



**NEWS RELEASE**

**For immediate release**

## **CapitaLand Ascendas REIT to convert San Diego office property to Life Sciences property**

**Singapore, 30 September 2022** – CapitaLand Ascendas REIT Management Limited (“the Manager”), formerly known as Ascendas Funds Management (S) Limited, the manager of CapitaLand Ascendas REIT (CLAR), formerly known as Ascendas Real Estate Investment Trust (Ascendas Reit), is pleased to announce the signing of a full building lease agreement with Crinetics Pharmaceuticals, Inc., for its new global headquarters at 6055 Lusk Boulevard, San Diego, United States.

Under the agreement, CLAR will undertake a convert-to-suit exercise and transform the office property into a premier life sciences property at an estimated cost of US\$40.0 million (approximately S\$56.4 million<sup>1</sup>).

When completed in 4Q 2023, the redeveloped two-storey, 94,230 sq ft property will be a cutting-edge, high-performance and LEED Gold-certified life sciences building that exceeds the extensive requirements of today’s life science tenants. The building will be outfitted with new mechanical, electrical and plumbing (MEP) systems, roof, windows and interior improvements, which include state-of-the-art laboratories, office and vivarium spaces. The energy efficient building will have solar panels as well as extensive indoor and outdoor spa-like amenities to improve employee well-being. The property is located in Sorrento Mesa, one of the top life science submarkets within the United States.

Crinetics Pharmaceuticals, listed on NASDAQ with the stock code CRNX, is a clinical stage pharmaceutical company focused on the discovery, development, and commercialisation of novel therapeutics for rare endocrine diseases and endocrine-related tumors.

The conversion to life sciences space will enable CLAR to ascribe a higher base rent with an annual escalation of 3% and a net property income yield<sup>2</sup> pick-up to approximately 9% when completed. The triple-net lease commitment of 11.5 years, with an option to extend two additional five-year terms, by Crinetics Pharmaceuticals will provide CLAR with a stable income stream.

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<sup>1</sup> An illustrative exchange rate of US\$1.000: S\$1.409 is used for all conversions from US dollar into Singapore dollar amounts in this press release.

<sup>2</sup> The NPI yield is derived using the net property income expected in the stabilised year of operation of the property.

Mr William Tay, Chief Executive Officer and Executive Director of the Manager said, “We are delighted to announce this partnership with Crinetics Pharmaceuticals. This initiative will have long term benefits for both our companies.

We are confident that Crinetics’ new global headquarters at 6055 Lusk Boulevard will be a standout in the Sorrento Mesa area, featuring comprehensive cutting-edge office and laboratory facilities as well as LEED Gold certification. This venture will solidify and enlarge CapitaLand Ascendas REIT’s track record in the life sciences space and foster even more opportunities for us. At the same time, our returns will be boosted based on a higher and more attractive property yield of approximately 9%.

After the completion of the project in 4Q 2023, the proportion of our life sciences properties is estimated to increase to S\$1.3 billion or about 8% of our assets under management, on a pro forma basis<sup>3</sup>.”

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<sup>3</sup> As at 30 June 2022.

**About CapitaLand Ascendas REIT ([www.capitaland-ascendasreit.com](http://www.capitaland-ascendasreit.com))**

CapitaLand Ascendas REIT (CLAR), formerly known as Ascendas Real Estate Investment Trust (Ascendas Reit), is Singapore's first and largest listed business space and industrial real estate investment trust. It was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) in November 2002.

CLAR has since grown to be a global REIT anchored in Singapore, with a strong focus on tech and logistics properties in developed markets. As at 30 June 2022, its investment properties under management stood at S\$16.6 billion. It owns a total of 228 properties across three segments, namely Business Space and Life Sciences; Logistics; and Industrial and Data Centres. These properties are located in the developed markets of Singapore, Australia, the United States and the United Kingdom/Europe.

These properties house a tenant base of more than 1,600 international and local companies from a wide range of industries and activities, including data centres, information technology, engineering, logistics & supply chain management, biomedical sciences, financial services (back room office support), electronics, government and other manufacturing and services industries. Major tenants include Singtel, DSO National Laboratories, SEA Group, Stripe, DBS, Citibank, Pinterest, CareFusion, Equinix and J.P. Morgan.

CLAR is listed in several indices. These include the FTSE Straits Times Index, the Morgan Stanley Capital International, Inc (MSCI) Index, the European Public Real Estate Association/National Association of Real Estate Investment Trusts (EPRA/NAREIT) Global Real Estate Index and Global Property Research (GPR) Asia 250. CLAR has an issuer rating of 'A3' by Moody's Investors Service.

CLAR is managed by CapitaLand Ascendas REIT Management Limited, formerly known as Ascendas Funds Management (S) Limited, a wholly owned subsidiary of CapitaLand Investment Limited, a leading global real estate investment manager with a strong Asia foothold.

**About CapitaLand Investment Limited ([www.capitalandinvest.com](http://www.capitalandinvest.com))**

Headquartered and listed in Singapore, CapitaLand Investment Limited (CLI) is a leading global real estate investment manager (REIM) with a strong Asia foothold. As at 30 June 2022, CLI had about S\$125 billion of real estate assets under management, and about S\$86 billion of real estate funds under management (FUM) held via six listed real estate investment trusts and business trusts, and more than 20 private vehicles across Asia-Pacific, Europe and USA. Its diversified real estate asset classes cover retail, office, lodging, business parks, industrial, logistics and data centres.

CLI aims to scale its FUM and fee-related earnings through fund management, lodging management and its full stack of operating capabilities, and maintain effective capital management. As the investment management arm of CapitaLand Group, CLI has access to the development capabilities of and pipeline investment opportunities from CapitaLand's development arm.

As a responsible company, CLI places sustainability at the core of what it does and has committed to achieve net zero emissions by 2050. CLI contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

**Issued by: CapitaLand Ascendas REIT Management Limited (formerly known as Ascendas Real Estate investment Trust) (Company registration no. 200201987K)**

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