



AIMS APAC REIT

FY2022: Half Year Financial Results Ended
30 September 2021

13 October 2021



3 TUAS AVE 2, SINGAPORE

Important Notice



Disclaimer

This Presentation is focused on comparing actual results for the financial period from 1 April 2021 to 30 September 2021 (“1H FY2022”) versus actual results year-on-year (“y-o-y”) and quarter-on-quarter (“q-o-q”). This Presentation shall be read in conjunction with AIMS APAC REIT’s (“AA REIT” or the “Trust”) results for 1H FY2022 as per the SGXNet Announcement.

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3 TUAS AVE 2, SINGAPORE

Highlights: 1H FY2022



7 BULIM STREET, SINGAPORE

Highlights for 1H FY2022

Growing DPU



- DPU of **2.50 cents** per Unit for 2Q FY2022, an increase by 25.0% y-o-y
- DPU of **4.75 cents** for 1H FY2022

Net Property Income Growth



- 1H FY2022 Net Property Income of **S\$47.7 million**, an increase of **S\$7.8 million** or **19.4%** from 1H FY2021
- Contributed by the acquisition of 7 Bulim Street and higher rentals from three other properties

Valuation Growth



- Revaluation uplift of **S\$37.1 million** resulting in an increase in portfolio valuation to **S\$1,746.5 million**
- Valuation uplift largely driven by revaluation gains for Optus Centre and Boardriders Asia Pacific HQ in Australia

Proactive Lease Management



- **26 New & Renewal Leases** for 2Q FY2022
 - Totaling 45,722 sqm or 6.2% of Total Net Lettable Area
- Portfolio Occupancy: **97.3%**
 - Above JTC 2Q 2021 industrial average of 90.1%
 - Increase from 95.4% as at 31 March 2021

Highlights for 1H FY2022 (cont'd)

Established Resilient Portfolio



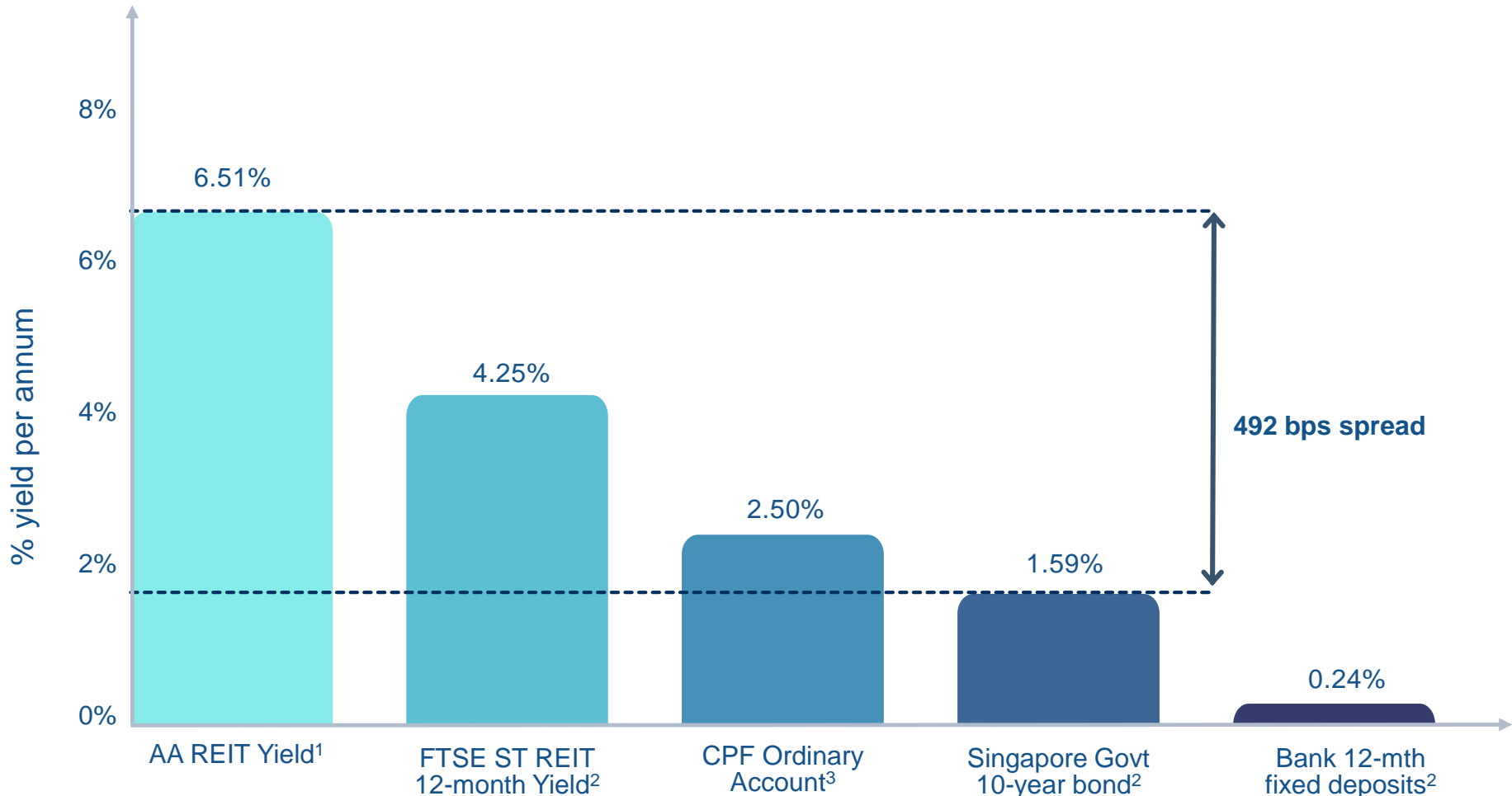
- Resilient performance backed by established portfolio, with **over 50%** comprising of **warehouse** and **logistics sectors**
 - Diverse, reputable tenant base comprising **190** reputable global and local companies across multiple industries
- Continues to pursue strategic investments and business partnerships to generate attractive long-term total returns
 - Announced proposed acquisition of Woolworths HQ at a purchase consideration of A\$463.25 million

Prudent Capital Management



- Healthy Leverage of **24.7%** (31 March 2021: 33.9%)
- Undrawn Committed Facilities of **S\$151.8 million**
- Low blended debt funding cost of **2.8%**
- Healthy Interest Coverage Ratio of **4.5 times**
- **98.1%** of the portfolio's interest rates fixed taking into account interest rate swaps and fixed rate notes

Attractive Return on Investment

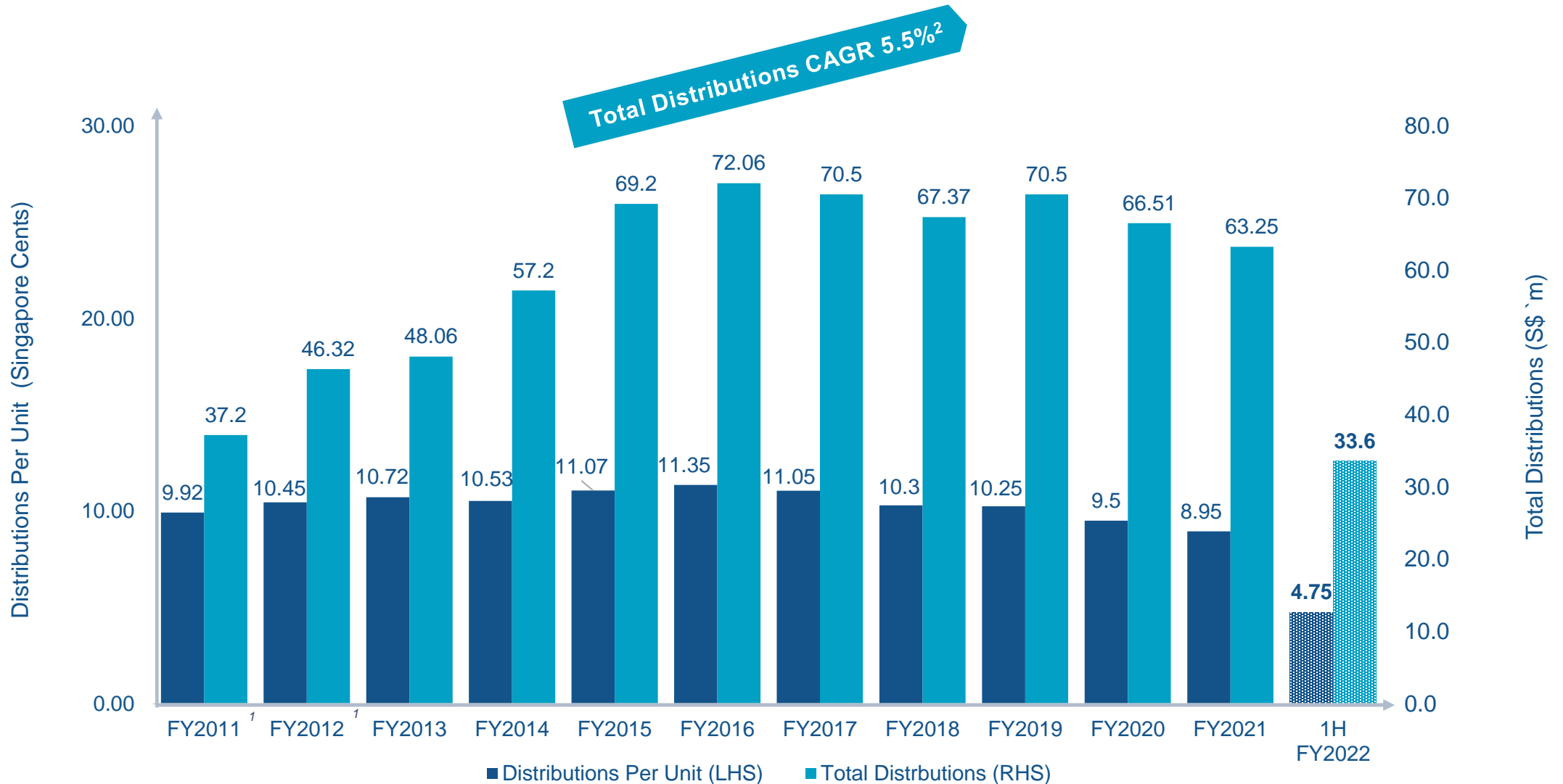


¹ Based on the closing price of S\$1.46 on 12 October 2021 and annualised FY2022 DPU of 9.50 cents. Annualised DPU is computed based on actual DPU payout for the first half of FY2022 and annualised to the full year

² Source: Bloomberg data as at September 2021

³ Prevailing CPF Ordinary Account interest rate

Total Distributions Since 2011



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

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

Investment Property - Valuation Uplift

Total revaluation gain of S\$37.1 million increases AA REIT's portfolio value to S\$1.746 billion

	No. of Properties	Valuation as at 30 September 2021 (\$'000)	Valuation as at 31 March 2021 (\$'000)	Change (\$'000)	Change (%)
Singapore	26	S\$1,357,600	S\$1,348,200	S\$9,400	0.7
Australia ¹	2	S\$388,909 ² (A\$396,990)	S\$376,503 ³ (A\$367,900)	S\$12,406 (A\$29,090)	3.3
Total	28	S\$1,746,509	S\$1,724,703	S\$21,806	1.3

¹ Based on 49% interest in Optus Centre.

² An exchange rate of A\$1: S\$0.979644 is adopted as at 30 September 2021.

³ An exchange rate of A\$1: S\$1.023385 is adopted as at 31 March 2021.

1H FY2022 Financial Results



29 WOODLANDS INDUSTRIAL PARK E1, SINGAPORE

Distribution Details

Stock Counter	Distribution Period	DPU Cents
AIMS APAC REIT Code: O5RU	For 1 July 2021 to 30 September 2021	2.50

Distribution Period	For 1 July 2021 to 30 September 2021
Ex-Date	26 October 2021, 9.00am
Record Date	27 October 2021, 5.00pm
Return of Tax Declaration Forms	17 November 2021, 5.00pm
Distribution Payment Date	17 December 2021

1H FY2022 Results¹

(S\$'000 unless otherwise stated)	1H FY2022	1H FY2021	Y-o-Y (%)
Gross Revenue	65,246	57,732	13.0
Net Property Income	47,709	39,953	19.4
Share of Profits of Joint Venture (net of tax) ²	27,264	7,624	>100.0
Distributions to Unitholders	33,603	28,268	18.9
DPU (cents)	4.75	4.00	18.8

¹ Please refer to Section 3 “Review of performance of the Group” of the interim financial statements for further explanation of the variances.

² 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).

Balance Sheet

(S\$ million unless otherwise stated)	As at 30 September 2021	As at 31 March 2021
Total Assets	1,991.2	1,846.6
Comprising:		
▪ Investment properties	1,506.7	1,489.0
▪ Joint venture	341.7	335.7
▪ Trade and other receivables	33.6	9.6
▪ Derivative financial instruments	0.9	1.1
▪ Cash and cash equivalents	108.3 ¹	11.2
Total Liabilities	630.5	759.2
Net Assets	1,360.7	1,087.4
Comprising:		
▪ Unitholders' funds	987.1	962.8
▪ Perpetual Securities holders' funds	373.6 ¹	124.6
NAV per Unit	1.40	1.36
Total Borrowings²	467.3	593.8
Aggregate Leverage³ (%)	24.7	33.9

¹ On 1 September 2021, the Trust issued S\$250.0 million of Perpetual Securities under its S\$750 million Multicurrency Debt issuance Programme. The increase in cash and cash equivalents was mainly contributed from the net proceeds, partially offset by the repayment of borrowings and the initial deposit payment for the acquisition of 1 Woolworths Way, Bella Vista, New South Wales, Australia.

² Excluding unamortised loan transaction costs.

³ 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.

Key Financial Metrics – 2Q FY2022

	2Q FY2022	2Q FY2021
Portfolio Value (S\$ million) ¹	1,746.5	1,549.5
Market Capitalisation (S\$ million) ²	1,032.9	855.1
NAV per Unit (S\$)	1.40	1.34
Share Price (S\$)	1.46	1.21
Premium over / (Discount to) NAV (%) ²	4.3	(9.7)
Aggregate Leverage (%) ³	24.7	33.6
Interest Coverage Ratio (times) ⁴	4.5	3.7
Weighted Average Debt Maturity (years)	2.1 (2.7 post refinancing on a proforma basis) ⁵	2.6

¹ Based on the book value of investment properties as well as the 49.0% interest in the book value of Optus Centre, Macquarie Park, NSW, Australia and excluding right-of-use assets

² Based on the units outstanding and closing price of S\$1.46 on 12 October 2021, and S\$1.21 on 26 October 2020 respectively

³ 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

⁴ Based on Interest Coverage Ratio (ICR) definition in Appendix 6 of Code of Collective Investment Schemes (last revised on 16 April 2020). For purpose of the computation, interest expense included borrowing costs on lease liabilities. As at 30 September 2021, the Adjusted ICR was 3.3 times (31 March 2021: 3.4 times) where the interest expense for Adjusted ICR further included the amount reserved for distribution to Perpetual Securities holders

⁵ In July 2021, AA REIT obtained commitments of up to S\$220 million and A\$100 million to refinance several of its secured debt facilities due in 2021 and 2022. Post-refinancing and the utilisation of the secured debt facilities to fully repay the fixed rate notes maturing in March 2022, the weighted average debt maturity (on a pro forma basis) will increase to 2.7 years.

Prudent Capital Management



1A INTERNATIONAL BUSINESS PARK, SINGAPORE

Debt Facilities as at 30 September 2021

Secured SGD Borrowings

Total secured facility of **S\$245.0 million** comprising:

- 4-year revolving credit facility of S\$120.0 million maturing in November 2021
- 4-year term loan facility of S\$25.0, maturing in July 2022
- 4-year term loan facility of S\$100.0, maturing in July 2024

Secured AUD Borrowings

Secured AUD borrowings as natural hedge for the investments in Australia.

Total secured facility of **A\$228.7 million** comprising:

- 3-year revolving credit facility of A\$65.0 million, maturing in June 2022
- 5-year term loan facility of A\$110.0 million, maturing in July 2023
- 3-year term loan facility of A\$32.5 million, maturing in November 2023
- 5-year term loan facility of A\$21.2 million, maturing in July 2024

In July 2021, AA REIT obtained commitments of up to S\$220.0 million and A\$100.0 million to refinance several of its secured debt facilities due in 2021 and 2022.

Debt Facilities as at 30 September 2021 (cont'd)

Unsecured Borrowings

- S\$50.0 million 5-year fixed rate notes at 3.60% maturing in March 2022.
- S\$100.0 million 5-year fixed rate notes at 3.60% maturing in November 2024.

Summary

- Overall blended debt funding cost of 2.8%.
- 98.1% of the portfolio's interest rate hedged via interest rate swaps and fixed rate notes.
- Weighted average debt maturity of 2.1 years (2.7 years post refinancing on a pro forma basis)¹.

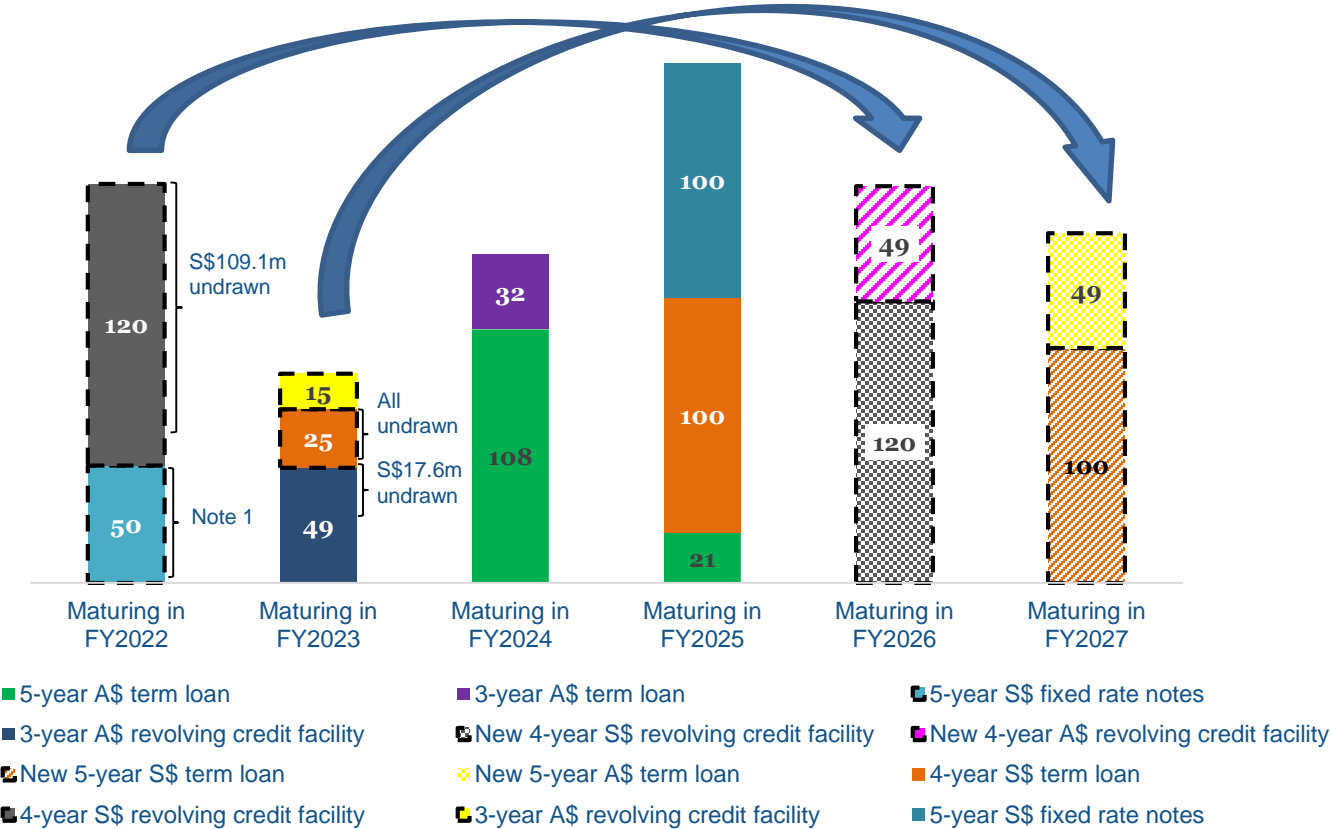
Diversified Funding Source

- S\$125 million perpetual securities at a coupon rate of 5.65%, with the first distribution rate reset falling on 14 August 2025.
- S\$250 million perpetual securities at a coupon rate of 5.375%, with the first distribution rate reset falling on 1 September 2026.

¹ In July 2021, AA REIT obtained commitments of up to S\$220 million and A\$100 million to refinance several of its secured debt facilities due in 2021 and 2022. Post-refinancing and the utilisation of the secured debt facilities to fully repay the fixed rate notes maturing in March 2022, the weighted average debt maturity (on a pro forma basis) will increase to 2.7 years.

Debt Facilities as at 30 September 2021 (cont'd)

Pro Forma refinancing of existing secured facilities



MATURITY DATE	S\$'M
2021 November (FY2022)	10.9
2022 March (FY2022)	50.0
2022 June (FY2023)	46.1
2023 July (FY2024)	107.8
2023 November (FY2024)	31.8
2024 July (FY2025)	120.7
2024 November (FY2025)	100.0
Total Debt Drawn Down	467.3
Undrawn Available Facilities	151.8
Total Committed Facilities	619.1

Note 1: The refinancing of the secured debt facilities will enable AA REIT to have sufficient undrawn committed facilities to repay the fixed rate notes due in March 2022

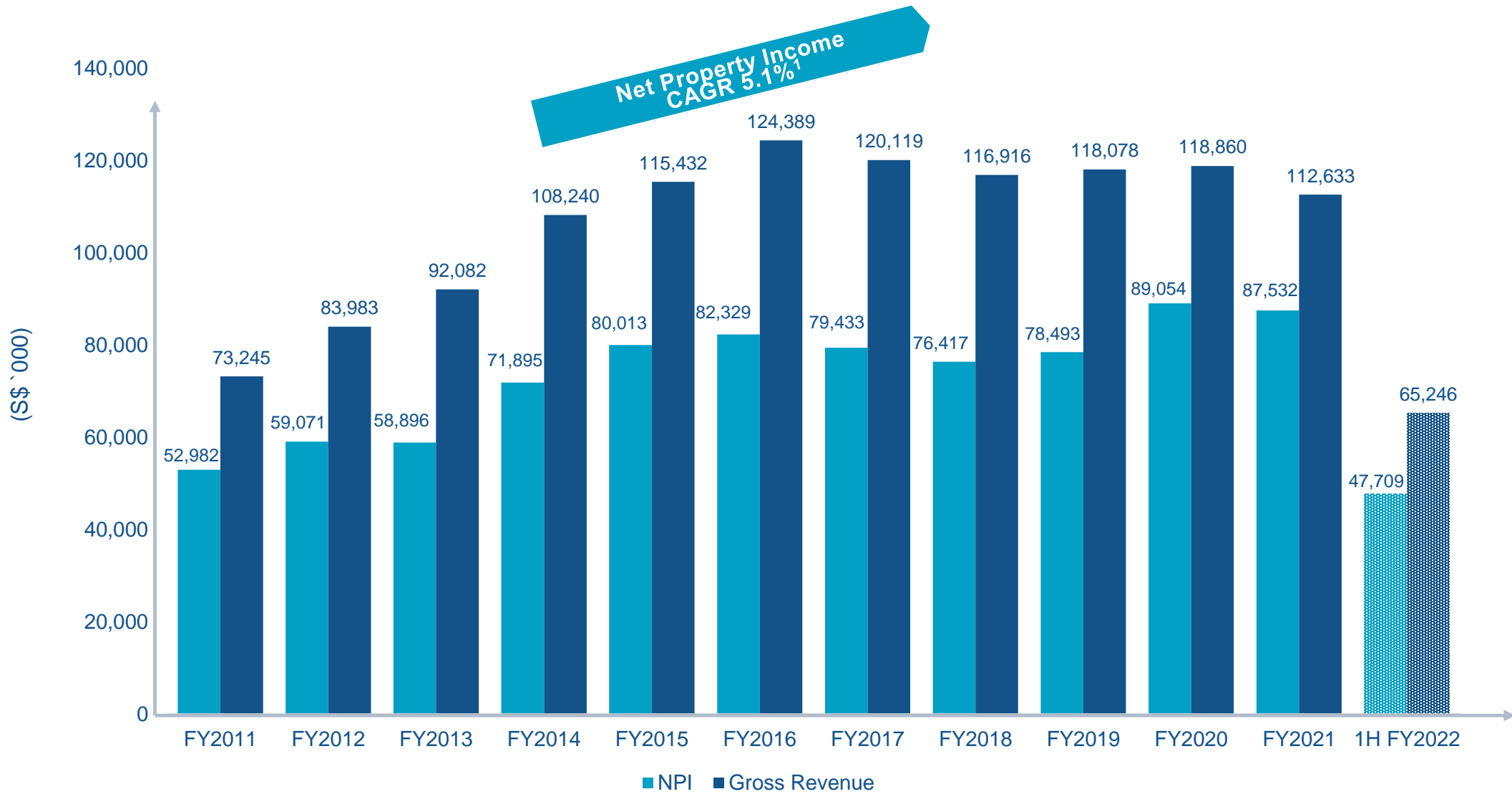
Portfolio Performance



15 TAI SENG DRIVE, SINGAPORE



Revenue Performance since 2011



¹ CAGR (compound annual growth rate) computed from FY2011 to FY2021

Key Portfolio Statistics

	As at 30 September 2021	As at 30 June 2021
Number of Properties	28	28
Portfolio Value (S\$ million) ¹	1,746.5	1,724.5
Net Lettable Area (sqm)	740,503	740,942
Number of Tenants	190	188
Portfolio Occupancy (%)	97.3	95.7
Weighted Average Lease Expiry (WALE) (years) ²	3.98	3.98
Weighted Average Land Lease Expiry (years) ³	45.4	45.3
Location of Properties	Singapore, Australia	Singapore, Australia

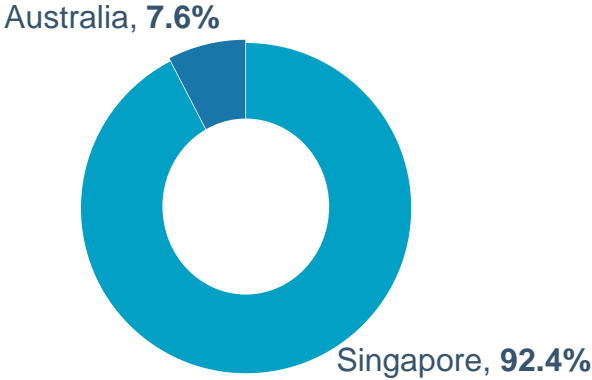
¹ Based on the book value of investment properties and investment property under development as well as the 49.0% interest in the book value of Optus Centre, Macquarie Park, NSW, Australia and excluding right-of-use assets

² Computation included forward committed leases. Excluding forward committed leases, the WALE is 3.87 years as at 30 September 2021 and 2.33 years as at 30 June 2021

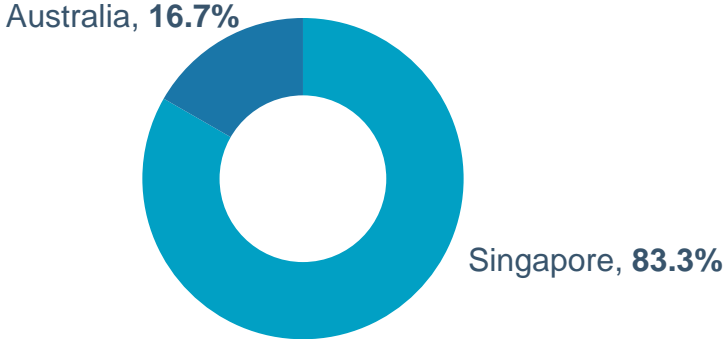
³ Computations based on the market valuations of the properties as at 30 September 2021 (valuation as at 31 March 2021 for statistics for 30 June 2021). For the calculation of the weighted average land lease, AA REIT's interest in the freehold properties, Optus Centre and Boardriders Asia Pacific HQ, have been assumed as 99-year leasehold interests

Portfolio Operating Metrics

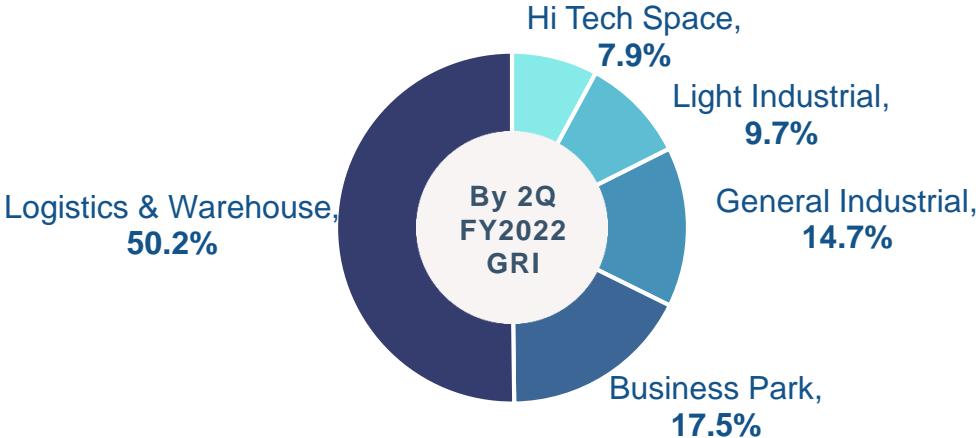
PORTFOLIO NLA



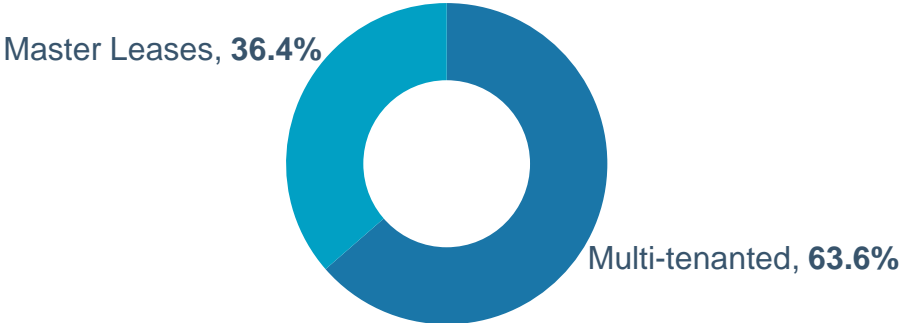
GROSS RENTAL INCOME



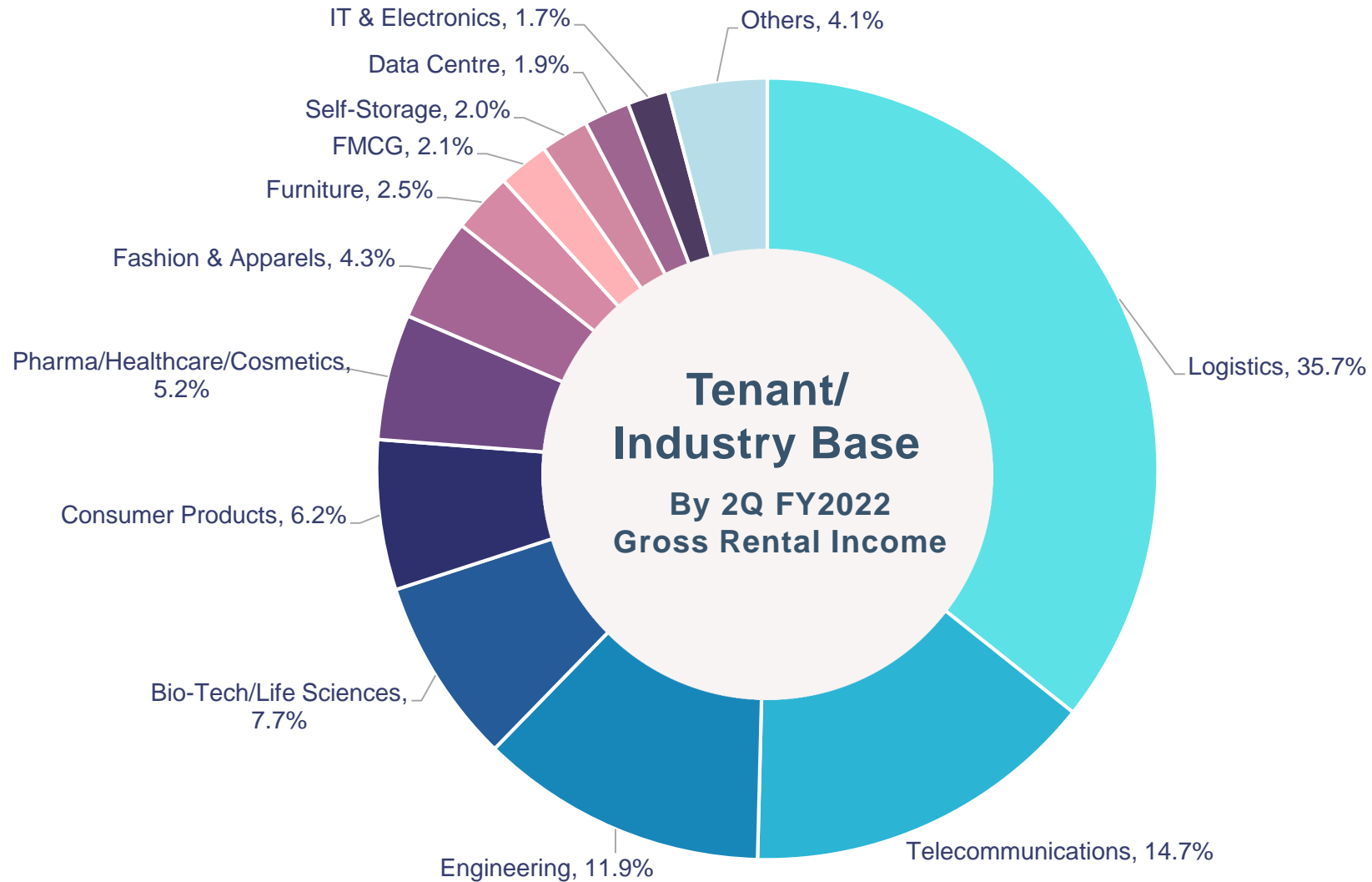
PORTFOLIO BREAKDOWN



MULTI-TENANTED/MASTER LEASE



Diversified Tenant/Industry Base¹



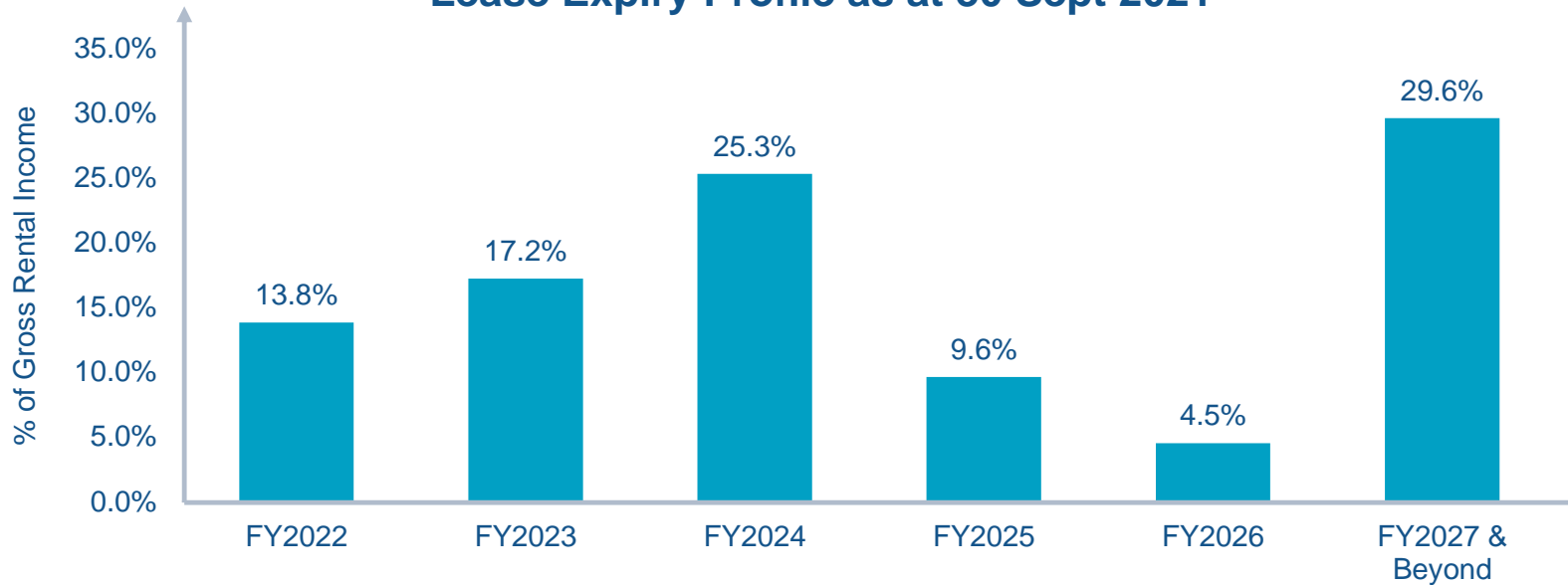
¹ Tenant base expanded by 6.1% over the last 24 months (190 as at 30 September 2021 vs 179 tenants as at 30 September 2019).

Active Lease Management

Lease Expiry Profile as of 30 September 2021 (By 2Q FY2022 Gross Rental Income)

2Q FY2022	NET AREA	% OF TOTAL NLA
New Leases Signed: 13 Renewal Leases Signed ¹ : 13	New Leases: 20,947 sqm Renewal Leases: 24,775 sqm	New and Renewal Leases represent 6.2% of total NLA executed in 2Q FY2022

Lease Expiry Profile as at 30 Sept 2021

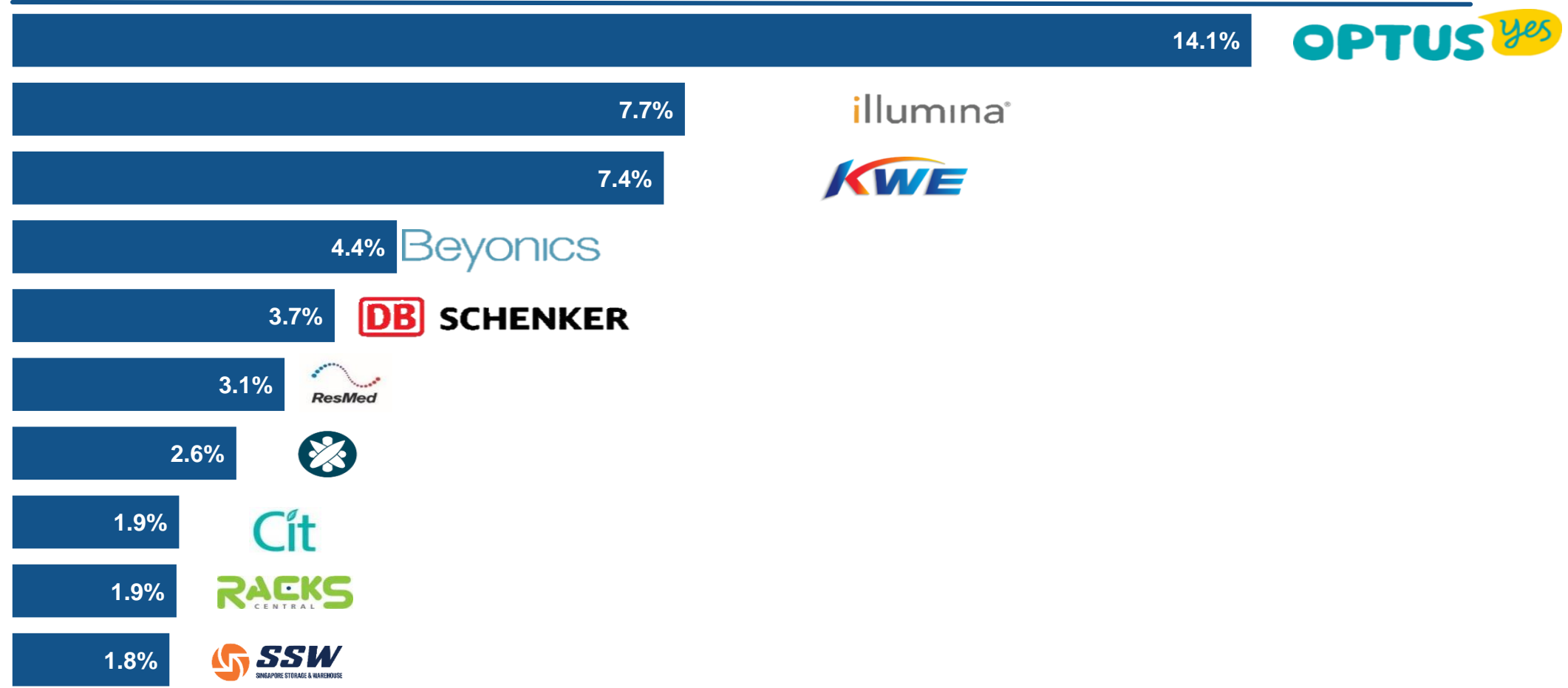


¹ Weighted average rental increase for renewal leases was 2.1%

Quality Tenant Base

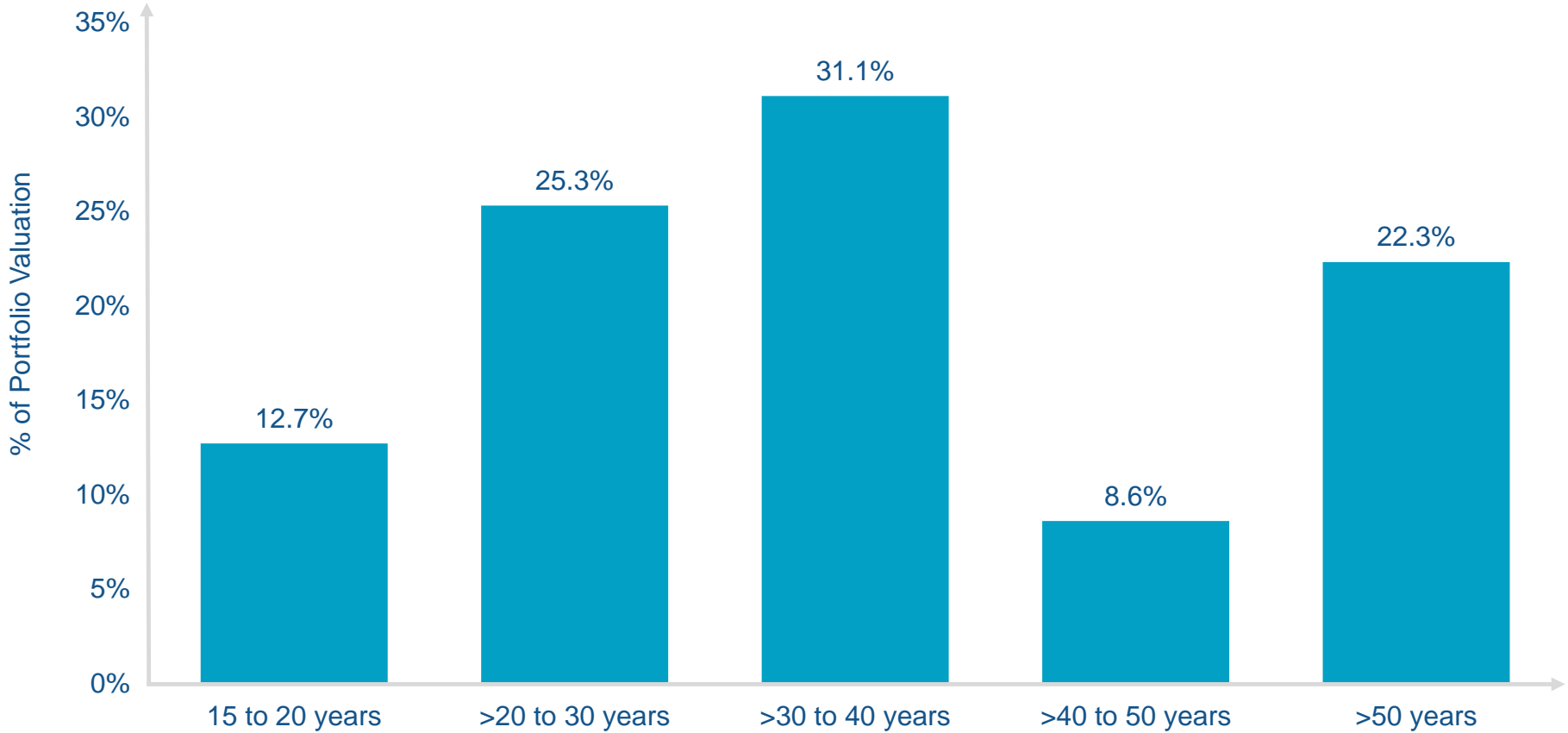
Resilient sectors such as logistics & warehouse, bio-medical & life science, telecommunications & data centre operators account for **7 of our top 10 tenants**

TOP 10 TENANTS BY 2Q FY2022 GROSS RENTAL INCOME



Long Land Lease Expiry* of 45.4 years

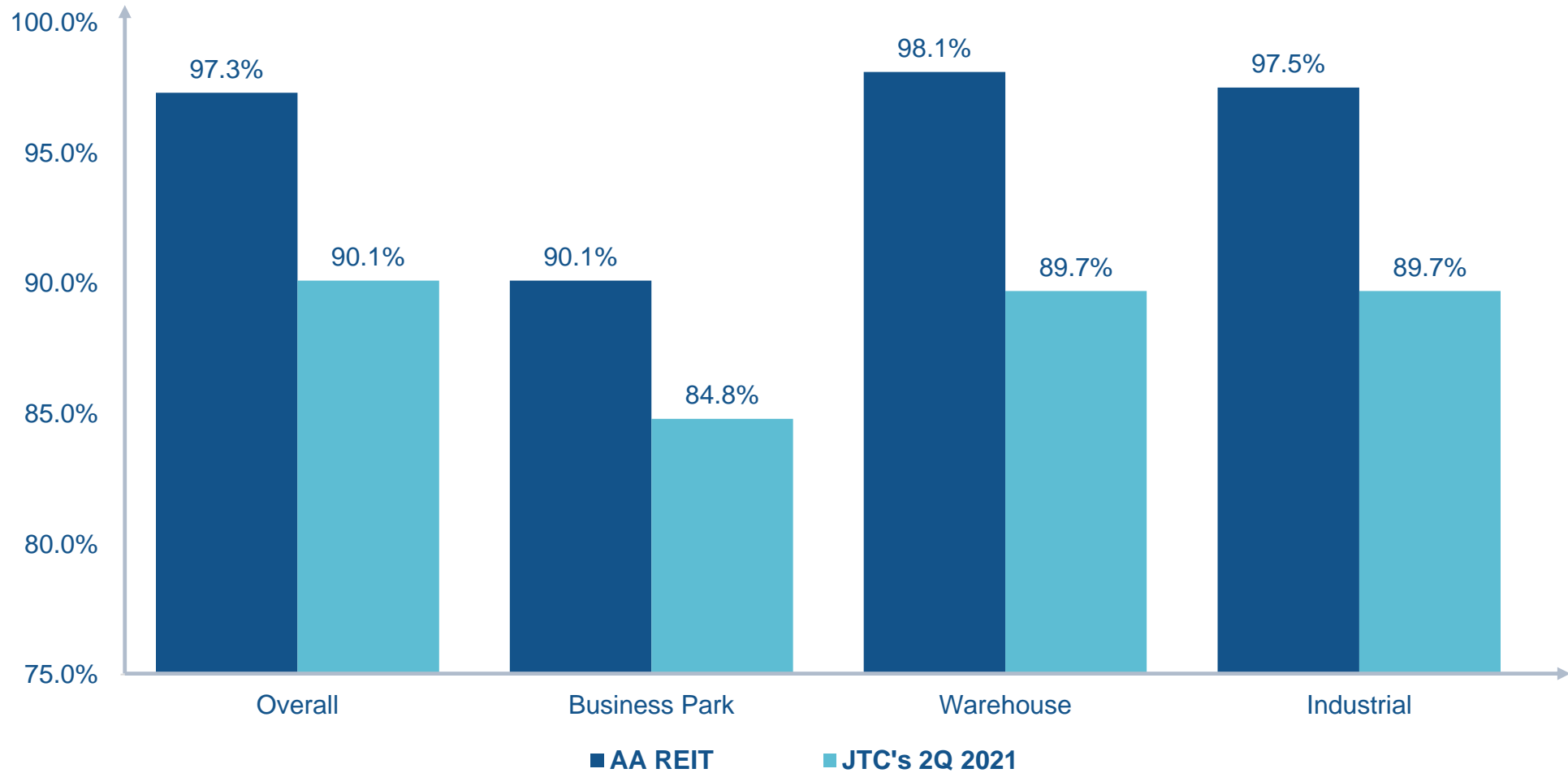
Our portfolio land lease tenure (by valuation) is one of the longest amongst our peers



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

Portfolio Occupancy vs JTC Average

Our portfolio occupancy across all segments has consistently outperformed the market



Source: Based on JTC 2Q 2021 industrial average of 90.1%

Portfolio Expansion – Woolworths HQ

Purchase Consideration	A\$463.25 million (S\$454.0 million ¹)
Independent Valuation	A\$463.25 million ² (S\$454.0 million ¹)
NPI Yield	5.17% ³
Stamp Duty	A\$25.5 million (S\$25.0 million ¹)
Transaction Cost	A\$5.5 million ⁴ (S\$5.4 million ¹)
Total Acquisition Cost	A\$494.3 million (S\$484.4 million ¹)
Method of Financing	<p>Total acquisition cost is proposed to be funded by a combination of local debt financing and net proceeds from the issuance of perpetual securities.</p> <p>The Manager may also consider funding the Proposed Acquisition by a combination of debt financing, Acquisition Fee units, net proceeds raised from the issuance of the Perpetual Securities and new equity.</p> <p>The final decision regarding the method of financing the Proposed Acquisition will be made by the Manager at the appropriate time, taking into account the prevailing market conditions.</p>



¹ An exchange rate of A\$1: S\$0.98 is adopted.
² Based on the valuation report by Knight Frank NSW Valuations and Advisory Pty Ltd dated 30 September 2021.
³ Initial NPI Yield based on Year 1 NPI of A\$23.94 million divided by Purchase Consideration.
⁴ Includes acquisition fee of A\$4.6 million and other transaction cost of A\$0.9 million.

Property Information

Property Description	Master-tenanted corporate campus comprising (i) three multi-level interconnecting buildings housing A-grade office accommodation, (ii) a data centre operation and amenities; and (iii) an on grade car park, a car park building and a four-storey multi-storey car park totaling 3,120 car parking spaces
Address	1 Woolworths Way, Bella Vista, New South Wales
Asset Type	Business Park
Land Tenure	Freehold
Land Area	90,010 sq m
Net Lettable Area	44,972 sq m
Master Tenant	Woolworths Group Limited
Existing Lease Term	10 years commencing from completion, with built-in rental escalation of 2.75%
Property Occupancy	100%



Market Outlook & Strategy



29 WOODLANDS INDUSTRIAL PARK E1, SINGAPORE

Market Outlook

MACRO



- Overall, economic growth is recovering after the pandemic-related slowdown in 2020, although economic prospects in the global recovery have diverged further across countries. The International Monetary Fund has retained its global growth forecast for 2021 at 6.0%.

SINGAPORE'S ECONOMY



- For the second quarter of 2021, the Singapore economy expanded by 14.7% year-on-year, faster than the 1.5% growth in the previous quarter. The strong growth was largely due to the low base in the second quarter of 2020, when GDP fell due to the Circuit Breaker measures implemented.
- 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 preceding quarter.
- The Ministry of Trade and Industry (“MTI”) upgraded Singapore’s GDP growth forecast for 2021 to “6% to 7%”, from its previous forecast of “4% to 6%”, taking into account the better-than-expected performance in the first half of the year.

INDUSTRIAL



- 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.

LOOKING AHEAD



- Despite the uncertainties in the global recovery from COVID-19, the broad recovery in the Singapore and Australia economies has provided support for the industrial sector. Demand for industrial real estate continued to be underpinned by the manufacturing sector. Manufacturing firms are also anticipating favourable business sentiments to continue into the last quarter of the year.
- Amidst the current macroeconomic environment, AA REIT will continue to proactively manage its portfolio to deliver sustainable distributions and create long-term value for Unitholders.

Our Strategy

Strategic Investments



Continued evaluation of total return investment and built-to-suit development opportunities that offer income yield and long-term capital growth, with an increased focus on longer tenure and freehold properties

Active Asset & Leasing Management



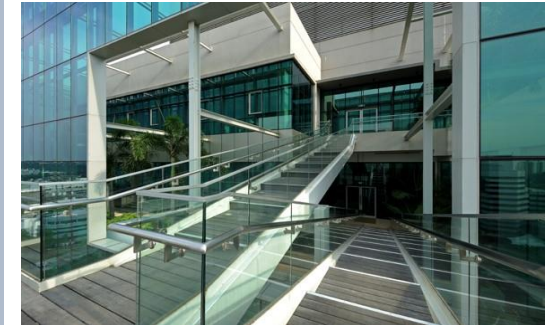
Unlocking value of selected assets within the portfolio through enhancements and an active leasing strategy to maintain high portfolio occupancy

Prudent Capital & Risk Management



Staggering of debt maturities, maintaining a conservative gearing ratio, diversifying funding sources and capitalising on low cost of funding when market conditions are favourable

Capital & Business Partnerships for Growth



Building new capital partnerships to diversify risk via joint investments with different risk-return profiles, and collaborating with business partners on new investment and development opportunities

Redevelopment Opportunities within Portfolio

A large proportion of the current portfolio has under-utilised plot ratios; with potential organic growth opportunities



2 Ang Mo Kio St 65



8 Senoko South Rd



11 Changi South St 3



10 Changi South Lane



3 Toh Tuck Link



7 Clementi Loop



541 Yishun Industrial Park A

Potential Untapped
GFA \approx 502,707 sqft



Our Resilient Portfolio



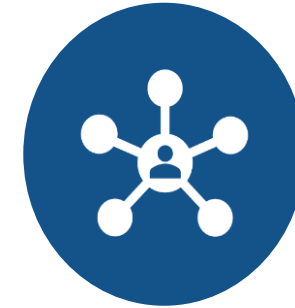
HIGH OCCUPANCY

High portfolio occupancy rate of **97.3%** versus JTC's industry average which stands at 90.1%¹



HIGHLY RESILIENT SECTOR

Logistics & Warehouse account for **50.2%** of AA REIT's portfolio by Gross Rental Income; largely driven by resilient e-commerce and logistics sectors



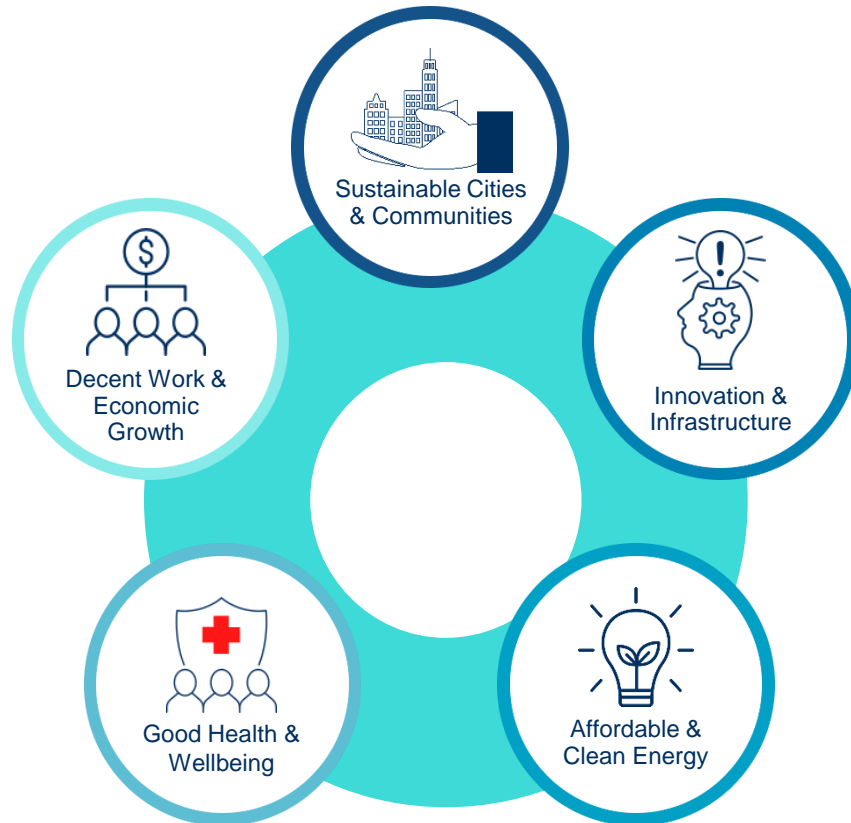
HIGHLY DIVERSIFIED

AA REIT's portfolio is backed by **190 tenants** across **28 properties** in Singapore & Australia from a wide range of industry sectors

¹ JTC Quarterly Market Report, Industrial Properties, 2Q 2021

Environment, Social & Governance

We are committed to incorporating ESG factors into AA REIT’s strategy and operations, to ensure Unitholders with long-term sustainable returns



Our ESG Focus Areas

- Improve and minimise environmental impact
- Promote inclusive and sustainable economic growth
- Understanding and serving interests of all stakeholders
- Ensuring robust governance framework

Strong Investor Base with Institutional Investors

- Majority held by institutional investors
- Included in indices likely to further attract and expand unitholder base:
 - MSCI Singapore Small-Cap Index (May 2020)
 - FTSE Russell ST Singapore Shariah Index (Dec 2020)
 - FTSE EPRA Nareit Global Developed Index (Sep 2021)

Recognised for Corporate Governance & Social Responsibility

- Ranked 3rd out of 45 REITs and Business Trusts for Governance Index Trusts (GIFT) 2020
- Ranked 13th out of 43 REITs and Business Trusts in the Singapore Governance and Transparency Index (SGTI) 2021

Key Accolades



2017



Awarded Shareholder Communications Excellence Award



2018



Honours Award in Traditional Annual Report



2020



Gold Excellence in Corporate Governance, Social Responsibility and Investor Relations



2020



Platinum Award for Print Media/ Publications – Annual Report



2020



3rd at the Governance Index for Trust (GIFT)



2021



13th at the Singapore Governance and Transparency Index (SGTI)



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Thank you!

Looking forward to your support.

For enquiries, kindly contact:



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