

AME REIT aiming for 100% lease renewal in FY2024

- *On track for 100% occupancy rates across all industrial- and industrial-related properties*
- *Increased net property income via full-quarter contributions from two recently-acquired industrial properties; third property on track for FY2024 completion*
- *Announces 100% distribution of distributable income for 1Q24*

Johor Bahru, Malaysia, 9 August 2023 - Shariah-compliant industrial REIT AME Real Estate Investment Trust (“AME REIT”, “AME 产托”) is aiming for 100% renewal of the 12 leases expiring in the financial year ending 31 March 2024 (FY2024) to reinforce the REIT’s future earnings.

Of the 12 leases, AME REIT has successfully renewed leases with five existing tenants, obtained one replacement tenant, and confirmed lease renewals with six existing tenants, which will be finalised by end-FY2024. With this, AME REIT is on track for 100% occupancy rates across all industrial- and industrial-related properties.

Chan Wai Leo, Chief Executive Officer and Executive Director of I REIT Managers Sdn Bhd, the management company of AME REIT, is buoyant of AME REIT maintaining its full occupancy position with healthy rent escalations.

“We are confident that our strong proposition as an innovative and value-accretive asset manager will bode well in retaining our tenants at improved rental rates, thereby enhancing our earnings stability. As part of an integrated industrial space solutions provider via our Sponsor AME Elite Consortium Berhad, we have both the capability and speed to work proactively with our tenants to customise to their requirements.

AME REIT now has 36 properties in its portfolio, with the acquisition of another industrial property on track for completion in FY2024. The acquisition will bring AME REIT’s total investment property value to RM668.0 million, where all properties enjoy full occupancy.

On top of that, we are on the lookout for new properties in Johor, Klang Valley, and the northern region to further strengthen our asset base. In this respect, we are targeting approximately RM100 million acquisition to expand our portfolio, and continue to reinforce our reputation as a leading industrial REIT in Malaysia.”

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

AME REIT is in the process of acquiring Plot 16 Indahpura, where construction has been completed and is now pending the issuance of certificate of completion and compliance (CCC). The acquisition is expected to be completed in the first quarter of 2024. The property is slated to be fully occupied and income generating prior to or on the completion of the Sale and Purchase Agreement.

This comes after AME REIT had acquired Plot 43 SAC and Plot 15 Indahpura on 24 March 2023, allowing AME REIT to recognise three months contribution in the first quarter ended 30 June 2023 (1Q24), versus eight days in the preceding fourth quarter ended 31 March 2023 (4Q23).

Thanks to the full-quarter contribution from two recently-acquired industrial properties, AME REIT reported increased net property income (NPI) of RM10.7 million in 1Q24 compared to RM10.2 million in the preceding quarter 4Q23.

As AME REIT was listed on the Main Market of Bursa Malaysia Securities Berhad on 20 September 2022, there is no comparison with the previous corresponding quarter and period.

Alongside the financial performance, AME REIT will reward unitholders with 100% distribution of distributable income amounting to RM9.4 million, or 1.80 sen distribution per unit (DPU) for 1Q24.

The distribution is payable on 18 September 2023 to unitholders whose names appear in the Record of Depositors of AME REIT at the close of business on 25 August 2023.

The outlook for Malaysia's industrial-driven economy is upbeat as approved foreign direct investment into the country surged 35.7% year-on-year in the first quarter of 2023. The increase is in part due to the ongoing geopolitical rivalry between China and the United States which has driven more multinational corporations to move their operations to Southeast Asia.

The recent launch of the Madani economic blueprint by the federal government has generated confidence amongst investors and provided more clarity over the trajectory of the nation's industrial policy.

Chan said, "Malaysia's positive outlook provides an optimistic landscape for the industrial sector to thrive, and AME REIT is well-positioned to capitalise on these opportunities. We aim to maintain a steady growth trajectory going forward."

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AME REAL ESTATE INVESTMENT TRUST (AME REIT)

No. 2, Jalan I-Park SAC 1/1, Taman Perindustrian I-Park SAC, 81400 Senai Johor.
Tel: +607 - 5959 999 Fax: +607 - 5959 668

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 portfolio currently consists of 36 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.

For media enquiries, please contact:

Ms. Julia Pong
E: julia@aquilas.com.my
T: 03-2711 1391