

Media Release

IREIT records 3.2% uplift in 1H2024 distribution per Unit to €0.96 cents

- 1H2024 net property income increased by 22.8% year-on-year due mainly to contribution from B&M Portfolio, recognition of dilapidation costs paid by the main tenant at Berlin Campus and rental income from Darmstadt Campus
- Income to be distributed improved by 3.9% year-on-year to €12.9 million and distribution per Unit increased by 3.2% to €0.96 cents
- Manager plans to proceed with proposed repositioning of Berlin Campus into a multi-let, mixed-use asset in 2025 after the property is vacated

SINGAPORE | 6 AUGUST 2024

For immediate release

IREIT Global (“IREIT”), a Europe-focused real estate investment trust managed by IREIT Global Group Pte. Ltd. (the “Manager”), is pleased to report the financial results for the first half year ended 30 June 2024 (“1H2024”).

	Half Year Ended 30 June		
	1H2024	1H2023	Variance (%)
Gross revenue (€'000)	36,629	28,428	28.8
Net property income (€'000)	26,972	21,965	22.8
Income to be distributed to Unitholders (€'000) ⁽¹⁾	12,907	12,419	3.9

	1H2024	1H2023	Variance (%)
Distribution per Unit (€ cents) ⁽²⁾	0.96	0.93	3.2

(1) The income to be distributed to Unitholders was after the retention of 10% of income for working capital and capital expenditure. The dilapidation cost of €5.2 million recognised as other income on a straight-lined basis from January 2024 to June 2024 was retained for the repositioning of Berlin Campus.

(2) DPU of €0.96 cents for 1H2024 was computed based on the total issued Units as at 30 June 2024 of 1,344,837,568 Units which had included acquisition fees paid in the form of Units of 2,847,629 Units issued on 27 September 2023. DPU of €0.93 cents for 1H2023 was computed based on the enlarged number of Units following the Preferential Offering on 19 July 2023 of 1,341,989,939 Units.

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Gross revenue for 1H2024 increased by 28.8% year-on-year to €36.6 million, while net property income rose by 22.8% over the same period to €27.0 million. The increase was mainly due to the contribution from B&M Portfolio in France following the completion of its acquisition in September 2023, recognition of dilapidation cost paid by the main tenant at Berlin Campus, and rental income from Darmstadt Campus. The dilapidation cost of €5.2 million recognised as other income on a straight-lined basis from January 2024 to June 2024 was retained for the repositioning of Berlin Campus. This brings the income to be distributed to Unitholders for 1H2024 to €12.9 million, an increase of 3.9% year-on-year, while the distribution per unit (“DPU”) stood at €0.96 cents, an increase of 3.2% year-on-year.

Mr Louis d’Estienne d’Orves, Chief Executive Officer of the Manager, said, “We are heartened to achieve a firm performance in 1H2024, delivering gross revenue growth of 28.8% year-on-year despite the challenging market environment. This set of positive results underpin our diversification strategy and active asset management efforts.”

During the first half of 2024, the Manager has secured new leases totalling approximately 3,100 sqm with well-established tenants at Darmstadt Campus for a weighted average unexpired lease term of approximately 10 years. This will increase the property’s occupancy rate to over 36%. In addition, the Manager has completed the refurbishment works on the common areas of its two office properties in Barcelona, Spain. This will position the buildings at the forefront of the market, attracting more tenants.

In June 2024, the main tenant at Berlin Campus, Deutsche Rentenversicherung Bund, provided a formal notice that it will not be extending its lease when it expires on 31 December 2024. A lump-sum of €15.5 million, equivalent to over 16 months of its total current rent, was paid by the tenant as dilapidation costs in June 2024. The Manager plans to proceed with the proposed repositioning of Berlin Campus into a multi-let, mixed-use asset once it is vacated.⁽¹⁾ It is already in advanced stages to enter into 20-year lease agreements with a leading hotel brand and long-stay hospitality operators for approximately 9,500 sqm each. Another lease agreement is also expected to be concluded with a federal government agency for approximately 4,000 sqm of office space. When these leases are secured, over 28% of the property would be pre-let.

(1) Subject to changes and relevant regulatory and internal approvals and the final plan may be different from that as set out above.

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“Lower inflation, rising real wages and further interest rate cuts are expected to support a recovery of the European economy and revitalise the European real estate market. To enhance IREIT’s portfolio value proposition and capture the upside potential, we intend to embark on a strategic repositioning of Berlin Campus into a sustainable mixed-used asset. At the same time, we will stay focused on securing new leases and lease renewals to improve IREIT’s overall portfolio occupancy rate”, added Mr Louis d’Estienne d’Orves.

ABOUT IREIT GLOBAL

www.ireitglobal.com | SGX Main Board Listing

IREIT Global (SGX-UD1U) which was listed on 13 August 2014, is the first Singapore-listed real estate investment trust with the investment strategy of principally investing, directly or indirectly, in a portfolio of income-producing real estate in Europe which is used primarily for office, retail and industrial (including logistics) purposes, as well as real estate-related assets.

IREIT Global’s current portfolio comprises five freehold office properties in Germany, four freehold office properties in Spain and 44 retail properties in France.

IREIT Global is managed by IREIT Global Group Pte. Ltd. (the “**Manager**”), which is jointly owned by Tikehau Capital and City Developments Limited (“**CDL**”). Tikehau Capital is global alternative asset management group listed in France, while CDL is a leading global real estate company listed in Singapore.



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ABOUT TIKEHAU CAPITAL

www.tikehaucapital.com | Paris Euronext, Compartment A Listing

Tikehau Capital is a global alternative asset management group with €44.4 billion of assets under management as at 31 March 2024. Tikehau Capital has developed a wide range of expertise across four asset classes (private debt, real assets, private equity and capital markets strategies) as well as multi-asset and special opportunities strategies. Tikehau Capital is a founder-led team with a differentiated business model, a strong balance sheet, proprietary global deal flow and a track record of backing high quality companies and executives.

Deeply rooted in the real economy, Tikehau Capital provides bespoke and innovative alternative financing solutions to companies it invests in and seeks to create long-term value for its investors, while generating positive impacts on society. Leveraging its strong equity base (€3.2 billion of shareholders' equity as at 31 December 2023), the firm invests its own capital alongside its investor-clients within each of its strategies.

Controlled by its managers alongside leading institutional partners, Tikehau Capital is guided by a strong entrepreneurial spirit and DNA, shared by its 778 employees across its 16 offices in Europe, the Middle East, Asia and North America. Tikehau Capital is listed in compartment A of the regulated Euronext Paris market (ISIN code: FR0013230612; Ticker: TKO.FP).

ABOUT CITY DEVELOPMENTS LIMITED

www.cdl.com.sg | SGX Main Board Listing

City Developments Limited (“CDL”) is a leading global real estate company with a network spanning 163 locations in 29 countries and regions. Listed on the Singapore Exchange, CDL is one of the largest companies by market capitalisation. Its income-stable and geographically diverse portfolio comprises residences, offices, hotels, serviced apartments, student accommodation, retail malls and integrated developments.

With a proven track record of over 60 years in real estate development, investment, and management, CDL has developed over 50,000 homes and owns around 23 million square feet of gross floor area in residential for lease, commercial and hospitality assets globally.

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Along with its wholly-owned hotel subsidiary, Millennium & Copthorne Hotels Limited, CDL has over 160 hotels worldwide, many in key gateway cities.

FOR FURTHER ENQUIRIES

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The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. The past performance of IREIT is not necessarily indicative of the future performance of IREIT.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.



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This news release may contain forward-looking statements that involve assumptions, risks and uncertainties. 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, competition from similar developments, shifts in expected levels of property rental income and occupancy, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

This news release is not an offer or sale of the Units in the United States. The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act and in compliance with any applicable state securities laws. Any public offering of the Units to be made in the United States would be by means of a prospectus that may be obtained from an issuer and would contain detailed information about such issuer and its management, as well as financial statements. There will be no public offering of securities of IREIT in the United States.

This news release has not been reviewed by the Monetary Authority of Singapore.

