

PRESS RELEASE (EMBARGO TILL 5PM)

AME REIT's unitholders greenlight maiden RM69.3 million acquisitions of industrial properties

- *The acquisitions will increase AME REIT's proforma total asset value by 12.8% to RM644.1 million*
- *The newly listed Islamic industrial REIT is optimistic of growth driven by recovery in the Malaysian economy and the Iskandar Malaysia's appeal to MNCs*

Johor Bahru, Malaysia, 27 February 2023 - Unitholders of the Islamic REIT AME Real Estate Investment Trust ("AME REIT," "AME 产托") today approved its maiden acquisitions of three industrial properties in Iskandar Malaysia for RM69.3 million that will boost AME REIT's total asset value by 12.8% to RM644.1 million, its management company I REIT Managers Sdn Bhd ("Manager") announced today.

RHB Trustees Berhad in its capacity as the trustee of AME REIT had earlier entered into three conditional sale and purchase agreements with subsidiaries of AME Elite Consortium Berhad ("AME Elite"), for the sale and purchase of the three properties respectively. All three industrial properties, located within AME Elite's integrated industrial parks in Iskandar Malaysia, have existing lease arrangements for a tenure of 10 years and an option to renew a further period of three or five years, which are expected to provide AME REIT with stable and sustainable income over the tenure of the leases.

Two of the industrial properties, leased to HID Global Sdn Bhd (Plot 15 Indahpura) and SGS (Malaysia) Sdn Bhd (Plot 43 SAC), are income-generating and fully occupied. The third industrial property to be leased to HQPack Sdn Bhd (Plot 16 Indahpura) is currently under construction, with the Certificate of Completion and Compliance expected to be issued by the third quarter of 2023. Plot 16 Indahpura is expected to be income generating and fully occupied prior to or on the completion of the Sale and Purchase Agreement (SPA).

The properties have a combined agreed lettable area (ALA) of more than 256,000 square feet (sq ft), and would increase AME REIT's ALA by 15.9% to approximately 1.9 million sq ft from 1.6 million sq ft at present.

Chan Wai Leo, Chief Executive Officer and Executive Director of the Manager, said that AME REIT's maiden acquisitions since its Main Market listing on Bursa Malaysia Securities Berhad on 20 September 2023 set AME REIT on a robust growth path alongside a strong recovery in Malaysia's Gross Domestic Product growth and the sustained popularity of the Iskandar Malaysia economic zone with multinational corporations (MNCs).

Mr. Chan Wai Leo (陈威来), Chief Executive Officer and Executive Director, I REIT Managers Sdn Bhd said:

"The maiden acquisitions of these premier fully leased and/or lease-ready industrial properties within our first year as a listed entity sets the tone for our future pace of expansion.

The Malaysian economy's stronger-than-expected growth in 2022, coupled with a firm government and pro-business policies, are likely to spur greater Foreign- and Domestic Direct Investment going forward. Hence, the higher demand for industrial properties amongst both MNCs and domestic firms in the country potentially creates a firm pipeline for AME REIT to increase our portfolio.

With the acquisitions bringing our portfolio to 37 assets with a combined value of RM644.1 million, AME REIT would have remaining financing headroom of more than RM430.0 million to explore future acquisitions, be they from AME Elite or from third-party sources within and beyond Johor, to sustain our momentum.”

The acquisitions will be fully financed via Islamic financing facilities with the acquisitions of Plot 15 Indahpura and Plot 43 SAC expected to be completed in the first quarter of 2023, and the acquisition of Plot 16 Indahpura slated for completion in the first quarter of 2024.

As such, the acquisitions are not expected to have material effect on AME REIT's earnings and distributable income for the financial year ending 31 March 2023 but is expected to contribute positively to AME REIT's future earnings and distributable income.

The acquisitions effectively increase AME REIT's portfolio to 37 properties comprising 34 industrial properties and three industrial-related worker dormitories, all of which are fully occupied.

Chan further said that AME REIT's focus on highly-occupied industrial properties enabled it to honour its commitment to reward unitholders through stable distribution per unit.

The Manager had recently proposed to distribute 100% of AME REIT's distributable income for the period from its listing on 20 September 2022 until the third quarter ended 31 December 2022, based on distributable income of RM10.289 million for the period. AME REIT's maiden distribution per unit of 1.975 sen is payable on 30 March 2023 to unitholders whose names appear in the Record of Depositors of AME REIT at the close of business on 8 March 2023.

For the financial period from 20 September 2022 to 31 December 2022, AME REIT recorded net property income of RM11.318 million on revenue of RM12.100 million.

“AME REIT will distribute 100% of its distributable income for the period from its listing date of 20 September 2022 till financial year ending 31 March 2023 to unitholders, and thereafter it is the intention of the Manager to distribute at least 90% of AME REIT's distributable income to its unitholders. With the upcoming completion of these maiden acquisitions and potential exercises in the future, unitholders are poised to benefit from our positioning as a growth-centric industrial REIT,” concluded Chan.

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About AME REIT

AME REIT is an industrial REIT with the principal investment policy of investing, directly and indirectly, in a Shariah-compliant portfolio of income producing real estate used primarily for industrial and industrial-related purposes in Malaysia and overseas. The objective of AME REIT is to provide unitholders with a stable and growing distribution of income and to achieve long-term growth in its net asset value. AME REIT's initial portfolio currently consists of 34 industrial and industrial-related assets across Iskandar Malaysia.

I REIT Managers Sdn Bhd is the management company and RHB Trustees Berhad is the trustee of AME REIT.

Issued for and on behalf of AME REIT by Aquilas Advisory (Malaysia) Sdn Bhd.

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