



Ascendas Reit

腾飞房产投资信托

CapitaLand

Investment & REITs

Taiwan Corporate Day

19 November 2021

Aperia, Singapore

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Agenda

04

Overview

07

Good Track Record & Strong Credit Profile

13

Proactive Asset Management

21

Going Green

23

COVID-19 Update

25

Strategy



Overview

Largest Singapore Industrial REIT

Diversified Across Developed Markets and Resilient Asset Classes



Investment Properties S\$16.0 billion

投資性房地產



Market Capitalization > S\$12.0 billion

市值

United States

30 Business Space Properties and
11 Logistics Properties

S\$2.1 b
13%

United Kingdom / Europe

38 Logistics Properties and
11 Data Centres

S\$1.8 b
12%

Singapore

28 Business Space Properties,
21 Logistics Properties,
45 Industrial Properties and
3 Data Centres

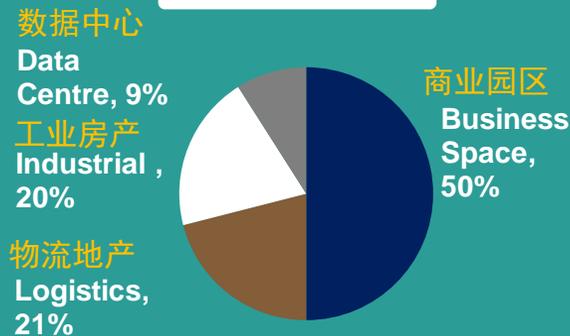
S\$10.0 b
62%

Australia

29 Logistics Properties and 5
Business Space Properties

S\$2.1 b
13%

Asset Classes



Note: As at 30 Sep 2021

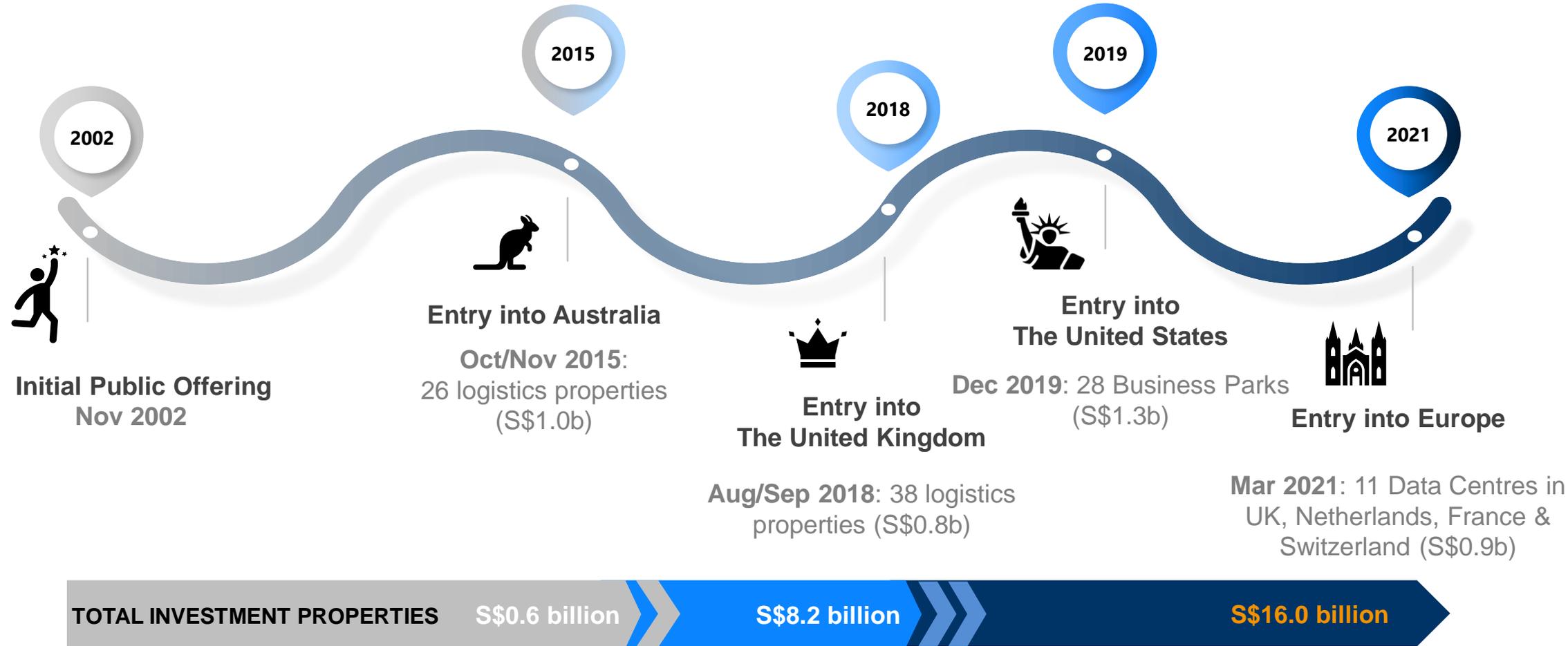
(1) Business Space includes business & science park properties, suburban offices and offices.

(2) Pie chart and figures exclude new acquisition of 11 logistics properties in Kansas City completed in Nov 2021.

Key Milestones

Singapore-focused REIT

Singapore-focused REIT + International Exposure





Good Track Record and Strong Credit Profile

Unit 2 Wellesbourne Distribution Park,
West Midlands, United Kingdom

Disciplined & DPU accretive investments FY2020 – FY2021



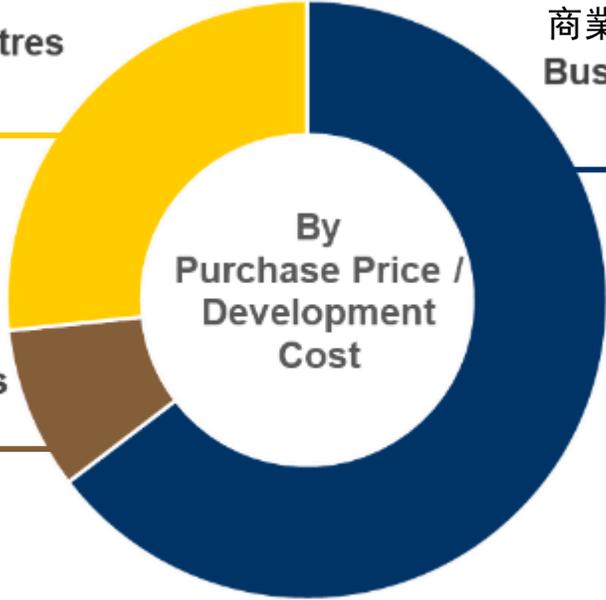
數據中心
Data Centres
27%

11 data centres in Europe (London, Amsterdam, Paris, Switzerland): S\$904.6 m



物流地產
Logistics
9%

2 logistics properties in Australia (Brisbane, Sydney) and 11 logistics properties in US (Kansas City): S\$298.0 m



Total Acquisitions/Developments S\$3.4 b⁽¹⁾



2 business park properties in Singapore (one-north): S\$882.1 m



2 offices in US (San Francisco): S\$768.0 m

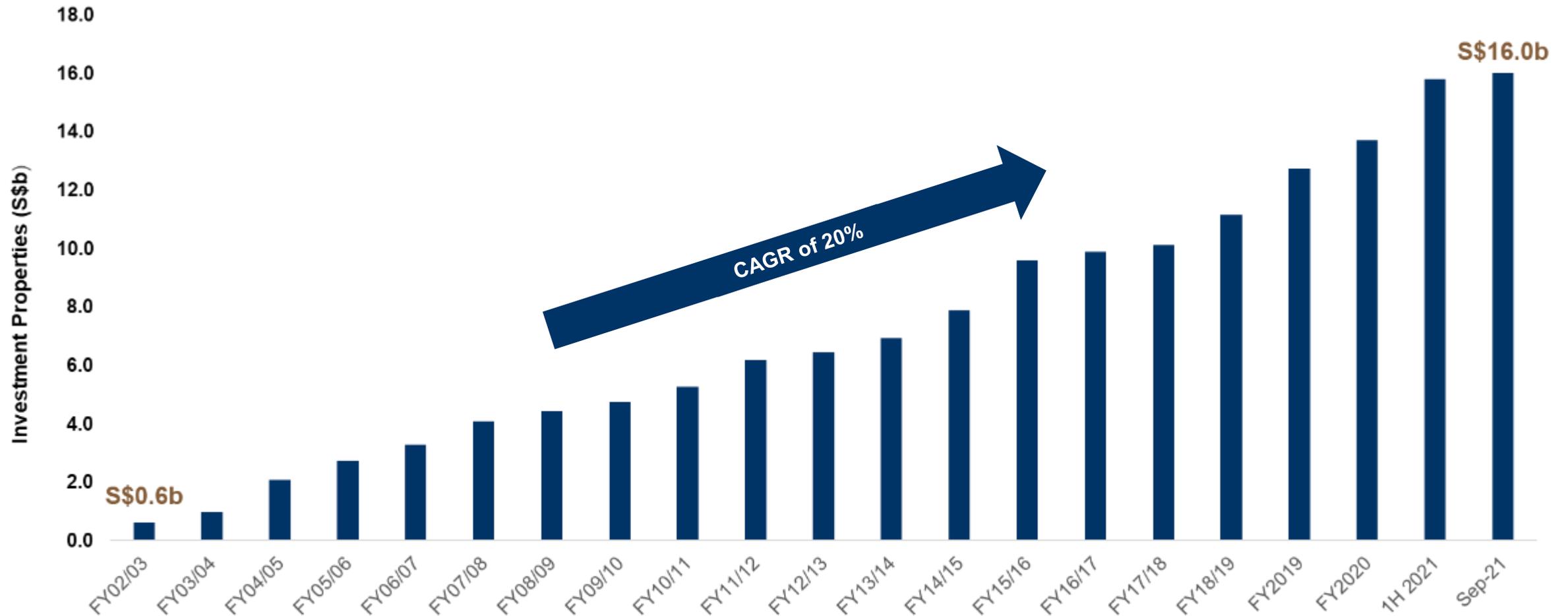


3 suburban offices in Australia (Macquarie Park Sydney, Monash Technology Precinct Melbourne): S\$545.6 m

(1) Refers to acquisitions completed in FY2020 and YTD FY2021.

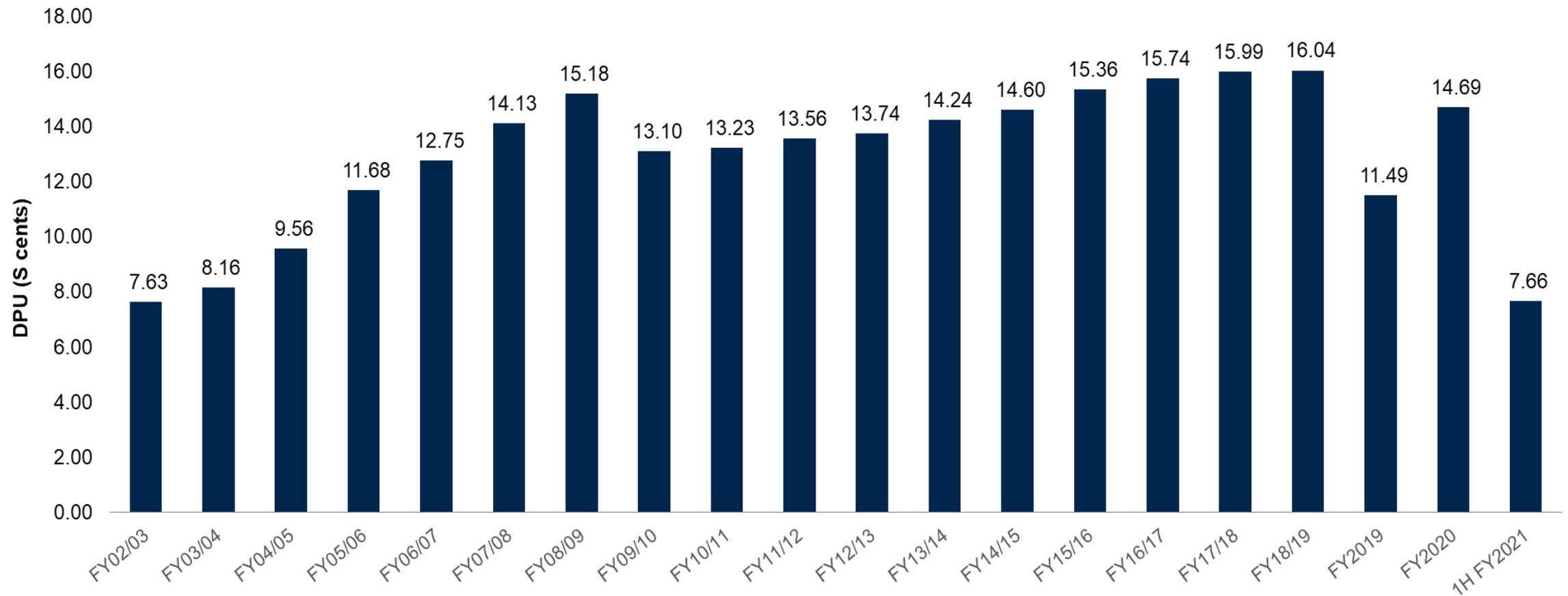
Steady AUM Growth

- Investment Properties (投資性房地產) grew from S\$0.6 b to S\$16.0 b (as at Sep 2021)



Steady DPU growth

DPU (每股可分派股利) trend since IPO



(1) Distribution per Unit after performance fees

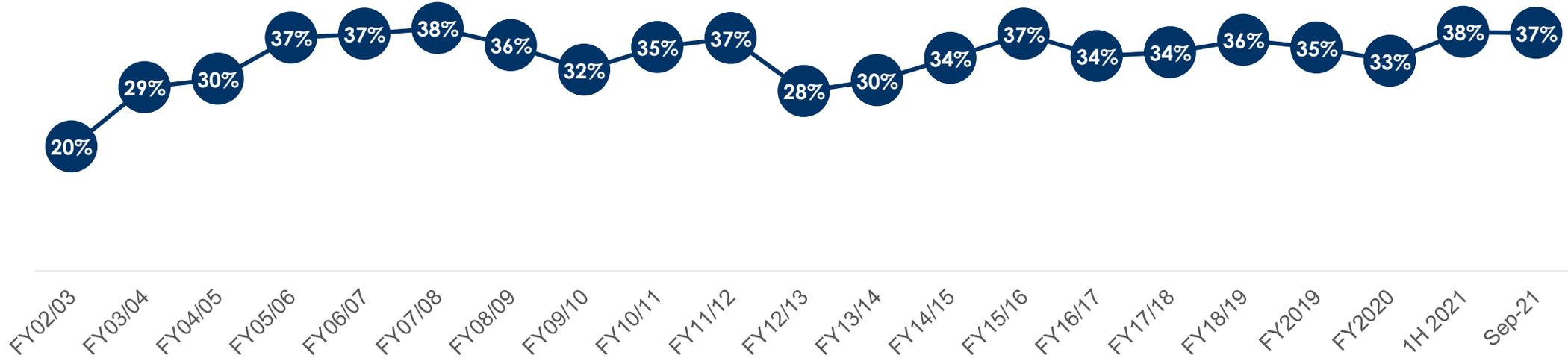
(2) The Group changed its financial year end from 31 March to 31 December. Therefore, FY2019 is a nine-month period from 1 April 2019 to 31 December 2019.

Strong Balance Sheet

Healthy gearing (資產負債率):
Average of 34%⁽¹⁾ since IPO in Nov 2002

Maintained Moody's A3 rating
since 2005

Aggregate Leverage (%)⁽²⁾

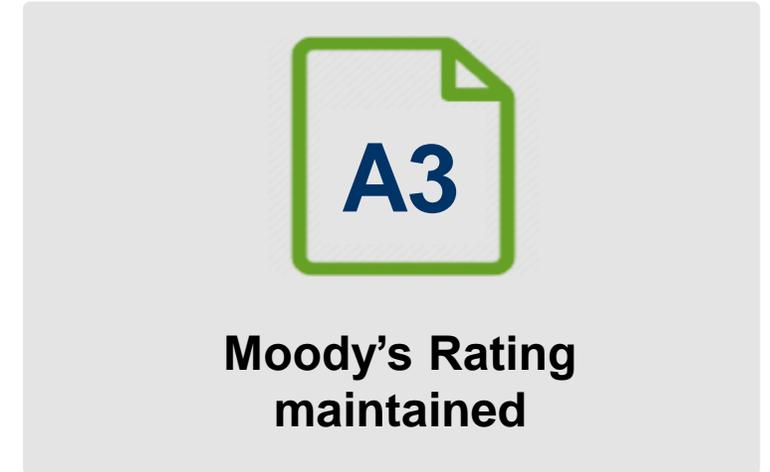
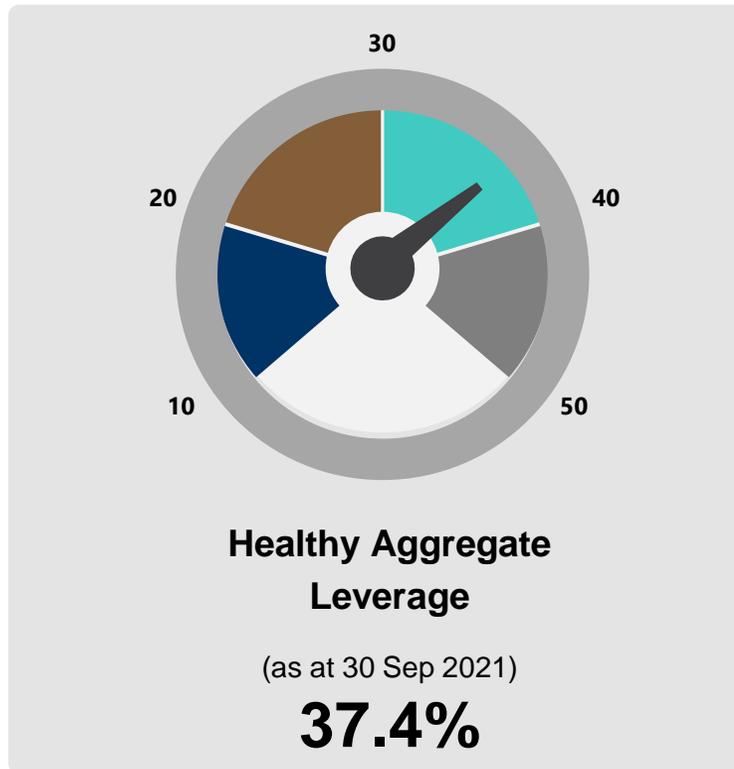


(1) Consolidated Total Borrowings to Consolidated Total Assets ("Aggregate Leverage Limit") (as construed in accordance with the MAS Property Funds Guidelines from time to time).

(2) Source: Ascendas Reit annual reports.

Robust financial metrics

- Aggregate leverage (資產負債率) is healthy at 37.4% ⁽¹⁾⁽²⁾
- Robust financial metrics that exceed bank loan covenants by a healthy margin
- Available debt headroom of ~S\$4.2 b ⁽¹⁾⁽²⁾ to reach MAS's aggregate leverage limit of 50%



- (1) In accordance with Property Funds Appendix, 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 66.2%.
- (2) Excludes the effects of FRS 116 for properties held before 31 March 2019.
- (3) 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
- (4) 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.



Proactive Asset Management

Croydon, London, United Kingdom

Continuously Improving the Portfolio

- Ongoing redevelopments totalling to S\$419.5 m

Redevelopments (物業開發與重建項目)



- Transformational redevelopment into a **life science and innovation campus**
- **Triple plot ratio to 3.6**
- Integrated with retail, F&B and amenities; interconnected basement providing seamless connectivity to Kent Ridge MRT station
- Designed to achieve **BCA Green Mark Platinum**
- Combining expertise with CapitaLand Development via joint venture
- Est completion date: 2Q 2025



- Two existing light industrial buildings redeveloped into a single **High-Specifications building**
- Maximization of rental potential given close proximity to **Ubi MRT station**
- Designed to achieve **BCA Green Mark Gold^{Plus}**
- Est completion date: 1Q 2022



- Redevelopment to **maximise plot ratio and double Gross Floor Area**
- Designed to achieve **BCA Green Mark Platinum** rating
- Features a gym, skydeck, food court and end-of-trip facilities
- Connected to **Jurong Region Line**
- Est completion date: 4Q 2023

Continuously Improving the Portfolio

- Ongoing asset enhancement initiatives totalling to S\$18.8 m

Asset Enhancement Initiatives (物業更新)



- Features an upgraded building entrance, lift lobby, common corridors and a new driveway canopy.
- New facilities such as a gym and end-of-trip facilities
- Est completion date: 1Q 2022

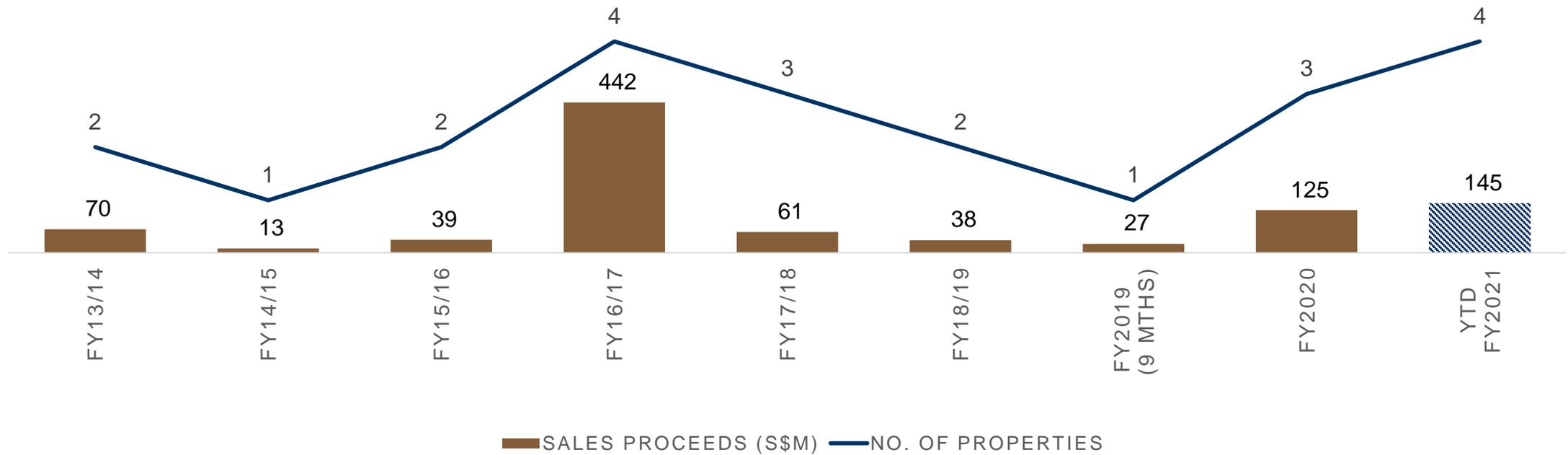


- Upgrading of power transformer warehouse spaces
- Modernization of toilets, cargo and passenger lifts
- Est completion date: 2Q 2022

Capital Recycling

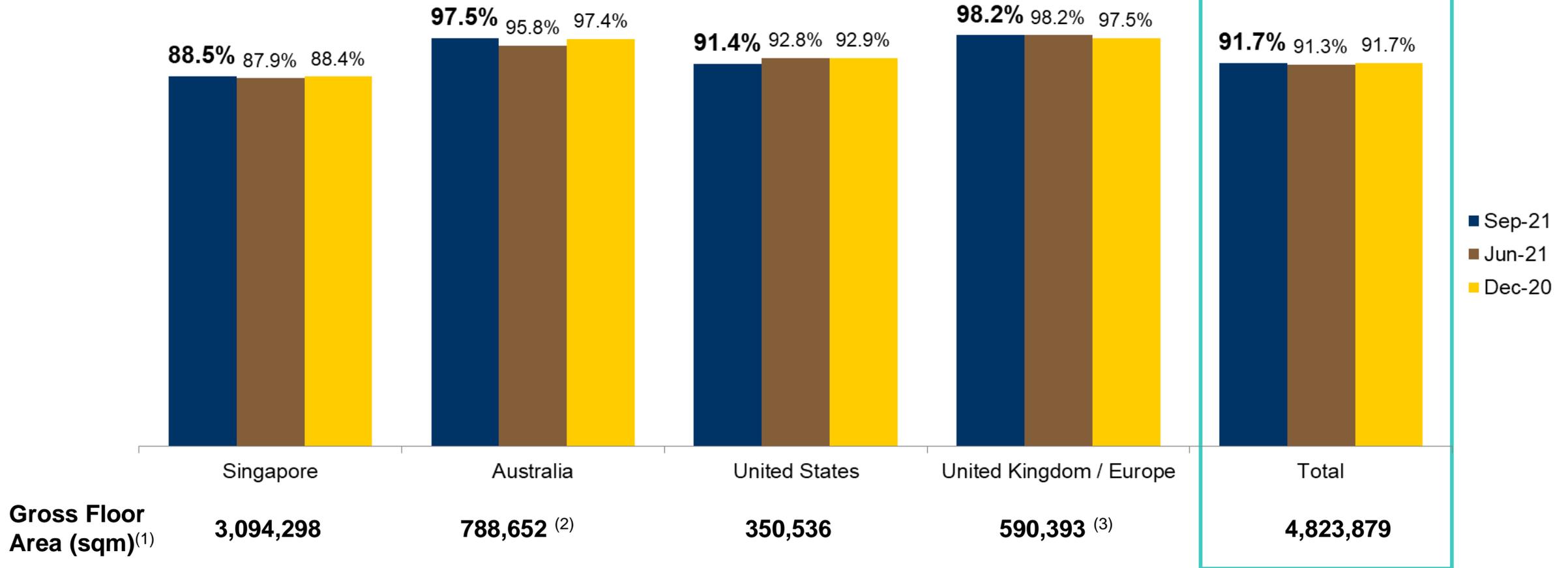
- Divested 22 projects since FY13/14 at above book values and for total sales proceeds of S\$960 m

Completed Divestments (已完成的資產出售)



Healthy Portfolio Occupancy

優質的物業出租率



(1) Gross Floor Area as at 30 Sep 2021.

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

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

Portfolio Rental Reversions

- Continue to achieve **positive average rent reversions** (續租租金比現租金增長) for the portfolio
- Rental reversion for FY2021 is expected to be in the positive low single-digit range in view of current market uncertainties.

% Change in Renewal Rates for Multi-tenant Buildings ⁽¹⁾	3Q FY2021	2Q FY2021	FY2020
Singapore	3.6%	3.4%	3.1%
United States	15.0%	26.3%	16.6%
Australia	_(2)	_(2)	14.0%
United Kingdom/Europe	_(2)	_(2)	_(2)
Total Portfolio :	3.7%	8.9%	3.8%

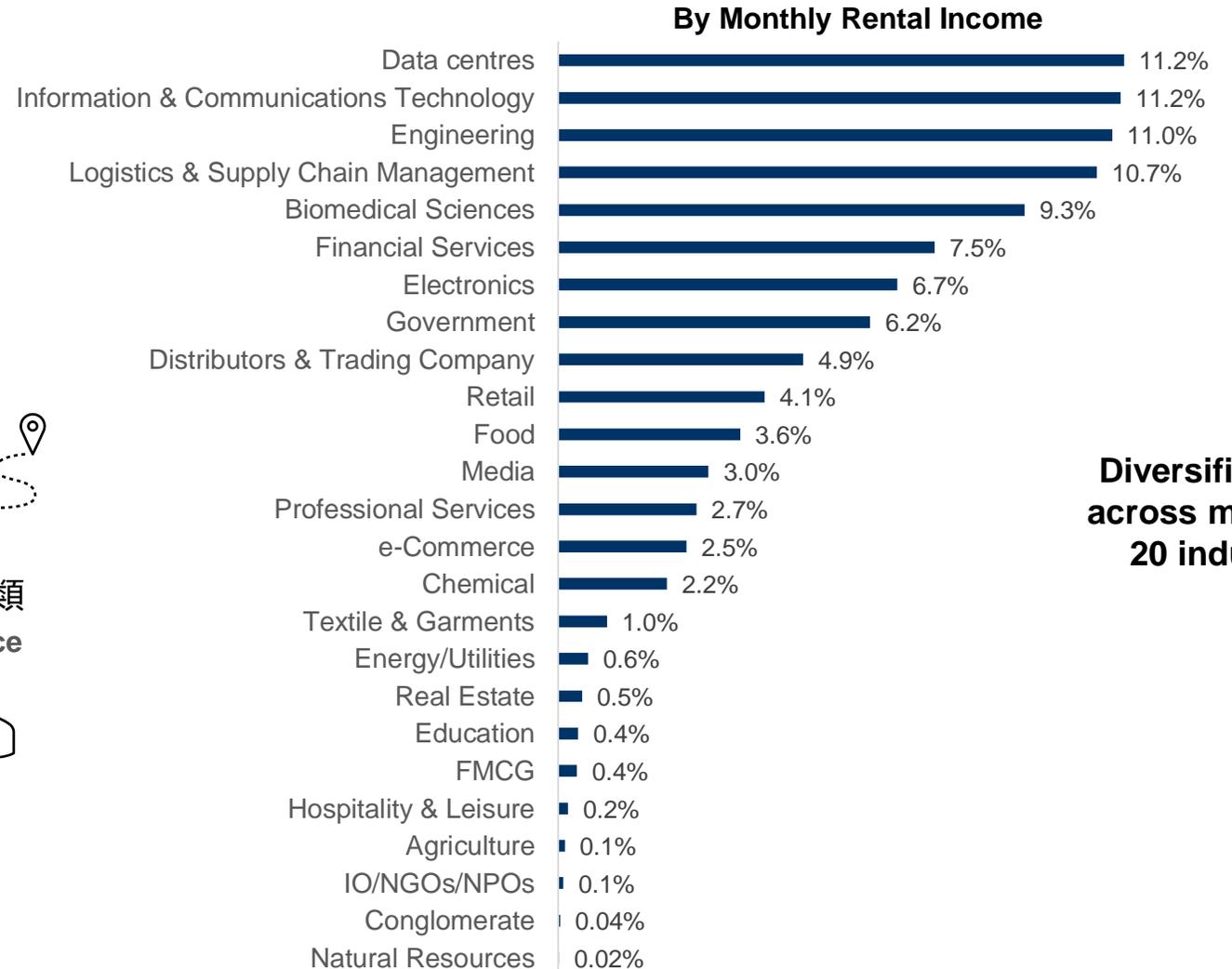
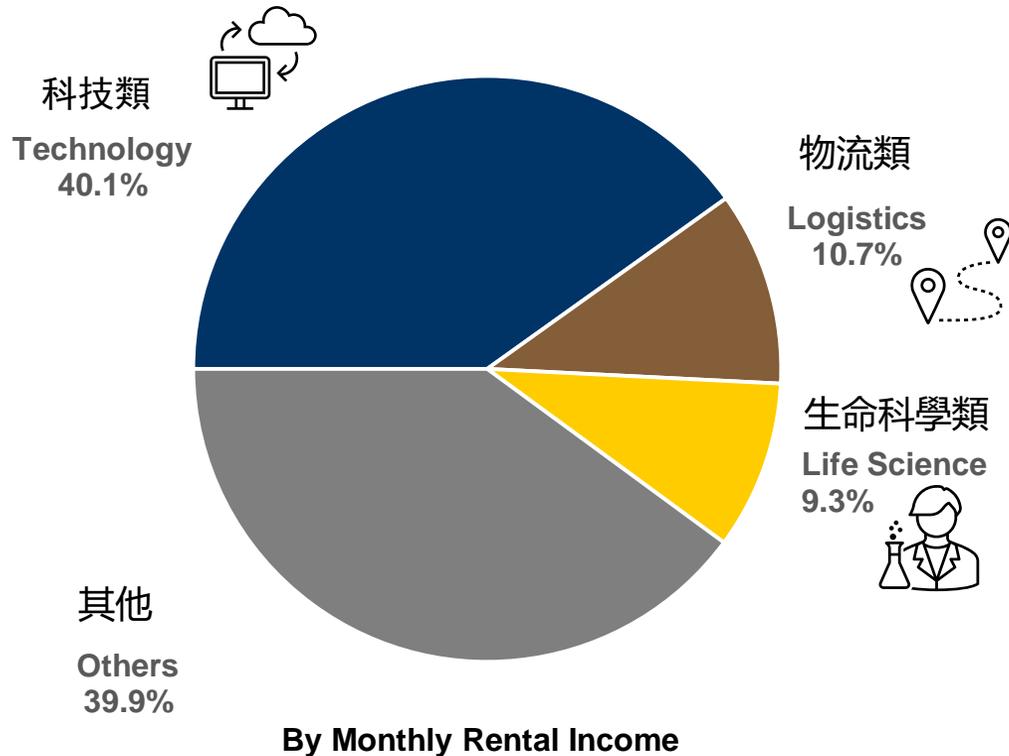
(1) Percentage change of the average gross rent over the lease period of the renewed leases against the preceding average gross rent from lease start date. Takes into account renewed leases that were signed in their respective and average gross rents are weighted by area renewed

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

Tapping the growing technology, logistics & life science industries



Our properties cater to the growing technology, logistics and life science industries.

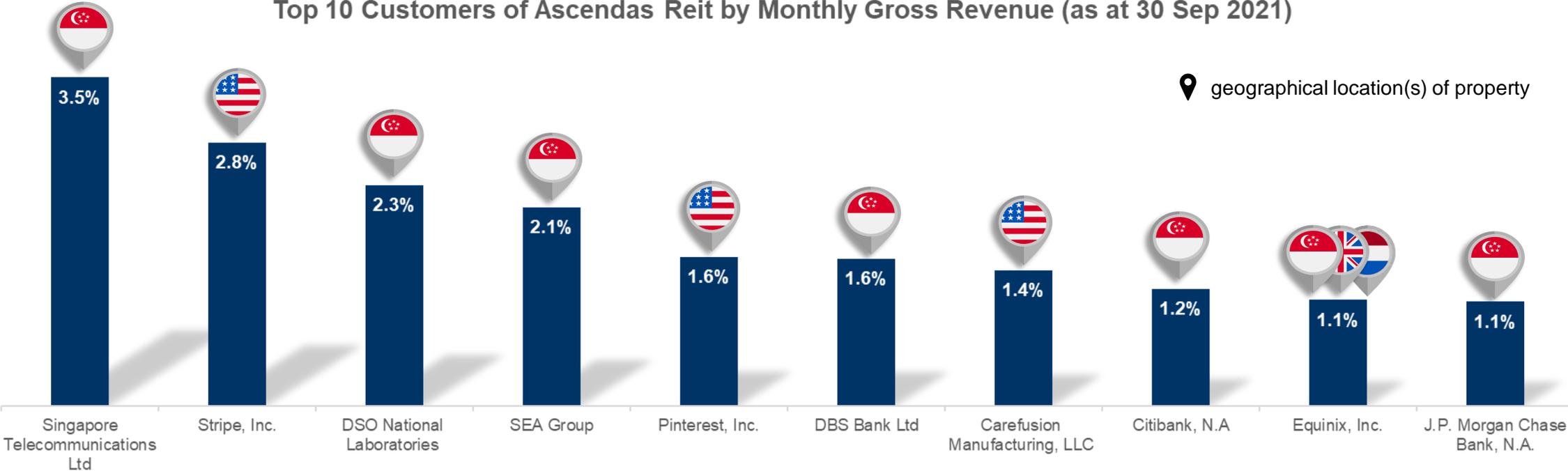


Diversified base across more than 20 industries

Quality and Diversified Customer Base

- Total customer base is at approximately 1,530 tenants.
- **Top 10** customers (as at 30 Sep 2021) account for about **18.7%** of monthly portfolio gross revenue.

Top 10 Customers of Ascendas Reit by Monthly Gross Revenue (as at 30 Sep 2021)



TECH POINT



Going Green

Techpoint, Singapore

Green Initiatives (綠色倡議)

Green Financing 綠色金融



- Established Green Finance Framework in FY2020
- Total of ~**S\$1.2 b** comprising Green Bond, Green Perpetual Securities, Green Loans
- Green Interest Rates Swap (~S\$200 m)

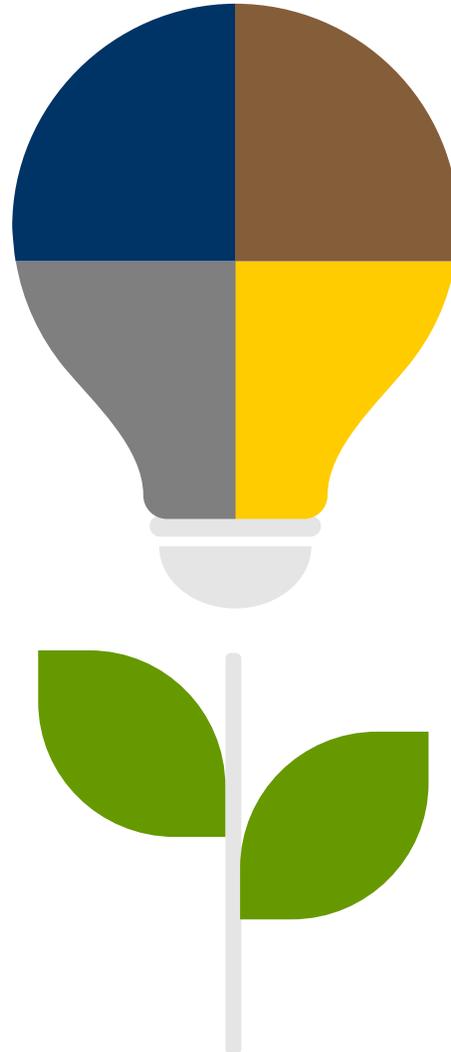
Green Buildings 綠色物業



- **Largest number of BCA Green Mark properties amongst S-REITs: 35⁽¹⁾**
- Total portfolio comprises **43⁽¹⁾** Green certified properties
- LogisTech is the first industrial building in Singapore awarded Green Mark Platinum Super Low Energy (SLE) status

Note: Info as at 30 Sep 2021

(1) Includes three single-tenant properties in Singapore



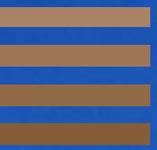
Renewable Energy 可再生能源

- **Largest no. of public Electric Vehicle (EV) charging points** in Singapore by a S-REIT: 76
- **Largest combined rooftop solar installation in Singapore for a real estate company:** >10,000 MWh of solar power generated annually from solar farms on 7 of our properties.



Leveraging Technology 借助技術進步

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



COVID-19

Grab HQ, Singapore



ascendas
Reit

A Member of
CapitalLand Investment

COVID-19 Update

FY2020

- **Minimal financial impact**

- S\$17.8 m in rent rebates (1.7% of total gross revenue) was recognised
- Tenants who received rent rebates were mainly SME tenants in Singapore and F&B operators in overseas markets

- **Did not retain any distributions**



Singapore:

- In Sep 2021, a Rental Waiver Framework was introduced requiring landlords to provide a 2-week rental support to SMEs and specified Non-Profit Organisations (NPOs) affected by the tightened safe management measures during Phase 2 (Heightened Alert) (P2HA)⁽¹⁾ Landlords may offset the mandatory relief with any relief provided since May 2021
- In May-Jun 2021, 0.5 months of rebates amounting to S\$0.7 m were already provided to support F&B/Retail tenants in Singapore affected by P2HA measures

Australia (New South Wales):

- Landlords are restricted from terminating /enforcing leases if qualifying SME tenant does not pay rent, outgoings or trade; landlords to provide rental relief (waiver/ abatement) for impacted leases, prohibited from increasing rent and obligated to renegotiate rent of the impacted leases⁽²⁾
- Eligible landlords can claim for land tax relief if rent reduction was provided⁽²⁾

YTD FY2021

UK:

- The protection against landlord's eviction of tenants due to the non-payment of rent was extended till 25 March 2022
- The protection against the Commercial Rent Arrears Recovery act where landlords can seize goods owned by the tenant in lieu of rent⁽³⁾ was extended till 25 March 2022.

(1) Qualifying SMEs and NPOs must have annual revenues not exceeding S\$100 million in FY2019 and suffered at least a 20 per cent drop in average monthly revenue during both P2HA periods, among other criteria. For more details: [Rental Waiver Framework for Businesses Impacted by Phase 2 \(Heightened Alert\) \(mlaw.gov.sg\)](https://www.mlaw.gov.sg/rental-waiver-framework-for-businesses-impacted-by-phase-2-heightened-alert)

(2) Qualifying SME tenant refers to an impacted lessee who qualifies for 1 or more of the NSW Government's COVID-19 Grants and whose turnover in the 2020-21 financial year was less than A\$50m. For more details on Retail & Other Commercial Leases (COVID19) Amendment Regulation 2021: <https://legislation.nsw.gov.au/view/pdf/asmade/sl-2021-451>

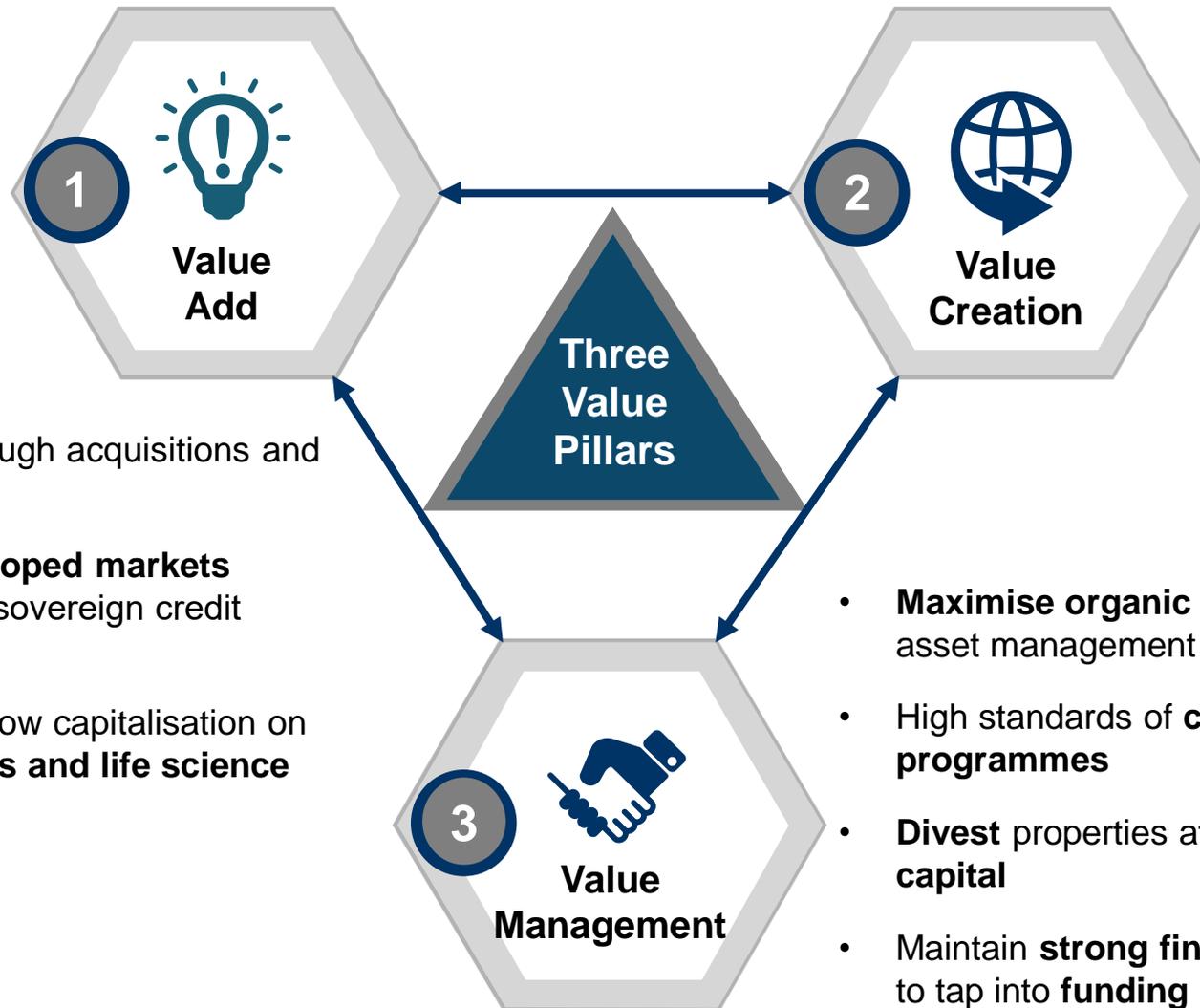
(3) Unless the tenant has more than 554 days' worth of rent arrears. For more details on UK's legislations: [Supporting businesses with commercial rent debts: policy statement - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/policy-statements/supporting-businesses-with-commercial-rent-debts)



Strategy

Infineon, Singapore

The Way Forward



- **Disciplined investments** through acquisitions and development
- **Focus on existing four developed markets** (transparent, double/triple “A” sovereign credit rating)
- **Scale up investments** that allow capitalisation on growing technology, logistics and life science industries

- **On-going asset enhancement initiatives** to reposition asset, enhance operational efficiency, energy and water efficiency
- Types of AEs include **redevelopments, maximisation of plot ratio, convert-to-suit, built-to-suit facility** etc.

- **Maximise organic growth potential** through active asset management
- High standards of **community and tenant engagement programmes**
- **Divest** properties at **above book values** and **recycle capital**
- Maintain **strong financial profile** and Moody’s A3 rating to tap into **funding sources at competitive rates**

Thank you

Aperia, Singapore

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