

4 Industrial REITs Yielding 6% – 10%

What Are Investors Being Paid For?

Same sector. Very different yields. Different risks. A closer look. ...

A higher yield usually means higher risk.

But what specific risks are investors being paid to accept in each of these REITs?

Indicative annualised yield
(late August)

6.3%

8.3%

8.4%

9.7%

The Dividend Uncle's Scorecard	AIMS APAC REIT	Alpha Integrated REIT	UI Boustead REIT	ESR-REIT
1 Property Quality & Income Strength				
2 Land Tenure & Portfolio Durability				
3 Balance Sheet & Funding Risk				
4 Distribution Quality & Visibility				
5 Currency & Portfolio Complexity				

We'll go through each factor and fill in the scorecard.

At the end, we'll bring the yield back in and ask the key question — am I being paid enough?

1. PROPERTY QUALITY & INCOME STRENGTH

How Well Are the Properties Performing?

Occupancy and rental reversions give us a useful indication of the current operating strength of each REIT's portfolio.

Stronger operations can support more resilient income.

But current operating strength is only one part of the overall investment case.

Key Metrics (1H/FY2026 where stated)	AIMS APAC REIT	Alpha Integrated REIT	UI Boustead REIT	ESR-REIT
Occupancy / Committed Occupancy	96.1%	95.0% (up from 85.7% a year earlier)	98.1% (up from 89.4% at IPO)	91.9%
Rental Reversion	6.5%	10.9%	–	9.8%
Operating Performance (Selected Point)	NPI +12.5% year on year	NPI +10.8% year on year	First listed results; stronger occupancy than IPO reference	Lower occupancy leaves more space to fill. ACFS Port Logistics leases (~5.2% of effective gross rent) entered administration in August.
Scorecard Assessment	Good	Very Good	Good	Fair

Key Takeaway

Alpha's current operating performance is very strong, while ESR's lower occupancy and recent tenant issue make its operating position less comfortable than the others.

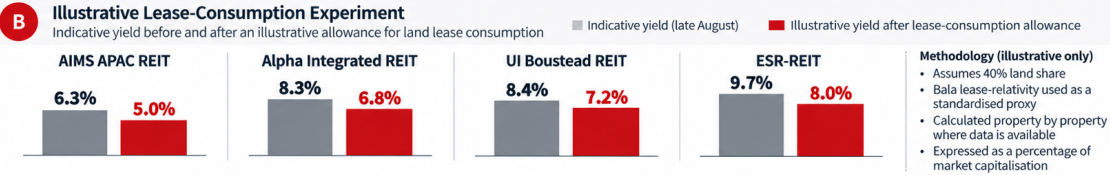
2. LAND TENURE & PORTFOLIO DURABILITY

How Durable Are the Portfolios?

Industrial properties can generate income today, but the underlying land leases have finite lives.

A Land Tenure and Portfolio Durability
Key information from latest reported data (as at most recent reporting period stated in the script)

	AIMS APAC REIT	Alpha Integrated REIT	UI Boustead REIT	ESR-REIT
Freehold exposure (% of portfolio value)	~28%	No substantial freehold buffer	~29% (two Japanese properties)	~20% (around one-fifth)
Weighted remaining land tenure (leasehold portion)	~25.5 years	~25.3 years (overall)	Shorter Singapore leases remain	Around mid-40 years (overall, by value)
Additional notes	Meaningful portion still on shorter leases	Relatively short tenure; no large freehold assets	Japanese assets are freehold; Singapore properties on shorter leases	Active portfolio recycling into longer-tenure or freehold assets overseas
Scorecard Assessment	Fair	Weak	Good	Good



Key Takeaways

- 1 Gaps narrow.
Ranking does not reverse.
- 2 Short land tenure alone does not explain ESR's yield premium.
The higher yield must also reflect other risks, such as the balance sheet, income visibility and portfolio complexity.

3. BALANCE SHEET & FUNDING RISK

Headline Gearing Does Not Tell the Whole Story

Leverage, perpetual securities and financing costs all affect the level of risk behind the distribution.

A stronger balance sheet can support more resilient distributions.
But headline gearing alone does not capture the full picture.

	AIMS APAC REIT	Alpha Integrated REIT	UI Boustead REIT	ESR-REIT
Reported gearing (as at June 2026)	24.9%	34.9%	36.4%	41.4%
Perpetual securities (material)	Yes Forms part of capital structure	No No material comparable perpetual stack	No No major perpetual issue highlighted	Yes Material perpetual layer
All-in financing cost	4.1%	3.76%	~2.5%	3.52%
Interest coverage ratio (ICR)	4.9x (excluding perp distr) 2.7x (including perp distr)	4.2x	~5x	2.6x
Refinancing / Other notes	S\$250m perp issue in 2026 ahead of planned redemption of older S\$250m tranche	No major near-term refinancing issues highlighted	No major refinancing requirements until FY2029	Deleveraging underway through divestments; gearing expected to fall further after repayments, but not yet completed
Scorecard Assessment	Good	Good	Very Good	Weak

Key Takeaway

A lower reported gearing ratio does not always mean lower financial risk.
Perpetual securities, financing costs, interest coverage and refinancing profiles all need to be considered.

4. DISTRIBUTION QUALITY & VISIBILITY

How Much Confidence Should We Place in Today's Yield?

The four headline yields are not based on identical types of distributions.

A higher yield is more meaningful when it is backed by a sustainable distribution base.

We need to look at what the yield is based on, and how much visibility there is over future distributions.

	AIMS APAC REIT	Alpha Integrated REIT	UI Boustead REIT	ESR-REIT
Type of distribution used for yield	Latest quarterly DPU annualised (includes a small capital component)	Actual 1H26 DPU annualised	FY27 forecast DPU	1H26 core DPU annualised (capital distributions excluded from comparison)
Key points	- Based on the latest quarterly DPU - Includes a small capital component	- Based on actual distributions from 1H26 - Reflects operating results that have already been generated	- Based on prospectus forecast for FY27 - Short listed track record	- Based on 1H26 core DPU - Core DPU represents the overwhelming majority of the 1H26 distribution
Notable considerations	Not every cent of the distribution has the same economic character.	More visibility as the yield is based on demonstrated distributions.	Maiden NPI was 4.3% below prorated IPO forecast, partly due to weaker yen and a delayed lease commencement, with offsets elsewhere.	Recent Australian tenant issue creates additional forward uncertainty, even though core DPU itself is largely recurring.
Scorecard Assessment	Good	Very Good	Fair	Fair
Key Takeaway	The headline yields are not based on identical types of distributions. A proper comparison requires us to consider the quality of the distribution base and the visibility of future distributions.			

5. CURRENCY & PORTFOLIO COMPLEXITY

FX Risk Can Be Hedged — Portfolio Complexity Cannot Be Completely Hedged Away.

A more geographically diverse portfolio can offer opportunities, but also adds FX and operational complexity.

More countries can mean more opportunities.

But they also introduce more currency exposure and operational complexity, which can affect the stability of distributions.

	AIMS APAC REIT	Alpha Integrated REIT	UI Boustead REIT	ESR-REIT
Geographic exposure (key countries)	  Singapore Australia	 Singapore only	  Singapore Japan	   Singapore Australia Japan
FX exposure	AUD exposure	No material FX exposure (Singapore only)	JPY exposure (~29% of portfolio value in Japan)	AUD and JPY exposure
Hedging approach	AUD debt and forward contracts used for hedging	Not applicable	Uses hedging (JPY exposure)	Local-currency debt and forward hedging (AUD and JPY)
Key points	- Exposure to Singapore and Australia - AUD debt and forwards used for hedging	- Singapore only - Lowest FX complexity among the four REITs - No material FX exposure	~29% of portfolio value in Japan - JPY exposure 10% JPY depreciation: projected FY27 yield 7.8% → ~7.6%	- Exposure to Singapore, Australia and Japan - Local-currency debt and forward hedging - Highest overall portfolio complexity among the four
Scorecard Assessment	Good	Very Good	Fair	Fair

Key Takeaway

FX risk can be hedged — portfolio complexity cannot be completely hedged away.

A wider geographic footprint can provide growth opportunities, but it also introduces currency exposure and operational complexity, which can affect distribution stability over time.

4 INDUSTRIAL REITS

Different Yields Compensate for Different Risks.

Same sector. Similar assets. Very different risk profiles. A closer look.

Short land tenure alone does not explain ESR's yield premium.

A higher yield can reflect a combination of factors, including higher financial risk, greater operational complexity and more execution risk.

Indicative annualised yield (late August)	6.3%	8.3%	8.4%	9.7%
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2 Land Tenure & Portfolio Durability	Fair	Weak	Good	Good
3 Balance Sheet & Funding Risk	Good	Good	Very Good	Weak
4 Distribution Quality & Visibility	Good	Very Good	Fair	Fair
5 Currency & Portfolio Complexity	Good	Very Good	Fair	Fair
The Dividend Uncle's Take — Am I Being Paid Enough?	Solid quality — but lowest yield needs justification	Strong fundamentals — short tenure is the key trade-off	Balanced profile — delivery track record still developing	Highest premium — but highest financial/execution burden

Key Takeaways

- 1 Different yields compensate for different risks.
These four REITs have different asset quality, land tenure, balance sheet profiles, distribution visibility and geographical exposure.
- 2 Short land tenure alone does not explain ESR's yield premium.
ESR's higher yield reflects a combination of factors, including higher financial risk, greater operational complexity and more execution risk.

4 Small Industrial REITs

Same Sector. Very Different Yields.

At prices around late August, the indicative annualised or forecast distribution yields range from 6.3% for AIMS, to almost 10% for ESR.

All four operate in the industrial property sector, but their yields vary **remarkably widely.**

BUT WHY?



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INDICATIVE YIELD



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UI Boustead REIT

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ESR REIT

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INDICATIVE YIELD