AIMS
AA REIT

STANDING STRONG

ANNUAL REPORT
2025

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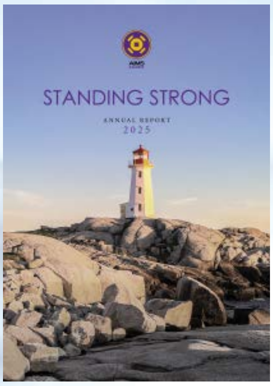


STANDING STRONG

Amid shifting market dynamics and global headwinds, AIMS APAC REIT remains focused and resilient. Our disciplined strategy and prudent & proactive capital management allow us to navigate uncertainty while continuing to deliver stable returns.

Standing strong means staying anchored in our fundamentals while adapting to change. We remain committed to long-term growth, seizing opportunities with clarity and confidence.

About AIMS APAC REIT

AIMS APAC REIT ("AA REIT") is a real estate investment trust listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST") since 2007. The principal investment objective of AA REIT is to invest in a diversified portfolio of high quality income-producing industrial, logistics and business park real estate across Asia Pacific. As at 31 March 2025, AA REIT's portfolio comprises 28 properties, of which 25 properties are located across Singapore and 3 properties located in Australia, with a total portfolio value of S$2.13 billion.

AA REIT is managed by AIMS APAC REIT Management Limited (the "Manager"), which is wholly-owned by AIMS Financial Group ("AIMS"). Established in 1991, AIMS is a diversified financial services and investment group, active in the areas of funds management, mortgage lending, investment banking and property investment. AIMS is also the owner of the Sydney Stock Exchange.

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

Vision

To be the preferred Asia Pacific industrial, logistics and business park real estate solutions provider to our tenants and partners.

Mission

To provide investors with sustainable long-term returns through selective acquisitions, strategic partnerships, prudent capital management and proactive asset management of a high quality industrial, logistics and business park real estate portfolio across Asia.

OUR PORTFOLIO

DIVERSIFIED PORTFOLIO OF HIGH QUALITY INDUSTRIAL ASSETS

AA REIT owns a diversified portfolio of modern and high quality industrial, logistics and business park properties valued at S$2.13 billion[1] and with a total net lettable area of approximately 777,422 sqm across Singapore and Australia. Our properties are leased to over 200 global, regional and leading national customers across a range of industries.

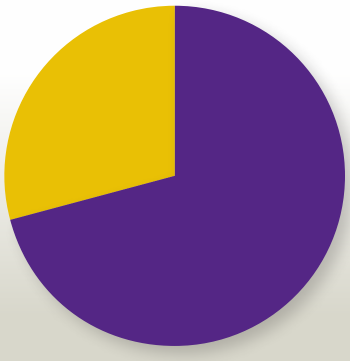
AUSTRALIA

Properties[2]

3

Portfolio Value

29%



SINGAPORE

Properties[3]

25

Portfolio Value

71%

LOGISTICS AND WAREHOUSE

Logistics and warehouse space are typically used for storage and distribution by national, regional and international companies. In Singapore, these properties are usually multi-storey with vehicular ramp access or heavy duty cargo lift access.

BUSINESS PARKS

Business Parks cater to companies engaged in high-technology, research and development, high value-added and knowledge intensive activities. These properties comprise modern decentralised office buildings situated within a business park zone.

INDUSTRIAL

Industrial properties are dedicated to manufacturing and, production activities with ancillary storage. Tenants range from local distributors, food manufacturers and precision engineering companies.

HI-TECH

Hi-Tech properties are high specifications mixed-used industrial buildings with a higher proportion of office space in conjunction with production and warehousing space. These buildings appeal to large multinational companies wanting to house both their headquarters and operations together.

[1] Portfolio valuation as at 31 March 2025, including the 49.0% interest in Optus Centre located in Macquarie Park, NSW, Australia. 3 Toh Tuck Link is stated at fair value based on the agreed sale price with a third-party buyer.
[2] Includes a 49.0% interest in Optus Centre located in Macquarie Park, NSW, Australia.
[3] Includes 3 Toh Tuck Link held for sale.

FY2025 KEY HIGHLIGHTS

RESILIENT FINANCIAL PERFORMANCE

Gross Revenue	Distributions to Unitholders	Distribution per Unit
↑5.3%	↑5.2%	↑2.6%
YoY	YoY	YoY
S$186.6 million	S$78.2 million	9.600 Singapore cents

PROACTIVE ASSET MANAGEMENT

Portfolio Occupancy	Rental Reversion	Portfolio Weighted Average Lease Expiry
93.6%[1]	+20.0%[2]	4.4 Years

STRONG BALANCE SHEET

Gearing	Debt on Fixed Rates	Weighted Average Debt Maturity
28.9%	85%[3]	3.0 Years

SUSTAINABILITY HIGHLIGHTS

Commenced on Phase 2 of **Rooftop Solar Panel Installation** (3.65 MWp) across 3 properties

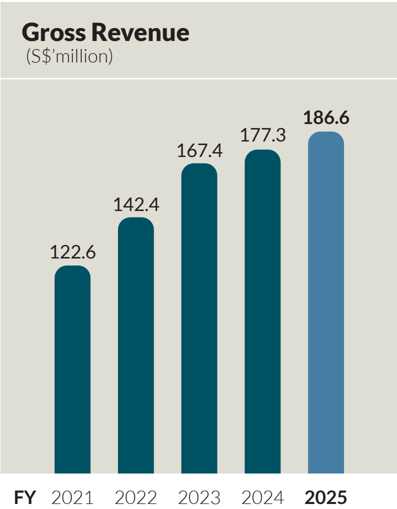
Completed installation of **Smart LED Lighting System** at 20 Gul Way, AA REIT's largest property by net lettable area

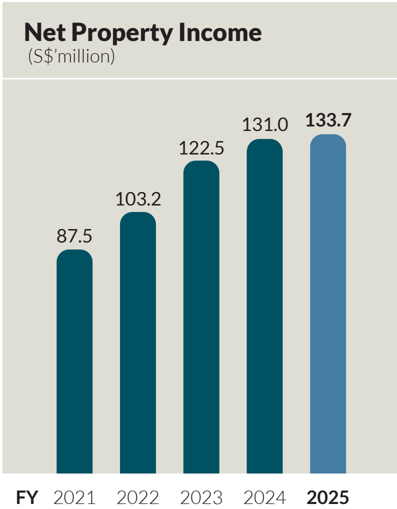
Rolled out **Smart Metering Systems** across 15 properties in Singapore

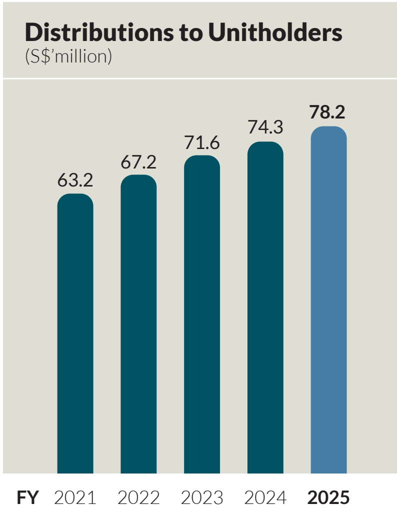
1 Including committed leases as at 31 March 2025, portfolio occupancy is 95.8%.
2 Full year average rental reversion.
3 Includes forward interest rate swaps.

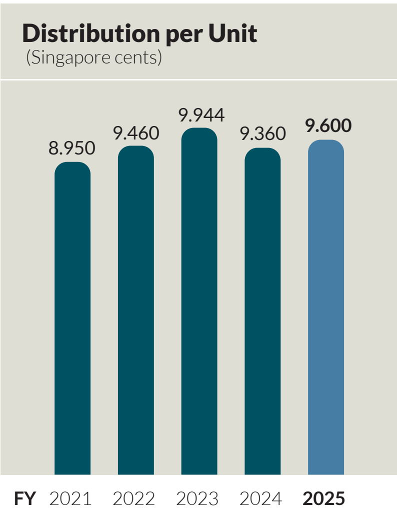
FINANCIAL HIGHLIGHTS

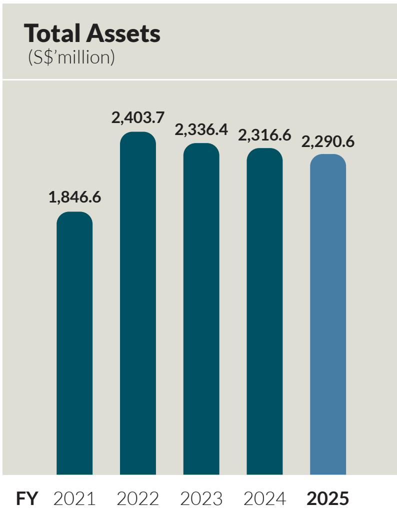
For the Financial Year ended 31 March

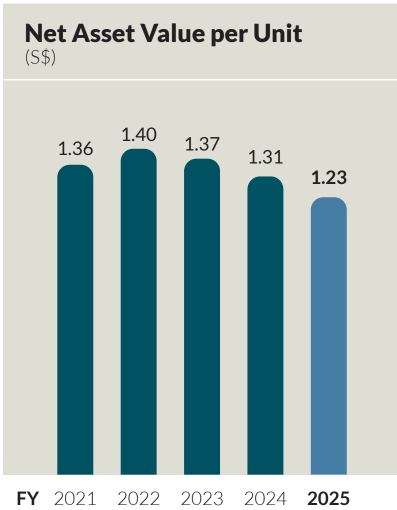












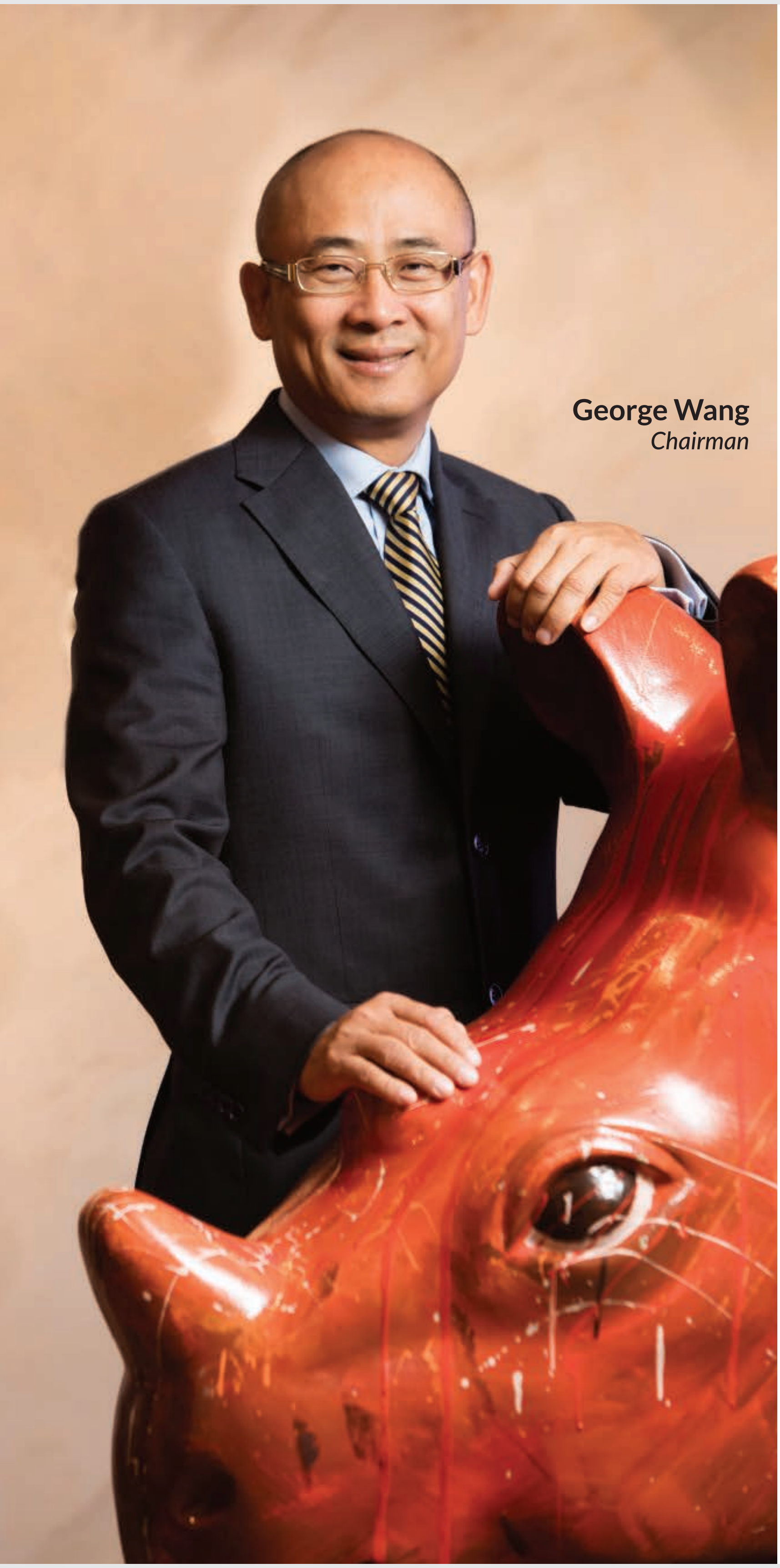
For the Financial Year ended 31 March (S$'million unless otherwise stated)	FY2021	FY2022	FY2023	FY2024	FY2025
Gross Revenue	122.6	142.4	167.4	177.3	**186.6**
Net Property Income	87.5	103.2	122.5	131.0	**133.7**
Distributions to Unitholders	63.2	67.2	71.6	74.3	**78.2**
Distribution per Unit ("DPU") (Singapore cents)	8.950	9.460	9.944	9.360	**9.600**
Balance Sheet as at 31 March (S$'million unless otherwise stated)	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**
Total assets	1,846.6	2,403.7	2,336.4	2,316.6	**2,290.6**
Total liabilities	759.2	1,029.9	969.0	882.3	**787.3**
Total borrowings[1]	593.8	858.9	796.0	690.6	**582.4**
Unitholders' funds	962.8	1,000.2	993.8	1,060.7	**1,005.9**
Perpetual Securities holders' funds	124.6	373.6	373.6	373.6	**497.4**[2]
Key financial ratios as at 31 March	**FY2021**	**FY2022**	**FY2023**	**FY2024**	**FY2025**
Net asset value per Unit (S$)	1.36	1.40	1.37	1.31	**1.23**
Aggregate leverage ratio (%)[3]	33.9	37.5	36.1	32.6	**28.9**
Interest coverage ratio (times)[4]	3.4	2.9	2.3	2.4	**2.4**
Interest coverage ratio, excluding distribution for Perpetual Securities (times)	4.0	5.1	3.8	4.1	**3.9**
Weighted Average All-in Cost of Debt (%)	3.0	2.7	3.4	4.1	**4.3**

1 Excluding unamortised loan transaction costs.
2 Includes S$125 million Perpetual Securities which was issued on 18 March 2025. Proceeds will be utilised to redeem the S$125 million Perpetual Securities that is maturing on 14 August 2025.
3 Aggregate leverage ratio is computed as total borrowings as a percentage of total assets and 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 MAS guidelines. The total borrowings excluded Perpetual Securities holders' funds.
4 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 insurance compensation for property damage), by the trailing 12 months interest expense, borrowing-related fees and distributions on hybrid securities. The borrowing-related fees exclude the unwinding of discounting effect on the present value of lease liabilities and the deferred consideration.

ILLUMINATING THE WAY AHEAD

Amid a vast and dynamic landscape, AIMS APAC REIT remains anchored by a disciplined strategy and prudent capital management. By illuminating the way ahead with clarity and foresight, we continue to safeguard value, seize opportunities, and position the portfolio for sustainable growth.

CHAIRMAN'S MESSAGE



George Wang
Chairman

DEAR UNITHOLDERS,

The past year unfolded against a backdrop of continued global uncertainty. Geopolitical shifts including the change in administration in the U.S., escalating tariff tensions and persistent supply chain disruptions have weighed heavily on business and market sentiments. Amidst turbulent waters, AA REIT has built a strong foundation anchored by our four-pillared strategy: Selective Investments & Developments, Active Asset Management, Prudent Capital & Risk Management and Strategic Partnerships. Our strategy has proven effective and underlines our ability to shine a light on new opportunities which offer sustainable long-term returns for our Unitholders.

With a continued focus on our core markets of Singapore and Australia, we delivered another year of resilient financial performance, underpinned by robust portfolio metrics and a healthy balance sheet for the financial year ended 31 March 2025 ("FY2025"):

- Growth in revenue of 5.3% year-on-year at S$186.6 million
- Rise in Distribution per Unit of 2.6% to 9.600 Singapore cents
- Achieved 20.0% full year average rental reversion
- Portfolio WALE of 4.4 years
- Portfolio occupancy of 93.6% or 95.8% based on committed leases
- Gearing of 28.9%

Our performance over the year is the result of being disciplined and selective with our capital deployment. This has formed the bedrock of our growth which positions AA REIT for future growth and continued success.

OUR LONG-TERM INVESTMENT AND PORTFOLIO STRATEGY

At the heart of our strategy lies a commitment to prudence and discipline. We do not chase trends; instead, we focus on steady, purposeful steps that generate sustainable value for our stakeholders. We have been deliberate in our capital allocation—investing in assets with enduring value and rejuvenating existing properties to ensure their continued relevance and appeal to tenants in evolving industries. Our belief remains that prudent capital and a disciplined approach will outperform in the long term.

Our portfolio spans two mature and complementary markets—Singapore and Australia. Each contributes uniquely to our strength. Singapore's 25-property portfolio enables us to capture strong rental reversions and provide exposure to robust demand fundamentals underpinned by high-specification industrial requirements. Our two current asset enhancement initiatives ("AEIs") at 7 Clementi Loop and 15 Tai Seng Drive will further uplift our asset quality and ensure the REIT remains aligned with occupier trends.

In Australia, our three master-leased assets—strategically located in Sydney and the Gold Coast—offer stability and visibility of income over the medium term. These three properties collectively anchor 24.5% of AA REIT's gross rental income and are backed by reputable backed by reputable tenants on long-term lease commitments. Beyond their immediate income contributions, these assets are positioned in precincts undergoing significant infrastructure investments, enhancing their long-term redevelopment potential.

This two-country structure reflects a deliberate strategy of diversification. The geographic and sectoral mix helps cushion the portfolio from localized headwinds and enables us to harness opportunities in multiple markets. Our prudent management ensures that the portfolio is not only resilient, but also flexible—able to pivot and respond to shifting macroeconomic and sectoral dynamics.

BUILDING ON OUR FINANCIAL RESILIENCE

In FY2025, we enhanced our financial resilience by securing new long-term funding through a S$400 million and A$150 million Sustainability-Linked Loan facility. By aligning our financing framework with measurable environmental, social, and governance ("ESG") outcomes, we ensure that sustainability is embedded not only in our buildings, but also in our capital structure. This reflects a broader truth: that ESG is not a bolt-on, but a foundational pillar of long-term value creation.

The metaphor of the lighthouse—standing tall, casting light across wide and expansive terrain—is apt. It reminds us that while conditions may shift and tides may change, a clear strategy and strong foundations will provide guidance and confidence. This year, the management team navigated volatility with proficiency —capitalising on a narrow market window opportunity to issue S$125 million in perpetual securities at favourable rates just ahead of macro policy shifts. Such actions demonstrate agility backed by foresight and rigorous planning.

NAVIGATING OUR FUTURE SUCCESS TOGETHER

FY2025 has shown the strength of our strategy and its agility in providing protection against challenging times, whilst being able to unlock and capitalise on new opportunities. We remain guided by our four strategic pillars to deliver on our commitment to unitholders:

1) Selective Investments to Generate Attractive Long-Term Total Returns

- Disciplined investment approach
- Track record in acquiring quality assets in Singapore and Australia that offer long-term sustainable income
- Continuous portfolio rejuvenation through targeted AEI and redevelopment projects

2) Active Asset Management

- Proactive lease management to maintain high occupancy and drive positive rental reversion
- Ongoing upgrading projects to improve building specifications to meet requirements of corporate occupiers
- Two AEIs underway to drive organic growth

3) Prudent Capital & Risk Management

- Maintained resilient and flexible balance sheet in uncertain times and headroom for growth
- Proactive capital management to lower the overall cost of capital
- Disciplined hedging policy
- Capital recycling strategy; divestment of non-core assets and re-invest proceeds to AEIs, redevelopment and quality assets

4) Strategic Partnerships

- Collaborate with operators and end-users to occupy newly refurbished and redeveloped properties on long-term leases
- Leverage track record in investments, developments and asset management to form new capital partnerships for larger joint projects

We would like to thank all our Unitholders, tenants, partners, financiers and fellow board members for their unwavering support.

Together with our prudent management team, we have built a solid foundation of high-quality assets that have stood the test of time. With disciplined execution and long-term focus, we are confident of delivering sustainable long-term returns for our Unitholders.

Yours faithfully,

GEORGE WANG
Chairman

CEO'S YEAR IN REVIEW

Russell Ng
Chief Executive Officer

FY2025 was a year of disciplined execution and operational strength for AA REIT. In the face of persistent macroeconomic headwinds—ranging from inflation and elevated interest rates to the re-emergence of global trade tensions—we continued to sharpen our focus, adapt with agility, and deliver strong outcomes for our stakeholders.

AA REIT's performance in FY2025 reflects our ability to stay the course while seizing timely opportunities. Revenue grew by 5.3% to S$186.6 million, Net Property Income ("NPI") rose by 2.1% to S$133.7 million, and Distributions to Unitholders increased by 5.2% to S$78.2 million. Distribution per Unit ("DPU") rose 2.6% to 9.600 Singapore cents. These results are a testament to the strength of our team, the quality of our assets, and the discipline embedded in our decision-making.

ASSET MANAGEMENT AND LEASING: RESILIENT PORTFOLIO AND SUSTAINED LEASING DEMAND

Early in the year, we faced higher operating costs due to inflationary pressures and higher utility costs. To counter these pressures, we intensified our asset management efforts and implemented cost-saving measures across our properties where feasible. Our portfolio's defensive tenant mix (with a large proportion of essential services and leading corporates in their specific industries) helped ensure rental collection remained robust. Although portfolio occupancy dipped from 97.8% to 93.6%, this was largely due to the vacancy at 7 Clementi Loop that is currently undergoing an asset enhancement as well as transitional impact of our larger leases that expired. However, taking into account the committed leases at 31 March 2025, the portfolio occupancy increases to 95.8% - reflecting continued tenant demand and near full utilisation which is above the industry average. Importantly, we backfilled a number of large expiries with quality new leases during the year and mitigated downtime. We signed a total of 75 leases covering 159,827 sqm or 20.6% of the total portfolio net lettable area. Our portfolio's WALE stands at 4.4 years, which provides AA REIT with income visibility.

FY2025 proved to be another strong year for leasing as we captured an overall full year rental reversion of 20.0% full year. This achievement was driven by our proactive marketing and asset teams as well as our portfolio of high-quality assets, following the five asset enhancements and six developments that were completed over the past decade. Due to the tight industrial supply and flight-to-quality, our assets were able to mark-to-market at lease expiry at higher rents.

PORTFOLIO REJUVENATION: ASSET ENHANCEMENT INITIATIVES ("AEIs") AND VALUE REALISATION

In line with our strategy to rejuvenate the portfolio, FY2025 saw us undertake both asset enhancement projects and strategic divestments to optimise our asset holdings. We have continued to make good progress on our two AEIs in Singapore over the year: For our first AEI, we have embarked on a full upgrade of an old warehouse building at 7 Clementi Loop into a target GreenMark Gold Plus certified building for a global storage and information management company on a new 15-year master lease. For the second AEI, our strategy to refurbish and reposition an industrial building at 15 Tai Seng Drive to attract hi-tech users yielded positive results following the signing of a new 10-year anchor lease with a global precision engineering and technology group for approximately one-third of the building area. Both projects involve the upgrading of the building specifications and refreshment of common areas and amenities to meet the expectations and requirements of our master and anchor tenants. Upon completion, the two properties will be significantly uplifted in terms of quality and value, with the net property income yields projected to rise above 7% for both properties.

In Australia, AA REIT and our joint venture partner also completed an AEI at the Optus Centre campus. The AEI known as the 'O'Pavillion' features a centrally located premium event space designed to revitalise the campus and to align with Optus' focus on innovation and collaboration. The new space is designed to host a wide range for corporate functions, community events, media launches, executive meetings and town hall events and will be used to foster connection with business leaders, government officials and employees – serving as an integral collaborative space for Optus.

On the divestment front, we announced the planned sale of 3 Toh Tuck Link for S$24.4 million – a price 32.5% above valuation. Upon the asset sale, proceeds will be utilised to repay debt in the interim and may be recycled into new growth opportunities - ensuring our portfolio remains fresh and positioned for long-term growth. We will continue to evaluate the portfolio for such opportunities and focus on enhancing the overall portfolio quality and generation of long-term sustainable returns.

CAPITAL AND RISK MANAGEMENT: STRENGTHENING THE FOUNDATION

A key priority during the year was to fortify our capital structure against the macroeconomic headwinds. We took a multi-pronged approach to capital and risk management, which has significantly improved our financial flexibility. Over the year, we refinanced and reshaped our debt profile to reduce refinancing risk, transitioned from a secured to unsecured loan structure for our Singapore portfolio, and locked-in competitive rates with new and existing lenders. In September 2024, we closed our maiden Sustainability-Linked Loan ("SLL") facility of up to S$400 million and A$150 million. This facility consolidated a large portion of our borrowings into an unsecured loan tied to sustainability performance targets. The SLL's structure offers further interest cost savings when we meet key sustainability goals such as cutting scope 2 carbon emissions, increasing our solar energy capacity and green leases signed over the year. Through upsizing the SLL facility, AA REIT has an undrawn committed facilities and cash balance of S$289.5 million in place as at 31 March 2025, providing it with ample liquidity and financial flexibility.

By the end of FY2025, 85% of our total debt is hedged (including forward start interest rate swaps), with an all-in average cost of debt at approximately 4.3% per annum. Our weighted average debt maturity is 3.0 years, and we have no debt due for refinancing until FY2027.

Just weeks before the US announced their Liberation Day tariffs, we took the opportunity to capitalise on a narrow window to issue a new S$125 million 5-year fixed rate subordinated perpetual securities priced at 4.70% per annum on the 18 March 2025. The net proceeds will be used to redeem our existing S$125 million perpetual securities which carries a higher distribution rate of 5.65% per annum and matures in August 2025. Upon redemption, our cost of capital for the S$125 million perpetual securities will reduce by 95 basis points and deliver approximately S$1.2 million per annum savings for Unitholders.

Overall, our capital management actions in FY2025 have solidified AA REIT's balance sheet, secured long term capital that is competitively priced and positions us well to capitalise on the growth opportunities ahead.

GROWTH OPPORTUNITIES: REMAIN SELECTIVE AND OPEN TO STRATEGIC PARTNERSHIPS

Looking to the future, AA REIT's management remains growth-oriented yet disciplined. While we did not acquire any assets in FY2025, we actively evaluated potential deals

CEO'S YEAR IN REVIEW

in both Singapore and Australia. Our stance has been to stay selective and to only pursue opportunities that meet our strict criteria for quality and value. During the year, market conditions (including higher financing costs and bid-ask gaps in pricing expectations) meant that few assets met our investment requirements. We are prepared to move swiftly should the right opportunity emerge – backed by our strong balance sheet and available debt headroom. In doing so, we are open to strategic partnerships to enhance our growth trajectory and diversify our portfolio risk.

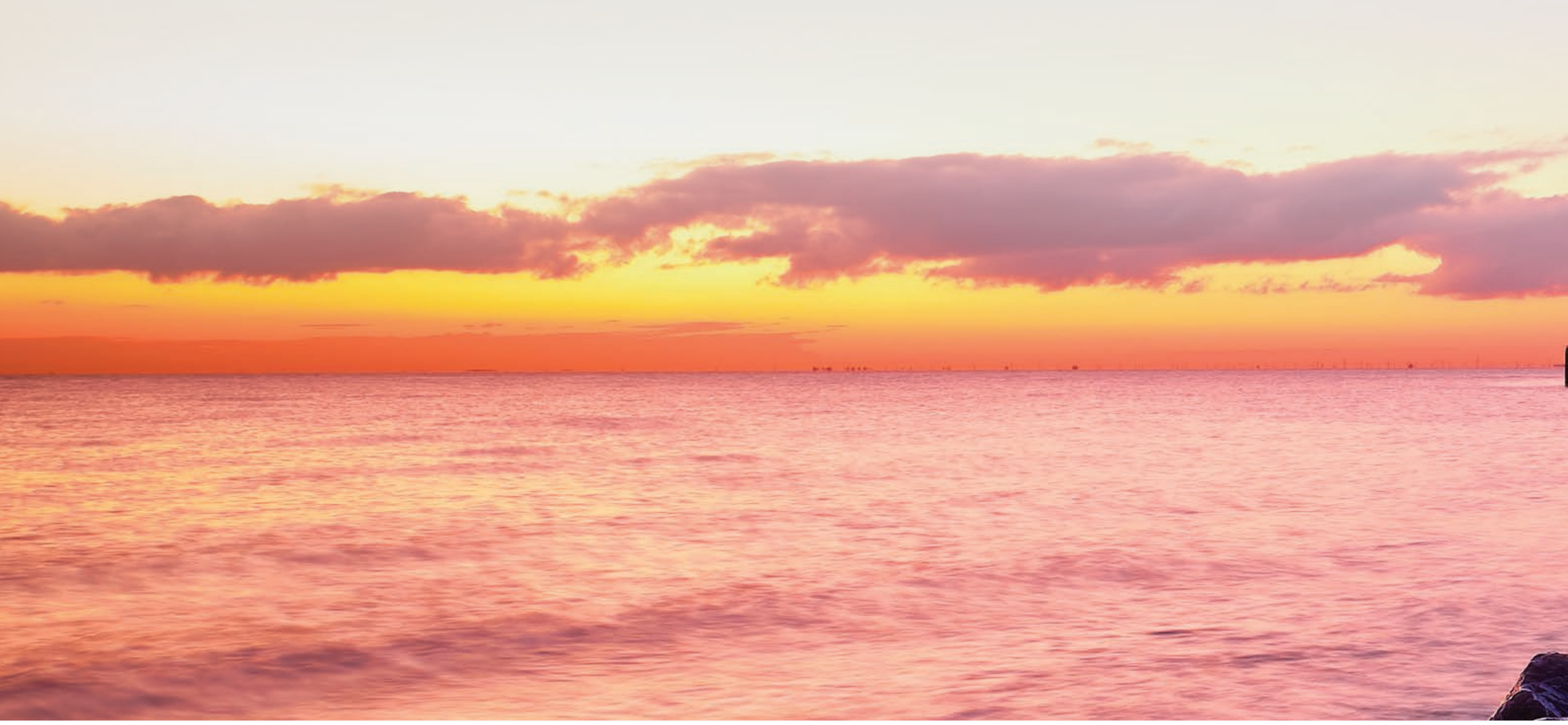
SUSTAINABILITY: EMBEDDED IN OUR OPERATIONS

Another core focus area for us is to deepen our commitment to sustainability in our business operations. In FY2025, beyond the environmental initiatives already mentioned (solar installations, energy-saving upgrades and green leases), we completed the installation of a smart LED lighting system at 20 Gul Way and rolled out a new smart metering system across 15 properties which will allow tenants and landlords to better monitor energy usage in real time. From a governance perspective, we enhanced our risk management framework this year to consider climate-related risks and opportunities in our portfolio, as well as for new investment evaluation processes. We believe these efforts will provide AA REIT with a competitive advantage, as it will not only reduce operational risks and costs but will strengthen our appeal to multinational tenants and investors who prioritise green and future-ready assets.

OUTLOOK: GUIDED BY OUR FOUR PILLARS AND POSITIONED FOR GROWTH

In summary, FY2025 was a year in which AA REIT demonstrated resilience and agility. We delivered top line revenue and NPI growth,

We are prepared to move swiftly should the right opportunity emerge – backed by our strong balance sheet and available debt headroom. In doing so, we are open to strategic partnerships to enhance our growth trajectory and diversify our portfolio risk.



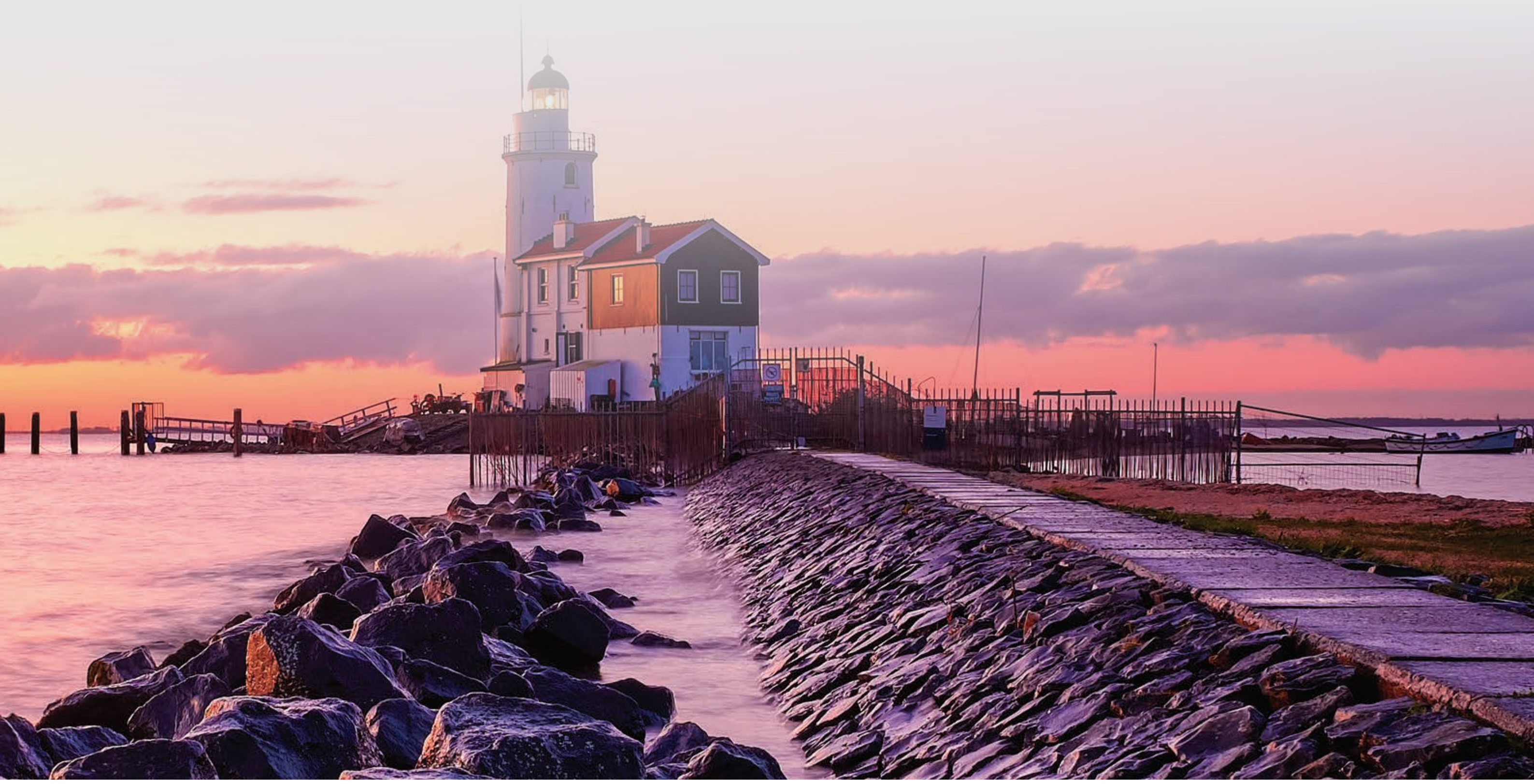
as well as growth in Distributions to Unitholders and DPU and took proactive asset and capital management measures to reinforce our operational and financial foundations. These accomplishments are a testament to the hard work and dedication of our team, and the trust and support of all our stakeholders.

As we move into FY2026, we remain cautiously optimistic. Headwinds remain on the horizon – global economic growth is expected to slow, and inflation and interest rate levels remain uncertain due to the ongoing trade and tariff policy negotiations. There are, however, promising opportunities in our sector. The continued focus on supply chain resilience and diversification of manufacturing out of China towards Southeast Asia, coupled with strong government support for high-value manufacturing, technology, pharmaceutical and life science sectors all bode well for industrial and logistics real estate in Singapore. Our three Australian master tenanted properties with balance lease terms ranging from 6 to 8 years also anchors the portfolio, with stable long term income. With our refreshed portfolio, strong balance sheet, and clear strategic direction, AA REIT is well-equipped to navigate the challenges and capitalise on opportunities. We will stay focused on our four strategic pillars: selectively growing the portfolio, actively managing assets to enhance value, exercising prudent capital management, and leveraging partnerships for growth. By doing so, we are confident of delivering sustainable long-term value for our Unitholders.

We look forward to sharing another year of progress with you.

Yours sincerely,

RUSSELL NG
Chief Executive Officer



OUR STRATEGY

By leveraging on our strengths and executing of our 4 strategic pillars we have been able to capture market growth opportunities. By embedding sustainability principles and frameworks into our business processes, we are creating a portfolio that is resilient and preserves long term value for our stakeholders.

OUR ADVANTAGES

High Quality Portfolio
- Supports high occupancy and tenant retention rate

Diversified and strong tenant base
- Diversified income stream from over 200 tenants with large exposure to tenants in defensive and resilient sectors
- Top-10 tenants are market leaders in their field

Robust Financials
- Quality income-generating assets
- Strong balance sheet

Experienced Team
- The Manager has extensive experience and deep understanding of the market
- In-depth knowledge of our tenants to meet evolving business needs

Established Track Record in Asset Enhancements and Redevelopments
- Future-proof our buildings for tenants
- Portfolio has significant long-term redevelopment potential which offers upside potential for income and capital value

OUR STRATEGY

Selective Investments & Developments
- Disciplined investment approach, with track record in acquiring quality assets in Singapore and Australia that offer long-term sustainable income
- Continuous portfolio rejuvenation through targeted redevelopment projects in Singapore and Australia to enhance long term value and returns

Proactive, Prudent Capital & Risk Management
- Maintain resilient balance sheet, prudent level of aggregate leverage and disciplined hedging policy
- Proactive capital management to secure funding/ lock in cost of capital ahead of time
- Disciplined capital recycling strategy; divestment of non-core assets and reinvestment of proceeds to asset enhancement initiatives ("AEIs"), redevelopment and quality assets

Active Asset Management

- Proactive lease management to maintain high occupancy and drive positive rental reversion
- Ongoing enhancement of assets to improve building specifications to meet requirements of corporate occupiers
- Two ongoing AEIs in Singapore to drive organic growth

Strategic Partnerships

- Ongoing collaboration with operators and end-users to occupy newly refurbished and redeveloped properties on long-term leases
- Leverage track record in investments, developments and asset management to form new partnerships for larger and joint projects

DELIVERING FOR OUR STAKEHOLDERS

Long-term value for our Unitholders

We strive to deliver long-term sustained performance and growth. In FY2025, Net Property Income, Distributions to Unitholders and DPU were up by 2.1%, 5.2% and 2.6% year-on-year respectively. With the proposed divestment of 3 Toh Tuck Link at a 32.5% premium, net proceeds from this divestment may be reinvested to support AA REIT's various growth initiatives.

Prime industrial space for our customers

We create and provide high-quality spaces to over 200 tenants, supporting their business needs and expansion plans.

Engage People

We recognise that the strength of our business lies in our people. We ensure that our workplace is safe, open, diverse and inclusive and promote a strong learning and development culture to drive the engagement of our workforce.

Strong Partnerships

We enjoy mutually beneficial partnerships with our business partners. We also choose suppliers responsibly and pay them on time.

Economic and Social Value

We remain respectful of the local laws and regulatory standards in the markets in which we operate, and strive to create economic value through job creation as well as economic growth. We also actively give back to the community through corporate social responsibility initiatives.

Better Environment

We strive to limit the negative impact on the environment in which we operate and are committed to play our part in the transition to a low-carbon economy.

Read more on our Stakeholders on pages 94 to 95.

KEY MARKET TRENDS

Staying well informed about various market trends in AA REIT's operating markets enables the Manager to shape its strategy in response to the ever-changing business landscape, seize opportunities, and tackle challenges. Looking ahead, the industrial sector in both Singapore and Australia continues to be supported by underlying structural trends, suggesting stable income potential and moderate growth over the medium term.

1 Potential slowing global growth amid elevated rates and trade policy shifts

According to the International Monetary Fund ("IMF")[1], Global GDP growth is projected to come in at just 3.3% both in 2025 and 2026, which is below the historical (2000 – 2019) average of 3.7%. While global growth is expected to remain stable, the intensification of protectionist policies could potentially affect growth in both the near and medium-term. This outlook reflects not only a broader cyclical slowdown but also the impact of intensifying policy and geopolitical uncertainties. One key concern is the return of protectionist trade policies, the re-escalation of US tariff measures targeting strategic sectors and countries. Following the reintroduction of sweeping tariffs by the US, including on electric vehicles, semiconductors, and clean energy goods from China, global trade flows have come under renewed pressure. Given Singapore's status as a global trade hub, such measures heighten supply chain fragmentation and could weigh on the industrial property market by dampening trade flows and disrupting logistics activity, potentially weakening demand for industrial properties. Meanwhile, the US Federal Reserve continued to keep interest rates at an elevated level as it awaits to see the impact of the various policies being rolled out by the new administration. The Reserve Bank of Australia lowered its cash rate to 3.85% during its May 2025 meeting[2], while Singapore's key benchmark interest rate, the Singapore Overnight Rate Average ("SORA"), stood at 2.10% in the same month[3]. This resulted in significant uncertainties within the property investment markets, with investors keeping a cautious stance until there is visibility on future interest rates.

AA REIT's response

Amidst slowing global growth, elevated interest rates and renewed trade policies, the resilient performance of AA REIT's portfolio during times of economic uncertainty reflects the solid groundwork laid by the Manager over the years. By strategically rejuvenating the portfolio through targeted redevelopment and asset enhancements, AA REIT has built a high-quality portfolio that can endure economic challenges. In FY2025, AA REIT made significant progress in its ongoing portfolio revitalisation in Singapore via two identified AEIs at 7 Clementi Loop and 15 Tai Seng Drive. The two AEIs are testament to AA REIT's proactive asset management approach, which is expected to unlock greater long-term income and portfolio value, riding on the demand for high quality logistics and warehouse properties. AA REIT also announced the proposed divestment of 3 Toh Tuck Link, at a sale price of S$24.4 million, representing 32.5% premium over valuation, as part of the REIT's continuous effort towards portfolio rejuvenation.

AA REIT's income base is well diversified and underpinned by resilient sectors. 83.0% of AA REIT's gross rental income are derived from tenants that are in the defensive and resilient industries ranging from Logistics, Food & Consumer Staples, Data Centre & Telecommunication and Healthcare & Life Sciences. Apart from that, AA REIT has over 200 tenants diversified across various trade sectors, which reduces the concentration risk on the over dependence on certain tenant or certain sector.

Moving ahead, AA REIT will continue to assess its entire portfolio to ensure it continues to stay relevant and resilient in changing market condition.

In response to persistent interest rate uncertainties, The Manager adopts a proactive and prudent capital management strategy. As at 31 March 2025, 85%[4] of AA REIT's borrowings have been hedged at fixed interest rates, and there are no refinancing needs until FY2027. This provides significant stability in a volatile interest rate environment, while also preserving financial flexibility to support organic growth and uphold a disciplined approach to acquisitions—ensuring sustainable long-term returns for Unitholders.

1 A Critical Juncture Amid Policy Shifts, International Monetary Fund, April 2025.
2 Cash Rate Target, Reserve Bank of Australia, May 2025.
3 Singapore Overnight Rate Average ("SORA") Table, MAS, May 2025.
4 Includes forward rate interest swaps.

2 Advancing Industry: Manufacturing, Life Sciences and Flight to Quality Business Parks

Under the Manufacturing 2030 initiative, Singapore targets to boost the manufacturing sector contribution to S$160 billion by 2030. Key priorities include driving innovation to enhance performance and strengthen supply chain resilience, improving connectivity to reduce disruptions, and addressing climate change through sustainability initiatives like reduction in carbon emissions. Singapore remains a leading hub for cutting-edge manufacturing facilities, given that sectors such as pharmaceuticals, biotechnology, electronics, and precision engineering continue to grow. Furthermore, Singapore has set an ambitious goal to expand its manufacturing sector by 50% by 2030, aiming to secure a distinct position in the global value chain. This strategic effort, along with continued investments in healthcare and life sciences, will fuel the demand for advanced facilities with high specification. Real estate professionals are increasingly looking for flexible and high-quality office spaces. Consequently, there is a growing demand for premium options across different industries. These properties often feature contemporary amenities, upgraded infrastructure and easy access to public transportation.

AA REIT's response

The emphasis on the priorities outlined above is driving the demand for modern specifications in buildings. In response, AA REIT has effectively revitalised six properties and executed five asset enhancement initiatives ("AEIs") over the past decade and progressing on two new AEIs, to maintain portfolio relevance and meet the evolving needs of occupants. Currently, tenants within the higher value manufacturing activities such as precision engineering, healthcare and life science, make up 15.4% of our tenant base[5] and we expect this figure to grow in the future. AA REIT will continue to pursue asset enhancement initiatives to upgrade or repurpose older industrial assets to meet modern occupier requirements.

In Sydney, the demand for premium spaces and new developments in both Macquarie Park and Norwest Business Park is being driven by the need for high-quality assets and continuous infrastructure improvements. Macquarie Park is poised to transform into a state-of-the-art innovation hub, focusing on industries like education, healthcare, technology and advanced manufacturing. AA REIT's two business parks, Optus Centre and Woolworths HQ in Sydney, Australia, are strategically positioned within these business park precincts and are secured by long term triple-net leases of over 8 years and 6 years respectively, underpinning their stable and growing long-term income profile.

As part of AA REIT's long-term tenant retention and portfolio rejuvenation strategy, AA REIT along with its joint venture ("JV") partner, completed an AEI at the Optus Centre. The AEI involved the construction of a premium event space that reflects Optus' focus on innovation and collaboration. The modern venue and will be used to host business leaders, government officials, partners and Optus employees.

5 By FY2025 Gross Rental Income.

KEY MARKET TRENDS

3 Sustainable Development and Climate Change

With the growing focus on environmental impact in the real estate industry, landlords are under increasing pressure to lower carbon emission and offer eco-friendly alternatives. As nations intensify their efforts to combat climate change, carbon pricing could become more widespread, leading to higher energy costs for landlords.

AA REIT's response

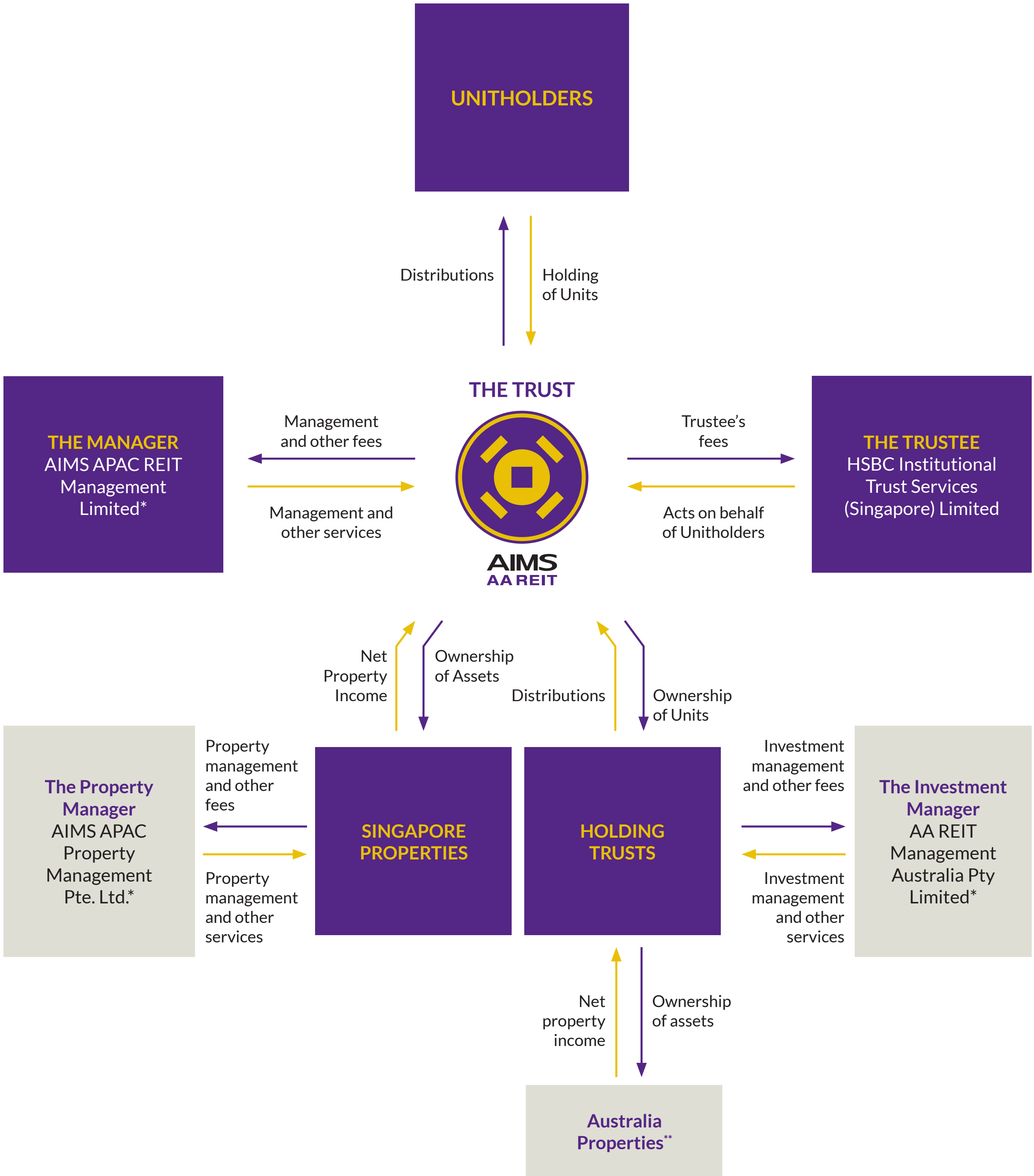
AA REIT is committed to reducing its carbon footprint and plans to cut its scope 2 carbon emissions across the portfolio by 42% by 2030, using 2020 as the baseline year. During the year, AA REIT inked its new sustainability linked loan which gives an alignment to its sustainability goals and efforts.

During FY2025, AA REIT has progressed on its Phase 2 of the rooftop solar PV system installation across three properties in Singapore. The solar panels will have a capacity of 3.65 Megawatt-peak ("MWp") once operational, positioning AA REIT to achieve its medium-term solar generation capacity target by FY2027. In line with AA REIT's commitment to embedding sustainability principles and framework across business processes, the Manager also made significant progress in major sustainability projects outlined in its ESG roadmap.

AA REIT also completed the installation of water efficient fitting at two of our properties, installed a new smart LED lighting system at 20 Gul Way and rolled out a smart metering system across 15 properties in Singapore, which will provide real time energy usage insights for both the landlord and tenants.

AA REIT will continue to proactively explore and implement new sustainability initiatives that not only minimise its environmental impact but ensure portfolio resilience and attractiveness for tenants. This approach is integral to its growth strategy and an important means of future-proofing the portfolio to create sustainable long-term value for Unitholders.

TRUST STRUCTURE



* Indirectly owned by AIMS Financial Group.

** The Australian properties are Woolworths Headquarters, Optus Centre and Boardriders Asia Pacific Headquarters. Optus Centre is held through a joint venture and the joint venture partners have certain pre-emptive right that may be triggered if there are changes in the trust ownership structure.

BOARD OF DIRECTORS

GEORGE WANG (63)

Chairman, Non-Executive Non-Independent Director

Length of service as Director (as at 31 March 2025):
15.7 years

Date of First Appointment

7 August 2009

Board committee(s) served on:

- Nominating and Remuneration Committee

Description:

Mr George Wang is the founding Executive Chairman of AIMS Financial Group. Established in 1991, AIMS Financial Group is a diversified financial services and investment group, active in the areas of mortgage lending, securitisation, investment banking, funds management, property investment, venture capital and high-tech investment. AIMS Financial Group also owns the Sydney Stock Exchange ("SSX").

Mr Wang is a patron of the Taronga Foundation which is affiliated with the Taronga Zoo based in Sydney, Australia which operates wildlife conservation programs.

Academic & Professional Qualifications:

- Bachelor of Environmental Engineering, Donghua University, the People's Republic of China
- Introduction to Securitisation, Securities Institute of Australia
- Advanced Securitisation, Securities Institute of Australia
- Tier 1 RG146 Generic Knowledge, Kaplan Professional
- Tier 1 RG146 Derivatives – General Advice, Kaplan Professional
- Tier 1 RG146 Securities – General Advice, Kaplan Professional
- MFAA (Mortgage & Finance Industry Association of Australia) – Full Member

Present Directorships/Major Appointments in Listed Companies/REITs/Trusts/Others:

- AIMS Property Securities Fund (ASX: APW)
- Founding Executive Chairman of AIMS Financial Group
- Executive Director of Sydney Stock Exchange
- Director of AIMS Home Loans Pty Ltd
- Director of AIMS Securitisation Pty Ltd
- Director of APP Securities Pty Ltd
- Director of AIMS Fund Management Limited
- Director of AIMS Asset Management Limited
- Director of AIMS Capital Management Limited
- Director of AIMS Investment Managers Ltd.
- Director of AIMS Capital Pty Ltd
- Director of FloatX Pty Ltd
- Director of AIMS APAC Property Management Pte. Ltd.
- Director of FloatX Capital Partners Pte. Ltd.
- Director of AIMS Money Group Limited.

Present Directorships in Listed Companies held over the preceding 3 years:

- AIMS Property Securities Fund (ASX: APW) (from August 2009 to current)

Past Major Appointments (other than Directorships):

- Chairman of MacarthurCook Limited (was listed on ASX and privatised by AIMS Financial Group)

CHIA NAM TOON (64)

Lead Non-Executive Independent Director

Length of service as Director (as at 31 March 2025):
2.2 years

Date of First Appointment

8 February 2023

- Non-Executive Independent Director on 8 February 2023
- Non-Executive Lead Independent Director on 25 April 2023

Board committee(s) served on:

- Audit, Risk and Compliance Committee
- Nominating and Remuneration Committee

Description:

Mr Chia Nam Toon has more than 31 years of commercial and financial experience with approximately 16 years in senior management roles within the real estate industry. He was the Chief Executive Officer of the Manager of Ascendas REIT, one of the largest Singapore listed REITs, and held several senior roles within the Group, including Group Chief Financial Officer and Group Assistant Chief Executive Officer. He last served as the Assistant Group Chief Executive Officer of ARA Asset Management Ltd where he was responsible for the business and operations of ARA's REIT Division.

Academic & Professional Qualifications:

- Fellow Member of the Association of Chartered Certified Accountants
- Member with the Institute of Singapore Chartered Accountants

Present Directorships/Major Appointments in Listed Companies/REITs/Trusts/Others:

- Member of the exchange advisory committee & appeals committee of SDAX (digital investment exchange)

Present Directorships in Listed Companies held over the preceding 3 years:

- Nil

Past Major Appointments (other than Directorships):

- Assistant Group Chief Executive Officer of ARA Asset Management Ltd
- Chief Executive Officer of Ascendas REIT
- Chief Financial Officer of Ascendas-Singbridge

BOARD OF DIRECTORS

CHONG TECK SIN (70)

Non-Executive Independent Director,
Chairperson of Audit, Risk and Compliance Committee

Length of service as Director (as at 31 March 2025):
6.5 years

Date of First Appointment

- Non-Executive Independent Director on 1 October 2018
- Chairperson of the Audit, Risk and Compliance Committee on 29 March 2019.

Board committee(s) served on:

- Audit, Risk and Compliance Committee

Description:

Mr Chong Teck Sin has extensive years of experience in technology, business, finance and general management. From 1986 to 2004, Mr Chong served in various directorial and management positions with Seksun Corporation Ltd (subsequently known as Enporis Greenz Limited), Glaxo Wellcome Asia Pacific, China-Singapore Suzhou Industrial Park Development Co., Ltd, Standard Chartered Bank and the Economic Development Board. He was a board member of the Accounting and Corporate Regulatory Authority ("ACRA") from 2004 to 2010 and ACRA's Investment Committee Chairman from 2008 to 2010. Mr Chong was also a board member of The National Kidney Foundation from 2008 to 2010.

Mr Chong has over 26 years of experience as an independent director of various companies listed on the Singapore, Hong Kong and Australia stock exchanges. He is currently an Independent Director at Multi-Chem Limited and Uni-Asia Group Limited. He previously held a few major appointments as below:

- Independent director of Changan Minsheng APLL Logistics Co., Ltd, a leading automobile logistics firm in China which is listed on the mainboard of the Hong Kong Stock Exchange;
- Independent Director and Audit Committee Chairman of Accordia Golf Trust Management Pte. Ltd;
- Independent Director and Audit Committee Chairman of AVIC International Maritime Holdings Limited;
- Independent Director and Audit Committee Chairman of Civmec Limited; and
- Independent Director and Audit Committee Chairman of InnoTek Limited.

Academic & Professional Qualifications:

- Bachelor of Engineering from the University of Tokyo, Japan, on a PSC/Monbusho Scholarship
- Master of Business Administration from the National University of Singapore.

Present Directorships/Major Appointments in Listed Companies/REITs/Trusts/Others:

- Lead Independent Director and Board Chairman of Multi-Chem Limited
- Independent Director and Member of Audit Committee of Uni-Asia Group Limited

Present Directorships in Listed Companies held over the preceding 3 years:

- Nil

Past Major Appointments (other than Directorships):

- Nil

VIVIENNE ZHAOHUI YU (54)

Non-Executive Independent Director,
Chairperson of the Nominating and Remuneration Committee and Member of the Audit, Risk and Compliance Committee

Length of service as Director (as at 31 March 2025):
2.2 years

Date of First Appointment

1 February 2023

- Non-Executive Independent Director on 1 February 2023
- Chairperson of the Nominating and Remuneration Committee on 25 April 2023

Board committee(s) served on:

- Audit, Risk and Compliance Committee
- Nominating and Remuneration Committee

Description:

Ms Yu has more than 25 years of leadership and senior management experience within the banking and financial sector in Australia and Asia, spanning across investment management, treasury management, mergers and acquisition and real estate finance.

Ms Yu was the China Chief Executive Officer and Executive General Manager of Commonwealth Bank of Australia ("CBA"). Prior to that, Ms Yu held various senior positions at CBA including Chief Executive Retail and Business Banking, International Financial Services.

Ms Yu currently holds the following directorships/major appointments in various organisations in Australia:

- Non-Executive Director and Chair of Finance, Risk and Audit Committee of Bridge Housing Limited;
- Non-Executive Director, Member of Audit Committee and Risk Committee, and Chair of Governance and Remuneration Committee of Heartland Bank; and
- Vice President of Australia China Business Council New South Wales.

Academic & Professional Qualifications:

- Master of Business Administration from Australian Graduate School of Management
- Master of Real Estate from University of New South Wales
- Fellow member of CPA Australia
- Graduate Member of the Australian Institute of Company Directors

Present Directorships/Major Appointments in Listed Companies/REITs/Trusts/Others:

- Non-Executive Director and Chair of Finance, Risk and Audit Committee of Bridge Housing Limited;
- Non-Executive Director, Member of Audit Committee and Risk Committee, and Chair of Governance and Remuneration Committee of Heartland Bank; and
- Vice President of Australia China Business Council New South Wales.

Present Directorships in Listed Companies held over the preceding 3 years:

- Nil

Past Major Appointments (other than Directorships):

- Nil

REIT MANAGER TEAM

RUSSELL NG
Chief Executive Officer

Mr Russell Ng joined the AA REIT Manager in September 2020 and was appointed Chief Executive Officer in November 2021.

Mr Ng works with the Board and management team to determine the strategic direction, investment strategy and overall business of AA REIT. He is responsible for the day-to-day management and execution of the REIT's business plan and growth strategies.

Mr Ng has over 21 years of experience in real estate investments, asset management and corporate finance in the Asia Pacific region. Prior to joining the Manager, he has held senior fund management and investment roles with a global real estate developer, private equity real estate funds and listed REITs.

Mr Ng holds a Master of Business Administration from Imperial College Business School in London and a Bachelor of Applied Finance and a Bachelor of Commerce (Accounting) from Macquarie University in Australia. Mr Ng is also a member of the REIT Association of Singapore ("REITAS") Promotions Sub-Committee.

LIM JOO LEE
Chief Financial Officer and Company Secretary

Ms Lim Joo Lee joined the AA REIT Manager in October 2021 following various stints in Singapore, the United Kingdom and China with a big four accounting firm and a Singapore-listed REIT. Ms Lim has over 24 years of experience in financial and management reporting, auditing, as well as various finance related work including treasury and capital management.

Ms Lim heads the Finance team and oversees the overall finance matters, taxation, treasury, capital management and as well as corporate secretarial matters of AA REIT.

Ms Lim holds a Bachelor of Science with First Class Honours in Applied Accounting from the Oxford Brookes University. She is a Chartered Accountant with the Institute of Singapore Chartered Accountants ("ISCA"), a Fellow Member of the Association of Chartered Certified Accountants and a member of the ISCA's CFO Committee.

AUGUSTINE GOH

Director - Risk & Compliance

Mr Goh is the Director – Risk & Compliance of the AA REIT Manager. He is concurrently the Director – Group Risk, Compliance & Operations of AIMS Financial Group, where he is responsible for risk management, compliance and other operational matters for the Group.

Mr Goh has over 15 years' experience in legal, compliance, real estate fund management and developments in Asia Pacific.

Mr Goh holds a Bachelor of Laws from the University of Bristol, a Master of Laws from University College London as well as a Master of Property Development (Valuation) from the University of Technology Sydney. He is an Associate Member of the International Compliance Association and is a Certified Practising Valuer of the Australian Valuers Institute.

RAYNARD EZRA WELIKANDE

Manager, Portfolio Management

Mr Raynard Ezra Welikande joined the AA REIT Manager in October 2022 and has over 17 years of investment and asset management experience, of which 12 years has been in the real estate industry.

As Manager, Portfolio Management, Mr Welikande is responsible for developing and executing strategies to optimise returns of AA REIT's portfolio. Prior to joining the Manager, Mr Welikande was previously at Storefriendly where he headed the Investment and Asset management department and managed a portfolio of self-storage assets.

Mr Welikande holds a Bachelor of Economics from Singapore Management University and a Master of Science in Risk and Investment Management from EDHEC Business School.

PROPERTY MANAGER

TAN YOON PENG
Executive Director,
Head of Asset Management

SABRINA LIM
Executive Director, Head of Marketing & Partnerships

HENG KHIAM YEONG
Head, Development & Facility Management

PROPERTY MANAGER

AIMS APAC Property Management Pte. Ltd. ("AAPM") is the Property Manager of AA REIT. Comprising an experienced and dedicated team of professionals, AAPM oversees the day-to-day operational matters of AA REIT's portfolio of properties in Singapore. AAPM's services include asset management, marketing and leasing, and development and facility management.

ASSET MANAGEMENT

The asset management team is responsible for the operational performance of AA REIT's portfolio of Singapore properties, including identification and execution of strategies to enhance property returns, valuation and performance, as well as planning and feasibility of asset enhancement initiatives and improvement works.

MARKETING AND PARTNERSHIPS

The marketing and leasing team is responsible for the marketing and leasing of AA REIT's portfolio of Singapore properties and actively securing new and suitable tenancies. They maintain a strong network of customer and agent relationships and are actively involved in the leasing process to successful contract finalization. The team also seeks new capital partnerships for asset portfolio expansion.

DEVELOPMENT AND FACILITY MANAGEMENT

The development and facility management team provides onsite services for our tenants to ensure optimal functionality, comfort, safety, efficient and compliant built environment. The team also oversees the execution of all development and asset enhancement initiatives under AA REIT and works closely with the REIT Manager and tenants to provide fit-for-purpose and sustainable properties.

CORPORATE DIRECTORY

TRUSTEE
HSBC Institutional Trust Services (Singapore) Limited
10 Marina Boulevard, #48-01,
Marina Bay Financial Centre Tower 2,
Singapore 018983
Telephone: (65) 6658 6667

AUDITOR
KPMG LLP (Public Accountants and Chartered Accountants, Singapore)
12 Marina View, #15-01
Asia Square Tower 2
Singapore 018961
Telephone: (65) 6213 3388
Fax: (65) 6225 0984
Partner in charge: Mr Chu Joon Choong
(With effect from financial year ended 31 March 2025)

UNIT REGISTRAR
Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue #14-07
Keppel Bay Tower
Singapore 098632
Telephone: (65) 6536 5355

THE MANAGER
AIMS APAC REIT Management Limited
Company Registration No. 200615904N

REGISTERED ADDRESS
1 Raffles Place #39-03
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Telephone: (65) 6309 1050
Fax: (65) 6534 3942
Email: investorrelations@aimsapac.com
Website: www.aimsapacreit.com

DIRECTORS OF THE MANAGER
Mr George Wang (Chairman)
Mr Chia Nam Toon (Lead Independent Director)
Mr Chong Teck Sin
Ms Vivienne Zhaohui Yu

AUDIT, RISK AND COMPLIANCE COMMITTEE
Mr Chong Teck Sin (Chairperson)
Mr Chia Nam Toon
Ms Vivienne Zhaohui Yu

NOMINATING AND REMUNERATION COMMITTEE
Ms Vivienne Zhaohui Yu (Chairperson)
Mr George Wang
Mr Chia Nam Toon

COMPANY SECRETARY OF THE MANAGER
Ms Lim Joo Lee

STOCK CODE
SGX: O5RU

COUNTER NAME
AIMS APAC REIT

NAVIGATING WITH EFFECTIVE STRATEGIES

Despite challenges, AIMS APAC REIT remains steadfast in delivering value to stakeholders. By navigating with effective strategies, we mitigate risks, adapt with agility, and stay resilient, ensuring strong positioning amid uncertainties.

FINANCIAL REVIEW

FINANCIAL PERFORMANCE

Consolidated Statement of total return	FY2025 S$'000	FY2024 S$'000	CHANGE %
Gross revenue	186,626	177,281	5.3
Property operating expenses	(52,884)	(46,302)	14.2
Net property income	**133,742**	**130,979**	**2.1**
Net foreign exchange gain	331	300	10.3
Interest and other income	338	443	(23.7)
Other non-operating income: insurance claims[1]	1,753	1,111	57.8
Borrowing costs	(37,455)	(35,241)	6.3
Manager's management fees	(11,031)	(11,257)	(2.0)
Manager's performance fees	(2,172)	–	NM
Other trust expenses	(5,275)	(5,539)	(4.8)
Non-property expenses	(55,933)	(52,037)	7.5
Net income before joint venture's losses	**80,231**	**80,796**	**(0.7)**
Share of losses of joint venture (net of tax)	(18,213)	(24,766)	(26.5)
Net income	**62,018**	**56,030**	**10.7**
Net change in fair value of investment properties	(11,531)	3,167	NM
Net change in fair value of derivative financial instruments	(1,420)	(3,440)	(58.7)
Gain on divestment of investment property	–	637	(100.0)
Total return before income tax	**49,067**	**56,394**	**(13.0)**
Income tax credit	4,387	6,512	(32.6)
Total return after income tax	**53,454**	**62,906**	**(15.0)**
Attributable to:			
Unitholders	32,729	42,350	(22.7)
Perpetual Securities holders	20,725	20,556	0.8
	53,454	62,906	(15.0)
Distributions to Unitholders	78,154	74,321	5.2
Distribution per Unit ("DPU") (Singapore cents)	9.600	9.360	2.6

NM: not meaningful.

GROSS REVENUE AND NET PROPERTY INCOME

Gross revenue for FY2025 of S$186.6 million was S$9.3 million higher as compared to FY2024. The increase in gross revenue was mainly due to higher rental and recoveries from AA REIT's logistics & warehouse, and industrial properties such as the properties at 20 Gul Way, 27 Penjuru Lane, 29 Woodlands Industrial Park E1, 51 Marsiling Road, 7 Bulim Street and 56 Serangoon North Avenue 4, partially offset by loss of income from the divestment of 541 Yishun Industrial Park A on 12 September 2023, lower income from 7 Clementi Loop which is undergoing asset enhancement initiatives and lower revenue from Australian properties due to the weakening of Australian dollar ("AUD") against Singapore dollar ("SGD").

Property operating expenses for FY2025 of S$52.9 million was S$6.6 million higher as compared

[1] Relates to the claims from the insurer as settlement of the estimated insurance compensation for revenue loss due to business interruption and insurance compensation for property damage at 61 Yishun Industrial Park A, Singapore (refer to announcement dated 10 October 2023).

to FY2024 mainly due to higher property tax expenses, higher electricity expenses, higher property management fees and lease management fees. Depreciation of plant and equipment included in the property operating expenses amounting to S$0.8 million (FY2024: S$0.5 million) relates to the completed installation of rooftop solar photovoltaic systems.

Net property income for FY2025 of S$133.7 million was S$2.8 million higher than FY2024 mainly driven by higher rental reversion and recoveries.

BORROWING COSTS

Borrowing costs for FY2025 of S$37.5 million was S$2.2 million higher compared to FY2024 mainly due to higher floating interest rates and amortisation of borrowing transaction costs during FY2025.

MANAGER'S MANAGEMENT FEES AND PERFORMANCE FEES

Manager's management fees for FY2025 amounted to S$11.0 million, which was S$0.2 million lower compared to FY2024 mainly due to lower average value of Deposited Property during FY2025.

Performance fee of S$2.2 million for FY2025 was computed based on 0.1% per annum of the Deposited Property value as the annual growth in distribution per unit ("DPU") in FY2025 exceeded 2.5%.

OTHER TRUST EXPENSES

Other trust expenses for FY2025 of S$5.3 million was S$0.3 million lower compared to FY2024 mainly due to lower investment management fee arising from the weakening of AUD against SGD and lower average value of Deposited Property during FY2025 for Australian assets.

SHARE OF LOSSES OF JOINT VENTURE (NET OF TAX)

The share of losses of joint venture for FY2025 of S$18.2 million was mainly due to share of revaluation loss of S$32.7 million recognised from the revaluation of Optus Centre for FY2025, partially offset by share of net income from joint venture for FY2025.

The share of losses of joint venture for FY2024 of S$24.8 million was mainly due to share of revaluation loss of S$39.6 million recognised from the revaluation of Optus Centre for FY2024, partially offset by share of net income from joint venture for FY2024.

NET CHANGE IN FAIR VALUE OF INVESTMENT PROPERTIES

The net change in fair value of investment properties for FY2025 was largely due to net revaluation loss of the Group's investment properties of S$6.4 million and fair value adjustments of right-of-use ("ROU") assets of S$5.1 million included in the Singapore investment properties in accordance with FRS 116 *Leases* ("FRS 116").

The net change in fair value of investment properties for FY2024 was largely due to net revaluation gain of the Group's investment properties of S$8.5 million, partially offset by S$5.3 million fair value adjustments of ROU assets included in the Singapore investment properties in accordance with 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.

NET CHANGE IN FAIR VALUE OF DERIVATIVE FINANCIAL INSTRUMENTS

The net changes in fair value of derivative financial instruments relates to the marked to market impact 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.

GAIN ON DIVESTMENT OF INVESTMENT PROPERTY

In FY2024, the gain on divestment of investment property 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$12.9 million.

AMOUNT RESERVED FOR DISTRIBUTION TO PERPETUAL SECURITIES HOLDERS

The Trust has the following Perpetual Securities:

i. 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.

ii. 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.

iii. On 18 March 2025, the Trust issued S$125.0 million Perpetual Securities. The Perpetual Securities confer a right to its holders to receive distribution payments at a rate of 4.70% per annum, with the first distribution rate reset falling on 18 March 2030 and subsequent resets occurring every five years thereafter.

Distributions on these Perpetual Securities 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.

FINANCIAL REVIEW

DISTRIBUTIONS TO UNITHOLDERS

AA REIT's distribution policy is to distribute at least 90% of its Singapore taxable income for the full financial year. For FY2025, AA REIT continued to pay out 100% of the Singapore taxable income available for distribution.

Distributions to Unitholders for FY2025 of S$78.2 million was S$3.8 million higher as compared to FY2024. The increase in FY2025 was largely due to higher net property income, higher insurance compensation for loss of revenue due to business interruption at 61 Yishun Industrial Park A, lower trust expenses and lower marketing services commission incurred in FY2025.

TOTAL ASSETS AND NET ASSET VALUE ("NAV") PER UNIT

Consolidated statement of financial position	As at 31 March 2025 S$'000	As at 31 March 2024 S$'000
Total assets	2,290,620	2,316,620
Total liabilities	787,316	882,346
Perpetual Securities holders' funds	497,413	373,565
Net assets attributable to Unitholders	**1,005,891**	**1,060,709**
NAV per Unit (S$)	**1.23**	**1.31**

As at 31 March 2025, total assets stood at S$2,290.6 million, approximately S$26.0 million lower than the total assets of S$2,316.6 million as at 31 March 2024. The decrease was largely attributable to a net revaluation loss on the total portfolio of approximately S$33.1 million and the impact of the weakening AUD against the SGD, partially offset by the remeasurement of ROU assets in accordance with FRS 116 due to the recognition of lease extension options for certain Singapore properties.

As at 31 March 2025, total liabilities stood at S$787.3 million, approximately S$95.0 million lower than the S$882.3 million as at 31 March 2024. The decrease was mainly attributable to the interim repayment of borrowings from the net proceeds of S$125.0 million fixed rate subordinated perpetual securities issued on 18 March 2025, as well as the weakening of the AUD against the SGD on AUD-denominated borrowings. This was partially offset by an increase in lease liabilities due to the recognition of lease extension options for certain Singapore properties in accordance with FRS 116.

As at 31 March 2025, the NAV per Unit decreased by 6.1% to S$1.23 from S$1.31 last financial year.

CASH FLOWS

As at 31 March 2025, cash and cash equivalents at S$14.5 million, or approximately S$3.3 million lower compared to cash and cash equivalents of S$17.8 million as at 31 March 2024. The decrease in cash and cash equivalents was largely due to net cash outflow from financing and investing activities partially offset by stronger operational cash flow. The net cash outflow from financing activities mainly arise from repayment of borrowings, interest payments, distributions to Unitholders and Perpetual Securities holders partially offset by proceeds from drawdown of borrowings and net proceeds from issuance of Perpetual Securities during FY2025. The net cash outflow from investing activities mainly arise from capital expenditure on investment properties.

Please refer to the consolidated statement of cash flows in pages 167 to 168.

CAPITAL MANAGEMENT

The Manager adopts a prudent and proactive capital management strategy to ensure long term sustainable return to Unitholders amidst the current volatile economic environment. During the year, the Manager achieved a few key milestones that enabled us to secure our competitive cost of capital ahead of time and also seeks to maintain resilient and flexible balance sheet in uncertain times, providing headroom for growth.

On 16 September 2024, the Manager announced its new unsecured Sustainability Linked Loan ("SLL") of up to S$400.0 million and A$150.0 million. Besides providing headroom for AEIs and potential growth opportunities, the SLL is also structured to offer sustainability margin adjustments tied to AA REIT's performance in achieving pre-determined sustainability targets aligned to AA REIT's ESG strategy. The successful achievement of these targets will enable AA REIT to benefit from further margin reduction.

On 18 March 2025, the Manager announced the successful issuance of its S$125.0 million fixed rate subordinated perpetual securities at 4.70% per annum, representing 95 basis points lower than the existing S$125.0 million subordinated perpetual securities at 5.65% per annum that will be redeemed in August 2025. This significant milestone underscores AA REIT's proactive capital management strategy to enhance financial flexibility and secure competitive funding, providing headroom for growth. AA REIT has access to diversified sources of funding, including debt and equity capital markets, and holds strong and healthy banking relationships with the region's leading financial institutions. The Manager's capital management strategy involves prudent hedging strategies to minimise the impact from interest rate and foreign exchange volatilities and as well as its diversified sources of funding.

Key Financial Metrics	As at 31 March 2025	As at 31 March 2024
Gross borrowings[1] (S$'million)	582.4	690.6
Total Assets (S$'million)	2,290.6	2,316.6
Aggregate Leverage ratio[2] (%)	28.9	32.6
Weighted Average All-in Cost of Debt[3] (%)	4.3	4.1
Interest coverage ratio [4] (times)	2.4	2.4
Interest coverage ratio, excluding distribution for Perpetual Securities (times)	3.9	4.1
Weighted average term to maturity (years)	3.0	2.3
Fixed rate borrowings as a percentage of total borrowings[5] (%)	85.0	75.0

Financial Flexibility & Liquidity (S$'million)	As at 31 March 2025	As at 31 March 2024
Cash and bank balances	14.5	17.8
Undrawn committed facilities	275.0	135.7
Issue capacity under Euro Medium Term Notes Programme	250.0	275.0

1. Total borrowings exclude unamortised loan transaction costs.
2. Aggregate leverage ratio is computed as total borrowings as a percentage of total assets and includes lease liabilities that are entered into in the ordinary course of AA REIT's business on or after 1 April 2019 in accordance to MAS guidelines. The total borrowings excluded Perpetual Securities holders' funds.
3. Weighted average all-in cost of debt is computed based on the average interest cost throughout the financial year.
4. 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 insurance compensation for property damage) ("EBITDA") by the trailing 12 months interest expense, borrowing-related fees and distributions on hybrid securities. The borrowing-related fees exclude the unwinding of discounting effect on the present value of lease liabilities and the deferred consideration.
5. 82% (31 March 2024: 73%) of fixed rate borrowings if excluding forward starting interest rate swaps.

BORROWINGS

AA REIT enjoys continued access to a diversified base of funding sources from debt and equity markets and from the region's leading financial institutions, with a view to ensure adequate liquidity for refinancing, working capital requirements, while supporting future growth initiatives.

Total gross borrowings[1] as at 31 March 2025 stood at S$582.4 million, or S$108.2 million lower compared to total gross borrowings[1] as at 31 March 2024 of S$690.6 million mainly attributable to the interim repayment of borrowings using the net proceeds from the issuance of S$125.0 million fixed rate subordinated perpetual securities on 18 March 2025, as well as the weakening of AUD against SGD on AUD-denominated borrowings.

USE OF PROCEEDS FROM THE EQUITY FUND RAISING

In relation to the gross proceeds of approximately S$100.0 million from the Equity Fund Raising ("EFR") launched on 31 May 2023, all of such gross proceeds have been fully deployed as follows:

i. approximately S$11.8 million (which is equivalent to approximately 11.8% of the gross proceeds of the EFR) has been used for the identified AEIs. Such use of proceeds arising from the EFR is in accordance with the stated use and is in accordance

[1] Total borrowings exclude unamortised loan transaction costs.

CAPITAL MANAGEMENT

with the percentage of the gross proceeds of the EFR allocated to such use as set out 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" (the "Close of Private Placement Announcement");

ii. approximately S$85.8 million (which is equivalent to approximately 85.8% of the gross proceeds of the EFR) has been used to repay existing debts, pending the use of such amount in the manner set out under the Close of Private Placement Announcement; and

iii. approximately S$2.4 million (which is equivalent to approximately 2.4% of the gross proceeds of the EFR) has been used to pay the professional and other fees and expenses incurred or to be incurred by AA REIT in connection with the EFR. Such use of proceeds arising from the EFR is in accordance with the stated use and is in accordance with the percentage of the gross proceeds of the EFR allocated to such use as set out in the Close of Private Placement Announcement.

PERPETUAL SECURITIES

As at 31 March 2025, S$500.0 million (31 March 2024: S$375.0 million) subordinated perpetual securities ("Perpetual Securities") under the S$750 million Multicurrency Debt Issuance Programme, established in November 2018 had been issued comprising:

i. S$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;

ii. S$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; and

iii. S$125.0 million perpetual securities issued on 18 March 2025. The Perpetual Securities will confer a right to receive distribution payments at a rate of 4.70% per annum with the first distribution rate reset falling on 18 March 2030 and subsequent resets occurring every five years thereafter.

DEBT HEADROOM

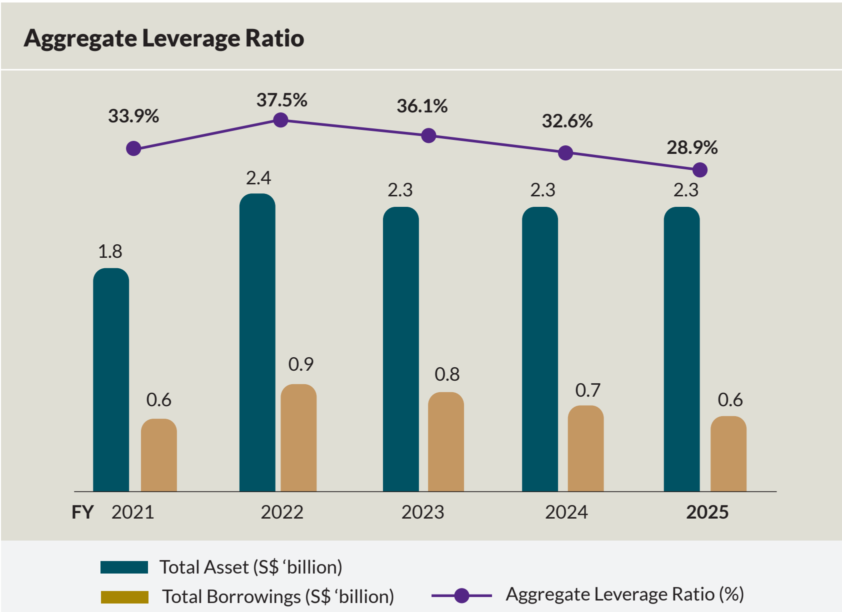
AA REIT's aggregate leverage as at 31 March 2025 is at 28.9%, well within the aggregate leverage limit of 50%[1] set by the Monetary Authority of Singapore ("MAS"). There is no material impact to AA REIT's risk profile with debt headroom of approximately S$936.5 million before its aggregate leverage reaches 50%.

AA REIT is well positioned to pursue and undertake acquisitions, developments and AEIs that meet AA REIT's investment criteria and provide long-term sustainable returns.

STRONG FINANCIAL FLEXIBILITY

As at 31 March 2025, the financial flexibility stood at S$289.5 million which comprises cash and bank balances of S$14.5 million and uncommitted undrawn facilities of S$275.0 million. It has also has an untapped balance of S$250.0 million from the S$750.0 million Multicurrency Debt Issuance Programme established in November 2018.

As at 31 March 2025, all 25 Singapore properties and 1 Australia property of AA REIT were unencumbered, with a total value of S$1,551.0 million, or 72.9% of its property portfolio of S$2,126.4 million[2,3].



1 In accordance with MAS Code on Collective Investment Schemes, the aggregate leverage should not exceed 50% and should have a minimum interest coverage ratio of 1.5 times.
2 As at 31 March 2025, the investment properties are stated at fair value based on valuations performed by independent professional valuers, except for 3 Toh Tuck Link, Singapore, which is stated at fair value based on the agreed sale price with a third-party buyer.
3 Based on the valuation of the investment properties as well as the 49.0% interest in the valuation of Optus Centre.

This will provide AA REIT with financial flexibility to manage its capital structure and fund future growth opportunities.

NO REFINANCING RISK

The Manager continued to proactively manage the refinancing of AA REIT's debt portfolio. AA REIT's debt maturity profile remains staggered with a weighted average debt duration of approximately 3.0 years as at 31 March 2025.

PRUDENT HEDGING STRATEGIES

AA REIT's is exposed to a variety of market risks, including interest rate and AUD foreign exchange rate risks. Exposure to these risks is managed via derivative financial instruments, with a view to minimising the impact of interest rate and foreign exchange rate volatilities on distribution income.

PROACTIVE MANAGEMENT ON INTEREST RATE RISK

The weighted average all-in cost of debt for FY2025 was 4.3% per annum, while interest cover ratio ("ICR") stood at 2.4 times as at 31 March 2025. Excluding the distribution from Perpetual Securities, the ICR is 3.9 times.

AA REIT hedges its exposure to interest rate volatilities through interest rate swaps. With 85% (or 82% excluding forward starting interest rate swaps) of AA REIT's total debt being hedged into fixed rate, any movement in base interest rates will have minimal impact on interest expense and accordingly, the Distributions to Unitholders.

SENSITIVITY ANALYSIS

AA REIT's ability to service debt remains robust even under stress scenarios.

A 0.25% movement in the floating interest rate would have an estimated impact of 0.03 Singapore cents on the DPU per annum.

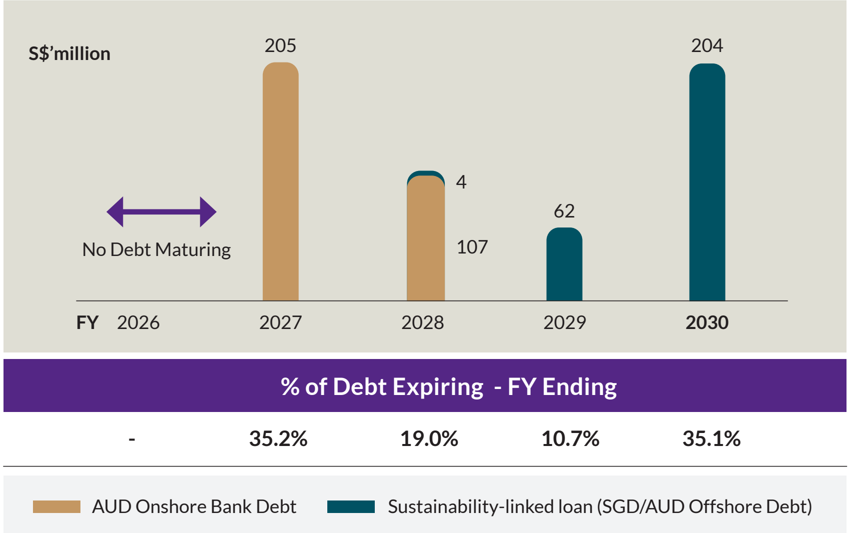
PROACTIVE MANAGEMENT ON FOREIGN EXCHANGE RATE RISK

To manage the foreign exchange rate risk, the Manager adopts various strategies that includes the use of forward currency contracts to hedge the foreign currency income into SGD and the use of AUD denominated borrowings to match the currency of the underlying AUD assets as a natural hedge, where feasible.

As of 31 March 2025, 74% of AUD expected distributable income was hedged into SGD on a rolling basis while AUD borrowings forms about 63% of the carrying value of AA REIT's investments in Australia.

The fair value of derivative financial instruments arising from the forward currency contracts and interest rate swaps included in the financial statements as derivative financial assets in total assets were approximately S$3.6 million and derivative financial liabilities in total liabilities were approximately S$1.2 million. The net fair value of derivatives represented 0.16% of the net assets of AA REIT as at 31 March 2025.

Debt Maturity Profile (as at 31 March 2025)



% of Debt Expiring - FY Ending				
-	35.2%	19.0%	10.7%	35.1%

Sensitivity analysis[1] on the impact of changes in EBITDA and interest rates on the interest coverage ratio ("ICR").

	ICR	
	31 March 2025 times	31 March 2024 times
10% decrease in EBITDA	2.2	2.2
100 basis point increase in weighted average interest rate[2]	2.1	2.1
10% increase in EBITDA	2.7	2.7
100 basis point decrease in weighted average interest rate[2]	2.8	2.9

[1] Based on MAS Code on Collective Investment Schemes dated 28 November 2024.
[2] Based on weighted average interest rate of hedged and unhedged debts.

PORTFOLIO REVIEW

Key Portfolio Highlights

28
Properties

S$2.1 billion[1]
Portfolio Value

777,422 sqm
Lettable Area

93.6%
Portfolio Occupancy

+20.0%
Positive Rental Reversions in FY2025

4.4 years
Portfolio WALE

64.8%[2]
Tenant Retention Rate

200
Diversified Tenants

83.0%
of GRI from Defensive and Essential Industries

As at 31 March 2025, AA REIT owns a portfolio of 28 high-quality properties across the industrial sub-sectors, comprising Logistics and Warehouse; Industrial; Business Park; and Hi-tech in Singapore and Australia. With a total portfolio value of S$2.1 billion, AA REIT's portfolio provides tenants with 777,422 sqm (NLA) of modern space in key locations. Despite the economic headwinds, AA REIT's portfolio delivered a set of steady performance throughout FY2025. The consistently high occupancy rate and robust rental reversions, are a strong testament of AA REIT's high-quality assets and the Manager's proactive asset and leasing management.

All information presented in this section relates to AA REIT's portfolio information as at 31 March 2025, and all references to Gross Rental Income ("GRI") refers to gross rental income for the financial year ended 31 March 2025, unless otherwise stated.

[1] 3 Toh Tuck Link is stated at fair value based on the agreed sale price with a third-party buyer.
[2] Based on renewed leases by net lettable area on a rolling 12-months basis.

ACTIVE ASSET MANAGEMENT

As part of the Manager's proactive asset management strategy to optimise AA REIT's portfolio, the Manager announced two ongoing AEI projects. The first AEI project will involve building upgrade of the 7 Clementi Loop warehouse asset to meet GreenMark Gold Plus certification and occupational requirement of a new master tenant. AA REIT has secured a 15 year master lease with a global storage and information management company. The AEI project has a target completion of 2Q FY2026.

The second project will be repositioning of 15 Tai Seng Drive via targeted building upgrades to attract high value and hi-tech tenants. AA REIT has signed a new 10 year lease with a global precision engineering and technology group as anchor tenant for approximately one-third of the building. The AEI is targeted to be completed by 1Q FY2026.

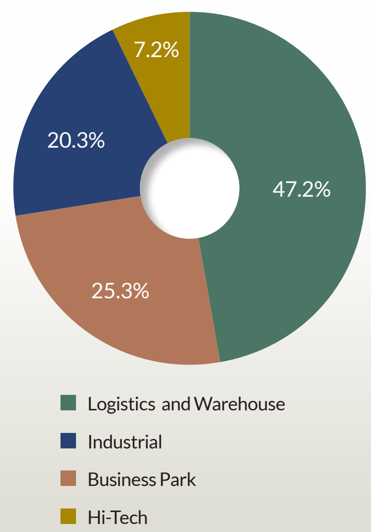
WELL-DIVERSIFIED PORTFOLIO AND TENANT BASE

AA REIT's portfolio is anchored by its two Australian business parks in New South Wales and a Hi-Tech property in Singapore. These properties have high-quality tenants in resilient industries that are on long-term leases of between 5.0 years to 8.3 years remaining with rental escalations. Together, these properties contribute to approximately 29.8% of GRI and provide long-term income stability with rental growth. This is supported by the Logistics and Warehouse segment, a fast-growing market which has registered strong double-digit rental growth, accounting for 47.2% of AA REIT's portfolio by GRI.

AA REIT's tenant base is well-diversified with around 200 high-quality tenants across 13 industries. 83.0% of tenants operate in defensive and resilient industries such as logistics, food staples, data centre & telecommunication and healthcare & life science, underpinning income stability of the portfolio through economic cycles. The top ten customers which accounted for 50.3% of the GRI, with a long WALE of 5.5 years. These include leading global, regional, and local companies in their respective sectors such as Woolworths Limited, Australia's largest supermarket retailer; Optus Administration Pty Limited, Australia's second largest telecommunications company and a wholly-owned subsidiary of Singapore Telecommunications Limited; and ResMed Asia Pte. Ltd., a global leader in medical innovation.

New tenants during the year include Accuron Technologies, Hellermanntyton, Dachser (Singapore), Blue Water Shipping, Hup Soon Cheong Services and Sincere Automotive Supplies.

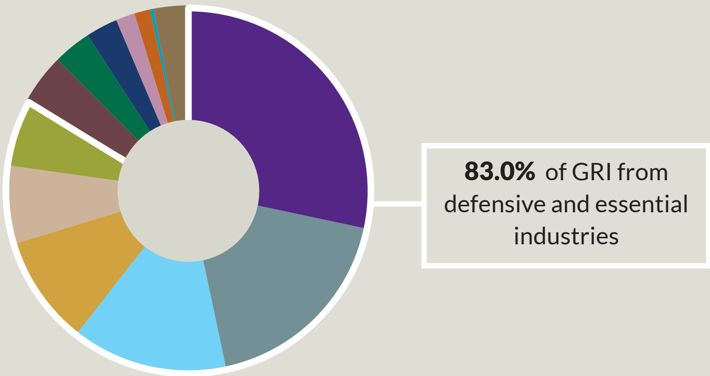
FY2025 GRI by Asset Class



	Top 10 Tenants by GRI[1]	Trade Sector	% of Portfolio GRI	WALE (years)
1	Woolworths Ltd	Food & Consumer Staples	13.0	6.5
2	Optus Administration Pty Limited	Telecommunications	9.8	8.3
3	Illumina Singapore Pte. Ltd.	Healthcare & Life Sciences	7.0	5.0
4	KWE-Kintetsu World Express (S) Pte Ltd	Logistics	6.2	3.8
5	Beyonics International Pte Ltd	Precision Engineering	3.2	3.1
6	Schenker Singapore (Pte) Ltd	Logistics	3.0	2.3
7	ResMed Asia Pte. Ltd.	Healthcare & Life Sciences	2.7	4.9
8	Racks Central Pte. Ltd.	Data Centre	2.0	5.0
9	LF Logistics Services Pte Ltd	Logistics	1.7	1.2
10	Boardriders Inc	Fashion, Apparels and Cosmetics	1.7	6.3
	Total		**50.3**	**5.5**

[1] Based on full year GRI.

PORTFOLIO REVIEW



Tenant Trade by FY2025 GRI

Logistics	28.5%
Food & Consumer Staples	18.4%
Data Centre and Telecommunications	13.7%
Healthcare & Life Sciences	9.9%
Materials & Construction	7.0%
Precision Engineering	5.5%
Fashion, Apparels and Cosmetics	4.6%
Retail & Consumer Discretionary	3.5%
Automotive	2.7%
Oil, Gas, Energy and Marine	1.5%
Furniture & Furnishing	1.4%
Self-storage	0.4%
Others	2.9%

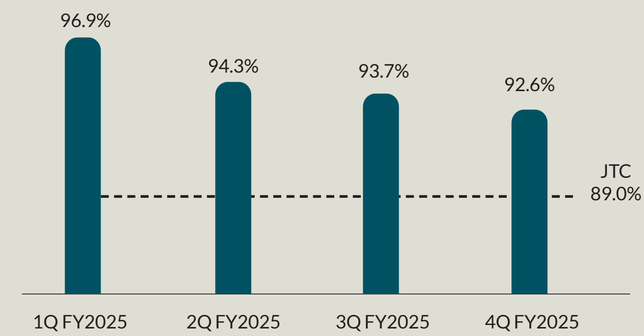
PROACTIVE LEASE MANAGEMENT

The asset management team builds strong customer relationships and is in continuous dialogue with customers to strive to understand their needs which informs the Manager's decision making. This also enables AA REIT to be prepared to capitalise on growth opportunities brought about by longer-term trends.

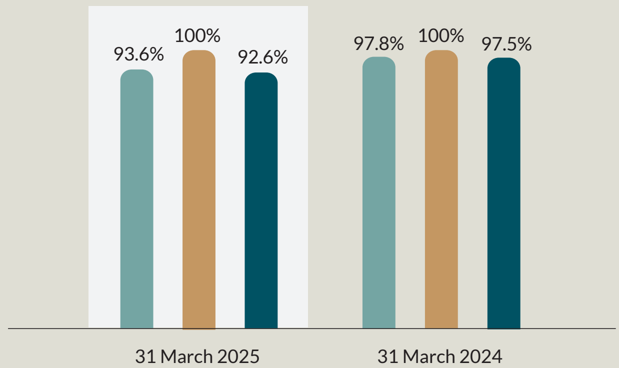
High Occupancy Rate

AA REIT's Singapore portfolio occupancy rate remained high despite decreasing from 97.5% in FY 2024. We closed the financial year with a total portfolio occupancy rate of 93.6%, above the JTC average of 89.0%. However, if we exclude the impact from the AEI and transitory movement of some of our larger tenants and take into account committed leases as at financial year-end, the portfolio occupancy increases to 95.8%. This reflects the Manager's proactive leasing and marketing efforts. The various occupancy rates of the industry sub-clusters in Singapore also exceeded the respective Singapore's industrial average levels. In Australia, occupancy remains at 100% as the three properties are on single-tenant leases with a weighted average remaining lease term of 7.2 years.

Singapore Occupancy Vs JTC Industrial Average



Portfolio Occupancy



In FY2025, the Manager secured 75 new and renewed leases (representing 159,827 sqm, or approximately 20.6% of AA REIT's total net lettable area). The weighted average lease term of new leases signed in FY2025 was 4.6 years and they accounted for 3.4% of GRI for FY2025. Tenant retention rate was 64.8% on a trailing 12 month basis. We continue to value the long-term relationships we have established with our customers and actively work to support them in their evolving business needs amid a volatile market environment. With vacancy rates at low levels, the Manager also views this as an opportunity to create space for reletting to capture market rental growth.

POSITIVE RENTAL REVERSIONS

In FY2025, portfolio rental reversion ranged from -3.3%% to 28.3% across property segments and reflects the renewed leases in Singapore. The weighted average rental reversion for the portfolio in FY2025 was 20.0%. Across the various property segments, the Logistics and Warehouse segment supported by favourable supply-demand dynamics, registered the strongest reversion trend with an average rental reversion of 28.3% for FY2025.

CASE STUDY

Creating Value through Active Lease Management: Master Lease Renewal with CIT Cosmeceutical at 2 Ang Mo Kio Street 65

During the year, the Manager proactively engaged the master tenant CIT Cosmeceutical Pte Ltd ("CIT") and renewed the master lease at 2 Ang Mo Kio Street 65 for a new 5 year term. The master lease renewal was signed at a rate that reflected a positive rental reversion over their expiring rental rate.

Rental Reversion for Singapore Assets (%)	1Q FY2025	2Q FY2025	3Q FY2025	4Q FY2025	FY2025
Logistics & Warehouse	26.8	29.1	30.5	24.3	**28.3**
Industrial	7.1	19.0	8.5	44.3	**9.3**
Business Park	-	4.2	1.8	-9.3	**-3.3**
Hi-Tech	-	-	-	-	**-**
Portfolio	**12.8**	**23.9**	**28.2**	**15.5**	**20.0**

PORTFOLIO REVIEW

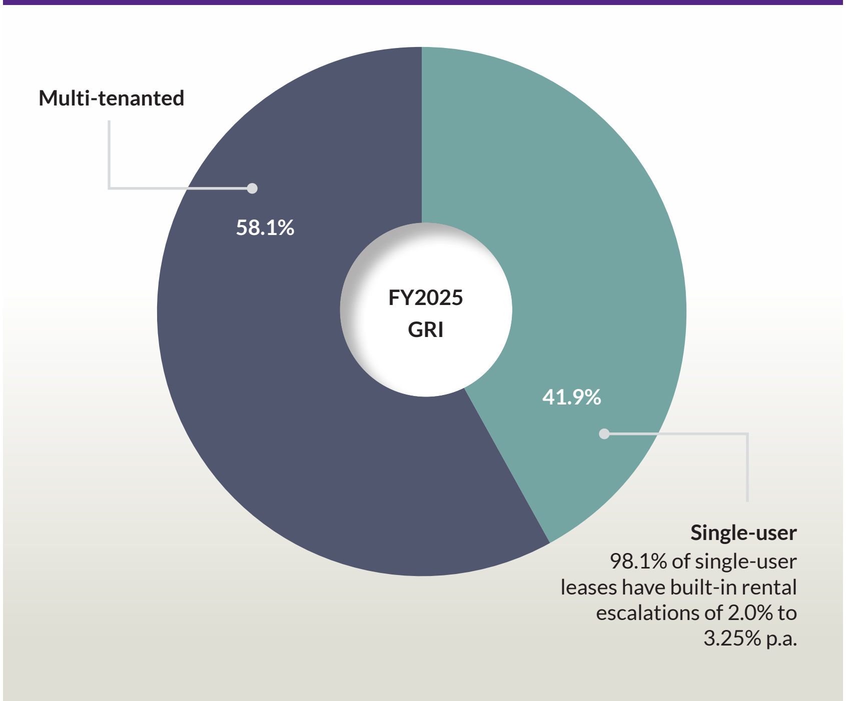
WELL-BALANCED LEASE STRUCTURE AND PROFILE

AA REIT's portfolio lease structure and profile continue to offer income security alongside earnings growth. 41.9% of AA REIT's portfolio by GRI comprises leases in single-tenant properties ("master leases"), of which 98.1% has in-built escalations of 2.0% to 3.25%.

The remaining 58.1% by GRI are multi-tenanted buildings, of which leases are marked to-market upon renewal allowing AA REIT to reposition the portfolio according to the market conditions. In an upmarket, these leases provide potential for growth.

The weighted average lease expiry ("WALE") by GRI for AA REIT's portfolio was 4.4 years, with no more than 21.7% of GRI expiring in any given year. The WALE in Singapore and Australia was 2.8 years and 7.2 years, respectively. In FY2026, approximately 21.7% of AA REIT's GRI is due for renewal, of which 57.0% are in the Logistics and Warehouse segment.

GRI by Lease Type



Lease Expiry as % of total GRI

	Logistics & Warehouse	Industrial	Business Park	Hi-Tech	Total
FY2026	12.4%	1.5%	5.5%	2.3%	**21.7%**
FY2027	13.2%	0.4%	1.2%	–	**14.8%**
FY2028	9.1%	0.1%	2.1%	–	**11.3%**
FY2029	7.1%	0.2%	3.3%	–	**10.6%**
FY2030 and beyond	7.4%	21.5%	7.9%	4.8%	**41.6%**

PORTFOLIO VALUATION

AA REIT conducts property valuations on a yearly basis. As at 31 March 2025, AA REIT's property portfolio was valued at S$2,126.4 million. This comprised S$1,508.0 million of properties in Singapore and S$618.4 million of properties in Australia, including the 49.0% interest in Optus Centre.

Compared to the independent valuations conducted in March 2024, AA REIT's portfolio valuation declined by approximately S$33.1 million or 1.5%. This was primarily due to cap rates expansion for the Australia portfolio; but offset by higher valuation for the Singapore assets which reported strong rental growth from the logistics properties and master lease conversions/renewals.

LAND LEASE EXPIRY

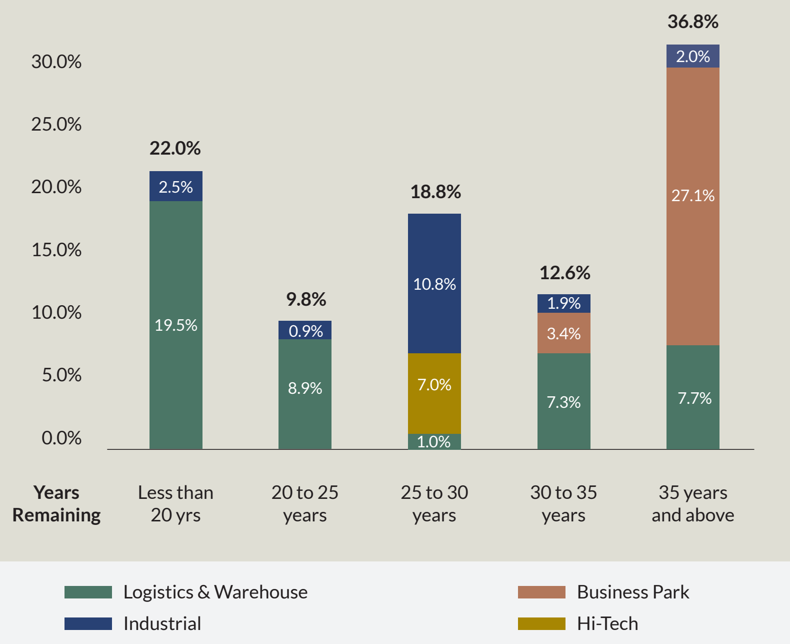
29.1% of our portfolio by value are freehold assets. The weighted average land lease expiry was 47.5 years by valuation. Excluding freehold land, the weighted average land lease to expiry for leasehold land in the portfolio would be 26.4 years.

More details of our property portfolio can be found in our Property Portfolio section, pages 48 to 55 as well as Financial Statement section, pages 160 to 166.

Valuation	As at 31 Mar 2025 (S$'000)[1]	As at 31 Mar 2024 (S$'000)[2]
Singapore Portfolio		
Logistics & Warehouse[3]	945,088	921,000
Industrial	342,300	336,200
Business Park	72,100	72,000
Hi-Tech	148,500	139,000
Total Singapore Portfolio (25 properties)	**1,507,988**	**1,468,200**
Business Park	575,412 (A$682,900)	648,989 (A$737,320)
Industrial	42,973 (A$51,000)	42,250 (A$48,000)
Total Australia Portfolio[4] (3 properties)	**618,385 (A$733,900)**	**691,239 (A$785,320)**
Total Portfolio (28 Properties)	2,126,373	2,159,439

1 Based on applicable March 2025 month end exchange rate of A$1 to S$0.8426.
2 Based on applicable March 2024 month end exchange rate of A$1 to S$0.8802.
3 Includes 3 Toh Tuck Link property held for sale and is stated at fair value based on the agreed sale price with a third-party buyer.
4 Includes the 49.0% interest in Optus Centre located in Macquarie Park, NSW, Australia.

Land Lease Expiry (by Portfolio Value)



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

PORTFOLIO REVIEW

DRIVING SUSTAINABILITY INITIATIVES

Beyond driving operational excellence of our portfolio, the Manager also stepped up its efforts to contribute to AA REIT's carbon reduction roadmap. In line with AA REIT's science-based target to reduce its scope 2 carbon emissions from its portfolio by 42% by 2030 (compared to a 2020 baseline), energy conservation projects were initiated in multi-tenanted properties where the Manager had operational control. Progress continued on our Phase 2 of the rooftop solar PV system installation across 7 Clementi Loop, 7 Bulim Street and 1 Bukit Batok Street 22 in Singapore. Once completed, the solar panels will have a capacity of 3.65 Megawatt-peak ("MWp"), positioning AA REIT to achieve its medium-term solar generation capacity target by FY2027. To recap, Phase 1 installation of solar panels was completed on 30 Tuas West Road, 8 & 10 Pandan Crescent, 20 Gul Way, 27 Penjuru Lane, 103 Defu Lane 10 and 8 Tuas Ave 20. Other projects include the installation of energy efficient Air-conditioning and Mechanical Ventilation ("ACMV") and chiller system at 135 Joo Seng and smart lighting system at 20 Gul Way and planned installation of smart metering to track energy and water consumption. The Manager also completed the installation of water efficient fittings at 27 Penjuru Lane and 7 Clementi Loop, installed a new smart LED lighting system at 20 Gul Way, and rolled out the smart metering system across 15 of our multi-tenanted properties in Singapore, enabling tenants to access real-time energy consumption insights.

We recognise the importance of getting visibility on Scope 3 emissions from our customers and are collecting information on energy usage from our master-tenanted properties. We also require the disclosure of such information within the terms of new leases. As we look to future-proof our portfolio and improve its attractiveness, we will seek to enhance the sustainability credentials of our portfolio via future redevelopment and asset enhancements initiatives.

For more information on our sustainability efforts, please refer to pages 90 to 122.

COUNTRY REVIEWS

SINGAPORE

Market opportunities for the year ahead

- Despite global trade tensions, Singapore's manufacturing sector remained resilient in early 2025. Singapore continues to invest heavily in advanced manufacturing and next-generation electronics, with over S$13.5 billion in fixed asset investments secured in 2024, up from S$12.7 billion in 2023. Major upcoming developments, such as the S$500 million National Semiconductor R&D centre and new wafer fabrication plants, will boost long-term demand for high-spec industrial and cleanroom-compatible facilities.

- Initiatives such as the Refundable Investment Credit ("RIC"), enhancements to the Land Intensification Allowance ("LIA"), and the Development and Expansion Incentive for Manufacturing ("DEI-Mfg") are set to attract global capital and support the transition to higher-value, innovation-led activities—fueling demand for modern industrial real estate.

- With Singapore reinforcing its position in Artificial Intelligence, quantum computing, and life sciences, the emergence of integrated hubs like Punggol Digital District is expected to draw sustained demand for new-generation business park spaces offering advanced digital infrastructure and collaborative environments.

- The development of Tuas Mega Port and a new airport logistics park will bolster Singapore's regional trade and distribution capabilities. These initiatives, combined with resilient e-commerce growth, are expected to support continued demand for high-quality, strategically located logistics assets in 2026 and beyond.

Market risks for the year ahead

- The intensifying of US administration tariffs on Singapore imports and reciprocal tariffs globally have created significant uncertainty, potentially dampening global demand and affecting Singapore's export-oriented sectors like manufacturing and wholesale trade.

- The Ministry of Trade and Industry ("MTI") downgraded Singapore's 2025 GDP growth forecast to 0.0%–2.0% due to anticipated slower external demand, rising cost structures, and deferred investment decisions.

- Singapore's Purchasing Managers' Index ("PMI") fell into contraction in April 2025 (49.6), ending a 19-month expansion streak. The electronics cluster PMI also slipped to 49.8, suggesting potential short-term softness in industrial activity.

- Economic growth in advanced economies around the world is expected to moderate in the first half of the year, mainly attributed to continued tight financing conditions.

AUSTRALIA

Market Opportunities for the Year Ahead

- As AA REIT's Australian properties are secured on long master-leases, growth opportunities lie primarily in potential yield-accretive acquisitions. With yields stabilising, deal flow is expected to improve in 2025 and there may be selective opportunities to expand the portfolio in well-located industrial and business park precincts with strong tenant covenants.

- New supply in Bella Vista remains limited, with only one major commercial development completed in the past five years. The precinct has historically focused on residential growth, which supports future office demand by increasing the working population. The low vacancy rate of 3.7% reflects sustained demand and limited competition, positioning Bella Vista as a resilient suburban office market.

- The new prime-grade stock and supply pipeline in Macquarie Park will continue to enhance its appeal to occupiers seeking best-in-class buildings with strong sustainability credentials. With assets targeting 5–6 Star NABERS and Green Star ratings, the precinct offers significant value at a rental discount of nearly 50% compared to North Sydney, reinforcing its attractiveness to high-value industries such as healthcare, technology, and pharmaceuticals.

Market risks for the year ahead

- GDP growth is expected to remain modest, with Australia forecast to expand by 2.1% in 2025. While inflation is easing, growth is transitioning from public sector-led to private consumption-driven. The strength of the recovery may be uneven, particularly if consumer spending remains cautious amid ongoing cost-of-living pressures.

- Trade policy uncertainty and geopolitical risks—particularly between China, the U.S., and Australia—pose downside risks to economic growth and business confidence. Reduced global demand, especially from China, may indirectly affect Australia's export sectors and overall investment sentiment.

- While long-term fundamentals remain positive, capital markets remain cautious, especially toward secondary office assets. Yields have widened over the past three years, and although stabilising, ongoing interest rate sensitivity could limit pricing recovery in the near term.

30 Tuas West Road, Singapore

Woolworths HQ, 1 Woolworths Way, Bella Vista NSW 2153, Australia

UNIT PRICE PERFORMANCE

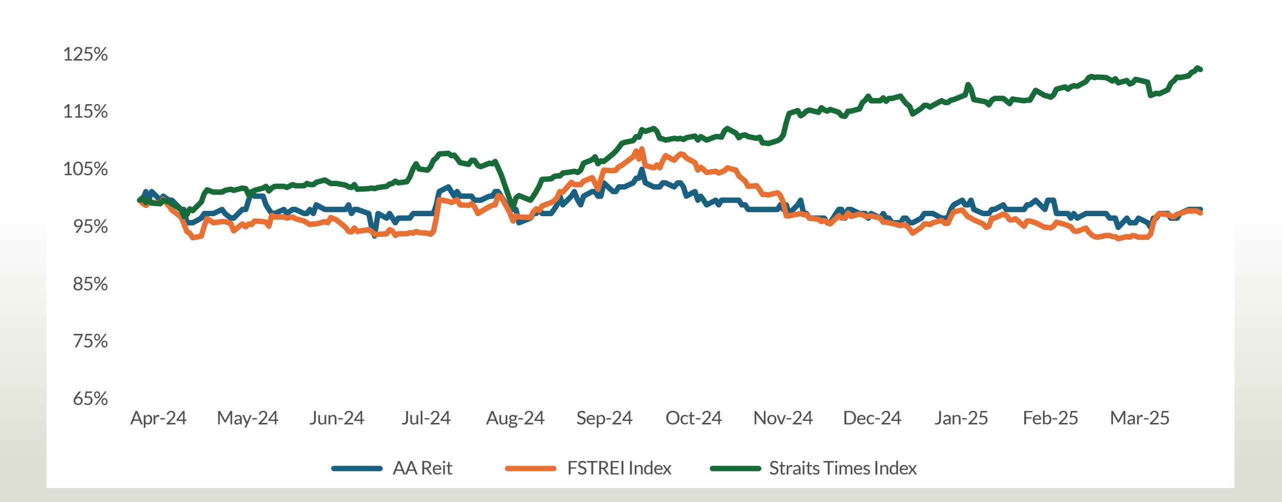
In FY2025, global equity market experienced notable volatility as a result of factors such as policy uncertainties and ongoing geopolitical conflicts. At the same time, the global REITs sector faced challenges given the elevated interest rate environment, which reduced the attractiveness of investing in REITs, with distribution yield less appealing to investors compared to lower-risk options such as fixed income investments.

In Singapore, the FTSE ST REIT ("FSTREI") Index lost 2.2%[1], as compared to the Straits Times Index ("STI") which saw a gain of 22.8%[1] in FY2025.

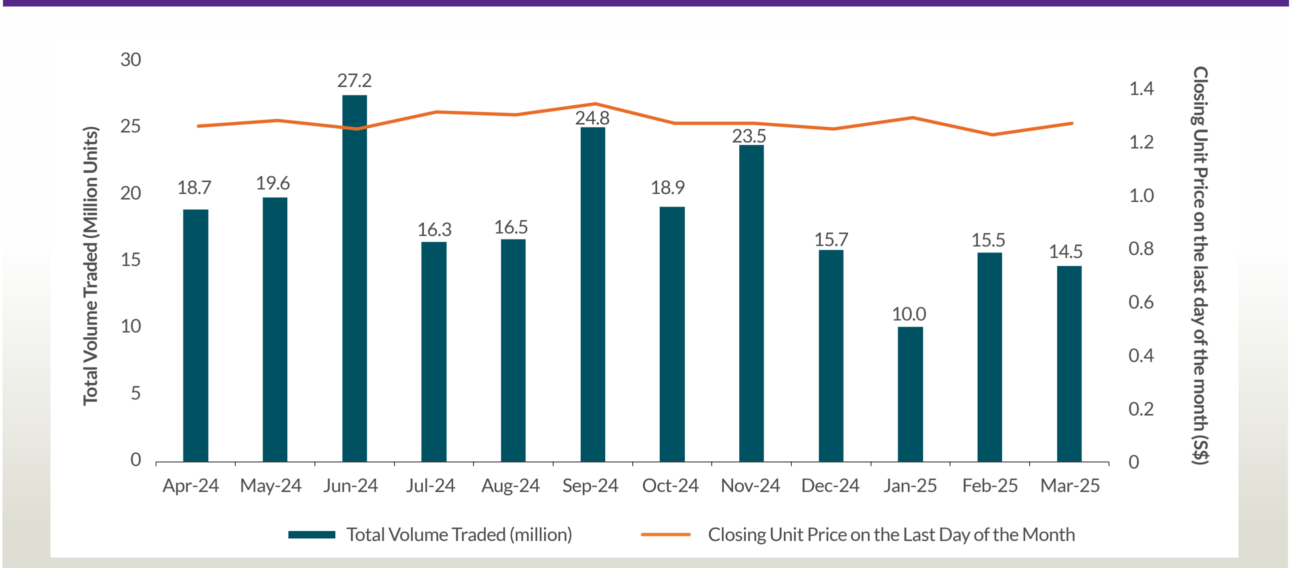
AA REIT units opened the financial year with a closing price of S$1.29 on 1 April 2024 and closed the year at S$1.27 on 28 March 2025. Taking into account the distribution payout of 9.600 Singapore cents for FY2025, AA REIT delivered a total return of 6.7%, outperforming FSTREI. Total trading volume for FY2025 was 221.0 million units, with the average daily trading volume of close to 900,000 units. As at 31 March 2025, AA REIT's market capitalisation was S$1.0338 billion.

AA REIT is a constituent of several indices. These include the MSCI Singapore Small Cap Index, iEdge S-REIT Index, FTSE EPRA Nareit Global Developed Index, Morningstar Developed Markets REIT, and Vanguard Total International Stock Index Fund ETF.

AA REIT Unit Price Performance vs Major Indices in FY2025



AA REIT Monthly Trading Performance in FY2025



[1] Based on Bloomberg. Assuming dividends are not reinvested and based on the closing price of the Index as at 31 March 2024 and 31 March 2025.

AA REIT Unit Price Performance

	FY2021	FY2022	FY2023	FY2024	FY2025
Opening Price (S$)	1.04	1.30	1.39	1.33	1.29
Closing Price (S$)	1.29	1.39	1.32	1.28	1.27
High (S$)	1.33	1.60	1.43	1.43	1.37
Low (S$)	0.99	1.31	1.13	1.18	1.20
Trading volume (million units)	284.4	477.7	270.6	341.5	221.0
Average Daily Traded Volume (million units)	1.1	1.9	1.1	1.4	0.9
Market Capitalisation as at 31 March 2025 (S$' million)	911.6	989.7	950.9	1,037.5	1,033.8

Source: Bloomberg

Total Unitholder Return for the Financial Year

	1-year from 1 April 2024	3-year from 1 April 2022	5-year from 1 April 2020	10-year from 1 April 2015
Closing unit price on the last trading day prior to the commencement of the period (S$):	1.28	1.39	1.04	1.49
Price Return (%)	-0.8	-8.2	21.5	-14.2
Distribution Yield (%)	7.5	19.0	42.1	64.0
Total Return as at 31 March 2025 (%)	6.7	10.8	63.6	49.8

Comparative Yield Returns

	%
AA REIT(1)	7.6
FTSE ST REIT Index(2)	5.2
FTSE Straits Times Index(2)	4.5
CPF (Ordinary) Account(3)	2.5
10 year Singapore Government Bond(4)	2.7
Bank Fixed Deposit(5)	2.2

1 Based AA REIT's closing price of S$1.27 per unit as at 31 March 2025 and DPU of 9.600 Singapore cents for the period from 1 April 2024 to 31 March 2025.
2 Based on Bloomberg.
3 Based on interest paid on Central Provident Fund ("CPF") ordinary account as at 31 March 2025. (Source: CPF Website).
4 Based on 10-year Singapore Government Bond yield published on the Monetary Authority of Singapore ("MAS") website as at 31 March 2025 (Source: MAS Website) .
5 Based on 2024 Q4 Deposit Rate of Singapore Dollar Denominated Deposits Offered to Non-Bank Customers (Source: MAS Website).

INVESTOR RELATIONS

The Manager of AA REIT is committed to a high standard of delivering timely, transparent and open communication to all stakeholders, including Unitholders, potential investors, media and the investment community. The Manager's commitment is underpinned by our Investor Relations Policy which guides the principles and practices of the Manager's investor relations programme to ensure effective communication.

TIMELY AND TRANSPARENT DISCLOSURES

The Manager's dedicated investor relations team runs a proactive investor outreach programme and keeps the Unitholders updated on the latest developments and performance of AA REIT, and makes timely disclosures in accordance with the Listing Manual issued by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Securities and Futures Act (Chapter 289). All pertinent or material information are promptly disclosed via SGXNet and on AA REIT's corporate website at https://www.aimsapacreit.com. This is to ensure that all stakeholders have the essential knowledge to make informed investment decisions. The Manager also updates AA REIT's LinkedIn page on its quarterly, half year and full year business and performance updates, as well new initiatives and developments. Stakeholders can contact the Investor Relations Department via a dedicated email address and subscribe for email alerts through the website to receive prompt updates on corporate developments.

PROACTIVE INVESTOR ENGAGEMENT

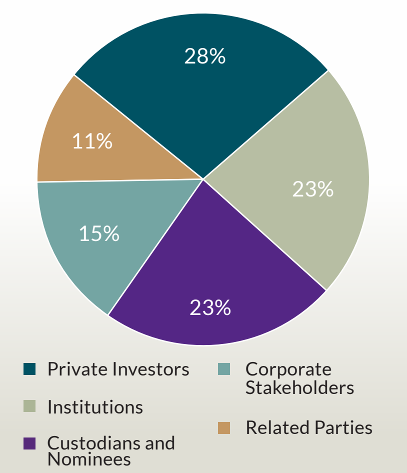
To better understand shareholder viewpoints and concerns, the REIT Manager regularly engages the investment community by way of results briefings, investor roadshows and conferences, and one-on-one meetings. In FY2025, the Manager participated in virtual and in-person meetings as well as investor conferences and reached out to institutional investors. As part of its retail outreach programme, the Manager participated at the Annual REITs Symposium held at Suntec Convention Centre and hosted several webinars throughout the year with Phillip Securities, Maybank Securities and CGS International. Such engagements provide the opportunity for senior management to share across strategy and performance updates as well as to solicit view and feedback from the investment community.

The Manager continues to engage with sell-side research analysts who issue regular reports and updates through virtual briefings as well as in-person meetings. Investors would be able to use such reports to remain up to date on AA REIT's operational progress and financial performance. AA REIT is currently being covered by four equity research houses in Singapore and the Manager continues to proactively nurture relationships with new research analysts to enhance its coverage.

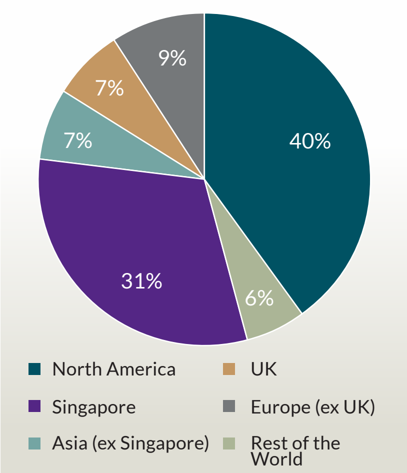
AA REIT releases its full-and-half-year results announcements as well as business updates for the first and the third quarters within 45 days from the end of each quarter. Post-results and business updates briefings are held for analysts and investors to proactively communicate AA REIT's operational progress and financial performance. Despite the transition to half-yearly financial reporting, AA REIT continues to pay distributions to Unitholders on a quarterly basis.

Unitholders of AA REIT are also given the opportunity to communicate their views at annual general meetings ("AGM") and extraordinary general meetings ("EGM") (if any). In July 2024, AA REIT's 15th Annual General Meeting was convened by way of physical format at Stephen Riady Auditorium @ NTUC. Prior to the AGM, Unitholders were invited to submit their questions or appoint the Chairman as proxy to exercise their voting rights. The AGM Notice to Unitholders was published 32 days in advance of the AGM, to give Unitholders ample time to send in their questions. The Manager's responses to all substantial and relevant questions were addressed and published on SGXNet ahead of the meeting. The minutes of the AGM were also published on SGXNet and made available on AA REIT's website. A full list of AA REIT's investor relations activities is tabled under the FY2025 Investor Relations Calendar on page 47.

Unitholders' Profile
(as at 31 March 2025)



Institutional Holders by Geography
(as at 31 March 2025)



AWARDS & ACCOLADES

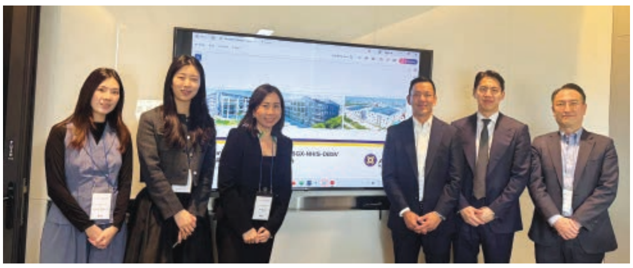
AA REIT was recognised with the "Highest Return to Shareholders over three (3) years" award at the 2024 Billion Dollar Club Awards organised by The Edge Singapore.

AA REIT also received two awards at the 9th Annual REITS and Real Estate Investment Summit Asia Pacific 2024 for:

- Best Overall ESG & Profitability REIT - Platinum Award
- Best Industrial REIT - Gold Award

Investor Relations Calendar		Date
1st Quarter	Full Year FY2024 post-results analyst briefing	7 May 2024
	Full Year FY2024 post-results investor briefing	7 May 2024
	Phillip Securities Webinar	8 May 2024
	Singapore Annual REITs Symposium 2024	11 May 2024
2nd Quarter	Annual General Meeting	29 July 2024
	1Q FY2025 business update analyst briefing	31 July 2024
	1Q FY2025 business update investor briefing	31 July 2024
3rd Quarter	CGS International Retail Webinar	2 October 2024
	1H FY2024 post-results analyst briefing	5 November 2024
	1H FY2024 post-results investor briefing	5 November 2024
	Phillip Securities Webinar	5 November 2024
	CLSA ASEAN Conference 2024 Kuala Lumpur	27 November 2024
4th Quarter	3Q FY2025 business update analyst briefing	28 January 2025
	3Q FY2025 business update investor briefing	3 February 2025
	Maybank Securities Webinar	6 February 2025
	SGX-NHIS-DBSV S-REITs Corporate Day 2025 South Korea	21 March 2025

At our 15th Annual General Meeting.



At the SGX-NHIS-DBS S-REITS Corporate Day 2025 in Seoul, engaging institutional investors and sharing our strategy for long-term returns.

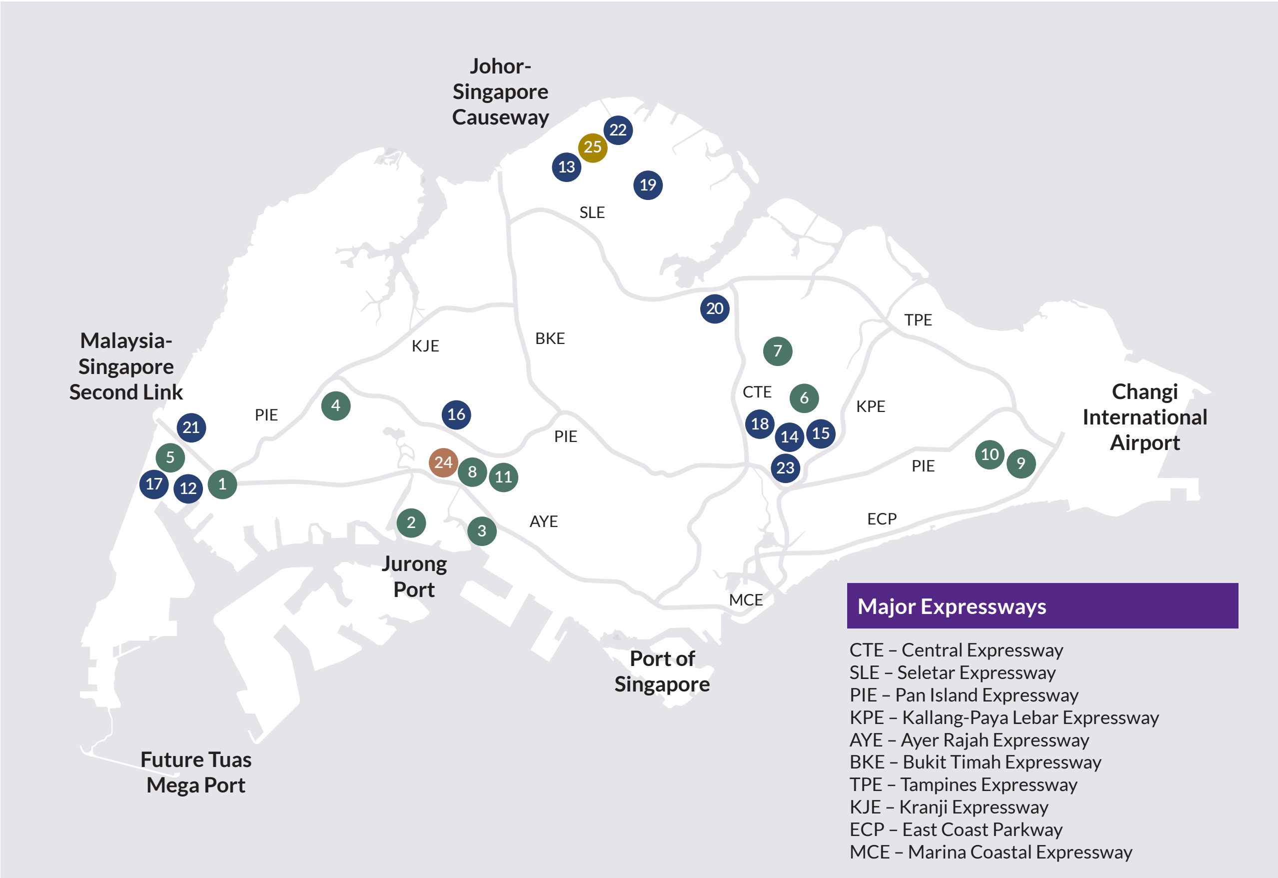
Unitholders, Investors and Media Contact

Investor Relations | **Tel:** +65 6309 3638 | **Email:** investorrelations@aimsapac.com

PROPERTY PORTFOLIO

25
QUALITY PROPERTIES IN SINGAPORE

SINGAPORE PROPERTY PORTFOLIO*



LOGISTICS & WAREHOUSE

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

INDUSTRIAL

12. 3 Tuas Avenue 2
13. 51 Marsiling Road
14. 23 Tai Seng Drive
15. 15 Tai Seng Drive
16. 1 Bukit Batok Street 22
17. 8 Tuas Avenue 20
18. 135 Joo Seng Road
19. 61 Yishun Industrial Park A
20. 2 Ang Mo Kio Street 65
21. 26 Tuas Avenue 7
22. 8 Senoko South Road
23. 1 Kallang Way 2A

BUSINESS PARK

24. 1A International Business Park

HI-TECH

25. 29 Woodlands Industrial Park E1

* as at 31 March 2025

3
FREEHOLD PROPERTIES IN AUSTRALIA

AUSTRALIA PROPERTY PORTFOLIO*

INDUSTRIAL

28 Boardriders Asia Pacific HQ, 209-217 Burleigh Connection Road, Burleigh Waters, QLD 4220

BUSINESS PARK

26 Woolworths HQ, 1 Woolworths Way, Bella Vista, NSW 2153

27 Optus Centre, 1-5 Lyonpark Road, Macquarie Park, NSW 2113

* as at 31 March 2025

PROPERTY PORTFOLIO

LOGISTICS & WAREHOUSE

SINGAPORE

1 20 Gul Way

2 27 Penjuru Lane

3 8 & 10 Pandan Crescent

4 7 Bulim Street

5 30 Tuas West Road

6 103 Defu Lane 10

7 56 Serangoon North Avenue 4

8 3 Toh Tuck Link

9 11 Changi South Street 3

10 10 Changi South Lane

11 7 Clementi Loop

	Property	Lease Type	Acquisition Date	Land Lease Expiry	Remaining Term of Land Lease as at 31 Mar 2025 (years)	Purchase Price (S$'million)	Valuation as at 31 Mar 2025 (S$'million)[1]	NLA (sqm)	Gross Rental Income for FY2025 (S$'million)	Occupancy as at 31 Mar 2025 (%)
	Singapore									
1	20 Gul Way	Multi-Tenanted	19 Apr 2007	15 Jan 2041	15.8	39.4	244.5	147,676	29.1	89.5
2	27 Penjuru Lane	Multi-Tenanted	15 Oct 2010	15 Oct 2049	24.5	161.0	190.2	96,238	16.5	96.7
3	8 & 10 Pandan Crescent	Multi-Tenanted	19 Apr 2007	31 May 2068	43.2	115.0	162.8	65,832	12.6	100.0
4	7 Bulim Street	Master Lease	9 Oct 2020	31 Aug 2042	17.4	129.6	139.4	68,190	11.3	100.0
5	30 Tuas West Road	Multi-Tenanted	11 Jan 2010	31 Dec 2055	30.8	17.3	56.4	25,422	4.8	100.0
6	103 Defu Lane 10	Multi-Tenanted	21 Jan 2008	30 Jun 2043	18.2	14.5	30.8	17,605	3.2	100.0
7	56 Serangoon North Ave 4	Multi-Tenanted	11 Jan 2010	15 May 2055	30.1	14.8	29.5	10,088	2.4	92.9
8	3 Toh Tuck Link	Multi-Tenanted	11 Jan 2010	15 Nov 2056	31.6	19.3	24.4[2]	11,518	1.4	54.3
9	11 Changi South Street 3	Multi-Tenanted	17 Dec 2007	31 Mar 2055	30.0	20.8	23.1	11,791	2.2	85.7
10	10 Changi South Lane	Multi-Tenanted	19 Apr 2007	15 Jun 2056	31.2	33.8	22.4	12,613	2.1	88.1
11	7 Clementi Loop	Multi-Tenanted	31 Mar 2008	15 Jun 2053	28.2	18.3	21.6	8,099	0.3	0.0[3]

1 The valuation for the Singapore properties is appraised by Jones Lang Lasalle Property Consultants Pte Ltd as of 31 March 2025.
2 3 Toh Tuck Link in Singapore is stated at fair value based on the agreed sale price with a third-party buyer.
3 As at 31 March 2025, the property is undergoing asset enhancement initiatives.

OCCUPANCY RATE*	TOTAL NLA	GROSS RENTAL INCOME FOR FY2025	VALUATION*	% OF PORTFOLIO BY VALUATION*
92.4%	**475,072 sqm**	**S$85.9 million**	**S$945.1 million**	**44.4%**

* As at 31 March 2025.

PROPERTY PORTFOLIO

INDUSTRIAL

SINGAPORE


12 3 Tuas Avenue 2


13 51 Marsiling Road

14 23 Tai Seng Drive


15 15 Tai Seng Drive


16 1 Bukit Batok Street 22


17 8 Tuas Avenue 20


18 135 Joo Seng Road


19 61 Yishun Industrial Park A


20 2 Ang Mo Kio Street 65


21 26 Tuas Avenue 7


22 8 Senoko South Road


23 1 Kallang Way 2A

AUSTRALIA


28 Boardriders Asia Pacific HQ, 209-217 Burleigh Connection Road, Burleigh Waters, QLD 4220

	Property	Lease Type	Acquisition Date	Land Lease Expiry	Remaining Term of Land Lease as at 31 Mar 2025 (years)	Purchase Price (S$'million)	Valuation as at 31 Mar 2025 (S$'million)[1]	NLA (sqm)	Gross Rental Income for FY2025 (S$'million)	Occupancy as at 31 Mar 2025 (%)
	Singapore									
12	3 Tuas Avenue 2	Master Lease	19 Apr 2007	15 Mar 2055	30.0	20.8	56.0	24,899	5.0	100.0
13	51 Marsiling Road	Master Lease	16 Nov 2016	31 Jul 2044	19.3	34.9	52.5	21,529	5.9	100.0
14	23 Tai Seng Drive	Master Lease	11 Jan 2010	31 Jul 2050	25.3	17.2	41.6	9,493	3.6	100.0
15	15 Tai Seng Drive	Multi-Tenanted	17 Dec 2007	31 Mar 2051	26.0	28.9	33.5	17,886	3.2	98.5
16	1 Bukit Batok Street 22	Multi-Tenanted	19 Apr 2007	30 Jun 2055	30.2	18.0	29.0	13,705	2.8	85.2
17	8 Tuas Avenue 20	Multi-Tenanted	19 Apr 2007	13 Nov 2051	26.6	11.6	27.3	13,359	2.6	100.0
18	135 Joo Seng Road	Multi-Tenanted	10 Mar 2008	30 Jun 2054	29.2	25.0	23.3	9,723	2.6	86.8
19	61 Yishun Industrial Park A	Multi-Tenanted	21 Jan 2008	31 Aug 2052	27.4	24.6	19.9	11,917	1.3	65.4
20	2 Ang Mo Kio Street 65	Master Lease	19 Apr 2007	31 Mar 2047	22.0	15.2	19.6	6,255	2.9	100.0
21	26 Tuas Avenue 7	Master Lease	19 Apr 2007	31 Dec 2053	28.8	8.3	13.9	5,858	1.6	100.0
22	8 Senoko South Road	Master Lease	19 Apr 2007	31 Oct 2054	29.6	12.8	13.5	7,279	1.5	100.0
23	1 Kallang Way 2A	Multi-Tenanted	30 Jan 2008	30 Jun 2055	30.2	14.0	12.2	6,584	1.3	100.0
	Australia									
28	Boardriders Asia Pacific HQ, 209-217 Burleigh Connection Road, Burleigh Waters, QLD 4220	Master Lease	15 Jul 2019	-	Freehold	36.6[2]	43.0[3]	14,833	3.1	100.0

1 The valuation for the Singapore properties is appraised by Jones Lang Lasalle Property Consultants Pte Ltd as of 31 March 2025.
2 Based on exchange rate of A$1.00 = S$0.9524. The purchase price for the property was A$38.5 million.
3 Based on exchange rate of A$1.00 = S$0.8426. The valuation for the property is A$51.0 million appraised by CIVAS (QLD) Pty Limited ("Colliers Valuation & Advisory Services") as at 31 March 2025.

OCCUPANCY RATE*	TOTAL NLA	GROSS RENTAL INCOME FOR FY2025	VALUATION*	% OF PORTFOLIO BY VALUATION*
95.3%	**163,320 sqm**	**S$37.4 million**	**S$385.3 million**	**18.1%**

* As at 31 March 2025.

PROPERTY PORTFOLIO

BUSINESS PARK

SINGAPORE

24 1A International Business Park

AUSTRALIA

26 Woolworths HQ, 1 Woolworths Way, Bella Vista, NSW 2153

27 Optus Centre, 1-5 Lyonpark Road, Macquarie Park, NWS 2113

	Property	Lease Type	Acquisition Date	Land Lease Expiry	Remaining Term of Land Lease as at 31 Mar 2025 (years)	Purchase Price (S$'million)	Valuation as at 31 Mar 2025 (S$'million)	NLA (sqm)	Gross Rental Income for FY2025 (S$'million)	Occupancy as at 31 Mar 2025 (%)
	Singapore									
24	1A International Business Park	Multi-tenanted	30 Nov 2009	31 May 2059	34.2	90.2	72.1[1]	16,157	4.5	61.3
	Australia									
26	Woolworths HQ, 1 Woolworths Way, Bella Vista NSW 2153	Master Lease	15 Nov 2021	-	Freehold	454.0[2]	323.6[3]	44,972	23.8	100.0
27	Optus Centre, 1-5 Lyonpark Road, Macquarie Park, NWS 2113	Master Lease	7 Feb 2014	-	Freehold	205.3[4]	251.9[5]	41,255	17.8	100.0

1 The valuation for the Singapore properties is appraised by Jones Lang Lasalle Property Consultants Pte Ltd as of 31 March 2025.
2 Based on exchange rate of A$1.00 = S$0.9800. The purchase price for the property was A$463.3 million.
3 Based on exchange rate of A$1.00 = S$0.8426. The valuation for the property is A$384.0 million appraised by Urbis Valuations Pty Ltd as at 31 March 2025.
4 Based on exchange rate of A$1.00 = S$1.1134. The purchase price for the 49.0% interest in the property was A$184.4 million.
5 Based on exchange rate of A$1.00 = S$0.8426. The valuation for 49% of the property is A$298.9 million appraised by CBRE Valuations Pty Limited as at 31 March 2025.

OCCUPANCY RATE*	TOTAL NLA	GROSS RENTAL INCOME FOR FY2025	VALUATION*	% OF PORTFOLIO BY VALUATION*
93.9%	102,384 sqm	S$46.1 million	S$647.6 million	30.5%

* As at 31 March 2025.

HI-TECH

SINGAPORE

25 Northtech, 29 Woodlands Industrial Park E1

	Property	Lease Type	Acquisition Date	Land Lease Expiry	Remaining Term of Land Lease as at 31 Mar 2025 (years)	Purchase Price (S$'million)	Valuation as at 31 Mar 2025 (S$'million)	NLA (sqm)	Gross Rental Income for FY2025 (S$'million)	Occupancy as at 31 Mar 2025 (%)
	Singapore									
25	Northtech, 29 Woodlands Industrial Park E1	Multi-Tenanted	21 Feb 2011	8 Jan 2055	29.8	72.0	148.5[1]	36,646	13.1	99.8

1 The valuation for the Singapore properties is appraised by Jones Lang Lasalle Property Consultants Pte Ltd as of 31 March 2025.

OCCUPANCY RATE*	TOTAL NLA	GROSS RENTAL INCOME FOR FY2025	VALUATION*	% OF PORTFOLIO BY VALUATION*
99.8%	36,646 sqm	S$13.1 million	S$148.5 million	7.0%

* As at 31 March 2025.

SINGAPORE PROPERTY MARKET RESEARCH

1 OVERVIEW OF THE SINGAPORE ECONOMY

1.1 SINGAPORE'S ECONOMIC PERFORMANCE

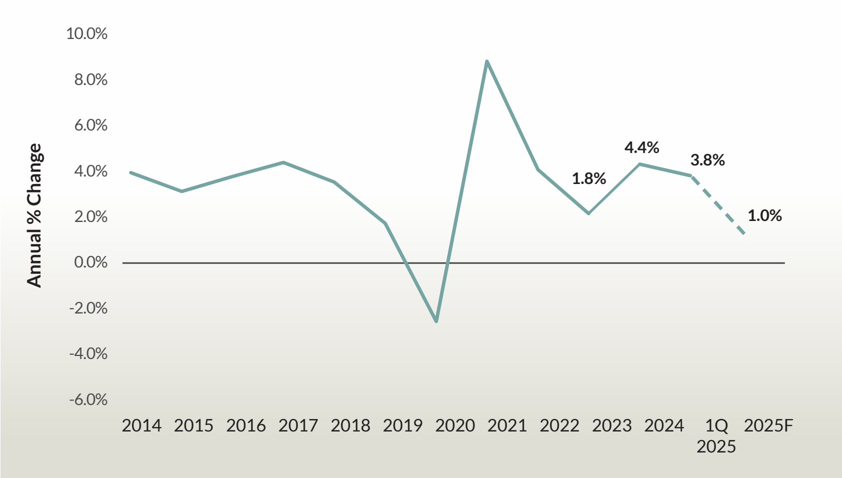
For 2024 as a whole, Singapore's Gross Domestic Product (GDP) growth came in at 4.4% year-on-year (y-o-y), outpacing the 1.8% expansion in 2023 due to robust performances in the manufacturing, wholesale trade, and finance & insurance sectors which were driven by a global electronics upturn and higher financial market activity. Based on the Ministry of Trade and Industry's (MTI) advance estimates as of 1Q 2025, Singapore's economic performance grew 3.8% y-o-y, slowing from the 5.0% growth in the previous quarter (Exhibit 1-1). This expansion was supported by both Goods and Services Producing Industries which grew 4.7% and 3.4% y-o-y respectively. At the same time, the overall growth momentum was weaker than expected, contracting by 0.8% on a quarter-on-quarter seasonally-adjusted basis, down from the 0.5% expansion a quarter ago.

Among the Goods Producing Industries, the manufacturing sector was the best performer with a 5.0% y-o-y increase (compared to 7.4% in the previous quarter), as output expansions were recorded across all clusters apart from chemicals and general manufacturing. The construction sector, supported by higher public and private sector construction output, expanded by 4.6% y-o-y, extending the 4.4% growth in 4Q 2024.

The Services Producing Industries saw the strongest growth in the wholesale, retail trade and transportation & storage group of sectors which expanded by 4.2% y-o-y. This was followed by the information & communications, finance & insurance and professional services group of sectors, which grew by 3.0%.

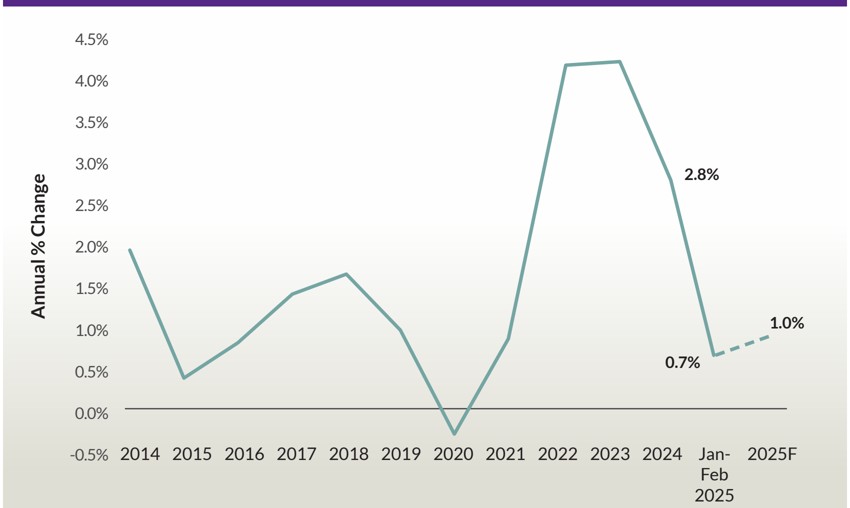
For 2025, the MTI downgraded Singapore's growth forecast to "0.0-2.0%" due to weakened external demand and rising global trade uncertainties, largely contributed by the impact of U.S. tariffs on Singaporean exports and disruptions to regional supply chains.

Exhibit 1-1: Singapore GDP growth rate, 2014 to 2025F



Source: MTI, Knight Frank Singapore

Exhibit 1-2: Singapore MAS core inflation rate, 2014 to 2025F



Source: MAS, Singstat, Knight Frank Singapore

1.2 INFLATION

According to the Monetary Authority of Singapore (MAS), Singapore's core inflation eased significantly to 0.7% y-o-y between January to February 2025, down from 1.9% in 4Q 2024 as prices fell across a wide range of goods and services. This decline is largely attributable to a strong Singapore Dollar, the diminishing effect of previous Goods and Services Tax (GST) hikes, and soft domestic consumption of food and beverage (F&B) services and retail goods. CPI-All Items inflation eased to 0.9% y-o-y in February 2025, from 1.2% in January, stemming from a slowdown in private transport inflation along with the general decline in core inflation.

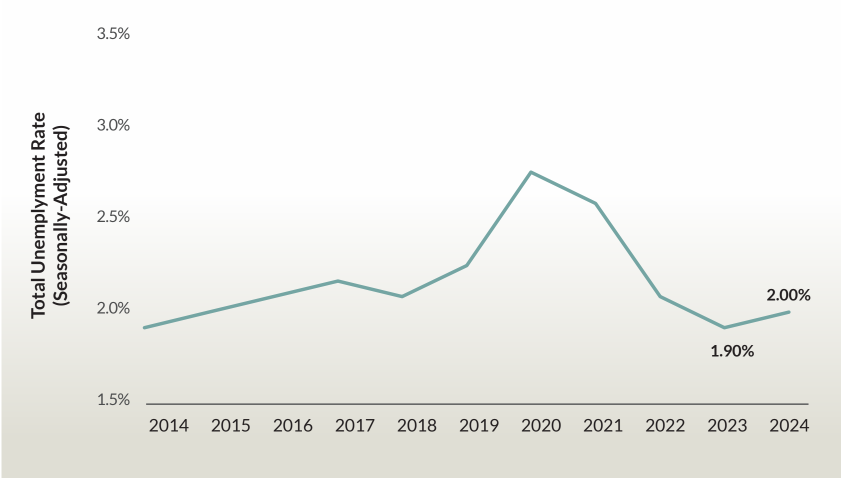
Amid the weakening global economic outlook with the anticipation of slower global trade and softer demand for goods and services, core inflation is expected to continue its gradual moderation for the remaining quarters of 2025 and average between 0.5% to 1.5% for the year, down from MAS' previous initial forecast of 1.5 to 2.5%.

1.3 UNEMPLOYMENT

In 2024, Singapore's labour market remained tight with low overall unemployment rate of 2.0% (Exhibit 1-3) while experiencing growth in both resident and non-resident employment as total employment grew by 44,500.

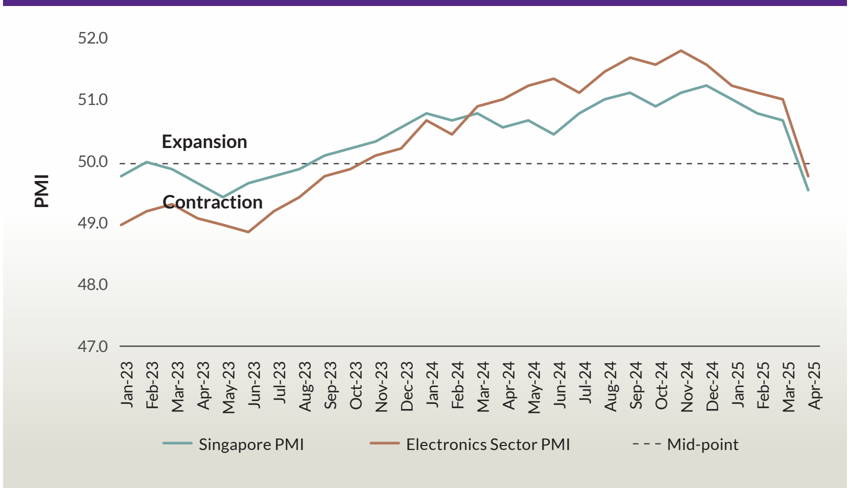
Resident employment, which increased by 8,800, marked a reversal from the 4,600 decline recorded in 2023. This growth was predominantly in higher-skilled sectors such as financial & insurance services, health & social work, professional services and information & communications. Non-resident employment grew by 35,700 in 2024, a slowdown from the 83,500 increase in 2023. This expanded workforce was driven primarily by the hiring of Work Permit (WP) holders in the construction and manufacturing industries, while the number of Employment Pass and S Pass holders remained stable due to increases in the minimum qualifying salary of new applicants.

Exhibit 1-3: Total Unemployment Rate, 2014 to 2024



Source: Ministry of Manpower, Knight Frank Singapore

Exhibit 1-4: Purchasing Managers' Index, January 2023 to April 2025



Source: SIPMM, Knight Frank Singapore

1.4 MANUFACTURING SECTOR

Against the backdrop of ongoing global trade tensions, factory goods activity in Singapore grew at a slower pace in the first four months of 2025.

According to the Singapore Institute of Purchasing and Materials Management's (SIPMM) Purchasing Manager's Index (PMI), the rate of expansion of Singapore's manufacturing economy has been on the decline since the start of 2025. The overall PMI slipped from 51.1 in December 2024 to 50.6 in March 2025, before eventually falling into contractionary territory in April 2025 at 49.6 – marking the first contraction in 19 months and ending a streak of continuous expansion since September 2023. The PMI for the electronics cluster, which accounts for a hefty chunk of Singapore's manufacturing sector, also dipped to 49.8 in April 2025 after a 17-month expansion streak. The sharp fall in factory goods trade mirrors the regional pullback as US President Donald Trump's "Liberation Day" announcements in early-April 2025, which resulted in other countries imposing reciprocal tariffs, began to exact a toll on manufacturers.

The Index of Industrial Production (IIP), which measures the real output of Singapore's manufacturing sector, recorded an overall y-o-y expansion of 4.0% in 1Q 2025, reversing the negative 1.2% decline the same period a year ago. Growth was primarily driven by strong performances in the transport engineering and electronics clusters which expanded by 13.8% and 8.1% respectively.

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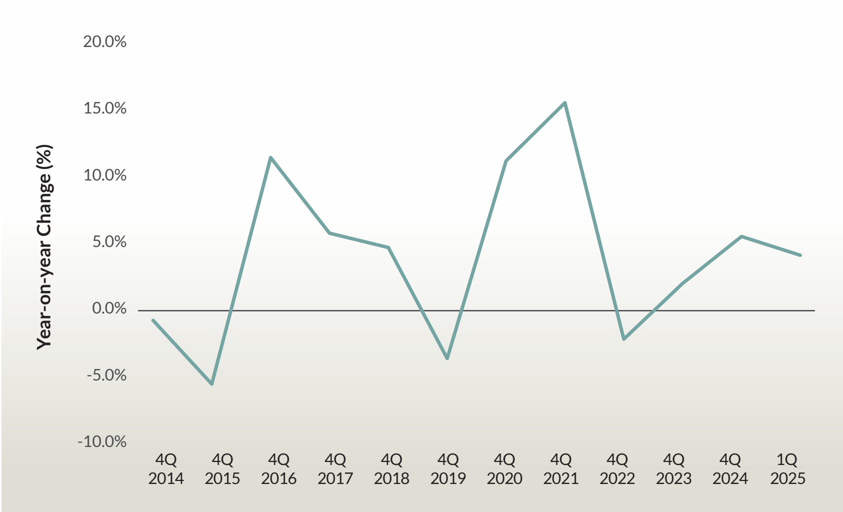
The transport engineering sector's high growth rate was led by the 18.0% expansion in the aerospace segment, on account of a higher level of demand for aircraft parts and an increase in maintenance, repair and overhaul jobs from commercial airlines. The land and marine & offshore engineering segments also grew 9.1% and 1.7% respectively in the same quarter. Output in the lynchpin electronics cluster was largely led by the infocommunications and Consumer Electronics segment which expanded 28.5%. All other segments within the electronics cluster also recorded growth apart from the other electronic modules & components segment which declined 6.0%.

Among the manufacturing clusters that recorded declines were the general manufacturing and chemicals cluster which contracted by 6.0% and 3.1% respectively. Within the general manufacturing cluster, the printing and F&B and tobacco segments fell 2.7% and 2.5% respectively, with the latter recording lower production of beverages, dairy and bakery products. The miscellaneous industries segment contracted most significantly by 11.7%, led by lower output of structural metal components & products, wooden furniture and paper & paperboard containers and boxes. Apart from the petroleum segment, all other segments with the chemicals cluster recorded output declines. In particular, the petrochemicals segment contracted most significantly by 11.1% as it recorded lower production of gases and chemical additives for industrial uses as well as biofuels.

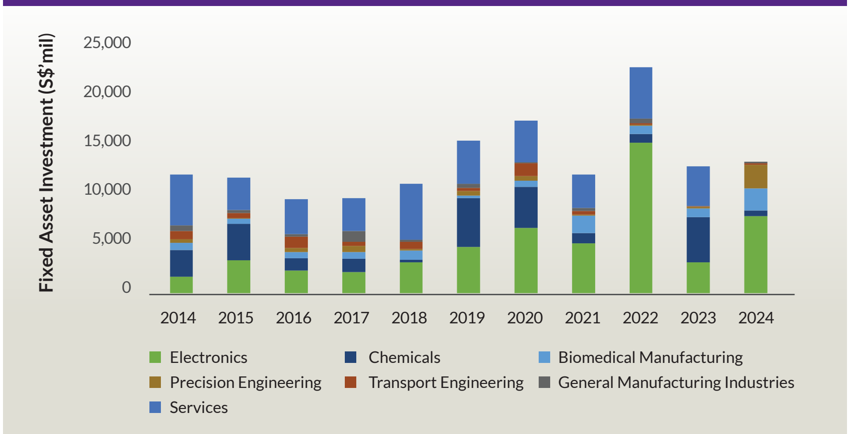
Overall, despite a worsened global economic and political outlook with heightened volatility under the US President Donald Trump's administration, Singapore's manufacturing sector could stay resilient as manufacturers may look to expand or relocate their final-stage production activities to the country, leveraging on its reputation as a stable and trusted safe haven in light of the ongoing macroeconomic uncertainties.

Exhibit 1-5: Singapore Index of Industrial Production, 4Q 2014 to 1Q 2025



Source: Singstat, Knight Frank Singapore

Exhibit 1-6: Total FAI, 2014 to 2024



Source: EDB, Singstat, Knight Frank Singapore

1.5 FIXED ASSET INVESTMENTS

In 2024, Singapore attracted S$13.5 billion in Fixed Asset Investments (FAI), up from S$12.7 billion in 2023, according to the Economic Development Board (EDB). The electronics sector was the leader with over S$7.6 billion (69.1% of total manufacturing FAI), driven by global demand for Artificial Intelligence (AI) applications. Major projects include Siltronic's S$2.9 billion and VSMC's S$10.5 billion wafer plants in Tampines.

FAI received from other manufacturing sectors include biomedical (S$2.2 billion), precision engineering (S$555 million), chemicals (S$366 million), and transport engineering & logistics (S$48.9 million). The chemicals sector saw a sharp drop from S$4.5 billion in 2023 due to global oversupply.

Despite potential 2025 challenges from protectionism and trade tensions, Singapore remains attractive due to its robust infrastructure, clear institutional framework, skilled talent, and government agencies' support for innovation and business growth.

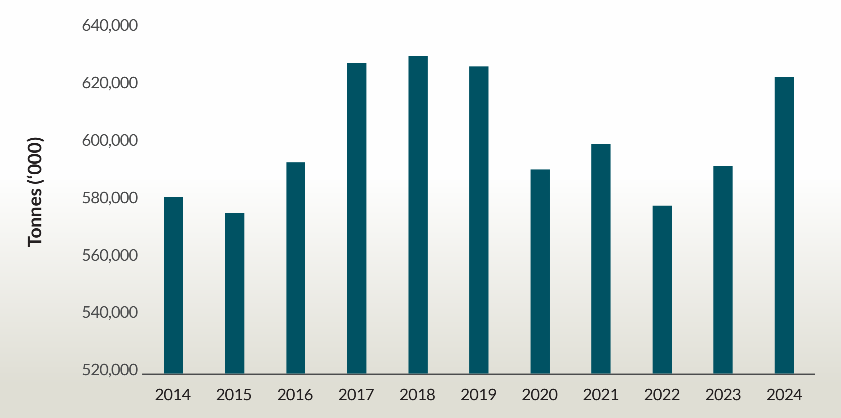
1.6 LOGISTICS SECTOR

In 2024, Singapore handled over 622.9 million tonnes of containers, marking a 5.2% increase from the previous year (Exhibit 1-7) as disruptions in the Red Sea resulted in the rerouting of many ships around the Cape of Good Hope which led to increased vessel arrivals and container volumes.

Meanwhile, air cargo volume rose sharply by 14.6% to 2.0 million tonnes, driven by a rebound in electronics exports, strong global demand for cross-border e-commerce, and a shift from sea to air transport due to maritime disruptions (Exhibit 1-8). China, Australia, the US, Hong Kong and India made up Changi Airport's top five air cargo markets for the year.

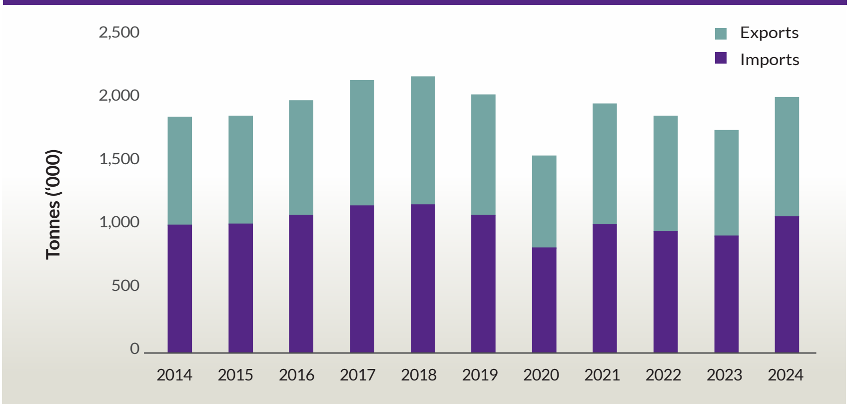
To accommodate increasing air cargo volumes, Singapore plans to build a second airport logistics park starting in 2030. This development will expand the capacity of the current aerospace park, further strengthening Changi Airport's role as a regional cargo hub and enabling it to support more logistics firms and regional distribution centers. On the maritime front, the upcoming Tuas Port is set to become the world's largest fully automated port by 2040. Once completed, it will be able to handle up to 65 million Twenty-foot Equivalent Units (TEUs) annually.

Exhibit 1-7: Total container volume, 2014 to 2024



Source: Singstat, Knight Frank Singapore

Exhibit 1-8: Air cargo handled in Singapore, 2014 to 2024



Source: Singstat, Knight Frank Singapore

1.7 OUTLOOK

The global economy is facing much heightened uncertainties since April 2025, chiefly due to US Trump administration's growing list of tariffs on certain trading partners and commodities. The US has imposed a baseline tariff of 10% on all countries and higher reciprocal tariffs targeted at countries that run large trade surpluses with the US. While the rollout was initially held back such as the 90-day pause for most country-specific tariffs, except China, , the rapid-fire announcements have sent shockwaves to financial markets and increased the risk of a global recession.

The evolving US tariff policy on specific countries, uncertainties around discussions coupled with potentially slow progress of trade negotiations, particularly between the US and China, are expected to dampen global economic growth in the near term. The escalated tit-for-tat tariff stance levelled by both sides has strained relations and elevated market volatility. Considering the knock-on effect of higher tariffs on the cost of goods, the tariffs' impact on business cost structure, enterprise and consumer demand was said to be substantial in the second quarter of 2025. The growth outlook of the US has deteriorated as rising import costs are likely to weaken consumption, while China's economic outlook softened as its exports growth is expected to stall amidst the trade conflict with the US. These conditions will hit external demand for Singapore's export-reliant sectors such as manufacturing and wholesale trade.

Arising from these developments, the spike in market uncertainty is envisaged to slow business and trading activities, as well as spending decisions by enterprises and households in the first six to nine months of 2025 as the wait-and-see approach prevails. This is expected to result in a pullback in economic activity for domestic-oriented sectors as well. The MTI has since downgraded Singapore's GDP growth forecast for 2025 to "0.0 to 2.0%", with further adjustments to the forecast if necessary given the significant downside risks to the economy.

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2 SINGAPORE GOVERNMENT POLICIES AFFECTING INDUSTRIAL PROPERTY MARKET

2.1 BUDGET 2025

Singapore's Budget 2025 introduced several strategic initiatives to drive innovation, promote sustainability, and strengthen supply chain capabilities in the industrial property market. One key initiative is the enhancement of the Land Intensification Allowance (LIA) — a tax incentive scheme first launched in 2010 to encourage more efficient use of industrial land. The LIA provides capital allowances for qualifying construction or renovation costs when businesses intensify their industrial properties. Previously, two related entities needed to own at least 75% of each other to qualify as a single group for LIA benefits. This threshold has now been lowered to 50%, allowing more companies to access the incentive and encouraging shared investments in land and infrastructure intensification.

Another major announcement was a S$3 billion top-up to the National Productivity Fund (NPF) to attract high-value technology investments, boost business productivity, and support workforce training. The fund will focus on emerging sectors such as AI, quantum computing, and other frontier technologies.

To future-proof the logistics sector, the government also rolled out Workforce Development Initiatives in Supply Chain Management (SCM). Key efforts include the launch of a Logistics Job Transformation Map (JTM) to guide workers on skills needed for digitalisation and sustainability, alongside pilot job redesign sandboxes that allow companies to trial new roles in areas like green logistics and procurement. These initiatives aim to upskill talent, support career transitions, and ensure the logistics workforce remains resilient and competitive.

2.2 ENHANCEMENT TO THE INDUSTRIAL LAND LEASE FRAMEWORK BY JTC

After reviewing recommendations from the Alliance for Action (AfA) on Business Competitiveness, and in response to business feedback regarding the long development periods for industrial land which shortens the effective productive use of leases, JTC Corporation announced four major enhancements to the industrial land lease framework on 6 March 2025. These enhancements, which will be implemented either immediately or progressively from the second half of 2025, introduce a broader range of lease tenure extension options based on factors such as greenfield land allocation and lease eligibility.

These improvements are expected to drive greater demand for industrial spaces by giving businesses more flexibility to choose lease terms that align with their operational requirements and investment plans. By offering longer tenures and more renewal flexibility, the enhanced framework provides stronger investment certainty, encouraging businesses – particularly those with under 20 years remaining on their leases – to pursue longer-term commitments in industrial land development and capital expenditure on plant and machinery.

2.3 ECONOMIC RESILIENCE TASKFORCE

In April 2025, the Economic Resilience Taskforce was established to address the challenges posed by the United States' tariff imposition on all Singaporean imports for sustained economic growth amid global trade uncertainties.

Key objectives of the taskforce, consisting of Cabinet ministers and representatives from business and labour sectors, include:

- **Communication and Engagement:** Facilitating regular dialogue among the government, businesses, and workers to share updates, explain support measures, and assess their impact.
- **Immediate Support:** Identifying challenges faced by businesses and workers due to the tariffs and reviewing existing support schemes to address these issues.
- **Long-Term Strategies:** Developing plans to enhance Singapore's economic resilience, including diversifying trade partnerships and strengthening domestic capabilities.

2.4 INITIATIVES TO PROMOTE MANUFACTURING SECTOR DEVELOPMENT

2.4.1 Enterprise Support Packages

Enterprise Support Packages like the Enterprise Financing Scheme (EFS) and Enterprise Innovation Scheme (EIS) drive industry development by enhancing access to capital – empowering enterprises in Singapore to scale, innovate, and remain competitive globally.

The EFS supports businesses with improved loan options for working capital, trade, and project financing, helping them manage costs, expand capacity, and navigate supply chain challenges. The EIS then serves to boost innovation by offering up to 400% tax deductions on R&D, IP registration, and collaborations with research institutions. It also provides cash payouts for non-profitable companies, ensuring support across business stages.

2.4.2 Refundable Investment Credit (RIC)

Introduced in Singapore's Budget 2024, the RIC is an initiative aimed at attracting high-value economic activities such as advanced manufacturing, R&D, and sustainability efforts by offering eligible companies up to 50% support on qualifying capital expenditure. A key feature of the RIC is its flexibility where companies are given credits to offset corporate tax or receive a cash payout for unused credits, refundable over a four-year period. The scheme enhances Singapore's competitiveness by encouraging long-term investments that contribute significantly to innovation, productivity and green growth.

2.4.3 Development and Expansion Incentive for Manufacturing (DEI-Mfg)

Administered by EDB, DEI-Mfg is a government initiative designed to encourage companies to undertake high value-added manufacturing activities within Singapore., DEI-Mfg offers eligible companies that demonstrate substantial contributions to Singapore's economy a concessionary tax rate of 5%, 10%, or 15% on qualifying income that exceeds a predetermined base amount. The initial tax relief period can be granted for up to 10 years, with possible extensions in tranches of up to 5 years, subject to a maximum total period of 40 years. This incentive aims to strengthen the nation's position as a global hub for advanced manufacturing by attracting investments that enhance the country's manufacturing capabilities and economic growth.

3 DRIVERS OF KEY INDUSTRIAL SECTORS

3.1 ELECTRONICS

According to EDB, Singapore accounts for over 11% of the world's semiconductor wafer output by value, supported by its strengths in wafer fabrication and electronics manufacturing. In 2024, the Electronics sector contributed 69.1% of total manufacturing fixed asset investments (FAI) into Singapore.

Singapore's highly skilled workforce, developed through specialized training programs, public-private partnerships, and organisations like A*STAR, ensures the sector's technical demands are met. The presence of global firms such as GlobalFoundries, Micron, Infineon, and Siltronic underscores Singapore's strong IP protection, resilient supply chains, and strategic position in Asia. Growth has been driven by initiatives like the Electronics Industry Transformation Map (ITM) and RIE2025, which promote investments in emerging technologies such as AI chips, 5G, and automotive electronics. Key industrial parks like Tampines and Woodlands Wafer Fab Parks provide critical infrastructure for advanced manufacturing. In March 2025, the Ministry of Trade and Industry (MTI) announced plans for a new $500 million semiconductor R&D facility under the next phase of the National Semiconductor Translation and Innovation Centre (NSTIC), to be located at JTC nanoSpace @ Tampines and operational by 2027.

3.2 ADVANCED MANUFACTURING

The Singapore government plays a central role in advancing the country's manufacturing capabilities through initiatives like the Industry Transformation Maps (ITMs) and Smart Nation strategy, which promote the adoption of Industry 4.0 technologies such as AI, robotics, IoT, and big data. State-of-the-art infrastructure, such as the Jurong Innovation District (JID) and Tuas Mega Port, further supports next-generation industrial activities by integrating R&D, training, and production within a single ecosystem.

Complementing this, strong talent development pipelines, through SkillsFuture, polytechnic-ITE collaborations, and university programs in mechatronics and advanced materials, ensure a steady supply of skilled professionals.

This combination of proactive government support, a future-ready workforce, and robust intellectual property protections positions Singapore as a global hub for advanced manufacturing that continues to attract top multinational companies across a variety of sectors such as aerospace and aviation, precision engineering, and sustainable smart infrastructure.

3.3 LIFE SCIENCE/HEALTHCARE

To address the needs of its aging population, Singapore has invested billions in advancing biopharma, medtech, and healthcare services through initiatives like the Biomedical Sciences Industry Transformation Map and the Research, Innovation and Enterprise (RIE) 2025 plan. Complementing these efforts, world-class infrastructure such as Biopolis, Tuas Biomedical Park, and Health City Novena facilitates integrated research, manufacturing, and clinical operations. Global pharmaceutical and biotech companies—such as Pfizer, Roche, and Thermo Fisher Scientific—have set up major manufacturing and R&D hubs in Singapore, drawn by its strong intellectual property protections, skilled talent pool, efficient regulatory environment, and high-quality clinical trial ecosystem.

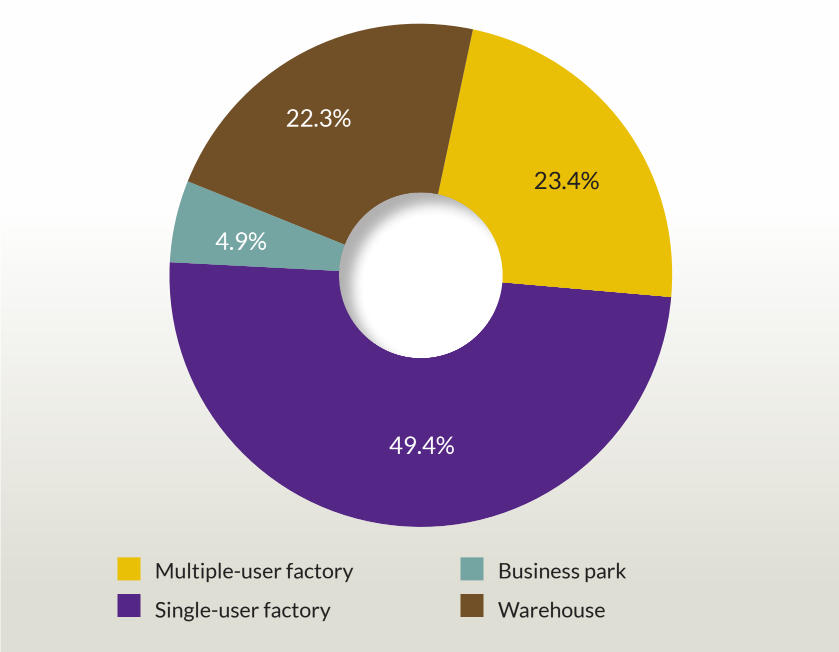
SINGAPORE PROPERTY MARKET RESEARCH

4 OVERVIEW OF SINGAPORE INDUSTRIAL PROPERTY MARKET

4.1 INDUSTRIAL PROPERTY STOCK

According to JTC data, Singapore's industrial stock totaled over 576.4 million sq ft as at 1Q 2025. At 284.6 million sq ft, single-user factories made up approximately half (49.4%) of the total nationwide industrial stock. This is followed by multiple-user factories, warehouses, and business parks which contributes 134.9 million sq ft (23.4%), 128.4 million sq ft (22.3%), and 28.5 million sq ft (4.9%) of total industrial spaces respectively (Exhibit 4-1).

Exhibit 4-1: Total industrial stock in Singapore as at 1Q 2025, by type of industrial property



Source: JTC, Knight Frank Singapore

4.2 INVESTMENT SALE TRANSACTIONS

Investment activity in the industrial property sector saw a strong resurgence in the second half of 2024, spurred by the US Federal Reserve's first interest rate cuts in four years (since March 2020 during the onset of the COVID-19 pandemic) – a 0.5 percentage point reduction in September, followed by two additional 0.25 percentage point cuts in November and December. This pickup in transactional momentum, which began in 3Q 2024 and continued through year-end, drove total industrial property investment sales to S$6.0 billion for the year, a sharp increase from S$2.3 billion in 2023.

The largest major transaction was the divestment of two data centres, KDC SGP 7 and KDC SGP 8 along Genting Lane, by a joint venture between Keppel and Cuscaden Peak Investments Private Limited to Keppel DC REIT for S$1.4 billion. As at end-March 2025, the weighted average lease expiry by NLA of the two data centres stood at 4 years. Another notable deal includes Lendlease and US private equity firm Warburg Pincus' acquisition of seven industrial assets from entities related to Blackstone and Soilbuild for S$1.6 billion, as well as Bain Capital's S$750 million purchase of four purpose-built worker dormitory compounds from Blackstone.

Type of Development	Building Name	Estimated Land Area	Transacted Price	Tenure	Period of Transaction	Buyer	Seller (Vendor)
Data Centre	Keppel Data Centres (KDC SGP 7 and KDC SGP 8)	150,455 sq ft	$1,400 million	60 years from 01/07/1980	4Q 2024	Keppel DC REIT	Keppel (60%) and Cuscaden Peak Investments (40%)
Business Park	Solaris @ one-north	551,811 sq ft	$501 million	99 years from 04/10/2007	3Q 2024	Lendlease and Warburg Pincus	Blackstone and Soilbuild-related entity
Warehouse	West Park BizCentral	1,414,600 sq ft	$275 million	30 years from 01/08/2008	3Q 2024	Lendlease and Warburg Pincus	Blackstone and Soilbuild-related entity
Business Park	Elementum	445,300 sq ft	$272 million	60 years from 20/02/2021	3Q 2024	The Brunei Investment Agency	Ho Bee Land
Worker Dormitory	Avery Lodge Dormitory Portfolio	Undisclosed	Undisclosed	Varying lease tenures	4Q 2024	Bain Capital	Blackstone, Valparaiso Capital Partners
Business Park	Eightrium at Changi Business Park	213,835 sq ft	$201 million	30 years from 16/02/2006	3Q 2024	Lendlease and Warburg Pincus	Blackstone and Soilbuild-related entity
Warehouse	2PS1	756,986 sq ft	$168 million	60 years from 1/10/1986	3Q 2024	Lendlease and Warburg Pincus	Blackstone and Soilbuild-related entity
Multiple-user Factory	Solaris @ Kallang 164	586,552 sq ft	$167 million	40 years from 26/08/2011	3Q 2024	Lendlease and Warburg Pincus	Blackstone and Soilbuild-related entity
Multiple-user Factory	Admirax	581,840 sq ft	$154 million	60 years from 09/10/2000	4Q 2024	Undisclosed family office	AEW
Warehouse	Tuas Connection	607,994 sq ft	$144 million	43 years from 01/10/2007	3Q 2024	Lendlease and Warburg Pincus	Blackstone and Soilbuild-related entity
Single-user Factory	Qualcomm Building	390,821 sq ft	$143 million	40 years from 26/08/2011	3Q 2024	Lendlease and Warburg Pincus	Blackstone and Soilbuild-related entity
Warehouse	2 Tuas South Link 1	604,963 sq ft	$140 million	99 years from 31/03/2008	4Q 2024	Frasers Logistics & Commercial Trust (FLCT)	Diamond Land Pte Ltd
Multiple-user Factory	OneTen Paya Lebar	155,000 sq ft	$140 million	Freehold	1Q 2024	Big Data Exchange (BDx)	Hwa Hong Corp

Source: URA, Knight Frank Singapore

Note: Private investment sales is defined as investment transactions that comprise an entire building or property with a total worth of S$10 million and above or bulk sales within a development amounting to S$10 million or more.

*Any information on lease tenure renewal or extension that is not publicly available is excluded above.

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5 REVIEW OF PRIVATE FACTORY SEGMENT

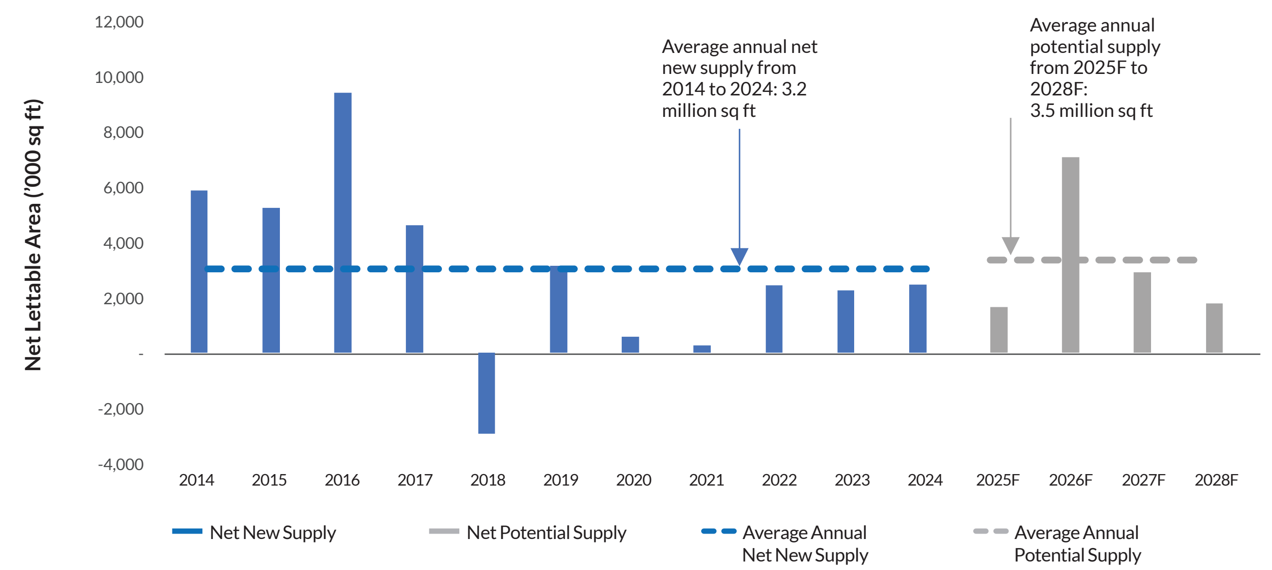
5.1 SINGLE-USER FACTORY

5.1.1 Existing and potential supply

According to JTC, Singapore's total private single-user factory stock which are mostly purpose-built, stood at 236.9 million sq ft as at 1Q 2025, an annual increase of 1.1% from 234.4 million sq ft as at 1Q 2024. More than half of the total available stock was in the West Region (52.5%), followed by the North (19.4%) and East (14.7%) Regions. An estimated 24 new single-user factories were completed by the private sector in 2024. Notable completions include Fab12i, Taiwanese global semiconductor foundry United Microelectronics Corporation (UMC)'s new S$6.8 billion advanced manufacturing facility (2.5 million sq ft GFA) at Pasir Ris, as well as German semiconductor supplier Siltronic's $2.9 billion production plant (1.5 million sq ft GFA) at Tampines.

The annual net new supply[1] of single-user factory spaces totalled a modest 2.5 million sq ft in 2024. Between 2025 to 2028, the market will be expecting approximately 16.4 million sq ft GFA (estimated 14.0 million sq ft NLA) of private single-user factory spaces, with 2026 being the year with the highest supply pipeline (8.7 million sq ft GFA, estimated 7.4 million sq ft NLA). Notable upcoming single-user factory developments in 2025 include a facility along Tuas South Avenue 2 by ST Engineering Marine Ltd (231,854 sq ft GFA) and additions/alterations to an existing factory along Tuas South Avenue 3 by CIBA Vision Asian Manufacturing & Logistics Pte Ltd (183,740 sq ft GFA).

Exhibit 5-1: Net new and potential supply of private single-user factory space, 2014 to 2028F



Source: JTC, Knight Frank Singapore

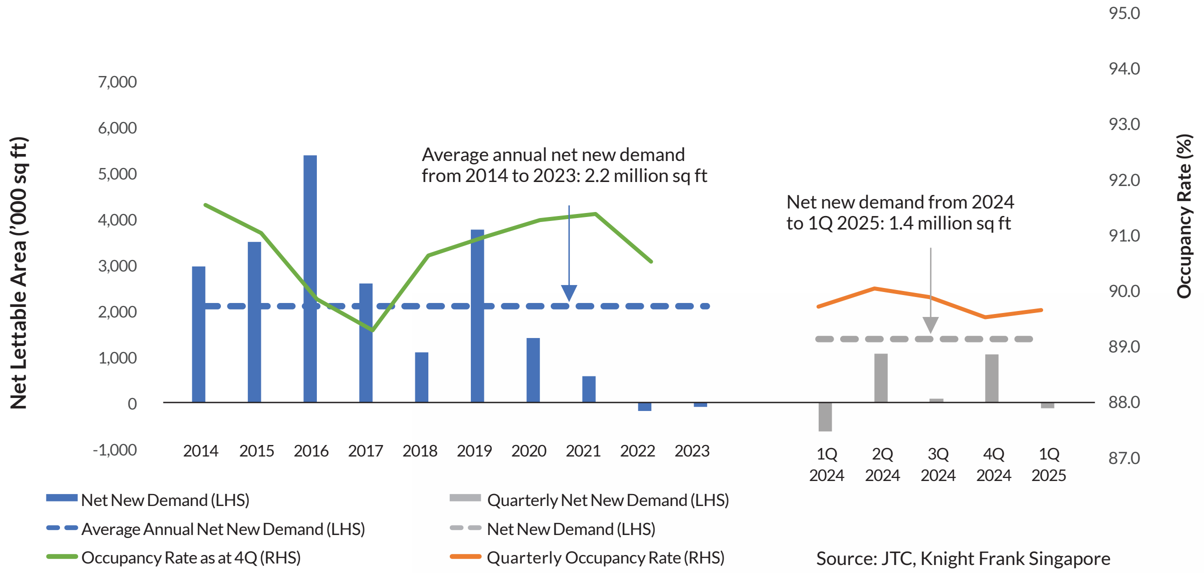
Exhibit 5-2: Notable upcoming completions of single-user factory space, 2025 to 2027

Project	Location	Developer	GFA of Uncompleted Single-user Factory Space (sq ft)	Expected Year of Completion
AST Building	Jalan Buroh	Advanced Substrate Technologies Pte. Ltd.	2,641,676	2026
Single-user factory	Pasir Ris Industrial Drive 1	Soitec Microelectronics Singapore Pte Ltd	1,163,685	2026
Single-user factory	Tampines Industrial Avenue 1	Vanguard Power Electronics Singapore Pte Ltd	762,730	2027
Single-user factory	Tuas South Avenue 5	STA Pharmaceutical Singapore Pte Ltd	450,469	2027

Source: JTC, Knight Frank Singapore

[1] Net new supply refers to the change in available space across time, calculated as a sum of new completions, demolitions and conversions.

Exhibit 5-3: Net demand and occupancy of single-user factory space, 2014 to 1Q 2025

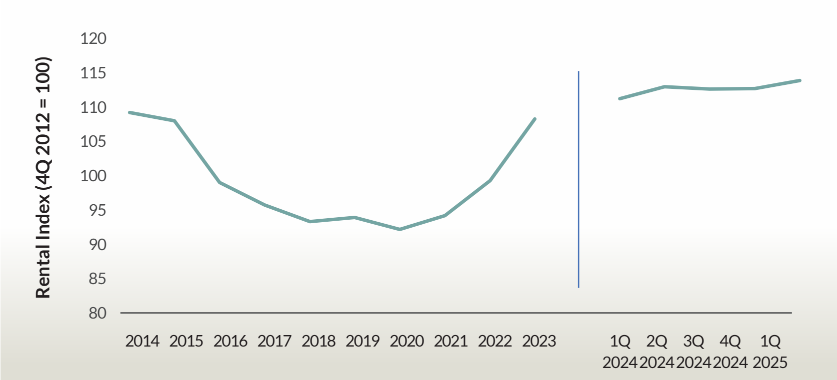


Source: JTC, Knight Frank Singapore

5.1.2 Demand and occupancy

As at 1Q 2025, a total of 213.5 million sq ft of private single-user factory space was occupied, a 1.0% increase from the previous year. Due to robust growth in the manufacturing sector and sustained interest from high-value industries such as semiconductors and advanced electronics, overall net new demand[2] for single-user factories between 2024 to 1Q 2025 was positive at 1.4 million sq ft while occupancy rate declined marginally from 90.2% (as at 1Q 2024) to 90.1% (as at 1Q 2025).

Exhibit 5-4: JTC rental index of single-user factory space, 2014 to 1Q 2025

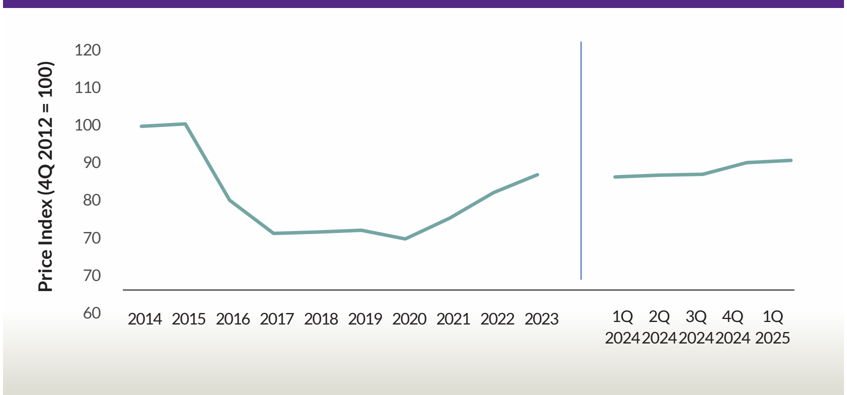


Source: JTC, Knight Frank Singapore

5.1.3 Rents

While the JTC single-user factory rental index grew marginally by 1.9% y-o-y in 1Q 2025, moderating from the 6.2% y-o-y growth recorded the same period a year ago, it rose by 18.5% since its trough in 3Q 2020.

Exhibit 5-5: JTC price index of single-user factory space, 2014 to 1Q 2025



Source: JTC, Knight Frank Singapore

5.1.4 Prices

Driven by sustained interest from high-value manufacturing companies to locate their operations in Singapore, the JTC single-user factory space price index recorded a 3.4% y-o-y increase in 1Q 2025 (Exhibit 5-5).

[2] Net new demand refers to the change in occupied space across time.

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5.2 MULTIPLE-USER FACTORY

5.2.1 Existing and potential supply

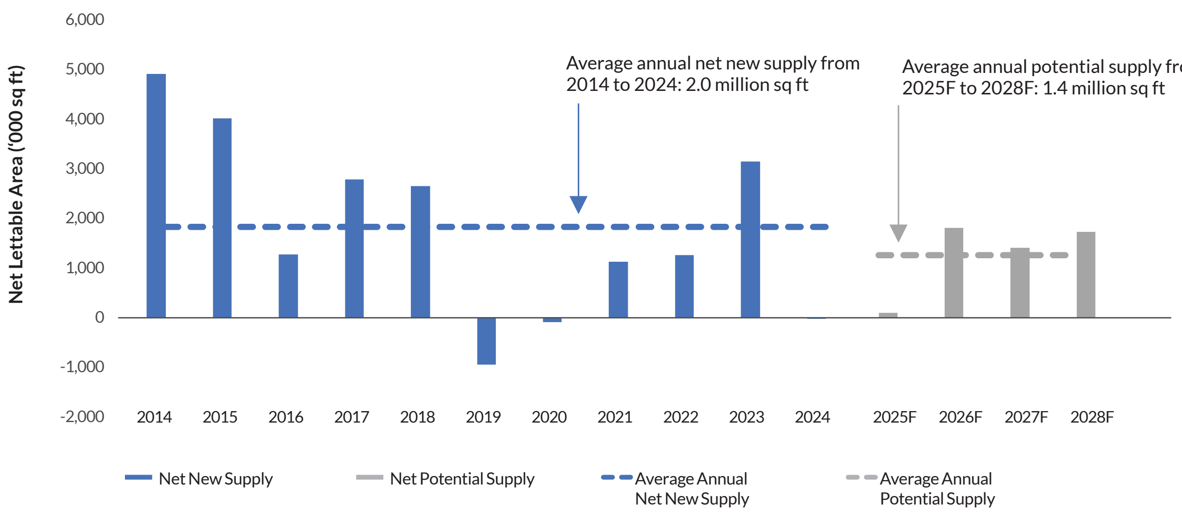
As at 1Q 2025, Singapore's total private multiple-user factory stock decreased by 83,300 sq ft to 107.5 million sq ft compared to a year ago due to limited major new completions. Approximately 39.3% of the stock is located within the Central Region with 42.3 million sq ft of space available. In 2024, the annual net new supply of private multiple-user factory space across the nation declined slightly by 2,200 sq ft, following a surge of new completions the year before in 2023. According to JTC, only three notable privately-owned multiple-user factory developments were granted full Temporary Occupation Permit (TOP) in 2024: One KA at Macpherson (197,733 sq ft GFA), Apex Foodworks at 18 Kim Chuan Terrace (51,236 sq ft GFA), and a freehold B1 industrial development at 81, 83 and 85 Aljunied Road (51,235 sq ft GFA).

From 2025 to 2028, Singapore will expect over 6.8 million sq ft GFA (estimated 5.5 million sq ft NLA) of multiple-user factory spaces. Few major multiple-user developments are expected to complete in 2025 with most completing the following year in 2026 including Stellar @ Tampines by Soon Hock Property Development Pte Ltd (546,376 sq ft GFA), CT FoodNEX at Mandai by Chiu Teng Enterprises Pte Ltd (200,747 sq ft GFA), and the future redevelopment of the former Thye Hong Centre along Leng Kee Road by SLB Development (192,674 sq ft GFA) (Exhibit 5-6).

5.2.2 Demand and occupancy

The occupancy rate of private multiple-user factory spaces stood at 92.6% as at 1Q 2025, a 0.6 percentage point increase over the same period a year ago. Across the regions, the East and West Regions

Exhibit 5-6: Net new and potential supply of multiple-user factory space, 2014 to 2028F



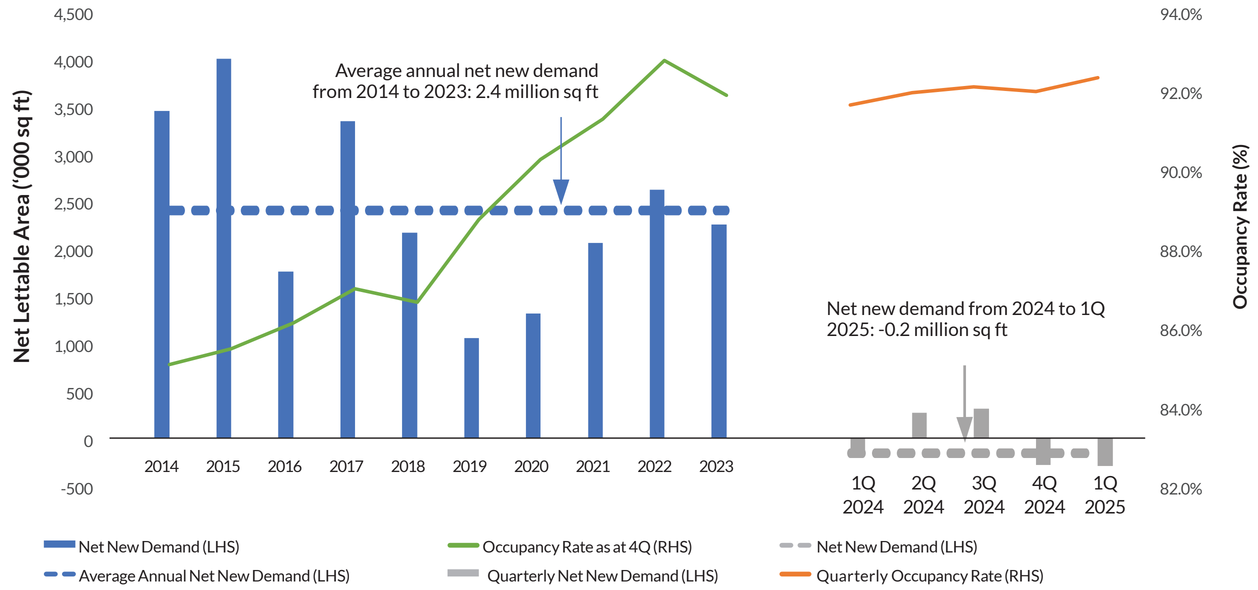
Source: JTC, Knight Frank Singapore

Exhibit 5-7: Notable upcoming completions of multiple-user factory space, 2025 to 2027

Project	Location	Developer	GFA of Uncompleted Single-user Factory Space (sq ft)	Expected Year of Completion
Stellar@Tampines	Tampines North Drive 4	Soon Hock Property Development Pte Ltd	546,376	2026
CT FoodNEX	Mandai Estate	Chiu Teng Enterprises Pte Ltd	200,747	2026
Tampines Connection	Tampines North Drive 4	SB (TND) Investment Pte Ltd	496,108	2027
Food Ascent	Tuas South Avenue 1	SB (2TS) Investment Pte Ltd	334,327	2027

Source: JTC, Knight Frank Singapore

Exhibit 5-8: Net demand and occupancy of multiple-user factory space, 2014 to 1Q 2025



Source: JTC, Knight Frank Singapore

recorded the highest occupancy of 96.6% and 95.6% respectively. The net demand (take-up) in 2024 amounted to just 0.1 million sq ft, decreasing significantly from 2.3 million sq ft in 2023 (Exhibit 5-8).

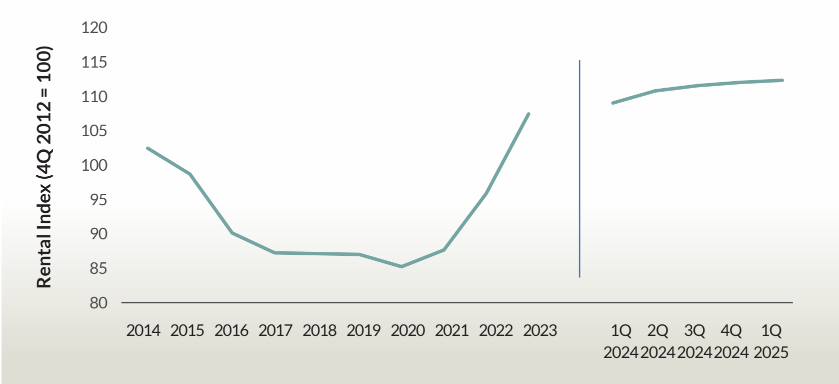
5.2.3 Rents

The JTC multiple-user factory rental index grew for the eighteenth consecutive quarter since 4Q 2020 – increasing by a further 0.3% q-o-q and 2.8% y-o-y in 1Q 2025 (Exhibit 5-9). This sustained growth is attributable to the limited new completions in 2024 coupled with healthy demand from a diverse range of industrial occupiers including small and medium-sized enterprises (SMEs) who are drawn to the flexibility of multiple-user factory spaces that are capable of accommodating for a variety of uses.

5.2.4 Prices

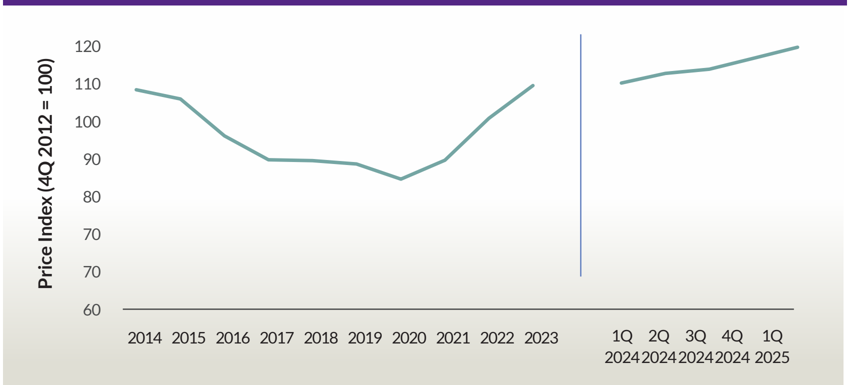
Alongside the rental market for multiple-user factories, the price index also recorded steady growth throughout 2024 and into 1Q 2025, rising by 6.4% y-o-y (Exhibit 5-10).

Exhibit 5-9: JTC rental index of multiple-user factory space, 2014 to 1Q 2025



Source: JTC, Knight Frank Singapore

Exhibit 5-10: JTC price index of multiple-user factory space, 2014 to 1Q 2025



Source: JTC, Knight Frank Singapore

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5.3 OUTLOOK OF SINGLE-USER AND MULTIPLE-USER FACTORY SPACES

Amid growing global volatility, Singapore's market for factory spaces still holds pockets of optimism as its reputation as a stable and reliable manufacturing base is further reinforced in an increasingly unpredictable international landscape. Following US President Trump's recent declaration of a 10% tariff on goods imported from Singapore, which appears to be the international baseline floor (at the moment), some manufacturers may be prompted to relocate or expand their final-stage production operations to Singapore. Although the global economic and political climate has deteriorated, with heightened uncertainty expected from the Trump administration, Singapore's export-oriented manufacturing sector has remained resilient. Nonetheless, these broad-based tariffs could temper factory rental growth in the near term, potentially moderating projections to a softer 0% to 2% in 2025.

6 REVIEW OF PRIVATE AND PUBLIC BUSINESS PARK SEGMENT

6.1 EXISTING AND POTENTIAL SUPPLY

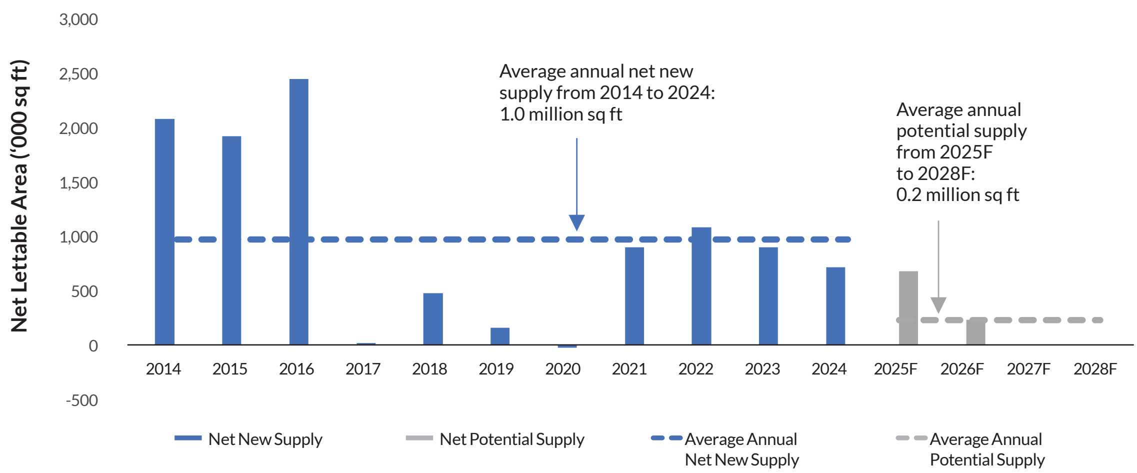
Singapore's inventory of business park spaces increased by 7.5% y-o-y to over 28.5 million sq ft in 1Q 2025. It constitutes almost 5% of nationwide industrial stock, with more than half (almost 55.7%) located within the Central Region, and the remaining 21.0%, 20.4% and 2.9% are located in the West, East and North-east Regions respectively. Prior to the completion of Punggol Digital District (PDD), there were no business park spaces in the North-eastern part of Singapore. The completion of the first phase of PDD contributed 0.8 million sq ft of business park space to the area. Five towers were completed, with three more slated for completion this year and at least two more being planned.

From 2Q 2025 to 2026, Singapore is expecting over 1.0 million sq ft GFA of new business park stock, with no planned supplies expected beyond 2026. The upcoming supply in the next four years averaged out to 0.2 million sq ft, significantly lower than the 10-year historical average of 0.8 million sq ft of new annual net new supply from 2015 to 2024. Prominent upcoming supply includes the new towers at PDD, along Punggol Way (0.79 million sq ft GFA) by JTC Corporation, and 27 IBP (0.27 million sq ft) by Capitaland Ascendas REIT.

6.2 DEMAND AND OCCUPANCY

Business park spaces registered healthy net demand of 1.3 million sq ft from 2024 to 1Q 2025, particularly attributed to the take-up of spaces at Punggol Digital District. Key anchor tenants include OCBC, UOB and Singapore's Cyber Security Agency.

Exhibit 6-1: Net new and potential supply of business park space, 2014 to 2028F



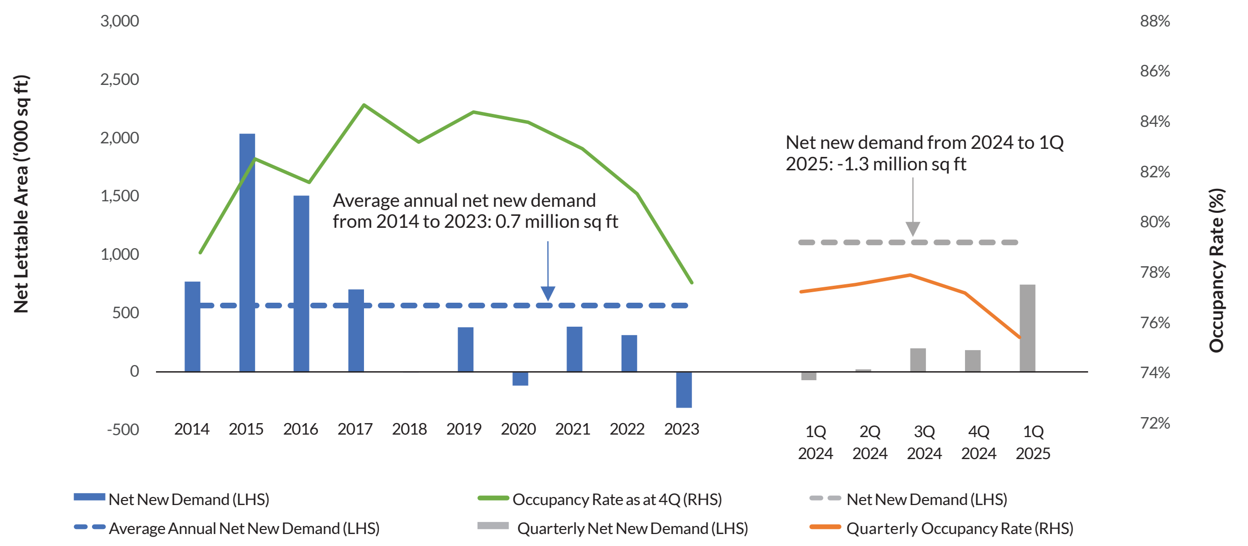
Source: JTC, Knight Frank Singapore

Exhibit 6-2: Notable upcoming completions of business park space, 2025 to 2027

Project	Location	Developer	GFA of Uncompleted Business Park Space (sq ft)	Expected Year of Completion
Business park development	Punggol Way	JTC Corporation	785,334	2025
27 IBP	International Business Park	Capitaland Ascendas REIT Management Limited	265,330	2026

Source: JTC, Various Online Sources, Knight Frank Singapore

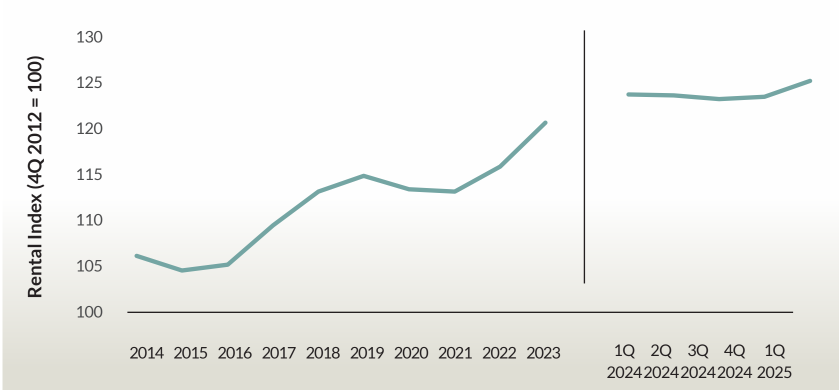
Exhibit 6-3: Net demand and occupancy rate of business park space, 2014 to 1Q 2025



Source: JTC, Knight Frank Singapore

Despite so, the occupancy fell 2.5% basis points (bp) to 75.9% in 1Q 2025, due to the net positive annual net new supply which contributed more new stock to the market. Demand for established business park spaces in the likes of one-north and Science Park remained resilient with low vacancies.

Exhibit 6-4: JTC rental index of business park space, 2014 to 1Q 2025



Source: JTC, Knight Frank Singapore

6.3 RENTS

The business park rental market demonstrated resilience and stability despite the decline in occupancy rates. Right after a slight 0.2% q-o-q fall in rental index in 3Q 2024, it rebounded the following quarter, with the continue rental recovery observed in 1Q 2025. The JTC Rental Index for business park grew 1.0% y-o-y and 1.2% q-o-q in 1Q 2025 to reach 121.7 (Exhibit 6-4).

6.4 OUTLOOK OF BUSINESS PARKS

With the completion of modern and well-located new business park spaces, the older and dated business park assets are facing near-term challenges, which are further exacerbated by the rise of hybrid work models. The centrally located and high-quality business park spaces continue to receive sustained interest and demand, while the older suburban properties are struggling to attract and retain tenants. Located within dense residential estate in the North-eastern region of Singapore, Punggol Digital District offers the most modern and integrated ecosystem and has a distinct identity as the growth cluster for digital and cybersecurity industries, which is envisaged to receive interest from the related industries. Given the limited upcoming supply with no known stock planned for 2027 and beyond, occupancy of prime and modern business park spaces is expected to remain stable. As most occupiers are still largely focusing on occupancy cost efficiency, rents of business park spaces are expected to grow by 0.5% to 1% in 2025.

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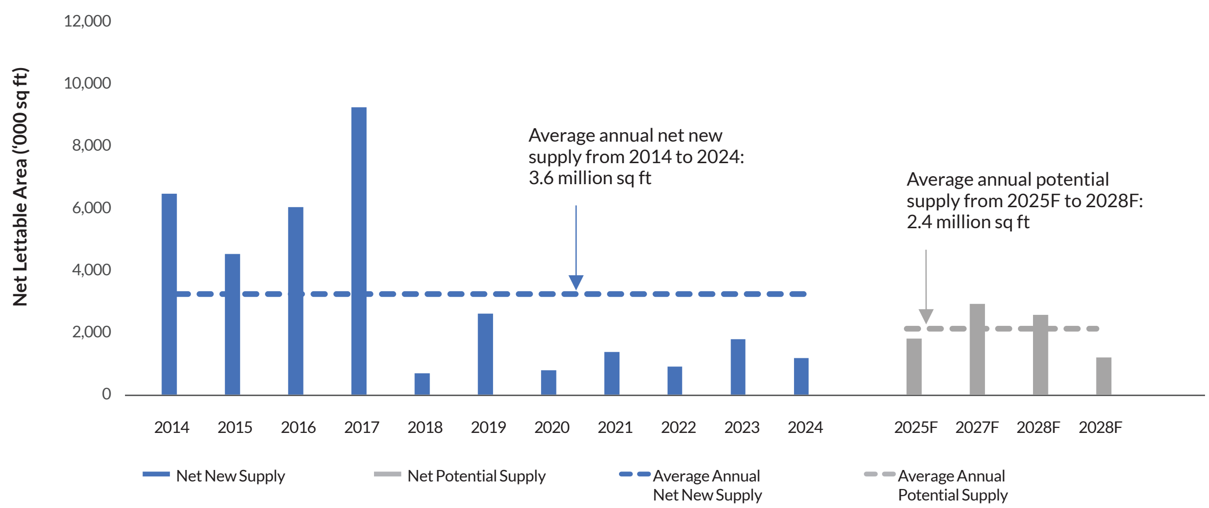
7 REVIEW OF PRIVATE WAREHOUSE SEGMENT

7.1 EXISTING AND POTENTIAL SUPPLY

As at 1Q 2025, Singapore's total private warehouse stock grew 1.1% y-o-y to reach 123.6 million sq ft. Almost two-thirds of the stock is located in the West Region (65.0%, followed by the East Region with 16.2% and the Central Region with 10.6%,13.6 million sq ft). A small handful of warehouse space is located in the East (16.2%, 20.3 million sq ft), North (5.0%) and North-east (3.3%, 4.03 million sq ft).

Between 2Q 2025 to 2028, the market is expected to witness the completion of circa 11.2 million sq ft of private warehouse stock with the pipeline majority coming onstream in from 2025 to 2027. Prominent upcoming developments include DSV Pearl (728,16 sq ft GFA) and a 548,098 sq ft GFA warehouse development at Toh Guan Road East by CapitaLand Ascendas REIT, both of which are slated for completion in 2025. World Gate 2 (1.1 million sq ft GFA) and Mapletree Joo Koon Logistics Hub (886,838 sq ft GFA) are expected to come on stream in the following year.

Exhibit 7-1: Net new and potential supply of warehouse space, 2014 to 2028F



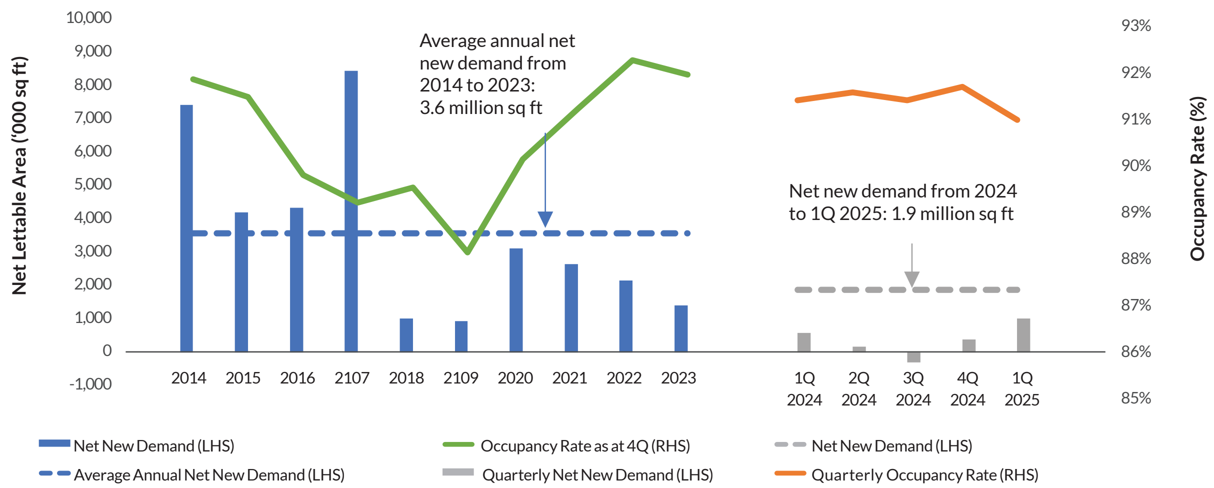
Source: JTC, Knight Frank Singapore

Exhibit 7-2: Notable upcoming completions of warehouse space, 2025 to 2027

Project	Location	Developer	GFA of Uncompleted Single-user Factory Space (sq ft)	Expected Year of Completion
DSV Pearl	Tukang Innovation Drive	Logos Pacv SG Propco Pte Ltd	728,716	2025
Word Gate 2	Benoi Sector	TL Development (WDG) Pte. Ltd	1,132,578	2025
Mapletree Joo Koon Logistics Hub	Benoi Road	Mapletree Logistics Trust	886,838	2026
Warehouse development	Tuas South Avenue 5	PSA Corporation Limited	2,540,280	2027

Source: JTC, Knight Frank Singapore

Exhibit 7-3: Net demand and occupancy of warehouse space, 2014 to 1Q 2025



Source: JTC, Knight Frank Singapore

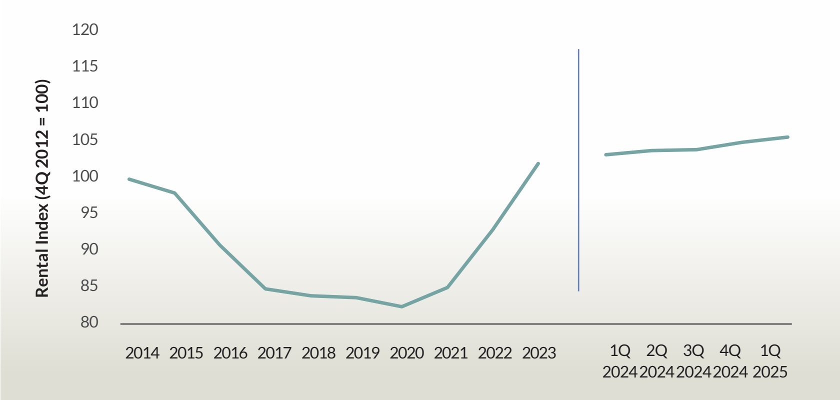
7.2 DEMAND AND OCCUPANCY

The net new demand for warehouse space in 2024 amounted to over 882,855 sq ft, which translated to a decrease of 38.6% y-o-y. This could be attributed to the consolidation plans of certain third-party logistics firms due to the decline in global demand. Nonetheless, the demand for prime warehouse is envisaged to remain stable. Since 4Q 2020, occupancy level remained fairly healthy at above 90%, though it fell by a slight 0.3 percentage point (pp) y-o-y to 90.9% in 4Q 2024, which could likely be bolstered by the resilient demand for good quality logistics assets with good specifications and located in well-connected and accessible locations.

7.3 RENTS

In line with the relatively resilient occupancy performance of warehouse spaces in Singapore, the rental market is resilient, supported by sustained demand for good quality warehouse space. The JTC rental index for warehouse grew 3.5% y-o-y in 4Q 2024, and a further 0.6% q-o-q in 1Q 2025. The index has been on an upward trend since 4Q 2020, for eighteen consecutive quarters now (Exhibit 7-4).

Exhibit 7-4: JTC rental index of warehouse space, 2014 to 1Q 2025



Source: JTC, Knight Frank Singapore

7.4 OUTLOOK OF WAREHOUSE SEGMENT

The completion of new sizable warehouse assets in 2023 and 2024 such as LOGOS Ehub has helped to bring about balance with regards to the tight supply situation in the prevailing years. In view of the upcoming supply of warehouse spaces in which many are good quality logistics assets, landlords are actively exploring asset enhancement initiatives or redevelopment opportunities to enhance the competitiveness of the existing warehouse assets or convert them to modern facilities where possible.

Though the US president Trump's recent announcement of the 10% tariff imposed on Singapore goods presented uncertainty to the supply chain situation, some manufacturers might consider expanding or moving their last-stage production activities to Singapore as it is currently one of the lowest tariff in the region. The global economic and political outlook has created greater volatility in global trade situation and accompanied by the completion of new warehouse spaces in the immediate term, rents for warehouse spaces is envisaged to experience moderate growth of 0% to 2% for the rest of 2025.

SINGAPORE PROPERTY MARKET RESEARCH

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AUSTRALIA PROPERTY MARKET RESEARCH

1.0 ECONOMIC OVERVIEW

The Australian economy slowed to 1.3% in 2024 from 1.4% in 2023, in tandem with a moderation of global economic growth to 3.3% in 2024 from 3.5% in 2023. Economic growth in Australia has been largely supported by strong government spending on non-market sectors[1] such as health and education. Australian economic growth is forecast to improve to 1.8% in 2025, driven by strengthening private demand.

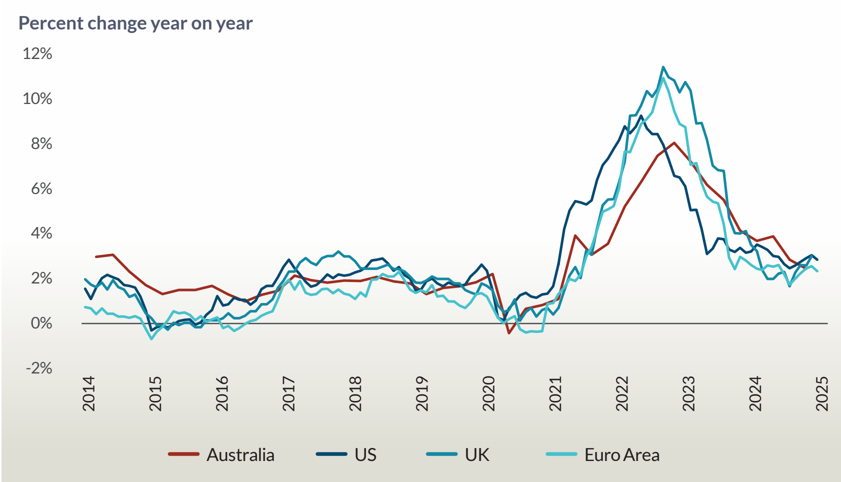
Inflationary pressures eased throughout 2024 and 1Q 2025, leading many central banks to cut official interest rates to less restrictive levels. Headline Consumer Price Index (CPI) in Australia was 2.4% in 1Q 2025 and trimmed mean inflation[2] was 2.9%. Inflation trended downwards in each quarter of 2024 and reached the RBA's target band of 2-3% in 1Q 2025 as the Reserve Bank of Australia's (RBA[3]) monetary policy was having the desired effect of slowing inflation. An improved outlook for inflation supported a decision by the RBA to cut the official interest rate by 25 basis points (bps) at both its February and May meetings to its current level of 3.85%. Market pricing suggests the cash rate will fall to 3.2% by the end of 2025.

Australia's labour market remains relatively tight with the unemployment rate at 4.1% in April 2025. Employment rose by 2.7% in 2024, faster than the resident population growth rate of 1.8% (January to September 2024). Employment growth is expected to transition from being driven by the non-market sector[1] in 2024 to the market sector in 2025. Although, the RBA estimates that employment remains tighter than their goal of full employment, they do not expect labour market conditions to ease materially in 2025. Market Oxford Economics forecasts anticipate the unemployment rate to rise to 4.52% by the end of 2025.

Exhibit 1: Australia's GDP growth

Source: Knight Frank Australia, Macrobond, Oxford Economics

Exhibit 2: Headline Inflation, Australia versus selected advanced economies



Note: Data to March 2025
Source: Knight Frank Australia, Macrobond

Australian household consumption remained weak in 2024 rising by a modest 0.7% annual growth as tight monetary policy settings and inflation continued to constrain on household budgets. Households typically responded to government policies to reduce cost-of-living pressures (including tax cuts and energy rebates) by saving more rather than increasing consumption. Despite the household saving ratio rising, it remained well below the long-term average at 3.8% in 2024 as cost-of-living pressures continued to constrain household saving.

Infrastructure investment rose strongly in 2024 with the value of engineering work done for the

1 Non-market sector refers to industries where goods and services are primarily provided free of charge or at highly subsidized prices, rather than at market prices, such as healthcare, education and public administration. Market sector refers to industries where goods and services are provided at market-prices.
2 Trimmed mean is the average rate of inflation after 'trimming' away the items with the largest price changes (positive or negative). It is the weighted average of the middle 70 per cent of items.
3 The Reserve Bank of Australia (RBA) is Australia's central bank that is responsible for setting official interest rates.

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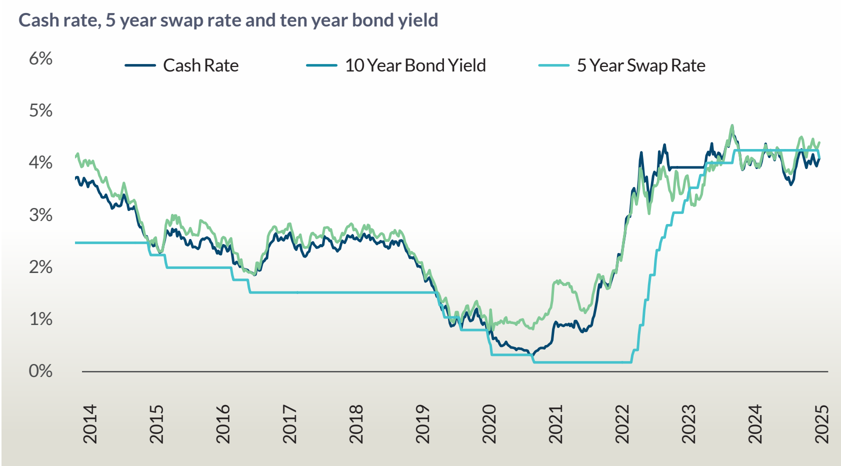
public sector rising by 9.6% over 2024, following a 19.3% increase in 2023. Infrastructure investment has been steadily rising since the COVID-19 pandemic, with the public sector engineering work rising by 57% higher in 2024 compared to 2019. National, state and territory governments have invested heavily in new infrastructure to accommodate strong growth in the Australian population over recent decades. The strong growth in infrastructure investment has largely been driven by increased spending on transport, energy, water and sewerage projects. The New South Wales infrastructure pipeline has grown to A$119.4 billion and this includes a A$62.9 billion commitment towards transport infrastructure over the next four years as part of the 2024-25 NSW Budget. This infrastructure investment is significantly higher than the long-term average. Notably, this represents approximately 50% of the national pipeline for 2024 and is above the forecast spend level for any other state.

Australian population growth slowed throughout 2024 to 1.8% over the year to September 2024 – but remained above the 20-year average of 1.6% – as both net overseas migration and natural increase slowed. This slowdown follows three years of strong growth where the Australian resident population grew by 6% due to strong net overseas migration as a large proportion of visa holders stayed in Australia, lowering departures.

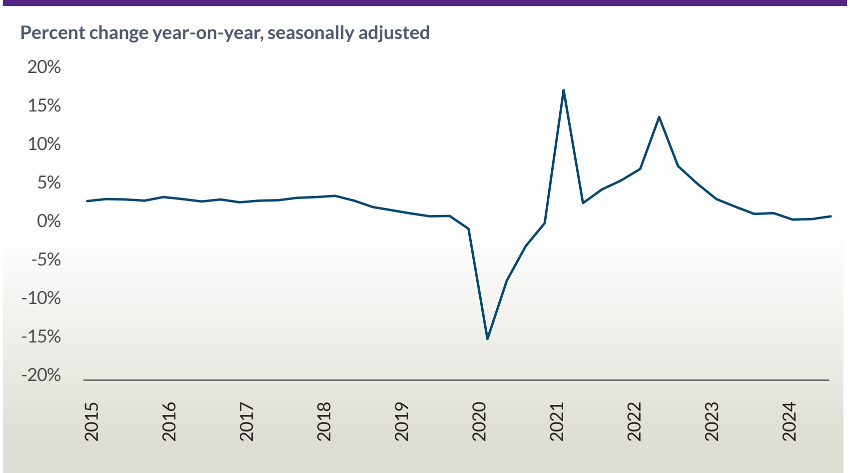
Australian economic conditions are expected to improve in 2025. GDP growth is forecast to accelerate with Australia expected to grow at 1.8% in 2025, roughly in line with the US and stronger than many advanced major industrialised countries economies. Australia's economic growth is in 2025 expected to transition away from public sector and towards household consumption and private sector-driven growth. Easing inflation, robust wage growth and further interest rate cuts are anticipated to drive higher real disposable incomes and underpin improved consumer spending. Population growth is forecast to slow to 1.43% due to a fall in net overseas migration.

Exhibit 3: RBA cash rate versus bond yields



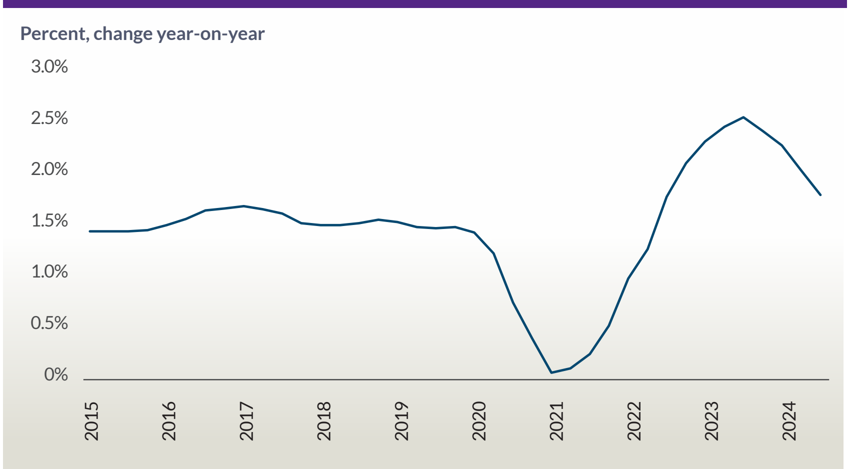
Note: Data to 6 April 2025
Source: Knight Frank Australia, Macrobond

Exhibit 4: Household final consumption expenditure



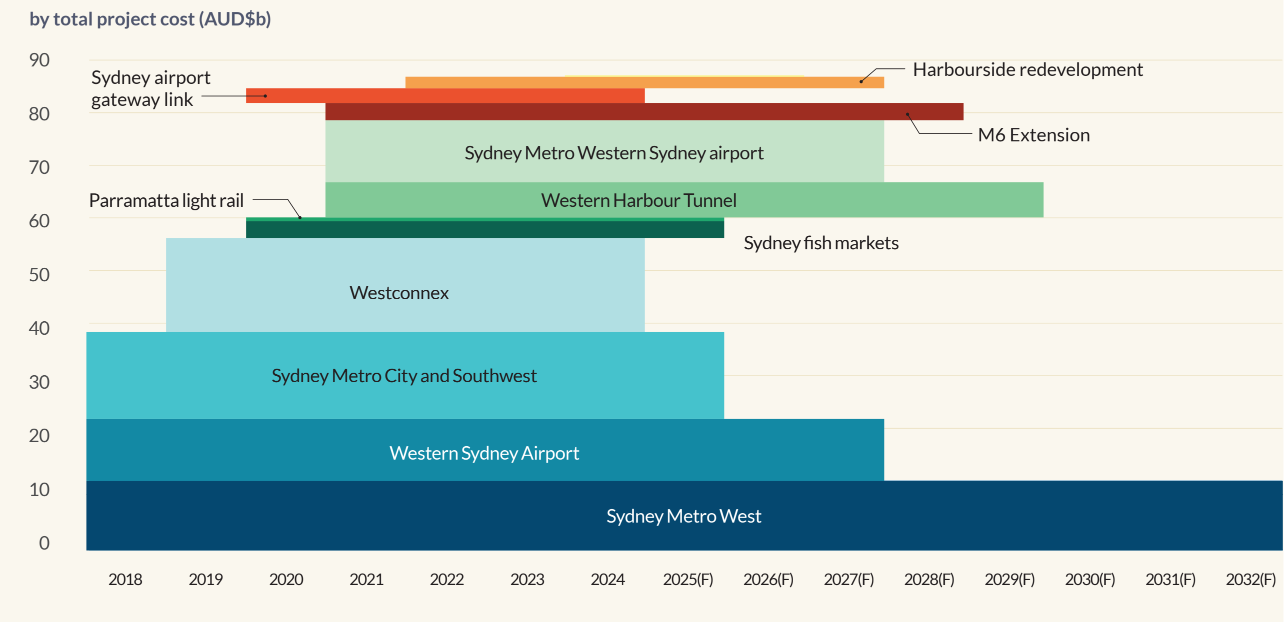
Source: Knight Frank Australia, ABS

Exhibit 5: Australian estimated resident population



Source: Knight Frank Australia, ABS

Exhibit 6: Sydney major infrastructure projects timeline



Source: Knight Frank Australia

Recent developments in international trade policy are a key uncertainty that poses a downside risk to the Australian economy. The indirect effects of the tariffs on lowering world growth are expected to have a larger impact on Australia than the direct effect of the tariff on Australian exports to the US. Significant tariffs between China, Australia's largest trading partner, and the US is expected to reduce China's economic growth, lower demand for Australian exports and decrease Australian economic growth.

AUSTRALIA PROPERTY MARKET RESEARCH

2.0 MACQUARIE PARK

2.1 INTRODUCTION

Macquarie Park is located 15 kilometres (km) northwest of the Sydney Central Business District (CBD) and is accessed by major roadways including the M1 Motorway with direct access from North Sydney and the CBD, and the M2 Motorway with direct access from Parramatta and Western Sydney. The Macquarie Park/North Ryde office and business space market is one of Australia's largest non-CBD markets, and Sydney's largest non-CBD market.

Key Driver – Young professionals to attract high-value industries

Business growth in Macquarie Park has been underpinned by the high availability of skilled young professionals. Macquarie Park is a relatively young and highly educated region due to the presence of Macquarie University; the median age is 33 compared to Sydney's median of 37, and 53% of the residents in Macquarie Park hold a bachelor's degree or higher, compared to Sydney's average of 33%, which make it one of the most highly educated areas in NSW. Most employed residents in Macquarie work as professionals (41%) followed by administrative workers (14%) and managers (13%).

Macquarie Park is known as an innovation centre with strong links between university researchers and business in the healthcare, pharmaceutical and technology sectors. It is home to major institutional owners and global brand tenancies, including Johnson & Johnson, Fujitsu and Kia. Macquarie Park is also home to many renowned institutions – Macquarie University, Macquarie University Hospital, Macquarie University Incubator, and leading global companies. Business innovation in Macquarie Park creates the opportunity for job creations and investment opportunities.

Exhibit 7: Key infrastructure project pipeline in Macquarie Park

Project	Description	Status and Timing
Macquarie Park Education Campus	A new primary school (up to 1,012 students), as well as an integrated public preschool (60 child) and a new high school (up to 2,020 students) at Lachlan's Line.	The Department of Education finalised the site acquisition from Landcom at Lachlan's Line in July 2024. Completion expected in 2028.
Macquarie Park Precinct & Bus Interchange Upgrade	A$200 million - Optimise bus operation and pedestrian access in Macquarie University Station Bus Interchange.	Transport for NSW has begun investigation work along Herring Road, Waterloo Road and Talavera Road to help inform detailed design.
Macquarie Park Bus Priority and Capacity	Improvement of the road network to increase the reliability and efficiency of bus services.	Stage 1 completed; Stage 2 in the planning stage.
Ryde Hospital Redevelopment	A$526.8 million - deliver a new and expanded emergency department and intensive care unit, new theatres, new purpose-built ambulatory care centre, new paediatric short stay unit, more adult overnight inpatient beds and expanded medical imaging.	Construction underway with the focus on relocation services to new interim structures.
Midtown Macquarie Park New Primary School	A new primary school in Midtown Macquarie Park to accommodate 750 students from kindergarten to year 6.	SSD application has been approved. Building contractor appointed.

Source: Knight Frank Australia, NSW Government

Key Driver – Government initiatives to support the economic growth

The New South Wales (NSW) Government has designated Macquarie Park as an important strategic centre. Macquarie Park is a health and education precinct and an important economic and employment centre in Sydney's North District (comprising North Shore markets). The Macquarie Park Place Strategy, which was finalised in September 2022, outlines plans for the renewal of the precinct to 2036 to help Macquarie Park reach its full potential as a destination that encourages creativity and collaboration.

Under the place strategy, the Macquarie Park Transport Oriented Development (TOD) rezoning came into effect in November 2024 to amend the planning controls for the Macquarie Park TOD Accelerated Precincts. The rezoning will provide the precinct with the capacity for 9,600 new homes, 100,000 jobs, 3%-10% affordable housing contributions for all new residential developments and more open spaces. A$1.07 billion has been committed by the NSW government toward state and regional infrastructure to support the Macquarie Park Innovation Precinct transformation including the projects described in Exhibit 7.

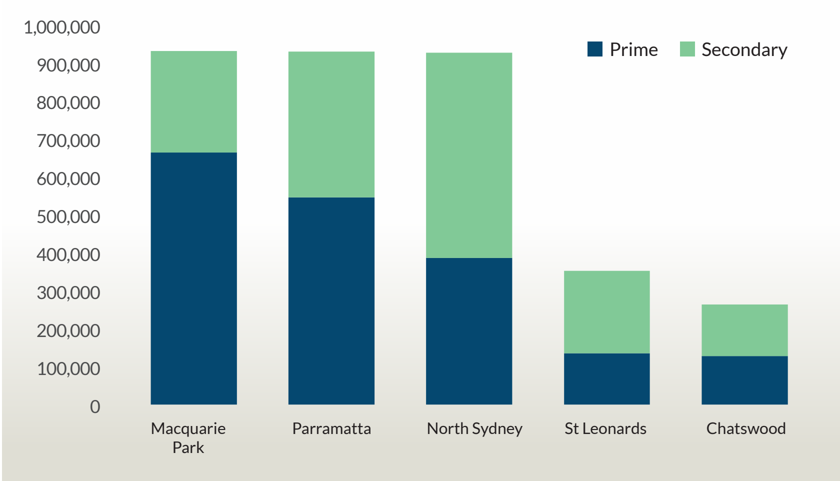
Additionally, the opening of the Sydney Metro City and Southwest line in late 2024 has further enhanced Macquarie Park's connectivity to key locations, including North Sydney and the CBD.

2.2 DEMAND

Tenant demand in Macquarie Park has been supported by well-established industry clusters including government, pharmaceutical and biotech occupiers. In the last 12 months to January 2025, Macquarie Park recorded a positive office net absorption of 19,263 sqm, the strongest annual net absorption across NSW suburban office markets. Leasing activities over the past three years have been dominated by the manufacturing and tech sectors, along with professional services occupiers, which in total accounted for 66% of the lease deal volumes during this period.

Looking ahead, Macquarie Park will continue to benefit from its status as a designated innovation precinct and economic hub. It consistently attracts tenants in the manufacturing, technology and health sectors, particularly those with more complex requirements including conventional office space and specialist laboratory space. Infrastructure investment will further enhance its appeal as a destination and potentially widen the occupier mix over time, through expanding links between Macquarie University and commercial occupiers. These factors are expected to be the predominant drivers for office space demand over the next decade.

Exhibit 8: Office stock size, by market (locality) in Sydney



Source: Knight Frank Australia, PCA

Exhibit 9: Lease deals by industry sector

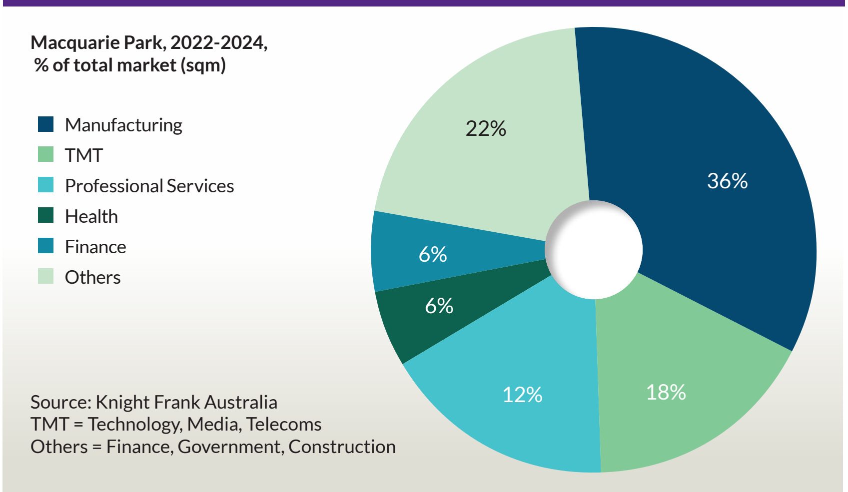


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Exhibit 10: Past Year lease transactions

Address	Tenant	Area (sqm)	Lease Type	Net Face Rent[4] (A$/sqm)	Incentive (%)	Period Reported
15 Talavera Road	MultiLit	1,184	New	440	37%	Q4-24
1 Eden Park Drive	Engagles	284	New	415	U/D	Q3-24
1 Eden Park Drive	DFP Planning	254	New	415	U/D	Q3-24
4 Drake Avenue	Franklin WH	231	New	475	U/D	Q3-24
5 Eden Park Drive	Hankook Tyres Australia	702	New	420	33%	Q2-24
78 Waterloo Road	Groupe SEB	1,017	New	465	40%	Q2-24
1 Eden Park Drive	Hyundai Capital Australia	1,272	New	548	41%	Q2-24
3 Thomas Holt Drive	Allied Pinnacle	1,411	New	410	20%	Q2-24
1 Giffnock Avenue	Arrotex Pharmaceuticals	2,221	New	515-520	40%	Q2-24
1 Eden Street	Toshiba	2,795	New	500	40%	Q2-24
123 Epping Road	Johnson Controls	1,043	New	360	40%	Q1-24
12 Lyon Park	St Johns Ambulance	2,507	New	325	20%	Q1-24
6 Eden Park Drive	Minimax Implants	610	New	460	U/D	Q1-24
3 Thomas Holt Drive	Glory Global	495	New	395	35%	Q1-24

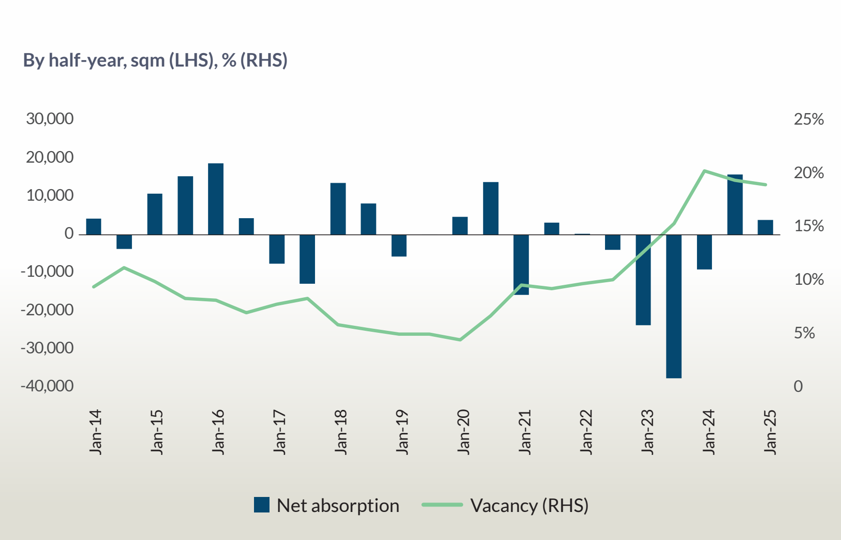
[4] Net face rent refers to the contractual rent less outgoings such as property rates, insurance, repairs and maintenance, and management fees.

2.3 VACANCY

After peaking at 20.1% in January 2024, the overall vacancy in Macquarie Park eased to 18.9% in January 2025. Despite the vacancy still above the historical average, this has primarily been driven by the record levels of new supply since 2020. Notably vacancy remains lower than other major suburban markets including Parramatta, North Sydney and St Leonards.

By building grade, prime vacancy dropped from 21.0% to 19.2% over 12 months to January 2025, with a positive net absorption of 19,441 sqm. Secondary market net absorption totalled negative 148 sqm in 2024 and vacancy increased marginally from 18.0% to 18.1% over the same period.

Exhibit 11: Overall vacancy and net absorption (Macquarie Park)



Source: Knight Frank Australia, PCA

2.4 FUTURE SUPPLY

As the largest metropolitan office market in NSW, the office stock in Macquarie Park ended 2024 at 945,349 sqm. Additionally, with prime space accounting for 71% of the total stock, Macquarie Park has the highest proportion of prime office stock across NSW office markets.

After the supply influx between 2020 and 2023, which added 117,000 sqm of prime office space to the market, Macquarie Park experienced a year of no new supply additions in 2024. The most recent developments were completed in 2023 and include Array (1 Eden Park Drive), MQX4 (1 Giffnock Avenue) and the first stage of M_Park (11 Khartoum Road).

Developed by Kador, Array at 1 Eden Park Drive reached practical completion in the second half of 2023, the building added 10,037 sqm of prime office space across 7 levels.

MQX4 located at 396 Lane Cove Road, developed by Winten Property Group and Frasers Property also entered the market in the second half of 2023. The building comprises 16,000 sqm A-grade space across 8 floors with 100% renewable power supply and targeting 5.5-Star NABERS rating & 6-Star Green Star rating.

M_Park stage 1 at 11 Khartoum Road, part of the M_Park precinct development, also completed in 2023. Delivered by Stockland, the building comprises of 16,800 sqm A-grade space and is targeting 5-Star NABERS and 6-Star Green Star rating.

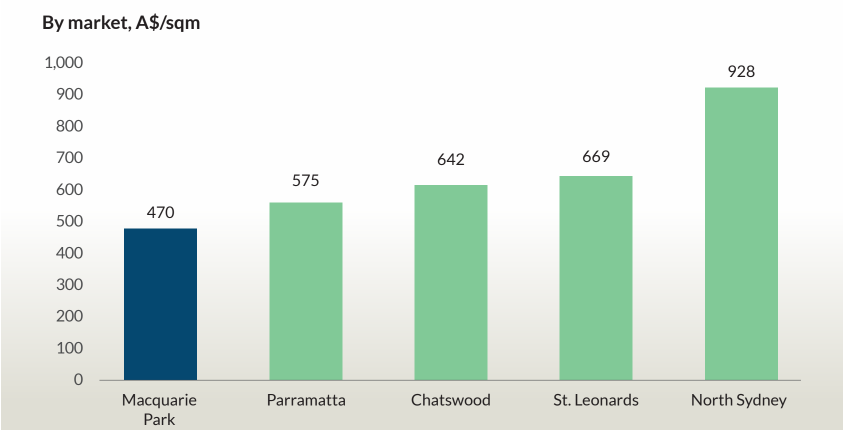
Construction is well underway for the next stage of the M_Park development (15 & 17 Khartoum Road). This is scheduled for completion in the second half of 2025 and will add a further 25,000 sqm of prime space into the market. Of note is 17 Khartoum Road (c.15,000 sqm) has been committed by Johnson & Johnson.

The new prime grade stock along with the supply pipeline will enhance Macquarie Park an attractive destination for occupiers seeking best-in-class buildings with high environmental sustainability at a competitive rental discount to competing markets.

Exhibit 12: Development Pipeline

Source: Knight Frank Australia

Exhibit 13: Average (prime net face) rents, Macquarie Park and competing markets, as at April 2025



Source: Knight Frank Australia

2.5 RENTAL PERFORMANCE

The average prime net face rent in Macquarie Park increased by 2.2% to measure A$470/sqm (A$595/sqm gross face rent) over the 12 months to April 2025. Similarly, secondary net face rent grew by 2.6% on a 12-month basis (to April 2025) to average A$393/sqm (A$518/sqm gross face rent). On a net effective basis, prime rents decreased by 1.0% y-o-y to A$291/sqm and secondary rents trimmed down slightly by 0.6% to average A$243/sqm in the 12 months to April 2025, with incentives for both prime and secondary space elevated to 38.0%. Among North Shore markets, Macquarie Park offers

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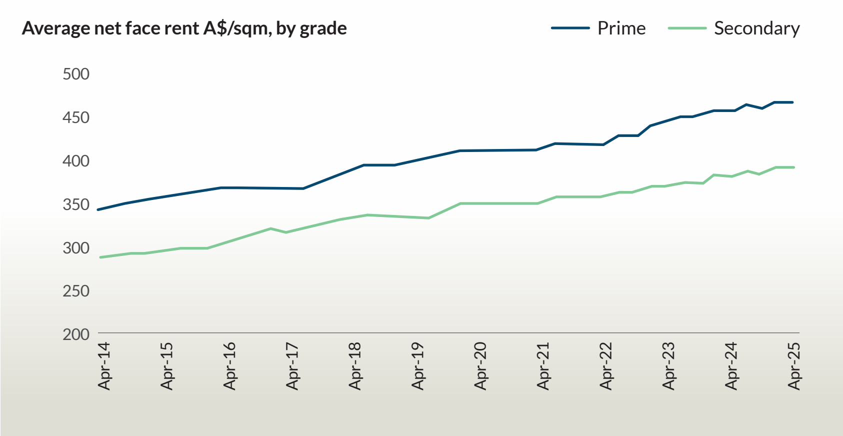
the most competitive rents, with the current prime rental discount to North Sydney at 49%.

Looking ahead, all North Shore markets including Macquarie Park are experiencing high vacancy rates which has placed pressure on landlords to offer high incentives. With prime incentives in Macquarie Park at 38%, they have likely peaked. Beyond 2026, there is no new commited developments which will help the market to recover and enable face and effective rental growth to improve over the forecast period, although in the absence of a strong pick-up in absorption, vacancy rates across all North Shore markets are likely to remain at above average levels for the foreseeable future.

Exhibit 15: Macquarie Park rents

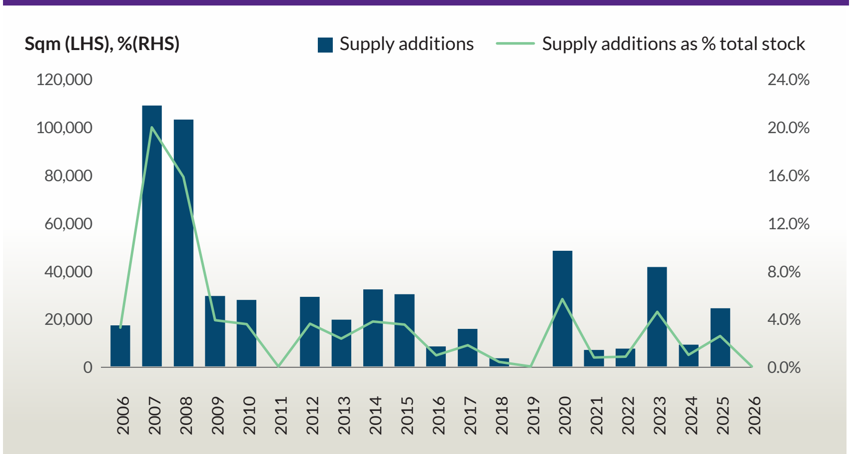


Source: Knight Frank Australia

Exhibit 14: Current rental discounts for Macquarie Park with suburban markets

Macquarie Park	
Parramatta 18%	Chatswood 27%
St Leonards 30%	North Sydney 49%

Exhibit 16: Macquarie Park office supply addition as a % share of the total supply



Source: Knight Frank Australia, PCA

Exhibit 17: Macquarie Park prime office market outlook

End of calendar year	Net face rent ($/sqm)	Growth (%)	Incentive (%)	Net effective rent (A$/sqm)	Growth (%)
2022	443	5.4%	29.0%	314	5.4%
2023	460	4.0%	36.0%	294	-6.3%
2024	470	2.2%	38.0%	291	-1.0%
2025 (F)	479	2.0%	37.6%	299	2.6%
2026 (F)	491	2.5%	37.1%	309	3.3%
2027 (F)	504	2.5%	36.6%	319	3.3%
2028 (F)	516	2.5%	35.6%	332	4.1%
2029 (F)	*532*	*3.0%*	*35.6%*	*342*	*3.0%*

3.0 BELLA VISTA

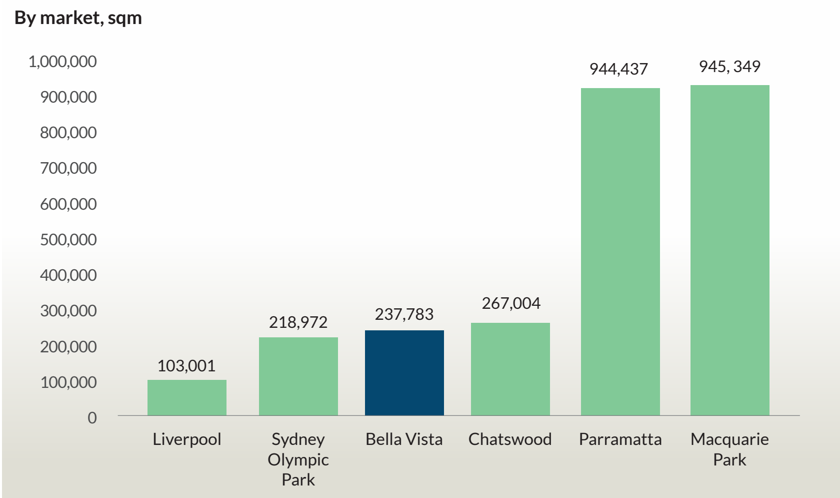
3.1 INTRODUCTION

Bella Vista is located 35 km northwest of the Sydney CBD. The wider Bella Vista and Norwest area has seen rapid growth over the past two decades due to the scale of commercial and employment space the area offers. Accessibility has also been an influential and contributing factor in the area's strong expansion. Supported by Norwest's close proximity to the M2, M4 and M7 motorways, Parramatta, Macquarie Park and the Sydney CBD are all accessible within 20 to 30 minutes respectively by car. The opening of the Sydney Metro Northwest rail line has already strengthened the growth prospects and connectivity of the precinct. With the metro stations in the Sydney CBD and North Shore now open as well, this has only strengthened the regions' connectivity.

The Department of Planning, Housing and Infrastructure (DPHI) is building towards the Six cities vision which includes the Bella Vista and Norwest precinct within its defined Central City District. Growing investment, business opportunities and jobs in strategic centres is a key planning priority of the Central City District Plan. The Plan builds on the existing strengths of each centre and emphasises the desirability of Norwest and Bella Vista as a commercial centre.

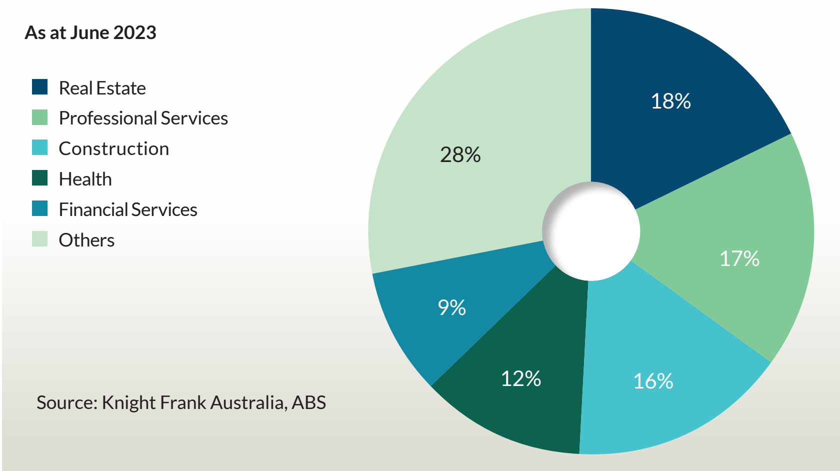
To facilitate this growth, the Norwest-Bella Vista corridor will be transformed into a transit-oriented, more vibrant and diversified centre with higher employment densities and a healthy mix of residential uses and supporting services.

Exhibit 18: Office stock size, Bella Vista and competing markets, as at April 2025



Source: Knight Frank Australia, PCA, Arealytics

Exhibit 19 – Businesses in Bella Vista, by Industry type (%)



Source: Knight Frank Australia, ABS

3.2 DEMAND

The local employment market of the precinct has experienced significant growth over the past two decades, transforming from a farming and industrial precinct into a diverse employment centre. The precinct is characterised by a diverse range of business types, and it is estimated that there are 6,055 businesses currently operating within the precinct (Australian Bureau Statistics (ABS), June 2023).

Notably, the area caters to smaller businesses, with 86% of businesses being either sole traders or having one to four employees, which highlights the precinct's demand for strata suites. However, in terms of larger tenants the area also houses national headquarters for the ASX listed Woolworths Group. Other major tenants located in the precinct include ResMed, Subaru, AAMI Insurance and HWL Ebsworth Lawyers.

By industry sector (ABS, June 2023), Real Estate Services accounts for the largest proportion of businesses by employee count at 18%, followed by Professional Services 17%, Construction Services 16% and Health sector workers 12%. This highlights the highly skilled talent pool within the precinct and the strong presence of highly educated white-collar employees.

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3.3 VACANCY

Historically, the Bella Vista market has seen significant preference for strata buildings, with the majority of office space accounting for this type of ownership. The Bella Vista commercial market is driven by demand for smaller suites. Given the office stock base in Bella Vista is approx. 238,000 sqm and with limited developments over the last few years, vacancy has remained low to currently measure 3.7%, one of the lowest vacancy rates across all office metro markets in NSW. With a strong talent pool of white-collar workers and improved connectivity with Greater Sydney, vacancy is likely to remain tight in the precinct.

3.4 FUTURE SUPPLY

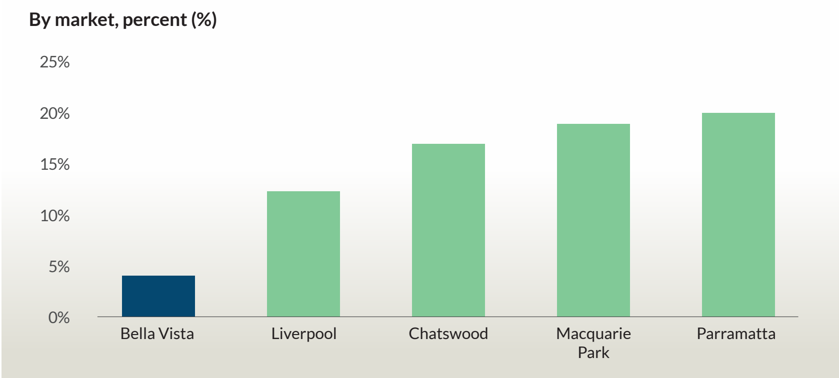
New supply in Bella Vista remains limited with only one development completed over the last 5 years. New developments in the precinct have historically been concentrated on residential housing and apartments which bodes well for its population growth and thus an increase in available workers for the office market.

The last development completed in 2022 was 8 Elizabeth Macarthur Drive developed by Mulpha. Known as "The Bond", the building comprises 7 storeys of commercial and retail strata suites across 10,775 sqm. The building has now been predominantly leased or sold given it is all strata suites, this highlights the demand and interest for prime space within the Bella Vista precinct.

3.5 RENTAL PERFORMANCE

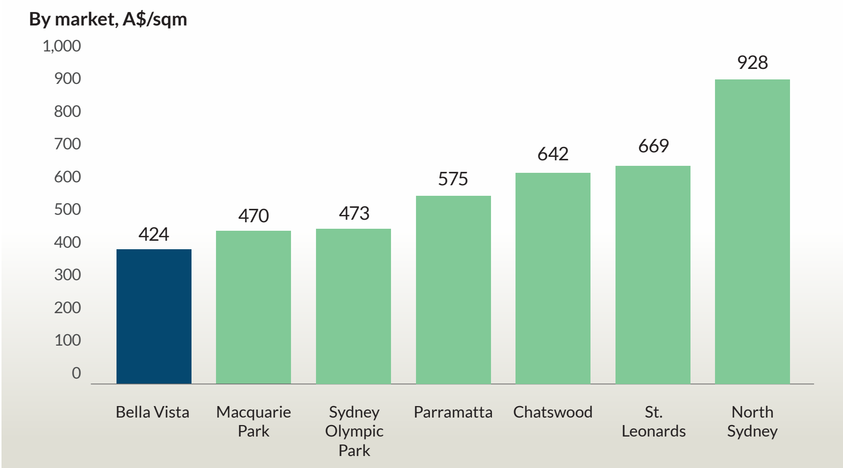
A lack of available leasing options, in conjunction with consistent tenant demand, have led to the resilience of face rents in Bella Vista. Similar to competing markets, prime net face rents have increased slightly over the last 12 months to an average of A$424/sqm (ranging from A$400-A$470 net per sqm). Incentive levels can average between 25% to 35%, depending on the asset and owner.

Exhibit 20: Office Vacancy, Bella Vista versus other markets, as at April 2025



Source: Knight Frank Australia, PCA, Arealytics

Exhibit 21: Average (prime net face) rents, Bella Vista versus other markets, as at April 2025



Source: Knight Frank Australia

Exhibit 22: Current rental discount for Bella Vista with suburban markets

	Bella Vista
Macquarie Park	10%
Sydney Olympic Park	10%
Chatswood	34%
St Leonards	37%
North Sydney	54%

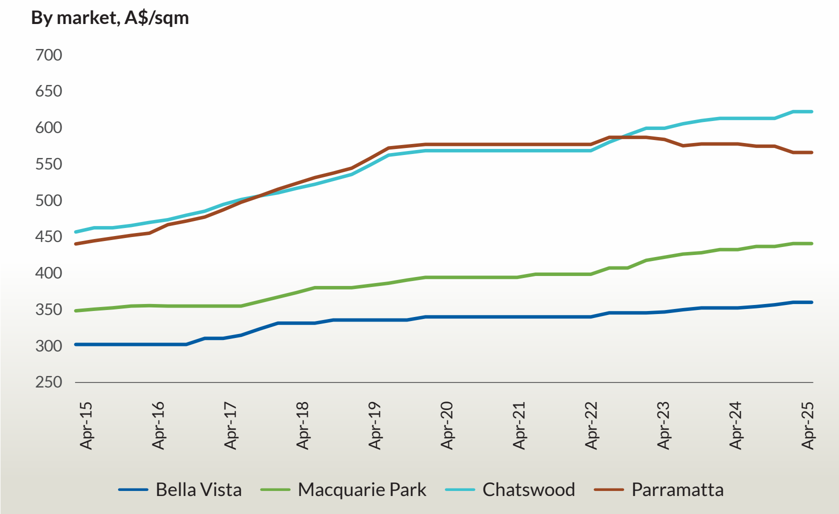
4.0 INVESTMENT

Transaction activity across the North shore remained subdued since 2023 given the higher debt costs over this time and investor preferences seeking core CBD assets and other asset classes. Across the North shore in 2024, sales value totalled A$335 million. The two major transactions in 2024 include 40 Miller St at North Sydney, divested by Mirvac for A$141 million to Barings - a US-based investment manager. The sale reflected a core market yield of 7.4% and circa 16% discount to its book value. Additionally, 116 Miller Street sold for A$80 million to an offshore private investor on a core market yield of 8.2%. The last major transaction in Macquarie Park was in early 2023 with the sale of 5 Eden Park Drive which traded for A$80.7 million to HealthCo Healthcare Wellness REIT, the vendor was Australian Unity Office Fund.

Focusing on Macquarie Park, pricing has felt the impact of higher funding costs. Average prime yields in Macquarie Park have expanded by 200 basis points to 7.25% over the last three years, while secondary yields have seen a larger 240 basis point adjustment to stand at 8.4%. The larger impact on pricing for secondary assets reflects greater caution over the outlook amidst higher rates and elevated vacancy rates in secondary markets, which means they are subject to more leasing risk than prime assets. With yields having now stabilised following a significant period of softening along with a more positive economic outlook, deal flow is likely to pick up throughout 2025 as investors return to acquisition mode.

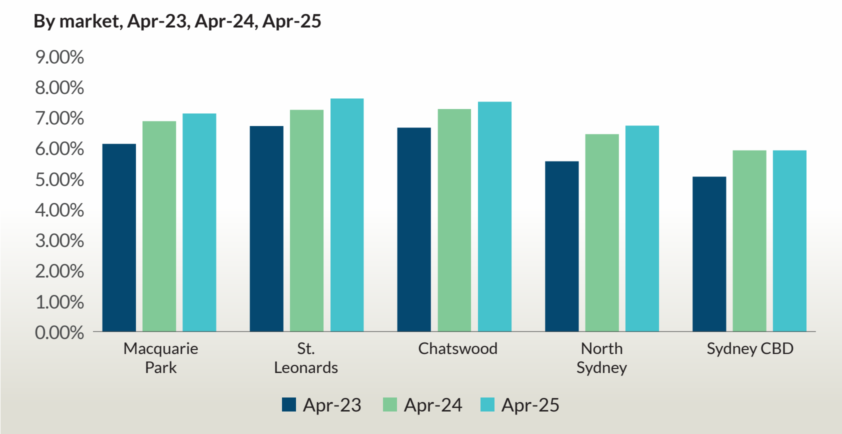
Specifically, in Bella Vista, transaction values for assets A$10 million and above are limited given it is a strata office dominant market. The last major transaction involved the Centuria Healthcare Property Fund (CHPF) acquiring eight strata titles within "The Bond" at 8 Elizabeth Macarthur Drive, this translated to 53% of the building's total net lettable area of circa 5,700 sqm.

Exhibit 23: Average rents, Bella Vista versus other markets



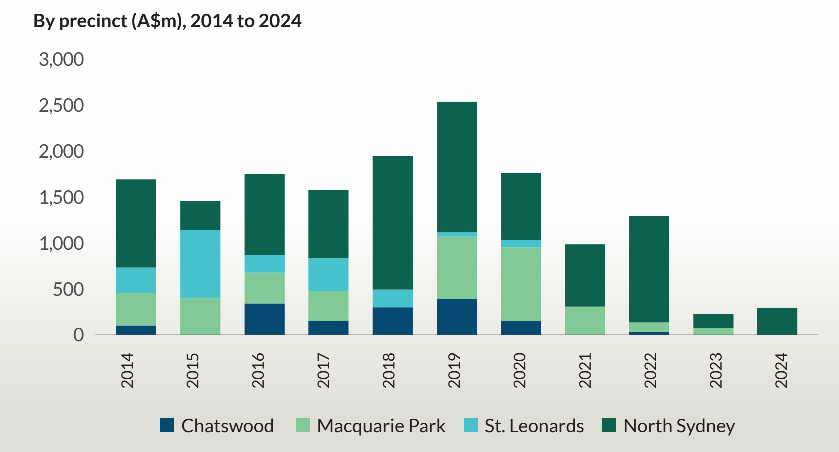
Source: Knight Frank Australia

Exhibit 24: Average prime yields, by markets, as at April 2025



Source: Knight Frank Australia

Exhibit 25: Investment transaction values, by markets (office sales A$10m+)



Source: Knight Frank Australia

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Exhibit 26: Investment Sales Transactions, 2023-2024

Property	Price (A$m)	Core Market Yield (%)	NLA SQM	A$/sqm NLA	WALE	Purchaser	Vendor	Sale date
388 George Street, Sydney (50%)	460.0	6.20	41,098	22,386	6.3	UOL Group JV Singapore Land Group	Brookfield AM	Dec-24
10-20 Bond Street, Sydney	580.0	6.30	38,333	15,131	U/D	Bentall Green Oak	Mirvac JV Morgan Stanley	Nov-24
1 Castlereagh Street, Sydney	183.8	6.30	12,418	14,802	2.6	Metro Holdings JV Sim Lian Group	Early Light International	Oct-24
333 George Street, Sydney	392.0	5.60	14,508	27,020	3.3	DEKA	Charter Hall	Oct-24
116 Miller Street, North Sydney	80.0	8.26	11,368	7,037	0.9	Private Investor	Maville Group	Sep-24
8 Windmill Street, Millers Point	47.8	6.74	3,747	12,744	2.2	Real I.S.	Marks Henderson	Jul-24
40 Miller Street, North Sydney	141.0	7.38	12,615	11,177	4.1	Barings	Mirvac	Jun-24
5 Martin Place, Sydney (50%)	296.2 *	6.10	33,466	17,702	2.9	CBUS Property	Dexus & CPPIB	Jun-24
255 George Street, Sydney (50%)	363.8	6.39	38,977	18,658	7.4	Keppel REIT Management	Mirvac Wholesale Office Fund	Jun-24
1 Central Avenue, South Eveleigh	103.0	5.88	7,716	13,349	6.6	Private Investor	Centuria ATP Fund	May-24
117 Clarence Street, Sydney	130.0	8.10	12,510	10,392	3.5	Forza Capital	Investa (ICPF)	Feb-24
63 Ann Street, Surry Hills	32.3	5.94	2,361	13,659	2.8	Private Investor	Abacus Property Group	Feb-24
124 Walker Street, North Sydney	95.5	7.70	11,006	8,677	1.8	Ho-Group	Dexus Wholesale Property Fund	Dec-23
54 Miller Street, North Sydney	72.1	7.20	6,964	10,353	1.8	Private Investor	AEW Capital	Dec-23
60 Margaret St, Sydney	779.2	6.10	41,167	16,520	3.3	Ash Morgan and MEC Global partners Asia	Mirvac JV Blackstone	Oct-23
1 Margaret St, Sydney	293.1	5.90	20,754	14,123	1.6	Quintessential Equity	Dexus	Aug-23
221-227 Anzac Parade, Kensington	80.0	5.59	10,685	7,487	8.5	Keppel REIT	Charter Hall Direct PFA Fund	Jul-23
2 Cornwallis St, Eveleigh	18.3	5.37	1,148	15,897	U/D	Private Investor	Centuria Capital	May-23
44 Market Street, Sydney	410.0	6.50	30,699	13,356	2.7	PAG (Asia)	Dexus	Apr-23
144 Marsden St, Parramatta	18.0	U/D	2,497	7,209	U/D	The Uniting Church in Australia Property Trust NSW	Premier Real Estate (Hurlstone Park) Pty Ltd	Mar-23
5 Eden Park Drive, Macquarie Park	80.8	5.25	11,556	6,988	3.1	HealthCo Healthcare Wellness REIT	Australian Unity Office Fund	Feb-23
139-141 Macquarie Street, Sydney	133.0	4.30	5,776	23,018	2.0	Shakespeare Property Group	Rigby Hall	Feb-23

Source: Knight Frank Australia
WALE – Weighted Average Lease Expiry
* Net sale price

The fund acquired the strata titles for A$66.2 million in mid-2022. Prior to this, the only other major transaction is AIMS APAC REIT's acquisition of the Woolworths national headquarters at 1 Woolworths Way for A$463 million in late 2021.

5.0 GOLD COAST

5.1 INTRODUCTION
City Economy & Population

Key Driver - Sustained population growth aligned with increased commercial demand

The Gold Coast is Australia's sixth-largest city, with an estimated population of 698,017 as at June 2024, reflecting a strong annual growth rate of 2.3%. The region has averaged 2.4% per annum rental growth over the past 20 years. This sustained rapid expansion is underpinned by the city's growing economy and the lifestyle appeal of coastal living, which continues to attract new residents. The Gold Coast's growth momentum is part of a broader trend, with Queensland among the fastest-growing states in Australia. As at September 2024, Queensland recorded 2.0% annual population growth, outpacing the national rate of 1.8%. Notably, 57% of Queensland's population increase during the year came from offshore migration, compared to 78% nationally, as international migration surged to 379,829 people. However, this surge is expected to taper over the next four years, aligning with a planned reduction to a baseline migration target of 235,000 per annum by FY2027.

Interstate migration remains a key driver of Queensland's net population growth, with the state recording positive net interstate migration every quarter since 1981. This trend has ensured sustained and accelerated growth for the Gold Coast. Looking ahead, the Gold Coast is forecast to remain one of Australia's fastest-growing regions, with the Queensland Government (2023 update) projecting an average annual population growth rate of 1.7% over a 25-year forecast. The city's population is expected to exceed 1 million by 2046, with overseas migration making the largest contribution, followed by net interstate migration, both surpassing the contribution from natural increase. Complementing these demographic forecasts, Oxford Economics projects total employment on the Gold Coast to expand over the next five years by 13%, outpacing the national forecast of 7% in the same time period, reinforcing expectations of ongoing population and economic expansion.

Key Driver - Infrastructure investment remains high in Gold Coast

The Gold Coast continues to attract significant investment across both public and private sectors to support the city's growth and expanding population base. In particular, investment in public transport infrastructure is underway to accommodate both recent and projected population increases.

Several major projects are either currently under construction or in early-stage planning, all aimed at improving connectivity throughout the Gold Coast and injecting substantial capital into the region. One of the largest initiatives is the Coomera Connector—a A$3 billion north-south road corridor designed relieve pressure on the existing M1. Once complete, it will help ease congestion and improve connectivity between the Gold Coast and the rapidly growing residential areas of Coomera and Helensvale. Meanwhile, Stages 3 and 4 of the G:link light rail extension will connect the southern suburbs of the Gold Coast to the broader light rail network. This expansion will significantly improve transport along the coastal corridor and represents an estimated A$7.5 billion in total investment in the region. Stage 3, which will connect the existing G:link Light Rail system at Broadbeach to Burleigh heads is already under delivery and is due to be operational by mid-2026.

As a major urban centre in South-East Queensland, the Gold Coast is set to play a pivotal role in the 2032 Olympic Games hosted by Brisbane. In addition to the broader regional benefits expected from the extensive infrastructure program—projected to exceed A$8 billion—the Gold Coast will directly host several Olympic events. Per the findings of the Games Independent Infrastructure and Coordination Authority's (GIICA) 100-day infrastructure review, the Gold Coast is set to receive a new indoor arena with a capacity of 12,000 to 15,000 spectators. The Gold Coast Arena, to be located at Carey Park in Southport, is scheduled for completion by 2032. This state-of-the-art venue will not only support Olympic events but will also serve as a world-class hub for entertainment, sport, and cultural activities, helping to meet the region's growing demand for live events beyond the Games. The project is expected to generate approximately 1,800 jobs during construction and support 740 full-time positions during operation. In addition to the new arena, the Gold Coast will host the Olympic hockey events, with The Gold Coast Hockey Centre in Labrador set to undergo significant upgrades ahead of the Games. Outside of the above, three existing venues will also be utilised: the Gold Coast Sports and Leisure Centre and Gold Coast Stadium in Carrara, as well as the Gold Coast Convention and Exhibition Centre in Broadbeach. There will also be a satellite athlete's village constructed at Robina set to house 2,600 athletes.

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Major future planned infrastructure or projects include the following identified projects:

Exhibit 27: Key Infrastructure project pipeline in Gold Coast Region

Property	Description	Status and Timing
Coomera Connector	A$3 billion - north-south road connector (45-kilometre motorway) to duplicate the M1.	Stage 1 underway, completion expected 2025.
Light Rail Stage 3	A$1.5 billion to extend the line from Broadbeach to Burleigh Heads, a 6.7km stretch with eight new stations.	Construction commenced early 2022 with completion expected 2025.
Light Rail Stage 4	A$4.5 billion - Final stage with a 13km extension connecting Burleigh heads to Coolangatta via the Gold Coast Airport.	Preliminary business case has been completed and under review. To be completed prior to 2032.
Health & Knowledge Precinct	200ha innovation hub – Over $5 billion has been invested.	Underway, completion of final stage by 2030.
Southport CBD Rejuvenation	A$5 billion total potential investment.	Ongoing public & private sector investment transformed over the next decade. Council currently reviewing the PDA.
Three new heavy rail stations	As part of the cross-river rail project, three new railway stations will be added to the line in the Gold Coast – Pimpama, Hope Island and Merrimac. A$120 million project.	Construction commenced early 2022 with completion expected late 2024.
Brisbane-Gold Coast faster rail project	Track upgrade and duplication A$5.75 billion project.	Stage 1 delivery 2028.
Gold Coast Arena	A$480 million – 12,000-15,000 spectator indoor sports & entertainment arena suitable for use during the 2032 Olympic Games as well as providing a long-term world-class entertainment and sports venue for the Gold Coast following the conclusion of the Olympic Games.	Early Planning stage, due for delivery by 2032.

Source: Knight Frank Australia, QLD Government

5.2 INDUSTRIAL MARKET

The Gold Coast industrial market is somewhat fragmented with most of the large warehousing and freight movement taking place in Brisbane distribution centres as the South/Southeast/Southwest industrial precincts of Brisbane are only 50-70km from the central Gold Coast.

As a result, the Gold Coast industrial market largely serves local parcel and last mile delivery, local businesses and fabricators and smaller format trade outlets and service centres. Legacy industrial assets are dispersed along the length of the Gold Coast, typically located the west of the Gold Coast Highway or Bermuda Street. This is due to the high underlying land values closer to the coastline, which have largely driven a shift in land use toward residential or commercial redevelopment. Key industrial precincts are concentrated in Arundel, Molendinar, Southport, Nerang, Burleigh Heads, and Currumbin Waters in Queensland, as well as Tweed Heads and Tweed Heads South in northern New South Wales. In many of these areas, large-format retail is interspersed with industrial uses, particularly along major arterial roads. It is also worth noting the significant industrial development in the suburbs of Yatala, Stapylton, and Ormeau. Although technically within the Gold Coast City Council boundaries, these areas are generally considered part of the Brisbane industrial market due to their scale and proximity. Nevertheless, these precincts often provide the best available evidence for larger-scale industrial activity, especially where limited data exists within the Gold Coast's core industrial zones.

Industrial rents across the Gold Coast are as much a function of the cost to develop industrial space as from the level of industrial demand. The high underlying value of the land, particularly closer to the coastline requires higher rents for new developments to be feasible. While new construction has been limited, evidence indicates that modern, warehouse-style facilities are achieving net rents in the range of A$175-220/sqm. Older-style existing assets or fabrication facilities range from A$125 to 150/sqm net rent, while industrial assets that compete with or have a trade retail or bulky retail use can achieve net rents of A$200 – 240/sqm. The above rents apply for assets with 1,000 sqm+, with a significant premium currently in force for smaller products such as work stores or smaller industrial strata units.

Industrial assets in the Gold Coast have traditionally been heavily weighted towards owner occupiers and private investors, with the majority of assets not of the scale to attract major institutional investors. While this will change over time as the city continues to mature, one of the largest multi-tenanted estates, Gold Coast Logistics Hub, Arundel, was on the market (via both on and off-market campaigns) for about 18 months before ultimately being sold to a private investor in August 2024 for A$200 million.

Exhibit 28: Industrial sale transactions in Gold Coast

Property	Price (A$m)	Core Market Yield (%)	NLA SQM	A$/sqm NLA	WALE	Purchaser	Vendor	Sale Date
Burleigh Gardens Commercial Estate, 9 Ern Harley Drive, Burleigh Heads	21.00	6.65^	6,780	3,097	3.5	Undisclosed	Private Investor	Under Contract
Gold Coast Logistics Hub, Logistics Place, Arundel	200.00	5.53	59,218	3,377	6.1	Private Investor	Logos/Partners Group	Aug-24
4 Industrial Ave, Molendinar	6.80	7.98^	3,233	2,103	U/D	Private Investor	Private Investor	Oct-24
50 Kingston Ave, Helensvale	8.81	5.71^	2,388	3,689	5.0	Private Investor	Private Investor	Dec-24
Sales in South East Brisbane Precinct								
14 Dixon St, Yatala	102.50	6.35	43,369	2,363	4.7	JV - Korda Mentha/PGIM Real Estate	Stockland	Feb-25
91 Darlington Dr, Yatala	23.60	7.40	13,000	1,815	VP	Northshore Group	J&M McNamee Holdings	Oct-24
6 Quinns Hill Rd East, Stapylton	20.70	7.25^	12,633	1,639	U/D	Tawp Property	Blembrook Pty Ltd	Jul-24

Source: Knight Frank Australia /RCA.
Note: ^ = passing yield, U/D = undisclosed

5.3 OUTLOOK

The Gold Coast region remains as one of the fastest growing areas in Australia with healthy population growth and infrastructure investment contributing to the maturation of the Gold Coast property markets. Ongoing population growth is set to continue, building the workforce and expanding the breadth and depth of services, construction and products required to service the Gold Coast area. This provides for a sustained growth profile for both the industrial and office markets.

The construction of new industrial facilities within the central Gold Coast precinct is expected to remain limited with much of the land having a higher and better use given the strong demand from residential developments closer to the coast. This will see demand concentrated for existing industrial assets, highlighting the potential for further rental growth as vacancy will remain limited. Greatest demand has recently been in evidence for smaller premises of 100 – 500sqm servicing local businesses, trades and also wealthy private part-time residents who need to store cars, boats, etc. Yet, the demand for sub 3,000sqm assets remains high with limited availability.

The downside to limited land suitable for industrial development in the Gold Coast is that this will inherently limit the scale and opportunity of the market. Larger scale industrial users may not be able to find suitable premises within proximity to the Gold Coast Central Business District and will instead remain based within the Brisbane market, potentially expanding their service the Gold Coast rather than taking satellite premises in the Gold Coast itself. The relatively short commute of 40-80 minutes means most industries can be served from the main Brisbane industrial precincts, particularly the South East.

AIMS APAC REIT navigates challenges with resilience, delivering value to stakeholders while shining a light on sustainability, ensuring that our commitment to responsible growth and long-term value remains unwavering.

SHINING A LIGHT ON SUSTAINABILITY

SUSTAINABILITY REPORT

ABOUT THIS REPORT

We are pleased to present the 9th annual Sustainability Report of AIMS APAC REIT ("AA REIT"), which highlights our unwavering commitment to sustainability in our business operations across Singapore. This report details our progress along the economic, environmental, social, and governance ("ESG") roadmap for the fiscal year from 1 April 2024 to 31 March 2025 ("FY2025"). Unless stated otherwise, the environmental data included pertains to the 18 properties in Singapore under the Manager's operational control. The remaining 10 properties, located in Singapore and Australia, are master tenanted and fall outside of AA REIT's operational oversight. Employee-related information focuses on staff from AIMS APAC REIT Management Limited ("Manager") and AIMS APAC Property Management Pte. Ltd. ("Property Manager"), both based in Singapore.

We release our sustainability reports on an annual basis and reports from previous years can be accessed on our website. https://www.aimsapacreit.com/sustainability-overview.html.

REPORTING FRAMEWORKS

This report has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards 2021. We selected the GRI Standards as our reporting framework due to their comprehensive disclosure guidance and widespread acceptance in sustainability reporting. The complete GRI content index is provided on pages 118 to 120.

In line with last year's practices, we have incorporated the recommendations of the Taskforce on Climate-related Financial Disclosures ("TCFD") into our climate change reporting, adhering to guidelines from the Singapore Exchange ("SGX") and the Monetary Authority of Singapore ("MAS"). Detailed TCFD disclosures are available on pages 100 to 101.

This report has further taken reference from the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards shaped by the International Sustainability Standards Board (ISSB). In FY2025, we worked with an external consultant on a gap analysis assessment to identify the areas for alignment for reporting against IFRS S1 and S2 climate-related disclosures. Moving forward, this will allow us to strive towards compliance with the ISSB Standards in future reporting years, in line with regulatory requirements. Our sustainability report meets the reporting requirements specified in the Singapore Exchange Securities Trading Limited Sustainability Reporting Guide, including Listing Rules 711A, 711B and Practice Note 7.6. While this Sustainability Report has not undergone external assurance, it has been internally audited by the third-party firm, BDO Advisory Pte Ltd.

FEEDBACK

As we seek to continuously improve our sustainability report, we welcome your feedback. Please write to us at **investorrelations@aimsapac.com**.

SUSTAINABILITY REPORT

BOARD STATEMENT

Dear Stakeholders,

As we assess the current landscape of sustainability, it is evident that expectations for businesses are intensifying, particularly regarding climate action. Recent regulatory advancements are raising the bar for corporate sustainability disclosures, necessitating alignment with the International Sustainability Standards Board (ISSB) framework. At AIMS APAC REIT, we acknowledge the urgency of these expectations and are committed to integrating sustainable practices into our operations. We remain firmly committed to our unitholders, tenants, business partners, financiers and the communities we serve as we pursue diverse market opportunities and continue to build a resilient portfolio.

The Board of AIMS APAC REIT plays an active role in overseeing the identification and management of ESG issues material to our business. In FY2025, we are proud to report a 25% reduction in carbon emissions from our FY2020 baseline. This significant achievement reflects our commitment to the long-term goals established by the Science Based Targets Initiative (SBTi), aiming for a 42% reduction by FY2030, in alignment with the Paris Agreement's objective to limit global warming to 1.5°C above pre-industrial levels. Our carbon baselining exercise has enabled us to identify critical initiatives that will further reduce our environmental footprint, with a particular focus on enhancing energy efficiency and implementing innovative strategies.

Over the past year, we have made significant strides in operationalizing our environmental goals. We completed Phase 1 rooftop solar panel installation and now commenced Phase 2 of our rooftop solar panel installation across three properties, which upon completion, will bring our total solar capacity to 14.7 MWp across nine assets – positioning us as one of the largest adopters of solar PV systems among Singapore REITs. The rollout of a smart metering system across 15 properties has been substantially completed, enabling real-time monitoring of energy consumption and facilitating collaboration with tenants to reduce their carbon footprints.

We also advanced several other energy efficiency projects. Electric vehicle (EV) fast-charging stations were installed across four properties, implemented an LED smart lighting system at 20 Gul Way, our largest property by net lettable area, and installed a new energy-efficient chiller at 135 Joo Seng Road. To strengthen water efficiency, we completed the installation of water-efficient fittings at 27 Penjuru Lane and 15 Tai Seng Drive and obtained Water Efficient (basic) Building award for 56 Serangoon North Ave 4.

These investments not only reduce our environmental footprint but also deliver financial and operational value generating incremental revenue from solar energy, lowering utility costs, and enhancing access to sustainable financing. To complement these efforts, AA REIT obtained a new unsecured Sustainability-Linked Loan ("SLL") of up to S$400 million and A$150 million. Besides providing headroom for AEIs and potential growth opportunities, the SLL is also structured to offer sustainability margin adjustments tied to AA REIT's performance in achieving pre-determined sustainability targets that are aligned to AA REIT's sustainability strategy. The successful achievement of these targets will enable AA REIT to benefit from further margin reduction which will lower our borrowing costs. Over the years, not only have we improved our overall GRESB real estate assessment score but also earned us the Platinum Award for Best Overall ESG at the 9th Annual REITs & Real Estate Investment Summit Asia Pacific 2024.

On the social front, we continue to foster a safe, inclusive and supportive workplace. Our community engagement initiatives in FY2025 included volunteer activities at Krsna Free Meals and the Waterways Watch Society, reinforcing our ongoing commitment to social responsibility and environmental stewardship.

In terms of diversity, we maintain a strong mix of employees and have surpassed our target for training hours, further enhancing our employees' training and development.

Now in its 9th edition, our Sustainability Report, outlines the progress, achievements, and ongoing efforts in our ESG journey. We thank all stakeholders for their support and look forward to providing further updates in the coming years.

The Board of Directors
AIMS APAC REIT
Management Limited

SUSTAINABILITY REPORT

FY2025 ESG HIGHLIGHTS

Installed operational EV fast-charging stations at 4 AA REIT properties in Singapore

Completed installation of an energy-efficient LED smart lighting system at 20 Gul Way, our largest property by net lettable area - significantly reducing energy consumption while optimising operational efficiency

Rolled out a smart metering system across 15 properties to provide real-time energy consumption insights for landlord and tenants

Embarked on Phase 2 rooftop solar panel system installation at 3 properties

Completed toilet upgrades at 27 Penjuru Lane and 15 Tai Seng Drive with water efficient fittings

Completed installation of new energy efficient chiller at 135 Joo Seng Road

Obtained Water Efficient (basic) Building award for 56 Serangoon North Ave 4

Sealed a New Unsecured Sustainability-Linked Loan ("SLL") Facility of up to S$400 million and A$150 million with alignment to our sustainability goals

Scored Platinum Award for Best Overall ESG at 9th Annual REITs & Real Estate Investment Summit Asia Pacific 2024

Obtained score of 63 points for our FY2024 GRESB real estate assessment, a 7 point improvement from FY2023

Participated in community engagement initiatives, including meal distribution to the underprivileged with Krsna Free Meals and a litter collection activity along the Kallang River with Waterways Watch Society, reinforcing our commitment to social and environmental responsibility

SUSTAINABILITY REPORT

SUSTAINABILITY FRAMEWORK

At AA REIT, our commitment to standing strong is reflected in our pursuit of a sustainable future, aligning closely with the Paris Agreement and Singapore's net zero ambitions. In FY2023, we took a significant step forward by launching our Environmental, Social and Governance ("ESG") Roadmap, which sets ambitious SBTi-aligned emissions reduction targets and commits us to annual reporting. This initiative is part of our ongoing effort to enhance sustainability policies and processes, ensuring that environmentally friendly and socially responsible principles are deeply embedded in our core operations.

In FY2024, we further strengthened our sustainability vision with a comprehensive framework and clearly defined goals to guide our long-term vision. Our objectives span both short and long-term horizons, reinforcing our role as responsible corporate citizens. These goals are designed to bolster the resilience of our business while delivering tangible benefits across the economy, environment and society. To support this vision, we have developed and implemented targeted policies and initiatives that effectively tackle sustainability challenges within our diverse business functions.

In FY2025, we expanded on this by introducing new targets in areas such as signing green leases, implementing water efficient fittings and further expanding our ESG training. These additions mark a continued shift from framework development to implementation and reflect our focus on driving measurable progress across priority areas.

Our sustainability framework is closely aligned with the UN Sustainable Development Goals ("UN SDGs") and we have carefully selected 5 of the 17 SDGs that resonate most with our business ethos and core Environmental, Social and Governance ("ESG") priorities. By standing by our commitments, we strive to make a meaningful contribution to these global objectives, ensuring a positive impact for generations to come.

ESG PILLARS Focus areas that drive our ESG agenda	MATERIAL TOPICS ESG topics that operationalised the pillars	UN SDGS Our ESG approach contributes to global goals
BUILD A SUSTAINABLE BUSINESS	• Economic Performance	8 DECENT WORK AND ECONOMIC GROWTH
ACT RESPONSIBLY	• Energy and Emissions • Water and Effluents • Waste	7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
PROMOTE WELL-BEING	• Occupational Health and Safety ("OHS") • Employment, Training and Education • Diversity and Equal Opportunity • Local Communities	3 GOOD HEALTH AND WELL-BEING
OPERATE ETHICALLY	• Business Ethics and Compliance • Regulatory and Environmental Compliance	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

VISION

To be the preferred Asia Pacific industrial, logistics and business park real estate solutions provider to our tenants and partners.

MISSION

To provide investors with sustainable long-term returns through strategic acquisitions and partnerships, prudent capital management and proactive asset management of a high quality industrial, logistics and business park portfolio across Asia Pacific.

ENABLERS

Foundational characteristics that enable success

- Internal Collaboration
- Responsible Investments
- Strong Partnerships
- Discipline in Capital Allocation
- Good Governance and Responsible Business Practices

SUSTAINABILITY REPORT

STAKEHOLDER GOVERNANCE

Sustainability, accountability and transparency serve as the key elements in our governance approach. Our ESG model is underpinned by a dependable governance framework, with our Board of Directors and senior management actively committed to overseeing our long-term ESG objectives.

Additionally, we have integrated ESG-specific indicators into our Key Performance Indicators, ensuring that they are a vital component of the annual evaluation process for employees across relevant functions. This alignment reinforces our dedication to achieving our sustainability goals while fostering a culture of responsibility and performance.

SUSTAINABILITY GOVERNANCE STRUCTURE

BOARD OF DIRECTORS

The AA REIT's Board of Directors sets strategic goals and supervises the identification and management of key ESG factors and targets within the REIT. Quarterly updates on sustainability matters are provided to the Board by the Sustainability Council.

SUSTAINABILITY COUNCIL

The Sustainability Council ("SC") is led by the Chief Executive Officer, supported by the Investor Relations ("IR") and sustainability team, includes department heads from all business functions. Its responsibilities include driving sustainability strategy and objectives, overseeing intiative implementation, tracking targets for improvement, and reviewing sustainability performance. The SC meets quarterly and is suported by the Sustainability Working Committee.

SUSTAINABILITY WORKING COMMITTEE

The Sustainability Work Committee ("SWC") is comprised of the IR and sustainability team along with senior members from various business functions. Its tasks include implementing, executing, and monitoring sustainability policies and practices, collecting data, and collaborating with different business functions to manage ESG matters within the organisation.

INTERNAL AUDIT

Neutral and unbiased assurance and guidance on achieving objectives across all relevant matters.

STAKEHOLDER ENGAGEMENT

At AA REIT, we place a strong emphasis on proactive stakeholder engagement to cultivate meaningful relationships and gain valuable insights into the priorities of our key stakeholders. This engagement informs our strategies to create a positive impact on those we serve.

We identify our key stakeholders based on their relevance to AA REIT's operations, ensuring that their interests are central to our business planning. By actively nurturing these relationships and incorporating stakeholder feedback into our sustainability strategy, we continuously enhance our initiatives and areas of disclosure, driving greater alignment with stakeholder expectations.

Key Stakeholders	Key Topics and Concerns	Engagement Methods[1]	Frequency of Engagement
Employees	• Health and safety • Fair and competitive employment practices • Talent development • Equality and diversity • Compensation and other benefits	• Town halls	• Bi-annually
		• Constant review of Occupational Health & Safety ("OHS") standards by OHS committee	• Throughout the year
		• Training and development programme	• Throughout the year
		• Recreational and wellness activities	• Throughout the year
		• Career development performance appraisals	• Annually
		• Employee handbook	• Throughout the year
Investment Community	• Sustainable distributions • Operational and financial performance • Asset and capital management • Business strategy and outlook • Timely and transparent reporting	• Unitholder conferences, webinars, face-to face meetings and Non-Deal Roadshows	• Throughout the year
		• Annual General Meeting	• Annually
		• Ongoing website, announcement, management presentations, press release, webcasts of half-year and full-year results briefings	• Throughout the year
		• Results briefings and business updates for investors and analysts	• Quarterly
		• Site visits	• Annually
Current and potential tenants	• Quality and maintenance of assets • Environmentally sustainable buildings • Safety and security of premises • Tenant engagement • Tenant satisfaction • Responsiveness to tenant requests and feedback	• Tenant survey	• Annually
		• Tenant meetings	• Throughout the year
		• Improving efficiency of buildings	• Throughout the year
		• Encourage and support tenants' ESG initiatives	• Throughout the year
		• Fitting-out manuals	• Throughout the year
Business Partners	• Safe working environment • Fair and reasonable business practices • Stronger relationships	• Review of third-party service providers ("TPSPs")	• Throughout the year
		• Meetings, inspections and networking events	• Throughout the year
		• Communicating standard operating procedures (where applicable)	• Throughout the year
		• Ensuring robust health and safety requirements are met by TPSPs during the selection process and execution of contracts	• Throughout the year
		• Conveying the integrity of the procurement process	• Throughout the year
		• Screening of suppliers based on environmental and social criteria	• Throughout the year
Government, Regulators and Industry Bodies	• Business ethics and regulatory compliance • Good corporate governance	• Responses to public consultations	• Throughout the year
		• Participation and membership in industry forums and associations	• Throughout the year
Local Communities	• Impact and contribution to the communities AA REIT operates in	• Corporate social responsibility events	• Throughout the year

[1] Includes virtual engagements, where applicable.

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MATERIALITY ASSESSMENT

We perform annual reviews of materiality topics and conduct regular assessments to pinpoint the ESG factors that are most pertinent to our business and key stakeholders. This process involves surveying both internal and external stakeholders, analysing their feedback and ranking the identified material topics by significance to generate a materiality matrix.

In FY2025, the Board and management reviewed and affirmed the 10 material topics, making revisions to enhance alignment with our commitments.

The identified material aspects and indicators are mapped out in the table below.

Categories	Material Topic	U.N. Sustainable Development Goal Mapping	Targets
BUILD A SUSTAINABLE BUSINESS	Economic Performance	**SDG 8**: Decent work and economic growth	**Perpetual Target:** • To provide investors with sustainable long-term returns
ACT RESPONSIBLY	Energy and Emissions	**SDG 7**: Affordable and clean energy **SDG 9**: Industry, innovation and infrastructure	**Short-term Targets:** • Increase solar capacity to 12.35 MWp by end FY2026 • 60% of new and renewal leases signed in FY2026 to be green **Medium-term Targets:** • Increase solar capacity to 13.13 MWp by end FY2027 • 70% of new and renewal leases signed in FY2027 to be green **Long-term Targets:** • Science based target initiatives (SBTi): commitment to 42% reduction in Scope 2 emissions by FY2030, from a FY2020 base year • >70% of new and renewal leases signed after FY2027 to be green
	Water and Effluents		**Short-term Target:** • To install water-efficient fittings in at least one property under the Water Efficiency Building Certification **Medium-term Target:** • To actively engage master tenants in single-user assets for collection of water data **Long-term Target:** • Progressively install water-efficient fittings certified under the Water Efficiency Building Certification

Categories	Material Topic	U.N. Sustainable Development Goal Mapping	Targets
ACT RESPONSIBLY	Waste	**SDG 7**: Affordable and clean energy **SDG 9**: Industry, innovation and infrastructure	**Short-term Target:** • To encourage waste separation and recycling in all multi-tenanted properties **Medium-term Target:** • To actively engage master tenants in single-user assets for collection of waste data
PROMOTE WELL-BEING	Occupational Health and Safety	**SDG 3**: Good health and well-being	**Perpetual Targets:** • Zero incidents resulting in staff permanent disability or fatality • Conduct OHS committee meetings every quarter
	Employment, Training and Education		**Perpetual Targets:** • Achieve average training hours of at least 15 hours per employee per annum. • 80% of employees to complete at least one hour of ESG-related training per annum
	Local Communities		**Perpetual Target:** • To participate in two CSR initiatives annually
	Diversity and Equal Opportunity		**Perpetual Targets:** • Commit to fair employment practices by ensuring that all individuals receive the same opportunities for hiring, advancement and benefits • Zero cases of validated discrimination
OPERATE ETHICALLY	Business Ethics	**SDG 16**: Peace, justice and strong institutions	**Perpetual Target:** • Zero material incidents of non-compliance with regards to anti-corruption laws
	Regulatory and Environmental compliance		**Perpetual Target:** • Zero material incidents of non-compliance with environmental or any other regulation

SUSTAINABILITY REPORT

BUILDING A SUSTAINABLE BUSINESS

We are committed to delivering market-rate financial returns to our unitholders while maintaining social responsibility. We structure our strategic investments and partnerships to generate a positive impact for our unitholders and communities, whilst ensuring our portfolio is future-proof and resilient in the long-term.

OUR APPROACH

- Incorporate sustainability risk elements in risk management approach
- Progressively adopt and promote climate-resilient practices
- Constantly innovating and advancing our skills in responsible investing

ECONOMIC PERFORMANCE

We target to provide our unitholders with a robust financial return on their investments while positively influencing the communities impacted by our operations. During FY2025, we delivered 5.3% higher Gross Revenue, 2.1% higher Net Property Income and 5.2% higher Distributions to Unitholders. As a result, full year Distribution per Unit rose by 2.6% to 9.600 Singapore cents. In FY2025, AA REIT has made significant progress in its ongoing portfolio revitalisation in Singapore via two identified AEIs at 7 Clementi Loop and 15 Tai Seng Drive and securing long term leases for these two assets. The two AEIs are testament to AA REIT's proactive asset management approach, which is expected to unlock greater long-term sustainable returns to the Unitholders.

In addition to the new sustainability-linked loan that was entered into this year, AA REIT issued a new 5-year S$ 125 million perpetual securities at a fixed rate of 4.70% per annum, which will save AA REIT approximately S$1.2 million per annum basis upon redemption of an existing S$125 million perpetual securities priced at 5.65% per annum that will be maturing in August 2025. This proactive approach establishes a solid foundation for future growth, equipping us with the necessary capacity to finance any future asset enhancement initiatives and pursue new acquisitions that

Key Initiatives in FY2025:

Yearly Budget Review Exercise for Strategic Planning:

Before the start of each financial year, the Manager conducts a yearly budget review to offer a long-term perspective on AA REIT's financial performance and contribute to setting the stage for sustainable long-term returns for unitholders. To guarantee accountability and responsibility, budget reviews and Board updates are carried out regularly.

Containing Rising Operational Costs & minimizing Cost Volatility through Long-term Contracts:

The Manager frequently reviews its property-related costs, including manpower, material and electricity costs. Due to global inflation, these costs have increased. To mitigate these rising costs, the REIT has increased service charges, secured cost recoveries and called for competitive tenders to lock-in contracts for longer terms as necessary. This decision ensures the REIT is able to mitigate rising costs and provide Unitholders with sustainable long-term returns.

Hedging of Interest Rate and Foreign Currency Risks:

The Manager has obtained a mandate from the Board to mitigate foreign exchange and interest rate risks by maintaining appropriate hedge ratios, which are locked in accordance with the Financial Risk Management Policy or as approved by the Board. By maintaining appropriate hedging ratios via interest rate swaps and currency forwards, the Manager is able to mitigate interest rate and foreign currency volatilities and provide certainty of the distributable income to Unitholders.

Preservation of Strong Financial Flexibility:

The Manager employs a financially prudent and disciplined approach towards capital management. AA REIT's available cash and committed debt facilities of about S$289.5 million as at 31 March 2025 ensures that it has the financial flexibility to capture future growth opportunities, including acquisition, asset enhancement initiatives and developments. The Manager maintains a strong and healthy relationship with its banking, financial institutional partners and investors, which provides AA REIT with diversified sources of funding.

promote sustainable long-term returns. For a detailed overview of our economic performance, please refer to our Financial Statements and Capital Management sections on pages 155 to 229 and 33 to 35, respectively.
In addition, we have made investments that reduce our environmental footprint while also delivering financial and operational value—generating incremental revenue through the generation of solar energy, including income from exporting surplus energy from our solar installations to the grid. Sustainability-led initiatives, such as the installation of water-efficient fittings and smart lighting systems, have also contributed to lowering utility costs and improving operational efficiency. These efforts support our broader sustainability goals and drive long-term value creation.

Through regular evaluations, continuous improvements and strict adherence to our company policies, we have successfully maintained stable dividends for our shareholders over the long term. The Manager is committed to fostering ongoing growth and adopts a prudent yet assertive management strategy in achieving this goal.

Economic Performance Policies

POLICY 1	POLICY 2	POLICY 3
Financial Risk Management Policy	**Enterprise Risk Management**	**Delegation of Authority**
Outlines the framework, approach, and defined limits for managing key financial risks, including interest rate and foreign exchange exposures.	Establishes the overall approach to risk management, setting out the policies, procedures, and governance standards that must be adhered to across the organisation.	Specifies the approval matrix and authority levels for various business activities and processes, ensuring appropriate accountability and oversight across functions

ENVIRONMENTAL RISK MANAGEMENT

AA REIT is committed to enhancing the resilience of our portfolio and navigating the future with confidence by adopting a comprehensive approach to understanding the risks that face our business, including those associated with climate change. Climate change presents both physical risks, such as extreme weather events that can cause property damage and operational disruptions, and transition risks related to the shift towards a low-carbon economy, including new regulatory requirements, disruptive technologies and changing market demands. These risks collectively influence investment decision-making and performance outcomes. As we strive to deliver long-term value to our stakeholders, it is essential that we assess the impact of climate change on our business and integrate these risks into our risk management approach.

In line with Monetary Authority of Singapore ("MAS") Guidelines on Environmental Risk Management for Asset Managers as well as Singapore Exchange ("SGX") regulations requiring listed companies from the material and buildings industry to provide climate-related disclosures, we have adopted TCFD climate-related recommendations since FY2023 to disclose on the material climate-related risks and opportunities that impact our business.

In FY2025, to prepare for upcoming SGX requirements, we enhanced our climate-related disclosures by conducting a gap analysis against the IFRS Sustainability Disclosure Standards, which are based on TCFD recommendations. These standards aim to support investor-focused disclosures on sustainability-related financial information and provide a comprehensive global framework for addressing the needs of capital markets and ensuring consistent, comparable, and verifiable information on sustainability-related risks and opportunities.

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The table below demonstrates how AA REIT approaches the various climate-related risks that may impact our business, with close reference to the four primary pillars of TCFD:

Key Components of TCFD Recommendations	AA REIT's Response
Governance a) Describe the board's oversight of climate-related risks and opportunities. b) Describe management's role in assessing and managing climate-related risks and opportunities.	• The Board provides strategic direction and oversees the management of the REIT's material ESG matters, including climate-related considerations. This includes: o Assessing the REIT's environmental risk profile; o Approving an environmental risk management framework, material topics, targets and related policies; o Setting clear roles and responsibilities of the Board and senior management relating to the oversight of environmental risk; and o Enhancing environmental risk management competency within the Board and management. • Management, represented by the Sustainability Council, manages the REIT's sustainability strategies, objectives, initiatives and targets. This includes: o Developing an environmental risk management framework and incorporating it across investment research and portfolio construction; o Ensuring ESG commitments align with the environmental risk profile set by the Board through short-, medium- and long-term targets; o Establishing an internal escalation process for managing environmental risk; and o Providing regular updates to the Board on material environmental risk issues, including progress towards targets. • Please refer to the "Sustainability Governance" section on page 94 for more information.
Strategy a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term. b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	• Management has integrated environmental risk into the existing enterprise risk management framework, accounts for environmental risk within the investment process and across the portfolio and manages material risks. Concurrently, the following opportunities have been identified over the short-, medium- and long-term: a) engaging in renewable energy programs alongside key industry players, such as SP Group and GoNetZero, and embracing smart technologies to enhance the energy efficiency of AA REIT's properties, all of which have the potential to lower operating expense and increase revenue; b) responding to the market's demand for sustainable products by investing into properties with sustainable building certifications and building EV fast charging infrastructure, both of which have the potential to increase revenue; and c) secured a new unsecured Sustainability-Linked Loan (SLL) of up to S$400 million and A$150 million, with margin reductions tied to the achievement of sustainability targets. The facility supports funding flexibility for AEIs and growth, while directly linking our financing costs to ESG performance—further aligning our financial strategy with our sustainability objectives. • Management has conducted a qualitative assessment of the climate-related transition and physical risks facing its properties, considering short-, medium- and long-term horizons per the SGX recommendations for a phased TCFD approach. Please refer to pages 102 to 103 for more information on the scenarios considered. • Management and third-party consultants have conducted a quantitative climate scenario analysis to identify and assess the impact of potential physical and transition risks facing our portfolio. In assessing transition risk, we have considered both Net Zero (1.5°C) and business-as-usual (4°C) warming scenarios. Increased pricing of GHG emissions (i.e., a carbon tax) was identified as the key transition risk. When assessing the physical risks to our operations, we focused on the business-as-usual (4°C) warming scenario, as physical risks are most significant under this scenario. Across our portfolio, the most significant physical risks observed are extreme heat and flooding.

Key Components of TCFD Recommendations	AA REIT's Response
Risk Management a) Describe the organisation's processes for identifying and assessing climate-related risks. b) Describe the organisation's processes for managing climate-related risks. c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	• The Sustainability Council meet a quarterly basis to discuss climate-related risks, opportunities, oversee sustainability initiatives and review its performance. • The Board will periodically review the existing enterprise risk management policy to ensure that environmental and climate-related risks are appropriately captured and addressed. • AA REIT conducts training and development programs to enhance the environmental and climate-related risk expertise of our employees and Board members. • Please refer to pages 102 to 103 for more information on AA REIT's climate-related risk identification and assessment process.
Metrics and Targets a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks. c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	• Energy consumption and reduction targets and Scope 1, Scope 2 and Scope 3 GHG emissions are disclosed in the Energy and Emissions section of this sustainability report. Please refer to page 104 for more information on AA REIT's energy and emissions targets. • AA REIT currently has long-term emissions reduction goals and is exploring additional metrics and targets to measure relevant environmental risks and opportunities. Please refer to page 104 for more information on AA REIT's long-term targets.

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AA REIT has conducted a qualitative risk assessment and scenario analysis exercise to identify the potential impacts of:

- Transition risks, under the Network for Greening the Financial System ("NGFS") Net Zero 2050 Scenario and a business-as-usual ("BAU") scenario with "Current Policies" scenario
- Physical risks, under the NGFS Net Zero 2050 Scenario and a BAU scenario with "Hot House World" scenario

The identified transition and physical risks were assessed for the whole portfolio of AA REIT (28 assets located across Australia and Singapore) for the following time horizons:

- Short-term: Within the next 1 to 2 years (by 2027)
- Medium-term: Within the next 2 to 5 years (by 2030)
- Long-term: Within the next 5 to 25 years (by 2050)

These are the specific physical and transition risk exposures for AA REIT's portfolio:

Risk Type	Description	Examples of Possible Impacts	Response
Transition Risk			
Regulatory and policy **Medium to High Risk**	The risk of loss resulting from failure to comply with laws, regulations, contracts or court decisions relating to the impacts of climate change.	• Mandatory climate-related disclosures (and stricter sustainability reporting requirements), which can result in additional costs as companies monitor their carbon emissions. • Mandatory national carbon tax scheme, which can result in higher operating costs due to the increased price of fuel, energy and waste disposal.	• AA REIT captures relevant data and works with stakeholders to improve the quality and timeliness of that data. • AA REIT keeps abreast of regulatory updates to ensure timely compliance with reporting requirements • AA REIT invests in energy efficient and renewable solutions across its properties. • AA REIT seeks to increase the number of properties that are certified under the Building Construction Authority ("BCA") Green Mark Scheme, where commercially feasible.
Reputational **Low to Medium Risk**	The risk of damage to an organisation's image and brand due to its actions or perceived inaction on climate-related issues.	• A perceived lack of climate action could dampen investor confidence and decrease the availability of funding.	• AA REIT manages potential reputational risks through regular and robust stakeholder engagement. Please see pages 94 to 95 for more information on AA REIT's stakeholder engagement efforts. • AA REIT is increasing its number of green leases signed, which require tenants to adhere to sustainable fit-out requirements. In FY2025, 51% of leases signed were green leases. • AA REIT regularly assess and implements new initiatives where necessary to reach its SBTi target.
Market **Low to Medium Risk**	The risk of financial loss resulting from market changes.	• Properties in locations vulnerable to climate change may lead to reduced occupier/tenant demand, customer base and/or asset value. • Inability to meet or keep up with market expectation for sustainable products may result in losing competitive edge.	• AA REIT integrates market-related risks into our investment approach. • AA REIT invests into green solutions such as EV fast-charging stations in Singapore to cater to tenants and visitors' demands.

Risk Type	Description	Examples of Possible Impacts	Response
Transition Risk			
Technology **Low to Medium Risk**	The risk of obsolescence or increased operational cost resulting from the failure to adopt new technologies or business practices that address the impacts of climate change.	• Delaying the implementation of new technologies that have the potential to address energy, emissions, water and waste demands may lead to loss in market share and stranded assets. • Neglecting the adoption of green solutions may lead to increased energy and operational expenditures in the long run.	• AA REIT collaborates with ecosystem partners to adopt sustainable technologies such as smart meters to monitor electricity consumption, rooftop solar panel installations and water efficient fittings.
Physical Risk			
Acute **Medium Risk**	The risk of extreme weather events, such as flooding and fire, that cause property damage and business disruption.	• Higher costs may be incurred to weatherproof the assets and business.	• AA REIT reviews insurance plans in line with our climate risk assessment to ensure adequate coverage for critical assets. • AA REIT considers physical risks in the Due Diligence ("DD") process for future acquisitions.
Chronic **Medium Risk**	The risk of long-term, persistent impacts of climate change on an organisation's assets, operation and supply chains.	• Higher costs associated with refurbishing assets, preventative measures and property insurance premiums.	

These are the specific climate-related opportunities identified for AA REIT's portfolio:

Opportunities Type	Description	Examples of Possible Impacts	Response
Resource Efficiency	Improving energy and resource use efficiency for properties within the portfolio	• Reductions in operating costs • Reduced emissions • Enhanced reputation	• Completed phase 1 rooftop solar panel installation across 6 properties in Singapore, and now embark on phase 2 rooftop solar panel installation for 3 more properties in Singapore. • Energy efficiency enhanced with smart LED lighting system at 20 Gul Way, Singapore - AA REIT's largest property by net lettable area. • Completed water-efficient fitting installations at 27 Penjuru Lane and 15 Tai Seng Drive and obtained Water Efficient (basic) Building award for 56 Serangoon North Ave 4. • New smart metering system at 15 properties in Singapore will provide real time energy usage insights. • Completed installation of Electric Vehicle ("EV") fast-charging stations across 4 properties in Singapore.
Energy Source	Transitioning to renewable and low-carbon energy sources	• Lower energy costs • Reduced carbon footprint	
Products and Services	Development of products and services that capitalise on shifting consumer preferences	• Increased market share • Competitive advantage	• AA REIT works towards increasing the number of properties that are certified under the Green Mark Scheme to better align with the Building Construction Authority ("BCA")'s national climate targets.
Market	Exploring new markets for sustainable financing	• Increased funding flexibility for asset enhancement initiatives and growth • Linkage of financing costs to sustainability objectives	• Secured a new unsecured Sustainability-Linked Loan (SLL) of up to S$400 million and A$150 million, with margin reductions tied to the achievement of sustainability targets.

SUSTAINABILITY REPORT

ACTING RESPONSIBLY

AA REIT aims to reduce our impact on the environment and conduct business in a responsible way. We work closely with different stakeholders, including tenants, occupants, industry bodies and service providers, to adopt low-carbon solutions and improve the sustainability of our properties.

OUR APPROACH

- Track and reduce emissions and water consumption
- Encourage recycling and minimise waste generation
- Invest in energy efficient solutions to improve the performance of our assets
- Incorporate ESG criteria in our investment and redevelopment review processes

SUSTAINABILITY GOVERNANCE STRUCTURE

FY2024 Targets	FY2025 Achievements	Targets
Energy and emissions		
• Invest in new and existing properties to improve the energy efficiency of our properties. • Integrate sustainable design features into our business operations. • Target to accurately measure and disclose our Scope 1 and 2 emissions in the medium-term with a view to include Scope 3 emissions in the future.	• Installed EV fast-charging stations across four properties in Singapore: 1A International Business Park, 10 Changi South Lane, 29 Woodlands Industrial Park E1 and 8 & 10 Pandan Crescent. • Completed installation of LED smart lighting system at 20 Gul Way. • Completed installation of new energy efficient chiller at 135 Joo Seng Road. • Completed smart metering systems that will track real-time energy consumption data across 15 properties in Singapore. • Commence on Phase 2 rooftop solar panel system installation across three properties: 7 Clementi Loop, 7 Bulim Street and 1 Bukit Batok. • Achieved carbon reduction of 25% from 2020 baseline. On track for long term SBTi target of 42% reduction by FY2030. • Achieved solar capacity target of 11.82 MWp increase by end of FY2025. • Achieved 51% green new and renewal leases in FY2025.	**Short-term Targets:** • Increase solar capacity to 12.35 MWp by end FY2026. • 60% of new and renewal leases signed in FY2026 to be green. **Medium-term Targets:** • Increase solar capacity to 13.13 MWp by end FY2027. • 70% of new and renewal leases signed in FY2027 to be green. **Long-term Targets:** • SBTi commitment to 42% reduction in scope 2 emissions by FY2030, from a FY2020 base year. • >70% of new and renewal leases signed after FY2027 to be green.

FY2024 Targets	FY2025 Achievements	Targets
Water and Effluents		
• Measure and evaluate the long-term sustainability of our water performance data and identify new water efficiency opportunities within our portfolio and new developments.	• Completed toilet upgrade works with water efficient fittings at 27 Penjuru Lane and 15 Tai Seng Drive with water efficient fittings.	**Short-term Target:** • To install water-efficient fittings in at least one property under the Water Efficiency Building Certification. **Medium-term Target:** • To actively engage master tenants in single-user assets for collection of data. **Long-term Target:** • Progressively install water-efficient fittings certified under the Water Efficiency Building Certification.
Waste		
• To collect accurate waste data for all properties with operational control by end of FY2024. • To put in place waste recycling facilities across properties with operational control.	• Collected recycling and general waste data from multi-tenant properties. • Installed recycling bins in all our multi tenanted properties.	**Short-term Target:** • To encourage waste separation and recycling in all multi-tenant properties. **Medium-term Target:** • To actively engage master tenants in single-user assets for collection of waste data.

GREEN BUILDINGS

Buildings are responsible for about 34% of global carbon dioxide (CO_2) emissions.[2] As such, decarbonising the built environment is critical for meeting national and global climate targets. AA REIT is committed to reducing the environmental impact of our properties, investing into enhancing the energy efficiency of our buildings and obtaining green building certifications. As of 31 March 2025, we have green building certifications for two properties in our Singapore portfolio and NABERS star ratings for two properties in Australia:

- 7 Bulim Street, Singapore: BCA Green Mark Gold Plus
- 23 Tai Seng Drive: BCA Green Mark Platinum
- Optus Centre, Australia: 5.5-stars NABERS energy rating and 4.5-stars NABERS water rating
- Woolworths HQ, Australia: 4.5-stars NABERS energy rating

The Manager remains committed to assessing the feasibility of obtaining green building certifications during the design and planning phase of projects as well as during asset enhancement initiatives. We will also continue to assess certification and recertification opportunities for our existing properties where commercially feasible.

ENERGY AND EMISSIONS

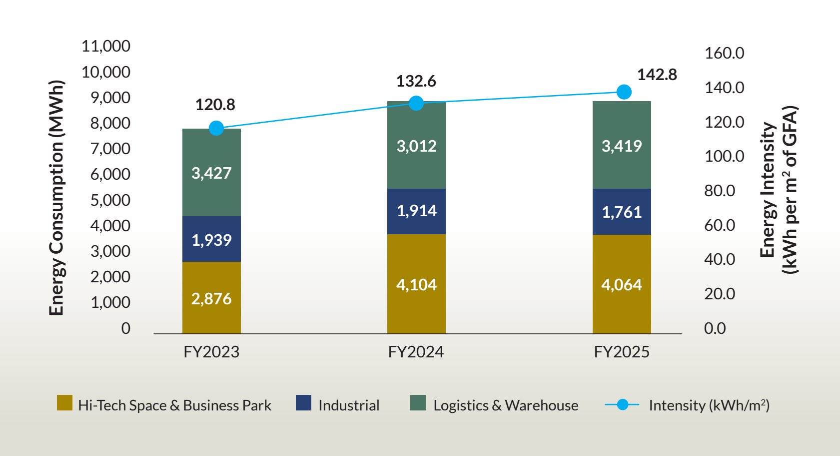
As buildings account for 32% of global energy consumption, investing into energy efficient and low-carbon solutions are essential to making buildings and property portfolios more resilient for the future.[1] Over the years, AA REIT has progressively improved the energy performance of our properties and reduced the portfolio's overall carbon emissions through investments in innovative solutions. These efforts ensure our portfolio stays resilient and well-positioned to deliver long-term value in the face of climate change, evolving regulatory and market trends.

[2] Global Status Report for Buildings and Construction 2024/2025, United Nations Environment Programme, 2025.

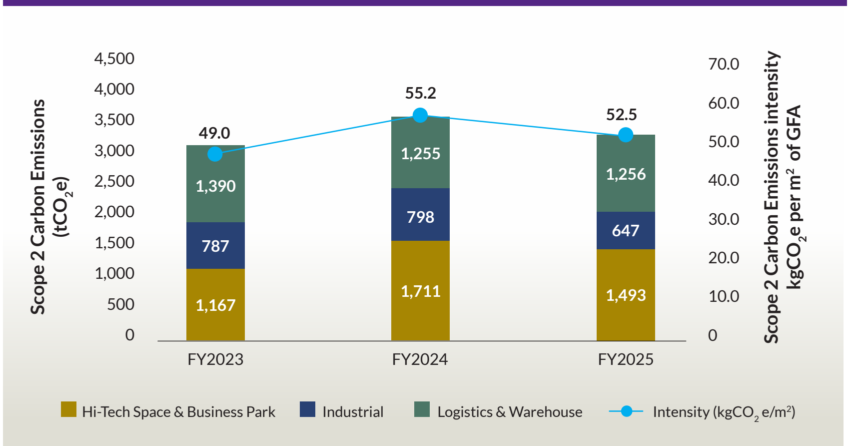
SUSTAINABILITY REPORT

OUR PERFORMANCE[3]

Energy Consumption and Energy Intensity



Scope 2 Carbon Emissions and Intensity



Within AA REIT's portfolio, energy use is primarily related to the properties' consumption of electricity, which is used to power systems such lighting, air-conditioning and mechanical ventilation (ACMV) and lifts.

The data presented depicts the energy consumption of those buildings which the Manager has operational control over. Since the total carbon emission from AA REIT's properties is sourced solely from electricity consumption, we report Scope 2 GHG emissions.[4]

In FY2025, total energy consumption for our portfolio was 9,244 MWh, an increase of 214 MWh compared to FY2024. Correspondingly, average building electricity intensity increased by 7.7% from 132.6 kWh/m² to 142.8 kWh/m² of common area GFA.

In FY2025, the total building GHG emissions of AA REIT's properties consist only Scope 2 emissions[5] with the amount of 3,396 tonnes of CO_2 equivalent ("tCO_2e"), a 367.3 tCO_2e decrease from 3,764 tCO_2e in FY2024. Average building GHG emission intensity decreased by 4.9% from 55.2 $kgCO_2$ e/m² to 52.5 $kgCO_2$ e/ m² over the same period. In reference to the FY2020 carbon baseline emissions baseline, AA REIT achieved a 25% reduction in overall emissions[6] this year and is on track to meet our science-based target of reducing Scope 2 carbon emissions by 42% by FY2030 (from the FY2020 base year).

To enhance our energy and emissions disclosures, we have initiated the measurement of electricity consumption from our head office at One Raffles Place starting in FY2025, which totalled 26 MWh and resulted in 11 tCO_2e of emissions.

3 The energy performance data pertains only to the properties over which AA REIT has direct operational control. To compare with previous years, we have conducted a like-for-like comparison by excluding the operational data from property 23 Tai Seng Drive, which was converted into a single-tenanted building in FY2023. This approach ensures that the comparison is consistent and reliable.

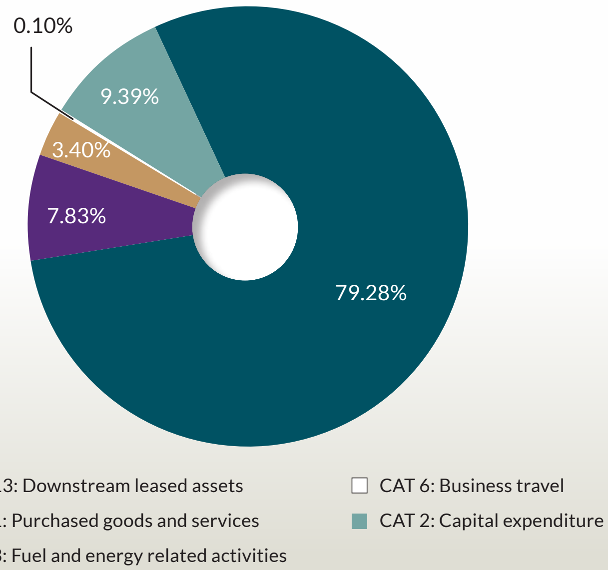
4 Scope 1 emissions are the result of activities such as the combustion of fuels for boilers, furnaces, turbines and/or company-owned or -operated vehicles; physical or chemical processing; and fugitive emissions resulting from the use of refrigeration and air conditioning. While AA REIT does use diesel generators in the event of power outages which can cause some fugitive emissions, these were deemed negligible in FY2025. Additionally, AA REIT does not operate company-owned vehicles. Therefore, AA REIT has no Scope 1 emissions to disclose in FY2025. The disclosed Scope 2 emissions are the result of purchased electricity.

5 Scope 2 emissions reported refer to market-based emissions, after AA REIT has retired RECs of 1,000 MWh for the financial year. Our Scope 2 location-based emissions amounted to 3,808 tCO_2e in FY25, with an average building emissions intensity of 58.8 $kgCO_2e/m^2$.

6 The carbon emissions for FY2020 was 4,545,952 $kgCO_2$ e/m² based on the carbon baselining study we conducted. FY2020 was chosen as the base year as it provided a full year of normalised consumption data before the Covid-19 pandemic period.

Category	Scope 3 Categories Relevant to AA REIT	Emissions (tCO_2e)
1	Purchased Goods and Services	2,237.22
2	Capital Expenditure	2,680.08
3	Fuel and Energy Related Activities	971.56
6	Business Travel	27.13
13	Downstream Leased Assets	22,635.97
Total		**28,551.96**

Scope 3 Emission Breakdown (as at 31 March 2025)



As part of the Manager's commitment to track and reduce AA REIT's energy consumption and emissions, the Manager has undertaken several initiatives, such as:

- Completed an assessment for the modernisation of lift equipment at four properties and commenced vendor appointment
- Installed a LED smart lighting system at 20 Gul Way, AA REIT's largest property by net lettable area
- Completed phase one of rooftop solar panel installations across 6 properties, expected to generate over 14,500 Megawatt-hours of energy annually, and now embarked on phase 2 solar panel installations for 3 more properties
- Adopted a new energy efficient chiller system at 135 Joo Seng Road, the third most energy intensive building within AA REIT's portfolio

AA REIT tracks selected Scope 3 emission categories that are most material to its business activities. In FY2025, Scope 3 emissions totalled 28,551.96 tCO_2e, representing a 6% year-on-year increase. Emissions from downstream leased assets (Category 13) continued to form the bulk of reported Scope 3 emissions, accounting for approximately 79%. In line with ongoing efforts to engage tenants on sustainability, 51% of new and renewed leases in FY2025 were green, supporting improved visibility and collaboration on energy-related emissions.

SUSTAINABILITY REPORT

WATER AND EFFLUENTS

We remain committed to managing water use in a responsible and sustainable way. Across our properties, we adopt technological solutions as well as encourage behavioural changes to increase water efficiency and reduce overall water consumption.

Water use within AA REIT's portfolio is primarily associated with chiller plant systems and common areas (i.e.washrooms and pantries). Additionally, all water used is obtained from statutory water sources.

OUR PERFORMANCE

We monitor our water consumption to discern usage trends, allowing us to identify opportunities to bolster water efficiency and curtail water use. The Property Manager conducts routine maintenance inspections to mitigate any potential water leakage problems.

Over the years, we have invested in upgrading our toilet systems to enhance the water efficiency of our properties. In FY2025, 56 Serangoon North Ave 4 obtained PUB's Water Efficient Building (WEB) certification. As of FY2025, toilet upgrading works with water efficient fittings have been completed at two of our properties (i.e., 27 Penjuru Lane and 15 Tai Seng Drive).

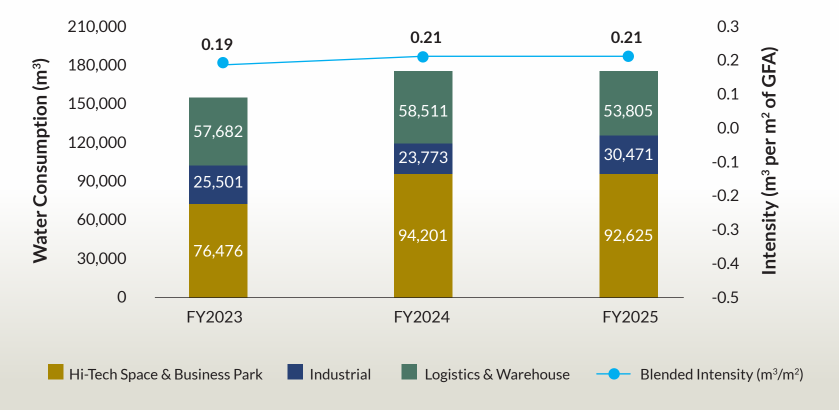
In FY2025, total building water consumption for our properties was 176,901m^3 which remains fairly constant compared to FY2024. The landlord consumption accounts for 58% this year. Water intensity as per landlord's consumption for FY2025 was 1.69m^3/m^2 of GFA, a 15.0% increase from FY2024.

WASTE

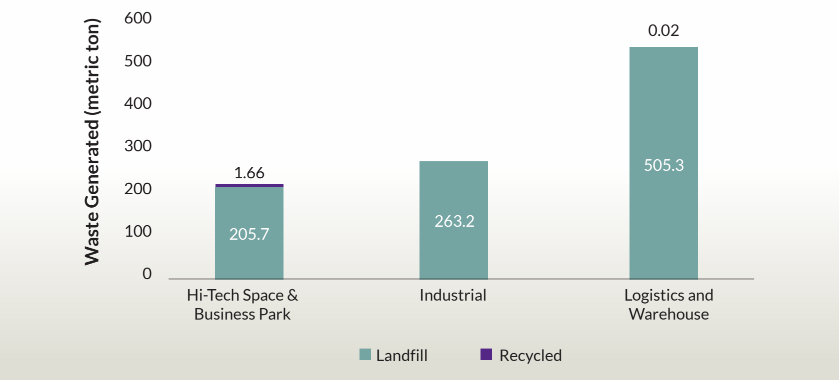
As part of our sustainability efforts, AA REIT strives to enhance waste management practices across our properties. For those properties under operational control, we track and report the amount of waste produced and recycled as well as set reduction targets and strategies. To improve the overall waste management of our properties, we continue to engage our tenants through various waste reduction and recycling initiatives, including tenant surveys to encourage recycling.

In FY2025, there was total 975,882 metric tons of non-hazardous waste generated for our properties. Amongst the overall waste generated, there was 974,205 metric ton disposed at offsite landfill with the remaining recycled at offsite facilities

Water consumption and water intensity



Waste generated and type of disposal recovery



IMPROVING VISIBILITY OF TENANT ENVIRONMENTAL DATA

Our standard lease agreements for properties occupied by a single tenant typically do not provide us with access to information such as energy and water usage, waste generation and GHG emissions. However, this data is important for us to have a comprehensive understanding of the environmental impact of our tenants' behaviours and subsequently work towards improving the sustainability of these properties. To bridge this gap, we regularly engage the occupants of single-tenant premises to collect environmental data and raise awareness around sustainability. We have also included 'green' clauses into our standard leases in Singapore since FY2023, which require customers to provide us with environmental data, and expanded green leases to include tenant fitting out requirements.

SUPPLY CHAIN RESPONSIBILITY

We are committed to partnering with suppliers who align with our values of ethical conduct and social responsibility. We take a proactive approach to identify and manage concerns within our supply chain by implementing thorough governance measures and robust risk management systems. As of 31 March 2025, AA REIT has a supply chain of approximately 74 active suppliers, including facility managers, maintenance service providers, contractors, professional consultants and financial institutions, primarily based in Singapore.

Our procurement strategies are crafted to maximise value for our clients by sourcing high-quality products and services while effectively managing costs and minimising risks. A fundamental element of our approach is the comprehensive evaluation of potential suppliers based on a range of environmental and social criteria pertinent to their services.

These criteria include proven safety performance records, relevant certifications from the International Organisation for Standardisation (ISO) for Occupational Health and Safety Management Systems (OHS), endorsements from the National Environment Agency's (NEA) Enhanced Clean Mark Accreditation Scheme and compliance with anti-bribery or corruption policies.

All service suppliers must comply with the health and safety standards specified in their contractual agreements, which encompass adherence to national environmental regulations addressing issues such as mosquito and pest control, standing water management, proper waste disposal, littering and various pollution forms. To ensure compliance with these regulations, the Property Manager conducts biannual evaluations of our contracted service providers.

SUSTAINABILITY REPORT

PROMOTING WELL-BEING

Our employees represent our most valuable resource. We acknowledge their dedication and are committed to creating a positive environment that promotes their growth, skill enhancement and overall well-being. At AA REIT, we prioritise creating a safe and welcoming workplace, provide opportunities for career advancement and acknowledge and reward our employees' hard work and effort. Additionally, we are focused on improving the well-being of our tenants and the communities in which we operate.

OUR APPROACH

- Development of policies and investments in initiatives to keep employees engaged and to promote employee welfare.
- Continuously strengthening a culture that is supportive and inclusive, offering equal opportunities for everyone
- Regularly reviewing and confirming the efficiency of our health and safety policies and procedures to guarantee the safety and welfare of our employees.

OUR PROGRESS

FY2024 Targets	FY2025 Achievements	Targets
Occupational Health and Safety (OHS)		
• Zero instances of avoidable OHS incidents. • Annually review employee safety and well-being practices. • Enhance employee engagement.	• Achieved zero instances of OHS incidents. • OHS committee evaluated practices related to employee safety and well-being. • Executed various team-building events and wellness programs.	**Perpetual Targets:** • Zero incidents resulting in staff permanent disability or fatality. • Conduct OHS committee meetings every quarter.
Employment, training and education		
• Achieve an average of at least 15 hours of training per employee in FY2025. • Continue to support the growth of our employees in ways that benefit both the organisation's long-term goals and the personal ambitions of each individual.	• Achieved an average of 21.9 hours of training per employee in FY2025. • Continues to support employee development that aligns with the long-term interests of the organisation and individual.	**Perpetual Targets:** • Achieve average training hours of at least 15 hours per employee per annum. • 80% of employees to complete at least one hour of ESG-related training per annum.
Diversity and equal opportunity		
• Commit to fair employment practices by ensuring that all individuals receive the same opportunities for hiring, advancement and benefits. • Zero cases of validated discrimination.	• 60% of new hires and 59% of entire workforce is female. • Zero cases of validated discrimination.	**Perpetual Targets:** • Commit to fair employment practices by ensuring that all individuals receive the same opportunities for hiring, advancement and benefits. • Zero cases of validated discrimination.

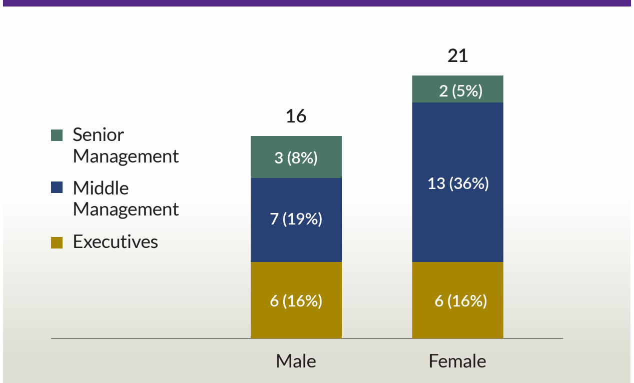
FY2024 Targets	FY2025 Achievements	Targets
Local communities		
• Continue our outreach efforts by partnering with various organisations. • Encourage all our employees to actively participate in targeted corporate social responsibility ("CSR") activities for FY2025.	• Participated in two CSR activities with an average participation rate of 66%.	**Perpetual Target:** • To participate in two CSRs initiatives annually.

EMPLOYMENT, TRAINING AND EDUCATION

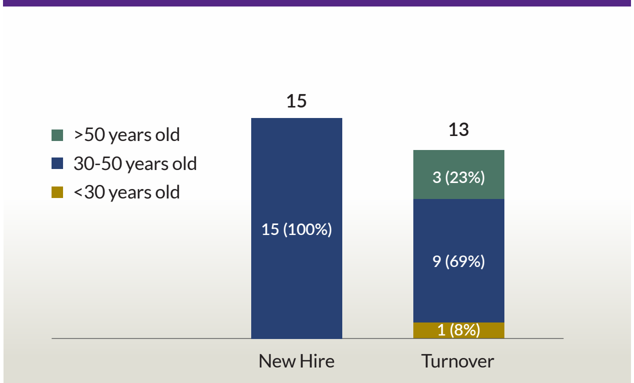
PROFILE OF OUR WORKFORCE

As of 31 March 2025, the REIT and Property Manager had employed a total of 37 permanent full-time employees in Singapore. In FY2025, new hiring rate was 41% with 9 new females and 6 new males. The charts below offer more detailed information regarding our employee demographics. All employees of the Manager and Property Manager are based in Singapore.

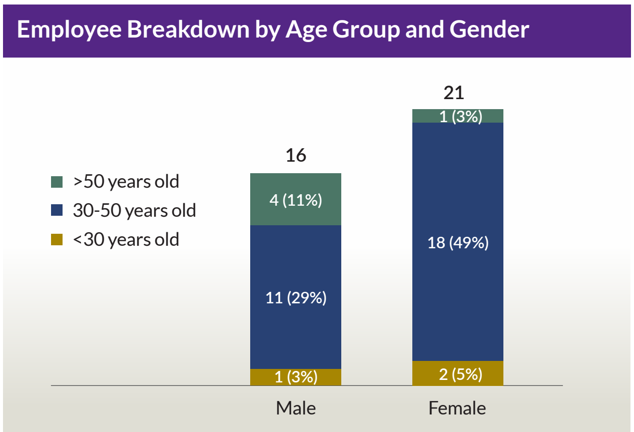
Employee Breakdown by Gender and Employee Category

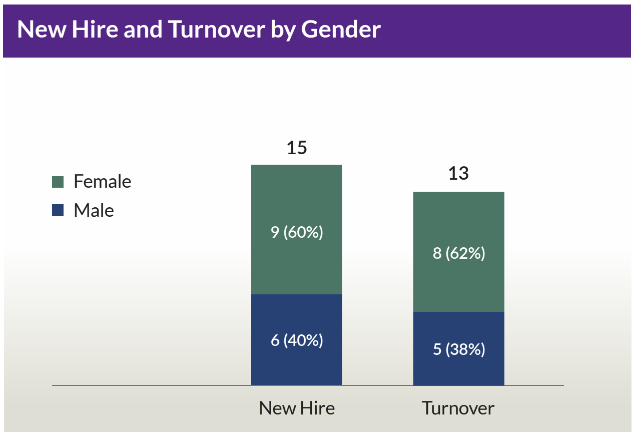


New Hire and Turnover by Age



SUSTAINABILITY REPORT





EMPLOYEE DEVELOPMENT

We are dedicated to cultivating a culture of continuous learning and development, supported by a fair assessment system that considers various factors. Our goal is to provide employees with growth opportunities, training and development that align with their career aspirations, by identifying individual needs through the development plan in the performance agreement. To facilitate this, we fund relevant professional training courses, enabling employees to acquire new skills, expand their knowledge and advance their careers. Details on how we support our employees' training and education can be found in our employee handbook. Additionally, we are committed to balancing the training and development needs of our employees with their family responsibilities. Whenever possible, we schedule training and development activities during regular work hours to ensure that employees with family commitments are not disadvantaged in accessing training and skill development opportunities. In promoting family-friendly work culture, we adopt "Eat with Your Family Day" which is usually held on the last Friday of each school term, and seek to encourage employees to leave work early to enjoy a meal with their children and families.

In FY2025, each employee received an average of 21.9 hours of training, meeting the Manager's target of at least 15 hours of training for each employee and 73% of employees attended ESG related training. This training included courses on upcoming sustainability reporting requirements, ESG governance and functional processes, carbon credits, sustainability certification scheme and more. As part of our five-year ESG roadmap, AA REIT is investing into green upskilling in order to enhance internal capabilities, improve the management of climate-related risks and opportunities, align with evolving stakeholder expectations and create a more responsible workplace culture.

Our training programmes span across a diverse range of topics and the following table highlights some of the training courses attended by AA REIT employees in FY2025.

Training Courses	
Training Categories	**Examples of Training Programmes**
Finance & Capital Markets	• Webcast / Online training on global development / Tax issues in Asia Pacific • S-REIT IPO, Structuring Considerations and Equity Fund Raising • Pivoting Real Estate Investment for Optimisation • Real Estate Valuation Workshop • Financial Reporting Forum
Business Ethics & Risk Management	• Prevention of Money Laundering and Countering the Financing of Terrorism Training • GST: Operations, Accounting, Administration and Returns • Rules & Ethics Course 2024
Information and Technology	• Cybersecurity and PDPA Awareness • How to Build Critical Infrastructure Security Resilience in the AI ERA • IT Security Incident Response and Recovery workshop
ESG Training	• Technical training on the ISSB Standard for Climate-Related Disclosures • Connecting Sustainability in Financial Reporting • ACMF-ISSB Joint Conference and Technical Training on the IFRS Sustainability Disclosure Standards • ESG governance and functional processes • Mott Macdonald - GRESB and Green Mark Training • Understanding Singapore's Carbon Credits and Renewable Energy Framework and Roadmap
Health and Safety	• Standard First Aids CPR and AED Course • Overview of M&E Systems for Fire Protection in a Building
Personal Improvement	• Reframe Objections to Opportunities • Home Feng Shui and Zodiac Lunch Talk

DIVERSITY AND EQUAL OPPORTUNITY

At AA REIT, we are dedicated to creating a thriving and supportive workplace that encourages creativity, collaboration and innovation. Our goal is to foster a culture that embraces diversity and inclusion and ensures fair treatment for all employees, regardless of their background. By prioritising these values, we can empower our employees to succeed and perform at their best.

Our hiring decisions are based on the qualifications of the candidates, ensuring fairness as outlined by the Tripartite Guidelines on Fair Employment Practices and the Ministry of Manpower's Fair Consideration Framework. Our Employee Handbook prohibits discrimination as well as any forms of victimisation, intimidation or harassment in the workplace. Celebrating our commitment to fostering a supportive workplace for female employees, we are able to report that women formed 60% of our new hires and constituted 57% of our entire workforce this year. In leadership standings, women represented 40% within senior management and held 25% of seats within our Board of Directors. This meant we are ahead of our target in achieving at least 20% female representation on our Board by the year 2026. All members of the Board of Directors are above the age of 50.

SUSTAINABILITY REPORT

OCCUPATIONAL HEALTH AND SAFETY

AA REIT implements rigorous health and safety policies to ensure the well-being of our employees. Our Occupational Health and Safety ("OHS") Committee, initiated in FY2017, oversees health- and safety-related risk management and ensures that workplace risks are properly identified and mitigated so to minimise the number of accidents, injuries and illnesses within our workplace. The OHS Committee is not a legal requirement but they review health and safety policies and protocols that are regularly reviewed and updated to ensure compliance with prevailing regulations and industry best practices. Some examples of these regulations are the Building Control Regulations from the Building Control Authority (BCA) and Fire Code from Singapore Civil Defence Force (SCDF).
The OHS Committee includes representatives from all departments and meets at least four times a year. The primary responsibilities of the OHS Committee include:

- Strengthen and review the company's OHS management system and update when necessary
- Raise employee awareness of OHS procedures through education and training
- Implement appropriate work practice control measures and update staff on any changes in policies
- Increase the understanding and awareness of potential risks among employees
- Plan and promote health-centric activities for employees

All employees are briefed about the REIT's Workplace Health and Safety (WSH) policy and the Business Continuity Management Plan (BCM Plan). The WSH seeks to ensure employees' safety and health through integrating WSH into business decisions, building a strong WSH culture, ensuring that WSH management systems are effective and reviewed regularly and empowering employees to engage in WSH. The BCM Plan is a groupwide initiative that seeks to ensure resilience and preparedness during unexpected incidents or events, including cyberattacks, natural disasters, crime, sudden employee departure, amongst others.

To further enhance employee resilience and emergency preparedness, employees are also informed of fire evacuation plans, appointed first aiders and the location of the company's safety kits. We also form units for emergency tasks and execute emergency drills on an annual basis, conducting reviews after the drills to identify areas for improvement. Finally, employees are briefed on the Crisis Communication Manual, which outlines guidelines that employees can follow to report and manage potential crises.

To ensure these health and safety policies meet the needs of our employees, the OHS Committee conducts regular reviews to address any potential changes in our working conditions or organisational structure. Our employees also follow a formalised reporting process (which includes corrective action taken and a preventive action plan) regarding work-related incidents, which the OHS Committee reviews and proposes recommendations for improvements to senior management. Employees are able to remove themselves from situations that they deem to be unsafe or unethical as highlighted by our Whistleblowing policy.

The OHS risks in our operation are a combination of the likelihood of occurrence of a work-related hazardous situation or exposure, and the severity of injury or ill health that can be caused by the situation or exposure. We have adopted systematic approaches through a hierarchy of control to enhance occupational health and safety, eliminate hazards, and minimize risks. Each control is considered less effective than the one before, with the priority being to eliminate the hazard. The International Labour Organization (ILO) Guidelines on Occupational Safety and Health Management Systems, 2001 and ISO 45001:2018 list the following preventive and protective measures in the following order of priority:

- Eliminate the hazard/risk; substitute the hazard/risk with less hazardous processes, operations, materials, or equipment;
- Control the hazard/risk at source, through the use of engineering controls or organizational measures;
- Minimize the hazard/risk by the design of safe work systems, which include administrative control measures;
- Where residual hazards/risks cannot be controlled by collective measures, provide for appropriate personal protective equipment, including clothing, at no cost, and implement measures to ensure its use and maintenance.

Furthermore, we consider OHS risks when selecting suppliers, so to encourage a safe and healthy workplace environment for our third-party service provides. Some measures that we take include:

- Evaluating the historical safety performance of prospective service providers
- Requiring certain Property Management suppliers in Singapore to comply with standards such as ISO 9001, ISO 14001, bizSAFE Level, etc.
- Ensuring that selected third-party service providers comply with health and safety policies by including safety clauses in the service agreements

We are also working on establishing a process to collect information regarding work-place injuries and accidents from our service providers working on site (i.e. contractors) to ensure that we are fostering a safe working environment. We use the recommended ILO standards to calculate work-related fatalities and injuries, with a standardised 200,000 hours for calculation of rates.

Our Property Manager conducts regular inspections on electrical safety, fire safety and the handling of hazardous materials to ensure compliance and identify any potential new risks. Regular bi-weekly meetings are also held to address any persistent issues. Additionally, the Property

Manager team partakes in training programs, including first-aid courses and site incident controller courses.

In addition to looking after our employees' physical health and safety, we also provide various other benefits and resources that enhance the well-being of our employees. All employees receive comprehensive medical and insurance coverage - including outpatient care, Traditional Chinese Medicine (TCM), dental and telemedicine - with a flexible benefits scheme that can be utilised for health screenings, optical care and wellness. Employees can also participate in mental health and wellness initiatives throughout the year, such as fruits week, financial planning and fitness walks, cultivating emotional resilience and well-being. For Singapore-based employees, we also make monthly contributions to the Central Provident Fund (CPF) accounts, supporting employees' financial well-being.

We recognise that the transition to parenthood comes with unique challenges and are committed to supporting our employees through this important life stage. To this end, we offer parental leave as part of our broader employee wellbeing framework. In FY2025, 18 men and 19 women were eligible for parental leave. While no eligible employees utilised the benefit during the reporting year, we remain dedicated to providing a supportive and flexible work environment that empowers our people to balance personal and professional priorities.

Finally, other employee initiatives that AA REIT implements include celebrating employees with long-service awards at their 5, 10, 15 and 20 year employment milestone; organising corporate bonding events to boost teamwork; celebrating monthly birthdays and festivities such as Chinese New Year (CNY) with a company-wide lunch; and designating the last Friday of each school term in Singapore as an "Eat with Your Family Day" to encourage employees to leave work early and enjoy time with their loved ones. These and other efforts contribute to cultivating a vibrant and positive workplace culture for our employees.

LOCAL COMMUNITIES

TENANT AND COMMUNITY ENGAGEMENT

AA REIT regularly engages with our tenants to better understand their experiences and gain insight into how we can improve our services, facilities and sustainability initiatives. In FY2025, our tenant satisfaction survey secured a 22% response rate, closely in line with FY2024. This consistent level of engagement reflects the strength of our tenant relationships and their continued interest in shaping a positive occupier experience. In addition to the annual survey, we also organise regular discussions with tenants on key issues and initiatives, providing them with opportunities to share feedback and collaborate on improvements.

We also organise regular volunteer opportunities for our employees to give back to local communities and engage in social and environmental causes. In FY2025, employees volunteered at Krsna Free Meals, a soup kitchen in Singapore that serves free meals daily to those in need, and participated in a waterway clean-up with Waterways Watch Society, learning about the different ways we can help keep Singapore's waters clean. We enjoyed working alongside these organisations to support their incredible efforts to drive impact in their local communities.

AA REIT at Waterways Watch Society, 2024

AA REIT at Krsna Free Meals, 2024

SUSTAINABILITY REPORT

OPERATING ETHICALLY

AA REIT believes that conducting business in an ethical and transparent manner is essential for maintaining strong stakeholder confidence. Through our robust corporate governance framework, we uphold high ethical standards for our business activities. The REIT is committed to complying with all applicable regulations and industry best practices concerning governance, safety and anti-corruption.

OUR APPROACH

- Establishing clear corporate governance procedures via policies and processes
- Implementing anti-corruption training for staff members
- Reviewing and adapting our policies and processes to be in line with regulatory changes and industry best practices

OUR PROGRESS

FY2024 Targets	FY2025 Achievements	Targets
• Continue to maintain zero incidents of non-compliance with regards to anti-corruption laws and regulatory compliance.	• Zero cases of corruption received by employees or officers. • In FY2025, there were no material breaches of applicable local laws and regulations, including anti-corruption, health and safety, marketing communications, or socio-economic and environmental laws and regulations. • There were no material fines incurred during the period. • 100% of governance body members (2 in Singapore and 2 in Australia) received training on anti-corruption/ cognisant of organisation's anti-corruption policies and procedures. • Communicated anti-corruption policies and procedures to 100% of the organisation's material term contractors in Singapore (27 contractors in total).	**Perpetual Target:** • Zero material incidents of non-compliance with regards to anti-corruption laws and regulatory compliance.

Material is determined to be: zero incidents of non-compliance that resulted in significant fines or legal actions regarding applicable local laws and regulations including anti-corruption, health and safety, marketing communications or socio-economic and environmental laws and regulations.

ANTI-CORRUPTION, BUSINESS ETHICS AND REGULATORY COMPLIANCE

PREVENTING CORRUPTION AND UPHOLDING INTEGRITY

We uphold a zero-tolerance policy against corruption, bribery, fraud and embezzlement. Through annual anti-corruption training sessions and regular communication with our staff, our employees are informed about AA REIT's anti-corruption policies and procedures. AA REIT also offers anti-corruption trainings to all employees and mandated all licensed representatives to attend.

At the time of joining, all employees receive a Code of Conduct that outlines the standards and principles that they are expected to uphold to ensure that the REIT operates in line with the highest business standards. The Code of Conduct covers topics such as professional conduct, honest transactions, conflicts of interest, office behaviour, equal opportunity practices, viewpoints on gifts and rewards and measures for disciplinary action in instances of non-compliance.

Additionally, AA REIT has a Whistleblower Policy and complaints processes implemented, which enables us to quickly address and resolve any allegations of unethical behaviour. Staff are reminded that they can file complaints without fear of retaliation.

MAINTAINING BUSINESS ETHICS

In order to operate in line with high business standards, AA REIT has a Conflict of Interest Policy that outlines the guiding principles and mandatory procedures for preventing and addressing potential conflicts. This policy is applicable to all employees and board members.

With regards to procurement, we enforce strict risk management policies that aim to prevent corruption and bribery. For acquisitions exceeding a certain threshold, AA REIT requires that at least three proposals are obtained, unless a special exception has been made. For major contracts, we execute a rigorous prequalification and competitive bidding process, awarding the contract to the supplier that exceeds our criteria regarding track record, past projects, cost, financial robustness and adherence to safety and legal standards.

Additionally, in our agreements with material term contractors, we include specific clauses designed to prevent bribery and conflicts of interest. When outsourcing substantial services, we adhere to the guidelines set forth by the MAS, evaluating potential partners on metrics such as their financial stability, corporate governance, internal controls, reputation, compliance measures and security management. This holistic approach ensures that AA REIT enters business partnerships that are in line with the highest standards of professional integrity.

ENSURING REGULATORY COMPLIANCE

AA REIT is committed to adhering to the laws and regulations of the jurisdictions within which we operate. We implement strict procedures and protocols designed to ensure that teams understand and meet regulatory requirements. These protocols address the identification, evaluation, monitoring and management of regulatory compliance risks, financial risks and technological risks. Please refer to pages 136 to 139 for more information on AA REIT's approach to risk management and how the REIT ensures regulatory compliance.

To ensure that all employees and Board members are well-informed of regulatory requirements, AA REIT provides ongoing training programs focused on key regulatory developments. Additionally, we actively engage with regulatory bodies and industry associations, such as the REIT Association of Singapore ("REITAS"), to enhance internal capabilities and understanding.

POLICIES IN PLACE TO ENSURE COMPLIANCE AND BEST PRACTICES:

Policies in place to ensure compliance and best practices:

- Anti-Money Laundering & Countering Terrorism Financing Policy
- Interested Party & Related Party Policy
- Employee Handbook
- Conflict of Interest Policy
- Whistleblowing Policy

SUSTAINABILITY REPORT

GRI CONTENT INDEX

Statement of use	AIMS APAC REIT's ("AA REIT") has reported the information cited in this GRI content index for the period 1 April 2024 to 31 March 2025 in accordance to the GRI Standards.
GRI used	GRI 1: Foundation 2021 GRI 2: General Disclosures 2021 GRI 3: Material Topics 2021
GRI Sector Standards	No GRI Sector Standards adopted.

GRI Standard/ Other Source	Disclosure		Report section and remarks
GRI 2: General Disclosures 2021	**Organisation and its reporting practices**		
	2-1	Organisational details	About this Report
	2-2	Entities included in the organisation's sustainability reporting	About this report
	2-3	Reporting period, frequency and contact point	About this report
	2-4	Restatements of information	About this report
	2-5	External Assurance	External assurance has not been sought for this year's Sustainability Report. AA REIT will consider this in the future as our reporting matures, in line with sustainability reporting regulations.
	Activities and workers		
	2-6	Activities, value chain and other relationships	Supply chain responsibility; Stakeholder engagement
	2-7	Employees	Employment, training and education
	2-8	Workers who are not employees	Information unavailable, AA REIT is looking to progressively report the disclosure when such capabilities are available.
	Governance		
	2-9	Governance structure and composition	Sustainability governance
	2-10	Nomination and selection of the highest governance body	Annual Report, Corporate Governance report
	2-11	Chair of the highest governance body	Annual Report, Corporate Governance report
	2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability governance
	2-13	Delegation of responsibility for managing impacts	Sustainability governance
	2-14	Role of the highest governance body in sustainability reporting	Sustainability governance
	2-15	Conflicts of Interest	Corporate Governance report
	2-16	Communication of critical concerns	Anti-corruption, business ethics and regulatory compliance There are no critical concerns that were communicated to the highest governance body.

GRI Standard/ Other Source	Disclosure		Report section and remarks
	2-17	Collective knowledge of the highest governance body	Sustainability governance
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance report
	2-19	Remuneration policies	Corporate Governance report
	2-20	Process to determine remuneration	Corporate Governance report
	2-21	Annual total compensation ratio	Confidentiality Constraints: AA REIT regards compensation information of employees to be of a confidential and sensitive nature, thus the annual total compensation ratio is not disclosed in this report.
	Strategy, policies, and practices		
	2-22	Statement on sustainable development strategies	Board Statement
	2-23	Policy commitments	AA REIT's sustainability framework
	2-24	Embedding policy commitments	AA REIT's sustainability framework
	2-25	Process to remediate negative impacts	Stakeholder engagement; Materiality assessment
	2-26	Mechanism for seeking advice and raising concerns	Anti-corruption, business ethics and regulatory compliance
	2-27	Compliance with laws and regulations	Anti-corruption, business ethics and regulatory compliance
	2-28	Membership associations	Membership and associations
	Stakeholder engagement		
	2-29	Approach to stakeholder engagement	Stakeholder engagement
	2-30	Collective bargaining agreements	Not applicable, as AA REIT does not have trade unions
GRI 3: Material topics	3-1	Process to determine material topics	Materiality assessment
	3-2	List of material topics	Material topics
	3-3	Management of material topics	Material mapping and topic boundary
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Economic Performance

SUSTAINABILITY REPORT

GRI CONTENT INDEX

GRI Standard/ Other Source	Disclosure		Report section and remarks
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	Anti-corruption, business ethics and regulatory compliance
	205-3	Confirmed incidents of corruption and actions taken	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Diversity and equal opportunity
	401-3	Parental leave	Occupational health and safety
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Diversity and equal opportunity
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Occupational Health and Safety (OHS)
	403-2	Hazard identification, risk assessment, and incident investigation	
	403-3	Occupational health services	
	403-4	Work participation, consultation, and communication on occupational health and safety	
	403-5	Worker training on occupational health and safety	
	403-6	Promotion of worker health	
	403-9	Work-related injuries	
	403-10	Work-related ill health	
GRI 404: Training and Education 2016	403-1	Average hours of training per year per employee	Employment, training and education
	403-2	Programs for upgrading employee skills and transition assistance programs	
	403-3	Percentage of employees receiving regular performance and career development reviews	
GRI 302 : Energy 2016	302-1	Energy consumption within the organisation	Energy and emissions
	302-3	Energy intensity	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Energy and emissions
	305-2	Energy indirect (Scope 2) GHG emissions	
	305-3	Other indirect (Scope 3) GHG emissions	
	305-4	GHG emissions intensity	
GRI 303: Water and Effluents 2018	303-3	Water withdrawal	Water and effluents
GRI 306: Waste 2020	306-2	Management of significant waste-related impacts	Waste

APPENDIX: ASSUMPTIONS AND METHODOLOGY

This section explains the boundaries, methodologies and assumptions used in the computation of AA REIT's sustainability data and information.

EMPLOYEES DATA

"Employees" refer to all employees of the REIT Manager and the Property Manager. The employee data does not include contractors engaged to perform certain property management services.

NEW DATA AND TURNOVER

- New hires are defined as employees who joined the organisation during the financial year. The new hire rate is represented as the number of new hires divided by the total number of employees as at the end of the financial year and expressed as a percentage.
- Turnovers are defined as employees who left the organisation during the financial year. The annual turnover rate is represented as the employees who left the organisation during the financial year divided by the total number of employees as at the end of the financial year and expressed as a percentage.

TRAINING HOURS AND REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

- The average training hours that employees have undertaken during the reporting period is represented as total training hours by gender or by employee category over total number of employees by gender or by employee category.
- The percentage of employees receiving regular performance and career development reviews is calculated by total employees by gender and by employee category who received a regular performance and career development review during the reporting period over the total number of employees.

OCCUPATIONAL HEALTH AND SAFETY

Work-related injuries are defined as a negative impact on an employee's health arising from exposure to hazards at work. Injuries as a result of commuting incidents are only included if the transport has been organised by the Manager. Work-related fatalities are defined as the death of a worker, arising from an occupational disease or injury sustained or contracted while performing work that is controlled by your organisation or in workplaces that your organisation controls. The rate of work-related injuries is computed based on 1,000,000 man-hours worked.

ENVIRONMENTAL DATA

Data reported relates to the 18 properties (out of 28 properties) that are within the operational control of the Manager.

ENERGY CONSUMPTION AND INTENSITY

Energy consumed across AA REIT's properties only involves purchased electricity. Energy consumption data only includes landlord's area.

Energy consumption and intensity included only properties with full year data. Energy intensity is derived by taking total energy consumption divided by the GFA of common areas.

GHG EMISSIONS AND INTENSITY

GHG emissions are reported in line with the guidance from the GHG Protocol Corporate Accounting and Reporting Standard. The operational control approach is applied and AA REIT accounts for GHG emissions from operations over which it has operational control. Energy (Scope 1 and 2) GHG and intensity includes only properties with full year data.
Direct (Scope 1) GHG emissions are calculated using emission factors and global warming potential rates from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the IPCC Fifth Assessment Report.
A location-based method is adopted for the calculation of energy indirect (Scope 2) GHG emissions. Grid emission factors used are obtained from authoritative release data from all regions of operation, including:

- Singapore Energy Statistics 2023 published by the Energy Market Authority in Singapore: 0.412 kg CO_2e/kWh

We have adopted the latest available emission factor using the average operating margin ("OM") method for the reporting period.

The GHG intensity is derived by taking total energy direct (Scope 1) GHG and energy indirect (Scope 2) GHG emissions divided by the GFA of common areas.

SUSTAINABILITY REPORT

Indirect (Scope 3) GHG emissions are calculated using emission factors from the following list:

- US EPA for category 1 (Purchased Goods and Services), category 2 (Capital Goods) and category 6 (Business Travel)
- IEA (International Energy Agency), World Bank, Australian National Greenhouse Accounts Factors and Energy Market Authority for category 3 (Fuel- and Energy-Related Activities) and category 13 (Downstream leased assets)

WATER CONSUMPTION

Water consumption data includes data for the whole building, and only includes assets with full year data available.

SCENARIO ANALYSIS

AA REIT commenced its climate scenario analysis in 2023 for its global portfolio to understand how the identified climate-related risks and opportunities could impact future operations. These are the scenarios that AA REIT has used for its climate scenario analysis:

- The Net Zero 2050 scenarios from NGFS assumes that the global mean temperature increases by 2100 from pre-industrial levels would be 1.5°C through stringent climate policies and innovation, reaching global net zero CO2 emissions around 2050. In this scenario, climate policies is going to be introduced early and become gradually more stringent, which leads to a higher transition risk for companies arising from the regulatory, market and technological changes.
- BAU – Current Policies scenario for physical risk assumes that global mean temperature increases by 2100 would be 3°C or less. In this scenario, the existing climate policies remain in place but there is no strengthening of ambition level of these policies, which leads to delayed effort in curbing the impact of climate risk to the nature. This will lead to a higher physical risk and lower transition risk.
- BAU – Hot house World scenario for transition risk assumes that global mean temperature increases by 2100 would be 3°C or less due to insufficient global efforts. As a result, critical temperature thresholds are exceeded, leading to severe physical risks and irreversible impacts like sea-level rise.

CORPORATE GOVERNANCE

ROLE OF THE MANAGER

AIMS APAC REIT ("AA REIT" or the "Trust") is a real estate investment trust constituted pursuant to the trust deed dated 5 December 2006 (as amended, varied or supplemented from time to time) ("Trust Deed"). AA REIT is listed on the Mainboard of Singapore Exchange Securities Trading Limited (the "SGX-ST") and is externally managed by AIMS APAC REIT Management Limited (the "Manager"), who holds a capital markets services licence issued by the Monetary Authority of Singapore ("MAS") to conduct real estate investment management activities. The sponsor of AA REIT is AIMS Financial Group (the "Sponsor").

The Manager has general powers of management over the assets of AA REIT. The Manager's main responsibility is to manage the assets and liabilities of AA REIT in the best interests of the unitholders of AA REIT ("Unitholders"). This is done with a focus on generating rental income and, where appropriate, increasing the value of AA REIT's assets over time so as to enhance the returns from the investments, and ultimately distributions and total return to the Unitholders.

The primary role of the Manager is to set the strategic direction in AA REIT and make recommendations to HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of AA REIT (the "Trustee"), on any acquisition, divestment and enhancement of the assets of AA REIT in accordance with the stated investment strategy of AA REIT.

Other main functions and responsibilities of the Manager include:

(a) using its best endeavours to ensure that the business of AA REIT is carried out and conducted in a proper and efficient manner and to conduct all transactions with or on behalf of AA REIT at arm's length and on normal commercial terms;

(b) ensuring compliance with relevant laws and regulations. The framework of relevant legislations and guidelines governing AA REIT include:

    i. the Listing Manual issued by SGX-ST (the "Listing Manual");
    ii. the Securities and Futures Act 2001 ("SFA");
    iii. the Code on Collective Investment Schemes (including Appendix 6 thereon on property funds) (the "Property Funds Appendix");
    iv. the Code of Corporate Governance 2018 (the "CG Code");
    v. written directions, notices, codes and other guidelines that may be issued by the MAS from time to time;
    vi. the Trust Deed; and
    vii. tax rulings issued by the Inland Revenue Authority of Singapore on the taxation of AA REIT and its Unitholders;

(c) preparing annual business plans for review by the Board of Directors of the Manager (each, a "Director" or collectively, "Directors" or "Board"), including forecasts on revenue, net property income, capital expenditure, explanation of major variances to previous plan(s), commentary on key issues and relevant assumptions. These plans explain the performance of AA REIT's assets;

(d) managing the finances of AA REIT, including accounts preparation, capital management, coordination of the budget process, forecast modelling and corporate treasury functions;

(e) attending to all regular communications with the Unitholders; and

(f) supervising the property manager, AIMS APAC Property Management Pte. Ltd. ("Property Manager") which performs the day-to-day property management functions (including but not limited to lease management, property management, maintenance and administration) pursuant to the property and investment management agreements in respect of the properties located in Singapore, and the Australian Investment Manager, AA REIT Management Australia Pty Limited, in respect of properties located in Australia, to ensure that they meet their objectives pursuant to the respective agreements.

The Manager also considers sustainability issues in key impact areas and integrates these considerations as part of its management of AA REIT. The sustainability efforts of the Manager and AA REIT are set out in the Sustainability Report.

CORPORATE GOVERNANCE

AA REIT, constituted as a trust, is externally managed by the Manager and therefore, has no personnel of its own. The Manager appoints experienced and well-qualified personnel to run the day-to-day operations of the Manager and AA REIT. All Directors and employees of the Manager are remunerated by the Manager and not by AA REIT.

The Trust Deed outlines certain circumstances under which the Manager can be removed by notice in writing given by the Trustee upon the occurrence of certain events which includes by way of a resolution duly proposed and passed by a simple majority of the Unitholders present and voting at a meeting of the Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

OUR CORPORATE GOVERNANCE CULTURE

We believe that strong and effective corporate governance is imperative to the long-term success of AA REIT. Accordingly, we are committed to upholding high standards of corporate governance and operate in keeping with the spirit of the CG Code when discharging our responsibilities as the Manager.

The Corporate Governance report describes the corporate governance policies and practices that were in place during the financial year ended 31 March 2025 ("FY2025") from the CG Code, and where applicable, the Listing Manual and the Companies Act 1967 ("Companies Act").

For FY2025, AA REIT has complied with the principles of the CG Code in all material aspects and, where there are variations from any of the provisions of the CG Code, explanations are provided together with reasons for the variations as well as details of how the practices adopted are consistent with the aim and philosophy of the relevant principle of the CG Code.

BOARD MATTERS

The Board's conduct of affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Board's duties and responsibilities

The Board is responsible for the overall management and corporate governance of the Manager and of AA REIT. It provides leadership, sets strategic directions and ensures that the necessary financial and human resources are in place for the Manager to meet its objectives in managing the assets and liabilities of AA REIT in the best interests of the Unitholders. The Board oversees the management of AA REIT by setting standards and goals for the management team of the Manager ("Management"), monitors the achievement of the targets set and Management's performance. It also establishes a framework of prudent and effective controls, which enables risks to be assessed and managed to safeguard the Unitholders' interests and the assets of AA REIT.

The Board also makes key decisions and provides guidance and direction to Management at these meetings. The Manager has adopted a set of internal guidelines which sets out the limits of its financial authority. The Board's approval is required for material transactions, including but not limited to the acquisition, redevelopment and/or divestment of investment properties, material asset enhancement initiatives, adoption of the valuation of properties, annual budget for operating/ capital expenditure, distributions to Unitholders, bank borrowings and hedging strategies, release of business updates, half year and full year financial results as well as arrangements in relation to bank signatories. Such matters are clearly communicated to the Management in writing. Appropriate delegations of authority and approval sub-limits are also provided at Management level to facilitate operational efficiency. The Board also reviews the risks to the assets of AA REIT and acts upon recommendations from both the internal and external auditors of AA REIT.

The Board and special board committees ("Board Committees") may also make decisions by way of resolutions in writing. In each meeting where matters requiring the Board's approval are to be considered, all members of the Board participate in the discussions and deliberations, and resolutions in writing are circulated to all Directors for their consideration and approval.

CORPORATE GOVERNANCE

Directors of the Manager are fiduciaries and are collectively and individually obliged to act objectively in the best interests of AA REIT and its Unitholders. Directors hold the Management accountable for performance. Where any Director has a conflict of interest or appears to have a direct/deemed interest in a particular matter under discussion by the Board, such Director will be required to declare his or her interest, recuse himself or herself from deliberation on the matter and abstain from voting on the matter. Compliance by such Director will be duly recorded in the minutes of meeting or written resolutions. To set the appropriate tone-from-the-top, the Board has put in place a code of conduct and ethics applicable to all employees of the Manager to set the desired organisation culture as well as to ensure proper accountability within the Manager.

The Board is also responsible for identifying key stakeholder groups and recognises that their perceptions affect AA REIT's reputation.

Board meetings and activities

The Board meets regularly, at least once every quarter and as warranted by particular circumstances, to discuss and review the strategies and policies and their execution, and the affairs of AA REIT.

The Manager's Constitution permits Board meetings to be held by way of telephone or video conference or similar communication equipment or any other form of audio or audio visual instantaneous communication by which all persons participating in the meeting are able to hear and be heard by all other participants, at least four times each financial year. If a Director is unable to attend a Board meeting or Board Committee meeting, he/she will still receive all the Board papers tabled for discussion at that meeting. The Director will review the Board papers and will advise the chairman of the Board (the "Chairman") or Board Committee if he/she has any views and comments on the matters to be discussed so that they can be conveyed and tabled at the meeting for discussion.

In FY2025, the Board had been updated during Board meetings and/or (as required) at specially convened meetings by the relevant professional advisors, auditors and Management in areas that may affect AA REIT's business such as relevant legislation and regulations, corporate governance practices, changes in risk management, financial reporting standards and other industry-related matters. Management also provides the Board with information in a timely manner through regular updates on financial results, market trends and business developments. Directors are also encouraged to participate in industry conferences, seminars and training programmes in connection with their duties.

Time is also set aside as and when required, for closed door discussions without the presence of Management to discuss matters such as Board processes, corporate governance initiatives, succession planning, performance management and remuneration matters.

Management provides the Board with complete, timely and adequate information on all AA REIT and/or Manager matters which require the Board's deliberation. Proposals to the Board and/or Board Committees for decisions or mandates sought by Management are in the form of Board papers and/or Board Committee papers that contain explanatory background to the matter, facts, analysis, resources needed, conclusions and recommendations.

Ongoing reports relating to the operational and financial performance of AA REIT are provided to the Board periodically to enable them to exercise effective oversight over AA REIT. Directors are briefed by the Management during Board meetings, at specially convened sessions or via circulation of Board papers. Any material variances in respect of budgets and forecasts are also duly disclosed and explained to the Board. Additionally, reports by independent external analysts on AA REIT are forwarded to the Board from time to time to keep Directors apprised of analysts' views on AA REIT's performance.

The company secretary of the Manager (the "Secretary") works with the Chairman and the chief executive officer of the Manager ("Chief Executive Officer or CEO") to ensure that Board papers and the agenda are provided to each Director in advance of the Board meetings so that they can familiarise themselves with the matters prior to the Board meetings. Senior executives who can provide additional insights into matters to be discussed are also requested to attend the Board meetings to address any questions that the Board may have. AA REIT's auditors are also invited from time to time to attend such meetings.

CORPORATE GOVERNANCE

The Board has separate, independent and unfettered access to Management and the Secretary as well as to any information that it may require at all times. The Secretary or her designated representative attends all Board meetings and Board Committee meetings to record the minutes of the meeting. The Secretary renders assistance to the Board as may be necessary and helps to ensure that the applicable rules and regulations are complied with. The appointment and removal of the Secretary is a Board reserved matter.

The Directors, either individually or as a group, may at the Manager's expense seek independent professional advice where necessary to discharge their duties effectively.

Board committees

In the discharge of its functions, the Board is supported by Board Committees which also serve to ensure that there are appropriate checks and balances. These Board Committees are the Audit, Risk and Compliance Committee ("ARCC") and the Nominating and Remuneration Committee ("NRC"). The ARCC and NRC are chaired by non-executive independent directors ("Independent Directors") and report to the Board.

The Board may form other Board Committees from time to time. The composition of each Board Committee is also reviewed regularly, and as and when there are changes to Board membership. Where appropriate, changes are made to the composition of the Board Committees to ensure there is a balance of diversity of skills, experience and gender, and fostering active participation and contributions from Board Committee members.

The Board comprises members with a breadth of skills and experience in accounting and finance, banking and capital markets, real estate, construction, investment, merger & acquisitions, legal, innovation and technology, and environmental, social and governance. The current Board members are as follows:

Director	Board membership	Audit, Risk and Compliance Committee	Nominating and Remuneration Committee
Mr George Wang	Chairman, Non-Executive Non-Independent Director	–	Member
Mr Chia Nam Toon	Non-Executive Lead Independent Director	Member	Member
Mr Chong Teck Sin	Non-Executive Independent Director	Chairperson	–
Ms Vivienne Zhaohui Yu	Non-Executive Independent Director	Member	Chairperson

The profiles of the Directors and other relevant information are set out on pages 20 to 23 of the FY2025 Annual Report.

Each of these Board Committees operates under delegated authority from the Board with clear written terms of reference. However, the Board retains overall responsibility for any decisions made by the Board Committees. Other Board Committees may be formed as dictated by business imperatives and/or to promote operational efficiency.

Information on the ARCC can be found in the section "Audit, Risk and Compliance Committee" of the FY2025 Annual Report. Information on the NRC can be found in the "Board membership", "Board performance" and "Remuneration matters" sections of the FY2025 Annual Report.

The Manager is also assisted by the Business Review Committee ("BRC"), which comprises senior representatives from the Manager and the Sponsor to review the business operations and asset management of AA REIT. Where appropriate, the Manager will submit the recommendations of the BRC to the Board for consideration. The minutes of meetings of the BRC are circulated to the Board for information.

CORPORATE GOVERNANCE

The number of Board and Board Committee meetings held in FY2025 as well as the attendance of each Director at these meetings are set out in the table below:

	Board meetings	ARCC meetings	NRC meetings	Annual General Meeting
Number of meetings held in FY2025	6	5	2	1
Board members				
Mr George Wang[1]	6	n/a	2	1
Mr Chia Nam Toon	6	5	2	1
Mr Chong Teck Sin[1]	6	5	n/a	1
Ms Vivienne Zhaohui Yu	6	5	2	1

n/a Not applicable
1 Mr George Wang is not a member of the ARCC and Mr Chong Teck Sin is not a member of the NRC.

The Manager issues a formal letter of appointment to each Director upon appointment, setting out the Director's duties and obligations. Newly appointed Directors undergo an induction and orientation program upon their appointment, where they are briefed on their roles and responsibilities as Directors of the Manager, business activities of AA REIT and its strategic directions and the contribution the Directors would be expected to make, including the time commitment and any participation in Board Committees.

Newly appointed Directors will also be brought on site visits to selected AA REIT properties to gain a better understanding of AA REIT's business and operations. Directors who are appointed to the Board from time to time are required to have prior experience as a director of (i) an issuer listed on the SGX and (ii) a REIT manager, failing which such Directors will undergo the training required under Rule 210(5)(a) and Practice Note 2.3 of the Listing Manual. A Director who has no prior experience as a director of a listed company will be required to attend one of the following training programmes: (i) core modules of the Listed Entity Director ("LED") Programme conducted by the Singapore Institute of Directors; (ii) elective modules for the LED Programme under the Listed Entity Directors Bridging Programme conducted by the Singapore Institute of Directors; or (iii) the Board of Directors Masterclass Programme conducted by the Institute of Singapore Chartered Accountants and SAC Capital in order to acquire relevant knowledge of what is expected of a listed company director. The LED Programme focuses on comprehensive training of directors on compliance, regulatory and corporate governance matters which should allow first time directors to have a broad understanding of the roles and responsibilities of a director of a listed company under the requirements of the Companies Act, the Listing Manual and the CG Code. Additionally, starting from 1 February 2024, a Director who has no prior experience as a director of a REIT manager will also be required to attend the training on essentials for directors of REIT managers conducted by the REIT Association of Singapore. The Manager allocates each Director with an annual training budget and recommends relevant and/or necessary training courses and programmes for the Directors' participation.

In addition, Rule 720(7) of the Listing Manual requires all Directors of an issuer to undergo training on sustainability matters as prescribed by the SGX. All Directors have undergone the required sustainability training prescribed by the SGX.

Board composition and guidance

Principle 2: The Board has appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Board independence

The Board considers and assesses the independence of each Director in accordance with the requirements of the Listing Manual, the CG Code and the Securities and Futures (Licensing and Conduct of Business) Regulations ("SF(LCB) Regulations"). The SF(LCB) Regulations requires at least half of the Board to comprise independent directors where the Unitholders do not have the right to vote on the appointment of directors of the Manager. Provision 2.2 of the CG Code provides that independent directors make up a majority of the Board where the Chairman is not independent. Provision 2.3 of the CG Code further provides that non-executive directors should make up a majority of the Board.

Mr George Wang, Chairman of the Board, is the founder and Chief Executive Officer of the Sponsor and is not an Independent Director. The current composition of the Board is in keeping with prevailing guidelines and regulations, consisting of four members, of whom majority are Independent Directors.

CORPORATE GOVERNANCE

Under Provision 2.1 of the CG Code, an independent director is one who is independent in conduct, character and judgement, and has no relationship with AA REIT/the Manager, its related corporations, its substantial Unitholders/shareholders or its officers that could interfere or be reasonably perceived to interfere with the exercise of a director's independent business judgement in the best interests of AA REIT.

Regulations 13D to 13H of the SF(LCB) Regulations impose additional independence requirements on the Directors. Under the SF(LCB) Regulations, a Director is considered to be independent if the Director:

(a) is independent from the management of the Manager and AA REIT;
(b) is independent from any business relationship with the Manager and AA REIT;
(c) is independent from every substantial shareholder of the Manager and every substantial unitholder of AA REIT;
(d) is not a substantial shareholder of the Manager or a substantial unitholder of AA REIT; and
(e) has not served as a director of the Manager for a continuous period of nine years or longer.

A Director who does not satisfy any condition mentioned in the aforementioned (a) to (c) may nevertheless be treated as an Independent Director of the Manager if the Board is satisfied that the Director is able to act in the best interests of all Unitholders of AA REIT as a whole.

The independence of each Independent Director is reviewed and assessed by the NRC annually, taking into consideration independence requirements set out in the Listing Manual, the CG Code as well as the SF(LCB) Regulations. The NRC assesses whether each of the Independent Directors has any relationships or circumstances which could affect his or her independent status and makes its recommendations to the Board. If the Board deems a Director to be independent notwithstanding the existence of such relationships or circumstances, it shall disclose such information in full and provide its reasons accordingly. Each Independent Director is required to recuse himself or herself from the assessment of his or her independence.

The following paragraph sets out the outcome of the assessment carried out by the NRC on the independence of the Independent Directors for FY2025:

During the year, the Independent Directors, being Mr Chong Teck Sin, Mr Chia Nam Toon and Ms Vivienne Zhaohui Yu do not have any relationships and are not faced with any of the circumstances identified in the CG Code, SF(LCB) Regulations and Listing Manual, or any other relationships which may affect their independent judgement. The NRC considered whether each of them has demonstrated independence in character and judgement in the discharge of his/her responsibilities as a Director and concluded that each of them has acted with independent judgement. The NRC is therefore of the view that the Independent Directors have exercised independent judgement in the discharge of his or her duties and responsibilities.

Pursuant to Regulation 13E(b)(i) of the SF(LCB) Regulations and the CG Code, the Board, after considering the assessment and recommendation of the NRC above, is satisfied that:

All Independent Directors (i) are independent from the management of the Manager and AA REIT during FY2025; (ii) are independent from any business relationship with the Manager and AA REIT during FY2025; (iii) are independent from every substantial shareholder of the Manager and every substantial Unitholder of AA REIT during FY2025; (iv) are not a substantial shareholder of the Manager or a substantial Unitholder of AA REIT during FY2025; and (v) have not served as a Director of the Manager for a continuous period of nine years of longer as at the last day of FY2025.

Mr George Wang is the founder and Chief Executive Officer of the Sponsor, which owns the Manager, the Property Manager and such other Sponsor-related entities as set out on page 20 of the FY2025 Annual Report and is a substantial Unitholder of AA REIT. Therefore, during FY2025, Mr George Wang is deemed to have a management relationship with a related corporation of the Manager and a business relationship with the Manager and AA REIT. Mr Wang is a substantial shareholder of the Manager and a substantial Unitholder of AA REIT. Mr Wang has served on the Board for more than ten years as at 31 March 2025 as he was first appointed to the Board on 7 August 2009. As at 31 March 2025, Mr George Wang was able to act in the best interests of all Unitholders of AA REIT as a whole and the Board is satisfied that Mr George Wang was able to act in the best interests of all Unitholders of AA REIT as a whole.

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The Directors actively participate in setting and developing strategies and goals for Management as well as reviewing and assessing Management's performance. This enables Management to benefit from the external, diverse and objective perspectives of the Directors on issues that are brought before the Board. The Independent Directors meet informally without the presence of Management regularly or on a need-to basis and the Chairman of such meeting will communicate feedback of such meetings to the Chairman of the Board and/or the Board, as appropriate.

Board diversity policy

The Manager is committed to building a diverse and inclusive culture which promotes the inclusion of different perspectives and insights. The Board, with the recommendation of the NRC, has adopted a board diversity policy ("Board Diversity Policy") which sets out the Manager's approach to achieve diversity on its Board.

Under the Board Diversity Policy, the NRC will, when nominating qualified and suitable candidates for appointment to the Board, ensure that the Board remains sufficiently diverse to reflect a range of viewpoints to facilitate effective decision-making. With diverse skills, experience and gender being important aspects of diversity, the NRC will strive to ensure that there is adequate mix of skills, experience and gender on the Board. To this end, our Board Diversity Policy includes a target of at least 20% representation of female Directors on the Board.

In determining the optimum composition for the Board, the Board Diversity Policy also provides for the NRC to consider a combination of factors, including differences in:

- Skills, industry and business experiences;
- Gender;
- Age;
- Geographical background and nationalities; and
- Tenure of service

The Board has adopted a skills matrix which classifies the skills, knowledge, and professional experience of the Board into several broad categories such as:

- Accounting and finance;
- Banking and capital markets;
- Real estate and construction;
- Investment;
- Mergers and acquisitions;
- Legal;
- Innovation and Technology; and
- Environmental, social and governance.

The Board reviews, on a regular basis, whether the composition and mix of the Board remain appropriate for the Manager's purpose and strategic objectives and whether the skills covered are relevant to address existing and emerging business and governance issues of the Manager and AA REIT. The final decision on selection of Directors will be based on merit against the objective criteria set and after giving due regard for the benefit of diversity on the Board.

AA REIT is committed to implementing the Board Diversity Policy, and any progress made towards the implementation of such policy, will be disclosed in the Annual Report, as appropriate. The NRC will review the Board Diversity Policy and objectives from time to time as appropriate and if necessary, recommend changes for the Board's approval.

During FY2025, the Board has reviewed its size and composition and is of the view that the current Board comprise Directors with an appropriate balance and diversity of skills, experience, knowledge and gender which is relevant to AA REIT's operations and evolving needs of AA REIT's business.

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Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The roles of Chairman and Chief Executive Officer are separate and the positions are held by two separate persons in order to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. The Chairman and the Chief Executive Officer are not related to each other.

There is clear separation of roles and responsibilities between the Chairman and the Chief Executive Officer which has been set out in writing. The Chairman is responsible for the overall leadership and management of the Board to ensure its effectiveness on all aspects of its role. This includes setting the agenda of the Board in consultation with the Chief Executive Officer and ensuring that adequate time is available for open discussion and robust debate of all agenda items, in particular strategic issues. The Chairman also ensures that the Directors receive complete, adequate, clear and timely information. In addition, the Chairman facilitates the contribution of Independent Directors, encourages constructive relations between the Independent Directors and Management, ensures effective communication with Unitholders and promotes a high standard of corporate governance. The Chairman also ensures that the Board works together with integrity and competency and that the Board engages Management in constructive debate on strategy, business operations, enterprise risk and other plans. On the other hand, the Chief Executive Officer has full executive responsibilities over the business directions and operational decisions in the day-to-day management of the Manager and AA REIT.

Provision 3.3 of the CG Code provides for the appointment of an independent director to be the lead independent director in certain circumstances, including where the Chairman is not independent. The Lead Independent Director has the discretion to hold meetings with the Independent Directors without the presence of the Non-Independent Directors and Management as he deems appropriate or necessary and to provide feedback to the Chairman after such meetings. The Lead Independent Director is available to Unitholders if the Unitholders have concerns and for which contact through the Chairman, the Chief Executive Officer or the Chief Financial Officer, has failed to resolve or is inappropriate.

Board membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Nominating and Remuneration Committee (NRC)

The NRC members are appointed by the Board and support the Board in nominating matters relating to the Manager in accordance with the NRC's written terms of reference. The NRC currently comprises three Directors, the majority of whom, including the NRC Chairperson, are Independent Directors. The current members of the NRC are as follows:

Ms Vivienne Zhaohui Yu	Chairperson
Mr Chia Nam Toon	NRC Member
Mr George Wang	NRC Member

The composition of the Board, including the selection of candidates for new appointment to the Board, is determined using the following principles:

- the Board should comprise Directors with a broad range of commercial experience, including expertise in accounting and finance, banking and capital markets, real estate, construction, investment, merger and acquisitions, legal, innovation and technology, environmental, social and governance;

- the Board should comprise Directors with balance and diversity of thought and background to facilitate effective decision-making; and

- at least half of the Board should comprise Independent Directors.

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The NRC administers nominations to the Board, reviews the structure, size and composition of the Board and reviews the performance and independence of the Directors. In addition, as part of regulatory requirements, prior approval from MAS is sought for any change of the Chief Executive Officer or of any appointment of Director. Directors of the Manager are not subject to periodic retirement by rotation.

Roles and responsibilities of NRC

The NRC has written terms of reference setting out its scope and authority in performing the functions of the nominating committee, which include assisting and/or making recommendation to the Board in matters relating to:

- the review of the structure, size and composition of the Board and the Board Committees;
- the review of succession plans for Directors, in particular the appointment and/or replacement of the Chairman, the Chief Executive Officer and key management personnel;
- the development of a transparent process and criteria for evaluation of the performance of the Board, its Board Committees and Directors, including assessing whether Directors are able to commit enough time to discharge their responsibilities and the maximum number of listed company board representation which a Director may hold;
- the review of training and professional development programmes for the Board and its Directors, including but not limited to, training on sustainability matters as prescribed by the SGX-ST;
- the appointment of Directors (including alternate directors, if any);
- the review and confirmation of the independence of each Director annually; and
- the Manager's targets, plans and timelines for achieving diversity on the Board (including the review of the Manager's progress in achieving such diversity targets within the timelines).

The Manager adopts a comprehensive and detailed process in the selection of new Directors. The selection of candidates is evaluated taking into account various factors, including the current and mid-term needs and goals of AA REIT, and hence, the Manager, as well as the relevant expertise of the candidates and their potential contributions. Candidates may be put forward or sought through contacts, recommendations or through external consultants. The Board, in consultation with the NRC, will consider AA REIT's and the Manager's strategic goals, business direction and needs. The NRC will conduct interviews with the candidates, and nominate the candidate deemed most suitable for appointment to the Board.

The Manager will not be voluntarily subjecting any appointment or re-appointment to voting by Unitholders as more than half of the Board comprises independent directors.

In FY2025, none of the Directors has appointed an alternate director.

Review of Directors' ability to commit time

The NRC considers whether each Director is able to and has been adequately carrying out his/her duties as a Director, taking into consideration, inter alia, the Director's other publicly listed company board representations and other principal commitments. In addition, the NRC also takes into consideration, inter alia, a qualitative assessment of each Director's contributions as well as any other relevant time commitments. Although some of the Directors have other listed company board representations and commitments, the Board has determined through a formal assessment of the Board's performance that each individual Director has devoted sufficient time and attention to his/her role as a Director and to the affairs of the Manager. Based on the attendance and level of participation at the Board and Board Committee meetings held in FY2025, the Board is of the view that such appointments do not hinder the Directors from discharging their duties adequately and diligently and therefore believes that it would not be necessary to prescribe a maximum number of listed company board representations a Director may hold. The Board does not wish to exclude from consideration suitable individuals who, despite the demands on their time, have the capacity to participate and contribute as members of the Board.

CORPORATE GOVERNANCE

Board performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that each of its board committees and individual directors.

The NRC performs an annual assessment on the effectiveness of the Board as a whole, each of its Board Committees and individual Directors. Each Director will complete a questionnaire and the aggregated evaluation results will be reported to the NRC. Following the NRC discussion and review of the overall evaluation, the NRC will recommend to the Board key areas for improvement and follow-up action, where necessary, with a view of enhancing the effectiveness of the Board, the Board Committees and individual Directors in the discharge of its and their duties and responsibilities.

Board evaluation as an ongoing process

In FY2025, this evaluation was conducted internally. However, the NRC has the discretion to engage external consultants to conduct the evaluation, if it deems necessary. In respect of the Board's and Board Committees' assessment, the evaluation categories covered in the questionnaire include Board composition, performance and strategy, Board procedures, environmental, sustainability and governance, access to information by the Board, management of the Manager's performance, Director development, risk management and internal controls. As part of the questionnaire, the Board also considers whether the creation of value for Unitholders has been taken into account in the decision-making process. A Director's peer evaluation was also carried out wherein each Director assesses other members of the Board. The evaluation categories include Director's contributions, conduct and interpersonal skills, knowledge of the industry and business which AA REIT and the Manager operate in as well as strategic thinking. In FY2025, the NRC is of the view that the Directors, the Board as a whole and the Board Committees have fared well against the performance criteria, as positive ratings were received for all the attributes in the evaluation categories. Accordingly, the NRC is satisfied with the performance of the Directors, the Board and the Board Committees.

The Board takes cognisance that contributions by an individual Director may be in the form of providing objective perspectives on issues, facilitating business opportunities and strategic relationships with external parties and being accessible to Management outside of formal Board and/or Board Committee meetings.

REMUNERATION MATTERS

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The NRC has written terms of reference setting out the scope and authority in performing the functions of a remuneration committee, which include assisting the Board in matters relating to:

- reviewing and making recommendation to the Board on the Manager's remuneration framework for the Board and key management personnel by taking into account all relevant legal and regulatory requirements including the principles and provisions of the CG Code. In doing so, the NRC shall ensure that:

  (a) a significant and appropriate proportion of executive Directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. The performance-related remuneration must be aligned with the interests of Unitholders and promotes the long-term success of AA REIT;

CORPORATE GOVERNANCE

(b) the remuneration of non-executive Directors is appropriate to the level of contribution, taking into account factors such as effort, time spent and responsibilities; and

(c) the remuneration is appropriate to attract, retain and motivate the Directors to provide good stewardship of AA REIT and key management personnel to successfully manage AA REIT for the long term;

- reviewing and recommending to the Board on the specific remuneration packages for each Director, Chief Executive Officer and key management personnel;
- reviewing the ongoing appropriateness and relevance of the Manager's remuneration policy;
- obtaining reliable and relevant market benchmarks through the appointment of independent remuneration consultants whenever deemed necessary; and
- considering all aspects of renumeration, including termination terms. When reviewing the Manager's obligations arising in the event of the termination of an executive Director's or key management personnel's contract of service, it is to ensure that such contract of service contains fair and reasonable termination clauses which are not overly generous.

No member of the NRC is involved in any decision relating to his or her own remuneration.

The remuneration policy adopted by the Manager is in line with AA REIT's business strategies and enables the Manager to attract, motivate, reward and retain quality employees. Key management personnel remuneration which is payable wholly in cash comprises a fixed component, a variable component and other employee benefits. The fixed component comprises the base salary and compulsory employer's contribution to the employees' Central Provident Fund ("CPF"). The variable component is in the form of short-term and longer-term bonuses, and the Board, with the support of the NRC, reviews the eligibility of employees for such bonuses on an annual basis. The NRC also takes reference from the local market practices in setting the Manager's employee remuneration and benefits policies. Currently, there are no unit-based incentive schemes or award schemes in place to reward employees as part of the remuneration package. The NRC has access to independent remuneration consultants as and when required. No external remuneration consultants were engaged for FY2025.

The compensation structure for the variable component comprises both short term and long term incentives, each designed to drive corporate and individual performance, as well as the performance of AA REIT through the incorporation of appropriate key performance indicators ("KPIs") that are specific, measurable, result-orientated and time-bound.

The short-term incentive ("STI") is designed to reward annual performance based on a structured framework of KPIs. At the end of each financial year, a comprehensive review is conducted to assess actual performance against these KPIs. This assessment also considers qualitative factors such as the broader business environment, regulatory landscape, and industry trends to determine an appropriate bonus outcome. To foster both immediate and sustained performance, the STI is paid over two or three years for certain employees. The NRC determines the final STI quantum by evaluating the extent to which the KPIs have been achieved, alongside additional considerations such as progress towards sustainability objectives. The KPIs include, among others, the distribution per unit ("DPU") growth of AA REIT. This performance-linked approach ensures alignment between the interests of the Manager's employees and AA REIT's Unitholders.

The long-term incentive ("LTI") component forms part of the variable remuneration framework and aims to strengthen the retention of the company's senior talent. The LTI follows the same performance principles as the STI but is designed to drive sustainable value creation over a multi-year horizon. It is contingent upon the achievement of performance targets over a five-year performance period, with performance measured against pre-determined KPIs, including year-on-year DPU growth over the performance period. Payments under the LTI are paid over three years, thereby promoting the long term success of AA REIT and fostering a culture of ownership and accountability.

The Chairman and Independent Directors are paid fixed basic fees for their Board and Board Committee memberships by the Manager. In determining the quantum of the fees, the Manager has taken into account factors such as effort, time spent and responsibilities of the Chairman and Directors, and they are not overcompensated to the point that their independence may be compromised. Chairman and Directors' fees are reviewed periodically and benchmarked to fees paid by other listed real estate investment trusts. No Director decides on his or her own fees. Currently, there are no unit-based incentives or awards in place to reward Directors as part of the remuneration package. The NRC will periodically review and re-evaluate this option.

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Director's fees

Directors' fees, CEO and key management personnel remuneration are paid by the Manager. For FY2025, the Directors' fees paid in cash were as follows:

Directors' fees	FY2025	FY2024
Board Members		
Mr George Wang	S$150,000	S$112,500[1]
Mr Chia Nam Toon	S$95,000	S$81,833[2]
Mr Chong Teck Sin	S$95,000	S$80,000
Ms Vivienne Zhaohui Yu	S$97,500[4]	S$79,333[3]
Mr Peter Michael Heng	–	S$40,833[5]

1 Chairman fee effective from 1 July 2023.
2 Mr Chia Nam Toon was appointed as Non-Executive Independent Director on 8 February 2023 and FY2024 included S$2,500 fee for chairing the FY2023 AGM in July 2023.
3 Ms Vivienne Zhaohui Yu was appointed as Non-Executive Independent Director on 1 February 2023.
4 Included S$2,500 fee for chairing the FY2024 AGM in July 2024.
5 Mr Peter Michael Heng stepped down as the Non-Executive Independent Director with effect from 1 November 2023.

The CEO and Key Management Personnel Remuneration for FY2025

Remuneration of Chief Executive Officer	Salary and Allowances[1]	Short-Term Incentives [2]	Long-Term Incentives [3]	Total
S$817,947 Mr Russell Ng	46%	10%	44%	100%

Remuneration Band of Key Management Personnel	Salary and Allowances[1]	Short-Term Incentives [2]	Long-Term Incentives [3]	Total
S$250,001 to S$500,000 Ms Lim Joo Lee	54%	13%	33%	100%

Notes.
1 Inclusive of Employer's CPF contributions and allowances
2 Inclusive of Employer's CPF contribution. The STI is based on the achievement of performance targets and paid up to three years.
3 LTI award granted is contingent on achieving performance targets over a five year period and paid up to three years. The amount represents the maximum aggregate award, which will only be granted if all conditions are met. If performance conditions are not met, no LTI will be awarded. If some, but not all conditions are met, a proportionate LTI award up to 100% of the aggregate amount may be awarded.

Remuneration policy for key management personnel

Pursuant to Rule 1207(10D) of the Listing Manual, the provision 8.1(a) of the CG Code and the "Notice to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management" issued by the MAS (Notice No: SFA04-N14 (Amendment) 2024), managers of real estate investment trusts, being holders of a Capital Markets Services Licence, are required to disclose the exact remuneration of the CEO and each individual director on a named basis.

Provision 8.1(b) of the CG Code also states that the Manager is required to disclose the remuneration of at least the top five key management personnel (who are not directors or the CEO), on a named basis, in bands of S$250,000 and in aggregate the total remuneration paid to these key management personnel, and the Manager is required to provide an explanation in the annual report of the REIT if the Manager does not wish to or is unable to comply with such disclosure requirement. Accordingly, the Manager has disclosed the exact amount and breakdown of remuneration paid to the CEO and each individual director.

The Manager has decided not to disclose the aggregate quantum of remuneration of the key management personnel (excluding the CEO) for the following reasons:

- the key management team of the Manager is relatively small, and disclosing the actual quantum of remuneration could pose significant commercial sensitivity and heighten the risk of staff attrition, which would not be in the best interests of Unitholders; and

CORPORATE GOVERNANCE

- The remuneration of key management personnel, including the CEO, is borne by the Manager, which is a private company. The fees that the Manager received from AA REIT for FY2025 have been fully disclosed under the "Interested Person Transactions" section of the 2025 Annual Report.

The Board is of the view that Unitholders and the REIT are not disadvantaged by this approach. The Manager remains committed to transparency in line with the spirit of Principle 8 of the CG Code. Comprehensive information regarding the Manager's remuneration policies, structure, decision-making processes, and the alignment of remuneration with performance and value creation has been provided in the preceding sections.

In FY2025, no employee of the Manager was a substantial shareholder of the Manager or a substantial unitholder of AA REIT or an immediate family member of a Director, the CEO, a substantial shareholder of the Manager or a substantial unitholder of AA REIT and whose remuneration exceeded S$100,000 during the financial year ended 31 March 2025. "Immediate family member" refers to the employee's spouse, child, adopted child, step-child, brother, sister and parent.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Role of the Board and ARCC in ensuring sound internal controls and effective risk management practices

The Board recognises the importance of sound internal controls and effective risk management practices to good corporate governance. As such, the Manager has put in place a system of internal controls comprising procedures and processes to safeguard AA REIT's assets, Unitholders' interests and to manage risks. The Board has overall responsibility for risk governance, determines AA REIT's levels of risk tolerance and risk policies and oversees the Manager in the design, implementation and monitoring of the risk management and internal controls systems, including financial, operational, compliance and information technology controls. The ARCC assists the Board in overseeing the risk management framework and policies for AA REIT.

The Board, in consultation with Management, has established a risk identification and management framework and has implemented risk management policies and processes covering areas of significant risks such as anti-money laundering and countering of terrorism, financial risk management, outsourcing risk, business continuity risk and technology risk management to ensure that AA REIT maintains a sound system of risk management and internal controls to safeguard Unitholders' interests and AA REIT's assets as well as achieving strategic objectives and value creation. The framework strengthens AA REIT's capability to recognise and capitalise on new challenges and opportunities so as to value-add to Management's decision-making, business planning and operational management and as a protection for investors.

The internal auditors conduct reviews of the adequacy and effectiveness of the material internal controls (including financial, operational, compliance and IT controls) and risk management systems and any material non-compliance or lapses in internal controls together with corrective measures recommended by the internal auditors are reported to and reviewed by the ARCC. The Board, through the ARCC, reviews the adequacy, effectiveness, independence, scope and results of the internal audit function to ensure that a robust risk management framework and internal control system is maintained.

Risk and Compliance

The Risk and Compliance department is headed by a Director, Risk and Compliance (the "Director, Risk and Compliance") from the Sponsor and its role is to provide oversight and co-ordination of risk management to the Manager and AA REIT. The Director, Risk and Compliance is assisted by the Risk and Compliance Officers. Periodic updates will be provided by the Director, Risk and Compliance to the ARCC on AA REIT's and the Manager's risk profiles. Such updates would include an assessment of key risks, current status, mitigating measures put in place, effectiveness of such mitigating measures, and any action plans to be undertaken by Management to manage such risks.

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Information on risk management can be found in the section "Risk Management Report" on pages 136 to 139 of the FY2025 Annual Report.

Board's comment on internal controls and risk management

The Board has received assurance from the Chief Executive Officer and the Chief Financial Officer of the Manager that:

(a) the financial records have been properly maintained; (b) the financial statements of AA REIT and its wholly-owned subsidiaries ("Group") and the Trust give a true and fair view of the operations and finances of the Group and the Trust which comprise the financial position and portfolio holdings of the Group and the Trust as at 31 March 2025, and (c) the total return, distributable income and movements in Unitholders' funds of the Group and of the Trust and cash flows of the Group for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. The Board has also received assurance from the Chief Executive Officer and the relevant key management personnel that the system of risk management and internal controls in place are adequate and effective to address the risks that the Manager considers relevant and material to the current business environment as at 31 March 2025.

Based on the enterprise risk management framework established and maintained by the Manager, work performed by the internal and external auditors, reviews conducted by Management and various Board Committees including the ARCC as well as the assurance from the Chief Executive Officer and relevant key management personnel, the Board is of the opinion that the system of risk management and internal controls was adequate and effective to address the risks (including financial, operational, compliance and information technology risks), which the Board considers relevant and material to its current business environment as at 31 March 2025. The ARCC concurs with the Board on its opinion. No material weaknesses in the systems of risk management and internal controls were identified by the Board or the ARCC in the review for FY2025.

The Board notes that the system of risk management and internal controls established provides reasonable but not absolute assurance that AA REIT will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, fraud or other irregularities.

RISK MANAGEMENT REPORT

Enterprise Risk Management ("ERM") framework

Risk management is a fundamental part of AA REIT's business strategy to ensure the interests of Unitholders are protected.

Risk Governance

The Board of Directors bears the responsibility for overseeing risk governance. In fulfilling this duty, the Board is assisted by the ARCC to offer a comprehensive review of risk management practices. The ARCC convenes quarterly, or more frequently as necessary with attendance from the Chief Executive Officer and other key management staff.

Supporting the ARCC in its functions are the Director of Risk and Compliance, alongside Risk and Compliance Officers.

Risk Management Process

Management has implemented an ERM framework to create a robust and rigorous corporate governance structure. This approach systematically identifies significant risks confronting AA REIT, assesses their impact on business processes, and proactively manages them in a consistent and structured manner. Within this framework, key risks, mitigating measures and Management actions undergo continual identification, review and monitoring.

A robust internal control system and an effective independent audit review process comprise the ERM framework. These components collectively address financial, operational, compliance, information technology, environmental, and climate change risks, thereby safeguarding the interests of Unitholders and protecting AA REIT's assets.

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The Manager is responsible for designing and implementing effective internal controls. The internal auditor conducts independent reviews to evaluate the design and implementation of controls, providing the ARCC with reasonable assurance regarding the adequacy and effectiveness of the internal control system.

KEY RISKS IN FY2025

AA REIT conducts an annual review and regularly updates its risk management systems and methodologies to effectively address risks in alignment with current business conditions, thereby safeguarding capital and enhancing value for Unitholders. Key risks identified during FY2025 include but are not limited to the following:

EXTERNAL RISKS

Economic and geopolitical risk

Economic factors, including, without limitation, changes in interest rates and inflation, changes in gross domestic product, economic growth, employment levels and consumer spending, consumer and investment sentiment, property market volatility and the availability of debt and equity capital could adversely affect the business, financial condition and results of operations of AA REIT. Global geopolitical tensions and uncertain global tariff policies continue to weigh on global supply chains resulting in elevated costs to the business and pose challenges to the global economy.

To manage such risks, the Manager continues to work on cost optimisation/saving initiatives and prudent capital management to strengthen its balance sheet and maintain sufficient financial flexibility. The Manager also keeps abreast on the real estate market through research and closely monitoring economic, geopolitical and political developments worldwide. Strategic acquisitions are pursued to fortify the portfolio's resilience.

Environmental and climate change risks

AA REIT is exposed to climate-related physical risks such as rising sea levels, extreme weather events, and transition risks that can result in increased carbon taxes, higher energy prices and more stringent regulatory requirements.

To mitigate these risks, the Sustainability Council assists the Board in overseeing AA REIT's sustainability strategy, objectives, overseeing initiative implementation, tracking targets for improvements, and reviewing sustainability performance. The Manager strives to implement environmentally friendly initiatives, set carbon emission reduction targets, and enhance energy and water efficiency to future proof the portfolio. Environmental risk due diligence is conducted as an integral part of investment evaluation, with ongoing monitoring of physical risks over the existing assets and continuous review of AA REIT's sustainability roadmap to drive Environmental, Social and Governance ("ESG") performance. The Manager will strive to achieve Green Mark Certification for buildings which undergo redevelopment and asset enhancement initiative, where economically feasible and viable.

For more information, please refer to the Sustainability Report on pages 90 to 122 of the FY2025 Annual Report.

STRATEGIC RISKS

Investment Risk

All investment proposals comprising acquisitions of new properties/investments, asset enhancement initiatives of existing properties and re-developments are subject to rigorous assessment and reviewed by Management and the BRC before a recommendation is made to the Board. The role of the BRC is set out on page 126 of the FY2025 Annual Report. Risk assessment is an important aspect of the evaluation process. Investment proposals submitted to the Board for approval is accompanied by assessment of risk factors and risk mitigation strategies.

Market Risk

AA REIT's portfolio is subject to real estate market risks such as the volatility in rental rates and occupancy rates due to supply and demand for logistics, industrial and business park properties which may have an adverse effect on property yields. To mitigate such risks, the Manager has established a high quality and diversified tenant base across a range of industries and adopts proactive tenant management strategies to retain and prospect tenants. Regular engagement and feedback with key stakeholders, investors and tenants are conducted to align expectations and to stay relevant. Where the opportunity arises, the Manager will embark on asset enhancement activities and redevelopment opportunities to enhance the value, performance and competitiveness of the properties in AA REIT's portfolio.

CORPORATE GOVERNANCE

OPERATIONAL RISK

The Manager's operating activities are focused on generating sustainable rental income to deliver secure and stable distributions and long-term capital growth to Unitholders. Measures include prompt lease renewals to reduce vacancies, prudent control of property expenses and an annual maintenance and capital expenditure programme to maintain and enhance AA REIT's properties. The Manager has also established operating and reporting policies and procedures to manage day-to-day operational activities, which are reviewed and updated periodically to ensure relevance and effectiveness as well as compliance with the latest regulation. The Manager also procures insurance policies such as Industrial All Risks (including business interruption) to mitigate against certain financial losses.

OCCUPATIONAL HEALTH AND SAFETY RISKS

The Manager puts the health and safety of its stakeholders first. Safety protocols are integrated into AA REIT's SOPs, with regular property inspections conducted by the Property Manager to ensure compliance with regulatory requirements and renewal of licenses and permits.

FINANCIAL RISKS

Foreign Exchange Risk

AA REIT's exposure to fluctuation of the AUD against the SGD arising from its investments and properties in Australia is mitigated by adopting a natural hedging strategy for Australian investments through the use of Australian dollar denominated borrowings and currency forwards to hedge the foreign currency income distributable from Australia. As at 31 March 2025, the AUD borrowings hedge approximately 63% of the carrying value of AA REIT's investments in Australia.

Interest Rate Risk

The Manager adopts a proactive interest rate management strategy to manage the risk associated with adverse movement in interest rates. The Manager monitors interest rate risk regularly to limit AA REIT's interest exposure from adverse movements in floating interest rates. The Manager enters into hedging transactions to partially mitigate the risk of interest rate exposures by entering into interest rate swaps contracts to swap floating rates for fixed rates over the duration of certain of its borrowings or utilise fixed rates borrowings. As at 31 March 2025, 85% (82% excluding forward starting interest rate swaps) of AA REIT's total borrowings have been hedged, with its interest coverage ratio at 2.4[1] times (3.9 times excluding distribution for Perpetual Securities).

Liquidity Risk

The Manager actively monitors its debt maturity profile, maintains an efficient use of cash and debt facilities in order to balance borrowing costs and ensure sufficient availability of credit facilities to meet its financial obligations, working capital and committed capital expenditure requirements. In addition, the Manager also monitors AA REIT's cash flow position and requirements to meet any operational needs and short-term financing obligation as well as compliance with the Property Funds Appendix in relation to limits on total borrowings. AA REIT's ability to raise funds from both banks and capital markets has enabled AA REIT to diversify its sources of funding to avoid over-reliance on any single source of funding. As at 31 March 2025, the Group and the Trust have total cash and bank balances and undrawn committed facilities of approximately S$289.5 million to fulfil their liabilities as and when they fall due. There is no refinancing requirement until FY2027.

REGULATORY AND COMPLIANCE RISKS

The Manager, being a capital markets services licence holder, is required to comply with the applicable laws and regulations governing AA REIT and the Manager, as listed on page 123 of the FY2025 Annual Report. Any changes in these regulations may affect AA REIT's operations and results. Where necessary, external lawyers or advisers are engaged to provide their expert advice on specific matters, ensuring continuous compliance with the relevant laws and regulations.

The employees of the Manager keep abreast of changes in legislation and regulations through training and participating in briefings, seminars, and talks. Policies and procedures are implemented to address the requirements of the applicable laws, regulations and rules such as Personal Data Protection Policy and Anti-Money Laundering and Countering the Financing of Terrorism Policy.

[1] The interest coverage ratio 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 insurance compensation for property damage), by the trailing 12 months' interest expense, borrowing-related fees and distributions on hybrid securities. The borrowing-related fees excludes the unwinding of discounting effect on the present value of lease liabilities and deferred consideration.

CORPORATE GOVERNANCE

FRAUD RISKS

The Manager adopts a zero-tolerance approach towards unethical business practices or conduct, fraud and bribery. The Manager has put in place policies and guiding principles on anti-corruption and bribery, establishing boundaries for the acceptance or offer of gifts to ensure that the REIT's business is conducted with honesty, fairness and high ethical standards. The Manager also has a whistleblowing policy that allows employees and stakeholders to provide a clearly defined process and independent feedback channel to raise any serious unethical concerns, suspected fraudulent activities and bribery, dangers, risks, malpractices or wrongdoings in the workplace while protecting them from reprisals.

CYBER SECURITY AND INFORMATION TECHNOLOGY ("IT") RISKS

Digitalisation exposes the business to IT-related threats which may compromise the confidentiality, integrity and availability of AA REIT's information, assets, networks and systems. IT controls and cybersecurity measures are regularly reviewed and enhanced on an ongoing basis to address IT-related risks. Training on IT security awareness is conducted regularly to raise cyber security awareness on evolving threats such as phishing and hacking attempts and other threats. On an annual basis, the Manager reviews its Business Continuity Plan and conducts a disaster recovery exercise to test and ensure timely recoverability of its critical IT systems.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

Audit, Risk and Compliance Committee (ARCC)

The ARCC members are appointed by the Board. The ARCC is comprised entirely of non-executive Independent Directors. The current members of the ARCC are:

Mr Chong Teck Sin	ARCC Chairperson
Mr Chia Nam Toon	ARCC Member
Ms Vivienne Zhaohui Yu	ARCC Member

Members of the ARCC are appropriately qualified to discharge their responsibilities as they possess the requisite recent and relevant accounting or related financial management expertise or experience. None of the ARCC members are former partners or Directors of AA REIT's existing auditing firm, KPMG LLP, within the previous two-year period, nor does any of the ARCC members have any financial interest in KPMG LLP. The number of ARCC meetings held and corresponding attendance for the financial year are set out on page 127 of the FY2025 Annual Report.

The ARCC is governed by written terms of reference and has explicit authority to investigate any matter within its terms of reference. The ARCC has full access to and cooperation by Management, the internal and external auditors and has full discretion to invite any Director or senior executive to attend its meetings. The ARCC is reasonably resourced to enable it to discharge its functions properly. The ARCC is kept updated whenever there are changes to the financial reporting standards or issues that may have an impact on the financial statements of AA REIT.

Key Responsibilities of ARCC:

- reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of AA REIT and any announcements relating to its financial performance;
- reviewing and reporting to the Board at least annually on the adequacy and effectiveness of the Manager's internal controls, including financial, operational, compliance and information technology controls as well as risk management systems;
- reviewing the assurance from the Chief Executive Officer and Chief Financial Officer on the financial records and financial statements and the assurance from the key management personnel regarding the adequacy and effectiveness of the risk management and internal control systems;
- reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Manager's internal audit functions;

CORPORATE GOVERNANCE

- making recommendations to the Board on the proposals to the Unitholders on the appointment, re-appointment and removal of the external auditors and approving the remuneration and terms of engagement of the external auditors; and

- reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

Role of the ARCC Chairperson

The ARCC Chairperson is responsible for ensuring the ARCC meetings are run efficiently and that each agenda item is thoroughly and thoughtfully discussed by all members of the ARCC. The ARCC Chairperson is often the key contact between the ARCC members and the Board, as well as senior management and the auditors. Responsibilities of the ARCC Chairperson also generally include the planning and conducting of the ARCC meetings, overseeing reporting to the Board, encouraging open discussion during ARCC meetings and maintaining active ongoing dialogue with management and both internal and external auditors.

Reviews conducted by ARCC during the year:

During FY2025, the ARCC's activities included the following:

- The ARCC performed independent reviews of AA REIT's business updates, half year and full year financial results before recommending to the Board for approval on the release of the financial statements and SGXNET announcements relating to AA REIT's financial statements. In conducting its review of the audited financial statements of AA REIT prepared by Management of the Manager, the ARCC also assessed significant financial reporting issues and judgements, including the consistency and appropriateness of accounting policies and the quality and completeness of disclosures so as to ensure the integrity of the financial statements of AA REIT and any SGXNET announcements relating to AA REIT's financial statements. The ARCC also reviewed the key audit matter as reported by the external auditors for FY2025, as set out below. The key audit matter for this financial year remains unchanged from the previous financial year.

Key audit matter	How the issue was addressed by the ARCC
Valuation of investment properties	The external valuations[1] are conducted by independent professional valuers who have the appropriate recognised professional qualifications and recent experience in the location and category of properties being valued. The valuers are changed at least once every two years to provide independent and fresh perspectives to the valuation process. The valuers have substantially considered all known information as at the date of valuation into their valuation assessment. The external auditors reviewed the external valuations prepared by the independent professional valuers and noted that the valuation methodologies used which included capitalisation method, discounted cash flow analysis and/or direct comparison method with generally accepted market practices. The external auditors also determined that the key assumptions used in the valuations, were generally within the range of market data available as at 31 March 2025. The ARCC held discussions with the external auditors and Management to assess the valuation methodologies and assumptions applied including the reasonableness of the market rental growth, capitalisation rates, discount rates and terminal capitalisation rates adopted by the valuers as well as comparable market transactions and are satisfied that the valuation method and estimates are generally within the range of market data as at 31 March 2025 and the valuation reports are prepared in accordance with recognised appraisal and valuation standards. The valuation of investment properties was an area of focus for the external auditors. Please refer to pages 152 to 154 of the FY2025 Annual Report for the key audit matter as reported by the external auditors in the audit report for FY2025.

[1] Excluding 3 Toh Tuck Link which was classified as investment property held for sale, the fair value was based on the agreed sale price with a third-party buyer.

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Based on the review and discussions with Management and the external auditors, the ARCC is of the view that the financial statements prepared by Management are fairly presented and conform to generally accepted accounting principles in all material aspects.

- In performing its duties, the ARCC had met the external auditors without the presence of Management once during the year and confirmed that they had full access to and received full co-operation and support from the Management.
- The ARCC reviewed and approved the audit plan and scope of the external auditors on the audit of the full year financial statements.
- The ARCC also reviewed the nature and extent of the non-audit services provided to AA REIT by the external auditors for the financial year and was satisfied that the nature and extent of such services would not prejudice the independence and objectivity of the external auditors.

The aggregate amount of fees paid and payable by the Group to the external auditors for FY2025 was approximately S$307,000, of which audit fees amounted to approximately S$251,000 and non-audit fees amounted to approximately S$56,000. The non-audit fees paid/payable to the external auditors mainly related to tax compliance services and other tax services. The ARCC is satisfied that the external auditor's independence will not be affected by the provision of the non-audit services.

The ARCC has assessed the quality of work carried out by the external auditors based on factors such as time spent and the experience of the audit team assigned. The ARCC is satisfied with the adequacy, independence and objectivity of the external auditors and has recommended to the Board the re-appointment of KPMG LLP as the external auditors of AA REIT at the forthcoming annual general meeting.

The Board confirms, on behalf of AA REIT, that AA REIT has complied with the requirements of Rules 712 and 715 of the Listing Manual in respect of the suitability of the auditing firm for AA REIT.

- The ARCC reviewed and approved the internal audit plan and scope of the internal auditor's work and its audit programme. It reviewed the findings during the year and Management's responses thereto and it satisfied itself as to the adequacy of the internal audit function. The ARCC also met the internal auditors without the presence of Management once during the year and confirmed that they had full access to and received full co-operation and support from the Management.
- The ARCC reviewed the ERM framework and the policies and procedures put in place by Management to ensure that AA REIT's risk management and internal control systems are adequate and effective.
- The ARCC reviewed interested person/interested party transactions to ensure compliance with the Listing Manual and the Property Funds Appendix.

Whistle blowing policy

The Manager adopts a zero-tolerance stance against any form of illegal activity, including corruption, bribery and other impropriety involving its employees and associates, and will take all necessary steps to eradicate such conduct if discovered. Accordingly, a whistle blowing policy (the "Whistle Blowing Policy") has been put in place to provide a channel through which employees, being a director, executive, manager or other officer or contractor of the Manager (each, a "Whistleblower") may report in good faith and in confidence any reportable conduct, which in the view of the Whistleblower, is:

(a) dishonest;

(b) a fraudulent misappropriation of assets;

(c) corrupt;

(d) illegal or a breach of any applicable laws (including theft, drug sale/use, violence or threatened violence and criminal damage against property);

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(e) unethical (either representing a breach of the Manager's code of conduct or generally);

(f) other serious improper conduct or gross mismanagement;

(g) an unsafe work-practice; or

(h) any other conduct which may cause financial or non-financial loss to the Manager or be otherwise detrimental to the interests of the Manager,

and arrangements are in place for independent investigation with appropriate follow-up action. Under the Whistle Blowing Policy, the Manager ensures that the identity of the Whistleblower is kept confidential and remains committed to protecting the Whistleblower against detrimental or unfair treatment. All employees can notify in writing of any reportable conduct to the Whistleblower protection officer (the "Whistleblower Protection Officer") or the Chairperson of the ARCC. The email address of the Whistleblower Protection Officer is compliance@aimsapac.com, and the Whistle Blowing Policy is available on AA REIT's website at https://www.aimsapacreit.com/whistle-blowing.html.

The ARCC is designated as the independent function to investigate all whistleblowing reports and is responsible for oversight and monitoring of whistleblowing. The ARCC reviewed the Whistle Blowing Policy and is satisfied that reportable conduct may be raised in confidence and that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action.

In FY2025, the Whistleblower Protection Officer or the Chairperson of the ARCC did not receive any report of reportable conduct.

Role of internal auditor

The ARCC decides on the appointment, termination and remuneration of the internal audit services and has a policy of assessing the need to rotate the internal audit function on a triennial basis. In 2023, BDO LLP Singapore ("BDO") was appointed by the ARCC to provide internal audit services to review and assess the adequacy of AA REIT's internal control systems, including financial, operational, compliance and information technology controls over a three-year internal audit plan period. The internal auditor is independent of Management and reports directly to the ARCC and administratively to the Chief Executive Officer. BDO has unfettered access to all the Manager's documents, records, properties and personnel, including unrestricted access to the ARCC and has appropriate standing within the Group. To ensure that the internal auditor's activities are performed competently, the internal auditor is guided by the Standards for Professional Practice of Internal Auditing set by The Institute of Internal Auditors and recruits and employs suitably qualified professional staff with the requisite skill sets and experience.

BDO's role as the internal auditor is to assist the ARCC to reasonably ensure that Management maintains a sound system of internal controls by periodically monitoring the effectiveness the effectiveness of key controls and procedures. BDO's scope of work includes risk assessments and compliance audits in order to check that internal controls are aligned with business objectives and in place to address related risks.

In FY2025, BDO conducted audit reviews on the internal audit plan approved by the ARCC covering financial, operational, compliance and information technology controls using a risk-based auditing approach. Upon completion of each audit assignment, BDO reported their audit findings and recommendations to Management who responded on the actions to be taken. BDO also submitted internal audit reports, at least twice yearly, to the ARCC on the audit findings and follow-up actions taken by Management based on the recommendations. Through the ARCC's review of the internal audit reports, the ARCC is satisfied as to the independence, adequacy and effectiveness of the internal audit function with respect to FY2025 and the ARCC is of the view that the internal auditor is adequately resourced to perform its functions.

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UNITHOLDERS' RIGHTS AND ENGAGEMENT

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Manager adopts the principle that all Unitholders should be treated fairly and equitably. It facilitates the exercise of ownership rights by all Unitholders through its commitment to ensuring continuous, clear and timely communication with Unitholders to promote a better understanding of AA REIT's business, and to promote a system of effective disclosure to key stakeholders.

The Listing Manual requires a listed entity to disclose to the market matters that could or might reasonably be expected to have a material effect on the price or trade of the entity's securities. The Manager upholds a strong culture of continuous disclosure and transparent communication with Unitholders, various stakeholders and the investing community. The Manager's disclosure policy requires timely and full disclosure of all material information relating to AA REIT by way of public releases or announcements through the SGX-ST via SGXNET and on its corporate website at https://www.aimsapacreit.com on an immediate basis, where required by the Listing Manual. Where immediate disclosure is not practicable or not so required by the Listing Manual, announcements are made as soon as possible to ensure that Unitholders, stakeholders and the general market have parity of access to the information.

Annual General Meeting

The Company has planned for its upcoming Annual General Meeting ("AGM") on 29 July 2025 to be held in a wholly physical format, at the Big Picture Theatre at 168 Robinson Road, Capital Tower, Singapore 068912 ("AGM 2025"). There will be no option for Unitholders to participate virtually. Arrangements relating to attendance at the AGM 2025, submission of questions in advance of the AGM 2025, addressing or substantial and relevant questions prior to the AGM 2025 and voting by Unitholders (themselves or through duly appointed proxies) will be set out in the Manager's notice of AGM dated 27 June 2025.

The Manager provides Unitholders with the opportunity to participate effectively in and vote at general meetings of shareholders and be informed of the rules, including voting procedures, that govern such meetings.

Responses to all substantial and relevant questions are published on AA REIT's website and on SGXNET prior to the AGM. Unitholders are allowed to vote by appointing the chairman of the AGM as their proxy to attend and vote on their behalf at the AGM.

An AGM is held after the close of each financial year. The Notice of AGM setting out all items of business to be transacted at the AGM is published on SGXNET and AA REIT's website. All Unitholders are entitled to receive a printed version of the Annual Report and circulars on items of special business (if necessary). Unitholders are sent a Notice of AGM and a proxy form with instructions on the appointment of proxies. As and when an extraordinary general meeting is to be held, Unitholders will receive a copy of the circular, containing details of the matters to be proposed and a proxy form with instructions on the appointment of proxies, for Unitholders' consideration and approval. Notices of all general meetings are issued via SGXNET. Prior to voting at an AGM or any other general meeting, voting procedures will be made known to the Unitholders to facilitate them in exercising their votes. An independent scrutineer is also appointed for the purpose of vote-taking and validation of votes at general meetings.

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The Manager strives to give Unitholders a balanced and understandable assessment of AA REIT's performance, position and prospects. Unitholders are given the opportunity to raise questions and clarify any issues they may have relating to the resolutions to be passed at the AGMs. All Directors (including the chairpersons of the respective Board Committees), Chairman of the Board, Chief Executive Officer, senior management of the Manager would be in attendance and the external auditors of AA REIT would also be present to address Unitholders' queries including any query on the conduct of audit and the preparation and content of the auditor's report. Directors' attendance at general meetings held during the financial year is disclosed on page 127 of the FY2025 Annual Report.

Any Unitholder who is unable to attend a general meeting is allowed to appoint up to two proxies to attend and vote on the Unitholder's behalf. A Unitholder who is a relevant intermediary (including but not limited to nominee companies, custodian banks or CPF agent banks), is entitled to appoint more than one proxy to vote on its behalf at the meeting through proxy forms sent in advance, provided that each proxy must be appointed to exercise the rights attached to a different unit or units held by such Unitholder, where the number of units shall be specified. The Manager has also taken measures to cater for the multiple proxy regime, in anticipation of attendance by beneficial Unitholders, such as those holding units through the CPF Investment Scheme, at general meetings.

Provision 11.4 of the CG Code requires an issuers' constitution to allow for absentia voting at general meetings. However, voting in absentia by mail, email or fax has not been implemented until concerns relating to issues of authentication of Unitholders' identity and other related security issues in this regard have been satisfactorily resolved. The Manager is of the view that its practice is consistent with Principle 11 of the CG Code as Unitholders have adequate opportunities to communicate their views on matters affecting AA REIT even when they are not attending at general meetings. For example, Unitholders may appoint proxies to participate, on their behalf, at general meetings.

A separate resolution is proposed for each substantially separate issue at general meetings to safeguard Unitholders' interests and rights. The Manager conducts poll voting for the Unitholders and/or proxies present at the general meeting for the resolutions proposed at the general meeting to ensure transparency in the voting process and to better reflect the interests of Unitholders. The total number of votes for or against such resolutions and the respective percentages are made known to Unitholders at the general meeting and announced via SGXNET following the general meeting. Minutes of the general meeting recording the substantial and relevant comments made and questions raised by Unitholders, and responses from the Board and Management, are made available on AA REIT's website.

Distribution policy

Provision 11.6 of the CG Code encourages companies to have a policy on payment of dividends. The Manager's policy is to distribute at least 90.0% of AA REIT's taxable income, comprising substantially its income from the letting of its properties, after deduction of allowable expenses and allowances. The actual level of distribution will be determined at the Manager's discretion taking into account the needs of AA REIT for capital expenditure, working capital requirement and the liquidity position of AA REIT. Since AA REIT's listing in 2007, AA REIT has distributed 100.0% of its taxable income to Unitholders.

Unitholder engagement

The Manager has a dedicated investor relations department that regularly interacts and communicates with Unitholders and stakeholders. The investor relations function is headed by the Chief Executive Officer. The Manager has put in place an investor relations policy (the "Investor Relations Policy") which outlines AA REIT's principles and framework to promote effective communication with Unitholders and to provide them with timely and equal access to all publicly available information of AA REIT so that Unitholders can continue to exercise their rights in an informed manner. The Investor Relations Policy also sets out the Manager's commitment to engage Unitholders and stakeholders through regular, effective and fair communication. The Manager conducts regular briefings and conference calls with analysts, institutional investors and media representatives which generally coincide with the release of AA REIT's results or disclosure of material transactions. During these briefings, the Manager reviews AA REIT's most recent performance or explains the transaction (where applicable) and solicits views of Unitholders and addresses their concerns. Unitholders' views are also solicited during general meetings as the Unitholders are given the opportunity to raise questions and clarify on any issues.

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As provided for in the Investor Relations Policy, investors may subscribe to email alerts on AA REIT's corporate website for all announcements and SGXNET filings issued by AA REIT. Active Unitholder engagement, and continuous and informed dialogue between the Manager and Unitholders is a central tenet of good corporate governance. Unitholders may, at any time, direct questions, request for publicly available information and provide comments and suggestions to Directors or the Manager. Such questions, requests and comments can be addressed to the Investor Relations team via the Investor Relations contact available at AA REIT's website at investorrelations@aimsapac.com. Please refer to the "Investor Relations" section of the FY2025 Annual Report for more information of the Manager's investor relations activities.

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Manager believes that engaging stakeholders is critical for the long-term performance of AA REIT. The Manager has identified its key stakeholder groups based on importance, representation, responsibility, dependency and proximity to AA REIT's business. Such stakeholders include investors, analysts, media, tenants, banks, staff as well as the local community. The Manager adopts an inclusive approach by considering and balancing the needs and interests of key stakeholders, including sustainability issues, as part of the overall strategy to ensure that the best interests of stakeholders and the long-term business value of AA REIT are served. The Manager is committed to sustainability and incorporates the key principles of environmental and social responsibility, and corporate governance in AA REIT's business strategies and operations. The Manager has arrangements in place to identify and engage with key stakeholder groups from time to time to gather feedback on the sustainability issues most important to them.

Details of AA REIT's sustainability strategy, including its stakeholder engagement process and initiatives, can be found in the "Sustainability Report" section of the FY2025 Annual Report.

The Manager maintains AA REIT's corporate website at https://www.aimsapacreit.com to facilitate communication and engagement with stakeholders and ensure that stakeholders have access to timely information on AA REIT.

ADDITIONAL INFORMATION

Dealings in AA REIT units

In line with Rule 1207(19) of the Listing Manual on Dealings in Securities, AA REIT has devised and adopted its own internal compliance code to provide guidance to its officers with regard to dealing by AA REIT and its officers in securities. AA REIT issues a memorandum to the Directors, officers and employees of the Manager on restrictions on dealings in the units in AA REIT:

(a) during the period commencing two weeks before the announcement of the Group's quarterly business updates and one month before the announcement of the Group's half year and full year results and ending on the date of announcement of the relevant business updates/results; and

(b) at any time while in possession of unpublished material or price sensitive information.

The Directors and employees of the Manager are also advised not to deal in the units on short-term considerations. Each Director is required to give written notice to the Manager of the particulars of:

(a) units in AA REIT, being units held by him or her, or in which he or she has an interest and the nature and extent of that interest;

(b) debentures or units of debentures in AA REIT which are held by him or her, or in which he or she has an interest and the nature and extent of that interest; and

(c) such other securities, securities-based derivatives contracts or units in a collective investment scheme as the MAS may prescribe, which are held, whether directly or indirectly, by him or her, or in which he or she has an interest and the nature and extent of that interest.

(Collectively referred to as the "Relevant Securities")

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The written notice must be given within two business days after the date he or she becomes a Director, or becomes a holder of, or acquires an interest in the Relevant Securities (whichever last occurs).

The Director should also give written notice to the Manager of particulars of any change in respect of the Relevant Securities, and such written notice must be given within two business days after the Director becomes aware of the change.

In addition, the Manager is required to announce via SGXNET the particulars of its holdings in the units and any changes thereto within one business day after the date on which it acquires or disposes of any units, as the case may be.

Dealings with conflicts of interest

The following main principles and procedures have been established to address potential conflicts of interest which may arise in managing AA REIT:

(a) the Manager is dedicated to managing AA REIT and will not directly or indirectly manage other real estate investment trusts;

(b) all executive officers of the Manager are employed by the Manager;

(c) all resolutions in writing of the Directors of the Manager in relation to matters concerning AA REIT must be approved by a majority of the Directors including at least one Independent Director;

(d) Independent Directors constitute majority of the Board;

(e) in respect of matters in which the Sponsor and/or its subsidiaries have an interest, direct or indirect, any Directors appointed by the Sponsor and representing its interests shall abstain from voting on such matters. In such matters, the quorum must comprise a majority of the Independent Directors of the Manager and shall exclude such Directors of the Sponsor and/or its subsidiaries; and

(f) in respect of matters in which a Director or his associate has an interest, direct or indirect, such interested Director is required to disclose his interest and will abstain from voting on resolutions approving the said matter.

Code of conduct and ethics

The Manager adheres to an ethics and code of business as prescribed in its employee handbook (“Employee Handbook”) that deals with issues such as confidentiality, business conduct, work discipline and conflict of interest. The policies also set out work procedures and incorporate internal controls which ensure that adequate checks and balances are in place. The Manager also seeks to build and maintain the right organization culture through its core values, educating its employees on good business conduct and ethical values.

All employees of the REIT Manager are required to make a declaration on an annual basis on any conflict of interest, any litigation issues and dealing in AA REIT units. As for new employees, they are briefed on the requirements set out in the Employee Handbook and are required to read and acknowledge the guidelines listed therein when they join the Manager.

Business continuity management

The Manager has also put in place Business Continuity Plan (“BCP”) for crisis management to response to business disruption to ensure resumption of business as unusual and minimise impact of adverse business interruptions.

Under the BCP, Management has identified the critical business functions, processes and resources, service recovery time and performed business impact analysis.

As part of the BCP, the Manager has performed disaster recovery tests simulating different scenarios to test the effectiveness of processes, procedures and escalation protocols. This holistic approach under the BCP serves to ensure organisational and staff preparedness and readiness to deal with adverse business disruptions such as acts of terrorism, cyber attacks, data breaches and epidemics.

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This approach aims to minimise the negative impacts on operations, financial and reputation on AA REIT and allows the Manager to fulfil its obligations as the Manager to AA REIT.

Interested person/interested party transactions

The Manager has established an internal control system to ensure that all transactions with "interested person" (as defined in the Listing Manual) and "interested party" (as defined in the Property Funds Appendix) are undertaken at an arm's length basis and on normal commercial terms and will not be prejudicial to the interests of AA REIT and the Unitholders. As a general rule, the Manager must demonstrate to the ARCC that such transactions satisfy the foregoing criteria which may include obtaining (where practicable) quotations from parties unrelated to the Manager, or obtaining two independent valuations of each of those real estate assets, with one of the valuers commissioned independently by the Trustee (having been conducted in accordance with paragraph 8 of the Property Funds Appendix).

The Manager maintains a register to record all interested person/interested party transactions which are entered into by AA REIT and the basis, including any quotations from unrelated parties and independent valuations obtained to support such basis, on which they are entered into. Further, the following procedures will be adhered to:

(a) all transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person/party during the same financial year) will be subject to review and approval of the ARCC at regular intervals;

(b) transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested person/party during the same financial year) equal to or exceeding 5.0% of the Group's net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph by the ARCC which may, as it deems fit, request advice on the transaction from independent sources or advisors, including the obtaining of valuations from independent professional valuers. Furthermore, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of Unitholders; and

(c) the ARCC's approval shall only be given if the transactions are at arm's length and on normal commercial terms and consistent with similar types of transactions with third parties which are not interested person/interested parties.

Where matters concerning AA REIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of AA REIT with an interested person/interested party (which would include relevant associates thereof), the Trustee is required to ensure that such transactions are conducted on normal commercial terms, are not prejudicial to the interests of AA REIT and the Unitholders and are in accordance with all applicable requirements of the Property Funds Appendix and/or the Listing Manual relating to the transaction in question. Furthermore, the Trustee has the ultimate discretion under the Trust Deed to decide whether or not to enter into a transaction involving an interested person/interested party. If the Trustee is to sign any contract with an interested person/interested party, the Trustee will review the contract to ensure that it complies with the requirements relating to interested party transactions in the Property Funds Appendix (as may be amended from time to time) and the provisions of the Listing Manual relating to interested person transactions (as may be amended from time to time) as well as other guidelines as may from time to time be prescribed by the MAS and the SGX-ST to apply to real estate investment trusts.

AA REIT will, in compliance with Rule 905 of the Listing Manual, announce any interested person transactions if such transaction, by itself or when aggregated with other interested person transactions entered into with the same interested person during the same financial year, is 3.0% or more of the Group's latest audited net tangible assets.

Details of all interested person transactions (equal to or exceeding S$100,000 each in value) entered into by AA REIT during the financial year are as announced via the SGXNET and/or disclosed on page 232 the FY2025 Annual Report.

Availability of Trust Deed

A copy of the Trust Deed and of any supplementary deed (including any amending and restating deed) are available for inspection at the registered office of the Manager during usual business hours.

CORPORATE GOVERNANCE

Fees payable to the Manager

Pursuant to the Trust Deed, the Manager is entitled to receive fees payable out of the Deposited Property as defined in the Trust Deed) of AA REIT.

The methodology for the computation of the fees is disclosed on page 170 under the "Notes to the Financial Statements" section of the FY2025 Annual Report.

The management fees are earned by the Manager for the management of AA REIT's portfolio of properties. The various fees earned by the Manager are further elaborated below:

(i) *Base fee*

The Manager is responsible for the ongoing management of the assets and liabilities of AA REIT for the benefit of the Unitholders. Accordingly, the Manager should be fairly compensated for its efforts in the overall management of AA REIT and it should enable the Manager to cover its operational, administrative and compliance overheads incurred in the management of the portfolio. The base management fee is calculated as a percentage of the Deposited Property (as defined in the Trust Deed) of AA REIT as it provides an appropriate metric to determine the resources required for managing the assets. As AA REIT grows its portfolio size, the complexity of management increases and the Manager is expected to expend greater effort in fulfilling its responsibilities.

(ii) *Performance fee*

The performance fee is only payable when the Manager has achieved certain levels of growth in the DPU in the current financial year relative to the previous financial year. As the year-on-year growth of the DPU is in line with the interests of the Unitholders, the performance fee will spur the Manager to seek growth opportunities or embark on cost savings initiatives to improve the performance of AA REIT. The performance fee is calculated as a percentage of the Deposited Property (as defined in the Trust Deed) of AA REIT as it provides an appropriate metric to determine the resources required for such efforts taken to achieve the growth in DPU and aligns the interests of the Manager with Unitholders. The Manager is motivated and driven to achieve DPU growth by ensuring the long-term sustainability of the assets through proactive asset management strategies and asset enhancement initiatives. The performance fee is paid annually, in compliance with the Property Funds Appendix.

(iii) *Acquisition fee and Divestment fee*

These fees are essential to incentivise the Manager to continue to deliver long-term sustainable income to Unitholders, source for growth opportunities and yield-accretive acquisitions for AA REIT and to efficiently recycle capital through the divestment of under-performing or non-core assets. The Manager would have to carry out additional work as well as incur additional resources and time to source for various opportunities before a potential acquisition or divestment opportunity materialises into an eventuality. As such, the Manager should be fairly compensated for the efforts expended, costs incurred as well as time taken for such transactions.

FINANCIAL CONTENTS

REPORT OF THE TRUSTEE

Year ended 31 March 2025

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of AIMS APAC REIT (the "Trust") and its subsidiaries (the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units"). In accordance with the Securities and Futures Act 2001 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of AIMS APAC REIT Management Limited (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the provisions of the trust deed establishing the Trust 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") between the Trustee and the Manager in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Group during the year covered by these financial statements, set out on pages 155 to 229, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
HSBC Institutional Trust Services (Singapore) Limited

AUTHORISED SIGNATORY

Singapore
6 June 2025

STATEMENT BY THE MANAGER

Year ended 31 March 2025

In the opinion of the Directors of AIMS APAC REIT Management Limited (the "Manager"), the accompanying financial statements set out on pages 155 to 229, comprising the statements of financial position, statements of total return, distribution statements, statements of movements in Unitholders' funds and portfolio statements of the Group and of the Trust, the consolidated statement of cash flows of the Group and notes to the financial statements are drawn up so as to present fairly, in all material respects, the financial position and portfolio holdings of the Group and of the Trust as at 31 March 2025, and the total return, distributable income and movements in Unitholders' funds of the Group and of the Trust and cash flows of the Group for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "*Reporting Framework for Investment Funds*" issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

For and on behalf of the Manager
AIMS APAC REIT Management Limited

GEORGE WANG
DIRECTOR

CHONG TECK SIN
DIRECTOR

Singapore
6 June 2025

INDEPENDENT AUDITORS' REPORT

UNITHOLDERS OF AIMS APAC REIT
(Constituted in the Republic of Singapore pursuant to a Trust Deed)

REPORT ON THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of AIMS APAC REIT (the "Trust") and its subsidiaries (the "Group"), which comprise the statements of financial position and portfolio statements of the Group and the Trust as at 31 March 2025, the statements of total return, distribution statements and statements of movements in Unitholders' funds of the Group and the Trust and the consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 155 to 229.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, portfolio statement, statement of total return, distribution statement and statement of movements in Unitholders' funds of the Trust present fairly, in all material respects, the consolidated financial position and portfolio holdings of the Group and the financial position and portfolio holdings of the Trust as at 31 March 2025 and the consolidated total return, consolidated distributable income, consolidated movements in Unitholders' funds and consolidated cash flows of the Group and the total return, distributable income and movements in Unitholders' funds of the Trust for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 *Reporting Framework for Investment Funds* ("RAP 7") issued by the Institute of Singapore Chartered Accountants ("ISCA").

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements'* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties

(Refer to Note 4 to the financial statements)

Risk:

As at 31 March 2025, the Group owns a portfolio of investment properties comprising twenty-four properties (excluding one investment property held for sale) located in Singapore, two properties located in Australia and a 49% interest in an investment property located in Australia held through a joint venture.

These investment properties are stated at their fair values based on valuations performed by independent external valuers engaged by the Group. The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in determining the underlying assumptions to be applied.

Our response:

We assessed the Group's process for the selection of the external valuers, the determination of the scope of work of the external valuers, and the review and acceptance of the valuations reported by the external valuers. We evaluated the independence, objectivity and competency of the external valuers and read their terms of engagement to ascertain whether there are matters that might have affected the scope of their work and their objectivity.

We considered the appropriateness of the valuation methodologies applied against those applied by other valuers for similar property types, and the reasonableness of the key assumptions applied by the external valuers by benchmarking against industry data.

INDEPENDENT AUDITORS' REPORT

UNITHOLDERS OF AIMS APAC REIT
(Constituted in the Republic of Singapore pursuant to a Trust Deed)

Our findings:

The Group has a structured process in appointing the external valuers, and in reviewing and accepting their valuation results. The external valuers are members of generally-recognised professional bodies for valuers and have considered their own independence in carrying out the work.

In determining the fair values of the Group's investment properties, the external valuers have adopted the Capitalisation Method, Discounted Cash Flow Analysis and/or Direct Comparison method. The valuation methodologies used were consistent with generally accepted market practices.

The key assumptions applied were within the range of market data available as at 31 March 2025.

Other information

The management of AIMS APAC REIT Management Limited, the Manager of the Trust (the "Manager"), is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of the auditors' report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The management of the Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 issued by the ISCA, and for such internal controls as the management of the Manager determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management of the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management of the Manager either intends to terminate the Group or to cease operations of the Group, or has no realistic alternative but to do so.

The responsibilities of the directors of the Manager include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

INDEPENDENT AUDITORS' REPORT

UNITHOLDERS OF AIMS APAC REIT
(Constituted in the Republic of Singapore pursuant to a Trust Deed)

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management of the Manager.

- Conclude on the appropriateness of Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors of the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors of the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors of the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Chu Joon Choong.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
6 June 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 31 March 2025

	Note	Group 2025 $'000	Group 2024 $'000	Trust 2025 $'000	Trust 2024 $'000
Non-current assets					
Investment properties	4	1,968,203	1,973,169	1,601,672	1,570,037
Plant and equipment	5	13,381	14,153	13,381	14,153
Subsidiaries	6	–	–	373,694	360,433
Joint venture	7	251,627	289,296	–	–
Trade and other receivables	8	4,651	4,742	4,651	4,742
Derivative financial instruments	9	2,993	9,137	452	3,609
		2,240,855	2,290,497	1,993,850	1,952,974
Current assets					
Investment property held for sale	4	25,006	–	25,006	–
Trade and other receivables	8	9,705	7,925	9,922	7,529
Derivative financial instruments	9	598	382	598	294
Cash and cash equivalents	10	14,456	17,816	10,954	9,170
		49,765	26,123	46,480	16,993
Total assets		2,290,620	2,316,620	2,040,330	1,969,967
Non-current liabilities					
Trade and other payables	11	24,702	25,991	24,702	25,991
Interest-bearing borrowings	12	578,743	587,504	267,474	215,882
Derivative financial instruments	9	1,221	–	1,221	–
Deferred tax liabilities	13	15,794	20,406	–	–
Lease liabilities	14	113,403	96,449	113,403	96,449
		733,863	730,350	406,800	338,322
Current liabilities					
Trade and other payables	11	48,162	46,689	46,883	39,103
Interest-bearing borrowings	12	–	99,910	–	99,910
Derivative financial instruments	9	4	9	4	9
Liabilities directly associated with the investment property held for sale	14	618	–	618	–
Lease liabilities	14	4,669	5,388	4,669	5,388
		53,453	151,996	52,174	144,410
Total liabilities		787,316	882,346	458,974	482,732
Net assets		1,503,304	1,434,274	1,581,356	1,487,235
Represented by:					
Unitholders' funds	15	1,005,891	1,060,709	1,083,943	1,113,670
Perpetual Securities holders' funds	16	497,413	373,565	497,413	373,565
		1,503,304	1,434,274	1,581,356	1,487,235
Units in issue and to be issued ('000)	17	816,616	810,955	816,616	810,955
Net asset value/net tangible asset per Unit attributable to Unitholders[1] ($)		1.23	1.31	1.33	1.37

[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 the Trust ("Units") in issue and to be issued at the end of the year.

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

STATEMENTS OF TOTAL RETURN
YEAR ENDED 31 March 2025

	Note	Group 2025 $'000	Group 2024 $'000	Trust 2025 $'000	Trust 2024 $'000
Gross revenue	18	186,626	177,281	159,763	150,048
Property operating expenses	19	(52,884)	(46,302)	(52,819)	(46,201)
Net property income		133,742	130,979	106,944	103,847
Net foreign exchange gain		331	300	3,716	1,128
Interest and other income		338	443	170	271
Other non-operating income - insurance claims[1]		1,753	1,111	1,753	1,111
Distribution income from a subsidiary		–	–	18,698	20,119
Borrowing costs	20	(37,455)	(35,241)	(20,686)	(15,694)
Manager's management fees	21	(11,031)	(11,257)	(11,031)	(11,257)
Manager's performance fees	21	(2,172)	–	(2,172)	–
Other trust expenses	22	(5,275)	(5,539)	(1,995)	(1,867)
Non-property expenses		(55,933)	(52,037)	(35,884)	(28,818)
Net income before joint venture's losses		80,231	80,796	95,397	97,658
Share of losses of joint venture (net of tax)		(18,213)	(24,766)	–	–
Net income		62,018	56,030	95,397	97,658
Net change in fair value of investment properties		(11,531)	3,167	9,328	56,293
Net change in fair value of derivative financial instruments		(1,420)	(3,440)	(1,331)	(2,685)
Gain on divestment of investment property		–	637	–	637
Allowance for impairment loss – Subsidiaries	6	–	–	(39,900)	–
Total return before income tax		49,067	56,394	63,494	151,903
Income tax credit/(expense)	23	4,387	6,512	(225)	(71)
Total return after income tax		53,454	62,906	63,269	151,832
Attributable to:					
Unitholders		32,729	42,350	42,544	131,276
Perpetual Securities holders		20,725	20,556	20,725	20,556
		53,454	62,906	63,269	151,832
Earnings per Unit (Singapore cents)					
Basic and diluted	24	4.03	5.35		

[1] Relates to the claims from the insurer as settlement of the estimated insurance compensation for revenue loss due to business interruption and insurance compensation for property damage at 61 Yishun Industrial Park A, Singapore (refer to announcement dated 10 October 2023).

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

DISTRIBUTION STATEMENTS

YEAR ENDED 31 March 2025

	Note	Group 2025 $'000	Group 2024 $'000	Trust 2025 $'000	Trust 2024 $'000
Amount available for distribution to Unitholders at beginning of the year		19,234	19,246	19,234	19,246
Total return before income tax		49,067	56,394	63,494	151,903
Less: Amount reserved for distribution to Perpetual Securities holders		(20,725)	(20,556)	(20,725)	(20,556)
Net effect of tax adjustments	A	5,082	(53,843)	22,900	(75,198)
Other adjustments	B	32,245	74,154	–	–
		65,669	56,149	65,669	56,149
Amount available for distribution to Unitholders from taxable income		84,903	75,395	84,903	75,395
Tax-exempt income distribution		1,435	–	1,435	–
Capital distribution		11,055	18,182	11,055	18,182
Amount available for distribution to Unitholders		97,393	93,577	97,393	93,577
Distributions to Unitholders during the year:					
2.654 cents per Unit for the period from 1 January 2023 – 31 March 2023		–	(19,242)	–	(19,242)
1.800 cents per Unit for the period from 1 April 2023 – 11 June 2023		–	(13,051)	–	(13,051)
0.510 cents per Unit for the period from 12 June 2023 – 30 June 2023		–	(4,126)	–	(4,126)
2.340 cents per Unit for the period from 1 July 2023 – 30 September 2023		–	(18,957)	–	(18,957)
2.340 cents per Unit for the period from 1 October 2023 – 31 December 2023		–	(18,967)	–	(18,967)
2.370 cents per Unit for the period from 1 January 2024 – 31 March 2024		(19,220)	–	(19,220)	–
2.270 cents per Unit for the period from 1 April 2024 – 30 June 2024		(18,431)	–	(18,431)	–
2.400 cents per Unit for the period from 1 July 2024 – 30 September 2024		(19,527)	–	(19,527)	–
2.400 cents per Unit for the period from 1 October 2024 – 31 December 2024		(19,536)	–	(19,536)	–
		(76,714)	(74,343)	(76,714)	(74,343)
Amount available for distribution to Unitholders at end of the year		20,679	19,234	20,679	19,234
Number of Units entitled to distributions at end of the year ('000)		816,616	810,955	816,616	810,955
Distribution per Unit (Singapore cents)		9.600	9.360	9.600	9.360

Please refer to note 3.14 for the Trust's distribution policy.

DISTRIBUTION STATEMENTS
YEAR ENDED 31 March 2025

Note A - Net effect of tax adjustments

	Group		Trust	
	2025 **$'000**	**2024** **$'000**	**2025** **$'000**	**2024** **$'000**
Amortisation and write-off of borrowing transaction costs	2,254	1,275	2,254	1,275
Net foreign exchange loss/(gain)	151	(108)	(3,233)	(937)
Manager's management fees paid/payable in units	4,456	3,623	4,456	3,623
Property management fees and lease management fees paid in units	552	–	552	–
Manager's performance fees payable in units	2,172	–	2,172	–
Land rent paid on investment properties	(9,219)	(9,040)	(9,219)	(9,040)
Interest expense on lease liabilities	4,087	3,662	4,087	3,662
Net change in fair value of investment properties	(9,328)	(56,293)	(9,328)	(56,293)
Net change in fair value of derivative financial instruments	1,331	3,092	1,331	2,685
Depreciation of plant and equipment	772	488	772	488
Gain on divestment of investment property	–	(637)	–	(637)
Tax adjustment on foreign sourced income	9,926	1,971	(8,772)	(18,148)
Net tax adjustment on net income from sale of electricity and renewable energy certificates	(2,253)	(1,048)	(2,253)	(1,048)
Insurance claims – compensation for property damage[1]	(887)	(1,010)	(887)	(1,010)
Industrial building allowance	–	605	–	605
Allowance for impairment loss – Subsidiaries	–	–	39,900	–
Temporary differences and other tax adjustments	1,068	(423)	1,068	(423)
Net effect of tax adjustments	5,082	(53,843)	22,900	(75,198)

Note B – Other adjustments

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

[1] Relates to the insurance compensation for property damage at 61 Yishun Industrial Park A, Singapore.

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS

YEAR ENDED 31 March 2025

	Note	Group 2025 $'000	Group 2024 $'000	Trust 2025 $'000	Trust 2024 $'000
Unitholders' Funds					
Balance at beginning of the year		1,060,709	993,849	1,113,670	956,181
Operations					
Total return after income tax, attributable to Unitholders and Perpetual Securities holders		53,454	62,906	63,269	151,832
Less: Amount reserved for distribution to Perpetual Securities holders		(20,725)	(20,556)	(20,725)	(20,556)
Net increase in net assets from operations		32,729	42,350	42,544	131,276
Foreign currency translation reserve					
Translation differences relating to financial statements of foreign subsidiaries and net investment in foreign operations	15	(12,438)	(4,180)	–	–
Hedging reserve					
Net change in fair value of cash flow hedges	15	(5,575)	1,608	(2,737)	(869)
Unitholders' contributions					
Issuance of Units (including Units to be issued):					
– Manager's management fees		4,456	3,623	4,456	3,623
– Property management fees and lease management fees		552	–	552	–
– Manager's performance fees		2,172	–	2,172	–
– Private Placement		–	69,999	–	69,999
– Preferential Offering		–	30,172	–	30,172
Issuance costs for new units	15	–	(2,369)	–	(2,369)
Distributions to Unitholders		(76,714)	(74,343)	(76,714)	(74,343)
Change in Unitholders' funds resulting from Unitholders' transactions		(69,534)	27,082	(69,534)	27,082
Total (decrease)/increase in Unitholders' funds		(54,818)	66,860	(29,727)	157,489
Balance at end of the year		1,005,891	1,060,709	1,083,943	1,113,670
Perpetual Securities holders' funds					
Balance at beginning of the year		373,565	373,546	373,565	373,546
Issuance of Perpetual Securities		125,000	–	125,000	–
Issuance cost		(1,358)	–	(1,358)	–
Amount reserved for distribution to Perpetual Securities holders		20,725	20,556	20,725	20,556
Distribution to Perpetual Securities holders		(20,519)	(20,537)	(20,519)	(20,537)
Balance at end of the year	16	497,413	373,565	497,413	373,565

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

PORTFOLIO STATEMENTS

AS AT 31 March 2025

	Description of property	Location	Term of land lease[1]	Remaining term of land lease[1] (years)	Existing use
	Group and the Trust **Investment properties in Singapore**				
1	20 Gul Way	20 Gul Way	35 years	15.8	Logistics and Warehouse
2	27 Penjuru Lane	27 Penjuru Lane	45 years	24.5	Logistics and Warehouse
3	8 & 10 Pandan Crescent	8 & 10 Pandan Crescent	92 years and 8 months	43.2	Logistics and Warehouse
4	NorthTech	29 Woodlands Industrial Park E1	60 years	29.8	Hi-Tech
5	7 Bulim Street	7 Bulim Street	30 years	17.4	Logistics and Warehouse
6	1A International Business Park	1A International Business Park	52 years	34.2	Business Park
7	30 Tuas West Road	30 Tuas West Road	60 years	30.8	Logistics and Warehouse
8	3 Tuas Avenue 2	3 Tuas Avenue 2	73 years	30.0	Industrial
9	51 Marsiling Road	51 Marsiling Road	70 years and 5 months	19.3	Industrial
10	23 Tai Seng Drive	23 Tai Seng Drive	60 years	25.3	Industrial
11	15 Tai Seng Drive	15 Tai Seng Drive	60 years	26.0	Industrial
12	103 Defu Lane 10	103 Defu Lane 10	60 years	18.2	Logistics and Warehouse
13	56 Serangoon North Avenue 4	56 Serangoon North Avenue 4	60 years	30.1	Logistics and Warehouse
14	1 Bukit Batok Street 22	1 Bukit Batok Street 22	60 years	30.2	Industrial
15	8 Tuas Avenue 20	8 Tuas Avenue 20	59 years and 1.5 months	26.6	Industrial
16	135 Joo Seng Road	135 Joo Seng Road	60 years	29.2	Industrial
17	11 Changi South Street 3	11 Changi South Street 3	60 years	30.0	Logistics and Warehouse
18	10 Changi South Lane	10 Changi South Lane	60 years	31.2	Logistics and Warehouse

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

2 The carrying value of the investment properties are based on independent full valuation while the carrying value for 3 Toh Tuck Link in Singapore is stated at fair value based on the agreed sale price with a third-party buyer. Please refer to footnote 4 on page 162.

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

Occupancy rate 2025 %	Occupancy rate 2024 %	Carrying value[2] 2025 $'000	Carrying value[2] 2024 $'000	Group percentage of total Unitholders' funds 2025 %	Group percentage of total Unitholders' funds 2024 %	Trust percentage of total Unitholders' funds 2025 %	Trust percentage of total Unitholders' funds 2024 %
90	100	244,500	241,100	24.3	22.7	22.6	21.6
97	97	190,200	190,000	18.9	17.9	17.6	17.1
100	100	162,800	161,000	16.2	15.2	15.0	14.5
100	100	148,500	139,000	14.8	13.1	13.7	12.5
100	100	139,400	139,400	13.9	13.1	12.9	12.5
61	61	72,100	72,000	7.2	6.8	6.7	6.5
100	100	56,400	56,400	5.6	5.3	5.2	5.1
100	100	56,000	56,000	5.6	5.3	5.2	5.0
100	100	52,500	50,600	5.2	4.8	4.9	4.5
100	100	41,600	41,600	4.1	3.9	3.8	3.7
99	99	33,500	30,900	3.3	2.9	3.1	2.8
100	100	30,800	30,700	3.1	2.9	2.8	2.8
93	79	29,500	27,000	2.9	2.5	2.7	2.4
85	100	29,000	28,500	2.9	2.7	2.7	2.6
100	100	27,300	26,600	2.7	2.5	2.5	2.4
87	93	23,300	23,300	2.3	2.2	2.1	2.1
86	91	23,100	23,100	2.3	2.2	2.1	2.1
88	93	22,400	22,400	2.2	2.1	2.1	2.0

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

PORTFOLIO STATEMENTS

AS AT 31 March 2025

	Description of property	Location	Term of land lease[1]	Remaining term of land lease[1] (years)	Existing use
	Group and the Trust **Investment properties in Singapore**				
19	7 Clementi Loop	7 Clementi Loop	60 years	28.2	Logistics and Warehouse
20	61 Yishun Industrial Park A	61 Yishun Industrial Park A	60 years	27.4	Industrial
21	2 Ang Mo Kio Street 65	2 Ang Mo Kio Street 65	60 years	22.0	Industrial
22	Aalst Chocolate Building	26 Tuas Avenue 7	60 years	28.8	Industrial
23	8 Senoko South Road	8 Senoko South Road	60 years	29.6	Industrial
24	1 Kallang Way 2A	1 Kallang Way 2A	60 years	30.2	Industrial
25	3 Toh Tuck Link[4]	3 Toh Tuck Link	60 years	31.6	Logistics and Warehouse
	Group **Investment properties in Australia**				
26	Woolworths HQ[5]	1 Woolworths Way, Bella Vista, New South Wales 2153, Australia	Freehold	N.A.	Business Park
27	Boardriders Asia Pacific HQ[6]	209-217 Burleigh Connection Road, Burleigh Waters, Queensland 4220, Australia	Freehold	N.A.	Industrial
	Total investment properties				
	Group and the Trust **Investment property held for sale in Singapore**				
25	3 Toh Tuck Link[4]	3 Toh Tuck Link	60 years	31.6	Logistics and Warehouse
	Total investment property held for sale				
	Total investment properties and investment property held for sale - fair value (note 4)				

1 Includes the period covered by the relevant options to renew.
2 The carrying value of the investment properties are based on independent full valuation while the carrying value for 3 Toh Tuck Link in Singapore is stated at fair value based on the agreed sale price with a third-party buyer. Please refer to footnote 4 below.
3 As of 31 March 2025, the property is undergoing asset enhancement initiatives.
4 On 10 December 2024, the Group announced the proposed divestment of the leasehold property at 3 Toh Tuck Link in Singapore, at a sale price of S$24.388 million. The investment property, including the corresponding right-of-use assets, was reclassified to investment property held for sale and the corresponding lease liabilities was reclassified to liabilities directly associated with the investment property held for sale as at 31 March 2025.
5 As at 31 March 2025, the Woolworths HQ was valued at AUD384.0 million (equivalent to approximately $323.6 million) (31 March 2024: AUD410.0 million (equivalent to approximately $360.9 million)).
6 As at 31 March 2025, the Boardriders Asia Pacific HQ was valued at AUD51.0 million (equivalent to approximately $43.0 million) (31 March 2024: AUD48.0 million (equivalent to approximately $42.3 million)).

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

Occupancy rate 2025 %	Occupancy rate 2024 %	Carrying value[2] 2025 $'000	Carrying value[2] 2024 $'000	Group percentage of total Unitholders' funds 2025 %	Group percentage of total Unitholders' funds 2024 %	Trust percentage of total Unitholders' funds 2025 %	Trust percentage of total Unitholders' funds 2024 %
–[3]	87	21,600	11,500	2.1	1.1	2.0	1.0
65	100	19,900	19,900	2.0	1.9	1.8	1.8
100	100	19,600	19,400	1.9	1.8	1.8	1.7
100	100	13,900	13,700	1.4	1.3	1.3	1.2
100	100	13,500	13,500	1.3	1.3	1.2	1.2
100	100	12,200	12,200	1.2	1.2	1.1	1.1
–	83	–	18,400	–	1.7	–	1.7
		1,483,600	1,468,200	147.4	138.4	136.9	131.9
100	100	323,558	360,882	32.2	34.0	–	–
100	100	42,973	42,250	4.3	4.0	–	–
		1,850,131	1,871,332	183.9	176.4	136.9	131.9
54	–	24,388	–	2.4	–	2.2	–
		24,388	–	2.4	–	2.2	–
		1,874,519	1,871,332	186.3	176.4	139.1	131.9

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

PORTFOLIO STATEMENTS

AS AT 31 March 2025

	Description of property	Location	Term of land lease[1]	Remaining term of land lease[1] (years)	Existing use
	<u>**Group**</u>				
1-27	**Investment properties and investment property held for sale – fair value (pages 160 to 163)**				
	Investment properties – right-of-use assets				
	Investment property held for sale– right-of-use assets[3]				
	Total investment properties and investment property held for sale				
	Joint venture (note 7)				
	Investment property in Australia held by a joint venture				
28	Optus Centre[4]	1-5 Lyonpark Road, Macquarie Park, New South Wales 2113, Australia	Freehold	N.A.	Business Park
	Other assets and liabilities (net)				
	Net assets of the Group				
	Perpetual Securities holders' funds				
	Total Unitholders' funds of the Group				

1 Includes the period covered by the relevant options to renew.
2 The carrying value of the investment properties are based on independent full valuation while the carrying value for 3 Toh Tuck Link in Singapore is stated at fair value based on the agreed sale price with a third-party buyer. Please refer to footnote 3 below.
3 On 10 December 2024, the Group announced the proposed divestment of the leasehold property at 3 Toh Tuck Link in Singapore, at a sale price of S$24.388 million. The investment property, including the corresponding right-of-use assets, was reclassified to investment property held for sale and the corresponding lease liabilities was reclassified to liabilities directly associated with the investment property held for sale as at 31 March 2025.
4 The Group has a 49.0% (31 March 2024: 49.0%) interest in Optus Centre. As at 31 March 2025, the property was valued at AUD610.0 million (equivalent to approximately $514.0 million) (31 March 2024: AUD668.0 million (equivalent to approximately $588.0 million)).

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

Occupancy rate 2025 %	Occupancy rate 2024 %	Carrying value[2] 2025 $'000	Carrying value[2] 2024 $'000	Group percentage of total Unitholders' funds 2025 %	Group percentage of total Unitholders' funds 2024 %
		1,874,519	1,871,332	186.3	176.4
		118,072	101,837	11.7	9.6
		618	–	0.1	–
		1,993,209	1,973,169	198.1	186.0
		251,627	289,296	25.0	27.3
100	100				
		(741,532)	(828,191)	(73.7)	(78.1)
		1,503,304	1,434,274	149.4	135.2
		(497,413)	(373,565)	(49.4)	(35.2)
		1,005,891	1,060,709	100.0	100.0

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

PORTFOLIO STATEMENTS
AS AT 31 March 2025

		Carrying value[1]		Trust percentage of total Unitholders' funds	
		2025	2024	2025	2024
	Description of property	**$'000**	**$'000**	**%**	**%**
	Trust				
1-25	**Investment properties and investment property held for sale– fair value (pages 160 to 163)**	1,507,988	1,468,200	139.1	131.9
	Investment properties – right-of-use assets	118,072	101,837	10.9	9.1
	Investment property held for sale – right-of-use assets[2]	618	–	0.1	–
	Total investment properties and investment property held for sale	1,626,678	1,570,037	150.1	141.0
	Other assets and liabilities (net)	(45,322)	(82,802)	(4.2)	(7.4)
	Net assets of the Trust	1,581,356	1,487,235	145.9	133.6
	Perpetual Securities holders' funds	(497,413)	(373,565)	(45.9)	(33.6)
	Total Unitholders' funds of the Trust	1,083,943	1,113,670	100.0	100.0

1 The carrying value of the investment properties are based on independent full valuation while the carrying value for 3 Toh Tuck Link in Singapore is stated at fair value based on the agreed sale price with a third-party buyer. Please refer to footnote 2 below.

2 On 10 December 2024, the Group announced the proposed divestment of the leasehold property at 3 Toh Tuck Link in Singapore, at a sale price of S$24.388 million. The investment property, including the corresponding right-of-use assets, was reclassified to investment property held for sale and the corresponding lease liabilities was reclassified to liabilities directly associated with the investment property held for sale as at 31 March 2025.

Portfolio statements by industry segment is not presented as the Group's and the Trust's activities for the financial years ended 31 March 2025 and 31 March 2024 related wholly to investing in real estate in the industrial sector.

As at 31 March 2025, the investment properties in Singapore were valued by Jones Lang LaSalle Property Consultants Pte Ltd (2024: CBRE Pte. Ltd. or Cushman & Wakefield VHS Pte. Ltd) and the investment properties in Australia were valued by Urbis Valuations Pty Ltd or CIVAS (QLD) Pty Limited ("Colliers Valuation & Advisory Services") (2024: Savills Valuations Pty Ltd or Knight Frank Valuation and Advisory Queensland). The independent valuation of the investment property held through a joint venture was carried out by CBRE Valuations Pty Limited as at 31 March 2025 (2024: Knight Frank NSW Valuations & Advisory Pty Ltd). The investment property held for sale is stated at fair value based on the agreed sale price with a third-party buyer.

The Manager believes that the independent valuers have the appropriate professional qualifications and recent experience in the location and category of the properties being valued. The valuations of the investment properties were based on capitalisation method, discounted cash flow analysis and/or direct comparison method. Refer to note 4 of the financial statements for details of the valuation techniques.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 March 2025

	Note	Group 2025 $'000	Group 2024 $'000
Cash flows from operating activities			
Total return after income tax		53,454	62,906
Adjustments for:			
Share of losses of joint venture (net of tax)		18,213	24,766
Borrowing costs		37,455	35,241
Depreciation of plant and equipment		772	488
Net foreign exchange gain		(331)	(300)
Manager's management fees in Units	A	4,456	3,623
Property management fees and lease management fees in Units	A	552	–
Manager's performance fees in Units	A	2,172	–
Net change in fair value of investment properties		11,531	(3,167)
Net change in fair value of derivative financial instruments		1,420	3,440
Gain on divestment of investment property		–	(637)
Income tax credit		(4,387)	(6,512)
Operating income before working capital changes		125,307	119,848
Changes in working capital			
Trade and other receivables		(3,020)	(2,320)
Trade and other payables		4,306	(246)
Cash generated from operations		126,593	117,282
Income tax paid		(70)	–
Net cash from operating activities		126,523	117,282
Cash flows from investing activities			
Capital expenditure on investment properties		(25,425)	(3,781)
Additions to plant and equipment	B	–	(487)
Net proceeds from divestment of investment property[1]		–	12,537
Additions of investment in a joint venture		(3,323)	–
Loan to a joint venture		(2,288)	(7,101)
Distributions and interest income received from a joint venture		12,889	18,756
Net cash (used in)/from investing activities		(18,147)	19,924
Cash flows from financing activities			
Distributions to Unitholders		(76,714)	(74,292)
Distributions to Perpetual Securities holders		(20,519)	(20,537)
Issue costs paid in relation to Perpetual Securities		(1,358)	–
Issue costs paid in relation to new units issued		–	(2,369)
Proceeds from issuance of Perpetual Securities		125,000	–
Proceeds from the issuance of new units[2]		–	100,171
Proceeds from interest-bearing borrowings		473,841	78,672
Repayments of interest-bearing borrowings		(565,256)	(177,922)
Borrowing costs paid		(37,283)	(27,202)
Repayment of lease liabilities		(9,219)	(9,040)
Net cash used in financing activities		(111,508)	(132,519)
Net (decrease)/increase in cash and cash equivalents		(3,132)	4,687
Cash and cash equivalents at beginning of the year		17,816	13,223
Effect of exchange rate fluctuations on cash and cash equivalents		(228)	(94)
Cash and cash equivalents at end of the year		14,456	17,816

[1] This relates to the deposit and net proceeds received for the divestment of a leasehold property at 541 Yishun Industrial Park A in Singapore.
[2] The Trust issued 57,660,000 new units at the issue price of $1.2140 per unit on 12 June 2023 in relation to the Private placement and 25,376,361 new units at the issue price of $1.1890 per unit on 3 July 2023 in relation to the Preferential offering.

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

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 March 2025

Significant non-cash transactions

Note A:

During the financial year ended 31 March 2025, the following new Units were issued/issuable:

- 3,512,073 (FY2024: 2,879,556) of new Units amounting to $4,456,000 (FY2024: $3,623,000) were issued/ issuable as partial payment for the Manager's management fees.

- 427,105 (FY2024: Nil) of new Units amounting to $552,000 (FY2024: Nil) were issued as partial payment for the property management fees and lease management fees.

- 1,721,703 (FY2024: Nil) of new Units amounting to $2,172,000 (FY2024: Nil) were issuable as payment of Manager's performance fees.

Note B:

During the financial year ended 31 March 2024, the Manager completed the installation of rooftop solar photovoltaic systems ("Systems") across 6 of AA REIT's properties in Singapore and are recognised as plant and equipment (refer to notes 5 and 11 of the financial statements).

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 6 June 2025.

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 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. The principal activities of the subsidiaries and joint venture are set out in note 6 and note 7 respectively.

The Trust has entered into several service agreements in relation to the management of the Trust and its property operations. The fee structures of these services are summarised below.

1.1 Trustee's fees

Under the Trust Deed, the Trustee's fees shall not exceed 0.1% per annum of the value of the Deposited Property (as defined in the Trust Deed) or such higher percentage as may be fixed by an extraordinary resolution at a meeting of Unitholders.

The Trustee's fee is accrued daily and is payable out of the value of the Deposited Property on a monthly basis, in arrears. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

1 GENERAL (CONT'D)

1.2 Manager's fees

The Manager is entitled to receive base fee, performance fee, acquisition fee and divestment fee, respectively as follows:

Base fee

Under clause 14.1.1 of the Trust Deed, the Manager is entitled to a base fee of 0.5% per annum of the value of the Deposited Property or such higher percentage as may be fixed by an extraordinary resolution of a meeting of Unitholders.

The base fee is payable in the form of cash and/or Units as the Manager may elect. Prior to 6 April 2023, where the base fee (or any part or component thereof) is payable in the form of cash, such payment shall be made out of the Deposited Property within 30 days of the last day of each calendar month in arrears; and where the base fee (or any part or component thereof) is payable in the form of Units, such payment shall be made within 30 days of the last day of each calendar quarter in arrears.

From 6 April 2023, in accordance with clauses 14.1.4 (i) and (ii) of the Trust Deed, where the base fee (or any part or component thereof) is payable in the form of cash, such payment shall be made out of the Deposited Property within 60 days of the last day of each calendar month in arrears; and where the base fee (or any part or component thereof) is payable in the form of Units, such payment shall be made within 60 days of the last day of each calendar quarter in arrears.

Performance fee

Under clause 14.1.2 of the Trust Deed, the Manager is also entitled to a performance fee of 0.1% per annum of the value of the Deposited Property, provided that growth in distribution per Unit ("DPU") in a given financial year (calculated before accounting for the performance fee in that financial year) relative to the DPU in the previous financial year exceeds 2.5%. The performance fee is 0.2% per annum if the growth in DPU in a given financial year relative to the DPU in the previous financial year exceeds 5.0%. In accordance with clause 14.1.4 (iii) of the Trust Deed, the payment of the performance fee, whether in the form of cash or Units, shall be made out of the Deposited Property within 60 days of the last day of every financial year in arrears.

The performance fee is payable in the form of cash and/or Units as the Manager may elect.

Acquisition and divestment fee

Under clause 14.2 of the Trust Deed, the Manager is entitled to receive the following fees:

(a) An acquisition fee of 1.0% of the acquisition price of any Authorised Investment (as defined in the Trust Deed), acquired directly or indirectly by the Trust or such higher percentage as may be fixed by an extraordinary resolution at a meeting of Unitholders; and

(b) A divestment fee of 0.5% of the sale price of any Authorised Investment sold or divested by the Trustee or such higher percentage as may be fixed by an extraordinary resolution at a meeting of Unitholders.

The acquisition and divestment fee will be paid in the form of cash and/or Units and is payable as soon as practicable after completion of the acquisition or disposal.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

1 GENERAL (CONT'D)

1.3 Property Manager's fees

The Manager and the Trustee have appointed the Property Manager to operate, maintain market all of the Singapore properties of the Group. On 30 August 2024[1], the Manager and the Trustee entered into a new property management agreement with the existing property manager to provide property management services to operate, maintain and market all of the properties of the Group, for a period of three years commencing from 1 September 2024.

The following fees are payable to the Property Manager in respect of all of the investment properties in Singapore:

(i) A property management fee of 2.0% per annum of the gross revenue (1 April 2023 to 31 August 2024: 2.0% per annum of rental income) of each of the relevant properties.

(ii) A lease management fee of 1.0% per annum of the gross revenue (1 April 2023 to 31 August 2024: 1.0% per annum of rental income) of each of the relevant properties.

(iii) A marketing services commission equivalent to:

(a) one month's gross rental revenue (1 April 2023 to 31 August 2024: one month's gross rent) for securing a tenancy of three years or less;

(b) two months' gross rental revenue (1 April 2023 to 31 August 2024: two months' gross rent) for securing a tenancy of more than three years;

(c) half of one month's gross rental revenue (1 April 2023 to 31 August 2024: half of one month's gross rent) for securing a renewal of tenancy of three years or less; and

(d) one month's gross rental revenue (1 April 2023 to 31 August 2024: one month's gross rent) for securing a renewal of tenancy of more than three years.

If a third-party agent secures a tenancy, the Property Manager will be responsible for all marketing services commissions payable to such third-party agent, and the Property Manager shall be entitled to a marketing services commission equivalent to:

(a) 1.2 months' gross rental revenue (1 April 2023 to 31 August 2024: 1.2 months' gross rent) for securing a tenancy of three years or less; and

(b) 2.4 months' gross rental revenue (1 April 2023 to 31 August 2024: 2.4 months' gross rent); for securing a tenancy of more than three years.

The gross rental revenue, where applicable, includes service charge, reimbursements, which are the contributions paid by tenants towards covering the operating maintenance expenses of the property, and licence fees. The gross revenue mentioned in (i) and (ii) above comprises of gross rental revenue and other revenue recognised in the financial statements.

(iv) A project management fee in relation to development or redevelopment, the refurbishment, retrofitting and renovation and reinstatement works on a property equivalent to:

(a) 3.0% of the construction costs where the construction costs are $2.0 million or less;

(b) 2.0% of the construction costs or $60,000, whichever is higher (1 April 2023 to 31 August 2024: 2.0% of the construction costs), where the construction costs exceed $2.0 million but do not exceed $20.0 million;

[1] Please refer to announcement titled "Entry Into Property Management Agreement" dated 30 August 2024.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

1 GENERAL (CONT'D)

1.3 Property Manager's fees (cont'd)

(c) 1.5% of the construction costs or $400,000, whichever is higher (1 April 2023 to 31 August 2024: 1.5% of the construction costs), where the construction costs exceed $20.0 million but do not exceed $50.0 million; and

(d) a fee to be mutually agreed by the Property Manager, the Manager and the Trustee but not less than $750,000, (1 April 2023 to 31 August 2024: a fee to be mutually agreed by the parties) where the construction costs exceed $50.0 million.

(v) A property tax service fee in respect of property tax objections submitted to the tax authority on any proposed annual value of a property if, as a result of such objections, the proposed annual value is reduced resulting in property tax savings for the relevant property. The fee shall be determined as follows:

(a) 7.5% of the property tax savings where the proposed property annual value is $1.0 million or less;

(b) 5.5% of the property tax savings where the proposed property annual value exceeds $1.0 million but does not exceed $5.0 million; and

(c) 5.0% of the property tax savings where the proposed property annual value exceeds $5.0 million.

The above property tax service fee is a lump sum fixed fee based on the property tax savings calculated on a 12-month period.

(vi) Employment costs and remuneration relating to the employees of the Property Manager engaged to provide site supervision whose costs and remuneration are apportioned to the management of one or more of the relevant properties (1 April 2023 to 31 August 2024: Employment costs and remuneration to the employees of the Property Manager engaged solely and exclusively for management of the relevant properties).

The Property Manager's fees are payable monthly, in arrears.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Statement of Recommended Accounting Practice 7 *Reporting Framework for Investment Funds* ("RAP 7") issued by the Institute of Singapore Chartered Accountants ("ISCA"), the applicable requirements of the Code on Collective Investment Schemes ("CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted should generally comply with the principles relating to recognition and measurement of the Singapore Financial Reporting Standards ("FRS"). The related changes to material accounting policies are described in note 2.5.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollar ($), which is the functional currency of the Trust. All financial information presented in Singapore dollar has been rounded to the nearest thousand, unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

2 BASIS OF PREPARATION (CONT'D)

2.4 Use of estimates and judgement

The preparation of financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of the Group's 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 and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in Note 4: *Valuation of investment properties*.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets, and financial and non-financial liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable data).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

2.5 Changes in material accounting policies

New accounting standards and amendments

The Group has applied the following FRSs, amendments to and interpretations of FRS for the first time for the annual period beginning on 1 April 2024:

- Amendments to FRS 1 *Classification of Liabilities as Current or Non-current and*
  Amendments to FRS 1 *Non-current Liabilities with Covenants*

The application of these amendments to accounting standards and interpretations do not have a material effect on the financial statements.

Classification of Liabilities as Current or Non-current and Non-current liabilities with Covenants

The Group has *adopted Classification of Liabilities as Current or Non-current (Amendments to FRS 1) and Non-current liabilities with Covenants (Amendments to FRS 1)* from 1 April 2024. The amendments apply retrospectively. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period.

The Group's classification of liabilities was not impacted by the amendments. New disclosures for non-current loan liabilities are included in Note 12.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year presented in these financial statements, except as explained in note 2.5, which addresses changes in accounting policies.

3.1 Basis of consolidation

Business combinations

The Group accounts for business combinations under the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in statement of total return.

Any contingent consideration payable is recognised at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in statement of total return.

Non-controlling interests are measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have deficit balance.

Joint venture

A joint venture is an entity over which the Group has joint control established by contractual arrangement, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investment in a joint venture is accounted for under the equity method and is recognised initially at cost. The cost of the investment includes transaction costs.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (cont'd)

Joint venture (cont'd)

Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that joint control commences until the date that joint control ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with the equity-accounted investee are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Accounting for subsidiaries by the Trust

Investments in subsidiaries are stated in the Trust's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date.

Foreign currency differences arising on translation are recognised in statement of total return, except for the foreign currency differences which are recognised in Unitholders' funds arising on the translation of monetary items that in substance form part of the Group's net investment in a foreign operation and financial liabilities designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective.

Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollar at exchange rates at the end of the reporting period. The income and expenses of foreign operations are translated to Singapore dollar at exchange rates at the dates of the transactions. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate at the reporting date.

Foreign currency differences are recognised within Unitholders' funds, and are presented in the foreign currency translation reserve. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the foreign currency translation reserve related to that foreign operation is reclassified to the statement of total return as part of the gain or loss on disposal. When the Group disposes of only part of its investment in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in a joint venture which includes a foreign operation while retaining significant influence or joint control; the relevant proportion of the cumulative amount is reclassified to the statement of total return.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.2 Foreign currencies (cont'd)

Foreign operations (cont'd)

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in the Unitholders' funds, and are presented in the foreign currency translation reserve.

3.3 Investment properties

Investment properties are properties held either to earn rental income or capital appreciation or both. Investment properties are accounted for as non-current assets and are stated at initial cost on acquisition and at fair value thereafter.

Cost includes expenditure that is directly attributable to the investment property. Transaction costs shall be included in the initial measurement. The cost of self-constructed investment property includes the cost of materials and direct labour, any other cost directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Fair value is determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers in the following events:

(i) in such manner and frequency as required under the CIS Code issued by MAS; and

(ii) at least once in each period of 12 months following the acquisition of an investment property.

Any increase or decrease on revaluation is credited or charged directly to the statement of total return as a net change in fair value of investment properties.

Subsequent expenditure relating to investment properties or that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

When an investment property is disposed of, the resulting gain or loss recognised in the statement of total return is the difference between net disposal proceeds and the carrying amount of the property.

Investment properties are not depreciated. The properties are subject to continued maintenance and regularly revalued on the basis set out above.

3.4 Investment property held for sale

Investment property that is highly probable to be recovered primarily through sale rather than through continuing use, is classified as an investment property held for sale. Immediately before classification as held for sale, the investment property is remeasured in accordance with the Group's accounting policies. Thereafter, the investment property classified as held for sale is measured at the lower of the carrying amount and fair value less costs to sell.

Upon disposal, the resulting gain or loss recognised in the statement of total return is the difference between net disposal proceeds and the carrying amount of the investment property.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.5 Plant and equipment

(i) Recognition and measurement

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 acquisition of the asset. The cost of includes:

- 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 statement of total return.

(ii) Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if 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.

(iii) Depreciation

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 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:

	Useful life
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.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, the Group classifies its non-derivative financial assets as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Non-derivative financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the Manager. The information considered includes:

- how the performance of the portfolio is evaluated and reported to the Manager; and
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of total return. Any gain or loss on derecognition is recognised in the statement of total return.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost.

Financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of total return. These financial liabilities comprised interest-bearing borrowings, trade and other payables (excluding rental received in advance, goods and services tax payable and provision for income tax), lease liabilities and liabilities directly associated with the investment property held for sale.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments (cont'd)

(iii) Derecognition (cont'd)

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the statement of total return.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits that are subject to an insignificant risk of changes in their fair values.

(vi) Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to manage its interest rate and foreign currency risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statement of total return, unless it is designated in a hedge relationship that qualifies for hedge accounting.

The Group designates certain derivatives as hedging instruments in qualifying hedging relationships.

Cash flow hedges

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in Unitholders' funds and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in Unitholders' funds is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the statement of total return.

For all hedged transactions, the amount accumulated in the hedging reserve is reclassified to the statement of total return in the same period or periods during which the hedged expected future cash flows affect the statement of total return.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in Unitholders' funds until it is reclassified to the statement of total return in the same period or periods as the hedged expected future cash flows affect the statement of total return.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.6 Financial instruments (cont'd)

(vi) Derivative financial instruments and hedge accounting (cont'd)

Cash flow hedges (cont'd)

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve are immediately reclassified to the statement of total return.

Net investment hedge

The Group applies hedge accounting to foreign currency differences arising between the functional currency of the foreign operation and the Trust's functional currency (Singapore dollar), regardless of whether the net investment is held directly or through an intermediate parent.

Foreign currency differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in Unitholders' funds to the extent that the hedge is effective, and are presented in the foreign currency translation reserve. To the extent that the hedge is ineffective, such differences are recognised in the statement of total return. When the hedged net investment is disposed of, the relevant amount in the foreign currency translation reserve is transferred to the statement of total return as part of the gain or loss on disposal.

3.7 Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost.

Lease receivables are disclosed as part of trade and other receivables.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

General approach (cont'd)

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates or credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (cont'd)

(ii) Joint venture

An impairment loss in respect of a joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 3.7(iii). An impairment is recognised in the statement of total return. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

(iii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to its present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in the statement of total return. Impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.8 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in FRS 116.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

For right-of-use assets that meet the definition of investment property, the Group applies the fair value model in FRS 40 *Investment Property* to these assets with any change therein being recognised in the statement of total return and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.8 Leases (cont'd)

(i) As a lessee (cont'd)

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of total return if the carrying amount of the right-of-use asset has been reduced to zero.

(ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies FRS 115 R*evenue from Contracts with Customers* to allocate the consideration in the contract.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

3.9 Unitholders' funds

Unitholders' funds represent the Unitholders' residual interest in the Group's net assets upon termination and is classified as equity. Incremental cost, directly attributable to the issuance, offering and placement of Units in the Trust are deducted directly against Unitholders' funds.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.10 Revenue recognition

(i) Rental income and service charge from operating leases

Rental income under operating leases are recognised in the statement of total return on a straight-line basis over the term of the lease except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental to be received. Service charge and other operating income is recognised when the right to receive payment is established after services have been rendered.

(ii) Sales of electricity and renewable energy certificates

The Group generates electricity and renewable energy certificates ("RECs") from the Systems. Revenue from the sales of electricity and RECs is recognised at a point in time when the electricity or the RECs are delivered to customers.

The consideration for the sale of electricity is measured based on the Uniform Singapore Energy Price ("USEP") at the point of delivery, while the consideration for the sale of RECs is based on agreed rates between the customer and the seller. Payments are due upon delivery of the electricity or the RECs to the customers.

(iii) Distribution income

Distribution income is recognised in the statement of total return on the date that the Group's or the Trust's right to receive payment is established.

3.11 Expenses

(i) Manager's fees

Manager's fees are recognised on an accrual basis based on the applicable formula stipulated in note 1.2.

(ii) Property expenses

Property expenses are recognised on an accrual basis. Included in property expenses is the Property Manager's fee which is based on the applicable formula stipulated in note 1.3.

(iii) Other trust expenses

Other trust expenses are recognised on an accrual basis.

3.12 Interest income and finance costs

Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprise interest expense on borrowings and amortisation of borrowings related transaction costs which are recognised in the statement of total return using the effective interest rate method over the period for which the borrowings are granted.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset, or the amortised cost of the financial liability.

In calculating interest income and finance costs, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.13 Income tax expense

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the statement of total return except to the extent that it relates to items recognised directly in Unitholders' funds.

The Group has determined that interest and penalties related to income tax, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that
  - is not a business combination and
  - at the time of the transaction (i) affects neither accounting nor taxable profit or loss; and (ii) does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investments in subsidiaries and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted.

Deferred tax assets and liabilities are offset only if certain criteria are met.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience with tax authorities. The assessment of these factors relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the taxation of the Trust and its Unitholders. Subject to meeting the terms and conditions of the tax ruling issued by IRAS, which includes a distribution of at least 90.0% of the taxable income of the Trust, the Trustee will not be assessed to tax on the taxable income of the Trust that is distributed to the Unitholders. In the event that there are subsequent adjustments to the taxable income when the actual taxable income of the Trust is finally agreed with IRAS, such adjustments are taken up as an adjustment to the taxable income for the next distribution following the agreement with IRAS.

Distributions made by the Trust out of such taxable income to individuals and Qualifying Unitholders (as defined below) are distributed without deducting any income tax. This treatment is known as the "tax transparency" treatment.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.13 Income tax expense (cont'd)

For distributions made to foreign non-individual Unitholders (as defined below) up to 31 December 2030, the Trustee is required to withhold tax at the reduced rate of 10.0% on distributions made out of the Trust's taxable income (that is not taxed at the Trust level).

For other types of Unitholders, the Trustee is required to withhold tax at the prevailing corporate tax rate on the distributions made by the Trust. Such Unitholders are subject to tax on the regrossed amounts of the distributions received but may claim a credit for the tax deducted at source by the Trustee.

Any portion of the taxable income that is not distributed, known as retained taxable income, tax will be assessed on the Trustee in accordance with the Singapore Income Tax Act, Chapter 134. Where such retained taxable income is subsequently distributed, the Trustee need not deduct tax at source.

A "Qualifying Unitholder" is a Unitholder who is:

- An individual and who holds the Units either in his sole name or jointly with other individuals;
- An individual who is a Central Provident Fund ("CPF") member who use his CPF funds under the CPF Investment Scheme and where the distributions received are returned to his CPF account;
- An individual who use his Supplementary Retirement Scheme ("SRS") fund and where the distributions received are returned to his SRS account;
- A Singapore-incorporated company which is a tax resident in Singapore;
- A body of persons other than a company or a partnership, registered or constituted in Singapore (e.g. institutions, authorities persons or funds specified in the Income Tax Act, a town council, a registered charity, a registered cooperative society, a registered trade union);
- A Singapore branch of a foreign company;
- An international organisation that is exempt from tax; or
- A real estate investment trust exchange-traded fund.

A "foreign non-individual Unitholder" is one which is not a resident of Singapore for income tax purposes and:

- who does not have a permanent establishment in Singapore; or
- who carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used to acquire the Units are not obtained from that operation in Singapore.

The above tax transparency ruling does not apply to gains from sale of real estate properties, if considered to be trading gains derived from a trade or business carried on by the Trust. Tax on such gains or profits will be assessed, in accordance with the Singapore Income Tax Act, Chapter 134 and collected from the Trustee. Where the gains are capital gains, it will not be assessed to tax and the Trustee and the Manager may distribute the capital gains without tax being deducted at source.

The Trust's foreign-sourced trust distributions and interest income to be received in Singapore by the Trust from its Australian subsidiary, where such income originate from property rental income from its investments in Australia as well as income derived from property-related activities or other activities in line with the regulatory requirements imposed on the Trust, are exempted from Singapore income tax under section 13(12) of the Singapore Income Tax Act.

These tax exemptions are granted by the IRAS but are subject to certain conditions, including the condition that the Trustee is a tax resident of Singapore.

The income from the sales of electricity and RECs generated from the Systems is taxable in the hands of the Trust at the prevailing corporate tax rate. Distributions made out of this income will not be subject to further tax when distributed to the Unitholders.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.14 Distribution policy

The Manager's distribution policy is to distribute at least 90.0% of the Trust's taxable income other than the gains on the sale of properties, unrealised surplus on revaluation of investment properties and net overseas income. Taxable income comprised substantially the Trust's income from the letting of its properties after deduction of allowable expenses and allowances. The actual level of distribution will be determined at the Manager's discretion.

The Trust makes distributions to Unitholders on a quarterly basis, with the amount calculated as at 30 June, 30 September, 31 December and 31 March in each distribution year for the three-month period ending on each of those dates. Under the Trust Deed, the Manager shall pay distributions within 90 days after the end of each distribution period. Distributions, when paid, will be in Singapore dollar.

The Manager has also implemented a Distribution Reinvestment Plan ("DRP"), which provides eligible Unitholders with the option to elect to receive Units in lieu of the cash amount of any distribution (including any interim, final, special or other distribution declared on their holding of Units (after the deduction of applicable income tax, if any)). The Manager may, in its absolute discretion, determine that the DRP will apply to any particular distribution.

3.15 Earnings per unit

The Group presents basic and diluted earnings per unit ("EPU") data for its units. Basic EPU is calculated by dividing the total return attributable to Unitholders of the Group by the weighted average number of units outstanding during the period. Diluted EPU is determined by adjusting the total return attributable to Unitholders and the weighted average number of units outstanding for the effects of all dilutive potential units.

3.16 Perpetual securities

The perpetual securities may be redeemed at the option of the Trust. Distributions to the perpetual securities holders will be payable semi-annually in arrears on a discretionary basis and will be non-cumulative. 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.

3.17 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Makers ("CODMs") which comprise mainly the Board of Directors including the Chief Executive Officer ("CEO") of the Manager to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise foreign exchange gain/loss and income tax credit/expense.

Segment capital expenditure is the total cost incurred during the year relating to investment properties.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

3 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.18 New standards, interpretations and revised recommended accounting practice not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 April 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended accounting standards in preparing these financial statements.

FRS 118 *Presentation and Disclosure in Financial Statements*

FRS 118 will replace FRS 1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 April 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of total return, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of total return, the statement of cash flows and the additional disclosures required for MPMs.

The other amendments to FRSs are not expected to have a significant impact on the Group's consolidated financial statements and the Trust's statement of financial position.

4 INVESTMENT PROPERTIES

	Note	Group 2025 $'000	Group 2024 $'000	Trust 2025 $'000	Trust 2024 $'000
At 1 April		1,973,169	1,957,409	1,570,037	1,496,898
Capital expenditure capitalised		25,328	7,729	25,328	7,729
Transfer to investment property held for sale		(25,006)	–	(25,006)	–
Remeasurement of right-of-use assets due to revised lease payments and recognition of lease extension option		21,985	9,117	21,985	9,117
Net change in fair value of investment properties recognised in the statement of total return		(6,399)	8,545	14,460	61,671
Net change in fair value of right-of-use assets recognised in the statement of total return	14	(5,132)	(5,378)	(5,132)	(5,378)
Foreign currency translation and other movements		(15,742)	(4,253)	–	–
At 31 March		1,968,203	1,973,169	1,601,672	1,570,037

On 24 April 2023, the Group announced the divestment of a leasehold property at 541 Yishun Industrial Park A in Singapore, at a sale price of $12.88 million. The investment property, including the corresponding right-of-use assets, was reclassified to investment property held for sale and the corresponding lease liabilities was reclassified to liabilities directly associated with the investment property held for sale as at 31 March 2023. The divestment of 541 Yishun Industrial Park A in Singapore was completed on 12 September 2023.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2025

4 INVESTMENT PROPERTIES (CONT'D)

On 10 December 2024, the Group announced the proposed divestment of the leasehold property at 3 Toh Tuck Link in Singapore, at a sale price of $24.388 million. The investment property, including the corresponding right-of-use assets, was reclassified to investment property held for sale and the corresponding lease liabilities was reclassified to liabilities directly associated with the investment property held for sale as at 31 March 2025. The divestment of 3 Toh Tuck Link in Singapore is targeted to be completed by the first half of 2025.

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

	Group		Trust	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
Investment properties	323,558	1,389,082	–	1,028,200

Fair value hierarchy

Investment properties are stated at fair value based on valuations performed by independent professional valuers as at 31 March 2025 and 31 March 2024. The fair value measurement for investment properties has been categorised as Level 3 fair value hierarchy based on inputs to the valuation techniques used (see note 2.4). The investment property held for sale is stated at fair value based on the agreed sale price with a third-party buyer and has been categorised as Level 2 fair value hierarchy.

	Group		Trust	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
Level 3 fair value hierarchy				
Fair value of investment properties (based on valuation reports)	1,850,131	1,871,332	1,483,600	1,468,200
Add: carrying amount of lease liabilities	118,072	101,837	118,072	101,837
Investment properties	1,968,203	1,973,169	1,601,672	1,570,037
Level 2 fair value hierarchy				
Fair value of investment property held for sale (based on agreed sale price)	24,388	–	24,388	–
Add: carrying amount of lease liabilities	618	–	618	–
Investment property held for sale	25,006	–	25,006	–

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.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2025

4 INVESTMENT PROPERTIES (CONT'D)

Level 3 fair value measurements (cont'd)

(ii) Valuation techniques

Investment properties are stated at fair value as at 31 March 2025 based on valuations performed by independent professional valuers, Jones Lang LaSalle Property Consultants Pte Ltd, Urbis Valuations Pty Ltd or Colliers Valuation & Advisory Services (2024: CBRE Pte. Ltd., Cushman & Wakefield VHS Pte. Ltd., Savills Valuations Pty Ltd or Knight Frank Valuation and Advisory Queensland). The fair values take into consideration the market values of the properties, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties have each acted knowledgeably, prudently and without compulsion. The specific condition and characteristics inherent in each of the properties are taken into consideration in arriving at the property valuation. Valuations of the investment properties are carried out at least once a year.

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

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

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

(iii) Significant unobservable inputs

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

Valuation technique	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flows analysis	• Discount rate of 7.00% to 7.75% (2024: 6.75% to 7.75%)	The estimated fair value would increase (decrease) if discount rate was lower (higher).
	• Terminal capitalisation rate of 5.25% to 7.25% (2024: 5.75% to 7.50%)	The estimated fair value would increase (decrease) if terminal capitalisation rate was lower (higher).
Capitalisation method	• Capitalisation rate of 5.00% to 7.00% (2024: 5.50% to 7.00%)	The estimated fair value would increase (decrease) if capitalisation rate was lower (higher).
Direct comparison method	• Adjusted price per square meter	The estimated fair value would increase (decrease) if adjusted price per square meter was higher (lower).

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

5 PLANT AND EQUIPMENT

	Group		Trust	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
Cost				
At 1 April	14,641	–	14,641	–
Additions	–	14,641	–	14,641
At 31 March	14,641	14,641	14,641	14,641
Accumulated depreciation				
At 1 April	(488)	–	(488)	–
Depreciation	(772)	(488)	(772)	(488)
At 31 March	(1,260)	(488)	(1,260)	(488)
Net book value				
As at end of financial year	13,381	14,153	13,381	14,153

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

6 SUBSIDIARIES

	Trust	
	2025	**2024**
	$'000	**$'000**
Unquoted equity, at cost	413,594	360,433
Allowance for impairment loss	(39,900)	–
	373,694	360,433

Movements in allowance for impairment loss during the year were as follows:

	Trust	
	2025	**2024**
	$'000	**$'000**
At 1 April	–	–
Impairment loss recognised	(39,900)	–
At 31 March	(39,900)	–

The Trust has assessed the carrying amount of the investment in subsidiaries for indications of impairment annually. Based on this assessment, an impairment loss of $39.9 million (2024: Nil) was recognised in statements of total return. The recoverable amounts of the subsidiaries were estimated taking into consideration the fair values of the underlying assets and the liabilities of the subsidiaries. The fair value measurement was categorised as Level 3 on the fair value hierarchy. The impairment loss has no impact on distributable income to the Unitholders.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

6 SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

Subsidiaries of the Trust	Country of incorporation or constitution/ Principal place of business	Principal activity	Effective equity interest held by the Group 2025 %	2024 %
AACI REIT MTN Pte. Ltd.[1]	Singapore	Provision of treasury services	100.0	100.0
AACI REIT Opera Pte. Ltd.[2]	Singapore	Investment holding	100.0	100.0
AA REIT (Alexandra) Pte. Ltd.[2]	Singapore	Investment holding	100.0	100.0
AA REIT Alexandra Trust [1]	Singapore	Investment in real estate	100.0	100.0
AIMS APAC REIT (Australia) Trust [3]	Australia	Investment in real estate	100.0	100.0
AA REIT Macquarie Park Investment Trust [4]	Australia	Investment in real estate	100.0	100.0
AA REIT Australia Trust (QLD) [3]	Australia	Investment in real estate	100.0	100.0
Burleigh Heads Trust [4]	Australia	Investment in real estate	100.0	100.0
AA REIT Australia Trust (NSW) [3]	Australia	Investment in real estate	100.0	100.0
Bella Vista Trust [4]	Australia	Investment in real estate	100.0	100.0

1 Audited by KPMG LLP Singapore.
2 Dormant and not required to be audited.
3 Not required to be audited by the laws of the country of its constitution.
4 Audited by a member firm of KPMG International.

7 JOINT VENTURE

	Group 2025 $'000	2024 $'000
Investment in joint venture	251,627	242,998
Amounts due from joint venture, at amortised cost:		
– Interest-bearing loan	–	46,298
	251,627	289,296

As at 31 March 2024, the amounts due from joint venture of $46.3 million related to an unsecured loan facility of AUD126.0 million extended by the Unitholders of the joint venture (the "parties") based on their proportionate interests in the joint venture.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

7 JOINT VENTURE (CONT'D)

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.

During the year, the unsecured loan facility was terminated by the parties and the loan was capitalised as investment in joint venture.

As at 31 March 2025, the Group's share of the capital commitments of the joint venture is $1.7 million (31 March 2024: $5.1 million).

Details of the joint venture are as follows:

Name of entity	Country of constitution/ Principal place of business	Principal Activity	Effective equity interest held by the Group 2025 %	Effective equity interest held by the Group 2024 %
Macquarie Park Trust ("MPT")[1]	Australia	Investment in real estate	49.0	49.0

[1] Audited by PricewaterhouseCoopers Australia. This entity is also audited by a member firm of KPMG International for the purpose of preparing the Group's consolidated financial statements.

MPT is 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 equity-accounted.

The following table summarises the financial information of MPT based on its financial statements for the respective financial years ended 31 March.

	2025 $'000	2024 $'000
Assets and liabilities		
Non-current assets [a]	513,986	587,974
Current assets [b]	3,969	5,020
Total assets	517,955	592,994
Non-current liabilities	–	94,485
Current liabilities [c]	4,430	2,594
Total liabilities	4,430	97,079
Results		
Revenue	36,273	36,544
Expenses	(11,416)	(12,322)
Net change in fair value of investment property	(66,814)	(80,744)
Total loss for the year	(41,957)	(56,522)

[a] Represents the valuation of Optus Centre, Macquarie Park, New South Wales, Australia. The independent valuation of the property was carried out by CBRE Valuations Pty Limited as at 31 March 2025 (2024: Knight Frank NSW Valuations & Advisory Pty Ltd) and the property was valued at AUD 610.0 million (equivalent to approximately $514.0 million) (2024: AUD 668.0 million (equivalent to approximately $588.0 million)).

[b] Includes cash at banks and in hand of $3.5 million (2024: $4.2 million).

[c] Comprises trade and other payables and goods and service tax payable.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

7 JOINT VENTURE (CONT'D)

	2025 $'000	2024 $'000
Group's interest in net assets and carrying amount of joint venture		
At 1 April	242,998	289,568
Capitalisation of loan to joint venture as investment in joint venture	47,237	–
Additions of investment in a joint venture	3,323	–
Share of losses of joint venture (net of tax)	(20,559)	(27,696)
Distributions received/receivable	(10,879)	(15,258)
Foreign currency translation movements	(10,493)	(3,616)
At 31 March	251,627	242,998

8 TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Trade receivables	2,980	1,669	2,980	1,669
Deposits	34	31	34	31
Amount due from subsidiaries	–	–	45	37
Distribution receivable from a subsidiary	–	–	3,070	2,729
Distribution receivable from a joint venture	1,118	776	–	–
Interest receivable from banks	624	859	223	344
Other receivables	2,726	2,218	1,362	347
	7,482	5,553	7,714	5,157
Prepayments	6,874	7,114	6,859	7,114
	14,356	12,667	14,573	12,271
Non-current	4,651	4,742	4,651	4,742
Current	9,705	7,925	9,922	7,529
	14,356	12,667	14,573	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 and insurance compensation receivable (31 March 2024: 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 Group's and the Trust's exposure to credit risk related to trade and other receivables is disclosed in note 27.

Impairment losses

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.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

9 DERIVATIVE FINANCIAL INSTRUMENTS

	Group		Trust	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Non-current assets				
Interest rate swaps designated as cash flow hedge	2,993	9,137	452	3,609
Current assets				
Interest rate swaps designated as cash flow hedge	479	338	479	250
Currency forward contracts at fair value through the statements of total return ("FVTPL")	119	44	119	44
	598	382	598	294
Non-current liabilities				
Interest rate swaps designated as cash flow hedge	(1,221)	–	(1,221)	–
Current liabilities				
Currency forward contracts at FVTPL	(4)	(9)	(4)	(9)

Interest rate swaps

The Group and the Trust use interest rate swaps to manage their exposures to interest rate movements on floating rate interest-bearing term loans by swapping the interest expense on a portion of interest-bearing borrowings from floating rates to fixed rates.

Group

As at 31 March 2025, the Group had interest rate swap contracts with remaining tenors between approximately one and three years with total notional amounts of $221.0 million and AUD325.0 million (equivalent to approximately $273.8 million), in total of $494.8 million (2024: interest rate swap contracts with remaining tenors between approximately one and three years with total notional amounts of $122.0 million and AUD336.0 million (equivalent to approximately $295.7 million), in total of $417.7 million). Under the contracts, the Group pays fixed interest rates of 1.200% to 3.313% (2024: 0.380% to 3.313%) per annum and receives interest at the three-month SORA or BBSY (2024: three-month SORA or BBSY).

As at 31 March 2025, the Group had designated the interest rate swap contracts with notional amounts of $221.0 million and AUD325.0 million (equivalent to approximately $273.8 million), in total of $494.8 million (2024: $122.0 million and AUD336.0 million (equivalent to approximately $295.7 million), in total of $417.7 million), as hedging instruments in a cash flow hedge to hedge against variable interest payment arising from the floating rate loans.

Trust

As at 31 March 2025, the Trust had interest rate swap contracts with remaining tenors between approximately one and three years with total notional amounts of $221.0 million and AUD50.0 million (equivalent to approximately $42.1 million), in total of $263.1 million (2024: interest rate swap contracts with remaining tenors between approximately one and three years with total notional amounts of $122.0 million and AUD50.0 million (equivalent to approximately $44.0 million), in total of $166.0 million). Under the contracts, the Trust pays fixed interest rates of 1.200% to 3.050% (2024: 0.380% to 2.940%) per annum and receives interest at the three-month SORA or BBSY (2024: three-month SORA or BBSY).

As at 31 March 2025, the Trust had designated the interest rate swap contracts with notional amounts of $221.0 million and AUD50.0 million (equivalent to approximately $42.1 million), in total of $263.1 million (2024: $122.0 million and AUD50.0 million (equivalent to approximately $44.0 million), in total of $166.0 million), as hedging instruments in a cash flow hedge to hedge against variable interest payment arising from the floating rate loans.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

9 DERIVATIVE FINANCIAL INSTRUMENTS (CONT'D)

Currency forward contracts

The Group and the Trust use currency forward contracts to hedge its foreign currency risk on distributions from Australian dollar to Unitholders.

As at 31 March 2025, the Group and the Trust had currency forward contracts with tenor of less than one year with total notional amounts of AUD10.1 million, equivalent to approximately $8.5 million (2024: AUD7.7 million, equivalent to approximately $6.8 million). Under the contracts, the Group and the Trust sell AUD10.1 million in exchange for approximately $8.6 million (2024: AUD7.7 million in exchange for approximately $6.8 million).

Hedge accounting

Cash flow hedges

The following table provides a reconciliation by risk category of components of equity and analysis of hedging reserve, net of tax, resulting from cash flow hedge accounting.

	Hedging reserve	
	Group $'000	Trust $'000
Cash flow hedges		
At 1 April 2023	7,362	3,315
Fair value gain of cash flow hedges	9,586	4,184
Hedging reserve reclassified to statement of total return	(7,978)	(5,053)
At 31 March 2024	8,970	2,446
Fair value gain/(loss) of cash flow hedges	509	(248)
Hedging reserve reclassified to statement of total return	(6,084)	(2,489)
At 31 March 2025	3,395	(291)

Offsetting financial assets and financial liabilities

The Group entered into International Swaps and Derivatives Association ("ISDA") master netting agreements with various bank counterparties ("ISDA Master Agreement"). In general, under such agreements, the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. In certain circumstances – e.g. when a credit event such as default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

The above ISDA agreements do not meet the criteria for offsetting in the statement of financial position. This is because the Group does not have any currently legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as a default on the bank loans or other credit events.

10 CASH AND CASH EQUIVALENTS

	Group		Trust	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Cash at banks and in hand	14,456	17,816	10,954	9,170

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11 TRADE AND OTHER PAYABLES

	Group		Trust	
	2025 **$'000**	**2024** **$'000**	**2025** **$'000**	**2024** **$'000**
Trade payables and accrued expenses	25,263	20,797	25,128	19,241
Trade amounts due to:				
– the Manager	859	1,589	859	1,589
– the Property Manager	3,240	2,321	3,240	2,321
– the Trustee	58	60	58	60
– entities controlled by corporate shareholders of the Manager	225	542	–	–
Goods and services tax payable	1,459	3,085	1,459	2,921
Rental received in advance	2,958	2,652	2,958	791
Rental and security deposits	24,194	22,091	24,194	22,091
Interest payable	1,795	5,955	876	2,492
Deferred consideration	12,588	13,517	12,588	13,517
Provision for income tax	225	71	225	71
	72,864	72,680	71,585	65,094
Non-current	24,702	25,991	24,702	25,991
Current	48,162	46,689	46,883	39,103
	72,864	72,680	71,585	65,094

The Group's and the Trust's deferred consideration of $12,588,000 (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 (see note 5). The current and non-current portion of the deferred consideration as at 31 March 2025 amounted to $828,000 and $11,760,000 (2024: $957,000 and $12,560,000) respectively.

12 INTEREST-BEARING BORROWINGS

		Group		Trust	
	Note	**2025** **$'000**	**2024** **$'000**	**2025** **$'000**	**2024** **$'000**
Non-current					
Secured					
Bank borrowings	(a),(c)	312,066	590,645	–	217,538
Unsecured					
Bank borrowings	(b)	270,334	–	270,334	–
		582,400	590,645	270,334	217,538
Less: Unamortised borrowing transaction costs		(3,657)	(3,141)	(2,860)	(1,656)
		578,743	587,504	267,474	215,882
Current					
Unsecured					
Medium term notes	(d)	–	100,000	–	100,000
		–	100,000	–	100,000
Less: Unamortised borrowing transaction costs		–	(90)	–	(90)
		–	99,910	–	99,910
Total		578,743	687,414	267,474	315,792

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

12 INTEREST-BEARING BORROWINGS (CONT'D)

(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.

The credit facilities were secured on the following:

(i) first legal mortgage over 15 investment properties with market value totalling $1,028.2 million 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 31 March 2025, the Trust has unsecured sustainability-linked loan 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 AUD243.0 million (2024: AUD263.0 million) was granted to a wholly-owned subsidiary of the Trust which is secured by a mortgage over a property with market value of $323.6 million (2024: $360.9 million) , 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 AUD150.0 million (2024: AUD212.3 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) As at 31 March 2024, the Trust had a $100.0 million five-year unsecured medium-term notes with a fixed rate of 3.60% per annum which had been issued by the Trust under the $750.0 million Multicurrency Debt Issuance Programme, established in November 2018. The notes were payable semi-annually in arrears and matured on 12 November 2024.

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.

The medium-term notes were redeemed on 12 November 2024.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

12 INTEREST-BEARING BORROWINGS (CONT'D)

The Trust and certain subsidiaries within the Group are required to comply with financial covenants related to specific ratios in the Statements of Total Return and the Statements of Financial Position on an ongoing basis as part of their banking facility agreements. The Group monitors its compliance with these covenants and has met the required conditions throughout the reporting periods.

Terms and debt repayment schedule

Terms and conditions of the interest-bearing borrowings are as follows:

	Nominal interest rate %	Date of maturity	Group Face value $'000	Group Carrying amount $'000	Trust Face value $'000	Trust Carrying amount $'000
2025						
AUD floating rate bank borrowing	BBSY[1]+margin	November 2026	204,710	204,309	–	–
AUD floating rate bank borrowing	BBSY[1]+margin	June 2027	107,356	106,960	–	–
SGD floating rate bank borrowing	SORA[2]+ margin	September 2027	4,500	4,340	4,500	4,340
AUD floating rate bank borrowing	BBSY[1]+margin	September 2027	–[3]	(141)[4]	–[3]	(141)[4]
AUD floating rate bank borrowing	BBSY[1]+margin	September 2028	42,130	41,907	42,130	41,907
SGD floating rate bank borrowing	SORA[2]+ margin	September 2028	–[3]	(763)[4]	–[3]	(763)[4]
AUD floating rate bank borrowing	BBSY[1]+margin	September 2028	–[3]	(89)[4]	–[3]	(89)[4]
SGD floating rate bank borrowing	SORA[2]+margin	November 2028	20,000	19,898	20,000	19,898
SGD floating rate bank borrowing	SORA[2]+margin	September 2029	170,000	168,956	170,000	168,956
SGD floating rate bank borrowing	SORA[2]+margin	September 2029	–[3]	(123)[4]	–[3]	(123)[4]
AUD floating rate bank borrowing	BBSY[1]+margin	December 2029	33,704	33,489	33,704	33,489
			582,400	578,743	270,334	267,474
2024						
SGD fixed rate medium term notes	3.60	November 2024	100,000	99,910	100,000	99,910
SGD floating rate bank borrowing	SORA[2]+ margin	October 2025	37,000	36,460	37,000	36,460
AUD floating rate bank borrowing	BBSY[1]+margin	October 2025	36,528	36,301	36,528	36,301
SGD floating rate bank borrowing	SORA[2]+margin	October 2026	100,000	99,410	100,000	99,410
AUD floating rate bank borrowing	BBSY[1]+margin	October 2026	44,010	43,711	44,010	43,711
AUD floating rate bank borrowing	BBSY[1]+margin	November 2026	231,449	230,712	–	–
AUD floating rate bank borrowing	BBSY[1]+margin	June 2027	141,658	140,910	–	–
			690,645	687,414	317,538	315,792

1 Bank Bill Swap Bid Rate.
2 Singapore Overnight Rate Average.
3 Revolving credit facilities not utilised as at 31 March 2025.
4. Unamortised borrowing transaction costs.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2025

12 INTEREST-BEARING BORROWINGS (CONT'D)

Reconciliation of changes in liabilities arising from financing activities

		Financing cash flows					
	At 1 April 2024 $'000	**Proceeds from borrowings $'000**	**Repayment of borrowings/ lease liabilities $'000**	**Borrowing costs paid $'000**	**Borrowing costs expensed $'000**	**Foreign exchange, remeasurement of right-of-use assets and other movements $'000**	**At 31 March 2025 $'000**
Group							
Medium term notes	99,910	–	(100,000)	–	90	–	–
Bank borrowings	587,504	473,841	(465,256)	(3,368)	2,851	(16,829)	578,743
Interest payable	5,955	–	–	(33,915)	29,915	(160)	1,795
Liabilities directly associated with the investment property held for sale	–	–		–	–	618	618
Lease liabilities	101,837	–	(9,219)	–	4,087	21,367	118,072
	795,206	473,841	(574,475)	(37,283)	36,943	4,996	699,228

		Financing cash flows					
	At 1 April 2023 $'000	**Proceeds from borrowings $'000**	**Repayment of borrowings/ lease liabilities $'000**	**Borrowing costs paid $'000**	**Borrowing costs expensed $'000**	**Foreign exchange, remeasurement of right-of-use assets and other movements $'000**	**At 31 March 2024 $'000**
Group							
Medium term notes	99,762	–	–	–	148	–	99,910
Bank borrowings	691,226	78,672	(177,922)	(166)	1,767	(6,073)	587,504
Interest payable	5,227	–	–	(27,036)	29,324	(1,560)	5,955
Liabilities directly associated with the investment property held for sale	253	–	–	–	–	(253)	–
Lease liabilities	98,098	–	(9,040)	–	3,662	9,117	101,837
	894,566	78,672	(186,962)	(27,202)	34,901	1,231	795,206

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2025

13 DEFERRED TAX LIABILITIES

Movements in deferred tax liabilities of the Group during the year are as follows:

	At 1 April 2023 $'000	Recognised in statement of total return (note 23) $'000	At 31 March 2024 $'000	Recognised in statement of total return (note 23) $'000	At 31 March 2025 $'000
Group					
Deferred tax liabilities					
Investment properties	26,989	(6,583)	20,406	(4,612)	15,794

14 LEASES

Leases as lessee (FRS 116)

The Group leases land in respect of certain properties from JTC Corporation ("JTC") and CapitaLand Singapore (BP&C) Pte. Ltd. ("CapitaLand"). The leases typically run for a period of 30 years, with an option to renew the lease after that date. The annual land rent payable is based on the market land rent in the relevant period of the lease term. However, the lease agreements limit any increase of the annual land rent from year to year to 5.5% and 7.6% for leases with JTC and CapitaLand respectively, of the annual land rent for the immediate preceding year.

Information about leases for which the Group and the Trust are lessees is presented below.

(a) Amounts recognised in the statement of financial position

	Note	Group and Trust 2025 $'000	2024 $'000
Right-of-use assets (included within investment properties)	4	118,072	101,837
Lease liabilities			
– Non-current		113,403	96,449
– Current		4,669	5,388
		118,072	101,837
Right-of-use assets (included within investment property held for sale)	4	618	–
Liabilities directly associated with the investment property held for sale		618	–

(b) Amounts recognised in the statement of total return

	Note	Group and Trust 2025 $'000	2024 $'000
Leases under FRS 116			
Interest on lease liabilities	20	4,087	3,662
Net change in fair value of right-of-use assets (included within net change in fair value of investment properties)	4	5,132	5,378

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

14 LEASES (CONT'D)

Leases as lessee (FRS 116) (cont'd)

(c) Amounts recognised in the statement of cash flows

	Group 2025 $'000	Group 2024 $'000
Principal on lease liabilities	5,132	5,378
Interest on lease liabilities	4,087	3,662
Repayment of lease liabilities:	9,219	9,040

Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise the extension option, would result in an increase in lease liability of $27.2 million as at 31 March 2025 (2024: $48.6 million).

Leases as lessor

The Group leases out its investment properties (see note 4). All leases are classified as operating leases from a lessor perspective.

Operating lease

The Group leases out its investment properties. Investment properties are held for use by tenants under operating leases. Generally, the leases contain an initial non-cancellable period of between 3 to 10 years and subsequent renewals are negotiated with the tenants to reflect market rentals. None of the leases contain contingent rental arrangements.

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date and excluding prevailing market rent adjustments.

	Group $'000	Trust $'000
2025		
Less than one year	121,368	96,151
One to two years	97,202	71,284
Two to three years	83,443	56,805
Three to four years	66,867	39,488
Four to five years	53,709	25,569
More than five years	82,253	39,496
Total lease receivables	504,842	328,793
2024		
Less than one year	130,684	104,722
One to two years	104,524	77,840
Two to three years	78,997	51,572
Three to four years	68,208	40,020
Four to five years	59,561	30,590
More than five years	121,150	46,130
Total lease receivables	563,124	350,874

NOTES TO THE FINANCIAL STATEMENTS
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15 UNITHOLDERS' FUNDS

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, the effective portion of any foreign currency differences arising from hedges of a net investment in a foreign operation as well as the foreign exchange gains and losses arising from monetary items that are considered to form part of the Group's net investment in a foreign operation.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative change (net of taxes) in the fair value of cash flow hedging instruments related to hedged transactions that have not yet affected the statement of total return.

Issue expenses

Issue expenses comprised professional, underwriting, selling commission and other costs relating to issuance of Units in the Trust. These expenses are deducted directly against Unitholders' funds.

16 PERPETUAL SECURITIES

As at 31 March 2025, $500.0 million (2024: $375.0 million) subordinated perpetual securities ("Perpetual Securities") under the $750.0 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;

(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; and

(iii) $125.0 million perpetual securities issued on 18 March 2025. The Perpetual Securities will confer a right to receive distribution payments at a rate of 4.70% per annum with the first distribution rate reset falling on 18 March 2030 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 instruments and recorded as equity in the financial statements. The expenses relating to the issue of the Perpetual Securities are deducted against the proceeds from the issue.

As at 31 March 2025, the $497.4 million (2024: $373.6 million) presented in the statements of financial position of the Group and the Trust represent the carrying value of the $500.0 million (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.

NOTES TO THE FINANCIAL STATEMENTS
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17 UNITS IN ISSUE AND TO BE ISSUED

	Group and Trust	
	2025	**2024**
	'000	**'000**
Units in issue at beginning of the year	810,564	720,344
Units in issue relating to:		
Manager's management fees	3,003	3,764
Property management fees and lease management fees	427	–
Manager's performance fees	–	3,420
Private placement	–	57,660
Preferential offering	–	25,376
Units in issue at end of the year	813,994	810,564
Units to be issued relating to:		
Manager's management fees	900	391
Manager's performance fees	1,722	–
Total Units in issue and to be issued at end of the year	816,616	810,955

2024

During the financial year ended 31 March 2024, 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 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.

(iii) On 6 November 2023, 1,039,688 new Units at an average price of $1.2540 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 July 2023 to 30 September 2023.

(iv) On 6 February 2024, 417,153 new Units at an average price of $1.2709 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 October 2023 to 31 December 2023.

During the financial year ended 31 March 2024, 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 placement[1].

(ii) On 3 July 2023, 25,376,361 new Units were issued at the issue price of $1.1890 in relation to the Preferential offering[1].

During the financial year ended 31 March 2024, there were the following Units to be issued to the Manager:

(i) 390,992 new Units at an average price of $1.2819 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 January 2024 to 31 March 2024.

[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.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

17 UNITS IN ISSUE AND TO BE ISSUED (CONT'D)

2025

During the financial year ended 31 March 2025, 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.

(iii) On 11 November 2024, 1,267,617 new Units at an average price of $1.2956 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 July 2024 to 30 September 2024.

(iv) On 6 February 2025, 361,994 new Units at an average price of $1.2621 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 October 2024 to 31 December 2024.

During the financial year ended 31 March 2025, there were the following issuances of Units to the Property Manager:

(i) On 11 November 2024, 427,105 new Units at an average price of $1.2931 were 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.

During the financial year ended 31 March 2025, there were the following Units to be issued to the Manager:

(i) 899,498 new Units at an average price of $1.2512 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 January 2025 to 31 March 2025.

(ii) 1,721,703 new Units at an average price of $1.2615 to be issued to the Manager as payment of the performance fee element of the Manager's management fees incurred for the financial year ended 31 March 2025.

The issue price for Manager's management fees, Manager's performance fees, property management fees and lease 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.

NOTES TO THE FINANCIAL STATEMENTS

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18 GROSS REVENUE

	Group 2025 $'000	Group 2024 $'000	Trust 2025 $'000	Trust 2024 $'000
Property rental income	137,895	131,965	111,032	104,732
Service charge, land rent and property tax	25,964	24,928	25,964	24,928
Other property expenses recoverable from tenants and other property income	19,690	18,850	19,690	18,850
	183,549	175,743	156,686	148,510
Others				
Sale of electricity and renewable energy certificates	3,077	1,538	3,077	1,538
	186,626	177,281	159,763	150,048

19 PROPERTY OPERATING EXPENSES

	Group 2025 $'000	Group 2024 $'000	Trust 2025 $'000	Trust 2024 $'000
Property and lease management fees	4,184	3,142	4,184	3,142
Property tax	12,667	10,566	12,667	10,566
Other operating expenses	36,033	32,594	35,968	32,493
	52,884	46,302	52,819	46,201

20 BORROWING COSTS

	Note	Group 2025 $'000	Group 2024 $'000	Trust 2025 $'000	Trust 2024 $'000
Interest expense on borrowings		29,348	28,562	13,454	9,893
Interest expense on lease liabilities	14	4,087	3,662	4,087	3,662
Interest expense on unwinding of deferred consideration		512	340	512	340
Amortisation of borrowing transaction costs		2,941	1,915	2,254	1,275
Others		567	762	379	524
		37,455	35,241	20,686	15,694

21 MANAGER'S MANAGEMENT FEES

	Group and Trust 2025 $'000	Group and Trust 2024 $'000
Base fees		
– Paid/payable in cash	6,575	7,634
– Paid/payable in Units	4,456	3,623
	11,031	11,257
Performance fees		
– Payable in Units	2,172	–

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2025

22 OTHER TRUST EXPENSES

	Group		Trust	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Audit fees to:				
– auditors of the Trust	190	190	183	183
– other auditors	61	65	–	–
Non-audit fees to auditors of the Trust	56	55	54	52
Trustees' fees to:				
– HSBC Institutional Trust Services (Singapore) Limited (the "Trustee")	358	365	358	365
– other trustee	8	16	8	16
Valuation fees	90	81	65	65
Professional fees	356	238	332	225
Investment management fees	2,987	3,427	–	–
Other expenses	1,169	1,102	995	961
	5,275	5,539	1,995	1,867

23 INCOME TAX (CREDIT)/EXPENSE

		Group		Trust	
	Note	2025	2024	2025	2024
		$'000	$'000	$'000	$'000
Singapore current tax		225	71	225	71
Overseas deferred tax	13	(4,612)	(6,583)	–	–
Total tax (credit)/expense		(4,387)	(6,512)	225	71
Reconciliation of effective tax rate:					
Total return before income tax		49,067	56,394	63,494	151,903
Tax calculated using Singapore tax rate of 17% (2024: 17%)		8,341	9,587	10,794	25,824
Non-tax chargeable items		(2,854)	(11,217)	(2,854)	(11,217)
Non-tax deductible items		3,302	1,462	10,085	1,462
Tax transparency		(14,686)	(13,039)	(14,686)	(13,039)
Foreign-sourced income		6,122	13,278	(3,114)	(2,959)
Deferred tax on investment properties	13	(4,612)	(6,583)	–	–
		(4,387)	(6,512)	225	71

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2025

24 EARNINGS PER UNIT

	Group	
	2025	**2024**
Earnings per Unit (Singapore cents)		
Basic and diluted	4.03	5.35

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

	Group	
	2025 $'000	**2024 $'000**
Total return after income tax attributable to Unitholders of the Trust and Perpetual Securities holders	53,454	62,906
Less: Amount reserved for distribution to Perpetual Securities holders	(20,725)	(20,556)
Total return after income tax attributable to Unitholders of the Trust	32,729	42,350

	Trust Number of Units	
	2025 '000	**2024 '000**
Basic EPU		
Units in issue at beginning of the year	810,564	720,344
Effect of Units issued relating to:		
– Manager's management fees	1,530	2,311
– Manager's performance fees	–	3,065
– Property management fees and lease management fees	165	–
– Private placement	–	46,317
– Preferential offering	–	18,928
Weighted average number of Units at end of the year	812,259	790,965
Diluted EPU		
Units in issue at beginning of the year	810,564	720,344
Effect of Units issued/to be issued relating to:		
– Manager's management fees	1,609	2,345
– Manager's performance fees	5	3,065
– Property management fees and lease management fees	165	–
– Private placement	–	46,317
– Preferential offering	–	18,928
Weighted average number of Units at end of the year	812,343	790,999

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

25 COMMITMENTS

As at 31 March 2025, the Group has the following commitments:

(i) capital expenditure for investment properties that had been authorised and contracted for but not provided for in the financial statements of approximately $16.7 million (2024: $6.2 million);

(ii) a sub-lease agreement by a wholly owned subsidiary 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 31 March 2025, the option has not been exercised; and

(iii) contracts for the installation of rooftop solar photovoltaic systems ("Systems") at three properties in Singapore for the generation of electricity. The total capital commitment amounts to $5.5 million, payable to the vendor of the Systems. Payments will be based on the minimum output of electricity generated by the Systems, at the agreed-upon rates, and will be made over a period of 17 to 20 years.

26 SIGNIFICANT RELATED PARTY TRANSACTIONS

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

	Group		Trust	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
The Manager				
Manager's management fees				
– Base fees	11,031	11,257	11,031	11,257
– Performance fees	2,172	–	2,172	–
– Divestment fees	–	64	–	64
Entities controlled by corporate shareholders of the Manager				
Investment management fees	2,987	3,427	–	–
The Property Manager				
Property management fees	2,789	2,095	2,789	2,095
Lease management fees	1,395	1,047	1,395	1,047
Marketing services commissions	2,391	4,017	2,391	4,017
Project management fees	579	533	579	533
Property tax services fees	–	51	–	51
Reimbursement of site staff costs[1]	1,131	979	1,131	979
The Trustee				
Trustee's fees	358	365	358	365
Joint venture				
Interest income	2,346	2,930	–	–

[1] Represents the employment costs and remuneration to the employees of the Property Manager engaged to provide site supervision whose costs and remuneration are apportioned to the management of one or more of the relevant properties (2024: 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 relevant properties).

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT

Capital management

The Board of the Manager reviews the Group's capital management and financing policy regularly so as to optimise the Group's funding structure. The Board also monitors the Group's exposure to various risk elements and externally imposed requirements by closely adhering to clearly established management policies and procedures.

The Group is subjected to the aggregate leverage limit as defined in the Appendix 6 of the CIS Code (the "Property Funds Appendix"). As at 31 March 2025, the Property Funds Appendix stipulates the aggregate leverage of a property fund should not exceed 50% of the fund's deposited property and the property fund should have a minimum interest coverage ratio of 1.5 times. As at 31 March 2024, the Property Funds Appendix stipulates the aggregate leverage of a property fund should not exceed 50% of the fund's deposited property if the property fund met the minimum adjusted interest coverage ratio of 2.5 times. In the event if the adjusted interest coverage ratio is below 2.5 times, the aggregate leverage of a property fund should not exceed 45% of the fund's deposited property.

As at 31 March 2025, the Group's aggregate leverage[1] was 28.9% (2024: 32.6%) and its interest coverage ratio[2] was 2.4 times (2024: 2.4 times). The Group had complied with the aggregate leverage limit during the financial year.

There were no changes in the Group's approach to capital management during the financial year.

Sensitivity analysis[3] on the impact of changes in EBITDA and interest rates on interest coverage ratio:

	Group Interest coverage ratio (times)	
	31 March 2025	31 March 2024
10% decrease in EBITDA	2.2	2.2
100 basis point increase in weighted average interest rate[4]	2.1	2.1
10% increase in EBITDA	2.7	2.7
100 basis point decrease in weighted average interest rate[4]	2.8	2.9

Risk management framework

Exposure to credit, interest rate, liquidity and foreign currency risks arises in the normal course of the Group's business. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Manager continually monitors the Group's risk management process to ensure an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Manager monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

1 The aggregate leverage includes lease liabilities that are entered into in the ordinary course of the Trust's business on or after 1 April 2019 in accordance with 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 insurance compensation for property damage) ("EBITDA"), by the trailing 12 months interest expense, borrowing-related fees and distributions on hybrid securities. The borrowing-related fees exclude the unwinding of discounting effect on the present value of lease liabilities and the deferred consideration. Excluding the amount reserved for distribution on perpetual securities in the interest expense, the ICR is at 3.9 times (31 March 2024: 4.1 times).
3 Based on MAS Code on Collective Investment Schemes dated 28 November 2024.
4 Based on weighted average interest rate of hedged and unhedged debts.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Credit risk

Credit risk is the risk of financial loss resulting from the failure of a tenant to settle its financial and contractual obligations to the Group, as and when they fall due.

Trade receivables

Credit evaluations are performed by the Manager before lease agreements are entered into with the tenants. Rental deposits as a multiple of monthly rent are received either in cash or bank guarantees to reduce credit risk. The Manager also monitors the amount owing by the tenants on an ongoing basis.

Based on historical default rates, the Manager believes that no additional impairment allowance is necessary in respect of the remaining trade receivables as these receivables mainly arose from tenants that have good credit standing with the Group and the Group has sufficient security deposits as collateral.

Concentration of credit risk relating to trade receivables is limited due to the Group's varied tenant profile and credit policy of obtaining security deposits, banker's guarantees or other forms of collateral from tenants.

Cash and cash equivalents

Cash and fixed deposits are placed with financial institutions which are regulated.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The ECL on cash and cash equivalents is negligible.

Derivatives

Transactions involving derivative financial instruments are entered only with bank counterparties that are regulated.

Other receivables

The Group assesses on a forward-looking basis the ECLs associated with financial assets at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group considers that the credit risk of these counterparties have not increased, and determines that the 12-month ECL on outstanding balances is negligible as at 31 March 2025.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Credit risk (cont'd)

Exposure to credit risk

The maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial position.

The ageing of the trade and other receivables at the reporting date was as follows:

	Gross 2025 $'000	Impairment losses 2025 $'000	Gross 2024 $'000	Impairment losses 2024 $'000
Group				
Not past due	6,775	–	4,946	–
Past due 1 – 30 days	478	–	439	–
Past due 31 – 90 days	174	–	131	–
Past due more than 90 days	55	–	37	–
	7,482	–	5,553	–
Trust				
Not past due	7,007	–	4,550	–
Past due 1 – 30 days	478	–	439	–
Past due 31 – 90 days	174	–	131	–
Past due more than 90 days	55	–	37	–
	7,714	–	5,157	–

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Trust will encounter difficulty in meeting the obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Manager monitors and maintains a level of cash and cash equivalents deemed adequate by the Manager to finance the Group's operations and to mitigate the effect of fluctuations in cash flows. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations.

As at 31 March 2025, the Group has unutilised committed credit facilities amounting to $275.0 million (2024: $135.7 million) to fulfil the Group's liabilities as and when they fall due.

The Group also monitors and observes the Property Funds Appendix issued by the MAS concerning limits on total borrowings.

The Group has bank loans which contain certain covenants. Any breach of covenants may require the Group to repay the loans earlier than indicated in note 12.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Liquidity risk (cont'd)

The following are the expected contractual undiscounted cash inflows/(outflows) of financial liabilities and derivative financial instruments, including estimated interest payments and excluding the impact of netting arrangements:

		Contractual cash flows			
	Carrying amount $'000	Total $'000	Less than 1 year $'000	1 to 5 years $'000	More than 5 years $'000
Group					
2025					
Non-derivative financial liabilities					
Bank borrowings	(578,743)	(655,805)	(23,487)	(632,318)	–
Trade and other payables[1]	(68,222)	(72,664)	(43,996)	(13,713)	(14,955)
Liabilities directly associated with the investment property held for sale	(618)	(637)	(637)	–	–
Lease liabilities	(118,072)	(172,659)	(8,842)	(33,585)	(130,232)
	(765,655)	(901,765)	(76,962)	(679,616)	(145,187)
Derivative financial instruments					
Non-current assets					
Interest rate swaps (net-settled)					
– designated as cash flow hedge	2,993	3,007	2,599	408	–
Current assets					
Interest rate swaps (net-settled)					
– designated as cash flow hedge	479	550	550	–	–
Currency forward contracts (gross-settled)					
– at FVTPL	119				
• Outflow		(6,909)	(6,909)	–	–
• Inflow		6,991	6,991	–	–
Non-current liabilities					
Interest rate swaps (net-settled)					
– designated as cash flow hedge	(1,221)	(1,333)	(674)	(659)	–
Current liabilities					
Currency forward contracts (gross-settled)					
– at FVTPL	(4)				
• Outflow		(1,601)	(1,601)	–	–
• Inflow		1,588	1,588	–	–
	2,366	2,293	2,544	(251)	–

[1] Excluding rental received in advance, goods and services tax payable and provision for income tax.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Liquidity risk (cont'd)

		Contractual cash flows			
	Carrying amount $'000	Total $'000	Less than 1 year $'000	1 to 5 years $'000	More than 5 years $'000
Group					
2024					
Non-derivative financial liabilities					
Medium term notes	(99,910)	(102,219)	(102,219)	–	–
Bank borrowings	(587,504)	(667,475)	(26,681)	(640,794)	–
Trade and other payables[1]	(66,872)	(71,853)	(41,392)	(15,272)	(15,189)
Lease liabilities	(101,837)	(146,328)	(8,966)	(29,688)	(107,674)
	(856,123)	(987,875)	(179,258)	(685,754)	(122,863)
Derivative financial instruments					
Non-current assets					
Interest rate swaps (net-settled)					
– designated as cash flow hedge	9,137	9,295	5,368	3,927	–
Current assets					
Interest rate swaps (net-settled)					
– designated as cash flow hedge	338	337	337	–	–
Currency forward contracts (gross-settled)					
– at FVTPL	44				
• Outflow		(4,489)	(4,489)	–	–
• Inflow		4,486	4,486	–	–
Current liabilities					
Currency forward contracts (gross-settled)					
– at FVTPL	(9)				
• Outflow		(2,289)	(2,289)	–	–
• Inflow		2,272	2,272	–	–
	9,510	9,612	5,685	3,927	–

1 Excluding rental received in advance, goods and services tax payable and provision for income tax.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Liquidity risk (cont'd)

	Carrying amount $'000	Contractual cash flows Total $'000	Less than 1 year $'000	1 to 5 years $'000	More than 5 years $'000
Trust					
2025					
Non-derivative financial liabilities					
Bank borrowings	(267,474)	(315,885)	(9,923)	(305,962)	–
Trade and other payables[1]	(66,943)	(71,385)	(42,717)	(13,713)	(14,955)
Liabilities directly associated with the investment property held for sale	(618)	(637)	(637)	–	–
Lease liabilities	(118,072)	(172,659)	(8,842)	(33,585)	(130,232)
	(453,107)	(560,566)	(62,119)	(353,260)	(145,187)
Derivative financial instruments					
Non-current assets					
Interest rate swaps (net-settled)					
– designated as cash flow hedge	452	544	452	92	–
Current assets					
Interest rate swaps (net-settled)					
– designated as cash flow hedge	479	550	550	–	–
Currency forward contracts (gross-settled)					
– at FVTPL	119				
• Outflow		(6,909)	(6,909)	–	–
• Inflow		6,991	6,991	–	–
Non-current liabilities					
Interest rate swaps (net-settled)					
– designated as cash flow hedge	(1,221)	(1,333)	(674)	(659)	–
Current liabilities					
Currency forward contracts (gross-settled)					
– at FVTPL	(4)				
• Outflow		(1,601)	(1,601)	–	–
• Inflow		1,588	1,588	–	–
	(175)	(170)	397	(567)	–

[1] Excluding rental received in advance, goods and services tax payable and provision for income tax.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Liquidity risk (cont'd)

	Carrying amount $'000	Contractual cash flows Total $'000	Less than 1 year $'000	1 to 5 years $'000	More than 5 years $'000
Trust					
2024					
Non-derivative financial liabilities					
Medium term notes	(99,910)	(102,219)	(102,219)	–	–
Bank borrowings	(215,882)	(240,406)	(9,695)	(230,711)	–
Trade and other payables[1]	(61,311)	(66,292)	(35,831)	(15,272)	(15,189)
Lease liabilities	(101,837)	(146,328)	(8,966)	(29,688)	(107,674)
	(478,940)	(555,245)	(156,711)	(275,671)	(122,863)
Derivative financial instruments					
Non-current assets					
Interest rate swaps (net-settled)					
– designated as cash flow hedge	3,609	3,802	2,241	1,561	–
Current assets					
Interest rate swaps (net-settled)					
– designated as cash flow hedge	250	249	249	–	–
Currency forward contracts (gross-settled)					
– at FVTPL	44				
• Outflow		(4,489)	(4,489)	–	–
• Inflow		4,486	4,486	–	–
Current liabilities					
Currency forward contracts (gross-settled)					
– at FVTPL	(9)				
• Outflow		(2,289)	(2,289)	–	–
• Inflow		2,272	2,272	–	–
	3,894	4,031	2,470	1,561	–

1 Excluding rental received in advance, goods and services tax payable and provision for income tax.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Market risk

Market risk is the risk that changes in market prices such as interest rates, foreign exchange rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

(i) Interest rate risk

The Manager adopts a proactive interest rate management policy to manage the risk associated with adverse movement in interest rates on the loan facilities while also seeking to ensure that the Group's cost of debt remains competitive. The policy aims to protect the Group's earnings from the volatility in interest rates and provide stability to Unitholders' returns.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of the changes in market interest rates. The Group's and Trust's exposure to cash flow interest rate risks arise mainly from variable rate financial liabilities. The Manager manages the cash flow interest rate risks of these variable rate financial liabilities using floating-to-fixed interest rate swaps or via issuance of fixed rate borrowings.

As at 31 March 2025, the Group has interest rate swap contracts with total notional amounts of $221.0 million and AUD325.0 million (equivalent to approximately $273.8 million), in total of $494.8 million (2024: $122.0 million and AUD336.0 million (equivalent to approximately $295.7 million), in total of $417.7 million).

As at 31 March 2025, the Trust has interest rate swap contracts with total notional amounts of $221.0 million and AUD50.0 million (equivalent to approximately $42.1 million), in total of $263.1 million (2024: $122.0 million and AUD50.0 million (equivalent to approximately $44.0 million), in total of $166.0 million).

For the interest rate swap contracts, the Group and the Trust had agreed with counterparties to exchange at specified intervals, the difference between the floating rates pegged to the SORA or BBSY (2024: SORA or BBSY) and fixed rate interest amounts calculated by reference to the agreed notional amounts.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Market risk (cont'd)

(i) Interest rate risk (cont'd)

Exposure to interest rate risk

At the reporting date, the interest rate profile of the Group's and Trust's interest-bearing financial instruments was as follows:

	Group Nominal amount		Trust Nominal amount	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Fixed rate instruments				
Financial liabilities	–	(100,000)	–	(100,000)
Interest rate swaps[1]	(494,845)	(417,747)	(263,130)	(166,010)
	(494,845)	(517,747)	(263,130)	(266,010)
Variable rate instruments				
Financial liabilities	(582,400)	(590,645)	(270,334)	(217,538)
Interest rate swaps[1]	494,845	417,747	263,130	166,010
	(87,555)	(172,898)	(7,204)	(51,528)

[1] Including forward interest rate swaps.

Sensitivity analysis

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) the total return and Unitholders' funds by the amounts shown below. This analysis assumes that all other variables remain constant.

	Statement of total return		Unitholders' funds	
	100 bp increase $'000	100 bp decrease $'000	100 bp increase $'000	100 bp decrease $'000
Group				
31 March 2025				
Variable rate instruments	(1,026)	1,026	4,558	(4,625)
31 March 2024				
Variable rate instruments	(1,869)	1,869	6,472	(6,629)
Trust				
31 March 2025				
Variable rate instruments	(222)	222	3,451	(3,502)
31 March 2024				
Variable rate instruments	(655)	655	1,975	(2,022)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Market risk (cont'd)

(ii) Foreign currency risk

Risk management policy

The Group has exposure to foreign currency risks arising from its interest in a joint venture and investments in Australia. Transactions in relation to these investments are mainly denominated in the Australian dollar.

The Manager's strategy is to achieve a natural hedge, wherever possible through the use of Australian dollar denominated borrowings to match the Group's interests in its Australian joint venture and investment properties to mitigate the currency risk. As at 31 March 2025, the Group's investment in its Australian assets was hedged as approximately 62.7% (2024: 65.6%) of the carrying value of the Trust's investments in Australia was funded with Australian dollar denominated borrowings.

Exposure to currency risk

The Group's and Trust's exposures to foreign currencies were as follows:

	Group		Trust	
	Australian dollar 2025 $'000	Australian dollar 2024 $'000	Australian dollar 2025 $'000	Australian dollar 2024 $'000
Amounts due from joint venture	–	46,298	–	–
Cash and cash equivalents	3,744	9,007	256	378
Trade and other receivables	3,065	3,340	3,237	2,907
Derivative financial instruments	3,015	6,990	474	1,374
Trade and other payables	(1,732)	(8,234)	(463)	(660)
Interest-bearing borrowings	(387,900)	(453,645)	(75,834)	(80,538)
	(379,808)	(396,244)	(72,330)	(76,539)
Less: Currency forward contracts	(8,510)	(6,778)	(8,510)	(6,778)
Net currency exposure on financial liabilities	(388,318)	(403,022)	(80,840)	(83,317)
Add: Non-financial assets				
Investment in joint venture	251,627	242,998	–	–
Investment properties	366,531	403,132	–	–
Net currency exposure including non-financial assets	229,840	243,108	(80,840)	(83,317)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Market risk (cont'd)

(ii) Foreign currency risk (cont'd)

Sensitivity analysis

A strengthening/weakening of the Australian dollar, as indicated below, against the Singapore dollar at the reporting date would have increased/(decreased) total return and Unitholders' funds by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

	Statements of total return $'000	Unitholders' funds $'000
Group		
2025		
Australian dollar (5% strengthening)	(2)	11,494
Australian dollar (5% weakening)	2	(11,494)
2024		
Australian dollar (5% strengthening)	(14)	12,170
Australian dollar (5% weakening)	14	(12,170)
Trust		
2025		
Australian dollar (5% strengthening)	(4,066)	24
Australian dollar (5% weakening)	4,066	(24)
2024		
Australian dollar (5% strengthening)	(4,235)	69
Australian dollar (5% weakening)	4,235	(69)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

Classification and fair value of financial instruments

The carrying amounts and the fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximate of fair value.

		Carrying amount					Fair value			
	Note	Amortised cost $'000	FVTPL $'000	Fair value – Hedging instruments $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group										
2025										
Financial assets not measured at fair value										
Trade and other receivables[1]	8	7,482	–	–	–	7,482				
Cash and cash equivalents	10	14,456	–	–	–	14,456				
		21,938	–	–	–	21,938				
Financial assets measured at fair value										
Derivative financial assets	9	–	119	3,472	–	3,591	–	3,591	–	3,591
Financial liabilities measured at fair value										
Derivative financial liabilities	9	–	(4)	(1,221)	–	(1,225)	–	(1,225)	–	(1,225)
Financial liabilities not measured at fair value										
Trade and other payables[2]	11	–	–	–	(68,222)	(68,222)				
Interest-bearing borrowings	12	–	–	–	(578,743)	(578,743)				
Liabilities directly associated with the investment property held for sale	14	–	–	–	(618)	(618)				
Lease liabilities	14	–	–	–	(118,072)	(118,072)				
		–	–	–	(765,655)	(765,655)				

1 Excluding prepayments.
2 Excluding rental received in advance, goods and services tax payable and provision for income tax.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

Classification and fair value of financial instruments (cont'd)

		Carrying amount					Fair value			
	Note	Amortised cost $'000	FVTPL $'000	Fair value – Hedging instruments $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group										
2024										
Financial assets not measured at fair value										
Amounts due from joint venture	7	46,298	–	–	–	46,298				
Trade and other receivables[1]	8	5,553	–	–	–	5,553				
Cash and cash equivalents	10	17,816	–	–	–	17,816				
		69,667	–	–	–	69,667				
Financial assets measured at fair value										
Derivative financial assets	9	–	44	9,475	–	9,519	–	9,519	–	9,519
Financial liabilities measured at fair value										
Derivative financial liabilities	9	–	(9)	–	–	(9)	–	(9)	–	(9)
Financial liabilities not measured at fair value										
Trade and other payables[2]	11	–	–	–	(66,872)	(66,872)				
Interest-bearing borrowings	12	–	–	–	(687,414)	(687,414)	–	(686,964)	–	(686,964)
Lease liabilities	14	–	–	–	(101,837)	(101,837)				
		–	–	–	(856,123)	(856,123)				

1 Excluding prepayments.
2 Excluding rental received in advance, goods and services tax payable and provision for income tax.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

Classification and fair value of financial instruments (cont'd)

		Carrying amount					Fair value			
	Note	Amortised cost $'000	FVTPL $'000	Fair value – Hedging instruments $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Trust										
2025										
Financial assets not measured at fair value										
Trade and other receivables[1]	8	7,714	–	–	–	7,714				
Cash and cash equivalents	10	10,954	–	–	–	10,954				
		18,668	–	–	–	18,668				
Financial assets measured at fair value										
Derivative financial assets	9	–	119	931	–	1,050	–	1,050	–	1,050
Financial liabilities measured at fair value										
Derivative financial liabilities	9	–	(4)	(1,221)	–	(1,225)	–	(1,225)	–	(1,225)
Financial liabilities not measured at fair value										
Trade and other payables[2]	11	–	–	–	(66,943)	(66,943)				
Interest-bearing borrowings	12	–	–	–	(267,474)	(267,474)				
Liabilities directly associated with the investment property held for sale	14	–	–	–	(618)	(618)				
Lease liabilities	14	–	–	–	(118,072)	(118,072)				
		–	–	–	(453,107)	(453,107)				

1 Excluding prepayments.
2 Excluding rental received in advance, goods and services tax payable and provision for income tax.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

Classification and fair value of financial instruments (cont'd)

		Carrying amount					Fair value			
	Note	Amortised cost $'000	FVTPL $'000	Fair value – Hedging instruments $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Trust										
2024										
Financial assets not measured at fair value										
Trade and other receivables[1]	8	5,157	–	–	–	5,157				
Cash and cash equivalents	10	9,170	–	–	–	9,170				
		14,327	–	–	–	14,327				
Financial assets measured at fair value										
Derivative financial assets	9	–	44	3,859	–	3,903	–	3,903	–	3,903
Financial liabilities measured at fair value										
Derivative financial liabilities	9	–	(9)	–	–	(9)	–	(9)	–	(9)
Financial liabilities not measured at fair value										
Trade and other payables[2]	11	–	–	–	(61,311)	(61,311)				
Interest-bearing borrowings	12	–	–	–	(315,792)	(315,792)	–	(315,343)	–	(315,343)
Lease liabilities	14	–	–	–	(101,837)	(101,837)				
		–	–	–	(478,940)	(478,940)				

1 Excluding prepayments.
2 Excluding rental received in advance, goods and services tax payable and provision for income tax.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

27 FINANCIAL RISK MANAGEMENT (CONT'D)

Estimation of fair value

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Derivatives

The fair values of interest rate swaps and currency forward contracts (Level 2 fair values) are based on banks' quotes. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

(ii) Other non-derivative financial assets and liabilities

Other non-derivative financial assets and liabilities are measured at fair value at initial recognition and for disclosure purposes, at each annual reporting date.

The carrying amounts of non-derivative financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. The carrying amounts of non-derivative financial liabilities with maturity of more than one year (including trade and other payables) are assumed to approximate their fair values because the effect of discounting is immaterial. The carrying amounts of borrowings (2024: borrowings and amounts due from joint venture) which reprice within three months are assumed to approximate their fair values because of the short period to maturity or repricing. The fair values of the fixed rate notes as at 31 March 2024 are based on banks' quotes. The fair value disclosure of lease liabilities is not required.

The Group's policy is to recognise transfers between levels as of the end of the reporting period during which the transfer has occurred. There had been no transfers between the levels during the year.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

28 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
2025			
Revenue and expenses			
Gross revenue	159,763	26,863	186,626
Property operating expenses	(52,819)	(65)	(52,884)
Net property income	106,944	26,798	133,742
Share of losses of joint venture (net of tax)[1]	–	(18,213)	(18,213)
Net change in fair value of investment properties	14,460	(20,859)	(6,399)
Net change in fair value of right-of-use assets	(5,132)	–	(5,132)
Net change in fair value of derivative financial instruments	(1,331)	(89)	(1,420)
	114,941	(12,363)	102,578
Interest and other income	170	168	338
Other non-operating income: insurance claims	1,753	–	1,753
Borrowing costs	(16,315)	(21,140)	(37,455)
Manager's management fees, Manager's performance fees and other trust expenses	(15,207)	(3,271)	(18,478)
	85,342	(36,606)	48,736
Unallocated item:			
Net foreign exchange gain			331
Total return before income tax			49,067
Income tax credit			4,387
Total return after income tax			53,454
Total assets	1,663,061	627,559	2,290,620
Other segment items:			
Joint venture	–	251,627	251,627
Capital expenditure[2]	25,328	–	25,328
Total liabilities	(383,357)	(403,959)	(787,316)

1 Included in the share of losses of joint venture (net of tax) is the share of revaluation loss recognised on the revaluation of Optus Centre of $32.7 million (2024: revaluation loss of $39.6 million).
2 Capital expenditure consists of additions to investment properties.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

28 SEGMENT REPORTING (CONT'D)

	Singapore $'000	Australia $'000	Total $'000
2024			
Revenue and expenses			
Gross revenue	150,048	27,233	177,281
Property operating expenses	(46,201)	(101)	(46,302)
Net property income	103,847	27,132	130,979
Share of losses of joint venture (net of tax)[1]	–	(24,766)	(24,766)
Net change in fair value of investment properties	61,671	(53,126)	8,545
Net change in fair value of right-of-use assets	(5,378)	–	(5,378)
Net change in fair value of derivative financial instruments	(1,130)	(2,310)	(3,440)
Gain on divestment of investment property	637	–	637
	159,647	(53,070)	106,577
Interest and other income	271	172	443
Other non-operating income: interim insurance proceeds	1,111	–	1,111
Borrowing costs	(13,327)	(21,914)	(35,241)
Manager's management fees and other trust expenses	(13,134)	(3,662)	(16,796)
	134,568	(78,474)	56,094
Unallocated item:			
Net foreign exchange gain			300
Total return before income tax			56,394
Income tax credit			6,512
Total return after income tax			62,906
Total assets	1,605,411	711,209	2,316,620
Other segment items:			
Joint venture	–	289,296	289,296
Capital expenditure[2]	7,729	–	7,729
Additions to plant and equipment[3]	14,641	–	14,641
Total liabilities	(402,731)	(479,615)	(882,346)

1 Included in the share of losses of joint venture (net of tax) is the share of revaluation loss recognised on the revaluation of Optus Centre of $39.6 million.
2 Capital expenditure consists of additions to investment properties.
3 During financial year ended 31 March 2024, the Manager completed the installation of the Systems across 6 of the Trust's properties in Singapore and are recognised as plant and equipment (refer to note 5)

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 CODMs 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 $23.8 million (2024: $24.1 million) of the Group's rental income.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 March 2025

29 FINANCIAL RATIOS

	Group	
	2025	**2024**
	%	**%**
Expenses to weighted average net assets[1]		
– Expense ratio excluding performance-related fee	1.13	1.16
– Expense ratio including performance-related fee	1.28	1.16
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, foreign exchange gains/(losses) and income tax credit/(expense).

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.

30 SUBSEQUENT EVENTS

On 7 May 2025, the Manager approved a distribution of 2.530 Singapore cents per Unit in respect of the period from 1 January 2025 to 31 March 2025 to be paid on 25 June 2025.

STATISTICS OF UNITHOLDINGS

As at 28 May 2025

ISSUED AND FULLY PAID UNITS

816,615,692 Units (voting rights: 1 vote per Unit)

There is only one class of Units in AIMS APAC REIT.

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	Number of Unitholders	%	Number of Units	%
1 - 99	533	5.02	19,135	0.00
100 - 1,000	1,231	11.59	684,259	0.09
1,001 - 10,000	4,896	46.09	25,410,031	3.11
10,001 - 1,000,000	3,933	37.02	177,520,592	21.74
1,000,001 and above	30	0.28	612,981,675	75.06
Total	**10,623**	**100.00**	**816,615,692**	**100.00**

TOP 20 UNITHOLDERS

As listed in the Register of Unitholders

No.	Name	Number of Units	%
1	Citibank Nominees Singapore Pte Ltd	208,210,259	25.50
2	RHB Bank Nominees Pte Ltd	78,089,130	9.56
3	DBS Nominees (Private) Limited	67,385,475	8.25
4	Phillip Securities Pte Ltd	62,347,776	7.63
5	HSBC (Singapore) Nominees Pte Ltd	44,559,333	5.46
6	Raffles Nominees (Pte.) Limited	40,820,057	5.00
7	DBSN Services Pte. Ltd.	25,108,138	3.07
8	OCBC Securities Private Limited	16,724,995	2.05
9	United Overseas Bank Nominees (Private) Limited	7,870,178	0.96
10	OCBC Nominees Singapore Private Limited	6,835,619	0.84
11	ABN AMRO Clearing Bank N.V.	6,505,548	0.80
12	Maybank Securities Pte. Ltd.	6,294,551	0.77
13	IFAST Financial Pte. Ltd.	6,059,403	0.74
14	BPSS Nominees Singapore (Pte.) Ltd.	4,291,380	0.53
15	DB Nominees (Singapore) Pte Ltd	3,067,344	0.38
16	AIMS Fund Management (Cayman) Limited	3,033,566	0.37
17	MOOMOO Financial Singapore Pte. Ltd.	3,029,954	0.37
18	CGS International Securities Singapore Pte. Ltd.	2,905,626	0.36
19	TIGER Brokers (Singapore) Pte. Ltd.	2,791,112	0.34
20	UOB Kay Hian Private Limited	2,682,514	0.33
	Total	**598,611,958**	**73.31**

STATISTICS OF UNITHOLDINGS

As at 28 May 2025

SUBSTANTIAL UNITHOLDERS AS AT 28 MAY 2025

As listed in the Register of Substantial Unitholders maintained by the Manager.

Name	Direct interest	Number of Units Deemed interest	Total interest	% of total issued Units
AIMS APAC Capital Holdings Limited[1]	41,730,711	28,640,452	70,371,163	8.62
AIMS Financial Holding Limited[2]	8,731,476	70,371,163	79,102,639	9.69
Great World Financial Group Pty Ltd[3]	–	95,251,638	95,251,638	11.66
Great World Financial Group Holdings Pty Ltd[3]	–	95,251,638	95,251,638	11.66
Mr George Wang[3]	–	95,251,638	95,251,638	11.66
ESR HK Management Limited	57,599,655	–	57,599,655	7.05
ESR Group Limited[4]	7,871,125	93,958,074	101,829,199	12.47
Mr Chan Wai Kheong[5]	13,388,740	32,250,269	45,639,009	5.59

1 AIMS APAC Capital Holdings Limited ("AACHL") holds an interest in AIMS APAC REIT Management Limited (the "Manager") and AIMS APAC Property Management Pte. Ltd. (the "Property Manager") and is deemed to have an interest in 28,640,452 Units held by the Manager and the Property Manager.

2 Deemed to have an interest in Units held by AACHL and Units which AACHL has interests in as AACHL is a wholly-owned subsidiary of AIMS Financial Holding Limited ("AFHL").

3 Deemed to have an interest in:
(i) Units which AFHL has interests in;
(ii) 5,573,127 Units held by a fund managed by AIMS Fund Management Limited ("AFML");
(iii) 10,229,369 Units held by AIMS Fund Management (Cayman) Limited ("AFMCL"); and
(iv) 346,503 Units held by a fund managed by AIMS Asset Management Limited ("AAML").

4 Deemed to have an interest in:
(i) 57,599,655 Units held by ESR HK Management Limited, a wholly-owned subsidiary of ESR Group Limited ("ESR"); and
(ii) 36,358,419 Units held by e-Shang Infinity Cayman Limited, a wholly-owned subsidiary of ESR.

5 Deemed to have an interest in Units held by Splendid Asia Macro Fund.

UNITHOLDINGS OF DIRECTORS OF THE MANAGER AS AT 21 APRIL 2025

Based on the Register of Directors' Unitholdings, save as disclosed below, none of the Directors holds any interest in Units issued by AIMS APAC REIT.

Name	Direct interest	Number of Units Deemed interest	Total interest	% of total issued Units
Mr George Wang [6]	–	92,630,437	92,630,437	11.38

6 Deemed to have an interest in (i) Units which AFHL has interests in; (ii) Units held by a fund managed by AFML; (iii) Units held by AFMCL and (iv) Units held by a fund managed by AAML.

FREE FLOAT

Under Rule 723 of the Listing Manual of the SGX-ST, a listed issuer must ensure that at least 10.0% of its listed securities are at all times held by the public. Based on the information made available to the Manager as at 28 May 2025, approximately 70.28% of the Units in AIMS APAC REIT were held in the hands of the public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

ADDITIONAL INFORMATION

INTERESTED PERSON/INTERESTED PARTY TRANSACTIONS

The transactions entered into with interested persons/interested parties during the financial year which fall under the Listing Manual of the SGX–ST and the Property Funds Appendix under the Code on Collective Investment Schemes are:

Name of entity	Nature of relationship	Aggregate value of all interested person/interested party transactions during the financial year under review (excluding transactions less than S$100,000) S$'000	Aggregate value of all interested person/interested party transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) S$'000
AIMS APAC REIT Management Limited			
– Manager's base management fees	REIT Manager	11,031	–
– Manager's performance fees		2,172	
AIMS APAC Property Management Pte. Ltd.			
– Property management fees	Subsidiaries of the controlling shareholder of the REIT Manager	2,789	–
– Lease management fees		1,395	–
– Marketing services commissions		2,391	–
– Project management fees		579	–
– Reimbursement of site staff costs[1]		1,131	–
AA REIT Management Australia Pty Limited	Subsidiaries of the controlling shareholder of the REIT Manager		
– Investment management fees		2,987	–
– Reimbursement of property management fees[2]		104	–
HSBC Institutional Trust Services (Singapore) Limited			
– Trustee's fees	REIT Trustee	358	–

The Trust has not obtained a Unitholders' mandate pursuant to Rule 920 of the Listing Manual for Interested Person Transactions.

Please also refer to note 26 "Significant Related Party Transactions" in the Notes to the Financial Statements. Except as disclosed above,

(a) there are no other material contracts entered into by AA REIT and/or its subsidiaries involving the interests of the Chief Executive Officer, any director or controlling Unitholder, either still subsisting at the end of the year or entered into since the end of the previous financial year; and

(b) there were no additional interested person/interested party transactions (excluding transactions of less than S$100,000 each) entered into up to and including 31 March 2025.

1 Represents the employment costs and remuneration to the employees of the Property Manager engaged to provide site supervision whose costs and remuneration are apportioned to the management of one or more of the relevant properties.

2 During the financial year ended 31 March 2025, property management fees was collected by MPT from Optus Administration Pty Limited, the master lessee of Optus Centre (the "Tenant") in relation to the property management services provided by AA REIT Management Australia Pty Limited to Optus Centre. The property management fee is not considered to be a property expense for the Group as it is fully recoverable by MPT from the Tenant. In the event the property management fee is not directly recoverable from the Tenant, no property management fee will be paid to AA REIT Management Australia Pty Limited by MPT.

ADDITIONAL INFORMATION

OPERATING EXPENSES AND TAXATION

In accordance with the disclosure requirements under paragraph 11.1 item (l) of the Property Funds Appendix under the Code on Collective Investment Schemes, the total operating expenses of AA REIT (comprising property expenses, trust expenses and all fees paid to the Manager and interested parties) was S$71.4 million, which is approximately 7.1% of its net asset value attributable to Unitholders as at 31 March 2025. The income tax credit for the year ended 31 March 2025 of S$4.4 million mainly relates to the changes on deferred tax liability for the Trust's investment in Australia.

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AIMS
AA REIT

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(As Manager of AIMS APAC REIT)
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For the online version of AA REIT FY2025 Annual Report,
please refer to https://investor.aimsapacreit.com/ar.html

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