

	<p><b>AIMS APAC REIT MANAGEMENT LIMITED</b></p> <p>As Manager of AIMS APAC REIT  1 Raffles Place, #39-03 One Raffles Place  Singapore 048616</p>
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(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 5 December 2006 (as amended and restated))

**ANNOUNCEMENT**

**ENTRY INTO PROPERTY MANAGEMENT AGREEMENT**

**1. INTRODUCTION**

AIMS APAC REIT Management Limited (the “**Manager**”), as manager of AIMS APAC REIT (“**AA REIT**”), is pleased to announce that it has entered into a property management agreement (the “**PMA**”) with HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of AA REIT (the “**Trustee**”), and AIMS APAC Property Management Pte. Ltd., the existing property manager for the properties of AA REIT (the “**Property Manager**”), in connection with the provision of property management services for all properties located in Singapore which are currently owned by AA REIT and that may be acquired by the Trustee from time to time.

**2. DETAILS OF THE PMA**

The term of the PMA is for a period of three years commencing from 1 September 2024 (the “**Commencement Date**”). The existing property management agreements entered into with the Property Manager in respect of AA REIT properties shall expire on 31 August 2024.

**2.1 Property Manager’s Services**

The services to be provided by the Property Manager for each property under its management in respect of the PMA include the following:

**2.1.1 Property Management Services**

Property management services, including managing premises hand-over and taking over, co-ordinating tenants’ fitting-out, customer relationship management, contract management, maintenance management, administrative management, ensuring compliance with building and safety regulations, financial and cost management, environmental and sustainability support.

**2.1.2 Lease Management Services**

Lease management services, including initiating lease renewals and negotiation of terms, attending to tenants’ expansion and tenancy related matters, rental collection and arrears management and budget forecast and planning.

**2.1.3 Property Tax Services**

Services provided by the Property Manager in relation to property tax objections submitted to the tax authorities on any proposed annual value of the properties.

**2.1.4 Marketing and Marketing Co-ordination Services**

Marketing and marketing co-ordination services, including acting as a non-exclusive marketing agent for the marketing and letting out of properties and advising on market conditions.

**2.1.5 Project Management Services**

Project management services in relation to the development or redevelopment, asset enhancement initiatives (unless otherwise prohibited by the Property Funds Appendix or any other laws or regulations), the refurbishment, retrofitting and renovation and reinstatement works to a property, including recommendation of project budget and project consultants, and supervision and implementation of the project.

**2.2 Fees**

The fees payable to the Property Manager under the PMA are as follows:

**2.2.1 Property Management Fees**

For property management services rendered by the Property Manager, the Property Manager shall be entitled to receive from AA REIT for each fiscal year a property management fee of 2.0% per annum of the gross revenue of the properties.

**2.2.2 Lease Management Fees**

For lease management services rendered by the Property Manager, the Property Manager shall be entitled to receive from AA REIT for each fiscal year a lease management fee of 1.0% per annum of the gross revenue of the properties.

**2.2.3 Property Tax Services Fees**

For property tax services rendered by the Property Manager for a property, the Property Manager is entitled to the following fees under the PMA if the proposed annual value of a property is reduced resulting in property tax savings for the relevant property:

- (i) where the proposed annual value of a property is S\$1.0 million or less, a fee of 7.5% of the property tax savings;
- (ii) where the proposed annual value of a property is more than S\$1.0 million but does not exceed S\$5.0 million, a fee of 5.5% of the property tax savings; and
- (iii) where the proposed annual value of a property is more than S\$5.0 million, a fee of 5.0% of the property tax savings.

The above-mentioned fee is a lump sum fixed fee based on the property tax savings over a 12-month period.

**2.2.4 Marketing Services Fees**

For marketing services rendered by the Property Manager, the Property Manager shall be entitled to receive from AA REIT the following fees:

- (i) a commission equivalent to one (1) month's gross rental revenue, for securing a tenancy of three (3) years or less;
- (ii) a commission equivalent to two (2) months' gross rental revenue, for securing a tenancy of more than three (3) years;
- (iii) a commission equivalent to half (1/2) month's gross rental revenue, for securing a renewal of tenancy of three (3) years or less; and
- (iv) a commission equivalent to one (1) month's gross rental revenue, for securing a renewal of tenancy of more than three (3) years.

If a third party agent secures a tenancy, the Property Manager will be responsible for all marketing services commissions payable to such third party agent, and the Property Manager shall be entitled to receive from AA REIT the following fees:

- (1) a commission equivalent to 1.2 months' gross rental revenue, for securing a tenancy of three (3) years or less; and
- (2) a commission equivalent to 2.4 months' gross rental revenue, for securing a tenancy of more than three (3) years.

For the avoidance of doubt, references to tenancies above shall include all other forms of occupational arrangements (including licences).

#### **2.2.5 Project Management Services Fees**

For project management services rendered by the Property Manager, the Property Manager shall be entitled to receive from AA REIT the following fees:

- (i) where the construction costs are S\$2.0 million or less, a fee of 3.0% of the construction costs;
- (ii) where the construction costs exceed S\$2.0 million but do not exceed S\$20.0 million, a fee of 2.0% of the construction costs or S\$60,000, whichever is higher;
- (iii) where the construction costs exceed S\$20.0 million but do not exceed S\$50.0 million, a fee of 1.5% of the construction costs or S\$400,000, whichever is higher; and
- (iv) where the construction costs exceed S\$50.0 million, a fee to be mutually agreed by the Property Manager, the Manager and the Trustee, but not less than S\$750,000.

For the purpose of calculating the fees payable to the Property Manager, "construction costs" means all construction costs and expenditure paid in accordance with the awarded contract or valued by the quantity surveyor engaged by the Trustee for each project, excluding development charges, differential premiums, land betterment charges, statutory payments, consultants' professional fees and goods and services tax.

### **2.3 Reimbursable Amounts**

Under the PMA, the Trustee shall, following the recommendation of the Manager, reimburse the employment costs and remuneration incurred for the employment of employees of the Property Manager engaged for site supervision of the properties, regardless of whether such employees are based at the Property or otherwise. If any of the employees are required to manage more than one of the properties of AA REIT or manage any of the properties of AA REIT alongside properties not owned by AA REIT, the remuneration of any such employees shall remain separately and distinctly reimbursable with respect to each and every property of AA REIT the relevant employees are required to manage.

### **2.4 Provision of Office Space, Office Equipment and Operational Expenses**

The Trustee shall permit the personnel of the Property Manager who are engaged to manage the properties, to occupy suitable site office space at the relevant property, without the Property Manager being required to make payment of any rent, service charge, utility charges or other sums in respect thereof. AA REIT shall provide suitable furniture, fittings, computer hardware and software, and other office equipment and bear the stationery, paper, photostat, telecoms and other administrative charges for the purpose of facilitating such Property Manager's personnel in the discharge of their duties thereby enabling the Property Manager to provide the services for the properties.

### **2.5 Termination**

The Manager will undertake a performance review of the Property Manager annually. The Property Manager will be made aware of the results of the performance review. If the Manager determines a performance review result of poor, then the PMA may be terminated at the discretion of the Trustee or the Manager.

The Trustee or the Manager may terminate the appointment of the Property Manager in relation to all the properties held by AA REIT under the management of the Property Manager on the occurrence of certain specified events, which include the liquidation or cessation of business of the Property Manager.

The Trustee or the Manager may also terminate the appointment of the Property Manager specifically in relation to a property under its management in the event of the sale of such property, but the PMA will continue to apply with respect to the remaining properties managed by the Property Manager under the terms of the PMA.

In addition, if the Manager or the Property Manager, within 90 days of receipt of written notice, fails to remedy any breach (which is capable of remedy) of its obligations in relation to a property, the Trustee may terminate the appointment of the Property Manager in relation only to such property in respect of which the breach relates, upon giving 90 days' written notice to the Property Manager.

The Trustee or the Manager may terminate the appointment of the Property Manager in relation to all the properties held by AA REIT under the management of the Property Manager if there is a change in the beneficial ownership or control, direct or indirect, of shares carrying more than 50.0% of the voting rights attaching to the issued share capital of the Property Manager except within the group of companies of which the Property Manager is a member at the Commencement Date.

### **3. RATIONALE**

The Manager is of the view that the entry into the PMA would benefit Unitholders.

#### **3.1 Proven track record and experience of the Property Manager**

The Property Manager has achieved strong occupancy rates with AA REIT's occupancy growing from 89% in FY2021 to 95% in FY2022, 97% in FY2023 and 98% in FY2024, which has outperformed the JTC industrial average over the same periods.

#### **3.2 Experienced operations and marketing teams**

The Property Manager has an experienced team of management and staff who have been involved in the various day-to-day property management functions as well as asset enhancement initiatives, development and other capital expenditure projects for AA REIT over the years.

#### **3.3 Pro-active Solutions to Reduce Operating and Energy Costs**

The Property Manager has over the years provided pro-active solutions to reduce operating expenses (e.g. bulk tendering of property services and bulk purchase of electricity etc.) and to improve cost efficiency.

#### **3.4 Progressing on AA REIT's Sustainability Goals**

The Property Manager will, at the direction of the Manager, continue to progress on AA REIT's sustainability goals through the ongoing implementation of key projects such as our phase 2 rooftop solar panel installation, and capital expenditure strategy to improve the building energy and water consumption, as well as green building certifications and sustainability ratings.

### **4. AUDIT, RISK AND COMPLIANCE COMMITTEE STATEMENT**

Having considered the terms and conditions of the PMA, as well as the rationale for the entry into the PMA, the Audit, Risk and Compliance Committee of the Manager (which comprises independent directors of the Manager) is of the view that the entry into the PMA is on normal commercial terms, and would not be prejudicial to the interests of AA REIT and its minority Unitholders.

### **5. INTERESTED PERSON TRANSACTION**

As at the date of this announcement, the Manager and Property Manager are wholly-owned by the AIMS Financial Group ("**AIMS**"), making the entry into the PMA with the Property Manager an "interested person transaction" under Chapter 9 of the Listing Manual.<sup>1</sup>

As at the date of this announcement, the aggregate value of all interested person transactions between AA REIT and AIMS and/or the associates of AIMS for the current financial year (including the PMA) is approximately S\$42 million, which is less than 3.0% of

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<sup>1</sup> As the Property Manager is indirectly owned by AIMS, the Property Manager (being a subsidiary of a "controlling shareholder" of the Manager) is (for the purposes of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**")) an associate of the Manager and an associate of the controlling shareholder of the Manager. The Property Manager is therefore an "interested person" of AA REIT for the purposes of Chapter 9 of the Listing Manual.

the latest audited net tangible assets of AA REIT as at 31 March 2024. As at the date of this announcement, other than as stated herein, there were no other interested person/party transactions entered into by AA REIT during the current financial year (i.e. from 1 April 2024 to the date of this announcement).

## **6. INTERESTS OF THE DIRECTOR AND CONTROLLING UNITHOLDERS**

As at the date of this announcement, Mr George Wang, being the Executive Chairman of AIMS, Director of the Property Manager, and Chairman and Non-Executive Non-Independent Director of the Manager holds an aggregate direct and indirect interest in 90,573,721 units in AA REIT ("**Units**").

As at the date of this announcement and based on information available to the Manager, AIMS holds 90,573,721 units, which are equivalent to approximately 11.16% of the total number of units in issue.

Save as disclosed above and based on the information available to the Manager as at the date of this announcement, none of the directors of the Manager or substantial Unitholders have an interest, direct or indirect, in the entry into the PMA.

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

Lim Joo Lee  
Company Secretary  
30 August 2024

## 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](http://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 25 properties are located throughout Singapore, and 3 properties located in Australia, including a property located in Gold Coast, Queensland, a 49.0% interest in Optus Centre located in Macquarie Park, New South Wales and Woolworths HQ located in Bella Vista, New South Wales.

### **About AIMS Financial Group** ([www.aims.com.au](http://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 funds management, mortgage lending, investment banking and property investment.

AIMS is also the owner of the Sydney Stock Exchange. 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.