

2 October 2026

REAL ESTATE EQUITY RESEARCH

PRICE PERFORMANCE

AIMS APAC REIT

SGX: O5RU

Bloomberg: AAREIT:SP

ISIN code: SG2D63974620

Country: Singapore

Industry: Industrial, Real Estate

2 October 2026

RECOMMENDATION: HOLD

Current price: S\$1.410

Target price: S\$1.524

Issued units: 824 million (23 Sept 2026)

Market capitalisation: S\$1.16 billion

52-week range: S\$1.350 - S\$1.670



COMPANY DESCRIPTION

AIMS APAC REIT (AA REIT) is a Singapore real estate investment trust that invests in a portfolio of income-producing real estate properties located in Singapore and Australia. The types of properties in their portfolio are logistics and warehouse, industrial, business parks and hi-tech. As at 31 March 2026, AA REIT's total assets under management is S\$2.2 billion and comprises of 24 Singapore properties and 3 Australia properties. AA REIT has acquired an additional industrial property in Perth, Australia for S\$39.9 million and is expected to contribute DPU accretion of approximately 0.3% on a pro forma basis.

SUMMARY

For the financial year ended 31 March 2026 (FY2026), AIMS APAC REIT's (AA REIT) gross revenue rose by 2.2% year-on-year (y-o-y) to S\$190.7 million from S\$186.6 million in FY2025, while net property income (NPI) increased by 5.7% to S\$141.3 million from S\$133.7 million, supported by contributions from completed asset enhancement initiatives (AEIs), the 2 Aljunied Avenue 1 acquisition and lower property expenses. Distributions to unitholders rose by 3.1% to S\$80.6 million from S\$78.2 million, while distribution per unit (DPU) increased by 2.6% to 9.850 Singapore cents from 9.600 Singapore cents. Aggregate leverage decreased to 26.8% from 28.9% y-o-y.

RECOMMENDATION

Our valuation considers AA REIT's P/E multiple, P/B multiple and distribution yield relative to its selected peers and historical averages. We recognise that property revaluations do significantly affect reported earnings and may limit the comparability of historical P/E multiples. Taking into account our peer and historical valuation approaches together, we derive a target price of S\$1.524, representing upside potential of 8.1% from the current unit price of S\$1.410.

Potential catalysts include successful AEIs and capital recycling endeavours, data centre development optionality for AA REIT's Australian properties, future Tuas Mega Port and the Changi East development project. These catalysts could support industrial and logistics demand for AA REIT's portfolio of properties. However, AA REIT remains exposed to risks associated with higher interest rates such as higher financing costs and distribution yield expected by investors. Tenant concentration risk and unfavourable exchange rate movements also pose risks to AA REIT's income stability and total returns, which would consequently affect the target price.

KEY FINANCIALS	Revenue	Earnings ⁽¹⁾	EPD ⁽²⁾	P/E	DPU	Distribution Yield	NAV per unit	P/B
Year ended 31 March	(S\$ million)	(S\$ million)	(cents)	(x)	(cents)	(%)	(cents)	(x)
2025 Actual	186.6	32.7	4.03	35.0	9.60	6.81%	123.00	1.15
2026 Actual	190.7	107.8	13.20	10.7	9.85	6.99%	128.00	1.10
2027 Forecast	193.8	86.1	10.44	13.5	10.09	7.16%	n.a.	n.a.
2028 Forecast	197.9	93.7	11.25	12.5	10.95	7.77%	n.a.	n.a.

Note: P/E, P/B, and dividend yield based on current unit price of S\$1.410. n.a. = not available.

⁽¹⁾ Total return after income tax attributable to Unitholders.

⁽²⁾ Diluted Earnings Per Unit.

Source: AA REIT, FPA

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COMPANY OVERVIEW

(I) CORPORATE PROFILE

AIMS APAC REIT (AA REIT) is a Singapore-domiciled real estate unit trust that invests in income-producing real estate located throughout the Asia-Pacific region used for industrial purposes, including, but not limited to, warehousing and distribution activities, business park activities and manufacturing activities. Rental income from these assets supports distributions to unitholders, while acquisitions, asset enhancement initiatives (AEIs) and redevelopment provide strategic avenues for revenue growth.

AA REIT was constituted on 5 December 2006 under a trust deed and is currently managed by AIMS APAC REIT Management Limited, with HSBC Institutional Trust Services (Singapore) Limited serving as the trustee and AIMS Financial Group as the Sponsor. AA REIT is listed on the Mainboard of Singapore Exchange Securities Trading Limited (SGX-ST).

The Manager identifies increasing focus on supply-chain reconfiguration, expansion of advanced manufacturing and hi-tech industries, and infrastructure investment as demand drivers for modern industrial spaces. These trends may support leasing demand, although their financial contribution depends on the location, specifications and contractual rental agreement of its properties. Stronger industrial activity does not translate automatically into increase in rental income, although growth may be captured through consistent rental reversions and high occupancy levels.

In recent years, AA REIT has been pursuing different strategies to grow their portfolio. FY2021 and FY2022 had been acquisition-heavy years while FY2023 and FY2024 had a greater emphasis on organic growth. FY25 combined AEI completions, acquisitions, divestment and refinancing initiatives. Currently AA REIT is pursuing opportunities in data centres through redevelopment or conversion of existing assets, selective purchases of land-rich properties near critical infrastructure, and partnerships with institutional operators. Development-related earnings will depend on project feasibility, approvals from the relevant authorities, prudent financing and successful execution.

As at 30 June 2026, AA REIT's total assets were S\$2.4 billion and net assets of S\$1.7 billion.

(II) TRUST STRUCTURE

This sub section provides an overview of AA REIT's trust structure. We will also highlight the roles of the individual entities within the trust structure and the relationship between these entities.

Manager of AIMS APAC REIT – AIMS APAC REIT Management Limited

AA REIT is externally managed by AIMS APAC REIT Management Limited (Manager), who holds a capital markets services license issued by the Monetary Authority of Singapore (MAS) to conduct real estate investment management activities. The Manager's primary role is to set the strategic direction in AA REIT and make recommendations to AA REIT's trustee - HSBC Institutional Trust Services (Singapore) Limited (Trustee), on any acquisition, divestment and enhancement of the assets of AA REIT in accordance with its stated investment strategy.

The Manager has general powers of management over AA REIT's assets, and its main responsibility is to manage the assets and liabilities of AA REIT in the best interests of the unitholders of AA REIT (Unitholders). This is done mainly by generating rental income and, where appropriate, increase the value of AA REIT's assets over time so as to enhance the returns from investments, distributions and total return to the Unitholders.

The Manager is wholly owned by AIMS Financial Group, who is also the sponsor of AA REIT.

The Manager is entitled to receive base fee, performance fee, acquisition and divestment fee, which are payable in the form of cash and/or Units.

Trustee of AIMS APAC REIT – HSBC Institutional Trust Services (Singapore) Limited

HSBC Institutional Trust Services (Singapore) Limited acts as the trustee who acts on behalf of AA REIT unitholders. 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 unitholders.

Under the Trust Deed, the Trustee's fees shall not exceed 0.1% per annum of the value of the Deposited Property (as defined in the Trust Deed) or such higher percentage as may be fixed by an extraordinary resolution at a Unitholders meeting. The fee is accrued daily and is payable out of the value of the Deposited Property on a monthly basis in arrears. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

Property Manager of AIMS APAC REIT – AIMS APAC Property Management Pte. Ltd

The Property Manager of AA REIT is AIMS APAC Property Management Pte. Ltd (AAPM). AAPM is appointed by the Manager and Trustee to operate, maintain and market all of AA REIT's Singapore properties. The Manager and Trustee entered into a new property management agreement with the Property Manager to provide such property management services for a period of three years commencing from 1 September 2024. Services provided by the Property Manager includes asset management, marketing and leasing, and development and facility management.

The asset management team is responsible for the operational performance of AA REIT's Singapore properties, which includes identification and execution of strategies to enhance property returns, valuation and performance, as well as planning and feasibility of AEs and capital improvement works.

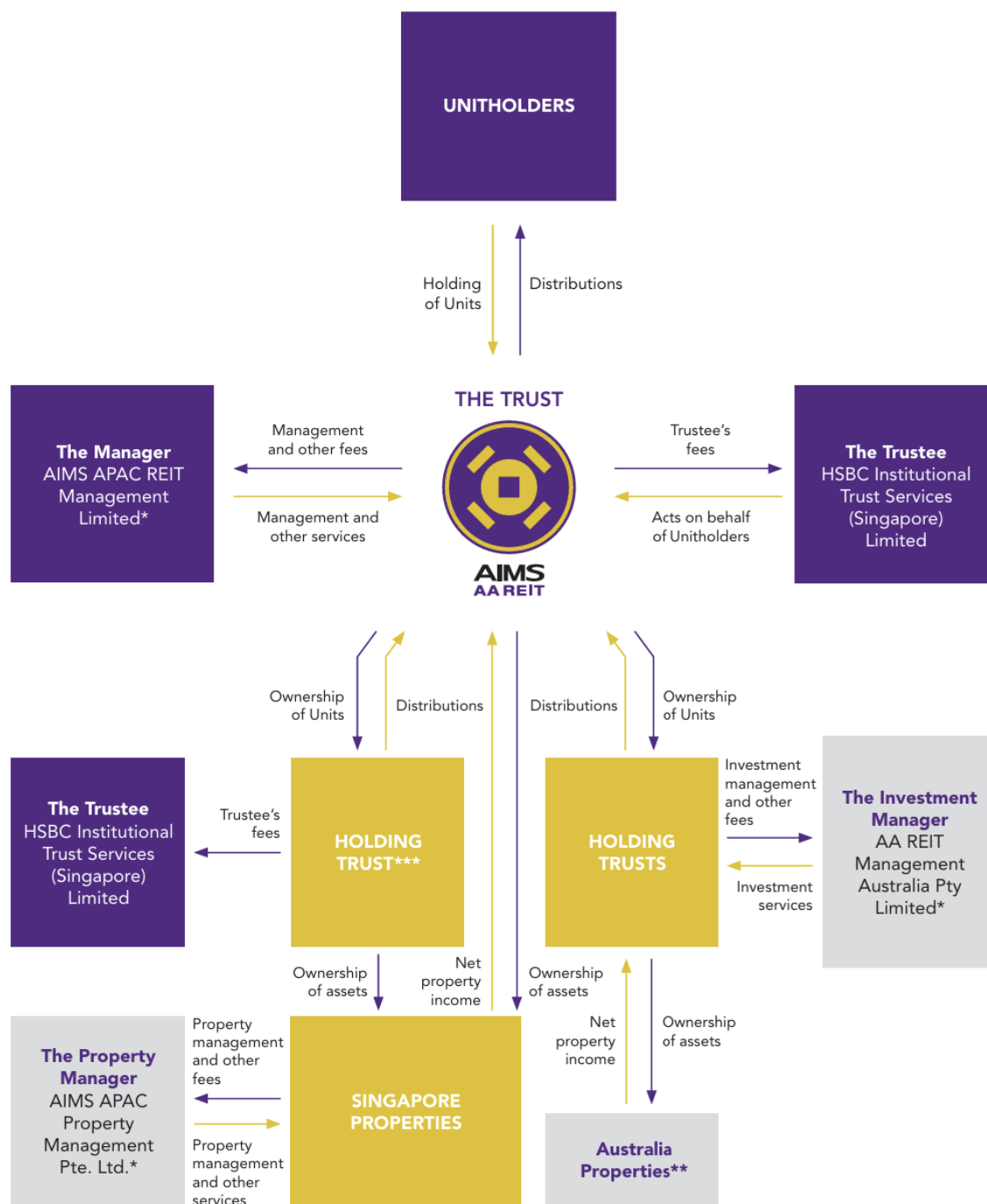
The marketing and leasing team actively secures new and suitable tenancies. They maintain a strong network of customer and agent relationships and are actively involved in the leasing process to successful contract finalisation. The team also seeks new capital partnerships for asset portfolio expansion.

The development and facility management team provides onsite services for tenants to ensure optimal functionality, comfort, safety, efficiency and compliance. The team also oversees the execution of all development and AEs under AA REIT and works closely with the REIT Manager and tenants to provide fit-for-purpose and sustainable properties.

The fees payable to the Property Manager in respect of all of the Singapore investment properties include a property management fee, lease management fee, marketing services commission, project management fee (in relation to development or redevelopment, refurbishment, retrofitting, renovation and reinstatement works on a property), property tax service fee (in respect of any property tax objections submitted to the tax authority) and employment costs and remuneration (relating to employees of the Property Manager engaged to provide site supervision). These fees are payable monthly in arrears.

Offshore Holding Trusts

AA REIT owns its Australia properties through a holding trust. The Australian properties are Woolworths Headquarters, Optus Centre and Boardriders Asia Pacific Headquarters. AA REIT Management Australia Pty Limited is the appointed Investment Manager and is entitled to receive an investment management fee payable monthly in arrears.

Exhibit 1: AA REIT Trust Structure

* Indirectly owned by AIMS Financial Group.

** The Australian properties are Woolworths Headquarters, Optus Centre and Boardriders Asia Pacific Headquarters. Optus Centre is held through a joint venture and the joint venture partners have certain pre-emptive right that may be triggered if there are changes in the trust ownership structure.

*** The Sub-Trust qualifies as an Approved Sub-Trust for tax transparency treatment under Section 43(2A) of the Singapore Income Tax Act 1947.

Source: AIMS APAC REIT

(III) TRUST PORTFOLIO OVERVIEW

AIMS APAC REIT ("AA REIT") owns a diversified portfolio of income-producing logistics, warehouse, industrial, business park and hi-tech properties in Singapore and Australia. Its properties accommodate storage and distribution, manufacturing, corporate offices and specialised technical activities.

Portfolio Composition and Geographic Exposure

At 31 March 2026, the portfolio comprised 28 properties, consisting of 25 in Singapore and three in Australia. AA REIT reported an aggregate portfolio valuation of approximately S\$2.25 billion, with Singapore accounting for approximately 71.6% and Australia 28.4%. The Australian exposure includes AA REIT's 49.0% interest in Optus Centre.

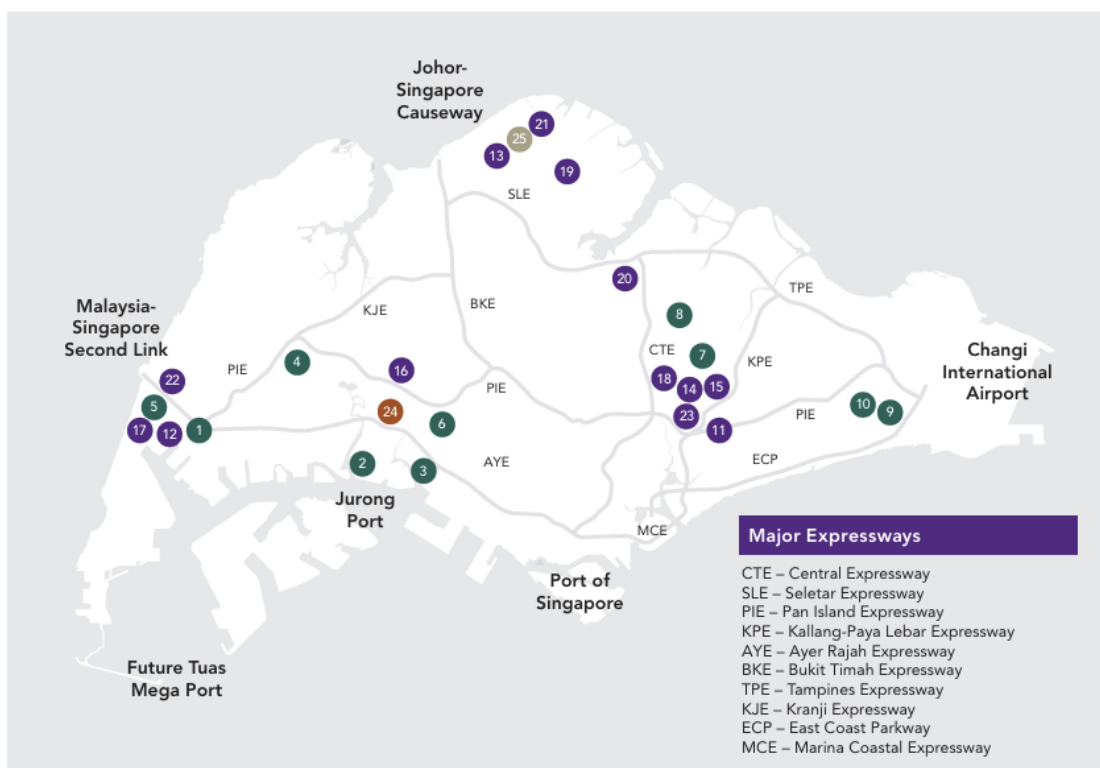
The disposal of 8 Senoko South Road was completed on 16 April 2026, reducing the Singapore portfolio to 24 properties. AA REIT subsequently announced completion of its Hazelmere acquisition in Perth on 5 August 2026. Currently, AA REIT's portfolio comprises of 28 properties - 24 in Singapore and 4 in Australia.

The Singapore portfolio includes logistics and warehouse facilities such as 20 Gul Way, 27 Penjuru Lane, 7 Bulim Street and 8 & 10 Pandan Crescent. Industrial assets include 15 Tai Seng Drive, 23 Tai Seng Drive and Framework Building at 2 Aljunied Avenue 1. The portfolio also includes 1A International Business Park and the hi-tech property at 29 Woodlands Industrial Park E1.

Australia's properties comprise Woolworths Headquarters at Bella Vista and Optus Centre at Macquarie Park in New South Wales, Boardriders Asia Pacific Headquarters on Queensland's Gold Coast, and the subsequently acquired Hazelmere industrial property in Western Australia. Woolworths Headquarters and Optus Centre are business-park office assets, while Boardriders and Hazelmere provide light-industrial exposure. These distinctions matter because their leasing markets and occupier requirements differ.

Singapore provides the majority of rental income, while Australia broadens the portfolio's geographic exposure. The Australian contribution also introduces sensitivity to local leasing conditions and the translation of Australian-dollar income into Singapore dollars. Portfolio-value weightings measure exposure to property values, whereas gross rental income weightings describe the current income base; these measures serve different analytical purposes.

Exhibit 2 shows AA REIT's Singapore properties and their geographical distribution, while **Exhibit 3** shows AA REIT's Australian properties.

Exhibit 2: Geographical Distribution of AA REIT's Singapore Properties**LOGISTICS & WAREHOUSE**

- 1 20 Gul Way
- 2 27 Penjuru Lane
- 3 8 & 10 Pandan Crescent
- 4 7 Bulim Street
- 5 30 Tuas West Road
- 6 7 Clementi Loop
- 7 103 Defu Lane 10
- 8 56 Serangoon North Avenue 4
- 9 11 Changi South Street 3
- 10 10 Changi South Lane

INDUSTRIAL

- 11 2 Aljunied Avenue 1
- 12 3 Tuas Avenue 2
- 13 51 Marsiling Road
- 14 23 Tai Seng Drive
- 15 15 Tai Seng Drive
- 16 1 Bukit Batok Street 22
- 17 8 Tuas Avenue 20
- 18 135 Joo Seng Road
- 19 61 Yishun Industrial Park A
- 20 2 Ang Mo Kio Street 65
- 21 8 Senoko South Road²
- 22 26 Tuas Avenue 7
- 23 1 Kallang Way 2A

BUSINESS PARK

- 24 1A International Business Park

HI-TECH

- 25 29 Woodlands Industrial Park E1

¹ As at 31 March 2026

² Divestment completed on 16 April 2026

Source: AIMS APAC REIT

Exhibit 3: Geographical Distribution of AA REIT's Australian Properties***INDUSTRIAL**

- 28 Boardriders Asia Pacific HQ, 209-217 Burleigh Connection Road, Burleigh Waters, QLD 4220

BUSINESS PARK

- 26 Woolworths HQ, 1 Woolworths Way, Bella Vista, NSW 2153
- 27 Optus Centre, 1-5 Lyonpark Road, Macquarie Park, NSW 2113

* AA REIT announced its Hazelmere acquisition in Perth on 5 August 2026, which is not reflected in the above exhibit.
Source: AIMS APAC REIT

Tenant Base and Lease Structure

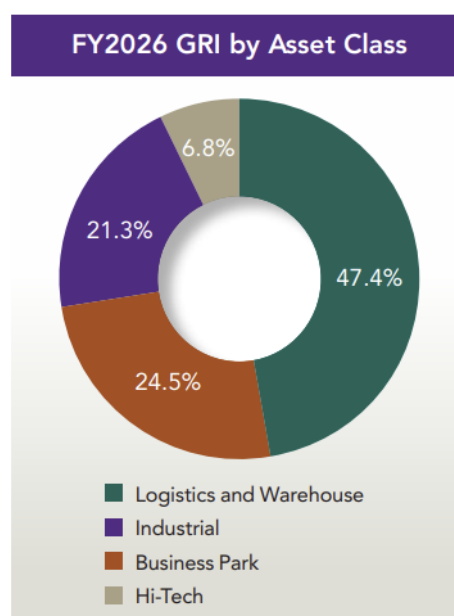
At 30 June 2026, AA REIT had 186 tenants. Its ten largest tenants represented 49.4% of gross rental income (GRI), led by Woolworths at 12.4%, Optus at 9.6% and Illumina Singapore at 6.6% as shown in **Exhibit 4**. The largest tenant-industry exposures were logistics, at 26.6%, food and staples, at 18.1%, and data centres and telecommunications, at 14.1% as shown in **Exhibit 5**.

Exhibit 4: AA REIT's Top 10 Tenants by GRI

Top 10 Tenants by GRI FY2026	Primary Trade Sector	% of Portfolio GRI	WALE (years)
1 Woolworths Ltd.	Food & Consumer Staples	12.4%	5.5
2 Optus Administration Pty Limited	Telecommunications	9.5%	7.3
3 Illumina Singapore Pte. Ltd.	Life Sciences	6.6%	4.6
4 KWE-Kintetsu World Express (S) Pte. Ltd.	Logistics	6.1%	2.8
5 Schenker Singapore (S) Pte. Ltd.	Logistics	3.7%	1.3
6 Beyonics International Pte. Ltd.	Precision Engineering	3.3%	2.1
7 ResMed Asia Pte. Ltd.	Healthcare	2.7%	3.9
8 Racks Central Pte. Ltd.	Data Centre	2.0%	4.0
9 Blue Water Shipping Singapore Pte. Ltd.	Logistics	1.6%	3.6
10 Boardriders Inc	Fashion & Retail	1.6%	5.3
Total		49.5%	4.6

Source: AIMS APAC REIT

Exhibit 5: AA REIT GRI Contribution per Asset Class

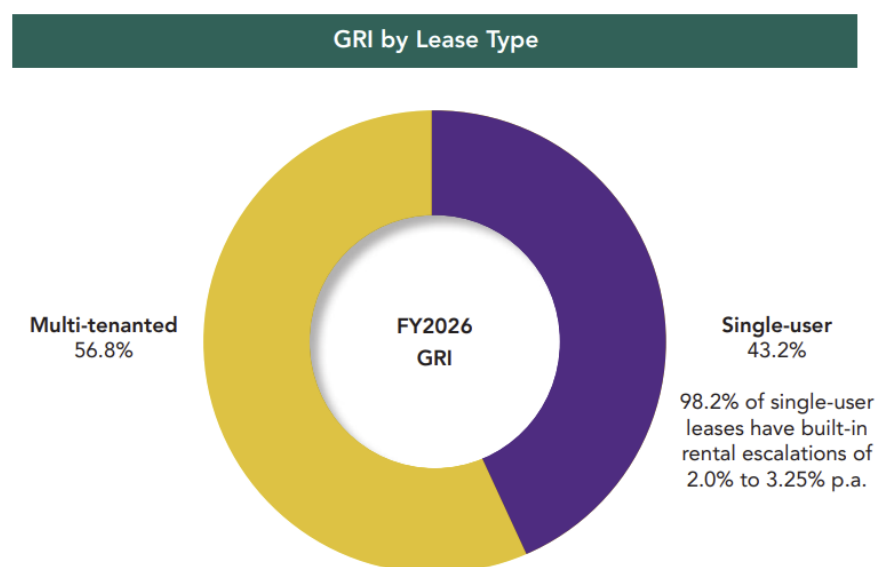


Source: AIMS APAC REIT

This tenant mix provides exposure to several sources of demand, making AA REIT's portfolio defensive and diversified. AA REIT's combination of single-user (43.2%) and multi-tenanted properties (56.8%), as shown in **Exhibit 6**, balances contractual

income visibility with opportunities to capture market rental growth. Single user properties, especially the Australian properties, tend to offer longer leases with built-in rental escalations, as well as freehold tenure and larger land parcels that can provide longer-term AEI, redevelopment and alternative-use optionality, though they do risk concentrated exposure to individual occupiers which is most prominent when their lease is about to expire. Multi-tenanted properties distribute exposure across more occupiers and allows for ongoing lease renewals to be kept up to date with the market, provided management is able to consistently achieve robust occupancy levels.

Exhibit 6: AA REIT GRI by Lease Type and Upcoming Lease Expiry Schedule



Lease Expiry as % of Total GRI					
	Logistics & Warehouse	Industrial	Business Park	Hi-Tech	Grand Total
FY2027	10.5%	2.6%	0.7%	0.0%	13.8%
FY2028	8.6%	2.9%	0.4%	1.9%	13.8%
FY2029	15.1%	4.7%	0.4%	0.0%	20.2%
FY2030	6.4%	5.9%	0.8%	0.0%	13.1%
FY2031 and beyond	6.8%	5.6%	22.1%	4.6%	39.1%

Source: AIMS APAC REIT

Occupancy and Lease Expiry

Portfolio occupancy was 96.1% at 30 June 2026, with a weighted average lease expiry (WALE) of 3.6 years. The Manager reported positive rental reversion of 6.5% and a tenant retention rate of 73.4%. These indicators demonstrate strong leasing performance.

Land Tenure and Property Valuations

At 31 March 2026, freehold assets represented 28.4% of portfolio value. Excluding freehold properties, the valuation-weighted average remaining land tenure was 25.5 years. Freehold ownership removes a fixed land-lease expiry, while leasehold assets require consideration of the remaining period over which rental income and returns on capital expenditure can be earned.

Property valuations provide a reference for assessing net asset value. For AA REIT, a holistic assessment of portfolio quality requires a combination of property values with lease security, tenant concentration, remaining land tenure and the expenditure required to maintain the assets' competitiveness.

(IV) JOINT VENTURE – OPTUS CENTRE

Macquarie Park Trust (MPT) is an unlisted joint arrangement in which AA REIT has joint control via unitholders' agreement with Stockland – an Australian-listed property group and owns 49.0% interest in equity. MPT holds Optus Centre, a Grade A business park complex located in Macquarie Park, New South Wales 2113, 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.

(V) SUBSTANTIAL UNITHOLDINGS

As at 26 May 2026, AA REIT's largest unitholder is Citibank Nominees Singapore Pte Ltd (20.02%), followed by Phillip Securities Pte Ltd (11.87%) and DBS Nominees (Private) Limited (9.20%).

The top twenty largest unitholders are listed below in **Exhibit 7**.

Exhibit 7: 20 Largest Registered Unitholders

No.	Name	Number of Units	%
1	Citibank Nominees Singapore Pte Ltd	164,266,705	20.02
2	Phillip Securities Pte Ltd	97,407,218	11.87
3	DBS Nominees (Private) Limited	75,529,968	9.20
4	RHB Bank Nominees Pte Ltd	68,625,027	8.36
5	HSBC (Singapore) Nominees Pte Ltd	55,897,954	6.81
6	Raffles Nominees (Pte.) Limited	42,015,614	5.12
7	DBSN Services Pte. Ltd.	32,307,366	3.94
8	ABN AMRO Clearing Bank N.V.	12,306,330	1.50
9	OCBC Securities Private Limited	10,741,556	1.31
10	United Overseas Bank Nominees (Private) Limited	8,272,742	1.01
11	IFAST Financial Pte. Ltd.	6,714,426	0.82
12	OCBC Nominees Singapore Private Limited	6,558,348	0.80
13	Morgan Stanley Asia (Singapore) Securities Pte Ltd	5,745,403	0.70
14	Maybank Securities Pte. Ltd.	5,377,296	0.66
15	BPSS Nominees Singapore (Pte.) Ltd.	5,304,767	0.65
16	MOOMOO Financial Singapore Pte. Ltd.	4,784,757	0.58
17	TIGER Brokers (Singapore) Pte. Ltd.	2,825,081	0.34
18	CGS International Securities Singapore Pte. Ltd.	2,719,228	0.33
19	UOB Kay Hian Private Limited	2,571,714	0.31
20	Ng Chung Ming	2,193,682	0.27
TOTAL		612,165,182	74.60

Source: AIMS APAC REIT, FPA

According to the AA REIT FY2026 annual report as at 26 May 2026:

AIMS APAC Capital Holdings Limited (AACHL) holds an interest in AA REIT Manager and Property Manager and is deemed to have an interest in 10,726,269 units held by the Manager and the Property Manager.

AIMS Financial Holding Limited (AFH) is deemed to have an interest in units held by AACHL and units which AACHL has interests in as AACHL is a wholly owned subsidiary of AFH.

AIMS Investment Group Holdings Pty Ltd (AIGH) is deemed to have an interest in 15,310,929 units held by AIMS Fund Management (Cayman) Limited (AFMCL) and 50,221,666 Units held by AIMS Investment Holdings Pte Ltd (AIHPL).

Mr George Wang, Great World Financial Group Pty Ltd (GWFG) and Great World Financial Group Holdings Pty Ltd (GWFGH) are deemed to have an interest in the units which AFH has interests in, units which AIGHPL has interests in, 38,024,460 units held by a fund managed by AIMS Fund Management Limited (AFML) and 346,503 units held by a fund managed by AIMS Asset Management Limited (AAML).

Mr Chan Wai Keong is deemed to have an interest in units held by Splendid Asia Macro Fund.

As at 17 September 2026, the following insider trades took place after the publication of the AA REIT annual report:

1) 29 June 2026 – Distribution Reinvestment Plan (DRP)

In accordance with the DRP, 3,132,908 new units in AIMS APAC REIT had been issued to eligible unitholders who elected to participate in respect of the distribution for the period from 1 January 2026 to 31 March 2026. Following the issue of the DRP Units, the number of issued AA REIT units increased from 820,561,494 to 823,694,402.

As a result, deemed interest of unitholding held by GWFG, GWFGH and Mr George Wang decreased from 19.06% to 18.98%.

GWFG holds a direct 100% interest in AFH, AIGH, AFML, and AAML. GWFG is therefore deemed to have an interest in the AA REIT units that AFH and AIGH have interests in and units held by funds managed by AFML and AAML.

GWFGH holds a direct 100% interest in GWFG. GWFGH is therefore deemed to have an interest in the AA REIT units that GWFG has an interest in

Mr George Wang has deemed interest in:

- (i) Units which AFH has interests in; Units which AIGH has interests in; Units held by a fund managed by AFML; Units held by a fund managed by AAML;
- (ii) GWFG, which has direct 100% interest in AFH, AIGH, AFML, and AAML;
- (iii) GWFGH, which has direct 100% interest in GWFG.

2) 14 July 2026 – Internal Corporate Reorganisation of Entities

Following the change in ownership in AIMS Investment Holdings Pte. Ltd., which is owned by AFH and AIGH, AFH and AIGH's deemed interests in AA REIT units of have changed. AFH deemed interest in AA REIT units increased following its increased ownership in AIHPL.

There is no change in the total number of units in which Mr. George Wang is deemed to have an interest in.

Post internal corporate reorganisation, Mr George Wang has deemed interests in:

- (i) Units which AFH has interests in; Units held by a fund managed by AFML; Units held by a fund managed by AAML;
- (ii) GWFG which has a direct 100% interest in AFH, AFML, and AAML;
- (iii) GWFGH which has a direct 100% interest in GWFG.

3) 6 August 2026 – Unit Issuance as Manager's Base Fee

On 6 Aug 2026, 275,758 units were issued at S\$1.5536 per unit to AA REIT Management Limited (Manager of AIMS APAC REIT) as partial payment of the base fee component of the Manager's management fee for the period 1 April 2026 to 30 June 2026,

The issue price was determined based on the volume weighted average price for a Unit for all trades on the Singapore Exchange Securities Trading Limited, in the ordinary course of trading, for the period of 10 business days immediately preceding the relevant business day in accordance with the AA REIT's Trust Deed.

Following the above-mentioned issue of units, the total number of units in issue is 823,970,160 and the Manager holds 10,574,922 units.

- (i) As Mr George Wang's associated companies and trust are the ultimate owner of the Manager, Mr George Wang is deemed to have an interest in the Units held by the Manager and holds 156,636,296 units.
- (ii) GWFG holds a direct 100% interest in AFH who has a direct 55% interest and an indirect 45% interest in the Manager. Therefore, GWFG is deemed to have an interest in the Units held by the Manager and holds 156,636,296 units (19.01%).
- (iii) GWFGH holds a direct 100% interest in GWFG. GWFGH is therefore deemed to have an interest in the Units that GWFG has an interest in and holds 156,636,296 units (19.01%).

The disclosed interests of substantial unitholders as at 17 September 2026 are summarised in **Exhibit 8**.

Exhibit 8: Substantial Unitholders and Disclosed Interests

Name	Direct interest	Deemed interest	Total interest	% of total issued Units
AIMS APAC Capital Holdings Limited	41,730,711	10,726,269	52,456,980	6.37
AIMS Financial Holding Limited	–	52,456,980	52,456,980	6.37
AIMS Investment Group Holdings Pty Ltd	–	65,532,595	65,532,595	7.95
Great World Financial Group Pty Ltd	–	156,636,296	156,636,296	19.01
Great World Financial Group Holdings Pty Ltd	–	156,636,296	156,636,296	19.01
Mr George Wang	–	156,636,296	156,636,296	19.01
Mr Chan Wai Kheong	13,393,370	32,250,269	45,643,639	5.54

Source: AIMS APAC REIT, FPA

(VI) PERPETUAL SECURITIES

In November 2018, AA REIT had established the \$750 million Multicurrency Debt Issuance Programme (MDIP) where it could issue principal amount of notes and perpetual securities. On 18 September 2026, AA REIT announced an increase in the set limit of the MDIP from S\$750 million to S\$2 billion.

During FY2026, AA REIT issued S\$150 million of subordinated perpetual securities at an initial distribution rate of 4.10% on 21 January 2026 and S\$100 million at 4.25% on 9 March 2026. The issues formed part of its refinancing strategy ahead of the redemption of the existing S\$250 million tranche carrying a 5.375% distribution rate. AA REIT subsequently announced the redemption and cancellation of that tranche on 1 September 2026.

The two new tranches carry a weighted-average initial distribution rate of 4.16%. Their combined annual distributions amount to S\$10.40 million, comprising S\$6.15 million on the S\$150 million tranche and S\$4.25 million on the S\$100 million tranche. Against annual distributions of S\$13.44 million on the redeemed tranche, this implies approximately S\$3.04 million of annualised gross savings, before issuance costs and the effects of the refinancing timetable. These calculations assume a full year at the stated rates.

AA REIT's perpetual securities structure also includes S\$125 million issued in March 2025 at 4.70%. Following the September 2026 redemption, the remaining tranches are summarised in **Exhibit 9**.

Exhibit 9: Perpetual Securities Issued by AA REIT

Issue date	Principal	Initial annual distribution rate	First distribution reset date	Annualised distributions
18 Mar 2025	S\$125 million	4.70%	18 Mar 2030	S\$5.875 million
21 Jan 2026	S\$150 million	4.10%	21 Jan 2031	S\$6.150 million
9 Mar 2026	S\$100 million	4.25%	9 Sep 2031	S\$4.250 million
Total	S\$375 million	4.34%	—	S\$16.275 million

Source: AIMS APAC REIT, FPA

The securities are unsecured and subordinated with distributions payable semi-annually in arrears on a discretionary, non-cumulative basis. The January 2026 tranche's distribution rate is initially fixed until 21 January 2031, after which it resets by reference to the prevailing five-year Singapore Overnight Rate Average Overnight Indexed Swap rate plus a spread of 2.22 percentage points.

INDUSTRY OUTLOOK

(I) SINGAPORE'S INDUSTRIAL REAL ESTATE MARKET

Singapore's industrial property market is expected to remain resilient in 2026, supported by investment in advanced manufacturing, artificial intelligence (AI) and logistics. However, growth is likely to remain uneven across property segments as occupiers balance expansion requirements against operating costs. We expect modest rental growth, with property specifications, accessibility and operational efficiency becoming increasingly important to leasing performance. A larger supply pipeline beyond 2026 could also increase competition, particularly where new developments offer tenants opportunities to upgrade or consolidate their operations.

Improving economic conditions and advanced manufacturing support demand

Singapore's economic outlook strengthened in August 2026, when the Ministry of Trade and Industry (MTI) upgraded its full-year GDP growth forecast to 4.5%–5.5%, from 2.0%–4.0%. The revision reflected stronger-than-expected first-half performance and an improved outlook arising from accelerating global AI-related capital expenditure. Real GDP expanded by 5.9% year-on-year in 2Q 2026, bringing first-half growth to 6.1%. These conditions provide a supportive backdrop for industrial activity, although stronger production may initially be accommodated through higher utilisation of existing premises rather than additional space requirements.

Over the longer term, Singapore's Manufacturing 2030 strategy aims to increase manufacturing value added by 50% between 2020 and 2030 and strengthen the country's position as a hub for advanced manufacturing. This provides a structural basis for investment in industrial facilities. Benefits for landlords will depend on the suitability of their properties for expanding industries, including tenants' requirements for power, floor loading, building configuration and supporting infrastructure.

Rents and occupancy remain stable, while occupiers remain selective

JTC's 2Q 2026 statistics showed continued improvement in industrial property market conditions. The overall industrial rental index increased by 0.5% quarter-on-quarter, while the price index rose by 0.6%. Island-wide occupancy reached 89.1%, indicating that the market continued to absorb space despite an uncertain external environment.

CBRE reported stable prime logistics rents in the first half of 2026 despite higher fuel costs faced by logistics operators, while average warehouse and factory rents were also unchanged. Business parks remain comparatively weak as business park rents declined by 0.1% despite occupancy improving by 1.2 percentage points quarter-on-quarter to 77.9% in 2Q2026. Occupancy remained below that of multiple-user factories, single-user factories and warehouses, at 90.5%, 89.3% and 89.4%, respectively.

Knight Frank identifies potential demand from qualifying occupiers seeking more affordable alternatives to prime central business district offices. Well-connected business parks with suitable amenities could benefit, although this opportunity depends on occupiers meeting the properties' permitted-use requirements.

Increasing supply could constrain medium-term rental growth

The development pipeline presents a counterweight to the favourable manufacturing outlook. Approximately 400,000 square metres of industrial space is scheduled for completion in the second half of 2026, comprising 53% single-user factories and 47% warehouses. Annual completions are expected to average approximately 1 million square metres between 2027 and 2030, compared with average annual supply and demand of approximately 700,000 square metres and 600,000 square metres, respectively, over the preceding three years.

If demand does not strengthen sufficiently, these completions could increase leasing competition and limit landlords' ability to raise rents. The impact should be assessed by location, property type and intended use as factories could serve different requirements, serving different tenant bases.

Published forecasts indicate modest rental growth in 2026

Knight Frank forecasts industrial rents to increase by 1%–3% and industrial property prices by 3%–5% in 2026, supported by manufacturing investment and resilient owner-occupier demand. Savills takes a more cautious view of individual leasing segments, expecting multiple-user factory rents to remain flat and warehouse and logistics rents to increase by approximately 1%. These conditions favour active leasing and selective asset enhancement. Properties that meet tenants' operational requirements should be better positioned to retain occupiers and capture demand, while improvements have to be made to older facilities to support their competitiveness.

For AA REIT, income growth will depend on property-level occupancy, lease expiries, contractual rental escalations and opportunities to renew leases close to prevailing market rents. We would use industry forecasts as a benchmark for future market conditions with consideration to AA REIT's leasing profile.

(II) AUSTRALIA'S REAL ESTATE MARKET & INTEREST RATES

Australia's commercial property outlook remains mixed, with occupier demand and investment performance varying across locations and property types. Industrial and logistics activity continues to provide support, while suburban office markets face greater leasing competition. Persistent inflation and elevated financing costs remain constraints on investment returns and development feasibility. For AA REIT, these conditions place emphasis on contractual income growth, tenant retention and disciplined financing.

Monetary policy remains restrictive amid elevated inflation

The Reserve Bank of Australia (RBA) raised its cash rate target by 25 basis points to 4.60% from 4.35% during the recent September 2026 meeting, following increases in February, March and May 2026. The RBA cited persistent inflation, higher energy costs and domestic capacity pressures, and indicated that further increases could be required to bring inflation sustainably back to its 2% - 3% target range.

According to the Australian Bureau of Statistics (ABS), annual consumer price inflation increased to 4.0% in August 2026, from 3.5% in July, with housing and transport contributing significantly to price growth. Trimmed mean inflation, which reduces the influence of unusually large price movements, remained at 3.6% for the third consecutive month, indicating persistent underlying price pressures.

Industrial demand remains active, while development faces constraints

Perth's industrial market remains supported by strong occupier demand and constrained land availability. CBRE reported gross take-up of approximately 409,000 sqm in the 12 months to June 2026 with vacancy at around 1%. In its September 2026 land supply research, CBRE found that only 8% of Perth's industrial-zoned land is expected to become available for development over the next five years, and it forecasts average annual new supply to fall from approximately 230,000 sqm over 2023–2026 to around 71,000 sqm over 2027–2030. These conditions provide a supportive market backdrop for AA REIT's Perth investment, while its near-term income remains governed by the existing lease.

Suburban office conditions require a separate assessment

Industrial market indicators do not directly describe the leasing environment for AA REIT's Sydney business-park properties. The Australian market research in its FY2026 annual report reported Macquarie Park vacancy of approximately 24%, with leasing incentives around 41%, indicating substantial competition for occupiers at the time of the review. Incentives such as rent-free periods and fit-out contributions can reduce landlords' effective rental income even though headline rents remain stable.

JLL's analysis of Macquarie Park identifies structural pressures from hybrid working occupier consolidation and additional office supply. Improved transport connections have also widened the range of competing locations available to tenants.

Lease security and financing costs remain important determinants of AA REIT's Australian returns. Higher Australian-dollar interest rates can increase expenses on unhedged floating-rate borrowings. Elevated interest rates may also place pressure on property valuations if investors require higher capitalisation rates, although rental escalations and stronger net property income could offset such pressures. Existing leases offer near-term income visibility, while weaker market conditions become more relevant nearer to lease expiration.

(III) AUSTRALIA'S DATA CENTRE MARKET

Australia's data centre market is experiencing strong investment and occupier demand, supported by cloud adoption, artificial intelligence (AI) and expanding digital infrastructure requirements. However, growth increasingly depends on access to power and the ability to deliver suitable facilities. These constraints favour well-located sites with credible infrastructure and development pathways, while increasing the importance of capital discipline and project execution.

Cloud and AI investment underpin demand

Major technology companies continue to commit substantial investment to Australian infrastructure. Amazon announced plans to invest A\$20 billion between 2025 and 2029 to expand, operate and maintain its Australian data centres, supporting demand for cloud computing and AI services. The programme demonstrates the scale of investment appetite, although the expenditure encompasses infrastructure operations and maintenance as well as expansion, and should not be interpreted entirely as new property development spending.

CBRE's May 2026 research indicates that hyperscale operators are absorbing much of Australia's new capacity, with AI workloads providing additional demand alongside established enterprise requirements. Sydney and Melbourne remain the principal markets, while Perth and Brisbane offer longer-term growth opportunities supported by land availability, power access and connectivity. CBRE also identifies increasing demand for large, purpose-built facilities, suggesting that older, smaller data centres may not benefit equally from sector growth.

Published forecasts point to continued capacity constraints

Despite a substantial development pipeline, CBRE projects a combined supply shortfall of approximately 1.5 gigawatts in Sydney and Melbourne by 2028. Its 2026 outlook also anticipates higher colocation prices in both markets. These forecasts suggest continued pricing support for suitable capacity, though it depends on demand materialising and the timing of new facilities becoming operational.

Cushman & Wakefield's H1 2026 update provides further regional context. Across Asia Pacific, the development pipeline expanded to approximately 26.5 gigawatts, comprising 4.8 gigawatts under construction and 21.7 gigawatts in planning. Regional vacancy nevertheless declined to 10.3%, from 10.9% in H2 2025, despite new completions. Power availability, infrastructure readiness and regulatory certainty were identified as increasingly decisive factors in determining where growth would occur.

However, JLL identifies power availability and connection timelines as major barriers in Sydney and Melbourne. It also observes growing use of development partnerships that separate property ownership from operations, allowing investors to work with specialist operators on increasingly capital-intensive projects. This creates potential routes for property owners to participate without independently developing the full operating capabilities of a data centre business.

Implications for AA REIT

AA REIT's FY2026 annual report states that two of its Australian assets were among 15 data centre projects, representing A\$51.9 billion of proposed investment, endorsed through the New South Wales Investment Delivery Authority process. This supports the strategic relevance of the potential redevelopment opportunities at Woolworths Headquarters and Optus Centre. These opportunities are potential sources of mid to long term growth. Their commercial attractiveness will depend on a wide array of factors, including power availability, connection costs, planning conditions, development expenditure and arrangements with existing tenants.

RECENT DEVELOPMENTS

(I) APPOINTMENT OF NEW CEO

On 1 October 2026, Ms Lim Joo Lee took over as the CEO of the Manager as announced on 24 July 2026. The CFO function will still be covered by Ms Lim until the incoming CFO commences his role at the end of December 2026. The previous CEO - Mr Russell Ng has stepped down after nearly five years as CEO to pursue other professional interests.

Ms Lim joined the Manager in October 2021 and has more than 25 years of experience across financial and management reporting, auditing, treasury and capital management. Her previous roles included positions with a Big Four accounting firm and a Singapore-listed REIT. She holds a Bachelor of Science with First Class Honours in Applied Accounting from Oxford Brookes University, is a Chartered Accountant of Singapore and a Fellow of the Association of Chartered Certified Accountants and serves on the Institute of Singapore Chartered Accountants' CFO Committee.

Mr Ng joined the Manager in September 2020 and became CEO in November 2021. He has more than 22 years of experience in Asia-Pacific real estate investment, asset management and corporate finance, and holds an MBA from Imperial College and degrees in Applied Finance and Commerce (Accounting) from Macquarie University.

The succession was discussed at the annual general meeting held on 28 July 2026. In response to unitholder questions, Mr Ng explained that Ms Lim's responsibilities extended beyond finance to major investment decisions, financial underwriting, capital management and growth initiatives, giving her a detailed understanding of the portfolio and its operations. Chairman Mr George Wang also highlighted the Manager's collaborative approach and the experience of its teams in Singapore and Australia, expressing the Board's confidence in Ms Lim's leadership.

Ms Lim affirmed her commitment to strategic continuity, including pursuing growth initiatives, actively managing the portfolio and leasing activities, and strengthening the REIT's capital markets capabilities to optimise its cost of capital. Ms Lim's familiarity with the business and continued support from the Board and management team should assist the handover, although execution of investment and capital-management priorities will remain the principal measure of the transition's success.

(II) RECENT ACQUISITION – PERTH FREEHOLD INDUSTRIAL PROPERTY

On 5 August 2026, AA REIT has completed the acquisition of 398 Bushmead Road and 286 Stirling Crescent in Hazelmere, Perth, Western Australia, for A\$42.70 million. The property comprises two adjoining freehold land parcels with a combined area of approximately 9.15 hectares. The purchase consideration matched Colliers' independent valuation as at 27 February 2026, while the estimated total acquisition outlay was A\$44.3 million.

The property is fully leased to Swan Materials Pty Ltd under a 10-year triple-net lease that commenced on 1 October 2025, with fixed annual rental increases of 3.25% and two further 10-year renewal options. The Manager indicated a Year 1 net property income (NPI) yield of 5.3% and approximately 0.3% pro forma DPU accretion based on FY2026 results, assuming 100% debt funding. This existing lease provides income visibility and contractual rental growth.

Beyond its existing rental income, the Manager identified longer-term potential for modern warehousing or data-centre redevelopment, supported by the site's scale, location and proximity to the Guildford Terminal Substation. Realising this potential would depend on technical and commercial feasibility, as well as infrastructure availability.

The acquisition broadens AA REIT's geographic exposure within Australia and adds a freehold asset with contractual rental growth to its portfolio. The principal considerations are the property's reliance on a single tenant and the Australian-dollar exposure.

UNIT PRICE DEVELOPMENT



Source: Yahoo Finance, FPA

On 5 November 2025, AA REIT released its 1H FY2026 financial results. Net property income rose by 1.1% to S\$68.4 million in 1H FY2026 from S\$67.6 million in 1H FY2025 while distribution per unit (DPU) increased by 1.1% to S\$0.0472 in 1H FY2026 from S\$0.04670 in 1H FY2025. Unit price rose by 3.6% to S\$1.43 on 10 November 2025 from S\$1.38 on 4 November 2025.

On 11 December 2025, the Fed cut rates by 25 basis points to 3.50%–3.75%. Unit price rose by 2.8% to S\$1.48 on 17 December 2025 from S\$1.44 on 11 December 2025.

On 12 January 2026, AA REIT announced a proposed S\$150 million issue of perpetual securities at 4.10%. Unit price rose by 1.3% to S\$1.53 on 14 January 2026 from S\$1.51 on 12 January 2026.

On 29 January 2026, the Fed held rates at 3.50%–3.75% following three consecutive cuts, noting signs of stabilisation in unemployment rate and “somewhat elevated” inflation. Unit price fell by 2.6% to S\$1.48 on 2 February 2026 from S\$1.52 on 29 January 2026.

On 5 February 2026, AA REIT released its 3Q FY2026 business update before the stock market opened, reporting improved occupancy levels, positive rental reversions, increased net property income and quarterly distribution of 2.530 cents and 9M DPU of 7.250 cents – an increase of 2.5% y-o-y. Unit price rose by 3.4% to S\$1.54 on 5 February 2026 from S\$1.49 on 4 February 2026.

On 13 February, AA REIT units went ex-distribution for the 2.530 Singapore-cent payout. Unit price fell by 2.6% to S\$1.50 on 13 February 2026 from S\$1.54 on 12 February 2026.

On 26 February 2026 after market close, AA REIT priced S\$100 million of perpetual securities at 4.25%, with issuance scheduled for 9 March 2026. Unit price rose by 0.7% to S\$1.51 on 27 February 2026 from S\$1.50 on 26 February 2026.

On 28 February 2026, the US and Israel launched strikes on Iran, raising concerns about disrupted oil supplies and the inflation and interest-rate outlooks. Unit price fell by 5.3% to S\$1.43 on 4 March 2026 from S\$1.51 on 27 February 2026.

On 4 March 2026, AA REIT announced the proposed sale of 8 Senoko South Road for S\$15.0 million, representing an 11.1% premium to valuation. Unit price fell by 3.38% to S\$1.43 on 4 March 2026 from S\$1.48 on 3 March 2026.

On 9 March 2026, oil prices surged above US\$100 a barrel, briefly exceeding US\$119, as the US-Iran conflict disrupted supplies and prompted production cuts by Gulf producers. Unit price fell by 4.2% to S\$1.38 on 9 March 2026 from S\$1.44 from 6 March 2026.

On 17 March 2026, the Reserve Bank of Australia raised its cash rate by 25 basis points to 4.10%, while on 18 March 2026, the Fed maintained its policy rate at 3.50%–3.75%. Unit price rose by 2.8% to S\$1.45 on 20 March 2026 from S\$1.41 on 16 March 2026.

On 8 April 2026, the US and Iran agreed to a two-week ceasefire. Unit price rose by 2.8% to S\$1.47 on 8 April 2026 from S\$1.43 on 7 April 2026.

On 20 April 2026, AA REIT published news that the New South Wales Government had endorsed data-centre proposals involving two of its Sydney assets, the Optus Centre at Macquarie Park and Woolworths headquarters at Bella Vista. Unit price rose by 0.7% to S\$1.52 on 21 April 2026 from S\$1.51 on 20 April 2026.

On 7 May 2026, AA REIT release their FY2026 full-year results. DPU increased by 2.6% to 9.85 Singapore cents, with a fourth-quarter distribution of 2.60 cents. Unit price rose by 3.9% to S\$1.58 on 7 May 2026 from S\$1.52 on 6 May 2026.

On 15 May 2026, AA REIT units traded ex-distribution for the 2.600 Singapore-cent payout. Unit price fell by 1.9% to S\$1.54 on 15 May 2026 from S\$1.57 on 14 May 2026.

On 3 July 2026, the US jobs report underperformed market expectation, which may have eased concern on possible rate hike by the Fed. Unit price rose sharply by 4.4% to S\$1.65 on 3 July 2026 from S\$1.58 on 2 July 2026.

On 30 July 2026, AA REIT released its 1Q FY2027 business update: Revenue increased 6.6% to S\$50.6 million, net property income increased 12.5% to S\$38.4 million and DPU rose 2.5% year on year to 2.337 Singapore cents. On the same day, the Fed maintained rates at 3.50%–3.75%. Unit price fell by 3.0% to S\$1.60 on 31 July 2026 from S\$1.65 on 29 July 2026.

On 7 August 2026, AA REIT units went ex-distribution for the 2.337 Singapore-cent payout. Unit price fell by 3.2% to S\$1.53 on 7 August 2026 from S\$1.58 on 6 August 2026.

On 11 August 2026, the long-term Treasury yields rose as the 30-year Treasury yield reached approximately 5.24%. Unit price fell by 2.0% to S\$1.50 on 11 August 2026 from S\$1.53 on 7 August 2026.

On 20 August 2026, US Treasury increased the size of their bond buyback, causing long-term yields to fall temporarily. Unit price rose by 1.4% to S\$1.49 on 21 August 2026 from S\$1.47 on 20 August 2026.

On 1 September 2026, AA REIT redeemed and cancelled S\$250 million of 5.375% perpetual securities. Unit price fell by 2.0% to S\$1.46 on 1 September 2026 from S\$1.49 on 31 August 2026.

For the first two weeks of September 2026, renewed US-Iran tension, rising long-term bond yields, higher US CPI and strong US job report raised market expectation for a September Fed rate hike. Unit price fell by 2.7% to S\$1.42 on 11 September 2026 from S\$1.46 on 1 September 2026.

On 29 September 2026, RBA increased the cash rate target by 25 basis points to 4.60% from 4.35%. Despite the increase in cash rate target, unit price rose by 1.4% to S\$1.43 on 30 September 2026 from S\$1.41 on 29 September 2026.

FINANCIAL ANALYSIS

(I) FINANCIAL ANALYSIS

Gross revenue:

Gross revenue for FY2026 of S\$190.7 million was S\$4.0 million or 2.2% higher compared to FY2025 as shown in **Exhibit 10**. The increase in gross revenue was mainly due to higher rental and recoveries from AA REIT's logistics & warehouse, and industrial properties as well as higher income from 7 Clementi Loop following the completion of AEIs. This was further supported by rental income from the acquisition of 2 Aljunied Avenue 1 completed on 20 November 2025, partially offset by the loss of revenue from the divestment of 3 Toh Tuck Link.

Exhibit 10: AA REIT Gross Revenue Growth (FY2021 – FY2026)

S\$ '000	FY2021	FY2022	Actual		FY2025	FY2026
			FY2023	FY2024		
Gross revenue	122,633	142,390	167,382	177,281	186,626	190,665
Growth	-	16.1%	17.6%	5.9%	5.3%	2.2%

Source: AIMS APAC REIT, FPA

For FY2026, AA REIT's Singapore properties revenue contribution was 86.2% while Australia properties revenue contribution was 13.8%, as shown in **Exhibit 11**.

Exhibit 11: AA REIT Geographical Revenue Breakdown (FY2022 – FY2026)

S\$ '000	FY2022	%	FY2023	%	Actual		FY2025	%	FY2026	%
					FY2024	%				
Singapore	128,819	90.5%	138,410	82.7%	150,048	84.6%	159,763	85.6%	164,387	86.2%
Australia	13,571	9.5%	28,972	17.3%	27,233	15.4%	26,863	14.4%	26,278	13.8%
Total Revenue	142,390	100.0%	167,382	100.0%	177,281	100.0%	186,626	100.0%	190,665	100.0%

Source: AIMS APAC REIT, FPA

Property rental income:

Property rental income increased by 4.1% to S\$144 million in FY2026 from S\$138 million in FY2025. **Exhibit 12** presents AA REIT's property rental income growth over the past five years.

Exhibit 12: AA REIT Property Rental Income Growth (FY2022 – FY2026)

S\$ '000	FY2021	FY2022	Actual		FY2025	FY2026
			FY2023	FY2024		
Property rental income	84,932	105,710	125,526	131,965	137,895	143,540
Growth	-	24.5%	18.7%	5.1%	4.5%	4.1%

Source: AIMS APAC REIT, FPA

Gross rental income by property:

In FY2026, AA REIT's logistics & warehouse property contributed S\$88.4 million or 47.3% of the total gross rental income, while AA REIT's industrial, business park and hi-tech properties contributed S\$39.9 million (21.4%), S\$45.8 million (24.5%) and S\$12.7 million (6.8%) respectively. Gross rental income contribution by each property is summarised in **Exhibit 13**.

Exhibit 13: Gross Rental Income Contribution by Property in FY2026

(in S\$ million unless indicated otherwise)	Lease type	FY2026	
		Actual	Percentage
<u>Logistics & Warehouse</u>			
20 Gul Way	Multi-Tenanted	27.9	14.9%
27 Penjuru Lane	Multi-Tenanted	18.5	9.9%
8 & 10 Pandan Crescent	Multi-Tenanted	13.6	7.3%
7 Bulim Street	Master Lease	11.4	6.1%
30 Tuas West Road	Multi-Tenanted	5.1	2.7%
7 Clementi Loop	Master Lease	1.5	0.8%
103 Defu Lane 10	Multi-Tenanted	3.2	1.7%
56 Serangoon North Avenue 4	Master Lease	3.0	1.6%
11 Changi South Street 3	Multi-Tenanted	2.2	1.2%
10 Changi South Lane	Multi-Tenanted	2.0	1.1%
		88.4	47.3%
<u>Industrial</u>			
2 Aljunied Avenue 1	Multi-Tenanted	1.8	1.0%
3 Tuas Avenue 2	Master Lease	5.0	2.7%
51 Marsiling Road	Master Lease	6.2	3.3%
23 Tai Seng Drive	Master Lease	3.7	2.0%
15 Tai Seng Drive	Multi-Tenanted	3.1	1.7%
1 Bukit Batok Street 22	Multi-Tenanted	2.6	1.4%
8 Tuas Avenue 20	Multi-Tenanted	2.8	1.5%
135 Joo Seng Road	Multi-Tenanted	2.5	1.3%
61 Yishun Industrial Park A	Multi-Tenanted	1.9	1.0%
2 Ang Mo Kio Street 65	Master Lease	2.9	1.6%
8 Senoko South Road	Master Lease	1.5	0.8%
26 Tuas Avenue 7	Master Lease	1.6	0.9%
1 Kallang Way 2A	Multi-Tenanted	1.2	0.6%
Boardriders Asia Pacific HQ	Master Lease	3.1	1.7%
		39.9	21.4%
<u>Business Park</u>			
1A International Business Park	Multi-Tenanted	4.9	2.6%
Woolworths HQ	Master Lease	23.2	12.4%
Optus Centre	Master Lease	17.7	9.5%
		45.8	24.5%
<u>Hi-Tech</u>			
29 Woodlands Industrial Park E1	Multi-Tenanted	12.7	6.8%
		12.7	6.8%
Gross rental income		186.8	100.0%

Source: AIMS APAC REIT, FPA

Compared to FY2025, AA REIT's FY2026 gross rental income from logistics & warehouse properties and industrial properties increased by S\$3.9 million (4.6%) and S\$2.4 million (6.4%) respectively, while business park and hi-tech properties decreased by S\$0.3 million (0.7%) and S\$0.4 million (3.1%) as shown in **Exhibit 14**.

Exhibit 14: Gross Rental Income Contribution by Property (FY2025 vs FY2026)

(in S\$ million unless indicated otherwise)	Lease type	Actual		FY2025 vs FY2026	
		FY2025	FY2026	Absolute	Change
<u>Logistics & Warehouse</u>					
20 Gul Way	Multi-Tenanted	29.1	27.9	(1.2)	(4.1%)
27 Penjuru Lane	Multi-Tenanted	16.5	18.5	2.0	12.1%
8 & 10 Pandan Crescent	Multi-Tenanted	12.6	13.6	1.0	7.9%
7 Bulim Street	Master Lease	11.3	11.4	0.1	0.9%
30 Tuas West Road	Multi-Tenanted	4.8	5.1	0.3	6.3%
7 Clementi Loop	Master Lease	0.3	1.5	1.2	400.0%
103 Defu Lane 10	Multi-Tenanted	3.2	3.2	-	0.0%
56 Serangoon North Avenue 4	Master Lease	2.4	3.0	0.6	25.0%
11 Changi South Street 3	Multi-Tenanted	2.2	2.2	-	0.0%
10 Changi South Lane	Multi-Tenanted	2.1	2.0	(0.1)	(4.8%)
		84.5	88.4	3.9	4.6%
<u>Industrial</u>					
2 Aljunied Avenue 1	Multi-Tenanted	0	1.8	1.8	n.m
3 Tuas Avenue 2	Master Lease	5.0	5.0	-	0.0%
51 Marsiling Road	Master Lease	5.9	6.2	0.3	5.1%
23 Tai Seng Drive	Master Lease	3.6	3.7	0.1	2.8%
15 Tai Seng Drive	Multi-Tenanted	3.2	3.1	(0.1)	(3.1%)
1 Bukit Batok Street 22	Multi-Tenanted	2.8	2.6	(0.2)	(7.1%)
8 Tuas Avenue 20	Multi-Tenanted	2.6	2.8	0.2	7.7%
135 Joo Seng Road	Multi-Tenanted	2.6	2.5	(0.1)	(3.8%)
61 Yishun Industrial Park A	Multi-Tenanted	1.3	1.9	0.6	46.2%
2 Ang Mo Kio Street 65	Master Lease	2.9	2.9	-	0.0%
8 Senoko South Road	Master Lease	1.6	1.5	(0.1)	(6.3%)
26 Tuas Avenue 7	Master Lease	1.6	1.6	-	0.0%
1 Kallang Way 2A	Multi-Tenanted	1.3	1.2	(0.1)	(7.7%)
Boardriders Asia Pacific HQ	Master Lease	3.1	3.1	-	0.0%
		37.5	39.9	2.4	6.4%
<u>Business Park</u>					
1A International Business Park	Multi-Tenanted	4.5	4.9	0.4	8.9%
Woolworths HQ	Master Lease	23.8	23.2	(0.6)	(2.5%)
Optus Centre	Master Lease	17.8	17.7	(0.1)	(0.6%)
		46.1	45.8	(0.3)	(0.7%)
<u>Hi-Tech</u>					
29 Woodlands Industrial Park E1	Multi-Tenanted	13.1	12.7	(0.4)	(3.1%)
		13.1	12.7	(0.4)	(3.1%)
Gross rental income		181.2	186.8	5.6	3.1%

Source: AIMS APAC REIT, FPA

Service charge, land rent and property tax:

Service charge, land rent and property tax decreased by 0.3% to S\$25.9 million in FY2026 from S\$26.0 million in FY2025.

Exhibit 15 presents AA REIT's service charge, land rent and property tax over the past five years.

Exhibit 15: Service Charge, Land Rent & Property Tax Changes (FY2022 – FY2026)

S\$ '000	FY2021	FY2022	Actual		FY2025	FY2026
			FY2023	FY2024		
Service charge, land rent and property tax	20,903	21,808	23,259	24,928	25,964	25,896
Growth	-	4.3%	6.7%	7.2%	4.2%	-0.3%

Source: AIMS APAC REIT, FPA

Other property expenses recoverable from tenants and other property income:

Other property expenses recoverable from tenants and other property income decreased by 6.2% to S\$18.5 million in FY2026 from S\$19.7 million in FY2025. **Exhibit 16** presents AA REIT's other property expenses recoverable from tenants and other property income over the past five years.

Exhibit 16: Other Property Expenses Recoverable from Tenants & Other Property Income (FY2022 – FY2026)

S\$ '000	FY2021	FY2022	Actual		FY2025	FY2026
			FY2023	FY2024		
Other property expenses recoverable from tenants and other property income	16,798	14,872	18,597	18,850	19,690	18,471
Growth	-	-11.5%	25.0%	1.4%	4.5%	-6.2%

Source: AIMS APAC REIT, FPA

Sale of electricity and renewable energy certificates:

Sale of electricity & renewable energy certificates decreased by 10.4% to S\$2.8 million in FY2026 from S\$3.1 million in FY2025.

Exhibit 17 presents AA REIT's sale of electricity & renewable energy certificates over the past five years.

Exhibit 17: Sale of Electricity & Renewable Energy Certificates (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual		FY2025	FY2026
			FY2024			
Sale of electricity and renewable energy certificates	-	-	1,538		3,077	2,758
Growth	-	-	-		100.1%	-10.4%

Source: AIMS APAC REIT, FPA

Property and lease management fees:

Property and lease management fees increased by S\$748,000 to S\$4.9 million in FY2026 from S\$4.2 million in FY2025. **Exhibit 18** presents AA REIT's property and lease management fees over the past five years.

Exhibit 18: Property & Lease Management Fee Ratio (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Gross revenue (Singapore only)	128,819	138,410	150,048	159,763	164,387
Property and lease management fees	2,764	2,897	3,142	4,184	4,932
Ratio	2.1%	2.1%	2.1%	2.6%	3.0%

Source: AIMS APAC REIT, FPA

Property tax:

Property tax increased by S\$331,000 to S\$13.0 million in FY2026 from S\$12.7 million in FY2025. **Exhibit 19** presents AA REIT's property tax over the past five years.

Exhibit 19: Property Tax Ratio (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Gross revenue	142,390	167,382	177,281	186,626	190,665
Property tax	10,352	9,772	10,566	12,667	12,998
Ratio	7.3%	5.8%	6.0%	6.8%	6.8%

Source: AIMS APAC REIT, FPA

Other operating expenses:

Other operating expenses decreased by S\$4.6 million to S\$31.4 million in FY2026 from S\$36.0 million in FY2025. **Exhibit 20** presents AA REIT's other operating expenses over the past five years.

Exhibit 20: Other Operating Expenses (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Gross revenue	142,390	167,382	177,281	186,626	190,665
Other operating expenses	26,089	32,203	32,594	36,033	31,386
Ratio	18.3%	19.2%	18.4%	19.3%	16.5%

Source: AIMS APAC REIT, FPA

Property operating expenses:

Property operating expenses decreased by S\$3.6 million to S\$49.3 million in FY2026 from S\$52.9 million in FY2025, mainly due to lower electricity expenses, partially offset by higher other property operating expenses. Depreciation of plant and equipment included in the property operating expenses amounting to S\$0.9 million (FY2025: S\$0.8 million) relates to the completed installation of rooftop solar photovoltaic systems. **Exhibit 21** presents AA REIT's property operating expenses over the past five years.

Exhibit 21: Property Operating Expenses (FY2022 – FY2026):

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Property and lease management fees	2,764	2,897	3,142	4,184	4,932
Property tax	10,352	9,772	10,566	12,667	12,998
Other operating expenses	26,089	32,203	32,594	36,033	31,386
Property operating expenses	39,205	44,872	46,302	52,884	49,316

Source: AIMS APAC REIT, FPA

Net property income:

Net property income increased by S\$7.6 million to S\$141.3 million in FY2026 from S\$133.7 million in FY2025. **Exhibit 22** presents AA REIT's net property income over the past five years.

Exhibit 22: Net Property Income (FY2022 - FY2026):

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Gross revenue	142,390	167,382	177,281	186,626	190,665
Property operating expenses	39,205	44,872	46,302	52,884	49,316
Net property income	103,185	122,510	130,979	133,742	141,349

Source: AIMS APAC REIT, FPA

Other sources of adjustments to the net property income:

AA REIT other sources of adjustments to its net property income are the net foreign exchange gain or loss, interest and other income, and other non-operating income – insurance claims, as shown in **Exhibit 23**.

Exhibit 23: Other Sources of Adjustments to the Net Property Income (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Net foreign exchange (loss)/gain	(86)	(663)	300	331	(92)
Interest and other income	719	291	443	338	288
Other non-operating income – insurance claims	-	-	1,111	1,753	-

Source: AIMS APAC REIT, FPA

Non-property expenses:

Non-property expenses decreased by S\$4.4 million to S\$51.5 million in FY2026 from S\$55.9 million in FY2025 as shown in **Exhibit 24**. It comprises of borrowing costs, Manager's management fees, Manager's performance fees and other trust expenses, which would be further elaborated below.

Exhibit 24: Non-Property Expenses (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Borrowing costs	22,828	33,309	35,241	37,455	32,897
Manager's management fees	10,012	11,333	11,257	11,031	11,034
Manager's performance fees	4,619	4,476	-	2,172	2,337
Other trust expenses	4,595	6,440	5,539	5,275	5,239
Non-property expenses	42,054	55,558	52,037	55,933	51,507

Source: AIMS APAC REIT, FPA

Borrowing costs:

Borrowing costs decreased by S\$4.6 million to S\$32.9 million in FY2026 from S\$37.5 million in FY2025, mainly due to lower interest rates, lower average borrowing balances arising from interim repayment of borrowings funded by the net proceeds from perpetual securities issuances during the year and lower amortisation of borrowing transaction costs during FY2026. **Exhibit 25** presents AA REIT's borrowing costs breakdown over the past five years.

Exhibit 25: Borrowing Costs Breakdown (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Interest expense on borrowings	17,007	26,659	28,562	29,348	25,884
Interest expense on lease liabilities	3,488	3,604	3,662	4,087	4,528
Interest expense on unwinding of deferred consideration	-	-	340	512	540
Amortisation of borrowing transaction costs	1,685	2,127	1,915	2,941	1,342
Others	648	919	762	567	603
Total	22,828	33,309	35,241	37,455	32,897

Source: AIMS APAC REIT, FPA

Manager's management and performance fees:

Manager's management and performance fees increased by approximately S\$168,000 to S\$13.4 million in FY2026 from S\$13.2 million in FY2025. Performance fee was computed based on 0.1% per annum of the Deposited Property value as the annual growth in DPU in FY2026 exceeded 2.5%. **Exhibit 26** presents AA REIT's Manager's management and performance fees over the past five years.

Exhibit 26: AA REIT Manager's Management & Performance Fees (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Base fees – Paid/payable in cash	5,281	4,887	7,634	6,575	7,809
Base fees – Paid/payable in Units	4,731	6,446	3,623	4,456	3,225
Performance fees – Payable in Units	4,619	4,476	-	2,172	2,337
Total fees	14,631	15,809	11,257	13,203	13,371

Source: AIMS APAC REIT, FPA

Other trust expenses:

Other trust expenses decreased by approximately S\$36,000 to S\$5.2 million in FY2026 from S\$5.3 million in FY2025. **Exhibit 27** presents AA REIT's other trust expenses over the past five years.

Exhibit 27: Other Trust Expenses (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Audit fees to:					
– auditors of the Trust	198	198	190	190	201
– other auditors	66	70	65	61	60
Non-audit fees to auditors of the Trust	47	68	55	56	105
Trustees' fees					
– HSBC Institutional Trust Services (Singapore) Limited (the "Trustee")	338	368	365	358	366
– other trustee	21	16	16	8	10
Valuation fees	144	163	81	90	62
Professional fees	189	126	238	356	491
Transaction costs written-off	87	725	-	-	-
Investment management fees	2,645	3,676	3,427	2,987	2,733
Other expenses	860	1,030	1,102	1,169	1,211
Other trust expenses	4,595	6,440	5,539	5,275	5,239

Source: AIMS APAC REIT, FPA

Share of profits/(losses) of joint venture (net of tax):

The share of profits of joint venture for FY2026 of S\$6.6 million was mainly due to share of net income from joint venture for FY2026, partially offset by the share of revaluation loss of S\$6.3 million recognised from the revaluation of Optus Centre for FY2026. The share of losses of joint venture for FY2025 of S\$18.2 million was mainly due to share of revaluation loss of S\$32.7 million recognised from the revaluation of Optus Centre for FY2025, partially offset by share of net income from joint venture for FY2025.

The financial results of Macquarie Park Trust (MPT) from FY2022 to FY2026 is summarised in **Exhibit 28**.

The non-current assets represent the valuation of Optus Centre, Macquarie Park, New South Wales, Australia. As at 31 March 2026 and 31 March 2025, the independent valuation of the property, carried out by CBRE Valuations Pty Limited, was A\$600.0 million (approximately S\$530.6 million) and A\$610.0 million (approximately \$514.0 million) respectively. The current assets include cash at banks of S\$3.7 million in FY2026 and S\$3.5 million in FY2025. The current liabilities comprise of trade and other payables, and goods and service tax payable.

Exhibit 28: Share of Profits/Losses of MPT (Net of Tax) (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Effective equity interest held by AA REIT	49.0%	49.0%	49.0%	49.0%	49.0%
Results					
Revenue	37,913	37,999	36,544	36,273	33,379
Expenses	(5,488)	(9,770)	(12,322)	(11,416)	(7,186)
Net change in fair value of investment property	65,819	837	(80,744)	(66,814)	(12,823)
Total profit/(loss) for the year	98,244	29,066	(56,522)	(41,957)	13,370
Share of profits/(losses) of joint venture (net of tax)	48,140	14,242	(27,696)	(20,559)	6,551

Source: AIMS APAC REIT, FPA

Net change in fair value of investment properties:

The net change in fair value of investment properties for FY2026 is S\$36.6 million as shown in **Exhibit 29**, largely due to net revaluation gain of the Group's investment properties of S\$41.2 million, partially offset by fair value adjustments of ROU assets of S\$4.6 million included in the Singapore investment properties. 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.

Exhibit 29: Net Change in Fair Value of Investment Properties (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Net change in fair value of investment properties recognised in the statement of total return	(590)	30,519	8,545	(6,399)	41,252
Net change in fair value of right-of-use assets recognised in the statement of total return	(5,238)	(5,294)	(5,378)	(5,132)	(4,616)
Net change in fair value of investment properties	(5,828)	25,225	3,167	(11,531)	36,636

Source: AIMS APAC REIT, FPA

Total return before income tax:

The total return before income tax increased by approximately S\$83.9 million to S\$132.9 million in FY2026 from S\$49.1 million in FY2025 due to an increase in net property income, decrease in non-property expenses, increase in share of profits from its joint venture, a net increase fair value of investment properties and a lower net decrease fair value of derivative financial instruments as shown in **Exhibit 30**.

Exhibit 30: Total Return before Income Tax (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Gross revenue	142,390	167,382	177,281	186,626	190,665
Property operating expenses	(39,205)	(44,872)	(46,302)	(52,884)	(49,316)
Net property income	103,185	122,510	130,979	133,742	141,349
Net foreign exchange (loss)/gain	(86)	(663)	300	331	(92)
Interest and other income	719	291	443	338	288
Other non-operating income - insurance claims ¹	-	-	1,111	1,753	-
Non-property expenses	(42,054)	(55,558)	(52,037)	(55,933)	(51,507)
Net income before joint venture's losses	61,764	66,580	80,796	80,231	90,038
Share of losses of joint venture (net of tax)	48,140	16,039	(24,766)	(18,213)	6,551
Net income	109,904	82,619	56,030	62,018	96,589
Net change in fair value of investment properties	(5,828)	25,225	3,167	(11,531)	36,636
Net change in fair value of derivative financial instruments	8,219	4,270	(3,440)	(1,420)	(285)
Gain on divestment of investment property	-	-	637	-	-
Total return before income tax	112,295	112,114	56,394	49,067	132,940

Income tax (expense)/credit:

Income tax expense for FY2026 is S\$1.7 million as shown in **Exhibit 31**, comprising of Singapore current tax, overseas deferred tax and overseas withholding tax credit/expense. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

AA REIT's total income tax and total return after income tax are summarised in **Exhibit 31**.

Exhibit 31: Total Income Tax Derivation (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual		
			FY2024	FY2025	FY2026
Singapore current tax	-	-*	71	225	183
Overseas deferred tax	6,525	(955)	(6,583)	(4,612)	549
Overseas withholding tax (credit)/expense	1,662	(792)	-	-	1,012
Total tax (credit)/expense	8,187	(1,747)	(6,512)	(4,387)	1,744
Reconciliation of effective tax rate:					
Total return before income tax	112,295	112,114	56,394	49,067	132,940
Tax calculated using Singapore tax rate of 17% (2022: 17%)	19,090	19,059	9,587	8,341	22,600
Non-tax chargeable items	(3,577)	(6,815)	(11,217)	(2,854)	(8,461)
Non-tax deductible items	2,073	2,454	1,462	3,302	3,049
Tax transparency	(11,269)	(11,775)	(13,039)	(14,686)	(15,946)
Foreign-sourced income	(6,317)	(2,923)	13,278	6,122	(1,059)
Deferred tax on investment properties	6,525	(955)	(6,583)	(4,612)	549
Overseas withholding tax (credit)/expense	1,662	(792)	-	-	1,012
Total income tax (credit)/expense	8,187	(1,747)	(6,512)	(4,387)	1,744
Total return after income tax	104,108	113,861	62,906	53,454	131,196

* Less than S\$1000

Source: AIMS APAC REIT, FPA

Units in issue:

During the financial year ended 31 March 2026, these were the following issuances of Units to the Manager:

- (i) On 14 May 2025, 899,498 new Units at an average price of \$1.2512 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 2025 to 31 March 2025 and 1,721,703 new Units at an issue price of \$1.2615 as payment of the performance fee element of the Manager's management fees for the year ended 31 March 2025.
- (ii) On 7 August 2025, 316,709 new Units at an average price of \$1.2749 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 April 2025 to 30 June 2025.
- (iii) On 12 November 2025, 301,834 new Units at an average price of \$1.3662 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 July 2025 to 30 September 2025.
- (iv) On 12 February 2026, 1,410,255 new Units at an average price of \$1.4069 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 October 2025 to 31 December 2025.

During the financial year ended 31 March 2026, these were the following Units to be issued to the Manager:

- (i) 285,479 new Units at an average price of \$1.4870 to be 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 2026 to 31 March 2026.
- (ii) 1,631,525 new Units at an issue price of \$1.4327 to be issued to the Manager as payment of the performance fee element of the Manager's management fees incurred for the financial year ended 31 March 2026.

AA REIT's changes in total number of issued units over FY2026 are summarised in **Exhibit 32**.

Exhibit 32: Total Issued Units (FY2025 vs FY2026)

S\$ '000	Actual		FY2025 vs FY2026	
	FY2025	FY2026	Absolute Change	Change (%)
Units in issue at beginning of the year	810,564	813,994	3,430	0.42%
<u>Units in issue relating to:</u>				
Manager's management fees	3,003	2,928	(75)	(2.50%)
Property management fees and lease management fees	427	-	(427)	NA
Manager's performance fees	-	1,722	1,722	NA
Units in issue at end of the year	813,994	818,644	4,650	0.57%
<u>Units to be issued relating to:</u>				
Manager's management fees	900	285	(615)	(68.33%)
Manager's performance fees	1,722	1,632	(90)	(5.23%)
Total Units in issue and to be issued at end of the year	816,616	820,561	3,945	0.48%

Source: AIMS APAC REIT, FPA

Earnings per unit (basic and diluted):

AA REIT's earnings per unit and derivation of total return after income tax attributable to unitholders are summarised in **Exhibit 33**.

Exhibit 33: Earnings per Unit (FY2022 – FY2026)

S\$ '000	FY2022	FY2023	Actual FY2024	FY2025	FY2026
Total return after income tax attributable to Unitholders of the Trust and Perpetual Securities holders	104,108	113,861	62,906	53,454	131,196
Less: Amount reserved for distribution to Perpetual Securities holders	-14,867	-20,500	-20,556	-20,725	-23,372
Total return after income tax attributable to Unitholders of the	89,241	93,361	42,350	32,729	107,824
Weighted average number of units at end of the year* ('000)	708,777	717,530	790,999	812,343	816,841
Basic and diluted EPU (cents)	12.59	13.01	5.35	4.03	13.20

**Weighted average number of units is as per disclosed by AA REIT and depends on the timing of unit issuance.*

Source: AIMS APAC REIT, FPA

AIMS APAC REIT's financial performance for FY2025 and FY2026 are summarised in **Exhibit 34**.

Exhibit 34: AA REIT's Financial Performance (FY2025 vs FY2026):

S\$ '000	Actual		FY2025 vs FY2026	
	FY2025	FY2026	Absolute Change	Change (%)
Gross revenue	186,626	190,665	4,039	2.2
Property operating expenses	(52,884)	(49,316)	3,568	(6.7)
Net property income	133,742	141,349	7,607	5.7
Net foreign exchange (loss)/gain	331	(92)	(423)	(127.8)
Interest and other income	338	288	(50)	(14.8)
Other non-operating income - insurance claims ¹	1,753	-	(1,753)	
Non-property expenses	(55,933)	(51,507)	4,426	(7.9)
Net income before joint venture's losses	80,231	90,038	9,807	12.2
Share of losses of joint venture (net of tax)	(18,213)	6,551	24,764	(136.0)
Net income	62,018	96,589	34,571	55.7
Net change in fair value of investment properties	(11,531)	36,636	48,167	(417.7)
Net change in fair value of derivative financial instruments	(1,420)	(285)	1,135	(79.9)
Gain on divestment of investment property	-	-	-	-
Total return before income tax	49,067	132,940	83,873	170.9
Income tax (expense)/credit	4,387	(1,744)	(6,131)	(139.8)
Total return after income tax	53,454	131,196	77,742	145.4
Attributable to:				
Unitholders	32,729	107,824	75,095	229.4
Perpetual Securities holders	20,725	23,372	2,647	12.8
Earnings per Unit (Singapore cents)				
Basic and diluted	4.03	13.20	9.2	227.5

Source: AIMS APAC REIT, FPA

(II) PORTFOLIO REVIEW**Property valuation:**

As at 31 March 2026, AA REIT's portfolio was valued at approximately S\$2.3 billion. Logistics & warehouse properties accounted for the largest share at S\$955.7 million (42.4%), followed by business park properties at S\$665.1 million (29.5%), industrial properties at S\$467.8 million (20.8%) and hi-tech properties at S\$163.5 million (7.3%). AA REIT's property valuation by property segment is summarised in **Exhibit 35**.

Exhibit 35: AA REIT's Property Valuation in FY2026

(Valuation S\$'million)	Lease type	FY2026	
		Actual	Percentage
<u>Logistics & Warehouse</u>			
20 Gul Way	Multi-Tenanted	245.1	10.9%
27 Penjuru Lane	Multi-Tenanted	192.6	8.6%
8 & 10 Pandan Crescent	Multi-Tenanted	173.0	7.7%
7 Bulim Street	Master Lease	140.3	6.2%
30 Tuas West Road	Multi-Tenanted	57.7	2.6%
7 Clementi Loop	Master Lease	39.5	1.8%
103 Defu Lane 10	Multi-Tenanted	30.8	1.4%
56 Serangoon North Avenue 4	Master Lease	30.4	1.3%
11 Changi South Street 3	Multi-Tenanted	23.4	1.0%
10 Changi South Lane	Multi-Tenanted	22.9	1.0%
		955.7	42.4%
<u>Industrial</u>			
2 Aljunied Avenue 1	Multi-Tenanted	61.6	2.7%
3 Tuas Avenue 2	Master Lease	56.4	2.5%
51 Marsiling Road	Master Lease	52.6	2.3%
23 Tai Seng Drive	Master Lease	49.0	2.2%
15 Tai Seng Drive	Multi-Tenanted	38.0	1.7%
1 Bukit Batok Street 22	Multi-Tenanted	30.3	1.3%
8 Tuas Avenue 20	Multi-Tenanted	28.3	1.3%
135 Joo Seng Road	Multi-Tenanted	23.3	1.0%
61 Yishun Industrial Park A	Multi-Tenanted	19.9	0.9%
2 Ang Mo Kio Street 65	Master Lease	19.7	0.9%
8 Senoko South Road	Master Lease	15.0	0.7%
26 Tuas Avenue 7	Master Lease	14.0	0.6%
1 Kallang Way 2A	Multi-Tenanted	12.4	0.6%
Boardriders Asia Pacific HQ	Master Lease	47.3	2.1%
	-	467.8	20.8%
<u>Business Park</u>			
1A International Business Park	Multi-Tenanted	72.6	3.2%
Woolworths HQ	Master Lease	332.5	14.8%
Optus Centre	Master Lease	260.0	11.5%
		665.1	29.5%
<u>Hi-Tech</u>			
29 Woodlands Industrial Park E1	Multi-Tenanted	163.5	7.3%
		163.5	7.3%
Total Portfolio		2,252.1	100.0%

Source: AIMS APAC REIT, FPA

FINANCIAL PROJECTIONS

(I) REVENUE

Gross revenue:

To forecast AA REIT's gross revenue, we will forecast the Singapore and Australia segment's gross revenue separately.

Singapore Properties

We forecast gross revenue from AA REIT's existing Singapore properties to increase by 2.0% annually in FY2027 and FY2028, assuming stable occupancy levels. Our assumption is based on the midpoint of Knight Frank's projected 1%–3% growth in Singapore industrial market rents for year 2026. We adopt this as a benchmark for rental-income growth for our forecasted period, recognising that actual performance will depend on lease renewals, contractual escalations, and the portfolio's property mix.

For forecasting purposes, we have adjusted the FY2024–FY2026 historical figures to exclude the gross rental income contributions from two already divested properties: 3 Toh Tuck Link and 8 Senoko South Road. These adjustments provide a historical reference to apply the forecasted growth rate for AA REIT's current Singapore property portfolio. As a result, the adjusted figures reflected in **Exhibit 36** would differ from the financial results presented previously in the Financial Analysis section.

AA REIT's projected gross revenue from Singapore is S\$166.1 million in FY2027 and S\$169.5 million in FY2028 as shown in **Exhibit 36**.

Exhibit 36: Projected Singapore Gross Revenue Growth for FY2027 & FY2028

S\$ '000	FY2024	Actual FY2025	FY2026	Forecast FY2027	FY2028
Singapore	146,948	156,863	162,887	166,145	169,468
Growth Rate				2.0%	2.0%

Source: AIMS APAC REIT, FPA

Australia Properties

To forecast gross revenue from AA REIT's Australian properties, we forecast both the revenue contribution from the recently acquired Hazelmere, Perth, as well as the existing Australia properties: Woolworths HQ and Boardriders Asia Pacific HQ.

The forecast figures include the prorated gross rental income contribution by the recent Hazelmere property acquisition based on their Year 1 passing income of A\$2.3 million, the completed acquisition date 5 August 2026, expected rent escalation to occur annually on 1 October based on the exchange rate of A\$1.1267: S\$1.00 as at 1 October 2026. The revenue contribution will be S\$1.4 million in FY2027 and S\$2.1 million in FY2028 as shown in **Exhibit 37**.

Exhibit 37: Projected Hazelmere Perth Revenue Contribution for FY2027 & FY2028

'000	FY2027		FY2028	
	5 Aug - 30 Sep 2026	1 Oct - 31 Mar 2027	1 Apr - 30 Sep 2027	1 Oct - 31 Mar 2028
Hazelmere Revenue Contribution in AUD	A\$359	A\$1,187	A\$1,187	A\$1,226
Exch Rates (Yahoo Finance)	1.1267	1.1267	1.1267	1.1267
Hazelmere Revenue Contribution in SGD	S\$318	S\$1,054	S\$1,054	S\$1,088
Hazelmere Revenue Contribution for each financial year	S\$1,372		S\$2,142	

Source: AIMS APAC REIT, FPA

For Woolworths HQ and Boardriders Asia Pacific HQ, we forecast gross revenue by using their respective contractual annual rent escalations of 2.75% and 3.00% respectively and assume A\$1.1305: S\$1.00 as at 31 March 2026 for historical figures and A\$1.1267: S\$1.00 as at 1 October 2026 for forecast figures.

As the disclosed gross rental income figure for each Australia property is presented in millions and only up to 1 decimal place, these figures were used to derive the proportion of contribution, which is then applied to the total Australia gross revenue for more accuracy.

As the reporting figures are in SGD, the revenue from each property was first converted to AUD using the SGDAUD exchange rate as at 31 March 2026 (A\$1.1305: S\$1.00). Each property revenue was projected using their respective contractual rental escalations: Woolworths HQ's annual rental escalation is 2.75% while Boardriders Asia Pacific HQ's annual rental escalation is 3.00%. The revenue for each forecast year was summed up with the revenue contribution from the newly acquired Hazelmere property and converted back to SGD using the SGDAUD exchange rate as at 1 October 2026 (A\$1.1267: S\$1.00).

The estimated total Australia gross revenue is S\$28.5 million in FY2027 and S\$30.0 million in FY2028 as shown in **Exhibit 38**.

Exhibit 38: Projected Australia Properties Revenue Contribution for FY2027 & FY2028

S\$ '000		Estimate		Forecast	
Disclosed Gross Rental Income by Properties	FY2024	FY2025	FY2026	FY2027	FY2028
Boardriders Asia Pacific HQ	3,200	3,100	3,100	-	-
Woolworths HQ	24,100	23,800	23,200	-	-
Total	27,300	26,900	26,300	-	-
Proportion of Contribution					
Australia - Total	27,233	26,863	26,278	-	-
Boardriders Asia Pacific HQ	11.7%	11.5%	11.8%	-	-
Woolworths HQ	88.3%	88.5%	88.2%	-	-
Estimated Gross Revenue by Properties in SGD					
Boardriders Asia Pacific HQ	3,192	3,096	3,097	3,201	3,297
Woolworths HQ	24,041	23,767	23,181	23,898	24,556
Hazelmere, Perth	-	-	-	1,372	2,142
Total	27,233	26,863	26,278	28,472	29,995
Exch Rates (Yahoo Finance)					
SGDAUD (Amount of AUD per 1 SGD)	1.1305	1.1305	1.1305	1.1267	1.1267
Estimated Gross Revenue by Properties in AUD					
Boardriders Asia Pacific HQ	3,609	3,500	3,502	3,607	3,715
Woolworths HQ	27,178	26,869	26,206	26,926	27,667
Hazelmere, Perth	-	-	-	1,546	2,413
Total	30,787	30,369	29,707	32,079	33,795

Source: AIMS APAC REIT, FPA

The projected total gross revenue is S\$194.6 million FY2027 and S\$199.5 million in FY2028 as shown in **Exhibit 39**.

Exhibit 39: Projected Gross Revenue Growth for FY2027 & FY2028

S\$ '000		Actual		Forecast	
	FY2024	FY2025	FY2026	FY2027	FY2028
Singapore	146,948	156,863	162,887	166,145	169,468
Australia	27,233	26,863	26,278	28,472	29,995
Total	174,181	183,726	189,165	194,616	199,462

Source: AIMS APAC REIT, FPA

(II) EARNINGS

We begin by forecasting the property operating expenses to derive the projected net property income for FY2027 and FY2028.

Property operating expenses:

The property operating expenses consist of the property and lease management fees, property tax and other operating expenses.

Property and lease management fees:

Under the property management agreement effective from 1 September 2024, the Property Manager is entitled to a property management fee of 2.0% and a lease management fee of 1.0% of the gross revenue of the Singapore properties, representing a combined fee of 3.0%. The current agreement runs for three years until 31 August 2027. For our forecasts, we assume that the existing fee rates and calculation basis remain unchanged upon renewal through the remainder of FY2028.

The projected property and lease management fees for FY2027 and FY2028 are S\$5.0 million and S\$5.1 million respectively as shown in **Exhibit 40**.

Exhibit 40: Projected Property & Lease Management Fee Ratio for FY2027 & FY2028

S\$ '000	FY2024	Actual FY2025	FY2026	Forecast FY2027	Forecast FY2028
Gross revenue (Singapore only)	150,048	159,763	164,387	166,145	169,468
Property and lease management fees	3,142	4,184	4,932	4,984	5,084
<i>Property and lease management fees ratio</i>	2.1%	2.7%	3.0%	3.0%	3.0%

Source: AIMS APAC REIT, FPA

Property tax:

The projected property tax for FY2027 and FY2028 are S\$13.3 million and S\$13.6 million respectively as shown in **Exhibit 41** using the property-tax-to-gross-revenue ratio in FY2026 of approximately 6.8%, assuming that the relationship between property tax expense and gross revenue remains broadly similar over the forecast period.

Exhibit 41: Projected Property Tax Ratio for FY2027 & FY2028

S\$ '000	FY2024	Actual FY2025	FY2026	Forecast FY2027	Forecast FY2028
Gross revenue	177,281	186,626	190,665	194,616	199,462
Property tax	10,566	12,667	12,998	13,267	13,598
<i>Property tax ratio</i>	6.0%	6.8%	6.8%	6.8%	6.8%

Source: AIMS APAC REIT, FPA

Other operating expenses:

The projected other operating expenses for FY2027 and FY2028 are S\$32.0 million and S\$32.8 million respectively as shown in **Exhibit 42** using the expense-to-gross-revenue ratio in FY2026 of approximately 16.5% assuming that the latest operating cost structure remains similar over the forecast period.

Exhibit 42: Projected Other Operating Expenses for FY2027 & FY2028

S\$ '000	FY2024	Actual	FY2026	Forecast	
		FY2025		FY2027	FY2028
Gross revenue	177,281	186,626	190,665	194,616	199,462
Other operating expenses	32,594	36,033	31,386	32,036	32,834
Other operating expenses ratio	18.4%	19.3%	16.5%	16.5%	16.5%

Source: AIMS APAC REIT, FPA

The projected total property operating expenses for FY2027 and FY2028 are S\$50.3 million and S\$51.5 million respectively as shown in **Exhibit 43**.

Exhibit 43: Projected Property Operating Expenses for FY2027 & FY2028

S\$ '000	FY2024	Actual	FY2026	Forecast	
		FY2025		FY2027	FY2028
Property and lease management fees	3,142	4,184	4,932	4,984	5,084
Property tax	10,566	12,667	12,998	13,267	13,598
Other operating expenses	32,594	36,033	31,386	32,036	32,834
Property operating expenses	46,302	52,884	49,316	50,288	51,516

Source: AIMS APAC REIT, FPA

Net property income:

The projected net property income for FY2027 and FY2028 are S\$144.3 million and S\$147.9 million respectively as shown in **Exhibit 44**.

Exhibit 44: Projected Net Property Income for FY2027 & FY2028

S\$ '000	FY2024	Actual	FY2026	Forecast	
		FY2025		FY2027	FY2028
Gross revenue	177,281	186,626	190,665	194,616	199,462
Property operating expenses	46,302	52,884	49,316	50,288	51,516
Net property income	130,979	133,742	141,349	144,328	147,946

Source: AIMS APAC REIT, FPA

Other sources of adjustments to the net property income:

The projected other sources of adjustments to AA REIT's net property income comprise of net foreign exchange gain or loss, interest and other income, and other non-operating income – insurance claims. As the insurance claims are not foreseen to be recurring, it is assumed to not contribute in FY2027 and FY2028. The rest are projected to be the average amount over the past three years as shown in **Exhibit 45**.

Exhibit 45: Projected Other Sources of Adjustments to the Net Property Income for FY2027 & FY2028

S\$ '000	Actual			Forecast	
	FY2024	FY2025	FY2026	FY2027	FY2028
Net foreign exchange (loss)/gain	300	331	(92)	180	180
Interest and other income	443	338	288	356	356
Other non-operating income – insurance claims	1,111	1,753	-	-	-

Source: AIMS APAC REIT, FPA

Non-property expenses:

The projected non-property expenses for FY2027 and FY2028 are S\$54.9 million and S\$56.5 million respectively as shown in **Exhibit 46**. It comprises of borrowing costs, Manager's management fees, Manager's performance fees and other trust expenses, which would be further elaborated below.

Exhibit 46: Projected Non-Property Expenses for FY2027 & FY2028

S\$ '000	Actual				
	FY2024	FY2025	FY2026	FY2027	FY2028
Borrowing costs	35,241	37,455	32,897	36,227	37,815
Manager's management fees	11,257	11,031	11,034	11,107	11,107
Manager's performance fees	-	2,172	2,337	2,255	2,255
Other trust expenses	5,539	5,275	5,239	5,351	5,351
Non-property expenses	52,037	55,933	51,507	54,940	56,528

Source: AIMS APAC REIT, FPA

Borrowing costs:

The borrowing costs consist of interest expense on lease liabilities, interest expense on borrowings, interest expense on unwinding of deferred consideration, amortisation of borrowing transaction costs and others.

The interest expense on lease liabilities is projected using a linearly increasing ratio to the gross revenue over the past three years. Therefore, the projected total interest expenses on lease liabilities are S\$4.9 million for FY2027 and S\$5.4 million for FY2028 as shown in **Exhibit 47**.

Exhibit 47: Projected Interest Expense on Lease Liabilities for FY2027 & FY2028

S\$ '000	Actual				
	FY2024	FY2025	FY2026	FY2027	FY2028
Gross revenue	177,281	186,626	190,665	194,616	199,462
Interest expense on lease liabilities	3,662	4,087	4,528	4,923	5,354
Ratio	2.1%	2.2%	2.4%	2.5%	2.7%

Source: AIMS APAC REIT, FPA

For interest expense on borrowings, AA REIT has disclosed that their Singapore loan facilities' nominal interest rate is the Singapore Overnight Rate Average (SORA) with an additional undisclosed margin, while the Australia loan facilities' nominal interest rate is the Bank Bill Swap Bid Rate (BBSY) with an additional undisclosed margin as well.

Information about AA REIT's interest-bearing borrowings is summarised in **Exhibit 48**.

Exhibit 48: AA REIT's Interest-Bearing Borrowings

(S\$ '000) unless stated with specific currency	Corresponding facility	Security / Borrower	Original term	Date of maturity	Nominal interest rate	Outstanding face value	Carrying amount
AUD floating rate bank borrowing	A\$130,000	Secured / Subsidiary	5 years	Nov 2026	BBSY + margin	114,972	114,886
AUD floating rate bank borrowing	A\$150,000	Secured / Subsidiary	5 years	Jun 2027	BBSY + margin	115,586	115,362
SGD floating rate bank borrowing	S\$40,000	Unsecured / Trust	3 years	Sept 2027	SORA + margin	40,000	39,905
AUD floating rate bank borrowing	A\$40,000	Unsecured / Trust	3 years	Sept 2027	BBSY + margin	-	(83)
AUD floating rate bank borrowing	A\$50,000	Unsecured / Trust	4 years	Sept 2028	BBSY + margin	44,220	44,062
SGD floating rate bank borrowing	S\$150,000	Unsecured / Trust	4 years	Sept 2028	SORA + margin	30,000	29,457
AUD floating rate bank borrowing	A\$20,000	Unsecured / Trust	4 years	Sept 2028	BBSY + margin	-	(63)
SGD floating rate bank borrowing	S\$20,000	Unsecured / Trust	4 years	Nov 2028	SORA + margin	20,000	19,928
SGD floating rate bank borrowing	S\$170,000	Unsecured / Trust	5 years	Sept 2029	SORA + margin	170,000	169,190
SGD floating rate bank borrowing	S\$20,000	Unsecured / Trust	5 years	Sept 2029	SORA + margin	-	(95)
AUD floating rate bank borrowing	A\$40,000	Unsecured / Trust	5 years	Dec 2029	BBSY + margin	35,376	35,209

Source: AIMS APAC REIT, FPA

As at 31 March 2026, AA REIT's total outstanding principal totalled S\$570.2 million, of which S\$260.0 million or 45.6% are SGD borrowings and S\$310.2 million or 54.4% are AUD borrowings.

The projected interest expense on borrowings is estimated using the forecast values and timings for the US fed funds rate and RBA's cash rate. As a proxy for modelling purposes, the SORA is assumed to be solely influenced by the changes in the US interest rates and the BBSY is solely influenced by the changes in the RBA's cash rate target.

For the US fed funds rate, Morgan Stanley's economists expect two quarter point rate hikes in December 2026 and March 2027. As such, we assume a 25 basis point rate hike in December 2026 to 4.00% to 4.25% and another 25 basis point rate hike in March 2027. The approximate weighted-average effective fed funds rate of 4.01% for FY2026, 3.88% for FY2027 and 4.38% for FY2028, as shown in **Exhibit 49**.

Exhibit 49: Breakdown of Fed Funds Rate for FY2026 – FY2028

Fin Year	Date	Upper bound	Lower bound	Average Rate	Fin Year	Date	Upper bound	Lower bound	Average Rate
FY2025	2025				FY2027	2027			
	January	4.50%	4.25%	4.38%		January	4.25%	4.00%	4.13%
	February	4.50%	4.25%	4.38%		February	4.25%	4.00%	4.13%
	March	4.50%	4.25%	4.38%		March	4.50%	4.25%	4.38%
	AA REIT FY2025	-	-	5.67%		AA REIT FY2027	-	-	3.88%
FY2026	April	4.50%	4.25%	4.38%	FY2028	April	4.50%	4.25%	4.38%
	May	4.50%	4.25%	4.38%		May	4.50%	4.25%	4.38%
	June	4.50%	4.25%	4.38%		June	4.50%	4.25%	4.38%
	July	4.50%	4.25%	4.38%		July	4.50%	4.25%	4.38%
	August	4.50%	4.25%	4.38%		August	4.50%	4.25%	4.38%
	September	4.25%	4.00%	4.13%		September	4.50%	4.25%	4.38%
	October	4.25%	4.00%	4.13%		October	4.50%	4.25%	4.38%
	November	4.00%	3.75%	3.88%		November	4.50%	4.25%	4.38%
	December	3.75%	3.50%	3.63%		December	4.50%	4.25%	4.38%
	2026					2028			
	January	3.75%	3.50%	3.63%		January	4.50%	4.25%	4.38%
	February	3.75%	3.50%	3.63%		February	4.50%	4.25%	4.38%
	March	3.75%	3.50%	3.63%		March	4.50%	4.25%	4.38%
AA REIT FY2026	-	-	4.01%	AA REIT FY2028	-	-	4.38%		
FY2027	April	3.75%	3.50%	3.63%					
	May	3.75%	3.50%	3.63%					
	June	3.75%	3.50%	3.63%					
	July	3.75%	3.50%	3.63%					
	August	3.75%	3.50%	3.63%					
	September	4.00%	3.75%	3.88%					
	October	4.00%	3.75%	3.88%					
	November	4.00%	3.75%	3.88%					
	December	4.25%	4.00%	4.13%					

Source: Federal Reserve Bank of New York, FPA

For the RBA's cash rate, Commonwealth Bank economists expect 50 basis points of rate cuts in 2027 with the first reduction to occur in August and the second in November. As such, we assume a 25 basis point rate cut in August 2027 to 4.35%, and another 25 basis points rate cut in November 2027 to 4.10%. The approximate weighted-average cash rate of 3.77% for FY2026, 4.48% for FY2027 and 4.33% for FY2028, as shown in **Exhibit 50**.

Exhibit 50: Breakdown of RBA Cash Rate for FY2026 – FY2028

Fin Year	Date	Cash Rate Target	Fin Year	Date	Cash Rate Target
	2025			2027	
FY2025	January	4.35%	FY2027	January	4.60%
	February	4.35%		February	4.60%
	March	4.10%		March	4.60%
	AA REIT FY2025	4.33%		AA REIT FY2027	4.48%
FY2026	April	4.10%	FY2028	April	4.60%
	May	4.10%		May	4.60%
	June	3.85%		June	4.60%
	July	3.85%		July	4.60%
	August	3.60%		August	4.35%
	September	3.60%		September	4.35%
	October	3.60%		October	4.35%
	November	3.60%		November	4.10%
	December	3.60%		December	4.10%
	2026			2028	
	January	3.60%		January	4.10%
	February	3.85%		February	4.10%
	March	3.85%		March	4.10%
	AA REIT FY2026	3.77%		AA REIT FY2028	4.33%
FY2027	April	4.10%			
	May	4.35%			
	June	4.35%			
	July	4.35%			
	August	4.35%			
	September	4.60%			
	October	4.60%			
	November	4.60%			
	December	4.60%			

Source: Reserve Bank of Australia, FPA

As mentioned earlier, the projected interest expense on borrowings is estimated using the forecast values and timings for the US fed funds rate and RBA's cash rate. As a proxy for modelling purposes, the SORA is assumed to be solely influenced by the changes in the US interest rates and the BBSY is solely influenced by the changes in the RBA's cash rate target.

As shown in **Exhibit 48**, AA REIT's total outstanding principal totalled S\$570.2 million, of which S\$260.0 million or 45.6% are SGD borrowings and S\$310.2 million or 54.4% are AUD borrowings.

Given the proportion of change of the Fed Funds Rate and RBA Cash Rate over AA REIT's FY2026 to FY2028 and the relative share of borrowings in SGD and AUD, the blended proportion of change on interest expense on borrowings is 8.68% for FY2027 and 4.11% for FY2028, as shown in **Exhibit 51**.

Exhibit 51: Blended Proportion of Change for Interest Expense FY2027 and FY2028

	FY2026	FY2027	FY2028
Weighted Average Fed Funds Rate	4.01%	3.88%	4.38%
<i>Proportion of change</i>		(3.40%)	12.90%
Weighted Average RBA Cash Rate	3.77%	4.48%	4.33%
<i>Proportion of change</i>		18.81%	(3.26%)
Blended proportion of change on interest expense		8.68%	4.11%

Source: FPA

Assuming that the overall borrowing remains unchanged throughout the forecast period, the interest expense on borrowings is S\$28.1 million in FY2027 and S\$29.3 million in FY2028 as shown in **Exhibit 52**.

Exhibit 52: Projected Interest Expense on Borrowings for FY2027 & FY2028

S\$ '000	FY2024	Actual	FY2026	Forecast	
		FY2025		FY2027	FY2028
Interest expense on borrowings	28,562	29,348	25,884	28,131	29,287
<i>Blended proportion of change on interest expense</i>				8.68%	4.11%

Source: AIMS APAC REIT, FPA

The interest expense on unwinding of deferred consideration, amortisation of borrowing transaction costs and other borrowing costs are assumed to be the average amount over the past 3 years.

The projected total borrowing costs are S\$36.2 million in FY2027 and S\$37.8 million in FY2028 as summarised in **Exhibit 53**.

Exhibit 53: Projected Borrowing Costs Breakdown for FY2027 & FY2028

S\$ '000	Actual		Forecast		
	FY2024	FY2025	FY2026	FY2027	FY2028
Interest expense on borrowings	28,562	29,348	25,884	28,131	29,287
Interest expense on lease liabilities	3,662	4,087	4,528	4,923	5,354
Interest expense on unwinding of deferred consideration	340	512	540	464	464
Amortisation of borrowing transaction costs	1,915	2,941	1,342	2,066	2,066
Others	762	567	603	644	644
Total	35,241	37,455	32,897	36,227	37,815

Source: AIMS APAC REIT, FPA

Manager's management and performance fees:

The projected total Manager's fees for FY2027 and FY2028 are both S\$13.4 million as shown in **Exhibit 54**. The forecasted base fees are the average amount over the past three year, while the forecasted performance fees are the average amount over the past two years, assuming that the underlying fee base¹ remains broadly stable over the forecast period.

Exhibit 54: Projected Manager's Management & Performance Fees for FY2027 & FY2028

S\$ '000	Actual			Forecast	
	FY2024	FY2025	FY2026	FY2027	FY2028
Base fees – Paid/payable in cash	7,634	6,575	7,809	7,339	7,339
Base fees – Paid/payable in Units	3,623	4,456	3,225	3,768	3,768
Performance fees – Payable in Units	-	2,172	2,337	2,255	2,255
Total fees	11,257	13,203	13,371	13,362	13,362

Source: AIMS APAC REIT, FPA

Other trust expenses:

The projected other trust expenses for FY2027 and FY2028 are both S\$5.4 million as shown in **Exhibit 55**. All projected fees and other expenses are the average amount over the past three years.

Exhibit 55: Projected Other Trust Expenses for FY2027 & FY2028

S\$ '000	Actual			Forecast	
	FY2024	FY2025	FY2026	FY2027	FY2028
Audit fees to:					
– auditors of the Trust	190	190	201	194	194
– other auditors	65	61	60	62	62
Non-audit fees to auditors of the Trust	55	56	105	72	72
Trustees' fees					
– HSBC Institutional Trust Services (Singapore) Limited (the "Trustee")	365	358	366	363	363
– other trustee	16	8	10	11	11
Valuation fees	81	90	62	78	78
Professional fees	238	356	491	362	362
Investment management fees	3,427	2,987	2,733	3,049	3,049
Other expenses	1,102	1,169	1,211	1,161	1,161
Other trust expenses	5,539	5,275	5,239	5,351	5,351

Source: AIMS APAC REIT, FPA

¹The fees are based on the value of the Deposited Property defined in AA REIT's Trust Deed.

Share of profits/(losses) of joint venture (net of tax):

To project the share of profits of joint venture, we forecast the gross revenue using Optus Centre's contractual annual rent escalations of 3.25% and assume SGDAUD exchange rates of A\$1.1305: S\$1.00 as at 31 March 2026 for historical figures and A\$1.1267: S\$1.00 as at 1 October 2026 for forecast figures.

As the reporting figures are in SGD, the revenue from the joint venture is first converted to AUD using the SGDAUD exchange rate as at 31 March 2026 (A\$1.1305: S\$1.00). The joint venture revenue is projected using Optus Centre's contractual rental escalations of 3.25%. The expenses are projected using the FY2026 joint venture expense ratio of 21.5% as shown below.

$$\begin{aligned} \text{Joint venture expense ratio FY2026} &= \frac{\text{Expenses}}{\text{Joint venture revenue}} \\ &= \frac{\text{S\$7,186,000}}{\text{S\$33,379,000}} \\ &\approx 21.5\% \end{aligned}$$

As net change in fair value of Optus Centre is non-recurring in nature, we assume no changes to the net fair value over the forecast period. The total profit is then converted back to SGD using the SGDAUD exchange rate as at 1 October 2026 (A\$1.1267: S\$1.00). AA REIT's share of profits of joint venture net of tax is derived using AA REIT's effective equity interest of 49.0% from the projected total profits of FY2027 and FY2028.

The projected profits/losses of Macquarie Park Trust (MPT) in FY2027 and FY2028 are summarised in **Exhibit 56**.

Exhibit 56: Projected Profits/Losses of MPT For FY2027 & FY2028

S\$ '000	FY2024	Actual FY2025	FY2026	Forecast FY2027	FY2028
Effective equity interest held by AA REIT	49.0%	49.0%	49.0%	49.0%	49.0%
Results in SGD					
Revenue	36,544	36,273	33,379	34,580	35,704
Expenses	(12,322)	(11,416)	(7,186)	(7,445)	(7,687)
Net change in fair value of investment property	(80,744)	(66,814)	(12,823)	-	-
Total profit/(loss) for the year	(56,522)	(41,957)	13,370	27,135	28,017
Exch Rates (Yahoo Finance)					
SGDAUD (Amount of AUD per 1 SGD)	1.1305	1.1305	1.1305	1.1267	1.1267
Results in AUD					
Revenue	41,313	41,007	37,735	38,961	40,228
Expenses	(13,930)	(12,906)	(8,124)	(8,388)	(8,660)
Net change in fair value of investment property	(91,281)	(75,533)	(14,496)	-	-
Total profit/(loss) for the year	(63,898)	(47,432)	15,115	30,574	31,567
Share of profits/(losses) of joint venture (net	(27,696)	(20,559)	6,551	13,296	13,729

Source: AIMS APAC REIT, FPA

Net change in fair value of investment properties:

The projected net change in fair value of investment properties for FY2027 and FY2028 are both \$9.4 million as shown in **Exhibit 57**, which are calculated based on the average amount over the past three years as shown below, which would be lower than the FY2026 figure of S\$36.6 million.

$$\begin{aligned}
 \text{Net change in fair value of investment properties for each forecast year} &= \frac{\text{Net change in fair value of investment properties for FY2024 + FY2025 + FY2026}}{3} \\
 &= \frac{\text{S\$3,167,000} + (- \text{S\$11,531,000}) + \text{S\$36,636,000}}{3} \\
 &= \text{S\$9,424,000}
 \end{aligned}$$

Exhibit 57: Projected Net Change in Fair Value of Investment Properties for FY2027 & FY2028

S\$ '000	FY2024	Actual FY2025	FY2026	Forecast FY2027	Forecast FY2028
Net change in fair value of investment properties recognised in the statement of total return	8,545	(6,399)	41,252	14,466	14,466
Net change in fair value of right-of-use assets recognised in the statement of total return	(5,378)	(5,132)	(4,616)	(5,042)	(5,042)
Net change in fair value of investment properties	3,167	(11,531)	36,636	9,424	9,424

Source: AIMS APAC REIT, FPA

Net change in fair value of derivative financial instruments:

The projected net decrease in fair value of derivative financial instruments for FY2027 and FY2028 are both S\$1.7 million as shown in **Exhibit 58**, which are calculated based on the average amount over the past three years as shown below.

$$\begin{aligned}
 \text{Net change in fair value of derivative financial instruments for each forecast year} &= \frac{\text{Net change in fair value of derivative financial instruments for FY2024 + FY2025 + FY2026}}{3} \\
 &= \frac{- \text{S\$}3,440,000 + (- \text{S\$}1,420,000) + (- \text{S\$}285,000)}{3} \\
 &= - \text{S\$}1,715,000
 \end{aligned}$$

Exhibit 58: Projected Net Change in Fair Value of Derivative Financial Instruments for FY2027 & FY2028

S\$ '000	FY2024	Actual FY2025	FY2026	Forecast	
				FY2027	FY2028
Net change in fair value of derivative financial instruments	(3,440)	(1,420)	(285)	(1,715)	(1,715)

Source: AIMS APAC REIT, FPA

Income tax (expense)/credit:

The projected non-tax chargeable items, non-tax deductible items and amounts from both tax transparency and foreign-sourced income are assumed to be the average amounts over the past 3 years. We assume overseas withholding tax expense of S\$1.0 million annually for FY2027 and FY2028, using FY2026 as a reference. Although no corresponding expense was reported in FY2024 or FY2025, we retain this amount as a cautious forecasting assumption given the withholding tax incurred on distributions from Australia in FY2026. The actual expense will depend on the amount and tax treatment of future distributions.

The projected income tax expenses are S\$3.0 million for FY2027 and S\$3.4 million for FY2028. Therefore, the total return after income tax is S\$108.0 million in FY2027 and S\$110.0 million in FY2028. The reconciliation of effective tax rate, income tax derivation and total return after income tax for FY2027 and FY2028 are summarised in **Exhibit 59**.

The total return after income tax will be S\$108

Exhibit 59: Projected Total Income Tax Derivation for FY2027 & FY2028

S\$ '000	Actual				
	FY2024	FY2025	FY2026	FY2027	FY2028
Total return before income tax	56,394	49,067	132,940	110,929	113,392
Tax calculated using Singapore tax rate of 17%	9,587	8,341	22,600	18,858	19,277
Non-tax chargeable items	(11,217)	(2,854)	(8,461)	(7,511)	(7,511)
Non-tax deductible items	1,462	3,302	3,049	2,604	2,604
Tax transparency	(13,039)	(14,686)	(15,946)	(14,557)	(14,557)
Foreign-sourced income	13,278	6,122	(1,059)	6,114	6,114
Singapore current tax	71	225	183	5,508	5,927
Deferred tax on investment properties	(6,583)	(4,612)	549	(3,549)	(3,549)
Overseas withholding tax (credit)/expense	-	-	1,012	1,012	1,012
Total income tax (credit)/expense	(6,512)	(4,387)	1,744	2,972	3,390
Total return after income tax	62,906	53,454	131,196	107,958	110,002

Source: AIMS APAC REIT, FPA

Total return after income tax:

The total return after income tax is S\$108.0 million for FY2027 which is S\$23.2 million lower than the total return after income tax in FY2026, mainly due to the high net increase in fair value of investment properties in FY2026 which we do not expect to stay elevated during the forecast years. FY2026 also had a lower decrease in fair value of derivative financial instruments compared to previous years, which would also be lower than our forecast estimates as we took the average of the past 3 years instead.

The projected total return after income tax for FY2027 and FY2028 is summarised in **Exhibit 60**.

Exhibit 60: Projected Total Return after Income Tax for FY2027 and FY2028

S\$ '000	Actual		Forecast		
	FY2024	FY2025	FY2026	FY2027	FY2028
Gross revenue	177,281	186,626	190,665	194,616	199,462
Property operating expenses	(46,302)	(52,884)	(49,316)	(50,288)	(51,516)
Net property income	130,979	133,742	141,349	144,328	147,946
Net foreign exchange (loss)/gain	300	331	(92)	180	180
Interest and other income	443	338	288	356	356
Other non-operating income - insurance claims	1,111	1,753	-	-	-
Non-property expenses	(52,037)	(55,933)	(51,507)	(54,940)	(56,528)
Net income before joint venture's losses	80,796	80,231	90,038	89,924	91,955
Share of losses of joint venture (net of tax)	(24,766)	(18,213)	6,551	13,296	13,729
Net income	56,030	62,018	96,589	103,220	105,683
Net change in fair value of investment properties	3,167	(11,531)	36,636	9,424	9,424
Net change in fair value of derivative financial instruments	(3,440)	(1,420)	(285)	(1,715)	(1,715)
Gain on divestment of investment property	637	-	-	-	-
Total return before income tax	56,394	49,067	132,940	110,929	113,392
Income tax (expense)/credit	6,512	4,387	(1,744)	(2,972)	(3,390)
Total return after income tax	62,906	53,454	131,196	107,958	110,002

Earnings per unit (basic and diluted):

We projected the average number of units based on the number of issued units at the beginning and end of the year, with changes during the year based on forecasted number of units to be issued for Manager's base fees, Manager's performance fees and from the distribution reinvestment plan. As the timing of these unit issuances may vary, the average number was used instead of weighted average number of units.

The amount reserved for distribution to perpetual securities holders is calculated based on the latest perpetual securities issued as of 25 Sep 2026 in **Exhibit 61**.

Exhibit 61: Perpetual Securities Issued by AA REIT

Issue date	Principal	Initial annual distribution rate	First distribution reset date	Annualised distributions
18 Mar 2025	S\$125 million	4.70%	18 Mar 2030	S\$5.875 million
21 Jan 2026	S\$150 million	4.10%	21 Jan 2031	S\$6.150 million
9 Mar 2026	S\$100 million	4.25%	9 Sep 2031	S\$4.250 million
Total	S\$375 million	4.34%	—	S\$16.275 million

Source: AIMS APAC REIT, FPA

Average number of units is approximately 824.3 million at the end of FY2027 and 833.2 million at the end of FY2028. The projected diluted earnings per unit are 10.44 cents for FY2027 and 11.25 cents for FY2028 as shown in **Exhibit 62**.

Exhibit 62: Projected Earnings per Unit for FY2027 & FY2028

S\$ '000	FY2024	Actual FY2025	FY2026	Forecast FY2027	FY2028
Total return after income tax	62,906	53,454	131,196	107,958	110,002
Less: Amount reserved for distribution to Perpetual Securities holders	-20,556	-20,725	-23,372	(21,874)*	-16,275
Trust	42,350	32,729	107,824	86,084	93,727
Basic EPU					
Units in issue at beginning of the year	720,344	810,564	813,994	818,644	829,924
Effect of Units issued relating to:					
Manager's base fees	2,311	1,530	1,300	2,958	2,672
Manager's performance fees	3,065	-	1,519	3,231	1,599
Distribution reinvestment plan	-	-	-	5,091	2,203
Private placement	46,317	-	-	-	-
Preferential offering	18,928	-	-	-	-
Weighted average number of Units at end of the year (only for Actual)	790,965	812,259	816,813	-	-
Units in issue at end of the year	810,564	813,994	818,644	829,924	836,398
Average number of Units at end of the year (only for Forecast)	-	-	-	824,284	833,161
Diluted EPU					
Units in issue at beginning of the year	720,344	810,564	813,994	818,644	829,924
Effect of Units issued/to be issued relating to:					
Manager's management fees	2,345	1,609	1,324	2,958	2,672
Manager's performance fees	3,065	5	1,523	3,231	1,599
Distribution reinvestment plan	-	-	-	5,091	2,203
Private placement	46,317	-	-	-	-
Preferential offering	18,928	-	-	-	-
Weighted average number of Units at end of the year	790,999	812,343	816,841	-	-
Units in issue at end of the year	810,564	813,994	818,644	829,923	836,398
Average number of Units at end of the year (only for Forecast)	-	-	-	824,284	833,161
EPU Calculation					
Basic earnings per unit (cents)	5.35	4.03	13.20	10.44	11.25
Diluted earnings per unit (cents)	5.35	4.03	13.20	10.44	11.25

*Includes approximately S\$5.6 million of prorated distributions from the S\$250 million perpetual securities which was redeemed on 1 September 2026.

Source: AIMS APAC REIT, FPA

AA REIT's financial performance for FY2027 and FY2028 are summarised in **Exhibit 63**.

Exhibit 63: AA REIT's Financial Performance for FY2027 & FY2028

S\$ '000	Actual				
	FY2024	FY2025	FY2026	Forecast FY2027	Forecast FY2028
Gross revenue	177,281	186,626	190,665	194,616	199,462
Property operating expenses	(46,302)	(52,884)	(49,316)	(50,288)	(51,516)
Net property income	130,979	133,742	141,349	144,328	147,946
Net foreign exchange (loss)/gain	300	331	(92)	180	180
Interest and other income	443	338	288	356	356
Other non-operating income - insurance claims	1,111	1,753	-	-	-
Non-property expenses	(52,037)	(55,933)	(51,507)	(54,940)	(56,528)
Net income before joint venture's losses	80,796	80,231	90,038	89,924	91,955
Share of losses of joint venture (net of tax)	(24,766)	(18,213)	6,551	13,296	13,729
Net income	56,030	62,018	96,589	103,220	105,683
Net change in fair value of investment properties	3,167	(11,531)	36,636	9,424	9,424
Net change in fair value of derivative financial instruments	(3,440)	(1,420)	(285)	(1,715)	(1,715)
Gain on divestment of investment property	637	-	-	-	-
Total return before income tax	56,394	49,067	132,940	110,929	113,392
Income tax (expense)/credit	6,512	4,387	(1,744)	(2,972)	(3,390)
Total return after income tax	62,906	53,454	131,196	107,958	110,002
Attributable to:					
Unitholders	42,350	32,729	107,824	86,084	93,727
Perpetual Securities holders	20,556	20,725	23,372	21,874	16,275
Earnings per Unit (Singapore cents)					
Basic	5.35	4.03	13.20	10.44	11.25
Diluted	5.35	4.03	13.20	10.44	11.25

Source: AIMS APAC REIT, FPA

(III) DISTRIBUTION FORECASTS**Projected distribution amount:**

We derive the projected distributions by adjusting the preceding year's distributions based on changes in net property income and other recurring income, relevant cash expenses and amount reserved for perpetual distributions. We assume no net change in other distribution adjustments, including cash land rent, relevant cash taxes and the conversion of overseas/JV income into distributable amounts. Non-cash revaluations were excluded from distribution forecasts, and we assume no changes to the distribution policy.

The projected distribution amount is S\$83.2 million in FY2027 and S\$91.2 million in FY2028 as shown in **Exhibit 64**. AA REIT has stated that it has distributed 100% of its taxable income to its unitholders since listing in 2007.

Exhibit 64: Projected Distributions for FY2027 & FY2028

S\$ '000	FY2027	FY2028
Distributions attributable to the preceding financial year	80,613	83,229
Changes in items:		
Net property income	2,979	3,618
Interest and other income	68	-
Interest expense on borrowings	(2,247)	(1,156)
Other borrowing costs	(41)	-
Cash base fees	470	-
Other trust expenses	(112)	-
Perpetual distributions	1,498	5,599
Forecast distributions attributable to unitholders	83,229	91,289
<i>Distribution payout ratio</i>	100%	100%

Source: AIMS APAC REIT, FPA

Units in issue:*Manager's fee settlements*

Using the forecasted base fees and performance fees payable in units for FY2027 and FY2028 as shown previously in **Exhibit 54**, the number of units issued for base fee and performance fee is approximately 4.2 million units for each year assuming constant share price of S\$1.410.

$$\begin{aligned}
 \text{Units issued for fee settlements in each year} &= \frac{\text{Base fees and Performance fees payable in units}}{\text{Assumed issue price}} \\
 &= \frac{\text{S\$3,768,000} + \text{S\$2,255,000}}{\text{S\$1.41}} \\
 &\approx 4,271,631 \text{ units}
 \end{aligned}$$

Distribution reinvestment plan (DRP)

We take reference to AA REIT's latest 1Q FY2027 DRP in September 2026 for the proportion of distributions to be reinvested – which equates to the value of units issued under the DRP. Under the latest DRP, 414,617 units were issued as distributions and the issue price was S\$1.5418, following their DRP pricing terms for its units to be priced at 2.5% discount to the volume-weighted average traded price over the 10 market days before and including the record date on 11 August 2026. The calculation of the proportion of distributions to be reinvested is shown below.

$$\begin{aligned}
 \text{Proportion reinvested} &= \frac{\text{DRP units issued} \times \text{Issue price}}{\text{Total distribution}} \\
 &= \frac{414,617 \times \text{S\$1.5418}}{\text{S\$19,256,000}} \\
 &\approx 3.3198\%
 \end{aligned}$$

As AA REIT has issued S\$19,256,000 as distributions for 1Q FY2027 in September 2026, the remaining projected distributions for FY2027 is S\$63,906,000. The projected DRP issue price is S\$1.37475 assuming that the reference unit price is AA REIT's current share price of S\$1.410. The number of newly issued units under the DRP is approximately 1.5 million for FY2027 and 2.2 million for FY2028 as shown in the calculations below, assuming that the reinvestment rate and issue price discount stays the same.

$$\begin{aligned}
 \text{New DRP units for FY2027} &= \frac{\text{Remaining distributions} \times \text{proportion reinvested}}{\text{DRP issue price}} \\
 &= \frac{\text{S\$63,906,000} \times 3.3198\%}{\text{S\$1.37475}} \\
 &\approx 1,543,227 \text{ units}
 \end{aligned}$$

$$\begin{aligned}
 \text{New DRP units for FY2028} &= \frac{\text{FY2028 distributions} \times \text{proportion reinvested}}{\text{DRP issue price}} \\
 &= \frac{\text{S\$91,223,000} \times 3.3198\%}{\text{S\$1.37475}} \\
 &\approx 2,202,889 \text{ units}
 \end{aligned}$$

The number of units during FY2027 and FY2028 is summarised in **Exhibit 65**.

Exhibit 65: Projected AA REIT Issued Units in FY2027 and FY2028

Units ('000)	FY2027	FY2028
Opening units at 1 April	818,644	829,924
Partial settlement of Manager's base fees on 14 May 2026	285	-
Settlement of Manager's performance fees on 14 May 2026	1,632	-
Units issued under DRP on 29 June 2026	3,133	-
Partial settlement of Manager's base fees on 6 August 2026	276	-
Units issued under DRP on 23 September 2026	415	-
Projected settlement of Manager's base fee in units	2,397	2,672
Projected settlement of Manager's performance fee in units	1,599	1,599
Projected units issued under DRP	1,543	2,203
Closing units at 31 March	829,924	836,398

Source: AIMS APAC REIT, FPA

Projected DPU:

The projected DPU is 10.10 cents in FY2027 and 10.96 cents in FY2028 as shown in **Exhibit 66**. AA REIT DPU is estimated using the projected distributions attributable to unitholders and the average number of units for each forecasted year.

Exhibit 66: Projected Distribution Per Unit for FY2027 & FY2028

S\$ '000	FY2027	FY2028
Distributions attributable to unitholders	83,229	91,289
Opening units ('000)	818,644	829,924
Units issued during the year ('000)	11,279	6,475
Closing units ('000)	829,924	836,398
Average units for the financial year ('000)	824,284	833,161
Estimated annual DPU (Singapore cents)	10.10	10.96

Source: AIMS APAC REIT, FPA

The actual and projected DPU for FY2024 to FY2028 is summarised in **Exhibit 67**.

Exhibit 67: Distribution per Unit (FY2024 – FY2028)

Singapore cents	Actual		Forecast		
	FY2024	FY2025	FY2026	FY2027	FY2028
Annual DPU	9.36	9.60	9.85	10.10	10.96

AA REIT's projected financial performance for FY2027 and FY2028 are summarised in **Exhibit 68**

Although total return is forecast to decline in FY2027 and FY2028, this primarily reflects lower assumed fair-value gains on investment properties compared with FY2026. These gains are non-cash and are excluded in determining the distributable amount attributable to unitholders. Meanwhile, forecast growth in recurring income and lower distribution payout to perpetual-security holders support higher projected DPU.

Exhibit 68: AA REIT's Projected Financial Performance with DPU for FY2027 & FY2028:

S\$ '000	Actual		Forecast		
	FY2024	FY2025	FY2026	FY2027	FY2028
Gross revenue	177,281	186,626	190,665	194,616	199,462
Property operating expenses	(46,302)	(52,884)	(49,316)	(50,288)	(51,516)
Net property income	130,979	133,742	141,349	144,328	147,946
Net foreign exchange (loss)/gain	300	331	(92)	180	180
Interest and other income	443	338	288	356	356
Other non-operating income - insurance claims	1,111	1,753	-	-	-
Non-property expenses	(52,037)	(55,933)	(51,507)	(54,940)	(56,528)
Net income before joint venture's losses	80,796	80,231	90,038	89,924	91,955
Share of losses of joint venture (net of tax)	(24,766)	(18,213)	6,551	13,296	13,729
Net income	56,030	62,018	96,589	103,220	105,683
Net change in fair value of investment properties	3,167	(11,531)	36,636	9,424	9,424
Net change in fair value of derivative financial instruments	(3,440)	(1,420)	(285)	(1,715)	(1,715)
Gain on divestment of investment property	637	-	-	-	-
Total return before income tax	56,394	49,067	132,940	110,929	113,392
Income tax (expense)/credit	6,512	4,387	(1,744)	(2,972)	(3,390)
Total return after income tax	62,906	53,454	131,196	107,958	110,002
Attributable to:					
Unitholders	42,350	32,729	107,824	86,084	93,727
Perpetual Securities holders	20,556	20,725	23,372	21,874	16,275
Earnings per Unit (Singapore cents)					
Basic	5.35	4.03	13.20	10.44	11.25
Diluted	5.35	4.03	13.20	10.44	11.25
Annual DPU (Singapore cents)	9.36	9.60	9.85	10.10	10.96

VALUATION ANALYSIS

(I) PEER COMPARISON ANALYSIS

A peer comparison analysis was conducted to review how AA REIT is faring against its industry peers. Listed peer companies were selected based on their asset portfolio and industry. Nevertheless, differences in geographical allocation, tenant quality and lease arrangements may limit the effectiveness of comparing with AA REIT. AA REIT was compared against its peers in terms of price-to-earnings (P/E) multiple, price-to-book (P/B) multiple and distribution yield.

Below are the selected peer companies to compare with AA REIT:

I. CapitaLand Ascendas REIT (CLAR)

CLAR is a Singapore-listed real estate investment trust investing in business space and industrial properties across Singapore, Australia, the United States and the United Kingdom/Europe. Its portfolio includes business parks, logistics facilities, industrial properties and data centres.

II. Mapletree Industrial Trust (MIT)

MIT is a Singapore-listed REIT with a portfolio of income-producing properties in Singapore, North America and Japan. Its portfolio comprises data centres, hi-tech buildings and business space, and general industrial buildings.

III. Frasers Logistics & Commercial Trust (FLCT)

FLCT is a Singapore-listed real estate investment trust investing in industrial and commercial properties across Australia, Germany, Singapore, the United Kingdom and the Netherlands. Its portfolio comprises logistics and industrial facilities, offices and business parks.

IV. Mapletree Logistics Trust (MLT)

MLT is a Singapore-listed REIT focused on income-producing logistics properties across Asia Pacific. Its portfolio spans nine markets: Singapore, Australia, China, Hong Kong SAR, India, Japan, Malaysia, South Korea and Vietnam.

V. Alpha Integrated REIT (AI-REIT)

AI-REIT, formerly known as Sabana Industrial REIT, is an internally managed, Singapore-listed REIT focused on industrial properties in Singapore. Its portfolio comprises high-tech industrial properties, chemical warehouse and logistics facilities, warehouse and logistics properties, and general industrial buildings.

Exhibit 69: Peer Comparison Analysis

Company	Currency	Stock Symbol	Price (S\$) as at 02 Oct '26	Market Cap (\$ million)	Diluted EPU (cents)	P/E	DPU (cents)	Distribution Yield (%)	NAV per unit (cents)	P/B
AIMS APAC REIT	SGD	O5RU	1.410	1,160.0	13.20	10.68 x	9.91	7.03%	127.00	1.11 x
Peer companies:										
CapitalLand Ascendas REIT	SGD	A17U	2.220	11,489.0	16.01	13.87 x	15.01	6.76%	227.00	0.98 x
Mapletree Industrial Trust	SGD	ME8U	1.830	5,453.0	7.00	26.14 x	12.55	6.86%	163.00	1.12 x
Fraser's Logistics & Commercial Trust	SGD	BUOU	0.865	3,370.0	5.60	15.45 x	5.90	6.82%	112.00	0.77 x
Mapletree Logistics Trust	SGD	M44U	1.090	5,653.0	5.00	21.80 x	7.27	6.67%	126.00	0.87 x
Alpha Integrated REIT	SGD	M1GU	0.485	540.0	6.78	7.15 x	3.86	7.96%	53.00	0.92 x
Peer average						16.88 x		7.01%		0.93 x

Source: Singapore Exchange (SGX) Stock Screener, Yahoo Finance, respective companies, FPA

(a) P/E multiple

Based on the results in **Exhibit 69**, AA REIT is currently trading at a P/E multiple of 10.68x which is lower than the peer average P/E multiple of 16.88x. This suggests that AA REIT is undervalued at the current unit price. Adopting a relative valuation approach, we estimate a target price of S\$2.228 if AA REIT is to trade at the peer average P/E of 16.88x as follows:

$$\begin{aligned}
 \text{Estimated target price (P/E multiple)} &= \text{Peer average P/E} \times \text{TTM diluted EPU} \\
 &= 16.88 \times \text{S\$}0.1320 \\
 &\approx \text{S\$}2.228
 \end{aligned}$$

The estimated target price of S\$2.228 represents an upside potential of 58.0% from the current unit price of S\$1.410.

(b) P/B multiple

Based on the results in **Exhibit 69**, AA REIT is currently trading at a P/B multiple of 1.11x which is higher than the peer average P/B multiple of 0.93x. This suggests that AA REIT is overvalued at the current unit price. Adopting a relative valuation approach, we estimate a target price of S\$1.182 if AA REIT is to trade at the peer average P/B of 0.93x as follows:

$$\begin{aligned}
 \text{Estimated target price (P/B multiple)} &= \text{Peer average P/B} \times \text{NAV per unit} \\
 &= 0.93 \times \text{S\$}1.27 \\
 &\approx \text{S\$}1.182
 \end{aligned}$$

The estimated target price of S\$1.182 represents a downside potential of 16.2% from the current unit price of S\$1.410.

(c) Distribution yield

Based on the results in **Exhibit 69**, AA REIT's distribution yield of 7.03% is more attractive than the peer average yield of 7.01%. This suggests that AA REIT is undervalued at the current unit price. Adopting a relative valuation approach, we estimate a target price of S\$1.413 if AA REIT is to trade at the peer average yield of 7.01% as follows:

$$\begin{aligned}\text{Estimated target price (Distribution yield)} &= \frac{\text{Current yield}}{\text{Peer average yield}} \times \text{Current unit price} \\ &= \frac{7.03\%}{7.01\%} \times \text{S\$1.410} \\ &\approx \text{S\$1.413}\end{aligned}$$

The estimated target price of S\$1.413 represents an upside potential of 0.2% from the current unit price of S\$1.410.

(d) Target price

From our analysis, AA REIT seems to be undervalued in terms of its P/E and distribution yield but overvalued in P/B multiple. By averaging our target prices based on P/E multiple, P/B multiple and distribution yield, we derive an overall target price of S\$1.608 as follows:

$$\begin{aligned}\text{Target price} &= \frac{1}{3} \times [\text{Estimated target price (P/E multiple)} + \text{Estimated target price (P/B multiple)} + \\ &\quad \text{Estimated target price (Distribution yield)}] \\ &= \frac{1}{3} \times [\text{S\$2.228} + \text{S\$1.182} + \text{S\$1.413}] \\ &\approx \text{S\$1.608}\end{aligned}$$

The overall target price of S\$1.608 represents an upside potential of 14.0% from the current unit price of S\$1.410.

(II) HISTORICAL COMPARISON ANALYSIS

We also performed a valuation analysis using AA REIT's historical P/E multiple, P/B multiple and distribution yield over the past few years (H1 FY2022 – H2 FY2026) as shown in **Exhibit 70**.

Exhibit 70: Historical Unit Price and Valuation Metrics

Period	Results Release Date ("RRD")	Share price (RRD + 7 days)	Diluted EPU (cents)	TTM EPU (cents)	P/E multiple	DPU (cents)	TTM DPU (cents)	Distribution yield	NAV per share (cents)	P/B multiple
2H FY2026	07 May '26	1.570	8.89	13.20	11.9 x	5.1	9.9	6.27%	127.00	1.24 x
1H FY2026	05 Nov '25	1.420	4.26	4.26	33.4 x	4.7	9.7	6.80%	122.00	1.16 x
2H FY2025	07 May '25	1.260	(0.01)	4.02	31.3 x	4.9	9.6	7.62%	123.00	1.02 x
1H FY2025	05 Nov '24	1.290	4.03	5.43	23.8 x	4.7	9.4	7.27%	130.00	0.99 x
2H FY2024	07 May '24	1.280	1.40	5.23	24.5 x	4.7	9.4	7.31%	131.00	0.98 x
1H FY2024	03 Nov '23	1.240	3.83	9.59	12.9 x	4.7	9.9	7.98%	135.00	0.92 x
2H FY2023	05 May '23	1.338	5.76	12.95	10.3 x	5.2	9.9	7.43%	137.00	0.98 x
1H FY2023	26 Oct '22	1.278	7.18	10.43	12.3 x	4.7	9.4	7.36%	140.00	0.91 x
2H FY2022	27 Apr '22	1.398	3.25	12.57	11.1 x	4.7	9.5	6.77%	140.00	1.00 x
1H FY2022	13 Oct '21	1.498	9.33	11.47	13.1 x	4.8	5.8	3.84%	140.00	1.07 x
Maximum					33.36 x			7.98%		1.24 x
Minimum					10.33 x			3.84%		0.91 x
Average					11.93 x			6.87%		1.03 x

Source: AIMS APAC REIT, FPA

(a) P/E multiple

As shown in **Exhibit 70**, AA REIT's historical average P/E multiple was 11.93x which is higher than its current P/E multiple of 10.68x. (P/E Multiples from 2H FY2024 to 1H FY2026 were excluded from the averaging calculation due to the revaluation loss incurred from Optus Centre, skewing the TTM EPU) This suggests that AA REIT is undervalued at the current unit price. Based on the historical average P/E multiple of 11.93x and TTM diluted EPU of S\$0.1320, we estimate a target price of S\$1.575 as follows:

$$\begin{aligned}
 \text{Estimated target price (Historical P/E multiple)} &= \text{Historical average P/E} \times \text{TTM diluted EPU} \\
 &= 11.93 \times \text{S\$0.1320} \\
 &\approx \text{S\$1.575}
 \end{aligned}$$

The target price of S\$1.575 represents an upside potential of 11.7% from the current unit price of S\$1.410.

(b) P/B multiple

As shown in **Exhibit 70**, AA REIT's historical average P/B multiple was 1.027x which is lower than its current P/B multiple of 1.11x. This suggests that AA REIT is overvalued at the current unit price. Based on the historical average P/B multiple of 1.027x and NAV per unit of \$1.27, we estimate a target price of S\$1.304 as follows:

$$\begin{aligned}\text{Estimated target price (Historical P/B multiple)} &= \text{Historical average P/B} \times \text{NAV per unit} \\ &= 1.027 \times \text{S\$1.27} \\ &\approx \text{S\$1.304}\end{aligned}$$

The target price of S\$1.304 represents a downside potential of 7.5% from the current unit price of S\$1.410.

(c) Distribution yield

As shown in **Exhibit 70**, AA REIT's historical average distribution yield was 6.87%, which is less attractive than its current distribution yield of 7.03%. This suggests that AA REIT is undervalued at the current unit price. Based on the historical average distribution yield of 6.87% and current distribution yield of 7.03%, we estimate a target price of S\$1.443 as follows:

$$\begin{aligned}\text{Estimated target price (Historical distribution yield)} &= \frac{\text{Current yield}}{\text{Historical average yield}} \times \text{Current unit price} \\ &= \frac{7.03\%}{6.87\%} \times \text{S\$1.410} \\ &\approx \text{S\$1.443}\end{aligned}$$

The target price of S\$1.443 represents an upside potential of 2.3% from the current unit price of S\$1.410.

(d) Target price

From our analysis, AA REIT seems to be undervalued in terms of its historical average P/E multiple and distribution yield but, overvalued on terms of P/B multiple. By averaging our estimated target prices, we derive a target price of S\$1.441 as follows:

$$\begin{aligned}\text{Target price} &= \frac{1}{3} \times [\text{Estimated target price (H. P/E multiple)} + \text{Estimated target price (H. P/B multiple)} + \text{Estimated target price (H. distribution yield)}] \\ &= \frac{1}{3} \times [\text{S\$1.575} + \text{S\$1.304} + \text{S\$1.443}] \\ &\approx \text{S\$1.441}\end{aligned}$$

The target price of S\$1.441 represents an upside potential of 2.2% from the current unit price of S\$1.410.

POTENTIAL CATALYSTS

(I) ASSET ENHANCEMENT INITIATIVES AND CAPITAL RECYCLING

Continued portfolio rejuvenation through AELs and capital recycling could support rental growth and improve portfolio quality. AA REIT has completed AELs at 15 Tai Seng Drive and 7 Clementi Loop and divested 3 Toh Tuck Link and 8 Senoko South Road at premiums of 32.5% and 11.1% to their respective valuations. Further selective divestments of older or underperforming assets could release capital for distribution-accretive AELs and acquisitions.

(II) DATA CENTRE DEVELOPMENT IN AUSTRALIA

Woolworths HQ at Bella Vista and Optus Centre at Macquarie Park have received endorsement from the New South Wales Investment Delivery Authority (IDA) for potential data-centre development. This endorsement supports the progression of proposals though it does not confirm future lease demand. Potential data-centre development at AA REIT's Australian properties could provide an additional avenue for long-term growth.

The recently acquired Hazelmere property in Perth also provides promising potential for redevelopment. The 9.15-hectare freehold site is located about 1.3 km from the Guildford Terminal Substation. Management has identified its proximity to power infrastructure as a factor that could support future data-centre or other power-intensive industrial uses, subject to technical feasibility and relevant approvals.

These assets give AA REIT exposure to potential for higher value uses alongside their existing rental income. Progress towards commercially viable projects could support higher future earnings and asset valuations. The extent and timing of these benefits would depend on development costs, funding arrangements, existing lease obligations and AA REIT's ownership interest.

(III) TUAS PORT EXPANSION

The expansion of Tuas Port could support demand for AA REIT's industrial and logistics properties in western Singapore. All 21 berths under Phase 1 are expected to be operational by 2027, providing annual handling capacity of 20 million twenty-foot equivalent units (TEUs). Progressive capacity expansion and the consolidation of container activities at Tuas could encourage logistics operators and related businesses to establish or expand operations in nearby areas, potentially supporting occupancy and rental growth across AA REIT's properties in Tuas, Gul Way, Bulim, Penjuru and Pandan Crescent.

(IV) CHANGI EAST DEVELOPMENT PROJECT

Changi's expansion, which includes Terminal 5, landside and aviation support facilities and Changi East Industrial Zone, provides a longer-term source of potential demand tailwinds for AA REIT's Changi South properties. The airport's annual cargo-handling capacity planned to increase from approximately 3.0 million tonnes to 5.4 million tonnes by the mid-2030s. These developments could support demand from air-freight, logistics and related occupiers. Given the development timeline, we view Changi's expansion primarily as a long-term driver of demand.

INVESTMENT RECOMMENDATION

We expect AA REIT to maintain resilient operating performance, supported by high portfolio occupancy, positive rental reversions and contributions from recent acquisitions and AEIs. While rental reversions have moderated, they remain positive and should continue to support rental income over the near term. The Manager's prudent capital management also provides flexibility to pursue further growth opportunities.

Based on our valuation, we derive a target price of S\$1.524, representing an upside of 8.1% from the current unit price of S\$1.410. Taking into account AA REIT's resilient underlying portfolio, positive rental reversions and longer-term redevelopment opportunities, balanced against moderating rental growth, financing risks and execution uncertainties surrounding its growth initiatives, we initiate coverage on AA REIT with a HOLD recommendation and a target price of S\$1.524.

$$\begin{aligned}\text{Target price} &= \frac{1}{2} \times [\text{Estimated target price (Peer Comparison)} + \text{Estimated target price} \\ &\quad \text{(Historical Valuation)}] \\ &= \frac{1}{2} \times [\text{S\$1.608} + \text{S\$1.441}] \\ &\approx \text{S\$1.524}\end{aligned}$$

Potential catalysts include successful AEIs and continued capital recycling, data-centre development optionality for AA REIT's Australian properties, future Tuas Mega Port and Changi East development project. These catalysts could support industrial and logistics demand for AA REIT's portfolio of properties.

However, AA REIT remains exposed to risks associated with higher interest rates as higher financing costs could weigh on distributable income while also dampening the unit's attractiveness relative to other lower risk fixed income securities. Tenant concentration risk and unfavourable exchange rate movements pose risks to AA REIT's target price as well which will be covered in the next section.

RISKS TO TARGET PRICE

(I) HIGHER INTEREST RATES

AA REIT remains exposed to higher interest rates and tighter capital-market conditions. Rising borrowing costs could reduce distributable income due to floating-rate debts or existing loans and interest-rate hedges mature. Higher required returns on perpetual securities and equity could also raise the cost of funding, reducing the potential DPU accretion of acquisitions and AEI projects. These risks are particularly relevant given the current international economic landscape with rising inflation and bond yields. While alternatively equity fundraising provides additional capital and DRP preserves cash, both increase the number of units outstanding - distributable income would need to grow sufficiently to offset the growing unit base and sustain DPU.

Higher interest rates may also reduce the relative attractiveness of AA REIT's distribution yield compared with lower risk fixed income investments. Investors may consequently require a higher distribution yield, potentially placing downward pressure on AA REIT's unit price and valuation even when underlying operating performance remains stable.

(II) AUSTRALIAN TENANT CONCENTRATION RISK

All four of AA REIT's Australian properties are single-tenant with long lease terms. While this provides long-term rental income visibility, it also creates reliance on major tenants at each property. Tenant default, insolvency, restructuring or early lease termination could result in material loss of rental income and potentially prolonged vacancy. Reletting could require significant rental incentives and capital expenditure, while competitive leasing conditions in Sydney's business-park market could constrain rent growth and lengthen the time required to secure replacement occupiers.

(III) UNFAVOURABLE EXCHANGE RATE MOVEMENTS

AA REIT is exposed to foreign exchange risk when translating income from its Australian properties into Singapore dollars. A depreciation of the Australian dollar against the Singapore dollar would reduce the SGD value of this income, potentially offsetting contractual rental escalations and weighing on DPU. The likelihood depends on the relative decisions made by the Reserve Bank of Australia on the cash rate target as well as the Monetary Authority of Singapore on the S\$NEER.

The extent of the impact would depend on the protection provided by the Manager's currency hedges. Nevertheless, these measures may not fully eliminate foreign exchange exposure, and sustained weakness in the AUD against the SGD could adversely affect AA REIT's reported earnings, asset values and distributable income.

CORPORATE GOVERNANCE

(I) BOARD OF DIRECTORS

As at 28 July 2026, the Board comprises four directors:

- Mr George Wang: Chairman, Non-Executive Non-Independent Director
- Mr Chia Nam Toon: Non-Executive Lead Independent Director
- Mr Chong Teck Sin: Non-Executive Independent Director Chairperson
- Ms Vivienne Zhaohui Yu: Non-Executive Independent Director

Mr George Wang was appointed to AA REIT's Board on 7 August 2009 and currently serves as the REIT Manager's Chairman and Non-Executive Non-Independent Director. Mr Wang is the founding Executive Chairman of AIMS Financial Group who owns the Sydney Stock Exchange and FloatX - a global private investment and trading ecosystem supported by blockchain and AI.

Mr Chia Nam Toon was appointed to AA REIT's Board on 8 February 2023 and currently serves as the REIT Manager Non-Executive Lead Independent Director. Mr Chia has more than 31 years of commercial and financial experience, and approximately 16 years in senior management roles within the real estate industry. He was the Chief Executive Officer of the Manager of Ascendas REIT and held several senior roles within the Group, including Group Chief Financial Officer and Group Assistant Chief Executive Officer. He last served as the Assistant Group Chief Executive Officer of ARA Asset Management Ltd where he was responsible for the business and operations of ARA's REIT Division.

Mr Chong Teck Sin was appointed to AA REIT's Board on 1 October 2018 and currently serves as the REIT Manager's Non-Executive Independent Director and Chairman of the Audit, Risk and Compliance Committee. Mr Chong has extensive years of experience in technology, business, finance and general management. He has served in various directorial and management positions with Seksun Corporation Ltd (subsequently known as Enporis Greenz Limited), Glaxo Wellcome Asia Pacific, China-Singapore Suzhou Industrial Park Development Co., Ltd, Standard Chartered Bank and the Economic Development Board. He was also a board member of the Accounting and Corporate Regulatory Authority (ACRA) and ACRA's Investment Committee Chairman. He is currently an Independent Director at Multi-Chem Limited and Uni-Asia Group Limited.

Ms Vivienne Zhaohui Yu was appointed to AA REIT's Board on 1 February 2023 and currently serves as the REIT Manager's Non-Executive Independent Director and Chairperson of the Nominating and Remuneration Committee. Ms Yu has more than 25 years of leadership and senior management experience within the banking and financial sector in Australia and Asia, spanning across investment management, treasury management, mergers and acquisition and real estate finance. Ms Yu was the China Chief Executive Officer and Executive General Manager of Commonwealth Bank of Australia (CBA). Prior to that, Ms Yu held various senior positions at CBA including Chief Executive Retail and Business Banking, International Financial Services. Ms Yu currently holds the following directorships/major appointments in various organisations in Australia: Non-Executive Director and Chair of Finance, Risk and Audit Committee of Bridge Housing Limited; Non-Executive Director, Member of Audit Committee and Risk Committee, and Chair of Governance and Remuneration Committee of Heartland Bank; and Vice President of Australia China Business Council New South Wales.

Audit, Risk and Compliance Committee:

- Mr Chong Teck Sin: Chairman
- Mr Chia Nam Toon: Member
- Ms Vivienne Zhaohui Yu: Member

Nominating and Remuneration Committee:

- Ms Vivienne Zhaohui Yu: Chairman
- Mr George Wang: Member
- Mr Chia Nam Toon: Member

(II) REMUNERATION

The Chairman – Mr George Wang, and Independent Directors are paid fixed basic fees for their Board and Board Committee memberships by the Manager. In determining the rest of the fees, factors such as effort, time spent and responsibilities of the Chairman and Directors were considered by the Manager, and ensure they are not overcompensated to the point that their independence may be compromised. Currently, there are no unit-based incentives or awards as part of the remuneration package to reward Directors. The remuneration of Directors paid in cash is shown in **Exhibit 71**.

Exhibit 71: Remuneration of Directors of AA REIT

Directors' fees	FY2026	FY2025
Board Members		
Mr George Wang	S\$150,000	S\$150,000
Mr Chia Nam Toon	S\$96,875	S\$95,000
Mr Chong Teck Sin	S\$99,375 ²	S\$95,000
Ms Vivienne Zhaohui Yu	S\$96,875	S\$97,500 ¹

¹ Included S\$2,500 fee for chairing the FY2024 AGM in July 2024.

² Included S\$2,500 fee for chairing the FY2025 AGM in July 2025.

Source: AIMS APAC REIT

Under the Manager's remuneration structure, the CEO and the Key Management Personnel's (KMP) total remuneration comprise long-term incentives, as well as short-term incentives, to ensure alignment of the CEO's and KMP's interests with the Unitholders, with an emphasis on linking the performance of the REIT and individual performance. The remuneration of CEO and KMP is shown in **Exhibit 72**.

Exhibit 72: Remuneration of CEO and Key Management Personnel

Remuneration of Chief Executive Officer	Salary and Allowances ¹	Short-Term Incentives ²	Long-Term Incentives ³	Total
S\$989,833 Mr Russell Ng	41%	11%	48%	100%

Remuneration Band of Key Management Personnel	Salary and Allowances ¹	Short-Term Incentives ²	Long-Term Incentives ³	Total
S\$500,000 to S\$750,000 Ms Lim Joo Lee	46%	17%	37%	100%

Notes:

¹ Inclusive of Employer's CPF contributions and allowances

² Inclusive of Employer's CPF contribution. The STI is based on the achievement of performance targets and paid up to three years.

³ LTI award granted is contingent on achieving performance targets over a five year period and paid up to three years. The amount represents the maximum aggregate award, which will only be granted if all conditions are met. If performance conditions are not met, no LTI will be awarded. If some, but not all conditions are met, a proportionate LTI award up to 100% of the aggregate amount may be awarded.

Source: AIMS APAC REIT

The Manager has decided not to disclose the aggregate quantum of remuneration of the top five key management personnel who are not directors or CEO as required by Provision 8.1(b) of Singapore's Code of Corporate Governance (CG Code) for the following reasons:

- Key management team of the Manager is relatively small, and actual remuneration disclosure could pose significant commercial sensitivity and increase the risk of staff attrition, which would not be in the best interests of Unitholders; and
- The remuneration of key management personnel, including the CEO, is borne by the Manager, which is a private company.

The Board is of the view that Unitholders and the REIT are not disadvantaged by this approach. In FY2026, no employee of the Manager was a substantial shareholder of the Manager or a substantial unitholder of AA REIT or an immediate family member of a Director, the CEO, a substantial shareholder of the Manager or a substantial unitholder of AA REIT and whose remuneration exceeded S\$100,000 during the financial year ended 31 March 2026.

SUSTAINABILITY INFORMATION

Sustainability governance:

AA REIT's sustainability governance structure is shown in **Exhibit 73**. The Board of Directors sets strategic goals and oversees the identification and management of material environmental, social and governance (ESG) factors and targets. The Sustainability Council (SC) provides quarterly updates on sustainability matters through the Audit, Risk and Compliance Committee. Board members have also received sustainability-related training to strengthen their oversight of sustainability risks and opportunities and support the integration of sustainability considerations into business decisions.

The SC is led by the Chief Executive Officer, supported by the Investor Relations and sustainability team, and comprises department heads across all business functions. It meets quarterly to drive sustainability strategy, oversee the implementation of initiatives, monitor targets and review performance. The SC is supported by the Sustainability Working Committee (SWC), which comprises the Investor Relations and sustainability team and senior members from various business functions. The SWC implements and monitors sustainability policies and practices, collects data and coordinates ESG matters across the organisation. Internal audit provides independent assurance and guidance in support of these objectives.

Exhibit 73: AA REIT's Sustainability Governance Structure

SUSTAINABILITY GOVERNANCE STRUCTURE



Source: AIMS APAC REIT

Stakeholder engagement:

AA REIT engages its key stakeholders to understand their expectations and priorities and incorporate their feedback into its business planning and sustainability approach. Its principal stakeholder groups comprise employees, the investment community, current and potential tenants, business partners, government, regulators and industry bodies, and local communities. AA REIT's stakeholder engagement methods and frequencies are shown in **Exhibit 74**.

Engagement channels include employee town halls, training, and performance appraisals; investor meetings, results briefings, and annual general meetings; and tenant surveys and meetings. AA REIT also engages business partners through meetings, inspections, and reviews of service providers, including environmental and social screening of suppliers. Engagement with government, regulators and industry bodies includes responses to public consultations and participation in industry forums and associations, while community engagement is conducted through corporate social responsibility activities. These interactions help AA REIT refine its sustainability initiatives and disclosures to address stakeholder needs and expectations.

Exhibit 74: AA REIT's Stakeholder Engagement

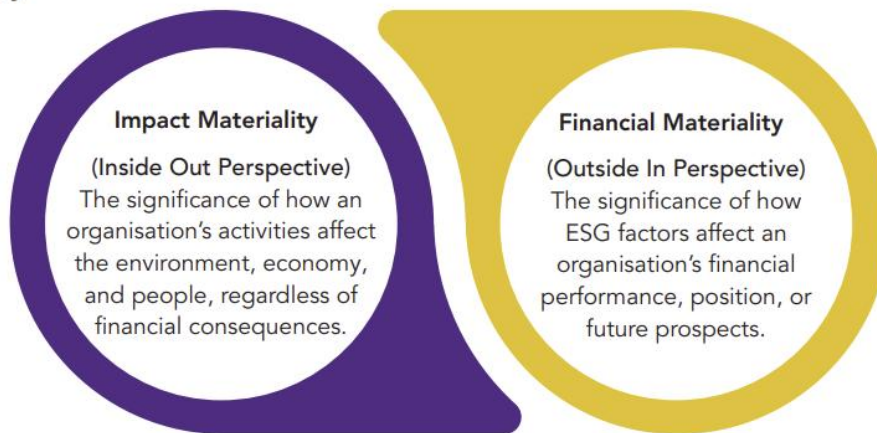
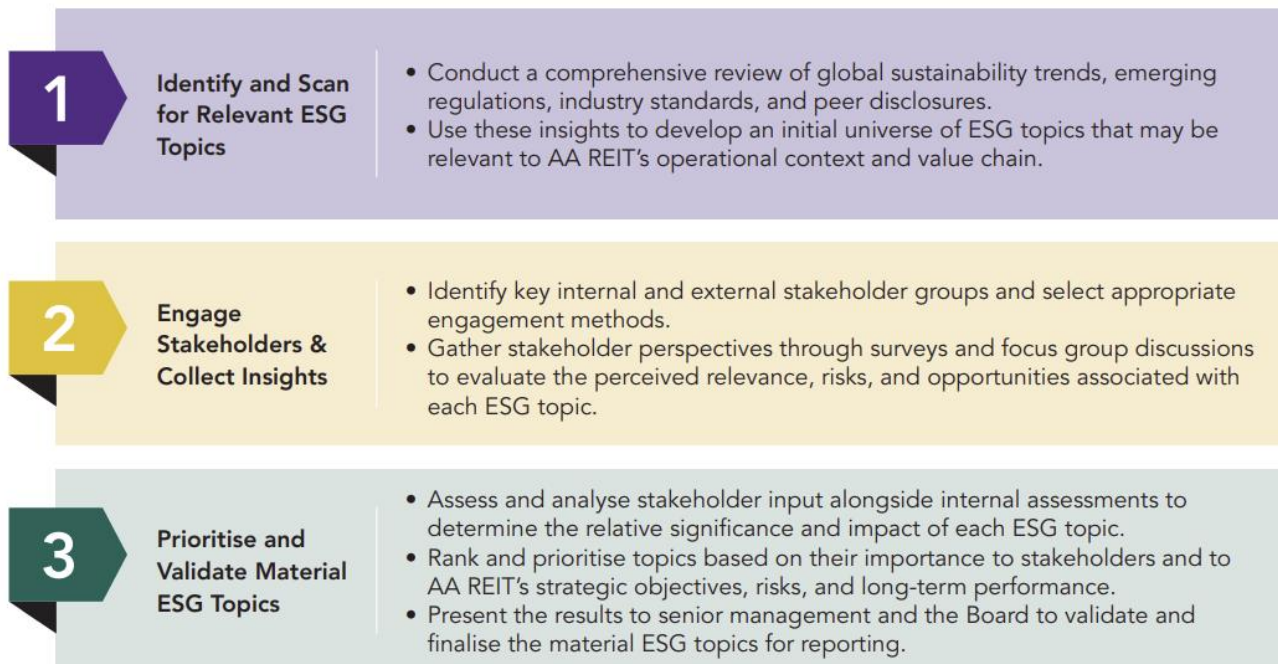
Key Stakeholders	Key Topics and Concerns	Engagement Methods ¹	Frequency of Engagement
 Employees	- Health and safety - Fair and competitive employment practices - Talent development - Equality and diversity - Compensation and other benefits	- Town halls - Review of OHS standards by the OHS committee - Training and development - Recreational and wellness activities - Employee handbook - Career development performance appraisals	- Bi-annually - Throughout the year - Throughout the year - Throughout the year - Throughout the year - Annually
 Investment Community	- Sustainable distributions - Operational and financial performance - Asset and capital management - Business strategy and outlook - Timely and transparent reporting	- Unitholder conferences, webinars, face-to-face meetings and Non-deal Roadshows - Ongoing website, announcements, management presentations, press releases, webcasts of half-year and full-year results briefings - Annual General Meeting - Site visits - Results briefings and business updates for investors and analysts	- Throughout the year - Throughout the year - Annually - Annually - Quarterly
 Current and Potential Tenants	- Quality and maintenance of assets - Environmentally sustainable buildings - Safety and security of premises - Tenant engagement - Tenant satisfaction - Responsiveness to tenant requests and feedback	- Tenant survey - Tenant meetings - Improving efficiency of buildings - Encourage and support tenants' ESG initiatives - Fitting-out manuals	- Annually - Throughout the year - Throughout the year - Throughout the year - Throughout the year
 Business Partners	- Safe working environment - Fair and reasonable business practices - Stronger relationships	- Review of third-party service providers ("TPSPs") - Meetings, inspections and networking events - Communicating standard operating procedures (where applicable) - Ensuring robust health and safety requirements are met by TPSPs during the selection process and execution of contracts - Conveying the integrity of the procurement process - Screening of suppliers based on environmental and social criteria	- Throughout the year - Throughout the year - Throughout the year - Throughout the year - Throughout the year - Throughout the year
 Government, Regulators and Industry Bodies	- Business ethics and regulatory compliance - Good corporate governance	- Responses to public consultations - Participation and membership in industry forums and associations	- Throughout the year - Throughout the year
 Local Communities	Impact and contributions to the communities AA REIT operates in	Corporate Social Responsibility ("CSR") Events	Throughout the year

¹ Includes virtual engagements, where applicable.

Source: AIMS APAC REIT

Materiality assessment:

In FY2026, AA REIT conducted a double materiality assessment, considering both the effects of ESG factors on its financial performance and prospects and the impacts of its activities on the environment, economy, and people. The assessment incorporated internal and external stakeholder surveys, management focus group discussions, peer benchmarking and a review of international sustainability frameworks, including the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and International Sustainability Standards Board (ISSB) standards. The assessment process comprised identifying relevant ESG topics, gathering stakeholder insights, and prioritising topics for validation by senior management and the Board, as shown in **Exhibit 75**.

Exhibit 75: AA REIT's Double Materiality Assessment Process**Double Materiality****Our Steps**

Source: AIMS APAC REIT

Following the assessment, AA REIT identified seven material topics: economic performance; energy and emissions; resource efficiency; occupational health and safety; employment, training, and education; stakeholder engagement; and business ethics. These topics are organised under four sustainability pillars: Build a Sustainable Business, Act Responsibly, Promote Well-being, and Operating Ethically. AA REIT also identified climate action and diversity and equal opportunity as two topics of ongoing importance, which are not currently classified as material but will continue to be monitored. The material topics, their alignment with the United Nations Sustainable Development Goals and associated targets are shown in **Exhibit 76**.

Exhibit 76: AA REIT's Material ESG Topics and Sustainability Targets

Categories	Material Topic	UN SDGs Mapping	Targets
 BUILD A SUSTAINABLE BUSINESS	Economic Performance	 SDG 8: Decent work and economic growth	Perpetual: Provide investors with sustainable long-term returns
	Energy and Emissions	 SDG 7: Affordable and clean energy  SDG 9: Industry, innovation and infrastructure	Short-term: - Increase solar capacity to 15.983 MWp by year end FY2027 70% of new and renewal leases signed in FY2027 to be green Medium-term: - Increase solar capacity to 16.198 MWp by year end FY2028 70% of new and renewal leases signed in FY2028 to be green Long-term: - Increase solar capacity to >16.198 MWp after FY2028 - At least 70% of new and renewal leases signed after FY2028 to be green - SBTi target of 42% reduction in Scope 2 emissions by FY2030 from a FY2020 base year
	Resource Efficiency		Short-term: - Install water efficient fittings in at least one property certified by Water Efficiency Building (Basic) Certification - Actively engage master tenants in single-user assets for collection of data Medium-term: - Actively engage master tenants in single-user assets for collection of data Long-term: - Progressively install water-efficient fittings certified by Water Efficiency Building (Basic) Certification

Source: AIMS APAC REIT

Exhibit 76: AA REIT's Material ESG Topics and Sustainability Targets (cont'd)

Categories	Material Topic	UN SDGs Mapping	Targets
 PROMOTE WELL-BEING	Occupational Health and Safety	 SDG 3: Good health and well-being	Perpetual: - Zero incidents resulting in permanent disability or fatality of staff - Conduct OHS committee meetings every quarter
	Employment, Training and Education		Perpetual: - Achieve an average of at least 15 hours of training per employee per annum 80% of employees to complete at least one hour of ESG related trainings per annum
	Stakeholder Engagement		Perpetual: - Participate in four stakeholder engagements annually - Participate in two CSR initiatives annually
 OPERATING ETHICALLY	Business Ethics	 SDG 16: Peace, justice and strong institutions	Perpetual: - Zero material incidents¹ of non-compliance with regard to anti-corruption laws - Zero Material incidents of non-compliance with environmental or any other regulations

Topic of ongoing importance	Perpetual Targets
CLIMATE ACTION	Perpetual: Commit to reviewing climate-related risks and opportunities across the portfolio on a regular basis
DIVERSITY AND EQUAL OPPORTUNITY	Perpetual: - Commit to fair employment practices by ensuring that all individuals receive the same opportunities for hiring, advancement and benefits - Zero validated cases of discrimination - At least 20% female representation on our Board

¹ Material incidents are defined as those that result in significant fines (>5% of revenue) or legal ruling (of outcome).

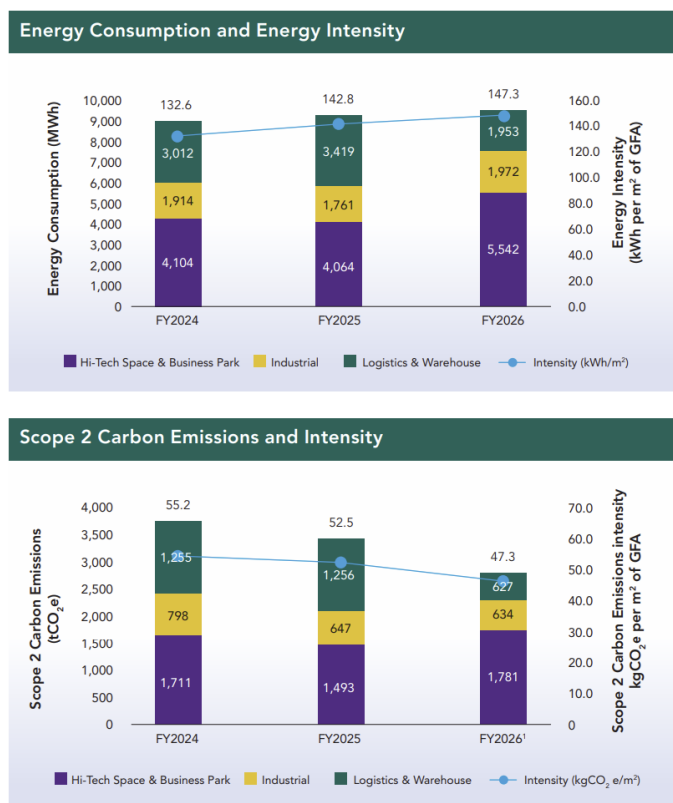
Source: AIMS APAC REIT

(I) ENVIRONMENTAL

AA REIT's environmental initiatives focus on energy and emissions, resource efficiency and climate resilience. Unless otherwise stated, its environmental disclosures cover the 16 Singapore properties under the Manager's operational control. The remaining 12 master-tenanted properties in Singapore and Australia fall outside this operational reporting boundary. The Manager continues to engage master tenants to improve access to environmental data and has incorporated green clauses into its standard Singapore lease agreements to support data collection and sustainable fit-out practices.

In FY2026, reported building energy consumption increased by 224 MWh to 9,468 MWh, including 196 MWh of renewable energy consumption. Average building electricity intensity increased by approximately 3% to 147.3 kWh per square metre of common-area gross floor area as shown in **Exhibit 77**. AA REIT attributed the increase in consumption mainly to renovation and asset enhancement works, higher occupancy and increased tenant electricity usage at selected properties. Before the retirement of renewable energy certificates (RECs), FY2026 market-based Scope 2 emissions amounted to 3,806 tonnes of carbon dioxide equivalent (tCO₂e). The planned retirement of 1,900 MWh of FY2026-vintage RECs would reduce this figure to 3,042 tCO₂e and emissions intensity to 47.3 kgCO₂e per square metre, representing decreases of approximately 10.4% and 9.9%, respectively, from the reported FY2025 figures. Scope 3 emissions increased by 0.3% to 28,629 tCO₂e, with downstream leased assets accounting for approximately 76% of the total.

Exhibit 77: AA REIT's Energy Consumption and Scope 2 Emissions



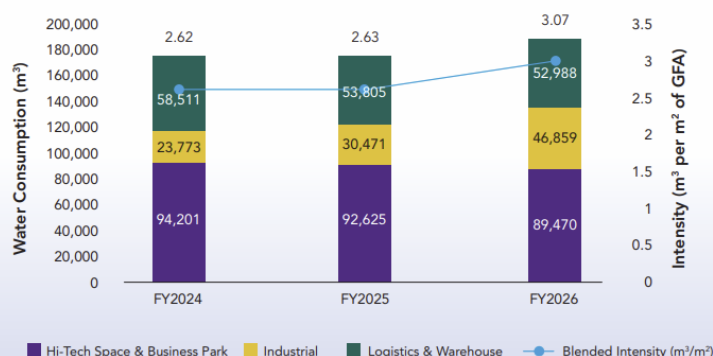
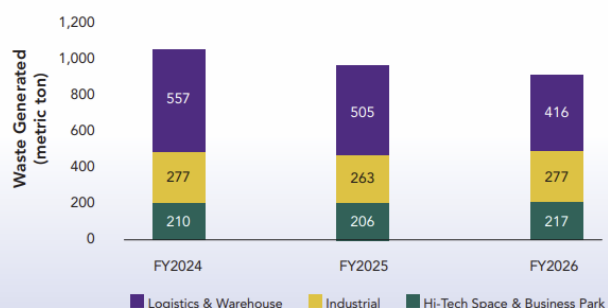
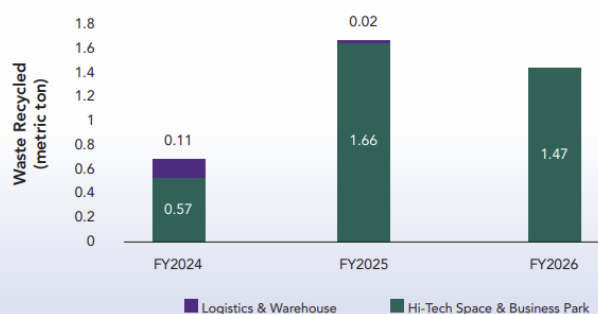
¹ Throughout FY2026, AA REIT generated renewable energy across its portfolio and will retire 1,900 MWh worth of RECs with the corresponding FY2026 vintage.

Prior to the retirement of RECs, AA REIT's FY2026 market-based Scope 2 emissions amounted to 3,806 tCO₂e, with an average building emissions intensity of 59.2 kgCO₂e/m² GFA. Upon retirement of the FY2026 RECs, AA REIT's FY2026 market-based Scope 2 emissions would be reduced to 3,042 tCO₂e, with an average building emissions intensity of 47.3 kgCO₂e/m² GFA.

Source: AIMS APAC REIT

AA REIT increased installed solar capacity to approximately 15.46 MWp in FY2026, exceeding its target of 12.35 MWp, following solar installations at three properties and the acquisition of 2 Aljunied Avenue 1 with existing solar infrastructure. More than 60% of new and renewal leases signed during the year were green leases, exceeding its 60% target. Other initiatives included the progressive implementation of regenerative lift systems and the use of solar-reflective paint. Northtech and 23 Tai Seng Drive held BCA Green Mark Gold and Platinum certifications, respectively, while Optus Centre and Woolworths HQ held NABERS energy ratings of 5.5 and 4.5 stars. AA REIT maintains a long-term target aligned with the Science Based Targets initiative to reduce absolute Scope 2 emissions by 42% by FY2030 from its FY2020 baseline.

Water consumption increased by 7% to 189,316 cubic metres in FY2026, while water intensity rose by 17% to 3.07 cubic metres per square metre as shown in **Exhibit 78**. The increases were mainly attributable to asset enhancement works, sprinkler tank works and water tank cleaning. AA REIT completed water-efficient toilet upgrades at 7 Clementi Loop and attained Water Efficiency Building (Basic) certification. Reported non-hazardous waste decreased by 7% to approximately 911 tonnes. However, the decline primarily reflected changes in reporting scope arising from a divestment, an acquisition and transitions to master-tenanted arrangements. AA REIT continues to improve waste-data collection and tenant engagement and intends to evaluate quantitative waste targets once a consistent baseline has been established.

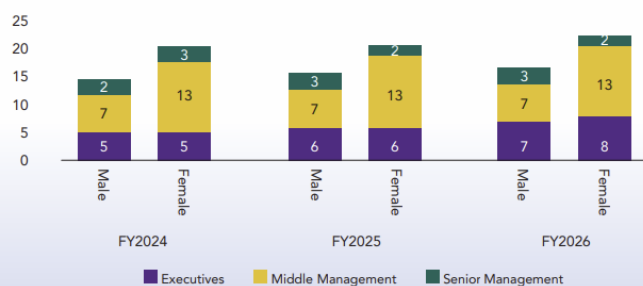
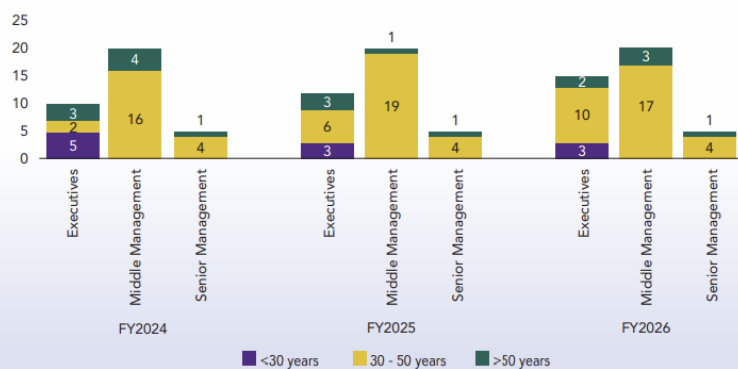
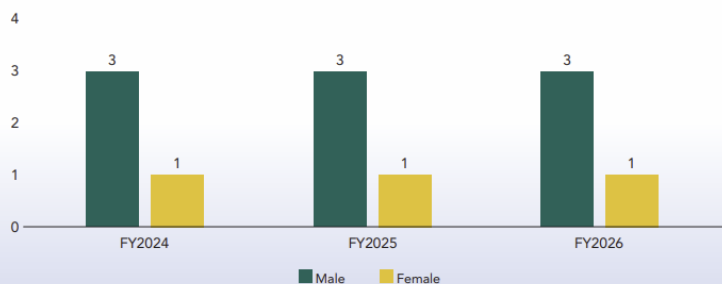
Exhibit 78: AA REIT's Water Consumption and Waste Performance**Water consumption and water intensity****Waste disposed off at offsite landfill****Waste recycled at offsite facilities**

Source: AIMS APAC REIT

AA REIT integrates environmental and climate-related risks into its enterprise risk management framework and investment decisions. Its qualitative climate-risk assessment covers properties in Singapore and Australia and considers physical and transition risks under different climate scenarios and time horizons. The Manager plans to conduct an updated quantitative climate scenario analysis to strengthen its assessment of potential portfolio impacts.

(II) SOCIAL

AA REIT's social initiatives focus on occupational health and safety, employee development, diversity and equal opportunity, and stakeholder engagement. Its employee disclosures cover the Singapore-based staff of the Manager and Property Manager. As at the end of FY2026, the workforce comprised 40 full-time employees, all holding permanent positions. Women represented approximately 58% of the workforce and 25% of the Board as shown in **Exhibit 79**, exceeding the target of at least 20% female Board representation. AA REIT reported zero validated cases of discrimination during the year and maintains employment policies supporting fair recruitment, advancement, and access to benefits.

Exhibit 79: AA REIT's Workforce and Board Diversity**Employee Breakdown by Gender and Employee Category****Employee Breakdown by Employee Category and Age Group****Board of Directors by Gender**

Source: AIMS APAC REIT

AA REIT recorded zero employee fatalities and injuries in FY2026. Its Occupational Health and Safety (OHS) Committee comprises representatives from all departments and meets at least quarterly to review safety practices, oversee training and promote employee well-being. Safety measures include incident reporting procedures, hazard assessments, annual emergency drills and specialised training for the Property Manager's staff. AA REIT also evaluates contractors and service providers based on their safety performance, relevant certifications and compliance with workplace safety requirements. Employee welfare initiatives include medical coverage, wellness activities and team-building programmes.

In FY2026, AA REIT reported an average of 18.6 training hours per employee, exceeding its annual target of at least 15 hours. This average was calculated using 39 employees, excluding one employee who did not attend training during the year due to work requirements. Training covered finance and capital markets, business ethics and risk management, information technology, ESG, health and safety, and personal development. In addition, 80% of employees completed at least one hour of ESG-related training, meeting the corresponding target. All employees received regular performance and career development reviews, while relevant external training and education were supported to strengthen professional capabilities.

AA REIT met its annual targets of participating in at least four stakeholder engagement initiatives and two corporate social responsibility activities. The community activities recorded an average employee participation rate of 66% and included volunteering at Geylang East Home for the Aged and partnering with AWWA to distribute essential goods to low-income families. AA REIT also maintained regular engagement with tenants through meetings and its annual tenant satisfaction survey. The FY2026 survey recorded a response rate of 27%, unchanged from FY2025, providing feedback to support improvements in services, facilities and sustainability initiatives.

(III) GOVERNANCE

AA REIT maintains a zero-tolerance stance towards corruption, bribery, fraud and other unethical practices. Its business ethics framework includes policies on anti-money laundering and countering terrorism financing, interested and related party transactions, conflicts of interest and whistleblowing. New employees receive a Code of Conduct outlining expected standards of professionalism and integrity, including guidance on conflicts of interest, gifts and hospitality, and disciplinary action for non-compliance. Employees and Board members receive training on anti-corruption, anti-money laundering, countering terrorism financing and ethical conduct during onboarding, supported by periodic refresher sessions.

AA REIT's Whistleblowing Policy provides employees and external stakeholders with confidential channels to report suspected misconduct without fear of retaliation or prejudice. Reports are reviewed objectively, investigated, and escalated to senior management or the Board where appropriate. Findings are documented and relevant control improvements are implemented. Critical concerns are escalated to the Board or the relevant Board committee, including the Audit, Risk and Compliance Committee, without undue delay.

The Manager also incorporates ethical standards into procurement and third-party relationships. Major procurement exercises undergo prequalification and competitive bidding, with service providers assessed on factors including track record, cost, financial stability, legal compliance, and safety performance. Agreements with material term contractors include anti-bribery and conflict-of-interest clauses. In FY2026, anti-corruption policies and procedures were communicated to all nine material term contractors in Singapore.

AA REIT reported zero material incidents of corruption or regulatory non-compliance in FY2026, meeting its business ethics targets. It also recorded no significant fines or non-monetary sanctions relating to regulatory or environmental compliance. These targets are maintained as ongoing commitments. While the FY2026 Sustainability Report did not undergo external assurance, it was subject to an internal audit conducted by BDO Advisory Pte. Ltd.

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