



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 2024
("1H FY2025")

STATEMENTS OF FINANCIAL POSITION
As at 30 September 2024

	Note	Group		Trust	
		30 September 2024 \$'000	31 March 2024 \$'000	30 September 2024 \$'000	31 March 2024 \$'000
Non-current assets					
Investment properties	3	1,988,936	1,973,169	1,581,585	1,570,037
Plant and equipment	4	13,766	14,153	13,766	14,153
Subsidiaries		–	–	396,552	360,433
Joint venture	5	294,697	289,296	–	–
Trade and other receivables	6	4,227	4,742	4,227	4,742
Derivative financial instruments	7	5,231	9,137	1,520	3,609
		<u>2,306,857</u>	<u>2,290,497</u>	<u>1,997,650</u>	<u>1,952,974</u>
Current assets					
Trade and other receivables	6	6,817	7,925	7,111	7,529
Derivative financial instruments	7	260	382	260	294
Cash and cash equivalents		12,957	17,816	7,007	9,170
		<u>20,034</u>	<u>26,123</u>	<u>14,378</u>	<u>16,993</u>
Total assets		<u>2,326,891</u>	<u>2,316,620</u>	<u>2,012,028</u>	<u>1,969,967</u>
Non-current liabilities					
Trade and other payables	8	25,696	25,991	25,696	25,991
Interest-bearing borrowings	9	602,332	587,504	260,451	215,882
Derivative financial instruments	7	628	–	628	–
Deferred tax liabilities		20,904	20,406	–	–
Lease liabilities		101,116	96,449	101,116	96,449
		<u>750,676</u>	<u>730,350</u>	<u>387,891</u>	<u>338,322</u>
Current liabilities					
Trade and other payables	8	39,895	46,689	36,115	39,103
Interest-bearing borrowings	9	99,984	99,910	99,984	99,910
Derivative financial instruments	7	29	9	29	9
Lease liabilities		5,241	5,388	5,241	5,388
		<u>145,149</u>	<u>151,996</u>	<u>141,369</u>	<u>144,410</u>
Total liabilities		<u>895,825</u>	<u>882,346</u>	<u>529,260</u>	<u>482,732</u>
Net assets		<u>1,431,066</u>	<u>1,434,274</u>	<u>1,482,768</u>	<u>1,487,235</u>
Represented by:					
Unitholders' funds		1,057,518	1,060,709	1,109,220	1,113,670
Perpetual Securities holders' funds	10	373,548	373,565	373,548	373,565
		<u>1,431,066</u>	<u>1,434,274</u>	<u>1,482,768</u>	<u>1,487,235</u>
Units in issue and to be issued ('000)	11	813,632	810,955	813,632	810,955
Net asset value/net tangible asset per Unit attributable to Unitholders ¹ (\$)		<u>1.30</u>	<u>1.31</u>	<u>1.36</u>	<u>1.37</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/year.

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

CONSOLIDATED STATEMENT OF TOTAL RETURN
For the Half Year Ended 30 September 2024

	Note	Group	
		1 April 2024 to 30 September 2024 ("1H FY2025") \$'000	1 April 2023 to 30 September 2023 ("1H FY2024") \$'000
Gross revenue	12	93,514	86,834
Property operating expenses		(25,927)	(22,544)
Net property income		67,587	64,290
Net foreign exchange gain		51	234
Interest income		166	256
Other non-operating income			
- Interim insurance proceeds ¹		606	-
Borrowing costs	13	(19,572)	(17,792)
Manager's management fees		(5,573)	(5,643)
Other trust expenses	13	(2,747)	(2,810)
Non-property expenses		(27,892)	(26,245)
Net income before joint venture's profits		40,518	38,535
Share of profits of joint venture (net of tax)		7,394	7,451
Net income		47,912	45,986
Net change in fair value of investment properties		(2,645)	(2,755)
Net change in fair value of derivative financial instruments		(1,547)	(2,496)
Gain on divestment of investment property		-	637
Total return before income tax	13	43,720	41,372
Income tax expense		(661)	(101)
Total return after income tax		43,059	41,271
Attributable to:			
Unitholders		32,781	30,993
Perpetual Securities holders		10,278	10,278
		43,059	41,271
Earnings per Unit (Singapore cents)			
Basic	14	4.04	4.02
Diluted	14	4.04	4.01

¹ Relates to the interim payments by the insurer, as partial payment on account of the estimated insurance compensation for revenue loss due to business interruption at 61 Yishun Industrial Park A, Singapore (refer to announcement dated 10 October 2023).

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

CONSOLIDATED DISTRIBUTION STATEMENT
For the Half Year Ended 30 September 2024

	Note	Group	
		1H FY2025 \$'000	1H FY2024 \$'000
Amount available for distribution to Unitholders at beginning of the period		19,234	19,246
Total return before income tax		43,720	41,372
Less: Amount reserved for distribution to Perpetual Securities holders		(10,278)	(10,278)
Net effect of tax adjustments	A	8,668	5,762
Other adjustments	B	(10,412)	(9,477)
		<u>31,698</u>	<u>27,379</u>
Amount available for distribution to Unitholders from taxable income		50,932	46,625
Capital distribution		7,722	9,417
Amount available for distribution to Unitholders		58,654	56,042
Distributions to Unitholders during the period:			
2.654 cents per Unit for the period from 1 January 2023 – 31 March 2023		–	(19,242)
1.800 cents per Unit for the period from 1 April 2023 – 11 June 2023		–	(13,051)
0.510 cents per Unit for the period from 12 June 2023 – 30 June 2023		–	(4,126)
2.370 cents per Unit for the period from 1 January 2024 – 31 March 2024		(19,220)	–
2.270 cents per Unit for the period from 1 April 2024 – 30 June 2024		(18,431)	–
		<u>(37,651)</u>	<u>(36,419)</u>
Amount available for distribution to Unitholders at end of the period		<u>21,003</u>	<u>19,623</u>
Number of Units entitled to distributions at end of the period ('000)		813,632	810,147
Distribution per Unit (Singapore cents)		<u>4.670</u>	<u>4.650</u>

	Group	
	1H FY2025 \$'000	1H FY2024 \$'000
Note A – Net effect of tax adjustments		
Amortisation and write-off of borrowing transaction costs	1,824	736
Net foreign exchange gain	(21)	(67)
Manager's management fees paid/payable in units	2,873	2,592
Property management fees and lease management fees payable in units	552	–
Land rent paid on investment properties	(4,571)	(4,557)
Interest expense on lease liabilities	1,926	1,802
Net change in fair value of investment properties	2,645	2,755
Net change in fair value of derivative financial instruments	1,458	2,496
Depreciation of plant and equipment	387	101
Gain on divestment of investment property	–	(637)
Net tax adjustment on foreign sourced income	1,905	595
Net tax adjustment on net income from sale of electricity	(1,386)	(250)
Temporary differences and other tax adjustments	1,076	196
Net effect of tax adjustments	<u>8,668</u>	<u>5,762</u>

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 2024

	Note	Group		Trust	
		1H FY2025 \$'000	1H FY2024 \$'000	1H FY2025 \$'000	1H FY2024 \$'000
Unitholders' Funds					
Balance at beginning of the period		1,060,709	993,849	1,113,670	956,181
Operations					
Total return after income tax, attributable to Unitholders and Perpetual Securities holders		43,059	41,271	41,365	43,047
Less: Amount reserved for distribution to Perpetual Securities holders		(10,278)	(10,278)	(10,278)	(10,278)
Net increase in net assets from operations		32,781	30,993	31,087	32,769
Foreign currency translation reserve					
Translation differences relating to financial statements of foreign subsidiaries and net investment in foreign operations		1,441	(4,013)	–	–
Hedging reserve					
Net change in fair value of cash flow hedges		(3,187)	6,606	(1,311)	1,092
Unitholders' contributions					
Issuance of Units (including Units to be issued):					
Manager's management fees		2,873	2,592	2,873	2,592
Property management fees and lease management fees		552	–	552	–
Private placement		–	69,999	–	69,999
Preferential Offering		–	30,172	–	30,172
Issuance costs for new units		–	(2,425)	–	(2,425)
Distributions to Unitholders		(37,651)	(36,419)	(37,651)	(36,419)
Change in Unitholders' funds resulting from Unitholders' transactions		(34,226)	63,919	(34,226)	63,919
Total (decrease)/increase in Unitholders' funds		(3,191)	97,505	(4,450)	97,780
Balance at end of the period		1,057,518	1,091,354	1,109,220	1,053,961
Perpetual Securities holders' funds					
Balance at beginning of the period		373,565	373,546	373,565	373,546
Amount reserved for distribution to Perpetual Securities holders		10,278	10,278	10,278	10,278
Distributions to Perpetual Securities holders		(10,295)	(10,276)	(10,295)	(10,276)
Balance at end of the period		373,548	373,548	373,548	373,548
Units in issue and to be issued (‘000)	11	813,632	810,147	813,632	810,147

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

PORTFOLIO STATEMENTS
As at 30 September 2024

	Description of property	Location	Term of land lease ¹	Remaining term of land lease ¹ (years)	Existing use ²	Occupancy rate		Carrying Value		Group percentage of total Unitholders' funds		Trust percentage of total Unitholders' funds	
						30 September 2024 %	31 March 2024 %	30 September 2024 \$'000	31 March 2024 \$'000	30 September 2024 %	31 March 2024 %	30 September 2024 %	31 March 2024 %
Group and the Trust													
Investment properties in Singapore													
1	20 Gul Way	20 Gul Way	35 years	16.3	Logistics and Warehouse	97	100	241,100	241,100	22.8	22.7	21.7	21.6
2	27 Penjuru Lane	27 Penjuru Lane	45 years	25.0	Logistics and Warehouse	97	97	190,000	190,000	18.0	17.9	17.1	17.1
3	8 & 10 Pandan Crescent	8 & 10 Pandan Crescent	92 years and 8 months	43.7	Logistics and Warehouse	99	100	161,045	161,000	15.2	15.2	14.5	14.5
4	NorthTech	29 Woodlands Industrial Park E1	60 years	30.3	Hi-Tech	100	100	141,671	139,000	13.4	13.1	12.8	12.5
5	7 Bulim Street	7 Bulim Street	30 years	17.9	Logistics and Warehouse	100	100	139,517	139,400	13.2	13.1	12.6	12.5
6	1A International Business Park	1A International Business Park	52 years	34.7	Business Park	61	61	72,000	72,000	6.8	6.8	6.5	6.5
7	30 Tuas West Road	30 Tuas West Road	60 years	31.3	Logistics and Warehouse	100	100	56,400	56,400	5.3	5.3	5.1	5.1
8	3 Tuas Avenue 2	3 Tuas Avenue 2	73 years	30.5	Industrial	100	100	56,000	56,000	5.3	5.3	5.0	5.0
9	51 Marsiling Road	51 Marsiling Road	70 years and 5 months	19.8	Industrial	100	100	51,706	50,600	4.9	4.8	4.7	4.5
10	23 Tai Seng Drive	23 Tai Seng Drive	60 years	25.8	Industrial	100	100	41,600	41,600	3.9	3.9	3.8	3.7
11	15 Tai Seng Drive	15 Tai Seng Drive	60 years	26.5	Industrial	88	99	30,940	30,900	2.9	2.9	2.8	2.8
12	103 Defu Lane 10	103 Defu Lane 10	60 years	18.7	Logistics and Warehouse	100	100	30,709	30,700	2.9	2.9	2.8	2.8

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

PORTFOLIO STATEMENTS (CONTINUED)
As at 30 September 2024

Description of property	Location	Term of land lease ¹	Remaining term of land lease ¹ (years)	Existing use ²	Occupancy rate		Carrying Value		Group percentage of total Unitholders' funds		Trust percentage of total Unitholders' funds		
					30 September 2024 %	31 March 2024 %	30 September 2024 \$'000	31 March 2024 \$'000	30 September 2024 %	31 March 2024 %	30 September 2024 %	31 March 2024 %	
Group and the Trust													
Investment properties in Singapore													
13	1 Bukit Batok Street 22	1 Bukit Batok Street 22	60 years	30.7	Industrial	90	100	28,508	28,500	2.7	2.7	2.6	2.6
14	56 Serangoon North Avenue 4	56 Serangoon North Avenue 4	60 years	30.6	Logistics and Warehouse	79	79	27,000	27,000	2.6	2.5	2.4	2.4
15	8 Tuas Avenue 20	8 Tuas Avenue 20	59 years and 1.5 months	27.1	Industrial	100	100	26,600	26,600	2.5	2.5	2.4	2.4
16	135 Joo Seng Road	135 Joo Seng Road	60 years	29.7	Industrial	87	93	24,025	23,300	2.3	2.2	2.2	2.1
17	11 Changi South Street 3	11 Changi South Street 3	60 years	30.5	Logistics and Warehouse	91	91	23,100	23,100	2.2	2.2	2.1	2.1
18	10 Changi South Lane	10 Changi South Lane	60 years	31.7	Logistics and Warehouse	88	93	22,400	22,400	2.1	2.1	2.0	2.0
19	61 Yishun Industrial Park A	61 Yishun Industrial Park A	60 years	27.9	Industrial	61	100	21,151	19,900	2.0	1.9	1.9	1.8
20	2 Ang Mo Kio Street 65	2 Ang Mo Kio Street 65	60 years	22.5	Industrial	100	100	19,400	19,400	1.8	1.8	1.7	1.7
21	3 Toh Tuck Link	3 Toh Tuck Link	60 years	32.1	Logistics and Warehouse	83	83	18,400	18,400	1.7	1.7	1.7	1.7
22	Aalst Chocolate Building	26 Tuas Avenue 7	60 years	29.3	Industrial	100	100	13,703	13,700	1.3	1.3	1.2	1.2
23	8 Senoko South Road	8 Senoko South Road	60 years	30.1	Industrial	100	100	13,500	13,500	1.3	1.3	1.2	1.2

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

PORTFOLIO STATEMENTS (CONTINUED)
As at 30 September 2024

Description of property	Location	Term of land lease ¹	Remaining term of land Lease ¹ (years)	Existing use ²	Occupancy rate		Carrying Value		Group percentage of total Unitholders' funds		Trust percentage of total Unitholders' funds		
					30 September 2024 %	31 March 2024 %	30 September 2024 \$'000	31 March 2024 \$'000	30 September 2024 %	31 March 2024 %	30 September 2024 %	31 March 2024 %	
Group and the Trust													
Investment properties in Singapore													
24	7 Clementi Loop	7 Clementi Loop	60 years	28.7	Logistics and Warehouse	— ³	87	12,553	11,500	1.2	1.1	1.1	1.0
25	1 Kallang Way 2A	1 Kallang Way 2A	60 years	30.7	Industrial	100	100	12,200	12,200	1.2	1.2	1.1	1.1
								1,475,228	1,468,200	139.5	138.4	133.0	131.9
Group													
Investment properties in Australia													
26	Woolworths HQ	1 Woolworths Way, Bella Vista, New South Wales 2153, Australia	Freehold	N.A.	Business Park	100	100	364,695	360,882	34.5	34.0	—	—
27	Boardriders Asia Pacific HQ	209-217 Burleigh Connection Road, Burleigh Waters, Queensland 4220, Australia	Freehold	N.A.	Industrial	100	100	42,656	42,250	4.0	4.0	—	—
Total investment properties (note 3)								1,882,579	1,871,332	178.0	176.4	133.0	131.9

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

PORTFOLIO STATEMENTS (CONTINUED)
As at 30 September 2024

Description of property	Location	Term of land lease ¹	Remaining term of land lease ¹ (years)	Existing use ²	Occupancy rate		Carrying Value		Group percentage of total Unitholders' funds		
					30 September 2024	31 March 2024	30 September 2024	31 March 2024	30 September 2024	31 March 2024	
					%	%	\$'000	\$'000	%	%	
1-27	Investment properties (FS5 to FS7)						1,882,579	1,871,332	178.0	176.4	
	Investment properties – right-of-use assets						106,357	101,837	10.1	9.6	
	Total investment properties						<u>1,988,936</u>	<u>1,973,169</u>	<u>188.1</u>	<u>186.0</u>	
	Joint venture (note 5)						294,697	289,296	27.9	27.3	
	Investment property in Australia held by a joint venture										
28	Optus Centre	1-5 Lyonpark Road, Macquarie Park, New South Wales 2113, Australia	Freehold	N.A.	Business Park	100	100				
	Other assets and liabilities (net)						(852,567)	(828,191)	(80.7)	(78.1)	
	Net assets of the Group						<u>1,431,066</u>	<u>1,434,274</u>	<u>135.3</u>	<u>135.2</u>	
	Perpetual Securities holders' funds						<u>(373,548)</u>	<u>(373,565)</u>	<u>(35.3)</u>	<u>(35.2)</u>	
	Total Unitholders' funds of the Group						<u><u>1,057,518</u></u>	<u><u>1,060,709</u></u>	<u><u>100.0</u></u>	<u><u>100.0</u></u>	

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

² Existing use for Industrial includes General Industrial and Light Industrial.

³ As of 30 September 2024, the property is undergoing asset enhancement initiatives

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

PORTFOLIO STATEMENTS (CONTINUED)
As at 30 September 2024

	Carrying value		Trust percentage of total Unitholders' funds	
	30 September 2024 \$'000	31 March 2024 \$'000	30 September 2024 %	31 March 2024 %
Description of property				
1-25 Investment properties (FS5 – FS7)	1,475,228	1,468,200	133.0	131.9
Investment properties – right-of-use assets	106,357	101,837	9.6	9.1
Total investment properties	1,581,585	1,570,037	142.6	141.0
Other assets and liabilities (net)	(98,817)	(82,802)	(8.9)	(7.4)
Net assets of the Trust	1,482,768	1,487,235	133.7	133.6
Perpetual Securities holders' funds	(373,548)	(373,565)	(33.7)	(33.6)
Total Unitholders' funds of the Trust	1,109,220	1,113,670	100.0	100.0

Portfolio statement by industry segment is not presented as the Group's and the Trust's activities for the financial period ended 30 September 2024 and financial year ended 31 March 2024 related wholly to investing in real estate in the industrial sector.

External valuations of the investment properties are conducted at least once annually. Independent valuations for all the investment properties were undertaken by independent professional valuers as at 31 March 2024. For interim financial reporting purposes, the carrying values of the investment properties as at 30 September 2024 were internally assessed by the Manager, after considering the operating parameters of the properties, current market conditions and adjusted for capital expenditure capitalised subsequent to the valuation date and foreign currency translation differences. Based on the review, there is no indication of significant changes affecting the value of AA REIT's portfolio and the fair values of investment properties approximate the fair values of the investment properties as at 31 March 2024.

Refer to note 3 of the interim financial statements 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 2024

	Group		
	Note	1H FY2024 \$'000	1H FY2025 \$'000
Cash flows from operating activities			
Total return after income tax		43,059	41,271
Adjustments for:			
Share of profits of joint venture (net of tax)		(7,394)	(7,451)
Borrowing costs		19,572	17,792
Depreciation of plant and equipment		387	101
Net foreign exchange gain		(51)	(234)
Manager's management fees in Units	A	2,873	2,592
Property management fees and lease management fees in Units	A	552	–
Net change in fair value of investment properties		2,645	2,755
Net change in fair value of derivative financial instruments		1,547	2,496
Gain on divestment of investment property		–	(637)
Income tax expense		661	101
Operating income before working capital changes		63,851	58,786
Changes in working capital			
Trade and other receivables		806	(1,629)
Trade and other payables		(3,170)	2,310
Cash generated from operations		61,487	59,467
Income tax paid		(70)	–
Net cash from operating activities		61,417	59,467
Cash flows from investing activities			
Capital expenditure on investment properties		(10,083)	(3,328)
Additions to plant and equipment	B	–	(243)
Net proceeds from divestment of investment property ¹		–	12,638
Loan to a joint venture		(2,288)	(3,607)
Distributions and interest income received from a joint venture		6,573	9,340
Net cash (used in)/from investing activities		(5,798)	14,800
Cash flows from financing activities			
Distributions to Unitholders		(37,651)	(36,925)
Distributions to Perpetual Securities holders		(10,295)	(10,276)
Issue costs paid in relation to new units issued		–	(2,296)
Proceeds from the issuance of new units ²		–	100,171
Proceeds from interest-bearing borrowings		307,110	32,607
Repayments of interest-bearing borrowings		(295,468)	(135,085)
Borrowing costs paid		(19,709)	(13,746)
Repayment of lease liabilities		(4,571)	(4,557)
Net cash used in financing activities		(60,584)	(70,107)
Net (decrease)/increase in cash and cash equivalents		(4,965)	4,160
Cash and cash equivalents at beginning of the period		17,816	13,223
Effect of exchange rate fluctuations on cash held		106	(83)
Cash and cash equivalents at end of the period		12,957	17,300

¹ This relates to the net proceeds received for the divestment of a leasehold property at 541 Yishun Industrial Park A in Singapore.

² AA REIT issued 57,660,000 new units at the issue price of \$1.214 per unit on 12 June 2023 in relation to the Private Placement and 25,376,361 new units at the issue price of \$1.189 per unit on 3 July 2023 in relation to the Preferential Offering.

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

Significant non-cash transactions

Note A:

During 1H FY2025, 2,250,581 (1H FY2024: 2,071,411) of new units in the Trust ("Units") amounting to \$2,873,000 (1H FY2024: \$2,592,000) were issued/issuable as partial payment for the Manager's management fees.

During 1H FY2025, 427,105 (1H FY2024: Nil) of new Units amounting to \$552,000 (1H FY2024: Nil) were issuable as partial payment for the property management fees and lease management fees.

Refer to note 11 of the interim financial statements.

Note B:

During 1H FY2024, the Manager completed the installation of rooftop solar photovoltaic systems ("Systems") across 6 of AA REIT's properties in Singapore and the Systems are recognised as plant and equipment (refer to notes 4 and 8 of the interim financial statements).

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, the sixth supplemental deed dated 31 January 2022, the seventh supplemental deed dated 6 April 2023 and the eighth supplemental deed dated 28 July 2023 (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 Financial Reporting Standards in Singapore (“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 2024.

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.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the interim financial statements are included in note 3 – Investment properties.

New standards and amendments

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial period, the Group has adopted all the new and revised standards that are effective for annual financial period beginning on 1 April 2024. The adoption of these standards did not have any significant effect on the financial performance or position of the Group and the Trust.

3 INVESTMENT PROPERTIES

	Group		Trust	
	30 September 2024 \$'000	31 March 2024 \$'000	30 September 2024 \$'000	31 March 2024 \$'000
Beginning of financial period/year	1,973,169	1,957,409	1,570,037	1,496,898
Capital expenditure capitalised	7,028	7,729	7,028	7,729
Remeasurement of right-of-use assets due to revised lease payments and recognition of lease extension option	7,165	9,117	7,165	9,117
Net change in fair value of investment properties recognised in the statement of total return	–	8,545	–	61,671
Net change in fair value of right-of- use assets	(2,645)	(5,378)	(2,645)	(5,378)
Foreign currency translation and other movements	4,219	(4,253)	–	–
End of financial period/year	<u>1,988,936</u>	<u>1,973,169</u>	<u>1,581,585</u>	<u>1,570,037</u>

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 9). The aggregate market value of the mortgaged investment properties are as follows:

	Group		Trust	
	30 September 2024 \$'000	31 March 2024 \$'000	30 September 2024 \$'000	31 March 2024 \$'000
Investment properties	364,695	1,389,082	–	1,028,200

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 2024 \$'000	31 March 2024 \$'000	30 September 2024 \$'000	31 March 2024 \$'000
Fair value of investment properties	1,882,579	1,871,332	1,475,228	1,468,200
Add: carrying amount of lease liabilities	106,357	101,837	106,357	101,837
Investment properties	<u>1,988,936</u>	<u>1,973,169</u>	<u>1,581,585</u>	<u>1,570,037</u>

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

External valuation of the investment properties are conducted at least once annually. For interim financial reporting purposes, the carrying values of the investment properties as at 30 September 2024 were internally assessed by the Manager, after considering the operating parameters of the properties, current market conditions and adjusted for capital expenditure capitalised subsequent to the valuation date and foreign currency translation differences. Based on the review, there is no indication of significant changes affecting the value of AA REIT's portfolio and the fair values of investment properties approximate the fair values of the investment properties as at 31 March 2024.

Investment properties as at 31 March 2024 are stated at fair values based on valuations performed by independent professional valuers at the reporting date. 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 values as at 31 March 2024. The key assumptions used to determine the fair values of investment properties include market-corroborated discount rate, terminal capitalisation rate and capitalisation rate.

4 PLANT AND EQUIPMENT

	Group		Trust	
	30 September 2024 \$'000	31 March 2024 \$'000	30 September 2024 \$'000	31 March 2024 \$'000
Cost				
Beginning of financial period/year	14,641	–	14,641	–
Additions	–	14,641	–	14,641
End of financial period/year	<u>14,641</u>	<u>14,641</u>	<u>14,641</u>	<u>14,641</u>
Accumulated depreciation				
Beginning of financial period/year	(488)	–	(488)	–
Depreciation charges	(387)	(488)	(387)	(488)
End of financial period/year	<u>(875)</u>	<u>(488)</u>	<u>(875)</u>	<u>(488)</u>
Net book value				
As at end of financial period/year	<u>13,766</u>	<u>14,153</u>	<u>13,766</u>	<u>14,153</u>

The plant and equipment relates to the completed installation of rooftop solar photovoltaic systems ("Systems") at 6 Singapore properties for the generation of electricity.

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost include expenditure that is directly attributable to the installation of the Systems, including:

- the cost of material and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended uses; and
- when the Group has an obligation to remove the asset or restore the site, an estimate of the cost of dismantling and removing the items and restoring the site on which they are located.

If significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Any gain or loss on disposal of an item of plant and equipment is recognised in the Consolidated Statement of Total Return.

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised.

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense under the “Property operating expenses” in the Consolidated Statement of Total Return on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the plant and equipment are installed and are ready for use.

The estimated useful life of the depreciable plant and equipment are as follows:

	<u>Useful life</u>
Systems	Over 18 to 20 years

Depreciation method, useful lives and residual values are reviewed at end of each reporting period and adjusted if appropriate.

5 JOINT VENTURE

	Group	
	30 September 2024 \$'000	31 March 2024 \$'000
Investment in joint venture	245,750	242,998
Amounts due from joint venture, at amortised cost:		
- Interest-bearing loan	48,947	46,298
	294,697	289,296

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 2113, 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 accounted for using equity method.

The amounts due from joint venture of \$48.9 million (31 March 2024: \$46.3 million) relates to an unsecured loan facility extended by the Unitholders of the joint venture (the “parties”) based on their proportionate interests in the joint venture. On 30 May 2023, the unsecured loan facility limit was increased from AUD100 million to AUD126 million.

Details of the unsecured loan:

- Purpose: to fund capital expenditure requirement and other related lease obligations in relation to Optus Centre.
- Tenure: six years from the first utilisation date or such later date as may be agreed between the parties.
- Effective interest rate: based on Bank Bill Swap Bid Rate (“BBSY”) + margin, reprices at each interest period as mutually agreed between the parties.

As at 30 September 2024, the Group’s share of the capital commitments of the joint venture is \$4.7 million (31 March 2024: \$5.1 million).

6 TRADE AND OTHER RECEIVABLES

	Group		Trust	
	30 September 2024 \$'000	31 March 2024 \$'000	30 September 2024 \$'000	31 March 2024 \$'000
Trade receivables	956	1,669	956	1,669
Less: Impairment loss	–	–	–	–
	956	1,669	956	1,669
Deposits	31	31	31	31
Amount due from subsidiaries	–	–	45	37
Distribution receivable from a subsidiary	–	–	3,063	2,729
Distribution receivable from a joint venture	868	776	–	–
Interest receivable from banks	820	859	313	344
Other receivables	1,621	2,218	182	347
	4,296	5,553	4,590	5,157
Prepayments	6,748	7,114	6,748	7,114
	11,044	12,667	11,338	12,271
Non-current	4,227	4,742	4,227	4,742
Current	6,817	7,925	7,111	7,529
	11,044	12,667	11,338	12,271

The amount due from subsidiaries is non-trade in nature, unsecured, interest-free and repayable on demand.

Other receivables comprise mainly of the withholding tax refund. Prepayments comprise the unamortised marketing service commission for leases. The non-current receivables relate to the prepaid unamortised marketing commission of leases with tenors of more than one year.

The Manager believes that no provision of impairment losses is necessary in respect of the remaining trade receivables as majority of the balances are not past due and the rest of these balances mainly arise from tenants who have good payment records and have placed sufficient security with the Group in the form of bankers' guarantees or cash security deposits.

7 DERIVATIVE FINANCIAL INSTRUMENTS

	Group		Trust	
	30 September 2024 \$'000	31 March 2024 \$'000	30 September 2024 \$'000	31 March 2024 \$'000
Non-current assets				
Interest rate swaps				
- designated as cash flow hedge	5,231	9,137	1,520	3,609
Current assets				
Interest rate swaps				
- designated as cash flow hedge	243	338	243	250
Currency forward contracts				
- at fair value through statement of total return ("FVTPL")	17	44	17	44
	260	382	260	294
Non-current liabilities				
Interest rate swaps				
- designated as cash flow hedge	(628)	–	(628)	–
Current liabilities				
Currency forward contracts				
- at FVTPL	(29)	(9)	(29)	(9)

Measurement of fair value

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

8 TRADE AND OTHER PAYABLES

	Group		Trust	
	30 September 2024 \$'000	31 March 2024 \$'000	30 September 2024 \$'000	31 March 2024 \$'000
Trade payables and accrued expenses	18,399	20,797	18,290	19,241
Trade amounts due to:				
- the Manager	846	1,589	846	1,589
- the Property Manager	1,293	2,321	1,293	2,321
- the Trustee	61	60	61	60
- entities controlled by corporate shareholders of the Manager	537	542	–	–
Goods and services tax payable	1,541	3,085	1,541	2,921
Rental received in advance	2,369	2,652	2,369	791
Rental and security deposits	22,513	22,091	22,513	22,091
Interest payable	4,782	5,955	1,648	2,492
Deferred consideration	13,087	13,517	13,087	13,517
Provision for income tax	163	71	163	71
	<u>65,591</u>	<u>72,680</u>	<u>61,811</u>	<u>65,094</u>
Non-current	25,696	25,991	25,696	25,991
Current	39,895	46,689	36,115	39,103
	<u>65,591</u>	<u>72,680</u>	<u>61,811</u>	<u>65,094</u>

The Group's and the Trust's deferred consideration of \$13,087,000 (31 March 2024: \$13,517,000) relates to the present value of all remaining payments payable to the vendor of the Systems, based on minimum output of electricity generated by the Systems at the relevant rates, and over a period of 18 to 20 years (note 4). The current and non-current portion of the deferred consideration as at 30 September 2024 amounted to \$936,000 (31 March 2024: \$957,000) and \$12,151,000 (31 March 2024: \$12,560,000) respectively.

9 INTEREST-BEARING BORROWINGS

	Note	Group		Trust	
		30 September 2024 \$'000	31 March 2024 \$'000	30 September 2024 \$'000	31 March 2024 \$'000
Non-current					
Secured					
Bank borrowings	(a),(c)	342,966	590,645	–	217,538
Unsecured					
Bank borrowings	(b)	263,706	–	263,706	–
		606,672	590,645	263,706	217,538
Less: Unamortised borrowing transaction costs		(4,340)	(3,141)	(3,255)	(1,656)
		602,332	587,504	260,451	215,882
Current					
Unsecured					
Medium term notes	(d)	100,000	100,000	100,000	100,000
		100,000	100,000	100,000	100,000
Less: Unamortised borrowing transaction costs		(16)	(90)	(16)	(90)
		99,984	99,910	99,984	99,910
Total		702,316	687,414	360,435	315,792

(a) As at 31 March 2024, the Trust had secured credit facilities which comprised of the following:

- a four-year revolving credit facility of \$120.0 million;
- a four-year revolving credit facility of AUD50.0 million;
- a five-year term loan facility of \$100.0 million; and
- a five-year term loan facility of AUD50.0 million.

As at 31 March 2024, the credit facilities were secured on the following:

- (i) first legal mortgage over 15 investment properties of the Trust (the "Mortgaged Properties"); and
- (ii) 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.

The amounts drawn from the above credit facilities were repaid, and the securities above were released on 24 September 2024 via a Deed of Release and Discharge.

(b) As at 30 September 2024, the Trust has unsecured sustainability-linked credit facilities ("SLL") which comprised of the following:

- a three-year revolving credit facility of \$40.0 million;
- a three-year revolving credit facility of AUD40.0 million;
- a four-year term loan facility of \$20.0 million;
- a four-year term loan facility of AUD50.0 million;
- a four-year revolving credit facility of \$150.0 million;
- a four-year revolving credit facility of AUD20.0 million;
- a five-year term loan facility of \$170.0 million;
- a five-year term loan facility of AUD40.0 million; and
- a five-year revolving credit facility of \$20.0 million.

The SLL incorporates interest rate reductions linked to predetermined sustainability performance targets which will allow the Trust to enjoy savings in interest costs when targets are achieved.

- (c) The secured term loan facilities of wholly-owned subsidiaries of the Trust:
- (i) A secured five-year term loan facility of AUD262.95 million (31 March 2024: AUD262.95 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; and
 - (ii) A secured five-year term loan facility of AUD150.00 million (31 March 2024: 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.

(d) 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.

(e) Capital management

	Group	
	30 September 2024	31 March 2024
Key financial ratios		
Aggregate leverage ratio ¹ (%)	33.4%	32.6%
Interest coverage ratio ² (times)	4.0	4.1
Adjusted Interest coverage ratio ³ (times)	2.5	2.4

As at 30 September 2024, the Group had total cash and bank balances and undrawn committed facilities of approximately \$305.9 million (31 March 2024: \$153.5 million) to fulfil their liabilities as and when they fall due.

There were no breaches of loan covenants as at 30 September 2024 and 31 March 2024.

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, 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 The adjusted ICR includes the amount reserved for distribution to Perpetual Securities holders in the interest expense. The adjusted ICR excludes the unwinding of discounting effect on the present value of lease liabilities and deferred consideration.

10 PERPETUAL SECURITIES

As at 30 September 2024, \$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.

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 2024, the \$373.5 million (31 March 2024: \$373.6 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 2024: \$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.

11 UNITS IN ISSUE AND TO BE ISSUED

	Group and Trust	
	1H FY2025	1H FY2024
	'000	'000
Units in issue at beginning of the period	810,564	720,344
<u>Units in issue relating to:</u>		
Manager’s management fees	1,374	2,307
Manager’s performance fees	–	3,420
Private Placement	–	57,660
Preferential Offering	–	25,376
Units in issue at end of the period	811,938	809,107
<u>Units to be issued relating to:</u>		
Manager’s management fees	1,267	1,040
Property management fees and lease management fees	427	–
Total Units in issue at end of the period	813,632	810,147

1H FY2024

During the 1H FY2024, there were the following issuances of Units to the Manager:

- (i) On 9 May 2023, 1,274,492 new Units at an average price of \$1.3358 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 2023 to 31 March 2023 and 3,420,035 new Units at an issue price of \$1.3088 as payment of the performance component of the Manager's management fees for the financial year ended 31 March 2023.
- (ii) On 1 August 2023, 1,031,723 new Units at an average price of \$1.2484 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 2023 to 30 June 2023.

During the 1H FY2024, there were the following issuances of Units:

- (i) On 12 June 2023, 57,660,000 new Units were issued at the issue price of \$1.2140 in relation to the Private Placement¹.
- (ii) On 3 July 2023, 25,376,361 new Units were issued at the issue price of \$1.1890 in relation to the Preferential Offering¹.

During 1H FY2024, there were the following Units to be issued to the Manager:

- (i) 1,039,688 new Units at an average price of \$1.2540 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 2023 to 30 September 2023.

1H FY2025

During the 1H FY2025, there were the following issuances of Units to the Manager:

- (i) On 13 May 2024, 390,992 new Units at an average price of \$1.2819 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 2024 to 31 March 2024.
- (ii) On 6 August 2024, 982,964 new Units at an average price of \$1.2521 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 2024 to 30 June 2024.

During 1H FY2025, these were the following Units to be issued to the Manager:

- (i) 1,267,617 new Units at an average price of \$1.2956 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 2024 to 30 September 2024.

During 1H FY2025, these were the following Units to be issued to the Property Manager:

- (i) 427,105 new Units at an average price of \$1.2931 to be issued to the Property Manager as partial payment of the property management fees and lease management fees, incurred for the period from 1 July 2024 to 30 September 2024.

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.

¹ Please refer to announcement titled "Launch Of Equity Fund Raising To Raise Gross Proceeds Of Approximately S\$100.0 Million" dated 31 May 2023, announcement titled "Issue Of 57,660,000 New Units In AIMS APAC REIT Pursuant To The Private Placement" dated 12 June 2023, and announcement titled "Issue Of 25,376,361 New Units In AIMS APAC REIT Pursuant To The Preferential Offering" dated 3 July 2023.

12 GROSS REVENUE

	Group	
	1H FY2025 \$'000	1H FY2024 \$'000
Property rental income	68,958	64,844
Service charge, land rent and property tax	12,732	12,436
Other property expenses recoverable from tenants and other property income	9,952	9,199
	91,642	86,479
<u>Others</u>		
Sale of electricity and renewable energy certificates	1,872	355
	93,514	86,834

13 TOTAL RETURN BEFORE INCOME TAX

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

	Group	
	1H FY2025 \$'000	1H FY2024 \$'000
Interest expense on borrowings	14,860	14,498
Interest expense on lease liabilities	1,926	1,802
Interest expense on unwinding of deferred consideration	261	70
Amortisation of borrowing transaction costs	2,235	1,029
Others	290	393
Borrowing costs	19,572	17,792
Audit fees to:		
- auditors of the Trust	95	92
- other auditors	35	35
Non-audit fees to auditors of the Trust	26	26
Trustees fees to:		
- HSBC Institutional Trust Services (Singapore) Limited (the "Trustee")	180	183
- other trustee	8	8
Professional fees	283	180
Investment management fees	1,538	1,735
Other expenses	582	551
Other trust expenses	2,747	2,810

14 EARNINGS PER UNIT

	Group	
	1H FY2025	1H FY2024
<u>Basic EPU</u>		
Weighted average number of Units ('000)	811,166	771,862
Earnings per Unit (Singapore cents)	4.04	4.02
<u>Diluted EPU</u>		
Weighted average number of Units ('000)	811,542	772,041
Earnings per Unit (Singapore cents)	4.04	4.01

The basic EPU is computed using total return after tax over the weighted average number of Units issued for the period. The diluted EPU is computed using total return after tax over the weighted average number of Units issued for the period and adjusted for the effects of Units to be issued to the Manager as partial payment of the Manager's management fees and Units to be issued to the Property Manager as partial payment of the property management fees and lease management fees incurred for the period from 1 July 2024 to 30 September 2024 (1H FY2024: weighted average number of Units issued for the period and adjusted for the effects of Units to be issued to the Manager as partial payment of the Manager's management fees incurred for the period from 1 July 2023 to 30 September 2023), as follows:

	Group	
	1H FY2025	1H FY2024
	\$'000	\$'000
Total return after income tax attributable to Unitholders of the Trust and Perpetual Securities holders	43,059	41,271
Less: Amount reserved for distribution to Perpetual Securities holders	(10,278)	(10,278)
	32,781	30,993

	Trust	
	Number of Units	
	1H FY2025	1H FY2024
	'000	'000
<u>Basic EPU</u>		
Units in issue at beginning of the period	810,564	720,344
Effect of Units issued relating to:		
- Manager's management fees	602	1,354
- Manager's performance fees	–	2,710
- Private Placement	–	34,974
- Preferential Offering	–	12,480
Weighted average number of Units at end of the period	811,166	771,862

<u>Diluted EPU</u>		
Units in issue at beginning of the period	810,564	720,344
Effect of Units issued/issuable relating to:		
- Manager's management fees	869	1,533
- Manager's performance fees	–	2,710
- Property management fees and lease management fees	108	–
- Private Placement	–	34,974
- Preferential Offering	–	12,480
Weighted average number of Units at end of the period	811,541	772,041

15 COMMITMENTS

As at 30 September 2024, the Group had \$15.4 million (31 March 2024: \$6.2 million) of capital expenditure for investment properties that had been authorised and contracted for but not provided for in the financial statements.

The wholly owned subsidiary of the Trust has a sub-lease agreement with the existing tenant that allows the tenant the right to call on an option for the wholly owned subsidiary to complete the construction of a certain building on the site. This option is coterminous with the wholly owned subsidiary's existing sub-lease and expires on 29 September 2031. As at 30 September 2024, the option has not been exercised.

16 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 FY2025	1H FY2024
	\$'000	\$'000
The Manager		
Manager's management fees		
- Base fees	5,573	5,643
- Divestment fees	–	64
Entities controlled by corporate shareholders of the Manager		
Investment management fees	1,538	1,735
The Property Manager		
Property management fees	1,191	1,023
Lease management fees	596	512
Marketing services commissions	612	1,499
Project management fees	116	434
Property tax services fees	–	21
Reimbursement of site staff costs ¹	516	453
The Trustee		
Trustee fees	180	183
Joint venture		
Interest income	1,693	1,383

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.

17 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*.

Information about reportable segments

	Singapore \$'000	Australia \$'000	Total \$'000
1H FY2025			
Revenue and expenses			
Gross revenue	79,849	13,665	93,514
Property operating expenses	(25,876)	(51)	(25,927)
Net property income	53,973	13,614	67,587
Share of profits of joint venture (net of tax)	–	7,394	7,394
Net change in fair value of investment properties	(2,645)	–	(2,645)
Net change in fair value of derivative financial instruments	(1,458)	(89)	(1,547)
	49,870	20,919	70,789
Interest income	87	79	166
Other non-operating income			
- interim insurance proceeds	606	–	606
Borrowing costs	(8,214)	(11,358)	(19,572)
Manager's management fees and other trust expenses	(6,630)	(1,690)	(8,320)
	35,719	7,950	43,669
Unallocated item:			
Net foreign exchange gain			51
Total return before income tax			43,720
Income tax expense			(661)
Total return after income tax			43,059
Total assets	1,611,466	715,425	2,326,891
Other segment items:			
Joint venture	–	294,697	294,697
Capital expenditure ¹	7,028	–	7,028
Total liabilities	(448,829)	(446,996)	(895,825)
1H FY2024			
Revenue and expenses			
Gross revenue	73,146	13,688	86,834
Property operating expenses	(22,507)	(37)	(22,544)
Net property income	50,639	13,651	64,290
Share of profits of joint venture (net of tax)	–	7,451	7,451
Net change in fair value of investment properties	(2,755)	–	(2,755)
Net change in fair value of derivative financial instruments	(1,681)	(815)	(2,496)
Gain on divestment of investment property	637	–	637
	46,840	20,287	67,127
Interest income	181	75	256
Borrowing costs	(7,149)	(10,643)	(17,792)
Manager's management fees and other trust expenses	(6,592)	(1,861)	(8,453)
	33,280	7,858	41,138
Unallocated item:			
Net foreign exchange gain			234
Total return before income tax			41,372
Income tax expense			(101)
Total return after income tax			41,271
Total assets	1,543,171	805,445	2,348,616
Other segment items:			
Joint venture	–	327,184	327,184
Capital expenditure ¹	3,123	–	3,123
Additions to plant and equipment ²	14,645	–	14,645
Total liabilities	(388,231)	(495,483)	(883,714)

¹ Capital expenditure consists of additions of investment properties.

² During 1H FY2024, the Manager completed the installation of rooftop solar photovoltaic systems ("Systems") across 6 of AA REIT's properties in Singapore and the Systems are recognised as plant and equipment (refer to notes 4 and 8 of the interim financial statements).

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 \$12.1 million (1H FY2024: \$12.1 million) of the Group's rental income.

18 FINANCIAL RATIOS

	Group	
	1H FY2025	1H FY2024
	%	%
Expenses to weighted average net assets ¹		
- Expense ratio excluding performance-related fee	1.15	1.21
- Expense ratio including performance-related fee	1.15	1.53
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.

19 SUBSEQUENT EVENT

On 5 November 2024, the Manager approved a distribution of 2.400 Singapore cents per Unit in respect of the period from 1 July 2024 to 30 September 2024 to be paid on 24 December 2024.

**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 sustainable growth.

As at 30 September 2024, the Group¹ has a portfolio of 28 industrial properties, 25 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 FY2025	1H FY2024	+/(-)
		S\$'000	S\$'000	%
Gross revenue	(a)	93,514	86,834	7.7
Net property income	(a)	67,587	64,290	5.1
Share of profits of joint venture (net of tax)	(b)	7,394	7,451	(0.8)
Distributions to Unitholders		37,958	36,135	5.0
Distribution per Unit (“DPU”) (Singapore cents)		4.670	4.650	0.4

Breakdown of DPU by quarter

	Note	1H FY2025	1H FY2024	+/(-)
		Singapore Cents	Singapore Cents	%
For the first quarter ended 30 June	(c)	2.270	2.310	(1.7)
For the second quarter ended 30 September	(d)	2.400	2.340	2.6
For the half year ended 30 September		4.670	4.650	0.4

Notes:

- (a) Please refer to section 3.2 Consolidated Statement of Total Return, Note (a) for explanation of the variances.
- (b) Please refer to section 3.2 Consolidated Statement of Total Return, Note (h) for explanation of variances.
- (c) The distribution for the period 1 April 2024 to 30 June 2024 has been paid on 25 September 2024 (the distribution for the period 1 April 2023 to 11 June 2023 and for the period from 12 June 2023 to 30 June 2023 have been paid on 20 July 2023 and 22 September 2023 respectively).
- (d) The distribution for the second quarter ended 30 September 2024 will be payable on 24 December 2024 (second quarter ended 30 September 2023 has been paid on 22 December 2023).

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 2024 to 30 September 2024
Distribution Type	(a) Taxable Income (b) Capital Distribution
Distribution Rate	(a) Taxable Income Distribution: 1.910 cents per Unit (b) Capital Distribution: <u>0.490 cents per Unit</u> <u>2.400 cents per Unit</u>
Record Date	14 November 2024
Payment Date	24 December 2024

3 REVIEW OF PERFORMANCE OF THE GROUP

3.1 Statements of Financial Position as at 30 September 2024 vs. 31 March 2024

	Note	Group			Trust		
		30 September 2024 S\$'000	31 March 2024 S\$'000	+ / (-) %	30 September 2024 S\$'000	31 March 2024 S\$'000	+ / (-) %
Non-current assets							
Investment properties	(a)	1,988,936	1,973,169	0.8	1,581,585	1,570,037	0.7
Plant and equipment	(b)	13,766	14,153	(2.7)	13,766	14,153	(2.7)
Subsidiaries		–	–	–	396,552	360,433	10.0
Joint venture	(c)	294,697	289,296	1.9	–	–	–
Trade and other receivables	(d)	4,227	4,742	(10.9)	4,227	4,742	(10.9)
Derivative financial instruments	(e)	5,231	9,137	(42.7)	1,520	3,609	(57.9)
		<u>2,306,857</u>	<u>2,290,497</u>	<u>0.7</u>	<u>1,997,650</u>	<u>1,952,974</u>	<u>2.3</u>
Current assets							
Trade and other receivables	(d)	6,817	7,925	(14.0)	7,111	7,529	(5.6)
Derivative financial instruments	(e)	260	382	(31.9)	260	294	(11.6)
Cash and cash equivalents	(f)	12,957	17,816	(27.3)	7,007	9,170	(23.6)
		<u>20,034</u>	<u>26,123</u>	<u>(23.3)</u>	<u>14,378</u>	<u>16,993</u>	<u>(15.4)</u>
Total assets		<u>2,326,891</u>	<u>2,316,620</u>	<u>0.4</u>	<u>2,012,028</u>	<u>1,969,967</u>	<u>2.1</u>
Non-current liabilities							
Trade and other payables	(g)	25,696	25,991	(1.1)	25,696	25,991	(1.1)
Interest-bearing borrowings	(h)	602,332	587,504	2.5	260,451	215,882	20.6
Derivative financial instruments	(e)	628	–	NM	628	–	NM
Deferred tax liabilities	(i)	20,904	20,406	2.4	–	–	–
Lease liabilities	(j)	101,116	96,449	4.8	101,116	96,449	4.8
		<u>750,676</u>	<u>730,350</u>	<u>2.8</u>	<u>387,891</u>	<u>338,322</u>	<u>14.7</u>
Current liabilities							
Trade and other payables	(k)	39,895	46,689	(14.6)	36,115	39,103	(7.6)
Interest-bearing borrowings	(h)	99,984	99,910	0.1	99,984	99,910	0.1
Derivative financial instruments	(e)	29	9	>100.0	29	9	>100.0
Lease liabilities	(j)	5,241	5,388	(2.7)	5,241	5,388	(2.7)
		<u>145,149</u>	<u>151,996</u>	<u>(4.5)</u>	<u>141,369</u>	<u>144,410</u>	<u>(2.1)</u>
Total liabilities		<u>895,825</u>	<u>882,346</u>	<u>1.5</u>	<u>529,260</u>	<u>482,732</u>	<u>9.6</u>
Net assets		<u>1,431,066</u>	<u>1,434,274</u>	<u>(0.2)</u>	<u>1,482,768</u>	<u>1,487,235</u>	<u>(0.3)</u>
Represented by:							
Unitholders' funds		1,057,518	1,060,709	(0.3)	1,109,220	1,113,670	(0.4)
Perpetual Securities holders' funds		373,548	373,565	< (0.1)	373,548	373,565	< (0.1)
		<u>1,431,066</u>	<u>1,434,274</u>	<u>(0.2)</u>	<u>1,482,768</u>	<u>1,487,235</u>	<u>(0.3)</u>

NM: Not meaningful

- (a) The increase in investment properties was largely due to capital expenditure capitalised during 1H FY2025 for Singapore properties, remeasurement of right-of-use assets in accordance with FRS 116 Leases (“FRS 116”) on the lease extension option for the property at 11 Changi South Street 3 and the foreign currency translation gain from the Australian properties as a result of the strengthening of Australian dollar (“AUD”) against Singapore dollar (“SGD”).
- (b) The plant and equipment relate to the completed installation of rooftop solar photovoltaic systems (“Systems”) at 6 Singapore properties for the generation of electricity. The decrease in the plant and equipment was due to depreciation during 1H FY2025.
- (c) 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 increase was mainly due to the foreign currency translation gain as a result of the strengthening of AUD against SGD and the additional loan to joint venture during 1H FY2025.
- (d) 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 2024 of S\$6.8 million was S\$1.1 million lower compared to 31 March 2024. The decrease was mainly due to the higher collections from tenants during 1H FY2025.

- (e) The derivative financial instruments reflect the fair values of the interest rate swaps and foreign currency forward contracts entered into for the Group and the Trust to hedge its interest rate and foreign currency risks.
- (f) Cash and cash equivalents decreased mainly due to a net cash outflow from financing activities, driven primarily by the repayment of borrowings, interest payments, and distributions to Unitholders and Perpetual Securities holders, partially offset by proceeds from the drawdown of borrowings. There was also a net cash outflow from investing activities, mainly due to capital expenditure on investment properties during 1H FY2025. These cash outflows were partially offset by a net cash inflow from operating activities. Please refer to page FS10 and FS11 of the Interim Financial Statements for the Consolidated Statement of Cash Flows.
- (g) Non-current trade and other payables comprised mainly rental deposits received from tenants with remaining lease tenors of more than one year and the non-current portion of the deferred consideration. The deferred consideration relates to the present value of all remaining payments payable to the vendor for the installation of the Systems at 6 Singapore properties based on the minimum output of electricity generated by the Systems at the relevant rates.

The decrease in non-current trade and other payables was mainly due to the repayment of deferred consideration during 1H FY2025.

- (h) The total borrowings of the Group as at 30 September 2024 of S\$702.3 million was S\$14.9 million higher compared to 31 March 2024 mainly due to additional loan drawn during 1H FY2025 and the strengthening of AUD against SGD on AUD denominated borrowings.

The current portion of Interest-bearing borrowings relates to the S\$100 million five-year medium-term notes, which will mature on 12 November 2024.

- (i) This relates to the provision of deferred tax liabilities for the Trust’s investment in Australia.
- (j) This relates to the recognition of lease liabilities in relation to the capitalisation of land rent payments in accordance with FRS 116. The increase in the non-current lease liabilities was mainly due to the recognition of the lease liabilities on the lease extension option for the property at 11 Changi South Street 3, partially offset by the land rent payments during 1H FY2025.

- (k) Current trade and other payables as at 30 September 2024 of S\$40.0 million was S\$6.8 million lower compared to 31 March 2024. The decrease was mainly due to payments of the property operating expenses and interest expenses during 1H FY2025.

As at 30 September 2024, the Group's current liabilities exceeded its current assets by approximately S\$125.1 million mainly due to refundable rental deposits placed by tenants and interest-bearing borrowings due within one year. Notwithstanding the net current liabilities position, the Group had total cash and bank balances and undrawn committed facilities of approximately S\$305.9 million to fulfil their liabilities as and when they fall due.

3.2 Consolidated Statement of Total Return

	Note	Group		+/(-) %
		1H FY2025 S\$'000	1H FY2024 S\$'000	
Gross revenue	(a)	93,514	86,834	7.7
Property operating expenses	(a)	(25,927)	(22,544)	15.0
Net property income	(a)	<u>67,587</u>	<u>64,290</u>	5.1
Net property income margin	(a)	72.3%	74.0%	
Net foreign exchange gain	(b)	51	234	(78.2)
Interest income	(c)	166	256	(35.2)
Other non-operating income:				
Interim insurance proceeds ¹	(d)	606	–	NM
Borrowing costs	(e)	(19,572)	(17,792)	10.0
Manager's management fees	(f)	(5,573)	(5,643)	(1.2)
Other trust expenses	(g)	(2,747)	(2,810)	(2.2)
Non-property expenses		<u>(27,892)</u>	<u>(26,245)</u>	6.3
Net income before joint venture's profits		40,518	38,535	5.1
Share of profits of joint venture (net of tax)	(h)	7,394	7,451	(0.8)
Net income		<u>47,912</u>	<u>45,986</u>	4.2
Net change in fair value of investment properties	(i)	(2,645)	(2,755)	(4.0)
Net change in fair value of derivative financial instruments	(j)	(1,547)	(2,496)	(38.0)
Gain on divestment of investment property	(k)	–	637	(100.0)
Total return before income tax		<u>43,720</u>	<u>41,372</u>	5.7
Income tax expense	(l)	(661)	(101)	>100.0
Total return after income tax		<u>43,059</u>	<u>41,271</u>	4.3
Attributable to:				
Unitholders		32,781	30,993	5.8
Perpetual Securities holders	(m)	10,278	10,278	–
		<u>43,059</u>	<u>41,271</u>	4.3
Distributions to Unitholders	(n)	37,958	36,135	5.0
DPU (Singapore cents)		4.670	4.650	0.4

NM: Not meaningful

¹ Relates to the interim payments by the insurer, as partial payment on account of the estimated insurance compensation for revenue loss due to business interruption at 61 Yishun Industrial Park A, Singapore (refer to announcement dated 10 October 2023).

- (a) Gross revenue for 1H FY2025 of S\$93.5 million was S\$6.7 million higher as compared to 1H FY2024. The increase in gross revenue was mainly due higher rental and recoveries from AA REIT's logistics and warehouse and industrial properties such as the properties at 20 Gul Way, 27 Penjuru Lane, 51 Marsiling Road, 7 Bulim Street, 29 Woodlands Industrial Park E1 and 26 Tuas Avenue 7, higher electricity income and full period contribution of income from the sale of electricity and renewable energy certificates generated from the rooftop solar photovoltaic systems ("Systems") at 6 Singapore properties.

Property operating expenses for 1H FY2025 of S\$25.9 million was S\$3.4 million higher as compared to 1H FY2024 mainly due to higher electricity expenses, property tax expenses and full period impact of the depreciation of plant and equipment relating to the Systems at 6 Singapore properties.

Net property income for 1H FY2025 of S\$67.6 million was S\$3.3 million higher than 1H FY2024 mainly due to higher gross revenue. Net property income margin in 1H FY2025 at 72.3% compared to 74.0% in 1H FY2024 mainly due to the increase in the property operating expenses for 1H FY2025.

- (b) Net foreign exchange gain for 1H FY2025 and 1H FY2024 was mainly due to realised gain from the settlement of the foreign currency forward contracts.
- (c) Interest income for 1H FY2025 of S\$0.2 million was S\$0.1 million lower compared to 1H FY2024 mainly due to higher fixed deposit placements during 1H FY2024.
- (d) Other non-operating income relates to the interim payments by the insurer, as partial payment on account of the estimated insurance compensation for revenue loss due to business interruption at 61 Yishun Industrial Park A, Singapore.
- (e) Borrowing costs comprise interest expense on loans and interest rate swaps, amortisation of borrowing transaction costs and interest expense relating to lease liabilities and deferred consideration.

Borrowing costs for 1H FY2025 of S\$19.6 million was S\$1.8 million higher compared to 1H FY2024 mainly due to higher floating interest rates and amortisation of borrowing transaction costs during 1H FY2025.

- (f) Manager's management fees for 1H FY2025 was fairly in line with 1H FY2024.
- (g) Other trust expenses for 1H FY2025 was fairly in line with 1H FY2024.
- (h) The share of profits of joint venture in 1H FY2025 was fairly in line with 1H FY2024.
- (i) The net change in fair value of investment properties relates to the fair value adjustments of ROU assets included in the Singapore investment properties in accordance with FRS 116 *Leases* ("FRS 116"). The net change in fair value of investment properties is a non-tax chargeable/deductible item and has no impact on the taxable income and distributable income to the Unitholders.
- (j) The net change in fair value of derivative financial instruments 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.
- (k) The gain on divestment of investment property in 1H FY2024 arose from the divestment of 541 Yishun Industrial Park A in Singapore. The divestment was completed on 12 September 2023 for a consideration of S\$12.88 million.
- (l) The income tax expense for 1H FY2025 was largely due to the provision of deferred tax liability recognised for the Trust's investment in Australia and the net taxable income from the sale of electricity and renewable energy certificates.

The income tax expense for 1H FY2024 was largely due to the provision of deferred tax liability recognised for the Trust's investment in Australia and the withholding tax arising from the distribution from Australia.

- (m) 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.

- (n) Distribution to Unitholders for 1H FY2025 of S\$38.0 million was S\$1.8 million higher as compared to 1H FY2024. The increase in 1H FY2025 was largely due to higher net property income arising mainly from higher rental and recoveries from AA REIT’s logistics and warehouse and industrial properties such as the properties at 20 Gul Way, 27 Penjuru Lane, 51 Marsiling Road, 7 Bulim Street, 29 Woodlands Industrial Park E1 and 26 Tuas Avenue 7. This was partially offset by higher borrowing costs in 1H FY2025.

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 2024.

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 Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU") for the financial period

Please refer to FS2 and FS3 of the interim financial statements.

9 Net Asset Value ("NAV") per unit at the end of the financial period

Please refer to FS1 of the interim financial statements.

10 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 2024, the Trust had 811,937,775 units (31 March 2024: 809,106,978 units)

11 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.

12 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.

13 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.

At the September 2024 Federal Open Market Committee (“FOMC”) meeting, the US Federal Reserve lowered interest rates by 50bps, easing monetary policy for the first time in four years¹. The FOMC remained committed to its long-term inflation target of 2% and will be prepared to adjust the stance of monetary policy as appropriate.

The International Monetary Fund (“IMF”) in October 2024 held its global economic growth expectations steady at 3.2% in 2024, unchanged from its April and July 2024 forecasts².

Singapore

Singapore’s economy picked up momentum with advance estimates provided by the Ministry of Trade and Industry (“MTI”) showing gross domestic product (“GDP”) grew 4.1% year-on-year in Q3 2024³. This followed the 2.9% growth recorded in Q2 2024. MTI attributed the growth to the expansion of the manufacturing sector after two quarters of contraction. The manufacturing sector grew 7.5% in Q3 2024, rebounding from the 1.1% contraction in the previous quarter.

The Purchasing Managers’ Index (“PMI”) also saw its highest reading in three years, gaining 0.2% to 50.9 in August 2024. The data points to a steady manufacturing recovery, boosted by the growing demand for consumer electronics, and hints at a broadening of the manufacturing recovery beyond electronics⁴.

Transaction volume of multiple-user factory spaces and warehouses looks to gain momentum. At the same time, the stability of Singapore continues to attract international firms looking for a safe and resilient location for expansion⁵, underpinning the demand for quality industrial space.

Australia

In light of an uncertain economic, labour market and geopolitical outlook and coupled with inflation at 3.9% and above its 2-3% target band, the Reserve Bank of Australia (“RBA”) kept interest rates steady at 4.35% from its latest September 2024 meeting⁶.

AA REIT’s two business parks in Sydney are located within Macquarie Park and Bella Vista which continues to benefit from significant government infrastructure investments. The extension of the Metro line, which was opened on 19 August 2024, will connect Sydney’s northwest region through the Sydney Central Business District (“CBD”) and provide unrivalled connectivity.

Macquarie Park and Bella Vista have been identified as a priority high growth area under the Transport Oriented Development (“TOD”) Program, which aims to deliver more local residential areas and enhance the vibrancy of the existing precinct⁷.

The Brisbane 2032 Olympic and Paralympic Games are catalysts for improved infrastructure across Queensland with approximately A\$7.1 billion being earmarked for infrastructure investments, which will benefit our property in the Gold Coast area⁸.

¹ Federal Reserve Board - Federal Reserve issues FOMC statement

² World Economic Outlook Update, October 2024: Policy Pivot, Rising Threats (imf.org)

³ Singapore Department of Statistics | Release of Advance GDP Estimates, 3rd Quarter 2024 (singstat.gov.sg)

⁴ August 2024, Singapore PMI (pmi.sipmm.edu.sg)

⁵ Knight Frank, Singapore Research: Industrial & Logistics Q3 2024

⁶ Statement by the Reserve Bank Board: Monetary Policy Decision | Media Releases | RBA

⁷ Macquarie Park | Planning (nsw.gov.au)

⁸ Infrastructure funding agreement locked in for Brisbane Olympics – Ministry of Sport

Management Outlook

The Manager remains optimistic of AA REIT's portfolio of high-quality and well-located assets underpinned by its commitment to execute its four strategic pillars. The continued strong operational performance of the Singapore assets is well-supported by sustained demand for modern industrial, logistics and warehouse facilities. In Australia, strong tenant covenants on long lease terms and built-in rental escalations are underpinned by long-term government infrastructure investments.

With the new unsecured Sustainability Linked Loan ("SLL") announced in September 2024, AA REIT has greater financial flexibility and headroom to pursue growth opportunities such as acquisitions, especially in a declining interest rate environment. The Manager also remains committed to proactive asset management including the successful revitalisation of its properties through the two AEs to enhance asset and earnings quality and generate long-term sustainable returns for Unitholders.

14 Distributions

(a) Current financial period

Any distributions declared for the current financial period: Yes

(i) Name of distribution: **75th distribution, for the period from 1 July 2024 to 30 September 2024**

Distribution Type¹ Taxable Income
Capital Distribution

Distribution Rate: Taxable Income 1.910 cents per Unit
Capital Distribution 0.490 cents per Unit
Total 2.400 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: 14 November 2024

Date payable: 24 December 2024

¹ No tax-exempt income distribution was declared for the period from 1 July 2024 to 30 September 2024.

(iii) Name of distribution:	74th distribution, for the period from 1 April 2024 to 30 June 2024
Distribution Type ¹	Taxable Income Capital Distribution
Distribution Rate:	Taxable Income 1.810 cents per Unit Capital Distribution <u>0.460 cents per Unit</u> Total <u>2.270 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 2.270 cents per unit for the period from 1 April 2024 to 30 June 2024 was paid on 25 September 2024.

¹ No tax-exempt income distribution was declared for the period from 1 April 2024 to 30 June 2024.

(b) Corresponding period of the immediate preceding year

Any distributions declared for the previous corresponding financial period: Yes

(i) Name of distribution: **71st distribution, for the period from 1 July 2023 to 30 September 2023**

Distribution Type¹ Taxable Income
Capital Distribution

Distribution Rate:	Taxable Income	1.784 cents per Unit
	Capital Distribution	<u>0.556 cents per Unit</u>
	Total	<u>2.340 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 2.340 cents per unit for the period from 1 July 2023 to 30 September 2023 was paid on 22 December 2023.

¹ No tax-exempt income distribution was declared for the period from 1 July 2023 to 30 September 2023.

(ii) Name of distribution: 70th distribution, for the period from 12 June 2023 to 30 June 2023

Distribution Type¹ Taxable Income
 Capital Distribution

Distribution Rate: Taxable Income 0.384 cents per Unit
 Capital Distribution 0.126 cents per Unit
 Total 0.510 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.

Remarks: Distribution of 0.510 cents per unit for the period from 12 June 2023 to 30 June 2023 was paid on 22 September 2023.

¹ No tax-exempt income distribution was declared for the period from 12 June 2023 to 30 June 2023.

(iii) Name of distribution: **69th distribution, for the period from 1 April 2023 to 11 June 2023**

Distribution Type¹ Taxable Income
 Capital Distribution

Distribution Rate: Taxable Income 1.263 cents per Unit
 Capital Distribution 0.537 cents per Unit
 Total 1.800 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.

Remarks: Advanced distribution of 1.800 cents per unit for the period from 1 April 2023 to 11 June 2023 was paid on 20 July 2023.

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

Not applicable.

¹ No tax-exempt income distribution was declared for the period from 1 April 2023 to 11 June 2023.

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

	Group		+ / (-) %
	1H FY2025 S\$'000	1H FY2024 S\$'000	
<u>Gross Revenue</u>			
Singapore	79,849	73,146	9.2
Australia	13,665	13,688	(0.2)
	93,514	86,834	7.7
<u>Net property income</u>			
Singapore	53,973	50,639	6.6
Australia	13,614	13,651	(0.3)
	67,587	64,290	5.1

17 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Increase in gross revenue and net property income was mainly contributed by higher rental, higher recoveries and higher sale of electricity and renewable energy certificates for the Singapore properties.

Please refer to Appendix 7.2, Item 3.2 for the review of the actual performance.

18 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.

19 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.

20 Directors' Confirmation pursuant to Rule 705(5) of the Listing Manual

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

21 Directors' Confirmation on the next 12-month cashflow forecast

The Board of Directors of AIMS APAC REIT Management Limited (as Manager of AA REIT) is satisfied that the Group will be able to discharge its liabilities as and when they fall due based on the next 12-month cashflow forecast from the date of the interim financial statements.

22 Use of proceeds raised from equity fund raising pursuant to Chapter 8 of the Listing Manual

Further to the announcements titled “Use of Proceeds from the Equity Fund Raising” dated 26 June 2023, 6 July 2023, 24 July 2023 and the Interim Financial Statements disclosure on “Use of proceeds raised from equity fund raising pursuant to Chapter 8 of the Listing Manual” dated 3 November 2023 and 7 May 2024, approximately S\$0.8 million (which is equivalent to approximately 0.8% of the gross proceeds of the Equity Fund Raising) has been disbursed as at 30 September 2024 for the identified asset enhancement initiatives (“**Identified AEs**”) as disclosed under paragraph 3 (Use of Proceeds) of the announcement of AA REIT dated 1 June 2023 titled “Results of the Private Placement and Pricing of New Units under the Private Placement and the Preferential Offering”. An additional outlay of approximately up to S\$25 million (which is equivalent to approximately up to 25% of the gross proceeds of the Equity Fund Raising) will be further disbursed for the Identified AEs in the next twelve months. Such use of proceeds arising from the Equity Fund Raising is in accordance with the stated use and is in accordance with the percentage of the gross proceeds of the Equity Fund Raising as announced.

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 AA REIT’s 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
5 November 2024