AIMS APAC REIT and its subsidiaries

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

Interim Financial Statements
For the Half Year ended 30 September 2021
("1H FY2022")

STATEMENTS OF FINANCIAL POSITION
As at 30 September 2021

	Note	Group		Trust	
		30 September 2021 $'000	**31 March 2021 $'000**	**30 September 2021 $'000**	**31 March 2021 $'000**
Non-current assets					
Investment properties	3	1,506,703	1,489,030	1,454,292	1,443,489
Subsidiaries		–	–	131,530	108,764
Joint venture	4	341,706	335,704	–	–
Trade and other receivables		3,250	3,041	3,250	3,041
Derivative financial instruments		841	1,126	841	1,126
		1,852,500	1,828,901	1,589,913	1,556,420
Current assets					
Trade and other receivables		30,348	6,521	7,091	6,255
Cash and cash equivalents		108,320	11,159	105,677	8,884
		138,668	17,680	112,768	15,139
Total assets		**1,991,168**	**1,846,581**	**1,702,681**	**1,571,559**
Non-current liabilities					
Trade and other payables		11,511	10,780	11,511	10,780
Interest-bearing borrowings	5	358,889	510,740	230,902	347,146
Derivative financial instruments		4,859	6,770	4,755	6,642
Deferred tax liabilities		24,893	21,419	–	–
Lease liabilities		91,360	89,974	91,360	89,974
		491,512	639,683	338,528	454,542
Current liabilities					
Trade and other payables		26,468	32,052	25,192	31,293
Interest-bearing borrowings	5	106,744	80,716	75,417	80,716
Derivative financial instruments		422	1,444	422	1,444
Lease liabilities		5,332	5,315	5,332	5,315
		138,966	119,527	106,363	118,768
Total liabilities		**630,478**	**759,210**	**444,891**	**573,310**
Net assets		**1,360,690**	**1,087,371**	**1,257,790**	**998,249**
Represented by:					
Unitholders' funds		987,082	962,758	884,182	873,636
Perpetual Securities holders' funds	6	373,608	124,613	373,608	124,613
		1,360,690	**1,087,371**	**1,257,790**	**998,249**
Units in issue and to be issued ('000)		707,435	706,663	707,435	706,663
Net asset value/net tangible asset per Unit attributable to Unitholders[1] ($)		1.40	1.36	1.25	1.24

[1] Net asset value/net tangible asset is based on the net assets attributable to Unitholders and excluded the net assets attributable to Perpetual Securities holders. Number of units is based on Units in issue and to be issued at the end of the period.

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

CONSOLIDATED STATEMENTS OF TOTAL RETURN
For the Half Year Ended 30 September 2021

	Note	Group 1H FY2022 $'000	Group 1H FY2021 $'000
Gross revenue		65,246	57,732
Property operating expenses		(17,537)	(17,779)
Net property income		47,709	39,953
Foreign exchange (loss)/gain		(143)	206
Interest and other income		423	287
Borrowing costs		(10,666)	(11,434)
Manager's management fees		(4,449)	(4,097)
Other trust expenses		(1,538)	(952)
Non-property expenses		(16,653)	(16,483)
Net income before joint venture's profits		31,336	23,963
Share of profits of joint venture (net of tax)		27,264	7,624
Net income		58,600	31,587
Net change in fair value of investment properties		15,117	(21,327)
Net change in fair value of derivative financial instruments		1,266	(594)
Total return before income tax	8	74,983	9,666
Income tax expense		(4,369)	(2,822)
Total return after income tax		70,614	6,844
Attributable to:			
Unitholders		65,969	5,915
Perpetual Securities holders		4,645	929
		70,614	6,844
Earnings per Unit (cents)			
Basic and diluted	9	9.33	0.84

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

CONSOLIDATED DISTRIBUTION STATEMENTS
For the Half Year Ended 30 September 2021

	Note	Group 1H FY2022 $'000	Group 1H FY2021 $'000
Amount available for distribution to Unitholders at beginning of the period		20,493	14,134
Total return before income tax		74,983	9,666
Less: Amount reserved for distribution to Perpetual Securities holders		(4,645)	(929)
Net effect of tax adjustments	A	(6,226)	24,914
Other adjustments	B	(35,854)	(9,306)
		28,258	24,345
Amount available for distribution to Unitholders from taxable income		48,751	38,479
Distribution from tax-exempt income		–	2,120
Capital distribution		6,155	2,544
Amount available for distribution to Unitholders		54,906	43,143
Distributions to Unitholders during the period:			
2.00 cents per Unit for the period from 1 January 2020 – 31 March 2020		–	(14,134)
2.00 cents per Unit for the period from 1 April 2020 – 30 June 2020		–	(14,134)
2.90 cents per Unit for the period from 1 January 2021 – 31 March 2021		(20,493)	–
2.25 cents per Unit for the period from 1 April 2021 – 30 June 2021		(15,917)	–
		(36,410)	(28,268)
Amount available for distribution to Unitholders at end of the period		18,496	14,875
Number of Units entitled to distributions at end of the period ('000)		707,435	706,663
Distribution per Unit (cents)		4.75	4.00

Note A - Net effect of tax adjustments

	Group 1H FY2022 $'000	Group 1H FY2021 $'000
Amortisation and write-off of borrowing transaction costs	534	454
Foreign exchange loss/(gain)	84	(125)
Manager's management fees in Units	1,082	–
Land rent paid/payable on investment properties	(4,363)	(4,336)
Interest expense on lease liabilities	1,768	1,791
Net change in fair value of investment properties	(6,372)	23,041
Net change in fair value of derivative financial instruments	(1,247)	504
Net tax adjustment on foreign sourced income	1,901	2,452
Temporary differences and other tax adjustments	387	1,133
Net effect of tax adjustments	(6,226)	24,914

Note B – Other adjustments

Other adjustments for the Group comprised primarily the net accounting results of the Trust's subsidiaries.

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

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS
For the Half Year Ended 30 September 2021

		Group		Trust	
	Note	**1H FY2022 $'000**	**1H FY2021 $'000**	**1H FY2022 $'000**	**1H FY2021 $'000**
Unitholders' Funds					
Balance at beginning of the period		962,758	954,955	873,636	911,844
Operations					
Total return after income tax, attributable to Unitholders and Perpetual Securities holders		70,614	6,844	50,519	(1,200)
Less: Amount reserved for distribution to Perpetual Securities holders		(4,645)	(929)	(4,645)	(929)
Net increase/(decrease) in net assets from operations		65,969	5,915	45,874	(2,129)
Foreign currency translation reserve					
Translation differences relating to financial statements of foreign subsidiaries and net investment in foreign operations		(6,317)	11,538	–	–
Hedging reserve					
Effective portion of changes in fair value of cash flow hedges		–	430	–	430
Unitholders' contributions					
Issuance of Units (including Units to be issued):					
- Manager's management fees in Units		1,082	–	1,082	–
Distributions to Unitholders		(36,410)	(28,268)	(36,410)	(28,268)
Change in Unitholders' funds resulting from Unitholders' transactions		(35,328)	(28,268)	(35,328)	(28,268)
Total increase/(decrease) in Unitholders' funds		24,324	(10,385)	10,546	(29,967)
Balance at end of the period		987,082	944,570	884,182	881,877
Perpetual Securities holders' funds					
Balance at beginning of the period		124,613	–	124,613	–
Issue of Perpetual Securities		250,000	125,000	250,000	125,000
Issuance cost		(2,148)	(1,276)	(2,148)	(1,276)
Amount reserved for distribution to Perpetual Securities holders		4,645	929	4,645	929
Distribution to Perpetual Securities holders		(3,502)	–	(3,502)	–
Balance at end of the period		373,608	124,653	373,608	124,653
Units in issue ('000)	7	707,435	706,663	707,435	706,663

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

PORTFOLIO STATEMENTS
As at 30 September 2021

	Description of property	Location	Term of land lease[1]	Remaining term of land lease[1] (years)	Existing use	Occupancy rate[2] 30 September 2021 %	Occupancy rate[2] 31 March 2021 %	Carrying value[3] 30 September 2021 $'000	Carrying value[3] 31 March 2021 $'000	Group percentage of total Unitholders' funds 30 September 2021 %	Group percentage of total Unitholders' funds 31 March 2021 %	Trust percentage of total Unitholders' funds 30 September 2021 %	Trust percentage of total Unitholders' funds 31 March 2021 %
	Group and the Trust												
	Investment properties in Singapore												
1	20 Gul Way	20 Gul Way	35 years	19.3	Logistics and Warehouse	100	100	221,300	219,300	22.4	22.8	25.0	25.1
2	27 Penjuru Lane	27 Penjuru Lane	45 years	28.0	Logistics and Warehouse	97	97	160,000	160,400	16.2	16.7	18.1	18.4
3	8 & 10 Pandan Crescent	8 & 10 Pandan Crescent	92 years and 8 months	46.7	Logistics and Warehouse	98	96	150,000	148,000	15.2	15.4	17.0	16.9
4	7 Bulim Street	7 Bulim Street	30 years	20.9	Logistics and Warehouse	100	100	130,500	130,000	13.2	13.5	14.8	14.9
5	NorthTech	29 Woodlands Industrial Park E1	60 years	33.3	Hi-Tech	100	100	122,300	120,000	12.4	12.5	13.8	13.7
6	1A International Business Park	1A International Business Park	52 years	37.7	Business Park	65	61	75,100	75,100	7.6	7.8	8.5	8.6
7	3 Tuas Avenue 2	3 Tuas Avenue 2	73 years	33.5	General Industrial	100	100	54,300	54,000	5.5	5.6	6.1	6.2
8	30 Tuas West Road	30 Tuas West Road	60 years	34.3	Logistics and Warehouse	100	100	53,900	53,000	5.5	5.5	6.1	6.1
9	51 Marsiling Road	51 Marsiling Road	70 years and 5 months	22.8	General Industrial	100	100	48,000	47,600	4.9	4.9	5.4	5.4
10	15 Tai Seng Drive	15 Tai Seng Drive	60 years	29.5	Light Industrial	99	38	32,700	32,400	3.3	3.4	3.7	3.7
11	103 Defu Lane 10	103 Defu Lane 10	60 years	21.8	Logistics and Warehouse	100	100	30,500	30,200	3.1	3.1	3.5	3.5

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

PORTFOLIO STATEMENTS (CONTINUED)
As at 30 September 2021

	Description of property	Location	Term of land lease[1]	Remaining term of land lease[1] (years)	Existing use	Occupancy rate[2] 30 September 2021 %	Occupancy rate[2] 31 March 2021 %	Carrying value[3] 30 September 2021 $'000	Carrying value[3] 31 March 2021 $'000	Group percentage of total Unitholders' funds 30 September 2021 %	Group percentage of total Unitholders' funds 31 March 2021 %	Trust percentage of total Unitholders' funds 30 September 2021 %	Trust percentage of total Unitholders' funds 31 March 2021 %
	Group and the Trust												
	Investment properties in Singapore												
12	8 Tuas Avenue 20	8 Tuas Avenue 20	59 years and 1.5 months	30.1	General Industrial	100	100	28,400	28,200	2.9	2.9	3.2	3.2
13	1 Bukit Batok Street 22	1 Bukit Batok Street 22	60 years	33.7	Light Industrial	91	89	25,600	25,200	2.6	2.6	2.9	2.9
14	23 Tai Seng Drive	23 Tai Seng Drive	60 years	28.8	Light Industrial	100	100	24,500	24,200	2.5	2.5	2.8	2.8
15	10 Changi South Lane	10 Changi South Lane	60 years	34.7	Logistics and Warehouse	95	95	22,300	22,100	2.3	2.3	2.5	2.5
16	3 Toh Tuck Link	3 Toh Tuck Link	60 years	35.1	Logistics and Warehouse	83	100	21,200	21,200	2.1	2.2	2.4	2.4
17	11 Changi South Street 3	11 Changi South Street 3	60 years	33.5	Logistics and Warehouse	91	71	21,000	21,000	2.1	2.2	2.4	2.4
18	135 Joo Seng Road	135 Joo Seng Road	60 years	32.8	Light Industrial	91	82	20,200	20,200	2.0	2.1	2.3	2.3
19	61 Yishun Industrial Park A	61 Yishun Industrial Park A	60 years	30.9	General Industrial	77	66	19,300	19,000	2.0	2.0	2.2	2.2
20	56 Serangoon North Avenue 4	56 Serangoon North Avenue 4	60 years	33.6	Logistics and Warehouse	89	98	18,700	19,100	1.9	2.0	2.1	2.2
21	2 Ang Mo Kio Street 65	2 Ang Mo Kio Street 65	60 years	25.5	General Industrial	100	100	16,100	16,100	1.6	1.7	1.8	1.8
22	8 Senoko South Road	8 Senoko South Road	60 years	33.1	General Industrial	100	100	14,100	14,200	1.4	1.5	1.6	1.6
23	7 Clementi Loop	7 Clementi Loop	60 years	31.7	Logistics and Warehouse	94	94	12,000	11,800	1.2	1.2	1.4	1.4

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

PORTFOLIO STATEMENTS (CONTINUED)
As at 30 September 2021

	Description of property	Location	Term of land lease[1]	Remaining term of land lease[1] (years)	Existing use	Occupancy rate[2] 30 September 2021 %	Occupancy rate[2] 31 March 2021 %	Carrying value[3] 30 September 2021 $'000	Carrying value[3] 31 March 2021 $'000	Group percentage of total Unitholders' funds 30 September 2021 %	Group percentage of total Unitholders' funds 31 March 2021 %	Trust percentage of total Unitholders' funds 30 September 2021 %	Trust percentage of total Unitholders' funds 31 March 2021 %
	Group and the Trust												
	Investment properties in Singapore												
24	541 Yishun Industrial Park A	541 Yishun Industrial Park A	60 years	32.8	General Industrial	100	100	11,900	12,000	1.2	1.2	1.3	1.4
25	Aalst Chocolate Building	26 Tuas Avenue 7	60 years	32.3	General Industrial	100	100	11,900	11,900	1.2	1.2	1.3	1.4
26	1 Kallang Way 2A	1 Kallang Way 2A	60 years	33.7	Light Industrial	100	100	11,800	12,000	1.2	1.2	1.3	1.4
								1,357,600	1,348,200	137.5	140.0	153.5	154.4
	Group												
	Investment property in Australia												
27	Boardriders Asia Pacific HQ	209-217 Burleigh Connection Road, Burleigh Waters, Queensland	Freehold	N.A.	Light Industrial	100	100	52,411	45,541	5.3	4.7	–	–
	Investment properties, at valuation (note 3)							1,410,011	1,393,741	142.8	144.7	153.5	154.4

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

PORTFOLIO STATEMENTS (CONTINUED)
As at 30 September 2021

	Description of property	Location	Term of land lease[1]	Remaining term of land lease[1] (years)	Existing use	Occupancy rate[2] 30 September 2021 %	Occupancy rate[2] 31 March 2021 %	Carrying value[3] 30 September 2021 $'000	Carrying value[3] 31 March 2021 $'000	Group percentage of total Unitholders' funds 30 September 2021 %	Group percentage of total Unitholders' funds 31 March 2021 %
1-27	**Investment properties – fair value (FS5 to FS7)**							1,410,011	1,393,741	142.8	144.7
	Investment properties – right-of-use assets							96,692	95,289	9.8	9.9
	Total investment properties							1,506,703	1,489,030	152.6	154.6
	Joint venture (note 4)							341,706	335,704	34.6	34.9
	Investment property in Australia held by a joint venture										
28	Optus Centre[4]	1-5 Lyonpark Road, Macquarie Park, New South Wales	Freehold	N.A.	Business Park	100	100				
	Other assets and liabilities (net)							(487,719)	(737,363)	(49.4)	(76.6)
	Net assets of the Group							1,360,690	1,087,371	137.8	112.9
	Perpetual Securities holders' funds							(373,608)	(124,613)	(37.8)	(12.9)
	Total Unitholders' funds of the Group							987,082	962,758	100.0	100.0

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

[2] The occupancy rates shown are on committed basis.

[3] The carrying value of investment properties are based on independent desktop valuation at 30 September 2021 and independent full valuation as at 31 March 2021.

[4] The Group has a 49.0% (2021: 49.0%) interest in Optus Centre. As at 30 September 2021, the property was valued at AUD701.0 million (equivalent to approximately $686.7 million) (31 March 2021: AUD660.0 million (equivalent to approximately $675.4 million)).

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

PORTFOLIO STATEMENTS (CONTINUED)
As at 30 September 2021

		Carrying value[3]		Trust percentage of total Unitholders' funds	
	Description of property	**30 September 2021 $'000**	**31 March 2021 $'000**	**30 September 2021 %**	**31 March 2021 %**
1-26	**Investment properties – fair value (FS5 – FS7)**	1,357,600	1,348,200	153.5	154.4
	Investment properties – right-of-use assets	96,692	95,289	10.9	10.9
	Total investment properties	1,454,292	1,443,489	164.4	165.3
	Other assets and liabilities (net)	(196,502)	(445,240)	(22.1)	(51.0)
	Net assets of the Trust	1,257,790	998,249	142.3	114.3
	Perpetual Securities holders' funds	(373,608)	(124,613)	(42.3)	(14.3)
	Total Unitholders' funds of the Trust	884,182	873,636	100.0	100.0

Portfolio statement by industry segment is not presented as the Group's and the Trust's activities for the financial periods ended 30 September 2021 and 31 March 2021 related wholly to investing in real estate in the industrial sector.

As at 30 September 2021 and as at 31 March 2021, the investment properties in Singapore were valued by CBRE Pte. Ltd. or Cushman & Wakefield VHS Pte Ltd and the investment property in Australia was valued by Jones Lang LaSalle Advisory Services Pty Ltd. The independent valuation of the investment property held through a joint venture was carried out by Jones Lang LaSalle Advisory Services Pty Ltd as at 30 September 2021 and as at 31 March 2021.

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 income capitalisation method, discounted cash flow analysis and/or direct comparison method. Refer to note 3 of the financial information for details of the valuation techniques.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Half Year Ended 30 September 2021

	Note	Group 1H FY2022 $'000	Group 1H FY2021 $'000
Cash flows from operating activities			
Total return after income tax		70,614	6,844
Adjustments for:			
Share of profits of joint venture (net of tax)		(27,264)	(7,624)
Borrowing costs		10,666	11,434
Foreign exchange loss/(gain)		143	(206)
Manager's management fees in Units	A	1,082	–
Net change in fair value of investment properties		(15,117)	21,327
Net change in fair value of derivative financial instruments		(1,266)	594
Income tax expense		4,369	2,822
Operating income before working capital changes		**43,227**	**35,191**
Changes in working capital			
Trade and other receivables		(1,113)	463
Trade and other payables		(1,175)	1,697
Cash generated from operations		40,939	37,351
Income tax paid		(894)	(832)
Net cash from operating activities		**40,045**	**36,519**
Cash flows from investing activities			
Capital expenditure on investment properties		(4,004)	(2,232)
Acquisition of investment properties[1]		(22,879)	(1,306)
Loan to a joint venture		(2,701)	(7,874)
Distributions from a joint venture		8,933	7,616
Net cash used in investing activities		**(20,651)**	**(3,796)**
Cash flows from financing activities			
Distributions to Unitholders		(36,424)	(28,611)
Distribution to Perpetual Securities holders		(3,502)	–
Proceeds from issuance of Perpetual Securities		250,000	125,000
Issue costs paid in relation to Perpetual Securities		(2,152)	(1,254)
Proceeds from interest-bearing borrowings		8,701	107,874
Repayments of interest-bearing borrowings		(126,000)	(100,000)
Borrowing costs paid		(8,281)	(10,134)
Repayment of lease liabilities		(4,363)	(4,336)
Net cash from financing activities		**77,979**	**88,539**
Net increase in cash and cash equivalents		**97,373**	**121,262**
Cash and cash equivalents at beginning of the period		**11,159**	**20,449**
Effect of exchange rate fluctuations on cash held		(212)	283
Cash and cash equivalents at end of the period		**108,320**	**141,994**

Significant non-cash transactions

Note A

During the financial period from 1 April 2021 to 30 September 2021, 772,640 new Units amounting to $1,082,000 were issued as partial payment for the base fee element of the Manager's management fees.

Refer to note 7 of the interim financial statements.

[1] This relates to the payment of deposit for the proposed acquisition of 1 Woolworths Way, Bella Vista, New South Wales, Australia in 1H FY2022.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1 GENERAL

AIMS APAC REIT (the "Trust") is a Singapore-domiciled real estate unit trust constituted pursuant to the trust deed dated 5 December 2006, subsequently amended by the supplemental deed of appointment and retirement of Trustee dated 8 March 2007, the first amending and restating deed dated 8 March 2007, the first supplemental deed dated 31 May 2010, the second amending and restating deed dated 17 July 2017, the second supplemental deed dated 8 August 2018, the third supplemental deed dated 30 November 2018, the fourth supplemental deed dated 11 April 2019 and the fifth supplemental deed dated 13 July 2020 (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, Chapter 337.

The consolidated interim financial statements ("interim financial statements") relate to the Trust and its subsidiaries (the "Group") and the Group's interest in its joint venture.

The principal activity of the Trust is to invest in a diversified portfolio of income-producing real estate located throughout the Asia-Pacific region that is used for industrial purposes, including, but not limited to, warehousing and distribution activities, business park activities and manufacturing activities.

2 BASIS OF PREPARATION

The interim financial statements have been prepared in accordance with the Statement of Recommended Accounting Practice 7 *Reporting Framework for Unit Trusts* ("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 and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 March 2021. 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 interim financial statements do not contain all of the information required for full annual financial statements.

The interim financial statements have been prepared on the historical cost basis, except for investment properties, derivative financial instruments and certain financial assets and liabilities, which are stated at fair value.

The interim financial statements are presented in Singapore dollars, which is the functional currency of the Trust. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

The preparation of the interim financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial period are included in note 3 - Valuation of investment properties.

The accounting policies applied by the Group in the interim financial statements are the same as those applied by the Group in its financial statements as at and for the year ended 31 March 2021, except for the adoption of the revised version of RAP 7 and the new and revised standards that are effective for the annual periods beginning on 1 April 2021. The adoption of the revised version of RAP 7 and the new and revised standards did not have a significant impact on the financial statements of the Group.

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 April 2021 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing the interim financial statements.

3 INVESTMENT PROPERTIES

	Group		Trust	
	30 September 2021 $'000	**31 March 2021 $'000**	**30 September 2021 $'000**	**31 March 2021 $'000**
Beginning of financial period/year	1,489,030	1,366,789	1,443,489	1,332,742
Capital expenditure capitalised	432	2,270	432	2,270
Acquisition of investment property	–	134,882	–	134,882
Remeasurement of right-of-use assets due to revised lease payments and recognition of lease extension option	3,999	10,481	3,999	10,481
Net change in fair value of investment properties recognised in the statement of total return	17,712	(26,672)	8,967	(31,752)
Net change in fair value of right-of-use assets	(2,595)	(5,134)	(2,595)	(5,134)
Foreign currency translation and other movements	(1,875)	6,414	–	–
End of financial period/year	1,506,703	1,489,030	1,454,292	1,443,489

No borrowing costs were capitalised in the capital expenditure (31 March 2021: $32,000) for the half year ended 30 September 2021.

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

	Group		Trust	
	30 September 2021 $'000	**31 March 2021 $'000**	**30 September 2021 $'000**	**31 March 2021 $'000**
Investment properties	979,011	965,041	926,600	919,500

Fair value hierarchy

The fair value measurement for investment properties has been categorised as Level 3 fair values based on inputs to the valuation techniques used.

	Group		Trust	
	30 September 2021 $'000	**31 March 2021 $'000**	**30 September 2021 $'000**	**31 March 2021 $'000**
Fair value of investment properties	1,410,011	1,393,741	1,357,600	1,348,200
Add: carrying amount of lease liabilities	96,692	95,289	96,692	95,289
Investment properties	1,506,703	1,489,030	1,454,292	1,443,489

Level 3 fair value measurements

(i) Reconciliation of movements in Level 3 fair value measurement

The reconciliation of Level 3 fair value measurements for investment properties is presented in the table above.

(ii) Valuation techniques

Investment properties are stated at fair value based on desktop valuations performed by independent professional valuers as at 30 September 2021. 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 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 income capitalisation method, discounted cash flow analysis and/or direct comparison method in arriving at the open market value as at the reporting date. Certain valuation reports highlighted that some real estate sectors are experiencing significantly lower levels of transactional activity and liquidity. Consequently, less certainty and a higher degree of caution should be attached to their valuations than would normally be the case.

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 is an investment approach whereby the estimated gross passing income (on both a passing and market rent basis) 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 6.75% to 7.75% (2021: 7.50% to 8.00%)	The estimated fair value would increase (decrease) if discount rate was lower (higher).
	• Terminal capitalisation rate of 6.00% to 6.50% (2021: 6.00% to 7.50%)	The estimated fair value would increase (decrease) if terminal capitalisation rate was lower (higher).
Capitalisation method	• Capitalisation rate of 5.75% to 6.25% (2021: 5.75% 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).

4 JOINT VENTURE

	Group	
	30 September 2021 $'000	**31 March 2021 $'000**
Investment in joint venture	310,330	305,602
Amounts due from joint venture, at amortised cost:		
Interest-bearing loan	31,376	30,102
- Investment in joint venture	341,706	335,704

The joint venture relates to the Group's investment in Macquarie Park Trust ("MPT"), an unlisted joint arrangement in which the Group has joint control via unitholders' agreement with a joint venture partner and 49.0% equity interest. MPT holds Optus Centre, a Grade A business park complex located in Macquarie Park, New South Wales, 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 unitholders of the joint venture have extended an unsecured loan of up to AUD100 million to the joint venture based on their proportionate interests in the joint venture to fund the capital expenditure requirement in relation to Optus Centre. The term of the loan is for three years from the first utilisation date or such later date as may be agreed between the parties. The effective interest rate of the loan at the reporting date is BBSY[1] + margin and the interest rates are repriced at each interest period as mutually agreed between the parties.

[1] Bank Bill Swap Bid Rate.

As at 30 September 2021, the Group's share of the capital commitments of the joint venture is $0.7 million (31 March 2021: $5.6 million).

5 INTEREST-BEARING BORROWINGS

		Group		Trust	
	Note	**30 September 2021 $'000**	**31 March 2021 $'000**	**30 September 2021 $'000**	**31 March 2021 $'000**
Non-current					
Secured					
Bank borrowings	(a), (b)	260,322	412,933	131,838	248,611
Unsecured					
Medium term notes	(c)	100,000	100,000	100,000	100,000
		360,322	512,933	231,838	348,611
Less: Unamortised borrowing transaction costs		(1,433)	(2,193)	(936)	(1,465)
		358,889	510,740	230,902	347,146
Current					
Secured					
Bank borrowings	(a)	56,922	30,851	25,546	30,851
Unsecured					
Medium term notes	(c)	50,000	50,000	50,000	50,000
		106,922	80,851	75,546	80,851
Less: Unamortised borrowing transaction costs		(178)	(135)	(129)	(135)
		106,744	80,716	75,417	80,716
Total		465,633	591,456	306,319	427,862

(a) Secured credit facilities of the Trust and its wholly-owned subsidiary

The Trust and its indirect wholly-owned trust, AA REIT Macquarie Park Investment Trust, have secured credit facilities from a syndicate of financial institutions which comprised of the following:

- a four-year revolving credit facility of $120.0 million maturing in November 2021;
- a three-year revolving credit facility of AUD65.0 million maturing in June 2022;
- a four-year term loan facility of $25.0 million maturing in July 2022;
- a five-year term loan facility of AUD110.0 million maturing in July 2023;
- a three-year term loan facility of AUD32.5 million maturing in November 2023; and
- a four-year term loan facility of $100.0 million maturing in July 2024.

The credit facilities are secured on the following:

(i) first legal mortgage over 16 investment properties of the Trust (the "Mortgaged Properties");

(ii) assignment of rights, benefits, title and interest in, *inter alia*, the building agreement and/or leases of two investment properties of the Trust;

(iii) 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; and

(iv) first ranking security over the bank account and units in Macquarie Park Trust held by AA REIT Investments (Australia) Pty Limited in its capacity as trustee of AA REIT Macquarie Park Investment Trust (a wholly-owned subsidiary of the Trust).

In July 2021, the Trust and its indirect wholly-owned trust, AA REIT Macquarie Park Investment Trust, have obtained commitments of up to $220.0 million and AUD100.0 million to refinance several of its secured debt facilities which are due in 2021 and 2022.

(b) Secured term loan facility of a wholly-owned subsidiary

A secured five-year term loan facility maturing July 2024 of AUD21.2 million was granted to a wholly-owned subsidiary of the Trust which is guaranteed by the Trust and secured by a mortgage over a property and a general security agreement over all present and after acquired property of the subsidiary.

(c) Unsecured medium term notes

As at 30 September 2021, $150.0 million unsecured Medium Term Notes had been issued comprising:

(i) $50 million five-year medium term notes with a fixed rate of 3.60% per annum, payable semi-annually in arrears, and will mature on 22 March 2022 which had been issued through AACI REIT MTN Pte. Ltd. under the $500 million Multicurrency Medium Term Note Programme, established in July 2012. The payment of all amounts payable in respect of the notes are unconditionally and irrevocably guaranteed by HSBC Institutional Trust Services (Singapore) Limited in its capacity as Trustee of the Trust; and

(ii) $100 million five-year medium term notes with a fixed rate of 3.60% per annum, payable semi-annually in arrears and will mature on 12 November 2024 which had been issued by the Trust under the $750 million Multicurrency Debt Issuance Programme, established in November 2018.

The medium term notes shall at all times rank *pari passu* without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the respective issuers.

Capital management

On 16 April 2020, the Monetary Authority of Singapore ("MAS") announced that the aggregate leverage limit for S-REITs will be raised from 45% to 50% with immediate effect. MAS had proposed for S-REITs to have a new minimum adjusted interest coverage ratio of 2.5 times before they are allowed to increase their leverage to beyond the prevailing 45% limit (up to 50%). However, the MAS has deferred the new adjusted interest coverage ratio requirement to 1 January 2022 in light of the current COVID-19 pandemic situation.

As at 30 September 2021, the Group's aggregate leverage[1] was 24.7% (31 March 2021: 33.9%) and its interest coverage ratio and adjusted interest coverage ratio were 4.5 times (31 March 2021: 4.0 times) and 3.3 times (31 March 2021: 3.4 times), respectively[2].

6 PERPETUAL SECURITIES

As at 30 September 2021, $375.0 million subordinated perpetual securities ("Perpetual Securities") under the $750 million Multicurrency Debt Issuance Programme, established in November 2018 had been issued comprising:

(i) $125.0 million perpetual securities issued on 14 August 2020. The Perpetual Securities will confer a right to receive distribution payments at a rate of 5.65% per annum with the first distribution rate reset falling on 14 August 2025 and subsequent resets occurring every five years thereafter; and

(ii) $250.0 million perpetual securities issued on 1 September 2021. The Perpetual Securities will confer a right to receive distribution payments at a rate of 5.375% per annum with the first distribution rate reset falling on 1 September 2026 and subsequent resets occurring every five years thereafter.

The key terms and conditions of the Perpetual Securities are as follows:

- the Perpetual Securities may be redeemed at the option of the Trust;
- the distributions are payable semi-annually in arrears on a discretionary basis and are non-cumulative; and
- the Perpetual Securities will constitute direct, unsecured and subordinated obligations of the Trust and rank *pari passu* and without any preference among themselves and with any Parity Obligations (as defined in the terms and conditions) of the Trust.

Accordingly, the Perpetual Securities are classified as equity. The expenses relating to the issue of the Perpetual Securities are deducted against the proceeds from the issue.

As at 30 September 2021, the $373.6 million (31 March 2021: $124.6 million) presented in the statements of financial position of the Group and the Trust represent the carrying value of the $375.0 million (31 March 2021: $125.0 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.

7 UNITS IN ISSUE

	Group and Trust	
	1H FY2022 Units '000	**1H FY2021 Units '000**
Units in issue at beginning and at end of the period	706,663	706,663
<u>Issue of new units relating to:</u>		
Manager's management fees	772	–
Total Units in issue at end of the period	707,435	706,663

On 13 July 2021, 772,640 new Units at an average price of S$1.4008 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 2021 to 30 June 2021.

The issue price for management fees paid/payable in Units was determined based on the volume weighted average traded price for a Unit for all trades done on the SGX-ST in the ordinary course of trading for the last 10 business days of the relevant period in which the fees accrue.

1 Aggregate leverage ratio is computed as total borrowings as a percentage of total assets. Right-of-use assets and lease liabilities were excluded from the computation of aggregate leverage. The total borrowings excluded Perpetual Securities holders' funds.

2 Based on interest coverage ratio and adjusted interest coverage ratio definitions in Appendix 6 of the Code of Collective Investment Schemes (last revised on 16 April 2020). For purpose of the computation, interest expense included borrowing costs on lease liabilities and the interest expense for adjusted interest coverage ratio further included the amount reserved for distribution to Perpetual Securities holders.

8 TOTAL RETURN BEFORE INCOME TAX

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

	Group	
	1H FY2022 $'000	**1H FY2021 $'000**
Interest expense on borrowings	7,928	8,657
Interest expense on lease liabilities	1,768	1,791
Amortisation of borrowing transaction costs	690	596
Others	280	390
Borrowing costs	10,666	11,434
Audit fees paid/payable to:		
- auditors of the Trust	94	92
- other auditors	22	22
Non-audit fees paid/payable to auditors of the Trust	25	27
Trustees' fees	164	270
Valuation fees	58	25
Professional fees	17	18
Acquisition fees written-off	87	17
Investment management fees	833	152
Other expenses	238	329
Other trust expenses	1,538	952

9 EARNINGS PER UNIT

	Group	
	1H FY2022	**1H FY2021**
Earnings per Unit (cents)		
Basic and diluted	9.33	0.84

The earnings per Unit ("EPU") is computed using total return after tax over the weighted average number of Units outstanding as follows:

	Group	
	1H FY2022 $'000	**1H FY2021 $'000**
Total return after income tax attributable to Unitholders of the Trust and Perpetual Securities holders	70,614	6,844
Less: Amount reserved for distribution to Perpetual Securities holders	(4,645)	(929)
Total return after income tax attributable to Unitholders of the Trust	65,969	5,915

	Trust Number of Units	
	1H FY2022 '000	**1H FY2021 '000**
<u>Basic EPU</u>		
Units in issue at beginning of the period	706,663	706,663
Effect of Units issued/issuable relating to:		
- Manager's management fees	337	–
Weighted average number of Units at end of the period	707,000	706,663
<u>Diluted EPU</u>		
Units in issue at beginning of the period	706,663	706,663
Effect of Units issued/issuable relating to:		
- Manager's management fees	337	–
Weighted average number of Units at end of the period	707,000	706,663

10 COMMITMENTS

On 27 January 2021, the Group had entered into a Put and Call Option Agreement to acquire 315 Alexandra Road for a purchase consideration of $102.0 million.

On 30 September 2021, the Group had entered into a contract for sale agreement to acquire 1 Woolworths Way, Bella Vista, New South Wales 2153, Australia for a purchase consideration of AUD463.25 million.

As at 30 September 2021, the Group had $1.3 million (31 March 2021: Nil) of capital expenditure for investment properties that had been authorised and contracted for but not provided for in the financial statements. These projects are targeted to complete in 2022.

11 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	
	1H FY2022 $'000	**1H FY2021 $'000**
The Manager		
Manager's management fees	4,449	4,097
Entities controlled by corporate shareholders of the Manager		
Investment management fees[1]	833	152
Trustees' fees[1]	–	122
The Property Manager		
Property management fees	909	738
Lease management fees	455	368
Marketing services commissions	1,665	904
Project management fees	38	10
The Trustee		
Trustee's fees	153	144
Joint venture		
Interest income	415	173

[1] During the third quarter of the financial year ended 31 March 2021, the Group finalised the revision of the investment management fees which are paid/payable to AA REIT Management Australia Pty Limited, the Australian investment manager of the Group's properties located in Australia for the period from 15 July 2019 to 31 August 2024. Following the finalisation of the revision of the Australian investment management fees (which now included the trustee fees), the trustees of AIMS APAC REIT (Australia) Trust, AA REIT Macquarie Park Investment Trust, AA REIT Australia Trust (QLD) and Burleigh Heads Trust waived their trustee fees over the same period from 15 July 2019 to 31 August 2024.

12 SEGMENT REPORTING

Segment information is presented in respect of the Group's geographical segments. The operations of each of the Group's geographical segments are separately managed because of different economic and regulatory environments in which they operate in. For the purpose of making resource allocation and the assessment of segment performance, the Group's Chief Operating Decision Makers ("CODMs") have focused on its investment properties. For each of the reporting segments, the Manager reviews internal management reports on a monthly basis. This forms the basis of identifying the operating segments of the Group under FRS 108 *Operating Segments*.

Information about reportable segments

	Singapore $'000	Australia $'000	Total $'000
1H FY2022			
Revenue and expenses			
Gross revenue	63,449	1,797	65,246
Property operating expenses	(17,533)	(4)	(17,537)
Net property income	45,916	1,793	47,709
Share of profits of joint venture (net of tax)	–	27,264	27,264
Net change in fair value of investment properties	8,967	8,745	17,712
Net change in fair value of right-of-use assets	(2,595)	–	(2,595)
Net change in fair value of derivative financial instruments	(155)	1,421	1,266
			91,356
Unallocated items:			
Foreign exchange loss			(143)
Interest and other income			423
Borrowing costs			(10,666)
Trust expenses			(5,987)
Total return before income tax			74,983
Income tax expense			(4,369)
Total return after income tax			70,614
Non-current assets[1]	1,457,542	394,117	1,851,659
Other segment items:			
Joint venture	–	341,706	341,706
Capital expenditure[2]	(432)	–	(432)
1H FY2021			
Revenue and expenses			
Gross revenue	56,002	1,730	57,732
Property operating expenses	(17,742)	(37)	(17,779)
Net property income	38,260	1,693	39,953
Share of profits of joint venture (net of tax)	–	7,624	7,624
Net change in fair value of investment properties	(20,496)	1,714	(18,782)
Net change in fair value of right-of-use assets	(2,545)	–	(2,545)
Net change in fair value of derivative financial instruments	21	(615)	(594)
			25,656
Unallocated items:			
Foreign exchange gain			206
Interest and other income			287
Borrowing costs			(11,434)
Trust expenses			(5,049)
Total return before income tax			9,666
Income tax expense			(2,822)
Total return after income tax			6,844
Non-current assets[1]	1,324,329	330,923	1,655,252
Other segment items:			
Joint venture	–	290,832	290,832
Capital expenditure[2]	(796)	–	(796)

1 Excluding derivative financial instruments.
2 Capital expenditure consists of additions of investment properties.

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 $5.2 million (1H FY2021: $4.1 million) of the Group's rental income.

13 FINANCIAL RATIOS

	Group	
	1H FY2022	**1H FY2021**
	%	**%**
Expenses to weighted average net assets[1]		
- Expense ratio excluding performance-related fee	1.15	1.03
- Expense ratio including performance-related fee	1.15	1.03
Portfolio turnover rate[2]	–	–

[1] The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property related expenses, borrowing costs, changes in fair value of financial derivatives, investment properties, investment property under development and foreign exchange gains/(losses).

[2] The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of weighted average net asset value.

14 SUBSEQUENT EVENT

On 12 October 2021, the Manager approved a distribution of 2.50 cents per Unit in respect of the period from 1 July 2021 to 30 September 2021 to be paid on 17 December 2021.

Other Information
Required By Listing Rule Appendix 7.2

1 INTRODUCTION

AIMS APAC REIT ("AA REIT" or the "Trust") is a real estate investment trust which was listed on the Main Board of the SGX-ST on 19 April 2007. AA REIT is externally managed by AIMS APAC REIT Management Limited (the "Manager"). The principal investment objective of the Manager is to invest in a diversified portfolio of income-producing real estate assets located in Singapore and throughout the Asia-Pacific region that is used for industrial purposes, including, but not limited to warehousing and distribution activities, business park activities and manufacturing activities. The Manager's key objectives are to deliver stable distributions to Unitholders and to provide long-term capital growth.

The Group[1] has a portfolio of 28 industrial properties, 26 of which are located throughout Singapore, one industrial property located in Gold Coast, Queensland, Australia and one business park property located in Macquarie Park, New South Wales ("NSW"), Australia[2].

2 SUMMARY OF AIMS APAC REIT GROUP RESULTS

	Note	1H FY2022	1H FY2021	+/(-)
		S$'000	S$'000	%
Gross revenue	(a)	65,246	57,732	13.0
Net property income	(a)	47,709	39,953	19.4
Share of profits of joint venture (net of tax)	(a)	27,264	7,624	>100.0
Distributions to Unitholders		33,603	28,268	18.9
Distribution per Unit ("DPU") (cents)		4.75	4.00	18.8

Breakdown of DPU by quarter

	Note	1H FY2022	1H FY2021	+/(-)
		Cents	Cents	%
For the first quarter ended 30 June	(b)	2.25	2.00	12.5
For the second quarter ended 30 September		2.50	2.00	25.0
For the half year ended 30 September		**4.75**	**4.00**	18.8

Notes:
(a) Please refer to section 3 on "Review of performance of the Group" for explanation of the variances.
(b) The distribution for the first quarter ended 30 June 2021 has been paid on 22 September 2021.

Distribution and Record Date

Distribution	For 1 July 2021 to 30 September 2021	
Distribution Type	(a) Taxable Income (b) Capital Distribution[3]	
Distribution Rate	(a) Taxable Income Distribution: (b) Capital Distribution[3]:	2.00 cents per Unit 0.50 cents per Unit 2.50 cents per Unit
Record Date	27 October 2021	
Payment Date	17 December 2021	

1 The Group comprises AIMS APAC REIT, its wholly-owned subsidiaries and its interest in a joint venture.
2 AA REIT has a 49.0% interest in Optus Centre located in Macquarie Park, NSW, Australia.
3 This relates to the tax deferred component arising from the distributions remitted from the Group's investments in Australia.

3 REVIEW OF PERFORMANCE OF THE GROUP

3.1 Statements of Financial Position as at 30 September 2021 vs. 31 March 2021

		Group			Trust		
	Note	30 September 2021 S$'000	31 March 2021 S$'000	+/(-) %	30 September 2021 S$'000	31 March 2021 S$'000	+/(-) %
Non-current assets							
Investment properties	(a)	1,506,703	1,489,030	1.2	1,454,292	1,443,489	0.7
Subsidiaries	(b)	–	–	–	131,530	108,764	20.9
Joint venture	(c)	341,706	335,704	1.8	–	–	–
Trade and other receivables	(d)	3,250	3,041	6.9	3,250	3,041	6.9
Derivative financial instruments	(h)	841	1,126	(25.3)	841	1,126	(25.3)
		1,852,500	1,828,901	1.3	1,589,913	1,556,420	2.2
Current assets							
Trade and other receivables	(d)	30,348	6,521	>100.0	7,091	6,255	13.4
Cash and cash equivalents	(e)	108,320	11,159	>100.0	105,677	8,884	>100.0
		138,668	17,680	>100.0	112,768	15,139	>100.0
Total assets		**1,991,168**	**1,846,581**	**7.8**	**1,702,681**	**1,571,559**	**8.3**
Non-current liabilities							
Trade and other payables	(f)	11,511	10,780	6.8	11,511	10,780	6.8
Interest-bearing borrowings	(g)	358,889	510,740	(29.7)	230,902	347,146	(33.5)
Derivative financial instruments	(h)	4,859	6,770	(28.2)	4,755	6,642	(28.4)
Deferred tax liabilities	(i)	24,893	21,419	16.2	–	–	–
Lease liabilities	(j)	91,360	89,974	1.5	91,360	89,974	1.5
		491,512	639,683	(23.2)	338,528	454,542	(25.5)
Current liabilities							
Trade and other payables	(k)	26,468	32,052	(17.4)	25,192	31,293	(19.5)
Interest-bearing borrowings	(g)	106,744	80,716	32.2	75,417	80,716	(6.6)
Derivative financial instruments	(h)	422	1,444	(70.8)	422	1,444	(70.8)
Lease liabilities	(j)	5,332	5,315	0.3	5,332	5,315	0.3
		138,966	119,527	16.3	106,363	118,768	(10.4)
Total liabilities		**630,478**	**759,210**	**(17.0)**	**444,891**	**573,310**	**(22.4)**
Net assets		**1,360,690**	**1,087,371**	**25.1**	**1,257,790**	**998,249**	**26.0**
Represented by:							
Unitholders' funds		987,082	962,758	2.5	884,182	873,636	1.2
Perpetual Securities holders' funds	(l)	373,608	124,613	>100.0	373,608	124,613	>100.0
		1,360,690	**1,087,371**	**25.1**	**1,257,790**	**998,249**	**26.0**

(a) The increase in investment properties was mainly due to revaluation gain of the Group's 27 properties of S$17.7 million recognised in 1H FY2022.

(b) This relates to the Trust's interests in its wholly-owned subsidiaries, AACI REIT MTN Pte. Ltd., AIMS APAC REIT (Australia) Trust, AACI REIT Opera Pte. Ltd., AA REIT Alexandra Trust and AA REIT Alexandra Pte. Ltd. The increase in subsidiaries was due to the constitution of the indirect wholly-owned trusts, AA REIT Australia Trust (NSW) and Bella Vista Trust in relation to the proposed acquisition of 1 Woolworths Way, Bella Vista, New South Wales, Australia. The increase represents the initial deposit payment incurred for the proposed acquisition.

(c) This relates to the Group's 49.0% interest in Macquarie Park Trust, the Australian trust which holds Optus Centre, located in Macquarie Park, NSW, Australia and a proportionate unitholder loan to the joint venture. The increase was mainly due to the share of revaluation surplus following the valuation of the property as at 30 September 2021, partially offset by the weakening of the Australian dollar against the Singapore dollar which resulted in a lower translated balance.

(d) Non-current trade and other receivables relate to the unamortised portion of the marketing services commission for leases with tenors of more than one year. The increase in trade and other receivables as at 30 September 2021 was mainly attributed to marketing services commission on new and renewal leases executed and timing of billing and collection of receivables.

Current trade and other receivables as at 30 September 2021 of S$30.3 million was S$23.8 million higher compared to balances as at 31 March 2021. The increase was mainly due to the initial deposit payment incurred in relation to the acquisition of 1 Woolworths Way, Bella Vista, New South Wales, Australia.

(e) The increase in cash and cash equivalents was mainly contributed from the net proceeds of issuance of the S$250.0 million Perpetual Securities on 1 September 2021 (see note 3.2(k)), partially offset by the repayment of borrowings and the initial deposit payment for the proposed acquisition of 1 Woolworths Way, Bella Vista, New South Wales, Australia.

(f) Non-current trade and other payables mainly comprised rental deposits received from tenants with remaining lease tenors of more than one year. The increase was mainly due to rental deposits received from tenants for leases with lease tenors of more than one year.

(g) The total borrowings of the Group as at 30 September 2021 of S$465.6 million was S$125.8 million lower compared to balances as at 31 March 2021 mainly due to the partial prepayment of the revolving credit facilities of S$20.0 million and full prepayment of a term loan of S$100.0 million maturing in July 2022. This was partially offset by the drawdown of approximately AUD2.6 million to fund AA REIT's share of the asset enhancement initiative at Optus Centre and lower translated balances arising from the weakening of the Australian dollar against the Singapore dollar.

The current interest-bearing borrowings as at 30 September 2021 mainly comprised of the revolving credit facilities which are due to mature in November 2021 and June 2022, respectively as well as a S$50.0 million five-year medium term notes ("Medium Term Notes") which is due to mature in March 2022.

In July 2021, AA REIT obtained commitments[1] of up to S$220.0 million and AUD100.0 million to refinance several of its secured debt facilities due in 2021 and 2022.

(h) The derivative financial instruments as at 30 September 2021 were in relation to interest rate swap and cross-currency interest rate swap contracts with a total notional amount of S$308.2 million. As at 30 September 2021, approximately 98.1% of the Group's borrowings were on fixed rates taking into account (i) the interest rate swap contracts entered into and (ii) the Medium Term Notes. Under the interest rate swap contracts, the Group pays fixed interest rates of between 0.28% to 2.82% per annum and receives interest at the three-month Singapore swap offer rate or at the three-month Australian bank bill swap bid rates, as the case may be, to fix the floating-rate term loans. Under the cross-currency interest rate swap contracts, the Group pays a fixed interest rate of 1.57% per annum on the notional principal of AUD31.5 million and receives interest based on a three-month Singapore swap offer rate plus margin. The changes in fair value were mainly due to the revaluation of the interest rate swap contracts and cross-currency interest rate swap contracts in accordance with FRS 109.

(i) This relates to the provision of deferred tax liabilities for the Trust's investment in Australia. The increase in deferred tax liabilities is in relation to the deferred tax liability recognised on the share of revaluation surplus on Optus Centre and the fair value gain recorded for the investment property at Boardriders Asia Pacific HQ partially offset by lower translated balances arising from the weakening of the Australian dollar against the Singapore dollar.

(j) This relates to the recognition of lease liabilities in relation to the capitalisation of land rent payments, in accordance with FRS 116. The increase in lease liabilities was mainly due to the recognition of the lease liability on the extension option for the property at 61 Yishun Industrial Park A, in accordance with FRS 116.

(k) The decrease in current trade and other payables was mainly due to the final payment for development costs incurred for 3 Tuas Avenue 2 and payments of retention sums of S$1.2 million for 3 Tuas Avenue 2 and 51 Marsiling Road. As at 30 September 2021, the Group and the Trust had total undrawn committed facilities of S$151.8 million to fulfil their liabilities as and when they fall due.

[1] Subject to satisfactory documentation.

In July 2021, AA REIT obtained commitments[1] of up to S$220.0 million and AUD100.0 million to refinance several of its secured debt facilities which are due in 2021 and 2022.

(l) On 1 September 2021, the Trust issued S$250.0 million of Perpetual Securities under its S$750 million Multicurrency Debt issuance Programme. The carrying value represents the Perpetual Securities issued, net of issue costs and includes the amount reserved for distribution to the Perpetual Securities holders from the last distribution date or the issuance date, as the case may be.

3.2 Consolidated Statements of Total Return

	Note	Group 1H FY2022 S$'000	Group 1H FY2021 S$'000	+/(-) %
Gross revenue	(a)	65,246	57,732	13.0
Property operating expenses	(a)	(17,537)	(17,779)	(1.4)
Net property income	(a)	47,709	39,953	19.4
Net property income margin	(a)	*73.1%*	*69.2%*	
Foreign exchange (loss)/gain	(b)	(143)	206	>(100.0)
Interest and other income	(c)	423	287	47.4
Borrowing costs	(d)	(10,666)	(11,434)	(6.7)
Manager's management fees	(e)	(4,449)	(4,097)	8.6
Other trust expenses	(f)	(1,538)	(952)	61.6
Non-property expenses		(16,653)	(16,483)	1.0
Net income before joint venture's profits		31,336	23,963	30.8
Share of profits of joint venture (net of tax)	(g)	27,264	7,624	>100.0
Net income		58,600	31,587	85.5
Net change in fair value of investment properties	(h)	15,117	(21,327)	>(100.0)
Net change in fair value of derivative financial instruments	(i)	1,266	(594)	>(100.0)
Total return before income tax		74,983	9,666	>100.0
Income tax expense	(j)	(4,369)	(2,822)	54.8
Total return after income tax		70,614	6,844	>100.0
Attributable to:				
Unitholders		65,969	5,915	>100.0
Perpetual Securities holders	(k)	4,645	929	>100.0
		70,614	6,844	>100.0
Distributions to Unitholders	(l)	33,603	28,268	18.9
DPU (cents)	(l)	4.75	4.00	18.8

(a) Gross revenue for 1H FY2022 of S$65.2 million was S$7.5 million higher as compared to 1H FY2021. The increase in gross revenue was mainly contributed by the recently acquired property at 7 Bulim Street (acquired in October 2020), higher rental and recoveries for the properties at 20 Gul Way, 8 & 10 Pandan Crescent and 541 Yishun Industrial Park A (rental contribution from the new master tenant commenced in January 2021). In addition, the lower gross revenue for 1H FY2021 was due to an estimated provision for waiver of rent for eligible tenants under the Singapore rental relief framework from SMEs of approximately S$2.0 million as well as the expiry of the previous master lease at 541 Yishun Industrial Park A on 2 April 2020.

Property operating expenses for 1H FY2022 of S$17.5 million was largely in line with 1H FY2021.

Net property income for 1H FY2022 of S$47.7 million was S$7.8 million higher than 1H FY2021 mainly due to higher gross revenue. As a result, net property income margin increased to 73.1% in 1H FY2022 compared to 69.2% in 1H FY2021.

[1] Subject to satisfactory documentation.

(b) The foreign exchange (loss)/gain mainly relates to the exchange differences on the Trust's Australian distribution income and Australian dollar cash and cash equivalents. The foreign exchange loss in 1H FY2022 was contributed by the weakening of the Australian dollar against the Singapore dollar. The foreign exchange gain in 1H FY2021 was contributed by the strengthening of the Australian dollar against the Singapore dollar.

(c) The increase in interest and other income was mainly due to the interest income earned on a proportionate unitholder loan to a joint venture to fund AA REIT's share of the asset enhancement initiative at Optus Centre (see note (c) of section 3.1).

(d) Borrowing costs for 1H FY2022 of S$10.7 million was S$0.8 million lower compared to 1H FY2021 mainly due to the partial prepayment of the revolving credit facilities of S$20.0 million, full prepayment of a term loan of S$100.0 million maturing in July 2022 with the proceeds from Perpetual Securities and lower fixed interest rates on the interest rate swaps and cross-currency interest rate swaps entered into in FY2021.

(e) Manager's management fees for 1H FY2022 of S$4.4 million was S$0.3 million higher compared to 1H FY2021 due to higher value of the Deposited Property mainly due to acquisition of the property at 7 Bulim Street and the higher valuation of Optus Centre.

(f) Other trust expenses for 1H FY2022 of S$1.5 million was S$0.6 million higher compared to 1H FY2021 mainly due to the finalisation of the revision in the basis of the Australian investment management fees in 3Q FY2021 applied from 15 July 2019 (being the date of completion of the acquisition of Boardriders Asia Pacific HQ) when all necessary approvals were obtained.

(g) The increase in the share of profits of joint venture was mainly due to higher share of revaluation surplus recognised from the valuation of Optus Centre of S$19.4 million (1H FY2021: S$0.9 million).

(h) The net change in fair value of investment properties for 1H FY2022 arose from the revaluation gain of the Group's 27 properties of S$17.7 million offset by the fair value adjustments of ROU assets included in investment properties in accordance with FRS 116 *Leases* ("FRS 116") of S$2.6 million.

As at 30 September 2021, the independent valuations of the Trust's 26 investment properties in Singapore were carried out by Cushman & Wakefield VHS Pte Ltd or CBRE Pte. Ltd. while the valuation of Boardriders Asia Pacific HQ in Gold Coast, Queensland, Australia was carried out by Jones Lang LaSalle Advisory Services Pty Ltd.

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.

(i) This mainly relates to changes in fair value due to the revaluation of certain interest rate swap contracts and cross-currency interest rate swap contracts in accordance with FRS 109. Please refer to note (h) of section 3.1 for further details of the 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.

(j) The increase in income tax expense in 1H FY2022 was mainly due to higher provision for deferred tax liability recognised on the share of revaluation surplus on Optus Centre and the fair value gain recorded for the investment property at Boardriders Asia Pacific HQ partially offset by lower translated balances arising from the weakening of the Australian dollar against the Singapore dollar.

(k) On 14 August 2020, the Trust issued S$125.0 million of subordinated perpetual securities ("Perpetual Securities"). The Perpetual Securities confer a right to its holders to receive distribution payments at a rate of 5.65% per annum, with the first distribution rate reset falling on 14 August 2025 and subsequent resets occurring every five years thereafter. Distributions are payable semi-annually in arrears on a discretionary basis and are non-cumulative in accordance with the terms and conditions of the Perpetual Securities.

On 1 September 2021, the Trust issued S$250.0 million Perpetual Securities. The Perpetual Securities confer a right to its holders to receive distribution payments at a rate of 5.375% per annum, with the first distribution rate reset falling on 1 September 2026 and subsequent resets occurring every five years thereafter. Distributions are payable semi-annually in arrears on a discretionary basis and are non-cumulative in accordance with the terms and conditions of the Perpetual Securities.

(l) Distributions to Unitholders for 1H FY2022 was S$33.6 million, an increase of S$5.3 million compared to 1H FY2021, mainly in line with the higher net property income (net of amount reserved for distribution to Perpetual Securities holders), partially offset by 1Q FY2021's distributions to Unitholders which included a partial release of Australian distributable income previously retained in 4Q FY2020.

4 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by auditors.

5 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter).

Not applicable.

6 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Trust has not disclosed to the market any forecast in relation to the current financial period.

7 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

Macro Economy

Prospects of economic recovery have diverged further across countries, with the main factor being vaccine access. Developed economies can look forward to further normalisation of activity later this year, while emerging and developing economies still face resurgent infections and rising death tolls. Slower-than-anticipated vaccine rollout could allow the virus to mutate further. Financial conditions could also tighten rapidly, such as from a reassessment of the monetary policy outlook if inflation expectations increase faster than anticipated. Nevertheless, the International Monetary Fund has maintained its global growth forecast for 2021 at 6.0%.

Singapore

On 8 September 2021, Singapore launched its Vaccinated Travel Lane ("VTL") scheme with Brunei and Germany to promising results. As such, the VTL was extended to nine more countries in October. Even as Singapore moves towards living with COVID-19 as an endemic, the government has temporarily tightened community safe management measures from 27 September 2021 to 24 October 2021 as the number of cases rise, so that the healthcare system is not overwhelmed and to allow new healthcare protocols to stabilise. Rental waivers will be provided to eligible businesses, such as qualifying occupiers on privately-owned commercial properties under the Rental Support Scheme. The government has stated that it is still staying on course to transition to a new normal of living with COVID-19.

The Ministry of Trade and Industry ("MTI") had upgraded Singapore's GDP growth forecast for 2021 to "6.0% to 7.0%", from its previous forecast of "4.0% to 6.0%", taking into account the better-than-expected performance of the economy in the first half of the year. The Singapore economy expanded by 14.7% on a year-on-year basis in the second quarter of 2021, faster than the 1.5% growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted basis, the Singapore economy contracted by 1.8% in the second quarter of 2021, a reversal from the 3.3% expansion in the first quarter. In particular, the manufacturing sector expanded by 17.7% on a year-on-year basis, with output expansions across all clusters and is projected to see robust growth given the rebound in global demand. Barring a major setback in the global economy, the Singapore economy is expected to continue to see a gradual recovery in the second half of the year.

Based on JTC Corporation's market report for 2Q 2021 released on 22 July 2021, the occupancy rate for the overall industrial property market rose slightly by 0.1 percentage point to 90.1% compared to the previous quarter, as delays in completion continue to persist. However, new completions started to pick up in 2Q 2021, and the total available stock rose by 374,000 sqm, the largest quarterly increase since 2017. In line with the broad recovery of the economy, rentals and prices of industrial space have continued to rebound. An approximate 1.7 million sqm of new industrial space is expected to be completed in the second half of 2021.

Australia

The economic recovery in Australia is stronger than had been expected and is anticipated to continue, with the labour market recovering faster than expected. While a pick-up in inflation and wages growth is expected, they are likely to be gradual and modest. At the most recent October meeting, the Reserve Bank of Australia ("RBA") announced that it is maintaining the target cash rate of 10 basis points until actual inflation is sustainably within the 2% to 3% target range, which the central bank does not expect to happen before 2024.

Overview

Despite the uncertainties in the global pandemic, the Singapore and Australian economies both reported stronger than expected recovery. Furthermore, factors such as rising rentals and prices of industrial space underpinned by the manufacturing sector, and business park demand driven by office decentralisation have continued to reinforce the resilience of the industrial sector. Manufacturing firms are also anticipating favourable business sentiments to continue into the last quarter of the year. However, the supply of new industrial space already in the pipeline may moderate rental growth. In Australia, the industrial and logistics sector remained resilient, underpinned by strong e-commerce growth and demand from occupiers in the transport and manufacturing industries, while quality business parks with good connectivity are well-positioned to attract future office occupiers.

AA REIT has recently entered into a sale and purchase contract to acquire the Woolworths Headquarters, located in New South Wales, Australia, which will be fully leased to Woolworths Group Limited, one of the Top 10 ASX listed companies by market capitalisation and the largest supermarket retailer in Australia.

This will further grow AA REIT's quality portfolio which operates in a broad range of industries, with a well-balanced mix of multi-tenanted and master leased properties, in both Singapore and Australia. Amidst the current macroeconomic environment, the Manager will continue to proactively manage its portfolio to deliver sustainable distributions and create long-term value for Unitholders.

In addition, AA REIT has been included in the FTSE EPRA Nareit Global Developed Index with effect from 20 September 2021. The inclusion will provide AA REIT with increased visibility and exposure to index funds, bringing about higher liquidity to global investors. Furthermore, the inclusion will help strengthen AA REIT's engagement with new and existing investors and diversify its capital sources.

8 Distributions

(a) Current financial period

Any distributions declared for the current financial period:	Yes
(i) Name of distribution:	**62nd distribution, for the period from 1 July 2021 to 30 September 2021**
Distribution Type[1]:	Taxable Income Capital Distribution
Distribution Rate:	Taxable Income 2.00 cents per Unit Capital Distribution 0.50 cents per Unit Total 2.50 cents per Unit
Par value of units:	Not applicable
Tax Rate:	**Taxable Income Distributions** Taxable income distributions are made out of AA REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through a partnership or as trading assets). Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution. **Capital Distributions** Capital distributions represent a return of capital to Unitholders for Singapore income tax purposes and are therefore not subject to income tax. For Unitholders who are liable for Singapore income tax on profits from sale of AA REIT Units, the amount of capital distribution will be applied to reduce the cost base of their AA REIT Units for Singapore income tax purposes. Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.
Record date:	27 October 2021
Date payable:	17 December 2021
(ii) Name of distribution:	**61st distribution, for the period from 1 April 2021 to 30 June 2021**
Distribution Type[2]:	Taxable Income Capital Distribution
Distribution Rate:	Taxable Income 1.88 cents per Unit Capital Distribution 0.37 cents per Unit Total 2.25 cents per Unit
Par value of units:	Not applicable

[1] No tax-exempt income distribution was declared for the period from 1 July 2021 to 30 September 2021.

[2] No tax-exempt income distribution was declared for the period from 1 April 2021 to 30 June 2021.

Tax Rate:	**<u>Taxable Income Distributions</u>** Taxable income distributions are made out of AA REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through a partnership or as trading assets). Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution. **<u>Capital Distributions</u>** Capital distributions represent a return of capital to Unitholders for Singapore income tax purposes and are therefore not subject to income tax. For Unitholders who are liable for Singapore income tax on profits from sale of AA REIT Units, the amount of capital distribution will be applied to reduce the cost base of their AA REIT Units for Singapore income tax purposes. Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.
Remarks:	Distribution of 2.25 cents per unit for the period from 1 April 2021 to 30 June 2021 was paid on 22 September 2021.

(b) Corresponding period of the immediate preceding year

Any distributions declared for the previous corresponding financial period:	Yes	
(i) Name of distribution:	**58th distribution, for the period from 1 July 2020 to 30 September 2020**	
Distribution Type:	Taxable Income Tax-Exempt Income Capital Distribution	
Distribution Rate:	Taxable Income	1.80 cents per Unit
	Tax-Exempt Income	0.07 cents per Unit
	Capital Distribution	<u>0.13 cents per Unit</u>
	Total	<u>2.00 cents per Unit</u>
Par value of units:	Not applicable	
Tax Rate:	**<u>Taxable Income Distributions</u>** Taxable income distributions are made out of AA REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through a partnership or as trading assets). Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution. **<u>Tax-Exempt Income Distributions</u>** Tax-exempt income distributions are exempt from tax in the hands of all Unitholders.	

	<u>Capital Distributions</u> Capital distributions represent a return of capital to Unitholders for Singapore income tax purposes and are therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of AA REIT Units, the amount of capital distribution will be applied to reduce the cost base of their AA REIT Units for Singapore income tax purposes. Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.
Remarks:	Distribution of 2.00 cents per unit for the period from 1 July 2020 to 30 September 2020 was paid on 18 December 2020.
(ii) Name of distribution:	**57th distribution, for the period from 1 April 2020 to 30 June 2020**
Distribution Type:	Taxable Income Tax-Exempt Income Capital Distribution
Distribution Rate:	Taxable Income 1.54 cents per Unit Tax-Exempt Income 0.23 cents per Unit Capital Distribution <u>0.23 cents per Unit</u> Total <u>2.00 cents per Unit</u>
Par value of units:	Not applicable
Tax Rate:	**<u>Taxable Income Distributions</u>** Taxable income distributions are made out of AA REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through a partnership or as trading assets). Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution. **<u>Tax-Exempt Income Distributions</u>** Tax-exempt income distributions are exempt from tax in the hands of all Unitholders. **<u>Capital Distributions</u>** Capital distributions represent a return of capital to Unitholders for Singapore income tax purposes and are therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of AA REIT Units, the amount of capital distribution will be applied to reduce the cost base of their AA REIT Units for Singapore income tax purposes. Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.
Remarks:	Distribution of 2.00 cents per unit for the period from 1 April 2020 to 30 June 2020 was paid on 17 September 2020.

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

Not applicable.

10 Interested Person Transactions

The Trust has not required nor obtained a general mandate from Unitholders for Interested Person Transactions.

11 Confirmation by the board pursuant to Rule 705(5) of the Listing Manual

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

For and on behalf of the Board of Directors of
AIMS APAC REIT Management Limited
(as Manager of AIMS APAC REIT)

George Wang Chairman and Director	Koh Wee Lih Director

12 Confirmation by the board pursuant to Rule 720(1) of the Listing Manual

The Manager confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of Listing Manual.

13 Additional information required pursuant to Rule 706A of the Listing Manual

On 30 September 2021, the Manager announced the proposed acquisition of 1 Woolworths Way, Bella Vista, New South Wales, Australia. In connection to the proposed acquisition, on 27 September 2021, AA REIT incorporated the indirect wholly-owned trusts, AA REIT Australia Trust (NSW) and Bella Vista Trust as detailed below:

Name of trust	AA REIT Australia Trust (NSW)
Name of trustee	AIMS Investment Managers Ltd, in its capacity as trustee of AA REIT Australia Trust (NSW)
Country of constitution	Australia
Unit capital	A$23,162,500 comprising 23,162,500 units at A$1 each
Unitholder	AIMS Capital Management Pty Ltd in its capacity as trustee of AIMS APAC REIT (Australia) Trust
Principal activity	Investment holding

Name of trust	Bella Vista Trust
Name of trustee	AIMS Capital Management Pty Ltd, in its capacity as trustee of Bella Vista Trust
Country of constitution	Australia
Unit capital	A$23,162,500 comprising 23,162,500 units at A$1 each
Unitholder	AIMS Investment Managers Ltd in its capacity as trustee of AA REIT Australia Trust (NSW)
Principal activity	Direct ownership of 1 Woolworths Way, Bella Vista, New South Wales, Australia

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

By Order of the Board

AIMS APAC REIT Management Limited
(Company Registration No. 200615904N)
(as Manager of AIMS APAC REIT)
Koh Wee Lih
Chief Executive Officer
13 October 2021