

## ASCENDAS REIT

1Q FY2021 Business Updates

23 April 2021

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# Agenda

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# 1Q FY2021 Key Highlights



# 1Q FY2021 Key Highlights

## Investment Management

- Acquired 11 data centres across 5 key European cities for S\$904.6 m
- Completed the acquisition of a suburban office at 1-5 Thomas Holt Drive, Sydney, Australia, for S\$284.0 m



## Capital Management



Healthy Aggregate  
Leverage

**38.0%**

31 Dec 2020: 32.8%



High Level of  
Natural Hedge

**>70%**

31 Dec 2020: >60%

## Asset Management



Portfolio  
Occupancy

**90.6%**

31 Dec 2020: 91.7%



Portfolio  
Rental Reversion<sup>#</sup>

**3.0%**

4Q FY2020: +2.5%

<sup>#</sup> 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 3Q FY2020 and average gross rents are weighted by area renewed.

# Investment Management

Croydon, London, United Kingdom

# Investment Highlights: Acquisitions

- Completed S\$1,188.6 m worth of acquisitions in 1Q FY2021
- An additional S\$251.2 m worth of investments under development were secured and expected to complete within the next two years

1Q FY2021	City/Country	Sub-segment	Purchase Consideration / Land & Development Cost (\$m)	Completion Date
<b>Completed Acquisitions</b>			<b>1,188.6</b>	
1-5 Thomas Holt Drive, Macquarie Park	Sydney, Australia	Suburban Office	284.0 <sup>(1)</sup>	13 Jan 2021
11 Data Centres in Europe	Across 5 cities <sup>(2)</sup> , UK & Europe	Data Centre	904.6 <sup>(3)</sup>	17 Mar 2021
<b>Acquisitions (under development)</b>			<b>251.2</b>	
Lot 7, Kiora Crescent, Yennora	Sydney, Australia	Logistics	21.1 <sup>(4)</sup>	3Q 2021 (est.)
500 Green Road, Crestmead	Brisbane, Australia	Logistics	69.1 <sup>(1)</sup>	4Q 2021 (est.)
MQX4, Macquarie Park	Sydney, Australia	Suburban Office	161.0 <sup>(5)</sup>	Mid 2022 (est.)
<b>TOTAL :</b>			<b>1,439.8</b>	

(1) Based on exchange rate of A\$1.000: S\$0.9830 as at 30 Sep 2020

(2) Cities include: London & Manchester (UK), Amsterdam (Netherlands), Paris (France), Geneva (Switzerland)

(3) Comprising approximately £250.25 m for the data centres located in the UK and approximately €276.85 m for the data centres located in the Netherlands, France and Switzerland. Illustrative exchange rates of £1.0000: S\$1.8395 and €1.0000: S\$1.6047

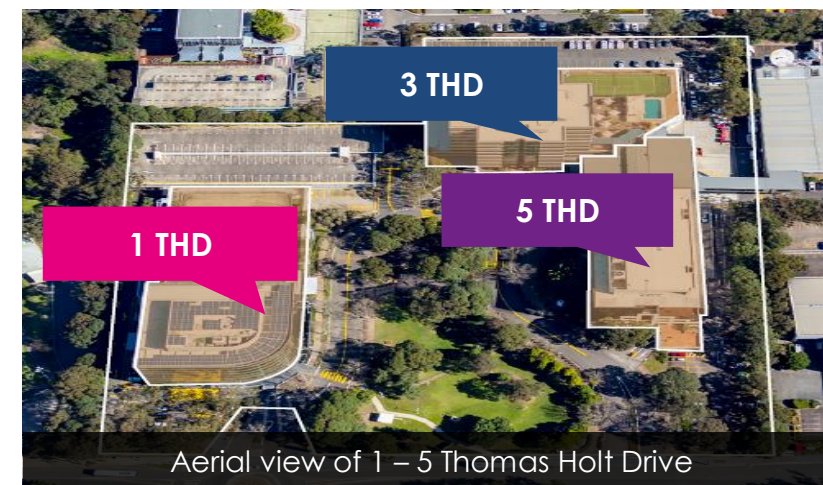
(4) Based on exchange rate of A\$1.00: S\$0.89957 as at 31 May 2020

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

# Acquisition (Completed):

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

Purchase Consideration <sup>(1)(2)</sup>	S\$284.0 m (A\$288.9 m)
Acquisition Fee <sup>(3)</sup> , 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 1 December 2020) <sup>(4)</sup>	S\$284.0 m (A\$288.9 m)
Land Tenure	Freehold
Net Lettable Area	39,188 sqm
Occupancy Rate (as at acquisition)	100% <sup>(5)</sup> (physical occupancy: 93%)
Weighted Average Lease to Expiry (as at acquisition)	4.5 years
Key tenants	Metcash, Foxtel
Initial Net Property Income (NPI) Yield	5.9% (5.6% post-transaction cost)
Completion Date	13 Jan 2021



### 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 (Completed): 11 Data Centres in Europe

Total Consideration <sup>(1)</sup>	S\$904.6 m 4 data centres in UK: £250.25 m 7 data centres in Netherlands/France/Switzerland: €276.85 m
Acquisition Fee <sup>(2)</sup> , Stamp Duty and Other Transaction Costs	S\$55.4 m
Total Acquisition Cost	S\$960.0 m
Vendor	Subsidiaries of Digital Realty Trust, Inc.
Valuation <sup>(3)</sup>	S\$905.0 m 4 data centres in UK: £250.25 m 7 data centres in Netherlands/France/Switzerland: €277.10 m
Land Tenure (as at 31 Dec 2020)	6 data centres: freehold 5 data centres <sup>(4)</sup> : leasehold with weighted average land lease expiry of 42.9 years
Net lettable area	61,637 sqm
Occupancy Rate (as at acquisition)	97.9%
Weighted Average Lease to Expiry (as at 31 Dec 2020)	4.6 years (4.2 years to break)
Key Tenants	HSBC Bank, Entserv UK, Bouygues Telecom
Initial NPI Yield	6.0% (5.7% post-transaction cost)
Completion Date	17 Mar 2021



## The Data Centres:

- Comprises 8 triple net powered shell data centres and 3 colocation data centres

## Location:

- 93% of Target Portfolio (by asset value) are strategically located in London (UK), Amsterdam (Netherlands) and Paris (France), which are top data centre markets in Europe. The remaining 7% are located in Manchester (UK) and Geneva (Switzerland)

(1) Illustrative exchange rates of £1.0000: S\$1.8395 and €1.0000: S\$1.6047 have been used for conversions from Pounds Sterling and Euro amounts into Singapore Dollar respectively..

(2) In accordance with Ascendas Reit's Trust Deed, the Manager is entitled to receive an acquisition fee of 1.0% of the Total Consideration, which will be paid by cash.

(3) The valuations dated October 2020/February 2021, were commissioned by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Reit), and were carried out by Newmark Knight Frank Valuation & Advisory, LLC, using the sales comparison and income capitalisation approaches. Please refer to the announcement titled "Proposed Acquisition of a Portfolio of 11 Data Centres in Europe" dated 17 March 2021 for the exact dates of the valuations.

(4) Includes two data centres on perpetual leasehold basis.

# Proposed Divestment *(Newly Completed)*: 11 Changi North Way, Singapore

Sales Price <sup>(1)</sup>	S\$16.0 m
Buyer	Hafary Pte Ltd
Book Value/Valuation <sup>(2)</sup> (as at 31 Dec 2020)	S\$15.0 m
Acquisition Year / Purchase Price	2005/ S\$11.0 m
Remaining Land Tenure (at point of sale)	42 years
Net Lettable Area	9,494 sqm
Occupancy Rate (as at 31 Mar 2021)	0%
Completion Date	16 Apr 2021



### The Property:

- 2-storey warehouse with 4-storey ancillary office building within Changi International LogisPark

### Location:

- It is located at Changi North Way, in close proximity to Changi International Airport

(1) In accordance to Ascendas Reit's Trust Deed, the Manager is entitled to a divestment fee of 0.5% of the sale price of the properties.

(2) The valuation was commissioned by the Manager and the Trustee, and was carried out by Colliers International Consultancy & Valuation (Singapore) Pte Ltd using the capitalisation approach and discounted cash flow approach.

(3) Assuming the proposed divestment of 11 Changi North Way was completed on 31 December 2020.

# Capital Management



# Healthy Balance Sheet

- Aggregate leverage is healthy at 38.0% <sup>(1)(2)</sup>
- 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
- Available debt headroom of ~S\$3.8 b <sup>(1)(2)</sup> to reach MAS's aggregate leverage limit of 50.0%

	As at 31 Mar 2021	As at 31 Dec 2020
Aggregate Leverage <sup>(1)(2)</sup>	38.0%	32.8%
Unencumbered Properties as % of Total Investment Properties <sup>(3)</sup>	92.1%	91.7%
Interest Cover Ratio <sup>(4)</sup>	4.6 x	4.3 x
Net Debt / Annualised EBITDA <sup>(5)</sup>	8.1 x	7.3 x
Weighted Average Tenure of Debt (years)	3.3	3.7
Fixed rate debt as % of total debt	69.4%	78.1%
Weighted Average all-in Debt Cost	2.2%	2.7%
Issuer Rating by Moody's	A3	A3

(1) Excludes the effects of FRS 116 for properties held before 31 March 2019.

(2) 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 68.0%.

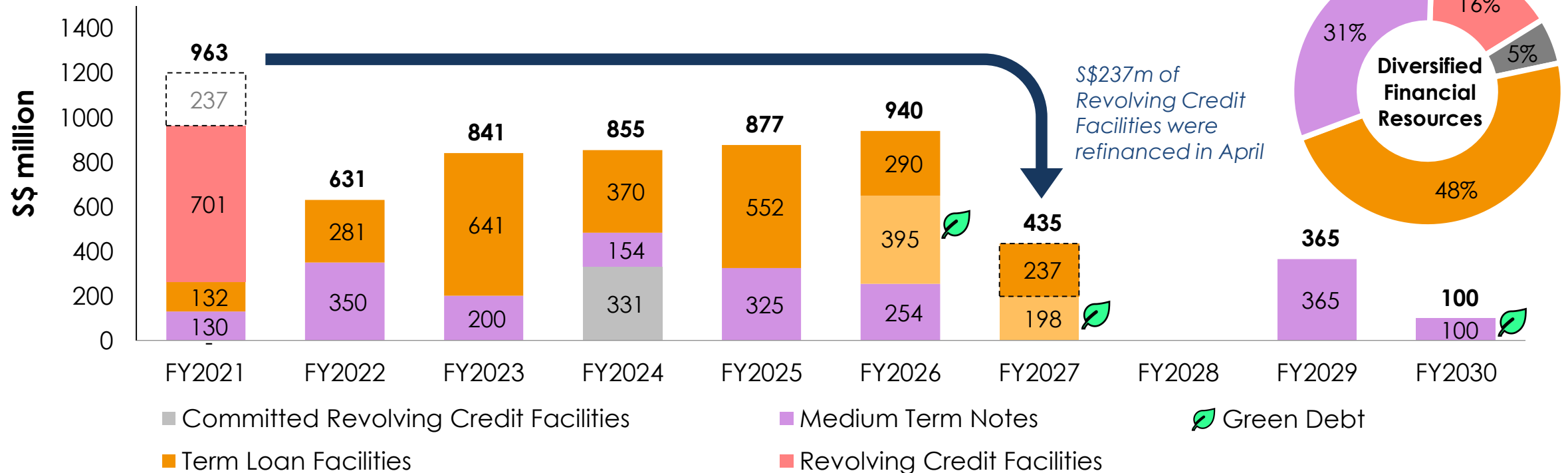
(3) Total investment properties exclude properties reported as finance lease receivable.

(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.

(5) Net debt includes lease liabilities arising from FRS 116, 50% of perpetual securities, offset by cash and fixed deposits, while annualised EBITDA does not pro-rate for full year EBITDA from new acquisitions.

# Well-spread Debt Maturity Profile

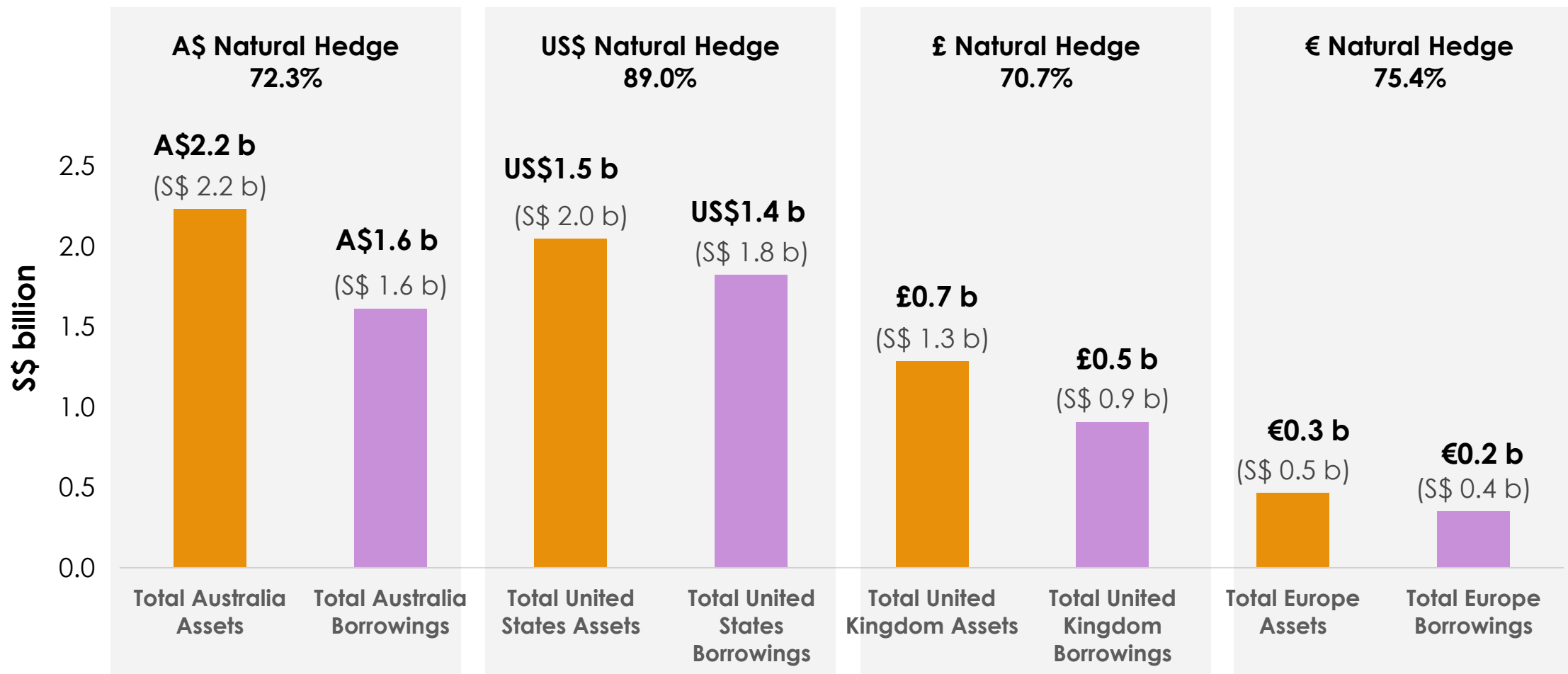
- Well-spread debt maturity with the longest debt maturing in FY2030
- Average debt maturity stable at 3.3 years
- Secured new green loans of US\$448.6m (S\$593.6m) in 1Q 2021
- To date, green financing of S\$994m <sup>(1)</sup> accounts for about 16% of total borrowing of S\$6.3 b <sup>(1)</sup>



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

# High Natural Hedge

- Maintained high level of natural hedge for Australia (72.3%), the United Kingdom (70.7%), the United States (89.0%) and Europe (75.4%) to minimise the effects of adverse exchange rate fluctuations

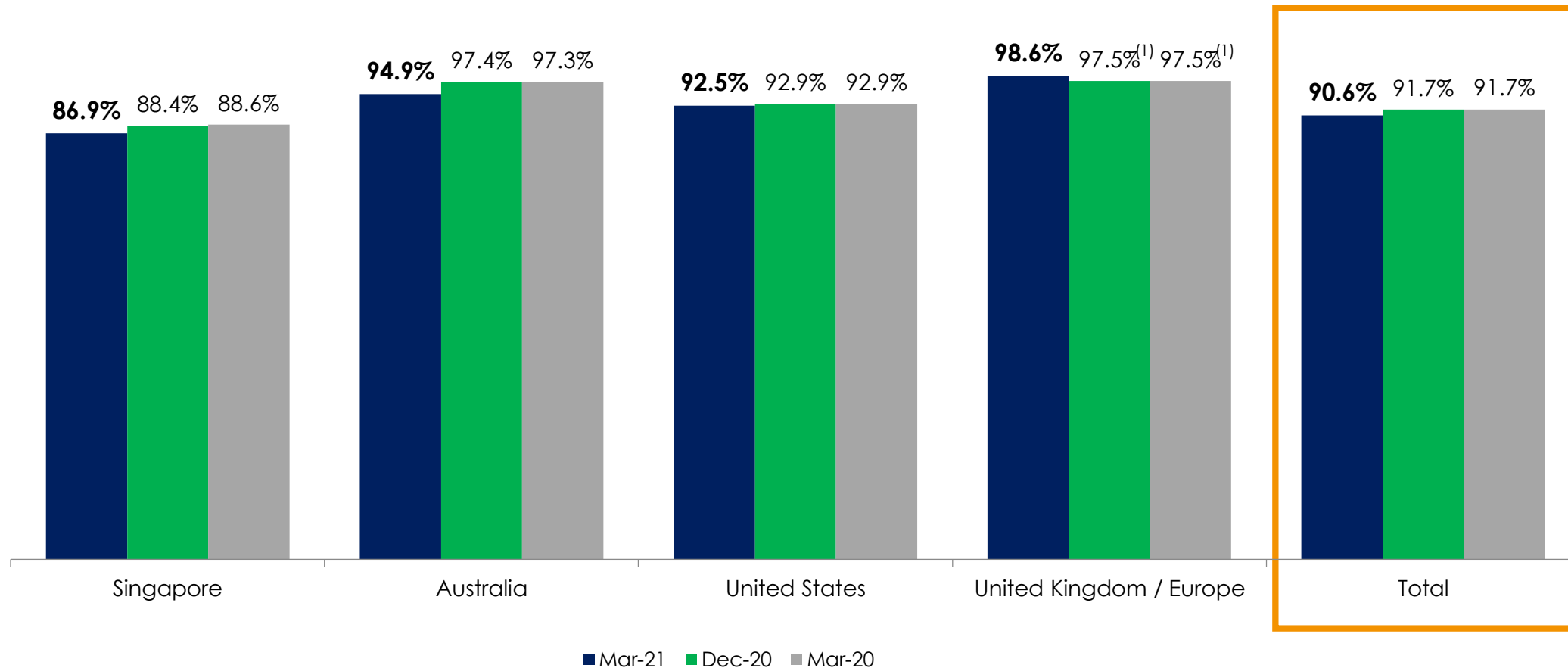


# Asset Management



254 Wellington, Melbourne, Australia

# Overview of Portfolio Occupancy



<b>Gross Floor Area (sqm)</b> <sup>(2)</sup>	<b>3,001,293</b>	<b>867,383</b> <sup>(3)</sup>	<b>357,065</b>	<b>590,377</b> <sup>(4)</sup>	<b>4,816,118</b>
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(1) Refers to logistics portfolio in the UK only and does not include the data centres which were acquired in March 2021.

(2) Gross Floor Area as at 31 Mar 2021.

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

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



# Singapore: Occupancy

- Occupancy declined to 86.9% largely attributable to non-renewals at TÜV SÜD PSB Building<sup>(1)</sup> (31 Mar 2021: 0%; 31 Dec 2020: 100%) and 138 Depot Road (31 Mar 2020: 72.2%; 31 Dec 2020: 87.1%)

As at	31 Mar 2021	31 Dec 2020	31 Mar 2020
Total Singapore Portfolio GFA (sqm)	3,001,293 <sup>(2)</sup>	3,001,293 <sup>(2)</sup>	3,000,799 <sup>(2)</sup>
Singapore Portfolio Occupancy (same store) <sup>(3)</sup>	86.9%	88.4%	88.6%
Singapore MTB Occupancy (same store) <sup>(4)</sup>	85.5%	86.3%	85.2%
Occupancy of Singapore Investments Completed in the last 12 months	N.A.	N.A.	93.7%
<b>Overall Singapore Portfolio Occupancy</b>	<b>86.9%</b>	<b>88.4%</b>	<b>88.6%</b>
<b>Singapore MTB Occupancy</b>	<b>83.8%</b>	<b>85.4%</b>	<b>85.2%</b>

(1) TÜV SÜD PSB Building is planned for redevelopment.

(2) Excludes 25 & 27 Ubi Road 4 and iQuest@IBP which were decommissioned for redevelopment since Jun 2019 and Jan 2020 respectively.

(3) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 Mar 2021, excluding new investments completed in the last 12 months and divestments.

(4) Same store MTB occupancy rates for previous quarters are computed with the same list of properties as at 31 Mar 2021, 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.

# Australia: Occupancy

- Occupancy fell to 94.9% mainly due to non-renewals at 1 Distribution Place in Sydney (31 Mar 2021: 0%; 31 Dec 2020: 100%) and 62 Stradbroke Street in Brisbane (31 Mar 2021: 61.7%; 31 Dec 2020: 100%)

As at	31 Mar 2021	31 Dec 2020	31 Mar 2020
Total Australian Portfolio GFA (sqm)	867,383	828,197	792,039 <sup>(1)</sup>
Australian Portfolio Occupancy (same store) <sup>(2)</sup>	94.5%	97.3%	97.3%
Occupancy of Australian Investments Completed in the last 12 months	100% <sup>(3)</sup>	100% <sup>(4)</sup>	N.A.
<b>Overall Australian Portfolio Occupancy</b>	<b>94.9%</b>	<b>97.4%</b>	<b>97.3%</b>

(1) Partial space at 484-490 and 494-500 Great Western Highway was decommissioned to facilitate AEI works.

(2) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 Mar 2021, excluding new investments completed in the last 12 months.

(3) Takes into account the rental guarantee provided by the vendor at 254 Wellington Rd, Mulgrave, in Melbourne and 1-5 Thomas Holt Drive, in Sydney.

(4) Takes into account the rental guarantee provided by the vendor at 254 Wellington Rd, Mulgrave, in Melbourne.

# United States: Occupancy

- Occupancy remained healthy at 92.5%.

As at	31 Mar 2021	31 Dec 2020	31 Mar 2020
Total United States Portfolio GFA (sqm)	357,065	357,065	313,059
United States Portfolio Occupancy (same store) <sup>(1)</sup>	91.5%	91.9%	92.9%
Occupancy of United States Investments Completed in the last 12 months	100% <sup>(2)</sup>	100% <sup>(2)</sup>	92.9%
<b>Overall United States Portfolio Occupancy</b>	<b>92.5%</b>	<b>92.9%</b>	<b>92.9%</b>

(1) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 Mar 2021, excluding new investments completed in the last 12 months

(2) Refers to 510 Townsend Street and 505 Brannan Street, in San Francisco

# United Kingdom/Europe: Occupancy

- Occupancy rose to 98.6% mainly due to higher occupancy at Unit 5, Wellesbourne Distribution Park (31 Mar 2021: 100%, 31 Dec 2020: 0%)

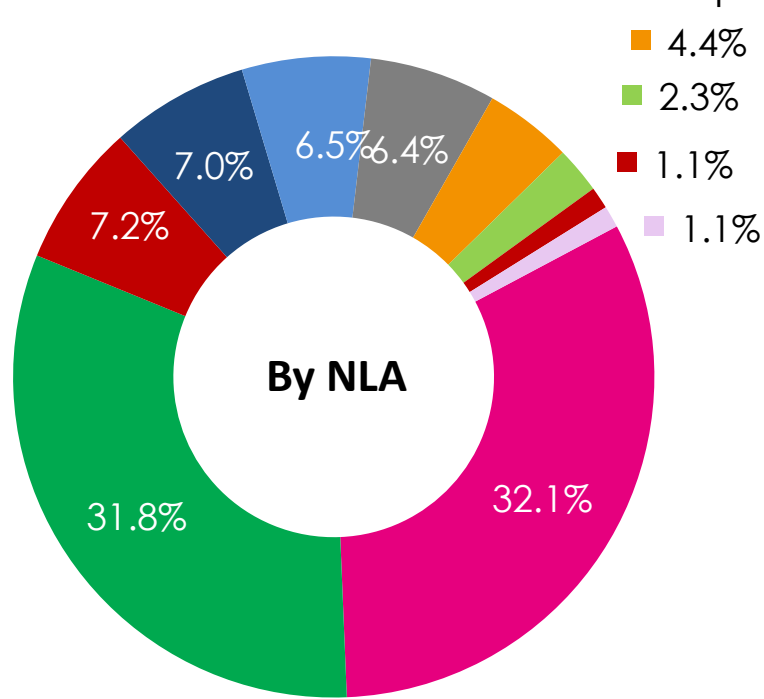
As at	31 Mar 2021	31 Dec 2020	31 Mar 2020
Total UK/Europe Portfolio GFA (sqm)	590,377	509,908	509,907
UK/Europe Portfolio Occupancy (same store) <sup>(1)</sup>	98.7%	97.5%	97.5%
Occupancy of UK/Europe Investments Completed in the last 12 months	97.9% <sup>(2)</sup>	N.A.	N.A.
<b>Overall UK/Europe Portfolio Occupancy</b>	<b>98.6%</b>	<b>97.5%</b>	<b>97.5%</b>

(1) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 Mar 2021, excluding new investments completed in the last 12 months

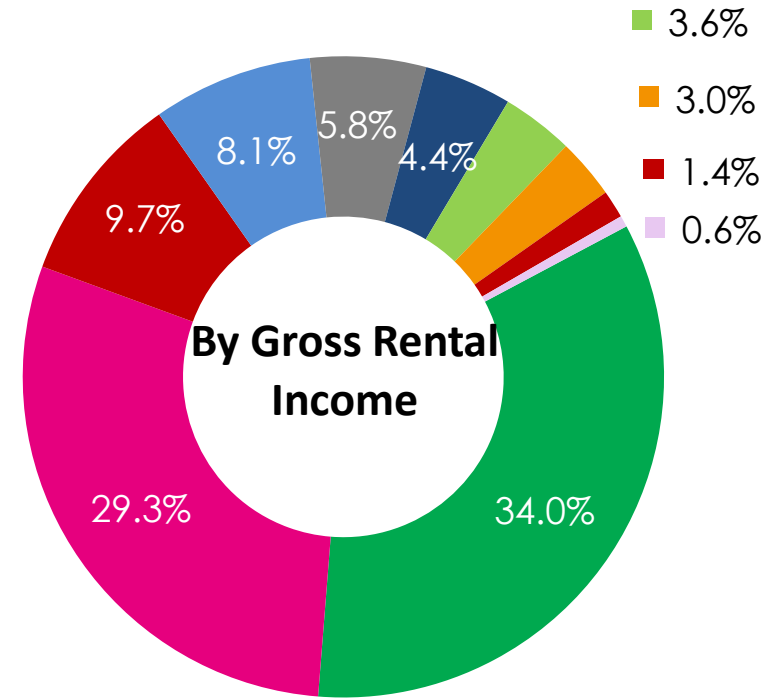
(2) Refers to the 11 data centres in Europe.

# Singapore: Sources of New Demand in 1Q FY2021

- Continues to attract demand from a wide spectrum of industries



- Electronics
- Distributors & Trading Company
- Financial & Professional Services
- Lifestyle, Retail and Consumer Products
- Energy, Chemicals and Materials



- Biomedical and Agri/Aquaculture
- Engineering
- Logistics & Supply Chain Management
- Education and Media
- IT & Data Centers

# Portfolio Rental Reversions

- Average portfolio rent reversion of **3.0%** was recorded for leases renewed in 1Q FY2021.
- 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 <sup>(1)</sup>	1Q FY2021	4Q FY2020	1Q FY2020
<b>Singapore</b>	<b>2.9%</b>	<b>0.9%</b>	<b>7.7%</b>
Business & Science Parks	2.8%	-1.1%	7.0%
High-Specifications Industrial and Data Centres	-0.9%	-0.1%	12.2%
Light Industrial and Flatted Factories	0.8%	-5.0%	4.2%
Logistics & Distribution Centres	5.6%	-7.1%	0.3%
Integrated Development, Amenities & Retail	-2.7%	11.5%	15.6%
<b>Australia</b>	<b>_(2)</b>	<b>_(2)</b>	<b>13.7%</b>
Suburban Offices	_(2)	_(2)	15.7%
Logistics & Distribution Centres	_(2)	_(2)	13.2%
<b>United States</b>	<b>6.2%</b>	<b>18.8%</b>	<b>7.4%</b>
Business Parks & Office	6.2%	18.8%	7.4%
<b>United Kingdom/Europe</b>	<b>_(2)</b>	<b>_(2)</b>	<b>_(2)</b>
Data Centres	_(2)	N.A.	N.A.
Logistics & Distribution Centres	_(2)	_(2)	_(2)
<b>Total Portfolio :</b>	<b>3.0%</b>	<b>2.5%</b>	<b>8.0%</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) There were no renewals signed in the period for the respective segments.

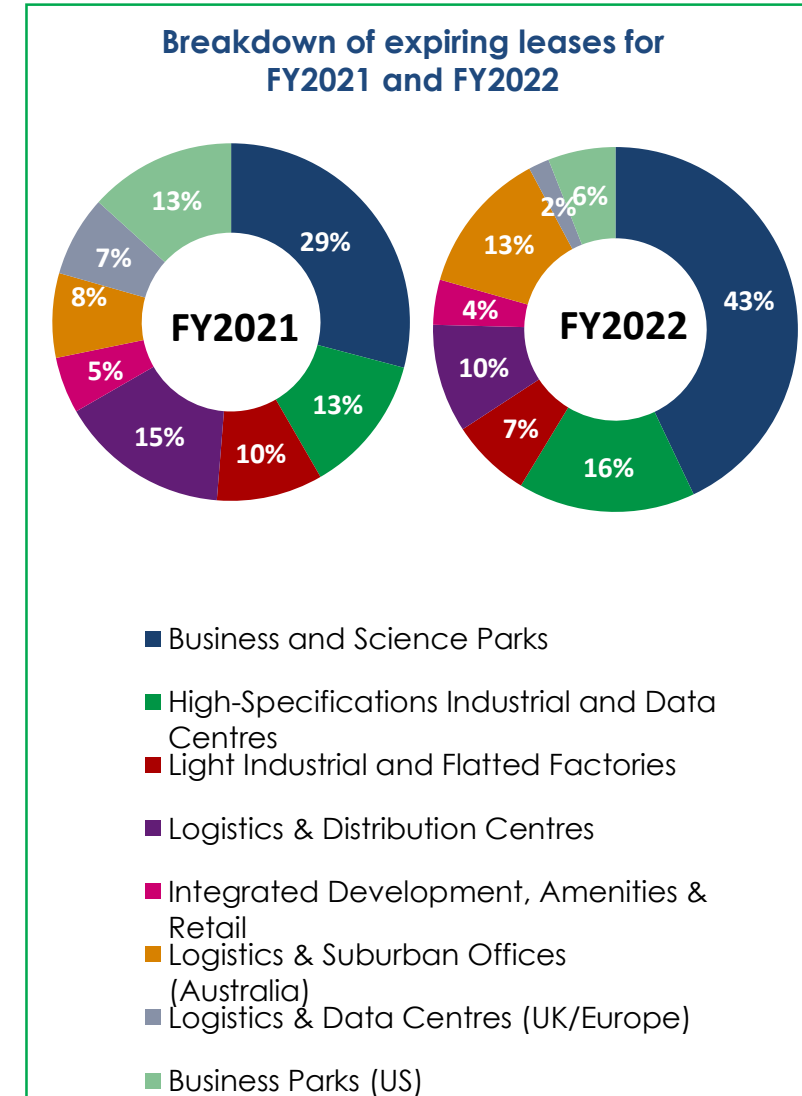
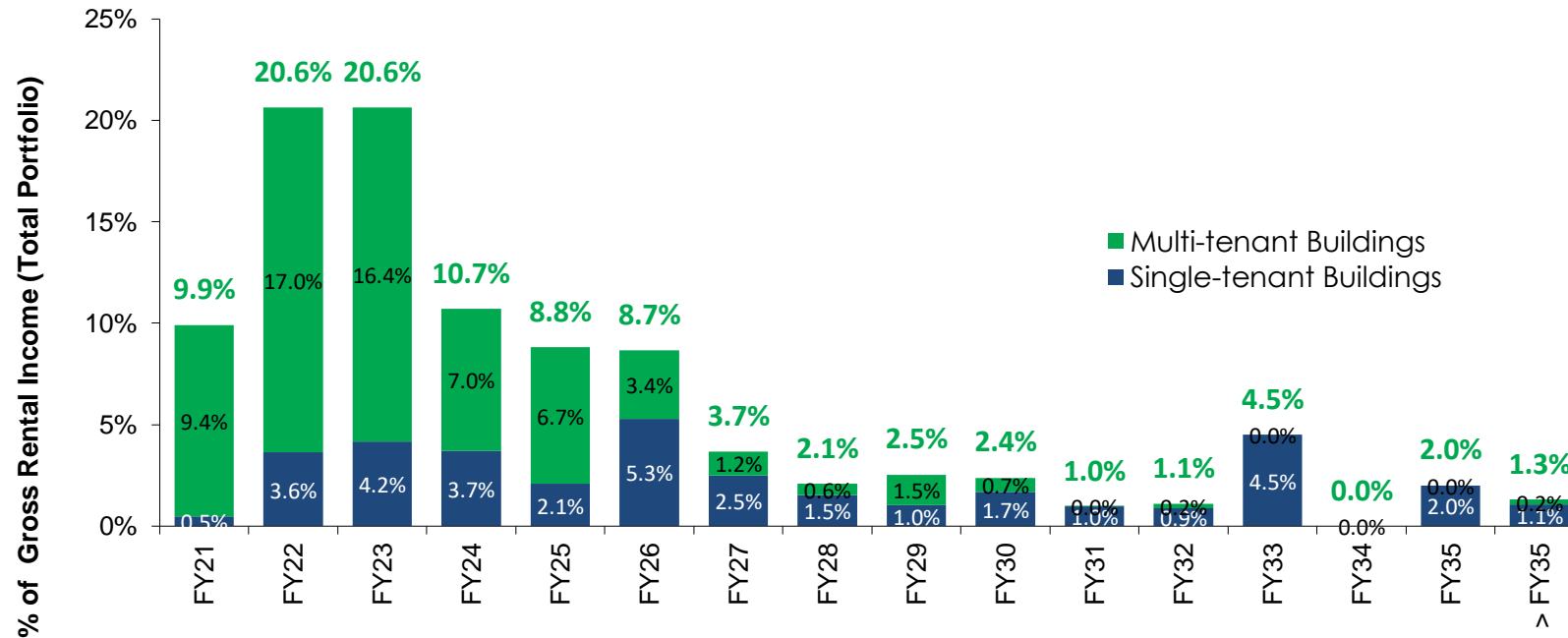
# Weighted Average Lease Expiry (By gross revenue)

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

WALE (as at 31 Mar 2021)	Years
Singapore	3.6
Australia	4.0
United States	4.9
United Kingdom/Europe	6.2
<b>Portfolio</b>	<b>4.1</b>

# Portfolio Lease Expiry Profile (as at 31 Mar 2021)

- Portfolio WALE of 4.1 years.
- Lease expiry is well-spread, extending beyond FY2035
- About 9.9% of gross rental income is due for renewal in the remaining of FY2021
- Weighted average lease term of new leases <sup>(1)</sup> signed in 1Q FY2021 was 3.5 years and contributed 3.0% of 1Q FY2021 total gross revenue

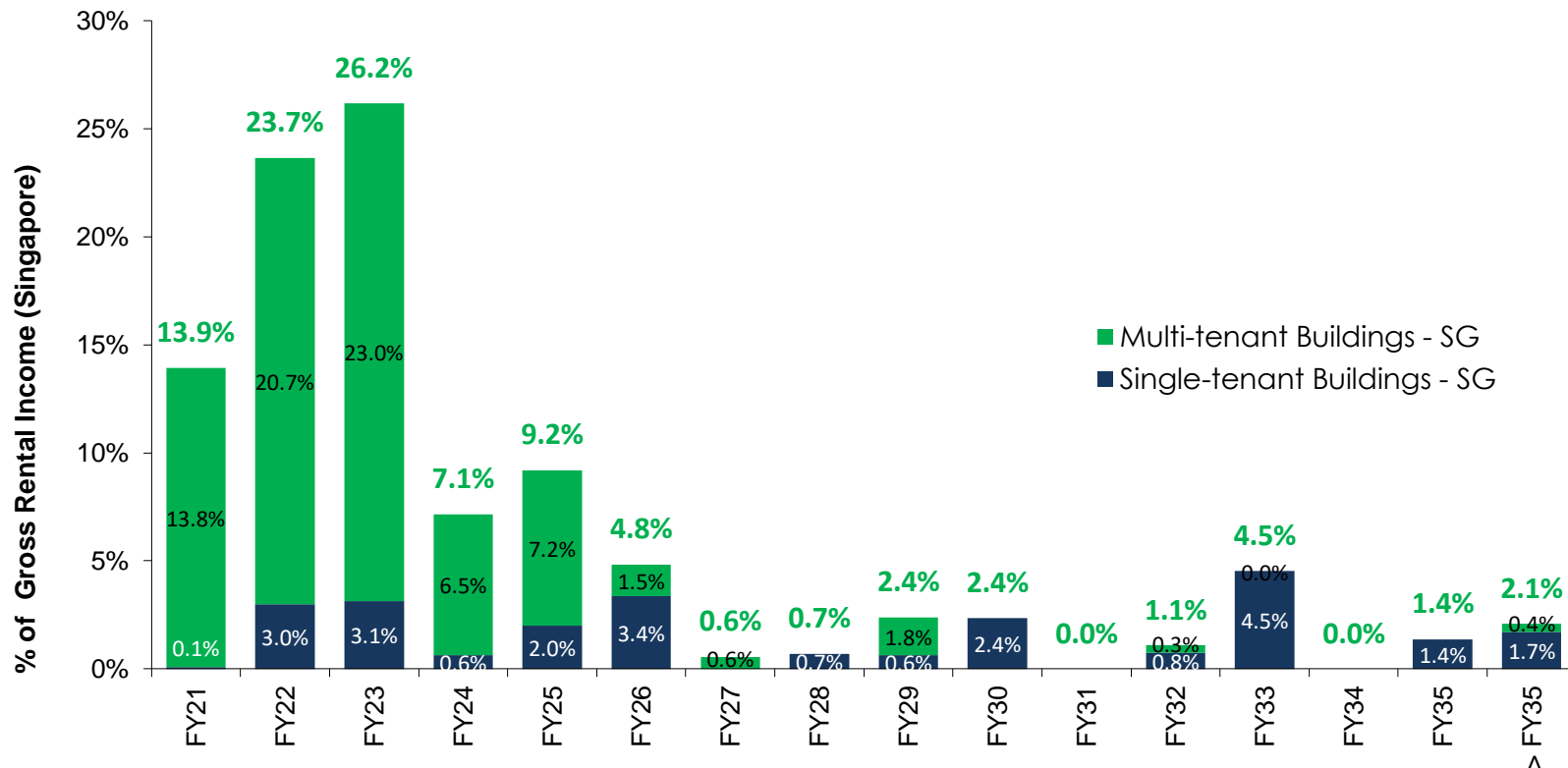


(1) New leases refer to new, expansion and renewal leases. Excludes leases from new acquisitions.

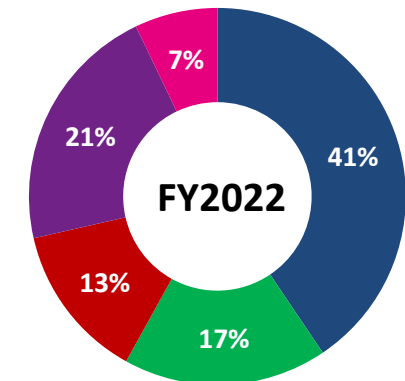
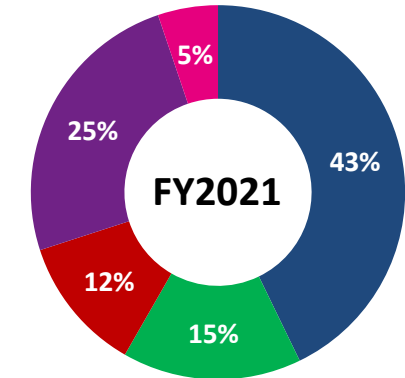


# Singapore: Lease Expiry Profile (as at 31 Mar 2021)

- Singapore portfolio WALE of 3.6 years
- Lease expiry is well-spread, extending beyond FY2035
- 13.9% of Singapore's gross rental income is due for renewal in the remaining of FY2021



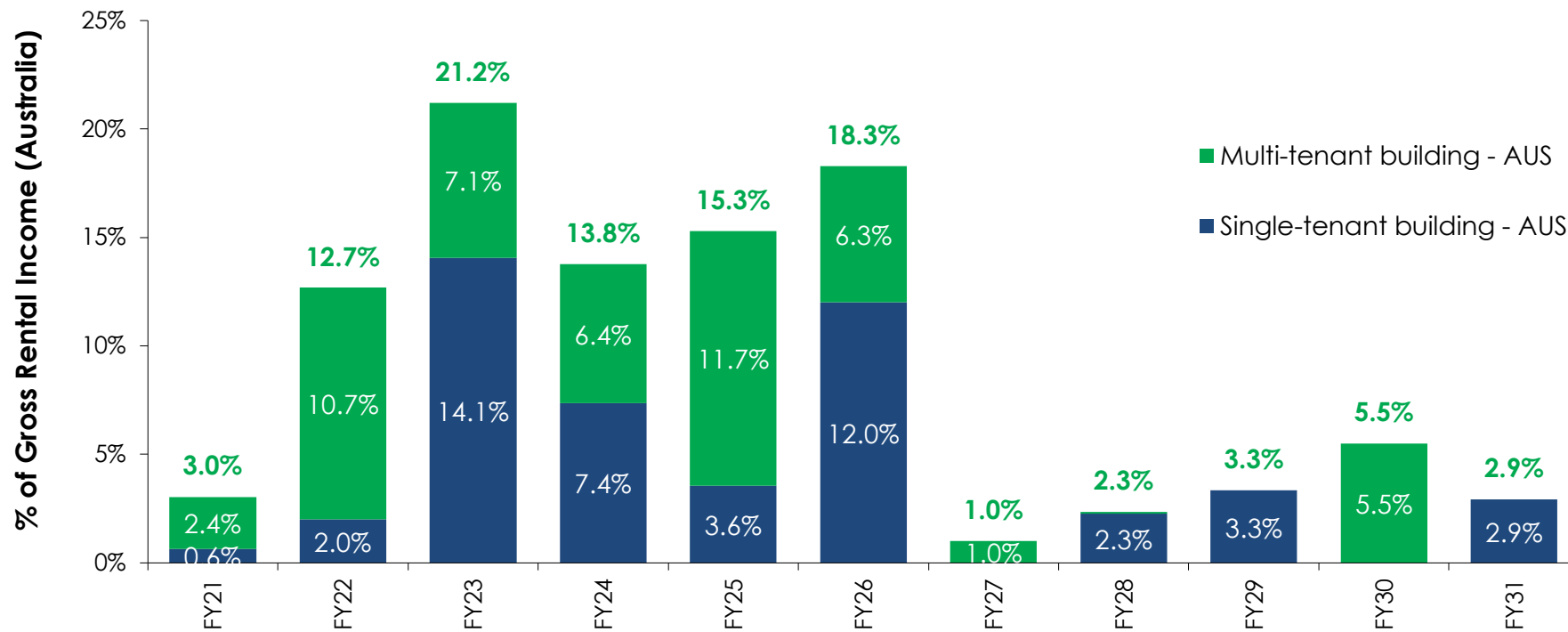
Breakdown of expiring leases for FY2021 and FY2022



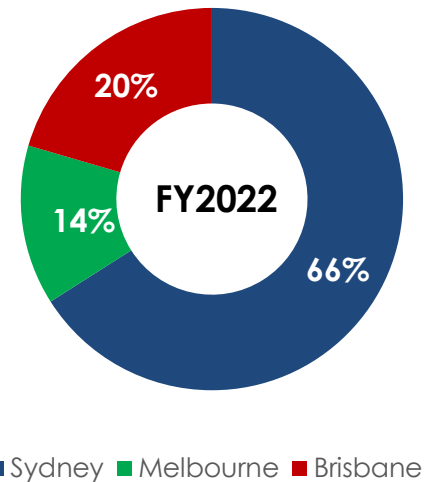
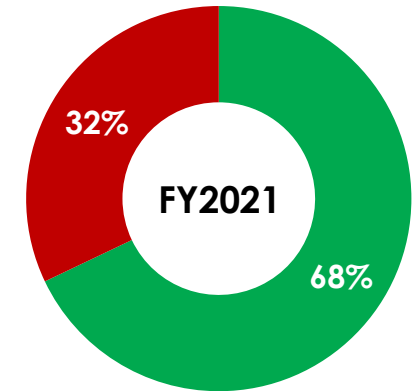
- Business and Science Parks
- High-Specifications Industrial and Data Centres
- Light Industrial and Flatted Factories
- Logistics & Distribution Centres
- Integrated Development, Amenities & Retail

# Australia: Lease Expiry Profile (as at 31 Mar 2021)

- Australia portfolio WALE of 4.0 years
- Lease expiry is well-spread, extending beyond FY2030
- 3.0% of Australia's gross rental income is due for renewal in the remaining of FY2021

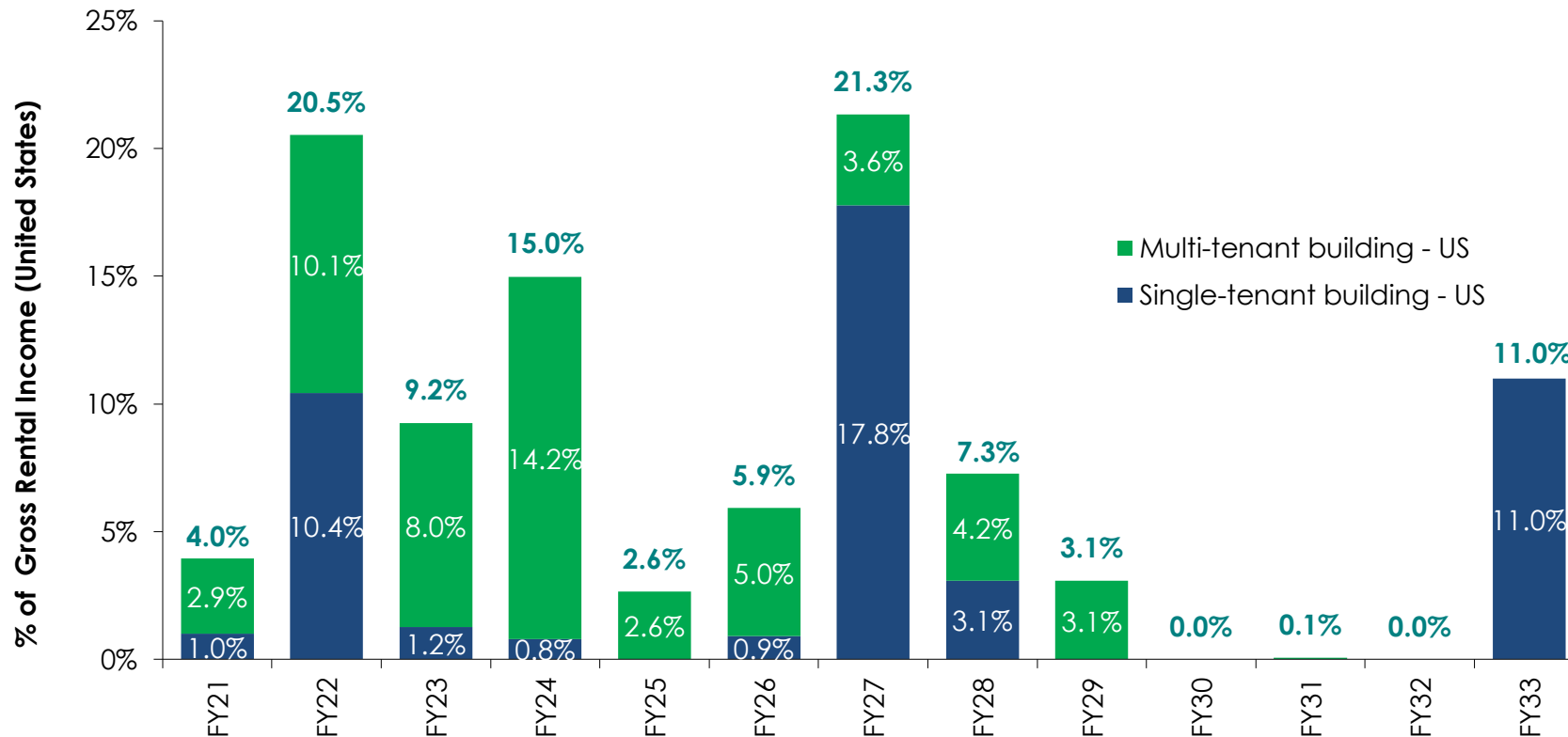


Breakdown of expiring leases for FY2021 and FY2022

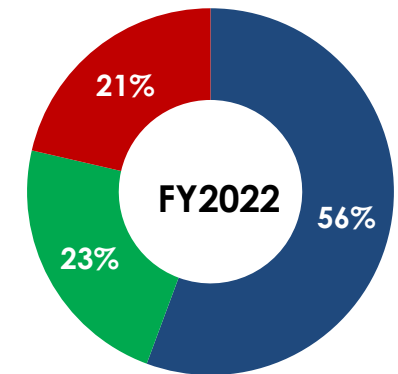
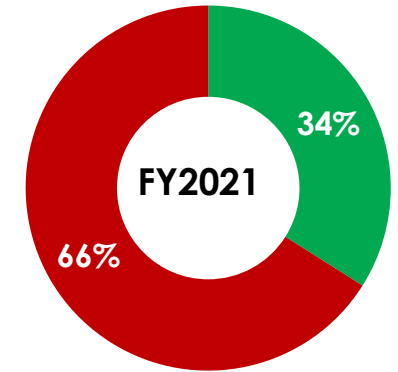


# United States: Lease Expiry Profile (as at 31 Mar 2021)

- United States portfolio WALE of 4.9 years
- Lease expiry is well-spread, extending well beyond FY2032
- 4.0% of United States' gross rental income is due for renewal in the remaining of FY2021



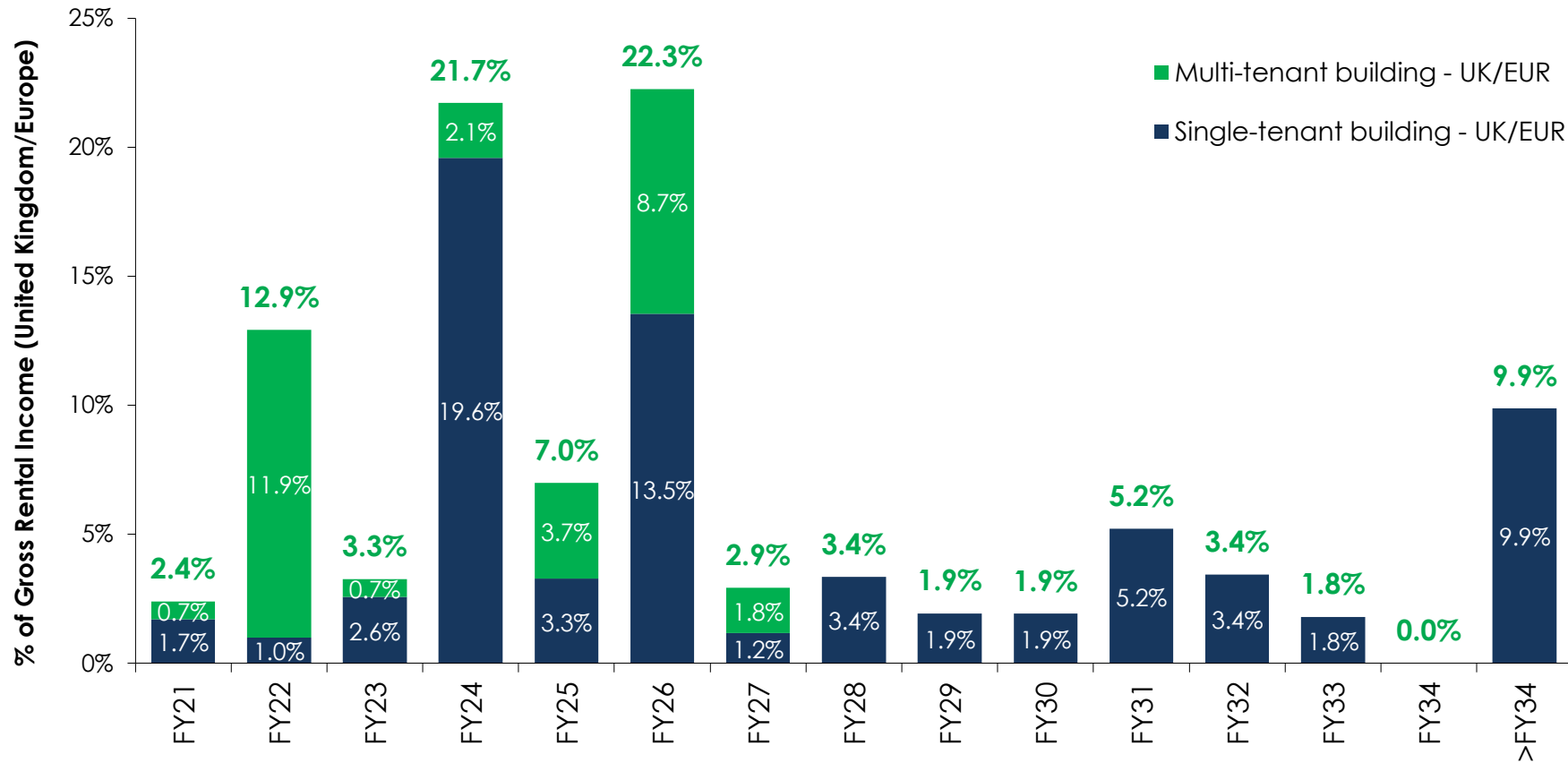
Breakdown of expiring leases for FY2021 and FY2022



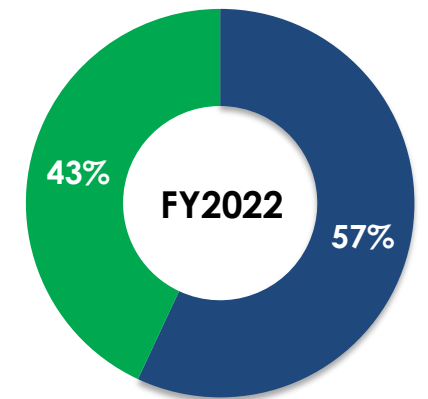
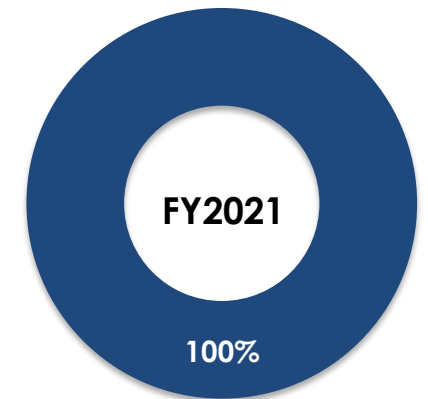
- San Diego
- Raleigh
- Portland

# United Kingdom/Europe: Lease Expiry Profile (as at 31 Mar 2021)

- United Kingdom/Europe portfolio WALE of 6.2 years
- Lease expiry is well-spread, extending beyond FY2034
- 2.4% of United Kingdom/Europe's gross rental income is due for renewal in FY2021



Breakdown of expiring leases for FY2021 and FY2022



■ United Kingdom  
■ The Netherlands

# Ongoing Projects: Improving Portfolio Quality

	City/Country	Estimated Total Cost (\$\$m)	Estimated Completion Date
<b>Development</b>		<b>184.6</b>	
Built-to-suit business park development for Grab	Singapore	184.6	3Q 2021 <sup>(1)</sup>
<b>Redevelopments</b>		<b>119.3</b>	
UBIX (formerly 25 & 27 Ubi Road 4)	Singapore	35.0	4Q 2021
iQuest@IBP	Singapore	84.3	1Q 2023
<b>Asset Enhancement Initiatives</b>		<b>33.6</b>	
21 Changi South Avenue 2	Singapore	4.7	2Q 2021
100 & 108 Wickham Street	Brisbane, Australia	10.1	2Q 2021 <sup>(2)</sup>
Changi Logistics Centre	Singapore	11.3	2Q 2022
Hansapoint <b>(New)</b>	Singapore	7.5	1Q 2022
	<b>TOTAL:</b>	<b>337.5</b>	

(1) Delayed from 2Q 2021.

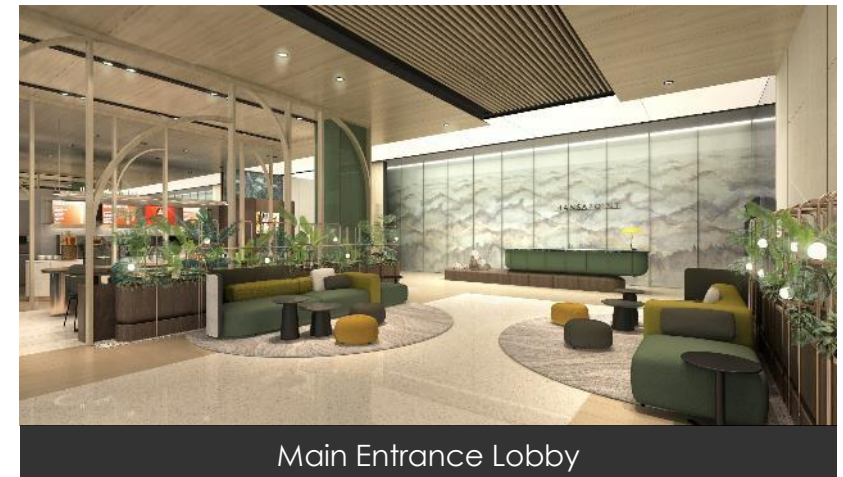
(2) Delayed from 1Q 2021.

# Asset Enhancement Initiative (New): Hansapoint, Singapore

<b>Description</b>	The asset enhancement works include upgrading of the main entrance and lift lobby, upgrading of the common corridors and toilets, driveway upgrading works, erection of new driveway canopy, and construction of a new gymnasium and end-of-trip facilities in the building.
<b>Property Segment</b>	Business & Science Park
<b>Net Lettable Area</b>	16,571 sqm
<b>Estimated Cost</b>	S\$7.5 m
<b>Estimated Completion Date</b>	1Q FY2022



New Driveway and Canopy



Main Entrance Lobby

# Expanding Flexible Workspace Solutions

- Launched Ascendas Reit's third flexible workspace location, **The Workshop @ Bukit Merah**, in Apr 2021 at Pacific Tech Centre, Singapore
- The Workshop offers workpods, storage solutions, event spaces, broadcast and photography studios<sup>(1)</sup>

1

2018  
The Workshop @ Ang Mo Kio



Located at  
Techplace II



2

2020  
The Workshop @ Lavender



Located at  
Aperia



3

2021  
The Workshop @ Bukit Merah



Located at  
Pacific Tech  
Centre



Website: <https://www.theworkshop.sg/en>

(1) Facilities vary in the three locations.

# Market Outlook



505 Brannan Street  
San Francisco, United States



# Market Outlook

- In Apr 2021, the International Monetary Fund (IMF) projected the global economy to grow by a stronger 6.0% y-o-y in 2021 (revised from Jan 2021 forecast of 5.5%) supported by government policies and COVID-19 vaccines. However, until the pandemic is brought under control globally, many risks and uncertainties remain. New strains of the virus and diverging economic recoveries across countries may weigh on global recovery.
- The Singapore economy contracted 5.4% y-o-y in 2020 but recovered to an estimated growth of 0.2% y-o-y in 1Q 2021. The Ministry of Trade and Industry (MTI) expects the economy to grow by between 4.0% to 6.0% in 2021.
  - Demand is expected to remain subdued as companies are likely to stay cautious amidst the lingering global uncertainties. Excess supply in some industrial property segments is also expected to curb rental growth.
  - Ascendas Reit continues to have access to its Sponsor's pipeline of business & science park properties in Singapore.
- Australia's economy contracted 1.1% in 2020. The Reserve Bank of Australia expects the positive momentum to continue into 2021 with an estimated GDP growth of 3.5%.
  - The portfolio continues to deliver stable performance due to good locations in the key cities of Sydney, Melbourne and Brisbane, long WALE of 4.0 years and average rent escalations of approximately 3% per annum.

# Market Outlook

- The US economy recorded a contraction of 3.5% y-o-y in 2020 and is expected to rebound to a growth of 6.4% 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 4.9 years and the high proportion of leases with rent escalation clauses of between 2.5% to 4.0% per annum.
- In 2020, the UK economy contracted by 9.8% y-o-y whilst the Euro area is estimated to have contracted by 6.6% y-o-y. The IMF estimates that GDP growth for the UK and the Euro area may rebound to 5.3% and 4.4% respectively in 2021.
  - The recently acquired 11 European data centres are well-located in key cities and are expected to benefit from the acceleration of digitalisation. The data centres are expected to provide Ascendas Reit with steady long-term returns.
  - The UK/Europe portfolio has a long WALE of 6.2 years, which should help to mitigate any near term leasing challenges.
- Our priority is to keep building a stronger and profitable portfolio for the longer term. Ascendas Reit's strong financial profile allows us to seize good opportunities to grow. We will maintain our long-standing strategy of diversifying across multiple developed countries and asset classes.
- At the same time, we will exercise prudence, maintain a strong balance sheet and proactively manage the portfolio to deliver sustainable returns for Unitholders.

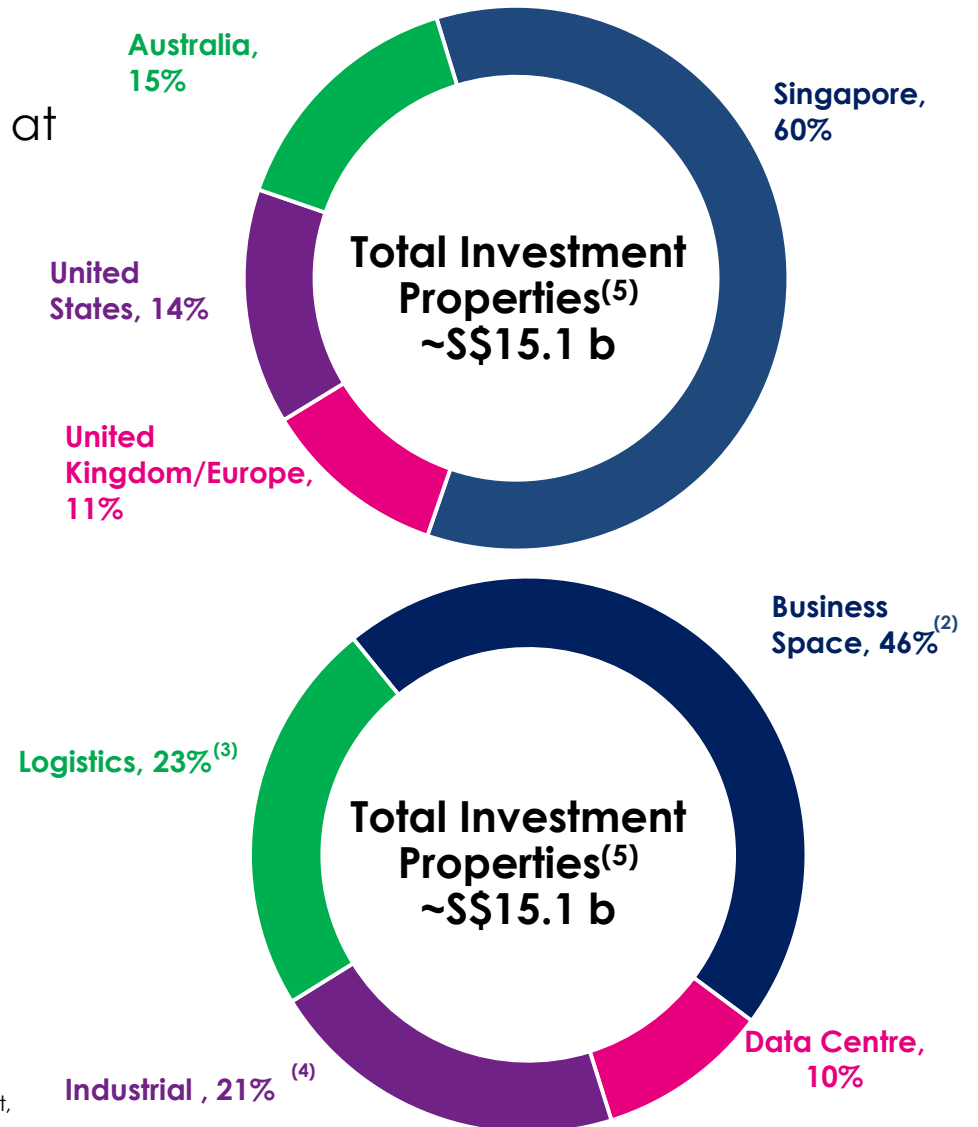
## Appendix:

- **Portfolio Resilience**
- **Sustainability**

# Diversified Portfolio

## By Value of Investment Properties

- As at 31 Mar 2021, total investment properties stood at **S\$15.1 b** (209 properties<sup>(1)</sup>)
- Diversified **geographically**:
  - Singapore portfolio: **S\$9.0 b**
  - Australia portfolio: **S\$2.2 b**
  - United States portfolio: **S\$2.1 b**
  - United Kingdom/Europe portfolio: **S\$1.8 b**
- Diversified by **asset class**:
  - Business Space<sup>(2)</sup>: **46%**
  - Logistics & Distribution Centre<sup>(3)</sup>: **23%**
  - Industrial<sup>(4)</sup>: **21%**
  - Data Centre: **10%**



(1) Excludes 3 properties in Singapore which are under redevelopment

(2) Business Space includes business & science park properties/offices (Singapore 27%, US 14%), suburban offices (Australia 5%)

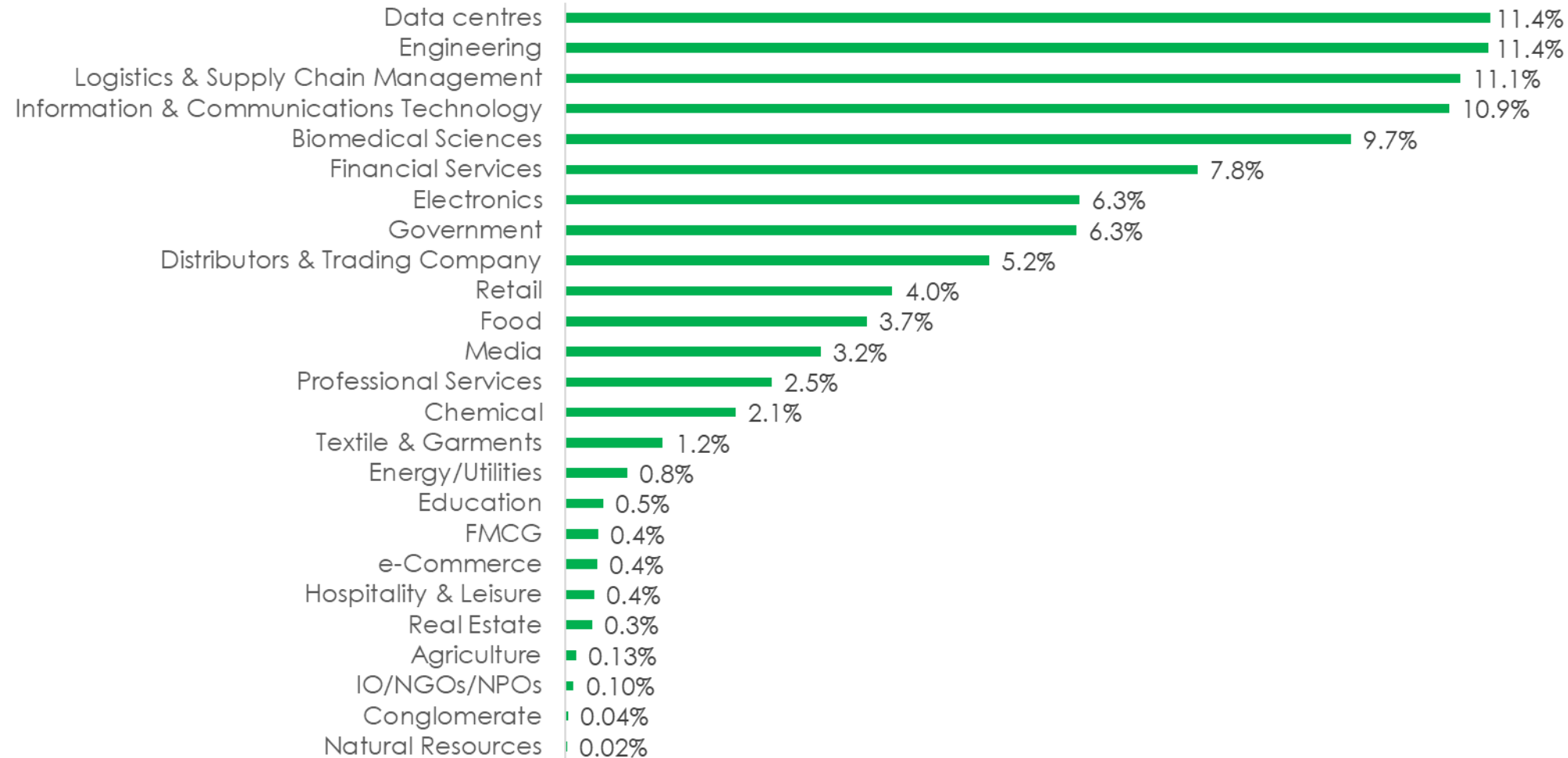
(3) Comprises logistics properties in Singapore (8%), Australia (10%) and UK (5%).

(4) Comprises high specifications industrial properties (10%), light industrial properties & flatted factories (6%) and integrated development, amenities & retail (5%) in Singapore

(5) Multi-tenant buildings account for 67.9% of Ascendas Reit's total investment properties (by asset value) as at 31 Mar 2021.

# Customers' Industry Diversification (By Monthly Rental Income)

- Diversified customer base across more than 20 industries

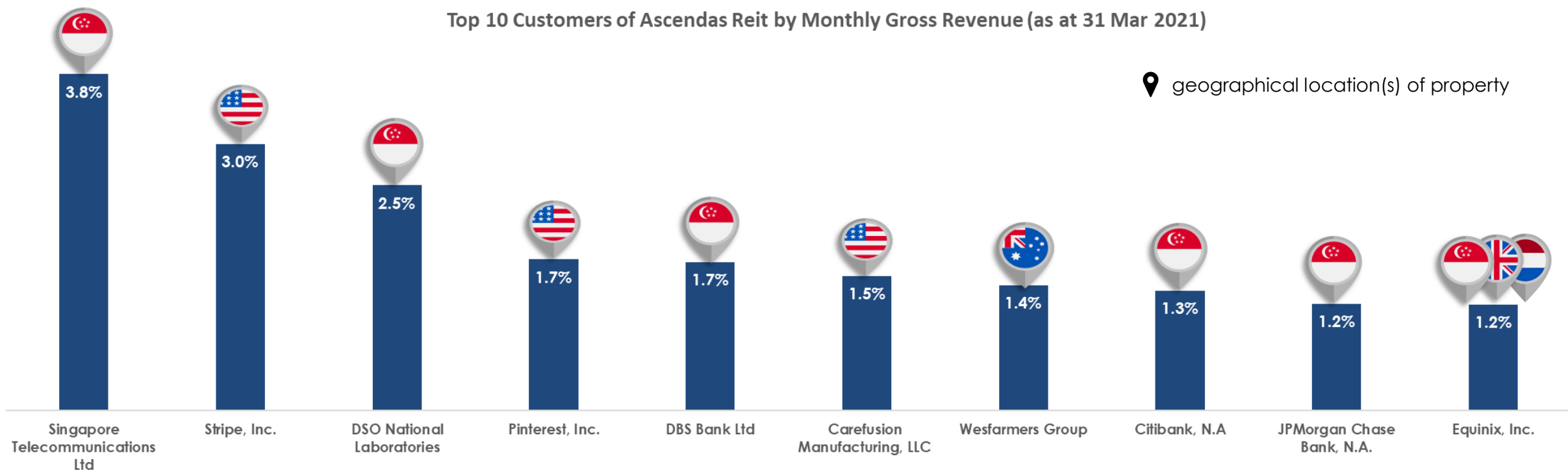


More than  
20 industries

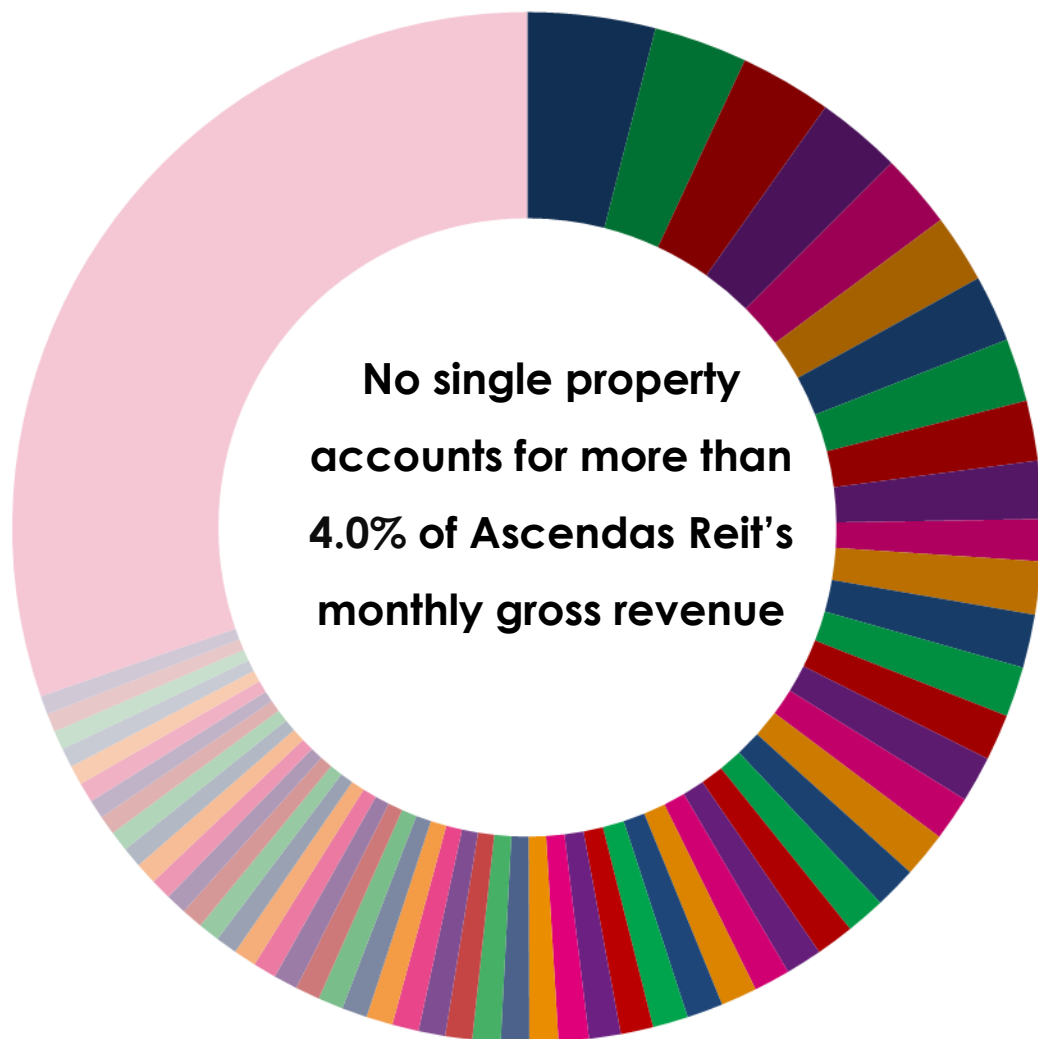
# Quality and Diversified Customer Base

- Total customer base of more than 1,460 tenants
- Top 10 customers (as at 31 Mar 2021) account for about 19.3% of monthly portfolio gross revenue\*
- On a portfolio basis, weighted average security deposit is about 4.8 months of rental income.

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



# Diversified Portfolio



- Aperia, 4.0%
- ONE @ Changi City, 2.9%
- 1, 3 & 5 Changi Business Park Crescent, 2.3%
- Kim Chuan Telecommunication Complex, 2.1%
- TelePark, 1.9%
- 505 Brannan Street, 1.3%
- TechPlace II, 1.7%
- Nexus@one-north, 1.5%
- DBS Asia Hub, 1.4%
- Corporation Place, 1.3%
- Techlink, 1.2%
- Siemens Centre, 1.1%
- TechPoint, 1.1%
- The Kendall, 1.0%
- 10020 Pacific Mesa Boulevard, 0.9%
- Hansapoint, 0.9%
- Pacific Tech Centre, 0.8%
- Nordic European Centre, 0.8%
- Perimeter 3, 0.8%
- Giant Hypermart, 0.8%
- 5200 East and West Paramount Parkway, 0.7%
- 5005 & 5010 Wateridge, 0.7%
- Perimeter 1, 0.7%
- Courts Megastore, 0.7%
- 138 Depot Road, 0.6%
- Changi Logistics Centre, 0.6%
- LogisTech, 0.6%
- 254 Wellington Road, 0.6%
- AkzoNobel House, 0.6%
- Others, 30.3%
- 12, 14 & 16 Science Park Drive, 2.9%
- Nucleos, 2.7%
- 510 Townsend Street, 2.1%
- Pioneer Hub, 2.0%
- Neuros & Immunos, 1.8%
- 40 Penjuru Lane, 1.7%
- The Aries, Sparkle & Gemini, 1.6%
- 1-5 Thomas Holt Drive, 1.4%
- Techview, 1.4%
- 80 Bendemeer Road, 1.2%
- Croydon, 1.1%
- The Galen, 1.1%
- TechPlace I, 1.1%
- 31 International Business Park, 1.0%
- FoodAxis @ Senoko, 0.9%
- Infineon Building, 0.9%
- 197-201 Coward Street, 0.8%
- 10 Toh Guan Road, 0.8%
- Cintech III & IV, 0.8%
- The Capricorn, 0.8%
- 7 Grevillea Street, 0.7%
- Paul van Vlissingenstraat, 0.7%
- 108 Wickham Street, 0.7%
- 19 & 21 Pandan Avenue, 0.7%
- Perimeter 2, 0.6%
- Perimeter 4, 0.6%
- 50 Kallang Avenue, 0.6%
- 100 Wickham Street, 0.6%
- 20 Tuas Ave 1, 0.6%

# Green Initiatives

## Green Financing



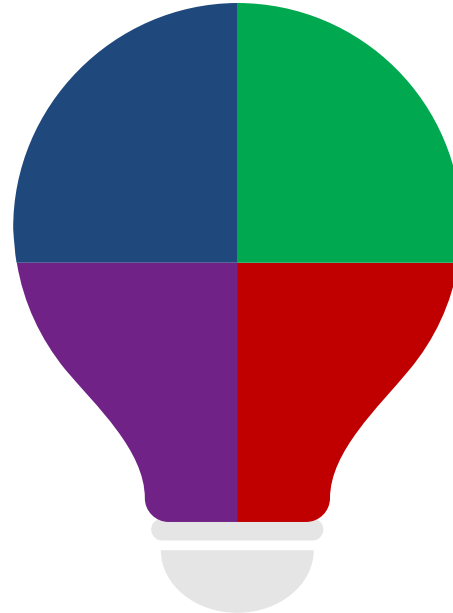
- Established Green Finance Framework in FY2020
- Issued **maiden S\$100 million Green Bond** and **S\$300 million Green Perpetual Securities**

## Green Buildings



- Largest number of BCA Green Mark properties amongst S-REITs: 34<sup>^</sup>
- Total portfolio comprises **39 Green certified properties**
- LogisTech is the first industrial building in Singapore awarded Green Mark Platinum Super Low Energy (SLE) status

<sup>^</sup> Includes 3 single-tenant properties



## Renewable Energy

- **Largest no. of public Electric Vehicle (EV) charging points** in Singapore by a S-REIT: **40**
- **10,385 MWh of solar power generated in 2020** from solar farms on 6 of our properties. It is the largest combined solar installation in Singapore for a real estate company



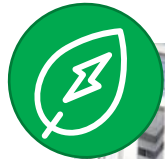
## Leveraging Technology

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

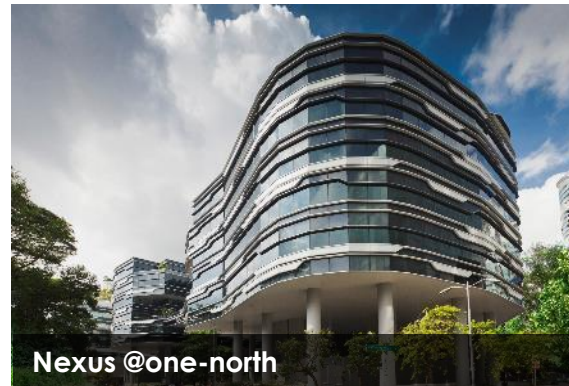


# Committed to Reduce Carbon Footprint

- In 2020, common facilities' electricity usage at Neuros & Immunos was **100% powered by renewable energy** generated from solar farms installed on the roofs of 6 of Ascendas Reit's properties
- By 2022, Ascendas Reit aims to power the common facilities' electricity usage at 3 properties located at one-north (including Neuros & Immunos) with renewable energy



Achieved in 2020



By 2021



By 2022

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



Avoid 2.4 mil  
kg of CO<sub>2</sub>



# Recent Acquisitions of Green Buildings



510 Townsend Street, San Francisco, US



505 Brannan Street, San Francisco, US



254 Wellington Road, Melbourne, Australia



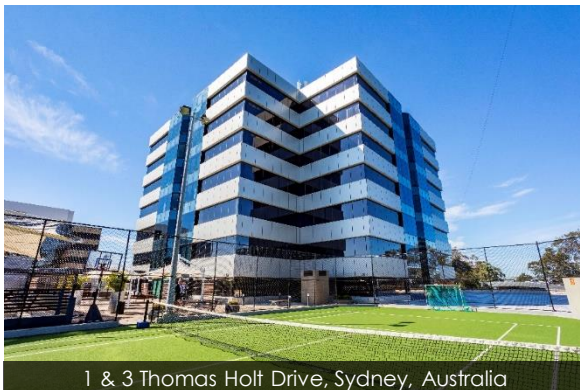
Under  
Development

MQX4, Sydney, Australia

LEED Platinum (Building Design & Construction)

5 Star Green Star Design & As-Built rating

6 Star Green Star Design & As-Built rating and 5.5 Star NABERS Energy rating (target)



1 & 3 Thomas Holt Drive, Sydney, Australia



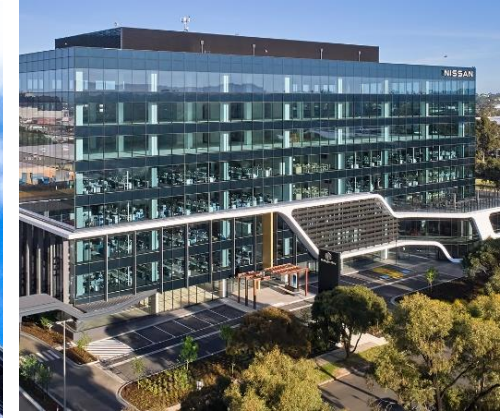
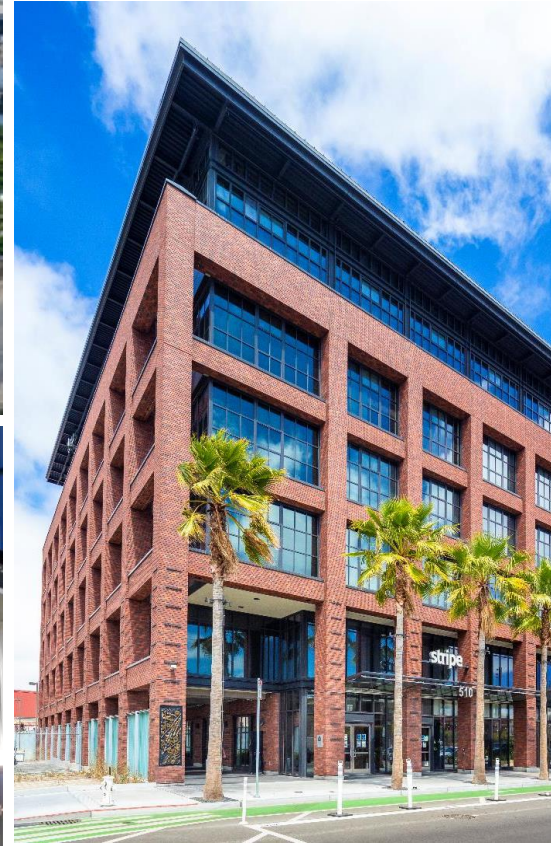
500 Green Road, Brisbane, Australia

Under  
Development

5 Star NABERS Energy rating

5 Star Green Star Design & As-Built rating (target)

- The Manager is committed to ensure that new properties to be acquired or new developments undertaken will achieve green certifications.
- If this is not achievable immediately, capital expenditure will be set aside to enhance the properties to attain green certifications in the future.



Thank you

