

**PRESS RELEASE**

## **AME REIT proposes maiden post-listing acquisitions of industrial properties for RM69.3 million**

- *Proposed addition of three industrial properties in Sponsor AME Elite's industrial parks in Iskandar Malaysia to boost AME REIT's proforma total asset value to RM644.1 million*

Johor Bahru, Malaysia, 5 December 2022 - I REIT Managers Sdn Bhd, the management company of Islamic REIT AME Real Estate Investment Trust ("AME REIT," "AME 产托"), which was listed on the Main Market of Bursa Malaysia Securities Berhad in September 2022, proposed its maiden post-listing acquisitions of three industrial properties in Iskandar Malaysia for RM69.3 million, which would boost its proforma total asset value by 12.8% to approximately RM644.1 million.

RHB Trustees Berhad (in its capacity as the trustee of AME REIT) has entered into three conditional sale and purchase agreements with subsidiaries of AME REIT's sponsor, AME Elite Consortium Berhad, for the sale and purchase of the three properties respectively.

The three properties consist of two industrial properties in i-Park @ Indahpura in Kulai and an industrial property in i-Park @ Senai Airport City (SAC) in Senai, with a combined agreed lettable area (ALA) of more than 256,000 square feet (sq ft). The proposed acquisitions would increase AME REIT's ALA by 15.9% to approximately 1.9 million sq ft from 1.6 million sq ft at present.

All three industrial properties have existing lease arrangements for a tenure of 10 years with an option to renew for a further three to five years, and are expected to provide AME REIT with stable and sustainable income over the tenure of the leases.

Two of the industrial properties have commenced leases on 5 October 2022 with their respective lessees, namely HID Global Sdn Bhd (Plot 15 Indahpura) and SGS (Malaysia) Sdn Bhd (Plot 43 SAC). The third industrial property to be leased to HQPack Sdn Bhd on Plot 16 Indahpura is currently under construction, with the Certificate of Completion and Compliance expected to be issued by the third quarter of 2023.

"Our maiden acquisitions post-listing marks a commendable start for AME REIT's growth journey. These newly minted industrial properties are located in prime locations with excellent build quality. In addition, upon acquisition completion, the properties will be fully occupied by quality customers with long leases.

Enhancing our proforma total asset value to more than RM640 million within a few months of our flotation exercise denotes our desire to expand the fund. AME REIT will still have a large financing headroom to pursue potential acquisitions in the central and northern regions of Peninsular Malaysia in addition to Johor in the near future."

Upon completion of the proposed acquisitions, AME REIT retains a premium portfolio of 37 properties containing freehold industrial properties and worker dormitories with steady tenancies."

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



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Assuming the proposed acquisitions are fully financed via Islamic financing facilities, AME REIT's gearing ratio is estimated to increase from 0.06 times as at 30 September 2022 to 0.16 times. AME REIT is permitted to increase its gearing to 0.5 times of total asset value for future acquisitions.

The freehold properties are strategically located in the same vicinity as AME REIT's existing portfolio properties in the Iskandar Malaysia region in Johor, and benefit from easy access to the major highways including Tuas Second Link and North-South Expressway, and Senai Airport.

The proposed acquisitions are subject to approvals from unitholders of AME REIT at the forthcoming Extraordinary General Meeting and the relevant authorities.

Barring unforeseen circumstances, the acquisitions of Plot 15 Indahpura and Plot 43 SAC are expected to be completed in the first quarter of 2023, while the acquisition of Plot 16 Indahpura is expected to be completed in the fourth quarter of 2023. As such, the proposed acquisitions are not expected to have material effect on AME REIT's earnings and distributable income for the financial year ending 31 March 2023.

Consequently, the proposed acquisitions are expected to contribute positively to AME REIT's future earnings and distributable income.

Save for the issuance of new units in AME REIT as management fees, as may be elected by I REIT Managers Sdn Bhd, the proposed acquisitions will not have any effect on the issued unitholders' capital and substantial unitholders' unitholdings as it is a cash acquisition.

Chan said: "We are determined to provide our unitholders with regular, stable, and growing income distribution. These three industrial properties will be yield accretive and provide reliable recurring income to AME REIT over the long term."

### **About AME REIT**

AME REIT is an Islamic 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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