



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

Media Release

AIMS APAC REIT delivers 3.8% YoY increase in Distributions to Unitholders to S\$74.3 million for FY2024

- Net Property Income for FY2024 up by 6.9% to S\$131.0 million, underpinned by strong rental reversion of 24.3% (FY2023: 18.5%)
- Maintained high portfolio occupancy of 97.8% (FY2023: 98.0%)
- Portfolio WALE extended from 4.4 years to 5.1 years year-on-year, following signing of new and renewal master and major leases over FY2024
- Signed 15-year master lease with a global storage and information management company and in advanced negotiation to secure a global precision engineering and technology group as anchor tenant for long term lease for two AEI projects
- Prudent gearing of 32.6% with no financing requirements until 3Q FY2025
- Robust balance sheet provides significant headroom for further organic growth and potential acquisitions

	FY2024	FY2023	+/(-)
	S\$'000	S\$'000	%
Gross revenue	177,281	167,382	5.9
Net property income ("NPI")	130,979	122,510	6.9
Distributions to Unitholders	74,321	71,623	3.8
No. of Units in issue and to be issued ('000)	810,955	725,039	11.8
Distribution per Unit ("DPU") (Singapore cents)	9.360	9.944	(5.9)

Singapore, 7 May 2024 – AIMS APAC REIT Management Limited (the "Manager") as manager of AIMS APAC REIT ("AA REIT") is pleased to report a 3.8% year-on-year ("YoY") rise in distributions to Unitholders to S\$74.3 million for the full year ended 31 March 2024 ("FY2024").

Gross revenue rose by 5.9% YoY to S\$177.3 million for FY2024 supported by higher portfolio occupancy and strong positive rental reversions, alongside high tenant retention rates.

Consequently, Net Property Income ("NPI") increased 6.9% YoY to S\$131.0 million for FY2024. DPU declined by 5.9% for the FY2024 to 9.360 Singapore cents owing to the enlarged unit base following the Equity Fund Raising ("EFR") which was completed in July 2023.

Mr Russell Ng, CEO of the Manager said, "We are pleased to report a strong year of progress, underpinned by our active asset and lease management capabilities. This is reflected in the renewals

of industry leading tenants, strong rental reversions, high occupancy rates and progression of our two Asset Enhancement Initiatives (“AEIs”).

In line with our portfolio revitalization strategy, we will undertake targeted upgrades to meet the occupational requirements of our master and anchor tenants. We have signed a 15 year master lease with a global storage and information management company and in advanced negotiation to secure a global precision engineering and technology group as anchor tenant for a new long term lease for the second project. Upon completion, the two AEIs will further enhance our portfolio metrics and financial performance for AA REIT unitholders over the long term. Looking ahead into FY2025, against the backdrop of tight supply for logistics and high-spec industrial spaces, we will continue to evaluate new AEIs, re-development and acquisition opportunities, to enhance returns and unlock further value for Unitholders.”

Mr George Wang, Chairman of the Manager added, “Our strong asset management capabilities and prudent capital management are the essential foundations on which we have built our income resilience. With the successful completion of our S\$100 million Equity Fund Raising in FY2024, our balance sheet remains fortified and we are well placed to capitalise on further growth opportunities. We approach the next financial year with great confidence and are focused on delivering another year of progress.”

Portfolio Update

In FY2024, the Manager executed 17 new and 48 renewal leases, totalling 231,837 sqm, which represented 29.8% of the portfolio’s net lettable area (“NLA”). AA REIT achieved a strong rental reversion rate of 24.3% for the financial year, which was underpinned by 31.7% reversion for 4Q FY2024. The robust growth was largely attributable to the Logistics and Warehouse segment. For FY2025, 18.1% of leases by Gross Rental Income are due for renewal, of which 12.7% of the 18.1% are from the Logistics and Warehouse segment.

As at 31 March 2024, overall portfolio occupancy stood at 97.8%. The portfolio is well supported by 191 tenants diversified across multiple trade sectors, with 82.4% of gross rental income from tenants in defensive industries.

The rejuvenated assets, together with the new master and anchor tenants, will increase AA REIT’s projected long term income and portfolio value.

Valuations

As at 31 March 2024, AA REIT owns 28 properties valued at S\$2.16 billion, comprising S\$1.47 billion (68%) of investment properties in Singapore and S\$0.69 billion (32%) of investment properties (including the 49.0% interest in Optus Centre held through a joint venture) in Australia. AA REIT’s portfolio valuation declined by approximately 1.3% or S\$28.8 million from 31 March 2023 largely due to the expansion of capitalisation rates for the Australia’s properties, and offset by higher valuation for the Singapore’s properties.

Prudent Capital Management

As at 31 March 2024, aggregate leverage stood at 32.6% following the completion of \$100 million in this financial year. There is no debt refinancing requirement until 3Q FY2025. Weighted average debt

maturity stood at 2.3 years with blended debt funding cost of 4.1%¹ alongside interest coverage ratio of 4.1 times². 75%³ of debt is on fixed rate allowing AA REIT to mitigate the lingering high interest rate environment.

73% of expected Australian dollar distributable income is hedged into Singapore dollars on a rolling four-quarter basis which provides certainty for distribution to Unitholders.

Advancing on Our Sustainability Commitments

The Manager remains dedicated to integrating sustainability and environmental stewardship into its operations. During the year, the Manager successfully implemented its first phase of solar panel installation across the rooftop of six properties which has a solar generation capacity of 10.8 MWp. This marked a significant step towards achieving AA REIT's Scope 2 emission reduction target of 42% by FY2030.

With phase 1 successfully completed, AA REIT will embark on phase 2 plans to install solar panels of up to 5 properties that will have the potential to generate around half of phase 1 generation capacity. Together with the planned installation and roll-out of new energy efficient ACMV and smart lighting systems at 135 Joo Seng and 20 Gul Way respectively, AA REIT will be able to further reduce its carbon emissions.

AA REIT continues to proactively seek out and implement new sustainability measures that not only minimise its environmental impact but ensure portfolio resilience and attractiveness for occupiers. This approach remains integral to growth and future-proofing the portfolio to create sustainable long-term value.

Market Outlook

The US Federal Reserve kept the rates unchanged as of its latest Federal Open Market Committee ("FOMC") meeting in May 2024. This came against the backdrop of strong job gains, low unemployment rate and current inflation levels⁴.

The International Monetary Fund recently raised its global growth forecast, stating the economy had proved "surprisingly resilient". It now expects global growth of 3.2% in 2024, supported by moderating inflation, resilient economic activity and favourable supply developments⁵.

Singapore

Singapore's economy grew 2.7% year-on-year in Q1 2024, an improvement from 2.2% growth in the previous quarter, as reported by the Ministry of Trade and Industry ("MTI")⁶. While Singapore's manufacturing output decreased 9.2% in March 2024 on a year-on-year basis⁷, manufacturing sentiment improved in March with the purchasing managers' index rising to 50.7 points, posting a

¹ Based on year-to-date figures

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, foreign exchange translation and interim insurance compensation for property damage), by the trailing 12 months interest expense and borrowing-related fees. The borrowing-related fees excludes the unwinding of discounting effect on the present value of lease liabilities and the deferred consideration.

³ 73% of borrowings on fixed rates, 2% of borrowings on forward interest rate swaps

⁴ Federal Reserve Board - Federal Reserve issues FOMC statement

⁵ IMF / World Economic Outlook April 2024

⁶ Singapore's GDP Grew by 2.7 Per Cent in the First Quarter of 2024 (mti.gov.sg)

⁷ Monthly Manufacturing Performance – March 2024 (edb.gov.sg)

slight gain from February's 50.6 reading. This contrasts with regional factory activity being weighed down by weakening demand⁸.

Key indicators like prices, rents and occupancy levels are expected to hold relatively stable across the various industrial property types for the rest of the year⁹. There remains sustained demand and a "flight-to-quality" to modern industrial facilities due to the tight supply persisting into 2024.

Australia

The Reserve Bank of Australia ("RBA") kept interest rates steady at 4.35% from its March 2024 meeting, citing moderated inflation levels driven by the services sector and gradual easing of labour market conditions¹⁰. The RBA also cautioned that there are still significant uncertainties around the outlook and did not rule out further rate increases to return inflation to target.

AA REIT's two business parks in Sydney are located within Macquarie Park and the Norwest Business Park, which continue to benefit from significant infrastructure investments. A report from March 2024 funded by Macquarie University found the Macquarie Park Innovation District contributed approximately AUD 13.6 billion and serves as a "long-term growth engine for an innovation and knowledge-based economy"¹¹.

The Sydney Metro Trains are now underway for the next major phase of testing and will undergo its last stage of testing before the new metro line is launched in 2024 which will allow commuters to travel from the city direct to Macquarie Park in just 18 minutes¹². The upcoming infrastructure developments for the Brisbane 2032 Olympics and Paralympics in the Gold Coast area¹³ are expected to increase economic activity and improve connectivity to Boardriders APAC HQ.

Management Outlook

The Manager remains confident in AA REIT's portfolio of high-quality and well-located assets, supported by its ongoing execution of its four strategic pillars. Supply continues to be constrained in Singapore and AA REIT stands well-placed to benefit from a 'flight to quality' as it continues with its portfolio revitalization strategy through AEs, redevelopments, divestments and strategic capital recycling. These initiatives will continue to support the current high occupancy, high tenant retention and positive rental reversion trend.

In Australia, the two business park assets are situated on extensive land parcels within key growth precincts undergoing significant investment. These areas are evolving into vibrant hubs of innovation and economic activity. With strong tenant covenants on long lease terms and built-in rental escalations, these assets hold substantial long-term upside potential for Unitholders.

Amidst the uncertain macroeconomic conditions and elevated interest rate environment, the Manager will continue to maintain a prudent capital management strategy. The Manager continues to be committed to driving organic growth, whilst maintaining a disciplined approach to acquisitions to ensure sustainable long-term returns for Unitholders.

⁸ March 2024 Singapore PMI (pmi.sipmm.edu.sg)

⁹ Q1 2024 Industrial & Logistics (knightfrank.com)

¹⁰ Statement by the Reserve Bank Board: Monetary Policy Decision | Media Releases | RBA

¹¹ \$13 billion a year: Major new report gets the measure of Macquarie Park — Connect Macquarie Park Innovation District (connectmpid.com.au)

¹² Project update: testing on track for more Metro services to Macquarie Park! — Connect Macquarie Park Innovation District (connectmpid.com.au)

¹³ Olympic and Paralympic Games Brisbane 2032 | City of Gold Coast

Distribution and Record Date

Distribution	For 1 January 2024 to 31 March 2024	
Distribution Type	(a) Taxable Income (b) Capital Distribution	
Distribution Rate	(a) Taxable Income (b) Capital Distribution ¹⁴	1.868 Singapore cents per Unit <u>0.502 Singapore cents per Unit</u> <u>2.370 Singapore cents per Unit</u>
Record Date	16 May 2024	
Payment Date	24 June 2024	

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¹⁴ This relates to the tax deferred component arising from the distributions remitted from the Group's investments in Australia.

Important Notice

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

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

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

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

About AIMS APAC REIT (www.aimsapacreit.com)

Managed by the Manager, AIMS APAC REIT (“AA REIT”) is a real estate investment trust listed on the Mainboard of the SGX-ST since 2007. AA REIT was established with the principal investment objective of owning and investing in a diversified portfolio of high-quality income-producing industrial, logistics and business park real estate, located throughout the Asia Pacific region. The real estate assets are utilised for a variety of purposes, including but not limited to warehousing and distribution activities, business park activities and manufacturing activities. AA REIT’s existing portfolio consists of 28 properties, of which 25 properties are located throughout Singapore, and 3 properties located in Australia, including a property located in Gold Coast, Queensland, a 49.0% interest in Optus Centre located in Macquarie Park, New South Wales and Woolworths HQ located in Bella Vista, New South Wales. AA REIT is also a constituent of the FTSE EPRA Nareit Global Developed Index and the MSCI Singapore Small Cap Index.

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

AIMS Financial Group (“AIMS”) is the sole sponsor of AA REIT. Established in 1991, AIMS is a diversified financial services and investment group, active in the areas of funds management, mortgage lending, investment banking and property investment. AIMS is also the owner of the Sydney Stock Exchange.

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