



**AIMS
AA REIT**

AIMS APAC REIT MANAGEMENT LIMITED

As Manager of AIMS APAC REIT
1 George Street, #23-03 One George Street
Singapore 049145

(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 5 December 2006 (as amended))

ANNOUNCEMENT

**ANNUAL GENERAL MEETING ON 28 JULY 2021 –
RESPONSES TO THE SUBSTANTIAL AND RELEVANT QUESTIONS FROM UNITHOLDERS**

1. AIMS APAC REIT Management Limited (the “**Manager**”), as Manager of AIMS APAC REIT (“**AA REIT**”), refers to:
 - (a) the notice of the Annual General Meeting of AA REIT (“**AGM**”) dated 7 July 2021; and
 - (b) the accompanying announcement released on 7 July 2021 setting out, *inter alia*, the alternative arrangements for the conduct of the AGM by electronic means.
2. The Manager would like to thank the unitholders of AA REIT (“**Unitholders**”) for submitting their questions in advance of the AGM. As there is some overlap of questions received from Unitholders, we will not be providing responses to every question received. Instead, the Manager has grouped the similar questions together into substantial and relevant topics, and provided overarching questions respectively. The topics are categorised as follows:
 - (A) Business Strategy
 - (B) Capital ManagementPlease refer to the **Appendix** to this announcement for the Manager’s responses.
3. The Manager would like to thank all Unitholders for their patience and co-operation in enabling us to hold the AGM with the optimum safe distancing measures amidst the COVID-19 pandemic.

By Order of the Board
AIMS APAC REIT Management Limited
(Company Registration No. 200615904N)
As Manager of AIMS APAC REIT

Koh Wee Lih
Chief Executive Officer
28 July 2021

APPENDIX

RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS FROM UNITHOLDERS

| A. | BUSINESS STRATEGY |
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| A1. | <p><u>Question:</u></p> <p>Does AA REIT have any plans to enter into data centre sector, once the moratorium on data centres in Singapore is lifted, or in Australia? Is there potential to convert or re-develop existing properties in AA REIT's current portfolio into a data centre asset?</p> |
| | <p><u>Response:</u></p> <p>We are open to investing in data centres or converting some assets to data centres in Singapore, once the moratorium on data centres ends.</p> <p>There are however, many factors when considering a possible conversion:</p> <ul style="list-style-type: none">• Suitability of asset profile and existing building specifications;• Approvals from the relevant authorities (e.g. zoning of the industrial precinct); and• Availability of power within the relevant precinct/location. <p>As at 30 June 2021, data centre segment makes up 1.8% of our portfolio by gross revenue income. Our property at 23 Tai Seng Drive, Singapore is a light industrial building that has been converted for primary data centre usage and is occupied by a data centre operator.</p> <p>We will actively review potential deals, including overseas freehold assets, data centres, logistic and business park assets, which meet our criteria for addition to the REIT's portfolio.</p> |
| A2. | <p><u>Question:</u></p> <p>Can the management share plans on growing the DPU for the next 3 years?</p> |
| | <p><u>Response:</u></p> <p>We do not provide guidance or forecast on our DPU.</p> <p>We have consistently distributed at least 90% of our taxable income since we listed in April 2007, as stipulated by the authorities, to qualify for tax transparency.</p> <p>We are continuously pursuing potential acquisitions, asset enhancement initiatives and built-to-suit projects to add to the portfolio, which will help drive DPU growth over the medium to long-term.</p> |

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| A3. | <p><u>Question:</u></p> <p>Has there been any interest in M&A from other S-REITs? Is there potential for AA REIT to merge with other REITs?</p> |
| | <p><u>Response:</u></p> <p>We will consider opportunities that are in line with the REIT's strategies and that are in the best interests of all Unitholders.</p> <p>The Manager, Board and Sponsor's principal focus is on delivering long-term sustainable total returns for our Unitholders, through the disciplined execution of our investment, asset management and capital management strategy.</p> |

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| B. | CAPITAL MANAGEMENT |
| B1. | <p><u>Question:</u></p> <p>Is it possible to limit fundraising to rights issues and borrowings without external placements?</p> |
| | <p><u>Response:</u></p> <p>Bank borrowings are limited as REITs have an aggregate leverage limit of 50%. AA REIT has a conservative leverage of 34.3% as at 30 June 2021.</p> <p>Besides debt, REITs can also raise funds from the equity capital markets and perpetual securities.</p> <p>Right issues or preferential offerings allow Unitholders to subscribe for a proportionate number of units, which does not dilute a Unitholders' stake. This assumes an existing Unitholders participates in the offering.</p> <p>Placements is another method of raising equity. Some benefits of raising funds through placements include a faster speed of completion as compared to rights issues or preferential offering.</p> <p>As part of our prudent capital management approach, we will consider the most optimal funding structure at the time. Having funding flexibility will enable AA REIT to stay focused and nimble and be in a position to take advantage of opportunities as they arise for the benefit of Unitholders.</p> |

Important Notice

The value of units of AIMS APAC REIT (“**AA REIT**”) (“**Units**”) and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, AIMS APAC REIT Management Limited (“**Manager**”), or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders of AA REIT may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of AA REIT is not necessarily indicative of the future performance of AA REIT.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s view of future events.

About AIMS APAC REIT (www.aimsapacreit.com)

Managed by the Manager, AA REIT was established with the principal investment objective of owning and investing in a diversified portfolio of income-producing industrial, logistics and business park real estate, located throughout the Asia Pacific region. The real estate assets are utilised for a variety of purposes, including but not limited to warehousing and distribution activities, business park activities and manufacturing activities. AA REIT’s existing portfolio consists of 28 properties, of which 26 properties are located throughout Singapore, a property located in Gold Coast, Queensland, Australia and a 49.0% interest in one business park property, Optus Centre, which is located in Macquarie Park, New South Wales, Australia.

About AIMS Financial Group (www.aims.com.au)

AIMS Financial Group (“**AIMS**”) is the sole sponsor of AA REIT. Established in 1991, AIMS is a diversified financial services and investment group, active in the areas of mortgage lending, securitisation, investment banking, funds management, property investment, stock broking and high-tech investment. AIMS is also a strategic investor in the Sydney Stock Exchange.

AIMS has raised funds from capital markets and issued residential mortgage-backed securities, predominantly rated AAA by both Standard & Poor’s and Fitch Ratings. AIMS has also attracted a number of international investors into the Australian markets and is the investment manager for various funds.

AIMS’ head office is in Sydney and it has businesses across Australia, China, Hong Kong and Singapore. Its highly qualified, professional and experienced cross-cultural teams enable AIMS to bridge the gap between Australia and Asia across various sectors.