



AIMS APAC REIT and its subsidiaries

**(constituted in the Republic of Singapore pursuant to a
trust deed dated 5 December 2006) (as amended and
restated)**

Interim Financial Statements
For the half year ended 30 September 2022
("1H FY2023")

STATEMENTS OF FINANCIAL POSITION
As at 30 September 2022

	Note	Group		Trust	
		30 September 2022 \$'000	31 March 2022 \$'000	30 September 2022 \$'000	31 March 2022 \$'000
Non-current assets					
Investment properties	3	1,969,350	1,992,582	1,481,618	1,464,250
Subsidiaries		–	–	328,681	328,681
Joint venture	4	342,789	367,763	–	–
Trade and other receivables		3,459	3,086	3,459	3,086
Derivative financial instruments	5	23,228	9,989	13,735	7,216
		<u>2,338,826</u>	<u>2,373,420</u>	<u>1,827,493</u>	<u>1,803,233</u>
Current assets					
Trade and other receivables		7,040	8,846	7,017	9,802
Derivative financial instruments	5	1,275	–	1,275	–
Cash and cash equivalents		15,726	21,395	9,499	11,599
		<u>24,041</u>	<u>30,241</u>	<u>17,791</u>	<u>21,401</u>
Total assets		<u>2,362,867</u>	<u>2,403,661</u>	<u>1,845,284</u>	<u>1,824,634</u>
Non-current liabilities					
Trade and other payables		12,827	13,135	12,827	13,135
Interest-bearing borrowings	6	807,512	817,782	395,276	405,184
Derivative financial instruments	5	–	1,495	–	1,495
Deferred tax liabilities		27,647	27,944	–	–
Lease liabilities		94,338	88,621	94,338	88,621
		<u>942,324</u>	<u>948,977</u>	<u>502,441</u>	<u>508,435</u>
Current liabilities					
Trade and other payables		37,806	39,767	31,756	33,832
Interest-bearing borrowings	6	–	35,206	–	–
Derivative financial instruments	5	–	540	–	540
Lease liabilities		5,380	5,429	5,380	5,429
		<u>43,186</u>	<u>80,942</u>	<u>37,136</u>	<u>39,801</u>
Total liabilities		<u>985,510</u>	<u>1,029,919</u>	<u>539,577</u>	<u>548,236</u>
Net assets		<u>1,377,357</u>	<u>1,373,742</u>	<u>1,305,707</u>	<u>1,276,398</u>
Represented by:					
Unitholders' funds		1,003,809	1,000,196	932,159	902,852
Perpetual Securities holders' funds	7	373,548	373,546	373,548	373,546
		<u>1,377,357</u>	<u>1,373,742</u>	<u>1,305,707</u>	<u>1,276,398</u>
Units in issue and to be issued ('000)	8	718,013	716,583	718,013	716,583
Net asset value/net tangible asset per Unit attributable to Unitholders ¹ (\$)		<u>1.40</u>	<u>1.40</u>	<u>1.30</u>	<u>1.26</u>

¹ Net asset value/net tangible asset is based on the net assets attributable to Unitholders and excluded the net assets attributable to Perpetual Securities holders. Number of units is based on Units in issue and to be issued at the end of the period.

The accompanying notes form an integral part of these interim financial statements.

CONSOLIDATED STATEMENTS OF TOTAL RETURN
For the Half Year Ended 30 September 2022

	Note	Group	
		1 April 2022 to 30 September 2022 ("1H FY2023") \$'000	1 April 2021 to 30 September 2021 ("1H FY2022") \$'000
Gross revenue	9	83,200	65,246
Property operating expenses		(22,057)	(17,537)
Net property income		61,143	47,709
Net foreign exchange loss		(995)	(143)
Interest income		72	423
Borrowing costs	10	(15,482)	(10,666)
Manager's management fees		(5,718)	(4,449)
Other trust expenses	10	(3,042)	(1,538)
Non-property expenses		(24,242)	(16,653)
Net income before joint venture's profits		35,978	31,336
Share of profits of joint venture (net of tax)		11,536	27,264
Net income		47,514	58,600
Net change in fair value of investment properties		8,994	15,117
Net change in fair value of derivative financial instruments		4,673	1,266
Total return before income tax	10	61,181	74,983
Income tax credit/(expense)		669	(4,369)
Total return after income tax		61,850	70,614
Attributable to:			
Unitholders		51,572	65,969
Perpetual Securities holders		10,278	4,645
		61,850	70,614
Earnings per Unit (Singapore cents)			
Basic and diluted	11	7.20	9.33

The accompanying notes form an integral part of these interim financial statements.

CONSOLIDATED DISTRIBUTION STATEMENTS
For the Half Year Ended 30 September 2022

Note	Group	
	1H FY2023 \$'000	1H FY2022 \$'000
Amount available for distribution to Unitholders at beginning of the period	16,911	20,493
Total return before income tax	61,181	74,983
Less: Amount reserved for distribution to Perpetual Securities holders	(10,278)	(4,645)
Net effect of tax adjustments	(9,142)	(6,226)
Other adjustments	(19,168)	(35,854)
	22,593	28,258
Amount available for distribution to Unitholders from taxable income	39,504	48,751
Capital distribution	11,192	6,155
Amount available for distribution to Unitholders	50,696	54,906
Distributions to Unitholders during the period:		
2.90 cents per Unit for the period from 1 January 2021 – 31 March 2021	–	(20,493)
2.25 cents per Unit for the period from 1 April 2021 – 30 June 2021	–	(15,917)
2.36 cents per Unit for the period from 1 January 2022 – 31 March 2022	(16,911)	–
2.28 cents per Unit for the period from 1 April 2022 – 30 June 2022	(16,348)	–
	(33,259)	(36,410)
Amount available for distribution to Unitholders at end of the period	17,437	18,496
Number of Units entitled to distributions at end of the period ('000)	718,013	707,435
Distribution per Unit (Singapore cents)	4.70	4.75

	Group	
	1H FY2023 \$'000	1H FY2022 \$'000
Note A - Net effect of tax adjustments		
Amortisation and write-off of borrowing transaction costs	645	534
Net foreign exchange loss	870	84
Manager's management fees paid/payable in units	1,904	1,082
Land rent paid on investment properties	(4,418)	(4,363)
Interest expense on lease liabilities	1,814	1,768
Net change in fair value of investment properties	(8,011)	(6,372)
Net change in fair value of derivative financial instruments	(4,422)	(1,247)
Net tax adjustment on foreign sourced income	2,137	1,901
Temporary differences and other tax adjustments	339	387
Net effect of tax adjustments	(9,142)	(6,226)

Note B – Other adjustments

Other adjustments for the Group comprised primarily the net accounting results of the Trust's subsidiaries.

The accompanying notes form an integral part of these interim financial statements.

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS
For the Half Year Ended 30 September 2022

	Note	Group		Trust	
		1H FY2023 \$'000	1H FY2022 \$'000	1H FY2023 \$'000	1H FY2022 \$'000
Unitholders' Funds					
Balance at beginning of the period		1,000,196	962,758	902,852	873,636
Operations					
Total return after income tax, attributable to Unitholders and Perpetual Securities holders		61,850	70,614	65,533	50,519
Less: Amount reserved for distribution to Perpetual Securities holders		(10,278)	(4,645)	(10,278)	(4,645)
Net increase in net assets from operations		51,572	65,969	55,255	45,874
Foreign currency translation reserve					
Translation differences relating to financial statements of foreign subsidiaries and net investment in foreign operations		(29,085)	(6,317)	–	–
Hedging reserve					
Effective portion of changes in fair value of cash flow hedges		12,481	–	5,407	–
Unitholders' contributions					
Issuance of Units (including Units to be issued):		1,904	1,082	1,904	1,082
Manager's management fees		(33,259)	(36,410)	(33,259)	(36,410)
Distributions to Unitholders					
Change in Unitholders' funds resulting from Unitholders' transactions		(31,355)	(35,328)	(31,355)	(35,328)
Total increase in Unitholders' funds		3,613	24,324	29,307	10,546
Balance at end of the period		1,003,809	987,082	932,159	884,182
Perpetual Securities holders' funds					
Balance at beginning of the period		373,546	124,613	373,546	124,613
Issue of Perpetual Securities		–	250,000	–	250,000
Issuance cost		–	(2,148)	–	(2,148)
Amount reserved for distribution to Perpetual Securities holders		10,278	4,645	10,278	4,645
Distributions to Perpetual Securities holders		(10,276)	(3,502)	(10,276)	(3,502)
Balance at end of the period		373,548	373,608	373,548	373,608
Units in issue and to be issued ('000)	8	718,013	707,435	718,013	707,435

The accompanying notes form an integral part of these interim financial statements.

PORTFOLIO STATEMENTS
As at 30 September 2022

Description of property	Location	Term of land lease ¹	Remaining term of land lease ¹ (years)	Existing use	Occupancy rate ²		Carrying Value ³		Group percentage of total Unitholders' funds		Trust percentage of total Unitholders' funds		
					30 September 2022	31 March 2022	30 September 2022	31 March 2022	30 September 2022	31 March 2022	30 September 2022	31 March 2022	
					%	%	\$'000	\$'000	%	%	%	%	
Group and the Trust Investment properties in Singapore													
1	20 Gul Way	20 Gul Way	35 years	18.3	Logistics and Warehouse	100	100	222,900	222,300	22.2	22.2	23.9	24.6
2	27 Penjuru Lane	27 Penjuru Lane	45 years	27.0	Logistics and Warehouse	97	97	160,100	160,100	15.9	16.0	17.2	17.7
3	8 & 10 Pandan Crescent	8 & 10 Pandan Crescent	92 years and 8 months	45.7	Logistics and Warehouse	98	98	158,200	153,600	15.8	15.4	17.0	17.0
4	29 Woodlands Industrial Park E1	29 Woodlands Industrial Park E1	60 years	32.3	Hi-Tech	100	100	131,000	128,000	13.1	12.8	14.1	14.2
5	7 Bulim Street	7 Bulim Street	30 years	19.9	Logistics and Warehouse	100	100	130,500	130,500	13.0	13.0	14.0	14.5
6	1A International Business Park	1A International Business Park	52 years	36.7	Business Park	65	65	75,100	75,100	7.5	7.5	8.1	8.3
7	3 Tuas Avenue 2	3 Tuas Avenue 2	73 years	32.5	General Industrial	100	100	54,300	54,300	5.4	5.4	5.8	6.0
8	30 Tuas West Road	30 Tuas West Road	60 years	33.3	Logistics and Warehouse	100	100	54,100	53,400	5.4	5.3	5.8	5.9
9	51 Marsiling Road	51 Marsiling Road	70 years and 5 months	21.8	General Industrial	100	100	49,000	48,900	4.9	4.9	5.3	5.4
10	15 Tai Seng Drive	15 Tai Seng Drive	60 years	28.5	Light Industrial	91	99	33,600	33,000	3.3	3.3	3.6	3.7
11	103 Defu Lane 10	103 Defu Lane 10	60 years	20.7	Logistics and Warehouse	100	100	31,800	30,700	3.2	3.1	3.4	3.4

The accompanying notes form an integral part of these interim financial statements.

PORTFOLIO STATEMENTS (CONTINUED)
As at 30 September 2022

Description of property	Location	Term of land lease ¹	Remaining term of land lease ¹ (years)	Existing use	Occupancy rate ²		Carrying Value ³		Group percentage of total Unitholders' funds		Trust percentage of total Unitholders' funds		
					30 September 2022 %	31 March 2022 %	30 September 2022 \$'000	31 March 2022 \$'000	30 September 2022 %	31 March 2022 %	30 September 2022 %	31 March 2022 %	
Group and the Trust													
Investment properties in Singapore													
12	23 Tai Seng Drive	23 Tai Seng Drive	60 years	27.8	Light Industrial	100	100	29,400	26,200	2.9	2.6	3.2	2.9
13	8 Tuas Avenue 20	8 Tuas Avenue 20	59 years and 1.5 months	29.1	General Industrial	100	100	25,800	27,900	2.6	2.8	2.8	3.1
14	1 Bukit Batok Street 22	1 Bukit Batok Street 22	60 years	32.7	Light Industrial	100	100	25,600	25,600	2.6	2.6	2.7	2.8
15	10 Changi South Lane	10 Changi South Lane	60 years	33.7	Logistics and Warehouse	95	95	22,400	22,300	2.2	2.2	2.4	2.5
16	11 Changi South Street 3	11 Changi South Street 3	60 years	32.5	Logistics and Warehouse	90	92	21,000	21,000	2.1	2.1	2.3	2.3
17	3 Toh Tuck Link	3 Toh Tuck Link	60 years	34.1	Logistics and Warehouse	61	83	20,700	20,700	2.1	2.1	2.2	2.3
18	135 Joo Seng Road	135 Joo Seng Road	60 years	31.7	Light Industrial	93	88	20,200	20,200	2.0	2.0	2.2	2.2
19	61 Yishun Industrial Park A	61 Yishun Industrial Park A	60 years	29.9	General Industrial	95	77	19,900	19,600	2.0	2.0	2.1	2.2
20	56 Serangoon North Avenue 4	56 Serangoon North Avenue 4	60 years	32.6	Logistics and Warehouse	100	100	18,700	18,700	1.9	1.9	2.0	2.1
21	2 Ang Mo Kio Street 65	2 Ang Mo Kio Street 65	60 years	24.5	General Industrial	100	100	15,300	16,100	1.5	1.6	1.6	1.8
22	8 Senoko South Road	8 Senoko South Road	60 years	32.1	General Industrial	100	100	14,100	14,100	1.4	1.4	1.5	1.6
23	26 Tuas Avenue 7	26 Tuas Avenue 7	60 years	31.3	General Industrial	100	100	12,200	12,200	1.2	1.2	1.3	1.4
24	1 Kallang Way 2A	1 Kallang Way 2A	60 years	32.7	Light Industrial	100	100	12,100	11,800	1.2	1.2	1.3	1.3

The accompanying notes form an integral part of these interim financial statements.

PORTFOLIO STATEMENTS (CONTINUED)
As at 30 September 2022

Description of property	Location	Term of land lease ¹	Remaining term of land Lease ¹ (years)	Existing use	Occupancy rate ²		Carrying Value ³		Group percentage of total Unitholders' funds		Trust percentage of total Unitholders' funds		
					30 September 2022	31 March 2022	30 September 2022	31 March 2022	30 September 2022	31 March 2022	30 September 2022	31 March 2022	
					%	%	\$'000	\$'000	%	%	%	%	
Group and the Trust													
Investment properties in Singapore													
25	7 Clementi Loop	7 Clementi Loop	60 years	30.7	Logistics and Warehouse	87	80	12,000	12,000	1.2	1.2	1.3	1.3
26	541 Yishun Industrial Park A	541 Yishun Industrial Park A	60 years	31.7	General Industrial	100	100	11,900	11,900	1.2	1.2	1.3	1.3
								1,381,900	1,370,200	137.8	137.0	148.4	151.8
Group													
Investment properties in Australia													
27	Woolworths HQ	1 Woolworths Way, Bella Vista, New South Wales, Australia	Freehold	N.A.	Business Park	100	100	435,193	474,131	43.4	47.4	–	–
28	Boardriders Asia Pacific HQ	209-217 Burleigh Connection Road, Burleigh Waters, Queensland, Australia	Freehold	N.A.	Light Industrial	100	100	52,539	54,201	5.2	5.4	–	–
Investment properties, at valuation (note 3)								1,869,632	1,898,532	186.4	189.8	148.4	151.8

The accompanying notes form an integral part of these interim financial statements.

PORTFOLIO STATEMENTS (CONTINUED)
As at 30 September 2022

Description of property	Location	Term of land lease ¹	Remaining term of land lease ¹ (years)	Existing use	Occupancy rate ²		Carrying Value ³		Group percentage of total Unitholders' funds	
					30 September 2022	31 March 2022	30 September 2022	31 March 2022	30 September 2022	31 March 2022
					%	%	\$'000	\$'000	%	%
Group										
1-28	Investment properties – fair value (FS5 to FS7)						1,869,632	1,898,532	186.4	189.8
	Investment properties – right-of-use assets						99,718	94,050	9.9	9.4
	Total investment properties						1,969,350	1,992,582	196.3	199.2
	Joint venture (note 4)						342,789	367,763	34.1	36.8
	Investment property in Australia held by a joint venture									
29	Optus Centre ⁴	1-5 Lyonpark Road, Macquarie Park, New South Wales, Australia	Freehold	N.A.	Business Park	100	100			
	Other assets and liabilities (net)						(934,782)	(986,603)	(93.2)	(98.6)
	Net assets of the Group						1,377,357	1,373,742	137.2	137.4
	Perpetual Securities holders' funds						(373,548)	(373,546)	(37.2)	(37.4)
	Total Unitholders' funds of the Group						1,003,809	1,000,196	100.0	100.0

¹ Includes the period covered by the relevant options to renew.

² The occupancy rates shown are on committed basis.

³ The carrying value of investment properties are based on independent desktop valuation for investment properties in Singapore and independent full valuation for investment properties in Australia at 30 September 2022 (31 March 2022: independent full valuation for investment properties in Singapore and Australia).

⁴ The Group has a 49.0% (31 March 2022: 49.0%) interest in Optus Centre. As at 30 September 2022, the property was valued at AUD755.0 million (equivalent to approximately \$702.1 million) (31 March 2022: AUD744.0 million (equivalent to approximately \$753.7 million)).

The accompanying notes form an integral part of these interim financial statements.

PORTFOLIO STATEMENTS (CONTINUED)
As at 30 September 2022

<u>Description of property</u>	Carrying value		Trust percentage of total Unitholders' funds	
	30 September 2022 \$'000	31 March 2022 \$'000	30 September 2022 %	31 March 2022 %
Trust				
1-26 Investment properties – fair value (FS5 – FS7)	1,381,900	1,370,200	148.4	151.8
Investment properties – right-of-use assets	99,718	94,050	10.7	10.4
Total investment properties	1,481,618	1,464,250	159.1	162.2
Other assets and liabilities (net)	(175,911)	(187,852)	(19.0)	(20.8)
Net assets of the Trust	1,305,707	1,276,398	140.1	141.4
Perpetual Securities holders' funds	(373,548)	(373,546)	(40.1)	(41.4)
Total Unitholders' funds of the Trust	932,159	902,852	100.0	100.0

Portfolio statement by industry segment is not presented as the Group's and the Trust's activities for the financial years ended 30 September 2022 and 31 March 2022 related wholly to investing in real estate used for industrial purposes, including, but not limited to, warehousing and distribution activities, business park activities and manufacturing activities.

As at 30 September 2022 and 31 March 2022, the investment properties in Singapore were valued by Savills Valuation and Professional Services (S) Pte Ltd or Jones Lang LaSalle Property Consultants Pte Ltd and the investment properties in Australia were valued by Jones Lang LaSalle Advisory Services Pty Ltd or Knight Frank NSW Valuations & Advisory Pty Ltd. The independent valuation of the investment property held through a joint venture was carried out by Jones Lang LaSalle Advisory Services Pty Ltd as at 30 September 2022 and 31 March 2022.

The Manager believes that the independent valuers have the appropriate professional qualifications and recent experience in the location and category of the properties being valued. The valuations of the investment properties were based on income capitalisation method, discounted cash flow analysis and/or direct comparison method. Refer to note 3 of the financial information for details of the valuation techniques.

The accompanying notes form an integral part of these interim financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Half Year Ended 30 September 2022

	Note	Group	
		1H FY2023 \$'000	1H FY2022 \$'000
Cash flows from operating activities			
Total return after income tax		61,850	70,614
Adjustments for:			
Share of profits of joint venture (net of tax)		(11,536)	(27,264)
Borrowing costs		15,482	10,666
Net foreign exchange loss		995	143
Manager's management fees in Units	A	1,904	1,082
Net change in fair value of investment properties		(8,994)	(15,117)
Net change in fair value of derivative financial instruments		(4,673)	(1,266)
Income tax (credit)/expense		(669)	4,369
Operating income before working capital changes		54,359	43,227
Changes in working capital			
Trade and other receivables		(715)	(1,113)
Trade and other payables		(1,007)	(1,175)
Cash generated from operations		52,637	40,939
Income tax paid		(246)	(894)
Net cash from operating activities		52,391	40,045
Cash flows from investing activities			
Capital expenditure on investment properties		(2,473)	(4,004)
Acquisition of investment properties (including acquisition costs) ¹		–	(22,879)
Refund of option fee received for proposed acquisition ²		1,020	–
Loan to a joint venture		(3,528)	(2,701)
Distributions from a joint venture		9,102	8,933
Net cash from/(used in) investing activities		4,121	(20,651)
Cash flows from financing activities			
Distributions to Unitholders		(33,405)	(36,424)
Distributions to Perpetual Securities holders		(10,276)	(3,502)
Proceeds from issuance of Perpetual Securities		–	250,000
Issue costs paid in relation to Perpetual Securities		–	(2,152)
Proceeds from interest-bearing borrowings		187,758	8,701
Repayments of interest-bearing borrowings		(187,524)	(126,000)
Borrowing costs paid		(13,363)	(8,281)
Repayment of lease liabilities		(4,418)	(4,363)
Net cash (used in)/from financing activities		(61,228)	77,979
Net (decrease)/increase in cash and cash equivalents		(4,716)	97,373
Cash and cash equivalents at beginning of the period		21,395	11,159
Effect of exchange rate fluctuations on cash held		(953)	(212)
Cash and cash equivalents at end of the period		15,726	108,320

Significant non-cash transactions

Note A:

During 1H FY2023, 1,429,640 (1H FY2022: 772,640) new Units amounting to \$1,904,000 (1H FY2022: \$1,082,000) were issued/issuable as partial payment for the Manager's management fees.

Refer to note 8 of the interim financial statements.

¹ This relates to the payment of deposit for 1 Woolworths Way, Bella Vista, New South Wales, Australia in 1H FY2022.

² On 4 July 2022, the Manager announced the principal terms and conditions of the proposed acquisition of 315 Alexandra Road, Singapore 159944 were not concluded and therefore aborted. As a result, \$1.02 million option fee previously paid in FY2021 has been refunded.

The accompanying notes form an integral part of these interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1 GENERAL

AIMS APAC REIT (the “Trust”) is a Singapore-domiciled real estate unit trust constituted pursuant to the trust deed dated 5 December 2006, subsequently amended by the supplemental deed of appointment and retirement of Trustee dated 8 March 2007, the first amending and restating deed dated 8 March 2007, the first supplemental deed dated 31 May 2010, the second amending and restating deed dated 17 July 2017, the second supplemental deed dated 8 August 2018, the third supplemental deed dated 30 November 2018, the fourth supplemental deed dated 11 April 2019, the fifth supplemental deed dated 13 July 2020 and the sixth supplemental deed dated 31 January 2022 (collectively the “Trust Deed”), entered into between AIMS APAC REIT Management Limited (the “Manager”) and HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust held by it or through its subsidiaries in trust for the holders (“Unitholders”) of units in the Trust (the “Units”).

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 19 April 2007 (the “Listing Date”) and was included under the Central Provident Fund (“CPF”) Investment Scheme on 21 February 2007. On 21 March 2007, the Trust was declared as an authorised unit trust scheme under the Trustees Act 1967.

The consolidated interim financial statements (“interim financial statements”) relate to the Trust and its subsidiaries (the “Group”) and the Group’s interest in its joint venture.

The principal activity of the Trust is to invest in a diversified portfolio of income-producing real estate located throughout the Asia-Pacific region that is used for industrial purposes, including, but not limited to, warehousing and distribution activities, business park activities and manufacturing activities.

2 BASIS OF PREPARATION

The interim financial statements have been prepared in accordance with the Statement of Recommended Accounting Practice 7 *Reporting Framework for Investment Funds* (“RAP 7”) issued by the Institute of Singapore Chartered Accountants (“ISCA”), the applicable requirements of the Code on Collective Investment Schemes (“CIS Code”) issued by the Monetary Authority of Singapore (“MAS”) and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted should generally comply with the principles relating to recognition and measurement of the Singapore Financial Reporting Standards (“FRS”).

The interim financial statements do not contain all of the information required for full annual financial statements and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 March 2022.

The interim financial statements have been prepared on the historical cost basis, except for investment properties, derivative financial instruments and certain financial assets and liabilities, which are stated at fair value.

The interim financial statements are presented in Singapore dollars, which is the functional currency of the Trust. All financial information presented in Singapore dollars and rounded to the nearest thousand, unless otherwise stated.

The preparation of the interim financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial period are included in note 3 – Valuation of investment properties.

The accounting policies applied by the Group in the interim financial statements are the same as those applied by the Group in its financial statements as at and for the year ended 31 March 2022, except for the adoption of the new and revised standards that are effective for the annual periods beginning on 1 April 2022.

New standards and amendments

The Group has applied the recognition and measurement principles of a number of new standards and amendments to standards for the financial period beginning 1 April 2022. The adoption of these new and revised standards did not have material impact on the Group's interim financial statements.

3 INVESTMENT PROPERTIES

	Group		Trust	
	30 September 2022 \$'000	31 March 2022 \$'000	30 September 2022 \$'000	31 March 2022 \$'000
Beginning of financial period/year	1,992,582	1,489,030	1,464,250	1,443,489
Acquisition of investment property	–	489,839	–	–
Capital expenditure capitalised	1,297	4,884	1,085	4,884
Remeasurement of right-of-use assets due to revised lease payments and recognition of lease extension option	8,272	3,999	8,272	3,999
Net change in fair value of investment properties recognised in the statement of total return	11,598	(590)	10,615	17,116
Net change in fair value of right-of- use assets	(2,604)	(5,238)	(2,604)	(5,238)
Foreign currency translation and other movements	(41,795)	10,658	–	–
End of financial period/year	1,969,350	1,992,582	1,481,618	1,464,250

Details of the properties are shown in the Portfolio Statements.

Security

As at the reporting date, certain investment properties have been pledged as security for loan facilities granted by financial institutions to the Group (see note 6). The aggregate market value of the mortgaged investment properties are as follows:

	Group		Trust	
	30 September 2022 \$'000	31 March 2022 \$'000	30 September 2022 \$'000	31 March 2022 \$'000
Investment properties	1,437,132	1,467,932	949,400	939,600

Fair value hierarchy

The fair value measurement for investment properties has been categorised as Level 3 fair values based on inputs to the valuation techniques used.

	Group		Trust	
	30 September 2022 \$'000	31 March 2022 \$'000	30 September 2022 \$'000	31 March 2022 \$'000
Fair value of investment properties (based on valuation reports)	1,869,632	1,898,532	1,381,900	1,370,200
Add: carrying amount of lease liabilities	99,718	94,050	99,718	94,050
Investment properties	1,969,350	1,992,582	1,481,618	1,464,250

Level 3 fair value measurements

(i) Reconciliation of movements in Level 3 fair value measurement

The reconciliation of Level 3 fair value measurements for investment properties is presented in the table above.

(ii) Valuation techniques

Investment properties are stated at fair value based on desktop or full valuations performed by independent professional valuers as at 30 September 2022. The fair values take into consideration the market values of the properties, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and willing seller in an arm's length transaction after proper marketing wherein the parties have each acted knowledgeably, prudently and without compulsion. The specific condition and characteristics inherent in each of the properties are taken into consideration in arriving at the property valuation. Valuations of the investment properties are carried out at least once a year.

In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated discount rate, terminal capitalisation rate and capitalisation rate. In relying on the valuation reports, the Manager has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions and the valuation reports are prepared in accordance with recognised appraisal and valuation standards.

The valuers have considered valuation techniques including the income capitalisation method, discounted cash flow analysis and/or direct comparison method in arriving at the open market value as at the reporting date.

As at 30 September 2022, certain valuation reports highlighted that despite the reopening of the economy, a degree of caution should be exercised when relying upon valuation as at the reporting date as values and incomes may be susceptible to change should the policy towards a reopening of economy reverse.

The discounted cash flow analysis involves the estimation and projection of a net income stream over a period and discounting the net income stream with an internal rate of return to arrive at the market value. The discounted cash flow analysis requires the valuers to assume a rental growth rate indicative of market and the selection of a target internal rate of return consistent with current market requirements. The capitalisation method is an investment approach whereby the estimated gross passing income (on both a passing and market rent basis) has been adjusted against anticipated operating costs to produce a net income on a fully leased basis. The adopted fully leased net income is capitalised at an appropriate investment yield. Thereafter, various adjustments including assumed vacancy allowance are made, where appropriate, for the capitalisation method. The direct comparison method provides an indication of value by comparing the investment property with identical or similar properties where reliable sales evidence is available.

(iii) Significant unobservable inputs

The following table shows the key unobservable inputs used in the valuation models:

Valuation technique	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flows analysis	<ul style="list-style-type: none"> Discount rate of 6.13% to 7.75% (31 March 2022: 6.13% to 7.75%) 	The estimated fair value would increase (decrease) if discount rate was lower (higher).
	<ul style="list-style-type: none"> Terminal capitalisation rate of 5.00% to 7.00% (31 March 2022: 5.50% to 7.00%) 	The estimated fair value would increase (decrease) if terminal capitalisation rate was lower (higher).
Capitalisation method	<ul style="list-style-type: none"> Capitalisation rate of 4.75% to 6.50% (31 March 2022: 5.13% to 6.50%) 	The estimated fair value would increase (decrease) if capitalisation rate was lower (higher).
Direct comparison method	<ul style="list-style-type: none"> Adjusted price per square meter 	The estimated fair value would increase (decrease) if adjusted price per square meter was higher (lower).

4 JOINT VENTURE

	Group	
	30 September 2022 \$'000	31 March 2022 \$'000
Investment in joint venture	306,997	332,539
Amounts due from joint venture, at amortised cost:		
- Interest-bearing loan	35,792	35,224
	342,789	367,763

The joint venture relates to the Group's investment in Macquarie Park Trust ("MPT"), an unlisted joint arrangement in which the Group has joint control via unitholders' agreement with a joint venture partner and 49.0% equity interest. MPT holds Optus Centre, a Grade A business park complex located in Macquarie Park, New South Wales, Australia. MPT is structured as a trust vehicle and the Group has a residual interest in its net assets. Accordingly, the Group has classified its interest in MPT as a joint venture, which is equity-accounted.

The unitholders of the joint venture have extended an unsecured loan of up to AUD100 million to the joint venture based on their proportionate interests in the joint venture to fund the capital expenditure requirement in relation to Optus Centre. The unsecured loan was extended from three years to six years from the first utilisation date or such later date as may be agreed between the parties. The effective interest rate of the loan at the reporting date is BBSY¹ + margin and the interest rates are repriced at each interest period as mutually agreed between the parties.

¹ Bank Bill Swap Bid Rate.

As at 30 September 2022, the Group's share of the capital commitments of the joint venture is \$6.2 million (31 March 2022: \$6.8 million).

5 DERIVATIVE FINANCIAL INSTRUMENTS

	Group		Trust	
	30 September 2022 \$'000	31 March 2022 \$'000	30 September 2022 \$'000	31 March 2022 \$'000
Non-current assets				
Interest rate swaps				
- at fair value through statement of total return ("FVTPL")	525	4,567	-	4,254
- used for hedging	22,703	5,422	13,735	2,962
	23,228	9,989	13,735	7,216
Current assets				
Interest rate swaps				
- at FVTPL	875	-	875	-
Currency forward contracts				
- at FVTPL	400	-	400	-
	1,275	-	1,275	-
Non-current liabilities				
Interest rate swaps				
- at FVTPL	-	(1,495)	-	(1,495)
Current liabilities				
Interest rate swaps				
- at FVTPL	-	(49)	-	(49)
Currency forward contracts				
- at FVTPL	-	(491)	-	(491)
	-	(540)	-	(540)

Measurement of fair value

The fair values of the derivative financial instruments are based on broker quotes at the reporting date and are categorised within Level 2 of the fair value hierarchy.

6 INTEREST-BEARING BORROWINGS

	Note	Group		Trust	
		30 September 2022 \$'000	31 March 2022 \$'000	30 September 2022 \$'000	31 March 2022 \$'000
Non-current Secured					
Bank borrowings	(a),(b)	713,389	723,698	298,717	309,236
Unsecured					
Medium term notes	(c)	100,000	100,000	100,000	100,000
		813,389	823,698	398,717	409,236
Less: Unamortised borrowing transaction costs		(5,877)	(5,916)	(3,441)	(4,052)
		807,512	817,782	395,276	405,184
Current Secured					
Bank borrowings	(a)	–	35,224	–	–
		–	35,224	–	–
Less: Unamortised borrowing transaction costs		–	(18)	–	–
		–	35,206	–	–
Total		807,512	852,988	395,276	405,184

(a) Secured credit facilities of the Trust and its wholly-owned subsidiary

The Trust has secured credit facilities from a syndicate of financial institutions which comprised of the following:

- a three-year term loan facility of AUD32.5 million maturing in November 2023;
- a four-year term loan facility of \$100.0 million maturing in July 2024;
- a four-year revolving credit facility of \$120.0 million maturing in October 2025;
- a four-year revolving credit facility of AUD50.0 million maturing in October 2025;
- a five-year term loan facility of \$100.0 million maturing in October 2026; and
- a five-year term loan facility of AUD50.0 million maturing in October 2026.

The credit facilities are secured on the following:

- (i) first legal mortgage over 16 investment properties of the Trust (the “Mortgaged Properties”);
- (ii) assignment of rights, benefits, title and interest in, *inter alia*, the building agreement and/or leases of two investment properties of the Trust; and
- (iii) assignment of rights, benefits, title and interest in the property management agreements, insurances, tenancy agreements, sale agreements, performance guarantees (including sale proceeds and rental proceeds) relating to the Mortgaged Properties and assignment of rights, benefits, title and interest in moneys credited in certain accounts.

- (b) Secured term loan facility provided to a wholly-owned subsidiaries of the Trust:
- (i) A secured five-year term loan facility maturing July 2024 of AUD21.2 million was granted to a wholly-owned subsidiary of the Trust which is guaranteed by the Trust and secured by a mortgage over a property and a general security agreement over all present and after acquired property of the subsidiary.
 - (ii) A secured five-year term loan facility maturing November 2026 of AUD277.95 million was granted to a wholly-owned subsidiary of the Trust and secured by a mortgage over a property, a security interest in all present and future assets of the subsidiary and a security interest in all units of the subsidiary held by immediate holding trust of the subsidiary.
 - (iii) A secured five-year term loan facility maturing June 2027 of AUD212.27 million was granted to a wholly-owned subsidiary of the Trust and secured by a security interest in all of the present and future assets of the subsidiary, primarily, the units which the subsidiary holds in the Macquarie Park Trust and a security interest in all units of the subsidiary held by immediate holding trust of the subsidiary.

(c) Unsecured medium term notes

\$100 million five-year medium term notes with a fixed rate of 3.60% per annum, payable semi-annually in arrears and will mature on 12 November 2024 which had been issued by the Trust under the \$750 million Multicurrency Debt Issuance Programme established in November 2018.

The medium term notes shall at all times rank *pari passu* without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the respective issuers.

Capital management

The Monetary Authority of Singapore (“MAS”) announced that the aggregate leverage limit for S-REITs was raised from 45% to 50%. MAS had also announced for S-REITs to have a minimum adjusted interest coverage ratio of 2.5 times before they are allowed to increase their leverage to beyond the prevailing 45% limit (up to 50%) with effect from 1 January 2022.

As at 30 September 2022, the Group’s aggregate leverage¹ was 36.5% (31 March 2022: 37.5%) and its interest coverage ratio² and adjusted interest coverage ratio² were 4.6 times (31 March 2022: 5.1 times) and 2.5 times (31 March 2022: 2.9 times), respectively.

7 PERPETUAL SECURITIES

As at 30 September 2022, \$375.0 million subordinated perpetual securities (“Perpetual Securities”) under the \$750 million Multicurrency Debt Issuance Programme, established in November 2018 had been issued comprising:

- (i) \$125.0 million perpetual securities issued on 14 August 2020. The Perpetual Securities will confer a right to receive distribution payments at a rate of 5.65% per annum with the first distribution rate reset falling on 14 August 2025 and subsequent resets occurring every five years thereafter; and
- (ii) \$250.0 million perpetual securities issued on 1 September 2021. The Perpetual Securities will confer a right to receive distribution payments at a rate of 5.375% per annum with the first distribution rate reset falling on 1 September 2026 and subsequent resets occurring every five years thereafter.

¹ 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.

² 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. The adjusted ICR includes the amount reserved for distribution to Perpetual Securities holders in the interest expense. The ICR and adjusted ICR excluded interest expense on lease liabilities.

The key terms and conditions of the Perpetual Securities are as follows:

- the Perpetual Securities may be redeemed at the option of the Trust;
- the distributions are payable semi-annually in arrears on a discretionary basis and are non-cumulative; and
- the Perpetual Securities will constitute direct, unsecured and subordinated obligations of the Trust and rank *pari passu* and without any preference among themselves and with any Parity Obligations (as defined in the terms and conditions) of the Trust.

Accordingly, the Perpetual Securities are classified as equity. The expenses relating to the issue of the Perpetual Securities are deducted against the proceeds from the issue.

As at 30 September 2022, the \$373.5 million (31 March 2022: \$373.5 million) presented in the statements of financial position of the Group and the Trust represent the carrying value of the \$375.0 million (31 March 2022: \$375.0 million) Perpetual Securities issued, net of issue costs and includes the total return attributable to the Perpetual Securities holders from the last distribution date or the issuance date, as the case may be.

8 UNITS IN ISSUE AND TO BE ISSUED

	Group and Trust	
	1H FY2023	1H FY2022
	'000	'000
Units in issue at beginning of the period	712,017	706,663
<u>Units in issue relating to:</u>		
Manager's management fees	1,672	772
Manager's performance fees	3,318	–
Units in issue at end of the period	717,007	707,435
<u>Units to be issued relating to:</u>		
Manager's management fees	1,006	–
Total Units in issue and to be issued at end of the period	718,013	707,435

During 1H FY2022 and 1H FY2023, there were the following issuances of Units to the Manager:

- (i) On 13 July 2021, 772,640 new Units at an average price of \$1.4008 were issued to the Manager as partial payment of the base fee element of the Manager's management fees incurred for the period from 1 January 2021 to 30 June 2021.
- (ii) On 29 April 2022, 1,247,794 new Units at an average price of \$1.4007 were issued to the Manager as partial payment of the base fee element of the Manager's management fees incurred for the period from 1 January 2022 to 31 March 2022.
- (iii) On 29 April 2022, 3,317,930 new Units at an average price of \$1.3922 were issued to the Manager as payment of the performance fee element of the Manager's management fees incurred for the financial year ended 31 March 2022.
- (iv) On 28 July 2022, 423,700 new Units at an average price of \$1.3752 were issued to the Manager as partial payment of the base fee element of the Manager's management fees incurred for the period from 1 April 2022 to 30 June 2022.

During 1H FY2023, the Units to be issued relate to 1,005,940 new Units at an average price of \$1.3140 to be issued to the Manager as partial payment of the base fee element of the Manager's management fees incurred for the period from 1 July 2022 to 30 September 2022.

The issue price for management fees paid/payable in Units was determined based on the volume weighted average traded price for a Unit for all trades done on the SGX-ST in the ordinary course of trading for the last 10 business days of the relevant period in which the fees accrue.

9 GROSS REVENUE

	Group	
	1H FY2023 \$'000	1H FY2022 \$'000
Property rental income	62,833	47,243
Service charge, land rent and property tax	11,352	10,704
Other property expenses recoverable from tenants and other property income	9,015	7,299
	83,200	65,246

10 TOTAL RETURN BEFORE INCOME TAX

The following items have been included in arriving at total return before income tax:

	Group	
	1H FY2023 \$'000	1H FY2022 \$'000
Interest expense on borrowings	12,059	7,928
Interest expense on lease liabilities	1,814	1,768
Amortisation of borrowing transaction costs	1,131	690
Others	478	280
Borrowing costs	15,482	10,666
Audit fees to:		
- auditors of the Trust	96	94
- other auditors	37	22
Non-audit fees to auditors of the Trust	28	25
Trustees' fees	194	164
Valuation fees	85	58
Professional fees	23	17
Acquisition fees written-off	221	87
Investment management fees	1,886	833
Other expenses	472	238
Other trust expenses	3,042	1,538

11 EARNINGS PER UNIT

	Group	
	1H FY2023 Singapore cents	1H FY2022 Singapore cents
Earnings per Unit		
Basic and diluted	7.20	9.33

The earnings per Unit (“EPU”) is computed using total return after tax over the weighted average number of Units outstanding as follows:

	Group	
	1H FY2023 \$'000	1H FY2022 \$'000
Total return after income tax attributable to Unitholders of the Trust and Perpetual Securities holders	61,850	70,614
Less: Amount reserved for distribution to Perpetual Securities holders	(10,278)	(4,645)
Total return after income tax attributable to Unitholders of the Trust	51,572	65,969

	Trust	
	Number of Units	
	1H FY2023 '000	1H FY2022 '000
<u>Basic EPU</u>		
Units in issue at beginning of the period	712,017	706,663
Effect of Units issued relating to:		
- Manager’s management fees	1,208	337
- Manager’s performance fees	2,810	–
Weighted average number of Units at end of the period	716,035	707,000
<u>Diluted EPU</u>		
Units in issue at beginning of the period	712,017	706,663
Effect of Units issued/issuable relating to:		
- Manager’s management fees	1,284	337
- Manager’s performance fees	2,810	–
Weighted average number of Units at end of the period	716,111	707,000

12 COMMITMENTS

As at 30 September 2022, the Group had \$3.1 million (31 March 2022: \$1.2 million) of capital expenditure for investment properties that had been authorised and contracted for but not provided for in the financial statements.

13 SIGNIFICANT RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in the interim financial statements, significant related party transactions carried out on terms agreed between the parties are as follows:

	Group	
	1H FY2023	1H FY2022
	\$'000	\$'000
The Manager		
Manager's management fees		
- Base fees	5,718	4,449
Entities controlled by corporate shareholders of the Manager		
Investment management fees	1,886	833
The Property Manager		
Property management fees	958	909
Lease management fees	479	455
Marketing services commissions	1,769	1,665
Project management fees	80	38
Reimbursement of on-site staff costs ¹	376	-
The Trustee		
Trustee's fees	186	153
Joint venture		
Interest income	688	415

¹ Represents the employment costs and remuneration to the employees of the Property Manager based on-site that are engaged solely and exclusively for management of the relevant properties.

14 SEGMENT REPORTING

The Manager considers the business from a geographical segment perspective. Geographically, the Manager manages and monitors the business by two countries: Singapore and Australia. For each of the reporting segments, the Manager reviews internal management reports on a monthly basis. This forms the basis of identifying the operating segments of the Group under FRS 108 *Operating Segments*.

In FY2022, certain assets and liabilities, borrowing costs and Trust expenses are not allocated to the segments as treasury activities are centrally managed by the Group.

Information about reportable segments

	Singapore \$'000	Australia \$'000	Total \$'000
1H FY2023			
Revenue and expenses			
Gross revenue	68,257	14,943	83,200
Property operating expenses	(22,049)	(8)	(22,057)
Net property income	46,208	14,935	61,143
Share of profits of joint venture (net of tax) ¹	–	11,536	11,536
Net change in fair value of investment properties	10,615	983	11,598
Net change in fair value of right-of-use assets	(2,604)	–	(2,604)
Net change in fair value of derivative financial instruments	752	3,921	4,673
			86,346
Interest income	60	12	72
Borrowing costs	(6,720)	(8,762)	(15,482)
Trust and other expenses	(6,582)	(2,178)	(8,760)
Unallocated item:			
Foreign exchange loss			(995)
Total return before income tax			61,181
Income tax credit			669
Total return after income tax			61,850
Total assets	1,508,629	854,238	2,362,867
Other segment items:			
Joint venture	–	342,789	342,789
Capital expenditure ³	(1,085)	(212)	(1,297)
Total liabilities	(463,810)	(521,700)	(985,510)
1H FY2022			
Revenue and expenses			
Gross revenue	63,449	1,797	65,246
Property operating expenses	(17,533)	(4)	(17,537)
Net property income	45,916	1,793	47,709
Share of profits of joint venture (net of tax) ¹	–	27,264	27,264
Net change in fair value of investment properties	8,967	8,745	17,712
Net change in fair value of right-of-use assets	(2,595)	–	(2,595)
Net change in fair value of derivative financial instruments	(155)	1,421	1,266
			91,356
Unallocated items:			
Foreign exchange loss			(143)
Interest income			423
Borrowing costs			(10,666)
Trust and other expenses			(5,987)
Total return before income tax			74,983
Income tax expense			(4,369)
Total return after income tax			70,614
Non-current assets²	1,457,542	394,117	1,851,659
Other segment items:			
Joint venture	–	341,706	341,706
Capital expenditure ³	(432)	–	(432)

¹ Included in the share of profits of joint venture (net of tax) is the share of revaluation surplus recognised on the valuation of Optus Centre of \$3.5 million (1H FY2022: \$19.4 million).

² Excluding derivative financial instruments.

³ Capital expenditure consists of additions of investment properties.

No business segment information has been prepared as all investment properties are used mainly for industrial (including warehousing and business park) purposes and they are similar in terms of purpose, economic characteristics, types of tenants and nature of services provided to tenants. As such, the Group's chief operating decision makers are of the view that the Group has only one reportable segment, which is the leasing of investment properties. Accordingly, no operating segment information has been prepared. This forms the basis of identifying the operating segments of the Group under FRS 108 *Operating Segments*.

Major tenants

Rental income from one major tenant of the Group's reportable segment represents approximately \$13.2 million (1H FY2022: \$5.2 million) of the Group's rental income.

15 FINANCIAL RATIOS

	Group	
	1H FY2023	1H FY2022
	%	%
Expenses to weighted average net assets ¹		
- Expense ratio excluding performance-related fee	1.24	1.15
- Expense ratio including performance-related fee	1.57	1.15
Portfolio turnover rate ²	–	–

¹ The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property related expenses, borrowing costs, changes in fair value of financial derivatives, investment properties, investment property under development and foreign exchange gains/(losses).

² The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of weighted average net asset value.

16 SUBSEQUENT EVENT

On 26 October 2022 the Manager approved a distribution of 2.42 cents per Unit in respect of the period from 1 July 2022 to 30 September 2022 to be paid on 23 December 2022.

**Other Information
Required By Listing Rule Appendix 7.2**

1 INTRODUCTION

AIMS APAC REIT (“AA REIT” or the “Trust”) is a real estate investment trust which was listed on the Main Board of the SGX-ST on 19 April 2007. AA REIT is externally managed by AIMS APAC REIT Management Limited (the “Manager”). The principal investment objective of the Manager is to invest in a diversified portfolio of income-producing real estate assets located in Singapore and throughout the Asia-Pacific region that is used for industrial purposes, including, but not limited to warehousing and distribution activities, business park activities and manufacturing activities. The Manager’s key objectives are to deliver stable distributions to Unitholders and to provide long-term capital growth.

The Group¹ has a portfolio of 29 industrial properties, 26 of which are located throughout Singapore, one industrial property located in Gold Coast, Queensland, Australia, one business park located in New South Wales, Australia, and one business park property located in Macquarie Park, New South Wales (“NSW”), Australia².

2 SUMMARY OF AIMS APAC REIT GROUP RESULTS

	Note	1H FY2023	1H FY2022	+/(-)
		S\$'000	S\$'000	%
Gross revenue	(a)	83,200	65,246	27.5
Net property income	(a)	61,143	47,709	28.2
Share of profits of joint venture (net of tax)	(b)	11,536	27,264	(57.7)
Distributions to Unitholders		33,724	33,603	0.4
Distribution per Unit (“DPU”) (cents)		4.70	4.75	(1.1)

Breakdown of DPU by quarter

	Note	1H FY2023	1H FY2022	+/(-)
		Cents	Cents	%
For the first quarter ended 30 June	(c)	2.28	2.25	1.3
For the second quarter ended 30 September	(d)	2.42	2.50	(3.2)
For the half year ended 30 September		4.70	4.75	(1.1)

Notes:

- (a) Please refer to section 3.2 Consolidated Statements of Total Return, Note (a) for explanation of the variances.
- (b) Please refer to section 3.2 Consolidated Statements of Total Return, Note (g) for explanation of the variances.
- (c) The payment of distribution for the first quarter ended 30 June 2022 has been paid on 23 September 2022. (first quarter ended 30 June 2021 has been paid on 22 September 2021)
- (d) The payment of distribution for the second quarter ended 30 September 2022 will be payable on 23 December 2022. (second quarter ended 30 September 2021 has been paid on 17 December 2021)

¹ The Group comprises AIMS APAC REIT, its wholly-owned subsidiaries and its interest in a joint venture.

² AA REIT has a 49.0% interest in Optus Centre located in Macquarie Park, NSW, Australia.

Distribution and Record Date

Distribution	For 1 July 2022 to 30 September 2022
Distribution Type	(a) Taxable Income (b) Capital Distribution ¹
Distribution Rate	(a) Taxable Income Distribution: 1.74 cents per Unit (b) Capital Distribution ¹ : <u>0.68 cents per Unit</u> <u>2.42 cents per Unit</u>
Record Date	4 November 2022
Payment Date	23 December 2022

¹ This relates to the tax deferred component arising from the distributions remitted from the Group's investments in Australia.

3 REVIEW OF PERFORMANCE OF THE GROUP

3.1 Statements of Financial Position as at 30 September 2022 vs. 31 March 2022

	Note	Group			Trust		
		30 September 2022 S\$'000	31 March 2022 S\$'000	+ / (-) %	30 September 2022 S\$'000	31 March 2022 S\$'000	+ / (-) %
Non-current assets							
Investment properties	(a)	1,969,350	1,992,582	(1.2)	1,481,618	1,464,250	1.2
Subsidiaries		–	–	–	328,681	328,681	–
Joint venture	(b)	342,789	367,763	(6.8)	–	–	–
Trade and other receivables	(c)	3,459	3,086	12.1	3,459	3,086	12.1
Derivative financial instruments	(d)	23,228	9,989	>100.0	13,735	7,216	90.3
		<u>2,338,826</u>	<u>2,373,420</u>	<u>(1.5)</u>	<u>1,827,493</u>	<u>1,803,233</u>	<u>1.3</u>
Current assets							
Trade and other receivables	(c)	7,040	8,846	(20.4)	7,017	9,802	(28.4)
Derivative financial instruments	(d)	1,275	–	NM	1,275	–	NM
Cash and cash equivalents	(e)	15,726	21,395	(26.5)	9,499	11,599	(18.1)
		<u>24,041</u>	<u>30,241</u>	<u>(20.5)</u>	<u>17,791</u>	<u>21,401</u>	<u>(16.9)</u>
Total assets		<u>2,362,867</u>	<u>2,403,661</u>	<u>(1.7)</u>	<u>1,845,284</u>	<u>1,824,634</u>	<u>1.1</u>
Non-current liabilities							
Trade and other payables	(f)	12,827	13,135	(2.3)	12,827	13,135	(2.3)
Interest-bearing borrowings	(g)	807,512	817,782	(1.3)	395,276	405,184	(2.4)
Derivative financial instruments	(d)	–	1,495	(100.0)	–	1,495	(100.0)
Deferred tax liabilities	(h)	27,647	27,944	(1.1)	–	–	–
Lease liabilities	(i)	94,338	88,621	6.5	94,338	88,621	6.5
		<u>942,324</u>	<u>948,977</u>	<u>(0.7)</u>	<u>502,441</u>	<u>508,435</u>	<u>(1.2)</u>
Current liabilities							
Trade and other payables	(j)	37,806	39,767	(4.9)	31,756	33,832	(6.1)
Interest-bearing borrowings	(g)	–	35,206	(100.0)	–	–	–
Derivative financial instruments	(d)	–	540	(100.0)	–	540	(100.0)
Lease liabilities	(i)	5,380	5,429	(0.9)	5,380	5,429	(0.9)
		<u>43,186</u>	<u>80,942</u>	<u>(46.6)</u>	<u>37,136</u>	<u>39,801</u>	<u>(6.7)</u>
Total liabilities		<u>985,510</u>	<u>1,029,919</u>	<u>(4.3)</u>	<u>539,577</u>	<u>548,236</u>	<u>(1.6)</u>
Net assets		<u>1,377,357</u>	<u>1,373,742</u>	<u>0.3</u>	<u>1,305,707</u>	<u>1,276,398</u>	<u>2.3</u>
Represented by:							
Unitholders' funds		1,003,809	1,000,196	0.4	932,159	902,852	3.2
Perpetual Securities holders' funds		373,548	373,546	<0.1	373,548	373,546	<0.1
		<u>1,377,357</u>	<u>1,373,742</u>	<u>0.3</u>	<u>1,305,707</u>	<u>1,276,398</u>	<u>2.3</u>

NM: Not meaningful

- (a) The decrease in investment properties was largely due to the translation loss from the Australian properties as a result of the weakening of Australian dollar ("AUD") against Singapore dollar ("SGD"), partially offset by the revaluation gain from investment properties.

(b) This relates to the Group's 49.0% interest in Macquarie Park Trust, the Australian trust which holds Optus Centre, located in Macquarie Park, NSW, Australia and a proportionate unitholder loan to the joint venture. The decrease was mainly due to the translation loss as a result of the weakening of AUD against SGD, partially offset by the share of revaluation surplus following the valuation of the property as at 30 September 2022.

(c) Non-current trade and other receivables relate to the unamortised portion of the marketing services commission for leases with tenors of more than one year.

Current trade and other receivables as at 30 September 2022 of S\$7.0 million was S\$1.8 million lower compared to balances as at 31 March 2022. The decrease was mainly due to the refund of deposits for utilities and the refund of 1% option fee for the acquisition of 315 Alexandra Road that was previously paid in FY2021.

(d) The derivative financial instruments as at 30 September 2022 and 31 March 2022 reflect the fair value of the interest rate swap and foreign currency forward contracts entered into for the Group and the Trust to hedge its interest rate and foreign currency risks.

(e) Cash and cash equivalents decreased mainly due to net cash outflow from financing activities arising mainly from interest payments, distributions to Unitholders and full half year impact of Perpetual Securities holders in 1H FY2023. Please refer to page FS10 of the Interim Financial Statements for the Consolidated Statement of Cash Flows.

(f) Non-current trade and other payables mainly comprised rental deposits received from tenants with remaining lease tenors of more than one year. The decrease was mainly due to rental deposits for leases with lease tenors within one year as at 30 September 2022 was reclassified to current trade and other payables.

(g) The total borrowings of the Group as at 30 September 2022 of S\$807.5 million was S\$45.5 million lower compared to balances as at 31 March 2022 mainly due to translation loss from the Australian denominated borrowings as a result of the weakening of AUD against SGD.

(h) This relates to the provision of deferred tax liabilities for the Trust's investment in Australia.

(i) This relates to the recognition of lease liabilities in relation to the capitalisation of land rent payments in accordance with FRS 116. The increase was mainly due to the recognition of the lease liabilities on the lease extension option for the properties of 26 Tuas Avenue 7 and 7 Clementi Loop, partially offset by the rent payments during 1H FY2023.

(j) Current trade and other payables as at 30 September 2022 of S\$37.8 million was S\$2.0 million lower compared to balances as at 31 March 2022. The decrease was mainly due to the payments of the property operating expenses.

As at 30 September 2022, the Group's current liabilities exceeded its current assets by S\$19.1 million. The Group and the Trust had total undrawn committed facilities of approximately S\$205.3 million to fulfil their liabilities as and when they fall due.

3.2 Consolidated Statements of Total Return

	Note	Group		+/(-) %
		1H FY2023 S\$'000	1H FY2022 S\$'000	
Gross revenue	(a)	83,200	65,246	27.5
Property operating expenses	(a)	(22,057)	(17,537)	25.8
Net property income	(a)	<u>61,143</u>	<u>47,709</u>	28.2
Net property income margin	(a)	73.5%	73.1%	
Net foreign exchange loss	(b)	(995)	(143)	>100.0
Interest income	(c)	72	423	(83.0)
Borrowing costs	(d)	(15,482)	(10,666)	45.2
Manager's management fees	(e)	(5,718)	(4,449)	28.5
Other trust expenses	(f)	(3,042)	(1,538)	97.8
Non-property expenses		<u>(24,242)</u>	<u>(16,653)</u>	45.6
Net income before joint venture's profits		35,978	31,336	14.8
Share of profits of joint venture (net of tax)	(g)	<u>11,536</u>	<u>27,264</u>	(57.7)
Net income		47,514	58,600	(18.9)
Net change in fair value of investment properties	(h)	8,994	15,117	(40.5)
Net change in fair value of derivative financial instruments	(i)	4,673	1,266	>100.0
Total return before income tax		<u>61,181</u>	<u>74,983</u>	(18.4)
Income tax credit/(expense)	(j)	669	(4,369)	>(100.0)
Total return after income tax		<u>61,850</u>	<u>70,614</u>	(12.4)
Attributable to:				
Unitholders		51,572	65,969	(21.8)
Perpetual Securities holders	(k)	<u>10,278</u>	<u>4,645</u>	>100.0
		<u>61,850</u>	<u>70,614</u>	(12.4)
Distributions to Unitholders	(l)	33,724	33,603	0.4
DPU (Singapore cents)		4.70	4.75	(1.1)

(a) Gross revenue for 1H FY2023 of S\$83.2 million was S\$18.0 million higher as compared to 1H FY2022. The increase in gross revenue was largely contributed by the acquisition of 1 Woolworths Way, Bella Vista, New South Wales, Australia ("Woolworths HQ") in November 2021 amounting to approximately S\$13.2 million and higher rental and recoveries for the properties at 29 Woodlands Industrial Park E1, 20 Gul Way, 15 Tai Seng Drive, 8 & 10 Pandan Crescent, 8 Tuas Avenue 20 and 27 Penjuru Lane.

Property operating expenses for 1H FY2023 of S\$22.1 million was S\$4.5 million higher as compared to 1H FY2022.

Net property income for 1H FY2023 of S\$61.1 million was S\$13.4 million higher than 1H FY2022 mainly due to higher revenue from the acquisition of Woolworths HQ, higher rental reversion, offset by higher property expenses. As a result, net property income margin increased to 73.5% in 1H FY2023 compared to 73.1% in 1H FY2022.

(b) Net foreign exchange loss for 1H FY2023 of S\$1.0 million was S\$0.9 million higher as compared to 1H FY2022 mainly due to translation loss caused by the weakening of Australian dollar against the Singapore dollar.

(c) Interest income for 1H FY2023 of S\$0.1 million was S\$0.4 million lower compared to 1H FY2022 mainly due to the reclassification of interest income from joint venture to the share of profits of joint venture. Interest income from joint venture for 1H FY2023 is S\$0.7 million.

- (d) Borrowing costs for 1H FY2023 of S\$15.5 million was S\$4.8 million higher compared to 1H FY2022 mainly due to the interest from borrowings to fund the acquisition of Woolworths HQ and increase in the floating interest rates.
- (e) Manager's management fees for 1H FY2023 of S\$5.7 million was S\$1.3 million higher compared to 1H FY2022. The increase was mainly due to higher value of the Deposited Property from the acquisition of Woolworths HQ in November 2021 and the higher valuation of the Singapore properties and Optus Centre.
- (f) Other trust expenses for 1H FY2023 of S\$3.0 million was S\$1.5 million higher compared to 1H FY2022 mainly due to higher trustee fees, Australian investment management fees as a result of the higher value of the Deposited Property from the acquisition of Woolworths HQ.
- (g) The decrease in the share of profits of joint venture in 1H FY2023 was mainly due to lower share of revaluation surplus recognised from the valuation of Optus Centre of S\$3.5 million (1H FY2022: S\$19.4 million).
- (h) The net change in fair value of investment properties for 1H FY2023 of S\$9.0 million was largely due to revaluation gain from investment properties of S\$11.6 million, partially offset by S\$2.6 million fair value adjustments of ROU assets in accordance with FRS 116 Leases ("FRS 116").
- (i) The net changes in fair value of derivative financial instruments for 1H FY2023 relates to the revaluation of interest rate swap contracts and foreign currency forward contracts. The net change in fair value of derivative financial instruments is a non-tax chargeable/deductible item and has no impact on the taxable income and distributable income to the Unitholders.
- (j) The income tax credit or expense comprises mainly withholding tax arising from distribution from Australia and deferred tax liability recognised on the share of revaluation surplus on Optus Centre and the fair value gain recorded for the investment property at Boardriders Asia Pacific HQ. The income tax credit for 1H FY2023 was largely due to withholding tax refund for Australia and foreign translation gain for deferred tax liability.
- (k) On 14 August 2020, the Trust issued S\$125.0 million of subordinated perpetual securities ("Perpetual Securities"). The Perpetual Securities confer a right to its holders to receive distribution payments at a rate of 5.65% per annum, with the first distribution rate reset falling on 14 August 2025 and subsequent resets occurring every five years thereafter. Distributions are payable semi-annually in arrears on a discretionary basis and are non-cumulative in accordance with the terms and conditions of the Perpetual Securities.

On 1 September 2021, the Trust issued S\$250.0 million Perpetual Securities. The Perpetual Securities confer a right to its holders to receive distribution payments at a rate of 5.375% per annum, with the first distribution rate reset falling on 1 September 2026 and subsequent resets occurring every five years thereafter. Distributions are payable semi-annually in arrears on a discretionary basis and are non-cumulative in accordance with the terms and conditions of the Perpetual Securities.

Income attributable to Perpetual Securities holders for 1H FY2023 of S\$10.3 million was S\$5.6 million higher as compared to 1H FY2022 mainly due to the full half year impact of S\$250.0 million Perpetual Securities that was issued on 1 September 2021.

- (l) Distribution to Unitholders for 1H FY2023 of S\$33.7 million was fairly in line with 1H FY2022. Higher net property income contributed largely from Woolworths HQ which was acquired in November 2021, was partially offset by the full half year impact in the amount reserved for distribution to Perpetual Securities holders, higher borrowing costs and other trust expenses.

4 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by auditors.

5 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter).

Not applicable.

6 Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 March 2022.

7 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

8 To show the total number of issued units excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 30 September 2022, the Trust had 717,006,893 units (31 March 2022: 712,017,469 units)

9 A statement showing all sales, transfers, cancellation and/or use of treasury units and subsidiary holdings as at the end of the current financial period reported on

Not applicable.

10 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Trust has not disclosed to the market any forecast in relation to the current financial period.

11 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months.

Global outlook

Global economic growth is expected to slow to 3.2% in 2022 and 2.9% in 2023 from 6.1% in 2021¹. The slowdown is in the wake of the Fed's aggressive tightening of monetary policy amid persistent inflationary pressures, coupled with energy crises and geopolitical tensions. The World Bank has also lowered its growth forecast for Asia Pacific to 3.2% in 2022 from 7.2% in 2021².

Singapore

In Singapore, manufacturing sentiment has weakened amid cooling demand and persistent price pressures. The Purchasing Managers' Index for September 2022 slipped 0.1 point to 49.9, its first decline after 26 straight months of expansion. Despite the moderation in overall industrial performance, the market is expected to remain resilient, supported by favourable supply-demand dynamics. Long-term demand is underpinned by Singapore's increasing focus on high-value manufacturing and biomedical sectors. Singapore remains to be a compelling destination for regional headquarters and a preferred location for high-value manufacturing activities. Specifically in the warehouse sector, leasing demand remains strong driven by the food industry, third-party logistics and the electronics sector³. With industrial supply remaining tight, rentals are expected to grow between 3% to 5% for 2022⁴. Nonetheless, the slowing economic growth, rising inflationary pressures and higher energy prices are expected to prompt businesses to be more cautious about expansion.

Australia

According to the Australian Bureau of Statistics, Australia's GDP is expected to grow by 3.25% in 2022, before slowing to 1.75% over both 2023 and 2024⁵. The growth is bolstered by rising household consumption and a recovery in services exports. The industrial sector remains supported by a record level of infrastructure investment, supply chain volatility and higher online spending. In Sydney, improved economic conditions and population growth have translated into positive demand levels for office, industrial and logistics space. The emergence of clusters, centered around technology and life sciences, and supported by improving infrastructure will benefit locations such as Macquarie Park⁶. Consequently, these markets are well-placed to absorb the current availability of stock with rental rates holding firm. In the Gold Coast, the industrial market is buoyed by a shortage of supply and strong fundamentals including population and e-commerce growth, shift of businesses from Brisbane which have continued to support rental growth and capital values⁷. Notably, AA REIT's two business parks (Optus Centre and Woolworths HQ in Sydney) and one light industrial asset (Boardriders HQ in Gold Coast) in Australia, are on triple-net leases with long lease terms ranging from 9 to 11 years.

Against this backdrop, the Manager remains focused on active asset and lease management to maintain a stable occupancy for its Singapore portfolio. Whilst inflationary pressures and rising energy costs are expected to increase operational expenses, the Manager will implement energy-efficient measures to alleviate these costs. The Manager is also actively evaluating organic growth opportunities by way of asset enhancements initiatives. In an environment of rising interest rates, the Manager will continue to maintain a prudent approach towards capital management as well as a disciplined capital recycling of non-core assets to support future portfolio growth.

¹ International Monetary Fund, July 2022

² World Bank's East Asia and Pacific October 2022 Economic Update

³ Colliers Commentary on JTC's Q2 2022 Statistics, Colliers, 28 July 2022

⁴ Knight Frank Industrial and Logistics Q3 2022 Market Update, Knight Frank, 6 October 2022

⁵ Reserve Bank of Australia, Statement on Monetary Policy, August 2022

⁶ Knight Frank's North Shore Office Market Report, March 2022

⁷ Colliers' Regional Spotlight Industrial Report 2022, Colliers, 11 September 2022

12 Distributions

(a) Current financial period

Any distributions declared for the current financial period: Yes

(i) Name of distribution: **66th distribution, for the period from 1 July 2022 to 30 September 2022**

Distribution Type¹ Taxable Income
Capital Distribution

Distribution Rate: Taxable Income 1.74 cents per Unit
Capital Distribution 0.68 cents per Unit
Total 2.42 cents per Unit

Par value of units: Not applicable

Tax Rate: **Taxable Income Distributions**
Taxable income distributions are made out of AA REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through a partnership or as trading assets). Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.

Capital Distributions
Capital distributions represent a return of capital to Unitholders for Singapore income tax purposes and are therefore not subject to income tax. For Unitholders who are liable for Singapore income tax on profits from sale of AA REIT Units, the amount of capital distribution will be applied to reduce the cost base of their AA REIT Units for Singapore income tax purposes. Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.

Record date: 4 November 2022

Date payable: 23 December 2022

¹ No tax-exempt income distribution was declared for the period from 1 July 2022 to 30 September 2022.

(ii) Name of distribution:	65th distribution, for the period from 1 April 2022 to 30 June 2022	
Distribution Type ¹	Taxable Income Capital Distribution	
Distribution Rate:	Taxable Income	1.40 cents per Unit
	Capital Distribution	<u>0.88 cents per Unit</u>
	Total	<u>2.28 cents per Unit</u>
Par value of units:	Not applicable	
Tax Rate:	<u>Taxable Income Distributions</u> Taxable income distributions are made out of AA REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through a partnership or as trading assets). Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.	
	<u>Capital Distributions</u> Capital distributions represent a return of capital to Unitholders for Singapore income tax purposes and are therefore not subject to income tax. For Unitholders who are liable for Singapore income tax on profits from sale of AA REIT Units, the amount of capital distribution will be applied to reduce the cost base of their AA REIT Units for Singapore income tax purposes. Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.	
Remarks:	Distribution of 2.28 cents per unit for the period from 1 April 2022 to 30 June 2022 was paid on 23 September 2022.	

¹ No tax-exempt income distribution was declared for the period from 1 April 2022 to 30 June 2022.

(b) Corresponding period of the immediate preceding year

Any distributions declared for the previous corresponding financial period: Yes

(i) Name of distribution: **62nd distribution, for the period from 1 July 2021 to 30 September 2021**

Distribution Type¹:
 Taxable Income
 Capital Distribution

Distribution Rate	Taxable Income	2.00 cents per Unit
	Capital Distribution	<u>0.50 cents per Unit</u>
	Total	<u>2.50 cents per Unit</u>

Par value of units: Not applicable

Tax Rate: **Taxable Income Distributions**
 Taxable income distributions are made out of AA REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through a partnership or as trading assets). Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.

Capital Distributions
 Capital distributions represent a return of capital to Unitholders for Singapore income tax purposes and are therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of AA REIT Units, the amount of capital distribution will be applied to reduce the cost base of their AA REIT Units for Singapore income tax purposes. Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.

Remarks: Distribution of 2.50 cents per unit for the period from 1 July 2021 to 30 September 2021 was paid on 17 December 2021.

¹ No tax-exempt income distribution was declared for the period from 1 July 2021 to 30 September 2021.

(ii) **Name of distribution:** **61st distribution, for the period from 1 April 2021 to 30 June 2021**

Distribution Type ¹ :	Taxable Income	
	Capital Distribution	
Distribution Rate:	Taxable Income	1.88 cents per Unit
	Capital Distribution	<u>0.37 cents per Unit</u>
	Total	<u>2.25 cents per Unit</u>

Not applicable

Par value of units:

Taxable Income Distributions

Tax Rate: Taxable income distributions are made out of AA REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through a partnership or as trading assets). Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.

Capital Distributions

Capital distributions represent a return of capital to Unitholders for Singapore income tax purposes and are therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of AA REIT Units, the amount of capital distribution will be applied to reduce the cost base of their AA REIT Units for Singapore income tax purposes. Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.

Remarks: Distribution of 2.25 cents per unit for the period from 1 April 2021 to 30 June 2021 was paid on 22 September 2021.

13 If no distribution has been declared (recommended), a statement to that effect and the reason(s) for the decision

Not applicable.

14 Segmented revenue and results for business or geographical segments (of the Group) with comparative information for the corresponding period of the immediate preceding year.

	Group		+ / (-) %
	1H FY2023 S\$'000	1H FY2022 S\$'000	
<u>Gross Revenue</u>			
Singapore	68,257	63,449	7.6
Australia	14,943	1,797	>100.0
	83,200	65,246	27.5
 <u>Net property income</u>			
Singapore	46,208	45,916	0.6
Australia	14,935	1,793	>100.0
	61,143	47,709	28.2

¹ No tax-exempt income distribution was declared for the period from 1 April 2021 to 30 June 2021.

15 General Mandate Relating to Interested Person Transactions

The Trust has not obtained a general mandate from Unitholders for Interested Person Transactions other than the Exempted Agreements as disclosed in the Prospectus.

16 Confirmation by the board pursuant to Rule 705(5) of the Listing Manual

We confirm that, to the best of our knowledge, that nothing has come to the attention of the Board of Directors of AIMS APAC REIT Management Limited (as Manager of AA REIT), which may render these interim financial statements to be false or misleading in any material respect.

For and on behalf of the Board of Directors of
AIMS APAC REIT Management Limited
(as Manager of AIMS APAC REIT)

George Wang
Chairman and Director

Chong Teck Sin
Director

17 Confirmation pursuant to Rule 720(1) of the Listing Manual

The Manager confirms that it has procured undertakings from all its directors and executive officers in the form as set out in Appendix 7.7 pursuant to Rule 720(1) of Listing Manual.

This release 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, 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 current view of management on future events.

By Order of the Board

AIMS APAC REIT Management Limited
(Company Registration No. 200615904N)
(as Manager of AIMS APAC REIT)

Russell Ng
Chief Executive Officer
26 October 2022