	AIMS APAC REIT MANAGEMENT LIMITED As Manager of AIMS APAC REIT 1 George Street, #23-03 One George Street Singapore 049145

Media Release

AIMS APAC REIT achieves distribution of S$15.9 million to Unitholders for 1Q FY2022

Key highlights for 1Q FY2022:

- Resilient performance backed by high quality portfolio, with over half in the warehouse and logistics sector
- DPU of 2.25 cents per Unit for 1Q FY2022, a 12.5% increase from 1Q FY2021
  - Supported by the new lease for recently acquired property at 7 Bulim Street, and higher rentals from two other properties
- Healthy portfolio committed occupancy of 95.7%, and long weighted average lease expiry of 3.76 years
- Proactive asset and lease management - successfully executed 38 new and renewal leases, representing 72,715 sqm or 9.8% of total net lettable area of the portfolio
- Conservative leverage at 34.3% (31 March 2021: 33.9%), with undrawn committed facilities of S$126.3 million and lower blended funding cost of 2.8%
- Continues to pursue strategic investments and business partnerships to generate attractive long-term total returns

	1Q FY2022	1Q FY2021	+/(-)
	S$'000	S$'000	%
Gross revenue	31,813	27,240	16.8
Net property income	23,080	18,629	23.9
Share of profits of joint venture (net of tax)	3,774	3,315	13.8
Distributions to Unitholders[1]	15,917	14,134	12.6
Distribution per Unit ("DPU") (cents)	2.25	2.00	12.5

[1] *The Manager resolved to distribute S$15.9 million to Unitholders for 1Q FY2022, comprising (i) taxable income of S$13.3 million from Singapore operations; and (ii) capital distribution of S$2.6 million remitted from the Group's investment in Optus Centre, Macquarie Park, NSW, Australia and Boardriders Asia Pacific HQ in Gold Coast, Queensland, Australia. AA REIT's distribution policy is to distribute at least 90.0% of the Trust's Singapore taxable income for the full financial year. For 1Q FY2022, the amount available for distribution from Singapore taxable income is S$13.8 million, the Manager has resolved to distribute S$13.3 million or 96.4% of the Singapore taxable income available for distribution to the Unitholders.*

Singapore, 28 July 2021 – AIMS APAC REIT Management Limited (the Manager) as manager of AIMS APAC REIT (AA REIT or the REIT) today announced the results for the first quarter (1Q FY2022) ended 30 June 2021.

Distributions to Unitholders for 1Q FY2022 was S$15.9 million, which was approximately S$1.8 million or 12.6% higher year-on-year. The DPU of 2.25 cents for 1Q FY2022 represents a 12.5% increase from the DPU of 2.00 cents in the year ago period ended 30 June 2020 (1Q FY2021). This was mainly buoyed by higher net property income (net of amount reserved for distribution to perpetual securities holders).

The 1Q FY2022 gross revenue of S$31.8 million was S$4.6 million higher compared to 1Q FY2021. This was mainly contributed by 7 Bulim Street and higher rental and recoveries from two properties – 20 Gul Way and 8 & 10 Pandan Crescent.

Commenting on AA REIT's 1Q FY2022 performance, the Manager's Chief Executive Officer, Mr Koh Wee Lih, said, "Our asset and tenant diversity has continued to serve us well during the quarter. We have seen high resiliency across our high quality portfolio, which continues to benefit from the positive demand dynamics for logistics and warehouse space amidst the global pandemic. We have also attained high occupancy rates for our assets, putting us in a good position for lease renewal negotiations."

The Manager's Chairman, Mr George Wang, added, "We are encouraged to be named Top 10 best performing S-REITs in H1 2021 in terms of percentage of total returns[2]. We remain firmly focused on pursuing strategic investments and business partnerships to generate attractive long-term total returns. We will continue to evaluate total return investment opportunities in our core markets of Singapore and Australia which offer sustainable income yield and good capital growth potential. This may include established logistics and business park assets that are strategically located to benefit from future infrastructure investment and urban regeneration. Additionally, to expand our focus across a greater range of assets that offer different risk and return profiles, we will also continually seek new capital and business partners as we move ahead."

Portfolio Update

In 1Q FY2022, the Manager successfully executed 38 new and renewal leases representing 72,715 sqm or 9.8% of total net lettable area. The healthy committed occupancy is expected to be sustained, as strong demand for logistics and warehouse facilities continue to be underpinned by e-commerce, stockpiling and shifts in supply chain. As at 30 June 2021, AA REIT's portfolio occupancy stood at 95.7%, whilst weighted average lease expiry (WALE) stood at 3.98 years.

On 27 January 2021, AA REIT announced the acquisition of a property at 315 Alexandra Road, for a purchase consideration of S$102.0 million[3]. The acquisition is subject to approval by JTC.

---

[2] *SGX Research, 5 July 2021. REIT Watch - Mid-Cap S-Reits continue to lead sector in H1 2021.*

[3] *The Property's NPI yield of 6.2% is based on the first year of ownership of S$6.3 million over the Purchase Consideration of S$102.0 million. The Propery's NPI yield based on the estimated total acquisition costs of S$106.6 million would be 5.9%. Refer to the announcement on 27 January 2021 for further details.*

Capital Management

The Manager remains steadfast on its disciplined approach to capital management.

As at 30 June 2021, AA REIT's aggregate leverage remained conservative at 34.3%, well within the aggregate leverage limit of 50% set by the Monetary Authority of Singapore. This debt headroom provides AA REIT with financial flexibility to pursue new acquisitions and asset enhancement initiatives as they arise. AA REIT's adjusted interest coverage ratio of approximately 3.3 times is also well above the minimum requirement of 2.5 times[4]. The Manager's approach to management of the REIT's cash flow will continue to be prudent and selective, with priority granted to crucial asset enhancements and deferment of non-critical capital expenditure, where possible.

Overall blended funding cost of 2.8% is lower as compared to 3.3% for 1Q FY2021 mainly due to lower floating rates and lower fixed rates on the interest rate swaps and cross-currency interest rate swaps entered in FY2021.

As at 30 June 2021, AA REIT had a cash balance of approximately S$11.0 million and undrawn committed facilities of S$126.3 million. In July 2021, AA REIT obtained commitments of up to S$220.0 million and A$100.0 million to refinance several of its secured debt facilities totalling S$245.0 million and A$15.0 million which are due in 2021 and 2022.

Outlook

The world is gradually emerging from the COVID-19 pandemic as vaccination programmes are rolled out on a larger scale, albeit more effectively in developed economies, with additional fiscal stimulus and relaxed monetary policies introduced to provide support. Some countries are also seeing a resurgence of the virus, as a result of the more easily transmitted COVID-19 Delta variant, and are tightening measures to contain the virus. Overall, economic growth is recovering after the pandemic-related slowdown in 2020, though growth is likely to remain below the pre-pandemic growth trend. Global growth is projected at 6% in 2021, moderating to 4.4% in 2022.

In response to the growing COVID-19 clusters detected in Singapore, the government has tightened community safe management measures by reverting to Phase 2 (Heightened Alert) from 22 July 2021 through 18 August 2021. Additionally, commercial landlords will be required to match the two-week rental support provided by the government to tenants during this period, with more details to be announced by the Ministry of Law.

The Singapore government has however indicated that Singapore's reopening will be aligned with the vaccination coverage of its population and will not change the Government's roadmap towards living with COVID-19 as an endemic. The Government is expecting 80% of the population to be fully vaccinated by September and is considering lifting restrictions for fully

---

[4] *The Monetary Authority of Singapore has deferred the new 2.5 times adjusted interest coverage ratio (Adjusted ICR) requirement to 1 January 2022 in light of the current COVID-19 pandemic situation. For the purpose of the computation, interest expense included borrowing costs on lease liabilities and interest expense for Adjusted ICR which further included the amount reserved for distribution to Perpetual Securities holders.*

vaccinated individuals to participate in community and economic activities. It is also looking to allow quarantine-free travel for individuals who are fully vaccinated in September. This is anticipated to increase business activity and improve sentiments going forward.

Based on advance estimates for the second quarter of 2021 by the Ministry of Trade and Industry (MTI), the Singapore economy expanded by 14.3% year-on-year, extending the 1.3% growth from the previous quarter. This was largely due to the low base in the second quarter of 2020, when GDP fell due to the Circuit Breaker measures implemented. On a quarter-on-quarter seasonally-adjusted basis, the Singapore economy contracted by 2.0% in the second quarter of 2021, a reversal from the 3.1% growth in the preceding quarter.

Based on JTC Corporation’s market report for 2Q 2021 released on 22 July 2021, the occupancy rate for the overall industrial property market rose slightly by 0.1 percentage point to 90.1% as compared to the previous quarter, as delays in completion continue to persist. However, new completions started to pick up in 2Q 2021, and the total available stock rose by 374,000 sqm, the largest quarterly increase since 2017. In line with the broad recovery in the economy, rentals and prices of industrial space continued to rebound. An approximate 1.7 million sqm of new industrial space is expected to be completed in the second half of 2021.

The economic recovery in Australia is stronger than had been expected and anticipated to continue, with the labour market recovering faster than expected. While a pick-up in inflation and wages growth is expected, it is likely to be gradual and modest. At the most recent July meeting, the Reserve Bank of Australia (RBA) announced that it is maintaining the target cash rate of 10 basis points until actual inflation is sustainably within the 2% to 3% target range, which the central bank does not expect to happen before 2024.

Despite the resurgence in COVID-19 cases globally, demand for industrial real estate has been underpinned by the manufacturing sector which has been attributable to the expansion of the electronics, precision engineering and chemical sectors. Manufacturing firms are also anticipating favourable business sentiments for the second half of the year. However, the supply of new industrial space in the pipeline may moderate rental growth.

AA REIT’s robust portfolio of 28 properties in Singapore and Australia is backed by 188 tenants across its multi-tenanted and master leased properties and diversified across a broad range of business industries.

Amidst the current macroeconomic environment, the Manager will continue to proactively manage its portfolio to deliver sustainable distributions and create long-term value for Unitholders.

Distribution and Record Date

Distribution	For 1 April 2021 to 30 June 2021	
Distribution Type	(a) Taxable Income (b) Capital Distribution[5]	
Distribution Rate	(a) Taxable Income Distribution: (b) Capital Distribution[5]	1.88 cents per Unit 0.37 cents per Unit 2.25 cents per Unit
Record Date	6 August 2021	
Payment Date	22 September 2021	

For enquiries, kindly contact:

Media contact:
Dolores Phua / Rita Ng / Valencia Wong
Citigate Dewe Rogerson
Tel: +65 6534 5122
Email: AAREIT@citigatedewerogerson.com

Investor contact:
Russell Ng
AIMS APAC REIT Management Limited
Tel: + 65 6309 1063/1050
Email: investorrelations@aimsapac.com

[5] *This relates to the tax deferred component arising from the distributions remitted from the Group's investments in Australia.*

Important Notice

The value of units of AIMS APAC REIT ("**AA REIT**") ("**Units**") and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, AIMS APAC REIT Management Limited ("**Manager**"), or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders of AA REIT may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of AA REIT is not necessarily indicative of the future performance of AA REIT.

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, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

About AIMS APAC REIT (www.aimsapacreit.com)

Managed by the Manager, AA REIT was established with the principal investment objective of owning and investing in a diversified portfolio of income-producing industrial, logistics and business park real estate, located throughout the Asia Pacific region. The real estate assets are utilised for a variety of purposes, including but not limited to warehousing and distribution activities, business park activities and manufacturing activities. AA REIT's existing portfolio consists of 28 properties, of which 26 properties are located throughout Singapore, a property located in Gold Coast, Queensland, Australia and a 49.0% interest in one business park property, Optus Centre, which is located in Macquarie Park, New South Wales, Australia.

About AIMS Financial Group (www.aims.com.au)

AIMS Financial Group ("**AIMS**") is the sole sponsor of AA REIT. Established in 1991, AIMS is a diversified financial services and investment group, active in the areas of mortgage lending, securitisation, investment banking, funds management, property investment, stock broking and high-tech investment. AIMS is also a strategic investor in the Sydney Stock Exchange.

AIMS has raised funds from capital markets and issued residential mortgage-backed securities, predominantly rated AAA by both Standard & Poor's and Fitch Ratings. AIMS has also attracted a number of international investors into the Australian markets and is the investment manager for various funds.

AIMS' head office is in Sydney and it has businesses across Australia, China, Hong Kong and Singapore. Its highly qualified, professional and experienced cross-cultural teams enable AIMS to bridge the gap between Australia and Asia across various sectors.