

GENERAL ANNOUNCEMENT::ANNOUNCEMENT BY AN ASSOCIATE, IREIT GLOBAL

Issuer & Securities

Issuer/ Manager

CITY DEVELOPMENTS LIMITED

Securities

CITY DEVELOPMENTS LIMITED - SG1R89002252 - C09

Stapled Security

No

Announcement Details

Announcement Title

General Announcement

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01-Jun-2023 12:04:42

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New

Announcement Sub Title

Announcement by an associate, IREIT Global

Announcement Reference

SG230601OTHR0EIR

Submitted By (Co./ Ind. Name)

Enid Ling Peek Fong

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below)

IREIT Global had, on 1 June 2023, released an announcement titled "Proposed acquisition of a portfolio of 17 retail properties located in France".

For details, please refer to the announcement released by IREIT Global on the SGX website, www.sgx.com

GENERAL ANNOUNCEMENT::PROPOSED ACQUISITION OF A PORTFOLIO OF 17 RETAIL PROPERTIES LOCATED IN FRANCE

Issuer & Securities

Issuer/ Manager

IREIT GLOBAL GROUP PTE. LTD.

Securities

IREIT GLOBAL - SG1AB8000006 - 8U7U

IREIT GLOBAL - SG1AB8000006 - UD1U

Stapled Security

No

Announcement Details

Announcement Title

General Announcement

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Proposed Acquisition of a Portfolio of 17 Retail Properties Located in France

Announcement Reference

SG230601OTHRBY2H

Submitted By (Co./ Ind. Name)

Lee Wei Hsiung

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below)

Please refer to the attachments.

Attachments

[IREIT Acquisition Announcement.pdf](#)

[IREIT Acquisition Presentation.pdf](#)

[IREIT Acquisition Press Release.pdf](#)

Total size =5846K MB



(a real estate investment trust constituted on 1 November 2013
under the laws of the Republic of Singapore)

PROPOSED ACQUISITION OF A PORTFOLIO OF 17 RETAIL PROPERTIES LOCATED IN FRANCE

*Unless otherwise indicated, certain Euro amounts in this announcement (the “**Announcement**”) have been translated into Singapore dollars based on the exchange rate of €1.00 = S\$1.46 for illustrative purpose only.*

1. INTRODUCTION

IREIT Global Group Pte. Ltd., in its capacity as the manager of IREIT Global (“**IREIT**”, and as manager of IREIT, the “**Manager**”) is pleased to announce that FIT 2 SAS, a wholly-owned subsidiary of IREIT (the “**Purchaser**”), has on 31 May 2023 entered into a call option agreement (the “**Call Option Agreement**”) with DKR Participations (the “**Vendor**”), a French société par actions simplifiée (“**SAS**”) managed by Tikehau Investment Management, for the acquisition of 17 retail properties (the “**New Properties**”) located across France (the “**Acquisition**”).

A circular (the “**Circular**”) will be issued to the unitholders of IREIT (“**Unitholders**”) in due course, together with a notice of extraordinary general meeting (“**EGM**”), for the purpose of seeking the approval of Unitholders for the proposed Acquisition.

2. INFORMATION ON THE PROPOSED ACQUISITION

2.1 Description of the New Properties

The New Properties comprise 17 retail properties in France with a total gross lettable area (“**GLA**”) of 61,756 square metres (“**sqm**”), an overall occupancy rate of 100.0%, a weighted average lease expiry (“**WALE**”) by gross rental income (“**GRI**”) and a weighted average lease to break (“**WALB**”) by GRI of approximately 6.8 years and approximately 4.6 years respectively as at 31 March 2023. Out of the New Properties, 13 properties are freehold while the remaining 4 are leasehold properties. 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**”). B&M Group is a leading discount retailer in Europe listed on the London Stock Exchange since 2014. It is currently a constituent of the FTSE100 index with a market capitalisation of approximately £4.7 billion¹.

The table below sets out a summary of selected information on the New Properties as at 31 May 2023, unless otherwise indicated.

Land Area	Approximately 252,000 sqm
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¹ As at 30 May 2023. Source: Bloomberg.

GLA	61,756 sqm
Committed Occupancy	100.0%
Number of Tenants	1 for each of the New Properties
WALE by GRI as at 31 March 2023	6.8 years
WALB by GRI as at 31 March 2023	4.6 years
Valuation by Savills as at 31 May 2023	€77.6 million
Valuation by BNPP as at 31 May 2023	€78.7 million
Purchase Consideration	€76.8 million
GRI ⁽¹⁾	€6.7 million
Net Property Income (“NPI”) ⁽²⁾	€6.1 million
Initial NPI Yield ⁽³⁾	7.9%

Notes:

(1) Based on the annualised gross rental income as at 31 May 2023.

(2) Based on the annualised NPI as at 31 May 2023.

(3) Based on the NPI over the Purchase Consideration.

Please see **Appendix A** for a table setting out a summary of selected information on the New Properties.

2.2 Structure of the Acquisition

On 31 May 2023, the Purchaser entered into a Call Option Agreement with the Vendor to acquire the New Properties. Prior to completion of the Acquisition (“**Completion**”), IREIT will incorporate SCI Electro, a French société civile immobilière (the “**French SCI**”) to be the entity which acquires the New Properties, and pursuant to the terms of the Call Option Agreement will nominate the French SCI to acquire the New Properties. For the avoidance of doubt, the Call Option will be exercised by the Purchaser only after the passing of the resolution for the proposed Acquisition at the EGM.

2.3 Purchase Consideration and Valuation

The aggregate purchase consideration for the Acquisition payable to the Vendor (the “**Purchase Consideration**”) is €76.8 million (approximately S\$112.2 million). The Purchase Consideration was negotiated on a willing-buyer and willing-seller basis taking into account the independent valuations of the New Properties. The Purchase Consideration is approximately 1.7% below the average of the two independent valuations of the New Properties as at 31 May 2023.

The Manager has commissioned an independent property valuer, BNP Paribas Real Estate Valuation France (“**BNPP**”), and DBS Trustee Limited (as trustee of IREIT) (the “**Trustee**”) has commissioned another independent property valuer, Savills Valuation SAS (“**Savills**”),

to value the New Properties. The valuation of the New Properties as at 31 May 2023 is €78.7 million (approximately S\$114.9 million) and €77.6 million (approximately S\$113.2 million) as stated by BNPP and Savills in their respective valuation reports (based on the discounted cash flow method and income capitalisation approach respectively).

2.4 Principal Terms of the Call Option Agreement and Agreed Form of the Deed of Sale

The Acquisition shall be governed by the terms and conditions of the Call Option Agreement entered into between the Purchaser and the Vendor on 31 May 2023. The agreed form of the deed of sale is appended to the Call Option Agreement and specific deeds of sale for each New Property (the “**Deeds of Sale**” and each, a “**Deed of Sale**”) shall be executed on the date of Completion.

The principal terms of the Call Option Agreement include, among others, the following:

- (i) a penalty of €7.7 million (the “**Penalty**”), representing 10.0% of the Purchase Consideration will be owed by the Purchaser to the Vendor as a lump-sum and final compensation for the share fraction relating to the New Properties for the sale of which the Purchaser defaults whereas the conditions precedent are fulfilled for such New Properties. The Penalty is payable if the Deeds of Sale are not signed when all the conditions precedent have been fulfilled. While approval of Unitholders is not a condition precedent, the procurement of adequate financing from Société Générale is a condition precedent (see paragraph 2.4(ii)(c) below). If the approval of Unitholders is not obtained for the Acquisition, the loan agreement with Société Générale will not be entered into and therefore the condition precedent of adequate financing would not be satisfied. Accordingly, the Deeds of Sale cannot be signed, and the Penalty would not be payable;
- (ii) the Completion is subject to and conditional upon the following conditions precedent:
 - (a) there being no exercise and/or a waiver of a pre-emption right or preferential right over the New Properties¹. For the avoidance of doubt, where the pre-emption right or preferential right is exercised and/or not waived over one or more of the New Properties, this condition precedent will be considered not to have been fulfilled in respect of this or these New Property(ies) in question only;
 - (b) the production of mortgage information or an extract from the Land Register, drawn up in relation to each of the New Properties, showing no mortgage registrations, or other securities or registrations jeopardising the free disposal of the right of ownership of the New Properties;
 - (c) the procurement of adequate financing from Société Générale to undertake the Acquisition; and
 - (d) in respect of the New Property on the Blois site, the procurement of the landlord’s consent to intervene as a party to the deed of assignment to be entered into between the Purchaser and Vendor for the existing commercial lease;

¹ See paragraph 2.5 below for further details on the pre-emption rights.

- (iii) in accordance with the Call Option Agreement, if any of the conditions precedent above is not satisfied on or before 22 August 2023 (other than the condition precedent in paragraph 2.4(ii)(c) above which must be satisfied on or before the execution of the Deeds of Sale) and there is no waiver by the Purchaser or Vendor for the benefit of those stipulated in its exclusive interest, the Call Option Agreement shall be null and void (but only in connection to the New Property(ies) for which the condition precedent is not satisfied) and neither the Purchaser nor the Vendor shall have any claim against the other under it, save for any claim arising from antecedent breaches of the Call Option Agreement;
- (iv) in accordance with the Call Option Agreement, if a pre-emption right or preferential right is exercised and/or not waived over one or more of the New Properties that represents a total value in excess of 30% of the total value of the New Properties, the Purchaser may nullify the Call Option Agreement to the extent concerning the relevant New Property or all the New Properties; and
- (v) within 20 business days from the fulfilment of the last conditions precedent (other than the condition precedent in paragraph 2.4(ii)(c) above), but no later than 22 September 2023¹, the Purchaser (or its assignee) and the Vendor shall execute the Deeds of Sale and thereby complete the Acquisition (the “**Completion Deadline**”), unless otherwise agreed in accordance with the terms of the Call Option Agreement.

2.5 Pre-emption Rights

It should be noted that Metz (Maizières-lès-Metz), Saint-Quentin / Fayet and Noyelles-Godault are subject to pre-emption rights in favour of unrelated third parties. Further, under applicable French laws, the proposed asset sale of each of the New Properties is subject to a pre-emption right in favour of the French local authority.

For the avoidance of doubt, under the terms of the Call Option Agreement, in the event that the pre-emption right is exercised and/or not waived against a New Property but the conditions precedent for the other New Properties are satisfied (see paragraph 2.4(iv) above), such New Property will not be acquired together with the other New Properties and the Purchase Consideration payable to the Vendor will be adjusted accordingly to exclude the amount payable for such New Property. (See the condition precedent in paragraph 2.4(ii)(a) above.)

2.6 Estimated Total Acquisition Cost

The total cost of the Acquisition (the “**Total Acquisition Cost**”) is estimated to be €90.9 million (approximately S\$132.7 million) comprising:

- (i) the Purchase Consideration of approximately €76.8 million (approximately S\$112.2 million);
- (ii) the real estate transfer tax of approximately €5.3 million (approximately S\$7.8 million);
- (iii) the acquisition fee of approximately €0.8 million (approximately S\$1.1 million) (the “**Acquisition Fee**”) payable in units in IREIT (“**Units**”) to the Manager (the

¹ Under the terms of the Call Option Agreement, the Purchaser and Vendor have agreed that Completion may not take place between 4 August 2023 and 4 September 2023.

“**Acquisition Fee Units**”¹ (being 1.0% of the Purchase Consideration pursuant to the Trust Deed (as defined herein)); and

- (iv) the estimated premium on interest rate cap, professional and other fees and expenses of approximately €8.0 million (approximately S\$11.6 million) incurred or to be incurred by IREIT in connection with the Acquisition.

2.7 Entry into Property Management Agreements

After the Completion, the Manager intends for the French SCI to enter into individual property management agreements (the “**Property Management Agreements**”) with Sofidy SAS (“**Sofidy**”), a wholly-owned subsidiary of Tikehau Capital SCA (“**Tikehau Capital**”), to appoint Sofidy as property manager (the “**Property Manager**”) to operate and maintain the New Properties. The Property Manager has been managing the New Properties since 2015 and has a strong knowledge about the New Properties.

The Property Manager is considered an “associate” of Tikehau Capital, which is regarded as a “controlling unitholder” of IREIT and a “controlling shareholder” of the Manager for the purposes of Chapter 9 of the Listing Manual of the SGX-ST (the “**Listing Manual**”)². Accordingly, the Property Manager is (for the purposes of the Listing Manual) an “interested person” of IREIT and (for the purposes of the Property Funds Appendix (as defined herein)) an “interested party” of IREIT. The entry into the Property Management Agreements will constitute an “interested person transaction” under Chapter 9 of the Listing Manual and an “interested party transaction” under the Property Funds Appendix.

The fees payable by the French SCI to Sofidy under the Property Management Agreements are as follows:

- (i) management fees of 0.30% of the invoiced rent (e.g. estimated at €19,800 for the financial year ended 31 December 2023);
- (ii) administrative fees of 0.85% of the invoiced rent, fully recoverable from the tenant;
- (iii) technical fees of 1.00% invoiced rent, fully recoverable from the tenant;
- (iv) capital expenditure fees ranging from 0% to 7% depending on the quantum of capital expenditure; and
- (v) other ancillary matters including operation, Building Research Establishment Environmental Assessment Method certification, lease agreements, amendments, lease renewal, inventory and sinister ranging from €275 to €3,500 per item.

3. METHOD OF FINANCING

The Manager intends to finance the Total Acquisition Cost (save for the Acquisition Fee) through a combination of (i) the net proceeds from a non-renounceable underwritten preferential offering of new Units to existing Unitholders on a *pro rata* basis (the “**Preferential Offering**”), and the new Units to be issued pursuant to the Preferential Offering, the

1 As the Acquisition will constitute an “interested party transaction” under the Property Funds Appendix (as defined herein), the Acquisition Fee is payable to the Manager in Units, and the Acquisition Fee Units shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

2 See paragraph 6 below for further details on interested person transaction and interested party transaction.

“Preferential Offering Units”), (ii) external bank borrowings, and/or (iii) borrowings from Tikehau Capital. The Acquisition Fee in relation to the Acquisition is to be paid in the form of Acquisition Fee Units to be issued to the Manager.¹

The Manager will announce the details of the Preferential Offering (including details pertaining to the use of proceeds and percentage allocation for each issue) on the SGXNET at the appropriate time when it launches the Preferential Offering.

Commitment of Tikehau Capital, City Strategic Equity Pte. Ltd. (“CSEPL”) (a wholly-owned subsidiary of City Developments Limited (“CDL”)), and the Manager (acting in its own capacity)

To demonstrate its support for IREIT and the Preferential Offering, each of Tikehau Capital and CSEPL, being the joint sponsors of IREIT, and the Manager (acting in its own capacity) which respectively owns an aggregate direct interest in 332,144,083, 239,942,191 and 4,917,028 Units representing approximately 28.7%, 20.8% and 0.4% of the total number of Units in issue² as at the date of this Announcement, has irrevocably undertaken to the Manager on 31 May 2023 that, among other things:

- (i) in accordance with the terms and conditions of the Preferential Offering, it will by the last day for acceptance and payment of the Preferential Offering Units, accept, subscribe and pay in full for its total provisional allotment of the Preferential Offering Units corresponding to its direct interest in IREIT; and
- (ii) (in relation to CSEPL only) it will, in addition to paragraph (i) above, in accordance with the terms and conditions of the Preferential Offering and in any case by no later than the last day for acceptance and payment of the Preferential Offering Units, accept, subscribe and pay in full for additional Preferential Offering Units (the **“CSEPL Excess Units”**) so that, when aggregated with its total provisional allotment of the Preferential Offering Units, the total subscription of CSEPL would amount to a maximum of approximately S\$40 million of Preferential Offering Units, it being understood that CSEPL will be allotted the CSEPL Excess Units only to the extent that there remains any Preferential Offering Units unsubscribed after satisfaction of all applications by other eligible unitholders of IREIT for Preferential Offering Units (if any).

For the avoidance of doubt, CSEPL will rank last in the allocation of excess Preferential Offering Units applications.

4. RATIONALE FOR AND BENEFITS OF THE ACQUISITION

The Manager believes that the Acquisition will bring the following key benefits to Unitholders:

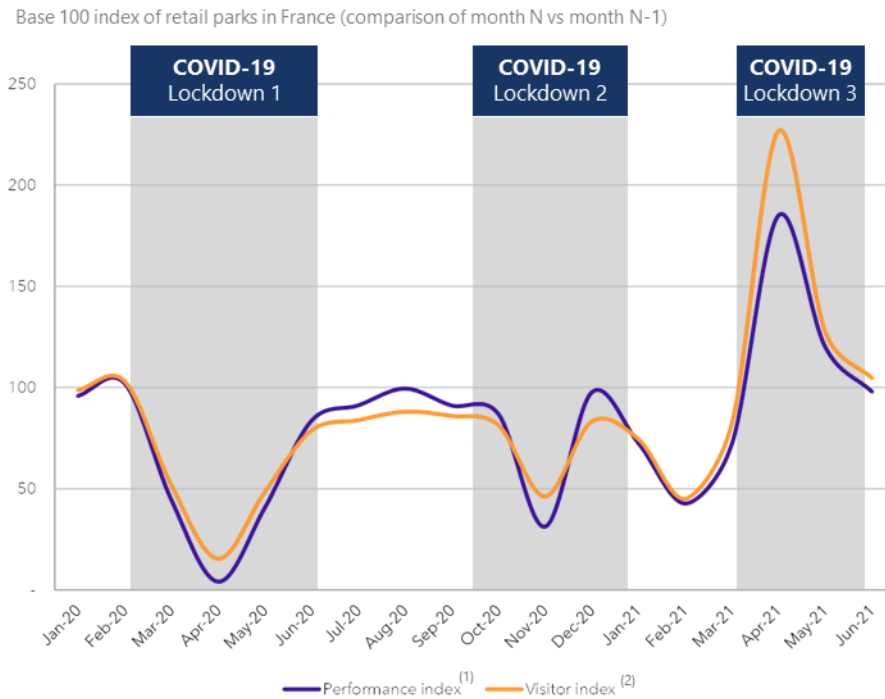
4.1 Increase in Exposure to an Attractive and Resilient Asset Class

The New Properties are part of the Retail Parks (Out-of-Town) asset class, which has outperformed the broader retail investment market. The Retail Parks (Out-of-Town) asset

¹ Based on the Trust Deed, the Manager shall be entitled to receive such number of Acquisition Fee Units as may be purchased for the relevant amount of the Acquisition Fee issued at the prevailing market price.

² Based on the total number of 1,155,891,421 Units in issue as at the date of this Announcement.

class refers to shops or facilities that are situated away from the centre of a town or city. It has shown resilience even through the COVID-19 pandemic due to their accessibility, open-air format, wide range of available spaces, parking facilities, manageable operational cost, value-for-money brands and for some retailers, omni channel experiences.



Notes:

(1) Sales of month N

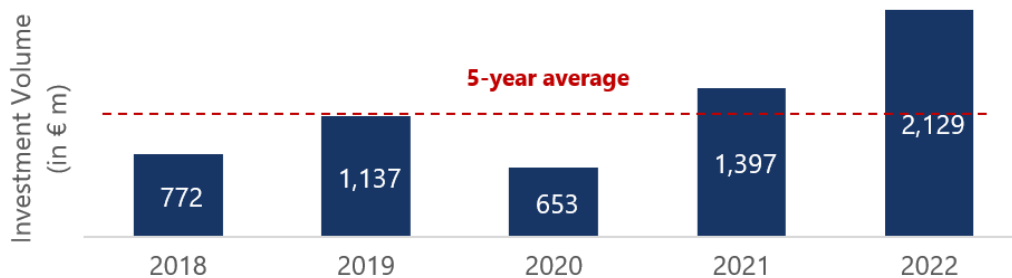
(2) Number of visitors of month N

The total Retail investment volume in France totalled approximately €5.6 billion in 2022, accounting for approximately 20% of total investment volume in France and equates to an increase of approximately 20% compared to five-year average¹. Retail Parks (Out-of-Town) assets accounted for approximately 38% of the total Retail investment volume with a record investment value of approximately €2.1 billion in 2022, an increase of approximately 75% compared to the five-year average². This exceptional performance demonstrates the resilience of this retail format in the context of global inflation caused by the COVID-19 crisis and war in Ukraine. The Retail Parks (Out-of-Town) market in France also offers one of the highest prime yields in the broader Retail market at approximately 5.0% in Q4 2022 (October to December 2022).

Investment Volume of Retail Parks (Out-of-Town) in France

1 Source: Independent valuation report by Savills.

2 Source: Independent valuation report by Savills.



Yields of Retail Parks Segment vs Other Real Estate Asset Classes

Asset Type	Prime Yield	Spread in Q4 2022 (October to December 2022)	French T-bond (10 years)
Retail	3.50%	0.39%	3.11%
Retail Parks	5.00%	1.89%	
High Street Retail	3.50%	0.39%	
Shopping Centre	5.25%	2.14%	
Offices	3.50%	0.39%	
Industrial	4.00%	0.89%	
Services	4.00%	0.89%	

The success of Retail Parks (Out-of-Town) assets is expected to continue due to their attractive yields for investors and lower rental costs for tenants as compared to other asset classes. Retail Parks (Out-of-Town) assets usually also have low-cost retail brands that provide consumers with attractive prices and discounts¹.

Momentum for Retail Parks (Out-of-Town) assets is expected to stay strong given that its business is driven by sedentary consumption and does not depend heavily on tourism or population movements. Further, it has low operating expenses and rents as compared to shopping centres which is attractive to retailers and offers a merchandising mix of low-cost brands that are popular with consumers.²

4.2 Blue-chip Tenant, B&M Group, a Leading Discount Retailer

The New Properties are 100% leased to B&M France with a WALE by GRI of approximately 6.8 years and WALB by GRI of approximately 4.6 years as at 31 March 2023 with built-in annual rental escalation clauses pegged to inflation and are thereby expected to contribute to IREIT's organic rental growth.

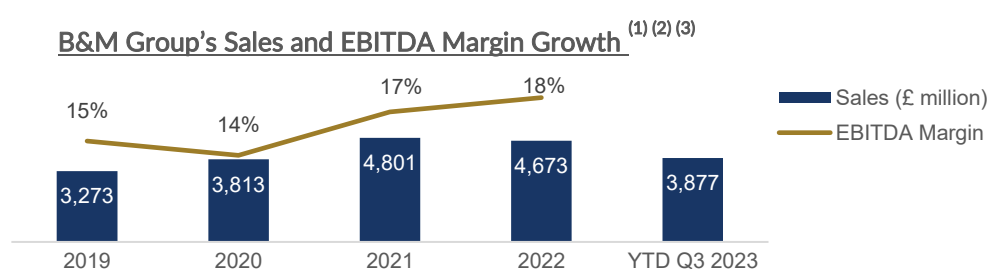
B&M Group is a leading discount retailer in the UK and France

¹ Sources: Independent valuation report by Savills, Knight Frank French Property Markets 2022 Review & 2023 Outlook.

² Sources: Knight Frank & Clearwater International analysis, CNCC.

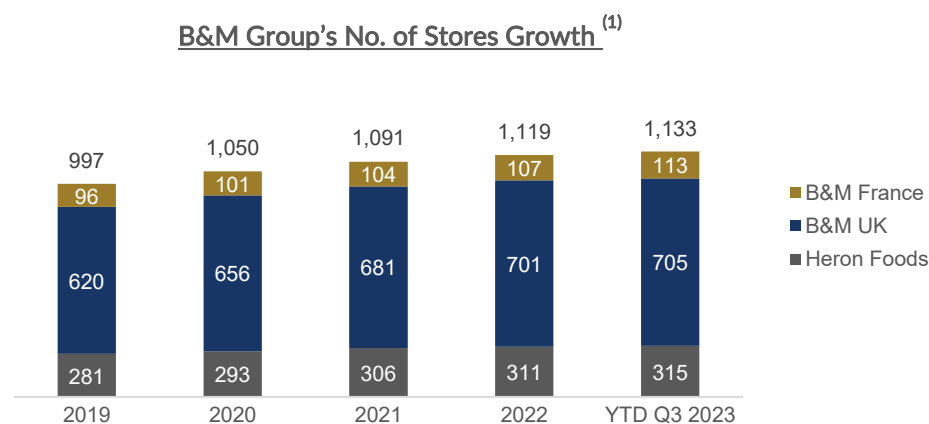
B&M Group is a leading discount retailer in Europe listed on the London Stock Exchange since 2014. It is currently a constituent of the FTSE100 index with a market capitalisation of approximately £4.7 billion¹. B&M Group provides a wide range of products across the Grocery and General Merchandise categories under the “B&M” and the “Heron Foods” brands. B&M Group adopts a low-cost business model to pass savings on to customers through value pricing.

B&M Group entered into the French market in 2018 through the acquisition of the “Babou” chain of variety goods stores, now rebranded “B&M”. As at 31 December 2022, B&M Group operates 1,133 stores worldwide with 113 stores operating in France under the “B&M” brand. B&M France is one of the main players in the market for the distribution of personal and household goods at discounted prices in France. B&M Group has seen an uninterrupted increase in activity over the last few years with its sales for the financial year ended 31 March 2019 to the financial year ended 31 March 2022 growing at a compound annual growth rate (“CAGR”) of approximately 12.6%.²



Notes:

- (1) Based on the financial year end of B&M Group ending 31 March for each financial year and excludes the “Jawoll” brand which was sold during its financial year ended 31 March 2020 to provide a comparable basis with those for the continuing operations. Source: B&M Group’s Annual Reports and B&M Group’s Q3 FY2023 Trading Update.
- (2) Earnings Before Interest, Taxes, Depreciation, and Amortization (“EBITDA”) for the year-to-date (“YTD”) Q3 2023 is not available in B&M Group’s Q3 FY2023 Trading Update.
- (3) Slowdown in sales in the financial year ended 31 March 2022 was mainly due to the normalisation effect after a panic buying in the United Kingdom at the beginning of the COVID-19 pandemic in the previous financial year.



Note:

1 As at 30 May 2023. Source: Bloomberg.
 2 Source: B&M Group Annual Report and Financial Statements.

(1) Based on the financial year end of B&M Group ending 31 March for each financial year and excludes the “Jawoll” brand which was sold during the financial year ended 31 March 2020 to provide a comparable basis with those for the continuing operations. Source: B&M Group’s Annual Reports and B&M Group’s Q3 FY2023 Trading Update.

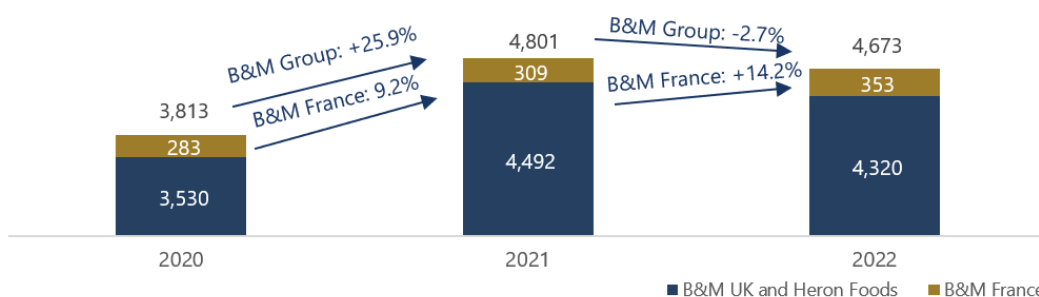
B&M Group Remains Resilient Amidst Challenges in the Retail Industry

B&M Group has proven its model’s resilience by exceeding market expectations amidst challenges in the retail industry. Despite closures and disruption of business operations due to the COVID-19 pandemic, B&M Group delivered stable sales in 2021 and 2022, underlining the growing consumer appetite for discount retailers.

B&M Group’s sales performance for the nine-month period ended 31 December 2022 (“**YTD Q3 2022**”) has maintained its positive trend, with an increase of approximately 5.8% year-on-year compared to the nine-month period ended 31 December 2021 (“**YTD Q3 2022**”).

Further, B&M France showed strong sales growth of approximately 14.2% in 2022. Trading momentum in B&M France has continued through 25 September 2022 to 24 December 2022, being the third quarter of B&M France’s current financial year (“**Q3 2023**”), with revenue up approximately 24.8% year-on-year.¹

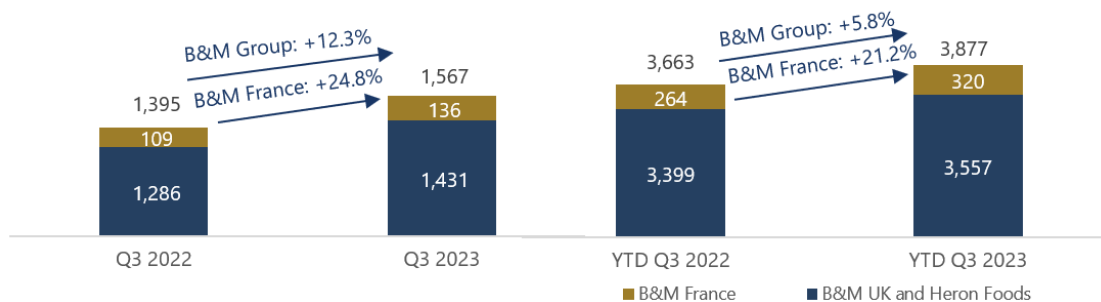
B&M Group’s Sales from 2020 to 2022 (in £ million) ⁽¹⁾



Note:

(1) Based on the financial year end of B&M Group ending 31 March for each financial year. Sources: B&M Group’s Annual Reports.

B&M Group’s Sales for Q3 2023 (in £ million) ⁽¹⁾



¹ Sources: B&M Group Annual Report 2022, Q3 FY2023 Trading Update.

Note:

(1) Q3 2022 refers to the third quarter of B&M Group's financial year ended 31 March 2022. Q3 2023 refers to the third quarter of B&M Group's financial year ended 31 March 2023. Source: B&M Group's Q3 FY2023 Trading Update.

Discount Retail Industry Emerged as a Fast-Growing Industry

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. As a result, there is a migration of consumers towards discount stores over the past few years.

While online sales have established themselves in most retail sectors, they are unlikely to take off in the discount market¹. In fact, e-commerce is hardly compatible with a low-cost distribution model. The latter is based on a strategy of bulk purchasing and reduced operating costs at all levels. Retail units remain essential as B&M is offering great value proposition to its customers available in physical stores only.

In France, the popularity of hard-discounters, discounters and outlet stores has risen exponentially and the estimated total revenue of the discount stores in France is expected to reach approximately €12 billion in 2023.² The sales of the eight leading discount retailers in France have increased at a CAGR of approximately 11% over the past ten years.³ Between September 2021 and 2022, there was an approximately 24% rise in traffic at discount stores, with 1.2 million new customers visiting discount stores in France⁴. The rising popularity of discount retailers among the consumers has also driven the expansion of leading discounter brands in France (including B&M France) with the cumulative number of stores of the six leading discount brands in France (including B&M France) increasing by approximately 33% from 1,540 to over 2,050 between 2019 to 2022⁵.

4.3 Quality Retail Portfolio that Complements IREIT's Existing Portfolio

The New Properties comprise of 17 retail properties located in well-established regional retail areas across France. As at 31 December 2022, the portfolio of the New Properties represents approximately 15% of the B&M stores⁶ in France.

1 Source: Xerfi Precepta.

2 Source: Based on the data from Ecommercemag.fr website. Les champions du discount surfent sur les questions de pouvoir d'achat.

3 Source: Ecommercemag.fr website. Les champions du discount surfent sur les questions de pouvoir d'achat.

4 Source: Kantar website. Inspiration: The Big Trends in France in 2022: How has inflation changed shopper behaviour?

5 Sources: Knight Frank French Property Markets 2022 Review & 2023 Outlook, Press, Xerfi, Globaldata, Knight Frank & Clearwater International analysis.

6 Based on number of stores.

Hauts-de-France		Grand Est		Nouvelle-Aquitaine	
No.	Property Name	No.	Property Name	No.	Property Name
1	Béthune	6	Metz	13	Périgueux
2	Noyelles-Godault	7	Forbach	14	Brive-la-Gaillarde
3	Saint-Quentin / Fayet	8	Nancy		
Normandie		9	Epinal	Auvergne-Rhône-Alpes	
No.	Property Name	Centre-Val de Loire		No.	Property Name
4	Rouen	10	Blois	15	Bourg-en-Bresse
Île-de-France		11	Tours	Provence-Alpes-Côte d'Azur	
No.	Property Name	12	Chateauroux	No.	Property Name
5	Claye-Souilly			16	Martigues
				17	Marseille

The New Properties are 100% leased to B&M France with a WALE by GRI of approximately 6.8 years and WALB by GRI of approximately 4.6 years as at 31 March 2023. In addition, the leases within the New Properties have built-in annual rental escalation clauses pegged to inflation, and are thereby expected to contribute to IREIT’s organic rental growth.

The average size and location of the New Properties are strategic to B&M Group’s business as it mirrors the model adopted for their UK stores. Furthermore, the new French regulations which limits the ability to artificialise land¹ makes it more difficult to create retail parks going forward, resulting in a clear premium for existing assets and increases long-term attractiveness of the New Properties.

4.4 Potential Upside in Income through Developments

The New Properties comprise of 17 single tenant sites with total GLA of 61,756 sqm and more than 252,000 sqm of land.

The New Properties currently generate income of approximately €6.7 million per annum. Following the implementation of new regulations in France enforcing the installation of electric vehicles charging stations at certain retail properties by 2025, there are plans to install photovoltaic panels and electric charging stations at the car park spaces of some of the New Properties. This will be leased to a new tenant, a leading European electric vehicle charging network and is expected to generate additional rental income. The installation costs of the electric vehicles charging stations will be borne by the new tenant.

In addition, the New Properties have an untapped gross floor area of approximately 5,000 sqm which IREIT could further develop for commercial use and generate additional rental income.

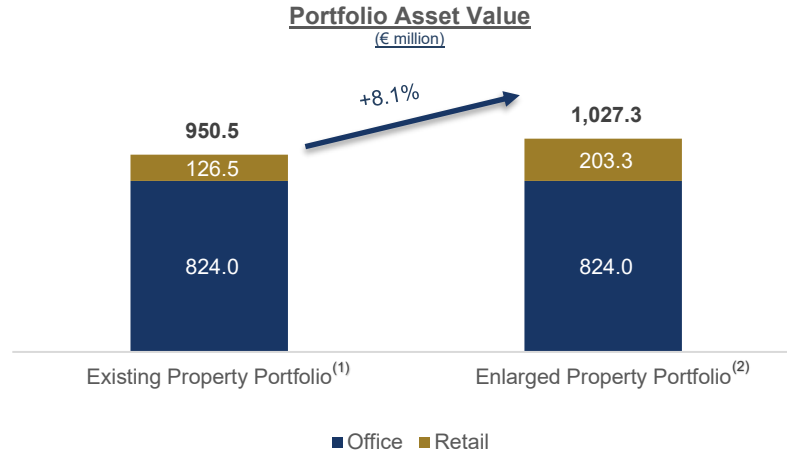
4.5 Strengthens IREIT’s Portfolio Resilience and Diversification

Since 2018, IREIT’s property portfolio value has grown at a CAGR of approximately 17.1%, from €504.9 million to €950.5 million by 2022. The Acquisition builds on IREIT’s growth momentum, increasing the portfolio asset value by approximately 8.1% to €1,027.3 million². Similarly, the GLA of IREIT which had grown at a CAGR of approximately 17.6% from 200,609 sqm in 2018 to 384,282 sqm by 2022, will increase by a further approximate 16.1%

1 Under the French Climate and Resilience Law which came into force on 22 August 2021 (Loi Climat et Résilience), “artificialisation” is defined as transforming natural, agricultural or forested land, through development operations that may result in partial or total waterproofing, in order to use it for urban or transport functions (housing, activities, shops, infrastructures, public facilities, etc.).

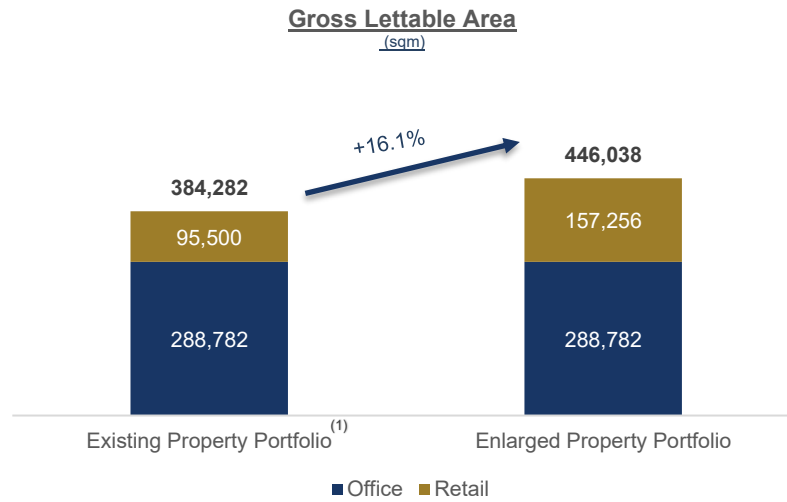
2 Based on the Purchase Consideration of €76.8 million.

to 446,038 sqm with the Acquisition.



Notes:

- (1) Based on existing property portfolio valuation of €950.5 million as at 31 December 2022.
- (2) Comprises the existing property portfolio valuation as at 31 December 2022 and the Purchase Consideration of €76.8 million.



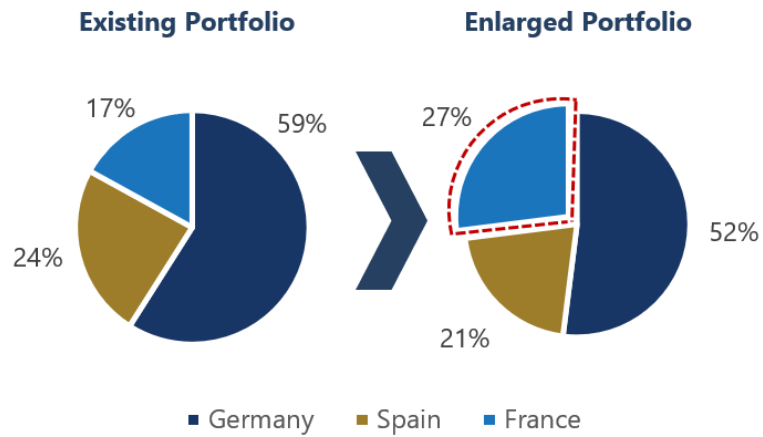
Note:

- (1) Based on existing property portfolio's GLA of 384,282 sqm as at 31 March 2023.

The Acquisition reduces IREIT's reliance on any single geographical location, trade sector and asset class, benefitting Unitholders from increased scale and diversification in its portfolio and income streams. IREIT will reduce exposure to the Office asset class and further diversify its exposure to the accretive Retail asset class. As B&M France is a discount retailer that provides a range of products in the Grocery and General Merchandise sector, IREIT will also gain exposure to the Grocery and General Merchandise trade sector, which is part of the Retail sector.

Geographical Breakdown

By GRI (%) ⁽¹⁾

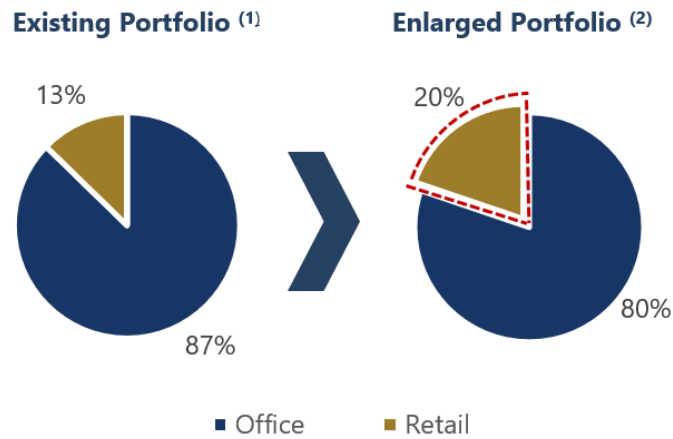


Note:

(1) Based on GRI as at 31 March 2023.

Asset Class Breakdown

By Valuation (%)



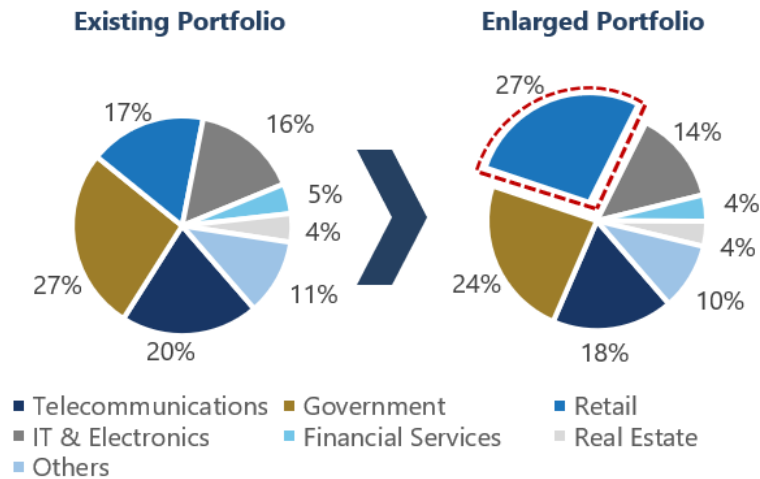
Notes:

(1) Based on fair valuation as at 31 December 2022.

(2) Based on the enlarged property portfolio valuation of €1,027.3 million which comprises the existing property portfolio valuation of €950.5 million as at 31 December 2022 and the Purchase Consideration of €76.8 million.

Trade Sector Breakdown

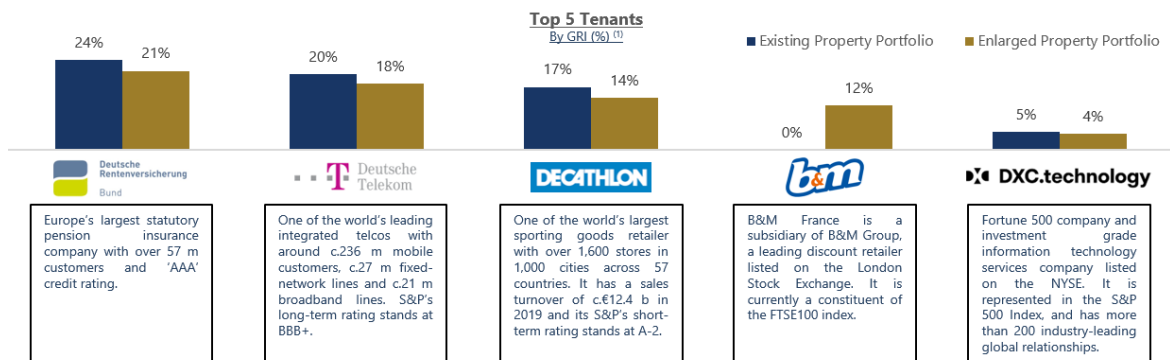
By GRI (%) ⁽¹⁾



Note:

(1) Based on the GRI as at 31 March 2023.

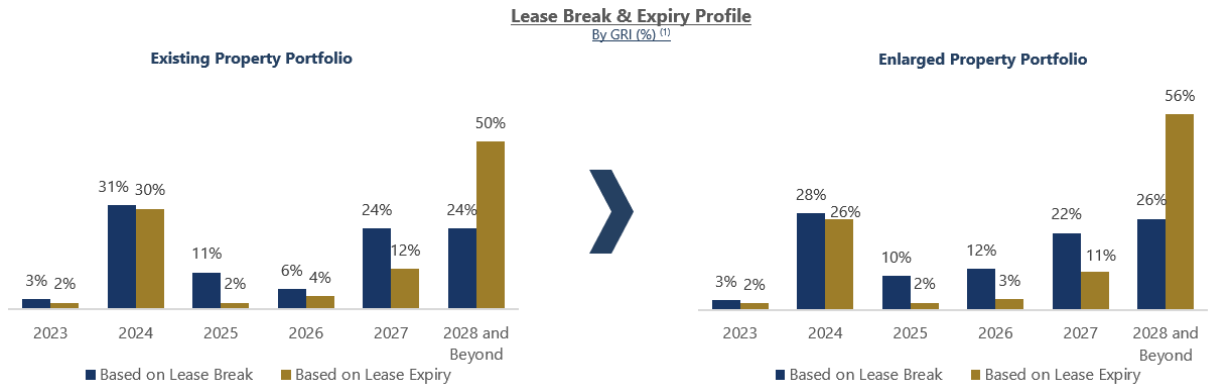
The Acquisition improves the quality of IREIT's tenant base with the inclusion of B&M Group, one of the leading discount retailers in Europe which is currently listed on the London Stock Exchange. Following the Completion, the GRI contribution by IREIT's two largest tenants, Deutsche Rentenversicherung Bund and Deutsche Telekom, will decrease from approximately 24% to approximately 21% and from approximately 20% to approximately 18% respectively. B&M France will become one of IREIT's top five tenants, contributing approximately 12% of total GRI.



Note:

(1) Based on the GRI as at 31 March 2023.

Post-Acquisition, the WALE of IREIT's portfolio is expected to increase from 4.8 years to 5.1 years as at 31 March 2023, with less than 44% of leases expiring before 2028.

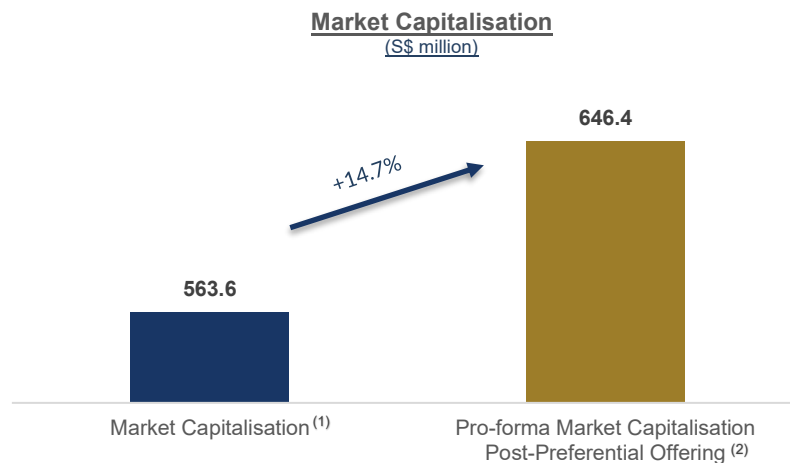


Note:

(1) Based on the GRI as at 31 March 2023.

4.6 Increases Market Capitalisation and Liquidity

For illustrative purposes, assuming that approximately 167,604,256 new Preferential Offering Units are issued at an illustrative issue price of S\$0.45 per Preferential Offering Unit to raise gross proceeds of approximately S\$75.4 million (approximately €51.7 million), and approximately 2,272,211 new Acquisition Fee Units are issued as payment of the Acquisition Fee payable to the Manager at an illustrative issue price of S\$0.49 per Acquisition Fee Unit, market capitalisation of IREIT is expected to increase by approximately 14.7% to S\$646.4 million. The increased market capitalisation increases probability of inclusion in key indices, which offers benefits of a wider and more diversified investor base, higher trading liquidity, increased analyst coverage and potential positive re-rating.



Notes:

- (1) Based on IREIT's weighted average price of S\$0.4876 per Unit on 30 May 2023, being the market day immediately prior to the date of the Call Option Agreement and assuming exchange rate of €1.00 = S\$1.46.
- (2) Assuming approximately 167,604,256 Preferential Offering Units are issued at an illustrative issue price of approximately S\$0.45 per Preferential Offering Unit to raise gross proceeds of approximately S\$75.4 million (approximately €51.7 million) to finance the Acquisition and approximately 2,272,211 Acquisition Fee Units are issued to the Manager as payment of the Acquisition Fee at an illustrative issue price per Acquisition Fee Unit of S\$0.49.

4.7 Leveraging on Strategic Investors' Knowledge, Expertise, Support and Resources in France

The Acquisition marks IREIT’s second portfolio acquisition in France, and demonstrates the deep knowledge, expertise and support from the strategic investors, Tikehau Capital and CDL. IREIT is able to leverage on Tikehau Capital’s extensive pan-European network and intricate knowledge of the local markets. Tikehau Capital is headquartered in Paris, France and IREIT would benefit from its established market presence (over 16 years) and its technical know-how of the French real estate market, especially in the retail sector.

At the same time, CDL provides strong financial support to IREIT. As described in further detail under Paragraph 3 of this Announcement, in the event IREIT issues new Preferential Offering Units pursuant to the Preferential Offering, each of Tikehau Capital and CSEPL has provided an undertaking to subscribe in full each of their pro-rata allotment in the Preferential Offering. CDL (through its wholly-owned subsidiary, CSEPL) has further undertaken to apply for excess units in the Preferential Offering such that the total subscription of CSEPL would amount to a maximum of approximately S\$40 million of Preferential Offering Units.

5. PRO FORMA FINANCIAL EFFECTS OF THE ACQUISITION

The pro forma financial effects of the Acquisition on the distribution per Unit (“DPU”), net asset value (“NAV”) per Unit and Aggregate Leverage presented below are strictly for illustrative purposes and were prepared based on the audited financial statements of IREIT for the financial year ended 31 December 2022 (“FY2022”) (the “**2022 Audited Financial Statements**”), the adjusted FY2022 and after the Acquisition and issuance of the Preferential Offering Units and the Acquisition Fee Units, taking into account the Purchase Consideration, and assuming that:

- approximately 167,604,256 Preferential Offering Units¹ are issued to raise gross proceeds of approximately S\$75.4 million (approximately €51.7 million) to finance the Acquisition;
- approximately 2,272,211 Acquisition Fee Units² are issued to the Manager as payment of the Acquisition Fee³; and
- the assumed exchange rate of €1.00 = S\$1.46 unless otherwise stated.

5.1 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Acquisition on IREIT’s DPU for the financial year ended 31 December 2022 (“FY2022”), as if the Acquisition and issuance of the Preferential Offering Units and the Acquisition Fee Units were completed on 1 January 2022, and IREIT had held and operated 100% of the New Properties through to 31 December 2022, are as follows:

	Audited FY2022	Adjusted FY2022 ⁽¹⁾	After the Acquisition and issuance of the Preferential
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- 1 Assuming that 167,604,256 new Preferential Offering Units are offered at the illustrative issue price of S\$0.45 per Preferential Offering Unit pursuant to the Preferential Offering and assuming exchange rate of €1.00 = S\$1.46 for FY2022.
- 2 Based on an illustrative price per Acquisition Fee Unit of S\$0.49 and assuming exchange rate of €1.00 = S\$1.46.
- 3 As the Acquisition will constitute an “interested party transaction” under the Property Funds Appendix issued by the MAS, the Acquisition Fee shall be in the form of Units and shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

			Offering Units and the Acquisition Fee Units based on adjusted FY2022
Net Property Income (€'000)	48,797	43,164	49,227
Distributable Income (€'000)	34,647	29,526	34,046
Issued Units ('000)	1,155,891 ⁽²⁾	1,155,891 ⁽²⁾	1,325,768 ⁽³⁾
DPU (€ cents)	2.69	2.30	2.35 ⁽⁴⁾
DPU accretion	-	-	2.0% ⁽⁵⁾

Notes:

- (1) Adjusted FY2022 was based on Audited FY2022 with the assumption that Darmstadt Campus is 100% vacant during FY2022 with nil revenue but with operating expenses of approximately €0.6 million.
- (2) Number of Units issued as at 31 December 2022.
- (3) The total number of Units in issue at the end of the year includes approximately 167,604,256 Preferential Offering Units issuable in connection with the Preferential Offering at the illustrative issue price of S\$0.45 per Preferential Offering Unit, and approximately 2,272,211 new Acquisition Fee Units issuable as payment of the Acquisition Fee payable to the Manager on a pro forma basis at an illustrative issue price of S\$0.49 per Acquisition Fee Unit and assuming exchange rate of €1.00 = S\$1.46 (purely for illustrative purposes only).
- (4) The pro forma DPU after the Acquisition and issuance of the Preferential Offering Units pursuant to the Preferential Offering and the Acquisition Fee Units based on Audited FY2022 would be €2.69 cents.
- (5) The DPU accretion after the Acquisition and issuance of the Preferential Offering Units pursuant to the Preferential Offering and the Acquisition Fee Units based on Audited FY2022 would be flat.

5.2 Pro Forma NAV

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Acquisition on the NAV per Unit as at 31 December 2022, as if the Acquisition and issuance of the Preferential Offering Units and the Acquisition Fee Units were completed on 31 December 2022, are as follows:

	Before the Acquisition	Adjusted NAV⁽¹⁾	After the Acquisition and issuance of the Preferential Offering Units and the Acquisition Fee Units based on adjusted NAV
NAV represented by Unitholders' funds (€'000)	624,703	619,582	667,736
Units in issue and to be issued at the end of the year ('000)	1,155,891 ⁽²⁾	1,155,891 ⁽²⁾	1,325,768 ⁽³⁾
NAV represented by Unitholders' funds per Unit (€)	0.54	0.54	0.50

Notes:

- (1) Adjusted NAV was based on Audited FY2022 with the assumption that Darmstadt Campus is 100% vacant during FY2022 with nil revenue but with operating expenses of approximately €0.6 million.
- (2) Number of Units issued as at 31 December 2022.
- (3) The total number of Units in issue at the end of the year includes approximately 167,604,256 Preferential Offering Units issuable in connection with the Preferential Offering at an illustrative issue price per Preferential Offering Unit of S\$0.45, and approximately 2,272,211 new Acquisition Fee Units issuable as payment of the Acquisition Fee payable to the Manager at an illustrative price per Acquisition Fee Unit of S\$0.49 and assuming exchange rate of €1.00 = S\$1.46 (purely for illustrative purposes only).

5.3 Aggregate Leverage

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma aggregate leverage of IREIT as at 31 December 2022, as if the Acquisition, and issuance of the Preferential Offering Units and the Acquisition Fee Units were completed on 31 December 2022, is as follows:

	Before the Acquisition	After the Acquisition and issuance of the Preferential Offering Units and the Acquisition Fee Units
Aggregate Leverage (pro forma as at 31 December 2022)	32.0%	33.3%

6. INTERESTED PERSON TRANSACTION AND INTERESTED PARTY TRANSACTION

As at the date of this Announcement, Tikehau Capital holds an aggregate direct interest in 332,144,083 Units (representing approximately 28.7% of the total number of Units in issue¹ as at the date of this Announcement) and is therefore regarded as a “controlling unitholder” of IREIT under both the Listing Manual and Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the “**Property Funds Appendix**”). In addition, the Manager is jointly owned by (i) City REIT Management Pte Ltd and (ii) Tikehau Capital in equal proportions, and Tikehau Capital has a deemed interest in 4,917,028 Units held by the Manager (representing approximately 0.4% of the total number of Units in issue as at the date of this Announcement). Tikehau Capital is therefore regarded as a “controlling shareholder” of the Manager under both the Listing Manual and the Property Funds Appendix.

Accordingly, Tikehau Capital is (for the purpose of the Listing Manual) an “interested person” and (for the purpose of the Property Funds Appendix) an “interested party” of IREIT. Therefore, the Acquisition will constitute an “interested person transaction” under Chapter 9 of the Listing Manual as well as an “interested party transaction” under the Property Funds Appendix.

Under Chapter 9 of the Listing Manual, where IREIT proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person during the same financial year) is equal to or exceeds 5.0% of the IREIT’s latest audited net tangible assets (“**NTA**”), Unitholders’ approval is required in respect of the transaction. Based on the 2022 Audited Financial Statements, the NTA of IREIT was

¹ Based on the total number of 1,155,891,421 Units in issue as at the date of this Announcement.

€624.7 million (approximately S\$912.1 million) as at 31 December 2022. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by IREIT with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S\$100,000) entered into with the same interested person during the current financial year, equal to or in excess of €31.2 million (approximately S\$45.6 million), such a transaction would be subject to Unitholders' approval.

Paragraph 5 of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an interested party transaction by IREIT whose value exceeds 5.0% of the IREIT's latest audited NAV. Based on the 2022 Audited Financial Statements, the NAV of IREIT was €624.7 million (approximately S\$912.1 million) as at 31 December 2022. Accordingly, if the value of a transaction which is proposed to be entered into by IREIT with an interested party is equal to or greater than €31.2 million (approximately S\$45.6 million), such a transaction would be subject to Unitholders' approval.

The Purchase Consideration of €76.8 million (approximately S\$112.2 million) is 12.3% of the NTA of IREIT as at 31 December 2022 and 12.3% of the NAV of IREIT as at 31 December 2022. The value of the Acquisition will therefore exceed (i) 5.0% of IREIT's latest NTA and (ii) 5.0% of IREIT's latest NAV. Therefore, the approval of Unitholders would be required in relation to the Acquisition pursuant to Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, respectively.

As at the date of this Announcement, other than the Acquisition, IREIT has not entered into any interested person transactions with Tikehau Capital during the course of the current financial year.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

As at the date of this Announcement, certain directors of the Manager collectively hold an aggregate direct and indirect interest in 1,383,400 Units. Further details of the interests in Units of the Directors and Substantial Unitholders¹ are set out below.

Mr Bruno de Pampelonne is a Non-Executive Director of the Manager and is also a Senior Partner at Tikehau Capital, Chairman of Tikehau Investment Management SAS and Chief Executive Officer of Tikehau Investment Management Asia Pte Ltd. Mr Sherman Kwek Eik Tse is a Non-Executive Director of the Manager and is also the Group Chief Executive Officer of CDL and Executive Chairman of CDL China Limited. Mr Sanjay Bakliwal is a Non-Executive Director of the Manager and is also the Director and Chief Investment Officer with AT Capital Pte Ltd. In addition, Mr Bruno de Pampelonne also holds shares in Tikehau Capital.

Based on the Register of Directors' Unitholdings maintained by the Manager, the Directors and their interests in the Units as at the date of this Announcement are as follows:

Name of Director	Direct Interest		Deemed Interest		Total No. of Units Held	% ⁽¹⁾
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾		

¹ "Substantial Unitholder" means a person with an interest in Units constituting not less than 5.0% of the total number of Units in issue.

Mr Lim Kok Min, John	562,000	0.049	-	-	562,000	0.049
Mr Chng Lay Chew	-	-	-	-	-	-
Mr Mark Andrew Yeo Kah Chong	-	-	-	-	-	-
Mr Bruno de Pampelonne	703,100	0.061	-	-	703,100	0.061
Mr Sherman Kwek Eik Tse	-	-	-	-	-	-
Mr Sanjay Bakliwal	118,300	0.010	-	-	118,300	0.010

Note:

- (1) Based on the total number of 1,155,891,421 Units in issue as at the date of this Announcement.

Based on the information available to the Manager, the Substantial Unitholders of IREIT and their interests in the Units as at the date of this Announcement (unless otherwise stated) are as follows:

Name of Substantial Unitholder	Direct Interest		Deemed Interest		Total No. of Units Held	% ⁽⁴⁾
	No. of Units	% ⁽⁴⁾	No. of Units	% ⁽⁴⁾		
Tikehau Capital SCA ⁽¹⁾	332,144,083	28.7	4,917,028	0.4	337,061,111	29.2
City Strategic Equity Pte. Ltd.	239,942,191	20.8	-	-	239,942,191	20.8
CDL Real Estate Investment Managers Pte. Ltd. ⁽²⁾	-	-	244,859,219	21.2	244,859,219	21.2
New Empire Investments Pte. Ltd. ⁽²⁾	-	-	244,859,219	21.2	244,859,219	21.2
City Developments Limited ⁽²⁾	-	-	244,859,219	21.2	244,859,219	21.2
Hong Leong Investment Holdings Pte. Ltd. ⁽³⁾	-	-	245,059,219	21.2	245,059,219	21.2
Davos Investment Holdings Private Limited ⁽³⁾	-	-	245,059,219	21.2	245,059,219	21.2
Kwek Holdings Pte. Ltd. ⁽³⁾	-	-	245,059,219	21.2	245,059,219	21.2

Notes:

- (1) 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 4,917,028 Units held by IREIT Global Group Pte. Ltd.
- (2) 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 239,942,191 Units held by City Strategic Equity Pte. Ltd. and 4,917,028 Units held by IREIT Global Group Pte. Ltd.
- (3) 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 239,942,191 Units held by City Strategic Equity Pte. Ltd., 4,917,028 Units held by IREIT Global Group Pte. Ltd. and 200,000 Units held by Millennium Securities Pte. Ltd.

(4) Based on the total number of 1,155,891,421 Units in issue as at the date of this Announcement.

Save as disclosed above and based on information available to the Manager as at the date of this Announcement, none of the Directors or the Substantial Unitholders has an interest, direct or indirect, in the Acquisition.

8. OPINION OF THE IFA AND STATEMENT OF THE INDEPENDENT DIRECTORS, THE NON-INTERESTED DIRECTORS AND THE AUDIT AND RISK COMMITTEE

The Manager has appointed Crowe Horwath Capital Pte. Ltd. as the independent financial adviser (the “**IFA**”) pursuant to Rule 921(4)(a) of the Listing Manual as well as to advise the Independent Directors, the non-independent directors who are not interested in the Acquisition (being Mr Sherman Kwek Eik Tse and Mr Sanjay Bakliwal) (the “**Non-Interested Directors**”) and the audit and risk committee (the “**Audit and Risk Committee**”) of the Manager and the Trustee in relation to the proposed Acquisition.

The Independent Directors, the Non-Interested Directors and the Audit and Risk Committee of the Manager will obtain an opinion from the IFA on the proposed Acquisition before forming their view as to whether the transaction is on normal commercial terms, and is not prejudicial to the interests of IREIT and its minority Unitholders.

The opinion of the IFA as to whether the proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of IREIT and its minority Unitholders will be disclosed in the Circular.

9. OTHER INFORMATION

9.1 Directors’ Service Contracts

No person is or is proposed to be appointed as a director of the Manager in connection with the proposed Acquisition or any other transactions contemplated in relation to the proposed Acquisition.

9.2 Disclosure under Rule 1010(13) of the Listing Manual

Chapter 10 of the Listing Manual governs the acquisition or divestment of assets, including options to acquire or dispose of assets, by IREIT. Such transactions are classified into the following categories:

- (a) non-discloseable transactions;
- (b) discloseable transactions;
- (c) major transactions; and
- (d) very substantial acquisitions or reverse takeovers.

A transaction by IREIT may fall into any of the categories set out above depending on the size of the relative figures computed on the following bases of comparison set out under Rule 1006 of the Listing Manual:

- (i) the NAV of the assets to be disposed of, compared with IREIT’s NAV (this basis is

- not applicable to an acquisition of assets);
- (ii) the net profits attributable to the assets acquired, compared with IREIT's net profits;
 - (iii) the aggregate value of the consideration given, compared with IREIT's market capitalisation; and
 - (iv) the number of Units issued by IREIT as consideration for an acquisition, compared with the number of Units previously in issue.

The relative figures for the Acquisition using the applicable bases of comparison described above in this sub-paragraph 9.2 are set out in the table below.

Comparison of	Acquisition (€'000)	IREIT (€'000)	Relative figure
Net property income ⁽¹⁾	6,064 ⁽²⁾	48,797 ⁽³⁾	12.4%
Consideration against market capitalisation	76,830 ⁽⁴⁾	386,036 ⁽⁵⁾	19.9%

Notes:

- (1) In the case of a real estate investment trust, the net property income is a better representation compared with the net profits attributable to its assets.
- (2) Net property income for the Acquisition was based on the annualised NPI as at 31 May 2023.
- (3) Audited FY2022 net property income of IREIT.
- (4) The figure represents the Purchase Consideration.
- (5) Based on IREIT's weighted average price of S\$0.4876 per Unit on 30 May 2023, being the market day immediately prior to the date of the Call Option Agreement and assuming exchange rate of €1.00 = S\$1.46.

The relative figure in Rule 1006(d) in relation to the number of Units issued by IREIT as consideration for the Acquisition, compared with the number of Units previously in issue, is not applicable to the Acquisition as the Purchase Consideration for the Acquisition is payable entirely in cash.

9.3 Documents Available for Inspection

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager¹ at 1 Wallich Street, #15-03 Guoco Tower, Singapore 078881 from the date of this Announcement up to and including the date falling three months after the date of this Announcement:

- (i) the Call Option Agreement;
- (ii) the independent valuation report on the New Properties issued by BNPP;
- (iii) the independent valuation report on the New Properties issued by Savills; and
- (iv) the 2022 Audited Financial Statements.

The trust deed dated 1 November 2013 constituting IREIT, as supplemented, amended and restated from time to time (the "**Trust Deed**") will also be available for inspection at the registered office of the Manager for so long as IREIT is in existence.

¹ Prior appointment with the Manager is required. Please contact IREIT Investor Relations team (telephone: +65 6718 0590).

BY ORDER OF THE BOARD
IREIT GLOBAL GROUP PTE. LTD.
(as manager of IREIT Global)
(Company Registration No. 201331623K)

Lee Wei Hsiung
Company Secretary
1 June 2023

Important Notice

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. The past performance of IREIT is not necessarily indicative of the future performance of IREIT.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This Announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income and occupancy, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on the Manager's current view of future events.

APPENDIX A

DETAILS OF THE NEW PROPERTIES AS AT 31 MAY 2023

Asset	Region	Completion Year	Purchase Consideration (€ m)	GLA (sqm)	Land Tenure	Occupancy Rate (%)	Number of Tenants	Valuation by BNPP (€ million) (as at 31 May 2023)	Valuation by Savills (€ million) (as at 31 May 2023)	WALE by GRI (years) ⁽¹⁾
HAUTS-DE-FRANCE										
Béthune (Bruay-la-Buissière)	Hauts-de-France	2011	5.6	3,396	Freehold	100.0	1	5.6	5.8	6.8
Noyelles-Godault	Hauts-de-France	1990	2.1	4,756	Leasehold (Lease ending 29 June 2034)	100.0	1	2.1	2.1	6.8
Saint-Quentin / Fayet	Hauts-de-France	2007	2.8	3,571	Leasehold (Lease ending 23 January 2052)	100.0	1	2.6	3.1	6.8
NORMANDIE										
Rouen (St Etienne du Rouvray)	Normandie	1976	5.5	6,649	Freehold	100.0	1	5.6	5.5	6.8
ILE-DE-FRANCE										
Claye-Souilly	Île-de-France	2005	7.9	3,860	Freehold	100.0	1	8.3	8.1	6.8
GRAND EST										
Forbach	Grand Est	2010	3.9	3,052	Freehold	100.0	1	4.2	3.8	6.8
Metz	Grand Est	1997	1.6	4,020	Leasehold	100.0	1	1.3	1.9	6.8

Asset	Region	Completion Year	Purchase Consideration (€ m)	GLA (sqm)	Land Tenure	Occupancy Rate (%)	Number of Tenants	Valuation by BNPP (€ million) (as at 31 May 2023)	Valuation by Savills (€ million) (as at 31 May 2023)	WALE by GRI (years) ⁽¹⁾
(Maizières-lès-Metz)					(Lease ending 23 November 2055)					
Epinal (Golbey)	Grand Est	2005	3.8	3,160	Freehold	100.0	1	4.0	3.8	6.8
Nancy (Essey-lès-Nancy)	Grand Est	2010	5.9	3,693	Freehold	100.0	1	6.2	5.9	6.8
CENTRE-VAL DE LOIRE										
Blois	Centre-Val de Loire	1989	1.4	2,337	Leasehold (Lease ending 23 November 2055)	100.0	1	1.5	1.4	6.8
Tours (Saint-Cyr-sur-Loire)	Centre-Val de Loire	2006	5.8	3,810	Freehold	100.0	1	6.1	5.8	6.8
Châteaoux (Saint-Maur)	Centre-Val de Loire	2006	2.9	3,182	Freehold	100.0	1	3.2	2.9	6.8
NOUVELLE AQUITAINE										
Brive-la-Gaillarde	Nouvelle-Aquitaine	2011	5.1	3,036	Freehold	100.0	1	5.4	5.0	6.8
Périgueux (Marsac)	Nouvelle-Aquitaine	1996	4.9	3,215	Freehold	100.0	1	4.9	4.9	6.8
AUVERGNE-RHONE-ALPES										

Asset	Region	Completion Year	Purchase Consideration (€ m)	GLA (sqm)	Land Tenure	Occupancy Rate (%)	Number of Tenants	Valuation by BNPP (€ million) (as at 31 May 2023)	Valuation by Savills (€ million) (as at 31 May 2023)	WALE by GRI (years) ⁽¹⁾
Bourg-en-Bresse (Viriat)	Auvergne-Rhône-Alpes	2005	4.6	3,092	Freehold	100.0	1	4.6	4.6	6.8
PROVENCE-ALPES-COTE D'AZUR										
Marseille	PACA	1995	8.0	3,945	Freehold	100.0	1	7.9	8.3	6.8
Martigues (St-Mitre-les-Remparts)	PACA	2005	4.9	2,982	Freehold	100.0	1	5.2	4.8	6.8
Total			76.8	61,756		100.0	17	78.7	77.6	6.8

Note:

(1) As at 31 March 2023.

APPENDIX B

DETAILS OF THE NEW PROPERTIES AS AT 31 MAY 2023

Asset	Catchment Area (Number of Inhabitants)⁽¹⁾	Direct Environment	Competition
HAUTS-DE-FRANCE			
Béthune (Bruay-la-Buissière)	198,574	Located in the first largest retail zone in the area and has very good road access	<ul style="list-style-type: none"> • Action • L'incroyable • L'ID Stock
Noyelles-Godault	536,882	Located in the first largest retail zone in the area and benefits from very good road access	<ul style="list-style-type: none"> • Action • L'incroyable • L'ID Stock • La Foir'Fouille • Stokomani
Saint-Quentin / Fayet	95,287	Located in the first largest retail zone in the area which benefits from very good road access	<ul style="list-style-type: none"> • Action • L'incroyable
NORMANDIE			
Rouen (St Etienne du Rouvray)	151,795	Located in a small out of town retail area which benefits from very good road access	<ul style="list-style-type: none"> • Action
ILE-DE-FRANCE			
Claye-Souilly	549,910	Located close to Roissy-Charles de Gaulle airport	<ul style="list-style-type: none"> • Action • Stokomani • La Foir'Fouille • MaxiBazar
GRAND EST			
Forbach	157,846	Located in the main retail zone of the area and	<ul style="list-style-type: none"> • Action

Asset	Catchment Area (Number of Inhabitants)⁽¹⁾	Direct Environment	Competition
		benefits from a position along Rue Nationale	<ul style="list-style-type: none"> • La Foir'Fouille
Metz (Maizières-lès-Metz)	242,073	Located in a large out of town retail area and benefits from very good road access	<ul style="list-style-type: none"> • Action
Epinal (Golbey)	84,175	Located in a small out of town retail area and benefits from very good road access	<ul style="list-style-type: none"> • Action
Nancy (Essey-lès-Nancy)	108,939	Located in a large out of town retail area which benefits from very good road access	<ul style="list-style-type: none"> • Action • Stokomani • Max Plus Périgueux
CENTRE-VAL DE LOIRE			
Blois	99,957	Located in the second largest retail zone in the area and has very good road access	<ul style="list-style-type: none"> • Noz
Tours (Saint-Cyr-sur-Loire)	261,177	Located in the second largest retail zone in the area and benefits from very good road access	<ul style="list-style-type: none"> • Noz
Châteauroux (Saint-Maur)	79,241	Located in the largest retail zone in the area and benefits from very good road access	<ul style="list-style-type: none"> • Action • Gifi • Noz • La Foir'Fouille • Centreakor
NOUVELLE AQUITAINE			
Brive-la-Gaillarde	92,953	Located in the largest retail zone in the area and benefits from very good road access	<ul style="list-style-type: none"> • Action • Stokomani • La Foir'Fouille • Gifi
Périgueux (Marsac)	72,265	Located in one of two equally large retail zones in the area and benefits from average road access	<ul style="list-style-type: none"> • Action • Max Plus Périgueux
AUVERGNE-RHONE-ALPES			

Asset	Catchment Area (Number of Inhabitants)⁽¹⁾	Direct Environment	Competition
Bourg-en-Bresse (Viriat)	92,550	Located in the second largest retail zone in the area with good road access	<ul style="list-style-type: none"> • Centreakor
PROVENCE-ALPES-COTE D'AZUR			
Marseille	630,870	Located within Grand Littoral Shopping Centre, in a zone which benefits from excellent and direct road access	<ul style="list-style-type: none"> • Action • Stokomani
Martigues (St-Mitre-les-Remparts)	118,439	Located within the Des Etangs retail zone which benefits from direct access from the D5 departmental road	<ul style="list-style-type: none"> • Action • Home Plaisir

Note:

(1) Catchment area reflects a 20 minutes drive from the New Property.



Acquisition of 17 Retail Properties in France

1 June 2023

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Important Notice

This presentation should be read in conjunction with the announcement released by IREIT Global ("IREIT") on 1 June 2023 titled "Proposed Acquisition of a Portfolio of 17 Retail Properties Located in France" (the "**Announcement**"). Terms not otherwise defined in this presentation shall have the meanings given in the Announcement.

This presentation is for information only and does not constitute an invitation, offer or solicitation of any offer to acquire, purchase or subscribe for units in IREIT ("**Units**"). This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on IREIT Global Group Pte. Ltd.'s (in its capacity as the manager of IREIT, the "**Manager**") current view on future events. The past performance of IREIT is not indicative of the future performance of IREIT. Similarly, the past performance of the Manager is not indicative of the future performance of the Manager. The value of units in IREIT and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by the Manager, DBS Trustee Limited (as trustee of IREIT) or any of the irrespective affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). It is intended that unitholders of IREIT may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units in Singapore or any other jurisdiction. Any discrepancies between the figures in the tables and charts and the listed amounts and total thereof are due to rounding.

The securities of IREIT have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or under the securities laws of any state or jurisdiction of the United States of America ("**United States**"), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. The Manager does not intend to conduct a public offering of any securities of IREIT in the United States.

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Transaction Overview

Transaction Overview

Proposed Acquisition of a Portfolio of 17 Retail Properties in France

- FIT 2 SAS, a wholly-owned subsidiary of IREIT, has on 31 May 2023, entered into a call option agreement (“**Call Option Agreement**”) with DKR Participations, a French société par actions simplifiée (“**SAS**”) managed by Tikehau Investment Management, for the acquisition of 17 retail properties (the “**New Properties**”) located across France (the “**Acquisition**”)
- 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**”) with a WALE of c.6.8 years ⁽¹⁾ and WALB of c.4.6 years ⁽¹⁾.
- B&M Group is a leading discount retailer in Europe listed on the London Stock Exchange since 2014. It is currently a constituent of the FTSE100 index with a market capitalisation of c.£4.7 b ⁽²⁾
- The aggregate purchase consideration for the Acquisition (the “**Purchase Consideration**”) is €76.8 m (c. S\$112.2 m) ⁽³⁾, c.1.7% below the average of the two independent valuations ⁽⁴⁾ of the New Properties at €78.1 m (c. S\$114.1 m) ⁽³⁾
- Initial Net Property Income (“**NPI**”) Yield of the New Properties is c.7.9% ⁽⁵⁾
- Acquisition is DPU accretive of c.2.0% on a pro forma adjusted FY2022 basis ⁽⁶⁾
- Each of Tikehau Capital, City Strategic Equity Pte. Ltd. (“**CSEPL**”) (a wholly-owned subsidiary of City Developments Limited (“**CDL**”)) and the Manager (acting in its own capacity), has provided an undertaking to subscribe in full each of their pro-rata allotment in the Preferential Offering. CSEPL has further undertaken to apply and subscribe for excess units in the Preferential Offering such that the total subscriptions of CSEPL would amount to a maximum of approximately S\$40 million of Preferential Offering Units ⁽⁷⁾



Brive-la-Gaillarde



Epinal



Martigues

(1) Based on GRI as of 31 March 2023

(2) As at 30 May 2023. Source: Bloomberg

(3) Based on the exchange rate of €1.00 = S\$1.46

(4) The independent valuers, Savills Valuation SAS (“**Savills**”) and BNP Paribas Real Estate Valuation France (“**BNPP**”) were commissioned by DBS Trustee Limited (as trustee of IREIT) and the Manager respectively. Valuation is as at 31 May 2023

(5) Based on the annualised NPI as at 31 May 2023 of the New Properties over the Purchase Consideration

(6) Refer to Page 26 for details on Illustrative Pro Forma Financial Impact

(7) Refer to Page 25 for details on the Method of Financing

Overview of the New Properties

Properties with Excellent Geographical Distribution in France

61,756 sqm

Gross Lettable Area ("GLA")

100%⁽¹⁾

Let to B&M France

6.8 years⁽²⁾

WALE

4.6 years⁽²⁾

WALB

7.9%⁽³⁾

Initial NPI Yield

€76.8 m

Purchase Consideration

Hauts-de-France	
No.	Property Name
1	Béthune
2	Noyelles-Godault
3	Saint-Quentin / Fayet

Normandie	
No.	Property Name
4	Rouen

Île-de-France	
No.	Property Name
5	Claye-Souilly

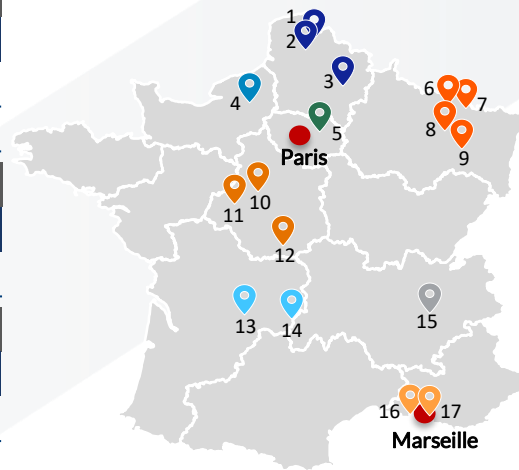
Grand Est	
No.	Property Name
6	Metz
7	Forbach
8	Nancy
9	Epinal

Centre-Val de Loire	
No.	Property Name
10	Blois
11	Tours
12	Châteauroux

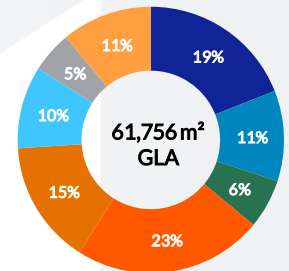
Nouvelle-Aquitaine	
No.	Property Name
13	Périgueux
14	Brive-la-Gaillarde

Auvergne-Rhône-Alpes	
No.	Property Name
15	Bourg-en-Bresse

Provence-Alpes-Côte d'Azur	
No.	Property Name
16	Martigues
17	Marseille



Distribution of area by region



(1) 17 single tenant leases with B&M France
 (2) Based on the GRI as at 31 March 2023
 (3) Based on the annualised NPI as at 31 May 2023 of the New Properties and the Purchase Consideration

Enlarged Property Portfolio Post Acquisition



54
Properties



446,038 sqm
GLA
384,282 as at 31 March 2023



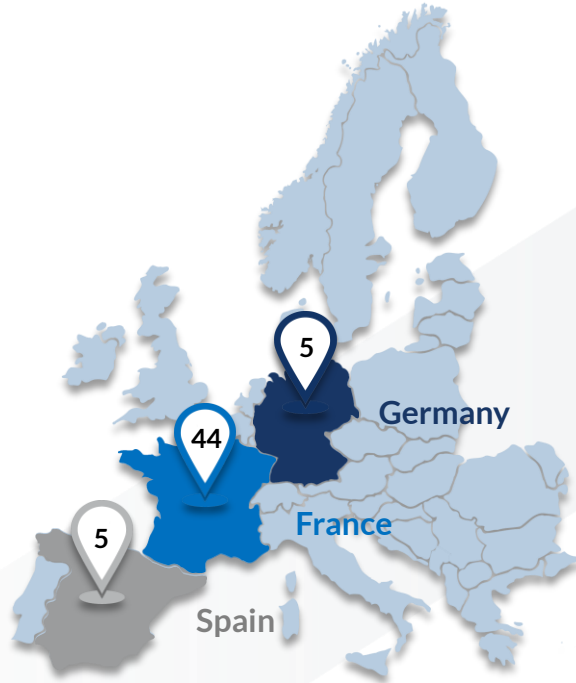
€1,027.3 m
Valuation ⁽¹⁾
€950.5 m as at 31 December 2022



89.9%
Occupancy Rate
87.0% as at 31 March 2023



5.1 years
WALE ⁽³⁾
4.8 years as at 31 March 2023



5 German Properties

Gross Lettable Area (sqm)	201,103
Valuation (€ m) ⁽²⁾	659.7
% of Enlarged Portfolio ⁽³⁾	64.2%
Occupancy (%)	84.1%
WALE (years) ⁽⁴⁾	3.5

44 French Properties

Gross Lettable Area (sqm)	157,256
Valuation (€ m) ⁽²⁾	203.3
% of Enlarged Portfolio ⁽³⁾	19.8%
Occupancy	100%
WALE (years) ⁽⁴⁾	7.6

5 Spanish Properties

Gross Lettable Area (sqm)	87,679
Valuation (€ m) ⁽²⁾	164.3
% of Enlarged Portfolio ⁽³⁾	16.0%
Occupancy (%)	79.5%
WALE (years) ⁽⁴⁾	5.5

Track Record Since Inception

254% Increase in Portfolio Value in 2023 YTD since IPO

Year	Properties	Portfolio Value (€)	Key Events
2014	4 properties	€290.6 m	<ul style="list-style-type: none"> IREIT was listed on SGX-ST as the first Singapore-listed real estate investment trust with the investment strategy of principally investing in income-producing real estate in Europe
2015	5 properties	€441.4 m	<ul style="list-style-type: none"> Berlin Campus was acquired for €144.2 m Deutsche Rentenversicherung Bund signed a lease in Berlin Campus, diversifying IREIT's tenant profile
2016	5 properties	€453.0 m	<ul style="list-style-type: none"> Tikehau Capital acquired a 80% stake in the Manager GMG Generalmietgesellschaft mbH exercised its lease extension option for another 2.5 years
2017	5 properties	€463.1 m	<ul style="list-style-type: none"> One of IREIT's key tenants at Concor Park exercised its extension option to extend its lease for another 3 years, 1 year ahead of its lease expiry
2018	5 properties	€504.9 m	<ul style="list-style-type: none"> Portfolio valuation surpassed the €500 m mark Successfully secured lease extensions for Münster South's single tenant and a key tenant at Concor Park
2019	9 properties	€630.2 m	<ul style="list-style-type: none"> Entered into a 40:60 joint venture with Tikehau Capital to acquire 100% of the Spanish Portfolio, completed in Dec 2019 CDL acquired 50% stake in the Manager, co-owning the Manager alongside Tikehau Capital
2020	9 properties	€719.6 m	<ul style="list-style-type: none"> Strategic partners jointly increased their stakes in IREIT to over 50% while AT Investments Limited acquired a 5.5% stake 3,450 sqm office space leased by AREAS at Il-lumina IREIT exercised call option to acquire remaining 60% stake in the Spanish portfolio
2021	37 properties	€974.9 m	<ul style="list-style-type: none"> Acquired a portfolio of retail properties in France, marks IREIT's strategic foray into France and retail asset class Acquired a Grade A office building in Barcelona
2022	37 properties	€950.5 m	<ul style="list-style-type: none"> Established IREIT's inaugural US\$1 b multicurrency debt issuance programme in May 2022 Secured a 6-year lease extension for 100% of Bonn Campus and a new 12-year major lease for c.5,300 sqm of vacant data centre space at Sant Cugat Green
2023 YTD	54 properties	€1,027.3 m ⁽¹⁾	<ul style="list-style-type: none"> Proposed Acquisition of 17 retail assets in France for a purchase consideration of €76.8 m



Rationale for and Benefits of the Acquisition

Rationale for and Benefits of the Acquisition

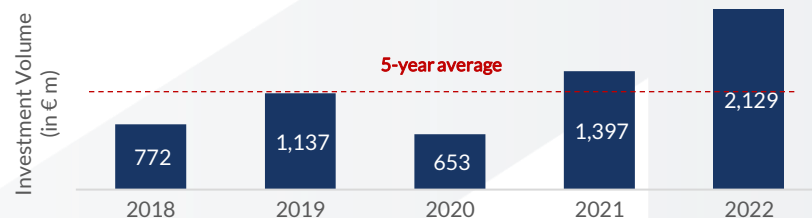
- 1 Increase in Exposure to an Attractive and Resilient Asset Class
- 2 Blue-chip Tenant, B&M Group, a Leading European Discount Retailer
- 3 Quality Retail Portfolio that Complements IREIT's Existing Portfolio
- 4 Potential Upside in Income through Developments
- 5 Strengthens IREIT's Portfolio Resilience and Diversification
- 6 Increases Market Capitalisation and Liquidity
- 7 Leveraging on Strategic Investors' Knowledge, Expertise, Support and Resources in France

1 Increase in Exposure to an Attractive and Resilient Asset Class

Retail Parks (Out-of-Town) Outperformed Broader Retail Investment Market

- The total Retail investment volume in France totalled c.€5.6 b in 2022, accounting for c.20% of the total investment volume in France and equates to an increase of approximately 20% compared to five-year average
- The Retail Parks (Out-of-Town) asset class, which refers to shops or facilities that are situated away from the centre of a town or city, accounted for c.38% of the total Retail investment volume with a record investment value of c.€2.1 b in 2022, an increase of c.75% compared to the five-year average. This exceptional performance demonstrates the resilience of this retail format in the context of global inflation caused by COVID-19 pandemic and war in Ukraine
- The Retail Parks (Out-of-Town) market in France also offers one of the highest prime yields in the broader Retail market at c.5.0% in Q4 2022 (October to December 2022)
- The success of Retail Parks (Out-of-Town) assets is expected to continue due to their attractive yields for investors and lower rental costs for tenants as compared to other asset classes. Retail Parks (Out-of-Town) assets usually also have low-cost retail brands that provide consumers with attractive prices and discounts
- The new French regulations which limits the ability to artificialise land makes it more difficult to create retail parks going forward, resulting in a clear premium for existing assets and increases long-term attractiveness of the New Properties

Exceptional Performance in 2022 for Retail Parks (Out-of-Town) in France



Yields of Retail Parks Segment vs Other Real Estate Asset Classes

Asset Type	Prime Yield	Spread in Q4 2022 (Oct to Dec)	French T-bond (10years)
Retail	3.50%	0.39%	
Retail Parks (Out-of-Town)	5.00%	1.89%	
High Street Retail	3.50%	0.39%	
Shopping Centre	5.25%	2.14%	3.11%
Offices	3.50%	0.39%	
Industrial	4.00%	0.89%	
Services	4.00%	0.89%	

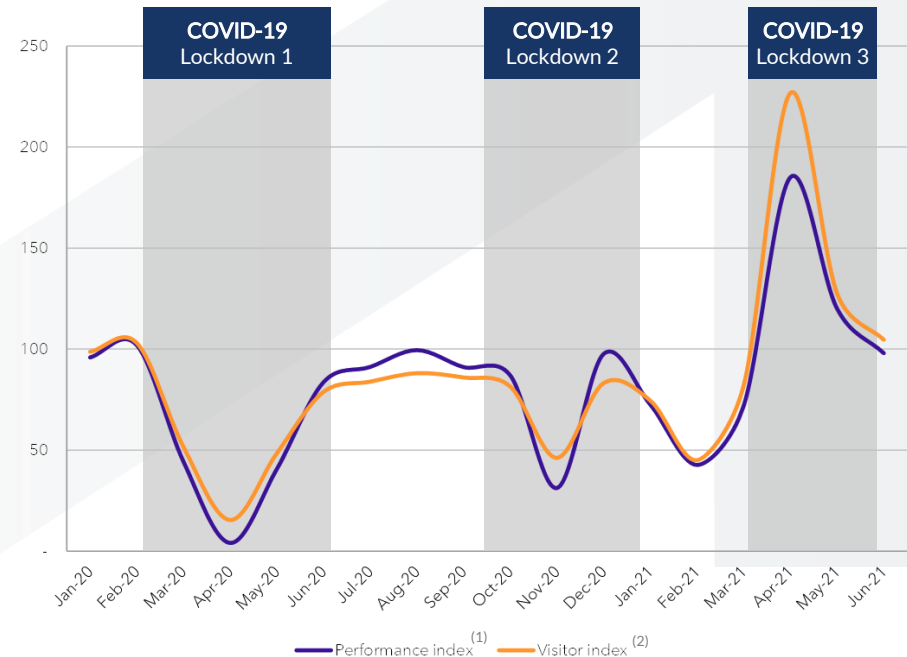
1 Increase in Exposure to an Attractive and Resilient Asset Class

Retail Parks (Out-of-Town) – A Format Favoured by Customers and Tenants

- Retail Parks (Out-of-Town) asset class has shown resilience even through the COVID-19 pandemic due to their accessibility, open-air format, wide range of available spaces, parking facilities, manageable operational cost, value-for-money brands and for some retailers, omni channel experiences
- Momentum for Retail Parks (Out-of-Town) assets is expected to stay strong given that:
 - Its business is driven by sedentary consumption and does not depend heavily on tourism or population movements
 - It offers a merchandising mix of low-cost brands that are popular with consumers
 - It has low operating expenses and rents as compared to shopping centres which is attractive to retailers

Changes in retail park performance and occupancy

Base 100 index of retail parks in France (comparison of month N vs month N-1)



(1) Sales of month N;
(2) Number of visitors of month N

B&M Group – A Leading Discount Retailer in the UK and France

- B&M Group is a leading discount retailer in Europe listed on the London Stock Exchange since 2014. It is currently a constituent of the FTSE100 index with a market capitalisation of c.£4.7 b ⁽¹⁾
- B&M Group provides a wide range of products across the Grocery and General Merchandise categories under the “B&M” and the “Heron Foods” brands. B&M Group adopts a low-cost business model to pass savings on to customers through value pricing
- As at 31 December 2022, B&M Group operates 1,133 stores worldwide with 113 stores operating in France under the “B&M” brand
- B&M France is one of the main players in the market for the distribution of personal and household goods at discounted prices in France
- B&M Group has seen an uninterrupted increase in activity over the last few years with its sales for the financial year ended 31 March 2019 to the financial year ended 31 March 2022, growing at a compound annual growth rate (“CAGR”) of c.12.6% ⁽³⁾

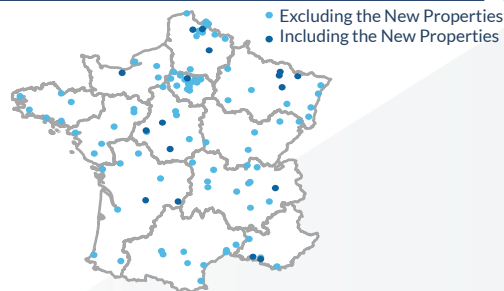
(1) As at 30 May 2023. Source: Bloomberg

(2) As at 31 December 2022. Source: B&M Group’s Q3 FY2023 Trading Update

(3) Based on the financial year end of B&M Group ending 31 March for each financial year and excludes Jawoll brand which was sold during the financial year ended 31 March 2020 to provide a comparable basis with those for the continuing operations. Sources: B&M’s Annual Reports and Q3 FY2023 Trading Update

(4) YTD Q3 2023 EBITDA is not available in B&M Group Q3 FY2023 Trading Update

Network distribution throughout France



No. of stores by country⁽²⁾



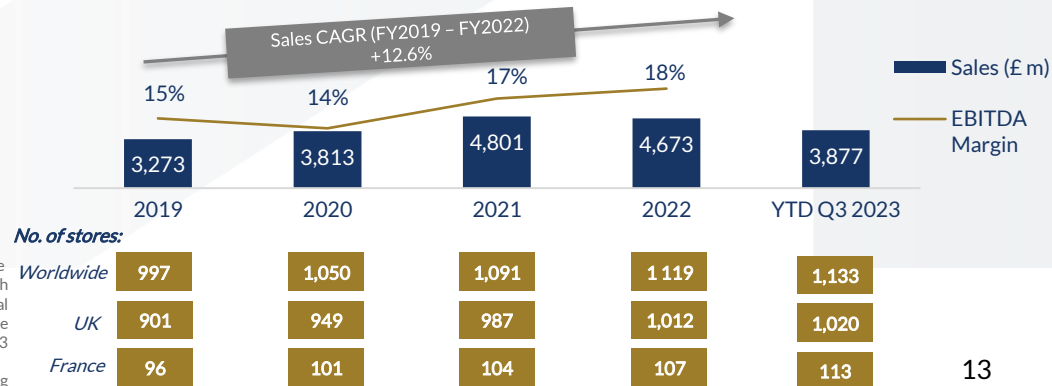
705 stores

113 stores



315 stores

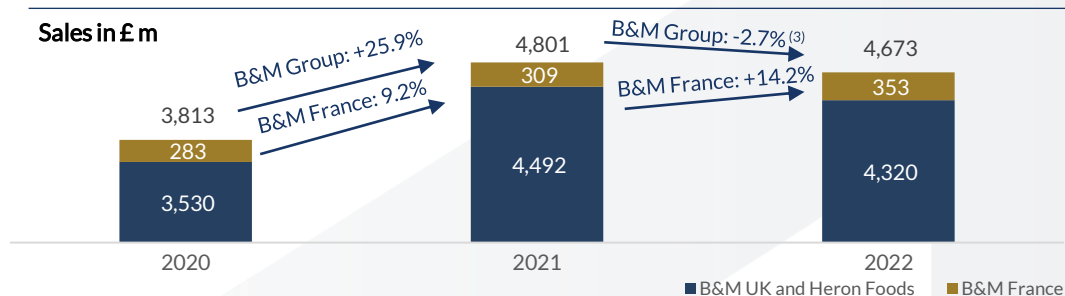
B&M Group’s sales and number of stores growth ⁽³⁾⁽⁴⁾



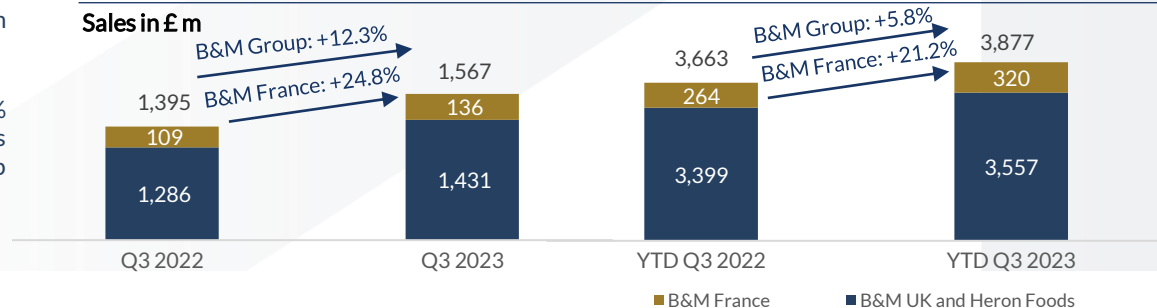
B&M Group Remains Resilient Amidst Challenges in the Retail Industry

- B&M Group has proven its model's resilience by exceeding market expectations amidst challenges in the retail industry
- Despite closures and disruption of business operations due to the COVID-19 pandemic, B&M Group delivered stable sales in 2021 and 2022 ⁽¹⁾, underlining the growing consumer appetite for discount retailers
- B&M Group's sales performance for the nine-month period ended 31 December 2022 ("YTD Q3 2023") has maintained its positive trend, with an increase of c.5.8% year-on-year compared to the nine-month period ended 31 December 2021 ("YTD Q3 2022")
- B&M France showed strong sales growth of c.14.2% in 2022 ⁽¹⁾. Trading momentum in B&M France has continued through Q3 2023 ⁽²⁾, with revenue up c.24.8% year-on-year

B&M Group delivered stable sales in 2021 and 2022 ⁽¹⁾⁽²⁾



B&M France's sales maintained positive trend for Q3 2023 ⁽²⁾



Discount Retail Industry Emerged as a Fast-Growing Industry

- 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
- While online sales have established themselves in most retail sectors, they are unlikely to take off in the discount market ⁽¹⁾. In fact, e-commerce is hardly compatible with a low-cost distribution model. The latter is based on a strategy of bulk purchasing and reduced operating costs at all levels. Retail units remain essential as B&M Group is offering great value proposition to its customers available in physical stores only
- In France, the popularity of hard-discounters, discounters and outlet stores has risen exponentially. Between September 2021 and 2022, there was a c.24% rise in traffic at discount stores, with 1.2 m new customers visiting discount stores in France ⁽²⁾
- The rising popularity of discount retailers among the consumers has also driven the expansion of several discounter brands in France. The cumulative number of stores of the 6 leading discount brands in France (including B&M France) has increased by c.33% from 1,540 to 2,050 between 2019 to 2022 ⁽³⁾

Key figures for the French discount retail market ⁽⁴⁾



€12 b

Estimated sales of all discount stores in France in 2023



+33%

Growth in number of stores of 6 leading discount brands (including B&M France) from 2019 to 2022



+11%

Sales CAGR of 8 leading discount brands (including B&M France) over the past ten years

(1) Source: Xerfi Precepta

(2) Source: Kantar website. Inspiration: The Big Trends in France in 2022: How has inflation changed shopper behaviour?

(3) Source: Knight Frank French Property Markets 2022 Review & 2023 Outlook

(4) Sources: Press, Xerfi, Globaldata, Knight Frank & Clearwater International analysis, Ecommercemag.fr website. Les champions du discount surfent sur les questions de pouvoir d'achat, Knight Frank French Property Markets 2022 Review & 2023 Outlook

Strategically Located Retail Properties Fully Let to B&M France

- The New Properties comprise of 17 retail properties with a total GLA of 61,756 sqm
- 13 of the properties are freehold while the remaining 4 are leasehold⁽¹⁾
- The New Properties are 100% leased to B&M France with a WALE of c.6.8 years⁽²⁾ and WALB of c.4.6 years⁽²⁾. The leases also have built-in annual rental escalation clauses pegged to inflation which is expected to contribute to IREIT's organic rental growth
- The New Properties are mostly located in well-established regional retail areas across France
- As of 31 December 2022, the portfolio of the New Properties represents c.15% of B&M stores⁽³⁾ in France
- Average size and location of the New Properties are strategic to B&M Group's business as it mirrors the model adopted for their UK stores

No. of Assets	17
Land Area	Approximately 252,000 sqm
Land Tenure⁽¹⁾	13 freehold and 4 leasehold
GLA	61,756 sqm
Committed Occupancy	100% leased to B&M France
Number of Tenants	1 for each of the New Properties
Lease Term⁽²⁾	WALE: 6.8 Years / WALB: 4.6 Years
Independent Valuation as at 31 May 2023	Savills: €77.6 m and BNPP: €78.7 m Average: €78.1 m
Purchase Consideration	€76.8 m
GRI⁽⁴⁾	€6.7 m
NPI⁽⁵⁾	€6.1 m
Initial NPI Yield⁽⁶⁾	7.9%

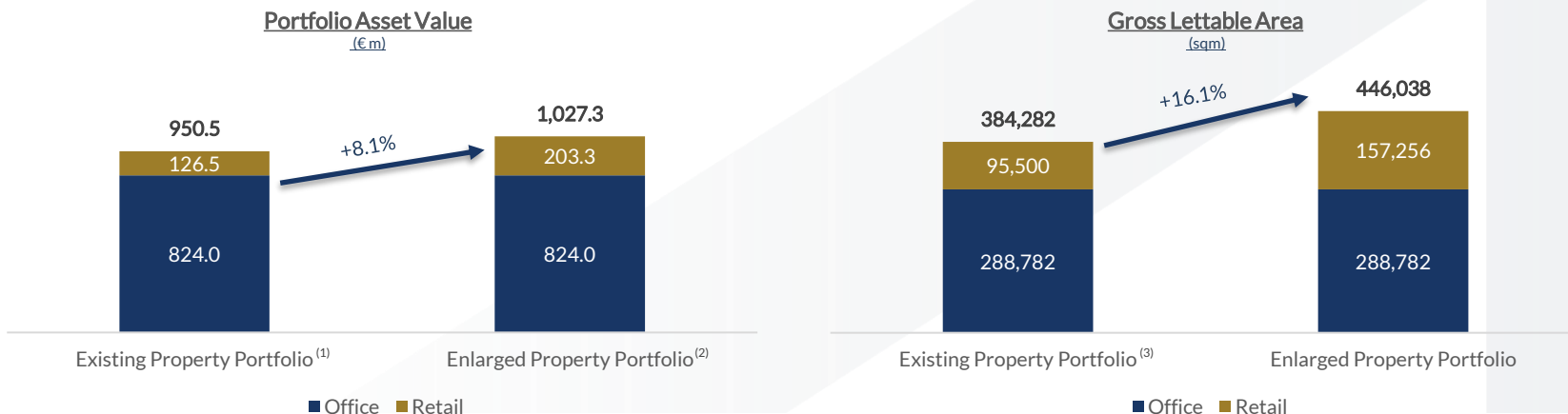
Potential Upside in Income through Developments

- 17 single tenant sites with total GLA of 61,756 sqm and approximately 252,000 sqm of land
- The New Properties currently generates GRI of c.€6.7 m p.a. and has potential income upside from the following developments:
 - Installation of photovoltaic panels and electric charging stations at car park spaces at some of the New Properties
 - Car park spaces will be leased to a new tenant, a leading European electric vehicle charging network, and is expected to generate additional rental income
 - Further development of existing sites for commercial use
 - Untapped gross floor area of c.5,000 sqm which may generate additional rental income

5 Strengthens IREIT's Portfolio Resilience and Diversification

Acquisition of the New Properties Accelerates IREIT's Growth

- Since 2018, IREIT's property portfolio value has grown at a CAGR of c.17.1%, from €504.9 m to €950.5 m by 2022. The Acquisition builds on IREIT's growth momentum, increasing portfolio asset value by c.8.1% to c.€1,027.3 m
- Similarly, GLA which had grown at a CAGR of c.17.6% from 200,609 sqm in 2018 to 384,282 sqm by 2022, will increase by a further c.16.1% to 446,038 sqm with the Acquisition



(1) Based on the existing property portfolio valuation of €950.5 m as at 31 December 2022

(2) Based on the enlarged property portfolio valuation of €1,027.3 m, comprises the existing property portfolio valuation of €950.5 m as at 31 December 2022 and the Purchase Consideration of €76.8 m

(3) Based on the existing property portfolio's GLA of 384,282 sqm as at 31 March 2023

Strengthens IREIT's Portfolio Resilience and Diversification

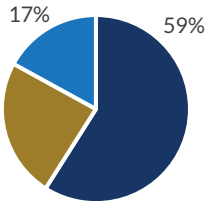
Continuing its Diversification Strategy on Geography, Trade Sector and Asset Class

- The Acquisition reduces IREIT's reliance on any single geographical location, trade sector and asset class, benefitting unitholders from increased scale and diversification in its portfolio and income streams
- IREIT will reduce exposure to the Office asset class and further diversify its exposure to the accretive Retail asset class
- IREIT will gain exposure to the Grocery and General Merchandise trade sector, part of the Retail sector

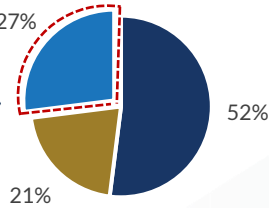
Geographical Breakdown

By GRI (%) ⁽¹⁾

Existing Portfolio



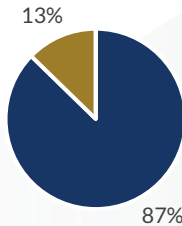
Enlarged Portfolio



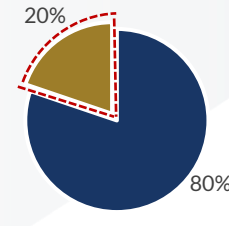
Asset Class Breakdown

By Valuation (%)

Existing Portfolio ⁽²⁾



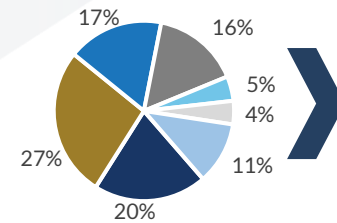
Enlarged Portfolio ⁽³⁾



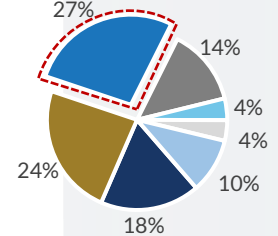
Trade Sector Breakdown

By GRI (%) ⁽¹⁾

Existing Portfolio



Enlarged Portfolio



■ Germany ■ Spain ■ France

■ Office ■ Retail

■ Telecommunications ■ Government
■ IT & Electronics ■ Financial Services
■ Others ■ Retail
■ Real Estate



(1) Based on the GRI as at 31 March 2023

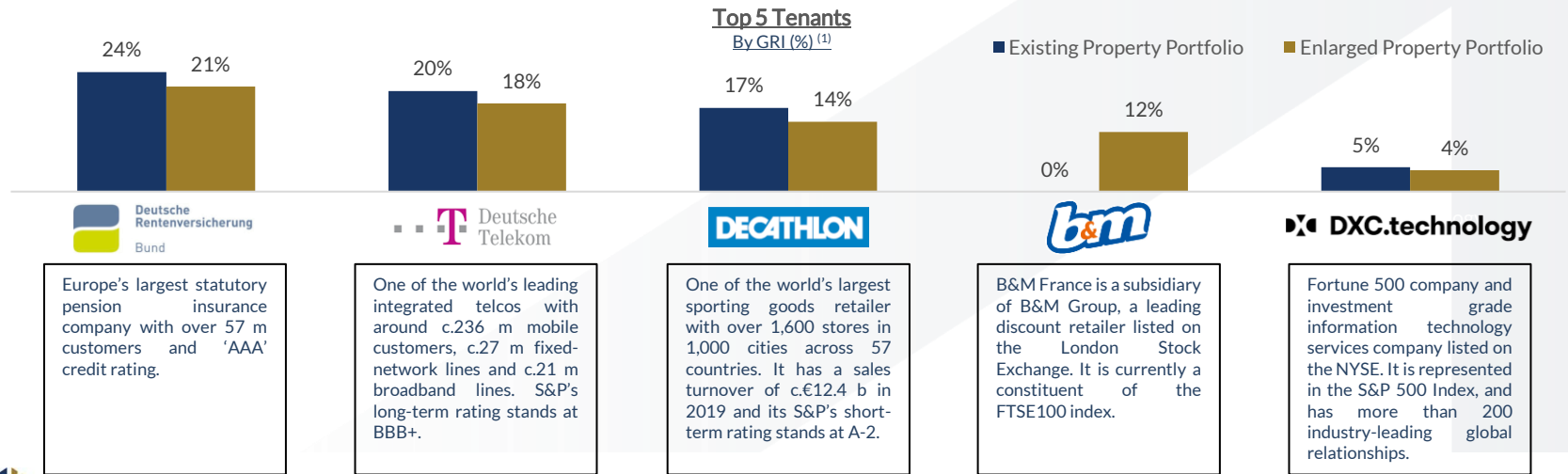
(2) Based on the existing property portfolio valuation of €950.5 m as at 31 December 2022

(3) Based on the enlarged property portfolio valuation of €1,027.3 m, comprises the existing property portfolio valuation of €950.5 m as at 31 December 2022 and the Purchase Consideration of €76.8 m

Strengthens IREIT's Portfolio Resilience and Diversification

Improves Quality of Portfolio Tenant Base

- The Acquisition improves quality of IREIT's tenant base with the inclusion of B&M Group, one of the leading discount retailers in Europe which is currently listed on the London Stock Exchange
- Post-Acquisition, GRI contribution by IREIT's two largest tenants, Deutsche Rentenversicherung Bund and Deutsche Telekom, will decrease from c.24% to c.21% and from c.20% to c.18% respectively. B&M France will become one of IREIT's top 5 tenants, contributing c.12% of total GRI

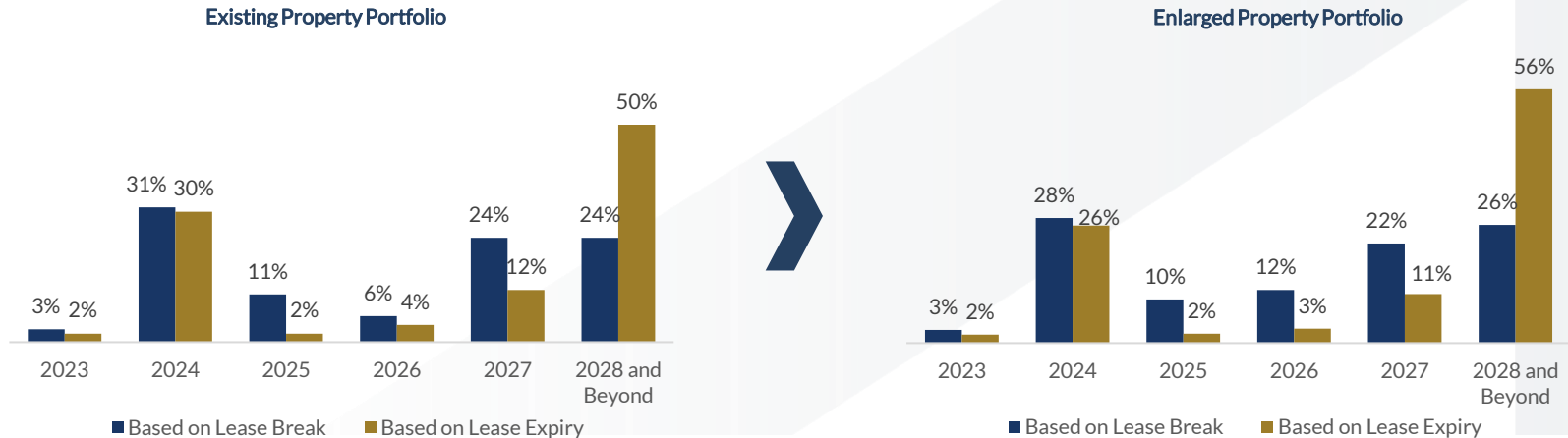


5 Strengthens IREIT's Portfolio Resilience and Diversification

Portfolio WALE (by GRI) will increase from 4.8 years to 5.1 years

- The New Properties have a WALE of c.6.8 Years⁽¹⁾ and a WALB of c.4.6 Years⁽¹⁾
- Post-acquisition, the WALE of IREIT's portfolio is expected to increase from 4.8 years to 5.1 years, with less than 44% of leases expiring before 2028

Lease Break & Expiry Profile
By GRI (%)⁽¹⁾

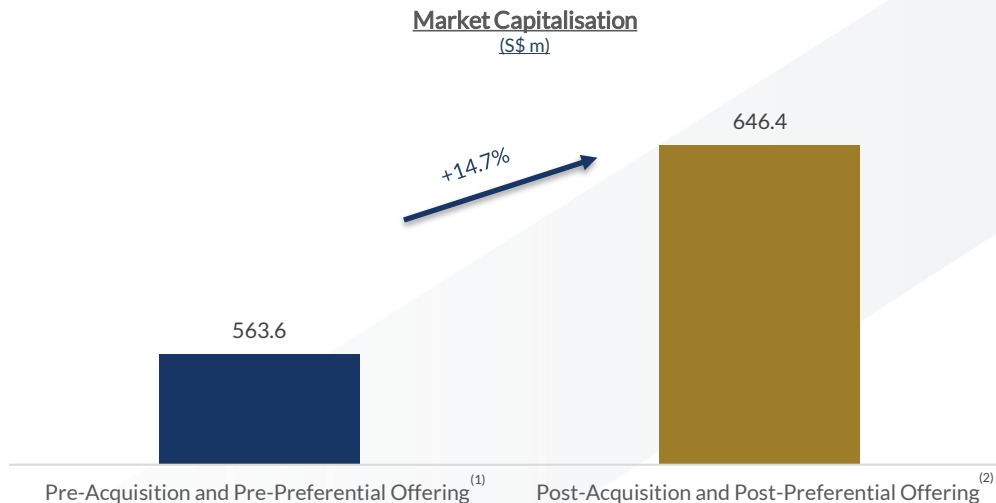


(1) Based on the GRI as at 31 March 2023

6 Increases Market Capitalisation and Liquidity

IREIT is Expected to Benefit from a Larger Market Capitalisation

- The increased market capitalisation increases probability of inclusion in key indices, which offers benefits of a wider and more diversified investor base, higher trading liquidity, increased analyst coverage and potential positive re-rating



(1) Based on an IREIT's weighted average price of S\$0.4876 per Unit on 30 May 2023, being the market day immediately prior to the date of the Call Option Agreement and assuming exchange rate of €1.00 = S\$1.46

(2) Assuming approximately 167,604,256 Preferential Offering Units are issued at an illustrative issue price of S\$0.45 per Preferential Offering Unit to raise gross proceeds of approximately S\$75.4 m (approximately €51.7 m) to finance the Acquisition and approximately 2,272,211 Acquisition Fee Units are issued to the Manager as payment of the Acquisition Fee at an illustrative issue price of S\$0.49 per Acquisition Fee Unit

Leveraging on Strategic Investors' Knowledge, Expertise, Support and Resources in France

Deep Knowledge, Expertise and Support from Strategic Investors, Tikehau Capital and CDL

- The Acquisition marks IREIT's second portfolio acquisition in France, and demonstrates the deep knowledge, expertise and support from the Joint Sponsors, Tikehau Capital and CDL
- IREIT is able to leverage on Tikehau Capital's extensive pan-European network and intricate knowledge of the local markets
 - Tikehau Capital is headquartered in Paris, France and IREIT would benefit from its established market presence (over 16 years) and its technical know-how of the French real estate market, especially in the retail sector
- At the same time, CDL provides strong financial support to IREIT
- In the event IREIT issues new units pursuant to the Preferential Offering, each of Tikehau Capital and CSEPL has provided an undertaking to subscribe in full each of their pro-rata allotment in the Preferential Offering. CDL (through its wholly-owned subsidiary, CSEPL) has further undertaken to apply and subscribe for excess units in the Preferential Offering such that the total subscription of CSEPL would amount to a maximum of approximately \$540 million of Preferential Offering Units ⁽¹⁾





Funding Structure and Financial Impact

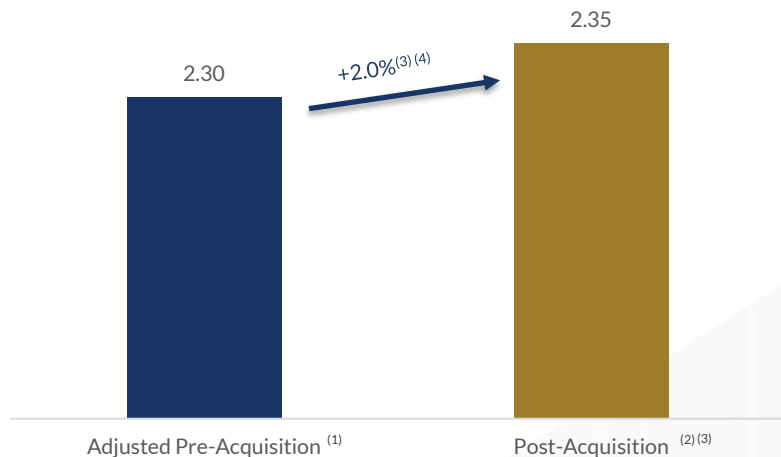
Method of Financing

Method of Financing	
Illustrative Uses	
Cost of the Acquisition	<p>Total Acquisition Cost: c.€90.9 m (c. S\$132.7 m) ⁽¹⁾</p> <ul style="list-style-type: none"> ▪ Purchase Consideration: c.€76.8 m (c. S\$112.2 m) ⁽¹⁾; ▪ Real estate transfer tax: c.€5.3 m (c. S\$7.8 m) ⁽¹⁾; ▪ Acquisition Fee payable in units in IREIT to the Manager (the “Acquisition Fee Units”): c.€0.8 m (c. S\$1.1 m) ⁽¹⁾; and ▪ Estimated premium on interest rate cap, professional fees and other fees and expenses: c.€8.0 m (c. S\$11.6 m) ⁽¹⁾
	Illustrative Sources
Debt Facilities	<ul style="list-style-type: none"> ▪ External bank borrowings and/or borrowings from Tikehau Capital
Preferential Offering	<ul style="list-style-type: none"> ▪ IREIT is proposing to issue approximately 167,604,256 Preferential Offering Units under a Preferential Offering up to approximately S\$75.4 m (approximately €51.7 m) to finance the Acquisition ▪ Each of Tikehau Capital, CSEPL and the Manager (acting in its own capacity), has provided an undertaking to subscribe in full each of their pro-rata allotment in the Preferential Offering. CDL (through its wholly-owned subsidiary, CSEPL) has further undertaken to apply and subscribe for excess units in the Preferential Offering such that its aggregated subscriptions would amount to a maximum of approximately S\$40 million of Preferential Offering Units

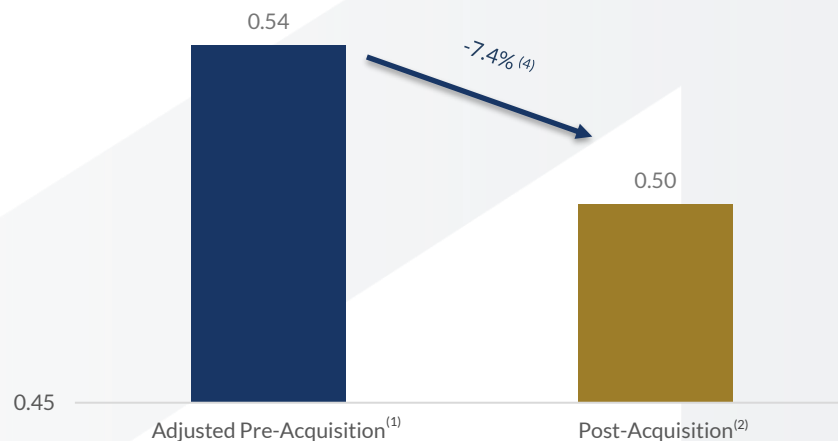
Illustrative Pro Forma Financial Impact

FOR ILLUSTRATIVE PURPOSES ONLY – NOT A FORWARD LOOKING PROJECTION

Distribution per Unit (€ Cents)



Net Asset Value per Unit (€)



Note: Please refer to announcement titled "Proposed Acquisition of a Portfolio of 17 Retail Properties Located in France" dated 1 June 2023

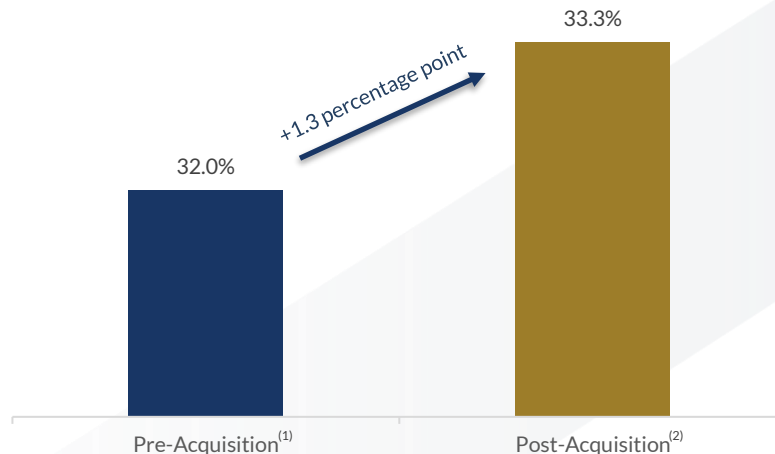


- (1) Based on the audited financial statements of IREIT for the financial year ended 31 December 2022 ("FY2022") ("Audited FY2022") adjusted with the assumption that Darmstadt Campus is 100% vacant during FY2022 with nil revenue but with operating expenses of approximately €0.6 million. The pre-Acquisition DPU based on Audited FY2022 is €2.69 cents
- (2) Assuming approximately 167,604,256 Preferential Offering Units are issued at an illustrative issue price of S\$0.45 per Preferential Offering Unit to finance the Acquisition and approximately 2,272,211 Acquisition Fee Units are issued to the Manager as payment of the Acquisition Fee at an illustrative issue price per Acquisition Fee Unit of S\$0.49
- (3) The post-Acquisition DPU based on the Audited FY2022 would be €2.69 cents and the DPU accretion based on the Audited FY2022 would be flat
- (4) Numbers may not add up due to rounding

Illustrative Pro Forma Financial Impact

FOR ILLUSTRATIVE PURPOSES ONLY – NOT A FORWARD LOOKING PROJECTION

Aggregate Leverage (%)



Note: Please refer to announcement titled "Proposed Acquisition of a Portfolio of 17 Retail Properties Located in France" dated 1 June 2023



Conclusion

Key Transaction Highlights

- 1 Increase in Exposure to an Attractive and Resilient Asset Class
- 2 Blue-chip Tenant, B&M Group, a Leading European Discount Retailer
- 3 Quality Retail Portfolio that Complements IREIT's Existing Portfolio
- 4 Potential Upside in Income through Developments
- 5 Strengthens IREIT's Portfolio Resilience and Diversification
- 6 Increases Market Capitalisation and Liquidity
- 7 Leveraging on Strategic Investors' Knowledge, Expertise, Support and Resources in France



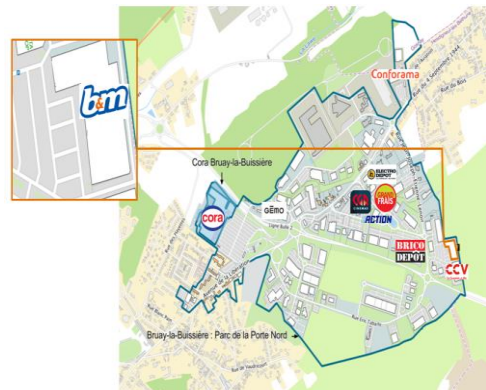
Appendix

Portfolio Asset List

Béthune (Bruay-la-Buissière)



Region	▪ Hauts-de-France
Land tenure	▪ Freehold
Completion Year	▪ 2011
GLA (sqm)	▪ 3,396
Occupancy Rate	▪ 100%
Valuation (€ m) ⁽¹⁾	▪ Savills: 5.8 ▪ BNPP: 5.6
Purchase Consideration (€ m)	▪ 5.6

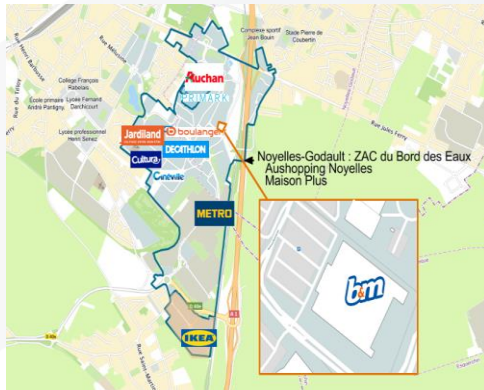


Catchment Area (Number of Inhabitants) ⁽²⁾	▪ 198,574
Direct Environment	▪ Located in the first largest retail zone in the area and has very good road access
Competition	▪ Action ▪ L'incroyable ▪ L'ID Stock

Noyelles-Godault



Region	▪ Hauts-de-France
Land tenure	▪ Leasehold
Completion Year	▪ 1990
GLA (sqm)	▪ 4,756
Occupancy Rate	▪ 100%
Valuation (€ m) ⁽¹⁾	▪ Savills: 2.1 ▪ BNPP: 2.1
Purchase Consideration (€ m)	▪ 2.1



Catchment Area (Number of Inhabitants) ⁽²⁾	▪ 536,882
Direct Environment	▪ Located in the first largest retail zone in the area and benefits from very good road access
Competition	▪ Action ▪ L'incroyable ▪ L'ID Stock ▪ La Foir'Fouille ▪ Stokomani

Portfolio Asset List (Cont'd)

Saint-Quentin / Fayet



Region	▪ Hauts-de-France
Land tenure ⁽¹⁾	▪ Leasehold
Completion Year	▪ 2007
GLA (sqm)	▪ 3,571
Occupancy Rate	▪ 100%
Valuation (€ m) ⁽²⁾	▪ Savills: 3.1 ▪ BNPP: 2.6
Purchase Consideration (€ m)	▪ 2.8



Catchment Area (Number of Inhabitants) ⁽³⁾	▪ 95,287
Direct Environment	▪ Located in the first largest retail zone in the area which benefits from very good road access
Competition	▪ Action ▪ L'incroyable

Rouen (St Etienne du Rouvray)



Region	▪ Normandie
Land tenure	▪ Freehold
Completion Year	▪ 1976
GLA (sqm)	▪ 6,649
Occupancy Rate	▪ 100%
Valuation (€ m) ⁽²⁾	▪ Savills: 5.5 ▪ BNPP: 5.6
Purchase Consideration (€ m)	▪ 5.5



Catchment Area (Number of Inhabitants) ⁽³⁾	▪ 151,795
Direct Environment	▪ Located in a small out of town retail area which benefits from very good road access
Competition	▪ Action

Portfolio Asset List (Cont'd)

Claye-Souilly



Region	■ Île-de-France
Land tenure	■ Freehold
Completion Year	■ 2005
GLA (sqm)	■ 3,860
Occupancy Rate	■ 100%
Valuation (€ m) ⁽¹⁾	■ Savills: 8.1 ■ BNPP: 8.3
Purchase Consideration (€ m)	■ 7.9

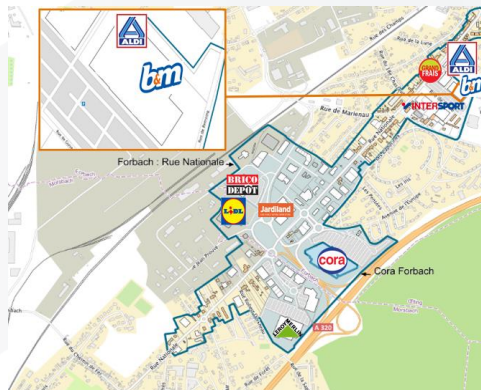


Catchment Area (Number of Inhabitants) ⁽²⁾	■ 549,910
Direct Environment	■ Located close to Roissy-Charles de Gaulle airport
Competition	■ Action ■ Stokomani ■ La Foir'Fouille ■ MaxiBazar

Forbach



Region	■ Grand Est
Land tenure	■ Freehold
Completion Year	■ 2010
GLA (sqm)	■ 3,052
Occupancy Rate	■ 100%
Valuation (€ m) ⁽¹⁾	■ Savills: 3.8 ■ BNPP: 4.2
Purchase Consideration (€ m)	■ 3.9



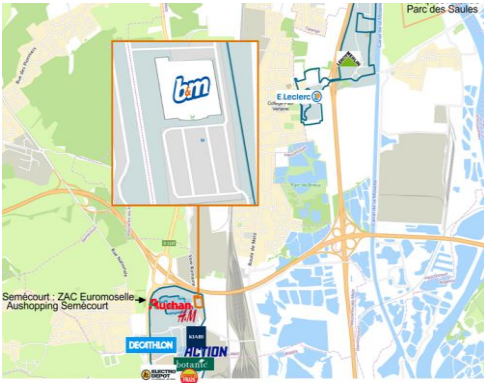
Catchment Area (Number of Inhabitants) ⁽²⁾	■ 157,846
Direct Environment	■ Located in the main retail zone of the area and benefits from a position along Rue Nationale
Competition	■ Action ■ La Foir'Fouille

Portfolio Asset List (Cont'd)

Metz



Region	Grand Est
Land tenure	Leasehold
Completion Year	1997
GLA (sqm)	4,020
Occupancy Rate	100%
Valuation (€ m) ⁽¹⁾	Savills: 1.9 BNPP: 1.3
Purchase Consideration (€ m)	1.6

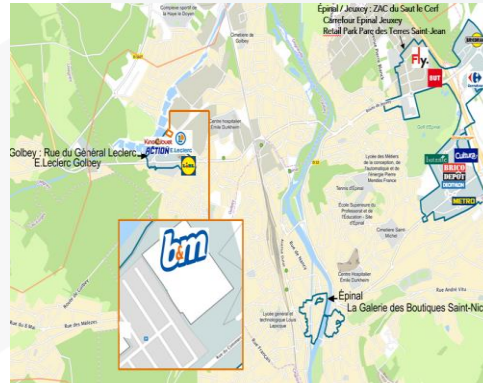


Catchment Area (Number of Inhabitants) ⁽²⁾	242,073
Direct Environment	Located in a large out of town retail area and benefits from very good road access
Competition	Action

Epinal (Golbey)



Region	Grand Est
Land tenure	Freehold
Completion Year	2005
GLA (sqm)	3,160
Occupancy Rate	100%
Valuation (€ m) ⁽¹⁾	Savills: 3.8 BNPP: 4.0
Purchase Consideration (€ m)	3.8



Catchment Area (Number of Inhabitants) ⁽²⁾	84,175
Direct Environment	Located in a small out of town retail area and benefits from very good road access
Competition	Action

Portfolio Asset List (Cont'd)

Nancy (Essey-lès-Nancy)



Region	Grand Est
Land tenure	Freehold
Completion Year	2010
GLA (sqm)	3,693
Occupancy Rate	100%
Valuation (€ m) ⁽¹⁾	Savills: 5.9 BNPP: 6.2
Purchase Consideration (€ m)	5.9



Catchment Area (Number of Inhabitants) ⁽²⁾	108,939
Direct Environment	Located in a large out of town retail area which benefits from very good road access
Competition	Action Stokomani Max Plus Périgueux

Blois



Region	Centre-Val de Loire
Land tenure	Leasehold
Completion Year	1989
GLA (sqm)	2,337
Occupancy Rate	100%
Valuation (€ m) ⁽¹⁾	Savills: 1.4 BNPP: 1.5
Purchase Consideration (€ m)	1.4



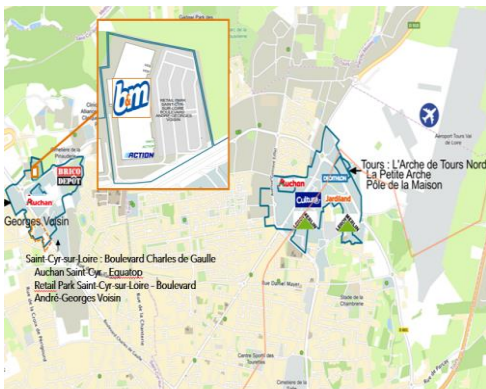
Catchment Area (Number of Inhabitants) ⁽²⁾	99,957
Direct Environment	Located in the second largest retail zone in the area and has very good road access
Competition	Noz

Portfolio Asset List (Cont'd)

Tours (Saint-Cyr-sur-Loire)



Region	Centre-Val de Loire
Land tenure	Freehold
Completion Year	2006
GLA (sqm)	3,810
Occupancy Rate	100%
Valuation (€ m) ⁽¹⁾	Savills: 5.8 BNPP: 6.1
Purchase Consideration (€ m)	5.8



Catchment Area (Number of Inhabitants) ⁽²⁾	261,177
Direct Environment	Located in the second largest retail zone in the area and benefits from very good road access
Competition	Noz

Châteauroux (Saint-Maur)



Region	Centre-Val de Loire
Land tenure	Freehold
Completion Year	2006
GLA (sqm)	3,182
Occupancy Rate	100%
Valuation (€ m) ⁽¹⁾	Savills: 2.9 BNPP: 3.2
Purchase Consideration (€ m)	2.9



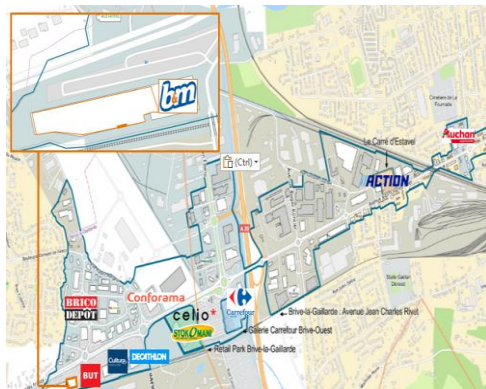
Catchment Area (Number of Inhabitants) ⁽²⁾	79,241
Direct Environment	Located in the largest retail zone in the area and benefits from very good road access
Competition	Action Gifi Noz La Foir'Fouille Centreakor

Portfolio Asset List (Cont'd)

Brive-la-Gaillarde



Region	<ul style="list-style-type: none"> Nouvelle-Aquitaine
Land tenure	<ul style="list-style-type: none"> Freehold
Completion Year	<ul style="list-style-type: none"> 2011
GLA (sqm)	<ul style="list-style-type: none"> 3,036
Occupancy Rate	<ul style="list-style-type: none"> 100%
Valuation (€ m) ⁽¹⁾	<ul style="list-style-type: none"> Savills: 5.0 BNPP: 5.4
Purchase Consideration (€ m)	<ul style="list-style-type: none"> 5.1



Catchment Area (Number of Inhabitants) ⁽²⁾	<ul style="list-style-type: none"> 92,953
Direct Environment	<ul style="list-style-type: none"> Located in the largest retail zone in the area and benefits from very good road access
Competition	<ul style="list-style-type: none"> Action Stokomani La Foir'Fouille Gifi

Périgueux (Marsac)



Region	<ul style="list-style-type: none"> Nouvelle-Aquitaine
Land tenure	<ul style="list-style-type: none"> Freehold
Completion Year	<ul style="list-style-type: none"> 1996
GLA (sqm)	<ul style="list-style-type: none"> 3,215
Occupancy Rate	<ul style="list-style-type: none"> 100%
Valuation (€ m) ⁽¹⁾	<ul style="list-style-type: none"> Savills: 4.9 BNPP: 4.9
Purchase Consideration (€ m)	<ul style="list-style-type: none"> 4.9



Catchment Area (Number of Inhabitants) ⁽²⁾	<ul style="list-style-type: none"> 72,265
Direct Environment	<ul style="list-style-type: none"> Located in 1 of 2 equally large retail zones in the area and benefits from average road access
Competition	<ul style="list-style-type: none"> Action Max Plus Périgueux

Portfolio Asset List (Cont'd)

Bourg-en-Bresse (Viriat)



Region	<ul style="list-style-type: none"> Auvergne-Rhône-Alpes
Land tenure	<ul style="list-style-type: none"> Freehold
Completion Year	<ul style="list-style-type: none"> 2005
GLA (sqm)	<ul style="list-style-type: none"> 3,092
Occupancy Rate	<ul style="list-style-type: none"> 100%
Valuation (€ m) ⁽¹⁾	<ul style="list-style-type: none"> Savills: 4.6 BNPP: 4.6
Purchase Consideration (€ m)	<ul style="list-style-type: none"> 4.6

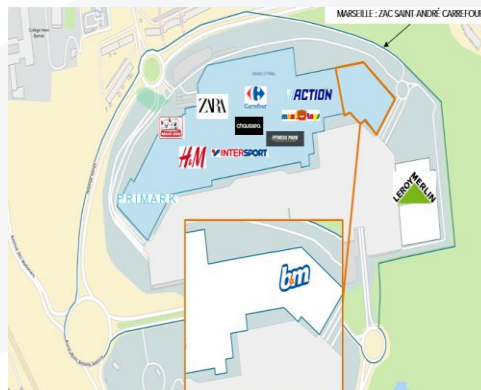


Catchment Area (Number of Inhabitants) ⁽²⁾	<ul style="list-style-type: none"> 92,550
Direct Environment	<ul style="list-style-type: none"> Located in the second largest retail zone in the area with good road access
Competition	<ul style="list-style-type: none"> Centreakor

Marseille



Region	<ul style="list-style-type: none"> PACA
Land tenure	<ul style="list-style-type: none"> Freehold
Completion Year	<ul style="list-style-type: none"> 1995
GLA (sqm)	<ul style="list-style-type: none"> 3,945
Occupancy Rate	<ul style="list-style-type: none"> 100%
Valuation (€ m) ⁽¹⁾	<ul style="list-style-type: none"> Savills: 8.3 BNPP: 7.9
Purchase Consideration (€ m)	<ul style="list-style-type: none"> 8.0



Catchment Area (Number of Inhabitants) ⁽²⁾	<ul style="list-style-type: none"> 630,870
Direct Environment	<ul style="list-style-type: none"> Located within Grand Littoral Shopping Centre, in a zone which benefits from excellent and direct road access
Competition	<ul style="list-style-type: none"> Action Stokomani

Portfolio Asset List (Cont'd)

Martigues (St-Mitre-les-Remparts)



Region	▪ PACA
Land tenure	▪ Freehold
Completion Year	▪ 2005
GLA (sqm)	▪ 2,982
Occupancy Rate	▪ 100%
Valuation (€ m) ⁽¹⁾	▪ Savills: 4.8 ▪ BNPP: 5.2
Purchase Consideration (€ m)	▪ 4.9



Catchment Area (Number of Inhabitants) ⁽²⁾	▪ 118,439
Direct Environment	▪ Located within the Des Etangs retail zone which benefits from direct access from the D5 departmental road
Competition	▪ Action ▪ Home Plaisir



Thank You

For enquiries, please contact:

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Email: kevin.tan@ireitglobal.com

Media Release

IREIT strengthens portfolio diversification and resilience in France with acquisition of 17 retail properties for approximately €76.8 million

- Diversification into resilient Retail Parks (Out-of-Town) asset class, enhancing portfolio and income resiliency
- Fully leased to blue-chip tenant, B&M Group, a leading European discount retailer listed on the London Stock Exchange since 2014
- 100% committed portfolio occupancy with long weighted average lease expiry by gross rental income of 6.8 years
- Distribution per Unit (“DPU”) accretion of 2.0% on a pro forma adjusted FY2022 basis⁽¹⁾

SINGAPORE | 1 JUNE 2023

For immediate release

IREIT Global (“IREIT”), a Europe-focused real estate investment trust managed by IREIT Global Group Pte. Ltd. (the “Manager”), is pleased to announce that IREIT has entered into a call option agreement to acquire a portfolio comprising of 17 retail properties (the “New Properties”) located across France (the “Acquisition”). The aggregate purchase consideration for the Acquisition is approximately €76.8 million (approximately S\$112.2 million), which is approximately 1.7% discount to the average of the two independent valuations⁽²⁾ of €78.1 million (approximately S\$114.1 million) of the New Properties.

(1) Pro forma adjusted FY2022 accretion of 2.0% was computed based on audited FY2022 with the assumption that Darmstadt Campus is 100% vacant for FY2022 from 1 January 2022 with nil revenue but with operating expenses of €0.6 million. DPU accretion based on audited FY2022 would be flat.

(2) As at 31 May 2023. The Manager has commissioned an independent property valuer, BNP Paribas Real Estate Valuation France (“BNPP”), and the Trustee has commissioned another independent property valuer, Savills Valuation SAS (“Savills”, and together with BNPP, the “Independent Valuers”), to value the New Properties.

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The New Properties has a total gross lettable area (“**GLA**”) of 61,756 square metres (“**sqm**”) and an overall occupancy rate of 100%, along with a weighted average lease expiry (“**WALE**”) by gross rental income (“**GRI**”) of approximately 6.8 years as at 31 March 2023. Out of the New Properties, 13 are freehold properties while the remaining 4 are leasehold properties.

The New Properties are fully leased 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**”). B&M Group is a leading European discount retailer that has been listed on the London Stock Exchange since 2014. It is currently a constituent of the FTSE100 index with a market capitalisation of approximately £4.7 billion as at 30 May 2023. The New Properties are expected to generate a Net Property Income (“**NPI**”) yield of 7.9%⁽³⁾. In addition, the Acquisition is DPU accretive of 2.0% on a pro forma adjusted FY2022 basis⁽⁴⁾.



B&M Claye-Souilly

(3) Based on the annualised NPI as at 31 May 2023 over the Purchase consideration.

(4) Pro forma adjusted FY2022 accretion of 2.0% was computed based on audited FY2022 with the assumption that Darmstadt Campus is 100% vacant for FY2022 from 1 January 2022 with nil revenue but with operating expenses of €0.6 million. DPU accretion based on audited FY2022 would be flat.

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Mr Louis d'Estienne d'Orves, Chief Executive Officer of the Manager, said, “ *We are delighted to be acquiring an attractive portfolio of Retail Parks (Out-of-Town) properties located in well-established regional retail areas. In this macroeconomic environment marked by high inflation, the proposed Acquisition is in line with our strategy of strengthening our exposure to index-linked assets in established European markets, supported by a strong blue-chip tenant. The Retail Parks (Out-of-Town) segment has outpaced the broader retail investment market. Their success is expected to continue due to their attractive yields for investors and lower rental costs for tenants, compared to other asset classes. In addition, the popularity of hard-discounters, discounters and outlet stores in France has risen exponentially to reach an estimated total revenue of approximately €12.0 billion in 2023, which augurs well for this resilient asset class. Also noteworthy is that the tenant, B&M Group, has been occupying the properties since 2005 on average.*”

“This yield-accretive portfolio is in line with our strategy of diversifying our portfolio beyond the office sector and expanding our presence within Europe to enhance long term steady returns to unitholders. We will continue to leverage on the expertise of our joint sponsors – Tikehau Capital and City Developments Limited to identify potential yield-accretive acquisition opportunities in Europe that will strengthen our portfolio in scale and diversification,” Mr Louis d'Estienne d'Orves added.

Increase in Exposure to an Attractive and Resilient Asset Class

The New Properties are part of the Retail Parks (Out-of-Town) asset class, which has been resilient through the COVID-19 pandemic due to their accessibility, open-air format, wide range of available spaces, parking facilities, manageable operational cost, value-for-money brands and for some retailers, omni-channel experiences.

In addition, the Retail Parks (Out-of-Town) market in France offers one of the highest prime yields in the broader Retail market at approximately 5.0% in Q4 2022. Retail Parks (Out-of-Town) asset class has also witnessed a record investment value of approximately €2.1 billion in 2022, which is an increase of approximately 75% compared to the five-year average⁽⁵⁾.

(5) Source: Independent valuation report by Savills

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Upon completion, IREIT's enlarged portfolio in France will comprise of 44 retail properties with the proportion increasing from 24.9% (95,500 sqm) to 35.3% (157,256 sqm) of the REIT's total GLA of approximately 446,038 sqm.

Solid Tenancy and Favorable Lease Profile providing Stable Cash Flow

The New Properties are 100% leased to the B&M Group with a WALE by GRI of 6.8 years as at 31 March 2023. With built-in annual rental escalation pegged to inflation, the New Properties are expected to contribute to IREIT's organic rental growth.

Operating 1,133 stores worldwide with 113 stores in France, the B&M Group has recorded sales of approximately £4.7 billion in FY2022 and has witnessed its sales increasing at a CAGR of 12.6% from FY2019 to FY2022, underlining the growing consumer appetite for discount retailers and consolidating its position as one of the major players in the industry.

Amid the rising inflation, 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. In France, the popularity of hard-discounters, discounters and outlet stores has risen exponentially. Between September 2021 and 2022, there was an approximately 24% rise in traffic at discount stores, with 1.2 million new customers visiting discount stores in France⁽⁶⁾. The rising popularity of discount retailers among consumers has also driven the expansion of leading discounter brands in France (including B&M France), with the cumulative number of discount stores⁽⁷⁾ in France increasing from 1,540 to over 2,050, representing a rise of approximately 33% over the period from 2019 to 2022⁽⁸⁾.

(6) Source: Kantar website. Inspiration: The Big Trends in France in 2022: How has inflation changed shopper behaviour?

(7) Based on the number of stores of the six leading discount brands in France, including B&M France.

(8) Sources: Knight Frank French Property Markets 2022 Review & 2023 Outlook, Press, Xerfi, Globaldata, Knight Frank & Clearwater International analysis.

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Quality Retail Portfolio with Potential Upside in Income through Developments

As at 31 December 2022, the New Properties represents approximately 15% of the B&M stores⁽⁹⁾ in France. These 17 single tenant sites totaling a GLA of 61,756 sqm and approximately 252,000 sqm of land also allow for adaptability to meet construction standards and potential developments in future while new French regulations have imposed restrictions on the establishment of retail parks going forward. This results in a clear premium for existing assets and increases long-term attractiveness to the New Properties.

Following the implementation of new regulations in France enforcing the installation of electric vehicles charging stations at certain retail properties by 2025, there are plans to install electric charging stations at the car park spaces of some of the New Properties which is expected to generate additional rental income.

In addition, the New Properties have untapped gross floor area of approximately 5,000 sqm which IREIT could further develop for commercial use and may generate additional rental income.

Strengthens IREIT's Portfolio Resilience and Diversification

The Acquisition of the Portfolio will increase IREIT's portfolio asset value by approximately 8.1% to €1,027.3 million and GLA by a further approximate 16.1% to 446,038 sqm. In addition, unitholders of IREIT ("**Unitholders**") will benefit from increased scale and diversification in its portfolio and income streams as the Acquisition reduces IREIT's exposure to the Office asset class and further diversifies its exposure to the accretive Retail asset class. As B&M France is a discount retailer that provides a range of products in the Grocery and General Merchandise sector, IREIT will also gain exposure to this segment of the retail market.

Post-Acquisition, the WALE of IREIT's portfolio is expected to increase from 4.8 years to 5.1 years as at 31 March 2023, with less than 44% of leases expiring before 2028.

(9) Based on number of stores.

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The total cost of the Acquisition (the “**Total Acquisition Cost**”) is estimated to be €90.9 million (approximately S\$132.7 million), comprising the purchase consideration of approximately €76.8 million (approximately S\$112.2 million), and real estate transfer tax, acquisition fee, estimated premium on interest rate cap, professional and other transaction fees and expenses of approximately €14.1 million (approximately S\$20.5 million).

The Manager intends to finance the Total Acquisition Cost through a combination of (i) the net proceeds from a non-renounceable underwritten preferential offering of new Units to existing Unitholders on a *pro rata* basis (the “**Preferential Offering**”, and the new Units to be issued pursuant to the Preferential Offering, the “**Preferential Offering Units**”), (ii) external bank borrowings, and/or (iii) borrowings from Tikehau Capital. The Acquisition Fee in relation to the Acquisition is to be paid in the form of Acquisition Fee Units to be issued to the Manager⁽¹⁰⁾. The Manager will announce the details of the Preferential Offering (including details pertaining to the use of proceeds and percentage allocation for each issue) on the SGXNET at the appropriate time when it launches the Preferential Offering.

As a demonstration of the strategic investors’ support for IREIT and the Preferential Offering, each of Tikehau Capital and City Strategic Equity Pte. Ltd. (“**CSEPL**”) (a wholly-owned subsidiary of City Developments Limited (“**CDL**”)), being the joint sponsors of IREIT, and the Manager (acting in its own capacity), has provided an undertaking to subscribe in full each of their pro-rata allotment in the Preferential Offering. CSEPL has further undertaken to apply for excess units in the Preferential Offering such that its aggregated subscriptions would amount to a maximum of approximately S\$40.0 million.

A circular (the “**Circular**”) will be issued to the Unitholders in due course, together with a notice of extraordinary general meeting (“**EGM**”), for the purpose of seeking the approval of Unitholders for the proposed Acquisition.

(10) Based on the Trust Deed, the Manager shall be entitled to receive such number of Acquisition Fee Units as may be purchased for the relevant amount of the Acquisition Fee issued at the prevailing market price.



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(as Manager of IREIT Global)

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ABOUT IREIT GLOBAL

www.ireitglobal.com | SGX Main Board Listing

IREIT Global (SGX-UD1U) which was listed on 13 August 2014, is the first Singapore-listed real estate investment trust with the investment strategy of principally investing, directly or indirectly, in a portfolio of income-producing real estate in Europe which is used primarily for office, retail and industrial (including logistics) purposes, as well as real estate-related assets.

IREIT Global's current portfolio comprises five freehold office properties in Germany, five freehold office properties in Spain and 27 freehold retail properties in France.

IREIT Global 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.

ABOUT TIKEHAU CAPITAL

www.tikehaucapital.com | Paris Euronext, Compartment A Listing

Tikehau Capital is a global alternative asset management group with €39.7 billion of assets under management as at 31 March 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 distinctive 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 the 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 (€3.1 billion of shareholders' equity as at 31 December 2022), Tikehau Capital invests in its own capital alongside its investor-clients within each of its strategies.

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Controlled by its managers alongside leading institutional partners, Tikehau Capital is guided by a strong entrepreneurial spirit and DNA, shared by its 742 employees across its 14 offices in Europe, Asia and North America. Tikehau Capital is listed in compartment A of the regulated Euronext Paris market (ISIN: FR0013230612; Ticker: TKO.FP).

ABOUT CITY DEVELOPMENTS LIMITED

www.cdl.com.sg | SGX Main Board Listing

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 over 150 hotels worldwide, many in key gateway cities.

FOR FURTHER ENQUIRIES

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This news release is for information purposes only and does not constitute an invitation or offer to sell or issue, or any solicitation of any offer to acquire any securities of IREIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. The past performance of IREIT is not necessarily indicative of the future performance of IREIT.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This news release may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income and occupancy, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

This news release is not an offer or sale of the Units in the United States. The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration

Joint Sponsors of IREIT Global:





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requirements under the U.S. Securities Act and in compliance with any applicable state securities laws. Any public offering of the Units to be made in the United States would be by means of a prospectus that may be obtained from an issuer and would contain detailed information about such issuer and its management, as well as financial statements. There will be no public offering of securities of IREIT in the United States.

This news release has not been reviewed by the Monetary Authority of Singapore.

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