

## ASX ANNOUNCEMENT

11 May 2021

### Announced acquisition of APN Property Group by Dexus

APN Funds Management Limited (“**APN FM**”) as Responsible Entity of APN Convenience Retail REIT (“**AQR**”) notes today’s announcement by APN Property Group (ASX:APD, “**APN**”), the parent entity of APN FM, that it has entered into a scheme implementation deed with Dexus (ASX:DXS, “**Dexus**”) under which it is proposed a subsidiary of Dexus will acquire APN (the “**Transaction**”). Please refer to the APN announcement for further detail.

If the Transaction is implemented, Dexus has confirmed:

- it will retain APN Funds Management Limited as the RE and its current independent board structure;
- it intends to maximise retention of the APN management team to ensure continuity and does not anticipate any disruption to business operations;
- the current intention is to maintain the existing strategies of the funds to support continued strong performance, value creation and growth initiatives; and
- a material manager co-investment in ADI will continue to be held to ensure ongoing alignment.

As an ASX top 50 entity, Dexus is one of Australia’s leading real estate groups, managing a high-quality Australian property portfolio valued at \$36.5 billion<sup>1</sup> of assets under management. Dexus directly owns office and industrial properties, and manages office, retail, industrial and healthcare properties for third party clients. Dexus employs approximately 500 property professionals with in-house expertise in funds management, property investment, asset management, leasing, development, capital transactions and ESG. Further information on Dexus is available at [www.dexus.com](http://www.dexus.com).

The Independent Chairman of APN FM, Geoff Brunson, stated: “The Dexus real estate management platform, combined with the retention of the existing management team, will ensure that AQR remains well placed to continue to deliver strong operational and financial outcomes, and there should be no adverse impact on AQR securityholders as a result of the Transaction. The governance framework will also remain, with the Independent Directors continuing to oversee the implementation of the strategy and at all times ensuring the best interests of securityholders are progressed.”

Fund Manager of APN Convenience Retail REIT, Chris Brockett, stated: “What we have achieved in the three and half years since the IPO has been outstanding, and I’m excited with the prospects of leveraging Dexus’s fully integrated real estate platform to continue to deliver on our strategy of providing investors with a defensive and growing income stream as well as increased access to investment opportunities allowing us to continue actively diversifying and growing the portfolio.”

This announcement was authorised to be given to the ASX by the Board of APN Funds Management Limited.

**ENDS**

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<sup>i</sup> Figures are as at 31 December 2020, pro forma for the merger of ADPF and DWPF (prior to circa \$2 billion of redemptions) as well as the previously announced sales of Grosvenor Place, Sydney, 60 Miller Street, North Sydney, 10 Eagle Street, Brisbane, acquisition of an interest in 1 Bligh Street, Sydney, and previously announced industrial and healthcare acquisitions.

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#### **About APN Convenience Retail REIT**

APN Convenience Retail REIT (ASX code: AQR) is a listed Australian real estate investment trust which owns high quality Australian service stations and convenience retail assets. The Fund's portfolio of 97 properties valued at approximately \$619 million, is predominantly located on Australia's eastern seaboard and is leased to leading Australian and international convenience retail tenants. The portfolio provides a long lease expiry profile and contracted annual rent increases delivering the Fund a sustainable and strong level of income security. Convenience Retail has a target gearing range of 25 – 40% as part of its conservative approach to capital management.

APN Convenience Retail REIT is governed by an Independent Board of Directors and is managed by APN Property Group, a specialist real estate investment manager established in 1996.

[www.apngroup.com.au](http://www.apngroup.com.au)