



Ascendas Reit

•

Annual Report
2021



Our portfolio is anchored by well-located quality properties that cater to growth sectors such as technology and life sciences, and the demand for data centres and warehouse space.



DR BEH SWAN GIN
CHAIRMAN



A Member of
CapitaLand Investment

Our cover page features the letters "C" and "O" intersecting to form an interlocked design, where the "C" stands for CapitaLand and the "O" stands for ONE. Together, they represent the ONE CapitaLand ecosystem, and symbolise how the respective REITs, business trusts and businesses that are part of our CapitaLand Investment Group benefit from cross-platform synergies and complementary strengths; and are united and committed to the same shared purpose of Enriching Lives, Building Communities and Growing Sustainably.

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SINGAPORE
S\$9.9 BILLION OF
INVESTMENT PROPERTIES

Ascendas Reit acquired the remaining 75% interest in Galaxis and completed the built-to-suit development for Grab's Headquarters, extending its presence in the vibrant business park precinct of one-north in Singapore.

Galaxis, Singapore



AUSTRALIA
\$52.3 BILLION OF
INVESTMENT PROPERTIES

In the thriving innovation district of Sydney's Macquarie Park, Ascendas Reit acquired 1 – 5 Thomas Holt Drive, a campus style suburban office that offers onsite amenities including tennis courts, a swimming pool and a café.

1-5 Thomas Holt Drive, Sydney

UNITED STATES
\$2.3 BILLION OF
INVESTMENT PROPERTIES



The acquisition of 11 last-mile logistics properties in Kansas City, USA, expands Ascendas Reit's logistics footprint, allowing it to tap on the burgeoning demand for warehouse space globally.

Airworld 2, Kansas City



North Topping, Kansas City



**UNITED KINGDOM
/ EUROPE
\$1.8 BILLION OF
INVESTMENT PROPERTIES**

Ascendas Reit made its debut investment, acquiring 11 well-occupied data centres located across key European data centre markets in the UK, France, the Netherlands and Switzerland.

Cateringweg, Amsterdam

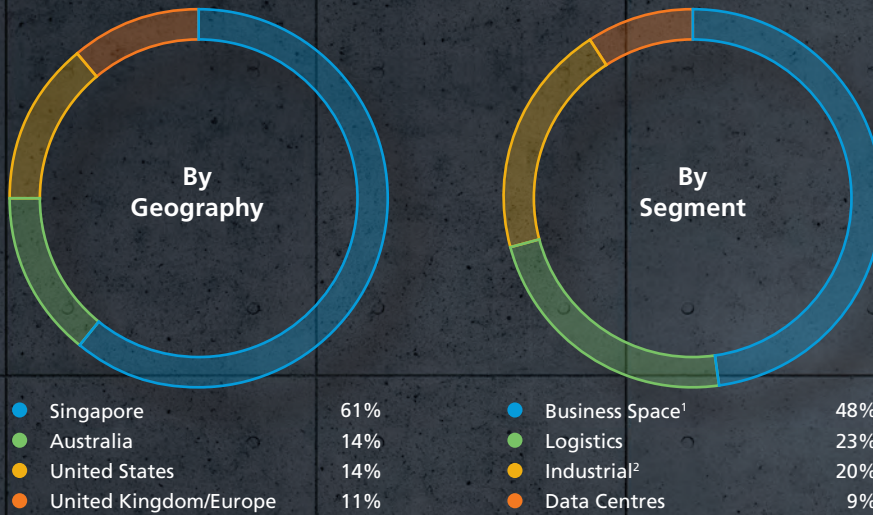


Croydon, London

Highlights of FY2021

Executed S\$2.1 billion of new investments bringing total investment properties to S\$16.3 billion

PORTFOLIO BY ASSET VALUE

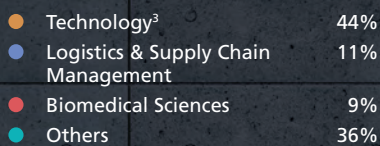


1 Includes business & science park properties, suburban offices and offices.

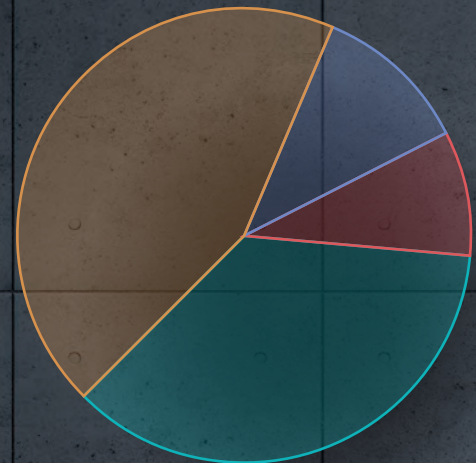
2 Includes high specifications industrial properties, light industrial properties and flatted factories, and integrated development, amenities & retail properties.

Strong customer base underpinned by companies from the growing technology, logistics & life sciences industries

CUSTOMERS' INDUSTRIES BY MONTHLY RENTAL INCOME



3 Includes information & communications technology, data centres, engineering, electronics, and e-commerce industries.



▶ STRONG BALANCE SHEET

Healthy aggregate leverage
35.9%
Credit rating by Moody's
A3

▶ PROGRESSING TOWARDS A GREENER PORTFOLIO

Green certified properties **49**
Renewable energy generated (estimated)
11,600 MWh

Note: All information as at 31 December 2021 except number of green certified properties (which includes non-landlord managed properties) as at 17 March 2022.

About Ascendas Reit

Ascendas Real Estate Investment Trust (Ascendas Reit) is Singapore's first and largest listed business space and industrial real estate investment trust (REIT).

As one of Singapore's REIT pioneers, Ascendas Reit has played a crucial role in the development of the Singapore REIT sector. It provides an attractive platform for investment in business and industrial properties across developed markets.

Ascendas Reit owns and manages a well-diversified portfolio, valued at S\$16.3 billion. The portfolio comprises 220 properties in Singapore, Australia, the United Kingdom (UK)/Europe and the United States (USA).

Ascendas Funds Management (S) Limited (AFM), the manager of Ascendas Reit (the Manager), is a wholly owned subsidiary of Singapore-listed CapitaLand Investment Limited (CapitaLand Investment), a leading global real estate investment manager with a strong Asia foothold.

Vision

To be a leading global real estate investment trust

Mission

To deliver predictable distributions and achieve long-term capital stability for Unitholders

REPORTING SUITE 2021

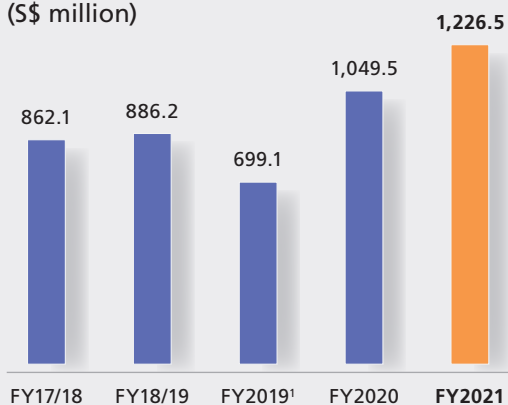


As part of its environmental conservation efforts, Ascendas Reit continues to print limited copies of its Annual Report. The above reports are available for download at <https://ir.ascendas-reit.com/ar.html>.

Financial Highlights

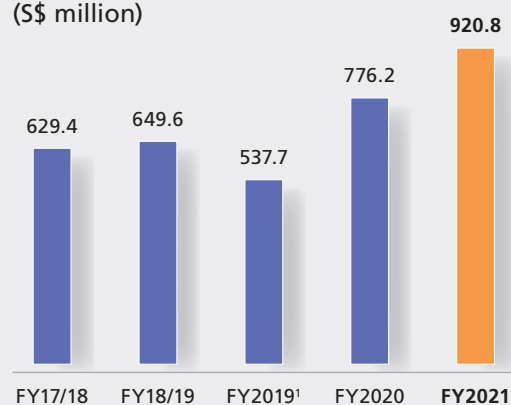
GROSS REVENUE

(\$ million)



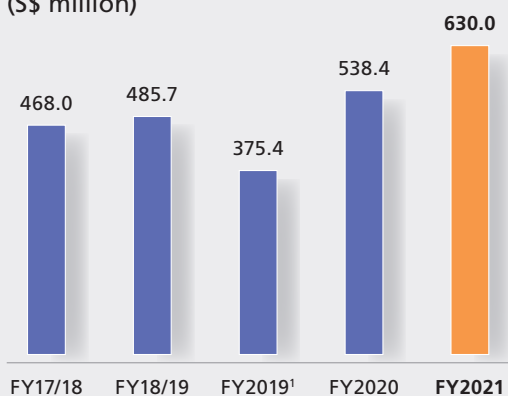
NET PROPERTY INCOME

(\$ million)



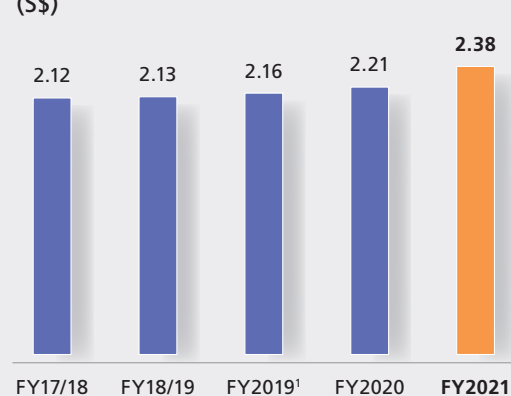
TOTAL AMOUNT AVAILABLE FOR DISTRIBUTION

(\$ million)

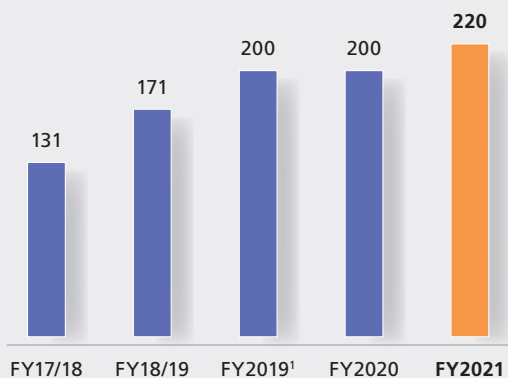


NET ASSET VALUE PER UNIT²

(\$)

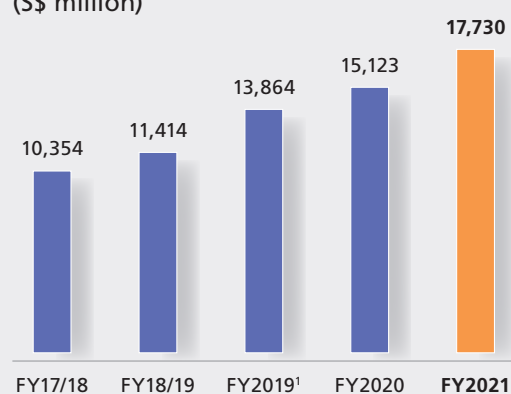


NUMBER OF PROPERTIES IN PORTFOLIO



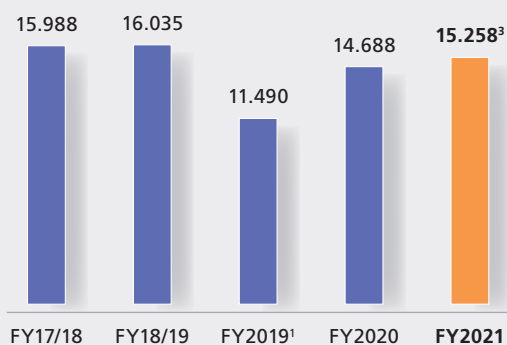
TOTAL ASSETS

(\$ million)

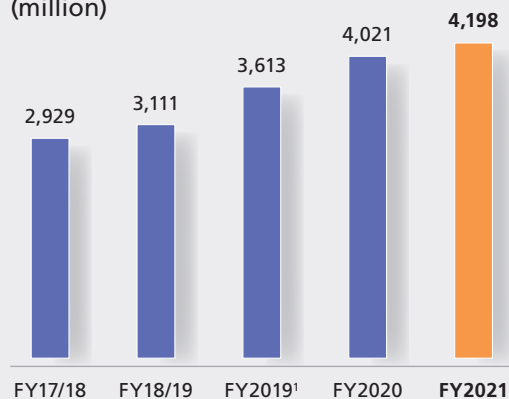


Financial Highlights

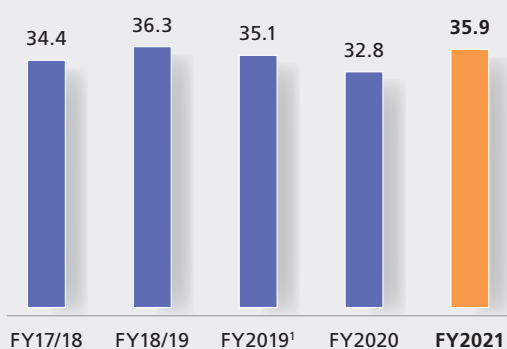
DISTRIBUTION PER UNIT (DPU) (Singapore cents)



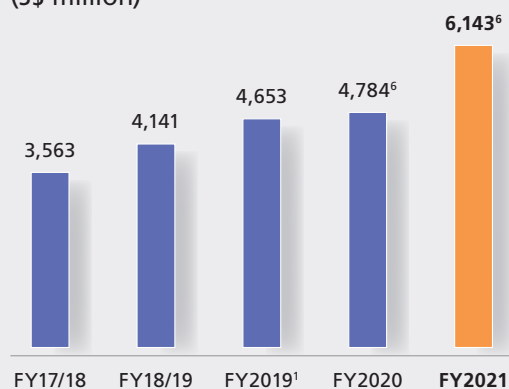
NUMBER OF UNITS IN ISSUE (million)



AGGREGATE LEVERAGE⁴ (%)



TOTAL GROSS BORROWINGS^{4, 5} (S\$ million)



NOTES:

- (1) In July 2019, Ascendas Reit announced that it 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.
- (2) Prior to distribution of distributable income.
- (3) DPU after performance fee.
- (4) Excludes the effects of the Singapore Financial Reporting Standard 116 Leases (FRS 116).
- (5) 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.
- (6) Includes interests in joint venture.

Chairman's Message

Our portfolio is anchored by well-located quality properties that cater to growth sectors such as technology and life sciences, and the demand for data centres and warehouse space.



DR BEH SWAN GIN
CHAIRMAN

Dear Unitholders,

Despite the challenges posed by the COVID-19 pandemic, our business has proven to be resilient. We are pleased to report strong operational and financial results for FY2021. This reflects the value of a multi-asset portfolio strategy comprising business space, logistics, industrial and data centres in developed markets. Our portfolio is anchored by well-located quality properties that cater to growth sectors such as technology and life sciences, and the demand for data centres and warehouse space. Our customer base is also large and diversified, and the trust is secured by a strong capital structure.

Performance in 2021

The portfolio recorded a higher occupancy rate of 93.2% as at 31 December 2021 compared to 91.7% as at 31 December 2020. Rent reversions grew 4.5% for leases that were renewed during the year.

Newly acquired properties during 2020 and 2021 contributed significantly to the 18.6% year-on-year growth in net property income to S\$920.8 million.

In addition, the Manager voluntarily waived part of its performance fee to offset the effect of the rental rebates mandated by the Singapore government that resulted in a lower DPU in FY2020.

As such, Unitholders received a higher full year DPU of 15.258 cents, an increase of 3.9% over the

previous year (after performance fee). Net asset value (NAV) per Unit increased to S\$2.38 from S\$2.21 a year ago.

In a year where we invested in S\$2.1 billion worth of properties to grow the business, we took steps to maintain a healthy aggregate leverage of 35.9%. Consequently, Ascendas Reit continues to maintain its A3 issuer rating from Moody's. The strong balance sheet will enable Ascendas Reit to seize quality opportunities as they arise as well as to better withstand uncertain times.

Focused Growth

We successfully executed a record of S\$2.1 billion worth of new investments, boosting the value of Ascendas Reit's total investment properties to S\$16.3 billion.

The most sizeable acquisition was for a portfolio of 11 data centres which are predominantly located in three of the top data centre markets in Europe, namely London, Amsterdam and Paris. Costing S\$904.6 million, this acquisition raised Ascendas Reit's investment in data centres to S\$1.5 billion or 9% of our total investment properties of S\$16.3 billion (from 4% or S\$0.5 billion as at 31 December 2020).

All of the S\$2.1 billion of investments made in 2021 were part of our plan to steer our portfolio mix to meet the evolving needs of our existing and potential customers. We now have a multi-asset portfolio that caters to the rapidly growing new economy opportunities such as technology,

life sciences, data centre and logistics. These properties represent a significant 81% of Ascendas Reit's total asset under management and contributed 78% to the total gross revenue in FY2021. We believe the demand for our asset classes will continue to grow and remain healthy.

Read more about Ascendas Reit's acquisitions and development projects in The Manager's Review of FY2021 on pages 38 to 47.

Sustainability

Sustainability forms a key pillar of our strategy and we strive to embed it into all aspects of our business. Targets relating to green building certifications, renewable energy and green financing have been included in the Manager's Balanced Scorecard to align our activities and achieve our intended outcomes.

We made good progress to increase:

- (a) the number of green certified properties in our portfolio to 49 from 39 a year ago,
- (b) the amount of solar energy generated from our rooftop solar farms in Singapore to approximately 11,600 MWh from 10,355 MWh¹ in 2020, and
- (c) the amount of green financing to S\$1.2 billion from S\$400 million in 2020. During the year, we secured three green USD term loans, a green AUD term loan, and issued an inaugural USD green interest rates swap. Total green financing accounts for approximately 20% of our current total borrowings.

1 Based on actual solar energy generated in 2020.

Chairman's Message

We will continue to strengthen our climate resilience, reduce our environmental footprint and do our part to contribute towards a low carbon future.

Read more about Ascendas Reit's sustainability efforts on page 20 to 21 and in its Integrated Sustainability Report 2021.

Governance and Board Renewal

Ascendas Reit was placed third in the Singapore Governance and Transparency Index 2021 (REITs and Business Trust Category), a leap from its eighth position the year before. We were also one of the winners of the Corporate Excellence & Resilience Award at the Singapore Corporate Awards 2021 (in the category of companies with market capitalisation of S\$1 billion or more). These credentials reflect our commitment towards good corporate governance and sustainability.

To align with best practices, a Nominating and Remuneration Committee (NRC) was formed in October 2021 to assist the Board in matters relating to board appointment, remuneration of directors and senior management of the Manager, leadership development, succession planning and other related matters. These responsibilities were previously undertaken by the Board and the formation of the NRC will

strengthen and streamline the processes relating to nomination and remuneration matters that are subject to board oversight. Additionally, our Audit and Risk Committee now comprises only independent directors.

In September 2021, we welcomed Ms Maureen Ong to the Board as an independent director. Her extensive experience in the areas of accounting and finance adds further diversity and strength to the Board.

Ms Chong Chiet Ping retired as our independent director in October 2021. I would like to thank Chiet Ping for her many valuable contributions over her six-year tenure.

With these changes, the Board will consist of eight members, of which five are independent directors.

Outlook

During 2021, the COVID-19 pandemic continued to unfold with outbreaks of variants of concern that resulted in renewed restrictions globally. Notwithstanding this, many countries have gradually reopened their economies and are pivoting towards an endemic strategy along with the progressive roll out of vaccinations.

We are cautiously optimistic that our investment markets will remain stable and continue to provide us with growth opportunities.

A Word of Thanks

On behalf of the Board, I would like to thank all our colleagues from the Manager and the Asset & Property Manager for their dedication and hard work in delivering these results. Equally important, we would like to thank you, our Unitholders, customers and business partners for your continued support in every stage of our growth.

In 2022, we celebrate Ascendas Reit's 20th year of listing on the Singapore Exchange. We look forward to achieving even greater success with you and for you in the years to come.

DR BEH SWAN GIN

Chairman
17 March 2022

In Conversation with CEO

1. In 2021, you acquired more properties overseas than in Singapore. Should we expect this to continue?

Singapore remains a key home market for us. As an attractive pro-business gateway to Asia, the country continues to attract diverse and leading industry players from new economy sectors.

Our Sponsor's pipeline of business and science park properties worth more than S\$1.5 billion is one source of growth for Ascendas Reit. Recently, we embarked on a transformational development together with CapitaLand Development to create a life science and innovation campus at the Singapore Science Park 1 to better capture demand from these sectors. Designed to achieve BCA's Green Mark Platinum rating, this future campus can accommodate biomedical research and development activities. It will be integrated with retail and F&B amenities and have a direct sheltered connection to Kent Ridge MRT station when completed in 2Q 2025.

In addition, Ascendas Reit has a good track record of developing built-to-suit facilities to support businesses in Singapore. The recently completed Grab Headquarters at one-north in Singapore is a good example of how we can partner companies in their business expansions.

The overseas markets present a myriad of opportunities given the relatively larger size of their real estate sectors. Our teams are constantly reviewing potential transactions ranging from portfolio deals to single asset sales in new or existing locations that could enhance Ascendas Reit's overseas portfolios.

Our strategic focus is to pivot our portfolio to cater to business activities of the technology, life science and logistics industries. We have always avoided committing to a fixed proportion of overseas exposure as this would restrict our ability to capture accretive growth opportunities for Unitholders.

There are good opportunities in all the markets that we have a presence today and we plan to scale up our portfolio through acquisitions and developments.

2. Capitalisation rates for prime industrial assets have compressed globally fueled by strong investor demand. How do you plan to acquire more properties that are DPU accretive?

We continue to face strong competition in all our markets. To overcome this, we have widened our target markets to include both primary and secondary locations

with robust fundamentals such as growing populations and well-connected transportation networks.

A good example would be our acquisition of 11 last-mile logistics properties located in Kansas City, USA. The logistics sector in Kansas City has tremendous potential arising from its central location in Midwestern USA. From the city, 85% of the nation's population can be reached within two days as it sits at the crossroads of major interstate highways and has 30% more interstate miles per capita than any other city in the USA.

**WILLIAM TAY
WEE LEONG**
CHIEF EXECUTIVE
OFFICER



In Conversation with CEO

Although capitalisation rates have also compressed in secondary locations, they still fall within Ascendas Reit's investment thresholds.

We will continue to leverage on our local teams' network to seek off-market deals and use various investment strategies such as forward funding of development projects, undertaking greenfield or brownfield developments, or seeking smaller portfolios or single assets to achieve DPU accretive acquisitions.

3. Despite an improved operational and financial performance in 2021, Ascendas Reit's unit price has traded sideways. Is there anything in particular we should be concerned with?

Share price movements are affected by many factors such as market sentiment, government policies, industry performance, etc.

Perhaps share price performance can be assessed over the longer term as it is a better reflection of a good strategic plan and a good execution of that plan.

Our strategy of a multi-asset portfolio comprising business space, logistics, industrial and data centres in developed markets, has helped us to successfully navigate through the difficult COVID-19 period with limited impact. We did not withhold any dividends at any point in time.

In 2021, we continued to plough a record S\$2.1 billion worth of capital into such properties to ride the rapidly growing new economy sectors such as technology, life sciences, data centre and logistics.

Five years ago, these properties made up approximately 68% of Ascendas Reit's investment

properties under management. Today, our exposure to these new economy assets has grown and accounts for 81% of investment properties as at 31 December 2021.

We remain confident of delivering predictable distributions and achieving long-term capital stability for Unitholders.

4. Given the rising interest rate outlook, how will this impact Ascendas Reit?

Our aggregate leverage is healthy at 35.9%.

We took advantage of the low interest rates in 2021 to lower our weighted average all-in borrowing cost to 2.2% from 2.7% a year ago. One example is the issuance of a €300 million (~S\$450 million) bond at an attractive rate of 0.75% for seven years. For 79.4% of our total borrowings, interest rates have been hedged for an average term of 3.5 years. For the unhedged portion of our interest exposure, Ascendas Reit's distribution is expected to decrease by 2% for every 1% increase in interest rates.

With our current strong standing in the market and Moody's A3 credit rating, we are in a good position to tap a wide variety of funding sources and obtain competitive rates to fund future growth.

5. What are your green targets and how is your progress so far?

In 2021, we set ourselves several ambitious green targets including meeting a minimum green building rating target for new acquisitions and developments as well as to achieve a green rating for all our existing owned and managed properties by 2030.

To-date, about 46.6% or 30.0% of our respective managed and total properties by GFA is green certified.

We also strive to decarbonise our Singapore operations and have started to power the common facilities' electricity usage at Neuros & Immunos and Nexus @one-north with renewable energy. In fact, we surpassed our 2021 target by powering the common facilities' electricity usage at two additional properties, Galaxis and LogisTech with renewable energy. We are on track to increase the number of properties to five in 2022.

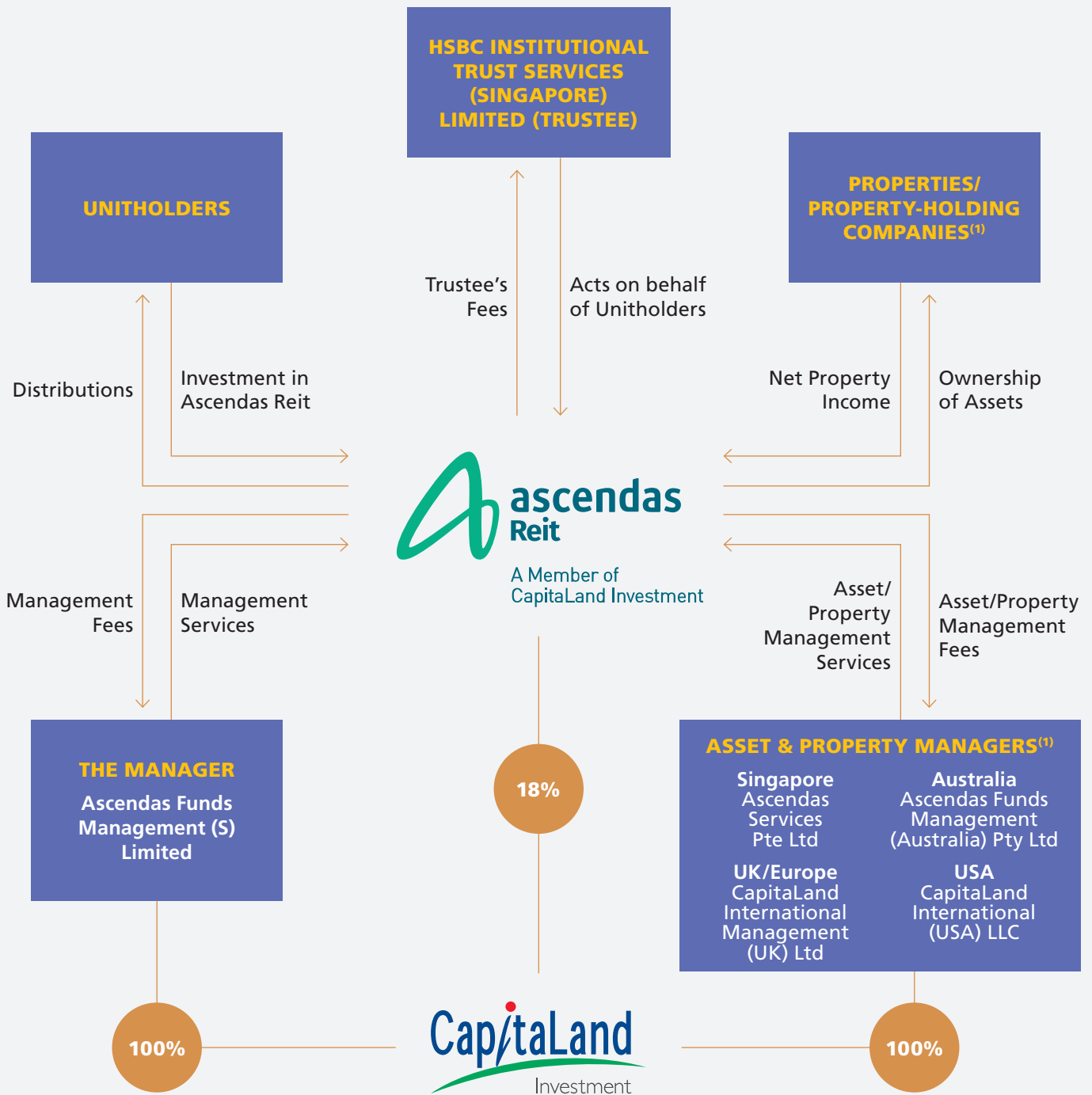
In March 2021, solar panels were installed on the rooftop of 37A Tampines Street 92, a light industrial property. We are doing the same at Changi Logistics Centre, a logistics property, and works are expected to complete by end-March 2022. We will have a total of eight buildings with solar panel installations that are expected to generate approximately 13.6 GWh of renewable energy annually, avoiding over 5,548 tonnes of carbon emissions.

An additional 36 electric vehicle charging points were rolled out across 8 buildings in Singapore in 2021, bringing the total to 76 charging points across 16 buildings. This represents a 90% year-on-year increase from 40 in FY2020.

Whilst we have achieved meaningful progress since setting these targets in 2021, we know there is an urgent need to do more. We are already working on expanding our solar generation capacity, increasing the number of green building certifications in our portfolio and stepping up our tenant engagement efforts to encourage green practices to collectively contribute to a greener portfolio.

Ascendas Reit's Structure

AS AT 17 March 2022



(1) Properties located in Singapore are held directly by Ascendas Reit (except Galaxis which is held under a wholly owned subsidiary of Ascendas Reit).

Properties located in Australia are held through wholly owned subsidiaries of Ascendas Reit, and are managed by Ascendas Funds Management (Australia) Pty Ltd together with CapitaLand Australia Pty Ltd and third-party managing agents.

Properties located in the UK/Europe are held through wholly owned subsidiaries of Ascendas Reit and are managed by CapitaLand International Management (UK) Ltd together with third-party managing agents.

Properties located in the USA are held through wholly owned subsidiaries of Ascendas Reit and are managed by CapitaLand International (USA) LLC together with third-party managing agents.

Business Model

The Manager draws on an appropriate mix of six types of capitals¹ and employs a three-pronged strategy to drive its business activities.

CAPITALS



ENVIRONMENTAL CAPITAL

Energy and water are important resources to the business operations of Ascendas Reit



MANUFACTURED CAPITAL

Capability to acquire and develop high-quality properties to achieve value-adding investments



HUMAN CAPITAL

Commitment and drive from employees, and asset and property managers contribute towards business growth



SOCIAL & RELATIONSHIP CAPITAL

Fostering strong relationships with stakeholders to actively understand and manage their expectations and create a shared value in the long term



ORGANISATIONAL CAPITAL

Specialised asset management expertise and knowledge to develop premium and attractive solutions



FINANCIAL CAPITAL

Available pool of funds leveraged to optimise value for Stakeholders



¹ As defined under the International Integrated Reporting Council (IIRC) Integrated Reporting Framework.

Business Model

BUSINESS MODEL

Vision

To be a leading global real estate investment trust

Mission

To deliver predictable distributions and achieve long-term capital stability for Unitholders



- Governance:** Supports Ascendas Reit's ability to deliver sustainable value in the short, medium and long term by identifying appropriate risks & opportunities, and adopting a strategic approach for resource allocation.
- Business activities:** The Manager employs a three-pronged strategy (Proactive Portfolio Management, Disciplined Value-Adding Investments, Prudent Capital & Risk Management) to drive business activities, i.e. implementation of business strategy & performance monitoring, reviewing outcomes, and managing stakeholders.
- Sustainability context:** The Manager manages ESG material issues in its business activities. For FY2021, 11 'Critical' ESG material issues and three 'Moderate and emerging' material issues have been identified (more details can be found on page 21).

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



More details can be found in Ascendas Reit's Integrated Sustainability Report 2021, available at ir.ascendas-reit.com/sustainability_reports.html.

Three-Pronged Strategy

1

PROACTIVE PORTFOLIO MANAGEMENT

Maximising organic growth potential and returns of the portfolio through active asset management. The Manager works closely with the asset and property managers in carrying out these principal strategies and the relevant activities.

- Proactive marketing and leasing of spaces to achieve a healthy occupancy rate
- Providing high standards of property and customer services
- Enhancing operational efficiency and optimisation of operating costs
- Carrying out asset enhancement initiatives

2

DISCIPLINED VALUE-ADDING INVESTMENTS

Undertaking disciplined value-adding investments through acquisitions and development of high-quality properties.

- Acquiring income-producing properties leased to established customers
- Acquiring high-quality properties with strong income stream and/or asset enhancement potential
- Developing build-to-suit projects to cater to prospective customers' operational requirements and specifications
- Selective development/ redevelopment to capitalise on the Manager's development capabilities
- Sourcing of overseas investment opportunities to strengthen portfolio diversification and resilience

3

PRUDENT CAPITAL & RISK MANAGEMENT

Optimising Ascendas Reit's funding structure and costs. Maintaining an effective system of risk management and internal controls.

- Regular reviews of Ascendas Reit's debt and capital management, and financial policy
- Diversifying sources of funding, managing interest rate risk, liquidity risk, credit risk and foreign currency risk
- Monitoring Ascendas Reit's exposure to various risk elements and externally imposed requirements in the markets it operates in by closely adhering to clearly established management policies and procedures
- Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Ascendas Reit's strategic direction
- Creating an acceptable balance between the benefits derived from managing risks and the cost of managing those risks

What Ascendas Reit Invests In

Business & Science Park Properties, Suburban Offices and Offices

Characteristics

In Singapore, business & science park properties are clusters of business space, corporate headquarter (HQ) buildings and research and development (R&D) space in government designated zones. Manufacturing activities are not allowed in these properties.

In Australia, the suburban offices comprise high-quality office space located in precincts outside the central business districts. The properties are well-serviced by public transportation and surrounding amenities include F&B and shopping malls.

The business park properties in USA are located within leading submarket corporate campus environments. These campuses house a critical mass of established, growth and start-up technology companies, and are in proximity to top research universities and institutions, contributing to the vibrant innovation ecosystems.

Typical Customers

Singapore: Regional corporate HQs of industrial companies and multinational corporations (MNCs); backroom support office of financial institutions; IT firms, R&D companies in various fields including life sciences, food & flavouring, chemicals, data analytics and electronics.

Australia: Government departments, professional services, distributors & trading companies and media companies.

USA: Information & communications technology, biomedical sciences, media and financial services companies.

Integrated Development, Amenities & Retail (IDAR) Properties

Characteristics

Located in Singapore, IDAR properties comprise two or more types of space such as business space, retail and warehousing facility within one integrated development. Typically, IDAR projects are larger scale developments that possess requisite infrastructure and amenities to meet modern business needs.

Typical Customers

MNCs and corporations that desire quality space at locations with a more comprehensive range of amenities to house their corporate HQ and conduct their businesses under one roof. Tenants include companies in the IT services, fast-moving consumer goods, engineering, warehousing and retail activities.

High-Specifications Industrial Properties and Data Centres

Characteristics

Vertical corporate campuses in Singapore with higher business space content combined with high-specifications mixed-use industrial space. Properties typically have modern facades, air-conditioned units, and sufficient floor loading and ceiling height as well as high power capacity to allow both office functions and manufacturing activities to be carried out.

Data centres in Singapore and Europe house heavy equipment such as servers.

Typical Customers

Multinational industrial companies and large local companies that wish to co-locate their HQ functions with manufacturing services, engineering and R&D activities.

Light Industrial Properties and Flatted Factories

Characteristics

Properties in Singapore with low business space content combined with manufacturing space. The manufacturing content in light industrial properties is higher compared to high-specifications industrial buildings.

Flatted factories, a subset of light industrial properties, are stacked-up manufacturing space used for general manufacturing.

Ground floor space tends to command higher rental rate due to higher floor loading and better accessibility.

Typical Customers

Companies which house their light manufacturing activities and HQ operations within a single facility. Popular with local small & medium sized enterprises engaged in general manufacturing activities. Some MNC manufacturers also house their manufacturing operations in such buildings.

Logistics & Distribution Centres

Characteristics

Warehouses and distribution centres equipped with high floor loading and floor height. In Singapore, the warehouses include single-storey or multi-storey facilities with vehicular ramp access and multi-storey facilities with heavy duty cargo lift access.

In Australia, the UK and USA, the warehouses are highly-functional facilities located in close proximity to major transport infrastructure.

Typical Customers

Third party logistics providers, manufacturers, end-users and distributors and trading companies.

Sustainability Highlights

Commitment to the Environment



RENEWABLE ENERGY

Largest number of public Electric Vehicle (EV) charging points in Singapore by a Singapore REIT (S-REIT): **76** (FY2021: +36) across 16 properties

100% powered by renewable energy

Achieved for common facilities electricity usage of 4 properties in Singapore (FY2021: + 3 properties), Neuros & Immunos, Nexus@one-north, Logistech and Galaxis



GREEN FINANCING

Secured an additional S\$811.4 million in green USD and AUD bank loans and entered into an inaugural S\$203.0 million green interest rate swap in FY2021. Green financing accounted for approximately **20%** of Ascendas Reit's total borrowings



Solar panels at 37A Tampines Street 92, Singapore

Completed installation of solar panels at 37A Tampines Street 92, Singapore,

projected to generate approximately 0.24 GWh per annum in addition to the existing 11.2 GWh



GREEN BUILDINGS

Largest number of BCA Green Mark properties amongst S-REITs – **40[^]** (Since 18 Mar 2021: +6)

Total portfolio comprises **49[^]** (Since 18 Mar 2021: +10) green-certified properties

[^] Includes non-landlord managed properties.

Premium Quality Products and Services



DEVELOPED GREEN-CERTIFIED PROPERTIES

Grab Headquarters and UBIX both achieved BCA Green Mark Gold^{PLUS} certifications. The use of environmentally friendly building materials, energy-efficient lighting and thermal insulating glass are some of the key green features

Notable ESG Achievements



AWARD HIGHLIGHTS

A rating and **ranked 1st** amongst S-REIT peers for GRESB* Public Disclosure 2021

Ranked **3rd** on Singapore Governance and Transparency Index 2021 (REITs and Business Trust Category)

* GRESB is an investor-led organisation providing standardised and validated ESG data

Nurturing Community



COMMUNITY INITIATIVE

Over **480** volunteer hours clocked by the Manager's employees for volunteering events, including CapitaLand's #GivingAsOne and #LoveOurSeniors food packing and distribution events, and Temasek Foundation's #StayMasked national mask distribution initiative. Ascendas Reit sponsored the event venue at Aperia for mask collection and assembling of care packs.



Assembling of care packs at Aperia, Singapore

Sustainability Highlights

Sustainability is at the core of Ascendas Reit's business strategy. As a responsible real estate trust, Ascendas Reit is committed to growing in a responsible manner, delivering long term economic value, and contributing to the environmental and social well-being of our communities.

Its standalone Integrated Sustainability Report 2021 has been prepared in accordance with the Singapore Exchange Securities Trading Limited's (SGX-ST) Listing Manual and Global Reporting Initiative (GRI) Standards. The report has also incorporated elements of the Integrated Reporting (IR) Framework of the International Integrated Reporting Council, and Sustainable Development Goals (SDGs) of the United Nations.

Guided by CapitaLand's 2030 Sustainability Master Plan (SMP)¹, Ascendas Reit conducted a review of its material ESG issues and all material issues of CapitaLand Group were deemed to be material and relevant to Ascendas Reit's business and operating context. The Manager has adopted CapitaLand Group's mapping of the material ESG issues under the 2030 SMP Sustainability pillars as shown below.

PRIORITISATION OF ESG MATERIAL ISSUES

2030 SMP – Sustainability Pillars	Material ESG Factors / Indicators	
	Critical	Moderate and Emerging
BUILD Portfolio Resilience and Resource Efficiency	<ul style="list-style-type: none"> Climate change and carbon reduction Energy efficiency Water management 	<ul style="list-style-type: none"> Waste management Biodiversity
ENABLE Thriving and Future-Adaptive Communities	<ul style="list-style-type: none"> Occupational Health & Safety Human Capital Stakeholder engagement Supply Chain Management Diversity (board and staff) 	<ul style="list-style-type: none"> Human rights
ACCELERATE Sustainability Innovation and Collaboration	<ul style="list-style-type: none"> Product and services (incl. customer health and safety) 	
ANCHORED BY STRONG Governance & sustainable financial performance	<ul style="list-style-type: none"> Compliance Business ethics 	

COMMITMENT TO REDUCE CARBON FOOTPRINT

Building upon the success of the solar installations at six properties, additional solar panels were installed at 37A Tampines Street 92 in March 2021. The newly installed

solar system will generate an additional of 0.24 GWh annually, adding to the existing 11.2 GWh. More solar panels are expected to be installed on Ascendas Reit's Singapore properties in the coming years.

Ascendas Reit continues to hold the largest number of BCA Green Mark building certifications among S-REITs at 40. Globally, it has 49 green certified properties.

Aside from minimising emissions from its operations, Ascendas Reit also encourages its community to reduce their carbon footprint. During 2021, 36 EV charging stations were added in Singapore, bringing the total number to 76 across 16 properties. Across its global portfolio, there were 227 EV charging points as at 31 December 2021.

On the sustainable finance front, Ascendas Reit continues to leverage on its Green Finance Framework to improve its financial flexibility and resilience. In 2021, Ascendas Reit secured an additional S\$811.4 million in green USD and AUD bank loans and entered into an inaugural S\$203.0 million (US\$150.0 million) green interest rate swap. As at 31 December 2021, Ascendas Reit had approximately S\$1.2 billion (approximately 20% of total borrowings) worth of green financing instruments comprising green bond, green perpetual securities and green loans.

PROACTIVE STAKEHOLDER ENGAGEMENT

Ascendas Reit strives to foster a sense of community among its employees, customers as well as the wider community. Digital outreach continues to be the main channel of customer engagement. An example is Tabao Thursday Series which features online webinars and workshops covering a wide range of topics on health, wellness, interests groups and festivities. Campaigns were also held via your Workspace Community (yWC) which serves as a platform to enable, promote and communicate with customers to build a more vibrant, tight-knit CapitaLand community.

Customers and their employees are provided with opportunities to volunteer with the Manager in signature events such as the #GivingAsOne campaign, which aims to uplift lives of vulnerable groups through virtual workshops as well as #LoveOurSeniors which involves packing and delivery of care packs, meals and bread to seniors. The Manager's employees participated in Temasek Foundation's nationwide mask distribution initiative where the Manager also sponsored Aperia Mall as one of the venues for mask collection.



More details can be found in the Integrated Sustainability Report 2021, available for download at ir.ascendas-reit.com/sustainability_reports.html.

¹ CapitaLand launched its 2030 Sustainability Master Plan (SMP) in 2020 to elevate its commitment towards global sustainability in the built environment. More details are available on the CapitaLand's Sustainability webpage at www.capitaland.com/international/en/about-capitaland/sustainability.html

Significant Events

JANUARY 2021

13th

- Completed the acquisition of 1-5 Thomas Holt Drive in Sydney, Australia for S\$284.0 million.

FEBRUARY 2021

2nd

- Announced results for the financial year ended 31 December 2020: On a comparative basis, net property income grew by 9.4% y-o-y. DPU declined by 6.1% y-o-y to 14.688 Singapore cents, partially due to the impact of COVID-19.

19th

- Completed the land acquisition for a suburban office building (MQX4) to be developed at 1 Giffnock Avenue, Macquarie Park, Sydney, Australia for S\$161.0 million. The development is expected to complete in 4Q 2022.

MARCH 2021

17th

- Completed the acquisition of a portfolio of 11 Data Centres in Europe for S\$904.6 million, comprising of four data centres in the UK, three data centres in The Netherlands, three data centres in France and one data centre in Switzerland.

APRIL 2021

16th

- Completed the divestment of 11 Changi North Way, a logistics property in Singapore for S\$16.0 million.

23rd

- Announced First Quarter FY2021 Business Update. Achieved healthy portfolio occupancy of 90.6% and positive portfolio rent reversion of 3.0% year-to-date.

29th

- Ascendas Reit's Annual General Meeting was held virtually and all resolutions were approved by Unitholders.

MAY 2021

4th

- Launched a private placement that was ~2.6 times covered. Approximately S\$420 million was raised to partially fund the acquisition of the remaining 75% interest in Galaxis, located in Singapore, and for debt repayment.

12th

- Entered into its inaugural US\$150 million Green Interest Rate Swap to hedge an existing US\$150 million green loan.

JUNE 2021

16th

- Unitholders voted in exceeding support at the Extraordinary General Meeting, which was held for the proposed acquisition of the remaining 75% interest in Galaxis.



21st

- Completed the divestment of 1314 Ferntree Gully Road, a logistics property in Melbourne, Australia for S\$24.2 million.

30th

- Completed the acquisition of the remaining 75% interest in Galaxis, for S\$534.4 million.

JULY 2021

9th

- Completed the divestment of 82 Noosa Street and 62 Stradbroke Street, two logistics properties in Brisbane, Australia for S\$104.5 million.

30th

- Completed and handed over Grab Headquarters, a built-to-suit business park property in Singapore, for S\$184.6 million.

Significant Events

AUGUST 2021

2nd

- Announced financial results for the six months ended 30 June 2021: Net property income grew by 14.8% y-o-y.

4th

- Improved its ranking in the Singapore Governance and Transparency Index 2021 (REITs and Business Trust Category) to third place from eighth place in 2020.

SEPTEMBER 2021

1st

- Appointment of Ms Ong Lee Keang Maureen as a Non-Executive Independent Director of the Manager and a member of the Audit and Risk Committee.

OCTOBER 2021

12th

- Clinched Runner-up for the Singapore Corporate Governance Award (REITs & Business Trusts category) at the Securities Investors Association (Singapore) (SIAS) Investors' Choice Awards 2021.



SIAS Investors' Choice Awards 2021

15th

- Ascendas Reit achieved GRESB Public Disclosure Level score of 'A' and was ranked first amongst its Singapore industrial REIT peer group.

19th

- Announced Third Quarter FY2021 Business Update. Achieved healthy portfolio occupancy rate of 91.7% and positive portfolio rental reversion of 5.4% year-to-date.

NOVEMBER 2021

1st

- Retirement of Ms Chong Chiet Ping as a Non-Executive Independent Director of the Manager.

5th

- First foray into the USA logistics market with the acquisition of 11 logistics properties in Kansas City for S\$207.8 million.

15th

- Announced the joint redevelopment of 1 Science Park Drive, a business park property in Singapore, into a life science and innovation campus with CapitaLand Development for S\$300.2 million (34% interest).

17th

- Ascendas Reit received the Special Edition Corporate Excellence and Resilience Award (market capitalisation of S\$1 billion or more category) at the Singapore Corporate Awards 2021.



Singapore Corporate Awards 2021

30th

- Completed the divestment of 1 Science Park Drive in Singapore for S\$103.2 million in connection with its redevelopment plans.

FEBRUARY 2022

8th

- Announced results for the financial year ended 31 December 2021: Net property income grew by 18.6% y-o-y. DPU increased by 3.9% y-o-y to 15.258 Singapore cents after performance fee.

11th

- Completed the acquisition of 500 Green Road, a logistics property in Brisbane, Australia, for S\$69.1 million.

24th

- Completed the acquisition of 7 Kiora Crescent, a logistics property in Sydney, Australia, for S\$21.1 million.

Board of Directors



DR BEH SWAN GIN
Chairman
Non-Executive Independent Director



WILLIAM TAY WEE LEONG
Chief Executive Officer
Executive Non-Independent Director



CHINNIAH KUNNASAGARAN
Non-Executive
Independent Director



ONG LEE KEANG MAUREEN
Non-Executive
Independent Director

A diverse Board with a good balance of experience,
skills and knowledge, providing effective governance.
Majority of the Directors are independent.



CHAN PENGEE, ADRIAN

Non-Executive
Lead Independent Director



DANIEL CUTHBERT EE HOCK HUAT

Non-Executive
Independent Director



MANOHAR KHIATANI

Non-Executive
Non-Independent Director



LIM CHO PIN ANDREW GEOFFREY

Non-Executive
Non-Independent Director

Board of Directors

DR BEH SWAN GIN, 54

**Chairman
Non-Executive Independent Director**

- M.B.,B.S., Medicine, National University of Singapore
- Sloan Fellow, Master of Science in Management, Stanford University's Graduate School of Business
- Advanced Management Programme, Business Administration and Management, Harvard Business School

Date of first appointment as a director:

6 July 2020

Length of service as a director (as at 31 December 2021):

1 year 5 months

Board committees served on

- Investment Committee (Member)
- Nominating and Remuneration Committee (Chairman)

Present directorship in other listed company

- Singapore Exchange Limited

Present principal commitment

- Singapore Economic Development Board (Chairman)

Past directorship in other listed company held over the preceding three years

- Singapore Technologies Engineering Ltd

Background and working experience

- Chairman, Singapore Economic Development Board (From December 2014 to present)
- Permanent Secretary, Ministry of Law (From July 2012 to November 2014)
- Managing Director, Singapore Economic Development Board (From August 2008 to June 2012)

WILLIAM TAY WEE LEONG, 51

**Chief Executive Officer
Executive Non-Independent Director**

- Bachelor of Science (Estate Management), National University of Singapore

Date of first appointment as a director:

1 February 2018

Length of service as a director (as at 31 December 2021):

3 years 11 months

Board committee served on

- Investment Committee (Member)

Background and working experience

- Chief Executive Officer, Ascendas Funds Management (S) Limited (From February 2018 to present)
- Deputy Chief Executive Officer (Singapore & South East Asia) and CEO (Korea), Ascendas-Singbridge Pte. Ltd. (From September 2016 to January 2018)
- Chief Executive Officer (South East Asia), Ascendas Pte Ltd (From October 2012 to August 2016)
- Senior Vice President (South East Asia), Ascendas Pte Ltd (From August 2012 to September 2012)
- ASEAN Fund Manager and Country Head (Philippines), Ascendas Pte Ltd (From May 2010 to July 2012)
- Assistant Vice President – Vice President (Business Development), Ascendas Pte Ltd (From October 2007 to April 2010)

Board of Directors

CHAN PENGEE, ADRIAN, 57

Non-Executive Lead Independent Director

- Bachelor of Laws (Honours), National University of Singapore

Date of first appointment as a director:

1 December 2014

Length of service as a director (as at 31 December 2021):

7 years 1 month

Board committees served on

- Audit and Risk Committee (Chairman)
- Nominating and Remuneration Committee (Member)

Present directorships in other listed companies

- Hong Fok Corporation Limited
- Best World International Limited
- First REIT Management Limited
- Food Empire Holdings Limited

Present principal commitments

- Lee & Lee (Head of Corporate)
- Shared Services for Charities Limited (Director)
- Azalea Asset Management Pte Ltd (Director)
- Want Want Holdings Ltd (Director)
- Singapore Institute of Directors (Director)
- Association of Small and Medium Enterprises (Honorary Secretary)
- Legal Service Commission (Member)
- The Law Society of Singapore (Council Member)
- Singapore Management University's Enterprise Board (Member)

Past directorships in other listed companies held over the preceding three years

- Global Investments Limited
- Yoma Strategic Holdings Ltd
- AEM Holdings Ltd

Background and working experience

- Senior Partner, Lee & Lee; Head of the Corporate Department (From 1989 to present)
- Director of Hogan Lovells Lee & Lee (From 2001 to present)

DANIEL CUTHBERT EE HOCK HUAT, 69

Non-Executive Independent Director

- Bachelor of Science in Systems Engineering (1st Class Honours), University of Bath, UK
- Master of Science in Industrial Engineering, National University of Singapore

Date of first appointment as a director:

1 October 2018

Length of service as a director (as at 31 December 2021):

3 year 3 months

Board committees served on

- Audit and Risk Committee (Member)
- Investment Committee (Member)

Present directorships in other listed companies

- Keppel Infrastructure Fund Management Pte. Ltd. (trustee-manager of Keppel Infrastructure Trust)
- Olive Tree Estates Limited

Present principal commitment

- Singapore Mediation Centre (Director)

Past directorship in other listed company held over the preceding three years

- Nil

Background and working experience

- Served as non-executive director in various companies over the past 10 years

Award

- The Public Service Medal, 2003

Board of Directors

CHINNIAH KUNNASAGARAN, 64

Non-Executive Independent Director

- Bachelor of Engineering (Electrical), National University of Singapore
- Master of Business Administration, University of California Berkeley
- Chartered Financial Analyst (CFA), CFA Institute

Date of first appointment as a director:

1 November 2020

Length of service as a director (as at 31 December 2021):

1 year 2 months

Board committees served on

- Audit and Risk Committee (Member)
- Investment Committee (Member)

Present directorships in other listed companies

- Keppel Infrastructure Fund Management Pte. Ltd. (trustee-manager of Keppel Infrastructure Trust)
- Edelweiss Financial Services Limited, India
- Nirlon Limited, India

Present principal commitments

- Changi Airport International Pte. Ltd. (Director)
- Azalea Asset Management Pte. Ltd. (Director)
- Greenko Energy Holding, Mauritius (Director)
- Hindu Endowments Board (Board Member)
- Keppel Asia Infra Fund (GP) Pte. Ltd. (Investment Committee Member)
- Pavilion Capital International Pte. Ltd. (Consultant)

Past directorship in other listed company held over the preceding three years

- Nil

Background and working experience

- Head, GIC Global Infrastructure Group (From 2012 to 2013)
- Co-Head, Portfolio, Strategy and Risk Group GIC Special Investments Pte. Ltd. (From 2009 to 2013)
- Various appointments at GIC Private Limited (From 1989 to 2013)

ONG LEE KEANG MAUREEN, 67

Non-Executive Independent Director

- Bachelor of Accountancy (1st Class Honours), National University of Singapore
- Certified Public Accountant (Fellow), Institute of Singapore Chartered Accountants (ISCA)
- Certified Public Accountant (Fellow), CPA Australia

Date of first appointment as a director:

1 September 2021

Length of service as a director (as at 31 December 2021):

4 months

Board committee served on

- Audit and Risk Committee (Member)

Present directorship in other listed company

- Nil

Present principal commitment

- Singapore LNG Corporation Pte. Ltd. (Director and Member of Audit and Risk Committee)

Past directorship in other listed company held over the preceding three years

- Nil

Background and working experience

- Advisor, The Straits Trading Company Limited (From 2012 to 2013)
- Group Chief Financial Officer and Company Secretary, The Straits Trading Company Limited (From 2009 to 2012)
- Various appointments in Sembcorp Industries group of companies (From 1994 to 2008) including Executive Vice President of Sembcorp Industries Ltd and Director, Group Finance of Sembcorp Marine Ltd (last position held); and Group Chief Financial Officer of Sembcorp Logistics Ltd and Sembcorp Utilities Pte Ltd.

Board of Directors

MANOHAR KHIATANI, 62

Non-Executive Non-Independent Director

- Masters Degree (Naval Architecture), the University of Hamburg, Germany
- Advanced Management Program, Harvard Business School

Date of first appointment as a director:

10 June 2013

Length of service as a director (as at 31 December 2021):

8 years 6 months

Board committees served on

- Investment Committee (Chairman)
- Nominating and Remuneration Committee (Member)

Present directorships in other listed companies

- SIA Engineering Company Limited
- Ascendas Property Fund Trustee Pte. Ltd. (trustee-manager of Ascendas India Trust)

Present principal commitments

- CapitaLand Investment Limited (Senior Executive Director)
- Singapore Economic Development Board (Special Advisor to Chairman)
- CLI FM Pte. Ltd. (Director)
- CLI India Pte. Ltd. (Director)
- Nusajaya Tech Park Sdn Bhd (Director)
- Singapore Amaravati Investment Holdings Pte Ltd (Director)
- Building and Construction Authority (Board Member)
- Institute of Real Estate and Urban Studies (Board Member)
- Singapore Business Federation, South Asia Business Group Executive Committee (Vice Chairman)
- Singapore Business Federation, Malaysia Singapore Business Council (Member)
- Singaporean-German Chamber of Industry and Commerce, Advisory Council (Member)
- EDB Society (President)
- Directorships in other CapitaLand Investment Group companies

Past directorships in other listed companies held over the preceding three years

- Ascendas Hospitality Fund Management Pte. Ltd. (manager of Ascendas Hospitality Real Estate Investment Trust)¹
- Ascendas Hospitality Trust Management Pte. Ltd. (trustee-manager of Ascendas Hospitality Business Trust)¹

Background and working experience

- Senior Executive Director, CapitaLand Group (From July 2019 to September 2021)
- Deputy Group CEO, Ascendas-Singbridge Pte. Ltd. (From January 2016 to June 2019)
- President & Chief Executive Officer, Ascendas Pte Ltd (From May 2013 to December 2015)
- Chief Executive Officer, JTC Corporation (From October 2009 to April 2013)
- Deputy/Assistant Managing Director, Economic Development Board (From February 2007 to September 2009)
- Director, Economic Development Board (From May 1999 to February 2007)

¹ Delisted from the official list of the Singapore Exchange Securities Trading Limited on 3 January 2020.

LIM CHO PIN ANDREW GEOFFREY, 52

Non-Executive Non-Independent Director

- Bachelor of Commerce (Economics), University of Toronto, Canada
- Master in Business Administration, Rotman School of Business, University of Toronto, Canada
- Chartered Financial Analyst® and Member, CFA Institute

Date of first appointment as a director:

10 October 2019

Length of service as a director (as at 31 December 2021):

2 years 2 months

Board committee served on

- Investment Committee (Member)

Present directorships in other listed companies

- Ascott Business Trust Management Pte. Ltd. (trustee-manager of Ascott Business Trust)
- Ascott Residence Trust Management Limited (manager of Ascott Real Estate Investment Trust)
- CapitaLand Integrated Commercial Trust Management Limited (manager of CapitaLand Integrated Commercial Trust)
- CapitaLand Malaysia REIT Management Sdn. Bhd. (manager of CapitaLand Malaysia Trust)
- CapitaLand China Trust Management Limited (manager of CapitaLand China Trust)

Present principal commitments

- Accounting for Sustainability Circle of Practice (Member)
- CapitaLand Investment Limited (Group Chief Financial Officer)
- Institute of Singapore Chartered Accountants' CFO Committee (Member)
- Sport Singapore (Singapore Sports Council) (Director and Chairman of Audit Committee)

Past directorships in other listed companies held over the preceding three years

- CapitaLand Commercial Trust Management Limited (manager of CapitaLand Commercial Trust)¹
- CapitaLand Mall Trust Management Limited (manager of CapitaLand Mall Trust) (From 1 May 2017 to 9 October 2019)

Background and working experience

- President of Real Estate Investment Trust Association of Singapore (REITAS) (From 4 May 2018 to 25 September 2020)
- Group Chief Financial Officer (Designate) of CapitaLand Limited (From 25 November 2016 to 31 December 2016)
- Managing Director and Head of SEA Coverage Advisory of HSBC Global Banking (From January 2016 to December 2016)
- Managing Director and Head of SEA Real Estate of HSBC Global Banking (From January 2015 to December 2015)
- Managing Director, SEA Investment Banking of HSBC Global Banking (From April 2013 to December 2014)
- Director, SEA Investment Banking of HSBC Global Banking (From April 2010 to March 2013)
- Associate Director, Investment Banking of HSBC Global Banking (From April 2007 to March 2010)
- Associate, Investment Banking of HSBC Global Banking (From July 2004 to March 2007)

¹ Delisted from the official list of the Singapore Exchange Securities Trading Limited on 3 November 2020.

The Ascendas Reit Team

A committed and well-experienced team with deep expertise to drive sustained growth



WILLIAM TAY WEE LEONG
Chief Executive Officer



KOO LEE SZE
Chief Financial Officer



YEOW KIT PENG
Head, Capital Markets &
Investor Relations



RAM SOUNDARARAJAN
Head, Investment



JAMES GOH
Head, Portfolio Management



>22 YEARS
Average experience of
Management Team

WILLIAM TAY WEE LEONG

Chief Executive Officer

William was appointed as Executive Director and CEO of the Manager of Ascendas Reit on 1 February 2018. Prior to his current appointment, William was the Deputy CEO of Singapore and South East Asia (SSEA) of the Ascendas-Singbridge Group. In addition to leading Ascendas-Singbridge SSEA regional teams in Singapore, Malaysia, Indonesia and Vietnam, he was concurrently the CEO for South Korea, overseeing the real estate private equity funds business and investments in South Korea.

William has more than 26 years of wide-ranging experience in real estate, straddling both the public and private sectors as well as Singapore and overseas. Since joining Ascendas-Singbridge in 2007, he held various leadership positions in investment, business development, asset and fund management as well as country operations. William started his career with JTC Corporation where he spent 12 years in the development and marketing of Ready-Built Factories, Wafer Fabrication Parks and Logistics Parks, as well as strategic and corporate planning.

William holds a Bachelor's Degree in Estate Management (Honours) from the National University of Singapore.

KOO LEE SZE

Chief Financial Officer

Lee Sze oversees financial and regulatory reporting, risk management and taxation matters. She develops key business strategies of Ascendas Reit together with the management team, ensures principle base governance and executes the strategies through financial management.

Prior to joining the Manager, Lee Sze was the Director of Finance at Popular Holdings Limited where she was responsible for the financial management and reporting of various aspects of the business including retail and distribution, publishing and e-Learning.

Lee Sze started her career in the audit and assurance division of Deloitte & Touche after graduation. She has extensive exposure in real estate, manufacturing, retail and service industries; and has more than two decades of experience in key financial and managerial roles.

Lee Sze holds a Bachelor of Accountancy degree from the National University of Singapore and is a Member of the Institute of Singapore Chartered Accountants.

YEOW KIT PENG

Head, Capital Markets & Investor Relations

Kit Peng drives the capital structure, funding and hedging strategy, and treasury management of Ascendas Reit. She also heads up the Investor Relations function.

Kit Peng has established a strong network with both local and international financial institutions to maximise the capital market strategy of Ascendas Reit. In Investor Relations, she is intimately involved in the promotion of Ascendas Reit to investors globally.

She has over 26 years of professional experience that spans across buy-side and sell-side sectors of capital markets, as well as in corporate strategies and development. Her area of exposure and experience covers Asia Pacific. Her stint includes Corporate Strategies and Development in Ascendas, followed by Associate Director of Equity Research at Standard & Poor's. Prior to her joining the Manager, she was an Asian Property Analyst at Nomura Asset Management. Her role involved strategising on REITs and property investments in Asia Pacific.

Kit Peng holds a Bachelor of Science Degree in Business Administration (major in Finance), with Honours from West Virginia University, USA.

RAM SOUNDARARAJAN

Head, Investment

Ram is responsible for developing and executing Ascendas Reit's investment strategy in Singapore and overseas. He leads the investment team to identify, evaluate and negotiate suitable investment opportunities for Ascendas Reit. Ram joined the Manager in May 2018 to drive investments into overseas markets and has since successfully lead multiple transactions across different geographies. Prior to joining the Manager, he was the Head, Investments of Ascendas India Trust.

Ram has more than 17 years of experience in investment, business development and asset management. His experience covers real estate acquisitions, mergers & acquisitions and corporate finance across Asia, USA and Europe. He has previously worked with global firms such as GIC Real estate and real estate corporate finance divisions of Andersen and Ernst & Young.

Ram holds a Bachelors in Commerce and a Masters in Business Administration from Bharatidasan Institute of Management, India.

JAMES GOH

Head, Portfolio Management

James oversees both the Singapore and overseas portfolios for Ascendas Reit. His team optimises the financial and operational performance of Ascendas Reit assets through active asset management and divestment strategies.

James joined the Manager of Ascendas Reit as Head, International Portfolio Management in August 2018. Prior to joining the Manager, James led both the Investor Relations and Asset Management departments for Ascendas India Trust. He has more than 20 years of experience in the fields of investor relations, asset management, analytical research, and strategic planning. He has extensive experience in the real estate industry, having worked at several leading property companies, including Global Logistics Properties and Frasers Property.

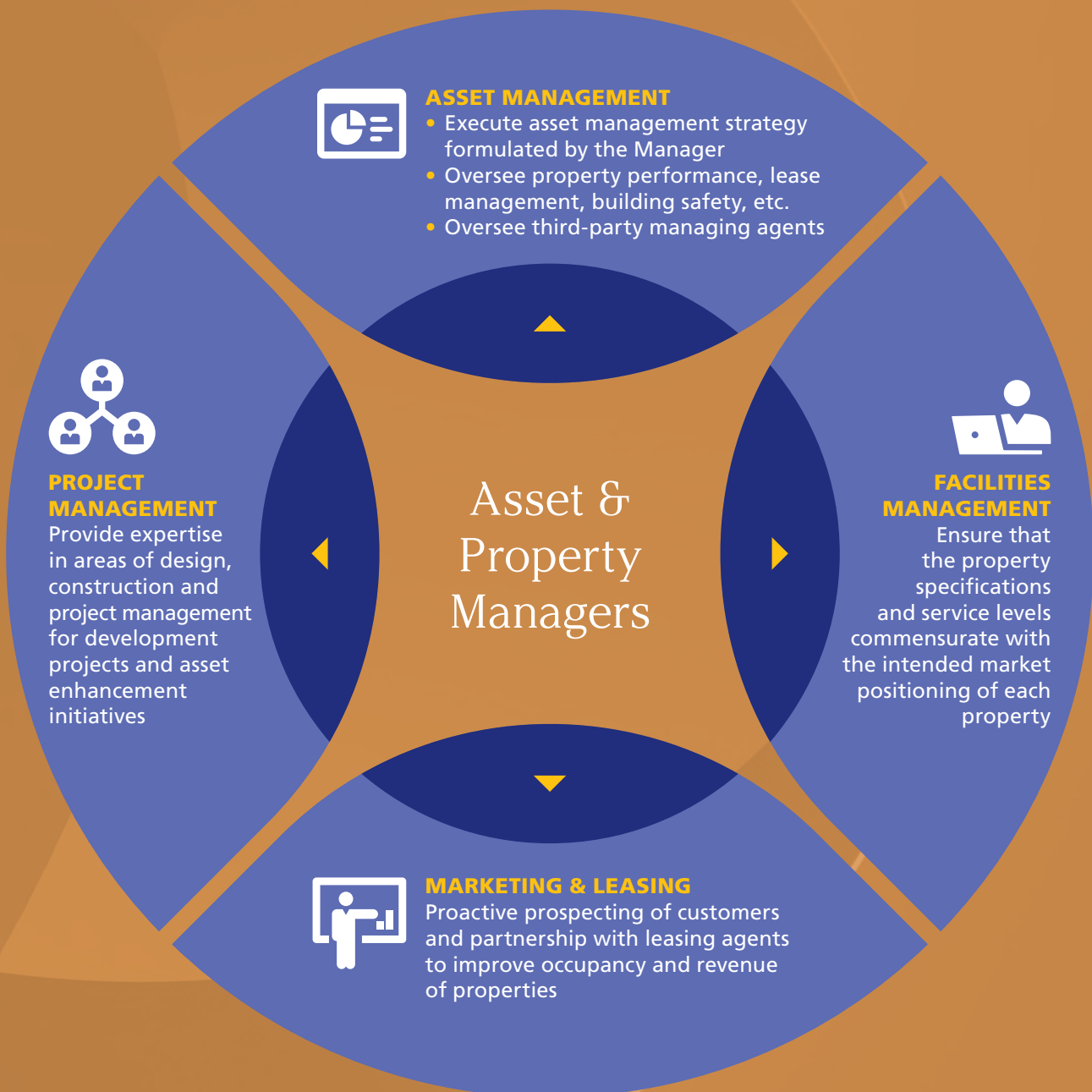
James is a CFA charter holder and a graduate of Nanyang Technological University with a Bachelor of Accountancy (Honours) degree.

The Asset & Property Managers

The daily operations of Ascendas Reit's portfolio of properties located in Singapore, Australia, the UK/Europe and USA are undertaken by asset and property managers that are wholly owned subsidiaries of CapitaLand Investment, as well as third-party managing agents.

The asset and property managers have over 200 staff members located across markets that Ascendas Reit operates in, providing professional services to customers, and enhancing the market positioning and attractiveness of Ascendas Reit's properties so as to maximise returns to Unitholders.

The asset and property managers have the following key responsibilities:



The Manager's Review of FY2021

As at 31 December 2021 Ascendas Reit is the largest business space and industrial REIT listed on the SGX-ST with total assets and market capitalisation of S\$17.7 billion and S\$12.4 billion respectively.

SUSTAINABLE RETURNS TO UNITHOLDERS



Gross Revenue

+16.9%

FY2021: S\$1,226.5 million
FY2020: S\$1,049.5 million



Net Property Income (NPI)

+18.6%

FY2021: S\$920.8 million
FY2020: S\$776.2 million



Total Amount Available for Distribution

+17.0%

FY2021: S\$630.0 million
FY2020: S\$538.4 million



Distribution Per Unit (DPU)

+3.9%

FY2021: 15.258 Singapore cents
(after performance fee)
FY2020: 14.688 Singapore cents

- Gross revenue for the full year ended 31 December 2021 (FY2021) rose by 16.9% y-o-y to S\$1,226.5 million. The increase was mainly attributable to full year contributions from acquisitions in FY2020 and contributions from new acquisitions and development in FY2021.
- In tandem with the increase in gross revenue, NPI rose 18.6% y-o-y to S\$920.8 million.
- Total amount available for distribution rose 17.0% y-o-y to S\$630.0 million. The increase was mainly due to the increase in NPI, partially offset by performance fee (S\$7.4 million) and an increase in non-property operating expenses and tax expenses attributable to new acquisitions.
- DPU rose 3.9% y-o-y to 15.258 cents after performance fee. DPU was 15.438 cents (+5.1% y-o-y) before performance fee.

PRUDENT CAPITAL MANAGEMENT



Aggregate Leverage

31 December 2021: 35.9%
31 December 2020: 32.8%



Weighted Average All-in Borrowing Cost

31 December 2021: 2.2%
31 December 2020: 2.7%



Weighted Average Term of Debt

31 December 2021: 3.5 years
31 December 2020: 3.7 years

- Maintained A3 credit rating from Moody's
- Maintained high level of natural currency hedge of approximately 76% for overseas investments
- 79.4% of borrowings are at fixed interest rates for a weighted average duration of 3.6 years
- Good access to debt and equity markets and increased commitment to green financing:
 - Successfully raised gross proceeds of approximately S\$420.0 million in equity through a private placement;
 - Issued an inaugural S\$461.5 million (€300.0 million) 7-year Eurobond and a S\$165.0 million (HK\$950.0 million) 10-year HKD bond;
 - Increased commitment to green financing by securing a total of S\$811.4 million in green USD and AUD bank loans and entering into an inaugural S\$203.0 million (US\$150.0 million) green interest rate swap.

The Manager's Review of FY2021

DISCIPLINED VALUE-ADDING INVESTMENT AND PORTFOLIO DIVERSIFICATION



Total Assets
+17.2%

As at 31 December 2021:
S\$17.7 billion
As at 31 December 2020:
S\$15.1 billion



Portfolio
Capitalisation Rate
(217 properties¹)
5.67%

	FY2021	FY2020
Singapore	5.82%	6.01%
Australia	4.86%	5.62%
USA	5.90%	5.79%
UK/Europe	5.64% ²	5.81% ²

- Completed S\$2,115.4 million worth of acquisitions and developments:
 - 11 data centres located across key European data centre markets for S\$904.6 million;
 - Remaining 75% stake of Galaxis, a business park property in Singapore, for S\$534.4 million;
 - A suburban office located at 1 – 5 Thomas Holt Drive in Sydney, Australia for S\$284.0 million;
 - 11 last-mile logistics properties located in Kansas City, USA, for S\$207.8 million;
 - A built-to-suit development for Grab's Headquarters in Singapore, for S\$184.6 million.
- Divested a total of four logistics properties and one business park property in Australia and Singapore, which generated total sale proceeds of S\$247.9 million.
- Total valuation of 217 properties¹ was S\$16,293.7 million. Same-store valuation³ of 192 properties improved by 3.4% y-o-y to S\$13,953.0 million largely due to cap rate compression in Singapore, Australia and the UK.

1 Excludes 25 & 27 Ubi Road 4 and iQuest@IBP in Singapore which were under-going redevelopment as at 31 December 2021.

2 Refers to equivalent yield for UK logistics properties, which reflects the current level of return on property investments in the UK. This excludes properties which were valued based on discounted cash flow method only.

3 Same-store valuation comprises 192 properties, excluding divested properties, newly acquired/completed properties and properties under redevelopment during FY2021.

PROACTIVE PORTFOLIO MANAGEMENT



Portfolio Rental Reversion
FY2021: 4.5%
FY2020: 3.8%



Portfolio Occupancy
As at 31 December 2021: 93.2%
As at 31 December 2020: 91.7%

As at	Dec 2021	Dec 2020
Singapore	90.2%	88.4%
Australia	99.2%	97.4%
USA	96.7%	97.5%
UK/Europe	94.5%	92.9%

- Overall portfolio occupancy remained high at 93.2%.
- Achieved positive rental reversion of 4.5% for leases renewed in FY2021.
- Completed a total of three asset enhancement initiatives (AEIs) in Singapore and Australia at a total cost of S\$23.3 million to upgrade building specifications, improve amenities and enhance customer experience.
- As at 31 December 2021, there were seven on-going developments, redevelopments and AEIs with an estimated combined cost of S\$685.2 million.

The Manager's Review of FY2021

FINANCIAL PERFORMANCE FY2021 VS FY2020

	FY2021	FY2020	Variance
Number of Properties	220	200	–
Gross Revenue (S\$ million)	1,226.5	1,049.5	16.9%
NPI (S\$ million)	920.8	776.2	18.6%
Total Amount Available for Distribution (S\$ million)	630.0	538.4	17.0%
DPU (Singapore cents)	15.258*	14.688	3.9%
Applicable Number of Units (million)	4,129	3,666	12.6%

* DPU after performance fee

Gross revenue for the full year ended 31 December 2021 (FY2021) rose by 16.9% y-o-y to S\$1,226.5 million. The increase was mainly attributable to full year contribution from acquisitions in FY2020 and contributions from new acquisitions and completed development in FY2021.

In FY2020, the acquisitions included 254 Wellington Road in Melbourne, Australia acquired in September and two office properties in San Francisco, USA, acquired in November.

In FY2021, new acquisitions included 1-5 Thomas Holt Drive in Sydney, Australia, in January; 11 data centres located across Europe in March; the remaining 75% interest in Galaxis located in Singapore in June; and 11 logistics properties in Kansas City, USA, in November.

The built-to-suit development of Grab's Headquarters in Singapore, which completed in July 2021, also contributed to the higher gross revenue.

FY2021 net property income rose by 18.6% y-o-y to S\$920.8 million in tandem with the increase in gross revenue.

The total amount available for distribution in FY2021 rose 17.0% y-o-y to S\$630.0 million. This was mainly due to the increase in NPI, partially offset by (i) performance fee of S\$7.4 million payable to the Manager and (ii) an increase in non-property operating expenses and tax expenses attributable to the new acquisitions and completed development.

DPU rose 3.9% y-o-y to 15.258 cents after performance fee. DPU was 15.438 cents (+5.1% y-o-y) before performance fee.

Included in the amount available for distribution was approximately S\$7.4 million (DPU of 0.1799 cents) of income support in relation to certain properties that was received and paid to Unitholders in FY2021.

CAPITAL MANAGEMENT

Ascendas Reit's prudent capital management not only ensured adequate liquidity during the uncertain business environment, but also enabled the trust to execute its acquisition plans.

Ascendas Reit's capital profile is sound. Aggregate leverage is healthy at 35.9% and the trust is well positioned to seize investment opportunities when they arise given the large debt headroom of about S\$4.8 billion before aggregate leverage reaches Monetary Authority of Singapore's (MAS) regulated aggregate leverage limit of 50.0%.

The Manager continues to keep a well spread debt maturity profile to minimise refinancing risks. Weighted average term of debt is 3.5 years and weighted average all-in borrowing cost improved to 2.2% per annum.

A high level of natural hedge of approximately 76% is put in place for all overseas investments to minimise the effects of adverse exchange rate fluctuations.

To minimise the impact from the volatility of interest rate movements, approximately 79.4% of Ascendas Reit's borrowing are fixed with a weighted average term of 3.6 years.

Ascendas Reit continues to maintain its A3 issuer rating from Moody's.

On 23 June 2021, Ascendas Reit issued its inaugural €300 million 7-year 0.75% Eurobond under the S\$7.0 billion Euro Medium Term Securities Programme to further diversify its sources of funding and reach out to a wider investor base.

In FY2021, Ascendas Reit increased its commitment to green financing with (1) three inaugural green USD bank loans totalling US\$449 million, (2) a green A\$206 million bank loan and (3) an inaugural US\$150 million green interest rate swap.

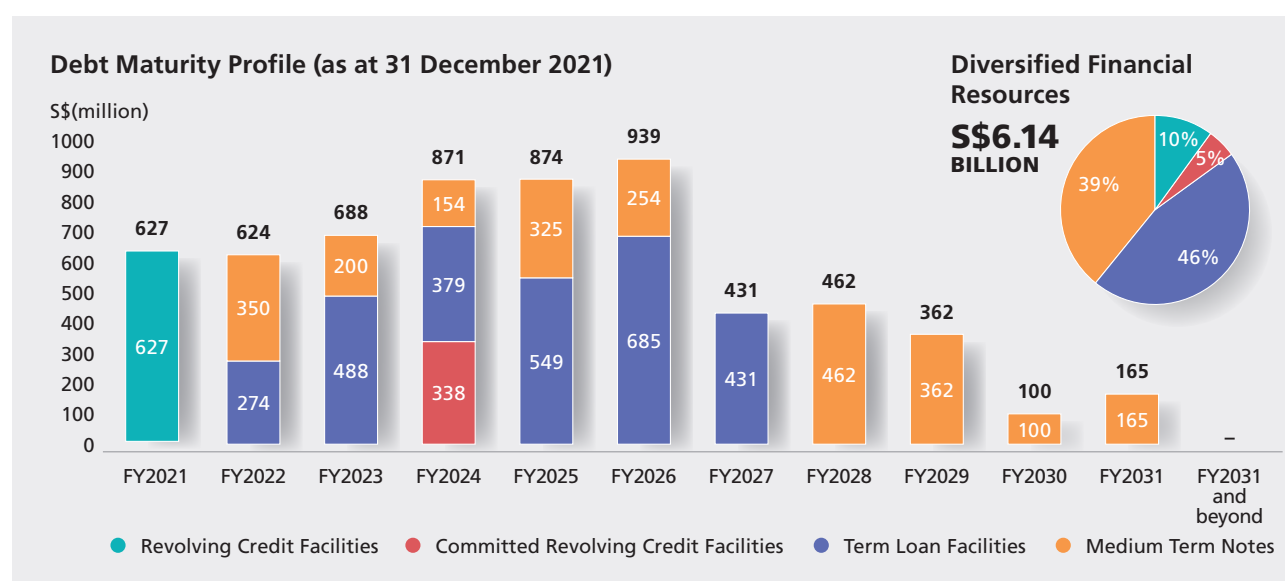
The Manager's Review of FY2021

Ascendas Reit also successfully raised gross proceeds of approximately S\$420.0 million through a private placement in May 2021.

Through the private placement, a total of 142,664,000 new Units were issued at a price of S\$2.944 per Unit, representing a discount of approximately 5.2% to the volume weighted average price (VWAP) of

S\$3.1062 per Unit on the SGX-ST for the preceding Market Day. This is approximately a 33% premium to the NAV per Unit as at 31 December 2020.

The proceeds used were in accordance with the stated use and in accordance with the percentage allocation in the relevant announcement dated 15 June 2021 in relation to the private placement.



Key Debt Funding Indicators

Indicators	As at 31 December 2021	As at 31 December 2020
Aggregate Leverage ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	35.9%	32.8%
Total Debt (S\$ million) ⁽¹⁾⁽²⁾⁽³⁾	6,143	4,784
Fixed Debt as a % of Total Debt	79.4%	78.1%
Weighted Average All-in Borrowing Cost (per annum)	2.2%	2.7%
Weighted Average Term of Debt Outstanding (years)	3.5	3.7
Weighted Average Term of Fixed Debt Outstanding (years)	3.6	3.5
Interest Cover Ratio ⁽⁵⁾	5.7 ⁽⁷⁾ x	4.3x
Net Debt / EBITDA	7.8x	7.3x
Unencumbered Properties as % of Total Investment Properties ⁽⁶⁾	92.1%	91.7%

- (1) 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.
- (2) Excludes the effects of FRS 116.
- (3) In accordance with Property Funds Appendix, Ascendas Reit's proportionate share of its joint ventures' borrowings and deposited property values are included when computing aggregate leverage. The ratio of total gross borrowings (including perpetual securities) to total net assets is 62.7%.
- (4) The Manager is of the view that the higher aggregate leverage as at 31 December 2021 will not have a material impact on the risk profile of Ascendas Reit as it is still within a manageable range below the MAS regulated aggregate leverage limit of 50.0%.
- (5) Based on the trailing 12 months EBITDA (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), divided by the trailing 12 months interest, expense and borrowing-related fees.
- (6) Total investment properties exclude properties reported as finance lease receivables.
- (7) 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.

The Manager's Review of FY2021

Use of Gross Proceeds from Private Placement in November 2020 and Preferential Offering in December 2020 (as at 31 December 2021)

Intended Use of Proceeds	Announced Use of Proceeds (\$ million)	Actual Use of Proceeds (\$ million)	Balance of Proceeds (\$ million)
To partially fund the acquisition of two office properties, 500 Brannan Street and 510 Townsend Street located in San Francisco, USA, and the associated costs	390.0	390.0	–
To partially fund the acquisition of a suburban office, 1-5 Thomas Holt Drive, located in Sydney, Australia, and the associated costs	180.0	180.0	–
To partially fund the acquisition of a portfolio of data centres in Europe and the associated costs	612.5	612.5	–
To pay the fees and expenses, including professional fees and expenses, incurred or to be incurred by Ascendas Reit in connection with the Equity Fund Raising	14.0	14.0	–
Total	1,196.5	1,196.5	–

Use of Gross Proceeds from Private Placement in May 2021 (as at 31 December 2021)

Intended Use of Proceeds	Announced Use of Proceeds ⁽¹⁾ (\$ million)	Actual Use of Proceeds (\$ million)	Balance of Proceeds (\$ million)
To partially fund the acquisition of the balance 75.0% interest in Galaxis located in Singapore and the associated costs	240.1	240.1	–
To be used for debt repayment purposes (including debt previously drawn down for investments, developments and/or asset enhancement initiatives)	173.4 (increased to 176.1 due to redeployment of proceeds)	176.1	–
To pay the fees and expenses, including professional fees and expenses, incurred or to be incurred by Ascendas Reit in connection with the Private Placement	6.5 (decreased to 3.8 due to reduction of incurred fees)	3.8	–
Total	420.0	420.0	–

(1) The details of the intended use of the proceeds stated in the announcement dated 4 May 2021 (in relation to the launch of the private placement) were subsequently revised in the announcement dated 15 June 2021.

The Manager's Review of FY2021

INVESTMENTS

Despite the emerging global challenges against a backdrop of uncertainty, the Manager remained agile and leveraged on its strong foundation to diversify its portfolio across geographies and developed sectors. 2021 was a significant year of breakthroughs, the Manager attained a record achievement of S\$2.1 billion worth of new investments including maiden investments in data centres in Europe and logistics properties in USA.

In January 2021, the acquisition of a suburban office, 1-5 Thomas Holt Drive, in Sydney, was completed for S\$284.0 million. It is located in Macquarie Park, the largest metropolitan market in Australia and home to global players across resilient industries such as the pharmaceutical, technology, electronics and telecommunications sectors. This acquisition is the first of two suburban office investments in the Macquarie Park precinct; the ongoing development of MXQ4 located at 1 Giffnock Avenue is targeted to complete in 4Q 2022.

With the burgeoning growth in digitalisation and cloud computing, the demand for data centres continues to be highly sought after. In March 2021, the Manager invested S\$904.6 million in 11 well-occupied data centres located primarily across the top three European data centre markets of London, Amsterdam and Paris. The acquisition marked Ascendas Reit's first foray into the overseas data centre market and complements its existing data centre portfolio in Singapore. On the whole, this acquisition has scaled up the sector's contribution to 9% (S\$1.5 billion) of investment properties under management.

Rounding up the first half of 2021, the Manager attained full ownership of Galaxis in Singapore, through the purchase of the remaining 75% stake in June 2021 at S\$534.4 million. This premium business park property is strategically located in the heart of one-north and extends Ascendas Reit's foothold in the precinct, which is known to attract an array of tenants from growth sectors such as biomedical sciences; information and communications technologies and media; science and research institutes, as well as start-ups.

Shortly after, one-north business park also welcomed the much-anticipated completion of Grab Headquarters in July 2021. The built-to-suit

development worth S\$184.6 million is fully leased to the regional tech champion and serves as its largest Research & Development centre. The building is designed with lush greenery and communal spaces, providing Grab's employees with a sustainable workplace environment.

In recent years, the growth of logistics as an asset class has deepened with strong demand for well-located warehouses and distribution centres in densely populated regions in the USA. In November 2021, the Manager embarked on its first venture into the USA logistics market by acquiring a portfolio of 11 last-mile assets in Kansas City worth S\$207.8 million. The logistics portfolio which had an occupancy rate of 92.6% upon acquisition, attained full occupancy as at 31 December 2021. The properties are situated within four submarkets and in close proximity to the interstate highways and well supported by established transport infrastructure, providing tenants good access to a broad base of customers and employees.

Before the year closed, the Manager announced the partnership with CapitaLand Development to jointly redevelop 1 Science Park Drive in Singapore into a life science and innovation campus for a total development cost of approximately S\$883 million. Ascendas Reit has a 34% stake in this transformational redevelopment worth S\$300.2 million. This rejuvenation will create a world-class hub for R&D and innovation with vibrant work-live-play elements and support the transformation of Singapore Science Park 1. Expected to be fully completed by 2025, 1 Science Park Drive caters to demand from tenants in new economy sectors such as biomedical sciences, digital and technology, which are continuing to expand in Singapore amidst a greater focus on healthcare, deep tech and accelerating digital transformation.

To optimise portfolio returns to Unitholders, the Manager actively identifies assets that are suitable for redevelopment and asset enhancement. Three asset enhancement initiatives (AEIs) across Singapore and Australia were completed in 2021 for S\$23.3 million.

Seven development and AEI projects worth S\$685.2 million were on-going as at 31 December 2021. Three of these projects namely 500 Green Road in Brisbane, Australia, 7 Kiora Crescent in Sydney, Australia, and UBIX in Singapore were completed in 1Q 2022.

The Manager's Review of FY2021

Investments in FY2021

Property	City / Country	Price (\$ million)	Valuation as at Acquisition (\$ million)	Occupancy as at Acquisition (%)	Completion Date
Completed Acquisitions		1,930.8			
1-5 Thomas Holt Drive	Sydney, Australia	284.0	284.0 ⁽¹⁾	100%	13 Jan 2021
11 Data Centres	Across 5 cities, UK and Europe	904.6	905.0 ⁽²⁾	97.9%	17 Mar 2021
Galaxis (75% interest)	Singapore	534.4 ⁽³⁾	734.1 ⁽⁴⁾ 736.0 ⁽⁴⁾	98.6%	30 Jun 2021
11 Logistics Properties	Kansas City, USA	207.8	208.2 ⁽⁵⁾	92.6%	5 Nov 2021
Completed Development		184.6			
Grab Headquarters	Singapore	184.6	–	100%	30 Jul 2021
Total		2,115.4			

- (1) The valuation dated 1 December 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.
- (2) The valuations dated October 2020/February 2021, were commissioned by the Manager and 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 methods.
- (3) The Purchase Consideration comprises a) the estimated consideration for the 75% equity stake in Ascendas Fusion 5 Pte. Ltd (AF5PL) of S\$372.8 million (subject to post-completion adjustments), which is based on 75% of the adjusted net asset value of AF5PL, the holding entity for Galaxis, taking into account the agreed value of the Property (on a 100.0% basis) of S\$720.0 million, and b) the 75% share of the existing bank loans of AF5PL of S\$161.6 million which the vendor would otherwise would have to contribute to AF5PL for the repayment of such existing bank loans.
- (4) The independent valuers Jones Lang LaSalle Property Consultants Pte Ltd (valuation of S\$734.1 million) and Savills Valuation and Professional Services (S) Pte Ltd (valuation of S\$736.0 million) were commissioned by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Reit) and the Manager respectively. Both valuers' valuations, dated 30 April 2021, were carried out using the discounted cash flow approach and the income capitalisation method.
- (5) The valuations dated 24 September 2021 were commissioned by the Manager and HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Reit) and was carried out by CBRE Valuation & Advisory Services using the sales comparison and discounted cash flow methods.

Completed Asset Enhancement Initiatives in FY2021

Property	City / Country	Cost (\$ million)	Completion Date
Asset Enhancement Initiatives			
21 Changi South Avenue 2	Singapore	4.7	Apr 2021
100 & 108 Wickham Street	Brisbane, Australia	11.1	Apr 2021
Hansapoint	Singapore	7.5	Dec 2021
Total		23.3	

On-going Developments, Redevelopments and Asset Enhancement Initiatives

Property	City / Country	Estimated Cost (\$ million)	Estimated Completion Date
Acquisitions Under Development		251.2	
500 Green Road	Brisbane, Australia	69.1	11 Feb 2022
7 Kiara Crescent	Sydney, Australia	21.1	24 Feb 2022
MQX4	Sydney Australia	161.0	4Q 2022
Redevelopments		422.7	
UBIX (formerly 25 and 27 Ubi Road 4)	Singapore	38.2	7 Jan 2022
iQuest@IBP	Singapore	84.3	4Q 2024
1 Science Park Drive (34% stake)	Singapore	300.2	2Q 2025
Asset Enhancement Initiatives		11.3	
Changi Logistics Centre	Singapore	11.3	2Q 2022
Total		685.2	

COMPLETED ACQUISITIONS

1 – 5 THOMAS HOLT DRIVE, SYDNEY, AUSTRALIA

1 – 5 Thomas Holt Drive was acquired from AMP Capital. The high 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 Thomas Holt Drive has a 5.5-Star and 4.5 Star NABERS energy rating respectively. The property is well connected via multiple transport nodes and is situated within Macquarie park, home to global players across resilient industries such as the pharmaceutical, technology, electronics and telecommunications sectors.

Purchase Consideration: S\$284.0 million
Acquisition date: 13 January 2021



11 DATA CENTRES IN EUROPE

The data centres were acquired from subsidiaries of Digital Realty Trust, Inc and comprises eight triple-net powered shell data centres and three colocation data centres with a total net nettable area (NLA) of 61,637 square metres (sq m) (data hall space only). They are strategically located across key cities in Europe, with four properties in the UK, three properties in the Netherlands, three properties in France and one property in Switzerland. The properties are located close to large population centres and have good connectivity and infrastructure to attract the data centre providers.

Purchase Consideration: S\$904.6 million
Acquisition date: 17 March 2021



Croydon, London, UK



Gyrocoopweg, Amsterdam, The Netherlands



Chemin de L'Epinglier, Geneva, Switzerland



Montigny-le-Bretonneux, Paris, France

The Manager's Review of FY2021

GALAXIS (75% INTEREST), SINGAPORE

The remaining 75% interest in Galaxis was acquired from Ascendas Fusion 5 Holding Pte Ltd. Galaxis is a 17-storey building with business park and office space, a two-storey retail and F&B podium, a five-storey building with work lofts and a two-storey basement carpark. Located strategically in the heart of Fusionopolis it has direct access to one-north MRT station, and is a 5-minute drive to Ayer Rajah Expressway and a 15-minute drive to the Central Business District (CBD). The property has a BCA Green Mark Platinum rating.

Purchase Consideration: S\$534.4 million
Acquisition date: 30 June 2021



11 LAST-MILE LOGISTICS PROPERTIES IN KANSAS CITY, USA

The portfolio was acquired from ColFin 2017-11 Industrial Owner, LLC and ColFin Cobalt I-II Owner, LLC. The properties are located across infill locations within the established submarkets of South Johnson County, North Johnson County, Eastern Jackson County and Northland in the desirable Midwestern logistics hub of Kansas City. They are located on freehold land and have highly functional designs with sizes ranging between 6,800 sq m and 32,337 sq m which are well-suited for the typical mid-size space demand in infill locations. The diverse customer base includes third-party logistics, wholesale distribution, manufacturing and healthcare.

Purchase Consideration: S\$207.8 million
Acquisition date: 5 November 2021



The Manager's Review of FY2021

COMPLETED DEVELOPMENT

GRAB HEADQUARTERS, SINGAPORE

Grab Headquarters is located within one-north business park in Singapore. The built-to-suit development, with a gross floor area (GFA) of 42,290 sq m, consists of nine-storey and four-storey tower blocks connected via a sky bridge. The design incorporates lush greenery on ground and mid-level sky terraces that are integrated with communal spaces and public pedestrian thoroughfares to promote social interactions and exchange of ideas. The building achieved BCA Green Mark Gold^{PLUS} certification and boast green features such as the use of recycled building materials and energy efficient low emissive glass facade to reduce solar heat gain. Grab will lease 100% of the space for 11 years from its takeover in July 2021.

Total development cost: S\$184.6 million
Handover date: 30 July 2021



COMPLETED ASSET ENHANCEMENT INITIATIVES

21 CHANGI SOUTH AVENUE 2, SINGAPORE

21 Changi South Avenue 2 is a four-storey warehouse building with an ancillary showroom and a separate single-storey warehouse. It was acquired from Sim Siang Choon Hardware (S) Pte Ltd in March 2008. Enhancement work included the construction of a new substation for power upgrade from 1 MVA to 3 MVA, air conditioning installation and fire sprinkler upgrade at designated floors of the warehouse and a new service lift.

Total project cost: S\$4.7 million
Completion date: April 2021



The Manager's Review of FY2021

100 & 108 WICKHAM STREET, BRISBANE, AUSTRALIA

100 and 108 Wickham Street are suburban office buildings located in the fringe of Brisbane's CBD and within the vibrant suburb of Fortitude Valley. The freehold properties were acquired from 100W Pty Ltd in September 2017 and from 108 Wickham Pty Ltd in December 2017 respectively. Enhancement works included an upgrade of furnishing in the ground floor lobby and creation of collaboration spaces. The central courtyard was refreshed with added landscaping and seating and architectural canopies were added to integrate and unify the identity of both buildings.

Total project cost: S\$11.1 million
Completion date: April 2021



HANSAPOINT, SINGAPORE

Hansapoint was a greenfield development at Changi Business Park completed in January 2008. The seven-storey building is in close proximity to Singapore Expo and Singapore Changi Airport and is easily accessible via the Pan Island Expressway and East Coast Parkway. Asset enhancement works included upgrading of the main entrance, lift lobby, common corridors, toilets and construction of a new canopy at the passenger pick up point. New facilities such as a gymnasium and end-of-trip facilities were incorporated to enhance tenants' experience.

Total project cost: S\$7.5 million
Completion date: December 2021



COMPLETED ACQUISITIONS AND REDEVELOPMENT (POST-FY2021)

500 GREEN ROAD, BRISBANE, AUSTRALIA

500 Green Road was developed by Goodman Property Services (Aust) Pty Limited and the land was acquired from the custodian for GAI2 Crestmead Trust, the trustee of which is Goodman Funds Management Australia Limited. The property is well located along Brisbane's south corridor, Crestmead, and is known for being an established hub for interstate, intrastate and metropolitan distribution. It is well designed to accommodate a flexible and highly efficient layout to cater to warehouse sizes from 9,000 sq m to 38,000 sq m with high ceiling, electric roller doors, wide awning coupled with full LED lighting and rooftop solar panels. The property is expected to achieved a 5-star Green Star Design & As-Built rating.

Purchase Consideration: S\$69.1 million

Acquisition date: 11 February 2022



7 KIORA CRESCENT, SYDNEY, AUSTRALIA

7 Kiora Crescent was developed by and acquired from Larapinta Project Pty Ltd. The property is designed to be a functional and efficient logistics warehouse for a wide range of users. It sits on freehold land of approximately 26,632 sq m and has an approximate NLA of 13,100 sq m. The property is well located in the established inner-western Sydney industrial precinct of Yennora, an area that enjoys renewed growth given its proximity to central western Sydney and the trend towards last mile logistics.

Purchase Consideration: S\$21.1 million

Acquisition date: 24 February 2022



The Manager's Review of FY2021

UBIX, SINGAPORE

UBIX is a five-storey premium B1 industrial building located in Ubi Industrial hub and provides seamless connectivity to Ubi MRT Station. The property was redeveloped from two light industrial properties; 25 Ubi Road 4 which was acquired from Weltech Industries Pte Ltd in May 2005, and 27 Ubi Road 4 which was acquired from SGC Ventures Pte Ltd in April 2005.

Designed with a full glass facade with excellent visibility along Ubi Avenue 2, the modern workspace is equipped with enlarged floor plates of up to 4,300 sq m and ground floor units come with ceilings of up to seven metres. The common areas include an activated main lobby, integrated ancillary cafe, collaborative workspaces and end-of-trip facilities to promote a vibrant and conducive environment. The redevelopment has achieved BCA Green Mark Gold^{PLUS} certification.

Total development cost: S\$38.2 million
Completion date: 7 January 2022



DEVELOPMENT AND REDEVELOPMENT PROJECTS: ON-GOING

MQX4, SYDNEY, AUSTRALIA

MQX4 was acquired from Frasers Property Industries and Winten Property Group to be developed to a nine-storey building comprising eight levels of office space, ground floor retail and 204 car park spaces. Upon completion, it is targeted to achieve a 6 Star Green Star Design & As-Built rating and 5.5 Star NABERS Energy rating. MQX4 is well located in the heart of Macquarie Park with direct access to the Macquarie Park Metro station. With the opening of the Sydney Metro City Line in 2024, this will further reduce travel time to the CBD to 20 minutes. It is also located in a well-established business precinct that is home to corporate headquarters across resilient industries such as the pharmaceutical technology, electronics and telecommunication sectors.

Estimated Purchase Consideration: S\$161.0 million
Estimated completion date: 4Q 2022



Artist's Impression

The Manager's Review of FY2021

IQUEST@IBP, SINGAPORE

iQuest@IBP is a business park property located in the International Business Park and was acquired from Primefield Co. Pte Ltd in January 2007. Plot ratio will be maximised, resulting in an additional GFA of approximately 12,000 sq m (total GFA of 24,641 sq m post redevelopment). The new building, designed to achieve the highest BCA Green Mark Platinum accolade, will include facilities such as a gym, skydeck, food court and end-of-trip facilities to complement the government's strategy for a car-lite nation.

iQuest@IBP will benefit from enhanced accessibility via the future Jurong Regional Line and enjoy greater vibrancy from its proximity to the Jurong Lake District, which is envisioned to be the largest commercial and regional centre outside the Singapore central business district.

Along with the AEI completed at Nordic European Centre in January 2019, this redevelopment is part of the Manager's transformation plan to rejuvenate its portfolio of assets within International Business Park.

Estimated development cost: S\$84.3 million
Estimated completion date: 4Q 2024



Artist's Impression

1 SCIENCE PARK DRIVE, SINGAPORE

With a land area of 31,856 sq m, 1 Science Park Drive occupies a prime location in Singapore Science Park 1, right at the main entrance to the park and adjacent to the Kent Ridge MRT station. The redevelopment will transform the site into a life science and innovation campus with a GFA of 116,200 sq m. It will comprise three interconnected Grade A buildings – one 15-storey-tall and the other two 9-storey-tall – and an event plaza with retail, F&B and supporting amenities. It will provide 112,500 sq m of life science and innovation space and 3,700 sq m of retail and F&B ancillary space. The gross plot ratio (GPR) of 3.6 represents a threefold intensification of the current maximum allowable GPR of 1.2. Ascendas Reit has a 34% interest in this joint redevelopment with CapitaLand Development.

Estimated development cost (34% interest): S\$300.2 million
Estimated completion date: 2Q 2025



Artist's Impression

The Manager's Review of FY2021

ASSET ENHANCEMENT INITIATIVES: ON-GOING

CHANGI LOGISTICS CENTRE, SINGAPORE

Changi Logistics Centre is made up of a four-storey warehouse with an eight-storey office building.

The property was acquired from Changi International Logistics Centre Limited in March 2004.

Enhancement works include upgrading of power transformer and warehouse spaces to comply to the latest fire code requirements, external façade painting and modernization of toilets, service and passenger lifts.

Estimated project cost: S\$11.3 million

Estimated completion date: 2Q 2022



Artist's Impression

DIVESTMENTS

During the financial year, the Manager completed the divestment of two properties in Singapore and three properties in Australia.

In Singapore, 11 Changi North Way, a logistics property located at Changi International LogisPark, was sold for S\$16.0 million to Hafary Pte Ltd and 1 Science Park Drive, a business park property, was divested to SPRINT Plot 1 TM Pte Ltd (in its capacity as the trustee-manager of SPRINT Plot 1 Trust) for S\$103.2 million in relation to the redevelopment of the property into a life science and innovation campus.

In Australia, 1314 Ferntree Gully Road, a logistics property in Melbourne, was sold for S\$24.2 million to China Tube Pty Ltd and Haelram Pty Ltd, and 82 Noosa Street and 62 Stradbroke Street were sold for a collective sale price of S\$104.5 million to SIRE (Strategic Industrial Real Estate), an Arrow Capital Partners vehicle in cooperation with Altis Property Partners.

The Manager will continue to selectively divest properties as part of its proactive asset management strategy to improve the quality of Ascendas Reit's portfolio, to recycle capital and optimise returns for Unitholders.

Completed Divestments in FY2021

Property	City / Country	Sales Price (\$ million)	Valuation (\$ million) ⁽¹⁾	Buyer	Completion Date
Divestments					
11 Changi North Way	Singapore	16.0	15.0	Hafary Pte Ltd	16 Apr 2021
1314 Ferntree Gully Road	Melbourne, Australia	24.2	16.3	China Tube Pty Ltd and Haelram Pty Ltd	21 Jun 2021
82 Noosa Street, 62 Stradbroke Street	Brisbane, Australia	104.5	51.9 36.7	SIRE (Strategic Industrial Real Estate), an Arrow Capital Partners vehicle in cooperation with Altis Property Partners	9 Jul 2021
1 Science Park Drive	Singapore	103.2	90.0	SPRINT Plot 1 TM Pte Ltd (in its capacity as the trustee-manager of SPRINT Plot 1 Trust)	30 Nov 2021
Total		247.9	209.9		

(1) The valuations for these properties as at 31 December 2020 were based on the capitalisation approach and discounted cash flow analysis.

The Manager's Review of FY2021

OPERATIONS REVIEW

Portfolio Management & Performance

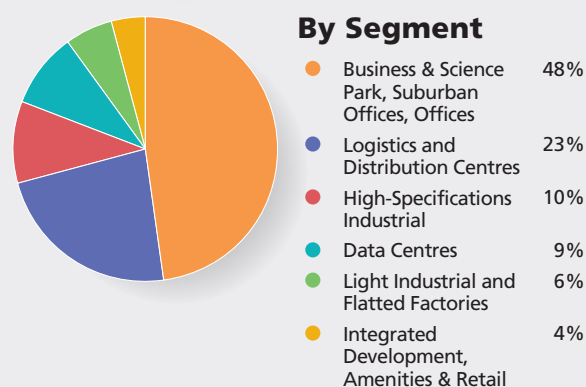
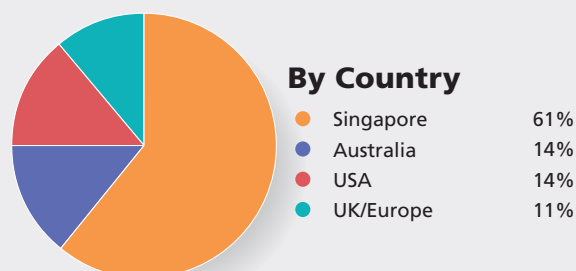
Ascendas Reit continues to own a spectrum of business space and industrial properties, comprising business & science park properties, suburban offices and offices; integrated development, amenities & retail properties; high-specifications industrial properties and data centres; light industrial properties and flatted factories; and logistics & distribution centres.

As at 31 December 2021, Ascendas Reit had 96 properties (61% by asset value) in Singapore, 34 properties (14% by asset value) in Australia, 41 properties (14% by asset value) in USA and 49 properties (11% by asset value) in the UK/Europe. Total investment properties stood at S\$16.3 billion (excluding three properties which were under development as at 31 December 2021).

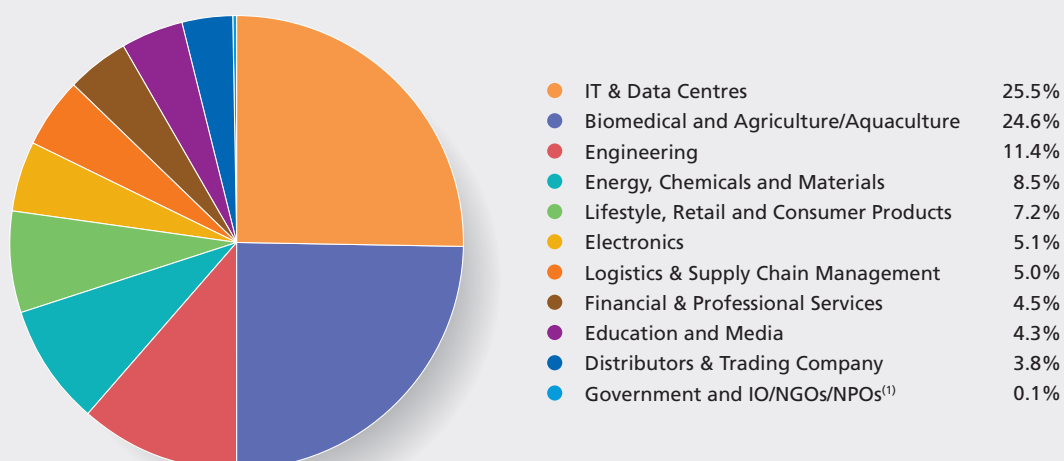
In FY2021, sources of new demand continued to be broad based with industries ranging from IT & Data Centres; Biomedical and Agriculture/Aquaculture; Engineering; Energy, Chemical and Materials; Lifestyle, Retail and Consumer Products; to Logistics & Supply Chain Management and others.

Diversified Portfolio by Asset Value (As at 31 December 2021)

S\$16.3 BILLION



Sources of New Demand in Singapore by Gross Rental Income (FY2021)



(1) International organisations/non-governmental organisations/non-profit organisations

The Manager's Review of FY2021

Positive Rental Reversion

Average rental reversions in Singapore ranged from 0% to +4.4% across the various property segments. Overall, the Singapore portfolio maintained a healthy +2.9% rental reversion for renewed leases in multi-tenant buildings during FY2021.

In USA, the overall achievement of +22.6% in rental reversion was mainly attributable to the renewals

in the Business Park segment. It is an improvement from FY2020 at +16.6%.

In the UK/Europe, the newly acquired data centre portfolio achieved a +6.2% rent reversion.

The weighted average rental reversion for Ascendas Reit's total portfolio was +4.5% for all the renewed leases in multi-tenant buildings signed during the year.

Achieved Positive Rental Reversion in FY2021

Multi-tenant Buildings	Percentage Change in Renewal Rates ⁽¹⁾	
	FY2021	FY2020
Singapore	2.9%	3.1%
Business & Science Park	2.9%	7.2%
Integrated Development, Amenities & Retail Properties	0.0%	13.5%
High-Specifications Industrial Properties	2.8%	-2.6%
Light Industrial Properties and Flatted Factories	1.7%	1.3%
Logistics & Distribution Centres	4.4%	-7.9%
Australia	—⁽²⁾	14.0%
Suburban Offices	— ⁽²⁾	15.7%
Logistics & Distribution Centres	— ⁽²⁾	13.6%
USA	22.6%	16.6%
Business Park	24.2%	16.6%
Logistics and Distribution Centres	0.0%	N.A.
UK/Europe	6.2%	—⁽²⁾
Data Centres	6.2%	N.A.
Logistics and Distribution Centres	— ⁽²⁾	— ⁽²⁾
Total Portfolio:	4.5%	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 periods and average gross rents are weighted by area renewed.

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

Lease Structure and Profile

About 32.0% of Ascendas Reit's portfolio comprises long-term leases in single-tenant properties. These leases provide stability in earnings growth. The remaining 68.0% of Ascendas Reit's portfolio comprises multi-tenant buildings.

The rental rates for such leases are marked-to-market upon renewal and provide an opportunity for increase in earnings in an upmarket. Typically for Singapore, leases have three-year tenures without any rental escalations during their tenure. For the USA, majority of the leases have annual escalations of between 2.5% to 4% per annum and for Australia, average rental escalation is around 3% per annum. For leases of logistics customers in the UK, rents are adjusted up to market rates, pegged to index inflation or increased by a pre-determined rate every five years.

Most of the data centre leases in UK/Europe enjoy annual escalations of between 1% to 3%.

The weighted average lease expiry (WALE) for the portfolio was 3.8 years as at 31 December 2021. Specifically, the WALE in Singapore was 3.4 years, Australia was 3.5 years, USA was 4.4 years, and the UK/Europe was 5.7 years.

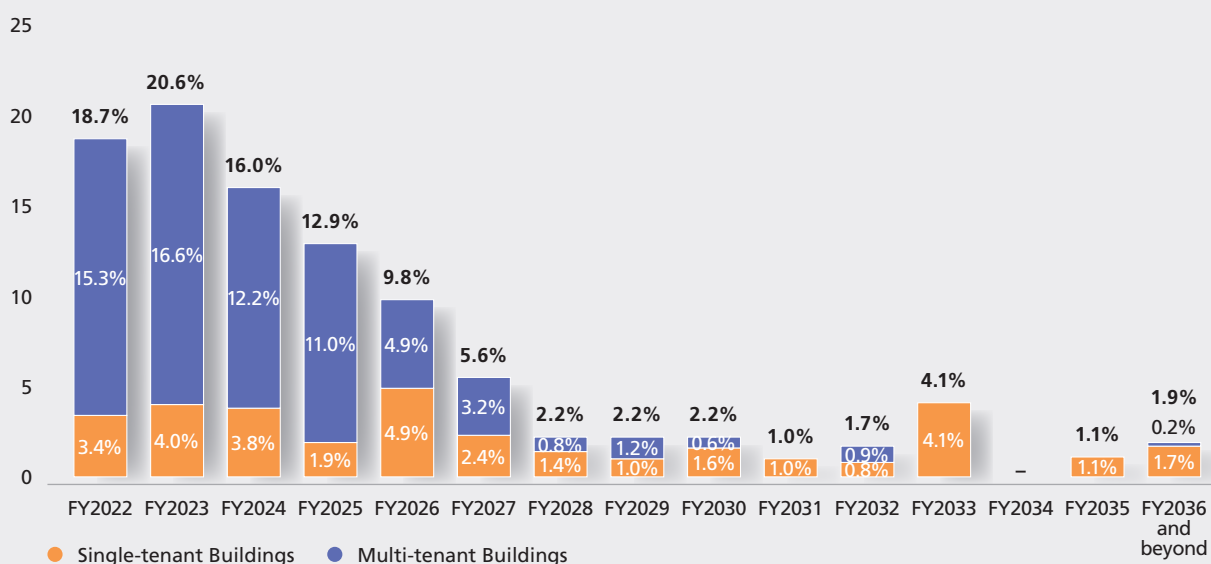
Weighted average lease term of new leases signed in the 12 months ending 31 December 2021 was 4.0 years and they accounted for 7.9% of total gross rental income for FY2021.

About 18.7% of Ascendas Reit's gross rental income is due for renewal in FY2022 of which 3.4% are leases of single-tenant buildings and 15.3% are leases of multi-tenant buildings. The Manager is proactively working on the renewal of these leases.

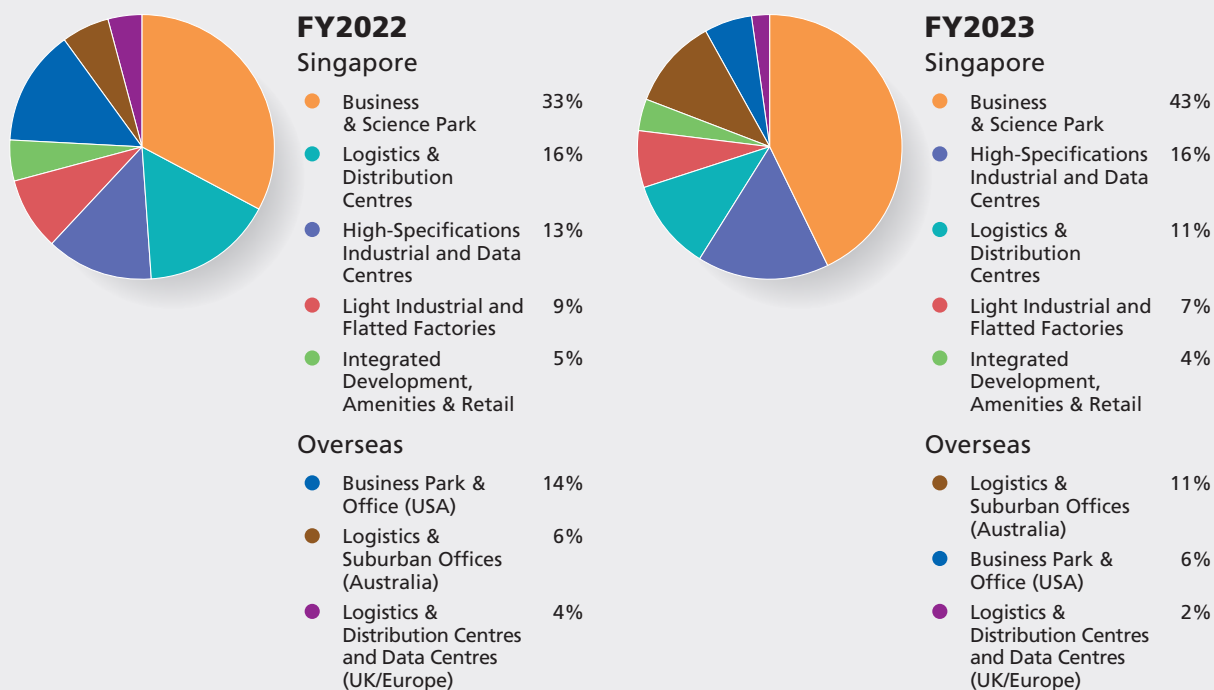
The Manager's Review of FY2021

Portfolio Lease Expiry Profile (As at 31 December 2021)

% of Ascendas Reit's Gross Rental Income



Breakdown of Expiring Leases for FY2022 and FY2023 by Gross Rental Income (As at 31 December 2021)



The Manager's Review of FY2021

Occupancy

As at 31 December 2021, Ascendas Reit's overall portfolio occupancy rate rose to 93.2% (from 91.7% as at 31 December 2020).

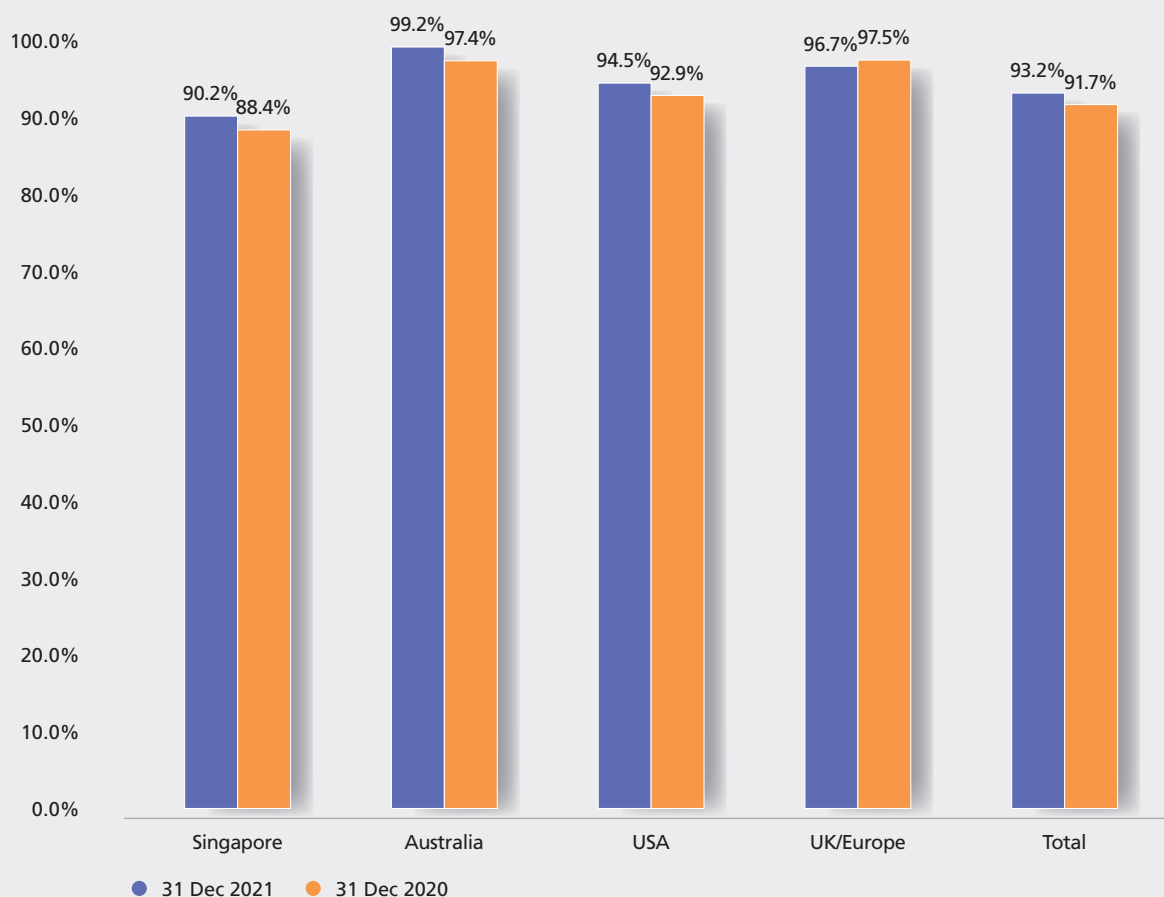
The occupancy rate of the Singapore portfolio climbed to 90.2% from 88.4% (as at 31 December 2020) mainly attributable to improved occupancy of the Business & Science Park segment. Properties which achieved higher occupancies included Nucleos (31 December 2021: 98.4% versus 31 December 2020: 92.9%), The Capricorn (31 December 2021: 85.7% versus 31 December 2020: 63.3%) and The Aries, Sparkle & Gemini (31 December 2021: 92.9% versus 31 December 2020: 84.2%). The completion of Grab Headquarters (100% occupancy) and the acquisition of Galaxis (31 December 2021: 97.0%) also contributed to the segment's higher occupancy rate.

In addition, there were occupancy improvements in some properties from the Light Industrial and Flatted Factories segment. These included 31 Joo Koon Circle (31 December 2021: 100% versus 31 December 2020: 0%) and Techplace I (31 December 2021: 97.8% versus 31 December 2020: 86.6%).

In the Logistics & Distribution Centres segment, properties which recorded occupancy improvements included 21 Changi South Avenue 2 (31 December 2021: 100% versus 31 December 2020: 36.1%) and Xilin Districentre A & B (31 December 2021: 100% versus 31 December 2020: 83%). The divestment of 11 Changi North Way (0% occupancy rate) also contributed to the higher occupancy rate.

The overseas portfolio occupancy rates remained healthy at 99.2% for Australia (from 97.4% as at 31 December 2020), 94.5% for the USA (from 92.9% as at 31 December 2020) and 96.7% for the UK/Europe (from 97.5% as at 31 December 2020).

Overview of Portfolio Occupancy



The Manager's Review of FY2021

Singapore Portfolio Occupancy

	As at 31 December 2021	As at 31 December 2020	Change
Total Singapore Portfolio GFA (sq m) ⁽¹⁾	3,066,797 ⁽¹⁾⁽²⁾⁽³⁾	3,001,293 ⁽¹⁾	2.2%
Singapore Portfolio Occupancy (Same-store) ⁽⁴⁾	89.9%	88.6%	1.3%
Singapore Multi-tenant Building Occupancy (Same-store) ⁽⁵⁾	87.1%	86.3%	0.8%
Overall Singapore Portfolio Occupancy	90.2%	88.4%	1.8%
Singapore Multi-tenant Building Occupancy	87.4%	85.4%	2.0%

- (1) Excludes 25 & 27 Ubi Road 4 and iQuest@IBP which were decommissioned for redevelopment since June 2019 and January 2020 respectively. Includes Galaxis acquired in June 2021 and Grab Headquarters completed in July 2021.
- (2) Excludes 1 Science Park Drive which was divested on 30 November 2021.
- (3) Excludes 11 Changi North Way which was divested on 16 April 2021.
- (4) Same-store portfolio occupancy rates are computed with the same list of properties as at 31 December 2021, excluding new investments completed in the last 12 months and divestments.
- (5) Same-store MTB occupancy rates are computed with the same list of properties as at 31 December 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 Portfolio Occupancy

	As at 31 December 2021	As at 31 December 2020	Change
Total Australian Portfolio GFA (sq m)	788,396 ⁽¹⁾	828,197	-4.8%
Australian Portfolio Occupancy (Same-store) ⁽²⁾	99.1%	97.1%	2.0%
Overall Australian Portfolio Occupancy	99.2%	97.4%	1.8%

- (1) Excludes 1314 Ferntree Gully Road which was divested on 21 June 2021, and 82 Noosa Street and 62 Stradbroke Street which were divested on 9 July 2021. Includes 1-5 Thomas Holt Drive acquired in January 2021.
- (2) Same-store portfolio occupancy rates are computed with the same list of properties as at 31 December 2021, excluding new investments completed in the last 12 months.

USA Portfolio Occupancy

	As at 31 December 2021	As at 31 December 2020	Change
Total USA Portfolio GFA (sq m)	551,857 ⁽¹⁾	357,065	54.6%
USA Portfolio Occupancy (Same-store) ⁽²⁾	91.3%	92.7%	-1.4%
Overall USA Portfolio Occupancy	94.5%	92.9%	1.6%

- (1) Includes logistics properties in Kansas City acquired in November 2021 and excludes Greenbrier Court which was decommissioned for major refurbishment work.
- (2) Same-store portfolio occupancy rates are computed with the same list of properties as at 31 December 2021, excluding new investments completed in the last 12 months.

UK/Europe Portfolio Occupancy

	As at 31 December 2021	As at 31 December 2020	Change
Total UK/Europe Portfolio GFA (sq m)	590,393 ⁽¹⁾	509,908	15.8%
UK/Europe Portfolio Occupancy (Same-store) ⁽²⁾	96.6%	97.5%	-0.9%
Overall UK/Europe Portfolio Occupancy	96.7%	97.5%	-0.8%

- (1) Includes data centres acquired in March 2021.
- (2) Same-store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 December 2021, excluding new investments completed in the last 12 months.

The Manager's Review of FY2021

Customer Credit & Concentration Risk Management

To minimise customer credit risk, a credit evaluation process has been established to assess the creditworthiness of Ascendas Reit's customers. Based on standard industry practice, one month's worth of gross rental is usually held as security deposit for each year's lease. However, for long-term leases in single-tenant properties, a larger sum of security deposit may be held. This is dependent on the length of the lease, the credit risks of such customers and commercial negotiation. The weighted average security deposit for the portfolio is approximately 5.0 months of rental income.

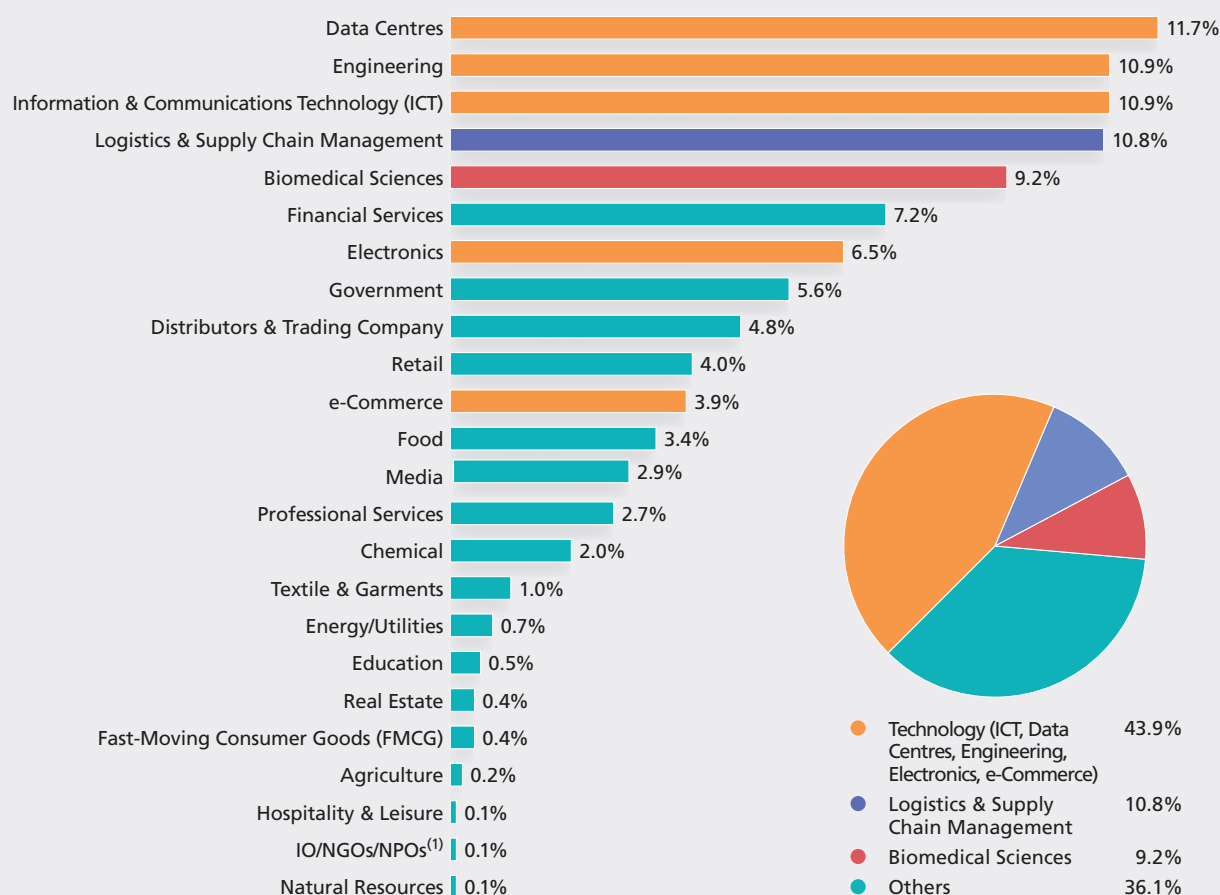
With a customer base of around 1,570 local and international companies, rigorous and conscientious effort has been put in to manage accounts

receivables. About 93.9% of rental receipts are collected via interbank GIRO services. This enables the Manager to react efficiently and appropriately towards any delinquency in payment.

Ascendas Reit's customer base is diversified across more than 20 industries. In particular, the properties cater to the growing technology, logistics and life sciences industries. Approximately 64% of monthly gross rental income is contributed by tenants from such industries.

Top ten customers accounted for not more than 18.4% of Ascendas Reit's monthly gross revenue and the majority of these customers are either multinational or listed companies. Furthermore, no single property accounts for more than 4.3% of Ascendas Reit's monthly gross revenue, offering income diversity within the portfolio.

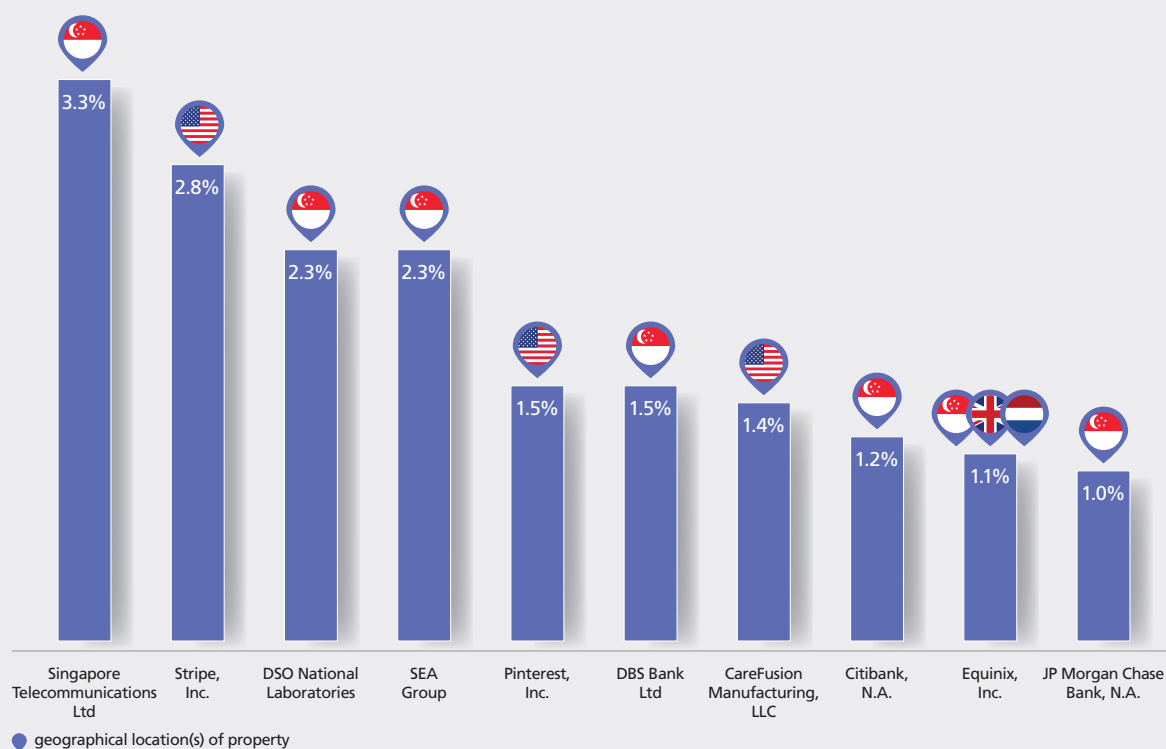
Customers' Industry Diversification by Rental Income (As at 31 December 2021)



(1) International organisations/non-governmental organisations/non-profit organisations

The Manager's Review of FY2021

Top 10 Customers by Monthly Gross Revenue (As at 31 December 2021)



Land Lease Expiry Profile by Property Type

Land Tenure Expiry as at 31 December 2021	Business & Science Park, Suburban Offices and Offices		High-Specifications Industrial Properties		Data Centres	
	No. of Properties	Asset Value S\$ million	No. of Properties	Asset Value S\$ million	No. of Properties	Asset Value S\$ million
≤30 years left	1	191.5	3	247.7	1	29.4
≤40 years left	7	621.5	8	758.1	2	198.0
≤50 years left	14	2,610.4	6	449.1	–	–
≤60 years left	4	1,481.6	–	–	1	41.7
>60 years left	1	98.3	1	119.2	3	552.2
Freehold ⁽¹⁾	35	2,837.2	–	–	7	632.4
Total	62⁽²⁾	7,840.5⁽²⁾	18	1,574.1	14	1,453.7

(1) In the UK, one property on 999-year leasehold land and one property on 965-year leasehold land are classified under freehold properties.

(2) Excludes iQuest@IBP which was undergoing redevelopment as at 31 December 2021.

(3) Excludes 25 Ubi Road 4 and 27 Ubi Road 4 which were undergoing redevelopment as at 31 December 2021.

The Manager's Review of FY2021

Annual Revaluation

It is a mandatory requirement to revalue the portfolio once a year. The total valuation of Ascendas Reit's 217 properties (excluding three properties under redevelopment) was S\$16,293.7 million as at 31 December 2021. This comprised S\$9,933.1 million (61%) of investment properties in Singapore, S\$2,319.0 million (14%) in Australia, S\$2,281.5 million (14%) in USA, and S\$1,760.1 million (11%) in UK/Europe.

Same-store valuation⁴ saw an uplift of 3.4% to S\$13,953.0 million as at 31 December 2021 from

S\$13,497.8 million as at 31 December 2020. This demonstrates the strong property fundamentals of the portfolio. For more details on the movement in valuation of the investment properties, please refer to pages 67 to 107.

Weighted average land lease to expiry for the portfolio of properties (excluding freehold properties) was 43.1 years. 91.2% of Ascendas Reit's portfolio had a remaining land lease tenure of more than 30 years.

4 Same-store valuation comprises 192 properties, excluding divested, newly acquired properties and properties under redevelopment during FY2021.

Land Lease Expiry Profile by Country / Asset Value

Land Tenure Expiry (31 December 2021)	Singapore (S\$ million)	Australia (S\$ million)	USA (S\$ million)	UK/Europe (S\$ million)	Total (S\$ million)	Total (%)
≤30 years left	1,407.5	–	–	29.4	1,436.9	8.8
≤ 60 years left	7,755.9	–	–	239.7	7,995.6	49.1
>60 years left	769.7	–	–	–	769.7	4.7
Freehold ⁽¹⁾	–	2,319.0	2,281.5	1,491.0	6,091.5	37.4
Total	9,933.1⁽²⁾	2,319.0	2,281.5	1,760.1	16,293.7	100.0%

(1) In the UK, one property on 999-year leasehold land and one property on 965-year leasehold land are classified under freehold properties.

(2) Excludes 25 Ubi Road 4, 27 Ubi Road 4 and iQuest@IBP which were undergoing redevelopment as at 31 December 2021.

Light Industrial Properties and Flatted Factories		Logistics & Distribution Centres		Integrated Development, Amenities & Retail Properties		Total	
No. of Properties	Asset Value S\$ million	No. of Properties	Asset Value S\$ million	No. of Properties	Asset Value S\$ million	No. of Properties	Asset Value S\$ million
7	245.8	6	587.7	2	134.8	20	1,436.9
14	613.5	11	466.6	–	–	42	2,657.7
1	42.6	3	132.6	–	–	24	3,234.7
–	–	–	–	1	580.0	6	2,103.3
–	–	–	–	–	–	5	769.7
–	–	78	2,621.8	–	–	120	6,091.4
22⁽³⁾	901.9⁽³⁾	98	3,808.7	3	714.8	217	16,293.7

The Manager's Review of FY2021

OUTLOOK

In January 2022, the International Monetary Fund (IMF) lowered its global growth forecast for 2022 by 50 basis points to 4.4%. Global recovery is expected to continue at a more moderate pace weighed down by the surge in Omicron infections worldwide and supply chain disruptions.

Singapore

The Singapore economy expanded by 7.6% y-o-y in 2021, recovering from a 4.1% contraction in 2020. The Ministry of Trade and Industry (MTI) projected that the economy will grow at between 3.0% and 5.0% in 2022.

With the high vaccination rate in Singapore, the government has allowed 50% of the workforce, and only fully vaccinated employees, to return to the office from 1 January 2022. Notwithstanding the gradual reopening in Singapore, the uncertainties posed by the Omicron wave and the large supply of new industrial properties completing in 2022 may put some pressure on rental rates and occupancy.

Ascendas Reit's Singapore portfolio worth S\$9.9 billion comprises a variety of asset types, allowing it to serve a wide range of customers from industries including technology, life sciences, manufacturing and logistics across their entire chain of operations.

As part of Ascendas Reit's asset rejuvenation plan, several AEs and redevelopment 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 Ascendas Reit.

Australia

In 2021, the Australian economy grew 4.2% y-o-y. Gross Domestic Product (GDP) in Q4 2021 was 3.4% above Q4 2019 pre-pandemic levels (source: Australian Bureau of Statistics).

Whilst the lockdowns and restrictions have largely been lifted at the end of 2021, some measures were re-introduced in early 2022 to combat the growing number of Omicron cases. The IMF projected the Australian economy to achieve a GDP growth of 4.1% in 2022.

Two new logistics properties, 7 Kiora Crescent in Sydney and 500 Green Road in Brisbane, were completed in 1Q 2022 for S\$90.2 million. In 4Q 2022, MQX4, Ascendas Reit's new suburban office in Sydney, is expected to complete, which will expand its footprint within the Macquarie Park innovation district. Total investment properties in Australia is expected to grow to S\$2.6 billion after including these properties.

With average rent escalations of approximately 3% per annum, the Australian portfolio provides a stable income stream for Ascendas Reit.

The Manager's Review of FY2021

USA

In 2021, the USA economy grew 5.7% y-o-y compared to a 3.4% y-o-y contraction in 2020. Consumer spending helped support GDP growth in 4Q 2021 which rose 6.9% q-o-q compared to the 2.3% increase in 3Q 2021 (source: US Bureau of Economic Analysis). GDP is expected to expand by 4.0% in 2022 (source: IMF).

The newly acquired portfolio of logistics properties in Kansas City achieved 100% occupancy, an improvement from 92.6% when the acquisition was completed in November 2021. The logistics portfolio is expected to remain resilient amidst the low vacancy rate of 4.7% (source: Newmark Zimmer, 4Q 2021) and strong demand for logistics space in the Kansas City market.

As companies continue to re-evaluate their real estate footprint, leasing activity for some business park properties is expected to remain slow. Nevertheless, the performance of Ascendas Reit's USA portfolio is underpinned by a long WALE of 4.4 years and a high proportion of leases with rent escalation clauses of between 2.5% and 4.0% per annum.

UK/Europe

UK's GDP rose 7.5% y-o-y in 2021 compared to a 9.4% contraction in 2020. Q4 2021 GDP is now just 0.4% below its pre-COVID level (Q4 2019) (source: Office for National Statistics). UK's economy is projected to deliver a growth of 4.7% in 2022 (source: IMF).

The economies of Western Europe have largely rebounded from the COVID-19 disruptions, with France's 2021 economic growth strongest in 52 years at 7% (source: The National Institute of Statistics and Economic Studies of France) and the European Commission forecasting GDP growth for the Netherlands in 2021 coming in at about 4%.

In the UK/Europe, Ascendas Reit doubled its assets under management to S\$1.8 billion in FY2021 after the acquisition of 11 data centres. The UK/Europe portfolio has a long WALE of 5.7 years and is poised to benefit from the strong e-commerce adoption and digitalisation of activities.

Conclusion

The trajectory and future impact of the pandemic remains unpredictable. However, the demand for Ascendas Reit's asset classes is expected to remain healthy. The Manager will continue to exercise prudence, maintain a strong balance sheet and proactively manage its S\$16.3 billion portfolio to deliver sustainable returns for its Unitholders.



Read more about the economic and industrial property market trends and outlook of Ascendas Reit's markets in the Independent Market Study Report 2021 available at: ir.ascendas-reit.com/ar.html

Investor Relations

PROACTIVE ENGAGEMENT WITH UNITHOLDERS

Ascendas Reit is committed to regular, timely and effective communication to Unitholders and the investment community. The Investor Relations (IR) policy which outlines the communication principles and communication channels is published under the Investor Relations section on Ascendas Reit's website.



IR POLICY:

ir.ascendas-reit.com/ir_policy.html

Key updates on Ascendas Reit's performance, strategies and initiatives are communicated to Unitholders, prospective investors, analysts and the media on a regular basis through multiple channels including results briefings, local and overseas conferences, one-on-one meetings, luncheons, teleconferences, print publications and online platforms.

The senior management of the Manager conducts regular financial results presentations and discussions, to explain its strategy and business performance and to gather inputs from the investment community. This includes half yearly live webcasts where the investment community has the opportunity to interact with management.

Due to COVID-19 and safe distancing measures, investor meetings in 2021 were held virtually. During the financial year, the Manager met with more than 500 investors and analysts virtually.

At the 2021 Annual General Meeting (AGM), Ascendas Reit's financial and operational performance, business outlook and plans were presented to the Unitholders. Despite the limitations of a virtual meeting, Unitholders were able submit their questions ahead of the meeting and view the 'live' webcast of the AGM proceedings conveniently via their computers or mobile devices. The minutes

of the AGM is available on Ascendas Reit's website.

An Extraordinary General Meeting (EGM) was held in June 2021 to seek Unitholders' approval to acquire the remaining 75% interest in Galaxis, located in Singapore. The resolution was passed with overwhelming approval by Unitholders.

As part of its retail investor outreach programme, the Manager participated in webinar sessions such as the REITs Symposium, jointly organised by ShareInvestor and REITAS in May 2021, and the Maybank-REITAS Singapore REITs webinar in November 2021.

In line with regulatory requirements by the Monetary Authority of Singapore (MAS) and across the CapitaLand group, Ascendas Reit adopts half-yearly financial reporting. For the 1st and 3rd quarters, the Manager will continue to provide business updates and hold investor briefings.

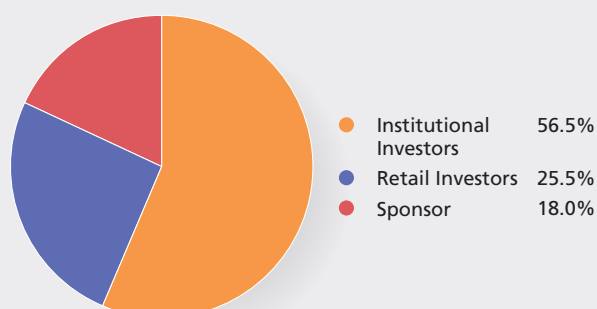
TIMELY AND ACCURATE DISCLOSURE

All material information about Ascendas Reit are made available on a timely basis via announcements, press releases, presentations and webcasts, and published on SGX-ST and Ascendas Reit's website. Unitholders and the investment community can subscribe for email alerts to keep themselves abreast of the latest announcements and events.

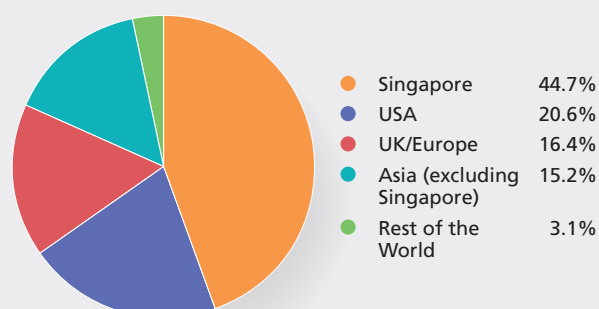
In 2021, Ascendas Reit was awarded Winner of the Corporate Excellence and Resilience Award in the market capitalisation of S\$1 billion or more category at the Singapore Corporate Awards, as well as Runner-up of the Singapore Corporate Governance Award (SCGA), REITS & Business Trusts Category at the SIAS Investors' Choice Award.



**Unitholder Profile by Unitholder type
(As at December 2021)**



**Unitholder Profile by Geography
(As at December 2021)**



Investor Relations

UNITHOLDERS' ENQUIRIES

To find out more about Ascendas Reit, please speak to your financial advisor or contact us at:

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Ascendas Reit is well-covered by more than 20 research houses in Singapore. The list of research houses and analysts are available on the corporate website.



ANALYSTS' COVERAGE:

ir.ascendas-reit.com/research-info.html

INVESTOR & MEDIA RELATIONS ACTIVITIES FY2021

1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
<ul style="list-style-type: none"> Media & Analysts' Results Briefing for Full Year 2020 Financial Results Full Year 2020 Results Investors' Briefing co-hosted with Citi Media & Analysts' Briefing on the Acquisition of 11 Data Centers in Europe Morgan Stanley Virtual Hong Kong Summit (Singapore) 	<ul style="list-style-type: none"> 1st Quarter 2021 Business Update with Investors co-hosted with Bank of America Ascendas Reit Annual General Meeting 2021 Agalia Family Office Webinar (Singapore) REITs Symposium (Singapore) Maybank-REITAS-SGX Singapore REIT Day (Singapore) Ascendas Reit Extraordinary General Meeting 2021 UBS OneASEAN Virtual Conference (Singapore) Citi Asia Pacific Property Conference 2020 (Singapore) 	<ul style="list-style-type: none"> Media & Analysts' Results Briefing for 1st Half 2021 Financial Results 1st Half 2021 Results Investors' Briefing co-hosted with Goldman Sachs Citi-REITAS-SGX C-Suite Singapore REITs & Sponsors Forum (Singapore) Capitaland Group Corporate Day (Singapore) Bank of America 2021 Global Real Estate Conference (Singapore) SGX-Credit Suisse Real Estate Day (Singapore) 	<ul style="list-style-type: none"> 3rd Quarter 2021 Business Update with Investors co-hosted with HSBC Media & Analysts' Briefing on the Redevelopment of 1 Science Park Drive Investors' Briefing on the Redevelopment of 1 Science Park Drive Capitaland Investment & REITs Taiwan Corporate Day (Singapore) Maybank-REITs Brownbag Webinar – Singapore REITs: Diversification and Growth (Singapore)

FINANCIAL CALENDAR

	FY2021	FY2022 (Subject to changes)
1st quarter business update (period ended 31 March)	23 April 2021	May 2022
Annual Unitholders' Meeting	29 April 2021	28 April 2022
Extraordinary Unitholders' Meeting	16 June 2021	–
1st half financial result announcement (period ended 30 June)	2 August 2021	August 2022
Distribution payment (1 January to 30 June)	9 June 2021 3 September 2021 ⁽¹⁾	September 2022
3rd quarter business update (period ended 30 September)	19 October 2021	November 2022
Full Year financial result announcement (period ended 31 December)	8 February 2022	February 2023
Distribution payment (1 July to 31 December)	11 March 2022	March 2023

(1) Distributions for the period 1 January 2021 to 13 May 2021 was paid on 9 June 2021 and distributions for the period 14 May 2021 to 30 June 2021 was paid on 3 September 2021.

Investor Relations

ASCENDAS REIT UNIT PRICE PERFORMANCE

	FY17/18	FY18/19	FY2019	FY2020	FY2021
Opening price (\$\$)	2.53	2.65	2.87	2.97	2.98
Closing price (\$\$)	2.63	2.91	2.97	2.98	2.95
High (\$\$)	2.84	2.92	3.21	3.57	3.16
Low (\$\$)	2.52	2.48	2.86	2.29	2.85
Trading volume (million units)	2,273	2,502	2,424 ⁽¹⁾	3,892	3,140
% of S-REIT trading volume	8.5%	9.1%	8.1%	7.0%	7.1%
Net asset value per Unit (\$\$) ⁽²⁾	2.12	2.13	2.16	2.21	2.38
Market capitalisation (\$\$ million) ⁽³⁾	7,702	9,053	10,730	11,982	12,383

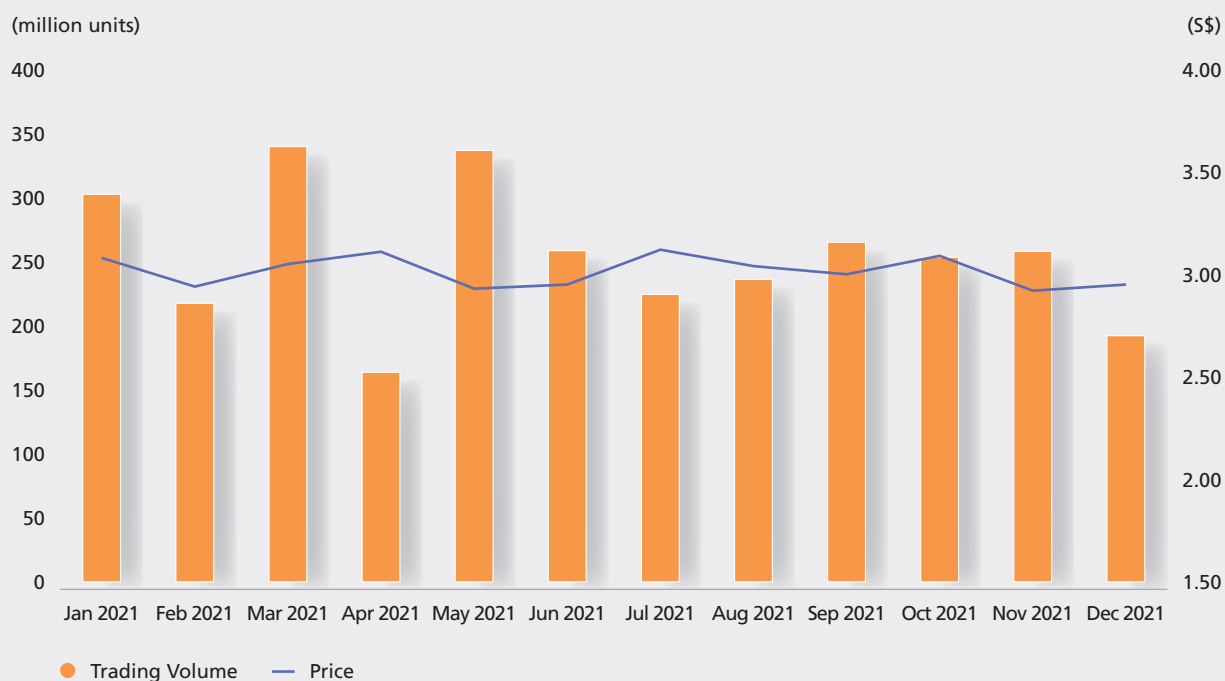
(1) Based on nine months (1 April 2019 to 31 December 2019) trading volume.

(2) Prior to distribution of distributable income.

(3) Based on last trading date of the respective financial year.

Source: Bloomberg

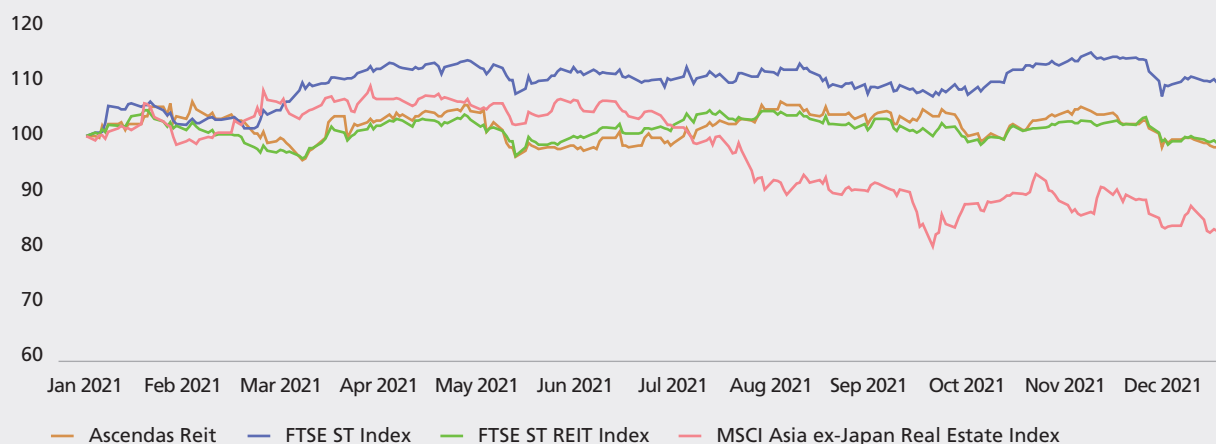
ASCENDAS REIT MONTHLY TRADING PERFORMANCE IN FY2021



Source: Bloomberg

Investor Relations

ASCENDAS REIT UNIT PRICE PERFORMANCE IN FY2021 VS MAJOR INDICES



TOTAL UNITHOLDER RETURN

	1-year (from 1 Jan 2021 to 31 Dec 2021)	5-year (from 1 Jan 2017 to 31 December 2021)	Since listing (from 19 November 2002 to 31 December 2021)
Adjusted closing unit price on the last trading day prior to the commencement of the period / Unit issue price at listing (S\$)	2.98	2.23	0.8961
Capital appreciation (%)	-1.0%	32.5%	229.2%
Distribution yield (%)	5.1%	34.7%	291.6%
Total return as at 31 December 2021 (%)	4.1%⁽¹⁾	67.2%⁽¹⁾	520.8%⁽²⁾

(1) Sum of actual distributions and capital appreciation for the period over the adjusted closing Unit price on the last trading day prior to the commencement of the period.

(2) Sum of actual distributions and capital appreciation for the period over the adjusted Unit issue price at listing.

COMPETITIVE YIELD RETURNS

Ascendas Reit Yield for IPO Investors ⁽¹⁾	17.0%
Ascendas Reit Yield as at 31 December 2021 ⁽²⁾	5.2%
Weighted Average Industrial S-REIT yield ⁽³⁾	5.1%
FTSE S-REIT Index ⁽⁴⁾	4.3%
FTSE Straits Times Index ⁽⁴⁾	3.2%
CPF (Ordinary) Account ⁽⁵⁾	2.5%
10 year Singapore Government Bond ⁽⁶⁾	1.7%
Bank Fixed Deposit (12 Months) ⁽⁶⁾	0.2%

NOTES:

(1) Based on Ascendas Reit's adjusted IPO price of S\$0.8961 per unit and DPU of 15.258 cents for the period from 1 January 2021 to 31 December 2021.

(2) Based on Ascendas Reit's closing price of S\$2.95 per unit as at 31 December 2021 and DPU of 15.258 cents for the period from 1 January 2021 to 31 December 2021.

(3) Based on Ascendas Reit's internal research and Bloomberg.

(4) Based on dividend yield computed by Bloomberg as at 31 December 2021.

(5) Based on interest paid on Central Provident Fund (CPF) ordinary account as at 31 December 2021. Source: CPF Website

(6) Based on bond yields and rates published on the Monetary Authority of Singapore (MAS) website as at 31 December 2021 Source: MAS Website

Ascendas Reit's Portfolio

AS AT 31 DECEMBER 2021

BUSINESS & SCIENCE PARK PROPERTIES

1. Neuros & Immunos
2. Nexus @one-north
3. Nucleos
4. Galaxis
5. Grab Headquarters
6. Techquest
7. iQuest@IBP
8. Acer Building
9. 31 International Business Park
10. Nordic European Centre
11. 17 Changi Business Park Central 1 (formerly Honeywell Building)
12. 1 Changi Business Park Avenue 1
13. Hansapoint
14. 1, 3 & 5 Changi Business Park Crescent
15. DBS Asia Hub
16. 3 Changi Business Park Vista (formerly AkzoNobel House)
17. ONE@Changi City
18. The Rutherford & Oasis
19. Cintech I
20. Cintech II
21. Cintech III & IV
22. 12, 14 & 16 Science Park Drive
23. The Alpha
24. The Aries, Sparkle & Gemini
25. The Capricorn
26. The Galen
27. The Kendall
28. FM Global Centre

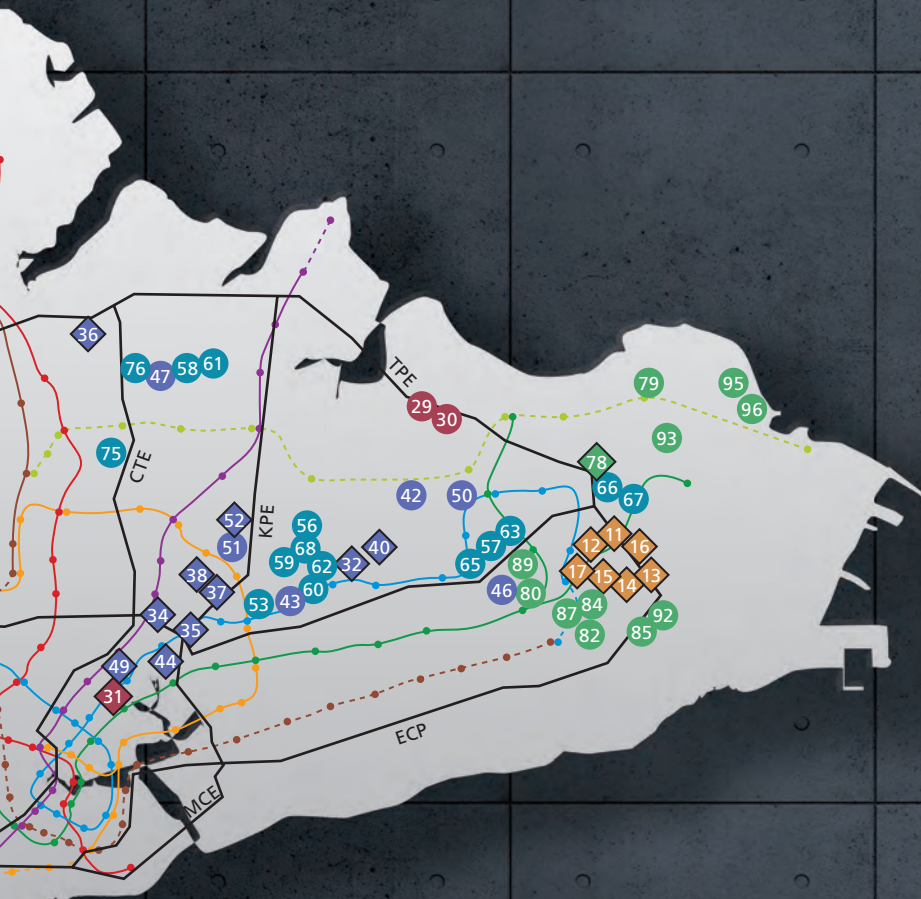
INTEGRATED DEVELOPMENT, AMENITIES & RETAIL PROPERTIES

29. Courts Megastore
30. Giant Hypermart
31. Aperia

HIGH-SPECIFICATIONS INDUSTRIAL PROPERTIES AND DATA CENTRES

- | | | |
|-------------------------|-------------------------------------|--|
| 32. Techlink | 41. 1 Jalan Kilang | 47. CGG Veritas Hub |
| 33. 10 Toh Guan Road | 42. 30 Tampines Industrial Avenue 3 | 48. Corporation Place |
| 34. Siemens Centre | 43. 31 Ubi Road 1 | 49. 80 Bendemeer Road |
| 35. Infineon Building | 44. Schneider Electric Building | 50. Telepark |
| 36. Techpoint | 45. 138 Depot Road | 51. Kim Chuan Telecommunications Complex |
| 37. KA Centre | 46. 2 Changi South Lane | 52. 38A Kim Chuan Road |
| 38. KA Place | | |
| 39. Pacific Tech Centre | | |
| 40. Techview | | |





◆ **Green Buildings**
(Properties with BCA Green Mark Certifications as at 31 December 2021)

Operating Lines
 — North South MRT Line
 — East West MRT Line
 — North East MRT Line
 — Circle MRT Line
 — Downtown Line

Future Lines
 - - Thomson-East Coast Line
 - - Downtown Line 3 Extension
 - - North East Line Extension
 - - Circle Line 6
 - - Jurong Region Line
 - - Cross Island Line

SLE Seletar Expressway
 PIE Pan Island Expressway
 CTE Central Expressway
 KPE Kallang-Paya Lebar Expressway
 AYE Ayer Rajah Expressway
 BKE Bukit Timah Expressway
 TPE Tampines Expressway
 KJE Kranji Expressway
 ECP East Coast Parkway
 MCE Marina Coastal Expressway

LIGHT INDUSTRIAL PROPERTIES AND FLATTED FACTORIES

- | | |
|---------------------------------|----------------------------------|
| 53. Osim Headquarters | 65. 37A Tampines Street 92 |
| 54. 12 Woodlands Loop | 66. Hamilton Sundstrand Building |
| 55. 247 Alexandra Road | 67. Thales Building (I & II) |
| 56. 5 Tai Seng Drive | 68. Ubi Biz-Hub |
| 57. 35 Tampines Street 92 | 69. 2 Senoko South Road |
| 58. 53 Serangoon North Avenue 4 | 70. 18 Woodlands Loop |
| 59. 3 Tai Seng Drive | 71. 9 Woodlands Terrace |
| 60. 27 Ubi Road 4 | 72. 11 Woodlands Terrace |
| 61. 52 Serangoon North Avenue 4 | 73. FoodAxis @ Senoko |
| 62. 25 Ubi Road 4 | 74. 31 Joo Koon Circle |
| 63. Tampines Biz-Hub | 75. Techplace I |
| 64. Hoya Building | 76. Techplace II |

LOGISTICS & DISTRIBUTION CENTRES

- 77. 20 Tuas Avenue 1
- 78. LogisTech
- 79. Changi Logistics Centre
- 80. 4 Changi South Lane
- 81. 40 Penjuru Lane
- 82. Xilin Districentre A&B
- 83. 20 Tuas Avenue 6
- 84. Xilin Districentre D
- 85. 9 Changi South Street 3
- 86. 5 Toh Guan Road East
- 87. Xilin Districentre C
- 88. 19 & 21 Pandan Avenue
- 89. 1 Changi South Lane
- 90. Logis Hub @ Clementi
- 91. 21 Jalan Buroh
- 92. 21 Changi South Avenue 2
- 93. 15 Changi North Way
- 94. Pioneer Hub
- 95. 71 Alps Avenue
- 96. 90 Alps Avenue

Ascendas Reit's Portfolio

AS AT 31 DECEMBER 2021



SUBURBAN OFFICES

BRISBANE, QUEENSLAND

- 97. 100 Wickham Street
- 98. 108 Wickham Street

MELBOURNE, VICTORIA

- 99. 254 Wellington Road

SYDNEY, NEW SOUTH WALES

- 100. 197-201 Coward Street
- 101. 1-5 Thomas Holt Drive

LOGISTICS & DISTRIBUTION CENTRES

BRISBANE, QUEENSLAND

- 102. 62 Sandstone Place
- 103. 92 Sandstone Place
- 104. 95 Gilmore Road
- 105. 77 Logistics Place
- 106. 99 Radius Drive
- 107. 1-7 Wayne Goss Drive
- 108. Cargo Business Park

Green Buildings

(Properties with minimum 3.0 Stars NABERS Energy Rating or Green Star Rating as at 31 December 2021)

- Logistics & Distribution Centres
- Suburban Offices

MELBOURNE, VICTORIA

- 109. 676-698 Kororoit Creek Road
- 110. 700-718 Kororoit Creek Road
- 111. 2-16 Aylesbury Drive
- 112. 9 Andretti Court
- 113. 14-28 Ordish Road
- 114. 31 Permas Way
- 115. 35-61 South Park Drive
- 116. 81-89 Drake Boulevard
- 117. 162 Australis Drive
- 118. 52 Fox Drive
- 119. 169-177 Australis Drive

PERTH, WESTERN AUSTRALIA

- 120. 35 Baile Road

SYDNEY, NEW SOUTH WALES

- 121. 484-490 Great Western Highway
- 122. 494-500 Great Western Highway
- 123. 1 Distribution Place
- 124. 1-15 Kellet Close
- 125. 1A & 1B Raffles Glade
- 126. 5 Eucalyptus Place
- 127. 7 Grevillea Street
- 128. 16 Kangaroo Avenue
- 129. 94 Lenore Drive
- 130. 6-20 Clunies Ross Road

Ascendas Reit's Portfolio

AS AT 31 DECEMBER 2021

DATA CENTRES

AMSTERDAM, THE NETHERLANDS

- 131. Cateringweg
- 132. Gyrocoopweg
- 133. Paul van Vlissingenstraat

GENEVA, SWITZERLAND

- 134. Chemin de L'Epinglier

LONDON, UNITED KINGDOM

- 135. Cressex Business Park
- 136. Croydon
- 137. Welwyn Garden City

MANCHESTER, UNITED KINGDOM

- 138. Reynolds House

PARIS, FRANCE

- 139. Bièvres
- 140. Montigny-le-Bretonneux
- 141. Saclay

LOGISTICS & DISTRIBUTION CENTRES

EAST ENGLAND, UK

- 142. Market Garden Road

EAST MIDLANDS, UK

- 143. Common Road
- 144. Units 1-5, Export Drive

NORTH WEST ENGLAND, UK

- 145. Astmoor Road
- 146. Transpennine 200
- 147. Leacroft Road
- 148. Hawleys Lane
- 149. 8 Leacroft Road

SOUTH EAST ENGLAND, UK

- 150. Howard House
- 151. Units 1-2, Tower Lane
- 152. Lodge Road

WEST MIDLANDS, UK

- 153. Eastern Avenue
- 154. Vernon Road
- 155. 1 Sun Street
- 156. The Triangle
- 157. Unit 103, Stonebridge Cross Business Park
- 158. Unit 302, Stonebridge Cross Business Park
- 159. Unit 401, Stonebridge Cross Business Park
- 160. Unit 402, Stonebridge Cross Business Park

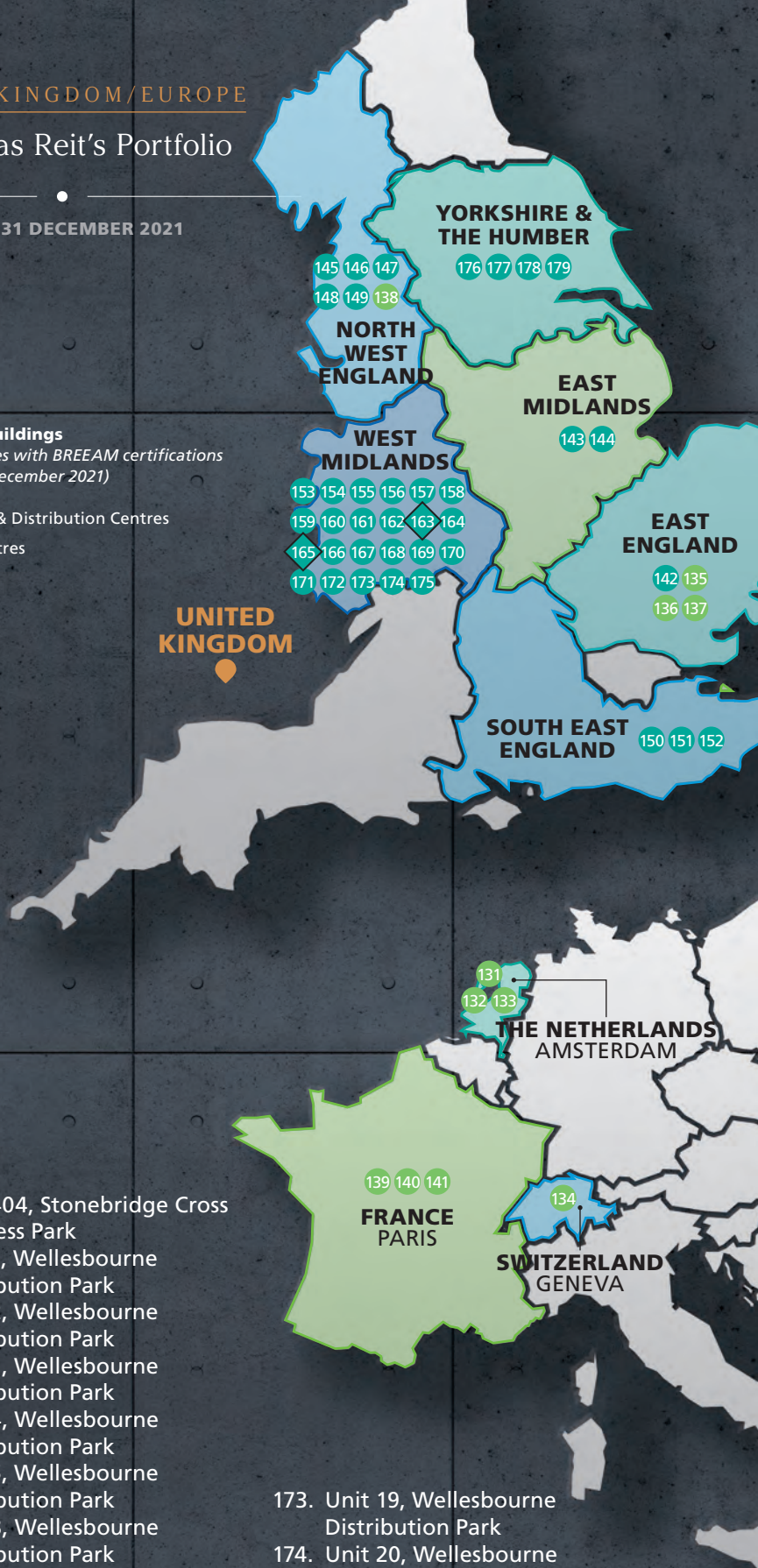
- ◆ **Green Buildings**
(Properties with BREEAM certifications as at 31 December 2021)
- Logistics & Distribution Centres
- Data Centres

- 161. Unit 404, Stonebridge Cross Business Park
- 162. Unit 1, Wellesbourne Distribution Park
- 163. Unit 2, Wellesbourne Distribution Park
- 164. Unit 3, Wellesbourne Distribution Park
- 165. Unit 4, Wellesbourne Distribution Park
- 166. Unit 5, Wellesbourne Distribution Park
- 167. Unit 8, Wellesbourne Distribution Park
- 168. Unit 13, Wellesbourne Distribution Park
- 169. Unit 14, Wellesbourne Distribution Park
- 170. Unit 16, Wellesbourne Distribution Park
- 171. Unit 17, Wellesbourne Distribution Park
- 172. Unit 18, Wellesbourne Distribution Park

- 173. Unit 19, Wellesbourne Distribution Park
- 174. Unit 20, Wellesbourne Distribution Park
- 175. Unit 21, Wellesbourne Distribution Park

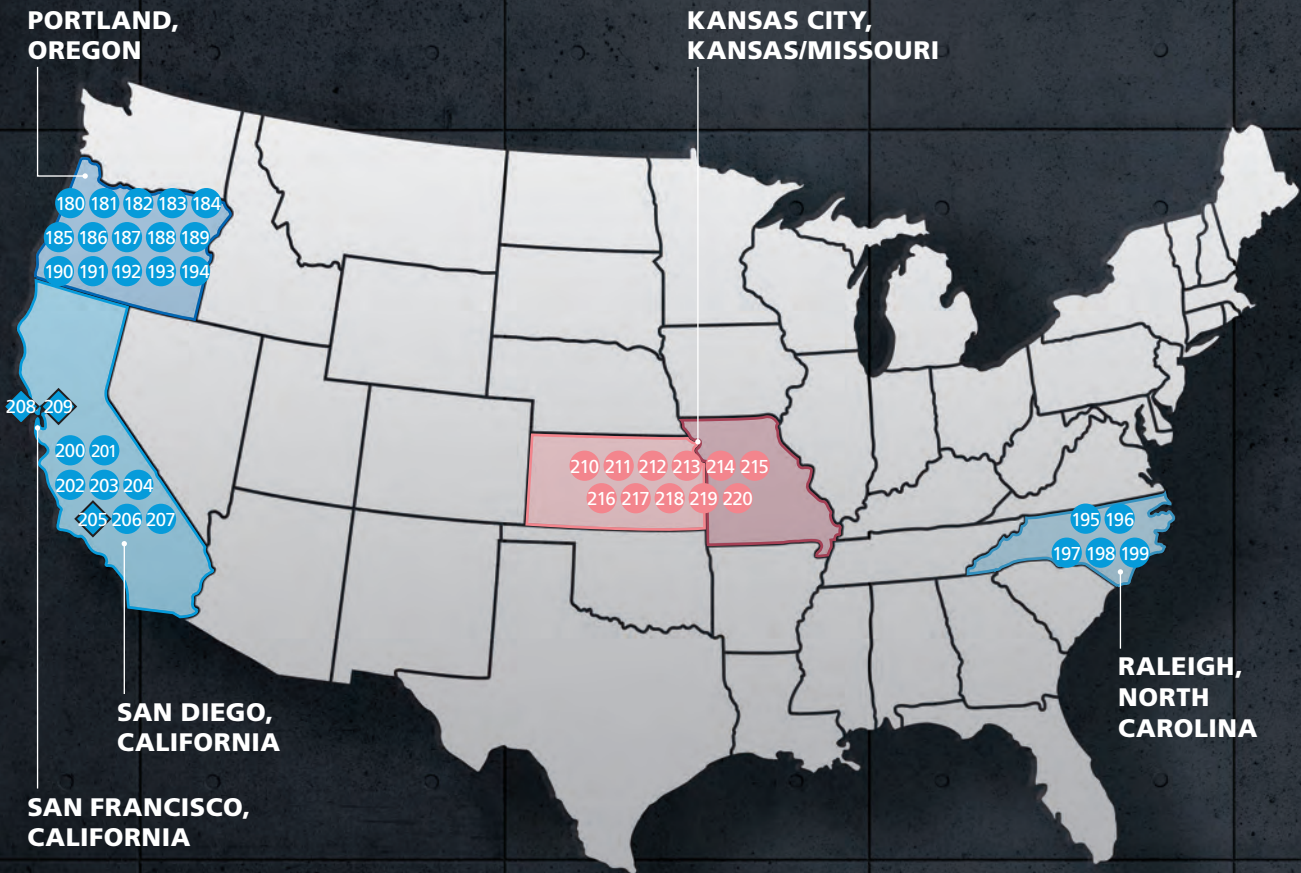
YORKSHIRE AND THE HUMBER, UK

- 176. 12 Park Farm Road
- 177. Units 1a, 1b, 2 & 3, Upwell Street
- 178. Unit 3, Brookfields Way
- 179. Lowfields Way



Ascendas Reit's Portfolio

AS AT 31 DECEMBER 2021



- ◆ **Green Buildings**
(Properties with LEED certifications as at 31 December 2021)
- Business Park & Office Properties
- Logistics & Distribution Centres

BUSINESS PARK & OFFICE PROPERTIES
PORTLAND, OREGON

- 180. 8300 Creekside
- 181. 8305 Creekside
- 182. 8405 Nimbus
- 183. 8500 Creekside
- 184. 8700-8770 Nimbus
- 185. 9205 Gemini
- 186. 9405 Gemini
- 187. Creekside 5
- 188. Creekside 6
- 189. Greenbrier Court
- 190. Parkside
- 191. Ridgeview
- 192. The Atrium
- 193. The Commons
- 194. Waterside

- RALEIGH, NORTH CAROLINA**
- 195. 5200 East & West Paramount Parkway
 - 196. Perimeter One
 - 197. Perimeter Two
 - 198. Perimeter Three
 - 199. Perimeter Four

- SAN DIEGO, CALIFORNIA**
- 200. 10020 Pacific Mesa Boulevard
 - 201. 15051 Avenue of Science
 - 202. 15073 Avenue of Science
 - 203. 15231, 15253 & 15333 Avenue of Science
 - 204. 15378 Avenue of Science
 - 205. 15435 & 15445 Innovation Drive
 - 206. 5005 & 5010 Wateridge
 - 207. 6055 Lusk Boulevard

- SAN FRANCISCO, CALIFORNIA**
- 208. 510 Townsend Street
 - 209. 505 Brannan Street

- LOGISTICS & DISTRIBUTION CENTRES**
KANSAS CITY, KANSAS/MISSOURI
- 210. Airworld 1
 - 211. Airworld 2
 - 212. Continental Can
 - 213. Crossroads Distribution Center
 - 214. Lackman Business Center 1-3
 - 215. Lackman Business Center 4
 - 216. Levee
 - 217. North Topping
 - 218. Quebec
 - 219. Saline
 - 220. Warren

Business & Science Park Properties



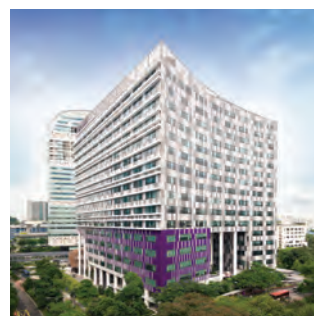
1 Neuros & Immunus



2 Nexus @one-north



3 Nucleos



4 Galaxis



5 Grab Headquarters



6 Techquest



7 iQuest@IBP
(Decommissioned for
redevelopment)



8 Acer Building



9 31 International
Business Park



10 Nordic European
Centre



11 17 Changi Business
Park Central 1
(formerly Honeywell
Building)



12 1 Changi Business
Park Avenue 1

Business & Science Park Properties



13 Hansapoint



14 1, 3, & 5 Changi Business Park Crescent



15 DBS Asia Hub



16 3 Changi Business Park Vista (formerly AkzoNobel House)



17 ONE @Changi City



18 The Rutherford & Oasis



19 Cintech I



20 Cintech II



21 Cintech III & IV



22 12, 14 & 16 Science Park Drive



23 The Alpha

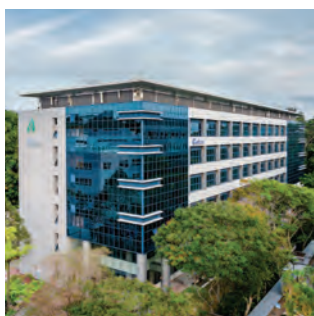


24 The Aries, Sparkle & Gemini

Business & Science Park Properties



25 The Capricorn



26 The Galen



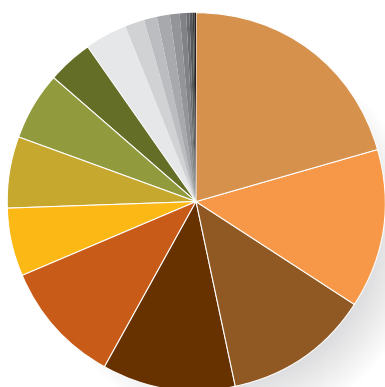
27 The Kendall



28 FM Global Centre

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2021

By Gross Rental Income



Financial Services	20.7%
Government	13.6%
e-Commerce	12.5%
Biomedical Sciences	11.5%
Information & Communications Technology	10.4%
Chemical	6.0%
Engineering	6.0%
Electronics	5.9%
Food	3.8%
Professional Services	3.6%
Retail	1.6%
Media	1.3%
Education	1.1%
Logistics & Supply Chain Management	0.7%
Energy/Utilities	0.5%
Real Estate	0.4%
Distributors & Trading Company	0.2%
Agriculture	0.1%
Hospitality & Leisure	0.1%

Business & Science Park Properties (Singapore)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	25	3	28
No. of Customers	443	3	446
GFA (sq m)	838,488	99,760	938,248
Gross Revenue (S\$ million)	315.3	25.6	340.9
Book Value/Valuation as at 31 December 2021 (S\$ million)	4,507.5	495.8	5,003.3
Capitalisation Rate as at 31 December 2021 (%)		5.7%	
Weighted Average Lease to Expiry (in Years)		3.6	

SINGAPORE

Business & Science Park Properties

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (S\$ million)	Valuation ⁺ as at 31 December 2021 (S\$ million)	
one-north Properties				
1	Neuros & Immunos# 	31 Mar 11	125.6	143.0
2	Nexus @one-north 	04 Sep 13	181.3	202.8
3	Nucleos# 	11 Dec 19	289.0	346.1
4	Galaxis# 	30 Jun 21	697.5	733.6
5	Grab Headquarters 	30 Jul 21	184.6	191.5
Total (one-north Properties)			1,478.0	1,617.0
International Business Park Properties				
6	Techquest#	05 Oct 05	7.5	24.9
7	iQuest@IBP [^]	12 Jan 07	18.6	–
8	Acer Building	19 Mar 08	75.0	79.1
9	31 International Business Park	26 Jun 08	246.8	206.1
10	Nordic European Centre 	08 Jul 11	121.6	121.1
Total (International Business Park Properties)			469.5	431.2
Changi Business Park Properties				
11	17 Changi Business Park Central 1 (formerly Honeywell Building)**# 	19 Nov 02	32.8	62.4
12	1 Changi Business Park Avenue 1 	30 Oct 03	18.0	57.2
13	Hansapoint 	22 Jan 08	26.1	112.7
14	1, 3 & 5 Changi Business Park Crescent** 	16 Feb 09 25 Sep 09 31 Dec 10	200.9	337.8
15	DBS Asia Hub# 	31 Mar 10 15 Apr 15	137.8	206.0
16	3 Changi Business Park Vista** 	08 Dec 11	80.0	70.7
17	ONE@Changi City# 	01 Mar 16	420.0	502.4
Total (Changi Business Park Properties)			915.6	1,349.2
Singapore Science Park I Properties				
18	The Rutherford & Oasis# 	26 Mar 08	51.5	100.0
19	Cintech I# 	29 Mar 12	47.1	58.6
20	Cintech II# 	29 Mar 12	35.3	49.0
21	Cintech III & IV**# 	29 Mar 12	100.7	125.0
22	12, 14 & 16 Science Park Drive# 	16 Feb 17	420.0	464.0
Total (Singapore Science Park I Properties)			654.6	796.6
Singapore Science Park II Properties				
23	The Alpha**# 	19 Nov 02	52.3	90.0
24	The Aries, Sparkle & Gemini 	19 Nov 02	129.2	214.0
25	The Capricorn# 	19 Nov 02	71.8	123.0
26	The Galen# 	25 Mar 13	126.0	150.0
27	The Kendall# 	30 Mar 15	112.0	134.0
28	FM Global Centre#	11 Dec 19	91.0	98.3
Total (Singapore Science Park II Properties)			582.3	809.3
Total (Business & Science Parks Properties)			4,100.0	5,003.3

Notes:

* Purchase Price excludes transaction cost associated with the purchase of the property.

** As at 31 December 2021, these properties recorded a depreciation on revaluation against their corresponding values as at 31 December 2020 due to changing market conditions.

+ The valuation for these properties were based on Capitalisation Approach and Discounted Cash Flow Analysis.

++ Includes gross rental income, car park income and other income.

Acquired from the Sponsor.

[^] iQuest is decommissioned for redevelopment.

 Properties with BCA Green Mark Certifications. For more details, please refer to www.ascendas-reit.com/en/sustainability/green-buildings.html

SINGAPORE

Business & Science Park Properties

GFA (sq m)	NLA (sq m)	Address	Gross Revenue** for 2021 (\$ million)	Occupancy Rate as at 31 December 2021
36,931	26,035	8/8A Biomedical Grove	21.0	98.4%
25,511	20,669	1 & 3 Fusionopolis Link	15.0	93.4%
46,174	37,365	21 Biopolis Road	30.6	98.4%
68,835	60,709	1 & 3 Fusionopolis Place	25.7	97.0%
42,290	42,290	1 & 3 Media Close	4.6	100.0%
219,741	187,068		96.9	97.8%
9,079	9,079	7 International Business Park	2.8	100.0%
–	–	27 International Business Park	–	–
29,185	22,553	29 International Business Park	3.2	40.3%
61,720	48,968	31 International Business Park	11.2	51.7%
28,378	21,546	3 International Business Park	8.9	75.1%
128,362	102,146		26.1	58.4%
18,123	14,399	17 Changi Business Park Central 1	5.0	53.2%
11,555	9,150	1 Changi Business Park Avenue 1	5.5	94.0%
19,448	16,395	10 Changi Business Park Central 2	9.0	92.7%
74,660	62,950	1, 3 & 5 Changi Business Park Crescent	25.5	86.8%
45,857	38,296	2 & 2A Changi Business Park Crescent	15.5	100.0%
19,225	15,095	3 Changi Business Park Vista	6.4	78.2%
71,158	61,427	1 Changi Business Park Central 1	32.5	91.8%
260,026	217,712		99.4	88.5%
27,217	18,815	87/89 Science Park Drive	5.8	67.3%
14,943	10,546	73 Science Park Drive	4.2	77.3%
13,436	10,155	75 Science Park Drive	4.4	100.0%
25,622	18,483	77 & 79 Science Park Drive	8.6	70.1%
78,871	78,871	12, 14 & 16 Science Park Drive	32.6	100.0%
160,089	136,870		55.6	89.7%
29,126	21,109	10 Science Park Road	6.6	74.0%
49,868	36,863	41, 45 & 51 Science Park Road	17.2	92.9%
28,601	20,543	1 Science Park Road	8.8	85.7%
30,632	22,310	61 Science Park Road	13.1	93.7%
20,190	16,985	50 Science Park Road	11.7	89.5%
11,613	11,613	288 Pasir Panjang Road	5.5	100.0%
170,030	129,423		62.9	89.0%
938,248	773,219		340.9	87.1%

Integrated Development, Amenities & Retail Properties



29 Courts Megastore



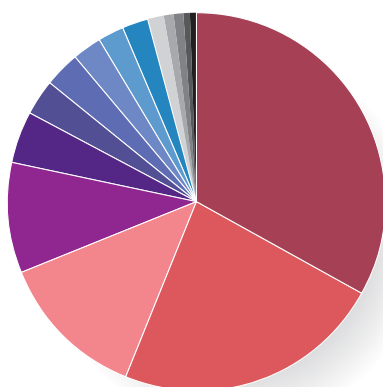
30 Giant Hypermart



31 Aperia

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2021


By Gross Rental Income



● Retail & F&B	33.2%
● Information & Communications Technology	23.1%
● Biomedical Sciences	12.6%
● Engineering	9.5%
● Food	4.5%
● Financial Services	3.1%
● Logistics & Supply Chain Management	3.0%
● Electronics	2.4%
● Professional Services	2.3%
● Distributors & Trading Company	2.3%
● Education	1.4%
● FMCG	0.8%
● Media	0.7%
● e-Commerce	0.6%
● Real Estate	0.5%

Integrated Development, Amenities & Retail Properties (Singapore)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	1	2	3
No. of Customers	97	2	99
GFA (sq m)	86,696	70,604	157,300
Gross Revenue (S\$ million)	44.4	15.9	60.3
Book Value/Valuation as at 31 December 2021 (S\$ million)	580.0	134.8	714.8
Capitalisation Rate as at 31 December 2021 (%)		6.0%	
Weighted Average Lease to Expiry (in Years)		4.2	

Integrated Development, Amenities & Retail Properties

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (S\$ million)	Valuation ⁺ as at 31 December 2021 (S\$ million)	GFA (sq m)	NLA (sq m)	Address	Gross Revenue ⁺⁺ for 2021 (S\$ million)	Occupancy Rate as at 31 December 2021
29 Courts Megastore**	30 Nov 06	46.0	59.6	28,410	28,410	50 Tampines North Drive 2	7.4	100.0%
30 Giant Hypermart**	06 Feb 07	65.4	75.2	42,194	42,178	21 Tampines North Drive 2	8.5	100.0%
31 Aperia** 	08 Aug 14	458.0	580.0	86,696	70,739	8, 10 & 12 Kallang Avenue	44.4	89.3%
Total (Integrated Development, Amenities & Retail Properties)		569.4	714.8	157,300	141,327		60.3	94.6%


Notes:

* Purchase Price excludes transaction cost associated with the purchase of the property.

** As at 31 December 2021, these properties recorded a depreciation on revaluation against their corresponding values as at 31 December 2020 due to changing market conditions.

+ The valuation for these properties were based on Capitalisation Approach and Discounted Cash Flow Analysis.

++ Includes gross rental income, car park income and other income.

 Properties with BCA Green Mark Certifications. For more details, please refer to www.ascendas-reit.com/en/sustainability/green-buildings.html

High-Specifications Industrial Properties and Data Centres



32 Techlink



33 10 Toh Guan Road



34 Siemens Centre



35 Infineon Building



36 Techpoint



37 KA Centre



38 KA Place



39 Pacific Tech Centre



40 Techview



41 1 Jalan Kilang Centre



42 30 Tampines Industrial Avenue 3



43 31 Ubi Road 1



44 Schneider Electric Building



45 138 Depot Road



46 2 Changi South Lane



47 CGG Veritas Hub



48 Corporation Place



49 80 Bendemeer Road



50 Telepark



51 Kim Chuan Telecommunications Complex

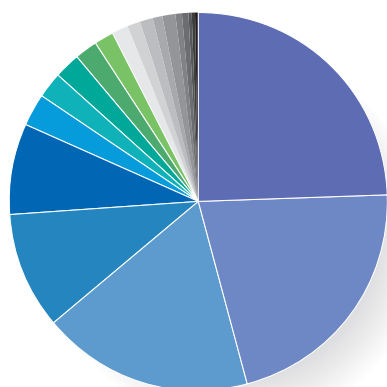
High-Specifications Industrial Properties and Data Centres



52 38A Kim
Chuan Road

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2021














By Gross Rental Income



● Electronics	24.7%
● Data Centres	21.4%
● Engineering	18.0%
● Biomedical Sciences	9.9%
● Information & Communications Technology	7.7%
● Financial Services	2.8%
● Retail & F&B	2.4%
● Distributors & Trading Company	2.2%
● FMCG	2.0%
● Logistics & Supply Chain Management	1.6%
● Professional Services	1.3%
● Food	1.1%
● Energy/Utilities	1.1%
● Education	1.0%
● Hospitality & Leisure	1.0%
● Media	0.6%
● Real Estate	0.5%
● IO/NGOs/NPOs	0.3%
● Textile & Garments	0.2%
● e-Commerce	0.2%

High-Specifications Industrial Properties and Data Centres (Singapore)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	14	7	21
No. of Customers	281	6	287
GFA (sq m)	515,792	161,124	676,916
Gross Revenue (S\$ million)	139.9	48.2	188.1
Book Value/Valuation as at 31 December 2021 (S\$ million)	1,575.0	551.3	2,126.3
Capitalisation Rate as at 31 December 2021 (%)		5.8%	
Weighted Average Lease to Expiry (in Years)		3.4	

High-Specifications Industrial Properties and Data Centres

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (S\$ million)	Valuation ⁺ as at 31 December 2021 (S\$ million)	
High-Specifications Industrial Properties				
32	Techlink# 	19 Nov 02	69.8	127.0
33	10 Toh Guan Road**	05 Mar 04	92.0	119.2
34	Siemens Centre 	12 Mar 04	65.8	108.7
35	Infineon Building# 	01 Dec 04	50.9	93.2
36	Techpoint# 	01 Dec 04	75.0	150.5
37	KA Centre 	02 Mar 05	19.2	52.6
38	KA Place 	02 Mar 05	11.1	22.7
39	Pacific Tech Centre** 	01 Jul 05	62.0	88.5
40	Techview# 	05 Oct 05	76.0	166.9
41	1 Jalan Kilang 	27 Oct 05	18.7	24.3
42	30 Tampines Industrial Avenue 3**	15 Nov 05	22.0	33.4
43	31 Ubi Road 1	21 Feb 06	23.0	30.0
44	Schneider Electric Building [^] 	27 Feb 06 21 Jun 17	45.2	91.5
45	138 Depot Road#	15 Mar 06	42.3	75.3
46	2 Changi South Lane**	01 Feb 07	30.0	38.2
47	CGG Veritas Hub#**	25 Mar 08	18.3	15.3
48	Corporation Place 	08 Dec 11	99.0	124.5
49	80 Bendemeer Road 	30 Jun 14	191.2	212.3
Total (High-Specifications Industrial Properties)			1,011.5	1,574.1
Data Centres				
50	Telepark	02 Mar 05	186.0	272.5
51	Kim Chuan Telecommunications Complex	02 Mar 05	100.0	149.9
52	38A Kim Chuan Road## 	11 Dec 09	98.4	129.8
Total (Data Centres)			384.4	552.2
Total (High-Specifications Industrial Properties and Data Centres)			1,395.9	2,126.3

Notes:

* Purchase Price excludes transaction cost associated with the purchase of the property.

** As at 31 December 2021, these properties recorded a depreciation on revaluation against their corresponding values as at 31 December 2020 due to changing market conditions.

+ The valuation for these properties were based on Capitalisation Approach and Discounted Cash Flow Analysis.

++ Includes gross rental income, car park income and other income.

Acquired from the Sponsor.

38A Kim Chuan Road was valued by independent valuer at S\$175.2 million. Ascendas Reit has recorded the property at S\$175.2 million comprising S\$129.8 million in land and building, and S\$45.4 million in M&E equipment

[^] Schneider Electric Building was acquired on 27 February 2006. It was subsequently redeveloped and leased to a single-tenant. The redevelopment was completed on 21 June 2017.

 Properties with BCA Green Mark Certifications. For more details, please refer to www.ascendas-reit.com/en/sustainability/green-buildings.html

High-Specifications Industrial Properties and Data Centres

GFA (sq m)	NLA (sq m)	Address	Gross Revenue ⁺⁺ for 2021 (S\$ million)	Occupancy Rate as at 31 December 2021
49,837	36,145	31 Kaki Bukit Road 3	11.9	74.5%
52,147	41,322	10 Toh Guan Road	9.5	74.0%
36,529	28,000	60 MacPherson Road	11.6	89.9%
27,278	27,278	8 Kallang Sector	9.8	100.0%
56,107	40,818	10 Ang Mo Kio Street 65	12.7	75.0%
19,638	13,557	150 Kampong Ampat	4.8	91.8%
10,163	6,652	159 Kampong Ampat	1.6	63.5%
25,718	19,573	1 Jalan Kilang Timor	6.9	76.9%
50,985	37,477	1 Kaki Bukit View	16.5	95.0%
7,158	6,071	1 Jalan Kilang	2.1	92.2%
9,593	9,593	30 Tampines Industrial Ave 3	4.1	100.0%
17,709	12,976	31 Ubi Road 1	3.5	71.2%
18,970	18,970	50 Kallang Avenue	6.7	100.0%
29,626	26,935	138 Depot Road	8.9	82.7%
26,300	20,939	2 Changi South Lane	2.8	100.0%
9,782	8,671	9 Serangoon North Avenue 5	1.6	100.0%
76,185	55,709	2 Corporation Road	15.4	79.2%
43,435	35,155	80 Bendemeer Road	13.7	69.7%
567,160	445,841		144.1	83.4%
40,555	24,596	5 Tampines Central 6	20.8	100.0%
35,456	25,129	38 Kim Chuan Road	11.8	100.0%
33,745	32,885	38A Kim Chuan Road	11.4	100.0%
109,756	82,610		44.0	100.0%
676,916	528,451		188.1	86.0%

Light Industrial Properties and Flatted Factories



53 Osim Headquarters



54 12 Woodlands Loop



55 247 Alexandra Road



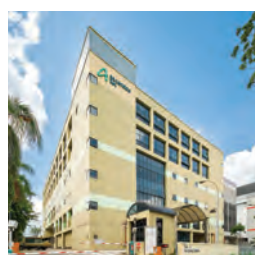
56 5 Tai Seng Drive



57 35 Tampines Street 92



58 53 Serangoon North Avenue 4



59 3 Tai Seng Drive



60 27 Ubi Road 4
(Decommissioned for redevelopment)



61 52 Serangoon North Avenue 4



62 25 Ubi Road 4
(Decommissioned for redevelopment)



63 Tampines Biz-Hub



64 Hoya Building



65 37A Tampines Street 92



66 Hamilton Sundstrand Building



67 Thales Building (I & II)



68 Ubi Biz-Hub



69 2 Senoko South Road



70 18 Woodlands Loop

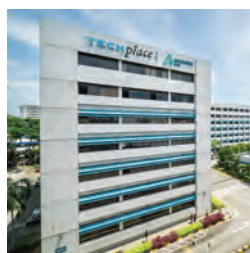


71 9 Woodlands Terrace

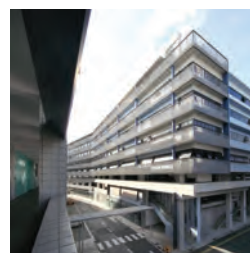


72 11 Woodlands Terrace

Light Industrial Properties and Flatted Factories

73 FoodAxis
@Senoko74 31 Joo Koon
Circle

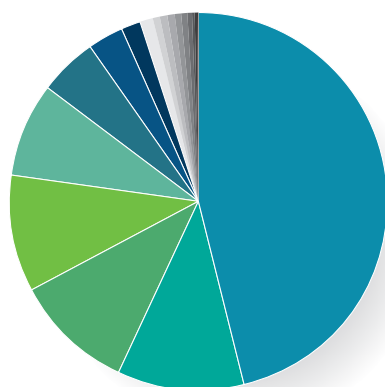
75 Techplace I



76 Techplace II

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2021


By Gross Rental Income



● Engineering	46.2%
● Food	11.0%
● Retail	10.2%
● Electronics	10.0%
● Biomedical Sciences	8.1%
● Distributors & Trading Company	5.0%
● Logistics & Supply Chain Management	3.1%
● Media	1.4%
● Information & Communications Technology	1.3%
● Textile & Garments	0.6%
● Professional Services	0.6%
● e-Commerce	0.6%
● FMCG	0.5%
● Government	0.5%
● Real Estate	0.4%
● IO/NGOs/NPOs	0.2%
● Education	0.2%
● Agriculture	0.1%

Light Industrial Properties and Flatted Factories (Singapore)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	13	9	22
No. of Customers	388	9	397
GFA (sq m)	389,374	106,799	496,173
Gross Revenue (S\$ million)	66.9	19.4	86.3
Book Value/Valuation as at 31 December 2021 (S\$ million)	656.0	245.9	901.9
Capitalisation Rate as at 31 December 2021 (%)		6.0%	
Weighted Average Lease to Expiry (in Years)		3.3	

Light Industrial Properties and Flatted Factories

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (S\$ million)	Valuation ⁺ as at 31 December 2021 (S\$ million)	
Light Industrial Properties				
53	Osime Headquarters**	20 Jun 03	35.0	39.0
54	12 Woodlands Loop	29 Jul 04	24.8	28.6
55	247 Alexandra Road	01 Dec 04	44.8	71.1
56	5 Tai Seng Drive	01 Dec 04	15.3	21.0
57	35 Tampines Street 92	01 Dec 04	9.4	12.7
58	53 Serangoon North Avenue 4	27 Dec 04	14.0	21.0
59	3 Tai Seng Drive	01 Apr 05	19.5	18.8
60	27 Ubi Road 4 [^]	01 Apr 05	12.6	–
61	52 Serangoon North Avenue 4	04 Apr 05	14.0	22.8
62	25 Ubi Road 4 [^]	16 May 05	9.0	–
63	Tampines Biz-Hub	05 Oct 05	16.8	20.5
64	Hoya Building [#]	05 Oct 05	5.3	8.5
65	37A Tampines Street 92	01 Dec 05	12.3	21.0
66	Hamilton Sundstrand Building [#]	09 Dec 05	31.0	42.6
67	Thales Building (I & II) [#]	03 Jan 06 20 Mar 08	5.8	12.9
68	Ubi Biz-Hub	27 Mar 06	13.2	18.6
69	2 Senoko South Road	08 Jan 07	33.5	40.2
70	18 Woodlands Loop	01 Feb 07	17.2	33.0
71	9 Woodlands Terrace	01 Feb 07	1.9	5.2
72	11 Woodlands Terrace	01 Feb 07	1.9	4.7
73	FoodAxis @ Senoko ^{^^} 	15 May 07 16 Feb 12	57.8	93.0
74	31 Joo Koon Circle	30 Mar 10	15.0	33.3
Total (Light Industrial Properties)			410.10	568.5
Flatted Factories				
75	TechPlace I [#]	19 Nov 02	105.3	143.4
76	TechPlace II [#]	19 Nov 02	128.9	190.0
Total (Flatted Factories)			234.2	333.4
Total (Light Industrial Properties and Flatted Factories)			644.3	901.9

Notes:

* Purchase Price excludes transaction cost associated with the purchase of the property.

** As at 31 December 2021, these properties recorded a depreciation on revaluation against their corresponding values as at 31 December 2020 due to changing market conditions.


+ The valuation for these properties were based on Capitalisation Approach and Discounted Cash Flow Analysis

++ Includes gross rental income, car park income and other income.

Acquired from the Sponsor.

[^] As at 31 December 2021, 25 Ubi Road 4 and 27 Ubi Road 4 were decommissioned for redevelopment into a single high-specifications property.

^{^^} FoodAxis @ Senoko was first acquired on 15 May 2007 for S\$11.2 million and was subsequently redeveloped to maximise the allowable plot ratio. The redevelopment was completed on 16 February 2012.

 Properties with BCA Green Mark Certifications. For more details, please refer to www.ascendas-reit.com/en/sustainability/green-buildings.html

SINGAPORE

Light Industrial Properties and Flatted Factories

GFA (sq m)	NLA (sq m)	Address	Gross Revenue ⁺⁺ for 2021 (S\$ million)	Occupancy Rate as at 31 December 2021
17,683	15,068	65 Ubi Avenue 1	3.1	100.0%
19,887	16,593	12 Woodlands Loop	2.8	100.0%
13,699	12,803	247 Alexandra Road	5.1	100.0%
12,930	11,290	5 Tai Seng Drive	2.5	100.0%
8,931	8,931	35 Tampines Street 92	0.0	0.0%
12,358	10,071	53 Serangoon North Avenue 4	2.2	100.0%
14,929	11,761	3 Tai Seng Drive	1.2	56.3%
–	–	27 Ubi Road 4	–	–
14,767	11,044	52 Serangoon North Avenue 4	3.2	100.0%
–	–	25 Ubi Road 4	–	–
18,086	14,100	11 Tampines Street 92	2.2	71.9%
6,505	6,282	455A Jalan Ahmad Ibrahim	1.4	100.0%
12,011	9,753	37A Tampines Street 92	3.0	100.0%
17,737	16,744	11 Changi North Rise	3.9	100.0%
7,772	7,772	21 Changi North Rise	1.5	100.0%
12,978	10,688	150 Ubi Avenue 4	2.1	83.1%
23,457	17,471	2 Senoko South Road	4.8	100.0%
18,422	16,056	18 Woodlands Loop	5.2	100.0%
2,959	2,959	9 Woodlands Terrace	0.3	100.0%
2,919	2,919	11 Woodlands Terrace	0.6	100.0%
43,362	44,439	1 Senoko Avenue	10.3	92.1%
17,638	17,638	31 Joo Koon Circle	0.7	100.0%
299,030	264,382		56.1	91.2%
81,981	59,524	Blk 4008–4012 Ang Mo Kio Avenue 10	12.9	97.8%
115,162	83,200	Blk 5000–5004, 5008–5014 Ang Mo Kio Avenue 5	17.3	94.3%
197,143	142,724		30.2	95.8%
496,173	407,106		86.3	92.8%

Logistics & Distribution Centres



77 20 Tuas Avenue 1



78 LogisTech



79 Changi Logistics Centre



80 4 Changi South Lane



81 40 Penjuru Lane



82 Xilin Districentre A&B



83 20 Tuas Avenue 6



84 Xilin Districentre D



85 9 Changi South Street 3



86 5 Toh Guan Road East



87 Xilin Districentre C



88 19 & 21 Pandan Avenue



89 1 Changi South Lane



90 Logis Hub @Clementi



91 21 Jalan Buroh



92 21 Changi South Avenue 2



93 15 Changi North Way



94 Pioneer Hub



95 71 Alps Avenue

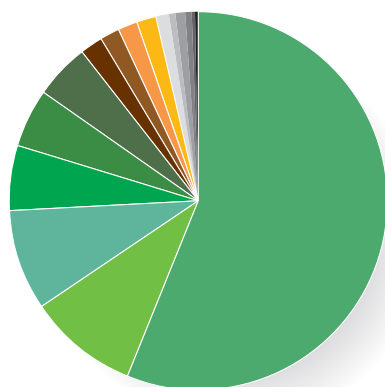


96 90 Alps Avenue

Logistics & Distribution Centres

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2021


By Gross Rental Income



● Logistics & Supply Chain Management	56.3%
● Data centres	9.3%
● Distributors & Trading Company	8.7%
● Biomedical Sciences	5.5%
● Chemical	5.0%
● Engineering	4.9%
● e-Commerce	1.8%
● Media	1.7%
● Government	1.6%
● Electronics	1.6%
● Retail	1.1%
● Agriculture	0.7%
● Food	0.7%
● FMCG	0.6%
● Professional Services	0.4%
● Information & Communications Technology	0.1%

Logistics & Distribution Centres (Singapore)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	15	5	20
No. of Customers	107	5	112
GFA (sq m)	607,015	191,145	798,160
Gross Revenue (S\$ million)	92.6	19.9	112.5
Book Value/Valuation as at 31 December 2021 (S\$ million)	883.0	303.8	1,186.8
Capitalisation Rate as at 31 December 2021 (%)		6.1%	
Weighted Average Lease to Expiry (in Years)		1.8	

Logistics & Distribution Centres

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (S\$ million)	Valuation ⁺ as at 31 December 2021 (S\$ million)
Logistics & Distribution Centres			
77	20 Tuas Avenue 1 [^]	19 Feb 04 02 Apr 18	61.4 88.3
78	LogisTech 	04 Mar 04	32.0 63.1
79	Changi Logistics Centre	09 Mar 04	45.6 73.4
80	4 Changi South Lane	31 May 04	23.3 26.6
81	40 Penjuru Lane**	21 Jul 04	225.0 231.3
82	Xilin Districentre A&B	02 Dec 04	31.1 37.9
83	20 Tuas Avenue 6	02 Dec 04	5.5 7.9
84	Xilin Districentre D	09 Dec 04	33.5 29.5
85	9 Changi South Street 3	28 Dec 04	32.0 45.3
86	5 Toh Guan Road East	28 Dec 04	36.4 29.1
87	Xilin Districentre C	05 May 05	30.6 29.4
88	19 & 21 Pandan Avenue**	23 Sep 05 01 Feb 08	105.2 124.0
89	1 Changi South Lane	05 Oct 05	34.8 34.4
90	Logis Hub @ Clementi [#]	05 Oct 05	18.1 27.0
91	21 Jalan Buroh**	14 Jun 06	58.4 63.1
92	21 Changi South Avenue 2	19 Mar 08	31.9 22.0
93	15 Changi North Way	29 Jul 08	36.2 47.1
94	Pioneer Hub	12 Aug 08	79.3 122.0
95	71 Alps Avenue	02 Sep 09	25.6 23.7
96	90 Alps Avenue	20 Jan 12	37.9 61.7
Total (Logistics & Distribution Centres)		983.8	1,186.8

Notes:

* Purchase Price excludes transaction cost associated with the purchase of the property.

** As at 31 December 2021, these properties recorded a depreciation on revaluation against their corresponding values as at 31 December 2020 due to changing market conditions.

+ The valuation for these properties were based on Capitalisation Approach and Discounted Cash Flow Analysis.

++ Includes gross rental income, car park income and other income.

[^] 20 Tuas Avenue 1 was first acquired on 19 February 2004 for S\$50.0 million and was subsequently redeveloped to maximise the allowable plot ratio. The redevelopment was completed on 2 April 2018.

[#] Acquired from the Sponsor.

 Properties with BCA Green Mark Certifications. For more details, please refer to www.ascendas-reit.com/en/sustainability/green-buildings.html

SINGAPORE

Logistics & Distribution Centres

GFA (sq m)	NLA (sq m)	Address	Gross Revenue ⁺⁺ for 2021 (S\$ million)	Occupancy Rate as at 31 December 2021
44,449	41,134	20 Tuas Avenue 1	6.7	100.0%
39,078	30,177	3 Changi North Street 2	7.2	99.0%
54,729	43,990	19 Loyang Way	7.3	83.6%
18,794	15,550	4 Changi South Lane	2.1	96.3%
160,939	151,516	40 Penjuru Lane	18.7	98.5%
24,113	21,226	3 Changi South Street 2	3.6	100.0%
5,085	5,085	20 Tuas Avenue 6	0.6	100.0%
18,619	15,753	6 Changi South Street 2	3.1	96.1%
28,648	23,705	9 Changi South Street 3	4.9	95.2%
29,741	23,587	5 Toh Guan Road East	3.6	99.6%
18,708	13,035	7 Changi South Street 2	3.1	93.9%
87,842	71,749	19 & 21 Pandan Avenue	5.8	100.0%
25,768	23,528	1 Changi South Lane	3.8	0.0%
26,505	23,107	2 Clementi Loop	3.6	100.0%
39,980	34,116	21 Jalan Buroh	3.1	100.0%
13,120	11,440	21 Changi South Avenue 2	1.3	100.0%
31,961	28,974	15 Changi North Way	4.3	100.0%
91,048	80,372	15 Pioneer Walk	21.7	99.3%
12,756	11,003	71 Alps Avenue	2.0	100.0%
26,277	26,277	90 Alps Avenue	6.1	100.0%
798,160	695,324		112.6	94.7%

AUSTRALIA
Suburban Offices

BRISBANE



97 100 Wickham Street



98 108 Wickham Street

MELBOURNE



99 254 Wellington Road

SYDNEY



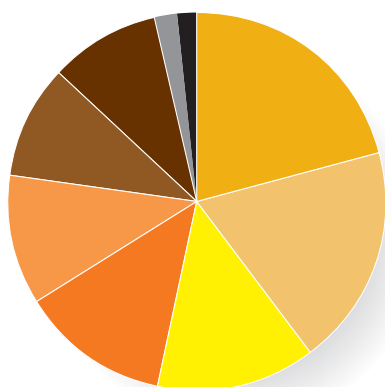
100 197-201 Coward Street



101 1-5 Thomas Holt Drive

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2021

By Gross Rental Income







Government	21.1%
Professional Services	18.9%
Distributors & Trading Company	13.5%
Media	12.9%
Engineering	11.0%
Logistics & Supply Chain Management	9.9%
Information & Communications Technology	9.4%
Biomedical Sciences	1.9%
Food	1.4%

Suburban Offices (Australia)	Multi-tenant Buildings	Total
No. of Properties	5	5
No. of Customers	39	39
GFA (sq m)	104,246	104,246
Gross Revenue (S\$ million)	53.9	53.9
Book Value/Valuation as at 31 December 2021 (S\$ million)	771.5	771.5
Capitalisation Rate as at 31 December 2021 (%)		5.6%
Weighted Average Lease to Expiry (in Years)		3.4

AUSTRALIA

Suburban Offices

Property	Acquisition/Completion Date	Purchase Price ^{*^} / Development Cost (S\$ million)	Valuation as at 31 December 2021 ^{^^#} (S\$ million)	GFA (sq m)	NLA (sq m)	Address	Gross Revenue ⁺⁺ for 2021 (S\$ million)	Occupancy Rate as at 31 December 2021	
Brisbane, Queensland									
97	100 Wickham Street	25 Sep 17	90.3	80.5	13,030	13,030	100 Wickham Street, Fortitude Valley	7.5	79.9%
98	108 Wickham Street [^] 	22 Dec 17	109.0	99.9	11,854	11,854	108 Wickham Street, Fortitude Valley	7.9	97.1%
Total (Suburban Offices, Brisbane)			199.3	180.4	24,884	24,884		15.4	88.1%
Melbourne, Victoria									
99	254 Wellington Road 	11 Sep 20	100.6 ^{##}	113.8	17,648	17,648	254 Wellington Road, Mulgrave	7.3	100.0%
Total (Suburban Offices, Melbourne)			100.6 ^{##}	113.8	17,648	17,648		7.3	100.0%
Sydney, New South Wales									
100	197-201 Coward Street 	09 Sep 16	145.6	179.0	22,534	22,534	197-201 Coward Street, Mascot	11.9	91.9%
101	1-5 Thomas Holt Drive 	13 Jan 21	284.0 ^{**}	298.3	39,180	39,180	1-5 Thomas Holt Drive, Macquarie Park	19.3 ⁺	100.0%
Total (Suburban Offices, Sydney)			429.6	477.3	61,714	61,714		31.2	97.0%
Total (Suburban Offices, Australia)			729.5	771.5	104,246	104,246		53.9	95.4%

Notes:

* Purchase Price excludes transaction cost associated with the purchase of the property.

** Includes a two-year rental guarantee provided by the Vendor for vacant space

[^] Purchase Price includes outstanding incentives reimbursed by the vendor.


^{^^} The valuation for these properties were based on Capitalisation Approach and Discounted Cash Flow Analysis. Valuation amount excludes rental guarantee and/or outstanding incentives (if any) reimbursed by the vendor.

[#] Based on exchange rate of A\$1.0000: S\$0.9942 as at 31 December 2021.

^{##} The amount refers to the Base Purchase Consideration which is subject to adjustments that are payable by either the Purchaser (up to a maximum purchase price of A\$110.9 million) or the Vendor, depending on the rental and term of the actual leases entered into for the vacant spaces during the rental guarantee period.

⁺ Refers to the gross revenue from acquisition date to 31 December 2021.

⁺⁺ Includes gross rental income, car park income and other income.

 Properties with minimum 3.0 Stars NABERS Energy Rating or 5 Star Green Star Rating. For more details, please refer to www.ascendas-reit.com/en/sustainability/green-buildings.html

AUSTRALIA

Logistics & Distribution Centres

BRISBANE



102 62 Sandstone Place



103 92 Sandstone Place



104 95 Gilmore Road



105 77 Logistics Place



106 99 Radius Drive

MELBOURNE



107 1-7 Wayne Goss Drive



108 Cargo Business Park



109 676-698 Kororoit Creek Road



110 700-718 Kororoit Creek Road



111 2-16 Aylesbury Drive



112 9 Andretti Court



113 14-28 Ordish Road



114 31 Permas Way



115 35-61 South Park Drive



116 81-89 Drake Boulevard

PERTH



117 162 Australis Drive



118 52 Fox Drive



119 169-177 Australis Drive



120 35 Baile Road

AUSTRALIA

Logistics & Distribution Centres

SYDNEY



121 484-490 Great Western Highway



122 494-500 Great Western Highway



123 1 Distribution Place



124 1-15 Kellet Close



125 1A & 1B Raffles Glade



126 5 Eucalyptus Place



127 7 Grevillea Street



128 16 Kangaroo Avenue



129 94 Lenore Drive



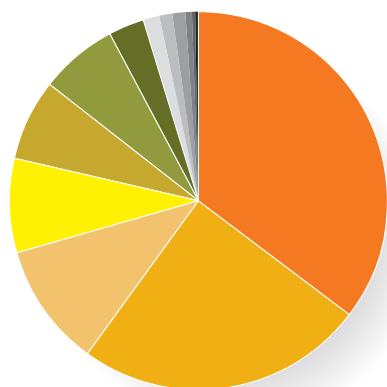
130 6-20 Clunies Ross Street

AUSTRALIA

Logistics & Distribution Centres

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2021

By Gross Rental Income



● Logistics & Supply Chain Management	35.5%
● Distributors & Trading Company	24.7%
● Food	10.4%
● Textile & Garments	8.1%
● Retail	7.1%
● Biomedical Sciences	6.5%
● Engineering	3.2%
● Government	1.2%
● Professional Services	1.1%
● Agriculture	1.1%
● Electronics	0.6%
● Information & Communications Technology	0.4%
● Hospitality & Leisure	0.1%

Property	Acquisition/ Completion Date	Purchase Price*^/ Development Cost (\$ million)	Valuation as at 31 December 2021^^# (\$ million)	
Brisbane, Queensland				
102	62 Sandstone Place##	23 Oct 15	22.8	20.6
103	92 Sandstone Place	23 Oct 15	28.6	19.2
104	95 Gilmore Road	23 Oct 15	76.8	85.5
105	77 Logistics Place	18 Nov 15	28.4	25.9
106	99 Radius Drive	18 Nov 15	29.0	27.8
107	1-7 Wayne Goss Drive**	07 Sep 18	30.8	33.8
108	Cargo Business Park**	17 Sep 18	33.9	35.3
Total (Logistics & Distribution Centres, Brisbane)			250.3	248.1

Notes:

* Purchase Price excludes transaction cost associated with the purchase of the property.

** Purchase Price includes rental guarantee provided by the vendor.

^ Purchase Price includes outstanding incentives reimbursed by the vendor, except for 1 - 7 Wayne Goss Drive.

^^ The valuation for these properties were based on Capitalisation Approach and Discounted Cash Flow Analysis.. Valuation amount excludes rental guarantee and/or outstanding incentives (if any) reimbursed by the vendor.

++ Includes gross rental income, car park income and other income.

Based on exchange rate of A\$1.0000: S\$0.9942 as at 31 December 2021.

As at 31 December 2021, these properties recorded a depreciation on revaluation against their corresponding A\$ values as at 31 December 2020 due to changing market conditions.

AUSTRALIA

Logistics & Distribution Centres

Logistics & Distribution Centres (Australia)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	9	20	29
No. of Customers	31	20	51
GFA (sq m)	192,894	491,256	684,150
Gross Revenue (S\$ million)	25.3	65.0	90.3
Book Value/Valuation as at 31 December 2021 (S\$ million)	455.5	1,092.0	1,547.5
Capitalisation Rate as at 31 December 2021 (%)		4.5%	
Weighted Average Lease to Expiry (in Years)		3.6	

GFA (sq m)	NLA (sq m)	Address	Gross Revenue** for 2021 (S\$ million)	Occupancy Rate as at 31 December 2021
9,260	9,260	62 Sandstone Place, Parkinson	2.2	100.0%
13,725	13,725	92 Sandstone Place, Parkinson	0.2	100.0%
41,318	41,318	95 Gilmore Road, Berrinba	7.2	100.0%
14,296	14,296	77 Logistics Place, Larapinta	2.5	100.0%
14,592	14,592	99 Radius Drive, Larapinta	1.9	100.0%
17,907	17,907	1-7 Wayne Goss Drive, Berrinba	2.5	100.0%
8,209	8,209	56 Lavarack Avenue, Eagle Farm	2.4	80.2%
119,307	119,307		18.9	98.6%

AUSTRALIA

Logistics & Distribution Centres

Property	Acquisition/ Completion Date	Purchase Price*^/ Development Cost (\$ million)	Valuation as at 31 December 2021^^ # (\$ million)	
Melbourne, Victoria				
109	676-698 Kororoit Creek Road	23 Oct 15	52.3	86.0
110	700-718 Kororoit Creek Road	23 Oct 15	34.8	47.2
111	2-16 Aylesbury Drive	18 Nov 15	21.3	30.8
112	9 Andretti Court	18 Nov 15	26.6	39.3
113	14-28 Ordish Road	18 Nov 15	53.2	55.2
114	31 Permas Way	18 Nov 15	48.2	88.0
115	35-61 South Park Drive	18 Nov 15	39.1	62.1
116	81-89 Drake Boulevard	18 Nov 15	17.1	25.9
117	162 Australis Drive	18 Nov 15	25.0	33.8
118	52 Fox Drive**	03 Apr 17	26.5	38.3
119	169-177 Australis Drive	04 Jun 18	34.5	52.2
Total (Logistics & Distribution Centres, Melbourne)			378.6	558.8
Perth, Western Australia				
120	35 Baile Road	23 Oct 15	36.6	48.7
Total (Logistics & Distribution Centres, Perth)			36.6	48.7
Sydney, New South Wales				
121	484-490 Great Western Highway	23 Oct 15	19.9	32.8
122	494-500 Great Western Highway	23 Oct 15	33.4	61.7
123	1 Distribution Place	18 Nov 15	28.6	41.2
124	1-15 Kellet Close	18 Nov 15	44.7	74.8
125	1A & 1B Raffles Glade	18 Nov 15	42.9	61.3
126	5 Eucalyptus Place	18 Nov 15	21.8	37.6
127	7 Grevillea Street	18 Nov 15	104.8	164.1
128	16 Kangaroo Avenue	18 Nov 15	33.1	54.9
129	94 Lenore Drive	18 Nov 15	42.0	64.6
130	6-20 Clunies Ross Street	22 Feb 16	76.6	98.9
Total (Logistics & Distribution Centres, Sydney)			447.8	691.9
Total (Logistics & Distribution Centres, Australia)			1,113.3	1,547.5

Notes:

* Purchase Price excludes transaction cost associated with the purchase of the property.

^ Purchase Price includes outstanding incentives reimbursed by the vendor, except for 1 - 7 Wayne Goss Drive.

^^ The valuation for these properties were based on Capitalisation Approach and Discounted Cash Flow Analysis. Valuation amount excludes rental guarantee and/or outstanding incentives (if any) reimbursed by the vendor.

++ Includes gross rental income, car park income and other income.

** Purchase Price includes rental guarantee provided by the vendor.

Based on exchange rate of A\$1.0000: S\$0.9942 as at 31 December 2021.

As at 31 December 2021, these properties recorded a depreciation on revaluation against their corresponding A\$ values as at 31 December 2020 due to changing market conditions.

AUSTRALIA

Logistics & Distribution Centres

GFA (sq m)	NLA (sq m)	Address	Gross Revenue** for 2021 (\$ million)	Occupancy Rate as at 31 December 2021
44,036	44,036	676-698 Kororoit Creek Road, Altona North	4.8	100.0%
28,020	28,020	700-718 Kororoit Creek Road, Altona North	2.7	100.0%
17,513	17,513	2-16 Aylesbury Drive, Altona	1.7	100.0%
24,140	24,140	9 Andretti Court, Truganina	2.3	100.0%
28,189	28,189	14-28 Ordish Road, Dandenong South	4.3	100.0%
44,540	44,540	31 Permas Way, Truganina	3.8	100.0%
32,167	32,167	35-61 South Park Drive, Dandenong South	3.1	100.0%
14,099	14,099	81-89 Drake Boulevard, Altona	1.2	100.0%
23,263	23,263	162 Australis Drive, Derrimut	2.3	100.0%
18,041	18,041	52 Fox Drive, Dandenong South	2.3	100.0%
31,036	31,036	169-177 Australis Drive, Derrimut	2.5	100.0%
305,044	305,044		31.0	100.0%
20,747	20,747	35 Baile Road, Canning Vale	3.7	100.0%
20,747	20,747		3.7	100.0%
13,304	13,304	484-490 Great Western Highway, Arndell Park	1.7	100.0%
25,255	25,255	494-500 Great Western Highway, Arndell Park	3.2	100.0%
13,513	13,513	1 Distribution Place, Seven Hills	1.5	100.0%
23,205	23,205	1-15 Kellet Close, Erskine Park	3.2	100.0%
21,694	21,694	1A & 1B Raffles Glade, Eastern Creek	3.5	100.0%
10,732	10,732	5 Eucalyptus Place, Eastern Creek	2.3	100.0%
51,709	51,709	7 Grevillea Street, Eastern Creek	9.2	100.0%
19,918	19,918	16 Kangaroo Avenue, Eastern Creek	3.1	100.0%
21,143	21,143	94 Lenore Drive, Erskine Park	3.1	100.0%
38,579	38,579	6-20 Clunies Ross Street, Pemulway	5.9	100.0%
239,052	239,052		36.7	100.0%
684,150	684,150		90.3	99.8%

Data Centres

AMSTERDAM, THE NETHERLANDS



131 Cateringweg



132 Gyroscopweg



133 Paul van Vlissingenstraat

GENEVA SWITZERLAND



134 Chemin de L'Epinglier

LONDON, UK



135 Welwyn Garden City



136 Cressex Business Park



137 Croydon

MANCHESTER, UK



138 Reynolds House

Property	Acquisition/Completion Date	Purchase Price*/Development Cost (\$ million)	Valuation as at 31 December 2021 [#] (\$ million)
Amsterdam, The Netherlands			
131 Cateringweg	17 Mar 21	109.1	108.8
132 Gyroscopweg	17 Mar 21	30.0	29.4
133 Paul van Vlissingenstraat	17 Mar 21	92.7	89.2
Total (Data Centres, Amsterdam, The Netherlands)		231.8	227.4
Geneva, Switzerland			
134 Chemin de L'Epinglier	17 Mar 21	40.1	41.7
Total (Data Centres, Geneva, Switzerland)		40.1	41.7
London, United Kingdom			
135 Welwyn Garden City	17 Mar 21	120.5	113.3
136 Cressex Business Park	17 Mar 21	65.3	69.5
137 Croydon	17 Mar 21	249.4	247.1
Total (Data Centres, London, United Kingdom)		435.2	429.9
Manchester, United Kingdom			
138 Reynolds House	17 Mar 21	25.1	28.1
Total (Data Centres, Manchester, United Kingdom)		25.1	28.1
Paris, France			
139 Montigny-le-Bretonneux	17 Mar 21	114.0	114.0
140 Bièvres	17 Mar 21	41.7	42.0
141 Saclay	17 Mar 21	16.7	18.4
Total (Data Centres, Paris, France)		172.4	174.4
Total (Data Centres, United Kingdom/Europe)		904.6	901.5

Notes:

* Purchase Price excludes transaction cost associated with the purchase of the property.

[#] The valuation for these properties were based on Capitalisation Approach and Discounted Cashflow Analysis. Based on exchange rate of £1.0000: \$1.8153 for UK properties and £1.0000: \$1.5384 for Europe properties as at 31 December 2021.

+ Refers to the gross revenue from acquisition date to 31 December 2021. Includes gross rental income, car park income and other income.

[^] Includes data hall space only.

Data Centres

PARIS, FRANCE



139 Montigny-le-Bretonneux



140 Bièvres



141 Saclay

Data Centres (United Kingdom/Europe)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	4	7	11
No. of Customers	10	5	15
GFA (sq m)	33,729	46,831	80,560
Gross Revenue (S\$ million)	44.6	28.4	73.0
Book Value/Valuation as at 31 December 2021 (S\$ million)	433.9	467.6	901.5
Capitalisation Rate as at 31 December 2021 (%)		5.7%	
Weighted Average Lease to Expiry (in Years)		3.9	

Note: As at 31 December 2021, all the customers of the Data Centre Portfolio in UK/Europe were classified under the Data Centres industry category.

GFA (sq m)	NLA (sq m)^	Address	Gross Revenue ⁺ for 2021 (S\$ million)	Occupancy Rate as at 31 December 2021
5,683	5,683	Cateringweg 5, Schiphol	5.8	100.0%
5,254	5,254	Gyroscoopweg 2E and 2F, Amsterdam	1.5	100.0%
11,069	6,158	Paul van Vlissingenstraat 16 and Johann Siegerstraat 9, Amsterdam	11.8	100.0%
22,006	17,095		19.1	100.0%
6,114	6,114	Chemin de L'Epinglier 2, Satigny	2.2	100.0%
6,114	6,114		2.2	100.0%
11,400	10,541	Hertfordshire Data Centre, Mundellst, Welwyn Garden City	9.7	100.0%
4,921	1,953	Cressex Business Park, 1 Coronation Road, High Wycombe	6.1	62.4%
12,868	5,133	Unit B, Beddington Lane, Croydon	20.1	89.5%
29,189	17,627		35.9	92.8%
4,871	3,532	Plot C1, Birley Fields, Hulme, Manchester	6.6	100.0%
4,871	3,532		6.6	100.0%
10,406	9,714	1 Rue Jean Pierre Timbaud, Montigny le Bretonneux	5.8	100.0%
5,838	5,573	127 Rue de Paris, Bièvres	2.6	100.0%
2,136	1,982	Route de Bièvres & Route Nationale 306, Saclay	0.8	100.0%
18,380	17,269		9.2	100.0%
80,560	61,637		73.0	97.9%

UNITED KINGDOM/EUROPE
Logistics & Distribution Centres

▶ EAST ENGLAND - ▶ EAST MIDLANDS



142 Market Garden Road



143 Common Road



144 Units 1-5, Export Drive



145 Astmoor Road



146 Transpennine 200

▶ SOUTH EAST ENGLAND



147 Leacroft Road



148 Hawleys Lane



149 8 Leacroft Road



150 Howard House



151 Units 1-2, Tower Lane

▶ WEST MIDLANDS



152 Lodge Road



153 Eastern Avenue



154 Vernon Road



155 1 Sun Street



156 The Triangle



157 Unit 103, Stonebridge Cross Business Park



158 Unit 302, Stonebridge Cross Business Park



159 Unit 401, Stonebridge Cross Business Park



160 Unit 402, Stonebridge Cross Business Park



161 Unit 404, Stonebridge Cross Business Park

UNITED KINGDOM/EUROPE
Logistics & Distribution Centres



162 Unit 1,
Wellesbourne
Distribution
Park



163 Unit 2,
Wellesbourne
Distribution
Park



164 Unit 3,
Wellesbourne
Distribution
Park



165 Unit 4,
Wellesbourne
Distribution
Park



166 Unit 5,
Wellesbourne
Distribution
Park



167 Unit 8,
Wellesbourne
Distribution
Park



168 Unit 13,
Wellesbourne
Distribution
Park



169 Unit 14,
Wellesbourne
Distribution
Park



170 Unit 16,
Wellesbourne
Distribution
Park



171 Unit 17,
Wellesbourne
Distribution
Park



172 Unit 18,
Wellesbourne
Distribution
Park



173 Unit 19,
Wellesbourne
Distribution
Park



174 Unit 20,
Wellesbourne
Distribution
Park



175 Unit 21,
Wellesbourne
Distribution
Park

YORKSHIRE AND THE HUMBER



176 12 Park Farm
Road



177 Units 1a, 1b,
2 & 3, Upwell
Street



178 Unit 3,
Brookfields
Way

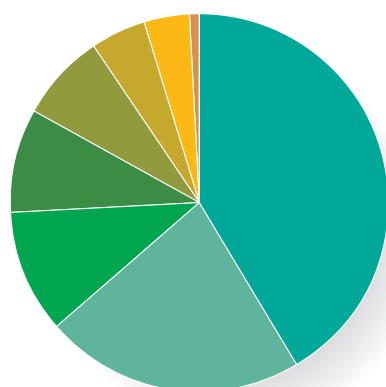


179 Lowfields Way

UNITED KINGDOM/EUROPE
Logistics & Distribution Centres

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2021

By Gross Rental Income



● Logistics & Supply Chain Management	41.4%
● Engineering	22.2%
● Distributors & Trading Company	10.6%
● Retail	9.0%
● Food	7.5%
● Electronics	4.7%
● e-Commerce	3.8%
● IO/NGOs/NPOs	0.8%

Property	Acquisition/Completion Date	Purchase Price*/Development Cost (\$\$ million)	Valuation as at 31 December 2021 ^{^^} # (\$\$ million)
East England			
142 Market Garden Road	16 Aug 18	37.5	44.2
Total (Logistics & Distribution Centres, East England)		37.5	44.2
East Midlands			
143 Common Road	16 Aug 18	54.4	38.0
144 Units 1-5, Export Drive	16 Aug 18	3.0	3.2
Total (Logistics & Distribution Centres, East Midlands)		57.4	41.2
North West England			
145 Astmoor Road	16 Aug 18	52.4	48.7
146 Transpennine 200 ^{##}	16 Aug 18	15.3	10.9
147 Leacroft Road	04 Oct 18	12.5	15.7
148 Hawleys Lane	04 Oct 18	43.5	41.8
149 8 Leacroft Road	04 Oct 18	9.5	13.1
Total (Logistics & Distribution Centres, North West England)		133.2	130.2
South East England			
150 Howard House	16 Aug 18	56.7	56.5
151 Units 1-2, Tower Lane	16 Aug 18	20.0	22.0
152 Lodge Road [^]	04 Oct 18	21.0	25.1
Total (Logistics & Distribution Centres, South East England)		97.7	103.6

Notes:

* Purchase Price excludes transaction cost associated with the purchase of the property.

[^] Purchase Price includes outstanding incentives reimbursed by the vendor.

^{^^} The valuation for these properties were based on Capitalisation Approach. Valuation amount excludes rental guarantee and/or outstanding incentives (if any) reimbursed by the vendor.

Based on exchange rate of £1.0000: \$\$1.8153 as at 31 December 2021.

^{##} As at 31 December 2021, these properties recorded a depreciation on revaluation against their corresponding £ values as at 31 December 2020 due to changing market conditions and/or shorter unexpired lease term.




+ Includes gross rental income, car park income and other income.

UNITED KINGDOM/EUROPE
Logistics & Distribution Centres

Logistics & Distribution Centres (United Kingdom)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	4	34	38
No. of Customers	2	34	36
GFA (sq m)	25,100	484,733	509,833
Gross Revenue (\$ million)	2.4	46.4	48.8
Book Value/Valuation as at 31 December 2021 (\$ million)	46.6	812.0	858.6
Capitalisation Rate as at 31 December 2021 (%)		5.6%	
Weighted Average Lease to Expiry (in Years)		8.3	

GFA (sq m)	NLA (sq m)	Address	Gross Revenue ⁺ for 2021 (\$ million)	Occupancy Rate as at 31 December 2021
13,016	13,016	Market Garden Road, Stratton Business Park, Biggleswade	1.7	100.0%
13,016	13,016		1.7	100.0%
47,298	47,298	Common Road, Fullwood Industrial Estate, Huthwaite, Sutton-in-Ashfield	2.7	100.0%
2,785	2,785	Units 1-5, Export Drive, Huthwaite, Sutton-in-Ashfield	0.2	100.0%
50,083	50,083		2.9	100.0%
45,043	45,043	Astmoor Road, Astmoor Industrial Estate, Runcorn	3.0	100.0%
8,522	8,522	Transpennine 200, Pilsworth Road, Heywood, Greater Manchester	1.1	0.0%
8,388	8,388	Leacroft Road, Birchwood, Warrington	0.8	100.0%
35,104	35,104	Hawleys Lane, Warrington	3.4	100.0%
8,432	8,432	8 Leacroft Road, Birchwood, Warrington	0.6	100.0%
105,489	105,489		8.9	91.9%
20,611	20,611	Howard House, Howard Way, Interchange Park, Newport Pagnell	2.6	100.0%
7,803	7,572	Units 1-2, Tower Lane, Stoke Park, Tower Industrial Estate, Eastleigh	1.2	100.0%
12,025	12,025	Lodge Road, Staplehurst, Kent	1.5	100.0%
40,439	40,208		5.3	100.0%

UNITED KINGDOM/EUROPE
Logistics & Distribution Centres

Property	Acquisition/Completion Date	Purchase Price*/Development Cost (\$ million)	Valuation as at 31 December 2021 ^{^^} # (\$ million)	
West Midlands				
153	Eastern Avenue	16 Aug 18	26.4	28.2
154	Vernon Road	16 Aug 18	31.0	29.0
155	1 Sun Street [^]	04 Oct 18	39.1	39.6
156	The Triangle ^{##}	04 Oct 18	48.1	36.8
157	Unit 103, Stonebridge Cross Business Park	04 Oct 18	2.2	2.4
158	Unit 302, Stonebridge Cross Business Park	04 Oct 18	35.7	41.3
159	Unit 401, Stonebridge Cross Business Park	04 Oct 18	11.0	12.3
160	Unit 402, Stonebridge Cross Business Park	04 Oct 18	8.0	9.3
161	Unit 404, Stonebridge Cross Business Park	04 Oct 18	8.4	10.6
162	Unit 1, Wellesbourne Distribution Park	04 Oct 18	43.8	49.1
163	Unit 2, Wellesbourne Distribution Park 	04 Oct 18	29.1	31.2
164	Unit 3, Wellesbourne Distribution Park	04 Oct 18	41.9	44.2
165	Unit 4, Wellesbourne Distribution Park 	04 Oct 18	10.7	12.0
166	Unit 5, Wellesbourne Distribution Park ^{**}	04 Oct 18	13.1	15.7
167	Unit 8, Wellesbourne Distribution Park ^{**}	04 Oct 18	21.4	23.1
168	Unit 13, Wellesbourne Distribution Park ^{**}	04 Oct 18	9.5	8.6
169	Unit 14, Wellesbourne Distribution Park	04 Oct 18	14.3	17.3
170	Unit 16, Wellesbourne Distribution Park	04 Oct 18	3.0	3.4
171	Unit 17, Wellesbourne Distribution Park	04 Oct 18	2.2	2.1
172	Unit 18, Wellesbourne Distribution Park ^{**}	04 Oct 18	1.8	1.9
173	Unit 19, Wellesbourne Distribution Park	04 Oct 18	2.1	1.8
174	Unit 20, Wellesbourne Distribution Park	04 Oct 18	4.2	5.1
175	Unit 21, Wellesbourne Distribution Park	04 Oct 18	5.3	6.9
Total (Logistics & Distribution Centres, West Midlands)			412.3	431.9
Yorkshire and the Humber				
176	12 Park Farm Road	16 Aug 18	19.8	21.2
177	Units 1a, 1b, 2 & 3, Upwell Street	16 Aug 18	34.2	38.6
178	Unit 3, Brookfields Way ^{**}	16 Aug 18	22.5	28.7
179	Lowfields Way	04 Oct 18	17.8	19.0
Total (Logistics & Distribution Centres, Yorkshire and the Humber)			94.3	107.5
Total (Logistics & Distribution Centres, United Kingdom)			832.4	858.6
Notes:				
* Purchase Price excludes transaction cost associated with the purchase of the property.				
** Purchase Price includes rental guarantee provided by the vendor.				
^ Purchase Price includes outstanding incentives reimbursed by the vendor.				
^^ The valuation for these properties were based on Capitalisation Approach. Valuation amount excludes rental guarantee and/or outstanding incentives (if any) reimbursed by the vendor.				
# Based on exchange rate of £1.0000: \$1.8153 as at 31 December 2021.				
## As at 31 December 2021, these properties recorded a depreciation on revaluation against their corresponding £ values as at 31 December 2020 due to changing market conditions and/or shorter unexpired lease term.				
+ Includes gross rental income, car park income and other income.				
 Properties with BREEAM Excellent rating. For more details, please refer to www.ascendas-reit.com/en/sustainability/green-buildings.html				

UNITED KINGDOM/EUROPE
Logistics & Distribution Centres

GFA (sq m)	NLA (sq m)	Address	Gross Revenue* for 2021 (\$ million)	Occupancy Rate as at 31 December 2021
15,994	15,994	Eastern Avenue, Derby Road, Burton-on-Trent	1.5	100.0%
25,701	25,701	Vernon Road, Stoke-on-Trent	1.8	100.0%
24,929	24,929	1 Sun Street, Wolverhampton	2.6	100.0%
28,917	28,917	The Triangle, North View, Walsgrave, Coventry	2.9	100.0%
1,233	1,233	Unit 103, Pointon Way, Stonebridge Cross Business Park, Droitwich	0.2	100.0%
21,499	21,499	Unit 302, Pointon Way, Stonebridge Cross Business Park, Droitwich	2.2	100.0%
6,265	6,265	Unit 401, Pointon Way, Stonebridge Cross Business Park, Droitwich	1.1	100.0%
5,037	5,037	Unit 402, Pointon Way, Stonebridge Cross Business Park, Droitwich	0.5	100.0%
5,045	5,045	Unit 404, Pointon Way, Stonebridge Cross Business Park, Droitwich	0.6	100.0%
21,243	21,243	Unit 1, Wellesbourne Distribution Park, Wellesbourne, Warwick	2.5	100.0%
12,282	12,282	Unit 2, Wellesbourne Distribution Park, Wellesbourne, Warwick	1.7	100.0%
19,552	19,552	Unit 3, Wellesbourne Distribution Park, Wellesbourne, Warwick	2.3	100.0%
4,774	4,774	Unit 4, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.6	100.0%
6,146	6,146	Unit 5, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.8	100.0%
8,759	8,759	Unit 8, Wellesbourne Distribution Park, Wellesbourne, Warwick	1.0	100.0%
5,618	5,618	Unit 13, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.0	0.0%
9,887	9,887	Unit 14, Wellesbourne Distribution Park, Wellesbourne, Warwick	1.3	100.0%
1,598	1,598	Unit 16, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.2	100.0%
971	971	Unit 17, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.1	100.0%
891	891	Unit 18, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.1	100.0%
835	835	Unit 19, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.1	100.0%
3,157	3,157	Unit 20, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.1	0.0%
3,064	3,064	Unit 21, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.4	100.0%
233,397	233,397		24.6	96.2%
23,454	23,454	12 Park Farm Road, Foxhills Industrial Estate, Scunthorpe	1.3	100.0%
14,065	14,065	Units 1a, 1b, 2 & 3, Upwell Street, Victory Park, Sheffield	1.7	100.0%
18,341	18,341	Unit 3, Brookfields Way, Rotherham	1.3	100.0%
11,549	11,549	Lowfields Way, Lowfields Business Park, Elland, Yorkshire	1.1	100.0%
67,409	67,409		5.4	100.0%
509,833	509,602		48.8	96.6%

Business Park & Office Properties

▶ PORTLAND, OREGON



180 8300 Creekside



181 8305 Creekside



182 8405 Nimbus



183 8500 Creekside



184 8700-8770
Nimbus



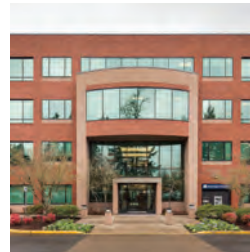
185 9205 Gemini



186 9405 Gemini



187 Creekside 5



188 Creekside 6



189 Greenbrier
Court



190 Parkside



191 Ridgeview



192 The Atrium



193 The Commons



194 Waterside

▶ RALEIGH, NORTH CAROLINA



195 5200
East & West
Paramount
Parkway



196 Perimeter
One



197 Perimeter
Two



198 Perimeter
Three

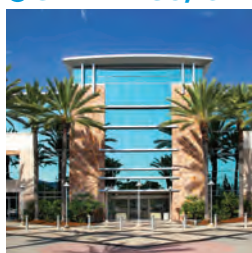


199 Perimeter
Four

UNITED STATES

Business Park & Office Properties

▶ SAN DIEGO, CALIFORNIA



200 10020 Pacific Mesa Boulevard



201 15051 Avenue of Science



202 15073 Avenue of Science



203 15231, 15253 & 15333 Avenue of Science



204 15378 Avenue of Science

▶ SAN FRANCISCO, CALIFORNIA



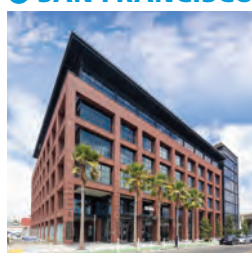
205 15435 & 15445 Innovation Drive



206 5005 & 5010 Wateridge



207 6055 Lusk Boulevard



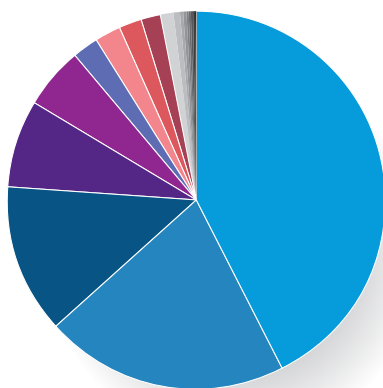
208 510 Townsend Street



209 505 Brannan Street

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2021

By Gross Rental Income






Information & Communications Technology	41.9%
Biomedical Sciences	20.5%
Media	12.6%
Financial Services	7.3%
Engineering	5.3%
Energy/Utilities	2.3%
Professional Services	2.2%
Electronics	1.9%
Real Estate	1.6%
Textile and Garments	1.6%
Government	1.1%
Distributors and Trading Company	0.5%
Education	0.3%
IO/NGOs/NPOs	0.2%
Chemical	0.2%
Natural Resources	0.2%
Food	0.2%
FMCG	0.1%

Business Park & Office Properties (United States)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	21	9	30
No. of Customers	111	9	120
GFA (sq m)	244,933	106,016	350,949
Gross Revenue (\$ million)	87.9	77.5	165.4
Book Value/Valuation as at 31 December 2021 (\$ million)	933.2	1,132.5	2,065.7
Capitalisation Rate as at 31 December 2021 (%)		5.9%	
Weighted Average Lease to Expiry (in Years)		4.6	

UNITED STATES

Business Park & Office Properties

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (\$ million)	Valuation as at 31 December 2021# (\$ million)	
Portland, Oregon				
180	8300 Creekside##	11 Dec 19	14.3	14.4
181	8305 Creekside##	11 Dec 19	5.0	4.7
182	8405 Nimbus##	11 Dec 19	18.0	16.1
183	8500 Creekside##	11 Dec 19	20.9	20.3
184	8700-8770 Nimbus	11 Dec 19	7.8	9.9
185	9205 Gemini##	11 Dec 19	10.2	10.7
186	9405 Gemini##	11 Dec 19	15.7	14.1
187	Creekside 5##	11 Dec 19	13.2	12.7
188	Creekside 6##	11 Dec 19	22.5	22.8
189	Greenbrier Court ^	11 Dec 19	21.2	19.6
190	Parkside	11 Dec 19	32.2	33.8
191	Ridgeview##	11 Dec 19	20.2	20.7
192	The Atrium	11 Dec 19	41.3	43.3
193	The Commons##	11 Dec 19	16.4	15.3
194	Waterside	11 Dec 19	29.5	30.0
Total (Business Park Properties, Portland)			288.4	288.4
Raleigh, North Carolina				
195	5200 East & West Paramount Parkway	11 Dec 19	105.8	122.6
196	Perimeter One	11 Dec 19	76.8	82.3
197	Perimeter Two##	11 Dec 19	76.0	73.5
198	Perimeter Three##	11 Dec 19	82.8	89.6
199	Perimeter Four##	11 Dec 19	70.3	60.6
Total (Business Park Properties, Raleigh)			411.7	428.6
San Diego, California				
200	10020 Pacific Mesa Boulevard	11 Dec 19	169.2	189.5
201	15051 Avenue of Science	11 Dec 19	35.5	35.9
202	15073 Avenue of Science##	11 Dec 19	26.3	22.7
203	15231, 15253 & 15333 Avenue of Science##	11 Dec 19	92.0	70.4
204	15378 Avenue of Science##	11 Dec 19	35.1	29.2
205	15435 & 15445 Innovation Drive## 	11 Dec 19	57.2	50.9
206	5005 & 5010 Wateridge	11 Dec 19	119.0	116.2
207	6055 Lusk Boulevard##	11 Dec 19	47.3	50.9
Total (Business Park Properties, San Diego)			581.6	565.7
San Francisco, California				
208	510 Townsend Street 	21 Nov 20	498.6	510.5
209	505 Brannan Street 	21 Nov 20	269.4	272.6
Total (Office Properties, San Francisco)			768.0	783.0
Total (Business Park & Office Properties, United States)			2,049.7	2,065.7

Notes:


* Purchase Price excludes transaction cost associated with the purchase of the property.

The valuation for these properties were based on Capitalisation Approach, Discounted Cash Flow Analysis and Direct Comparison Method. Based on exchange rate of US\$1.0000: S\$1.3533 as at 31 December 2021.

As at 31 December 2021, these properties recorded a depreciation on revaluation against their corresponding US\$ values as at 31 December 2020 due to changing market conditions and/or shorter unexpired lease term.

+ Includes gross rental income, car park income and other income.

^ Property currently decommissioned for major refurbishment work.

 Properties with LEED certifications. For more details, please refer to www.ascendas-reit.com/en/sustainability/green-buildings.html

UNITED STATES

Business Park & Office Properties

GFA (sq m)	NLA (sq m)	Address	Gross Revenue* for 2021 (\$ million)	Occupancy Rate as at 31 December 2021
5,030	5,030	8300 SW Creekside Place, Beaverton	1.3	75.3%
1,837	1,837	8305 SW Creekside Place, Beaverton	0.5	47.8%
4,997	4,997	8405 SW Nimbus Avenue, Beaverton	1.6	100.0%
6,085	6,085	8500 SW Creekside Place, Beaverton	1.8	100.0%
3,340	3,340	8700-8770 SW Nimbus Avenue, Beaverton	0.9	100.0%
3,800	3,800	9205 SW Gemini Drive, Beaverton	1.4	100.0%
4,382	4,382	9405 SW Gemini Drive, Beaverton	1.5	100.0%
5,822	4,565	8705 SW Nimbus Avenue, Beaverton	1.6	85.8%
7,092	7,022	8905 SW Nimbus Avenue, Beaverton	2.5	90.3%
-	-	14600-14700 NW Greenbrier Parkway, Beaverton	0.8	0.0%
14,739	14,739	15350-15400 NW Greenbrier Parkway, Beaverton	2.8	89.9%
8,708	8,708	15201 NW Greenbrier Parkway, Beaverton	1.5	49.4%
16,037	15,907	15220 NW Greenbrier Parkway, Beaverton	5.4	87.4%
6,466	6,360	15455 NW Greenbrier Parkway, Beaverton	1.6	75.9%
11,752	11,752	14908, 14924, 15247 and 15272 NW Greenbrier Parkway, Beaverton	2.9	83.1%
100,087	98,524		28.2	84.8%
30,555	29,478	5200 East & West Paramount Parkway, Morrisville	9.0	88.3%
19,356	18,952	3005 Carrington Mill Boulevard, Morrisville	7.8	100.0%
19,940	19,220	3020 Carrington Mill Boulevard, Morrisville	7.4	93.8%
23,959	22,863	3015 Carrington Mill Boulevard, Morrisville	10.2	83.2%
17,969	17,855	3025 Carrington Mill Boulevard, Morrisville	6.9	100.0%
111,779	108,368		41.3	92.2%
29,543	29,543	10020 Pacific Mesa Boulevard, San Diego	12.5	100.0%
6,500	6,500	15051 Avenue of Science, San Diego	2.9	100.0%
4,497	4,497	15073 Avenue of Science, San Diego	2.3	100.0%
16,553	16,553	15231, 15253 & 15333 Avenue of Science, San Diego	5.3	63.2%
6,391	6,391	15378 Avenue of Science, San Diego	3.2	100.0%
9,536	9,536	15435 & 15445 Innovation Drive, San Diego	5.0	93.1%
16,051	16,051	5005 & 5010 Wateridge Vista Drive, San Diego	9.8	100.0%
8,640	8,640	6055 Lusk Boulevard, San Diego	3.9	100.0%
97,711	97,711		44.9	93.1%
27,437	27,437	510 Townsend Street, San Francisco	31.7	100.0%
13,935	13,935	505 Brannan Street, San Francisco	19.3	100.0%
41,372	41,372		51.0	100.0%
350,949	345,975		165.4	91.3%

UNITED STATES

Logistics & Distribution Centres

➤ KANSAS CITY, KANSAS/MISSOURI



210 Airworld 1



211 Airworld 2



212 Continental Can



213 Crossroads Distribution Center



214 Lackman Business Center 1-3



215 Lackman Business Center 4



216 Levee



217 North Topping



218 Quebec



219 Saline



220 Warren

Property	Acquisition/Completion Date	Purchase Price*/Development Cost (\$ million)	Valuation as at 31 December 2021# (\$ million)
Kansas City, Kansas/Missouri			
210 Airworld 1	05 Nov 21	16.2	16.5
211 Airworld 2	05 Nov 21	16.3	16.7
212 Continental Can	05 Nov 21	17.7	18.3
213 Crossroads Distribution Center	05 Nov 21	18.7	19.1
214 Lackman Business Center 1-3	05 Nov 21	40.4	41.7
215 Lackman Business Center 4	05 Nov 21	8.8	9.0
216 Levee	05 Nov 21	20.6	21.0
217 North Topping	05 Nov 21	10.4	10.7
218 Quebec	05 Nov 21	26.2	28.9
219 Saline	05 Nov 21	10.2	11.2
220 Warren	05 Nov 21	22.3	22.7
Total (Logistics & Distribution Centres, United States)		207.8	215.8

Notes:

* Purchase Price excludes transaction cost associated with the purchase of the property.

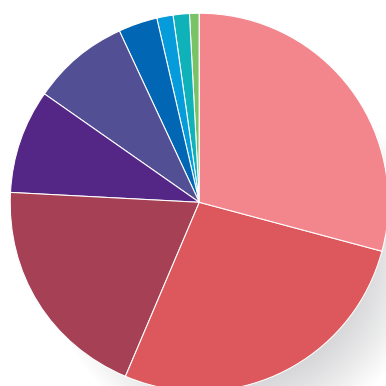
The valuation for these properties were based on Capitalisation Approach. Based on exchange rate of US\$1.0000: S\$1.3533 as at 31 December 2021.

+ Refers to the gross revenue from acquisition date to 31 December 2021. Includes gross rental income, car park income and other income.

Logistics & Distribution Centres

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2021

By Gross Rental Income



Logistics & Supply Chain Management	29.4%
Engineering	27.2%
Distributors & Trading Company	19.5%
Biomedical Sciences	8.7%
Energy/Utilities	8.5%
Professional Services	3.2%
Information & Communications Technology	1.5%
Retail	1.3%
Textile & Garments	0.7%

Logistics & Distribution Centres (United States)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	7	4	11
No. of Customers	27	4	31
GFA (sq m)	145,621	55,287	200,908
Gross Revenue (\$ million)	1.7	0.6	2.3
Book Value/Valuation as at 31 December 2021 (\$ million)	155.3	60.5	215.8
Capitalisation Rate as at 31 December 2021 (%)		5.7%	
Weighted Average Lease to Expiry (in Years)		2.6	

GFA (sq m)	NLA (sq m)	Address	Gross Revenue* for 2021 (\$ million)	Occupancy Rate as at 31 December 2021
18,580	18,580	10707–10715 Airworld Drive	0.2	100.0%
13,961	13,961	10717 Airworld Drive	0.2	100.0%
15,946	15,946	11725 West 85th Street	0.2	100.0%
16,259	16,259	11350 Strang Line Road	0.3	100.0%
32,337	32,337	15300–15610 West 101st Terrace	0.5	100.0%
6,800	6,800	15555–15607 West 100th Terrace	0.1	100.0%
22,125	22,125	1746 Levee Road	0.2	100.0%
11,066	11,066	1501–1599 North Topping Avenue	0.1	100.0%
28,935	28,935	1253–1333 Quebec Street	0.1	100.0%
11,073	11,073	1234–1250 Saline Street	0.1	100.0%
23,826	23,826	1902–1930 Warren Street	0.3	100.0%
200,908	200,908		2.3	100.0%

Corporate Directory

TRUSTEE

Registered Address

HSBC Institutional Trust Services
(Singapore) Limited
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2 #48-01
Singapore 018983

Office Address

HSBC Institutional Trust Services
(Singapore) Limited
10 Marina Boulevard
Marina Bay Financial Centre
Tower 2 #45-01
Singapore 018983
Phone: (65) 6658 6667

AUDITOR

Ernst & Young LLP

One Raffles Quay
Level 18 North Tower
Singapore 048583
Phone: (65) 6535 7777
Fax: (65) 6532 7662
Partner-in-charge: Christopher
Wong (with effect from financial
year 31 December 2020)

UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.

(a member of Boardroom
Limited)
1 Harbourfront Avenue #14-07
Keppel Bay Tower
Singapore 098632
Phone: (65) 6536 5355
Fax: (65) 6536 1360

THE MANAGER

Ascendas Funds Management (S) Limited

Company Registration Number:
200201987K

Registered Office

168 Robinson Road
#30-01 Capital Tower
Singapore 068912
Phone: (65) 6713 2888
Fax: (65) 6713 2999
Email: a-reit@capitaland.com
Website: www.ascendas-reit.com

BOARD OF DIRECTORS

Dr Beh Swan Gin

Chairman and Non-Executive
Independent Director

Mr William Tay Wee Leong

Chief Executive Officer and
Executive Non-Independent
Director

Mr Chan Pengee, Adrian

Non-Executive Lead Independent
Director

Mr Daniel Cuthbert Ee Hock Huat

Non-Executive Independent
Director

Mr Chinniah Kunnasagaran

Non-Executive Independent
Director

Ms Ong Lee Keang Maureen

Non-Executive Independent
Director

Mr Manohar Khiatani

Non-Executive Non-Independent
Director

Mr Lim Cho Pin Andrew Geoffrey

Non-Executive Non-Independent
Director

AUDIT AND RISK COMMITTEE

Mr Chan Pengee, Adrian
Chairman

Mr Daniel Cuthbert Ee Hock Huat

Mr Chinniah Kunnasagaran

Ms Ong Lee Keang Maureen

INVESTMENT COMMITTEE

Mr Manohar Khiatani
Chairman

Dr Beh Swan Gin

Mr William Tay Wee Leong

Mr Daniel Cuthbert Ee Hock Huat

Mr Chinniah Kunnasagaran

Mr Lim Cho Pin Andrew Geoffrey

NOMINATING AND REMUNERATION COMMITTEE

Dr Beh Swan Gin
Chairman

Mr Chan Pengee, Adrian

Mr Manohar Khiatani

COMPANY SECRETARIES

Ms Michelle Koh

Mr Hon Wei Seng

STOCK SYMBOL

A17U / AEMN.SI

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APPENDIX

Corporate Governance

OUR ROLE

We, as the manager of Ascendas Reit (Manager), set the strategic direction of Ascendas Reit and its subsidiaries (Ascendas Reit Group) and make recommendations to HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Ascendas Reit (Trustee), on any investment or divestment opportunities for Ascendas Reit and the enhancement of the assets of Ascendas Reit in accordance with the stated investment strategy for Ascendas Reit. The research, evaluation and analysis required for this purpose are coordinated and carried out by us as the Manager.

As the Manager, we have general powers of management over the assets of Ascendas Reit. Our primary responsibility is to manage the assets and liabilities of Ascendas Reit for the benefit of the unitholders of Ascendas Reit (Unitholders). We do this with a focus on generating rental income and enhancing asset value over time so as to maximise returns from the investments, and ultimately the distributions and total returns, to the Unitholders.

Our other functions and responsibilities as the Manager include:

- (a) using our best endeavours to conduct Ascendas Reit's business in a proper and efficient manner;
- (b) preparing annual business plans for review by the directors of the Manager (Directors), including forecasts on revenue, net income, and capital expenditure, explanations on major variances to previous years' financial results, written commentaries on key issues and underlying assumptions on rental rates, operating expenses and any other relevant assumptions;
- (c) ensuring compliance with relevant laws and regulations, including the Listing Manual of Singapore Exchange Securities Trading Limited (SGX-ST) (Listing Manual), the Code on Collective Investment Schemes (CIS Code) issued by the Monetary Authority of Singapore (MAS) (including Appendix 6 of the CIS Code (Property Funds Appendix)), the Securities and Futures Act 2001 (SFA), written directions, notices, codes and other guidelines that MAS may issue from time to time, the tax rulings issued by the Inland Revenue Authority of Singapore and relevant tax authorities on the taxation of Ascendas Reit and where relevant, its Unitholders, and the United Kingdom's Alternative Investment Fund Managers Regulations 2013 (as amended) (AIFMR);
- (d) attending to all regular communications with Unitholders; and
- (e) supervising Ascendas Services Pte Ltd (for properties located in Singapore), CapitaLand Australia Pty Ltd, CL International Management (UK) Limited, CapitaLand International (USA) LLC (for properties located in Australia, the United Kingdom/Europe and the United States of America respectively) and third party managing agents (collectively known as the Asset / Property Managers) which perform the day-to-day property management functions (including leasing, marketing, promotion, operations coordination and other property management activities) for Ascendas Reit's properties.

The Manager also considers sustainability issues (including environmental and social factors) as part of its responsibilities. Ascendas Reit's environmental sustainability and community outreach programmes are set out on pages 20 and 21 of this Annual Report.

Ascendas Reit, constituted as a trust, is externally managed by the Manager. The Manager appoints experienced and well qualified personnel to run its day-to-day operations.

The Manager was appointed in accordance with the terms of the trust deed constituting Ascendas Reit dated 9 October 2002 (as amended, varied or supplemented from time to time) (Trust Deed). The Trust Deed outlines certain circumstances under which the Manager can be removed, including by notice in writing given by the Trustee upon the occurrence of certain events, or by resolution passed by a simple majority of Unitholders present and voting at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

Corporate Governance

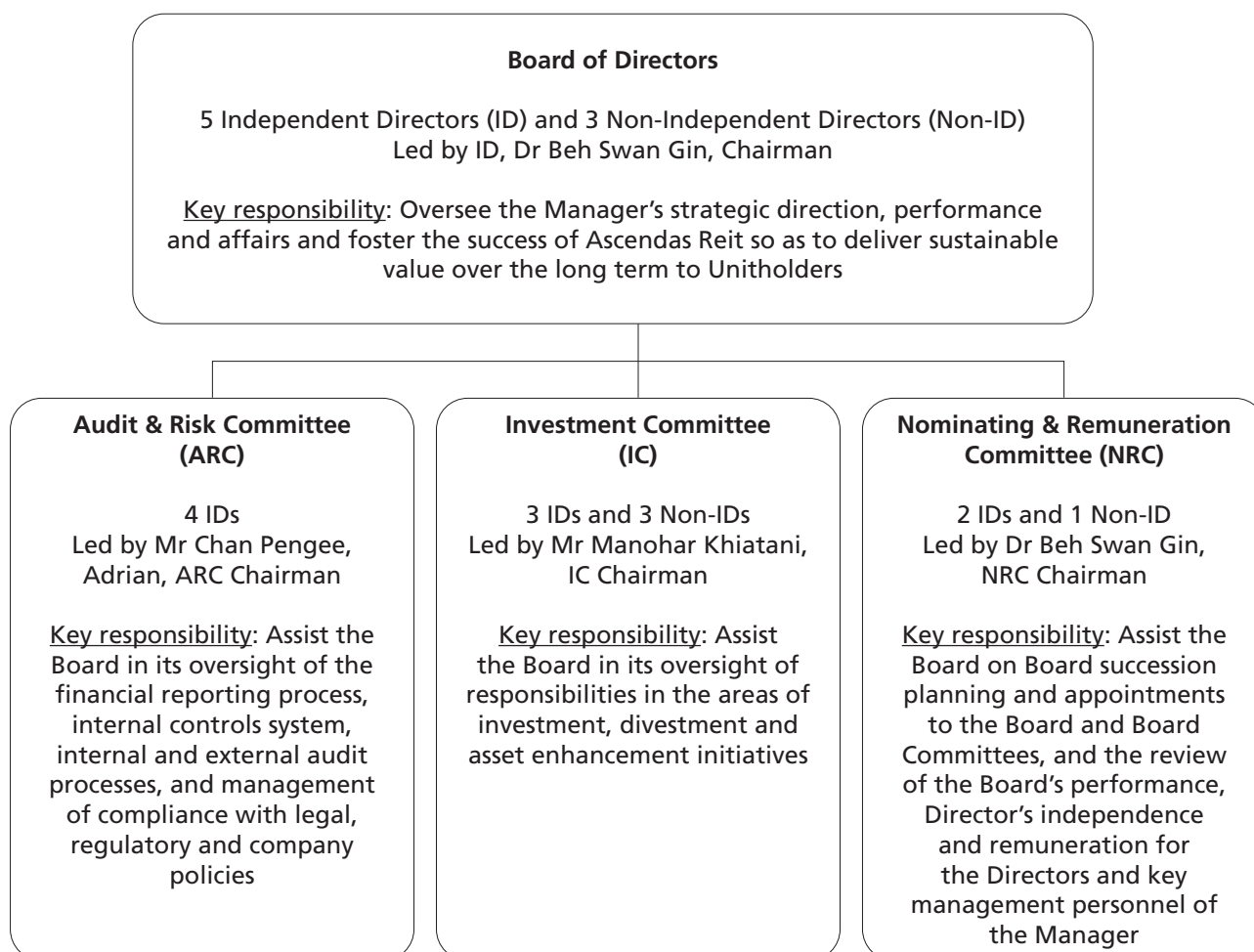
The Manager is a wholly owned subsidiary of CapitaLand Investment Limited (CLI) which holds a significant unitholding interest in Ascendas Reit. CLI is a leading global real estate investment manager, with a vested interest in the long-term performance of Ascendas Reit. CLI's significant unitholding in Ascendas Reit demonstrates its commitment to Ascendas Reit and as a result, CLI's interest is aligned with that of the other Unitholders. The Manager's association with CLI provides the following benefits, among other things, to Ascendas Reit:

- (a) strategic pipelines of property assets through, amongst others, CLI's access to the development capabilities of and pipeline investment opportunities from CapitaLand Group's development arm;
- (b) wider and better access to banking and capital markets on favourable terms;
- (c) fund raising and treasury support; and
- (d) access to a bench of experienced management talent.

OUR CORPORATE GOVERNANCE FRAMEWORK AND CULTURE

The Manager embraces the tenets of good corporate governance, including accountability, transparency and sustainability. It is committed to enhancing long-term Unitholder value and has appropriate people, processes and structure to direct and manage the business and affairs of the Manager with a view to achieving operational excellence and delivering the Ascendas Reit Group's long-term strategic objectives. The policies and practices it has developed to meet the specific business needs of the Ascendas Reit Group provide a firm foundation for a trusted and respected business enterprise.

Our corporate governance framework as at the date of this Annual Report is set out below:



Corporate Governance

The Board of Directors (Board) sets the tone from the top and is responsible for the Manager's corporate governance standards and policies, underscoring their importance to the Ascendas Reit Group.

This corporate governance report (Report) sets out the corporate governance practices for the financial year (FY) 2021 with reference to the Code of Corporate Governance 2018 (Code).

Throughout FY2021, the Manager has complied with the principles of corporate governance laid down by the Code and also, substantially, with the provisions underlying the principles of the Code. Where there are deviations from the provisions of the Code, appropriate explanations are provided in this Report. This Report also sets out additional policies and practices adopted by the Manager which are not provided in the Code.

Ascendas Reit has received accolades from the investment community for excellence in corporate governance and corporate governance-related efforts.

In FY2021, Ascendas Reit was ranked third in the REITs and Business Trusts category on the Singapore Governance and Transparency Index (SGTI). Ascendas Reit also received the Special Edition Corporate Excellence and Resilience Award (for market capitalisation of S\$1 billion or more category) at the Singapore Corporate Awards 2021. At the Securities Investors Association (Singapore) (SIAS) Investors' Choice Awards 2021, it was awarded Runner-up for the Singapore Corporate Governance Award in the REITs and Business Trusts category.

As testament to our commitment to environment, social and corporate governance, Ascendas Reit scored 'A' for public disclosure for GRESB¹ 2021.

Ascendas Reit has been included by SGX in the Fast Track Programme list. The scheme recognises listed companies with good governance standards and compliance practices, and accords prioritised clearance for selected corporate-action submissions.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

Board's Duties and Responsibilities

The Board oversees the strategic direction, performance and affairs of the Manager, in furtherance of the Manager's primary responsibility to foster the success of Ascendas Reit so as to deliver sustainable value over the long term to Unitholders. It provides overall guidance to the management team (Management), led by the Chief Executive Officer (CEO). The Board works with Management to achieve Ascendas Reit's objectives and long-term success and Management is accountable to the Board for its performance. Management is responsible for the execution of the strategy for Ascendas Reit and the day-to-day operations of Ascendas Reit's business.

The Board establishes goals for Management and monitors the achievement of these goals. It ensures that proper and effective controls are in place to assess and manage business risks and compliance with requirements under the Listing Manual, the Property Funds Appendix, as well as any other applicable guidelines prescribed by the SGX-ST, MAS or other relevant authorities, and applicable laws. It also sets the disclosure and transparency standards for Ascendas Reit and ensures that obligations to Unitholders and other stakeholders are understood and met.

¹ GRESB is an industry-led organisation that provides actionable and transparent environmental, social and governance (ESG) data to financial markets.

Corporate Governance

The Board has adopted a set of internal controls which establishes financial approval limits for capital expenditure, investments, divestments, bank borrowings and issuance of debt instruments and this is clearly communicated to Management in writing. The Board has reserved authority to approve certain matters including:

- (a) material acquisitions, investments and divestments;
- (b) issue of new units in Ascendas Reit (Units);
- (c) income distributions and other returns to Unitholders; and
- (d) matters which involve a conflict of interest for a controlling unitholder or a Director.

Apart from matters that specifically require the Board's approval, the Board delegates authority for transactions below the Board's approval limits to Board committees (Board Committees) and Management to optimise operational efficiency.

The Directors are fiduciaries and are collectively and individually obliged at all times to act honestly and objectively in the best interests of Ascendas Reit. Consistent with this principle, the Board is committed to ethics and integrity of action and has adopted a Board Code of Business Conduct and Ethics (Board Code) which provides that every Director is expected to, among other things, adhere to the highest standards of ethical conduct. All Directors are required to comply with the Board Code. This sets the appropriate tone from the top in respect of the desired organisational culture, and assists the Board in ensuring proper accountability within the Manager. In line with this, the Board has a standing policy that a Director must not allow himself or herself to get into a position where there is a conflict between his or her duty to Ascendas Reit and his or her own interests. Where a Director has a conflict of interest in a particular matter, he or she will be required to disclose his or her interest to the Board, recuse himself or herself from deliberations on the matter and abstain from voting on the matter. Every Director has complied with this policy, and where relevant, such compliance has been duly recorded in the minutes of meeting or written resolutions.

Furthermore, the Directors have the responsibility to act with due diligence in the discharge of their duties and ensure that they have the relevant knowledge to carry out and discharge their duties as directors, including understanding their roles as executive, non-executive, and independent directors, the business of Ascendas Reit and the environment in which Ascendas Reit operates. The Directors are also required to dedicate the necessary effort, commitment and time to their work as directors, and are expected to attend all meetings of the Board, except if unusual circumstances make attendance impractical.

Directors' Development

In view of the increasingly demanding, complex and multi-dimensional role of a director, the Board recognises the importance of continual training and development for its Directors so as to equip them to discharge the duties and responsibilities of their office as Directors to the best of their abilities. The NRC ensures that the Manager has in place a training and professional development framework to guide and support the Manager towards meeting the objective of having a Board which comprises individuals who are competent and possess up-to-date knowledge and skills necessary to discharge their duties and responsibilities. Directors who have no prior experience as a director of an issuer listed on the SGX-ST will be provided with training on the roles and responsibilities of a director of a listed issuer in accordance with the listing rules of the SGX-ST. The costs of training are borne by the Manager.

Upon appointment, each Director is provided with a formal letter of appointment and a copy of the Director's Manual (which includes information on a broad range of matters relating to the role, duties and responsibilities of a Director). All Directors, upon appointment, also undergo an induction programme which focuses on orientating the Director to Ascendas Reit's business, operations, strategies, organisation structure, responsibilities of CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the Manager (key management personnel), and financial and governance practices. The induction programme may include visits to the Ascendas Reit Group's properties. Through the induction programme, the new Director also gets acquainted with members of Management which facilitates their interaction at Board meetings.

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Following their appointment, the Directors are provided with opportunities for continuing education in areas such as director's duties and responsibilities, changes to regulations and accounting standards, and industry-related matters, so as to be updated on matters that affect or may enhance their performance as Directors or Board Committee members. The Directors may also contribute by recommending suitable training and development programmes to the Board. In FY2021, the training and professional development programmes for the Directors included seminars conducted by experts and senior business leaders on board practices and issues faced by boards. Sharing and information sessions were also organised as part of Board meetings, where guest speakers and Management team members presented on key topics to the Board. The Directors also regularly receive reading materials on topical matters or subjects as well as updates on regulatory changes and their implications.

Board Committees

The Board has established various Board Committees to assist it in the discharge of its functions. These Board Committees are the Audit & Risk Committee (ARC) and the Investment Committee (IC). In addition, the Nominating and Remuneration Committee (NRC) was established with effect from 20 October 2021. Prior to the establishment of the NRC, the Board as a whole performed the equivalent functions.

All the Board Committees have clear written terms of reference setting out their respective composition, authorities and duties, including reporting back to the Board. Each of the Board Committees operates under delegated authority from the Board with the Board retaining overall oversight. The decisions and significant matters discussed at the respective Board Committees are reported to the Board on a periodic basis. The minutes of the Board Committee meetings which record the key deliberations and decisions taken during these meetings are also circulated to all Board members for their information. The composition of the various Board Committees is set out on pages 108 and 143 of this Annual Report. The duties and responsibilities of the Board Committees are set out in this Report.

The Board may form other Board Committees from time to time. The composition of each Board Committee is also reviewed regularly, and as and when there are changes to Board membership. Where appropriate, changes are made to composition of the Board Committees, with a view to ensuring there is an appropriate diversity of skills and experience, and fostering active participation and contributions from Board Committee members.

Meetings of Board and Board Committees

Board and Board Committee meetings are scheduled prior to the start of each financial year in consultation with the Directors. The Constitution of the Manager (Constitution) permits the Directors to participate in Board and Board Committee meetings via audio or video conference. If a Director is unable to attend a Board or Board Committee meeting, he or she may provide his or her comments to the Chairman or the relevant Board Committee chairman ahead of the meeting and these comments are taken into consideration in the deliberations. The Board and Board Committees may also make decisions by way of written resolutions.

In addition to scheduled meetings, the Board may also hold ad-hoc meetings as required by business imperatives. The Directors (excluding the CEO) also meet from time to time without the presence of Management.

At each scheduled Board meeting, the Board is apprised of the following:

- (a) significant matters discussed at the ARC meeting which is typically scheduled before the Board meeting;
- (b) ARC's recommendation on Ascendas Reit's half-year and year-end financial results following ARC's review of the same;
- (c) decisions made by Board Committees in the period under review;
- (d) updates on the Ascendas Reit Group's business and operations in the period under review, including market developments and trends, as well as business initiatives and opportunities;
- (e) financial performance, budgetary and capital management related matters in the period under review, including any material variance between any projections in budget or business plans and the actual results from business activities and operations;
- (f) any risk management issues that materially impact Ascendas Reit's operations or financial performance;

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- (g) updates on key Unitholder engagements in the period under review, as well as analyst views and market feedback; and
- (h) prospective transactions which Management is exploring.

This allows the Board to develop a good understanding of the progress of the Ascendas Reit Group's business as well as the issues and challenges faced by Ascendas Reit, and also promotes active engagement with Management.

The Manager adopts and practises the principle of collective decisions and therefore, no individual Director influences or dominates the decision-making process. There is mutual respect and trust among the Directors and therefore the Board benefits from a culture of frank and rigorous discussions. Such discussions conducted on a professional basis contribute to the dynamism and effectiveness of the Board. The Board composition is such that there is diversity in views and perspectives which enriches deliberations and contributes to better decision-making of the Board in the best interests of Ascendas Reit. At Board and Board Committee meetings, all the Directors actively participate in discussions, in particular, they engage in open and constructive debate and challenge Management on its assumptions and recommendations.

Management provides the Directors with complete, adequate and timely information prior to Board and Board Committee meetings and on an ongoing basis. This enables the Directors to make informed decisions and discharge their duties and responsibilities.

As a general rule, meeting materials are provided to the Directors at least five working days prior to Board and Board Committee meetings, to allow them to prepare for the meetings and to enable discussions to focus on any questions or issues that they may have or identify. Agendas for Board and Board Committee meetings are prepared in consultation with the Chairman and the chairmen of the respective Board Committees. This provides assurance that there is time to cover all relevant matters during the meetings.

In line with the Manager's ongoing commitment to minimise paper wastage and reduce its carbon footprint, the Manager does not provide printed copies of Board and Board Committee meeting materials. Instead, the Directors are provided with tablet devices to enable them to access and review meeting materials prior to and during meetings. This initiative also enhances information security as the meeting materials are made available through a secure channel. The Directors are also able to review and approve written resolutions using the tablet devices.

A total of seven Board meetings and four ARC meetings were held in FY2021. The key deliberations and decisions taken at Board and Board Committee meetings are minuted.

A record of the Directors' attendance at Board and Board Committee meetings for FY2021 is set out on page 144 of this Annual Report. The CEO who is also a Director attends all Board meetings. He also attends all ARC meetings on an ex officio basis. Other members of Management attend Board and Board Committee meetings as required to brief the Board and Board Committees on specific business matters.

There is active interaction between the Directors and Management during and outside Board and Board Committee meetings. The Directors have separate, independent and unfettered access to Management for any information that they may require. The Board and Management share a productive and harmonious relationship, which is critical for good governance and organisational effectiveness.

The Directors also have separate and independent access to the company secretary of the Manager (Company Secretary). The Company Secretary keeps herself or himself abreast of relevant developments. She or he has oversight of corporate secretarial administration matters and advises the Board and Management on corporate governance matters. The Company Secretary attends Board meetings and assists the Chairman in ensuring that Board procedures are followed. The Company Secretary also facilitates the induction programme for new Directors and oversees professional development administration for the Directors. The appointment and the removal of the Company Secretary is subject to the Board's approval.

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The Directors, whether individually or collectively as the Board, are entitled to have access to independent external professional advice where necessary, at the Manager's expense.

Principle 2: Board Composition and Guidance

Board Independence

The Board has a strong independent element as five out of eight directors, including the Chairman, are non-executive IDs. Other than the CEO who is the only executive Director on the Board, non-executive Directors make up the rest of the Board. None of the Directors have served on the Board for nine years or longer. Profiles of the Directors, their respective Board Committee memberships and roles are set out on pages 24 to 29 of this Annual Report. Key information on the Directors is also available on Ascendas Reit's website at www.ascendas-reit.com. (Website).

The Board, through the NRC, reviews from time to time the size and composition of the Board and each Board Committee, with a view to ensuring that the size is appropriate in facilitating effective decision-making, and the composition reflects a strong independent element as well as balance and diversity of thought and background. The review takes into account the scope and nature of the Ascendas Reit Group's operations, and the competition that the Ascendas Reit Group faces.

The Board, through the NRC, assesses annually (and as and when circumstances require) the independence of each Director in accordance with the requirements of the Listing Manual and the guidance in the Code, the Securities and Futures (Licensing and Conduct of Business) Regulations (SFR) and where relevant, the recommendations set out in the Practice Guidance accompanying the Code (Practice Guidance). A Director is considered independent if he or she is independent in conduct, character and judgement and:

- (a) has no relationship with the Manager, its related corporations, its substantial shareholders, Ascendas Reit's substantial Unitholders (being Unitholders who have interests in voting Units with 5% or more of the total votes attached to all voting Units) or the Manager's officers that could interfere, or be reasonably perceived to interfere with the exercise of his or her independent business judgement in the best interests of Ascendas Reit;
- (b) is independent from the management of the Manager and Ascendas Reit, from any business relationship with the Manager and Ascendas Reit, and from every substantial shareholder of the Manager and every substantial unitholder of Ascendas Reit;
- (c) is not a substantial shareholder of the Manager or a substantial unitholder of Ascendas Reit;
- (d) is not employed and has not been employed by the Manager or Ascendas Reit or their related corporations in the current or any of the past three financial years;
- (e) does not have an immediate family member who is employed or has been employed by the Manager or Ascendas Reit or their related corporations in the current or any of the past three financial years and whose remuneration is or was determined by the Board; and
- (f) has not served on the Board for a continuous period of nine years or longer.

There is a rigorous process to evaluate the independence of each ID. As part of the process:

- (a) each ID provides information of his or her business interests and confirms, annually, that there are no relationships which interfere with the exercise of his or her independent business judgement with a view to the best interests of the Unitholders as a whole, and such information is then reviewed by the NRC; and
- (b) the NRC also reflects on the respective IDs' conduct and contributions at Board and Board Committee meetings, in particular, whether the relevant ID has exercised independent judgement in discharging his or her duties and responsibilities.

Thereafter, the NRC's recommendation is presented to the Board for its approval.

Each ID is required to recuse himself or herself from the NRC's and the Board's deliberations on his or her independence. In appropriate cases, the NRC also reviews the independence of an ID as and when there is a change of circumstances involving the ID. In this regard, an ID is required to report to the Manager when there is any change of circumstances which may affect his or her independence.

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The Board, through the NRC, has carried out the assessment of the independence of the IDs for FY2021, and the paragraphs below set out the outcome of the assessment. Each of the IDs had recused himself or herself from the NRC's and the Board's deliberations on his or her independence.

Dr Beh Swan Gin

Dr Beh Swan Gin is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, and does not have any other relevant relationships which may affect his independent judgement. Dr Beh is the Chairman of Economic Development Board of Singapore (a statutory board which is responsible for strategies that enhance Singapore's position as a global centre for business, innovation and talent). This role does not require him to take or subject him to any obligation to follow any instructions from any government authorities in relation to the corporate affairs of the Manager or Ascendas Reit. This role also generates no conflict of interest issue in respect of his role as a Director of the Manager.

The Board has considered whether Dr Beh had demonstrated independence in character and judgement in the discharge of his duties and responsibilities as a director and concluded that Dr Beh had acted with independent judgement. On the basis of the declaration of independence provided by Dr Beh and the guidance in the Code, SFR and Listing Manual, the Board arrived at the determination that Dr Beh is an Independent Director.

Mr Chan Pengee, Adrian

Mr Chan Pengee, Adrian is the Senior Partner and Head of Corporate department at Lee & Lee (L&L) which provides legal services to some of the subsidiaries of CLI (CLI-Sub). The engagement of L&L to provide legal services to CLI-Sub was made by the management teams within CLI-Sub and Mr Chan has no involvement in the process or in the approval of such engagement. These services are provided in the ordinary course of business, on arm's length basis and based on normal commercial terms.

Mr Chan is also a non-executive director/member of various companies and organisations (collectively, Organisations and individually, an Organisation) which may have business relationships with CLI and its subsidiaries (CLI Group) in respect of various matters, including but not limited to services provided to/by the CLI Group, membership subscription fees paid by the CLI Group, leases by the CLI Group and/or filing fees paid by the CLI Group. Mr Chan's role in each Organisation is non-executive in nature and he is not involved in the day-to-day conduct of the business of such Organisations. Mr Chan was not involved in any decision by such Organisations to enter into business relationships with the CLI Group.

Mr Chan is also a non-executive director of a few subsidiaries of Temasek Holdings (Private) limited (Temasek). Temasek is a controlling shareholder of the Manager and a controlling unitholder of Ascendas Reit. Mr Chan's roles in these corporations are non-executive in nature and he is not involved in the day-to-day conduct of the business of these corporations. Mr Chan has confirmed that he serves on the Manager's board in his personal capacity and not as a representative of Temasek, and he is not under any obligation, whether formal or informal, to act in accordance with the directions of Temasek in relation to the affairs of the Manager and Ascendas Reit.

The Board has considered the conduct of Mr Chan in the discharge of his duties and responsibilities as a Director, and is of the view that the relationships set out above did not impair his ability to act with independent judgement in the discharge of his duties and responsibilities as a Director. Save for the relationships stated above, Mr Chan does not have any other relevant relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, which may affect his independent judgement. The Board is therefore of the view that Mr Chan has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Chan is an Independent Director.

Mr Daniel Cuthbert Ee Hock Huat

Mr Daniel Cuthbert Ee Hock Huat is the non-executive chairman and a director of Keppel Infrastructure Fund Management Pte Ltd (KIFM), an associated corporation of Temasek. Mr Ee's role in KIFM is non-executive in nature and he is not involved in the day-to-day conduct of the business of KIFM. Mr Ee has confirmed that he serves on the Manager's board in his personal capacity and not as a representative of Temasek, and he is not under any obligation, whether formal or informal, to act in accordance with the directions of Temasek in relation to the affairs of the Manager and Ascendas Reit.

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The Board has considered the conduct of Mr Ee in the discharge of his duties and responsibilities as a Director, and is of the view that the relationship set out above did not impair his ability to act with independent judgement in the discharge of his duties and responsibilities as a Director. Save for the relationship stated above, Mr Ee does not have any other relevant relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, which may affect his independent judgement. The Board is therefore of the view that Mr Ee has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Ee is an Independent Director.

Mr Chinniah Kunnasagaran

Mr Chinniah Kunnasagaran is a non-executive director of various subsidiaries of Temasek and KIFM, an associated corporation of Temasek. Mr Kunnasagaran's roles in these corporations are non-executive in nature and he is not involved in the day-to-day conduct of the business of these corporations. Mr Kunnasagaran has confirmed that he serves on the Manager's board in his personal capacity and not as a representative of Temasek, and he is not under any obligation, whether formal or informal, to act in accordance with the directions of Temasek in relation to the affairs of the Manager and Ascendas Reit.

The Board has considered the conduct of Mr Kunnasagaran in the discharge of his duties and responsibilities as a Director, and is of the view that the relationships set out above did not impair his ability to act with independent judgement in the discharge of his duties and responsibilities as a Director. Save for the relationships stated above, Mr Kunnasagaran does not have any other relevant relationships and is not faced with any of the circumstances identified in the Code, SFR and Listing Manual, which may affect his independent judgement. The Board is therefore of the view that Mr Kunnasagaran has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Kunnasagaran is an Independent Director.

Ms Ong Lee Keang Maureen

Ms Ong Lee Keang Maureen is not faced with any of the circumstances identified in the Code, SFR and Listing Manual and does not have any other relevant relationships, which may affect her independent judgement. The Board has considered whether Ms Ong had demonstrated independence in character and judgement in the discharge of her duties and responsibilities as a director and concluded that Ms Ong had acted with independent judgement. On the basis of the declaration of independence provided by Ms Ong and the guidance in the Code, SFR and Listing Manual, the Board arrived at the determination that Ms Ong is an Independent Director.

The Board is of the view that as at the last day of FY2021, each of Dr Beh, Mr Chan, Mr Ee, Mr Kunnasagaran and Ms Ong was able to act in the best interests of all the Unitholders in respect of the period in which they served as directors in FY2021.

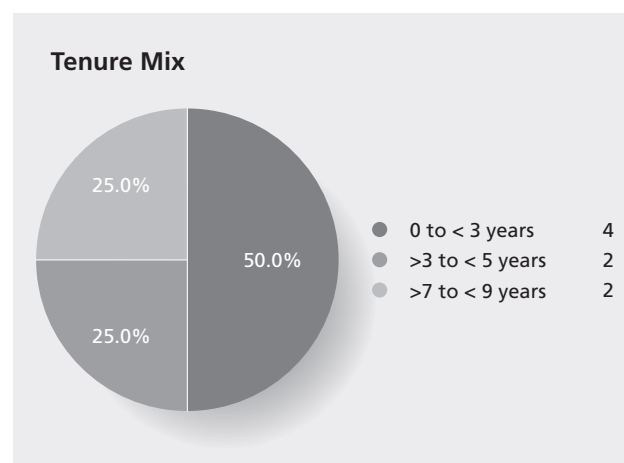
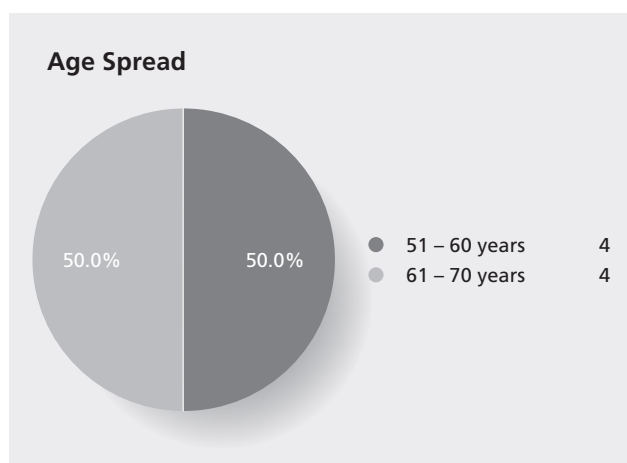
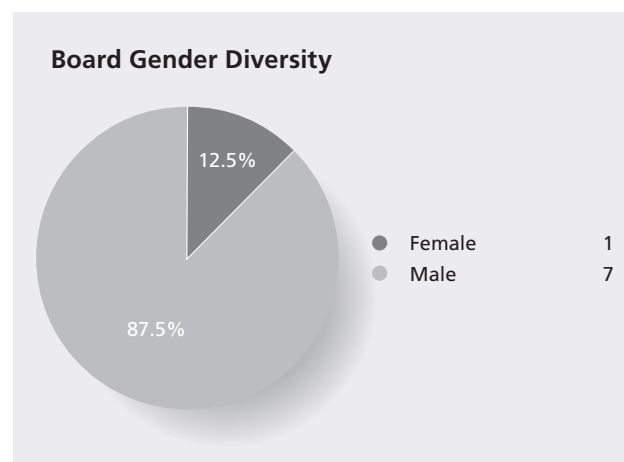
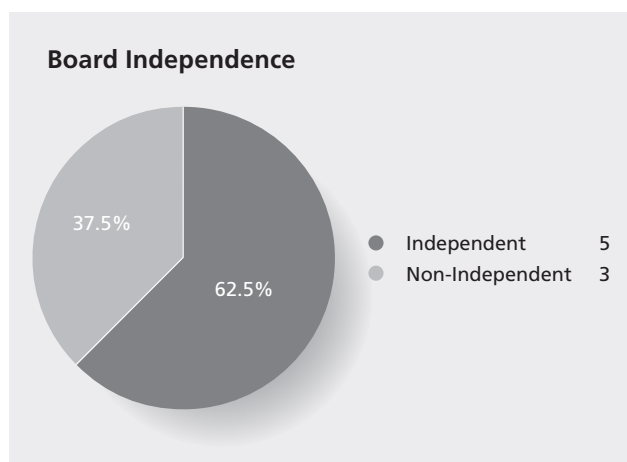
Board Diversity

The Board embraces diversity and has formally adopted a Board Diversity Policy. The Board Diversity Policy provides for the Board to comprise talented and dedicated Directors with a diverse mix of expertise, experience, perspectives, skills and backgrounds, with due consideration to diversity factors, including but not limited to, diversity in business or professional experience, age and gender.

The Board believes in diversity and values the benefits that diversity can bring to the Board in its deliberations by avoiding groupthink and fostering constructive debate. Diversity enhances the Board's decision-making capability and ensures that the Manager has the opportunity to benefit from all available talent and perspectives.

The NRC, in carrying out its duties of determining the optimal composition of the Board in its Board renewal process, identifying possible candidates and making recommendations of board appointments to the Board, considers diversity factors such as age, educational, business and professional backgrounds of its members. Female representation is also considered an important aspect of diversity. The current Board comprises eight members who are corporate and business leaders, and are professionals with varied backgrounds, expertise and experience including in finance, banking, investment, real estate, legal, accounting, business and general management. The current Board has one female member. For further information on the Board's work in this regard, please refer to "Board Membership" under Principle 4 in this Report.

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Principle 3: Chairman and Chief Executive Officer

The roles and responsibilities of the Chairman and the CEO are held by separate individuals, in keeping with the principles that there be a clear division of responsibilities between the leadership of the Board and Management and that no one individual has unfettered powers of decision-making. The non-executive independent Chairman is Dr Beh Swan Gin, whereas the CEO is Mr William Tay Wee Leong. They do not share any family ties. The Chairman and the CEO enjoy a positive and constructive working relationship between them, and support each other in their respective leadership roles.

The Chairman provides leadership to the Board and facilitates the conditions for the overall effectiveness of the Board, Board Committees and individual Directors. This includes setting the agenda of Board meetings, ensuring that there is sufficient information and time at meetings to address all agenda items, and promoting open and constructive engagement among the Directors as well as between the Board and the CEO on strategic issues.

The Chairman devotes considerable time to understanding the business of Ascendas Reit, as well as the issues and the competition that Ascendas Reit faces. He plays a significant leadership role by providing clear oversight, direction, advice and guidance to the CEO. He also maintains open lines of communication and engages with other members of Management regularly, and acts as a sounding board for the CEO on strategic and significant operational matters.

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The Chairman also presides over the Annual General Meeting (AGM) each year and other general meetings where he plays a crucial role in fostering constructive dialogue between the Unitholders, the Board and Management.

The CEO has full executive responsibilities to manage the Ascendas Reit Group's business and to develop and implement policies approved by the Board.

The separation of the roles and responsibilities of the Chairman and the CEO and the resulting clarity of roles provide a healthy professional relationship between the Board and Management, facilitate robust deliberations on the Ascendas Reit Group's business activities and the exchange of ideas and views to help shape the strategic process, and ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

As the roles of the Chairman and the CEO are held by separate individuals who are not related to each other, and the Chairman is an ID, the recommendation under the Code for a lead ID is not applicable. Nonetheless, the Board has approved the appointment of a lead ID, on the basis that such lead ID would provide leadership for the other IDs only in the limited situation(s) where the Chairman is conflicted. This was done with a view to further strengthen the independence of the Board. The lead ID would be available to Unitholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate. The lead ID is Mr Chan Pengee, Adrian.

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board. With effect from 20 October 2021, it has established the NRC, which makes recommendations to the Board on all appointments to the Board and Board Committees. All Board appointments are made based on merit and approved by the Board.

Prior to 20 October 2021, the Board undertook the functions of a nominating committee and accordingly, the Manager did not have a separate nominating committee. The Board performed the functions that such a committee would otherwise perform.

The Board was able to undertake the functions of a nominating committee because:

- (a) the Manager is a dedicated manager to Ascendas Reit and in general, REITs (including Ascendas Reit) have a more focused scope and scale of business compared to those of listed companies. For this reason, the Board's capacity would not be unduly stretched if the responsibilities of a nominating committee were also undertaken by the Board as the Board would be able to give adequate attention to such issues;
- (b) the focused scope of the business of Ascendas Reit also means a manageable competency requirement for the Board such that the Board is able to manage the duties of a nominating committee; and
- (c) IDs form at least half of the Board and the Chairman is an ID, which demonstrates that the IDs play a substantive role, and assure the objectivity and independence of the decision-making process concerning nomination. This also mitigates any concerns of conflict which can be managed by having the conflicted Directors abstain from the decision-making process. Further, conflict situations are less likely to arise in matters of nomination.

The SGX-ST has also issued a Practice Note which provides that the requirement for the establishment of nominating and remuneration committees under the Listing Manual does not apply to REITs if the REIT complies with regulations made under the SFA relating to board composition of a REIT manager. As the Manager complies with Regulation 13D of the SFR relating to the composition of the Board of the Manager, the Manager is of the opinion that the corporate governance requirements relating to the nominating and remuneration committees have been substantively addressed.

Upon the establishment of the NRC on 20 October 2021, the NRC comprises three non-executive directors, two of whom (including the chairman of the NRC) are IDs. The NRC has met twice since its establishment in October 2021.

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The NRC has also reviewed and approved various matters within its remit via circulating papers.

Under its terms of reference, the NRC's scope of duties and responsibilities includes:

- (a) reviewing and making recommendations to the Board on the structure, size and composition of the Board and its Board committees and formulating succession plans for Directors;
- (b) reviewing the performance of the Board, Board Committees and individual Directors and the results of such evaluation annually;
- (c) considering annually and, as and when circumstances require, if a Director is independent; and
- (d) considering and making recommendations to the Board on the appointment and re-appointment of Directors.

The NRC's duties and responsibilities in relation to remuneration matters are set out on pages 124 to 130 of this Annual Report

Board Composition and Renewal

The Board, through the NRC, strives to ensure that there is an optimal blend in the Board of backgrounds, experience and knowledge in business and general management, expertise relevant to the Ascendas Reit Group's business and track record, and that each Director can bring to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made in the interests of the Ascendas Reit Group. The Board has a few members who have prior working experience in the sector that Ascendas Reit operates in.

There is a structured process for determining Board composition and for selecting candidates for appointment as Directors. In undertaking its duty of reviewing and making Board appointment recommendations to the Board, the NRC considers different time horizons for purposes of succession planning. The NRC evaluates the Board's competencies on a long-term basis and identifies competencies which may be further strengthened in the long-term to achieve Ascendas Reit's strategy and objectives. As part of medium-term planning, the NRC seeks to refresh the membership of the Board progressively and in an orderly manner, whilst ensuring continuity and sustainability of corporate performance. The NRC also considers contingency planning to prepare for sudden and unforeseen changes. In reviewing succession plans, the NRC has in mind Ascendas Reit's strategic priorities and the factors affecting the long-term success of Ascendas Reit. Board succession planning takes into account the need to maintain flexibility to effectively address succession planning and to ensure that the Manager continues to attract and retain highly qualified individuals to serve on the Board. The NRC aims to maintain an optimal Board composition by considering the trends affecting Ascendas Reit, reviewing the skills needed and identifying gaps, including considering whether there is an appropriate level of diversity of thought. The process ensures that the Board composition is such that the Board has capabilities and experience which are aligned with Ascendas Reit's strategy and environment, and includes the following considerations: (a) the current size of the Board and Board Committees, composition mix and core competencies, (b) the candidate's/Director's independence, in the case of an independent director, (c) the composition requirements for the Board and relevant Board Committees (if the candidate/Director is proposed to be appointed to any Board Committee), and (d) the candidate's/Director's age, gender, track record, experience and capabilities and such other relevant factors as may be determined by the Board, which would provide an appropriate balance and contribute to the collective skills of the Board.

The Board supports the principle that Board renewal is a necessary and continual process, for good governance and ensuring that the Board has the skills, expertise and experience which are relevant to the evolving needs of the Ascendas Reit Group's business.

Board succession planning is carried out through the annual review by the NRC of the Board's composition as well as when a Director gives notice of his or her intention to retire or resign. The outcome of that review is reported to the Board. The Board also has in place guidelines on the tenure of Directors. The guidelines provide that an ID should serve for no more than a maximum of two three-year terms and any extension of tenure beyond six years will be reviewed on a yearly basis up to a period of nine years (inclusive of the initial two three-year terms served) by the NRC in arriving at a recommendation to the Board.

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The NRC identifies suitable candidates for appointment to the Board. Searches for possible candidates are conducted through contacts and recommendations. In this regard, external consultants may be retained from time to time to assist the NRC in identifying candidates. Candidates are identified based on the needs of Ascendas Reit and the relevant skills required, taking into account, among other things, the requirements in the Listing Manual and the Code, as well as the factors in the Board Diversity Policy. The candidates will be assessed against a range of criteria including their demonstrated business sense and judgement, skills and expertise, and market and industry knowledge (and may include elements such as financial, sustainability or other specific competency, geographical representation and business background). The NRC also considers the qualities of the candidates, in particular whether they are aligned to the strategic directions and values of Ascendas Reit. In addition, the NRC assesses the candidates' ability to commit time to the affairs of Ascendas Reit, taking into consideration their other current appointments. The NRC uses a skills matrix to determine the skills gaps of the Board and if the expertise and experience of a candidate would complement those of the existing Board members.

As part of the Board renewal process, Ms Ong Lee Keang Maureen was appointed as a Non-Executive ID and a member of the ARC with effect from 1 September 2021. Upon the establishment of the NRC on 20 October 2021, Dr Beh Swan Gin was appointed as chairman of the NRC and Mr Chan Pengee, Adrian and Mr Manohar Khiatani were appointed as members of the NRC. Mr Khiatani also ceased his membership in the ARC as of 20 October 2021. Ms Chong Chiet Ping retired as a Non-Executive ID and a member of the ARC with effect from 1 November 2021.

Directors who are appointed to the Board from time to time either have prior experience as a director of an issuer listed on the SGX-ST or will undergo the training required under Rule 210(5)(a) of the Listing Manual. As Ms Ong Lee Keang Maureen has prior experience as a director of an issuer listed on the SGX-ST, she is not required to undergo the requisite training under rule 210(5)(a) of the Listing Manual.

Review of Directors' Ability to Commit Time

In view of the responsibilities of a Director, Directors need to be able to devote sufficient time and attention to adequately perform their duties and responsibilities. The NRC conducts a review of the other appointments and commitments of each Director on an annual basis and as and when there is a change of circumstances involving a Director which may affect his or her ability to commit time to the Manager. In this regard, Directors are required to report to the Board any changes in their other appointments.

In respect of the Directors' other appointments and commitments, no limit is set as to the number of listed company board appointments. The Board takes the view that the number of listed company directorships that an individual may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by many different factors, such as his or her individual capacity, whether he or she is in full-time employment, the nature of his or her other responsibilities and his or her near term plan regarding some of the other appointments. A Director with multiple directorships is expected to ensure that he or she can devote sufficient time and attention to the affairs of the Manager. IDs are also required to consult the Chairman before accepting any invitation for appointment as a director of another entity or offer of a full time executive appointment.

There is also no alternate director to any of the Directors. In keeping with the principle that a Director must be able to commit time to the affairs of the Manager, the Board has adopted the principle that it will generally not approve the appointment of alternate directors to the Directors.

Each of the Directors is required to make his or her own self-assessment and confirm that he or she is able to devote sufficient time and attention to the affairs of the Manager. For FY2021, all non-executive Directors had undergone the self-assessment and provided the confirmation.

Corporate Governance

On an annual basis and, where appropriate when there is a change of circumstances involving a Director, the NRC assesses each Director's ability to commit time to the affairs of the Manager. In the assessment, the NRC takes into consideration each Director's confirmation, his or her commitments, attendance record at meetings of the Board and Board Committees, as well as conduct and contributions (including preparedness and participation) at Board and Board Committee meetings.

The Directors' listed company directorships and principal commitments are disclosed on pages 26 to 29 of this Annual Report and their attendance record for FY2021 is set out on page 144 of this Annual Report. In particular, the CEO does not serve on any listed company board outside of the Ascendas Reit Group. For FY2021, the Directors achieved high meeting attendance rates and have contributed positively to discussions at Board and Board Committee meetings. Based on the above, the NRC has determined that each Director has been adequately carrying out his or her duties as a Director and noted that no Director has a significant number of listed directorships and principal commitments.

The Board, taking into consideration the NRC's assessment, has noted that each Director has been adequately carrying out his or her duties and responsibilities as a Director of the Manager.

Principle 5: Board Performance

The Manager believes that oversight from a strong and effective Board goes a long way towards guiding a business enterprise to achieving success.

Whilst Board performance is ultimately reflected in the long-term performance of the Ascendas Reit Group, the Board believes that engaging in a regular process of self-assessment and evaluation of Board performance provides an opportunity for the Board to reflect on its effectiveness including the quality of its decisions, and for Directors to consider their performance and contributions. It also enables the Board to identify key strengths and areas for improvement which are essential to effective stewardship and attaining success for Ascendas Reit.

The Board undertakes, with the assistance of the NRC, a process to evaluate the effectiveness of the Board as a whole and that of each of its Board Committees and individual Directors for every financial year. As part of the process, a questionnaire is sent to the Directors. The evaluation results are aggregated and reported to the NRC, and thereafter the Board. The findings are considered by the Board and follow up action is taken where necessary with a view to enhancing the effectiveness of the Board, Board Committees and individual Directors in the discharge of its and their duties and responsibilities.

Board and Board Committees

The evaluation categories covered in the questionnaire include Board composition, Board processes, strategy, performance and governance, access to information and Board Committee effectiveness. As part of the questionnaire, the Board also considers whether the creation of value for Unitholders has been taken into account in the decision-making process. For FY2021, the outcome of the evaluation was satisfactory and the Board as a whole, and each of the Board Committees, received affirmative ratings across all the evaluation categories.

Individual Directors

The evaluation categories covered in the questionnaire include Director's duties, contributions, conduct and interpersonal skills, as well as strategic thinking and risk management. For FY2021, the outcome of the evaluation was satisfactory and each of the Directors on the whole received affirmative ratings across all the evaluation categories.

The Board also recognises that contributions by an individual Director can take different forms including providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and accessibility to Management outside of the formal environment of Board and Board Committee meetings.

Corporate Governance

Board Evaluation as an Ongoing Process

The Board believes that performance evaluation should be an ongoing process and the Board achieves this by seeking feedback on a regular basis. The regular interactions between the Directors, and between the Directors and Management, also contribute to this ongoing process. Through this process of engaging its members, the Board also benefits from an understanding of shared norms between Directors which also contributes to a positive Board culture. The collective Board performance and the contributions of individual Directors are also reflected in, and evidenced by, the synergistic performance of the Board in discharging its responsibilities as a whole by providing proper guidance, diligent oversight and able leadership, and lending support to Management in steering Ascendas Reit in the appropriate direction, as well as the long-term performance of Ascendas Reit whether under favourable or challenging market conditions.

REMUNERATION MATTERS

Principles 6, 7 and 8: Procedures for Developing Remuneration Policies, Level and Mix of Remuneration and Disclosure on Remuneration

All fees and remuneration payable to Directors, key management personnel (including the CEO) and staff of the Manager are paid by the Manager.

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel.

Prior to 20 October 2021, the Board undertook the functions of a remuneration committee and accordingly, the Manager did not have a separate remuneration committee. The Board performed the functions that such a committee would otherwise perform.

The Board was able to undertake the functions of a remuneration committee because:

- (a) the Manager is a dedicated manager to Ascendas Reit and in general, REITs (including Ascendas Reit) have a more focused scope and scale of business compared to those of listed companies. For this reason, the Board's capacity would not be unduly stretched by reason of it undertaking the responsibilities of a remuneration committee and the Board would be able to give adequate attention to such issues relating to remuneration matters; and
- (b) the IDs form at least half of the Board and the Chairman is an ID, which demonstrate that the IDs play a substantive role and assure the objectivity and independence of the decision-making process concerning remuneration. This also mitigates any concerns of conflict which can be managed by having the conflicted Directors abstain from the decision-making process. Further, conflict situations are less likely to arise in matters of remuneration.

With effect from 20 October 2021, the Board has established the NRC to review the Board remuneration framework and determine the specific remuneration for the Directors. The NRC also reviews the compensation framework and remuneration for the Ascendas Reit Group's executives and approves the specific remuneration packages for the key management personnel.

Guided by its terms of reference, the NRC oversees the development and succession planning for the CEO. This includes overseeing the process for selection of the CEO and conducting an annual review of career development and succession matters for the CEO.

Corporate Governance

Remuneration Policy for Key Management Personnel

The remuneration framework and policy are designed to support the implementation of the Ascendas Reit Group's business strategy and deliver sustainable returns to Unitholders. The principles governing the remuneration policies of the Manager's key management personnel are as follows:

Business Alignment

- Focus on generating rental income and enhancing asset value over time so as to maximise returns from investments and ultimately the distributions and total returns to Unitholders.
- Provide sound and structured funding to ensure affordability and cost-effectiveness in line with performance goals
- Enhance retention of key talents to build strong organisational capabilities

Motivate Right Behaviour

- Pay for performance – align, differentiate and balance rewards according to multiple dimensions of performance
- Strengthen line-of-sight linking rewards and performance

Fair & Appropriate

- Ensure competitive remuneration relative to the appropriate external talent markets
- Manage internal equity such that remuneration is viewed as fair across the Ascendas Reit Group
- Significant and appropriate portion of pay-at-risk, taking into account risk policies of the Ascendas Reit Group, symmetrical with risk outcomes and sensitive to the risk time horizon

Effective Implementation

- Maintain rigorous corporate governance standards
- Exercise appropriate flexibility to meet strategic business needs and practical implementation considerations
- Facilitate employee understanding to maximise the value of the remuneration programme

These remuneration policies are in line with the Ascendas Reit Group's business strategy and the executive compensation framework is based on the key principle of linking pay to performance, which is emphasised by linking total remuneration to the achievement of corporate and individual goals and objectives. The NRC considers all aspects of remuneration, including termination terms, to ensure they are fair, and has access to remuneration consultants for advice on remuneration matters as required.

In reviewing policies on remuneration and determining the remuneration packages for key management personnel, the NRC, through an independent remuneration consultant, takes into consideration appropriate compensation benchmarks within the industry, so as to ensure that the remuneration packages payable to key management personnel are competitive and in line with the objectives of the remuneration policies. It also considers the compensation framework of CLI as a point of reference. The Manager is a subsidiary of CLI which also holds a significant stake in Ascendas Reit. The association with the CLI Group puts the Manager in a better position to attract and retain better qualified management talent. Additionally, it provides an intangible benefit to the Manager such that it allows its employees to associate themselves with an established corporate group which can offer them the depth and breadth of experience and enhanced career development opportunities.

In FY2021, Willis Towers Watson was appointed as independent remuneration consultant to provide professional advice on executive remuneration. Willis Towers Watson is a leading global advisory, broking and solutions company with over 45,000 employees serving more than 140 countries and markets. The consultant is not related to the Manager, its controlling shareholder, related corporations or any of its Directors.

Remuneration of Key Management Personnel

Remuneration of key management personnel comprises fixed components, a variable cash component, Unit-based components and employee benefits. A significant proportion of key management personnel's remuneration is in the form of variable compensation, awarded in a combination of short-term and long-term incentives, in keeping with the principle that the interests of the key management personnel should be aligned with those of Unitholders and that the remuneration framework should link rewards to business and individual performance.

Corporate Governance

A. Fixed Components:

The fixed components comprise the base salary, fixed allowances and compulsory employer contribution to an employee's Central Provident Fund.

B. Variable Cash Component:

The variable cash component comprises the Balanced Scorecard Bonus Plan (BSBP) that is linked to the achievement of annual performance targets for each key management personnel.

Under the Balanced Scorecard framework, the Ascendas Reit Group's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in the dimensions of:

Financial	This includes targets relating to profitability and distributions, capital structure, as well as financial and risk management.
Execution	This includes targets relating to occupancy rates, new asset performance and stakeholder engagement.
Future Growth	This includes targets relating to assets enhancements, investments and capital recycling.
Sustainability	This includes targets relating to talent retention, succession planning and sustainable corporate practices.

These Balanced Scorecard targets are approved by the Board and cascaded down throughout the organisation, thereby creating alignment across the Ascendas Reit Group.

After the close of each financial year, the Board reviews the Ascendas Reit Group's achievements against the targets set in the Balanced Scorecard and determines the overall performance taking into consideration qualitative factors such as the quality of earnings, operating environment, regulatory landscape and industry trends.

In determining the payout quantum for each key management personnel under the BSBP, the NRC considers the overall business performance and individual performance as well as the affordability of the payout to the Manager.

C. Unit-based Components:

Unit awards were granted in FY2021 pursuant to the Ascendas Funds Management (S) Limited Performance Unit Plan (PUP) and Ascendas Funds Management (S) Limited Restricted Unit Plan (RUP) (together, the Unit Plans), approved by the Board. The Manager believes that the Unit-based components of the remuneration for key management personnel serve to align the interests of such key management personnel with that of Unitholders and Ascendas Reit's long-term growth and value. The obligation to deliver the Units is satisfied out of the Units held by the Manager.

To promote the alignment of Management's interests with that of Unitholders in the longer term, senior members of Management are subject to Unit ownership guidelines to instil stronger identification with the longer-term performance and growth of the Ascendas Reit Group. Under these guidelines, senior members of Management are required to retain a prescribed proportion of Units received under the Unit Plans worth up to at least one year of basic salary.

Units vested pursuant to the Unit Plans may be clawed back in circumstances where the relevant participants were involved in financial misstatement, misconduct, fraud or malfeasance to the detriment of the Ascendas Reit Group.

Corporate Governance

Ascendas Funds Management (S) Limited Performance Unit Plan

In FY2021, the Board granted awards which are conditional on targets set for a three-year performance period. A specified number of Units will only be released to the recipients at the end of the qualifying performance period, provided that minimally the threshold target is achieved.

Under the PUP, an initial number of Units (PUP baseline award) is allocated conditional on the achievement of a pre-determined target in respect of the Relative Total Unitholder Return (TUR) of the Ascendas Reit Group measured by the percentile ranking of the TUR of the Ascendas Reit Group relative to the constituent REITs in the FTSE ST REIT Index.

The above performance measure has been selected as a key measurement of wealth creation for Unitholders. The final number of Units to be released will depend on the Ascendas Reit Group's performance against the pre-determined targets over the three-year qualifying performance period. This serves to align Management's interests with that of Unitholders in the longer term and to deter short-term risk taking. No Units will be released if the threshold target is not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more Units than the PUP baseline award can be delivered up to a maximum of 200% of the PUP baseline award. The NRC has the discretion to adjust the number of Units released taking into consideration other relevant quantitative and qualitative factors. The recipient will receive fully paid Units at no cost.

For FY2021, the relevant award for assessment of the performance achieved by the Ascendas Reit Group is the award granted in FY2019 where the qualifying performance period was FY2019 to FY2021. Based on the NRC's assessment that the performance achieved by the Ascendas Reit Group has met the pre-determined performance targets for such performance period, the resulting number of Units released has been adjusted accordingly to reflect the performance level.

In respect of the Unit awards granted under the PUP in FY2020 and FY2021, the respective qualifying performance periods have not ended as at the date of this Report.

Ascendas Funds Management (S) Limited Restricted Unit Plan

In FY2021, the Board granted awards which are conditional on targets set for a one-year performance period. A specified number of Units will only be released to recipients at the end of the qualifying performance period, provided that minimally the threshold targets are achieved.

Under the RUP, an initial number of Units (RUP baseline award) is allocated conditional on the achievement of pre-determined targets in respect of the following performance conditions:

- (a) Net Property Income of the Ascendas Reit Group; and
- (b) Distribution per Unit of the Ascendas Reit Group.

The above performance measures have been selected as they are the key drivers of business performance and are aligned to Unitholder value. The final number of Units to be released will depend on the Ascendas Reit Group's performance against the pre-determined targets at the end of the one-year qualifying performance period. The Units will be released in equal annual tranches over a vesting period of three years. No Units will be released if the threshold targets are not met at the end of the qualifying performance period. On the other hand, if superior targets are met, more Units than the RUP baseline award can be delivered up to a maximum of 150% of the RUP baseline award. The NRC has the discretion to adjust the number of Units released taking into consideration other relevant quantitative and qualitative factors. Recipients will receive fully paid Units at no cost.

In respect of the Unit awards granted under the RUP in FY2021, based on the NRC's assessment that the performance achieved by the Ascendas Reit Group has met the pre-determined performance targets for FY2021, the resulting number of Units released has been adjusted accordingly to reflect the performance level.

Corporate Governance

The Unit Plans of the Manager are performance-based and vest over a period of three years. Coupled with interlocking annual grants, this ensures ongoing alignment between remuneration and sustainable business performance in the longer term.

D. Employee Benefits:

The benefits provided are comparable with local market practices.

At present, there are five key management personnel. Each year, the NRC evaluates the extent to which each of the key management personnel has delivered on the business and individual goals and objectives, and based on the outcome of the evaluation, approves the compensation for the key management personnel. In such evaluation, the NRC considers whether the level of remuneration is appropriate to attract, retain and motivate key management personnel to successfully manage Ascendas Reit for the long term. The CEO does not attend discussions relating to his own performance and remuneration.

Provision 8.1 of the Code requires an issuer to disclose the CEO's exact remuneration amount and the requisite remuneration band for each of the other key management personnel (who are not also Directors or the CEO). The Board has considered carefully and decided that such disclosure would not be in the interests of the Manager or Unitholders due to the intense competition for talents in the industry, as well as the need to balance the confidential and commercial sensitivities associated with remuneration matters. The Manager is making available, however, the CEO's remuneration amount in a band of S\$250,000 and the aggregate of the total remuneration of the other key management personnel (excluding the CEO) together with a breakdown of their respective remuneration components in percentage terms, which are set out in the Key Management Personnel's Remuneration Table on page 144 of this Annual Report. The Manager is of the view that its practice of disclosing the afore-mentioned information and the other disclosures on this Report is consistent with the intent of Principle 8 of the code and provides sufficient information and transparency to the Unitholders on the Manager's remuneration policies and the level and mix of remuneration, the procedure for setting remuneration and the relationship between remuneration, performance and value creation. In addition, the remuneration of the key management personnel is not borne by Ascendas Reit as it is paid out of the fees that the Manager receives (the quantum and basis of which have been disclosed).

Apart from the key management personnel and other employees of the Manager, the Manager outsources various other services to a wholly owned subsidiary of CLI (CLI Subsidiary). The CLI Subsidiary provides the services through its employees and employees of CLI Group (together, the Outsourced Personnel). This arrangement is put in place so as to provide flexibility and maximise efficiency in resource management to match the needs of Ascendas Reit from time to time, as well as to leverage on economies of scale and tap on the management talent of an established corporate group which can offer enhanced depth and breadth of experience. However, notwithstanding the outsourcing arrangement, the responsibility for due diligence, oversight and accountability continues to reside with the Board and Management. In this regard, the remuneration of such Outsourced Personnel, being employees of the CLI Subsidiary and CLI Group, is not included as part of the disclosure of remuneration of key management personnel of the Manager in this Report.

The Board, together with the NRC, seeks to ensure that the remuneration of the CEO and other key management personnel is strongly linked to the achievement of business and individual performance targets. The performance targets are set at realistic yet stretched levels each year to motivate a high degree of business performance with emphasis on both shorter-term and longer-term quantifiable objectives.

Corporate Governance

In FY2021, a one-time Special CLI Founders Performance Share Plan (Special PSP Award) was granted by the CLI Group to selected senior executives within the group (including the Manager) to commemorate its listing, foster a “founders’ mindset” in driving transformation, and retain talent. The grant has a five-year vesting period with defined performance parameters which are linked to CLI. Subject to the performance achieved, the award may vest at the end of the third year and/or fifth year. In addition, such compensation is in the long-term interests of Ascendas Reit as Ascendas Reit is a key part of CLI’s business and ecosystem (and CLI is also the largest Unitholder of Ascendas Reit), and Management’s actions to grow Ascendas Reit and drive Ascendas Reit’s performance will also have a positive impact on CLI, thus reinforcing the complementary nature of the linked performance between Ascendas Reit and CLI. The cost of this one-time award will be borne by the Manager and it is not expected to form a significant part of the key management personnel’s remuneration over a five-year period. In addition, as can be seen in the “Key Management Personnel’s Remuneration Table for FY2021” a proportion of the Management’s remuneration is paid in the form of Units, which further incentivises the Management to take actions which are beneficial to the Unitholders. Accordingly, the Special PSP Award will not result in the Management prioritising the interest of CLI over that of Ascendas Reit given that the bulk of their remuneration is determined based on the evaluation of the performance of Ascendas Reit and a proportion of their remuneration comprises Units. In addition, it should be further noted that under the SFA, the Manager and Directors of the Manager are required to act in the best interest of Ascendas Reit and give priority to the interest of Ascendas Reit over the interests of the shareholders of the Manager, and this would further mitigate any potential conflicts of interests. Save for the Special PSP Award, the NRC will continue to assess and reward the key management personnel based on the performance of Ascendas Reit. Accordingly, the Manager is of the view that there would not be any conflicts of interest arising from the arrangement, nor would the arrangement result in any misalignment of interest with those of Unitholders.

In FY2021, no termination, retirement or post-employment benefits were granted to Directors, the CEO and other key management personnel. There was also no special retirement plan, ‘golden parachute’ or special severance package for any of the key management personnel.

In FY2021, there were no employees of the Manager who were substantial shareholders of the Manager, substantial Unitholders of Ascendas Reit or immediate family members of a Director, the CEO, any substantial shareholder of the Manager or any substantial Unitholder of Ascendas Reit. “Immediate family member” refers to the spouse, child, adopted child, step-child, sibling or parent of the individual.

Disclosures under AIFMR

The Manager is required under the AIFMR to make quantitative disclosures of remuneration. Disclosures are provided in relation to (a) the staff of the Manager; (b) staff who are senior management; and (c) staff who have the ability to materially affect the risk profile of Ascendas Reit.

All individuals included in the aggregated figures disclosed are rewarded in line with the Manager’s remuneration policies described in this Report.

The aggregate amount of remuneration awarded by the Manager to its staff (including CEO and non-executive Directors) in respect of FY2021 was approximately S\$10.17 million. This figure comprised fixed pay of S\$5.94 million, variable pay of S\$3.67 million (including Units issued under the Unit Plans, where applicable) and allowances and benefits-in-kind of S\$0.56 million. There was a total of 63 beneficiaries of the remuneration described above. In respect of FY2021, the aggregate amount of remuneration awarded by the Manager to its senior management (which are also members of staff whose actions have a material impact on the risk profile of Ascendas Reit) was approximately S\$4.33 million, comprising 7 individuals identified having considered, among others, their roles and decision-making powers.

Corporate Governance

Remuneration for Non-Executive Directors

The non-executive Directors' fees are paid by the Manager and the FY2021 fees, together with a breakdown of the components, are set out in the Non-Executive Directors' Remuneration Table on page 145 of this Annual Report.

The compensation policy for non-executive Directors is based on a scale of fees divided into basic retainer fees for serving as Director and additional fees for attendance and serving on Board Committees. The Non-Executive Directors' fee structure and Directors' fees are reviewed and benchmarked against the REIT industry and taking into account the effort, time spent and demanding responsibilities on the part of the non-executive Directors in light of the scale, complexity and geographic scope of the Ascendas Reit Group's business. The remuneration of non-executive Directors is reviewed from time to time to ensure that it is appropriate to attract, retain and motivate the non-executive Directors to provide good stewardship of the Manager and Ascendas Reit.

The CEO, who is an executive Director, is remunerated as part of the key management personnel of the Manager and does not receive any Director's fees. The non-executive Directors who are employees of the CLI Group also do not receive any Directors' fees.

The non-executive Directors' fees are paid in cash (about 80%) and in the form of Units (about 20%), save that (i) a non-executive Director (not being an employee of the CLI Group) who steps down from the Board during a financial year will be paid fees fully in cash and; (ii) Dr Beh Swan Gin's fees are paid fully in cash to a government agency, The Directorship & Consultancy Appointments Council. The Manager believes that the payment of a portion of the non-executive Directors' fees in Units will serve to align the interests of non-executive Directors with the interests of Unitholders and Ascendas Reit's long-term growth and value. The payment of Non-Executive Directors' fees in Units is satisfied out of the Units held by the Manager. No individual Director is involved in any decision of the NRC relating to his or her own remuneration.

In order to encourage the alignment of the interests of the non-executive Directors with the interests of Unitholders, a non-executive Director is required to hold the number of Units worth at least one year of his or her basic retainer fee or the total number of Units awarded to him or her, whichever is lower, at all times during his or her Board tenure.

As with previous years, an independent remuneration consultant, Willis Towers Watson, was engaged in FY2021 to provide professional advice on Board remuneration, with a view to ensuring the fee structure remains in line with market. The framework for the non-executive Directors' fees has remained unchanged from that of the previous financial year.

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Manager maintains an adequate and effective system of risk management and internal controls (including financial, operational, compliance and information technology (IT) controls) to safeguard Unitholders' interests and the Ascendas Reit Group's assets.

The Board has overall responsibility for the governance of risk, including determining the risk strategy, risk appetite and risk limits, as well as the risk policies. The Board has established the ARC to assist it in carrying out the Board's responsibility of overseeing the Ascendas Reit's risk management framework and policies for the Ascendas Reit Group and ensuring that the Manager maintains a sound system of risk management and internal controls.

Corporate Governance

Under its terms of reference, the ARC's scope of duties and responsibilities with regard to risk management and internal controls systems is as follows:

- (a) make recommendations to the Board on risk strategy, risk appetite and risk limits;
- (b) review the risk management framework, including the processes and resources to identify, assess and manage material risks;
- (c) oversee the design, implementation and monitoring of the risk management and internal controls systems;
- (d) review the material risks facing the Ascendas Reit Group and the management of risks thereof;
- (e) review the adequacy and effectiveness of the risk management and internal controls systems covering material risks and the assurance given by the Management, as well as the disclosures in the Annual Report; and
- (f) consider and advise on risk matters referred to it by the Board or Manager.

The Manager adopts an Enterprise Risk Management (ERM) Framework which sets out the required environmental and organisational components for managing risks in an integrated, systematic and consistent manner. The ERM Framework and related policies are reviewed annually.

As part of the ERM Framework, the Manager undertakes and performs a Group-wide Risk and Control Self-Assessment (RCSA) annually to identify material risks along with their mitigating measures.

The adequacy and effectiveness of the systems of risk management and internal controls are reviewed at least annually by the Manager, the ARC and the Board, taking into account the Listing Manual and the best practices and guidance in the Risk Governance Guidance for Listed Boards issued by the Corporate Governance Council.

The Ascendas Reit Group's Risk Appetite Statement (RAS), which incorporates the Ascendas Reit Group's risk limits, addresses the management of material risks faced by the Ascendas Reit Group. Alignment of the Ascendas Reit Group's risk profile to the RAS is achieved through various communication and monitoring mechanisms (including key performance indicators set for the Manager) put in place across the Ascendas Reit Group.

More information on the Manager's ERM Framework including the material risks identified can be found in the ERM section on pages 146 to 153 of this Annual Report.

The internal and external auditors conduct reviews of the adequacy and effectiveness of the material internal controls (including financial, operational, compliance and IT controls) and risk management systems. This includes testing, where practicable, material internal controls in areas managed by external service providers. Any material non-compliance or lapses in internal controls together with corrective measures recommended by the internal and external auditors are reported to and reviewed by the ARC. The ARC also reviews the adequacy and effectiveness of the measures taken by the Manager on the recommendations made by the internal and external auditors in this respect.

The Board has received assurance from the CEO and the Chief Financial Officer (CFO) of the Manager that: the financial records of the Ascendas Reit Group have been properly maintained and the financial statements for FY2021 give a true and fair view of the Ascendas Reit Group's operations and finances. It has also received assurance from the CEO and the relevant key management personnel who have responsibility regarding various aspects of risk management and internal controls that the systems of risk management and internal controls within the Ascendas Reit Group are adequate and effective to address the risks (including financial, operational, compliance and IT risks) which the Manager considers relevant and material to its current business environment.

The CEO, the CFO and the relevant key management personnel of the Manager have obtained similar assurances from the respective risk and control owners.

In addition, for FY2021, the Board received quarterly certification by the Manager on the integrity of financial reporting and the Board provided a negative assurance confirmation to Unitholders as required by the Listing Manual.

Corporate Governance

Based on the ERM Framework established and the reviews conducted by the Manager and both the internal and external auditors, as well as the assurance from the CEO, the CFO and the relevant key management personnel, the Board is of the opinion that the systems of risk management and internal controls are adequate and effective to address the risks (including financial, operational, compliance and IT risks) which the Ascendas Reit Group considers relevant and material to its current business environment as at 31 December 2021. The ARC concurs with the Board in its opinion. No material weaknesses in the systems of risk management and internal controls were identified by the Board or the ARC in the review for FY2021.

The Board notes that the systems of risk management and internal controls established by the Manager provide reasonable assurance that the Ascendas Reit Group, as it strives to achieve its business objectives, will not be significantly affected by any event that can be reasonably foreseen or anticipated. However, the Board also notes that no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against poor judgement in decision-making, human error, losses, fraud or other irregularities.

Principle 10: Audit & Risk Committee

At present, the ARC comprises four members, all of whom (including the chairman of the ARC) are IDs. The ARC Chairman is a Director other than the Chairman of the Board. The ARC Chairman and members bring with them invaluable recent and relevant managerial and professional expertise in accounting, auditing and related financial management domains.

The ARC does not comprise former partners of Ascendas Reit's incumbent external auditors, Ernst & Young LLP (a) within a period of two years commencing from the date of their ceasing to be partners of Ernst & Young LLP; or (b) who have any financial interest in Ernst & Young LLP.

The ARC has explicit authority to investigate any matter within its terms of reference. Management provides the fullest co-operation in providing information and resources, and in implementing or carrying out all requests made by the ARC. The ARC has direct access to the internal and external auditors and full discretion to invite any Director or key management personnel to attend its meetings. Similarly, both the internal and external auditors have unrestricted access to the ARC.

Under its terms of reference, the ARC's scope of duties and responsibilities includes:

- (a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of Ascendas Reit Group and any announcements relating to the Ascendas Reit Group's financial performance;
- (b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Manager's internal controls (including financial, operational, compliance and IT controls) and risk management systems;
- (c) reviewing the scope and results of the external audit and the independence and objectivity of the external auditors;
- (d) reviewing the scope and results of the internal audit and the adequacy and effectiveness of the Manager's internal audit and compliance functions;
- (e) making recommendations to the Board on the proposals to Unitholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;

Corporate Governance

- (f) reviewing and approving processes to regulate transactions between an interested person (as defined in Chapter 9 of the Listing Manual) and/or interested party (as defined in the Property Funds Appendix) (each, an Interested Person) and Ascendas Reit and/or its subsidiaries (Interested Person Transactions), to ensure compliance with the applicable regulations. The regulations include the requirements that Interested Person Transactions are on normal commercial terms and are not prejudicial to the interests of Ascendas Reit and its minority Unitholders. In respect of any property management agreement which is an Interested Person Transaction, the ARC also carries out reviews at appropriate intervals to satisfy itself that the Manager has reviewed the property manager's compliance with the terms of the property management agreement and has taken remedial actions where necessary; and
- (g) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be raised, and independently investigated, for appropriate follow up action to be taken.

The ARC undertook a review of the independence of the external auditors and the non-audit services provided by the auditors, taking into consideration, among other factors, Ascendas Reit's relationships with the external auditors in FY2021, as well as the processes and safeguards adopted by the Manager and the external auditors relating to audit independence. Based on the review, the ARC is satisfied that the external auditors are independent. The external auditors have also provided confirmation of their independence to the ARC. The amount of fees paid or payable to the external auditors for FY2021 amounted to S\$1,229,000, of which audit fees amounted to S\$1,100,000 and non-audit fees (in relation to tax advisory services and sustainability reporting services) amounted to S\$129,000.

The ARC holds at least four scheduled meetings in a year and met four times in FY2021. At all scheduled ARC meetings in FY2021, the CEO and the CFO were in attendance. During the ARC meetings in February 2021 and August 2021, among other things, the ARC reviewed the full year and half year financial statements, including the relevance and consistency of the accounting principles adopted and any significant financial reporting issues, and recommended the full year and half year financial statements and corresponding announcements to the Board for approval. During the ARC meetings in April 2021 and October 2021, the ARC reviewed, among other things, the quarterly business and financial updates presented by Management, which were then presented to the Board for approval. Such business updates contain, among other things, information on the Ascendas Reit's key operating and financial metrics.

In FY2021, the ARC also reviewed and assessed the adequacy and effectiveness of the internal controls and risk management systems established by the Manager to manage risks, taking into consideration the outcome of reviews conducted by Management and both the internal and external auditors, as well as the assurances from the CEO and the CFO.

The ARC also meets with the external auditors and with the internal auditors, without the presence of Management, at least once a year. In FY2021, the ARC met with the external auditors and internal auditors once, and without Management's presence, to discuss the reasonableness of the financial reporting process, the internal controls and risk management systems, and the significant comments and recommendations by the auditors.

Where relevant, the ARC makes reference to the best practices and guidance for audit committees in Singapore including practice directions issued from time to time in relation to the Financial Reporting Surveillance Programme administered by the Accounting and Corporate Regulatory Authority of Singapore (ACRA).

Corporate Governance

Key Audit Matter

In the review of the financial statements of Ascendas Reit Group for FY2021, the ARC has discussed with Management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements and also considered the clarity of key disclosures in the financial statements. The ARC reviewed, amongst other matters, the following key audit matters as reported by the external auditors for FY2021.

Key Audit Matters	How these Issues were Addressed by the ARC
Valuation of investment properties and investment properties under development	<p>The ARC considered the valuation methodologies and key assumptions applied by the valuers for investment properties and investment properties under development in arriving at the valuations and also evaluated the valuers' objectivity and competency. In order to provide fresh perspectives to the valuation process, the valuers do not value the same property for more than two consecutive years. This practice has been consistently adhered to over time.</p> <p>The ARC reviewed the outputs from the valuation process of the investment properties and investment properties under development, held discussions with Management and the external auditors to review the valuation methodologies, focusing on significant changes in fair value measurement and key drivers of the changes including assessing the reasonableness of the capitalisation, discount, terminal yield and equivalent yield rates, and price per square metre adopted by the valuers.</p> <p>The valuation of investment properties and investment properties under development was also an area of focus for the external auditors. The ARC considered the findings of the external auditors, including their assessment of the appropriateness of valuation methodologies and the key assumptions applied in the valuation of investment properties and investment properties under development.</p> <p>The ARC was satisfied with the valuation process, the methodologies used and the valuation of the investment properties and investment properties under development.</p>

The Manager confirms, on behalf of Ascendas Reit, that Ascendas Reit complies with Rules 712 and 715 of the Listing Manual.

Internal Audit

The Manager has in place an internal audit function supported by CLI's Internal Audit Department (CLI IA). CLI IA is independent of the activities it audits and has unfettered access to the Ascendas Reit Group's documents, records, properties and employees, including access to the ARC, and has appropriate standing with respect to the Manager. The primary reporting line of CLI IA in respect of Ascendas Reit Group is to the ARC, however, the ARC does not decide on the appointment, termination and remuneration of the head of CLI IA as it operates at the CLI Group level. While this is a deviation from Provision 10.4 which requires the ARC to decide on the appointment, termination and remuneration of the head of the internal audit function, CLI IA is able to carry out its role effectively for the reasons below and is accordingly consistent with the intent of Principle 10 of the Code.

The ARC monitors and assesses the role and effectiveness of the internal audit function through reviewing the internal audit process from time to time and may make recommendations to the Board for any changes to the internal audit process. The ARC also reviews to ensure that the internal audit function is adequately resourced and skilled in line with the nature, size and complexity of the Manager and Ascendas Reit Group's business, and that an adequate budget is allocated to the internal audit function to assure its proper functioning. In respect of FY2021, the ARC has carried out a review of the internal audit function and is satisfied that the internal audit function performed by CLI IA is adequately resourced, effective and independent.

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CLI IA plans its internal audit schedules in consultation with, but independently of, Management and its plan is submitted to the ARC for approval prior to the beginning of each year. During FY2021, the ARC reviewed the results of audits performed by CLI IA based on the approved audit plan. The ARC also reviewed reports on whistle blower complaints reviewed by CLI IA to ensure independent and thorough investigation and adequate follow up. The ARC also received reports on Interested Person Transactions reviewed by CLI IA that they were on normal commercial terms and are not prejudicial to the interests of Ascendas Reit and its minority Unitholders.

CLI IA is adequately resourced and staffed with persons with the relevant qualifications and experience. CLI IA is a corporate member of The Institute of Internal Auditors Inc. (IIA), Singapore, which is an affiliate of the IIA with its headquarters in the United States of America (USA). CLI IA subscribes to, and is guided by, the International Standards for the Professional Practice of Internal Auditing (Standards) developed by IIA, and has incorporated these Standards into its audit practices.

To ensure that internal audits are performed by competent professionals, CLI IA recruits and employs suitably qualified professional staff with the requisite skill sets and experience. For instance, CLI IA staff who are involved in IT audits have the relevant professional IT certifications and are also members of the ISACA Singapore Chapter, a professional body administering information systems audit and information security certifications that is headquartered in the USA. The ISACA Information Systems Auditing Standards provide guidance on the standards and procedures to be applied in IT audits. CLI IA identifies and provides training and development opportunities for its staff to ensure their technical knowledge and skill sets remain current and relevant.

UNITHOLDER RIGHTS AND ENGAGEMENT

Principles 11, 12 and 13: Shareholder Rights and Conduct of General Meetings, Engagement with Shareholders, Managing Stakeholder Relationships

The Manager is committed to treating all Unitholders fairly and equitably. All Unitholders enjoy specific rights under the Trust Deed and the relevant laws and regulations. These rights include, among other things, the right to participate in profit distributions.

General Meetings

In FY2021, Ascendas Reit's AGM was convened and held on 29 April 2021 (AGM 2021) by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (COVID-19 Temporary Measures Order) and in accordance with the checklist jointly issued by ACRA, MAS and Singapore Exchange Regulation, which gave guidance to listed and non-listed entities on the conduct of general meetings amid the evolving COVID-19 situation (Checklist).

The alternative arrangements put in place for the conduct of AGM 2021 included attendance at the AGM 2021 via electronic means under which unitholders could observe and/or listen to the AGM 2021 proceedings via live audio-visual webcast or live audio-only stream, submission of questions in advance of the AGM 2021, addressing of substantial and relevant questions prior to or at the AGM 2021 and voting by appointing the chairman of the meeting as proxy at the AGM 2021. All Directors (including the CEO who is also a Director) attended the AGM 2021 either in-person or via electronic means. A record of the Directors' attendance at the AGM 2021 can be found in the record of their attendance at general meeting(s) and Board and Board Committee meetings for FY2021 set out on page 144 of this Annual Report. The upcoming AGM to be held on 28 April 2022 will also be convened and held by way of electronic means pursuant to the COVID-19 Temporary Measures Order and the Checklist. Unitholders will be entitled to submit questions in advance of and/or live at the AGM through the live chat function via the audio-visual platform, and vote at the AGM live by themselves or through their duly appointed proxy(ies) (other than the chairman of the meeting) via electronic means or by appointing the chairman of the meeting as their proxy to vote on their behalf, to facilitate interaction between the Board, Management and Unitholders. Further details on the alternative arrangements put in place for the conduct of the upcoming AGM are set out in the Manager's notice of AGM dated 6 April 2022.

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Unitholders are entitled to attend general meetings and are accorded the opportunity to participate effectively and vote at general meetings (including through the appointment of up to two proxies, if they are unable to attend in person or in the case of a corporate Unitholder, through its appointed representative). Unitholders such as nominee companies which provide custodial services for securities are not constrained by the two proxy limitation, and are able to appoint more than two proxies to attend, speak and vote at general meetings of Ascendas Reit. Nevertheless, for AGM 2021 which was convened and held pursuant to the COVID-19 Temporary Measures Order and the Checklist, Unitholders may only appoint the chairman of the meeting as their proxy to attend, speak and vote on their behalf at the general meeting.

Ascendas Reit supports the principle of encouraging Unitholder participation and voting at general meetings. Ascendas Reit's Annual Report is provided to Unitholders within 120 days from the end of Ascendas Reit's financial year. Unitholders may download the Annual Report (printed copies are available upon request) and notice of the general meeting from the Website. More than the legally required notice period for general meetings is generally provided. The notice of the general meeting is also available on SGXNet. The rationale and explanation for each agenda item which requires Unitholders' approval at a general meeting are provided in the notice of the general meeting or in the accompanying circular (if any) issued to Unitholders in respect of the matter(s) for approval at the general meeting. This enables Unitholders to exercise their votes on an informed basis. To safeguard the Unitholders' interests and rights, a separate resolution is proposed for each substantially separate matter to be approved at a general meeting.

At AGMs, Management makes a presentation to Unitholders to update them on Ascendas Reit's performance, position and prospects. The presentation materials are made available to Unitholders on the Website and also on SGXNet.

Unitholders are informed of the rules governing general meetings and are given the opportunity to communicate their views, ask questions and discuss with the Board and Management on matters affecting Ascendas Reit. Representatives of the Trustee, Directors (including the chairman of the respective Board Committees), key management personnel and the external auditors of Ascendas Reit, are present for the entire duration of the AGMs to address any queries that the Unitholders may have, including queries about the conduct of Ascendas Reit's external audit and the preparation and contents of the external auditors' report.

To ensure transparency in the voting process and better reflect Unitholders' interests, Ascendas Reit conducts electronic poll voting for all the resolutions proposed at general meetings. Nevertheless, for AGM 2021 which was convened and held pursuant to the COVID-19 Temporary Measures Order and the Checklist, Unitholders voted by appointing the chairman of the meeting as their proxy to vote on their behalf. One Unit is entitled to one vote. Voting procedures and the rules governing general meetings are explained and vote tabulations are disclosed at the general meetings. An independent scrutineer is also appointed to validate the vote tabulation procedures. Votes cast, for or against and the respective percentages, on each resolution are tallied and displayed 'live' on-screen to Unitholders after each resolution is voted on at the general meetings. The total number of votes cast for or against each resolution and the respective percentages are also announced on SGXNet after the general meetings.

Provision 11.4 of the Code requires an issuer's Constitution to allow for absentia voting at general meetings of shareholders. Ascendas Reit's Trust Deed currently does not permit Unitholders to vote at general meetings in absentia (such as via mail or email). The Manager will consider implementing the relevant amendments to Ascendas Reit's Trust Deed to permit absentia voting after it has carried out careful study and is satisfied that the integrity of information and the authentication of the identity of Unitholders through the internet will not be compromised, and after the implementation of legislative changes to recognise remote voting. The Manager is of the view that despite the deviation from Provision 11.4 of the Code, Unitholders nevertheless have opportunities to communicate their views on matters affecting Ascendas Reit even when they are not in attendance at general meetings. For example, Unitholders may appoint proxies to attend, speak and vote, on their behalf, at general meetings.

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Minutes of the general meetings recording the substantial and relevant comments made, questions raised and answers provided, are prepared and are available to Unitholders for their inspection upon request. Minutes of general meetings are also made available on the Website. Accordingly, the rights of the Unitholders are consistent with the intent of Principle 11 of the Code.

Distribution Policy

Ascendas Reit's distribution policy is to distribute at least 90.0% of its taxable income (other than gains from the disposal of properties, and unrealised surplus on revaluation of investment properties and investment properties under development) on a semi-annual basis, with the actual level of distribution to be determined at the Manager's discretion. Distributions are generally paid within 35 market days after the relevant record date.

Timely Disclosure of Information

The Manager is committed to keeping all Unitholders, other stakeholders, analysts and the media informed of Ascendas Reit's performance and any changes in the Ascendas Reit Group or its business which would likely to materially affect the price or value of the Units.

For FY2021, the Manager provided Unitholders with half year and full year financial statements within the relevant periods prescribed by the Listing Manual. These half year and full year financial statements were reviewed and approved by the Board prior to release to Unitholders by announcement on SGXNet. The release of half year and full year financial statements were accompanied by news releases issued to the media and which were also made available on SGXNet. In presenting the half year and full year financial statements to Unitholders, the Board sought to provide Unitholders with a balanced, clear and comprehensible assessment of Ascendas Reit and the Ascendas Reit Group's performance, position and prospects.

In addition to the announcement of half-year and full year financial statements in FY2021, in keeping with the Manager's commitment to provide its Unitholders with information promptly, the Manager also provided Unitholders, on a voluntary basis, with quarterly business updates in between the announcement of half-yearly financial statements. Such business updates contain, among other things, information on the Ascendas Reit Group's key operating and financial metrics. In addition to the release of financial statements, the Manager also keeps Ascendas Reit's Unitholders, stakeholders and analysts informed of the performance and changes in the Ascendas Reit Group or its business which would likely materially affect the price or value of the Units on a timely and consistent basis, so as to assist Unitholders and investors in their investment decisions. This is performed through the release on SGXNet of announcements in compliance with regulatory reporting requirements and news releases for the media, on a timely and consistent basis. These announcements and news releases are also posted on the Website. In addition, the Manager also conducts analysts' and media briefings, and the materials used for such briefings are uploaded on SGXNet.

The Manager has a formal policy on corporate disclosure controls and procedures to ensure that Ascendas Reit complies with its disclosure obligations under the Listing Manual. These controls and procedures incorporate the decision-making process and an obligation on internal reporting of the decisions made.

The Manager believes in conducting the business of Ascendas Reit in ways that seek to deliver sustainable value to Unitholders. Best practices are promoted as a means to build an excellent business for Ascendas Reit and the Manager's accountability to Unitholders for Ascendas Reit's performance. Prompt fulfilment of statutory reporting requirements is but one way to maintain Unitholders' confidence and trust in the capability and integrity of the Manager.

Investor Relations

The Manager has in place an Investor Relations department which facilitates effective communication with Unitholders and analysts. The Manager also maintains the Website which contains information on Ascendas Reit including but not limited to its Prospectus, current and past announcements and news releases, financial statements, investor presentations and Annual Reports.

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The Manager actively engages with Unitholders with a view to solicit and understand their views, and has put in place an Investor Relations Policy to promote regular, effective and fair communications with Unitholders. The Investor Relations Policy, which sets out the mechanism through which Unitholders may contact the Manager with questions and through which the Manager may respond to such questions, is available on the Website. Unitholders are welcomed to engage with the Manager beyond general meetings and they may do so by contacting the Investor Relations department whose details may be found via the Contact Us section on the Website.

More information on the Manager's investor and media relations efforts can be found in the Investor Relations section on pages 58 to 61 of this Annual Report.

The Manager also has in place a corporate communications function supported by CLI's Group Communications department which works closely with the media and oversees Ascendas Reit's media communications efforts.

Managing Stakeholder Relationships

The Board's role includes considering sustainability as part of its strategic formulation. The Manager adopts an inclusive approach for Ascendas Reit by considering and balancing the needs and interests of material stakeholders, as part of the overall strategy to ensure that the best interests of Ascendas Reit are served. The Manager is committed to sustainability and incorporates the key principles of environmental and social responsibility, and corporate governance in Ascendas Reit's business strategies and operations. The Manager has arrangements in place to identify and engage with material stakeholder groups from time to time to gather feedback on the sustainability issues most important to them and to manage its relationships with such groups. Such arrangements include maintaining the Website, which is kept updated with current information, to facilitate communication and engagement with Ascendas Reit's stakeholders. More details of Ascendas Reit's sustainability approach, environmental policies and stakeholder engagement can be found in the Integrated Sustainability Report prepared in accordance with the Global Reporting Initiative (GRI) Standards.

ADDITIONAL INFORMATION

Investment Committee

In addition to the ARC and NRC, the Board has also established an IC.

The IC comprises six Directors, three of whom are IDs. The six members on the IC are Mr Manohar Khiatani (IC Chairman), Dr Beh Swan Gin, Mr William Tay Wee Leong, Mr Daniel Cuthbert Ee Hock Huat, Mr Chinniah Kunnasagan and Mr Lim Cho Pin Andrew Geoffrey.

The IC is authorised to review all matters within its terms of reference. Pursuant to the IC's terms of reference, the IC's scope of duties and responsibilities involve assisting the Board in its oversight of responsibilities in the areas of investment, divestment and asset enhancement initiatives within the IC's approval limits.

For FY2021, the IC regularly reviewed and approved matters tabled via circulation.

Dealings with Interested Persons

Review Procedures for Interested Person Transactions

The Manager has established internal control procedures to ensure that all Interested Person Transactions are undertaken on an arm's length basis and on normal commercial terms, which are generally no more favourable than those extended to unrelated third parties, and are not prejudicial to the interests of Ascendas Reit and Unitholders. In respect of such transactions, the Manager would have to demonstrate to the ARC that such transactions are undertaken on normal commercial terms and are not prejudicial to the interests of Ascendas Reit and Unitholders which may include obtaining (where practicable) third party quotations or obtaining valuations from independent valuers (in accordance with applicable provisions of the Listing Manual and the Property Funds Appendix). The internal control procedures also ensure compliance with Chapter 9 of the Listing Manual and the Property Funds Appendix.

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In particular, the procedures in place include the following:

Interested Person Transactions ¹	Approving Authority, Procedures and Disclosure
S\$100,000 and above per transaction (which singly, or when aggregated with other transactions ² with the same Interested Person in the same financial year is less than S\$15 million)	<ul style="list-style-type: none"> • Management • Audit & Risk Committee (review at regular intervals)
Transaction above S\$15 million (which singly, or when aggregated with other transactions ² with the same Interested Person in the same financial year is less than 3.0% of Ascendas Reit's latest audited net tangible assets / net asset value)	<ul style="list-style-type: none"> • Management • Audit & Risk Committee
Transaction ² which: (a) is equal to or exceeds 3.0% of Ascendas Reit's latest audited net tangible assets / net asset value; or (b) when aggregated with other transactions ² with the same Interested Person in the same financial year is equal to or exceeds 3.0% of Ascendas Reit's latest audited net tangible assets / net asset value	<ul style="list-style-type: none"> • Management • Audit & Risk Committee • Immediate announcement
Transaction ² which: (a) is equal to or exceeds 5.0% of Ascendas Reit's latest audited net tangible assets / net asset value; or (b) when aggregated with other transactions ^{2,3} with the same Interested Person in the same financial year is equal to or exceeds 5.0% of Ascendas Reit's latest audited net tangible assets / net asset value	<ul style="list-style-type: none"> • Management • Audit & Risk Committee • Immediate announcement • Unitholders³

1 This table does not include the procedures applicable to Interested Person Transactions falling under the exceptions set out in Rules 915 and 916 of the Listing Manual.

2 Either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year.

3 In relation to approval by Unitholders for transactions that are equal to or exceed 5.0% of Ascendas Reit's latest audited net tangible assets / net asset value (whether singly or aggregated), any transaction which has been approved by Unitholders, or is the subject of aggregation with another transaction that has been approved by Unitholders, need not be included in any subsequent aggregation.

The Manager has engaged BDO LLP (BDO) to carry out reviews on IPTs on a quarterly basis. As part of this engagement, BDO reviews, amongst other procedures, the maintenance of IPT registers, process of identification of IPTs, the comparables used for assessing if IPTs are undertaken on an arm's length basis and on normal commercial terms, and that there is reasonable and valid documentation supporting the conclusions on IPTs. Guidelines and procedures established to monitor IPTs are also audited on a periodic basis.

Role of the Audit & Risk Committee for Interested Person Transactions

The Manager's internal control procedures are intended to ensure that Interested Person Transactions are conducted at arm's length, on normal commercial terms and are not prejudicial to Ascendas Reit and Unitholders' interests.

The Manager maintains a register to record all Interested Person Transactions which are entered into by Ascendas Reit (and the basis on which they are entered into, including the quotations obtained to support such basis). All Interested Person Transactions are subject to regular periodic reviews by the ARC, which in turn obtains advice from BDO, to ascertain that the guidelines and procedures established to monitor Interested Person Transactions, including the relevant provisions of the Listing Manual and the Property Funds Appendix, as well as any other guidelines which may from time to time be prescribed by the SGX-ST, MAS or other relevant authorities, have been complied with. The review includes an examination of the nature of the transaction and its supporting documents or such other information deemed necessary by the ARC. If a member of the ARC has an interest in

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a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction. The ARC and the Trustee received quarterly reports on IPTs reviewed by BDO that they were on normal commercial terms and are not prejudicial to the interests of Ascendas Reit and its minority Unitholders.

Details of all Interested Person Transactions (equal to or exceeding S\$100,000 each in value) entered into by Ascendas Reit in FY2021 are disclosed on page 261 of this Annual Report.

Dealing with Conflicts of Interest

The following principles and procedures have been established to deal with potential conflicts of interest which the Manager (including its Directors, key management personnel and employees) may encounter in managing Ascendas Reit:

- (a) the Manager is a dedicated manager to Ascendas Reit and will not manage any other REIT or be involved in any other real property business;
- (b) all resolutions at meetings of the Board in relation to matters concerning Ascendas Reit must be decided by a majority vote of the Directors, including at least one ID;
- (c) in respect of matters in which CLI and/or its subsidiaries have an interest, whether direct or indirect, any nominees appointed by CLI and/or its subsidiaries to the Board will abstain from voting. In such matters, the quorum must comprise a majority of IDs and shall exclude such nominee Directors of CLI and/or its subsidiaries;
- (d) in respect of matters in which a Director or his or her associates have an interest, whether direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors and shall exclude such interested Director(s);
- (e) if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of Ascendas Reit with an affiliate of the Manager, the Manager is obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of Ascendas Reit, has a *prima facie* case against the party allegedly in breach under such agreement, the Manager is obliged to pursue the appropriate remedies under such agreement; and
- (f) at least one-third of the Board shall comprise IDs.

In respect of voting rights where the Manager would face a conflict between its own interests and that of Unitholders, the Manager shall cause such voting rights to be exercised according to the discretion of the Trustee.

Dealings in Securities

The Manager has adopted a securities dealing policy for the officers and employees which applies the best practice recommendations in the Listing Manual. Under this policy, Directors and employees of the Manager as well as certain relevant executives of the CLI Group (together, the Relevant Persons) are required to refrain from dealing in Ascendas Reit's securities (i) while in possession of material unpublished price-sensitive information, and (ii) during the one-month period immediately preceding, and up to the time of the announcement of Ascendas Reit's half-year and full-year financial statements during a financial year. Prior to the commencement of each relevant black-out period, an email would be sent to all the Relevant Persons to inform them of the duration of the black-out period. The Manager also does not deal in Ascendas Reit's securities during the same black-out period. In addition, Directors and certain employees identified as "Key Insiders" are prohibited from dealing in the securities of Ascendas Reit, except during the open trading window (being one calendar month commencing from the relevant date of announcement of Ascendas Reit's results) provided that they are not in possession of undisclosed material or price-sensitive information. Employees and Capital Markets Services License Appointed Representatives (CMSL Representatives) of the Manager are also required to give a pre-trading notification to the CEO and the Compliance department before any dealing in Ascendas Reit's securities.

This policy also provides for the Manager to maintain a list of persons who are privy to price-sensitive information relating to the Ascendas Reit Group as and when circumstances require such a list to be maintained.

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Directors and employees of the Manager are also required to refrain from dealing in Ascendas Reit's securities if they are in possession of unpublished price-sensitive information of Ascendas Reit arising from their appointment as Directors and/or in the course of performing their duties. As and when appropriate, they would be issued an advisory to refrain from dealing in Ascendas Reit's securities.

Under this policy, Directors and employees of the Manager are also discouraged from trading on short-term or speculative considerations. They are also prohibited from using any information with respect to other companies or entities obtained in the course of their employment in connection with securities transactions of such companies or entities.

A Director is required to notify the Manager of his or her interest in Ascendas Reit's securities within two business days after (a) the date on which he or she becomes a Director or (b) the date on which he or she acquires an interest in Ascendas Reit's securities. A Director is also required to notify the Manager of any change in his or her interests in Ascendas Reit's securities within two business days after he or she becomes aware of such change.

Dealings by the Directors are disclosed in accordance with the requirements in the SFA and the Listing Manual. In FY2021, based on the information available to the Manager, save as disclosed in accordance with such requirements and other than the awards of Units in part payment of Directors' fees, there were no dealings by the Directors in Ascendas Reit's securities.

Code of Business Conduct

The Manager adheres to an ethics and code of business conduct policy which deals with issues such as confidentiality, conduct and work discipline, corporate gifts and concessionary offers. Clear policies and guidelines on how to handle workplace harassment and grievances are also in place.

The policies and guidelines are published on CLI Group's intranet, which is accessible by all employees of the Manager.

The policies that the Manager has implemented aim to help to detect and prevent occupational fraud in mainly three ways, as set out below.

First, the Manager offers fair compensation packages, based on practices of pay-for-performance and promotion based on merit to its employees. The Manager also provides various healthcare subsidies and financial assistance schemes to alleviate the common financial pressures its employees may face.

Second, clearly documented policies and work procedures incorporate internal controls which ensure that adequate checks and balances are in place. Periodic audits are also conducted to evaluate the efficacy of these internal controls.

Finally, the Manager seeks to build and maintain the right organisational culture through its core values, educating its employees on good business conduct and ethical values.

Fraud, Bribery and Corruption Risk Management Policy

In line with its core values, the Manager is committed to doing business with integrity. This is reflected in its longstanding zero tolerance stance against fraud, bribery and corruption. Consistent with this commitment, various policies and guidelines are in place to guide all employees of the Manager to maintain the highest standards of integrity in their work and business dealings. This includes clear guidelines and procedures for the giving and receipt of corporate gifts and concessionary offers, and an annual pledge by all employees of the Manager to uphold the Manager's core values and to not engage in any corrupt or unethical practices. The Manager's zero tolerance policy on bribery and corruption extends to its business dealings with third parties. Pursuant to this policy, the Manager requires that certain agreements incorporate anti-bribery and anti-corruption provisions.

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The Manager's employees adhere to CLI's Fraud, Bribery and Corruption Risk Management Policy (FBC Risk Management Policy). The FBC Risk Management Policy reiterates the strong stance against fraud, bribery and corruption, and sets the overarching approach and standards in managing fraud, bribery and corruption risks in an integrated, systematic and consistent manner. The Manager's stance against bribery and corruption is also reiterated by Management during its regular staff communication sessions.

Whistle-Blowing Policy

A whistle-blowing policy has been put in place by the Manager which sets out the procedures for the Manager's employees and parties who have dealings with the Manager to make a report to the Manager on misconduct or wrongdoings relating to the Manager and its officers. Procedures are put in place to provide such employees and parties with well defined, accessible and trusted channels to report suspected fraud, corruption, dishonest practices or other improprieties in the workplace, and for the independent investigation of any reported incidents and appropriate follow up action. The Manager ensures that the identity of the whistle-blower is kept confidential. The objective of this policy is to encourage the reporting of such matters so that employees or external parties making any reports in good faith will be able to do so with the confidence that they will be treated fairly and, to the extent possible, be protected from reprisal. The Manager is committed to ensuring protection of the whistle-blower against detrimental or unfair treatment. The ARC is responsible for oversight and monitoring of the investigation of whistle-blowing reports made in good faith. The ARC reviews all whistle-blowing complaints at its scheduled meetings. Independent, thorough investigation and appropriate follow up actions are taken. The outcome of each investigation is reported to the ARC. All employees of the Manager are informed of this policy which is made available on CLI Group's intranet.

Business Continuity Management

The Manager has implemented a Business Continuity Management (BCM) programme that puts in place the prevention, detection, response and, business recovery and resumption measures to minimise the impact of adverse business interruptions or unforeseen events on the Ascendas Reit Group's operations and also has in place a Business Continuity Plan (BCP). Under the BCP, Management has identified the critical business functions, processes and resources, and is able to tap on a pool of CLI Group's employees who are trained under a Business Psychological Resilience Programme to provide peer support to colleagues following the occurrence of adverse events. As part of the BCP, periodic desktop exercises and drills, simulating different scenarios, are carried out to stress-test the effectiveness of processes, procedures and escalation protocols. This holistic approach under the BCP serves to ensure organisational and staff preparedness and readiness to deal with adverse business disruptions such as acts of terrorism, cyber attacks, data breaches and epidemics. This approach aims to minimise financial loss to Ascendas Reit, allow the Manager to continue to function as the manager of Ascendas Reit and mitigate any negative effects that the disruptions could have on the Manager's reputation, operations and ability to remain in compliance with relevant laws and regulations. The Manager has also acquired insurance policies for the Ascendas Reit Group on business interruption events.

Anti-Money Laundering and Countering the Financing of Terrorism Measures

As a holder of a Capital Markets Services License issued by MAS, the Manager abides by the MAS' guidelines on the prevention of money laundering and countering the financing of terrorism. Under these guidelines, the main obligations of the Manager are:

- (a) evaluation of risk;
- (b) customer due diligence;
- (c) suspicious transaction reporting;
- (d) record keeping;
- (e) employee and CMSL Representative screening; and
- (f) training.

Corporate Governance

The Manager has in place a policy on the prevention of money laundering and terrorism financing and remains alert at all times to suspicious transactions. Enhanced due diligence checks are performed on counterparties where there is a suspicion of money laundering or terrorism financing. Suspicious transactions will also be reported to the Suspicious Transaction Reporting Office of the Commercial Affairs Department.

Under this policy, all relevant records or documents relating to business relations with the Ascendas Reit Group's customers or transactions entered into must be retained for a period of at least five years following the termination of such business relations or the completion of such transactions.

All prospective employees, officers and CMSL Representatives of the Manager are also screened against various money laundering and terrorism financing information sources and lists of designated entities and individuals provided by MAS. Periodic training is provided by the Manager to its Directors, employees and CMSL Representatives to ensure that they are updated and aware of applicable anti-money laundering and countering of terrorism financing regulations, the prevailing techniques and trends in money laundering and terrorism financing and the measures adopted by the Manager to combat money laundering and terrorism financing.

COMPOSITION OF BOARD COMMITTEES IN FY2021

Board Members	Audit & Risk Committee	Investment Committee [#]	Nominating & Remuneration Committee ¹
Dr Beh Swan Gin ¹ , C	–	M	C
William Tay Wee Leong, CEO	–	M	–
Chan Pengee, Adrian ¹	C	–	M
Chong Chiet Ping ²	M	–	–
Daniel Cuthbert Ee Hock Huat	M	M	–
Chinniah Kunnasagaran	M	M	–
Ong Lee Keang Maureen ³	M	–	–
Manohar Khiatani ^{1,4}	M	C	M
Lim Cho Pin Andrew Geoffrey	–	M	–

Denotes: C – Chairman M – Member CEO – Chief Executive Officer

Given the nature and scope of the work of the IC, their business was discussed / transacted primarily through conference call, correspondence and informal meetings.

Notes:

- 1 The Nominating & Remuneration Committee (NRC) was formed on 20 October 2021. Dr Beh Swan Gin was appointed as Chairman of the NRC; and Mr Chan Pengee, Adrian and Mr Manohar Khiatani were appointed as members of the NRC.
- 2 Ms Chong Chiet Ping retired as Non-Executive Independent Director and a member of the Audit & Risk Committee on 1 November 2021.
- 3 Ms Ong Lee Keang Maureen was appointed as Non-Executive Independent Director and a member of the Audit & Risk Committee on 1 September 2021.
- 4 Mr Manohar Khiatani ceased his membership in the Audit & Risk Committee on 20 October 2021.

Corporate Governance

ATTENDANCE RECORD OF MEETINGS OF UNITHOLDERS, BOARD AND BOARD COMMITTEES IN FY2021¹

	Board ⁵	Audit & Risk Committee	AGM	EGM
No. of Meetings Held	7	4	1	1
Board Members				
Dr Beh Swan Gin	100%	N.A.	100%	100%
William Tay Wee Leong	100%	N.A.	100%	100%
Chan Pengee, Adrian	100%	100%	100%	100%
Chong Chiet Ping ²	100%	100%	100%	100%
Daniel Cuthbert Ee Hock Huat	100%	100%	100%	100%
Chinniah Kunnasagaran	100%	100%	100%	100%
Ong Lee Keang Maureen ³	100%	100%	N.A.	N.A.
Manohar Khiatani ⁴	100%	100%	100%	100%
Lim Cho Pin Andrew Geoffrey	100%	N.A.	100%	100%

N.A.: Not Applicable.

- 1 All Directors are required to attend Board and/or Board Committee meetings called, in person or via audio or video conference, unless required to recuse. Attendance is marked against the Board and Board Committee meetings each Director is required to attend, and the percentage computed accordingly.
- 2 Ms Chong Chiet Ping retired as Non-Executive Independent Director and a member of the Audit & Risk Committee on 1 November 2021.
- 3 Ms Ong Lee Keang Maureen was appointed as Non-Executive Independent Director and a member of the Audit & Risk Committee on 1 September 2021.
- 4 Mr Manohar Khiatani ceased his membership in the Audit & Risk Committee on 20 October 2021.
- 5 Includes a Board Strategy meeting, a Business Plan & Budget meeting and an ad-hoc Board meeting.

KEY MANAGEMENT PERSONNEL'S REMUNERATION

Key Management Personnel's Remuneration Table for FY2021

Remuneration	Components of remuneration			Total
	Salary and employer's CPF	Bonus and other benefits inclusive of employer's CPF ¹	Award of Units ²	
CEO				
William Tay Wee Leong	35%	40%	25%	100%

Remuneration band for CEO: Above S\$1,250,000 to S\$1,500,000

Key Management Personnel (excluding CEO)

Koo Lee Sze				
Yeow Kit Peng				
James Goh Chat Shen ³ (for the period from 15 November to 31 December 2021)	50%	30%	20%	100%
Serena Teo Joo Ling ⁴ (for the period from 1 January to 14 November 2021)				
Lawden Tan Wee Kiat ⁵				

Aggregate of total remuneration for key management personnel (excluding CEO): S\$2,205,028³

Corporate Governance

1. The amounts disclosed include bonuses earned which have been accrued for in FY2021.
2. The proportion of value of the Unit awards is based on the fair value of the Units comprised in the contingent awards under the Ascendas Funds Management (S) Limited Restricted Unit Plan (RUP) and Ascendas Funds Management (S) Limited Performance Unit Plan (PUP) at the time of grant in FY2021. The final number of Units released under the contingent awards of Units for the RUP and PUP will depend on the achievement of pre-determined targets and subject to the respective vesting period under the RUP and PUP.
3. The disclosure excludes the one-time contingent Special PSP Award of 478,211 CLI shares granted to certain key management personnel, of which 230,251 CLI shares were granted to the CEO
4. James Goh was appointed as Head, Portfolio Management with effect from 15 November 2021.
5. Serena Teo was transferred out from Ascendas Funds Management (S) Limited with effect from 15 November 2021.
6. Lawden Tan's last day of service was on 2 January 2022. He was not eligible for FY2021 bonus.

NON-EXECUTIVE DIRECTORS' REMUNERATION TABLE FOR FY2021

	Components of Directors' fees ^{1,2,3} (S\$)		
	Cash Component (80%)	Unit Component (20%)	Total
Non-Executive Directors			
Dr Beh Swan Gin ^{4, 5}	148,000	–	148,000
Chan Pengee, Adrian ⁴	107,200	26,800	134,000
Chong Chiet Ping ⁶	86,631	–	86,631
Daniel Cuthbert Ee Hock Huat	89,600	22,400	112,000
Chinniah Kunnasagaran	89,600	22,400	112,000
Ong Lee Keang Maureen ⁷	27,792	6,948	34,740
Manohar Khiatani ⁴	N.A. ³	N.A. ³	N.A. ³
Lim Cho Pin Andrew Geoffrey	N.A. ³	N.A. ³	N.A. ³

Aggregate of remuneration for Non-Executive Directors: S\$627,371.00

N.A. : Not Applicable

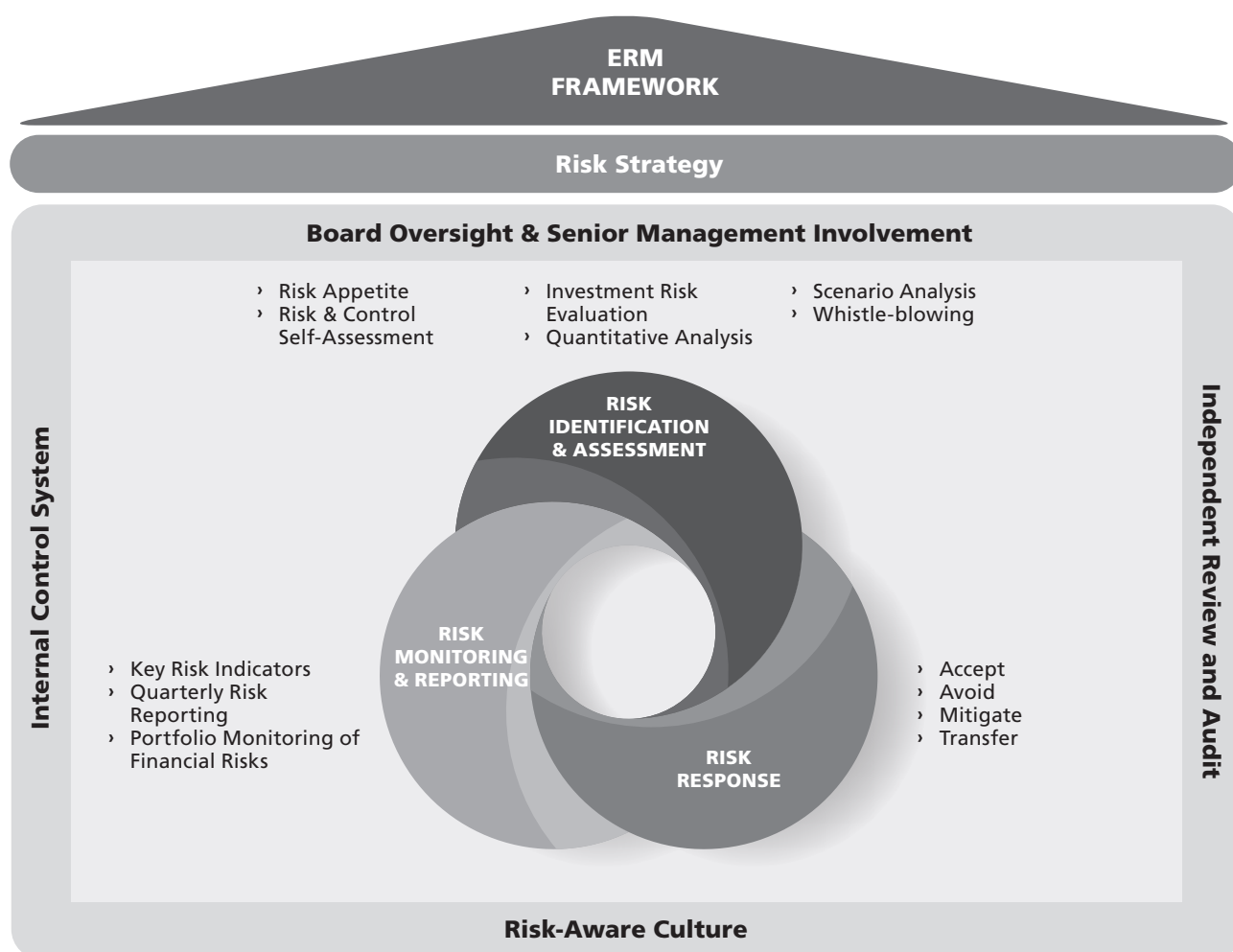
- 1 Inclusive of attendance fees of (a) S\$2,000 (local meeting) and S\$5,000 (overseas meeting) per meeting attendance in person, (b) S\$1,700 per meeting attendance via audio or video conference, (c) S\$1,000 per meeting attendance at project and verification meetings, and (d) S\$500 per meeting attendance via audio or video conference at project and verification meetings. Attendance fees at project and verification meetings are subject to a maximum of S\$10,000 per Director per annum.
- 2 Each non-executive Director (save for non-executive Directors who are employees of CLI Group or are stepping down in the financial year or are public officers) shall receive up to 20% of his or her Director's fees in the form of Units (subject to truncation adjustments). The remainder of the Director's fees shall be paid in cash. No new Units will be issued for this purpose as these Units will be paid by the Manager from the Units it holds.
- 3 Non-executive Directors who are employees of CLI Group do not receive Directors' fees.
- 4 The Nominating & Remuneration Committee (NRC) was formed on 20 October 2021. Dr Beh Swan Gin was appointed as Chairman of the NRC; and Mr Chan Pengee, Adrian and Mr Manohar Khiatani were appointed as members of the NRC.
- 5 All Director's fees payable to Dr Beh Swan Gin, a public officer, will be paid in cash to a government agency, The Directorship and Consultancy Appointments Council.
- 6 Ms Chong Chiet Ping retired as Non-Executive Independent Director and a member of the Audit & Risk Committee on 1 November 2021 and will receive all her Director's fees for FY2021 in cash.
- 7 Ms Ong Lee Keang Maureen was appointed as Non-Executive Independent Director and a member of the Audit & Risk Committee on 1 September 2021.

Enterprise Risk Management

Ascendas Real Estate Investment Trust and its subsidiaries (Ascendas Reit Group) believes in maintaining a robust risk management framework to proactively identify, assess and respond to material risks that can impact its objectives to deliver predictable distributions and achieve long-term capital stability for Unitholders. By pursuing a risk strategy of optimisation of opportunities within the approved risk appetite levels instead of risk minimisation, we position Ascendas Reit Group for long-term sustainable results.

ENSURING BEST-IN-CLASS RISK MANAGEMENT STANDARDS AND APPROACHES TO OPTIMISE OPPORTUNITIES

The Manager's Enterprise Risk Management (ERM) Framework is adapted from the International Organization for Standardization (ISO) 31000 International Risk Management Standards and is benchmarked against other relevant best practices and guidelines and reviewed annually to ensure its continued relevance and practicality. It sets out the required environmental and organisational components needed to identify, assess, respond, monitor and report material risks in an integrated, systematic and consistent manner as depicted below.



1

Board oversight and senior management involvement

- The Board of Directors (the "Board"), assisted by the Audit & Risk Committee (ARC), approves the Group's risk appetite which determines the nature and extent of material risks the Ascendas Reit Group is willing to take to achieve its strategic objectives.
- The Board also oversees the ERM Framework; regularly reviews the Ascendas Reit Group's risk profile, material risks and mitigation strategies; and ensures the adequacy and effectiveness of the risk management framework and policies.
- Ascendas Reit Group's management team directs and monitors the implementation and practice of ERM across the Ascendas Reit Group.

2

A robust internal control system

- Various specialist support functions, as the second line of defence, are responsible for the design and implementation of effective internal controls using a risk-based approach.

3

Regular independent review and audit

- As the third line of defence, Internal Audit reviews the adequacy and effectiveness of risk management and internal control systems design and implementation; and External Audit reviews the financial reporting processes so as to provide reasonable assurance to the ARC on its adequacy and effectiveness.

4

Developing a strong risk-aware culture

- The Manager works closely with the risk management department at CapitalLand Investment (CLI), as well as various specialist support functions, to ensure risk management practices are implemented consistently.
- Risk workshops are conducted regularly to ensure these practices are embedded in our decision-making and business processes.
- The Management reinforces the risk-aware culture by setting the 'tone at the top' and leads by example, and communicates our risk strategy through Group-wide messages.

Enterprise Risk Management

ASCENDAS REIT GROUP'S MATERIAL RISKS AND OPPORTUNITIES

A Risk and Control Self-Assessment (RCSA) exercise is conducted annually to identify the material risks, including new and emerging events, the mitigating measures and the opportunities that Ascendas Reit Group faces in delivering our strategic objectives. From the 2021 RCSA results, the measures taken to mitigate material risks and opportunities to capitalise on are set out below:

Material Risks	Key Mitigating Actions	Opportunities
<p>Business Interruption / Pandemic</p> <ul style="list-style-type: none"> • Exposure to business interruption risk arising from sudden and major disaster events such as fire, prolonged power outages or other major infrastructure failures which may significantly disrupt operations at our properties. • Business disruptions arising from the COVID-19 pandemic have resulted in potential structural disruptions to some of the real estate asset classes. • It also spurred stakeholders' attention on the diversification and resilience in the Group's supply chain. 	<ul style="list-style-type: none"> • Proactive facilities management such as routine inspections and scheduled maintenance and having crisis management procedures. • Put in place business continuity planning with split team arrangements to ensure availability of essential personnel or critical shared services support during a disruption. • Continue to place the well-being of our tenants, visitors and customers as top priority by adopting contactless technologies and innovative technological solutions to enhance safety, cleanliness and hygiene at Ascendas Reit Group's properties. • Future proof Ascendas Reit Group's business through digitalisation of business operations and processes, innovation and flexibility in the Group's product offerings such as: <ul style="list-style-type: none"> - accelerating omnichannel solutions, - optimising the use-of-space, and - providing flexible workspace • Build collaborative relationships and work closely with supply chain contractors, vendors and suppliers to achieve environmental and social goals through CLI's Supply Chain Code of Conduct. 	<ul style="list-style-type: none"> • Ride on the digital adoption trend and ongoing business digitalisation to innovate and improve product offerings to our customers. • Opportunities to reposition or repurpose our assets to meet the new norms.

Enterprise Risk Management

Material Risks	Key Mitigating Actions	Opportunities
<p>Climate Change</p> <ul style="list-style-type: none"> Physical risks such as rising sea levels, violent storms, long intense heat waves, flash floods and fresh water depletion. Transitional risks including potentially more stringent regulations and increased expectations from stakeholders. 	<ul style="list-style-type: none"> Assessment of the detailed physical risks in the evaluation of any new acquisitions. Incorporate shadow internal carbon price and compute a Return on Sustainability (ROS) in the evaluation of new investment / capital expenditure decisions. This helps to price in climate-related costs and opportunities, support low-carbon investments, prepare for stringent climate legislation, and avoid stranded assets. Regularly review Ascendas Reit Group's mitigation and adaptation efforts, which include: <ul style="list-style-type: none"> future proofing the portfolio against changing climatic conditions from the design stage and improving the operational efficiency of our properties, setting targets for carbon emissions, water, energy and waste efficiency. CLI has a well-established Group environmental management system which is externally certified to ISO 14001. For more information, please refer to: <ul style="list-style-type: none"> Ascendas Reit's Integrated Sustainability Report 2021 (https://ir.ascendas-reit.com/sustainability_reports.html). CapitalLand's Global Sustainability Report 2021 (https://www.capitalandinvest.com/sustainability.html), to be published by 31 May 2022. 	<ul style="list-style-type: none"> Enhance our positive reputation and strong track record in sustainability efforts as a competitive advantage for the Ascendas Reit Group to build a resilient portfolio of assets and achieve resources efficiency. Accelerate sustainability innovation and collaboration with tenants, supply chain contractors, vendors and suppliers. Access to an enlarged pool of funding and capital from increased exposure to green assets.
<p>Fraud, Bribery & Corruption (FBC)</p> <ul style="list-style-type: none"> Any forms of fraud, bribery and corruption that could be perpetuated by employees, third parties or collusion between employees and third parties. 	<ul style="list-style-type: none"> Promote an ethical culture at all levels of CLI. Adopt a zero-tolerance stance against FBC in the conduct of business and reinforce the importance of integrity – one of the CLI's core values. Communicate the commitment to integrity from the top through policies and practices, such as FBC Risk Management Policy, Whistle-blowing Policy, Ethics and Code of Business Conduct Policies and Anti-Money Laundering and Countering the Financing of Terrorism Policy and mandatory FBC e-Learning. 	

Enterprise Risk Management

Material Risks	Key Mitigating Actions	Opportunities
<p>Safety, Health & Well-being</p> <ul style="list-style-type: none"> Increased expectations from stakeholders to provide a safe and healthy environment, including well-being, at our assets and operations. 	<ul style="list-style-type: none"> Assessment of health and safety related risks in the evaluation of any new acquisitions. Regularly review Ascendas Reit Group’s mitigation efforts which include work-related safety targets applicable to both Ascendas Reit Group and our supply chains. CLI has a well-established Group health and safety management system which is externally certified to ISO 45001. For more information, please refer to Ascendas Reit’s Integrated Sustainability Report 2021. 	
<p>Cyber Security & Information Technology</p> <ul style="list-style-type: none"> Ongoing business digitalisation exposes the business to IT-related threats, which may result in compromising the confidentiality, integrity and availability of Ascendas Reit Group’s information assets and/or systems. This may have negative impact to customer experience, financials and/or regulatory compliance. 	<ul style="list-style-type: none"> The outsourced Information Technology (IT) team from CLI executes its Cyber Security Strategy through ongoing review against existing / evolving threat landscapes, and institutes measures to minimise vulnerability exposure and manage threat vectors. Ongoing mandatory staff IT Security Awareness Training to counter human intervention in the information security chain. Periodically review and update IT Security Policy and Data Protection Framework to ensure relevancy. Maintain and test IT Security Incident Management Procedure to ensure prompt response and timely remediation to cyber security incidents. Conduct annual Disaster Recovery Plan exercise to ensure timely recoverability of business-critical IT systems. Enhanced protection controls are put in place for Crown Jewel systems (containing confidential and classified data) in which personal data resides. 	<ul style="list-style-type: none"> Building a cyber resilience infrastructure and network enables us to harness the full potential of innovation and digital transformation of our business processes.

Enterprise Risk Management

Material Risks	Key Mitigating Actions	Opportunities
<p>Economic</p> <ul style="list-style-type: none"> Exposure to event risks, such as political leadership uncertainties / changes, trade wars, economic downturns and sudden changes in real estate related regulations in major economies and key markets. 	<ul style="list-style-type: none"> Actively monitor macroeconomic trends, policies and regulatory changes in key markets. Diversify our portfolio across asset classes and geographies in accordance with Board-approved mandates. Focus on markets where the Ascendas Reit Group has operational scale and the underlying economic fundamentals are more robust. 	<ul style="list-style-type: none"> Access investment opportunities in developed markets with stable / robust economic fundamentals to enhance portfolio diversification to withstand unexpected economic shocks.
<p>Financial</p> <ul style="list-style-type: none"> Exposure to financial risks involving liquidity, foreign currency and interest rates and their volatility. 	<ul style="list-style-type: none"> Disciplined approach to financial management and a well-balanced portfolio. Actively monitor Ascendas Reit Group's debt maturity profile, operating cash flows and the availability of funding to ensure that there are sufficient liquid reserves, in the form of cash and banking facilities, to finance Ascendas Reit Group's operations. Access to various sources of funds from both banks and capital markets to minimise over-reliance on single source of funds for any funding or refinancing requirements. Actively review and maintain an optimal mix of fixed and floating rate borrowings. Adopt natural hedging where possible by borrowing in the same currency as the revenue stream generated from our investments; limit certain financial risk exposures using various forms of financial instruments (e.g. interest rate swaps and cross-currency swaps). For more details, please refer to the Financial Risk Management section on page 235. 	<ul style="list-style-type: none"> Managing our financial risks well gives confidence to our stakeholders (e.g. investors, service providers, customers). Increasing our investments in green buildings / assets enables Ascendas Reit to tap on green financial instruments.

Enterprise Risk Management

Material Risks	Key Mitigating Actions	Opportunities
<p>Investment & Divestment</p> <ul style="list-style-type: none"> • Deployment of capital into loss-making or below-target return investments due to wrong underwriting assumptions or poor execution. • Inadequate planning to identify suitable divestment opportunities. 	<ul style="list-style-type: none"> • Evaluate all investments against a rigorous set of investment criteria which includes potential for growth in yield, rental sustainability and potential for value creation. • Board reviews and approves all major investment and divestment decisions. • Conduct rigorous due diligence reviews on all investment and divestment proposals where key financial assumptions are reviewed, and sensitivity analysis are performed on key variables. • Hurdle rates and weighted average cost of capital based on relevant risk adjusted input parameters, used as investment benchmarks are reviewed / updated annually and adjusted accordingly where necessary. • Integrate sustainability in real estate life cycle from the earliest stage of our investment, redevelopment and divestment processes. 	<ul style="list-style-type: none"> • Strong experience and track record in multi-sector asset and portfolio management is our competitive advantage. • Capitalise on growth in segments such as e-commerce, logistics, digitalisation in the new economy.
<p>Regulatory & Compliance</p> <ul style="list-style-type: none"> • Non-compliance to applicable local laws and regulations, including relevant data protection and privacy regulations, in the markets Ascendas Reit Group operates in. 	<ul style="list-style-type: none"> • Maintain a framework that proactively identifies the applicable laws and regulations, and embeds compliance into day-to-day operations. • Leverage in-house specialised teams in CLI such as compliance and tax to provide advisory services and updates on changes to laws and regulations. • CLI establishes group-wide procedures and policies to address the requirements of the applicable data protection and privacy laws through policies such as, Personal Data Protection Policy, Group Data Breach Reporting & Management Policy, Group Vendor Management Policy, Global Omnichannel Marketing Policy, Group Data Governance Policy and PDPA Group Compliance Manual. 	<ul style="list-style-type: none"> • Keeping abreast on the changing regulatory landscape allows us to focus on the potential improvements in the various compliance areas.

Enterprise Risk Management

Material Risks	Key Mitigating Actions	Opportunities
<p>Sales & Leasing</p> <ul style="list-style-type: none"> • Strong competition, poor economic and market conditions, and shifts towards hybrid / flexible work arrangements post-COVID-19 pandemic are some key factors that may result in decline in new take-ups or key tenants not renewing their leases, adversely affecting the leasing performance of Ascendas Reit Group's properties. 	<ul style="list-style-type: none"> • Establish and maintain a diversified tenant base and sustainable trade mix. • Proactive tenant management strategies to understand and address customers' changing needs. • Proactive tenant management strategies in line with the market positioning of the properties are in place. • Maintain positive relationships and rapport with tenants to build loyalty with Ascendas Reit Group's properties. • Plan asset enhancement initiatives (AEIs) to maintain relevance and appeal of Ascendas Reit Group's assets. 	<ul style="list-style-type: none"> • Reposition / convert aging assets to ensure portfolio remains relevant and fit-for-purpose. • "Core and flex" approach to cater to a variety of tenant requirements in a post-pandemic environment.

Report of the Trustee

YEAR ENDED 31 DECEMBER 2021

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Ascendas Real Estate Investment Trust (the "Trust") and its subsidiaries (the "Group") in trust for the Unitholders. In accordance with the Securities and Futures Act, Chapter 289, of Singapore, its subsidiary legislation, and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of Ascendas Funds Management (S) Limited (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed dated 9 October 2002 (as amended and restated)¹ between the Trustee and the Manager (the "Trust Deed") in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Trust during the period covered by these financial statements, set out on pages 160 to 257, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

**For and on behalf of the Trustee,
HSBC Institutional Trust Services (Singapore) Limited**

Authorised Signatory

Singapore
1 March 2022

¹ As amended by the First Supplemental Deed dated 16 January 2004, the Second Supplemental Deed dated 23 February 2004, the Third Supplemental Deed dated 30 September 2004, the Fourth Supplemental Deed dated 17 November 2004, the Fifth Supplemental Deed dated 20 April 2006, the First Amending and Restating Deed dated 11 June 2008, the Seventh Supplemental Deed dated 22 January 2009, the Eighth Supplemental Deed dated 17 September 2009, the Ninth Supplemental Deed dated 31 May 2010, the Tenth Supplemental Deed dated 22 July 2010, the Eleventh Supplemental Deed dated 14 October 2011, the Twelfth Supplemental Deed dated 19 October 2015, the Thirteenth Supplemental Deed dated 26 January 2016, the Second Amending and Restating Deed dated 10 August 2017, the Fifteenth Supplemental Deed dated 20 August 2018, the Sixteenth Supplemental Deed dated 24 July 2019, the Seventeenth Supplemental Deed dated 3 April 2020 and the Eighteenth Supplemental Deed dated 28 November 2020.

Statement by the Manager

YEAR ENDED 31 DECEMBER 2021

In the opinion of the directors of Ascendas Funds Management (S) Limited (the “Manager”), the accompanying financial statements set out on pages 160 to 257 comprising the Statements of Financial Position and Statements of Movements in Unitholders’ Funds of Ascendas Real Estate Investment Trust (the “Trust”) and its subsidiaries (the “Group”), Statement of Total Return, Distribution Statement, Investment Properties Portfolio Statement and Statement of Cash Flows of the Group and Notes to the Financial Statements, including a summary of significant accounting policies, are drawn up so as to present fairly, in all material respects, the financial positions of the Group and the Trust as at 31 December 2021, the financial performance, distributable income, movements in Unitholders’ funds and cash flows of the Group and the movements in Unitholders’ funds of the Trust for the year then ended 31 December 2021, in accordance with the recommendations of *The Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts”* issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

**For and on behalf of the Manager,
Ascendas Funds Management (S) Limited**

William Tay Wee Leong
Director

Singapore
1 March 2022

Independent Auditor's Report

YEAR ENDED 31 DECEMBER 2021

UNITHOLDERS OF ASCENDAS REAL ESTATE INVESTMENT TRUST
(Constituted under a Trust Deed dated 9 October 2002
(as amended and restated) in the Republic of Singapore)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Ascendas Real Estate Investment Trust (the "Trust") and its subsidiaries (the "Group"), which comprise the Statement of Financial Position and Investment Properties Portfolio Statement of the Group and the Statement of Financial Position of the Trust as at 31 December 2021, the Statement of Total Return, Distribution Statement, Statement of Movements in Unitholders' Funds and Statement of Cash Flows of the Group and the Statement of Movements in Unitholders' Funds of the Trust for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 160 to 257.

In our opinion, the accompanying consolidated financial statements of the Group and the Statement of Financial Position and Statement of Movements in Unitholders' Funds of the Trust present fairly, in all material respects, the financial position of the Group and the Trust as at 31 December 2021 and the total return, distributable income, movements in Unitholders' funds and cash flows of the Group and the movements in Unitholders' funds of the Trust for the year then ended in accordance with the recommendations of *The Statement of Recommended Accounting Practice 7 Reporting Framework for Unit Trusts ("RAP 7")* issued by the Institute of Singapore Chartered Accountants.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Independent Auditor's Report

YEAR ENDED 31 DECEMBER 2021

Key Audit Matters (continued)

Valuation of Investment properties and Investment properties under development

The Group owns a portfolio of investment properties and investment properties under development, comprising business and science park properties, integrated development, amenities and retail properties, high-specifications industrial properties, data centres, light industrial properties and flatted factories and logistics and distribution centres, located in Singapore, Australia, the United Kingdom / Europe and the United States. As at 31 December 2021, the investment properties and investment properties under development, with a carrying amount of \$16.5 billion, represent the single largest asset category on the statement of financial position.

The investment properties and investment properties under development are stated at their fair values based on independent external valuations. The valuation process is considered a key audit matter because it involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied coupled with heightened level of estimation uncertainty associated with the market and economic conditions prevailing at the reporting date. As disclosed in Note 29(d), the valuations are highly sensitive to changes in the key assumptions applied, particularly those relating to capitalisation, discount, terminal yield and equivalent yield rates, and price per square metre. Certain external valuers have also highlighted in their valuation reports that COVID-19 pandemic may continue to affect the real estate market, and the valuation of properties should be kept under continuous review.

We assessed the Group's process relating to the selection of the external valuers, the determination of the scope of work of the valuers, and the review of the valuation reports issued by the external valuers. We evaluated the objectivity, independence and competence of the external valuers. We also read the terms of engagement of the valuers entered into with the Group to determine whether there were any matters that might have affected the valuers' objectivity or placed limitations in the scope of their work.

We held discussions with the external valuers to understand the valuation methodologies used in the valuation and compared against those applied by other valuers for similar property types within the Group, including key valuation adjustments made by the external valuers in response to the changes in market and economic conditions brought on by the COVID-19 pandemic. We assessed the reasonableness of the projected cash flows used in the valuations by comparing to supporting leases and external industry and available economic data. We assessed the reasonableness of the capitalisation, discount and terminal yield rates, and price per square metre, used in the valuations by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. We also assessed the overall appropriateness of the movements in fair value of the investment properties and investment properties under development.

We further reviewed the adequacy of the disclosures in Notes 4 and 5 to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report

YEAR ENDED 31 DECEMBER 2021

Responsibilities of the Manager for the Financial Statements

The management of the Manager of the Trust (the "Manager") is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of *The Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants, and for such internal control as the management of the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management of the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management of the Manager either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The responsibilities of the directors of the Manager include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Independent Auditor's Report

YEAR ENDED 31 DECEMBER 2021

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

We communicate with the Audit and Risk Committee of the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Risk Committee of the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit and Risk Committee of the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Christopher Wong.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

1 March 2022

Statements of Financial Position

AS AT 31 DECEMBER 2021

	Note	Group 31/12/2021 \$'000	Group 31/12/2020 \$'000	Trust 31/12/2021 \$'000	Trust 31/12/2020 \$'000
Non-current assets					
Investment properties	4	16,293,725	13,707,692	9,199,500	9,017,200
Investment properties under development	5	246,054	259,782	64,800	223,000
Finance lease receivables	6	41,393	45,050	41,393	45,050
Right-of-use assets	7	604,646	609,956	584,932	609,956
Interests in subsidiaries	8	–	–	4,078,331	2,406,805
Loans to subsidiaries	8	–	–	549,157	288,323
Investment in an associate company	9	35,019	112,240	39,312	105,532
Investment in a joint venture	9	165	195	–	–
Deferred tax asset	15	–	1,484	–	–
Derivative assets	13	53,868	33,893	36,002	33,893
		17,274,870	14,770,292	14,593,427	12,729,759
Current assets					
Finance lease receivables	6	3,657	3,281	3,657	3,281
Trade and other receivables	10	81,581	67,177	29,195	24,657
Derivative assets	13	1,834	4,490	1,834	4,490
Cash and fixed deposits	11	368,549	277,979	109,632	189,795
		455,621	352,927	144,318	222,223
Total assets		17,730,491	15,123,219	14,737,745	12,951,982
Current liabilities					
Trade and other payables	12	385,926	297,635	234,576	224,197
Security deposits		76,582	67,758	69,851	66,772
Derivative liabilities	13	1,516	7,847	1,516	3,648
Short term borrowings	14	626,708	226,430	626,708	226,556
Term loans	14	274,155	–	198,795	–
Medium term notes	14	349,958	194,209	349,958	194,209
Lease liabilities	7	36,656	37,222	36,030	37,222
Provision for taxation		19,825	11,965	1,280	990
		1,771,326	843,066	1,518,714	753,594

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position

AS AT 31 DECEMBER 2021

	Note	Group 31/12/2021 \$'000	Group 31/12/2020 \$'000	Trust 31/12/2021 \$'000	Trust 31/12/2020 \$'000
Non-current liabilities					
Security deposits		103,848	100,327	98,529	94,614
Derivative liabilities	13	58,774	99,187	55,650	94,684
Amount due to a subsidiary		–	–	23,298	25,156
Term loans	14	2,857,904	2,560,701	781,636	744,208
Medium term notes	14	1,975,623	1,700,624	1,975,623	1,700,624
Lease liabilities	7	567,990	572,734	548,902	572,734
Other payables	12	86	86	–	–
Deferred tax liabilities	15	117,772	55,941	–	–
		5,681,997	5,089,600	3,483,638	3,232,020
Total liabilities		7,453,323	5,932,666	5,002,352	3,985,614
Net assets		10,277,168	9,190,553	9,735,393	8,966,368
Represented by:					
Unitholders' funds		9,978,230	8,891,615	9,436,455	8,667,430
Perpetual securities holders' funds	16	298,938	298,938	298,938	298,938
		10,277,168	9,190,553	9,735,393	8,966,368
Units in issue ('000)	17	4,197,930	4,020,843	4,197,930	4,020,843
Net asset value per unit (\$)		2.38	2.21	2.25	2.16

The accompanying notes form an integral part of these financial statements.

Statement of Total Return

YEAR ENDED 31 DECEMBER 2021

	Note	31/12/2021 \$'000	Group 31/12/2020 \$'000
Gross revenue	18	1,226,525	1,049,460
Property operating expenses	19	(305,775)	(273,214)
Net property income		920,750	776,246
Management fees			
– Base management fee	20	(79,287)	(67,065)
– Performance fee	20	(7,394)	–
Trust expenses	21	(14,188)	(10,203)
Finance costs, net	22	(158,880)	(159,489)
Net foreign exchange differences		97	11,152
Remeasurement gain on the acquisition of remaining 75% equity interests in Ascendas Fusion 5 Pte Ltd ("AF5PL")		13,680	–
Gain on disposal of investment properties		23,994	5,390
Net income		698,772	556,031
Net change in fair value of financial derivatives		64,832	(33,625)
Net change in fair value of right-of-use assets	7	(6,642)	(5,438)
Net change in fair value of investment properties and investment properties under development	4 & 5	283,245	(32,322)
Share of associated company's and joint venture's results	9	3,304	9,590
Total return for the year before tax		1,043,511	494,236
Tax expense	23	(86,472)	(37,158)
Total return for the year		957,039	457,078
Attributable to:			
Unitholders and perpetual securities holders		957,039	457,078
Total return for the year		957,039	457,078
Earnings per Unit (cents)			
– Basic and diluted	24	22.968	12.055
Distribution per Unit (cents)	24	15.258	14.688

The accompanying notes form an integral part of these financial statements.

Distribution Statement

YEAR ENDED 31 DECEMBER 2021

	Note	31/12/2021 \$'000	Group 31/12/2020 \$'000
Total amount available for distribution to Unitholders at beginning of the financial year		67,811	127,266
Total return for the year attributable to Unitholders and perpetual securities holders		957,039	457,078
Less: Amount reserved for distribution to perpetual securities holders		(9,000)	(15,142)
Distribution adjustments (Note A)		(492,710)	(11,384)
		455,329 ⁽¹⁾	430,552 ⁽¹⁾
Tax-exempt income		9,766	6,052
Distribution from capital		164,886	101,824
Total amount available for distribution to Unitholders for the year		629,981	538,428
Distribution of 2.030 cents per unit for the period from 14/05/21 to 30/06/21		(84,617)	–
Distribution of 5.630 cents per unit for the period from 01/01/21 to 13/05/21		(226,374)	–
Distribution of 1.678 cents per unit for the period from 19/11/20 to 31/12/20		(67,470)	–
Distribution of 5.740 cents per unit for the period from 01/07/20 to 18/11/20		–	(207,802)
Distribution of 7.270 cents per unit for the period from 01/01/20 to 30/06/20		–	(263,192)
Distribution of 3.507 cents per unit for the period from 01/10/19 to 31/12/19		–	(126,889)
		(378,461)	(597,883)
Total amount available for distribution to Unitholders at end of the financial year		319,331	67,811
Distribution per Unit (cents)	24	15.258	14.688
⁽¹⁾ Comprises:			
– Taxable income		455,329	430,552

The accompanying notes form an integral part of these financial statements.

Distribution Statement

YEAR ENDED 31 DECEMBER 2021

Note A – Distribution adjustments comprise:

	31/12/2021	Group 31/12/2020
	\$'000	\$'000
Amount reserved for distribution to perpetual securities holders	9,000	15,142
Management fee paid / payable in Units	15,873	13,292
Trustee fee	2,570	2,328
Deferred tax expenses	58,229	27,898
Income from subsidiaries, joint venture and associate company	(191,824)	(124,029)
Net change in fair value of financial derivatives	(64,832)	33,625
Net foreign exchange differences	(97)	(11,152)
Gain on disposal of investment properties	(23,994)	(5,390)
Net change in fair value of investment properties and investment properties under development (Note 4)	(283,245)	32,322
Remeasurement gain on the acquisition of remaining 75% equity interests in AF5PL	(13,680)	–
Others	(710)	4,580
Total distribution adjustments	<u>(492,710)</u>	<u>(11,384)</u>

The accompanying notes form an integral part of these financial statements.

Statements of Movements in Unitholders' Funds

YEAR ENDED 31 DECEMBER 2021

	Group		Trust	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
Unitholders' Funds				
Balance at beginning of the financial year	8,891,615	7,810,370	8,667,430	7,727,989
Operations				
Total return for the year attributable to Unitholders	957,039	457,078	638,563	356,752
Less: Amount reserved for distribution to perpetual securities holders	(9,000)	(15,142)	(9,000)	(15,142)
Net increase in net assets resulting from operations	948,039	441,936	629,563	341,610
Movement in foreign currency translation reserve	(886)	41,478	–	–
Unitholders' transactions				
Units issued through equity fund raising	420,003	1,196,490	420,003	1,196,490
Consideration Units	79,997	–	79,997	–
Acquisition fee paid in Units	5,400	–	5,400	–
Divestment fee paid in Units	516	–	516	–
Management fees paid / payable in Units	15,873	13,292	15,873	13,292
Unit issue costs	(3,866)	(14,068)	(3,866)	(14,068)
Distributions to Unitholders	(378,461)	(597,883)	(378,461)	(597,883)
Net increase in net assets resulting from Unitholders' transactions	139,462	597,831	139,462	597,831
Balance at end of the financial year	9,978,230	8,891,615	9,436,455	8,667,430
Perpetual Securities Holders' Funds				
Balance at beginning of the financial year	298,938	300,868	298,938	300,868
Redemption of perpetual securities	–	(300,000)	–	(300,000)
Proceeds from the issuance of perpetual securities	–	300,000	–	300,000
Issue costs	–	(1,635)	–	(1,635)
Amount reserved for distribution to perpetual securities holders	9,000	15,142	9,000	15,142
Distribution to perpetual securities holders	(9,000)	(15,437)	(9,000)	(15,437)
Balance at end of the financial year	298,938	298,938	298,938	298,938
Total	10,277,168	9,190,553	9,735,393	8,966,368

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

AS AT 31 DECEMBER 2021

Description of Property	Acquisition Date	Tenure	Term of Lease	Lease Expiry	Remaining Term of Lease	Location	Carrying Amount		Percentage of Net Assets Attributable to Unitholders	
							31/12/2021	31/12/2020	31/12/2021	31/12/2020
							\$'000	\$'000	%	%
Group										
SINGAPORE										
Business & Science Park Properties										
one-north										
Neuros & Immunus	31 Mar 2011	Leasehold	60 years ^(a)	31 Jan 2065 ^(a)	43 years ^(a)	8/8A Biomedical Grove	143,000	143,000	1.43	1.61
Nexus @one-north	04 Sep 2013	Leasehold	60 years	07 Jun 2071	49 years	1 & 3 Fusionopolis Link	202,800	197,000	2.03	2.22
Nucleos	11 Dec 2019	Leasehold	60 years ^(a)	31 May 2071	49 years	21 Biopolis Road	346,100	318,000	3.47	3.58
Galaxis ⁽ⁱ⁾	30 Jun 2021	Leasehold	60 years	11 July 2072	51 years	1 & 3 Fusionopolis Place	733,600	–	7.35	–
Grab Headquarters ⁽ⁱⁱ⁾	30 Jul 2021	Leasehold	30 years	07 April 2049	27 years	1 & 3 Media Close	191,500	–	1.92	–
International Business Park										
Techquest	05 Oct 2005	Leasehold	60 years ^(a)	15 Jun 2055	33 years	7 International Business Park	24,900	24,100	0.25	0.27
Acer Building	19 Mar 2008	Leasehold	60 years ^(a)	30 Apr 2056 ^(a)	34 years ^(a)	29 International Business Park	79,100	79,100	0.79	0.89
31 International Business Park	26 Jun 2008	Leasehold	60 years ^(a)	15 Dec 2054 ^(a)	33 years ^(a)	31 International Business Park	206,100	204,600	2.07	2.30
Nordic European Centre	08 Jul 2011	Leasehold	60 years ^(a)	31 Mar 2057 ^(a)	35 years ^(a)	3 International Business Park	121,100	120,700	1.21	1.36
Changi Business Park										
17 Changi Business Park Central 1 (formerly Honeywell Building)	19 Nov 2002	Leasehold	60 years ^(a)	15 Dec 2058 ^(a)	37 years ^(a)	17 Changi Business Park Central 1	62,400	68,200	0.63	0.77
1 Changi Business Park Avenue 1	30 Oct 2003	Leasehold	60 years ^(a)	31 Jan 2061 ^(a)	39 years ^(a)	1 Changi Business Park Avenue 1	57,200	57,000	0.57	0.64
Hansapoint	22 Jan 2008	Leasehold	60 years ^(a)	31 Oct 2066 ^(a)	45 years ^(a)	10 Changi Business Park Central 2	112,700	111,700	1.13	1.26
1, 3 & 5 Changi Business Park Crescent	16 Feb 2009, 25 Sep 2009 & 31 Dec 2010	Leasehold	60 years ^(a)	30 Sep 2067 ^(a)	46 years ^(a)	1, 3 & 5 Changi Business Park Crescent	337,800	340,700	3.39	3.83
DBS Asia Hub	31 Mar 2010 & 15 April 2015	Leasehold	60 years ^(a)	30 Sep 2067 ^(a)	46 years ^(a)	2 & 2A Changi Business Park Crescent	206,000	199,100	2.06	2.24
3 Changi Business Park Vista	08 Dec 2011	Leasehold	60 years ^(a)	28 Feb 2061 ^(a)	39 years ^(a)	3 Changi Business Park Vista	70,700	71,300	0.71	0.80
ONE@Changi City	01 Mar 2016	Leasehold	60 years	29 Apr 2069	47 years	1 Changi Business Park Central 1	502,400	502,000	5.04	5.64
Science Park I										
1 Science Park Drive ⁽ⁱⁱⁱ⁾	18 Nov 2005	Leasehold	95.5 years	30 Jun 2080	59 years	1 Science Park Drive	–	90,000	–	1.01
The Rutherford & Oasis	26 Mar 2008	Leasehold	60 years	25 Mar 2068	46 years	87 & 89 Science Park Drive	100,000	100,000	1.00	1.12
Cintech I	29 Mar 2012	Leasehold	56 years	28 Mar 2068	46 years	73 Science Park Drive	58,600	58,600	0.59	0.66
Cintech II	29 Mar 2012	Leasehold	56 years	28 Mar 2068	46 years	75 Science Park Drive	49,000	49,000	0.49	0.55
Cintech III & IV	29 Mar 2012	Leasehold	56 years	28 Mar 2068	46 years	77 & 79 Science Park Drive	125,000	125,000	1.25	1.41
12,14 & 16 Science Park Drive	16 Feb 2017	Leasehold	99 years	30 May 2081	59 years	12, 14 and 16 Science Park Drive	464,000	464,000	4.65	5.22
Balance carried forward – (Business & Science Park Properties)							4,194,000	3,323,100	42.03	37.38

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

AS AT 31 DECEMBER 2021

Description of Property	Acquisition Date	Tenure	Term of Lease	Lease Expiry	Remaining Term of Lease	Location	Carrying Amount		Percentage of Net Assets Attributable to Unitholders	
							31/12/2021	31/12/2020	31/12/2021	31/12/2020
							\$'000	\$'000	%	%
SINGAPORE										
Business & Science Park Properties (continued)										
Balance brought forward – (Business & Science Park Properties)							4,194,000	3,323,100	42.03	37.38
Science Park II										
The Alpha	19 Nov 2002	Leasehold	60 years	18 Nov 2062	41 years	10 Science Park Road	90,000	102,000	0.90	1.15
The Aries, Sparkle & Gemini ⁽ⁱ⁾	19 Nov 2002	Leasehold	60 years	18 Nov 2062	41 years	41, 45 & 51 Science Park Road	214,000	206,300	2.15	2.32
The Capricorn	19 Nov 2002	Leasehold	60 years	18 Nov 2062	41 years	1 Science Park Road	123,000	123,000	1.23	1.38
The Galen	25 Mar 2013	Leasehold	66 years	24 Mar 2079	57 years	61 Science Park Road	150,000	150,000	1.50	1.69
The Kendall	30 Mar 2015	Leasehold	64 years	24 Mar 2079	57 years	50 Science Park Road	134,000	134,000	1.34	1.51
FM Global Centre	11 Dec 2019	Leasehold	99 years	23 Mar 2092	70 years	288 Pasir Panjang Road	98,300	98,300	0.99	1.11
Total Singapore Business & Science Park Properties							5,003,300	4,136,700	50.14	46.54
Integrated Development, Amenities & Retail Properties										
Courts Megastore	30 Nov 2006	Leasehold	30 years	31 Dec 2035	14 years	50 Tampines North Drive 2	59,600	62,000	0.60	0.70
Giant Hypermart	06 Feb 2007	Leasehold	30 years	31 Dec 2035	14 years	21 Tampines North Drive 2	75,200	79,500	0.75	0.89
Aperia	08 Aug 2014	Leasehold	60 years	21 Feb 2072	50 years	8, 10 & 12 Kallang Avenue	580,000	584,000	5.81	6.57
Total Singapore Integrated Development, Amenities & Retail Properties							714,800	725,500	7.16	8.16
Data Centres										
Telepark	02 Mar 2005	Leasehold	99 years	01 Apr 2091	69 years	5 Tampines Central 6	272,500	272,400	2.73	3.06
Kim Chuan Telecommunications Complex	02 Mar 2005	Leasehold	99 years	30 Mar 2091	69 years	38 Kim Chuan Road	149,900	146,300	1.50	1.65
38A Kim Chuan Road	11 Dec 2009	Leasehold	99 years	30 Mar 2091	69 years	38A Kim Chuan Road	129,800	127,800	1.30	1.44
Total Singapore Data Centres							552,200	546,500	5.53	6.15
High-Specifications Industrial Properties										
Technik	19 Nov 2002	Leasehold	60 years	24 Sep 2053	32 years	31 Kaki Bukit Road 3	127,000	127,000	1.27	1.43
Siemens Centre	12 Mar 2004	Leasehold	60 years ^(a)	15 Dec 2061 ^(a)	40 years ^(a)	60 MacPherson Road	108,700	108,700	1.09	1.22
Infinion Building	01 Dec 2004	Leasehold	47 years ^(c)	30 Jun 2050 ^(c)	29 years ^(c)	8 Kallang Sector	93,200	90,600	0.93	1.02
Techpoint	01 Dec 2004	Leasehold	65 years	31 Mar 2052	30 years	10 Ang Mo Kio Street 65	150,500	150,200	1.51	1.69
KA Centre	02 Mar 2005	Leasehold	99 years	31 May 2058	36 years	150 Kampong Ampat	52,600	52,600	0.53	0.59
KA Place	02 Mar 2005	Leasehold	99 years	31 May 2058	36 years	159 Kampong Ampat	22,700	22,700	0.23	0.26
Pacific Tech Centre	01 Jul 2005	Leasehold	99 years	31 Dec 2061	40 years	1 Jalan Kilang Timor	88,500	90,900	0.89	1.02
Techview	05 Oct 2005	Leasehold	60 years	08 Jul 2056	35 years	1 Kaki Bukit View	166,900	159,800	1.67	1.80
1 Jalan Kilang	27 Oct 2005	Leasehold	99 years	31 Dec 2061	40 years	1 Jalan Kilang	24,300	24,100	0.24	0.27
30 Tampines Industrial Avenue 3	15 Nov 2005	Leasehold	60 years ^(a)	31 Dec 2063 ^(a)	42 years ^(a)	30 Tampines Industrial Avenue 3	33,400	37,000	0.33	0.42
138 Depot Road	15 Mar 2006	Leasehold	60 years ^(a)	30 Nov 2064 ^(a)	43 years ^(a)	138 Depot Road	75,300	68,700	0.76	0.77
2 Changi South Lane	01 Feb 2007	Leasehold	60 years ^(a)	15 Oct 2057 ^(a)	36 years ^(a)	2 Changi South Lane	38,200	38,300	0.38	0.43
Balance carried forward – (High-Specifications Industrial Properties)							981,300	970,600	9.83	10.92

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

AS AT 31 DECEMBER 2021

Description of Property	Acquisition Date	Tenure	Term of Lease	Lease Expiry	Remaining Term of Lease	Location	Carrying Amount		Percentage of Net Assets Attributable to Unitholders	
							31/12/2021	31/12/2020	31/12/2021	31/12/2020
							\$'000	\$'000	%	%
SINGAPORE										
High-Specifications Industrial Properties (continued)										
Balance brought forward – (High-Specifications Industrial Properties)							981,300	970,600	9.83	10.92
CGG Veritas Hub	25 Mar 2008	Leasehold	60 years ^(a)	31 Dec 2066 ^(a)	45 years ^(a)	9 Serangoon North Avenue 5	15,300	15,700	0.15	0.18
Corporation Place	08 Dec 2011	Leasehold	60 years	30 Sep 2050	29 years	2 Corporation Road	124,500	120,000	1.25	1.35
31 Ubi Road 1	21 Feb 2006	Leasehold	60 years ^(a)	28 Feb 2050 ^(a)	28 years ^(a)	31 Ubi Road 1	30,000	28,800	0.30	0.32
80 Bendemeer Road	30 Jun 2014	Leasehold	58.9 years	30 Dec 2068	47 years	80 Bendemeer Road	212,300	212,300	2.13	2.39
Schneider Electric Building	27 Feb 2006	Leasehold	60 years	15 Nov 2055	34 years	50 Kallang Avenue	91,500	91,500	0.92	1.03
10 Toh Guan Road	05 Mar 2004	Leasehold	60 years ^(a)	14 Oct 2055 ^(a)	34 years ^(a)	10 Toh Guan Road	119,200	123,500	1.20	1.39
Total Singapore High-Specifications Industrial Properties							1,574,100	1,562,400	15.78	17.58
Light Industrial Properties & Flatted Factories										
Flatted Factories										
Techplace I	19 Nov 2002	Leasehold	65 years	31 Mar 2052	30 years	Blk 4008-4012 Ang Mo Kio Avenue 10	143,400	142,000	1.44	1.60
Techplace II	19 Nov 2002	Leasehold	65 years	31 Mar 2052	30 years	Blk 5000-5004, 5008-5014 Ang Mo Kio Avenue 5	190,000	188,900	1.90	2.12
Light Industrial Properties										
OSIM Headquarters	20 Jun 2003	Leasehold	60 years	09 Mar 2057	35 years	65 Ubi Avenue 1	39,000	39,100	0.39	0.44
12 Woodlands Loop	29 Jul 2004	Leasehold	60 years ^(a)	15 Jan 2056 ^(a)	34 years ^(a)	12 Woodlands Loop	28,600	28,600	0.29	0.32
247 Alexandra Road	01 Dec 2004	Leasehold	99 years	25 Sep 2051	30 years	247 Alexandra Road	71,100	71,000	0.71	0.80
5 Tai Seng Drive	01 Dec 2004	Leasehold	60 years	30 Nov 2049	28 years	5 Tai Seng Drive	21,000	20,800	0.21	0.23
35 Tampines Street 92	01 Dec 2004	Leasehold	60 years ^(a)	31 Jan 2052 ^(a)	30 years ^(a)	35 Tampines Street 92	12,700	12,600	0.13	0.14
53 Serangoon North Avenue 4	27 Dec 2004	Leasehold	60 years ^(a)	30 Nov 2055 ^(a)	34 years ^(a)	53 Serangoon North Avenue 4	21,000	20,500	0.21	0.23
3 Tai Seng Drive	01 Apr 2005	Leasehold	60 years	30 Nov 2049	28 years	3 Tai Seng Drive	18,800	18,600	0.19	0.21
52 Serangoon North Avenue 4	04 Apr 2005	Leasehold	60 years ^(a)	15 Sep 2055 ^(a)	34 years ^(a)	52 Serangoon North Avenue 4	22,800	22,550	0.23	0.25
Tampines Biz-Hub	05 Oct 2005	Leasehold	60 years ^(a)	30 Nov 2049 ^(a)	28 years ^(a)	11 Tampines Street 92	20,500	20,400	0.21	0.23
Hoya Building	05 Oct 2005	Leasehold	30 years	15 May 2033	11 years	455A Jalan Ahmad Ibrahim	8,500	8,500	0.08	0.10
37A Tampines Street 92	01 Dec 2005	Leasehold	60 years ^(a)	31 Aug 2054 ^(a)	33 years ^(a)	37A Tampines Street 92	21,000	20,800	0.21	0.23
Hamilton Sundstrand Building	09 Dec 2005	Leasehold	60 years ^(a)	28 Feb 2065 ^(a)	43 years ^(a)	11 Changi North Rise	42,600	42,600	0.43	0.48
Thales Building (I&II)	03 Jan 2006 & 20 Mar 2008	Leasehold	42 years ^(f)	30 Jun 2047 ^(f)	26 years ^(f)	21 Changi North Rise	12,900	12,900	0.13	0.15
Balance carried forward – (Light Industrial Properties & Flatted Factories)							673,900	669,850	6.76	7.53

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

AS AT 31 DECEMBER 2021

Description of Property	Acquisition Date	Tenure	Term of Lease	Lease Expiry	Remaining Term of Lease	Location	Carrying Amount		Percentage of Net Assets Attributable to Unitholders	
							31/12/2021	31/12/2020	31/12/2021	31/12/2020
							\$'000	\$'000	%	%
SINGAPORE										
<i>Light Industrial Properties & Flatted Factories</i> (continued)										
Balance brought forward – (Light Industrial Properties & Flatted Factories)							673,900	669,850	6.76	7.53
Light Industrial Properties (continued)										
Ubi Biz-Hub	27 Mar 2006	Leasehold	60 years ^(a)	30 Jun 2056 ^(a)	35 years ^(a)	150 Ubi Avenue 4	18,600	18,400	0.19	0.21
2 Senoko South Road	08 Jan 2007	Leasehold	60 years ^(a)	31 May 2056 ^(a)	34 years ^(a)	2 Senoko South Road	40,200	40,100	0.40	0.45
18 Woodlands Loop	01 Feb 2007	Leasehold	60 years ^(a)	15 Feb 2057 ^(a)	35 years ^(a)	18 Woodlands Loop	33,000	32,800	0.33	0.37
9 Woodlands Terrace	01 Feb 2007	Leasehold	60 years ^(a)	31 Dec 2054 ^(a)	33 years ^(a)	9 Woodlands Terrace	5,200	3,600	0.05	0.04
11 Woodlands Terrace	01 Feb 2007	Leasehold	60 years ^(a)	15 Jan 2056 ^(a)	34 years ^(a)	11 Woodlands Terrace	4,650	4,650	0.05	0.05
FoodAxis @ Senoko	15 May 2007	Leasehold	60 years ^(a)	15 Nov 2044 ^(a)	23 years ^(a)	1 Senoko Avenue	93,000	92,700	0.93	1.04
31 Joo Koon Circle	30 Mar 2010	Leasehold	60 years ^(a)	15 Aug 2055 ^(a)	34 years ^(a)	31 Joo Koon Circle	33,300	17,000	0.33	0.19
Total Singapore Light Industrial Properties & Flatted Factories							901,850	879,100	9.04	9.88
Logistics & Distribution Centres										
20 Tuas Avenue 1	19 Feb 2004	Leasehold	58 years ^(b)	31 Aug 2056 ^(b)	35 years ^(b)	20 Tuas Avenue 1	88,300	88,300	0.88	0.99
LogisTech	04 Mar 2004	Leasehold	60 years	15 Nov 2056	35 years	3 Changi North Street 2	63,100	57,000	0.63	0.64
Changi Logistics Centre	09 Mar 2004	Leasehold	60 years ^(a)	15 Oct 2050 ^(a)	29 years ^(a)	19 Loyang Way	73,400	60,100	0.74	0.68
4 Changi South Lane	31 May 2004	Leasehold	60 years ^(a)	15 Oct 2057 ^(a)	36 years ^(a)	4 Changi South Lane	26,600	25,600	0.27	0.29
40 Penjuru Lane	21 Jul 2004	Leasehold	48 years ^(d)	31 Dec 2049 ^(d)	28 years ^(d)	40 Penjuru Lane	231,300	237,000	2.32	2.66
Xilin Districentre A & B	02 Dec 2004	Leasehold	60 years ^(a)	31 May 2054 ^(a)	32 years ^(a)	3 Changi South Street 2	37,900	34,300	0.38	0.39
20 Tuas Avenue 6	02 Dec 2004	Leasehold	60 years ^(a)	15 Jul 2050 ^(a)	29 years ^(a)	20 Tuas Avenue 6	7,900	7,600	0.08	0.09
Xilin Districentre D	09 Dec 2004	Leasehold	60 years ^(a)	31 Oct 2055 ^(a)	34 years ^(a)	6 Changi South Street 2	29,500	24,800	0.30	0.28
9 Changi South Street 3	28 Dec 2004	Leasehold	60 years ^(a)	30 Apr 2055 ^(a)	33 years ^(a)	9 Changi South Street 3	45,300	44,900	0.45	0.50
5 Toh Guan Road East	28 Dec 2004	Leasehold	60 years ^(a)	15 Dec 2049 ^(a)	28 years ^(a)	5 Toh Guan Road East	29,100	28,000	0.30	0.31
Xilin Districentre C	05 May 2005	Leasehold	60 years ^(a)	30 Sep 2054 ^(a)	33 years ^(a)	7 Changi South Street 2	29,400	29,000	0.29	0.33
19 & 21 Pandan Avenue	23 Sep 2005 & 01 Feb 2008	Leasehold	45 years ^(e)	31 Jan 2049 ^(e)	27 years ^(e)	19 & 21 Pandan Avenue	124,000	126,800	1.24	1.43
1 Changi South Lane	05 Oct 2005	Leasehold	60 years	31 Aug 2058	37 years	1 Changi South Lane	34,400	32,900	0.35	0.37
Logis Hub @ Clementi	05 Oct 2005	Leasehold	60 years ^(a)	15 May 2053 ^(a)	31 years ^(a)	2 Clementi Loop	27,000	23,000	0.27	0.26
11 Changi North Way ^(v)	18 Nov 2005	Leasehold	60 years ^(a)	15 Nov 2063 ^(a)	42 years ^(a)	11 Changi North Way	–	15,000	–	0.17
21 Jalan Buroh	14 Jun 2006	Leasehold	58 years ^(a)	30 Sep 2055 ^(a)	34 years ^(a)	21 Jalan Buroh	63,100	67,000	0.63	0.75
21 Changi South Avenue 2	19 Mar 2008	Leasehold	60 years ^(a)	30 Sep 2054 ^(a)	33 years ^(a)	21 Changi South Avenue 2	22,000	20,600	0.22	0.23
15 Changi North Way	29 Jul 2008	Leasehold	60 years ^(a)	31 Dec 2066 ^(a)	45 years ^(a)	15 Changi North Way	47,100	45,100	0.47	0.51
Pioneer Hub	12 Aug 2008	Leasehold	30 years	30 Nov 2036	15 years	15 Pioneer Walk	122,000	119,000	1.22	1.34
71 Alps Avenue	02 Sep 2009	Leasehold	60 years ^(a)	14 Aug 2068 ^(a)	47 years ^(a)	71 Alps Avenue	23,750	23,700	0.24	0.27
90 Alps Avenue	20 Jan 2012	Leasehold	60 years ^(a)	22 Oct 2070 ^(a)	49 years ^(a)	90 Alps Avenue	61,700	57,300	0.62	0.64
Total Singapore Logistics & Distribution Centres							1,186,850	1,167,000	11.90	13.13
Total Singapore investment properties							9,933,100	9,017,200	99.55	101.42

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

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							31/12/2021	31/12/2020	31/12/2021	31/12/2020
							\$'000	\$'000	%	%
AUSTRALIA										
Logistics & Distribution Centres										
Logistics & Distribution Centres (Sydney, New South Wales)										
484 – 490 Great Western Highway ^	23 Oct 2015	Freehold	Freehold	–	–	484-490 Great Western Highway, Arndell Park	32,809	24,893	0.33	0.28
494 – 500 Great Western Highway ^	23 Oct 2015	Freehold	Freehold	–	–	494-500 Great Western Highway, Arndell Park	61,641	47,776	0.62	0.54
1A & 1B Raffles Glade ^	18 Nov 2015	Freehold	Freehold	–	–	1A & 1B Raffles Glade, Eastern Creek	61,343	49,002	0.62	0.55
7 Grevillea Street ^	18 Nov 2015	Freehold	Freehold	–	–	7 Grevillea Street, Eastern Creek	164,045	131,777	1.64	1.48
5 Eucalyptus Place ^	18 Nov 2015	Freehold	Freehold	–	–	5 Eucalyptus Place, Eastern Creek	37,581	32,341	0.38	0.36
16 Kangaroo Avenue ^	18 Nov 2015	Freehold	Freehold	–	–	16 Kangaroo Avenue, Eastern Creek	54,930	45,571	0.55	0.51
1-15 Kellet Close ^	18 Nov 2015	Freehold	Freehold	–	–	1-15 Kellet Close, Erskine Park	74,814	57,528	0.75	0.65
94 Lenore Drive ^	18 Nov 2015	Freehold	Freehold	–	–	94 Lenore Drive, Erskine Park	64,624	50,521	0.65	0.57
1 Distribution Place ^	18 Nov 2015	Freehold	Freehold	–	–	1 Distribution Place, Seven Hills	41,160	28,666	0.41	0.32
6-20 Clunies Ross Street	22 Feb 2016	Freehold	Freehold	–	–	6-20 Clunies Ross Street, Pemulway	98,924	87,223	0.99	0.98
Logistics & Distribution Centres (Melbourne, Victoria)										
676-698 Kororoit Creek Road ^	23 Oct 2015	Freehold	Freehold	–	–	676-698 Kororoit Creek Road, Altona North	85,999	68,113	0.86	0.77
700-718 Kororoit Creek Road ^	23 Oct 2015	Freehold	Freehold	–	–	700-718 Kororoit Creek Road, Altona North	47,225	37,241	0.47	0.42
14-28 Ordish Road ^	18 Nov 2015	Freehold	Freehold	–	–	14-28 Ordish Road, Dandenong South	55,179	46,551	0.55	0.52
35-61 South Park Drive ^	18 Nov 2015	Freehold	Freehold	–	–	35-61 South Park Drive, Dandenong South	62,138	46,551	0.62	0.52
2-16 Aylesbury Drive ^	18 Nov 2015	Freehold	Freehold	–	–	2-16 Aylesbury Drive, Altona	30,821	23,276	0.31	0.26
81-89 Drake Boulevard ^	18 Nov 2015	Freehold	Freehold	–	–	81-89 Drake Boulevard, Altona	25,849	19,111	0.26	0.21
9 Andretti Court ^	18 Nov 2015	Freehold	Freehold	–	–	9 Andretti Court, Truganina	39,271	31,851	0.39	0.36
31 Permas Way ^	18 Nov 2015	Freehold	Freehold	–	–	31 Permas Way, Truganina	87,988	68,602	0.88	0.77
162 Australis Drive ^	18 Nov 2015	Freehold	Freehold	–	–	162 Australis Drive, Derrimut	33,803	27,441	0.34	0.31
52 Fox Drive	03 April 2017	Freehold	Freehold	–	–	52 Fox Drive, Dandenong South	38,277	29,205	0.38	0.33
169-177 Australis Drive	04 June 2018	Freehold	Freehold	–	–	169 -177 Australis Drive, Derrimut	52,196	36,261	0.52	0.41
1314 Ferntree Gully Road ^(vi)	26 June 2018	Freehold	Freehold	–	–	1314 Ferntree Gully Road, Scoresby	–	16,268	–	0.18
Balance carried forward – (Logistics & Distribution Centres)							1,250,617	1,005,769	12.52	11.30

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							31/12/2021	31/12/2020	31/12/2021	31/12/2020
							\$'000	\$'000	%	%
AUSTRALIA										
Logistics & Distribution Centres (continued)										
Balance brought forward – (Logistics & Distribution Centres)							1,250,617	1,005,769	12.52	11.30
Logistics & Distribution Centres (Brisbane, Queensland)										
62 Sandstone Place ^	23 Oct 2015	Freehold	Freehold	–	–	62 Sandstone Place, Parkinson	20,630	22,541	0.21	0.25
92 Sandstone Place ^	23 Oct 2015	Freehold	Freehold	–	–	92 Sandstone Place, Parkinson	19,238	17,886	0.19	0.20
62 Stradbroke Street ^(vii)	23 Oct 2015	Freehold	Freehold	–	–	62 Stradbroke Street, Heathwood	–	36,751	–	0.41
82 Noosa Street ^(viii)	23 Oct 2015	Freehold	Freehold	–	–	82 Noosa Street, Heathwood	–	51,942	–	0.58
95 Gilmore Road ^	23 Oct 2015	Freehold	Freehold	–	–	95 Gilmore Road, Berrinba	85,502	82,811	0.86	0.93
77 Logistics Place ^	18 Nov 2015	Freehold	Freehold	–	–	77 Logistics Place, Larapinta	25,849	24,991	0.26	0.28
99 Radius Drive ^	18 Nov 2015	Freehold	Freehold	–	–	99 Radius Drive, Larapinta	27,838	26,951	0.28	0.30
1-7 Wayne Goss Drive	07 Sep 2018	Freehold	Freehold	–	–	1-7 Wayne Goss Drive, Berrinba	33,803	31,851	0.34	0.36
Cargo Business Park	17 Sep 2018	Freehold	Freehold	–	–	56 Lavarack Ave, Eagle Farm	35,295	31,851	0.36	0.36
Logistics & Distribution Centres (Perth, Western Australia)										
35 Baile Road ^	23 Oct 2015	Freehold	Freehold	–	–	35 Baile Road, Canning Vale	48,716	39,691	0.49	0.45
Total Australia Logistics & Distribution Centres							1,547,488	1,373,035	15.51	15.42
Suburban Offices										
Suburban Offices (Sydney, New South Wales)										
197-201 Coward Street	09 Sep 2016	Freehold	Freehold	–	–	197-201 Coward Street, Mascot	178,958	174,446	1.79	1.99
1-5 Thomas Holt Drive ^(viii)	13 Jan 2021	Freehold	Freehold	–	–	1-5 Thomas Holt Drive, Macquarie Park	298,263	–	2.99	–
Suburban Offices (Brisbane, Queensland)										
100 Wickham Street	25 Sep 2017	Freehold	Freehold	–	–	100 Wickham Street, Fortitude Valley	80,530	75,951	0.81	0.85
108 Wickham Street	22 Dec 2017	Freehold	Freehold	–	–	108 Wickham Street, Fortitude Valley	99,918	98,003	1.00	1.10
Suburban Offices (Melbourne, Victoria)										
254 Wellington Road	11 Sep 2020	Freehold	Freehold	–	–	254 Wellington Road, Mulgrave	113,837	102,903	1.14	1.16
Total Australia Suburban Offices							771,506	451,303	7.73	5.10
Total Australia investment properties							2,318,994	1,824,338	23.24	20.52

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Investment Properties Portfolio Statement

AS AT 31 DECEMBER 2021

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							31/12/2021	31/12/2020	31/12/2021	31/12/2020
							\$'000	\$'000	%	%
UNITED KINGDOM / EUROPE										
Logistics & Distribution Centres										
Logistics & Distribution Centres (East England, United Kingdom)										
Market Garden Road	16 Aug 2018	Freehold	Freehold	–	–	Market Garden Road, Stratton Business Park, Biggleswade	44,203	38,088	0.44	0.43
Logistics & Distribution Centres (East Midlands, United Kingdom)										
Common Road	16 Aug 2018	Freehold	Freehold	–	–	Common Road, Fullwood Industrial Estate, Huthwaite, Sutton-in-Ashfield	38,031	37,066	0.38	0.42
Units 1-5, Export Drive	16 Aug 2018	Freehold	Freehold	–	–	Units 1-5, Export Drive, Huthwaite, Sutton-in-Ashfield	3,177	2,516	0.03	0.03
Logistics & Distribution Centres (North West England, United Kingdom)										
Astmoor Road	16 Aug 2018	Freehold	Freehold	–	–	Astmoor Road, Astmoor Industrial Estate, Runcorn	48,650	45,510	0.49	0.51
Transpennine 200	16 Aug 2018	Freehold	Freehold	–	–	Transpennine 200, Pilsworth Road, Heywood, Greater Manchester	10,892	11,822	0.11	0.13
Leacroft Road	04 Oct 2018	Freehold	Freehold	–	–	Leacroft Road, Birchwood, Warrington	15,702	13,422	0.16	0.15
Hawleys Lane ^(ix)	04 Oct 2018	965 years	Leasehold	22 Nov 2962	941 years	Hawleys Lane, Warrington	41,752	38,666	0.42	0.43
8 Leacroft Road	04 Oct 2018	Freehold	Freehold	–	–	8 Leacroft Road, Birchwood, Warrington	13,070	11,200	0.13	0.13
Logistics & Distribution Centres (South East England, United Kingdom)										
Howard House ^(ix)	16 Aug 2018	999 years	Leasehold	28 Nov 3004	983 years	Howard House, Howard Way, Interchange Park, Newport Pagnell	56,456	51,821	0.57	0.58
Units 1-2, Tower Lane	16 Aug 2018	Freehold	Freehold	–	–	Units 1-2, Tower Lane, Stoke Park, Tower Industrial Estate, Eastleigh	22,011	20,444	0.22	0.23
Lodge Road	04 Oct 2018	Freehold	Freehold	–	–	Lodge Road, Staplehurst, Kent	25,124	23,911	0.25	0.27
Logistics & Distribution Centres (West Midlands, United Kingdom)										
Eastern Avenue	16 Aug 2018	Freehold	Freehold	–	–	Eastern Avenue, Derby Road, Burton-on-Trent	28,228	25,333	0.28	0.28
Vernon Road	16 Aug 2018	Freehold	Freehold	–	–	Vernon Road, Stoke-on-Trent	29,045	27,733	0.29	0.31
1 Sun Street	04 Oct 2018	Freehold	Freehold	–	–	1 Sun Street, Wolverhampton	39,574	37,084	0.40	0.42
The Triangle	04 Oct 2018	Freehold	Freehold	–	–	The Triangle, North View, Walsgrave, Coventry	36,760	40,888	0.37	0.46
Unit 103, Stonebridge Cross Business Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 103, Pointon Way, Stonebridge Cross Business Park, Droitwich	2,442	2,222	0.02	0.02
Unit 302, Stonebridge Cross Business Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 302, Pointon Way, Stonebridge Cross Business Park, Droitwich	41,316	36,799	0.41	0.41
Unit 401, Stonebridge Cross Business Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 401, Pointon Way, Stonebridge Cross Business Park, Droitwich	12,253	9,822	0.12	0.11
Balance carried forward – (Logistics & Distribution Centres)							508,686	474,347	5.09	5.32

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							31/12/2021	31/12/2020	31/12/2021	31/12/2020
							\$'000	\$'000	%	%
UNITED KINGDOM / EUROPE										
Balance brought forward – (Logistics & Distribution Centres)							508,686	474,347	5.09	5.32
<i>Logistics & Distribution Centres (continued)</i>										
Logistics & Distribution Centres (West Midlands, United Kingdom) (continued)										
Unit 402, Stonebridge Cross Business Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 402, Pointon Way, Stonebridge Cross Business Park, Droitwich	9,349	8,427	0.09	0.09
Unit 404, Stonebridge Cross Business Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 404, Pointon Way, Stonebridge Cross Business Park, Droitwich	10,565	7,911	0.11	0.09
Unit 1, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 1, Wellesbourne Distribution Park, Wellesbourne, Warwick	49,104	45,688	0.49	0.51
Unit 2, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 2, Wellesbourne Distribution Park, Wellesbourne, Warwick	31,223	29,155	0.31	0.33
Unit 3, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 3, Wellesbourne Distribution Park, Wellesbourne, Warwick	44,203	40,284	0.44	0.45
Unit 4, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 4, Wellesbourne Distribution Park, Wellesbourne, Warwick	11,981	10,311	0.12	0.12
Unit 5, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 5, Wellesbourne Distribution Park, Wellesbourne, Warwick	15,702	10,667	0.16	0.12
Unit 8, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 8, Wellesbourne Distribution Park, Wellesbourne, Warwick	23,145	21,333	0.23	0.24
Unit 13, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 13, Wellesbourne Distribution Park, Wellesbourne, Warwick	8,623	7,733	0.09	0.09
Unit 14, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 14, Wellesbourne Distribution Park, Wellesbourne, Warwick	17,336	16,444	0.17	0.18
Unit 16, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 16, Wellesbourne Distribution Park, Wellesbourne, Warwick	3,404	3,244	0.04	0.04
Unit 17, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 17, Wellesbourne Distribution Park, Wellesbourne, Warwick	2,088	1,973	0.02	0.02
Unit 18, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 18, Wellesbourne Distribution Park, Wellesbourne, Warwick	1,906	1,600	0.02	0.02
Balance carried forward – (Logistics & Distribution Centres)							737,315	679,117	7.38	7.62

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							31/12/2021	31/12/2020	31/12/2021	31/12/2020
							\$'000	\$'000	%	%
UNITED KINGDOM / EUROPE										
Balance brought forward – (Logistics & Distribution Centres)							737,315	679,117	7.38	7.62
<i>Logistics & Distribution Centres</i> (continued)										
Logistics & Distribution Centres (West Midlands, United Kingdom) (continued)										
Unit 19, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 19, Wellesbourne Distribution Park, Wellesbourne, Warwick	1,815	1,778	0.02	0.02
Unit 20, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 20, Wellesbourne Distribution Park, Wellesbourne, Warwick	5,128	4,711	0.05	0.05
Unit 21, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 21, Wellesbourne Distribution Park, Wellesbourne, Warwick	6,898	6,400	0.07	0.07
Logistics & Distribution Centres (Yorkshire and the Humber, United Kingdom)										
12 Park Farm Road	16 Aug 2018	Freehold	Freehold	–	–	12 Park Farm Road, Foxhills Industrial Estate, Scunthorpe	21,239	18,312	0.21	0.21
Units 1a, 1b, 2 & 3, Upwell Street	16 Aug 2018	Freehold	Freehold	–	–	Units 1a, 1b, 2 & 3, Upwell Street, Victory Park, Sheffield	38,575	30,755	0.39	0.35
Unit 3, Brookfields Way	16 Aug 2018	Freehold	Freehold	–	–	Unit 3, Brookfields Way, Rotherham	28,682	24,800	0.29	0.28
Lowfields Way	04 Oct 2018	Freehold	Freehold	–	–	Lowfields Way, Lowfields Business Park, Elland, Yorkshire	18,969	16,355	0.19	0.18
Total United Kingdom / Europe Logistics & Distribution Centres							858,621	782,228	8.60	8.78
Data Centres										
Data Centres (London, United Kingdom)										
Welwyn Garden City ^(a)	17 Mar 2021	Freehold	Freehold	–	–	Hertfordshire Data Centre, Mundellst, Welwyn Garden City	113,275	–	1.14	–
Croydon ^(a)	17 Mar 2021	Freehold	Freehold	–	–	Unit B, Beddington Lane, Croydon	247,062	–	2.48	–
Balance carried forward – (Data Centres)							360,337	–	3.62	–

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

AS AT 31 DECEMBER 2021

Description of Property	Acquisition Date	Tenure	Term of Lease	Lease Expiry	Remaining Term of Lease	Location	Carrying Amount		Percentage of Net Assets Attributable to Unitholders	
							31/12/2021	31/12/2020	31/12/2021	31/12/2020
							\$'000	\$'000	%	%
UNITED KINGDOM / EUROPE										
Balance brought forward – (Data Centres)							360,337	–	3.62	–
<i>Data Centres (continued)</i>										
Data Centres (London, United Kingdom) (continued)										
Cressex Business Park ^(x1)	17 Mar 2021	Freehold	Freehold	–	–	Cressex Business Park, 1 Coronation Road, High Wycombe	69,526	–	0.70	–
Data Centres (Manchester, United Kingdom)										
Reynolds House ^(x1)	17 Mar 2021	Leasehold	125 years	24 May 2125	103 years	Plot C1, Birley Fields, Hulme, Manchester	28,137	–	0.28	–
Data Centres (Amsterdam, The Netherlands)										
Paul van Vlissingenstraat ^(x1)	17 Mar 2021	Leasehold	50 years ^(h)	15 April 2054 ^(h)	32 years ^(h)	Paul van Vlissingenstraat 16 and Johann Siegerstraat 9, Amsterdam	89,226	–	0.89	–
Gyroscopweg ^(x1)	17 Mar 2021	Leasehold	50 years ⁽ⁱ⁾	01 Jan 2042 ⁽ⁱ⁾	20 years ⁽ⁱ⁾	Gyroscopweg 2E and 2F, Amsterdam	29,383	–	0.29	–
Cateringweg ^(x1)	17 Mar 2021	Leasehold	50 years ^(j)	18 Dec 2059 ^(j)	38 years ^(j)	Cateringweg 5, Schiphol	108,763	–	1.09	–
Data Centres (Paris, France)										
Montigny-le-Bretonneux ^(x1)	17 Mar 2021	Freehold	Freehold	–	–	1 Rue Jean Pierre Timbaud, Montigny le Bretonneux	113,994	–	1.14	–
Saclay ^(x1)	17 Mar 2021	Freehold	Freehold	–	–	Route de Bievres and Route Nationale 306, Saclay	18,461	–	0.19	–
Bievres ^(x1)	17 Mar 2021	Freehold	Freehold	–	–	127 Rue de Paris, Bievres	41,998	–	0.42	–
Data Centres (Geneva, Switzerland)										
Chemin de L'Epinglier ^(x1)	17 Mar 2021	Leasehold	90 years ^(k)	01 Jul 2074 ^(k)	53 years ^(k)	Chemin de L'Epinglier 2, Satiny	41,690	–	0.42	–
Total United Kingdom / Europe Data Centres							901,515	–	9.04	–
Total United Kingdom / Europe investment properties							1,760,136	782,228	17.64	8.78

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

AS AT 31 DECEMBER 2021

Description of Property	Acquisition Date	Tenure	Term of Lease	Lease Expiry	Remaining Term of Lease	Location	Carrying Amount		Percentage of Net Assets Attributable to Unitholders	
							31/12/2021	31/12/2020	31/12/2021	31/12/2020
							\$'000	\$'000	%	%
UNITED STATES										
Business Park (San Diego, California)										
5005 & 5010 Wateridge	11 Dec 2019	Freehold	Freehold	-	-	5005 & 5010 Wateridge Vista Drive, San Diego	116,248	112,412	1.17	1.26
6055 Lusk Boulevard	11 Dec 2019	Freehold	Freehold	-	-	6055 Lusk Boulevard, San Diego	50,884	53,106	0.51	0.60
10020 Pacific Mesa Boulevard	11 Dec 2019	Freehold	Freehold	-	-	10020 Pacific Mesa Boulevard, San Diego	189,462	181,961	1.90	2.05
15051 Avenue of Science	11 Dec 2019	Freehold	Freehold	-	-	15051 Avenue of Science, San Diego	35,862	35,718	0.36	0.40
15073 Avenue of Science	11 Dec 2019	Freehold	Freehold	-	-	15073 Avenue of Science, San Diego	22,735	25,879	0.23	0.29
15231, 15253 & 15333 Avenue of Science	11 Dec 2019	Freehold	Freehold	-	-	15231, 15253 & 15333 Avenue of Science	70,372	89,228	0.70	1.00
15378 Avenue of Science	11 Dec 2019	Freehold	Freehold	-	-	15378 Avenue of Science, San Diego	29,231	38,414	0.29	0.43
15435 & 15445 Innovation Drive	11 Dec 2019	Freehold	Freehold	-	-	15435 & 15445 Innovation Drive, San Diego	50,884	56,206	0.51	0.63
Business Park (Raleigh, North Carolina)										
5200 East & West Paramount Parkway	11 Dec 2019	Freehold	Freehold	-	-	5200 East & West Paramount Parkway, Morrisville	122,609	101,224	1.23	1.14
Perimeter One	11 Dec 2019	Freehold	Freehold	-	-	3005 Carrington Mill Boulevard, Morrisville	82,281	79,928	0.82	0.90
Perimeter Two	11 Dec 2019	Freehold	Freehold	-	-	3020 Carrington Mill Boulevard, Morrisville	73,484	75,076	0.73	0.84
Perimeter Three	11 Dec 2019	Freehold	Freehold	-	-	3015 Carrington Mill Boulevard, Morrisville	89,588	92,868	0.90	1.04
Perimeter Four	11 Dec 2019	Freehold	Freehold	-	-	3025 Carrington Mill Boulevard, Morrisville	60,628	76,289	0.61	0.86
Balance carried forward – (Business Park)							994,268	1,018,309	9.96	11.44

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

AS AT 31 DECEMBER 2021

Description of Property	Acquisition Date	Tenure	Term of Lease	Lease Expiry	Remaining Term of Lease	Location	Carrying Amount		Percentage of Net Assets Attributable to Unitholders	
							31/12/2021	31/12/2020	31/12/2021	31/12/2020
							\$'000	\$'000	%	%
UNITED STATES (continued)										
Balance brought forward – (Business Park)							994,268	1,018,309	9.96	11.44
Business Park (Portland, Oregon)										
The Atrium	11 Dec 2019	Freehold	Freehold	–	–	15220 NW Greenbrier Parkway, Beaverton	43,306	42,053	0.43	0.47
The Commons	11 Dec 2019	Freehold	Freehold	–	–	15455 NW Greenbrier Parkway, Beaverton	15,292	16,713	0.15	0.19
Greenbrier Court	11 Dec 2019	Freehold	Freehold	–	–	14600-14700 NW Greenbrier Parkway, Beaverton	19,623	19,274	0.20	0.22
Parkside	11 Dec 2019	Freehold	Freehold	–	–	15350-15400 NW Greenbrier Parkway, Beaverton	33,833	26,688	0.34	0.30
Ridgeview	11 Dec 2019	Freehold	Freehold	–	–	15201 NW Greenbrier Parkway, Beaverton	20,705	21,701	0.21	0.24
Waterside	11 Dec 2019	Freehold	Freehold	–	–	14908, 14924, 15247 and 15272 NW Greenbrier Parkway, Beaverton	30,043	27,901	0.30	0.31
8300 Creekside	11 Dec 2019	Freehold	Freehold	–	–	8300 SW Creekside Place, Beaverton	14,345	15,500	0.14	0.17
8305 Creekside	11 Dec 2019	Freehold	Freehold	–	–	8305 SW Creekside Place, Beaverton	4,737	4,852	0.05	0.05
8405 Nimbus	11 Dec 2019	Freehold	Freehold	–	–	8405 SW Nimbus Avenue, Beaverton	16,104	19,679	0.16	0.22
8500 Creekside	11 Dec 2019	Freehold	Freehold	–	–	8500 SW Creekside Place, Beaverton	20,300	22,644	0.20	0.25
8700-8770 Nimbus	11 Dec 2019	Freehold	Freehold	–	–	8700-8770 SW Nimbus Avenue, Beaverton	9,879	8,492	0.10	0.10
Creekside 5	11 Dec 2019	Freehold	Freehold	–	–	8705 SW Nimbus Avenue, Beaverton	12,721	13,613	0.13	0.15
Creekside 6	11 Dec 2019	Freehold	Freehold	–	–	8905 SW Nimbus Avenue, Beaverton	22,735	24,396	0.23	0.27
Balance carried forward – (Business Park)							1,257,891	1,281,815	12.60	14.38

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

AS AT 31 DECEMBER 2021

Description of Property	Acquisition Date	Tenure	Term of Lease	Lease Expiry	Remaining Term of Lease	Location	Carrying Amount		Percentage of Net Assets Attributable to Unitholders	
							31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 %	31/12/2020 %
UNITED STATES (continued)										
Balance brought forward – (Business Park)							1,257,891	1,281,815	12.60	14.38
Business Park (Portland, Oregon) (continued)										
9205 Gemini	11 Dec 2019	Freehold	Freehold	–	–	9205 SW Gemini Drive, Beaverton	10,691	11,861	0.11	0.13
9405 Gemini	11 Dec 2019	Freehold	Freehold	–	–	9405 SW Gemini Drive, Beaverton	14,076	17,926	0.14	0.20
Total United States Business Park							1,282,658	1,311,602	12.85	14.71
Office (San Francisco, California)										
505 Brannan Street ^(xii)	21 Nov 2020	Freehold	Freehold	–	–	505 Brannan Street	272,555	270,920	2.73	3.05
510 Townsend Street ^(xii)	21 Nov 2020	Freehold	Freehold	–	–	510 Townsend Street	510,465	501,404	5.12	5.68
Total United States Office							783,020	772,324	7.85	8.73
Logistics & Distribution Centres (Kansas City, Kansas / Missouri)										
Crossroads Distribution Center ^(xiii)	5 Nov 2021	Freehold	Freehold	–	–	11350 Strang Line Road	19,082	–	0.19	–
Lackman Business Center 1-3 ^(xiii)	5 Nov 2021	Freehold	Freehold	–	–	15300-15610 West 101 st Terrace	41,749	–	0.42	–
Lackman Business Center 4 ^(xiii)	5 Nov 2021	Freehold	Freehold	–	–	15555-15607 West 100 th Terrace	8,966	–	0.09	–
Continental Can ^(xiii)	5 Nov 2021	Freehold	Freehold	–	–	11725 West 85th Street	18,337	–	0.18	–
North Topping ^(xiii)	5 Nov 2021	Freehold	Freehold	–	–	1501 – 1599 North Topping Ave	10,691	–	0.11	–
Warren ^(xiii)	5 Nov 2021	Freehold	Freehold	–	–	1902 – 1930 Warren Street	22,735	–	0.23	–
Quebec ^(xiii)	5 Nov 2021	Freehold	Freehold	–	–	1253 – 1333 Quebec Street	28,893	–	0.29	–
Saline ^(xiii)	5 Nov 2021	Freehold	Freehold	–	–	1234 – 1250 Saline Street	11,232	–	0.11	–
Levee ^(xiii)	5 Nov 2021	Freehold	Freehold	–	–	1746 Levee Road	20,976	–	0.21	–
Airworld 1 ^(xiii)	5 Nov 2021	Freehold	Freehold	–	–	10707 – 10715 Airworld Drive	16,510	–	0.16	–
Airworld 2 ^(xiii)	5 Nov 2021	Freehold	Freehold	–	–	10717 Airworld Drive	16,646	–	0.17	–
Total United States Logistics & Distribution Centres							215,817	–	2.16	–
Total United States investment properties							2,281,495	2,083,926	22.86	23.44
Total Group's investment properties (Note 4)							16,293,725	13,707,692	163.29	154.16
Investment properties under development (Note 5)							246,054	259,782	2.47	2.92
Other assets and liabilities (net)							(6,262,611)	(4,776,921)	(62.76)	(53.72)
Net assets of the Group							10,277,168	9,190,553	103.00	103.36
Perpetual securities							(298,938)	(298,938)	(3.00)	(3.36)
Net assets attributable to Unitholders							9,978,230	8,891,615	100.00	100.00

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

AS AT 31 DECEMBER 2021

Investment properties comprise a diverse portfolio of properties that are leased to customers. Most of the leases for multi-tenant buildings contain an initial non-cancellable period ranging from one to three years. Subsequent renewals are negotiated with the respective lessees.

Independent valuations for 217 (31 December 2020: 197) investment properties were undertaken by the following valuers on the dates stated below during the financial years ended 31 December 2021 and 2020:

Valuers	31/12/2021 Valuation date	31/12/2020 Valuation date
Savills Valuation and Professional Services (S) Pte Ltd	31 December 2021	31 December 2020
CBRE Pte Ltd	31 December 2021	31 December 2020
Edmund Tie & Company (SEA) Pte Ltd	31 December 2021	31 December 2020
Colliers International Consultancy & Valuation (Singapore) Pte Ltd	31 December 2021	31 December 2020
Cushman and Wakefield VHS Pte. Ltd	31 December 2021	–
Jones Lang LaSalle Property Consultants Pte Ltd	–	31 December 2020
Knight Frank Pte Ltd	31 December 2021	31 December 2020
Newmark Knight Frank Valuation & Advisory, LLC ^(xii)	31 December 2021	31 December 2020 and 15 October 2020
Jones Lang LaSalle Limited	31 December 2021	31 December 2020
CBRE, Inc.	31 December 2021	–
Cushman & Wakefield Western, Inc.	31 December 2021	–
Knight Frank NSW Valuations & Advisory Pty Ltd	31 December 2021	31 December 2020

These firms are independent valuers having appropriate professional qualifications and recent experience in the location and category of the properties being valued. The valuations for these properties were based on the direct comparison method, capitalisation approach and discounted cash flow analysis. As at 31 December 2021, the valuations adopted for investment properties amounted to \$16,293.7 million (31 December 2020: \$13,707.7 million).

- (i) On 30 June 2021, the Trust completed the acquisition of the remaining 75% interest in Ascendas Fusion 5 Pte Ltd (“AF5PL”), who is the property owner of Galaxis, and AF5PL has been a wholly-owned subsidiary of the Group since then. On 14 September 2021, AF5PL was converted to a limited liability partnership (“LLP”) and renamed as Ascendas Reit (Singapore Sub 1) LLP.
- (ii) The build-to-suit project at 1 & 3 Media Close, which is also known as Grab Headquarters, was handed over to the tenant on 30 July 2021.
- (iii) The divestment of 1 Science Park Drive, formerly known as TÜV SÜD PSB Building was completed on 30 November 2021.
- (iv) The land titles of both The Aries and The Gemini have been amalgamated subsequent to the completion of asset enhancement works for Sparkle, a link block connecting the two buildings.
- (v) The divestment of 11 Changi North Way was completed on 16 April 2021.
- (vi) The divestment of 1314 Ferntree Gully Road was completed on 21 June 2021.
- (vii) The divestment of 62 Stradbroke Street and 82 Noosa Street were completed on 9 July 2021.
- (viii) The Australia suburban office property, 1-5 Thomas Holt Drive was acquired on 13 January 2021.

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

AS AT 31 DECEMBER 2021

- (ix) Leasehold for a term of 965 years from 27 November 1997 to 22 November 2962.
- (x) Leasehold for a term of 999 years from 29 November 2005 to 28 November 3004.
- (xi) The 11 Europe data centres were acquired on 17 March 2021.
- (xii) The FY2020 annual independent valuations for the two United States (the "USA") properties namely, 505 Brannan Street and 510 Townsend Street, were performed on 15 October 2020.
- (xiii) The 11 USA logistic properties were acquired on 5 November 2021.
 - (a) Includes an option for the Trust to renew the land lease for a further term of 30 years upon expiry.
 - (b) Includes an option for the Trust to renew the land lease for a further term of 28 years upon expiry.
 - (c) Includes an option for the Trust to renew the land lease for a further term of 17 years upon expiry.
 - (d) Includes an option for the Trust to renew the land lease for a further term of 24.4 years upon expiry.
 - (e) Includes an option for the Trust to renew the land lease for a further term of 15 years upon expiry.
 - (f) Includes an option for the Trust to renew the land lease for a further term of 12 years upon expiry.
 - (g) At the end of the 30-year lease, the Trust has the option to renew the land lease for Building A for a further term of 26 years and to renew the land lease for Building B for a further term of 16 years, 4 months and 16 days.
 - (h) Land lease is a perpetual leasehold divided in terms of 50 years each, of which the current term expires on 15 April 2054.
 - (i) Land lease is a perpetual leasehold divided in terms of 50 years each, of which the current term expires on 1 January 2042.
 - (j) Land lease is a temporary right of leasehold of 50 years expiring on 18 December 2059.
 - (k) Land lease (building rights) is a temporary right of leasehold of 90 years expiring on 1 July 2074.
- ^ These properties were pledged as securities in relation to the syndicated term loans from Australian banks for the financial year ended 31 December 2021 and 31 December 2020.

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

YEAR ENDED 31 DECEMBER 2021

	Note	31/12/2021 \$'000	Group 31/12/2020 \$'000
Cash flows from operating activities			
Total return for the year before tax		1,043,511	494,236
Adjustments for:			
Finance costs, net	22	158,880	159,489
Management fees paid / payable in Units		15,873	13,292
Provision of expected credit loss on receivables	10	43	3,144
Bad debt written off		195	–
Net change in fair value of financial derivatives		(64,832)	33,625
Net foreign exchange differences		(97)	(11,152)
Remeasurement gain on the acquisition of remaining 75% equity interest in AF5PL		(13,680)	–
Gain from disposal of investment properties		(23,994)	(5,390)
Net change in fair value of investment properties and investment properties under development	4	(283,245)	32,322
Net change in fair value of right-of-use assets	7	6,642	5,438
Share of joint venture and associate company's results	9	(3,304)	(9,590)
Operating income before working capital changes		835,992	715,414
Changes in working capital:			
Trade and other receivables		(26,815)	(37,260)
Trade and other payables		(55,921)	57,730
Cash generated from operations		753,256	735,884
Income tax paid		(26,495)	(6,404)
Net cash provided by operating activities		726,761	729,480
Cash flows from investing activities			
Purchase of investment properties	(A)	(1,873,236)	(767,967)
Payment for capital improvement on investment properties		(114,441)	(74,501)
Payment for investment properties under development		(159,085)	(171,036)
Proceeds from the disposal of investment properties		262,396	123,690
Dividend received from a joint venture company and an associate company	9	2,060	2,841
Interest received		6,927	6,498
Incorporation of an associate company		(39,312)	–
Acquisition of an associate company		–	(107,113)
Return of capital from an associate company	9	–	2,200
Net cash used in investing activities		(1,914,691)	(985,388)

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

YEAR ENDED 31 DECEMBER 2021

	Note	31/12/2021 \$'000	Group 31/12/2020 \$'000
Cash flows from financing activities			
Proceeds from issuance of Units		420,003	1,196,490
Equity issue costs paid		(3,866)	(14,068)
Distributions paid to Unitholders		(378,461)	(597,883)
Distributions paid to perpetual securities holders		(9,000)	(15,437)
Finance costs paid		(129,142)	(138,929)
Payment of lease liabilities		(33,456)	(32,578)
Transaction costs paid in respect of borrowings		(4,998)	(926)
Proceeds from borrowings		3,782,408	3,409,428
Repayment of borrowings		(2,366,101)	(3,325,962)
Proceeds from issuance of perpetual securities		–	300,000
Perpetual securities issue cost paid		–	(1,635)
Redemption of perpetual securities		–	(300,000)
Net cash provided by financing activities		1,277,387	478,500
Net increase in cash and cash equivalents			
Cash and cash equivalents at beginning of the financial year	11	277,979	54,555
Effect of exchange rate changes on cash balances		1,113	832
Cash and cash equivalents at end of the financial year	11	368,549	277,979

Notes:

(A) Net cash outflow on acquisition of investment properties (including acquisition costs)

Net cash outflow on acquisition of investment properties (including acquisition costs) is set out below:

	31/12/2021 \$'000
Investment properties (including acquisition costs) (Note 4)	2,186,284
Trade and other receivables	28,519
Trade and other payables	(113,195)
Provision for taxation	(6,090)
Deferred tax liabilities	(5,108)
De-recognise the investment in associate	(127,195)
Net identifiable assets acquired / total consideration	1,963,215
Less: Accrued transaction costs payable	(4,582)
Less: Consideration Units	(79,997)
Less: Acquisition fee paid in Units	(5,400)
Net cash outflow	1,873,236

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

YEAR ENDED 31 DECEMBER 2021

Notes:

(B) Significant non-cash transactions

During the financial year ended 31 December 2021:

- 5,312,448 new Units amounting to \$15,666,000 were issued at issue prices ranging from \$2.9313 to \$2.9651 per unit for the payment of 20% base management fee to the Manager in Units.
- 27,173,000 new Units amounting to \$79,997,000 were issued on 30 June 2021 at an issue price of \$2.9440 per unit as part of the Sale Shares Consideration Units for the acquisition of remaining 75% equity interests in AF5PL. The Units will, upon allotment and issue, rank pari passu in all respects with the Existing Units in issue as at the date of issue of the Consideration units.
- 1,761,424 new Units amounting to \$5,400,000 were issued on 30 July 2021 at an issue price of \$3.0657 per unit, as payment of acquisition fee to the Manager for the acquisition of 75% of the total issued share capital of AF5PL.
- 176,535 new Units amounting to \$516,000 were issued on 30 December 2021 at an issue price of \$2.9218 per unit as payment of divestment fee to the Manager in relation to the disposal of 1 Science Park Drive, formerly known as TÜV SÜD PSB Building to an associate company.

During the financial year ended 31 December 2020:

- 4,329,685 new Units amounting to \$13,292,000 were issued at issue prices ranging from \$2.9390 to \$3.1919 per unit for the payment of 20% base management fee to the Manager in Units.
- 5,494,086 new Units amounting to \$16,536,000 were issued on 10 January 2020 at issue price of \$3.0098 per unit for the payment of acquisition fee to the Manager in relation to the acquisition of a portfolio of United States properties and two Singapore properties by the Group from indirect wholly-owned subsidiaries of a significant Unitholder of the Trust on 11 December 2019.

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 1 March 2022.

1. GENERAL

Ascendas Real Estate Investment Trust (the "Trust" or "Ascendas Reit") is a Singapore-domiciled real estate investment trust constituted pursuant to the trust deed dated 9 October 2002 between Ascendas Funds Management (S) Limited (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"), as supplemented and amended by the First Supplemental Deed dated 16 January 2004, the Second Supplemental Deed dated 23 February 2004, the Third Supplemental Deed dated 30 September 2004, the Fourth Supplemental Deed dated 17 November 2004, the Fifth Supplemental Deed dated 20 April 2006, the First Amending and Restating Deed dated 11 June 2008, the Seventh Supplemental Deed dated 22 January 2009, the Eighth Supplemental Deed dated 17 September 2009, the Ninth Supplemental Deed dated 31 May 2010, the Tenth Supplemental Deed dated 22 July 2010, the Eleventh Supplemental Deed dated 14 October 2011, the Twelfth Supplemental Deed dated 19 October 2015, the Thirteenth Supplemental Deed dated 26 January 2016, the Second Amending and Restating Deed dated 10 August 2017, the Fifteenth Supplemental Deed dated 20 August 2018, the Sixteenth Supplemental Deed dated 24 July 2019, the Seventeenth Supplemental Deed dated 3 April 2020, and the Eighteenth Supplemental Deed dated 28 November 2020 (collectively, the "Trust Deed").

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 19 November 2002 and was included under the Central Provident Fund ("CPF") Investment Scheme on 15 October 2002.

The principal activity of the Trust is to invest in a diverse portfolio of properties and property related assets with the mission to deliver predictable distributions and achieve long-term capital stability for Unitholders. The principal activities of the subsidiaries are set out in Note 8.

The consolidated financial statements relate to the Trust and its subsidiaries (the "Group") and the Group's interests in the equity-accounted investees.

The Group has entered into several service agreements in relation to the management of the Group and its property operations.

The fees structures of these services are as follows:

1.1 Trustee fee

Trustee fee shall not exceed 0.25% per annum of the value of all the gross assets of the Group ("Deposited Property") (subject to a minimum of \$10,000 per month) or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of Unitholders. The Trustee fee is payable out of the Deposited Property of the Group monthly in arrears. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

1. GENERAL (continued)

1.2 Management fees

The Manager is entitled to receive the following remuneration:

- (i) a base management fee of 0.5% per annum of the Deposited Property or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders; and
- (ii) an annual performance fee of:
 - 0.1% per annum of the Deposited Property, provided that the annual growth in distribution per Unit in a given financial year (calculated before accounting for the performance fee in that financial year) exceeds 2.5%; and
 - an additional 0.1% per annum of the Deposited Property, provided that the growth in distribution per Unit ("DPU") in a given financial year (calculated before accounting for the performance fee in that financial year) exceeds 5.0%.
- (iii) an acquisition fee of 1.0% of the purchase price of investment property acquired by the Trustee on behalf of the Trust.
- (iv) a divestment fee of 0.5% of the sale price of investment property sold or divested by the Trustee on behalf of the Trust.
- (v) a development management fee, not exceeding 3.0% of the total project cost incurred in development projects undertaken by the Trust. In cases where the market pricing for comparable services is materially lower, the Manager will reduce the development management fee to less than 3.0%. In addition, when the estimated total project cost is greater than \$100.0 million, the Trustee and the Manager's independent directors will review and approve the quantum of the development management fee.

With effect from 1 April 2019, the Manager excluded right-of-use assets from the computation of Deposited Property (the "Adjusted Deposited Property").

With effect from 1 April 2014, the Manager has improved the basis of determining management fees by excluding derivative assets and investment properties under development from the computation of Adjusted Deposited Property.

The Manager will also unilaterally waive part of its performance fee to ensure equitable distribution of the growth in distributable income such that any increase in DPU (which is calculated before accounting for the performance fee) would not result in Unitholders receiving less DPU than the threshold percentage as a result of the payment of the performance fee. In addition, the performance fee payable will be based on 0.1% per annum, or as the case may be, 0.2% per annum of the Adjusted Deposited Property instead of the Deposited Property.

With effect from 19 November 2007, the Manager has elected to receive 20.0% of the base management fee in Units and 80.0% in cash.

With effect from 17 November 2004, the Manager may elect to receive performance fee in cash and / or Units, in such proportion as may be determined by the Manager.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

1. GENERAL (continued)

1.2 Management fees (continued)

The cash component of the base management fees will be paid monthly in arrears and the units component will be paid on a six-monthly basis in arrears. The performance fee will be paid within 60 days from the last day of every financial year.

1.3 Fees under the property management agreement (for the Singapore properties)

(i) Property management services

For property management services, the Group will pay Ascendas Services Pte Ltd ("ASPL") (the "Property Manager"), a fee of 2.0% per annum of the adjusted gross revenue of each property, managed by the Property Manager, and in the event that the Property Manager only manages such property for less than one calendar year, such amount to be pro-rated based on the number of days which the Property Manager manages such property divided by the number of days in such year.

(ii) Marketing services

For marketing services, the Group will pay the Property Manager the following commissions, subject to a refund of 50.0% of the commission paid to the Property Manager if the tenancy is prematurely terminated within six months of the commencement of the tenancy. If the tenant fully compensates the Trust for the pre-termination (taking into account the loss of income and related expenses), the Property Manager need not refund 50.0% of the commission. If the tenant only compensates the Group for a proportion of the loss, the amount refunded to the Group by the Property Manager would be pro-rated based on the unrecovered loss divided by the aggregate total loss multiplied by 50.0% of the commission paid:

- pro-rated based on 1.0 month's gross rent inclusive of service charge for securing a tenancy of six months or more but less than three years;
- 1.0 month's gross rent inclusive of service charge for securing a tenancy of three years;
- pro-rated based on 2.0 months' gross rent inclusive of service charge for securing a tenancy of more than three years but less than five years;
- 2.0 months' gross rent inclusive of service charge for securing a tenancy of five years;
- pro-rated based on 2.0 months' gross rent inclusive of service charge for securing a tenancy of more than five years with the terms of the lease subject to the prior approval of the Manager, provided that the commission payable shall not exceed a sum equivalent to three months' gross rent inclusive of service charge;
- if a third party agent secures a tenancy, the Property Manager shall pay to the third party agent the same fees as stated above. Prior approval of the Manager is required for the Property Manager to pay a third party agent a commission that is less than as set out above. For the avoidance of doubt, there will not be double charging of commission payable to the third party agents and the Property Manager as the commissions payable to such third party agents shall be paid out of the Property Manager's fee; and
- an administrative charge of 20.0% of the commission is payable to the Manager or the Property Manager in the case of a new lease take-up which involves a third party agent for the marketing support and administrative services to be rendered either by the Manager or the Property Manager.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

1. GENERAL (continued)

1.3 Fees under the property management agreement (for the Singapore properties) (continued)

(iii) Project management services

For project management services, the Group will pay the Property Manager the following fees for the (i) development or redevelopment (if not prohibited by the Property Funds Appendix or if otherwise permitted by the Monetary Authority of Singapore), refurbishment, retrofitting and renovation works of the property where submission to the relevant authorities for the approval of such works is required or (ii) routine maintenance where the expenses for the routine maintenance of the property results in such expenses being classified as capital expenditure under the Singapore Financial Reporting Standards ("FRS"):

- a fee of 3.00% of the construction costs, where the construction costs are \$2.0 million or less;
- a fee of 2.15% of the construction costs, where the construction costs exceed \$2.0 million but do not exceed \$12.0 million;
- a fee of 1.45% of the construction costs, where the construction costs exceed \$12.0 million but do not exceed \$40.0 million;
- a fee of 1.40% of the construction costs, where the construction costs exceed \$40.0 million but do not exceed \$70.0 million;
- a fee of 1.35% of the construction costs, where the construction costs exceed \$70.0 million but do not exceed \$100.0 million; and
- a fee to be mutually agreed by the parties, where the construction costs exceed \$100.0 million.

For purpose of calculating the fees payable to the Property Manager, construction costs means all construction costs and expenditure valued by the quantity surveyor engaged by the Group for the project, but excluding development charges, differential premiums, statutory payments, consultants' professional fees and goods and services tax.

(iv) Energy audit services

For energy audit services, the Group will pay the Property Manager \$4,000 per chiller for the first two sets of chiller and \$2,000 for any subsequent set of chiller in a property (being the base energy audit fee). In addition to these fees, the Trust will pay ASPL 40.0% of the cost savings achieved in each property during the first three years after the completion of the works in such property, subject to a maximum of \$40,000 per property (such amount shall be inclusive of the base energy audit fee and the fees based on the savings achieved).

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

1. GENERAL (continued)

1.3 Fees under the property management agreement (for the Singapore properties) (continued)

(v) Car park management services

For car park management services, the Trust will pay ASPL the following fees:

- in relation to the car parks located at certain 33 properties as set out in the property management agreement (“Managed Car Parks”), a management fee of \$2.16 million per annum (“Base Car Park Fee”) and 40.0% of hourly parking collections for such car parks (excluding goods and services tax). For the avoidance of doubt, any hourly car park rebates given to car park users will not be included in the hourly car park collections for the computation of fees.
- in the event that additional car parks are added or subsequently removed from the Managed Car Parks, the Base Car Park Fee shall be adjusted as follows:
 - in relation to a property which has up to 100 car park lots – the Base Car Park Fee shall be increased or decreased by \$35 per car park lot per month multiplied by the number of car park lots in such property.
 - in relation to a property which has more than 100 car park lots – the Base Car Park Fee shall be increased or decreased by \$25 per car park lot per month multiplied by the number of car park lots in such property.

1.4 Fees under the lease management agreement (for the Singapore properties)

(i) Lease management services

For lease management services, the Group will pay the Manager or its nominees (as the Manager may direct), a fee of 1.0% per annum of the adjusted gross revenue of each property. In addition to the above fee, the Group will pay the Manager or its nominees the following fees, subject to a refund of 50.0% of the commission paid to the Manager or its nominees if the tenancy is prematurely terminated within six months of the commencement of the tenancy. If the tenant fully compensates the Group for the pre-termination (taking into account the loss of income and related expenses), the Manager or its nominees need not refund 50.0% of the commission. If the tenant only compensates the Group for a proportion of the loss, the amount refunded to the Group by the Manager or its nominees would be pro-rated based on the unrecovered loss divided by the aggregate total loss multiplied by 50.0% of the commission paid.

In relation to a tenancy which is renewed, the Group will pay the Manager or its nominees, the following fees:

- pro-rated based on 0.5 month’s gross rent inclusive of service charge for securing a tenancy of six months or more but less than one year;
- 0.5 month’s gross rent inclusive of service charge for securing a tenancy of one year or more but less than or equivalent to three years;
- pro-rated based on 1.0 month’s gross rent inclusive of service charge for securing a tenancy of more than three years but less than five years;
- 1.0 month’s gross rent inclusive of service charge for securing a tenancy of five years; and
- pro-rated based on 1.0 month’s gross rent inclusive of service charge for securing a tenancy of more than five years, provided that the commission payable shall not exceed a sum equivalent to one and a half months’ gross rent inclusive of service charge.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

1. GENERAL (continued)

1.4 Fees under the lease management agreement (for the Singapore properties) (continued)

(i) Lease management services (continued)

In relation to any new take-up of space by an existing tenant or where the space is taken up by a new tenant introduced by an existing tenant, the Group will pay the Manager or its nominees, the following fees:

- pro-rated based on 1.0 month's gross rent inclusive of service charge for securing a tenancy of six months or more but less than three years;
- 1.0 month's gross rent inclusive of service charge for securing a tenancy of three years;
- pro-rated based on 2.0 months' gross rent inclusive of service charge for securing a tenancy of more than three years but less than five years;
- 2.0 months' gross rent inclusive of service charge for securing a tenancy of five years; and
- pro-rated based on 2.0 months' gross rent inclusive of service charge for securing a tenancy of more than five years, provided that the commission payable shall not exceed a sum equivalent to three months' gross rent inclusive of service charge.

(ii) Property tax services

For property tax services, the Manager or its nominees (as the Manager may direct) are entitled to the following fees if as a result of the Manager's or the nominees' objections to the tax authorities, the proposed annual value is reduced resulting in property tax savings for the property:

- a fee of 7.5% of the property tax savings, where the proposed reduction in annual value is \$1.0 million or less;
- a fee of 5.5% of the property tax savings, where the proposed reduction in annual value is more than \$1.0 million but does not exceed \$5.0 million; and
- a fee of 5.0% of the property tax savings, where the proposed reduction in annual value is more than \$5.0 million.

The above mentioned fee is a lump sum fixed fee based on the property tax savings calculated on a 12-month period less the expenses incurred to obtain the property tax savings and is not payable to the Manager if the Manager's objections are not successful or if the reduction in annual value results from an appeal to the valuation review board.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

1. GENERAL (continued)

1.5 Fees under the strategic and asset management agreements (for the Australia properties)

For strategic management services, the Group will pay Ascendas Funds Management (Australia) Pty Ltd ("AFMA"), a wholly owned subsidiary of the Manager, a strategic management fee of 1.0% per annum of the adjusted gross revenue of each property.

For asset management services, the Group will pay AFMA an asset management fee (to be mutually agreed between the Group and AFMA) under the asset management agreement. To the extent that the asset management fees payable to AFMA exceeds the fees charged to AFMA by third-party licensed real estate agents and results in a net positive balance for any financial year to AFMA (an "Excess"), the fees payable to AFMA under the strategic management agreement will be reduced by the Excess such that the total fee payable to AFMA under both the strategic management agreement and the asset management agreement, after taking into consideration the fees charged by the third-party licensed real estate agents, will not exceed the aggregate fee of 1.0% per annum of the adjusted gross revenue of the properties for which strategic management services and asset management services are provided.

1.6 Fees under the asset and lease management agreements (for the United Kingdom/ Europe (the "UK / Europe") properties)

The Group appointed CLI FM Pte. Ltd. ("CLIFM") (formerly known as Ascendas Investment Pte Ltd) as the asset manager till 30 September 2022 to provide certain asset management, lease management and project management services in respect of the properties located in the UK / Europe, including the properties, held (whether directly or indirectly) by Ascendas Reit from time to time. In connection with the foregoing, the Manager, the Trustee and CLIFM entered into a master asset and lease management agreement (the "UK / Europe Master ALMA").

Pursuant to the Master ALMA, individual asset and lease management agreements (the "UK / Europe Individual ALMAs", together with the UK / Europe Master ALMA, the "UK / Europe ALMAs") were entered into by each underlying asset holding company with Capitaland International Management (UK) Ltd (formerly known as "Ascendas Management (UK) Ltd") ("AMUK"), a wholly-owned subsidiary of CLIFM, to appoint AMUK as the asset manager for the UK and Europe properties till 30 September 2022.

In consideration of AMUK providing the asset management services under the ALMAs, the Group will pay AMUK an asset management fee of 0.4% per annum of the Adjusted Deposited Property. The payment of the asset management fee will reduce the base management fees payable to the Manager described under 1.2 (i) correspondingly, such that there is no double-counting of the payment of the asset management fees under the asset and lease management agreements and the payment of base management fees to the Manager.

For lease management services, the Group will pay AMUK a lease management fee of 1.0% per annum of the adjusted gross revenue of each property in the UK / Europe.

1.7 Fees under the asset and lease management agreements (for the United States of America (the "USA") properties)

The Group appointed Capitaland International USA LLC ("AMUSA") as the asset manager till 30 September 2022 to provide certain asset management, lease management and project management services in respect of the properties located in the USA, including the properties, held (whether directly or indirectly) by Ascendas Reit from time to time. In connection with the foregoing, the Manager, the Trustee and AMUSA entered into a master asset and lease management agreement (the "USA Master ALMA").

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

1. GENERAL (continued)

1.7 Fees under the asset and lease management agreements (for the United States of America (the "USA" properties) (continued)

Pursuant to the Master ALMA, individual asset and lease management agreements (the "USA Individual ALMAs", together with the USA Master ALMA, the "USA ALMAs") were entered into by each underlying asset holding company with AMUS for the US properties till 30 September 2022.

In consideration of AMUSA providing the asset management services under the ALMAs, the Group will pay AMUSA an asset management fee of up to 0.4% per annum of the Adjusted Deposited Property. The payment of the asset management fee will reduce the base management fees payable to the Manager described under 1.2 (i) correspondingly, such that there is no double-counting of the payment of the asset management fees under the asset and lease management agreements and the payment of base management fees to the Manager.

For lease management services, the Group will pay AMUSA a lease management fee of 1.0% per annum of the adjusted gross revenue of each property in the USA.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with the recommendations of *The Statement of Recommended Accounting Practice ("RAP") 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants, and the applicable requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of Singapore Financial Reporting Standards ("FRS").

2.2 Functional and presentation currency

The financial statements are presented in Singapore dollars ("SGD"), which is the Trust's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.3 Basis of measurement

The financial statements are prepared on the historical cost basis, except for investment properties, investment properties under development, right-of-use assets and certain financial assets and financial liabilities which are stated at fair value as described in Note 3.

As at 31 December 2021, the Group and the Trust's current liabilities exceed its current assets by \$1,315.7 million (31 December 2020: \$490.1 million) and \$1,374.4 million (31 December 2020: \$531.4 million) respectively. Notwithstanding the net current liabilities position, based on the Group and the Trust's existing financial resources, the Manager is of the opinion that the Group and the Trust will be able to refinance its borrowings and meet its current obligations as and when they fall due.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

2. BASIS OF PREPARATION (continued)

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, expenses and the disclosure of contingent liabilities at the end of each reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and in any future periods affected.

Information about significant areas of estimation that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 29 (d) – Valuation of investment properties and investment properties under development
- Note 29 (d) – Estimation of incremental borrowing rates for leases
- Note 29 (c) – Valuation of financial instruments

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of FRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Audit and Risk Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

2. BASIS OF PREPARATION (continued)

2.4 Use of estimates and judgements (continued)

Measurement of fair values (continued)

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 29 (d) – Valuation of investment properties and investment properties under development
- Note 29 (d) – Estimation of incremental borrowing rates for leases
- Note 29 (c) – Valuation of financial instruments

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities which address changes in accounting policies.

3.1 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect these returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as transactions with owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in the Statement of Total Return. Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising from the loss of control is recognised in the Statement of Total Return. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as a financial asset at fair value depending on the level of influence retained.

Investment in associate company and joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investment in associate and joint venture is accounted for using the equity method. It is recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 Basis of consolidation (continued)

Investment in associate company and joint venture (continued)

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Subsidiaries in the separate financial statements

Interest in subsidiaries, associate company and joint venture are stated in the Trust's Statement of Financial Position at cost less accumulated impairment losses.

3.2 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date on which the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical costs are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognised in the Statement of Total Return, except for differences arising on the translation of monetary items that in substance form part of the Group's net investment in a foreign operation, which are recognised in the Statements of Movements in Unitholders' Funds.

Foreign operations

The assets and liabilities of foreign operations, including fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions. Fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign operations (continued)

Foreign currency differences are recognised in the foreign currency translation reserve (“translation reserve”) in the Statements of Movements in Unitholders’ Funds. However, if the operation is not a wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is transferred to the Statement of Total Return as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in the translation reserve in the Statements of Movements in Unitholders’ Funds.

3.3 Investment properties and investment properties under development

Investment properties are properties held either to earn rental income or for capital appreciation, or for both, but not for sale in the ordinary course of business. Investment properties under development include properties that are being constructed or developed for future use as investment properties.

Investment properties and investment properties under development are initially stated at cost, including transaction costs, and are measured at fair value thereafter, with any change therein recognised in the Statement of Total Return. Fair values are determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers in the following events:

- (i) in such manner and frequency required under the CIS Code issued by MAS; and
- (ii) at least once in a financial year following the acquisition of the investment properties.

Subsequent expenditure on investment properties is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

When an investment property is disposed of, the resulting gain or loss recognised in the Statement of Total Return is the difference between net disposal proceeds and the carrying amount of the property.

3.4 Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent expenditure relating to plant and equipment is added to the carrying amount of the asset when it is probable that future economic benefit in excess of the originally assessed standard of performance of the existing asset will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Depreciation is provided on the straight-line basis over the estimated useful lives of each component of an item of plant and equipment.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Plant and equipment (continued)

Gains or losses arising from the retirement or disposal of plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Total Return on the date of retirement or disposal.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted as appropriate.

3.5 Leases

(i) Lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is measured at fair value and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Leases (continued)

(i) Lessee (continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease. If an arrangement contains lease and non-lease components, then the Group applies FRS 115 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in FRS 109 to the net investment in the lease (see note 3.7 (i)). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Financial instruments

(i) *Financial assets*

Classification and measurement

The Group classifies its non-derivative financial assets at amortised costs.

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

Initial measurement

A financial asset at amortised cost is initially measured at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

Financial assets at amortised costs are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are subsequently measured at amortised cost. Interest income from these financial assets is included in the Statement of Total Return using the effective interest method.

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the Statement of Total Return.

(ii) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the Statement of Total Return when the liabilities are derecognised, and through the amortisation process.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Financial instruments (continued)

(ii) *Financial liabilities (continued)*

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Total Return.

(iii) *Derivative financial instruments*

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures.

Derivatives are recognised initially at fair value and any directly attributable transaction costs are recognised in the Statement of Total Return as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the Statement of Total Return.

3.7 Impairment

(i) *Financial assets*

The Group recognises loss allowances for expected credit loss ("ECLs") on financial assets measured at amortised costs. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Loss allowances of the Group are measured on either of the following bases:

- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument; or
- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months).

Simplified approach

For trade receivables, the Group applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

General approach

For other financial assets at amortised costs, the Group applies the general approach to provide for ECLs. Under the general approach, the loss allowance is measured at an amount equal to 12-months ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Impairment (continued)

(i) *Financial assets (continued)*

General approach (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment that includes forward-looking information.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when internal and / or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments which are 1 to 90 days past due or there is significant financial difficulty of the counterparty.

Measurement of ECLs

ECLs are probability-weighted estimates or credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired.

The Group determined that its financial assets are credit-impaired when:

- there is financial significant difficulty of the debtor
- a breach of contract, such as a default or past due event
- it is becoming probable that the debtor will enter bankruptcy or another financial reorganisation

Presentation of allowance for ECLs in the Statement of Financial Position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Impairment (continued)

(ii) *Non-financial assets*

The carrying amounts of Group's non-financial assets, other than investment properties and investment properties under development, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised in the Statement of Total Return if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in the Statement of Total Return.

Calculation of recoverable amount

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating unit.

Reversal of impairment

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.8 Taxation

(i) *Current tax and deferred tax*

Current and deferred tax are recognised in the Statement of Total Return, except to the extent that it relates to a business combination, or items directly in Unitholders' funds.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Taxation (continued)

(i) *Current tax and deferred tax (continued)*

Deferred tax is provided using the liability method in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; and
- temporary differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment properties that are measured at fair value, the presumption that the carrying amounts will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the taxation of the Trust for income earned and expenditure incurred after its public listing on the SGX-ST. Subject to meeting the terms and conditions of the tax ruling, the Trustee will not be assessed to tax on the taxable income of the Trust distributed in the same financial year. Instead, the Trustee and the Manager will deduct income tax (if required) at the prevailing corporate tax rate of 17.0% from the distributions made to Unitholders that are made out of the taxable income of the Trust in that financial year.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Taxation (continued)

(i) Current tax and deferred tax (continued)

However, the Trustee and the Manager will not deduct tax from distributions made out of the Trust's taxable income that is not taxed at the Trust's level to the extent that the beneficial Unitholders are:

- (i) individuals (whether resident or non-resident) who receive such distributions as investment income (excluding income received through a Singapore partnership);
- (ii) companies incorporated and tax resident in Singapore;
- (iii) Singapore branches of foreign companies which have presented a letter of approval from the IRAS granting waiver from tax deducted at source in respect of distributions from the Trust;
- (iv) non-corporate Singapore constituted or registered entities (e.g. town councils, statutory boards, charitable organisations, management corporations, clubs and trade and industry associations constituted, incorporated, registered or organised in Singapore);
- (v) Central Provident Fund ("CPF") members who use their CPF funds under the CPF Investment Scheme and where the distributions received are returned to the CPF accounts; and
- (vi) individuals who use their Supplementary Retirement Scheme ("SRS") funds and where the distributions received are returned to the SRS accounts.

The Trustee and the Manager will deduct tax at the reduced concessionary rate of 10.0% from distributions made during the period from 18 February 2005 to 31 December 2025 (both dates inclusive) made out of the Trust's taxable income that is not taxed at the Trust's level to beneficial Unitholders who are qualifying foreign non-individual investors. A qualifying foreign non-individual investor is one who is not a resident of Singapore for income tax purposes and:

- (i) who does not have a permanent establishment in Singapore; or
- (ii) who carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used to acquire the Units in the Trust are not obtained from that operation.

(ii) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of sales tax included.

3.9 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 Distribution policy

Ascendas Reit's policy is to distribute at least 90% of the taxable income to Unitholders, other than gains on the sale of properties, and unrealised surplus on revaluation of investment properties and investment properties under development on a semi-annual basis at the discretion of the Manager. In the case of its overseas subsidiaries, income from these subsidiaries will be distributed, after relevant adjustments (if any) such as withholding tax, on a semi-annual basis at the discretion of the Manager.

3.11 Unitholders' funds

Unitholders' funds are classified as equity. Issue costs relate to expenses incurred in connection with the issue of Units. These expenses not deducted against proceeds from the issue are deducted directly against Unitholders funds.

3.12 Perpetual securities

The perpetual securities may be redeemed at the option of the Trust. Distributions to the perpetual securities holders will be payable semi-annually in arrears on a discretionary basis and will be non-cumulative. Accordingly, the perpetual securities are classified as equity.

The expenses relating to the issue of the perpetual securities are deducted against the proceeds from the issue.

3.13 Revenue recognition

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

Other income

Other income comprises interest income received from finance lease receivable, car park charges, utilities income and sundry income. Interest income received from finance lease receivable is recognised on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable. Except for interest income received from finance lease receivable, other income is recognised when the right to receive payment is established, after services have been rendered.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 Expenses

Property operating expenses

Property operating expenses are recognised on an accrual basis. Included in property operating expenses are fees incurred under the property management agreements and lease management agreement in Singapore, strategic and asset management agreement in Australia, UK / Europe ALMAs in the UK / Europe and US ALMAs in the US which are based on the applicable formula stipulated in Note 1.3 to Note 1.7.

Where the Group has the use of assets under operating leases, payments made under the leases are recognised in the Statement of Total Return on a straight-line basis over the term of leases.

Management fees

Management fees are recognised on an accrual basis using the applicable formula stipulated in Note 1.2.

Trust expenses

Trust expenses are recognised on an accrual basis. Included in trust expenses is the Trustee fee which is based on the applicable formula stipulated in Note 1.1.

3.15 Finance costs

Finance costs comprise interest expense on borrowings, amortisation of borrowing-related transaction costs, transaction costs directly attributable to financial liabilities measured at fair value through profit or loss, fair value losses on financial instruments measured at fair value through profit or loss, and accretion adjustments on security deposits.

Interest expense on borrowings, amortisation of borrowing-related transaction costs and accretion adjustments on security deposits are recognised in the Statement of Total Return using the effective interest method over the period of borrowings, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

3.16 Earnings per Unit

The Group presents basic and diluted earnings per Unit data for its Units. Basic earnings per Unit is calculated by dividing the total return for the year attributable to Unitholders of the Trust by the weighted average number of Units outstanding during the year.

3.17 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, and short term fixed deposits that are readily convertible to known amount of cash and which are subject to insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management policy.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2021 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Interest Rate Benchmark Reform – Phase 2: Amendments to FRS 9, FRS 1-39, FRS 7, FRS 4, FRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (“IBOR”) is replaced with an alternative nearly risk-free interest rate (“RFR”). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the consolidated financial statements of the Group as it does not have any interest rate hedge relationships.

Amendments to FRS 116 Covid-19 Related Rent Concessions

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions – amendment to FRS 116 Leases. The amendments provide relief to lessees from applying FRS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under FRS 116, if the change were not a lease modification. The amendment was intended to apply until 30 June 2021, but as the impact of Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022. The amendment applies to annual reporting periods beginning on or after 1 April 2021. This amendment had no impact on the consolidated financial statements of the Group.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to FRS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of FRS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Reference to the Conceptual Framework – Amendments to FRS 103

In May 2020, the IASB issued Amendments to FRS 103 Business Combinations – Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The Board also added an exception to the recognition principle of FRS 103 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of FRS 37 or IFRIC 21 Levies, if incurred separately. At the same time, the Board decided to clarify existing guidance in FRS 103 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

FRS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to FRS standards process the IASB issued amendment to FRS 109. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Group.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Standards issued but not yet effective (continued)

Definition of Accounting Estimates – Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of ‘accounting estimates’. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Group.

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 *Making Materiality Judgements*, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group’s accounting policy disclosures.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

4. INVESTMENT PROPERTIES

	Group		Trust	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000
At the beginning of the financial year	13,707,692	12,743,792	9,017,200	9,061,600
Acquisition of investment properties	2,186,284	767,967	–	–
Transfer from / (to) investment properties under development (Note 5)	190,738	76,303	190,738	(26,600)
Capital expenditure incurred	114,441	72,041	72,391	40,186
Disposal of investment properties	(234,109)	(19,900)	(105,000)	(19,900)
Exchange differences	43,661	76,729	–	–
Fair value change	285,018	(9,240)	24,171	(38,086)
At the end of the financial year	16,293,725	13,707,692	9,199,500	9,017,200
Statement of Total Return:				
Fair value change of investment properties	285,018	(9,240)	24,171	(38,086)
Fair value change of investment properties under development (Note 5)	21,410	(12,140)	(1,557)	(12,140)
Effect of lease incentive and marketing fee amortisation	(23,183)	(10,942)	(15,695)	(1,229)
Net fair value change on investment properties and investment properties under development recognised in the Statement of Total Return (unrealised)	283,245	(32,322)	6,919	(51,455)

Details of the properties are shown in the Investment Properties Portfolio Statement.

Investment properties are leased to both related and non-related parties under operating lease or finance lease.

As at 31 December 2021, investment properties with an aggregate carrying amount of \$1,288,993,000 (31 December 2020: \$1,140,376,000) have been pledged as collateral for certain term loans taken out by the Group (Note 14).

Investment properties are stated at fair value based on valuations performed by independent professional valuers during the financial year ended 31 December 2021 and 31 December 2020. Information on the fair value assessment of investment properties is disclosed in Note 29(d).

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

5. INVESTMENT PROPERTIES UNDER DEVELOPMENT

	Group		Trust	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
At the beginning of the financial year	259,782	182,057	223,000	147,469
Transfer (to) / from investment properties (Note 4)	(190,738)	(76,303)	(190,738)	26,600
Capital expenditure incurred	142,734	126,582	34,095	61,071
Acquisition	16,351	35,491	–	–
Exchange differences	(3,485)	4,095	–	–
Fair value change (Note 4)	21,410	(12,140)	(1,557)	(12,140)
At the end of the financial year	<u>246,054</u>	<u>259,782</u>	<u>64,800</u>	<u>223,000</u>

As at 31 December 2021 and 31 December 2020, investment properties under development are as follows:

Description of Property	Location	31/12/2021 \$'000	31/12/2020 \$'000
Grab Headquarters	1 & 3 Media Close	–	179,400
UBIX (formerly 25 and 27 Ubi Road 4)	25 Ubi Road 4	59,800	36,000
iQuest@IBP	27 International Business Park	5,000	7,600
Total Singapore investment properties under development		<u>64,800</u>	<u>223,000</u>
7 Kiora Crescent	7 Kiora Crescent, Yennora, Australia	35,791	16,170
500 Green Road	500 Green Road, Crestmead, Australia	65,687	20,612
MQX4	1 Giffnock Avenue, Macquarie Park, Australia	79,776	–
Total Group investment properties under development		<u>246,054</u>	<u>259,782</u>

The carrying amount of investment properties under development is stated at fair value based on valuations performed by independent professional valuers. Information on the fair value assessment of investment properties under development is disclosed in Note 29(d).

6. FINANCE LEASE RECEIVABLES

	31/12/2021		31/12/2020	
	Carrying amount \$'000	Face value \$'000	Carrying amount \$'000	Face value \$'000
Group and Trust				
Finance lease receivables				
– Current	3,657	6,733	3,281	6,601
– Non-current	41,393	54,106	45,050	60,839
	<u>45,050</u>	<u>60,839</u>	<u>48,331</u>	<u>67,440</u>

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

6. FINANCE LEASE RECEIVABLES (continued)

Finance lease receivables are receivable from the lessees as follows:

	31/12/2021			31/12/2020		
	Gross receivables \$'000	Unearned interest income \$'000	Net receivables \$'000	Gross receivables \$'000	Unearned interest income \$'000	Net receivables \$'000
Group and Trust						
Within 1 year	6,733	3,076	3,657	6,601	3,320	3,281
After 1 year but within 5 years	27,488	9,302	18,186	27,633	10,548	17,085
After 5 years	26,618	3,411	23,207	33,206	5,241	27,965
	60,839	15,789	45,050	67,440	19,109	48,331

The Group has a credit policy in place to monitor lessees' credit rating on an ongoing basis. The lessees would be required to provide a security deposit if the credit rating falls below the agreed terms. The Manager believes that no impairment allowance is necessary in respect of the finance lease receivables.

7. LEASES

As Lessee

The Group and Trust lease land. The leases typically run for periods ranging from 30-99 years, some with options to renew after the lease expiry dates. Some lease payments are subject to market review and certain leases provide for additional rent payments that are based on changes in local price indices.

Information about leases for which the Group is a lessee is presented below:

Right-of-use assets

	Group		Trust	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
At the beginning of the financial year	609,956	617,639	609,956	617,639
Derecognition of right-of-use assets due to divestments	(18,728)	(13,713)	(18,728)	(13,713)
Recognition of right-of-use assets due to acquisitions	15,527	-	-	-
Adjustment due to remeasurement of right-of-use assets	5,271	11,468	-	11,468
Fair value change on the right-of-use assets	(6,642)	(5,438)	(6,296)	(5,438)
Exchange differences	(738)	-	-	-
At the end of the financial year	604,646	609,956	584,932	609,956

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

7. LEASES (continued)

Lease liabilities (continued)

	Group		Trust	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
At the beginning of the financial year	609,956	617,639	609,956	617,639
Payment of land rent expenses	(33,456)	(32,578)	(32,989)	(32,578)
Derecognition of lease liabilities due to divestments	(18,728)	(13,713)	(18,728)	(13,713)
Recognition of lease liabilities due to acquisitions	15,527	–	–	–
Adjustment due to remeasurement of lease liabilities	5,271	11,468	–	11,468
Interests on the lease liabilities (Note 22)	26,883	27,140	26,693	27,140
Exchange differences	(807)	–	–	–
At the end of the financial year	604,646	609,956	584,932	609,956

Presented as:

Current	36,656	37,222	36,030	37,222
Non-current	567,990	572,734	548,902	572,734
	604,646	609,956	584,932	609,956

8. INTERESTS IN SUBSIDIARIES AND LOANS TO SUBSIDIARIES

	Trust	
	31/12/2021 \$'000	31/12/2020 \$'000
<i>Interests in subsidiaries</i>		
Equity investment, at cost		
At the beginning of the financial year	738,520	712,429
Acquisitions	753,034	26,091
At the end of the financial year	1,491,554	738,520
Loans to subsidiaries (Note a)	2,586,777	1,668,285
	4,078,331	2,406,805
<i>Loans to subsidiaries</i>		
Non-current (Note b)	549,157	288,323

- (a) As loans to subsidiaries for both financial years ended 31 December 2021 and 31 December 2020 were, in substance, a part of the Trust's net investment in the subsidiaries, they are stated at cost less accumulated impairment losses. The other loans to subsidiaries were interest free and unsecured. The settlement of the amounts was neither planned nor likely to occur in the foreseeable future.
- (b) As at 31 December 2021, loans to subsidiaries bear interest of Bank Bill Swap Bid Rate (BBSY)+2.3% and Bank Bill Swap Rate (BBSW)+1.8% (31 December 2020: BBSY+2.3% and BBSW+1.8%) per annum respectively. The principal amount of the loans to subsidiaries will not be called by the Trust in the next 12 months from the balance sheet date.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

8. INTERESTS IN SUBSIDIARIES AND LOANS TO SUBSIDIARIES (continued)

Details of interests in subsidiaries:

Name of subsidiary	Principal activity	Principal place of business	Effective equity held by the Trust	
			31/12/2021 %	31/12/2020 %
(i) Direct subsidiaries				
PLC 8 Holdings Pte. Ltd. ("PLC8H")*	Investment holding	Singapore	100	100
Ascendas REIT Australia ("ARA")^	Investment holding	Australia	100	100
Ascendas REIT (Europe) Pte. Ltd.*	Investment holding	Singapore	100	100
Ascendas REIT (Europe) 2 Pte. Ltd.**	Investment holding	Singapore	100	–
Ascendas US HoldCo Pte. Ltd.*	Investment holding	Singapore	100	100
Ascendas REIT BP Trust No. 1^	Investment holding	Australia	100	100
Ascendas Logistics Trust 3 ("ALT3")^	Investment holding	Australia	100	–
Ascendas REIT (Singapore Sub 1) LLP (converted from Ascendas Fusion 5 Pte Ltd on 14 September 2021)***	Investment in real estate assets	Singapore	100	25
(ii) Indirect subsidiaries				
PLC 8 Development Pte. Ltd. ("PLC8D")*	Commercial and industrial real estate management	Singapore	100	100
Ascendas Logistics Trust ("ALT")^	Investment holding	Australia	100	100
Ascendas Logistics Trust 2 ("ALT2")^	Investment holding	Australia	100	100
Ascendas Longbeach Trust No.1^	Investment holding	Australia	100	100
Ascendas Longbeach Trust No.2^	Investment holding	Australia	100	100
Ascendas Longbeach Trust No.3^	Investment holding	Australia	100	100

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

8. INTERESTS IN SUBSIDIARIES AND LOANS TO SUBSIDIARIES (continued)

Details of interests in subsidiaries (continued):

Name of subsidiary	Principal activity	Principal place of business	Effective equity held by the Trust	
			31/12/2021 %	31/12/2020 %
(ii) Indirect subsidiaries (continued)				
Ascendas Longbeach Trust No.4 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Trust No.5 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Trust No.6 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Trust No.7 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Trust No.8 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Trust No.9 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Trust No.10 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Trust No.11 [^]	Investment holding	Australia	–	100
Ascendas Longbeach Trust No.12 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Sub-Trust No.1 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Sub-Trust No.2 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Sub-Trust No.3 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Sub-Trust No.4 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Sub-Trust No.5 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Sub-Trust No.6 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Sub-Trust No.7 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Sub-Trust No.8 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Sub-Trust No.9 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Sub-Trust No.10 [^]	Investment holding	Australia	100	100
Ascendas Longbeach Sub-Trust No.11 [^]	Investment holding	Australia	100	100
Ascendas Business Park Trust No.1 [^]	Investment holding	Australia	100	100
Ascendas Business Park Trust No.2 [^]	Investment holding	Australia	100	100

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

8. INTERESTS IN SUBSIDIARIES AND LOANS TO SUBSIDIARIES (continued)

Details of interests in subsidiaries (continued):

Name of subsidiary	Principal activity	Principal place of business	Effective equity held by the Trust	
			31/12/2021 %	31/12/2020 %
(ii) Indirect subsidiaries (continued)				
Ascendas Business Park Trust No.3 [^]	Investment holding	Australia	100	100
Ascendas Business Park Trust No.4 [^]	Investment holding	Australia	100	–
Ascendas REIT (Europe Sub 1) Ltd. [®]	Investment holding	Guernsey	100	100
ARE S1 (Logistics I) Limited [®]	Investment holding	Guernsey	100	100
ARE S1 (Logistics II) Limited [®]	Investment holding	Guernsey	100	100
ARE S1 (Logistics III) Limited [®]	Investment holding	Guernsey	100	100
ARE S1 (Logistics IV) Limited [®]	Investment holding	Guernsey	100	100
ARE S1 (Logistics V) Limited [®]	Investment holding	Guernsey	100	100
ARE S1 (Logistics VI) Limited [®]	Investment holding	Guernsey	100	100
ARE S1 (Logistics VII) Limited [®]	Investment holding	Guernsey	100	100
ARE S1 (Logistics VIII) Limited [®]	Investment holding	Guernsey	100	100
ARE S1 (Logistics IX) Limited [®]	Investment holding	Guernsey	100	100
ARE S1 (Logistics X) Limited [®]	Investment holding	Guernsey	100	100
Ascendas REIT (Europe Sub 2) Group Ltd [®]	Investment holding	Jersey	100	100
ARE S2 (Logistics I) Limited [®]	Investment holding	Jersey	100	100
ARE S2 (Logistics II) Limited [®]	Investment holding	Jersey	100	100
ARE S2 (Logistics III) Limited [®]	Investment holding	Jersey	100	100
ARE S2 (Logistics IV) Limited [®]	Investment holding	Jersey	100	100
ARE S2 (Logistics V) Limited [®]	Investment holding	Jersey	100	100

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

8. INTERESTS IN SUBSIDIARIES AND LOANS TO SUBSIDIARIES (continued)

Details of interests in subsidiaries (continued):

Name of subsidiary	Principal activity	Principal place of business	Effective equity held by the Trust	
			31/12/2021 %	31/12/2020 %
(ii) Indirect subsidiaries (continued)				
ARE S2 (Logistics VI) Limited [®]	Investment holding	Jersey	100	100
ARE S2 (Logistics VII) Limited [®]	Investment holding	Jersey	100	100
ARE S2 (Logistics VIII) Limited [®]	Investment holding	Jersey	100	100
ARE S2 (Logistics IX) Limited [®]	Investment holding	Jersey	100	100
Ascendas REIT (Europe Sub 3) Limited ^{^^}	Investment holding	Jersey	100	–
Ascendas REIT (Croydon) UK Limited ^{^^}	Investment in real estate assets	United Kingdom	100	–
Ascendas REIT (Croydon) Limited ^{^^}	Investment in real estate assets	Isle of Man	100	–
Ascendas REIT (Cressex) Limited ^{^^}	Investment in real estate assets	Jersey	100	–
Ascendas REIT (Welwyn) Limited ^{^^}	Investment in real estate assets	Jersey	100	–
Ascendas REIT (Manchester) Limited ^{^^}	Investment in real estate assets	Jersey	100	–
Ascendas REIT (Netherlands Sub 1) BV ^{^^}	Investment holding	Netherlands	100	–
Ascendas REIT (PVV) B.V. ^{^^}	Investment in real estate assets	Netherlands	100	–
Ascendas REIT (Gyroscoopweg) B.V. ^{^^}	Investment in real estate assets	Netherlands	100	–
Ascendas REIT (Cateringweg) B.V. ^{^^}	Investment in real estate assets	Netherlands	100	–
Ascendas REIT (France Sub 1) SAS ^{^^}	Investment holding	France	100	–
Ascendas REIT Paris Holding S.a.r.l. ^{^^}	Investment holding	France	100	–

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

8. INTERESTS IN SUBSIDIARIES AND LOANS TO SUBSIDIARIES (continued)

Details of interests in subsidiaries (continued):

Name of subsidiary	Principal activity	Principal place of business	Effective equity held by the Trust	
			31/12/2021 %	31/12/2020 %
(ii) Indirect subsidiaries (continued)				
Ascendas REIT (Montigny) SCI^^	Investment in real estate assets	France	100	–
Ascendas REIT (Bievres) SCI^^	Investment in real estate assets	France	100	–
Ascendas REIT (Saclay) SCI^^	Investment in real estate assets	France	100	–
Ascendas REIT (Geneva) S.a.r.l^^	Investment in real estate assets	France	100	–
Ascendas US REIT LLC&	Investment holding	United States	100	100
Portland 1 LLC&	Investment in real estate assets	United States	100	100
Portland 2 LLC&	Investment in real estate assets	United States	100	100
San Diego 1 LLC&	Investment in real estate assets	United States	100	100
San Diego 2 LLC&	Investment in real estate assets	United States	100	100
Raleigh 1 LLC&	Investment in real estate assets	United States	100	100
Raleigh 1 LP&	Investment in real estate assets	United States	100	100
Ascendas TRS 1 LLC&	Operate and manage real estate assets	United States	100	100
Ascendas REIT SF1 LLC®	Investment in real estate assets	United States	100	100
Ascendas REIT SF2 LLC®	Investment in real estate assets	United States	100	100
Ascendas REIT US 1 LLC^^	Investment in real estate assets	United States	100	–

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

8. INTERESTS IN SUBSIDIARIES AND LOANS TO SUBSIDIARIES (continued)

Details of interests in subsidiaries (continued):

- * Audited by EY LLP Singapore for the financial year ended 31 December 2021 (31 December 2020: EY LLP Singapore).
- ** Audited by EY LLP Singapore for the financial year ended 31 December 2021 (31 December 2020: Not applicable).
- *** Audited by EY LLP Singapore for the financial year ended 31 December 2021 (31 December 2020: KPMG LLP Singapore).
- ^ Audited by a member firm of EY International for the financial year ended 31 December 2021 for Group consolidation purpose (31 December 2020: EY International).
- ^^ Audited by EY LLP Singapore for the financial year ended 31 December 2021 for Group consolidation purpose (31 December 2020: Not applicable).
- & Audited by EY LLP Singapore for the financial year ended 31 December 2021 for Group consolidation purpose (31 December 2020: EY International).
- @ Audited by EY LLP Singapore for the financial year ended 31 December 2021 for Group consolidation purpose (31 December 2020: EY LLP Singapore).

9. INVESTMENT IN AN ASSOCIATE COMPANY AND INVESTMENT IN A JOINT VENTURE

Investment in an associate company

	Group		Trust	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
At the beginning of the financial year	112,240	–	105,532	–
Acquisition of an associate company	–	107,732	–	107,732
Incorporation of an associate company	39,312	–	39,312	–
Unrealised gain from the sale of a property	(4,293)	–	–	–
Share of post-acquisition profit	3,149	9,408	–	–
Return of capital from an associate company	–	(2,200)	–	(2,200)
Dividend received	(1,875)	(2,700)	–	–
De-recognise the investment in associate	(113,514)	–	(105,532)	–
At the end of the financial year	35,019	112,240	39,312	105,532

On 31 March 2020, the Trust acquired a 25% interest in AF5PL, which owns Galaxis, a business park property located in one-north, Singapore. AF5PL is a private entity that is not listed on any public exchange.

On 30 June 2021, the Trust acquired the remaining 75% interest in AF5PL. Consequently, the associate company became the subsidiary of the Group and its financials were consolidated in the Group's financial statements.

Details of the associate companies are as follows:

Name of associate company	Principal place of business	Effective equity held by the Group and the Trust	
		31/12/2021 %	31/12/2020 %
Ascendas Reit (Singapore Sub 1) LLP*	Singapore	–	25
SPRINT Plot 1 Trust**	Singapore	34	–

* Audited by KPMG LLP Singapore for the financial year ended 31 December 2020.

** SPRINT Plot 1 Trust was incorporated on 15 November 2021 and the first set of audited financial statements will be for the financial period 15 November 2021 to 31 December 2022.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

9. INVESTMENT IN AN ASSOCIATE COMPANY AND INVESTMENT IN A JOINT VENTURE (continued)

Investment in an associate company (continued)

The following information is about the Group's investment in an associate company that is not individually material, and the information has been modified for fair value adjustments on acquisition and differences in the Group's accounting policies:

	31/12/2021 \$'000	31/12/2020 \$'000
Profit after tax, representing total comprehensive income [^]	12,858	43,812

[^] Included within the profit after tax for the financial year ended 31 December 2021 is an amount of \$12.9 million relating to AF5PL before the Trust acquired the remaining 75% interest on 30 June 2021.

Investment in a joint venture

	31/12/2021 \$'000	Group 31/12/2020 \$'000
At the beginning of the financial year	195	154
Share of post-acquisition profit	155	182
Dividend received	(185)	(141)
At the end of the financial year	165	195

Name of joint venture	Principal place of business	Effective equity held by the Group and the Trust	
		31/12/2021 %	31/12/2020 %
Changi City Carpark Operations LLP	Singapore	39.914	39.914

* Audited by Tan, Chan & Partners LLP for the financial year ended 30 September 2021 and 30 September 2020.

Changi City Carpark Operations LLP ("CCCO") is an unlisted joint arrangement in which the Group has joint control via a partnership agreement and 39.914% equity interest. CCCO manages and operates the car park at ONE@Changi City.

CCCO is structured as a separate vehicle and the Group has a residual interest in its net assets. Accordingly, the Group has classified its interest in CCCO as a joint venture, which is equity accounted.

The following information is about the Group's investment in a joint venture that is not individually material, and the information has been modified for fair value adjustments on acquisition and differences in the Group's accounting policies:

	31/12/2021 \$'000	31/12/2020 \$'000
Profit after tax, representing total comprehensive income	387	456

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

10. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
Trade receivables, gross	38,436	18,922	2,411	6,508
Allowance for expected credit losses	(3,234)	(3,184)	(1,951)	(1,445)
Trade receivables, net	35,202	15,738	460	5,063
Deposits	3,443	17,968	–	–
Interest receivables	5,357	2,358	5,357	2,358
Other receivables				
– Subsidiaries	–	–	9,693	6,052
– Non-related parties	18,614	18,605	8,648	6,341
	18,614	18,605	18,341	12,393
	62,616	54,669	24,158	19,814
Prepayments	18,965	12,508	5,037	4,843
	81,581	67,177	29,195	24,657

Other receivables from subsidiaries are the interest receivables related to loans to subsidiaries, which is receivable on demand.

The Group's primary exposure to credit risk arises through its trade and other receivables. The Group has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The maximum exposure to credit risk for trade receivables at reporting date considering expected credit losses, by operating segments, is as follows:

	Group		Trust	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
Business & Science Park Properties	2,036	2,288	7	932
Integrated Development, Amenities & Retail Properties	99	471	99	471
High-Specifications Industrial Properties	179	2,196	179	2,196
Light Industrial Properties & Flatted Factories	44	904	44	904
Logistics & Distribution Centres	6,324	9,693	48	374
Data Centres	26,520	186	83	186
	35,202	15,738	460	5,063

The amounts represented in the table above are mainly secured by way of bankers' guarantees, insurance bonds or cash security deposits held by the Group, except for trade receivables balance which are impaired or arising from tenants who have good payment records.

As a result of the default in rental by tenants, \$5,133,000 (31 December 2020: \$3,172,000) of cash security deposits were forfeited during the financial year.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

10. TRADE AND OTHER RECEIVABLES (continued)

The ageing of trade receivables at the reporting date was:

	31/12/2021		31/12/2020	
	Gross \$'000	Expected credit losses \$'000	Gross \$'000	Expected credit losses \$'000
Group				
Current	14,965	(39)	13,501	(406)
Past due 1 – 90 days	19,528	(14)	1,354	(280)
Past due over 90 days	3,943	(3,181)	4,067	(2,498)
	38,436	(3,234)	18,922	(3,184)
Trust				
Current	460	–	2,341	–
Past due 1 – 90 days	–	–	402	(12)
Past due over 90 days	1,951	(1,951)	3,765	(1,433)
	2,411	(1,951)	6,508	(1,445)

Expected credit losses

The movements in allowance for expected credit losses of trade receivables are as follows:

	Group		Trust	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
At the beginning of the financial year	3,184	16	1,445	–
Provision for expected credit losses	43	3,144	506	1,445
Acquisition	161	–	–	–
Bad debt written off from provision previously made	(154)	24	–	–
At the end of the financial year	3,234	3,184	1,951	1,445

The Manager believes that no provision of impairment losses is necessary in respect of the remaining trade receivables as majority of the balances are either not past due or collected subsequent to year end. And the rest of these amounts mainly arise from tenants who have good payment records and / or have placed sufficient security with the Group in the form of bankers' guarantees, insurance bonds or cash security deposits.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

11. CASH AND FIXED DEPOSITS

	Group		Trust	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
Cash at banks	368,027	276,536	109,632	189,795
Fixed deposits	522	1,443	–	–
	368,549	277,979	109,632	189,795

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise of the following at the end of the financial year:

	Group	
	31/12/2021 \$'000	31/12/2020 \$'000
Cash at banks	368,027	276,536
Fixed deposits	522	1,443
Cash and cash equivalents	368,549	277,979

12. TRADE AND OTHER PAYABLES

	Group		Trust	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
Trade payables				
– non-related parties	4,651	6,567	3,578	3,937
– the Manager and its fellow subsidiaries	12,021	9,511	9,670	9,511
– the Property Manager	8,669	8,734	8,669	8,734
– the Trustee	890	592	890	592
– other related parties	682	684	682	684
Accruals	181,846	159,171	118,771	105,548
Other payables	58,811	46,617	21,370	40,381
Amount owing to a subsidiary	–	–	14,527	9,984
Property tax payable	10,393	8,088	6,119	6,780
Interest payable	30,046	21,216	23,958	18,511
GST / VAT payables	23,810	17,016	14,378	13,236
Rental received in advance	54,107	19,439	11,964	6,299
Cumulative redeemable preference shares	86	86	–	–
	386,012	297,721	234,576	224,197

The amount owing to a subsidiary is unsecured and interest free and is repayable on demand.

Presented as:

	Group		Trust	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
Current	385,926	297,635	234,576	224,197
Non-current	86	86	–	–
	386,012	297,721	234,576	224,197

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

13. DERIVATIVE FINANCIAL INSTRUMENTS

	Group		Trust	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
Derivative assets				
Current	1,834	4,490	1,834	4,490
Non-current	53,868	33,893	36,002	33,893
	55,702	38,383	37,836	38,383
Derivative liabilities				
Current	(1,516)	(7,847)	(1,516)	(3,648)
Non-current	(58,774)	(99,187)	(55,650)	(94,684)
	(60,290)	(107,034)	(57,166)	(98,332)
Total derivative financial instruments	(4,588)	(68,651)	(19,330)	(59,949)
Derivative financial instruments as a percentage of net assets	0.04%	0.75%	0.20%	0.67%

The Group enters into interest rate swaps to manage its exposure to interest rate movements on its floating rate interest-bearing borrowings by swapping the interest expense on these borrowings from floating rates to fixed rates.

The Group held interest rate swaps with a total notional amount of \$2,557.6 million (31 December 2020: \$1,948.5 million) to provide fixed rate funding for terms of less than one year to 4.2 years (31 December 2020: less than one year to 5.1 years). The Group also held certain floating rate interest rate swaps with an aggregate notional amount of \$350.0 million (31 December 2020: \$350.0 million) and basis interest rate swaps with an aggregate notional amount of \$504.5 million (31 December 2020: \$504.5 million) for efficient portfolio management and to maintain desired level of hedge and preferred floating benchmarks.

The changes in fair value of the interest rate swaps are recognised in the Statement of Total Return for both financial years ended 31 December 2021 and 31 December 2020.

As at 31 December 2021, the Group held cross currency swaps ("CCS") with notional amounts of JPY10.0 billion and HKD5.2 billion (31 December 2020: JPY15.0 billion and HKD4.2 billion) respectively, to provide Singapore dollar funding for terms of less than one year to 9.8 years (31 December 2020: less than one year to 9.2 years).

In addition, the Group held CCS with notional amounts of AUD301.8 million and GBP122.7 million (31 December 2020: AUD301.8 million and GBP114.9 million) as a hedge for its investment in Australia and UK for a term of less than one year to 3.7 years (31 December 2020: less than one year to 4.7 years) respectively.

The Group had also entered into forward exchange contracts to manage its foreign currency risk. The notional amount of the Group's outstanding forward exchange contracts as at 31 December 2021 was AUD4.1 million and GBP7.2 million (31 December 2020: AUD0.6 million).

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

14. LOANS AND BORROWINGS

	Group		Trust	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000
Current				
Short term bank borrowings (unsecured)	626,708	226,556	626,708	226,556
Less: Unamortised transaction costs	–	(126)	–	–
	626,708	226,430	626,708	226,556
Term loans (unsecured)	274,268	–	198,842	–
Less: Unamortised transaction costs	(113)	–	(47)	–
	274,155	–	198,795	–
Medium term notes (unsecured)	350,000	194,230	350,000	194,230
Less: Unamortised transaction costs	(42)	(21)	(42)	(21)
	349,958	194,209	349,958	194,209
Total current loans and borrowings	1,250,821	420,639	1,175,461	420,765
Non-current				
Term loans				
– Secured	561,074	553,072	–	–
– Unsecured	2,309,457	2,018,281	784,829	746,301
Less: Unamortised transaction costs	(12,627)	(10,652)	(3,193)	(2,093)
	2,857,904	2,560,701	781,636	744,208
Medium term notes (unsecured)	1,980,932	1,704,074	1,980,932	1,704,074
Less: Unamortised transaction costs	(5,309)	(3,450)	(5,309)	(3,450)
	1,975,623	1,700,624	1,975,623	1,700,624
Total non-current loans and borrowings	4,833,527	4,261,325	2,757,259	2,444,832
Total loans and borrowings	6,084,348	4,681,964	3,932,720	2,865,597
Maturity of gross loans and borrowings:				
	Group		Trust	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000
Within 1 year	1,250,976	420,786	1,175,550	420,786
After 1 year but within 5 years	3,330,365	3,298,155	1,447,658	1,749,638
After 5 years	1,521,098	977,272	1,318,103	700,737
	6,102,439	4,696,213	3,941,311	2,871,161

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

14. LOANS AND BORROWINGS (continued)

Short term bank borrowings

As at the reporting date, the Group has in place various short term banking credit facilities totalling \$2,417.7 million (31 December 2020: \$2,417.4 million), of which \$635.4 million (31 December 2020: \$236.1 million) has been utilised. Included in the amount of \$2,417.7 million (31 December 2020: \$2,417.4 million) is a sub-facility of \$102.1 million (31 December 2020: \$102.0 million) facility for the issuance of letters of guarantee.

Term loans

As at the reporting date, the Group has in place various term loan facilities totalling \$3,144.8 million (31 December 2020: \$2,771.4 million) which have been fully utilised (31 December 2020: \$2,571.4 million).

Included in the above was approximately \$561.1 million (31 December 2020: \$553.1 million) secured syndicated term loans from Australian banks ("Syndicated Loans"). The Syndicated Loans are secured by way of a first mortgage over 24 (31 December 2020: 26) properties in Australia and assets of their respective holding trusts, and a guarantee from the Trust.

Medium term notes

In March 2009, the Trust established a \$1.0 billion Multicurrency Medium Term Note ("MTN") Programme. Pursuant to the MTN Programme, the Trust may, subject to compliance with all relevant laws, regulations and directives, from time to time, issue fixed or floating interest rate notes (the "MTN Notes") in Singapore dollars or any other currency for up to a programme limit of \$1.0 billion. In March 2016, the Trust upsized the programme limit to \$5.0 billion.

In August 2020, the Trust established a \$7.0 billion Euro Medium Term Note ("EMTN") Programme. Pursuant to the EMTN Programme, the Trust may, subject to compliance with all relevant laws, regulations and directives, from time to time, issue notes (the "EMTN Notes", the MTN Notes and EMTN Notes are collectively defined as "Notes"), or perpetual securities (the "Perpetual Securities") denominated in any currency.

The Notes shall constitute direct, unconditional, unsecured and unsubordinated obligations of the Trust ranking *pari passu*, without any preference or priority among themselves and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Trust.

The principal amount of the Notes outstanding as at 31 December 2021 comprised \$850.0 million (31 December 2020: \$880.0 million) in SGD-denominated Notes, \$153.7 million (31 December 2020: \$216.0 million) in JPY-denominated Notes, \$906.5 million (31 December 2020: \$736.2 million) in HKD-denominated Notes and \$461.5 million (31 December 2020: nil) in EURO-denominated Notes. The Trust entered into cross currency swaps with notional amounts of JPY10.0 billion and HKD5.2 billion (31 December 2020: JPY15.0 billion and HKD4.2 billion) to hedge against the foreign currency risk arising from the principal amount of the JPY and HKD denominated Notes (Note 13).

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

14. LOANS AND BORROWINGS (continued)

Medium term notes (continued)

Total Notes outstanding as at 31 December 2021 under the MTN and EMTN programme were \$2,330,932,000 (31 December 2020: \$1,898,304,000), comprising:

Maturity date	Interest rate per annum	Interest payment in arrears	31 December 2021 '000	31 December 2020 '000
(i) 3 February 2022	4.00%	Semi-annually	\$200,000	\$200,000
(ii) 23 April 2024 ¹	2.55%	Semi-annually	JPY10,000,000	JPY10,000,000
(iii) 4 September 2029 ¹	3.64%	Annually	HKD640,000	HKD640,000
(iv) 3 June 2022	3.20%	Semi-annually	\$150,000	\$150,000
(v) 4 February 2026 ¹	3.00%	Annually	HKD500,000	HKD500,000
(vi) 3 August 2026 ¹	2.77%	Annually	HKD923,000	HKD923,000
(vii) 10 August 2023	2.47%	Semi-annually	\$200,000	\$200,000
(viii) 2 March 2025	3.14%	Semi-annually	\$200,000	\$200,000
(ix) 16 May 2025 ¹	3.66%	Semi-annually	HKD729,000	HKD729,000
(x) 20 March 2029 ²	3.57%	Semi-annually	HKD1,450,000	HKD1,450,000
(xi) 26 August 2030	2.65%	Semi-annually	\$100,000	\$100,000
(xii) 23 June 2028	0.75%	Annually	EUR300,000	–
(xiii) 24 October 2031 ²	2.63%	Annually	HKD950,000	–
(xiv) 29 March 2021 ¹	3 month JPY LIBOR + 0.5%	Quarterly	–	JPY5,000,000
(xv) 7 April 2021	2.655%	Semi-annually	–	\$130,000

1 The Trust has entered into cross currency swaps to swap into Singapore dollars.

2 The Trust has entered into cross currency swaps to swap into GBP.

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal interest rate %	Year of maturity	Face value \$'000	Carrying amount \$'000
Group				
31 December 2021				
Short term bank borrowings	SOR/COF [^] + margin	2022	626,708	626,708
Term loans	SOR/COF [^] + margin	2022 to 2027	3,144,799	3,132,059
Medium term notes	0.75 – 4.00	2022 to 2031	2,330,932	2,325,581
			6,102,439	6,084,348
31 December 2020				
Short term bank borrowings	SOR/COF [^] + margin	2021	226,556	226,430
Term loans	SOR/COF [^] + margin	2021 to 2026	2,566,353	2,560,701
Medium term notes	2.47 – 4.00 / JPY 3-month LIBOR + 0.5%	2021 to 2030	1,898,304	1,894,833
			4,691,213	4,681,964

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

14. LOANS AND BORROWINGS (continued)

Terms and debt repayment schedule (continued)

	Nominal interest rate %	Year of maturity	Face value \$'000	Carrying amount \$'000
Trust				
31 December 2021				
Short term bank borrowings	SOR/COF [^] + margin	2022	626,708	626,708
Term loans	SOR/COF [^] + margin	2022 to 2027	983,671	980,431
Medium term notes	0.75 – 4.00	2022 to 2031	2,330,932	2,325,581
			3,941,311	3,932,720
31 December 2020				
Short term bank borrowings	SOR/COF [^] + margin	2021	226,556	226,556
Term loans	SOR/COF [^] + margin	2022 to 2024	746,301	744,208
Medium term notes	2.47 – 4.00 /JPY 3-month LIBOR + 0.5%	2021 to 2030	1,898,304	1,894,833
			2,871,161	2,865,597

[^] COF denotes the lender's cost of funds

The Group's weighted average all-in cost of borrowings, including interest rate swaps and amortised costs of borrowings as at 31 December 2021 was 2.2% (31 December 2020: 2.7%) per annum. Total borrowings have a weighted average term remaining of 3.5 years (31 December 2020: 3.7 years).

A reconciliation of liabilities arising from financing activities is as follows:

	1 January 2021 \$'000	Cash flows \$'000	Non-cash changes			31 December 2021 \$'000
			Currency translation \$'000	Accretion of interests \$'000	Others \$'000	
Group						
Loans and borrowings – medium term notes, and bank borrowings	4,681,964	1,416,307	(9,877)	952	(4,998)	6,084,348
Lease liabilities (Note 7)	609,956	(33,456)	(807)	26,883	2,070	604,646
	5,291,920	1,382,851	(10,684)	27,835	(2,928)	6,688,994

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

14. LOANS AND BORROWINGS (continued)

	1 January 2020 \$'000	Cash flows \$'000	Non-cash changes			31 December 2020 \$'000
			Currency translation \$'000	Accretion of interests \$'000	Others \$'000	
Group						
Loans and borrowings – medium term notes, and bank borrowings	4,570,498	83,466	27,961	965	(926)	4,681,964
Lease liabilities (Note 7)	617,639	(32,578)	–	27,140	(2,245)	609,956
	<u>5,188,137</u>	<u>50,888</u>	<u>27,961</u>	<u>28,105</u>	<u>(3,171)</u>	<u>5,291,920</u>

The “Others” column relates to the movement of debt related transaction cost, derecognition of lease liabilities due to the divestments, lease liabilities arising from acquisitions and remeasurement of lease liabilities.

15. DEFERRED TAX ASSET AND LIABILITIES

The movements in the deferred tax balances on the gross basis during the year are as follows:

	Unused tax losses and other tax credits \$'000	Investment properties \$'000	Unremitted earnings of overseas subsidiaries \$'000	Total \$'000
Group				
At 1 January 2020	–	964	25,595	26,559
Recognised in the Statement of Total Return (Note 23)	(5,354)	5,870	27,382	27,898
At 31 December 2020 and 1 January 2021	<u>(5,354)</u>	<u>6,834</u>	<u>52,977</u>	<u>54,457</u>
Recognised in the Statement of Total Return (Note 23)	(2,732)	34,004	26,957	58,229
Exchange differences	–	(22)	–	(22)
Acquisitions	–	5,108	–	5,108
At 31 December 2021	<u>(8,086)</u>	<u>45,924</u>	<u>79,934</u>	<u>117,772</u>

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

15. DEFERRED TAX ASSET AND LIABILITIES (continued)

Reflected in the statement of financial position as follows:

	31/12/2021	Group 31/12/2020
	\$'000	\$'000
Deferred tax assets	–	(1,484)
Deferred tax liabilities	117,772	55,941
Deferred tax liabilities, net	117,772	54,457

Deferred tax assets have not been recognised in respect of tax losses amounting to \$15,170,000 (2020: \$256,000) as they may not be used to offset taxable profits elsewhere in the Group. They have arisen in subsidiaries that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future.

16. PERPETUAL SECURITIES

In October 2015, the Trust issued \$300.0 million perpetual securities. The key terms and conditions of the perpetual securities are as follows:

- the perpetual securities will confer a right to receive distribution payments at a rate of 4.75% per annum with the first distribution rate reset falling on 14 October 2020 and subsequent resets occurring every five years thereafter;
- the distributions are payable semi-annually in arrears on a discretionary basis and are non-cumulative; and
- the perpetual securities will constitute direct, unsecured and subordinated obligations of the Trust and rank *pari passu* and without any preference among themselves and with any Parity Obligations (as defined in the conditions) of the Issuer

The above perpetual securities have been fully redeemed in October 2020.

In September 2020, the Trust issued a separate \$300.0 million perpetual securities. The key terms and conditions of the perpetual securities are as follows:

- the perpetual securities will confer a right to receive distribution payments at an initial rate of 3% per annum with the first distribution rate reset falling on 17 September 2025 and subsequent resets occurring every five years thereafter;
- the distributions are payable semi-annually in arrears on a discretionary basis and are non-cumulative; and
- the perpetual securities will constitute direct, unconditional, subordinated and unsecured obligations of the Trust and rank *pari passu* and without any preference among themselves and with any Parity Obligations (as defined in the conditions) of the Issuer.

The perpetual securities are classified as equity instruments and recorded as equity in the Statements of Financial Position. The \$298.9 million (31 December 2020: \$298.9 million) presented in the Statements of Financial Position represents the carrying value of the \$300.0 million (31 December 2020: \$300.0 million) perpetual securities issued, net of issue costs and includes the total return attributable to the perpetual securities holders from the last distribution date.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

17. UNITS IN ISSUE AND TO BE ISSUED

	Group and Trust	
	31/12/2021 ('000)	31/12/2020 ('000)
Units issued:		
At the beginning of the financial year	4,020,843	3,612,694
Issue of new Units:		
– Management fees paid in Units	5,312	4,330
– Equity fund raising	142,664	398,325
– Acquisition fee paid in Units	1,761	5,494
– Divestment fee paid in Units	177	–
– Consideration Units	27,173	–
At end of the financial year	<u>4,197,930</u>	<u>4,020,843</u>
Units to be issued:		
Management fee payable in Units	458	398
Total Units issued and to be issued at end of the financial year	<u>4,198,388</u>	<u>4,021,241</u>

During the financial year ended 31 December 2021:

- 5,312,448 new Units amounting to \$15,666,000 were issued at issue prices ranging from \$2.9313 to \$2.9651 per unit for the payment of 20% base management fee to the Manager in Units.
- 142,664,000 new Units amounting to \$420,003,000 were issued on 14 May 2021 pursuant to private placement at an issue price of \$2.9440 per unit. The Units will, upon allotment and issue, rank *pari passu* in all respects with the Existing Units in issue as at the date of issue of the Right units, as well as all distributions thereafter, other than in respect of the distribution for the period from 1 January 2021 to 13 May 2021.
- 27,173,000 new Units amounting to \$79,997,000 were issued on 30 June 2021 at an issue price of \$2.9440 per unit as part of the Sale Shares Consideration Units for the acquisition of remaining 75% equity interests in AF5PL. The Units will, upon allotment and issue, rank *pari passu* in all respects with the Existing Units in issue as at the date of issue of the Consideration units.
- 1,761,424 new Units amounting to \$5,400,000 were issued on 30 July 2021 at issue price of \$3.0657 per unit as payment of acquisition fee to the Manager in relation to the acquisition of 75% of the total issued share capital of AF5PL.
- 176,535 new Units amounting to \$516,000 were issued on 30 December 2021 at an issue price of \$2.9218 per unit as payment of divestment fee to the Manager in relation to the disposal of the 1 Science Park Drive, formerly known as TÜV SÜD PSB Building to an associate company.

During the financial year ended 31 December 2020:

- 4,329,685 new Units amounting to \$13,292,000 were issued at issue prices ranging from \$2.9390 to \$3.1919 per unit for the payment of 20% base management fee to the Manager in Units.
- 5,494,086 new Units amounting to \$16,536,000 were issued on 10 January 2020 at issue price of \$3.0098 per unit for the payment of acquisition fee to the Manager in relation to the acquisition of a portfolio of United States properties and two Singapore properties by the Group from indirect wholly-owned subsidiaries of a significant Unitholder of the Trust on 11 December 2019.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

17. UNITS IN ISSUE AND TO BE ISSUED (continued)

During the financial year ended 31 December 2020 (continued):

- 398,324,782 new Units amounting to \$1,196,490,000 were issued on 19 November 2020 comprising a private placement and a preferential offering. 264,376,000 new Units were issued pursuant to the private placement at an issue price of \$3.026 per unit and 133,948,782 new Units were issued pursuant to the Preferential Offering at an issue price of \$2.960 per unit. The Units will, upon allotment and issue, rank *pari passu* in all respects with the Existing Units in issue as at the date of issue of the Right units, as well as all distributions thereafter, other than in respect of the distribution for the period from 1 July 2020 to 18 November 2020.

18. GROSS REVENUE

	Group	
	31/12/2021 \$'000	31/12/2020 \$'000
Property rental income	1,067,798	912,226
Other income	158,727	117,739
Government grant income – property tax rebate	–	19,495
	1,226,525	1,049,460

Other income comprises interest income received from finance lease receivable, car park charges, utilities income and sundry income.

Government grant income in FY2020 relates to property tax rebates received from the Singapore Government to help businesses deal with the impact from COVID-19. For the property tax rebates, the Group was obliged to pass on the benefits to its tenants and had transferred these to the tenants in form of rent rebates.

19. PROPERTY OPERATING EXPENSES

	Group	
	31/12/2021 \$'000	31/12/2020 \$'000
Maintenance and conservancy (“M&C”) expenses	37,546	34,356
Property service fees	84,843	69,017
Property tax	81,668	70,249
Utilities	72,809	51,855
Security services	9,787	9,283
Site staff cost	5,799	6,172
Carpark management fee expenses	4,213	4,141
Land tax	1,058	1,186
Other operating expenses	8,052	7,460
Government grant expense – property tax rebate	–	19,495
	305,775	273,214

Government grant expense in FY2020 relates to the property tax rebates received from the Singapore Government that were transferred to tenants in the form of rent rebates.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

20. MANAGEMENT FEES

	31/12/2021 \$'000	Group 31/12/2020 \$'000
Base management fee	79,287	67,065
Performance fee	7,394	–
	<u>86,681</u>	<u>67,065</u>

Included in management fees is an aggregate of 5,770,000 (31 December 2020: 4,330,000) Units amounting to approximately \$15,873,000 (31 December 2020: \$13,292,000) that were issued or will be issued to the Manager as satisfaction of the management fee payable in Units at unit prices ranging from \$2.9313 to \$2.9651 (31 December 2020: \$2.9390 to \$3.1919) per Unit.

21. TRUST EXPENSES

	31/12/2021 \$'000	Group 31/12/2020 \$'000
Auditors' remuneration		
– audit fees	1,100	820
– non-audit fees	129	107
Professional fees	3,011	2,516
Valuation fees	1,063	837
Trustee fee	3,137	2,741
Other expenses	5,748	3,182
	<u>14,188</u>	<u>10,203</u>

22. FINANCE COSTS, NET

	31/12/2021 \$'000	Group 31/12/2020 \$'000
Finance income	<u>6,927</u>	<u>5,115</u>
Interest expense on loans and borrowings	(133,363)	(133,161)
Interest expenses on lease liabilities (Note 7)	(26,883)	(27,140)
Amortisation of transaction costs	(4,651)	(4,285)
Others	(910)	(18)
Finance costs	<u>(165,807)</u>	<u>(164,604)</u>
Finance costs, net	<u>(158,880)</u>	<u>(159,489)</u>

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

23. TAX EXPENSE

	Group	
	31/12/2021	31/12/2020
	\$'000	\$'000
Current tax expense		
– Current year	28,243	9,260
Deferred tax expense		
Origination and reversal of temporary differences (Note 15)	58,229	27,898
Tax expense	86,472	37,158
Reconciliation of effective tax rate		
Total return for the year before tax	1,043,511	494,236
Tax calculated using Singapore tax rate of 17% (31 December 2020: 17%)	177,397	84,020
Effect of different tax rate in foreign jurisdictions	2,014	5,701
Non-tax deductible items, net	13,405	18,706
Income not subject to tax	(55,895)	(25,457)
Tax on overseas profits yet to be remitted	26,957	27,382
Tax transparency	(77,406)	(73,194)
	86,472	37,158

24. EARNINGS PER UNIT AND DISTRIBUTION PER UNIT

(a) Basic earnings per Unit

The calculation of basic earnings per Unit is based on the total return for the year and weighted average number of units during the year:

	Group	
	31/12/2021	31/12/2020
	\$'000	\$'000
Total return for the year attributable to the Unitholders and perpetual securities holders	957,039	457,078
Less: Amount reserved for distribution to perpetual securities holders	(9,000)	(15,142)
Total return attributable to Unitholders	948,039	441,936

	Number of Units	
	31/12/2021	31/12/2020
	('000)	('000)

Weighted average number of Units:

As adjusted to include the effects of the Rights Issue

– outstanding during the year	4,127,569	3,666,076
– to be issued as payment for management fee payable in Units	1	1
	4,127,570	3,666,077

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

24. EARNINGS PER UNIT AND DISTRIBUTION PER UNIT (continued)

(a) **Basic earnings per Unit (continued)**

	31/12/2021	Group 31/12/2020
Basic earnings per Unit (cents)	22.968	12.055

(b) **Diluted earnings per Unit**

As at 31 December 2021 and 31 December 2020, the diluted earnings per Unit was equivalent to the basic earnings per Unit.

(c) **Distribution per Unit**

The calculation of distribution per Unit for the financial year is based on:

	31/12/2021	Group 31/12/2020
Total amount available for distribution for the year (\$'000)	629,981	538,428
Distribution per Unit (cents)	15.258	14.688

25. COMMITMENTS AND CONTINGENCIES

- (a) The Group and the Trust lease out their investment properties under operating lease agreements. Non-cancellable operating lease rental receivables are as follows:

	Group		Trust	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000
Within 1 year	1,034,405	925,979	650,110	620,391
After 1 year but within 5 years	2,207,440	1,998,192	1,228,748	1,128,230
After 5 years	1,393,256	1,295,621	866,072	796,805
	4,635,101	4,219,792	2,744,930	2,545,426

- (b) As at 31 December 2021, the Group and the Trust had \$170.4 million (31 December 2020: \$174.2 million) and \$2.3 million (31 December 2020: \$119.2 million) of capital expenditure commitments that had been contracted for but not provided for in the financial statements, respectively.
- (c) The Trust has provided corporate guarantees amounting to \$2,161.1 million (31 December 2020: \$911.2 million) to banks for loans obtained by its subsidiaries.
- (d) The Trust provided undertaking amounting to \$53.9 million to banks for loans obtained by its associate in FY2020.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

26. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Manager has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Manager and the party are subject to common significant influence. Related parties may be individuals or other entities. The Manager and the Property Manager are indirect wholly-owned subsidiaries of a significant Unitholder of the Trust.

In the normal course of its business, the Group carried out transactions with related parties on terms agreed between the parties. During the financial year, in addition to those disclosed elsewhere in the financial statements, there were the following significant related party transactions:

	Group	
	FY2021 \$'000	FY2020 \$'000
Acquisition of remaining 75% equity interest in AF5PL	588,300	–
Sale of property to an associate company	(103,160)	–
Management fees paid / payable to the manager, a subsidiary of the Manager and related parties of the Manager	79,287	67,065
Property service fees paid to the Property Manager	29,858	23,386
Property service fees, service charges, reimbursements and receipts on behalf to related parties of the Manager	27,195	12,474
Acquisition fee paid / payable to:		
– the Manager	16,524	9,254
– the subsidiary of the Manager	2,910	988
Performance fee payable to the Manager	7,394	–
Undertaking provided to an associate company relating to loan facility	–	53,875
Carpark management fee paid / payable to the Property Manager	4,216	4,141
Divestment fee paid / payable to:		
– the Manager	596	627
– the subsidiary of the Manager	645	–
Development management fee paid / payable to the Manager	1,076	–
Lease rental, licence fee, security deposits, chilled water, electricity, car park income, other income from:		
– the other related companies	(49,323)	(49,941)
– the related parties of the Manager	(844)	(311)
Lease service fee paid / payable to:		
– the Manager	13,633	14,135
– the subsidiary of the Manager	2,790	2,142
– the related parties of the Manager	628	654
Reimbursements and receipts on behalf to the Property Manager	535	1,155
Reimbursement paid / payable to the Manager	239	127
Utilities income, rental income of meeting room and usage of space and recovery of expenses paid on behalf to related parties of the Manager	(1,374)	(128)
Utilities expense, telephone charges, security deposits, M&C services and reimbursement of expenses to other related companies	8,850	6,901
Trustee fee	2,570	2,328

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

27. FINANCIAL RATIOS

	31/12/2021	Group 31/12/2020
	%	%
Expenses to weighted average net assets ⁽¹⁾		
– including performance component of Manager’s management fees	1.03	0.92
– excluding performance component of Manager’s management fees	0.96	0.92
Ratio of expenses to net asset value ⁽²⁾	3.96	3.81
Portfolio turnover rate ⁽³⁾	2.15	0.24

(1) The annualised ratio is computed in accordance with guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses at the Group level, excluding property related expenses and borrowing costs.

(2) The ratio is computed based on the total property expenses, including all fees and charges paid to the Trustee, the Manager and related parties for the financial year and as a percentage of net asset value as at the end of the financial year.

(3) The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of weighted average net asset value.

28. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group’s activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk. Risk management is integral to the whole business of the Group. The Manager has a system of controls in place to maintain an acceptable balance between the benefits derived from managing risks and the cost of managing those risks. The Manager also monitors the Group’s risk management process closely to ensure an appropriate balance between control and achievement of business objectives. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s strategic direction.

The Audit and Risk Committee of the Manager oversees how management monitors compliance with the Group’s risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the Group’s exposure to those risks. The Audit and Risk Committee’s oversight role is assisted by an internal audit function which is outsourced to an independent professional firm (“Internal Audit”). Internal Audit undertakes both regular and ad-hoc reviews of controls and procedures, the results of which are reported to the Audit and Risk Committee.

The following sections provide details regarding the Group’s and Trust’s exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

28. FINANCIAL RISK MANAGEMENT (continued)

Financial risk factors (continued)

(a) Market risk

(i) Currency risk

The Group operates in Singapore, Australia, Europe, the UK and the USA. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies").

The Group's exposure to fluctuations in foreign currency rates relates primarily to its bank borrowings and medium term notes that are denominated in foreign currencies as well as investments in non-Singapore properties. The foreign currencies giving rise to this risk are mainly Australian Dollar ("AUD"), British Pound ("GBP"), Euro ("EUR"), Hong Kong Dollar ("HKD"), Japanese Yen ("JPY") and US Dollar ("USD").

The Group monitors its foreign currency exposure on an ongoing basis and manages its exposure to adverse movements in foreign currency exchange rates through financial instruments or other suitable financial products. The Group and the Trust enter into CCS with banks to manage currency risk.

In relation to foreign currency risk arising from investments in non-Singapore properties, the Group and the Trust had borrowed in the foreign currency of underlying investments to achieve a natural hedge. The Group and the Trust had also entered into forward exchange contracts to hedge the cash flows from overseas investments (Note 13).

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

28. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's currency exposure is as follows:

	SGD \$'000	AUD \$'000	GBP \$'000	EUR \$'000	USD \$'000	HKD \$'000	JPY \$'000	Total \$'000
Group								
31 December 2021								
Financial assets								
Cash and fixed deposits	111,565	39,903	82,749	41,349	92,983	-	-	368,549
Trade and other receivables ⁽¹⁾	16,250	2,689	21,352	15,490	6,835	-	-	62,616
Finance lease receivables	45,050	-	-	-	-	-	-	45,050
	<u>172,865</u>	<u>42,592</u>	<u>104,101</u>	<u>56,839</u>	<u>99,818</u>	<u>-</u>	<u>-</u>	<u>476,215</u>
Financial liabilities								
Trade and other payables ⁽²⁾	(188,556)	(14,354)	(8,538)	(43,985)	(52,662)	-	-	(308,095)
Security deposits	(173,949)	(712)	(1,732)	-	(4,037)	-	-	(180,430)
Lease liabilities	(584,932)	-	(19,188)	(526)	-	-	-	(604,646)
Loans and borrowings								
- Gross	(980,958)	(1,269,403)	(353,688)	(460,847)	(2,017,459)	(902,175)	(117,910)	(6,102,440)
	<u>(1,928,395)</u>	<u>(1,284,469)</u>	<u>(383,146)</u>	<u>(505,358)</u>	<u>(2,074,158)</u>	<u>(902,175)</u>	<u>(117,910)</u>	<u>(7,195,611)</u>
Net financial liabilities	(1,755,530)	(1,241,877)	(279,045)	(448,519)	(1,974,340)	(902,175)	(117,910)	(6,719,396)
Add: Net non-financial assets of foreign subsidiaries	-	708,329	278,262	460,847	492,830	-	-	1,940,268
Less: Net financial assets denominated in the respective entities' functional currency	1,755,530	538,784	25,871	(12,324)	1,495,086	-	-	3,802,947
Less: Cross currency swap	-	-	-	-	-	902,175	117,910	1,020,085
Currency exposure	-	5,236	25,088	4	13,576	-	-	43,904

(1) Excludes prepayments.

(2) Excludes rental received in advance and GST / VAT payable.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

28. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Group's currency exposure is as follows:

	SGD \$'000	AUD \$'000	GBP \$'000	USD \$'000	HKD \$'000	JPY \$'000	Total \$'000
Group							
31 December 2020							
Financial assets							
Cash and fixed deposits	176,925	20,357	41,414	39,283	–	–	277,979
Trade and other receivables ⁽¹⁾	17,019	22,412	8,524	6,714	–	–	54,669
Finance lease receivables	48,331	–	–	–	–	–	48,331
	<u>242,275</u>	<u>42,769</u>	<u>49,938</u>	<u>45,997</u>	<u>–</u>	<u>–</u>	<u>380,979</u>
Financial liabilities							
Trade and other payables ⁽²⁾	(204,372)	(14,662)	(5,049)	(37,183)	–	–	(261,266)
Security deposits	(161,610)	(1,986)	(1,019)	(3,470)	–	–	(168,085)
Lease liabilities	(609,956)	–	–	–	–	–	(609,956)
Loans and borrowings – Gross	(1,090,406)	(975,634)	(461,055)	(1,250,814)	(725,614)	(192,690)	(4,696,213)
	<u>(2,066,344)</u>	<u>(992,282)</u>	<u>(467,123)</u>	<u>(1,291,467)</u>	<u>(725,614)</u>	<u>(192,690)</u>	<u>(5,735,520)</u>
Net financial liabilities	(1,824,069)	(949,513)	(417,185)	(1,245,470)	(725,614)	(192,690)	(5,354,541)
Add: Net non-financial assets of foreign subsidiaries	–	422,562	313,330	336,965	–	–	1,072,857
Less: Net financial assets denominated in the respective entities' functional currency	1,613,667	528,544	112,267	912,819	–	–	3,167,297
Less: Cross currency swap	210,402	–	–	–	725,614	192,690	1,128,706
Currency exposure	–	1,593	8,412	4,314	–	–	14,319

(1) Excludes prepayments.

(2) Excludes rental received in advance and GST / VAT payable.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

28. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Trust's currency exposure is as follows:

	SGD \$'000	AUD \$'000	GBP \$'000	EUR \$'000	USD \$'000	HKD \$'000	JPY \$'000	Total \$'000
Trust								
31 December 2021								
Financial assets								
Cash and fixed deposits	69,580	1,384	25,088	4	13,576	-	-	109,632
Trade and other receivables ⁽¹⁾	20,306	3,852	-	-	-	-	-	24,158
Finance lease receivables	45,050	-	-	-	-	-	-	45,050
Loans to subsidiaries	-	549,157	-	-	-	-	-	549,157
	<u>134,936</u>	<u>554,393</u>	<u>25,088</u>	<u>4</u>	<u>13,576</u>	<u>-</u>	<u>-</u>	<u>727,997</u>
Financial liabilities								
Trade and other payables ⁽²⁾	(208,234)	-	-	-	-	-	-	(208,234)
Security deposits	(168,380)	-	-	-	-	-	-	(168,380)
Amount due to a subsidiary	(23,298)	-	-	-	-	-	-	(23,298)
Lease liabilities	(584,932)	-	-	-	-	-	-	(584,932)
Loans and borrowings – Gross	(980,958)	(708,329)	(278,262)	(460,847)	(492,830)	(902,175)	(117,910)	(3,941,311)
	<u>(1,965,802)</u>	<u>(708,329)</u>	<u>(278,262)</u>	<u>(460,847)</u>	<u>(492,830)</u>	<u>(902,175)</u>	<u>(117,910)</u>	<u>(4,926,155)</u>
Net financial liabilities	(1,830,866)	(153,936)	(253,174)	(460,843)	(479,254)	(902,175)	(117,910)	(4,198,158)
Add: Net interest in subsidiaries	-	159,172	278,262	460,847	492,830	-	-	1,391,111
Less: Net financial assets denominated in the respective entities' functional currency	1,830,866	-	-	-	-	-	-	1,830,866
Less: Cross currency swap	-	-	-	-	-	902,175	117,910	1,020,085
Currency exposure	-	5,236	25,088	4	13,576	-	-	43,904

(1) Excludes prepayments.

(2) Excludes rental received in advance and GST / VAT payable.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

28. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The Trust's currency exposure is as follows:

	SGD \$'000	AUD \$'000	GBP \$'000	USD \$'000	HKD \$'000	JPY \$'000	Total \$'000
Trust							
31 December 2020							
Financial assets							
Cash and fixed deposits	175,476	1,593	8,412	4,314	-	-	189,795
Trade and other receivables ⁽¹⁾	15,774	4,041	-	-	-	-	19,815
Finance lease receivables	48,331	-	-	-	-	-	48,331
Loans to subsidiaries	-	288,323	-	-	-	-	288,323
	<u>239,581</u>	<u>293,957</u>	<u>8,412</u>	<u>4,314</u>	<u>-</u>	<u>-</u>	<u>546,264</u>
Financial liabilities							
Trade and other payables ⁽²⁾	(204,662)	-	-	-	-	-	(204,662)
Security deposits	(161,386)	-	-	-	-	-	(161,386)
Amount due to a subsidiary	(25,156)	-	-	-	-	-	(25,156)
Lease liabilities	(609,956)	-	-	-	-	-	(609,956)
Loans and borrowings – Gross	(880,000)	(422,562)	(313,330)	(336,965)	(725,614)	(192,690)	(2,871,161)
	<u>(1,881,160)</u>	<u>(422,562)</u>	<u>(313,330)</u>	<u>(336,965)</u>	<u>(725,614)</u>	<u>(192,690)</u>	<u>(3,872,321)</u>
Net financial liabilities	(1,641,580)	(128,605)	(304,918)	(332,651)	(725,614)	(192,690)	(3,326,058)
Add: Net interest in subsidiaries	-	134,239	313,330	336,965	-	-	784,534
Less: Net financial assets denominated in the respective entities' functional currency	1,641,580	-	-	-	-	-	1,641,580
Less: Cross currency swap	-	-	-	-	725,614	192,690	918,304
Currency exposure	-	5,634	8,412	4,314	-	-	18,360

(1) Excludes prepayments.

(2) Excludes rental received in advance and GST / VAT payable.

Sensitivity analysis

The Group and the Trust are not subject to significant currency risk after entering into cross currency swap and forward exchange contracts for the financial assets or liabilities denominated in foreign currencies.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

28. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(ii) Interest rate risk

The Group's exposure to changes in interest rates relates primarily to interest-earning financial assets and interest-bearing financial liabilities. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group has no significant interest-bearing assets.

The Group's policy is to maintain a certain level of its borrowings in fixed-rate instruments. The Group's and the Trust's exposure to cash flow interest rate risks arise mainly from variable-rate borrowings. The Manager manages these cash flow interest rate risks using floating-to-fixed interest rate swaps.

The Group's and Trust's borrowings at variable rates on which interest rate swaps have not been entered into, are denominated mainly in SGD and AUD (31 December 2020: SGD and AUD). If the SGD or AUD interest rates had increased / decreased by 100 basis point (31 December 2020: 100 basis point) with all other variables including tax rate being held constant, the total profit would have been lower / higher by \$13,401,000 and \$13,401,000 respectively (31 December 2020: \$12,396,000 and \$12,396,000 respectively) as a result of higher / lower interest expense on these borrowings.

(b) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group. The Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities and cash), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group's major classes of financial assets are cash and cash equivalents, finance receivables, trade and other receivables and derivative financial assets.

For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history and obtaining sufficient security where appropriate to mitigate credit risk. For other receivables, the Group deals only with high credit quality counterparties. Cash and fixed deposits are placed with financial institutions which are regulated. Transactions involving derivative financial instruments are entered into only with counterparties that are of acceptable credit quality.

The Manager has an established process to evaluate the creditworthiness of its tenants and prospective tenants to minimise potential credit risk. Credit evaluations are performed by the Manager before lease agreements are entered into with prospective tenants. Security in the form of bankers' guarantees, corporate guarantees or cash security deposits are obtained upon the commencement of the lease.

As at the reporting date, there are no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset, including derivative financial instruments on the Statements of Financial Position.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

28. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

(i) Trade receivables

For all trade receivables, the Group provides for lifetime expected credit losses using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors and payment records, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

The Group's and the Trust's credit risk for net trade receivables based on the information provided to key management is disclosed in Note 10.

(ii) Loans to subsidiaries

The Trust held loans to its subsidiaries of \$549,157,000 (31 December 2020: \$288,323,000) which are amounts lent to subsidiaries to satisfy long term funding requirements. Based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to audited financial statements, management accounts and cash flow projections, and applying experienced credit judgement), these exposures are considered to have low credit risk. Therefore, impairment on these balances has been measured on the 12 months expected credit loss basis, and the amount of the allowance is not significant.

(iii) Financial derivatives

Financial derivatives are entered into with financial institution counterparties, which are regulated.

(iv) Cash and fixed deposits

Cash and fixed deposits are placed with financial institutions which are regulated. The Group limits its credit risk exposure in respect of investments by only investing in liquid securities and only with counterparties that have sound credit ratings, and thus management does not expect any counterparty to fail to meet its obligations.

Other than the above, the Group and the Trust had no other financial assets which it had determined to be impaired and there are no allowances on impairment provided for as at 31 December 2021 and 31 December 2020.

(c) Liquidity risk

Liquidity risk is the risk that the Group or the Trust may encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Trust's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

28. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

The Group strives to maintain available banking facilities at a reasonable level to meet its investment opportunities. The Group has in place various credit facilities, a Multicurrency Medium Term Note Programme with a programme limit of \$5.0 billion and a Euro Medium Term Note Programme with a programme limit of \$7.0 billion (Note 14).

The following are the expected contractual undiscounted cash outflows of financial liabilities, including estimated interest payments and excluding the impact of netting arrangements:

	Within 1 year \$'000	After 1 year but within 5 years \$'000	After 5 years \$'000
Group			
31 December 2021			
Non-derivative financial liabilities			
Loans and borrowings	1,255,768	3,517,710	1,709,455
Trade and other payables ⁽¹⁾	308,009	–	86
Security deposits	76,582	66,039	37,809
Lease liabilities	36,656	147,553	1,131,423
	1,677,015	3,731,302	2,878,773
Derivative financial liabilities			
Interest rate swaps (net-settled)	2	(2,337)	–
Cross currency swaps (net-settled)	(737)	(42,093)	(5,344)
Forward contact	157	–	–
	(578)	(44,430)	(5,344)
	1,676,437	3,686,872	2,873,429
31 December 2020			
Non-derivative financial liabilities			
Loans and borrowings	642,357	3,374,477	1,006,926
Trade and other payables ⁽¹⁾	261,180	–	86
Security deposits	67,758	76,154	24,173
Lease liabilities	37,222	148,888	1,167,211
	1,008,517	3,599,519	2,198,396
Derivative financial liabilities			
Interest rate swaps (net-settled)	806	35,250	4,410
Cross currency swaps (net-settled)	1,970	44,091	(13,802)
Forward contact	15	–	–
	2,791	79,341	(9,392)
	1,011,308	3,678,860	2,189,004

(1) Excludes rental received in advance and GST / VAT payable.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

28. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

	Within 1 year \$'000	After 1 year but within 5 years \$'000	After 5 years \$'000
Trust			
31 December 2021			
Non-derivative financial liabilities			
Loans and borrowings	1,179,830	1,533,128	1,481,314
Trade and other payables ⁽¹⁾	200,952	–	–
Security deposits	69,851	63,291	35,238
Lease liabilities	36,030	144,119	1,097,841
	1,486,663	1,740,538	2,614,393
Derivative financial liabilities			
Interest rate swaps (net-settled)	2	(5,923)	–
Cross currency swaps (net-settled)	–	(42,093)	(5,344)
Forward contract	157	–	–
	159	(48,016)	(5,344)
	1,486,822	1,692,522	2,609,049
31 December 2020			
Non-derivative financial liabilities			
Loans and borrowings	476,773	1,871,958	729,841
Trade and other payables ⁽¹⁾	204,662	–	–
Security deposits	66,772	72,430	22,184
Lease liabilities	37,222	148,888	1,167,211
	785,429	2,093,276	1,919,236
Derivative financial liabilities			
Interest rate swaps (net-settled)	806	34,851	311
Cross currency swaps (net-settled)	–	41,555	(13,802)
Forward contract	15	–	–
	821	76,406	(13,491)
	786,251	2,169,682	1,905,745

(1) Excludes rental received in advance and GST / VAT payable.

The table below shows the contractual expiry by maturity of the Trust's corporate guarantee provided to the subsidiaries and an associate company (Note 25). The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

	Within 1 year \$'000	After 1 year but within 5 years \$'000	After 5 years \$'000
Trust			
31 December 2021			
Corporate guarantee	2,161,128	–	–
31 December 2020			
Corporate guarantee	965,078	–	–

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

28. FINANCIAL RISK MANAGEMENT (continued)

(d) Capital management

The Group's and the Trust's objective when managing capital is to optimise Unitholders' value through the mixture of available capital sources which include debt, equity and convertible instruments. In addition, the Group and the Trust ensure the compliance with statutory and constitutional capital and distribution requirements, maintaining gearing ratio, interest expense coverage and other ratios within approved limits.

The Board of Directors of the Manager (the "Board") reviews the Group's and the Trust's capital management as well as financing policies regularly so as to optimise the Group's and the Trust's capital funding structure. The Board also monitors the Group's and the Trust's exposure to various risk elements and externally imposed requirements by closely adhering to clearly established management policies and procedures.

The Group is subject to the aggregate leverage limit as defined in the Property Funds Appendix of the CIS Code. The CIS Code stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not, exceed 50.0% of the Deposited Property.

As at 31 December 2021, the Aggregate Leverage of the Group is 35.9% (31 December 2020: 32.8%). The Group and the Trust were in compliance with the Aggregate Leverage limit of 50.0% (31 December 2020: 50.0%) during the financial year. The Group had an interest coverage ratio⁽¹⁾ and adjusted interest coverage ratio⁽²⁾ of 5.7 (31 December 2020: 4.3) and 5.4 (31 December 2020: 4.0) times as at reporting date.

(1) Calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties and foreign exchange translation) by the trailing 12 months interest expense and borrowing related fees as defined in the CIS Code.

(2) Calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties and foreign exchange translation) by the trailing 12 months interest expense, borrowing related fees distributions on hybrid securities as defined in the CIS Code. Perpetual securities are the only hybrid security that the Group holds.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

29. FAIR VALUE MEASUREMENT

The Group has an established control framework with respect to the measurement of fair values. This framework includes a team that has overall responsibility for all significant fair value measurements, including Level 3 fair values.

The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes, pricing services or external valuations, is used to measure fair value, then the team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of FRS, including the level in the fair value hierarchy the resulting fair value estimate should be classified.

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3: Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

29. FAIR VALUE MEASUREMENT (continued)

(b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities of the Group measured at fair value at the end of the reporting period:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Group				
31 December 2021				
<i>Financial assets</i>				
Derivative assets	–	55,702	–	55,702
Total financial assets	–	55,702	–	55,702
<i>Non-financial assets</i>				
Investment properties	–	–	16,293,725	16,293,725
Investment properties under development	–	–	246,054	246,054
Right-of-use assets	–	–	604,646	604,646
Total non-financial assets	–	–	17,144,425	17,144,425
<i>Financial liabilities</i>				
Derivative liabilities	–	(60,290)	–	(60,290)
Total financial liabilities	–	(60,290)	–	(60,290)
31 December 2020				
<i>Financial assets</i>				
Derivative assets	–	38,383	–	38,383
Total financial assets	–	38,383	–	38,383
<i>Non-financial assets</i>				
Investment properties	–	–	13,707,692	13,707,692
Investment properties under development	–	–	259,782	259,782
Right-of-use assets	–	–	609,956	609,956
Total non-financial assets	–	–	14,577,430	14,577,430
<i>Financial liabilities</i>				
Derivative liabilities	–	(107,034)	–	(107,034)
Total financial liabilities	–	(107,034)	–	(107,034)

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

29. FAIR VALUE MEASUREMENT (continued)

(b) Assets and liabilities measured at fair value (continued)

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Trust				
31 December 2021				
<i>Financial assets</i>				
Derivative assets	–	37,836	–	37,836
Total financial assets	–	37,836	–	37,836
<i>Non-financial assets</i>				
Investment properties	–	–	9,199,500	9,199,500
Investment properties under development	–	–	64,800	64,800
Right-of-use assets	–	–	584,932	584,932
Total non-financial assets	–	–	9,849,232	9,849,232
<i>Financial liabilities</i>				
Derivative liabilities	–	(57,166)	–	(57,166)
Total financial liabilities	–	(57,166)	–	(57,166)
31 December 2020				
<i>Financial assets</i>				
Derivative assets	–	38,383	–	38,383
Total financial assets	–	38,383	–	38,383
<i>Non-financial assets</i>				
Investment properties	–	–	9,017,200	9,017,200
Investment properties under development	–	–	223,000	223,000
Right-of-use assets	–	–	609,956	609,956
Total non-financial assets	–	–	9,850,156	9,850,156
<i>Financial liabilities</i>				
Derivative liabilities	–	(98,332)	–	(98,332)
Total financial liabilities	–	(98,332)	–	(98,332)

(c) Level 2 fair value measurements

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

Derivatives

The fair value of interest rate swaps, forward contracts and cross currency swaps are based on valuations provided by the financial institutions that are the counterparties of the transactions. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the reporting date.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

29. FAIR VALUE MEASUREMENT (continued)

(d) Level 3 fair value measurements

(i) *Information about significant unobservable inputs used in Level 3 fair value measurement*

Investment properties and investment properties under development

Investment properties are stated at fair value based on valuations by independent professional valuers. The independent professional valuers have appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued.

The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The independent professional valuers have considered valuation techniques including direct comparison method, capitalisation approach and discounted cash flows in arriving at the open market value as at the reporting date. These valuation methods involve certain estimates. The Manager has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of the current market conditions.

The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The capitalisation approach capitalises an income stream into a present value using a market-corroborated capitalisation rate. The discounted cash flows method involves the estimation of an income stream over a period and discounting the income stream with an expected internal rate of return and terminal yield.

The fair value of investment properties of the Group and the Trust was \$16,293.7 million (31 December 2020: \$13,707.7 million) and \$9,199.5 million (31 December 2020: \$9,017.2 million) as at 31 December 2021 respectively. The fair value of investment properties under development of the Group and the Trust was \$246.1 million (31 December 2020: \$259.8 million) and \$64.8 million (31 December 2020: \$223.0 million) as at 31 December 2021 respectively.

The above fair value has been classified as a Level 3 fair value based on the inputs to the valuation techniques used.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

29. FAIR VALUE MEASUREMENT (continued)

(d) Level 3 fair value measurements (continued)

(i) Information about significant unobservable inputs used in Level 3 fair value measurement (continued)

Investment properties and investment properties under development (continued)

The following table shows the key unobservable inputs used in the valuation models:

Valuation technique	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurements
Capitalisation Approach	<p>Group</p> <p>Singapore</p> <ul style="list-style-type: none"> Capitalisation rates of 5.00% to 7.00% (31 December 2020: 5.25% to 7.25%) <p>Australia</p> <ul style="list-style-type: none"> Capitalisation rates of 3.75% to 6.00% (31 December 2020: 4.75% to 6.75%) <p>UK / Europe</p> <ul style="list-style-type: none"> Equivalent yield of 3.91% to 7.20% (31 December 2020: 4.26% to 7.50%) Capitalisation rates of 5.50% to 6.50% (31 December 2020: Not applicable) <p>USA</p> <ul style="list-style-type: none"> Capitalisation rates of 4.75% to 7.25% (31 December 2020: 6.00% to 7.25%) 	The estimated fair value would increase if the capitalisation rate, discount rate and terminal yield decreased. The estimated fair value would increase if the price per sq m ("psm") increased.
Discounted Cash Flow Method	<p>Singapore</p> <ul style="list-style-type: none"> Discount rates of 7.00% to 7.75% (31 December 2020: 7.25% to 8.00%) Terminal yields of 5.25% to 7.50% (31 December 2020: 5.50% to 7.75%) <p>Australia</p> <ul style="list-style-type: none"> Discount rates of 5.25% to 6.50% (31 December 2020: 6.00% to 7.00%) Terminal yields of 4.00% to 6.00% (31 December 2020: 5.00% to 6.75%) <p>UK / Europe</p> <ul style="list-style-type: none"> Discount rates of 5.00% to 8.00% (31 December 2020: Not applicable) Terminal yields of 5.50% to 7.00% (31 December 2020: Not applicable) <p>USA</p> <ul style="list-style-type: none"> Discount rates of 6.50% to 8.75% (31 December 2020: 6.75% to 9.00%) Terminal yields of 5.25% to 7.75% (31 December 2020: 6.50% to 7.00%) 	
Direct Comparison Method	<p>Singapore</p> <ul style="list-style-type: none"> Adjusted price (psm) of \$1,205 to \$5,139 (31 December 2020: \$1,450 to \$9,152) 	

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

29. FAIR VALUE MEASUREMENT (continued)

(d) Level 3 fair value measurements (continued)

(i) Information about significant unobservable inputs used in Level 3 fair value measurement (continued)

Investment properties and investment properties under development (continued)

The following table shows the key unobservable inputs used in the valuation models (continued):

Valuation technique	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurements
Trust		
Capitalisation Approach	<ul style="list-style-type: none"> Capitalisation rates of 5.00% to 7.00% (31 December 2020: 5.25% to 7.25%) 	The estimated fair value would increase if the capitalisation rate, discount rate and terminal yield decreased. The estimated fair value would increase if the price psm increased.
Discounted Cash Flow Method	<ul style="list-style-type: none"> Discount rates of 7.00% to 7.75% (31 December 2020: 7.25% to 8.00%) Terminal yields of 5.25% to 7.50% (31 December 2020: 5.50% to 7.75%) 	
Direct Comparison Method	<ul style="list-style-type: none"> Adjusted price (psm) of \$1,205 to \$5,139 (31 December 2020: \$1,450 to \$9,152) 	

Right-of-use assets

The right-of-use assets are stated at fair value approximate the value of lease liabilities at each balance sheet date.

The Group discounted lease payments using the applicable incremental borrowing rates to measure the value of lease liabilities. The weighted average incremental borrowing rates applied are 4.22% (31 December 2020: 4.22%) for 15 years' leases, 4.55% (31 December 2020: 4.55%) for 20 years' leases and 5.05% (31 December 2020: 5.05%) for 30 years leases.

The fair value of right-of-use assets of the Group and the Trust was \$604.6 million (31 December 2020: \$610.0 million) and \$584.9 million respectively (31 December 2020: \$610.0 million) as at 31 December 2021.

(ii) Movements in Level 3 assets and liabilities measured at fair value

The reconciliation for investment properties, investment properties under development and right-of-use assets measured at fair value based on significant unobservable inputs (Level 3) is disclosed in Note 4, Note 5 and Note 7 respectively.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

29. FAIR VALUE MEASUREMENT (continued)

(e) Assets and liabilities not measured at fair value for which fair value is disclosed

The following table shows an analysis of the Group and the Trust's other non-current assets and liabilities not measured at fair value for which fair value is disclosed:

	Fair value determined using significant unobservable inputs (Level 3) Total \$'000	Carrying amount \$'000
Group		
31 December 2021		
Asset		
Finance lease receivables	49,952	41,393
Liabilities		
Security deposits	88,717	103,848
Lease liabilities	567,990	567,990
Medium term notes – gross	2,060,353	1,975,623
31 December 2020		
Asset		
Finance lease receivables	57,569	45,050
Liabilities		
Security deposits	85,253	100,327
Lease liabilities	572,734	572,734
Medium term notes – gross	1,866,039	1,700,624
Trust		
31 December 2021		
Asset		
Finance lease receivables	49,952	41,393
Liabilities		
Security deposits	84,687	98,529
Lease liabilities	548,902	548,902
Medium term notes – gross	2,060,353	1,975,623
31 December 2020		
Asset		
Finance lease receivables	57,569	45,050
Liabilities		
Security deposits	80,067	94,614
Lease liabilities	572,734	572,734
Medium term notes – gross	1,866,039	1,700,624

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

29. FAIR VALUE MEASUREMENT (continued)

(e) Assets and liabilities not measured at fair value for which fair value is disclosed (continued)

Interest rates used to discount the estimated cash flows were as follows:

	Group and Trust	
	31/12/2021	31/12/2020
	%	%
Finance lease receivables	1.80	1.05
Security deposits	2.20	2.70
Lease liabilities	4.22 – 5.05	4.22 – 5.05
Medium term notes	0.74 – 3.43	1.00 – 3.08

Determination of fair value

Finance lease receivables

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at market interest rate for instruments with similar maturity, repricing and credit risk characteristics at the reporting date.

Security deposits

The fair value of security deposits is calculated based on the present value of future cash outflows, discounted at the market interest rate at the reporting date.

Lease liabilities

The fair value of lease liabilities is calculated based on the present value of future cash outflows, discounted at the Group's incremental borrowing rates at the reporting date.

Medium term notes

The fair value the medium term notes is calculated based on the present value of future principal and interest cash flows, discounted at the market interest rate of instruments with similar maturity, repricing and credit risk characteristics at the reporting date.

Other non-current loans and borrowings

The fair value of the Group and the Trust's non-current loans and borrowings with floating interest rate approximate their fair value.

Other financial assets and liabilities

The fair values of all other financial assets and liabilities are calculated based on the present value of future principal, discounted at the market interest rate of the instruments at the reporting date.

(f) Fair value of financial instruments by classes that are not carried at fair value and whose amounts are reasonable approximation of fair value

The carrying amount of the Group and the Trust's current financial assets and liabilities approximate their fair value. The fair value of the Group and the Trust's non-current loans and borrowings with floating interest rate approximate their fair value.

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

30. OPERATING SEGMENTS

For the purpose of making resource allocation decisions and the assessment of segment performance, the Chief Executive Officer, the Group's Chief Operating Decision Maker ("CODM") reviews internal / management reports of its investment properties. This forms the basis of identifying the operating segments of the Group under FRS108 Operating Segments.

Segment revenue comprises mainly income generated from its tenants. Segment net property income represents the income earned by each segment after allocating property operating expenses. This is the measure reported to the CODM for the purpose of assessment of segment performance. In addition, the CODM monitors the non-financial assets as well as financial assets attributable to each segment when assessing segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly management fee, performance fee, trust expenses, finance income, finance costs and related assets and liabilities.

Information regarding the Group's reportable segments is presented in the tables below.

Segment results

	Business & Science Park Properties		Integrated Development, Amenities & Retail Properties		High-Specifications Industrial Properties		Light Industrial Properties & Flatted Factories		Logistics & Distribution Centres		Data Centres		Total	
	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000	31/12/2021 \$'000	31/12/2020 \$'000
Group														
Gross rental income	491,429	399,366	57,446	57,770	123,839	123,112	77,820	74,773	221,146	217,864	96,118	39,341	1,067,798	912,226
Other income	70,076	62,672	2,765	5,669	20,303	23,869	8,580	9,509	36,163	30,655	20,840	4,860	158,727	137,234
Gross revenue	561,505	462,038	60,211	63,439	144,142	146,981	86,400	84,282	257,309	248,519	116,958	44,201	1,226,525	1,049,460
Property operating expenses	(144,839)	(128,865)	(13,656)	(17,391)	(41,055)	(42,059)	(24,269)	(24,550)	(54,003)	(55,067)	(27,953)	(5,282)	(305,775)	(273,214)
Segment net property income	416,666	333,173	46,555	46,048	103,087	104,922	62,131	59,732	203,306	193,452	89,005	38,919	920,750	776,246
Net property income margin	74.2%	72.1%	77.3%	72.6%	71.5%	71.3%	71.9%	70.9%	79.0%	77.8%	76.1%	88.1%	75.1%	74.0%
Unallocated														
- Gain on disposal on investment properties													23,994	5,390
- Finance costs, net													(158,880)	(159,489)
- Other net expenses													(87,092)	(66,116)
Net income													698,772	556,031
Unallocated net change in fair value of financial derivatives													64,832	(33,625)
Net change in fair value of right-of-use assets	(2,646)	(1,515)	-	-	(1,196)	(735)	(907)	(802)	(1,677)	(2,386)	(216)	-	(6,642)	(5,438)
Net change in fair value of investment properties and investment properties under development	(54,294)	5,361	(11,614)	(4,463)	(4,972)	(29,299)	16,575	(4,212)	362,734	(2,318)	(25,184)	2,609	283,245	(32,322)
Share of associated company's and joint venture's results													3,304	9,590
Total return for the year before tax													1,043,511	494,236
Unallocated tax expenses													(86,472)	(37,158)
Total return for the year													957,039	457,078

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

30. OPERATING SEGMENTS (continued)

Segment assets and liabilities

	Business & Science Park Properties \$'000	Integrated Development, Amenities & Retail Properties \$'000	High- Specifications Industrial Properties \$'000	Light Industrial Properties & Flatted Factories \$'000	Logistics & Distribution Centres \$'000	Data Centres \$'000	Total \$'000
Group							
31 December 2021							
Assets and liabilities							
Segment assets	8,166,100	714,800	1,682,944	1,044,206	4,062,943	1,518,479	17,189,472
Unallocated assets							541,019
Total assets							<u>17,730,491</u>
Segment liabilities	506,988	12,675	155,788	119,667	303,887	82,186	1,181,191
Unallocated liabilities:							
– loans and borrowings							6,084,348
– others							187,784
Total liabilities							<u>7,453,323</u>
Other segmental information							
Capital expenditure:							
– investment properties	50,116	1,490	17,485	4,882	36,850	3,618	114,441
– investment properties under development	75,488	–	24,258	–	42,988	–	142,734
Provision of expected credit losses on receivables	806	987	45	172	1,101	123	3,234
31 December 2020							
Assets and liabilities							
Segment assets	7,001,336	736,338	1,775,980	1,011,852	3,638,136	596,067	14,759,709
Unallocated assets							363,510
Total assets							<u>15,123,219</u>
Segment liabilities	356,494	19,667	142,241	125,856	252,905	3,368	900,531
Unallocated liabilities:							
– loans and borrowings							4,681,964
– others							350,171
Total liabilities							<u>5,932,666</u>
Other segmental information							
Capital expenditure:							
– investment properties	36,511	1,689	9,899	3,620	22,669	111	74,499
– investment properties under development	50,958	–	10,113	–	65,511	–	126,582
Provision of expected credit losses on receivables	925	408	196	290	1,365	–	3,184

Notes to the Financial Statements

YEAR ENDED AT 31 DECEMBER 2021

30. OPERATING SEGMENTS (continued)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of properties. Segment assets are based on the geographical location of the assets. Information regarding the Group's geographical segments is presented in the tables below.

	Singapore		Australia		United Kingdom / Europe		United States		Total	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group										
External revenue	789,481	764,234	147,482	117,882	121,841	45,188	167,721	122,156	1,226,525	1,049,460
Non-current assets ⁽¹⁾	10,618,016	9,962,591	2,500,248	1,861,162	1,779,850	783,712	2,281,495	2,083,884	17,179,609	14,691,349

(1) Exclude financial assets

31. EVENTS AFTER BALANCE SHEET DATE

On 7 January 2022, the Group obtained the Temporary Occupation Permit for the completion of development at 25 Ubi Road 4.

On 11 February 2022, the Group achieved practical completion of acquisition of 500 Green Road in Brisbane, Australia.

On 24 February 2022, the Group achieved practical completion of acquisition of 7 Kiora Crescent in Sydney, Australia.

On 25 February 2022, the Group has issued HKD661,000,000 3.08 Per Cent. Green Fixed Rate Notes due 2032 (the "Notes") pursuant to the S\$7,000,000,000 Euro Medium Term Securities Programme. The Notes will mature on 17 February 2032 and will bear fixed interest rate of 3.08 per cent. per annum payable semi-annually in arrear.

Statistics of Unitholdings

AS AT 7 MARCH 2022

STATISTICS OF UNITHOLDINGS AS AT 7 MARCH 2022

4,197,929,792 Units (Voting rights: one vote per Unit)

Market Capitalisation: S\$11,838,162,013 (based on closing price of S\$2.82 as at 7 March 2022)

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 – 99	175	0.53	6,978	0.00
100 – 1,000	5,698	17.03	4,065,517	0.09
1,001 – 10,000	20,489	61.24	92,288,327	2.20
10,001 – 1,000,000	7,063	21.11	242,956,118	5.79
1,000,001 AND ABOVE	31	0.09	3,858,612,852	91.92
TOTAL	33,456	100.00	4,197,929,792	100.00

Country	No. of Unitholders	%	No. of Units	%
Singapore	32,403	96.85	4,182,848,737	99.64
Malaysia	705	2.11	10,711,920	0.26
Others	348	1.04	4,369,135	0.10
TOTAL	33,456	100.00	4,197,929,792	100.00

TWENTY LARGEST UNITHOLDERS

NO.	NAME	No. of Units	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	1,088,004,322	25.92
2	CLI RE FUND INVESTMENTS PTE. LTD.	754,990,210	17.99
3	HSBC (SINGAPORE) NOMINEES PTE LTD	493,302,654	11.75
4	DBS NOMINEES (PRIVATE) LIMITED	459,181,649	10.94
5	DBSN SERVICES PTE. LTD.	422,752,613	10.07
6	RAFFLES NOMINEES (PTE.) LIMITED	422,390,776	10.06
7	BPSS NOMINEES SINGAPORE (PTE.) LTD.	34,370,619	0.82
8	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	25,707,668	0.61
9	PHILLIP SECURITIES PTE LTD	16,138,113	0.38
10	DB NOMINEES (SINGAPORE) PTE LTD	14,178,261	0.34
11	MAYBANK SECURITIES PTE. LTD.	12,907,210	0.31
12	IFAST FINANCIAL PTE. LTD.	12,212,647	0.29
13	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	11,862,203	0.28
14	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	11,425,042	0.27
15	OCBC SECURITIES PRIVATE LIMITED	11,238,995	0.27
16	ABN AMRO CLEARING BANK N.V.	9,532,871	0.23
17	UOB KAY HIAN PRIVATE LIMITED	9,313,893	0.22
18	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	8,887,345	0.21
19	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	7,938,350	0.19
20	SOCIETE GENERALE SINGAPORE BRANCH	7,220,183	0.17
	TOTAL	3,833,555,624	91.32

Statistics of Unitholdings

AS AT 7 MARCH 2022

DIRECTORS' INTERESTS IN UNITS AND CONVERTIBLE SECURITIES AS AT 21 JANUARY 2022

Based on the Register of Directors' Unitholdings, the interests of the Directors in Units and convertible securities issued by Ascendas Reit are as follows:

Name of Director	No. of Units		Contingent Awards of Units ¹ under the Manager's	
	Direct Interest	Deemed Interest	Performance Unit Plan	Restricted Unit Plan
Dr Beh Swan Gin	–	–	–	–
William Tay Wee Leong	134,174	–	0 to 376,258 ²	85,954 ^{3,4} 0 to 101,241 ^{2,4}
Chan Pengee, Adrian	6,570	–	–	–
Daniel Cuthbert Ee Hock Huat	29,346	–	–	–
Chinniah Kunnasagaran	876	6,222	–	–
Ong Lee Keang Maureen	–	–	–	–
Manohar Khatani	–	–	–	–
Lim Cho Pin Andrew Geoffrey	13,232	–	–	–

1. This refers to the number of Units which are the subject of contingent awards granted but not released under the Manager's Performance Unit Plan ("PUP") and Restricted Unit Plan ("RUP"). The final number of Units that will be released could range from 0% to a maximum of 200% of the baseline award under the PUP and from 0% to a maximum of 150% of the baseline award under the RUP.
2. The final number of Units to be released will depend on the achievement of pre-determined targets at the end of the respective performance periods for PUP and RUP.
3. Being the unvested Units under the RUP.
4. On the final vesting, an additional number of Units of a total value equal to the value of the accumulated distributions which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of RUP, will also be released.

Statistics of Unitholdings

AS AT 7 MARCH 2022

SUBSTANTIAL UNITHOLDERS' UNITHOLDINGS AS AT 7 MARCH 2022

Based on the information available to the Manager, as at 7 March 2022, the unitholdings of Substantial Unitholders of Ascendas Reit are as follows:

Name of Substantial Unitholder	Direct Interest		Deemed Interest	
	No. of Units	% ¹	No. of Units	% ¹
Temasek Holdings (Private) Limited ^{2,4,5} ("Temasek")	–	–	851,799,232	20.29
Tembusu Capital Pte. Ltd. ^{3,4,5} ("Tembusu")	–	–	793,533,114	18.90
Bartley Investments Pte. Ltd. ^{4,5} ("Bartley")	–	–	757,001,343	18.03
Mawson Peak Holdings Pte. Ltd. ^{4,5} ("Mawson")	–	–	757,001,343	18.03
Glenville Investments Pte. Ltd. ^{4,5} ("Glenville")	–	–	757,001,343	18.03
TJ Holdings (III) Pte. Ltd. ^{4,5} ("TJ Holdings (III)")	–	–	757,001,343	18.03
CLA Real Estate Holdings Pte. Ltd. ^{4,5} ("CLA")	–	–	757,001,343	18.03
CapitaLand Group Pte. Ltd. ^{4,5} ("CL")	–	–	757,001,343	18.03
CapitaLand Investment Limited ⁶ ("CLI")	–	–	757,001,343	18.03
CLI International Pte. Ltd. ⁷ ("CLII")	–	–	754,990,210	17.98
CLI RE Fund Investments Pte. Ltd. ("CLIRE")	754,990,210	17.98	–	–
BlackRock, Inc. ⁸ ("BlackRock")	–	–	268,691,491	6.40

- 1 The percentage is based on the 4,197,929,792 Units in issue as at 7 March 2022. Percentages are rounded down to the nearest 0.01%.
- 2 Temasek is deemed to have an interest in the unitholdings in which its subsidiaries and associated companies (including but not limited to CLA) have or are deemed to have an interest pursuant to Section 4 of the Securities and Futures Act 2001 ("SFA").
- 3 Tembusu is deemed to have an interest in the unitholdings in which its subsidiaries (including but not limited to CLA) have or are deemed to have an interest pursuant to Section 4 of the SFA.
- 4 Temasek holds 100% of the equity interest in Tembusu, which holds 100% of the equity interest in Bartley, which holds 100% of the equity interest in Mawson, which holds 100% of the equity interest in Glenville, which holds 100% of the equity interest in TJ Holdings (III), which holds 100% of the equity interest in CLA, which holds 100% of the equity interest in CL. CL holds approximately 52.30% of the issued shares in CLI.
- 5 Each of Temasek, Tembusu, Bartley, Mawson, Glenville and TJ Holdings (III) is deemed to have an interest in the unitholdings in which CLA is deemed to have an interest pursuant to Section 4 of the SFA. Each of CLA and CL is deemed to have an interest in the unitholdings that CLI is deemed to have an interest pursuant to Section 4 of the SFA.
- 6 CLI is deemed to have an interest in the unitholdings of its indirect wholly owned subsidiaries namely, CLIRE and Ascendas Funds Management (S) Limited ("AFM"). AFM holds 2,011,133 Units.
- 7 CLII is deemed to have an interest in the unitholding of its direct wholly owned subsidiary namely, CLIRE.
- 8 BlackRock is deemed to have an interest in the Units held by the various funds managed by BlackRock investment advisors.

PUBLIC FLOAT

Based on the information available to the Manager, as at 7 March 2022, approximately 73% of the Units were held in the hands of the public. Rule 723 of the Listing Manual of the SGX-ST has accordingly been complied with.

Additional Information

INTERESTED PERSON TRANSACTIONS

The transactions entered into with interested persons during the financial year, which fall under the Listing Manual of the SGX-ST and the Property Funds Appendix of the CIS (excluding transactions of less than \$100,000 each) are as follows:

Name of interested party	Nature of relationship	Aggregate value of all interested party transactions during the financial period under review (excluding transactions less than \$100,000) \$'000	Aggregate value of all interested party transactions conducted under unitholders' mandate during the financial period under review (excluding transactions less than \$100,000) \$'000
	Controlling shareholder of the Manager and controlling Unitholder, and its subsidiaries and associates		
Temasek Holdings (Private) Limited and its associates			
– Acquisition fees		19,434 ⁽¹⁾	–
– Acquisition of remaining 75% equity interest in AF5PL		588,300	–
– Carpark income		234	–
– Divestment fees		1,241 ⁽²⁾	–
– Lease rental, service charge and utilities income		74,383	–
– Base management fees		63,841 ⁽³⁾	–
– Performance fee		7,394 ⁽⁴⁾	–
– Development fee		3,795	–
– Marketing fees		16,587	–
– Property service fees		40,121	–
– Receipts/recovery of expenses paid on behalf and reimbursables		1,126	–
– Sale of a property		103,160	–
HSBC Institutional Trust Service (Singapore) Ltd	Trustee		
– Trustee fees		2,570	–
		922,186	–

(1) Acquisition fee of 1.0% on the purchase price of investment properties acquired by the Group during the financial year.

(2) Divestment fee of 0.5% on the sale price of investment properties divested by the Group during the financial year.

(3) Base management fee of 0.5% per annum on the Adjusted Deposited Property. With effect from 19 November 2007, the Manager has elected to receive 20% of the base management fee in units and 80% in cash for all properties.

(4) Performance fee of 0.1% per annum on the Deposited Property, provided that the annual growth in distribution per Unit in a given financial year exceeds 2.5% and an additional 0.1% per annum of the Deposited Property, provided that the growth in distribution per Unit in a given financial year exceeds 5.0%.

Saved as disclosed above, there were no additional interested person transactions (excluding transactions of less than \$100,000 each) entered into up to and including 31 December 2021 nor any material contracts entered by Ascendas Reit or any of its subsidiaries that involved the interests of the CEO, any Directors of the Manager, or any controlling Unitholder of the Trust, either still subsisting at the end of financial year under review or entered into since the end of the previous financial year.

Additional Information

Please also see Significant Related Party Transactions in Note 26 to the financial statements.

The entry into and the fees payable pursuant to the Trust Deed have been approved by the Unitholders upon purchase of the Units at the initial public offering of Ascendas Reit on the SGX-ST in November 2002 and in an Extraordinary General Meeting held on 28 June 2007 (where the Unitholders approved the amendment of the Trust Deed, inter alia, to allow the Manager to receive development management fees), and are therefore not subject to Rules 905 and 906 of the Listing Manual. The entry into and the fees payable pursuant to the Property Management Agreements and Lease Management Agreement have been approved by the Unitholders in an Extra General Meeting held on 28 June 2012, and such fees shall not be subject to the aggregation or further Unitholders' approval requirement under Rules 905 and 906 of the Listing Manual to the extent that there is no subsequent change to the rates and/or bases of the property management fees and related expenses thereunder which are adverse to Ascendas Reit.

FEES PAID TO THE MANAGER AND THE PROPERTY MANAGERS

	FY2021 \$'000	FY2020 \$'000
Asset / Fund management fees		
– Base fee	63,841	57,538
– Performance fee	7,394	–
Total fees paid to the Manager	71,235	57,538
% of Total amount available for distribution (before all fees)	9.60%	9.16%
% of Total assets	0.40%	0.38%
– Lease management fee	9,663	8,432
– Property management fee	28,936	21,723
Total fees paid to the Property Managers	38,599	30,155
% of Total amount available for distribution (before all fees)	5.20%	4.80%
% of Total assets	0.20%	0.20%
Trustee's fee	2,570	2,328
Total fees paid to the Trustee	2,570	2,328
% of Total amount available for distribution (before all fees)	0.35%	0.37%
% of Total assets	0.01%	0.02%
Major transactional fees		
– Acquisition fee	19,434	10,242
– Divestment fee	1,241	627
Total transactional fees paid to Manager	20,675	10,869
% of Total assets	0.12%	0.07%
– Project management fee	1,402	2,104
Total transactional fees paid to the Property Managers	1,402	2,104
% of Total assets	0.01%	0.01%

LISTING OF ASCENDAS REIT NEW UNITS

An aggregate of 177.1 million new Units were issued during the year bringing the total number of Units in issue to 4,197.9 million as at 31 December 2021.

Glossary

ACRA	Accounting and Corporate Regulatory Authority	CIS	The Code on Collective Investment Schemes issued by the Monetary Authority of Singapore
AFM	Ascendas Funds Management (S) Limited	CMSL	Capital Markets Services License
AFMA	Ascendas Funds Management (Australia) Pty Ltd	CODM	Chief Operating Decision Maker
AGM	Annual General Meeting	COF	Cost of Funds
AIPL	Ascendas Investment Pte Ltd	COVID-19	Coronavirus Disease, 2019
ALMA	Master Asset Lease Management Agreement	CPF	Central Provident Fund
AMUK	CapitaLand International Management (UK) Ltd	DPU	Distribution per Unit
AMUS	CapitaLand International USA LLC	ECL	Expected Credit Loss
ARA	Ascendas REIT Australia	EESG	Economic, Environmental, Social and Governance
Ascendas Reit	Ascendas Real Estate Investment Trust	EY	Ernst & Young
Ascendas-Singbridge	Ascendas-Singbridge Pte Ltd	FMCG	Fast Moving Consumer Goods
ASPL	Ascendas Services Pte Ltd	FRS	Singapore Financial Reporting Standards
AUD	Australian Dollars	FY2020	Financial Year from 1 January 2020 to 31 December 2020
BBSW	Bank Bill Swap Rate	FY2021	Financial Year from 1 January 2021 to 31 December 2021
BBSY	Bank Bill Swap Bid Rate	GBP	British Pound
BCA	Building and Construction Authority	GDP	Gross Domestic Product
Board	Board of Directors of the Manager	GFA	Gross Floor Area which includes net lettable area and common areas, such as common corridors
CapitaLand	CapitaLand Limited and its subsidiaries	GRI	Global Reporting Initiative
CBP	Changi Business Park	Group	Ascendas Reit and its subsidiaries
CCS	Cross Currency Swaps	GST	Good and Services Tax
CDP	The Central Depository (Pte) Limited	GWh	Gigawatt hour
CEO	Chief Executive Officer	HKD	Hong Kong Dollar
CFO	Chief Financial Officer	HQ	Headquarter
CLI	CapitaLand Investment Limited	IBP	International Business Park
		IDAR	Integrated Development, Amenities & Retail

Glossary

IIRC	International Integrated Reporting Council	RAP	Statement of Recommended Accounting Practice
Interbank GIRO	General Interbank Recurring Order	REIT	Real Estate Investment Trust
IP	Investment Properties	REITAS	REIT Association of Singapore
IPO	Initial Public Offering	RUP	Restricted Unit Plan
IPT	Interested Person Transaction	SGX-ST	Singapore Exchange Securities Trading Ltd
IR	Integrated Reporting	SGX-ST Listing Rules	The Listing Manual of SGX-ST
IRAS	Inland Revenue Authority of Singapore	SMP	Sustainability Master Plan
ISDA	International Swaps and Derivatives Association	SSAs	Singapore Standards on Auditing
IT	Information Technology	SSEA	Singapore and South East Asia
JPY	Japanese Yen	SOR	Swap Offer Rate
JTC	JTC Corporation	SRS	Supplementary Retirement Scheme
M & C	Maintenance and Conservancy	Sq m	Square metres
Manager	Ascendas Funds Management (S) Limited, as the Manager of Ascendas Reit	Trust Deed	The Second Amending and Restating Trust Deed dated 10 August 2017 made between the Trustee and the Manager constituting Ascendas Reit
MAS	Monetary Authority of Singapore	Trustee	HSBC Institutional Trust Services (Singapore) Limited, as trustee of Ascendas Reit
MNCs	Multinational corporations	SGD	Singapore dollar
MTN	Medium Term Note	Unit(s)	An undivided interest in Ascendas Reit as provided for in the Trust Deed
MWh	Megawatt hour	Unitholder(s)	The Depositor whose securities account with CDP is credited with Unit(s)
NAV	Net Asset Value	UK	United Kingdom
NLA/Net Lettable Area	Consists of the total gross floor area less the common areas, such as corridors, amenities' area and management offices	US	United States
NRC	Nominating and Remuneration Committee	USD	United States Dollars
NPI	Net Property Income	WALE	Weighted Average Lease to Expiry
Property Funds Appendix	Appendix 6 of the CIS Code issued by the MAS in relation to REITs		
PUP	Performance Unit Plan		
R&D	Research and development		

Appendix

Total Return and Distribution	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14 ^(1,2)	FY 14/15 ^(1,2)	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 2019 ⁽³⁾	FY 2020	FY 2021
Gross Revenue (\$ million)	322.3	396.5	413.7	447.6	503.3	575.8	613.6	673.5	761.0	830.6	862.1	886.2	699.1	1,049.5	1,226.5
Net Property Income (\$ million)	243.5	296.6	320.0	339.4	368.3	408.8	436.0	462.7	533.7	611.0	629.4	649.6	537.7	776.2	920.8
Total Amount Available for Distribution (\$ million)	187.3	210.9	234.9	248.0	281.7	305.6	342.0	351.1	378.3	446.3	468.0	468.0	375.4	538.4	630.0
Distribution per Unit (cents)	14.130 ⁽⁴⁾	15.180 ⁽⁴⁾	13.100	13.230 ⁽⁴⁾	13.560	13.740 ⁽⁴⁾	14.240	14.600	15.357 ⁽⁴⁾	15.743 ⁽⁴⁾	15.988	16.035	11.490	14.688	15.258 ⁽⁴⁾

As at	31 Mar 2008	31 Mar 2009	31 Mar 2010	31 Mar 2011	31 Mar 2012	31 Mar 2013	31 Mar 2014 ⁽¹⁾	31 Mar 2015 ⁽²⁾	31 Mar 2016	31 Mar 2017	31 Mar 2018	31 Mar 2019	31 Dec 2019	31 Dec 2020	31 Dec 2021
Number of Properties in Portfolio	84	89	93	93	102	103	105	107	133	131	131	171	200	200	220
Total Assets (\$ million)	4,205	4,548	4,854	5,420	6,564	6,959	7,357	8,160	9,870	10,171	10,354	11,414	13,864	15,123	17,730
Number of Units in Issue (million units)	1,326	1,684	1,871	1,874	2,085	2,399	2,403	2,406	2,666	2,925	2,929	3,111	3,613	4,021	4,198
Net Asset Value per Unit (\$) ⁽⁵⁾	1.84	1.61	1.57	1.76	1.88	1.942	2.02	2.08	2.06	2.06	2.12	2.13	2.16	2.21	2.38
Total Gross Borrowings (\$ million) ⁽⁶⁾	1,562	1,591	1,522	1,900	2,401	1,971	2,208	2,735	3,678	3,442	3,563	4,141	4,653	4,784	6,143
Aggregate Leverage ⁽⁷⁾	38.2%	35.5%	31.6%	35.2%	36.6%	28.3%	30.0%	35.5%	37.2%	33.8%	34.4%	36.3%	35.1%	32.8%	35.9%

Notes:

- (1) With effect from FY11/12, results include the consolidation of the Trust's wholly owned subsidiaries.
- (2) The Group adopted FRS 110 Consolidated Financial Statements with effect from 1 April 2014 which results in the Group consolidating Ruby Assets Pte. Ltd. and Emerald Assets Limited since 1Q FY14/15. FY13/14 figures have been restated on a similar basis for comparison.
- (3) 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.
- (4) Distribution per Unit after performance fees.
- (5) Prior to distribution of distributable income.
- (6) 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.
- (7) Includes total borrowings and deferred payments on acquisition of properties but excludes fair value adjustments of the collateral loan.

Appendix

DEVELOPMENT PROJECTS

Since Ascendas Reit embarked on its first development project in 2006, it has completed 17 development/redevelopment projects. Two of the development projects, Four Acres Singapore and A-REIT Jiashan Logistics Centre in China, were divested in FY16/17. For the remaining 15 projects, the total cumulative unrealised gains achieved was S\$442.6 million (35.7% over cost of development).

	Development	Segment	Development Cost (S\$ million)	Revaluation as at 31 December 2021 (S\$ million)	Completion
1	Courts Megastore	Integrated Development, Amenities & Retail Properties	46.0	59.6	Nov-06
2	Giant Hypermart	Integrated Development, Amenities & Retail Properties	65.4	75.2	Feb-07
3	Hansapoint	Business & Science Park Properties	26.1	112.7	Jan-08
4	15 Changi North Way	Logistics & Distribution Centres	36.2	47.1	Jul-08
5	Pioneer Hub	Logistics & Distribution Centres	79.3	122.0	Aug-08
6	1,3 & 5 Changi Business Park Crescent	Business & Science Park Properties	200.9	337.8	Feb-09, Sep-09, Dec-10
7	71 Alps Avenue	Logistics & Distribution Centres	25.6	23.7	Sep-09
8	38A Kim Chuan Road	Data Centres	170.0	175.2 ⁽¹⁾	Dec-09
9	90 Alps Avenue	Logistics & Distribution Centres	37.9	61.7	Jan-12
10	FoodAxis @ Senoko ⁽²⁾	Light Industrial Properties and Flatted Factories	57.8	93.0	Feb-12
11	Nexus @one-north	Business & Science Park Properties	181.3	202.8	Sep-13
12	DBS Asia Hub Phase 2	Business & Science Park Properties	21.8	N.A. ⁽³⁾	Apr-15
13	Schneider Electric Building ⁽⁴⁾	High-Specifications Industrial Properties	45.2	91.5	Jun-17
14	20 Tuas Avenue 1 ⁽⁵⁾	Logistics & Distribution Centres	61.4	88.3	Apr-18
15	Grab Headquarters	Business & Science Park Properties	184.6	191.5	Jul-21
Total (excluding divested properties)			1,239.5	1,682.1	

Appendix

DIVESTED DEVELOPMENT PROJECTS

	Development	Segment	Development Cost (S\$m)	Divestment Date	Completion
16	Four Acres Singapore	Business & Science Park Properties	58.7	Apr-16	Apr-13
17	Jiashan Logistics Facility	Logistics & Distribution Centres	22.1	Jun-16	Mar-16
	Total		80.8		

Notes:

- (1) 38A Kim Chuan Road was valued by independent valuer at S\$175.2 million. Ascendas Reit has recorded the property at S\$175.2 million comprising S\$129.8 million in land and building, and S\$45.4 million in M&E equipment.
- (2) FoodAxis @ Senoko (previously known as 1 Senoko Avenue) was first acquired on 15 May 2007 for S\$11.2 million. It was subsequently redeveloped to maximise the allowable plot ratio.
- (3) Valuation for DBS Asia Hub Phase 2 is not available. The entire property was valued at S\$206.0 million.
- (4) Schneider Electric Building was acquired on 27 February 2006 for S\$28.6 million. It was subsequently redeveloped and leased to a single-tenant.
- (5) 20 Tuas Avenue 1 was acquired on 19 February 2004 for S\$50.0 million and was subsequently redeveloped to maximise the allowable plot ratio. Redevelopment cost does not include land premium.



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