



AIMS APAC REIT

FY2022: Third Quarter Business Update
Ended 31 December 2021

27 January 2022



WOOLWORTHS HEADQUARTERS, AUSTRALIA

Important Notice



Disclaimer

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

The information contained in this presentation is for information purposes only and does not constitute an offer to sell or any solicitation of an offer or invitation to purchase or subscribe for units in AIMS APAC REIT ("Units") in Singapore or any other jurisdiction, nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment whatsoever.

The past performance of the Units and AA REIT is not indicative of the future performance of AA REIT. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of AA REIT.

The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the AIMS APAC REIT Management Limited (the "Manager"). An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem their Units while the Units are listed. It is intended that holders of Units ("Unitholders") may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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

The information in this presentation has not been independently verified. No representation, warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information and opinions in this presentation. None of the Manager, or any of its respective affiliates, advisers or representatives, shall have any liability (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation.

Contents

- 🔑 Highlights: 3Q FY2022
- 🔑 3Q FY2022 Financial Highlights
- 🔑 Prudent Capital Management
- 🔑 Portfolio Highlights
- 🔑 Market Outlook & Key Takeaways



OPTUS CENTRE, AUSTRALIA

Highlights: 3Q FY2022



7 BULIM STREET, SINGAPORE

Highlights for 3Q FY2022



Healthy Financials

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



Proactive Lease Management

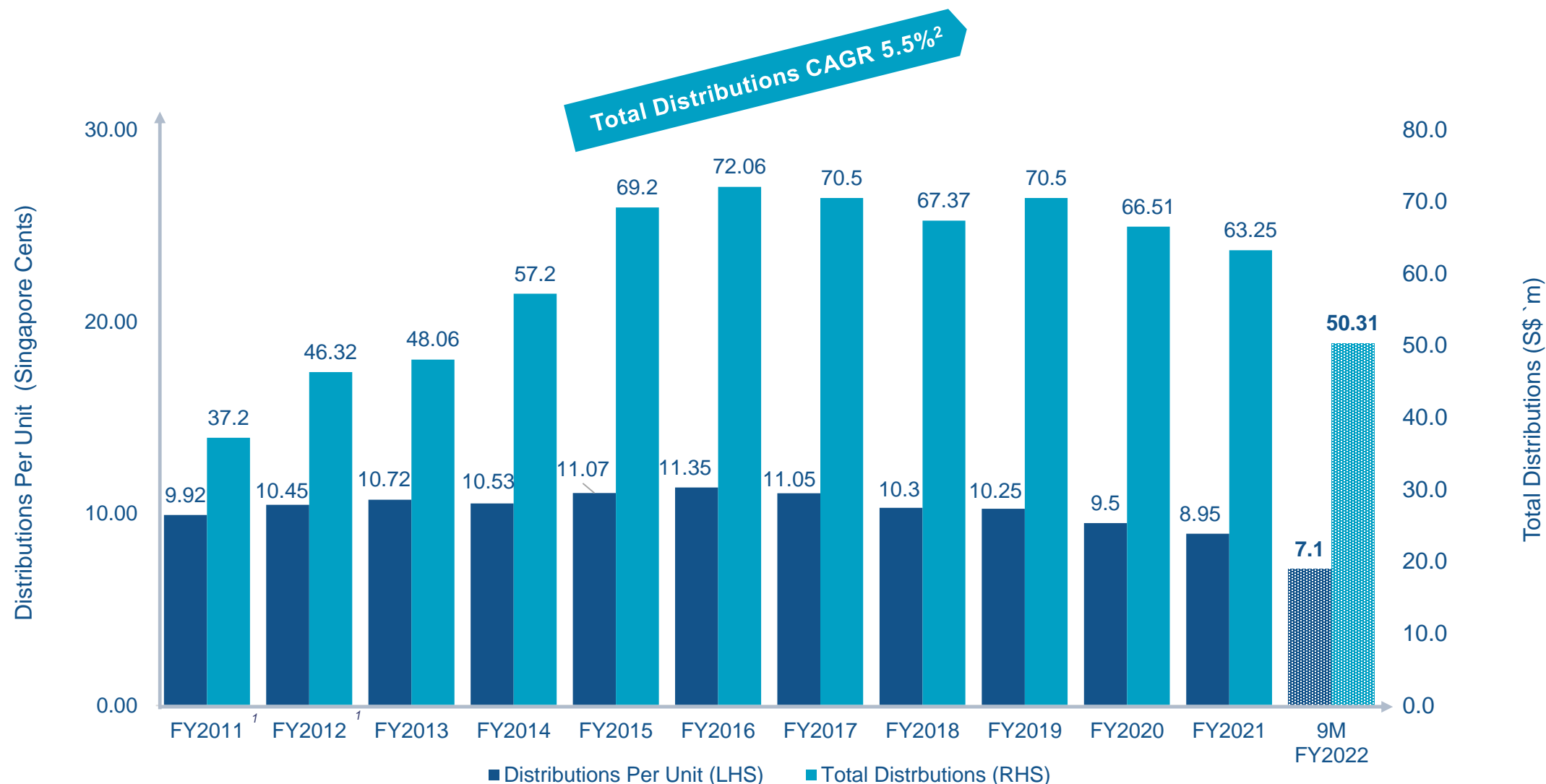
- **Portfolio Occupancy:** 97.6%
 - +0.3% q-o-q
 - *Above JTC 3Q 2021 industrial average of 90.1%*
- **WALE:** 4.85 years
- **Rental Reversion:** +0.2%
- **10 New and 8 Renewal Leases**
 - *Totalling 48,067 sqm or 6.1% of Total NLA*



Prudent Capital Management

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

Total Distributions Since 2011



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

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

3Q FY2022 Financial Highlights



29 WOODLANDS INDUSTRIAL PARK E1, SINGAPORE

Distribution Details

Stock Counter	Distribution Period	DPU Cents
AIMS APAC REIT Code: O5RU	For 1 October 2021 to 31 December 2021	2.35

Distribution Period	For 1 October 2021 to 31 December 2021
Ex-Date	9 February 2022, 9.00am
Record Date	10 February 2022 5.00pm
Return of Tax Declaration Forms	28 February 2022, 5.00pm
Distribution Payment Date	25 March 2022

3Q FY2022 Results

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

Balance Sheet

(S\$ million unless otherwise stated)	As at 31 December 2021	As at 31 March 2021
Total Assets¹	2,361.7	1,846.6
Total Liabilities	998.5	759.2
Net Assets	1,363.2	1,087.4
NAV per Unit (S\$)	1.38	1.36
Total Gross Borrowings²	837.3	593.8

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

² Excluding unamortised loan transaction costs.

Key Financial Metrics – 3Q FY2022

As at 31 December 2021

Portfolio Value¹

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

31 March 2021: S\$1,725 million

Aggregate Leverage²

37.3%

31 March 2021: 33.9%

Blended Funding Cost

2.8%

31 March 2021: 3.0%

Interest Coverage Ratio³

5.3 times
 (Adjusted 3.3 times)

31 March 2021: 4.0 times
 (Adjusted 3.3 times)



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

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

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

Prudent Capital Management



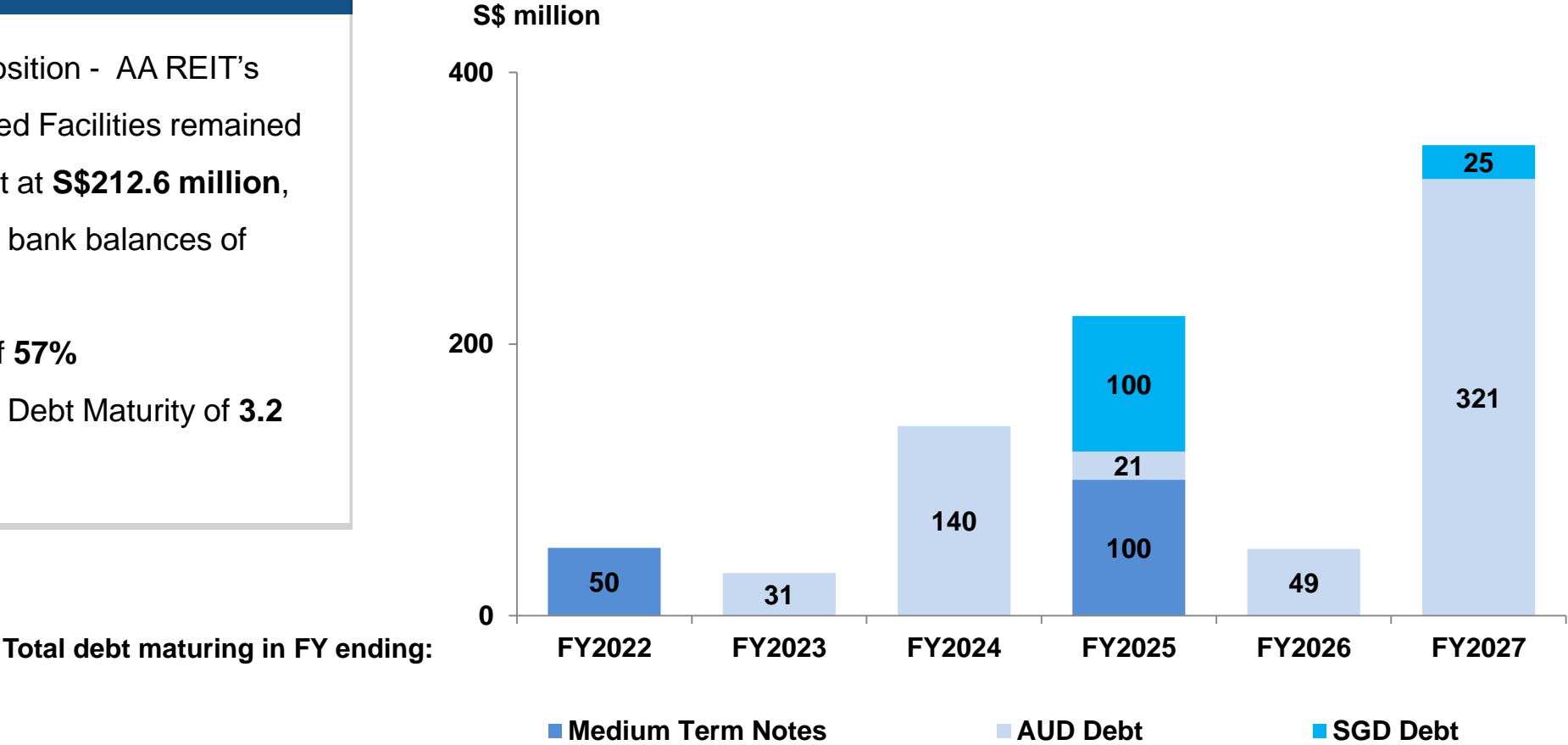
1A INTERNATIONAL BUSINESS PARK, SINGAPORE

Debt Maturity Profile as at 31 December 2021

3Q FY2022

- Healthy liquidity position - AA REIT's Undrawn Committed Facilities remained strong and resilient at **S\$212.6 million**, and total cash and bank balances of **S\$24.6 million**
- Fixed Rate Debt of **57%**
- Weighted Average Debt Maturity of **3.2 years**

Debt Maturity Profile as at 31 December 2021



Total debt maturing in FY ending:

Portfolio Highlights



15 TAI SENG DRIVE, SINGAPORE

Key Portfolio Statistics

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

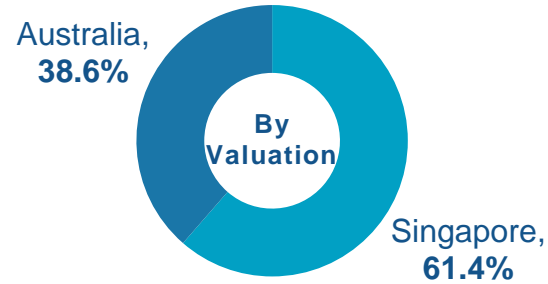
¹ Based on the carrying value of investment properties as well as the 49.0% interest in the carrying value of Optus Centre and excluding right-of-use assets.

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

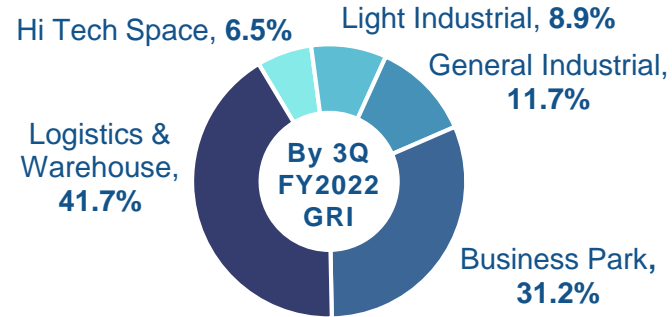
³ Computations based on the market valuations of the properties as at 30 September 2021. For the calculation of the weighted average land lease, AA REIT's interest in the freehold properties, Woolworths Headquarters, Optus Centre and Boardriders Asia Pacific Headquarters, have been assumed as 99-year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

Key Portfolio Metrics

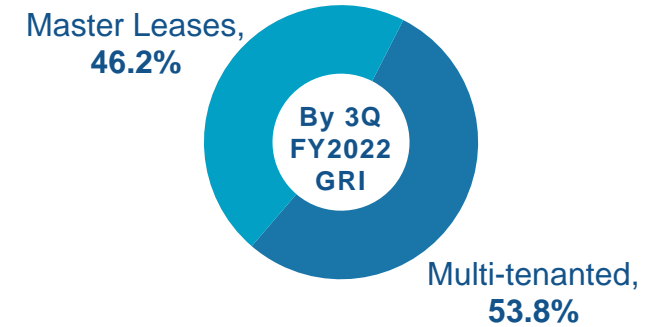
GEOGRAPHIC BREAKDOWN



PORTFOLIO BREAKDOWN

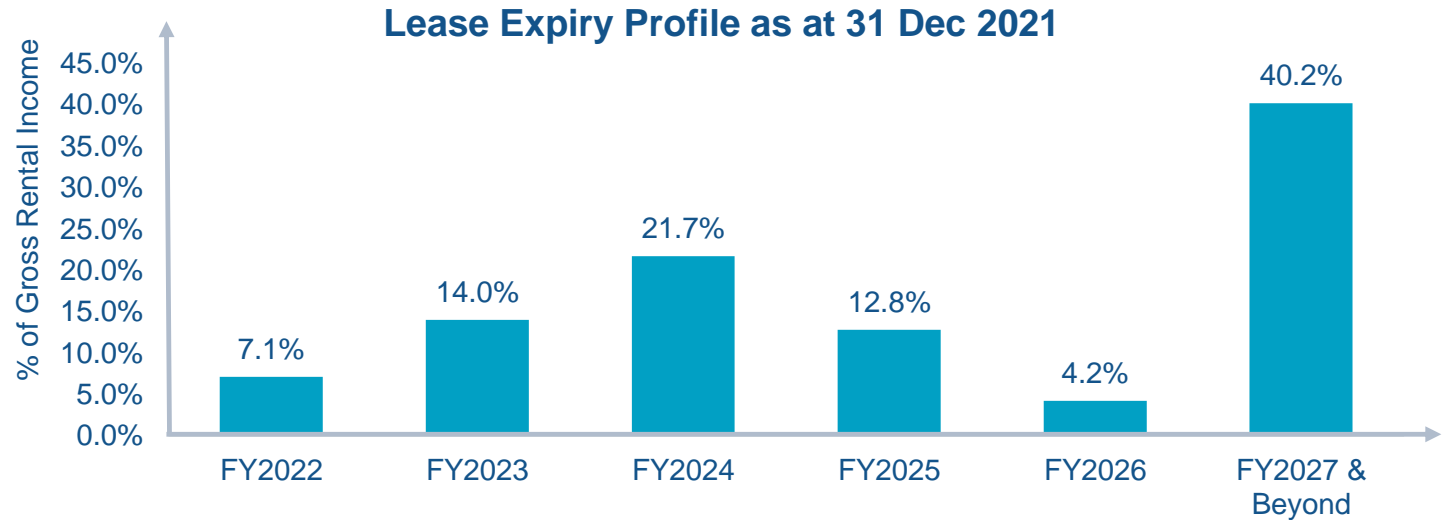


MULTI-TENANTED/ MASTER LEASE



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

3Q FY2022
New Leases Signed: 10, representing 7,801 sqm
Renewal Leases Signed ¹ : 8, representing 40,267 sqm
% of Total NLA: 6.1%



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

Market Outlook & Key Takeaways



29 WOODLANDS INDUSTRIAL PARK E1, SINGAPORE

Market Outlook

MACRO



- Global economic recovery is continuing, even as the pandemic resurges, with the rapid spread of Delta and Omicron increasing uncertainty.
- The International Monetary Fund has retained its global growth forecast for 2022 at 4.9%.

SINGAPORE'S ECONOMY



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

AUSTRALIA'S ECONOMY



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

LOOKING AHEAD



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

Key Takeaways

Diversified Tenant Base



198 tenants in broad range of industries across 29 properties

Strong Leasing Activity



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

Resilient Portfolio



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

Untapped Redevelopment Potential



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

Prudent Capital Management



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

Experienced Sponsor & Management Team



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



1 KALLANG WAY 2A, SINGAPORE

Thank you!

Looking forward to your support.

For enquiries, kindly contact:



Phone Number

+65 6309 1063/1050 /

+65 6534 5122



Email Address

investorrelations@aimsapac.com /

AAREIT@citigatedewerogerson.com