AIMS AA REIT	**AIMS APAC REIT MANAGEMENT LIMITED** As Manager of AIMS APAC REIT 1 Raffles Place #39-03, One Raffles Place Singapore 048616

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

Media Release

AIMS APAC REIT 1H FY2023 Net Property Income Up 28.2% YoY; Delivers Steady 1H FY2023 DPU of 4.70 Cents

- 1H FY2023 DPU of 4.70 cents increased 0.9% from the Adjusted 1H FY2022 DPU of 4.66 cents despite macroeconomic headwinds
- Advances sustainability efforts through installation of large-scale rooftop solar system atop six properties and attains Green Mark Gold^{Plus} for 7 Bulim Street, Singapore
- Robust portfolio metrics with high portfolio occupancy rate of 97.5%, long WALE[1] of 4.8 years and high tenant retention rate of 85.4%[2]
- Strong leasing momentum with the execution of leases representing 6.7% of portfolio's NLA at positive rental reversion of 8.1%
- Healthy balance sheet with leverage at 36.5%, no refinancing requirements for FY2023 and minimal interest rates exposure with 88%[3] of borrowings on fixed rates
- Attractive annualised distribution yield of 7.6%[4]

	1H FY2023	1H FY2022	+/(-)
	S$'000	**S$'000**	**%**
Gross revenue	83,200	65,246	27.5
Net property income ("NPI")	61,143	47,709	28.2
Distributions to Unitholders	33,724[(a)]	33,603[(a)]	0.4
Distribution per Unit ("DPU) (cents)	4.70	4.75	(1.1)
Adjusted DPU (cents) *Excluding the one-off reversal of additional rental relief provision in 1H FY2022*	4.70	4.66	0.9

Notes:

(a) 1H FY2022 Distributions to Unitholders included a one-off reversal of approximately S$642,000 of additional rental relief provision in relation to the COVID-19 (Temporary Measures) Act 2020 ("one-off reversal of additional rental relief provision"). Excluding the one-off reversal of additional rental relief provision, Distributions to Unitholders would have increased 2.3% year-on-year ("YoY"). The increase was offset by higher property expenses, borrowing costs and distributions to perpetual securities holders. On 1 September 2021, S$250.0 million 5.375% subordinated perpetual securities were issued, with proceeds being utilised for the acquisition of Woolworths Headquarters ("HQ").

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[1] Weighted based on gross rental income and computation included forward committed leases. Excluding forward committed leases, the WALE is 4.7 years as at 30 September 2022.
[2] Based on trailing 12 months and by net lettable area.
[3] Include forward interest rate swaps.
[4] Based on annualised 2Q FY2023 DPU and the last traded unit price of S$1.28 as at 30 September 2022.

Singapore, 26 October 2022 **–** AIMS APAC REIT Management Limited (the "Manager") as manager of AIMS APAC REIT ("AA REIT") is pleased to report that gross revenue and net property income rose 27.5% and 28.2% year-on-year ("YoY") to S$83.2 million and S$61.1 million respectively, for the first half ended 30 September 2022 ("1H FY2023"). The increases were attributed to contributions from the acquisition of Woolworths HQ which was completed in November 2021, as well as higher rental income and recoveries from existing Singapore properties including 29 Woodlands Industrial Park E1, 20 Gul Way, 15 Tai Seng Drive, 8 & 10 Pandan Crescent, 8 Tuas Avenue 20 and 27 Penjuru Lane.

1H FY2023 distributions to Unitholders increased 0.4% YoY to S$33.7 million. During the same period last year, distributions to Unitholders for 1H FY2022 included a one-off reversal of approximately S$642,000 of additional rental relief provision in relation to the COVID-19 (Temporary Measures) Act 2020. Excluding this, 1H FY2023 distributions to Unitholders would have increased by 2.3% YoY. Correspondingly, 1H FY2023 DPU increased 0.9% to 4.70 cents from the Adjusted 1H FY2022 DPU of 4.66 cents, translating into an attractive annualised distribution yield of 7.6%[5], based on AA REIT's closing unit price as at 30 September 2022.

Commenting on AA REIT's 1H FY2023 performance, the Manager's CEO, Mr Russell Ng, said, "Our portfolio continued to deliver a set of steady performance despite the growing economic headwinds, a testament of our high-quality assets and our proactive asset and leasing management. The increasing market uncertainties have also highlighted the importance of portfolio resilience, and we are pleased to advance on our sustainability efforts through our partnership with SP Group to install large-scale rooftop solar system across six of our Singapore properties. Nonetheless, we remain mindful of the volatile operating environment, and our prioritisation is on organic growth initiatives, including driving building occupancy, rental optimisation and potential asset enhancement initiatives. At the same time, we will continuously strengthen our portfolio to support the changing needs of our tenants and the industry. This includes improving the sustainability and energy efficiency of our properties which we believe will translate into long-term cost savings. Our prudent approach to capital management which saw us refinance our loans well ahead of maturity, together with a high proportion of our debt on fixed rates, have also positioned us well to ride through an environment of rising rates."

The Manager's Chairman, Mr George Wang, added, "It is important for us to execute a deliberate and prudent management strategy to navigate uncertainties in the current environment. We are monitoring the market closely, and will adopt a patient and disciplined approach, while keeping vigilant and nimble to anticipate and adapt to market conditions. We will continue to ensure that our portfolio is well-positioned to capitalise on the opportunities arising from the changing market in the future."

Portfolio Update

AA REIT's portfolio fundamentals and leasing momentum remain strong. As at 30 September 2022, overall portfolio occupancy remained high at 97.5%, with a weighted average lease expiry[6] ("WALE") of 4.8 years and a high tenant retention rate of 85.4%[7]. Over the course of

[5] Based on annualised 2Q FY2023 DPU and the last traded unit price of S$1.28 as at 30 September 2022.
[6] By 2Q FY2023 Gross Rental Income.
[7] Based on trailing 12 months and by net lettable area.

1H FY2023, the Manager executed 21 new (17,703 sqm) and 26 renewal leases (35,219 sqm), representing 6.7% (52,922 sqm) of the portfolio's total net lettable area. The portfolio reported positive rental reversions of 8.1% for 1H FY2023, largely driven by the logistics and warehouse sector which continues to benefit from favourable supply-demand dynamics.

As at 30 September 2022, AA's REIT portfolio comprises 26 properties in Singapore and 3 properties in Australia (including a 49.0% interest in Optus Centre), with a total portfolio value of S$2,213.6 million compared to S$2,267.9 million as at 31 March 2022. The decrease was largely due to the depreciation of the Australian dollar against the Singapore dollar. In local currency terms, valuations for both the Singapore and Australia portfolios recorded increases of 0.9% to S$1,381.9 million and A$894.5 million respectively, which were mainly attributable to higher passing rents and a 10-year lease extension with AA REIT's third largest tenant. Net asset value per unit as at 30 September 2022 remained stable at S$1.40 per unit, compared to 31 March 2022.

Prudent Capital Management

As at 30 September 2022, aggregate leverage declined to 36.5% from 37.5% as at 31 March 2022. Total undrawn committed facilities and cash and bank balances stood at S$221.1 million. Weighted average debt maturity was extended to 3.5 years with a blended debt funding cost of 3.0%.

In line with the Manager's proactive approach to capital management, AA REIT does not have any refinancing requirements for the rest of FY2023. Total debt expiring in FY2024 has been reduced to S$30 million, representing 3.7% of total debt. About 88%[8] of AA REIT's total debt has been hedged into fixed rates, which will mitigate the impact of rising interest rates. To minimise the effects of any adverse exchange rate fluctuation, 67% of the Australian expected distributable income has been hedged into SGD. The Manager also adopts a natural hedging strategy for its Australian investments.

Sustainability Progress

AA REIT remains committed to embedding sustainability into its business practices. During the quarter, 7 Bulim Street, Singapore attained a Green Mark Gold^{Plus} certification[9]. As at 30 September 2022, green building certifications account for approximately 24% of AA REIT's total portfolio by gross floor area.

Additionally, the Manager will install large-scale rooftop solar system across six of its industrial, logistics and warehouse properties in Singapore by December 2023. The solar system installations are expected to collectively produce 14,500 Megawatt-hours of energy per year, which is equivalent to powering 4,400 3-room HDB flats for a year[10]. This will help avoid 5,900 tonnes of carbon emissions a year and is equivalent to taking almost 6,490 cars off the road[11]. The Manager is also concurrently reviewing AA REIT's portfolio to identify further measures and potential opportunities to reduce its carbon footprint.

[8] Include forward interest rate swaps.
[9] The BCA Green Mark awards recognises developers, building owners and individuals who have made outstanding achievements in environmental sustainability in the built environment.
[10] According to Singapore Energy Statistics 2021.
[11] Based on Singapore's Land Authority Transport Fuel Economy Calculator.

Outlook

In Singapore, manufacturing sentiment has weakened amid cooling demand and persistent price pressures. The Purchasing Managers' Index for September 2022 slipped 0.1 point to 49.9, its first decline after 26 straight months of expansion. Despite the moderation in overall industrial performance, the market is expected to remain resilient supported by favourable supply-demand dynamics. Long-term demand is underpinned by Singapore's increasing focus on high-value manufacturing and biomedical sectors. Specifically in the warehouse sector, leasing demand remains strong and driven by the food industry, third-party logistics and electronics sector.[12] With industrial supply remaining tight, rents are expected to grow between 3% to 5% for 2022[13]. Nonetheless, the slowing economic growth, rising inflationary pressures and higher energy prices are expected to prompt businesses to be more cautious about expansion.

Against this backdrop, the Manager remains focused on active asset and lease management to maintain a stable occupancy for its Singapore portfolio. Whilst inflationary pressures and rising energy costs are expected to increase operational expenses, the Manager will implement energy-efficient measures to alleviate these costs. The Manager is also actively evaluating organic growth opportunities by way of asset enhancements initiatives.

In Australia, the industrial sector remains supported by a record level of infrastructure investment, supply chain volatility and higher online spending. In Sydney, the emergence of clusters, centered around technology and life sciences, and supported by improving infrastructure will continue to benefit locations such as Macquarie Park, with rental rates expected to hold firm. In the Gold Coast, the industrial market is buoyed by a shortage of supply and strong fundamentals including population and e-commerce growth, shift of businesses from Brisbane, which have continued to support rental growth and capital values[14]. Notably, AA REIT's two business parks (Optus Centre and Woolworths HQ in Sydney) and one light industrial asset (Boardriders HQ in Gold Coast) in Australia, are on triple-net leases with long lease terms ranging from 9 to 11 years.

In an environment of rising interest rates, the Manager will continue to maintain a prudent approach towards capital management as well as a disciplined capital recycling strategy to support future portfolio growth.

[12] Colliers Commentary on JTC's Q2 2022 Statistics, Colliers, 28 July 2022.
[13] Knight Frank Industrial and Logistics Q3 2022 Market Update, Knight Frank, 6 October 2022.
[14] Colliers' Regional Spotlight Industrial Report 2022, Colliers, 11 September 2022.

Distribution and Record Date

Distribution	For 1 July 2022 to 30 September 2022
Distribution Type	(a) Taxable Income (b) Capital Distribution[15]
Distribution Rate	(a) Taxable Income Distribution: 1.74 cents per Unit (b) Capital Distribution[15]: 0.68 cents per Unit 2.42 cents per Unit
Record Date	4 November 2022
Payment Date	23 December 2022

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Important Notice

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

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

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

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

About AIMS APAC REIT (www.aimsapacreit.com)

Managed by the Manager, AA REIT was established with the principal investment objective of owning and investing in a diversified portfolio of income-producing industrial, logistics and business park real estate, located throughout the Asia Pacific region. The real estate assets are utilised for a variety of purposes, including but not limited to warehousing and distribution activities, business park activities and manufacturing activities. AA REIT's existing portfolio consists of 29 properties, of which 26 properties are located throughout Singapore, and 3 properties located in Australia, including a property located in Gold Coast, Queensland, a 49.0% interest in Optus Centre located in Macquarie Park, New South Wales and Woolworths Headquarters located in Bella Vista, New South Wales.

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

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

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

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