacerbated by the Russian-Ukraine war and pent-up consumer spending. Central banks around the world have taken action to contain inflation by raising interest rates.

The International Monetary Fund (IMF) expects these challenges to weigh on global economic growth in 2022. In its July 2022 report, the IMF projects global growth to slow to 3.2% in 2022 from 6.1% in 2021. This latest forecast is 40 basis points lower than its April 2022 projection.

## Singapore

- The Singapore economy expanded by 4.8% y-o-y in 2Q 2022 higher than the 4.0% y-o-y growth in 1Q 2022. The Ministry of Trade and Industry (MTI) maintained its GDP growth forecast of between 3.0% and 5.0% for 2022 but expects growth to come in at the lower half of this range in view of the deterioration in the external environment.
- Singapore's core inflation rate (excluding accommodation and private transport) rose to 4.4% y-o-y in Jun 2022 as a result of price increases across services, food, retail & other goods, as well as electricity & gas. In Jul 2022, the Monetary Authority of Singapore (MAS) tightened its monetary policy for the fourth time since October 2021 to slow the inflation momentum.
- CapitaLand Ascendas REIT's multi-asset portfolio in Singapore worth S\$10.0b, serves a wide range of customers from industries such as technology, biomedical sciences, manufacturing and logistics across their entire chain of operations.
- As part of CapitaLand Ascendas REIT's asset rejuvenation plan, several asset enhancement initiatives and a redevelopment project were completed recently to upgrade property specifications, unlock value through repositioning or meet green rating requirements. These properties are expected to generate higher returns for us.

Source for Singapore GDP and GDP growth forecast: MTI



# Market Outlook

## Australia

- In 1Q 2022, the Australian economy grew 3.3% y-o-y and 0.8% quarter-on-quarter (q-o-q). Household spending rose 1.5% in the quarter following the easing of COVID-19 restrictions. The IMF projected the Australian economy to achieve a GDP growth of 3.8% in 2022.
- In 2Q 2022, Australia's consumer price index rose 6.1% y-o-y. The Reserve Bank of Australia raised its interest rate by 50 basis points to 1.35% in Jul 2022 and expects to implement further rate hikes to return inflation to its target level of 2 - 3%.
- The two newly completed logistics properties, 7 Kiora Crescent in Sydney and 500 Green Road in Brisbane are 100% occupied and have started to contribute positively to the rental income of the Australian portfolio. MQX4, CapitaLand Ascendas REIT's new suburban office in Sydney, is expected to complete in 1Q 2023, which will expand its footprint within the Macquarie Park innovation district. The total value of properties in Australia is expected to grow to S\$2.5b after the inclusion of MQX4.

Source for Australia GDP/CPI: Australian Bureau of Statistics; Source for Australia GDP growth forecast: IMF

# Market Outlook

## United States

- In 2Q 2022, the USA economy shrank for a second consecutive quarter. GDP declined by 0.9% q-o-q following a 1.6% q-o-q contraction in 1Q 2022. Whilst consumer spending and exports grew during the quarter, this was offset by a decline in business inventories
- Inflation accelerated to a 40-year high at 9.1% y-o-y (CPI for All Urban Consumers) in June 2022. To return inflation back to the 2% target, the US Federal Reserve raised interest rates by a total of 225 basis points to a range of 2.25% to 2.50% since the beginning of 2022. The IMF projected USA's GDP to expand by 2.3% in 2022.
- To diversify its exposure in the USA, CapitaLand Ascendas REIT acquired a total of 18 last mile logistics properties in the last 12 months across Kansas City and Chicago. The portfolio was worth S\$2.5b as of 30 June 2022 and comprises business spaces and logistics properties. Underpinned by a long WALE period of 4.1 years, the portfolio is expected to generate stable returns.

Source for USA GDP: US Bureau of Economic Analysis; Source for USA CPI: US Bureau of Labour Statistics; Source for GDP growth forecast: IMF

# Market Outlook

## United Kingdom (UK) / Europe

- UK's GDP rose 8.7% y-o-y and 0.8% q-o-q in 1Q 2022. In May 2022, GDP grew by 0.5% month-on-month, contributed by growth across the services, production and construction sectors. UK's economy is projected to expand by 3.2% in 2022.
- UK's Consumer Price Index (including owner occupiers' housing costs) rose 8.2% in the 12 months to Jun 2022. Since Dec 2021, the Bank of England has increased its interest rates by 115 basis points from 0.1% to 1.25%.
- The growth outlook of the economies in Western Europe have been affected by Russia's invasion of Ukraine. Headwinds from higher commodity prices and renewed supply chain disruptions have led to slower growth expectations in 2022. The European Commission reduced its 2022 GDP growth expectations for the European Union to 2.7% in 2022 from 4.0% in its earlier forecast.
- In UK/Europe, CapitaLand Ascendas REIT's assets under management amounts to S\$1.7b as of 30 Jun 2022. The portfolio comprising logistics properties and data centres has a long WALE period of 5.3 years and is expected to benefit from the strong adoption of e-commerce and digitalisation of activities.

Source for UK GDP / CPI: Office for National Statistics; Source for UK GDP growth forecast: IMF

# Market Outlook

## Conclusion

- The war in Ukraine has injected greater uncertainty into the global economy. Supply chain disruptions, higher prices and interest rates have affected trade, commodity and financial markets. These could have some impact on tenants' businesses as well as on CapitaLand Ascendas REIT's operating costs.
- On a positive note, there are deep structural trends that continue to present tailwinds for CapitaLand Ascendas REIT. For example, companies expanding logistics capacities to build resilience in their supply chains and the digitalisation of the economy are expected to drive demand for CapitaLand Ascendas REIT's logistics properties, as well as business space and data centres respectively.
- Overall, CapitaLand Ascendas REIT's diversified portfolio in developed markets, A3 Moody's credit rating and experienced team will help it to stay ahead of the curve, weather the economic uncertainties and continue to grow in a healthy manner.



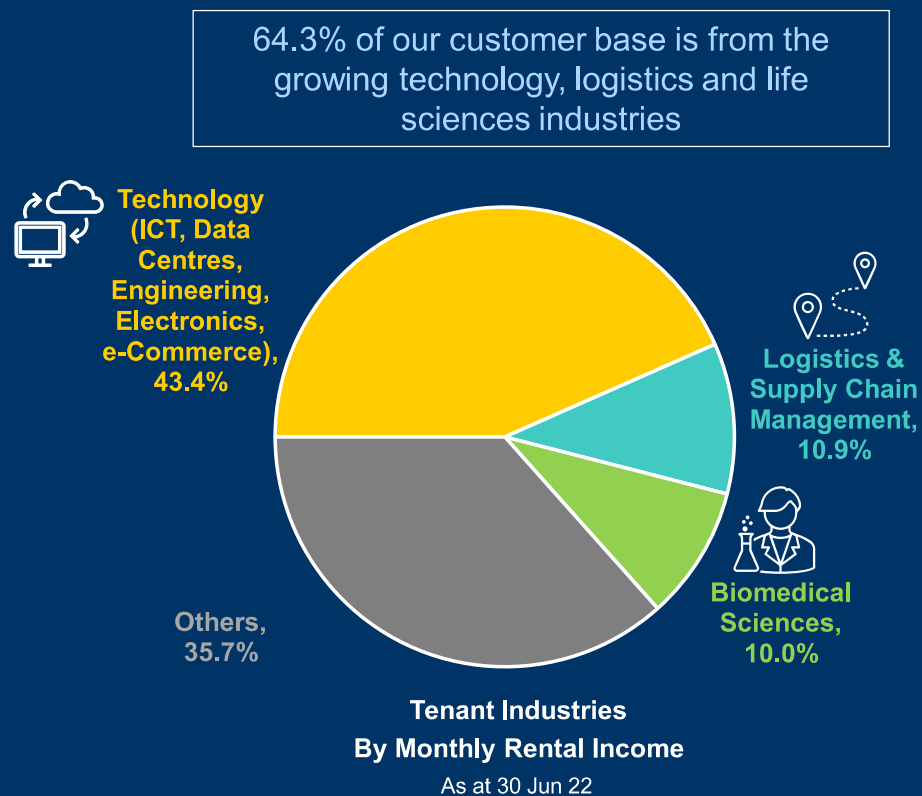
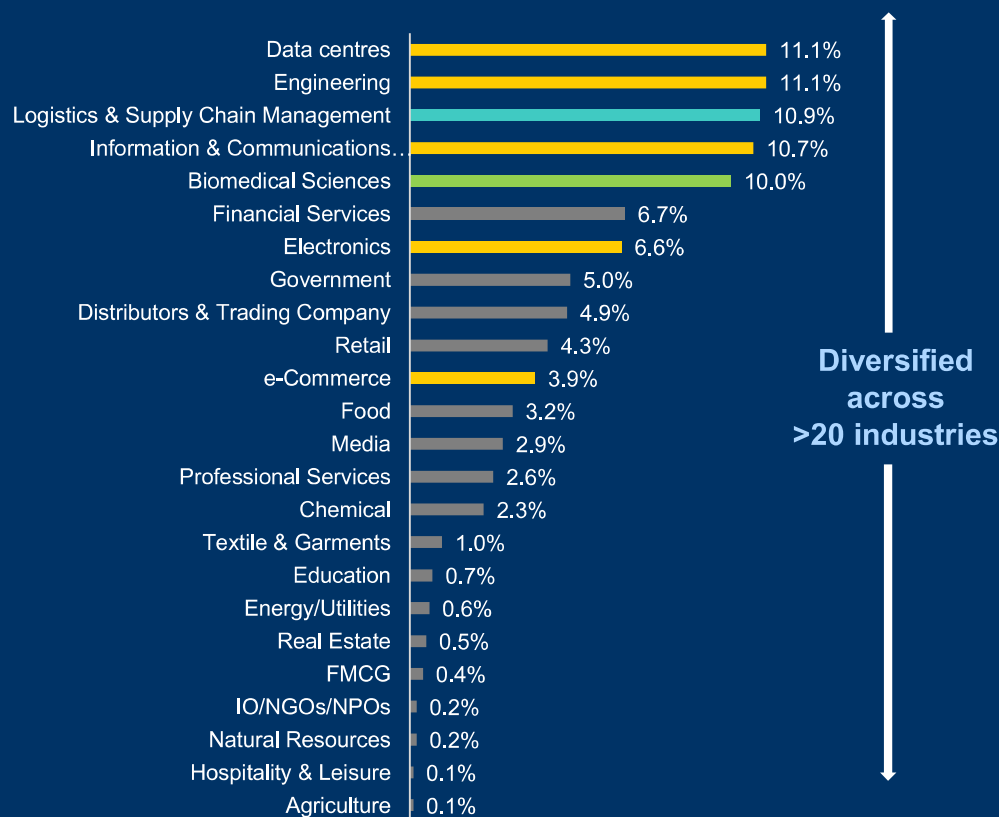
# Portfolio Resilience & Sustainability

254 Wellington Road, Melbourne, Australia

20 Celebrating Years

CapitaLand  
Ascendas REIT

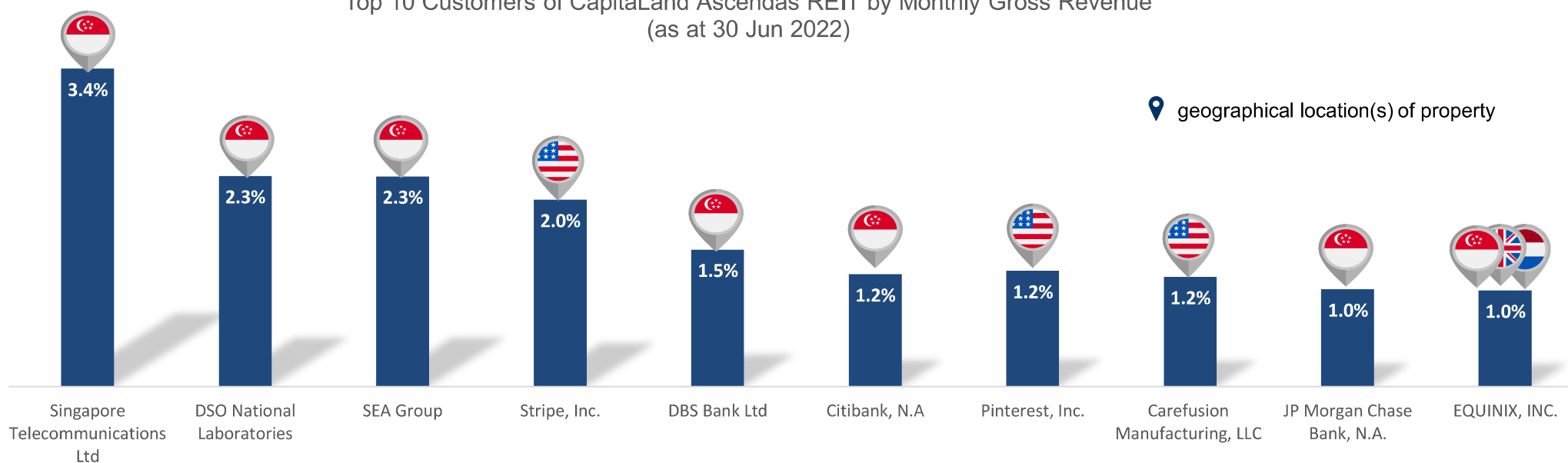
# Tapping the Growing Technology, Logistics & Life Science Industries



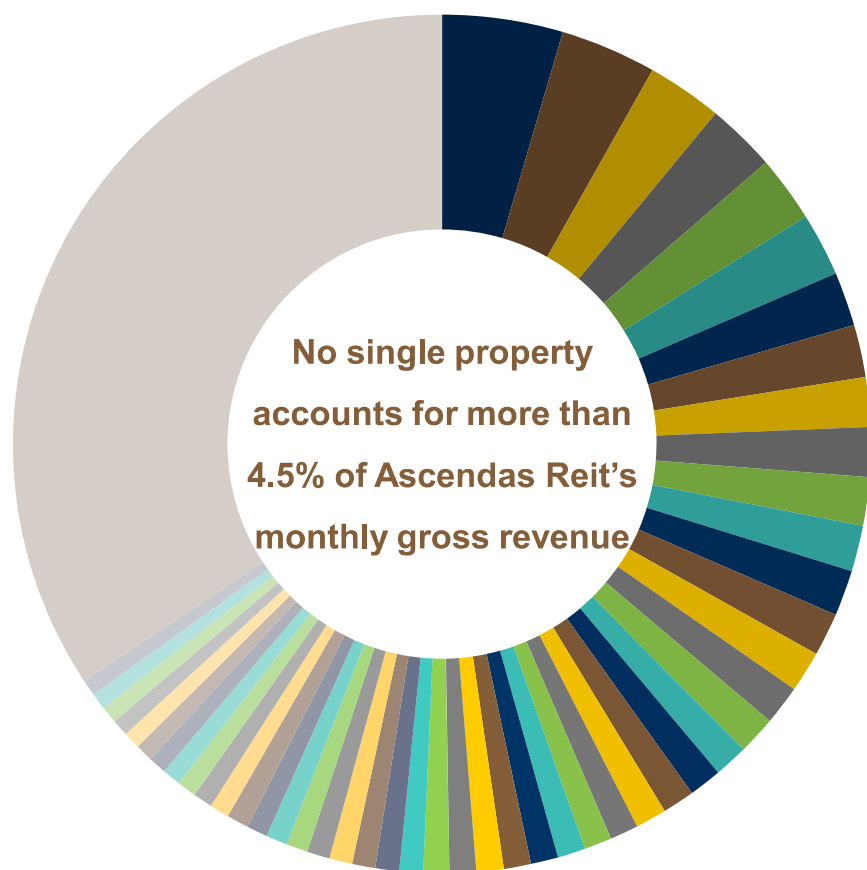
# Quality and Diversified Customer Base

- Total customer base of more than 1,600 tenants.
- Top 10 customers (as at 30 Jun 2022) account for about 17.1% of monthly portfolio gross revenue.
- On a portfolio basis, weighted average security deposit is about 4.7 months of rental income.

Top 10 Customers of CapitaLand Ascendas REIT by Monthly Gross Revenue  
(as at 30 Jun 2022)



# Diversified Portfolio



Galaxis, 4.5%	Aperia, 3.6%
Paul van Vlissingenstraat, 2.8%	12, 14 & 16 Science Park Drive, 2.6%
ONE @ Changi City, 2.5%	Nucleos, 2.4%
510 Townsend Street, 2.0%	1, 3 & 5 Changi Business Park Crescent, 2.0%
Neuros & Immunos, 1.9%	Kim Chuan Telecommunication Complex, 1.9%
Pioneer Hub, 1.8%	TelePark, 1.7%
Croydon, 1.7%	TechPlace II, 1.6%
40 Penjuru Lane, 1.5%	The Aries, Sparkle & Gemini, 1.5%
Techview, 1.4%	Nexus@one-north, 1.3%
505 Brannan Street, 1.2%	DBS Asia Hub, 1.2%
Corporation Place, 1.2%	TechPlace I, 1.1%
The Galen, 1.0%	31 International Business Park, 1.0%
Siemens Centre, 1.0%	Techlink, 1.0%
The Kendall, 1.0%	80 Bendemeer Road, 1.0%
TechPoint, 1.0%	Welwyn, 0.9%
FoodAxis @ Senoko, 0.9%	10020 Pacific Mesa Boulevard, 0.9%
Grab Headquarters, 0.9%	The Capricorn, 0.9%
10 Toh Guan Road, 0.8%	138 Depot Road, 0.8%
Infineon Building, 0.8%	197-201 Coward Street, 0.8%
Giant Hypermart, 0.7%	Nordic European Centre, 0.7%
Changi Logistics Centre, 0.7%	Cintech III & IV, 0.7%
5200 East and West Paramount Parkway, 0.7%	Perimeter 1, 0.7%
The Alpha, 0.7%	5005 & 5010 Wateridge, 0.6%
Courts Megastore, 0.6%	Perimeter 2, 0.6%
Perimeter 3, 0.6%	Others, 34.3%

Note:  
(1) Excludes the monthly gross revenue of the seven logistics properties in Chicago acquired on 10 Jun 2022.

# Sustainability Committees

## Strategic Oversight & Implementation of Strategies



Note:

(1) For more details about CapitaLand 2030 Sustainability Master Plan, please refer to [https://www.capitaland.com/content/dam/capitaland-sites/international/about-capitaland/sustainability/CapitaLand\\_2030\\_Sustainability\\_Master\\_Plan.pdf](https://www.capitaland.com/content/dam/capitaland-sites/international/about-capitaland/sustainability/CapitaLand_2030_Sustainability_Master_Plan.pdf)



# CapitaLand Ascendas REIT's ESG Targets

	Targets	Timeline
Environmental	<ul style="list-style-type: none"> <li>Green Certification for new acquisitions/developments to meet a minimum green rating target set<sup>(1)</sup> <ul style="list-style-type: none"> <li>Singapore – Green Mark Gold<sup>PLUS</sup> award</li> <li>Overseas – certification by a green rating system administered by a national government ministry/agency or a World Green Building Council (WGBC) recognised Green Building Council<sup>(2)</sup></li> </ul> </li> </ul>	-
	<ul style="list-style-type: none"> <li>All existing properties to achieve a minimum green rating<sup>(3)</sup></li> </ul>	By 2030
	<ul style="list-style-type: none"> <li>To power the common facilities' electricity usage at Nucleos, Singapore, with renewable energy; in addition to the existing 3 properties<sup>(4)</sup> at one-north and Singapore's first Super Low Energy (SLE) industrial building, LogisTech.</li> </ul>	By 2022
Social	<ul style="list-style-type: none"> <li>Zero incidents resulting in staff permanent disability or fatality</li> <li>To ensure that at least 92% of vendors<sup>(3)</sup> attain a Level 3 in bizSAFE and above</li> <li>To achieve zero cases of validated discrimination</li> </ul>	Perpetual targets
Governance	<ul style="list-style-type: none"> <li>To achieve zero lapses in corporate governance, corruption/employee misconduct</li> <li>Train all licensed employees on compliance with relevant governance policies</li> <li>Achieve full compliance with Personal Data Protection Act (PDPA) requirements</li> </ul>	Perpetual targets

(1) Refers to CapitaLand Ascendas REIT's owned and managed properties. If this is not achievable immediately, capital expenditure will be set aside to enhance the properties to attain green certifications in the future.

(2) Includes certifications for new building construction, core & shell, design and as-built etc.

(3) Refers to CapitaLand Ascendas REIT's owned and managed properties

(4) Refers to Neuros & Immunos, Nexus@one-north and Nucleos.

(5) Refers to vendors appointed by the procurement team for CapitaLand Ascendas REIT's Singapore property management services.

# Updates on Green Initiatives



## Green Financing

- Established Green Finance Framework in FY2020
- Total of **~S\$1.5b** comprising Green Bond, Green Perpetual Securities, Green Loans
- Green Interest Rates Swap (~S\$202 m)



## Leveraging Technology

- Smart Urban Co-Innovation Lab located at The Galen, is **Southeast Asia's first industry-led innovation lab for smart cities solutions development**
- Bring together industry leaders and the community to foster collaborations, co-create and test innovations within the Singapore Science Parks and Changi Business Park



## Green Buildings

- To date, **74%** or **44%** of CapitaLand Ascendas REIT's respective managed and total properties by GFA is green certified (31 Mar 2022: 48% and 31% respectively)
- LogisTech is the first industrial building in Singapore awarded Green Mark Platinum Super Low Energy (SLE) status. Energy generated from solar panels on its rooftop is used to power the building



## Renewable Energy

- **Largest no. of public Electric Vehicle (EV) charging points** in Singapore by a S-REIT: **76**
- Total no. of EV points in overseas portfolio: **157**
- **One of the largest combined rooftop solar installations in Singapore for Singapore REIT:** projected to generate >13,000 MWh of solar power annually from solar farms on 8 of our properties
- 100% renewable energy is procured for four co-location data centres<sup>1</sup> in Europe/UK.

Information as at 30 June 2022

(1) Reynolds House, Paul van Vlissingenstraat (PVV), Cressex Business Park, Croydon (except for a tenant who procures its own electricity).

# Committed to Reduce Carbon Footprint

- By 2022, CapitaLand Ascendas REIT aims to power the common facilities' electricity usage at Nucleos, Singapore, with renewable energy; in addition to the existing 3 properties at one-north<sup>(1)</sup> and Singapore's first SLE industrial building, LogisTech.



Achieved in 2020

Achieved in 2021

By 2022

Power more than 2,800  
four-room HDB flats for a  
year



Avoid ~4.9 mil kg of  
Carbon Dioxide



(1) Refers to Neuros & Immunos, Galaxis, and Nexus@one-north.

# Green Buildings Status

18

Green Mark  
Certifications  
Obtained in 1H 2022

74%

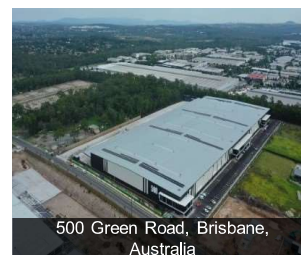
of Managed  
Properties are Green  
Certified (by GFA)  
as at 30 June 2022

59

Green Certified Managed  
Properties  
as at 30 June 2022



## Upcoming green certifications



500 Green Road, Brisbane, Australia  
5-Star Green Star Design & As-Built (target)



MQX4, Sydney, Australia  
6-Star Green Star Design & As-Built and 5.5 Star NABERS Energy (target)



iQuest@IBP, Singapore  
BCA Green Mark Platinum (target)

Note: Info as at 30 June 2022



20 Celebrating  
Years

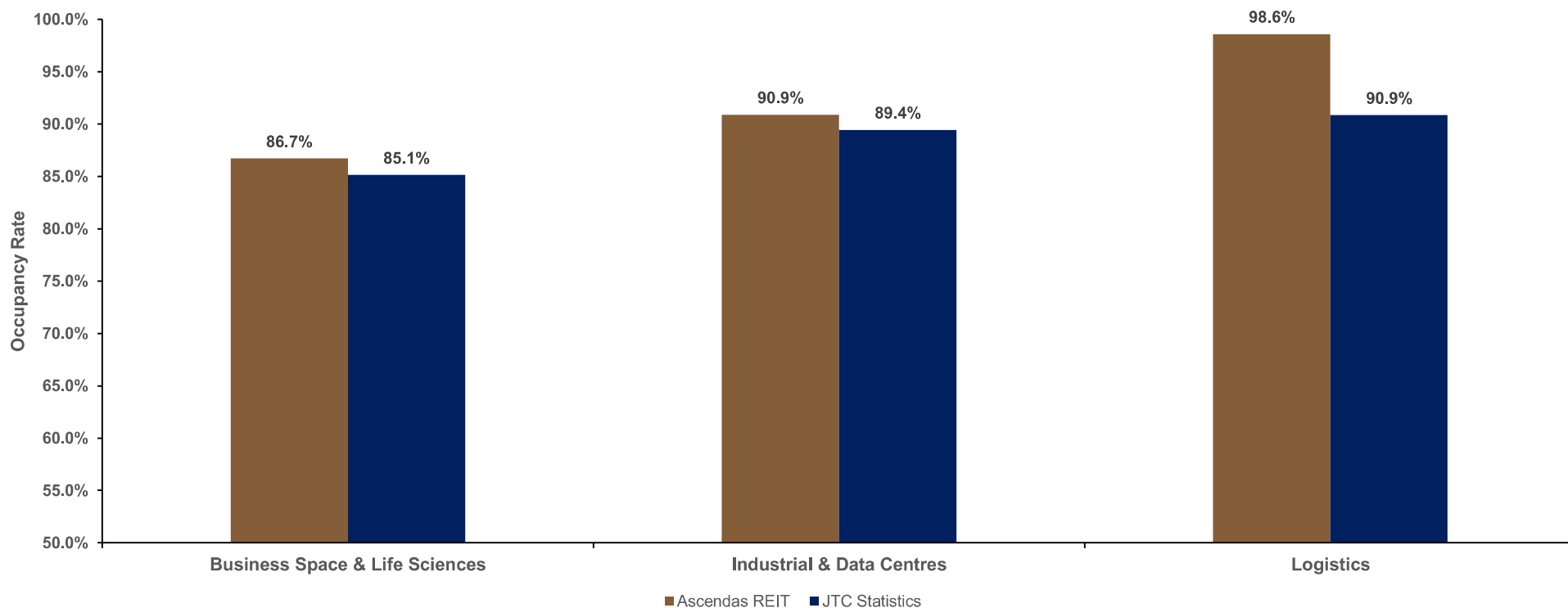
CapitaLand  
Ascendas REIT

# Appendix

Unit 5 Wellesbourne Distribution Park, West Midlands, United Kingdom



# CapitaLand Ascendas REIT's Singapore Occupancy vs Industrial Average

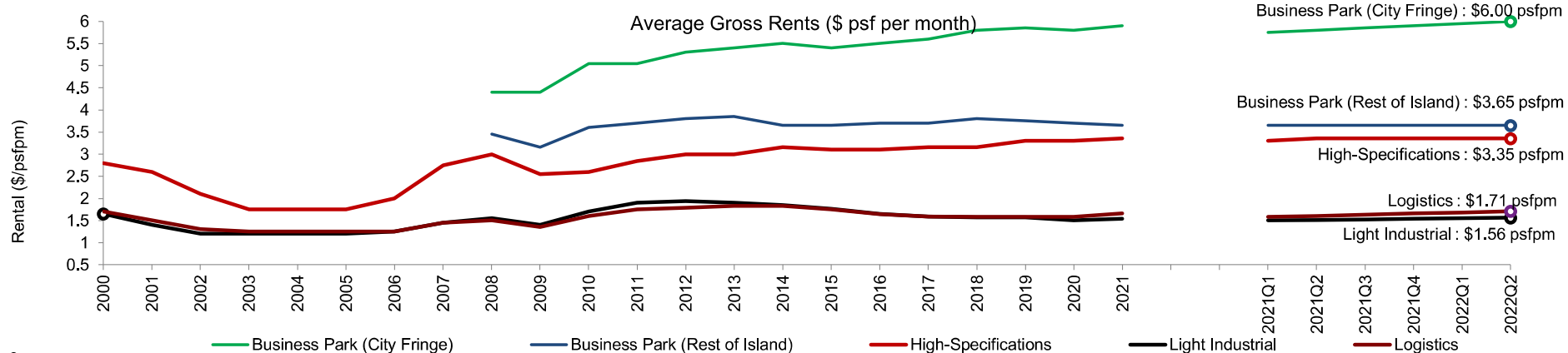
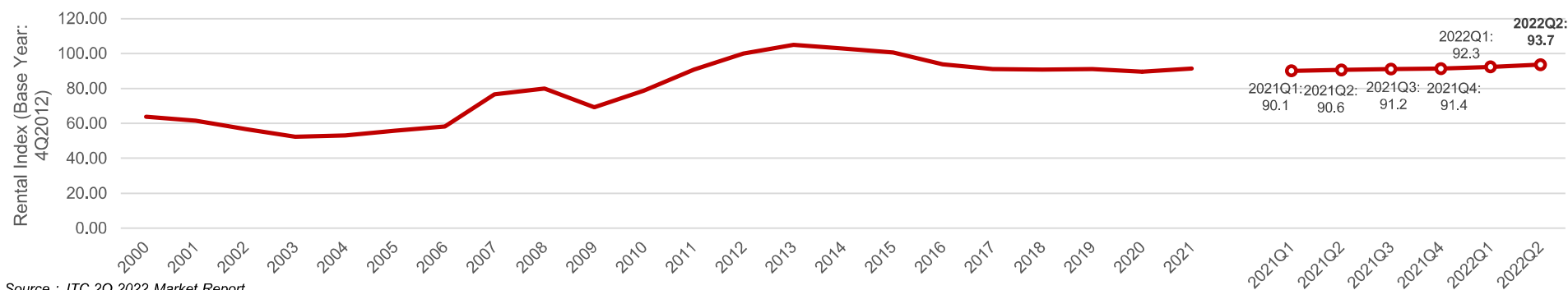


Source :  
CapitaLand Ascendas REIT's Singapore portfolio as at Jun 2022. Market: JTC statistics as at 28 July 2022 (2Q 2022).  
The occupancy rate (89.4%) for the multiple-user factory is taken as a proxy for Industrial & Data Centres

# Average Market Rents (Singapore)

## By Segment

Rental Index of All Singapore Industrial Property





# Thank you

20 Celebrating  
Years

Cap/taLand  
Ascendas REIT