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

Media Release

AIMS APAC REIT achieves 18.9% increase in distribution to S$33.6 million to Unitholders for 1H FY2022

Key highlights for 1H FY2022:

- **DPU of 2.50 cents for 2Q FY2022, a 25.0% increase from 2Q FY2021**
- **DPU of 4.75 cents for 1H FY2022, an 18.8% increase from 1H FY2021**
- **Gross Revenue of S$65.2 million for 1H FY2022, a 13.0% increase from 1H FY2021**
- **Net Property Income of S$47.7 million for 1H FY2022, a 19.4% increase from 1H FY2021**
- **S$37.1 million portfolio revaluation gain, mainly driven by the valuation uplift of Optus Centre and Boardriders Asia Pacific HQ in Australia**
- **97.3% portfolio occupancy and long weighted average lease expiry of 3.98 years**
- **Executed 26 new and renewal leases in 2Q FY2022, representing 45,722 sqm or 6.2% of portfolio net lettable area**
- **Conservative leverage at 24.7% (31 March 2021: 33.9%), with undrawn committed facilities of S$151.8 million and lower blended debt funding cost of 2.8%.**
- **Announced proposed acquisition of Woolworths HQ, which will strengthen AA REIT's foothold in Sydney's resilient business park market and provide long-term income security for the portfolio.**

	1H FY2022	1H FY2021	+/(-)
	S$'000	S$'000	%
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)	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

Singapore, 13 October 2021 – AIMS APAC REIT Management Limited (the Manager) as manager of AIMS APAC REIT (AA REIT) today announced the results for the first half (1H FY2022) ended 30 September 2021.

Distributions to Unitholders for 1H FY2022 was S$33.6 million, which was approximately S$5.3 million or 18.9% higher year-on-year. The DPU of 4.75 cents for 1H FY2022 represents an 18.8% increase from the DPU of 4.00 cents in the corresponding period ended 30 September 2020 (1H FY2021). The DPU for 2Q FY2022 is 2.50 cents and represents a 25.0% increase from the DPU of 2.00 cents in 2Q FY2021. This was mainly buoyed by higher net property income, which rose 19.4% to S$47.7 million from S$40.0 million for the same period.

The 1H FY2022 gross revenue of S$65.2 million was S$7.5 million higher compared to 1H FY2021. This was mainly attributable to the rental contribution of 7 Bulim Street, and higher gross revenue from 20 Gul Way, 8 & 10 Pandan Crescent and 541 Yishun Industrial Park A (rental contribution from the new master tenant commenced in January 2021).

Commenting on AA REIT's 1H FY2022 performance, the Manager's CEO-designate, Mr Russell Ng, said, "Broadening our portfolio and geographical diversity will enable us to stay resilient amidst the global pandemic. Our proposed acquisition of Woolworths HQ represents our third investment into Australia, and will further strengthen AA REIT's foothold in Sydney's resilient business park market. Our high quality asset base also continues to be driven by the logistics and warehouse sector, which represents just over half of the portfolio. Looking ahead, we are committed to seeking out quality assets that align with our investment criteria, which include stable income, annual rental escalations, long-term capital appreciation, and redevelopment potential."

The Manager's Chairman, Mr George Wang, added, "the proposed acquisition of Woolworths HQ is transformational and will be the largest asset in AA REIT's high-quality portfolio. This business park property is wholly-leased for 10 years to Woolworths, Australia's largest supermarket retailer and one of largest companies listed on the Australian Securities Exchange Ltd. Longer term, the site provides the Manager with future re-development potential to add a further circa 135,000 sqm (1.5 million sqft) of GFA. This is in addition to the potential to tap on unutilised GFA of more than 500,000 sqft within AA REIT's Singapore portfolio.

"At the same time, we are encouraged that AA REIT continues to be accorded the recognition it deserves. With the recent inclusion into the FTSE EPRA Nareit Global Developed Index, the Manager looks to increase the visibility and exposure of AA REIT to index funds and bring about higher trading liquidity to investors globally. This ties in well with the Manager's drive to strengthen AA REIT's engagement with existing and new investors, as it diversifies its capital sources, investment allocation and partnership opportunities in Singapore and the region."

Portfolio Update

In 2Q FY2022, the Manager successfully executed 26 new and renewal leases representing 45,722 sqm or 6.2% of total net lettable area. The healthy committed occupancy is expected to be sustained, as strong demand for logistics and warehouse facilities continue to be underpinned by e-commerce, stockpiling and shifts in supply chain. As at 30 September 2021, AA REIT's portfolio occupancy stood at 97.3%, while weighted average lease expiry (WALE) stood at 3.98 years.

As at 30 September 2021, the valuation for Optus Centre, Sydney Australia rose by A$41.0 million or 6.2% from A$660.0 million to A$701.0 million over the 6 month period, of which AA REIT's 49% share of gain and valuation is A$20.1 million and A$343.5 million respectively. The valuation for Boardriders Asia Pacific HQ, Gold Coast, Australia also increased by A$9.0 million or 20.2% from A$44.5 million to A$53.5 million, when compared to the valuation as at 31 March 2021.

AA REIT's Singapore portfolio also reported a valuation uplift of S$9.0 million or 0.7%, when compared to the valuation as at 31 March 2021.

On a combined basis, AA REIT's Australian and Singapore properties recorded a total net revaluation gain of S$37.1 million over the 6 month period, representing an increase in net asset value (NAV) of approximately S$0.05 per unit.

On 27 January 2021, AA REIT announced the acquisition of the property at 315 Alexandra Road, for a purchase consideration of S$102.0 million[1]. The acquisition is subject to approval by JTC.

More recently, on 30 September 2021, AA REIT announced the proposed acquisition of Woolworths HQ for a purchase consideration of A$463.25 million (approximately S$454.0 million[2]. The property, which is fully leased to Woolworths Group Limited, will be acquired at an initial net property income (NPI) yield of 5.17%. The lease is subject to a balance lease term of 10 years and rental escalation of 2.75% per annum, which will provide AA REIT with long-term income stability.

Capital Management

The Manager continues to adopt a disciplined approach to capital management.

In September 2021, AA REIT successfully issued S$250 million of perpetual securities to further diversify its sources of funding. The Series 003 Perpetual Securities were issued under the S$750,000,000 Multicurrency Debt Issuance Programme established by AA REIT on 30 November 2018. Net proceeds from the issue of the Series 003 Perpetual Securities were subsequently partially utilised for repayment of borrowings and the initial deposit payment for the acquisition of Woolworths HQ.

As at 30 September 2021, AA REIT's aggregate leverage dropped to 24.7%, following the S$250 million perpetual securities issuance and partial utilisation of proceeds to pare down debt. Together with the proceeds from the perpetual securities, the debt headroom provides AA REIT with capacity to complete the acquisition of the Woolworths HQ. However, this does

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[1] *The property's NPI yield of 6.2% is based on the first year of ownership of S$6.3 million over the Purchase Consideration of S$102.0 million. The property's NPI yield based on the estimated total acquisition costs of S$106.6 million would be 5.9%. Refer to the announcement on 27 January 2021 for further details.*

[2] *Using an illustrative exchange rate of A$1.00 : S$0.98.*

not preclude the Manager from funding the acquisition via a combination of debt, proceeds from the perpetual securities and/or new equity.

AA REIT's adjusted interest coverage ratio of approximately 3.3 times is also well above the minimum requirement of 2.5 times[3]. The Manager continues to monitor AA REIT's cash flows and remains focused on maintaining adequate cash reserves through prioritising critical asset enhancement, deferring uncommitted capital expenditure and implementing cost savings, where possible.

AA REIT's overall blended debt funding cost of 2.8% is lower compared to the 3.2% for 1H FY2021 mainly due to lower floating rates and lower fixed rates on the interest rate swaps and cross-currency interest rate swaps entered in FY2021.

As at 30 September 2021, AA REIT had a cash balance of approximately S$108.3 million and undrawn committed facilities of S$151.8 million. In July 2021, AA REIT has 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.

Outlook

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%.

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

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[3] *The Monetary Authority of Singapore has deferred the new 2.5 times adjusted interest coverage ratio (Adjusted ICR) requirement to 1 January 2022 in light of the current COVID-19 pandemic situation. For the purpose of the computation, interest expense included borrowing costs on lease liabilities and the interest expense for Adjusted ICR further included the amount reserved for distribution to Perpetual Securities holders.*

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.

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.

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's current portfolio consists 28 properties in Singapore and Australia, with 190 tenants across its multi-tenanted and master leased properties and diversified across a broad range of business industries. Upon the completion of the acquisition of 315 Alexandra Road and Woolworths HQ, AA REIT's portfolio will expand to 30 properties, with 27 in Singapore and three in Australia.

Additionally, 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 greater visibility and exposure to index funds, and increase trading liquidity. Furthermore, the inclusion will help strengthen AA REIT's engagement with new and existing investors and diversify its capital sources.

The Manager will remain vigilant and continue to proactively manage the portfolio to deliver long-term value for Unitholders.

Distribution and Record Date

Distribution	For 1 July 2021 to 30 September 2021	
Distribution Type	(a) Taxable Income (b) Capital Distribution[4]	
Distribution Rate	(a) Taxable Income Distribution: (b) Capital Distribution[4]	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	

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

Important Notice

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

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

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

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

About AIMS APAC REIT (www.aimsapacreit.com)

Managed by the Manager, AA REIT was established with the principal investment objective of owning and investing in a diversified portfolio of income-producing industrial, logistics and business park real estate, located throughout the Asia Pacific region. The real estate assets are utilised for a variety of purposes, including but not limited to warehousing and distribution activities, business park activities and manufacturing activities. AA REIT's existing portfolio consists of 28 properties, of which 26 properties are located throughout Singapore, a property located in Gold Coast, Queensland, Australia and a 49.0% interest in one business park property, Optus Centre, which is located in Macquarie Park, New South Wales, Australia.

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

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

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