



1Q2022 Business Update

11 May 2022

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Berlin Campus

About IREIT Global

About IREIT Global

First Singapore-listed REIT with Europe-focused Mandate

Investment Mandate

Income-producing real estate in Europe which are used primarily for office, retail and industrial (including logistics) purposes, as well as real estate-related assets

Portfolio

5 freehold office properties in Germany, 5 freehold office properties in Spain and 27 freehold retail properties in France, with a total lettable area of c.384,000 sqm and valuation of c.€974.9m⁽¹⁾

Manager

IREIT Global Group Pte. Ltd., which is jointly owned by Tikehau Capital and City Developments Limited (“CDL”). Tikehau Capital is a global alternative asset management group listed in France, while CDL is a leading global real estate company listed in Singapore

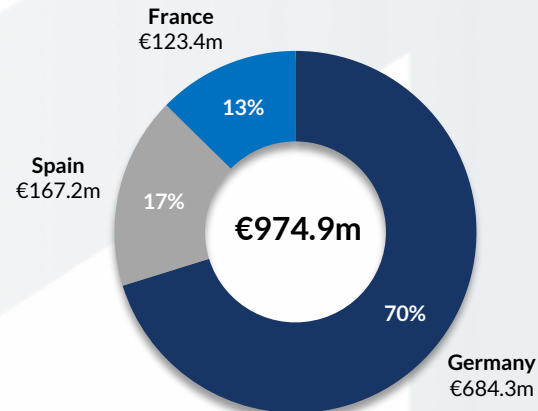
Distribution Policy

At least 90% of annual distributable income; distributions to be made on a semi-annual basis

Dual Currency Trading

Units quoted in S\$ (SGX Code: UD1U) and € (8U7U). Investors are free to buy in one currency counter and sell in the other currency counter.

Valuation by Geography⁽¹⁾



(1) Based on fair valuation as at 31 Dec 2021

Quality Assets Across Europe

Germany



Berlin Campus



Bonn Campus



Darmstadt Campus



Münster Campus



Concor Park

Spain



Delta Nova IV



Delta Nova VI



Il-lumina



Sant Cugat Green



Parc Cugat

France (1)



Cergy



Châteauroux



Evreux



Mâcon



Laval



Il·lumina

Key Updates

Key Operational Highlights

IREIT Maintains Stable Performance in 1Q2022



95.7%

Portfolio
Occupancy



3.7 years

Weighted Average
Lease Expiry



32.1%

Aggregate
Leverage

- Portfolio occupancy unchanged at 95.7% as at 31 Mar 2022 from the prior quarter.
 - ✓ Weighted average lease expiry (“WALE”) remained healthy at 3.7 years, compared to 3.8 years as at 31 Dec 2021.
- Sole tenant at Bonn Campus, Deutsche Telekom, did not give notification to terminate its lease that is expiring in Apr 2023. ⁽¹⁾
 - ✓ Hence, the lease is automatically extended by 12 months and will now expire in Apr 2024.
 - ✓ Manager is in discussions with tenant to explore options to further extend the lease at Bonn Campus.
- Aggregate leverage unchanged at 32.1% as at 31 Mar 2022, compared to 31 Dec 2021.
 - ✓ Balance sheet still robust with ample debt headroom to pursue future investment opportunities.

Asset Management Initiatives

Active Engagement with Existing and Prospective Tenants

Germany

- **Berlin Campus:** Deutsche Rentenversicherung Bund (“DRV”) did not exercise its break option in 2Q2021, hence its entire lease will end in Jun 2024. Currently exploring various options to benefit from rental upside as the property is significantly under-rented.
- **Bonn Campus:** Lease with Deutsche Telekom extended by 12 months, thereby keeping property at full occupancy until Apr 2024. Continuing active marketing of property while exploring options with tenant to extend its lease.
- **Concor Park:** Healthy leases with just c.500 sqm of vacant storage space (vacancy rate of 1.4% at property). One key tenant has requested to lease more space for office use. Currently exploring potential to convert part of canteen space into office space.
- **Darmstadt Campus:** Deutsche Telekom informed in Nov 2021 that it intends to vacate property when its lease expires in Nov 2022. ⁽¹⁾ Active marketing of property currently on-going. Property is in an established office area that was previously predominantly occupied by Deutsche Telekom. With the rationalisation of Deutsche Telekom’s operations in recent years, vacancy rate in the area has increased and more time is needed for the vacant spaces to be taken up.
- **Münster Campus:** Successfully secured a new lease with a German federal government body for all five floors of office space being returned in Mar 2022. ⁽²⁾ Low current office vacancy rate of c.1.7% in city of Münster.

(1) Please refer to IREIT’s announcement on the lease in relation to Darmstadt Campus dated 5 Nov 2021 for more details.

(2) Please refer to IREIT’s press release on the new lease at Münster Campus dated 26 Nov 2021 for more details.

Asset Management Initiatives (cont'd)

Active Engagement with Existing and Prospective Tenants

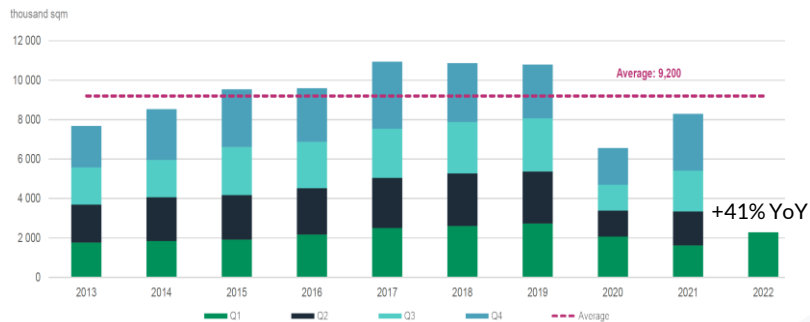
Spain

- **Delta Nova IV and VI:** Since the beginning of 2022, 3 leases were renewed, including a tenant that has requested for more spaces. These 3 leases represents c.18.1% of the total lettable area at the 2 properties.
 - **Il·lumina:** Successfully increased occupancy rate from 69.2% at initial investment in Dec 2019 to 91.1% as at 31 Mar 2022 (for office space only, occupancy rate up from c.60% to c.95% over the same period). Actively marketing c.1,600 sqm of space to be vacated by one key tenant when its lease expires in Aug 2022.
 - **Parc Cugat:** Already actively marketing the vacant space after acquisition was completed in Sep 2021. Slowdown of office demand over the last 2-3 months given the current economic and geopolitical uncertainty. Rental guarantee granted by the vendor until 31 Dec 2022.
 - **Sant Cugat Green:** As anticipated during initial investment of the property, Roche to vacate c.6,400 sqm of space when its lease expires in Dec 2022. Heads of terms signed with one potential tenant to take over c.3,700 sqm of Roche's space. On-going discussions to secure another tenant for c.5,300 sqm of the current vacant data centre space.
- IREIT's portfolio has maintained a high occupancy rate of 95.7% and healthy WALE of 3.7 years as at 31 Mar 2022
 - Manager to continue to focus its efforts on asset management to protect IREIT's occupancy rate and future rental income.

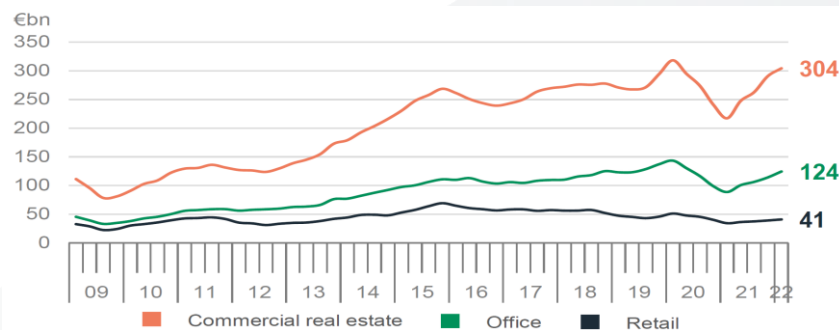
Office Market in Europe

Office Letting Activity Showed Recovery in 1Q2022

Office Take-up in 17 Key European Cities (1)



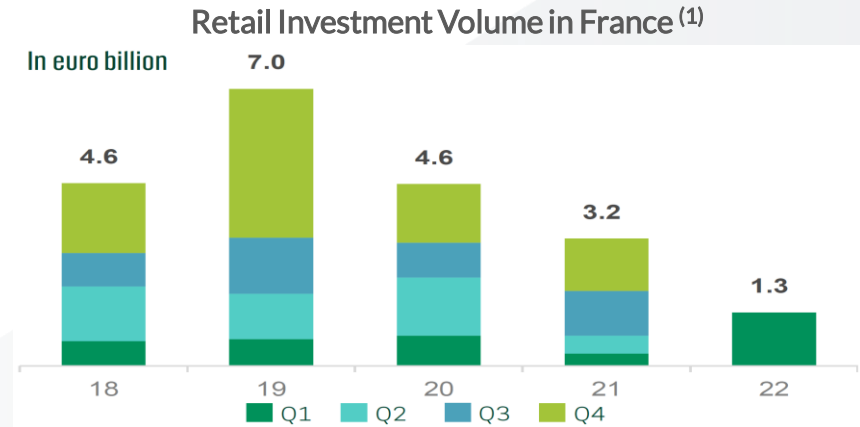
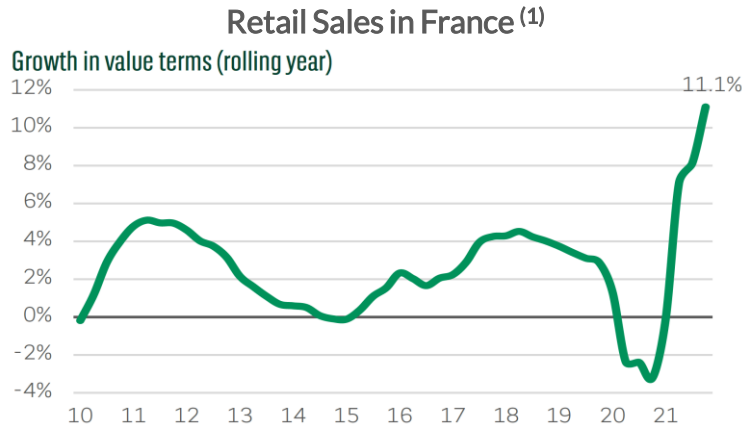
Commercial Real Estate Investment Volume in Europe (1)



- Take-up in 17 key European office markets at 2.29m sqm in 1Q2022, up 41% YoY.
 - ✓ This contributed to an overall office take-up of 2.70m sqm in Europe, up 43% YoY.
 - ✓ Overall vacancy rate in Europe at 7.1%, representing a marginal 20bps increase from a year ago.
- Office investment volume reached €124bn (+60% YoY), accounting for 40.7% of the total commercial volume of €304bn.
 - ✓ Relaxation of movement restrictions, strong liquidity and investor demand supported investment activity.
- However, letting and investment activity may slow down as the outbreak of war between Ukraine and Russia and rising interest and inflation rates have led to significant economic and geopolitical uncertainty.

Retail Market in France

Retail Sales Recovery with Healthy Consumer Spending



- 4Q2021 retail sales up 11.1% YoY, supported by relaxation of COVID-19 restrictions and healthy household consumption.
- Retail investment in France came in at €1.3bn for 1Q2022.
 - ✓ Supported by shopping centres (€0.7bn), out-of-town retail (€0.3bn) and high-street retail (€0.3bn).
- Consumer sentiment may turn cautious with the economic and geopolitical uncertainty in Europe.



Capital and Currency Management

Bonn Campus

Capital and Currency Management

	As at 31 Mar 2022	As at 31 Dec 2021
Gross Borrowings Outstanding (€'m)	332.7	332.7
Aggregate Leverage ⁽¹⁾	32.1%	32.1%
Effective Interest Rate per Annum ⁽²⁾	1.8%	1.8%
Interest Coverage Ratio ⁽¹⁾	7.7x	7.7x
Weighted Average Debt Maturity	4.3 years	4.5 years

Debt Maturity Profile
(€ m)



- Aggregate leverage remains healthy at 32.1% with effective interest rate unchanged at 1.8%.
 - ✓ All bank borrowings, which are on floating rates, have been hedged with interest rate swaps and interest rate caps.
- IREIT's distribution currency has been changed from S\$ to € starting with the distribution for the period from 30 Jun 2021 to 31 Dec 2021 onwards.
 - ✓ Time and cost savings as there is no longer a need to hedge for IREIT's future distributions.



Portfolio Summary

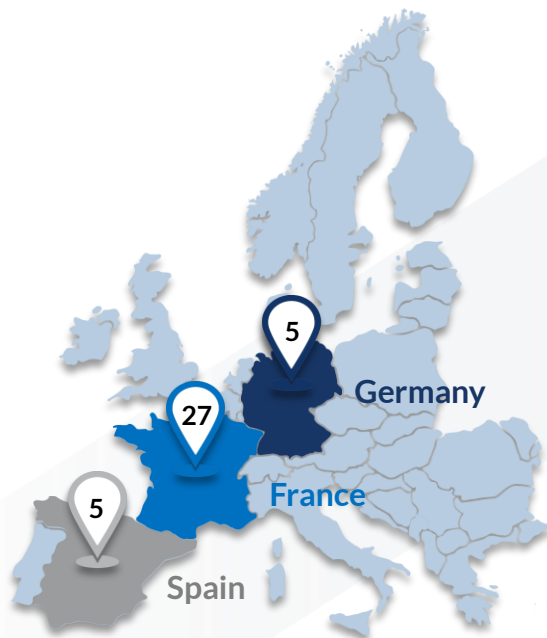
Sables d'Olonne

Portfolio Overview

Diversified Portfolio Across Key Developed Markets in Europe

Overall Portfolio	
Properties	37
Lettable Area (sqm)	384,282
Valuation (€ m) ⁽¹⁾	974.9
Occupancy (%)	95.7%
WALE (years) ⁽²⁾	3.7

France	
Properties	27
Lettable Area (sqm)	95,500
Valuation ⁽¹⁾ (€ m)	123.4
% of Portfolio	12.7%
Occupancy	100%
WALE (years) ⁽²⁾	9.3



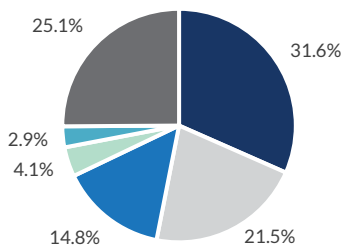
Germany	
Properties	5
Lettable Area (sqm)	201,103
Valuation (€ m) ⁽¹⁾	684.3
% of Portfolio	70.2%
Occupancy (%)	99.8%
WALE (years) ⁽²⁾	2.1

Spain	
Properties	5
Lettable Area (sqm)	87,679
Valuation (€ m) ⁽¹⁾	167.2
% of Portfolio	17.2%
Occupancy (%)	81.5%
WALE (years) ⁽²⁾	4.5

Portfolio Lease Profile

Well Staggered Lease Expiry Profile with a Blue-Chip Tenant Base

Key Tenants (1)



- GMG - Deutsche Telekom
- Decathlon
- Allianz Handwerker Services GmbH
- Deutsche Rentenversicherung Bund
- DXC Technology
- Others



Deutsche Telekom is one of the world's leading integrated telcos with around c. 248m mobile customers, c. 26m fixed-network lines and c. 22m broadband lines. S&P's long-term rating stands at BBB.

Deutsche Rentenversicherung Bund is Europe's largest statutory pension insurance company with over 57m customers and 'AAA' credit rating.

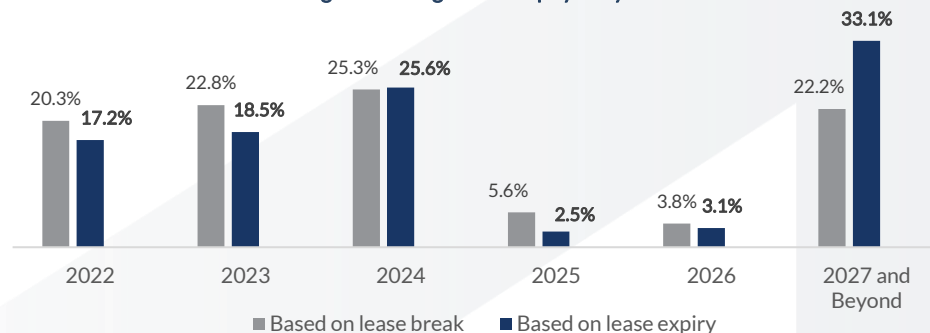
Decathlon is one of the world's largest sporting goods retailer with over 1,700 stores across 60 countries. It has a sales turnover of €11.4b in 2020 and its S&P's short-term rating stands at A-2.

DXC Technology is a Fortune 500 company and investment grade information technology services company listed on the NYSE. It is represented in the S&P 500 Index.

Allianz Handwerker Services is a unit of Allianz SE, one of the world's largest insurance companies. S&P's long-term rating stands at AA.

Lease Break and Expiry Profile (1)

Weighted Average Lease Expiry: 3.7 years



(1) Based on gross rental income as at 31 Mar 2022



Delta Nova VI

**Looking
Ahead**

Looking Ahead



Macro

- Office letting activity across the key European cities has continued to show recovery in 1Q2022, while relaxation of movement restrictions, strong liquidity and investor demand have supported investment activity.
- However, the outbreak of war between Ukraine and Russia and rising interest and inflation rates have recently led to significant economic and geopolitical uncertainty.
 - ✓ While IREIT's portfolio has not been adversely affected so far, Manager is closely assessing the situation and maintaining its vigilance.

- Supported by a blue-chip tenant mix and diversified asset base, IREIT's portfolio has remained resilient.
- In 2022, Manager will continue to focus its efforts on asset management to maintain IREIT's portfolio occupancy rate and optimise the long-term attractiveness of the assets through its sustainability initiatives.
- In advanced negotiations with a few potential and existing tenants for new leases and renewals, respectively.



Portfolio



Focus

- In view of the adoption of flexible working arrangement by companies and evolving demand for office space, Manager will also continue to pursue investment and capital recycling opportunities.
 - ✓ Further diversify IREIT's asset class exposure and strengthen its income streams.
- At the same time, Manager is exploring various funding options to broaden IREIT's financing sources and flexibility.



Thank You

For enquiries, please contact:

Mr Kevin Tan

Head of Investor Relations and Capital Markets

Tel: (65) 6718 0593

Email: kevin.tan@ireitglobal.com