



CapitaLand Ascendas REIT

# Citi's Asia-Pacific Property Conference 2023

28 - 29 June 2023

Aperia, Singapore

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- Singapore Occupancy (CLAR vs Industrial Average)
- Average Market Rents
- Singapore Industrial Market - New Supply

1-7 Wayne Goss Drive, Brisbane, Australia



1Q 2023 Business Updates

# Key Highlights

# 1Q 2023 Key Highlights

## Investment Management



Completed two acquisitions in  
Singapore for S\$296.7 m

## Capital Management



Healthy Aggregate Leverage  
**38.2%**

31 Dec 2022: 36.3%

High Level of Natural Hedge  
**~74%**

31 Dec 2022: ~74%

## Asset Management



Portfolio Occupancy  
**94.4%**

31 Dec 2022: 94.6%

Portfolio Rental Reversion  
**+11.1%**

1Q 2023 Business Updates

# Investment Management

510 Townsend Street, San Francisco, United States

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Ascendas REIT

# 1Q 2023 Investment Highlights

- Completed two acquisitions worth S\$296.7 m in Singapore

1Q 2023	City/Country	Sub-segment	Purchase Consideration / Total Cost (S\$m)	Completion Date
<b>Completed Acquisitions</b>				
622 Toa Payoh Lorong 1	Singapore	Industrial and Data Centres	104.8	11 Jan 2023
1 Buroh Lane	Singapore	Logistics	191.9	2 Feb 2023
<b>TOTAL:</b>			<b>296.7</b>	

Post-1Q 2023	City/Country	Sub-segment	Sale Price / Purchase Consideration (S\$m)	Completion Date
<b>Completed Acquisition</b>				
Seagate's R&D facility (The Shugart)	Singapore	Business Space and Life Sciences	218.2	25 May 2023
<b>Completed Divestment</b>				
KA Place	Singapore	Industrial and Data Centres	35.4	24 May 2023

# Acquisition *(Completed in 1Q 2023)*

## 622 Toa Payoh Lorong 1, Singapore

Total Purchase Consideration	S\$104.8 m
Acquisition Fee <sup>(1)</sup> , Stamp Duty and Other Transaction Costs	S\$5.24 m
Total Acquisition Cost <sup>(2)</sup>	S\$110.04 m
Vendor	Philips Electronics Singapore Pte Ltd
Valuation as at 31 May 2022 <sup>(3)</sup>	S\$111.5 m
Land Tenure	21 years remaining
Gross Floor Area	37,975 sqm
Occupancy Rate (as at 30 Jun 2022)	95.7%
WALE (as at 30 Jun 2022)	4.5 years
Initial NPI Yield <sup>(4)</sup>	7.2% pre-transaction cost 6.8% post-transaction cost
Completion Date	11 Jan 2023

(1) In accordance to CLAR's Trust Deed, the Manager is entitled to receive an acquisition fee of 1% of the Total Purchase Consideration, which will be paid in cash.

(2) The total acquisition cost will be funded by CLAR through internal resources and/or existing debt facilities.

(3) The independent valuer, Jones Lang LaSalle Property Consultants Pte Ltd was commissioned by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of CLAR) and has carried out the valuation using the discounted cashflow analysis and income capitalisation approach.

(4) The NPI yield is derived using the estimated NPI in the first year after acquisition.



622 Toa Payoh Lorong 1, Singapore

### Property:

- ✓ High-tech campus for healthcare and technology
- ✓ Six-storey building comprising laboratory, research and development, warehouse and ancillary office space
- ✓ Achieved BCA Green Mark GoldPLUS

### Location:

- ✓ Centrally located within Toa Payoh town, which is a 15 minutes' drive to the CBD
- ✓ In close proximity to the pan-island and central expressways and is a 3-minute walk to the Caldecott MRT station

# Acquisition *(Completed in 1Q 2023)*

## 1 Buroh Lane, Singapore

Total Purchase Consideration	S\$191.9 m
Acquisition Fee <sup>(1)</sup> , Stamp Duty and Other Transaction Costs	S\$4.3 m
Total Acquisition Cost <sup>(2)</sup>	S\$196.2 m
Vendor	A3 Lux Alpha S.a.r.l
Valuation as at 10 May 2022 <sup>(3)</sup>	S\$195.0 m
Land Tenure	21 years remaining
Gross Floor Area	59,971 sqm
Occupancy Rate (as at 30 Jun 2022)	100%
WALE (as at 30 Jun 2022)	7.0 years
Initial NPI Yield <sup>(4)</sup>	7.0% pre-transaction cost 6.9% post-transaction cost
Completion Date	2 Feb 2023

(1) In accordance to CLAR's Trust Deed, the Manager is entitled to receive an acquisition fee of 1% of the Total Purchase Consideration, which will be paid in cash.

(2) The total acquisition cost will be funded by CLAR through internal resources and/or existing debt facilities.

(3) The independent valuer, Savills Valuation And Professional Services (S) Pte Ltd was commissioned by HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of CLAR) and has carried out the valuation using the discounted cashflow analysis and income capitalisation approaches.

(4) The NPI yield is derived using the estimated NPI in the first year after acquisition.



### Property:

- ✓ Five-storey ramp up logistics distribution centre offering chiller/freezer, air-conditioned and ambient storage space as well as ancillary office space.
- ✓ Occupied by well-established tenants including a supermarket chain and leading distributors of fruits and vegetables.

### Location:

- ✓ Situated in the western region of Singapore within the Jalan Buroh Food Zone where over 30 licensed food establishments are located.
- ✓ Within a 5-minute drive to Ayer Rajah Expressway and in close proximity to Singapore's major seaports e.g., Jurong Port and Tuas Mega Port.

# Acquisition *(Completed post - 1Q 2023)*

## Seagate's R&D facility (The Shugart), Singapore

Purchase Consideration	S\$218.24 m
Acquisition Fee <sup>(1)</sup> , Stamp Duty and Other Transaction Costs	S\$14.18 m
Total Acquisition Cost	S\$232.4 m
Vendor	Seagate Singapore International Headquarters Pte Ltd
Valuation (as at 31 March 2023) <sup>(2)</sup>	S\$230.0 m
Land Area	125,722 sq ft
Land Tenure	20 years remaining
Gross Floor Area / Net Lettable Area	440,028 sq ft
Occupancy Rate	100%
Lease Term	10 years <i>(built-in rent escalation of 2.5% p.a. with an option to renew for an additional 10 years)</i>
Initial NPI Yield <sup>(3)</sup>	8.3% <i>(7.8% post-transaction cost)</i>
Completion Date	25 May 2023



### Property:

- ✓ Integrated six-storey podium and nine-storey tower comprising mainly R&D facilities
- ✓ Houses cleanrooms, laboratories, data centre facilities, a sky garden, multi-purpose sports hall and gymnasium

### Location:

- ✓ Excellent connectivity to Ayer Rajah Expressway and a 15-minute drive to the Central Business District
- ✓ 10-minute walk to one-north MRT station
- ✓ Bus shuttle service to one-north MRT station and Buona Vista MRT station

(1) In accordance to the Trust Deed, the Manager is entitled to receive an acquisition fee, payable in Units, of 1% of the Purchase Consideration, which amounts to approximately S\$2.18 m.

(2) The independent valuer Jones Lang LaSalle Property Consultants Pte Ltd (JLL) was commissioned by HSBC Institutional Trust Services (Singapore) Limited (as trustee of CLAR) and the Manager to carry out a valuation of the Property using the discounted cash flow analysis and income capitalisation approaches.

(3) The NPI Yield is derived using the estimated NPI expected in the first year after the Proposed Acquisition.

# Divestment *(Completed post - 1Q 2023)*

## KA Place, Singapore

- Divested at a premium of 219% to purchase price and 55% to recent valuation

Property Description	KA Place, 159 Kampong Ampat is a 7-storey high-specification industrial building with a car park on the second storey.
Sales Price	S\$35.38m
Buyer	KA Place SPV 1 Pte. Ltd
Book Value/Valuation (as at 31 Dec 2022)	S\$22.8 m
Acquisition Year / Purchase Price	2005 / S\$11.1 m
Net Lettable Area	6,652 sqm
Completion Date	24 May 2023



KA Place, Singapore

1Q 2023 Business Updates

# Capital Management

Reynolds House, Manchester, United Kingdom

**CapitaLand**  
Ascendas REIT

# Healthy Balance Sheet

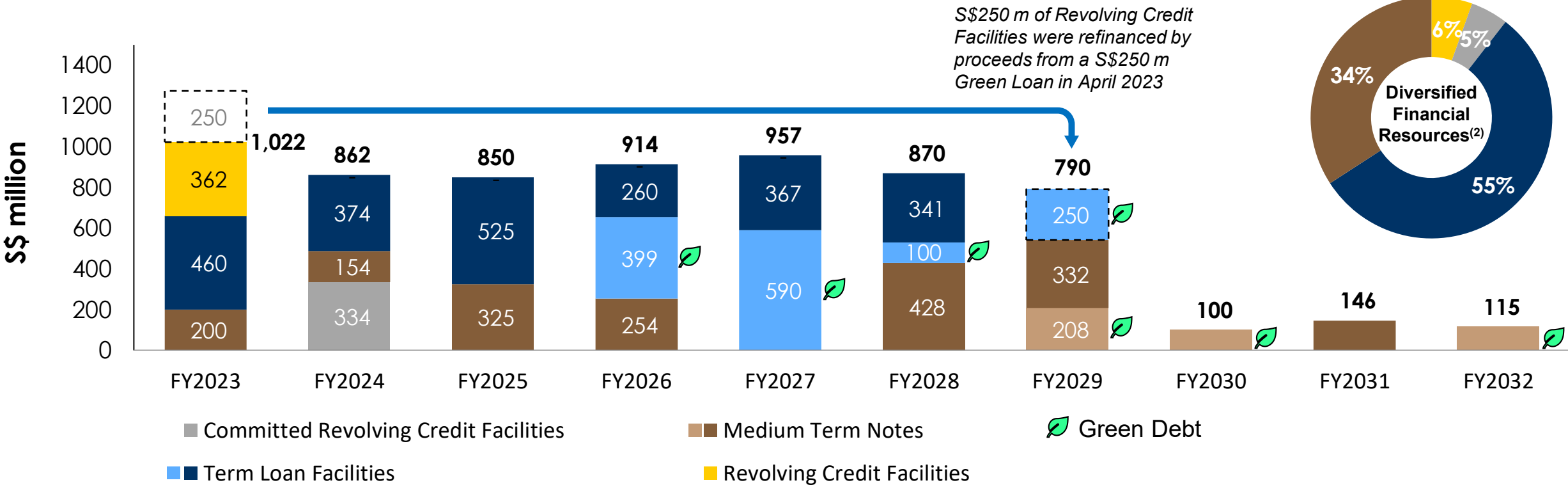
	As at 31 Mar 2023	As at 31 Dec 2022
Aggregate Leverage <sup>(1)(2)</sup>	38.2%	36.3%
Unencumbered Properties as % of Total Investment Properties <sup>(3)</sup>	92.2%	92.2%
Interest Cover Ratio <sup>(4)</sup>	4.7 x	5.2 x
Adjusted Interest Cover Ratio <sup>(5)</sup>	4.5 x	4.9 x
Net Debt / Annualised EBITDA <sup>(6)</sup>	7.9 x	7.8 x
Weighted Average Tenure of Debt (years)	3.2	3.7
Fixed Rate Debt as % of Total Debt	77.0%	79.4%
Weighted Average all-in Debt Cost <sup>(7)</sup>	3.3%	2.5%
Issuer Rating by Moody's	A3	A3

- Aggregate leverage is healthy at 38.2% <sup>(1)(2)</sup>
- Robust financial metrics that exceed bank loan covenants by a healthy margin
- A3 credit rating facilitates good access to wider funding options at competitive rates
- Available debt headroom of ~S\$4.2 b to reach MAS's aggregate leverage limit of 50.0%

- (1) In accordance with Property Funds Appendix, CLAR's proportionate share of its joint ventures' borrowings and deposited property values are included when computing the aggregate leverage. The ratio of total gross borrowings to total net assets is 68.5%.
- (2) Excludes the effects of FRS 116.
- (3) Total investment properties exclude properties reported as finance lease receivable.
- (4) Based on the trailing 12 months EBITDA (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), divided by the trailing 12 months interest expense and borrowing-related fees. 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.
- (5) Accounts for distributions on perpetual securities.
- (6) Net debt includes lease liabilities arising from FRS 116, 50% of perpetual securities, offset by cash and fixed deposits, while annualised EBITDA does not pro-rate for full year EBITDA from new acquisitions.
- (7) Based on year-to-date figures.

# Well-spread Debt Maturity Profile

- Well-spread debt maturity with the longest debt maturing in FY2032
- Average debt maturity healthy at 3.2 years
- To date, green financing totaling S\$1.8 b<sup>(1)</sup> accounts for about 26% of total borrowings



(1) Includes Green Perpetual Securities of S\$300m.  
 (2) Takes into account the refinancing of S\$250m of Revolving Credit Facilities in April 2023.

# Prudent Interest Rate Risk Management

## Proportion of Borrowings on Fixed Rates

- ~77% of borrowings are on fixed rates with an average term of 3.2 years
- A 100 bps increase in interest rate on variable rate debt is expected to have a pro forma impact of S\$14.8 m decline in distribution or 0.35 cents decline in DPU

Change in Interest Rates	Decrease in Distributable Income (S\$m)	Change as % of FY2022 Distribution	Pro Forma DPU Impact (cents) <sup>(1)</sup>
+ 50bps	7.4	-1.1%	-0.18
+ 100bps	14.8	-2.2%	-0.35
+ 150bps	22.2	-3.3%	-0.53
+ 200bps	29.5	-4.4%	-0.70

## Refinancing in FY2023

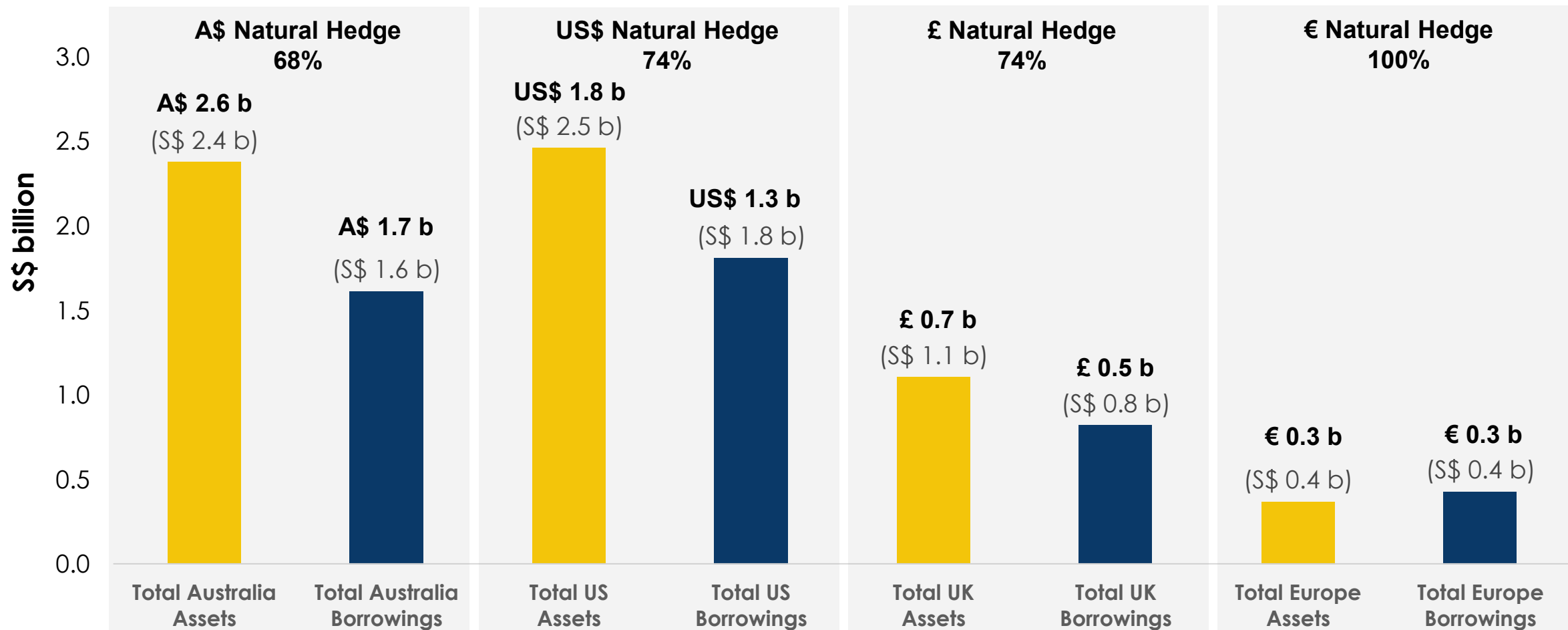
- **S\$660m** of borrowings are due to be refinanced in FY2023
- A 100 bps increase in interest rate on refinancing is expected to have a pro forma impact of S\$6.6 m decline in distribution or 0.16 cents decline in DPU

Change in Interest Rates	Decrease in Distributable Income (S\$m)	Change as % of FY2022 Distribution	Pro Forma DPU Impact (cents) <sup>(1)</sup>
+ 50bps	3.3	-0.5%	-0.08
+ 100bps	6.6	-1.0%	-0.16
+ 150bps	9.9	-1.5%	-0.24
+ 200bps	13.2	-2.0%	-0.31

(1) Based on number of Units in issue of 4,204 m as at 31 Dec 2022.

# High Natural Hedge

- Maintained high level of natural hedge of ~74% for overseas investment to minimise the effects of any adverse exchange rate fluctuations.
- With EUR fully-hedged and if AUD, USD and GBP weaken by 15%, overall impact to NAV is less than 3%



1Q 2023 Business Updates



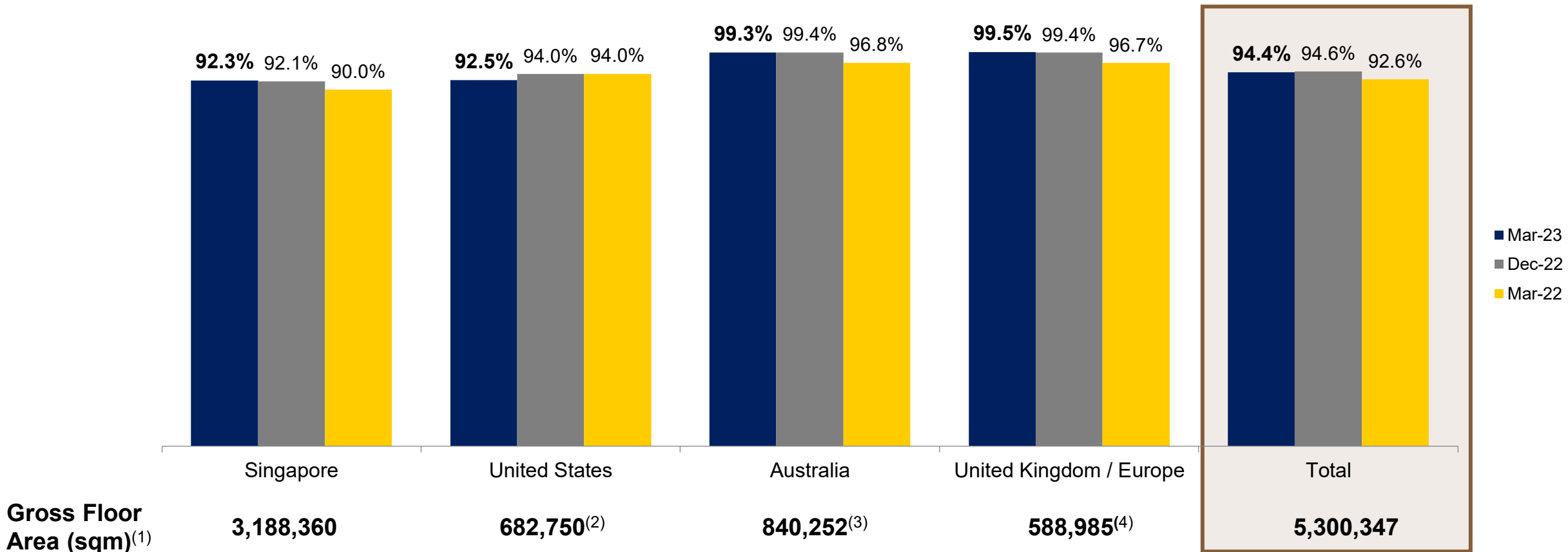
# Asset Management

nucleos

Nucleos, Singapore

CapitaLand  
Ascendas REIT

# Overview of Portfolio Occupancy



(1) Gross Floor Area as at 31 Mar 2023  
(2) Gross Floor Area for US Portfolio refers to Gross Lettable Area.  
(3) Gross Floor Area for Australia portfolio refers to Gross Lettable Area or Net Lettable Area.  
(4) Gross Floor Area for United Kingdom/Europe portfolio refers to Gross Internal Area.

# Singapore

## Occupancy

- Occupancy improved to 92.3% boosted by newly acquired 622 Toa Payoh Lorong 1 and 1 Buroh Lane
- Full occupancy was also achieved at 35 Tampines Street 92 which was vacant as at 31 Dec 2022. The property is now fully leased to a single tenant

As at	31 Mar 2023	31 Dec 2022	31 Mar 2022
Total Singapore Portfolio GFA (sqm) <sup>(1)</sup>	3,188,360	3,090,280	3,079,386
Singapore Portfolio Occupancy (same store) <sup>(2)</sup>	92.1%	92.1%	90.0%
Occupancy of Investments Completed in the last 12 months	99.2% <sup>(3)</sup>	58.9% <sup>(4)</sup>	58.9% <sup>(4)</sup>
<b>Overall Singapore Portfolio Occupancy</b>	<b>92.3%</b>	<b>92.1%</b>	<b>90.0%</b>
<b>Singapore MTB Occupancy</b>	<b>90.2%</b>	<b>89.9%</b>	<b>87.2%</b>

(1) Excludes 27 IBP (formerly known as iQuest@IBP) which was decommissioned for redevelopment since Jan 2020.

(2) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 Mar 2023, excluding new investments completed in the last 12 months and divestments.

(3) Refer to 622 Toa Payoh Lorong 1 and 1 Buroh Lane which were completed on 11 Jan 2023 and 2 Feb 2023 respectively.

(4) Refers to UBIX in Singapore which obtained Temporary Occupation Permit on 7 Jan 2022.

# United States

## Occupancy

- Occupancy declined to 92.5% partly due to transitional movement in Raleigh

As at	31 Mar 2023	31 Dec 2022	31 Mar 2022
Total United States Portfolio GFA (sqm)	682,750 <sup>(1)(2)(3)</sup>	682,750 <sup>(1)(2)(3)</sup>	551,856
United States Portfolio Occupancy (same store) <sup>(4)</sup>	90.5%	92.4%	93.9%
Occupancy of Investments Completed in the last 12 months	100% <sup>(5)</sup>	100% <sup>(5)</sup>	100%
<b>Overall United States Portfolio Occupancy</b>	<b>92.5%</b>	<b>94.0%</b>	<b>94.0%</b>

(1) Includes the seven logistics properties in Chicago which were acquired on 10 Jun 2022

(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 Mar 2023, excluding new investments completed in the last 12 months.

(5) Refers to seven logistics properties in Chicago which were acquired on 10 Jun 2022.

# Australia

## Occupancy

- Occupancy remained high at 99.3%

As at	31 Mar 2023	31 Dec 2022	31 Mar 2022
Total Australian Portfolio GFA (sqm)	840,252	840,107	840,368
Australian Portfolio Occupancy (same store) <sup>(1)</sup>	99.3%	99.4%	96.8%
Occupancy of Investments Completed in the last 12 months	N.A.	100% <sup>(2)</sup>	100% <sup>(2)</sup>
<b>Overall Australian Portfolio Occupancy</b>	<b>99.3%</b>	<b>99.4%</b>	<b>96.8%</b>

(1) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 Mar 2023, excluding new investments completed in the last 12 months.

(2) Refers to 500 Green Road in Brisbane which was acquired on 11 Feb 2022 and 7 Kiara Crescent in Sydney which was acquired on 24 Feb 2022.

# United Kingdom/Europe

## Occupancy

- Occupancy remained high at 99.5%

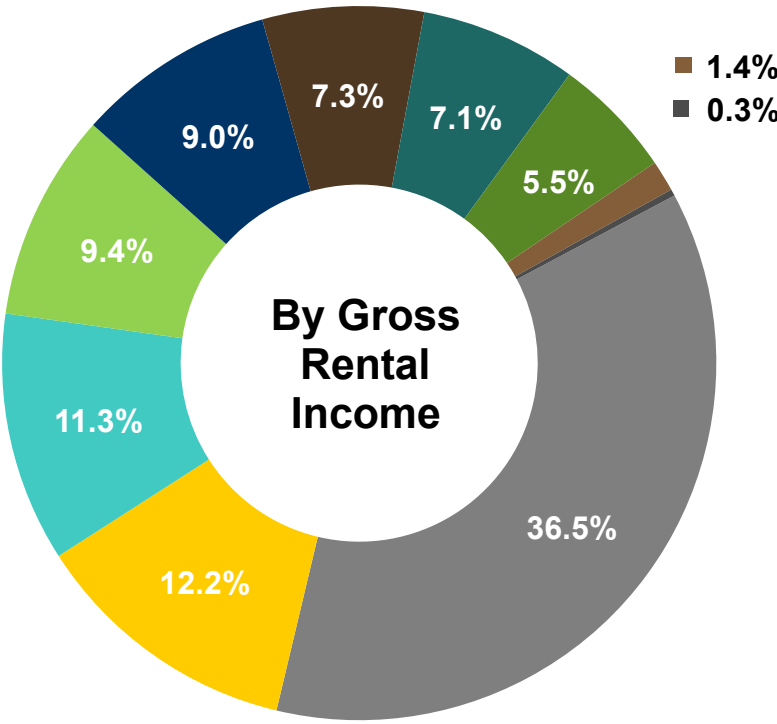
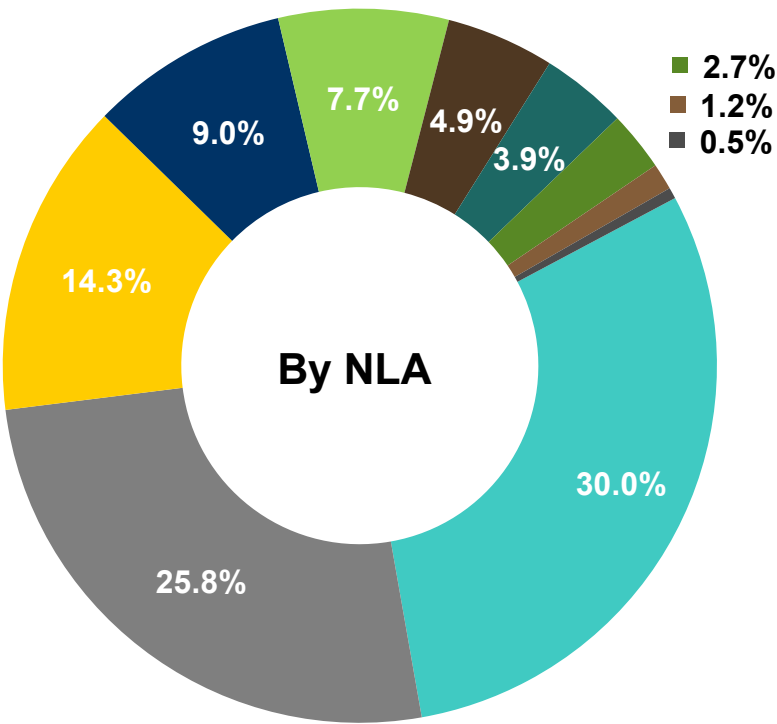
As at	31 Mar 2023	31 Dec 2022	31 Mar 2022
Total UK/Europe Portfolio GFA (sqm)	588,985	588,985 <sup>(1)</sup>	590,393
UK/Europe Portfolio Occupancy (same store) <sup>(2)</sup>	<b>99.5%</b>	<b>99.4%</b>	96.7%
Occupancy of Investments Completed in the last 12 months	N.A.	N.A.	N.A.
<b>Overall UK/Europe Portfolio Occupancy</b>	<b>99.5%</b>	<b>99.4%</b>	<b>96.7%</b>

(1) Increase in GFA due to completed area report for Unit 19 Wellesbourne and Unit 20 Wellesbourne.

(2) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 Mar 2023, excluding new investments completed in the last 12 months.

# Singapore

Sources of New Demand in 1Q 2023



- Financial & Professional Services

■ Electronics

■ Lifestyle, Retail and Consumer Products

■ Education and Media
- Distributors & Trading Company

■ Engineering

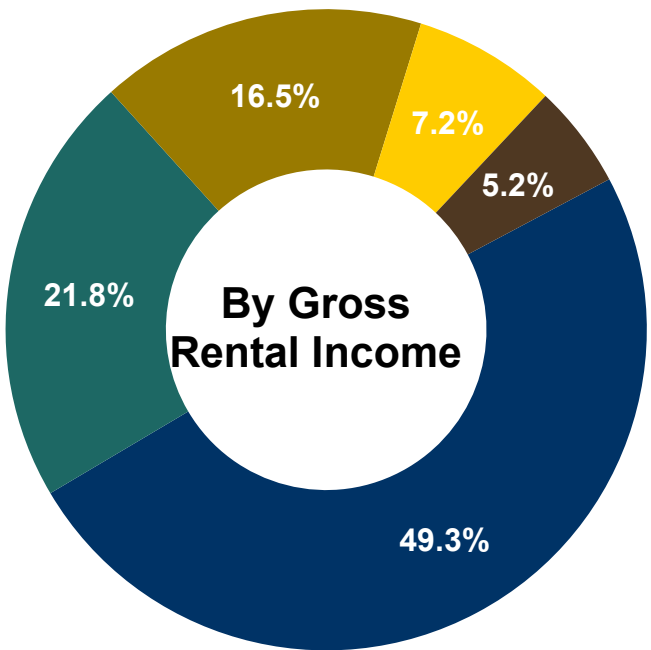
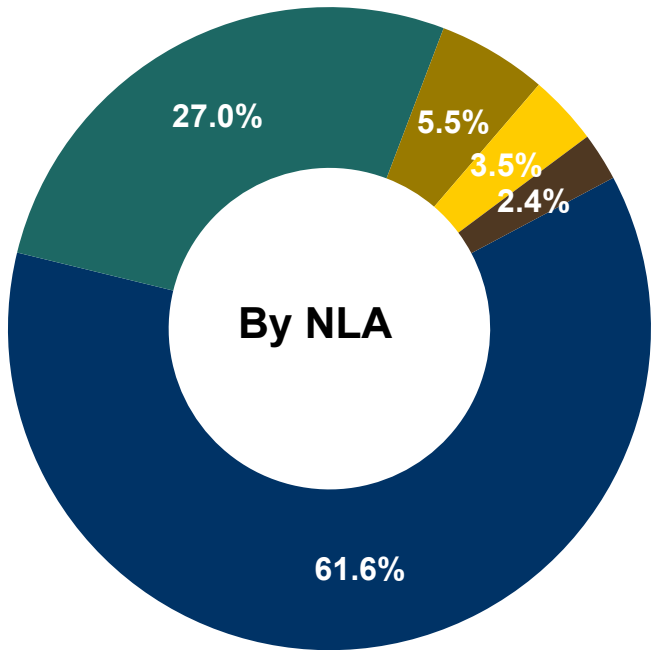
■ Energy, Chemicals and Materials
- IT & Data Centers

■ Biomedical and Agri/Aquaculture

■ Logistics & Supply Chain Management

# United States, Australia, UK/Europe

Sources of New Demand in 1Q 2023



- Engineering
- Lifestyle, Retail and Consumer Products
- Government and IO/NGOs/NPOs
- Distributors & Trading Company
- Biomedical and Agri/Aquaculture

# Portfolio Rental Reversions

- Average portfolio rent reversion of 11.1% was recorded for leases renewed in 1Q 2023
- Rental reversion for FY2023 is expected to be in the positive mid-single digit range

% Change in Renewal Rates for Multi-tenant Buildings <sup>(1)</sup>	1Q 2023	4Q 2022	1Q 2022
<b>Singapore</b>	<b>11.2%</b>	<b>6.0%</b>	<b>3.9%</b>
Business Space and Life Sciences	11.5%	1.8%	3.6%
Logistics	23.6%	13.1%	1.5%
Industrial and Data Centres	6.4%	3.7%	4.4%
<b>United States</b>	<b>11.3%</b>	<b>39.0%</b>	<b>14.0%</b>
Business Space	11.3%	30.9%	12.2%
Logistics	_(2)	42.6%	26.4%
<b>Australia</b>	<b>14.3%</b>	<b>_(2)</b>	<b>16.5%</b>
Business Space	18.1%	_(2)	16.5%
Logistics	2.0%	_(2)	_(2)
<b>United Kingdom/Europe</b>	<b>0.0%</b>	<b>_(2)</b>	<b>_(2)</b>
Data Centres	0.0%	_(2)	_(2)
Logistics	_(2)	_(2)	_(2)
<b>Total Portfolio :</b>	<b>11.1%</b>	<b>8.0%</b>	<b>4.6%</b>

(1) Percentage change of the average gross rent over the lease period of the renewed leases against the preceding average gross rent from lease start date. Takes into account renewed leases that were signed in their respective periods and average gross rents are weighted by area renewed.

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

# Weighted Average Lease Expiry

By Gross Revenue

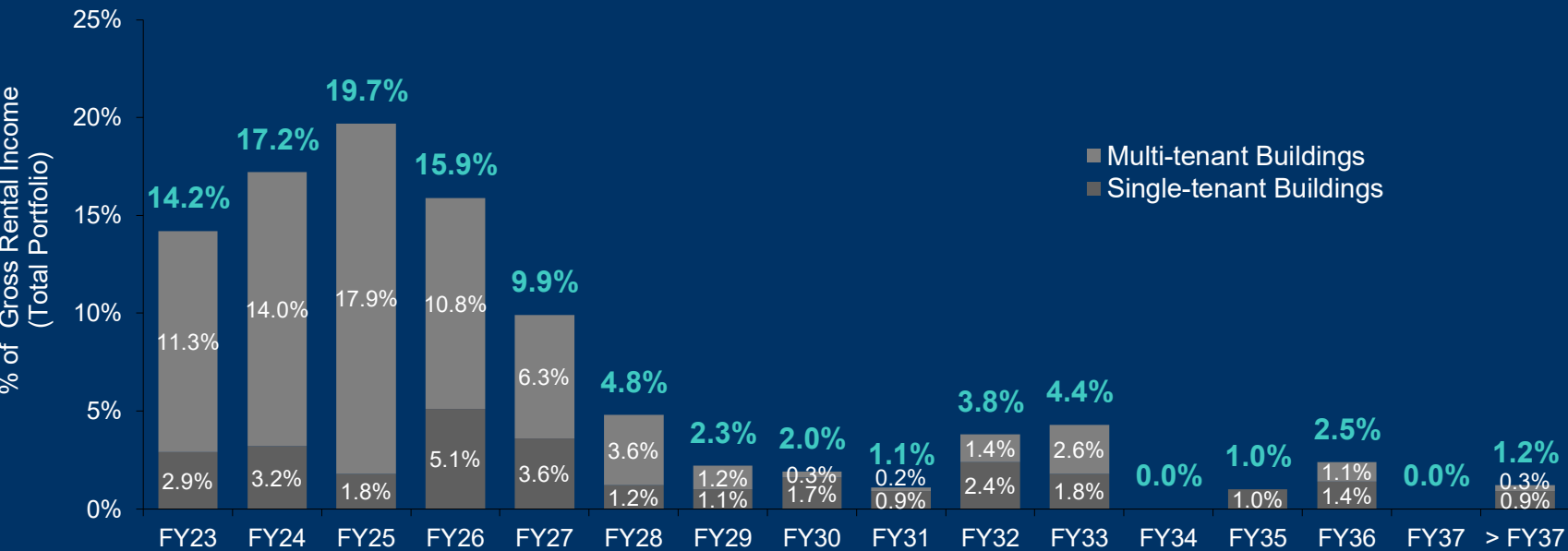
- Portfolio Weighted Average Lease Expiry (WALE) stood at 3.8 years

WALE (as at 31 Mar 2023)	Years
Singapore	3.5
United States	4.5
Australia	2.9
United Kingdom/Europe	6.1
Portfolio	3.8

# Portfolio Lease Expiry Profile

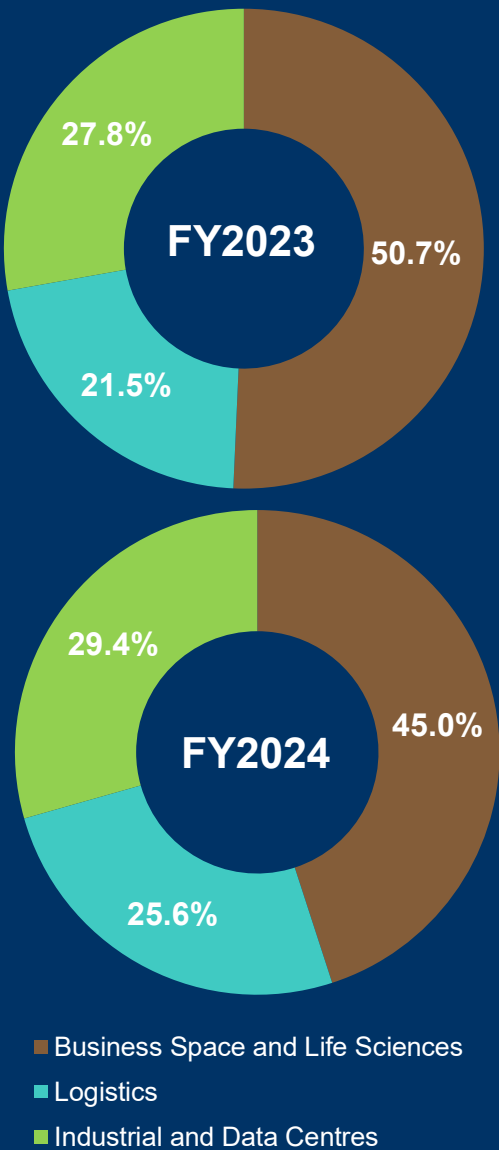
As at 31 Mar 2023

- Portfolio WALE of 3.8 years
- Lease expiry is well-spread, extending beyond FY2037
- 14.2% of gross rental income is due for renewal in FY2023
- Weighted average lease term of new leases <sup>(1)</sup> signed in 1Q FY2023 was 3.48 years and contributed 2.5% of 1Q FY2023 total gross revenue



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

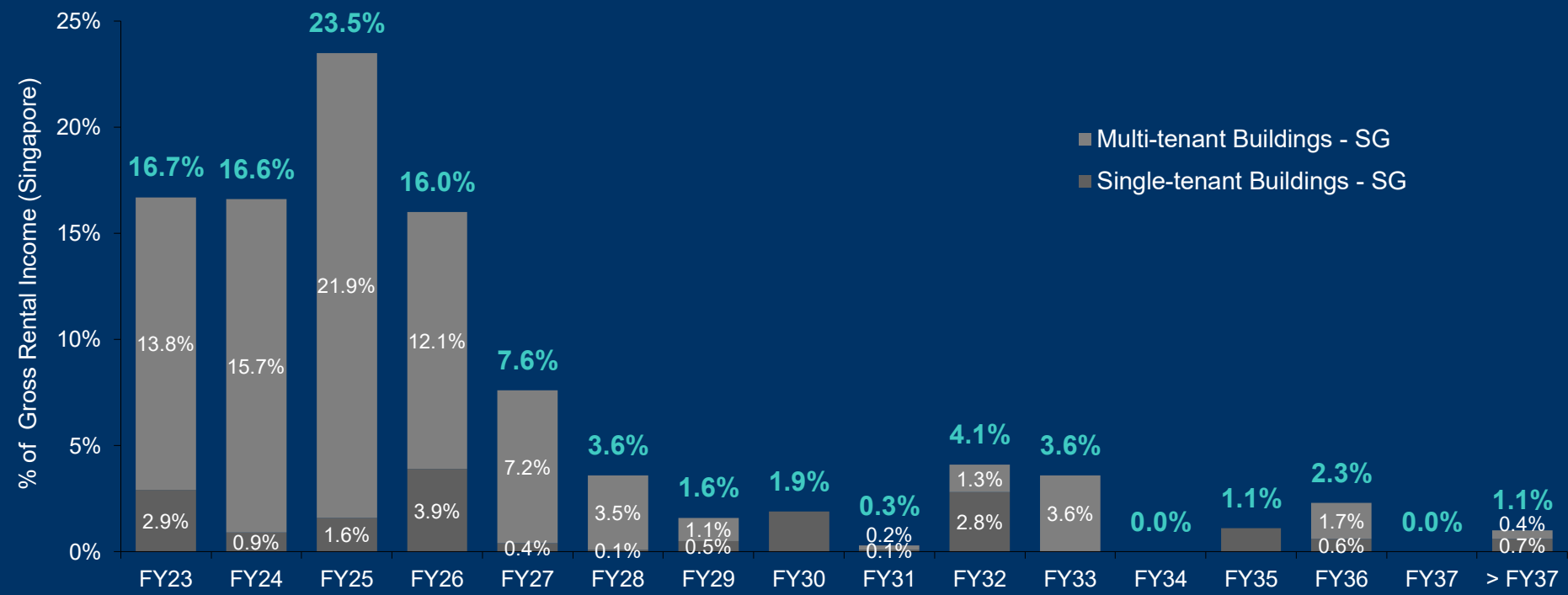
Breakdown of expiring leases for FY2023 and FY2024



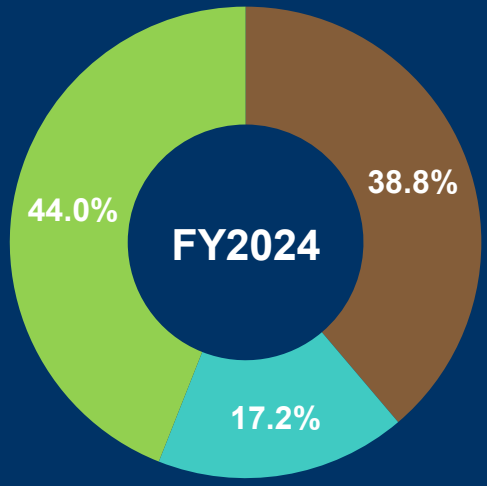
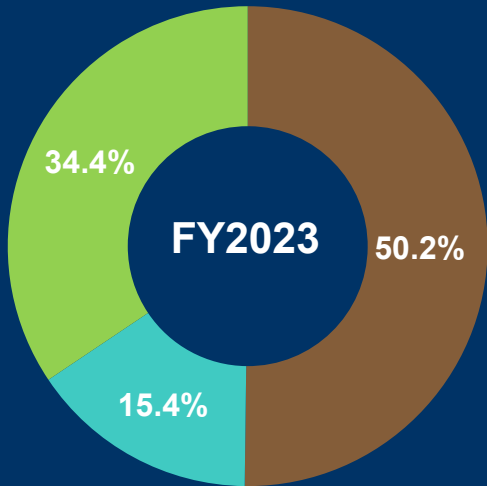
# Singapore: Lease Expiry Profile

As at 31 Mar 2023

- Singapore portfolio WALE of 3.5 years
- Lease expiry is well-spread, extending beyond FY2037
- 16.7% of Singapore's gross rental income is due for renewal in FY2023



Breakdown of expiring leases for FY2023 and FY2024

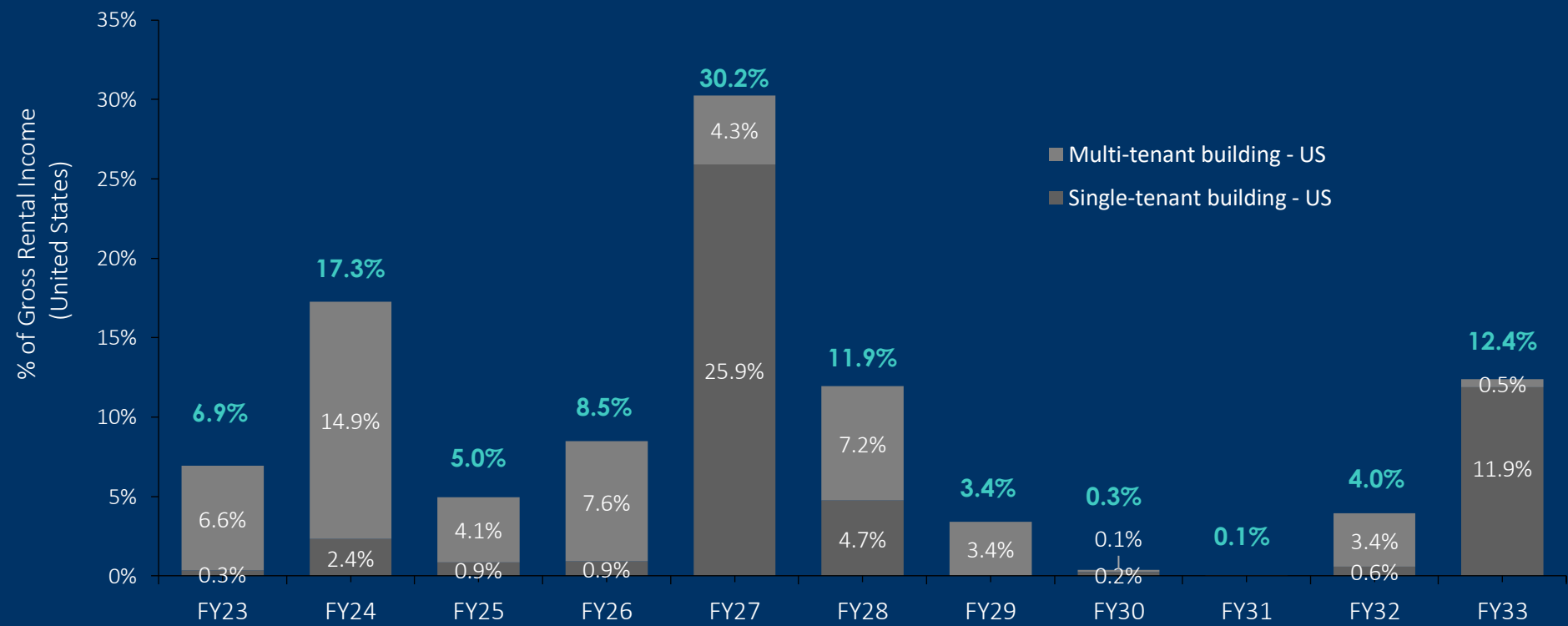


- Business Space and Life Sciences
- Logistics
- Industrial and Data Centres

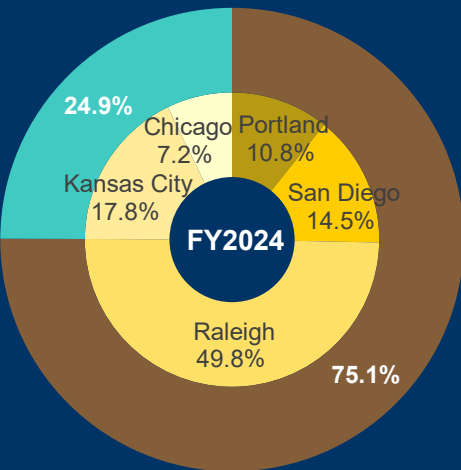
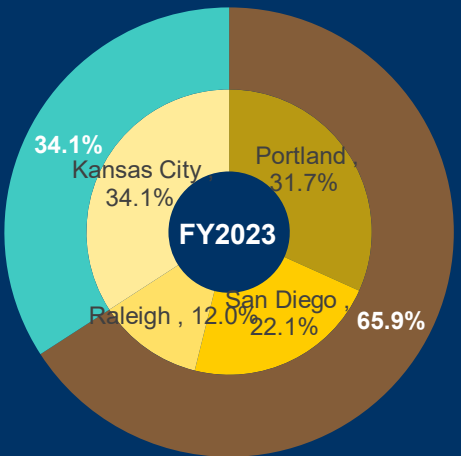
# United States: Lease Expiry Profile

As at 31 Mar 2023

- United States portfolio WALE of 4.5 years
- Lease expiry is well-spread, extending till FY2033
- 6.9% of United States' gross rental income is due for renewal in FY2023



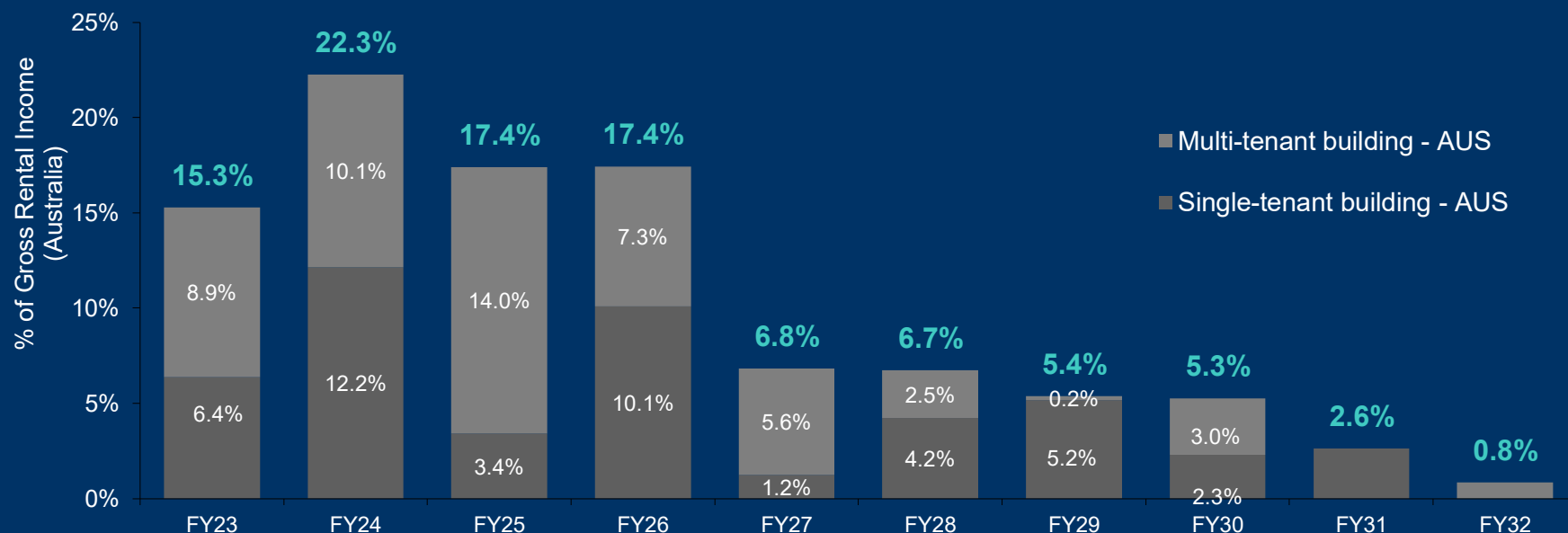
Breakdown of expiring leases for FY2023 and FY2024



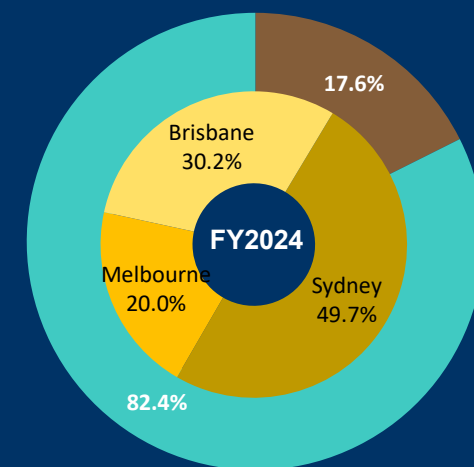
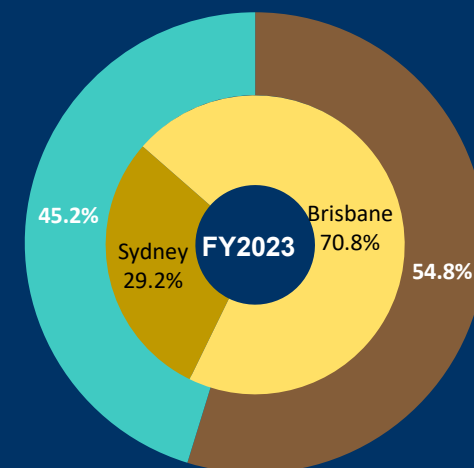
# Australia: Lease Expiry Profile

As at 31 Mar 2023

- Australia portfolio WALE of 2.9 years
- Lease expiry is well-spread, extending till FY2032
- 15.3% of Australia's gross rental income is due for renewal in FY2023



Breakdown of expiring leases for FY2023 and FY2024

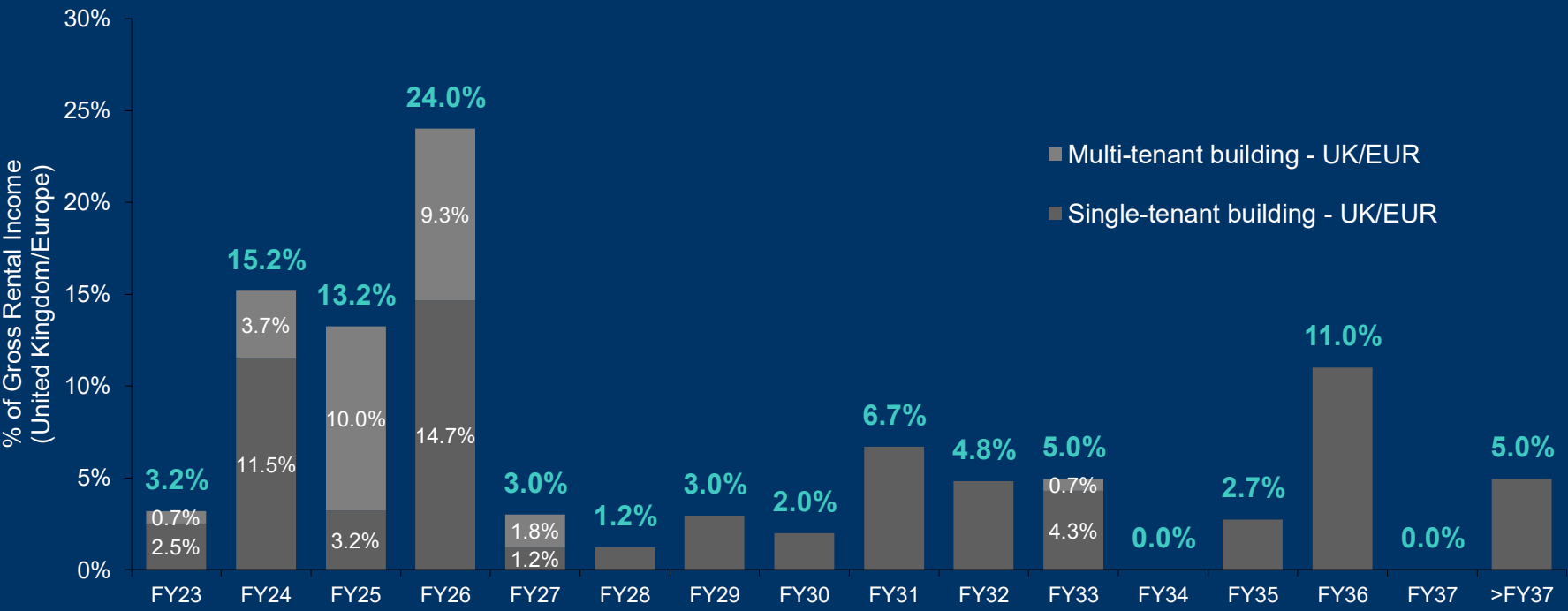


Business Space Logistics

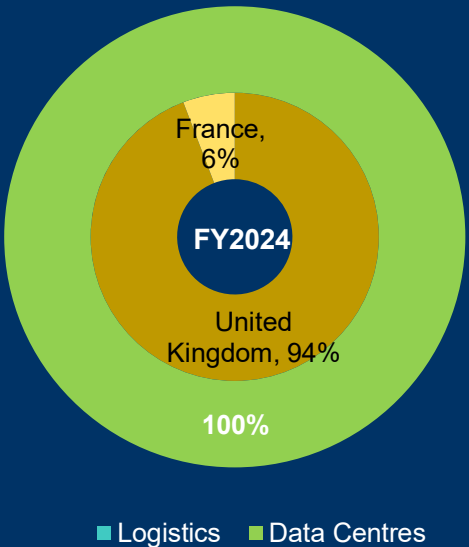
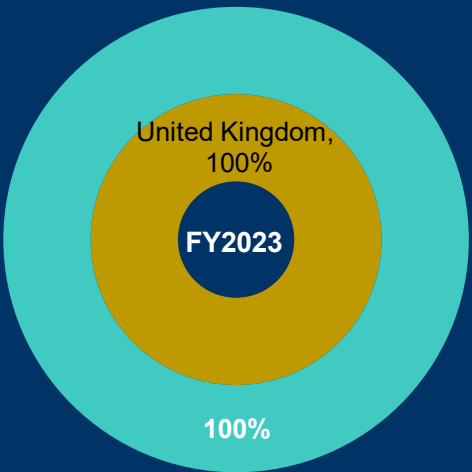
# United Kingdom/Europe: Lease Expiry Profile

As at 31 Mar 2023

- United Kingdom/Europe portfolio WALE of 6.1 years
- Lease expiry is well-spread, extending beyond FY2037
- 3.2% of United Kingdom/Europe’s gross rental income is due for renewal in FY2023



Breakdown of expiring leases for FY2023 and FY2024



# Improving Portfolio Quality

## Ongoing Projects

	City/Country	Estimated Total Cost (S\$m)	Estimated Completion Date
<b>Acquisitions Under Development</b>		<b>161.0</b>	
MQX4, Macquarie Park	Sydney, Australia	161.0 <sup>(1)</sup>	2Q 2023
<b>Redevelopments</b>		<b>384.5</b>	
1 Science Park Drive (34% stake)	Singapore	300.2 <sup>(2)</sup>	2Q 2025
27 IBP ( <i>formerly known as iQuest@IBP</i> )	Singapore	84.3	2Q 2026
<b>Asset Enhancement Initiatives</b>		<b>15.5</b>	
The Alpha	Singapore	15.5	4Q 2023
<b>Convert-to-Suit</b>		<b>56.4</b>	
6055 Lusk Boulevard	San Diego, United States	56.4 <sup>(3)</sup>	4Q 2023
<b>GRAND TOTAL:</b>		<b>617.4</b>	

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

(2) Based on CLAR's proportionate share of the project.

(3) Based on an illustrative exchange rate of US\$1.000: S\$1.409 as announced on 30 Sep 2022.

1Q 2023 Business Updates

# Market Outlook

CapitaLand  
Ascendas REIT



Grab Headquarters, Singapore

# Market Outlook

## Macro Environment

- In its April 2023 report, the International Monetary Fund (IMF) has forecast global growth to fall from 3.4% in 2022 to 2.8% in 2023, and then rise to 3.0% in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7% in 2022 to 1.3% in 2023.
- According to the IMF, the major forces that shaped the world economy in 2022 is set to continue into 2023. The decline in growth in 2023 reflects the tight policy stance by central banks to bring down inflation, the fallout from the recent deterioration in financial conditions, the continuing war in Ukraine and rising geopolitical tensions.

# Market Outlook

## Singapore

- Based on advance GDP estimates by the Ministry of Trade and Industry (MTI) for 1Q 2023, the Singapore economy expanded by 0.1% y-o-y, slower than the 2.1% growth in 4Q 2022. The manufacturing sector contracted by 6.0% y-o-y, deteriorating from the 2.6% contraction in the previous quarter, due to output contractions across all the manufacturing clusters except for the transport engineering cluster.
- In February 2023, MTI maintained its GDP forecast for the Singapore economy to grow by “0.5% to 2.5%” in 2023, after taking into account the continuing uncertainties in the global economy.
- Consumer Price Index (CPI-All Items) fell to 5.5% y-o-y and MAS Core Inflation, which excludes the costs of housing and private road transport, fell to 5.0% y-o-y in March 2023. These were driven by lower inflation for private transport and services and offset by higher inflation for electricity & gas. For 2023 as a whole, MAS expects CPI-All Items and MAS Core Inflation to average 5.5-6.5% and 3.5-4.5%, respectively.
- In April 2023, the Monetary Authority of Singapore (MAS) maintained its monetary policy from its last tightening in October 2022 of the prevailing rate of the Singapore dollar nominal effective exchange rate (S\$NEER) policy band. There is no change to the slope and width of the policy band. This policy stance is to reduce imported inflation and curb domestic cost pressures.
- CapitaLand Ascendas REIT's (CLAR) multi-asset portfolio in Singapore, worth S\$10.4 b as at 31 March 2023, 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.

Sources: MTI, MAS

# Market Outlook

## United States (US)

- Based on the advance estimate for 1Q 2023, the US economy grew by an annualised rate of 1.1%, a slower pace as compared with 2.6% in 4Q 2022. The increase in GDP reflected increases in consumer spending, exports, federal government spending, state and local government spending and nonresidential fixed investment that were partly offset by decreases in private inventory investment and residential fixed investment. IMF estimates the GDP growth for the US to be 1.6% y-o-y for 2023.
- The CPI All Urban Consumers index increased 5.0% over the last 12 months ended March 2023, the smallest 12-month increase since the period ended May 2021. The All Items less food and energy index rose 0.4% in March 2023. The energy index decreased 3.5% as acquisition of the gasoline prices declined, while the food index was unchanged at 0.3% in March 2023.
- In March 2023, the US Federal Reserve raised the target range for the federal funds rate by another 25 basis points to 4.75% to 5%, the highest level in 15 years. The US Federal Reserve also anticipated that some additional policy firming may be appropriate in order to attain a stance of monetary policy that is sufficiently restrictive to return inflation to 2% over time. In addition, it noted that the US banking system remains sound and resilient despite the recent financial sector developments.
- With the acquisition of the seven logistics properties in Chicago in June 2022, CLAR's diversified US portfolio was worth S\$2.5 b as at 31 March 2023. The US portfolio comprises business spaces and logistics properties, underpinned by a long WALE period of 4.5 years.

Sources: U.S. Bureau of Economic Analysis, Federal Reserve

# Market Outlook

## 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 fuelled the rise in final consumption, while increased exports of travel services and continued overseas demand for coal and mineral ores drove exports. The IMF projects the Australian economy to achieve a GDP growth of 1.6% in 2023.
- In March 2023, All groups CPI rose 6.3% y-o-y, down from 6.8% in February 2023, due to price rises from Housing, Food and non-alcoholic beverages and Furnishings, household equipment and services categories.
- At its April 2023 meeting, the Reserve Bank of Australia (RBA) maintained its cash rate target at 3.6% and the interest rate on Exchange Settlement balances at 3.5%. This follows a cumulative increase in interest rates of 3.5 percentage points since May 2022. The Australian economy has slowed, with growth expected to be below trend due to a combination of higher interest rates, cost-of-living pressures and a decline in housing prices. RBA expects that some further tightening of monetary policy may be needed to ensure that inflation returns to its target.
- The two newly completed logistics properties in 2022, 7 Kiora Crescent in Sydney and 500 Green Road in Brisbane, are 100% occupied and contributed positively to the rental income of the Australian portfolio in 1Q 2023.
- MQX4, a new suburban office property in Sydney, is expected to complete in 2Q 2023, which will expand CLAR's footprint within the Macquarie Park innovation district. The total value of properties in Australia is expected to grow to S\$2.5 b after the inclusion of MQX4.

Sources: ABS, RBA

# Market Outlook

## United Kingdom (UK)

- UK's GDP registered a 0.1% growth q-o-q in 4Q 2022, with higher services and construction outputs and a flat production output. IMF projected UK's economy to contract by 0.3% in 2023.
- The Consumer Prices Index (including owner occupiers' housing costs) rose 8.9% in the 12 months to March 2023, down from 9.2% in February 2023. The largest upward contributions to the inflation rate came from housing and household services (principally from electricity, gas and other fuels), and food and non-alcoholic beverages.
- In March 2023, the Bank of England's Monetary Policy Committee (MPC) increased the Bank Rate by 0.25% points to 4.25%. CPI inflation increased unexpectedly and the labour market has remained tight. 12-month CPI inflation rose from 10.1% in January to 10.4% in February 2023. In addition, the MPC will continue to assess the economic implications of the recent financial market and banking sector developments.

## Europe

- The economies in Western Europe continue to face broadening inflationary pressures, with monetary tightening exerting a drag on investments and persistent weakness in consumption. 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 b as at 31 March 2023. The portfolio comprising logistics properties and data centres has a long WALE period of 6.1 years and is expected to benefit from the strong adoption of e-commerce and digitalisation of activities.

Sources: UK Office for National Statistics, Bank of England, European Commission

# Market Outlook

## Summary

- We continue to face challenges from high interest rates and inflation, as well as from increased economic uncertainties from the recent US financial sector turmoil and liquidity situation faced by certain sectors due to tighter monetary conditions.
- 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.

1Q 2023 Business Updates

# Portfolio Resilience & Sustainability



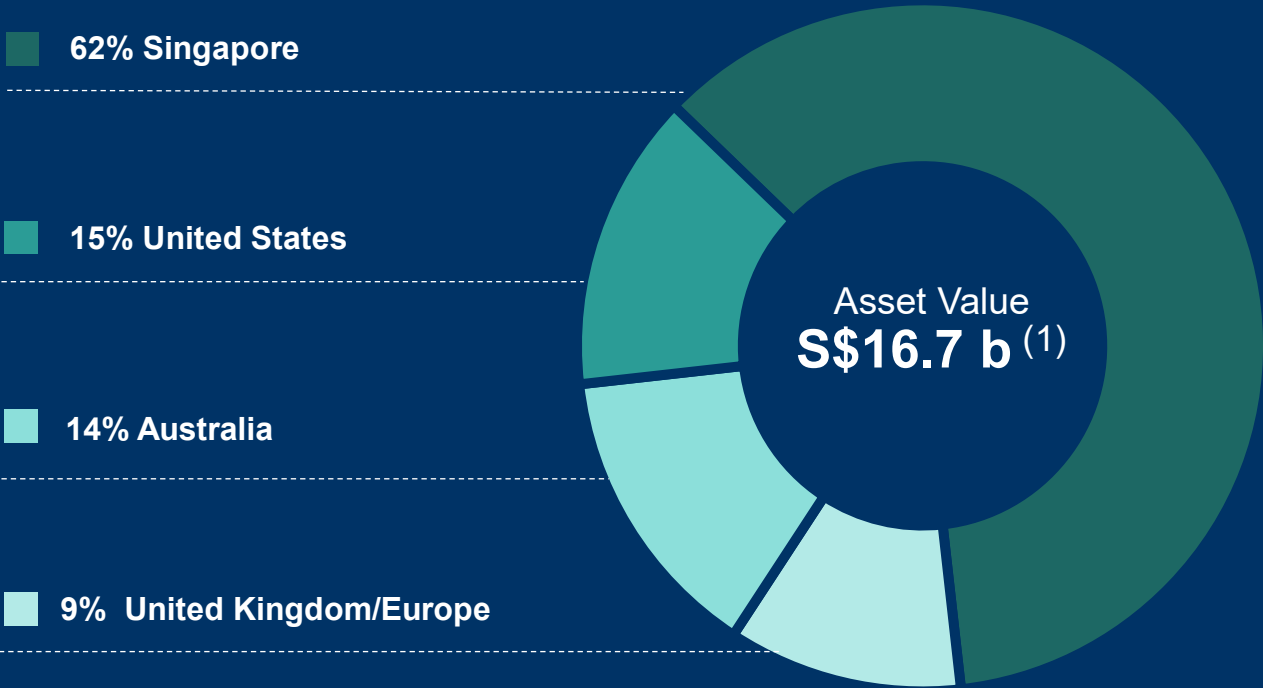
254 Wellington Road, Melbourne, Australia

**CapitaLand**  
Ascendas REIT

# Diversified Portfolio Across Developed Markets

Investment Properties stood at **S\$16.7 b<sup>(1)</sup>** as at 31 Mar 2023

- Singapore: **S\$10.4 b**
- United States: **S\$2.5 b**
- Australia: **S\$2.3 b**
- United Kingdom/Europe: **S\$1.5 b**



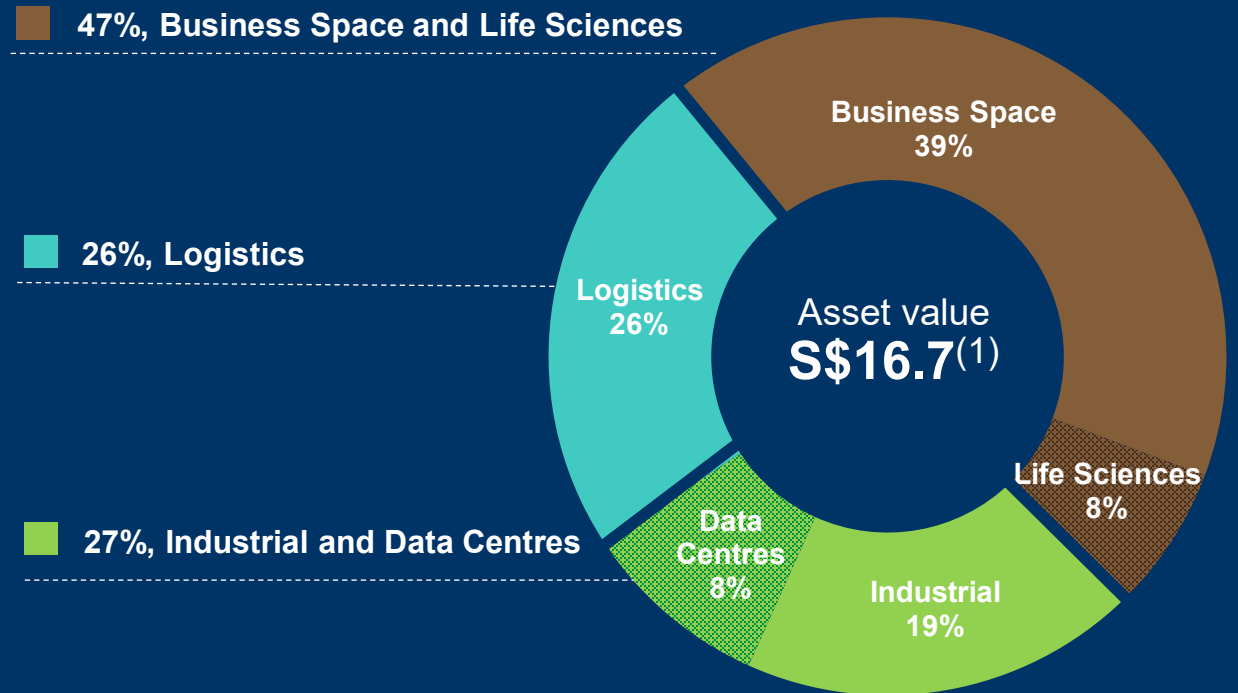
(1) Comprises 229 properties, which excludes one property in Singapore which is under redevelopment. Multi-tenant buildings account for 69.8% of CapitaLand Ascendas REIT's total investment properties (by asset value) as at 31 Mar 2023.

# Multi-Asset Portfolio

## Steering Towards Growth Sectors

Steering our portfolio towards asset classes that cater to the changing market and tenant requirements arising from structural trends and changing consumption patterns such as digitalisation and e-commerce.

- Business Space and Life Sciences<sup>(2)</sup>: **S\$7.8 b**
- Logistics<sup>(3)</sup>: **S\$4.4 b**
- Industrial and Data Centres<sup>(4)</sup>: **S\$4.5 b**



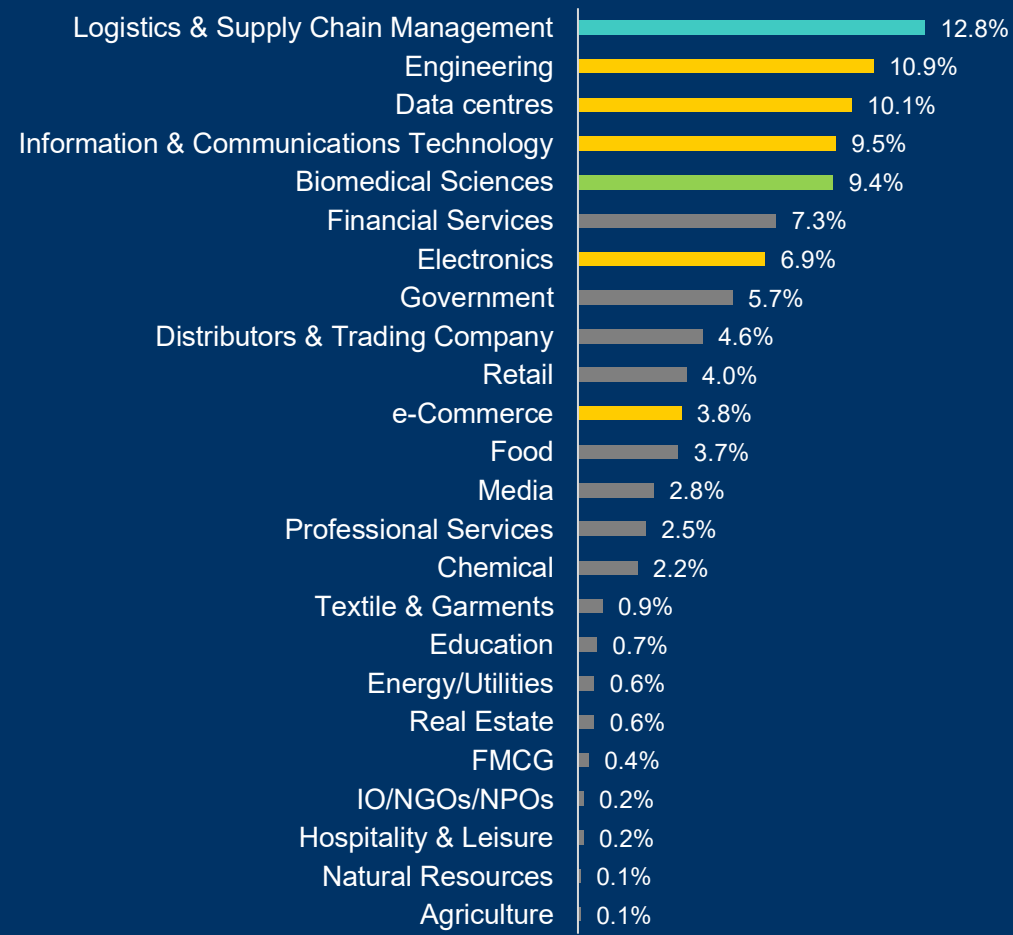
(1) Comprises 229 properties which excludes one property in Singapore which is under redevelopment. Multi-tenant buildings account for 69.8% of CLAR's total investment properties (by asset value) as at 31 Mar 2023.

(2) Business Space and Life Sciences properties are in Singapore (30%), the US (13%) and Australia (4%).

(3) Logistics properties are in Singapore (9%), Australia (10%), UK (5%) and the US (2%).

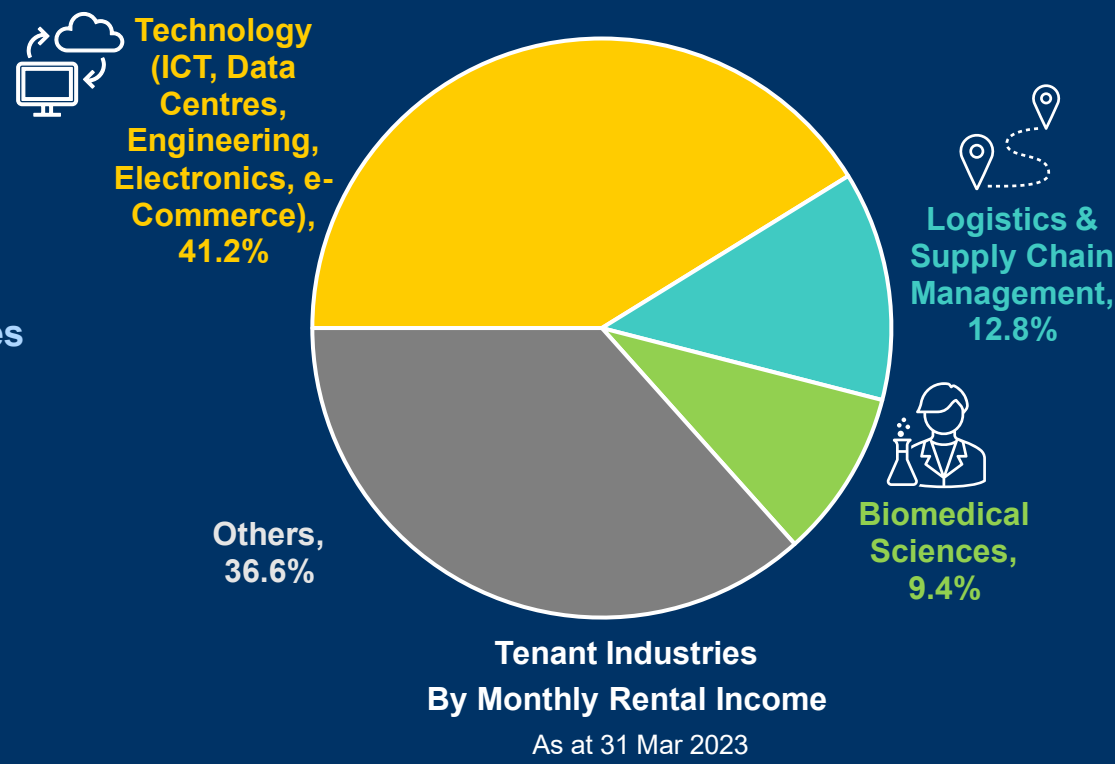
(4) Data centres are in Singapore (4%) and UK/Europe (4%).

# Tapping the Growing Technology, Logistics & Life Sciences Industries



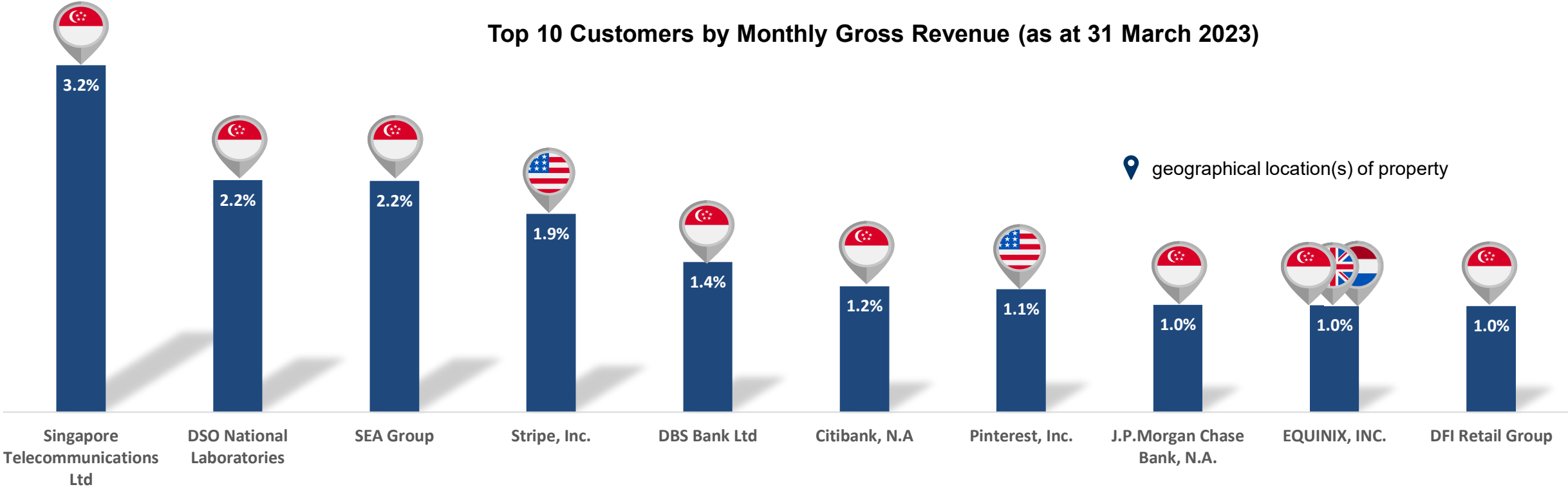
Diversified  
across  
>20 industries

63.4% of our customer base is from the growing technology, logistics and life sciences industries

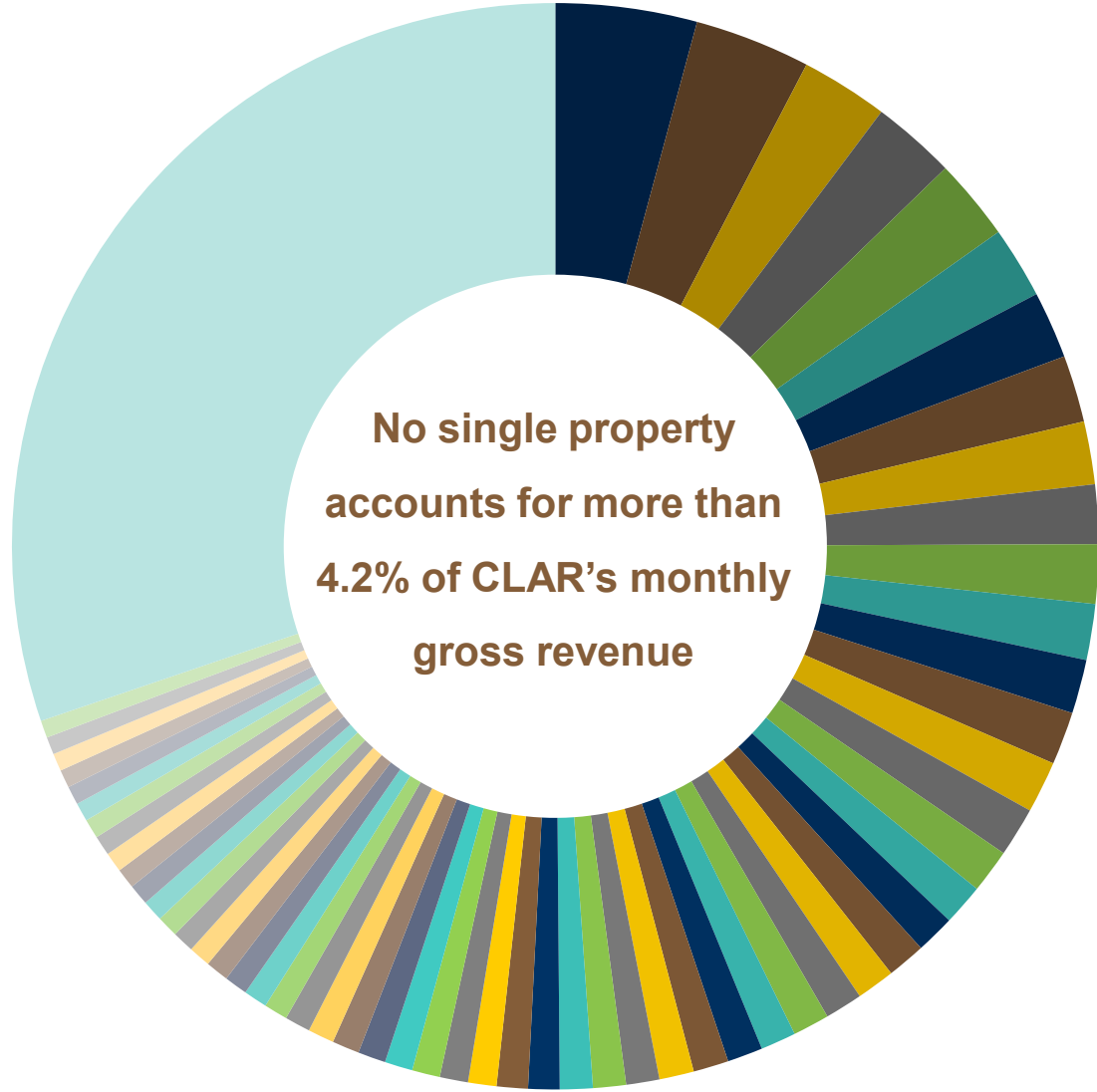


# Quality and Diversified Customer Base

- Total customer base of more than 1,720 tenants.
- Top 10 customers (as at 31 Mar 2023) account for about 16.2% of monthly portfolio gross revenue.
- On a portfolio basis, weighted average security deposit is about 5.1 months of rental income.

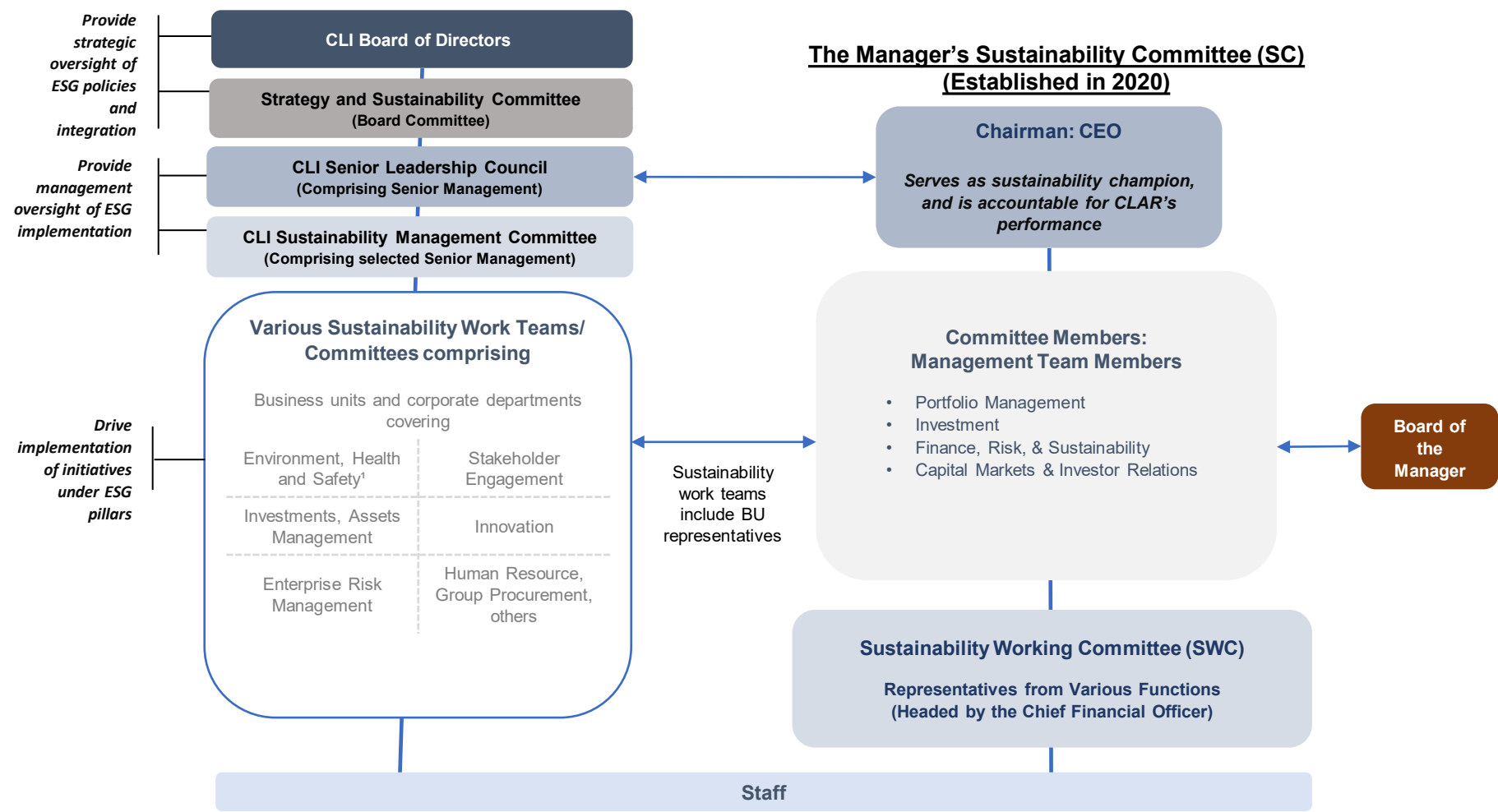


# Diversified Portfolio



- Galaxis,4.2%
- ONE @ Changi City,2.6%
- Nucleos,2.4%
- 1, 3 & 5 Changi Business Park Crescent,2.0%
- 510 Townsend Street,1.9%
- Kim Chuan Telecommunication Complex,1.8%
- TechPlace II,1.6%
- Techview,1.5%
- 1 Buroh Lane,1.3%
- 1-5 Thomas Holt Drive,1.2%
- DBS Asia Hub,1.1%
- The Galen,1.1%
- 622 Toa Payoh Lorong 1,1.1%
- TechPlace I,1.0%
- Siemens Centre,1.0%
- The Kendall,0.9%
- 138 Depot Road,0.8%
- 10 Toh Guan Road,0.8%
- The Capricorn,0.8%
- Welwyn Garden City,0.8%
- Cintech III & IV,0.7%
- The Alpha,0.7%
- 19 & 21 Pandan Avenue,0.7%
- Changi Logistics Centre,0.6%
- 5200 East and West Paramount Parkway,0.6%
- Courts Megastore,0.6%
- 5005 & 5010 Wateridge,0.6%
- Perimeter 3,0.6%
- Paul van Vlissingenstraat,0.5%
- 50 Kallang Avenue,0.5%
- Aperia,3.4%
- 12, 14 & 16 Science Park Drive,2.5%
- Pioneer Hub,2.1%
- Neuros & Immunos,2.0%
- Croydon,1.8%
- TelePark,1.7%
- 40 Penjuru Lane,1.6%
- Corporation Place,1.5%
- 80 Bendemeer Road,1.2%
- 505 Brannan Street,1.1%
- Techlink,1.1%
- Nexus@one-north,1.1%
- The Aries, Sparkle & Gemini,1.1%
- TechPoint,1.0%
- 10020 Pacific Mesa Boulevard,1.0%
- 31 International Business Park,0.9%
- FoodAxis @ Senoko,0.8%
- Grab Headquarters,0.8%
- 197-201 Coward Street,0.8%
- Infineon Building,0.8%
- Nordic European Centre,0.7%
- Giant Hypermart,0.7%
- 100 Wickham Street,0.6%
- Perimeter 1,0.6%
- 108 Wickham Street,0.6%
- 18 Woodlands Loop,0.6%
- 7 Grevillea Street,0.6%
- 20 Tuas Ave 1,0.5%
- Hansapoint,0.5%
- Others,30.2%

# Sustainability Management Structure



Note:

(1) Includes EHS Internal Audit Committee and Environment Tracking System (ETS) Committee

(2) SWC includes representatives from the Manager's various department, Singapore Property Manager, International Asset Managers and the Sponsor's Group Sustainability.

(3) For more details about CapitaLand 2030 Sustainability Master Plan, please refer to [https://www.capitaland.com/content/dam/capitaland-sites/international/about-capitaland/sustainability/CapitaLand\\_2030\\_Sustainability\\_Master\\_Plan.pdf](https://www.capitaland.com/content/dam/capitaland-sites/international/about-capitaland/sustainability/CapitaLand_2030_Sustainability_Master_Plan.pdf)

# CapitaLand Ascendas REIT's ESG Targets

	Targets	Timeline
Environmental	<ul style="list-style-type: none"> <li>Green Certification for new acquisitions/developments to meet a minimum green rating target set<sup>(1)</sup> <ul style="list-style-type: none"> <li>Singapore – Green Mark Gold<sup>PLUS</sup> certification</li> <li>Overseas – certification by a green rating system administered by a national government ministry/agency or a World Green Building Council (WGBC) recognised Green Building Council<sup>(2)</sup></li> </ul> </li> </ul>	-
	<ul style="list-style-type: none"> <li>All existing properties to achieve a minimum green rating<sup>(3)</sup></li> </ul>	By 2030
	<ul style="list-style-type: none"> <li>To power the common facilities' electricity usage for owned and managed properties located at Singapore Science Park 1; in addition to the existing 4 properties<sup>(4)</sup> at one-north and Singapore's first Super Low Energy (SLE) industrial building, LogisTech.</li> </ul>	By 2025
Social	<ul style="list-style-type: none"> <li>Zero incidents resulting in staff permanent disability or fatality</li> <li>To ensure that at least 92% of vendors<sup>(5)</sup> attain a Level 3 in bizSAFE and above</li> <li>To achieve zero cases of validated discrimination</li> </ul>	Perpetual targets
Governance	<ul style="list-style-type: none"> <li>To achieve zero lapses in corporate governance, corruption/employee misconduct</li> <li>Train all licensed employees on compliance with relevant governance policies</li> <li>Achieve full compliance with Personal Data Protection Act (PDPA) requirements</li> </ul>	Perpetual targets

(1) Refers to CLAR's owned and managed properties. If this is not achievable immediately, capital expenditure will be set aside to enhance the properties to attain green certifications in the future.

(2) Includes certifications for new building construction, core & shell, design and as-built etc.

(3) Refers to CLAR's owned and managed properties

(4) Refers to Neuros & Immunos, Nexus@one-north, Galaxis and Nucleos in Singapore.

(5) Refers to vendors appointed by the procurement team for CLAR's Singapore property management services.

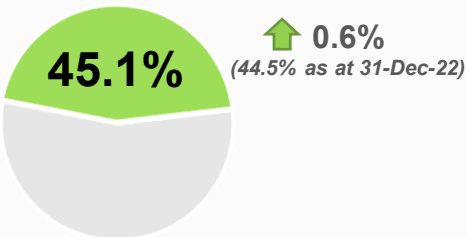
# Continued Momentum for Green Initiatives



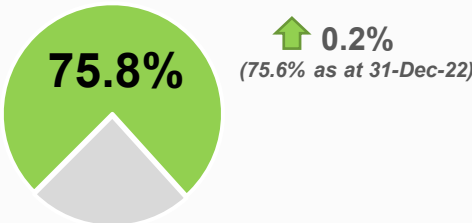
## Green Buildings

### Green Certification (by GFA)

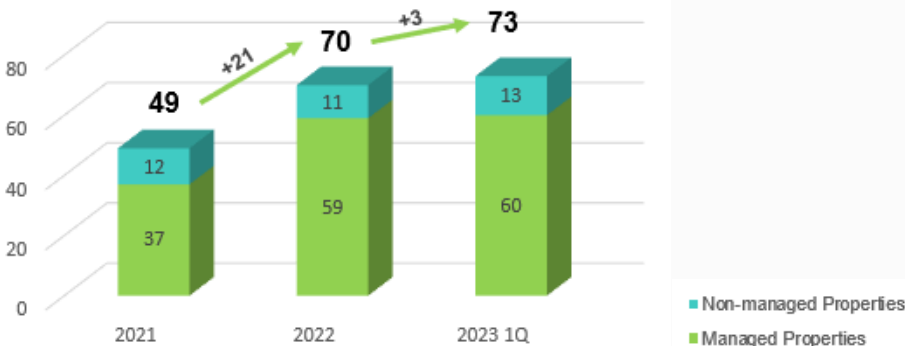
Total Properties



Managed Properties



### Properties with Green Certificate(s)



## Renewable Energy

- One of the largest combined rooftop solar installations in Singapore amongst S-REITs

>18 GWh

Solar power  
generated annually  
(projection)

18

(+1 in 2023)  
Properties installed  
with solar panels

- To achieve 100% renewable energy usage for all Singapore Science Park 1 owned and managed properties by 2025<sup>1</sup>
- 100% renewable energy is procured for four co-location data centres<sup>2</sup> in Europe/UK.
- Largest no. of public Electric Vehicle (EV) charging points** in Singapore by a S-REIT: **76**
- Total no. of EV points in overseas portfolio: **203 (+6 in 2023)**

LogisTech is the first industrial building in Singapore awarded Green Mark Platinum Super Low Energy (SLE) status. Energy generated from solar panels on its rooftop is used to power the building.

Information as at 31 Mar 2023

(1) Common facilities' electricity usage. In addition to the existing five properties (Neuros & Immunos, Nexus@one-north, Galaxis, LogisTech and Nucleos) in Singapore

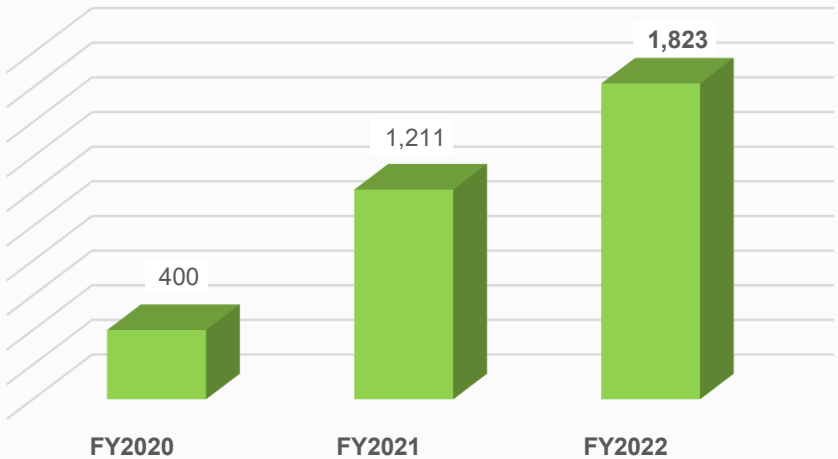
(2) Reynolds House, Paul van Vlissingenstraat (PVV), Cressex Business Park, Croydon (except for a tenant who procures its own electricity).

# Steadfast in Commitments

## Green Financing

- Established Green Finance Framework in FY2020
- Total of **~S\$1.8b** comprising Green Bond, Green Perpetual Securities, Green Loans
- Green Interest Rates Swap (~S\$202 m)

Green Financing (S\$m)



## External Validation

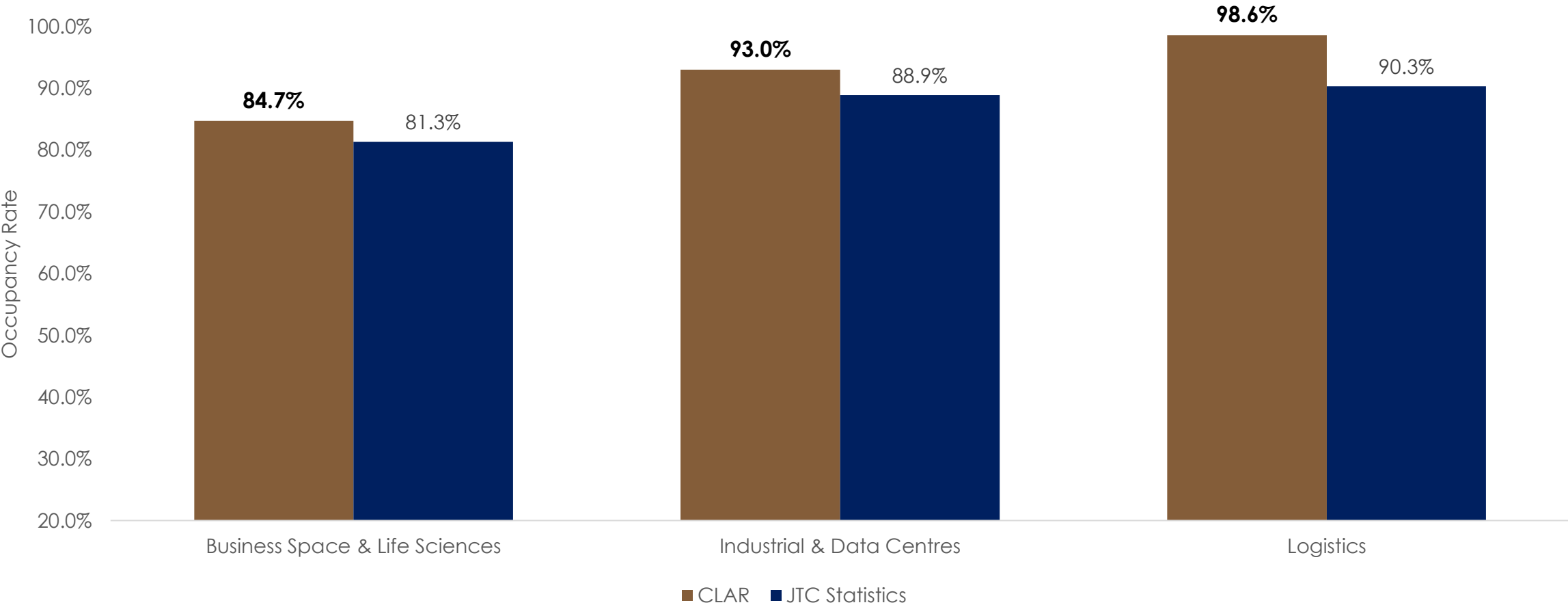




Unit 5 Wellesbourne Distribution Park, West Midlands, United Kingdom

# Singapore Occupancy

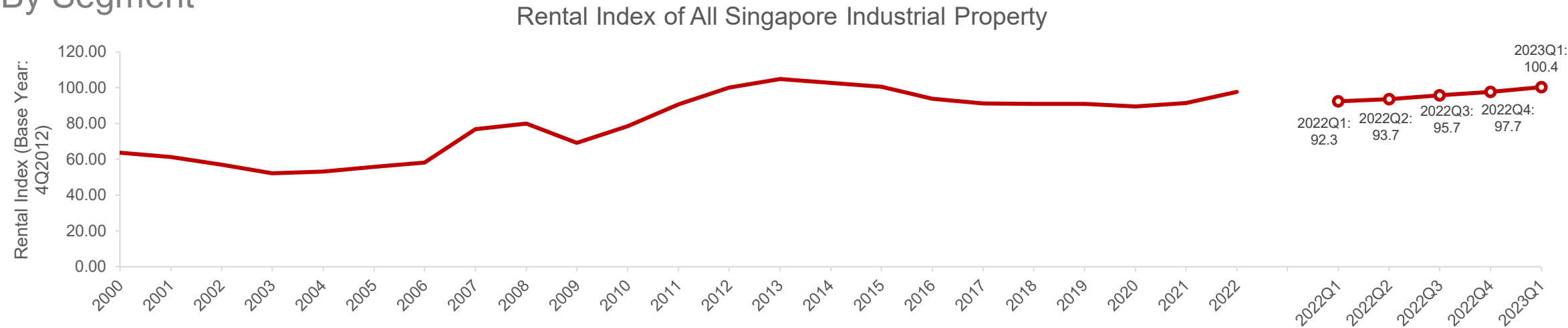
CLAR vs Industrial Average



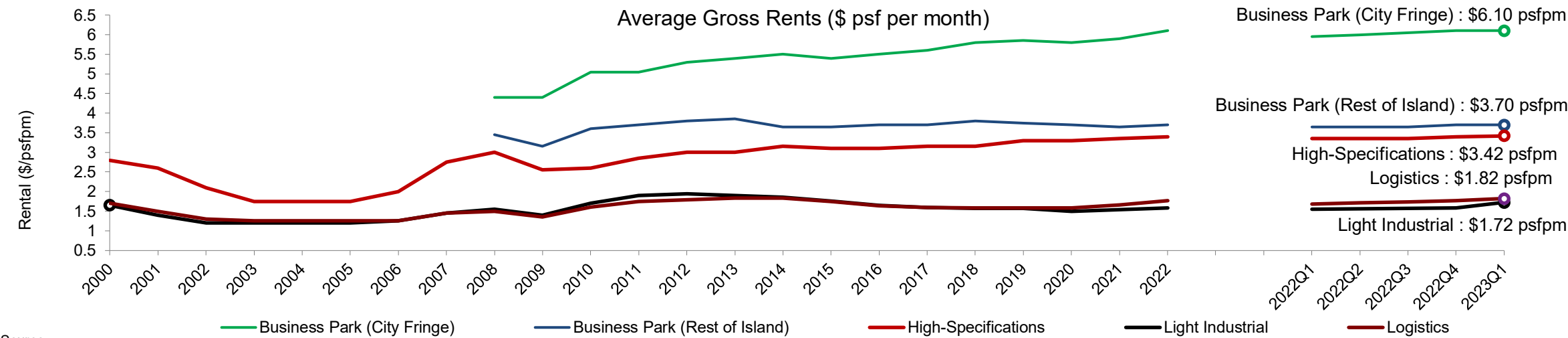
Source :  
CLAR's Singapore portfolio as at 31 Mar 2023. Market: 1Q 2023 JTC statistics.  
The occupancy rate (88.9%) for the multiple-user factory is taken as a proxy for Industrial & Data Centres

# Average Market Rents (Singapore)

By Segment



Source : JTC 1Q 2023 Market Report



Source : CBRE Market View Report 1Q 2023 for Business Park (City Fringe), Business Park (Rest of Island), High-Specifications, Light Industrial and Logistics.

# Singapore Industrial Market

## New Supply

- Potential new supply of about 2.6m sqm\* (5.1% of existing stock) over next 5 years, of which ~66% are pre-committed
- Island-wide occupancy as at 31 March 2023 stood at 88.8%, a marginal decline of 0.6 percentage point as compared to previous quarter (89.4%)

Sector ('000 sqm)	2023	2024	2025	2026	New Supply (Total)	Existing Supply (Total)	% of New/ Existing supply
<b>Business &amp; Science Park</b>	99	0	348	25	471	2,391	19.7%
% of Pre-committed (est)	30%	NA	41%	0%	36%		
<b>Industrial &amp; Data Centres</b>	284	1,021	9	226	1,540	38,379	4.0%
% of Pre-committed (est)	69%	82%	100%	35%	72%		
<b>Logistics &amp; Distribution Centres</b>	75	279	283	0	636	11,559	5.5%
% of Pre-committed (est)	91%	63%	74%	NA	71%		
<b>Total</b>	<b>458</b>	<b>1,299</b>	<b>640</b>	<b>250</b>	<b>2,647</b>	<b>52,329</b>	<b>5.1%</b>
Total % Pre-committed (est)	64%	78%	56%	31%	66%	-	-

Note: Excludes projects under 7,000 sqm. Based on gross floor area (GFA). Numbers may not add up due to rounding.  
Source: JTC 1Q 2023 Industrial Report & CBRE Research

\*Based on confirmed projects, with year of completion between 2023 – 2026. There are no known projects that are expected to be completed in 2027

# Singapore Business & Science Park

New Supply <sup>(1)</sup>

Expected Completion	Proposed Project	Developer	Location	GFA (sqm)	% Pre-committed (Estimated)
2023	Surbana Jurong Campus (Phase 2, BP Portion)	Surbana Jurong Capital (JID) Pte Ltd	Cleantech Loop	34,870	0%
2023	BP Development (7 Science Park Drive)	Science Park Property Trustee Pte Ltd	Science Park Drive	28,820	0%
2023	Elementum	HB Universal Pte Ltd	North Buona Vista Drive	35,180	83%
2025	Punggol Digital District	JTC Corporation	Punggol Way	235,300	60%
2025	BP Development (1 Science Park Drive)	SPRINT Plot 1 TM Pte Ltd	Science Park Drive	112,530	0%
2026	Redevelopment of iQuest@IBP	CapitaLand Ascendas REIT	International Business Park	24,640	0%
				<b>471,340</b>	<b>36%</b>

Note: (1) Excludes projects under 7,000 sqm. Based on gross floor area (GFA). Numbers may not add up due to rounding.

Source: : JTC 1Q 2023 Industrial Report, CBRE Research

# Singapore Industrial & Data Centres

New Supply <sup>(1)</sup>

Expected Completion	Proposed Project	Developer	Location	GFA (sqm)	% Pre-committed (Estimated)
2024	JTC Space @ AMK	JTC Corporation	Ang Mo Kio Street 64/65	116,630	0%
2024	Single User Factory	Malkoha Pte Ltd	Sunview Way	171,340	100%
2024	Additions/alterations to Existing Factory	United Microelectronics Corporation	Pasir Ris Industrial Drive 1	233,710	100%
2024	Polaris @ Woodlands	Soon Hock Investment Group Pte Ltd	Woodlands Avenue 12	52,340	0%
2024	Single User Factory	Applied Materials South East Asia Pte Ltd	Tampines Industrial Crescent	65,500	100%
2024	Single User Factory	Google Asia Pacific Pte Ltd	Lok Yang Way	62,700	100%
2024	Single User Industrial Development	Siltronic Silicon Wafer Pte Ltd	Tampines Industrial Avenue 5	138,440	100%
2026	Bulim Square	JTC Corporation	Bulim Lane 1/2	157,550	30%
				<b>988,210</b>	<b>72%</b>

Note: (1) Includes only projects above 50,000 sqm. Based on gross floor area (GFA). Numbers may not add up due to rounding.

Source: JTC 1Q 2023 Industrial Report, CBRE Research

# Singapore Logistics:

New Supply <sup>(1)</sup>

Expected Completion	Proposed Project	Developer	Location	GFA (sqm)	% Pre-committed (Estimated)
2023	Fairprice Group Fresh Food Distribution Centre	NTUC Fairprice Co-operative Ltd	Sunview Road	59,680	100%
2024	POKKA Logistics BTS Redevelopment	ESR SG Real Estate Pte Ltd	Benoi Crescent	64,490	62%
2024	LOGOS eCommerce Hub (Phase 2)	Pandan Crescent Pte Ltd	Pandan Crescent	81,050	77%
2024	36 Tuas Road	Boustead Projects Ltd	Tuas Road	59,790	0%
2025	Warehouse Development	Allied Sunview Pte Ltd	Sunview Road	116,810	70%
2025	Redevelopment of 51 Benoi Road	Mapletree Logistics Trust	Benoi Road	82,390	65%
				<b>464,210</b>	<b>64%</b>

Note: (1) Includes only projects above 50,000 sqm. Based on gross floor area (GFA). Numbers may not add up due to rounding.

Source: JTC 1Q 2023 Industrial Report, CBRE Research

# Singapore Industrial & Data Centres

## Completed Projects <sup>(1)</sup>

Year of Completion	Proposed Project	Developer	Location	GFA (sqm)	% Pre-committed (Estimated)
2023	Harbourlink Innohub	Octava (S) Property Investments Pte Ltd (Lee Rubber)	Alexandra Terrace	68,200	0%
2023	Tai Seng Exchange	Soilbuild Group	Tai Seng Avenue	105,250	4%
2023	Redevelopment of Kolam Ayer 2 Cluster	Mapletree Industrial Trust	Kallang Way	80,420	40%
				<b>253,870</b>	<b>14%</b>

Note: (1) Based on gross floor area (GFA). Numbers may not add up due to rounding.  
Source: JTC 1Q 2023 Industrial Report, CBRE Research

Thank you