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 7 BULIM STREET, SINGAPORE

1. INTRODUCTION

1.1 Proposed Acquisition of 7 Bulim Street, Singapore

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**"), has on 7 August 2020 entered into a conditional put and call option agreement (the "**Put and Call Option Agreement**") with Titan (Wenya) Pte. Ltd. (the "**Vendor**") in relation to the proposed acquisition (the "**Proposed Acquisition**") of the property located at 7 Bulim Street, Singapore 648175 (the "**Property**") and the Plant and Equipment[1] thereon.

Pursuant to the Put and Call Option Agreement, the Trustee and the Vendor are required to enter into the sale and purchase agreement for the Property together with the Plant and Equipment (the "**Purchase Agreement**") on the day the Call Option (as defined herein) is exercised by the Trustee, or on the day the Put Option (as defined herein) is exercised by the Vendor (as the case may be).

1.2 Description of the Property

The Property is a master-tenanted four-storey ramp-up logistics facility, with an ancillary office on each level. The facility is situated on a land area of 34,095 square metres, which has a remaining land tenure of approximately 22.2 years (as at 30 June 2020), with a gross floor area of 68,190 square metres.

The Property is strategically located in the Jurong West Logistics Cluster, within the Jurong Innovation District. The Jurong Innovation District is part of the Singapore Government's plan to develop a one-stop 600-hectare advanced manufacturing campus, hosting businesses involved in prototyping and test-bedding, production and distribution, technology, research and education. The first phase of the Government's development of the Jurong West area is due to be completed by 2022.

Its location provides enhanced connectivity through its close proximity to the future Tuas Mega Port, current PSA ports, the Pan-Island Expressway and Kranji Expressway, Tuas Checkpoint, as well as the upcoming Jurong Region MRT Line.

[1] "Plant and Equipment" refers to all the plant and equipment affixed to the building(s) erected on the Property which is owned by the Vendor (excluding those owned by KWE (as defined herein) and/or other occupiers(s) at the Property), as listed in the schedule attached to the Put and Call Option Agreement.

2. DETAILS OF THE PROPOSED ACQUISTION

2.1 Valuation and Purchase Consideration

The Manager has commissioned an independent property valuer, Savills Valuation And Professional Services (S) Pte Ltd ("**Savills**") to value the Property. The market value of the Property as at 7 August 2020 is S$130.0 million as stated by Savills in its valuation report. The methods used by Savills were the Income Capitalisation Method, Discounted Cash Flow Analysis and Direct Comparison Method, each being used as a check against the other.

The purchase price payable to the Vendor in connection with the Proposed Acquisition is approximately S$129.6 million[2] (the "**Purchase Price**"). The Purchase Price was arrived at on a willing-buyer and willing-seller basis taking into account the independent valuation of the Property set out above.

The Trustee has paid an option fee of S$1.3 million (the "**Option Fee**") to the Vendor, to be held in escrow by the Vendor's solicitors and discounted from the Purchase Price upon the exercise of the Call Option by the Trustee or the Put Option by the Vendor. The Option Fee is refundable to the Trustee if the Call Option and the Put Option are not exercised. Subject to any deductions thereof properly made by the Trustee pursuant to the Purchase Agreement, approximately S$128.3 million (the "**Balance Purchase Price**") will be payable on the date of completion of the sale of the Property.

2.2 Principal Terms and Conditions of the Put and Call Option Agreement

(a) Put and Call Options

Pursuant to the Put and Call Option Agreement:

(i) in consideration of the Trustee’s payment of the Option Fee to the Vendor, the Vendor granted to the Trustee a right (the "**Call Option**") to require the Vendor to enter into the Purchase Agreement with the Trustee or the Nominated Purchaser (as defined in the Put and Call Option Agreement) for the purchase of the Property together with the Plant and Equipment at the Purchase Price and on the terms of the Purchase Agreement; and

(ii) in consideration of the mutual covenants in the Put and Call Option Agreement, the Trustee granted to the Vendor a right (the "**Put Option**") to require the Trustee or the Nominated Purchaser to enter into the Purchase Agreement with the Vendor for the sale of the Property together with the Plant and Equipment at the Purchase Price and on the terms of the Purchase Agreement.

(b) Conditions Precedent

The principal terms of the Put and Call Option Agreement include fulfilment of various conditions precedent including the following, which are to be fulfilled before the Trustee can serve the Call Option notice on the Vendor or the Vendor can serve the Put Option notice on the Trustee (as the case may be):

(i) the approval of the JTC Corporation ("**JTC**") (and where required by JTC, the approval of any other relevant authorities) for the sale and purchase of the Property to the Trustee or the Nominated Purchaser and with KWE (as defined herein) as an anchor subtenant at the Property ("**JTC Sale Approval**") being obtained;

(ii) there being a legally binding offer for a W&I Insurance Policy (as defined in the Put and Call Option Agreement) made by a reputable insurer to the Purchaser (as defined in the Put and Call Option Agreement) providing insurance coverage in respect of the Vendor’s warranties and on such terms as are usual for such equivalent policies; and

[2] The exact Purchase Price being S$129,634,000.

(iii) JTC's written confirmation to the variation of certain terms in the lease entered into between JTC and the Vendor being obtained.

(c) Exercise of Call Option

The Trustee may exercise the Call Option by delivering to the Vendor the Call Option notice before the expiry of the call option exercise period (the "**Call Option Exercise Period**"), being the period commencing on the Conditions Fulfilment Date (as defined in the Put and Call Option Agreement) and ending at 5 p.m. on the date falling five (5) Business Days after the Conditions Fulfilment Date (or such other date as the Vendor and Trustee may mutually agree in writing).

(d) Exercise of Put Option

The Vendor may exercise the Put Option by delivering to the Trustee the Put Option notice before the expiry of the put option exercise period (the "**Put Option Exercise Period**"), being the period commencing immediately after the expiry of the Call Option Exercise Period and ending at 5 p.m. five (5) Business Days thereafter.

(e) Application of Option Fee

The Vendor shall apply the Option Fee as payment of the deposit required to be paid by the Trustee or the Nominated Purchaser pursuant to the Purchase Agreement. The Vendor shall refund the Option Fee to the Trustee within three (3) business days after the date of expiry of the Put Option Exercise Period if neither the Call Option nor the Put Option has been exercised by the relevant party before the expiry of the Call Option Exercise Period or the Put Option Exercise Period (as the case may be).

(f) Termination of the Put and Call Option Agreement

The Trustee shall be entitled to rescind or terminate (as applicable) the Put and Call Option Agreement if:

(i) any of the terms and conditions of the JTC Sale Approval which are imposed on the Trustee are not acceptable to the Trustee (acting reasonably);

(ii) any of the terms and conditions of the written approval of JTC to the variation of certain terms in the lease entered into between JTC and the Vendor imposed on the Nominated Purchaser are not acceptable to the Trustee (acting reasonably);

(iii) there is any damage to or destruction of the Property and/or the Plant and Equipment, or any part thereof respectively after the date of the Put and Call Option Agreement, such that there is Material Damage (as defined in the Put and Call Option Agreement);

(iv) there is any compulsory acquisition or notice of compulsory acquisition or notice of intended acquisition by the Government of Singapore or any other competent authority, or the Vendor is aware of any acquisition or intended acquisition by the Government of Singapore or any other competent authority, which either singly or in aggregate affects (A) the building(s) erected on the Property to any extent or measure, or (B) 5% or more of the land area of the Property;

(v) there is an Unsatisfactory Legal Requisition Reply (as defined in the Put and Call Option Agreement); or

(vi) there is a material breach of any of the warranties given by the Vendor as set out in the Put and Call Option Agreement or the Purchase Agreement.

The Vendor shall be entitled to rescind or terminate (as applicable) the Put and Call Option Agreement if:

(i) at any time after the date of the Put and Call Option Agreement, there is a material breach of any of the warranties given by the Vendor as set out in the Put and Call Option Agreement or the Purchase Agreement and where such breach is rectifiable and the cost to be incurred for such rectification exceeds S$13.0 million; or

(ii) there is any damage to or destruction of the Property and/or the Plant and Equipment, or any part thereof respectively after the date of the Put and Call Option Agreement, such that there is Material Damage (as defined in the Put and Call Option Agreement).

2.3 Principal Terms and Conditions of the Purchase Agreement

The principal terms of the Purchase Agreement include, among others, the following:

(i) fulfilment of various conditions precedent including the following prior to completion of the sale of the Property:

(A) the JTC Sale Approval remaining valid and not revoked on or before completion of the sale of the Property; and

(B) where required by JTC, the written confirmation from JTC that JTC has no objection to the execution to the Deed(s) of Assignment / Instrument(s) of Transfer (as the case may be) or such other confirmation of a similar nature being obtained by the Vendor and the Purchaser;

(ii) the Property is sold subject to and with the benefit of the KWE Lease Agreement (as herein defined) which is subsisting at completion. In the event the KWE Lease Agreement is not subsisting as at the completion of the sale of the Property, or if KWE had after the date of the Purchase Agreement and prior to completion of the sale of the Property given notice to terminate the KWE Lease Agreement, the Purchaser shall be entitled at its election to terminate the Purchase Agreement or to proceed with completion of the sale of the Property if there is a reduction in the Purchase Price that is mutually agreed to by the Vendor and the Purchaser;

(iii) if at any time after the date of the Purchase Agreement and prior to completion of the sale of the Property, the Property and/or the Plant and Equipment, or any part thereof respectively, is/are damaged by fire or other contingency, happening or event (excluding for the avoidance of doubt, any fair wear and tear), and such damage does not amount to Material Damage (as defined in the Purchase Agreement), the Purchaser shall not terminate the Purchase Agreement but the Vendor will at its own cost and expense rectify, repair and make good that damage ("**Works**"). In the event the Works are not completed prior to completion of the sale of the Property, the Purchaser shall be entitled on completion of the sale of the Property to deduct from the Purchase Price an amount as provided for in the Purchase Agreement;

(iv) the Purchaser's sole and exclusive remedy for breach of any of the warranties set out in the Put and Call Option Agreement or the Purchase Agreement, save for any claim in respect of any breach of the warranties that is notified to or discovered by the Purchaser prior to the completion of the sale of the Property and any claim arising as a result of fraud or wilful concealment of the Vendor, is under the warranty and indemnity insurance policy issued or to be issued by an insurer; and

(v) the Vendor shall be entitled to rescind or terminate (as applicable) the Purchase Agreement if:

(A) there is any damage to or destruction of the Property and/or the Plant and Equipment, or any part thereof respectively after the date of the Purchase Agreement, such that there is Material Damage (as defined in the Purchase Agreement); or

(B) at any time after the date of the Purchase Agreement and prior to completion of the sale of the Property, there is a material breach of any of the warranties given by the Vendor as set out in the Put and Call Option Agreement or the Purchase Agreement and where such breach is rectifiable and the cost to be incurred for such rectification exceeds S$13.0 million.

2.4 Total Acquisition Cost

The total cost of the Proposed Acquisition (the "**Total Acquisition Cost**") is currently estimated to be approximately S$135.5 million, comprising:

(i) the Purchase Price of approximately S$129.6 million;

(ii) estimated stamp duty payable in connection with the Proposed Acquisition of approximately S$3.9 million; and

(iii) estimated transaction costs of approximately S$2.0 million comprising the acquisition fee of 1% of the Purchase Price payable to the Manager for the Proposed Acquisition of approximately S$1.3 million in cash, and professional and other fees and expenses of approximately S$0.7 million incurred or to be incurred by AA REIT in connection with the Proposed Acquisition.

2.5 Method of Financing

The Proposed Acquisition is proposed to be funded by a combination of the net proceeds to be raised from the issuance of perpetual securities and debt financing. Please refer to the announcement titled "Proposed Issue of S$125 million 5.65 per cent. Perpetual Securities" for further details on the perpetual securities.

The final decision regarding the proportion of net proceeds from the issuance of the perpetual securities and debt financing for funding the Proposed Acquisition will be made by the Manager at the appropriate time, taking into account the then prevailing market conditions.

2.6 Pro Forma Financial Effects of the Proposed Acquisition

The pro forma financial effects of the Proposed Acquisition presented below are strictly for illustrative purposes and do not reflect the actual financial position or performance of AA REIT following the completion of the Proposed Acquisition. They have been prepared based on the audited financial statements of AA REIT for the financial year ended 31 March 2020, and on the assumption that the Proposed Acquisition will be funded by a combination of the net proceeds from the issuance of perpetual securities of S$123.5 million and debt financing of S$12.0 million.

There is no assurance that the actual method of financing of the Proposed Acquisition will be similar to the assumed method of financing set out above.

2.6.1 Pro Forma Distribution per Unit ("DPU")

FOR ILLUSTRATIVE PURPOSES ONLY: The table below sets out the pro forma financial effects of the Proposed Acquisition on AA REIT's DPU for the financial year commencing on 1 April 2019 and ended on 31 March 2020, as if AA REIT had completed the Proposed Acquisition on 1 April 2019 and held the Property through to 31 March 2020 and based on the Property's Net Property Income ("**NPI**") in the first year of ownership.

	Before the Proposed Acquisition	**After the Proposed Acquisition**
Distributions to Unitholders (S$'000)	66,513	67,763
Units in issue ('000) (1)	706,663	706,663
DPU (cents) (3)	9.50	9.68
DPU Accretion (%)	N.A.	1.9%

Notes:

(1) Number of Units in issue as at 31 March 2020.

(2) DPU is calculated based on the applicable number of Units entitled to the distribution for each respective period.

2.6.2 Pro Forma Net Asset Value ("NAV") and Aggregate Leverage

FOR ILLUSTRATIVE PURPOSES ONLY: The table below sets out the pro forma financial effects of the Proposed Acquisition on the NAV per Unit and Aggregate Leverage as at 31 March 2020, as if the Proposed Acquisition was completed on 31 March 2020.

	Before the Proposed Acquisition	**After the Proposed Acquisition**
NAV represented by Unitholders' funds (S$'000)	954,955	949,455
Units in issue ('000)	706,663	706,663
NAV per Unit (S$)	1.35	1.34
Aggregate Leverage	34.8%	32.8%(1)

Notes:

(1) The drop in the Aggregate Leverage was due to the proposed method of funding the Proposed Acquisition with a combination of the net proceeds from the issuance of perpetual securities of S$123.5 million and debt financing of S$12.0 million.

2.7 Lease Agreements

100% of the total gross floor area of the building(s) erected on the Property is currently leased to KWE-Kintetsu World Express (S) Pte Ltd ("**KWE**") for a term of ten (10) years from 1 January 2014 with an option to renew for a further period of five (5) years pursuant to a lease agreement dated 20 August 2013 between Tech-Link Storage Engineering Pte Ltd and KWE, as supplemented by (i) the novation agreement dated 14 November 2014 entered into by Tech-Link Storage Engineering Pte Ltd, the Vendor and KWE, and (ii) the side letter dated 12 June 2019 issued by the Vendor to KWE and accepted by KWE on 13 June 2019 (the "**KWE Lease Agreement**"). Upon completion of the Proposed Acquisition, the Vendor will novate or assign the KWE Lease Agreement to the Trustee or the Nominated Purchaser.

3. RATIONALE FOR AND BENEFITS OF THE PROPOSED ACQUISITION

The Manager believes that the Proposed Acquisition will bring the following key benefits to Unitholders:

(i) Growing demand for logistics space in Singapore

The advent of the internet economy and e-commerce activities in the region has further spurred the growth in the third-party logistics and outsourcing market and the demand for logistics space, in particular, for modern logistics properties in key locations in Singapore. Despite the on-going COVID-19 outbreak and trade tensions between the United States and China, the growth potential of Singapore's logistics sector remains healthy. Singapore's reputation as an established regional logistics gateway will continue to strengthen, with the future Tuas Mega Port and Changi Airport Terminal 5 expected to further drive demand for warehouses and distribution facilities in Singapore.

Coupled with the rising demand for logistics space, the push for "Industry 4.0"[3] in Singapore is expected to transform the way manufacturing companies operate and, consequently, the varying requirements for industrial spaces. The push comes in tandem with rising automation, the "Internet of Things", cloud computing, robotics, big data, cybersecurity as well as additive manufacturing, such as 3D printing. Given the significance of the manufacturing sector to the growth of Singapore's gross domestic product, "Industry 4.0" is expected to play a vital role in bolstering demand for more innovation-based and high-value manufacturing. The Property, with its location within

3 According to Enterprise Singapore, Industry 4.0, being the subset of the fourth industrial revolution, is a new trend of automation and data exchange in manufacturing technologies. It creates a connected eco-system for manufacturing, integrating computing, networking and physical processes.

the advanced manufacturing campus of the Jurong Innovation District, is well-positioned to capture the favourable demand dynamics for modern logistics space.

Following the Proposed Acquisition, AA REIT's Logistics and Warehouse cluster would increase from 46.4% (based on the gross rental income for the three months ended 30 June 2020) to 51.1% on a pro forma basis.

(ii) Strategically-located in the Jurong Innovation District

The Proposed Acquisition represents an opportunity for AA REIT to acquire an attractive yield-accretive ramp-up logistics warehouse with full occupancy. The Property is strategically located within the Jurong Innovation District of the established Jurong West Logistics Cluster.

The Property is located within the key industrial region of Jurong and is in close proximity to the future Tuas Mega Port, current PSA ports, the arterial expressways, Pan-Island Expressway and Kranji Expressway, as well as Tuas Checkpoint. In addition to the existing East-West MRT Line, the Property will also be well-served by the future Jurong Region MRT Line, bringing about enhanced connectivity to key points of transportation.

(iii) Further strengthens AA REIT's portfolio

The Proposed Acquisition will further enhance AA REIT's market presence in the established industrial region of Jurong. With five other existing industrial properties in Jurong, the Manager believes that its familiarity in operating in the western region of Singapore would allow AA REIT to capitalise on the competitive strength of the Property and its location.

The Property is fully occupied by a strong master tenant, KWE, which is a wholly-owned subsidiary of a major Japanese freight forwarding and logistics group[4]. This provides a strong lease covenant and represents a stable and predictable revenue stream in AA REIT's portfolio.

The Proposed Acquisition is expected to benefit Unitholders by improving revenue diversification and reducing the reliance of AA REIT's revenue on any single property or tenant with greater rental contribution from master leases from 30.3% (for the gross rental income for the three months ended 30 June 2020) to 36.4% (on a pro forma basis). Gross rental income from Singapore would also increase from 82.8% (for the three months ended 30 June 2020) to 84.3% (on a pro forma basis) to further strengthen AA REIT's market presence in Singapore. Overall portfolio occupancy would improve from 93.6% (as at 30 June 2020) to 94.2% (on a pro forma basis).

(iv) The Proposed Acquisition is in line with AA REIT's investment strategy

The Proposed Acquisition is in line with the Manager's aim to deliver stable and sustainable distributions to Unitholders and to enhance AA REIT's portfolio despite the uncertainties which continue to cloud the global economy. Similar to previous acquisitions, the Proposed Acquisition is in line with the Manager's investment strategy of investing in high quality industrial real estate in the Asia-Pacific region on a long-term basis in a portfolio of income-producing real estate in the industrial space.

(v) Attractive value proposition with NPI yield and DPU accretion

The Proposed Acquisition is expected to be NPI yield accretive for AA REIT. In the first year after the completion of the Proposed Acquisition, the Property is expected to generate a NPI yield of approximately 7.07% (based on the Purchase Price) and approximately 6.76% (based on the Total Acquisition Cost).

Unitholders can also expect to benefit from a higher DPU as a result of the Proposed Acquisition. Based on the assumed method of financing set out in paragraph 2.6 above,

4 Kintetsu World Express, Inc.

the DPU for the financial year ended 31 March 2020 will increase by approximately 1.9% from 9.50 cents to 9.68 cents on a pro forma basis. Please refer to Paragraph 2.6.1 for the pro forma DPU effects of the Proposed Acquisition.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

Save as disclosed in this announcement and apart from their interests in the Units (if any), none of the Directors of the Manager or substantial unitholders of AA REIT has any interest, direct or indirect, in the Proposed Acquisition.

5. OTHER INFORMATION

5.1 Directors' Service Contracts

No person is proposed to be appointed as a director of the Manager in connection with the Proposed Acquisition or any other transactions contemplated in relation to the Proposed Acquisition.

5.2 Relative Figures Computed on Bases set out in Rule 1006 of the Listing Manual

The relative figures for the Proposed Acquisition computed on the bases set out in Rule 1006(b) and Rule 1006(c) are set out in the table below.

	AA REIT	Proposed Acquisition	Relative Percentage
Rule 1006(b) Net profits attributable to the assets acquired compared to AA REIT's net profits (S$'000)[1]	21,944[2]	2,291[3]	10.4%
Rule 1006(c) Aggregate value of the consideration to be given compared with AA REIT's market capitalisation (S$' million)	842.7[4]	129.6	15.4%

Notes:

(1) In the case of a real estate investment trust, the NPI is a close proxy to the net profits attributable to the assets.

(2) AA REIT's NPI comprised the NPI of AA REIT and its subsidiaries for the three-month period ended 30 June 2020 of S$18,629,000 and included the share of profits of joint venture (net of tax) of S$3,315,000.

(3) The Property's net profits was based on the NPI for the first three months of ownership upon completion of the Proposed Acquisition.

(4) Based on the number of units in issue as at 7 August 2020 and AA REIT's volume weighted average price of S$1.1925 per Unit on 7 August 2020, being the market day immediately preceding the date of this announcement.

As the relative figures computed on the bases set out above exceed 5.0% but do not exceed 20.0%, the Proposed Acquisition is classified as a discloseable transaction, unless such transaction is in the ordinary course of AA REIT's business.

The Manager is of the view that the Proposed Acquisition is in the ordinary course of AA REIT's business as the Property being acquired is within the investment mandate of AA REIT. As such, the Proposed Acquisition should therefore not be subject to Chapter 10 of the Listing Manual.

6. DOCUMENTS FOR INSPECTION

Copies of the Put and Call Option Agreement (which contains the form of the Purchase Agreement) and the independent valuation report by Savills are available for inspection during normal business hours at the registered office of the Manager[5] at 1 George Street, #23-03 One George Street, Singapore 049145 for a period of three (3) months from the date of this announcement.

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
11 August 2020

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5 Prior appointment with the Manager will be appreciated.

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 27 properties, of which 25 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.