IREIT GLOBAL

RESILIENCE THROUGH DIVERSIFICATION AND EXPERTISE

ANNUAL REPORT 2023

Resilience through Diversification and Expertise

2023 has been a difficult period for businesses globally, as corporates and investors continue to face various challenges in the market, such as rising financing costs and high inflation. At IREIT Global ("IREIT"), we are pleased to report that performance has remained fundamentally sound despite some near-term pressures. Continuing our strategy since 2019 to sharpen IREIT's portfolio ***resilience through diversification and expertise***, we completed the acquisition of 17 retail properties across France in September 2023 to strengthen our footprint into the resilient Retail Parks (Out-of-Town) asset class and blue-chip tenant mix.

Our key focus in the immediate term is to continue to increase the occupancy rate of IREIT's portfolio assets, particularly Darmstadt Campus, and to refurbish and reposition Berlin Campus into a multi-let asset if the main tenant leaves in December 2024. While the European real estate market remains fraught with challenges from uncertain geopolitical environment and economic outlook, and potentially protracted periods of high inflation and interest rates, there may be opportunities for us to continue building a diversified portfolio across asset classes and western European countries to optimise and deliver sustainable returns for Unitholders.




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Key Objectives

The Manager's key financial objectives are to provide unitholders of IREIT ("Unitholders") with regular and stable distributions, and the potential for sustainable long-term growth in distribution per unit ("DPU") and net asset value ("NAV") per unit, while maintaining an appropriate capital structure for IREIT.

About IREIT Global

- IREIT is the first Singapore-listed real estate investment trust ("REIT") established with the investment strategy of principally investing, directly or indirectly, in a portfolio of income-producing real estate in Europe which is used for office, retail and industrial (including logistics) purposes, as well as real estate-related assets.
- IREIT's current portfolio comprises five freehold office properties in Germany, four freehold office properties in Spain and 44 retail properties in France.
- IREIT is managed by IREIT Global Group Pte. Ltd. (the "Manager"), 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.

Joint Sponsors of IREIT

IREIT is a unique pure play into the western European commercial real estate market that benefits from the collective expertise, strong brand name and extensive local network of its two sponsors, Tikehau Capital and CDL, both of which are highly regarded in their respective markets in Europe and Asia. Sharing the same vision and long-term commitment to build on IREIT's capabilities, scale and diversification, Tikehau Capital and CDL will continue to collaborate actively and tap on each other's complementary strengths to enhance IREIT's visibility and geographical footprint, while staying aligned with the best interest of all unitholders.

About Tikehau Capital

Tikehau Capital is a global alternative asset management group with €43.2 billion of assets under management as at 31 December 2023. Tikehau Capital has developed a wide range of expertise across four asset classes (private debt, real assets, private equity and capital markets strategies) as well as multi-asset and special opportunities strategies. Tikehau Capital is a founder-led team with a differentiated business model, a strong balance sheet, proprietary global deal flow and a track record of backing high quality companies and executives. Deeply rooted in the real economy, Tikehau Capital provides bespoke and innovative alternative financing solutions to companies it invests in and seeks to create long-term value for its investors, while generating positive impacts on society. Leveraging its strong equity base (€3.2 billion of shareholders' equity as at 31 December 2023), the firm invests its own capital alongside its investor-clients within each of its strategies. Controlled by its managers alongside leading institutional partners, Tikehau Capital is guided by a strong entrepreneurial spirit and DNA, shared by its 758 employees across its 15 offices in Europe, the Middle East, Asia and North America. Tikehau Capital is listed in compartment A of the regulated Euronext Paris market.

About City Developments Limited

CDL is a leading global real estate company with a network spanning 143 locations in 28 countries and regions. Listed on the Singapore Exchange, CDL is one of the largest companies by market capitalisation. Its income-stable and geographically diverse portfolio comprises residences, offices, hotels, serviced apartments, student accommodation, retail malls and integrated developments. With a proven track record of 60 years in real estate development, investment and management, CDL has developed over 50,000 homes and owns around 21 million square feet of gross floor area in residential for lease, commercial and hospitality assets globally. Along with its wholly-owned hotel subsidiary, Millennium & Copthorne Hotels Limited, CDL has 155 hotels worldwide, many in key gateway cities.

Key Figures for Financial Year Ended 31 December 2023

€ 65.0 MILLION
GROSS REVENUE
+5.4% year-on-year

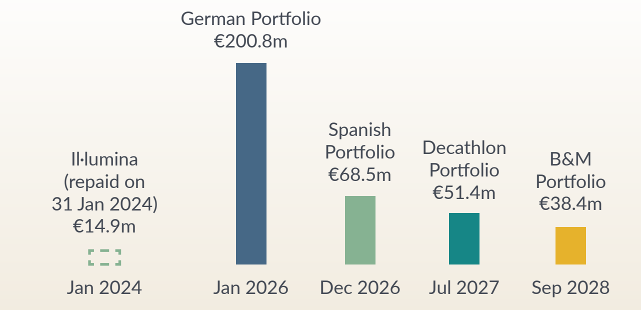
€ 49.9 MILLION
NET PROPERTY INCOME
+2.3% year-on-year

€ 25.2 MILLION
INCOME TO BE DISTRIBUTED
-19.2% year-on-year

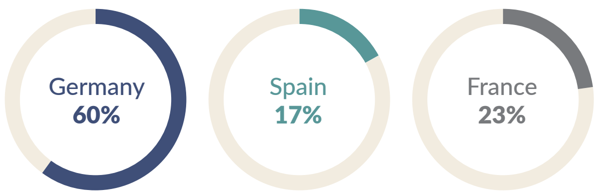
4.9 YEARS
WEIGHTED AVERAGE LEASE EXPIRY
5.0 years as at 31 December 2022

1.9%
WEIGHTED AVERAGE INTEREST RATE
1.8% as at 31 December 2022

DEBT MATURITY PROFILE (€ MILLION)

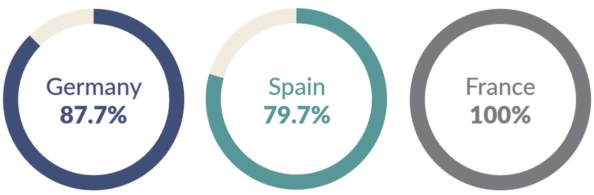


€899.0 MILLION[1]
PORTFOLIO VALUATION BY GEOGRAPHY
-5.4% year-on-year

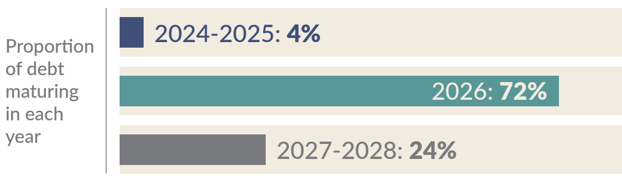


1 Based on fair valuation as at 31 December 2023 (including sale consideration of Il·lumina, which was subsequently divested on 31 January 2024)

90.4%
PORTFOLIO OCCUPANCY RATE
88.3% as at 31 December 2022



37.9%
AGGREGATE LEVERAGE
32.0% as at 31 December 2022



Chairman and CEO Letter to Unitholders

Mr Mark Andrew Yeo Kah Chong
Chairman

Mr Louis d'Estienne d'Orves
Chief Executive Officer

"For FY2023, IREIT has maintained delivering strong operational KPIs despite a challenging environment, while keeping its aggregate leverage below 38% and all-in cost of debt below 2.0%. Our key focus in the immediate term is to continue increasing IREIT's occupancy rate and execute our strategy on building a diversified portfolio across asset classes and western European countries."

DEAR UNITHOLDERS,

On behalf of the Board of Directors of IREIT Global Group Pte. Ltd., the manager of IREIT, we are pleased to present IREIT's annual report and sustainability report for the financial year ended 31 December 2023 ("FY2023").

The past year has been a difficult period for businesses globally. Both corporates and investors continue to face various challenges, such as rising financing costs and high inflation. The effects of asset repricing and ongoing adjustments on the workplace arrangements have also resulted in a profound change in the global real estate leasing and investment activity.

SHARPENING RESILIENCE VIA DIVERSIFICATION AND EXPERTISE

At IREIT, we are happy to report that the performance has been fundamentally sound despite some near-term pressures, as the Manager has steadfastly delivered stable and sustainable returns to our Unitholders. Implementing our diversification strategy since 2019, we completed the acquisition of a portfolio of 17 retail properties across France in September 2023 at a purchase consideration of €76.8 million. This portfolio is wholly occupied by leading European discount retailer B&M Group ("B&M Portfolio"). With the addition of this B&M Portfolio, IREIT has further diversified into the resilient Retail Parks (Out-of-Town) asset class and strengthened its blue-chip tenant mix.

We are also pleased to share that our two joint sponsors, Tikehau Capital and CDL, have continued to show their utmost support in our equity fund raising exercise to raise S$75.9 million in gross proceeds to partially finance the acquisition of the B&M Portfolio. Their undertaking to subscribe for new units, together with strong participation from all other unitholders, not only reflected their vote of confidence in the long-term growth prospects of IREIT but also enabled the equity fund raising to be 134.7% subscribed. Today, IREIT remains a unique pure play into the western European real estate with blue-chip tenants and backed by two reputable sponsors within the Singapore real estate investment trusts ("S-REITs") market.

For FY2023, IREIT has maintained delivering strong operational KPIs despite a challenging environment, while keeping its aggregate leverage below 38% and all-in cost of debt below 2.0%. Gross revenue grew by 5.4% year-on-year to €65.0 million, whereas net property income grew by 2.3% to €49.9 million. The increase was mainly driven by contribution from the acquisition of the B&M Portfolio completed in September 2023 and higher other income from the recognition of dilapidation cost payable by the main tenant at Berlin Campus as part of the lease agreement to extend its lease term to December 2024. Excluding the contribution from the B&M Portfolio, net property income for FY2023 would have been €47.8 million, still relatively stable from that of €48.8 million registered in the prior year. Income to be distributed stood at €25.2 million, representing a 19.2% decrease year-on-year, mainly due to the retention of the dilapidation cost to finance the repositioning of Berlin Campus as well as rent-free periods granted to new tenancies at Bonn Campus and Darmstadt Campus. The DPU was 30.5% lower year-on-year at 1.87 € cents, due to a mismatch in timing between income contribution from the B&M Portfolio and an enlarged unit base following the issuance of new units in relation to the equity fund raising and acquisition fees paid in units. Had FY2022 DPU been restated to reflect the effects of the enlarged unit base, FY2023 DPU would have declined by a lower 19.0% year-on-year.

TOWARDS A STABLE AND DIVERSIFIED PORTFOLIO

Looking into 2024, we are hopeful that IREIT's performance would improve as it is likely to benefit from a full-year contribution from the B&M Portfolio, positive rental escalations, as well as the end of rent-free periods granted to tenants within IREIT's portfolio that had impacted its FY2023 results. In the face of sustained global inflationary pressures and uncertainties, we have undertaken proactive measures to rejuvenate IREIT's portfolio and enhance its income stability. This includes further diversification of IREIT's portfolio through acquisition, divestment of non-strategic assets such as Spanish asset Il·lumina, customised leasing strategy and planning for refurbishment of assets.

As at 31 December 2023, IREIT's portfolio occupancy was higher at 90.4%, as compared to 88.3% as at 31 December 2022, driven by the addition of the B&M Portfolio which was 100% occupied, as well as the signing of the 15-year new lease with a German federal government body for 25% of Darmstadt Campus in April 2023. Without the B&M Portfolio, the portfolio occupancy would still have been higher at 88.9%. During the year, we were also successful in securing an early lease extension at Berlin Campus at approximately 45% higher office rent than the current office rent starting from July 2024. In the fourth quarter of 2023, our efforts in fostering a stronger relationship with B&M Group culminated in the tenant agreeing to extend its leases at the B&M Portfolio by 3.8 years on average, bringing the weighted average lease expiry ("WALE") of the B&M Portfolio to 7.7 years. Underpinned by these leases, IREIT's overall portfolio WALE remained stable at 4.9 years as at 31 December 2023 from 5.0 years a year ago, notwithstanding the passage of time.

Our key focus in the immediate term is to continue to increase the occupancy rate of IREIT's portfolio assets, particularly Darmstadt Campus, and to refurbish and reposition Berlin Campus into a multi-let asset if the main tenant leaves in December 2024. With the European real estate market facing challenges from uncertain geopolitical environment and potentially protracted periods of high inflation and interest rates, there may be opportunities to continue building a diversified portfolio across asset classes and western European countries to deliver sustainable returns for Unitholders.

AWARDS AND ACCOLADES

As a testimony to the Manager's commitment towards excellence, good corporate governance and transparency, IREIT won two prestigious awards, namely the Platinum Award for "Best Office REIT (Singapore)" and Gold Award for "Best Investor Relations" at The Asia Pacific Best of the Breeds REITs Awards in March 2023.

In August, IREIT was ranked 20th out of 43 S-REITs and business trusts in the Singapore Governance and Transparency Index, showing the biggest improvement from 2022, when IREIT was ranked 41st. Then in November, IREIT was named the winner for the highest growth in profit after tax over three years under the S-REITs category by The Edge Singapore Centurion Club 2023. This marks the fourth consecutive year that IREIT has won an award at this yearly event. We congratulate the management team for these accomplishments.

APPRECIATION AND ACKNOWLEDGMENTS

On behalf of the Board of Directors and management team, we would like to thank our joint sponsors, valued tenants, business partners, financiers, the Trustee and Unitholders for your unwavering support and confidence in IREIT. We would also like to express our heartfelt appreciation to our Board members for their stewardship and advice throughout the year.

Our special thanks go to Mr Lim Kok Min John, who stepped down as Board Chairman on 13 June 2023 and retired from the Board as Independent Non-Executive Director on 13 July 2023 upon the completion of his nine-year tenure since the inception of IREIT. We also thank Mr Sanjay Bakliwal, who stepped down as Non-Executive Director, on 13 June 2023. We deeply appreciate their invaluable contributions and counsel during their service at our Board. We welcome our first female director, Ms Cher Mui Sim Susanna, who joined us as Independent Non-Executive Director on 13 June 2023. With over 20 years of experience managing finance departments of SGX-listed entities across various industries, her appointment will not only add diversity but breadth of expertise to our Board. Finally, to our management team and employees, thank you for your effort and devotion in contributing to the milestones that IREIT achieved during the year.

ENTRENCHING STABILITY WITH A DIVERSIFIED PORTFOLIO

GROSS REVENUE

€65.0m

Recognising that a diversified portfolio anchored by a blue-chip tenant mix is a hallmark of sustainable returns to Unitholders, we further strengthened our tenant profile and footprint into the resilient Retail Parks (Out-of-Town) asset class with the acquisition of a portfolio of 17 retail properties across France let to leading European discount retailer B&M Group.

Looking ahead, we will continue executing our strategy to build a diversified portfolio across asset classes and western European countries, and deliver sustainable returns for Unitholders.

Board of Directors

Mr Sherman Kwek Eik Tse
Non-Executive Director

Mr Mark Andrew Yeo Kah Chong
Chairman, Independent Non-Executive Director and Chairman of the Nominating and Remuneration Committee

Mr Bruno de Pampelonne
Non-Executive Director

Ms Cher Mui Sim Susanna
Independent Non-Executive Director

Mr Chng Lay Chew
Independent Non-Executive Director and Chairman of the Audit and Risk Committee

Mr Mark Andrew Yeo Kah Chong

Chairman, Independent Non-Executive Director and
Chairman of the Nominating and Remuneration Committee

Date of First Appointment as Director
1 January 2022

Length of Service as Director (as at 31 December 2023)
2 years

Mr Yeo is a director of Keppel Infrastructure Fund Management Pte. Ltd., which is the trustee-manager of SGX listed Keppel Infrastructure Trust. He is a director of Changi Airport Group (Singapore) Pte. Ltd. Prior to his current appointments, Mr Yeo was a former independent director of CitySpring Infrastructure Management Pte. Ltd., which was the trustee-manager of CitySpring Infrastructure Trust.

Mr Yeo has held various senior banking positions working on the infrastructure sector in Asia, Europe and Latin America mainly doing project finance advisory. He was based both in Singapore and London. Thereafter, he held several leadership positions in corporates in Asia and the Middle-East. He started his career in the Singapore civil service.

Mr Yeo graduated from the University of Oxford with a Master of Arts and obtained his Master of Laws from the National University of Singapore. He also completed the Advanced Management Programme with INSEAD.

Academic & Professional Qualifications

- Master of Arts, University of Oxford
- Master of Laws, National University of Singapore
- Advanced Management Programme, INSEAD

Membership of Board Committee

- Chairman of the Board
- Chairman of the Nominating and Remuneration Committee
- Member of Audit and Risk Committee

Present Directorships and Chairmanship in Other Listed Companies

- Keppel Infrastructure Fund Management Pte. Ltd. (Director)
- Niks Professional Ltd (Director)

Present Principal Commitments (other than directorships in other listed companies)

- Changi Airport Group (Singapore) Pte. Ltd. (Director)

Past Directorships and Chairmanship in Other Listed Companies held over the preceding three years

Nil

Mr Chng Lay Chew

Independent Non-Executive Director and
Chairman of the Audit and Risk Committee

Date of First Appointment as Director
1 January 2021

Length of Service as Director (as at 31 December 2023)
3 years

Mr Chng has over 35 years of experience in the financial industry. He retired in 2020 from Singapore Exchange Limited after nine years as its Chief Financial Officer. Prior to that, he was with DBS Bank and JP Morgan where he held senior finance positions in Singapore, Hong Kong, Tokyo and New York.

Mr Chng has contributed to the development of the accounting profession locally in the areas of education and professional development. He was a board member of the Singapore Accountancy Commission and a past President of the Singapore Division of CPA Australia. He also served on the Advisory Board of the School of Accountancy at the Singapore Management University.

Mr Chng currently serves on the board of AWWA Ltd, a social service agency, NUHS Fund Ltd, a charity and Worldwide Fund for Nature (Singapore) Ltd. He is a Fellow of the Institute of Singapore Chartered Accountants, Fellow of the Chartered Accountants Australia and New Zealand, and Fellow of CPA Australia. He completed the International Directors Program at INSEAD in 2021 and obtained a Certificate in Corporate Governance.

Academic & Professional Qualifications

- Bachelor of Commerce and Administration, Victoria University of Wellington
- Fellow of Institute of Singapore Chartered Accountants
- Fellow of Chartered Accountants Australia and New Zealand
- Fellow of CPA Australia

Membership of Board Committee

- Chairman of the Audit and Risk Committee

Present Directorships and Chairmanship in Other Listed Companies

Nil

Present Principal Commitments (other than directorships in other listed companies)

- AWWA Ltd (Director)
- NUHS Fund Ltd (Director)
- Worldwide Fund for Nature (Singapore) Ltd (Director)

Past Directorships and Chairmanship in Other Listed Companies held over the preceding three years

Nil

Board of Directors

Ms Cher Mui Sim Susanna
Independent Non-Executive Director

Date of First Appointment as Director
13 June 2023

Length of Service as Director (as at 31 December 2023)
7 months

Ms Cher has over 35 years of experience holding senior management positions and over 20 years of experience managing finance departments of SGX-listed entities across various industries. She was the Chief Financial Officer of the REIT manager of Frasers Logistics & Commercial Trust for six years before her retirement in December 2021. She was with CitySpring Infrastructure Management Pte Ltd, the Trustee-Manager of CitySpring Infrastructure Trust, from November 2006 to May 2015 and was the Chief Financial Officer from July 2013. From November 1993 to November 2006, Ms Cher was the Chief Financial Officer at Thomson Medical Centre Ltd.

Ms Cher holds a Bachelor of Accountancy from the National University of Singapore and is a Chartered Accountant with the Institute of Chartered Accountants (Singapore), a Certified Public Accountant (CPA) of Australia and a Certified Public Accountant of the Institute of Certified Public Accountants of Singapore.

Academic & Professional Qualifications
- Bachelor of Accountancy, National University of Singapore
- Chartered Accountant, Institute of Singapore Chartered Accountants
- Certified Public Accountant, CPA Australia
- Certified Public Accountant, Institute of Certified Public Accountants of Singapore

Membership of Board Committee
- Member of the Audit and Risk Committee
- Member of the Nominating and Remuneration Committee

Present Directorships and Chairmanship in Other Listed Companies
Nil

Present Principal Commitments (other than directorships in other listed companies)
Nil

Past Directorships and Chairmanship in Other Listed Companies held over the preceding three years
Nil

Mr Bruno de Pampelonne
Non-Executive Director

Date of First Appointment as Director
11 November 2016

Length of Service as Director (as at 31 December 2023)
7 years 1 month

Mr de Pampelonne has approximately 38 years of experience in various segments of the financial markets, from debt and real estate to equity, and from banking to asset management. He currently serves as Executive Chairman of Asia and Special Advisor to the Group's Co-founders, and Chief Executive Officer of Tikehau Investment Management Asia Pte Ltd in Singapore.

He started his career at Crédit Lyonnais in 1983 in the United States. In 1985, he joined Goldman Sachs International Corp in London, where he became an Executive Director at its proprietary European trading desk. In 1990, he joined Credit Suisse First Boston as Managing Director to establish its Paris operations and was in charge of equity and debt sales and trading. In April 1993, he joined Merrill Lynch France as Managing Director and was appointed as the Country Head for France from 2003 to 2006.

Mr de Pampelonne is currently the Chairman of the Board of Governors of EDHEC Business School.

Academic & Professional Qualifications
- Master of Finance, EDHEC Business School

Membership of Board Committee
- Member of Nominating and Remuneration Committee

Present Directorships and Chairmanship in Other Listed Companies
Nil

Present Principal Commitments (other than directorships in other listed companies)
- Tikehau Investment Management SAS (Chairman)
- Tikehau Investment Management Asia Pte. Ltd. (CEO and Director)
- Tikehau Investment Management, Japan K.K. (Director)
- Tikehau Capital Hong Kong Limited (Director)
- Tikehau Capital Korea Inc. (Director)
- EDHEC Business School (Chairman)
- FPE Investment Advisors (Singapore) Pte. Ltd. (Director)
- Scientific Beta Pte. Ltd. (Director)

Past Directorships and Chairmanship in Other Listed Companies held over the preceding three years
Nil

Mr Sherman Kwek Eik Tse
Non-Executive Director

Date of First Appointment as Director
1 December 2022

Length of Service as Director (as at 31 December 2023)
1 year

Mr Sherman Kwek assumed his current role as Group Chief Executive Officer ("CEO") of City Developments Limited ("CDL") in January 2018. He was appointed as an Executive Director of CDL in May 2019 and also holds the position of Executive Chairman of CDL China Limited. Mr Kwek was previously the Deputy CEO and prior to that, concurrently the Chief Investment Officer of CDL and the CEO of CDL China Limited. He has been spearheading the CDL Group's expansion in Singapore, China, Japan, Australia and the United Kingdom for over a decade.

Prior to joining CDL, Mr Kwek was the CEO of City e-Solutions Limited, a Hong Kong-listed company that was formerly a subsidiary of CDL Group, and before that, the Chief Operating Officer of Thakral Corporation Ltd. and an Executive Director of HL Global Enterprises Limited, both listed companies in Singapore. In the earlier part of his career, he had worked in technology venture capital, investment banking, hospitality management and real estate private equity.

Since 2019, Mr Kwek has served as a member of two subcommittees of Business China. In June 2020, he was appointed to the Board of Trustees of the Chinese Development Assistance Council, and in 2021, he was appointed as a member of the Property Committee of Singapore Health Services Pte Ltd (SingHealth). In 2022, he was appointed to the Board of the manager for Singapore-listed IREIT Global and appointed as a member of the Advisory Board for the National Youth Achievement Award. In October 2023, Mr Kwek was appointed to the Board of SingHealth and in January 2024, he was appointed as the Chairman of the Property Committee of SingHealth as well as a member of MOH Holdings' Healthcare Infrastructure and Planning Committee.

Academic & Professional Qualifications
- Bachelor of Science in Business Administration, Boston University, majoring in Finance and Marketing with a minor in Psychology

Membership of Board Committee
Nil

Present Directorships and Chairmanship in Other Listed Companies
- City Developments Limited

Present Principal Commitments (other than directorships in other listed companies)
- Group Chief Executive Officer of City Developments Limited
- Executive Chairman of CDL China Limited

Other Appointments
- Business China FutureChina Committee (Member)
- Business China Go East Committee (Member)
- Chinese Development Assistance Council (Member of Board of Trustees)
- MOH Holdings' Healthcare Infrastructure and Planning Committee (Member)
- National Youth Achievement Award (Member of Advisory Board)
- Singapore Health Services Pte Ltd (Non-executive director and Chairman of Property Committee)

Past Directorships and Chairmanship in Other Listed Companies held over the preceding three years
Nil

Key Management

Ms Chua Tai Hua, Anne
Chief Financial Officer

Mr Louis d'Estienne d'Orves
Chief Executive Officer

Mr Tan Heng Chew, Kevin
Head of Investor Relations and Capital Markets

Mr Louis d'Estienne d'Orves
Chief Executive Officer

As Chief Executive Officer, Mr d'Estienne d'Orves is responsible for planning and implementing IREIT's investment strategy, the overall day-to-day management and operations of IREIT, as well as working with the Manager's investment, asset management, financial, legal and compliance personnel in meeting IREIT's strategic investment and operational objectives.

Mr d'Estienne d'Orves is based in Paris, France and has over 17 years of experience in European real estate investments. He was previously an Executive Director at Tikehau Capital within the European Real Estate investment team in London. As Executive Director, his responsibilities included sourcing and executing deals across Europe in the office, retail, hotel, and residential sectors, securing external debt financing and capital raising for co-investment opportunities and funds.

Mr d'Estienne d'Orves started his career at AXA IM Alts (previously known as AXA Real Estate Investment Manager) in 2008 in London as an analyst. He then assumed different roles in Paris and Cologne across the Investment and Corporate finance teams before co-heading their European Transaction Special Situations team in 2017 in London.

Academic & Professional Qualifications
- Master Degree in Asset Management, Paris Dauphine University

Ms Chua Tai Hua, Anne
Chief Financial Officer

Ms Anne Chua was appointed Chief Financial Officer ("CFO") of IREIT Global Group Pte. Ltd. with effect from 22 August 2022. As the CFO, Anne oversees finance, corporate strategy, tax and capital management.

Anne has extensive experience in financial markets and Singapore REIT management. She was previously the CFO of a listed REIT from 2009 to 2020 and was instrumental in the successful initial public offering and listing of another REIT on the Singapore Stock Exchange in 2021. Anne had also worked at Citigroup, American International Trading Group and at various multinational corporations in both global and regional roles and responsibilities that covers treasury advisory and sales, insurance and treasury management, financial reporting, taxation and project management.

Anne holds a Graduate Degree in Bachelor of Business Administration from the National University of Singapore, a Post-Graduate Degree in Master of Applied Finance from MacQuarie University of Australia (where she was the joint top graduand), and a Master of Professional Accounting from the Singapore Management University.

Academic & Professional Qualifications
- Bachelor of Business Administration, National University of Singapore
- Master of Applied Finance, MacQuarie University of Australia
- Master of Professional Accounting, Singapore Management University

Mr Tan Heng Chew, Kevin
Head of Investor Relations and Capital Markets

Mr Tan oversees the investor relations, corporate communications and digital/social media functions of the Manager, and is responsible for fostering good relations and facilitating effective communication with the Unitholders, media, analysts and investment community. He also supports the CFO in broadening IREIT's funding options, particularly the debt and equity capital markets, to align with the strategic objectives of the Manager, as well as coordinating the sustainability reporting for IREIT.

Mr Tan has more than 16 years of corporate strategy, capital management, research and investment experience. He has a proven track record in leading deals on equity fund raising and in-depth knowledge of real estate acquisitions/divestments, financial analysis, capital markets, and SGX listing compliance, having spent almost 7 years with the Manager since August 2017. Prior to joining the Manager, he was part of the investment team with a Canadian fund management firm covering Southeast Asia equities. Mr Tan started his career in 2007 and has assumed the role of investment analyst with various brokerage firms, leading coverage on the Singapore-listed real estate investment trusts, transportation and conglomerates sectors.

Mr Tan holds a Bachelor Degree of Electrical & Electronic Engineering (First Class Honours) from Nanyang Technological University of Singapore and is a Chartered Financial Analyst ("CFA") Charterholder since 2015.

Academic & Professional Qualifications
- Bachelor Degree of Electrical & Electronic Engineering, Nanyang Technological University
- CFA Charterholder

Our Strategy

Our strategy is built upon our mandate to provide Unitholders with regular and stable distributions, through a multi-asset class diversified portfolio that can weather through market cycles and create value over the long term. Leveraging the competitive strengths and commitments of our joint sponsors, we adopt a three-pronged strategy to drive sustainable long-term growth in the DPU of IREIT.

IREIT GLOBAL

Strategic Investments
(inorganic growth)

- Larger and diversified portfolio
- Increased resilience
- Improved synergies with existing portfolio

Active Asset Management
(organic growth)

- Optimal portfolio occupancy, rents and yields
- Well-staggered lease expiry profile
- Strong and diversified tenant mix
- Selective asset enhancement initiatives

Prudent Capital Management

- Broadening financing sources
- Appropriate use of debt and equity
- Lower overall funding costs

VALUE CREATION AND SUSTAINABLE DISTRIBUTIONS
For Unitholders

Strategic Investments

We actively seek and pursue growth opportunities by making disciplined acquisitions of quality and well-located assets that complement our existing portfolio and diversify our tenant base across asset classes and geographical markets. We identify income-producing properties within the office, retail and industrial (including logistics) sectors in key developed markets across core western Europe such as Germany, France, Spain, Italy and the Benelux, where we can leverage our joint sponsors' expertise, brand name and extensive network. In 2023, we made further inroads into the resilient retail park (out-of-town) asset class with the acquisition of the B&M Portfolio in France. This diversification effort has significantly added stability to IREIT's portfolio and reduced its concentration risks to existing large tenants such as Deutsche Telekom and Deutsche Rentenversicherung Bund.

Active Asset Management

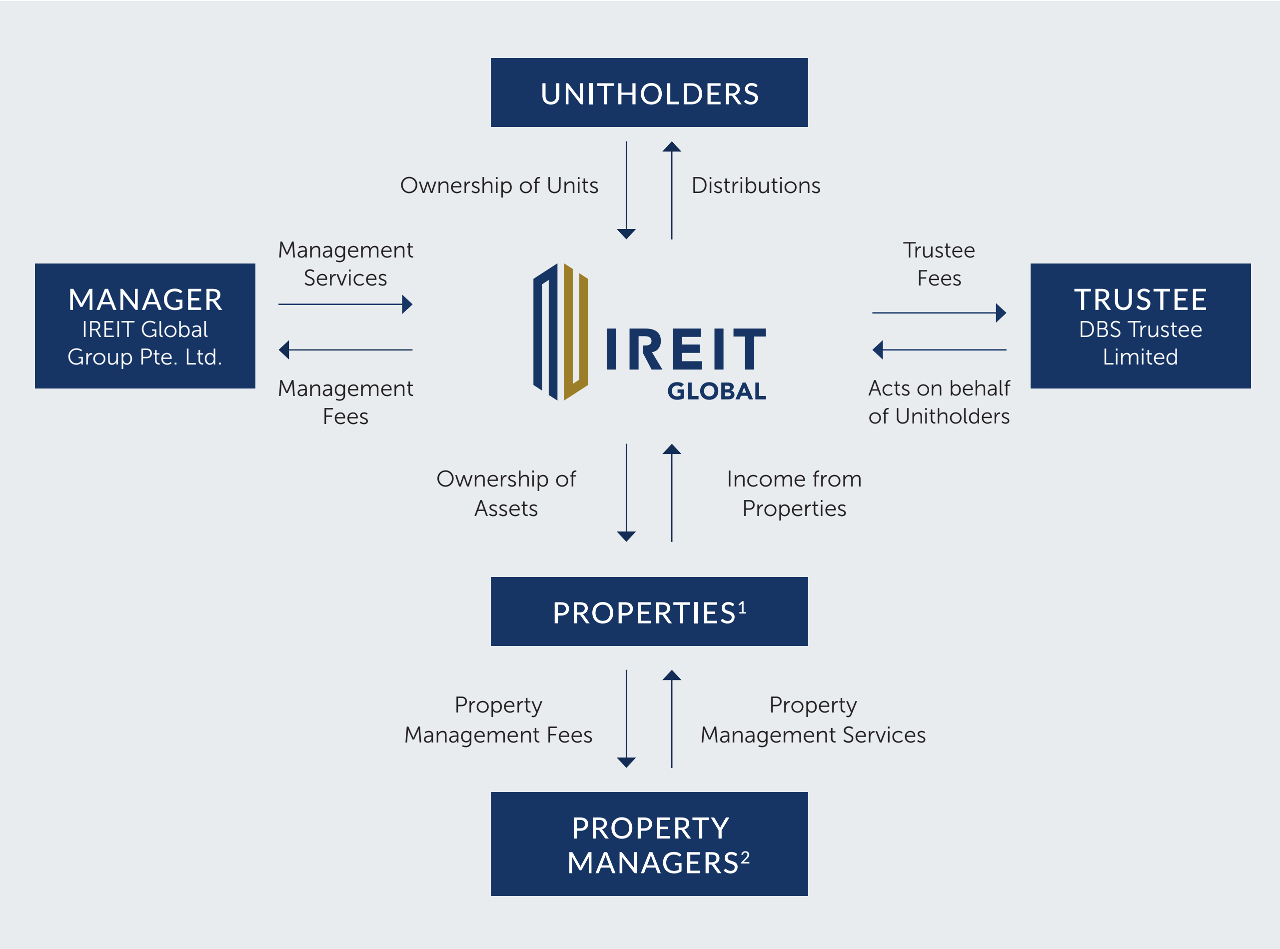
We manage our portfolio leases using a tailored approach to achieve a balanced mix of quality tenants and a well-staggered lease expiry profile for IREIT's portfolio. With a goal to achieve steady rental income growth, we seek various avenues to maintain a healthy portfolio occupancy and optimise the yield of the properties through operational efficiency, rental escalation and reversion, and asset enhancement initiatives. Some of the key achievements made on the leasing front in 2023 include the signing of a pivotal 15-year lease with German federal government body for 25% of Darmstadt Campus and lease extension with the main tenant at Berlin Campus at 45% higher office rent from July 2024 onwards.

Additionally, we explore selective divestments with low-yielding properties with older specifications within the portfolio to recycle capital and rejuvenate IREIT's portfolio. The divestment of Il·lumina, an office building in Spain, in January 2024 at 6.1% above the independent valuation as at 31 December 2023 is a clear example of our capital recycling capability to redeploy and optimise the use of capital to strengthen IREIT's portfolio resilience.

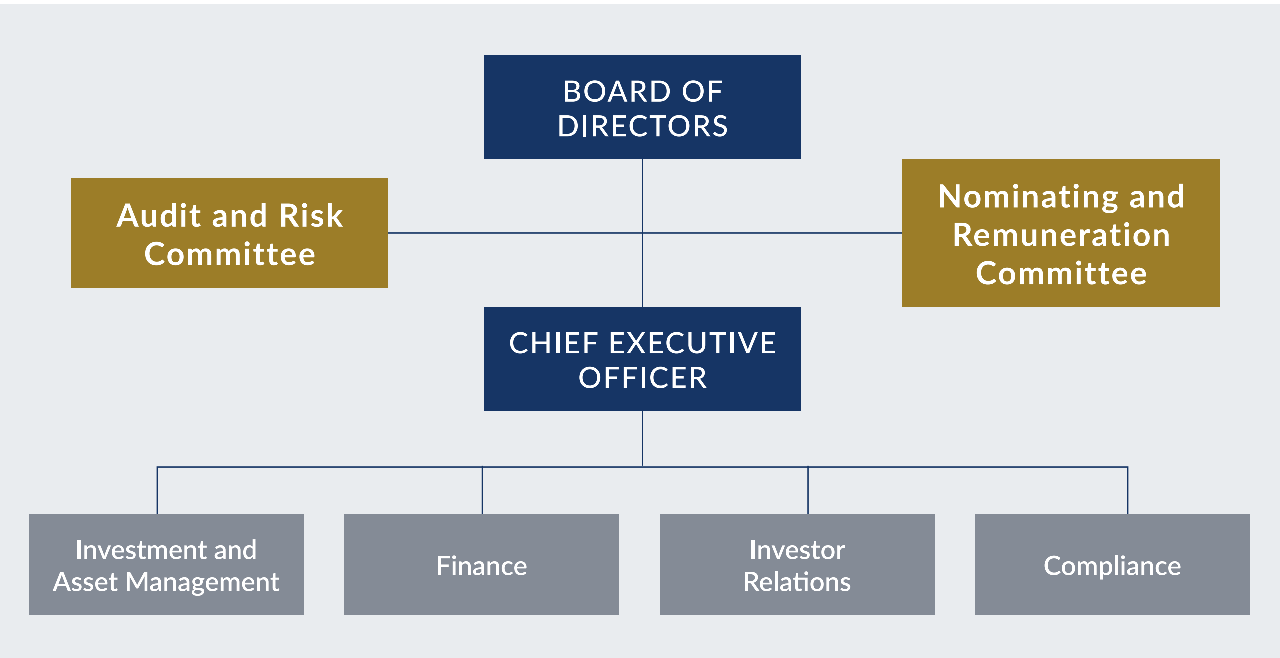
Prudent Capital Management

With a long-term view to maintain a healthy credit profile with diversified sources of funding, we constantly endeavour to maintain a prudent capital structure and explore different funding options to broaden IREIT's financing sources and flexibility. Always looking ahead to anticipate the capital needs of IREIT, we proactively manage our gearing ratio while ensuring that we have access to capital resources at competitive costs. In addition, we manage our exposure to market fluctuations in interest rate through appropriate hedging strategies. In 2023, we concluded a successful equity fund raising exercise to raise S$75.9 million to partially finance the acquisition of the B&M Portfolio. This has kept IREIT's aggregate leverage healthy at 37.9% as at 31 December 2023 even as IREIT saw an overall drop in its portfolio valuation amid the challenging environment. Notably, the weighted average interest rate has also remained competitive at 1.9% per annum, notwithstanding the rising interest rate environment, on the back of our prudent approach of substantially hedging IREIT's existing bank borrowings over the tenor of the loans.

Trust Structure



Manager Structure



Notes:
1 The German properties are held through property holding companies in the Netherlands, the Spanish properties through property holding companies in Spain and the French properties through property holding companies in France.
2 Property managers have been appointed pursuant to the property management agreements entered into between the relevant property holding company and the property manager.

OPTIMISING GROWTH THROUGH ACTIVE ASSET MANAGEMENT

WEIGHTED AVERAGE LEASE EXPIRY

4.9 years

Keeping our eyes beyond the horizon, we adopt a tailored approach towards lease management in order to optimise IREIT's long-term income streams.

The success made with the lease extensions at Berlin Campus and B&M Portfolio and the signing of a major lease for 25% of Darmstadt Campus during the year clearly exhibits the proactive measures taken at IREIT to rejuvenate its portfolio and enhance its income stability.

Financial Review

Statement of Total Returns	FY2023 (€'000)	FY2022 (€'000)	Variance %
Gross Revenue	64,977	61,650	5.4
Property Operating Expenses	(15,081)	(12,853)	17.3
Net Property Income	**49,896**	**48,797**	**2.3**
Finance income	258	-	N.M.
Finance costs	(6,828)	(5,968)	14.4
Management fess	(2,799)	(3,465)	(19.2)
Trustee's fees	(210)	(213)	(1.4)
Administrative costs	(2,535)	(1,737)	45.9
Other trust expenses	(1,896)	(2,239)	(15.3)
Acquisition related costs	(1,043)	-	N.M.
Net income before tax and changes in fair value	**34,843**	**35,175**	**(0.9)**
Change in fair value of financial derivatives	(13,115)	33,079	N.M.
Change in fair value of investment properties	(144,691)	(27,641)	N.M.
Total (loss)/return before tax	**(122,963)**	**40,613**	**N.M.**
Income tax (expense)/benefit	17,637	(4,174)	N.M.
Total (loss)/return for the year attributable to Unitholders	**(105,326)**	**36,439**	**N.M.**
Distribution to Unitholders	**25,190**	**31,182**	**(19.2)**
Units in issued at end of the year ('000)	1,344,838	1,155,891	16.3

Distribution per Unit (€ cents)			
Based on Units issued at end of periods	1.87	2.69	(30.5)
Based on enlarged Units following preferential offering and acquisition fees paid in Units	1.87	2.31	(19.0)

N.M. denotes "Not Meaningful".

STABLE OPERATING FINANCIALS

For the financial year ended 31 December 2023 ("FY2023"), IREIT and its subsidiaries ("IREIT") reported revenue of €65.0 million and net property income of €49.9 million, representing an increase of 5.4% and 2.3% respectively, from €61.7 million and €48.8 million in the preceding financial year ("FY2022").

The increase was due to the contribution from the acquisition of 17 B&M retail properties in France ("B&M Portfolio") in September 2023, higher other income from the recognition of dilapidation cost payable by the main tenant at Berlin Campus, step-up rents, and CPI Indexation from the portfolio. The main tenant at Berlin Campus signed a renewal lease agreement in June 2023 to extend the lease term to December 2024, which included the dilapidation cost. This constitutes a lease modification under IFRS 16 and hence the dilapidation cost payable under the renewal lease agreement was recognised as other income on a straight-line basis over the remaining lease term from June 2023. The dilapidation cost will be paid in June 2024 by the tenant.

IREIT's net income for FY2023 was €34.8 million, which is marginally lower by 0.9% than its net income of €35.2 million in FY2022. The decrease in net income was due to higher finance costs, other trust expenses and acquisition related costs. Net loss in fair value of financial derivatives of €13.1 million and net loss in fair value of investment properties of €144.7 million resulted in total loss before tax of €123.0 million for FY2023. In comparison, the total return before tax for FY2022 was €40.6 million, as FY2022 had recorded a €33.1 million net gain in fair value of financial derivatives, which was offset by a €27.6 million net loss in fair value of investment properties. The change in fair value of financial derivatives and investment properties did not have any impact on the distributable income to Unitholders.

Income tax benefits in FY2023 totalled €17.6 million, compared to income tax expense of €4.2 million in FY2022. This was due to deferred tax benefits arising from the loss in fair value changes of investment properties. The deferred tax benefits did not have any impact on the distributable income to Unitholders.

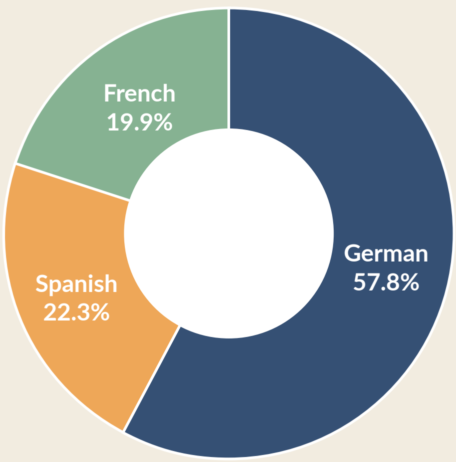
Distributable income paid to Unitholders in FY2023 was €25.2 million. This was a 19.2% decrease compared to the distributable income of €21.2 million in FY2022, despite higher net property income in FY2023. The reasons were due to retention of other income relating to dilapidation costs payable by the main tenant at Berlin Campus, 10% for working capital and rent-free granted to tenants at Bonn Campus and Darmstadt Campus in FY2023, as well as higher finance costs and tax expenses. There was also no income support received in FY2023, as compared to €438,000 of income support received in the form of rental guarantee for Parc Cugat Green in FY2022. The DPU of 1.87 € cents in FY2023 was also 19.0% lower than the adjusted FY2022 DPU of 2.31 € cents, assuming same number of Units issued as at 31 December 2023. FY2023 DPU was 30.5% lower than the unadjusted FY2022 DPU of 2.69 € cents due to the enlarged unitholding following a preferential offering and acquisition fees paid in Units for the acquisition of the B&M Portfolio.

IREIT's distribution policy is to distribute at least 90.0% of its annual distributable income for each financial year, with distributions being made to the Unitholders on a semi-annual basis. The Manager has discretion to distribute additional amounts, having regard to funding requirements, other capital management considerations while ensuring the overall stability of distributions.

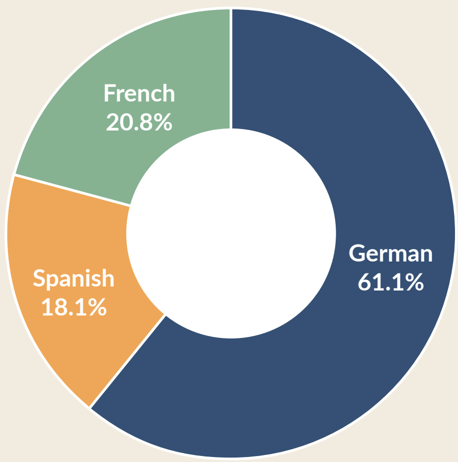
ACCOUNTING POLICIES

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") issued by the International Accounting Standards Board ("IASB") and the recommendations of The Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants ("RAP 7"). The financial statements are drawn up in accordance with the relevant provisions of the Trust Deed and the relevant requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS").

Revenue by Geography FY2023



Net Property Income by Geography FY2023



Financial Review

RESILIENT BALANCE SHEET

As at 31 December 2023, the value of IREIT's total assets was €992.1 million, compared to €1,039.1 million as at 31 December 2022. The decrease was mainly attributed to the drop in valuation of investment properties. The investment properties were valued at €880.8 million as at 31 December 2023 excluding Il·lumina, as compared to €950.5 million as at 31 December 2022. Il·lumina was classified as assets held for sale as at 31 December 2023, with its value based on the contracted selling price with an unrelated third party.

IREIT completed the acquisition of the B&M Portfolio in September 2023, which led to an increase in value for the French portfolio.

By Geography[1] € millions	Valuation as at 31 December 2023[2]	Valuation as at 31 December 2022[2]	Change %
German Portfolio	539.5	659.7	(18.2)
Spanish Portfolio	132.0[3]	164.3	(19.7)
French Portfolio[4]	209.3	126.5	65.5
Total	**880.8**	**950.5**	**(7.3)**

Note:
1 Refer to Statement of Portfolio on pages 167-169 for details of the valuation of each asset.
2 Savills Advisory Services Limited is the appointed independent valuer for the investment properties as at 31 December 2023. For 2022, the independent valuer for the investment properties located in Germany and Spain was BNP Paribas Real Estate Consult GmbH and the independent valuer for the investment properties located in France was BNP Paribas Real Estate Valuation France.
3 Excludes valuation of Il·lumina which was classified as asset held for sale as at 31 December 2023. Please refer to Note 2.3 of the Financial Statements on page 175.
4 As at 1 January 2024, for French real estate wealth tax purposes, the value of the taxable proportion of IREIT's French estate assets has been estimated at €70.7 million.

NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	As at 31 December 2023 (€'000)	As at 31 December 2022 (€'000)	Change %
Total Assets	992,076	1,039,140	(4.5)
Total Liabilities	446,456	414,437	7.7
Net Assets Attributable to Unitholders	545,620	624,703	(12.7)
Number of Units in issue and to be issued at end of year ('000)	1,344,838	1,155,891	16.3
NAV per Unit (€)	0.41	0.54	(24.1)

Total assets decreased by 4.5% to €992.1 million as at 31 December 2023, as compared to €1,039.1 million as at 31 December 2022. The decrease was mainly due to the lower valuation of the investment properties.

Total liabilities increased by 7.7% to €446.5 million as at 31 December 2023, as compared to €414.4 million as at 31 December 2022. The increase was mainly due to the new loan obtained for the acquisition of the B&M Portfolio in September 2023.

Net assets attributable to Unitholders decreased by 12.7% to €545.6 million as at 31 December 2023 as compared to a year ago. The net asset value ("NAV") per Unit as at 31 December 2023 was €0.41, which is lower than the NAV per Unit in FY2022 of €0.54. The decrease in NAV was due to a decrease in the valuation of investment properties as well as an enlarged unitholding following the preferential offering completed in July 2023 ("Preferential Offering") and the paying of acquisition fees in Units in September 2023.

PRUDENT CAPITAL MANAGEMENT

The Manager continues to adopt a proactive strategy to manage the Group's capital structure and takes a disciplined approach in addressing funding requirements and managing interest rate risks.

Key Financial Indicators

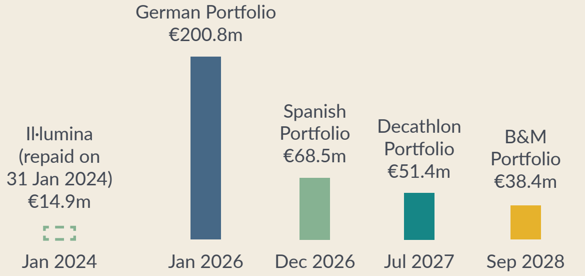
	As at 31 December 2023	As at 31 December 2022
Total Gross Borrowings (€'million)	374.0	332.7
Aggregate Leverage[1, 2]	37.9%[4]	32.0%
Interest Coverage Ratio[1]	7.0 times	7.9 times
Weighted Average Debt to Maturity	2.6 years	3.5 years
Weighted Average Interest Rate (per annum)[3]	1.9%	1.8%

Notes:
1 Aggregate leverage and interest coverage ratio ("ICR") are calculated based on the respective definitions under Appendix 6 of the MAS Code on Collective Investment Schemes. As IREIT did not issue any hybrid securities, the adjusted ICR is the same as ICR.
2 Computed based on total borrowings (excluding lease liabilities arising from land rent) divided by total assets (excluding right of use assets).
3 Effective interest rate computed over the tenure of the borrowings including amortisation of upfront transaction costs.
4 Borrowings relating to Il·lumina was repaid on 31 Jan 2024. Accordingly, aggregate leverage would be 37.4%.

Debt Maturity Profile

As at 31 December 2023, the Group's total gross borrowings stood at €374.0 million, compared to a total gross borrowings of €332.7 million as at 31 December 2022. All borrowings are secured and denominated in €.

Debt Maturity Profile
(as at 31 December 2023)



PROACTIVE APPROACH DELIVERED OPTIMISED CAPITAL STRUCTURE

As at 31 December 2023, IREIT's aggregate leverage was 37.9%, compared to an aggregate leverage of 32.0% as at 31 December 2022. During FY2023, IREIT obtained bank borrowings of €38.4 million as part of its financing strategy for the acquisition of B&M Portfolio in France. IREIT also borrowed an additional €3.0 million of bank borrowings in Spain for capital expenditures during FY2023. As a result, IREIT's total gross borrowings in FY2023 was €374.0 million, compared to €332.7 million in FY2022. Notwithstanding the higher aggregate leverage for FY2023, the Manager is of the view that the higher aggregate leverage as at 31 December 2023 will not have material impact on the risk profile of IREIT as it is still within a manageable range below MAS regulated aggregate leverage of 50%.

IREIT's weighted average cost of debt for FY2023 was 1.9% per annum (FY2022: 1.8%). In FY2023, 96.5% of borrowings were hedged with interest rate swaps or interest rate caps (FY2022: 96.9%). IREIT remains in compliance with all its financial covenants and is well-positioned to service its borrowings with an interest coverage ratio of 7.0 times as of 31 December 2023 (31 December 2022: 7.9 times).

IREIT repaid €14.9 million of bank borrowings on 31 January 2024 with the proceeds from the divestment of Il·lumina, following the completion of its sale. Save for these bank borrowings, IREIT does not have any debt obligations due within the next 12 months, as all its borrowings will mature in 2026 and beyond. The Manager has structured a well-spread debt maturity profile with weighted average debt term of 2.6 years as at 31 December 2023 (31 December 2022: 3.5 years). The Manager will proactively seek to explore options to refinance borrowings ahead of their maturities.

IREIT has a US$1.0 billion Multicurrency Debt Issuance Programme ("EMTN Programme") in place which enables IREIT to issue notes and perpetual securities denominated in any currency from time to time. The EMTN Programme allows IREIT to diversify its sources of funding, thereby creating financial flexibility to support future growth. There was no drawdown on the EMTN Programme as at 31 December 2023.

Interest Rate and Foreign Currency Risk Management

The Manager has been actively managing the interest rate and foreign exchange exposure for IREIT by adopting strategic hedging policies to optimise risk-adjusted returns to Unitholders, including the following initiatives:

- Use of interest rate swaps and interest rate caps to hedge the interest rate risk on borrowings; and
- Use of € denominated borrowings as a natural hedge to match the currency of assets and cashflows at the property level.

	As at 31 December 2023	As at 31 December 2022
Financial Derivatives Assets (€'000)[1]	23,476	30,851
As a percentage of total fund size (%)[2]	2.37	2.97
As a percentage of net assets (%)	4.30	4.94

Notes:
1 This refers to the aggregate fair value of interest rate swaps and interest caps of IREIT.
2 Total fund size refers to the total assets of the Group.

Use of Proceeds

The Manager announced a pro-rata non-renounceable preferential offering on 19 June 2023. 186,098,518 new units in IREIT were issued to existing unitholders and the new units were listed on the Main Board of the SGX-ST on 19 July 2023. The gross proceeds of approximately S$75.9 million were utilised in the following manner:

(i) approximately S$66.9 million (which is equivalent to approximately 88.1% of the gross proceeds of the Preferential Offering) were used to partially fund the acquisition of B&M Portfolio, including the real estate transfer tax;
(ii) approximately S$0.8 million (which is equivalent to approximately 1.1% of the gross proceeds of the Preferential Offering) were used to pay for the fees and expenses, including the professional fees and expenses incurred by IREIT in connection with the Preferential Offering; and
(iii) S$8.2 million (10.8% of gross proceeds) were used to pay for the premium on the interest rate cap to hedge the floating rate bank borrowings in relation to the acquisition of B&M Portfolio.

Save for the increase[1] of S$0.3 million in the funding of the acquisition of B&M Portfolio, such use of the gross proceeds of the Preferential Offering was in accordance with the stated use and in accordance with the percentage allocated in the Launch Announcement for the Preferential Offering. Following the use of proceeds set out above, the proceeds from the Preferential Offering have been fully utilised.

1 In the launch of the Preferential Offering announcement dated 19 June 2023 (the "Launch Announcement"), it was originally stated that the Manager intended to use approximately S$1.1 million (which is equivalent to approximately 1.5% of the gross proceeds of the Preferential Offering) to pay for the fees and expenses, including professional fees and expenses, incurred or to be incurred by IREIT in connection with the Preferential Offering ("Preferential Offering Expenses"). However, the actual Preferential Offering Expenses incurred by the Manager was S$0.3 million lower than stated in the Launch Announcement. This balance S$0.3 million was used to fund the acquisition of B&M Portfolio.

Independent Market Review

INVESTMENT MARKET GERMANY

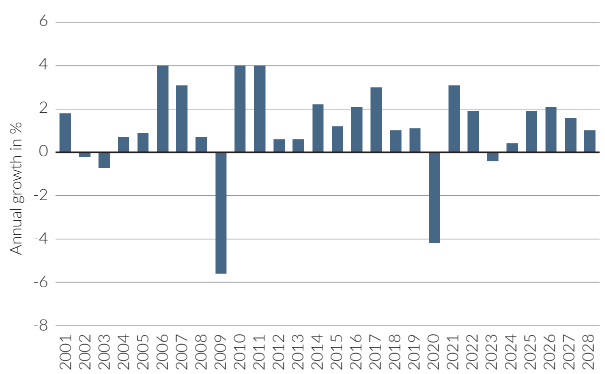
ECONOMIC OVERVIEW

Eurozone inflation has fallen faster than many had expected during H2 2023, with the headline level falling to 2.9% by December 2023. Inflation is expected to average 2.1% in 2024 as lower energy prices continue to drag down the headline rate. German 10Y government bond yields fell further during Q4 2023 and ended the year at 2.1% before increasing in January 2024. Economists consensus is that Eurozone interest rates have peaked at 4.00%, with Capital Economics expecting interest rates to fall to 2.75% by end 2024. Eurozone GDP growth remains sluggish as the impact of higher interest rates continue to hamper consumption and investment, and growth is expected to remain in negative growth territory year-on-year during H1 2024, with zero GDP growth overall for 2024.

Germany is facing some of its own economic challenges, including ageing demographics, rising labour costs, permanently higher energy prices, and slower global trade growth impacting the manufacturing sector. German GDP growth is estimated to have contracted by 0.4% during 2023, however, the unemployment rate remains low at below 6%. Germany's office-based employment reached 9.4 million during 2023, marking a 1% increase Year-on-year, however this is expected to remain at this level for the next ten years as the number of workers leaving the labour force gradually exceeds young people entering the workforce, although stronger growth is expected to be concentrated in major cities.

Germany is likely to remain in, or close to, recession during H1 2024 because of its energy-intensive industrial sector, dependence on external demand and fiscal austerity. Business surveys suggest that activity has weakened further in the past few months and that GDP will contract for a second successive quarter in Q4. Germany's economy is expected to underperform the Euro Area average over the next two years.

Germany GDP Growth



SOURCE: OXFORD ECONOMICS

Munich is the capital of the federal state Bavaria with a population of circa 1.5 million and is the third largest German city behind Berlin and Hamburg. Munich is generally considered one of the most attractive business locations in Germany and in the EU, not least because it has such a high leisure and recreational value due to its proximity to the Bavarian lakes and the Alps. Munich/Aschheim office-based employment is expected to outperform the national average and record 4% growth over the next ten years, reflecting an urbanisation shift towards major cities.

Berlin is a city state and has a population of 3.7 million and is home to a vast number of cultural, scientific and political institutions. The principal transport modes in the nation's capital have been upgraded and expanded in the years since the reunification in 1990. Berlin's office-based employment is expected to outperform the national average over the next ten years, recording 9% growth, reflecting increasing growth within the German capital.

Darmstadt is a major city located in the federal state of Hesse, with a population of circa 162,000. The art nouveau city of Darmstadt is located in the economically strong Rhine-Main region and is the fourth largest city in Hesse after Frankfurt, Wiesbaden and Kassel. The city is a regional centre, administrative seat, location of several universities (including the Technical University) with numerous research institutions and forms the so-called Engineering Region Darmstadt Rhine-Main-Neckar with the four surrounding counties. Darmstadt's office-based employment is expected to underperform the national average and record -1% growth over the next ten years.

Bonn is a major city located in the federal state of North Rhine-Westphalia, with a population of circa 336,500. Bonn, whose status was redefined as "federal city" after it ceased to be the German capital, is situated 30 km south of Cologne on both banks of the Rhine. It is a campus town, home to United Nations institutions, a high-order centre, and one of the ten largest cities in North Rhine-Westphalia. Bonn's office-based employment is expected to outperform the national average and record 2% growth over the next ten years.

Münster is a major city located in the federal state of North Rhine-Westphalia. In 2022, the city had a population of c.a. 320,900. Münster is a popular urban tourist destination, particularly because of its history (the peace treaty ending the thirty-year war was signed here) and its reconstructed historic town centre. Münster is also integrated into the high-speed rail system and a major intercity/eurocity train hub between Hamburg, Frankfurt and Berlin. Münster's office-based employment is expected to outperform the national average and record 2% growth over the next ten years.

INVESTMENT MARKET

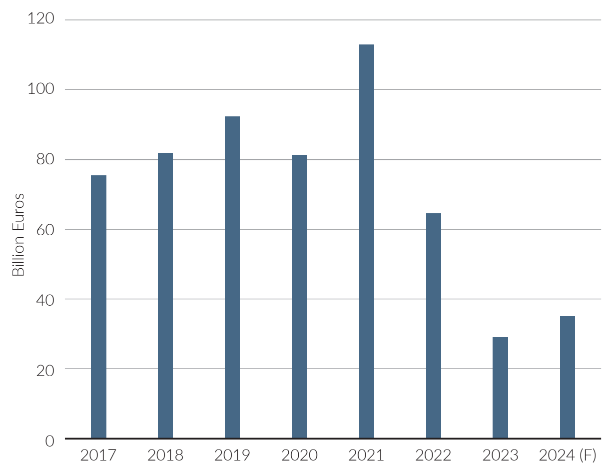
Germany total investment reached €29bn during 2023. This corresponds to a decline of 56% compared to the previous year and is the lowest figure since 2010. Although the bottom appears to have been reached, we do not expect activity to pick up until later in the year.

Initial yields rose more slowly in the last three months of 2023 than in the previous quarters. The rise in yields in 2022/23 is by far the strongest ever measured on the German property market. We assume that the price correction is well advanced and that initial yields will stabilise over the course of the year. The fact that long-term interest rates have fallen significantly in the last three months and are now just below the level reached a year ago should also help to stabilise property yields in the medium term. In the short term, however, the predominant factor is that there is still a gap between the prices on offer and those in demand in large parts of the market, and the pressure on the landlords tends to be greater than on the side of potential buyers. This is all the more true as borrowing costs have recently fallen somewhat, but banks are still exceptionally restrictive in their lending, making refinancing difficult. In view of upcoming devaluations and the recent significant increase in the proportion of non-performing loans, this is unlikely to change much for the time being. In this respect, we expect supply on the commercial property market to increase in the coming months while demand remains unchanged, which suggests that initial yields will continue to rise. Added to this, is the weak economic environment, which, according to the latest forecasts by several economic research institutes, will not improve in the current year either. This in turn is likely to be reflected in lower rental growth expectations on the part of investors, which also argues in favour of rising initial yields. In contrast, yields on new-build residential property have probably already peaked. We do not expect a relevant increase in selling pressure on the residential market due to non-performing loans. In addition, further increases in residential rents and falling vacancy rates are to be expected.

Although interest rates have probably already peaked, the property markets are still far from having fully digested the higher interest rates. Both the devaluations and the rise in lending rates are only gradually eating into investors' portfolios and much of this process is still to come. Recently, the proportion of non-performing loans and the banks' risk buffers have already risen significantly at a low level. As most of the financing taken out at the price peak or during the interest rate trough is yet to expire, we expect increasing stress on both the banks and owners, particularly on the commercial property market. Additional equity will be required for many follow-up financings, which will then no longer be available for property purchases and will dampen demand accordingly. The extent to which the increasing refinancing stress will trigger sales will largely depend on the behaviour of the banks. We are still not seeing any signs of a wave of distressed sales. Nevertheless, we expect to see an increasing number of sales that serve to preventively secure liquidity. Seller groups here are likely to include project developers, listed companies and open-ended mutual property funds.

While the number of sales processes should gradually increase in the current year, the potential pool of buyers will initially remain small. However, it should have sufficient capital to absorb the increasing supply and thus ensure a slightly higher transaction volume than last year. We anticipate a volume of between €25bn and €30bn for commercial property and slightly less than €10bn for residential property.

Germany Investment Volume



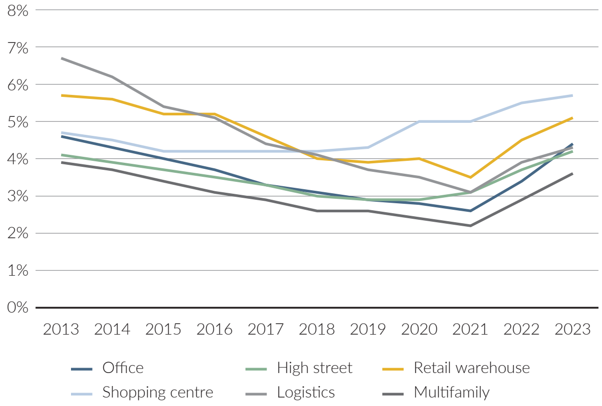
SOURCE: SAVILLS

By sector, offices accounted for 17% of total investment activity in 2023, down from the average of 33% as there remains a bid-ask spread on pricing expectations in the sector. Retail investment however, rose to 23% of total activity, up from the average of 14%. Multifamily remained in line with the historic average of 25%, as industrial represented 17% of activity, and continues to rise as a proportion of total.

Average prime yields continue to move outwards across German markets during Q4 2023, although at a slowing rate. CBD Offices (+15 bps Quarter-on-quarter), Industrial (+10 bps) and Shopping centres (+ 20 bps) all moved out whilst Retail warehouses, High street and Multifamily remained stable.

Independent Market Review

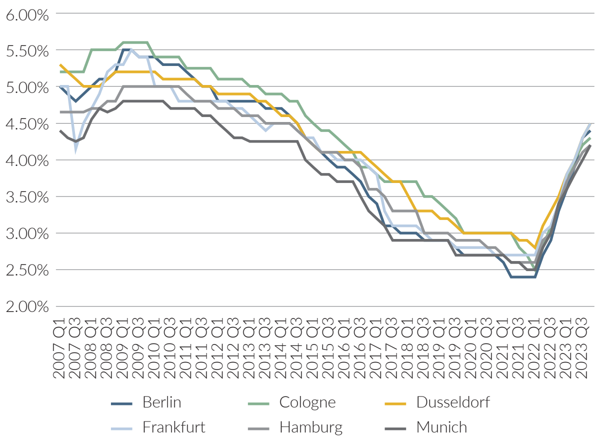
Germany Prime Yield by Sector



SOURCE: SAVILLS

Prime office yields moved out by 95 bps Year-on-year across the German office markets during 2023 and now sit at Berlin (4.4%), Cologne (4.3%), Dusseldorf (4.5%), Frankfurt (4.5%), Hamburg (4.2%) Munich (4.2%) at end Q4 2023.

Germany Prime Yields by City



SOURCE: SAVILLS

Münster Investment

In 2023, there were no commercial investment transactions in the Münster market. For comparison, the previous five-year average lies at €116m, and the share of the office segment in the overall commercial volume market was 18.6%. Hence, in absolute numbers this means that on average over the past five years, €22 million has been invested annually in office properties.

Darmstadt Investment

In 2023, the commercial transaction volume in Darmstadt reached €99m, 32% below the five-year average of €139m, but above the levels recorded in 2021 and 2022.

In 2023, offices accounted for all commercial investment transactions, higher than the average of 47% over the last five years.

Bonn Investment

In 2023, commercial investment transactions in Bonn reached €140m, 61% down on the five-year average of €340m. Office transactional activity was subdued, and marked the lowest annual average for over ten years.

Munich Investment

After a long period of standstill, we have recently seen more transactions and increasing demand on the Munich market. Nevertheless, the willingness of many owners to sell is low and the low number of pitches suggests that activity on the market will remain subdued for some time. Different price expectations among buyers and sellers continue to represent the main obstacle on the market. In most cases, the book values are still significantly higher than the purchase price offered by investors, so that overall only a few transactions are successfully concluded. Profit-oriented investors have further sharpened their purchasing criteria and are focusing on ESG-compliant properties in prime locations and with long-term rental agreements. But the focus in the value-add segment is also on central and established sub-markets. Properties with laboratory space or users from the life science sector are currently experiencing particular interest among investors and are being given price premiums.

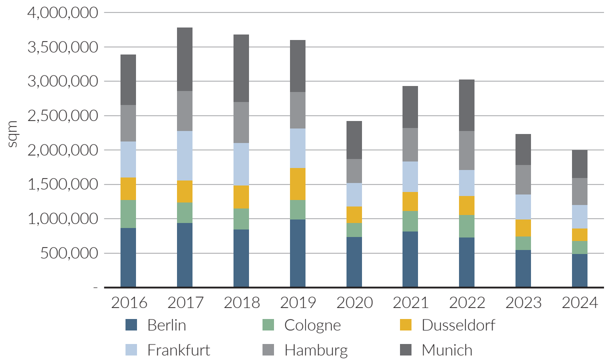
Berlin Investment

Berlin recorded €4.1bn of investment transactions in 2023, 44% down on the five-year average. However, with over €2bn of transactions completed during Q4 2023, investor sentiment is gradually returning for the German capital. Generally, we have observed that owners of properties in B locations in particular are increasingly trying to bring their products to the market. However, the purchase price expectations are still too far apart, so we are seeing many broken deals on the Berlin market. The owners, on the other hand, tend to hold back the good properties and there is little trading, especially in central locations. Many buyers are still particularly looking for value-add products. Family offices are currently primarily buying prestige projects at low prices whilst fund managers and real estate companies are mainly selling. Insurance companies are currently turning to alternatives on the capital market and are often already heavily invested in real estate. Despite yield increases, the number of investors able to buy at current prices is limited, given the shortage of cheaper debt available.

GERMAN OFFICE MARKET

German top 6 (Berlin, Cologne, Dusseldorf, Frankfurt, Hamburg, Munich) office take up reached 2.2m sqm during 2023, down 26% Year-on-year, following weaker economic growth. As uncertainty remains among occupiers with regard to future office demand, Savills forecast a further 10% Year-on-year fall in office leasing activity during 2024, as the economy recovers to positive growth in H2 2024.

German Top 6 Office Take-up



SOURCE: SAVILLS

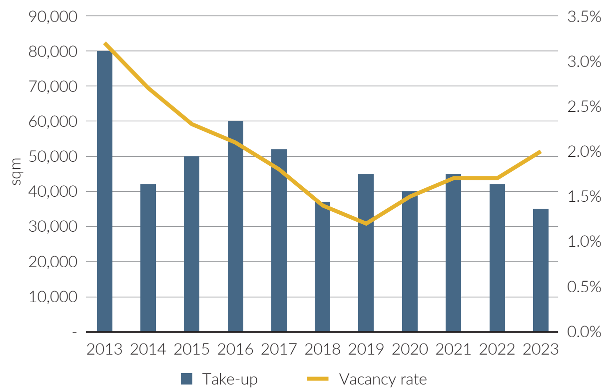
Office vacancy rates remain low at 5.6% on average, which we expect to continue applying upward pressure on rental growth. With new development announcements on hold and tenant demand concentrated for higher quality offices in CBD locations, we expect that prime rents will continue to grow at modest rates, whilst secondary offices in periphery locations will see lease incentives rise in 2024. The wave of insolvencies on the project developer market could make modern space even scarcer. A look at the office properties of insolvent project developers in the top 6 cities shows that there could be a gap in new-build space, particularly in 2025 and 2026. Almost half of the volume originally planned by insolvent project developers was to be completed in these years and could now be missing or delayed. The top 6 cities are affected to varying degrees by the wave of insolvencies. In Berlin and Düsseldorf, the share of the affected project development volume of 1.3 % of the office space stock is significantly higher than in Frankfurt (0.1%) or Cologne (0.2%). Across all top 6 cities, the share is 0.7%. Even in a worst-case scenario, in which none of the projects would be completed, this would probably have hardly any impact on the market parameters given the low share.

As the economic environment is likely to remain weak in 2024 and the processes of adapting to hybrid working will continue, demand for new lettings is likely to remain inhibited for the time being. Vacancy rates are also likely to rise further. Although the wave of insolvencies among project developers could dampen the increase in particularly affected cities, it is unlikely to stop it. For the current year, we again expect take-up to be below the long-term average. However, the above-average number of lease extensions since the start of the COVID-19 pandemic is likely to have led to a relocation backlog, which should resolve itself as soon as the economic environment improves and companies have more clarity about their future space demand. Landlords of space in good locations can position themselves for this by investing in their space, especially as the excess demand for modern space is likely to increase from 2025 due to the expected delay in many project developments. Prime rents rose by 6% over the course of the year. The increase in median and average rents was slightly lower at 2% and 4% respectively. Frankfurt, on the other hand, saw headline rents fall by 6% Year-on-year given more cautious occupier demand and rising vacancy rates.

Münster office market

Münster office take up reached an estimated 35,000 sqm during 2023, below the five-year average of 40,000 sqm. Office vacancy rates remain low, despite a marginal increase to 2.0% in 2023.

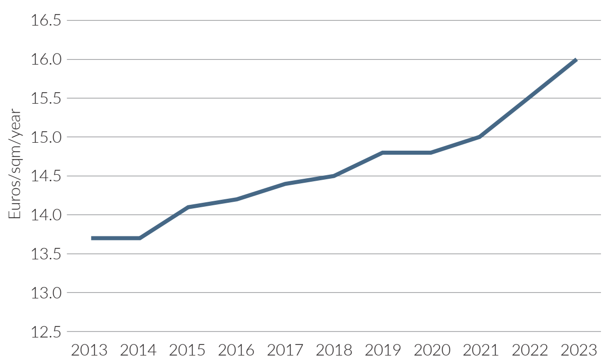
Münster Office Take-up and Vacancy Rate



SOURCE: SAVILLS

Münster prime office rents have grown at a modest rate during 2023 and stand at €16 per sqm per month.

Münster Prime Office Rents



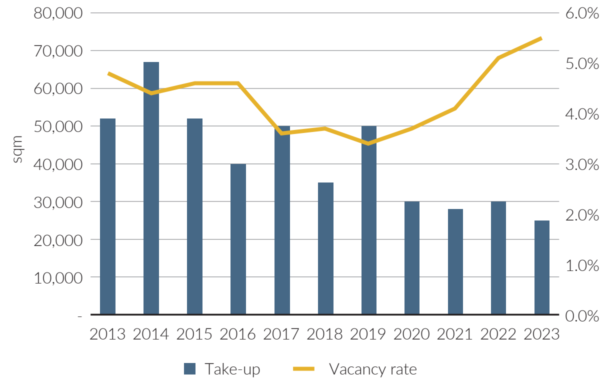
SOURCE: SAVILLS

Independent Market Review

Darmstadt office market

Darmstadt office take up reached an estimated 25,000 sqm during 2023, below the five-year average of 35,000 sqm. Office vacancy rates remain low at 5.5%, despite a marginal increase in 2023.

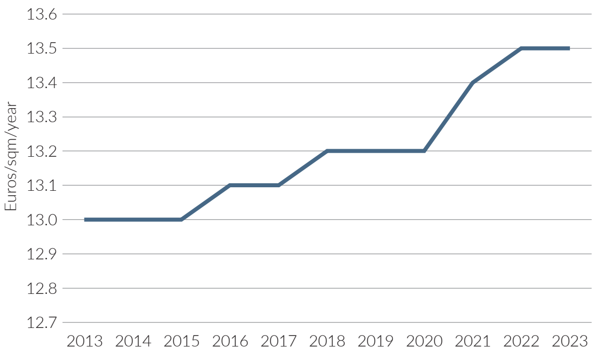
Darmstadt Office Take-up and Vacancy Rate



SOURCE: SAVILLS

Darmstadt prime office rents have remained stable during 2023 at €13.50 per sqm per month.

Darmstadt Prime Office Rents

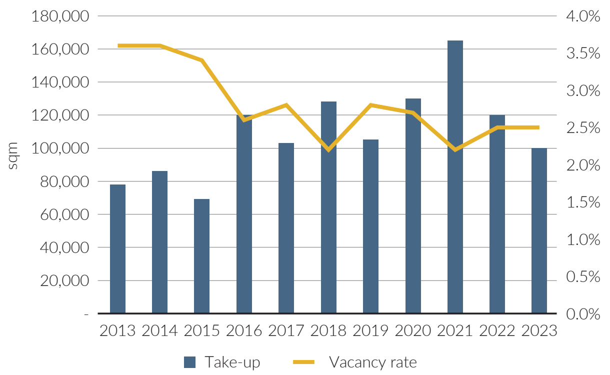


SOURCE: SAVILLS

Bonn office market

Bonn office take up reached an estimated 100,000 sqm during 2023, below the five-year average of 130,000 sqm. Office vacancy rates remain low at 2.5%.

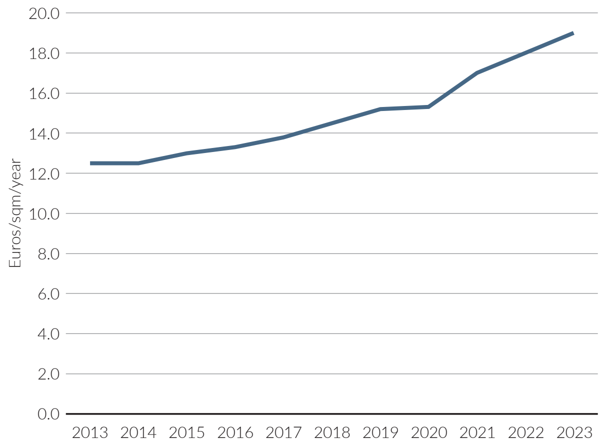
Bonn Office Take-up and Vacancy rate



SOURCE: SAVILLS

Bonn prime office rents increased during 2023 from €18 to €19 per sqm per month.

Bonn Prime Office Rents

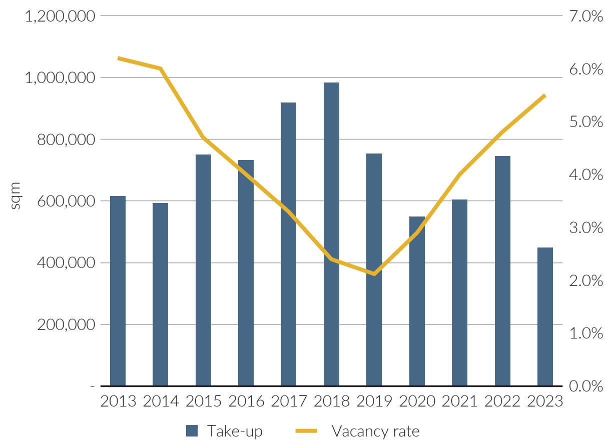


SOURCE: SAVILLS

Munich office market

Munich office take up reached 450,000 sqm during 2023, below the five-year average of 727,000 sqm. Office vacancy rates remain low at 5.5%, despite a marginal increase in 2023. Against the background of hybrid working, the space requirements of many users have decreased. One effect is that the supply of sublease space continues to increase. We are also observing many early contract extensions. Many owners are striving to retain tenants in times of increasing vacancies. The extensions often suit users because they can save moving costs in the uncertain economic environment. When tenants move, it is often because they are introducing a modern workplace concept, which is usually accompanied by a reduction in space. In most cases, tenants improve their location and property quality.

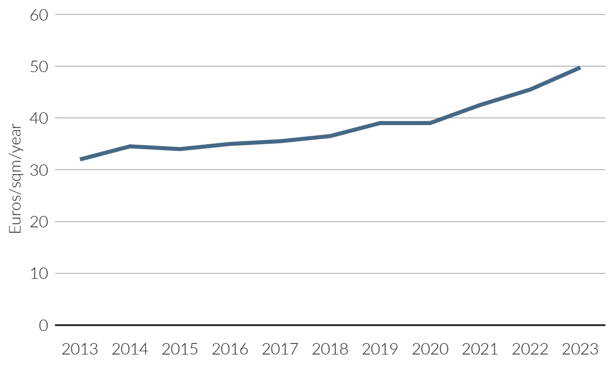
Munich Office Take-up and Vacancy rate



SOURCE: SAVILLS

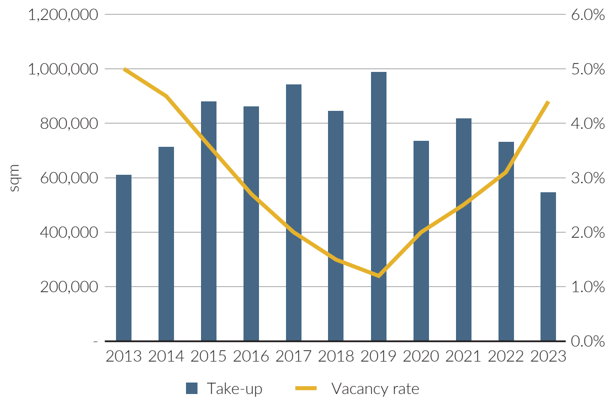
Munich prime office rents have increased over the course of 2023, rising from €46 to €49.75 per sqm per month. In central locations, prime rents are likely to remain stable in the coming months due to high demand. It is also expected that the incentives will continue to increase.

Munich Prime Office Rents



SOURCE: SAVILLS

Berlin Office Take-up and Vacancy Rate



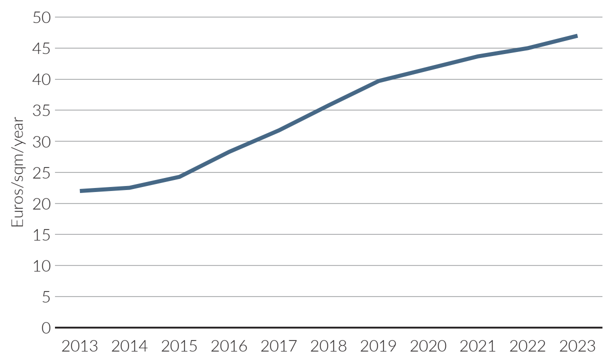
SOURCE: SAVILLS

Berlin office market

Berlin office take up reached 546,000 sqm during 2023, below the five-year average of 823,000 sqm. Office vacancy rates remain low at 4.4% despite a minor increase through a less buoyant leasing market. The bankruptcies of project developers are unsettling users. Berlin, with its high project pipeline, is particularly affected. Users are scrutinizing project rentals more than ever and are sceptical due to the difficulties observed by some project developers. We are increasingly seeing that many tenants are extending contracts and often on good terms. There could be good opportunities for existing owners who make their space future-proof, especially for buildings in central locations where demand is very high. We expect prime rents to begin to flatten in 2024. Berlin prime office rents have increased during 2023 from €45 to €47 per sqm per month.

Berlin prime office rents have increased during 2023 from €45 to €47 per sqm per month.

Berlin Prime Office Rents



SOURCE: SAVILLS

Independent Market Review

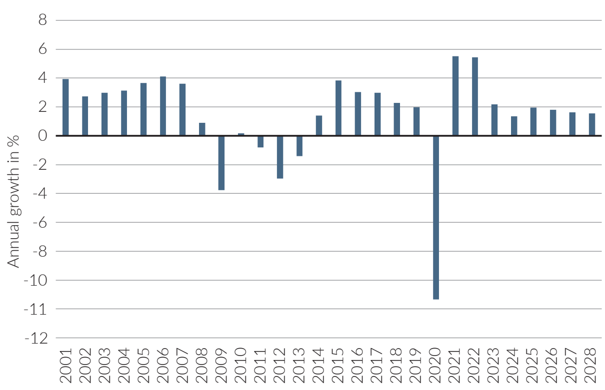
INVESTMENT MARKET SPAIN

ECONOMIC OVERVIEW

Eurozone inflation has fallen faster than many had expected during H2 2023, with the headline level falling to 2.9% by December 2023. Inflation is expected to average 2.1% in 2024 as lower energy prices continue to drag down the headline rate. Economists' consensus is that Eurozone interest rates have peaked at 4.00%, with Capital Economics expecting interest rates to fall to 2.75% by end 2024. Eurozone GDP growth remains sluggish as the impact of higher interest rates continue to hamper consumption and investment, and growth is expected to remain in negative growth territory Year-on-year during H1 2024, with zero GDP growth overall for 2024.

Economic growth will slow in Spain over the coming quarters, but it will still outperform the euro-zone. The rebound in household consumption will continue due to a very tight labour market, while the transmission of higher policy rates to household debt interest spending is largely complete. Core inflation dropped from 8.3% in 2022 to 3.4% in 2023 and is on track to reach 2.4% in 2024. GDP grew by 2.3% in 2023, though a period of slower growth and economic uncertainty is expected to continue across the continent, including in Spain, meaning GDP is forecast to grow by a smaller 1.0% this year. Moreover, the rebound in tourism which helped propel growth last year appears to be over as tourist numbers are now back to pre-pandemic levels. Although growth is subdued, Spain is one of the brighter spots in the European economy at present and is expected to outperform the rest of the euro-zone in 2024 and 2025.

Spain GDP Growth



SOURCE: OXFORD ECONOMICS

The tightening labour market here is continuing to drive household consumption, helping to keep the economy buoyant. According to Capital Economics, in Q4 2023, the number of firms reporting labour as a limitation on production reached the highest level since records started in 2010. And sectoral collective bargaining agreements, which cover about 50% of the population, are still showing a sharp increase in wage rises. With these agreements lasting an average of around three and a half years, wage inflation is set to remain high over the coming years.

In Spain, the unemployment rate in 2023 was 12.0%, the lowest level seen in the country since 2008. Boosting the economy, this is expected to remain on a downward trajectory over the next ten years where it will reach 9.9% in 2033. Spain's office-based employment continues to grow and reached 3.9 million workers during 2023, marking a 2.0% increase year-on-year, and is expected to reach 4 million workers over the next ten years according to Oxford Economics. The recently formed government looks set to increase public spending, but also to balance this with higher taxes on businesses to keep the budget deficit trending down. The minimum effective tax rate for businesses and the extension of the windfall taxes will be another headwind for investment. Overall, the economic outlook in Spain is relatively healthy. Lower inflation, GDP growth ranking favourably compared to European averages where Madrid and Barcelona's important business services and ICT sectors will continue to provide key contributions, and strong tourist numbers boosting hospitality and retail, mean Spain is well-equipped to rebound in 2024 and 2025.

INVESTMENT MARKET

Volumes

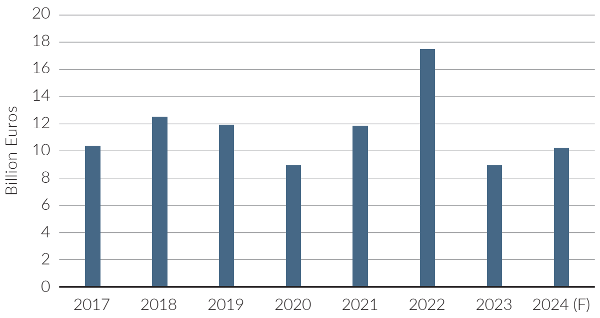
Total investment in Spain reached €7.3 billion in Q1-Q3 2023 and is expected to have reached approximately €9 billion for full-year 2023. This reflects a 49% decrease on the full-year 2022 volume as the high interest rate environment and economic uncertainty lead to investor caution throughout 2023. Lower transactional volumes characterised most of Europe last year, and Spain was in line with the 49% drop in average volumes across the continent.

The lower volume transacted can be partly credited to a smaller pool of institutional investors, typically associated with larger transactions due to their substantial financial capacity, who adopted a more cautious approach last year. This can be attributed to the persistent increase in interest rates by the European regulator and the associated rise in Euribor, which introduced a degree of uncertainty about credit conditions.

By city, Madrid took a 41% share of the total investment volume in 2023, and Barcelona took a 16% share. While the share in Barcelona decreased from 21% in 2022, Madrid takes a higher share than the 32% recorded in 2022 as more investment was concentrated in the capital city.

In 2024, we anticipate overall investment in Spain will reach circa €10 billion, a 14% increase year-on-year as investor demand is predicted to recover by the second half of the year.

Spain Investment Volume

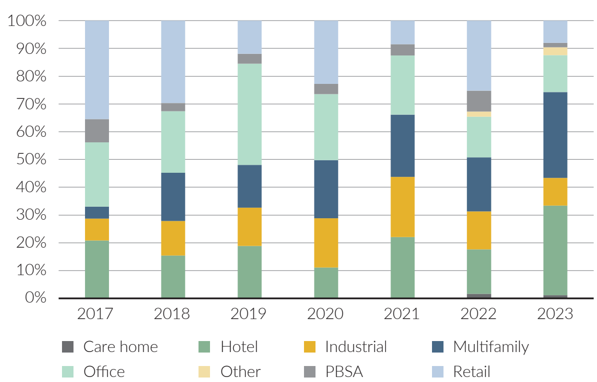


SOURCE: SAVILLS

By sector, offices accounted for 13%, or circa €1.2 billion, of total investment activity in 2023, down from the average of 24%. Higher debt costs and debate around the future of the office caused investors to be more cautious on the sector as bid-ask spreads remained wider.

Another theme characterising 2023 in the office market was increasing occupier attention to ESG credentials. Certainly, corporate occupiers are increasingly seeking the best-in-class sustainable office space that is amenity-rich and located in central locations, which can help attract and retain staff in a competitive labour market. Where this type of space is limited in the market then fewer transactions can be expected as the share of investors who are restricted from purchasing secondary grade stock is growing. Retail investment also took a lower share of total investment than usual at 8%, or circa €720 million, down from the average of 20%. Industrial investment observed a 10% share, circa €900 million, down from the 16% average. Both hotel and multifamily investment, however, rose to 32% and 31% respectively of total activity, up from the averages of 17% and 19%. Two notable deals in these sectors that boosted investment volumes in Spain last year were the Abu Dhabi Investment Authority (ADIA) acquiring a 17-hotel portfolio across Spain for a total investment sum of €600 million, and the sale of 55% of the build-to-rent (BTR) portfolio developed by Via Celere in five Spanish provinces, sold to Greystar for more than €400m.

Spain Share of Investment by Sector



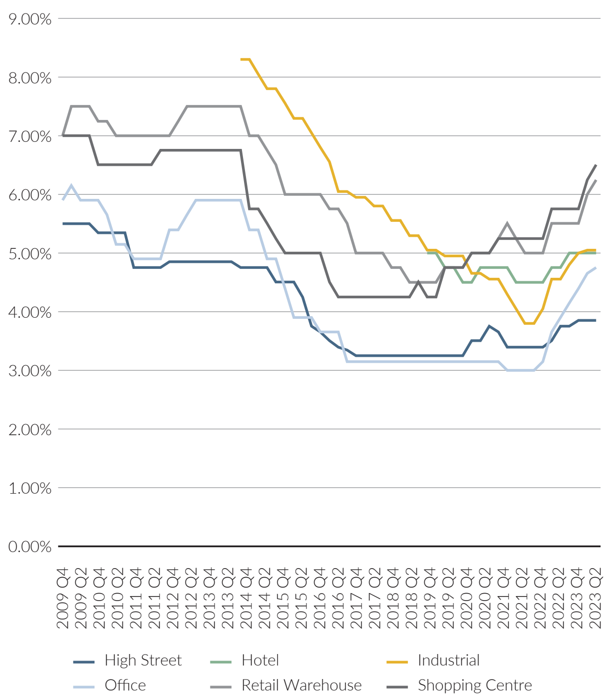
SOURCE: SAVILLS

Yields

Prime yields continue to adjust across Spanish markets, and in Madrid moved out by an average of 60 bps during Q4 2023 on an annual basis. CBD offices (+85bps), retail warehouses (+75 bps), shopping centres (+75 bps), industrial (+50 bps) and prime high street (+10 bps) all moved outwards. The prime CBD office yield in Madrid currently stands at 4.75% in Q4 2023, increasing by 10 bps from Q3 2023. Having moved out by 175 bps over the last seven consecutive quarters, 85 bps of this outward movement has been over the past twelve months. In Barcelona, the prime CBD office yield also currently stands at 4.75% in Q4 2023, increasing by 10 bps from Q3 2023. In Barcelona, yields have softened at a lower rate than in the capital city, moving out by 150 bps over the last seven consecutive quarters. 75 bps has been over the past twelve months where the yield stood at 4.00% in Q4 2022.

Yields across all sectors have maintained an upward trend since H1 2022, accompanying the interest rate hikes that took place throughout 2023. Given outward yield movement, we expect investor demand to return during H2 2024 to take advantage of repricing. We expect demand for prime offices in core locations to recover fastest, which remain very sensitive to the latest inflation data, while non-core markets will take longer to adjust. Certainly, until core pricing reflects the increased cost of debt, value-add will be the main driver of transactional activity, but buyers are preparing to time their re-entry to the market. Landlords who are able to avoid selling, and can refinance soon-to-be expiring debt with equity, will do.

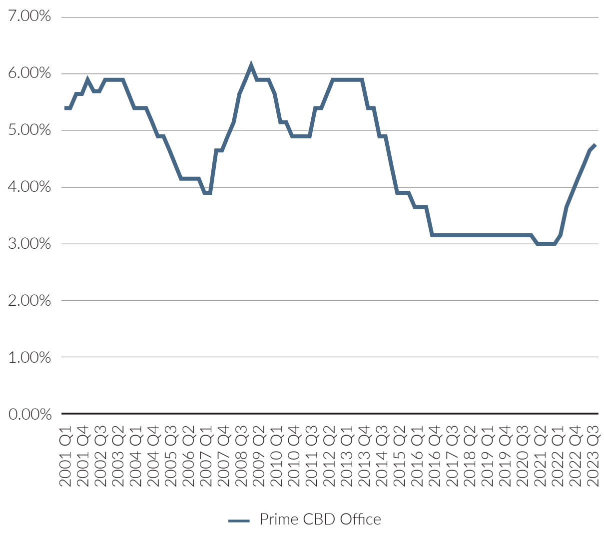
Madrid Prime Yields by Sector



SOURCE: SAVILLS

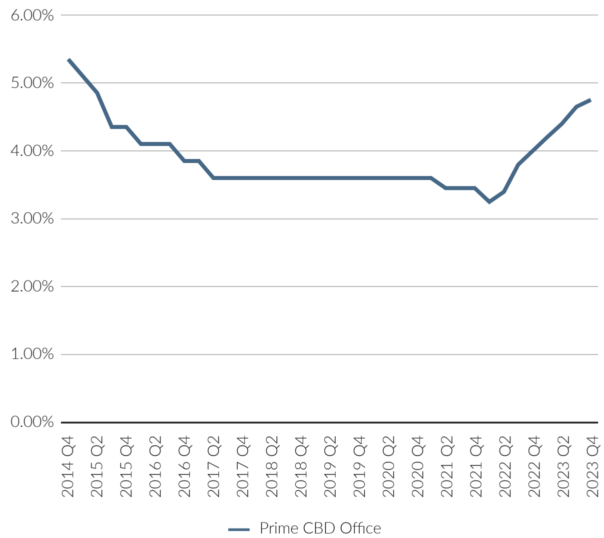
Independent Market Review

Madrid Prime Office CBD Yields



SOURCE: SAVILLS

Barcelona Prime Office CBD Yields

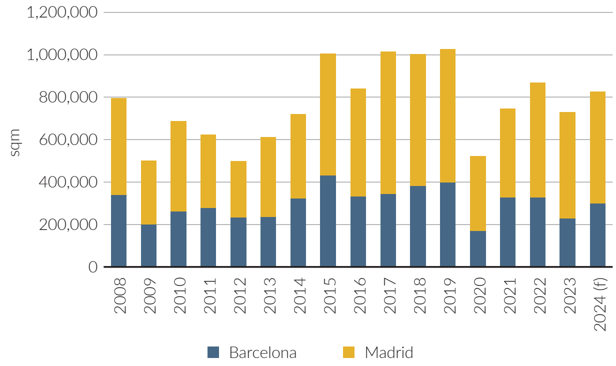


SOURCE: SAVILLS

SPAIN OFFICE MARKET

Office take up in Spain reached an estimated 730,000 sqm during 2023, down circa 16% Year-on-year, following weaker economic growth. As take-up is intrinsically linked to GDP performance, and with Spain expected to see GDP growth of 1% in 2024, Savills forecast a 13% rebound in take-up this year where figures will reach 825,000 sqm. Economic growth is still relatively weak however, and demand is expected to remain subdued, meaning the 2024 figure will still be 5% down on 2022.

Spain Take-up



SOURCE: SAVILLS

Contributing to a decline in take-up, a substantial number of small companies that once favoured conventional office space have turned to offices or workstations offered by flex operators. By embracing flexible work policies that blend in-person and remote work, these companies have been able to decrease their overall daily space needs.

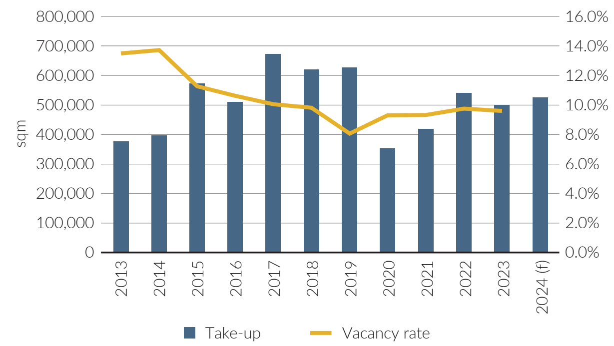
Office vacancy rates remain relatively low at 10.4% on average, which we expect to continue applying upward pressure on rental growth. We expect that prime rents will continue to grow at modest rates, whilst lease incentives for secondary offices in periphery locations will rise. The shift to city centre locations is pushing prime CBD rents higher.

Prime rents increased by an average of 3.3% annually in Spain, and in terms of average closing rents, best-in-class buildings recorded the highest values.

Madrid office market

The cumulative gross take-up volume in the Madrid office market reached 500,000 sqm in 2023, a decline of just 8% on 2022. As the market looks to pick up this year, take-up is expected to increase to 525,000 sqm in 2024, up 5% on 2023. Office vacancy rates in Madrid remain relatively low at 9.6%, only 20 bps higher than the same period last year. The market continues to be polarised compared to locations outside of the border marked by the M-30.

Madrid Take-up and Vacancy Rate



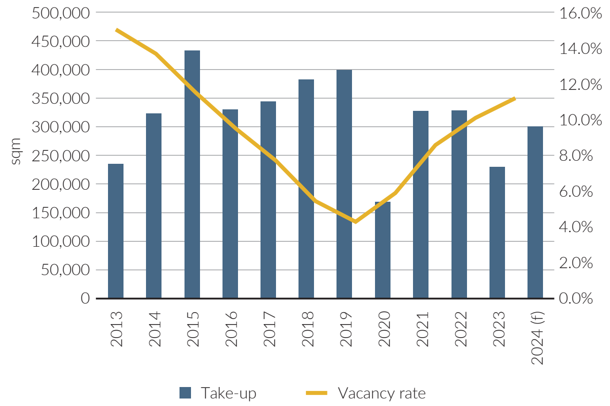
SOURCE: SAVILLS

Despite the imbalance between supply and demand where an influx of new space has come to market, achievable rental values have remained stable. In Madrid, prime office rents have grown by 3% over the past 12 months, which has been primarily driven by buildings that meet the highest quality standards. The rise in activity and demand for quality buildings within the M-30 are the main drivers of rent increases. Here, the key drivers of rental growth are building quality, central location, and adherence to ESG criteria. A scarcity of Grade A buildings is pushing activity towards Grade B buildings, where the rental values are also growing, albeit more moderately. In Madrid, the submarkets with the largest volume of new space coming to market are led by Méndez Álvaro, where Colonial is set to open its Madnum macro-complex in H1 2024, offering 60,000 sqm of office space. This is followed by Manoteras, which will introduce nearly 40,000 sqm between Sky Light (27,000 sqm developed by Benson Elliot, delivered in H2 2023) and Dune (13,000 sqm developed by Árima, set for completion by the end of 2024). Paseo de la Castellana follows with the addition of 20,000 sqm from the New Colón Towers, due to enter the market in Q1 2024. Looking further ahead to 2025, 134,000 sqm of new space is scheduled for delivery, with 52% corresponding to new developments and the remaining 48% comprising refurbishment projects.

Barcelona office market

On the other hand, the Barcelona office market presents a different scenario. The volume of take-up in 2023 decreased by 30% compared to 2022, reaching only 230,000 sqm. The anticipation of macroeconomic recovery in 2024 in Spain is set to create favourable conditions for the Barcelona real estate market, laying the groundwork for an increase in leasing activity, which we expect to increase by 30% to reach 300,000 sqm by the end of 2024. Vacancy rates in Barcelona sit higher than those in Madrid at 11.2%, 130 bps higher than the same period last year. However much of the slowdown in take-up activity is the result of an oversupply in the market, rather than decreased demand where a high number of recent completions has led to surplus stock.

Barcelona Take-up and Vacancy Rate



SOURCE: SAVILLS

Despite a decline in take-up, rental growth in Barcelona remains stable. Over the past 12 months, average rents have risen by 4%. Despite the strained economic landscape, markets continue to observe rental increases as occupiers are increasingly looking for quality stock in accessible locations. Prime space in central locations is becoming increasingly sought after by tenants, thereby supporting CBD office rents. Much of the Barcelona office market has been or is scheduled to be refurbished to high-quality specifications. As such, the Catalan capital's supply is well-prepared for future tightening ESG policies. Besides technical and environmental factors, changes in demand have also emerged, with a workforce that now favours central urban environments. Consequently, location is growing in importance in the Barcelona office market, further driving office refurbishment in the City Centre. Of all future supply, covering new developments and refurbishment projects, in 2024, 38% will be concentrated in the City Centre, up from 18% in 2023. By zone, the NBA accounted for the largest volume of space delivered in H2 2023, with 71% of the total. This is primarily driven by activity in the 22@ District, which is responsible for 64% of all projects. However, moving into 2024, we anticipate a gradual slowdown in this area's development due to significant unoccupied supply, hence the shifting focus towards the City Centre. The Barcelona office market gained 290,000 sqm of stock in 2023, and is set to gain a further 260,000 sqm of stock in 2024.

Independent Market Review

INVESTMENT MARKET FRANCE

ECONOMIC LANDSCAPE

The recent inflationary episode has manifested as a "bump in the road" for France, compared to the peaks seen in its neighbouring countries. These differences partly stem from the measures to limit price increases, such as France's tariff shield. Although the inflation surge has been higher and more sustained than anticipated two years ago, recent data suggests that it has not entered a self-perpetuating cycle, similar to the 1970s. Particularly, service-related inflation, which has the potential to trigger a wage-price spiral due to labour costs, has been lower than expected until November. It might remain somewhat elevated in the coming months but without a significant acceleration. Leading indicators (producer prices, business sentiment survey balances) suggest a continued decline in inflation in France over the next few months, albeit not necessarily continuous. The annual change in the Consumer Price Index (CPI) is likely to hover around 2.5% starting from spring 2024 (slightly lower for core inflation). After energy, inflation would notably decrease for food and manufactured goods, though the price levels might not necessarily decrease.

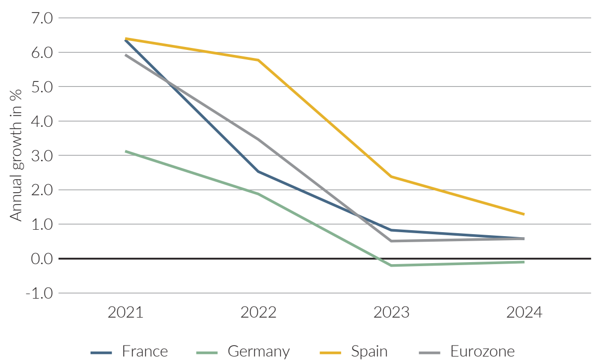
The average wage per head in trading branches would accelerate towards the end of 2023, mainly due to substantial value-sharing bonuses. Its annual growth would surpass the CPI and continue to do so through the projected period until mid-2024, despite a slowdown in spring correlated with price deceleration. The automatic adjustment of the minimum wage in early 2024 is estimated at around +1.1%. Household disposable income purchasing power is expected to rebound in Q4 2023, driven by labour incomes, and remain dynamic in early 2024 due to social benefits, particularly inflation-indexed basic pensions. In 2023, purchasing power gains would align with economic growth (+0.8%). Household purchasing power is expected to be more dynamic in 2024 (+1.2% by mid-2024). For businesses, the rise in real labour costs is anticipated to impact profit margins by late 2023. However, it would rebound in 2024 due to decreased contribution rates on value-added for companies and a slight productivity increase.

French GDP growth is likely to remain subdued in the final quarter of 2023, then slightly more robust in the first half of 2024. November surveys from INSEE among businesses indicate a further decline in business and employment sentiment. Moreover, real economic indicators for October suggest stagnant growth in Q4 2023. However, exports would benefit from substantial aerospace and naval deliveries. Overall, growth is expected to stagnate in Q4 (0.0% after -0.1% in Q3). Hence, the annual growth in 2023 is likely to reach +0.8%. Activity might slightly accelerate in H1 2024 (+0.2% per quarter), driven by disinflation and a moderate global trade recovery, despite lingering effects from past monetary tightening affecting investment, notably constraining the construction sector. Consumption and industrial production are likely to pick up, and business investment would about hold steady. The anticipated growth for 2024 would be relatively modest, around +0.6%.

Unemployment rates would slightly increase. Employment continued to grow since early 2023 but slowed with economic activity. Projected figures suggest stable growth in alternating employment, while salaried employment excluding alternates would stay steady, with a slight acceleration in Q2 2024 linked to increased activity. By mid-2024, the year-on-year job creation rate would reach 0.3%, compared to 1.1% between mid-2022 and mid-2023. Under the assumption of moderate population growth, mainly due to the impact of retirement reform on senior activity, the unemployment rate is likely to rise by 0.1% in Q4 2023 and Q1 2024, reaching 7.6% of the active population, stabilising thereafter.

Numerous uncertainties could affect this central scenario. Fluctuations in oil prices and broader geopolitical shifts could positively and negatively impact inflation forecasts. Additionally, household consumption/saving choices could also influence the outcomes.

GDP Growth



SOURCE: OXFORD ECONOMICS

FRANCE INVESTMENT

Investment market

The third quarter of 2023, with its €2.7 billion invested in commercial real estate across France, stands as the worst of the decade. Quarterly investment volumes have been continuously slowing down for a year. Since the beginning of the year, the French market has not even managed to surpass the €11 billion mark. It has simply halved compared to the previous year and sits 39% below its decade average (€17.6 billion over the first nine months).

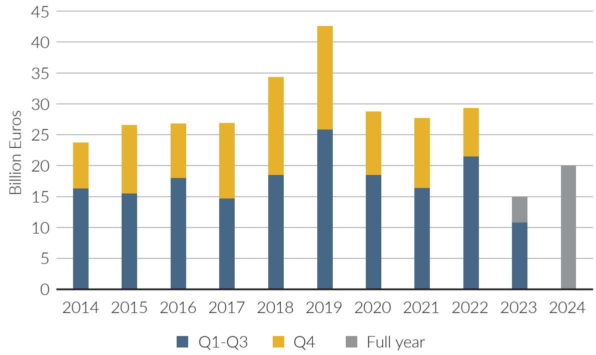
Why such a widespread underperformance in real estate investment? The real estate sector has become less attractive in terms of liquidity, risk, and returns. Indeed, the deterioration of the rental market, the rise in construction costs, regulatory obligations linked to ecological transition, increased credit costs, and stricter lending conditions have all played a part in the reduced investors' appetite for real estate. Faced with this bleak scenario, stocks and bonds have become more appealing despite the stock market becoming more erratic since September 2023. As a result, many investors have opted to scale back their real estate exposure, starting with institutional investors aiming to lighten the weight of non-listed assets in their portfolios.

Overall, transactions are few: sellers continue to be inflexible on sale values, especially when appraisal values have not been adequately adjusted, despite sometimes receiving a substantial number of acquisition proposals. Sellers refuse to accept decreases they deem too significant despite market evidence. In this context, limiting the number of sales as much as possible seems like the lesser evil, hoping that the current rough patch will be temporary. However, it is uncertain whether this strategy of holding back can be maintained in the medium to long term. Retention almost always ends in sales, particularly if banks were to stop refinancing certain assets or entities.

Even though the fourth quarter of 2023 should halt this downward spiral, it will not be able to mark a substantial improvement in investment activity, as is often the case towards the year's end. We anticipate the annual volume of investment in France will reach approximately €15 billion by the end of 2023 (-47% year-on-year). Looking ahead to 2024, we expect a gradual resurgence in investment activity starting in 2024 on the back of the downward price adjustments, which have created opportunities for cash-rich investors. Nonetheless, the lacklustre economic landscape is poised to act as a drag on investment activity for the forthcoming six months. Consequently, investment volumes are not anticipated to approach the levels seen in the past half-decade. Our projection for the annual investment volume in France by the end of 2024 is approximately €20 billion, reflecting a rebound of 30% year-on-year.

Investment activity will be driven by investors enticed by the prospect of favourable pricing adjustments. Investors will maintain their focus on the premium green segment of the market. Due to the decline in capital values, real estate returns will be predominantly driven by income returns rather than capital appreciation. Consequently, attention will be directed toward robust occupier markets, where there is potential for high rental growth and a strong emphasis on environmental, social, and governance (ESG) credentials.

France Investment Volume



SOURCE: SAVILLS

Retail investment market

The rise in interest rates has curbed the momentum seen in retail asset acquisitions, which characterised the year 2022 and, to a lesser extent, the beginning of 2023. The real estate crisis we are experiencing is indeed not due to real estate fundamentals but rather to the sudden and significant increase in the cost of money. Downtown shops, shopping centres, or Out-Of-Town (OOT) retail have not escaped the wider downturn. In total, barely over €2 billion have been invested in retail assets in France between January and September 2023. This is half the amount (-49%) recorded for the same period in the previous year and 21% down compared to its decade average (€2.7 billion for the first nine months). This decline aligns perfectly with the overall trend observed for real estate investments. There is, therefore, no particular aversion to retail assets. On the contrary, since the decline is based on the 2022 results – a record year for retail investment, which was not the case for other asset classes.

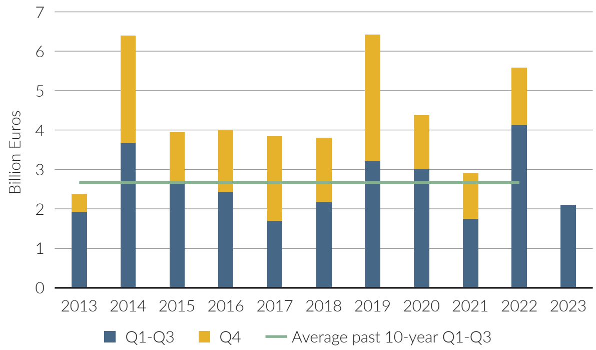
Yet, there is a sense of disappointment with the results at the end of September 2023, as the year started well, with significant investment transactions, such as that of the Italie 2 shopping centre and Italik in the 13th arrondissement of Paris. The months following the first quarter did not sustain the momentum, particularly among major flagship transactions. The retail investment market has somehow downsized, with the average size of transactions dropping from €42 million in 2022 to €26 million in 2023. Large transactions over €100 million euros declined by 57% year-on-year in volume, and medium-sized transactions (between €50 and €100 million) have fallen by 77%. On the other hand, the small transactions segment (< €50 million) displayed impressive resilience, with an increased number of operations (75 compared to 64 between Q1 and Q3 in 2022) for a stable investment volume.

The challenge of securing financing and the explosion of its cost, reducing the spread guaranteed by the returns on

Independent Market Review

retail assets, explain the downsizing of transactions and the decline in retail investment volume. Additionally, the number of potential buyers is more limited than before and more aggressive on prices. Their expectations often exceed what sellers are willing to accept, leading to the postponement or cancellation of certain transactions.

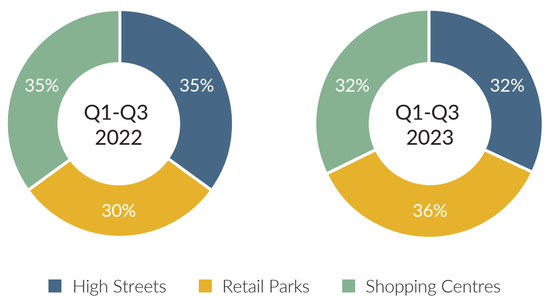
France Retail Investment Volume



SOURCE: SAVILLS

The downsizing of the unit size of transactions is clearly unfavourable to shopping centres due to their size. Whilst shopping centres still accounted for 35% of total retail investments since the beginning of 2023, this is solely because of the completion of the two transactions: Italie 2/Italik, bought by Ingka Centres and Passy Plaza, acquired by Atout Pierre Diversification. These two transactions represented 79% of the volumes invested in shopping centres. To a lesser extent, the same applies to high street retail. Their market share (35% of investment volumes) has been boosted by Kering's €225 million acquisition of 35 Avenue Montaigne. Without this transaction in early 2023, the share of high streets would have been significantly reduced. In contrast, retail parks accounted for 30% only, of total retail investments since the beginning of 2023, compared to 36% during the same period last year. This market share contraction is mainly due to the high level of activity recorded for this type of asset in 2022. That said, we believe there is still a strong investor appetite for retail parks.

France Retail Investment Volume



SOURCE: SAVILLS

French investors still dominated their market, accounting for 65% of the retail volumes during the first nine months of 2023, a share unchanged from 2022. Thus, REITs and property companies are the most active, accounting for over 50% of the retail volume. Although SCPIs such as Amundi and Primonial have been less impacted by the rise in financing costs than property companies, they have been penalised by the wave of outflows they have experienced over the last few months, combined with the downward revision of portfolio values. This is not as striking for new investment vehicles such as Norma and Ikoro, whose track record is much more limited due to their relative youth. SCPI inflows have fallen over the past year (-15%), but it's worth remembering that 2022 was an exceptional year and that the level reached after the first nine months of 2023 is far from catastrophic: +20% higher than the average for the last five years (Q1-Q3).

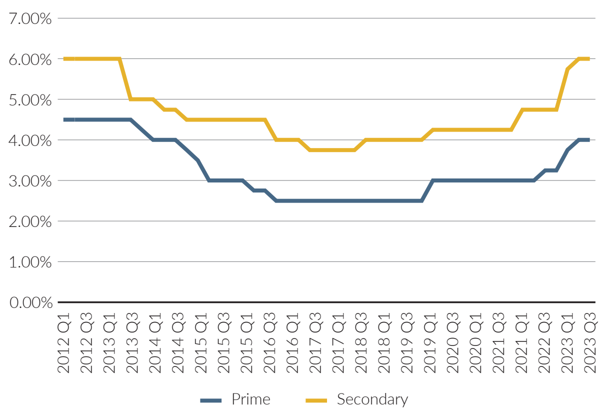
Looking ahead, we believe investment activity has bottomed out, with volumes likely to increase over the next 12 months. The expected decline in central bank rates in the latter part of 2024 and into 2025 will provide a boost to investment activity. We expect the continued repricing of retail assets, particularly in relation to other real estate asset classes, will intensify investor appetite. Grocery stores, supermarkets and retail parks will continue to capture most of investors' appetite for retail assets. High street investments will remain restrained by the lack of opportunities on the market rather than a lack of appetite.

Yields

In this context, the valuation discounts observed in the French market are significant. Although there have been few transactions due to the desertion of city centres by residents and tourists during the health crisis, we consider that the prime yield for high street assets stood at 4.00% at the end of 2023, up by 100 bps year-on-year. The prime shopping centre yields , which stood at 5.50% in Q4 2023 expanded by 25 bps year on year. Regarding retail parks and OOT retail, the prime yield, which stood at 5.75% in Q4 2023, expanded by 50 bps year on year.

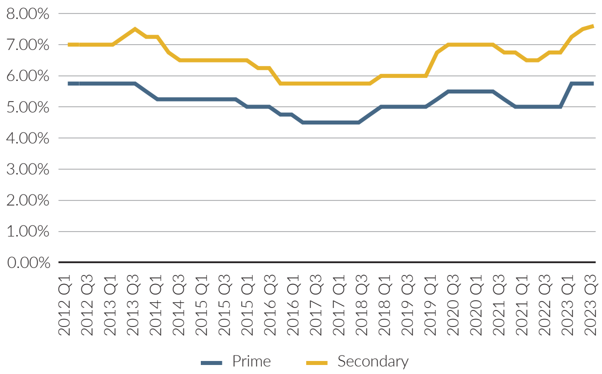
Going forward, with the deteriorating economic sentiment steering investors towards super-prime assets and restraining investment opportunities, we expect further yield expansion until mid-next year, yet at a slower pace than that recorded over the past nine months.

High Street Yields



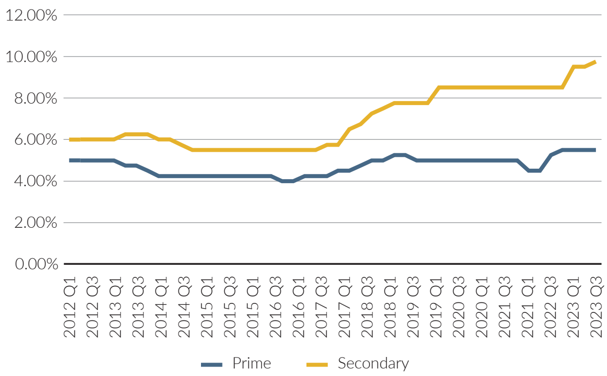
SOURCE: SAVILLS

Retail Parks and Retail Warehousing Yields



SOURCE: SAVILLS

Shopping Centre Yields



SOURCE: SAVILLS

FRANCE RETAIL

Consumer landscape

The economy remains vulnerable to unexpected shocks, exemplified by recent Middle Eastern events. While inflation has started decreasing, it has significantly impacted French household consumption, leading to a decline similar to levels a decade ago. This crisis, more cyclical than structural, stems from a continuum of past crises, perpetuating household pessimism for over 15 years, as seen in the consistently low household confidence index.

This pessimism prompts increased saving behaviours among the French, reflecting their bleak morale and cautious approach to spending. However, despite the downturn, there is a glimpse of hope: the downward trend in inflation, coupled with expected wage increases, is likely to improve household purchasing power in 2024.

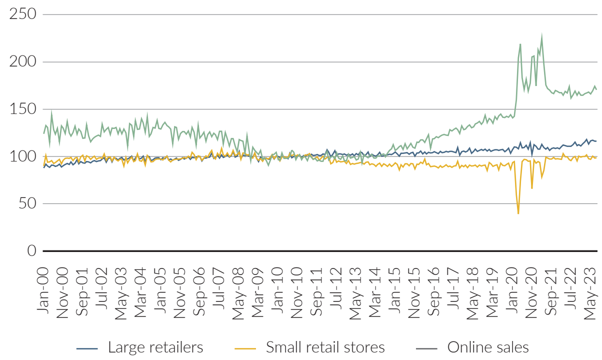
Nevertheless, the recovery won't be uniform, considering the diverse French population characterised by an ongoing process of individualisation. This societal shift towards personal values and flexible affiliations has influenced distinct consumer behaviour types: those economically vulnerable seeking lower prices, the environmentally conscious advocating for responsible consumption, and the financially secure maintaining rewarding consumption habits.

Recent months have favoured discount brands, while luxury goods sales have stalled. The shift caused by inflation has affected ethical consumption, evident in reduced purchases of organic products and challenges faced by specialist producers. Interestingly, despite seeming poles apart, there are overlaps between these consumer categories, as seen in retailers like Zara launching second-hand platforms and luxury brands emphasising local dimensions.

Consumerism exhibits contradictory movements, reflecting diverse consumer behaviours and adaptive strategies among retailers.

Change in Sales by Distribution Channel

Indices in volume terms, seasonally and working-days adjusted (100 = 2020)



SOURCE: BANQUE DE FRANCE / DGS

Occupier trends & shop openings

Although almost 10,000 insolvencies were recorded in France in the first half of 2023 in the retail and hotel-restaurant sectors, an increase of 39% compared with the first half of 2022, France remains attractive to many retailers and brands, some of whom are entering the French market for the first time.

We already mentioned the success of discounters and low-cost specialists. Not surprisingly, this is one of the most dynamic segments in terms of store openings in 2023 and explains the resilience of retail parks and out-of-town retailing, even in small and medium-sized towns. A few examples include:

British discounter B&M is continuing to expand its network, announcing back in October the opening of its third store in the Toulouse metropolitan area, with 3,000 sqm in replacement of the Alinéa store in Saint-Orens-de-Gameville.

The announcement came just a few days before Action opened a new store a few kilometres away, in Balma. The Dutch competitor to B&M, voted France's favourite retailer this year by beating off the likes of Decathlon and Leroy Merlin, is thus consolidating its French network, which in 2022 numbered almost 730 stores, generally in sizes of between 800 and 1,000 sqm. After opening 74 stores in France in 2022, Action intends to keep up the pace in 2023 by exploring areas such as the south-east, Brittany and Normandy.

Independent Market Review

After 20 years in business, Tedi, the German bazaar specialising in selling everything for 1 euro, is opening its first French store in Evreux, a medium-sized town (population 47,000) in Normandy. With the acquisition of Max Plus and its 42 retail units, Tedi will accelerate its development, prioritising the north and west of the country, with stores sized around 650 sqm.

Atacadao, a Brazilian chain acquired by the Carrefour group in 2007 and operating in Latin America and Morocco, will be debuting in France in early 2024. Its first store will occupy 8,000 of the 14,000 sqm of the Carrefour hypermarket in the O'Parinor shopping centre in Aulnay-sous-Bois, Seine-Saint-Denis. What does Atacadao promise? Prices 10-15% lower than elsewhere, thanks to a warehouse model with a limited number of product lines (9,000, compared with the usual choice of 25,000 to 40,000).

Retail parks & OOT retailing

The challenges to consumer spend and subsequent stronger performance in the discount and value retail segment has proved beneficial to retail parks. The convenience of these locations to consumers, particularly since agile working has become more common post-pandemic, has also come into play. This is evidenced by the fact that the most profitable retail parks are typically anchored by food stores, spend at which is often insulated by macro-economic headwinds as it is an essential spend category. It is also a retail sector where the online penetration rate is much lower compared to other parts of the market. Additionally, from a retailer's standpoint, retail parks offer competitive, cost-effective operations, including lower rent and service charges than other retail formats.

Rent indexation

In the summer of 2023, an extension of the 3.5% cap on rent indexation until 2024 brought relief to small retailers. However, this move raised concerns for larger brands in the retail sector. Analysing a 12-year shift in the commercial rent index (ILC) in correlation with inflation and sales figures across various retail locations reveals crucial trends.

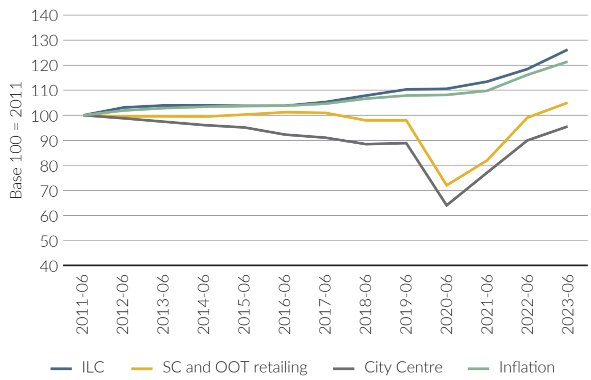
Between 2022 and 2023, retail sales saw a 6% surge (according to the Procos panel), primarily propelled by high inflation. Yet, in-store volumes experienced a 0.5% decline between June 2022 and June 2023. This decline worsened by September 2023, resulting in a significant 4.2% year-on-year drop. While the ILC showed a 7% annual increase, the rent-to-income ratio did not notably rise during this period. However, projections for the IEIF suggest a potential ILC growth acceleration post-cap expiration in Q2 2024, reaching 5% and then stabilising around 3.2% in 2025. This could pose challenges for retailers' sales growth unless actual volume-based household consumption rebounds.

Long-term data from the Procos panel reveals a substantial rise in the rent-to-income ratio for retailers, with the ILC hitting 126 in June 2023 while sales in shopping centres and retail parks stood at 105, indicating a growing gap of 21 points. The cumulative effect of rising indexation, alongside increased operating costs like energy and property taxes, significantly impacts retailers' profitability, adding strain following previous challenges such as the Yellow Vests protests and the pandemic.

Hence, some retailers are revaluating their locations, potentially leading to store closures or reduced sales areas, elevating the risk of vacancies. However, this assessment does not always result in downsizing. Many retailers opt for more calculated expansion plans, considering the scarcity of prime locations, particularly due to policies like Zero Net Artificialisation (ZAN). Major retailers, such as Decathlon, strategically close certain sites while intending to open new locations. Closing high-rent stores isn't always the preferred solution, as they might generate substantial sales.

The primary risk lies in closures in less dynamic towns, potentially exacerbating existing high vacancy rates and reinforcing geographical segregation in retail offerings. Apart from soaring property costs, retailers grapple with rising interest rates, impacting their financial strategies and long-term sustainability. Collaborative efforts between retailers and investors are imperative to explore sustainable solutions amid increasing costs, ensuring the long-term viability of retail assets.

Change in ILC Sales and Inflation



SOURCE: PROCOS / INSEE

Investor Relations

UPHOLDING GOOD CORPORATE GOVERNANCE AND TRANSPARENCY

IREIT Global Group Pte. Ltd. (the "Manager"), as manager of IREIT Global ("IREIT"), is committed to delivering the highest standards of communication with investors, analysts, media and the wider investment community. Guided by the Investor Relations Policy, all investor relations practices are premised on its commitment to communicate in a timely, transparent, consistent, accurate, balanced and comprehensive manner on information such as the investment strategy, distribution policy, capital management and portfolio performance of IREIT.

In addition, the Manager is committed to ensure timely, unbiased and transparent disclosures of material information to the public, in accordance to the listing rules and regulations of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Singapore Code of Corporate Governance and current best practices. All announcements and press releases are promptly published on SGX-ST through SGXNet and are made available on IREIT's corporate website. General information on IREIT including annual reports, presentation slides, factsheets and portfolio information is also regularly updated on IREIT's corporate website and is easily accessible to investors and the public.

PROACTIVE COMMUNICATIONS WITH STAKEHOLDERS

The Management and Investor Relations teams use a number of communication channels to engage and interact with various stakeholders. This includes one-on-one meetings, lunchtime presentations, roadshows, industry conferences, educational seminars, teleconferences, video conferences and corporate website email alert services to facilitate regular two-way communication with investment professionals, current investors and prospective investors. In January 2024, the Manager also established a LinkedIn corporate page for IREIT to further enhance its interaction with the public. In addition, the Manager is a member of the REIT Association of Singapore ("REITAS"), availing IREIT to seminars, investor conferences and retail education events that the association organises to promote the understanding and investment in Singapore real estate investment trusts ("S-REITs").

During 2023, the Manager has continued to conduct both physical and virtual meetings to engage its stakeholders actively, capitalising on the use of digital platforms to provide flexibility and convenience for the stakeholders. During the year, the Manager reached out to around 300 investment professionals, analysts, investors and media through events such as IREIT's analyst/investor briefings and corporate presentations hosted by CGS-CIMB, RHB, Phillip Securities, SIAS-SGX and Smartkarma.

Above: AGM and EGM held physically on 25 April 2023 and 27 July 2023, respectively

Investor Relations

ANNUAL GENERAL MEETING ("AGM") AND EXTRAORDINARY GENERAL MEETING ("EGM")

Unitholders of IREIT ("Unitholders") are also given the opportunity to participate at the AGMs and EGMs to meet the management team and the Directors of the Manager to communicate their views and ask questions. The AGM held on 25 April 2023 was convened physically at Bridge+ @ CapitaSky. This is the first in-person AGM since the lifting of the COVID-19 restrictions by the Singapore authorities. Similarly, the EGM held on 27 July 2023 was also convened physically at Suntec Singapore Convention & Exhibition Centre. As per market best practices, Unitholders were invited to submit their questions ahead of the events and responses to substantial and relevant questions received from Unitholders were published on SGXNet and IREIT's corporate website prior to the meetings. Some of these questions were also raised and addressed during the AGM.

All the resolutions set out at the AGM and EGM in 2023 were passed by Unitholders by way of poll vote and the results were announced on SGXNet and IREIT's corporate website on the same day of the meetings. In addition, the minutes of the AGM and EGM were published on SGXNet and IREIT's corporate website, together with the responses to all questions received at the AGM, within one month after the respective dates of the meetings.

ENGAGEMENT WITH EQUITY RESEARCH HOUSES AND MEDIA

The Manager also considers sell-side research analysts and media as an important stakeholder group, as they play a critical role in helping to raise the awareness of IREIT and bridge any communication gap between IREIT and investors. In 2023, the Manager held analyst-cum-media briefings via video conference calls on a quarterly basis to update the analysts and journalists on the financial and operational performance on IREIT. At the end of 2023, IREIT was actively covered by DBS Group Research and RHB Research.

AWARDS AND ACCOLADES

In March 2023, IREIT won two prestigious awards at The 8th Edition REITs Asia Pacific 'Best of the Breeds' REITs Awards event, which aims to recognise companies and managers with the highest standards and performance in the Asia Pacific REITs sector. The awards are the Platinum Award for "Best Office REIT (Singapore)" and Gold Award for "Best Investor Relations" (less than US$1 billion market capitalisation). In November 2023, IREIT won the "Highest Growth in Profit after Tax over three Years" award under the Singapore REITs category at The Edge Singapore Centurion Club 2023 Awards event. This is the 4th consecutive year that IREIT was conferred an award at the annual event. As a testament to the Manager's commitment towards good corporate governance and disclosure, IREIT was also ranked 20th in the Singapore Governance and Transparency Index ("SGTI") in August 2023, making a significant improvement from 2022, where IREIT was ranked 41st.

Above: Mr Kevin Tan, Head of Investor Relations and Capital Markets, receiving awards on behalf of IREIT at The 8th Edition REITs Asia Pacific 'Best of the Breeds' REITs Awards and The Edge Singapore Centurion Club 2023 Awards events, respectively

FINANCIAL CALENDAR	
Financial Year Ended 31 December 2023	
3 August 2023	Announcement of first half year results
31 August 2023	Payment of distributions for period from 1 January 2023 to 30 June 2023
22 February 2024	Announcement of second half year results
21 March 2024	Payment of distributions for period from 1 July 2023 to 31 December 2023
25 April 2024	2024 Annual General Meeting
Financial Year Ended 31 December 2024 (Tentative)	
August 2024	Announcement of first half year results
February 2025	Announcement of second half year results

Trading Performance during the Financial Period	FY2022	FY2023[1]
Opening price (S$)	0.650	**0.510**
Closing price (S$)	0.505	**0.405**
Highest closing price (S$)	0.660	**0.565**
Lowest closing price (S$)	0.475	**0.330**
Total trading volume (million units)	113.4	**111.9**
Average daily volume traded ('000 units)	453.7	**419.0**

Total Returns with Distributions Reinvested (%)[2]	
From 1 January 2023 to 31 December 2023 (1 year)	-25.3%
From 1 January 2021 to 31 December 2023 (3 years)	-19.2%
From 1 January 2019 to 31 December 2023 (5 years)	-10.3%

Closing Unit Price Performance for Trading Period from 1 January 2023 to 31 December 2023

Source: ShareInvestor.com

Unitholders' Enquiries

If you have any enquiries or would like to find out more about IREIT Global, please contact:

The Manager

Mr Kevin Tan

Head of Investor Relations and Capital Markets

Phone: (65) 6718 0593

Email: ir@ireitglobal.com

Website: https://www.ireitglobal.com/

LinkedIn: https://www.linkedin.com/company/ireitglobal

Unit Registrar

Boardroom Corporate & Advisory Services Pte Ltd

Phone: (65) 6536 5355

Email: srs.teamc@boardroomlimited.com

Website: https://www.boardroomlimited.com

Unitholder Depository

For depository-related matters, such as change of personal details and other unitholding records, please contact:

The Central Depository (Pte) Limited

Phone: (65) 6535 7511

Email: asksgx@sgx.com

Website: https://investors.sgx.com/dashboard

1 *For the trading period from 1 January to 31 December, adjusted for the non-renounceable preferential offering completed in July 2023*

2 *Total returns are computed based on the closing unit price on the last trading day of the preceding reporting period compared with the closing unit price on the last trading day of the current period and are adjusted for the non-renounceable preferential offerings and renounceable rights issue completed in July 2023, July 2021 and October 2020, respectively. Distributions paid are assumed to be reinvested at the closing unit prices on the respective ex-distribution dates.*

KEEPING GEARING HEALTHY VIA PRUDENT CAPITAL MANAGEMENT

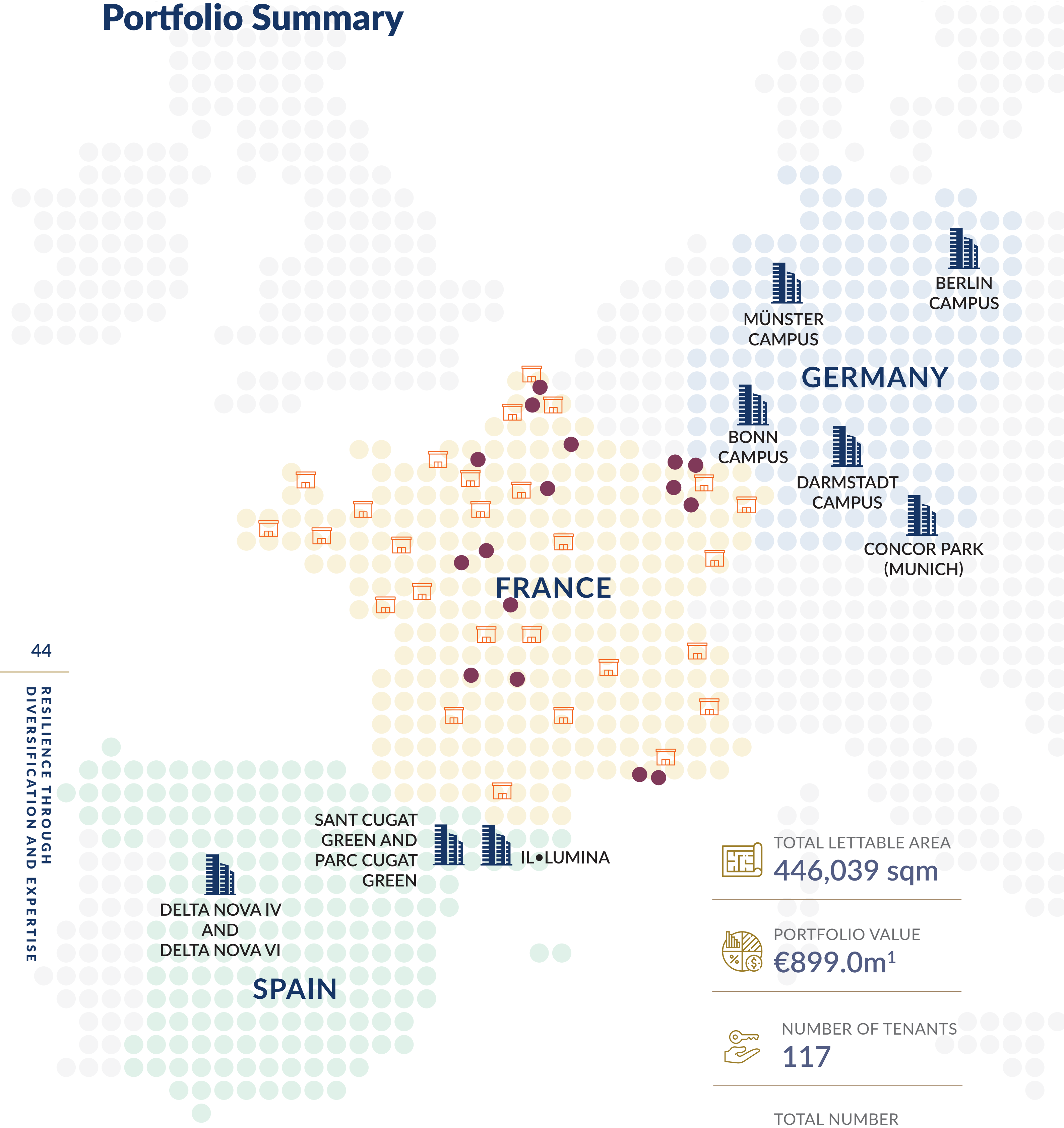
AGGREGATE LEVERAGE

37.9%

By maintaining a healthy aggregate leverage and broadening our funding options, we are well positioned to capitalise on attractive investment opportunities that arise.

The strong support shown by unitholders and successful equity fund raising to raise S$75.9 million in gross proceeds to partially finance acquisition of the B&M Portfolio during the year had enabled IREIT to maintain a healthy financial position and cushion any impact from a drop in portfolio valuation.

Portfolio Summary



TOTAL LETTABLE AREA
446,039 sqm

PORTFOLIO VALUE
€899.0m[1]

NUMBER OF TENANTS
117

TOTAL NUMBER OF PROPERTIES
54

NUMBER OF PARKING SPACES
13,336

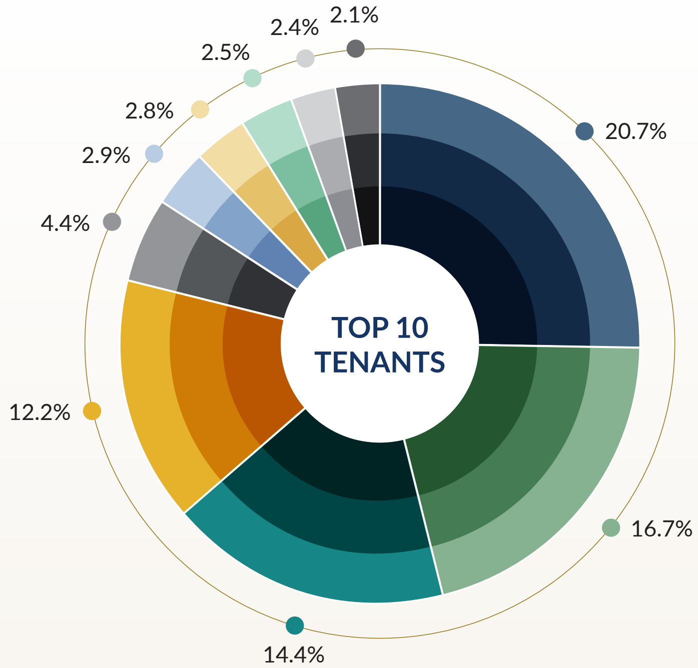
LEGEND:

DECATHLON PROPERTIES

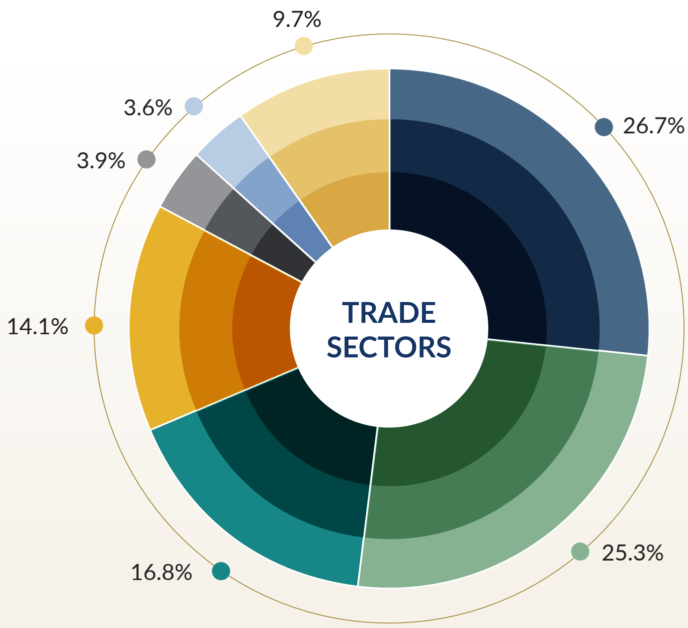
B&M PROPERTIES

1 Based on fair valuation as at 31 December 2023 (including sale consideration of Il·lumina, which was subsequently divested on 31 January 2024)

RENTAL INCOME AS AT 31 DECEMBER 2023

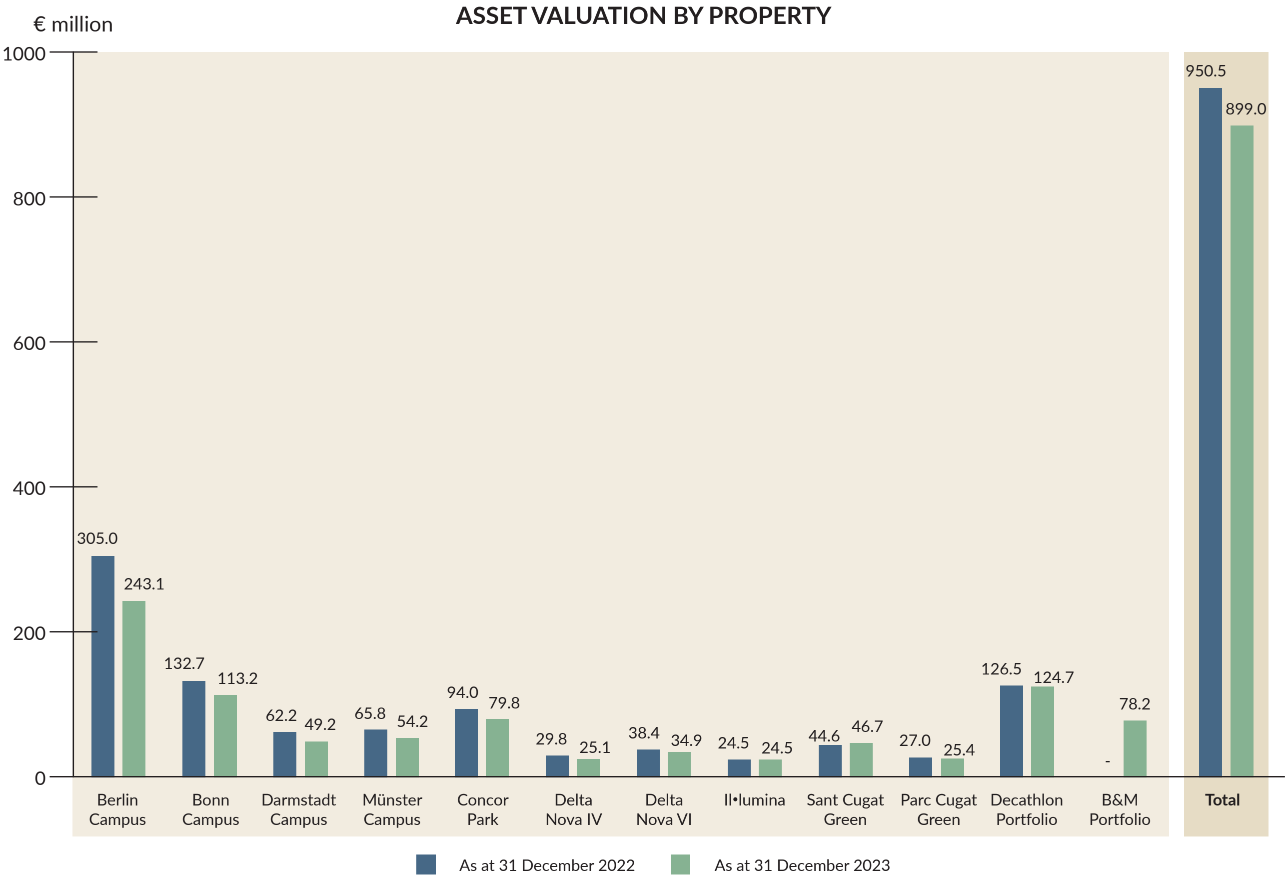


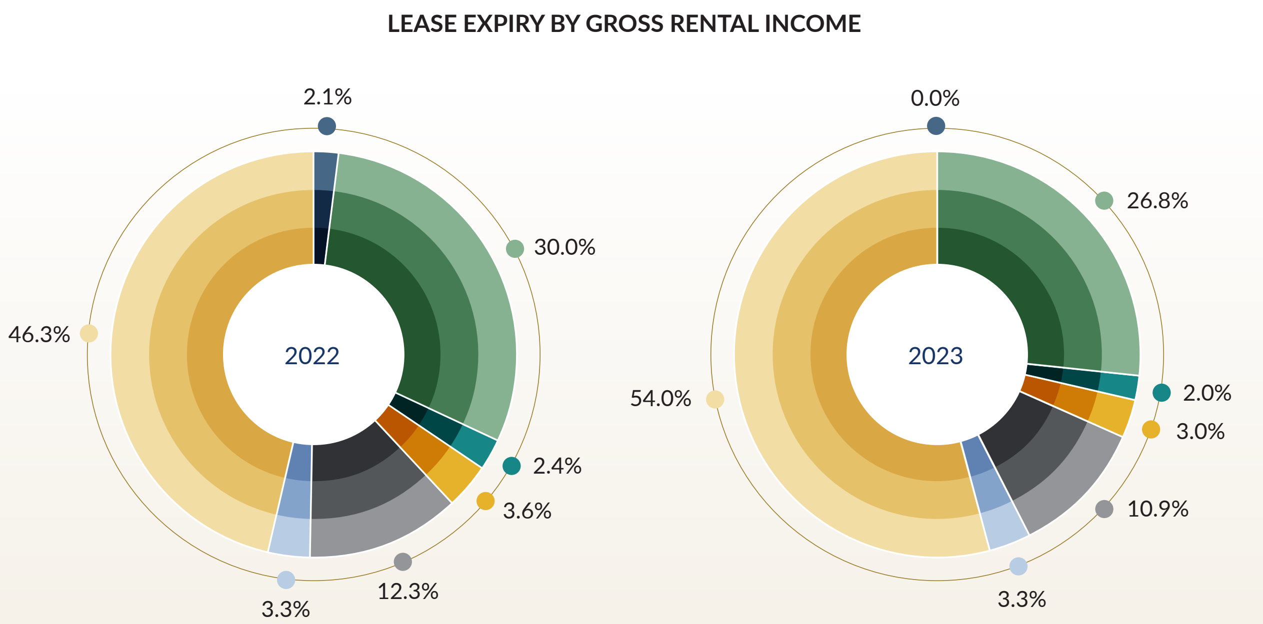
Deutsche Rentenversicherung Bund	20.7%
GMG - Deutsche Telekom	16.7%
Decathlon	14.4%
B&M	12.2%
DXC Technology	4.4%
ST Microelectronics	2.9%
Allianz Handwerker Services GmbH	2.8%
Westfälisch-Lippische Vermögensverwaltungsgesellschaft mbH	2.5%
Ebase	2.4%
Land of Hessen	2.1%



Retail	26.7%
Government	25.3%
Telecommunications	16.8%
IT & Electronics	14.1%
Financial Services	3.9%
Real Estate	3.6%
Others	9.7%

Portfolio Summary

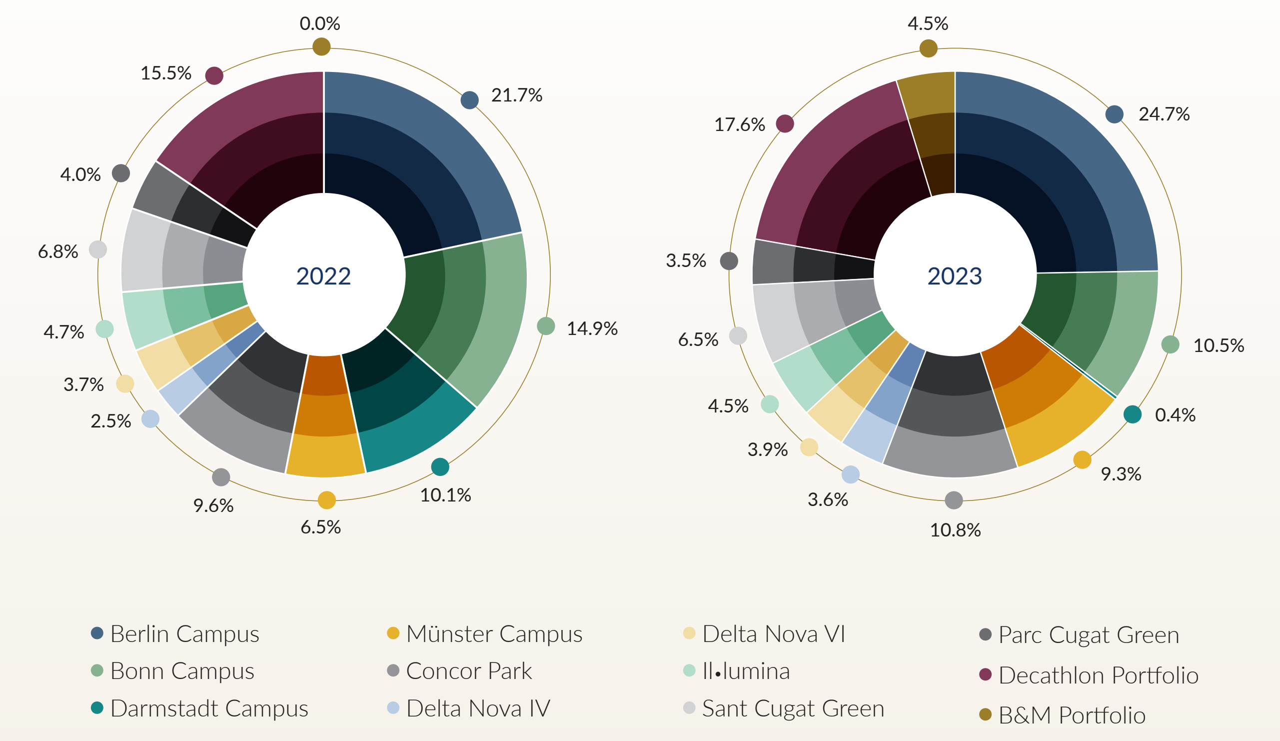




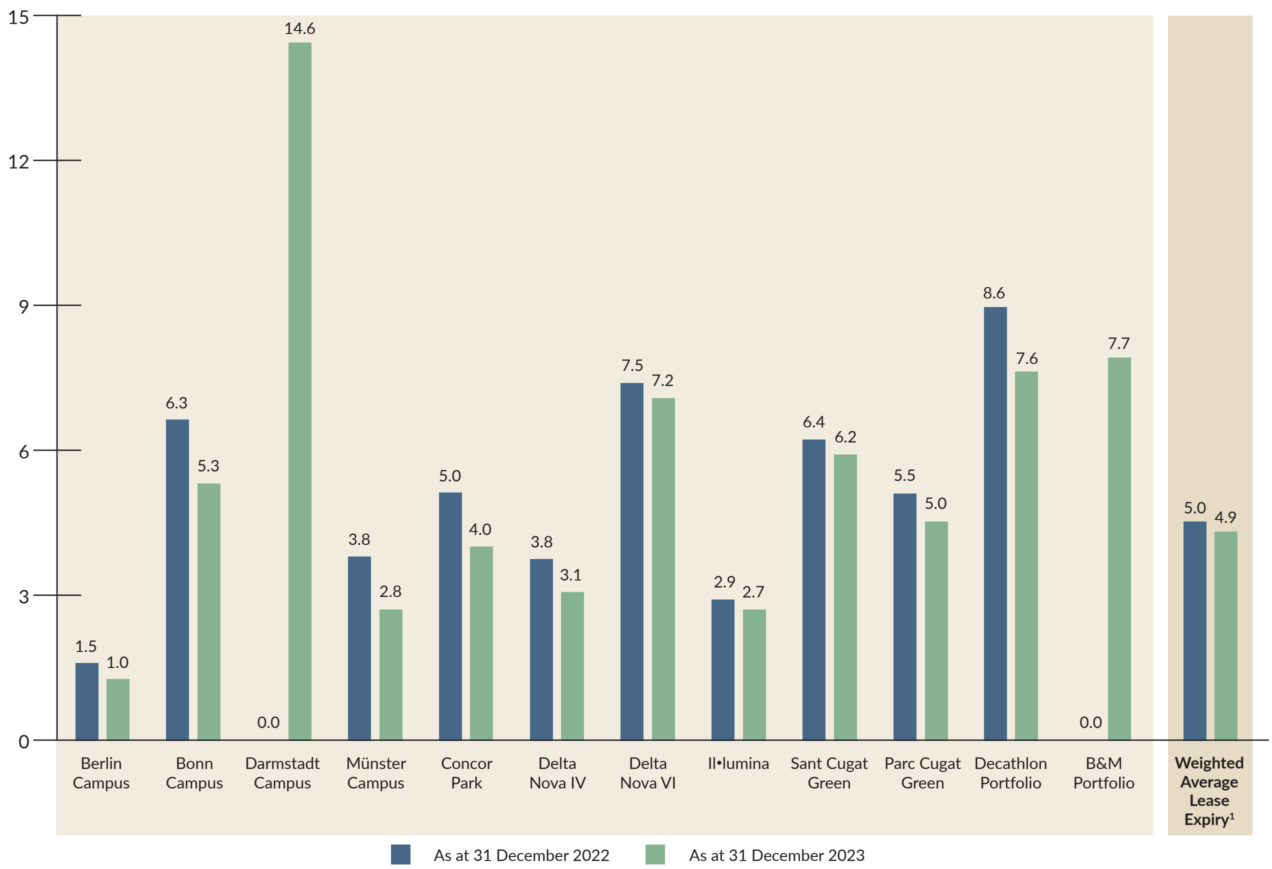
As at 31 December	2022	2023
FY2023	2.1%	0.0%
FY2024	30.0%	26.8%
FY2025	2.4%	2.0%
FY2026	3.6%	3.0%

As at 31 December	2022	2023
FY2027	12.3%	10.9%
FY2028	3.3%	3.3%
FY2029 and Beyond	46.3%	54.0%

GROSS RENTAL INCOME BY PROPERTY



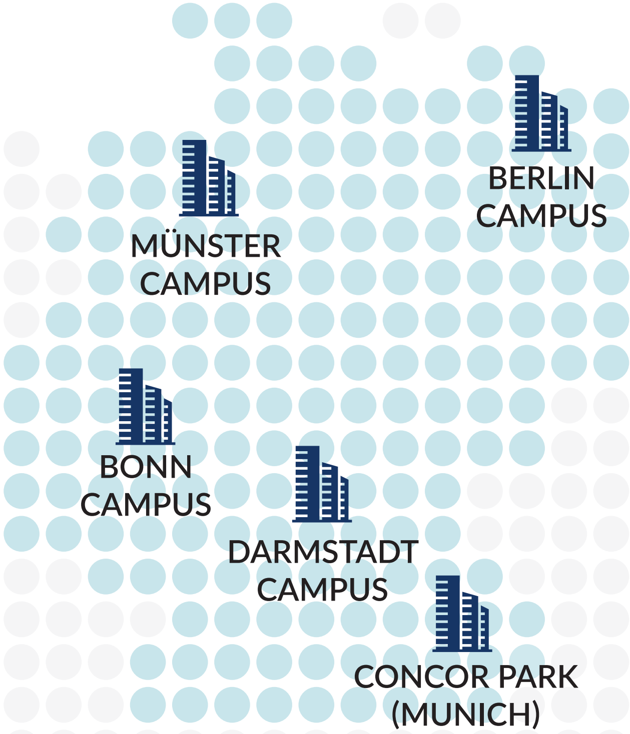
PORTFOLIO LEASE EXPIRY (NUMBER OF YEARS)



1 For new and renewed leases which commenced in FY2023, the weighted average lease expiry as at 31 December 2023 is 4.4 years. Such leases contributed approximately 49.5% towards the portfolio's committed monthly gross rental income as at 31 December 2023.

Portfolio Overview

GERMAN PORTFOLIO




BONN CAMPUS


MÜNSTER CAMPUS

DARMSTADT CAMPUS

BERLIN CAMPUS

€427.3m
Purchase Price

€26.4m
Gross Rental Income 2023

3.4 years
WALE
(by Gross Rental Income)
as at 31 Dec 2023

€539.5m
Book Value / Valuation
as at 31 Dec 2023

87.7%
Occupancy Rate
as at 31 Dec 2023

24
Number of Tenants

CONCOR PARK

Portfolio Overview

BERLIN CAMPUS

31 DECEMBER 2023

GROSS RENTAL INCOME FOR FY2023	TOTAL LETTABLE AREA	CAR PARK SPACES	OCCUPANCY RATE
€11.7m	79,097sqm	496	99.9%

- Berlin Campus is located in Schreiberhauer Straße in the Lichtenberg district, 6km east of Berlin city centre and near the well-established Media Spree commercial centre.
- Within a five-minute walk to the Ostkreuz railway station, the campus is easily accessible by the S-Bahn (local railway) as well as regional trains and buses.
- Berlin Campus consists of five connected building parts with eight to 13 upper floors which are used mainly for office purposes. An underground parking garage of two levels that spans across the entire property accommodates parking spaces for 432 motor vehicles. 64 additional external parking spaces are available at the entrance area and towards the rear of the property.
- Berlin Campus has been occupied by Deutsche Rentenversicherung Bund ("DRV") since its construction in 1994. There are currently five other small retail/office tenants on the ground floor.
- In 2023, DRV further extended its lease until 31 December 2024 and will pay a revised rent that is approximately 45% higher than its current office rent from 1 July 2024 onwards.
- The Manager will refurbish and reposition Berlin Campus into a multi-let asset if DRV leaves in December 2024.

PROPERTY INFORMATION	
Date of Building Completion	1994
Land Tenure	Freehold
Purchase Price (€ million)	144.2
Vendor	Immobilienfonds Deutschland 6 GmbH & Co. KG, managed by WealthCap

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	99.9%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	1.0
Number of Tenants	6
Major Tenants	Deutsche Rentenversicherung Bund

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**243.1**	305.0
Gross Rental Income (€ million)	**11.7**	11.2
% of Total Gross Rental Income	**24.8%**	21.7%

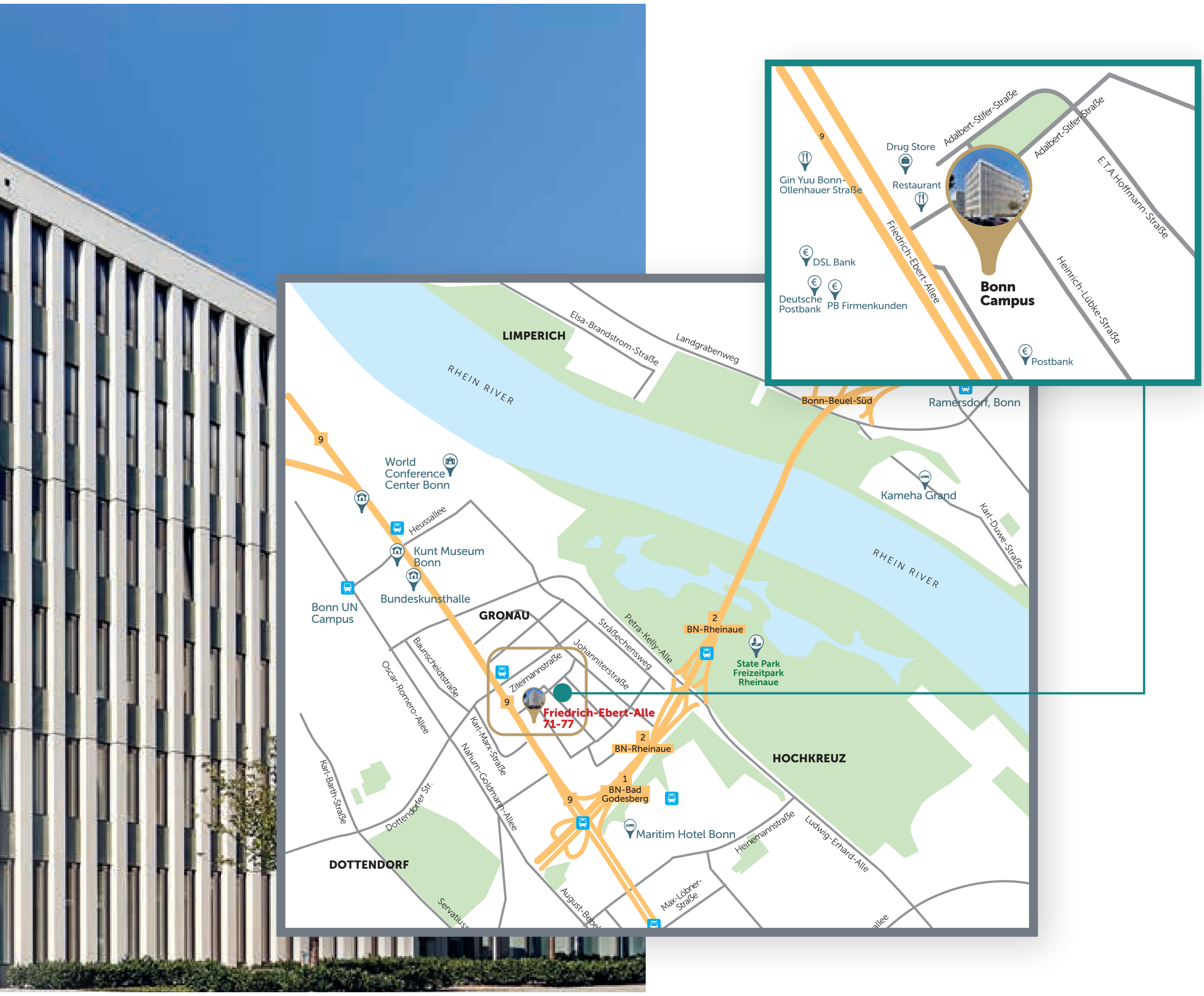
Portfolio Overview

BONN CAMPUS

31 DECEMBER 2023

GROSS RENTAL INCOME FOR FY2023	TOTAL LETTABLE AREA	CAR PARK SPACES	OCCUPANCY RATE
€5.0m	32,736sqm	652	100%

- Centrally located in Bonn's prime office area Bundesviertel (federal quarter), Bonn Campus is well connected to public transportation with the nearest underground train station, U-Bahn, only 100m away.
- Built to suit for Deutsche Telekom, Bonn Campus is connected by a pedestrian bridge to the global headquarters of Deutsche Telekom, located directly opposite the property.
- The U-shaped property comprises four connected buildings, each with three to five upper floors, which can easily be sub-divided into smaller offices or self-contained units.
- Built to high office specifications, with extensive and state-of-the-art technical equipment, Bonn Campus allows for an easy implementation of new desk-sharing concepts.
- Bonn Campus currently operates as a single tenant property with a central entrance hall and a canteen facility for employees.



PROPERTY INFORMATION

Date of Building Completion	2008
Land Tenure	Freehold
Purchase Price (€ million)	99.5
Vendor	TC Bonn Objektgesellschaft mbH & Co. KG

LEASE PROFILE

Occupancy Rate as at 31 Dec 2023	100.0%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	5.3
Number of Tenants	1
Major Tenants	GMG, a wholly-owned subsidiary of Deutsche Telekom

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**113.2**	132.7
Gross Rental Income (€ million)	**5.0**	7.7
% of Total Gross Rental Income	**10.6%**	14.9%

Portfolio Overview

DARMSTADT CAMPUS

31 DECEMBER 2023

GROSS RENTAL INCOME FOR FY2023	TOTAL LETTABLE AREA	CAR PARK SPACES	OCCUPANCY RATE
€0.2m	30,371sqm	363	25.0%

- The property is located on Heinrich-Hertz Straße 3-7 within a commercial zone in a prime office location (Europaviertel). The property is strategically located at the entrance of Europaviertel, benefitting from easy access to the train station and other public transports.
- Darmstadt main train station is reachable within 600m walking distance, while the nearest bus stop is within 150m walking distance.
- The property consists of six interconnected seven storey office buildings in a double H-shape with an additional link building. Parts of the property are only built with five storeys which provide for more effective natural lighting. The property has highly specified modern open plan office floors with subdivision flexibility.
- The property also benefits from 10 exterior parking spaces and an underground parking garage that spans over two levels, providing a total of 363 parking spaces.
- In 2023, the Manager secured a pivotal 15-year lease with a German federal government body to take up approximately 25% of Darmstadt Campus. The tenant started paying rent from November 2023 onwards after the end of the rent-free period.

PROPERTY INFORMATION	
Date of Building Completion	2007
Land Tenure	Freehold
Purchase Price (€ million)	74.1
Vendor	TC Darmstadt Objektgesellschaft mbH & Co. KG

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	25.0%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	14.6
Number of Tenants	1
Major Tenants	Land of Hessen, a Federal tenant

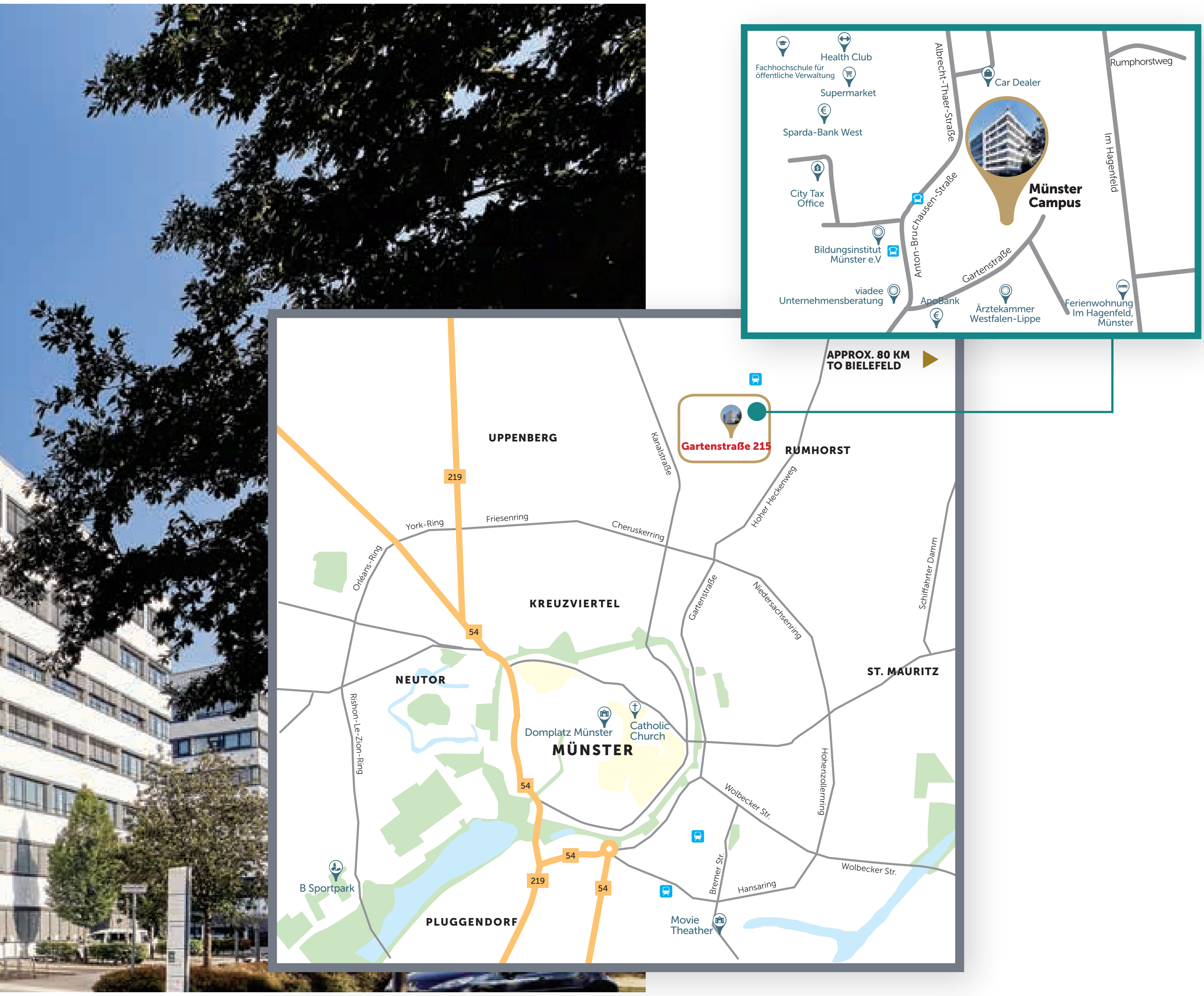
AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**49.2**	62.2
Gross Rental Income (€ million)	**0.2**	5.2
% of Total Gross Rental Income	**0.4%**	10.1%

Portfolio Overview

31 DECEMBER 2023

GROSS RENTAL INCOME FOR FY2023	TOTAL LETTABLE AREA	CAR PARK SPACES	OCCUPANCY RATE
€4.4m	27,487sqm	588	96.3%

- Located approximately 2.5km north of Münster city centre, the property is situated in one of the city's largest office submarkets known as "Zentrum Nord". The regional railway station and bus stop are within walking distance and ensure optimal access to the city centre and the entire Münster region by public transport.
- The property consists of two self-contained and directly adjacent office buildings (Münster North and Münster South). They each have seven above-ground floors built around open inner courtyards for a maximum of natural light.
- The campus includes a standalone multi-storey car park with 422 parking spaces. Münster South has an underground parking garage with 100 parking spaces and there are a further 66 outdoor parking spaces on the campus premises.



PROPERTY INFORMATION	
Date of Building Completion	2007
Land Tenure	Freehold
Purchase Price (€ million)	50.9
Vendor	TC Münster Nord Objektgesellschaft mbH & Co. KG and TC Münster Süd

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	96.3%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	2.8
Number of Tenants	6
Major Tenants	GMG, a wholly-owned subsidiary of Deutsche Telekom

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**54.2**	65.8
Gross Rental Income (€ million)	**4.4**	3.4
% of Total Gross Rental Income	**9.4%**	6.5%

Portfolio Overview

31 DECEMBER 2023

GROSS RENTAL INCOME FOR FY2023	TOTAL LETTABLE AREA	CAR PARK SPACES	OCCUPANCY RATE
€5.1m	31,412sqm	572	96.9%

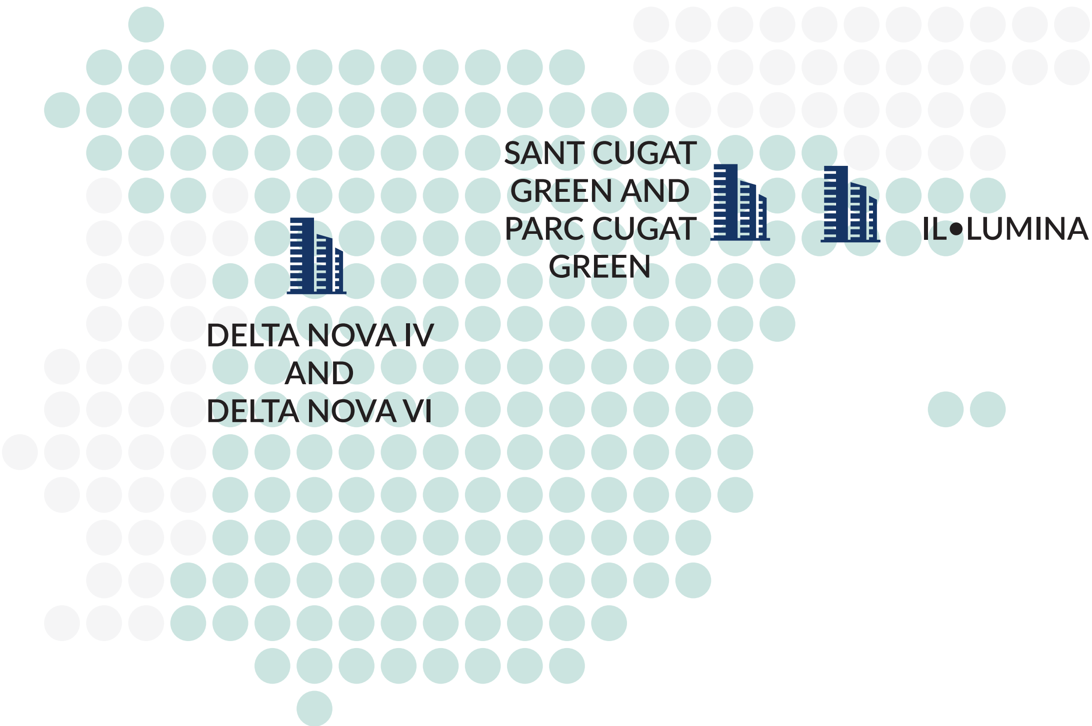
- Concor Park is located in the community of Aschheim-Dornach, within a large suburban business park situated about 10km from the centre of Munich.
- Due to its proximity to Munich, one of the strongest economic centres in Germany, the property benefits from an excellent macro and micro location and good accessibility by both private and public transport. The closest S-Bahn station (local railway) is 200m away and is easily reachable by foot.
- The five-storey building with three independent wings and entrances was fully refurbished with a modern office fit-out in 2011. In 2016, Concor Park became the first redevelopment project in Germany to be awarded the prestigious Green Building Gold Certificate by the German Sustainable Building Council.
- The property operates as a multi-tenanted office property with a central canteen and coffee bar.

PROPERTY INFORMATION	
Date of Building Completion	1978 and refurbished in 2011
Land Tenure	Freehold
Purchase Price (€ million)	58.6
Vendor	Münchner Grund Immobilien Bauträger AG

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	96.9%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	4.0
Number of Tenants	10
Major Tenants	Allianz, ST Microelectronics, Ebase, Yamaichi

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**79.8**	94.0
Gross Rental Income (€ million)	**5.1**	5.0
% of Total Gross Rental Income	**10.8%**	9.6%

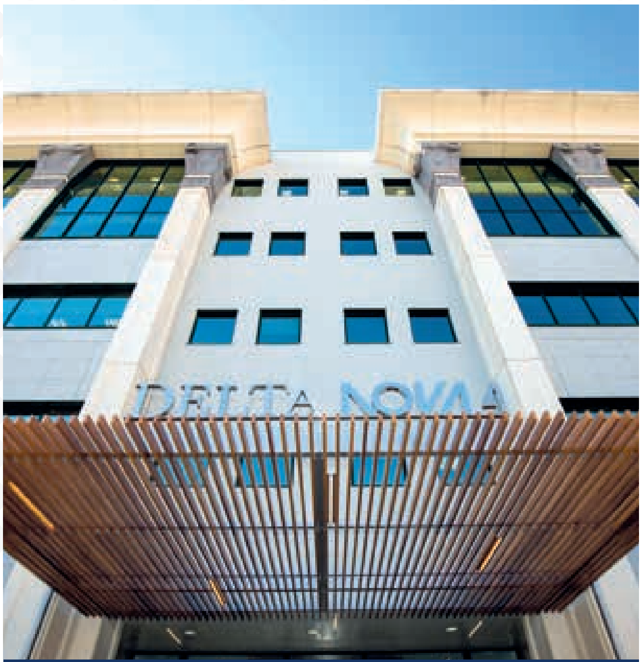
SPANISH PORTFOLIO




SANT CUGAT GREEN


PARC CUGAT GREEN

DELTA NOVA IV



DELTA NOVA VI

€161.0m Purchase Price	**€10.3m** Gross Rental Income 2023	**5.1 years** WALE (by Gross Rental Income) as at 31 Dec 2023
€156.5m Book Value / Valuation as at 31 Dec 2023	**79.7%** Occupancy Rate as at 31 Dec 2023	**48** Number of Tenants

IL·LUMINA

DELTA NOVA IV AND DELTA NOVA VI

31 DECEMBER 2023

GROSS RENTAL INCOME FOR FY2023	TOTAL LETTABLE AREA	PARKING SPACES	OCCUPANCY RATE
€3.6m	25,112sqm	633	85.5%

- Delta Nova IV and Delta Nova VI are two office buildings forming an office complex located in the consolidated business office area of Manoteras, north of Madrid.
- Built in 2005, the Delta Nova office complex has flexible and modular floor plates with high capacity and efficiency, benefitting from natural light.
- Delta Nova IV comprises a ground floor, four upper floors and two basement parking levels with 249 parking spaces, while Delta Nova VI comprises a ground floor, six upper floors and two basement parking levels with 384 parking spaces.
- In 2015, the two office buildings were awarded the Gold certification under the Leadership in Energy & Environmental Design ("LEED") rating system from the U.S. Green Building Council.
- Located in between the M-30 ring road and the A1 motorway as well as in close proximity to several bus stops, train and metro stations, the Delta Nova office complex is easily accessible by both private and public transportation systems. The closest metro station is within a five-minute walk away from the two office buildings.
- Delta Nova IV and Delta Nova VI are currently multi-tenanted and are leased to a number of blue-chip companies.

DELTA NOVA IV

PROPERTY INFORMATION		
Date of Building Completion	2005 and refurbished in 2015	
Land Tenure	Freehold	
Purchase Price (€ million)	29.2[1]	
Vendor	Chameleon (REIT) Holdco S.à.r.l	
LEASE PROFILE		
Occupancy Rate as at 31 Dec 2023	84.8%	
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	3.1	
Number of Tenants	10	
Major Tenants	Gesif, Plaza Salud24, Anticipa	
AS AT 31 DECEMBER	**2023**	**2022**
Book Value / Valuation (€ million)	**25.1**	29.8
Gross Rental Income (€ million)	**1.6**	1.3
% of Total Gross Rental Income	**3.5%**	2.5%

DELTA NOVA VI

PROPERTY INFORMATION		
Date of Building Completion	2005 and refurbished in 2015	
Land Tenure	Freehold	
Purchase Price (€ million)	39.8[2]	
Vendor	Chameleon (REIT) Holdco S.à.r.l	
LEASE PROFILE		
Occupancy Rate as at 31 Dec 2023	86.0%	
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.2	
Number of Tenants	14	
Major Tenants	Almaraz, Clece, S2 Grupo	
AS AT 31 DECEMBER	**2023**	**2022**
Book Value / Valuation (€ million)	**34.9**	38.4
Gross Rental Income (€ million)	**1.8**	1.9
% of Total Gross Rental Income	**3.8%**	3.7%

1 *The Purchase Price is the total aggregate purchase price based on the initial 40% stake purchased on 20 December 2019 at €28.7 million (on a 100% basis), and the subsequent 60% stake was purchased on 22 October 2020 at €29.6 million (on a 100% basis).*

2 *The Purchase Price is the total aggregate purchase price based on the initial 40% stake purchased on 20 December 2019 at €39.8 million (on a 100% basis), and the subsequent 60% stake was purchased on 22 October 2020 at €39.8 million (on a 100% basis).*

Portfolio Overview

IL·LUMINA

31 DECEMBER 2023

GROSS RENTAL INCOME FOR FY2023	TOTAL LETTABLE AREA	PARKING SPACES	OCCUPANCY RATE
€2.1m	20,922sqm	310	71.9%

- Il·lumina is an office building located in Esplugues de Llobregata, a mixed use office and industrial area including a technology and audio-visual office cluster which is 5km away from the financial district of Barcelona.
- Built over two basements, a lower ground floor, a ground floor and three upper floors, the property comprises 310 parking spaces (of which 87 are for motorbikes). Il·lumina was fully refurbished in 2004 and following further recent investment to provide for recent technologies, the property obtained the LEED Silver certification.
- The property offers flexible office floors with ceilings from 2.7m up to 4m high and supplies a wide variety of services including meeting rooms, gym, changing rooms, a cafeteria and an auditorium. Il·lumina also has over 3,800 sqm of fully equipped TV studios.
- Il·lumina is currently multi-tenanted and home to over 10 tenants.
- In January 2024, the Manager completed the sale of Il·lumina to Basid Ilumina, S.L.U. at a sale consideration of €24.5 million, 5.2% above the independent valuation of €23.3 million as at 30 June 2023.[1]

1 *The Manager and the Trustee commissioned BNP Paribas Real Estate Consult GmbH to value Il·lumina on 30 June 2023. The valuation was based on the discounted cash flow method approach.*

PROPERTY INFORMATION	
Date of Building Completion	1970s and fully redeveloped in 2004
Land Tenure	Freehold
Purchase Price (€ million)	26.0[1]
Vendor	Chameleon (REIT) Holdco S.à.r.l

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	71.9%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	2.7
Number of Tenants	11
Major Tenants	ÁREAS, Catalan Media

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**24.5**[2]	24.5
Gross Rental Income (€ million)	**2.1**	2.4
% of Total Gross Rental Income	**4.5%**	4.7%

1 *The Purchase Price is the total aggregate purchase price based on the initial 40% stake purchased on 20 December 2019 at €25.4 million (on a 100% basis), and the subsequent 60% stake was purchased on 22 October 2020 at €26.4 million (on a 100% basis).*

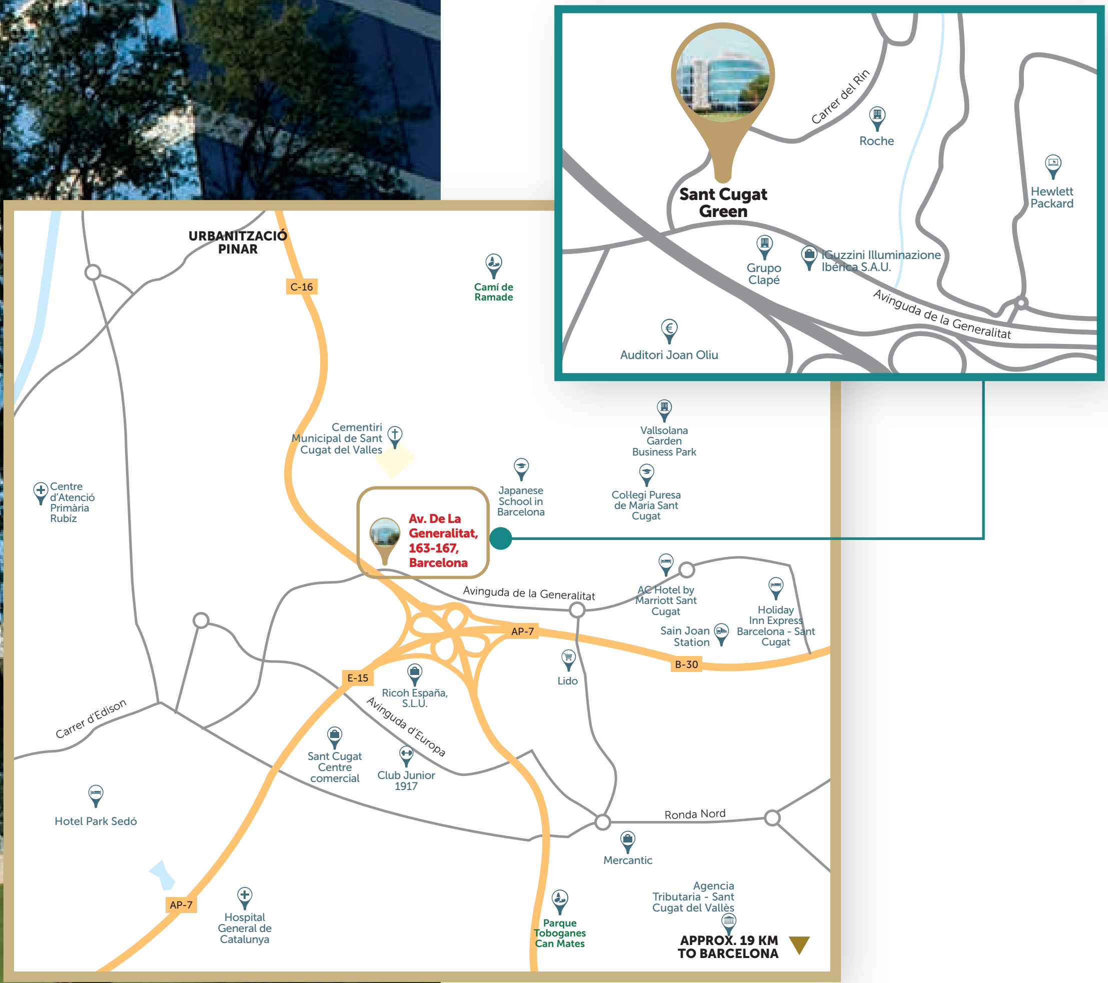
2 *Refers to sale consideration of €24.5 million. Independent valuation as at 31 December 2023 was €23.1 million.*

SANT CUGAT GREEN

31 DECEMBER 2023

GROSS RENTAL INCOME FOR FY2023	TOTAL LETTABLE AREA	PARKING SPACES	OCCUPANCY RATE
€3.1m	26,134sqm	580	91.4%

- Sant Cugat Green is a modern office building in Barcelona with a 5,256 sqm data centre space and a restaurant for internal use by its tenants.
- The property comprises three basement levels, a ground floor and four upper floors, and 580 parking spaces (of which 30 are for motorbikes).
- The property has floor plates with more than 3,000 sqm situated around a central atrium and enjoys good natural light throughout the building. Sant Cugat Green is LEED Gold certified.
- Sant Cugat is an attractive periphery office submarket within the metropolitan area of Barcelona. This has attracted a number of well-known companies to be situated in the area.
- In 2022, a 12-year major new lease for the vacant data centre space was secured at Sant Cugat Green. The tenant operating the data centre at the property will start paying rent from July 2024 onwards.



PROPERTY INFORMATION	
Date of Building Completion	1993 and refurbished in 2018
Land Tenure	Freehold
Purchase Price (€ million)	40.3[1]
Vendor	Chameleon (REIT) Holdco S.à.r.l

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	91.4%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	6.2
Number of Tenants	6
Major Tenants	DXC Technology, Oxygen Data Center, Uriach

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**46.7**	44.6
Gross Rental Income (€ million)	**3.1**	3.5
% of Total Gross Rental Income	**6.5%**	6.8%

1 *The Purchase Price is the total aggregate purchase price based on the initial 40% stake purchased on 20 December 2019 at €39.9 million (on a 100% basis), and the subsequent 60% stake was purchased on 22 October 2020 at €40.6 million (on a 100% basis).*

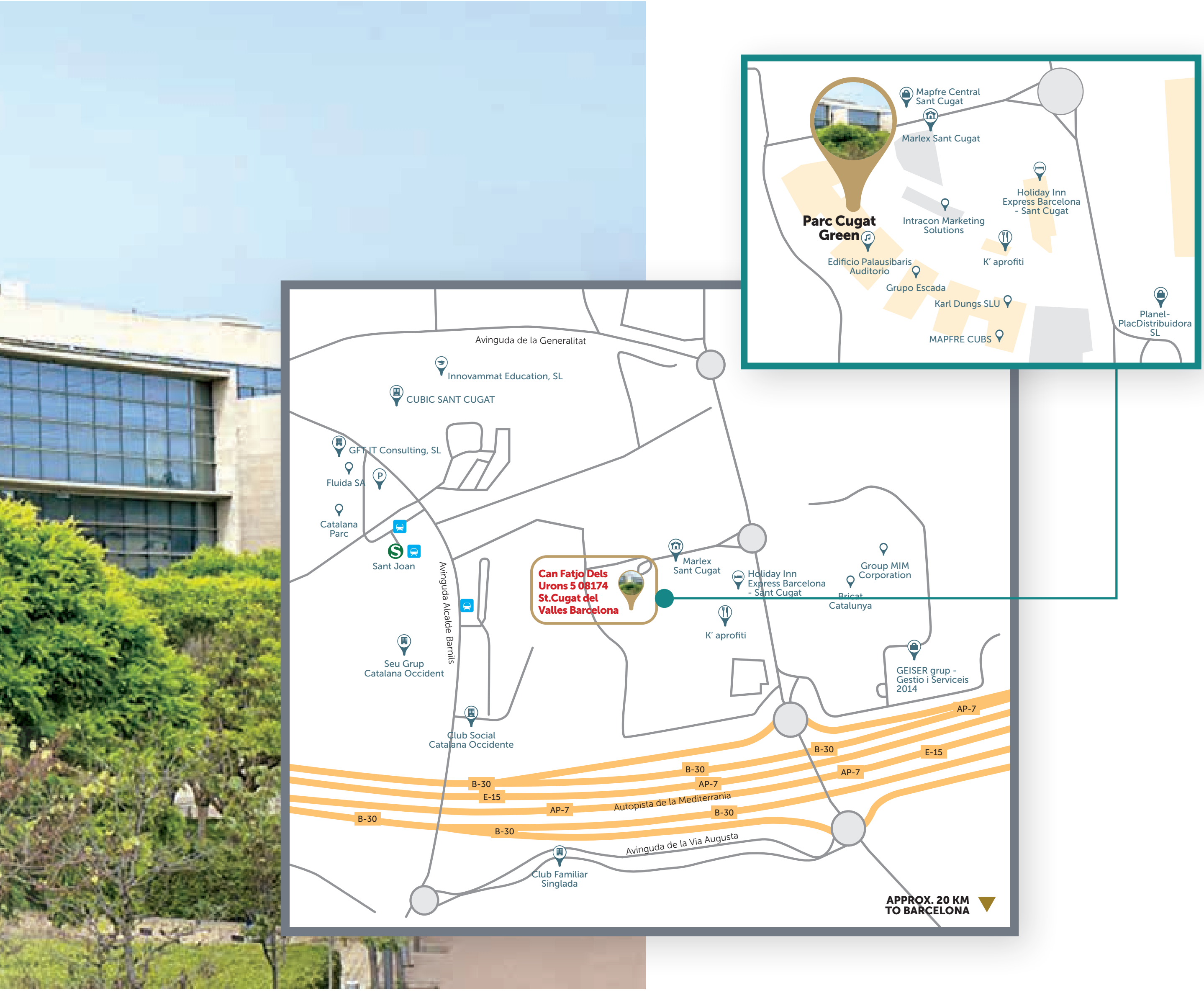
Portfolio Overview

PARC CUGAT GREEN

31 DECEMBER 2023

GROSS RENTAL INCOME FOR FY2023	TOTAL LETTABLE AREA	PARKING SPACES	OCCUPANCY RATE
€1.7m	15,511sqm	442	61.0%

- Parc Cugat Green is a modern office building situated within a business park in the office market of Sant Cugat del Vallès (Barcelona), which offers various services such as restaurants and hotels, as well as an efficient transport connection to the city of Barcelona. The property is located just 3km from Sant Cugat Green.
- The building consists of 12,000 sqm of office space, an auditorium with capacity for 200 people and more than 400 parking spaces for cars and motorcycles.
- With a modern façade and a versatile space distribution, the property comprises four basement levels, a ground floor and four upper floors with more than 2,000 sqm. Parc Cugat Green is LEED Silver certified.
- Sant Cugat is an attractive periphery office submarket within the metropolitan area of Barcelona. This has attracted several well-known companies to be situated in the area.
- Parc Cugat Green is currently multi-tenanted and leased to a number of important international companies, such as IBM and Markem Imaje (global manufacturer and distributor specialized in products for the packaging industry).



PROPERTY INFORMATION

Date of Building Completion	2009
Land Tenure	Freehold
Purchase Price (€ million)	27.2
Vendor	Inmobiliaria Colonial, SOCIMI, S.A.

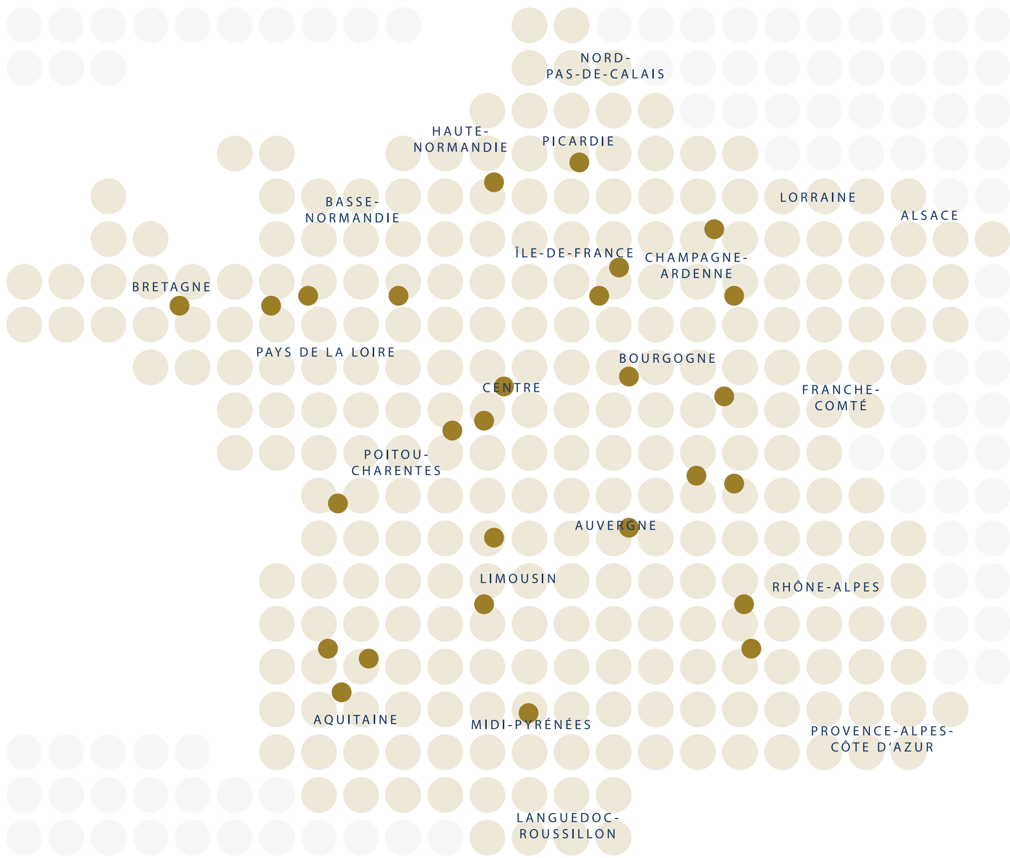
LEASE PROFILE

Occupancy Rate as at 31 Dec 2023	61.0%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	5.0
Number of Tenants	7
Major Tenants	Cargill, Markem Imaje, IBM

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**25.4**	27.0
Gross Rental Income (€ million)	**1.7**	2.1
% of Total Gross Rental Income	**3.5%**	4.0%

Portfolio Overview

DECATHLON PORTFOLIO



AURILLAC

ABBEVILLE

BERGERAC

CALAIS

CHÂTEAUROUX

€110.5m Purchase Price	**€124.7m** Book Value / Valuation as at 31 Dec 2023
7.6 years WALE (by Gross Rental Income) as at 31 Dec 2023	**28** Number of Tenants

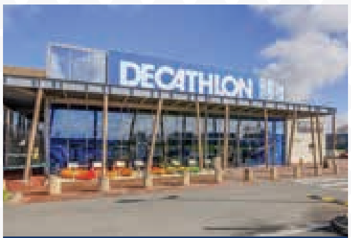
CHOLET

CONCARNEAU

DREUX

EVREUX

LAVAL



LANNION

31 DECEMBER 2023

GROSS RENTAL INCOME FOR FY2023	TOTAL LETTABLE AREA
€8.4m	95,500sqm
PARKING SPACES	**OCCUPANCY RATE**
7,409	100%

- The Decathlon Portfolio comprises 27 freehold retail properties located in well-established retail areas across France, with a total retail space of 95,500 sqm, land area of 622,544 sqm and almost 7,500 parking spaces.
- The properties form part of the out-of-town retail asset class, which has remained resilient despite the challenges within the retail sector.
- Decathlon is the largest sporting goods retailer in the world with over 1,700 stores in 60 countries.
- The properties were developed by Decathlon and have been owner-occupied for approximately 15 years on average. All the properties under the Decathlon Portfolio are green certified.

PONT-AUDEMER


PONTIVY


DINAN

DOUAI


BELFORT BESSONCOURT

SENS

FOIX

GAP


CERGY

VICHY

ISTRES

MÂCON

CHÂTELLERAULT

VERDUN

SABLES D'OLONNE

SARREBOURG

Portfolio Overview

DECATHLON PORTFOLIO

ABBEVILLE

PROPERTY INFORMATION	
Date of Building Completion	2017
Land Tenure	Freehold
Purchase Price (€ million)	2.6
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**2.8**	2.9
Gross Rental Income (€'000)	**178**	170
% of Total Gross Rental Income	**0.4%**	0.3%

AURILLAC

PROPERTY INFORMATION	
Date of Building Completion	2003
Land Tenure	Freehold
Purchase Price (€ million)	4.1
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**4.4**	4.6
Gross Rental Income (€'000)	**317**	303
% of Total Gross Rental Income	**0.7%**	0.6%

BELFORT BESSONCOURT

PROPERTY INFORMATION	
Date of Building Completion	2013
Land Tenure	Freehold
Purchase Price (€ million)	4.1
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**4.5**	4.5
Gross Rental Income (€'000)	**294**	282
% of Total Gross Rental Income	**0.6%**	0.5%

BERGERAC

PROPERTY INFORMATION	
Date of Building Completion	2012
Land Tenure	Freehold
Purchase Price (€ million)	3.1
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**3.6**	3.7
Gross Rental Income (€'000)	**242**	231
% of Total Gross Rental Income	**0.5%**	0.4%

Portfolio Overview

DECATHLON PORTFOLIO

CALAIS

PROPERTY INFORMATION	
Date of Building Completion	2011
Land Tenure	Freehold
Purchase Price (€ million)	4.5
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**5.2**	5.3
Gross Rental Income (€'000)	**342**	328
% of Total Gross Rental Income	**0.7%**	0.6%

CERGY

PROPERTY INFORMATION	
Date of Building Completion	2013
Land Tenure	Freehold
Purchase Price (€ million)	7.8
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**9.7**	9.7
Gross Rental Income (€'000)	**622**	595
% of Total Gross Rental Income	**1.3%**	1.2%

CHÂTEAUROUX

PROPERTY INFORMATION	
Date of Building Completion	1999
Land Tenure	Freehold
Purchase Price (€ million)	5.7
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**6.0**	6.4
Gross Rental Income (€'000)	**425**	407
% of Total Gross Rental Income	**0.9%**	0.8%

CHÂTELLERAULT

PROPERTY INFORMATION	
Date of Building Completion	2010
Land Tenure	Freehold
Purchase Price (€ million)	3.5
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**3.6**	3.7
Gross Rental Income (€'000)	**255**	244
% of Total Gross Rental Income	**0.5%**	0.5%

Portfolio Overview

DECATHLON PORTFOLIO

CHOLET

PROPERTY INFORMATION	
Date of Building Completion	2010
Land Tenure	Freehold
Purchase Price (€ million)	10.5
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.3
Number of Tenants	2
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**10.7**	11.1
Gross Rental Income (€'000)	**718**	687
% of Total Gross Rental Income	**1.5%**	1.3%

CONCARNEAU

PROPERTY INFORMATION	
Date of Building Completion	2013
Land Tenure	Freehold
Purchase Price (€ million)	2.3
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**2.6**	2.6
Gross Rental Income (€'000)	**173**	165
% of Total Gross Rental Income	**0.4%**	0.3%

DINAN

PROPERTY INFORMATION	
Date of Building Completion	2011
Land Tenure	Freehold
Purchase Price (€ million)	2.3
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**2.5**	2.6
Gross Rental Income (€'000)	**168**	161
% of Total Gross Rental Income	**0.4%**	0.3%

DOUAI

PROPERTY INFORMATION	
Date of Building Completion	1998
Land Tenure	Freehold
Purchase Price (€ million)	3.1
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**3.5**	3.5
Gross Rental Income (€'000)	**234**	224
% of Total Gross Rental Income	**0.5%**	0.4%

Portfolio Overview

DECATHLON PORTFOLIO

DREUX

PROPERTY INFORMATION	
Date of Building Completion	2004
Land Tenure	Freehold
Purchase Price (€ million)	3.6
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**4.3**	4.3
Gross Rental Income (€'000)	**266**	255
% of Total Gross Rental Income	**0.6%**	0.5%

EVREUX

PROPERTY INFORMATION	
Date of Building Completion	2000
Land Tenure	Freehold
Purchase Price (€ million)	5.5
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**6.7**	6.3
Gross Rental Income (€'000)	**430**	412
% of Total Gross Rental Income	**0.9%**	0.8%

FOIX

PROPERTY INFORMATION	
Date of Building Completion	2000
Land Tenure	Freehold
Purchase Price (€ million)	4.0
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**4.7**	4.5
Gross Rental Income (€'000)	**314**	325
% of Total Gross Rental Income	**0.7%**	0.6%

GAP

PROPERTY INFORMATION	
Date of Building Completion	1995
Land Tenure	Freehold
Purchase Price (€ million)	4.0
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**4.4**	4.5
Gross Rental Income (€'000)	**292**	280
% of Total Gross Rental Income	**0.6%**	0.5%

Portfolio Overview

DECATHLON PORTFOLIO

ISTRES

PROPERTY INFORMATION	
Date of Building Completion	2011
Land Tenure	Freehold
Purchase Price (€ million)	3.6
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**4.0**	4.2
Gross Rental Income (€'000)	**278**	266
% of Total Gross Rental Income	**0.6%**	0.5%

LANNION

PROPERTY INFORMATION	
Date of Building Completion	2012
Land Tenure	Freehold
Purchase Price (€ million)	3.9
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**4.6**	4.7
Gross Rental Income (€'000)	**299**	286
% of Total Gross Rental Income	**0.6%**	0.6%

LAVAL

PROPERTY INFORMATION	
Date of Building Completion	2001
Land Tenure	Freehold
Purchase Price (€ million)	5.3
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**6.6**	6.3
Gross Rental Income (€'000)	**415**	398
% of Total Gross Rental Income	**0.9%**	0.8%

MÂCON

PROPERTY INFORMATION	
Date of Building Completion	1994
Land Tenure	Freehold
Purchase Price (€ million)	7.7
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**8.7**	9.2
Gross Rental Income (€'000)	**602**	576
% of Total Gross Rental Income	**1.3%**	1.1%

Portfolio Overview

DECATHLON PORTFOLIO

PONT-AUDEMER

PROPERTY INFORMATION	
Date of Building Completion	2000
Land Tenure	Freehold
Purchase Price (€ million)	1.6
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**1.8**	1.9
Gross Rental Income (€'000)	**123**	118
% of Total Gross Rental Income	**0.3%**	0.2%

PONTIVY

PROPERTY INFORMATION	
Date of Building Completion	2012
Land Tenure	Freehold
Purchase Price (€ million)	2.2
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**2.4**	2.5
Gross Rental Income (€'000)	**172**	164
% of Total Gross Rental Income	**0.4%**	0.3%

SABLES D'OLONNE

PROPERTY INFORMATION	
Date of Building Completion	2014
Land Tenure	Freehold
Purchase Price (€ million)	3.3
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**3.6**	3.4
Gross Rental Income (€'000)	**231**	221
% of Total Gross Rental Income	**0.5%**	0.4%

SARREBOURG

PROPERTY INFORMATION	
Date of Building Completion	2012
Land Tenure	Freehold
Purchase Price (€ million)	2.7
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**3.0**	3.1
Gross Rental Income (€'000)	**211**	202
% of Total Gross Rental Income	**0.4%**	0.4%

Portfolio Overview

DECATHLON PORTFOLIO

SENS

PROPERTY INFORMATION	
Date of Building Completion	2009
Land Tenure	Freehold
Purchase Price (€ million)	3.1
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**3.6**	3.6
Gross Rental Income (€'000)	**239**	229
% of Total Gross Rental Income	**0.5%**	0.4%

VERDUN

PROPERTY INFORMATION	
Date of Building Completion	1997
Land Tenure	Freehold
Purchase Price (€ million)	3.0
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**3.2**	3.2
Gross Rental Income (€'000)	**229**	219
% of Total Gross Rental Income	**0.5%**	0.4%

VICHY

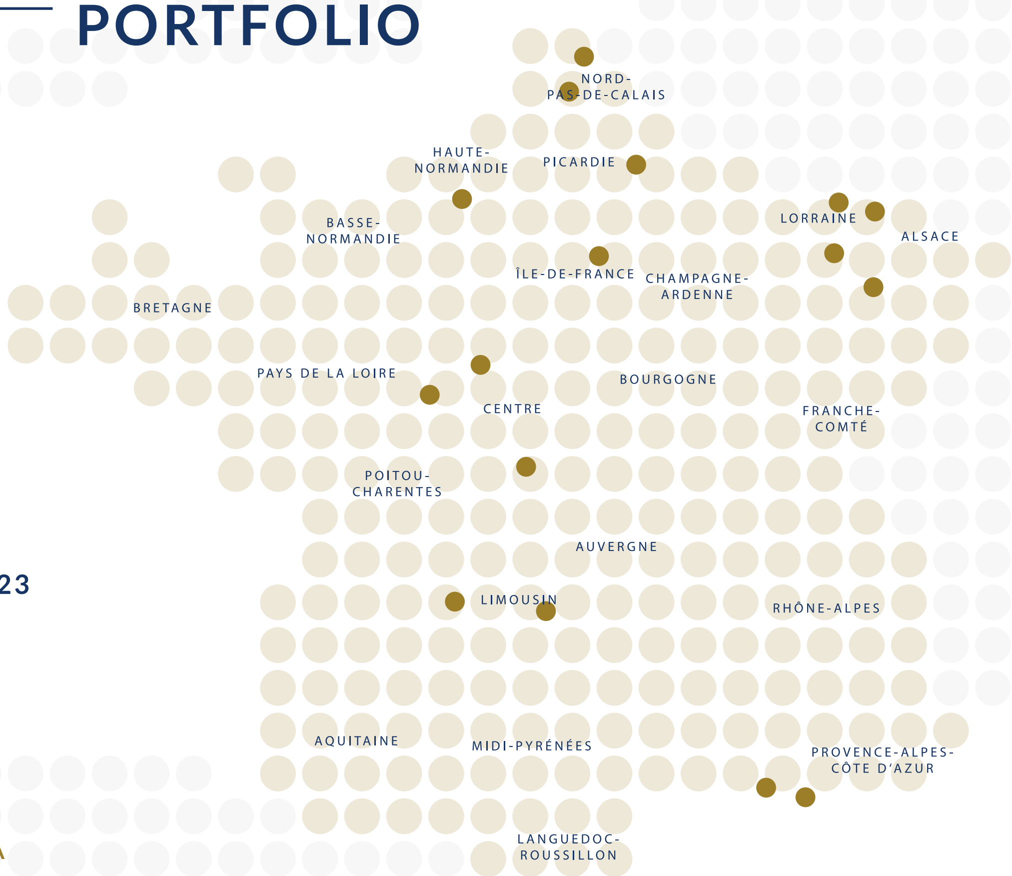
PROPERTY INFORMATION	
Date of Building Completion	2002
Land Tenure	Freehold
Purchase Price (€ million)	3.6
Vendor	Decathlon SE and other companies under the same control of Decathlon SE (Weddis, Exerceo 1, Exerceo 2, Deaucimmo 1, Deaucimmo 3 and Le Blanc Coulon)

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.6
Number of Tenants	1
Major Tenants	Decathlon

AS AT 31 DECEMBER	2023	2022
Book Value / Valuation (€ million)	**4.2**	4.3
Gross Rental Income (€'000)	**290**	278
% of Total Gross Rental Income	**0.6%**	0.6%

Portfolio Overview

B&M PORTFOLIO



31 DECEMBER 2023

GROSS RENTAL INCOME FOR FY2023

€2.1m

TOTAL LETTABLE AREA

61,756sqm

PARKING SPACES

1,291

OCCUPANCY RATE

100%

- IREIT completed the acquisition of the B&M Portfolio from DKR Participations in September 2023. The purchase price of €76.8 million was 1.7% below the average of the two independent valuations of the B&M Portfolio as at 31 May 2023.[1]
- The B&M Portfolio comprises 17 retail properties located in well-established regional retail areas across France, with a total lettable area of 61,756 sqm and an overall occupancy rate of 100%.
- The properties form part of the retail parks (out-of-town) asset class, which has outperformed the broader retail market.
- The B&M Portfolio are 100% leased to B&M Group, a leading discount retailer in the United Kingdom and France, which is listed on the London Stock Exchange since 2014.
- The discount retail industry has emerged as a fast-growing industry in recent years driven by the current macroeconomic inflationary pressures and reduction in purchasing power, resulting in a migration of consumers towards discount stores over the past few years.


BRIVE-LA-GAILLARDE


CHATEAUROUX (SAINT-MAUR)


CLAYE-SOUILLY

1 *The Manager commissioned BNP Paribas Real Estate Valuation France ("BNPP"), and the Trustee commissioned Savills Valuation SAS ("Savills") to value the B&M Portfolio. The valuation provided by BNPP and Savills was €78.7 million and €77.6 million respectively (based on the discounted cash flow method and income capitalisation approach respectively).*


BÉTHUNE (BRUAY-LA-BUISSIÈRE)

BLOIS


BOURG-EN-BRESSE (VIRIAT)


EPINAL (GOLBEY)


FORBACH


METZ (MAIZIERES-LES-METZ)


MARSEILLE


MARTIGUES (ST-MITRE-LES-REMPARTS)


NANCY (ESSEY-LÈS-NANCY)

NOYELLES-GODAULT


PERIGUEUX (MARSAC)


ROUEN (ST ETIENNE DU ROUVRAY)

SAINT-QUENTIN / FAYET


TOURS (SAINT-CYR-SUR-LOIRE)

€76.8m
Purchase Price

7.7 years
WALE
(by Gross Rental Income)
as at 31 Dec 2023

€78.2m
Book Value / Valuation
as at 31 Dec 2023

17
Number of Tenants

Portfolio Overview

B&M PORTFOLIO

BÉTHUNE (BRUAY-LA-BUISSIÈRE)

PROPERTY INFORMATION	
Date of Building Completion	2011
Land Tenure	Freehold
Purchase Price (€ million)	5.6
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	8.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**5.7**
Gross Rental Income (€'000)	**131**
% of Total Gross Rental Income	**0.3%**

BLOIS

PROPERTY INFORMATION	
Date of Building Completion	1989
Land Tenure	Leasehold
Purchase Price (€ million)	1.4
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**1.5**
Gross Rental Income (€'000)	**57**
% of Total Gross Rental Income	**0.1%**

BOURG-EN-BRESSE (VIRIAT)

PROPERTY INFORMATION	
Date of Building Completion	2005
Land Tenure	Freehold
Purchase Price (€ million)	4.6
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**4.6**
Gross Rental Income (€'000)	**108**
% of Total Gross Rental Income	**0.2%**

BRIVE-LA-GAILLARDE

PROPERTY INFORMATION	
Date of Building Completion	2011
Land Tenure	Freehold
Purchase Price (€ million)	5.1
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	8.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**4.9**
Gross Rental Income (€'000)	**127**
% of Total Gross Rental Income	**0.3%**

Portfolio Overview

B&M PORTFOLIO

CHATEAUROUX (SAINT-MAUR)

PROPERTY INFORMATION	
Date of Building Completion	2006
Land Tenure	Freehold
Purchase Price (€ million)	2.9
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	8.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**2.9**
Gross Rental Income (€'000)	**78**
% of Total Gross Rental Income	**0.2%**

CLAYE-SOUILLY

PROPERTY INFORMATION	
Date of Building Completion	2005
Land Tenure	Freehold
Purchase Price (€ million)	7.9
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	8.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**8.6**
Gross Rental Income (€'000)	**176**
% of Total Gross Rental Income	**0.4%**

EPINAL (GOLBEY)

PROPERTY INFORMATION	
Date of Building Completion	2005
Land Tenure	Freehold
Purchase Price (€ million)	3.8
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**3.9**
Gross Rental Income (€'000)	**94**
% of Total Gross Rental Income	**0.2%**

FORBACH

PROPERTY INFORMATION	
Date of Building Completion	2010
Land Tenure	Freehold
Purchase Price (€ million)	3.9
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	8.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**3.9**
Gross Rental Income (€'000)	**96**
% of Total Gross Rental Income	**0.2%**

Portfolio Overview

B&M PORTFOLIO

METZ (MAIZIERES-LES-METZ)

PROPERTY INFORMATION	
Date of Building Completion	1997
Land Tenure	Leasehold
Purchase Price (€ million)	1.6
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**1.7**
Gross Rental Income (€'000)	**134**
% of Total Gross Rental Income	**0.3%**

MARSEILLE

PROPERTY INFORMATION	
Date of Building Completion	1995
Land Tenure	Freehold
Purchase Price (€ million)	8.0
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	8.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**7.8**
Gross Rental Income (€'000)	**172**
% of Total Gross Rental Income	**0.4%**

MARTIGUES (ST-MITRE-LES-REMPARTS)

PROPERTY INFORMATION	
Date of Building Completion	2005
Land Tenure	Freehold
Purchase Price (€ million)	4.9
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	8.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**5.3**
Gross Rental Income (€'000)	**115**
% of Total Gross Rental Income	**0.2%**

NANCY (ESSEY-LÈS-NANCY)

PROPERTY INFORMATION	
Date of Building Completion	2010
Land Tenure	Freehold
Purchase Price (€ million)	5.9
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**6.0**
Gross Rental Income (€'000)	**142**
% of Total Gross Rental Income	**0.3%**

Portfolio Overview

B&M PORTFOLIO

NOYELLES-GODAULT

PROPERTY INFORMATION	
Date of Building Completion	1990
Land Tenure	Leasehold
Purchase Price (€ million)	2.1
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	8.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**2.2**
Gross Rental Income (€'000)	**191**
% of Total Gross Rental Income	**0.4%**

PERIGUEUX (MARSAC)

PROPERTY INFORMATION	
Date of Building Completion	1996
Land Tenure	Freehold
Purchase Price (€ million)	4.9
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	8.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**4.9**
Gross Rental Income (€'000)	**118**
% of Total Gross Rental Income	**0.2%**

ROUEN (ST ETIENNE DU ROUVRAY)

PROPERTY INFORMATION	
Date of Building Completion	1976
Land Tenure	Freehold
Purchase Price (€ million)	5.5
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	8.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**5.7**
Gross Rental Income (€'000)	**129**
% of Total Gross Rental Income	**0.3%**

SAINT-QUENTIN / FAYET

PROPERTY INFORMATION	
Date of Building Completion	2007
Land Tenure	Leasehold
Purchase Price (€ million)	2.8
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	8.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**3.1**
Gross Rental Income (€'000)	**125**
% of Total Gross Rental Income	**0.3%**

Portfolio Overview

B&M PORTFOLIO

TOURS (SAINT-CYR-SUR-LOIRE)

PROPERTY INFORMATION	
Date of Building Completion	2006
Land Tenure	Freehold
Purchase Price (€ million)	5.8
Vendor	DKR Participations S.A.S.

LEASE PROFILE	
Occupancy Rate as at 31 Dec 2023	100%
WALE (by Gross Rental Income) as at 31 Dec 2023 (years)	7.0
Number of Tenants	1
Major Tenants	B&M

AS AT 31 DECEMBER	2023
Book Value / Valuation (€ million)	**5.6**
Gross Rental Income (€'000)	**140**
% of Total Gross Rental Income	**0.3%**

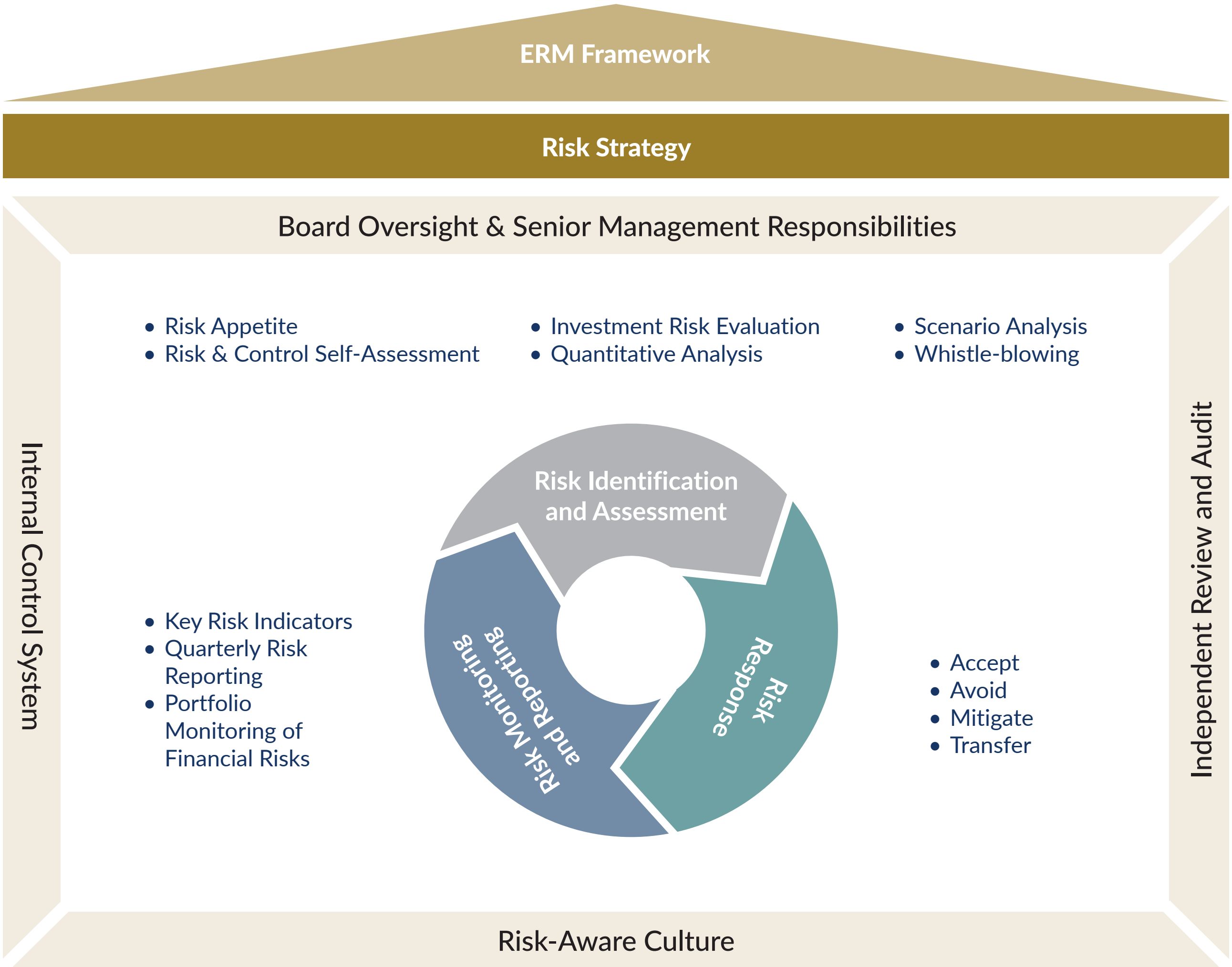
Risk Management

ENTERPRISE RISK MANAGEMENT FRAMEWORK

The enterprise risk management ("ERM") framework provides a holistic, structured, and systematic approach towards managing risks in a considered manner to support the business objectives and strategy of IREIT.

The Manager has established a risk management strategy which is aligned with the overall business objectives and strategy of IREIT and pursues a risk strategy of opportunity optimisation within the approved risk appetite levels, to position IREIT for long-term sustainable results.

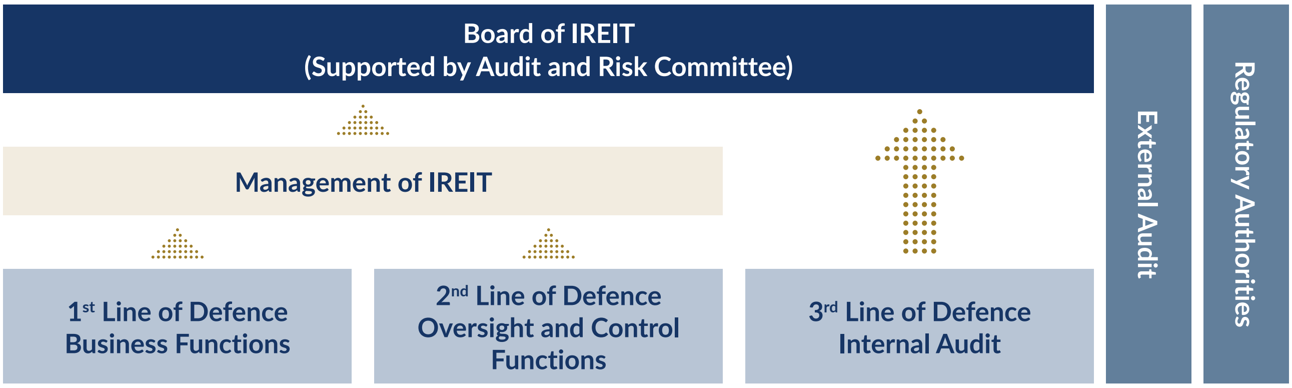
The ERM Framework is reviewed annually to ensure its continued relevance and practicality. It sets out the required environmental and organisational components needed to identify, assess, respond, monitor and report material risks in an integrated, systematic and consistent manner as shown below:



The Manager's Board, supported by the Audit and Risk Committee ("ARC"), is responsible for the governance of risk and ensuring that the Manager implements sound risk management and internal control systems to safeguard Unitholders' interests and IREIT's assets. The Board approves IREIT's risk appetite, which articulates IREIT's risk tolerance levels for the material risks that it is prepared to accept in achieving its strategic and business objectives. The ERM framework seeks to manage such risks within the approved risk appetite and tolerance levels.

The Board also oversees the ERM Framework, reviews IREIT's risk profile, material risks and mitigation strategies, and ensures the adequacy and effectiveness of the risk management framework and policies.

Risk Management



- IREIT's 1st line of defence lies with Management and the operational staff, who are responsible for maintaining effective internal controls and for executing risk and control procedures on a day-to-day basis. This consists of identifying and assessing controls and mitigating risks. They are involved in the development and implementation of internal policies and procedures and ensure that activities are consistent with IREIT's goals and objectives.

- The 2nd line of defence includes the oversight and control functions which support Management to help ensure risk and controls are effectively managed. Management establishes these functions to ensure the 1st line of defence is properly designed, in place, and operating as intended. These functions include the Finance, Risk Management and Compliance function. The Manager benefits from the support provided by the Risk Management function of Tikehau Investment Management. In addition, the Manager has engaged KPMG Services Pte. Ltd. ("KPMG") to provide adhoc ongoing regulatory compliance advice to the Manager.

- The 3rd line of defence comprises the internal audit function of the Manager, which provides independent assurance that controls are adequate, effective and appropriate taking into account the risks inherent in the business of IREIT, and that risk mitigation and oversight functions are effective in managing risks. The Manager has outsourced its internal audit function to PricewaterhouseCoopers Risk Services Pte. Ltd. ("PwC"). PwC reports directly to the ARC, but works with Management to perform its audit operationally, in accordance with an audit plan that is approved by the ARC. It has direct and unrestricted access to the ARC, to which it presents its findings directly.

DEVELOPING A STRONG RISK-AWARE CULTURE

The Manager works closely with the various specialist support functions to ensure risk management practices are implemented consistently. The Management team reinforces the risk-aware culture by setting the 'tone at the top' and leading by example and communicating the risk strategy

MANAGING KEY RISKS

Risk owners conduct risk assessment annually to identify the material risks, including new and emerging events, that IREIT faces in delivering business and strategic objectives, the mitigating measures that IREIT may adopt and the opportunities available for IREIT. IREIT's key risks are those that the Manager considers could threaten its business model, future performance, capital or liquidity. External developments, regulatory requirements and market standards are considered to identify these risks. The Manager then assesses their likelihood and impact on the business, as well as establishes corresponding mitigating controls.

The key risks described below are not the only risks that IREIT faces. There are additional risks and uncertainties yet unknown to the Manager, or which it considers insignificant to date could have a material adverse effect on IREIT's business, financial position, operating income or cash flow.

The key risks identified in 2023 and the key mitigating actions taken by IREIT in respect of these risks include but are not limited to the following:

Key Risks	Details	Key Mitigating Actions
Investment and Divestment	- Inability to source appropriate assets for investment - Poor investment decisions or poorly executed transaction processes leading to underperforming assets and below-target returns - Inability to identify suitable divestment opportunities	- Objectively evaluate all investment proposals against IREIT's business strategy and investment criteria - Conduct comprehensive due diligence reviews and obtain independent valuations - Leverage on the collective expertise and extensive local network of IREIT's joint sponsors, Tikehau Capital and City Developments Limited - The Board reviews and approves all investment and divestment decisions
Economic and Market	- Downturn in economic and market conditions in Europe may have a negative impact on IREIT's financial performance - Adverse changes in leasing trends may impact demand for IREIT's properties and its financial performance - Competition from other asset managers for assets and tenants may affect IREIT's ability to grow its portfolio of assets and maintain/ increase the occupancy rates of its portfolio.	- Proactively monitor economic developments and market trends in the markets that IREIT has a presence - Leverage on real estate expertise and local presence of Tikehau Capital in Europe - Proactively engage tenants to understand their leasing needs and ensure continuity of tenancy
Diversification strategy	- Excessive concentration of assets by country, sector and tenant may lead to negative impact on financial performance	- Criteria for investment and divestment decisions include country, sector and tenant concentration risk considerations - Regular review of the asset and tenant profile by Management and Board to ensure there is an appropriate degree of diversification
Credit	- Failure of tenant to meet lease payment obligations when due, causing financial loss	- Conduct tenant credit assessment as part of due diligence for potential property acquisitions, and signing on of new leases - Maintain regular monitoring of the credit strength of tenants and collection of rent - Collect security deposits prior to commencement of leases, where appropriate
Liquidity and Funding	- Poor liquidity and cash flow management affecting the ability to meet payment obligations and/or fund operations - Loss of investment opportunities due to the inability to secure funding	- Actively monitor IREIT's cash flow position and funding requirements to ensure sufficient liquid reserves to fund operations - Maintain adequate debt headroom and financial flexibility for future acquisitions - Monitor IREIT's aggregate leverage to ensure compliance with the Property Funds Appendix - Maintain strong relationships with financial institutions and investors

Risk Management

Key Risks	Details	Key Mitigating Actions
Interest Rate and Foreign Exchange	- Interest rate fluctuations leading to volatility in financing costs - Foreign exchange rate fluctuations leading to realised or unrealised foreign exchange losses	- Maintain an appropriate mix of fixed and floating rate borrowings - Mitigate interest rate risk exposure using derivative financial instruments for hedging - Borrow in the same currency as the assets and associated income stream generated to achieve natural foreign exchange hedging - Adopt suitable hedging strategies, such as entering into forward exchange contracts where appropriate, to manage foreign exchange risk
Pandemic	- Prolonged wide-scale spread of an infectious disease (such as the COVID-19 pandemic) globally or in locations where IREIT's properties are located. This can affect tenants, employees and vendors, as well as disrupt the real estate market leading to changes in demand for IREIT's properties. This could have an impact on IREIT's financial performance	- Have in place a business continuity plan and standard operating procedures, prioritising the well-being of tenants, employees and vendors - Maintain a good quality and diversified country, sector and tenant profile that will enable IREIT to remain resilient
Property Damage / Business Interruption	- Unforeseen sudden and major disaster events such as pandemic, terrorist attacks, fires, and infrastructure or equipment failures could significantly damage IREIT's properties and disrupt operations	- Have in place a business continuity plan to enable business and operations resumption with minimal disruption and loss - Ensure that the property managers have standard operating procedures in place at each of IREIT's properties to manage the situation - Ensure adequate insurance coverage for insurable risks
Property Management	- Poor property management resulting in maintenance and repairs not properly planned and performed on a timely basis, tenant dissatisfaction, low tenant retention rate and cost overruns leading to financial loss for IREIT	- Appoint property managers based on key criteria, including capabilities and track record in the local market - Ensure active and close supervision by imposing appropriate reporting and monitoring, including budgeting and other operational and financial planning processes - Ensure sufficient reserves to for capital expenditure and ongoing maintenance and repairs - Directly engage and foster close relationships with key tenants

Key Risks	Details	Key Mitigating Actions
Sales & Leasing	- Strong competition, poor economic and market conditions are some key factors that could result in key tenants not renewing their leases, adversely affecting the leasing performance of IREIT's properties	- Establish and maintain a diversified tenant base and sustainable trade mix - Proactive tenant management strategies to understand and address customers' changing needs - Plan Asset Enhancement Initiatives to maintain relevance and appeal of IREIT's assets
Regulatory	- Non-compliance with applicable laws and regulations in the relevant jurisdictions that IREIT operates, resulting in adverse financial and non-financial impact	- Adequate and effective internal policies and procedures are established to ensure regulatory compliance - Regulatory changes and its impact to the Manager and IREIT are actively monitored and reported to ARC and the Board.

Information Technology ("IT") and Cyber Security	- IT system failures may cause substantial downtime in business operation and adversely affect operational efficiency or integrity of IREIT's information assets
	- Ongoing business digitalisation exposes the business to IT-related or cyber security attacks, which may result in compromising the confidentiality, integrity and availability of IREIT's information and/or systems.
		- The information technology function is outsourced to Tikehau Investment Management "TIM", a wholly-owned subsidiary of Tikehau Capital. Management ensures that TIM has policies and procedures in place to manage IT risks, including the following:
		  - Undertake ongoing review against existing/ evolving cyber threat landscapes
		  - Conduct external intrusion tests on a regular basis to check the robustness of the IT systems
		  - Roll out IT security trainings and internal phishing campaigns to institute awareness on evolving cyber security threats
		  - Test the disaster recovery plan periodically to ensure that business recovery objectives are met

Climate Change	- Physical risks such as rising sea levels, violent storms, long intense heat waves, flash floods and fresh water depletion.
	- Transition risks include potentially more stringent regulations and increased expectations from stakeholders
		- Assessment of physical risks in the assessment of any new acquisitions
		- Regularly review IREIT's mitigation and adaptation efforts, which include:
		  - Future proofing our portfolio against changing climatic conditions,
		  - Improving the operational efficiency of our properties, and
		  - Setting targets for carbon emissions, water, energy and waste efficiency.

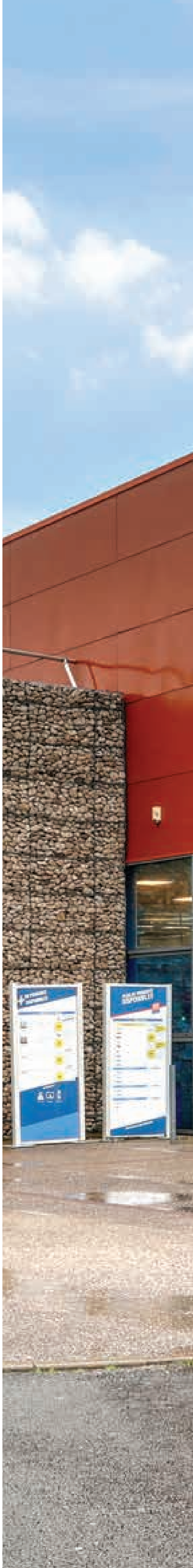
BENEFITING FROM STRONG COMMITMENT OF JOINT SPONSORS

WEIGHTED AVERAGE INTEREST RATE

1.9%

Backed by long-term commitment of our joint sponsors, Tikehau Capital and City Developments Limited, we provide Unitholders a unique platform into the established western European real estate market that harnesses their collective strengths, strong brand name and intricate local market knowledge.

With our joint sponsors collectively owning approximately 50% stake in IREIT, they share the same vision and alignment of interest with minority Unitholders to deliver stable and regular distributions.

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Sustainability Report

BOARD STATEMENT

[GRI 2-22]

The Board of Directors (the "Board") is pleased to present IREIT Global's ("IREIT" or the "organisation") sustainability report for the financial year ended 31 December 2023 ("FY2023"). IREIT is in the seventh year of its sustainability reporting journey and this year's report continues to reflect our strong commitment to sustainability and how we manage environmental, social and governance ("ESG") issues across the organisation and our property portfolio.

While economies and business operations have returned to pre-pandemic levels in 2023, new challenges have emerged, including the effects of geopolitical tensions and rising inflation. Amidst these uncertainties, we remain committed to sustainability in our business. In FY2023, IREIT continued to integrate the sustainability priorities into our core business and strategies will showcase our unwavering commitment to generate sustainable long-term value to our stakeholders.

In preparing this report, we align to the sustainability regulations and disclosure requirements that are applicable to IREIT. IREIT's manager, IREIT Global Group Pte. Ltd. (the "Manager"), is a licensed real estate investment manager in Singapore and falls under the purview of the Monetary Authority of Singapore ("MAS") Environmental Risk Management ("EnvRM") Guidelines for Asset Managers. This year, we build on our Task Force on Climate-Related Financial Disclosure ("TCFD") report to include our analysis on climate-related transition risks. During the year, we developed a customised Biodiversity Charter to design action plans for the ecological challenges of each real estate assets. Meanwhile, we continue to invest in the community by supporting the underprivileged in the society. These increased community engagements strengthen IREIT's staff volunteerism culture and make a positive impact to the society.

The Board has determined the material ESG factors, together with our stakeholders, and considered these sustainability issues in the business and strategy. The Board has overseen the management and monitoring of the material ESG factors by assessing their policies, practices, and performance. This includes setting clear targets and committing to strategic actions aligned with IREIT's sustainable goals. The Board also delegates the responsibility of managing the implementation of IREIT's sustainability initiatives to its Sustainability Steering Committee ("SSC"). The SSC comprises senior management from the Manager and management-level representatives from Tikehau Capital, one of IREIT's two joint sponsors. The SSC makes actionable decisions relating to ESG risks, targets, and Key Performance Indicators ("KPIs"), determined by the Board and management. IREIT also makes reference to the best ESG practices of its other joint sponsor, City Developments Limited ("CDL"), a pioneering organisation in the field of sustainability.

The Board extends its appreciation to all key stakeholders for their collaborative efforts in our sustainability journey aimed at maximising positive impact on the environment and society. We will continue to work with our stakeholders to raise the bar for greater ESG integration and performance. IREIT will strive to fulfill its greenhouse gas ("GHG") commitments, address climate-related and biodiversity risks, fulfilling our role as a responsible organisation.

Sustainability Report

ABOUT THE REPORT

[GRI 2-2] [GRI 2-4]

This report, which represents IREIT's seventh annual sustainability report, sets out the key ESG factors that were identified and prioritised through a comprehensive materiality assessment, as well as the relevant policies, performances, and targets of IREIT and the Manager for FY2023. The scope of reporting includes properties located in Germany, France, and Spain within IREIT's portfolio, as reported in the financial statements on pages 167-169, and the organisation.

The sustainability report has been prepared in accordance with the SGX-ST Listing Rules 711A and 711B, together with the climate-related disclosures based on the TCFD recommendations. The sustainability report is prepared with reference to the Global Reporting Initiative ("GRI") Standards 2021, an internationally recognized standard for sustainability reporting, which provides guidance on a range of material topics relevant to IREIT's core business.

There were multiple restatements on the environmental information disclosed in the sustainability report for the financial year ended 31 December 2022 ("FY2022"), including the change in measurement methodology of energy consumption and GHG emissions (see pages 111 and 113 for more details). In addition, there were modifications to the climate physical risk assessment what was conducted in FY2022. There was also a change in the indicators applied to measure the physical risks for IREIT's properties (see page 115 for more details).

Internal Review

[GRI 2-5]

In 2023, the Manager's internal auditors conducted a review of its sustainability reporting process for the sustainability report for FY2022, in accordance with the International Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors and in line with SGX's Listing Rules, to further strengthen the Manager's procedures and controls. The findings that were highlighted by the internal auditors were implemented in this year's sustainability reporting process. This year's sustainability report was approved by the Board and included in the internal audit plan for 2024. IREIT is also considering external assurance for future reporting periods.

Feedback

[GRI 2-3]

IREIT is committed to increasing transparency in its reports and welcomes any suggestions for improvement. If you have any comments or specific questions regarding our sustainability report for FY2023, please reach out to us at ir@ireitglobal.com for further clarification.

2023 SUSTAINABILITY HIGHLIGHTS

- IREIT's joint sponsor, Tikehau Capital, developed a Biodiversity Charter for its real estate activities.
- IREIT defined its decarbonisation trajectory, in accordance with the Net Zero Asset Manager Initiative ("NZAM"), validated at Tikehau Capital level.
- IREIT analysed and disclosed its climate-related transition risks in accordance with the TCFD recommendations.
- April 2023 – IREIT supported the J.P. Morgan Corporate Challenge Singapore, a running event that donates on behalf of all participants, to the Rainbow Centre[1].
- July 2023 – IREIT's employees distributed stationery packs to needy students by partnering with Beyond Social Services.
- July 2023 – IREIT volunteered at a food ration distribution to the needy senior citizens organised by Sunlove Abode for Intellectually-Infirmed Ltd.
- August 2023 – IREIT's employees participated in the Sky Vertical Marathon at Sands SkyPark, at the Community Chest Heartstrings Walk 2023.
- December 2023 – Together with Bethesda CARE Centre, IREIT organised an excursion for school children at SuperPark Suntec City.

APPROACH TO SUSTAINABILITY

ESG Governance

[GRI 2-12] [GRI2-13] [GRI 2-14]

IREIT's ESG governance structure steers its sustainability ambitions and consists of the Board, Sustainability Steering Committee ("SSC") and Sustainability Working Committee ("SWC").

The Board has the ultimate oversight and accountability for IREIT's sustainability strategy and performance. The Board approves IREIT's relevant sustainability objectives, policies, frameworks, and sustainability report, including material topics and targets.

The Board is supported by the SSC, comprising senior management of the Manager and ESG specialists from IREIT's joint sponsor, Tikehau Capital. The SSC accomplishes the sustainability commitments by making actionable decisions relating to ESG risks, targets, and KPIs, determined by the Board and senior management.

The SWC, comprising representatives from IREIT's various business units such as finance, asset management, investment, investor relations, compliance, and human resources, actively supports the SSC by executing the sustainability initiatives proposed by IREIT and its joint sponsor, Tikehau Capital.

1 Rainbow Centre is a non-profit organisation dedicated to support individuals with special needs, including children and youths, through education, therapy and training programs, aiming to empower them to reach their full potential and integrate into the society.

Materiality Assessment

[GRI 2-25] [GRI 3-1] [GRI 3-2] [GRI 3-3]

The Manager performed the materiality assessment in FY2022 according to GRI 3: Material Topics 2021 standards. The GRI 3: Material Topics 2021 provides a step-by-step guidance for organisations on how to determine material topics and details the disclosures for organisations to report information relating to their process of determining material topics, their list of material topics, and how they manage each of their material topics.

In order to validate existing material topics and determine whether any additional positive or negative impacts should be considered, the Manager has engaged its stakeholders on its materiality assessment in 2023. This engagement helped to ensure that the material topics represent the organisation's most significant impacts in the current reporting period. The engagement included a materiality assessment survey conducted by the Manager as well as interviews with IREIT's key stakeholders. As an outcome from this process, one additional material topic, "Ensuring Stakeholders' Health and Safety", was identified and included in this report.

The Board approved the final list of material topics and targets that are disclosed within this sustainability report. IREIT will continually build upon its materiality assessment process and refine the topics for future reporting periods. IREIT's current materiality assessment process as well as material topics, including the targets, are described below:

STEP 1	STEP 2	STEP 3	STEP 4
Engage IREIT's stakeholders using methods such as interviews and surveys to review existing material topics and identify any new material topics to be included in IREIT's sustainability report FY2023.	Finalise the list of material topics for IREIT's sustainability report FY2023 based on the results from the industry analysis and stakeholder engagement process.	Develop the corresponding short-term and long-term sustainability targets for each material topic.	Obtain the Board's approval of material topics and corresponding short-term and long-term sustainability targets for each material topic.

Above: Employees of IREIT and its joint sponsor, Tikehau Capital, participating J.P. Morgan Corporate Challenge Singapore in April 2023

Resulting from this process, IREIT's 12 material topics are described in the table below:

Category	Material Topics	2023 Targets	Performance of 2023 Targets	2024 Targets
Environment	Reducing emissions and energy consumption	To align the carbon and energy intensity for French assets of more than 1,000 square metres ("sqm") with a trajectory compatible with limiting global warming to 1.5°C by 2030.	IREIT has defined its decarbonisation trajectory, in accordance with NZAM, validated at Tikehau Capital level. Energy audits were performed on the French assets[2].	To align the carbon and energy intensity for French assets of more than 1,000 sqm with a trajectory compatible with limiting global warming to 1.5°C by 2030.
	Adapting to climate-related risks	Perform a transition risk assessment for IREIT's portfolio in France, Germany and Spain by 2025.	Qualitative transition risk assessment performed on IREIT's portfolio in 2023.	Extend to include quantitative transition risk assessment for IREIT's portfolio by 2025.
		Continue to adopt measures to move along the implementation plan developed for IREIT in response to the MAS EnvRM Guidelines.	Followed the 3-year implementation plan established in 2022 in accordance to MAS EnvRM Guidelines.	Continue to adopt measures to move along the implementation plan developed for IREIT in response to the MAS EnvRM Guidelines.
	Managing water consumption	Continue to track water consumption data and implement relevant steps to improve water efficiency.	Successfully tracked and reported on water consumption data in 2023.	Continue to track water consumption data and implement relevant steps to improve water efficiency.
	Addressing biodiversity risks	Develop and implement a Biodiversity Charter in coordination with IREIT's joint sponsor, Tikehau Capital, in 2023. Undertake proactive efforts to implement actions plan in line with the Biodiversity Charter.	Biodiversity Charter has been defined according to plan in 2023.	Undertake proactive efforts to implement actions plan in line with the Biodiversity Charter.
Social	Empowering the workforce through diversity and inclusion	Source for a female director in 2023.	Maintain adequate female representation on the Board.	Maintain adequate female representation on the Board.
		Maintain 0 incident of discrimination.	Reported 0 incident of discrimination in 2023.	Maintain 0 incident of discrimination.
		Maintain 100% participation rate for performance approval.	Reported 100% participation rate for performance appraisal in 2023.	Maintain 100% participation rate for performance approval.
	Enhancing community engagement	Continue to conduct corporate social responsibility ("CSR") activities to support local community engagement around IREIT's operations.	Participated in 5 CSR activities in 2023.	Maintain participation in 5 CSR activities to support local communities where IREIT operates, as well as maintain a charity budget for 2024.

2 The French assets excludes the B&M retail portfolio which was acquired in September 2023.

Category	Material Topics	2023 Targets	Performance of 2023 Targets	2024 Targets
		Continue to seek investments in properties that are well-connected to public transportation.	Acquired B&M retail portfolio which are accessible to main transportation modes.	Continue to seek investments in properties that are well-connected to public transportation.
	Improving product and service quality	Achieve green certification for 100% of IREIT's portfolio assets by 2023 (excluding Berlin Campus which will be refurbished and repositioned into a multi-let asset).	Achieved green certification for 100% of IREIT's portfolio assets in 2023 (excluding Berlin Campus and B&M retail portfolio which was acquired in September 2023).	To extend green certification for IREIT's B&M retail portfolio and improve on the green certifications of IREIT's existing portfolio assets by 2025.
		Implement a strategy to achieve certification for future acquisitions.	Used the ESG analysis grid at the stage of analysing investments as guided by the responsible investment policy.	Implement a strategy to achieve certification for future acquisitions.
		Maintain the standard of the properties within IREIT's portfolio through regular checks and onsite visits.	Engaged and evaluated property managers and advisors actively and visited properties to make sure standard of IREIT's properties is maintained.	Maintain the standard of the properties within IREIT's portfolio through regular checks and onsite visits.
	Ensuring stakeholders' health and safety	None.	None.	Maintain 0 incident of serious injuries or fatalities.
	Building a responsible supply chain	Maintain the quality of services procured by IREIT by diligently following the guidelines under the Property Management Handbook.	Quality of services maintained with no reports of negative feedback made in any evaluation.	Continue to maintain the quality of services procured by IREIT by diligently following the guidelines under the Property Management Handbook.
Governance	Adhering to laws and regulations	Maintain 0 incident of non-compliance in 2023.	Reported 0 incident of non-compliance in 2023.	Maintain 0 incident of non-compliance in 2024.
	Promoting ethical business and anti-corruption	Maintain 100% attendance rate of employees for the training in 2023.	Achieved 100% attendance rate of employees for training related to anti-bribery and anti-corruption and anti-money laundering in in 2023.	Maintain 100% attendance rate of employees for the anti-corruption training in 2024.
	Prioritising trust and transparency	Maintain strong relationships with stakeholders through continued transparent, clear and consistent disclosures.	All communication with stakeholders made clearly and consistently with no written complaints received from any stakeholder.	Maintain strong relationships with stakeholders through continued clear and consistent disclosures.

Sustainability Report

Stakeholder Engagement

[GRI 2-25] [GRI 2-29]

IREIT identified its key stakeholders as individuals or groups that have interests that are affected or could be affected by IREIT's operations. Through the interactions with various parties during the course of business and operations, it allows for the recognition of key internal and external stakeholders, including issues related to needs, expectations and concerns of each stakeholder group.

The Manager engages with key stakeholders to identify and refine material areas of focus on its business and to manage their positive and negative impacts. Through timely stakeholder engagement, the Manager better understands and addresses their concerns. All the views and interests of the stakeholders are taken into consideration when conducting materiality assessment and making business decisions, to foster transparency and accountability in the decision-making process. The Manager engages with the key stakeholders with the following engagement methods:

Key Stakeholders	Engagement Methods
Tikehau Capital and CDL	• Financial results reporting • Meetings and discussions with various departments including the real estate, investor relations and corporate communication teams • Briefings on corporate developments
Unitholders	• Release of financial results, announcements, press releases, presentation slides and other relevant disclosures through SGXNet and IREIT's website • Email alert subscriptions via IREIT's website • Annual General Meeting • Extraordinary General Meeting, where necessary • Post-results meetings with senior management • Updates through non-deal roadshows, one-on-one and group meetings, investor conferences and LinkedIn corporate page
Tenants	• Periodic site visits, face-to-face meetings, and telephone calls with existing and prospective tenants • Routine notices and email updates
Property Managers and Advisors	• Ongoing dialogue regarding asset strategies execution and day-to-day property management functions (including leasing, marketing, promotion, operations and missions with third-party consultants) • Compliance with the terms of the property management agreement
Employees	• Ongoing dialogue regarding any concerns • Annual performance reviews
Regulators	• Participation in briefings and consultation with regulators such as SGX-ST and MAS • Compliance with regulatory requirements
Local Communities	• Partnership with local organisations to engage underprivileged or disadvantaged children, students, young entrepreneurs as well as needy seniors
Trustee	• Annual General Meeting • Email alert subscriptions via IREIT's website • Release of financial results, announcements, press releases, presentation slides and other relevant disclosures through SGXNet and IREIT's website. • Ongoing dialogue on corporate developments

ENVIRONMENT

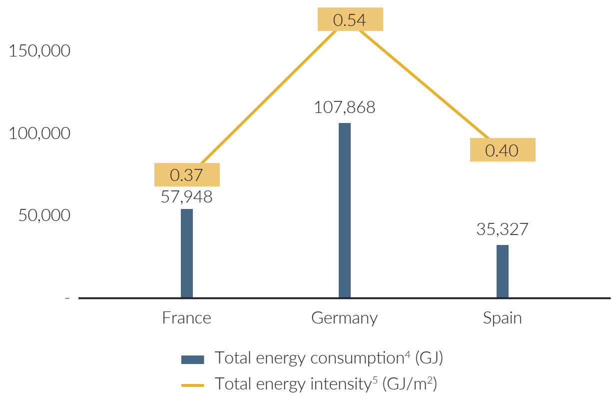
Reducing emissions and energy consumption

[GRI 2-25] [GRI 3-3] [GRI 302-1] [GRI 302-2] [GRI 302-3] [GRI 302-4] [GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-4] [GRI 305-5]

The Manager recognises the impact of energy consumption in its own and tenants' operations on the business and the environment. Hence, the Manager takes a proactive approach in prioritising emissions and energy reduction through effective stakeholder management and obtaining their commitment to share the Manager's ESG expectations.

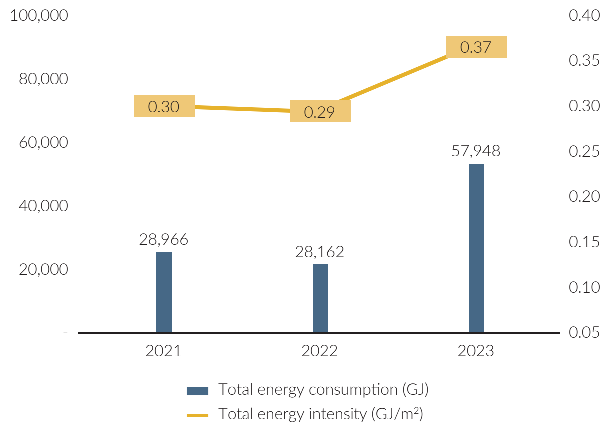
IREIT has rectified its methodology[3] in its energy consumption estimations in 2023. There is a restatement in past years' energy consumption figures as the organisation believes that the new estimations are more representative of the company's overall energy consumption. IREIT has also made progress in its energy consumption disclosures and has published the data for its German portfolio for 2021, 2022 and 2023. Moving forward, the Manager will continue to make its best efforts to ensure that all new leases under IREIT's portfolio allow for energy consumption data to be collected.

Portfolio energy consumption and intensity by country in 2023



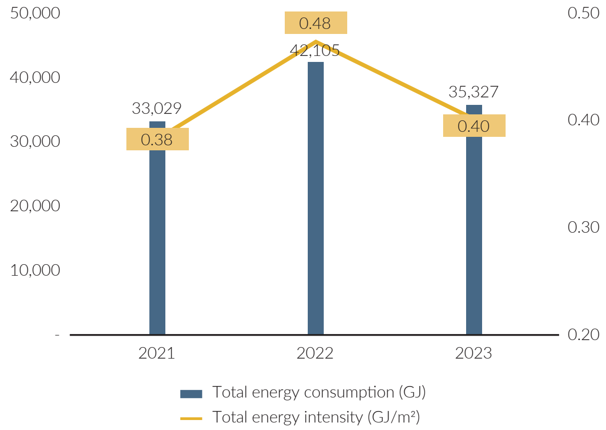
In 2023, the French and Spanish portfolios have lower reported energy consumption as compared to the German properties. Notably, IREIT's French portfolio is more energy efficient as shown in its low total energy intensity of 0.37 gigajoules per square metres ("GJ/m^2") given a higher reported total energy consumption of 57,948 gigajoules ("GJ") as compared to the Spanish portfolio, with a total energy consumption of 35,327 GJ, mainly due to different types of properties: commercial office complexes located in Spain, and retail spaces in France.

Energy consumption and intensity for France



There was a notable increase in both the total energy consumption and energy intensity for IREIT's French portfolio mainly due to the addition of the B&M retail portfolio[6] in 2023 as well as a change in the estimation methodology for energy consumption in 2021 and 2022.

Energy consumption and intensity for Spain

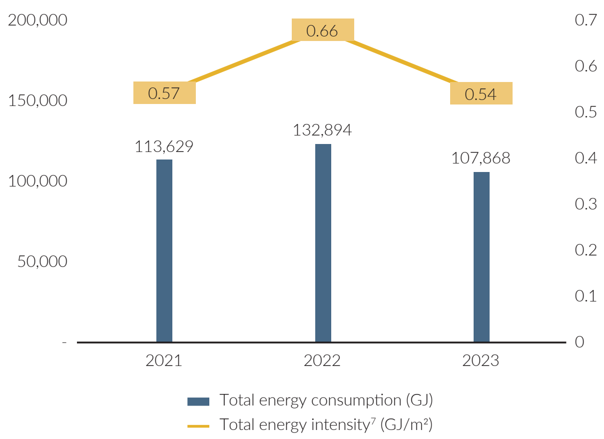


The total energy consumption across IREIT's Spanish portfolio for FY2023 was 35,327 GJ. This segment recorded an energy intensity of 0.40 GJ/m^2, an increment of 7% as compared to FY2021 but a reduction of 16% as compared to FY2022 mainly due to lower occupancy rate in FY2023.

3 Data collection methodology for energy consumption is based on meter readings performed at year end or estimates, depending on the assets.
4 Total energy consumption refers to the sum of both the owner energy consumption and tenant energy consumption for the multi-tenant properties in Germany and Spain and tenant energy consumption for the single-tenant properties in France. Energy consumption data for IREIT's property portfolio is partially estimated with 61%, 33%, 58% of estimation in 2021, 2022 and 2023 respectively.
5 Total energy intensity is calculated by dividing total energy consumption by floor space for the IREIT's properties.
6 The new properties are fully let to B&M France SAS ("B&M France"), a wholly-owned subsidiary of B&M European Value Retail (and together with its subsidiaries, the "B&M Group").

Sustainability Report

Energy consumption and intensity for Germany



Meanwhile, the FY2023 total energy consumption for IREIT's German portfolio was 107,868 GJ. This segment recorded an energy intensity of 0.54 GJ/m^2, a reduction of 5% as compared to base year FY2021 due to lower occupancy rate in FY2023.

In early 2022, the Manager, through Tikehau Capital, also engaged an environmental and real estate expert to perform a carbon footprint assessment of all 37 assets in IREIT's portfolio as at 31 December 2021. The Manager considers this the baseline carbon footprint assessment for IREIT's portfolio. Scope 1, 2 and 3 emissions were measured using the GHG Protocol methodology for all IREIT's portfolio assets across Spain, France, and Germany.

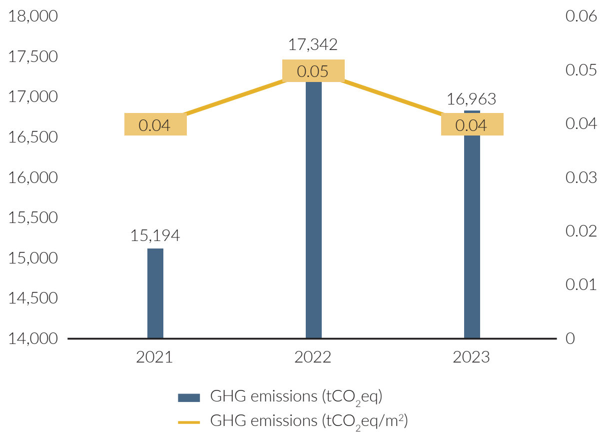
7 Total floor area used for the calculation includes the sum of both common areas that are under IREIT's operational control and private areas that are not controlled by IREIT.

Scope 1, 2 and 3 Calculation for 2023 Carbon Footprint Assessment

Scope 1	Scope 2	Scope 3
• Direct emissions from stationary combustion sources controlled by the landlord • Direct fugitive emissions (from refrigerant leaks)	• Indirect emissions related to electricity consumption • Indirect emissions related to the consumption of cold or hot steam (centralised heating and ventilation provided by urban networks) controlled by the landlord	• Indirect emissions related to energy consumption controlled by tenants

In 2023, IREIT revised its carbon emission estimation methodology which explained the difference in the calculated carbon emission and carbon intensity data in this report as compared to previous reported data in the sustainability report for FY2022. With the new methodology, a different benchmark was used to estimate missing energy consumption data for all three countries, in order to be consistent with the methodology used by IREIT's joint sponsor, Tikehau Capital. Carbon emissions are estimated based on the energy consumption figures with the use of IEA emission factor[8]. The difference in the Scope 1 carbon emissions data is attributed to the refrigerant leaks estimations, which only account for buildings that do not have district cooling as compared to all IREIT's properties that were considered in previous years' estimations. The GHG emissions and GHG intensity for 2021, 2022 and 2023 are as follows:

GHG emissions and GHG emission intensity throughout the years



Results of 2023 Carbon Footprint Assessment

Number of Assets
54

Total Floor Area
446,038 m^2

Total GHG emissions
16,963 tCO_2eq

GHG intensity
0.04 tCO_2/m^2

Total Scope 1, 2 and 3 GHG emissions (tCO_2eq) in 2023

	Scope 1	Scope 2	Scope 3
France	2,618	0	835
Germany	1,028	1,177	8,683
Spain	1,181	287	1,153
Sub-Total	4,827	1,464	10,672
Grand Total		16,963	

GHG intensity by Country in 2023

	France	Germany	Spain
GHG intensity (tCO_2/m^2)	0.02	0.05	0.03

8 IREIT's property portfolio has used IEA 2023 and its Singapore office has used using IEA 2022 for estimation of carbon emissions.

Sustainability Report

The differences in GHG intensity mainly mirror the GHG intensity of the electricity grids in France, Germany, and Spain as different energy sources (coal, nuclear, gas, etc.) are used in each of the three countries. As such, the GHG intensity varies between the portfolios, reflecting their unique characteristics. In France, IREIT's retail assets are relatively recent and are powered solely by grid electricity instead of fuel and gas.

IREIT is committed to managing its energy consumption and will continue to limit emissions as necessary and economically feasible. IREIT's portfolio has three properties across Germany, France and Spain that are equipped with solar panels. In addition, 20% of the properties across France are currently utilising solar powered hot water tanks, thermal solar panels, or solar water heating to produce hot water for domestic use. In line with the decarbonisation ambition, the Manager aims to reduce GHG emissions by 40% by 2030 for the French portfolio (tertiary decree).

Apart from its property investment portfolios, IREIT has also been monitoring its Singapore office's environmental performance. Its Singapore office has a reported electricity consumption of 30,222kWh and 12 tCO_2eq of GHG missions from electricity consumption. Moving forward, IREIT will continue its effort in keeping track of its nvironmental progress underpinning its decarbonisation efforts, in order to yield further reductions in the near term.

Adapting to climate-related risks

[GRI 2-13] [GRI 2-16] [GRI 2-25] [GRI 3-3]

The Manager takes a proactive approach to adapt and mitigate climate-related risks, including physical and transition risks.

As a signatory of the NZAM initiative, an international group of asset managers to support the goal of net zero GHG emissions by 2050 or sooner, IREIT's joint sponsor, Tikehau Capital, is committed to contribute to limit warming to 1.5°C. For real estate activities, Tikehau Capital's objective is to have 50% of its assets under management net zero or aligned net zero by 2030. This means reducing the energy consumption and GHG emissions of its portfolio assets. Tikehau Capital uses the Carbon Real Estate Monitor's ("CRREM") 1.5°C decarbonisation trajectories to monitor the alignment of its real estate assets with NZAM targets. For IREIT, the commitment is to align French assets over 1,000 m^2 with the CRREM.

In 2022, a physical risk assessment was performed for all the properties in France, Germany, and Spain. The resulting outcomes of this assessment and any mitigating solutions are detailed in the "Strategy" section of the TCFD disclosures below. In this year's disclosures, the Manager also broadened the climate-related risks assessment to account for transition risks, which could include regulatory risks, market risks, technological risks caused by climate change, and the corresponding mitigating factors.

In early 2022, the Manager appointed an external consultant to assess their environmental risk management practices against the MAS EnvRM Guidelines for Asset Managers and TCFD recommendations. IREIT takes a progressive approach in implementing the requirements and will continue to enhance its policies and practices in line with its three-year plan.

The Manager demonstrates the continued alignment with the Financial Stability Board's TCFD disclosures in this report. The following table summarises IREIT's climate-related disclosures and highlights its progress in advancing its approach across the four pillars of the TCFD recommendations: Governance, Strategy, Risk Management and Metrics and Targets. In subsequent years, IREIT will continue to review, revise, and update these disclosures as appropriate on an annual basis.

TCFD pillar	IREIT's Activity
Governance	The IREIT ESG governance structure steers its sustainability ambitions and consists of the Board, SSC and SWC, including management of climate change risks and opportunities. The Board has the ultimate oversight and accountability for IREIT's sustainability strategy and performance. The Board approves IREIT's relevant sustainability objectives, policies, frameworks, and sustainability report, including material topics and targets. In addition, the Board assigns roles and responsibilities to the various SSC members and meets at least twice a year and on ad-hoc basis to discuss sustainability-related matters as well as stakeholder expectations on climate change. The Board is supported by the SSC, comprising senior management of the Manager and ESG specialists from IREIT's joint sponsor, Tikehau Capital. The SSC accomplishes the sustainability commitments by making actionable decisions relating to ESG risks, targets, and KPIs, determined by the Board and management. The SSC reports to the Board twice a year on material ESG matters. For urgent ESG issues, reporting to the Board is done as and when the issues arise. The SWC, which includes representatives from IREIT's various business units – finance, asset management, investment, investor relations, compliance, and human resources – supports the SSC by executing the sustainability initiatives proposed by IREIT and its joint sponsor, Tikehau Capital. The asset management ("AM") team, supported by SWC members, works closely with the property managers and tenants on the management of environmental, including climate-related, issues and regulations, and reports directly to the SSC on a monthly basis.

TCFD pillar	IREIT's Activity
Strategy	**Physical Risks**

The Manager recognises the potential adverse impacts climate change could have on its business activities, portfolio valuation and overall corporate strategy and hence deems climate change risks to be medium-rated risks within its risk register with corresponding mitigating factors identified.

The climate physical risk assessment performed in 2022 was revised in 2023. It includes all IREIT's properties across France, Germany and Spain. It was performed using the Resilience for Real Estate ("R4RE") platform, a tool developed by the Sustainable Building Observatory (***Observatoire de l'Immobilier Durable***), which uses geo-coordinates of the properties to conduct scenario analysis on different time horizons for different climate physical risks.

The assessment covered the following risks:
- Cold
- Rainfall and floods
- Heat

The three IPCC scenarios considered were:
- The ambitious scenario – SSP1-2.6
- The intermediate scenario – SSP2-4.5
- The Business-as-Usual scenario – SSP5-8.5

The time horizons for which the scenarios and risks were analysed were short-medium term – 2030 – and the long-term – 2050.

The results of the exercise are summarised in the table below. Due to a change in R4RE's calculated indicators, the results displayed below are not comparable to the results published in IREIT's sustainability report for FY2022. The risks levels displayed below are based on an exposure index, whereas in FY2022, it was based on a cross risk index for Heat and Rainfall and Floods risks (i.e., it was combining both exposure and vulnerability indicators) and on a raw indicator for the Cold risk (number of cold days).

Risk	Geography	2030			2050		
		Ambitious	Intermediate	Business as usual	Ambitious	Intermediate	Business as usual
Cold and Frost Days	France	Low	Low	Low	Low	Low	Low
	Spain	Low	Low	Low	Low	Low	Low
	Germany	Medium	Medium	Medium	Medium	Low	Low
Floods and Rainfall Hazards	France	Low	Low	Low	Low	Low	Low
	Spain	Low	Low	Low	Low	Low	Low
	Germany	Low	Low	Low	Low	Low	Medium
Heat Hazards	France	Low	Low	Low	Low	Low	Low
	Spain	Low	Low	Low	Low	Low	Low
	Germany	Low	Low	Low	Low	Low	Low

Score Rating utilised: Low – 0-30%, Medium – 31%-60%, High – 61%-100%

To monitor its portfolio exposure to climate risks over time, IREIT will continue to perform climate-related physical risks assessment on its existing portfolio annually. Since the end of 2023, IREIT is committed to systematically perform climate-related physical risks assessment at acquisition for new investments. Furthermore, IREIT, with the support of its joint sponsor, Tikehau Capital, will work on defining actions plans to address climate-related physical risks.

TCFD pillar	IREIT's Activity
Strategy	**Transition risks** According to the TCFD recommendations, transition risks include policy and legal risks, technology risk, market risk and reputational risk. The qualitative assessment of IREIT's transition risks below is based on extensive desktop research (regulatory watch and benchmark of market practices), as well as an analysis of the portfolio based on data available such as Energy Performance Certificates ("EPC") and GHG emissions. These data enabled IREIT teams to compare each asset's GHG emissions to the CRREM 1.5°C decarbonisation pathways and monitor alignment objectives. Following this assessment, IREIT was able to identify two material transition risks to its activity: 1. Enhanced regulations and reporting requirements on ESG topics 2. Buildings obsolescence due to increased fossil fuels costs and carbon prices These transition risks are described below, along with the actions IREIT has deployed or plans to deploy in the short term to mitigate them:

Material transition risks for IREIT	Risks for IREIT	Mitigation actions
Enhanced regulations and reporting requirements on ESG topics	IREIT is faced with multiple ESG regulations (for instance the French Tertiary Decree, the European Taxonomy, and the TCFD reporting framework enforced by SGX in Singapore). This results in increasing resources and costs to deploy to ensure compliance, in particular regarding ESG reporting (creation of specific reporting tools, management of data collection with third parties, etc.).	• Creation and use of a proprietary ESG investment grid to ensure compliance with regulations and market practices at acquisition. • Creation and use of a dedicated data collection tool for ESG reporting. This tool was implemented in 2024 for the reporting of the sustainability report FY2023. • Creation of a tool for automated calculation of GHG emissions. This tool was implemented in 2024 for the reporting of the sustainability report FY2023.
Buildings obsolescence due to increased fossil fuels costs and carbon prices	As a result of rising fossil fuel costs, asset operating expenses are likely to increase. Furthermore, IREIT's assets are located in countries with high carbon pricing (Tertiary Decree in France for instance). There is therefore a risk of IREIT's assets becoming stranded[9] in the short to medium term, with an impact on their valuation. Finally, IREIT's assets are located in countries with a high risk of a carbon tax being introduced. These three elements may lead to a decline in profitability in the short to long term.	• Data collection on EPC certificates grades. • Analysis and monitoring of the portfolio carbon emissions compared to CRREM 1.5°C decarbonisation pathways. • Energy audits on French assets (done for a part of the portfolio, planned in 2024 for the remaining assets), with definitive action plans to reduce energy consumptions and therefore GHG emissions. • Use of governance tools (eco-guides, green leases, or PM handbook for instance) to ensure external stakeholders with operational control of the buildings are on-board with IREIT's strategy (tools produced in 2023, to deploy from 2024 onwards).

IREIT aligns its climate change strategy with that of its joint sponsor, Tikehau Capital, and taps on its sustainability policies and risk assessments when deemed appropriate. As a result, IREIT implements Tikehau Capital's sustainable investing ("SI") charter after evaluating and determining that it is also relevant to IREIT. The SI charter outlines the sustainable investment approach, including governance, policies, and processes for managing ESG, biodiversity, and climate change risks and opportunities.

9 CRREM defines 'stranded assets' as 'properties that will not meet future energy efficiency standards and market expectations and might be increasingly exposed to the risk of early economic obsolescence'.

TCFD pillar	IREIT's Activity
Risk Management	IREIT considers climate change risks to be major risks and thus they are included in its risk register together with other operational, financial, and governance risks. IREIT's Responsible Property Investment Policy guides the process of assessing ESG risks, including climate change concerns, for investment of new assets. Prior to investing, the investment team conducts a detailed analysis of each potential investment, which includes a variety of ESG factors such as checks for green building standards, energy efficiency requirements, generation of onsite renewable energy, energy ratings, water conservation requirements, socioeconomic impact of the project on local communities, and so on. The analysis is then documented in a proprietary ESG analysis grid. During the investment period, the investment team monitors important ESG KPIs determined annually for IREIT's portfolio properties, using an annual questionnaire distributed to property managers at the end of each year. Once the questionnaire has been completed, a meeting will be conducted to discuss and review it. The Manager and investment team strive to involve property managers, ESG / CSR managers from IREIT's joint sponsor, Tikehau Capital, and/or tenants in this evaluation process. The AM team monitors the climate-related risks and reports to the SSC immediately if any of the following material factors - water and energy consumption data, heatwave, and flood/drought risks, significant new regulations and ESG reporting requirements - are triggered at any of IREIT's portfolio properties. The SSC notifies the Board of any material factor recognised as being of critical concern, and appropriate mitigating steps are implemented.
Metrics and Targets	In 2022, IREIT launched a certification process for its buildings. At the end of July 2023, 36 buildings, that is 100% of IREIT's then portfolio, were certified, excluding the B&M retail portfolio in France that was acquired in September 2023 and Berlin Campus which will be refurbished and repositioned into a multi-let asset if main tenant leaves in December 2024. The scores obtained under these certifications form the starting point for a continuous improvement program for IREIT's portfolio properties. For the B&M retail portfolio in France that was acquired in September 2023, a certification process will be launched in 2024 with the aim of getting 100% of French assets certified in 2025.

Managing water consumption

[GRI 2-25] [GRI 3-3] [GRI 303-1] [GRI 303-5]

Water is a vital resource for our tenants' business activities and facility management operations. The Manager collects and tracks water usage across IREIT's properties and implements water conservation strategies as necessary to manage the impacts of water consumption.

Water consumption[10] (m^3)	2021	2022	2023
France[11]	-	-	5,315
Germany[12]	143,861	200,444	-
Spain	25,834	25,033	15,416

The Manager has installed water leakage detectors and motion sensor faucets at the properties to minimise water loss. There was also a reduction in total water consumption in 2023 as compared to 2022 water consumption figure in Spain mainly due to the restriction of lawn and grass watering from 1 March 2023 due to the occurrence of drought in the country.

IREIT's property managers perform visits to the properties quarterly to assess their physical condition, including checking for damage to water equipment and leaks. The assessment is recorded in a report which is shared with the Manager for review. Wastewater is disposed through the public wastewater system.

Although none of IREIT's properties are in water-stressed areas, some regions in Spain are at risk of becoming water-stressed and vulnerable to river floods. As a result, the Manager will continue to monitor the issue closely and take appropriate action.

10 Water consumption data can be collected if agreed upon between the landlord and the tenants.
11 The 2023 water consumption data for France excludes the 27 Decathlon properties and 6 B&M retail properties as the data is not obtainable in time for publication of this report.
12 The disclosure of 2023 water consumption data for the German portfolio is unavailable as it is not obtainable in time for the publication of this report.

Addressing biodiversity risks

[GRI 2-25] [GRI 3-3] [GRI 304-2]

IREIT's joint sponsor, Tikehau Capital, recognises the impact of real estate activities on biodiversity and aims at conserving biodiversity around its assets under management. In 2023, Tikehau Capital engaged a consultant specialised in biodiversity in real estate to calculate an ecological impact index using the assets' surface and proximity to a protected area. The purpose of this analysis is to identify the assets that experienced the most ecological risks and implement biodiversity action plans. This index ranges from 0% (low stakes) to 100% (very high stakes). The results of this exercise for IREIT's assets are summarised by country in the table and the map below:

	Ecological impact index
France	73%
Spain	63%
Germany	70%

Following this analysis, a Biodiversity Charter specific to each real estate asset was drawn up. This translates into action plans differentiated according to the characteristics of each asset (type of building, whether there are any green spaces, etc.).

In particular, for development or renovation projects over 2,000 sqm and of significant ecological interest, Tikehau Capital is committed to take into consideration biodiversity by working with an environmental and technical consultant with ecological competencies.

The key principles of the Biodiversity Charter are as follows:
1. Knowing the natural environment associated with real estate assets
2. Limiting the impact of real estate activities on biodiversity
3. Enhancing the ecological aspects of the portfolio
4. Sustaining biodiversity on sites during the operating phase
5. Communicating on these commitments to enhance the value of these actions and get stakeholders on board
6. Integrating biodiversity into the corporate culture

Mapping of IREIT's assets according to ecological index

SOCIAL

Empowering the workforce through diversity and inclusion

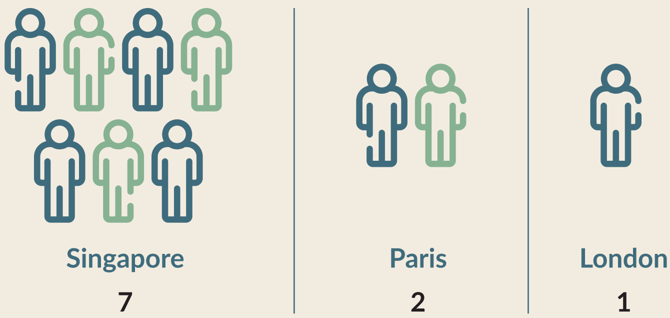
[GRI 2-7] [GRI 2-25] [GRI 2-26] [GRI 3-3] [GRI 404-2] [GRI 404-3] [GRI 405-1] [GRI 406-1]

The Manager believes that its people are key drivers of its success and performance. To ensure all employees continue to feel valued and represented, the Manager has developed its Diversity and Inclusion Policy ("D&I Policy") to ensure equal opportunities and fair employment practices. The Manager aims to nurture an inclusive and supportive workplace by ensuring that all individuals are equally accepted, treated, and valued, regardless of their gender, nationality, religion, and background. This also feeds into the aim to attract, develop, and retain talented professionals, which is vital for creating value for IREIT and its stakeholders. A diverse and inclusive workforce is essential for incorporating valuable opinions from a multitude of perspectives, effectively enhancing decision-making outcomes. Additionally, the Manager recognises the positive value in this aspect and has been aiming to achieve a good balance of genders within the team.

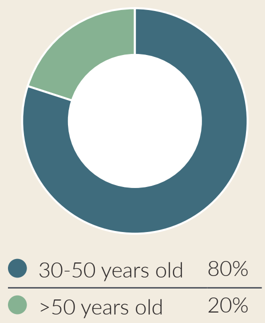
The D&I Policy can be found in the Manager's Employee Handbook, which all employees have access to. To further develop an inclusive workplace where individuals of all backgrounds and perspectives can excel, periodic dialogue sessions were conducted with employees and key stakeholders as the Manager believes this is a good avenue for concerns to be voiced. Topics such as unconscious bias in the workplace, ways to work across various cultures etc., were covered to achieve the outcome of diversity and inclusion among the employees. IREIT had zero incident of reported discrimination in FY2023.

The Manager is also committed to increasing the board diversity which it believes diversity would make the team stronger. The Board has established a Board Diversity Policy. The Board's Nominating and Remuneration Committee ("NRC") is charged with considering diversity aspects, such as professional qualifications, industry and geographical knowledge, skills, length of services, age, gender, and the needs of IREIT when reviewing and assessing the composition of the Board and making recommendations on new director appointments. In June 2023, the Manager successfully appointed a qualified female director. The NRC is also responsible for reviewing Board composition periodically to ensure a balanced mix of skill, experience, gender, age, and knowledge, considering the nature and scope of its operations, to discharge their duties and responsibilities.

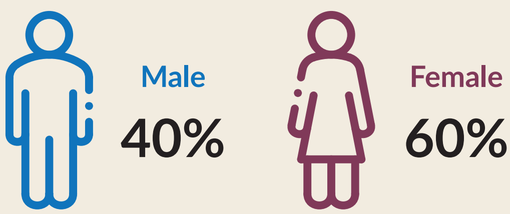
Total number of employees by location



Total number of employees by age



Total number of employees by gender



Taking care of employees' talent

Apart from fostering diversity and inclusion in the workplace, the Manager takes pride in its employees and supports its employees in their career development in the following ways:

Personal growth and development
The Manager prioritises employee empowerment and continues to take new steps to ensure everyone has the chance to receive support for personal growth and development. Employees are provided with upskilling and career progression opportunities, fair compensation, and well-being programmes.

The Manager pays significant attention to employee's professional development to help them progress, creating development pathways that allow individuals to learn, improve, and be empowered to do the work. Employees are encouraged to participate in conferences, professional courses, seminars, and meetings that benefit their professional development. The Manager helps to build personal training plans that would accelerate employees' learning and development through regular analysis of the necessary competencies and experiences. All employees have access to career development training courses which cover themes such as the Climate Systems, Biodiversity and Real Estate Investment, etc., throughout their career journey.

Sky Vertical Marathon Community Chest Heartstrings Walk 2023

Sunlove Food Distribution

IREIT's joint sponsor, Tikehau Capital, believes that it has a responsibility as an alternative asset manager to build capacity building for sustainable development in the evolving economy. Hence, all IREIT's personnel can access Tikehau Sustainability University, which is a platform that provides training courses for employees to upskill themselves. IREIT's employees are trained on sustainable development and empowered to act and deliver its ambition to scale up thematic and impactful strategies across its four priority themes: climate & biodiversity, innovation, economic development & social inclusion, and healthcare.

Performance reviews
The annual performance reviews conducted by the Manager aim to ensure that all employees are rewarded and recognised for their efforts and contributions through the corresponding adjustments of the reward packages. The Manager has its own Compensation Policy which focuses on providing fair and competitive remuneration while creating a positive employee experience that motivates high level of performance and productivity among employees. In 2023, the Manager maintained its success in achieving the goal of a 100% participation rate for performance appraisal.

Enhancing community engagement

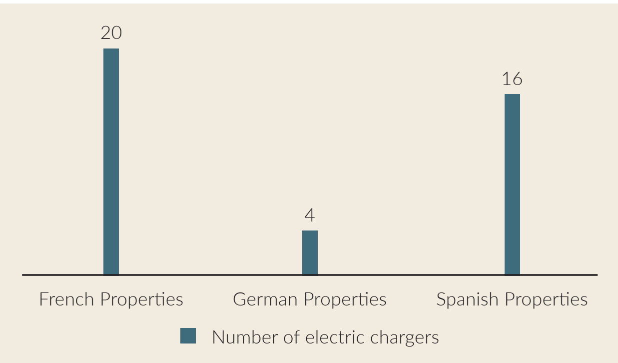
[GRI 2-25] [GRI 2-28] [GRI 3-3] [GRI 413-1]

In conjunction with the organisation's goal of achieving value creation and sustainable distribution for unitholders, IREIT believes in uplifting communities wherever it operates by supporting initiatives that build lasting positive relationships and at the same time, conducting its business responsibly.

IREIT's approach is to invest in properties that are near public transportation and accessible for individuals with disabilities. The organisation aims to make its buildings (and the corresponding services offered by tenants) accessible to all, including vulnerable and disadvantaged individuals. Currently, eight of IREIT's properties (57% of portfolio assets by lettable area) are located within walking distance to the underground or train station.

IREIT helps to promote low carbon mobility by situating their properties within the proximity of public transportation nodes. To provide its tenants and building users with more options for lowering their carbon footprint, IREIT has also installed electric chargers in its properties. The Manager also closely monitors the effectiveness of these measures by setting goals and targets such as maintaining a certain number of electric chargers in properties and evaluating progress through the data on usage and the number of electric cars charged.

Note: Currently, IREIT has 20 electric chargers in its French portfolio, 4 electric chargers in its German portfolio, and 16 electric chargers in its Spanish portfolio. IREIT is committed to construct 69 more dual charging stations for its B&M retail portfolio in 2024 with a total of 138 additional parking spaces to be electrified. There will also be 21 additional parking spaces to be constructed for the Spanish portfolio in 2024.



The Manager has also been actively participating in CSR activities to support the local communities. Some of the biggest community initiatives focus on aiding the underprivileged where the organisation can use its resources, experience, and presence to make a difference.

Across the organisation, its employees play an active role in community outreach programmes. In 2023:

- April 2023 – IREIT supported the J.P. Morgan Corporate Challenge Singapore, a running event that donates on behalf of all participants, to the Rainbow Centre, a local not-for-profit organisation that helps empower those with disabilities and enable them to thrive in inclusive communities.
- July 2023 – IREIT's employees distributed stationery packs to needy students by partnering with Beyond Social Services, a charity dedicated to helping children and youths from less privileged backgrounds break away from the poverty cycle.
- July 2023 – IREIT volunteered at a food ration distribution to the needy senior citizens organised by Sunlove Abode for Intellectually-Infirmed Ltd. The employees took the opportunity to check on their well-being and offer assistance.
- August 2023 – IREIT's employees participated in the Sky Vertical Marathon at Sands SkyPark, at the Community Chest Heartstrings Walk 2023 to raise awareness for its supported causes and encourage the community to partner with Community Chest.
- December 2023 – IREIT's employees supported Bethesda CARE Centre to organise an excursion for school children at Superpark Suntec City. The event serves as an opportunity to play and interact with their peers and the volunteers, developing their character and imparting useful skills to them.

In 2024, IREIT is planning to commit to the REIT Association of Singapore ("REITAS") Sustainability Principles, to integrate various sustainability considerations, encompassing the ESG factors into their investment practices.

Improving product and service quality

[GRI 2-25] [GRI 3-3] [GRI 417-1]

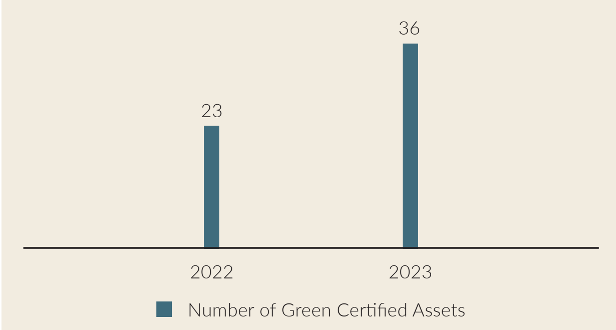
The provision of green and safe properties has been IREIT's top priority for its tenants. Through well-maintained office and retail spaces, IREIT not only facilitates the conduct of businesses but also contributes to community employment by creating greater job opportunities within its retail tenant stores. The organisation aims to enhance convenience by offering centralised access to amenities, including food and beverages.

Sustainability Report

France	Spain	Germany
• B&M discount retailer in 18 properties	• Restaurant available in one of IREIT's Spanish assets (500 m²)	• Hairdresser in Berlin Campus (86 m²) • Charity foundation in Berlin Campus (176 m²), • Media centre in Berlin Campus (419 m²)

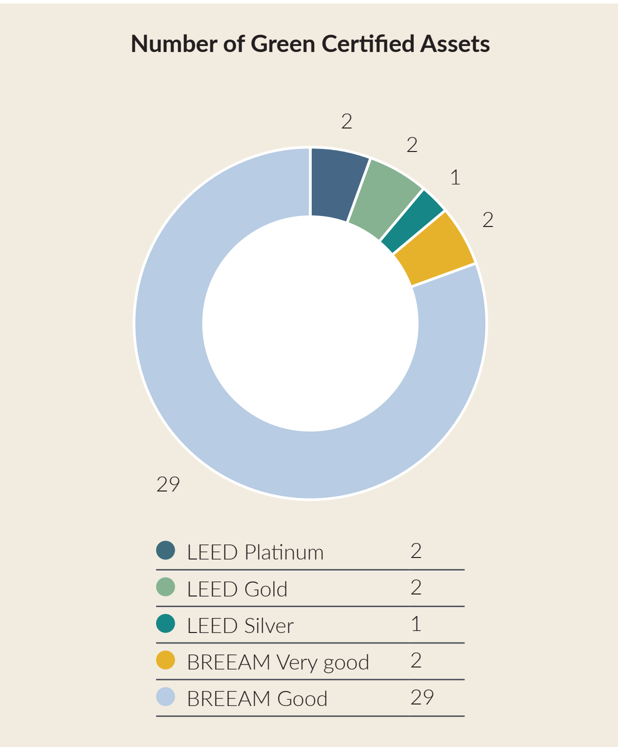
The organisation is committed to making its buildings accessible and contributing to low-carbon mobility, with electric chargers available to benefit the local community. IREIT's strategy includes investing in properties near public transportation and committing to green certification for its properties. The Manager aims to provide safe and green spaces for tenants, creating employment opportunities and facilitating business. In 2023, 67% of IREIT's assets are already certified under various green building programs (up from 62% of assets in FY2022).

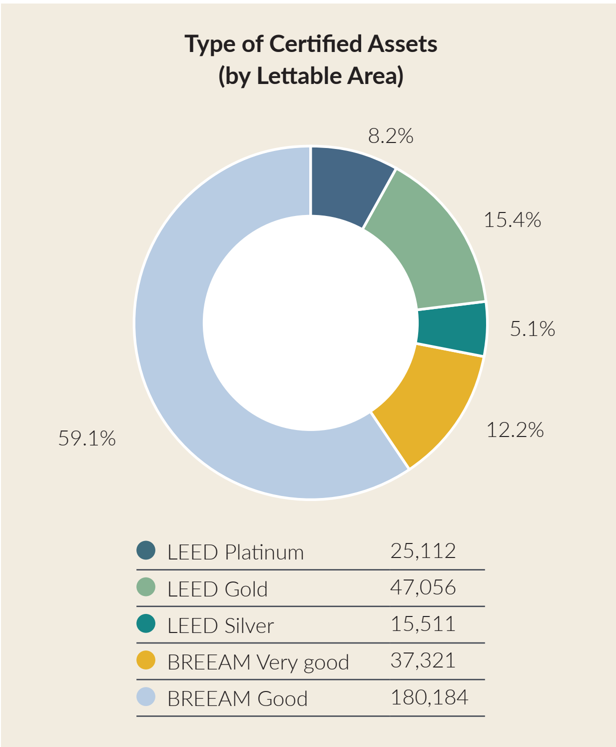
Green building certifications are invaluable tools that serve as external endorsements, affirming that vital environmental considerations have been integrated into IREIT's new acquisition, refurbishments, and operations. IREIT has undertaken impactful initiatives to fulfill its sustainability commitments, notably obtaining green certifications for its properties. As at 31 December 2023, IREIT held a total of 36 green certifications (up from 23 in FY2022). These certifications comprise of the prestigious Leader in Energy and Environmental Design ("LEED") certifications, with 2 platinum, 2 gold, and 1 silver certification for its Spanish properties. Building on the momentum, IREIT received Building Research Establishment Environmental Assessment Method ("BREEAM") certifications. All acquired IREIT's French Decathlon properties are awarded with green certifications with one property receiving BREEAM 'Very Good' and the remaining properties receiving BREEAM 'Good'. Notably, in 2023, IREIT has attained its target of 100% certification for its constant portfolio[12] as part of its sustainable development strategy.



To ensure the quality of the assets and level of service, IREIT maintains strong communication with its tenants through the property and facility managers. In measuring the success of these measures, IREIT monitors its building maintenance and construction works and conducts regular building visits.

IREIT's green certified assets with LEED and BREEAM Certifications as at 31 December 2023:





12 Portfolio referred here excludes all B&M retail properties which were acquired during 2023 and Berlin Campus which will undergo refurbishment and repositioning into a multi-let asset.

Building a responsible supply chain

[GRI 2-25] [GRI 3-3] [GRI 414-1]

IREIT understands the significant roles played by its supply chain stakeholders. This understanding extends to mitigating the environmental and social impacts across the entire value chain. This commitment considers various impacts identified such as human rights, health, and safety of IREIT's contractor workers, as well as environmental and social footprint and resources used in the production of materials and equipment IREIT procures.

The Manager has a comprehensive 'Property Management Handbook', a document delineating IREIT's policies and commitments in the organisation's conduct of business, including vendor management. Supplier selection adheres strictly to an established set of standards, including anti-corruption clauses and human rights. Moreover, the supplier procurement process and health and safety protocols are subject to regular internal audits, which are conducted by the Manager at each jurisdiction every two to three years. These audits serve as critical checkpoints to evaluate progress toward goals, targets, and indicators, and any lessons learned are incorporated into the Manager's operational policies and procedures.

Central to its strategy is stakeholder engagement, which fosters frequent correspondence and transparency between IREIT's management, property managers, and other relevant stakeholders. The Manager regularly communicates the findings of internal audits to its management and the property managers and incorporates feedback from these stakeholders into IREIT's ongoing efforts to improve its supply chain practices.

Ensuring stakeholders' health and safety

[GRI 2-25] [GRI 3-3] [GRI 403-1] [GRI 403-2] [GRI 403-5] [GRI 416-2]

The health and safety of IREIT's stakeholders including employees, tenants, and contractors utilising its properties hold paramount importance for IREIT.

Proactive health and safety management not only prioritises safety but also contributes to heightened staff productivity and morale. IREIT has implemented its own health and safety management where all staff are given an Employee Handbook which provides guidelines on the recognition of critical health and safety issues etc. During the reporting year, no tenant has reported incidents relating to health and safety issues.

The Manager provides avenues for its employees to maintain a healthy lifestyle by investing in various health-related benefits. The Manager demonstrates its care for its employees' health and well-being by providing comprehensive group insurance packages encompassing health screening and various medical and optical benefits for all employees and their dependents/spouses. IREIT provides its staff with a wide variety of health-related benefits, including:

- Medical and non-medical coverage that also extends to dependents
- Annual week-long mental health and wellness events

To ensure good mental health in the workplace, the organisation has implemented several events and workshops that are designed to support and improve employee's health and mental wellness. This includes "Quality of Work Life" which takes place in July every year. The purpose of this campaign is to raise awareness about maintaining good mental and physical health as well as proper posture at work. Moreover, employees across its Manager will participate in the "Disability Awareness Week" which takes place in November annually. This initiative provides an opportunity for the employees to gain knowledge on the topic of disability in the workplace and how it impacts the employee's health and well-being as well as how the organisation is addressing the issue of inclusion on this topic.

In preparation for areas of physical security such as fire safety and ensuring workplace safety, building evacuation drills and emergency action drills are conducted to ensure that the tenants are aware of and comprehend what to do in the event of an emergency. At least one emergency action drill covering a variety of scenarios, including responding to severe weather, fires, and more, is conducted annually at each location to ensure that all staff is aware of what to do in the case of an actual emergency.

GOVERNANCE

Adhering to laws and regulations

[GRI 2-25] [GRI 2-27] [GRI 3-3]

Compliance with laws and regulations is essential for the sustainability of IREIT's operations. By adhering to legal and regulatory requirements and industry standards, IREIT reduces its business and financial risks.

The Manager has implemented a robust compliance framework. The Manager reviews changes to regulations from the authorities to assess whether it needs to make any adjustments to the organisation's policies and practices and implements them as required.

IREIT follows the following processes to monitor the implementation of its policies:

- Update information when necessary
- Review the accuracy of the information on the corporate website

- Review the accuracy of all marketing materials before publication
- Conflict of interest declaration upon joining the firm and quarterly
- Fit and proper declaration annually
- Recording of all financial transactions according to financial and internal control policies and procedures
- Timely investigation and execution of preventive and corrective actions upon reported incidents by employees, tenants, consultants, vendors, and other parties whom IREIT has a business relationship with

Importantly, IREIT has a track record of effectively managing compliance, as evidenced by the fact that the organisation has not reported any major non-compliance incidents for FY2023. The effectiveness of its compliance efforts is evaluated through regular updates provided to the Board and feedback from stakeholders such as employees and shareholders.

Promoting ethical business and anti-corruption

[GRI 2-23] [GRI 2-24] [GRI 2-25] [GRI 2-26] [GRI 3-3] [GRI 205-2] [GRI 205-3]

The Board and senior management remain steadfast in conducting business ethically and strive to act in the best interest of the stakeholders through compliance with the laws and regulations as per the listing manual of SGX-ST, the Code on Collective Investment Schemes (the "CIS Code") and the Capital Markets Services Licence for REIT management issued by the MAS and the Securities and Futures Act 2001 (Cap. 289) of Singapore. IREIT perceives the significance of ethical business, such as anti-bribery, anti-corruption, and anti-money laundering practices, to protect the integrity and reputation of the organisation, which are critical in retaining the organisation's shareholders and tenants. Through the implementation of sound governance and risk management practices, IREIT aims to facilitate healthy financial growth and prevent any potential business and financial loss due to corruption incidences.

The Manager has a set of Codes of Conduct and Ethics to guide its employees in case of bribery, insider trading, and other circumstances. IREIT has internal policies and procedures to manage these topics and ensure compliance, not limited to the following:

- Whistle-Blowing Policy[13]
- Code of Conduct and Ethics
- Anti-Money Laundering Counter Financing Terrorist ("AML / CFT")
- Investor Relations Policy
- Ongoing Regulatory Obligations and Reporting License Conditions
- Business Continuity Management

Additionally, certain policies issued by IREIT's joint sponsor, Tikehau Capital, apply to the Manager, including but not limited to:

- Group Anti-Money Laundering Policy ("AML Code")
- Group Code of Ethics

The two key policies include the AML / CFT Policy and the Group Code of Ethics, issued by Tikehau Capital and applicable to IREIT. These policies set out the organisation's commitment to compliance with laws and regulations related to anti-corruption and AML / CFT and guide identifying and reporting suspicious activities. To ensure that all employees are aware of these policies, understand their obligations, and know how to implement the associated procedures, the Manager provides relevant training to all employees at least every year, and new employees are required to complete the training within six months of their employment. These courses cover topics related to anti-money laundering, financial security, and cybersecurity awareness, etc.

All employees of the Manager are also required to make annual declarations that they do not engage in any unethical or corrupt practices. 100% of IREIT's employees received anti-corruption and AML / CFT training for the reporting period.

The Manager also performs due diligence checks on outsourced service providers, and annual reviews are performed on outsourced providers that are considered material in accordance with MAS outsourcing guidelines. On a periodic basis, the internal auditors of IREIT include in their scope the review of outsourcing guidelines which covers the due diligence process on the service providers. This includes review of the service provider's know your customer ("KYC") and AML processes to ensure compliance with MAS guidelines. In the event of a confirmed incident of corruption, IREIT has a Whistle-Blowing Policy to encourage employees and its stakeholders to report any concerns they may have, to ensure that a person who has submitted notice/ report is guaranteed confidentiality of the information received, as well as such person's personal data. The organisation also includes anti-corruption and anti-bribery clauses in agreements with suppliers to ensure compliance with laws and regulations. For prospective tenants of IREIT, anti-money laundering risks are monitored during the Customer Due Diligence ("CDD") process.

IREIT had zero incident of anti-corruption reported for FY2023.

During the year, the Manager was made aware of various job scams in India where IREIT's name was misused for a fictitious job position. Upon the Manager's knowledge, the Audit and Risk Committee ("ARC") of the Board had reviewed the details and management had taken appropriate actions to alert the job seekers and public of the job scams.

13 For information on whistle-blowing, please refer to publicly available policy and reporting channels on the website link below: https://www.ireitglobal.com/whistle-blowing.html

Prioritising trust and transparency

[GRI 2-25] [GRI 3-3]

Trust and transparency are essential criteria for maintaining strong and lasting relationships with stakeholders and ensuring fair business practices. The Manager believes that strong stakeholder engagement through various communication channels forms the basis for the development of trust and transparency.

IREIT provides the organisation's shareholders and other stakeholders with business updates regularly.

Information furnished by IREIT	Method of Dissemination to shareholders	Frequency
Annual Report, including sustainability report and audited financial statements	Website/Email	Annual
Unaudited Financial Statements	Website/Email	Semi-annual (1H and 2H)
Business Updates	Website/Email	Semi-annual (1Q and 3Q)
Investor Relations Prospectus	Website/Email	Ad-hoc
Investor Relations Circular	Website/Email	Ad-hoc
Investor Relations Presentation and Press Release	Website/Email	Ad-hoc
Investor Relations Factsheet	Website/Email	Quarterly

The Annual Report furnishes information on IREIT's corporate governance, overall financial performance, as well as the organisation's latest sustainability efforts. In addition to the Annual Report, IREIT also publishes a Financial Review and Capital Management, Portfolio Overview, Strategy, and Financial Statements, which are disseminated to unitholders via SGXNet and can be accessed on IREIT's corporate website. These publications provide detailed information on IREIT's financial performance, portfolio composition, and strategic direction, allowing investors to make informed decisions about their investment in IREIT.

In addition to these actions, IREIT engages in a variety of other initiatives to build trust and transparency among stakeholders. These include financial results announcements, business updates, investor presentation slides, press releases, and factsheets. The organisation also participates in one-to-one meetings, investor roadshows, and lunchtime presentations with equity and fixed-income investors. The organisation also closely liaises with the media to facilitate the publication of news articles, such as those in the Business Times on European and UK REITs. Furthermore, IREIT actively participates in discussions with regulators such as SGX-ST and the MAS, its joint sponsors, Tikehau Capital and CDL, and service providers to ensure that it is meeting the expectations of all its stakeholders.

The Manager's investor engagement activities are guided by its Investor Relations Policy to ensure timely and clear communication with the investment community. The Manager also solicits feedback from various stakeholders and ensures that any complaints received from investors are logged and promptly followed up. To track the effectiveness of these actions, IREIT sets goals and targets, such as maintaining zero complaints for each financial year. IREIT's efforts have been recognised by external awards such as the winner for growth in profit after tax over three years under S-REITs category (below S$1 billion market capitalisation) at The Edge Singapore Centurion Club 2023 event, as well as the Platinum Award for "Best Office REIT (Singapore)" and Gold Award for "Best Investor Relations" (below US$1 billion market capitalisation) at the 8th Edition REITs Asia Pacific 'Best of the Breeds' REITs awards event in 2023.

Sustainability Report

TCFD INDEX

TCFD pillar	TCFD recommended disclosures	Location of disclosure
Governance	a) Describe the Board's oversight of climate-related risks and opportunities.	Board Statement – page 104 Approach to Sustainability: ESG Governance – page 106 Approach to Sustainability: Materiality Assessment – page 107 TCFD Governance Pillar – page 114
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	Board Statement – page 104 Approach to Sustainability: ESG Governance – page 106 Approach to Sustainability: Materiality Assessment – page 107 Approach to Sustainability: Stakeholder Engagement – page 110 TCFD Governance Pillar – page 114
Strategy	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	TCFD Strategy Pillar – pages 115-117
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	TCFD Strategy Pillar – pages 115-116
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	TCFD Strategy Pillar – pages 115-116
Risk Management	a) Describe the organisation's processes for identifying and assessing climate-related risks.	TCFD Risk Management Pillar – page 117
	b) Describe the organisation's processes for managing climate-related risks.	TCFD Risk Management Pillar – page 117
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	TCFD Risk Management Pillar – page 117
Metrics and Targets	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Reducing emissions and energy consumption – pages 111-114 TCFD Metrics and Targets Pillar – page 117
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Reducing emissions and energy consumption – pages 111-114 TCFD Metrics and Targets Pillar – page 117
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Approach to Sustainability: Materiality Assessment – pages 107-109 Reducing emissions and energy consumption – pages 111-114 TCFD Metrics and Targets Pillar – page 117

GRI INDEX

Statement of use	IREIT Global has reported the information cited in this GRI content index for the period 1 January 2023 – 31 December 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI standard	Indicator No.	Indicator	Section	Page
GRI 2: General Disclosures	2-1	Organisational details	Annual Report	2
	2-2	Entities included in the organisation's sustainability reporting	Annual Report About the report	17 106
	2-3	Reporting period, frequency, and contact point	About the report: Feedback	106
	2-4	Restatements of information	About the report	106
	2-5	External assurance	About the report: Internal Review	106
	2-7	Employees	Empowering the workforce through diversity and inclusion	119-120
	2-9	Governance structure and composition	Annual report, Corporate Governance Report	130-154
	2-10	Nomination and selection of the highest governance body	Annual report, Corporate Governance Report	130-154
	2-11	Chair of the highest governance body	Annual report, Corporate Governance Report	130-154
	2-12	Role of the highest governance body in overseeing the management of impacts	Approach to Sustainability: ESG Governance	106
	2-13	Delegation of responsibility for managing impacts	Approach to Sustainability: ESG Governance, TCFD Governance Pillar	114
	2-14	Role of the highest governance body in sustainability reporting	Approach to Sustainability: ESG Governance	106
	2-15	Conflicts of interest	Annual report, Corporate Governance Report	130-154
	2-16	Communication of critical concerns	TCFD Governance Pillar	114
	2-17	Collective knowledge of the highest governance body	Annual report, Governance section	130-154
	2-18	Evaluation of the performance of the highest governance body	Annual report, Corporate Governance Report	130-154
	2-19	Renumeration Policies	Annual report, Corporate Governance Report	130-154
	2-20	Process to determine remuneration	Annual report, Corporate Governance Report	130-154
	2-22	Statement on sustainable development strategy	Board Statement	104

Sustainability Report

GRI standard	Indicator No.	Indicator	Section	Page
	2-23	Policy commitments	Promoting ethical business and anti-corruption	124
	2-24	Embedding policy commitments	Promoting ethical business and anti-corruption	124
	2-25	Processes to remediate negative impacts	Approach to Sustainability: Materiality Assessment, Approach to Sustainability: Stakeholder Engagement All Material topic disclosures	107-125
	2-26	Mechanisms for seeking advice and raising concerns	Empowering the workforce through diversity and inclusion Promoting ethical business and anti-corruption	119, 124
	2-27	Compliance with laws and regulations	Adhering to laws and regulations	123
	2-28	Membership associations	Enhancing community engagement	121
	2-29	Approach to stakeholder engagement	Approach to Sustainability: Stakeholder Engagement	110
	2-30	Collective bargaining agreements	Not applicable. None of our employees are covered by collective bargaining agreements	
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Approach to Sustainability: Materiality Assessment	107-109
	3-2	List of material topics	Approach to Sustainability: Materiality Assessment	107-109
	3-3	Management of material topics	Approach to Sustainability: Materiality Assessment, All material topics disclosures	107-125
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	Promoting ethical business and anti-corruption	124
	205-3	Confirmed incidents of corruption and actions taken	Promoting ethical business and anti-corruption	124
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Reducing emissions and energy consumption	111-114
	302-2	Energy consumption outside of the organisation	Reducing emissions and energy consumption	111-114
	302-3	Energy intensity	Reducing emissions and energy consumption	111-114
	302-4	Reduction of energy consumption	Reducing emissions and energy consumption	111-114
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Managing water consumption	117
	303-5	Water consumption	Managing water consumption	117

GRI standard	Indicator No.	Indicator	Section	Page
GRI 304: Biodiversity 2016	304-2	Significant impacts of activities, products and services on biodiversity	Addressing biodiversity risks	118
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Reducing emissions and energy consumption	111-114
	305-2	Energy indirect (Scope 2) GHG emissions	Reducing emissions and energy consumption	111-114
	305-3	Other indirect (Scope 3) GHG emissions	Reducing emissions and energy consumption	111-114
	305-4	GHG emissions intensity	Reducing emissions and energy consumption	111-114
	305-5	Reduction of GHG emissions	Reducing emissions and energy consumption	111-114
GRI 403: Occupational Health & Safety 2018	403-1	Occupational health and safety management system	Ensuring stakeholders' health and safety	123
	403-2	Hazard identification, risk assessment, and incident investigation	Ensuring stakeholders' health and safety	123
	403-5	Worker training on occupational health and safety	Ensuring stakeholders' health and safety	123
GRI 404: Training and Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs	Empowering the workforce through diversity and inclusion: Taking care of employees' talent	119-120
	404-3	Percentage of employees receiving regular performance and career development reviews	Empowering the workforce through diversity and inclusion: Taking care of employees' talent	119-120
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Empowering the workforce through diversity and inclusion	119
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Empowering the workforce through diversity and inclusion	119
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Enhancing community engagement	121
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Building a responsible supply chain	123
GRI 416: Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Ensuring stakeholders' health and safety	123
GRI 417: Marketing and Labelling 2016	417-1	Requirements for product and service information and labelling	Improving product and service quality	121-122

CORPORATE GOVERNANCE REPORT

IREIT Global ("IREIT") is a real estate investment trust listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 13 August 2014. IREIT is managed by IREIT Global Group Pte. Ltd., as manager of IREIT (the "Manager").

The Manager sets the strategic direction of IREIT and make recommendations to DBS Trustee Limited, in its capacity as trustee of IREIT (the "Trustee"), on any investment or divestment opportunities for IREIT and the enhancement of the assets and liabilities of IREIT for the benefit of the unitholders of IREIT ("Unitholders"). The research, evaluation and analysis required for these objectives are coordinated and carried out by the Manager. The Manager focuses on generating rental income and enhancing asset value over time, to provide Unitholders with stable and growing DPU and NAV per Unit over the long time, while maintaining an appropriate capital structure. The Manager is also responsible for the risk management and managing sustainability matters for IREIT.

The other functions and responsibilities of the Manager include:

(a) Using its best endeavors to conduct IREIT'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 SGX-ST (Listing Manual), the Code on Collective Investment Schemes ("CIS Code") issued by the Monetary Authority of Singapore ("MAS"), the Securities and Futures Act 2001 (Cap. 289) of Singapore (the "SFA"), the Securities and Futures (Licensing and Conduct of Business) Regulations (the "SF(LCB)R"), written directions, notices, codes and other guidelines that MAS may issue from time to time, the tax rulings by the Inland Revenue Authority of Singapore on the taxation of IREIT;

(d) Attending to all regular communications with Unitholders; and

(e) Supervising the property managers and property advisors which perform the day-to-day property management functions for IREIT's properties.

IREIT is constituted by a deed of trust (the "Trust Deed") dated 1 November 2013 (as amended) entered into between IREIT Global Group Pte. Ltd., as manager of IREIT (the "Manager"), and DBS Trustee Limited, as trustee of IREIT (the "Trustee"). IREIT is externally managed by the Manager. The Manager appoints experienced and well qualified personnel to run its day-to-day operations. All Directors' fees and employees' renumeration are paid by the Manager, and not by IREIT. 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 resolutions passed by a simple majority of Unitholders present and voting at a meeting of Unitholders duly convened and held in accordance with the provision of the Trust Deed.

The Manager is jointly owned by Tikehau Capital and City Developments Limited ("CDL") through City REIT Management Pte Ltd. Tikehau Capital is a global alternative asset management group listed in France, while CDL is a leading global real estate company listed on SGX-ST. Tikehau Capital and CDL both holds significant unitholding interest in IREIT, which demonstrates their commitments to IREIT and as a result, their interests are aligned with that of other Unitholders.

Compliance with the Code of Corporate Governance 2018

The Manager is committed to upholding the highest standards of corporate governance, business integrity and proficiency in all activities undertaken for IREIT Global.

Throughout the financial year ended 31 December 2023, the Manager has complied with material aspects of the principles and provisions of the Code of Corporate Governance 2018 (CCG2018).

This Corporate Governance report sets out the Manager's corporate governance framework and practices in compliance with CCG2018. Where there are any deviations from the provisions of the CCG2018, appropriate explanations are provided.

CORPORATE GOVERNANCE REPORT

Corporate Governance Framework and Culture

The Manager embraces the tenets of good corporate governance. 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 IREIT's long-term strategic objectives. It has developed policies and practices to meet the specific business needs of IREIT.

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

Board of Directors

3 Independent Directors (ID) and
2 Non-independent Directors (Non-ID)
Led by ID, Mr. Mark Yeo, Chairman

Key responsibility: Oversee the Manager's strategic direction, performance and affairs and foster the success of IREIT to deliver sustainable value over the long term to Unitholders

	Audit and Risk Committee (ARC)	Nominating and Renumeration Committee (NRC)
External & Internal Auditors	**3 IDs Led by Mr Chng Lay Chew, ARC Chairman**	**2 IDs and 1 Non-ID Led by Mr Mark Yeo, NRC Chairman**
	Key responsibility: Assist the Board in its oversight of the financial reporting process, risk management and internal controls system, internal and external audit processes, and management of compliance with legal, regulatory and company policies	**Key responsibility**: Assist the Board on Board succession planning and appointments to the Board and Board Committees, and the review of the Board's performance, Directors' independence and renumeration for the Directors and key management personnel of the Manager

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 IREIT.

We are very pleased to share that IREIT was ranked 20th in the Singapore Governance and Transparency Index 2023 for S-REITs. This is a great improvement from 2022, where IREIT was ranked 41st out of 43 S-REITs. This is also the largest improvement made by a S-REIT year-on-year.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The Manager is headed by an effective Board which is collectively responsible and works with Management for the long-term success of IREIT

The Board oversees the conduct of IREIT's affairs, works with the management of the Manager ("Management") which remains accountable to the Board for the achievement of this objective, and is accountable to Unitholders for the long-term performance and financial soundness of IREIT.

The Board is responsible for the overall corporate governance of the Manager, to lead and to supervise the management of the business and affairs of the Manager. The prime stewardship responsibility of the Board is to ensure that IREIT is managed in the best interests of all stakeholders, which include protecting IREIT's assets and Unitholders' interests and enhancing the long-term value of Unitholders' investment in IREIT.

The functions of the Board are defined broadly as follows:

- to guide the corporate strategy and directions of IREIT ;
- to ensure that Management discharges business leadership and demonstrates the highest quality of management skills with integrity and enterprise; and
- to oversee the proper conduct of the Manager.

The Board has put in place a Code of Conduct and Ethics which includes policies and internal controls on conflicts of interests for the Manager and sets the appropriate tone from the top-down. The Board is committed to building an open, inclusive and collaborative culture by fostering open communication throughout all levels of employees and treating any issues encountered by them seriously. The Manager has adopted a framework of delegated authorisations which sets out the level of authorisation and their respective approval limits for all business activities which include, but are not limited to, acquisitions, divestments, leasing, operating and capital expenditures. Activities and matters that are specifically reserved for the Board's decision and approval include but are not limited to:

- financial restructuring;
- bank borrowings;
- acquisitions and disposals;
- capital expenditure and annual budget;
- financial performance of IREIT and approval of the release of financial results;
- audited financial statements;
- issue of new units;
- income distributions and other returns to Unitholders; and
- matters which involve a conflict of interest.

The Board decides on the activities and matters that require its approval and clearly communicates this to Management in writing.

Independent Judgement

All Directors are fiduciaries who exercise due diligence and independent judgement and make decisions objectively in the best interests of IREIT. In determining the independence of its Directors, SGX takes into account the requirements and/or guidance provided under the Listing Manual of the Singapore Exchange Securities Trading Limited (SGX-ST) and the CCG2018 and its accompanying Practice Guidance. Please refer to Board Independence under Principle 2 in this Corporate Governance Report for more information.

Board Committees

In the discharge of its functions, the Board is supported by the Audit and Risk Committee (the "ARC") and Nominating and Remuneration Committee (the "NRC") which operate under delegated authority from the Board. However, the Board retains overall responsibility for any decisions made by the ARC and NRC. The ARC was established to assist the Board in its oversight of IREIT and the Manager's governance in relation to financial, risk, audit and compliance matters. The scope of authority and responsibilities of the ARC are defined in its terms of reference (see disclosure in Principle 10).

The NRC was established to assist the Board in, inter alia, matters relating to the appointment and re-appointment of Directors, succession plans for Directors and the Chief Executive Officer (the "CEO"), training and professional development programs for the Board and Management, process for evaluation of the performance of the Board and its board committees, process of determining the independence of Directors, and remuneration for Directors and key management personnel of the Manager. The scope of authority and responsibilities of the NRC are defined in its terms of reference (see disclosure in Principles 4, 5, 6, 7 and 8).

Directors' Development

The Nominating and Remuneration Committee has the responsibility to ensure that newly appointed Directors are aware of their duties and obligations. Newly appointed Directors are given induction training and are provided with comprehensive information and the constitutional documents of IREIT and the Manager, the contact information of each Board member, Management and the company secretary. The training covers business activities of IREIT, its strategic directions and policies, the regulatory environment in which IREIT and the Manager operate, and the Manager's corporate governance practices, and statutory and other duties and responsibilities as Directors.

In view of the increasing 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 director of an issuer listed on the SGX-ST will be provided with training on the roles and responsibilities of a director of a listed issuer in accordance with the listing rules of the SGX-ST. The costs of training are borne by the Manager.

In compliance with Rule 210(5)(a) of the Listing Manual, Directors who have no prior experience as director of an issuer listed on the SGX-ST will be provided with training on the roles and responsibilities of a director of a listed issuer in accordance with the listing rules of the SGX-ST. In this regard, Ms Susanna Cher Mui Sim, a Director newly appointed in FY2023, has completed the requisite training as at the date of this Annual Report.

The Directors are provided with opportunities for continuing education in areas such as directors' duties and responsibilities, changes to regulations and accounting standards, and industry-related matters, so as to be updated on matters that affect or may enhance their performance as Directors or Board committee members. Such opportunities are provided at the Manager's expenses. The Directors may also contribute by recommending suitable training and development programmes to the Board. In FY2023, 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 the Boards. As at the end of FY2023, all Directors had completed the training required under Rule 720(7) of the Listing Manual. 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.

Meetings of Board and Board Committees

Board meetings for each year are scheduled in advance to facilitate the Directors' administrative arrangements and commitments. If a Director is unable to attend the Board or Board Committee meetings, the Director 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. Where appropriate, meetings are also held to brief Directors on prospective transactions and potential developments in the early stages before formal Board approval is sought. Management is also required to furnish any additional information requested by the Board in a timely manner for the Board to make informed decisions.

The Manager's constitution permits Board meetings to be held by way of telephone conferences or any other means of similar communication equipment by which all persons participating in the meeting are able to hear and be heard by all other participants.

The Board is scheduled to meet at least once every quarter. In addition to scheduled meetings, the Board may also hold ad hoc meetings as required by business imperatives. At the 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 IREIT's periodic 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 IREIT's business and operations in the period under review, including market developments and trends, as well as business initiatives and opportunities;

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(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 IREIT's operations or financial performance;

(g) Received updates on IREIT's approach on sustainability; and

(h) Prospective transactions which management is exploring.

In addition, as and when any significant matter arises, these matters are brought promptly to the Board's attention and the Board is provided with the relevant information. Parties who can provide relevant information and insights on matters tabled at Board meetings will be in attendance to provide any further information and respond to any queries from Directors

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

The Board is provided with complete and adequate information on a timely basis to allow the Board to make informed decisions to discharge its duties and responsibilities. As a rule, Board papers are sent out at least one week prior to the Board meetings to ensure that Directors have sufficient time to review them. However, sensitive matters may be tabled at the meeting itself, or discussed without papers being distributed.

The Manager adopts and practices 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 Management and therefore IREIT 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 IREIT. At Board and Board Committee meetings, all the Directors actively participate in discussions and engage in open and constructive debate and challenge Management on its assumptions and recommendations.

The Board members as at the date of this Annual Report are as follows:

Board Member	Designation
Mr Mark Andrew Yeo Kah Chong	Chairman of the Board and NRC and Independent Non-Executive Director
Mr Chng Lay Chew	Chairman of the ARC and Independent Non-Executive Director
Ms Susanna Cher Mui Sim	Independent Non-Executive Director
Mr Bruno de Pampelonne	Non-Independent and Non-Executive Director
Mr Sherman Kwek Eik Tse	Non-Independent and Non-Executive Director

The number of meetings of the Manager's Board, the ARC, the NRC, the Annual General Meeting (the "AGM") and the Extraordinary General Meeting (the "EGM") held for the financial year ended 31 December 2023, as well as the attendance of each Director at the Board, the ARC, the NRC meetings, the AGM held on 25 April 2023 and EGM held on 27 July 2023 are as follows :

		Board	ARC	NRC	AGM	EGM
No. of Meetings in the Financial Year Ended 31 December 2023		**4**	**5**	**3**	**1**	**1**
Director	**Membership**					
Mr Mark Andrew Yeo Kah Chong (Appointed on 1January 2022)	Chairman and Independent Non-Executive Director, Chairman of NRC and member of the ARC	4	5	3	1	1
Mr Chng Lay Chew (Appointed on 1 January 2021)	Independent Non-Executive Director and Chairman of the ARC	4	5	N.A.	1	1
Ms Susanna Cher Mui Sim [(1)] (Appointed on 13 June 2023)	Independent Non-Executive Director	2	2	2	N.A.	1
Mr Bruno de Pampelonne (Appointed on 11 November 2016)	Non-Executive Director	4	N.A.	3	1	1
Mr Sherman Kwek (Appointed on 1 December 2022)	Non-Executive Director	4	N.A.	N.A.	1	1

		Board	ARC	NRC	AGM	EGM
Mr Lim Kok Min, John [(2)] (Appointed on 14 July 2014)	Independent Non-Executive Direcctor	2	3	1	1	N.A.
Mr Sanjay Bakliwal [(3)] (Appointed on 5 June 2020)	Non-Executive Director	2	N.A.	N.A.	1	N.A.

N.A.: Not applicable as the Director is not a member of the ARC or NRC or has resigned/retired from the Board on the meeting date.

(1) Ms Susanna Cher Mui Sim was appointed on 13 June 2023
(2) Mr Lim Kok Min, John stepped down as Chairman of the Board on 13 June 2023 and retired from the Board of Directors on 13 July 2023.
(3) Mr Sanjay Bakliwal resigned from the Board on 13 June 2023.

The Board has separate and independent access to Management and the company secretary, as well as the internal auditors (the "IA") and external auditors (the "EA") at all times. The company secretary or a representative of the company secretary attends to all corporate secretarial administration matters and attends all Board meetings. The company secretary is the corporate governance advisor on corporate matters to the Board and Management and is responsible for ensuring that the Manager's constitution and applicable rules and regulations are complied with. The appointment and removal of the company secretary is a matter for the Board as a whole. The Board also has access to and can seek independent external professional advice where appropriate and when requested at the Manager's expense, with consent from the Chairman.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of IREIT

Board Independence

In FY2023, IREIT exceeded the minimum requirements of CCG2018 being: (i) at least one third of the directors are independent and (ii) at least majority of the Board comprises non-executive directors (NED). The Board comprises five members, all of whom are NEDs and more than half, or three, out of five Directors are independent non-executive directors. In the event of any retirement or resignation which renders the issuer unable to meet any of the foregoing requirements, the NRC will endeavour to fill the vacancy within two months, but in any case, not later than three months. Profiles of the Directors, their respective Board Committee membership and roles are set out on pages 11 to 13 of this Annual Report.

The criterion of independence is based on the definition given in the CCG2018, the SF(LCB)R and the Listing Manual. A Director is considered independent if he is independent in conduct, character and judgement, and:

(a) has no relationship with the Manager, its related corporations, its substantial shareholders, IREIT'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 IREIT;

(b) is independent from the management of the Manager and IREIT, from any business relationship with the Manager and IREIT, and from every substantial shareholder of the Manager and every substantial Unitholder of IREIT;

(c) is not a substantial shareholder of the Manager or a substantial Unitholder of IREIT;

(d) is not employed and has not been employed by the Manager or IREIT or their respective related corporations in the current financial year 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 IREIT or their respective related corporations in the current financial year or any of the past three financial years and whose remuneration is or was determined by the Board; and has not served on the Board for a continuous period of nine years or longer

This allows the Directors to engage in robust deliberations with Management and provide independent, diverse and objective insights into issues brought before the Board.

Independent Directors are encouraged to participate actively at Board meetings in the development of the Manager's strategic plans and direction, and in the review and monitoring of Management's performance against targets. To facilitate this, they are kept informed of the businesses and performance through reports from Management and have access to IREIT's and the Manager's records and information. They also provide constructive input and the necessary review and monitoring of performance of the Manager and Management. Led by the independent Chairman or other independent Director as appropriate, the Non-Executive Directors and/or Independent Directors would also confer among themselves at least once a year without the presence of Management. The lead Chairman or Director of such meetings will provide feedback received during the meetings to the Board and/or Chairman as appropriate.

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;

(b) The NRC also reflects on the respective IDs' conduct and contributions at Board and Board Committee meetings, in particular, whether the relevant ID has exercised independent business judgement in discharging his or her duties and responsibilities.

The Board, through the NRC, assessed the independence of each of its Directors in FY2023, and the paragraphs below set out the outcome of the assessment and the Board's determination of independence based on the information available and having considered the views of the NRC.

Mr Mark Andrew Yeo Kah Chong

Mr Yeo is a director of Keppel Infrastructure Fund Management Pte. Ltd., which is the trustee-manager of SGX-listed Keppel Infrastructure Trust ("KIT"). He is also a director of Changi Airport Group (Singapore) Pte Ltd ("CAG"), Niks Professional Ltd ("Niks") and Windy EU Holdings Pte. Ltd ("Windy EU").

Mr Yeo's roles in KIT, CAG, Niks and Windy EU are non-executive in nature and he was not involved in the business operations of KIT, CAG, Niks and Windy EU.

The Board has considered the conduct of Mr Yeo in the discharge of his duties and responsibilities as a Director and is of the view that the relationships set out above did not interfere with the exercise of his independent business judgement in the discharge of his duties and responsibilities as a Director. Save for the relationships stated above, Mr Yeo does not have any other relationships and is not faced with any of the circumstances identified in the CCG2018, SF(LCB)R and Listing Manual, or any other relationships which may affect his independent business judgement. The Board is therefore of the view that Mr Yeo has exercised independent business judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Yeo is an ID. Mr Yeo will recuse himself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

Mr Chng Lay Chew

Mr Chng is a director at AWWA Ltd and NUHS Fund Limited and WWF-World-Wide Fund for Nature (Singapore) Limited.

The Board has considered the conduct of Mr Chng in the discharge of his duties and responsibilities as a Director and is of the view that the relationships set out above did not interfere with the exercise of his independent business judgement in the discharge of his duties and responsibilities as a Director. Save for the relationships stated above, Mr Chng does not have any other relationships and is not faced with any of the circumstances identified in the CCG2018, SF(LCB)R and Listing Manual, or any other relationships which may affect his independent business judgement. The Board is therefore of the view that Mr Chng has exercised independent business judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Mr Chng is an ID. Mr Chng will recuse himself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

Ms Susanna Cher Mui Sim

The Board has considered the conduct of Ms Cher in the discharge of her duties and responsibilities as an independent director. Ms Cher does not have any relationships and is not faced with any of the circumstances identified in the CCG2018, SFR and Listing Manual, or any other relationships which may affect her independent business judgement. The Board is therefore of the view that Ms Cher has exercised independent business judgement in the discharge of her duties and responsibilities. Based on the above, the Board arrived at the determination that Ms Cher is an ID. Ms Cher will recuse herself from participating in any Board's deliberation on any transactions that could potentially give rise to a conflict of interest.

The Board is satisfied that as at the last day of FY2023, Mr Bruno de Pampelonne and Mr Sherman Kwek Eik Tse were able to act in the best interests of all the Unitholders as a whole despite not being non-independent directors.

Board Diversity

The Board Diversity Policy of IREIT endorses the principle that its Board should have the balance of skills, knowledge, experience and other aspects of diversity that supports IREIT in the pursuit of its strategic and business objectives, and its sustainable development. The Board Diversity Policy sets out the objectives and progress for promoting diversity on the Board and will continue to consider the differences in the skill sets, gender, age, ethnicity and educational background in determining the optimal composition of the Board. The composition will be reviewed periodically to ensure that the board size is appropriate and has the appropriate mix of skills, experience, gender, age and knowledge, taking into consideration the nature and scope of IREIT's operations, to discharge their duties and responsibilities. The Board had stated its intention to appoint a suitably qualified female director in its next appointment and is happy that it achieved its objective in FY2023.

The Board recognises the benefits of having a diverse board. Diversity in the Board's composition not only contributes to the quality of its decision-making through diversity of perspectives in its boardroom deliberations. The varied backgrounds of the Directors also enable Management to benefit from their respective expertise and diverse backgrounds, to foster constructive debate and avoid groupthink.

The Board's diversity targets are as follows:

- Gender diversity: At least 20% of Directors should be female;

- Skills diversity: IREIT aims to have expertise across different domain knowledge and functional disciplines represented on the Board, including expertise in technology, legal/regulatory, sustainability, audit, risk, people, investments and public policy.

The Board's current composition reflects its commitment to diversity in the abovementioned areas. The appointments of Ms Susanna Cher Mui Sim in June 2023, further add to the Board's diversity in terms of gender, skills, and experience. In relation to gender diversity, 20% of the Board, or one out of the five Board members, is female.

In relation to skills diversity, the current Board comprises members who are business leaders and professionals with diverse expertise, experience and backgrounds including real estate, investment, banking, finance, accounting/audit, legal, entrepreneurial and general management.

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 and business background). The NRC also considers the qualities of the candidates, whether they are aligned to the strategic directions and values of IREIT. In addition, the NRC assesses the candidates' ability to commit time to the affairs of IREIT, taking into consideration their other current appointments. The NRC uses a skills matrix to determine the skills gaps of the Board and if the expertise and experience of a candidate would complement those of the existing Board members.

Board Composition

The Board is represented by members with a breadth of expertise in finance and accounting, real estate and business management.

The Board believes that the current board size, composition and balance is appropriate and provides sufficient diversity without interfering with efficient and effective decision-making. It allows for a balanced exchange of views, robust deliberations and debate among members and effective oversight over Management, ensuring no individual or small group dominates the Board's decisions or its process.

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The Board is of the view that the background, skills, experience and core competencies of its members provide an appropriate mix of expertise, experience and skills needed in the strategic direction, planning and oversight of the business of IREIT.

The composition of the Board will be reviewed periodically to ensure that the board size is appropriate and comprises Directors with an appropriate mix of expertise, skills, experience and diversity to discharge their duties and responsibilities.

Chairman And CEO

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making

There is a clear separation of the roles and responsibilities between the Chairman and the CEO of the Manager. The Chairman of the Board, Mr Mark Andrew Yeo Kah Chong is an Independent Non-Executive Director while the CEO of the Manager is Mr Louis d'Estienne d'Orves. Mr Louis d'Estienne d'Orves is seconded by Tikehau Investment Management ("TIM") to the Manager to assume the role of the Manager's CEO, pursuant to a services agreement (the "Services Agreement") entered into between TIM and the Manager. TIM is a wholly owned subsidiary of Tikehau Capital, a joint owner of the Manager. Under the Services Agreement, TIM provides certain services to the Manager, which include the secondment of the CEO to the Manager. Mr Louis d'Estienne d'Orves is ultimately responsible for the overall operations of the Manager and reports directly to the Board.

The Chairman and the CEO of the Manager are not related to each other, have no close family ties and there is no business relationship between them. This is consistent with the principle of instituting an appropriate balance of power and authority. The Chairman is responsible for leading the Board and overall management of the Manager. He is tasked to ensure the Board and Management work together with integrity and competency. His role also includes:

- promoting constructive debate and open discussions at the Board with Management on strategy, business operations, enterprise risk and other plans; and

- promoting high standards of corporate governance in general.

The CEO of the Manager has full executive responsibilities over the business direction and operational decisions in the day-to-day management of IREIT. He ensures the quality and timeliness of the flow of information between Management and the Board, Unitholders and other stakeholders.

The separation of the roles and responsibilities of the Chairman and the CEO, which is established and set out in writing, provides a healthy professional relationship between the Board and Management, and facilitates robust deliberations on the business activities and the exchange of ideas and views to help shape the strategic process. Accordingly, the Manager has not appointed a Lead Independent Director. In the case where the Chairman is not an Independent Director, or under situations where the Chairman is conflicted, the Board will appoint an Independent Director to be the Lead Independent Director.

Board Membership

Principle 4: 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 is supported by the NRC in the nomination of Directors and succession plan for the Board. As at 31 December 2023, the NRC comprises three Directors, of whom Mr Mark Andrew Yeo is the Chairman of the NRC and Ms Susanna Cher Mui Sim and Mr Bruno de Pampelonne are members of the NRC. All the three Directors are non-Executive Directors and majority of whom (including the Chairman of the NRC) are independent.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a nominating committee, which include making recommendations to the Board on relevant matters relating to:

- the review of board succession plans for Directors, in particular for the Chairman, the CEO and key management personnel;

- the development of a process for evaluation of the performance of the Board, its board committees and Directors;

- the review of training and professional development programs for the Board and Management;

- the appointment and re-appointment of Directors (including alternate directors, if applicable), taking into account, among other things, their principal commitments and multiple board memberships; and

- the review of the size and composition of the Board, the required expertise and independence of the Directors to ensure that the Board has the appropriate balance, diversity and competencies to discharge their respective functions effectively.

Any appointment of new Directors will be carefully evaluated. The candidate's skill, experience, ability to perform, other commitments, independence and the needs of the Board will be taken into consideration. All appointments of Board members are approved by the Board. In addition, the criteria under the Guidelines on Fit and Proper Criteria issued by the MAS for such appointments and re-appointments will also be taken into consideration.

The NRC aims to maintain an optimal Board composition by considering the trends affecting IREIT, reviewing the skills needed and identifying gaps, including considering whether there is an appropriate level of diversity of thought. Candidates may be put forward or sought through contacts and recommendations by the Directors when a vacancy arises under any circumstances. Any nomination, which may be made by any of the Manager's shareholders, is carefully evaluated by the NRC before any appointment is made. If necessary, the NRC may seek advice from the Singapore Institute of Directors, external search consultants or through external referrals. Potential Directors will be considered and appointed primarily based on merit and diversity requirements of the Board. All appointments of Directors are also subject to the MAS' approval. The letter of appointment that is issued to each Director sets out the duties and responsibilities to the Manager and IREIT. None of the Directors has entered into any service contract directly with IREIT.

Directors are normally appointed for an initial period of three years and may be re-elected for such further period or periods of one year each at the discretion of the Board. Directors are not subject to periodic retirement by rotation, nor re-appointment through voting by Unitholders, although the Board has a planned process of renewal of the independent Directors. In reviewing succession plans, the NRC has in mind IREIT's strategic priorities and the factors affecting the long-term success of IREIT. As at the date of this Annual Report, none of the Directors has served on the Board beyond nine years from the date of his first appointment.

The Board recommends the seeking of endorsement and re-endorsement of Directors for approval, having regard to the Director's contribution and performance, with reference to the results of the assessment of the performance of the individual Director. All Directors are subject to an annual review of their commitment and performance to the Board. The criteria for re-appointment and re-endorsement of existing Director are similar to the criteria set out in relation to the appointment of new Director.

During the financial year ended 31 December 2023, Mr Mark Andrew Yeo was appointed as Chairman of the Board with effect on 13 June 2023 and continue to serve as Chairman of NRC, Ms Susanna Cher Mui Sim was appointed Independent Non-Executive Director on 13 June 2023. Mr Lim Kok Min John, who had served as Independent Non-Executive Chairman since 14 July 2014, retired from the Board on 13 July 2023 on completion of his nine-year tenure as an independent Non-Executive Director. As part of his retirement process, Mr Lim stepped down as Chairman of the Board on 13 June 2023 but continued to be an Independent Non-Executive Director and served as a member of the ARC as well as the NRC until his retirement on 13 July 2023. Mr Sanjay Bakliwal, a Non-Executive Director, resigned as Non-Executive Director on 13 June 2023. In addition, the Board has sought and approved the endorsement by way of resolution for the re-appointment of:

- Mr Chng Lay Chew, to continue as Chairman of the ARC and Independent Non-Executive Director,

- Mr Bruno de Pampelonne, to continue as Non-Executive Director,

There are no alternate Directors appointed to the Board.

The Manager does not currently prescribe the number of listed company board representatives that each Director may hold as long as the Director is able to commit his or her time and attention to the affairs of the Manager, including attending Board meetings and contributing constructively to the management of the Manager and IREIT. Instead of prescribing a maximum number of directorships that each Director may have, the Manager adopts a holistic assessment of each Director's individual capacity and circumstances to carry out his or her duties in the best interests of the Manager and IREIT, taking into consideration not only the number of other boards held by each Director, but also the nature and complexity of such commitments. In respect of the financial year ended 31 December 2023, considering the meeting attendance records as well as the contribution and performance of each Director at and outside such meetings, the Board is of the view that each Director has been able to effectively discharge his or her duties as a Director of the Manager.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors

The NRC has a formal system in place to evaluate the Board performance and assess the effectiveness of the Board, the Board Committees, and the individual Directors through the use of performance evaluation forms. The NRC recommends for the Board's approval the objective performance criteria and 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.

An annual review of the Board is carried out to assess the effectiveness of the Board, the ARC, and the NRC. The review process includes getting feedback from individual Directors on areas relating to the Board's, the ARC's and the NRC's competencies and effectiveness. The areas being assessed are broadly classified under Board composition, process, accountability, risk management and internal control, recruitment and evaluation and compensation, among others.

Directors are requested to complete an assessment and evaluation form that is tailored to seek their input on the various aspects of the performance of the Board, the ARC and the NRC. The purpose of the evaluation is to assess the overall effectiveness and efficiency of the Board as a whole. The criteria for the evaluation of individual Directors include, amongst others, the Directors' attendance and participation at the Board, the ARC and NRC meetings, and contributions of each Director to the Board.

The Board has not engaged any external consultant or facilitator to conduct an assessment of the performance of the Board and each individual Director. To ensure that the assessments are done promptly and fairly, the Board has appointed the company secretary to assist in collating and organising the returns of the Board members. The company secretary does not have any other connection with IREIT, the Manager or any of its Directors.

The last performance evaluation was carried out in February 2024 in respect of the financial year ended 31 December 2023. NRC has evaluated and discussed the results of the annual Board Performance review with a view towards improving the effectiveness of the Board. There is nothing so far in the conduct of the Board or in the evaluation to suggest otherwise as stated in the report.

REMUNERATION MATTERS

Procedures For Developing Remuneration Policies

Principle 6: 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. No director is involved in deciding his or her own remuneration

Level And Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of IREIT, taking into account the strategic objectives of IREIT

Disclosure On Remuneration

Principle 8: The Manager is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation

Constituted as a trust, IREIT is externally managed by the Manager and has no personnel of its own. IREIT does not pay Directors' fees and remuneration of the CEO and the employees of the Manager. Their fees and remuneration are paid by the Manager, save for the remuneration of the CEO, which is paid by TIM under the Services Agreement and recharged to the Manager.

The Board is supported by the NRC in the remuneration matters of the Manager. As at 31 December 2023, the NRC comprises three Directors, all of whom are non-Executive Directors and majority of whom (including the Chairman of the NRC) are independent.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a remuneration committee, which include:

- the review and recommendation to the Board on the framework of remuneration for the Board and key management personnel, as well as the specific remuneration packages for each Director and key management personnel;
- establishment of a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors; and
- the review of the Manager's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service.

The NRC considers all aspects of remuneration, including termination terms, to ensure they are fair. The remuneration will cover all aspects of remuneration including Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits-in-kind and termination payments, and should aim to be fair and to avoid rewarding poor performance. The Manager has adopted a balanced remuneration policy, aimed to ensure market competitiveness and alignment to best industry practices and Unitholders' interests.

Independent Directors and Non-Executive Directors are paid basic fees for their Board, the ARC and the NRC memberships.

Individual Non-Executive Directors' fees were determined based on the following factors:

- roles and responsibilities;
- time spent;
- benchmarking against peers;
- effort committed; and
- skills and expertise.

Directors' fees are reviewed periodically to benchmark such fees against the amounts paid by other managers of listed real estate investment trusts ("REITs") to ensure the remuneration is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Manager and its key management personnel to successfully manage IREIT for the long term. The Directors do not decide their own fees, as each Director shall abstain from decisions by the Board involving his remuneration. The total costs of governance, as well as the average Director's fees were targeted around the median of the market.

The remuneration policy for Management and key employees is:

- to provide a fair and competitive compensation;
- to motivate a high level of performance;
- to ensure quality employee retention; and
- to correlate with the individuals' performance as well as IREIT and the Manager's performance.

Individual executives' remuneration levels were determined based on the following factors:

- roles and responsibilities;
- benchmarking against industry peers;
- unique skills and expertise; and
- experience.

To achieve an equitable and fair reward system that drives organisational performance, the remuneration policy is designed to attract, motivate, reward and retain high-performing employees, taking into consideration the employees' responsibilities, work experience and educational qualifications. The Manager also conducts an annual performance review process where the individual's performance is assessed based on the Manager's performance relative to IREIT's long-term performance. The review also reinforces strengths, identify improvements and plan for the progressive development of the employees.

The remuneration components include a guaranteed fixed salary, a variable bonus and a long-term incentive. The variable bonus is determined as a significant and appropriate component in the remuneration of the C-level executives and should be paid in full upon full achievement of all IREIT's Key Performance Indicators (the "KPIs") or proportionally to the percentage of KPIs achieved. The long-term incentive is aimed to reward the performance of employees, and this incentive is in addition to the variable component. As the Manager is a subsidiary of Tikehau Capital, certain employees of the Manager are entitled to receive performance shares of Tikehau Capital under its performance share plans, as described later in this section.

The KPIs, which are set at the start of the financial year, are aligned to the business strategy of IREIT and linked to the individual performance and the performance of IREIT. An appropriate proportion of the remuneration of CEO and key management personnel is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of Unitholders and other stakeholders and promotes the long-term success of IREIT. The Board is of the view that the KPIs were achieved and that remuneration is aligned to performance in respect of the financial year ended 31 December 2023.

The Board has access to expert advice from external remuneration consultants where required. During the year under review, no external remuneration consultant was engaged.

The Manager does not rely on any contractual provisions to reclaim incentive components of remuneration from its key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss. The Manager should be able to avail itself to remedies against its key management personnel in the event of such breach of fiduciary duties.

The framework for determining Directors' fees is shown below:

	Chairperson	Member
Main Board	80,000	50,000
ARC	30,000	15,000
NRC	10,000	5,000

The NRC recommended and the Board approved that the Director fees to be unchanged for year ended 31 December 2023.

The Directors' fees for FY2023 are shown in the table below. The Non-Executive, Non-Independent Directors waived their entitlement for directors' fees. All Directors' fees are paid in cash. It should be noted that the Directors do not receive any additional benefits other than out-of-pocket expense reimbursements from the Manager.

The Directors' fees of each of the Directors for the financial year ended 31 December 2023 were as follows:

Name of Director	Total Directors' Fees in Cash (S$'000)
Mr Mark Andrew Yeo Kah Chong (1)	91.5
Mr Chng Lay Chew	80.0
Ms Susanna Cher Mui Sim (2)	38.5
Mr Lim Kok Min, John (3)	51.1
Mr Bruno de Pampelonne (4)	–
Mr Sherman Kwek (4)	–
Mr Sanjay Bakliwal (4), (5)	–

Notes:
(1) Mr Mark Andrew Yeo Kah Chong was appointed as Chairman of the Board on 13 June 2023.
(2) Ms Susanna Cher Mui Sim was appointed as Member of the Board, Audit and Risk Committee and Nominating and Remuneration Committee on 13 June 2023.
(3) Mr Lim Kok Min, John resigned as Chairman of the Board on 13 June 2023 but continues to serve as independent member of the Board of Directors, Audit and Risk Committee and Nominating and Remuneration Committee until his retirement on 13 July 2023.
(4) Non-executive, non-independent directors waived their entitlement for directors' fees.
(5) Mr Sanjay Kumar Bakliwal resigned from the Board on 13 June 2023.

The level and mix of the remuneration of the CEO for the financial year ended 31 December 2023 is as follows:

Remuneration Band and Name	Base/Fixed Salary [3] (%)	Performance-related Cash Bonus (%)	Performance-related Long-Term Incentives [4] (%)
Above S$1,000,000 to S$1,250,000			
Mr Louis d'Estienne d'Orves [1]	37	14	49

The level and mix of the aggregate remuneration of the other key management personnel for the financial year ended 31 December 2023 is as follows:

Number of Key Management Personnel [2]	Base/Fixed Salary [3] (%)	Performance-related Cash Bonus (%)	Performance-related Long-Term Incentives [4] (%)
Above S$1,250,000 to S$1,500,000			
4 [5]	59	14	27

Notes:
(1) Mr Louis d'Estienne d'Orves' remuneration for the financial year ended 31 December 2023 was paid by TIM under the Services Agreement and charged to the Manager.
(2) The Manager has less than five key management personnel other than the CEO. The remuneration band corresponds to the aggregate remuneration of the four key management personnel.
(3) Paid in cash.
(4) Paid in the form of unvested performance shares under Tikehau Capital's 2023 Plans as described on pages 143 to 144.
(5) Four key management personnel as at 31 December 2023.

The Board has assessed and decided to provide disclosure of the remuneration of the Directors on a named basis in exact quantum. In addition, the Board has also decided to provide disclosure of the remuneration of the CEO in bands of S$250,000. In respect of Provision 8.1 of the CCG2018, it has assessed and decided against disclosing the remuneration of the CEO in exact quantum and the remuneration of the four key management personnel (who are not Directors or the CEO) on a named individual basis but in aggregate and in bands of S$250,000. The Board took into account confidentiality concerns and also considered the importance of maintaining stability and continuity in the key management team of the Manager. Given the competitive pressures in the talent market, the Board considers that such disclosure may subject the Manager to negative impact including talent retention issues and the risk of unnecessary key management turnover, which in turn, will not be in the best interests of IREIT and its Unitholders. The Board is of the view that such non-disclosure will not be prejudicial to the interests of Unitholders.

In addition to their cash remuneration in the form of fixed monthly basic and annual performance bonus, certain employees of the Manager which is a subsidiary of Tikehau Capital are also eligible to receive grants of performance shares of Tikehau Capital as part of Tikehau Capital's performance share plans. The percentage of remuneration that was paid in Tikehau Capital shares for the CEO and key management personnel are stated in the table above under the column titled "Performance-related Long-Term Incentives".

For 2023, these plans comprise the 2023 Performance Share Plan and where relevant the 2023 Retention Plan (the "2023 Plans") which were set up to grant unvested shares to employees of the Tikehau Capital Group.

The 2023 Performance Share Plan has a vesting period of three years with up to two thirds of the amount granted eligible for vesting at the end of the second year and the balance at the end of the third year, on the anniversary following the grant date. Where relevant, the 2023 Retention Plan has a vesting period of five years with up to one quarter of the amount granted eligible for vesting in each year from the second year onwards.

While the granting of Tikehau Capital's performance shares under the 2023 Plans and their quantum to the employees of the Manager is dependent on the performance of these individuals as employees of the Manager for the financial year ended 31 December 2023 and the implementation of a retention mechanism, the vesting of each tranche of the 2023 Plans will be dependent on the collective performance of the various lines of businesses of TIM which is the Tikehau Group's main platform dedicated to its asset management activity in each of the relevant vesting period.

The Board has reviewed Tikehau Capital's 2023 Plans and is of the view that these plans provide an added performance incentive, a retention mechanism and potential increase in remuneration for these employees of the Manager and are not prejudicial to the interests of Unitholders of IREIT. Additionally, all cost of the 2023 Plans is borne by the Manager. Based on the mitigating measures and reasons stated above, the Manager is of the view that this arrangement would not result in a misalignment of interest with those of Unitholders.

There are no employees of the Manager who are immediate family members of any Director, the CEO, or a substantial shareholder nor are there employees who are substantial shareholders of the Manager during the financial year ended 31 December 2023. No compensation is payable to any Director, key management personnel or employee of the Manager in the form of options in Units or pursuant to any bonus or profit-sharing plan or any other profit-linked agreement or arrangement in respect of the Manager and/or IREIT. The Directors, the CEO and the key management personnel (who are not Directors or the CEO) are remunerated on an earned basis and there are no termination, retirement or post-employment benefits that are granted over and above what have been disclosed.

The Board reviews the Manager's obligations arising in the event of the appointment and reasons for resignations and terminations of the CEO (if not a Director), and key management personnel's contract of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

In respect of the year ended 31 December 2023, the Board is of the view that the remuneration policy and packages are aligned with the interests of Unitholders and are designed to attract and retain talented staff, while taking into account the prevailing market conditions within the industry. The remuneration is also aligned to performance and all the performance conditions used to determine the remuneration of Directors and key management personnel, as set out on pages 140 to 143, were met during the year.

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of IREIT and its unitholders

The Manager has put in place adequate and effective risk management and internal controls measures to address financial, operational, compliance, information technology, and other potential risks to safeguard Unitholders' interests and IREIT's assets. The Board is responsible for the governance of risks and for overseeing the enforcement of a sound system of risk management and internal controls.

The Manager has adopted an enterprise-wide risk management ("ERM") framework to provide a holistic and structured systematic approach towards managing risks in a systematic manner to support the business objectives and strategy of IREIT. The risk management process, which comprises risk identification and analysis, risk treatment and risk monitoring and reporting, forms the core of the ERM framework. Through a structured process, the Manager identifies key risks, assesses their likelihood and impact on the business, as well as establishes corresponding mitigating controls. An outline of the Manager's ERM framework is set out on pages 97 to 101.

The Board meets every quarter to review the operations of the Manager and IREIT and track their financial performance against approved budgets and prior periods. The Board also determines the nature and extent of the significant risks which IREIT is willing to take in achieving its strategic objectives and value creation, taking into consideration the property market and the economic condition that IREIT assets are located. The Board reviews management reports and feasibility studies on individual investment projects prior to approving major transactions.

In addition, the Board also reviews the risks to the assets of IREIT, examines the management of liabilities, and acts upon any comments from the IA and the EA.

In view of the importance of risk management and internal controls, the ARC is assigned the duty to assist the Board in overseeing this aspect of the Manager's and IREIT's operations.

The ARC reviews and reports to the Board at least annually on the adequacy and effectiveness of the risk management and internal control systems (including financial, operational, compliance and information technology controls) established by Management.

The Manager has appointed experienced and well-qualified management personnel to manage the day-to-day operations of the Manager and IREIT.

The Board has received assurance from the CEO and Chief Financial Officer ("CFO") that as at 31 December 2023:

- The financial records of IREIT have been properly maintained and the financial statements for the financial year ended 31 December 2023 give a true and fair view of IREIT's operations and finances; and

- The Board has also received assurance from the CEO and other key management personnel who are responsible that as at 31 December 2023, that the Manager risk management and internal control systems are adequate and effective to address the key risks and material issues which IREIT may face, taking into account IREIT's business and operations.

Based on the risk management and internal control systems established by the Manager, work performed by the IA, the EA and other service providers, and reviews performed by Management, the ARC and the Board, as well as the said assurances set out above, the Board, with the concurrence of the ARC, is of the opinion that the Manager's risk management and internal control systems (including financial, operational, compliance and information technology controls) were adequate and effective as at 31 December 2023 to address the risks that the Manager considers relevant and material to IREIT's operations.

The Manager's risk management and internal control systems provide reasonable assurance against foreseeable events that may adversely affect IREIT's business objectives. The Board notes that no risk management and internal control systems can provide absolute assurance in this regard, or against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.

Audit and Risk Committee

Principle 10: The Board has an Audit and Risk Committee which discharges its duties objectively

The ARC comprises Mr Chng Lay Chew (Chairman of the ARC), Mr Mark Andrew Yeo, and Ms Susanna Cher Mui Sim, all of whom are Independent Non-Executive Directors as at 31 December 2023. The ARC Chairman and members bring with them invaluable recent and relevant accounting or managerial and professional expertise in related financial management domains. The ARC Chairman has contributed to the development of the accounting profession locally in the areas of education and professional development.

The ARC does not comprise former partners or Directors of the Manager's or IREIT's EA (a) within a period of two years commencing on the date of their ceasing to be a partner of the EA; and in any case, (b) for as long as they have any financial interest in the EA.

The key objectives of the ARC are to assist the Board with its oversight responsibilities in key areas including financial statement preparation and reporting, risk management and internal controls, internal audit and external audit and compliance with applicable regulations.

The ARC's responsibilities include:

- reviewing the accounting principles adopted, significant financial reporting issues and judgements so as to ensure as to the integrity and fairness of the financial statements of IREIT and any announcements relating to IREIT's financial performance and financial reporting, before making recommendations to the Board for approval;

- reviewing and reporting to the Board at least annually on the adequacy and effectiveness of the risk management and internal control systems (including financial, operational, compliance and information technology controls);

- reviewing the assurances provided by the CEO and the CFO on the financial records and financial statements, and the adequacy and effectiveness of the risk management and internal control systems;

- reviewing and recommending to the Board for approval the proposals to Unitholders on the appointment, re-appointment or removal of the IA and the EA, the remuneration of the IA and the EA and the terms of engagement of the EA;

- reviewing the adequacy, effectiveness, scope and audit findings of the IA and EA as well as Management's responses to them;

- reviewing the independence and objectivity of the EA, and considering (a) the aggregate amount of fees paid to the EA for that financial year, (b) a breakdown of the fees paid in total for audit and non-audit services and (c) the nature of non-audit services, seeking to balance the independence of the EA with the business and operational needs of IREIT;

- meeting separately with the IA and EA, without the presence of Management, at least on an annual basis;

- reviewing the internal control system established to regulate and ensure compliance with the provisions of Chapter 9 of the Listing Manual relating to "interested person transactions" ("Interested Person Transactions") and the provisions of the Property Funds Appendix relating to "interested party transactions" ("Interested Party Transactions"). Interested Person Transactions and Interested Party Transactions are together referred to as "Related Party Transactions";

- reviewing and approving the enterprise risk management framework for managing risks, and making recommendations to the Board on the type and level of risks that IREIT undertakes to achieve its business strategy;

- reviewing the adequacy and effectiveness of the compliance function, and the policies and procedures in place to comply with applicable regulations;

- reviewing, monitoring and making recommendations to the Board on IREIT's risk of being subject to, or violating, any sanctions-related law or regulation, and ensuring timely and accurate disclosures to SGX and other relevant authorities. If required, to assess whether there is a need for IREIT to obtain independent legal advice or appoint a compliance adviser in relation to the sanctions-related risks applicable to IREIT, and the continuous monitoring of the validity of the information provided to Unitholders and SGX;

- reviewing and approving the whistle-blowing policy and arrangements by which employees and external parties may, in confidence, safely raise possible improprieties in matters of financial reporting or other matters and if required, ensuring that whistle-blowing cases are independently investigated for appropriate follow-up and action;

- investigating any matters within the ARC's terms of reference, whenever it deems necessary; and

- reporting to the Board on material matters, findings and recommendations.

The ARC is authorised to investigate any matters within its terms of reference. It has full access to and co-operation from Management and enjoys full discretion to invite any Director and executive officer of the Manager to attend its meetings. The ARC also has full access to reasonable resources to enable it to discharge its function properly. Regular updates and advice from both the IA and EA are provided to enable the ARC to keep abreast of relevant changes to accounting standards and issues which have a direct impact on financial statements. Such updates include briefings conducted by the IA or EA during ARC meetings and advice provided from time to time.

The primary reporting line of the IA is to the ARC, which also decides on the appointment, termination and remuneration of IA. The IA has unfettered access to all the company's documents, records, properties and personnel, including the ARC, and has appropriate standing within the Manager and IREIT.

In addition, the Manager has engaged KPMG Services Pte. Ltd. ("KPMG") to provide adhoc ongoing regulatory compliance advice to the Manager. The ARC is kept updated on findings reported by the compliance officer, who reports to the CEO, and the ARC takes these findings into consideration when assessing the Manager's risk appetite.

The ARC undertook a review of the independence of the EA and all the non-audit services provided by the EA of IREIT, Deloitte & Touche LLP, taking into consideration among other factors, IREIT's relationships with the EA in FY2023, as well as the processes and safeguards adopted by the Manager and the EA relating to audit independence. Based on the review, the ARC is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the EA. The EA has also provided confirmation of their independence to the ARC.

The aggregate amount of fees paid and payable by IREIT to the EA for the financial year ended 31 December 2023 amounted to €513,000. This comprises audit service fees of €437,000 and other non-audit service fees of €76,000.

ARC meetings are generally held after the end of every financial quarter. In respect of the financial year ended 31 December 2023, the ARC has also met with the IA and EA separately, without the presence of Management, to discuss the reasonableness of the financial reporting process, the system of internal controls, and the significant comments and recommendations by the auditors.

In appointing the EA for IREIT, the ARC is satisfied that IREIT has complied with the requirement of Rules 712 and 715 of the Listing Manual. The ARC has assessed the performance of the EA based on factors such as the performance and quality of their audit and the independence of the auditors.

The ARC typically meets with the EA several months before the end of the financial year to discuss the year's audit plans and progress, during which significant financial reporting issues including identification of key audit matters ("KAM") are discussed.

As with the case last year, the EA has identified the valuation of investment properties as a KAM. The EA has communicated their findings that the fair valuation of the properties and various inputs used by the independent valuers are within a reasonable range of the EA's expectations. In arriving at its conclusion, the EA has undertaken the appropriate audit procedures, which include reviewing the qualifications, competence and independence of the independent valuers and understanding how the valuers have considered the implications of market and geopolitical uncertainty in the valuations.

The ARC reviewed the outcomes of the independent valuation process and discussed the details of the valuation with both Management and the EA. The ARC is satisfied with the valuation methodologies and the underlying key assumptions applied. However, given that the assumptions are subjective and are highly susceptible to changes in the business environment, the ARC similarly cautions Unitholders against relying solely on the investment property valuations in assessing the financial performance of IREIT. This is particularly so as such valuations do not give any assurance that the investment properties will be sold at such prices in the event such a sale is to be effected. Any changes in such valuations from prior periods alone will also not have any impact on IREIT's distributions to Unitholders. Instead, the ARC advises Unitholders to focus on factors such as the net property income, tenant profile, tenancy duration, and their changes over the years to assess how well IREIT's portfolio has performed.

The ARC noted that the valuers have highlighted that the combination of the ongoing geopolitical uncertainty, persistent inflationary pressures and more expensive debt and capital has led to increased volatility in many real estate markets across Europe. Considering the lower sales and leasing transaction volumes and falling values in many real estate markets across Europe, the valuation is based on information available at the date of valuation of 31 December 2023. The ARC will continue to monitor the situation and seek professional advice on the property values as and when necessary.

Other than the KAM identified in the EA's report, the ARC also reviewed matters such as revenue recognition, liquidity and going concern risks, and Management's override of controls with the EA and Management. The ARC is pleased to inform the Unitholders that there are no significant issues relating to such matters that warrant special mention this year as they have all been dealt with according to established procedures and control measures, generally accepted accounting principles, and financial reporting standards.

The internal audit function of the Manager is outsourced to PricewaterhouseCoopers Risk Services Pte. Ltd. ("PwC"), an independent assurance service provider. The PwC internal audit team is led by a partner with significant experience performing internal audit services for Singapore listed companies and the team members supporting the partner are dedicated internal audit specialists with knowledge and experience. The ARC reviews the adequacy, effectiveness, independence, scope and results of the IA at least once a year. The ARC is satisfied that the IA has the relevant knowledge and experience and has met the standards established by internationally recognised professional bodies including the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

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 IA function is adequately resourced and skilled in line with the nature, size and complexity of the Manager and IREIT's business, and that an adequate budget is allocated to the internal audit function to assure its proper functioning. In respect of FY 2023, the ARC has carried out a review of the internal audit function and is satisfied that the internal audit function performed by the IA is adequately resourced, effective and independent. The ARC is also satisfied that the IA has the relevant qualifications and experience and has met the standards established by internationally recognised professional bodies including the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The IA reports directly to the ARC on audit matters and has unfettered access to all the Manager's documents, records, properties and personnel, including the ARC, and has appropriate standing within the company. The ARC approves the hiring, removal, evaluation and fees of the IA and also reviews and approves the annual internal audit plan and reviews the internal audit reports and activities. The ARC meets with the IA, without the presence of Management, at least once a year. The ARC is of the view that the IA is effective, has adequate resources to perform its functions and has to the best of its ability, maintained its independence from the activities that it audits.

CORPORATE GOVERNANCE REPORT

UNITHOLDER RIGHTS AND ENGAGEMENT

Unitholder Rights and Conduct of General Meetings

Principle 11: The Manager treats all unitholders fairly and equitably in order to enable them to exercise unitholders' rights and have the opportunity to communicate their views on matters affecting IREIT. The Manager gives unitholders a balanced and understandable assessment of IREIT's performance, position and prospects

The Manager is committed to treat all Unitholders fairly and equitably. All Unitholders enjoy specific right under the Trust Deed and the relevant laws and regulations. These rights include, among other things, the right to participate in profit distributions. They are also entitled to attend general meetings and are accorded the opportunity to participate effectively and vote at general meetings (including through 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 are also informed of the rules governing general meetings. 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 IREIT.

General Meetings

IREIT supports the principle of encouraging Unitholder participation and voting at general meetings. IREIT's Annual Report is provided to Unitholders within 120 days from the end of IREIT's financial year. Unitholders may download the Annual Report (printed copies are available upon request) and notice of the general meeting from the IREIT's website. Usually, IREIT provides more than the legally required notice period for general meetings. The notice of the general meeting is also available on SGXNet. The rationale and explanation of each agenda item which requires Unitholders' approval at a general meeting are provided in the notice of the general meeting or in the accompanying circular (if any) issued to Unitholders in respect of the matter(s) for approval at the general meeting. This enables Unitholders to exercise their votes on an informed basis. To safeguard the Unitholders' interest 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. If the resolutions are "bundled", the Manager will explain the reasons and material implications in the notice of general meeting.

At AGMs, Management makes a presentation to Unitholders to update them on IREIT's performance, position and prospects. The presentation materials are made available to Unitholders on IREIT's website and also on SGXNet. Unitholders are given the opportunity to ask questions by submitting them to the Manager in advance of the meeting. Representatives of the Trustee, Directors (including the chairman of the respective Board Committees), key management personnel and the external auditors of IREIT, are present for the entire duration of the AGMs. Under normal circumstances, Directors and Management interact with Unitholders after the AGMs conducted in a physical format.

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.

In FY2023, IREIT's AGM was convened and held on 25 April 2023 ("AGM 2023") at Bridge+, Metro 2 Event Space, Level 2, 79 Robinson Road, CapitaSky, Singapore 068897.

Unitholders' submission of questions and responses to the substantial and relevant questions and the appointment of Chairman of the meeting as proxy to vote on their behalf for AGM 2023 was announced prior to the conduct of AGM 2023. The attendance of Directors for the AGM held on 25 April 2023 is disclosed on pages 134 and 135. The results and minutes of the AGM 2023 was published on IREIT's website at www.ireitglobal.com on 25 April 2023 and 19 May 2023, respectively.

In addition, in FY2023, IREIT held an EGM on 27 July 2023 at The Meeting Room 308, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Singapore 039593 to vote on the ordinary resolution for the acquisition of 17 retail properties in France, as an interested person transaction. The resolution was carried with 99.3% of unitholders voted in favour of the acquisition and 0.7% of unitholders voted against the acquisition. The results of the EGM was published on IREIT's website on 27 July 2023.

The upcoming AGM will be an in-person meeting to be held at The Meeting Rooms 324-325, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Singapore 039593 on Thursday, 25 April 2024 at 10:00 a.m. (Singapore time).

The Manager is of the view that Unitholders have opportunities to communicate their views on matters affecting IREIT 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 IREIT's website. Accordingly, the rights of the Unitholders are consistent with the intent of Principle 11 of the CCG2018.

Distribution Policy

IREIT's distribution policy is to distribute at least 90.0% of its annual distributable income for each financial year, with distributions being made to the Unitholders on a semi-annual basis. The Manager has discretion to distribute any additional amounts, having regard to funding requirements, other capital management considerations and ensuring the overall stability of distributions.

Engagement With Unitholders

Principle 12: The Manager communicates regularly with its unitholders and facilitates the participation of unitholders during general meetings and other dialogues to allow unitholders to communicate their views on various matters affecting IREIT

Timely Disclosure of Information

The Manager is committed to keeping all Unitholders, other stakeholders, analysts and the media informed of IREIT's performance and any changes in the IREIT or its business which would likely to materially affect the price or value of the Units.

For FY2023, 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 IREIT and its performance, position and prospects.

In addition to the announcement of half-yearly and full-yearly financial statements in FY2023, 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 the half-yearly and full-yearly financial statements. Such business updates contain, among other things, information on the IREIT's key operating metrics. In addition to the release of financial statements, the Manager also keeps IREIT's Unitholders, stakeholders and analysts informed of the performance and key developments at IREIT or its business which would likely materially affect the price or value of the Units on a timely and consistent basis, so as to assist Unitholders and investors in their investment decisions. This is performed through the release on SGXNet of announcements in compliance with regulatory reporting requirements and news releases for the media, on a timely and consistent basis. These announcements and news releases are also posted on IREIT's website. In addition, the Manager also conducts regular analysts' and media briefings, and the materials used for such briefings are uploaded on SGXNet.

The Manager upholds a strong culture of continuous disclosure and transparent communication with Unitholders, the investing community and other stakeholders. The Manager has in place an investor relations policy which sets the principles and practices that it applies to provide investors of IREIT with timely information necessary to make informed investment decisions and to ensure a level playing field. The Manager has developed a disclosure policy, which requires timely and full disclosure of financial reports and all material information relating to IREIT by way of public releases or announcements via SGXNET. The published materials are also posted on IREIT's website.

IREIT's website also has the option for visitors to subscribe for a free email alert service on public materials released by the Manager.

Investor Relations

The Manager has a dedicated Head of Investor Relations and Capital Markets who regularly communicates major developments in IREIT's businesses, operations, financial position, distribution policy and prospects to the Unitholders, analysts and other interested parties. The Manager believes in providing transparent communication. The Manager conducts regular briefings for analysts, which generally coincide with the release of IREIT's financial results. During these briefings, the Manager will review IREIT's most recent performance, as well as discuss the business outlook for IREIT.

To achieve the Manager's objective of providing transparent communication, briefing materials are released on SGXNET and made available on IREIT's website. IREIT's distribution policy is also communicated in the briefing materials that are released on SGXNET and made available on IREIT's website. The Manager also actively engages with Unitholders with a view to solicit and understand their views. Further, the Manager's existing investor relations policy allows for an ongoing exchange of views to actively engage and promote regular, effective and fair communication with Unitholders.

The Manager will also meet investors through institutional investor conferences, non-deal road shows and private meetings on a regular basis. In compliance with the Property Funds Appendix, an AGM will be held after the close of the financial year to allow the Manager to interact with Unitholders, particularly retail investors, as well as providing the investors a direct channel to get responses to any queries they might have. Unitholders are also welcome to engage with the Manager beyond general meetings and they may do so by contacting the Investor Relations department whose details may be found on IREIT's website and in the Investor Relations section on pages 39 to 41 of this Annual Report.

The Manager believes in conducting the business of IREIT in ways that seek to deliver sustainable value to Unitholders. Best practices are promoted to build an excellent business for IREIT and the Manager's accountability to Unitholders for IREIT'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.

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of IREIT are served

Managing Stakeholder Relationships

The Manager strives to maintain open and fair communication with its key stakeholders, to understand their views, concerns, and objectives in order to work towards more sustainable growth for IREIT. The Manager has identified stakeholder groups which have a significant influence and interest in IREIT's operations and business, and will engage these stakeholders actively to understand their expectations. The material stakeholders identified are the Unitholders, the tenants of IREIT's properties, the property managers and advisors, the relevant regulatory bodies of countries in which IREIT operates in, the local communities, the Manager's employees and the shareholders of the Manager, Tikehau Capital and CDL. In the Sustainability Report section, there are also details reported about the strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.

IREIT maintains a current corporate website to communicate and engage with stakeholders, with contact details for investors and various stakeholders to channel their comments and queries.

BUSINESS CONDUCT

Dealings In Units

Each Director and the CEO of the Manager is to give notice to the Manager of his acquisition of or any changes in the number of Units which he holds or in which he has an interest, within two business days after such acquisition or the occurrence of the event giving rise to changes in the number of Units which he holds or in which he has an interest.

All dealings in Units by the Directors will be announced via SGXNET, with the announcement to be posted on the SGX-ST website at http://www.sgx.com.

Pursuant to Section 137ZC of the SFA, the Manager is required to, inter alia, announce to the SGX-ST the particulars of any acquisition or disposal of interest in Units by the Manager as soon as practicable, and in any case no later than the end of the business day following the day on which the Manager became aware of the acquisition or disposal. In addition, all dealings in Units by the CEO will also need to be announced by the Manager via SGXNET, with the announcement to be posted on the SGX-ST website at http://www.sgx.com and in such form and manner as the authority may prescribe.

The Manager has an internal compliance policy which provides guidance to the Directors, Management, IREIT personnel and employees of the Manager with regards to dealings in the Units.

The Directors, Management and employees of the Manager are prohibited from dealing in the Units:

- in the period commencing one month before the public announcement of IREIT's half-yearly and annual results and ending on the date of announcement of the relevant results ("black-out period"); and
- at any time while in possession of undisclosed price-sensitive information.

The Manager also does not deal in the Units during the same black-out period. In addition, the Directors, Management and employees of the Manager are prohibited from dealing with the Units on short-term basis and communicating price sensitive information to any person. They are expected to observe the insider trading laws at all times even when dealing with Units within permitted trading periods. The Manager also adopts the practice of sending out reminders by electronic mail to the Directors, Management and employees on such prohibition on dealing in Units prior to each relevant black-out period.

Dealing With Conflicts Of Interest

The Manager has instituted the following procedures to deal with potential conflict of interest issues:

- The Manager will not manage any other REIT which invests in the same type of properties as IREIT;
- Management will be working exclusively for the Manager and will not hold other executive positions in other entities;
- All resolutions in writing of the Directors in relation to matters concerning IREIT must be approved by at least a majority of the Directors (excluding any interested Director), including at least one Independent Director;
- At least one-third of the Board shall comprise Independent Directors, except that in certain stipulated circumstances, at least half of the Board shall comprise Independent Directors;
- In respect of matters in which a Director or his associates (as defined in the Listing Manual) has an interest, direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors and must exclude such interested Director;
- In respect of matters in which Tikehau Capital and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by Tikehau Capital and/or its subsidiaries to the Board to represent their interests will abstain from deliberation and voting on such matters. In such matters, the quorum must comprise a majority of the Independent Directors and must exclude nominee Directors of Tikehau Capital and/or its subsidiaries;
- In respect of matters in which CDL and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by CDL and/or its associates or subsidiaries to the Board to represent their interests will abstain from deliberation and voting on such matters. In such matters, the quorum must comprise a majority of the Independent Directors and must exclude nominee Directors of CDL and/or its associates or subsidiaries;
- Except for resolutions relating to the removal of the Manager, the Manager and its associates are prohibited from voting or being counted as part of a quorum for any meeting of the Unitholders convened to approve any matters in which the Manager and/or any of its associates has a material interest; and
- It is also provided in the Trust Deed that 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 IREIT with a related party of the Manager ("Related Party"), the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) who shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of IREIT, has a prima facie case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The Directors (including its Independent Directors) will have a duty to ensure that the Manager so complies. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of IREIT with a Related Party of the Manager, and the Trustee may take such action as it deems necessary to protect the rights of the Unitholders and/or which is in the interests of the Unitholders. Any decision by the Manager not to take action against a Related Party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such Related Party.

CORPORATE GOVERNANCE REPORT

The Manager's Internal Control System

The Manager has established an internal control system to ensure that all future Related Party Transactions (which term includes an "Interested Person Transaction" as defined under the Listing Manual and an "Interested Party Transaction" as defined under the Property Funds Appendix):

- will be undertaken on an arm's length basis with normal commercial terms;
- will not be prejudicial to the interests of IREIT and the minority Unitholders; and
- will be in accordance with the applicable requirements of the Listing Manual and all applicable guidelines that may from time to time be prescribed.

As a rule, the Manager must demonstrate to the ARC that such transactions satisfy the foregoing criteria. This may entail:

- obtaining (where practicable) quotations from parties unrelated to the Manager; or
- obtaining two or more valuations from independent professional valuers (in compliance with the Property Funds Appendix).

The Manager maintains a register to record all Related Party Transactions that are entered into by IREIT and the bases, including any quotations from unrelated parties and independent valuations, on which they are entered into.

The Manager will also incorporate into its internal audit plan a review of all Related Party Transactions entered into by IREIT. The ARC shall review the internal audit reports to ascertain that the guidelines and procedures established to monitor Related Party Transactions have been complied with. The Trustee will also have the right to review such audit reports to ascertain that the Property Funds Appendix has been complied with.

The following procedures will be undertaken:

- Transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of IREIT's net tangible assets will be subject to review by the ARC at regular intervals.
- Transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of IREIT's net tangible assets will be subject to the review and prior approval of the ARC.
- Such approval shall only be given if the transactions are on normal commercial terms and not prejudicial to the interests of IREIT and the Unitholders and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager.
- Transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding 5.0% of the value of IREIT's net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the ARC which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Furthermore, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

Where matters concerning IREIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of IREIT with a Related Party of the Manager (which would include relevant Associates (as defined in the Listing Manual thereof) or IREIT, the Trustee is required to consider the terms of such transactions to satisfy itself that such transactions are conducted:

- on an arm's length basis with normal commercial terms;
- are not prejudicial to the interests of IREIT and the minority Unitholders; and
- will be in accordance with the applicable requirements of the Listing Manual and all applicable guidelines that may from time to time be prescribed.

The Trustee has the discretion under the Trust Deed to decide whether or not to enter into a transaction involving a Related Party of the Manager or IREIT. If the Trustee is to enter into any transaction with a Related Party of the Manager or IREIT, the Trustee will review the proposed transaction to ensure that it complies with the relevant requirements relating to Related Party Transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST to apply to REITs.

IREIT will comply with Rules 905 and 906 of the Listing Manual, as follows:

- make an immediate announcement of any interested person transaction of a value equal to, or more than, 3.0% of IREIT's latest audited net tangible assets;
- if the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3.0% or more of IREIT's latest audited net tangible assets, IREIT must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year; and
- obtain unitholder approval for any interested person transaction of a value equal to, or more than 5.0% of IREIT's latest audited net tangible assets; or 5.0% of IREIT's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a 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 above do not apply to transaction below $100,000.

The aggregate value of all Related Party Transactions which are subject to Rules 905 and 906 of the Listing Manual in a particular financial year will be disclosed in the annual report of IREIT for the relevant financial year.

The ARC will periodically review all Related Party Transactions to ensure compliance with the Manager's internal control systems, the relevant provisions of the Listing Manual and the Property Funds Appendix.

The review will include the examination of the nature of the transaction and supporting documents or such other data deemed necessary by the ARC. If a member of the ARC has an interest in a transaction, the interested member is to abstain from participating in the review and approval process in relation to that transaction.

Whistle-Blowing Policy

The Manager has also set in place a whistle-blowing policy, providing an avenue for its employees and external parties to raise concerns about possible improprieties in matters of financial reporting or other matters in good faith, with the confidence that the relevant persons making the reports will be treated fairly and protected from reprisal. External parties are able to lodge their concerns via IREIT's website at www.ireitglobal.com. All whistle-blower complaints will be reviewed by the ARC to ensure that investigations and follow-up actions are carried out, if needed. For the financial year ended 31 December 2023, IREIT's Audit and Risk Committee ("ARC") was alerted of various job scams in India mentioning fictitious job positions at IREIT. Management has reviewed and taken appropriate actions to resolve the matter.

Sustainability

To review and assess the material factors relevant to IREIT's business activities, the Manager proactively engages with various stakeholders, including employees, property managers, vendors, tenants, property advisors, investment community, to gather feedback on the sustainability matters which have significant impact to the business and operations of IREIT and its stakeholders. Please refer to the Sustainability Report on pages 104 to 129 of this Annual Report, which sets out information on the REIT Manager's arrangements to identify and engage with its material stakeholder groups and to manage its relationships with such groups, and the REIT manager's strategy and key areas of focus in relation to the management of stakeholder relationships during FY2023.

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 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 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.

Business Continuity Management

The Manager has implemented a Business Continuity Management ("BCM") programme that puts in place measures to prevent, detect, mitigate, and respond to adverse business interruptions or unforeseen events on IREIT's operations. The Manager has in place a Business Continuity Plan ("BCP") that details the actions Management and employees should take if such an event should occur. As part of the BCP, periodic desktop exercises and drills, taking into consideration different specific activities and tasks necessary to recover from disaster or disruption are divided into three phases. Tests are carried out to assess 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 resulting in loss of primary worksite and epidemics. This approach aims to minimise financial loss to IREIT, allow the Manager to continue to function as the manager of IREIT 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 IREIT on business interruption events.

Anti-Money Laundering and Countering the Financing of Terrorism Measures

As a holder of a Capital Markets Services Licence 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 IREIT'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.

REPORT OF THE TRUSTEE

For the year ended 31 December 2023

DBS Trustee Limited (the "Trustee") is under a duty to take into custody and hold the assets of IREIT Global (the "Trust") held by it or through its subsidiaries (collectively referred to as "IREIT" or the "Group") in trust for the holders of units in the Trust (the "Unitholders"). In accordance with the Securities and Futures Act 2001 (Cap. 289) of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of IREIT Global Group Pte. Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 1 November 2013 and as amended and restated by an amending and restating deed dated 14 July 2014, supplemented by the first supplemental deed dated 6 November 2015, second supplemental deed dated 9 May 2018 and third supplemental deed dated 30 March 2020 (collectively, the "Trust Deed") made between the Manager and the Trustee in each annual accounting period and report thereon to the Unitholders.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Group during the year covered by these financial statements set out on pages 162 to 206, 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,
DBS Trustee Limited

Chan Kim Lim
Director

Singapore
18 March 2024

STATEMENT BY THE MANAGER

For the year ended 31 December 2023

In the opinion of the directors of IREIT Global Group Pte. Ltd. (the "Manager"), the accompanying financial statements of IREIT Global (the "Trust") and its subsidiaries (collectively referred to as "IREIT" or the "Group") as set out on pages 162 to 206, which comprise the consolidated statement of financial position of the Group, statement of financial position of the Trust and statement of portfolio of the Group as at 31 December 2023, and the consolidated statement of total return and other comprehensive income, consolidated statement of distribution, consolidated statement of changes in net assets attributable to Unitholders, consolidated statement of cash flows and statement of changes in net assets attributable to Unitholders of the Trust for the year then ended, are drawn up so as to present fairly, in all material respects, the financial positions of the Group and the Trust and the portfolio holdings of the Group as at 31 December 2023, and the financial performance, distribution, changes in net assets attributable to Unitholders and cash flows of the Group and of the changes in net assets attributable to Unitholders of the Trust, for the year ended 31 December 2023, in accordance with the International Financial Reporting Standards adopted by the International Accounting Standards Board, the recommendations of *The Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet the financial obligations as and when they materialise.

For and on behalf of the Manager,
IREIT Global Group Pte. Ltd.

Mark Andrew Yeo Kah Chong
Director

Singapore
18 March 2024

INDEPENDENT AUDITOR'S REPORT

TO THE UNITHOLDERS OF IREIT GLOBAL

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of IREIT Global (the "Trust") and its subsidiaries (collectively referred to as "IREIT" or the "Group"), which comprise the consolidated statement of financial position of the Group and statement of financial position of the Trust and statement of portfolio of the Group as at 31 December 2023, and the consolidated statement of total return and other comprehensive income, consolidated statement of distribution, consolidated statement of changes in net assets attributable to Unitholders, consolidated statement of cash flows and statement of portfolio of the Group and statement of changes in net assets attributable to Unitholders of the Trust for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 162 to 206.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in net assets attributable to Unitholders of the Trust are properly drawn up in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") and the recommendations of *The Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Trust and portfolio of the Group as at 31 December 2023, and of the consolidated financial performance, consolidated distribution, consolidated changes in net assets attributable to Unitholders and consolidated cash flows of the Group and of the changes in net assets attributable to Unitholders of the Trust, for the year ended on that date.

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 *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 year. 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.

INDEPENDENT AUDITOR'S REPORT

TO THE UNITHOLDERS OF IREIT GLOBAL

Key Audit Matter	How the matter was addressed in the audit
Fair Valuation and Disclosure of Fair Value for Investment Properties The Group owns a portfolio of investment properties comprising commercial office complexes located in Germany and Spain, and retail spaces in France. The investment properties represent the single largest category of assets with a carrying amount of €880.8 million as at 31 December 2023. The Group has adopted the fair value model under IAS 40 *Investment Property* which requires all the investment properties to be measured at fair value. The Group has engaged external independent valuers ("Valuers") to perform the fair value assessment of the investment properties. The fair valuation of investment properties is considered to be a matter of significance as the valuation process requires the application of judgement in determining the appropriate valuation methodology to be used, and the use of subjective assumptions and various unobservable inputs. The fair valuations are sensitive to certain key assumptions applied in deriving the underlying cash flows, discount rate and terminal capitalisation rate as a small change in these assumptions can result in an increase or decrease in fair valuation of the investment properties. The Valuers have highlighted that a combination of the ongoing geopolitical uncertainty, persistent inflationary pressures and more expensive debt and capital has led to increased volatility in many real estate markets across Europe. Considering the lower sales and leasing transaction volumes and falling values in many real estate markets across Europe, the valuation is based on information available at the date of valuation. The valuation methodology, their key assumptions and the inter-relationships between the assumptions and the valuation have been disclosed in Note 2.4 to the financial statements.	We have assessed the Group's process of appointment and determination of the scope of work of the Valuers, as well as their process of reviewing, and accepting the Valuers' investment property valuations. We have reviewed the qualifications, competence, independence, and the terms of engagement of the Valuers with the Group to determine whether there were any matters which might affect the objectivity of the Valuers or impede their scope of work. We held discussions with the Manager and the Valuers on the valuation reports, and engaged our valuation specialists to assist us in our audit. Our audit procedures include: • assessing the valuation methodology, key assumptions and estimates used by the Valuers against general market practice for similar types of properties; • assessing the reasonableness of the key valuation assumptions and the underlying cash flows, discount rate and terminal capitalisation rate to historical rates, and available industry data for comparable markets and properties; • reviewing the integrity of the valuation calculations and valuation inputs, including review of lease schedules, lease agreements and comparing these to the inputs made to the projected cash flows; and • understanding how the Valuers have considered the implications of the ongoing geopolitical uncertainty, persistent inflationary pressures and more expensive debt and capital in the valuations. Based on the audit procedures performed, the fair valuation of the properties and the various inputs used are within a reasonable range of our expectations. We have also assessed the adequacy and appropriateness of the disclosures made in the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE UNITHOLDERS OF IREIT GLOBAL

Information Other than the Financial Statements and Auditor's Report Thereon

IREIT Global Group Pte. Ltd. (the "Manager" of IREIT) 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 material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager and Directors of the Manager for the Financial Statements

The Manager is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board, the recommendations of *The Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants and comply with the relevant provisions of the Trust Deed dated 1 November 2013 and amended by the amending and restating deed dated 14 July 2014, supplemented by the first supplemental deed dated 6 November 2015, second supplemental deed dated 9 May 2018 and third supplemental deed dated 30 March 2020 (collectively, the "Trust Deed"), and the relevant requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore. The Manager is also responsible for such internal control as 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 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 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 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 skepticism 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 the Manager.

- Conclude on the appropriateness of the Manager'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.

We communicate with the directors 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 directors 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 directors of the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current year 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the financial statements have been properly prepared in accordance with the relevant provisions of the Trust Deed and the relevant requirements of the CIS Code.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Patrick Tan Hak Pheng.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

18 March 2024

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

	Note	Group 2023 EUR'000	Group 2022 EUR'000	Trust 2023 EUR'000	Trust 2022 EUR'000
Current assets					
Cash and cash equivalents	2.1	46,120	49,171	12,364	1,266
Trade and other receivables	2.2	11,744	5,036	936	6,826
Assets held for sale	2.3	24,698	–	–	–
Financial derivatives	4.2	11,318	8,015	–	–
		93,880	62,222	13,300	8,092
Non-current assets					
Investment properties	2.4	880,843	950,500	–	–
Investment in subsidiaries	6.1	–	–	337,027	310,363
Other receivables	2.2	1,356	1,727	–	–
Financial derivatives	4.2	12,158	22,836	–	–
Loan to subsidiary	2.2	–	–	37,800	37,800
Deferred tax assets	3.7.2	3,839	1,855	–	–
		898,196	976,918	374,827	348,163
Total assets		**992,076**	**1,039,140**	**388,127**	**356,255**
Current liabilities					
Trade and other payables	2.5	13,313	8,075	1,437	1,444
Borrowings	5.2	14,676	–	–	–
Lease liabilities	2.4.1	220	–	–	–
Liabilities directly associated with assets classified as held for sale	2.3	246	–	–	–
Distribution payable		12,967	15,053	12,967	15,053
Income tax payable		1,484	1,803	49	193
		42,906	24,931	14,453	16,690
Non-current liabilities					
Borrowings	5.2	356,735	329,694	–	–
Lease liabilities	2.4.1	6,134	–	–	–
Other payables	2.5	503	1,809	–	–
Deferred tax liabilities	3.7.2	40,178	58,003	–	–
		403,550	389,506	–	–
Total liabilities, excluding net assets attributable to Unitholders		**446,456**	**414,437**	**14,453**	**16,690**
Net assets attributable to Unitholders [1]		**545,620**	**624,703**	**373,674**	**339,565**
Units in issue and to be issued ('000)	5.3	**1,344,838**	**1,155,891**	**1,344,838**	**1,155,891**
Net asset value per unit (€) attributable to Unitholders	5.5	**0.41**	**0.54**	**0.28**	**0.29**

[1] Adjusted for distribution payable to Unitholders.

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

CONSOLIDATED STATEMENT OF TOTAL RETURN AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023

	Note	Group 2023 EUR'000	Group 2022 EUR'000
Gross revenue	3.2	64,977	61,650
Property operating expenses	3.3	(15,081)	(12,853)
Net property income		**49,896**	**48,797**
Finance income		258	–
Finance costs	3.4	(6,828)	(5,968)
Management fees	3.5	(2,799)	(3,465)
Trustee's fees	3.5(b)	(210)	(213)
Administrative costs		(2,535)	(1,737)
Other trust expenses	3.6	(1,896)	(2,239)
Acquisition related costs		(1,043)	–
Net income before tax and changes in fair value		**34,843**	**35,175**
Change in fair value of financial derivatives		(13,115)	33,079
Change in fair value of investment properties	2.4	(144,691)	(27,641)
Total (loss)/return before income tax		**(122,963)**	**40,613**
Income tax benefit/(expense)	3.7.1	17,637	(4,174)
Total (loss)/return for the year attributable to Unitholders		**(105,326)**	**36,439**
Distributions to Unitholders		(25,190)	(31,182)
Total (loss)/return for the year, after distributions to Unitholders, representing total comprehensive income for the year		**(130,516)**	**5,257**
Earnings per unit			
Basic and diluted earnings per unit (€ cents)	3.8	**(8.42)**	**3.11**

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

CONSOLIDATED STATEMENT OF DISTRIBUTION

For the year ended 31 December 2023

	Note	Group 2023 EUR'000	Group 2022 EUR'000
Total (loss)/return for the year attributable to Unitholders		(105,326)	36,439
Adjustments:			
Amortisation of debt upfront transaction costs		786	828
Unrealised foreign exchange (gain)/loss		(1)	12
Effects of recognising rental income on a straight-line basis over the lease term		(2,476)	20
Change in fair value of financial derivatives		13,115	(33,079)
Change in fair value of investment properties, excluding change in fair value of right-of-use of leasehold land		144,674	27,641
Acquisition related costs		1,043	–
Deferred tax expense		(19,809)	2,786
Other income	3.2	(5,167)	–
Other items		1,151	–
Total distribution adjustments		**133,316**	**(1,792)**
Amount available for distribution		**27,990**	**34,647**
Distribution to Unitholders:			
Distribution of €0.93 cents per unit for the period from 1 January 2023 to 30 June 2023		(12,419)	–
Distribution of €0.94 cents per unit for the period from 1 July 2023 to 31 December 2023		(12,771)	–
Distribution of €1.41 cents per unit for the period from 1 January 2022 to 30 June 2022		–	(16,410)
Distribution of €1.28 cents per unit for the period from 1 July 2022 to 31 December 2022		–	(14,772)
Total Unitholders' distribution		**(25,190)**	**(31,182)**
Amount retained for working capital		**2,800**	**3,465**
Units in issue at the end of the year ('000)	5.3	**1,344,838**	**1,155,891**
Distribution per unit (€ cents)	5.4	**1.87**	**2.69**

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

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the year ended 31 December 2023

Group	Units in issue and to be issued EUR'000	Unit issue costs EUR'000	Accumulated profits EUR'000	Total EUR'000
Net assets attributable to Unitholders as at 1 January 2022	**466,164**	**(9,602)**	**162,884**	**619,446**
OPERATIONS				
Total return for the year attributable to Unitholders	–	–	36,439	**36,439**
Distributions to Unitholders	–	–	(31,182)	**(31,182)**
Net increase in net assets resulting from operations	**–**	**–**	**5,257**	**5,257**
Net assets attributable to Unitholders as at 31 December 2022	**466,164**	**(9,602)**	**168,141**	**624,703**
OPERATIONS				
Total loss for the year attributable to Unitholders	–	–	(105,326)	**(105,326)**
Distributions to Unitholders	–	–	(25,190)	**(25,190)**
Net decrease in net assets resulting from operations	**–**	**–**	**(130,516)**	**(130,516)**
UNITHOLDERS' TRANSACTIONS				
Issue of units:				
Pursuant to the Preferential Offer	51,199	–	–	**51,199**
Issue expenses	–	(543)	–	**(543)**
Acquisition fees payable in units	777	–	–	**777**
Net increase in net assets resulting from Unitholders' transactions	**51,976**	**(543)**	**–**	**51,433**
Net assets attributable to Unitholders as at 31 December 2023	**518,140**	**(10,145)**	**37,625**	**545,620**

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

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the year ended 31 December 2023

Trust	**Units in issue and to be issued** EUR'000	**Unit issue costs** EUR'000	**Accumulated losses** EUR'000	**Total** EUR'000
Net assets attributable to Unitholders as at 1 January 2022	**466,164**	**(9,602)**	**(100,902)**	**355,660**
OPERATIONS				
Total return for the year attributable to Unitholders	–	–	15,087	**15,087**
Distributions to Unitholders	–	–	(31,182)	**(31,182)**
Net decrease in net assets resulting from operations	**–**	**–**	**(16,095)**	**(16,095)**
Net assets attributable to Unitholders as at 31 December 2022	**466,164**	**(9,602)**	**(116,997)**	**339,565**
OPERATIONS				
Total return for the year attributable to Unitholders	–	–	7,866	**7,866**
Distributions to Unitholders	–	–	(25,190)	**(25,190)**
Net decrease in net assets resulting from operations	**–**	**–**	**(17,324)**	**(17,324)**
UNITHOLDERS' TRANSACTIONS				
Issue of units:				
Pursuant to the Preferential Offer	51,199	–	–	**51,199**
Issue expenses	–	(543)	–	**(543)**
Acquisition fees payable in units	777	–	–	**777**
Net increase in net assets resulting from Unitholders' transactions	**51,976**	**(543)**	**–**	**51,433**
Net assets attributable to Unitholders as at 31 December 2023	**518,140**	**(10,145)**	**(134,321)**	**373,674**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Note	Group 2023 EUR'000	Group 2022 EUR'000
Cash flows from operating activities			
Total (loss)/return for the year attributable to Unitholders		(105,326)	36,439
Adjustments for:			
Acquisition fees paid in units		777	–
Effects of recognising rental income on a straight-line basis		(2,476)	252
Finance income		(258)	–
Finance costs		6,828	5,968
Change in fair value of financial derivatives		13,115	(33,079)
Change in fair value of investment properties		144,691	27,641
Income tax expense		(17,637)	4,174
Operating cash flows before working capital changes		39,714	41,395
Changes in working capital:			
Trade and other receivables		(6,292)	(1,234)
Trade and other payables		3,309	70
Cash generated from operations		36,731	40,231
Income taxes paid		(2,491)	(354)
Net cash from operating activities		34,240	39,877
Cash flows from investing activities			
Interest received		213	–
Acquisition of investment properties	2.4	(82,424)	–
Capital expenditure on investment properties	2.4	(8,262)	(3,523)
Net cash used in investing activities		(90,473)	(3,523)
Cash flows from financing activities			
Proceeds from issuance of units		51,199	–
Payments related to issuance of units		(543)	–
Proceeds from borrowings	5.2	41,386	–
Costs related to borrowings and hedging	5.2	(6,194)	–
Payment of lease liabilities		(28)	–
Distribution paid to Unitholders	5.2	(27,276)	(33,729)
Net interest paid		(5,362)	(5,123)
Net cash from/(used in) financing activities		53,182	(38,852)
Net decrease in cash and cash equivalents		**(3,051)**	**(2,498)**
Cash and cash equivalents at beginning of the year		49,171	51,669
Cash and cash equivalents at end of the year	2.1	**46,120**	**49,171**

Significant non-cash transactions

During the financial year ended 31 December 2023:

- 2,847,629 new Units amounting to €777,000 were issued at issue price of S$0.3951 per Unit for the payment of acquisition fees to the Manager in Units.

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

STATEMENT OF PORTFOLIO

As at 31 December 2023

Property *(by Geography)*	Land Tenure	Location	Remaining Term of Leasehold (Years) 2023	2022	Carrying Value 2023 EUR'000	2022 EUR'000	Percentage of Net Assets attributable to Unitholders 2023 %	2022 %
Germany								
Berlin Campus	Freehold	Schreiberhauer Straße 2, 4, 6, 8, 10, 12, 14, 16, 18, 20 and 22, Berlin 10317	n/a	n/a	243,100	305,000	44.6	48.8
Bonn Campus	Freehold	Friedrich-Ebert-Allee,71, 73, 75, 77, Bonn	n/a	n/a	113,200	132,700	20.7	21.2
Darmstadt Campus	Freehold	Heinrich-Hertz-Straße 3, 5, 7, Darmstadt, Germany Mina-Rees- Straße 4, Darmstadt	n/a	n/a	49,200	62,200	9.0	10.0
Munster Campus	Freehold	Gartenstraße 215, 217, Münster	n/a	n/a	54,200	65,800	9.9	10.5
Concor Park	Freehold	Bahnhofstraße 12 and Dywidagstraße 1, Bahnhofstraße 16, 18, 20, München	n/a	n/a	79,800	94,000	14.6	15.1
Spain								
Delta Nova IV	Freehold	Av. Manoteras, 46, Madrid	n/a	n/a	25,130	29,800	4.6	4.8
Delta Nova VI	Freehold	Av. Manoteras, 46BIS, Madrid	n/a	n/a	34,850	38,400	6.4	6.2
Il•lumina	Freehold	Carrer De Gaspar Fabregas I Roses, 81, Barcelona	n/a	n/a	–	24,500	–	3.9
Sant Cugat Green	Freehold	Av. De La Generalitat, 163-167, Barcelona	n/a	n/a	46,690	44,600	8.6	7.1
Parc Cugat	Freehold	Can Fatjo Dels Urons 5, St Cugat del Valles, Barcelona	n/a	n/a	25,369	27,000	4.6	4.3
France								
Abbeville	Freehold	6 rue de l'Egalite	n/a	n/a	2,820	2,940	0.5	0.5
Aurillac	Freehold	Zone d'Activites Commerciales La Ponetie	n/a	n/a	4,360	4,570	0.8	0.7
Belfort Bessoncourt	Freehold	Zone Commerciale Porte des Vosges	n/a	n/a	4,490	4,480	0.8	0.7
Bergerac	Freehold	ZA les Sardines	n/a	n/a	3,550	3,660	0.7	0.6
Calais	Freehold	Rue Danton, ZAC des Cailloux, rue de Verdun	n/a	n/a	5,170	5,250	0.9	0.8
Cergy	Freehold	Pontoise FR, 2, avenue des la Plaine des Sports	n/a	n/a	9,690	9,690	1.8	1.6
Châteauroux	Freehold	ZAC Cap Sud	n/a	n/a	6,010	6,410	1.1	1.0
Châtellerault	Freehold	25 rue de la Desiree	n/a	n/a	3,630	3,730	0.7	0.6
Cholet	Freehold	L 'Autre Faubourg	n/a	n/a	10,700	11,120	2.0	1.8
Concarneau	Freehold	Rue Aime Cesaire, ZA du Colguen	n/a	n/a	2,630	2,570	0.5	0.4
Balance carried forward					**724,589**	**878,420**	**132.8**	**140.6**

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

STATEMENT OF PORTFOLIO

As at 31 December 2023

Property *(by Geography)*	Land Tenure	Location	Remaining Term of Leasehold (Years) 2023	2022	Carrying Value 2023 EUR'000	2022 EUR'000	Percentage of Net Assets attributable to Unitholders 2023 %	2022 %
Balance brought forward					**724,589**	**878,420**	**132.8**	**140.6**
France								
Dinan	Freehold	Cap Rance, Route de Dinard	n/a	n/a	2,540	2,570	0.5	0.4
Douai	Freehold	1 rue du Faubourg de Paris	n/a	n/a	3,530	3,510	0.6	0.6
Dreux	Freehold	Rue Henry Potez	n/a	n/a	4,250	4,260	0.8	0.7
Evreux	Freehold	Chemin des Coudres	n/a	n/a	6,740	6,270	1.2	1.0
Foix	Freehold	Zone Industrielle Foix Nord	n/a	n/a	4,660	4,530	0.9	0.7
Gap	Freehold	65 avenue 2millie Didier	n/a	n/a	4,370	4,530	0.8	0.7
Istres	Freehold	Zone du Tube, avenue Clement Ader	n/a	n/a	3,990	4,240	0.7	0.7
Lannion	Freehold	ZA Du Cruguil, rue Lucien Vidie	n/a	n/a	4,560	4,680	0.8	0.8
Laval	Freehold	Rue du Commandant Cousteau	n/a	n/a	6,580	6,260	1.2	1.0
Mâcon	Freehold	Route Nationale 6 Zone Jacquard	n/a	n/a	8,650	9,210	1.6	1.5
Pont-Audemer	Freehold	Avenue Jean Monnet	n/a	n/a	1,790	1,910	0.3	0.3
Pontivy	Freehold	40, avenue des Cites Unies	n/a	n/a	2,420	2,510	0.4	0.4
Sables d'Olonne	Freehold	32 boulevard du Vendee Globe	n/a	n/a	3,620	3,380	0.7	0.5
Sarrebourg	Freehold	Zone Artisanale Les Terrasses de la Sarre	n/a	n/a	3,000	3,070	0.6	0.5
Sens	Freehold	Zone Commerciale Porte de Bourgogne	n/a	n/a	3,610	3,640	0.7	0.6
Verdun	Freehold	Zone du Dragon	n/a	n/a	3,170	3,240	0.6	0.5
Vichy	Freehold	Route de Charmeil	n/a	n/a	4,200	4,270	0.8	0.7
Noyelles-Godault	Leasehold	Centre Commercial Auchan 62950	10.5	n/a	4,134	–	0.8	–
Claye-Souilly	Freehold	Rue Jean Monnet – 77410	n/a	n/a	8,550	–	1.6	–
Marseille	Freehold	CC Grand Littoral – 13015	n/a	n/a	7,780	–	1.4	–
Essey-lès-Nancy	Freehold	Rue Georges Brassens – 54270	n/a	n/a	6,030	–	1.1	–
Saint-Cyr-sur-Loire	Freehold	14 Rue de la Pinauderie – 37540	n/a	n/a	5,590	–	1.0	–
Maizières-lès-Metz	Leasehold	Centre commercial Auchan RD112-57210	19.0	n/a	4,127	–	0.8	–
Bruay-la-Buissière	Freehold	Rue Jean Joseph Etienne Lenoir – 62700	n/a	n/a	5,710	–	1.1	–
Balance carried forward					**838,190**	**950,500**	**153.8**	**152.2**

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

STATEMENT OF PORTFOLIO

As at 31 December 2023

Property *(by Geography)*	Land Tenure	Location	Remaining Term of Leasehold (Years) 2023	2022	Carrying Value 2023 EUR'000	2022 EUR'000	Percentage of Net Assets attributable to Unitholders 2023 %	2022 %
Balance brought forward					**838,190**	**950,500**	**153.8**	**152.2**
France								
St Etienne du Rouvray	Freehold	77 rue de Docteur Cotoni – 76800	n/a	n/a	5,680	–	1.0	–
Brive-la-Gaillarde	Freehold	Avenue Pierre Mendes France – 19100	n/a	n/a	4,930	–	0.9	–
Fayet	Leasehold	Centre commercial Auchan RN29 – 02100	28.1	n/a	4,618	–	0.8	–
Marsac	Freehold	CC Auchan – 24430	n/a	n/a	4,850	–	0.9	–
St-Mitre-les-Remparts	Freehold	ZAC des Etangs 13920	n/a	n/a	5,260	–	1.0	–
Viriat	Freehold	Rue Gay Lussac – 01440	n/a	n/a	4,620	–	0.8	–
Forbach	Freehold	Rue de Guise	n/a	n/a	3,890	–	0.7	–
Golbey	Freehold	CC Leclerc – Rue du General Leclerc – 88190	n/a	n/a	3,910	–	0.7	–
Saint-Maur	Freehold	CC Cap Sud, 36250	n/a	n/a	2,890	–	0.5	–
Blois	Leasehold	3 Avenue Robert Schuman, 41000	31.9	n/a	2,005	–	0.4	–
Investment properties, including right-of-use assets (Note 2.4)					**880,843**	**950,500**	**161.5**	**152.2**
Assets held for sale (Note 2.3)					24,698	–	4.5	–
Other assets and liabilities, net					(359,921)	(325,797)	(66.0)	(52.2)
Net assets attributable to Unitholders					**545,620**	**624,703**	**100.0**	**100.0**

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

1. GENERAL

IREIT Global (the "Trust") is a real estate investment trust constituted by a trust deed entered into on 1 November 2013 and as amended and restated by an amending and restating deed dated 14 July 2014, supplemented by the first supplemental deed dated 6 November 2015, second supplemental deed dated 9 May 2018 and third supplemental deed dated 30 March 2020 (collectively, the "Trust Deed") made between IREIT Global Group Pte. Ltd. as the manager of IREIT (the "Manager"), and DBS Trustee Limited, as the trustee of IREIT (the "Trustee"). The Trust was listed on the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 13 August 2014 ("Listing Date").

The registered office and principal place of business of the Manager is 1 Wallich Street, #15-03, Guoco Tower, Singapore 078881.

The registered office and principal place of business of the Trustee is 12 Marina Boulevard, Level 44, Marina Bay Financial Centre Tower 3, Singapore 018982.

The consolidated financial statements as at and for the year ended 31 December 2023 comprise the Trust and its subsidiaries (collectively referred to as "IREIT" or the "Group").

The principal activity of the Trust is investment holding whereas that of its subsidiaries are to own and invest in a portfolio of office and retail properties in Europe. Collectively, the Manager's key financial objectives are to provide Unitholders with regular and stable distributions and the potential for sustainable long-term growth in distribution per unit and net asset value per unit, while maintaining an appropriate capital structure for the Trust.

The consolidated financial statements of the Group and the statement of financial position of the Trust as at 31 December 2023 and statement of changes in net assets attributable to Unitholders of the Trust for the financial year then ended 31 December 2023 were authorised for issue by the Manager on 18 March 2024.

The financial statements are presented in Euro ("€" or "EUR").

1.1 BASIS OF PREPARATION

This section describes the financial reporting framework within which the financial statements are prepared.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") issued by the International Accounting Standards Board ("IASB") and the recommendations of *The Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"* issued by the Institute of Singapore Chartered Accountants ("RAP 7") and are drawn up in accordance with the relevant provisions of the Trust Deed and the relevant requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS").

The financial statements have been prepared on the historical cost basis, except as disclosed in the material accounting policy information.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

1.2 NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

This section details the financial impact of the new and revised IFRS pronouncements adopted in the current year.

On 1 January 2023, the Group adopted all the new and revised IFRS Accounting Standards that are mandatorily effective and are relevant to its operations. The adoption of these new/revised IFRS Accounting Standards did not result in changes to the Group's and the Trust's accounting policies and had no material effect on the disclosures or on the amounts reported in these financial statements except as disclosed below.

1. GENERAL (CONTINUED)

1.2 NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

Amendments to IAS 1 and IFRS Practice Statement 2: *Disclosure of Accounting Policies*

The Group has adopted the amendments to IAS 1 for the first time in the current year. The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

At the date of authorisation of these financial statements, the below IFRS Accounting Standards relevant to the Group were issued but not effective:

Amendments to IAS 1	*Classification of Liabilities as Current or Non-Current* [1]
Amendments to IAS 1	*Non-current Liabilities with Covenants* [1]
Amendments to IFRS 16	*Lease Liability in a Sale and Leaseback*[1]
Amendments to IAS 21	*Lack of Exchangeability*[2]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]

1 Applies to annual periods beginning on or after 1 January 2024, with early application permitted.
2 Applies to annual periods beginning on or after 1 January 2025, with early application permitted.
3 Effective date is deferred indefinitely.

The adoption of the standards mentioned above are not expected to have a material impact on the Group's financial statements.

1.3 MATERIAL ACCOUNTING POLICIES

This section sets out the (1) material accounting policy information upon which the Group's financial statements are prepared as a whole and (2) other material accounting policy information not otherwise described in the notes to the financial statements. Where material accounting policy information is specific to a line item in the financial statements, the policy is described within the note for that line item.

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Trust and entities controlled by the Trust ("subsidiaries"). Control is achieved when the Trust:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Trust reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

1. GENERAL (CONTINUED)

1.3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (continued)

Consolidation of a subsidiary begins when the Trust obtains control over the subsidiary and ceases when the Trust loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of total return and other comprehensive income from the date the Trust gains control until the date when the Trust ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, income, expenses and cash flows are eliminated in full on consolidation.

Profit or loss and each component of the other comprehensive income are attributed to the Unitholders of the Trust and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the Unitholders of the Trust and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are recognised in consolidated statement of total return and other comprehensive income as incurred.

A business for business combination purposes is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities.

Entities acquired, that do not meet the definition of a business are accounted for as acquisition of an asset or a group of assets. This is generally the case if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets such as investment properties. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised.

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

(b) Foreign currencies

The functional currency (the currency of the primary economic environment in which the entity operates) of the Group is Euro.

In preparing the financial statements of each individual entity within the Group, transactions in currencies other than Euro are recorded in Euro at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

1. GENERAL (CONTINUED)

1.3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16 *Leases*, and the measurements that have same similarities to fair value but are not fair value, such as value in use in IAS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Refer to Notes 2.4 and 4.2 for details of non-financial assets and financial instruments that are measured at fair value on the basis described above or where such fair values are disclosed.

1.4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

This section sets out the critical accounting judgements that have been applied as well as the key sources of estimation uncertainty that may have a material impact on the Group's financial statements. Details of critical accounting judgements and key sources of estimation uncertainty which are specific to a line item in the financial statements are described within the note for that line item.

In the application of the Group's material accounting policies, the Manager is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the Group's accounting policies, the Manager is of the opinion that there are no instances of application of judgements or the use of estimation techniques which may have a significant effect on the amounts recognised in the financial statements other than the following areas, and further explained in the respective notes:

- Note 2.4 'Investment properties': *Valuation of investment properties*
- Note 3.7 'Income tax': *Measurement of current and deferred taxes*

2. OPERATING ASSETS AND LIABILITIES

This section contains details pertaining to the assets utilised for and liabilities that arose from the Group's principal activities.

2.1 CASH AND CASH EQUIVALENTS

	Group		Trust	
	2023	**2022**	**2023**	**2022**
	EUR'000	EUR'000	EUR'000	EUR'000
Cash at bank	27,525	49,171	7,079	1,266
Fixed deposits	18,595	–	5,285	–
Cash and cash equivalents	**46,120**	**49,171**	**12,364**	**1,266**

Material accounting policy information

Cash and cash equivalents in the consolidated statement of cash flows comprise cash at bank and fixed deposits held with banks that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Fixed deposits earn interest at 3.00% to 4.05% (2022: Nil) per annum with tenures of 1 to 5 months (2022: Nil).

2.2 TRADE AND OTHER RECEIVABLES AND LOAN TO SUBSIDIARY

	Group		Trust	
	2023	**2022**	**2023**	**2022**
	EUR'000	EUR'000	EUR'000	EUR'000
(a) Trade receivables				
Outside parties	8,669	2,344	–	–
(b) Other receivables and prepayments				
Other receivables	721	1,229	929	6,821
Prepayments	2,354	1,463	7	5
	3,075	2,692	936	6,826
Current trade and other receivables	**11,744**	**5,036**	**936**	**6,826**
(c) Other receivables and loan to subsidiary				
Outside parties	1,356	1,727	–	–
Loan to subsidiary	–	–	37,800	37,800
	1,356	1,727	37,800	37,800
Non-current other receivables and loan to subsidiary	**1,356**	**1,727**	**37,800**	**37,800**

The Group's trade receivables as at the end of the reporting period comprise amounts owing by tenants of the investment properties. The credit terms for trade receivables are not more than 30 days. As at 31 December 2023, an amount of €279,000 (2022: €73,000) is past due but not impaired. No interest is charged on the trade receivables.

Included in the Trust's other receivables is an amount receivable from subsidiaries of €0.5 million relating to payment on behalf of subsidiaries. As at 31 December 2022, included in the Trust's other receivables of €6.8 million is €6.3 million of dividends receivables, interest receivables and loan receivables from subsidiaries, which were subsequently received after year end.

As at 31 December 2023, loan to subsidiary bears a fixed nominal interest rate of 7.45% (2022: 7.45%) per annum. The interest is payable quarterly while the principal is payable upon maturity date. The fair value of the loan to subsidiary approximates its carrying amount.

Material accounting policy information

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the receivables from the date credit was initially granted and applies a simplified approach in calculating expected credit losses. Refer to Note 4.1 for further information about the Group's impairment policies and Note 4.3 for further information about the Group's credit risk management.

2. OPERATING ASSETS AND LIABILITIES (CONTINUED)

2.3 ASSETS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

On 22 December 2023, IREIT entered into a conditional promissory private sales and purchase agreement with an unrelated third party to divest Il•lumina, a property located in Spain. Subsequent to the reporting date, the Group completed the divestment of Il•lumina for a sale consideration of €24.5 million on 31 January 2024. Assets and liabilities directly associated with Il•lumina property held for sale and will be reassigned to the buyer on completion on 31 January 2024. The value was based on the contracted selling price with an unrelated third party.

	Group 2023 EUR'000
Investment property	24,500
Other receivables	198
Assets held for sale	**24,698**
Liabilities directly associated with assets classified as held for sale	246

Material accounting policy information

Non-current assets and liabilities classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets and liabilities are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is met only when the sale is highly probable, the asset (or liability) is available for immediate sale in its present condition and the sale is expected to occur within one year from the date of classification. Investment properties held for sale are measured at fair value.

2.4 INVESTMENT PROPERTIES

(a) Reconciliation of carrying amount of investment properties

	2023		
	Independent valuation EUR'000	**Right-of-use assets** EUR'000	**Carrying amount** EUR'000
Group			
Germany	539,500	–	539,500
Spain	132,039	–	132,039
France	202,950	6,354	209,304
Total	**874,489**	**6,354**	**880,843**

	2022		
	Independent valuation EUR'000	**Right-of-use assets** EUR'000	**Carrying amount** EUR'000
Group			
Germany	659,700	–	659,700
Spain	164,300	–	164,300
France	126,500	–	126,500
Total	**950,500**	**–**	**950,500**

2. OPERATING ASSETS AND LIABILITIES (CONTINUED)

2.4 INVESTMENT PROPERTIES (CONTINUED)

(b) Movements in investment properties

	Note	Group 2023 EUR'000	Group 2022 EUR'000
Beginning of the year		950,500	974,870
Capital expenditure on investment properties		8,262	3,523
Acquisition of investment properties	(i)	82,424	–
Right-of-use assets as at acquisition		6,372	–
Reclassification to asset held for sale	2.3	(24,500)	–
Lease incentives and rent straight-lining		2,476	(252)
Change in fair value of investment properties during the year		(144,691)	(27,641)
End of the year	(ii)	880,843	950,500

(i) Details of investment properties acquired during the year ended 31 December 2023 are as follow:

Transaction during the year	Acquisition price and acquisition related expenses[2] EUR'000	Carrying amount as at 31 December 2023 (including right-of-use assets)[3] EUR'000
17 retail properties located in France (the "B&M Portfolio")	82,424	84,574

During the year ended 31 December 2023, IREIT acquired 17 retail properties located across France, of which 4 properties are leasehold properties. Further details of the accounting of the leasehold properties can be found in Note 2.4.1.

(ii) The fair value of the Group's investment properties at year end have been determined on the basis of valuations carried out on 31 December 2023 (2022: 31 December 2022) by independent valuers[1] , having appropriate recognised professional qualifications and at least five years' of relevant practical experience in the location and category of the properties being valued, and are not related to the Group. The valuations were prepared in accordance with RICS Valuation-Global Standards, which incorporate the International Valuation Standards. For the valuation as at 31 December 2023, the fair value was determined based on the discounted cash flow method for the German Portfolio, Spanish Portfolio and French Portfolio. For the valuation as at 31 December 2022, the fair value was determined based on the discounted cash flow method for the German Portfolio and Spanish Portfolio while the French Portfolio was determined based on the average of the discounted cash flow method and income capitalisation method. In estimating the fair value of the properties, the Manager is of the view that the highest and best use of the properties is their current use.

The valuers have highlighted that a combination of the ongoing geopolitical uncertainty, persistent inflationary pressures and more expensive debt and capital has led to increased volatility in many real estate markets across Europe. Considering the lower sales and leasing transaction volumes and falling values in many real estate markets across Europe, the valuation is based on information available at the date of valuation.

The Manager reviewed the appropriateness of the valuation methodology, assumptions and estimates adopted and is of the view that they are reflective of the market conditions as at 31 December 2023. The valuations were based on the information available as at 31 December 2023.

[1] Independent valuer for the investment properties located in Germany, Spain and France was Savills Advisory Services Limited for the valuation as at 31 December 2023. For the valuation as at 31 December 2022, the independent valuer for the investment properties located in Germany and Spain was BNP Paribas Real Estate Consult GmbH and the independent valuer for the investment properties located in France was BNP Paribas Real Estate Valuation France.

[2] Including acquisition price of €76,830,000 and acquisition related expenses of €5,594,000.

[3] As of 31 December 2023, the total comprises a carrying amount of €78,220,000 and right-of-use assets valued at €6,354,000.

2. OPERATING ASSETS AND LIABILITIES (CONTINUED)

2.4 INVESTMENT PROPERTIES (CONTINUED)

The following tables present the valuation method and key unobservable inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy:

	Discount rate		Terminal capitalisation rate	
Valuation method	**2023**	**2022**	**2023**	**2022**
Discounted cash flow	5.00% to 9.25% per annum[3]	4.00% to 8.30% per annum	5.25% to 7.75% per annum	3.35% to 6.75% per annum[3]

	Income capitalisation rate	
Valuation method	**2023**	**2022**
Income capitalisation	–	5.50% to 6.00% per annum

[3] The discount rate and terminal capitalisation rate excludes Il•lumina property for 31 December 2022.

There are inter-relationships between the above significant unobservable inputs. An increase/(decrease) in the discount rate, terminal capitalisation rate or income capitalisation rate will result in a (decrease)/increase to the fair value of investment properties. An analysis of the sensitivity of each of the significant unobservable inputs is as follows:

German Portfolio

Valuation method	Impact on carrying value of properties
Discounted cash flow	If terminal capitalisation rate were to increase by 0.5%, the carrying value of the investment properties would decrease by approximately €36.3 million (2022: €70.9 million).
	If discount rate were to increase by 0.5%, the carrying value of the investment properties would decrease by approximately €24.3 million (2022: €30.6 million).

Spanish Portfolio

Valuation method	Impact on carrying value of properties
Discounted cash flow	If terminal capitalisation rate were to increase by 0.5%, the carrying value of the investment properties would decrease by approximately €5.0 million (2022: €7.5 million).
	If discount rate were to increase by 0.5%, the carrying value of the investment properties would decrease by approximately €4.8 million (2022: decrease by €5.9 million).

French Portfolio

Valuation method	Impact on carrying value of properties
Discounted cash flow	If terminal capitalisation rate were to increase by 0.5%, the carrying value of the investment properties would decrease by approximately €7.1 million (2022: €5.7 million).
	If discount rate were to increase by 0.5%, the carrying value of the investment properties would decrease by approximately €6.6 million (2022: €4.7 million).
Income capitalisation	If income capitalisation rate were to increase by 0.5%, the carrying value of the investment properties as at 31 December 2022 would decrease by approximately €9.2 million.

The above investment properties have been pledged as security for bank loans (Note 5.2).

2. OPERATING ASSETS AND LIABILITIES (CONTINUED)

2.4 INVESTMENT PROPERTIES (CONTINUED)

Material accounting policy information

Investment properties are properties held to earn rental income and/or for capital appreciation.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured using the fair value model. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise. Further details of the accounting of the leasehold properties can be found in the Note 2.4.1.

The carrying value of investment properties include components relating to lease incentives and other items relating to increases in lease rentals in future periods.

Lessees may be offered incentives as an inducement to enter into non-cancellable operating leases. Lease incentives form part, as a deduction, of total rent receivable from Group's operating lease contracts and as such are recognised on a straight-line basis over the lease term.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the investment property is derecognised.

Critical accounting judgements and key sources of estimation uncertainty

In determining the fair values of the properties, the Valuers have used and considered the discounted cash flow method and income capitalisation method, which involve the making of certain assumptions and estimates. The Manager has exercised its judgement and is satisfied that the valuation methodology, assumptions and estimates are reflective of the prevailing conditions in the respective geographical locations, where the investment properties are located.

2.4.1 LEASE LIABILITIES

	Group	
	2023	**2022**
	EUR'000	EUR'000
Maturity analysis:		
Within one year	629	–
Within two to five years	2,516	–
After five years	8,203	–
	11,348	–
Less: Unearned interest	(4,994)	–
	6,354	**–**
Analysed as:		
Current	220	–
Non-current	6,134	–
	6,354	**–**

2. OPERATING ASSETS AND LIABILITIES (CONTINUED)

2.4 INVESTMENT PROPERTIES (CONTINUED)

2.4.1 LEASE LIABILITIES (CONTINUED)

Material accounting policy information

Right-of-use of leasehold land and Lease liabilities

The Group recognises a right-of-use ("ROU") of leasehold land representing its right to use the underlying land and the corresponding lease liabilities representing its obligation to make future lease payments, which are based on present value of the remaining lease payments, discounted using the incremental borrowing rate for borrowings of similar amounts and tenure at the date of initial application or the lease commencement date. The Group is required to pay land rent periodically for the leasehold properties in its portfolio. ROU for land leases are measured at the amount of the lease liability. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The ROU asset will be accounted for as investment property using the fair value model in IAS 40 from date of initial application.

2.4.2 OPERATING LEASE ARRANGEMENTS

Operating leases, in which the Group is the lessor, relate to investment properties owned by the Group with lease terms of between 1 to 15 years (2022: 1 to 12 years). Most operating lease contracts contain indexation clauses and/or adjusted terms in the event that the lessee exercise their renewal options. The lessee does not have an option to purchase the property at the expiry of the lease period.

Maturity analysis of operating lease payments:

	Group	
	2023	**2022**
	EUR'000	EUR'000
Year 1	54,239	43,884
Year 2	41,221	40,172
Year 3	40,518	32,500
Year 4	39,054	31,678
Year 5	34,555	28,378
Year 6 and onwards	79,850	66,590
Total	**289,437**	**243,202**

Material accounting policy information

The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

2. OPERATING ASSETS AND LIABILITIES (CONTINUED)

2.5 TRADE AND OTHER PAYABLES

	Group		Trust	
	2023	2022	2023	2022
	EUR'000	EUR'000	EUR'000	EUR'000
(a) Trade payables				
Outside parties	**1,047**	**1,059**	**65**	**17**
(b) Other payables				
Deferred rent	2,325	403	–	–
Accrued expenses and other payables	9,941	6,613	1,372	1,427
	12,266	**7,016**	**1,372**	**1,427**
Current trade and other payables	**13,313**	**8,075**	**1,437**	**1,444**
(c) Non-current other payables				
Other payables	**503**	**1,809**	**–**	**–**

Trade payables and other payables principally comprise amounts outstanding for goods and services provided to the Group. The average credit period is 30 days.

The Group's deferred rent relates to rental income received in advance from the tenants.

Material accounting policy information

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

3. GROUP PERFORMANCE

This section provides information on the Group's financial performance, including the performance of each of the Group's segments, the earnings per unit calculation, as well as details of the Group's revenue, expenses, and income tax items.

3.1 OPERATING SEGMENTS

Operating segments are identified on the basis of internal reports on components of the Group that are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM"), which is the management of the Manager, in order to allocate resources to segments and to assess their performance. The Group's operating segments are its property portfolios by location as each of these property portfolios have different performance characteristics. This forms the basis of identifying of operating segments of the Group under IFRS 8 *Operating Segments*.

3. GROUP PERFORMANCE (CONTINUED)

3.1 OPERATING SEGMENTS (CONTINUED)

Information regarding the Group's reportable segments is presented in the tables below.

Segment results

	Germany EUR'000	**Spain** EUR'000	**France** EUR'000	**Total** EUR'000
2023				
Gross revenue	37,534	14,493	12,950	64,977
Property operating expenses	(7,059)	(5,472)	(2,550)	(15,081)
Segment net property income	30,475	9,021	10,400	49,896
Finance costs	(2,958)	(2,231)	(1,639)	(6,828)
Acquisition related costs	–	–	(1,043)	(1,043)
Change in fair value of financial derivatives	(6,290)	(3,542)	(3,283)	(13,115)
Change in fair value of investment properties	(124,700)	(13,999)	(5,992)	(144,691)
Loss before income tax – Segments	(103,473)	(10,751)	(1,557)	(115,781)
Unallocated items:				
Finance income				258
Management fees				(2,799)
Trustee's fees				(210)
Administrative costs				(2,535)
Other trust expenses				(1,896)
Total loss before income tax				**(122,963)**
Income tax benefit				17,637
Total loss after income tax for the year				**(105,326)**

	Germany EUR'000	**Spain** EUR'000	**France** EUR'000	**Total** EUR'000
2022				
Gross revenue	36,904	15,004	9,742	61,650
Property operating expenses	(6,116)	(4,986)	(1,751)	(12,853)
Segment net property income	30,788	10,018	7,991	48,797
Finance cost	(2,955)	(2,005)	(1,007)	(5,968)
Change in fair value of financial derivatives	21,037	7,471	4,571	33,079
Change in fair value of investment properties	(26,475)	(4,296)	3,130	(27,641)
Return before income tax – Segments	22,395	11,188	14,685	48,267
Unallocated items:				
Management fees				(3,465)
Trustee's fees				(213)
Administrative costs				(1,737)
Other trust expenses				(2,239)
Total return before income tax				**40,613**
Income tax expense				(4,174)
Total return after income tax for the year				**36,439**

3. GROUP PERFORMANCE (CONTINUED)

3.1 OPERATING SEGMENTS (CONTINUED)

Segment assets and liabilities

	Germany EUR'000	Spain EUR'000	France EUR'000	Total EUR'000
2023				
Segment assets	583,402	168,205	226,986	978,593
Unallocated assets				13,483
Total assets				**992,076**
Segment liabilities	238,320	86,581	107,022	431,923
Unallocated liabilities				14,533
Total liabilities				**446,456**
2022				
Segment assets	711,806	182,786	137,130	1,031,722
Unallocated assets				7,418
Total assets				**1,039,140**
Segment liabilities	256,173	83,241	58,276	397,690
Unallocated liabilities				16,747
Total liabilities				**414,437**

Major customers

There are certain major customers of the Group, being tenants of the properties in Germany and France that each account for 10% or more of the Group's gross revenue. For the financial year ended 31 December 2023, gross revenue derived from 3 such tenants amounted to €35.7 million (2022: €38.9 million).

Material accounting policy information

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.

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 fees, trust expenses, finance income, finance costs and related assets and liabilities.

3. GROUP PERFORMANCE (CONTINUED)

3.2 GROSS REVENUE

	Group	
	2023	**2022**
	EUR'000	EUR'000
Rental income	46,868	48,039
Service charge income	9,627	9,924
Carpark income	2,982	3,535
Other income	5,500	152
Total	**64,977**	**61,650**

Material accounting policy information

Rental income

Rental income under operating leases, except for rental income subjected to Consumer Price Indices ("CPI") indexation, are recognised in profit or loss on a straight-line basis over the term of the relevant lease.

Service charge income

Service charge income is an income generated from providing essential building management and maintenance services to the tenants at the properties held by the Group. It consists of payments in respect of the operations of the properties and is recognised as income over time.

Carpark income

Carpark income derived from tenants of the properties under operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

Other income

Other income for 2023 mainly relates to the recognition of dilapidation cost of €5.2 million payable by the sole tenant at Berlin Campus. A renewal agreement was signed with the tenant in June 2023 to extend the lease term to December 2024, which included the dilapidation payment. This constitutes a lease modification under IFRS 16 and hence the dilapidation payable was recognised as other income on a straight-line basis over the remaining lease term from June 2023. The dilapidation payment will be paid in June 2024 by the tenant.

3. GROUP PERFORMANCE (CONTINUED)

3.3 PROPERTY OPERATING EXPENSES

	Group	
	2023	**2022**
	EUR'000	EUR'000
Property management expenses	751	720
Repair and maintenance expenses	6,001	5,264
Utilities expenses	3,270	2,717
Property tax expenses	3,991	3,716
Other expenses	1,068	436
Total	**15,081**	**12,853**

Material accounting policy information

Property management expenses

The property managers provide management and leasing services to the property-owning subsidiaries of the Group, carrying out the day to day maintenance and leasing activities for the investment properties.

Under the property management agreements, the property managers of IREIT's current portfolio are entitled to receive monthly property management fees calculated based on a percentage of the rental income or an agreed fixed fee, subject to certain minimum thresholds on a property by property basis. The property managers are not related parties of the Manager except for B&M Portfolio's property manager, which is a wholly owned subsidiary of Tikehau Capital.

For leasing services, the property managers are entitled to additional remuneration upon the conclusion of the lease agreement.

3.4 FINANCE COSTS

	Group	
	2023	**2022**
	EUR'000	EUR'000
Interest on borrowings (Note 5.2)	5,903	5,196
Amortisation of debt upfront transaction costs (Note 5.2)	786	772
Interest on lease liabilities (Note 2.4.1)	139	–
Total	**6,828**	**5,968**

Material accounting policy information

Finance costs comprise interest expense on loans and interest rate swaps, interest on lease liabilities arising from leasehold properties and amortisation of upfront debt transaction costs. Finance costs are recognised in profit or loss using the effective interest method.

3.5 MANAGEMENT FEES

	Group	
	2023	**2022**
	EUR'000	EUR'000
Management fees paid in cash	2,799	3,465

The management fees for 2023 and 2022 were paid wholly in cash.

3. GROUP PERFORMANCE (CONTINUED)

Material accounting policy information

The Group has entered into several service agreements in relation to the management of IREIT and its property operations. The fee structures of these services are as follows:

(a) Management fees

The Manager is entitled to receive the following remuneration for managing IREIT:

Base fee

Pursuant to the Trust Deed, the Manager is entitled to a Base Fee of 10.0% per annum of IREIT's Annual Distributable Income (calculated before accounting for the Base Fee and the Performance Fee). The Base Fee is payable to the Manager either in the form of cash or units as the Manager may elect. The Manager has elected to receive 100.0% of its Base Fee in the form of cash for the financial years ended 31 December 2022 and 31 December 2023. The Base Fee in cash was payable in arrears for the relevant periods.

Performance fee

Pursuant to the Trust Deed, the Manager is entitled to a Performance Fee of 25.0% of the difference in distribution per Unit ("DPU") in a financial period with the DPU in the preceding financial period (calculated before accounting for the Performance Fee but after accounting for the Base Fee in each financial period) multiplied by the weighted average number of units in issue for such financial period.

The Performance Fee is payable if the DPU in any financial period exceeds the DPU In the preceding financial period, notwithstanding that the DPU in such financial period may be less than the DPU in any preceding financial period.

There was no performance fee paid to the Manager for the financial year ended 31 December 2023 (2022: Nil).

Acquisition fee

Under the Trust Deed, the Manager is entitled to receive an acquisition fee not exceeding 1.0% of the acquisition price for any real estate purchased directly or indirectly by IREIT (pro-rated if applicable to the proportion of IREIT's interest in the real estate acquired) in the form of cash and/or units (Note 7.1).

Acquisition fee of €777,000 was paid to the Manager for the financial year ended 31 December 2023 in the form of Units (2022: Nil). The acquisition fee is recognised as 'Acquisition related costs' in the consolidated statement of total return and other comprehensive income.

Divestment fee

Under the Trust Deed, the Manager is entitled to receive a divestment fee not exceeding 0.5% of the sale price of any real estate directly or indirectly sold or divested by IREIT (pro-rated if applicable to proportion of IREIT's interest in the real estate sold) in the form of cash and/or units (Note 7.1). There was no divestment fee paid to the Manager for the financial year ended 31 December 2023 (2022: Nil).

(b) Trustee's fees

The Trustee's fees shall not exceed 0.1% per annum of the value of all the assets of the Group ("Deposited Property") subject to a minimum of S$10,000 per month, excluding out-of-pocket expenses and GST in accordance with the Trust Deed (Note 7.1).

3.6 OTHER TRUST EXPENSES

	GROUP	
	2023	**2022**
	EUR'000	EUR'000
Audit and audit related services fees – Auditors of the Trust and Deloitte network firms	437	434
Non-audit services fees – Auditors of the Trust and Deloitte network firms	76	226
Tax related fees	272	120
Legal and professional fees	681	630
Property valuation fees	198	207
Foreign exchange loss	9	2
Others	223	620
Total	**1,896**	**2,239**

3.7 INCOME TAX

3.7.1 INCOME TAX EXPENSE

	Group	
	2023	**2022**
	EUR'000	EUR'000
Current taxation		
– Under provision of tax in prior years	190	343
– Current year	1,839	901
	2,029	1,244
Deferred taxation		
– Current year (Note 3.7.2)	(19,809)	2,787
Withholding tax	143	143
Total	**(17,637)**	**4,174**

The Trust is subjected to Singapore income tax at 17% (2022: 17%). Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The income tax for the year can be reconciled to the accounting result as follows:

	Group	
	2023	**2022**
	EUR'000	EUR'000
Total (loss)/return before income tax	(122,963)	40,613
Tax at 17% (2022: 17%)	(20,904)	6,904
Tax effect of expenses not deductible for tax purposes	2,389	3,480
Tax effect of income not taxable for tax purposes	(44)	(6,147)
Effect of different tax rates of overseas operations	944	812
Under provision of tax in the prior years	190	343
Tax effect of utilisation of tax losses not previously recognised	–	(1,518)
Withholding tax	143	143
Others	(355)	157
Tax (benefit)/expense for the year	**(17,637)**	**4,174**

3. GROUP PERFORMANCE (CONTINUED)

3.7 INCOME TAX (CONTINUED)

3.7.2 DEFERRED TAX ASSETS/ (LIABILITIES)

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from 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.

The following are the major components of deferred tax assets/(liabilities) recognised and movements therein during the current and prior reporting period:

Group	Note	Unutilised tax losses	Revaluation difference of investment properties	Revaluation difference of interest rate swaps and caps	Total
		EUR'000	EUR'000	EUR'000	EUR'000
Deferred tax assets					
Balance as at 1 January 2022		**351**	**44**	**709**	**1,104**
Recognised in profit or loss	3.7.1	1,460	–	(709)	751
Balance as at 31 December 2022		**1,811**	**44**	**–**	**1,855**
Recognised in profit or loss	3.7.1	2,028	(44)	–	1,984
Balance as at 31 December 2023		**3,839**	**–**	**–**	**3,839**
Deferred tax liabilities					
Balance as at 1 January 2022		**(11)**	**(54,317)**	**(137)**	**(54,465)**
Recognised in profit or loss	3.7.1	11	214	(3,763)	(3,538)
Balance as at 31 December 2022		**–**	**(54,103)**	**(3,900)**	**(58,003)**
Recognised in profit or loss	3.7.1	–	16,115	1,710	17,825
Balance as at 31 December 2023		**–**	**(37,988)**	**(2,190)**	**(40,178)**

Material accounting policy information

Income tax expense represents the sum of the tax currently payable and deferred tax. It is recognised in profit or loss, except when it relates to items that are recognised directly in equity, in which case, the current and deferred tax are also recognised directly in equity. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before taxation" as reported in the consolidated statement of total return and other comprehensive income because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

3. GROUP PERFORMANCE (CONTINUED)

3.7 INCOME TAX (CONTINUED)

3.7.2 DEFERRED TAX ASSETS/ (LIABILITIES) (CONTINUED)

Material accounting policy information (continued)

Deferred tax

Deferred tax is recognised on the temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all temporary difference to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such deferred assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is recognised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from 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 the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The deferred tax benefit for 2023 as compared to deferred tax expense for 2022 was mainly due to the lower deferred tax effect on temporary differences arising from the net change in fair value of investment properties and financial derivatives.

Critical accounting judgements and key sources of estimation uncertainty

Judgement is required in determining the deductible amount of certain expenses during the estimation of provision for income taxes in current year and prior years. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax provisions in the period in which such determination is made.

3. GROUP PERFORMANCE (CONTINUED)

3.8 BASIC AND DILUTED EARNINGS PER UNIT

The calculation of basic earnings per unit is based on:

	Group	
	2023	**2022**
	EUR'000	EUR'000
Total (loss)/return for the year before transactions with Unitholders	(105,326)	36,439
Weighted average number of units ('000)	1,249,811	1,171,197[1]
Basic and diluted earnings per unit (€ cents)	**(8.42)**	**3.11**

[1] The weighted average number of units have been adjusted for the effects of the bonus element of the Preferential Offering issued on 19 July 2023. This is in accordance with the requirements of IAS 33 *Earnings Per Share*.

The diluted earnings per unit is the same as the basic earnings per unit as there were no dilutive instruments issued during the year ended 31 December 2023 and 31 December 2022.

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

This section presents information on the categories of financial assets and financial liabilities as well as their fair values. In addition, information on financial instruments used for investment and risk management are disclosed in this section. Details on the exposure to various financial risks and approach to managing financial risks are also included in this section.

4.1 CATEGORIES OF FINANCIAL INSTRUMENTS

	Group		Trust	
	2023	**2022**	**2023**	**2022**
	EUR'000	EUR'000	EUR'000	EUR'000
Financial assets				
At amortised cost				
– Cash and cash equivalents	46,120	49,171	12,364	1,266
– Trade and other receivables	10,074	4,155	38,318	44,611
	56,194	**53,326**	**50,682**	**45,877**
Fair value through profit or loss				
Derivative financial instruments	**23,476**	**30,851**	**–**	**–**
Financial liabilities				
At amortised cost				
– Trade and other payables	10,739	9,130	1,437	1,444
– Distribution payable	12,967	15,053	12,967	15,053
– Borrowings	371,411	329,694	–	–
	395,117	353,877	14,404	16,497
Lease liabilities	6,354	–	–	–
	401,471	**353,877**	**14,404**	**16,497**

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

4.1 CATEGORIES OF FINANCIAL INSTRUMENTS (CONTINUED)

Material accounting policy information

Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets at amortised cost

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, the financial assets (including trade and other receivables and cash and cash equivalents) are measured at amortised cost using the effective interest rate method, less any identified expected credit losses as disclosed in Note 4.1.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the financial asset, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

4.1 CATEGORIES OF FINANCIAL INSTRUMENTS (CONTINUED)

Financial assets at fair value through profit or loss ("FVTPL")

Financial assets that do not meet the criteria for being measured at amortised cost or fair value through other comprehensive income ("FVTOCI") are measured at FVTPL. Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. IREIT has financial derivative instruments designated as at FVTPL. Fair value is determined in the manner described in Note 4.2.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") for all its financial assets at amortised cost. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Group applies a simplified approach in calculating ECL. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Group evaluates pertinent and accessible information, encompassing both quantitative and qualitative factors, along with an analysis on its historical credit losses experience (such as the past due status of the trade receivables), adjusted as appropriate to reflect current conditions and estimates of future economic conditions at the reporting date.

For other financial assets, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring. The Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Definition of default

The Group may consider an event of default for internal credit risk management purposes:

- when a financial asset is more than 90 days past due; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group) unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any subsequent recoveries are recognised in profit or loss.

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

4.1 CATEGORIES OF FINANCIAL INSTRUMENTS (CONTINUED)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group entity after deducting all its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Transaction costs relating to the equity instrument are recognised directly in equity.

Compound instruments

Compound instruments contains both a liability and an equity component, and such components are classified separately as financial liabilities or equity instruments.

Financial liabilities

All financial liabilities (including trade and other payables, distribution payable, borrowings and lease liabilities) are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liabilities. Fair value is determined in the manner described in Note 4.2.

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

4.1 CATEGORIES OF FINANCIAL INSTRUMENTS (CONTINUED)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4.2 FINANCIAL DERIVATIVES

	Group	
	2023	**2022**
	EUR'000	EUR'000
Current assets		
Interest rate caps	5,136	3,352
Interest rate swaps	6,182	4,663
	11,318	**8,015**
Non-current assets		
Interest rate caps	8,070	10,939
Interest rate swaps	4,088	11,897
	12,158	**22,836**

(a) Interest rate caps

The Group has entered into interest rate cap contracts to hedge its exposure to interest rate risks associated with movements in the interest rate on the borrowings of the Group (Note 5.2).

As at the end of the financial year, the total notional amount of outstanding interest rate cap contracts to which the Group is committed to is approximately €160.0 million (2022: €121.6 million).

The fair value of the interest rate caps falls under Level 2 of the fair value hierarchy and is based on banks' quotes.

(b) Interest rate swaps

The Group has entered into interest rate swap contracts to hedge its exposure to interest rate risks associated with movements in the interest rate on the borrowings of the Group (Note 5.2).

As at the end of the financial year, the total notional amount of outstanding interest rate swap contracts to which the Group is committed to is approximately €200.8 million (2022: €200.8 million).

The fair value of the interest rate swaps falls under Level 2 of the fair value hierarchy and is based on banks' quotes.

Material accounting policy information

The Group uses derivative financial instruments (primarily interest rate swaps and interest rate caps) to economically hedge its significant future transactions and cash flows in the management of its interest rate exposures.

The Group does not apply hedge accounting, therefore derivative financial instruments are initially measured at fair value at the date the derivative contracts are entered into and are subsequently re-measured to fair value at the end of each reporting period. All changes in fair value are taken to profit or loss.

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

4.3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of the Group's and the Trust's financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include interest rate risk, credit risk, liquidity risk and foreign currency risk.

The policies on how to mitigate these risks are set out below. The Manager manages and monitors these risks to ensure appropriate measures are implemented on a timely and effective manner.

Interest rate risk management

The Group's exposure to changes in interest rates relates primarily to interest-bearing financial liabilities. The Group's policy is to undertake appropriate hedging for the floating rate exposures in respect of its borrowings. As at the financial year end, the Group had entered into interest rate swap and interest rate cap contracts to hedge substantially its exposure to interest rate risks associated with movements in the interest rate on its floating rate borrowings. Further details of the interest rate swap and interest rate cap contracts can be found in Note 4.2.

No sensitivity analysis is prepared as the Group does not expect any material effect on the Group's profit or loss and equity arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

Credit risk management

Credit risk is the potential financial loss resulting from the failure of a tenant or counterparty to settle its financial and contractual obligations to the Group, as and when they fall due. For trade receivables, the Group applies a simplified approach in calculating expected credit losses. Based on historical credit losses experience (past due status of the trade receivables), the expected credit losses are adjusted to reflect current conditions and estimates of future economic conditions at the reporting date. For other receivables, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. As at financial year end, expected credit losses from trade and other receivables are expected to be insignificant.

The credit risk on liquid funds and derivative financial instruments is limited as the counterparties are reputable financial institutions which are regulated and carry high credit ratings assigned by international credit-rating agencies. The maximum exposure to credit risk is represented by the carrying value of each financial asset on the statements of financial position.

Approximately 9.9% (2022: 20.3%) of the Group's trade receivables as at 31 December 2023 and 54.9% (2022: 63.1%) of the Group's revenue for the financial year are from three groups of companies in Germany and France.

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

4.3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk management

The Manager monitors and maintains a level of cash and cash equivalents deemed adequate by the Manager to finance the Group's and the Trust's operations. In addition, the Manager also monitors and observes the CIS Code concerning limits on total borrowings.

Liquidity risk analysis

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities (other than issued and issuable units) based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Group	Weighted average interest rate	On demand or less than 12 months	Undiscounted cash flows 2 years to 5 years	Undiscounted cash flows after 5 years	Adjustments	Total
	%	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Non-derivative financial instrument – liabilities						
31 December 2023						
Non-interest bearing	–	23,706	–	–	–	23,706
Floating interest rate instrument	1.52%	23,795	379,291	–	(31,675)	371,411
Lease liabilities	6.80%	629	2,516	8,203	(4,994)	6,354
		48,130	**381,807**	**8,203**	**(36,669)**	**401,471**
31 December 2022						
Non-interest bearing	–	24,183	–	–	–	24,183
Floating interest rate instrument	1.50%	5,521	348,286	–	(24,113)	329,694
		29,704	**348,286**	**–**	**(24,113)**	**353,877**

All the Trust's non-derivative financial liabilities (other than issued and issuable units) are non-interest bearing and repayable on demand or due within 1 year from the end of the reporting period.

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

4.3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk management (continued)

The following table details the Group's and the Trust's expected maturity for non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial assets including interest that will be earned on those assets except where the Group and the Trust anticipates that the cash flow will occur in a different period.

Group	Weighted average interest rate	On demand or less than 12 months	Undiscounted cash flows 2 years to 5 years	Undiscounted cash flows after 5 years	Adjustments	Total
	%	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Non-derivative financial instrument – assets						
31 December 2023						
Non-interest bearing	–	36,243	1,356	–	–	37,599
Fixed deposits	0.70%	18,725	–	–	(130)	18,595
		54,968	**1,356**	**–**	**(130)**	**56,194**
31 December 2022						
Non-interest bearing	–	51,599	1,727	–	–	53,326

Trust	Weighted average interest rate	On demand or less than 12 months	Undiscounted cash flows 2 years to 5 years	Undiscounted cash flows after 5 years	Adjustments	Total
	%	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Non-derivative financial instrument – assets						
31 December 2023						
Non-interest bearing	–	7,605	–	–	–	7,605
Fixed deposits	1.48%	5,363	–	–	(78)	5,285
Fixed interest rate instrument	7.45%	2,863	43,424	–	(8,487)	37,800
		15,831	**43,424**	**–**	**(8,565)**	**50,690**
31 December 2022						
Non-interest bearing	–	8,077	–	–	–	8,077
Fixed interest rate instrument	7.45%	2,855	46,287	–	(11,342)	37,800
		10,932	**46,287**	**–**	**(11,342)**	**45,877**

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

4.3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk management (continued)

The following table details the liquidity analysis for derivative financial instruments. The table has been drawn up based on the undiscounted net cash inflows (outflows) on the derivative instrument that settle on a net basis and the undiscounted gross inflows (outflows) on the derivative that require gross settlement. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date. The liquidity analysis for derivative financial instruments is prepared based on the contractual maturities as the management considers the contractual maturities are essential for an understanding of the timing of the cash flows of the derivatives.

Group	On demand or within 1 year EUR'000	Within 2 years to 5 years EUR'000	After 5 years EUR'000
Derivative financial instruments			
31 December 2023			
Net settled:			
Interest rate caps	5,136	8,070	–
Interest rate swaps	6,182	4,088	–
	11,318	**12,158**	**–**
31 December 2022			
Net settled:			
Interest rate caps	3,352	10,939	–
Interest rate swaps	4,663	11,897	–
	8,015	**22,836**	**–**

Foreign currency risk management

The functional currency of the Group is Euro. The Group has limited exposure to foreign currency risk since its financial assets and liabilities are substantially denominated in Euro. Accordingly, foreign currency sensitivity analysis has not been prepared.

The foreign currency risk is managed by the Manager on an ongoing basis. At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the functional currency of the Group entities are as follows:

Group

	Assets		Liabilities	
	2023 EUR'000	**2022** EUR'000	**2023** EUR'000	**2022** EUR'000
Singapore dollars	632	911	1,504	1,416

Trust

	Assets		Liabilities	
	2023 EUR'000	**2022** EUR'000	**2023** EUR'000	**2022** EUR'000
Singapore dollars	632	911	1,432	1,364

4. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

4.4 FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The carrying amounts of cash and cash equivalents, trade and other receivables and trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The fair value of the other financial assets and financial liabilities is disclosed in the respective notes to the financial statements.

5. CAPITAL STRUCTURE

This section provides further information about the Group's capital structure and how capital is managed.

5.1 CAPITAL MANAGEMENT POLICIES AND OBJECTIVES

The Manager manages the capital of the Group to ensure that entities in the Group will be able to continue as a going concern while maximising the return to Unitholders through the optimisation of debt and net assets attributable to Unitholders, and to ensure that all other externally imposed capital requirements are complied with.

The capital structure of the Group consists of debts, which include bank borrowings, and net assets attributable to Unitholders comprising issued and issuable units, and reserves. The Group is required to maintain an aggregate leverage not exceeding 45% (2022: 45%) of the fund's Deposited Property of the Group in accordance with the CIS Code issued by MAS. The aggregate leverage of a property fund may exceed 45% of the fund's Deposited Property (up to a maximum of 50%) only if the property fund has a minimum adjusted interest coverage ratio of 2.5 times after taking into account the interest payment obligations arising from the new borrowings. A breach will result in non-compliance to the regulation.

As at 31 December 2023, the Group's aggregate borrowings amounted to €371.4 million (2022: €329.7 million) representing 37.9% (2022: 32.0%) of the fund's Deposited Property of the Group.

The interest coverage ratio stood at approximately 7.0 times (2022: 7.9 times) for the trailing 12 months period from 1 January 2023 to 31 December 2023.

There were no changes in the Manager's approach to capital management during the financial year. The Group is in compliance with the bank covenants as at 31 December 2023.

5.2 BORROWINGS

	Group	
	2023	**2022**
	EUR'000	EUR'000
Secured loans	14,872	–
Less: Unamortised transaction costs	(196)	–
Amount due for settlement within 12 months	**14,676**	**–**
Secured loans	359,174	332,660
Less: Unamortised transaction costs	(2,439)	(2,966)
Amount due for settlement after 12 months	**356,735**	**329,694**
Total borrowings	**371,411**	**329,694**

5. CAPITAL STRUCTURE (CONTINUED)

5.2 BORROWINGS (CONTINUED)

As at 31 December 2023, the Group's secured borrowings comprised the following facilities ("the Facilities"):

(i) Term loan facility of €200.8 million (2022: €200.8 million) taken up in February 2019. The facility will mature on a bullet basis in January 2026. Interest is payable at three-monthly intervals at variable rates based on the EURIBOR 3 months plus a loan margin ranging from 0.73% to 1.23% per annum.

(ii) Term loan facility of €80.5 million (2022: €80.5 million), comprising €66.9 million taken up in December 2019 and €13.6 million taken up in September 2021 respectively. The facilities will mature on a bullet basis in December 2026. Interest is payable at three-monthly intervals at variable rates based on the EURIBOR 3 months plus a loan margin of 1.80% per annum.

As at 31 December 2023, a capital expenditure facility of €3.0 million was drawdown (2022: Nil). The capital expenditure facility has the same terms and conditions of the term loan facilities and will mature on a bullet basis in December 2026. There is an unutilised €2.1 million capital expenditure facility which is committed until 31 December 2024, and will be cancelled if unutilised.

(iii) Term loan facility of €51.4 million (2022: €51.4 million) taken up in July 2021. The facility will mature on a bullet basis in July 2027. Interest is payable at three-monthly intervals at variable rates based on the EURIBOR 3 months plus a loan margin of 1.50% per annum.

(iv) Term loan facility of €38.4 million taken up in September 2023. The facility will mature on a bullet basis in September 2028. Interest is payable at three-monthly intervals at variable rates based on the EURIBOR 3 months plus a loan margin of 1.70% per annum.

The Facilities are secured by way of the following:

- Land charges over investment properties with an aggregate carrying value of €880.8 million as at 31 December 2023 (2022: €950.5 million);
- Pledges over the rent and other relevant bank accounts in relation to the properties;
- Assignment of claims under the lease agreements, insurance agreements, sale and purchase agreements, property management agreements and other key agreements in relation to the properties;
- Pledges over the shares in the borrowing entities;
- Assignment of claims under the hedging agreements in relation to the Facilities; and
- Assignment of claims over the intra-group loans granted to the borrowing entities (where applicable).

The Facilities are denominated in Euro. Interest rate swap and interest rate cap contracts have been entered into to hedge the exposure to interest rate risks associated with movements in the interest rate on the borrowings of the Group (Note 4.2). The fair value of the borrowings approximates its carrying amount. The Group does not apply hedge accounting.

5. CAPITAL STRUCTURE (CONTINUED)

5.2 BORROWINGS (CONTINUED)

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

			Non-cash changes				
	At 1 January 2023 EUR'000	**Financing cash flows** EUR'000	**Distribution to Unitholders** EUR'000	**Amortisation of upfront debt transaction costs** EUR'000	**Addition of lease liabilities** EUR'000	**Other changes[2]** EUR'000	**At 31 December 2023** EUR'000
Borrowings	329,694	40,931[1]	–	786	–	–	371,411
Distribution payable	15,053	(27,276)	25,190	–	–	–	12,967
Lease liabilities	–	(28)	–	–	6,372	10	6,354
	344,747	**13,627**	**25,190**	**786**	**6,382**	**10**	**390,732**

			Non-cash changes		
	At 1 January 2022 EUR'000	**Financing cash flows** EUR'000	**Distribution to Unitholders** EUR'000	**Amortisation of upfront debt transaction costs** EUR'000	**At 31 December 2022** EUR'000
Borrowings	328,922	–	–	772	329,694
Distribution payable	17,600	(33,729)	31,182	–	15,053
	346,522	**(33,729)**	**31,182**	**772**	**344,747**

[1] The financing cash flows comprise €41.4 million of proceeds from borrowing and €0.5 million upfront debt transaction costs paid during the year.
[2] Other changes include interest accruals and payments.

5.3 UNITS IN ISSUE AND TO BE ISSUED

In accordance with the Trust Deed, the Trust's distribution policy is to distribute at least 90% of its annual distributable income for each financial year, providing the Unitholders with a right to receive distribution, which the Trust has a contractual obligation to distribute to Unitholders. Accordingly, the units issued are compound instruments in accordance with IAS 32 *Financial Instruments Presentation*.

The Manager has the discretion to distribute any additional amounts, having regard to funding requirements, other capital management considerations and ensuring the overall stability of distributions.

The Manager considers the equity component of the issued units to be insignificant and that the net assets attributable to Unitholders presented on the statements of financial position as at 31 December 2023 and 2022 mainly represent financial liabilities.

Unit issue costs are transaction costs relating to issuance of units in the Trust which are accounted for as a deduction from the proceeds raised to the extent, they are incremental costs directly attributable to the transaction that otherwise would have been avoided. Other transaction costs are recognised as an expense in profit or loss.

5. CAPITAL STRUCTURE (CONTINUED)

5.3 UNITS IN ISSUE AND TO BE ISSUED (CONTINUED)

	Group and Trust 2023 '000	Group and Trust 2022 '000
Units in issue:		
Beginning of the year	1,155,891	1,154,591
Issuance of new units:		
Pursuant to the Preferential Offer	186,099	–
Management fees paid in units[1]	–	1,300
Acquisition fees paid in units	2,848	–
End of the year	1,344,838	1,155,891
Units to be issued	–	–
Total units in issue and to be issued at end of year	**1,344,838**	**1,155,891**

[1] The management fees for 2023 and 2022 were paid wholly in cash.

5.4 DISTRIBUTION PER UNIT

The calculation of distribution per unit is based on:

	Group 2023 EUR'000	Group 2022 EUR'000
Income to be distributed to Unitholders	25,190	31,182
As reported		
Number of Units entitled to distribution ('000) (Note 5.3)	1,344,838	1,155,891
Distribution per unit (€ cents)	**1.87**	**2.69**
Adjusted to include effects of the equity preferential offering		
Number of Units entitled to distribution ('000)	1,344,838	1,341,990[1]
Distribution per unit (€ cents)	**1.87**	**2.31**[1]

[1] The number of Units entitled to distribution have been restated to include the preferential offering Units issued on 19 July 2023 and acquisition fees paid in Units of 2,847,629 Units issued on 27 September 2023. Correspondingly, 2022 distribution per unit has been restated to reflect the effects.

5. CAPITAL STRUCTURE (CONTINUED)

5.5 NET ASSET VALUE PER UNIT

Net asset value per unit is based on:

	Group		Trust	
	2023	2022	2023	2022
	EUR'000	EUR'000	EUR'000	EUR'000
Net assets	545,620	624,703	373,674	339,565
Number of units in issue and to be issued at the end of the year ('000) (Note 5.3)	1,344,838	1,155,891	1,344,838	1,155,891
Net asset value per unit (€)	**0.41**	**0.54**	**0.28**	**0.29**

6. GROUP STRUCTURE

This section comprises information about the structure and composition of the Group comprising subsidiaries, including changes arising from acquisitions and disposals.

6.1 INVESTMENT IN SUBSIDIARIES

	Trust	
	2023	2022
	EUR'000	EUR'000
Unquoted equity shares, at cost	189,499	147,921
Loans to subsidiaries (Note a)	155,842	162,442
Less: Impairment loss (Note b)	(8,314)	–
Total	**337,027**	**310,363**

Investment in subsidiaries are included in the Trust's statement of financial position at cost less any identified impairment in net recoverable value.

(a) The loans to subsidiaries relate to the loans to certain Singapore subsidiaries, which are ultimately used to fund the property investment holding subsidiaries for the purchase of the investment properties. The loans are long term in nature, unsecured, do not bear interest and are repayable at the sole discretion of the subsidiaries when they have the necessary cash flow to repay the loans.

(b) All of the Trust's subsidiaries are investment holding entities, financing entities or entities that hold the Group's investment properties. The Trust determines the recoverable amount based on fair value less costs to sell estimated using the net assets of the subsidiaries, taking into consideration the fair value of the underlying properties held by the subsidiaries.

During the year ended 31 December 2023, the Trust recognised an impairment loss of €8.3 million (2022: Nil) in respect of its investment in subsidiaries due to lower recoverable amount following the fair value loss on investment properties.

6. GROUP STRUCTURE (CONTINUED)

6.1 INVESTMENT IN SUBSIDIARIES (CONTINUED)

The Trust has held the following wholly-owned subsidiaries as at 31 December 2023 and 2022:

Name of entity	Principal activities	Country/ Place of incorporation	Proportion of ownership interest and voting rights held 2023 %	2022 %
Directly held:				
IREIT Global Holdings Pte. Ltd. [(a)]	Investment holding	Singapore	100	100
IREIT Global Holdings 1 Pte. Ltd.[(a)]	Investment holding	Singapore	100	100
IREIT Global Holdings 2 Pte. Ltd.[(a)]	Investment holding	Singapore	100	100
IREIT Global Holdings 3 Pte. Ltd.[(a)]	Investment holding	Singapore	100	100
IREIT Global Holdings 4 Pte. Ltd.[(a)]	Investment holding	Singapore	100	100
IREIT Global Holdings 6 Pte. Ltd.[(a)]	Investment holding	Singapore	100	100
IREIT Global Investments Pte. Ltd.[(a)]	Group lending	Singapore	100	100
IREIT Global Investments 1 Pte. Ltd.[(a)]	Group lending	Singapore	100	100
IREIT Global Investments 2 Pte. Ltd.[(a)]	Group lending	Singapore	100	100
IREIT Global Investments 3 Pte. Ltd.[(a)]	Group lending	Singapore	100	100
IREIT Global Investments 4 Pte. Ltd.[(a)]	Group lending	Singapore	100	100
Sadena Real Estate S.L.U.[(c)]	Real estate investment	Spain	100	100
FIT 2[(d)]	Investment holding	France	100	100
Indirectly held:				
Laughing Rock 1 B.V.[(b)]	Real estate investment	Netherlands	100	100
Laughing Rock 2 B.V.[(b)]	Real estate investment	Netherlands	100	100
Laughing Rock 3 B.V.[(b)]	Real estate investment	Netherlands	100	100
Laughing Rock 4 B.V.[(b)]	Real estate investment	Netherlands	100	100
Laughing Rock 5 B.V.[(b)]	Real estate investment	Netherlands	100	100
Laughing Rock 6 B.V.[(b)]	Real estate investment	Netherlands	100	100
Laughing Rock 7 B.V.[(b)]	Real estate investment	Netherlands	100	100
Laughing Rock 8 B.V.[(b)]	Real estate investment	Netherlands	100	100
Laughing Rock 9 B.V.[(b)]	Real estate investment	Netherlands	100	100
Laughing Rock 11 B.V.[(b)]	Real estate investment	Netherlands	100	100
Laughing Rock 12 B.V.[(b)]	Real estate investment	Netherlands	100	100
Laughing Rock 13 B.V.[(b)]	Real estate investment	Netherlands	100	100
Laughing Rock 14 B.V.[(b)]	Real estate investment	Netherlands	100	100
FIT 1[(c)]	Real estate investment	France	100	100
Electro[(c)]	Real estate investment	France	100	–

(a) Audited by Deloitte & Touche LLP, Singapore.
(b) Audited by overseas practices of Deloitte Touche Tohmatsu Limited for consolidation purposes.
(c) Audited by overseas practices of Deloitte Touche Tohmatsu Limited.
(d) Not required to be audited by the local regulations in France.

6. GROUP STRUCTURE (CONTINUED)

6.1 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Material accounting policy information

Impairment of investment in subsidiaries

At the end of the reporting period, the Trust reviews the carrying amounts of its investments in each of the subsidiaries to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the investment in subsidiaries is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of fair value less cost to sell or value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of the investments is estimated to be less than its carrying amount, the carrying amount of investments is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of investments is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for investments in prior years. A reversal of an impairment loss is recognised as income immediately.

7. OTHERS

7.1 SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability to directly or indirectly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or the Group with the Trustee, the Manager, and substantial Unitholders. Related parties may be individuals or other entities.

In the normal course of the operations of the Group, management fees, Trustee's fees and property management fees have been paid or are payable to the Manager, Trustee and Property Manager respectively.

During the year, other than the transactions disclosed elsewhere in the financial statements, there were the following related party transactions:

	Group	
	2023	**2022**
	EUR'000	EUR'000
DBS Trustee Limited as Trustee		
Trustee's fees	210	213
Acquisition and divestment – related costs	21	–

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

7. OTHERS (CONTINUED)

7.1 SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

	Group	
	2023	2022
	EUR'000	EUR'000
IREIT Global Group Pte. Ltd. as Manager		
Acquisition fees	777	–
Management fees	2,799	3,465
Sofidy SAS as Property Manager		
Property Manager fees	46	–
Tikehau Capital SCA as controlling unitholders of IREIT		
Acquisition of properties	76,830	–

7.2 FINANCIAL RATIOS

	Group	
	2023	2022
	%	%
Expenses to weighted average net assets [1]		
– including performance component of Manager's management fees	1.20	1.19
– excluding performance component of Manager's management fees	1.20	1.19
Portfolio turnover ratio [2]	**12.4**	–

[1] The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property operating expenses, finance costs, net foreign exchange differences and income tax expense. There was no performance component of Manager's management fees for 2023 and 2022.

[2] 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. There were no purchases or sales of underlying investment properties in 2022.

7.3 EVENTS OCCURING AFTER REPORTING DATE

On 22 December 2023, IREIT had entered into a conditional promissory private sale and purchase agreement with an unrelated third party to divest Il•lumina, a property located in Spain. After the reporting date, the Group completed the divestment of Il•lumina for a sale consideration of €24.5 million on 31 January 2024. €14.9 million of bank borrowings related to the divestment of Il•lumina was repaid on 31 January 2024.

On 22 February 2024, IREIT announced distribution of 0.94 Euro cents per unit, for the period from 1 July 2023 to 31 December 2023.

OTHER INFORMATION

INTERESTED PERSON TRANSACTIONS

For the financial year ended 31 December 2023

The transactions entered into with interested persons during the financial year, which fall under the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Property Funds Appendix of the Code on Collective Investment Schemes (excluding transactions of less than S$100,000 each) are as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) €'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) €'000
DBS Trustee Limited		
– Trustee's fee	210	–
IREIT Global Group Pte. Ltd.		
– Acquisition fees	777	–
– Management fees	2,799	–
Tikehau Capital SCA		
– Acquisition of properties [1]	76,830	–

Note:
(1) The acquisition was approved by Unitholders at the Extraordinary General Meeting held on 27 July 2023.

Save as disclosed above, there were no additional interested person transactions and IREIT has not obtained a general mandate from Unitholders for interested person transactions.

STATISTICS OF UNITHOLDINGS

AS AT 12 MARCH 2024

DISTRIBUTION OF UNITHOLDINGS

SIZE OF UNITHOLDINGS	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
1 – 99	87	1.28	3,823	0.00
100 – 1,000	355	5.20	278,335	0.02
1,001 – 10,000	2,318	33.94	12,490,108	0.93
10,001 – 1,000,000	4,034	59.07	265,746,262	19.76
1,000,001 AND ABOVE	35	0.51	1,066,319,040	79.29
TOTAL	**6,829**	**100.00**	**1,344,837,568**	**100.00**

LOCATION OF UNITHOLDERS

COUNTRY	NO. OF UNITHOLDERS	%	NO. OF UNITS	%
SINGAPORE	6,663	97.57	1,338,430,409	99.52
MALAYSIA	119	1.74	4,622,726	0.35
OTHERS	47	0.69	1,784,433	0.13
TOTAL	**6,829**	**100.00**	**1,344,837,568**	**100.00**

TWENTY LARGEST UNITHOLDERS

NO.	NAME	NO. OF UNITS	%
1	HSBC (SINGAPORE) NOMINEES PTE LTD	392,108,481	29.16
2	CITY STRATEGIC EQUITY PTE LTD	278,572,900	20.71
3	DBS NOMINEES (PRIVATE) LIMITED	135,463,932	10.07
4	BANK OF CHINA NOMINEES (PTE) LTD	56,359,095	4.19
5	CITIBANK NOMINEES SINGAPORE PTE LTD	42,651,718	3.17
6	RAFFLES NOMINEES (PTE.) LIMITED	23,244,016	1.73
7	BOND CAPITAL PARTNERS PTE LTD	19,000,000	1.41
8	PHILLIP SECURITIES PTE LTD	12,859,640	0.96
9	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	11,158,522	0.83
10	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	10,522,302	0.78
11	IFAST FINANCIAL PTE. LTD.	9,547,506	0.71
12	ABN AMRO CLEARING BANK N.V.	8,809,467	0.66
13	IREIT GLOBAL GROUP PTE. LTD.	8,556,298	0.64
14	MAYBANK SECURITIES PTE. LTD.	8,091,587	0.60
15	OCBC SECURITIES PRIVATE LIMITED	7,038,702	0.52
16	UOB KAY HIAN PRIVATE LIMITED	4,826,153	0.36
17	DB NOMINEES (SINGAPORE) PTE LTD	4,540,792	0.34
18	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	3,877,112	0.29
19	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	3,572,330	0.27
20	TIGER BROKERS (SINGAPORE) PTE. LTD.	3,476,187	0.26
	TOTAL	**1,044,276,740**	**77.66**

STATISTICS OF UNITHOLDINGS

AS AT 12 MARCH 2024

ISSUED UNITS

There were 1,344,837,568 Units (voting rights: one vote per Unit) issued in IREIT as at 12 March 2024.

Market capitalisation: S$463,968,960.96 (based on closing price of S$0.345 per unit on 12 March 2024).

UNITHOLDINGS OF DIRECTORS OF THE MANAGER AS AT 21 JANUARY 2024

No	Name of Director	Direct Interest	Deemed Interest
1	Mr Mark Andrew Yeo Kah Chong	–	–
2	Mr Chng Lay Chew	–	–
3	Mr Bruno de Pampelonne	406,350	409,949
4	Mr Sherman Kwek Eik Tse	–	–
5	Ms Cher Mui Sim Susanna	29,100	–

SUBSTANTIAL UNITHOLDERS AS AT 12 MARCH 2024

No	Name of Substantial Unitholders	Direct Interest	Deemed Interest
1	Tikehau Capital SCA [(a)]	385,619,280	8,556,298
2	City Strategic Equity Pte. Ltd.	278,572,900	–
3	CDL Real Estate Investment Managers Pte. Ltd. [(b)]	–	287,129,198
4	New Empire Investments Pte. Ltd. [(b)]	–	287,129,198
5	City Developments Limited [(b)]	–	287,129,198
6	Hong Leong Investment Holdings Pte. Ltd. [(c)]	–	287,364,198
7	Davos Investment Holdings Private Limited [(c)]	–	287,364,198
8	Kwek Holdings Pte. Ltd. [(c)]	–	287,364,198

(a) Tikehau Capital SCA is deemed pursuant to the provisions of Section 4 of the Securities and Futures Act 2001 to have an interest in the 8,556,298 Units held by IREIT Global Group Pte. Ltd.

(b) CDL Real Estate Investment Managers Pte. Ltd., New Empire Investments Pte. Ltd. and City Developments Limited are deemed pursuant to the provisions of Section 4 of the Securities and Futures Act 2001 to have an interest in the 278,572,900 Units held by City Strategic Equity Pte. Ltd. and 8,556,298 Units held by IREIT Global Group Pte. Ltd.

(c) Hong Leong Investment Holdings Pte. Ltd., Davos Investment Holdings Private Limited and Kwek Holdings Pte. Ltd. are deemed pursuant to the provisions of Section 4 of the Securities and Futures Act 2001 to have an interest in the 278,572,900 Units held by City Strategic Equity Pte. Ltd., 8,556,298 Units held by IREIT Global Group Pte. Ltd. and 235,000 Units held by Millennium Securities Pte. Ltd.

PUBLIC FLOAT

Under Rule 723 of the Listing Manual of the SGX-ST, a listed issuer must ensure at least 10% of its listed securities are at all times held by the public. Based on the information made to the Manager as at 12 March 2024, approximately 49.91% of IREIT's Units were held in the hands of the public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

IREIT did not hold any treasury units as at 12 March 2024.

NOTICE OF ANNUAL GENERAL MEETING

(a real estate investment trust constituted on 1 November 2013 under the laws of the Republic of Singapore (as amended))

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the holders of units of IREIT Global ("**IREIT**", and the holders of units of IREIT, "**Unitholders**") will be held at Suntec Singapore Convention & Exhibition Centre, Level 3, Meeting Rooms 324-325, 1 Raffles Boulevard, Singapore 039593 on Thursday, 25 April 2024 at 10.00 a.m. (Singapore Time) to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Report of DBS Trustee Limited, as trustee of IREIT (the "**Trustee**"), the Statement by IREIT Global Group Pte. Ltd., as manager of IREIT (the "**Manager**") and the Audited Financial Statements of IREIT for the financial year ended 31 December 2023 together with the Auditor's Report thereon.

(Ordinary Resolution 1)

2. To re-appoint Deloitte & Touche LLP as Independent Auditors of IREIT and to hold office until the conclusion of the next AGM of IREIT and to authorise the Manager to fix their remuneration.

(Ordinary Resolution 2)

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions, with or without any modifications:

3. That authority be and is hereby given to the Manager, to:

(a) (i) issue units in IREIT ("**Units**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and

(b) issue Units in pursuance of any Instruments made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

provided that:

(1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent (50%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a *pro rata* basis to Unitholders (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed twenty per cent (20%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below);

NOTICE OF ANNUAL GENERAL MEETING

(2) subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units, if any) shall be based on the number of issued Units (excluding treasury Units, if any) at the time of the passing of this Resolution, after adjusting for:

(a) any new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed; and

(b) any subsequent bonus issue, consolidation or subdivision of Units;

(3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the trust deed constituting IREIT (as amended, varied and/or supplemented) (the "**Trust Deed**") for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);

(4) unless revoked or varied by Unitholders in a general meeting of IREIT, the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next AGM of IREIT or (ii) the date by which the next AGM of IREIT is required by the applicable laws and regulations or the Trust Deed to be held, whichever is earlier;

(5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and

(6) the Manager and the Trustee, be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of IREIT to give effect to the authority conferred by this Resolution.

(Ordinary Resolution 3)

(Please see Explanatory Note)

BY ORDER OF THE BOARD
IREIT GLOBAL GROUP PTE. LTD.
(Company Registration No. 201331623K)
As manager of IREIT Global

Siau Kuei Lian
Company Secretary

Singapore
2 April 2024

Important Notice:

1. The AGM is being convened, and will be held in a **wholly physical format** at Suntec Singapore Convention & Exhibition Centre, Level 3, Meeting Rooms 324-325, 1 Raffles Boulevard, Singapore 039593 on **Thursday, 25 April 2024 at 10.00 a.m. (Singapore Time)**. There will be **no option to participate virtually**.

   Printed copies of this Notice will be sent to Unitholders. This Notice will also be made available via publication on the SGX-ST website at the URL https://www.sgx.com/securities/company-announcements and on IREIT's website at the URL https://www.ireitglobal.com/.

2. Unitholders, including CPF/SRS investors, and (where applicable) their duly appointed proxy(ies) will be able to attend the AGM in person. They will first need to register personally at the registration counter(s) outside the AGM venue on the day of the event, and should bring along their NRIC/passport to enable the Manager to verify their identity for entry to, and (where applicable) be provided with a handheld device for electronic voting at, the AGM.

Registration will commence at **9.30 a.m. on Thursday, 25 April 2024**. Unitholders are advised not to attend the AGM if they are feeling unwell.

3. A Unitholder who is not a relevant intermediary entitled to attend, speak and vote at the AGM is entitled to appoint not more than two proxies to attend, speak and vote in the Unitholder's stead. A proxy need not be a Unitholder.

4. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies in the proxy form the proportion of the Unitholder's holdings (expressed as a percentage of the whole) to be represented by each proxy.

5. A Unitholder who is a relevant intermediary entitled to attend, speak and vote at the AGM is entitled to appoint more than two proxies to attend, speak and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed.

   "**relevant intermediary**" means:

   (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds Units in that capacity; or

   (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

6. Unitholders, including CPF/SRS investors, may submit questions related to the resolutions to be tabled for approval at the AGM in advance of, or live at, the AGM. In order for Unitholders to submit questions in advance of the AGM, the questions must be submitted in the following manner by 10.00 a.m. on Tuesday, 16 April 2024 (Singapore Time):

   (a) If submitted by post, be deposited at the registered office of the Manager at 1 Wallich Street #15-03 Guoco Tower Singapore 078881; or

   (b) if submitted electronically, be submitted via email to IREIT's Unit Registrar at IREITGlobalAGM2024@boardroomlimited.com.

   Unitholders, including CPF/SRS investors, who submit questions via post or email must provide the following information for authentication: (a) the Unitholder's full name; (b) the Unitholder's address, contact number and email; and (c) the manner in which the Unitholder holds the Units (e.g., via CDP, CPF or SRS).

   All questions submitted in advance of the AGM via any of the above channels must reach the Manager by 10.00 a.m. on Tuesday, 16 April 2024, in order for the Manager to provide its responses to such questions by Thursday, 18 April 2024. This will give Unitholders ample time and opportunity to consider the Manager's responses before the deadline for the submission of the proxy form for the AGM ("**Proxy Form**") by 10.00 a.m. on Tuesday, 23 April 2024.

   The Manager will endeavour to address all substantial and relevant questions (which are related to the resolutions to be tabled for approval at the AGM) submitted in advance of the AGM and received by 10.00 a.m. on Tuesday, 16 April 2024 (Singapore Time), by Thursday, 18 April 2024. This will give Unitholders ample time and opportunity to consider the Manager's responses before the deadline for the submission of Proxy Forms by 10.00 a.m. on Tuesday, 23 April 2024 (Singapore Time). The Manager will publish the responses to those questions which the Manager will not be addressing during the AGM, on the SGX-ST website and on IREIT's website prior to the AGM. Where substantially similar questions are received, the Manager will consolidate such questions and consequently not all questions may be individually addressed. Questions which are received by the Manager after 10.00 a.m. on Tuesday, 16 April 2024 will be consolidated and addressed at the AGM itself. Unitholders, including CPF/SRS investors, and, where applicable, their duly appointed proxy(ies) may also ask questions at the AGM.

The Manager will publish the minutes of the AGM within one month after the AGM on the SGX-ST website at the URL https://www.sgx.com/securities/company-announcements and on IREIT's website at the URL https://www.ireitglobal.com/, and the minutes will include the responses to the substantial and relevant questions from Unitholders which are addressed during the AGM.

7. Unitholders can vote at the AGM themselves or through their duly appointed proxy(ies).

Upon their registration at the AGM venue, Unitholders, including CPF/SRS investors, or where applicable, their duly appointed proxy(ies), will be provided with a handheld device for electronic voting at the AGM.

As an alternative to the above, Unitholders may also vote at the AGM by appointing the Chairman of the AGM as their proxy to vote on their behalf. Please refer to paragraph 8 below for the manner of submission of the Proxy Form.

8. Unitholders who wish to submit an instrument of proxy for his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM must do so in accordance with the instructions on the Proxy Form. The Proxy Form may be downloaded from the SGX-ST website at the URL https://www.sgx.com/securities/company-announcements and from IREIT's website at the URL https://www.ireitglobal.com/. For convenience, printed copies of the Proxy Form will also be sent by post to Unitholders. Additional printed copies of the Proxy Form, if required, can be requested from IREIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., by calling +65 6536 5355 (during office hours) or via email at IREITGlobalAGM2024@boardroomlimited.com. Requests for printed copies of the Proxy Form should be made by Wednesday, 17 April 2024.

The Proxy Form must be submitted to the Manager c/o IREIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

(a) if submitted by post, be lodged at the registered office of IREIT's Unit Registrar at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

(b) if submitted electronically, be submitted via email to IREIT's Unit Registrar at IREITGlobalAGM2024@boardroomlimited.com,

in either case, not later than **10.00 a.m. (Singapore Time) on Tuesday, 23 April 2024**, being not less than 48 hours before the time fixed for the AGM.

Completion and submission of an instrument appointing a proxy(ies) by a Unitholder will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of a proxy(ies) for the AGM shall be deemed to be revoked if the Unitholder attends the AGM, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.

9. Unitholders who hold their Units through a relevant intermediary, other than CPF/SRS investors, and who wish to participate in the AGM by:

(a) attending the AGM in person;

(b) submitting questions to the Chairman of the AGM in advance of, or at, the AGM; and/or

(c) voting at the AGM (i) themselves; or (ii) by appointing the Chairman of the AGM as proxy to vote on their behalf,

should approach their respective relevant intermediary through which they hold such Units as soon as possible in order to make the necessary arrangements for them to participate in the AGM.

CPF and SRS investors who wish to vote at the AGM should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. (Singapore Time) on Monday, 15 April 2024, being seven working days before the date of the AGM.

NOTICE OF ANNUAL GENERAL MEETING

10. The annual report for the financial year ended 31 December 2023 ("**Annual Report**") may be viewed and downloaded from the SGX-ST website at the URL https://www.sgx.com/securities/company-announcements and from IREIT's website at the URL https://www.ireitglobal.com/. Printed copies of the Annual Report will not be sent to Unitholders.

    Printed copies of the request form will be sent to Unitholders for Unitholders to request for a printed copy of the Annual Report (the "**Request Form**"). Requests for a physical copy of the Annual Report should be made by submitting the Request Form to IREIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

    (a) if submitted by post, be lodged at the registered office of IREIT's Unit Registrar at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

    (b) if submitted electronically, be submitted via email to IREIT's Unit Registrar at IREITGlobalAGM2024@boardroomlimited.com,

    in either case, by no later than Wednesday, 17 April 2024.

11. The Manager may be required to change the arrangements for the AGM at short notice. Unitholders should check IREIT's website at the URL https://www.ireitglobal.com/ for the latest updates on the status of the AGM.

12. Any reference to a time of day is made by reference to Singapore time.

EXPLANATORY NOTE:

Ordinary Resolution 3

Ordinary Resolution 3 above, if passed, will empower the Manager from the date of this AGM until (i) the conclusion of the next AGM of IREIT, (ii) the date by which the next AGM of IREIT is required by the applicable laws and regulations or the Trust Deed to be held, or (iii) such authority is varied or revoked by the Unitholders in a general meeting of IREIT, whichever is the earliest, to issue Units, make or grant Instruments and to issue Units pursuant to such Instruments, up to a number not exceeding fifty per cent (50%) of the total number of issued Units (excluding treasury Units, if any), of which up to twenty per cent (20%) may be issued other than on a *pro rata* basis to Unitholders (excluding treasury Units, if any).

For the purpose of determining the aggregate number of Units that may be issued, the percentage of issued Units will be calculated based on the total number of issued Units (excluding treasury Units, if any) at the time this Ordinary Resolution 3 above is passed, after adjusting for (a) new Units arising from the conversion or exercise of any Instruments which were issued and outstanding or subsisting at the time of the passing of this Ordinary Resolution 3 and (b) any subsequent bonus issue, consolidation or subdivision of Units.

Fund raising by issuance of new Units may be required in instances of property acquisition or debt repayments. In any event, if the approval of Unitholders is required under the Listing Manual of the SGX-ST and the Trust Deed or any applicable laws and regulations in such instances, the Manager will then obtain the approval of Unitholders accordingly.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof and/or submitting any question to the Chairman of the AGM in advance of the AGM in accordance with this Notice of AGM, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents or service providers) for the purpose of the processing and administration by the Manager and the Trustee (or their agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents or service providers), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee (or their agents or service providers) in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

IREIT GLOBAL

(a real estate investment trust constituted on 1 November 2013 under the laws of the Republic of Singapore (as amended))

PROXY FORM

ANNUAL GENERAL MEETING

IMPORTANT:
1. A relevant intermediary (as defined in the Notes Overleaf) may appoint more than two proxies to attend and vote at the Annual General Meeting.
2. This proxy form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

Personal data privacy
By submitting an instrument appointing a proxy or proxies and/or representative(s), a unitholder of IREIT Global accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 2 April 2024.

IMPORTANT:
The Annual General Meeting ("**AGM**") of the holders of units of IREIT Global ("**IREIT**", the units of IREIT, "**Units**", and the holders of units of IREIT, "**Unitholders**") will be held at Suntec Singapore Convention & Exhibition Centre, Level 3, Meeting Rooms 324-325, 1 Raffles Boulevard, Singapore 039593 on Thursday, 25 April 2024 at 10.00 a.m. (Singapore Time). Printed copies of the Notice of AGM dated 2 April 2024 will be sent to the Unitholders and will also be made available through electronic means via publication on the website of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") at the URL https://www.sgx.com/securities/company-announcements and IREIT's website at the URL https://www.ireitglobal.com/.

I/We ______________________________ (Name(s) and NRIC Number(s)/Passport Number(s)/Company Registration Number)

of ____ (Address)

being a unitholder/unitholders of IREIT, hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Unitholdings	
			Number of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Unitholdings	
			Number of Units	%

or failing the person, or either or both of the persons, referred to above, the Chairman of the AGM of IREIT, as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the AGM of IREIT to be held at Suntec Singapore Convention & Exhibition Centre, Level 3, Meeting Rooms 324-325, 1 Raffles Boulevard, Singapore 039593 on Thursday, 25 April 2024 at 10.00 a.m. (Singapore Time) and any adjournment thereof. I/We direct my/our proxy/proxies to vote for, against or abstain from the resolutions to be proposed at the AGM as indicated hereunder#. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the AGM (or any adjournment thereof). If no person is named in the above boxes, the Chairman of the AGM shall be my/our proxy/proxies to vote, for or against, or to abstain from voting on, the resolutions to be proposed at the AGM for me/us and on my/our behalf at the AGM and at any adjournment thereof based on the directions indicated hereunder and if no specific direction as to voting is given, the Chairman of the AGM will vote or abstain from voting at his/her discretion, as he/she may on any other matter arising at the AGM.

No.	Resolutions relating to:	Number of Votes For(*)	Number of Votes Against(*)	Number of Votes Abstain(*)
	ORDINARY BUSINESS			
1.	To receive and adopt the Report of the Trustee, the Statement by the Manager and Audited Financial Statements of IREIT for the financial year ended 31 December 2023 and the Auditor's Report thereon.			
2.	To re-appoint Deloitte & Touche LLP as the Independent Auditors of IREIT and authorise the Manager to fix their remuneration.			
	SPECIAL BUSINESS			
3.	To authorise the Manager to issue Units and to make or grant convertible instruments.			

You should specifically direct the proxy(ies) on how he/she is to vote for, vote against, or abstain from voting on, the resolutions.
* If you wish to exercise all your votes "For", "Against" or "Abstain", please mark with an "X" within the relevant box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ____________________ day of ____________________ 2024

Total number of Units held

____

Signature of Unitholder (s)/ Common Seal of Corporate Unitholder

IMPORTANT: Please read the notes overleaf before completing this Proxy Form

Notes to the Proxy Form

1. A Unitholder who is not a relevant intermediary (as defined below) entitled to attend, speak and vote at the AGM is entitled to appoint not more than two proxies to attend, speak and vote in the Unitholder's stead. A proxy need not be a Unitholder.

2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies in the proxy form the proportion of the Unitholder's holdings (expressed as a percentage of the whole) to be represented by each proxy.

3. A Unitholder who is a relevant intermediary entitled to attend, speak and vote at the AGM is entitled to appoint more than two proxies to attend, speak and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed.

   "relevant intermediary" means:

   (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds Units in that capacity; or

   (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

4. CPF and SRS investors who wish to vote at the AGM, should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. (Singapore Time) on Monday, 15 April 2024, being seven working days before the date of the AGM.

5. The proxy form for the AGM ("**Proxy Form**") must be submitted to the Manager c/o IREIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

   (a) if submitted by post, be lodged at the registered office of IREIT's Unit Registrar at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

   (b) if submitted electronically, be submitted via email to IREIT's Unit Registrar at IREITGlobalAGM2024@boardroomlimited.com,

   in either case, not later than 10.00 a.m. (Singapore Time) on Tuesday, 23 April 2024, being not less than 48 hours before the time fixed for the AGM.

   The Proxy Form may be downloaded from the SGX-ST website at the URL https://www.sgx.com/securities/company-announcements and on IREIT's website at the URL https://www.ireitglobal.com/. For convenience, printed copies of the Proxy Form will also be sent by post to Unitholders. Additional printed copies of the Proxy Form, if required, can be requested from IREIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., by calling +65 6536 5355 (during office hours) or via email at IREITGlobalAGM2024@boardroomlimited.com. Requests for printed copies of the Proxy Form should be made by Wednesday, 17 April 2024.

   A Unitholder who wishes to submit a Proxy Form by post or via email can either use the printed copy of the Proxy Form which is sent to the Unitholder by post or download a copy of the Proxy Form from the SGX-ST website or IREIT's website, and complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

6. Completion and submission of the Proxy Form by a Unitholder will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of a proxy(ies) for the AGM shall be deemed to be revoked if the Unitholder attends the AGM, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the relevant Proxy Form to the AGM.

7. A Unitholder should insert the total number of Units held. If the Unitholder has Units entered against the Unitholder's name in the Depository Register maintained by the Central Depository (Pte) Limited ("**CDP**"), the Unitholder should insert that number of Units. If the Unitholder has Units registered in the Unitholder's name in the Register of Unitholders of IREIT, the Unitholder should insert that number of Units. If the Unitholder has Units entered against the Unitholder's name in the said Depository Register and registered in the Unitholder's name in the Register of Unitholders, the Unitholder should insert the aggregate number of Units. If no number is inserted, the Proxy Form will be deemed to relate to all the Units held by the Unitholder.

8. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised. The Manager and the Trustee shall be entitled and be bound, in determining the rights to vote and other matters in respect of a completed Proxy Form submitted to it, to have regard to any instructions and/or notes set out in the Proxy Form. The Manager and the Trustee shall have the right to reject any Proxy Form which has not been duly completed.

9. Where the Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a duly certified copy of such power of attorney must (failing previous registration with the Manager), if the Proxy Form is submitted by post, be lodged with the Proxy Form, or, if the Proxy Form is submitted electronically via email, be emailed with the Proxy Form, failing which the Proxy Form may be treated as invalid.

10. The Manager and the Trustee shall have the right to reject any Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the Proxy Form (including any related attachment). In addition, in the case of Unitholders whose Units are entered against their names in the Depository Register, each of the Manager and the Trustee may reject any Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against the Unitholder's name in the Depository Register not less than 48 hours before the time fixed for holding the AGM, as certified by CDP to the Manager.

11. The annual report for the financial year ended 31 December 2023 ("**Annual Report**") may be viewed and downloaded from the SGX-ST website at the URL https://www.sgx.com/securities/company-announcements and from IREIT's website at the URL https://www.ireitglobal.com/. Printed copies of the Annual Report will not be sent to Unitholders.

    Printed copies of the request form will be sent to Unitholders for Unitholders to request for a printed copy of the Annual Report (the "**Request Form**"). Requests for a printed copy of the Annual Report should be made by submitting the Request Form to IREIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

    (a) if submitted by post, be lodged at the registered office of IREIT's Unit Registrar at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

    (b) if submitted electronically, be submitted via email to IREIT's Unit Registrar at IREITGlobalAGM2024@boardroomlimited.com,

    in either case, by no later than Wednesday, 17 April 2024.

12. All Unitholders will be bound by the outcome of the AGM regardless of whether they have attended or voted at the AGM.

Corporate Directory

THE MANAGER

IREIT Global Group Pte. Ltd.
1 Wallich Street
#15-03 Guoco Tower
Singapore 078881
Tel: (65) 6718 0590
Fax: (65) 6718 0599

TRUSTEE

DBS Trustee Limited
12 Marina Boulevard
Level 44, DBS Asia Central
Marina Bay Financial Centre Tower 3
Singapore 018982
Tel: (65) 6878 8888
Fax: (65) 6878 3977

BOARD OF DIRECTORS (THE MANAGER)

Mr Mark Andrew Yeo Kah Chong
Chairman and Independent Non-Executive Director

Mr Chng Lay Chew
Independent Non-Executive Director

Ms Cher Mui Sim Susanna
Independent Non-Executive Director

Mr Bruno de Pampelonne
Non-Executive Director

Mr Sherman Kwek Eik Tse
Non-Executive Director

AUDIT AND RISK COMMITTEE (THE MANAGER)

Mr Chng Lay Chew
Chairman

Mr Mark Andrew Yeo Kah Chong
Member

Ms Cher Mui Sim Susanna
Member

NOMINATING AND REMUNERATION COMMITTEE (THE MANAGER)

Mr Mark Andrew Yeo Kah Chong
Chairman

Mr Bruno de Pampelonne
Member

Ms Cher Mui Sim Susanna
Member

AUDITORS

Deloitte & Touche LLP
6 Shenton Way
#33-00 OUE Downtown 2
Singapore 068809
Partner-in-charge: Mr Patrick Tan
(Appointed with effect from financial year ended 31 December 2020)

PROPERTY MANAGERS

MVGM Property Management Deutschland GmbH
Sitz: Frankfurt am Main
Amtsgericht Frankfurt am Main
HRB Nr. 115721 I Steuernummer: 045 239 99962

CBRE Real Estate, S.A.
Paseo de la Castellana 202, Planta 8
Madrid, 28046

CBRE Property Management
43 rue Paul Meurice
75020, Paris

Sofidy SAS
303 square des Champs Elysées,
Evry Courcouronnes, 91026

COMPANY SECRETARY

Ms Siau Kuei Lian

UNIT TRUST REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
#14-03/07 Keppel Bay Tower
Singapore 098632
Tel: (65) 6536 5355
Fax: (65) 6536 1360

STOCK EXCHANGE QUOTATIONS

SGX Stock Code: UD1U and 8U7U
Bloomberg Code: IREIT:SP
Reuters Code: IREI.SI
ISIN: SG1AB8000006

IREIT GLOBAL

IREIT Global Group Pte. Ltd.
(As Manager of IREIT Global)
Company Registration No. 201331623K

Joint Sponsors of IREIT Global

City Developments Limited
TIKEHAU CAPITAL

1 Wallich Street
#15-03 Guoco Tower,
Singapore 078881
Tel: (65) 6718 0590
Fax: (65) 6718 0599

www.ireitglobal.com

www.linkedin.com/company/ireitglobal