



AIMS APAC REIT

Corporate Presentation
Samsung-SGX S-REITs Corporate Day 2022

17 March 2022



WOOLWORTHS HEADQUARTERS, AUSTRALIA

Important Notice



Disclaimer

This Presentation is focused on comparing the financial highlights for the financial period from 1 October 2021 to 31 December 2021 (“3Q FY2022”) versus financial updates year-on-year (“y-o-y”). This Presentation shall be read in conjunction with AIMS APAC REIT’s (“AA REIT” or the “Trust”) financial highlights for 3Q FY2022 as per the SGXNet Announcement.

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- 3Q FY2022 Highlights
- Portfolio Highlights
- Key Takeaways



OPTUS CENTRE, AUSTRALIA

Overview of AA REIT



20 GUL WAY, SINGAPORE

Overview of AIMS APAC REIT



AIMS APAC REIT Background

AIMS APAC REIT (“AA REIT”) was listed on the Mainboard of Singapore Stock Exchange in April 2007 with the investment mandate to invest in high-quality income-producing industrial real estate throughout the Asia Pacific

Governance & Accolades

Ranked joint 16th in Governance Index for Trusts (“GIFT”) 2021, dedicated to assessing governance and business risks of SGX-listed REITs and trusts

Our Sponsor – AIMS Financial Group (“AIMS”)

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, stockbroking and high-tech investment. AIMS is also a strategic investor in the Sydney Stock Exchange

¹ As at 31 December 2021

² Based on the units outstanding; closing price per unit of S\$1.37 on 11 March 2022; annualised FY2022 DPU based on actual DPU payout for 9M FY2022

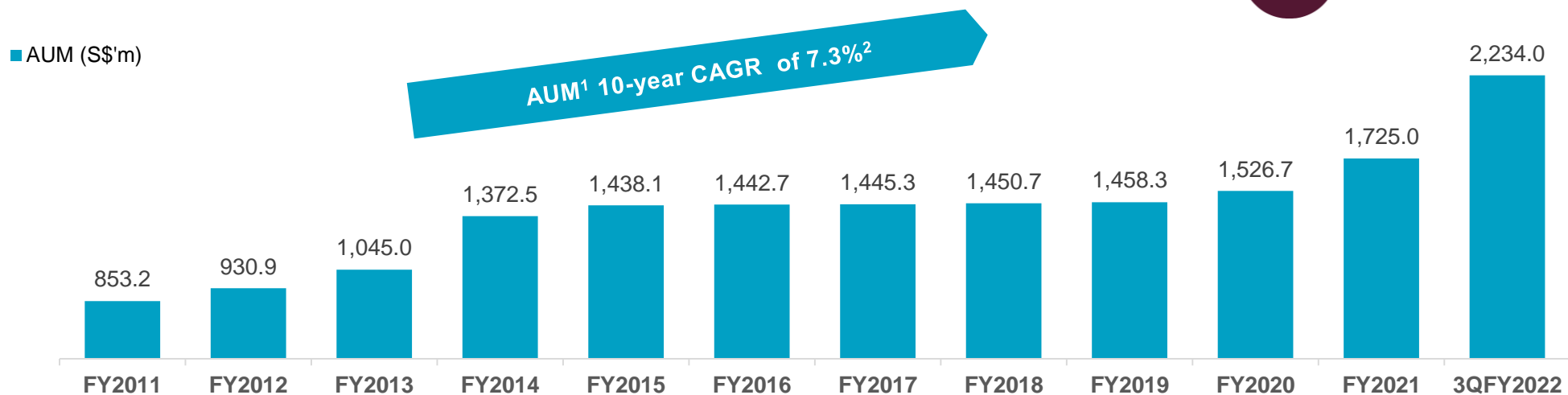
³ Bloomberg: Total Return assumes distributions are reinvested and adjusted for historical equity transactions. 10-year period from 12 March 2012 to 11 March 2022.

AIMS APAC REIT 10-Year Growth Path



Value creation and Increased visibility

- Listed as the Top 10 best performing S-REITs in 1H2021 in terms of percentage of total returns³, AA REIT's has a demonstrated track record in delivering value through (re)developments, asset enhancements and acquisitions. Our inclusion in several key indices from May 2020 to September 2021 recognizes our progress and enhances AA REIT's trading liquidity and visibility with global investors.



	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	3QFY2022
Development	✓		✓		✓	✓		✓				
Major Asset Enhancement				✓				✓				
Acquisition				✓					✓	✓	✓	✓

¹ AUM refers to the total portfolio value as at 31 March of the financial year

² CAGR (compound annual growth rate) computed from FY2011 to FY2021

³ SGX Research, 5 July 2021. REIT Watch - Mid-Cap S-Reits continue to lead sector in H1 2021

Diversified Asset Classes

- In Singapore, the Urban Redevelopment Authority (URA) classifies industrial property into 3 groups – B1 Light Industry; B2 General Industry; and Business Park. Industrial land is primarily safeguarded for industrial activities such as on-site manufacturing of goods, assembly and repair workshops as well as warehouse and storage facilities.

Logistics & Warehouse



3 Tuas Avenue 2, Singapore

Mainly for storing goods by manufacturers, importers, exporters, wholesalers, etc

Business Park



Optus Centre, 1-5 Lyonpark Road, Macquarie Park, New South Wales, Australia

High office content combined with high specifications mixed-use industrial space

Hi Tech Space



29 Woodlands Industrial Park E1, Singapore

Office buildings housing businesses engaged in high-technology, research and development (R&D), high value-added and knowledge intensive activities

Light Industrial



1 Kallang Way 2A, Singapore

Used for light industrial production and ancillary offices. Includes a data centre asset

General Industrial



51 Marsiling Road, Singapore

Primarily incorporating production, warehouse and ancillary offices

Singapore Portfolio

Quality portfolio comprising 26 properties strategically located assets in Singapore

SOUTHWEST



1 8 & 10 PANDAN CRESCENT



11 7 BULIM STREET



17 1A INT'L BUSINESS PARK

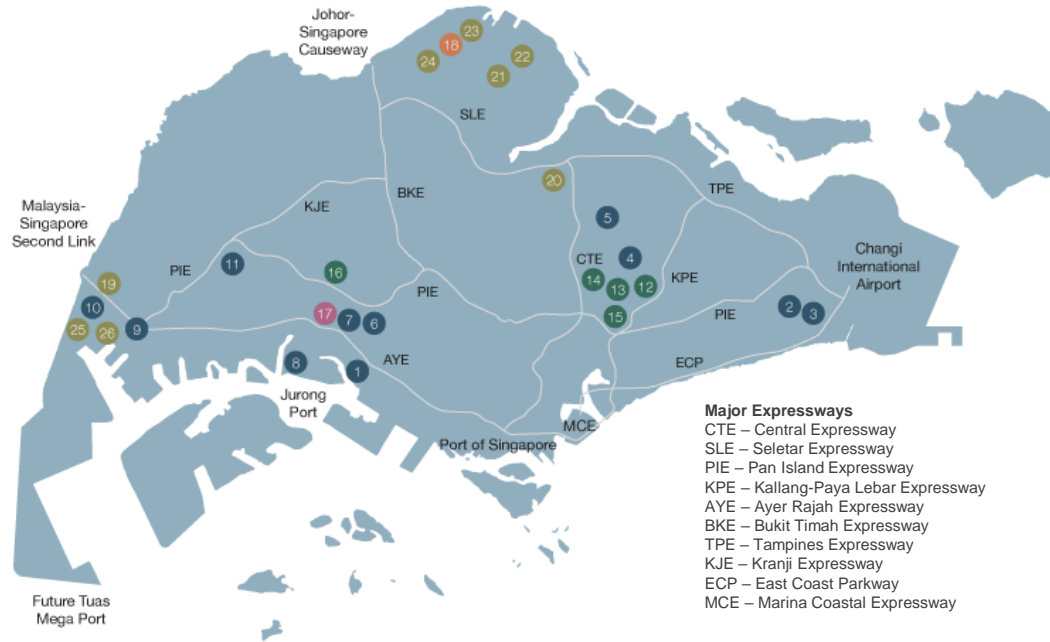
WEST, TUAS



9 20 GUL WAY



26 3 TUAS AVENUE 2



Major Expressways
 CTE – Central Expressway
 SLE – Seletar Expressway
 PIE – Pan Island Expressway
 KPE – Kallang-Paya Lebar Expressway
 AYE – Ayer Rajah Expressway
 BKE – Bukit Timah Expressway
 TPE – Tampines Expressway
 KJE – Kranji Expressway
 ECP – East Coast Parkway
 MCE – Marina Coastal Expressway

LOGISTICS & WAREHOUSE

1. 8 & 10 Pandan Crescent
2. 10 Changi South Lane
3. 11 Changi South Street 3
4. 103 Defu Lane 10
5. 56 Serangoon North Avenue 4
6. 7 Clementi Loop
7. 3 Toh Tuck Link
8. 27 Penjuru Lane
9. 20 Gul Way
10. 30 Tuas West Road
11. 7 Bulim Street

LIGHT INDUSTRIAL

12. 15 Tai Seng Drive
13. 23 Tai Seng Drive
14. 135 Joo Seng Road
15. 1 Kallang Way 2A
16. 1 Bukit Batok Street 22

BUSINESS PARK

17. 1A International Business Park

HI-TECH

18. 29 Woodlands Industrial Park E1

GENERAL INDUSTRIAL

19. 26 Tuas Avenue 7
20. 2 Ang Mo Kio Street 65
21. 61 Yishun Industrial Park A
22. 541 Yishun Industrial Park A
23. 8 Senoko South Road
24. 51 Marsiling Road
25. 8 Tuas Avenue 20
26. 3 Tuas Avenue 2

NORTH



22 541 YISHUN INDUSTRIAL PARK A



18 29 WOODLANDS INDUSTRIAL PARK E1

EAST



2 10 CHANGI SOUTH LANE



4 103 DEFU LANE 10



12 15 TAI SENG DRIVE

Australia Portfolio

3 FREEHOLD Properties



BUSINESS PARKS



**A. OPTUS CENTRE
(49% interest)**



**C. WOOLWORTHS
HQ**

LIGHT INDUSTRIAL



**B. BOARDRIDERS
APAC HQ**

Recent Asset Acquisition

Acquisition of Woolworths HQ in Sydney in 2021

- Accretive and transformational acquisition of a **modern corporate campus style business park** with three interconnecting buildings **housing A-grade office accommodation, a data centre operation** and a myriad of amenities configured around a central atrium
- **Long-term lease balance anchored by Woolworths HQ with regular rental step-ups** provides stable inflation hedged income with minimal upkeep requirements
- **Re-development potential to expand building footprint up to 180,000 sqm** under current planning rules

Purchase Consideration	A\$463.25 million (S\$454.0 million ¹)
Initial NPI Yield	5.17% ²
Freehold Land Area	90,010 sqm
Existing Lease Term	10 years commencing from completion, with built-in rental escalation of 2.75%
Property Occupancy	100%

¹ An exchange rate of A\$1:S\$0.98 is adopted

² Initial NPI Yield based on Year 1 NPI of A\$23.94 million divided by Purchase Consideration



3Q FY2022 Highlights



7 BULIM STREET, SINGAPORE

Highlights for 3Q FY2022



Healthy Financials

- **Revenue:** S\$36.8 million
 - +14.5% y-o-y
- **NPI:** S\$27.1 million
 - +14.8% y-o-y
- **Distributable Income:** S\$16.7 million
 - +15.3% y-o-y
- **DPU:** 2.35 cents
 - +14.6% y-o-y



Proactive Lease Management

- **Portfolio Occupancy:** 97.6%
 - +0.3% q-o-q
 - *Above JTC 3Q 2021 industrial average of 90.1%*
- **WALE:** 4.85 years
- **Rental Reversion:** +0.2%
- **10 New and 8 Renewal Leases**
 - *Totalling 48,067 sqm or 6.1% of Total NLA*



Prudent Capital Management

- **Aggregate Leverage:** 37.3%
 - *(31 March 2021: 33.9%)*
- **Blended debt funding cost:** 2.8%
- **Interest Coverage Ratio (ICR):** 5.3 times
 - *Adjusted ICR: 3.3 times*
- **Undrawn Committed Facilities, and Cash and Bank Balances:** S\$237.2 million

Key Financial Metrics – 3Q FY2022

As at 31 December 2021

Portfolio Value¹

S\$2,234 million
+29.5% y-o-y

31 March 2021: S\$1,725 million

Aggregate Leverage²

37.3%

31 March 2021: 33.9%

Blended Funding Cost

2.8%

31 March 2021: 3.0%

Interest Coverage Ratio³

5.3 times
(Adjusted 3.3 times)

31 March 2021: 4.0 times
(Adjusted 3.3 times)

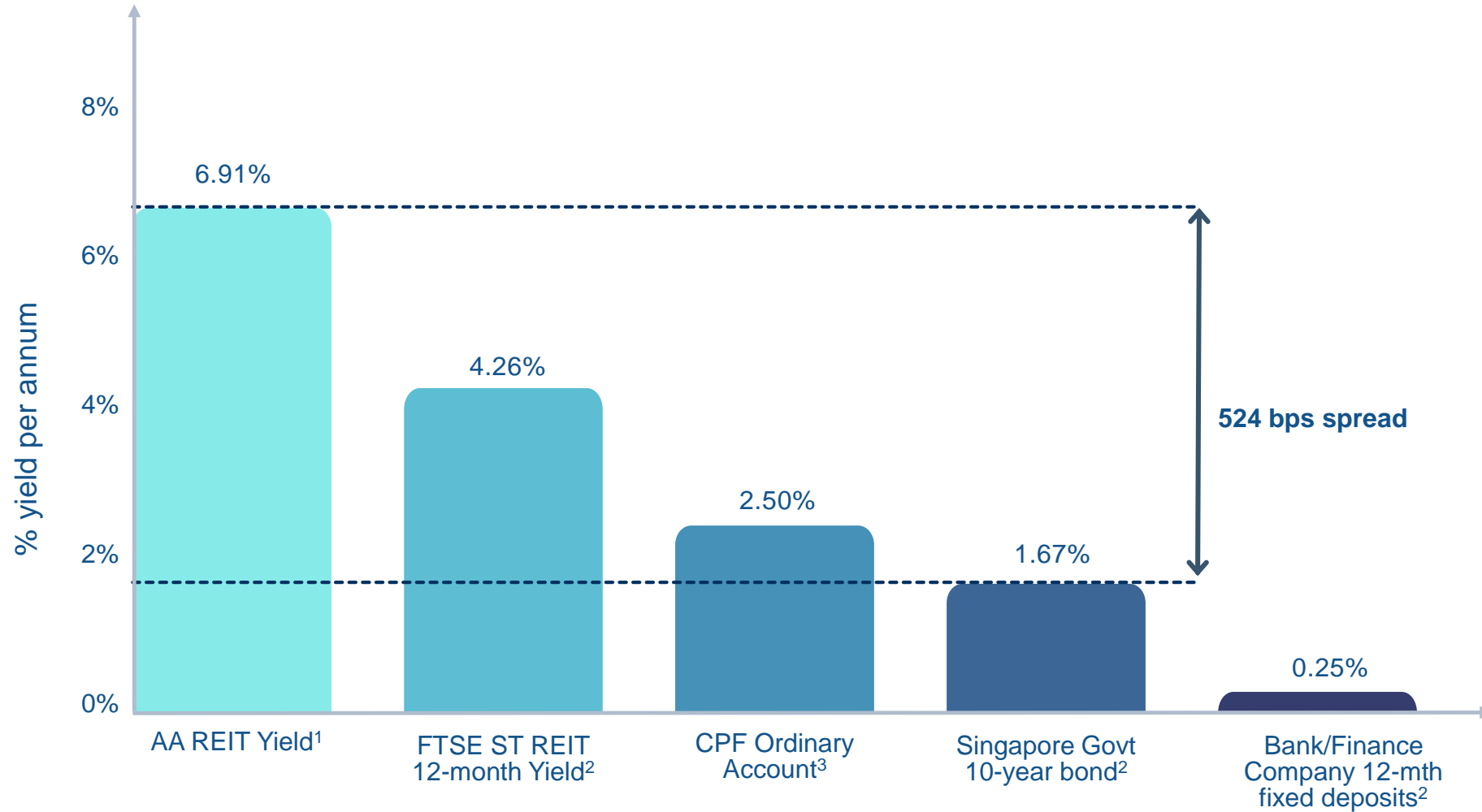


¹ Based on the carrying value of investment properties as well as the 49.0% interest in the carrying value of Optus Centre and excluding right-of-use assets.

² The aggregate leverage includes lease liabilities that are entered into in the ordinary course of AA REIT's business on or after 1 April 2019 in accordance with Monetary Authority of Singapore ("MAS") guidelines.

³ The interest coverage ratio (ICR) is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation), by the trailing 12 months interest expense and borrowing-related fees. As at 31 December 2021, the Adjusted Interest Coverage Ratio is 3.3 times (31 Mar 21: 3.3 times) where interest expense includes the amount reserved for distribution to Perpetual Securities holders. Following recent clarification by MAS, the ICR and adjusted ICR as at 31 December 2021 excluded interest expense on lease liabilities.

Attractive Return on Investment

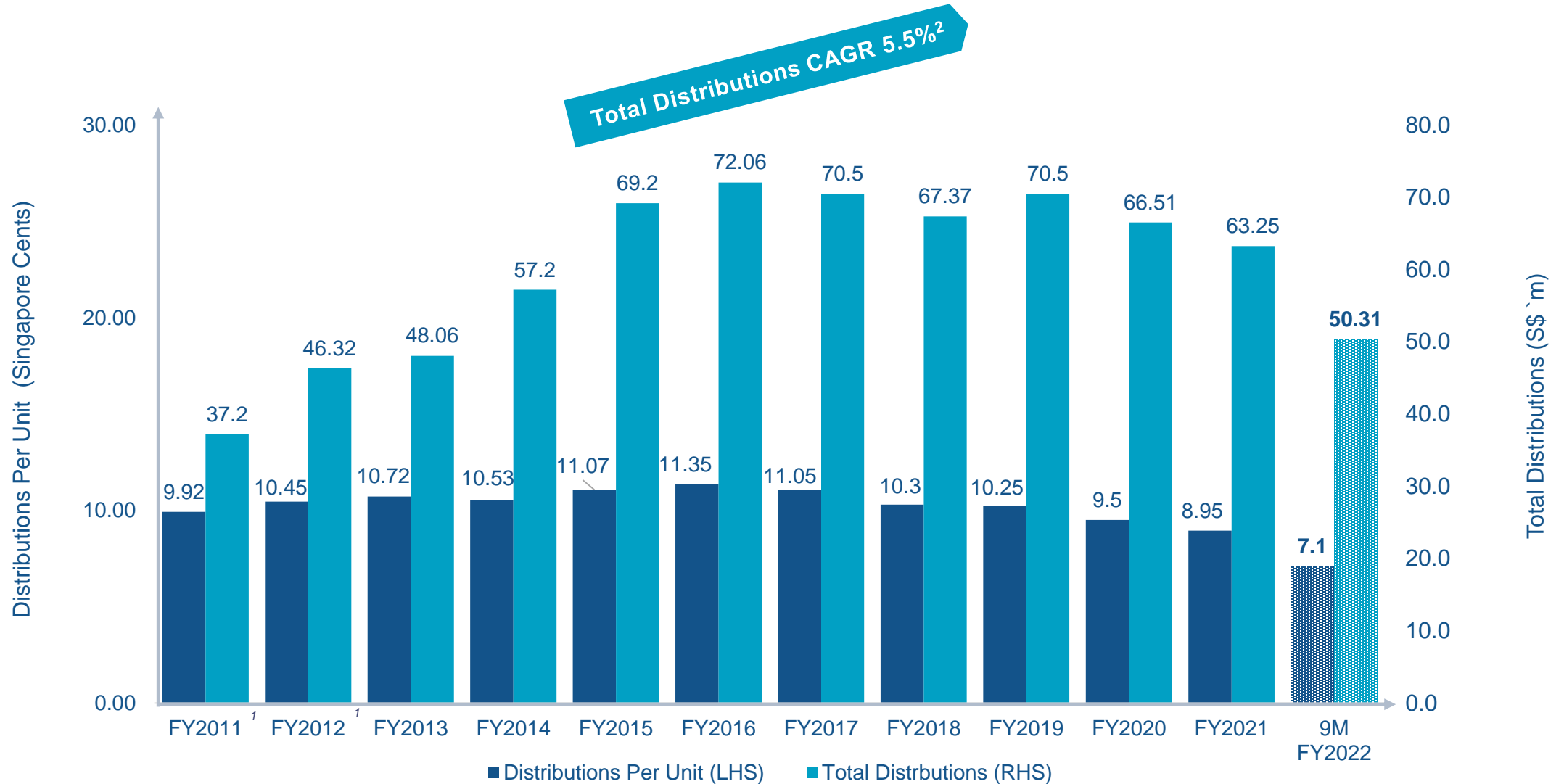


¹ Based on the closing price of S\$1.37 on 11 March 2022. Annualised DPU is computed based on actual DPU payout for 9M FY2022 and annualised to the full year

² As at 31 December 2021

³ Prevailing CPF Ordinary Account interest rate

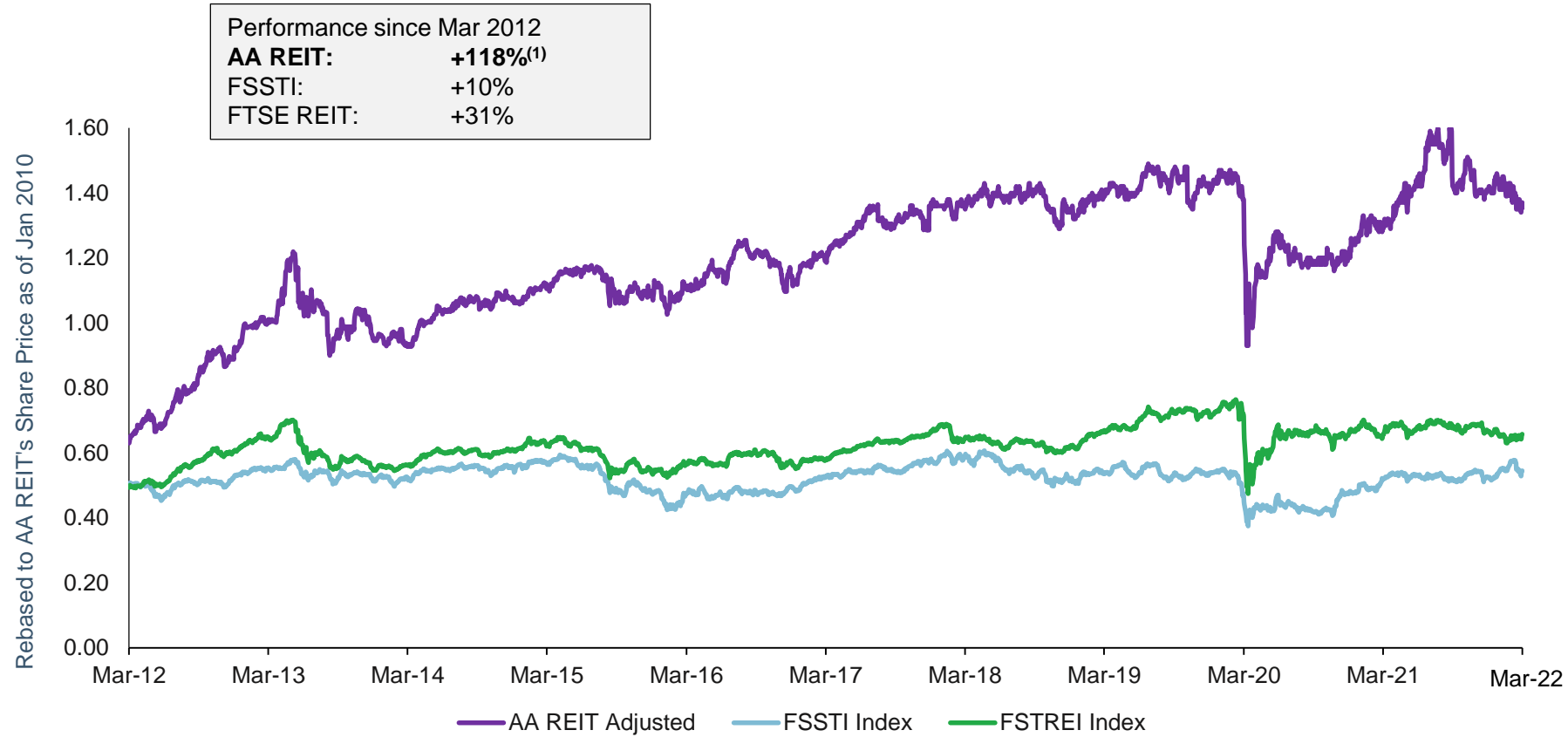
Total Distributions Since 2011



¹ The number of Units used to calculate the Distribution per Unit has been adjusted for the effect of the Unit Consolidation to allow for comparison.

² CAGR (compound annual growth rate) computed from FY2011 to FY2021.

Total Returns Since 2012⁽¹⁾



Source: Bloomberg data as of 11 March 2022

¹ Bloomberg: Total Return assumes distributions are reinvested and adjusted for historical equity transactions

3Q FY2022 Results



(S\$'000 unless otherwise stated)	3Q FY2022	3Q FY2021	Y-o-Y (%)	9M FY2022	9M FY2021	Y-o-Y (%)
Gross Revenue	36,807	32,142	+14.5	102,053	89,874	+13.6
Net Property Income	27,070	23,579	+14.8	74,779	63,532	+17.7
Distributions to Unitholders	16,709	14,486	+15.3	50,312	42,754	+17.7
DPU (cents)	2.35	2.05	+14.6	7.10	6.05	+17.4

Balance Sheet

(S\$ million unless otherwise stated)	As at 31 December 2021	As at 31 March 2021
Total Assets ¹	2,361.7	1,846.6
Total Liabilities	998.5	759.2
Net Assets	1,363.2	1,087.4
NAV per Unit (S\$)	1.38	1.36
Total Gross Borrowings ²	837.3	593.8

¹ The increase in total asset was mainly due to the acquisition of Woolworths Headquarters, Bella Vista, NSW, Australia.

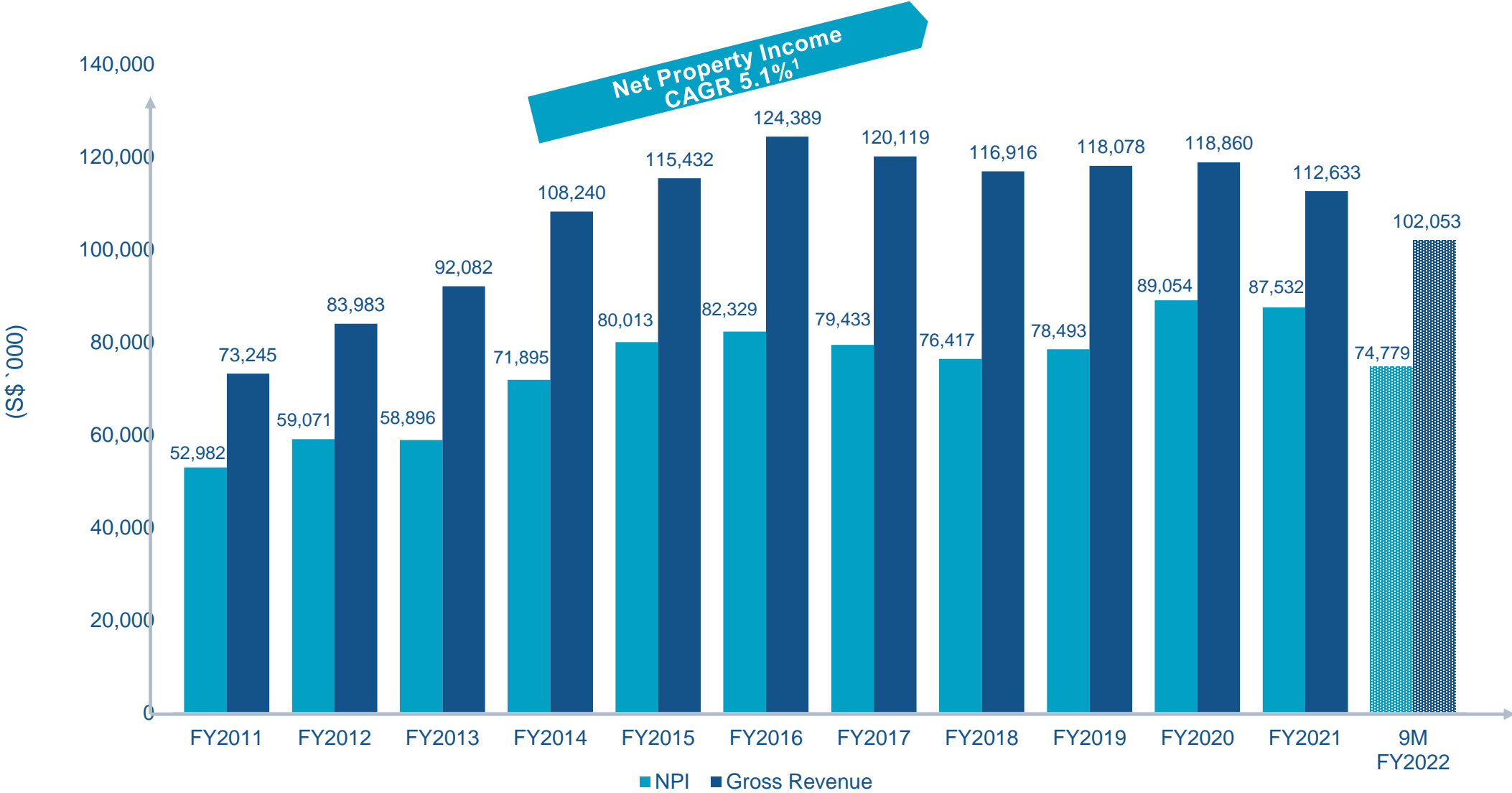
² Excluding unamortised loan transaction costs.

Portfolio Highlights



15 TAI SENG DRIVE, SINGAPORE

Revenue Performance since 2011



¹ CAGR (compound annual growth rate) computed from FY2011 to FY2021

Key Portfolio Statistics

	As at 31 December 2021	As at 30 September 2021
Number of Properties	↑ 29	28
Portfolio Value (S\$ million) ¹	↑ 2,234.3	1,746.5
Net Lettable Area (sqm)	↑ 785,603	740,503
Number of Tenants	↑ 198	190
Portfolio Occupancy (%)	↑ 97.6	97.3
Weighted Average Lease Expiry (WALE) (years) ²	↑ 4.85	3.98
Weighted Average Land Lease Expiry (years) ³	↑ 56.5	45.4
Location of Properties	Singapore, Australia	Singapore, Australia

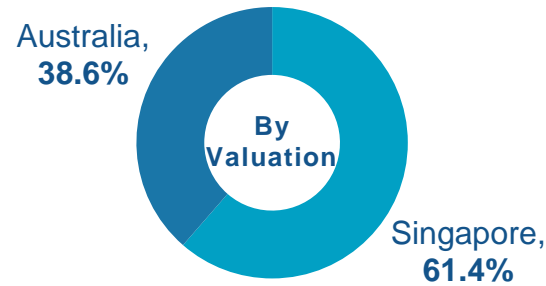
¹ Based on the carrying value of investment properties as well as the 49.0% interest in the carrying value of Optus Centre and excluding right-of-use assets.

² Computation included forward committed leases. Excluding forward committed leases, the WALE is 4.74 years as at 31 December 2021.

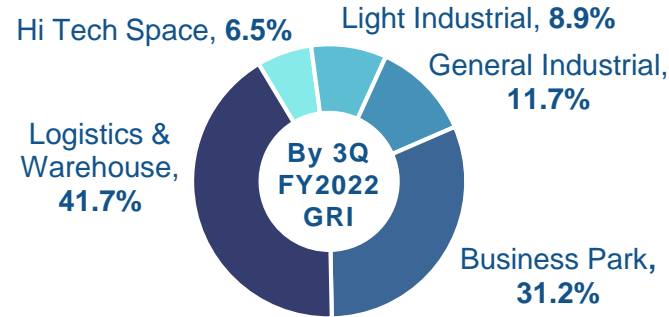
³ Computations based on the market valuations of the properties as at 30 September 2021. For the calculation of the weighted average land lease, AA REIT's interest in the freehold properties, Woolworths Headquarters, Optus Centre and Boardriders Asia Pacific Headquarters, have been assumed as 99-year leasehold interests.

Key Portfolio Metrics

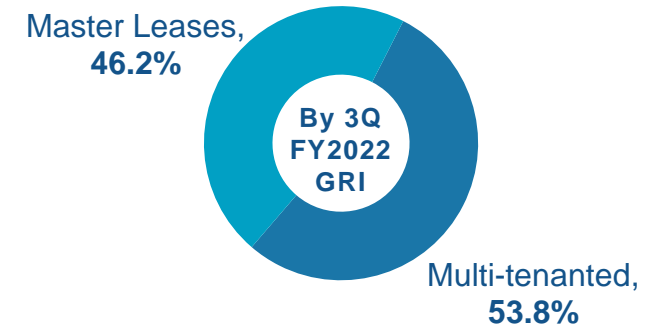
GEOGRAPHIC BREAKDOWN



PORTFOLIO BREAKDOWN



MULTI-TENANTED/ MASTER LEASE



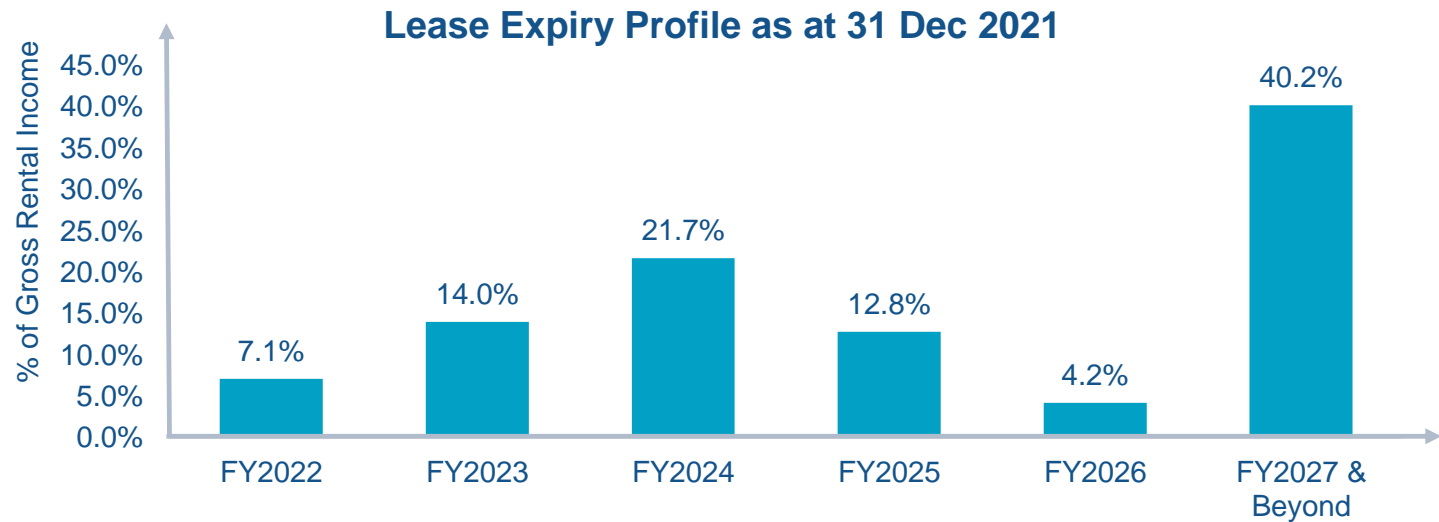
Lease Expiry Profile as of 31 December 2021 (By 3Q FY2022 GRI)

3Q FY2022

New Leases Signed: 10, representing 7,801 sqm

Renewal Leases Signed¹: 8, representing 40,267 sqm

% of Total NLA: 6.1%

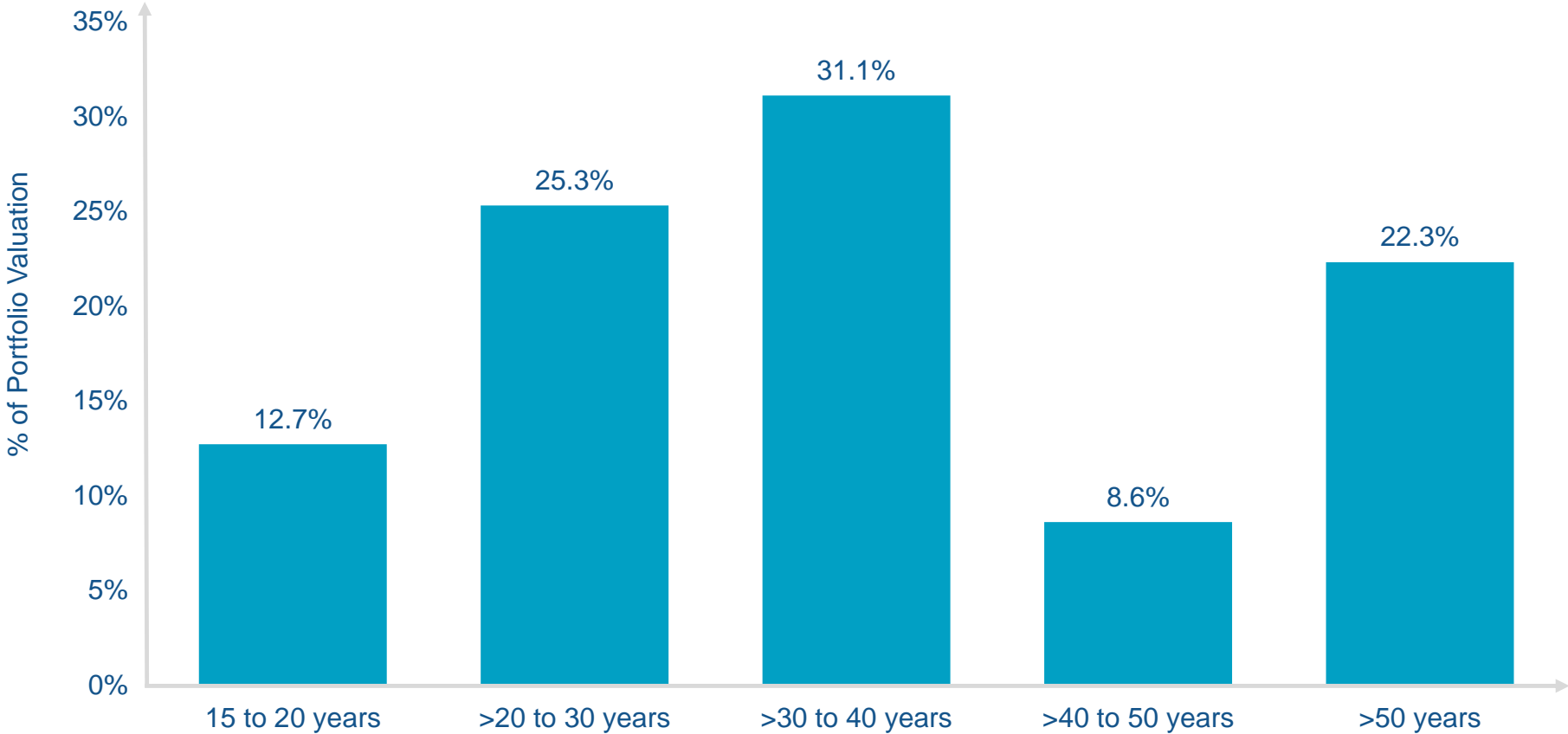


¹ Weighted average rental increase for renewal leases was +0.2%

Long Land Lease Expiry* of 45.4 years

As at 30 September 2021

Our portfolio land lease tenure (by valuation) is one of the longest amongst our peers



* For the calculation of the weighted average land lease of AA REIT, AA REIT's interests in the freehold properties, Optus Centre, Woolworths HQ and Boardriders Asia Pacific HQ, have been assumed as 99-years leasehold interests

Key Takeaways



29 WOODLANDS INDUSTRIAL PARK E1, SINGAPORE

Market Trends Supporting Growth of Industrial Sector

Manufacturers ramping up production



Rising rental and prices of industrial space are underpinned by the manufacturing sector. Furthermore, manufacturing firms are anticipating favourable business sentiments to continue for the rest of the year.

Rentals will also be boosted by the growth of 3PLs, cold chain logistics and omni-channel distribution.

E-commerce and digitalisation trends



Increase in demand for industrial space, especially for logistics and warehouse facilities, have been largely driven by the e-commerce boom and digitalisation as well as omni-channel distribution which was accelerated during the COVID-19 period.

Decentralisation of offices



More companies are adopting the “hub-and-spoke model”, increasing demand for quality business parks with good connectivity.

Our Strategy

Strategic Investments



Continued evaluation of total return investment and built-to-suit development opportunities that offer income yield and long-term capital growth, with an increased focus on longer tenure and freehold properties

Active Asset & Leasing Management



Unlocking value of selected assets within the portfolio through enhancements and an active leasing strategy to maintain high portfolio occupancy

Prudent Capital & Risk Management



Staggering of debt maturities, maintaining a conservative gearing ratio, diversifying funding sources and capitalising on low cost of funding when market conditions are favourable

Capital & Business Partnerships for Growth



Building new capital partnerships to diversify risk via joint investments with different risk-return profiles, and collaborating with business partners on new investment and development opportunities

Case Studies

Redevelopment of 3 Tuas Ave 2



Transformation of existing property into a modern and versatile 4-storey ramp-up industrial facility suitable for production and storage.

The asset is currently 100% master leased to an **NYSE-listed global medical device company**, and caters to the company's storage and distribution requirements.

Asset Enhancement of NorthTech



Providing key tenant, a global leader in life science research, with a **hi-tech industrial building** for a contemporary office-like experience.

Received **BCA Green Mark Award (Certified)** in 2020, in recognition of its green building technologies such as energy efficient mechanical systems and water-efficient fittings.

Acquisition of 7 Bulim Street

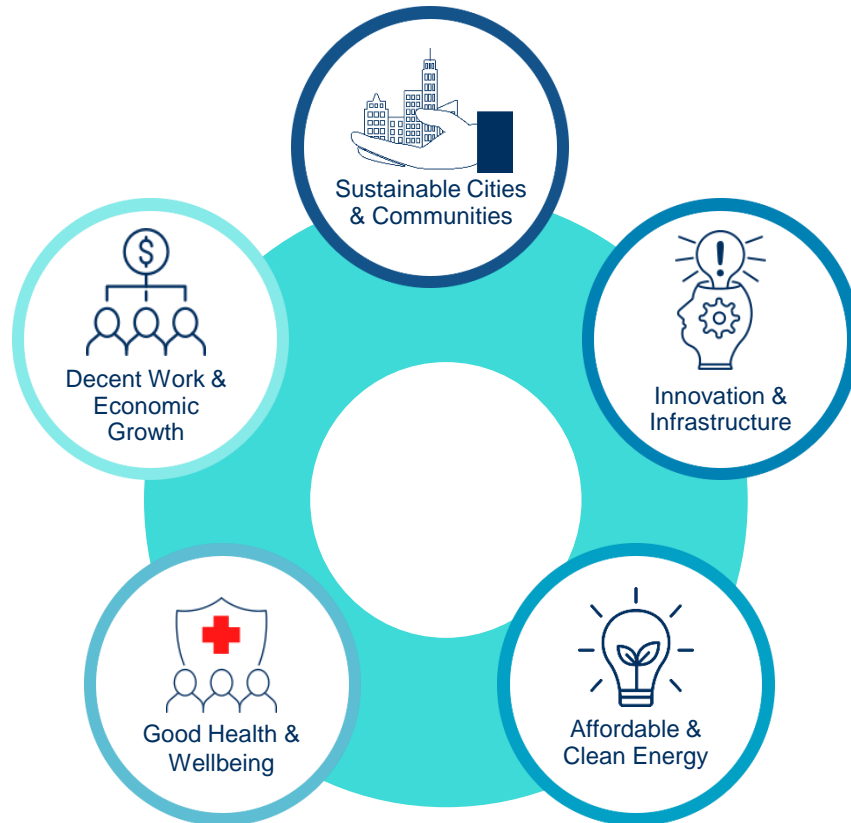


Modern 4-storey ramp up logistics facility with ancillary office. Master leased to Kintetsu World Express (KWE), a major Japanese freight forwarding and logistics group.

Well positioned to capture favourable demand for modern logistics space given **strategic location in Jurong Innovation District and proximity to the future Tuas Mega Port**

Environment, Social & Governance

We are committed to incorporating ESG factors into AA REIT's strategy and operations, to ensure Unitholders with long-term sustainable returns



Our ESG Focus Areas

- Improve and minimise environmental impact
- Promote inclusive and sustainable economic growth
- Understanding and serving interests of all stakeholders
- Ensuring robust governance framework

Strong Investor Base with Institutional Investors

- Majority held by institutional investors
- Included in indices likely to further attract and expand unitholder base:
 - MSCI Singapore Small-Cap Index (May 2020)
 - FTSE Russell ST Singapore Shariah Index (Dec 2020)
 - FTSE EPRA Nareit Global Developed Index (Sep 2021)

Recognised for Corporate Governance & Social Responsibility

- Ranked joint 16th out of 45 REITs and Business Trusts for Governance Index Trusts (GIFT) 2021
- Ranked 13th out of 43 REITs and Business Trusts in the Singapore Governance and Transparency Index (SGTI) 2021

Market Outlook

MACRO



- Global economic recovery is continuing, even as the pandemic resurges, with the rapid spread of Delta and Omicron increasing uncertainty.
- The International Monetary Fund has retained its global growth forecast for 2022 at 4.9%.
- However, the ongoing Russia-Ukraine conflict will accentuate the risks of higher inflation and slower growth, and destabilise the international economic system.

SINGAPORE'S ECONOMY



- The Singapore economy expanded by 7.2% for the whole of 2021.
- Singapore economy is expected to grow by “3.0% to 5.0%” in 2022.
- Based on JTC Corporation’s market report for 3Q 2021, the occupancy rate for the overall industrial property market remained unchanged from the previous quarter at 90.1% as delays in completion continue to persist.

AUSTRALIA'S ECONOMY



- Substantial government policy support underpinning recovery.
- RBA will be maintaining its cash rate at 0.10% until actual inflation is sustainably within target range.

LOOKING AHEAD



- The broad recovery in the Singapore and Australia economies has provided support for the industrial sector. Factors such as rising rentals and prices of industrial space underpinned by the manufacturing sector and business park demand have continued to reinforce the resilience of the industrial sector.
- Amidst the current macroeconomic environment and heightened geo-political risks, AA REIT will continue to proactively manage its portfolio to deliver sustainable distributions and create long-term value for Unitholders.

Key Takeaways

Diversified Tenant Base



198 tenants in broad range of industries across 29 properties

Strong Leasing Activity



18 leases accounting for 6.1% of portfolio NLA signed in 3Q FY2022; Portfolio occupancy of 97.6% well above industrial market

Resilient Portfolio



Logistics and warehouse segment account for over 41% of portfolio; Robust demand during COVID-19

Untapped Redevelopment Potential



Strong redevelopment track record; Potential to unlock over 500,000 sq ft of new GFA

Prudent Capital Management



Aggregate Leverage of 37.3% provides debt headroom for further growth; Financial flexibility of S\$237.2 million comprising undrawn committed facilities and available cash and bank balances

Experienced Sponsor & Management Team



History of delivering stable distribution and capital growth through re-development and strategic acquisitions



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Thank you!

Looking forward to your support.

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