宝泽 AIMS AIMS APAC 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))

SGX Announcement

PROPOSED ACQUISITION OF A PROPERTY IN GOLD COAST, QUEENSLAND, AUSTRALIA

1. INTRODUCTION

AIMS APAC REIT Management Limited, as manager of AIMS APAC REIT ("**AA REIT**" and as manager of AA REIT, the "**Manager**"), is pleased to announce that HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of AA REIT (the "**Trustee**"), through its indirect wholly-owned sub-trust (the "**Purchaser**")[1] has on 14 May 2019, entered into a contract of sale with GSM Rocket Australia Pty Ltd (the "**Vendor**") to acquire a property located at 209-217 Burleigh Connection Road, Burleigh Heads, Queensland, Australia (the "**Property**" and the acquisition of the Property, the "**Acquisition**") for an aggregate purchase consideration of A$38.46 million (S$36.92 million[2]) ("**Purchase Consideration**"), with a headline yield of 7.8%[3], a lease term of 12 years and annual rental escalation of 3.00%.

The Purchase Consideration was negotiated on a willing-buyer and willing-seller basis, taking into account the independent valuation by CBRE Valuations Pty Limited using the discounted cash flow method and capitalisation approach which valued the Property at A$38.46 million (S$36.92 million). The independent valuation was commissioned by the Manager.

The total estimated cost of the Acquisition is approximately A$41.50 million (S$39.84 million), comprising:

(i) the Purchase Consideration of A$38.46 million;

(ii) the 1% acquisition fee payable to the Manager for the Acquisition of approximately A$0.38 million in cash; and

(iii) stamp duty payable and other transaction costs incurred or to be incurred in connection with the Acquisition which amount to approximately A$2.66 million.

2. INFORMATION ABOUT THE ACQUISITION

The Property is in the Gold Coast suburb of Burleigh Heads which is an established industrial, commercial, retail and residential suburb located approximately 11 km south of Surfers Paradise, 3 km

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[1] The Purchaser, Burleigh Heads Trust and its immediate holding trust, AA REIT Australia Trust (QLD) have been constituted in Australia under AIMS AMP Capital Industrial REIT (Australia) Trust, pursuant to trust deeds entered into respectively by AIMS Capital Management Pty Ltd and AIMS Investment Managers Ltd, being appointed as the respective trustees of these trusts.

[2] Unless otherwise indicated, all S$ equivalent figures are based on the exchange rate of A$1.00 = S$0.96.

[3] Based on first year net property income of A$3 million over the Purchase Consideration of A$38.46 million.

east of Burleigh Heads Beach and approximately 3.7 km from the Varsity Lakes Railway Station. The Property has easy access to the Gold Coast Highway and M1 Pacific Motorway, which link to the Gold Coast International and Domestic Airport to the south and Brisbane CBD to the north.

The Property sits on a 3.33 hectare freehold site with a purpose built warehouse and office building and a two-storey retail building, with a total net lettable area of 14,833 square metres. The Property will be leased back to GSM (Operations) Pty Ltd (the "**Tenant**") for 12 years on a triple net lease basis[4] with stipulated annual rent increments of 3.0% and a rent review at mid-term of the lease. The Tenant also has an option to renew the lease for another five years. The Vendor and the Tenant are wholly-owned subsidiaries of Boardriders, Inc., a global leading actions sports and lifestyle company that designs, produces and distributes branded ready-to-wear apparel, footwear and accessories under globally-recognised brands including Quiksilver, Billabong, Roxy, DC Shoes, RVCA and Element.

3. RATIONALE FOR THE ACQUISITION

The Manager believes that the Acquisition will bring the following benefits to AA REIT:

3.1 Maiden acquisition into Gold Coast, Queensland, Australia, leveraging on Sponsor's Australian real estate expertise

The Acquisition will be AA REIT's maiden foray into Queensland, Australia and its second property investment in Australia. The Manager believes that the outlook for the Gold Coast economy remains positive as the region is currently experiencing growth across key economic factors including strong population growth, investment into major infrastructure developments and an increase in both domestic and offshore tourism into the region. This investment will enable AA REIT to expand its footprint in a market that offers solid long-term growth. The Acquisition is also testament to the strength of AIMS Financial Group's network in Australia and its on-the-ground real estate capabilities and marks the first investment under AIMS Financial Group as the sole of owner of the management entities since March 2019.

3.2 Strategic addition of a premium property to diversify, strengthen and grow AA REIT's portfolio

Based on the fourth quarter FY2019 gross rental income ("**4Q FY2019 GRI**") of AA REIT, the Acquisition will diversify AA REIT's income by increasing gross rental income derived from Australia from 13.1% to 15.1% on a proforma basis.

As the Property will be fully leased to a master tenant under a 12 year lease, the Acquisition will extend AA REIT's weighted average lease to expiry from 2.59 years (based on 4Q FY2019 GRI) to 2.76 years on a proforma basis. The Acquisition will also increase the proportion of AA REIT's master leases from 34.1% (based on 4Q FY2019 GRI) to 35.7% on a proforma basis.

The Acquisition will also be AA REIT's second freehold property, increasing the weighted average land

[4] Triple net lease is a lease structure whereby the master tenant is responsible for the outgoings of the property, e.g. repair and maintenance costs, insurance and taxes etc. The Tenant will be providing a security deposit of A$4.95 million for the lease and corporate guarantees from two of its holding companies.

lease expiry of its portfolio from 36.4 years as at 31 March 2019 to 37.8 years on a proforma basis[5].

3.3 Accretive transaction

The Acquisition will be accretive to AA REIT. Net property income of the Property for the first year is A$3.0 million and will increase by 3% per annum with a rent review at mid-term of the lease.

Assuming AA REIT had completed, held and operated the Property for the whole of financial year ended 31 March 2019 ("**FY2019**") and the Acquisition was fully funded by debt, the Distribution per Unit ("**DPU**") will increase by approximately 0.08 Singapore cents per annum[6].

The Acquisition is in line with the Manager's principal investment strategy to invest in quality income-producing industrial real estate assets so as to deliver secure and stable distributions to Unitholders and to provide long term capital growth.

4. METHODS OF FINANCING AND AGGREGATE LEVERAGE

The Manager intends to fund the acquisition predominantly in Australian dollar debt facilities in order to maintain a natural currency hedge on the Acquisition.

AA REIT's aggregate leverage following the Acquisition will increase from 33.7% as at 31 March 2019 to 35.5% on a proforma basis assuming that the Acquisition was fully funded by debt.

5. OTHER INFORMATION

5.1 Establishment of two new Australian trusts

In connection with the Acquisition, the Manager wishes to announce the establishment of the following wholly-owned trusts of AA REIT:

Name of trust	AA REIT Australia Trust (QLD)
Country of constitution	Australia
Unit Capital	A$1,923,000 comprising 1,923,000 units
Unitholder	AMP Capital Investors Limited in its capacity as trustee of AIMS AMP Capital Industrial REIT (Australia) Trust

[5] For the calculation of the weighted average land lease of AA REIT, the freehold properties had been assumed as a 99-year leasehold interest.

[6] The DPU impact shown is for illustration purposes only and purely on a proforma basis based on the assumption that AA REIT had completed, held and operated the Property for the whole of FY2019 and the Property was fully funded by debt and based on the exchange rate of A$1.00 = S$0.96.

Name of trust	Burleigh Heads Trust
Country of constitution	Australia
Unit Capital	A$1,923,000 comprising 1,923,000 units
Unitholder	AIMS Investment Managers Ltd in its capacity as trustee of AA REIT Australia Trust (QLD)

The trustees of AA REIT Australia Trust (QLD) and Burleigh Heads Trust are AIMS Investment Managers Ltd and AIMS Capital Management Pty Ltd, respectively[7].

5.2 INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

Save as disclosed in this SGX announcement and apart from their interests in the units in AA REIT, none of the directors of the Manager or substantial Unitholders have an interest, direct or indirect in the Acquisition.

BY ORDER OF THE BOARD
AIMS APAC REIT Management Limited
(as manager of AIMS APAC REIT)
(Company Registration No. 200615904N)

Koh Wee Lih
Chief Executive Officer
15 May 2019

[7] Each trustee is entitled to a trustee fee of A$60,000 per annum (approximately S$57,600 per annum), subject to adjustment in accordance with the terms of the respective trust deeds.

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 real estate located throughout the Asia Pacific that is used for industrial purposes, including, but not limited to warehousing and distribution activities, business park activities and manufacturing activities. AA REIT's existing portfolio consists of 26 industrial properties, 25 of which are located throughout Singapore and a 49.0% interest in one business park property, Optus Centre, which is located in Macquarie Park, New South Wales, Australia with a total value of S$1.46 billion as at 31 March 2019.

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, venture capital, 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.