

**CAPITALAND
ASCENDAS
REIT**

20

A N N U A L R E P O R T

22



Our cover page features the letters “**C**” and “**O**” intersecting to form an interlocked design, where “**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 the CapitaLand Investment Group benefit from cross-platform synergies and complementary strengths; and are united and committed to the same shared purpose of ***Making a Positive Impact. Think Big. Do Right. Make it Last.*** by adhering to the principles of diversity and inclusion, doing right by our stakeholders and contributing to the long-term interests of the communities that we operate in.



THIS FLUIDITY OF SHAPES REPRESENTS THE GROUP AND OUR ONE CAPITALAND ECOSYSTEM, WE LEVERAGE OUR RESPECTIVE STRENGTHS AND GROW TOGETHER AS ONE.



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20 Years of Par Excellence

20 Celebrating Years

CapitaLand
Ascendas REIT

At IPO
A Singapore-focused REIT

2002

NOV 2002:
LISTED ON SGX-ST

TOTAL INVESTMENT PROPERTIES
S\$0.6 billion

Australia

OCT/NOV 2015:
26 Logistics Properties
(S\$1.0 billion)

2015

United Kingdom

AUG/SEP 2018:
38 Logistics Properties
(S\$0.8 billion)

2018

S\$8.2 billion



Today

A global REIT anchored in Singapore, with a strong focus on tech and logistics properties in developed markets



Management and Staff of the Manager

2022

\$S\$16.4 billion ↑

2021

Europe

MAR 2021:

11 Data Centres in UK, Netherlands, France & Switzerland
(S\$0.9 billion)

2019

United States

DEC 2019:

28 Business Parks
(S\$1.3 billion)

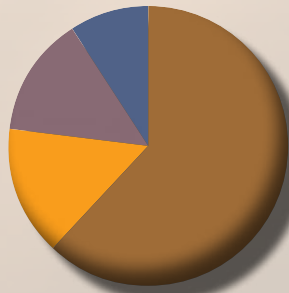
Highlights of FY2022

DIVERSIFIED AND RESILIENT PORTFOLIO ACROSS GEOGRAPHY, ASSET CLASS AND INDUSTRIES

PORTFOLIO BY ASSET VALUE

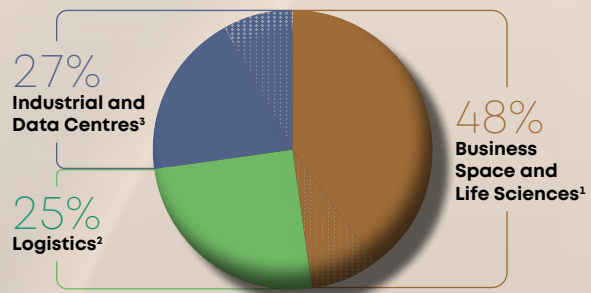
Asset Value
S\$16.4B

By Geography



Singapore	62%
United States	15%
Australia	14%
United Kingdom / Europe	9%

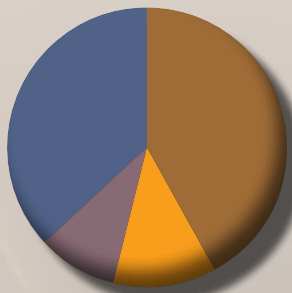
By Segment



Business Space	40%
Life Sciences	8%
Logistics	25%
Industrial	19%
Data Centres	8%

- 1 Comprises properties which were previously classified as business and science parks in Singapore; suburban offices in Australia; business park and office properties in the US.
- 2 Includes Courts Megastore and Giant Hypermart which were previously classified as integrated development, amenities and retail (IDAR) segment.
- 3 Comprises properties which were previously classified as high-specifications and light industrial segments (includes Aperia which was previously under the IDAR segment).

TENANTS' INDUSTRIES BY MONTHLY RENTAL INCOME



Technology ¹	42.2%
Logistics & Supply Chain Management	11.8%
Biomedical Sciences	9.3%
Others	36.7%

- 1 Includes Information & Communications Technology, Data Centres, Engineering, Electronics and e-Commerce.

ROBUST OPERATIONAL PERFORMANCE

FY2022 Distribution per Unit increased **3.5%** y-o-y
Portfolio occupancy reached a high of **94.6%**

Achieved average rent reversions of **8%** during FY2022

HEALTHY BALANCE SHEET

Aggregate Leverage at **36.3%**

Moody's **A3**
Credit Rating

SUSTAINABILITY EFFORTS

Achieved **3-star rating**
for GRESB Real Estate Assessment

Achieved **A rating**
for GRESB Public Disclosure for third consecutive year

Note: All information as at 31 December 2022.

About CapitaLand Ascendas REIT

CapitaLand Ascendas REIT (CLAR), formerly known as Ascendas Real Estate Investment Trust, is Singapore's first and largest listed business space and industrial real estate investment trust (REIT). As one of Singapore's REIT pioneers, CLAR 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.

CLAR owns and manages a well-diversified portfolio, valued at S\$16.4 billion. The portfolio comprises 227 investment properties in Singapore, Australia, the United States (US) and the United Kingdom (UK)/Europe. CapitaLand Ascendas REIT Management Limited, the manager of CLAR (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

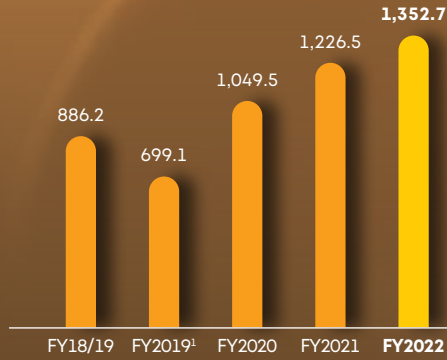
REPORTING SUITE 2022



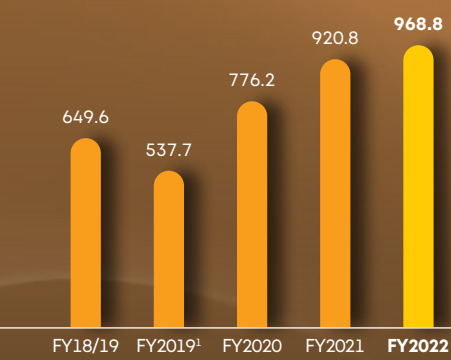
As part of its environmental conservation efforts, CapitaLand Ascendas REIT continues to print limited copies of its Annual Report. The above reports are available for download at <https://investor.capitaland-ascendasreit.com/ar.html>

Financial Highlights

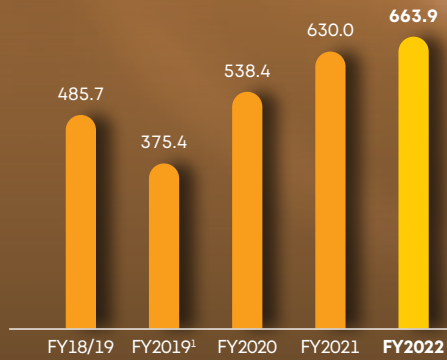
GROSS REVENUE
(S\$ million)



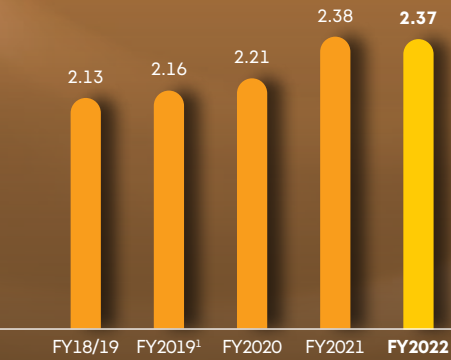
NET PROPERTY INCOME
(S\$ million)



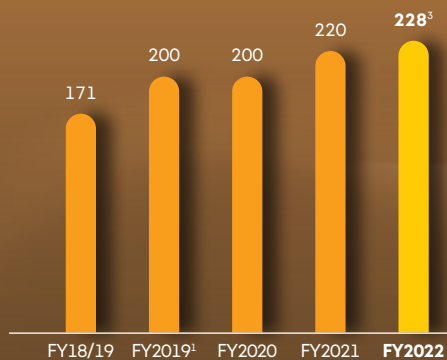
TOTAL AMOUNT AVAILABLE FOR DISTRIBUTION
(S\$ million)



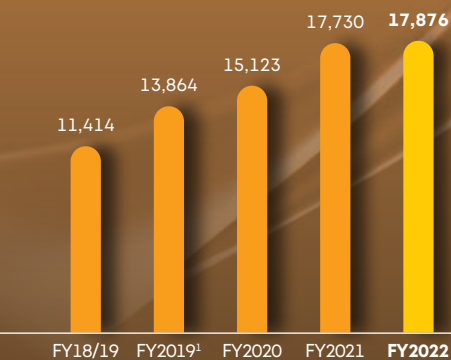
NET ASSET VALUE PER UNIT²
(S\$)



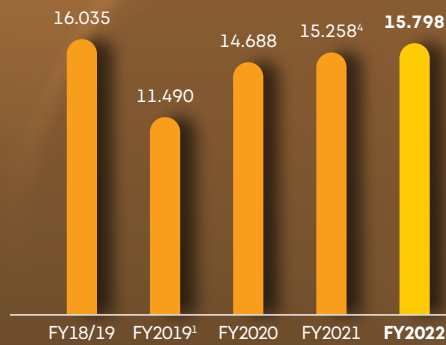
NUMBER OF PROPERTIES IN PORTFOLIO



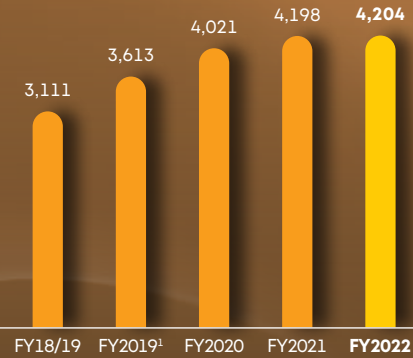
TOTAL ASSETS
(S\$ million)



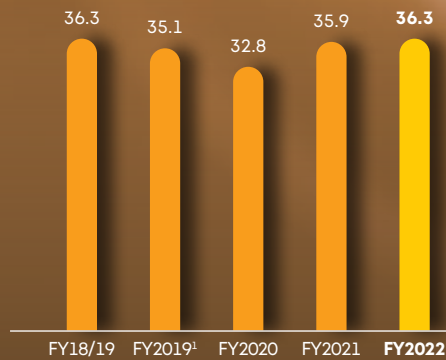
DISTRIBUTION PER UNIT (DPU)
(Singapore cents)



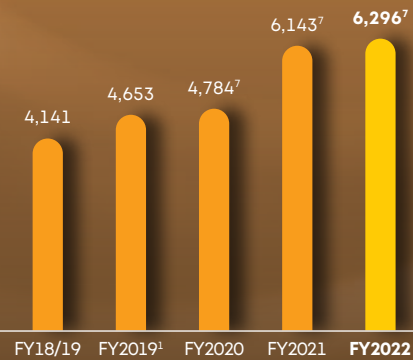
NUMBER OF UNITS IN ISSUE
(million)



AGGREGATE LEVERAGE⁵
(%)



TOTAL GROSS BORROWINGS^{5,6}
(S\$ million)



NOTES:

- (1) In July 2019, CapitaLand 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) Consists of 95 properties in Singapore (including iQuest@IBP), 36 properties in Australia, 48 properties in the US, and 49 properties in the UK/Europe.
- (4) DPU after performance fee.
- (5) Excludes the effects of the Singapore Financial Reporting Standard 116 Leases (FRS 116).
- (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 CapitaLand Ascendas REIT has committed to.
- (7) Includes interests in joint venture.

Chairman's Message

For FY2022, we are pleased to have delivered another set of strong results despite uncertain macroeconomic conditions. This is testament to the resilience of our assets and operations management.



DR BEH SWAN GIN

Chairman

Non-Executive Independent Director

Dear Unitholders,

2022 marked the 20th anniversary of CapitaLand Ascendas REIT (CLAR). Since our listing in 2002, CLAR's AUM has grown from under S\$1 billion to S\$16.4 billion. Our portfolio has also expanded beyond Singapore to include properties in US, Australia and UK/Europe.

During the COVID-19 pandemic, there was no major disruption to our operations, tenant bases or revenue streams. This is testament to the resilience of our assets and operations management. Our geographical mix and multi-asset portfolio allow us to diversify risks across industries, customers and currencies. As we expand the size of our platform in each of the geographies, we are building in further resilience and diversification within each of them.

FY2022 PERFORMANCE HIGHLIGHTS

For FY2022, we are pleased to have delivered another set of strong results despite uncertain macroeconomic conditions.

Portfolio occupancy reached a 10-year high of 94.6% and new rents on expiring leases were 8.0% higher in FY2022. Contributions from acquisitions and developments completed during FY2021 and FY2022 further boosted DPU to 15.798 cents (+3.5% y-o-y) in FY2022.

Our balance sheet remained robust. Leverage was at a healthy level of 36.3%. A high proportion of fixed rate debt at 79% enabled us to moderate our interest expense despite the rise in global interest rates.

The portfolio valuation on a same-store basis¹ was stable at S\$16.1 billion.

EXECUTING ON OUR STRATEGY

Our core strategy remains centred on having a diversified portfolio comprising quality business space, logistics and industrial properties, as well as data centres in developed markets. We are firmly anchored in Singapore which accounts for about 62% of investment properties, with the balance 38% in US, Australia and UK/Europe.

In FY2022, CLAR completed S\$223.4 million of acquisitions in the logistics sector: two properties in Sydney and Brisbane, Australia (S\$90.2 million) and seven properties in Chicago, US (S\$133.2 million).

Post FY2022, two acquisitions with an aggregate purchase consideration of S\$296.7 million were also completed in Singapore: a high-tech industrial property at 622 Toa Payoh Lorong 1 (S\$104.8 million) and a cold storage facility at 1 Buroh Lane (S\$191.9 million).

In addition, we continue to proactively optimise and create value to existing assets in the portfolio. We undertook a US\$40.0 million convert-to-suit project of an existing office property in San Diego, US, to transform it into the global headquarters for a life sciences tenant. In Singapore, we redeveloped and repositioned UBIX into a premium industrial property with modern workspaces and large floorplates. These enabled CLAR to secure higher base rents and boost returns.

Read more about CLAR's acquisitions and redevelopment projects in The Manager's Review of FY2022 on pages 35 to 43.

MAKING SUSTAINABLE IMPACT

Another global trend shaping the world is the rising focus on Environmental, Social and Governance (ESG) matters. We have proactively undertaken leading positions on ESG-related initiatives and responded to the challenges of a net-zero future. ESG is embedded in the business aspects and culture of the Manager, and remains a key focus of the Board.

In 2022, in accordance with the requirements of the SGX Listing Rules, all Board Members underwent sustainability training. We also continued to make progress on our decarbonisation journey. More properties in Singapore were fitted out with solar installations to increase renewable energy generation capacity, and more Electric Vehicle (EV) charging infrastructure was installed in our overseas properties. In addition, we stepped up efforts to green our properties by obtaining green certificates. We also issued additional Green Bonds and Loans in 2022 under the CLAR Green Financing Framework.

¹ Same-store valuation comprises 217 properties, excluding newly acquired/completed properties and properties under redevelopment during FY2022.

Chairman's Message

As a responsible landlord, we are committed to developing the local communities where we operate. In conjunction with CLAR's 20th anniversary, the Manager has pledged additional S\$1.3 million to expand the CapitaLand Ascendas REIT Study Award by increasing support for universities in Singapore and establishing new Study Awards for universities in US, Australia and UK.

We also organised the CLAR Sustainability Corner Competition to engage the wider community. The competition sought to raise awareness on sustainability and to create a platform for young bright minds to express their creativity and ideas. Selected winning designs will be implemented in CLAR's properties in Singapore and overseas to further inspire and promote sustainability among our tenants and the communities around our properties.

We are pleased to be recognised by industry-leading sustainability benchmarks for our proactive approach and efforts towards ESG. In 2022, we participated in the GRESB Real Estate Assessment and our score was on par with global average. We are not resting on our laurels and will strive to deliver even better ESG outcomes in future.

Read more about CLAR's sustainability efforts on pages 18 and 19 and in its Integrated Sustainability Report 2022.

GOVERNANCE AND BOARD RENEWAL

CLAR was ranked second in the Singapore Governance and Transparency Index 2022 (under the REITs and Business Trust Category). This was our highest ranking to-date and an improvement from third position the year before. We also achieved Silver award for Best Annual Report (REITs and Business Trusts) in the Singapore Corporate Awards 2022. These are testaments to our commitment and focus on responsible corporate reporting and disclosures to our stakeholders.

Mr Chan Pengee, Adrian retired as our independent director and Chairman of the Audit and Risk Committee in October 2022. Mr Daniel Cuthbert Ee Hock Huat, a standing director, has been appointed to be the next Chairman of the Audit and Risk Committee. I would like to thank Adrian for his invaluable contribution over the past eight years and at the same time extend a warm welcome to Daniel.

In February 2023, we also welcomed Ms Choo Oi Yee to the Board as an independent director. She is currently the Chief Executive Officer of ADDX Pte. Ltd., a private market investment platform. She has extensive experience in the investment banking industry and will add further diversity of skills and experience to the Board.

With these changes, the Board will comprise of eight members, of which five are independent, and 25% representation from female directors.

LOOKING AHEAD

There will be various challenges ahead such as rising interest rates, inflation and global economic uncertainties. These may impact tenants' businesses as well as CLAR's operating costs.

However, we are confident that we can manage these challenges and believe that we are well-positioned to capitalise on any growth opportunities that may arise, to deliver sustainable returns to Unitholders.

A WORD OF THANKS

CLAR's success would not have been possible without the dedication of our staff from the Manager, and the Asset and Property Managers. On behalf of the Board, I would like to thank them for working together to consistently deliver the good results for our Unitholders.

We would also like to extend our sincere appreciation and thank you to our Unitholders, customers and business partners for your ongoing support and confidence.

DR BEH SWAN GIN

Chairman

17 March 2023

In Conversation with CEO



WILLIAM TAY WEE LEONG

Chief Executive Officer
Executive Non-Independent Director

1. Does the current high interest rates environment have any impact on your acquisition strategy?

We maintain our fundamental approach in evaluating acquisitions, focusing on quality assets in prime locations with a well-leased tenant base and long-term growth potential.

When the overall level of investment activities in the global real estate sector lowered significantly in 2022, we re-assessed our priorities and took a targeted approach to acquisitions of assets leased to tenants associated with resilient industries such as healthcare, cold storage and logistics. Hence, we were able to successfully acquire about S\$520.1 million worth of properties in Singapore, the US and Australia.

In Singapore, we embarked on the acquisitions of a cold storage facility at 1 Buroh Lane for S\$191.9 million and a high-tech industrial property at 622 Lorong 1 Toa Payoh for S\$104.8 million. Both transactions were completed in early 2023.

In the US and Australia, we completed the acquisitions of two logistics properties in Brisbane and Sydney, Australia for about S\$90.2 million in February 2022, and seven logistics properties in Chicago, US for about S\$133.2 million in June 2022.

We will continue to exercise caution towards new acquisitions. Operationally, we have strong teams and networks on the ground to manage our assets and to identify value-creating investments. We will stay selective and prudent in pursuing accretive opportunities in all four of our existing markets, while ensuring our existing portfolio continues to perform optimally.

2. Can you elaborate on your geographical and asset class allocation strategy going forward?

Our strategy remains unchanged. We see opportunities and will continue to deepen our presence in our existing four developed markets – Singapore, the US, Australia and the UK/Europe.

In the medium term, we anticipate minimal changes to our Singapore/Overseas portfolio mix. Singapore continues to be an important market for CLAR as it draws diverse and industry-leading players, making it an attractive pro-business gateway to Asia.

Across all of our markets, our strategic focus is to reposition our portfolio to better cater to the business needs of the technology, life sciences and logistics industries.

In Conversation with CEO

3. Were there any significant changes in the revaluation of the portfolio?

The valuation of our portfolio in 2022 remained largely unchanged from the previous year. The same-store portfolio valuation of 217 properties was stable at S\$16.1 billion as at 31 December 2022.

On a geographical basis, valuations in local currency for our Singapore, the US and Australia portfolios recorded improvements. Our portfolio in the UK/Europe recorded a decline in valuation, mainly attributable to the data centres in the UK/Europe. These data centres remained a small contributor to our portfolio valuation, accounting for about 4.4% of CLAR's total asset value of S\$16.4 billion.

Overall, the stable valuation of our properties across the four developed markets highlights the effectiveness of our deliberate portfolio construction and acquisition strategy over the past years. We will continue to sharpen our focus on building a well-diversified and resilient portfolio for CLAR.

4. What is the outlook of the portfolio's occupancy and rent reversion for 2023?

During 2022, we achieved strong results across all our asset classes despite the uncertain macroeconomic conditions. Our portfolio occupancy reached a 10-year high of 94.6% and we achieved a robust rental reversion of 8% for leases that were renewed in the multi-tenanted buildings.

With our proactive asset and lease management strategies, we are confident that the broad asset classes in our portfolio will continue to meet the requirements of our existing tenants as well as to attract new tenants in growing industries such as technology, logistics, biomedical and life sciences. We expect rental reversion to remain positive in the mid-single digit range for the coming year.

5. Please share CLAR's significant green achievements in 2022 and plans for 2023.

We remain steadfast in our commitment to achieve the targets set out in the CapitaLand's 2030 Sustainability Master Plan.

In 2022, our green initiatives continued to gain momentum. We obtained an additional 22 green certifications across the portfolio, bringing the total number of green certified properties owned and operationally controlled by CLAR to 59. As at 31 December 2022, about 76% of our owned and operationally controlled properties by GFA were green certified.

On adopting renewable energy, we added Nucleos as our fifth property in Singapore – after three properties at one-north and LogisTech – to have its common facilities powered by renewable energy. We also installed solar panels on the rooftops of 10 properties. We now have a total of 17 properties in CLAR's portfolio with solar panel installations that are expected to generate over 18 GWh of renewable energy annually and avoid over 7,466 tonnes of carbon emissions. We target to extend the initiative to seven more properties in 2023, generating an additional estimated 4.5 GWh of solar power annually.

In 2022, 46 Electric Vehicle (EV) charging points were rolled out across 13 properties, bringing the total number of EV charging points across CLAR's properties in Singapore and overseas to 273.

We issued S\$623 million of Green Bonds and Loans in 2022, bringing our total green financing to S\$1.84 billion or 28% of CLAR's total borrowings.

In 2022, we began to adopt recommendations by the Task Force on Climate-related Financial Disclosures (TCFD) in our Integrated Sustainability Report. We will continue to enhance disclosures and transparency in line with the requirements from SGX and MAS for 2023.

I am very proud that CLAR is on par with global average in the GRESB Real Estate Assessment 2022. We also obtained an "A" rating for the GRESB Public Disclosure Assessment for three consecutive years.

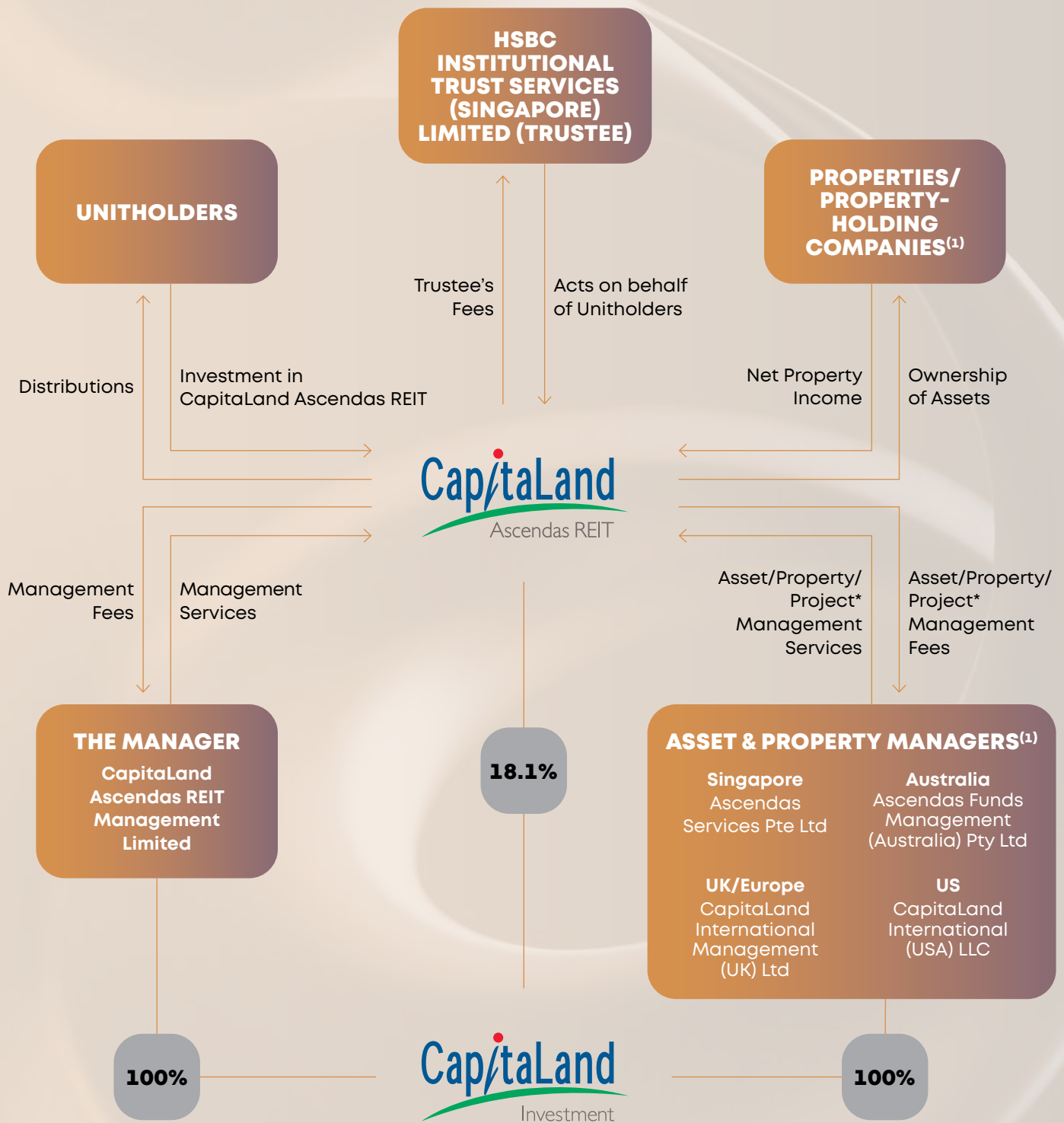
In 2022, we stepped up the implementation of green leases for new tenants, which include clauses for data sharing with the landlord. With input from our tenants, we could enhance the scope and accuracy of our data analysis and improve our ESG reporting.

To further showcase our commitment to work with our stakeholders to grow sustainably together, we organised the CLAR Sustainability Corner Competition and involved students from tertiary institutions in creating concepts and designs for physical installations that aim to create awareness on sustainability. The prototypes from the competition will be exhibited at selected CLAR properties in Singapore, while selected designs will be progressively implemented across properties in Singapore and overseas in 2023.

Sustainability is an integral part of our business strategy and will remain our key priority. Building on the progress made in 2022, we will be taking further actions to produce more meaningful outcomes in 2023 and respond better to growing stakeholder expectations on ESG.

CapitaLand Ascendas REIT's Structure

As At 17 March 2023



* Project management services relating to development, re-development and asset enhancement initiatives in Singapore are provided by CapitaLand Development Pte. Ltd., a related company of CapitaLand Investment Limited.

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

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

Properties located in the US are held through wholly owned subsidiaries of CapitaLand 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 CapitaLand 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 Financial Reporting Standards (IFRS) Foundation's Integrated Reporting Framework.

BUSINESS MODEL

VISION

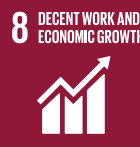
To be a leading global real estate investment trust

MISSION

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



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



- Governance:** Supports CapitaLand 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 FY2022, 11 'Critical' ESG material issues and three 'Moderate and emerging' material issues have been identified (more details can be found on page 19).

More details can be found in CapitaLand Ascendas REIT's Integrated Sustainability Report 2022, available at investor.capitaland-ascendasreit.com/sustainability_reports.html.

Business Model

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

- Regular reviews of CapitaLand 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 CapitaLand 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 CapitaLand Ascendas REIT's strategic direction
- Creating an acceptable balance between the benefits derived from managing risks and the cost of managing those risks

What CapitaLand Ascendas REIT Invests In

BUSINESS SPACE AND LIFE SCIENCES

Characteristics

These are properties located in business and science parks, suburban offices and office properties. Life sciences properties are business spaces with lab-ready specifications.

In Singapore, business and 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, business space properties comprise high-quality office space located in suburban precincts outside the central business districts, including technology-focused precincts. The properties are well-serviced by public transportation, major road networks and surrounding amenities include F&B and shopping malls.

The business space properties in the US 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.

US: Information & communications technology, biotechnology/pharmaceuticals, media and financial services companies.

INDUSTRIAL AND DATA CENTRES

Characteristics

These properties include high-specifications and light industrial properties, as well as flatted factories, and data centres. These properties offer a range of premium to basic facilities to meet the needs of various customers.

In Singapore, industrial properties include vertical corporate campuses with higher business space content combined with high-specifications mixed-use industrial space. Such properties typically have modern façades, 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.

Other types of industrial properties in Singapore include those with low business space content combined with general manufacturing space.

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.

Local small & medium sized enterprises which house their manufacturing activities and HQ operations within a single facility.

LOGISTICS

Characteristics

Logistics properties equipped with high floor loading and floor height. In Singapore, such properties include single-storey or multi-storey facilities with vehicular ramp access and multi-storey facilities with heavy duty cargo lift access, as well as large warehouse spaces under the Retail Warehouse Scheme.

In Australia, the UK and the US, the logistics properties 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

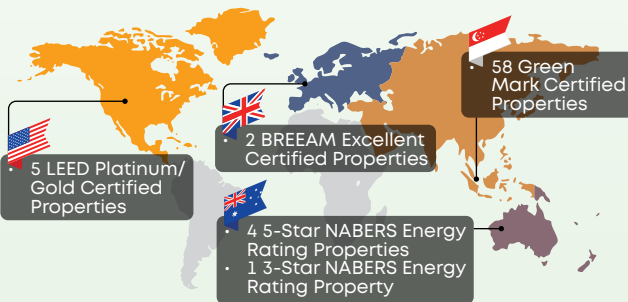
“CapitaLand Ascendas REIT (CLAR) places sustainability at the core of all initiatives across the properties globally and is aligned with CapitaLand’s sustainability objectives and goals. These efforts are also inclusive that extend to the tenants and the community at large.”



COMMITMENT TO THE ENVIRONMENT

GREEN BUILDINGS

CLAR has 70¹ green-certified properties globally, and has the largest number of BCA Green Mark properties amongst S-REITs (58¹ including 19 newly certified properties and 27 re-certified properties). CLAR will continue to work towards more properties being certified, through initiatives such as systems and processes upgrading, implementation of green leases, and having a minimum green building target for new acquisitions and development, among others.



RENEWABLE ENERGY

Solar Power

CLAR aims to accelerate solar panel installations across its portfolio. In 2022, solar panel installations were completed on 10 properties in Singapore. This brings the total number of active solar installations in Singapore to 17 properties, which is projected to generate about 18.4 GWh/year.

Electric Vehicles (EV)

There are a total of 273 EV (FY2022: +46) charging points installed across the CLAR portfolio. Plans for installation of more charging stations are being evaluated and there are ongoing discussions with tenants to encourage greater adoption.

GREEN FINANCING

CLAR issued S\$623 million of Green Bonds and Loans in FY2022, bringing total green financing to S\$1.84 billion or approximately 28% of CLAR’s total borrowings.



PILOTING OF SUSTAINABILITY INNOVATIONS

CLAR continues to explore piloting and scaling of innovations that demonstrate potential commercial and technological feasibility. Following the launch of CapitaLand’s Sustainability-X Challenge (CSXC), CLAR has rolled out several initiatives.

Key Initiatives	
Continewm Net	This is an initiative that involves using ceramic and polyethylene nets in air handling units (AHUs) to reduce AHU energy consumption. The initiative will be scaled up to involve all AHUs in LogisTech, Singapore in 2023.
Aeroseal	An ongoing pilot project at 17 Changi Business Park Central, Singapore involving a duct sealing solution which improves heating, ventilation, and air conditioning (HVAC) efficiency and Indoor Air Quality.
INOVUES	Ongoing CSXC INOVUES window retrofit project at Creekside 5, Portland, US for better insulation and energy performance.



NOTABLE ESG ACHIEVEMENTS

- "A" rating for GRESB² Public Disclosure for three years running
- 3-Star rating for GRESB Real Estate Assessment 2022
- Achieved a score of "B" for CDP Climate Change 2022
- Ranked 2nd on Singapore Governance and Transparency Index 2022 (REITs and Business Trust Category)



NURTURING COMMUNITY

CLAR engages with the community at large, which comprises the Manager’s employees, tenants and the local community. CLAR actively works towards creating inclusive spaces for these different stakeholders in order to contribute to uplifting the well-being of various factions of society.



Group photo of the Manager’s Management team with judges and winners of the CLAR Sustainability Corner Competition

Key Initiatives	
CapitaLand Ascendas REIT Study Awards	As a testament to its long-term commitment towards supporting the development of local communities that CLAR operates in, the Manager has pledged an additional S\$1.3 million in donations towards educational causes in key markets including Singapore, Australia, the UK and the US. The total donations to date is S\$2.5 million.
CLAR Sustainability Corner Competition	23 students across five tertiary institutions participated in the competition to develop innovative designs for a Sustainability Corner, a physical installation or space to raise awareness about climate change and sustainability issues among tenants and visitors to CLAR properties.
CapitaLand Wellbeing Programme (Global)	This programme aims to improve employees’ quality of life in order to enhance their work performance. Attendees from CapitaLand Group across 13 countries globally have benefited from the programme and initiatives.
CapitaLand’s #LoveOurSeniors programme (Singapore)	This programme entailed the contributions of more than 600 staff and 148 tenants across CapitaLand Group to distribute bread and essential care packs to seniors, and assist some in moving to their new homes through emotional and financial support.
Blood Donation Drives (US)	Blood donation drives were held in Portland and Raleigh. This initiative involved at least 40 tenants that could potentially save more than 120 lives.

1 Includes non-managed properties

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

Sustainability is at the core of CLAR's business strategy. CLAR is committed to growing in a responsible manner, delivering long-term economic value, and contributing to the environmental and social well-being of its communities. The material environmental, social and governance (ESG) factors have been identified and encapsulated in the CapitaLand 2030 Sustainability Master Plan (SMP).

CLAR is aligned with CapitaLand Group's 2030 SMP unveiled in 2020 to elevate CapitaLand Group's commitment to global sustainability in the built environment. The SMP drives CapitaLand's sustainability efforts in the ESG pillars, enabling the CapitaLand Group to create a larger positive impact for the environment and society. Ambitious ESG targets have been set which include carbon emissions reduction targets validated by the Science Based Targets initiative (SBTi).

CapitaLand's 2030 SMP is regularly reviewed and adjusted where necessary to complement the CapitaLand Group's business strategy and align with climate science. During the first scheduled review in 2022, CapitaLand Investment revised its SMP targets to elevate its SBTi-approved targets in line with a 1.5°C scenario, incorporate its Net Zero commitment, and enhance focus on social indicators.

The CapitaLand 2030 SMP steers the Manager's efforts on a common course to maximise impact through building a resilient and resource efficient real estate portfolio, enabling thriving and future-adaptive communities, and accelerating sustainability innovation and collaboration.

DYNAMIC APPROACH TO REDUCING ENVIRONMENTAL FOOTPRINT

CLAR prioritises environmental footprint reduction by exploring and implementing green initiatives to improve efficiency and/or reduce on-site consumption.

These include continual efforts on green building certification (70 total green-certified properties in CLAR portfolio³), installation of solar panels on 17 properties and installation of 273 electric vehicle charging points³.

CLAR is committed to exploring green initiatives based on the contexts and opportunities that present themselves in the countries that CLAR operates. While each market presents different opportunities, every green initiative implemented contributes towards reducing CLAR's environmental footprint. This demonstrates CLAR's commitment and brings it closer to realising its vision for environmental sustainability.

³ Includes non-managed properties

WELL-BEING OF STAFF, TENANTS, SERVICE PROVIDERS AND COMMUNITY A CONSISTENT PRIORITY

The Manager recognises the importance of fostering a sense of community among employees, customers, suppliers and contractors, as well as with the wider community. Throughout the year, the Manager has participated in various community-building programmes and initiatives such as the CapitaLand #LoveOurSeniors programme.

Within CapitaLand Group, there are initiatives for staff well-being such as mental health awareness month, as well as development-centric initiatives such as Coffee & Learn and the Knowledge Exchange Programme. Initiatives also extend to the tenant community, such as futsal tournaments and community gatherings. At the same time, CLAR is committed to giving back to society at large. Besides holding volunteering activities, the Manager has pledged additional S\$1.3 million to educational support in key markets where CLAR operates.

PRIORITISATION OF ESG MATERIAL ISSUES

Environment	Social	Governance
Critical		
<ul style="list-style-type: none"> Climate change and carbon reduction Energy efficiency Water management 	<ul style="list-style-type: none"> Occupational health and safety Human capital Stakeholder engagement Products and services Supply chain management Diversity (Board and staff) 	<ul style="list-style-type: none"> Risk management Business ethics
Moderate and emerging		
<ul style="list-style-type: none"> Waste management Biodiversity 	<ul style="list-style-type: none"> Human rights 	

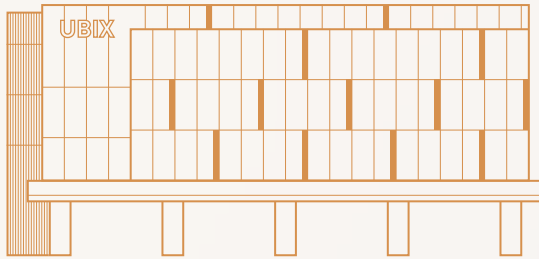
More details can be found in the Integrated Sustainability Report 2022, available for download at https://investor.capitaland-ascendasreit.com/sustainability_reports.html

Significant Events

January 2022

7th

Completed the redevelopment of UBIX, a premium industrial property in Singapore which was converted from two light industrial properties for S\$38.2m.



April 2022

28th

Annual General Meeting was held virtually and all resolutions were approved by Unitholders.



Annual General Meeting

June 2022

10th

Completed the acquisition of a portfolio of seven logistics properties in Chicago, United States for S\$133.2 million.



Acquisition of
7
Logistics Properties

February 2022

8th

Announced financial results for the financial year ended 31 December 2021: FY2021 Distribution per Unit (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 Kiara Crescent, a logistics property in Sydney, Australia for S\$21.1 million.



May 2022

4th

Announced First Quarter FY2022 Business Update.

Achieved healthy portfolio occupancy of 90.6% and positive portfolio rent reversion of 3.0% year-to-date.

July 2022

Unitholders voted in support at the Extraordinary General Meeting, which was held for the proposed entry into New Management Agreements.



Singapore Corporate Awards 2022 (Best Annual Report – Silver)

August 2022

2nd

Announced financial results for the six months ended 30 June 2022: 1H 2022 DPU rose by 2.8% y-o-y to 7.873 Singapore cents.

30th

Clinched Silver for Best Annual Report (REITs & Business Trusts Category) at the Singapore Corporate Award 2022 hosted by Business Times.

September 2022

27th

Announced the change of name from 'Ascendas Real Estate Investment Trust' to 'CapitaLand Ascendas REIT'.

January 2023

11th

Completed the acquisition of 622 Toa Payoh Lorong 1, a high-tech industrial property in Singapore, for S\$104.8 million.

February 2023

2nd

Completed the acquisition of 1 Buroh Lane, a cold storage facility in Singapore, for S\$191.9million.

2nd

Announced results for the financial year ended 31 December 2022: FY2022 DPU increased by 3.5% y-o-y to 15.798 Singapore cents.

22nd

Appointment of Ms Choo Oi Yee as a Non-Executive Independent Director of the Board.

October 2022

18th

Achieved GRESB Public Disclosure Level score of 'A' and obtained 3-star rating for Real Estate Assessment.



31st

Announced Third Quarter FY2022 Business Update. Achieved healthy portfolio occupancy of 94.5% and positive portfolio rent reversion of 5.4% year-to-date.

31st

Retirement of Mr Adrian Chan Pengee as a Non-Executive Lead Independent Director of the Board.



Announcement of CLAR FY2022 Results



Our Board of Directors



A Board with diversity of skills, knowledge and experience. A majority are Non-Executive Independent Directors.



▲
DR BEH SWAN GIN
Chairman
Non-Executive Independent Director



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



▲
ONG LEE KEANG MAUREEN
Non-Executive Independent Director



▲
CHOO OI YEE
Non-Executive Independent Director



▲
DANIEL CUTHBERT EE HOCK HUAT
Non-Executive Independent Director



▲
CHINNIAH KUNNASAGARAN
Non-Executive Independent Director



▲
MANOHAR KHIATANI
Non-Executive Non-Independent Director



▲
LIM CHO PIN ANDREW GEOFFREY
Non-Executive Non-Independent Director

Our Board of Directors

▶ **DR BEH SWAN GIN, 55**

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 2022)

2 years 5 months

▶ **WILLIAM TAY WEE LEONG, 52**

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 2022)

4 years 11 months

Board committees serving 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)

Board committee serving on

- Investment Committee (Member)

Background and working experience

- Chief Executive Officer, CapitaLand Ascendas REIT Management 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)

▶ **DANIEL CUTHBERT EE HOCK HUAT, 70**
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 2022):

4 years 3 months

Board committees serving on

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

▶ **CHINNIAH KUNNASAGARAN, 65**
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 2022):

2 years 2 months

Board committees serving 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)
- Nirlon Limited, India

Present principal commitments

- Changi Airport International Pte. Ltd. (Director)
- Azalea Asset Management Pte. Ltd. (Director)
- Edelweiss Alternative Asset Advisors Pte. Limited (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)
- Archipelago Capital Partners Pte. Ltd. (Advisor)

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

- Edelweiss Financial Services Limited, India

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)

Our Board of Directors

▶ **ONG LEE KEANG MAUREEN, 68**
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 2022)

1 year 4 months

Board committee serving 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.

▶ **CHOO OI YEE, 49**
Non-Executive Independent Director

- Bachelor of Accountancy, Nanyang Technological University
- Master in Business Administration, Manchester Business School, UK
- Chartered Accountant, Institute of Singapore Chartered Accountants (ISCA)

Date of first appointment as a Director

22 February 2023

Length of service as a Director

(as at 31 December 2022)

–

Board committee serving on

- Investment Committee (Member)

Present directorship in other listed company

- Nil

Present principal commitments

- ADDX Pte. Ltd. (CEO and Director)
- ICHX Tech Pte. Ltd. (Director)
- The National Kidney Foundation (Director)
- St. Joseph's Institution International Elementary School Ltd. (Member of Board of Governors)
- St. Joseph's Institution International Ltd. (Member of Board of Governors)
- Methodist Girls School (Director)

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

- Nil

Background and working experience

- Managing Director & Head of Singapore Investment Banking, UBS AG, Singapore (From 2013 to 2019)
- Executive Director & Head of Singapore Investment Banking, Morgan Stanley, Singapore (From 2011 to 2013)
- Executive Director & Head of Southeast Asia Real Estate Investment Banking, Nomura Singapore Limited (From 2009 to 2011)

▶ **MANOHAR KHIATANI, 63**
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 2022):

9 years 6 months

Board committees serving on

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

Present directorships in other listed companies

- CapitaLand India Trust Management Pte. Ltd. (trustee-manager of CapitaLand India Trust)

Present principal commitments

- CapitaLand Investment Limited (Senior Executive Director)
- Singapore Economic Development Board (Special Advisor to Chairman)
- 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 directorship in other listed company held over the preceding three years

- SIA Engineering Company Limited

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)

▶ **LIM CHO PIN ANDREW GEOFFREY, 53**
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 2022):

3 years 2 months

Board committee serving on

- Investment Committee (Member)

Present directorships in other listed companies

- 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 Operating Officer)
- Institute of Singapore Chartered Accountants' CFO Committee (Member)
- SG Her Empowerment Limited (Director)
- SGX Listings Advisory 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 Ascott Business Trust Management Pte. Ltd. (trustee-manager of CapitaLand Ascott Business Trust)
- CapitaLand Ascott Trust Management Limited (manager of CapitaLand Ascott Real Estate Investment Trust)
- CapitaLand Commercial Trust Management Limited (manager of CapitaLand Commercial Trust¹)
- CapitaLand Integrated Commercial Trust Management Limited (manager of CapitaLand Integrated Commercial Trust)

Background and working experience

- Group Chief Financial Officer of CapitaLand Investment Limited (From 21 September 2021 to 31 December 2022)
- Group Chief Financial Officer of CapitaLand Limited (From 1 January 2017 to 20 September 2021)
- 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 CapitaLand Ascendas REIT Team



► **WILLIAM TAY WEE LEONG**
Chief Executive Officer

William was appointed as Executive Director and CEO of the Manager of CLAR 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 27 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 CLAR 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.



>23 YEARS
Average experience of
Management Team



► **YEOW KIT PENG**

Head, Capital Markets & Investor Relations

Kit Peng drives the capital structure, funding and hedging strategy, and treasury management of CLAR. 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 CLAR. In Investor Relations, she is intimately involved in the promotion of CLAR to investors globally.

She has over 27 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 CLAR's investment strategy in Singapore and overseas. He leads the investment team to identify, evaluate and negotiate suitable investment opportunities for CLAR. Ram joined the Manager in May 2018 to drive investments into overseas markets and has since successfully led multiple transactions across different geographies. Prior to joining the Manager, he was the Head, Investments of CapitaLand India Trust.

Ram has more than 18 years of experience in investment, business development and asset management. His experience covers real estate acquisitions, mergers and 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 CLAR. His team optimises the financial and operational performance of CLAR assets through active asset management and divestment strategies.

James joined the Manager as Head, International Portfolio Management in August 2018. Prior to joining the Manager, James led both the Investor Relations and Asset Management departments for CapitaLand 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 & Project Managers

The daily operations of CapitaLand Ascendas REIT's (CLAR) portfolio of properties located in Singapore, Australia, the US and UK/Europe are undertaken by asset and property managers that are wholly owned subsidiaries of CapitaLand Investment Limited (CLI), project manager from a related company of CLI as well as third-party managing agents.

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

The asset, property and project managers have the following key responsibilities:



The Manager's Review of FY2022

As at 31 December 2022, CapitaLand Ascendas REIT (CLAR) is the largest business space and industrial REIT listed on the SGX-ST with total assets and market capitalisation of S\$17.9 billion and S\$11.5 billion respectively.

Financial and Capital Management Highlights

SUSTAINABLE RETURNS TO UNITHOLDERS



Gross Revenue

+10.3%

FY2022: S\$1,352.7 million
FY2021: S\$1,226.5 million



Net Property Income (NPI)

+5.2%

FY2022: S\$968.8 million
FY2021: S\$920.8 million



Total Amount Available for Distribution

+5.4%

FY2022: S\$663.9 million
FY2021: S\$630.0 million



Distribution Per Unit (DPU)

3.5%

FY2022: 15.798 Singapore cents
FY2021: 15.258 Singapore cents
(after performance fee)

- Gross revenue rose by 10.3% y-o-y to S\$1,352.7 million mainly due to the full year contribution of the portfolio of 11 data centres located across the UK/Europe acquired in March 2021; Galaxis in Singapore, with its remaining 75% interest acquired in June 2021; the portfolio of 11 logistics properties in Kansas City, the US acquired in November 2021 and the build-to-suit development of Grab Headquarters in Singapore, which was completed in July 2021.
- In FY2022, the Group completed the acquisitions of 500 Green Road in Brisbane, Australia and 7 Kiora Crescent in Sydney, Australia in February 2022.
- The portfolio of seven logistics properties in Chicago, the US acquired in June 2022, also contributed to the higher gross revenue.
- FY2022 net property income rose by 5.2% y-o-y to S\$968.8 million, consistent with the increase in the gross revenue but partially offset by the higher utility expenses relating to Singapore properties.
- The total amount available for distribution rose 5.4% y-o-y to S\$663.9 million. DPU rose 3.5% y-o-y to 15.798 cents due to the increase in NPI and the absence of the Manager's performance fee, which was partially offset by an increase in borrowing costs.

PRUDENT CAPITAL MANAGEMENT



Aggregate Leverage

31 December 2022: 36.3%
31 December 2021: 35.9%



Weighted Average All-in Borrowing Cost

31 December 2022: 2.5%
31 December 2021: 2.2%



Weighted Average Term of Debt

31 December 2022: 3.7 years
31 December 2021: 3.5 years

- Maintained A3 credit rating from Moody's.
- Maintained high level of natural currency hedge of approximately 74% for overseas investments.
- 79.4% of borrowings are at fixed interest rates for a weighted average duration of 3.3 years.
- Good access to debt and equity markets and increased our commitment to green financing:
 - Proactively refinanced and termed out approximately S\$1.3 billion of debt with fresh tenors ranging from 5 to 10 years.
 - Increased commitment to green financing by issuing a S\$115 million (HK\$661 million) 10-year HKD green bond, a S\$208 million 7-year SGD green bond and securing a total of S\$300 million in green loans.

The Manager's Review of FY2022

Investment and Operational Highlights

DISCIPLINED VALUE-ADDING INVESTMENT AND PORTFOLIO DIVERSIFICATION



Total
Assets

+1.1%

As at 31 December 2022:
S\$17.9 billion

As at 31 December 2021:
S\$17.7 billion



Portfolio
Capitalisation Rate
(227 properties¹)

5.81%

FY2022

FY2021

Singapore portfolio:	5.79%	Singapore portfolio:	5.82%
Australia portfolio:	4.99%	Australia portfolio:	4.86%
US portfolio:	5.91%	US portfolio:	5.90%
UK/Europe portfolio ² :	6.33%	UK/Europe portfolio ² :	5.64%

- Completed S\$261.6 million worth of acquisitions and a redevelopment.
- Completed acquisitions included:
 - A logistics property located at 500 Green Road in Brisbane, Australia for S\$69.1 million;
 - Another logistics property located at 7 Kiara Crescent in Sydney, Australia for S\$21.1 million;
 - A portfolio of seven logistics properties in Chicago, United States (US) for S\$133.2 million.
- Completed the redevelopment of UBIX (formerly 25 and 27 Ubi Road) in Singapore for S\$38.2 million.
- Total valuation of 227 properties¹ was S\$16.4 billion as at 31 December 2022. Same-store valuation³ was stable at S\$16.1 billion, underpinned by a resilient and diversified portfolio.

PROACTIVE PORTFOLIO MANAGEMENT



Portfolio
Occupancy

As at 31 December 2022: 94.6%
As at 31 December 2021: 93.2%



Portfolio Rental
Reversion

FY2022: 8.0%
FY2021: 4.5%

- Overall portfolio occupancy rose to 94.6%.
- Achieved positive rental reversion of 8.0% for leases renewed in FY2022.
- Completed a total of two asset enhancement initiatives (AEIs) in Singapore at a total cost of S\$16.3 million to upgrade building specifications, improve amenities and enhance customer experience.
- Five on-going development, redevelopment and AEIs with an estimated combined cost of S\$617.4 million.

¹ Excludes iQuest@IBP in Singapore which was undergoing redevelopment as at 31 December 2022.

² Refers to equivalent yield, which reflects the current level of return on property investments in the UK/Europe. Excludes properties under planned AEI/redevelopment.

³ Same-store valuation comprises 217 properties, excluding divested properties, newly acquired/completed properties and properties under redevelopment during FY2022.

FINANCIAL PERFORMANCE FY2022 VS FY2021

	FY2022	FY2021	Variance
Number of Properties	228	220	–
Gross Revenue (S\$ million)	1,352.7	1,226.5	10.3%
NPI (S\$ million)	968.8	920.8	5.2%
Total Amount Available for Distribution (S\$ million)	663.9	630.0	5.4%
DPU for the Financial year (cents)	15.798	15.258*	3.5%
Applicable number of Units (million)	4,202	4,129	1.8%
* DPU after performance fee			

Gross revenue rose by 10.3% y-o-y to S\$1,352.7 million mainly due to the full year contribution of the portfolio of 11 data centres located across the UK/Europe acquired in March 2021; Galaxis in Singapore, with its remaining 75% interest acquired in June 2021; the portfolio of 11 logistics properties in Kansas City, US acquired in November 2021; and the build-to-suit development of Grab Headquarters in Singapore, which was completed in July 2021.

In FY2022, the Group completed the acquisitions of 500 Green Road in Brisbane, Australia and 7 Kiara Crescent in Sydney, Australia in February 2022.

The portfolio of seven logistics properties in Chicago, US which were acquired in June 2022 also contributed to the higher gross revenue.

FY2022 net property income rose by 5.2% y-o-y to S\$968.8 million, consistent with the increase in the gross revenue but partially offset by the higher utility expenses relating to Singapore properties.

The total amount available for distribution rose 5.4% y-o-y to S\$663.9 million. DPU rose 3.5% y-o-y to 15.798 cents due to the increase in NPI and the absence of the Manager's performance fee, which was partially offset by an increase in borrowing costs.

Included in the amount available for distribution was approximately S\$8.1 million (DPU of 0.1938 cents) of income support in relation to certain properties that was received and paid to Unitholders in FY2022.

CAPITAL MANAGEMENT

CLAR's prudent capital management was vital in ensuring that any adverse impact from the rising interest rate environment and exchange rate

fluctuations were minimised in FY2022. This not only provided for adequate liquidity during the uncertain business environment, but also enabled the trust to execute its acquisition plans.

CLAR's capital profile is sound. Aggregate leverage is healthy at 36.3%. The trust is well positioned to seize investment opportunities when they arise given the large debt headroom of about S\$4.7 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 3.7 years with a gradual increase in weighted average all-in borrowing cost to 2.5% per annum in FY2022 despite a steep increase in interest rates globally.

A high level of natural hedge of approximately 74% is put in place for all overseas investments to minimise the effects of adverse exchange rate fluctuations.

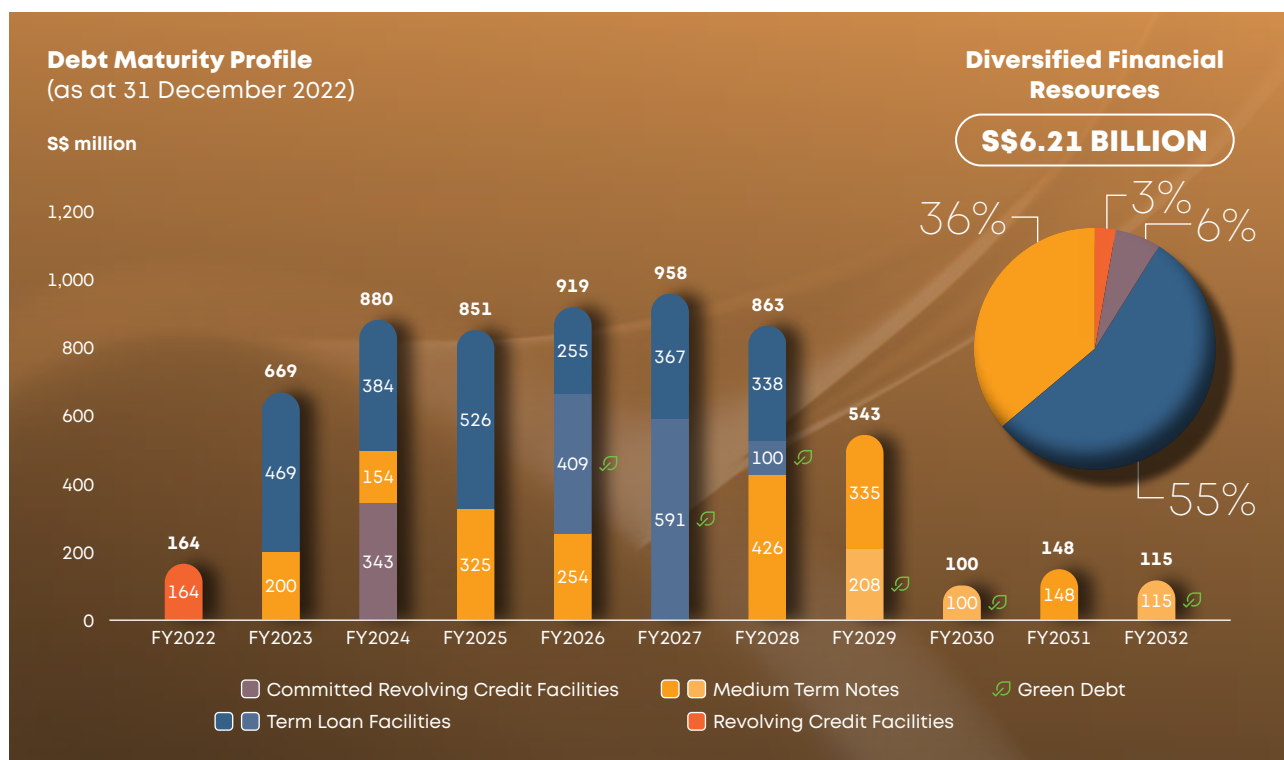
To minimise the impact from the volatility of interest rate movements, approximately 79.4% of CLAR's borrowing is fixed with a weighted average term of 3.3 years.

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

In FY2022, CLAR proactively refinanced and termed out approximately S\$1.3 billion of debt with fresh tenors ranging from 5 to 10 years, extending the weighted average term of debt from 3.5 years to 3.7 years.

CLAR also increased our commitment to green financing with (1) two green bonds totalling S\$323 million and (2) two green bank loans totalling S\$300 million.

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Key Debt Funding Indicators

Indicators	As at 31 December 2022	As at 31 December 2021
Aggregate Leverage ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	36.3%	35.9%
Total Debt (S\$ million) ⁽¹⁾⁽²⁾⁽³⁾	6,296	6,143
Fixed Debt as a % of Total Debt	79.4%	79.4%
Weighted Average All-in Borrowing Cost (per annum)	2.5%	2.2%
Weighted Average Term of Debt Outstanding (years)	3.7	3.5
Weighted Average Term of Fixed Debt Outstanding (years)	3.3	3.6
Interest Cover Ratio ⁽⁵⁾⁽⁶⁾	5.2x	5.7x
Adjusted Interest Cover Ratio ⁽⁷⁾	4.9x	5.4x
Net Debt / EBITDA ⁽⁸⁾	7.8x	7.8x
Unencumbered Properties as % of Total Investment Properties ⁽⁹⁾	92.2%	92.1%

- (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 CLAR has committed to.
- (2) Excludes the effects of FRS 116.
- (3) In accordance with Property Funds Appendix, CLAR'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 63.4%.
- (4) The Manager is of the view that the higher aggregate leverage as at 31 December 2022 will not have a material impact on the risk profile of CLAR 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) 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.
- (7) Accounts for distributions on perpetual securities.
- (8) Net debt includes lease liabilities arising from FRS 116, 50% of perpetual securities, offset by cash and fixed deposits.
- (9) Total investment properties exclude properties reported as finance lease receivables.

INVESTMENTS

2022 proved to be a challenging year, with global interest rate hikes in response to inflation, leading to recession concerns. Amidst an uncertain landscape, the Manager stayed focused and disciplined to grow and deepen its presence in the developed markets of Singapore, Australia and the US. The Manager completed a total of S\$261.6 million worth of new investments across the business space and logistics segments.

In the beginning of the year, the much-anticipated transformation of UBIX in Singapore was completed. Two light industrial properties that once used to sit on adjacent plots of land were demolished and amalgamated to develop a brand new five-storey premium B1 industrial building. Designed with superior specifications such as efficient floor plates and a full glass façade, the property caters to a wide array of tenant industries which allows flexibility in space planning. Its prime location in Ubi industrial hub offers direct connectivity to Ubi MRT station and is well served by major expressways.

With the steady growth of digitalisation and omnichannel retailing, the demand for good quality logistics assets continues to expand.

In February 2022, the acquisition of two logistics properties in Australia were completed. 500 Green Road in Brisbane was acquired for S\$69.1 million. This property is well located in Crestmead, Brisbane's south corridor. The area is an established hub

for interstate metropolitan distribution given its close proximity to major motorways that provide connection to key population areas on the eastern seaboard. In the same month, 7 Kiora Crescent in Sydney's inner-western industrial precinct of Yennora was acquired for S\$21.1 million. This area enjoys renewed growth given its proximity to central western Sydney and trend towards last-mile logistics.

Building on CLAR's expertise in the logistics sector, the Manager deepened its presence in the US by acquiring a portfolio of seven logistics properties in Chicago in June 2022. The high-quality logistics properties are located in strategic industrial locations of Chicago and offer immediate access to distribution hubs, railways and airports.

Rounding up the year, CLAR announced the acquisitions of two properties in Singapore; 622 Toa Payoh Lorong 1, a high-tech industrial property for S\$104.8 million and 1 Buroh Lane, a cold storage facility for S\$191.9 million. Acquisitions of both properties were completed in 1Q 2023.

To optimise portfolio returns to Unitholders, the Manager actively identifies assets that are suitable for redevelopment and asset enhancement. The Manager completed two asset enhancement initiatives in Singapore for S\$16.3 million.

Five development and AEI projects worth S\$617.4 million were ongoing as at 31 December 2022. Three of these projects are expected to complete in 2023.

Investments in FY2022

Property	Country	Price (S\$ million)	Valuation as at Acquisition (S\$ million)	Occupancy as at Acquisition (%)	Completion Date
Completed Acquisitions		223.4			
500 Green Road	Brisbane, Australia	69.1	69.1 ⁽¹⁾	100	11 Feb 2022
7 Kiora Crescent	Sydney, Australia	21.1	26.4 ⁽²⁾	100	24 Feb 2022
Seven logistics properties	Chicago, United States	133.2	140.5 ⁽³⁾	100	10 Jun 2022
Completed Redevelopment		38.2			
UBIX (formerly 25 and 27 Ubi Road 4)	Singapore	38.2	-	-	7 Jan 2022
Sub-total		261.6			

(1) The valuation as at 10 Nov 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 valuation dated 30 Jun 2020 was commissioned by Ascendas Funds Management (Australia) Pty Ltd and Perpetual Corporate Trust Limited (in its capacity as trustee of Ascendas Longbeach Trust No. 10), and was carried out by Knight Frank NSW Valuation & Advisory Pty Ltd using the capitalisation and discounted cash flow methods.

(3) The valuations dated 29 Mar 2022 were commissioned by the Manager and HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of CapitaLand Ascendas REIT) and was carried out by JLL Valuation & Advisory Services, LLC using the direct capitalisation and discounted cash flow methods.

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Investments in FY2022 (cont'd)

Property	Country	Price (\$S million)	Valuation as at Acquisition (\$S million)	Occupancy as at Acquisition (%)	Completion Date
Announced Acquisitions in FY2022 (Completions post-FY2022)		296.7			
622 Toa Payoh Lorong 1	Singapore	104.8	111.5 ⁽⁴⁾	95.7	11 Jan 2023
1 Buroh Lane	Singapore	191.9	195.0 ⁽⁵⁾	100	2 Feb 2023
Total		558.3			

(4) The valuation dated 31 May 2022 was commissioned by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of CapitalLand Ascendas REIT), and was carried out by Jones Lang LaSalle Property Consultants Pte Ltd using the discounted cashflow analysis and income capitalisation methods.

(5) The valuation dated 10 May 2022 was commissioned by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of CapitalLand Ascendas REIT) and was carried out by Savills Valuation and Professional Services (S) Pte Ltd using the discounted cashflow analysis and income capitalisation methods.

Completed Asset Enhancement Initiatives in FY2022

Property	Country	Cost (\$S million)	Completion Date
Asset Enhancement Initiatives			
Changi Logistics Centre	Singapore	11.3	Apr 2022
17 Business Park Central 1	Singapore	5.0	Nov 2022
Total		16.3	

On-going Development, Redevelopment and Asset Enhancement Initiatives

Property	Country	Estimated Cost (\$S million)	Estimated Completion Date
Acquisitions Under Development		161.0	
MQX4, Macquarie Park	Sydney Australia	161.0	2Q 2023
Redevelopments		384.5	
1 Science Park Drive (34% stake)	Singapore	300.2	2Q 2025
iQuest@IBP	Singapore	84.3	2Q 2026
Asset Enhancement Initiatives		15.5	
The Alpha	Singapore	15.5	4Q 2023
Convert-to-Suit		56.5	
6055 Lusk Boulevard	San Diego, United States	56.5	4Q 2023
Total		617.5	



Completed Acquisitions



500 GREEN ROAD, BRISBANE, AUSTRALIA

500 Green Road was acquired from Goodman 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 door, wide awning coupled with full LED lighting and rooftop solar panels. The property is on track to achieve a 5-star Green Star Design & As Built rating.

Purchase Consideration: S\$69.1 million

Acquisition Date: 11 February 2022



7 KIARA CRESCENT, SYDNEY, AUSTRALIA

7 Kiara 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 a freehold land of approximately 26,632 sq m and an approximate net lettable area 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

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→ Completed Acquisitions



SEVEN LOGISTICS PROPERTIES CHICAGO, UNITED STATES

The portfolio was acquired from BREIT Industrial HS Property Owner LLC, BREIT Industrial Canyon IL1M03 LLC, BCore Jupiter NEMW 1 LLC and Icon Pac Owner Pool 4 Northeast/Midwest LLC. The high-quality logistics properties are located in infill locations across six growing industrial submarkets in Chicago. The properties offer immediate access to distribution hubs, including airports, railways and major interstate highways.

Purchase Consideration: S\$133.2 million
Acquisition date: 10 June 2022

→ Completed Redevelopment



UBIX, SINGAPORE

25 & 27 Ubi Road 4 were light industrial buildings located in the Ubi industrial area, next to the Ubi MRT Station. The two buildings were demolished and redeveloped into a single high-specifications building with full glass façade and direct visibility along Ubi Avenue 2. With enlarged floor plates of up to 4,300 sq m, the development is designed with efficient unit layouts, window views and natural lighting. The common areas include a main lobby, collaborative workspaces, end-of-trip facilities to promote a vibrant and conducive environment and a covered walkway for seamless connectivity to the Ubi MRT Station.

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



Completed Acquisitions (post-FY2022)



622 TOA PAYOH LORONG 1, SINGAPORE

622 Toa Payoh Lorong 1 was acquired from Philips Electronics Singapore Pte Ltd. The six-storey building comprises of a laboratory, research and development, warehouse, and ancillary office space over a gross floor area of 37,975 sq m. The high-tech campus focused on healthcare and technology is centrally located within Toa Payoh town with good connectivity to major expressways and a three-minute walk from Caldecott MRT station. The property is also rated BCA Green Mark Gold^{PLUS}.

Purchase Consideration: S\$104.8 million

Acquisition date: 11 January 2023



1 BUROH LANE, SINGAPORE

1 Buroh Lane was acquired from A3 Lux Alpha S.a.r.l. The modern cold storage facility is a five-storey ramp-up logistics distribution centre with chillers, freezers, air-conditioned and ambient storage space as well as ancillary office space with a total gross floor area of 59,971 sq m. The building specifications cater to the diverse requirements of food producers and distributors, food & beverage retailers and importers who require different types of storage space under one roof. It is well located within a five-minute drive to Ayer Rajah Expressway and is in close proximity to Singapore's major sea ports such as Jurong Port and Tuas Mega Port.

Purchase Consideration: S\$191.9 million

Acquisition date: 2 February 2023

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Completed Asset Enhancement Initiatives



CHANGI LOGISTICS CENTRE, SINGAPORE

Changi Logistics Centre consists of a four-storey warehouse with an eight-storey ancillary office block. The property was acquired from Changi International Logistics Centre Limited in March 2004. Enhancement work involved transformer power upgrading, fire safety regularisation works and modernisation of building services such as toilets, cargo and passenger lifts.

Total project cost: S\$11.3 million
Completion date: April 2022



17 BUSINESS PARK CENTRAL 1, SINGAPORE

17 Business Park Central 1 is a six-storey office building located in Changi Business Park. It was acquired from Ascendas Land (Singapore) Pte Ltd in November 2002.

Enhancement work included a major revamp to the main lobby with drop-off points reconfigured to enhance the overall user experience. To provide better connectivity and convenience, a new sheltered access to the bus stop was constructed. Refurbished washrooms on the ground level sport a contemporary design and are well equipped with shower and locker facilities.

Total project cost: S\$5.0 million
Completion date: November 2022



Development and Redevelopment Projects: On-going



MQX4, SYDNEY, AUSTRALIA

MQX4 was acquired from Frasers Property Industrial and Winten Property Group, to be developed into a nine-storey building comprising eight levels of office space, ground floor retail and 204 car 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 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: 2Q 2023



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 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 business 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. CapitaLand 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

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Development and Redevelopment Projects: On-going



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: 2Q 2026



Asset Enhancement Initiatives: On-going



Artist's impression

THE ALPHA, SINGAPORE

Located at the entrance of Singapore Science Park 2, The Alpha is a four-storey office building with two interconnecting blocks. The property was acquired from Singapore Science Park Ltd in November 2002.

Enhancement works include refurbishment of the main lobby to incorporate collaboration spaces and working pods. Lift lobbies and common corridors will also undergo a facelift to improve marketability. Construction of a new drop-off point and expansion of amenities such as the toilets and the canteen, will cater to a larger capacity of building users.

Estimated project cost: S\$15.5 million

Estimated completion date: 4Q 2023



Artist's impression

6055 LUSK BOULEVARD, SAN DIEGO, UNITED STATES

6055 Lusk Boulevard is a two-storey office building located in Sorrento Mesa, one of the top life science submarkets within San Diego, US. It was acquired from Perpetual (Asia) Limited (as trustee of Ascendas US REIT) in November 2019. The convert-to-suit exercise will transform the building into a premier life sciences property for Crinetics Pharmaceuticals as its new global headquarters.

Designed to achieve LEED Gold certification, the energy-efficient building will be outfitted with solar panels, new mechanical, electrical and plumbing systems, roof, windows and interior improvements such as laboratories, office, vivarium space and amenities to improve the overall tenant experience.

Estimated project cost: S\$56.4 million

Estimated completion date: 4Q 2023

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OPERATIONS REVIEW

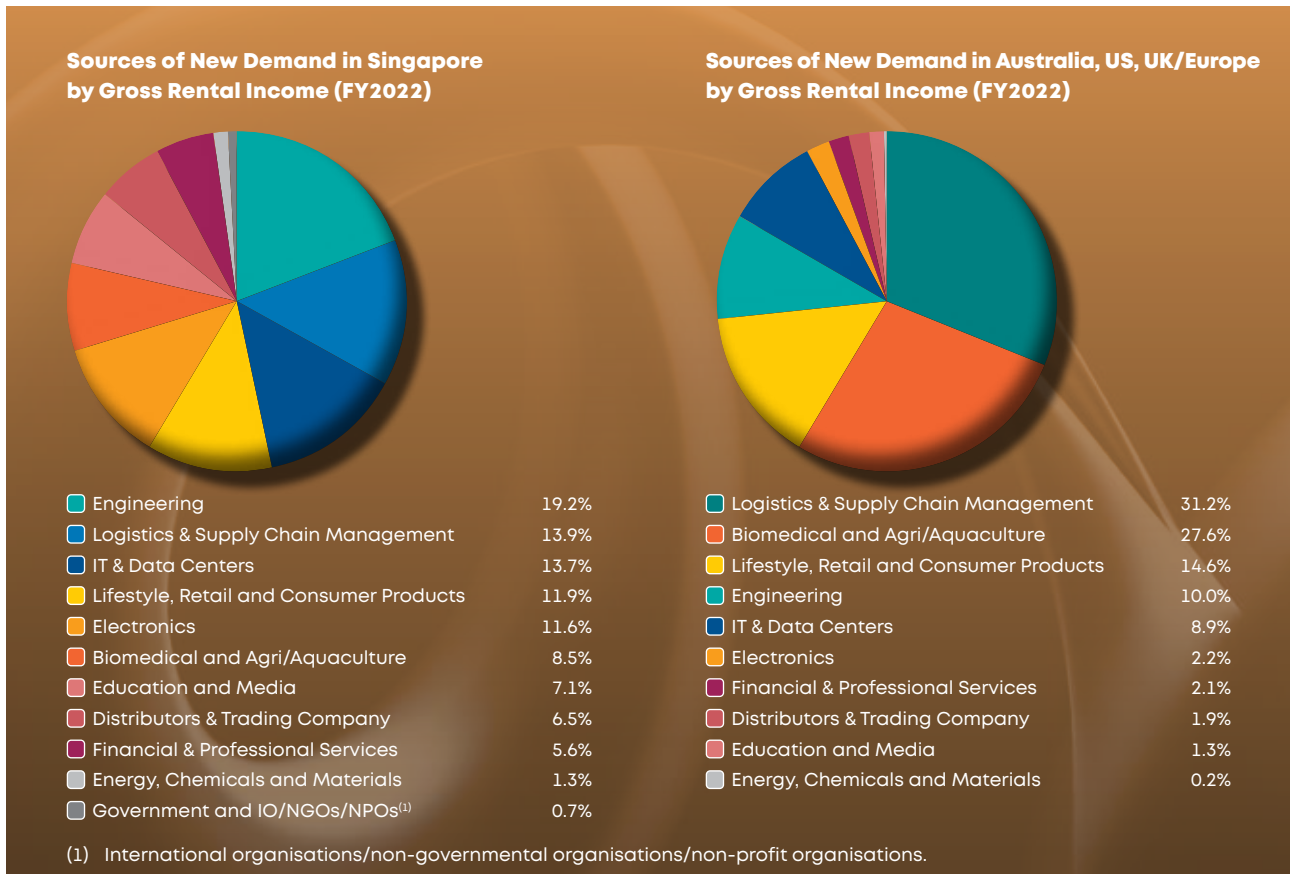
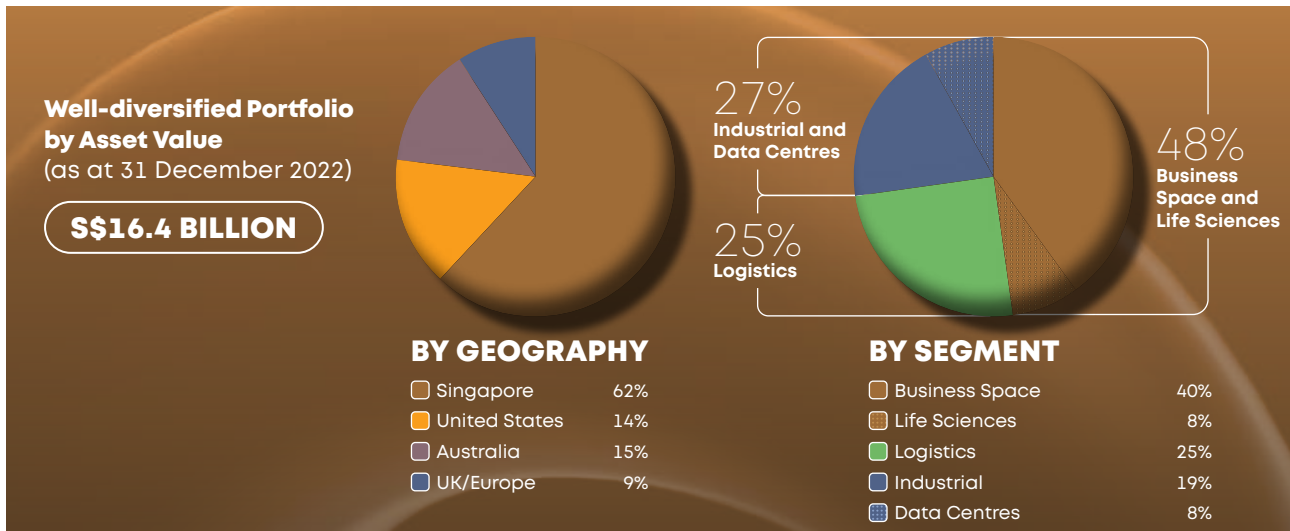
Portfolio Management & Performance

CLAR continues to own a spectrum of business space & life sciences properties, logistics properties and industrial properties & data centres.

As at 31 December 2022, CLAR has 95 properties (62% by asset value) in Singapore, 48 properties (15% by asset value) in the US, 36 properties (14% by asset value) in Australia and 49 properties (9% by asset value) in the UK/Europe. Total investment properties

stood at S\$16.4 billion (excluding one property which was under redevelopment as at 31 December 2022).

In FY2022, sources of new demand continued to be broad-based, with requirements from Engineering, Logistics & Supply Chain Management, IT & Data Centers, Lifestyle, Retail and Consumer Products, Electronics and Biomedical and Agriculture/Aquaculture in Singapore. For overseas, new demand mainly came from Logistics & Supply Chain Management, Biomedical and Agriculture/Aquaculture and Lifestyle, Retail and Consumer Products.



Positive Rental Reversion

Average rental reversions in Singapore ranged from +3.9% to +11.1% across the various property segments. Overall, the Singapore portfolio improved to +7.0% rental reversion for renewed leases in FY2022.

In Australia, Business Space and Logistics registered an average rental reversion of +14.2%.

In the US, Business Space achieved rental reversion of +16.9%, while Logistics recorded +45.7% rental reversion, resulting in an average rental reversion of +29.2%.

In the UK, the average rental reversion was +11.7% due to the Data Centres segment.

In summary, the weighted average rental reversion for CLAR's portfolio was +8.0% for the renewed leases in multi-tenant buildings signed during the year.

Achieved Positive Rental Reversion in FY2022

Multi-tenant Buildings	Percentage Change in Renewal Rates ⁽¹⁾	
	FY2022	FY2021
Singapore	7.0%	2.9%
Business Space ⁽²⁾ and Life Sciences ⁽³⁾	8.0%	2.9%
Logistics ⁽⁴⁾	11.1%	4.4%
Industrial ⁽⁵⁾ and Data Centres	3.9%	2.2%
Australia	14.2%	—⁽⁶⁾
Business Space ⁽²⁾	11.8%	— ⁽⁶⁾
Logistics	15.2%	— ⁽⁶⁾
United States	29.2%	22.6%
Business Space ⁽²⁾	16.9%	24.2%
Logistics	45.7%	0.0%
United Kingdom/Europe	11.7%	6.2%
Data Centres	11.7%	6.2%
Logistics	— ⁽⁶⁾	— ⁽⁶⁾
Total Portfolio:	8.0%	4.5%

- (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) Business Space segment comprises properties located in business & science parks in Singapore; suburban offices in Australia; business park and office properties in the US.
- (3) Life Sciences segment comprises properties with lab-ready specifications (currently seven business park properties in Singapore).
- (4) Includes Courts Megastore and Giant Hypermart which has been reclassified from Integrated development, amenities and retail (IDAR) segment. These properties have large warehouse spaces (under the Retail Warehouse Scheme).
- (5) Comprises high-specifications and light industrial properties (includes Aperia which has been reclassified from IDAR segment given its predominant industrial space offering).
- (6) There were no renewals signed in the period.

Lease Structure and Profile

About 30.7% of CLAR's portfolio comprises long-term leases in single-tenant properties. These leases provide stability in earnings growth. The remaining 69.3% of CLAR'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 adjustments during their tenure. For Australia, average rent escalation is around 3% per annum and for the US, majority of the leases have annual escalations of between 2.5% to 4% per annum.

For leases 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 the UK/Europe enjoy annual escalations of between 1% to 3%.

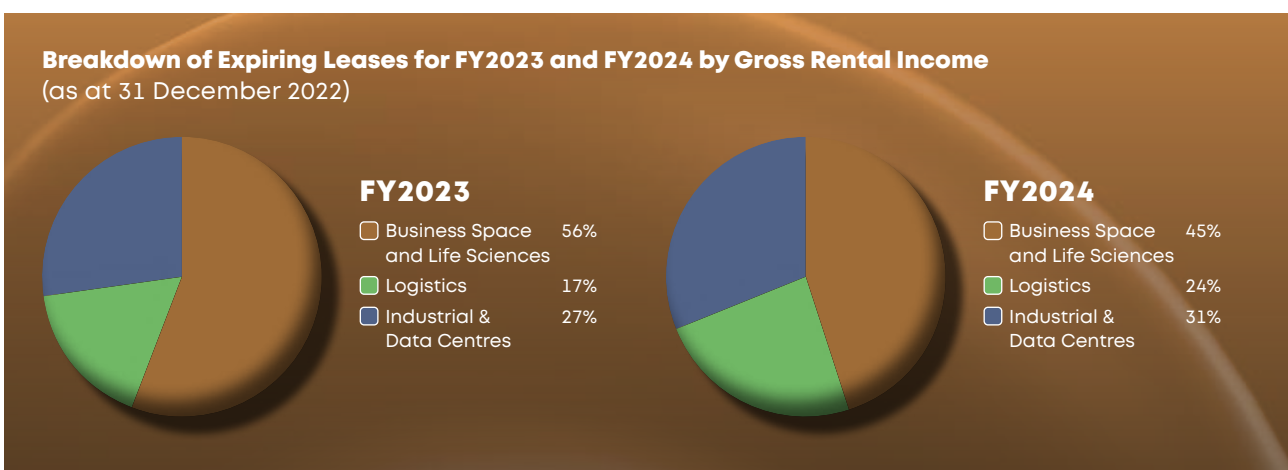
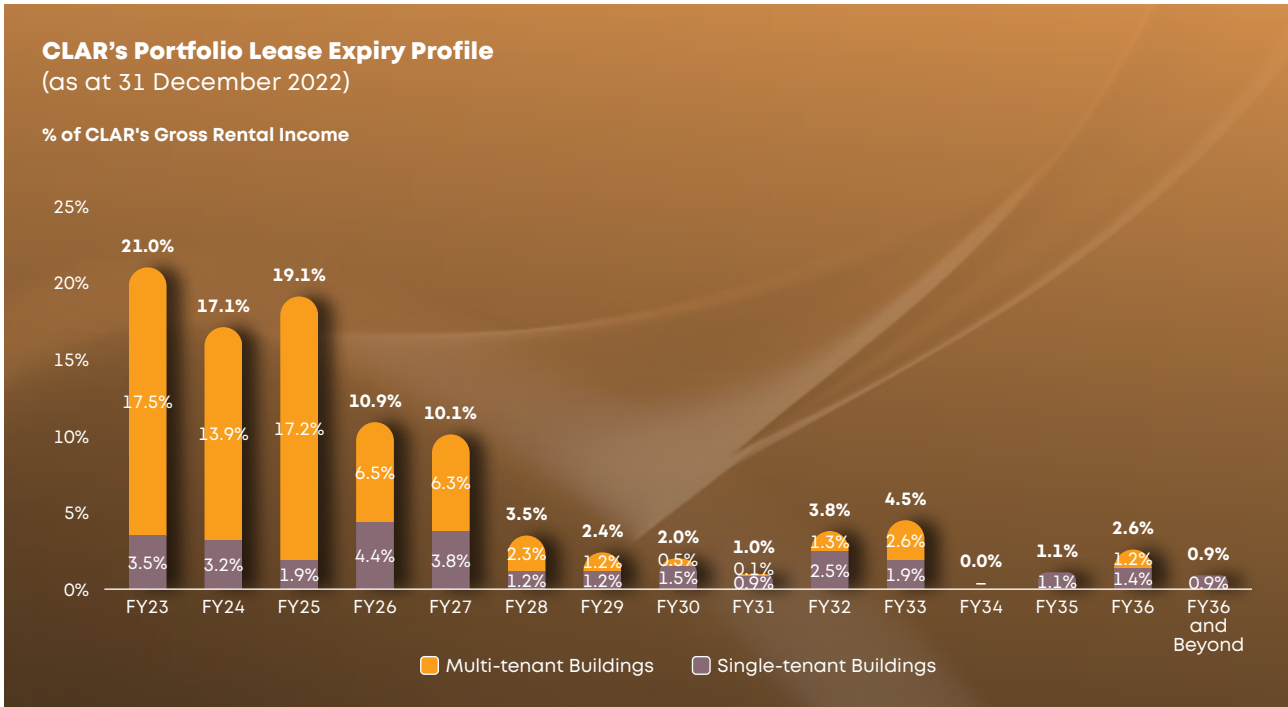
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The weighted average lease to expiry (WALE) for the portfolio was 3.8 years as at 31 December 2022. Specifically, the WALE in Singapore was at 3.5 years, Australia was 3.2 years, the United States was 4.6 years and the United Kingdom was 5.9 years.

4.88 years and they accounted for 7.8% of total gross rental income for FY2022.

About 21.0% of CLAR's gross rental income is due for renewal in FY2023 of which 3.5% are leases of single-tenant buildings and 17.5% are leases of multi-tenant buildings. The Manager is proactively working on the renewal of these leases.

Weighted average lease term of new leases signed in the twelve months ending 31 December 2022 was



Occupancy

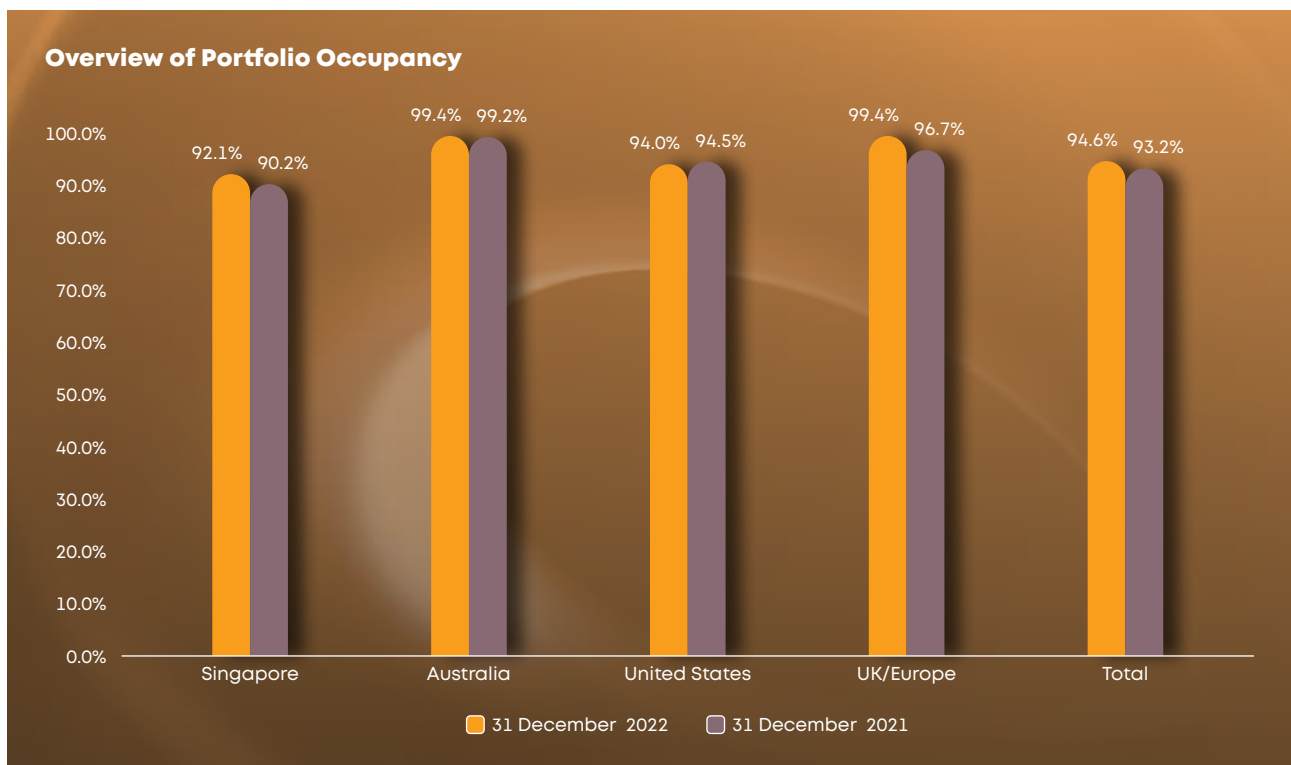
As at 31 December 2022, CLAR's overall portfolio occupancy rate rose to 94.6% (from 93.2% as at 31 December 2021).

The occupancy rate of the Singapore portfolio climbed to 92.1% from 90.2% (as at 31 December 2021) mainly attributable to the higher occupancy for Industrial properties and Data Centres, namely, Techlink (31 December 2021: 74.5% versus 31 December 2022: 88.5%), 3 Tai Seng Drive (31 December 2021: 56.3% versus 31 December 2022: 100%), 80 Bendemeer Road (31 December 2021: 69.7% versus 31 December 2022: 83.0%), Aperia (31 December 2021: 89.3% versus 31 December 2022: 94.6%) and FoodAxis@Senoko

(31 December 2021: 92.1% versus 31 December 2022: 100%).

In addition, improvement in occupancy was observed for Logistics properties, namely, 1 Changi South Lane (31 December 2021: 0% versus 31 December 2022: 100%), and Changi Logistics Centre (31 December 2021: 83.6% versus 31 December 2022: 93.4%).

The overseas portfolio occupancy rates remained healthy at 99.4% for Australia (from 99.2% as at 31 December 2021), 94.0% for the US (from 94.5% as at 31 December 2021) and 99.4% for the UK / Europe (from 96.7% as at 31 December 2021).



The Manager's Review of FY2022

Singapore Portfolio Occupancy

	As at 31 December 2022	As at 31 December 2021	Change
Total Singapore Portfolio GFA (sq m) ⁽¹⁾	3,090,280	3,066,797 ⁽²⁾	0.8%
Singapore Portfolio Occupancy (Same Store) ⁽³⁾	92.3%	90.2%	2.1%
Overall Singapore Portfolio Occupancy	92.1%	90.2%	1.9%
Singapore Multi-tenant Building Occupancy	89.9%	90.2%	-0.3%

- (1) Excludes iQuest@IBP which was decommissioned for redevelopment since Jan 2020.
 (2) Excludes 1 Science Park Drive which was divested on 30 November 2021.
 (3) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 December 2022, excluding new investments completed in the last 12 months and divestments.

Australia Portfolio Occupancy

	As at 31 December 2022	As at 31 December 2021	Change
Total Australian Portfolio GFA (sq m)	840,107 ⁽¹⁾	788,396	6.6%
Australian Portfolio Occupancy (Same Store) ⁽²⁾	99.4%	99.2%	0.2%
Overall Australian Portfolio Occupancy	99.4%	99.2%	0.2%

- (1) Includes 500 Green Road in Brisbane and 7 Kiara Crescent in Sydney, which were acquired on 11 Feb 2022 and 24 Feb 2022, respectively
 (2) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 December 2022, excluding new investments completed in the last 12 months.

US Portfolio Occupancy

	As at 31 December 2022	As at 31 December 2021	Change
Total US Portfolio GFA (sq m)	682,750 ⁽¹⁾⁽²⁾⁽³⁾	551,856	23.7%
US Portfolio Occupancy (Same Store) ⁽⁴⁾	92.4%	94.4%	-2.0%
Overall US Portfolio Occupancy	94.0%	94.5%	-0.5%

- (1) Includes the seven logistics properties in Chicago which were acquired on 10 Jun 2022 and 11 logistics properties in Kansas City which were acquired on 5 Nov 2021.
 (2) Excludes 6055 Lusk Boulevard in San Diego which was decommissioned for convert-to-suit for Life Sciences tenant in Sep 2022.
 (3) Includes Greenbrier Court in Portland which was recommissioned in Jun 2022.
 (4) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 December 2022, excluding new investments completed in the last 12 months.

UK/Europe Portfolio Occupancy

	As at 31 December 2022	As at 31 December 2021	Change
Total UK/Europe Portfolio GFA (sq m)	588,985 ⁽¹⁾	590,393	-0.2%
UK/Europe Portfolio Occupancy (Same Store) ⁽²⁾	99.4%	96.7%	2.7%
Overall UK/Europe Portfolio Occupancy	99.4%	96.7%	2.7%

- (1) Reduction in GFA due to completed refurbishment works at two logistics properties.
 (2) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 December 2022, excluding new investments completed in the last 12 months.

Customer Credit & Concentration Risk Management

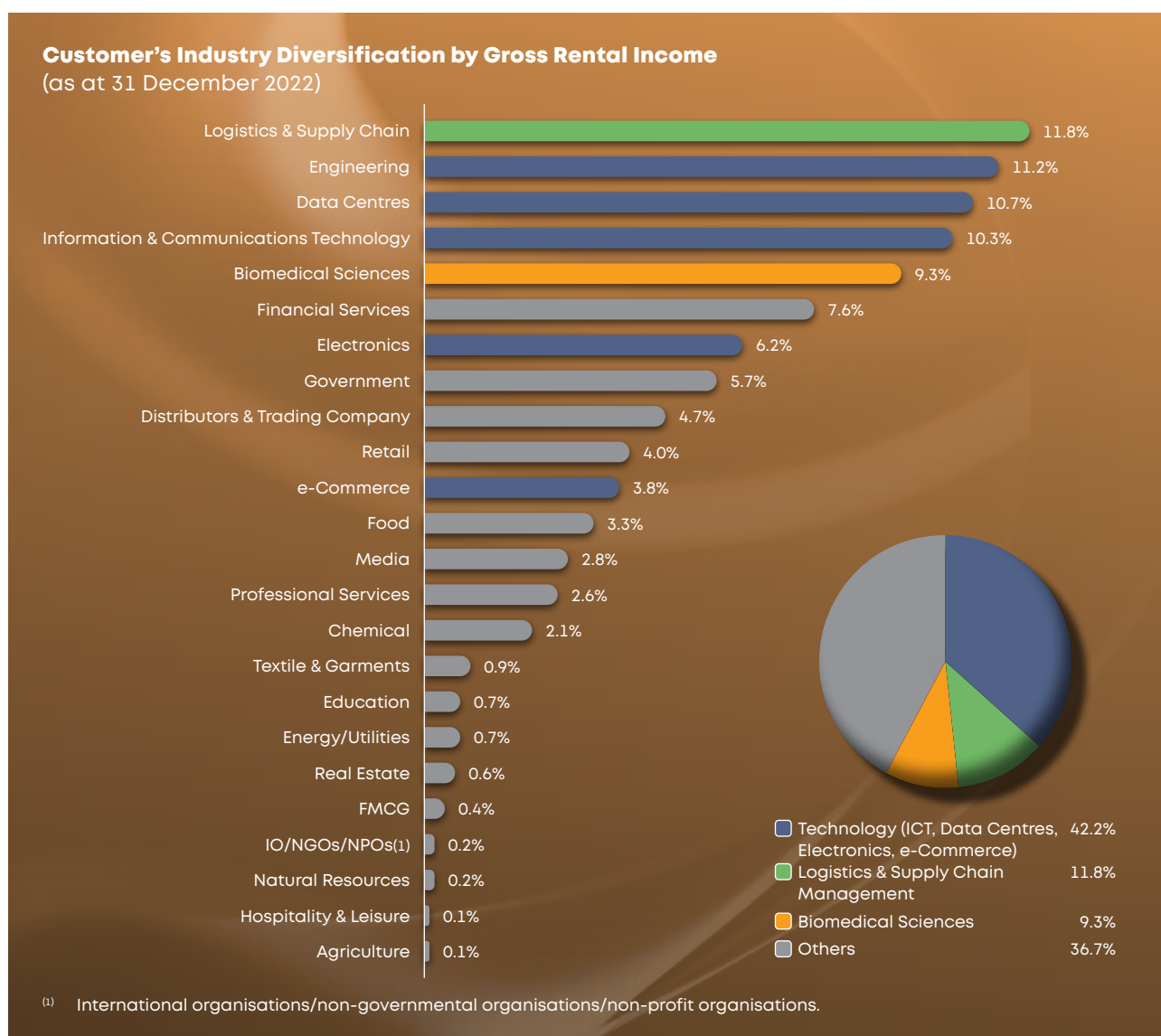
To minimise customer credit risk, a credit evaluation process has been established to assess the creditworthiness of CLAR's customers. Based on standard industry practice, one month's worth of gross rental is usually held as security deposit for each year's lease. However, for long-term leases in single-tenant 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 1,720 local and international companies, rigorous and conscientious effort has been put in to manage accounts receivables. About 90.3% of rental receipts are

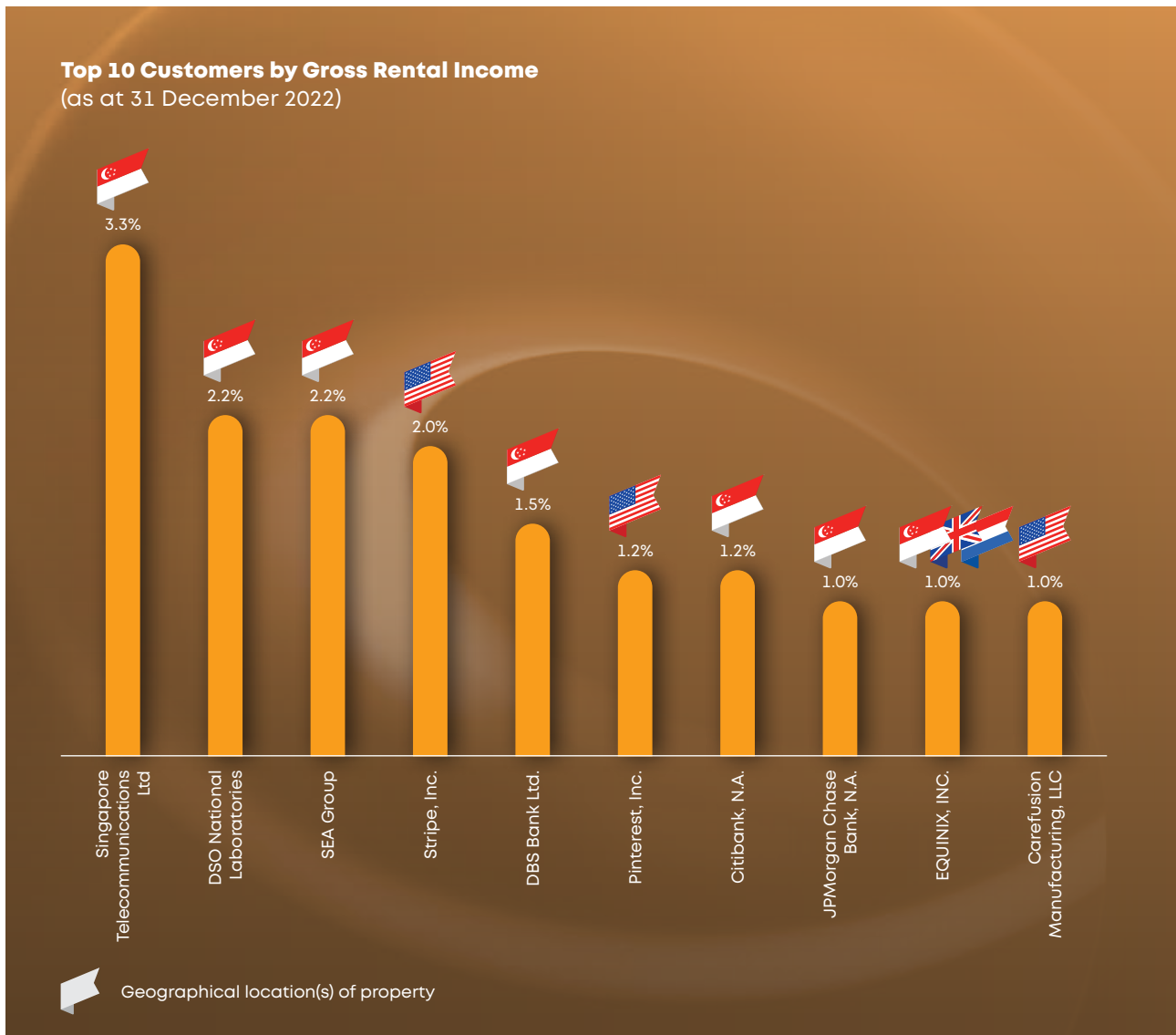
collected via interbank GIRO services. This enables the Manager to react efficiently and appropriately towards any delinquency in payment.

CLAR'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 63% of monthly gross rental income is contributed by tenants from such industries.

Top ten customers accounted for not more than 16.6% of CLAR's monthly gross revenue and the majority of these customers are either multinational or listed companies. Furthermore, no single property accounts for more than 4.4% of CLAR's monthly gross revenue, offering income diversity within the portfolio.



The Manager's Review of FY2022



Annual Revaluation

It is a mandatory requirement to revalue the portfolio once a year. The total valuation of CLAR's 227 properties (excluding one property in Singapore under redevelopment) was S\$16,430.4 million as at 31 December 2022. This comprised S\$10,098.3 million (62%) of investment properties in Singapore, S\$2,328.7 million (14%) in Australia, S\$2,520.1 million (15%) in the US, and S\$1,483.3 million (9%) in the UK / Europe.

Same-store valuation⁶ was stable at S\$16,111.6 million as at 31 December 2022 (versus S\$16,293.7

million as at 31 December 2021). This demonstrates the resilience in the portfolio. For more details on the movement in valuation of the investment properties, please refer to pages 63 to 99.

Weighted average land lease to expiry for the portfolio of properties (excluding freehold properties) was 41.8 years. 88.1% of CLAR's portfolio had a remaining land lease tenure of more than 30 years.

⁶ Same-store valuation comprises 217 properties, excluding divested properties, newly acquired/completed properties and properties under redevelopment during FY2022.

Land Lease Expiry Profile (by Property Type)

Land Tenure Expiry as at 31 December 2022	Business Space & Life Sciences		Industrial and Data Centres		Logistics		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
≤30 years left	1	193.3	15	1,026.1	8	729.8	24	1,949.2
≤40 years left	10	1,038.5	23	1,224.2	11	490.9	44	2,753.6
≤50 years left	12	2,955.9	6	971.2	3	141.7	21	4,068.8
≤60 years left	3	752.5	1	38.9	–	–	4	791.4
>60 years left	1	101.0	5	677.2	–	–	6	778.2
Freehold ⁽¹⁾	35	2,828.1	6	485.6	87	2,775.5	128	6,089.2
Total	62⁽²⁾	7,869.3⁽²⁾	56	4,423.2	109	4,137.9	227	16,430.4

(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 2022.

Land Lease Expiry Profile (by Country / Asset Value)

Land Tenure Expiry (31 December 2022)	Singapore	Australia	United States	UK/Europe	Total	Total
	(S\$ million)					%
≤30 years left	1,924.4	–	–	24.8	1,949.2	11.9
≤ 60 years left	7,419.0	–	–	194.7	7,613.7	46.3
>60 years left	754.9	–	–	23.3	778.2	4.7
Freehold ⁽¹⁾	–	2,328.7	2,520.1	1,240.5	6,089.3	37.1
	10,098.3	2,328.7	2,520.1	1,483.3	16,430.4	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 iQuest@IBP which is undergoing redevelopment as at 31 December 2022.

The Manager's Review of FY2022

OUTLOOK

Rising interest rates and inflation have caused recession concerns to dominate global markets. These have been exacerbated by the ongoing Russian-Ukraine war which began in February 2022.

According to the International Monetary Fund (IMF), global growth is projected to slow from 3.4% in 2022 to 2.9% in 2023, and then rise to 3.1% in 2024 (source: IMF January 2023 report).

Singapore

The Singapore economy expanded by 2.1% year-on-year (y-o-y) in 4Q 2022, moderating from the 4.0% growth in 3Q 2022. For the whole of 2022, the economy grew by 3.6%, down from the 8.9% growth in 2021. The Ministry of Trade and Industry (MTI) expects the Singapore economy to grow by 0.5% to 2.5% in 2023 given the likelihood of continuing uncertainties and downside risks in the global economy.

Singapore's core inflation rate (excluding accommodation and private transport) came in higher at 5.5% y-o-y in January 2023 due to higher price increases for services, food and retail & other goods, along with the increase in GST rate. In October 2022, the Monetary Authority of Singapore (MAS) tightened its monetary policy for the fifth time since October 2021 to dampen inflation in the near term.

CLAR's multi-asset portfolio in Singapore, valued at S\$10.1 billion, serves a wide range of customers from industries such as technology, biomedical sciences, manufacturing, and logistics across their entire chain of operations.

As part of CLAR's asset rejuvenation plan, several asset enhancement initiatives and redevelopment projects are ongoing to upgrade property specifications, unlock value through repositioning or meet green rating requirements.

Australia

In 4Q 2022, the Australian economy grew 0.5% quarter-on-quarter (q-o-q). Although this is the fifth consecutive rise in quarterly GDP, growth slowed in each of the last two quarters. Continued growth in household and government spending drove the rise in final consumption, while increased exports of travel services and continued overseas demand for coal and mineral ores drove exports (source: Australian Bureau of Statistics). For the whole of 2022, the economy grew by 2.7%, down from the 4.2% growth in 2021. The IMF projected the Australian economy to achieve a GDP growth of 1.6% in 2023.

In 4Q 2022, Australia's All groups consumer price index rose 7.8% y-o-y (source: Australian Bureau of Statistics). The Reserve Bank of Australia raised its interest rate by 25 basis points to 3.35% in February 2023 and expects to implement further rate increases as it views inflation to be too high.

The two newly completed logistics properties, 7 Kiara Crescent in Sydney and 500 Green Road in Brisbane, are 100% occupied and contributed positively to the rental income of the Australian portfolio in 2022. MQX4, CLAR's new suburban office in Sydney, is expected to complete in 2Q 2023, which will expand its footprint within the Macquarie Park innovation district. The total value of properties in Australia is expected to grow to S\$2.5 billion after the inclusion of MQX4.

United States (US)

In 4Q 2022, the US economy was estimated to grow by an annualised rate of 2.7%, compared with 3.2% in 3Q 2022 (source: US Bureau of Economic Analysis). For 2022, the economy grew by 2.1%, down from the 5.9% growth in 2021. IMF estimated the GDP growth for the US to be 1.4% y-o-y for 2023.

In February 2023, the US Federal Reserve raised interest rates by another 25 basis points to a target

range of 4.5% to 4.75%, the highest level in 15 years. The US Federal Reserve also anticipated that ongoing increases in the target range would be appropriate in order to attain a stance of monetary policy that is sufficiently restrictive to return inflation to its 2% objective over time.

With the acquisition of seven logistics properties in Chicago in June 2022, the US portfolio, comprising business spaces and logistics properties, was valued at S\$2.5 billion as of 31 December 2022. Underpinned by a long WALE period of 4.6 years, the portfolio is expected to generate stable returns.

United Kingdom (UK) / Europe

UK's GDP registered no growth q-o-q in 4Q 2022, with a flat services output and fall in production output. For 2022, the economy grew by 4.0%, down from the 7.6% growth in 2021. IMF projected UK's economy to contract by 0.6% in 2023.

UK's Consumer Price Index (including owner occupiers' housing costs) rose 8.8% in the 12 months to January 2023 (source: Office for National Statistics).

In February 2023, the Bank of England's Monetary Policy Committee (MPC) increased the Bank Rate by 0.5% points to 4.0%. The MPC expected that risks to the CPI inflation was skewed significantly to the upside.

The economies in Western Europe have been affected by the ongoing Russia-Ukraine war, with persistent weakness in consumption and continued inflationary pressures from energy, food, and commodities. The European Commission projected its GDP growth expectations for the European Union to be 0.8% in 2023.

In UK/Europe, CLAR's assets under management amounted to S\$1.5 billion as of 31 December 2022. The portfolio comprising logistics properties and data centres has a long WALE period of 5.9 years

and is expected to benefit from the strong adoption of e-commerce and digitalisation of activities.

Conclusion

We continue to face challenges from rising interest rates, inflation, and global economic uncertainties. These ongoing issues may have some impact on tenants' businesses as well as on CLAR's operating costs. The Manager will proactively manage these challenges in a prudent manner and is well-positioned to leverage on CLAR's strong financial position to take advantage of any growth opportunities should they arise to deliver sustainable returns to Unitholders.

Independent Market Study Report 2022:

Read more about the economic and industrial property market trends and outlook of CLAR's markets in the Independent Market Study Report 2022 available at <https://investor.capitaland-ascendasreit.com/ar.html>.

Investor Relations

PROACTIVE ENGAGEMENT WITH UNITHOLDERS

CapitaLand Ascendas REIT (CLAR) 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 CLAR's website.

IR Policy

https://investor.capitaland-ascendasreit.com/ir_policy.html

Key updates on CLAR'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, investor meetings were mainly conducted virtually until the safe distancing measures were eased in October 2022. During the year, the Manager met with more than 400 investors and analysts.

On 28 April 2022, CLAR convened its 2022 Annual General Meeting (AGM) by way of electronic means. CLAR'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. All materials including the

minutes of the AGM were made available on SGXNet and CLAR's website.

An Extraordinary General Meeting (EGM) was held on 6 July 2022 by way of electronic means to seek Unitholders' approval to approve the entry into New Management Agreements. The resolution was passed with overwhelming approval by Unitholders.

Retail investors is an important stakeholder group and as part of its retail investor outreach programme, the Manager participated in the REITs Symposium jointly organised by ShareInvestor and REITAS in May 2022. It further reached out to retail investors via a post-AGM engagement session with them.

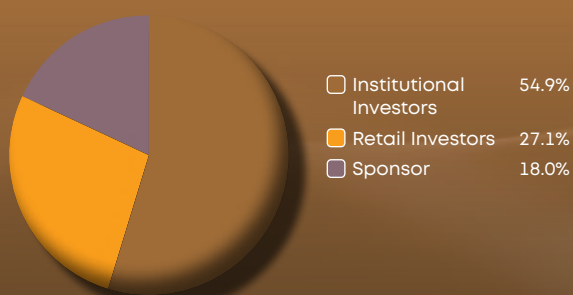
In line with regulatory requirements by the Monetary Authority of Singapore (MAS) and across the CapitaLand group, CLAR adopts a half-yearly financial reporting. For the 1st and 3rd quarters, the Manager will continue to provide business updates and hold investor briefings.

TIMELY AND ACCURATE DISCLOSURE

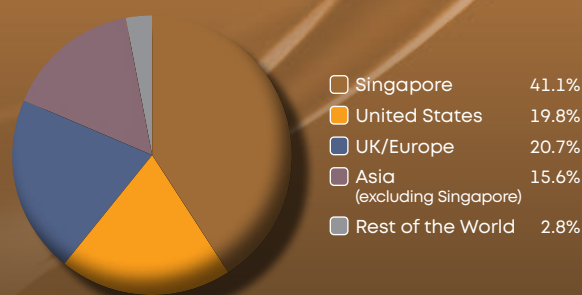
All material information about CLAR is made available on a timely basis via announcements, press releases, presentations and webcasts, and published on the SGX-ST via SGXNet and on CLAR's website. Unitholders and the investment community can also subscribe to the email alert service through CLAR's website to keep themselves abreast of the latest announcements.

As an affirmation of the Manager's efforts on good corporate governance, CLAR was ranked 2nd out of 44 REITs and Business Trusts in the Singapore Governance and Transparency Index (SGTI) 2022. SGTI is the leading index for assessing corporate governance practices of Singapore-listed companies. In addition, CLAR was awarded the Best Annual Report – Silver in the REITs and Business Trust category at the Singapore Corporate Awards 2022.

UNITHOLDER PROFILE BY UNITHOLDER TYPE
(as at December 2022)



UNITHOLDER PROFILE BY GEOGRAPHY
(as at December 2022)



UNITHOLDERS' ENQUIRIES

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

168 Robinson Road
 #30-01 Capital Tower
 Singapore 068912
 Phone : (65) 6713 2888
 Email : clar@capitaland.com
 Website : www.capitaland-ascendasreit.com

CLAR is well-covered by more than 20 research houses in Singapore. The list of research houses and analysts is available on CLAR's website.

Analysts' Coverage:

<https://investor.capitaland-ascendasreit.com/research-info.html>

INVESTOR & MEDIA RELATIONS ACTIVITIES FY2022

1st QUARTER

- Media & Analysts' Results Briefing for Full Year 2021 Financial Results
- Full Year 2021 Post Results Investors' Briefing co-hosted with JP Morgan
- DBS Vickers Pulse of Asia Conference 2022 (Singapore)
- 18th Annual CITIC-CLSA ASEAN Forum 2022 (Singapore)

2nd QUARTER

- 1st Quarter 2022 Business Update with Investors co-hosted with Citi
- Annual General Meeting 2022
- Post-AGM Retail Investor engagement
- REITs Symposium by ShareInvestor and REITAS (Singapore)
- CLSA - CapitaLand Investment and REITs Access Call (Singapore)
- Citi Pan-Asia Regional Investor Conference 2022 (Singapore)
- Maybank Invest ASEAN 2022 (Singapore)
- UBS APAC Property Conference 2022 (Singapore)

3rd QUARTER

- Media & Analysts' Results Briefing for 1st Half 2022 Financial Results
- 1st Half 2022 Post Results Investors' Briefing co-hosted with Bank of America
- Extraordinary General Meeting 2022
- Bank of America Global Real Estate Conference (US)
- SGX-Credit Suisse Real Estate Day (Singapore)

4th QUARTER

- 3rd Quarter 2022 Business Update with Investors co-hosted with Daiwa
- CapitaLand Investment Investor Day (Singapore)
- Morgan Stanley Twenty-First Annual Asia Pacific Summit (Singapore)
- CapitaLand Investment and CLI REITs Corporate Day 2022 (Thailand)

FINANCIAL CALENDAR

	FY2022	FY2023
Annual General Meeting	28 April 2022	28 April 2023
1 st Quarter Business Update (period ended 31 March)	4 May 2022	May 2023*
Extraordinary General Meeting	6 July 2022	–
1 st Half Financial Result announcement (period ended 30 June)	2 August 2022	July 2023*
Distribution payment (1 January to 30 June)	5 September 2022	September 2023*
3 rd Quarter Business Update (period ended 30 September)	31 October 2022	October 2023*
Full Year Financial Result announcement (ended 31 December)	2 February 2023	February 2024*
Distribution payment (1 July to 31 December)	7 March 2023	March 2024*

(*) Subject to changes.

Investor Relations

CAPITALAND ASCENDAS REIT UNIT PRICE PERFORMANCE

	FY18/19	FY2019	FY2020	FY2021	FY2022
Opening price (S\$)	2.65	2.87	2.97	2.98	2.96
Closing price (S\$)	2.91	2.97	2.98	2.95	2.74
High (S\$)	2.92	3.21	3.57	3.16	3.02
Low (S\$)	2.48	2.86	2.29	2.85	2.47
Trading volume (m units)	2,502	2,424 ⁽¹⁾	3,892	3,140	2,838
% of S-REIT trading volume	9.1%	8.1%	7.0%	7.1%	6.4%
Net asset value per Unit (S\$) ⁽²⁾	2.13	2.16	2.21	2.38	2.37
Market capitalisation (S\$' million) ⁽³⁾	9,053	10,730	11,982	12,383	11,519

Notes:

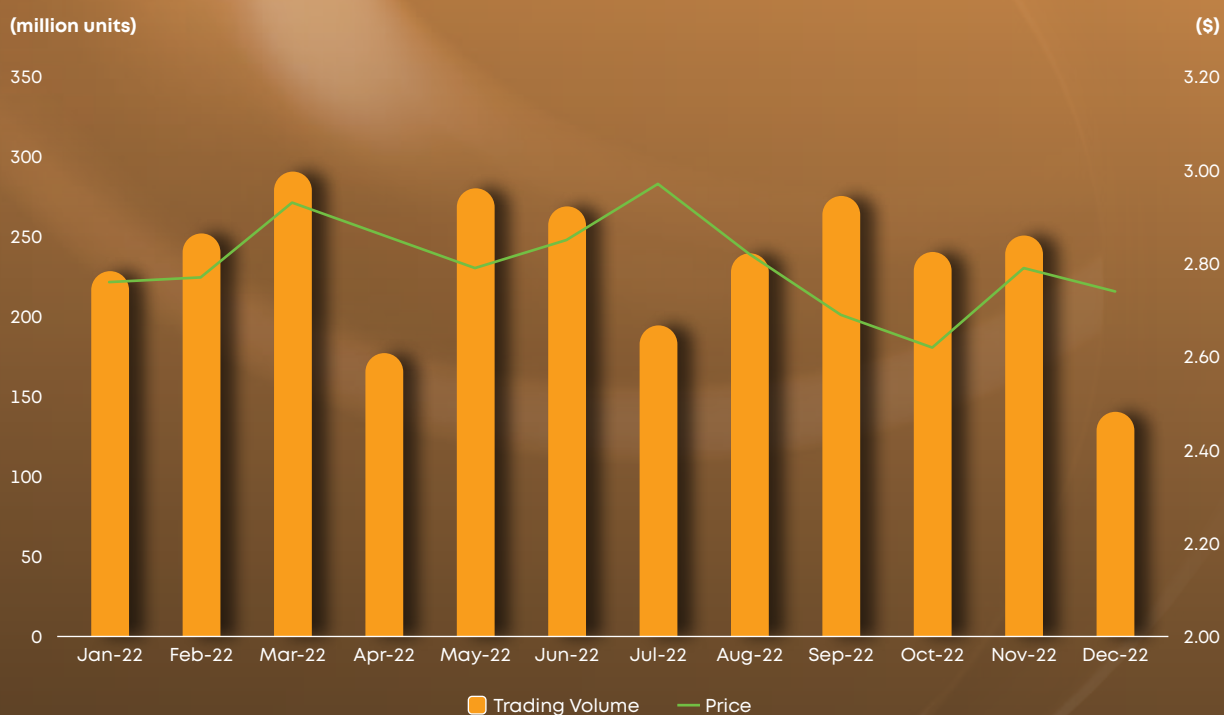
(1) Based on nine months (1 April 2019 to 31 December 2019) trading volume.

(2) Prior to distribution of distributable income.

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

Source: Bloomberg

CAPITALAND ASCENDAS REIT MONTHLY TRADING PERFORMANCE IN FY2022



CAPITALAND ASCENDAS REIT UNIT PRICE PERFORMANCE IN FY2022 VS MAJOR INDICES



Source: Bloomberg

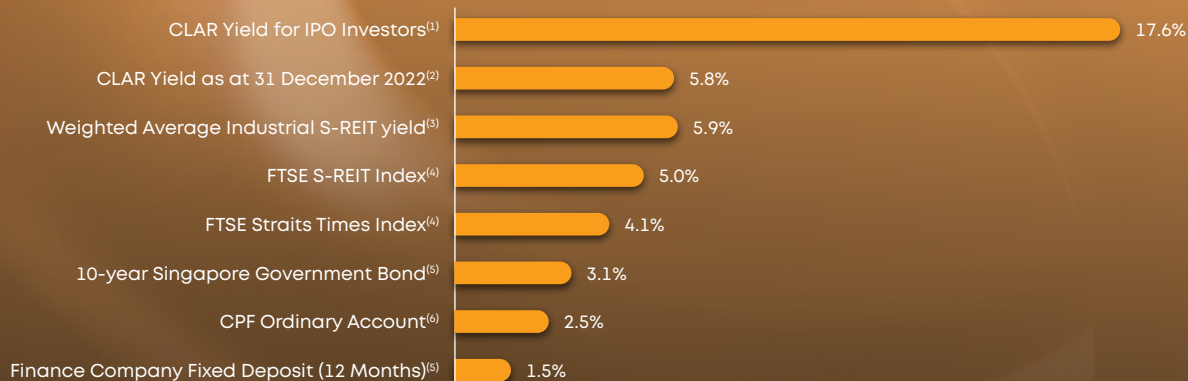
TOTAL UNITHOLDER RETURN

	1-year (from 1 Jan 2022 to 31 Dec 2022)	5-year (from 1 Jan 2018 to 31 December 2022)	Since listing (from 19 November 2002 to 31 December 2022)
Adjusted closing unit price on the last trading day prior to the commencement of the period / Unit issue price at listing (S\$)	2.95	2.67	0.8961
Capital appreciation (%)	-7.1%	2.7%	205.8%
Distribution yield (%)	5.4%	28.9%	309.2%
Total return as at 31 December 2022 (%)	-1.7%⁽¹⁾	31.6%⁽¹⁾	515.0%⁽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



Notes:

- (1) Based on CapitaLand Ascendas REIT's adjusted IPO price of S\$0.8961 per unit and DPU of 15.798 cents for the period from 1 January 2022 to 31 December 2022.
- (2) Based on CapitaLand Ascendas REIT's closing price of S\$2.74 per unit as at 30 December 2022 and DPU of 15.798 cents for the period from 1 January 2022 to 31 December 2022.
- (3) Based on CapitaLand Ascendas REIT research and Bloomberg.
- (4) Based on dividend yield computed by Bloomberg as at 31 December 2022.
- (5) Based on rates published on the Monetary Authority of Singapore (MAS) website as at 31 December 2022.
- (6) Based on interest rate published on Central Provident Fund (CPF) website as at 31 December 2022.

CapitaLand Ascendas REIT's Portfolio

Singapore

As At 31 December 2022

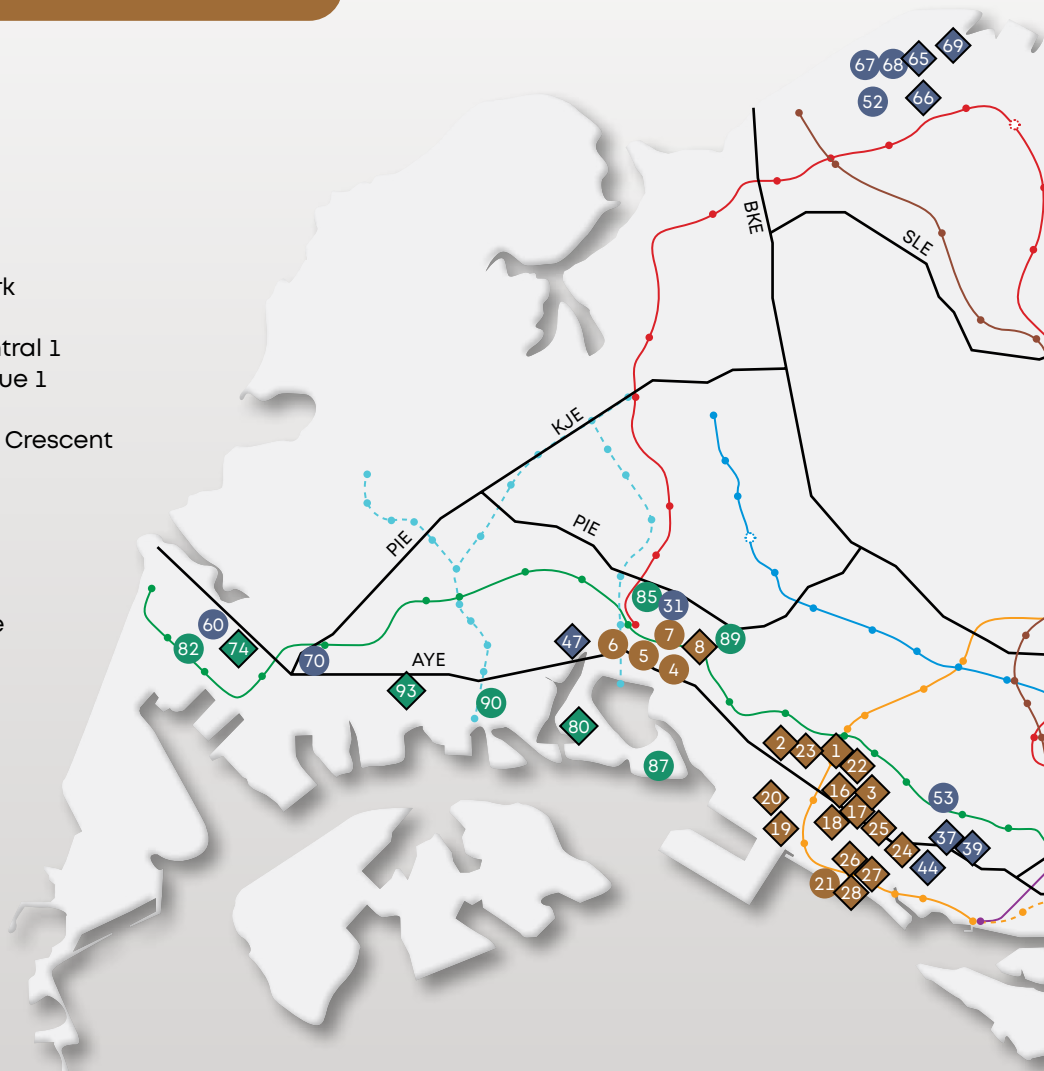
BUSINESS SPACE & LIFE SCIENCES PROPERTIES

Business Space

- 1 Nexus @one-north
- 2 Galaxis
- 3 Grab Headquarters
- 4 Techquest
- 5 iQuest@IBP
- 6 Acer Building
- 7 31 International Business Park
- 8 Nordic European Centre
- 9 17 Changi Business Park Central 1
- 10 1 Changi Business Park Avenue 1
- 11 Hansapoint
- 12 1, 3 & 5 Changi Business Park Crescent
- 13 DBS Asia Hub
- 14 3 Changi Business Park Vista
- 15 ONE@Changi City
- 16 Cintech I
- 17 Cintech II
- 18 12, 14 & 16 Science Park Drive
- 19 The Alpha
- 20 The Capricorn
- 21 FM Global Centre

Life Sciences

- 22 Neuros & Immunos
- 23 Nucleos
- 24 The Rutherford & Oasis
- 25 Cintech III & IV
- 26 The Aries, Sparkle & Gemini
- 27 The Galen
- 28 The Kendall



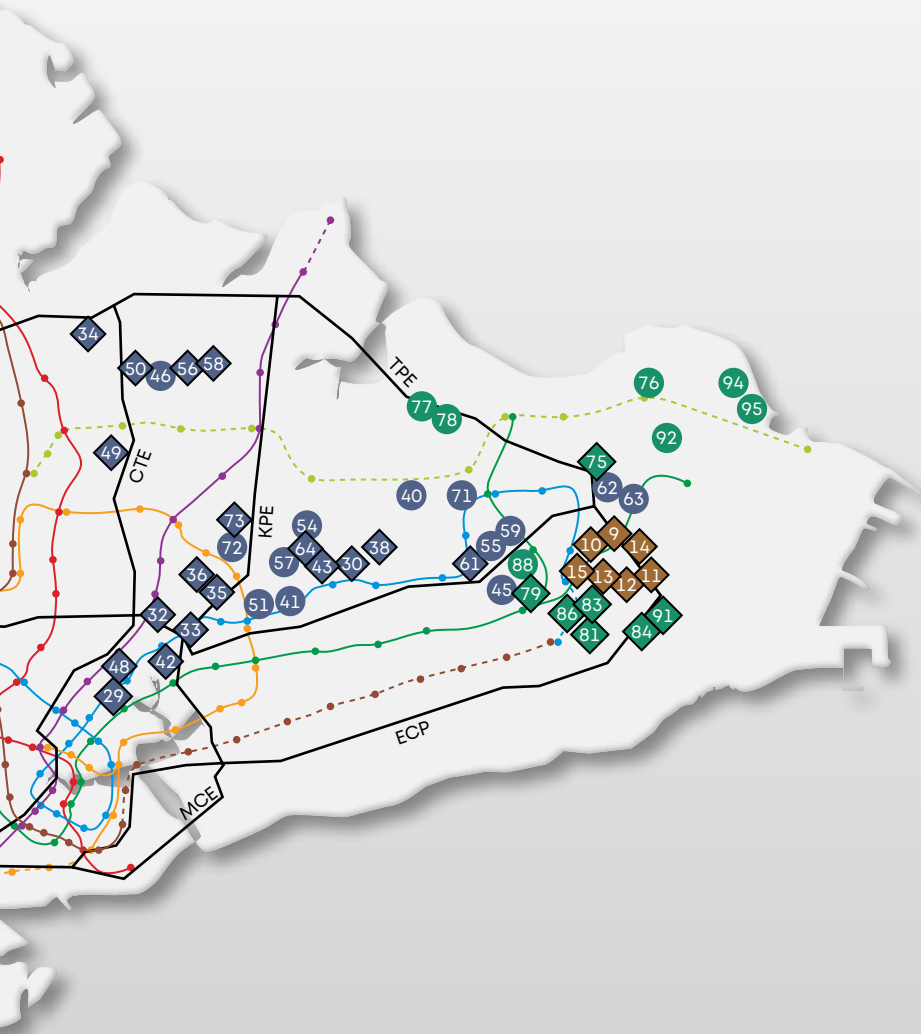
INDUSTRIAL PROPERTIES AND DATA CENTRES

Industrial

- | | | |
|------------------------------------|--------------------------------|---------------------------------|
| 29 Aperia | 45 2 Changi South Lane | 62 Hamilton Sundstrand Building |
| 30 Techlink | 46 CGG Veritas Hub | 63 Thales Building (I & II) |
| 31 10 Toh Guan Road | 47 Corporation Place | 64 Ubi Biz-Hub |
| 32 Siemens Centre | 48 80 Bendemeer Road | 65 2 Senoko South Road |
| 33 Infineon Building | 49 Techplace I | 66 18 Woodlands Loop |
| 34 Techpoint | 50 Techplace II | 67 9 Woodlands Terrace |
| 35 KA Centre | 51 Osim Headquarters | 68 11 Woodlands Terrace |
| 36 KA Place | 52 12 Woodlands Loop | 69 FoodAxis @ Senoko |
| 37 Pacific Tech Centre | 53 247 Alexandra Road | 70 31 Joo Koon Circle |
| 38 Techview | 54 5 Tai Seng Drive | |
| 39 1 Jalan Kilang | 55 35 Tampines Street 92 | |
| 40 30 Tampines Industrial Avenue 3 | 56 53 Serangoon North Avenue 4 | |
| 41 31 Ubi Road 1 | 57 3 Tai Seng Drive | |
| 42 Schneider Electric Building | 58 52 Serangoon North Avenue 4 | |
| 43 UBIX | 59 Tampines Biz-Hub | |
| 44 138 Depot Road | 60 Hoya Building | |
| | 61 37A Tampines Street 92 | |

Data Centres

- 71 Telepark
- 72 Kim Chuan Telecommunications Complex
- 73 38A Kim Chuan Road



- Green Buildings**
(Properties with BCA Green Mark Certifications as at 31 December 2022)
- Business Space & Life Sciences Properties**
- Industrial Properties & Data Centres**
- Logistics Properties**
- Operating Lines**
- North South MRT Line
- East West MRT Line
- North East MRT Line
- Circle MRT Line
- Downtown Line
- Thomson-East Coast Line
- Future Lines**
- Thomson-East Coast Line 4 & 5 Extension
- 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

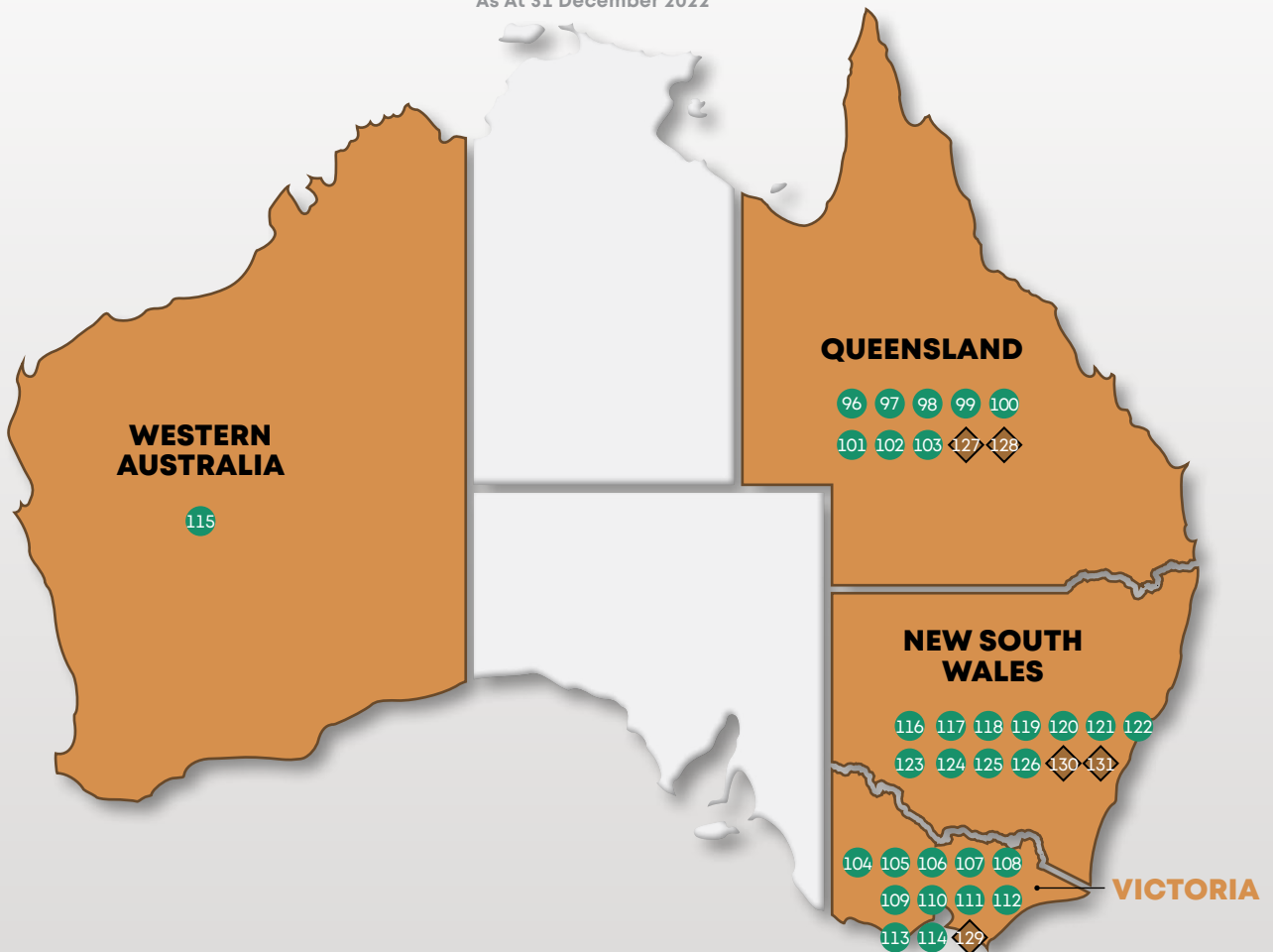
LOGISTICS PROPERTIES

- | | |
|---|---|
| <ul style="list-style-type: none"> 74 20 Tuas Avenue 1 75 LogisTech 76 Changi Logistics Centre 77 Courts Megastore 78 Giant Hypermart 79 4 Changi South Lane 80 40 Penjuru Lane 81 Xilin Districentre A&B 82 20 Tuas Avenue 6 83 Xilin Districentre D 84 9 Changi South Street 3 | <ul style="list-style-type: none"> 85 5 Toh Guan Road East 86 Xilin Districentre C 87 19 & 21 Pandan Avenue 88 1 Changi South Lane 89 Logis Hub @ Clementi 90 21 Jalan Buroh 91 21 Changi South Avenue 2 92 15 Changi North Way 93 Pioneer Hub 94 71 Alps Avenue 95 90 Alps Avenue |
|---|---|

CapitaLand Ascendas REIT's Portfolio

Australia

As At 31 December 2022



LOGISTICS PROPERTIES

BRISBANE, QUEENSLAND

- 96 62 Sandstone Place
- 97 92 Sandstone Place
- 98 95 Gilmore Road
- 99 77 Logistics Place
- 100 99 Radius Drive
- 101 1 - 7 Wayne Goss Drive
- 102 Cargo Business Park
- 103 500 Green Road

MELBOURNE, VICTORIA

- 104 676 - 698 Kororoit Creek Road
- 105 700 - 718 Kororoit Creek Road
- 106 2 - 16 Aylesbury Drive
- 107 9 Andretti Court
- 108 14 - 28 Ordish Road
- 109 31 Permas Way
- 110 35 - 61 South Park Drive
- 111 81 - 89 Drake Boulevard
- 112 162 Australis Drive
- 113 52 Fox Drive
- 114 169 - 177 Australis Drive

PERTH, WESTERN AUSTRALIA

- 115 35 Baile Road

SYDNEY, NEW SOUTH WALES

- 116 484 - 490 Great Western Highway
- 117 494 - 500 Great Western Highway
- 118 1 Distribution Place
- 119 1 - 15 Kellet Close
- 120 1A & 1B Raffles Glade
- 121 5 Eucalyptus Place
- 122 7 Grevillea Street
- 123 16 Kangaroo Avenue
- 124 94 Lenore Drive
- 125 6 - 20 Clunies Ross Road
- 126 7 Kiora Crescent

BUSINESS SPACE PROPERTIES

BRISBANE, QUEENSLAND

- 127 100 Wickham Street
- 128 108 Wickham Street

MELBOURNE, VICTORIA

- 129 254-294 Wellington Road

SYDNEY, NEW SOUTH WALES

- 130 197 - 201 Coward Street
- 131 1 - 5 Thomas Holt Drive

Green Buildings
(Properties with minimum 3.0 Stars NABERS Energy Rating or Green Star Rating as at 31 December 2022)

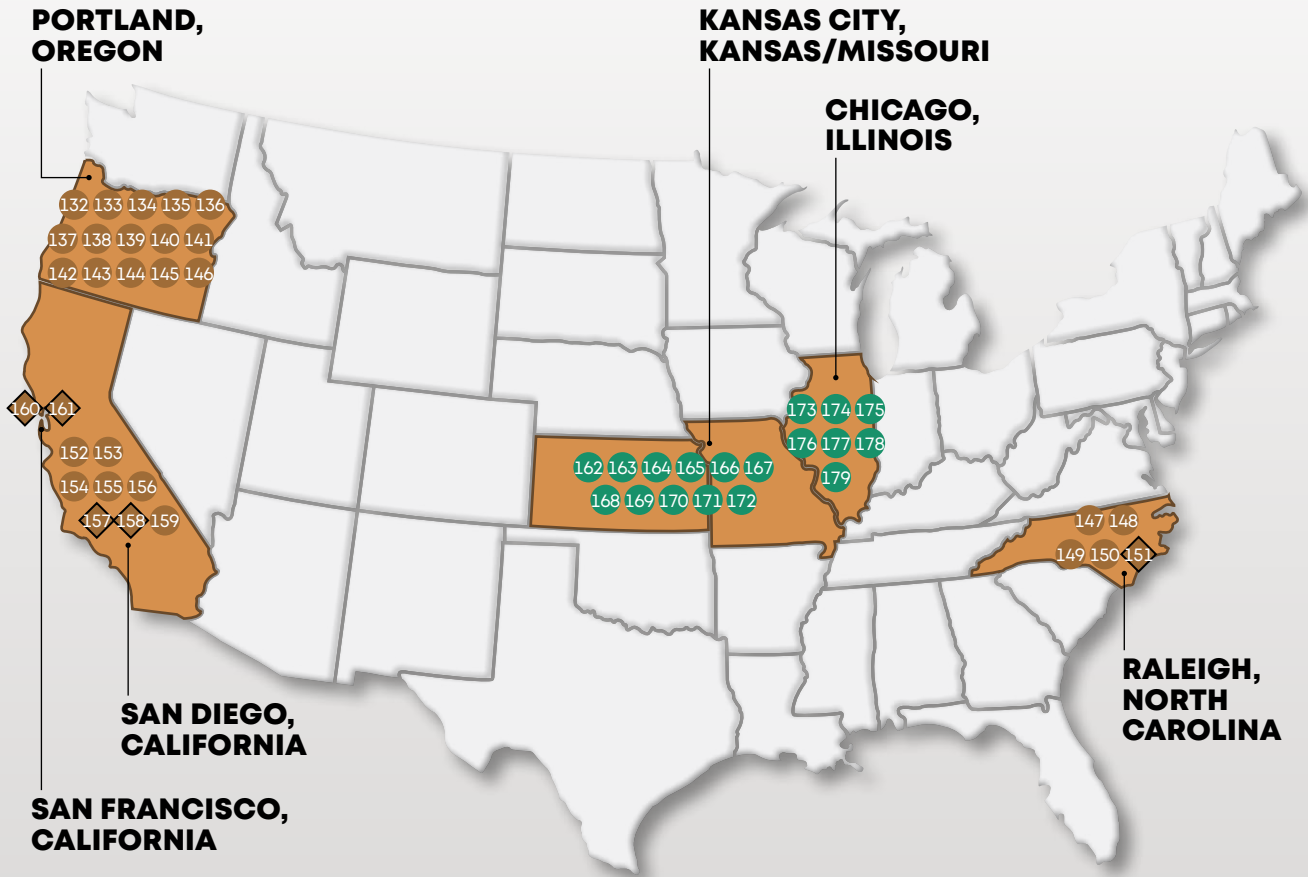
Logistics Properties

Business Space Properties

CapitaLand Ascendas REIT's Portfolio

United States

As At 31 December 2022



BUSINESS SPACE PROPERTIES

PORTLAND, OREGON

- 132 8300 Creekside
- 133 8305 Creekside
- 134 8405 Nimbus
- 135 8500 Creekside
- 136 8700 - 8770 Nimbus
- 137 9205 Gemini
- 138 9405 Gemini
- 139 Creekside 5
- 140 Creekside 6
- 141 Greenbrier Court
- 142 Parkside
- 143 Ridgeview
- 144 The Atrium
- 145 The Commons
- 146 Waterside

RALEIGH, NORTH CAROLINA

- 147 5200 East & West Paramount Parkway
- 148 Perimeter One
- 149 Perimeter Two
- 150 Perimeter Three
- 151 Perimeter Four

SAN DIEGO, CALIFORNIA

- 152 10020 Pacific Mesa Boulevard
- 153 15051 Avenue of Science
- 154 15073 Avenue of Science
- 155 15231, 15253 & 15333 Avenue of Science
- 156 15378 Avenue of Science
- 157 15435 & 15445 Innovation Drive
- 158 5005 & 5010 Wateridge
- 159 6055 Lusk Boulevard

SAN FRANCISCO, CALIFORNIA

- 160 510 Townsend Street
- 161 505 Brannan Street


LOGISTICS PROPERTIES

KANSAS CITY, KANSAS/MISSOURI

- 162 Airworld 1
- 163 Airworld 2
- 164 Continental Can
- 165 Crossroads Distribution Center
- 166 Lackman Business Center 1-3
- 167 Lackman Business Center 4
- 168 Levee
- 169 North Topping
- 170 Quebec
- 171 Saline
- 172 Warren

CHICAGO, ILLINOIS

- 173 540-570 Congress Circle South
- 174 490 Windy Point Drive
- 175 472-482 Thomas Drive
- 176 13144 South Pulaski Road
- 177 3950 Sussex Avenue
- 178 2500 South 25th Avenue
- 179 501 South Steward Road

 **Green Buildings**
(Properties with LEED certifications as at 31 December 2022)

-  **Business Space Properties**
-  **Logistics Properties**

CapitaLand Ascendas REIT's Portfolio

United Kingdom/Europe

As At 31 December 2022

LOGISTICS PROPERTIES

EAST ENGLAND, UNITED KINGDOM

180 Market Garden Road

EAST MIDLANDS, UNITED KINGDOM

181 Common Road

182 Units 1 - 5, Export Drive

NORTH WEST ENGLAND, UNITED KINGDOM

183 Astmoor Road

184 Transpennine 200

185 Leacroft Road

186 Hawleys Lane

187 8 Leacroft Road

SOUTH EAST ENGLAND, UNITED KINGDOM

188 Howard House

189 Units 1-2, Tower Lane

190 Lodge Road

WEST MIDLANDS, UNITED KINGDOM

191 Eastern Avenue

192 Vernon Road

193 1 Sun Street

194 The Triangle

195 Unit 103, Stonebridge Cross Business Park

196 Unit 302, Stonebridge Cross Business Park

197 Unit 401, Stonebridge Cross Business Park

198 Unit 402, Stonebridge Cross Business Park

199 Unit 404, Stonebridge Cross Business Park

200 Unit 1, Wellesbourne Distribution Park

201 Unit 2, Wellesbourne Distribution Park

202 Unit 3, Wellesbourne Distribution Park

203 Unit 4, Wellesbourne Distribution Park

204 Unit 5, Wellesbourne Distribution Park

205 Unit 8, Wellesbourne Distribution Park

206 Unit 13, Wellesbourne Distribution Park

207 Unit 14, Wellesbourne Distribution Park

208 Unit 16, Wellesbourne Distribution Park

209 Unit 17, Wellesbourne Distribution Park

210 Unit 18, Wellesbourne Distribution Park

211 Unit 19, Wellesbourne Distribution Park

212 Unit 20, Wellesbourne Distribution Park

213 Unit 21, Wellesbourne Distribution Park

YORKSHIRE AND THE HUMBER, UNITED KINGDOM

214 12 Park Farm Road

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

216 Unit 3, Brookfields Way

217 Lowfields Way

DATA CENTRES

AMSTERDAM, THE NETHERLANDS

218 Cateringweg

219 Gyrocoopweg

220 Paul van Vlissingenstraat

GENEVA, SWITZERLAND

221 Chemin de L'Epinglier

LONDON, UNITED KINGDOM

222 Welwyn Garden City

223 Cressex Business Park

224 Croydon

MANCHESTER, UNITED KINGDOM

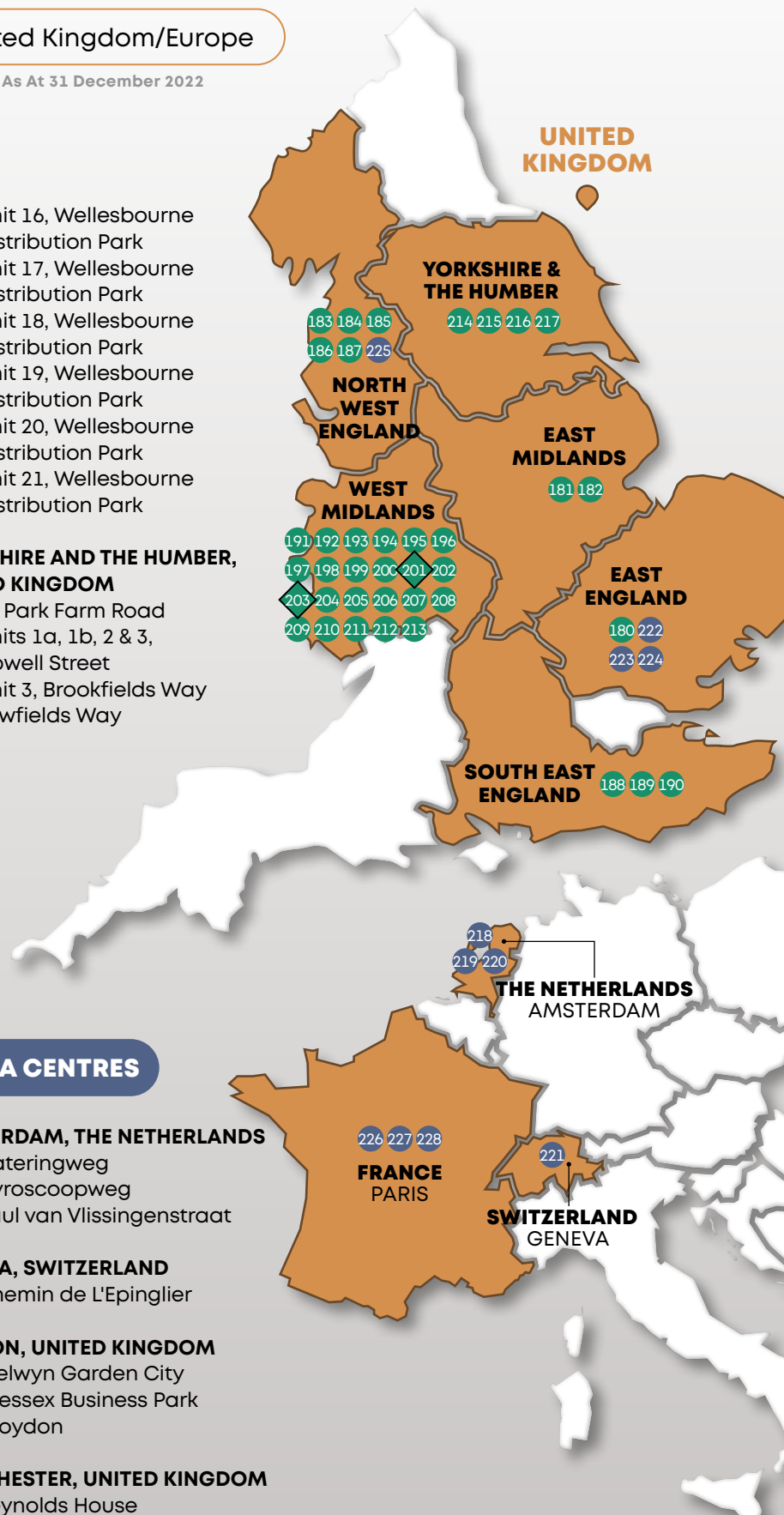
225 Reynolds House

PARIS, FRANCE

226 Montigny-le-Bretonneux

227 Bièvres

228 Saclay



Green Buildings
(Properties with BREEAM certifications as at 31 December 2022)

Logistics Properties

Data Centres

Business Space and Life Sciences Properties

Singapore



1 Nexus @ one-north



2 Galaxis



3 Grab Headquarters



4 Techquest



5 iQuest@IBP
(decommissioned for redevelopment)



6 Acer Building



7 31 International Business Park



8 Nordic European Centre



9 17 Changi Business Park Central 1



10 1 Changi Business Park Avenue 1



11 Hansapoint



12 1, 3 & 5 Changi Business Park Crescent



13 DBS Asia Hub



14 3 Changi Business Park Vista



15 ONE@Changi City



16 Cintech I

Business Space and Life Sciences Properties

Singapore



17 Cintech II



18 12, 14 & 16 Science Park Drive



19 The Alpha



20 The Capricorn



21 FM Global Centre



22 Neuros & Immunos



23 Nucleos



24 The Rutherford & Oasis



25 Cintech III & IV



26 The Aries, Sparkle & Gemini



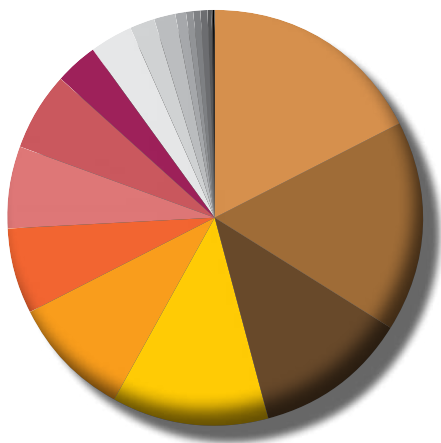
27 The Galen



28 The Kendall

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2022

By Gross Rental Income



Industry	%
Financial Services	17.6%
Government	16.5%
Biomedical Sciences	12.0%
e-Commerce	12.0%
Information & Communications Technology	9.5%
Chemical	6.6%
Engineering	6.4%
Electronics	6.1%
Food	3.5%
Professional Services	3.3%
Education	1.9%
Retail & F&B	1.7%
Logistics & Supply Chain Management	0.7%
Real Estate	0.6%
Media	0.6%
Energy/Utilities	0.5%
Distributors & Trading Company	0.3%
Agriculture	0.1%
Hospitality & Leisure	0.1%

Business Space & Life Sciences Properties (Singapore)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	25	3	28
No. of Customers	453	3	456
GFA (sq m)	838,488	99,760	938,248
Gross Revenue (S\$ million)	354.1	32.3	386.4
Book Value/Valuation as at 31 December 2022 (S\$ million)	4,539.8	501.4	5,041.2
Capitalisation Rate as at 31 December 2022 (%)		5.7	
Weighted Average Lease to Expiry (in Years)		3.8	

Business Space and Life Sciences Properties

Singapore

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (\$ million)	Valuation* as at 31 December 2022 (\$ million)	
BUSINESS SPACE PROPERTIES				
one-north				
1	Nexus @one-north	04 Sep 13	181.3	202.8
2	Galaxis	30 Jun 21	697.5	769.6
3	Grab Headquarters	30 Jul 21	184.6	193.3
Total (one-north)			1,063.4	1,165.7
International Business Park				
4	Techquest [#]	05 Oct 05	7.5	26.4
5	iQuest@IBP (decommissioned for redevelopment)	12 Jan 07	18.6	–
6	Acer Building ^{**}	19 Mar 08	75.0	72.6
7	31 International Business Park ^{**}	26 Jun 08	246.8	199.4
8	Nordic European Centre	08 Jul 11	121.6	121.1
Total (International Business Park)			469.5	419.5
Changi Business Park				
9	17 Changi Business Park Central 1 [#]	19 Nov 02	32.8	62.4
10	1 Changi Business Park Avenue 1	30 Oct 03	18.0	57.9
11	Hansapoint ^{**}	22 Jan 08	26.1	102.8
12	1, 3 & 5 Changi Business Park Crescent ^{**}	16 Feb 09 25 Sep 09 31 Dec 10	200.9	333.2
13	DBS Asia Hub [#]	31 Mar 10 15 Apr 15	137.8	207.1
14	3 Changi Business Park Vista ^{**}	08 Dec 11	80.0	63.7
15	ONE@Changi City [#]	01 Mar 16	420.0	504.5
Total (Changi Business Park)			915.6	1,331.6
Singapore Science Park I				
16	Cintech I [#]	29 Mar 12	47.1	60.5
17	Cintech II [#]	29 Mar 12	35.3	49.8
18	12, 14 & 16 Science Park Drive [#]	16 Feb 17	420.0	467.0
Total (Singapore Science Park I)			502.4	577.3
Singapore Science Park II				
19	The Alpha [#]	19 Nov 02	52.3	96.0
20	The Capricorn [#]	19 Nov 02	71.8	123.0
21	FM Global Centre [#]	11 Dec 19	91.0	101.0
Total (Singapore Science Park II)			215.1	320.0
Total (Business Space Properties)			3,166.0	3,814.1
LIFE SCIENCES PROPERTIES				
one-north				
22	Neuros & Immunos [#]	31 Mar 11	125.6	146.0
23	Nucleos [#]	11 Dec 19	289.0	355.4
Total (one-north)			414.6	501.4
Singapore Science Park I				
24	The Rutherford & Oasis [#]	26 Mar 08	51.5	100.0
25	Cintech III & IV ^{**#}	29 Mar 12	100.7	124.2
Total (Singapore Science Park I)			152.2	224.2
Singapore Science Park II				
26	The Aries, Sparkle & Gemini	19 Nov 02	129.2	216.0
27	The Galen [#]	25 Mar 13	126.0	150.0
28	The Kendall [#]	30 Mar 15	112.0	135.5
Total (Singapore Science Park II)			367.2	501.5
Total (Life Sciences Properties)			934.0	1,227.1
Total (Business Space & Life Sciences Properties)			4,100.0	5,041.2

Notes:

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

** As at 31 December 2022, these properties recorded a depreciation on revaluation against their corresponding values as at 31 December 2021 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.

Green Properties with BCA Green Mark Certifications. For more details, please refer to <https://www.capitaland-ascendasreit.com/en/sustainability/green-buildings.html>

GFA (sq m)	NLA (sq m)	Address	Gross Revenue** for FY2022 (\$ million)	Occupancy Rate as at 31 December 2022
25,511	20,917	1 & 3 Fusionopolis Link	15.8	85.4%
68,835	60,921	1 & 3 Fusionopolis Place	56.3	99.1%
42,290	42,290	1 & 3 Media Close	11.1	100.0%
136,636	124,128		83.3	97.1%
9,079	9,079	7 International Business Park	2.9	100.0%
-	-	27 International Business Park	-	-
29,185	22,553	29 International Business Park	3.1	38.4%
61,720	48,968	31 International Business Park	12.6	55.6%
28,378	21,546	3 International Business Park	9.1	76.0%
128,362	102,146		27.8	60.1%
18,123	14,299	17 Changi Business Park Central 1	3.7	43.6%
11,555	9,150	1 Changi Business Park Avenue 1	5.8	94.0%
19,448	16,395	10 Changi Business Park Central 2	7.3	75.3%
74,660	62,944	1, 3 & 5 Changi Business Park Crescent	24.9	86.7%
45,857	38,296	2 & 2A Changi Business Park Crescent	15.5	100.0%
19,225	15,095	3 Changi Business Park Vista	6.0	73.1%
71,158	61,427	1 Changi Business Park Central 1	32.5	88.2%
260,026	217,606		95.6	85.1%
14,943	10,546	73 Science Park Drive	4.4	75.9%
13,436	10,155	75 Science Park Drive	4.4	100.0%
78,871	78,871	12, 14 & 16 Science Park Drive	33.3	100.0%
107,250	99,572		42.2	97.4%
29,126	21,072	10 Science Park Road	9.1	73.7%
28,601	20,553	1 Science Park Road	10.9	82.4%
11,613	11,613	288 Pasir Panjang Road	5.7	100.0%
69,340	53,238		25.7	82.8%
701,614	596,690		274.5	85.2%
36,931	28,292	8/8A Biomedical Grove	22.3	99.8%
46,174	37,386	21 Biopolis Road	30.4	97.1%
83,105	65,678		52.6	98.3%
27,217	18,843	87/89 Science Park Drive	6.1	71.6%
25,622	18,421	77 & 79 Science Park Drive	8.6	74.3%
52,839	37,264		14.8	72.9%
49,868	36,617	41, 45 & 51 Science Park Road	18.0	83.5%
30,632	22,310	61 Science Park Road	13.7	87.8%
20,190	16,985	50 Science Park Road	12.8	92.5%
100,690	75,912		44.5	86.8%
236,634	178,854		111.9	88.1%
938,248.0	775,544.0		386.4	85.9%

Industrial Properties and Data Centres

Singapore



29 Aperia



30 Techlink



31 10 Toh Guan Road



32 Siemens Centre



33 Infineon Building



34 Techpoint



35 KA Centre



36 KA Place



37 Pacific Tech Centre



38 Techview



39 1 Jalan Kilang



40 30 Tampines Industrial Avenue 3



41 31 Ubi Road 1



42 Schneider Electric Building



43 UBIX



44 138 Depot Road



45 2 Changi South Lane



46 CGG Veritas Hub



47 Corporation Place



48 80 Bendemeer Road



49 Techplace I



50 Techplace II



51 Osim Headquarters



52 12 Woodlands Loop



53 247 Alexandra Road



54 5 Tai Seng Drive



55 35 Tampines Street 92



56 53 Serangoon North Avenue 4



57 3 Tai Seng Drive



58 52 Serangoon North Avenue 4



59 Tampines Biz-Hub



60 Hoya Building

Industrial Properties and Data Centres

Singapore



61 37A Tampines Street 92



62 Hamilton Sundstrand Building



63 Thales Building (I & II)



64 Ubi Biz-Hub



65 2 Senoko South Road



66 18 Woodlands Loop



67 9 Woodlands Terrace



68 11 Woodlands Terrace



69 FoodAxis @ Senoko



70 31 Joo Koon Circle



71 Telepark



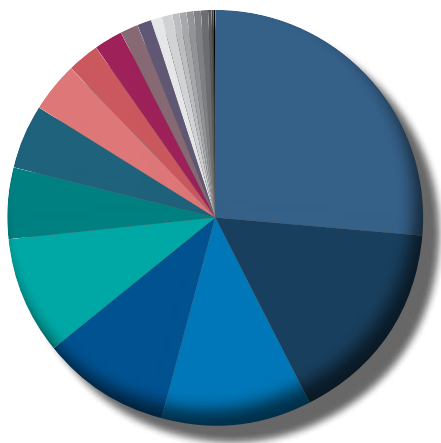
72 Kim Chuan Telecommunications Complex



73 38A Kim Chuan Road

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2022

By Gross Rental Income



Industry	%
Engineering	26.4%
Electronics	16.3%
Biomedical Sciences	11.7%
Information & Communications Technology	10.0%
Data centres	9.0%
Retail & F&B	5.5%
Food	5.2%
Distributors & Trading Company	3.7%
Financial Services	2.5%
Logistics & Supply Chain Management	2.4%
FMCG	1.4%
Professional Services	1.0%
Media	0.8%
Education	0.8%
Real Estate	0.7%
e-Commerce	0.6%
Energy/Utilities	0.6%
Hospitality & Leisure	0.5%
Textile & Garments	0.4%
IO/NGOs/NPOs ⁽¹⁾	0.3%
Government	0.1%
Agriculture	0.1%

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

Industrial Properties and Data Centres (Singapore)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	30	15	45
No. of Customers	816	15	831
GFA (sq m)	1,018,552	264,717	1,283,268
Gross Revenue (S\$ million)	275.3	66.8	342.2
Book Value/Valuation as at 31 December 2022 (S\$ million)	2,922.4	772.3	3,694.7
Capitalisation Rate as at 31 December 2022 (%)		5.9	
Weighted Average Lease to Expiry (in Years)		2.9	

Industrial Properties and Data Centres

Singapore

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (\$S million)	Valuation* as at 31 December 2022 (\$S million)	
Industrial Properties				
29	Aperia [🔗]	08 Aug 14	458.0	584.0
30	Techlink [#] [🔗]	19 Nov 02	69.8	132.8
31	10 Toh Guan Road**	05 Mar 04	92.0	97.0
32	Siemens Centre [🔗]	12 Mar 04	65.8	108.7
33	Infineon Building [#] [🔗]	01 Dec 04	50.9	93.4
34	Techpoint [#] [🔗]	01 Dec 04	75.0	151.0
35	KA Centre [🔗]	02 Mar 05	19.2	52.9
36	KA Place [🔗]	02 Mar 05	11.1	22.8
37	Pacific Tech Centre [🔗]	01 Jul 05	62.0	89.7
38	Techview [#] [🔗]	05 Oct 05	76.0	172.4
39	1 Jalan Kilang [🔗]	27 Oct 05	18.7	25.7
40	30 Tampines Industrial Avenue 3**	15 Nov 05	22.0	27.1
41	31 Ubi Road 1	21 Feb 06	23.0	31.0
42	Schneider Electric Building [🔗]	27 Feb 06 21 Jun 17	45.2	92.0
43	UBIX [🔗]	07 Jan 22	38.2	62.4
44	138 Depot Road [#] [🔗]	15 Mar 06	42.3	89.0
45	2 Changi South Lane	01 Feb 07	30.0	38.8
46	CGG Veritas Hub [#]	25 Mar 08	18.3	15.7
47	Corporation Place [🔗]	08 Dec 11	99.0	125.5
48	80 Bendemeer Road [🔗]	30 Jun 14	191.2	212.3
49	TechPlace I [#] [🔗]	19 Nov 02	105.30	144.3
50	TechPlace II [#] [🔗]	19 Nov 02	128.90	193.2
51	Osim Headquarters	20 Jun 03	35.0	39.8
52	12 Woodlands Loop	29 Jul 04	24.8	29.0
53	247 Alexandra Road	01 Dec 04	44.8	71.2
54	5 Tai Seng Drive	01 Dec 04	15.3	21.3
55	35 Tampines Street 92	01 Dec 04	9.4	12.7
56	53 Serangoon North Avenue 4 [🔗]	27 Dec 04	14.0	21.4
57	3 Tai Seng Drive	01 Apr 05	19.5	19.6
58	52 Serangoon North Avenue 4 [🔗]	04 Apr 05	14.0	23.0
59	Tampines Biz-Hub	05 Oct 05	16.8	21.0
60	Hoya Building***	05 Oct 05	5.3	8.1
61	37A Tampines Street 92** [🔗]	01 Dec 05	12.3	20.2
62	Hamilton Sundstrand Building [#]	09 Dec 05	31.0	43.1
63	Thales Building (I & II) [#]	03 Jan 06 20 Mar 08	5.8	13.2
64	Ubi Biz-Hub [🔗]	27 Mar 06	13.2	19.2
65	2 Senoko South Road [🔗]	08 Jan 07	33.5	40.3
66	18 Woodlands Loop [🔗]	01 Feb 07	17.2	33.2
67	9 Woodlands Terrace	01 Feb 07	1.9	5.3
68	11 Woodlands Terrace	01 Feb 07	1.9	4.7
69	FoodAxis @ Senoko [🔗]	15 May 07 16 Feb 12	57.8	95.8
70	31 Joo Koon Circle	30 Mar 10	15.0	34.0
Total (Industrial Properties)			2,130.4	3,137.8
Data Centres				
71	Telepark	02 Mar 05	186.0	272.9
72	Kim Chuan Telecommunications Complex	02 Mar 05	100.0	150.4
73	38A Kim Chuan Road ^{##} [🔗]	11 Dec 09	98.4	133.6
Total (Data Centres)			384.4	556.9
Total (Industrial Properties and Data Centres)			2,514.8	3,694.7

Notes:

- * Purchase Price excludes transaction cost associated with the purchase of the property.
- ** As at 31 December 2022, these properties recorded a depreciation on revaluation against their corresponding values as at 31 December 2021 due to changing market conditions.
- + The valuation for these properties were based on Capitalisation Approach, Direct Comparison 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. CapitaLand Ascendas REIT has recorded the property at S\$175.2 million comprising S\$133.6 million in land and building, and S\$41.6 million in M&E equipment.
- [🔗] Properties with BCA Green Mark Certifications. For more details, please refer to <https://www.capitaland-ascendasreit.com/en/sustainability/green-buildings.html>

GFA (sq m)	NLA (sq m)	Address	Gross Revenue** for FY2022 (S\$ million)	Occupancy Rate as at 31 December 2022
86,696	70,748	8, 10 & 12 Kallang Avenue	46.5	94.6%
49,837	36,320	31 Kaki Bukit Road 3	13.2	88.5%
52,147	41,322	10 Toh Guan Road	10.5	76.6%
36,529	28,000	60 MacPherson Road	12.8	99.4%
27,278	27,278	8 Kallang Sector	10.1	100.0%
56,107	41,266	10 Ang Mo Kio Street 65	12.5	75.9%
19,638	13,557	150 Kampong Ampat	5.1	97.5%
10,163	6,652	159 Kampong Ampat	2.0	100.0%
25,718	19,573	1 Jalan Kilang Timor	6.5	86.7%
50,985	38,481	1 Kaki Bukit View	19.0	100.0%
7,158	6,071	1 Jalan Kilang	2.3	100.0%
9,593	9,593	30 Tampines Industrial Ave 3	2.1	0.0%
17,709	12,976	31 Ubi Road 1	3.6	76.0%
18,970	18,970	50 Kallang Avenue	6.9	100.0%
17,097	14,304	25 Ubi Road 4	2.4	53.5%
29,626	26,239	138 Depot Road	10.2	84.5%
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	55,713	2 Corporation Road	16.3	82.1%
43,435	35,264	80 Bendemeer Road	13.4	83.0%
81,981	59,524	Blk 4008 - 4012 Ang Mo Kio Avenue 10	13.7	99.4%
115,162	83,200	Blk 5000 - 5004, 5008-5014 Ang Mo Kio Avenue 5	18.9	99.2%
17,683	15,068	65 Ubi Avenue 1	3.2	100.0%
19,887	16,593	12 Woodlands Loop	2.8	100.0%
13,699	12,803	247 Alexandra Road	5.2	100.0%
12,930	11,290	5 Tai Seng Drive	2.7	100.0%
8,931	8,931	35 Tampines Street 92	0.0	0.0%
12,358	10,071	53 Serangoon North Avenue 4	3.2	100.0%
14,929	11,475	3 Tai Seng Drive	1.8	100.0%
14,767	11,044	52 Serangoon North Avenue 4	3.5	100.0%
18,086	14,100	11 Tampines Street 92	2.3	76.0%
6,505	6,282	455A Jalan Ahmad Ibrahim	1.4	100.0%
12,011	9,753	37A Tampines Street 92	3.3	100.0%
17,737	16,744	11 Changi North Rise	4.0	100.0%
7,772	7,772	21 Changi North Rise	1.6	100.0%
12,978	10,600	150 Ubi Avenue 4	2.4	96.0%
23,457	17,471	2 Senoko South Road	5.5	100.0%
18,422	16,056	18 Woodlands Loop	6.6	100.0%
2,959	2,959	9 Woodlands Terrace	0.5	100.0%
2,919	2,919	11 Woodlands Terrace	0.6	100.0%
43,362	44,439	1 Senoko Avenue	11.3	100.0%
24,024	17,638	31 Joo Koon Circle	2.7	100.0%
1,173,513	938,669		296.8	91.1%
40,555	24,604	5 Tampines Central 6	21.8	100.0%
35,456	25,129	38 Kim Chuan Road	12.4	100.0%
33,745	32,885	38A Kim Chuan Road	11.3	100.0%
109,756	82,618		45.4	100.0%
1,283,269	1,021,287		342.2	91.8%

Logistics Properties

Singapore



74 20 Tuas Avenue 1



75 LogisTech



76 Changi Logistics Centre



77 Courts Megastore



78 Giant Hypermart



79 4 Changi South Lane



80 40 Penjuru Lane



81 Xilin Districentre A&B



82 20 Tuas Avenue 6



83 Xilin Districentre D



84 9 Changi South Street 3



85 5 Toh Guan Road East



86 Xilin Districentre C



87 19 & 21 Pandan Avenue



88 1 Changi South Lane



89 Logis Hub @ Clementi



90 21 Jalan Buroh



91 21 Changi South Avenue 2



92 15 Changi North Way



93 Pioneer Hub



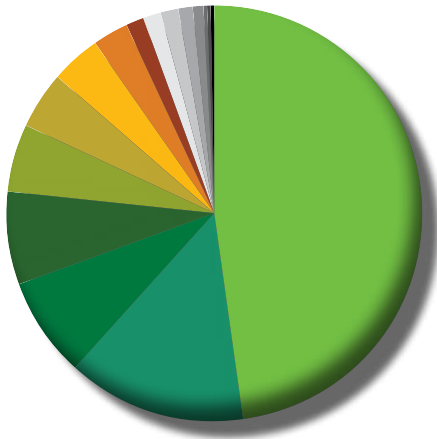
94 71 Alps Avenue



95 90 Alps Avenue

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2022

By Gross Rental Income













Industry	%
Logistics & Supply Chain Management	47.9%
Retail & F&B	13.9%
Data centres	7.7%
Distributors & Trading Company	7.2%
Engineering	5.4%
Biomedical	4.3%
Chemical	4.1%
Media	2.8%
e-Commerce	1.4%
FMCG	1.4%
Electronics	1.3%
Government	1.2%
Agriculture	0.6%
Food	0.5%
Professional Services	0.2%
Information & Communications Technology	0.1%

Logistics Properties (Singapore)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	15	7	22
No. of Customers	120	7	127
GFA (sq m)	607,014	261,748	868,761
Gross Revenue (S\$ million)	104.1	37.4	141.6
Book Value/Valuation as at 31 December 2022 (S\$ million)	911.1	451.3	1,362.4
Capitalisation Rate as at 31 December 2022 (%)		5.9	
Weighted Average Lease to Expiry (in Years)		4.0	

Logistics Properties

Singapore

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (S\$ million)	Valuation* as at 31 December 2022 (S\$ million)	
Logistics Properties				
74	20 Tuas Avenue 1 	19 Feb 04 02 Apr 18	61.4	89.1
75	LogisTech 	04 Mar 04	32.0	65.2
76	Changi Logistics Centre	09 Mar 04	45.6	78.7
77	Courts Megastore**	30 Nov 06	46.0	57.9
78	Giant Hypermart**	06 Feb 07	65.4	74.9
79	4 Changi South Lane 	31 May 04	23.3	27.9
80	40 Penjuru Lane 	21 Jul 04	225.0	232.6
81	Xilin Districentre A&B 	02 Dec 04	31.1	39.2
82	20 Tuas Avenue 6	02 Dec 04	5.5	8.1
83	Xilin Districentre D 	09 Dec 04	33.5	29.8
84	9 Changi South Street 3 	28 Dec 04	32.0	46.2
85	5 Toh Guan Road East	28 Dec 04	36.4	29.3
86	Xilin Districentre C 	05 May 05	30.6	30.3
87	19 & 21 Pandan Avenue	23 Sep 05 01 Feb 08	105.2	127.6
88	1 Changi South Lane	05 Oct 05	34.8	48.8
89	Logis Hub @ Clementi#	05 Oct 05	18.1	27.1
90	21 Jalan Buroh	14 Jun 06	58.4	64.9
91	21 Changi South Avenue 2 	19 Mar 08	31.9	22.4
92	15 Changi North Way	29 Jul 08	36.2	50.1
93	Pioneer Hub** 	12 Aug 08	79.3	120.7
94	71 Alps Avenue	02 Sep 09	25.6	23.8
95	90 Alps Avenue	20 Jan 12	37.9	67.8
Total (Logistics Properties)			1,095.2	1,362.4

Notes:


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

** As at 31 December 2022, these properties recorded a depreciation on revaluation against their corresponding values as at 31 December 2021 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.

 Properties with BCA Green Mark Certifications. For more details, please refer to <https://www.capitaland-ascendasreit.com/en/sustainability/green-buildings.html>

GFA (sq m)	NLA (sq m)	Address	Gross Revenue** for FY2022 (S\$ million)	Occupancy Rate as at 31 December 2022
44,449	41,134	20 Tuas Avenue 1	7.1	100.0%
39,078	30,177	3 Changi North Street 2	7.4	97.7%
54,729	43,957	19 Loyang Way	9.1	93.4%
28,410	28,410	50 Tampines North Drive 2	8.0	100.0%
42,194	42,178	21 Tampines North Drive 2	9.3	100.0%
18,794	15,550	4 Changi South Lane	2.1	100.0%
160,939	150,903	40 Penjuru Lane	19.7	98.8%
24,113	21,226	3 Changi South Street 2	4.4	100.0%
5,085	5,085	20 Tuas Avenue 6	0.6	100.0%
18,619	15,753	6 Changi South Street 2	3.3	96.1%
28,648	23,757	9 Changi South Street 3	5.3	95.8%
29,741	23,495	5 Toh Guan Road East	3.7	100.0%
18,708	13,035	7 Changi South Street 2	3.2	93.5%
87,842	71,749	19 & 21 Pandan Avenue	6.2	100.0%
25,768	23,501	1 Changi South Lane	4.0	100.0%
26,505	23,107	2 Clementi Loop	3.6	100.0%
39,980	34,116	21 Jalan Buroh	3.0	100.0%
13,120	11,440	21 Changi South Avenue 2	2.5	100.0%
31,961	28,974	15 Changi North Way	4.3	100.0%
91,048	80,372	15 Pioneer Walk	26.6	99.3%
12,756	11,003	71 Alps Avenue	2.2	100.0%
26,277	26,277	90 Alps Avenue	6.0	100.0%
868,761	765,198		141.6	98.9%

Logistics Properties

Australia

BRISBANE, QUEENSLAND



96 62 Sandstone Place



97 92 Sandstone Place



98 95 Gilmore Road



99 77 Logistics Place



100 99 Radius Drive

MELBOURNE, VICTORIA



101 1 - 7 Wayne Goss Drive



102 Cargo Business Park



103 500 Green Road



104 676 - 698 Kororoit Creek Road



105 700 - 718 Kororoit Creek Road



106 2 - 16 Aylesbury Drive



107 9 Andretti Court



108 14 - 28 Ordish Road



109 31 Permas Way



110 35 - 61 South Park Drive

PERTH, WESTERN AUSTRALIA



111 81 - 89 Drake Boulevard



112 162 Australis Drive



113 52 Fox Drive



114 169 - 177 Australis Drive



115 35 Baile Road

SYDNEY,
NEW SOUTH WALES



116 484 - 490
Great Western
Highway



117 494 - 500
Great Western
Highway



118 1 Distribution
Place



119 1 - 15 Kellet
Close



120 1A & 1B Raffles
Glade



121 5 Eucalyptus
Place



122 7 Grevillea
Street



123 16 Kangaroo
Avenue



124 94 Lenore Drive



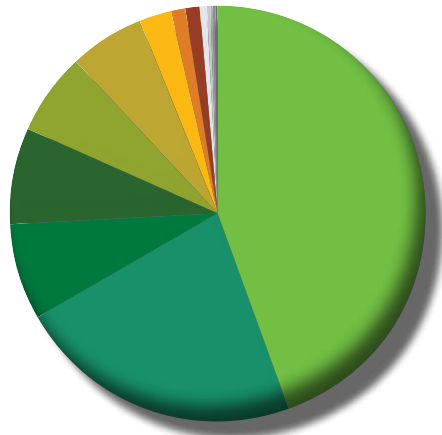
125 6 - 20 Clunies
Ross Road



126 7 Kiora
Crescent

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2022

By Gross Rental Income



Industry	%
Logistics & Supply Chain Management	44.6%
Distributors & Trading Company	22.2%
Textile & Garments	7.5%
Food	7.5%
Retail	6.2%
Biomedical Sciences	5.9%
Engineering	2.6%
Government	1.1%
Professional Services	1.0%
Electronics	0.7%
Information & Communications Technology	0.4%
Agriculture	0.1%
Real Estate	0.1%
Hospitality & Leisure	0.1%

Logistics Properties (Australia)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	9	22	31
No. of Customers	31	22	53
GFA (sq m)	213,551	522,298	735,849
Gross Revenue (S\$ million)	26.9	68.0	94.9
Book Value/Valuation as at 31 December 2022 (S\$ million)	507.7	1,148.9	1,656.6
Capitalisation Rate as at 31 December 2022 (%)		4.7	
Weighted Average Lease to Expiry (in Years)		3.4	

Logistics Properties

Australia

Property	Acquisition/ Completion Date	Purchase Price [^] / Development Cost (\$ million)	Valuation as at 31 December 2022 ^{^^} (\$ million)	
Brisbane, Queensland				
96	62 Sandstone Place	23 Oct 15	22.8	19.0
97	92 Sandstone Place	23 Oct 15	28.6	22.2
98	95 Gilmore Road	23 Oct 15	76.8	84.4
99	77 Logistics Place	18 Nov 15	28.4	26.5
100	99 Radius Drive	18 Nov 15	29.0	28.7
101	1-7 Wayne Goss Drive ^{**}	07 Sep 18	30.8	35.5
102	Cargo Business Park ^{**}	17 Sep 18	33.9	33.7
103	500 Green Road	11 Feb 22	69.1	74.5
Total (Logistics Properties, Brisbane)			319.4	324.5
Melbourne, Victoria				
104	676-698 Kororoit Creek Road	23 Oct 15	52.3	82.2
105	700-718 Kororoit Creek Road	23 Oct 15	34.8	48.3
106	2-16 Aylesbury Drive	18 Nov 15	21.3	30.3
107	9 Andretti Court	18 Nov 15	26.6	41.5
108	14-28 Ordish Road	18 Nov 15	53.2	55.5
109	31 Permas Way ^{###}	18 Nov 15	48.2	76.7
110	35-61 South Park Drive	18 Nov 15	39.1	57.8
111	81-89 Drake Boulevard	18 Nov 15	17.1	25.7
112	162 Australis Drive	18 Nov 15	25.0	39.7
113	52 Fox Drive ^{**}	03 Apr 17	26.5	38.4
114	169-177 Australis Drive	04 Jun 18	34.5	52.4
Total (Logistics Properties, Melbourne)			378.6	548.5
Perth, Western Australia				
115	35 Baile Road	23 Oct 15	36.6	45.1
Total (Logistics Properties, Perth)			36.6	45.1
Sydney, New South Wales				
116	484-490 Great Western Highway	23 Oct 15	19.9	33.0
117	494-500 Great Western Highway	23 Oct 15	33.4	64.6
118	1 Distribution Place	18 Nov 15	28.6	40.6
119	1-15 Kellet Close	18 Nov 15	44.7	74.9
120	1A & 1B Raffles Glade	18 Nov 15	42.9	62.7
121	5 Eucalyptus Place	18 Nov 15	21.8	37.9
122	7 Grevillea Street	18 Nov 15	104.8	159.8
123	16 Kangaroo Avenue	18 Nov 15	33.1	56.9
124	94 Lenore Drive	18 Nov 15	42.0	63.2
125	6-20 Clunies Ross Street	22 Feb 16	76.6	106.5
126	7 Kiora Crescent	24 Feb 22	21.1	38.4
Total (Logistics Properties, Sydney)			468.9	738.5
Total (Logistics Properties, Australia)			1,203.5	1,656.6

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, 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\$0.9028 as at 31 December 2022.

^{###} As at 31 December 2022, these properties recorded a depreciation on revaluation against their corresponding A\$ values as at 31 December 2021 due to changing market conditions.

GFA (sq m)	NLA (sq m)	Address	Gross Revenue* for FY2022 (\$ million)	Occupancy Rate as at 31 December 2022
9,260	9,260	62 Sandstone Place, Parkinson	2.2	100.0%
13,738	13,738	92 Sandstone Place, Parkinson	0.9	100.0%
41,318	41,318	95 Gilmore Road, Berrinba	7.2	100.0%
14,296	14,296	77 Logistics Place, Larapinta	2.4	100.0%
14,592	14,592	99 Radius Drive, Larapinta	1.8	100.0%
17,907	17,907	1 - 7 Wayne Goss Drive, Berrinba	2.3	100.0%
8,198	8,198	56 Lavarack Avenue, Eagle Farm	2.2	77.2%
38,711	38,711	500 Green Road, Crestmead	3.9	100.0%
158,020	158,020		22.8	98.8%
44,036	44,036	676-698 Kororoit Creek Road, Altona North	4.8	100.0%
27,930	27,930	700-718 Kororoit Creek Road, Altona North	2.7	100.0%
17,513	17,513	2-16 Aylesbury Drive, Altona	1.5	100.0%
24,140	24,140	9 Andretti Court, Truganina	2.2	100.0%
28,005	28,005	14-28 Ordish Road, Dandenong South	4.4	100.0%
44,540	44,540	31 Permas Way, Truganina	3.7	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	1.1	100.0%
23,252	23,252	162 Australis Drive, Derrimut	1.7	100.0%
18,041	18,041	52 Fox Drive, Dandenong South	2.2	100.0%
31,035	31,035	169 - 177 Australis Drive, Derrimut	2.5	100.0%
304,758	304,758		30.0	100.0%
20,895	20,895	35 Baile Road, Canning Vale	3.7	100.0%
20,895	20,895		3.7	100.0%
13,304	13,304	484 - 490 Great Western Highway, Arndell Park	1.6	100.0%
25,256	25,256	494 - 500 Great Western Highway, Arndell Park	3.1	100.0%
13,513	13,513	1 Distribution Place, Seven Hills	1.9	100.0%
23,205	23,205	1 - 15 Kellet Close, Erskine Park	3.1	100.0%
21,703	21,703	1A & 1B Raffles Glade, Eastern Creek	3.8	100.0%
10,732	10,732	5 Eucalyptus Place, Eastern Creek	2.2	100.0%
51,709	51,709	7 Grevillea Street, Eastern Creek	8.9	100.0%
19,918	19,918	16 Kangaroo Avenue, Eastern Creek	3.1	100.0%
21,143	21,143	94 Lenore Drive, Erskine Park	2.9	100.0%
38,579	38,579	6 - 20 Clunies Ross Street, Pemulway	6.1	100.0%
13,114	13,114	7 Kiora Crescent, Yennora	1.4	100.0%
252,176	252,176		38.3	100.0%
735,849	735,849		94.9	99.7%

Business Space Properties

Australia

▶ BRISBANE,
QUEENSLAND



127 100 Wickham Street

▶ MELBOURNE,
VICTORIA



128 108 Wickham Street

▶ SYDNEY,
NEW SOUTH WALES



129 254-294 Wellington Road



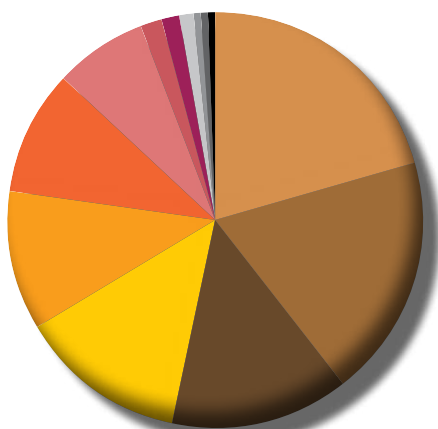
130 197 - 201 Coward Street



131 1 - 5 Thomas Holt Drive

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2022

By Gross Rental Income



Industry	%
Government	20.8%
Professional Services	18.8%
Distributors & Trading Company	13.7%
Media	13.2%
Engineering	10.8%
Logistics & Supply Chain Management	9.7%
Information & Communications Technology	7.1%
Biomedical Sciences	1.9%
IO/NGOs/NPOs ⁽¹⁾	1.3%
Food	1.2%
Education	0.6%
Financial Services	0.5%
Real Estate	0.4%

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

Business Space Properties (Australia)	Multi-tenant Buildings	Total
No. of Properties	5	5
No. of Customers	45	45
GFA (sq m)	104,258	104,258
Gross Revenue (S\$ million)	51.8	51.8
Book Value/Valuation as at 31 December 2022 (S\$ million)	672.1	672.1
Capitalisation Rate as at 31 December 2022 (%)		5.8
Weighted Average Lease to Expiry (in Years)		2.7

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (\$ million)	Valuation as at 31 December 2022 (\$ million)**#	GFA (sq m)	NLA (sq m)	Address	Gross Revenue* for FY2022 (\$ million)	Occupancy Rate as at 31 December 2022	
Brisbane, Queensland									
127	100 Wickham Street###	25 Sep 17	90.3	64.6	12,955	12,955	100 Wickham Street, Fortitude Valley	7.8	92.6%
128	108 Wickham Street###	22 Dec 17	109.0^	80.3	11,854	11,854	108 Wickham Street, Fortitude Valley	7.5	98.5%
Total (Business Space Properties, Brisbane)			199.3	144.9	24,809	24,809		15.3	95.4%
Melbourne, Victoria									
129	254 Wellington Road###	11 Sep 20	100.6###	95.2	17,887	17,887	254 Wellington Road, Mulgrave	7.0	100.0%
Total (Business Space Properties, Melbourne)			100.6	95.2	17,887	17,887		7.0	100.0%
Sydney, New South Wales									
130	197-201 Coward Street	09 Sep 16	145.6	167.0	22,563	22,563	197-201 Coward Street, Mascot	11.7	100.0%
131	1-5 Thomas Holt Drive###	13 Jan 21	284.0**	265.0	38,999	38,999	1-5 Thomas Holt Drive, Macquarie Park	17.8	94.8%
Total (Business Space Properties, Sydney)			429.6	432.0	61,562	61,562		29.5	96.7%
Total (Business Space Properties, Australia)			729.5	672.1	104,258	104,258		51.8	97.0%

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\$0.9028 as at 31 December 2022.

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.

As at 31 December 2022, these properties recorded a depreciation on revaluation against their corresponding A\$ values as at 31 December 2021 due to changing market conditions.

+ 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 <https://www.capitaland-ascendasreit.com/en/sustainability/green-buildings.html>

Business Space Properties

United States

▶ PORTLAND, OREGON



132 8300 Creekside



133 8305 Creekside



134 8405 Nimbus



135 8500 Creekside



136 8700 - 8770
Nimbus



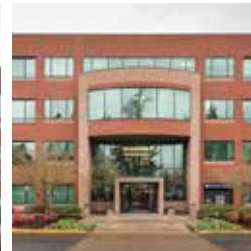
137 9205 Gemini



138 9405 Gemini



139 Creekside 5



140 Creekside 6



141 Greenbrier
Court



142 Parkside



143 Ridgeview



144 The Atrium



145 The Commons



146 Waterside

▶ RALEIGH, NORTH CAROLINA



147 5200 East & West
Paramount
Parkway



148 Perimeter One



149 Perimeter Two



150 Perimeter Three



151 Perimeter Four

SAN DIEGO, CALIFORNIA



152 10020 Pacific Mesa Boulevard



153 15051 Avenue of Science



154 15073 Avenue of Science



155 15231, 15253 & 15333 Avenue of Science



156 15378 Avenue of Science

SAN FRANCISCO, CALIFORNIA



157 15435 & 15445 Innovation Drive



158 5005 & 5010 Wateridge



159 6055 Lusk Boulevard
(decommissioned for major refurbishment work)



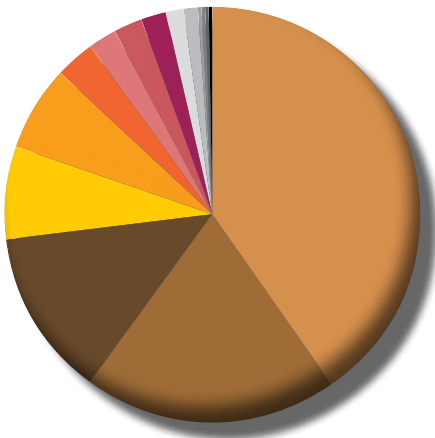
160 510 Townsend Street



161 505 Brannan Street

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2022

By Gross Rental Income








Industry	%
Information & Communications Technology	40.4%
Biomedical Sciences	19.8%
Media	13.0%
Financial Services	7.3%
Engineering	6.6%
Professional Services	2.9%
Electronics	2.4%
Energy/Utilities	2.3%
Real Estate	1.7%
Textile & Garments	1.6%
Government	1.1%
Education	0.3%
Distributors & Trading Company	0.3%
Food	0.2%
Chemical	0.1%

Business Space Properties (United States)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	20	10	30
No. of Customers	114	8	122
GFA (sq m)	244,932	104,567	349,498
Gross Revenue (\$ million)	86.6	84.9	171.4
Book Value/Valuation as at 31 December 2022 (\$ million)	936.7	1,219.2	2,155.9
Capitalisation Rate as at 31 December 2022 (%)		6.0	
Weighted Average Lease to Expiry (in Years)		4.9	

Business Space Properties

United States

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (S\$ million)	Valuation as at 31 December 2022# (S\$ million)	
Portland, Oregon				
132	8300 Creekside ^{##}	11 Dec 19	14.3	14.4
133	8305 Creekside	11 Dec 19	5.0	4.8
134	8405 Nimbus ^{##}	11 Dec 19	18.0	15.4
135	8500 Creekside	11 Dec 19	20.9	21.1
136	8700-8770 Nimbus ^{##}	11 Dec 19	7.8	8.9
137	9205 Gemini ^{##}	11 Dec 19	10.2	9.8
138	9405 Gemini ^{##}	11 Dec 19	15.7	13.8
139	Creekside 5 ^{##}	11 Dec 19	13.2	11.7
140	Creekside 6 ^{##}	11 Dec 19	22.5	22.0
141	Greenbrier Court	11 Dec 19	21.2	23.6
142	Parkside	11 Dec 19	32.2	34.7
143	Ridgeview ^{##}	11 Dec 19	20.2	20.6
144	The Atrium ^{##}	11 Dec 19	41.3	41.1
145	The Commons	11 Dec 19	16.4	17.1
146	Waterside ^{##}	11 Dec 19	29.5	29.2
Total (Business Space Properties, Portland)			288.4	288.2
Raleigh, North Carolina				
147	5200 East & West Paramount Parkway ^{##}	11 Dec 19	105.8	115.7
148	Perimeter One ^{##}	11 Dec 19	76.8	80.9
149	Perimeter Two ^{##}	11 Dec 19	76.0	68.9
150	Perimeter Three ^{##}	11 Dec 19	82.8	87.2
151	Perimeter Four ^{##} 	11 Dec 19	70.3	58.5
Total (Business Space Properties, Raleigh)			411.7	411.2
San Diego, California				
152	10020 Pacific Mesa Boulevard	11 Dec 19	169.2	211.1
153	15051 Avenue of Science	11 Dec 19	35.5	36.9
154	15073 Avenue of Science	11 Dec 19	26.3	24.5
155	15231, 15253 & 15333 Avenue of Science	11 Dec 19	92.0	79.2
156	15378 Avenue of Science	11 Dec 19	35.1	31.7
157	15435 & 15445 Innovation Drive 	11 Dec 19	57.2	55.4
158	5005 & 5010 Wateridge 	11 Dec 19	119.0	121.3
159	6055 Lusk Boulevard (decommissioned for major refurbishment work)	11 Dec 19	47.3	78.4
Total (Business Space Properties, San Diego)			581.6	638.5
San Francisco, California				
160	510 Townsend Street 	21 Nov 20	498.6	525.1
161	505 Brannan Street 	21 Nov 20	269.4	292.9
Total (Business Space Properties, San Francisco)			768.0	818.0
Total (Business Space Properties, United States)			2,049.7	2,155.9


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 Cash Flow Analysis. Based on exchange rate of US\$1.0000: S\$1.3707 as at 31 December 2022.

As at 31 December 2022, these properties recorded a depreciation on revaluation against their corresponding US\$ values as at 31 December 2021 due to changing market conditions and/or shorter unexpired lease term.

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

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

GFA (sq m)	NLA (sq m)	Address	Gross Revenue* for FY2022 (\$ million)	Occupancy Rate as at 31 December 2022
5,030	5,030	8300 SW Creekside Place, Beaverton	1.5	93.9%
1,837	1,837	8305 SW Creekside Place, Beaverton	0.4	70.0%
4,998	4,998	8405 SW Nimbus Avenue, Beaverton	1.7	100.0%
6,085	6,085	8500 SW Creekside Place, Beaverton	1.9	100.0%
3,340	3,340	8700 - 8770 SW Nimbus Avenue, Beaverton	1.1	95.7%
3,800	3,800	9205 SW Gemini Drive, Beaverton	1.2	53.7%
4,382	4,382	9405 SW Gemini Drive, Beaverton	1.5	100.0%
5,822	4,465	8705 SW Nimbus Avenue, Beaverton	1.6	61.4%
7,092	7,022	8905 SW Nimbus Avenue, Beaverton	2.6	63.2%
7,190	7,190	14600 - 14700 NW Greenbrier Parkway, Beaverton	0.8	100.0%
14,739	14,739	15350 - 15400 NW Greenbrier Parkway, Beaverton	2.9	89.9%
8,708	8,708	15201 NW Greenbrier Parkway, Beaverton	1.7	65.0%
16,037	15,908	15220 NW Greenbrier Parkway, Beaverton	4.7	46.3%
6,466	6,360	15455 NW Greenbrier Parkway, Beaverton	2.0	68.2%
11,752	11,752	14908, 14924, 15247 and 15272 NW Greenbrier Parkway, Beaverton	3.1	88.1%
107,277	105,614		28.6	83.3%
30,555	29,479	5200 East & West Paramount Parkway, Morrisville	9.5	88.3%
19,356	18,952	3005 Carrington Mill Boulevard, Morrisville	8.2	98.2%
19,940	19,220	3020 Carrington Mill Boulevard, Morrisville	7.7	83.2%
23,959	22,863	3015 Carrington Mill Boulevard, Morrisville	8.1	100.0%
17,969	17,855	3025 Carrington Mill Boulevard, Morrisville	6.4	78.4%
111,778	108,369		39.9	89.4%
29,543	29,543	10020 Pacific Mesa Boulevard, San Diego	13.6	100.0%
6,500	6,500	15051 Avenue of Science, San Diego	3.5	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	4.2	69.3%
6,391	6,391	15378 Avenue of Science, San Diego	3.3	100.0%
9,536	9,536	15435 & 15445 Innovation Drive, San Diego	5.4	93.1%
16,052	16,052	5005 & 5010 Wateridge Vista Drive, San Diego	10.3	100.0%
-	-	6055 Lusk Boulevard, San Diego	2.8	0.0%
89,072	89,072		45.3	93.5%
27,437	27,437	510 Townsend Street, San Francisco	37.8	100.0%
13,935	13,935	505 Brannan Street, San Francisco	19.8	100.0%
41,372	41,372		57.7	100.0%
349,498	344,428		171.4	90.0%

Logistics Properties

United States

KANSAS CITY, KANSAS/MISSOURI



162 Airworld 1



163 Airworld 2



164 Continental Can



165 Crossroads Distribution Center



166 Lackman Business Center 1-3



167 Lackman Business Center 4



168 Levee



169 North Topping



170 Quebec



171 Saline

CHICAGO, ILLINOIS



172 Warren



173 540-570 Congress Circle South



174 490 Windy Point Drive



175 472-482 Thomas Drive



176 13144 South Pulaski Road



177 3950 Sussex Avenue



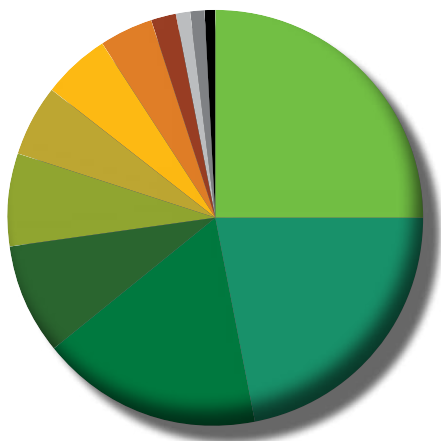
178 2500 South 25th Avenue



179 501 South Steward Road

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2022

By Gross Rental Income



Industry	%
Logistics & Supply Chain Management	25.1%
Engineering	21.9%
Distributors & Trading Company	17.2%
Natural Resources	8.6%
Food	7.4%
Biomedical Sciences	5.5%
Energy/Utilities	5.3%
Government	4.1%
Professional Services	1.9%
Textile & Garments	1.3%
Information & Communications Technology	0.9%
Retail	0.8%

Logistics Properties (United States)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	10	8	18
No. of Customers	32	8	40
GFA (sq m)	239,903	93,352	333,255
Gross Revenue (S\$ million)	17.3	7.0	24.22
Book Value/Valuation as at 31 December 2022 (S\$ million)	250.2	114.0	364.1
Capitalisation Rate as at 31 December 2022 (%)		5.6	
Weighted Average Lease to Expiry (in Years)		2.9	

Logistics Properties

United States

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (S\$ million)	Valuation as at 31 December 2022# (S\$ million)	
Kansas City, Kansas/Missouri				
162	Airworld 1	05 Nov 21	16.2	19.2
163	Airworld 2	05 Nov 21	16.3	16.9
164	Continental Can##	05 Nov 21	17.7	17.9
165	Crossroads Distribution Center	05 Nov 21	18.7	19.4
166	Lackman Business Center 1- 3	05 Nov 21	40.4	42.8
167	Lackman Business center 4##	05 Nov 21	8.8	9.0
168	Levee	05 Nov 21	20.6	21.4
169	North Topping	05 Nov 21	10.4	10.8
170	Quebec##	05 Nov 21	26.2	29.0
171	Saline##	05 Nov 21	10.2	10.8
172	Warren	05 Nov 21	22.3	23.3
Total (Logistics Properties, Kansas City)			207.8	220.5
Chicago, Illinois				
173	540-570 Congress Circle South	10 Jun 22	16.3	15.4
174	490 Windy Point Drive	10 Jun 22	6.2	5.7
175	472-482 Thomas Drive	10 Jun 22	15.4	17.4
176	13144 South Pulaski Road	10 Jun 22	25.9	33.3
177	3950 Sussex Avenue	10 Jun 22	6.6	6.8
178	2500 South 25th Avenue	10 Jun 22	14.9	15.8
179	501 South Steward Road	10 Jun 22	47.8	49.2
Total (Logistics Properties, Chicago)			133.2	143.6
Total (Logistics Properties, United States)			341.0	364.1

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 Cash Flow Analysis. Based on exchange rate of US\$1.0000: S\$1.3707 as at 31 December 2022.

As at 31 December 2022, these properties recorded a depreciation on revaluation against their corresponding US\$ values as at 31 December 2021 due to changing market conditions and/or shorter unexpired lease term.

+ Refers to the gross revenue from acquisition date to 31 December 2022. Includes gross rental income, car park income and other income.

GFA (sq m)	NLA (sq m)	Address	Gross Revenue* for FY2022 (\$ million)	Occupancy Rate as at 31 December 2022
18,851	18,851	10707 – 10715 Airworld Drive	1.6	100.0%
13,961	13,961	10717 Airworld Drive	1.5	100.0%
15,946	15,946	11725 West 85th Street	1.3	100.0%
16,259	16,259	11350 Strang Line Road	1.6	100.0%
32,337	32,337	15300 – 15610 West 101st Terrace	3.7	100.0%
6,800	6,800	15555 – 15607 West 100th Terrace	0.8	100.0%
22,125	22,125	1746 Levee Road	1.8	100.0%
11,066	11,066	1501 – 1599 North Topping Avenue	0.8	100.0%
28,935	28,935	1253 – 1333 Quebec Street	2.1	100.0%
11,073	11,073	1234 – 1250 Saline Street	0.9	100.0%
23,826	23,826	1902 – 1930 Warren Street	1.7	100.0%
200,909	200,909		17.6	100.0%
9,385	9,385	540-570 Congress Circle South, Roselle	0.6	100.0%
4,116	4,116	490 Windy Point Drive, Glendale Heights	0.2	100.0%
10,966	10,966	472 Thomas Drive, Bensenville	0.7	100.0%
34,398	34,398	13144 South Pulaski Road, Alsip	1.6	100.0%
4,020	4,020	3950 Sussex Avenue, Aurora	0.3	100.0%
15,616	15,616	2500 South 25th Avenue, Broadview	0.8	100.0%
53,844	53,844	501 South Steward Road, Rochelle	2.4	100.0%
132,345	132,345		6.6	100.0%
333,255	333,255		24.2	100.0%

Logistics Properties

United Kingdom/Europe

EAST ENGLAND, UNITED KINGDOM



180 Market Garden Road

EAST MIDLANDS, UNITED KINGDOM



181 Common Road



182 Units 1 - 5,
Export Drive

NORTH WEST ENGLAND, UNITED KINGDOM



183 Astmoor Road



184 Transpennine
200

SOUTH EAST ENGLAND, UNITED KINGDOM



185 Leacroft Road



186 Hawleys Lane



187 8 Leacroft
Road



188 Howard House



189 Units 1-2, Tower
Lane

WEST MIDLANDS, UNITED KINGDOM



190 Lodge Road



191 Eastern Avenue



192 Vernon Road



193 1 Sun Street



194 The Triangle



195 Unit 103,
Stonebridge
Cross Business
Park



196 Unit 302,
Stonebridge
Cross Business
Park



197 Unit 401,
Stonebridge
Cross Business
Park



198 Unit 402,
Stonebridge
Cross Business
Park



199 Unit 404,
Stonebridge
Cross Business
Park



200 Unit 1,
Wellesbourne
Distribution Park



201 Unit 2,
Wellesbourne
Distribution Park



202 Unit 3,
Wellesbourne
Distribution Park



203 Unit 4,
Wellesbourne
Distribution Park



204 Unit 5,
Wellesbourne
Distribution Park



205 Unit 8,
Wellesbourne
Distribution Park



206 Unit 13,
Wellesbourne
Distribution Park



207 Unit 14,
Wellesbourne
Distribution Park



208 Unit 16,
Wellesbourne
Distribution Park



209 Unit 17,
Wellesbourne
Distribution Park

**YORKSHIRE AND
THE HUMBER,
UNITED KINGDOM**



210 Unit 18,
Wellesbourne
Distribution Park



211 Unit 19,
Wellesbourne
Distribution Park



212 Unit 20,
Wellesbourne
Distribution Park



213 Unit 21,
Wellesbourne
Distribution Park



214 12 Park Farm
Road



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



216 Unit 3,
Brookfields
Way



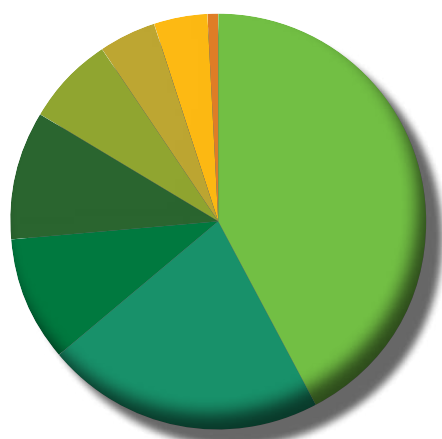
217 Lowfields Way

Logistics Properties

United Kingdom/Europe

CUSTOMERS' INDUSTRY MIX AS AT 31 DECEMBER 2022

By Gross Rental Income



Industry	%
Logistics & Supply Chain Management	42.3%
Engineering	21.6%
Distributors & Trading Company	9.9%
Retail	9.9%
Food	7.1%
Electronics	4.3%
e-Commerce	4.1%
IO/NGOs/NPOs ⁽¹⁾	0.8%

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



Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (S\$ million)	Valuation as at 31 December 2022 ^{^^#} (S\$ million)
East England			
180	Market Garden Road ^{##}	16 Aug 18	37.5
Total (Logistics Properties, East England)			37.5
East Midlands			
181	Common Road ^{##}	16 Aug 18	54.4
182	Units 1-5, Export Drive ^{##}	16 Aug 18	3.0
Total (Logistics Properties, East Midlands)			57.4
North West England			
183	Astmoor Road	16 Aug 18	52.4
184	Transpennine 200	16 Aug 18	15.3
185	Leacroft Road ^{##}	04 Oct 18	12.5
186	Hawleys Lane	04 Oct 18	43.5
187	8 Leacroft Road ^{##}	04 Oct 18	9.5
Total (Logistics Properties, North West England)			133.2
South East England			
188	Howard House ^{##}	16 Aug 18	56.7
189	Units 1-2, Tower Lane	16 Aug 18	20.0
190	Lodge Road [^]	04 Oct 18	21.0
Total (Logistics Properties, South East England)			97.7
West Midlands			
191	Eastern Avenue ^{##}	16 Aug 18	26.4
192	Vernon Road ^{##}	16 Aug 18	31.0
193	1 Sun Street [^]	04 Oct 18	39.1
194	The Triangle ^{##}	04 Oct 18	48.1
195	Unit 103, Stonebridge Cross Business Park	04 Oct 18	2.2
196	Unit 302, Stonebridge Cross Business Park	04 Oct 18	35.7
197	Unit 401, Stonebridge Cross Business Park	04 Oct 18	11.0
198	Unit 402, Stonebridge Cross Business Park ^{##}	04 Oct 18	8.0
199	Unit 404, Stonebridge Cross Business Park	04 Oct 18	8.4

Logistics Properties (United Kingdom)	Multi-tenant Buildings	Single-tenant Buildings	Total
No. of Properties	2	36	38
No. of Customers	2	30	32
GFA (sq m)	10,138	498,287	508,425
Gross Revenue (\$\$ million)	1.1	45.0	46.1
Book Value/Valuation as at 31 December 2022 (\$\$ million)	26.6	728.2	754.8
Capitalisation Rate as at 31 December 2022 (%)		6.1	
Weighted Average Lease to Expiry (in Years)		7.7	

GFA (sq m)	NLA (sq m)	Address	Gross Revenue* for FY2022 (\$\$ million)	Occupancy Rate as at 31 December 2022
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	2.5	100.0%
2,785	2,785	Units 1-5, Export Drive, Huthwaite, Sutton-in-Ashfield	0.3	100.0%
50,083	50,083		2.8	100.0%
45,043	45,043	Astmoor Road, Astmoor Industrial Estate, Runcorn	2.8	100.0%
7,880	7,880	Transpennine 200, Pilsworth Road, Heywood, Greater Manchester	0.4	100.0%
8,388	8,388	Leacroft Road, Birchwood, Warrington	0.8	100.0%
35,104	35,104	Hawleys Lane, Warrington	3.1	100.0%
8,432	8,432	8 Leacroft Road, Birchwood, Warrington	0.6	100.0%
104,847	104,847		7.7	100.0%
20,611	20,611	Howard House, Howard Way, Interchange Park, Newport Pagnell	2.4	100.0%
7,803	7,572	Units 1-2, Tower Lane, Stoke Park, Tower Industrial Estate, Eastleigh	1.1	100.0%
12,025	12,025	Lodge Road, Staplehurst, Kent	1.4	100.0%
40,439	40,208		4.9	100.0%
15,994	15,994	Eastern Avenue, Derby Road, Burton-on-Trent	1.8	100.0%
25,701	25,701	Vernon Road, Stoke-on-Trent	2.0	100.0%
24,929	24,929	1 Sun Street, Wolverhampton	2.2	100.0%
28,917	28,917	The Triangle, North View, Walsgrave, Coventry	2.6	100.0%
1,233	1,233	Unit 103, Pointon Way, Stonebridge Cross Business Park, Droitwich	0.1	100.0%
21,499	21,499	Unit 302, Pointon Way, Stonebridge Cross Business Park, Droitwich	2.1	100.0%
6,265	6,265	Unit 401, Pointon Way, Stonebridge Cross Business Park, Droitwich	0.6	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	0.5	100.0%

Logistics Properties

United Kingdom/Europe

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (S\$ million)	Valuation as at 31 December 2022 ^{^^#} (S\$ million)	
200	Unit 1, Wellesbourne Distribution Park ^{##}	04 Oct 18	43.8	38.9
201	Unit 2, Wellesbourne Distribution Park ^{##} 	04 Oct 18	29.1	26.8
202	Unit 3, Wellesbourne Distribution Park ^{##}	04 Oct 18	41.9	36.0
203	Unit 4, Wellesbourne Distribution Park ^{##} 	04 Oct 18	10.7	10.3
204	Unit 5, Wellesbourne Distribution Park ^{####}	04 Oct 18	13.1	12.1
205	Unit 8, Wellesbourne Distribution Park ^{####}	04 Oct 18	21.4	16.5
206	Unit 13, Wellesbourne Distribution Park ^{**}	04 Oct 18	9.5	10.5
207	Unit 14, Wellesbourne Distribution Park ^{##}	04 Oct 18	14.3	12.3
208	Unit 16, Wellesbourne Distribution Park	04 Oct 18	3.0	3.8
209	Unit 17, Wellesbourne Distribution Park	04 Oct 18	2.2	2.4
210	Unit 18, Wellesbourne Distribution Park ^{**}	04 Oct 18	1.8	2.0
211	Unit 19, Wellesbourne Distribution Park	04 Oct 18	2.1	2.4
212	Unit 20, Wellesbourne Distribution Park ^{##}	04 Oct 18	4.2	4.1
213	Unit 21, Wellesbourne Distribution Park ^{##}	04 Oct 18	5.3	6.1
Total (Logistics Properties, West Midlands)			412.3	371.8
Yorkshire and the Humber				
214	12 Park Farm Road ^{##}	16 Aug 18	19.8	18.3
215	Units 1a, 1b, 2 & 3, Upwell Street ^{##}	16 Aug 18	34.2	33.0
216	Unit 3, Brookfields Way ^{####}	16 Aug 18	22.5	24.7
217	Lowfields Way ^{##}	04 Oct 18	17.8	16.3
Total (Logistics Properties, Yorkshire and the Humber)			94.3	92.3
Total (Logistics Properties, United Kingdom)			832.4	754.8

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: S\$1.6264 as at 31 December 2022.

As at 31 December 2022, these properties recorded a depreciation on revaluation against their corresponding £ values as at 31 December 2021 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 <https://www.capitaland-ascendasreit.com/en/sustainability/green-buildings.html>

GFA (sq m)	NLA (sq m)	Address	Gross Revenue* for FY2022 (\$ million)	Occupancy Rate as at 31 December 2022
21,243	21,243	Unit 1, Wellesbourne Distribution Park, Wellesbourne, Warwick	2.4	100.0%
12,282	12,282	Unit 2, Wellesbourne Distribution Park, Wellesbourne, Warwick	1.8	100.0%
19,552	19,552	Unit 3, Wellesbourne Distribution Park, Wellesbourne, Warwick	2.2	100.0%
4,774	4,774	Unit 4, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.5	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	1.1	100.0%
5,618	5,618	Unit 13, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.3	100.0%
9,887	9,887	Unit 14, Wellesbourne Distribution Park, Wellesbourne, Warwick	1.1	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%
891	891	Unit 19, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.1	100.0%
2,335	2,335	Unit 20, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.0	0.0%
3,064	3,064	Unit 21, Wellesbourne Distribution Park, Wellesbourne, Warwick	0.4	100.0%
232,631	232,631		23.7	99.0%
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	1.8	100.0%
18,341	18,341	Unit 3, Brookfields Way, Rotherham	1.2	100.0%
11,549	11,549	Lowfields Way, Lowfields Business Park, Elland, Yorkshire	1.0	100.0%
67,409	67,409		5.4	100.0%
508,425	508,194		46.1	99.5%

Data Centres

United Kingdom/Europe

▶ AMSTERDAM,
THE NETHERLANDS



218 Cateringweg



219 Gyroscopweg



220 Paul van
Vlissingenstraat

▶ GENEVA,
SWITZERLAND



221 Chemin de
L'Epinglier

▶ LONDON,
UNITED KINGDOM



222 Welwyn Garden
City

▶ MANCHESTER,
UNITED KINGDOM



223 Cressex
Business Park



224 Croydon



225 Reynolds House

▶ PARIS,
FRANCE



226 Montigny-le-
Bretonneux



227 Bièvres



228 Saclay

Data Centres (UK/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 (\$\$ million)	59.1	33.1	92.2
Book Value/Valuation as at 31 December 2022 (\$\$ million)	330.7	397.8	728.5
Capitalisation Rate as at 31 December 2022 (%)		6.7	
Weighted Average Lease to Expiry (in Years)		4.6	

Note: As at 31 December 2022, all the customers of the Data Centre portfolio in UK/Europe were classified under the Data Centres industry category.

Property	Acquisition/ Completion Date	Purchase Price*/ Development Cost (\$ million)	Valuation as at 31 December 2022# (\$ million)	GFA (sq m)	NLA (sq m)^	Address	Gross Revenue* for FY2022 (\$ million)	Occupancy Rate as at 31 December 2022	
Amsterdam, The Netherlands									
218	Cateringweg###	17 Mar 21	109.1	89.6	5,683	5,683	Cateringweg 5, Schiphol	6.7	100.0%
219	Gyroscoopweg###	17 Mar 21	30.0	24.8	5,254	5,254	Gyroscoopweg 2E and 2F, Amsterdam	1.8	100.0%
220	Paul van Vlissingenstraat###	17 Mar 21	92.7	66.2	11,069	6,158^	Paul van Vlissingenstraat 16 and Johann Siegerstraat 9, Amsterdam	19.2	100.0%
Total (Data Centres, Amsterdam, The Netherlands)			231.8	180.6	22,006	17,095		27.7	100.0%
Geneva, Switzerland									
221	Chemin de L'Epinglier	17 Mar 21	40.1	38.9	6,114	6,114	Chemin de L'Epinglier 2, Satigny	2.5	100.0%
Total (Data Centres, Geneva, Switzerland)			40.1	38.9	6,114	6,114		2.5	100.0%
London, United Kingdom									
222	Welwyn Garden City###	17 Mar 21	120.5	98.2	11,400	10,541^	Hertfordshire Data Centre, Mundellst, Welwyn Garden City	11.4	100.0%
223	Cressex Business Park###	17 Mar 21	65.3	55.9	4,921	1,953^	Cressex Business Park, 1 Coronation Road, High Wycombe	7.2	62.4%
224	Croydon###	17 Mar 21	249.4	185.3	12,868	5,133^	Unit B, Beddington Lane, Croydon	24.8	89.5%
Total (Data Centres, London, United Kingdom)			435.2	339.4	29,189	17,627		43.4	92.8%
Manchester, United Kingdom									
225	Reynolds House###	17 Mar 21	25.1	23.3	4,871	3,532^	Plot C1, Birley Fields, Hulme, Manchester	7.9	100.0%
Total (Data Centres, Manchester, United Kingdom)			25.1	23.3	4,871	3,532		7.9	100.0%
Paris, France									
226	Montigny-le- Bretonneux###	17 Mar 21	114.0	96.3	10,406	9,714^	1 Rue Jean Pierre Timbaud, Montigny le Bretonneux	6.7	100.0%
227	Bièvres###	17 Mar 21	41.7	38.2	5,838	5,573^	127 Rue de Paris, Bièvres	2.9	100.0%
228	Saclay###	17 Mar 21	16.7	11.8	2,136	1,982^	Route de Bièvres & Route Nationale 306, Saclay	1.0	100.0%
Total (Data Centres, Paris, France)			172.4	146.3	18,380	17,269		10.7	100.0%
Total (Data Centres, United Kingdom / Europe)			904.6	728.5	80,560	61,637		92.2	97.9%

Notes:

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

The valuation for these properties were based on Discounted Cashflow Analysis. Based on exchange rate of £1.0000: S\$1.6264 for UK properties and €1.0000: S\$1.4184 for EU properties as at 31 December 2022.

As at 31 December 2022, these properties recorded a depreciation on revaluation against their corresponding £ or € values as at 31 December 2021 due to changing market conditions and/or shorter unexpired lease term.

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

^ Includes data hall space only.

Corporate Directory

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Christopher Wong
(with effect from financial year
31 December 2020)

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THE MANAGER

CapitaLand Ascendas
REIT Management Limited
Company Registration Number:
200201987K

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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 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

Ms Choo Oi Yee
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 Daniel Cuthbert
Ee Hock Huat
Chairman

Mr Chinniah
Kunnasagaran

Ms Ong Lee Keang
Maureen

INVESTMENT COMMITTEE

Mr Manohar Khiatani
Chairman

Dr Beh Swan Gin

Mr William Tay Wee Leong

Mr Chinniah
Kunnasagaran

Ms Choo Oi Yee

Mr Lim Cho Pin Andrew
Geoffrey

NOMINATING AND REMUNERATION COMMITTEE

Dr Beh Swan Gin
Chairman

Mr Daniel Cuthbert
Ee Hock Huat

Mr Manohar Khiatani

COMPANY SECRETARIES

Ms Michelle Koh

Mr Hon Wei Seng

STOCK SYMBOLS

A17U/CAPD.SI

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Corporate Governance

OUR ROLE

We, as the manager of CapitaLand Ascendas REIT (CLAR) (Manager), set the strategic direction of CLAR and its subsidiaries (CLAR Group) and make recommendations to HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of CLAR (Trustee), on any investment or divestment opportunities for CLAR and the enhancement of the assets of CLAR in accordance with the stated investment strategy for CLAR. 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 CLAR. Our primary responsibility is to manage the assets and liabilities of CLAR for the benefit of the unitholders of CLAR (Unitholders). We do this with a focus on generating rental income and enhancing asset value over time 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 CLAR'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 CLAR and where relevant, its Unitholders, and the United Kingdom's Alternative Investment Fund Managers Regulations 2013 (as amended) (AIFMR) and the European Union's Directive 2011/61/EU on Alternative Investment Fund Managers (AIFMD);
- (d) attending to all regular communications with Unitholders; and
- (e) supervising Ascendas Services Pte Ltd (for properties located in Singapore), CapitaLand Australia Pty Ltd, CapitaLand 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 CLAR's properties.

The Manager also considers sustainability issues (including environmental and social factors) as part of its responsibilities. CLAR's environmental sustainability and community outreach programmes are set out on pages 18 and 19 of this Annual Report.

CLAR, 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 CLAR 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

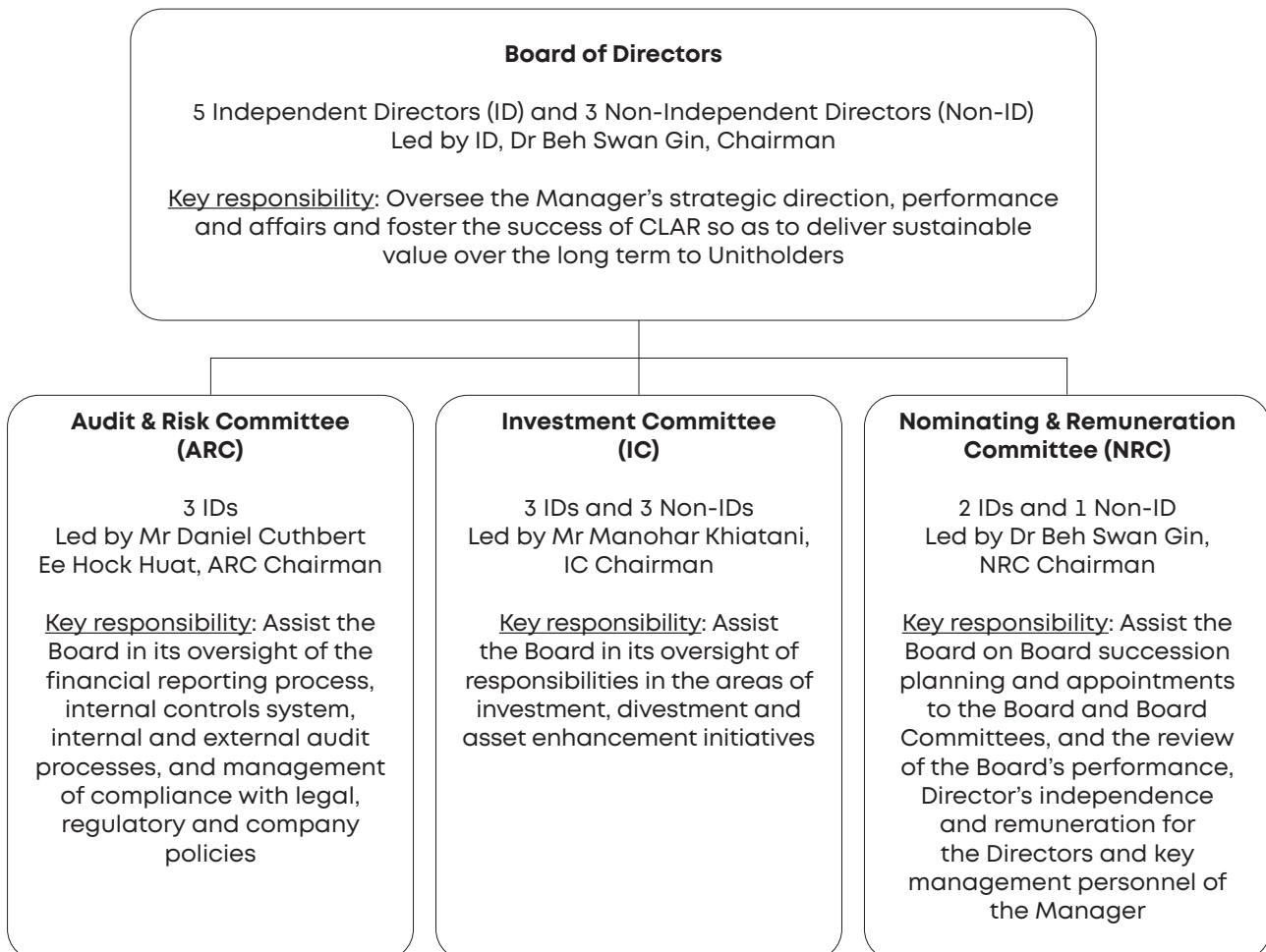
The Manager is a wholly owned subsidiary of CapitaLand Investment Limited (CLI) which holds a significant unitholding interest in CLAR. CLI is a leading global real estate investment manager, with a vested interest in the long-term performance of CLAR. CLI's significant unitholding in CLAR demonstrates its commitment to CLAR 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 CLAR:

- (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 CLAR Group's long-term strategic objectives. The policies and practices it has developed to meet the specific business needs of the CLAR 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 CLAR Group.

This corporate governance report (Report) sets out the corporate governance practices for the financial year (FY) 2022 with reference to the Code of Corporate Governance 2018 (Code).

Throughout FY2022, 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.

CLAR has received accolades from the investment community for excellence in corporate governance and corporate governance-related efforts. In FY2022, CLAR was ranked second in the REITs and Business Trusts category on the Singapore Governance and Transparency Index (SGTI).

As testament to our commitment to environment, social and corporate governance, CLAR scored "A" for public disclosure and achieved a 3-Star rating for GRESB¹ Real Estate Assessment 2022. CLAR was also upgraded to "A" from "BBB" rating in the Morgan Stanley Capital International (MSCI) ESG ratings.

CLAR 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 CLAR 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 CLAR'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 CLAR and the day-to-day operations of CLAR'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 CLAR and ensures that obligations to Unitholders and other stakeholders are understood and met.

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 CLAR (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.

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

Corporate Governance

The Directors are fiduciaries and are collectively and individually obliged at all times to act honestly and objectively in the best interests of CLAR. 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 CLAR 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 CLAR and the environment in which CLAR 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.

Sustainability

The Manager places sustainability at the core of everything it does. It is committed to growing its business in a responsible manner, delivering long-term economic value, and contributing to the environmental and social well-being of the communities in which it has a presence. In keeping with this commitment, sustainability-related considerations are key aspects of the Board's strategic formulation.

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 Manual. As a first-time Director of a SGX-ST listed issuer, Ms Choo Oi Yee who was appointed on 22 February 2023 is or will be undergoing training on the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST. The costs of training are borne by the Manager. The induction, training and development provided to new and existing Directors are set out below.

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 CLAR's business, operations, strategies, organisation structure, responsibilities of the CEO and other persons having executive roles with 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 CLAR Group's properties. Through the induction programme, the new Director also gets acquainted with members of Management which facilitates their interaction at Board meetings.

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, industry-related matters, and sustainability matters as prescribed by the SGX-ST, 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 FY2022, 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 and the sustainability training courses prescribed by the SGX-ST conducted by providers that represent different constituencies in the capital markets. 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.

Corporate Governance

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), the Nominating & Remuneration Committee (NRC) and the Investment Committee (IC).

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 100 and 133 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 by the Board, through the NRC 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 non-executive Directors, led by the independent Chairman or other independent Director as appropriate, also meet regularly at least once a year without the presence of Management. In FY2022, the non-executive Directors met once without the presence of Management. The chairman of these meetings was the independent Chairman and he provided feedback to all members of the Board and/or Management as appropriate.

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 CLAR'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 CLAR 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 CLAR's operations or financial performance;
- (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 CLAR Group's business as well as the issues and challenges faced by CLAR, and 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 CLAR. At Board and Board Committee meetings, all the Directors actively participate in discussions, such as engaging in open and constructive debate and challenge Management on its assumptions and recommendations.

Corporate Governance

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. 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 six Board meetings, four ARC meetings and three NRC meetings were held in FY2022. 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 FY2022 is set out on page 133 of this Annual Report. The CEO, who is also a Director, attends all Board meetings. He also attends all Board Committee 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.

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

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 IDs 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 22 to 27 of this Annual Report. Key information on the Directors is also available on CLAR's website at <https://www.capitaland-ascendasreit.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 CLAR Group's operations, and the competition that the CLAR Group faces.

Corporate Governance

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, CLAR'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 CLAR;
- (b) is independent from the management of the Manager and CLAR, from any business relationship with the Manager and CLAR, and from every substantial shareholder of the Manager and every substantial Unitholder of CLAR;
- (c) is not a substantial shareholder of the Manager or a substantial Unitholder of CLAR;
- (d) is not employed and has not been employed by the Manager or CLAR 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 CLAR 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, and if 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.

The Board, through the NRC, has carried out the assessment of the independence of the IDs for FY2022, 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 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 CLAR. This role also generates no conflict of interest issue in respect of his role as a Director of the Manager.

Dr Beh is also a non-executive director of two subsidiaries of Temasek Holdings (Private) Limited (Temasek). Temasek is a controlling shareholder of the Manager and the controlling unitholder of CLAR. Dr Beh's role in the subsidiaries of Temasek is non-executive in nature and he is not involved in the day-to-day conduct of the business of these corporations. Dr Beh 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 CLAR.

Corporate Governance

The Board has considered the conduct of Dr Beh 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 relationship stated above, Dr Beh 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 Dr Beh has exercised independent judgement in the discharge of his duties and responsibilities. Based on the above, the Board arrived at the determination that Dr Beh is an ID.

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), trustee-manager of Keppel Infrastructure Trust (KIT), and a non-executive director of two joint-venture investee companies of KIT (collectively, KIT SPVs) which are associated corporations of Temasek. Mr Ee's role in KIFM and KIT SPVs is non-executive in nature and he is not involved in the day-to-day conduct of the business of KIFM and KIT SPVs. 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 CLAR.

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 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 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 ID.

Mr Chinniah Kunnasagaran

Mr Chinniah Kunnasagaran is a non-executive director of various subsidiaries of Temasek as well as non-executive director of KIFM, trustee-manager of KIT, and two KIT SPVs which are associated corporations 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 CLAR.

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 ID.

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 ID.

Ms Choo Oi Yee

Ms Choo Oi Yee was appointed to the Board on 22 February 2023. Ms Choo is the CEO and director of ADDX Pte. Ltd. (ADDX) and director of ICHX Tech Pte. Ltd (ICHX), the holding company of ADDX. ICHX is a tenant of a property owned by CLAR. The tenancy agreement (and any novation agreement) entered into for the rental of property owned by CLAR was negotiated on an arms' length basis, in the ordinary course of business and on normal commercial terms. The tenancy agreement was entered into before Ms Choo was appointed as the CEO and director of ADDX and director of ICHX.

Corporate Governance

The Board is of the view that the relationship set out above does not impair Ms Choo's ability to act with independent judgement in the discharge of her duties and responsibilities as a Director. Save for the relationship stated above, Ms Choo 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 her independent judgement. The Board is therefore of the view that Ms Choo is able to exercise independent judgement and act in the best interests of all Unitholders, in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Ms Choo is an ID.

The Board is of the view that as at the last day of FY2022, each of Dr Beh, 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 FY2022.

The remaining Directors, namely, Mr Manohar Khiatani, Mr Lim Cho Pin, Andrew Geoffrey and Mr William Tay Wee Leong are all employees of CLI Group (which term refers to (i) CLI, its subsidiaries; and/or (ii) REITs managed by CLI and its subsidiaries) and are not considered to be independent.

Board Diversity

The Board embraces diversity and has formally adopted a Board Diversity Policy which provides for the Board to comprise talented and dedicated Directors with a wide 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, geographical background and nationalities.

The Board 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, which is essential to the effective governance of CLAR's business and for ensuring long-term sustainable growth.

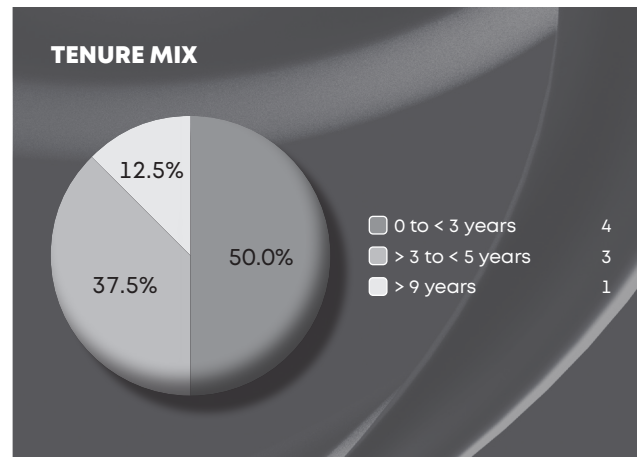
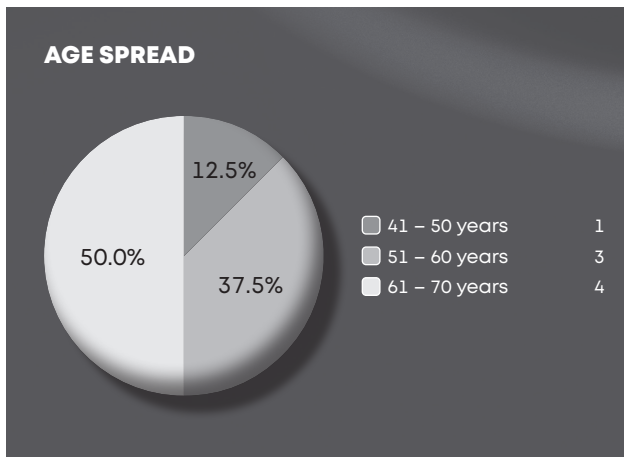
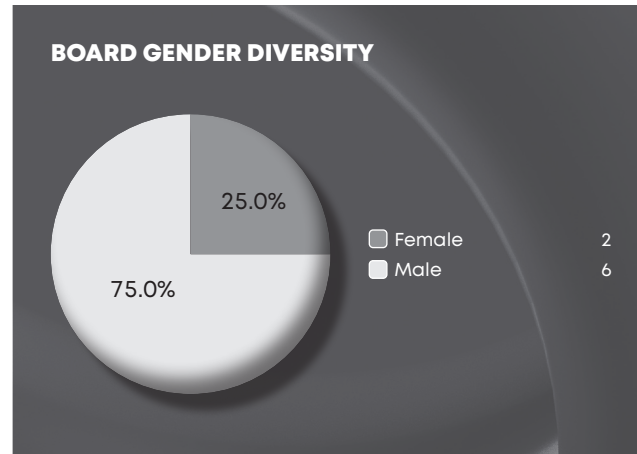
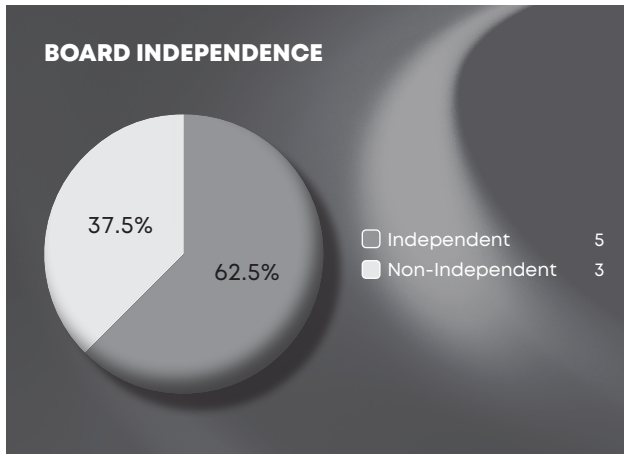
On 22 February 2023, Ms Choo Oi Yee joined the Board. Ms Choo brings with her significant entrepreneurial expertise and networks in the investment banking, capital markets and fintech sectors. Her appointment augmented and strengthened the Board's diversity in terms of age, gender, professional qualifications, industry knowledge, skills and experience, and enabled progress towards attaining these targets. The Manager remains committed to diversity in the Board and any further progress made towards attaining the targets set will be disclosed in future Corporate Governance Reports as appropriate.

The NRC, in carrying out its duties of determining the optimal composition of the Board in its Board renewal process and addressing Board vacancies, identifies possible candidates that bring a diversity of background and opinion from amongst candidates with the appropriate background and industry or related expertise and experience. In identifying possible candidates and making recommendations of Board appointments to the Board, the NRC considers, among others, achieving an appropriate level of diversity in the Board composition having regard to diversity factors such as age, educational, business and professional backgrounds of its members. Gender diversity is also considered an important aspect of diversity.

The NRC has reviewed the size and composition of the Board and is of the opinion that the Board's current size is appropriate with an appropriate balance and diversity of skills, talents, experience and backgrounds, taking into account the objectives of the Board Diversity Policy and the CLAR Group's business needs and plans, for effective decision-making and constructive debate. In line with the Board Diversity Policy, 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, accounting, business and general management. The current Board has two female members. For further information on the Board's work in this regard, please refer to "Board Membership" under Principle 4 in this Report.

The pie charts below set out some data which is relevant to Board diversity. Such data is illustrative of how the Board has already achieved a level of diversity which fulfils the objectives as envisioned by the Board Diversity Policy – which is to leverage on the diversity in the Board in business and professional experience, age and gender to enhance the Board's decision-making capability and ensure that the Manager has the opportunity to benefit from all available talent and perspectives.

Corporate Governance



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 CLAR, as well as the issues and the competition that CLAR 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.

Corporate Governance

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 CLAR 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 CLAR 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, there is no requirement for a lead ID. Moreover, the Board has a strong independent element as five out of eight directors (including the Chairman) are non-executive IDs. There are also sufficient measures in place to address situations where the Chairman is conflicted as the Directors are required to recuse themselves from deliberations and abstain from voting on any matters that could potentially give rise to conflict. Accordingly, the foregoing is consistent with the intent of Principle 3 of the Code.

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. The Board 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.

At present, the NRC comprises three non-executive directors, two of whom (including the chairman of the NRC) are IDs. The three members on the NRC are Dr Beh Swan Gin (NRC Chairman), Mr Daniel Cuthbert Ee Hock Huat and Mr Manohar Khiatani.

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 in relation to nomination and appointment of directors includes:

- (a) reviewing and making recommendations to the Board on the structure, size and composition of the Board and its Board Committees and formulating, reviewing and making recommendations to the Board on succession plans for Directors, in particular the appointment and/or replacement of the Chairman and the CEO;
- (b) reviewing and making recommendations to the Board on the process and criteria for the evaluation of 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 (including alternate directors, if any)².

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.

In addition to the above, the NRC and/or the Board as a whole is kept abreast of relevant matters relating to the review of succession plans relating to the key management personnel, in particular the appointment and/or replacement of the key management personnel. While this is a deviation from Provision 4.1(a) of the CG Code which requires the NRC to make recommendations to the Board on relevant matters relating to the review of succession plans, in particular the appointment and/or replacement of the key management personnel, the Board is of the view that such matters could be considered either by the NRC or by the Board as a whole. This is accordingly consistent with the intent of Principle 4 of the Code.

² For the avoidance of doubt, there are no alternate directors appointed for FY2022.

Corporate Governance

The NRC also makes recommendations to the Board on relevant matters relating to the review of the training and professional development programmes for the Board and the Directors.

The NRC's duties and responsibilities in relation to remuneration matters are set out on pages 116 to 121 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 CLAR 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 CLAR Group. The Board has a few members who have prior working experience in the sector that CLAR operates in. The channels used in the search and nomination process for identifying appropriate candidates, and the channels via which the eventual appointee(s) were found, and the criteria used to identify and evaluate potential new directors, are set out below.

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 CLAR'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 CLAR's strategic priorities and the factors affecting the long-term success of CLAR. 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 CLAR, 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 CLAR'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 CLAR 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.

Corporate Governance

The NRC identifies suitable candidates for appointment to the Board. Searches for possible candidates are conducted through contacts and recommendations. In this regard, the Manager may rely on external consultants from time to time to assist the NRC in identifying candidates. Candidates are identified based on the needs of CLAR 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 CLAR. In addition, the NRC assesses the candidates' ability to commit time to the affairs of CLAR, taking into consideration their other current appointments. The NRC uses a skills matrix to determine any skills gaps for 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, Mr Chan Pengee, Adrian retired as a non-executive ID, Chairman of the ARC and a member of the NRC with effect from 1 November 2022. Mr Daniel Cuthbert Ee Hock Huat, who has been a member of the ARC was appointed as Chairman of the ARC and a member of the NRC with effect from 1 November 2022. On 22 February 2023, Ms Choo Oi Yee was appointed as non-executive ID and a member of the IC, and Mr Daniel Cuthbert Ee Hock Huat has relinquished his role as a member of the IC. Ms Choo Oi Yee was identified through contacts and recommendations.

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. Ms Choo Oi Yee will undergo the requisite training under Rule 210(5)(a) of the Listing Manual before 22 February 2024 (being one year from the date of her appointment to the Board).

In FY2022, all Directors completed the sustainability training as prescribed by the SGX-ST. Going forward, new Directors who are appointed to the Board from time to time will either have expertise in sustainability matters or will undergo further training required under Rule 720(7) 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 FY2022, all non-executive Directors had undergone the self-assessment and provided the confirmation.

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.

Corporate Governance

The Directors' listed company directorships and principal commitments are disclosed on pages 24 to 27 of this Annual Report and their attendance record for FY2022 is set out on page 133 of this Annual Report. In particular, the CEO does not serve on any listed company board outside of the CLAR Group. For FY2022, 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 CLAR 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 CLAR.

The NRC recommends for the Board's approval the objective performance criteria, and 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. As and when required, external facilitators may be appointed to assist in the evaluation process of the Board, Board committees and individual Directors. For FY2022, the evaluation process was conducted without involving any external facilitator.

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 FY2022, 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 FY2022, the outcome of the evaluation was satisfactory and each of the Directors 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.

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 CLAR in the appropriate direction, as well as the long-term performance of CLAR whether under favourable or challenging market conditions.

Corporate Governance

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.

The Board has established the NRC, whereby the scope of duties and responsibilities in relation to remuneration matters under its terms of reference include:

- (a) to review and determine the Board remuneration framework and the specific remuneration packages for the Directors; and
- (b) to review and determine the compensation framework and the specific remuneration packages for the CEO and other key management personnel.

While Provision 6.1 of the Code provides for the NRC to make recommendations to the Board on such matters, the Board is of the view that such matters are best reviewed and determined by the NRC as part of its focused scope, and has delegated the decision-making on such matters to the NRC. The NRC reports any decisions made on such matters to the Board. This is accordingly consistent with the intent of Principle 6 of the Code.

For further information on the composition of the NRC, please refer to “Board Membership” under Principle 4 in this Report.

Remuneration Policy for Key Management Personnel

The remuneration framework and policy are designed to support the implementation of the CLAR 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 CLAR Group
- Significant and appropriate portion of pay-at-risk, taking into account risk policies of the CLAR 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

Corporate Governance

These remuneration policies are in line with the CLAR 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 business 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 CLAR. 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 FY2022, 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, its related corporations or any of its Directors.

Remuneration of Key Management Personnel

The remuneration of key management personnel comprises of 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 and promote the long-term success of CLAR.

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 CLAR Group's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in the dimensions of:

REIT Performance	This includes targets relating to profitability and distributions, capital structure, financial and risk management, as well as investor engagement.
Future Growth	This includes targets relating to asset enhancement, investments, asset performance and occupancy, and capital recycling.
Sustainability	This includes targets relating to ESG such as environmental sustainability, talent retention, succession planning and sustainable corporate practices (including workplace safety).
Manager's Financial Health	This includes targets relating to Manager's financial viability and efficiency.

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

After the close of each financial year, the Board reviews the CLAR 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 and individual performance as well as the affordability of the payout to the Manager.

Corporate Governance

C. **Unit-based Components:**

Unit awards were granted in FY2022 pursuant to the CapitaLand Ascendas REIT Management Limited (formerly known as Ascendas Funds Management (S) Limited) Performance Unit Plan (PUP) and CapitaLand Ascendas REIT Management Limited (formerly known as 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 CLAR's long-term growth and value. The obligation to deliver the Units is satisfied out of existing 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 CLAR 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 are found to be involved in financial misstatement, misconduct, fraud or malfeasance to the detriment of the CLAR Group.

CapitaLand Ascendas REIT Management Limited Performance Unit Plan

In FY2022, the NRC 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 CLAR Group measured by the percentile ranking of the TUR of the CLAR 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 CLAR 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. Recipients will receive fully paid Units, their equivalent cash value or combinations thereof, at no cost.

For FY2022, the relevant award for assessment of the performance achieved by the CLAR Group is the award granted in FY2020 where the qualifying performance period was FY2020 to FY2022. Based on the NRC's assessment that the performance achieved by the CLAR Group has exceeded the pre-determined performance targets for such performance period, the resulting number of Units for the finalised award has been adjusted accordingly to reflect the performance level.

In respect of the Unit awards granted under the PUP in FY2021 and FY2022, the respective qualifying performance periods have not ended as at the date of this Report.

CapitaLand Ascendas REIT Management Limited Restricted Unit Plan

In FY2022, the NRC 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 CLAR Group; and
- (b) Distribution per Unit of the CLAR Group.

Corporate Governance

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 CLAR 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, their equivalent cash value or combinations thereof, at no cost.

In respect of the Unit awards granted under the RUP in FY2022, based on the NRC's assessment that the performance achieved by the CLAR Group has exceeded the pre-determined performance targets for FY2022, the resulting number of Units for the finalised award has been adjusted accordingly to reflect the performance level.

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.

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 CLAR for the long term. The CEO does not attend discussions relating to his own performance and remuneration.

While the disclosure of, among others, the CEO's exact remuneration amount and the names, amounts and breakdown of remuneration of at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than S\$250,000 and the aggregate of the total remuneration paid to these key management personnel would be in full compliance with Provision 8.1 of the Code, 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 talent in the REIT management industry. Disclosure of such information may subject the Manager to undue risks including the risk of loss of key management resulting in increased management turnover. Given the importance of retaining competent and experienced staff to ensure CLAR's stability and continuity of business operations as well as the need to balance the confidential and commercial sensitivities associated with remuneration matters, the Manager is of the view that it is in the interests of Unitholders not to make such disclosures.

The Manager is of the view that despite this partial deviation from Provision 8.1 of the Code, the disclosures in this Annual Report are consistent with the intent of Principle 8 of the Code. The remuneration of the CEO and the key management personnel is not borne by CLAR, as they are paid out of the fees that the Manager receives. The basis of such management fees is set out in the Trust Deed, with the Trust Deed being deemed approved by Unitholders upon listing of CLAR and at various general meetings where Unitholders approved amendments to the Trust Deed in relation to the management fees. The quantum and basis of such management fees are also disclosed to Unitholders in the Annual Reports for transparency. For the above reasons, the Manager is of the view that the interests of Unitholders are not prejudiced by this partial deviation.

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 these 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 CLAR 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. 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.

Corporate Governance

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.

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 CLAR as CLAR is a key part of CLI’s business and ecosystem (and CLI is also the largest Unitholder of CLAR), and Management’s actions to grow CLAR and drive CLAR’s performance will also have a positive impact on CLI, thus reinforcing the complementary nature of the linked performance between CLAR 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, 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 CLAR given that the bulk of their remuneration is determined based on the evaluation of the performance of CLAR 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 CLAR and give priority to the interest of CLAR 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 CLAR. 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. There was no new Special PSP Award in FY2022. In respect of the Special PSP Award granted in FY2021, the qualifying performance period has not ended as at the date of this Report.

In FY2022, 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 FY2022, there were no employees of the Manager who were substantial shareholders of the Manager, substantial Unitholders of CLAR or immediate family members of a Director, the CEO, any substantial shareholder of the Manager or any substantial Unitholder of CLAR. “Immediate family member” refers to the spouse, child, adopted child, step-child, sibling or parent of the individual.

Remuneration Disclosures under AIFMR / AIFMD

The Manager is required under the AIFMR / AIFMD 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 CLAR.

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 FY2022 was approximately S\$11.74 million. This figure comprised fixed pay of S\$6.97 million, variable pay of S\$4.15 million (including Units issued under the Unit Plans, where applicable) and allowances and benefits-in-kind of S\$0.62 million. There was a total of 70 beneficiaries of the remuneration described above. In respect of FY2022, 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 CLAR) was approximately S\$3.77 million, comprising six individuals identified having considered, among others, their roles and decision-making powers.

Remuneration for Non-Executive Directors

The non-executive Directors’ fees are paid by the Manager and the FY2022 fees, together with a breakdown of the components, are set out in the Non-Executive Directors’ Remuneration Table on page 134 of this Annual Report. These non-executive Directors’ fees are paid by the Manager.

Corporate Governance

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, appropriate to the level of contribution, 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 CLAR 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 CLAR.

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 for his role as an executive Director. 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 CLAR's long-term growth and value. The payment of non-executive Directors' fees in Units is satisfied from the Units held by the Manager. No individual Director is involved in any decision of the NRC relating to his or her own remuneration.

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 a 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 appointed in FY2022 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 CLAR 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 CLAR's risk management framework and policies for the CLAR Group and ensuring that the Manager maintains a sound system of risk management and internal controls.

Under its terms of reference, the ARC's scope of duties and responsibilities with regard to risk management and internal controls systems are 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 CLAR 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 Management.

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.

Corporate Governance

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 CLAR Group's Risk Appetite Statement (RAS), which incorporates the CLAR Group's risk limits, addresses the management of material risks faced by the CLAR Group. Alignment of the CLAR 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 CLAR Group.

More information on the Manager's ERM Framework including the material risks identified can be found in the ERM section on pages 135 to 141 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 CLAR Group have been properly maintained and the financial statements for FY2022 give a true and fair view of the CLAR 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 CLAR 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 FY2022, 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.

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 CLAR Group considers relevant and material to its current business as at 31 December 2022. 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 FY2022.

The Board notes that the systems of risk management and internal controls established by the Manager provide reasonable assurance that the CLAR 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 three members, all of whom (including the chairman of the ARC) are IDs. The three members on the ARC are Mr Daniel Cuthbert Ee Hock Huat (ARC Chairman), Mr Chinniah Kunnasagaran and Ms Ong Lee Keang Maureen. The ARC Chairman is a Director other than the Chairman of the Board. The ARC Chairman and members of the ARC bring with them invaluable recent and relevant managerial and professional expertise in accounting, auditing and related financial management domains.

Corporate Governance

The ARC does not comprise former partners of CLAR's incumbent external auditors, Ernst & Young LLP 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 CLAR Group and any announcements relating to the CLAR 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 assurances from the CEO and the CFO on the financial records and financial statements;
- (d) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the objectivity of the external auditors; reviewing the adequacy, effectiveness, independence, scope and results of the Manager's internal audit function and the adequacy and effectiveness of the Manager's internal 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;
- (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 CLAR 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 CLAR 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 safely 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, the non-audit services provided, CLAR's relationships with the external auditors in FY2022, 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 independence of the external auditors is not affected by the provision of non-audit services. 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 FY2022 amounted to S\$1,590,000, of which audit fees amounted to S\$1,200,000 and non-audit fees (in relation to tax advisory and compliances services as well as sustainability reporting services) amounted to S\$390,000.

Corporate Governance

The ARC holds at least four scheduled meetings in a year and met four times in FY2022. At all scheduled ARC meetings in FY2022, the CEO and the CFO were in attendance. During the ARC meetings in February 2022 and August 2022, 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 May 2022 and October 2022, 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 CLAR Group's key operating and financial metrics.

In FY2022, 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 FY2022, 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).

Key Audit Matter

In the review of the financial statements of CLAR Group for FY2022, 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 FY2022.

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>No other significant matter came to the attention of the ARC during the review. 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 CLAR, that CLAR complies with Rules 712 and 715 of the Listing Manual.

Corporate Governance

Internal Audit

The Manager has in place an internal audit function supported by CLI's Internal Audit Department (CLI IA). The head of the CLI IA is Jenny Tan. CLI IA is independent of the activities it audits and has unfettered access to the CLAR 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 the CLAR 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 of the Code 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 the CLAR Group's business, and that an adequate budget is allocated to the internal audit function to assure its proper functioning. In respect of FY2022, 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.

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 FY2022, 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 notes that the CLI IA is independent, effective, 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 the 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 FY2022, CLAR's AGM was convened and held on 28 April 2022 (AGM 2022) 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).

Corporate Governance

The alternative arrangements put in place for the conduct of the AGM 2022 included attendance at the AGM 2022 via electronic means under which Unitholders could observe and/or listen to the AGM 2022 proceedings via live audio-visual webcast or live audio-only stream, submission of questions in advance of, or live at, the AGM 2022, addressing of substantial and relevant questions in advance of, or live at, the AGM 2022 and voting at the AGM 2022 live by themselves or their duly appointed proxy(ies) (other than the chairman of the meeting) via electronic means or by appointing the chairman of the meeting as proxy to vote on their behalf at the AGM 2022.

In FY2022, CLAR also convened and held an extraordinary general meeting on 6 July 2022 (EGM) by way of electronic means pursuant to the COVID-19 Temporary Measures Order and in accordance with the Checklist.

The alternative arrangements put in place for the conduct of the EGM included attendance at the EGM via electronic means under which Unitholders could observe and/or listen to the EGM proceedings via live audio-visual webcast or live audio-only stream, submission of questions in advance of or live at the EGM, addressing of substantial and relevant questions in advance of or live at the EGM and voting at the EGM live by themselves or their duly appointed proxy(ies) (other than the chairman of the meeting) via electronic means or by appointing the chairman of the meeting as proxy to vote on their behalf at the EGM.

All Directors (including the CEO, who is also a Director) attended the AGM 2022 and the EGM either in-person or via electronic means. A record of the Directors' attendance at the AGM 2022 and the EGM can be found in the record of their attendance at general meeting(s) and Board and Board Committee meetings for FY2022 set out on page 133 of this Annual Report.

With the easing of the safe distancing measures, the upcoming AGM to be held on 28 April 2023 (AGM 2023) will be held in a wholly physical format pursuant to the COVID-19 Temporary Measures Order and in accordance with the Checklist, with an additional facility for Unitholders who are unable to attend physically to have the means to observe the AGM proceedings remotely in real time. Unitholders will be entitled to submit questions in advance of and/or live at the AGM, and vote at the AGM live by themselves or through their duly appointed proxy(ies) (other than the chairman of the meeting) 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. Substantial and relevant questions received from Unitholders in advance of the AGM will be addressed before the AGM via publication on the Website and on the SGXNet, or at the AGM itself. Further information on the arrangements relating to the conduct of the upcoming AGM 2023 is provided in the notice of the upcoming AGM 2023.

Unitholders are entitled to attend general meetings and are accorded the opportunity to participate effectively in 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 CLAR.

CLAR supports the principle of encouraging Unitholder participation and voting at general meetings. CLAR's Annual Report is provided to Unitholders within 120 days from the end of CLAR's financial year. Unitholders may download the Annual Report (printed copies are available upon request) and the notices of general meeting from the Website. More than the legally required notice period for general meetings is generally provided. The notices of general meeting are 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 such 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 unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the reasons and material implications will be explained in the notice of general meeting.

At AGMs, Management makes a presentation to Unitholders to update them on CLAR'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 CLAR. Representatives of the Trustee, Directors (including the chairman of the respective Board Committees), key management personnel and the external auditors of CLAR, are present for the entire duration of the AGMs to address any queries that the Unitholders may have, including queries about the conduct of CLAR's external audit and the preparation and contents of the external auditors' report.

Corporate Governance

To ensure transparency in the voting process and better reflect Unitholders' interests, CLAR conducts electronic poll voting for all the resolutions proposed at general meetings. 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. CLAR'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 CLAR'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 CLAR 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.

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

CLAR'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 CLAR's performance and any changes in the CLAR Group or its business which would be likely to materially affect the price or value of the Units.

For FY2022, 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 CLAR and the CLAR Group's performance, position and prospects.

In addition to the announcement of half-year and full year financial statements in FY2022, 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 CLAR Group's key operating and financial metrics. In addition to the release of financial statements, the Manager also keeps CLAR's Unitholders, stakeholders and analysts informed of the performance and changes in the CLAR Group or its business which would be likely to 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 CLAR 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.

Corporate Governance

The Manager believes in conducting the business of CLAR in ways that seek to deliver sustainable value to Unitholders. Best practices are promoted as a means to build an excellent business for CLAR and the Manager's accountability to Unitholders for CLAR'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 CLAR including but not limited to its Prospectus, current and past announcements and news releases, financial statements, investor presentations and Annual Reports.

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 54 to 57 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 CLAR'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 CLAR by considering and balancing the needs and interests of material stakeholders, as part of the overall strategy to ensure that the best interests of CLAR are served. The Manager is committed to sustainability and incorporates the key principles of environmental and social responsibility, and corporate governance in CLAR'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 CLAR's stakeholders. More details of CLAR'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.

At present, 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 Chinniah Kunnasagaran, Ms Choo Oi Yee 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 FY2022, the IC regularly reviewed and approved matters tabled via circulation.

Corporate Governance

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 CLAR 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 CLAR 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.

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 CLAR'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 CLAR'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 CLAR'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 CLAR'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 CLAR'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 CLAR'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.

Corporate Governance

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 CLAR and Unitholders' interests.

The Manager maintains a register to record all Interested Person Transactions which are entered into by CLAR (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 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 receives quarterly reports on IPTs reviewed by BDO to ensure the transactions were on normal commercial terms and are not prejudicial to the interests of CLAR and its minority Unitholders.

Details of all Interested Person Transactions (equal to or exceeding S\$100,000 each in value) entered into by CLAR in FY2022 are disclosed on page 262 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 CLAR:

- (a) the Manager is a dedicated manager to CLAR 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 CLAR 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 CLAR 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 CLAR, 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 CLAR'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 CLAR'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 CLAR'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 CLAR, except during the open trading window (being one calendar month commencing from the relevant date of announcement of CLAR'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 CLAR's securities.

Corporate Governance

Additionally, this policy provides for the Manager to maintain a list of persons who are privy to price-sensitive information relating to the CLAR Group as and when circumstances require such a list to be maintained.

Directors and employees of the Manager are also required to refrain from dealing in CLAR's securities if they are in possession of unpublished price-sensitive information of CLAR 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 CLAR's securities.

Under this policy, Directors and employees of the Manager are 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 CLAR'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 CLAR's securities. A Director is also required to notify the Manager of any change in his or her interests in CLAR'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 FY2022, 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 CLAR'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.

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.

Corporate Governance

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 CLAR 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 CLAR, allow the Manager to continue to function as the manager of CLAR 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 CLAR 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.

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 CLAR 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.

Corporate Governance

COMPOSITION OF BOARD COMMITTEES IN FY2022

Board Members	Audit & Risk Committee	Investment Committee [#]	Nominating & Remuneration Committee
Dr Beh Swan Gin, C	–	M	C
William Tay Wee Leong, CEO	–	M	–
Chan Pengee, Adrian ¹	C	–	M
Daniel Cuthbert Ee Hock Huat ^{2,3}	M, C	M	M
Chinniah Kunnasagaran	M	M	–
Ong Lee Keang Maureen	M	–	–
Manohar Khiatani	–	C	M
Lim Cho Pin Andrew Geoffrey	–	M	–
Choo Oi Yee ³	–	–	–

Denotes: C – Chairman M – Member CEO – Chief Executive Officer

Given the nature and scope of the work of the Investment Committee, their business was discussed / transacted primarily through conference call, correspondence and informal meetings.

Notes:

- 1 Mr Chan Pengee, Adrian retired as Non-Executive Independent Director, Chairman of the Audit & Risk Committee and Member of the Nominating & Remuneration Committee with effect from 1 November 2022.
- 2 Mr Daniel Cuthbert Ee Hock Huat has been a member of the Audit & Risk Committee and was appointed as Chairman of the Audit & Risk Committee and Member of the Nominating & Remuneration Committee with effect from 1 November 2022.
- 3 With effect from 22 February 2023, Ms Choo Oi Yee was appointed as Non-Executive Independent Director and Member of the Investment Committee, and Mr Daniel Cuthbert Ee Hock Huat relinquished his role as Member of the Investment Committee.

ATTENDANCE RECORD OF MEETINGS OF UNITHOLDERS, BOARD AND BOARD COMMITTEES IN FY2022¹

	Board ²	Audit & Risk Committee	Nominating & Remuneration Committee	AGM	EGM
No. of Meetings Held	6	4	3	1	1
Board Members					
Dr Beh Swan Gin	100%	N.A.	100%	100%	100%
William Tay Wee Leong	100%	N.A.	N.A.	100%	100%
Chan Pengee, Adrian ³	100%	100%	100%	100%	100%
Daniel Cuthbert Ee Hock Huat ^{4,5}	100%	100%	N.A.	100%	100%
Chinniah Kunnasagaran	100%	100%	N.A.	100%	100%
Ong Lee Keang Maureen	100%	100%	N.A.	100%	100%
Manohar Khiatani	100%	N.A.	100%	100%	100%
Lim Cho Pin Andrew Geoffrey	100%	N.A.	N.A.	100%	100%
Choo Oi Yee ⁵	N.A.	N.A.	N.A.	N.A.	N.A.

N.A.: Not Applicable

- 1 All Directors are required to attend general meetings and Board and/or Board Committee meetings called, in person or via audio or video conference, unless required to recuse. Attendance is marked against the general meetings and Board and Board Committee meetings each Director is required to attend, and the percentage computed accordingly.
- 2 Includes a Board Strategy meeting held overseas and a Business Plan & Budget meeting.
- 3 Mr Chan Pengee, Adrian retired as Non-Executive Independent Director, Chairman of the Audit & Risk Committee and Member of the Nominating & Remuneration Committee with effect from 1 November 2022.
- 4 Mr Daniel Cuthbert Ee Hock Huat was appointed as Chairman of the Audit & Risk Committee and Member of the Nominating & Remuneration Committee with effect from 1 November 2022.
- 5 With effect from 22 February 2023, Ms Choo Oi Yee was appointed as Non-Executive Independent Director and Member of the Investment Committee, and Mr Daniel Cuthbert Ee Hock Huat relinquished his role as Member of the Investment Committee.

Corporate Governance

CEO REMUNERATION

CEO Remuneration Table for FY2022

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%	36%	29%	100%
Remuneration band for CEO: Above S\$1,250,000 to S\$1,500,000				

1 The amounts disclosed include bonuses earned which have been accrued for in FY2022.

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 CapitaLand Ascendas REIT Management Limited (formerly known as Ascendas Funds Management (S) Limited) Restricted Unit Plan (RUP) and CapitaLand Ascendas REIT Management Limited (formerly known as Ascendas Funds Management (S) Limited) Performance Unit Plan (PUP) at the time of grant in FY2022. 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.

NON-EXECUTIVE DIRECTORS' REMUNERATION TABLE FOR FY2022

	Components of Directors' fees ^{1,2,3}			Total
	Cash Component (80%)	Unit Component (20%)	(S\$)	
Non-Executive Directors				
Dr Beh Swan Gin ⁴	170,700	–	–	170,700
Chan Pengee, Adrian ⁵	126,947	–	–	126,947
Daniel Cuthbert Ee Hock Huat ^{6,7}	94,412	23,603	–	118,015
Chinniah Kunnasagaran	90,400	22,600	–	113,000
Ong Lee Keang Maureen	82,400	20,600	–	103,000
Manohar Khiatani	N.A. ³	N.A. ³	–	N.A. ³
Lim Cho Pin Andrew Geoffrey	N.A. ³	N.A. ³	–	N.A. ³
Choo Oi Yee ⁷	–	–	–	–

Aggregate of remuneration for Non-Executive Directors: S\$631,662.00

N.A. : Not Applicable

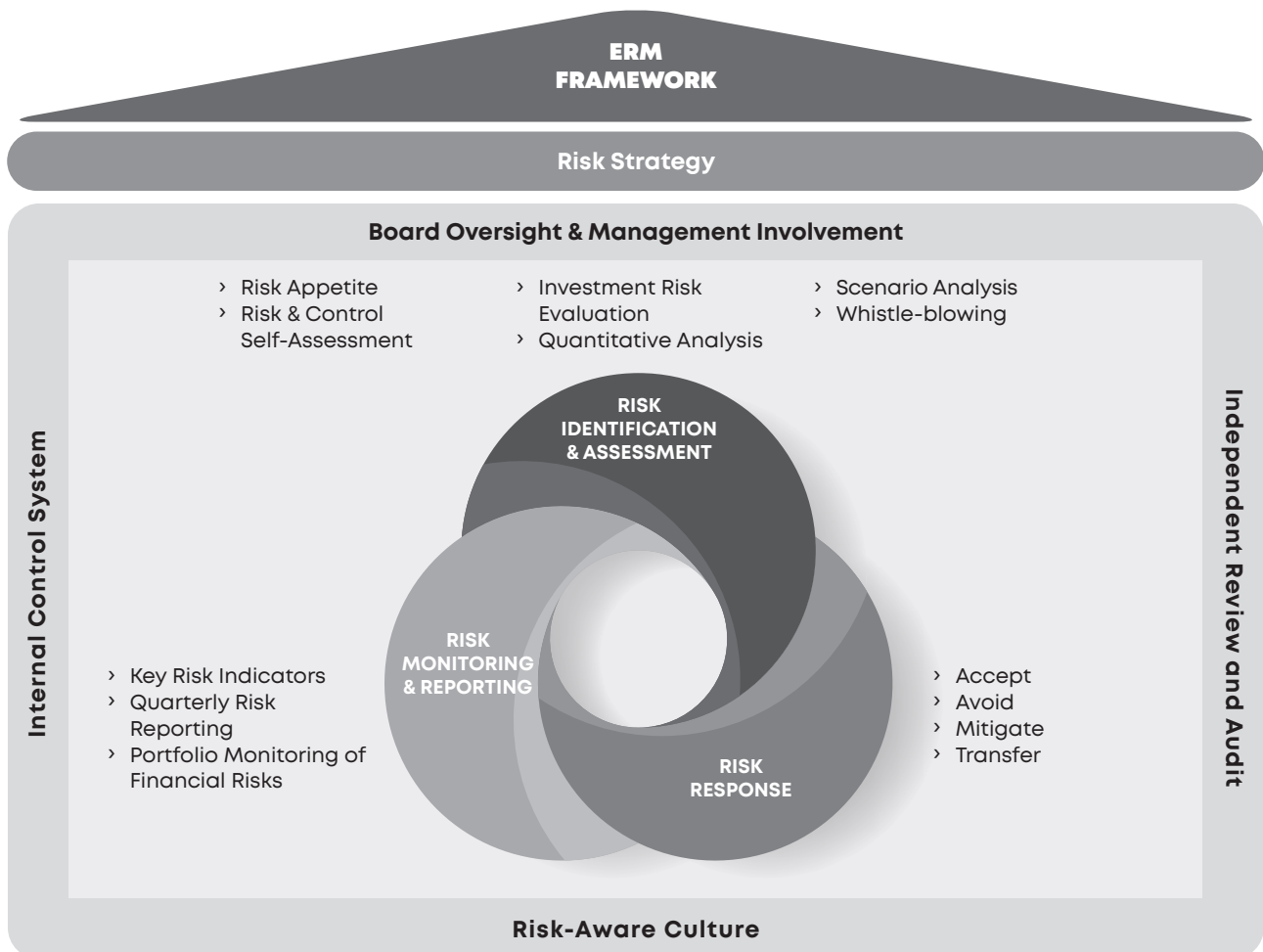
- Inclusive of attendance fees of (a) S\$2,000 (local meeting) and S\$5,000 (overseas meeting) per meeting attendance in person, (b) S\$1,700 per meeting attendance via audio or video conference, (c) S\$1,000 per meeting attendance at project and verification meetings, and (d) S\$500 per meeting attendance 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.
- 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.
- Non-executive Directors who are employees of CLI Group do not receive Directors' fees.
- 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.
- Mr Chan Pengee, Adrian retired as Non-Executive Independent Director, Chairman of the Audit & Risk Committee and Member of the Nominating & Remuneration Committee with effect from 1 November 2022 will receive all his Director's fees for FY2022 in cash.
- Mr Daniel Cuthbert Ee Hock Huat was appointed as Chairman of the Audit & Risk Committee and Member of the Nominating & Remuneration Committee with effect from 1 November 2022.
- With effect from 22 February 2023, Ms Choo Oi Yee was appointed as Non-Executive Independent Director and Member of the Investment Committee, and Mr Daniel Cuthbert Ee Hock Huat relinquished his role as Member of the Investment Committee.

Enterprise Risk Management

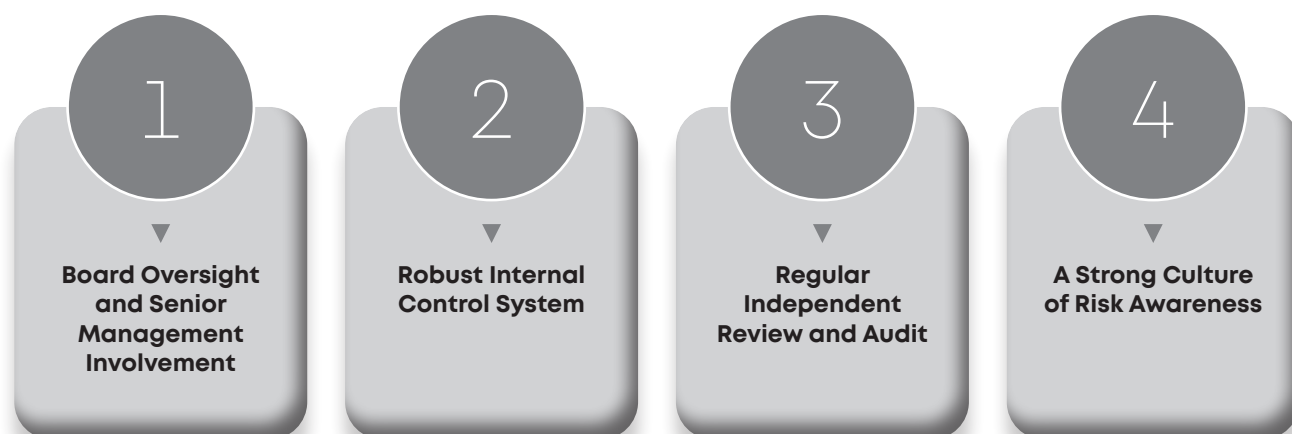
CapitaLand Ascendas Real Estate Investment Trust (CLAR) and its subsidiaries (CLAR Group) believes in maintaining a robust risk management framework to proactively identify, assess and respond to material risks that can impact its objectives to deliver predictable distributions and achieve long-term capital stability for Unitholders. By pursuing a risk strategy of optimisation of opportunities within the approved risk appetite levels, we position CLAR Group for long-term sustainable results.

ENSURING BEST-IN-CLASS RISK MANAGEMENT, CORPORATE GOVERNANCE AND COMPLIANCE TO BUILD A SUSTAINABLE BUSINESS

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.



Enterprise Risk Management



- The Board of Directors (the “Board”), assisted by the Audit & Risk Committee (ARC), approves the CLAR Group’s risk appetite (risk tolerance) which determines the nature and extent of material risks the CLAR Group is willing to take to achieve its strategic objectives.
- The Board also regularly reviews the CLAR Group’s risk profile, material risks and mitigation strategies; and ensures the adequacy and effectiveness of the risk management framework and policies.
- CLAR Group’s management team directs and monitors the implementation and practice of risk management across the CLAR Group, including monitoring the risk exposure through key risk indicators.
- CLAR Group’s ERM Framework operates within a risk governance structure based on three lines of defence. The first and second line of defence are responsible for the design and implementation of effective internal controls using a risk-based approach.
- Employees have an important role as the first line of defence and are accountable for the effective management of risks that arise from their business activities.
- Risk and compliance teams as part of the second line of defence provides oversight and governance over risk management and compliance practices, and embeds a culture of risk ownership and accountability.
- 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.
- The Manager works closely with the risk management and compliance departments 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

CLAR 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 risks, the mitigating measures and the opportunities that CLAR Group faces in delivering our strategic objectives. Based on the 2022 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>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"> Assess the detailed physical risks in the evaluation of any new acquisitions. Incorporate shadow internal carbon price in the evaluation of new investments / 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 CLAR 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. Leverage on CLI's well-established Group environmental management system which is externally certified to ISO 14001 in 15 countries. For more information, please refer to: <ul style="list-style-type: none"> CLAR's Integrated Sustainability Report 2022 (https://investor.capitaland-ascendasreit.com/sustainability_reports.html). CapitaLand's Global Sustainability Report 2022 (https://www.capitaland.com/en/about-capitaland/sustainability/sustainability-reports.html), to be published by 31 May 2023. 	<ul style="list-style-type: none"> Enhance our positive reputation and strong track record in sustainability efforts as a competitive advantage for the CLAR 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.

Enterprise Risk Management

Material Risks	Key Mitigating Actions	Opportunities
<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"> Foster a culture of ethics and integrity in the CLAR Group. Adopt a zero-tolerance stance against FBC across the CLAR Group. 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 e-Learning. 	
<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"> Assess the health and safety related risks in the evaluation of any new acquisitions. Entrench a sustainable safety culture through deep safety capabilities, disciplined safety practices, and a progressive and pervasive safety mindset that drive safety key performance targets of both CLAR Group and our supply chain. CLI has a well-established Group health and safety management system which is externally certified to ISO 45001 in 15 countries. For more information, please refer to CLAR's Integrated Sustainability Report 2022 (https://investor.capitaland-ascendasreit.com/sustainability_reports.html). 	
<p>Competition</p> <ul style="list-style-type: none"> Significant competition pressures and being able to react swiftly to competition and market trends. 	<ul style="list-style-type: none"> Focus on the three synergistic growth drivers in business space and life science, logistics, and industrial and data centres for sustainable returns. Regular communication with key stakeholders, investors, and customers to understand their objectives, needs, preferences and align expectations to add value and stay relevant. Leverage on strong network of investment and asset management professionals with deep knowledge in multi-sector assets to source for new opportunities. 	<ul style="list-style-type: none"> Enhanced recognition in the markets we are operating in. Build a leading global REIT.

Enterprise Risk Management

Material Risks	Key Mitigating Actions	Opportunities
<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 CLAR Group's information assets and/or systems. 	<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 institute 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. Put in place enhanced protection controls for systems that hold personal data. 	<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.
<p>Economic</p> <ul style="list-style-type: none"> Economic instability or changes in macro-economic factors such as inflation or unemployment, which results in challenging business conditions. 	<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 CLAR 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.

Enterprise Risk Management

Material Risks	Key Mitigating Actions	Opportunities
<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 CLAR 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 CLAR 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 237. 	<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 CLAR to tap on green financial instruments.
<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 the 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 and life sciences.

Enterprise Risk Management

Material Risks	Key Mitigating Actions	Opportunities
<p>Political & Policy Risk</p> <ul style="list-style-type: none"> Instability or political changes in a country, changes in international policies or relations between countries as well as sudden changes in real estate related regulations in major economies and key markets where CLAR operates in. 	<ul style="list-style-type: none"> Actively monitor the geo-political environment, government policies and regulatory changes to anticipate shifts in trade, growth and innovation in our key markets. Establish good working relationship between local management teams with local authorities to be kept abreast of regulatory and policy changes. Ensure investments are diversified across asset classes and/or geographically to minimise impact from political events. Focus on markets where CLAR Group has operational scale and the underlying political fundamentals are more stable. 	<ul style="list-style-type: none"> Build a diversified and resilient portfolio.
<p>Regulatory & Compliance</p> <ul style="list-style-type: none"> Non-compliance with applicable laws and regulations, including relevant taxation, data protection and privacy regulations, in the markets CLAR 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, and external consultants 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, Data Protection and Compliance Policies and Anti-Money Laundering Policy. 	<ul style="list-style-type: none"> Keeping abreast on the changing regulatory landscape allow us to focus on the potential improvements in the various compliance areas.

Report of the Trustee

Year ended 31 December 2022

HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”) is under a duty to take into custody and hold the assets of CapitaLand Ascendas REIT (formerly known as 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 CapitaLand Ascendas REIT Management Limited (formerly known as 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 148 to 258, 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
3 March 2023

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, the Eighteenth Supplemental Deed dated 28 November 2020 and the Nineteenth Supplemental Deed dated 27 September 2022.

Statement by the Manager

Year ended 31 December 2022

In the opinion of the directors of CapitaLand Ascendas REIT Management Limited (formerly known as Ascendas Funds Management (S) Limited) (the “Manager”), the accompanying financial statements set out on pages 148 to 258 comprising the Statements of Financial Position and Statements of Movements in Unitholders’ Funds of CapitaLand Ascendas REIT (formerly known as 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 2022, 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 2022, in accordance with the recommendations of *The Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds”* 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,
CapitaLand Ascendas REIT Management Limited
(formerly known as Ascendas Funds Management (S) Limited)**

William Tay Wee Leong
Director

Singapore
3 March 2023

Independent Auditor's Report

Year ended 31 December 2022

UNITHOLDERS OF CAPITALAND ASCENDAS REIT

(Formerly known as 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 CapitaLand Ascendas REIT (formerly known as 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 2022, 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 148 to 258.

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 2022 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 Investment Funds ("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 2022

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 space and life sciences properties, industrial and data centres properties and logistics properties, located in Singapore, Australia, the United Kingdom / Europe and the United States. As at 31 December 2022, the investment properties and investment properties under development, with a carrying amount of \$16.6 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 the real estate market may be highly impacted by rapid changes in market and economic conditions, 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. 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 2022

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 Investment Funds"* 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 2022

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

3 March 2023

Statements of Financial Position

As at 31 December 2022

	Note	31/12/2022 \$'000	Group 31/12/2021 \$'000	31/12/2022 \$'000	Trust 31/12/2021 \$'000
Non-current assets					
Investment properties	4	16,430,392	16,293,725	9,328,700	9,199,500
Investment properties under development	5	147,197	246,054	3,800	64,800
Finance lease receivables	6	37,329	41,393	37,329	41,393
Right-of-use assets	7	647,307	604,646	625,418	584,932
Interests in subsidiaries	8	-	-	3,762,739	4,078,331
Loans to subsidiaries	8	-	-	547,536	549,157
Investment in an associate company	9	70,605	35,019	74,930	39,312
Investment in a joint venture	9	232	165	-	-
Derivative assets	13	175,326	53,868	160,561	36,002
Deferred tax asset	15	5,047	-	-	-
		17,513,435	17,274,870	14,541,013	14,593,427
Current assets					
Finance lease receivables	6	4,064	3,657	4,064	3,657
Trade and other receivables	10	92,139	81,581	51,374	29,195
Derivative assets	13	49,333	1,834	21,529	1,834
Cash and fixed deposits	11	217,018	368,549	70,050	109,632
		362,554	455,621	147,017	144,318
Total assets		17,875,989	17,730,491	14,688,030	14,737,745
Current liabilities					
Trade and other payables	12	344,456	385,926	218,588	234,576
Security deposits		74,883	76,582	67,885	69,851
Derivative liabilities	13	-	1,516	-	1,516
Short term borrowings	14	164,169	626,708	164,169	626,708
Term loans	14	468,893	274,155	195,076	198,795
Medium term notes	14	199,969	349,958	199,969	349,958
Lease liabilities	7	39,697	36,656	38,970	36,030
Provision for taxation		9,785	19,825	1,277	1,280
		1,301,852	1,771,326	885,934	1,518,714

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position

As at 31 December 2022

	Note	31/12/2022 \$'000	Group 31/12/2021 \$'000	31/12/2022 \$'000	Trust 31/12/2021 \$'000
Non-current liabilities					
Security deposits		121,856	103,848	115,576	98,529
Derivative liabilities	13	96,614	58,774	95,613	55,650
Amount due to a subsidiary		–	–	22,281	23,298
Term loans	14	3,296,656	2,857,904	1,278,715	781,636
Medium term notes	14	2,012,306	1,975,623	2,012,306	1,975,623
Lease liabilities	7	607,610	567,990	586,448	548,902
Other payables	12	87	86	–	–
Deferred tax liabilities	15	172,386	117,772	–	–
		6,307,515	5,681,997	4,110,939	3,483,638
Total liabilities		7,609,367	7,453,323	4,996,873	5,002,352
Net assets		10,266,622	10,277,168	9,691,157	9,735,393
Represented by:					
Unitholders' funds		9,967,684	9,978,230	9,392,219	9,436,455
Perpetual securities holders' funds	16	298,938	298,938	298,938	298,938
		10,266,622	10,277,168	9,691,157	9,735,393
Units in issue ('000)	17	4,203,991	4,197,930	4,203,991	4,197,930
Net asset value per unit (\$)		2.37	2.38	2.23	2.25

The accompanying notes form an integral part of these financial statements.

Statement of Total Return

Year ended 31 December 2022

	Note	31/12/2022 \$'000	Group 31/12/2021 \$'000
Gross revenue	18	1,352,686	1,226,525
Property operating expenses	19	(383,933)	(305,775)
Net property income		968,753	920,750
Management fees			
– Base management fee	20	(84,436)	(79,287)
– Performance fee	20	–	(7,394)
Trust expenses	21	(16,358)	(14,188)
Finance costs, net	22	(187,762)	(158,880)
Net foreign exchange differences		(37,862)	97
Remeasurement gain on the acquisition of remaining 75% equity interest in Ascendas Reit (Singapore Sub 1) LLP (converted from Ascendas Fusion 5 Pte Ltd on 14 September 2021)		–	13,680
Gain on disposal of investment properties		–	23,994
Net income		642,335	698,772
Net change in fair value of financial derivatives		135,821	64,832
Net change in fair value of right-of-use assets	7	(7,543)	(6,642)
Net change in fair value of investment properties and investment properties under development	4 & 5	73,816	283,245
Share of associated company's and joint venture's results	9	348	3,304
Total return for the year before tax		844,777	1,043,511
Tax expense	23	(84,391)	(86,472)
Total return for the year		760,386	957,039
Attributable to:			
Unitholders and perpetual securities holders		760,386	957,039
Total return for the year		760,386	957,039
Earnings per Unit (cents)			
– Basic and diluted	24	17.891	22.968
Distribution per Unit (cents)	24	15.798	15.258

The accompanying notes form an integral part of these financial statements.

Distribution Statement

Year ended 31 December 2022

	Note	31/12/2022 \$'000	Group 31/12/2021 \$'000
Total amount available for distribution to Unitholders at beginning of the financial year		319,331	67,811
Total return for the year attributable to Unitholders and perpetual securities holders		760,386	957,039
Less: Amount reserved for distribution to perpetual securities holders		(9,000)	(9,000)
Distribution adjustments	A	(267,775)	(492,710)
Taxable income		483,611	455,329
Tax-exempt income		70,700	9,766
Distribution from capital		109,590	164,886
Total amount available for distribution to Unitholders for the year		663,901	629,981
Distribution of 7.873 cents per unit for the period from 01/01/22 to 30/06/22		(330,739)	-
Distribution of 7.598 cents per unit for the period from 01/07/21 to 31/12/21		(318,959)	-
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)
		(649,698)	(378,461)
Total amount available for distribution to Unitholders at end of the financial year		333,534	319,331
Distribution per Unit (cents)	24	15.798	15.258

The accompanying notes form an integral part of these financial statements.

Distribution Statement

Year ended 31 December 2022

Note A - Distribution adjustments comprise:

	31/12/2022	Group 31/12/2021
	\$'000	\$'000
Amount reserved for distribution to perpetual securities holders	9,000	9,000
Management fee paid/payable in Units	16,891	15,873
Trustee fee	2,687	2,570
Deferred tax expenses	57,139	58,229
Income from subsidiaries, joint venture and associate company	(179,622)	(191,824)
Net change in fair value of financial derivatives	(135,821)	(64,832)
Net foreign exchange differences	37,862	(97)
Net change in fair value of investment properties and investment properties under development	(73,816)	(283,245)
Gain on disposal of investment properties	-	(23,994)
Remeasurement gain on the acquisition of remaining 75% equity interest in Ascendas Reit (Singapore Sub 1) LLP	-	(13,680)
Others	(2,095)	(710)
Total distribution adjustments	<u>(267,775)</u>	<u>(492,710)</u>

The accompanying notes form an integral part of these financial statements.

Statements of Movements in Unitholders' Funds

Year ended 31 December 2022

	31/12/2022 \$'000	Group 31/12/2021 \$'000	31/12/2022 \$'000	Trust 31/12/2021 \$'000
Unitholders' Funds				
Balance at beginning of the financial year	9,978,230	8,891,615	9,436,455	8,667,430
Operations				
Total return for the year attributable to Unitholders	760,386	957,039	597,571	638,563
Less: Amount reserved for distribution to perpetual securities holders	(9,000)	(9,000)	(9,000)	(9,000)
Net increase in net assets resulting from operations	751,386	948,039	588,571	629,563
Movement in foreign currency translation reserve	(129,125)	(886)	-	-
Unitholders' transactions				
Management fees paid/payable in Units	16,891	15,873	16,891	15,873
Units issued through equity fund raising	-	420,003	-	420,003
Consideration Units	-	79,997	-	79,997
Acquisition fee paid in Units	-	5,400	-	5,400
Divestment fee paid in Units	-	516	-	516
Unit issue costs	-	(3,866)	-	(3,866)
Distributions to Unitholders	(649,698)	(378,461)	(649,698)	(378,461)
Net (decrease)/increase in net assets resulting from Unitholders' transactions	(632,807)	139,462	(632,807)	139,462
Balance at end of the financial year	9,967,684	9,978,230	9,392,219	9,436,455
Perpetual Securities Holders' Funds				
Balance at beginning of the financial year	298,938	298,938	298,938	298,938
Amount reserved for distribution to perpetual securities holders	9,000	9,000	9,000	9,000
Distribution to perpetual securities holders	(9,000)	(9,000)	(9,000)	(9,000)
Balance at end of the financial year	298,938	298,938	298,938	298,938
Total	10,266,622	10,277,168	9,691,157	9,735,393

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
Group										
SINGAPORE										
Business Space and Life Sciences										
Business Space										
one-north										
Nexus @one-north	04 Sep 2013	Leasehold	60 years	07 Jun 2071	48 years	1 & 3 Fusionopolis Link	202,800	202,800	2.04	2.03
Galaxis	30 Jun 2021	Leasehold	60 years	11 July 2072	50 years	1 & 3 Fusionopolis Place	769,600	733,600	7.72	7.35
Grab Headquarters	30 Jul 2021	Leasehold	30 years	07 April 2049	26 years	1 & 3 Media Close	193,300	191,500	1.94	1.92
International Business Park										
Techquest	05 Oct 2005	Leasehold	60 years ^(a)	15 Jun 2055 ^(a)	32 years ^(a)	7 International Business Park	26,400	24,900	0.26	0.25
Acer Building	19 Mar 2008	Leasehold	60 years ^(a)	30 Apr 2056 ^(a)	33 years ^(a)	29 International Business Park	72,600	79,100	0.73	0.79
31 International Business Park	26 Jun 2008	Leasehold	60 years ^(a)	15 Dec 2054 ^(a)	32 years ^(a)	31 International Business Park	199,400	206,100	2.00	2.07
Nordic European Centre	08 Jul 2011	Leasehold	60 years ^(a)	31 Mar 2057 ^(a)	34 years ^(a)	3 International Business Park	121,100	121,100	1.21	1.21
Changi Business Park										
17 Changi Business Park Central 1 (formerly Honeywell Building)	19 Nov 2002	Leasehold	60 years ^(a)	15 Dec 2058 ^(a)	36 years ^(a)	17 Changi Business Park Central 1	62,400	62,400	0.63	0.63
1 Changi Business Park Avenue 1	30 Oct 2003	Leasehold	60 years ^(a)	31 Jan 2061 ^(a)	38 years ^(a)	1 Changi Business Park Avenue 1	57,900	57,200	0.58	0.57
Hansapoint	22 Jan 2008	Leasehold	60 years ^(a)	31 Oct 2066 ^(a)	44 years ^(a)	10 Changi Business Park Central 2	102,800	112,700	1.03	1.13
1, 3 & 5 Changi Business Park Crescent	16 Feb 2009, 25 Sep 2009 & 31 Dec 2010	Leasehold	60 years ^(a)	30 Sep 2067 ^(a)	45 years ^(a)	1, 3 & 5 Changi Business Park Crescent	333,200	337,800	3.33	3.39
DBS Asia Hub	31 Mar 2010 & 15 April 2015	Leasehold	60 years ^(a)	30 Sep 2067 ^(a)	45 years ^(a)	2 & 2A Changi Business Park Crescent	207,100	206,000	2.08	2.06
3 Changi Business Park Vista	08 Dec 2011	Leasehold	60 years ^(a)	28 Feb 2061 ^(a)	38 years ^(a)	3 Changi Business Park Vista	63,700	70,700	0.64	0.71
ONE@Changi City	01 Mar 2016	Leasehold	60 years	29 Apr 2069	46 years	1 Changi Business Park Central 1	504,500	502,400	5.06	5.04
Science Park I										
Cintech I	29 Mar 2012	Leasehold	56 years	28 Mar 2068	45 years	73 Science Park Drive	60,500	58,600	0.61	0.59
Cintech II	29 Mar 2012	Leasehold	56 years	28 Mar 2068	45 years	75 Science Park Drive	49,800	49,000	0.50	0.49
Balance carried forward – (Business Space)							3,027,100	3,015,900	30.36	30.23

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
SINGAPORE										
<i>Business Space and Life Sciences (continued)</i>										
<i>Business Space (continued)</i>										
Balance brought forward – (Business Space)							3,027,100	3,015,900	30.36	30.23
Science Park I (continued)										
12,14 & 16 Science Park Drive	16 Feb 2017	Leasehold	99 years	30 May 2081	58 years	12, 14 and 16 Science Park Drive	467,000	464,000	4.69	4.65
Science Park II										
The Alpha	19 Nov 2002	Leasehold	60 years	18 Nov 2062	40 years	10 Science Park Road	96,000	90,000	0.97	0.90
The Capricorn	19 Nov 2002	Leasehold	60 years	18 Nov 2062	40 years	1 Science Park Road	123,000	123,000	1.23	1.23
FM Global Centre	11 Dec 2019	Leasehold	99 years	23 Mar 2092	69 years	288 Pasir Panjang Road	101,000	98,300	1.01	0.99
Total Singapore Business Space							3,814,100	3,791,200	38.26	38.00
Life Sciences one-north										
Neuros & Immunos	31 Mar 2011	Leasehold	60 years ^(a)	31 Jan 2065 ^(a)	42 years ^(a)	8/8A Biomedical Grove	146,000	143,000	1.46	1.43
Nucleos	11 Dec 2019	Leasehold	60 years ^(a)	31 May 2071 ^(a)	48 years ^(a)	21 Biopolis Road	355,400	346,100	3.57	3.47
Science Park I										
The Rutherford & Oasis	26 Mar 2008	Leasehold	60 years	25 Mar 2068	45 years	87 & 89 Science Park Drive	100,000	100,000	1.00	1.00
Cintech III & IV	29 Mar 2012	Leasehold	56 years	28 Mar 2068	45 years	77 & 79 Science Park Drive	124,200	125,000	1.25	1.25
Balance carried forward – (Life Sciences)							725,600	714,100	7.28	7.15

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022 \$'000	31/12/2021 \$'000	31/12/2022 %	31/12/2021 %
SINGAPORE										
<i>Business Space and Life Sciences (continued)</i>										
<i>Life Sciences (continued)</i>										
Balance brought forward – (Life Sciences)							725,600	714,100	7.28	7.15
Science Park II										
The Aries, Sparkle & Gemini ⁽ⁱ⁾	19 Nov 2002	Leasehold	60 years	18 Nov 2062	40 years	41, 45 & 51 Science Park Road	216,000	214,000	2.17	2.15
The Galen	25 Mar 2013	Leasehold	66 years	24 Mar 2079	56 years	61 Science Park Road	150,000	150,000	1.50	1.50
The Kendall	30 Mar 2015	Leasehold	64 years	24 Mar 2079	56 years	50 Science Park Road	135,500	134,000	1.36	1.34
Total Singapore Life Sciences							1,227,100	1,212,100	12.31	12.14
Total Singapore Business Space and Life Sciences							5,041,200	5,003,300	50.57	50.14
<i>Industrial and Data Centres</i>										
Industrial										
Techlink	19 Nov 2002	Leasehold	60 years	24 Sep 2053	31 years	31 Kaki Bukit Road 3	132,800	127,000	1.33	1.27
Siemens Centre	12 Mar 2004	Leasehold	60 years ^(a)	15 Dec 2061 ^(a)	39 years ^(a)	60 MacPherson Road	108,700	108,700	1.09	1.09
Infinion Building	01 Dec 2004	Leasehold	47 years ^(a)	30 Jun 2050 ^(a)	28 years ^(a)	8 Kallang Sector	93,400	93,200	0.94	0.93
Techpoint	01 Dec 2004	Leasehold	65 years	31 Mar 2052	29 years	10 Ang Mo Kio Street 65	151,000	150,500	1.52	1.51
KA Centre	02 Mar 2005	Leasehold	99 years	31 May 2058	35 years	150 Kampong Ampat	52,900	52,600	0.53	0.53
KA Place	02 Mar 2005	Leasehold	99 years	31 May 2058	35 years	159 Kampong Ampat	22,800	22,700	0.23	0.23
Pacific Tech Centre	01 Jul 2005	Leasehold	99 years	31 Dec 2061	39 years	1 Jalan Kilang Timor	89,700	88,500	0.90	0.89
Techview	05 Oct 2005	Leasehold	60 years	08 Jul 2056	34 years	1 Kaki Bukit View	172,400	166,900	1.73	1.67
1 Jalan Kilang	27 Oct 2005	Leasehold	99 years	31 Dec 2061	39 years	1 Jalan Kilang	25,700	24,300	0.26	0.24
30 Tampines Industrial Avenue 3	15 Nov 2005	Leasehold	60 years ^(a)	31 Dec 2063 ^(a)	41 years ^(a)	30 Tampines Industrial Avenue 3	27,100	33,400	0.27	0.33
138 Depot Road	15 Mar 2006	Leasehold	60 years ^(a)	30 Nov 2064 ^(a)	42 years ^(a)	138 Depot Road	89,000	75,300	0.89	0.76
2 Changi South Lane	01 Feb 2007	Leasehold	60 years ^(a)	15 Oct 2057 ^(a)	35 years ^(a)	2 Changi South Lane	38,800	38,200	0.39	0.38
Balance carried forward – (Industrial)							1,004,300	981,300	10.08	9.83

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Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
SINGAPORE										
<i>Industrial and Data Centres (continued)</i>										
<i>Industrial (continued)</i>										
Balance carried forward – (Industrial)							1,004,300	981,300	10.08	9.83
CGG Veritas Hub	25 Mar 2008	Leasehold	60 years ^(a)	31 Dec 2066 ^(a)	44 years ^(a)	9 Serangoon North Avenue 5	15,700	15,300	0.16	0.15
Corporation Place	08 Dec 2011	Leasehold	60 years	30 Sep 2050	28 years	2 Corporation Road	125,500	124,500	1.26	1.25
31 Ubi Road 1	21 Feb 2006	Leasehold	60 years ^(a)	28 Feb 2050 ^(a)	27 years ^(a)	31 Ubi Road 1	31,000	30,000	0.31	0.30
80 Bendemeer Road	30 Jun 2014	Leasehold	58.9 years	30 Dec 2068	46 years	80 Bendemeer Road	212,300	212,300	2.13	2.13
Schneider Electric Building	27 Feb 2006	Leasehold	60 years	15 Nov 2055	33 years	50 Kallang Avenue	92,000	91,500	0.92	0.92
10 Toh Guan Road	05 Mar 2004	Leasehold	60 years ^(a)	14 Oct 2055 ^(a)	33 years ^(a)	10 Toh Guan Road	97,000	119,200	0.97	1.20
Techplace I	19 Nov 2002	Leasehold	65 years	31 Mar 2052	29 years	Blk 4008-4012 Ang Mo Kio Avenue 10	144,300	143,400	1.45	1.44
Techplace II	19 Nov 2002	Leasehold	65 years	31 Mar 2052	29 years	Blk 5000-5004, 5008-5014 Ang Mo Kio Avenue 5	193,200	190,000	1.94	1.90
OSIM Headquarters	20 Jun 2003	Leasehold	60 years	09 Mar 2057	34 years	65 Ubi Avenue 1	39,800	39,000	0.40	0.39
12 Woodlands Loop	29 Jul 2004	Leasehold	60 years ^(a)	15 Jan 2056 ^(a)	33 years ^(a)	12 Woodlands Loop	29,000	28,600	0.29	0.29
247 Alexandra Road	01 Dec 2004	Leasehold	99 years	25 Sep 2051	29 years	247 Alexandra Road	71,200	71,100	0.72	0.71
5 Tai Seng Drive	01 Dec 2004	Leasehold	60 years	30 Nov 2049	27 years	5 Tai Seng Drive	21,300	21,000	0.21	0.21
35 Tampines Street 92	01 Dec 2004	Leasehold	60 years ^(a)	31 Jan 2052 ^(a)	29 years ^(a)	35 Tampines Street 92	12,700	12,700	0.13	0.13
53 Serangoon North Avenue 4	27 Dec 2004	Leasehold	60 years ^(a)	30 Nov 2055 ^(a)	33 years ^(a)	53 Serangoon North Avenue 4	21,400	21,000	0.22	0.21
3 Tai Seng Drive	01 Apr 2005	Leasehold	60 years	30 Nov 2049	27 years	3 Tai Seng Drive	19,600	18,800	0.20	0.19
52 Serangoon North Avenue 4	04 Apr 2005	Leasehold	60 years ^(a)	15 Sep 2055 ^(a)	33 years ^(a)	52 Serangoon North Avenue 4	23,000	22,800	0.23	0.23
Tampines Biz-Hub	05 Oct 2005	Leasehold	60 years ^(a)	30 Nov 2049 ^(a)	27 years ^(a)	11 Tampines Street 92	21,000	20,500	0.21	0.21
Hoya Building	05 Oct 2005	Leasehold	30 years	15 May 2033	10 years	455A Jalan Ahmad Ibrahim	8,100	8,500	0.08	0.08
37A Tampines Street 92	01 Dec 2005	Leasehold	60 years ^(a)	31 Aug 2054 ^(a)	32 years ^(a)	37A Tampines Street 92	20,200	21,000	0.20	0.21
Hamilton Sundstrand Building	09 Dec 2005	Leasehold	60 years ^(a)	28 Feb 2065 ^(a)	42 years ^(a)	11 Changi North Rise	43,100	42,600	0.43	0.43
Thales Building (I&II)	03 Jan 2006 & 20 Mar 2008	Leasehold	42 years ^(f)	30 Jun 2047 ^(f)	25 years ^(f)	21 Changi North Rise	13,200	12,900	0.13	0.13
Balance carried forward – (Industrial)							2,258,900	2,248,000	22.67	22.54

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
SINGAPORE										
<i>Industrial (continued)</i>										
Balance carried forward – (Industrial)							2,258,900	2,248,000	22.67	22.54
Ubi Biz-Hub	27 Mar 2006	Leasehold	60 years ^(a)	30 Jun 2056 ^(a)	34 years ^(a)	150 Ubi Avenue 4	19,200	18,600	0.19	0.19
2 Senoko South Road	08 Jan 2007	Leasehold	60 years ^(a)	31 May 2056 ^(a)	33 years ^(a)	2 Senoko South Road	40,300	40,200	0.40	0.40
18 Woodlands Loop	01 Feb 2007	Leasehold	60 years ^(a)	15 Feb 2057 ^(a)	34 years ^(a)	18 Woodlands Loop	33,200	33,000	0.33	0.33
9 Woodlands Terrace	01 Feb 2007	Leasehold	60 years	31 Dec 2054 ^(a)	32 years ^(a)	9 Woodlands Terrace	5,300	5,200	0.05	0.05
11 Woodlands Terrace	01 Feb 2007	Leasehold	60 years ^(a)	15 Jan 2056 ^(a)	33 years ^(a)	11 Woodlands Terrace	4,700	4,650	0.05	0.05
FoodAxis @ Senoko	15 May 2007	Leasehold	60 years ^(a)	15 Nov 2044 ^(a)	22 years ^(a)	1 Senoko Avenue	95,800	93,000	0.96	0.93
31 Joo Koon Circle	30 Mar 2010	Leasehold	60 years ^(a)	15 Aug 2055 ^(a)	33 years ^(a)	31 Joo Koon Circle	34,000	33,300	0.34	0.33
Aperia	08 Aug 2014	Leasehold	60 years	21 Feb 2072	49 years	8, 10 & 12 Kallang Avenue	584,000	580,000	5.86	5.81
UBIX ^(d)	01 Apr 2005 & 16 May 2005	Leasehold	60 years	31 Oct 2055 & 29 Feb 2056 ^(k)	33 years ^(k)	25 Ubi Road 4	62,400	–	0.63	–
Total Singapore Industrial							3,137,800	3,055,950	31.48	30.63
Data Centres										
Telepark	02 Mar 2005	Leasehold	99 years	01 Apr 2091	68 years	5 Tampines Central 6	272,900	272,500	2.74	2.73
Kim Chuan Telecommunications Complex	02 Mar 2005	Leasehold	99 years	30 Mar 2091	68 years	38 Kim Chuan Road	150,400	149,900	1.51	1.50
38A Kim Chuan Road	11 Dec 2009	Leasehold	99 years	30 Mar 2091	68 years	38A Kim Chuan Road	133,600	129,800	1.34	1.30
Total Singapore Data Centres							556,900	552,200	5.59	5.53
Total Singapore Industrial and Data Centres							3,694,700	3,608,150	37.07	36.16

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
SINGAPORE										
Logistics										
20 Tuas Avenue 1	19 Feb 2004	Leasehold	58 years ^(b)	31 Aug 2056 ^(b)	34 years ^(b)	20 Tuas Avenue 1	89,100	88,300	0.89	0.88
LogisTech	04 Mar 2004	Leasehold	60 years	15 Nov 2056	34 years	3 Changi North Street 2	65,200	63,100	0.65	0.63
Changi Logistics Centre	09 Mar 2004	Leasehold	60 years ^(a)	15 Oct 2050 ^(a)	28 years ^(a)	19 Loyang Way	78,700	73,400	0.79	0.74
4 Changi South Lane	31 May 2004	Leasehold	60 years ^(a)	15 Oct 2057 ^(a)	35 years ^(a)	4 Changi South Lane	27,900	26,600	0.28	0.27
40 Penjuru Lane	21 Jul 2004	Leasehold	48 years ^(a)	31 Dec 2049 ^(a)	27 years ^(a)	40 Penjuru Lane	232,600	231,300	2.34	2.32
Xilin Districentre A & B	02 Dec 2004	Leasehold	60 years ^(a)	31 May 2054 ^(a)	31 years ^(a)	3 Changi South Street 2	39,200	37,900	0.40	0.38
20 Tuas Avenue 6	02 Dec 2004	Leasehold	60 years ^(a)	15 Jul 2050 ^(a)	28 years ^(a)	20 Tuas Avenue 6	8,100	7,900	0.08	0.08
Xilin Districentre D	09 Dec 2004	Leasehold	60 years ^(a)	31 Oct 2055 ^(a)	33 years ^(a)	6 Changi South Street 2	29,800	29,500	0.30	0.30
9 Changi South Street 3	28 Dec 2004	Leasehold	60 years ^(a)	30 Apr 2055 ^(a)	32 years ^(a)	9 Changi South Street 3	46,200	45,300	0.46	0.45
5 Toh Guan Road East	28 Dec 2004	Leasehold	60 years ^(a)	15 Dec 2049 ^(a)	27 years ^(a)	5 Toh Guan Road East	29,300	29,100	0.29	0.30
Xilin Districentre C	05 May 2005	Leasehold	60 years ^(a)	30 Sep 2054 ^(a)	32 years ^(a)	7 Changi South Street 2	30,300	29,400	0.30	0.29
19 & 21 Pandan Avenue	23 Sep 2005 & 01 Feb 2008	Leasehold	45 years ^(a)	31 Jan 2049 ^(a)	26 years ^(a)	19 & 21 Pandan Avenue	127,600	124,000	1.29	1.24
1 Changi South Lane	05 Oct 2005	Leasehold	60 years	31 Aug 2058	36 years	1 Changi South Lane	48,800	34,400	0.49	0.35
Logis Hub @ Clementi	05 Oct 2005	Leasehold	60 years ^(a)	15 May 2053 ^(a)	30 years ^(a)	2 Clementi Loop	27,100	27,000	0.27	0.27
21 Jalan Buroh	14 Jun 2006	Leasehold	58 years ^(a)	30 Sep 2055 ^(a)	33 years ^(a)	21 Jalan Buroh	64,900	63,100	0.65	0.63
21 Changi South Avenue 2	19 Mar 2008	Leasehold	60 years ^(a)	30 Sep 2054 ^(a)	32 years ^(a)	21 Changi South Avenue 2	22,400	22,000	0.22	0.22
15 Changi North Way	29 Jul 2008	Leasehold	60 years ^(a)	31 Dec 2066 ^(a)	44 years ^(a)	15 Changi North Way	50,100	47,100	0.50	0.47
Pioneer Hub	12 Aug 2008	Leasehold	30 years	30 Nov 2036	14 years	15 Pioneer Walk	120,700	122,000	1.22	1.22
71 Alps Avenue	02 Sep 2009	Leasehold	60 years ^(a)	14 Aug 2068 ^(a)	46 years ^(a)	71 Alps Avenue	23,800	23,750	0.24	0.24
90 Alps Avenue	20 Jan 2012	Leasehold	60 years ^(a)	22 Oct 2070 ^(a)	48 years ^(a)	90 Alps Avenue	67,800	61,700	0.68	0.62
Courts Megastore	30 Nov 2006	Leasehold	30 years	31 Dec 2035	13 years	50 Tampines North Drive 2	57,900	59,600	0.58	0.60
Giant Hypermart	06 Feb 2007	Leasehold	30 years	31 Dec 2035	13 years	21 Tampines North Drive 2	74,900	75,200	0.75	0.75
Total Singapore Logistics							1,362,400	1,321,650	13.67	13.25
Total Singapore investment properties							10,098,300	9,933,100	101.31	99.55

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Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
AUSTRALIA										
Logistics										
Logistics (Sydney, New South Wales)										
484 – 490 Great Western Highway ^	23 Oct 2015	Freehold	Freehold	-	-	484-490 Great Western Highway, Arndell Park	32,952 (A\$36,500)	32,809 (A\$33,000)	0.33	0.33
494 – 500 Great Western Highway ^	23 Oct 2015	Freehold	Freehold	-	-	494-500 Great Western Highway, Arndell Park	64,550 (A\$71,500)	61,641 (A\$62,000)	0.65	0.62
1A & 1B Raffles Glade ^	18 Nov 2015	Freehold	Freehold	-	-	1A & 1B Raffles Glade, Eastern Creek	62,745 (A\$69,500)	61,343 (A\$61,700)	0.63	0.62
7 Grevillea Street ^	18 Nov 2015	Freehold	Freehold	-	-	7 Grevillea Street, Eastern Creek	159,796 (A\$177,000)	164,045 (A\$165,000)	1.60	1.64
5 Eucalyptus Place ^	18 Nov 2015	Freehold	Freehold	-	-	5 Eucalyptus Place, Eastern Creek	37,918 (A\$42,000)	37,581 (A\$37,800)	0.38	0.38
16 Kangaroo Avenue ^	18 Nov 2015	Freehold	Freehold	-	-	16 Kangaroo Avenue, Eastern Creek	56,876 (A\$63,000)	54,930 (A\$55,250)	0.57	0.55
1-15 Kellet Close ^	18 Nov 2015	Freehold	Freehold	-	-	1-15 Kellet Close, Erskine Park	74,932 (A\$83,000)	74,814 (A\$75,250)	0.75	0.75
94 Lenore Drive ^	18 Nov 2015	Freehold	Freehold	-	-	94 Lenore Drive, Erskine Park	63,196 (A\$70,000)	64,624 (A\$65,000)	0.63	0.65
1 Distribution Place ^	18 Nov 2015	Freehold	Freehold	-	-	1 Distribution Place, Seven Hills	40,626 (A\$45,000)	41,160 (A\$41,400)	0.41	0.41
6-20 Clunies Ross Street	22 Feb 2016	Freehold	Freehold	-	-	6-20 Clunies Ross Street, Pemulway	106,530 (A\$118,000)	98,924 (A\$99,500)	1.07	0.99
7 Kiora Crescent ^(a)	24 Feb 2022	Freehold	Freehold	-	-	7 Kiora Crescent, Yennora	38,369 (A\$42,500)	-	0.39	-
Balance carried forward – (Logistics)							738,490 (A\$818,000)	691,871 (A695,900)	7.41	6.94

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Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
AUSTRALIA										
Logistics										
Balance brought forward – (Logistics)							738,490	691,871	7.41	6.94
							(A\$818,000)	(A\$695,900)		
Logistics (Melbourne, Victoria)										
676-698 Kororoit Creek Road ^	23 Oct 2015	Freehold	Freehold	-	-	676-698 Kororoit Creek Road, Altona North	82,155	85,999	0.82	0.86
							(A\$91,000)	(A\$86,500)		
700-718 Kororoit Creek Road ^	23 Oct 2015	Freehold	Freehold	-	-	700-718 Kororoit Creek Road, Altona North	48,300	47,225	0.48	0.47
							(A\$53,500)	(A\$47,500)		
14-28 Ordish Road ^	18 Nov 2015	Freehold	Freehold	-	-	14-28 Ordish Road, Dandenong South	55,522	55,179	0.55	0.55
							(A\$61,500)	(A\$55,500)		
35-61 South Park Drive ^	18 Nov 2015	Freehold	Freehold	-	-	35-61 South Park Drive, Dandenong South	57,779	62,138	0.58	0.62
							(A\$64,000)	(A\$62,500)		
2-16 Aylesbury Drive ^	18 Nov 2015	Freehold	Freehold	-	-	2-16 Aylesbury Drive, Altona	30,244	30,821	0.30	0.31
							(A\$33,500)	(A\$31,000)		
81-89 Drake Boulevard ^	18 Nov 2015	Freehold	Freehold	-	-	81-89 Drake Boulevard, Altona	25,730	25,849	0.26	0.26
							(A\$28,500)	(A\$26,000)		
9 Andretti Court ^	18 Nov 2015	Freehold	Freehold	-	-	9 Andretti Court, Truganina	41,529	39,271	0.42	0.39
							(A\$46,000)	(A\$39,500)		
31 Permas Way ^	18 Nov 2015	Freehold	Freehold	-	-	31 Permas Way, Truganina	76,738	87,988	0.77	0.88
							(A\$85,000)	(A\$88,500)		
162 Australis Drive ^	18 Nov 2015	Freehold	Freehold	-	-	162 Australis Drive, Derrimut	39,723	33,803	0.40	0.34
							(A\$44,000)	(A\$34,000)		
52 Fox Drive	03 April 2017	Freehold	Freehold	-	-	52 Fox Drive, Dandenong South	38,369	38,277	0.39	0.38
							(A\$42,500)	(A\$38,500)		
169-177 Australis Drive	04 June 2018	Freehold	Freehold	-	-	169 -177 Australis Drive, Derrimut	52,362	52,196	0.53	0.52
							(A\$58,000)	(A\$52,500)		
Balance carried forward – (Logistics)							1,286,941	1,250,617	12.91	12.52
							(A\$1,425,500)	(A\$1,257,900)		

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
AUSTRALIA										
<i>Logistics</i> (continued)										
Balance brought forward – (Logistics)							1,286,941	1,250,617	12.91	12.52
							(A\$1,425,500)	(A\$1,257,900)		
Logistics (Brisbane, Queensland)										
62 Sandstone Place ^	23 Oct 2015	Freehold	Freehold	–	–	62 Sandstone Place, Parkinson	19,049	20,630	0.19	0.21
							(A\$21,100)	(A\$20,750)		
92 Sandstone Place ^	23 Oct 2015	Freehold	Freehold	–	–	92 Sandstone Place, Parkinson	22,209	19,238	0.22	0.19
							(A\$24,600)	(A\$19,350)		
95 Gilmore Road ^	23 Oct 2015	Freehold	Freehold	–	–	95 Gilmore Road, Berrinba	84,412	85,502	0.85	0.86
							(A\$93,500)	(A\$86,000)		
77 Logistics Place ^	18 Nov 2015	Freehold	Freehold	–	–	77 Logistics Place, Larapinta	26,452	25,849	0.26	0.26
							(A\$29,300)	(A\$26,000)		
99 Radius Drive ^	18 Nov 2015	Freehold	Freehold	–	–	99 Radius Drive, Larapinta	28,709	27,838	0.29	0.28
							(A\$31,800)	(A\$28,000)		
1-7 Wayne Goss Drive	07 Sep 2018	Freehold	Freehold	–	–	1-7 Wayne Goss Drive, Berrinba	35,480	33,803	0.36	0.34
							(A\$39,300)	(A\$34,000)		
Cargo Business Park	17 Sep 2018	Freehold	Freehold	–	–	56 Lavarack Ave, Eagle Farm	33,675	35,295	0.34	0.36
							(A\$37,300)	(A\$35,500)		
500 Green Road ^(iv)	11 Feb 2022	Freehold	Freehold	–	–	500 Green Road, Crestmead	74,481	–	0.75	–
							(A\$82,500)			
Logistics (Perth, Western Australia)										
35 Baile Road ^	23 Oct 2015	Freehold	Freehold	–	–	35 Baile Road, Canning Vale	45,140	48,716	0.45	0.49
							(A\$50,000)	(A\$49,000)		
Total Australia Logistics							1,656,548	1,547,488	16.62	15.51
							(A\$1,834,900)	(A\$1,556,500)		

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Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
AUSTRALIA										
Business Space										
Business Space (Sydney, New South Wales)										
197-201 Coward Street	09 Sep 2016	Freehold	Freehold	-	-	197-201 Coward Street, Mascot	167,018	178,958	1.68	1.79
							(A\$185,000)	(A\$180,000)		
1-5 Thomas Holt Drive	13 Jan 2021	Freehold	Freehold	-	-	1-5 Thomas Holt Drive, Macquarie Park	264,972	298,263	2.66	2.99
							(A\$293,500)	(A\$300,000)		
Business Space (Brisbane, Queensland)										
100 Wickham Street	25 Sep 2017	Freehold	Freehold	-	-	100 Wickham Street, Fortitude Valley	64,550	80,530	0.65	0.81
							(A\$71,500)	(A\$81,000)		
108 Wickham Street	22 Dec 2017	Freehold	Freehold	-	-	108 Wickham Street, Fortitude Valley	80,349	99,918	0.81	1.00
							(A\$89,000)	(A\$100,500)		
Business Space (Melbourne, Victoria)										
254 Wellington Road	11 Sep 2020	Freehold	Freehold	-	-	254 Wellington Road, Mulgrave	95,245	113,837	0.94	1.14
							(A\$105,500)	(A\$114,500)		
Total Australia Business Space							672,134	771,506	6.74	7.73
							(A\$744,500)	(A\$776,000)		
Total Australia investment properties							2,328,682	2,318,994	23.36	23.24
							(A\$2,579,400)	(A\$2,332,500)		

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Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
UNITED KINGDOM / EUROPE										
Logistics										
Logistics (East England, United Kingdom)										
Market Garden Road	16 Aug 2018	Freehold	Freehold	-	-	Market Garden Road, Stratton Business Park, Biggleswade	32,773 (GBP20,150)	44,203 (GBP24,350)	0.33	0.44
Logistics (East Midlands, United Kingdom)										
Common Road	16 Aug 2018	Freehold	Freehold	-	-	Common Road, Fullwood Industrial Estate, Huthwaite, Sutton-in-Ashfield	32,529 (GBP20,000)	38,031 (GBP20,950)	0.33	0.38
Units 1-5, Export Drive	16 Aug 2018	Freehold	Freehold	-	-	Units 1-5, Export Drive, Huthwaite, Sutton-in-Ashfield	2,521 (GBP1,550)	3,177 (GBP1,750)	0.02	0.03
Logistics (North West England, United Kingdom)										
Astmoor Road	16 Aug 2018	Freehold	Freehold	-	-	Astmoor Road, Astmoor Industrial Estate, Runcorn	47,004 (GBP28,900)	48,650 (GBP26,800)	0.47	0.49
Transpennine 200	16 Aug 2018	Freehold	Freehold	-	-	Transpennine 200, Pilsworth Road, Heywood, Greater Manchester	17,240 (GBP10,600)	10,892 (GBP6,000)	0.17	0.11
Leacroft Road	04 Oct 2018	Freehold	Freehold	-	-	Leacroft Road, Birchwood, Warrington	13,418 (GBP8,250)	15,702 (GBP8,650)	0.13	0.16
Hawleys Lane	04 Oct 2018	965 years	Leasehold	22 Nov 2962	940 years	Hawleys Lane, Warrington	38,628 (GBP23,750)	41,752 (GBP23,000)	0.39	0.42
8 Leacroft Road	04 Oct 2018	Freehold	Freehold	-	-	8 Leacroft Road, Birchwood, Warrington	11,629 (GBP7,150)	13,070 (GBP7,200)	0.12	0.13
Balance carried forward – (Logistics)							195,742 (GBP120,350)	215,477 (GBP118,700)	1.96	2.16

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
UNITED KINGDOM / EUROPE										
<i>Logistics</i> (continued)										
Balance brought forward – (Logistics)							195,742	215,477	1.96	2.16
							(GBP120,350)	(GBP118,700)		
Logistics (South East England, United Kingdom)										
Howard House	16 Aug 2018	999 years	Leasehold	28 Nov 3004	982 years	Howard House, Howard Way, Interchange Park, Newport Pagnell	49,200	56,456	0.49	0.57
							(GBP30,250)	(GBP31,100)		
Units 1-2, Tower Lane	16 Aug 2018	Freehold	Freehold	–	–	Units 1-2, Tower Lane, Stoke Park, Tower Industrial Estate, Eastleigh	22,526	22,011	0.23	0.22
							(GBP13,850)	(GBP12,125)		
Lodge Road	04 Oct 2018	Freehold	Freehold	–	–	Lodge Road, Staplehurst, Kent	23,339	25,124	0.23	0.25
							(GBP14,350)	(GBP13,840)		
Logistics (West Midlands, United Kingdom)										
Eastern Avenue	16 Aug 2018	Freehold	Freehold	–	–	Eastern Avenue, Derby Road, Burton-on-Trent	24,234	28,228	0.24	0.28
							(GBP14,900)	(GBP15,550)		
Vernon Road	16 Aug 2018	Freehold	Freehold	–	–	Vernon Road, Stoke-on-Trent	23,258	29,045	0.23	0.29
							(GBP14,300)	(GBP16,000)		
1 Sun Street	04 Oct 2018	Freehold	Freehold	–	–	1 Sun Street, Wolverhampton	44,076	39,574	0.44	0.40
							(GBP27,100)	(GBP21,800)		
The Triangle	04 Oct 2018	Freehold	Freehold	–	–	The Triangle, North View, Walsgrave, Coventry	20,656	36,760	0.21	0.37
							(GBP12,700)	(GBP20,250)		
Unit 103, Stonebridge Cross Business Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 103, Pointon Way, Stonebridge Cross Business Park, Droitwich	2,562	2,442	0.03	0.02
							(GBP1,575)	(GBP1,345)		
Balance brought forward – (Logistics)							405,593	455,117	4.06	4.56
							(GBP249,375)	(GBP250,710)		

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Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
UNITED KINGDOM / EUROPE										
<i>Logistics</i> (continued)										
Balance brought forward – (Logistics)							405,593	455,117	4.06	4.56
							(GBP249,375)	(GBP250,710)		
Logistics (West Midlands, United Kingdom) (continued)										
Unit 302, Stonebridge Cross Business Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 302, Pointon Way, Stonebridge Cross Business Park, Droitwich	41,881	41,316	0.42	0.41
							(GBP25,750)	(GBP22,760)		
Unit 401, Stonebridge Cross Business Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 401, Pointon Way, Stonebridge Cross Business Park, Droitwich	12,523	12,253	0.13	0.12
							(GBP7,700)	(GBP6,750)		
Unit 402, Stonebridge Cross Business Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 402, Pointon Way, Stonebridge Cross Business Park, Droitwich	8,295	9,349	0.08	0.09
							(GBP5,100)	(GBP5,150)		
Unit 404, Stonebridge Cross Business Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 404, Pointon Way, Stonebridge Cross Business Park, Droitwich	10,043	10,565	0.10	0.11
							(GBP6,175)	(GBP5,820)		
Unit 1, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 1, Wellesbourne Distribution Park, Wellesbourne, Warwick	38,872	49,104	0.39	0.49
							(GBP23,900)	(GBP27,050)		
Unit 2, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 2, Wellesbourne Distribution Park, Wellesbourne, Warwick	26,836	31,223	0.27	0.31
							(GBP16,500)	(GBP17,200)		
Balance carried forward – (Logistics)							544,043	608,927	5.45	6.09
							(GBP334,500)	(GBP335,440)		

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Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022 \$'000	31/12/2021 \$'000	31/12/2022 %	31/12/2021 %
UNITED KINGDOM / EUROPE										
<i>Logistics</i> (continued)										
Balance brought forward – (Logistics)							544,043 (GBP334,500)	608,927 (GBP335,440)	5.45	6.09
Logistics (West Midlands, United Kingdom) (continued)										
Unit 3, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 3, Wellesbourne Distribution Park, Wellesbourne, Warwick	36,025 (GBP22,150)	44,203 (GBP24,350)	0.37	0.44
Unit 4, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 4, Wellesbourne Distribution Park, Wellesbourne, Warwick	10,247 (GBP6,300)	11,981 (GBP6,600)	0.11	0.12
Unit 5, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 5, Wellesbourne Distribution Park, Wellesbourne, Warwick	12,084 (GBP7,430)	15,702 (GBP8,650)	0.12	0.16
Unit 8, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 8, Wellesbourne Distribution Park, Wellesbourne, Warwick	16,508 (GBP10,150)	23,145 (GBP12,750)	0.17	0.23
Unit 13, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 13, Wellesbourne Distribution Park, Wellesbourne, Warwick	10,490 (GBP6,450)	8,623 (GBP4,750)	0.11	0.09
Unit 14, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 14, Wellesbourne Distribution Park, Wellesbourne, Warwick	12,280 (GBP7,550)	17,336 (GBP9,550)	0.12	0.17
Unit 16, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 16, Wellesbourne Distribution Park, Wellesbourne, Warwick	3,822 (GBP2,350)	3,404 (GBP1,875)	0.04	0.04
Unit 17, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 17, Wellesbourne Distribution Park, Wellesbourne, Warwick	2,391 (GBP1,470)	2,088 (GBP1,150)	0.02	0.02
Unit 18, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 18, Wellesbourne Distribution Park, Wellesbourne, Warwick	2,033 (GBP1,250)	1,906 (GBP1,050)	0.02	0.02
Balance carried forward – (Logistics)							649,923 (GBP399,600)	737,315 (GBP406,165)	6.53	7.38

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Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
UNITED KINGDOM / EUROPE										
Logistics (continued)										
Balance brought forward – (Logistics)							649,923	737,315	6.53	7.38
							(GBP399,600)	(GBP406,165)		
Logistics (West Midlands, United Kingdom) (continued)										
Unit 19, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 19, Wellesbourne Distribution Park, Wellesbourne, Warwick	2,359	1,815	0.02	0.02
							(GBP1,450)	(GBP1,000)		
Unit 20, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 20, Wellesbourne Distribution Park, Wellesbourne, Warwick	4,147	5,128	0.04	0.05
							(GBP2,550)	(GBP2,825)		
Unit 21, Wellesbourne Distribution Park	04 Oct 2018	Freehold	Freehold	–	–	Unit 21, Wellesbourne Distribution Park, Wellesbourne, Warwick	6,099	6,898	0.07	0.07
							(GBP3,750)	(GBP3,800)		
Logistics (Yorkshire and the Humber, United Kingdom)										
12 Park Farm Road	16 Aug 2018	Freehold	Freehold	–	–	12 Park Farm Road, Foxhills Industrial Estate, Scunthorpe	18,297	21,239	0.18	0.21
							(GBP11,250)	(GBP11,700)		
Units 1a, 1b, 2 & 3, Upwell Street	16 Aug 2018	Freehold	Freehold	–	–	Units 1a, 1b, 2 & 3, Upwell Street, Victory Park, Sheffield	33,017	38,575	0.33	0.39
							(GBP20,300)	(GBP21,250)		
Unit 3, Brookfields Way	16 Aug 2018	Freehold	Freehold	–	–	Unit 3, Brookfields Way, Rotherham	24,722	28,682	0.25	0.29
							(GBP15,200)	(GBP15,800)		
Lowfields Way	04 Oct 2018	Freehold	Freehold	–	–	Lowfields Way, Lowfields Business Park, Elland, Yorkshire	16,264	18,969	0.16	0.19
							(GBP10,000)	(GBP10,450)		
Total United Kingdom / Europe Logistics							754,828	858,621	7.58	8.60
							(GBP464,100)	(GBP472,990)		

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Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
UNITED KINGDOM / EUROPE										
<i>Data Centres</i>										
Data Centres (London, United Kingdom)										
Welwyn Garden City	17 Mar 2021	Freehold	Freehold	-	-	Hertfordshire Data Centre, Mundellst, Welwyn Garden City	98,236 (GBP60,400)	113,275 (GBP62,400)	0.99	1.14
Croydon	17 Mar 2021	Freehold	Freehold	-	-	Unit B, Beddington Lane, Croydon	185,250 (GBP113,900)	247,062 (GBP136,100)	1.86	2.48
Cressex Business Park	17 Mar 2021	Freehold	Freehold	-	-	Cressex Business Park, 1 Coronation Road, High Wycombe	55,949 (GBP34,400)	69,526 (GBP38,300)	0.56	0.70
Data Centres (Manchester, United Kingdom)										
Reynolds House	17 Mar 2021	Leasehold	125 years	24 May 2125	102 years	Plot C1, Birley Fields, Hulme, Manchester	23,258 (GBP14,300)	28,137 (GBP15,500)	0.23	0.28
Data Centres (Amsterdam, The Netherlands)										
Paul van Vlissingenstraat	17 Mar 2021	Leasehold	50 years ^(a)	15 April 2054 ^(a)	31 years ^(a)	Paul van Vlissingenstraat 16 and Johann Siegerstraat 9, Amsterdam	66,239 (EUR46,700)	89,226 (EUR58,000)	0.66	0.89
Gyroscoopweg	17 Mar 2021	Leasehold	50 years ^(b)	01 Jan 2042 ^(b)	19 years ^(b)	Gyroscoopweg 2E and 2F, Amsterdam	24,822 (EUR17,500)	29,383 (EUR19,100)	0.25	0.29
Balance carried forward – (Data Centres)							453,754 (GBP223,000) and (EUR64,200)	576,609 (GBP252,300) and (EUR77,100)	4.55	5.78

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Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
UNITED KINGDOM / EUROPE										
Data Centres (continued)										
Balance brought forward – (Data Centres)							453,754	576,609	4.55	5.78
							(GBP223,000)	(GBP252,300)		
							and	and		
							(EUR64,200)	(EUR77,100)		
Data Centres (Amsterdam, The Netherlands) (continued)										
Cateringweg	17 Mar 2021	Leasehold	50 years ⁽ⁱ⁾	18 Dec 2059 ⁽ⁱ⁾	37 years ⁽ⁱ⁾	Cateringweg 5, Schiphol	89,643	108,763	0.90	1.09
							(EUR63,200)	(EUR70,700)		
Data Centres (Paris, France)										
Montigny-le-Bretonneux	17 Mar 2021	Freehold	Freehold	–	–	1 Rue Jean Pierre Timbaud, Montigny le Bretonneux	96,309	113,994	0.97	1.14
							(EUR67,900)	(EUR74,100)		
Saclay	17 Mar 2021	Freehold	Freehold	–	–	Route de Bievres and Route Nationale 306, Saclay	11,773	18,461	0.12	0.19
							(EUR8,300)	(EUR12,000)		
Bievres	17 Mar 2021	Freehold	Freehold	–	–	127 Rue de Paris, Bievres	38,155	41,998	0.38	0.42
							(EUR26,900)	(EUR27,300)		
Data Centres (Geneva, Switzerland)										
Chemin de L'Epinglier	17 Mar 2021	Leasehold	90 years ⁽ⁱ⁾	01 Jul 2074 ⁽ⁱ⁾	52 years ⁽ⁱ⁾	Chemin de L'Epinglier 2, Satiny	38,864	41,690	0.39	0.42
							(EUR27,400)	(EUR27,100)		
Total United Kingdom / Europe Data Centres							728,498	901,515	7.31	9.04
							(GBP223,000)	(GBP252,300)		
							and	and		
							(EUR257,900)	(EUR288,300)		
Total United Kingdom / Europe investment properties							1,483,326	1,760,136	14.89	17.64
							(GBP687,100)	(GBP725,290)		
							and	and		
							(EUR257,900)	(EUR288,300)		

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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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
UNITED STATES										
Business Space										
Business Space (San Diego, California)										
5005 & 5010 Wateridge	11 Dec 2019	Freehold	Freehold	-	-	5005 & 5010 Wateridge Vista Drive, San Diego	121,305 (USD88,500)	116,248 (USD85,900)	1.21	1.17
6055 Lusk Boulevard ^(v)	11 Dec 2019	Freehold	Freehold	-	-	6055 Lusk Boulevard, San Diego	78,403 (USD57,200)	50,884 (USD37,600)	0.79	0.51
10020 Pacific Mesa Boulevard	11 Dec 2019	Freehold	Freehold	-	-	10020 Pacific Mesa Boulevard, San Diego	211,085 (USD154,000)	189,462 (USD140,000)	2.12	1.90
15051 Avenue of Science	11 Dec 2019	Freehold	Freehold	-	-	15051 Avenue of Science, San Diego	36,871 (USD26,900)	35,862 (USD26,500)	0.37	0.36
15073 Avenue of Science	11 Dec 2019	Freehold	Freehold	-	-	15073 Avenue of Science, San Diego	24,535 (USD17,900)	22,735 (USD16,800)	0.25	0.23
15231, 15253 & 15333 Avenue of Science	11 Dec 2019	Freehold	Freehold	-	-	15231, 15253 & 15333 Avenue of Science	79,225 (USD57,800)	70,372 (USD52,000)	0.80	0.70
15378 Avenue of Science	11 Dec 2019	Freehold	Freehold	-	-	15378 Avenue of Science, San Diego	31,663 (USD23,100)	29,231 (USD21,600)	0.32	0.29
15435 & 15445 Innovation Drive	11 Dec 2019	Freehold	Freehold	-	-	15435 & 15445 Innovation Drive, San Diego	55,376 (USD40,400)	50,884 (USD37,600)	0.55	0.51
Business Space (San Francisco, California)										
505 Brannan Street	21 Nov 2020	Freehold	Freehold	-	-	505 Brannan Street	292,915 (USD213,700)	272,555 (USD201,400)	2.94	2.73
510 Townsend Street	21 Nov 2020	Freehold	Freehold	-	-	510 Townsend Street	525,108 (USD383,100)	510,465 (USD377,200)	5.27	5.12
Balance carried forward – (Business Space)							1,456,486 (USD1,062,600)	1,348,698 (USD996,600)	14.62	13.52

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022 \$'000	31/12/2021 \$'000	31/12/2022 %	31/12/2021 %
UNITED STATES (continued)										
Business Space (continued)										
Balance brought forward – (Business Space)							1,456,486 (USD1,062,600)	1,348,698 (USD996,600)	14.62	13.52
Business Space (Raleigh, North Carolina)										
5200 East & West Paramount Parkway	11 Dec 2019	Freehold	Freehold	–	–	5200 East & West Paramount Parkway, Morrisville	115,685 (USD84,400)	122,609 (USD90,600)	1.16	1.23
Perimeter One	11 Dec 2019	Freehold	Freehold	–	–	3005 Carrington Mill Boulevard, Morrisville	80,870 (USD59,000)	82,281 (USD60,800)	0.81	0.82
Perimeter Two	11 Dec 2019	Freehold	Freehold	–	–	3020 Carrington Mill Boulevard, Morrisville	68,945 (USD50,300)	73,484 (USD54,300)	0.69	0.73
Perimeter Three	11 Dec 2019	Freehold	Freehold	–	–	3015 Carrington Mill Boulevard, Morrisville	87,175 (USD63,600)	89,588 (USD66,200)	0.87	0.90
Perimeter Four	11 Dec 2019	Freehold	Freehold	–	–	3025 Carrington Mill Boulevard, Morrisville	58,528 (USD42,700)	60,628 (USD44,800)	0.59	0.61
Business Space (Portland, Oregon)										
The Atrium	11 Dec 2019	Freehold	Freehold	–	–	15220 NW Greenbrier Parkway, Beaverton	41,120 (USD30,000)	43,306 (USD32,000)	0.41	0.43
The Commons	11 Dec 2019	Freehold	Freehold	–	–	15455 NW Greenbrier Parkway, Beaverton	17,134 (USD12,500)	15,292 (USD11,300)	0.17	0.15
Greenbrier Court	11 Dec 2019	Freehold	Freehold	–	–	14600-14700 NW Greenbrier Parkway, Beaverton	23,576 (USD17,200)	19,623 (USD14,500)	0.24	0.20
Parkside	11 Dec 2019	Freehold	Freehold	–	–	15350-15400 NW Greenbrier Parkway, Beaverton	34,747 (USD25,350)	33,833 (USD25,000)	0.35	0.34
Balance carried forward – (Business Space)							1,984,266 (USD1,447,650)	1,889,342 (USD1,396,100)	19.91	18.93

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
UNITED STATES										
<i>Business Space</i> (continued)										
Balance brought forward – (Business Space)							1,984,266	1,889,342	19.91	18.93
							(USD1,447,650)	(USD1,396,100)		
Business Space (Portland, Oregon) (continued)										
Ridgeview	11 Dec 2019	Freehold	Freehold	–	–	15201 NW Greenbrier Parkway, Beaverton	20,560	20,705	0.21	0.21
							(USD15,000)	(USD15,300)		
Waterside	11 Dec 2019	Freehold	Freehold	–	–	14908,14924,15247 and 15272 NW Greenbrier Parkway, Beaverton	29,195	30,043	0.29	0.30
							(USD21,300)	(USD22,200)		
8300 Creekside	11 Dec 2019	Freehold	Freehold	–	–	8300 SW Creekside Place, Beaverton	14,392	14,345	0.14	0.14
							(USD10,500)	(USD10,600)		
8305 Creekside	11 Dec 2019	Freehold	Freehold	–	–	8305 SW Creekside Place, Beaverton	4,797	4,737	0.05	0.05
							(USD3,500)	(USD3,500)		
8405 Nimbus	11 Dec 2019	Freehold	Freehold	–	–	8405 SW Nimbus Avenue, Beaverton	15,352	16,104	0.15	0.16
							(USD11,200)	(USD11,900)		
8500 Creekside	11 Dec 2019	Freehold	Freehold	–	–	8500 SW Creekside Place, Beaverton	21,108	20,300	0.21	0.20
							(USD15,400)	(USD15,000)		
8700-8770 Nimbus	11 Dec 2019	Freehold	Freehold	–	–	8700-8770 SW Nimbus Avenue, Beaverton	8,909	9,879	0.09	0.10
							(USD6,500)	(USD7,300)		
Creekside 5	11 Dec 2019	Freehold	Freehold	–	–	8705 SW Nimbus Avenue, Beaverton	11,651	12,721	0.12	0.13
							(USD8,500)	(USD9,400)		
Creekside 6	11 Dec 2019	Freehold	Freehold	–	–	8905 SW Nimbus Avenue, Beaverton	22,068	22,735	0.22	0.23
							(USD16,100)	(USD16,800)		
9205 Gemini	11 Dec 2019	Freehold	Freehold	–	–	9205 SW Gemini Drive, Beaverton	9,800	10,691	0.10	0.11
							(USD7,150)	(USD7,900)		
9405 Gemini	11 Dec 2019	Freehold	Freehold	–	–	9405 SW Gemini Drive, Beaverton	13,844	14,076	0.14	0.14
							(USD10,100)	(USD10,400)		
Total United States Business Space							2,155,942	2,065,678	21.63	20.70
							(USD1,572,900)	(USD1,526,400)		

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
UNITED STATES										
<i>Logistics</i>										
Logistics (Kansas City, Kansas / Missouri)										
Crossroads Distribution Center	5 Nov 2021	Freehold	Freehold	-	-	11350 Strang Line Road	19,361 (USD14,125)	19,082 (USD14,100)	0.20	0.19
Lackman Business Center 1-3	5 Nov 2021	Freehold	Freehold	-	-	15300-15610 West 101st Terrace	42,834 (USD31,250)	41,749 (USD30,850)	0.43	0.42
Lackman Business Center 4	5 Nov 2021	Freehold	Freehold	-	-	15555-15607 West 100th Terrace	9,046 (USD6,600)	8,966 (USD6,630)	0.09	0.09
Continental Can	5 Nov 2021	Freehold	Freehold	-	-	11725 West 85th Street	17,956 (USD13,100)	18,337 (USD13,550)	0.18	0.18
North Topping	5 Nov 2021	Freehold	Freehold	-	-	1501 – 1599 North Topping Ave	10,828 (USD7,900)	10,691 (USD7,900)	0.11	0.11
Warren	5 Nov 2021	Freehold	Freehold	-	-	1902 – 1930 Warren Street	23,302 (USD17,000)	22,735 (USD16,800)	0.24	0.23
Quebec	5 Nov 2021	Freehold	Freehold	-	-	1253 – 1333 Quebec Street	28,990 (USD21,150)	28,893 (USD21,350)	0.29	0.29
Saline	5 Nov 2021	Freehold	Freehold	-	-	1234 – 1250 Saline Street	10,828 (USD7,900)	11,232 (USD8,300)	0.11	0.11
Levee	5 Nov 2021	Freehold	Freehold	-	-	1746 Levee Road	21,383 (USD15,600)	20,976 (USD15,500)	0.21	0.21
Airworld 1	5 Nov 2021	Freehold	Freehold	-	-	10707 – 10715 Airworld Drive	19,189 (USD14,000)	16,510 (USD12,200)	0.17	0.16
Airworld 2	5 Nov 2021	Freehold	Freehold	-	-	10717 Airworld Drive	16,859 (USD12,300)	16,646 (USD12,300)	0.18	0.17
Balance carried forward – (Logistics)							220,576 (USD160,925)	215,817 (USD159,480)	2.21	2.16

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 31 December 2022

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	
							31/12/2022	31/12/2021	31/12/2022	31/12/2021
							\$'000	\$'000	%	%
UNITED STATES										
<i>Logistics</i> (continued)										
Balance brought forward – (Logistics)							220,576	215,817	2.21	2.16
							(USD160,925)	(USD159,480)		
Logistics (Chicago, Illinois)										
540 – 570 Congress Circle South ^(vi)	10 Jun 2022	Freehold	Freehold	–	–	540 - 570 Congress Circle South, Roselle, IL	15,352	–	0.15	–
							(USD11,200)			
490 Windy Point Drive ^(vi)	10 Jun 2022	Freehold	Freehold	–	–	490 Windy Point Drive, Glendale Heights, IL	5,716	–	0.06	–
							(USD4,170)			
472 – 482 Thomas Drive ^(vi)	10 Jun 2022	Freehold	Freehold	–	–	472 – 482 Thomas Drive, Bensenville, IL	17,408	–	0.17	–
							(USD12,700)			
13144 South Pulaski Road ^(vi)	10 Jun 2022	Freehold	Freehold	–	–	13144 South Pulaski Road, Alsip, IL	33,308	–	0.34	–
							(USD24,300)			
3950 Sussex Avenue ^(vi)	10 Jun 2022	Freehold	Freehold	–	–	3950 Sussex Avenue, Aurora, IL	6,812	–	0.07	–
							(USD4,970)			
2500 South 25th Avenue ^(vi)	10 Jun 2022	Freehold	Freehold	–	–	2500 South 25th Avenue, Broadview, IL	15,763	–	0.16	–
							(USD11,500)			
501 South Steward Road ^(vi)	10 Jun 2022	Freehold	Freehold	–	–	501 South Steward Road, Rochelle, IL	49,207	–	0.49	–
							(USD35,900)			
Total United States- Logistics							364,142	215,817	3.65	2.16
							(USD265,665)	(USD159,480)		
Total United States investment properties							2,520,084	2,281,495	25.28	22.86
							(USD1,838,565)	(USD1,685,880)		
Total Group's investment properties (Note 4)							16,430,392	16,293,725	164.84	163.29
Investment properties under development (Note 5)							147,197	246,054	1.48	2.47
Other assets and liabilities (net)							(6,310,967)	(6,262,611)	(63.32)	(62.76)
Net assets of the Group							10,266,622	10,277,168	103.00	103.00
Perpetual securities							(298,938)	(298,938)	(3.00)	(3.00)
Net assets attributable to Unitholders							9,967,684	9,978,230	100.00	100.00

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 31 December 2022

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 227 (2021: 217) investment properties were undertaken by the following valuers on the dates stated below during the financial years ended 31 December 2022 and 2021:

Valuers	31/12/2022 Valuation date	31/12/2021 Valuation date
Savills Valuation and Professional Services (S) Pte Ltd	31 December 2022	31 December 2021
CBRE Pte Ltd	31 December 2022	31 December 2021
Edmund Tie & Company (SEA) Pte Ltd	31 December 2022	31 December 2021
Colliers International Consultancy & Valuation (Singapore) Pte Ltd	31 December 2022	31 December 2021
Cushman and Wakefield VHS Pte. Ltd	31 December 2022	31 December 2021
Knight Frank Pte Ltd	31 December 2022	31 December 2021
CBRE Valuations Pty Ltd	31 December 2022	–
CBRE Limited	31 December 2022	–
Savills (UK) Limited	31 December 2022	–
CBRE, Inc.	31 December 2022	31 December 2021
Cushman & Wakefield Western, Inc.	31 December 2022	31 December 2021
JLL Valuation & Advisory Services, LLC	31 December 2022	–
Newmark Knight Frank Valuation & Advisory, LLC	–	31 December 2021
Jones Lang LaSalle Limited	–	31 December 2021
Knight Frank NSW Valuations & Advisory Pty Ltd	–	31 December 2021

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 2022, the valuations adopted for investment properties amounted to \$16,430.4 million (2021: \$16,293.7 million).

- (i) 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.
- (ii) The redevelopment project at 25 Ubi Road 4, Singapore, which is also known as UBIX was completed on 7 January 2022.
- (iii) The acquisition of 7 Kiora Crescent, Yennora, Sydney, Australia was completed on 24 January 2022.
- (iv) The acquisition of 500 Green Road, Crestmead, Brisbane, Australia was completed on 11 February 2022.
- (v) The property is undergoing a convert-to-suit exercise to transform the office property into a premier life sciences property.
- (vi) The seven US properties were acquired on 10 June 2022.

The accompanying notes form an integral part of these financial statements.

Investment Properties Portfolio Statement

As at 31 December 2022

- (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) Land lease is a perpetual leasehold divided in terms of 50 years each, of which the current term expires on 15 April 2054.
- (h) Land lease is a perpetual leasehold divided in terms of 50 years each, of which the current term expires on 1 January 2042.
- (i) Land lease is a temporary right of leasehold of 50 years expiring on 18 December 2059.
- (j) Land lease (building rights) is a temporary right of leasehold of 90 years expiring on 1 July 2074.
- (k) Includes Lot 5054T and Lot 5076L, with land lease expiring on 31 October 2055 and 29 February 2056 respectively.
- ^ These properties were pledged as securities in relation to the syndicated term loans from Australian banks for the financial year ended 31 December 2022 and 31 December 2021.

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

Year ended 31 December 2022

	Note	31/12/2022 \$'000	Group 31/12/2021 \$'000
Cash flows from operating activities			
Total return for the year before tax		844,777	1,043,511
Adjustments for:			
Finance costs, net	22	187,762	158,880
Management fees paid/payable in Units		16,891	15,873
(Write-back)/provision of expected credit loss on receivables	10	(700)	43
Bad debt written off		-	195
Net change in fair value of financial derivatives		(135,821)	(64,832)
Net change in fair value of investment properties and investment properties under development	4	(73,816)	(283,245)
Net change in fair value of right-of-use assets	7	7,543	6,642
Net foreign exchange differences		37,862	(97)
Share of joint venture and associate company's results	9	(348)	(3,304)
Gain from disposal of investment properties		-	(23,994)
Remeasurement gain on the acquisition of remaining 75% equity interest in Ascendas Reit (Singapore Sub 1) LLP (converted from Ascendas Fusion 5 Pte Ltd on 14 September 2021)		-	(13,680)
Operating income before working capital changes		884,150	835,992
Changes in working capital:			
Trade and other receivables		(16,550)	(26,815)
Trade and other payables		188,416	(55,921)
Cash generated from operations		1,056,016	753,256
Income tax paid		(38,091)	(26,495)
Net cash provided by operating activities		1,017,925	726,761
Cash flows from investing activities			
Purchase of investment properties	(A)	(138,271)	(1,873,236)
Payment for capital improvement on investment properties		(125,855)	(114,441)
Payment for investment properties under development		(66,599)	(159,085)
Proceeds from the disposal of investment properties		-	262,396
Dividend received from a joint venture company and an associate company	9	313	2,060
Interest received		2,248	6,927
Incorporation of an associate company	9	-	(39,312)
Capital injection to an associate company	9	(35,618)	-
Deposits paid for the acquisition of investment properties		(10,481)	-
Net cash used in investing activities		(374,263)	(1,914,691)

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

Year ended 31 December 2022

	Note	31/12/2022 \$'000	Group 31/12/2021 \$'000
Cash flows from financing activities			
Distributions paid to Unitholders		(649,698)	(378,461)
Distributions paid to perpetual securities holders		(9,000)	(9,000)
Finance costs paid		(157,372)	(129,142)
Payment of lease liabilities	7	(35,356)	(33,456)
Transaction costs paid in respect of borrowings		(6,994)	(4,998)
Proceeds from borrowings		8,705,745	3,782,408
Repayment of borrowings		(8,629,687)	(2,366,101)
Proceeds from issuance of Units		-	420,003
Equity issue costs paid		-	(3,866)
Net cash (used in)/provided by financing activities		(782,362)	1,277,387
Net (decrease)/increase in cash and cash equivalents			
Cash and cash equivalents at beginning of the financial year	11	368,549	277,979
Effect of exchange rate changes on cash balances		(12,831)	1,113
Cash and cash equivalents at end of the financial year	11	217,018	368,549

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)
Derecognise 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 2022

Notes:

(b) Significant non-cash transactions

During the financial year ended 31 December 2022:

- 6,061,073 new Units amounting to \$16,875,000 were issued at issue prices ranging from \$2.7671 to \$2.8016 per unit for the payment of 20% base management fee to the Manager in Units.

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 Ascendas Reit (Singapore Sub 1) LLP. 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 Ascendas Reit (Singapore Sub 1) LLP.
- 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.

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

As at 31 December 2022

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 3 March 2023.

1. GENERAL

CapitaLand Ascendas REIT (the “Trust” or “CLAR”) is a Singapore-domiciled real estate investment trust constituted pursuant to the trust deed dated 9 October 2002 between CapitaLand Ascendas REIT Management 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, the Eighteenth Supplemental Deed dated 28 November 2020 and the Nineteenth Supplemental Deed dated 27 September 2022 (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 – New Singapore Property Management Agreement, the New Singapore Project Management Agreement, the New Singapore Lease Management Agreement, the New Australia Strategic Management Agreements, the New Australia Master Asset Management Agreements, the New US Master Asset and Lease Management Agreement and the New Europe Master Asset and Lease Management Agreement (collectively, the “New Management Agreements”) as approved by the Unitholders of the Trust during the Extraordinary General Meeting on 6 July 2022 as the previous service agreements (collectively, the “Old Management Agreements”) had expired on 30 September 2022. The duration of the New Management Agreements is 10 years commencing from 1 October 2022.

The fees structures of these services are as follows:

1.1 Trustee fees

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

As at 31 December 2022

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 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.

With effect from 1 April 2019, the Manager excluded right-of-use assets from the computation of Deposited Property (the “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 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.

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.

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.

Notes to the Financial Statements

As at 31 December 2022

1. GENERAL (continued)

1.3 Fees under the property management agreement (for the Singapore properties)

(i) Property management services

For property management services pursuant to the New and Old Management Agreements, the Group will pay Ascendas Services Pte Ltd (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 will 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. The adjusted gross revenue pursuant to the New Management Agreements has expanded to include income derived from car park income and additional property tax recovered from tenants.

(ii) Marketing and leasing services (previously termed as marketing and sales services)

For marketing and leasing services pursuant to the New and Old Management Agreements, the Group will pay the Property Manager the following commissions for new tenancies.

- 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.

Pursuant to the New Management Agreements, in the event the tenancy is prematurely terminated within six months of the commencement of the tenancy, the Property Manager shall:

- where no third-party agent is involved, refund 50.0% of the commission paid to the Property Manager provided that if the tenant fully compensates CLAR 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 it received, and if the tenant only compensates CLAR for a proportion of the loss, the amount refunded to CLAR 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 to the Property Manager; or

Notes to the Financial Statements

As at 31 December 2022

1. GENERAL (continued)

1.3 Fees under the property management agreement (for the Singapore properties) (continued)

(ii) Marketing and leasing services (previously termed as marketing and sales services) (continued)

- where a third-party agent is involved, procure (on a best effort basis) the third-party agent to refund to the Trustee 50.0% of the commission paid to the third-party agent by Property Manager, provided that if the tenant fully compensates CLAR for the pre-termination (taking into account the loss of income and related expenses), third-party agent need not refund 50.0% of its commission. If the tenant only compensates CLAR for a proportion of the loss, the amount to be refunded to CLAR by the third-party agent (which shall be procured by Property Manager on a best effort basis) would be pro-rated based on the unrecovered loss divided by the aggregate total loss multiplied by 50.0% of the commission paid to the third-party agent;

Pursuant to the Old Management Agreements, in the event the tenancy is prematurely terminated within six months of the commencement of the tenancy, the Property Manager shall refund 50.0% of the commission paid to the Property Manager provided that if the tenant fully compensates CLAR for the pre-termination (taking into account the loss of income and related expenses), Property Manager need not refund 50.0% of the commission it received, and if the tenant only compensates CLAR for a proportion of the loss, the amount refunded to CLAR 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 to the Property Manager.

(iii) Project management services

For project management services incurred pursuant to the New Singapore Property Management Agreement, the Group will pay the Property Manager the following fees for the (i) routine refurbishment, retrofitting, renovation and reinstatement works of the property 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 but not exceeding 1.35% of the construction costs, 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 Trustee for the project (including but without limitation to development, redevelopment and capital expenditure works), but excluding development charges, differential premiums, statutory payments, consultants' professional fees and goods and services tax ("GST").

Notes to the Financial Statements

As at 31 December 2022

1. GENERAL (continued)

1.3 Fees under the property management agreement (for the Singapore properties) (continued)

(iii) Project management services (continued)

For project management services incurred pursuant to the Old Management Agreements, 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 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 GST.

(iv) Energy audit services

All the Singapore Properties have completed the relevant energy audits. Accordingly, the energy audit services were excluded from the New Management Agreements.

For energy audit services pursuant to the Old Management Agreements, 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 Property Manager 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

As at 31 December 2022

1. GENERAL (continued)

1.3 Fees under the property management agreement (for the Singapore properties) (continued)

(v) Car park management expenses

For car park management expenses pursuant to the New Management Agreements, the Trust shall be responsible for all capital expenditure and operating expenses in relation to the car park management of the properties. The Group is not required to pay a separate car park management fee to the Property Manager and the Group is entitled to 100.0% of the hourly parking collections from the properties.

For car park management services pursuant to the Old Management Agreements, the Group will pay Property Manager 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 GST). 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 project management agreement (for the Singapore properties)

For project management services incurred pursuant to the New Singapore Project Management Agreement, the Group will pay CapitaLand Development Pte. Ltd. (the “Project Manager”), the following fees for refurbishment, retrofitting and renovation and reinstatement works (if the Project Manager is required by the Manager at its sole discretion to provide project management services for such works), development or re-development and asset enhancement initiatives:

- 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, but not exceeding 1.35% of the construction costs, where the construction costs exceed \$100.0 million.

For purpose of calculating the fees payable to the Project Manager, construction costs means all construction costs and expenditure valued by the quantity surveyor engaged by the Group for the project (including but without limitation to development and re-development and capital expenditure works), but excluding development charges, differential premiums, statutory payments, consultants’ professional fees and GST.

Notes to the Financial Statements

As at 31 December 2022

1. GENERAL (continued)

1.5 Fees under the lease management agreement (for the Singapore properties)

(i) Lease management services

For lease management services pursuant to the New and Old Management Agreements, the Group will pay the Lease Manager or its nominees (as the Lease 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 Lease Manager or its nominees the following fees, subject to a refund of 50.0% of the commission paid to the Lease 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 Lease 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 Lease 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 respect of the New Management Agreements, the adjusted gross revenue has expanded to include income derived from car park income and additional property tax recovered from tenants.

In relation to tenancy renewal (where an existing tenant of CLAR renews its tenancy for the same or less net lettable area irrespective of whether it is in respect of the same location), the Group will pay the Lease Manager or its nominees, the following fee commission:

- 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 1.5 months' gross rent inclusive of service charge.

In relation to a tenancy renewal where an existing tenant renews its tenancy for the same or less net lettable area irrespective of whether it is in respect of the same location, the Group will pay the Lease Manager or its nominees, the following lease commission:

- 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 three years;
- 0.5 month's gross rent inclusive of service charge for securing a tenancy of more than one year but less than 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 1.5 month's gross rent inclusive of service charge.

Notes to the Financial Statements

As at 31 December 2022

1. GENERAL (continued)

1.5 Fees under the lease management agreement (for the Singapore properties) (continued)

(i) Lease management services (continued)

In relation to a tenancy renewal where an existing tenant renews its tenancy for a larger net lettable area irrespective of whether it is in respect of the same location, the Group will pay the Lease Manager or its nominees, the following lease commission:

- pro-rated based on 1.0 month's gross rent inclusive of service charge for securing a tenancy of more than six months but less than one year;
- 1.0 month's gross rent inclusive of service charge for securing a tenancy of more than one year but less than three years;
- pro-rated based on 2.0 month's gross rent inclusive of service charge for securing a tenancy of more than three years but less than five years;
- 2.0 month's gross rent inclusive of service charge for securing a tenancy of five years; and
- pro-rated based on 2.0 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 3.0 month's gross rent inclusive of service charge.

In relation to 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 Lease Manager or its nominees, the following lease commission:

- pro-rated based on 1.0 month's gross rent inclusive of service charge for securing a tenancy of more than six months but less than three year;
- 1.0 month's gross rent inclusive of service charge for securing a tenancy of three years;
- pro-rated based on 2.0 month's gross rent inclusive of service charge for securing a tenancy of more than three years but less than five years;
- 2.0 month's gross rent inclusive of service charge for securing a tenancy of five years; and
- pro-rated based on 2.0 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 3.0 month's gross rent inclusive of service charge.

(ii) Property tax services

For property tax services pursuant to the New and Old Lease Management Agreement, the Lease Manager or its nominees are entitled to the following fees if as a result of the Lease 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 Lease Manager if the Lease 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

As at 31 December 2022

1. GENERAL (continued)

1.6 Fees under the strategic and asset management agreements (for the Australia properties)

For strategic management services pursuant to the New and Old Strategic Management Agreements, 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. Adjusted gross revenue means gross rental income and car park income (after deducting rent rebates and other tenant incentives amortised or otherwise) from the Australia Property, all penalties and liquidated damages from tenants (such as past-due interests, compensation for pre-termination lease) and amounts from any profit sharing agreements for sub-letting of an Australia Property and the additional property tax recovered from tenants, but shall exclude all other income earned by Ascendas REIT Australia such as (i) all other income earned from the Australia Property including, but not limited to, utilities income, car park income, sale of equipment, liquidated damages from contractors, rentals for fitting-out works for tenants and rental support and (ii) all goods and services tax collected from the tenants and licensees and rental deposits and other refundable security deposits to the extent that they are not set off against the sums due to the landlord.

For asset management services pursuant to the New and Old Australia Master Asset Management Agreements, the Group will pay AFMA an asset management fee (to be mutually agreed between the Group and AFMA) under the individual 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.

1.7 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 CLAR 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.

The Group appointed CapitaLand International Management (UK) Ltd as the asset manager for the UK / Europe Properties in respect of the New Europe Master and Lease Management Agreement and may nominate other individual asset managers to carry out the asset and lease management services, subject to the overall management of the Manager and individual asset and lease management agreements till 30 September 2032.

Notes to the Financial Statements

As at 31 December 2022

1. GENERAL (continued)

1.7 Fees under the asset and lease management agreements (for the United Kingdom/ Europe (the “UK / Europe”) properties) (continued)

(i) Asset management fees

The Group will pay the Europe Asset Manager an asset management fee of 0.3% per annum of the Europe Adjusted Deposited Property (excluding right-of-use assets) for which the asset management services are provided, in respect of the New Master Asset and Lease Management Agreement.

The Group will pay the Europe Asset Manager an asset management fee of 0.4% per annum of the Europe Adjusted Deposited Property (including right-of-use assets) for which the asset management services are provided, in respect of the Old Europe Master Asset and Lease Management Agreement.

The payment of asset management fee will reduce the base management fees payable to the Manager described under 1.2 (i), such that there is no double counting of the payment of the asset management fees and the payment of base management fees to the Manager.

(ii) Lease management fees

Pursuant to the New and Old Europe Master Asset and Lease Management Agreement, the Group will pay the Europe Asset Manager a fee of 1.0% per annum of the Adjusted Gross Revenue of such Europe Properties for which lease management services are provided.

(iii) Project management fees

Pursuant to the New Europe Master Asset and Lease Management Agreement, the Group will pay the Europe Asset Manager the following fees for development, re-development, routine refurbishment, retrofitting and renovation works.

Property where submission to the relevant authorities for the approval of such works is required.

- 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 but not exceeding 1.35% of the construction costs, where the construction costs exceed £100.0 million.

Notes to the Financial Statements

As at 31 December 2022

1. GENERAL (continued)

1.7 Fees under the asset and lease management agreements (for the United Kingdom/ Europe (the “UK / Europe”) properties) (continued)

(iii) Project management fees (continued)

Pursuant to the Old Europe Master Asset and Lease Management Agreement, the Group will pay the Europe Asset Manager the following fees for routine refurbishment, retrofitting and renovation works to a Europe Property where submission to the relevant authorities for the approval of such works is required.

- 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.

1.8 Fees under the asset and lease management agreements (for the United States of America (the “US”) properties)

The Group appointed CapitalLand International USA LLC (“CLI US”) as the asset manager to provide certain asset management, lease management and project management services in respect of the properties located in the US, including the properties, held (whether directly or indirectly) by CLAR from time to time. In connection with the foregoing, the Manager, the Trustee and CLI US entered into a master asset and lease management agreement (the “US Master ALMA”).

Pursuant to the Master ALMA, individual asset and lease management agreements (the “US Individual ALMAs”; together with the US Master ALMA, the “US ALMAs”) were entered into by each underlying asset holding company with AMUS for the US properties till 30 September 2032.

(i) Asset management fees

The Group will pay an asset management fee of up to 0.3% per annum of the adjusted deposited property for which the asset management services are provided (excluding right-of-use assets), in respect of the New Management Agreements.

The Group will pay an asset management fee of up to 0.4% per annum of the adjusted deposited property for which the asset management services are provided (including right-of-use assets), in respect of the Old Management Agreements.

The payment of asset management fee will reduce the base management fees payable to the Manager described under 1.2 (i), such that there is no double counting of the payment of the asset management fees and the payment of base management fees to the Manager.

Notes to the Financial Statements

As at 31 December 2022

1. GENERAL (continued)

1.8 Fees under the asset and lease management agreements (for the United States of America (the “US” properties)) (continued)

(ii) Lease management fees

Pursuant to the New and Old Management Agreements, the Group will pay CLI US a lease management fee of 1.0% per annum of the adjusted gross revenue of each property in the US.

(iii) Project management fees

Pursuant to the New and Old Agreements, Group will pay the US Asset Manager the following fees for development, re-development, routine refurbishment, retrofitting and renovation works to a US Property where submission to the relevant authorities for the approval of such works is required.

- a fee of 3.00% of the construction costs, where the construction costs are US\$1.4 million or less;
- a fee of 2.15% of the construction costs, where the construction costs exceed US\$1.4 million but do not exceed US\$8.4 million;
- a fee of 1.45% of the construction costs, where the construction costs exceed US\$8.4 million but do not exceed US\$28.0 million;
- a fee of 1.40% of the construction costs, where the construction costs exceed US\$28.0 million but do not exceed US\$49.0 million;
- a fee of 1.35% of the construction costs, where the construction costs exceed US\$49.0 million but do not exceed US\$70.0 million; and
- a fee to be mutually agreed by the parties but not exceeding 1.35% of the construction costs, where the construction costs exceed US\$70.0 million.

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 Investment Funds”* 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.

Notes to the Financial Statements

As at 31 December 2022

2. BASIS OF PREPARATION (continued)

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 2022, the Group and the Trust's current liabilities exceed its current assets by \$939.3 million (2021: \$1,315.7 million) and \$738.9 million (2021: \$1,374.4 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.

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 right-of-use assets
- 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 Head of Portfolio Management and 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.

Notes to the Financial Statements

As at 31 December 2022

2. BASIS OF PREPARATION (continued)

2.4 Use of estimates and judgements (continued)

Measurement of fair values (cont'd)

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.

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 right-of-use assets
- 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.

Notes to the Financial Statements

As at 31 December 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 Basis of consolidation (continued)

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.

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.

Notes to the Financial Statements

As at 31 December 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Foreign currency (continued)

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.

Foreign currency differences are recognised in the foreign currency translation reserve (“translation reserve”) in 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 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.

Notes to the Financial Statements

As at 31 December 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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) *As 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.

Notes to the Financial Statements

As at 31 December 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Leases (continued)

(i) *As lessee (continued)*

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.

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

As at 31 December 2022

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 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 derecognised 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 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

As at 31 December 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Financial instruments (continued)

(ii) *Financial liabilities* (continued)

De-recognition

A financial liability is derecognised 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.

Notes to the Financial Statements

As at 31 December 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Impairment (continued)

(i) *Financial assets* (continued)

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.

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 of 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

As at 31 December 2022

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 business combinations, 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.

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.

Notes to the Financial Statements

As at 31 December 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Taxation (continued)

(i) *Current tax and deferred tax* (continued)

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.

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.

Notes to the Financial Statements

As at 31 December 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Taxation (continued)

(i) *Current tax and deferred tax* (continued)

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.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

3.10 Distribution policy

CLAR'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.

Notes to the Financial Statements

As at 31 December 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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.

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, project management agreement and lease management agreement in Singapore, strategic and asset management agreement in Australia, asset and lease management agreements in the UK / Europe and asset and lease management agreements in the US which are based on the applicable formula stipulated in Note 1.3 to Note 1.8.

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.

Notes to the Financial Statements

As at 31 December 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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 2022 (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 Group has adopted the principles of the Interest Rate Benchmark Reform (“IBOR”) (Amendments to SFRS(I) 9 and SFRS(I) 7). As at 31 December 2022, the Group has commenced the transition of its Singapore Swap Offer Rate (“SOR”) and US Dollar London Inter-bank Offer Rate (“USD LIBOR”) linked medium term notes (“MTN”) and term loans.

The management had assessed and determined that the change is necessary as a direct consequence of IBOR reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the changes.

The Group is currently monitoring its IBOR reform transition for its SOR and USD LIBOR linked MTN, term loans and interest rate swaps, which includes assessing the impact of existing IBOR related financial products and executing amendments required as a result of IBOR reform with its counterparties.

Reference to the Conceptual Framework – Amendments to FRS 103

The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of FRS 103 Business Combinations 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 Provisions, Contingent Liabilities and Contingent Assets or INT FRS 121 Levies, if incurred separately. The exception requires entities to apply the criteria in FRS 37 or INT FRS 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

Notes to the Financial Statements

As at 31 December 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 New and amended standards and interpretations (continued)

Reference to the Conceptual Framework – Amendments to FRS 103 (continued)

The amendments also add a new paragraph to FRS 103 to clarify that contingent assets do not qualify for recognition at the acquisition date.

In accordance with the transitional provisions, the Group applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Group as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

FRS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

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. There is no similar amendment proposed for FRS 39 Financial Instruments: Recognition and Measurement.

In accordance with the transitional provisions, the Group 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 date of initial application). These amendments had no impact on the consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the period.

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 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.

Notes to the Financial Statements

As at 31 December 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.19 Standards issued but not yet effective (continued)

Definition of Accounting Estimates – Amendments to FRS 8

In February 2021, the IASB issued amendments to FRS 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, the amendments 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 to the Group.

Disclosure of Accounting Policies – Amendments to FRS 1 and FRS Practice Statement 2

In February 2021, the IASB issued amendments to FRS 1 and FRS 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 FRS 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 on the Group's accounting policy disclosures.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to FRS 12

In May 2021, the Board issued amendments to FRS 12, which narrow the scope of the initial recognition exception under FRS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The Group is currently assessing the impact of the amendments.

Notes to the Financial Statements

As at 31 December 2022

4. INVESTMENT PROPERTIES

	Group		Trust	
	31/12/2022 \$'000	31/12/2021 \$'000	31/12/2022 \$'000	31/12/2021 \$'000
At the beginning of the financial year	16,293,725	13,707,692	9,199,500	9,017,200
Acquisition of investment properties	138,271	2,186,284	-	-
Transfer from investment properties under development (Note 5)	156,289	190,738	61,208	190,738
Capital expenditure incurred	125,855	114,441	65,619	72,391
Disposal of investment properties	-	(234,109)	-	(105,000)
Exchange differences	(365,810)	43,661	-	-
Fair value change	82,062	285,018	2,373	24,171
At the end of the financial year	16,430,392	16,293,725	9,328,700	9,199,500
Statement of Total Return:				
Fair value change of investment properties	82,062	285,018	2,373	24,171
Fair value change of investment properties under development (Note 5)	7,498	21,410	(2,351)	(1,557)
Effect of lease incentive and marketing fee amortisation	(15,744)	(23,183)	(13,421)	(15,695)
Net fair value change on investment properties and investment properties under development recognised in the Statement of Total Return (unrealised)	73,816	283,245	(13,399)	6,919

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 2022, investment properties with an aggregate carrying amount of \$1,277,281,000 (2021: \$1,288,993,000) 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 2022 and 31 December 2021. Information on the fair value assessment of investment properties is disclosed in Note 29(d).

Notes to the Financial Statements

As at 31 December 2022

5. INVESTMENT PROPERTIES UNDER DEVELOPMENT

	Group		Trust	
	31/12/2022 \$'000	31/12/2021 \$'000	31/12/2022 \$'000	31/12/2021 \$'000
At the beginning of the financial year	246,054	259,782	64,800	223,000
Transfer (to)/from investment properties (Note 4)	(156,289)	(190,738)	(61,208)	(190,738)
Capital expenditure incurred	66,599	142,734	2,559	34,095
Acquisition	-	16,351	-	-
Exchange differences	(16,665)	(3,485)	-	-
Fair value change (Note 4)	7,498	21,410	(2,351)	(1,557)
At the end of the financial year	147,197	246,054	3,800	64,800

As at 31 December 2022 and 31 December 2021, investment properties under development are as follows:

Description of Property	Location	Trust	
		31/12/2022 \$'000	31/12/2021 \$'000
iQuest@IBP	27 International Business Park	3,800	5,000
UBIX (formerly 25 and 27 Ubi Road 4)	25 Ubi Road 4	-	59,800
Total investment properties under development		3,800	64,800

Description of Property	Location	Group	
		31/12/2022 \$'000	31/12/2021 \$'000
MQX4	1 Giffnock Avenue, Macquarie Park, Australia	143,397	79,776
iQuest@IBP 7, Kiora Crescent	27 International Business Park 7, Kiora Crescent, Yennora, Australia	3,800	5,000
500 Green Road	500 Green Road, Crestmead, Australia	-	65,687
UBIX (formerly 25 and 27 Ubi Road 4)	25 Ubi Road 4	-	59,800
Total investment properties under development		147,197	246,054

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).

Notes to the Financial Statements

As at 31 December 2022

6. FINANCE LEASE RECEIVABLES

	31/12/2022		31/12/2021	
	Carrying amount \$'000	Face value \$'000	Carrying amount \$'000	Face value \$'000
Group and Trust				
Finance lease receivables				
– Current	4,064	6,867	3,657	6,733
– Non-current	37,329	47,239	41,393	54,106
	41,393	54,106	45,050	60,839

Finance lease receivables are receivable from the lessees as follows:

	← 31/12/2022 →			← 31/12/2021 →		
	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	6,867	2,803	4,064	6,733	3,076	3,657
After 1 year but within 5 years	27,354	7,976	19,378	27,488	9,302	18,186
After 5 years	19,885	1,934	17,951	26,618	3,411	23,207
	54,106	12,713	41,393	60,839	15,789	45,050

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.

Notes to the Financial Statements

As at 31 December 2022

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	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	\$'000	\$'000	\$'000	\$'000
At the beginning of the financial year	604,646	609,956	584,932	609,956
Derecognition of right-of-use assets due to divestments	-	(18,728)	-	(18,728)
Recognition of right-of-use assets due to acquisitions	-	15,527	-	-
Adjustment due to remeasurement of right-of-use assets	50,978	5,271	47,701	-
Fair value change on the right-of-use assets	(7,543)	(6,642)	(7,215)	(6,296)
Exchange differences	(774)	(738)	-	-
At the end of the financial year	647,307	604,646	625,418	584,932

Lease liabilities

At the beginning of the financial year	604,646	609,956	584,932	609,956
Payment of land rent expenses	(35,356)	(33,456)	(34,449)	(32,989)
Derecognition of lease liabilities due to divestments	-	(18,728)	-	(18,728)
Recognition of lease liabilities due to acquisitions	-	15,527	-	-
Adjustment due to remeasurement of lease liabilities	50,978	5,271	47,701	-
Interests on the lease liabilities (Note 22)	27,531	26,883	27,234	26,693
Exchange differences	(492)	(807)	-	-
At the end of the financial year	647,307	604,646	625,418	584,932

Presented as

Current	39,697	36,656	38,970	36,030
Non-current	607,610	567,990	586,448	548,902
	647,307	604,646	625,418	584,932

Notes to the Financial Statements

As at 31 December 2022

8. INTERESTS IN SUBSIDIARIES AND LOANS TO SUBSIDIARIES

	31/12/2022 \$'000	Trust 31/12/2021 \$'000
<i>Interests in subsidiaries</i>		
Equity investment, at cost		
At the beginning of the financial year	1,491,554	738,520
Acquisitions / addition	41	753,034
At the end of the financial year	1,491,595	1,491,554
Loans to subsidiaries (Note a)	2,271,144	2,586,777
	3,762,739	4,078,331
<i>Loans to subsidiaries</i>		
Non-current (Note b)	547,536	549,157

- (a) As loans to subsidiaries for both financial years ended 31 December 2022 and 31 December 2021 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 2022, loans to subsidiaries bear interest of Bank Bill Swap Bid Rate (BBSY)+2.0% and Bank Bill Swap Rate (BBSW)+1.8% (2021: 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.

Details of interests in subsidiaries:

Name of subsidiary	Principal activity	Principal place of business	Effective equity held by the Trust	
			31/12/2022 %	31/12/2021 %
(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	100
Ascendas US HoldCo Pte. Ltd.*	Investment holding	Singapore	100	100
Ascendas REIT BP Trust 1^	Investment holding	Australia	100	100
Ascendas Logistics Trust 3 ("ALT3") ^	Investment holding	Australia	100	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	100
Ascendas REIT Moonshine Trust***	Investment holding	Singapore	100	-
Ascendas REIT Singapore Holdco 1 Pte. Ltd.****	Investment holding	Singapore	100	-

Notes to the Financial Statements

As at 31 December 2022

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	
			31/12/2022 %	31/12/2021 %
(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
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.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

Notes to the Financial Statements

As at 31 December 2022

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	
			31/12/2022 %	31/12/2021 %
(ii) Indirect subsidiaries (continued)				
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
Ascendas Business Park Trust No.3 [^]	Investment holding	Australia	100	100
Ascendas Business Park Trust No.4 [^]	Investment holding	Australia	100	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

Notes to the Financial Statements

As at 31 December 2022

8. INTERESTS IN SUBSIDIARIES AND LOANS TO SUBSIDIARIES (continued)

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	
			31/12/2022 %	31/12/2021 %
(ii) Indirect subsidiaries (continued)				
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
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	100
Ascendas REIT (Croydon) UK Limited^^	Investment in real estate assets	United Kingdom	100	100
Ascendas REIT (Croydon) Limited^^	Investment in real estate assets	Isle of Man	100	100
Ascendas REIT (Cressex) Limited^^	Investment in real estate assets	Jersey	100	100
Ascendas REIT (Welwyn) Limited^^	Investment in real estate assets	Jersey	100	100
Ascendas REIT (Manchester) Limited^^	Investment in real estate assets	Jersey	100	100
Ascendas REIT (Netherlands Sub 1) BV^^	Investment holding	Netherlands	100	100
Ascendas REIT (PVV) B.V.^^	Investment in real estate assets	Netherlands	100	100
Ascendas REIT (Gyroscoopweg) B.V.^^	Investment in real estate assets	Netherlands	100	100

Notes to the Financial Statements

As at 31 December 2022

8. INTERESTS IN SUBSIDIARIES AND LOANS TO SUBSIDIARIES (continued)

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	
			31/12/2022 %	31/12/2021 %
(ii) Indirect subsidiaries (continued)				
Ascendas REIT (Cateringweg) B.V.^	Investment in real estate assets	Netherlands	100	100
Ascendas REIT (France Sub 1) SAS^	Investment holding	France	100	100
Ascendas REIT Paris Holding S.a.r.l.^	Investment holding	France	100	100
Ascendas REIT (Montigny) SCI^	Investment in real estate assets	France	100	100
Ascendas REIT (Bievres) SCI^	Investment in real estate assets	France	100	100
Ascendas REIT (Saclay) SCI^	Investment in real estate assets	France	100	100
Ascendas REIT (Geneva) S.a.r.l.^	Investment in real estate assets	France	100	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

Notes to the Financial Statements

As at 31 December 2022

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	
			31/12/2022	31/12/2021
			%	%
(ii) Indirect subsidiaries (continued)				
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	100
Ascendas REIT Chicago 1 LLC ^{^^}	Investment in real estate assets	United States	100	–

* Audited by EY LLP Singapore for the financial year ended 31 December 2022 (2021: EY LLP Singapore).

** Audited by EY LLP Singapore for the financial year ended 31 December 2022 for Group consolidation purpose (2021: EY LLP Singapore).

*** Incorporated on 19 August 2022 and the first set of audited financial statements will be from 19 August 2022 to 31 December 2023.

**** Incorporated on 24 August 2022 and the first set of audited financial statements will be from 24 August 2022 to 31 December 2023.

[^] Audited by a member firm of EY International for the financial year ended 31 December 2022 for Group consolidation purpose (2021: EY International).

^{^^} Audited by EY LLP Singapore for the financial year ended 31 December 2022 for Group consolidation purpose (2021: EY LLP Singapore).

& Audited by EY LLP Singapore for the financial year ended 31 December 2022 for Group consolidation purpose (2021: EY LLP Singapore).

Notes to the Financial Statements

As at 31 December 2022

9. INVESTMENT IN AN ASSOCIATE COMPANY AND INVESTMENT IN A JOINT VENTURE

Investment in an associate company

	Group		Trust	
	31/12/2022 \$'000	31/12/2021 \$'000	31/12/2022 \$'000	31/12/2021 \$'000
At the beginning of the financial year	35,019	112,240	39,312	105,532
Incorporation of an associate company	-	39,312	-	39,312
Equity injection	35,618	-	35,618	-
Unrealised gain from the sale of a property	-	(4,293)	-	-
Share of post-acquisition profit	(32)	3,149	-	-
Dividend received	-	(1,875)	-	-
Derecognise the investment in associate	-	(113,514)	-	(105,532)
At the end of the financial year	70,605	35,019	74,930	39,312

Details of the associate company is as follows:

Name of associate company	Principal place of business	Effective equity held by the Group and the Trust	
		31/12/2022 %	31/12/2021 %
SPRINT Plot 1 Trust*	Singapore	34	34

* 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. SPRINT Plot 1 Trust is audited by KPMG LLP Singapore.

On 30 June 2021, the Trust acquired the remaining 75% interest in Ascendas Reit (Singapore Sub 1) LLP (converted from Ascendas Fusion 5 Pte Ltd on 14 September 2021), which owns Galaxis, a business park property located in one-north, Singapore. Consequently, the associate company became the subsidiary of the Group and its financials were consolidated in the Group's financial statements and being derecognised as investment in associate.

The following information is about the Group's investment in an associate company that is not individually material:

	31/12/2022 \$'000	31/12/2021 \$'000
(Loss)/profit after tax, representing total comprehensive income	(94)	12,858 [^]

[^] Included within the profit after tax for the financial year ended 31 December 2021 is an amount of \$12.9 million relating to Ascendas Reit (Singapore Sub 1) LLP before the Trust acquired the remaining 75% interest on 30 June 2021.

Notes to the Financial Statements

As at 31 December 2022

9. INVESTMENT IN AN ASSOCIATE COMPANY AND INVESTMENT IN A JOINT VENTURE (continued)

Investment in a joint venture

	31/12/2022 \$'000	Group 31/12/2021 \$'000
At the beginning of the financial year	165	195
Share of post-acquisition profit	380	155
Dividend received	(313)	(185)
At the end of the financial year	<u>232</u>	<u>165</u>

Name of joint venture	Principal place of business	Effective equity held by the Group and the Trust	
		31/12/2022 %	31/12/2021 %
Changi City Carpark Operations LLP	Singapore	39.914	39.914

* Audited by Tan, Chan & Partners LLP for the financial year ended 30 September 2022 and 30 September 2021.

Changi City Carpark Operations LLP ("CCCO") is an unlisted joint arrangement in which the Group has joint control via a partnership agreement. 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:

	31/12/2022 \$'000	31/12/2021 \$'000
Profit after tax, representing total comprehensive income	<u>952</u>	<u>387</u>

Notes to the Financial Statements

As at 31 December 2022

10. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	31/12/2022 \$'000	31/12/2021 \$'000	31/12/2022 \$'000	31/12/2021 \$'000
Trade receivables, gross	23,836	38,436	3,635	2,411
Allowance for expected credit losses	(2,208)	(3,234)	(1,210)	(1,951)
Trade receivables, net	21,628	35,202	2,425	460
Deposits	9,350	3,443	–	–
Interest receivables	5,857	5,357	5,857	5,357
Other receivables				
– Subsidiaries	–	–	13,131	9,693
– Non-related parties	31,330	18,614	14,325	8,648
	31,330	18,614	27,456	18,341
	68,165	62,616	35,738	24,158
Prepayments	23,974	18,965	15,636	5,037
	92,139	81,581	51,374	29,195

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	
	31/12/2022 \$'000	31/12/2021 ¹ \$'000	31/12/2022 \$'000	31/12/2021 ¹ \$'000
Business Space and Life Sciences	2,294	2,142	790	29
Industrial and Data Centres	13,837	26,512	1,295	340
Logistics	5,497	6,548	340	91
	21,628	35,202	2,425	460

¹ The reportable segments have been restated to reflect the new classification of property segments, which cater to the changing market and tenant requirements arising from structural trends and changing consumption patterns such as digitalisation and e-commerce.

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.

Notes to the Financial Statements

As at 31 December 2022

10. TRADE AND OTHER RECEIVABLES (continued)

As a result of the default in rental by tenants, \$2,468,000 (2021: \$5,133,000) of cash security deposits were forfeited during the financial year.

The ageing of trade receivables at the reporting date was:

	31/12/2022		31/12/2021	
	Gross \$'000	Expected credit losses \$'000	Gross \$'000	Expected credit losses \$'000
Group				
Current	14,176	(3)	14,965	(39)
Past due 1 – 90 days	4,744	(137)	19,528	(14)
Past due over 90 days	4,916	(2,068)	3,943	(3,181)
	23,836	(2,208)	38,436	(3,234)
Trust				
Current	1,638	–	460	–
Past due over 90 days	1,997	(1,210)	1,951	(1,951)
	3,635	(1,210)	2,411	(1,951)

Expected credit losses

The movements in allowance for expected credit losses of trade receivables are as follows:

	Group		Trust	
	31/12/2022 \$'000	31/12/2021 \$'000	31/12/2022 \$'000	31/12/2021 \$'000
At the beginning of the financial year (Reversal)/provision for expected credit losses	3,234	3,184	1,951	1,445
Acquisition	(700)	43	(741)	506
Bad debt written off from provision previously made	–	161	–	–
	(326)	(154)	–	–
At the end of the financial year	2,208	3,234	1,210	1,951

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

As at 31 December 2022

11. CASH AND FIXED DEPOSITS

	Group		Trust	
	31/12/2022 \$'000	31/12/2021 \$'000	31/12/2022 \$'000	31/12/2021 \$'000
Cash at banks	216,540	368,027	70,050	109,632
Fixed deposits	478	522	–	–
	217,018	368,549	70,050	109,632

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	
	31/12/2022 \$'000	31/12/2021 \$'000
Cash at banks	216,540	368,027
Fixed deposits	478	522
Cash and cash equivalents	217,018	368,549

12. TRADE AND OTHER PAYABLES

	Group		Trust	
	31/12/2022 \$'000	31/12/2021 \$'000	31/12/2022 \$'000	31/12/2021 \$'000
Trade payables				
– non-related parties	8,539	4,651	5,981	3,578
– the Manager and its fellow subsidiaries	19,762	12,021	13,809	9,670
– the Property Manager	7,094	8,669	7,094	8,669
– the Trustee	692	890	692	890
– other related parties	629	682	629	682
Accruals	146,912	181,846	100,413	118,771
Other payables	49,151	58,811	24,022	21,370
Amount owing to a subsidiary	–	–	17,094	14,527
Property tax payable	17,577	10,393	8,579	6,119
Interest payable	32,611	30,046	22,546	23,958
GST / VAT payables	12,508	23,810	8,690	14,378
Rental received in advance	48,981	54,107	9,039	11,964
Cumulative redeemable preference shares	87	86	–	–
	344,543	386,012	218,588	234,576

The amount owing to a subsidiary is unsecured and interest free and is repayable on demand.

Presented as:

	Group		Trust	
	31/12/2022 \$'000	31/12/2021 \$'000	31/12/2022 \$'000	31/12/2021 \$'000
Current	344,456	385,926	218,588	234,576
Non-current	87	86	–	–
	344,543	386,012	218,588	234,576

Notes to the Financial Statements

As at 31 December 2022

13. DERIVATIVE FINANCIAL INSTRUMENTS

	Group		Trust	
	31/12/2022 \$'000	31/12/2021 \$'000	31/12/2022 \$'000	31/12/2021 \$'000
Derivative assets				
Current	49,333	1,834	21,529	1,834
Non-current	175,326	53,868	160,561	36,002
	224,659	55,702	182,090	37,836
Derivative liabilities				
Current	-	(1,516)	-	(1,516)
Non-current	(96,614)	(58,774)	(95,613)	(55,650)
	(96,614)	(60,290)	(95,613)	(57,166)
Total derivative financial instruments	128,045	(4,588)	86,477	(19,330)
Derivative financial instruments as a percentage of net assets	1.25%	0.04%	0.89%	0.20%

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 \$2,434.2 million (2021: \$2,557.6 million) to provide fixed rate funding for terms of less than one year to 5.3 years (2021: less than one year to 4.2 years) and basis interest rate swaps with an aggregate notional amount of \$254.5 million (2021: \$504.5 million). The Group also held certain floating rate interest rate swaps with an aggregate notional amount \$350.0 million in 2021 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 2022 and 31 December 2021.

As at 31 December 2022, the Group held cross currency swaps ("CCS") with notional amounts of JPY10.0 billion and HKD5.9 billion (2021: JPY10.0 billion and HKD5.2 billion) respectively, to provide Singapore dollar funding for terms of more than one year to 9.1 years (2021: less than one year to 9.8 years).

In addition, the Group held CCS with notional amounts of AUD450.4 million and GBP80.9 million (2021: AUD301.8 million and GBP122.7 million) as a hedge for its investment in Australia and UK for a term of 2.0 to 2.7 years (31 December 2021: less than one year to 3.7 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 2022 was AUD24.2 million, GBP8.7 million and USD4.3 million (2021: AUD4.1 million and GBP7.2 million).

Notes to the Financial Statements

As at 31 December 2022

14. LOANS AND BORROWINGS

	Group		Trust	
	31/12/2022 \$'000	31/12/2021 \$'000	31/12/2022 \$'000	31/12/2021 \$'000
Current				
Short term bank borrowings (unsecured)	164,169	626,708	164,169	626,708
	164,169	626,708	164,169	626,708
Term loans (unsecured)	469,308	274,268	195,172	198,842
Less: Unamortised transaction costs	(415)	(113)	(96)	(47)
	468,893	274,155	195,076	198,795
Medium term notes (unsecured)	200,000	350,000	200,000	350,000
Less: Unamortised transaction costs	(31)	(42)	(31)	(42)
	199,969	349,958	199,969	349,958
Total current loans and borrowings	833,031	1,250,821	559,214	1,175,461
Non-current				
Term loans				
– Secured	509,488	561,074	–	–
– Unsecured	2,803,160	2,309,457	1,286,366	784,829
Less: Unamortised transaction costs	(15,992)	(12,627)	(7,651)	(3,193)
	3,296,656	2,857,904	1,278,715	781,636
Medium term notes (unsecured)	2,017,695	1,980,932	2,017,695	1,980,932
Less: Unamortised transaction costs	(5,389)	(5,309)	(5,389)	(5,309)
	2,012,306	1,975,623	2,012,306	1,975,623
Total non-current loans and borrowings	5,308,962	4,833,527	3,291,021	2,757,259
Total loans and borrowings	6,141,993	6,084,348	3,850,235	3,932,720
Maturity of gross loans and borrowings:				
Within 1 year	833,477	1,250,976	559,341	1,175,550
After 1 year but within 5 years	3,554,254	3,330,365	1,610,212	1,447,658
After 5 years	1,776,089	1,521,098	1,693,849	1,318,103
	6,163,820	6,102,439	3,863,402	3,941,311

Notes to the Financial Statements

As at 31 December 2022

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 \$2,418.5 million (31 December 2021: \$2,417.7 million), of which \$174.4 million (31 December 2021: \$635.4 million) has been utilised. Included in the amount of \$2,418.5 million (31 December 2021: \$2,417.4 million) is a sub-facility of \$102.4 million (31 December 2021: \$102.1 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 \$3,782.0 million (31 December 2021: totalling \$3,144.8 million) which have been fully utilised (31 December 2021: fully utilised).

Included in the above was approximately \$509.5 million (31 December 2021: \$561.1 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 2021: 24) 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 2022 comprised \$708.0 million (31 December 2021: \$850.0 million) in SGD-denominated Notes, \$102.2 million (31 December 2021: \$153.7 million) in JPY-denominated Notes, \$982.5 million (31 December 2021: \$906.5 million) in HKD-denominated Notes and \$425.0 million (31 December 2021: \$461.5) in EURO-denominated Notes. The Trust has in place the cross currency swaps with notional amounts of JPY10.0 billion and HKD5.9 billion (31 December 2021: JPY10.0 billion and HKD5.2 billion 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

As at 31 December 2022

14. LOANS AND BORROWINGS (continued)

Medium term notes (continued)

Total Notes outstanding as at 31 December 2022 under the MTN and EMTN programme were \$2,217,695,000 (31 December 2021: \$2,330,932,000), comprising:

Maturity date	Interest rate per annum	Interest payment in arrears	31 December 2022 '000	31 December 2021 '000
(i) 10 August 2023	2.47%	Semi-annually	\$200,000	\$200,000
(ii) 23 April 2024 ¹	2.55%	Semi-annually	JPY10,000,000	JPY10,000,000
(iii) 2 March 2025	3.14%	Semi-annually	\$200,000	\$200,000
(iv) 16 May 2025 ¹	3.66%	Semi-annually	HKD729,000	HKD729,000
(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) 23 June 2028	0.75%	Annually	EUR300,000	EUR300,000
(viii) 20 March 2029 ²	3.57%	Semi-annually	HKD1,450,000	HKD1,450,000
(ix) 19 April 2029	3.468%	Semi-annually	\$208,000	–
(x) 4 September 2029 ¹	3.64%	Annually	HKD640,000	HKD640,000
(xi) 26 August 2030	2.65%	Semi-annually	\$100,000	\$100,000
(xii) 24 October 2031 ²	2.63%	Semi-annually	HKD950,000	HKD950,000
(xiii) 17 February 2032 ¹	3.08%	Semi-annually	HKD661,000	–
(xiv) 3 February 2022	4.00%	Semi-annually	–	\$200,000
(xv) 3 June 2022	3.20%	Semi-annually	–	\$150,000

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 2022				
Short term bank borrowings	SOR/COF [^] + margin	2022	164,169	164,169
Term loans	Benchmark rate ^{^^} + margin	2022 to 2028	3,781,956	3,765,549
Medium term notes	0.75 – 4.00	2022 to 2032	2,217,695	2,212,275
			6,163,820	6,141,993
31 December 2021				
Short term bank borrowings	SOR/COF [^] + margin	2022	626,708	626,708
Term loans	Benchmark rate ^{^^} + 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

Notes to the Financial Statements

As at 31 December 2022

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 2022				
Short term bank borrowings	SOR/COF [^] + margin	2022	164,169	164,169
Term loans	Benchmark rate ^{^^} + margin	2022 to 2028	1,481,538	1,473,791
Medium term notes	0.75 – 4.00	2022 to 2032	2,217,695	2,212,275
			3,863,402	3,850,235
31 December 2021				
Short term bank borrowings	SOR/COF [^] + margin	2022	626,708	626,708
Term loans	Benchmark rate ^{^^} + 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

[^] COF denotes the lender's cost of funds

^{^^} Benchmark rate is dependent on the currencies of the term loan

The Group's weighted average all-in cost of borrowings, including interest rate swaps and amortised costs of borrowings as at 31 December 2022 was 2.5% (31 December 2021: 2.2%) per annum. Total borrowings have a weighted average term remaining of 3.7 years (31 December 2021: 3.5 years).

A reconciliation of liabilities arising from financing activities is as follows:

	1 January 2022 \$'000	Non-cash changes			31 December 2022 \$'000	
		Cash flows \$'000	Currency translation \$'000	Accretion of interests \$'000		Others \$'000
Group						
Loans and borrowings – medium term notes, and bank borrowings	6,084,348	76,058	(13,837)	2,417	(6,993)	6,141,993
Lease liabilities (Note 7)	604,646	(35,356)	(493)	27,531	50,979	647,307
	6,688,994	40,702	(14,330)	29,948	43,986	6,789,300

Notes to the Financial Statements

As at 31 December 2022

14. LOANS AND BORROWINGS (continued)

	1 January 2021 \$'000	Non-cash changes			31 December 2021 \$'000	
		Cash flows \$'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
	<u>5,291,920</u>	<u>1,382,851</u>	<u>(10,684)</u>	<u>27,835</u>	<u>(2,928)</u>	<u>6,688,994</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 2021	(5,354)	6,834	52,977	54,457
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 and 1 January 2022	(8,086)	45,924	79,934	117,772
Recognised in the Statement of Total Return (Note 23)	(8,536)	31,125	34,550	57,139
Exchange differences	–	(7,572)	–	(7,572)
At 31 December 2022	(16,622)	69,477	114,484	167,339

Notes to the Financial Statements

As at 31 December 2022

15. DEFERRED TAX ASSET AND LIABILITIES (continued)

Reflected in the statement of financial position as follows:

	31/12/2022	Group 31/12/2021
	\$'000	\$'000
Deferred tax asset	5,047	–
Deferred tax liabilities	<u>(172,386)</u>	<u>(117,772)</u>

As at 31 December 2021, deferred tax assets have not been recognised in respect of tax losses amounting to \$15,170,000 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 September 2020, 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 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 2021: \$298.9 million) presented in the Statements of Financial Position represents the carrying value of the \$300.0 million (31 December 2021: \$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

As at 31 December 2022

17. UNITS IN ISSUE AND TO BE ISSUED

	Group and Trust	
	31/12/2022 ('000)	31/12/2021 ('000)
Units issued:		
At the beginning of the financial year	4,197,930	4,020,843
Issue of new Units:		
– Management fees paid in Units	6,061	5,312
– Equity fund raising	–	142,664
– Acquisition fee paid in Units	–	1,761
– Divestment fee paid in Units	–	177
– Consideration Units	–	27,173
At end of the financial year	4,203,991	4,197,930
Units to be issued:		
Management fee payable in Units	491	458
Total Units issued and to be issued at end of the financial year	4,204,482	4,198,388

During the financial year ended 31 December 2022:

- 6,061,073 new Units amounting to \$16,875,000 were issued at issue prices ranging from \$2.7671 to \$2.8016 per unit for the payment of 20% base management fee to the Manager in Units.

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 Ascendas Reit (Singapore Sub 1) LLP. 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 in Ascendas Reit (Singapore Sub 1) LLP.
- 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.

Notes to the Financial Statements

As at 31 December 2022

18. GROSS REVENUE

	31/12/2022	Group 31/12/2021
	\$'000	\$'000
Property rental income	1,159,270	1,067,798
Other income	193,416	158,727
	1,352,686	1,226,525

Other income comprises interest income received from finance lease receivable, car park charges, utilities income and sundry income.

19. PROPERTY OPERATING EXPENSES

	31/12/2022	Group 31/12/2021
	\$'000	\$'000
Maintenance and conservancy ("M&C") expenses	42,497	37,546
Property service fees	96,878	86,001
Property tax	93,678	81,668
Utilities	120,558	72,809
Security services	10,413	9,787
Site staff cost	6,619	5,799
Carpark management fee expenses	3,578	4,213
Land tax	1,025	1,058
Other operating expenses	8,687	6,894
	383,933	305,775

20. MANAGEMENT FEES

	31/12/2022	Group 31/12/2021
	\$'000	\$'000
Base management fees	84,436	79,287
Performance fees	-	7,394
	84,436	86,681

Included in management fees is an aggregate of 6,080,000 (31 December 2021: 5,770,000) Units amounting to approximately \$16,891,000 (31 December 2021: \$15,873,000) that were issued or will be issued to the Manager as satisfaction of the management fee payable in Units at unit prices ranging from \$2.7671 to \$2.8016 (31 December 2021: \$2.9313 to \$2.9651) per Unit.

Notes to the Financial Statements

As at 31 December 2022

21. TRUST EXPENSES

	31/12/2022	Group 31/12/2021
	\$'000	\$'000
Auditors' remuneration		
– audit fees	1,200	1,100
– non-audit fees	390	129
Professional fees	4,051	3,011
Valuation fees	1,084	1,063
Trustee fee	3,283	3,137
Other expenses	6,350	5,748
	16,358	14,188

22. FINANCE COSTS, NET

	31/12/2022	Group 31/12/2021
	\$'000	\$'000
Finance income	2,248	6,927
Interest expense on loans and borrowings	(157,193)	(133,363)
Interest expenses on lease liabilities (Note 7)	(27,531)	(26,883)
Amortisation of transaction costs	(4,451)	(4,651)
Others	(835)	(910)
Finance costs	(190,010)	(165,807)
Finance costs, net	(187,762)	(158,880)

23. TAX EXPENSE

	31/12/2022	Group 31/12/2021
	\$'000	\$'000
Current tax expense		
– Current year	27,252	28,243
Deferred tax expense		
Origination and reversal of temporary differences (Note 15)	57,139	58,229
Tax expense	84,391	86,472

Notes to the Financial Statements

As at 31 December 2022

23. TAX EXPENSE (continued)

	Group	
	31/12/2022	31/12/2021
	\$'000	\$'000
Reconciliation of effective tax rate		
Total return for the year before tax	844,777	1,043,511
Tax calculated using Singapore tax rate of 17% (31 December 2021: 17%)	143,612	177,397
Effect of different tax rate in foreign jurisdictions	4,508	2,014
Non-tax deductible items, net	50,195	13,405
Income not subject to tax	(66,260)	(55,895)
Tax on overseas profits yet to be remitted (Note 15)	34,550	26,957
Tax transparency	(82,214)	(77,406)
	84,391	86,472

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	
	31/12/2022	31/12/2021
	\$'000	\$'000
Total return for the year attributable to the Unitholders and perpetual securities holders	760,386	957,039
Less: Amount reserved for distribution to perpetual securities holders	(9,000)	(9,000)
Total return attributable to Unitholders	751,386	948,039
	Number of Units	
	31/12/2022	31/12/2021
	('000)	('000)
Weighted average number of Units:		
– outstanding during the year	4,199,718	4,127,569
– to be issued as payment for management fee payable in Units	1	1
	4,199,719	4,127,570

Notes to the Financial Statements

As at 31 December 2022

24. EARNINGS PER UNIT AND DISTRIBUTION PER UNIT (continued)

(a) Basic earnings per Unit (continued)

	Group	
	31/12/2022	31/12/2021
Basic earnings per Unit (cents)	<u>17.891</u>	<u>22.968</u>

(b) Diluted earnings per Unit

As at 31 December 2022 and 31 December 2021, 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:

	Group	
	31/12/2022	31/12/2021
Total amount available for distribution for the year (\$'000)	<u>663,901</u>	<u>629,981</u>
Distribution per Unit (cents)	<u>15.798</u>	<u>15.258</u>

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	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	\$'000	\$'000	\$'000	\$'000
Within 1 year	1,014,442	1,034,405	648,707	650,110
After 1 year but within 5 years	2,265,741	2,207,440	1,328,370	1,228,748
After 5 years	1,309,630	1,393,256	929,117	866,072
	<u>4,589,813</u>	<u>4,635,101</u>	<u>2,906,194</u>	<u>2,744,930</u>

- (b) As at 31 December 2022, the Group had \$84.3 million (31 December 2021: \$170.4 million) of capital expenditure commitments that had been contracted for but not provided for in the financial statements.

The Trust had \$2.3 million of capital expenditure commitments that had been contracted for but not provided for in the financial statements as at 31 December 2021.

- (c) The Trust has provided corporate guarantees amounting to \$2,300.4 million (31 December 2021: \$2,161.1 million) to banks for loans obtained by its subsidiaries.

Notes to the Financial Statements

As at 31 December 2022

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	
	FY2022	FY2021
	\$'000	\$'000
Equity injection in an associate company	35,618	-
Management fees paid/payable to the manager, a subsidiary of the Manager and related parties of the Manager	84,436	79,287
Property service fees paid to the Property Manager	32,001	29,858
Property service fees, service charges and reimbursements to related parties of the Manager	52,356	27,195
Acquisition fee paid/payable to:		
– the Manager	4,267	16,524
– the subsidiary of the Manager	683	2,910
Development management fee payable to the Manager	1,113	1,076
Performance fee payable to the Manager	-	7,394
Carpark management fee paid/payable to the Property Manager	3,578	4,213
Divestment fee paid/payable to:		
– the Manager	-	596
– the subsidiary of the Manager	-	645
Lease rental, licence fee, security deposits, chilled water, electricity, car park income, other income from:		
– the other related companies	(59,339)	(49,323)
– the related parties of the Manager	-	(844)
Lease service fee paid/payable to:		
– the Manager	19,221	13,633
– the subsidiary of the Manager	2,564	2,790
– the related parties of the Manager	-	628
Reimbursements and receipts on behalf to the Property Manager	614	535
Utilities expense, telephone charges, security deposits, M&C services and reimbursement of expenses to other related companies	22,141	8,850
Trustee fee	2,687	2,570
Reimbursement paid/payable to the Manager	-	239
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)
Acquisition of remaining 75% equity interest in Ascendas Reit (Singapore Sub 1) LLP	-	588,300
Sale of property to an associate company	-	(103,160)

Notes to the Financial Statements

As at 31 December 2022

27. FINANCIAL RATIOS

	31/12/2022	Group 31/12/2021
	%	%
Expenses to weighted average net assets ⁽¹⁾		
– including performance component of Manager’s management fees	0.98	1.03
– excluding performance component of Manager’s management fees	0.98	0.96
Ratio of expenses to net asset value ⁽²⁾	4.69	3.96
Portfolio turnover rate ⁽³⁾	–	2.15

- (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 supported by CapitaLand Investment Limited Internal Audit Department (“CLI IA”). CLI IA 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

As at 31 December 2022

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 US. 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

As at 31 December 2022

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 2022								
Financial assets								
Cash and fixed deposits	89,835	16,499	78,839	10	31,835	-	-	217,018
Trade and other receivables ⁽¹⁾	52,582	3,878	18,723	4,111	(11,129)	-	-	68,165
Finance lease receivables	41,393	-	-	-	-	-	-	41,393
	183,810	20,377	97,562	4,121	20,706	-	-	326,576
Financial liabilities								
Trade and other payables ⁽²⁾	(262,179)	(422)	(16,709)	(496)	(3,248)	-	-	(283,054)
Security deposits	(189,839)	(766)	(1,008)	-	(5,126)	-	-	(196,739)
Lease liabilities	(625,418)	-	(6,779)	(15,110)	-	-	-	(647,307)
Loans and borrowings – Gross	(1,172,170)	(1,153,184)	(195,172)	(424,998)	(2,133,600)	(982,496)	(102,200)	(6,163,820)
	(2,249,606)	(1,154,372)	(219,668)	(440,604)	(2,141,974)	(982,496)	(102,200)	(7,290,920)
Net financial liabilities	(2,065,796)	(1,133,995)	(122,106)	(436,483)	(2,121,268)	(982,496)	(102,200)	(6,964,344)
Add: Net non-financial assets of foreign subsidiaries	-	643,696	195,172	424,998	342,670	-	-	1,606,536
Less: Net financial assets denominated in the respective entities' functional currency	2,065,796	491,422	(77,723)	(3,615)	1,778,606	-	-	4,254,486
Less: Cross currency swap	-	-	-	-	-	982,496	102,200	1,084,696
Currency exposure	-	1,123	4,657	(15,100)	8	-	-	(18,626)

⁽¹⁾ Excludes prepayments.

⁽²⁾ Excludes rental received in advance and GST / VAT payable.

Notes to the Financial Statements

As at 31 December 2022

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

As at 31 December 2022

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
Trust								
31 December 2022								
Financial assets								
Cash and fixed deposits	66,788	1,123	2,123	10	6	-	-	70,050
Trade and other receivables ⁽¹⁾	35,738	-	-	-	-	-	-	35,738
Finance lease receivables	41,393	-	-	-	-	-	-	41,393
Loans to subsidiaries	-	547,536	-	-	-	-	-	547,536
	143,919	548,659	2,123	10	6	-	-	694,717
Financial liabilities								
Trade and other payables ⁽²⁾	(200,859)	-	-	-	-	-	-	(200,859)
Security deposits	(183,461)	-	-	-	-	-	-	(183,461)
Amount due to a subsidiary	(22,281)	-	-	-	-	-	-	(22,281)
Lease liabilities	(625,418)	-	-	-	-	-	-	(625,418)
Loans and borrowings – Gross	(1,172,170)	(643,696)	(195,172)	(424,998)	(342,670)	(982,496)	(102,200)	(3,863,402)
	(2,204,189)	(643,696)	(195,172)	(424,998)	(342,670)	(982,496)	(102,200)	(4,895,421)
Net financial liabilities	(2,060,270)	(95,037)	(193,049)	(424,988)	(342,664)	(982,496)	(102,200)	(4,200,704)
Add: Net interest in subsidiaries	-	96,160	195,172	424,998	342,670	-	-	1,059,000
Less: Net financial assets denominated in the respective entities' functional currency	(2,060,270)	-	-	-	-	-	-	2,060,270
Less: Cross currency swap	-	-	-	-	-	982,496	102,200	1,084,696
Currency exposure	-	1,123	2,123	10	6	-	-	3,262

⁽¹⁾ Excludes prepayments.

⁽²⁾ Excludes rental received in advance and GST / VAT payable.

Notes to the Financial Statements

As at 31 December 2022

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
	134,936	554,393	25,088	4	13,576	-	-	727,997
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)
	(1,965,802)	(708,329)	(278,262)	(460,847)	(492,830)	(902,175)	(117,910)	(4,926,155)
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

As at 31 December 2022

28. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

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.

(i) 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 2021: SGD and AUD). If the SGD or AUD interest rates had increased / decreased by 100 basis point (31 December 2021: 100 basis point) with all other variables including tax rate being held constant, the total profit would have been lower / higher by \$12,841,000 and \$12,841,000 respectively (31 December 2021: \$13,401,000 and \$13,401,000 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.

Notes to the Financial Statements

As at 31 December 2022

28. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

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, insurance bonds 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.

(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 \$547,536,000 (31 December 2021: \$549,157,000) 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 that are regulated.

(iv) Cash and fixed deposits

Cash and fixed deposits are placed with financial institutions that 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 2022 and 31 December 2021.

Notes to the Financial Statements

As at 31 December 2022

28. FINANCIAL RISK MANAGEMENT (continued)

(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.

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 2022			
Non-derivative financial liabilities			
Loans and borrowings	859,337	7,108,507	3,552,178
Trade and other payables ⁽¹⁾	282,967	-	87
Security deposits	74,972	83,513	38,303
Lease liabilities	39,697	191,277	1,191,320
	1,256,973	7,383,297	4,781,888
Derivative financial liabilities			
Interest rate swaps (net-settled)	47,534	89,022	(1,000)
Cross currency swaps (net-settled)	-	(81,971)	35,863
Forward contacts	1,799	-	-
	49,333	7,051	34,863
	1,306,306	7,390,348	4,816,751
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 contacts	157	-	-
	(578)	(44,430)	(5,344)
	1,676,437	3,686,872	2,873,429

⁽¹⁾ Excludes rental received in advance and GST / VAT payable.

Notes to the Financial Statements

As at 31 December 2022

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 2022			
Non-derivative financial liabilities			
Loans and borrowings	569,256	1,842,289	2,006,887
Trade and other payables ⁽¹⁾	200,859	-	-
Security deposits	67,885	80,307	35,269
Lease liabilities	38,970	187,789	1,153,902
	<u>876,970</u>	<u>2,110,385</u>	<u>3,196,058</u>
Derivative financial liabilities			
Interest rate swaps (net-settled)	19,730	74,258	(1,000)
Cross currency swaps (net-settled)	-	(81,971)	35,863
Forward contracts	1,799	-	-
	<u>21,529</u>	<u>(7,713)</u>	<u>34,863</u>
	<u>898,499</u>	<u>2,102,672</u>	<u>3,230,921</u>
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
	<u>1,486,663</u>	<u>1,740,538</u>	<u>2,614,393</u>
Derivative financial liabilities			
Interest rate swaps (net-settled)	2	(5,923)	-
Cross currency swaps (net-settled)	-	(42,093)	(5,344)
Forward contracts	157	-	-
	<u>159</u>	<u>(48,016)</u>	<u>(5,344)</u>
	<u>1,486,822</u>	<u>1,692,522</u>	<u>2,609,049</u>

⁽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 (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 2022			
Corporate guarantee	<u>2,300,418</u>	-	-
31 December 2021			
Corporate guarantee	<u>2,161,128</u>	-	-

Notes to the Financial Statements

As at 31 December 2022

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 2022, the Aggregate Leverage of the Group is 36.3% (31 December 2021: 35.9%). The Group and the Trust were in compliance with the Aggregate Leverage limit of 50.0% (31 December 2021: 50.0%) during the financial year. The Group had an interest coverage ratio⁽¹⁾ and adjusted interest coverage ratio⁽²⁾ of 5.2 (31 December 2021: 5.7) and 4.9 (31 December 2021: 5.4) 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.

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

As at 31 December 2022

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 2022				
<i>Financial asset</i>				
Derivative assets	-	224,659	-	224,659
Total financial asset	-	224,659	-	224,659
<i>Non-financial assets</i>				
Investment properties	-	-	16,430,392	16,430,392
Investment properties under development	-	-	147,197	147,197
Right-of-use assets	-	-	647,307	647,307
Total non-financial assets	-	-	17,224,896	17,224,896
<i>Financial liability</i>				
Derivative liabilities	-	(96,614)	-	(96,614)
Total financial liability	-	(96,614)	-	(96,614)
31 December 2021				
<i>Financial asset</i>				
Derivative assets	-	55,702	-	55,702
Total financial asset	-	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 liability</i>				
Derivative liabilities	-	(60,290)	-	(60,290)
Total financial liability	-	(60,290)	-	(60,290)

Notes to the Financial Statements

As at 31 December 2022

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 2022				
<i>Financial asset</i>				
Derivative assets	-	182,090	-	182,090
Total financial asset	-	182,090	-	182,090
<i>Non-financial assets</i>				
Investment properties	-	-	9,328,700	9,328,700
Investment properties under development	-	-	3,800	3,800
Right-of-use assets	-	-	625,418	625,418
Total non-financial assets	-	-	9,957,918	9,957,918
<i>Financial liability</i>				
Derivative liabilities	-	(95,613)	-	(95,613)
Total financial liability	-	(95,613)	-	(95,613)
31 December 2021				
<i>Financial asset</i>				
Derivative assets	-	37,836	-	37,836
Total financial asset	-	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 liability</i>				
Derivative liabilities	-	(57,166)	-	(57,166)
Total financial liability	-	(57,166)	-	(57,166)

(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

As at 31 December 2022

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 \$16,430.0 million (31 December 2021: \$16,293.7 million) and 9,328.7 million (31 December 2021: \$9,199.5 million) as at 31 December 2022 respectively. The fair value of investment properties under development of the Group and the Trust was \$147.2 million (31 December 2021: \$246.1 million) and \$3.8 million (31 December 2021: \$64.8 million) as at 31 December 2022 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

As at 31 December 2022

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
	Group	
Capitalisation Approach	<p>Singapore</p> <ul style="list-style-type: none"> Capitalisation rates of 5.25% to 7.00% (31 December 2021: 5.00% to 7.00%) <p>Australia</p> <ul style="list-style-type: none"> Capitalisation rates of 4.00% to 6.75% (31 December 2021: 3.75% to 6.00%) <p>UK / Europe</p> <ul style="list-style-type: none"> Equivalent yield of 4.90% to 7.77% (31 December 2021: 3.91% to 7.20%) Capitalisation rates of 5.70% to 8.56% (31 December 2021: 5.50% to 6.50%) <p>US</p> <ul style="list-style-type: none"> Capitalisation rates of 5.00% to 7.50% (31 December 2021: 4.75% 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 sqm ("psm") increased.
Discounted Cash Flow Method	<p>Singapore</p> <ul style="list-style-type: none"> Discount rates of 7.25% to 7.75% (31 December 2021: 7.00% to 7.75%) Terminal yields of 5.50% to 7.50% (31 December 2021: 5.25% to 7.50%) <p>Australia</p> <ul style="list-style-type: none"> Discount rates of 5.50% to 7.50% (31 December 2021: 5.25% to 6.50%) Terminal yields of 4.25% to 6.75% (31 December 2021: 4.00% to 6.00%) <p>UK / Europe</p> <ul style="list-style-type: none"> Discount rates of 5.00% to 9.50% (31 December 2021: 5.00% to 8.00%) Terminal yields of 6.50% to 7.75% (31 December 2021: 5.50% to 7.00%) <p>US</p> <ul style="list-style-type: none"> Discount rates of 6.25% to 8.75% (31 December 2021: 6.50% to 8.75%) Terminal yields of 5.50% to 7.75% (31 December 2021: 5.25% to 7.75%) 	

Notes to the Financial Statements

As at 31 December 2022

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
	Group (continued)	
Direct Comparison Method	Singapore <ul style="list-style-type: none"> Adjusted price (psm) of \$1,002 to \$4,489 (31 December 2021: \$1,205 to \$5,139) 	
	Trust	
Capitalisation Approach	<ul style="list-style-type: none"> Capitalisation rates of 5.25% to 7.00% (31 December 2021: 5.00% to 7.00%) 	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 7.25% to 7.75% (31 December 2021: 7.00% to 7.75%) Terminal yields of 5.50% to 7.50% (31 December 2021: 5.25% to 7.50%) 	
Direct Comparison Method	<ul style="list-style-type: none"> Adjusted price (psm) of \$1,002 to \$4,489 (31 December 2021: \$1,205 to \$5,139) 	

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 2021: 4.22%) for 15 years' leases, 4.55% (31 December 2021: 4.55%) for 20 years' leases and 5.05% (31 December 2021: 5.05%) for 30 years leases.

The fair value of right-of-use assets of the Group and the Trust was \$647.3 million (31 December 2021: \$604.6 million) and \$625.4 million respectively (31 December 2021: \$584.9 million) as at 31 December 2022.

(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

As at 31 December 2022

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 2022		
Asset		
Finance lease receivables	42,612	37,329
Liabilities		
Security deposits	108,143	121,856
Lease liabilities	607,610	607,610
Medium term notes – gross	1,189,947	2,012,306
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
Trust		
31 December 2022		
Asset		
Finance lease receivables	42,612	37,329
Liabilities		
Security deposits	102,392	115,576
Lease liabilities	586,448	586,448
Medium term notes – gross	1,189,947	2,012,306
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

Notes to the Financial Statements

As at 31 December 2022

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	
	31/12/2022	31/12/2021
	%	%
Finance lease receivables	3.07	1.80
Security deposits	2.50	2.20
Lease liabilities	4.22 – 5.05	4.22 – 5.05
Medium term notes	2.46 – 4.86	0.74 – 3.43

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

As at 31 December 2022

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 Space and Life Sciences		Industrial and Data Centres		Logistics		Total	
	31/12/2022 \$'000	31/12/2021 ¹ \$'000	31/12/2022 \$'000	31/12/2021 ¹ \$'000	31/12/2022 \$'000	31/12/2021 ¹ \$'000	31/12/2022 \$'000	31/12/2021 ¹ \$'000
Group								
Gross rental income	528,255	491,429	366,022	355,223	264,993	221,146	1,159,270	1,067,798
Other income	82,601	70,076	68,822	52,488	41,993	36,163	193,416	158,727
Gross revenue	610,856	561,505	434,844	407,711	306,986	257,309	1,352,686	1,226,525
Property operating expenses	(179,835)	(144,839)	(132,569)	(106,933)	(71,529)	(54,003)	(383,933)	(305,775)
Segment net property income	431,021	416,666	302,275	300,778	235,457	203,306	968,753	920,750
Net property income margin	70.6%	74.2%	69.5%	73.8%	76.7%	79.0%	71.6%	75.1%

¹ The reportable segments have been restated to reflect the new classification of property segments, which cater to the changing market and tenant requirements arising from structural trends and changing consumption patterns such as digitalisation and e-commerce.

Notes to the Financial Statements

As at 31 December 2022

30. OPERATING SEGMENTS (continued)

Segment results (continued)

	Business Space and Life Sciences		Industrial and Data Centres		Logistics		Total	
	31/12/2022 \$'000	31/12/2021 ¹ \$'000	31/12/2022 \$'000	31/12/2021 ¹ \$'000	31/12/2022 \$'000	31/12/2021 ¹ \$'000	31/12/2022 \$'000	31/12/2021 ¹ \$'000
Group								
Unallocated								
- Gain on disposal on investment properties							-	23,994
- Finance costs, net							(187,762)	(158,880)
- Other net expenses							(138,656)	(87,092)
							642,335	698,772
Net income								
Unallocated net change in fair value of financial derivatives							135,821	64,832
Net change in fair value of right-of-use assets	(3,110)	(2,646)	(2,363)	(2,319)	(2,070)	(1,677)	(7,543)	(6,642)
Net change in fair value of investment properties and investment properties under development	331	(54,294)	(92,414)	(25,195)	165,899	362,734	73,816	283,245
Share of associated company's and joint venture's results							348	3,304
Total return for the year before tax							844,777	1,043,511
Unallocated tax expenses							(84,391)	(86,472)
Total return for the year							760,386	957,039

¹ The reportable segments have been restated to reflect the new classification of property segments, which cater to the changing market and tenant requirements arising from structural trends and changing consumption patterns such as digitalisation and e-commerce.

Notes to the Financial Statements

As at 31 December 2022

30. OPERATING SEGMENTS (continued)

Segment assets and liabilities

	Business Space and Life Sciences \$'000	Industrial and Data Centres \$'000	Logistics \$'000	Total \$'000
Group				
31 December 2022				
Assets and liabilities				
Segment assets	8,283,337	4,800,187	4,182,764	17,266,288
Unallocated assets				609,701
Total assets				17,875,989
Segment liabilities	557,842	494,582	388,936	1,441,360
Unallocated liabilities:				
– loans and borrowings				6,141,993
– others				26,014
Total liabilities				7,609,367
Other segmental information				
Capital expenditure:				
– investment properties	73,703	27,127	25,025	125,855
– investment properties under development	62,258	1,408	2,933	66,599
Provision of expected credit losses on receivables	445	1,035	728	2,208
31 December 2021¹				
Assets and liabilities				
Segment assets	8,166,100	714,800	1,682,944	17,189,472
Unallocated assets				541,019
Total assets				17,730,491
Segment liabilities	506,988	12,675	155,788	1,181,191
Unallocated liabilities:				
– loans and borrowings				6,084,348
– others				187,784
Total liabilities				7,453,323
Other segmental information				
Capital expenditure:				
– investment properties	50,116	1,490	17,485	114,441
– investment properties under development	75,488	–	24,258	142,734
Provision of expected credit losses on receivables	806	987	45	3,234

¹ The reportable segments have been restated to reflect the new classification of property segments, which cater to the changing market and tenant requirements arising from structural trends and changing consumption patterns such as digitalisation and e-commerce.

Notes to the Financial Statements

As at 31 December 2022

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	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group										
External revenue	870,793	789,481	146,701	147,482	138,368	121,841	196,824	167,721	1,352,686	1,226,525
Non-current assets ⁽¹⁾	10,798,355	10,618,016	2,472,079	2,500,248	1,505,215	1,779,850	2,520,084	2,281,495	17,295,733	17,179,609

⁽¹⁾ Exclude financial assets and deferred tax assets

31. EVENTS AFTER BALANCE SHEET DATE

On 11 January 2023, the Group completed the acquisition of 622 Toa Payoh Lorong 1 in Singapore for \$104.8 million.

On 2 February 2023, the Group completed the acquisition of 1 Buroh Lane in Singapore for \$191.9 million.

Statistics of Unitholdings

AS AT 7 MARCH 2023

STATISTICS OF UNITHOLDINGS AS AT 7 MARCH 2023

4,203,990,865 Units (Voting rights: one vote per Unit)

Market Capitalisation: S\$11,645,054,696 (based on closing price of S\$2.77 as at 7 March 2023)

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 – 99	192	0.55	7,670	0.00
100 – 1,000	5,881	16.88	4,159,320	0.10
1,001 – 10,000	21,227	60.91	95,938,326	2.28
10,001 – 1,000,000	7,516	21.57	261,064,210	6.21
1,000,001 AND ABOVE	32	0.09	3,842,821,339	91.41
TOTAL	34,848	100.00	4,203,990,865	100.00

Country	No. of Unitholders	%	No. of Units	%
Singapore	33,786	96.95	4,188,686,330	99.64
Malaysia	713	2.05	11,073,060	0.26
Others	349	1.00	4,231,475	0.10
TOTAL	34,848	100.00	4,203,990,865	100.00

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	1,066,740,083	25.37
2	CLI RE FUND INVESTMENTS PTE. LTD.	762,293,984	18.13
3	HSBC (SINGAPORE) NOMINEES PTE LTD	493,026,216	11.73
4	RAFFLES NOMINEES (PTE.) LIMITED	458,697,144	10.91
5	DBS NOMINEES (PRIVATE) LIMITED	441,224,969	10.50
6	DBSN SERVICES PTE. LTD.	394,020,288	9.37
7	BPSS NOMINEES SINGAPORE (PTE.) LTD.	53,376,881	1.27
8	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	23,865,025	0.57
9	PHILLIP SECURITIES PTE LTD	16,316,727	0.39
10	DB NOMINEES (SINGAPORE) PTE LTD	14,204,032	0.34
11	IFAST FINANCIAL PTE. LTD.	13,063,818	0.31
12	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	12,974,361	0.31
13	UOB KAY HIAN PRIVATE LIMITED	10,650,850	0.25
14	OCBC SECURITIES PRIVATE LIMITED	10,563,189	0.25
15	ABN AMRO CLEARING BANK N.V.	9,165,363	0.22
16	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	8,491,319	0.20
17	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	8,145,668	0.19
18	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	7,532,912	0.18
19	MAYBANK SECURITIES PTE. LTD.	5,579,852	0.13
20	TIGER BROKERS (SINGAPORE) PTE. LTD.	4,289,619	0.10
	TOTAL	3,814,222,300	90.72

Statistics of Unitholdings

AS AT 7 MARCH 2023

DIRECTORS' INTERESTS IN UNITS AND CONVERTIBLE SECURITIES AS AT 21 JANUARY 2023

Based on the Register of Directors' Unitholdings, the direct and deemed interests of each of the Directors in Units and convertible securities issued by CapitaLand Ascendas REIT as at 21 January 2023 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	341,390	–	0 to 428,032 ²	96,473 ^{3,4} 0 to 128,016 ^{2,4}
Daniel Cuthbert Ee Hock Huat	37,454	–	–	–
Chinniah Kunnasagaran	8,984	6,222	–	–
Ong Lee Keang Maureen	2,515	–	–	–
Manohar Khiatani	–	–	–	–
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.

Note: Ms Choo Oi Yee was appointed to the Board of the Manager with effect from 22 February 2023. She has no interest in the Units and convertible securities issued by CapitaLand Ascendas REIT.

Statistics of Unitholdings

AS AT 7 MARCH 2023

SUBSTANTIAL UNITHOLDERS' UNITHOLDINGS AS AT 7 MARCH 2023

Based on the information available to the Manager, the names of the Substantial Unitholders of CapitaLand Ascendas REIT and a breakdown of their direct and deemed interests as at 7 March 2023 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 ")	–	–	828,171,217	19.69
Tembusu Capital Pte. Ltd. ^{3,4,5} (" Tembusu ")	–	–	784,582,660	18.66
Bartley Investments Pte. Ltd. ^{4,5} (" Bartley ")	–	–	762,453,153	18.13
Mawson Peak Holdings Pte. Ltd. ^{4,5} (" Mawson ")	–	–	762,453,153	18.13
Glenville Investments Pte. Ltd. ^{4,5} (" Glenville ")	–	–	762,453,153	18.13
TJ Holdings (III) Pte. Ltd. ^{4,5} (" TJ Holdings (III) ")	–	–	762,453,153	18.13
CLA Real Estate Holdings Pte. Ltd. ^{4,5} (" CLA ")	–	–	762,453,153	18.13
CapitaLand Group Pte. Ltd. ^{4,5} (" CL ")	–	–	762,453,153	18.13
CapitaLand Investment Limited ^{4,5,6} (" CLI ")	–	–	762,453,153	18.13
CLI International Pte. Ltd. ⁷ (" CLII ")	–	–	762,293,984	18.13
CLI RE Fund Investments Pte. Ltd. ^{6,7} (" CLIRE ")	762,293,984	18.13	–	–
BlackRock, Inc. ⁸ (" BlackRock ")	–	–	265,268,389	6.30

- The percentage is based on the 4,203,990,865 Units in issue as at 7 March 2023. Percentages are rounded down to the nearest 0.01%.
- 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**").
- 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.
- 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 52.58% of the issued shares in CLI.
- 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 in which CLI is deemed to have an interest pursuant to Section 4 of the SFA.
- CLI is deemed to have an interest in the unitholdings of its indirect wholly owned subsidiaries namely, CLIRE and CapitaLand Ascendas REIT Management Limited (formerly known as Ascendas Funds Management (S) Limited) ("**CLARML**"). CLARML holds 159,169 Units.
- CLII is deemed to have an interest in the unitholding of its direct wholly owned subsidiary, CLIRE.
- 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 2023, 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

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 person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) \$'000	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000
Temasek Holdings (Private) Limited and its associates	Controlling shareholder of the Manager and controlling Unitholder, and its subsidiaries and associates		
- Acquisition fees		4,267 ⁽¹⁾	-
- Lease rental, service charge and utilities income		149,249	-
- Base management fee		84,436 ⁽²⁾	-
- Property service fees		12,313	-
- Receipts / recovery of expenses paid on behalf and reimbursables		2,266	-
- Development management fee		1,982	-
- Loan facilities undertaking		180,098	-
- Carpark revenue		207	-
HSBC Institutional Trust Service (Singapore) Ltd	Trustee		
- Trustee fees		2,687	-

⁽¹⁾ Acquisition fee of 1.0% on the purchase price of investment properties acquired by the Group during the financial year.

⁽²⁾ 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.

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 2022 nor any material contracts entered by CapitaLand Ascendas REIT (formerly known as Ascendas Real Estate Investment Trust) ("CLAR") or any of its subsidiaries that involve the interests of the CEO, any Directors or any controlling Unitholder of the Trust, either still subsisting at the end of the financial year under review or entered into since the end of the previous financial year.

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 CapitaLand Ascendas REIT (formerly known as Ascendas Real Estate Investment Trust) 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 Old and New Management Agreements have been approved by the Unitholders in the Extraordinary General Meetings held on 28 June 2012 and 6 July 2022 respectively, 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 CLAR.

Additional Information

FEES PAID TO THE MANAGER AND THE PROPERTY MANAGERS

	FY2022 \$'000	FY2021 \$'000
Asset / Fund management fees		
– Base fee	84,436	63,841
– Performance fee	–	7,394
Total fees paid to the Manager	84,436	71,235
% of Total amount available for distribution (before all fees)	10.63%	9.60%
% of Total assets	0.47%	0.38%
– Lease management fee	10,204	9,663
– Property management fee	33,227	28,936
Total fees paid to the Property Managers	43,431	30,155
% of Total amount available for distribution (before all fees)	5.47%	5.20%
% of Total assets	0.24%	0.20%
Trustee's fee	2,687	2,570
Total fees paid to the Trustee	2,687	2,570
% of Total amount available for distribution (before all fees)	0.34%	0.35%
% of Total assets	0.02%	0.01%
Major transactional fees		
– Acquisition fee	4,267	19,434
– Divestment fee	–	1,241
Total transactional fees paid to Manager	4,267	10,869
% of Total assets	0.02%	0.12%
– Project management fee	2,258	1,402
Total transactional fees paid to the Property Managers	2,258	1,402
% of Total assets	0.01%	0.01%

LISTING OF NEW UNITS IN CLAR

An aggregate of 6.1 million new Units were issued during the year bringing the total number of Units in issue to 4,204.0 million as at 31 December 2022.

Glossary

ACRA	Accounting and Corporate Regulatory Authority	DPU	Distribution per Unit
AFMA	Ascendas Funds Management (Australia) Pty Ltd	ECL	Expected Credit Loss
AGM	Annual General Meeting	EMTN	Euro Medium Term Note
ALMA	Master Asset Lease Management Agreement	ESG	Environmental, Social and Governance
AMUK	CapitaLand International Management (UK) Ltd	EU	European Union
ARA	Ascendas REIT Australia	EUR	Euro
ARC	Audit & Risk Committee	EY	Ernst & Young LLP
AS\$/AUD	Australian Dollar	FMCG	Fast Moving Consumer Goods
BBSW	Bank Bill Swap Rate	FRS	Singapore Financial Reporting Standards
BBSY	Bank Bill Swap Bid Rate	FY2021	Financial Year from 1 January 2021 to 31 December 2021
BCA	Building and Construction Authority	FY2022	Financial Year from 1 January 2022 to 31 December 2022
Board	Board of Directors of the Manager		
CBP	Changi Business Park	GBP	British Pound
CCS	Cross Currency Swaps	GDP	Gross Domestic Product
CDP	The Central Depository (Pte) Limited	GFA	Gross Floor Area. Includes net lettable area and common areas, such as common corridors
CEO	Chief Executive Officer	GRI	Global Reporting Initiative
CFO	Chief Financial Officer	Group	CapitaLand Ascendas REIT and its subsidiaries
CIS Code	The Code on Collective Investment Schemes issued by the Monetary Authority of Singapore	GST	Good and Services Tax
CLAR	CapitaLand Ascendas REIT (formerly known as Ascends Real Estate Investment Trust)	GWh	Gigawatt hour
CLARML	CapitaLand Ascendas REIT Management Limited (formerly known as Ascendas Funds Management (S) Limited)	HKD	Hong Kong Dollar
CLI	CapitaLand Investment Limited and its subsidiaries	HQ	Headquarter
CLIFM	CLI FM Pte. Ltd.	IBOR	Interest Rate Benchmark Reform
CLI US	CapitaLand International USA LLC	IBP	International Business Park
CMSL	Capital Markets Services License	IC	Investment Committee
CODM	Chief Operating Decision Maker	IIRC	International Integrated Reporting Council
COF	Cost of Funds	IPT	Interested Person Transaction
COVID-19	Coronavirus Disease, 2019	IR	Integrated Reporting
CPF	Central Provident Fund	IRAS	Inland Revenue Authority of Singapore

Glossary

JPY	Japanese Yen	SDGs	Sustainable Development Goals
JTC	JTC Corporation	SGX-ST	Singapore Exchange Securities Trading Ltd
LIBOR	London Inter-bank Offer Rate	SGX-ST Listing Rules	The Listing Manual of SGX-ST
M&C	Maintenance and Conservancy	SSAs	Singapore Standards on Auditing
Manager	CapitaLand Ascendas REIT Management Limited (or CLARML), as the Manager of CapitaLand Ascendas REIT	SOR	Swap Offer Rate
MAS	Monetary Authority of Singapore	SRS	Supplementary Retirement Scheme
MNCs	Multinational corporations	sq ft	square feet
MTN	Medium Term Note	sq m	square metres
MWh	Megawatt hour	S\$/SGD	Singapore Dollar
NAV	Net Asset Value	Trust Deed	Trust Deed dated 9 October 2002 made between the Trustee and the Manager constituting CapitaLand Ascendas REIT (as amended, varied or supplemented from time to time)
NLA	Net Lettable Area. Consists of the total gross floor area less the common areas, such as corridors, amenities' area and management offices	Trustee	HSBC Institutional Trust Services (Singapore) Limited, as trustee of CapitaLand Ascendas REIT
NPI	Net Property Income	UK	United Kingdom
NRC	Nominating and Remuneration Committee	Unit(s)	An undivided interest in CapitaLand Ascendas REIT as provided for in the Trust Deed
Property Funds Appendix	Appendix 6 of the CIS Code issued by the MAS in relation to REITs	Unitholder(s)	The Depositor whose securities account with CDP is credited with Unit(s)
PUP	Performance Unit Plan	US	United States
R&D	Research and development	US\$/USD	United States Dollar
RAP	Statement of Recommended Accounting Practice	WALE	Weighted Average Lease to Expiry
REIT	Real Estate Investment Trust		
REITAS	REIT Association of Singapore		
RUP	Restricted Unit Plan		

Appendix

Total Return and Distribution	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	FY 2022
Gross Revenue (S\$ million)	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	1,352.7
Net Property Income (S\$ million)	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	968.8
Total Amount Available for Distribution (S\$ million)	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	663.9
Distribution per Unit (cents)	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⁾	15.798
As at	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	31 Dec 2022
Number of Properties in Portfolio	89	93	93	102	103	105	107	133	131	131	171	200	200	220	228
Total Assets (S\$ million)	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	17,876
Number of Units in Issue (million units)	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	4,204
Net Asset Value per Unit (S\$) ⁽⁵⁾	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	2.37
Total Gross Borrowings (S\$ million) ⁽⁶⁾	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	6,296
Aggregate Leverage ⁽⁷⁾	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%	36.3%

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 CapitaLand 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 CapitaLand Ascendas REIT embarked on its first development project in 2006, it has completed 18 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 16 projects, the total cumulative unrealised gains achieved was S\$464.1 million (36.3% over cost of development).

	Development	Sector	Total Development / Redevelopment Cost (\$ million)	Revaluation as at 31 December 2022 (\$ million)	Completion
1	Courts Megastore	Logistics	46.0	57.9	Nov-06
2	Giant Hypermart	Logistics	65.4	74.9	Feb-07
3	Hansapoint	Business Space – Changi Business Park	26.1	102.8	Jan-08
4	15 Changi North Way	Logistics	36.2	50.1	Jul-08
5	Pioneer Hub	Logistics	79.3	120.7	Aug-08
6	1,3 & 5 Changi Business Park Crescent	Business Space – Changi Business Park	200.9	333.2	Feb-09, Sep-09, Dec-10
7	71 Alps Avenue	Logistics	25.6	23.8	Sep-09
8	38A Kim Chuan Road	Data Centres	170.0	175.2 ⁽¹⁾	Dec-09
9	90 Alps Avenue	Logistics	37.9	67.8	Jan-12
10	FoodAxis @ Senoko ⁽²⁾	Industrial	57.8	95.8	Feb-12
11	Nexus @one-north	Business Space – one-north	181.3	202.8	Sep-13
12	DBS Asia Hub Phase 2	Business Space – Changi Business Park	21.8	N.A. ⁽³⁾	Apr-15
13	Schneider Electric Building ⁽⁴⁾	Industrial	45.2	92.0	Jun-17
14	20 Tuas Avenue 1 ⁽⁵⁾	Logistics	61.4	89.1	Apr-18
15	Grab Headquarters	Business Space – one-north	184.6	193.3	Jul-21
16	UBIX	Industrial	38.2	62.4	Jan-22
Total (excluding divested properties)			1,277.7	1,741.8	

	Development	Sector	Development Cost (\$ million)	Divestment Date	Completion
17	Four Acres Singapore	Business & Science Park Properties	58.7	Apr-16	Apr-13
18	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. CapitaLand Ascendas REIT has recorded the property at S\$175.2 million comprising S\$133.6 million in land and building, and S\$41.6 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\$207.1 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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