On Track For
Greater Growth

ANNUAL REPORT 2014



VIVA iTRUST


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VISION

To be a steadfast industrial real estate investment trust offering the best-in-class income producing portfolio with dynamic growth potential.

MISSION

To provide stapled securityholders with stable distributions and long-term growth in asset value.



Corporate Profile

Viva Industrial Trust ("VIT") is a Singapore-focused business park and industrial real estate investment trust listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 4 November 2013. VIT, which comprises Viva Industrial Real Estate Investment Trust ("VI-REIT") and Viva Industrial Business Trust ("VI-BT"), focuses on a diversified portfolio of income-producing real estate that is predominantly for business parks and other industrial purposes in Singapore and elsewhere in the Asia Pacific region. VI-BT is presently dormant.

VIT properties cover an aggregate gross floor area of 2.9 million sq ft and are strategically located in key business parks and established industrial clusters. Its five properties, with a total of 16 buildings, serve 119 tenants with multinational corporations (MNCs) contributing approximately 68% of its underlying gross rental income. As at 17 March 2015, VIT had a market capitalisation of S$500.6 million.

About the Managers

REIT Manager

VI-REIT is managed by Viva Industrial Trust Management Pte. Ltd. (the "REIT Manager"), which is 90% owned by Viva Investment Management Pte. Ltd. ("VIM"), and 10% owned by United Engineers Developments Pte. Ltd. ("UED"), a direct wholly-owned subsidiary of United Engineers Ltd. ("UE"). The REIT Manager's main responsibility is to manage VI-REIT's assets and liabilities for the benefit of the VIT stapled securityholders, through setting the strategic direction of VI-REIT and recommending the REIT Trustee on the acquisition, divestment, development and/or enhancement of assets of VI-REIT.

BT Trustee-Manager

VI-BT is managed by Viva Asset Management Pte. Ltd. (the "BT Trustee-Manager"), which is 90% owned by VIM and 10% owned by UED, a direct wholly-owned subsidiary of UE. VI-BT is presently dormant.

The BT Trustee-Manager has the dual responsibilities of safeguarding the interests of the VIT stapled securityholders and managing the business conducted by VI-BT. The BT Trustee-Manager has general powers of management over the business and assets of VI-BT for the benefit of the VIT stapled securityholders as a whole.

Our Investment Strategy

The REIT Manager's key objective is to provide stapled securityholders with a competitive rate of return, by ensuring stable distributions, as well as long-term growth in distribution per stapled security and net asset value per stapled security, while maintaining a prudent capital and risk management structure.

Acquisition for Growth

- Source for and acquire assets in Singapore and elsewhere in the Asia Pacific region that fit within the REIT Manager's investment criteria to provide attractive cash flow and yields relative to VI-REIT's weighted average cost of capital, and to pursue opportunities for future income and capital growth.

Active Asset Management

- Proactively implement measures and work closely with the master lessees to improve the returns from the master-leased properties.

- Proactively manage and improve the leasing profiles of the other non-master-leased properties.

- Measures include active leasing, marketing of any vacancies and expiring leases, tenant management and retention, mitigating any risks relating to new leases and leases renewals, implementing programmes for regular maintenance and building upgrades, and asset refurbishment and enhancement initiatives.

Capital and Risk Management

- Employ an appropriate mix of debt and equity in financing acquisitions and utilise interest rate and currency hedging strategy where appropriate.

- Minimise exposure to market volatility and optimise risk-adjusted returns to stapled securityholders.

Selective Development

- Selectively undertake development activities that are able to enhance the value of the portfolio, including build-to-suit developments.

Divestment

- Divest mature assets as and when appropriate to free up capital for re-deployment towards better growth opportunities.

Financial Highlights

Gross Revenue
(S$'000)



Net Property Income
(S$'000)



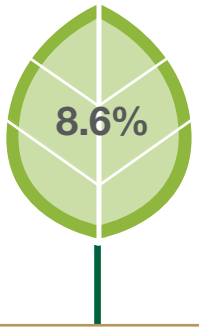
Net Asset Value per Stapled Security



Distribution per Stapled Security



Annualised Distribution Yield[1]



1. Based on closing price of S$0.795 as at 31 December 2014

Balance Sheet

Net Assets

S$471.5m

S$882.5m
Total Assets

- **S$852.7m** Investment Properties
- **S$13.4m** Intangible Assets
- **S$16.4m** Current Assets

S$411.0m
Total Liabilities

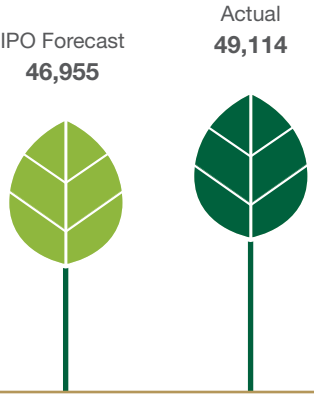
- **S$386.0m** Borrowings (net of transaction costs)
- **S$25.0m** Other Liabilities

Financial Highlights

Segmental Revenue Contribution

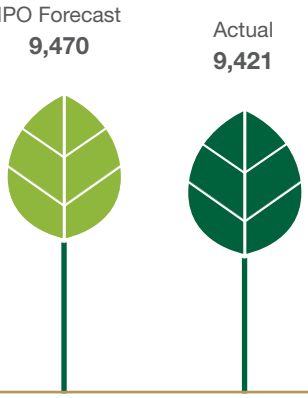
Business Parks
(S$'000)

+4.6%



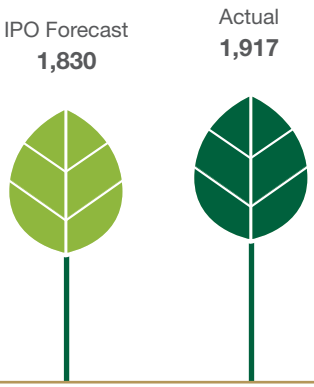
Hotel
(S$'000)

-0.5%

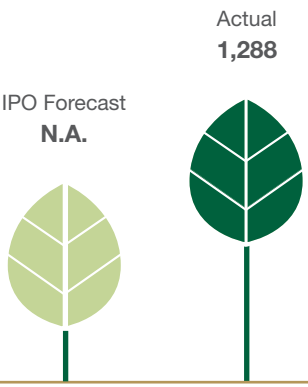


Logistics
(S$'000)

+4.8%

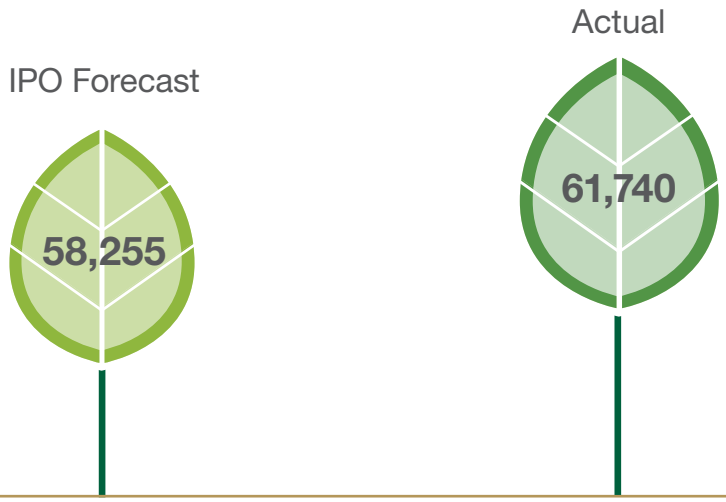


Light Industrial
(S$'000)

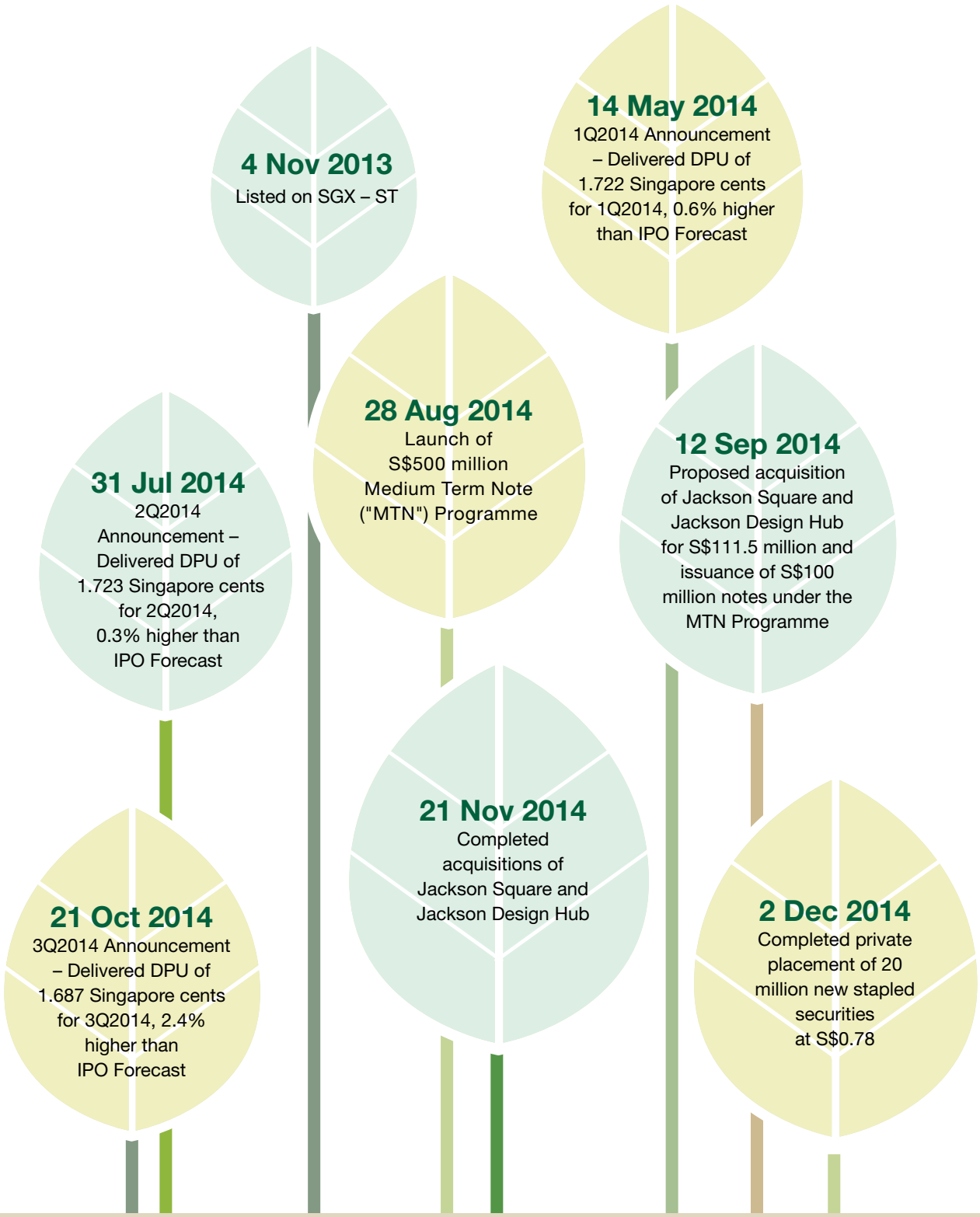


TOTAL
(S$'000)

+6.0%



Significant Events

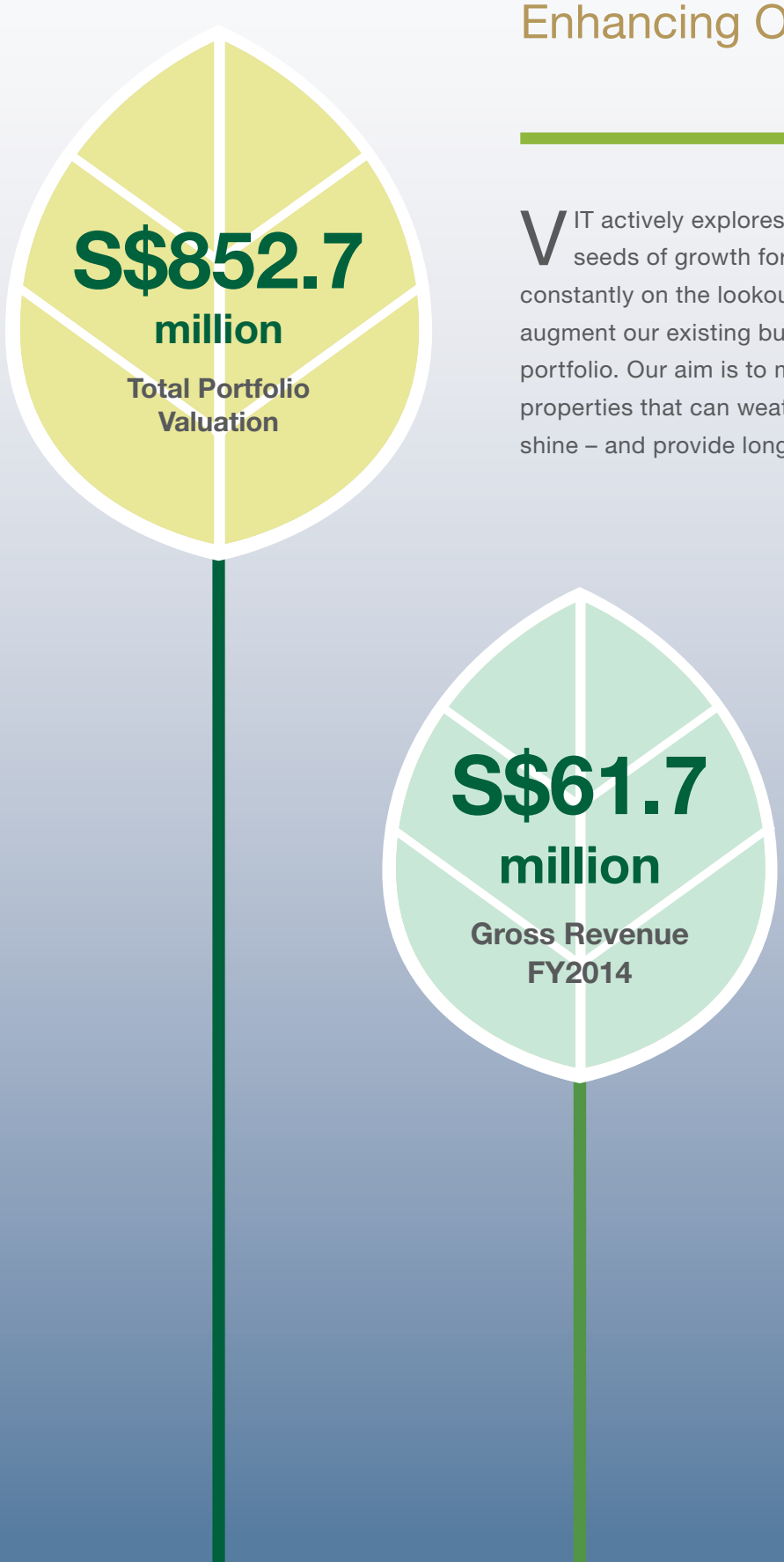



VIVA iTRUST

Growing in Opportunities

Enhancing Our Business

VIT actively explores new grounds to plant seeds of growth for tomorrow. We are constantly on the lookout for quality assets to augment our existing business and enhance our portfolio. Our aim is to maintain a portfolio of properties that can weather the seasons – rain or shine – and provide long-term, stable growth.



Chairman and CEO Letter to Stapled Securityholders

The team at VIT worked tirelessly to achieve high renewal rates through proactive asset management and ongoing marketing activities.

DR LEONG HORN KEE
Chairman



MR WILSON ANG
Chief Executive Officer



Dear Stapled Securityholders,

FY2014 was an eventful first full financial year after the listing of Viva Industrial Trust ("VIT"). Besides turning in a good set of financial results which were in line with the forecast in our Initial Public Offering ("IPO") prospectus, we have also paved the way for VIT to achieve greater growth.

Strong Financials Deliver 8.6% Yield

We are pleased to have delivered a firm performance for the year with revenue of S$61.7 million, which exceeded the IPO Forecast[1] by 6.0% and net property income ("NPI") of S$40.8 million, which exceeded the IPO Forecast by 7.0%. While we will only see the full positive impact of Jackson Square and Jackson Design Hub ("Jackson Properties") in 2015, these properties, which were acquired and added to the portfolio in November 2014, have contributed positively to NPI growth in 2014.

We would also like to share that during the year, contributions from new tenancies at the business park space of UE BizHub East ("UEBH") were stronger than expected. Hence, we required lower rental support than was previously anticipated during our IPO.

Net income available for distribution of S$41.0 million and distribution per stapled security ("DPS") of 6.833 cents for FY2014 were largely in line with our IPO Forecast. Based on VIT's closing price of S$0.795 on 31 December 2014, FY2014 DPS of 6.833 cents translated to a distribution yield of 8.6%.

VIT's net asset value ("NAV") per stapled security stood at 75.8 cents as at 31 December 2014, which was slightly higher than its NAV per stapled security of 75.4 cents as at 31 December 2013.

Growing our Portfolio with Quality Assets

In 2014, we grew our portfolio by acquiring the two Jackson Properties, which are yield-accretive and possess significant potential due to their strategic locations, excellent accessibility and good supporting infrastructure and

1. IPO Forecast figures are derived from the full year projection for FY2014 as disclosed in the IPO prospectus dated 28 October 2013

Chairman and CEO Letter to Stapled Securityholders

amenities. The acquisition was in line with our strategy of acquiring well-located, good quality assets that deliver stable distribution and maximise returns to our stapled securityholders. During the year, we also conducted feasibility studies on other assets including certain assets which were made available to VIT through the right of first refusal ("ROFR") granted by our sponsors. However, we did not exercise the ROFR given that such acquisition would not be yield-accretive and hence it would not be in the best interest of VIT to proceed with the acquisition.

With the acquisition of the Jackson Properties in November 2014, VIT's portfolio grew from three assets at IPO to five assets at the end of FY2014.

Overall Portfolio Stays Resilient

VIT's stronger-than-expected NPI performance in FY2014 was due in part to strong renewal rates. The team at VIT worked tirelessly to achieve high renewal rates through proactive asset management and ongoing marketing activities. As a result, about 85% of the leases that expired during the year were renewed and the weighted average lease expiry ("WALE") profile of the portfolio remained healthy.

In 2015, approximately 16.3% of our tenancies will be up for renewal and the leasing team is committed to ensure that renewal rates are again upheld. The stability of our portfolio is further cushioned by the staggered lease expiries with close to 30% of our leases expiring in 2019 and beyond.



> In 2014, we grew our portfolio by acquiring the two Jackson Properties, which are yield-accretive and possess significant potential due to their strategic locations, excellent accessibility and good supporting infrastructure and amenities.

As part of our risk management efforts, we are also actively working towards reducing our reliance on our top 10 tenants. We achieved success in this area during the year, as the portfolio exposure to the top 10 tenants fell by 5.6 percentage points to 48.1%. This will continue to be an area of focus for VIT in 2015.

Preparing Our Capital Structure for Greater Growth

Since IPO, our primary focus has been to set VIT on the path of long-term growth and value enhancement. We want to be able to execute future transactions effectively while maintaining a prudent capital structure. To this end, we believe we will benefit from the S$500 million multicurrency Medium Term Note ("MTN") programme that we have established in the third quarter of 2014, as it provides us with a multi-year source of debt capital, and enables VIT to tap the debt capital market and to diversify our capital structure in the future.

In September 2014, we issued S$100 million of 4-year unsecured notes to finance the acquisition of Jackson Properties. Given our accomplishments in the short span of time, we believe this bear strong testimony to the tenacity and determination of the VIT team to grow our foothold in the business park and industrial property space.

In connection with our acquisition of Jackson Properties, we completed a private placement of 20 million new stapled securities in VIT to the major shareholder of the

Chairman and CEO Letter to Stapled Securityholders



vendors of Jackson Properties, which is a strong vote of confidence in VIT.

On Track for Greater Growth

FY2014 proved to be a busy yet fruitful year, and we believe our efforts last year have served to set VIT on a sustainable growth trajectory, both organically and through acquisitions.

For our existing portfolio of assets, we will continue to adopt a proactive and prudent approach towards lease and asset management in order to achieve organic growth and maximise total portfolio returns. While the outlook for the industrial property market in Singapore remains mixed, industry analysts have cited the possibility of some rental upside potential for properties with higher specifications, such as those located within business parks and independent high-specs buildings, due to a tightening in supply[1]. These spaces could further benefit from increases in office rents, which may steer tenants towards more affordable alternatives[2].

The Asset Enhancement Initiative ("AEI") for Technopark@ Chai Chee will be a key focus area for us in 2015, as we work towards obtaining the necessary approvals from the relevant authorities and finalising our plans for the conversion of certain areas to "white" use.

Acknowledgements

We would like to take this opportunity to thank all our stapled securityholders for their continued support and confidence in us, our tenants, strategic partners, business associates and trustee for their continued support, as well as our Board of Directors for their stewardship in our first full financial year after listing and for steering us towards greater heights.

We wish to also express our sincere thanks to the management team for all their hard work and achievements in FY2014 that have set VIT On Track For Greater Growth.

Dr Leong Horn Kee
Chairman

Mr Wilson Ang
Chief Executive Officer

1. "A year of weak sales and healthy leasing activity", Research & Forecast Report, Singapore Industrial 4Q2014, Colliers International
2. "Outlook for Singapore's Industrial Property Market This Year Continues to be Mixed", Media Centre, News Release Library, Colliers International, 12 January 2015

主席与总裁
致全体合订证券持有人的信

VIT的团队不辞劳苦，通过积极主动的资产管理
和持续不断的营销活动来实现高续约率。

尊敬的合订证券持有人，

2014财政年是億達工业房地产信托（以下简称“VIT”）上市后即忙碌又充实的第一个完整财政年度。我们除了履行在首次公开发行（以下简称“IPO”）的招股说明书中的承诺，向全体合订证券持有人交出了一份良好的财务业绩之外，也为VIT实现更大的增长铺平了道路。

强劲的财务业绩，实现8.6% 的收益率

我们很高兴宣布，在2014财政年为VIT实现全年营收新币6170万的强劲业绩，超出IPO预期[1]6.0%，而净资产收入（“NPI”）达到新币4080万，超出IPO预期7.0%。尽管我们将在2015年才能看到Jackson Square和Jackson Design Hub（以下简称“Jackson物业”）产业收入的正面影响，这些在2014年11月收购并加入VIT投资组合中的资产，已为2014年的净资产收入增长作出了贡献。

我们也很高兴和大家分享， UE BizHub EAST （以下简称“UEBH”）商务园区在这一年里新租赁项目之收益优于预期，促使我们所需的租金收入支撑低于之前IPO的预期。

2014财政年可分配的净收入为新币4100万，每合订证券可派发息（“DPS”）为新币6.833分，这些数据基本符合我们的IPO预测。按照2014年12月31日VIT 新币79.5分的收盘价计算，2014财政年新币6.833分的每合订证券可派发息相当于8.6%的派息率。

截至2014年12月31日，VIT每股合订证券的资产净值（“NAV”）为新币75.8分，略高于2013年12月31日新币75.4分的每股合订证券资产净值。

通过收购优质资产实现我们投资组合的增长

2014年，我们通过收购两项Jackson物业扩大了我们的资产组合。这两项物业具备了优越地理位置、便利的交通及良好的便利基础设施，不但可增值收益并具备显著的增长潜力。该收购行动符合我们寻求具有优越地理位置的优质资产的策略，能够为我们的合订证券持有人提供稳定的派息和最佳的回报。在这一年里，我们也对其他资产进行了可行性评估，其中包括我们的保荐人授予VIT优先购买权（“ROFR”）的某些资产。但是，我们并没有行使优先购买权进行认购，因为该收购并不会增值收益，而 VIT也无法从中获利。

凭借2014年11月收购Jackson物业，VIT的投资组合从IPO时的三项资产增长为2014财年结束时的五项资产。

整体投资组合保持弹性

VIT在2014财政年的净资产收益业绩表现能超越预期部分缘于强劲的续约率。VIT的团队不辞劳苦，通过积极主动的资产管理和持续不断的营销活动来实现高续约率。这些努力最终带来了回报，年内到期的租赁合约中大约85%成功获得续约，投资组合的加权平均租赁期限（“WALE”）始终维持在健康状态。

2015年，我们有大约16.3%的租赁合约需要续约，租赁团队将致力于确保续约率维持在良好的水平。通过交错和长期租约期我们有接近30%的租约会在2019年及之后才会陆续到期，这使我们投资组合的稳定性获得进一步的缓冲。

作为我们风险管理措施的一部分，我们也积极致力于降低对前十大租户的依赖性。在这一年中，我们在这方面已取得了一定成效，涉及前十大租户的投资组合下降了5.6个百分点，降至48.1%。这将继续是VIT在2015年的一个重点领域。

调整我们的资本结构以实现更大的增长

自上市以来，我们的首要重点始终是让VIT维持长期增长及价值提升。我们希望在保持稳健资本结构的同时，能够有效地执行未来的收购计划。为此，我们相信，我们将从2014年第3季所设定的价值5亿新元的多币种中期票据（“MTN”）计划中受益，因为它为我们提供了一个多年期的债务资本来源，让VIT有能力开拓债务资本市场并将我们未来资本结构多样化。

1. 预测数字来源于2013年10月28日发布的IPO招股说明书中披露的2014财年全年预测

主席与总裁
致全体合订证券持有人的信



2014年9月，我们发行了1亿新元的4年期无担保债券来为收购Jackson物业的行动提供资金。鉴于我们在短期内所取得的成果，我们相信这将有力地证明VIT团队拓展商业园区和工业物业领域的信念和决心。

在我们收购Jackson物业的同时，我们也成功为Jackson物业售卖方的主要股东增发了2000万私人定向的新合订证券，这充分显示了该业主对于VIT资产组合的质量和潜力持有强大信心。

有望实现更大增长

2014财年无疑是忙碌而卓有成效的一年。我们坚信，不论是透过资产的内生增长或是向外收购资产，我们去年的努力能够让VIT保持在可持续健康增长的发展轨道上。

对于我们现有的资产组合，我们将继续在租赁和资产管理方面采取积极审慎的态度，以实现内生增长，并提高总体资产组合的回报。尽管新加坡工业物业市场的前景仍然喜忧参半，但有业内分析人士认为高规格物业由于供应紧缩可能带来租金回升的潜力，例如位于商业园区和独立的高规格建筑物内的物业[1]。这些物业可能会从办公楼租金的增涨中进一步受益，因为办公楼租金的增涨可能会导致一些租户选择更实惠的物业[2]。

菜市科技园（Technopark@Chai Chee）区的资产增值计划将是我们2015年的重点关注领域。我们将致力于早日获得有关当局的批准将某些区域转化为“白色”用途的计划。

致谢

我们希望借此机会感谢所有合订证券持有人一直以来对我们的支持和信任；感谢我们的租户、策略合作伙伴、商业伙伴及托管人对我们的一贯支持；感谢各位董事在我们上市后的第一个完整财年在管理方面的引导和所作出的努力，感谢他们带领我们迈向另一高峰。

我们还要感谢管理团队的成员，感谢他们在2014财年所付出的辛勤劳动和所取得的成绩，使得VIT有望实现更大的增长。

梁汉基博士
主席

洪富璨先生
总裁

1. “销售疲软但租赁活动健康的一年”，2014年第4季新加坡工业研究与预测报告，高力国际
2. “今年对新加坡工业物业市场前景的预期仍然喜忧参半”，媒体中心新闻稿件库，高力国际，2015年1月12日





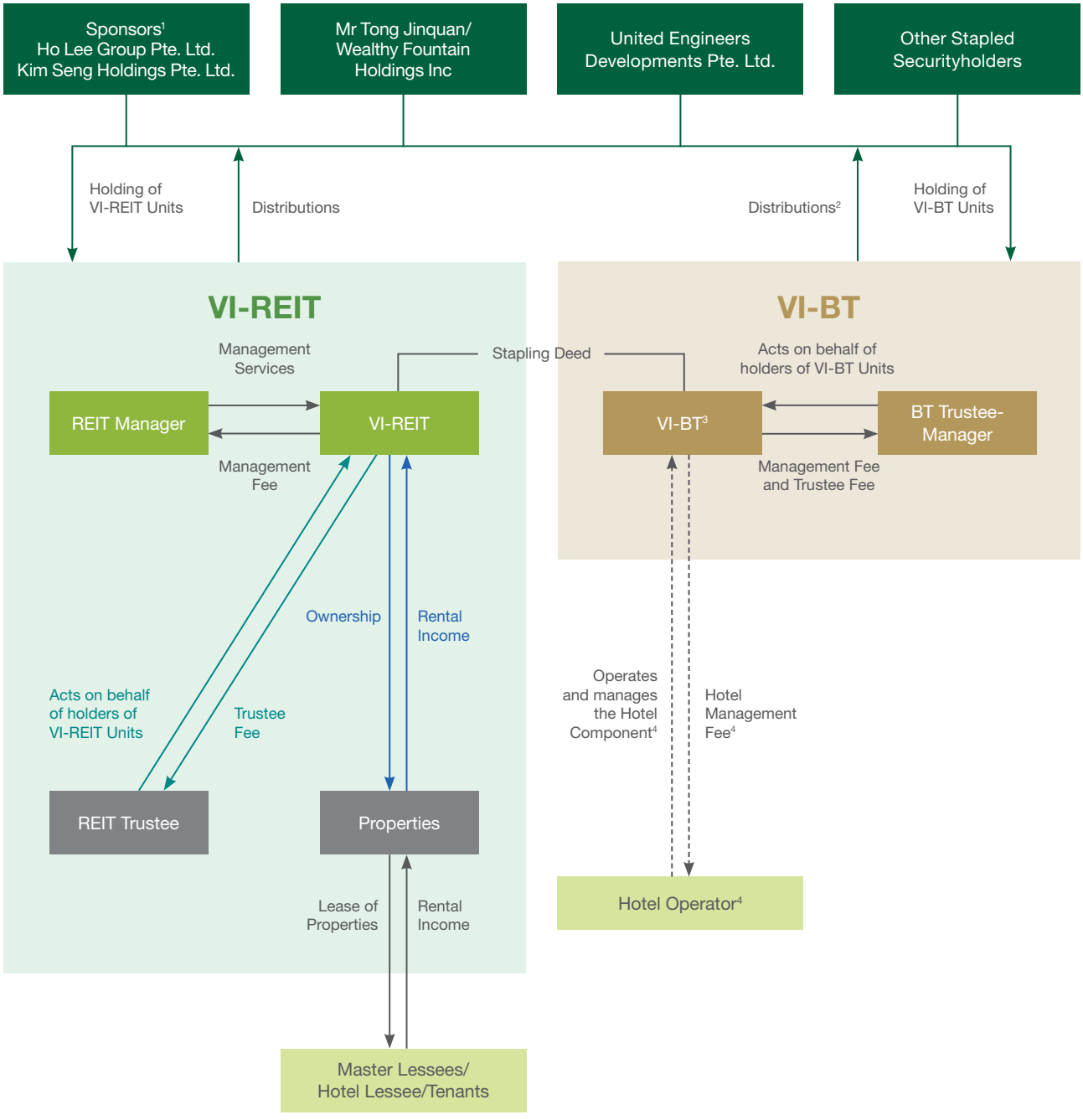



VIVA TRUST




JACKSON
SQUARE

Trust & Manager Structure



1. Ho Lee Group Pte. Ltd.'s stake is held through Ho Lee Group Trust. Kim Seng Holdings Pte. Ltd.'s stake is held through China Enterprises Limited
2. Distributions (if any) to be made by VI-BT, when activated, will be determined by the board of directors of the BT Trustee-Manager in its sole discretion
3. Presently dormant. In the event that VI-BT is appointed as lessee of the Hotel Component of UE BizHub EAST, the BT Trustee-Manager will appoint a third-party hotel operator to manage and operate the Hotel Component of UE BizHub EAST
4. Only activated when VI-BT is appointed as lessee of the Hotel Component

Board of Directors



Standing (L to R): Dr Choong Chow Siong, Mr Ronald Lim Cheng Aun, Mr Richard Teo Cheng Hiang, Mr Tan Fuh Gih
Seated (L to R): Mr Micheal Tan Hai Peng, Dr Leong Horn Kee, Mr Wilson Ang Poh Seong

Dr Leong Horn Kee
Chairman and Independent Non-Executive Director

Dr Leong is the Chairman of the Board; an Independent Non-Executive Director and a Member of the Investment Committee of the REIT Manager and the BT Trustee Manager (together the "Managers").

Dr Leong is the Chairman of CapitalCorp Partners Pte Ltd, a boutique corporate finance advisory company, which he founded in 2009. He was with the Far East Organization group from 1993 to 2008, serving as Managing Director of Orchard Parade Holdings Limited; Managing Director and Chief Executive Officer of Yeo Hiap Seng Ltd and Executive Director of Far East Organization.

Dr Leong also has extensive experience in the public sector, serving in the Ministry of Finance and Ministry of Trade and Industry from 1977 to 1983. He was a Member of Parliament for 22 years until 2006. He was the Non-Resident Ambassador to Mexico from 2006 to February 2013, and was appointed the Non-Resident High Commissioner to Cyprus in July 2014.

Since 2008, Dr Leong has been a member of the Securities Industry Council, and presently serves on the boards of various publicly-listed companies, namely SPH REIT Management Pte. Ltd., Wilmar International Ltd, Tat Hong Holdings Ltd, Amtek Engineering Ltd and IGG Ltd.

Dr Leong holds a Production Engineering (First Class Honours) degree from Loughborough University; an Economics Honours degree from London University, a Bachelor of Arts degree in Chinese Language and Literature from Beijing Normal University; a Master of Business Administration from the European Institute of Business Administration (INSEAD) France; a Master of Business Research degree and a Doctor of Business Administration from the University of Western Australia. He was a Colombo Plan Scholarship and a French Government Scholarship holder.

Mr Richard Teo Cheng Hiang
Independent Non-Executive Director

Mr Teo is an Independent Non-Executive Director; the Chairman of the Investment Committee and a Member of the Audit and Risk Committee of the Managers.

Mr Teo has more than 30 years of experience in managing funds in senior fiduciary positions in the Government of Singapore Investment Corporation (GIC) and for large blue chip financial institutions and ultra-high net worth individuals.

Board of Directors

Mr Teo joined Pacific Star Group from 2005 to 2010. As President (Asset Management), he managed more than US$3 billion of assets. He spent 18 years with GIC, last holding the position of executive vice president and was part of the pioneer team that built GIC Real Estate into one of the top 10 largest global real estate organisations.

Mr Teo is currently an Independent Director of International Healthway Corporation Limited, and Keppel Data Centre REIT Management Pte. Ltd., which are SGX-listed companies.

Mr Teo graduated with a Bachelor of Science in 1977 and a Bachelor of Architecture (First Class Honours) in 1979 from the University of Newcastle under the Colombo Plan (Australia) Scholarship program. He subsequently obtained a Master of Business Administration from the National University of Singapore in 1987.

Dr Choong Chow Siong
Independent Non-Executive Director

Dr Choong is an Independent Non-Executive Director; the Chairman of the Audit and Risk Committee and a Member of the Remuneration Committee of the Managers.

Dr Choong is a member of the Singapore Institute of Arbitrators and of the Chartered Institute of Arbitrators (United Kingdom), as well as Fellow member of the Association of Chartered Certified Accountants (United Kingdom), Institute of Singapore Chartered Accountants and CPA Australia. He is currently the Quality Review Partner at CSI & Co. PAC, where he is responsible for reviewing the audit files of audit partners.

Prior to that, he was the Managing Partner of C.S. Choong & Co. PAC for 33 years, responsible for performing statutory audits as per the Companies Act. He currently serves on the boards of SGX-listed companies, Straco Corporation Limited and AnnAik Limited.

Dr Choong graduated from Nanyang University with a Bachelor of Commerce (Accountancy), and holds a Master of Arts (Finance and Accounting) from Leeds Metropolitan University and a Doctor of Business Administration (Accounting) from Adam Smith University. He has also completed a postgraduate module of the LLM (Commercial) at the University of Northumbria at Newcastle and obtained a Post Graduate Certificate for Maritime Mediation & Arbitration Structured Course at the Nanyang Technological University.

Mr Ronald Lim Cheng Aun
Independent Non-Executive Director

Mr Lim is an Independent Non-Executive Director; the Chairman of the Remuneration Committee and a Member of the Audit and Risk Committee of the Managers.

Mr Lim has 36 years of experience in the banking and finance industry. He was with United Overseas Bank Limited where he held leadership and management positions as Head of Human Resource, Head of its Singapore Branches Operations and Division Head of Commercial Banking. He last held the position of an Executive Director. From 2009 to 2011, Mr Lim was Advisor to RGE Pte Ltd, a resource-based and manufacturing group in the paper & pulp, palm oil and oil and gas industries.

Mr Lim is currently the Chairman of Thomson-Toa Payoh Citizens' Consultative Committee. He was conferred the Public Service Medal (1983) and Public Service Star (2007) for his contributions to public service.

Mr Lim graduated from the University of Singapore with a Bachelor of Social Science majoring in economics.

Mr Micheal Tan Hai Peng
Non-Executive Director

Mr Tan is the Non-Executive Director and a member of the Investment and Remuneration Committee of the Managers.

Mr Tan is currently the executive chairman of LH Group Limited (formerly known as Liang Huat Aluminium Limited), an SGX-listed subsidiary of Ho Lee Group Pte. Ltd, and is also an executive director of Ho Lee Group Pte. Ltd. Mr Tan was Liner Executive at Neptune Orient Lines Limited for two years covering shipments between India and American/Canada.

Mr Tan, as a Lieutenant-Colonel (NS) with the Singapore Armed Forces, currently serves as Brigade Chief of Staff at the Headquarter Singapore Infantry Brigade, and was conferred The Commendation Medal (Military) by

Board of Directors

the Singapore government in 2013 for his contribution to military services. Mr Tan is also the Chairman of Sembawang Community Club Management Committee. He was conferred the Public Service Medal in 2011 for his contributions to public services in Singapore.

Mr Tan graduated from the Florida Institute of Technology, USA, with a Bachelor of Science in Computer Engineering with Highest Honours, and holds a Master of Business Administration (For Senior Executives) from the National University of Singapore.

Mr Tan Fuh Gih
Non-Executive Director

Mr Tan is the Non-Executive Director and a Member of the Investment and Remuneration Committee of the Managers.

Mr Tan is currently the senior executive director of SGX-listed Swissco Holdings Limited, and is also a director of Kim Seng Holdings Pte. Ltd., China Enterprises Limited and Viva Investment Management Pte. Ltd.

He was the executive director of the oil and gas division of KS Energy Limited for 28 years until 2008.

Mr Tan is currently the Chairman of Boon Lay Building Community Fund and a director of the Singapore Hokkien Huay Kuan. He was the Chairman of Citizen Consultative Committee of Boon Lay Division of West Coast GRC, the Chairman of Boon Lay Community Club and a District Councillor of South West Community Development Council.

Mr Tan graduated from Nanyang University with a Bachelor of Commerce (Honours), and holds a Master of Business Administration from the National University of Singapore.

Mr Wilson Ang Poh Seong
Chief Executive Officer and Executive Director

Mr Ang is an Executive Director, a Member of the Investment Committee and Chief Executive Officer of the Managers. He works on the strategy with the Board members and is responsible for strategic planning, overall management and operations of VIT.

Mr Ang has extensive experience in REIT management, industrial property investment and consultancy services. Mr Ang was the Consultant of Asia Industrial Services with Colliers International prior to co-founding Viva Industrial Trust Management Pte Ltd as CEO to spearhead the setting up of Viva Industrial REIT. In his previous role, he focused on Industrial Investment Markets in Singapore and Asia, advising building owners, investors including REITs, private and institution funds on their real estate portfolio as well as servicing their real estate portfolio requirements across Asia.

Mr Ang co-founded Cambridge Industrial Trust Management Limited ("CITM") in 2005, the REIT manager of Cambridge Industrial Trust ("CIT") where he was responsible for structuring and amalgamating a portfolio of industrial properties for the listing of CIT on the SGX-ST, negotiating with owners on terms and legal documentation, as well as working with all consultants on due diligence and overseeing the business development and growth of the company's strategic business. He was the Managing Director (Investment) of CITM post listing of CIT in July 2006 where he was responsible for formulating investment strategies and growing the portfolio with a view to enhance CIT's portfolio. From 2007 to 2009, Mr Ang was Chief Executive Officer of CITM, where he was responsible for strategic planning, management and operation of CIT, as well as managing and overseeing the management team of CITM to ensure that the investment, asset management, financial and operational strategies and objectives of CIT are effectively implemented and in accordance with CITM's stated investment and operational strategies.

Prior to co-founding CITM, Mr Ang was Executive Director and Head of the Industrial Division at Colliers International (Singapore) Pte. Ltd., where he was responsible for managing a team of marketing executives, formulating department strategies for the business and growth of the department, and engaging in industrial development consultancy and project marketing and industrial investment sales activities.

Mr Ang is also a director of Viva iTrust MTN Pte. Ltd., Viva Investment Management Pte. Ltd. and Maxi Capital Pte. Ltd.

Mr Ang graduated from the National University of Singapore with a Bachelor of Science (Estate Management) (Honours) in 1990.

Management Team



Mr Wilson Ang Poh Seong
Chief Executive Officer and Executive Director

Mr Ang is an Executive Director, a Member of the Investment Committee and Chief Executive Officer of the Managers. He works on the strategy with the Board members and is responsible for strategic planning, overall management and operations of VIT.

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Mr Victor Song Chern Chean
Head of Asset Management and Investment Director

Mr Song is in charge of the asset management team, which is responsible for formulating the business plans in relation to VIT's properties. He also spearheads the investment team in investment acquisitions and divestments.

Mr Song has more than 8 years' experience in leasing, asset management, build to suit, investment to divestment. Prior to joining VIT, Mr Song managed his sole proprietorship, VS Real Estate, where he was responsible for managing real estate-related contracts. Before that, Mr Song was in the Investment team at Cambridge Industrial Trust Management Limited ("CITM") , where he was responsible for formulating investment strategies to support growth targets. Before CITM, Mr Song was the Operation and Marketing Manager at Lyman Group responsible for operation and lease management roles.

Mr Song is currently a director of Viva Real Estate Asset Management Pte. Ltd.

Management Team

Mr Song graduated from the Royal Melbourne Institute of Technology (RMIT) with a Bachelor in Business Administration. Mr Song obtained a Certificate of Real Estate Valuation from the International Management Academy and a Certificate of Real Estate Investment Finance (High Distinction for Applied Valuation, Real Estate Finance and Investment) from the Asia Pacific Real Estate Association.



Mr Lawrence Chan Wee Kiat
Head of Finance

Mr Chan is responsible for managing the Finance and Accounting activities of VIT, including financial reporting, corporate finance, taxation, budgeting, forecasting and corporate governance.

Mr Chan has more than 10 years of experience in audit, accounting and finance-related work. Prior to joining VIT, Mr Chan was the Financial Controller of Hoe Leong Corporation Ltd., a company listed on the Main Board of the SGX-ST, where he was responsible for the group's financial functions, including corporate finance, mergers and acquisitions, treasury, tax and financial reporting matters.

From July 2007 to September 2010, Mr Chan was an Associate Director with Genesis Capital Pte. Ltd., an independent corporate finance advisory firm licensed by the MAS to provide corporate advisory services. From July 2000 to April 2007, Mr Chan was an Audit Manager with KPMG where he was responsible for the audit of Singapore and Chinese companies across various industries.

Mr Chan is also a director of Viva Real Estate Asset Management Pte. Ltd. and Viva iTrust MTN Pte. Ltd.

Mr Chan is a Chartered Accountant of Singapore and non-practicing member of the Institute of Singapore Chartered Accountants. He graduated from Nanyang Technological University with a Bachelor of Accountancy in 1999.



Mr Vincent Lim Siak Kwan
Head of Compliance

Mr Lim is responsible for updating and reporting compliance requirements under the Securities and Futures Act ("SFA") and Collective Investment Schemes ("CIS") codes, and making recommendations with respect to the Managers' compliance processes.

Prior to joining VIT, Mr Lim was Assistant Vice President of Compliance with OCBC Securities Pte Ltd where he provided regulatory compliance advice to the management and staff of OCBC Securities, liaised with MAS and SGX on compliance matters, and supervised a team of compliance officers.

Before OCBC Securities, Mr Lim was a Team Leader with the Commercial Affairs Department of the Singapore Police Force, where he investigated cases of corporate and securities fraud, and money laundering activities.

Mr Lim graduated from Nanyang Technological University with a Bachelor of Accountancy.



Growing in Strength

Expanding Our Portfolio

In 2014, we further diversified and strengthened our portfolio with the strategic acquisitions of Jackson Square and Jackson Design Hub. With a more resilient portfolio and an expanded market presence, we are On Track For Greater Growth.

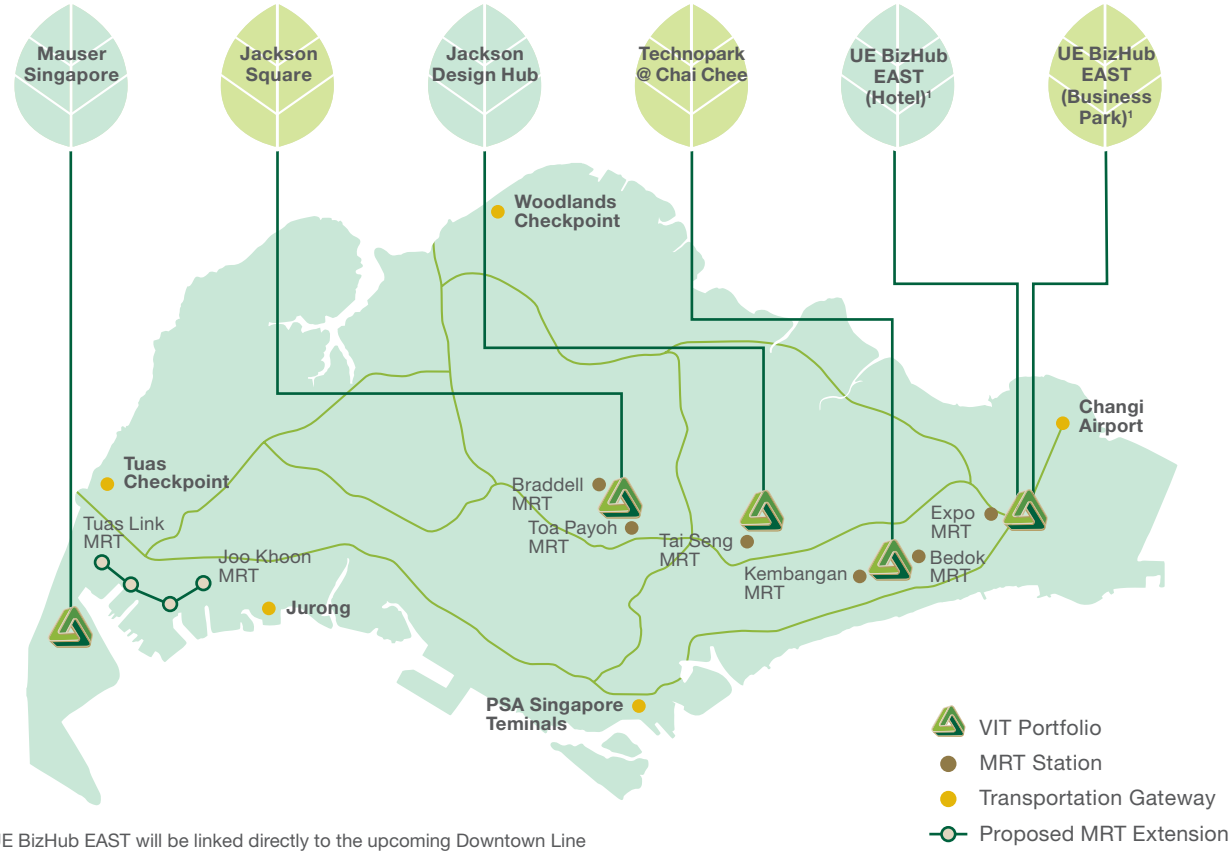


Portfolio Review

Strategically-Located Quality Portfolio

VIT has a portfolio of five strategically-located properties in key business parks and established industrial clusters in Singapore. These properties, namely **UE BizHub EAST, Technopark@Chai Chee, Mauser Singapore, Jackson Square and Jackson Design Hub**, are well located in close proximity to good infrastructure and amenities, public transportation and major expressways.

As at 31 December 2014, the portfolio had a property value of S$852.7 million, with a total gross floor area ("GFA") of 2.9 million sq ft and a net lettable area ("NLA") of 2.3 million sq ft spread across 16 buildings.



1. UE BizHub EAST will be linked directly to the upcoming Downtown Line

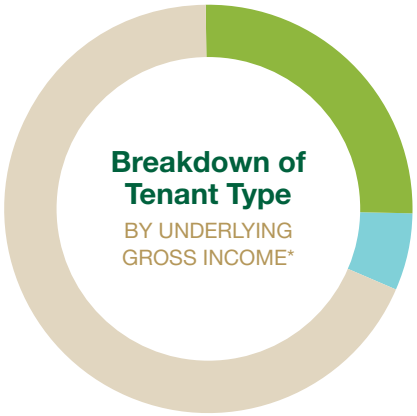
Diversified Quality Tenant Mix

The portfolio enjoys a high-quality tenant base of multi-national corporations ("MNCs") and blue-chip companies from diverse industries, with MNCs contributing approximately 68.4% of VIT's underlying gross rental income. VIT's 119 tenants are well-spread across multiple industry sub-sectors, which provides VIT with a quality and diversified rental income base.

In FY2014, the largest proportion of the total rental income, or 40.9%, was derived from tenants belonging to the information & communications technology ("ICT") sector. The next largest contributor to total rental income was the Engineering and Engineering Services sector which contributed 11.9%.

With an active management strategy and continued efforts to strengthen the tenant base, the REIT Manager successfully reduced VIT's reliance on its top 10 tenants. In FY2014, the top 10 tenants accounted for 48.1% of VIT's gross rental income, a significant improvement from 53.7% in FY2013. Each of the top three tenants also contributed less than 10.0% of the total rental income in FY2014.

Portfolio Review



- **68.4%** MNC
- **25.5%** SME
- **6.1%** GLC

While most of VIT's rental income is derived from multinational corporations, VIT's revenue base is diversified and spread across many industry sectors.



- **40.9%** ICT
- **3.0%** Packaging & Storage
- **1.8%** Energy
- **3.4%** Lifestyle & Services
- **2.3%** Self-storage
- **1.9%** Healthcare
- **11.9%** Engineering/ Engineering Services
- **5.1%** Electronics
- **5.4%** F&B
- **8.0%** Others
- **7.9%** Telecomm & Data Warehousing
- **8.4%** Retail

* Based on monthly gross rental income for the month of 31 December 2014 excluding the rental income from the UEBH Hotel Leased Premises

Top 10 tenants/sub-tenants account for 48.1% of monthly committed rental income*

- **9.0%** Cisco Systems (USA) Pte Ltd
- **6.8%** McDermott Asia Pacific Pte Ltd
- **6.0%** 1-Net Singapore Pte Ltd
- **5.3%** NTUC FairPrice Co-operative Limited
- **4.4%** Johnson Controls (S) Pte Ltd

Total **48.1%**

- **3.7%** BT Singapore Pte Ltd
- **3.4%** CSC Technology Singapore Pte Ltd
- **3.4%** Jackson Global Pte Ltd
- **3.1%** DFS Venture Singapore (Pte) Limited
- **3.0%** Mauser Singapore Pte Ltd

* As at 31 December 2014. Excluding United Engineers Developments Pte Ltd as lessee of the UEBH Hotel Leased Premises

Portfolio Review

Resilient Portfolio Fundamentals

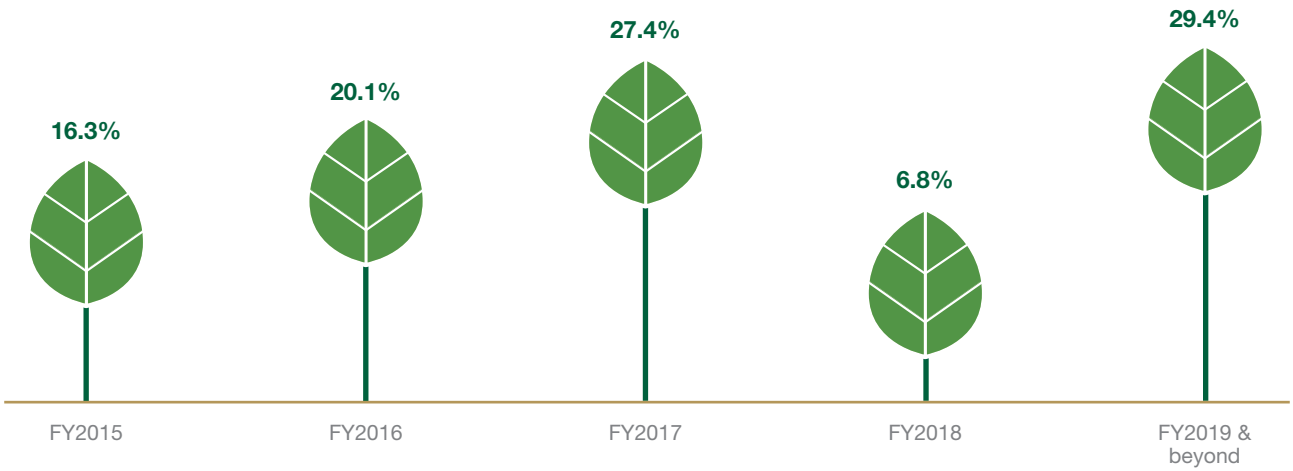
	Portfolio as at 31 December 2013	Portfolio as at 31 December 2014
Total Number of Properties	3	5
Total Portfolio GFA	2,416,254 sq ft	2,919,911 sq ft
Net Lettable Area (NLA)	1,903,554 sq ft	2,346,472 sq ft
Weighted Average Lease Expiry (by rental income)[1]	3.9 years	3.8 years
Weighted Average Land Lease (by valuation)	44.4 years	40.9 years
Weighted Average Age of Buildings (by valuation)	6.6 years	7.4 years
Total Portfolio Value	S$725.6m[2]	S$852.7m[3]
Portfolio Weighted Average Occupancy	75.9%	80.5%

1. Based on net property income and rental support, taking into account the master lease arrangements, UE BizHub EAST and Jackson Square rental support arrangements and the hotel lease arrangement, assuming that renewal options are not exercised
2. Valuation as at 31 December 2013, being the average of the independent valuation by Suntec Real Estate Consultants Pte. Ltd. and Jones Lang LaSalle Property Consultants Pte. Ltd.
3. Based on valuation as at 31 December 2014 performed by Suntec Real Estate Consultants Pte. Ltd.

VIT's underlying fundamentals remained resilient in FY2014. The portfolio continued to see healthy occupancy which rose from 75.9% in FY2013 to 80.5% in FY2014. The Weighted Average Lease Expiry ("WALE") profile also remained evenly spread, with no more than 30.0% exposure in any one year.

With about 29.4% of the portfolio expiring in FY2019 and beyond, this provides a stable income stream for VIT. The REIT Manager has also successfully renewed about 84.6% of the portfolio contracted lease area[1] expiring in FY2014, reflecting good working relationships with existing tenants.

Lease Expiry by percentage of Underlying Gross Rental Income*



* Based on the assumption that renewal options are not exercised

1. Contributed mainly by Technopark@Chai Chee

Portfolio Review



Asset Enhancement Initiatives ("AEI") at Technopark@Chai Chee

One of the REIT Manager's core strategies is to proactively manage and enhance its existing properties, with the aim of maximising total portfolio returns. In this regard, the REIT Manager is planning to roll out AEI works at Technopark@Chai Chee to introduce new retail and lifestyle offerings, to meet the needs of existing tenants.

Focused on maximising the 15% of "white" space allowable under Business Park zoning, the proposed AEI will involve three of the six blocks within Technopark@Chai Chee. Two carparks on the ground floor will be repurposed as part of this initiative, to maximise prime leasable areas. The AEI will encompass interior enhancements for common areas as well as an overall façade facelift to make it both refreshing and appealing.

The proposed AEI is expected to commence in 2015, subject to regulatory approvals. The REIT Manager has submitted applications for the AEI exercise to the relevant authorities, the Housing & Development Board ("HDB") and the Urban Redevelopment Authority ("URA"), and has obtained in-principle consent from both authorities on the proposed usage for the "white" space.

Portfolio Review



Acquisition of Yield-Accretive Assets

In FY2014, the REIT Manager continued to actively manage the portfolio with a focus on acquiring good quality high-tech industrial buildings. In November 2014, the REIT Manager completed the acquisition of two yield-accretive properties – **Jackson Square** and **Jackson Design Hub** – at S$80.0 million and S$31.5 million, respectively. These two latest assets, located at 11 Lorong 3 Toa Payoh and 29 Tai Seng Street respectively, have a combined total asset valuation of S$115.4 million[1].

Jackson Square is a multi-tenanted building, comprising four blocks of light industrial buildings, ranging from two to six storeys, spanning a total GFA of approximately 418,586.3 sq ft. Located within walking distance to Braddell and Toa Payoh MRT stations, as well as easily accessible via major expressways including the Central Expressway and the Pan-Island Expressway, the property is well supported by amenities including food and beverage outlets, supermarkets and retail shops.

Jackson Design Hub is a 5-storey modern light industrial building located within the well-established Paya Lebar iPark, a location master-planned by JTC as an industrial park for the 21st century. The property was acquired on a sale-and-leaseback arrangement from Jackson Global Pte Ltd, which is leasing the entire property for a period of 10 years with built-in annual rental escalations. The property spans a total GFA of 85,070.3 sq ft and is located within a short walking distance to Tai Seng MRT Station.

With these acquisitions, the REIT Manager successfully grew the portfolio from an initial total asset under management of S$725.6 million[2] to S$852.7 million[1] as at 31 December 2014. The acquisitions not only further diversified the portfolio with a new asset class in light industrial properties, but also widen its income stream and reduced its reliance on any single property.

As a result, overall portfolio GFA grew by 20.8% from 2.4 million sq ft as at 31 December 2013 to 2.9 million sq ft as at 31 December 2014. Similarly, NLA increased by 21.1% from 1.9 million sq ft as at 31 December 2013 to 2.3 million sq ft as at 31 December 2014. The acquisition also boosted the portfolio's weighted average occupancy rate from 75.9% to 80.5%.

Moving forward, the REIT Manager will continue to actively pursue investment opportunities in yield-accretive assets to further strengthen VIT's presence in Singapore. The REIT Manager will also keep a lookout for high-quality assets in the Asia-Pacific region that are aligned with its investment strategy, to maximise returns and ensure stable distributions to stapled securityholders.

1. Valuation as at 31 December 2014, performed by Suntec Real Estate Consultants Pte. Ltd.
2. Valuation as at 31 December 2013, being the average of the independent valuation by Suntec Real Estate Consultants Pte. Ltd. and Jones Lang LaSalle Property Consultants Pte. Ltd.

Properties Profile

UE BizHub EAST (Business Park Component)



Property Type	Business Park
Value	S$374.0mn*
GFA	611,471 sq. ft.
Age	2.7 years
Remaining land lease	53 years
Occupancy	85%
Number of tenants	32

- Relatively new property (TOP in April 2012)
- Strategically located at the heart of Changi Business Park (CBP) adjacent to Expo MRT station & direct link to upcoming Down Town Line Station
- Unique integrated mixed-use business park development
  - Zoned Business Park White
    > Allows for up to 40% of total GFA to be allocated for "white" uses
  - Awarded Green Mark GoldPlus > Highly valued by MNC tenants

UE BizHub EAST (Hotel Component)



Property Type	Business Park/ Hotel
Value	S$140.0mn*
GFA	172,532 sq. ft.
Age	2.7 years
Remaining land lease	53 years
Occupancy	100%
Number of tenants	5

- Relatively new hotel (TOP in May 2012)
- One of the only two hotels at the heart of CBP
- Managed under the award-winning "Park Avenue" brand
- Awarded Green Mark Gold

* As at 31 December 2014

Properties Profile

Technopark@Chai Chee



Property Type	Business Park
Value	S$195.3mn*
GFA	1,524,685 sq. ft.
Age	21.6 years
Remaining land lease	16 years
Occupancy	63%
Number of tenants	69

- Only business park development in the vicinity
- Diverse mix of 69 tenants from multiple trade sectors
- Significant enhancement opportunities with rezoning from industrial to business park in 2008
- Close proximity to Bedok Town Centre with easy access to MRT stations and bus interchange

Mauser Singapore



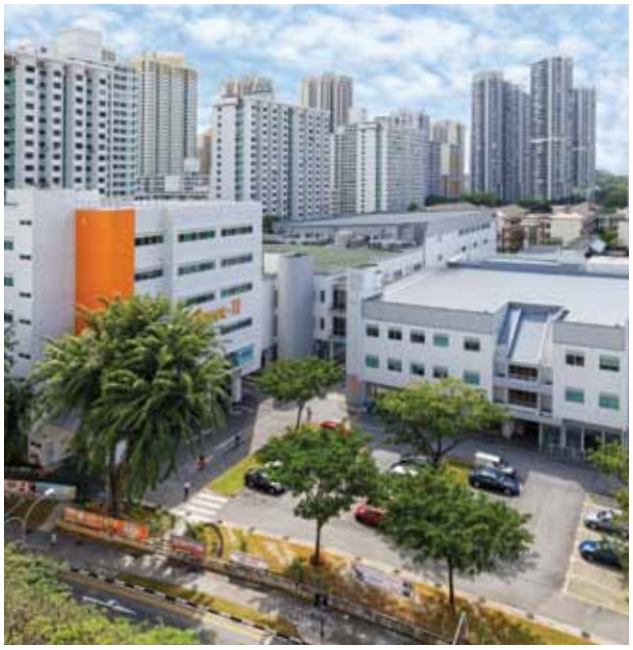
Property Type	Logistics
Value	S$28.0mn*
GFA	107,566 sq. ft.
Age	2.5 years
Remaining land lease	52 years
Occupancy	100%
Number of tenant	1

- Relatively new two-storey ramp-up logistics facility (TOP in June 2012)
- Increase operational efficiency and reduce long term maintenance cost
- Benefit from the expected consolidation of container port activities at Tuas
- Leased to Mauser Group, a worldwide leading provider of industrial packaging solutions

* As at 31 December 2014

Properties Profile

Jackson Square



Property Type	Light Industrial
Value	S$82.0mn*
GFA	418,586.3 sq. ft.
Age	5.1 years
Remaining land lease	14.4 years
Occupancy	91%
Number of tenants	11

- Four blocks of two to six-storey light industrial complex located in Toa Payoh
- Major refurbishment completed in 2008
- Located within densely populated area with easy access to amenities and labor supply
- Well-served by arterial roads and expressways, PIE and CTE
- Walking distance to Braddell and Toa Payoh MRT stations

Jackson Design Hub



Property Type	Light Industrial
Value	S$33.4mn*
GFA	85,070.3 sq. ft.
Age	5.9 years
Remaining land lease	52.4 years
Occupancy	100%
Number of tenant	1

- Five-storey modern light industrial building with basement car park located in Tai Seng
- Located within Paya Lebar iPark, a location master-planned as an industrial park for the 21st century
- Short walking distance to Tai Seng MRT station
- Easy access to KPE and PIE

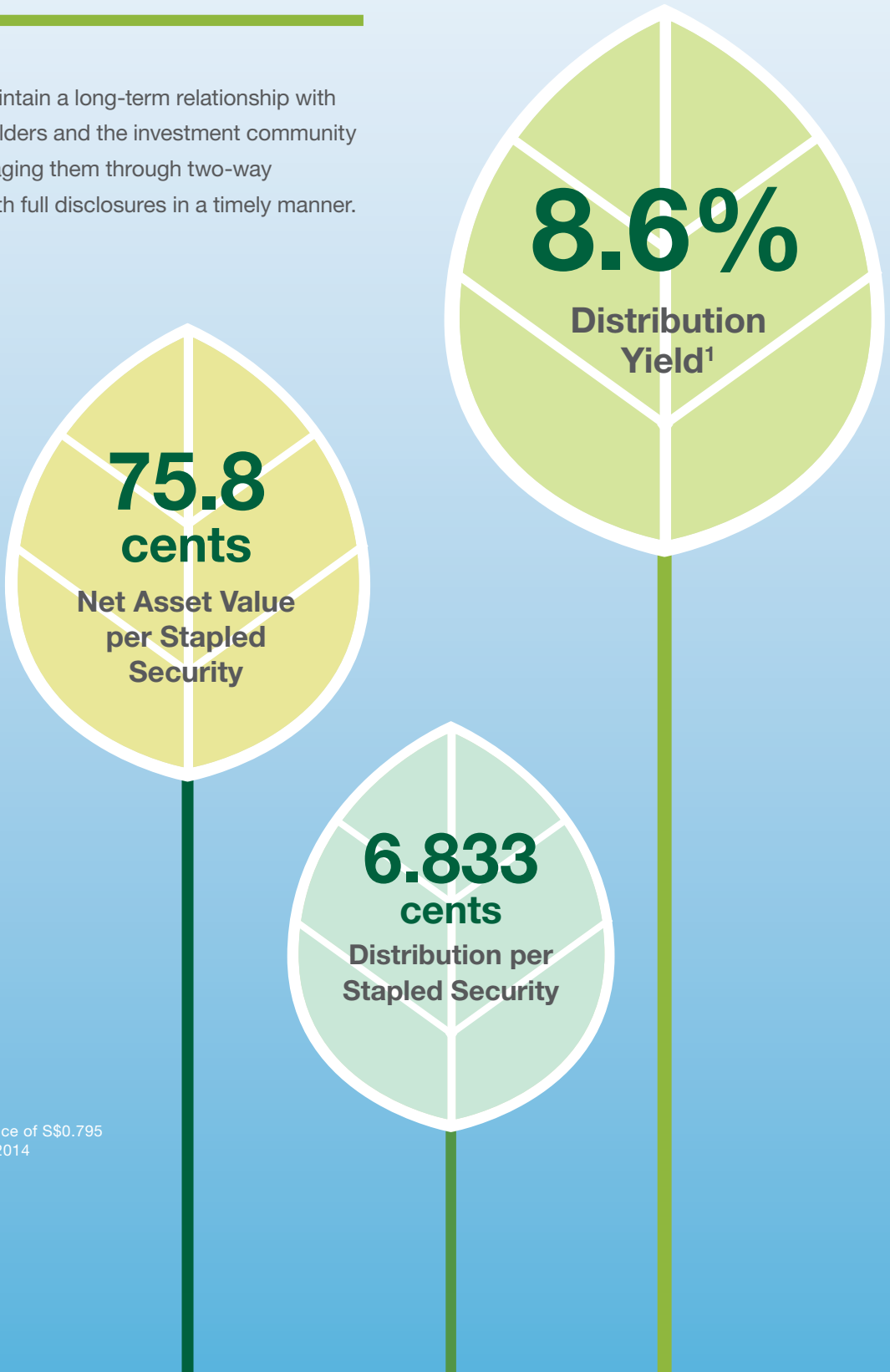
* As at 31 December 2014


cisco
FairPrice
BT

Growing in Value

Engaging Our Stakeholders

We aim to maintain a long-term relationship with our stakeholders and the investment community by proactively engaging them through two-way communication, with full disclosures in a timely manner.



1. Based on closing price of S$0.795 as at 31 December 2014

Financial Review

A Solid Beginning

Review of Financial Performance

In FY2014, VIT achieved gross revenue of S$61.7 million, which exceeded its IPO forecast[1] (the "IPO Forecast") by 6.0%. The strong performance in VIT's first full year of listing was driven mainly by higher actual rental contribution from new business park space tenancies at UE BizHub EAST ("UEBH") and additional rental contributions resulting from the acquisition of Jackson Square and Jackson Design Hub (the "Jackson Properties") in November 2014. After deducting property expenses, net property income for the year was S$40.8 million, or 7.0% higher than the IPO Forecast.

During the year, VIT received rental support of S$12.4 million, which was 13.8% lower than the IPO Forecast as contributions from UEBH came in higher than anticipated. Stronger-than-expected net property income from UEBH resulted in a rental top-up that was S$2.8 million lower than the IPO Forecast. This was partially offset by the higher-than-forecast rental top-up of S$0.6 million and S$0.2 million under rental support arrangements for Technopark@Chai Chee and Jackson Square, respectively.

VIT reported net income available for distribution of S$41.0 million for FY2014, largely in line with the IPO Forecast. In tandem with this, VIT delivered a distribution per stapled security of 6.833 cents, which is comparable to the IPO Forecast of 6.870 cents.

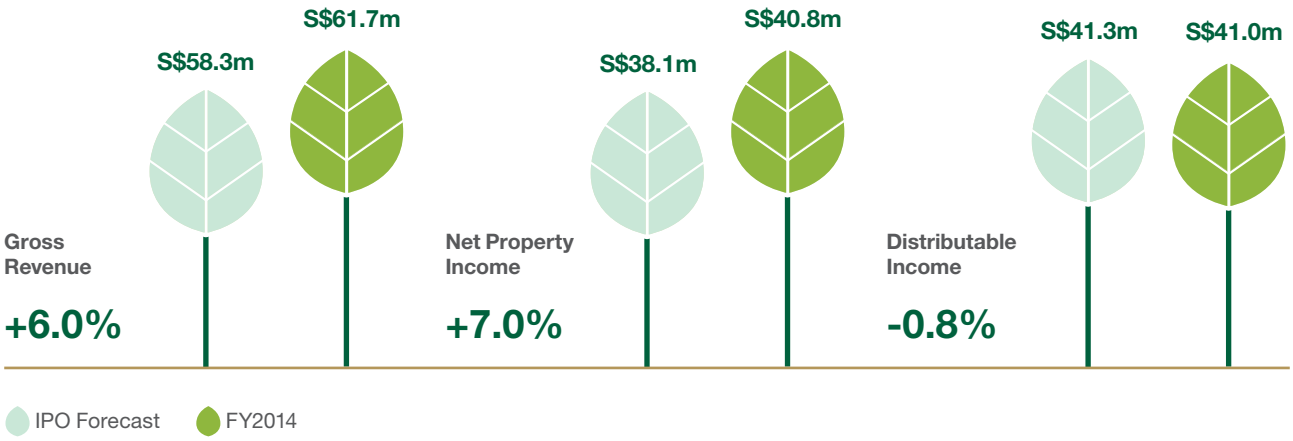
Income Statement Highlights	FY2014 (S$ '000)	IPO Forecast (S$ '000)	Variance (%)
Gross Revenue	61,740	58,255	6.0
Net Property Income	40,753	38,088	7.0
Distributable Income[2]	40,963	41,284	(0.8)
Distribution per Stapled Security (Singapore cents)	6.833	6.870	(0.5)
Distribution Yield	8.8% (based on IPO price of S$0.780)	8.8%	–
	8.6% (based on closing price of S$0.795 as at 31 Dec 2014)	N.A.	N.A.

Balance Sheet Highlights	31 December 2014 (S$ '000)	31 December 2013 (S$ '000)
Total Assets	882,515	772,582
Value of Investment Properties	852,700	725,600
Total Liabilities	411,029	324,027
Stapled Securityholders' Funds	471,486	448,555
Net Asset Value per Stapled Security (Singapore cents)	75.8	75.4
Debt-to-Asset	44.3%	38.8%
All-in Borrowing Cost	3.8%	3.5%
Interest Cover (times)	4.8	5.5

1. Forecast figures are derived from the full year projection of 2014 as disclosed in the IPO prospectus dated 28 October 2013
2. Distributions of VIT represent the aggregate of distributions by VI-REIT Group and VI-BT. The distributions of VIT for FY2014 are contributed solely by VI-REIT Group as VI-BT was inactive during the year. Accordingly, only the income available for distribution of VI-REIT Group has been included for the purpose of calculating the distribution per stapled security

Financial Review

FY2014 Financial Highlights



FY2014 Distribution per Stapled Security (Singapore cents)



Building a Resilient Portfolio with Top-Quality Assets

In November 2014, VIT successfully added two yield-accretive industrial assets, the Jackson Properties, to the portfolio. The acquisition of the Jackson Properties added an aggregate 504,000 sq ft in GFA and 440,000 sq ft in NLA to the asset portfolio.

As at 31 December 2014, occupancy at Jackson Square was 91% and occupancy at Jackson Design Hub was 100%. With the new acquisitions, the weighted average occupancy of the portfolio increased from 75.9% last year to 80.5%. Portfolio size also grew from S$725.6 million as at 31 December 2013 to S$852.7 million as at 31 December 2014.

For further details on the Jackson Properties, please refer to the Properties Profile section on page 31.

Financial Review

Enhanced Portfolio Across Four Asset Classes

Asset Class	Valuation as at 31 December 2014 (S$ million)	Valuation as at 31 December 2013 (S$ million)
Business Park		
• UE BizHub EAST – Business Park Component	374.0	365.0
• Technopark@Chai Chee	195.3	194.1
Hotel		
• UE BizHub EAST – Hotel Component	140.0	138.5
Logistics		
• Mauser Singapore	28.0	28.0
Light Industrial		
• Jackson Square	82.0	–
• Jackson Design Hub	33.4	–
TOTAL	**852.7**	**725.6**

Healthy Capital Structure

VI-REIT was reaffirmed a corporate credit rating of "BB+" by Standard & Poor's Rating Services ("S&P") on 16 September 2014.

In line with its prudent approach towards capital and risk management, the REIT Manager undertook several initiatives in FY2014 to strengthen VIT's balance sheet and maintain financial flexibility.

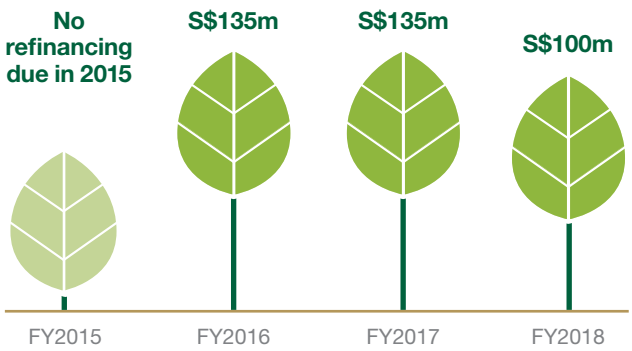
On 28 August 2014, a wholly-owned subsidiary of VI-REIT, Viva iTrust MTN Pte. Ltd. ("VMTN") was established with an initial capital of S$1 to act as issuer of a S$500.0 million multicurrency medium term note programme (the "MTN Programme"), which was established by VMTN on 28 August 2014. The MTN Programme provides VIT with the flexibility to fund future acquisitions and asset enhancement initiatives. In September 2014, VIT issued S$100.0 million of four-year unsecured notes (the "Notes") under this MTN Programme. The MTN Programme was assigned an investment grade credit rating of "BBB-" by S&P on 28 August 2014 and the rating was reaffirmed by S&P on 16 September 2014. The Notes were also assigned an investment grade credit rating of "BBB-" by S&P on 16 September 2014.

Other diversification of VI-REIT's sources of funding include two secured term loan facilities totalling S$270.0 million and a secured S$45.0 million revolving credit facility. As at 31 December 2014, 84.4% of outstanding borrowings were hedged by way of fixed interest rate swaps and fixed rate borrowings.

As part of the REIT Manager's active capital management strategy, it also raised gross proceeds of S$15.6 million from a private placement in December 2014, which have been fully utilised to partially repay existing borrowings to reduce VIT's aggregate leverage to below 45%.

As at 31 December 2014, VIT's total borrowings stood at S$391.0 million, with no repayment obligations in FY2015. The debt-to-asset ratio of 44.3% is well within the 60% limit imposed by the Monetary Authority of Singapore for property trusts in Singapore with a credit rating.

Debt Maturity Profile[1]



1. Excludes the outstanding revolving credit facilty of S$21 million as at 31 December 2014

Financial Review

Stapled Security Price Statistics

Stapled Security Price Performance	2014	2013
Opening Price as at 2 January (S$)	0.775	0.765[1]
Closing Price as at 31 December (S$)	0.795	0.775
Highest Traded Price (S$)	0.820	0.785
Lowest Traded Price (S$)	0.750	0.745
Total Traded Volume (stapled securities)	45,664,000	31,877,000
Daily Average Traded Volume	198,539	817,359
Stapled Securities issued and issuable as at 31 December	621,883,637	595,090,710
Market Capitalisation (S$ million)	493.1[2]	460.4[3]

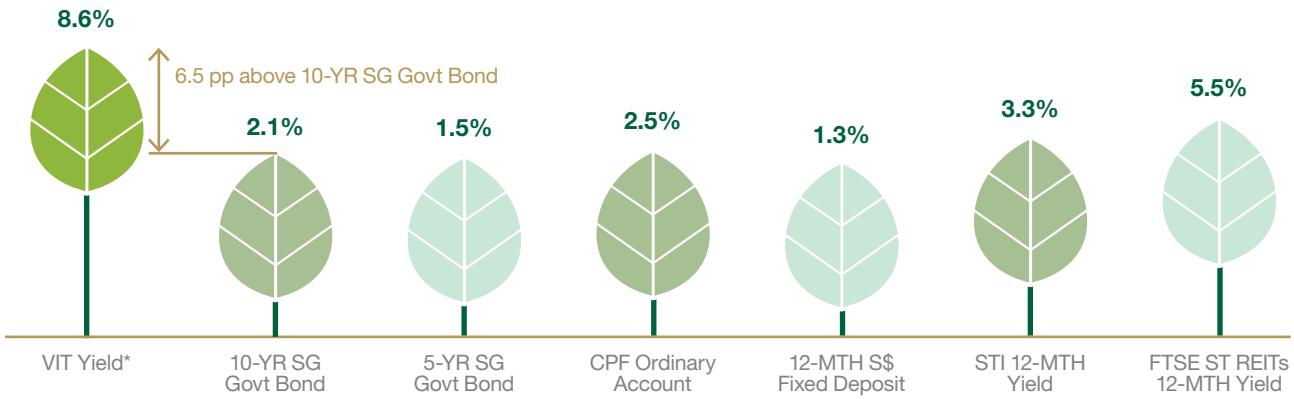
1. As at 4 November 2013, the first day of listing
2. Based on closing price of S$0.795 as at 31 December 2014
3. Based on closing price of S$0.775 as at 31 December 2013

Return on Investment (from 1 January 2014 to 31 December 2014)	(%)
Total Return	11.4[1]
Price Appreciation	2.6
Distribution Yield	8.8

1. Sum of distributions and capital appreciation for FY2014 over the opening stapled security price of S$0.775 on 2 January 2014

Attractive Yield Versus Other Investments

VIT delivered a strong performance in FY2014, delivering an attractive yield of 8.6% (based on the closing price of S$0.795 as at 31 December 2014), 650 basis points above the 10-year government bond yield of 2.1% and 310 basis points above the 12-month gross dividend yield of FTSE Straits Times REIT Index of 5.5%. VIT will continue to distribute 100% of its distributable income in FY2015.



* VIT Yield is computed based on the DPS for FY2014 and closing price of $0.795 as at 31 December 2014

Source: Bloomberg, Central Provident Fund Board, Monetary Authority of Singapore, OCBC, as at 19 January 2015

Investor Relations

Timely and Transparent Disclosures

At VIT, we are committed to provide our stakeholders and the investment community with timely and full disclosure of material information.

We release all material updates through press releases or announcements on multiple platforms, including SGXNet and our corporate website www.vivaitrust.com, to ensure ease of access and a wider outreach to the investment community. Members of the public can also subscribe to email alerts to receive VIT's latest developments promptly.

The website is regularly updated to make the latest information on VIT available to stakeholders.

Active Engagement with Stakeholders

We view stakeholders communication as an ongoing dialogue with the investment community and we strive to maintain robust communication channels through meetings, teleconferences and emails.

The REIT Manager holds full-year media and financial analysts briefing to allow senior management to address queries directly. The REIT Manager also participates in investor meetings and non-deal road shows to reach out to potential investors. In addition, the REIT Manager also organises regular property tours for institutional investors and financial analysts to provide more insights into VIT's portfolio.



Inaugural Annual General Meeting



FY2014 Full Year Results Analyst Briefing



SGX Workshop at Invest Fair 2014

Corporate Social Responsibility

VIT's annual general meetings provide another important platform for communication with our stapled securityholders. Senior management is given the opportunity to engage with our stapled securityholders and answer any queries they may have. The Board of Directors is also present to take in feedback.



SGX Sector Connect Retail Investor Seminar

Some of the road shows and investor outreach programmes VIT participated in 2014 include:

- REIW Asia 2014 Conference
- SGX Workshop at Invest Fair 2014
- Phillip Capital Lunch Time Talk
- SGX Sector Connect Retail Investor Seminar
- OSK DMG Non Deal Roadshow
- Standard Chartered Non Deal Roadshow, Hong Kong
- Standard Chartered Non Deal Roadshow, Shanghai
- SGX CIMB Broker Roadshow

Corporate Social Responsibility

VIT is a Gold Member of the Singapore Compact, a national society that promotes sustainable development for businesses and stakeholders.

In 2014, the REIT Manager supported the Alzheimer's Disease Association (ADA) with prizes and donations for its programmes to help raise public awareness and understanding of the disease, as well as organising outings and activities. The activities provided caregivers and their loved ones, who are suffering from dementia, an opportunity to strengthen their support structures through befriending and socialising with other caregivers. Through such support, we hope to convey our recognition and acknowledgement to the caregivers for their selflessness, love and sacrifices.

Apart from supporting the needy groups, we are also committed to environmental sustainability and incorporating environmentally-friendly elements into our projects. Two of VIT's properties, UE BizHub EAST (Business Park) and UE BizHub EAST (Hotel) were awarded the Green Mark GoldPlus and Green Mark Gold certifications, respectively, by the Building and Construction Authority. This is an affirmation of our efforts to create a sustainable and liveable environment, and we will continue to strive towards industry recognition for other properties in our portfolio.

Independent Market Report

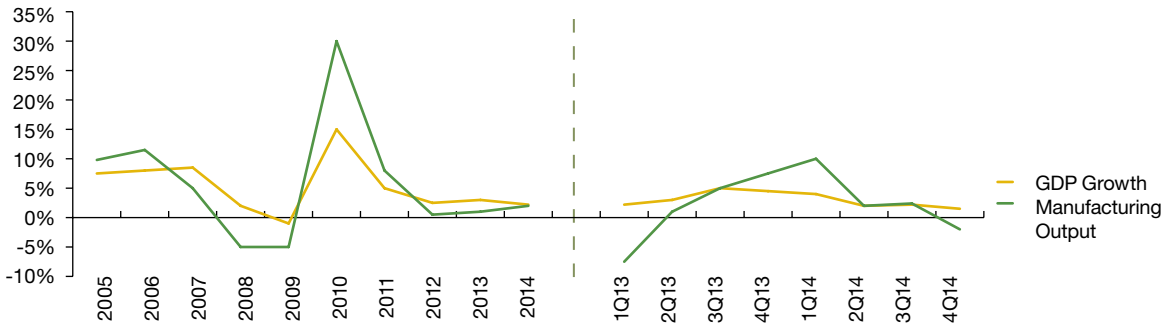
By Colliers International Consultancy & Valuation (Singapore) Pte Ltd
As at 27 February 2015

Year-on-Year Growth in Gross Domestic Product (GDP)



Source: Singapore Department of Statistics/Ministry of Trade & Industry

Year-on-Year Growth in GDP and Manufacturing Sector Output



Source: Ministry of Trade and Industry/Economic Development Board

1. MACROECONOMIC TRENDS

1.1 REVIEW OF ECONOMIC PERFORMANCE IN THE PAST YEAR

Official statistics released by the Ministry of Trade and Industry ("MTI") on 17 February 2015 showed that Singapore's gross domestic product ("GDP") grew by 2.9% year-on-year ("YoY") in 2014, down from the 4.4% YoY expansion in 2013. The decelerated pace of growth was due to a slowing construction sector and a moderation of growth in the services producing industries.

1.2 MANUFACTURING OUTPUT AND INVESTMENT COMMITMENTS

Singapore's manufacturing output rose by 2.6% YoY in 2014, performing better than the 1.7% YoY increase in 2013.

The expansion in manufacturing output was on the back of healthy annual growths in the biomedical manufacturing and chemicals clusters by 8.8% and 5.3% respectively. Precision engineering also registered a growth of 3.8% YoY and transport engineering grew moderately by 0.9% YoY. However, the general manufacturing and electronics clusters fell in the same period by 1.7% and 0.1%, respectively.

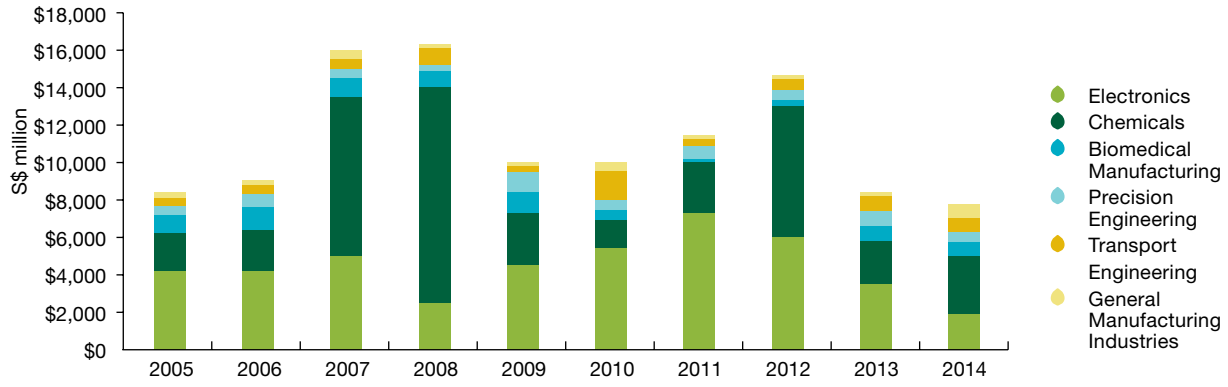
Singapore garnered some S$6.8 billion in total manufacturing fixed asset investments ("FAI") in 2014, down 15.0% YoY. This was due to the significant slowdown in investment commitments in the electronics (-49.4% YoY) and precision engineering (-44.2% YoY) clusters, which accounted for 24.4% and 4.8%, respectively of all manufacturing FAI in 2014.

1.3 TRANSPORT & STORAGE SECTOR PERFORMANCE

The transport and storage sector, a key demand driver of logistics and warehousing space, expanded by 1.7% YoY, lower than the 3.5% YoY gain in 2013.

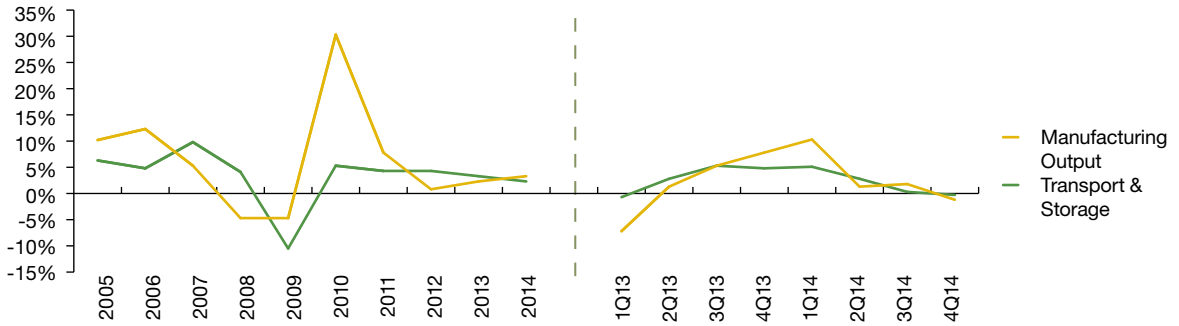
Independent Market Report

Total Manufacturing Fixed Asset Investments (FAI)



Source: Economic Survey of Singapore

Year-on-Year Growth in Transport & Storage Sector vs Manufacturing Sector Output



Source: Singapore Department of Statistics/Colliers International Singapore Research

Nevertheless, container throughput and sea cargo throughput increased by 4.0% YoY and 3.6% YoY, to 33.9 million TEUs[1] and 581.3 million tonnes, respectively in 2014. Over the same year, air freight movements were relatively stable at 1.8 million tonnes, inching upwards by a marginal 0.3% YoY.

1.4 ECONOMIC OUTLOOK

The outlook of the Singapore economy is cautious moderate growth for 2015.

In the global arena, the pace of recovery is seen to be uneven across the economies, with the US economy being the main bright spot. While growth in the US economy is expected to accelerate in 2015, growth in the Eurozone is likely to remain weak. In addition, while the recent plunge in oil prices could benefit oil- importing economies; growth prospects have been dampened in oil-exporting economies.

In the midst of this challenging global economic environment, externally-oriented sectors such as the manufacturing and wholesale trade sectors are expected to face headwinds. On the domestic front, the labour market in Singapore is expected to remain tight, with low unemployment and rising vacancy rates. Labour-intensive sectors such as construction, retail and food services may see their growth hampered by manpower constraints. Despite this, other domestically-oriented sectors such as business services are expected to remain resilient.

Taking into account the interplay of the above factors, the MTI expects the Singapore economy to expand by 2.0% to 4.0% in 2015.

1. TEU or twenty-foot equivalent unit is a measure of capacity in container transportation

Independent Market Report

2. RECENT GOVERNMENT MEASURES AFFECTING THE SINGAPORE INDUSTRIAL PROPERTY MARKET

2.1 INDUSTRIAL GOVERNMENT LAND SALES (IGLS) PROGRAMME

The Government manages the supply of industrial land through its bi-annual Industrial Government Land Sale ("IGLS") Programme to ensure the provision of affordable industrial space for industrialists. Given the ample pipeline supply of industrial space, the Government continued to scale back its IGLS programme for 1H 2015.

The 1H 2015 IGLS Programme will offer 14 sites with a combined land area of 14.08 ha, less than the 15 sites totalling 18.8 ha offered for 2H 2014. The nine sites on the Confirmed List[2] and five sites on the Reserve List[3] for 1H 2015 can potentially yield about 1.1 million sq ft and 1.5 million sq ft of industrial space, respectively.

The Government also continued to cap the maximum land tenure of industrial sites under the 1H 2015 IGLS programme at 30 years, and provided smaller sites with shorter land tenure of about 20 years for industrialists to develop their own customised land-based facilities.

The details of the sites placed under the 1H 2015 IGLS programme are provided in the following table.

Additionally, in response to feedback from developers and industrialists, MTI will remove the requirement to provide goods lift and loading bay for all full ramp-up developments on B1 and B2 IGLS parcels for all land parcels launched from

Industrial Government Land Sales (IGLS) Programme for 1H 2015

Location	Site Area (ha)	Zoning	Gross Plot Ratio	Tenure (years)	Estimated Available Date
Confirmed List of Industrial Sites					
Plot 43, Tuas South Street 11*	0.84	B2[4]	1.0	20	Tender launched on 27 January 2015 and will close on 24 March 2015
Plot 46, Tuas South Street 6*	0.70	B2	1.0	20	February 2015
Plot 4, Tampines Industrial Drive	0.57	B2	1.4	20	March 2015
Woodlands Avenue 10	1.37	B2	2.0	20	April 2015
Plot 4, Tuas South Avenue 7	0.79	B2	1.4	20	April 2015
Plot 8, Tuas South Avenue 7	0.60	B2	1.4	20	May 2015
Plot 11, Tampines Industrial Drive	0.52	B2	1.4	20	May 2015
Plot 6, Tampines Industrial Drive	0.47	B2	1.4	20	June 2015
Ubi Avenue 1	0.60	B1[5]	2.5	30	June 2015
Reserve List of Industrial Sites					
Plot 1, Off Tuas South Avenue 14*	3.33	B2	2.0	30	Already available for application
Plot 9, Tampines Industrial Drive*	0.58	B2	1.4	20	Already available for application
Plot 12, Tampines Industrial Drive	0.48	B2	1.4	20	April 2015
Plot 5, Tampines Industrial Drive	0.51	B2	1.4	20	May 2015
Tuas Bay Close**	2.72	B2	1.7	30	June 2015

* Previously in the 2H 2014 Reserve List
** Previously in the 2H 2014 Confirmed List
Source: MTI/Colliers International Singapore Research, as of 6 February 2015

2. Under the Confirmed List, the Government will release a site for sale by tender at a pre-determined date, without the need for the site to be triggered for sale
3. Under the Reserve List, the Government will only release a site for sale if an interested party submits an application for the site to be put up for tender with an offer of a minimum purchase price acceptable to the Government. The successful applicant must undertake to submit a bid for the site in the ensuing tender at or above the minimum price offered in the application
4. Business 2 ("B2"):These are areas used or intended to be used for clean industry, light industry, general industry, warehouse, public utilities and telecommunication uses and other public installations. Special industries such as manufacture of industrial machinery, shipbuilding and repairing, may be allowed in selected areas subject to evaluation by the competent authority
5. Business 1 ("B1"): These are areas used or intended to be used mainly for clean industry, light industry, warehouse, public utilities and telecommunication uses and other public installations for which the relevant authority does not impose a nuisance buffer greater than 50 metres. Certain general industrial uses that are able to meet the nuisance buffer requirements of not more than 50 metres imposed by the relevant authority may be allowed in the B1 zones, subject to evaluation by the relevant authority and the competent authority

1 January 2015. However, those developing multi-storey industrial developments[6] must still comply with the following minimum provision of goods/service lift and loading bay:

Minimum Provision of Goods/ Service Lift and Loading Bay	
Maximum Permissible Gross Floor Area ("GFA") of Land Parcel	**Technical Conditions**
< 10,000 sq m (about 107, 639 sq ft)	Minimum 1 goods/service lift and 1 loading bay.
10,000 to 30,000 sq m (about 107, 639 to 322,917 sq ft)	Minimum 2 goods/service lift and 2 loading bays.
> 30,000 sq m (about 322, 917 sq ft)	Minimum 3 goods/service lift and 3 loading bays.

Source: MTI

2.2 GOVERNMENT POLICIES AND INITIATIVES

2.2.1 EXISTING POLICIES

The Government implemented several key measures and policies in 2013, including a seller's stamp duty ("SSD") and the Total Debt Servicing Ratio ("TDSR") framework that remain relevant and applicable to-date and mostly affecting the industrial strata-titled sales market.

In addition, two major changes were made to JTC's tenancy policies in 2013 that affects third party facility providers including institutional investors like REITs as follows:

2.2.1.1 PAYMENT SCHEME FOR NEW ASSIGNMENT CONTRACTS

From 1 January 2013, only buyers who are industrialists have the option of paying land rent. Third party facility providers including institutional investors like private property funds and REITs purchasing industrial buildings from sellers on JTC-leased sites will have to pay an upfront land premium for the remaining part of the lease term.

2.2.1.1 REVISED ASSIGNMENT OF LEASE POLICY

Under JTC's revised Assignment of Lease[7] policy effective from 15 November 2013, industrial lessees must fulfil the investment and plot ratio requirements (if any) stipulated in the Building Agreement/Schedule of Building Terms/Agreement for Lease and occupy the leased premises for a minimum period (otherwise known as Assignment Prohibition Period) before they can sell the property in the open market. This is to ensure that lessees, who are allocated limited industrial land based on their proposed business plans, remain committed to them for a sustained and reasonable period of time.

The lessee may sell to a third party facility provider after the assignment prohibition period, provided it leases back at least 50% of the gross floor area ("GFA") and minimally 1,500 sq m (about 16,146 sq ft) for a minimum occupation period. The remaining GFA can be sublet to other industrialists (i.e. normal subtenant), subject to usage and compatibility.

The revised lease assignment policy will prevent speculative building and speculative buying/selling of facilities in the secondary market. Lessees in most genuine sale-and- leaseback ("S&L") transactions will not be affected as the typical leaseback period is medium to long-term. However, industrialists and third party facility providers like REITs/developers who own industrial properties on JTC-leased sites have to hold these properties for a longer period before they may sell them which may lead to fewer en bloc industrial property sales opportunities and a slowdown in such sales activities.

2.2.2 NEW POLICIES INTRODUCED IN 2014

2.2.2.1 JTC'S REVISED SUBLETTING POLICY

The JTC tightened its subletting policy from 1 October 2014, lowering the maximum allowable sublet quantum from 50% to 30% of the total GFA of the building. This sublet quantum cap does not apply to lessees subletting to their wholly-owned subsidiary or company in which they have a majority shareholding of at least 51%.

A three-year grace period – until the end of 2017 – was given to existing tenants and lessees to adjust. Anchor tenants must still meet two key criteria i.e. they must occupy at least 1,500 sq m (about 16,146 sq ft) and meet JTC's requirements in value-added-per- sq-m of space occupied, remuneration per worker and skilled-worker profile.

Changes to JTC's Subletting Policy (effective from 1 October 2014)		
Affected Parties	**Current Policy**	**Revised Policy from 1 October 2014**
End-user Lessees	Can sublet up to 50% of GFA to non-related companies.	Can sublet up to 50% of GFA to non-related companies within 5 years from obtaining Temporary Occupation Permit ("TOP"), and 30% thereafter.
Third Party Facility Providers	Must sublet at least 50% of GFA to anchor subtenants.	Must sublet at least 50% of GFA to anchor subtenants within 5 years from obtaining TOP, and 70% thereafter.

6. This applies to all industrial building(s) which have four storeys or more
7. An assignment or transfer of lease refers to the transfer of estates, rights, title and interests in the property from the "Assignor or Transferor" (seller) to the "Assignee or Transferee" (buyer)

Changes to JTC's Subletting Policy (effective from 1 October 2014)		
Affected Parties	**Current Policy**	**Revised Policy from 1 October 2014**
Third Party Facility Providers	No minimum occupation period for subsequent anchor subtenants.	Minimum occupation period of 3 years for subsequent anchor subtenants.
JTC's Tenants	Can sublet up to 50% of GFA to non-related companies.	Not allowed to sublet.

Source: JTC

With the revised subletting policy, third party facility providers may face increased difficulties in executing S&L transactions and also redevelopment opportunities. The search for replacement anchor sub-tenants when secondary industrial space becomes available from expiring S&L leases is also expected to become more challenging. Hence, anchor subtenants of space leased by third party facility providers may have a stronger bargaining stance.

End-user lessees of land from JTC who are unable to fully utilise the building space due to changes in business operations or business conditions will have less room to mitigate occupation costs through subletting. Although tenants renting industrial space from JTC can renew their leases at the end of their current term for a smaller area if they have excess space, they have less flexibility to instantaneously rescale their space requirements to respond to any change in business climate or operations during their existing lease term.

2.2.5.2 REVISED GUIDELINES FOR E-BUSINESS AND MEDIA USES / SUPPORTING USES IN INDUSTRIAL DEVELOPMENTS

The Urban Redevelopment Authority ("URA"), together with MTI and economic agencies, has revised the guidelines for e-business and media uses as well as supporting uses in industrial development[8]. The revised guidelines, effective from 24 November 2014, apply to all new applications.

E-business and Media Uses

Under the revised guidelines, businesses that provide telecommunications infrastructure and/or develop software (i.e. activities previously classified as Type 1 e-business) as well as core media activities[9], will continue to be allowed in industrial developments. These uses will be computed as part of the 60% predominant component and levied Industrial "D" rates.

Meanwhile, businesses that use software to conduct business electronically and non-core media activities[10] will now be regarded as commercial uses. These activities should be located in commercial premises and will no longer be allowed within the 40% ancillary component of industrial developments.

Call Centres

Previously, only digital call centres (i.e. those that involve the use of IT) were allowed in industrial developments. Under the revised guidelines, URA will now allow all call centres to be located in only Business Park and B1 developments, as part of the 60% predominant component levied Industrial "D" rates.

Supporting Uses in Industrial Developments

The revised guidelines for supporting uses in industrial development, effective from 24 November 2014, are summarised in the following table:

Revised Guidelines for Supporting Uses in Industrial Development		
Supporting Uses	**Current Policy**	**Revised Policy from 24 November 2014**
Industrial Canteens	Staff canteens within industrial developments were restricted to serving staff working within the same building	Staff canteen within industrial developments will now be allowed to serve not only the workers of the same building but also external customers. These canteens which serve primarily workers in the industrial estate will now be termed as "industrial canteens" New industrial canteens will be: • Capped at a size of 700 sq m (about 7,535 sq ft) or 5% of the total proposed GFA per development, whichever is lower; • Levied Industrial "D" rates when computing Development Charge/ Differential Premium; and • Approved on Temporary Permission ("TP") for up to 3 years.

8. All supporting uses must be kept within the 40% ancillary component of industrial developments. The 60% predominant component is safeguarded for core industrial uses such as manufacturing and warehousing
9. Core media activities are production services which require technical facilities (e.g. studios, high-tech production equipment)
10. Non-core media activities include the marketing, distribution and aggregation of digital content

Revised Guidelines for Supporting Uses in Industrial Development		
Supporting Uses	**Current Policy**	**Revised Policy from 24 November 2014**
Showrooms	Showrooms are allowed to display[11] two categories of products primarily: • Products that are not typically transacted or exchanged over the counter (e.g. cars); and • Products that are predominantly delivered and installed off-site (e.g. floor tiles).	URA will only consider showroom proposals as part of a Change of Use application, after the building has obtained TOP and when the potential occupier or business operator for the spaces is known. If supported, showrooms will be approved on TP and levied Commercial "A" rates as is currently the case.
Selected Commercial Uses	N.A.	URA will now allow selected commercial uses (i.e. clinic, banking hall/ATM, mini-mart and fitness centre/gym) in outlying industrial estates which are located far from existing commercial nodes. These commercial uses will be capped at a size of 200 sq m (about 2,153 sq ft) or 10% of the total proposed GFA per development, whichever is lower. They have to be located on the first storey of the building. If supported, the uses will be approved on TP for up to three years and levied Commercial "A" rates.
Childcare Centres	N.A.	All childcare centres within industrial developments will Centres be levied Civic & Community Institution ("C&CI") "E" rates.

Source: URA, MTI, Colliers International Singapore Research

3. BUSINESS PARK MARKET OVERVIEW

3.1 EXISTING AND POTENTIAL SUPPLY

Singapore had about 1.7 million sq m of business park space as of 4Q 2014, following a net new supply[12] of 189,000 sq m in 2014 or an increase of 12.2% YoY.

The majority 54.6% of the existing islandwide business park stock is located in the Central planning region (comprising the Singapore Science Park, Mapletree Business City and one-north). This is followed by Changi Business Park ("CBP") in the East planning region with a composition of 23.1%, and the International Business Park ("IBP") and CleanTech Park in the West planning region with a 22.3% share.

Based on the available information as of 4Q 2014, a total estimated 366,400 sq m (net floor area) of new business park space or around 183,200 sq m per annum are expected to be completed in 2015 and 2016[13]. This is higher than the net new supply of 95,800 sq m added per annum in the 10 years from 2005 to 2014. No known new supply is expected beyond 2016.

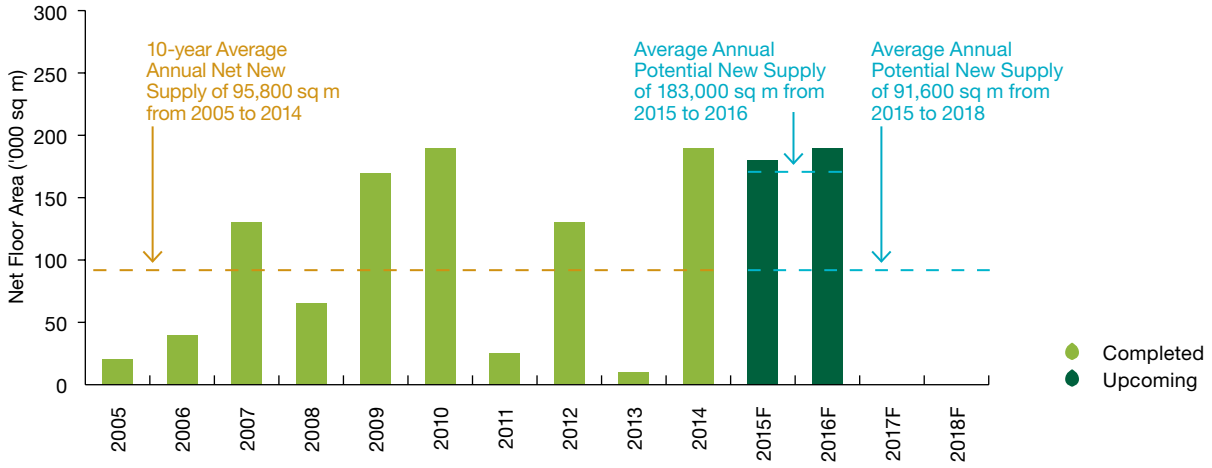
The majority (38.7%) of this upcoming supply will be located in one-north, followed by the Alexandra area (29.0%), Singapore Science Park (23.1%) and Changi Business Park (9.2%).

3.2 DEMAND AND OCCUPANCY

Official figures showed net new demand[14] of business park space amounted to 84,000 sq m in 2014, higher than the 52,000 sq m absorbed in 2013. However, as net new supply during the same year was more than double at 189,000 sq m, the average occupancy rate fell from 84.1% as of 4Q 2013 to 79.8% as of the end of 2014. This fall was due mainly to the time lag between project completion and the physical occupation of the space and not an indication of weak demand since all the new developments in 4Q 2014 were completed in December 2014.

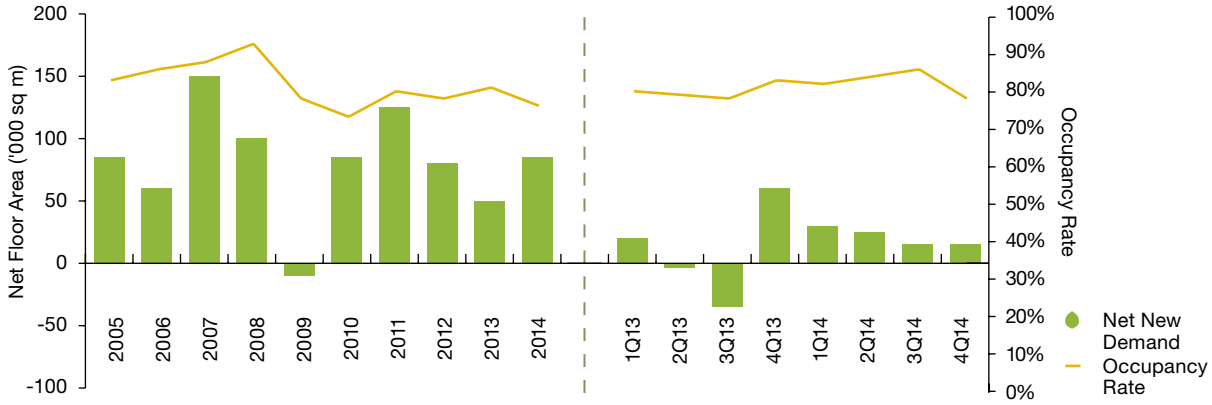
11. Incidental sale of small items or "cash-and-carry" may be considered provided the main activity of the showroom is for the display of the two categories of products
12. Net new supply refers to new supply of space less stock withdrawals due to change of use, redevelopment and demolition. Where the space withdrawn exceeds new additions, net new supply will be negative
13. Potential supply includes space under construction and planned but the actual level of new supply could change due to changes in the status of planned projects
14. Net demand refers to the net change in occupied space between two points in time

Historical Net New and Potential Supply of Business Park Space (as of 4Q 2014)



F: Forecast
Source: URA/JTC/Colliers International Singapore Research

Net New Demand and Occupancy Rate of Business Park Space (as of 4Q 2014)



Source: URA/JTC/Colliers International Singapore Research

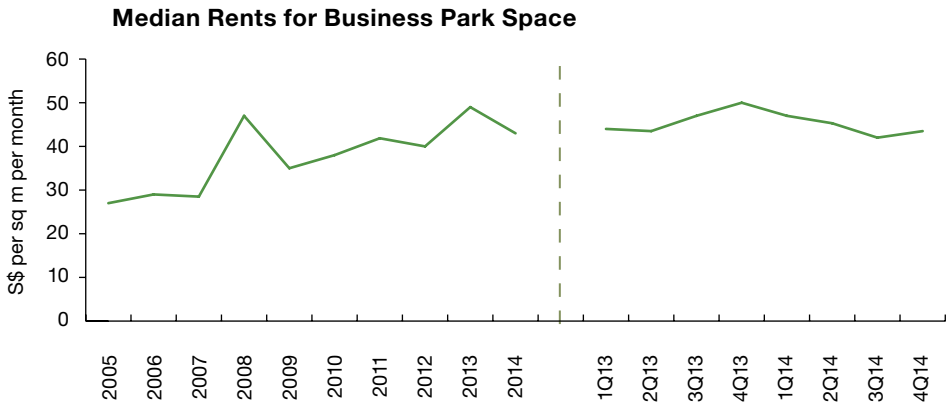
3.3 RENTS

Rental information sourced from the URA's Real Estate Information System ("REALIS"), which is based on actual rental transactions, showed an 8.9% YoY decline in the median[15] monthly gross rent of business park space in Singapore to S$44.02 per sq m (S$4.09 per sq ft) as of 4Q 2014.

The decrease in rents could have partly been due to the increase in business park supply during the year, providing occupiers with more options to choose from. As a result, some landlords could have accorded competitive rents to secure new occupants and retain tenants with leases expiring. Tenants' cost conscious stance due to high business operating costs and uncertainties on the macroeconomic front could have escalated tenants' resistance to rent increases.

15. Note that median rents may fluctuate, depending on the number and type of transactions that occur during the quarter/year. This in turn depends on factors such as the location and age of the building, the type of unit (e.g. research or non-research), as well as the floor level and size of the unit

Independent Market Report



Source: URA REALIS/Colliers International Singapore Research

The statistical range of rentals for islandwide business park space is provided in the following table.

Statistical Range of Monthly Rents of Islandwide Business Park Space (as of 4Q 2014)

Period	Minimum (S$ per sq ft / per sq m)	25th Percentile (S$ per sq ft / per sq m)	Median (S$ per sq ft / per sq m)	75th Percentile (S$ per sq ft / per sq m)	Maximum (S$ per sq ft / per sq m)
4Q 2013	$3.15/ $33.91	$4.00/ $43.06	$4.49/ $48.33	$5.25/ $56.51	$8.70/ $93.65
1Q 2014	$3.10/ $33.37	$3.90/ $41.98	$4.23/ $45.53	$4.55/ $48.98	$10.01/ $107.75
2Q 2014	$2.99/ $32.18	$3.80/ $40.90	$4.16/ $44.78	$4.36/ $46.93	$6.40/ $68.89
3Q 2014	$2.86/ $30.78	$3.80/ $40.90	$4.00/ $43.06	$4.33/ $46.61	$5.60/ $60.28
4Q 2014	$3.00/ $32.29	$3.80/ $40.90	$4.09/ $44.02	$4.31/ $46.39	$6.10/ $65.66

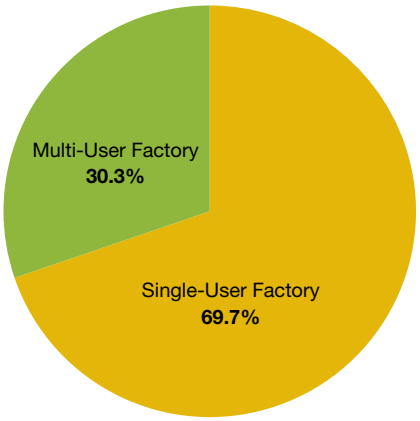
Source: JTC/URA REALIS/Colliers International Singapore Research

3.4 OUTLOOK

The outlook of the business park market is expected to be cautiously optimistic in 2015.

The average occupancy rate is expected to improve during the year from 79.8% as of end 2014. This takes into consideration the continued shifting in of occupants into developments completed earlier, particularly for the projects completed in December 2014, and that some 98% of the 178,000 sq m completing in 2015 are expected to be from single-user facilities. In line with an expected improvement in occupancy rates, rents are projected to rise during the year, albeit modestly by up to 2.0%, given the stiff competition for qualifying tenants and tenants' expected continued cost consciousness.

Breakdown of Total Factory Stock (as of 4Q 2014)



Source: JTC/Colliers International Singapore Research

4. FACTORY MARKET OVERVIEW

4.1 EXISTING AND POTENTIAL SUPPLY OF FACTORY SPACE

Comprising of 22.8 million sq m (69.7%) of single-user factory space and 9.9 million sq m (30.3%) of multi-user factory space, Singapore's total factory stock (excluding business park space) amounted to 32.7 million sq m as of 4Q 2014.

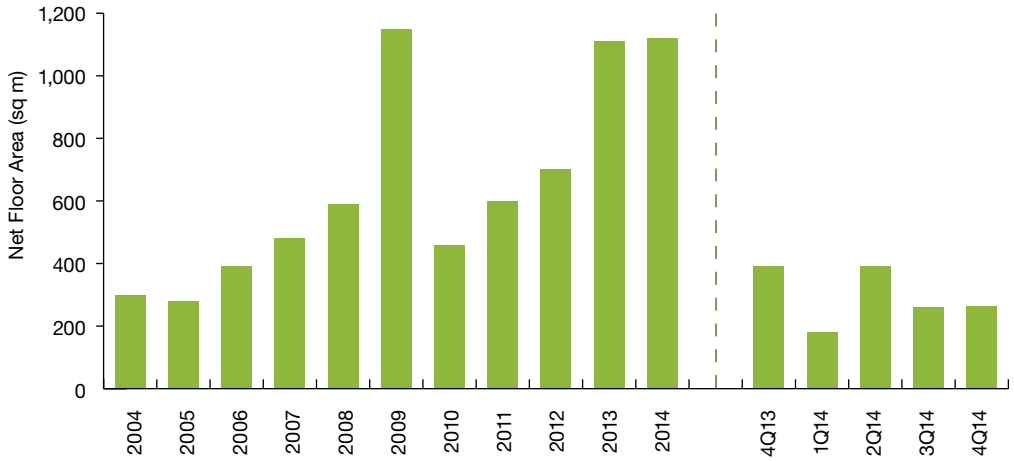
This was distributed among the West (43.2%), Central (18.2%), North (17.2%), East (12.8%) and Northeast (8.6%) planning regions. The majority 85.3% was owned by the private sector and the remaining 14.7% was owned by the public sector.

The overall stock of factory space as of 4Q 2014 was 3.5% higher compared to a year ago, due to a net increase of about 1.1 million sq m of new factory space in 2014. This was similar to the 1.1 million sq m added in 2013 and 84.6% higher than the annual average net new supply[16] of 596,000 sq m from 2004 to 2013.

There is an estimated 3.7 million sq m[17] (net floor area) of new factory space (excluding business park space) completing between 2015 and 2018, or an average of around 922,000 sq m per annum, based on available information as of 4Q 2014. Assuming no space is withdrawn, this is 7.5% higher than the annual average net new supply of about 858,000 sq m for the preceding four years from 2011 to 2014, and 36.4% above the 10-year annual average supply of 676,000 sq m from 2005 to 2014.

Some 60% of the total potential factory supply completing from 2015 to 2018 is expected to be single-user space which is intended for owner occupation. The remaining 40% is expected to be multi-user factory space.

Net New Supply of Factory (including Business Park) Space (as of 4Q 2014)

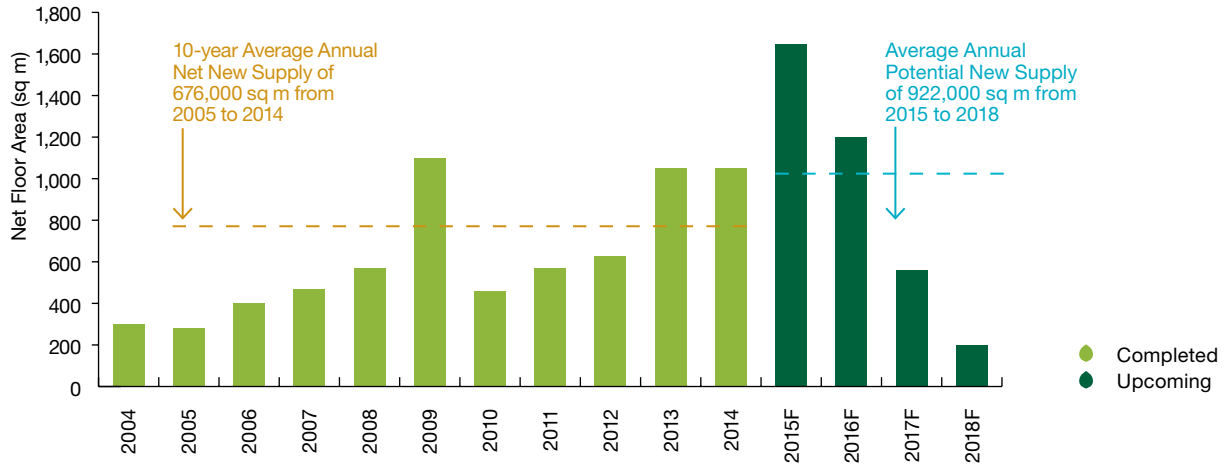


F: Forecast
Source: URA/JTC/Colliers International Singapore Research

16. Net new supply refers to new supply of space less stock withdrawals due to change of use, redevelopment and demolition. Where the space withdrawn exceeds new additions, net new supply will be negative
17. Potential supply includes space under construction and planned but the actual level of new supply could change due to changes in the status of planned projects

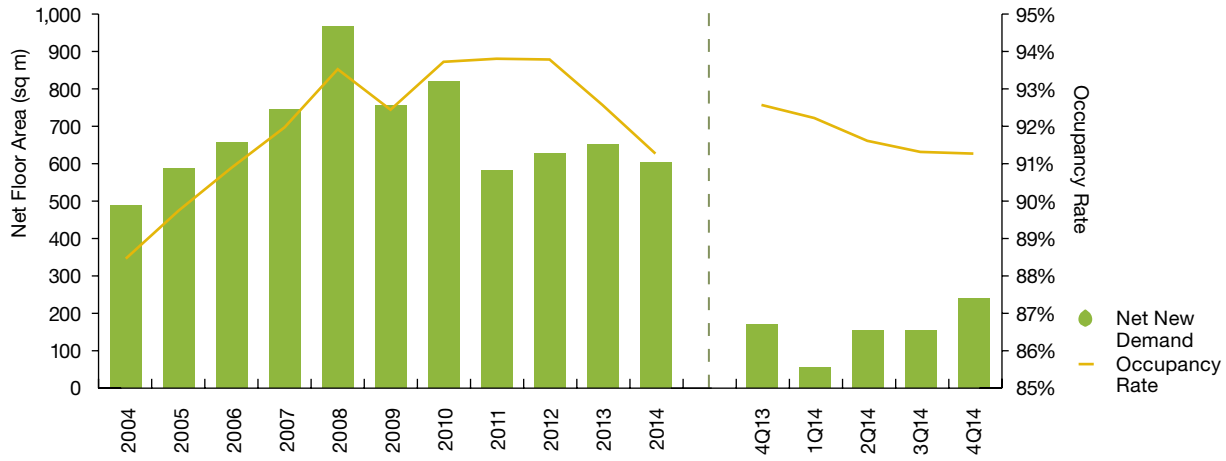
Independent Market Report

Net New and Potential Supply of Factory (excluding Business Park) Space (as of 4Q 2014)



F: Forecast
Source: JTC/Colliers International Singapore Research

Net New Demand and Occupancy Rate of Factory (excluding Business Park) Space (as of 4Q 2014)



Source: JTC/Colliers International Singapore Research

4.2 DEMAND AND OCCUPANCY

Net new demand[18] for factory space which amounted to 594,000 sq m in 2014 was 7.3% YoY lower and 12.1% below the annual average net absorption of 676,000 sq m from 2004 to 2013. The softer take-up, amid an increase in net new supply thus exerted downward pressure on the average occupancy rate which fell from 92.5% as of 4Q 2013, to 91.2% as of 4Q 2014.

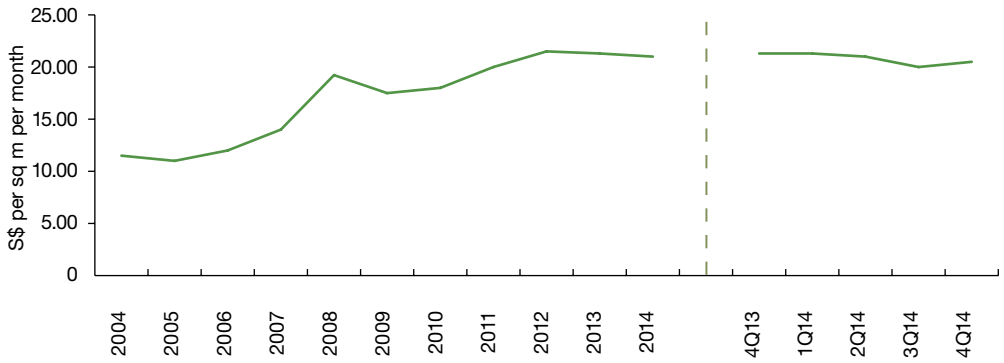
4.3 RENTS

Data from URA's REALIS, which is based on actual rental transaction records, showed the monthly median gross rent[19] of factory space (excluding business park) fell by 2.5% YoY, to S$20.99 per sq m (S$1.95 per sq ft) in 2014. This came on the back of supply pressures and heightened competition for qualifying industrial tenants. The monthly median gross rent had remained unchanged at S$21.53 per sq m (S$2.00 per sq ft) in 2012 and 2013.

18. Net demand refers to the net change in occupied space between two points in time
19. Median rents may fluctuate, depending on the number of transactions that occur during the quarter. This in turn depends on factors such as the location and age of the building as well as the type, floor level and size of the unit

Independent Market Report

Median Rents for Factory (excluding Business Park) Space



Source: URA REALIS/Colliers International Singapore Research

Statistical Range of Monthly Rents of Islandwide Factory Space					
Period	Minimum (S$ per sq ft / per sq m)	25th Percentile (S$ per sq ft / per sq m)	Median (S$ per sq ft / per sq m)	75th Percentile (S$ per sq ft / per sq m)	Maximum (S$ per sq ft / per sq m)
Islandwide Factory Space					
4Q 2013	$0.54/ $5.81	$1.63/ $17.55	$2.00/ $21.53	$2.61/ $28.09	$10.22/ $110.01
1Q 2014	$0.47/ $5.06	$1.66/ $17.87	$2.00/ $21.53	$2.52/ $27.13	$10.65/ $114.64
2Q 2014	$0.64/ $6.89	$1.62/ $17.44	$1.99/ $21.42	$2.48/ $26.69	$4.95/ $53.28
3Q 2014	$0.74/ $7.97	$1.66/ $17.87	$1.94/ $20.88	$2.43/ $26.16	$5.00/ $53.82
4Q 2014	$0.87/ $9.36	$1.66/ $17.87	$1.95/ $20.99	$2.39/ $25.73	$5.35/ $57.59

Source: URA REALIS/Colliers International Singapore Research

4.4 OUTLOOK

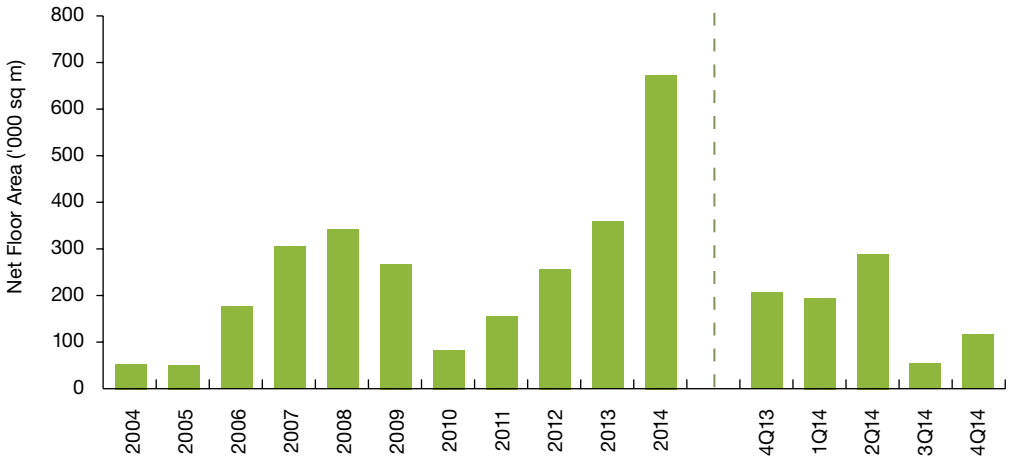
With the spectre of the tentative global economic outlook and other lingering risks, such as a potential global Ebola outbreak and repercussions from plunging oil prices, industrialists are expected to remain cost sensitive. As such, the outlook of the factory property segment is expected to be mixed in 2015.

Combined with mounting supply pressures, some downward pressure on rents of multi- tenanted developments can be expected. However, rents for factories with higher building specifications or single-user factories are likely to remain fairly stable.

Apart from the limited availability of entire developments for lease that also meet operational and technical requirements, there are also fewer options after JTC revised its subletting policy with effect from 1 October 2014. The new policy requires end-user lessees to occupy minimally 70% of their building compared to 50% previously, thereby leaving less space for subletting. Therefore, tenants with larger space needs (e.g. 100,000 sq ft and above) and who require space immediately may face challenges finding available options.

Independent Market Report

Net New Supply Of Warehouse Space (as of 4Q 2014)



Source: JTC/Colliers International Singapore Research

5. WAREHOUSE MARKET OVERVIEW

5.1 EXISTING AND POTENTIAL SUPPLY OF WAREHOUSE SPACE

The islandwide warehouse totalled 8.4 million sq m, with a majority of 98.9% being privately owned and the remaining 1.1% owned by the public sector, as of 4Q 2014. The bulk (61.7%) of the warehouse stock was located in the West planning region, followed by the Central (15.1%), East (14.2%), North (4.7%) and Northeast (4.3%) planning regions.

It is estimated that some 2.8 million sq m or about 32.8% of Singapore's total warehouse stock as of 4Q 2014 are ramp-up warehouse space.

By the end of 2014, the islandwide warehouse stock has risen by 8.7% YoY, following a record net new supply[20] of 676,000 sq m of warehouse space during the year. This net new supply of warehouse space was 87.2% higher than the net new supply of 361,000 sq m achieved in 2013 and was more than triple the annual average net new supply of 206,700 sq m from 2004 to 2013.

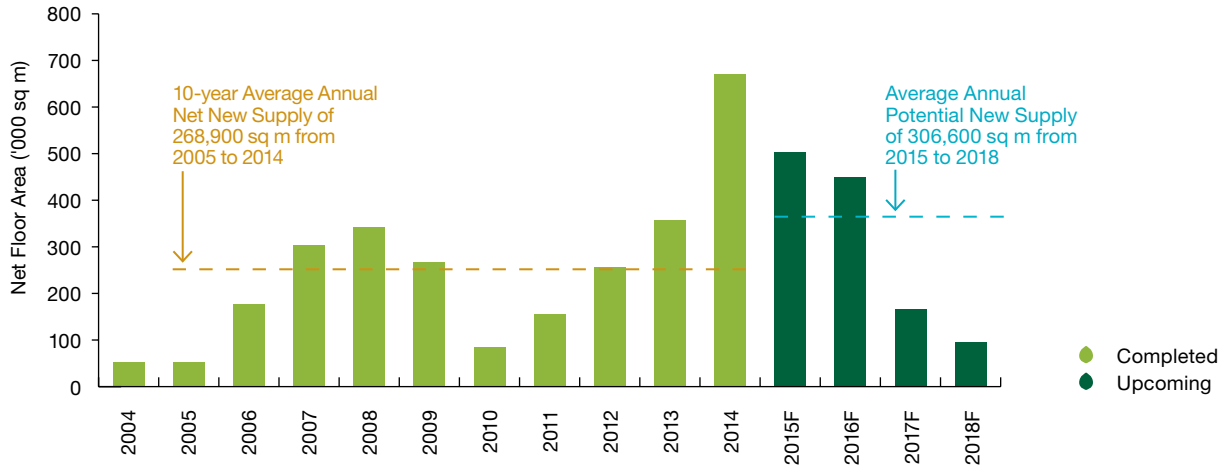
A projected 1.2 million sq m[21] (net floor area) of new warehouse space is expected to be completed from 2015 to 2018, based on available information as of 4Q 2014. This translates into a projected annual average supply of about 306,600 sq m from 2015 to 2018, which is about 15.7% lower than the average annual net new supply of 363,500 sq m for the period from 2011 to 2014, and 14.0% higher than the 10-year annual average net new supply of 268,900 sq m from 2005 to 2014.

However, with the majority 73.5% of the total upcoming warehouse space expected to be single-user space that are likely to be almost fully occupied upon completion, there is limited oversupply risk in the coming years.

20. Net new supply refers to new supply of space less stock withdrawals due to change of use, redevelopment and demolition. Where the space withdrawn exceeds new additions, net new supply will be negative
21. Potential supply includes space under construction and planned but the actual level of new supply could change due to changes in the status of planned projects

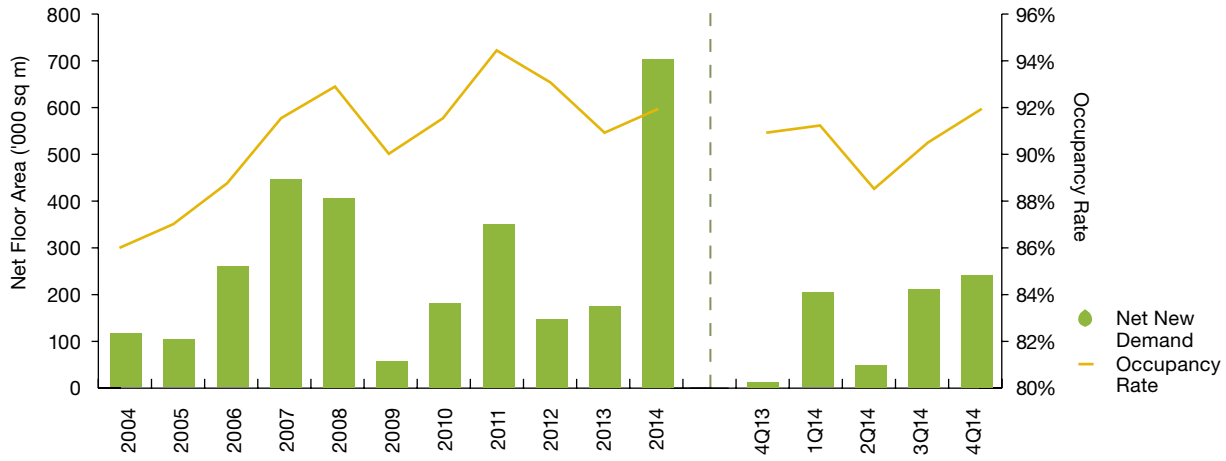
Independent Market Report

Net New Demand and Potential Supply of Warehouse Space (as of 4Q 2014)



F: Forecast
Source: JTC/Colliers International Singapore Research

Net New Demand and Average Occupancy Rate of Warehouse Space (as of 4Q 2014)



Source: JTC/Colliers International Singapore Research

5.2 DEMAND AND OCCUPANCY

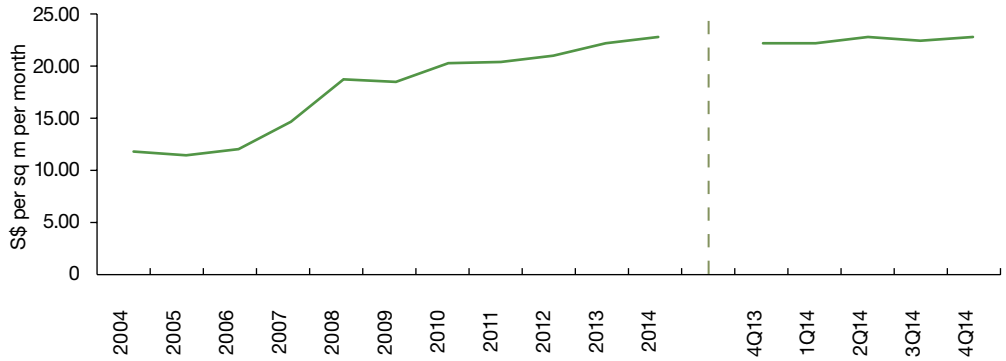
Compared to an average annual net new demand of 220,000 sq m from 2004 to 2013, net new demand[22] for warehouse space recorded a historical high of 698,000 sq m in 2014, having surged 303.5% YoY. As overall net absorption exceeded the corresponding net new supply of 676,000 sq m in 2014, the average occupancy rate climbed from 90.8% as of 4Q 2013, to 91.8% as of 4Q 2014.

5.3 RENTS

Warehouse space availability remained tight as reflected by the high average occupancy rate of 91.8% as of 4Q 2014, in spite of the rise in warehouse space supply during the year. This provided support for warehouse rents to rise for the fifth consecutive year in 2014.

22. Net demand refers to the net change in occupied space between two points in time

Median Rents for Warehouse Space (as of 4Q 2014)



Source: URA REALIS/Colliers International Singapore Research

The islandwide monthly median gross rent[23] for warehouse space (including single-user and multi-user warehouse space) rose 2.6% YoY to S$21.53 per sq m (S$2.00 per sq ft) as of 4Q 2014, slower than the 5.4% YoY gain in 2013, according to rental information sourced from URA's REALIS (which is based on actual rental transactions).

The statistical range of rentals for islandwide warehouse space is provided in the following table.

Statistical Range of Monthly Rents of Islandwide Business Park Space

Period	Minimum (S$ per sq ft / per sq m)	25th Percentile (S$ per sq ft / per sq m)	Median (S$ per sq ft / per sq m)	75th Percentile (S$ per sq ft / per sq m)	Maximum (S$ per sq ft / per sq m)
4Q 2013	$0.69/ $7.43	$1.59/ $17.11	$1.95/ $20.99	$2.30/ $24.76	$4.55/ $48.98
1Q 2014	$0.80/ $8.61	$1.60/ $17.22	$1.95/ $20.99	$2.30/ $24.76	$3.83/ $41.23
2Q 2014	$0.50/ $5.38	$1.70/ $18.30	$2.00/ $21.53	$2.35/ $25.30	$4.00/ $43.06
3Q 2014	$0.90/ $9.69	$1.69/ $18.19	$1.97/ $21.20	$2.32/ $24.97	$4.00/ $43.06
4Q 2014	$1.00/ $10.76	$1.65/ $17.76	$2.00/ $21.53	$2.51/ $27.02	$3.80/ $40.90

Source: URA REALIS/Colliers International Singapore Research

5.4 OUTLOOK

Demand for warehouse space in 2015 is expected to receive continued support from Singapore's standing as an important logistics hub in Asia, Asia's expanding consumer base and the growth of the e-retailing industry, which would generate more storage, packing and distribution requirements.

With the anticipated moderation in warehouse supply in 2015, of which the majority is expected to be single-user space and are likely to be almost fully occupied upon completion, the islandwide average occupancy rate for warehouse space is expected to remain at a healthy level of around 90%.

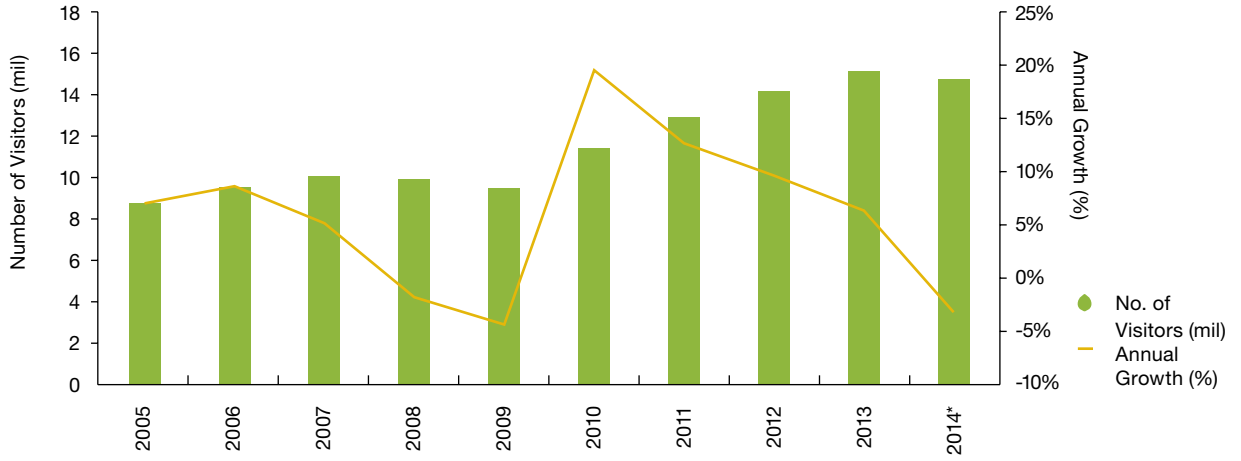
However, warehouse rents are expected to soften on the back of the ample supply as well as industrialists' expected continued cost consciousness as business operating cost (which includes real estate cost and other cost components like labour, materials and utilities) is likely to stay high. Nevertheless, with demand projected to remain fairly healthy, this will help to limit the correction in warehouse rents to a range of around 5% to 6% by the end of 2015.

On the other hand, sales of en-bloc warehouses, particularly those built on JTC land could slow down due to the recent revisions to JTC's tenancy policies and the limited availability of stock for transaction.

23. Median rents may fluctuate, depending on the number of transactions that occur during the quarter. This in turn depends on factors such as the location and age of the buildings as well as the type, floor level and size of the unit

Independent Market Report

Total Visitor Arrivals in Singapore



**preliminary*
Source: Singapore Tourism Board (STB)/Colliers International Singapore Research

6. HOTEL MARKET OVERVIEW

6.1 VISITOR ARRIVALS

Singapore welcomed around 15.1 million visitors in 2014, based on preliminary statistics released by the Singapore Tourism Board ("STB").

This is the first time since 2010 where visitor arrivals to Singapore were not able to continue on the stellar performances of exceeding STB's annual target. The visitor arrivals in 2014 were down 3.1% YoY and did not meet the STB's original target of 16.3 to 16.8 million arrivals for 2014.

Chinese visitors, especially, stayed away from South-East Asia, including Singapore, as they were deterred by the disappearance of flight MH370, the abduction of Chinese nationals in Sabah, Malaysia, the political unrest in Thailand and new tourism laws in China that clamped down on "zero-dollar tours" that come with unexpected fees.

Despite the decline in visitor arrivals, the total tourism receipts in 2014 were unchanged from the S$23.5 billion achieved in 2013. Nevertheless, this preliminary estimate from the STB was slightly short of the original target range of S$23.8- S$24.6 billion for the year.

6.2 EXISTING AND POTENTIAL SUPPLY

Singapore had a total inventory of 373 gazetted[24] and non-gazetted hotels supplying a total of 55,018 rooms, as of end-2013, according to the STB. In 2014, the hotel stock expanded by 2.8% YoY to an estimated 56,571 rooms, representing a net increase of 1,553 rooms. This took into account the withdrawal of 49-room The Duxton (former Berjaya hotel) for revamp, the closure of the 225-room Hotel Windsor for redevelopment, as well as the closure of Gallery Hotel (223 keys) for revamp and rebranding.

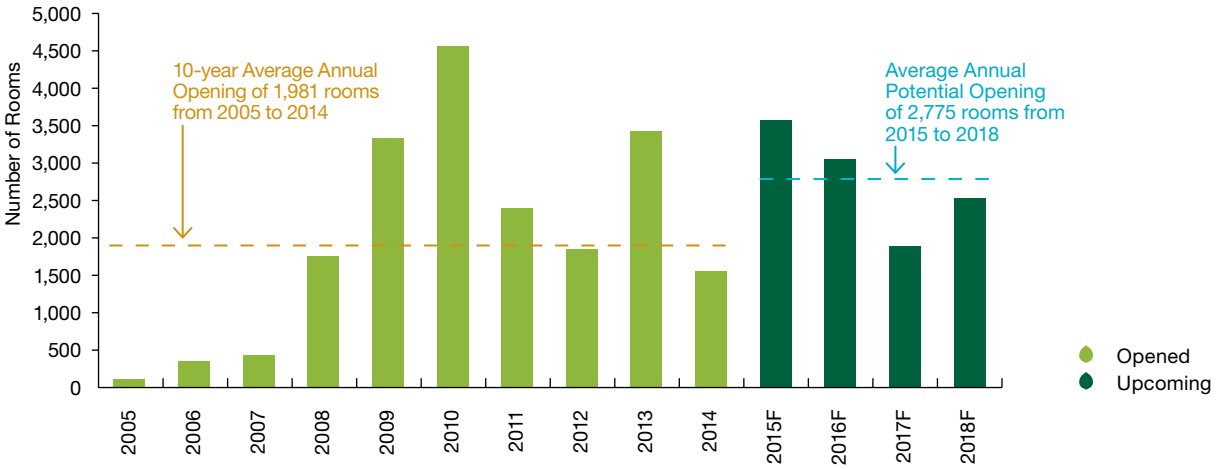
Examples of major new hotel openings in 2014 included Hotel Jen Orchardgateway (502 rooms), Holiday Inn Express Clarke Quay (442 rooms), Parc Sovereign Hotel (270 rooms) and One Farrer Hotel & Spa (243 rooms).

Around 11,101 new hotel rooms are expected to commence operations from 2015 to 2018, based on Colliers International's research. Should the estimated total increase of 11,101 rooms materialise, this would raise the total islandwide hotel room inventory by 19.6% to 67,672 rooms by end-2018. The projected annual opening of 2,775 rooms from 2015 to 2018 is also about 40.1% higher than the average 1,981 rooms that opened each year from 2005 to 2014.

24. Gazetted hotels are declared under the Singapore Tourism Cess Collection Act, requiring the payment of a cess charge, essentially a tax levied at the rate of 1% on all cessable items sold by tourist hotels, tourist food establishments and tourist public houses

Independent Market Report

Historical and Projected Hotel room Openings in Singapore



Source: STB/Colliers International Singapore Research

6.3 HOTEL TRADING PERFORMANCE

The hotel industry in Singapore continued to face a challenging operating environment in 2014 as a result of new room openings and the decline in visitor arrivals.

As a result, the preliminary islandwide trading performance statistics of gazetted hotels released by the STB showed a moderate 0.8-percentage point YoY dip in the average occupancy rate to 85.5% in 2014. Following in the same direction, the average room rate ("ARR") softened by 0.2% YoY to S$257.70, resulting in an overall 1.1% YoY easing in revenue per available room ("RevPAR") to S$220.30 in 2014.

The mid-tier hotel segment was more severely affected by the fall in Mainland Chinese visitors, compared to gazetted hotels overall. The average occupancy rate decreased by 1.7-percentage points YoY to 84.9%, RevPAR shrank 4.7% YoY to S$157.20 on the back of a 2.8% YoY fall in ARR to S$185.20.

6.4 OUTLOOK

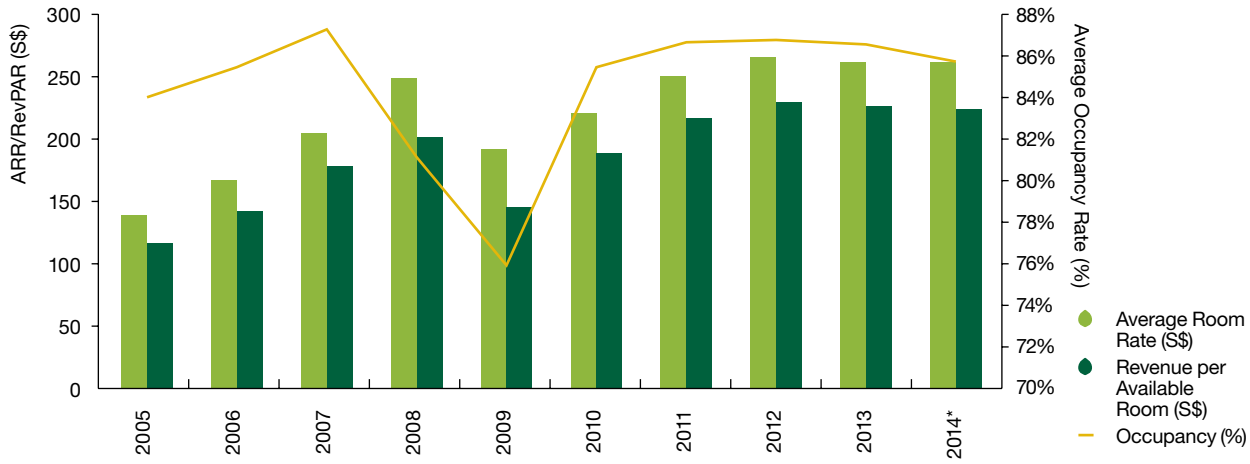
The outlook of Singapore's tourism and hotel industry in 2015 is expected to be cautiously optimistic, similar to 2014. Despite visitor arrivals not meeting with STB's targets in 2014, there are fundamental key drivers that would provide support for the tourism sector in the year ahead.

The STB will continue to develop and grow Singapore's MICE, medical tourism, educational and sports tourism segments, in addition to its continued efforts to attract more visitors from existing major source markets. This would include efforts to restore confidence and interest from Mainland Chinese visitors. The STB has also recalibrated its strategy to adopt a yield-driven marketing approach that enhances destination awareness and support industry competitiveness, under the Quality Tourism strategy.

Nonetheless, the overall hotel industry could experience a moderation in trading performance in 2015. The tentative state of visitor arrivals, coupled with the continued opening of hotel rooms could exert downward pressure on the average occupancy rate. ADR may face some downward pressure in 2015 if visitor arrivals (and hence room demand) slow down, amid the continued increase in overall hotel room inventory.

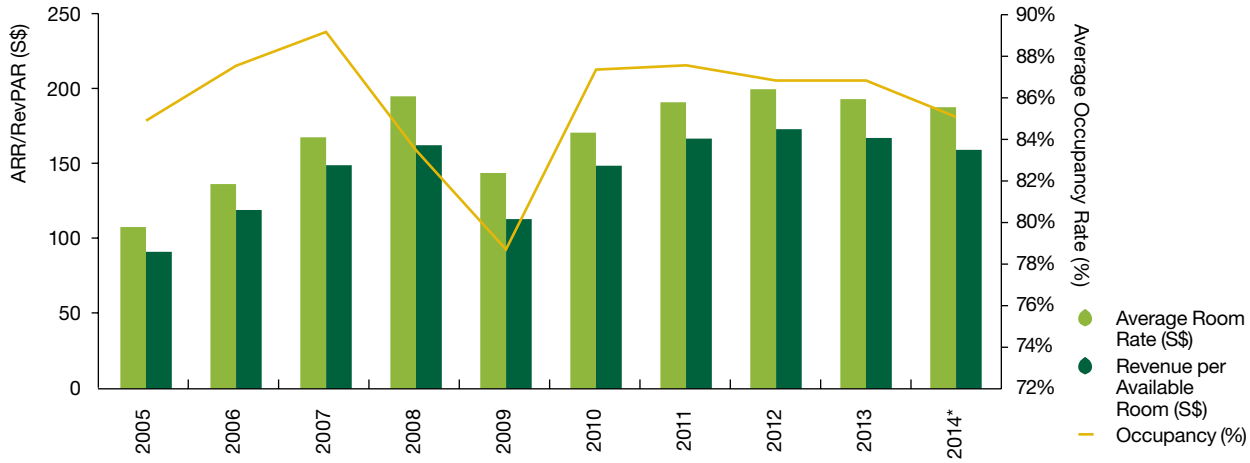
Independent Market Report

Trading Performance of Gazetted Hotels



*preliminary
Source: STB/Colliers International Singapore Research

Trading Performance of Mid-Tier Hotels



*preliminary
Source: STB/Colliers International Singapore Research

7. LIMITING CONDITIONS

The content of this report is for information only and should not be relied upon as a substitute for professional advice, which should be sought from Colliers International prior to acting in reliance upon any such information.

The opinions, estimates and information given herein or otherwise in relation hereto are made by Colliers International and affiliated companies in their best judgement, in the utmost good faith and are as far as possible based on data or sources which they believe to be reliable in the context hereto. Notwithstanding, Colliers International disclaims any liability in respect of any claim, which may arise from any errors or omissions or from providing such advice, opinion, judgement or information.

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Corporate Governance

INTRODUCTION

Viva Industrial Trust ("VIT") is a stapled group comprising Viva Industrial Real Estate Investment Trust ("VI-REIT") and Viva Industrial Business Trust ("VI-BT"). VI-REIT and VI-BT are managed by Viva Industrial Trust Management Pte. Ltd. (the "REIT Manager") and Viva Asset Management Pte. Ltd. (the "BT Trustee-Manager") respectively.

VI-REIT is a real estate investment trust constituted in the Republic of Singapore pursuant to a trust deed dated 23 August 2013 and as amended and restated by a first amending and restating deed dated 14 October 2013 entered into between the REIT Manager and The Trust Company (Asia) Limited (in its capacity as the trustee of VI-REIT) (the "REIT Trustee"). VI-BT is a business trust constituted in the Republic of Singapore pursuant to a trust deed dated 14 October 2013, entered into by the BT Trustee-Manager. The REIT Trustee, the REIT Manager and the BT Trustee-Manager (collectively known as the "Managers") executed a stapling deed dated 14 October 2013 to create the stapled group.

VI-BT has been dormant since VIT was listed on the Main Board of Singapore Exchange Securities Trading Limited ("SGX-ST"). Similarly, the BT Trustee-Manager has been dormant.

The REIT Manager has been issued a Capital Markets Services Licence by the Monetary Authority of Singapore ("MAS") pursuant to the Securities and Futures Act, Chapter 289 of Singapore ("SFA") on 25 October 2013.

VIT is required to comply with the following relevant legislation and guidelines:

(a) The SFA and its subsidiary legislations;
(b) MAS Notices and Guidelines issued pursuant to the SFA;
(c) The Code on Collective Investment Schemes (including the Property Funds Appendix) (the "CIS Code");
(d) The Listing Manual of SGX-ST (the "Listing Manual");
(e) The Business Trusts Act, Chapter 31A of Singapore (the "BTA") and the Business Trust Regulations 2005 (the BTR"); and
(f) The Code of Corporate Governance 2012 (the "CG Code").

For the purpose of avoiding any conflict of interest between VI-REIT and VI-BT, the REIT Manager Board and the BT Trustee-Manager Board comprise the same directors.

Due to the different legislative and regulatory requirements in relation to a REIT as compared with a business trust, the corporate governance procedures and disclosure requirements in relation to the REIT Manager are different from those in relation to the BT Trustee-Manager.

The Managers are committed to establishing and maintaining high standards of corporate governance and believe that sound corporate governance policies and practices are essential to protect the assets of VIT and the interests of its stapled securityholders.

This report sets out VIT's corporate governance framework and practices with specific reference to guidelines set out in the CG Code in relation to the REIT Manager only as the BT Trustee-Manager is dormant (unless otherwise stated). Any deviations from the CG Code are explained.

Corporate Governance

BOARD MATTERS

Principle 1: The Board's conduct of affairs

The board of directors of the REIT Manager (the "REIT Manager Board") is responsible for the overall corporate governance of the REIT Manager including establishing goals for management and monitoring the achievement of these goals. The REIT Manager is also responsible for the strategic business direction and risk management of VI-REIT. All the REIT Manager Board members participate in matters relating to corporate governance, business operations and risks, financial performance and the nomination and review of performance of directors.

The key roles of the REIT Manager Board are to:

- guide the corporate strategy and directions of the REIT Manager;
- ensure that senior management discharges business leadership and demonstrates the highest quality of management skills with integrity and enterprise;
- oversee the proper conduct of the REIT Manager; and
- ensure that measures relating to corporate governance, financial regulations and other required policies are in place and enforced.

In the discharge of its function, the REIT Manager Board is supported by the Audit and Risk Committee, Investment Committee and Remuneration Committee (collectively, the "Committees") of the REIT Manager, which provide independent oversight of management and serve to ensure that there are appropriate checks and balances. The Committees function under clear written terms of reference.

The REIT Manager Board meets every quarter to discuss the financial and operational performance of VIT, including any significant acquisitions and disposals and business outlook. The REIT Manager Board also meets as and when circumstances warrant. The REIT Manager's Articles of Association allow for the meetings of its Board to be held via telephone conferencing.

The number of meetings of the REIT Manager Board and the Committees held for the financial year ended 31 December 2014 ("FY2014") as well as the attendance of the directors and members at these meetings is disclosed as below:

	Board	Audit and Risk Committee	Remuneration Committee	Investment Committee
No of Meetings held	**4**	**4**	**1**	**2**
Name of Directors	**No. of Meetings attended in 2014**			
Dr Leong Horn Kee	4/4			2/2
Teo Cheng Hiang Richard	3/4	3/4		2/2
Dr Choong Chow Siong	4/4	4/4	1/1	
Ronald Lim Cheng Aun	4/4	4/4	1/1	
Tan Hai Peng, Micheal	4/4		1/1	2/2
Tan Fuh Gih	3/4		1/1	2/2
Wilson Ang Poh Seong	4/4			2/2

The REIT Manager has put in place a set of internal controls wherein key matters are specifically reserved for approval by the REIT Manager Board and these key matters include approved limits for capital expenditure, investments, divestments, bank borrowings, income distribution and other returns to Stapled Securityholders. To facilitate operational efficiency, approval of operational transactions below certain level are further delegated to management.

The REIT Manager Board has delegated to the Investment Committee authority to assist it in fulfilling its investment approval responsibilities. The Investment Committee ("IC") is chaired by Mr Teo Cheng Hiang, Richard and comprises a total of five members. The other members of the IC are Messrs Leong Horn Kee, Ang Poh Seong, Tan Hai Peng Micheal and Tan Fuh Gih. The IC held two meetings in FY2014.

The IC is charged with the following duties and responsibilities:-

(i) reviewing and recommending to the REIT Manager Board VI-REIT's proposed investment strategy and the investment criteria and guidelines annually;
(ii) evaluating and recommending any proposed investments, asset enhancements and divestments to be made or entered into by VI-REIT; and
(iii) reviewing from time to time or when necessary, VI-REIT's investment plan, divestment plan and asset enhancement plan.

To keep pace with regulatory changes, where these changes have an important bearing on the disclosure obligations of the REIT Manager or its Directors, the Directors will be briefed either during Board meetings of the REIT Manager or at specially convened sessions involving the relevant professionals. The management will also provide the REIT Manager Board with complete and adequate information in a timely manner through regular updates, and at least quarterly during the quarterly Board meetings on financial results, market trends and business developments.

There was no new director appointed in FY2014. When a new director is appointed, a formal letter of appointment setting out the directors' duties and responsibilities shall be issued to the new director.

BOARD COMPOSITION AND GUIDANCE

Principle 2: Strong and independent element on Board

The REIT Manager Board comprises seven members. All the members of the Board except for the Chief Executive Officer, are non-executive directors ("NEDs"). Of the six NEDs, four of them, being more than half of the Board, are independent directors thus providing for a strong and independent element on the Board.

The Independent Directors of the REIT Manager Board are Dr Leong Horn Kee, Mr Teo Cheng Hiang Richard, Dr Choong Chow Siong and Mr Ronald Lim Cheng Aun. The REIT Manager Board considers Mr Tan Fuh Gih and Mr Tan Hai Peng Micheal to be non-independent given their relationships with the Sponsors.

The composition of the REIT Manager Board is determined using the following principles:

- the Chairman of the REIT Manager Board should be a non-executive director of the REIT Manager;
- the REIT Manager Board should comprise directors with a broad range of commercial experience including expertise in fund management, investment, legal matters, audit and accounting and the property industry; and
- while VI-REIT Units remain stapled to VI-BT Units, in order to avoid any conflict of interest between VI-REIT and VI-BT, each of the directors of the REIT Manager Board will also be a director of the BT Trustee-Manager Board. In order for the BT Trustee-Manager Board to comply with the requirement under Regulation 12 of the BTR, a majority of the directors of the BT Trustee-Manager Board is required to comprise directors who are independent from management and business relationships with the BT Trustee-Manager. Accordingly, a majority of the directors of both the REIT Manager Board and the BT Trustee-Manager Board will comprise such independent directors.

A majority of the REIT Manager Board are independent of the management. This enables the management to benefit from their external, diverse and objective perspective on issues that are brought before the REIT Manager Board. It would also enable the REIT Manager Board to interact and work with the management through a robust exchange of ideas and views to help shape the strategic process.

The composition of the REIT Manager Board will be reviewed regularly to ensure that the REIT Manager Board has the appropriate mix of expertise and experience.

To provide a more effective check on the management, the NEDs of the REIT Manager Board would meet amongst themselves on an informal basis at least once a year without the presence of the management.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: Clear division of responsibilities between Chairman of the Board and Chief Executive Officer of the REIT Manager

The position of Chairman of the REIT Manager Board and Chief Executive Officer are held by two different individuals in order to maintain effective checks and balances. The Chairman of the REIT Manager Board is Dr Leong Horn Kee, an Independent Director while the Chief Executive Officer is Mr Wilson Ang Poh Seong.

There is a clear separation of the roles and responsibilities between the Chairman and the Chief Executive Officer. The Chairman is responsible for the overall management of the Board as well as ensuring that the members of the Board and the management work together with integrity and competency, and that the Board engages the Board members in constructive debate on strategy, business operations, enterprise risk and other plans. The Chief Executive Officer has full executive responsibilities over the business directions and operational decisions in the day-to-day management of VI-REIT and the REIT Manager.

BOARD MEMBERSHIP

Principle 4: Formal and transparent process for appointment and re-appointment of Directors to the Board

The REIT Manager Board performs the functions that a nominating committee would otherwise perform, namely, administering nominations to the REIT Manager Board, reviewing the size and composition of the REIT Manager Board to ensure that it has the appropriate mix of expertise and experience and reviewing the independence of the Directors.

Directors of the REIT Manager are not subject to periodic retirement by rotation. The REIT Manager Board, however, recognises that Board renewal is a continuous process and one that is essential for ensuring that the REIT Manager Board remains relevant in VI-REIT's business environment. Nominations, which may be made by any of the REIT Manager's shareholders, are openly discussed and objectively evaluated by the REIT Manager Board before any appointment and/or reappointment is made. Appointment of directors is also subject to MAS approval.

The Code requires listed companies to fix the maximum number of board representations on other listed companies that their directors may hold and to disclose this in their annual reports. Although five of the Non-Executive Directors have other listed company board representations and commitments, each of them has confirmed that he is able to devote sufficient time to discharge his duty as a director of the REIT Manager. The REIT Manager Board is of the view that such board representations on other listed companies does not hinder the Non-Executive Directors from carrying out their duties as directors of the REIT Manager and therefore believes that it would not be necessary to put a maximum limit on the number of listed company board representations of each director.

To determine the independence of the Directors, a form of Declaration of Independence or Non-independence was sent to each of the Directors immediately after the end of FY2014. Each Director has made his declaration by signing on the form. These duly signed forms were tabled at the quarterly Board meeting held in January 2015 for the Board's review. At the Board meeting, the Board has determined that each of the Independent Directors is independent based on his self-declaration and the Board's opinion that each of the Independent Directors can continue to exercise independent judgement.

Key information regarding the Directors such as academic and professional qualifications, present directorships in other listed companies and other principal commitments are disclosed on page 17 to 19 of this Annual Report.

BOARD PERFORMANCE

Principle 5: Formal annual assessment of the effectiveness of the Board as a whole and its committees and contribution by each director to the effectiveness of the REIT Manager Board

The Board has in place a formal system of evaluating Board performance and assessing the effectiveness of the Board, the Board Committees and the individual Directors through the use of performance evaluation forms.

The evaluation of Board's performance as a whole deals with matters on Board composition, information, process, accountability, risk and internal controls, performance benchmark and standards of conduct. The Board Committees' evaluation deals with the efficiency and effectiveness of each committee in assisting the Board. The criteria for the evaluation of individual Directors include, amongst others, the Directors' attendance and participation at Board and Board Committee meetings, understanding of business plans and strategies, and ability to articulate thoughts and opinions in a clear and concise manner.

Each Director is required to complete the evaluation forms, and then return them to the Company Secretary on a private and confidential basis. The Company Secretary compiles the summary of the results of the evaluation and tables the summary at the Board meeting for the Board's review.

The last performance evaluation was carried out in January 2015 in respect of FY2014. Based on the results compiled from the evaluation forms, and the Board's review at the Board meeting held in January 2015, the Board was satisfied that the Board was effective as a whole and that each and every Director had demonstrated commitment and had contributed to the effective functioning of the Board and the Board Committees.

ACCESS TO INFORMATION

Principle 6: Complete, adequate and timely information and access to management

Management provides the REIT Manager Board with complete, adequate and detailed information on the business and operations of VI-REIT on a regular and quarterly basis, at the meetings of the REIT Manager Board and its Committees.

The REIT Manager Board is provided with an agenda for each meeting and Board papers are circulated well in advance to enable the Directors to review the information and to obtain such details and explanations where necessary. At quarterly meetings, Directors are updated on developments and changes in the operating environment, including changes in accounting standards as well as the applicable statutes and regulations affecting VIT and/or the REIT Manager or changes that may have significant bearing on VIT and/or the REIT Manager.

All Directors have unrestricted access to senior management to enable them to carry out their duties.

In addition, Directors have separate and independent access to the advice of the Company Secretary who is responsible to the REIT Manager Board for ensuring established procedures and that relevant statutes and regulations are complied with.

Each Director has the right to seek independent legal and other professional advice on matters relating to VIT at the REIT Manager's expense to enable him to discharge his duties.

REMUNERATION MATTERS

Principle 7: Procedures for developing remuneration policies
Principle 8: Level and mix of remuneration
Principle 9: Disclosure of remuneration

VI-REIT is externally managed by the REIT Manager and accordingly has no personnel of its own. Remuneration of all Directors and employees of the REIT Manager are paid by the REIT Manager and not by VI-REIT.

The Remuneration Committee ("RC") of the REIT Manager comprises the following four members, all of whom are Non-Executive Directors:

Ronald Lim Cheng Aun (Chairman)
Tan Fuh Gih
Tan Hai Peng Micheal
Choong Chow Siong

The RC is regulated by a set of written terms of reference. The responsibilities of the RC include the following:

(i) review and recommend to the REIT Manager Board a framework of remuneration for Board members and key management personnel, and the specific remuneration packages for each Director as well as for each key management personnel. The recommendations shall cover the following:
    (a) all aspects of remuneration, including but not limited to salaries, allowances, bonuses, benefits-in-kind;
    (b) details such as a breakdown (in percentage terms) of remuneration earned through base/fixed salary, variable or performance-related bonuses, benefits-in-kind and other incentives; and
    (c) the total potential cost to the REIT Manager;
(ii) review the REIT Manager's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service, to ensure that such clauses are fair and reasonable and not overly generous; and
(iii) consider whether Directors should be eligible for benefits under long-term incentive schemes (including weighing the use of share schemes against the other types of long-term incentive scheme.

The RC held its meetings in February 2014 and January 2015 to review and determine the remuneration packages of the CEO and key management personnel, to ensure that they are adequately but not excessively remunerated.

The REIT Manager determines the framework of remuneration, terms of engagement, compensation and benefits for Directors and key management personnel of the REIT Manager. Remuneration of the Directors, key management personnel and employees of the REIT Manager are not paid out of the deposited property of VI-REIT, but are paid by the REIT Manager from the fees it receives. For the year ended 31 December 2014, the Directors' fees are payable in cash.

Since VI-REIT does not bear the remuneration of the REIT Manager's directors and employees, the REIT Manager does not consider it necessary to include information on the remuneration of its directors or key management personnel in this report.

None of the Non-Executive Directors has a service contract with the REIT Manager. They receive a base fee and an additional fee for serving on the sub-committees. The CEO has a service contract with the REIT Manager and does not receive any directors' fees.

The REIT Manager applies the principle that remuneration matters are to be sufficiently structured and benchmarked to good market practices, in order to attract suitably qualified talents, so as to grow and manage VI-REIT. The REIT Manager applies the principle that the remuneration for the REIT Manager Board and key management personnel should be viewed in totality.

Fees payable to the REIT Manager
Management fees payable to the REIT Manager

The REIT Manager is entitled under the VI-REIT Trust Deed to the following management fees:

- a REIT Base Fee of 10.0% per annum of the Distributable Income of VI-REIT (calculated before accounting for the REIT Base Fee and the REIT Performance Fee); and
- a REIT Performance Fee equal to the rate of 25.0% of the difference in Distribution Per Stapled Security ("DPS") of VIT in a financial year with the DPS of VIT in the preceding complete financial year (calculated before accounting for the REIT Performance Fee and the BT Performance Fee but after accounting for the REIT Base Fee and the BT Base Fee in each financial year) multiplied by the weighted average number of Stapled Securities in issue for such financial year.

ACCOUNTABILITY AND AUDIT

Principle 10: Board should present a balanced and understandable assessment of the REIT's performance, position and prospects

The REIT Manager Board is responsible for providing a balanced and understandable assessment of VI-REIT's performance, position and prospects including interim and other price sensitive public reports and reports to regulators. Financial reports, press releases, analyst presentation slides and other price sensitive information are disseminated to stapled securityholders through announcements via SGXNET and VIT's website.

Management provides the REIT Manager Board with a continual flow of relevant information on VI-REIT on a timely basis in order that the REIT Manager Board may effectively discharge its duties.

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 11: A sound system of risk management and internal controls to safeguard stapled securityholders' interests and the REIT's assets

The REIT Manager Board has established a framework for the management of VI-REIT and the REIT Manager, including a system of internal control and a business risk management process.

The REIT Manager Board meets quarterly or more frequently if necessary to review the financial performance of VI-REIT against a previously approved budget. The REIT Manager Board also reviews the business risks of VI-REIT, examine liability management and will act upon any comments from both the internal and external auditors of VI-REIT. The REIT Manager has appointed experienced and well-qualified management personnel to handle the day-to-day operations of VI-REIT. In assessing business risk, the REIT Manager Board will consider the economic environment and risks relevant to the property industry. It reviews management reports and feasibility studies on individual projects prior to approving major transactions. The management meets regularly to review the operations of VI-REIT and the REIT Manager and discuss any disclosure issues.

The REIT Manager will also perform the following:

(i) the REIT Manager will make periodic announcements on the use of the proceeds raised from any equity fund raising exercise as and when such proceeds are materially disbursed and provide a status report on the use of such proceeds in the annual report;
(ii) in relation to foreign exchange hedging transactions (if any) (a) the REIT Manager will seek the approval of its Board on the policy for entering into any such transactions, (b) the REIT Manager will put in place adequate procedures which must be reviewed and approved by the REIT Manager Audit and Risk Committee and (c) the REIT Manager Audit and Risk Committee will monitor the implementation of such policy, including reviewing the instruments, processes and practices in accordance with the policy approved by the REIT Manager Board; and
(iii) the REIT Manager Audit and Risk Committee will review and provide their views on all hedging policies and instruments (if any) to be implemented by VI-REIT to the REIT Manager Board, and the trading of such financial and foreign exchange instruments will require the specific approval of the REIT Manager Board.

Management has identified and reviewed its key risks to assess the adequacy and effectiveness of the REIT Manager's risk management and internal control systems, specifically on financial, operational, compliance and information technology risks. The REIT Manager Board, through the Audit and Risk Committee, will continuously identify, review and monitor the key risks, control measures and management actions as part of the risk management process.

The REIT Manager has also instituted/established the following:

(a) procedures to deal with conflicts of interest; and
(b) internal controls system to ensure that all Interested Person Transactions will be undertaken on normal commercial terms and will not be prejudicial to the interests of VI-REIT and VI-REIT Unitholders.

The REIT Manager Board has received assurance from the CEO and the Head of Finance of the REIT Manager that:

(a) the financial records have been properly maintained and the financial statements give a true and fair view of VIT's operations and finances; and
(b) the risk management and internal control systems addressing the financial, operational, compliance and information technology risks were adequate and effective.

Based on the internal controls and risk management system established by management, the assurance from the CEO and the Head of Finance, works performed by the external auditor and internal auditor, the REIT Manager Board, with the concurrence of the REIT Manager Audit and Risk Committee, is of the view that the risk management and internal controls systems addressing financial, operational, compliance and information technology risks were adequate as at 31 December 2014.

AUDIT AND RISK COMMITTEE

Principle 12: Establishment of Audit and Risk Committee with written terms of reference.

The REIT Manager Audit and Risk Committee (the "ARC") is appointed by the REIT Manager Board. The ARC comprises three Independent Directors and they are Dr Choong Chow Siong as Chairman and Mr Teo Cheng Hiang Richard and Mr Ronald Lim Cheng Aun as members.

The REIT Manager Board has determined that Dr Choong Chow Siong, Mr Teo Cheng Hiang Richard and Mr Ronald Lim Cheng Aun have sufficient financial management knowledge to discharge their responsibilities as members of the ARC.

The role of the ARC is to monitor and evaluate the effectiveness of the REIT Manager's internal controls. The ARC will review the quality and reliability of information prepared for inclusion in financial reports, and will be responsible for the nomination of external auditors and reviewing the adequacy of external audits in respect of cost, scope and performance.

The key responsibilities of ARC include:

- monitoring the procedures established to regulate Related Party Transactions, including ensuring compliance with the provisions of the Listing Manual relating to "Interested Person Transactions" and the provisions of the Property Funds Appendix relating to "Interested Party Transactions";
- monitoring the procedures in place to ensure compliance with applicable legislation, the Listing Manual and the Property Funds Appendix;
- reviewing the arrangements by which employees of the REIT Manager may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensuring that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action;
- examining the effectiveness of financial, operating and compliance controls and risk management policies and systems at least annually;
- reviewing external audit reports to ensure that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by the management;
- reviewing the adequacy of external audits in respect of cost, scope and performance;
- making recommendations to the REIT Manager Board on the appointment, reappointment and removal of external auditors and approving the remuneration and terms of engagement of external auditors;
- reviewing, on an annual basis, the independence and objectivity of the external auditors and where the external auditors also provide a substantial volume of non-audit services to VI-REIT, keeping the nature and extent of such services under review, seeking to balance the maintenance of objectivity and value for money;
- reviewing internal audit reports annually to ascertain that the guidelines and procedures established to monitor Related Party Transactions have been complied with;
- ensuring that the internal audit function is adequately resourced and has appropriate standing within the REIT Manager;
- meeting with external and internal auditors, without the presence of the REIT Manager Executive Officers, at least on an annual basis;
- reviewing the financial statements and the internal audit report;
- reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of VI-REIT and any formal announcements relating to VI-REIT's financial performance;
- investigating any matters within the REIT Manager Audit and Risk Committee's terms of reference, whenever it deems necessary;
- reporting to the REIT Manager Board on material matters, findings and recommendations; and
- deliberating on resolutions relating to conflicts of interest situations involving VI-REIT.

The ARC has access to the management and has the discretion to invite any Director or management staff to attend its meetings. The ARC also has the authority to obtain independent professional advice if it deems necessary in the discharge of its responsibilities.

ARC meetings are held quarterly to review the financial statements of VI-REIT before recommending to the REIT Manager Board for approval on the release of the financial results. In the process, the ARC also reviewed significant financial reporting issues and judgement to ensure the appropriate disclosure and accounting policies are applied. The ARC has met the external and internal auditors without the presence of the Executive Director and the management of the REIT Manager once in FY2014 and again in January 2015.

The ARC has reviewed the audit plan from both the internal and external auditors for FY2014 to ensure that the scope of the plan has covered sufficiently the audit of the internal controls of VI-REIT.

The ARC also monitors the procedures established to regulate Interested Person Transactions, including reviewing any Interested Person Transactions entered into from time to time and ensuring compliance with the relevant provisions of the Listing Manual and the Property Funds Appendix. If a member of ARC has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction.

The ARC has undertaken a review of all audit and non-audit services provided by KPMG LLP ("KPMG"), the external auditor, during the year under review. Given that a substantial amount of the non-audit services was in relation to the establishment of the Medium Term Note ("MTN") programme of VI-REIT, the statutory audit fee was lower in relation to the non-audit fees. The ARC is satisfied that the nature and extent of non-audit services will not prejudice the independence and objectivity of the external auditors. The breakdown of the audit and non-audit fees is as follows:

Fees for audit and non-audit services paid and payable to KPMG and its affiliates for the year ended 31 December 2014

Breakdown of fees for audit and non-audit services	**Stapled Group Amount**
Audit Services	
Statutory audit	**S$143,000**
Non-Audit Services	
MTN related work:	
Reporting accountant's work	S$110,000
Non-MTN related work:	
Corporate tax compliance work	S$28,000
GST compliance work	S$12,000
	S$150,000
% of Audit Services	105%
Exclude MTN related work	28%

The ARC confirms that VIT has complied with SGX-ST Listing Rules 712 and 715 in relation to its auditing firm.

Whistleblowing policy

The REIT Manager has put in place a whistle-blowing policy applicable to all staff of the REIT Manager. Any staff member who is aware of or suspects any irregularity, misconduct or any breach of the laws is encouraged to disclose the matter to the senior management, CEO or any member of the ARC.

INTERNAL AUDIT

Principle 13: Internal audit function

The REIT Manager Board recognizes the importance of maintaining a system of internal controls, procedures and processes for safeguarding the stapled securityholders' investments and VI-REIT's assets. The REIT Manager has outsourced the internal audit function to BDO LLP, who adopts the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The internal auditor's primary reporting line is to the Chairman of the ARC and administratively to the CEO. The ARC reviews and approves the annual internal audit plan, and ensures that the internal auditor has adequate resources to perform its functions. The ARC also reviews the results of internal audits and management's actions in resolving any audit issues reported. The ARC is satisfied with the suitability of the internal auditors and is of the view that the internal audit function is adequately resourced to perform its functions, and has appropriate standing within the REIT Manager.

STAPLED SECURITYHOLDERS' RIGHTS AND RESPONSIBILTIES

Principle 14: Stapled Securityholders' Rights
Principle 15: Communication with Stapled Securityholders
Principle 16: Conduct of Stapled Securityholders' Meetings

VIT is committed to timely and full disclosure of material information to its stapled securityholders and the investing community. VIT releases all material information by way of public releases or announcements through SGXNET and its corporate website at **www.vivaitrust.com**.

The REIT Manager also conducts results briefing for media and analysts in conjunction with the release of VIT's annual results. These briefing materials are also released to SGX-ST and made available on VIT's website. In addition, the REIT Manager also takes an active role in investor relations such as meeting fund managers and participating in non-deal road shows to meet potential investors and update existing investors on VIT's development. VIT's corporate website also serves as a resource centre for investors and a channel for regular dialogue between investors and management.

Distribution policy

VI-REIT's distribution policy is to distribute 100% of its distributable income for the period from the Listing Date (i.e. 4 November 2013) to 31 December 2015 and thereafter to distribute at least 90% of its distributable income.

VI-BT remains dormant as at the date of this report. In the event that VI-BT becomes active and profitable, VI-BT's distribution policy will be to distribute as much of its income as practicable, and the declaration and payment of distributions by VI-BT will be at the sole discretion of the BT Trustee-Manager.

Conduct of Stapled Securityholders' meetings

All stapled securityholders will receive the Annual Report and notices of general meetings. Stapled securityholders are encouraged to attend and participate by voting at the general meetings. If the stapled securityholder is unable to attend the general meetings, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the meetings through proxy forms sent in advance.

All the Directors and external auditors will be present at VIT's Annual General Meeting ("AGM") to address the queries raised by the stapled securityholders.

For greater transparency and fairness in the voting process, voting at general meetings will be conducted by poll. The voting results of all the votes cast for or against each resolution are made available at the meeting and will be announced via SGXNET after the general meetings. Minutes of the AGM will be made available to the stapled securityholders upon request.

DEALINGS IN STAPLED SECURITIES

Each REIT Manager Director and the CEO of the REIT Manager is to give notice to the REIT Manager of his acquisition of stapled securities or (in the event that unstapling has taken place) VI-REIT Units or of changes in the number of stapled securities or, as the case may be, VI-REIT Units which he holds or in which he has an interest, within two business days after such acquisition or the occurrence of the event giving rise to changes in the number of the stapled securities or, as the case may be, VI-REIT Units which he holds or in which he has an interest.

All dealings in the stapled securities or, as the case may be, VI-REIT Units by the REIT Manager Directors will be announced via SGXNET, with the announcement to be posted on the internet at the SGX-ST website **http://www.sgx.com**.

The directors and employees of the REIT Manager are prohibited from dealing in the stapled securities:

- in the period commencing one month before the public announcement of the annual results and (where applicable) property valuations, and two weeks before the public announcement of the quarterly results of VIT or (in the event that unstapling has taken place) VI-REIT, and ending on the date of announcement of the relevant results or (as the case may be) property valuations; and
- at any time while in possession of price sensitive information.

The directors and employees of the REIT Manager are also prohibited from communicating price sensitive information to any person and dealing with the stapled securities on short term considerations.

Pursuant to Section 137ZC of the SFA, the REIT Manager will be required to, inter alia, announce to the SGX-ST the particulars of any acquisition or disposal of interest in VI-REIT Units by the REIT Manager as soon as practicable, and in any case no later than the end of the business day following the day on which the REIT Manager became aware of the acquisition or disposal. In addition, all dealings in VI-REIT Units by the CEO will also need to be announced by the REIT Manager via SGXNET, with the announcement to be posted on the internet at the SGX-ST website http://www.sgx.com and in such form and manner as the MAS may prescribe.

CONFLICTS OF INTERESTS

The REIT Manager has instituted the following procedures to deal with conflicts of interest issues:

- The REIT Manager will not manage any other REIT which invests in the same type of properties as VI-REIT;
- All executive officers will be employed by the REIT Manager;
- All resolutions in writing of the REIT Manager Directors in relation to matters concerning VI-REIT must be approved by a majority of the directors, including at least one director independent from management and business relationships with the REIT Manager;
- At least a majority of the REIT Manager Board shall comprise such independent directors;
- In respect of matters in which a REIT Manager Director or his Associates (as defined in the Listing Manual) has an interest, direct or indirect, such interested director will abstain from voting. In such matters, the quorum must comprise a majority of the REIT Manager Directors and must exclude such interested director;
- In respect of matters in which a Sponsor and/or its subsidiaries have an interest, direct or indirect, for example,

in matters relating to potential acquisitions of additional properties or property-related investments by VI-REIT in competition with such Sponsor and/or its subsidiaries, any nominees appointed by such Sponsor and/or its subsidiaries to the REIT Manager Board to represent its interests will abstain from deliberations and voting on such matters. In such matters, the quorum must comprise a majority of the REIT Manager Directors independent from management and business relationships with the REIT Manager and must exclude nominee directors of such Sponsor;

- Save as to resolutions relating to the removal of the REIT Manager, the REIT Manager and its Associates are prohibited from voting or being counted as part of a quorum for any meeting of the VI-REIT Unitholders convened to approve any matter in which the REIT Manager and/or any of its Associates has an interest, and for so long as the REIT Manager is the manager of VI-REIT, the controlling shareholders (as defined in the Listing Manual) of the REIT Manager and of any of its Associates are prohibited from voting or being counted as part of a quorum for any meeting of the VI-REIT Unitholders convened to consider a matter in respect of which the relevant controlling shareholder of the REIT Manager and/or of any of its Associates have an interest; and
- It is also provided in the VI-REIT Trust Deed that if the REIT Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the REIT Trustee for and on behalf of VI-REIT with a Related Party of the REIT Manager, the REIT Manager shall be obliged to consult with a reputable law firm (acceptable to the REIT Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the REIT Trustee, on behalf of VI-REIT, has a prima facie case against the party allegedly in breach under such agreement, the REIT Manager shall be obliged to take appropriate action in relation to such agreement. The REIT Manager Directors will have a duty to ensure that the REIT Manager so complies. Notwithstanding the foregoing, the REIT Manager shall inform the REIT Trustee as soon as it becomes aware of any breach of any agreement entered into by the REIT Trustee for and on behalf of VI-REIT with a Related Party of the REIT Manager and the REIT Trustee may take such action as it deems necessary to protect the rights of the VI-REIT Unitholders and/or which is in the interests of the VI-REIT Unitholders. Any decision by the REIT Manager not to take action against a Related Party of the REIT Manager shall not constitute a waiver of the REIT Trustee's right to take such action as it deems fit against such Related Party.

INTERESTED PERSON TRANSACTIONS

The REIT Manager's internal control system

The REIT Manager has established an internal control system to ensure that all future Interested Person Transactions:

- will be undertaken on normal commercial terms; and
- will not be prejudicial to the interests of VI-REIT and the VI-REIT Unitholders.

As a general rule, the REIT Manager must demonstrate to the REIT Manager's ARC that such transactions satisfy the foregoing criteria, which may entail:

(i) obtaining (where practicable) quotations from parties unrelated to the REIT Manager; or
(ii) obtaining valuations from independent professional valuers (in accordance with the Property Funds Appendix).

Further, the following procedures will be undertaken:

- any transaction (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding S$100,000 in value but less than 3.0% of the value of VI-REIT's net tangible assets (based on the latest audited accounts) will be subject to review by the REIT Manager's ARC at regular intervals;
- any transaction (either individually or as part of a series or if aggregated with other transactions involving the same

Related Party during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of VI-REIT's net tangible assets (based on the latest audited accounts) will be subject to the review and prior approval of the REIT Manager's ARC. Such approval shall only be given if such transaction is on normal commercial terms and is consistent with similar types of transactions made by the REIT Trustee with third parties which are unrelated to the REIT Manager; and

- any transaction (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding 5.0% of the value of VI-REIT's net tangible assets (based on the latest audited accounts) will be reviewed and approved prior to such transaction being entered into, on the basis described in the preceding paragraph, by the REIT Manager's ARC which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Further, under the Listing Manual and the Property Funds Appendix, such transaction would have to be approved by the VI-REIT Unitholders at a meeting duly convened.

- The aggregate value of the Interested Person Transactions entered into by VI-REIT in FY2014 can be found on page 160 of this Annual Report.

Material contracts

Except for the Interested Person Transactions as disclosed in the financial statements, there were no material contracts entered into by VIT involving the interests of the CEO of the Managers, each Director of the Managers' Board, controlling shareholders of the Managers or controlling stapled securityholders of VIT during the financial year ended 31 December 2014.

STATEMENT OF POLICIES AND PRACTICES

VI-BT has been dormant since VIT was listed on the Main Board of SGX-ST. Although VI-BT is dormant, the BT Trustee-Manager Board (with similar composition of the REIT Manager Board) is committed to complying with the requirements under the Listing Manual, the BTA and BTR, the SFA as well as VI-BT Trust Deed and the Stapling Deed.

The statement on policies and practices in relation to the management and governance of VI-BT (as described in Section 87 (1) of the BTA) is set out on page 78 to 85 of this Annual Report.

UTILISATION OF PLACEMENT PROCEEDS

With reference to our announcement dated 11 December 2014, the gross proceeds of S$15.6 million raised from the private placement completed on 2 December 2014 have been fully utilised to partially repay VIT's outstanding revolving credit facility. The aforementioned use of proceeds is in accordance with the intended use and allocation of the gross proceeds from the private placement as stated in our announcement dated 21 November 2014.

Financials

VIVA Industrial Business Trust

(Constituted in the Republic of Singapore pursuant to a trust deed dated 14 October 2013)

FINANCIAL STATEMENTS
Year ended 31 December 2014

VIVA Industrial Real Estate Investment Trust

(Constituted in the Republic of Singapore pursuant to a trust deed dated 23 August 2013)

FINANCIAL STATEMENTS
Year ended 31 December 2014

VIVA Industrial Trust

(Constituted in the Republic of Singapore pursuant to a stapling deed dated 14 October 2013)

FINANCIAL STATEMENTS
Year ended 31 December 2014

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Report of the Trustee-Manager of Viva Industrial Business Trust

The directors of Viva Asset Management Pte. Ltd., the trustee-manager of Viva Industrial Business Trust ("VI-BT", and the trustee-manager of VI-BT, the "Trustee-Manager"), are pleased to present this report to the unitholders together with the audited financial statements for the financial year ended 31 December 2014.

DIRECTORS

The directors of the Trustee-Manager in office at the date of this report are as follows:

Ang Poh Seong
Leong Horn Kee
Choong Chow Siong
Ronald Lim Cheng Aun
Teo Cheng Hiang Richard
Tan Fuh Gih
Tan Hai Peng Micheal

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register kept by the Trustee-Manager for the purpose of Section 76 of the Business Trusts Act, Chapter 31A of Singapore (the "Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in units in VI-BT are as follows:

	Direct Interest		Deemed Interest	
Name of directors	Holdings at beginning of the year	Holdings at end of the year	Holdings at beginning of the year	Holdings at end of the year
Ang Poh Seong	1,000,000	1,000,000	–	–
Leong Horn Kee	64,000	64,000	–	–
Teo Cheng Hiang Richard	200,000	200,000	–	–
Tan Fuh Gih	–	–	32,051,025	32,051,025
Tan Hai Peng Micheal	–	–	57,699,050	63,940,733

Except as disclosed in this report, no director who held office at the end of the financial year had interests in units of VI-BT either at the beginning or at the end of the financial year.

There were no changes in any of the abovementioned interests in VI-BT between the end of the financial year and 21 January 2015.

Report of the Trustee-Manager of Viva Industrial Business Trust

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of, nor at any time during the financial year, was the Trustee-Manager a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Trustee-Manager to acquire benefits by means of the acquisition of units in or debentures of VI-BT.

DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the last financial period, no director has received or become entitled to receive a benefit by reason of a contract made by VI-BT or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in the financial statements.

OPTIONS

During the financial year, there were:

(i) no options granted by the Trustee-Manager to any person to take up unissued units in VI-BT; and

(ii) no units issued by virtue of any exercise of option to take up unissued units of VI-BT.

As at the end of the financial year, there were no unissued units of VI-BT under options.

Report of the Trustee-Manager of Viva Industrial Business Trust

AUDITORS

The auditors, KPMG LLP, have expressed their willingness to accept re-appointment.

STATEMENT BY THE TRUSTEE-MANAGER

In our opinion:

(a) the financial statements of VI-BT set out on pages 88 to 143 are drawn up so as to give a true and fair view of the state of affairs of VI-BT as at 31 December 2014 and of the results, changes in unitholders' funds and cash flows of VI-BT for the year ended on that date in accordance with the provisions of the Act and Singapore Financial Reporting Standards; and

(b) at the date of this statement, there are reasonable grounds to believe that VI-BT will be able to fulfil, out of the trust property of VI-BT, the liabilities of VI-BT as and when they fall due.

With respect to the statement of comprehensive income of VI-BT for the year ended 31 December 2014, we further certify that:

- interested person transactions are not detrimental to the interests of all the unitholders of VI-BT as a whole based on the circumstances at the time of the transactions; and

- the Board of Directors is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of VI-BT or on the interests of all the unitholders of VI-BT as a whole.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

For and on behalf of the Board of Directors of the Trustee-Manager,
Viva Asset Management Pte. Ltd.

Leong Horn Kee
Director

Ang Poh Seong
Director

Singapore
27 March 2015

Statement by the Chief Executive Officer of the Trustee-Manager

In accordance with Section 86 of the Act, I certify that I am not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of VI-BT or on the interests of all the unitholders of VI-BT as a whole.

Ang Poh Seong
Chief Executive Officer

Singapore
27 March 2015

Report of the Trustee of Viva Industrial Real Estate Investment Trust

The Trust Company (Asia) Limited (the "REIT Trustee") is under a duty to take into custody and hold the assets of Viva Industrial Real Estate Investment Trust ("VI-REIT") and its subsidiary ("VI-REIT Group") in trust for the holders of units in VI-REIT. In accordance with the Securities and Futures Act, Chapter 289 of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes and the SGX-ST Listing Manual (collectively referred to as the "laws and regulations"), the REIT Trustee shall monitor the activities of Viva Industrial Trust Management Pte. Ltd. (the "REIT Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 23 August 2013 and as amended and restated by a first amending and restating deed dated 14 October 2013 (the "VI-REIT Trust Deed") made between the REIT Manager and the REIT Trustee in each annual accounting period and report thereon to unitholders in an annual report which shall contain the matters prescribed by the laws and regulations as well as the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants and the provisions of the VI-REIT Trust Deed.

To the best knowledge of the REIT Trustee, the REIT Manager has, in all material respects, managed VI-REIT during the year covered by these financial statements set out on pages 88 to 143, comprising VI-REIT Group's statement of financial position, statement of total return, distribution statement, statement of movements in unitholders' funds, statement of cash flows, portfolio statement and notes to the financial statements, in accordance with the limitations imposed on the investment and borrowing powers set out in the VI-REIT Trust Deed, laws and regulations and otherwise in accordance with the provisions of the VI-REIT Trust Deed.

For and on behalf of the REIT Trustee,
The Trust Company (Asia) Limited

Sin Li Choo
Director

Singapore
27 March 2015

Report of the Manager of Viva Industrial Real Estate Investment Trust

In the opinion of the directors of Viva Industrial Trust Management Pte. Ltd., the manager of Viva Industrial Real Estate Investment Trust ("VI-REIT", and the manager of VI-REIT, the "REIT Manager"), the accompanying financial statements of VI-REIT Group and Viva Industrial Trust (the "Stapled Group", comprising VI-REIT and its subsidiary (the "VI-REIT Group") and Viva Industrial Business Trust ("VI-BT")) set out on pages 88 to 143, comprising their statements of financial position, statements of total return, distribution statements, statements of movements in unitholders' funds, statements of cash flows, portfolio statements and notes to the financial statements, are drawn up so as to present fairly, in all material respects, the financial positions of VI-REIT Group and the Stapled Group as at 31 December 2014, the total return, distributable income, movements in unitholders' funds and cash flows of VI-REIT Group and the Stapled Group for the year ended 31 December 2014, in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants and the provisions of VI-REIT's trust deed dated 23 August 2013 and as amended and restated by a first amending and restating deed dated 14 October 2013 (the "VI-REIT Trust Deed") made between The Trust Company (Asia) Limited (the "REIT Trustee") and the REIT Manager, and the stapling deed of Viva Industrial Trust made between the REIT Trustee, the REIT Manager and Viva Asset Management Pte. Ltd. (the trustee-manager of VI-BT) dated 14 October 2013. At the date of this statement, there are reasonable grounds to believe that VI-REIT Group and the Stapled Group will be able to meet their respective financial obligations as and when they materialise.

For and on behalf of the REIT Manager,
Viva Industrial Trust Management Pte. Ltd.

Leong Horn Kee
Chairman

Singapore
27 March 2015

Statement on Policies and Practices in Relation to the Management and Governance of the Trust

Viva Industrial Business Trust ("VI-BT") has been inactive since the listing of Viva Industrial Trust ("VIT") on the Main Board of Singapore Exchange Securities Trading Limited (the "SGX-ST") on 4 November 2013.

Although VI-BT is inactive, the board of directors of Viva Asset Management Pte. Ltd. ("Trustee-Manager") (the "Trustee-Manager Board") is committed to complying with the requirements under the SGX-ST Listing Manual, the Business Trusts Act, Chapter 31A of Singapore (the "BTA") and the Business Trusts Regulations 2005 (the "BTR") (except where waivers have been obtained from the Monetary Authority of Singapore (the "MAS")), the Securities and Futures Act, Chapter 289 of Singapore (the "SFA") as well as the trust deed dated 14 October 2013 constituting VI-BT (the "VI-BT Trust Deed") and the stapling deed dated 14 October 2013 (the "Stapling Deed").

The Trustee-Manager has the dual responsibilities of safeguarding the interests of the holders of VI-BT units (the "VI-BT Unitholders"), and managing the business conducted by VI-BT. The Trustee-Manager has general powers of management over the business and assets of VI-BT and its main responsibility is to manage VI-BT's assets and liabilities for the benefit of the VI-BT Unitholders as a whole.

The Trustee-Manager, in exercising its powers and carrying out its duties as VI-BT's Trustee-Manager, is required to:

- treat the VI-BT Unitholders in the same class fairly and equally and VI-BT Unitholders who hold VI-BT units in different classes (if any) fairly;
- ensure that all payments out of the trust property of VI-BT (the "VI-BT Trust Property") are made in accordance with the VI-BT Trust Deed and the Stapling Deed;
- report to the MAS any contravention of the BTA or the Securities and Futures (Offers of Investments) (Business Trusts) (No. 2) Regulations 2005 by any other person that:
  - relates to VI-BT; and
  - has had, has or is likely to have, a material adverse effect on the interests of all the VI-BT Unitholders, or any class of VI-BT Unitholders, as a whole, as soon as practicable after the Trustee-Manager becomes aware of the contravention;
- ensure that the VI-BT Trust Property is properly accounted for; and
- ensure that the VI-BT Trust Property is kept distinct from the property held in its own capacity.

The Trustee-Manager has the following duties under the BTA:

- at all times act honestly and exercise reasonable diligence in the discharge of its duties as VI-BT's Trustee-Manager in accordance with the BTA and the VI-BT Trust Deed;
- act in the best interests of all VI-BT Unitholders as a whole and give priority to the interests of all VI-BT Unitholders as a whole over its own interests in the event of a conflict between the interests of all VI-BT Unitholders as a whole and its own interests;
- not make improper use of any information acquired by virtue of its position as VI-BT's Trustee-Manager to gain, directly or indirectly, an advantage for itself or for any other person to the detriment of the VI-BT Unitholders;
- hold the VI-BT Trust Property on trust for all VI-BT Unitholders as a whole in accordance with the terms of the VI-BT Trust Deed;
- adhere with the business scope of VI-BT as set out in the VI-BT Trust Deed;
- review interested person transactions in relation to VI-BT; and
- review expense and cost allocations payable to the Trustee-Manager in its capacity as trustee-manager of VI-BT out of the VI-BT Trust Property, and ensure that fees and expenses charged to VI-BT are appropriate and in accordance with the VI-BT Trust Deed.

The MAS has also granted the Trustee-Manager an exemption from compliance with sections 10(2)(a) and 11(1)(a) of the BTA to the extent that sections 10(2)(a) and 11(1)(a) require the Trustee-Manager Directors to act in the best interests of the VI-BT Unitholders only so long as:

(a) the Trustee-Manager ensures that the units of VI-BT remain stapled to the units of VI-REIT; and
(b) the Trustee-Manager and its Directors shall act in the best interest of all the Stapled Security holders as a whole.

VI-BT TRUST PROPERTY IS PROPERLY ACCOUNTED FOR

In the event that VI-BT becomes active, the VI-BT Trust Property shall be properly accounted for and kept distinct from the property of the Trustee-Manager in its own capacity. Different bank accounts shall be maintained for the Trustee-Manager in its personal capacity and its capacity as trustee-manager of VI-BT.

ADHERENCE TO THE BUSINESS SCOPE OF VI-BT

In the event that VI-BT becomes active, the Trustee-Manager Board shall review and approve all authorised businesses undertaken by VI-BT so as to ensure its adherence to the business scope as set out in the VI-BT Trust Deed. Such authorised businesses include:

(i) the acquisition, disposition and ownership of authorised investments and all activities, concerns, functions and matters reasonably incidental thereto;
(ii) ownership of subsidiaries which are engaged in the acquisition, disposition and ownership of authorised investments and all activities, concerns, functions and matters reasonably incidental thereto; and
(iii) any business, undertaking or activity associated with, incidental and/or ancillary to the carrying on of the businesses referred to in paragraphs (i) and (ii), including the management and leasing of the authorised investments.

FEES PAYABLE TO THE TRUSTEE-MANAGER

Base Fee

Under the VI-BT Trust Deed, the Trustee-Manager shall be entitled to a base fee comprising 10.0% of the distributable income of VI-BT in the relevant financial year (calculated before accounting for this base fee and the Trustee-Manager's performance fee in that financial year) ("BT Base Fee"), payable in the event that VI-BT becomes active.

Performance Fee

Under the VI-BT Trust Deed, the Trustee-Manager shall be entitled to a performance fee equal to the rate of 25.0% of the difference in the distribution per stapled security ("DPS") of VIT in a financial year with the DPS of VIT in the preceding complete financial year (calculated before accounting for the performance fee of the Trustee-Manager and the REIT Manager but after accounting for the base fee of the Trustee-Manager and the REIT Manager in each financial year) multiplied by the weighted average number of stapled securities in issue for such financial year ("BT Performance Fee").

The BT Performance Fee is payable if the DPS of VIT in respect of a financial year exceeds the DPS of VIT in the preceding complete financial year, notwithstanding that the DPS of VIT in the financial year where the BT Performance Fee is payable may be less than the DPS of VIT in any financial year prior to the preceding complete financial year.

For the purpose of the computation of the BT Performance Fee only, the DPS of VIT shall be calculated based on all income of VIT arising from the operations of VIT, such as, but not limited to, rentals, interest, dividends, and other similar payments or income arising from the authorised investments or authorised business of VIT but shall exclude any one-off income of VIT such as any income arising from any sale or disposal of (i) any real estate (whether directly or indirectly through one or more special purpose vehicles) or any part thereof, and (ii) any investments forming part of the VI-BT Trust Property or any part thereof.

For the purpose of calculating the BT Performance Fee for the first full financial year following VI-BT becoming active, the DPS of VIT for the base financial year shall be the annualised amount of the actual DPS of VIT made in respect of the prior financial year.

There should be no double-counting of fees in the event both the REIT Manager and the Trustee-Manager are entitled to the Base Fee and the Performance Fee. In the event that both the REIT Manager and the Trustee-Manager are entitled to Performance Fee, such fees payable to both the REIT Manager and the Trustee-Manager will be apportioned based on the respective proportionate contributions of VI-REIT and VI-BT in the Performance Fee. For the avoidance of doubt, the maximum Base Fee payable to both the REIT Manager and the Trustee-Manager, collectively, is 10.0% per annum of the distributable income and the maximum performance fee payable to both the REIT Manager and the Trustee-Manager collectively is 25.0% per annum of the difference in DPS of VIT in a financial year compared to the DPS of VIT in the preceding complete financial year (calculated before accounting for the Performance Fee but after accounting for the Base Fee in each financial year) multiplied by the weighted average number of stapled securities in issue for such financial year.

The Trustee-Manager may elect to receive the BT Base Fee and the BT Performance Fee in cash or stapled securities or a combination of cash and stapled securities (as it may in its sole discretion determine).

Trustee Fee

Under the VI-BT Trust Deed, the Trustee-Manager is entitled to a trustee fee in cash of up to 0.03% per annum of the value of the VI-BT Trust Property, provided that the value of the VI-BT Trust Property is at least $50.0 million.

For the purpose of calculating the trustee fee, if VI-BT holds only a partial interest in any of the VI-BT Trust Property, such VI-BT Trust Property shall be pro-rated in proportion to the partial interest held.

For the year under review, no management fee and trustee fee were paid to the Trustee-Manager as VI-BT remains inactive.

EXPENSES CHARGED TO VI-BT

The Trustee-Manager Board will carry out quarterly reviews to ensure that the expenses payable to the Trustee-Manager out of the VI-BT Trust Property are appropriate and in accordance with the VI-BT Trust Deed, in the event VI-BT becomes active.

For the year under review, no expenses were paid to the Trustee-Manager from the VI-BT Trust Property as VI-BT remains inactive.

Statement on Policies and Practices in Relation to the Management and Governance of the Trust

COMPLIANCE WITH THE BTA AND THE SGX-ST LISTING MANUAL

The Trustee-Manager will engage the services of and obtain advice from professional advisers and consultants from time to time to ensure compliance with the requirements of the BTA and the SGX-ST Listing Manual in the event that VI-BT becomes active.

Composition of the Trustee-Manager Board

Under Regulation 12(1) of the BTR, the Trustee-Manager Board is required to comprise:

- at least a majority of Trustee-Manager Directors who are independent from management and business relationships with the Trustee-Manager;
- at least one-third of Trustee-Manager Directors who are independent from management and business relationships with the Trustee-Manager and from every Substantial Shareholder of the Trustee-Manager (defined as any shareholder of the Trustee-Manager with an interest of not less than 5.0% of the shares in issue); and
- at least a majority of Trustee-Manager Directors who are independent from any single Substantial Shareholder of the Trustee-Manager.

The Trustee-Manager Board consists of seven Directors, four of whom are Independent Directors for the purposes of the BTA. They are:

Name	Position
Dr Leong Horn Kee	Chairman and Independent Non-Executive Director
Mr Ang Poh Seong	Executive Director and Chief Executive Officer
Dr Choong Chow Siong	Independent Non-Executive Director
Mr Teo Cheng Hiang Richard	Independent Non-Executive Director
Mr Ronald Lim Cheng Aun	Independent Non-Executive Director
Mr Tan Fuh Gih	Non-Executive Director
Mr Tan Hai Peng Micheal	Non-Executive Director

Mr Ang Poh Seong is considered a non-independent director as he is the Chief Executive Officer of the Trustee-Manager. Mr Tan Fuh Gih and Mr Tan Hai Peng Micheal are considered non-independent directors as both are also executive directors of Kim Seng Holdings Pte Ltd and Ho Lee Group Pte Ltd respectively, which are each a substantial shareholder of Viva Investment Management Pte Ltd, which owns 90.0% of the issued share capital of the Trustee-Manager.

None of the Trustee-Manager Directors would, by definition under the BTR, be independent from a Substantial Shareholder as the composition of the Trustee-Manager Board is the same as that of the REIT Manager Board, and both the Trustee-Manager and the REIT Manager are 90.0% owned by Viva Investment Management Pte Ltd and 10.0% owned by United Engineers Developments Pte Ltd.

The MAS has also granted the Trustee-Manager an exemption from compliance with regulations 12(1)(a) and 12(1)(b) of the BTR to the extent that regulations 12(1)(a) and 12(1)(b) of the BTR require the Trustee-Manager Directors to be independent, subject to certain conditions.

The stapling together of VI-BT units and VI-REIT units means that the VI-BT Unitholders are at the same time the investors of the stapled securities, who stand to benefit as a whole regardless of whether the directors of the Trustee-Manager are independent from the Substantial Shareholders of the Trustee-Manager.

Statement on Policies and Practices in Relation to the Management and Governance of the Trust

In addition to compliance with requirements under the BTA, the composition of the Trustee-Manager Board is determined using the following principles:

- the Chairman of the Trustee-Manager Board should be a non-executive director; and
- the Trustee-Manager Board should consist of directors with a broad range of commercial experience.

The composition of the Trustee-Manager Board will be reviewed regularly to ensure that the Trustee-Manager Board has the appropriate mix of expertise and experience.

Chairman and Chief Executive Officer

The positions of Chairman of the Trustee-Manager Board and Chief Executive Officer of the Trustee-Manager are held by two different individuals in order to ensure an appropriate balance of power, increased accountability and to maintain effective checks and balances. The Chairman of the Trustee-Manager Board is Dr Leong Horn Kee, while the Chief Executive Officer of the Trustee-Manager is Mr Ang Poh Seong. The Chairman is responsible for the overall management of the Trustee-Manager Board, while the Chief Executive Officer has full executive responsibilities over the business directions and operational decisions in the day-to-day management of the Trustee-Manager.

Access to Information

The Trustee-Manager Board has separate and independent access to senior management of the Trustee-Manager (the "Management") and the company secretary of the Trustee-Manager (the "Company Secretary") at all times. The Directors also have access to independent professional advice where appropriate and whenever requested.

The Company Secretary for the REIT Manager, Ms Ang Siew Koon, is also the Company Secretary for the Trustee-Manager.

The Company Secretary reports to the Chief Executive Officer of the Trustee-Manager and her duties include:

- ensuring that board procedures of the Trustee-Manager Board are followed;
- assisting the Trustee-Manager with corporate secretarial administration matters for the Trustee-Manager, both in its personal capacity and in its capacity as trustee-manager of VI-BT, including attending all board meetings; and
- assisting the Trustee-Manager in preparing the announcements and notifications to be uploaded on the SGXNET as required under the SGX-ST Listing Manual.

Remuneration Matters

As VI-BT remains dormant, no compensation is payable to the Directors and Executive Officers of the Trustee-Manager.

Audit Committee

The MAS has granted the Trustee-Manager an exemption from compliance with section 15(1) of the BTA to the extent that section 15(1) requires an audit committee to be constituted before VI-BT becomes active, subject to certain conditions.

External Auditor

The Trustee-Manager, on behalf of VI-BT, confirms that VI-BT has complied with Rules 712 and 715 of the SGX-ST Listing Manual in relation to its auditing firm.

Statement on Policies and Practices in Relation to the Management and Governance of the Trust

Internal Audit

As VI-BT remains dormant, an internal auditor has not been appointed.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Trustee-Manager Board will put in place appropriate internal control systems including the following to manage business risk in the event that VI-BT becomes active.

The Trustee-Manager Board will meet quarterly or more frequently if necessary and will review the financial performance of VI-BT against a previously approved budget. The Trustee-Manager Board will also review the business risks of VI-BT, examine liability management and will act upon any comments from both the internal and external auditors of VI-BT.

In assessing business risk, the Trustee-Manager Board will consider the economic environment and risks relevant to the property industry. It will review management reports prior to approving major transactions.

The Management will meet regularly to review the operations of the Trustee-Manager and VI-BT and discuss any disclosure issues.

INTERESTED PERSON TRANSACTIONS AND POTENTIAL CONFLICTS OF INTEREST

In general, transactions between:

- an entity at risk (in this case, the Trustee-Manager (acting in its capacity as the trustee-manager of VI-BT) or any of the subsidiaries or associated companies of VI-BT); and
- any of the Interested Persons (namely, the Trustee-Manager (acting in its personal capacity), a related corporation or related entity of the Trustee-Manager (other than a subsidiary or subsidiary entity of VI-BT), an associated company or associated entity of the Trustee-Manager (other than an associated company or associated entity of VI-BT) (as defined in the Securities and Futures (Offers of Investments) (Business Trusts) (No. 2) Regulations 2005), a Director, Chief Executive Officer or controlling shareholder of the Trustee-Manager, a controlling Stapled Security holder or an associate of any such Director, Chief Executive Officer, controlling shareholder or controlling Stapled Security holder)

would constitute an Interested Person Transaction.

For so long as VI-BT is part of a stapled group and in the event that the Board of Directors of the REIT Manager and the Trustee-Manager Board cannot reach an agreement on any resolution relating to governance or compliance matters before them where such resolution would require the collective approval of both the boards of directors of the REIT Manager and the Trustee-Manager, the votes of the Independent Directors of the REIT Manager will prevail in the event that the Trustee-Manager Board has approved such resolutions.

Since the VI-REIT units and VI-BT units are held by the same pool of investors in the same proportion, concerns and potential abuses applicable to interested party transactions will be absent in transactions between VI-REIT and VI-BT.

Statement on Policies and Practices in Relation to the Management and Governance of the Trust

INTERNAL CONTROL SYSTEM

In the event that VI-BT becomes active, the Trustee-Manager will establish an internal control system to ensure that all future Interested Person Transactions:

- will be undertaken on normal commercial terms; and
- will not be prejudicial to the interests of VI-BT and the Stapled Security holders.

The Trustee-Manager will maintain a register to record all Interested Person Transactions which are entered into by VI-BT and the bases, including any quotations from unrelated parties obtained to support such bases, on which they are entered into.

The Trustee-Manager will also incorporate into its internal audit plan a review of all Interested Person Transactions entered into by VI-BT.

Where matters concerning VI-BT relate to transactions entered into or to be entered into by the Trustee-Manager for and on behalf of VI-BT with an Interested Person (as defined in the BTA) of the Trustee-Manager (which would include relevant associates thereof) or VI-BT, the Trustee-Manager will consider the terms of such transactions to satisfy itself that such transactions are conducted:

- on normal commercial terms;
- are not prejudicial to the interests of VI-BT and the Stapled Security holders; and
- in accordance with all applicable requirements of the SGX-ST Listing Manual and the BTA relating to the transaction in question.

If the Trustee-Manager is to sign any contract with an Interested Person of the Trustee-Manager or VI-BT, the Trustee-Manager will review the contract to ensure that it complies with the provisions of the SGX-ST Listing Manual and the BTA relating to Interested Person Transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST that apply to business trusts.

The aggregate value of all Interested Person Transactions which are subject to Rules 905 and 906 of the SGX-ST Listing Manual in a particular financial year will be disclosed in VIT's annual report for the relevant financial year.

Save for the Interested Person Transactions in connection with the setting up of VI-BT, Exempted Agreements, and Future Interested Party Transactions (as disclosed in the IPO prospectus of VIT), VI-BT will comply with Rule 905 of the SGX-ST Listing Manual by announcing any Interested Person Transaction in accordance with the SGX-ST Listing Manual if such transaction, by itself or when aggregated with other Interested Person Transactions entered into with the same Interested Person (as defined in the SGX-ST Listing Manual) during the same financial year, is 3.0% or more of the value of VI-BT's latest audited net tangible assets.

Statement on Policies and Practices in Relation to the Management and Governance of the Trust

POTENTIAL CONFLICTS OF INTEREST

The Trustee-Manager has instituted the following procedures to deal with conflicts of interest issues:

- all resolutions in writing of the Trustee-Manager Directors in relation to matters concerning VIT must be approved by a majority of the Trustee-Manager Directors, including at least one Independent Trustee-Manager Director;
- all executive officers will be employed by the Trustee-Manager;
- in respect of matters in which a Trustee-Manager Director or his Associates (as defined in the SGX-ST Listing Manual) has an interest, direct or indirect, such interested director will abstain from voting. In such matters, the quorum must comprise a majority of the Independent Trustee-Manager Directors and must exclude such interested director;
- in respect of matters in which each of the Sponsors and/or its subsidiaries have an interest, direct or indirect, any nominees appointed by such Sponsor and/or its subsidiaries to the Trustee-Manager Board to represent its/their interests will abstain from voting. In such matters, the quorum must comprise a majority of the Independent Trustee-Manager Directors and must exclude any nominee directors of such Sponsor and/or its subsidiaries; and
- where matters concerning VI-BT relate to transactions entered into or to be entered into by the Trustee-Manager for and on behalf of VI-BT with a related party of the Trustee-Manager (which would include relevant associates thereof) or VI-BT, the Trustee-Manager Board is required to consider the terms of the transactions to satisfy itself that the transactions are conducted on normal commercial terms, are not prejudicial to the interests of VI-BT and the Stapled Security holders, and are in compliance with all applicable requirements of the SGX-ST Listing Manual and the BTA relating to the transaction in question. If the Trustee-Manager is to sign any contract with an Interested Person of the Trustee-Manager or VI-BT, the Trustee-Manager will review the contract to ensure that it complies with the provisions of the SGX-ST Listing Manual and the BTA relating to Interested Person Transactions (as may be amended from time to time) as well as any other guidelines as may from time to time be prescribed by the MAS and SGX-ST that apply to business trusts.

Independent Auditors' Report

Unitholders
Viva Industrial Business Trust
Viva Industrial Real Estate Investment Trust

REPORT ON THE FINANCIAL STATEMENTS

We have audited:

(i) the financial statements of Viva Industrial Business Trust ("VI-BT") (constituted in the Republic of Singapore pursuant to a trust deed dated 14 October 2013) for the financial year ended 31 December 2014;

(ii) the consolidated financial statements of Viva Industrial Real Estate Investment Trust ("VI-REIT") (constituted in the Republic of Singapore pursuant to a trust deed dated 23 August 2013 and as amended and restated by a first amending and restating deed dated 14 October 2013 (the "VI-REIT Trust Deed")) and its subsidiary (collectively referred to as "VI-REIT Group") for the financial year ended 31 December 2014; and

(iii) the consolidated financial statements of Viva Industrial Trust (constituted in the Republic of Singapore pursuant to a stapling deed dated 14 October 2013 (the "Stapling Deed")) for the financial year ended 31 December 2014.

Viva Industrial Trust, which comprises VI-BT and VI-REIT Group, is hereinafter referred to as the "Stapled Group".

The accompanying financial statements comprise the statements of financial position of VI-BT, VI-REIT Group and the Stapled Group as at 31 December 2014; the statement of comprehensive income of VI-BT, statements of total return of VI-REIT Group and the Stapled Group, distribution statements of VI-REIT Group and the Stapled Group, statements of movements in unitholders' funds of VI-BT, VI-REIT Group and the Stapled Group and statements of cash flows of VI-BT, VI-REIT Group and the Stapled Group, all for the year ended 31 December 2014; portfolio statements of VI-REIT Group and the Stapled Group as at 31 December 2014; and a summary of significant accounting policies and other explanatory information, as set out on pages 88 to 143.

Trustee-Manager's responsibilities for the financial statements

Viva Asset Management Pte. Ltd., the Trustee-Manager of VI-BT (the "Trustee-Manager"), is responsible for the preparation of financial statements of VI-BT that give a true and fair view in accordance with the provisions of the Business Trusts Act, Chapter 31A of Singapore (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets that are part of the trust property of the registered business trust are safeguarded against loss from unauthorised use or disposition; and transactions by the Trustee-Manager entered into on behalf of or purported to be entered into on behalf of the registered business trust are properly authorised and that they are recorded as necessary to permit the preparation of true and fair accounts and to maintain accountability of assets.

REIT Manager's responsibilities for the financial statements

Viva Industrial Trust Management Pte. Ltd., the Manager of VI-REIT (the "REIT Manager"), is responsible for the preparation and fair presentation of the financial statements of VI-REIT Group and the Stapled Group in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants, and for such internal control as the REIT Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustee-Manager and the REIT Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion:

(a) the financial statements of VI-BT are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of VI-BT as at 31 December 2014 and the results, movements in unitholders' funds and cash flows of VI-BT for the year then ended; and

(b) the consolidated financial statements of VI-REIT Group and the Stapled Group present fairly, in all material respects, the financial positions of VI-REIT Group and the Stapled Group as at 31 December 2014 and the total return, distributable income, movements in unitholders' funds and cash flows of VI-REIT Group and the Stapled Group for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants and the provisions of the VI-REIT Trust Deed and the Stapling Deed.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Trustee-Manager on behalf of VI-BT have been properly kept in accordance with the provisions of the Act.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
27 March 2015

Statements of Financial Position

As at 31 December 2014

	Note	Stapled Group 2014 $'000	Stapled Group 2013 $'000	VI-REIT Group 2014 $'000	VI-REIT Group 2013 $'000	VI-BT 2014 $'000	VI-BT 2013 $'000
Non-current assets							
Subsidiary	4	–	–	–	–	–	–
Investment properties	5	852,700	725,600	852,700	725,600	–	–
Intangible assets	6	13,435	17,635	13,435	17,635	–	–
		866,135	743,235	866,135	743,235	–	–
Current assets							
Trade and other receivables	7	11,423	17,664	11,423	17,664	–	30
Cash and cash equivalents	8	4,957	11,683	4,928	11,683	29	–
		16,380	29,347	16,351	29,347	29	30
Total assets		**882,515**	**772,582**	**882,486**	**772,582**	**29**	**30**
Non-current liabilities							
Interest-bearing borrowings	9	365,571	265,264	365,571	265,264	–	–
Current liabilities							
Trade and other payables	10	22,881	27,670	22,879	27,700	2	–
Interest-bearing borrowings	9	20,456	29,223	20,456	29,223	–	–
Derivative financial instruments	11	322	1,488	322	1,488	–	–
Income tax payable		1,799	382	1,799	382	–	–
		45,458	58,763	45,456	58,793	2	–
Total liabilities		**411,029**	**324,027**	**411,027**	**324,057**	**2**	**–**
Net assets		**471,486**	**448,555**	**471,459**	**448,525**	**27**	**30**
Represented by:							
Stapled Security holders' funds							
Unitholders' funds of VI-REIT		471,459	448,525	471,459	448,525	–	–
Unitholders' funds of VI-BT		27	30	–	–	27	30
		471,486	**448,555**	**471,459**	**448,525**	**27**	**30**
Stapled Securities/Units issued and issuable ('000)	12	**621,884**	**595,091**	**621,884**	**595,091**	**621,884**	**595,091**
Net asset value per Stapled Security/Unit (cents)	13	**75.816**	**75.371**	**75.811**	**75.367**	**0.004**	**0.005**

The accompanying notes form an integral part of these financial statements.

Statements of Total Return of the Stapled Group and VI-REIT Group
Statement of Comprehensive Income of VI-BT
Year ended 31 December 2014

	Note	Stapled Group		VI-REIT Group		VI-BT	
		Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 14/10/2013 to 31/12/2013 $'000
Gross revenue	14	61,740	9,017	61,740	9,017	–	–
Property expenses	15	(20,987)	(3,013)	(20,987)	(3,013)	–	–
Net property income		**40,753**	**6,004**	**40,753**	**6,004**	**–**	**–**
Rental support/rental arrangement	16	12,449	2,470	12,449	2,470	–	–
REIT Manager's fees	17	(4,105)	(642)	(4,105)	(642)	–	–
REIT Trustee's fees		(180)	(33)	(180)	(33)	–	–
Amortisation of intangible assets	6	(4,200)	(665)	(4,200)	(665)	–	–
Other trust expenses	18	(729)	(224)	(725)	(224)	(4)	–
Finance income		42	–	42	–	–	–
Finance expenses	19	(11,731)	(1,681)	(11,731)	(1,681)	–	–
Net income		**32,299**	**5,229**	**32,303**	**5,229**	**(4)**	**–**
Change in fair value of investment properties	5	14,121	(2,556)	14,121	(2,556)	–	–
Change in fair value of derivative financial instruments		1,166	(1,488)	1,166	(1,488)	–	–
Total return for the year/ period before income tax		**47,586**	**1,185**	**47,590**	**1,185**	**(4)**	**–**
Income tax expense	20	(1,791)	(382)	(1,791)	(382)	–	–
Total return for the year/ period after income tax		**45,795**	**803**	**45,799**	**803**	**(4)**	**–**
Earnings per Stapled Security/Unit (cents)							
Basic	21	7.641	0.135	7.641	0.135	–	–
Diluted	21	7.641	0.135	7.641	0.135	–	–
Distribution per Stapled Security/Unit (cents)	21	6.833	1.080	6.833	1.080	–	–

The accompanying notes form an integral part of these financial statements.

Distribution Statements of the Stapled Group and VI-REIT Group

Year ended 31 December 2014

	Stapled Group		VI-REIT Group	
	2014	2013	2014	2013
	$'000	$'000	$'000	$'000
Amount available for distribution to holders of Stapled Securities/Units at beginning of the year/date of constitution	6,421	–	6,421	–
Total return for the year/period	45,795	803	45,799	803
Net tax adjustments (Note A)	(4,832)	5,618	(4,832)	5,618
Income available for distribution for the year/period	40,963	6,421	40,967	6,421
Amount available for distribution to holders of Stapled Securities/Units	47,384	6,421	47,388	6,421
Distribution of 1.095 cents per Stapled Security/Unit for the period from 01/10/14 to 01/12/14	(6,573)	–	(6,573)	–
Distribution of 1.687 cents per Stapled Security/Unit for the period from 01/07/14 to 30/09/14	(10,098)	–	(10,098)	–
Distribution of 1.723 cents per Stapled Security/Unit for the period from 01/04/14 to 30/06/14	(10,284)	–	(10,284)	–
Distribution of 1.722 cents per Stapled Security/Unit for the period from 01/01/14 to 31/03/14	(10,247)	–	(10,247)	–
Distribution of 1.080 cents per Stapled Security/Unit for the period from 04/11/13 to 31/12/13	(6,415)	–	(6,415)	–
	(43,617)	–	(43,617)	–
Amount available for distribution to holders of Stapled Securities/Units at end of the year/period	3,767	6,421	3,771	6,421
Comprising:				
Taxable income	3,117	4,603	3,121	4,603
Tax exempt income	650	1,818	650	1,818
	3,767	6,421	3,771	6,421
Note A - Net tax adjustments comprise:				
- REIT Manager's fees paid/payable in Stapled Securities/Units	4,026	642	4,026	642
- Property Manager's fees paid/payable in Stapled Securities/Units	1,355	202	1,355	202
- Trustee's fees	180	33	180	33
- Adjustment for recognition of rental income on a straight-line basis over the lease term	(1,279)	(281)	(1,279)	(281)
- Amortisation of intangible assets	4,200	665	4,200	665
- Amortisation of debt-related transaction costs	1,853	294	1,853	294
- Change in fair value of investment properties	(14,121)	2,556	(14,121)	2,556
- Change in fair value of derivative financial instruments	(1,166)	1,488	(1,166)	1,488
- Other non-taxable items	120	19	120	19
Net tax adjustments	(4,832)	5,618	(4,832)	5,618

Distributions of the Stapled Group represent the aggregate of distributions by VI-REIT Group and VI-BT. The distributions of the Stapled Group for the current year are contributed solely by VI-REIT Group as VI-BT was inactive during the year.

The accompanying notes form an integral part of these financial statements.

Statements of Movements in Unitholders' Funds

Year ended 31 December 2014

	Stapled Group	Unitholders' funds of VI-REIT Group			Unitholders' funds of VI-BT		
	Total $'000	Units in issue $'000	Accumulated profits $'000	Total $'000	Units in issue $'000	Accumulated losses $'000	Total $'000
At date of constitution	–	–	–	–	–	–	–
Operations							
Increase in net assets resulting from operations	803	–	803	803	–	–	–
Unitholders' transactions							
Issuance of new Units	463,320	463,290	–	463,290	30	–	30
Units issuable:							
- As payment of REIT Manager's fees	642	642	–	642	–	–	–
- As payment of Property Manager's fees	202	202	–	202	–	–	–
Issue expenses	(16,412)	(16,412)	–	(16,412)	–	–	–
Net increase in net assets resulting from Unitholders' transactions	447,752	447,722	–	447,722	30	–	30
At 31 December 2013	448,555	447,722	803	448,525	30	–	30

The accompanying notes form an integral part of these financial statements.

Statements of Movements in Unitholders' Funds

Year ended 31 December 2014

	Stapled Group	Unitholders' funds of VI-REIT Group			Unitholders' funds of VI-BT		
	Total $'000	Units in issue $'000	Accumulated profits $'000	Total $'000	Units in issue $'000	Accumulated losses $'000	Total $'000
At 1 January 2014	448,555	447,722	803	448,525	30	–	30
Operations							
Increase / (decrease) in net assets resulting from operations	45,795	–	45,799	45,799	–	(4)	(4)
Unitholders' transactions							
Issuance of new Units	15,600	15,599	–	15,599	1	–	1
Units issued and issuable:							
- As payment of REIT Manager's fees	4,026	4,026	–	4,026	–	–	–
- As payment of Property Manager's fees	1,355	1,355	–	1,355	–	–	–
Issue expenses	(228)	(228)	–	(228)	–	–	–
Distributions to Unitholders	(43,617)	–	(43,617)	(43,617)	–	–	–
Net (decrease) / increase in net assets resulting from Unitholders' transactions	(22,864)	20,752	(43,617)	(22,865)	1	–	1
At 31 December 2014	471,486	468,474	2,985	471,459	31	(4)	27

The accompanying notes form an integral part of these financial statements.

Portfolio Statements

As at 31 December 2014

Stapled Group

Description of Property	Leasehold tenure	Remaining lease term at 31/12/2014 (years)	Location	Existing use	Carrying value at 31/12/2014 $'000	Carrying value at 31/12/2013 $'000	Percentage of net assets at 31/12/2014 %	Percentage of net assets at 31/12/2013 %
Investment properties Singapore								
UE BizHub EAST (Business Park Component) #	30+30 years from 1 February 2008	53	6 & 8 Changi Business Park Avenue 1	Business park	374,000	365,000	79.3	81.4
UE BizHub EAST (Hotel Component) #	30+30 years from 1 February 2008	53	2 & 4 Changi Business Park Avenue 1	Hotel	140,000	138,500	29.7	30.9
Technopark@ Chai Chee #	Plot 1: 60 years from 1 April 1971 in respect of Lot 8134N Mukim 27	16	Blocks 750 to 750E Chai Chee Road	Business park	195,300	194,100	41.4	43.3
	Plot 2: 43 years from 1 March 1988 in respect of Lot 7837V Mukim 27	16						
Mauser Singapore #	60 years from 19 July 2006	52	81 Tuas Bay Drive	Logistics	28,000	28,000	5.9	6.2
Jackson Square	60 years from 16 May 1969	14	11 Lorong 3 Toa Payoh	Light industrial	82,000	–	17.4	–
Jackson Design Hub	30+30 years from 1 May 2007	52	29 Tai Seng Street	Light industrial	33,400	–	7.1	–
Investment properties, at valuation					852,700	725,600	180.8	161.8
Other assets and liabilities (net)					(381,214)	(277,045)	(80.8)	(61.8)
Net assets					**471,486**	**448,555**	**100.0**	**100.0**

The accompanying notes form an integral part of these financial statements.

Portfolio Statements

As at 31 December 2014

VI-REIT Group

Description of Property	Leasehold tenure	Remaining lease term at 31/12/2014 (years)	Location	Existing use	Carrying value at 31/12/2014 $'000	Carrying value at 31/12/2013 $'000	Percentage of net assets at 31/12/2014 %	Percentage of net assets at 31/12/2013 %
Investment properties Singapore								
UE BizHub EAST (Business Park Component) #	30+30 years from 1 February 2008	53	6 & 8 Changi Business Park Avenue 1	Business park	374,000	365,000	79.3	81.4
UE BizHub EAST (Hotel Component) #	30+30 years from 1 February 2008	53	2 & 4 Changi Business Park Avenue 1	Hotel	140,000	138,500	29.7	30.9
Technopark@ Chai Chee #	Plot 1: 60 years from 1 April 1971 in respect of Lot 8134N Mukim 27	16	Blocks 750 to 750E Chai Chee Road	Business park	195,300	194,100	41.4	43.3
	Plot 2: 43 years from 1 March 1988 in respect of Lot 7837V Mukim 27	16						
Mauser Singapore #	60 years from 19 July 2006	52	81 Tuas Bay Drive	Logistics	28,000	28,000	5.9	6.2
Jackson Square	60 years from 16 May 1969	14	11 Lorong 3 Toa Payoh	Light industrial	82,000	–	17.4	–
Jackson Design Hub	30+30 years from 1 May 2007	52	29 Tai Seng Street	Light industrial	33,400	–	7.1	–
Investment properties, at valuation					852,700	725,600	180.8	161.8
Other assets and liabilities (net)					(381,241)	(277,075)	(80.8)	(61.8)
Net assets					**471,459**	**448,525**	**100.0**	**100.0**

 # Further defined as Initial Properties

The accompanying notes form an integral part of these financial statements.

Portfolio Statements

As at 31 December 2014

Independent valuations of the investment properties as at 31 December 2014 were undertaken by Suntec Real Estate Consultants Pte Ltd. Valuations of the investment properties as at 31 December 2013 were based on the average of the independent valuations undertaken by Suntec Real Estate Consultants Pte Ltd and Jones Lang LaSalle Property Consultants Pte Ltd.

In determining the fair value, the valuers have used valuation techniques which involve certain estimates. In relying on the valuation reports, the REIT Manager has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

The fair values of the investment properties are based on open market values, which are the valuers' opinion of the best price at which the sale of an interest in each property would complete unconditionally for cash consideration on the date of valuation, and are prepared in accordance with recognised appraisal and valuation standards.

The valuers have considered the direct comparison method, capitalisation method and discounted cash flows method in arriving at the open market values of the properties.

The Initial Properties have been mortgaged as security for loan facilities granted by a syndication of banks and financial institutions to VI-REIT Group (See Note 9).

Mauser Singapore is leased to a related party of the REIT Manager under a master lease agreement. The lease contains an initial term of approximately six years from 4 November 2013 with an option to renew for a further five years.

The Hotel Leased Premises of UE BizHub EAST are leased to a single tenant under a hotel lease agreement. The hotel lease contains an initial term of five years from 4 November 2013, which will be renewed for a further five years, subject to approval by JTC Corporation.

Jackson Design Hub is leased to a single tenant under a master lease agreement for a term of 10 years from 21 November 2014.

The accompanying notes form an integral part of these financial statements.

Statements of Cash Flows

Year ended 31 December 2014

	Stapled Group		VI-REIT Group		VI-BT	
	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 14/10/2013 to 31/12/2013 $'000
Cash flows from operating activities						
Total return for the year/period before income tax	47,586	1,185	47,590	1,185	(4)	–
Adjustments for:						
Effects of recognising rental income on a straight-line basis over the lease term	(1,279)	(281)	(1,279)	(281)	–	–
Finance income	(42)	–	(42)	–	–	–
Finance expenses	11,731	1,681	11,731	1,681	–	–
Change in fair value of investment properties	(14,121)	2,556	(14,121)	2,556	–	–
Change in fair value of derivative financial instruments	(1,166)	1,488	(1,166)	1,488	–	–
Amortisation of intangible assets	4,200	665	4,200	665	–	–
REIT Manager's fees paid/payable in Stapled Securities/Units (Note B below)	4,026	642	4,026	642	–	–
Property Manager's fees paid/payable in Stapled Securities /Units (Note B below)	1,355	202	1,355	202	–	–
Operating income/(loss) before working capital changes	**52,290**	**8,138**	**52,294**	**8,138**	**(4)**	**–**
Changes in working capital:						
Trade and other receivables	7,560	(17,383)	7,560	(17,383)	30	(30)
Trade and other payables	(1,913)	21,938	(1,945)	21,968	2	–
Cash generated from/(used in) operations	**57,937**	**12,693**	**57,909**	**12,723**	**28**	**(30)**
Income tax paid	(374)	–	(374)	–	–	–
Net cash generated from/(used in) operating activities	**57,563**	**12,693**	**57,535**	**12,723**	**28**	**(30)**
Cash flows from investing activities						
Acquisition of investment properties (Note A below)	(112,851)	(746,456)	(112,851)	(746,456)	–	–
Payment for capital expenditure on investment properties	(128)	–	(128)	–	–	–
Net cash used in investing activities	**(112,979)**	**(746,456)**	**(112,979)**	**(746,456)**	**–**	**–**

The accompanying notes form an integral part of these financial statements.

Statements of Cash Flows

Year ended 31 December 2014

	Stapled Group		VI-REIT Group		VI-BT	
	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 14/10/2013 to 31/12/2013 $'000
Cash flows from financing activities						
Proceeds from issue of new Stapled Securities/Units	15,600	444,020	15,599	443,990	1	30
Issue expenses paid	(4,859)	(11,769)	(4,859)	(11,769)	–	–
Proceeds from borrowings	100,000	300,000	100,000	300,000	–	–
Repayment of borrowings	(9,000)	–	(9,000)	–	–	–
Payment of transaction costs on borrowings	(1,314)	(5,405)	(1,314)	(5,405)	–	–
Finance expenses paid	(8,120)	(700)	(8,120)	(700)	–	–
Distributions paid to holders of Stapled Securities/Units	(43,617)	–	(43,617)	–	–	–
Proceeds from private trust debt extended by a unitholder	–	19,300	–	19,300	–	–
Net cash generated from financing activities	**48,690**	**745,446**	**48,689**	**745,416**	**1**	**30**
Net (decrease)/increase in cash and cash equivalents	**(6,726)**	**11,683**	**(6,755)**	**11,683**	**29**	**–**
Cash and cash equivalents at beginning of the year/date of constitution	11,683	–	11,683	–	–	–
Cash and cash equivalents at end of the year/period (Note 8)	**4,957**	**11,683**	**4,928**	**11,683**	**29**	**–**

The accompanying notes form an integral part of these financial statements.

Statements of Cash Flows

Year ended 31 December 2014

Notes:

(A) Acquisition of Investment Properties

Net cash outflow arising from the acquisition of investment properties is set out below:

	VI-REIT Group and Stapled Group	
	Year ended 31/12/2014	Period from 23/8/2013 to 31/12/2013
	$'000	$'000
Purchase consideration for investment properties (including intangible assets in connection with the Initial Properties)	111,486	739,000
Costs directly attributable to the acquisition of investment properties	1,365	7,456
Net cash outflow	112,851	746,456

(B) Significant Non-Cash Transactions

For the year ended 31 December 2014, an aggregate of 5,083,321 (2013: 829,645) new Stapled Securities, amounting to approximately $4,026,000 (2013: $642,000), are issued/issuable to the REIT Manager as payment of the REIT Manager's fees; and an aggregate of 1,709,606 (2013: 260,790) new Stapled Securities, amounting to approximately $1,355,000 (2013: $202,000), are issued/issuable to the Property Manager as payment of the Property Manager's fees.

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

Year ended 31 December 2014

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Trustee-Manager, the REIT Manager and the REIT Trustee on 27 March 2015.

1. GENERAL

Viva Industrial Trust ("VIT") is a stapled group (the "Stapled Group") comprising Viva Industrial Real Estate Investment Trust ("VI-REIT") and its subsidiary (collectively, "VI-REIT Group") and Viva Industrial Business Trust ("VI-BT").

VI-REIT is a Singapore-domiciled real estate investment trust constituted pursuant to the trust deed dated 23 August 2013 and as amended and restated by a first amending and restating deed dated 14 October 2013 (the "VI-REIT Trust Deed") made between Viva Industrial Trust Management Pte. Ltd. (the "REIT Manager") and The Trust Company (Asia) Limited (the "REIT Trustee"). The VI-REIT Trust Deed is governed by the laws of the Republic of Singapore. The REIT Trustee is under a duty to take into custody and hold the assets of VI-REIT held by it in trust for the holders of units in VI-REIT.

VI-BT is a Singapore-domiciled business trust constituted by a trust deed dated 14 October 2013 (the "VI-BT Trust Deed") and is managed by Viva Asset Management Pte. Ltd. (the "Trustee-Manager").

The registered office of the REIT Manager and the Trustee-Manager is located at 750 Chai Chee Road, #04-03 Technopark@Chai Chee, Singapore 469000.

The securities in each of VI-REIT and VI-BT are stapled together under the terms of a stapling deed dated 14 October 2013 entered into between the REIT Manager, the REIT Trustee and the Trustee-Manager (the "Stapling Deed") and cannot be traded separately. Each stapled security in Viva Industrial Trust (the "Stapled Security") comprises a unit in VI-REIT (the "VI-REIT Unit") and a unit in VI-BT (the "VI-BT Unit").

Viva Industrial Trust was formally admitted to the Official List of Singapore Exchange Securities Trading Limited ("SGX-ST") on 4 November 2013 (the "Listing Date").

The principal activity of VI-REIT is to invest in a diversified portfolio of income-producing real estates which are used predominantly for business park and other industrial purposes in Singapore and elsewhere in the Asia-Pacific region, as well as real estate-related assets in connection with the foregoing, with the primary objective of achieving an attractive level of return from rental income and long-term capital growth. During the year, VI-REIT established a wholly-owned subsidiary, Viva iTrust MTN Pte. Ltd., to establish and act as the issuer of a $500 million Multicurrency Medium Term Note ("MTN") Programme. As at the balance sheet date, VI-BT remains inactive.

The consolidated financial statements of the Stapled Group comprise the financial statements of VI-BT and VI-REIT Group.

At the balance sheet date, the immediate and ultimate holding companies of the Stapled Group are Wealthy Fountain Holdings Inc and Shanghai Summit Pte. Ltd., respectively.

1. GENERAL (CONT'D)

Several service agreements were entered into in relation to the management of VI-BT and VI-REIT, and its property operations. The fee structures of these services are as follows:

(i) Fees Payable to the Trustee-Manager

Management Fees Payable to the Trustee-Manager

Under the VI-BT Trust Deed, the Trustee-Manager is entitled to the following management fees payable in the event that VI-BT becomes active:

– a Business Trust ("BT") Base Fee of 10.0% per annum of the Distributable Income of VI-BT (as defined in the VI-BT Trust Deed) (calculated before accounting for the BT Base Fee and BT Performance Fee); and

– a BT Performance Fee equal to 25.0% per annum of the difference in Distribution per Stapled Security ("DPS") of VIT in a financial year with the DPS of VIT in the preceding complete financial year (calculated before accounting for the REIT Performance Fee and BT Performance Fee but after accounting for the REIT Base Fee and BT Base Fee in each financial year) multiplied by the weighted average number of Stapled Securities in issue for such financial year.

The BT Performance Fee is payable if the DPS of VIT in respect of a financial year exceeds the DPS of VIT in the preceding complete financial year, notwithstanding that the DPS of VIT in the financial year where the BT Performance Fee is payable may be less than the DPS of VIT in any financial year prior to the preceding complete financial year.

There should be no double-counting of fees in the event that both the REIT Manager and the Trustee-Manager are entitled to the Base Fee and the Performance Fee. In the event that both the REIT Manager and the Trustee-Manager are entitled to the Performance Fee, such fees payable to both the REIT Manager and the Trustee-Manager will be apportioned based on the respective proportionate contributions of VI-REIT and VI-BT in the Performance Fee. For the avoidance of doubt, the maximum Base Fee payable to both the REIT Manager and the Trustee-Manager collectively is 10.0% per annum of the Distributable Income of VIT and the maximum Performance Fee payable to both the REIT Manager and the Trustee-Manager collectively is 25.0% per annum of the difference in DPS of VIT in a financial year compared to the DPS of VIT in the preceding complete financial year (calculated before accounting for the Performance Fee but after accounting for the Base Fee in each financial year) multiplied by the weighted average number of Stapled Securities in issue for such financial year.

The Trustee-Manager may elect to receive the BT Base Fee and the BT Performance Fee in cash or Stapled Securities or a combination of cash and Stapled Securities (as it may in its sole discretion determine).

Any portion of the management fees payable in the form of Stapled Securities shall be payable quarterly in arrears and any portion of the management fees payable in cash shall be payable monthly in arrears.

1. GENERAL (CONT'D)

(i) Fees Payable to the Trustee-Manager (cont'd)

Acquisition Fee and Divestment Fee Payable to the Trustee-Manager

The Trustee-Manager is also entitled to:

– an acquisition fee of 1.0% of any of the following as is applicable (subject to there being no double-counting):

(i) in relation to an acquisition (whether directly or indirectly through one or more Special Purpose Vehicles ("SPVs") of VI-BT) of any real estate, the acquisition price of any real estate purchased by VI-BT, plus any other payments in addition to the acquisition price made by VI-BT or its SPVs to the vendor in connection with the purchase of the real estate (pro-rated if applicable to the proportion of VI-BT's interest);

(ii) in relation to an acquisition (whether directly or indirectly through one or more SPVs of VI-BT) of any SPVs or holding entities which holds real estate, the underlying value of any real estate which is taken into account when computing the acquisition price payable for the acquisition from the vendor of the equity interests in any vehicle holding, directly or indirectly, the real estate purchased by VI-BT, plus any additional payments made by VI-BT or its SPVs to the vendor in connection with the purchase of such equity interests (pro-rated if applicable to the proportion of VI-BT's interest); or

(iii) the acquisition price of any investment by VI-BT, whether directly or indirectly through one or more SPVs of VI-BT, in any debt securities of any property corporation or other SPV owning or acquiring real estate.

– a divestment fee of 0.5% of any of the following as is applicable (subject to there being no double-counting):

(i) the sale price of any real estate sold or divested, whether directly or indirectly through one or more SPVs, by VI-BT (plus any other payments in addition to the sale price received by VI-BT or its SPVs from the purchaser in connection with the sale or divestment of the real estate) (pro-rated if applicable to the proportion of VI-BT's interest);

(ii) the underlying value of any real estate which is taken into account when computing the sale price for the equity interests in any vehicle holding, directly or indirectly, the real estate, sold or divested, whether directly or indirectly through one or more SPVs, by VI-BT (plus any additional payments received by VI-BT or its SPVs from the purchaser in connection with the sale or divestment of such equity interests) (pro-rated if applicable to the proportion of VI-BT's interest); or

(iii) the sale price of any investment sold or divested by VI-BT, whether directly or indirectly through one or more SPVs of VI-BT, in any debt securities of any property corporation or other SPVs owning or acquiring real estate.

Any payment to third party agents or brokers in connection with the acquisition or divestment of any real estate of VI-BT shall be paid by the Trustee-Manager out of the VI-BT Trust Property and not by the Trustee-Manager to such persons.

1. GENERAL (CONT'D)

(i) Fees Payable to the Trustee-Manager (cont'd)

Acquisition Fee and Divestment Fee Payable to the Trustee-Manager (cont'd)

The acquisition fee and divestment fee are payable to the Trustee-Manager in the form of cash and/or Stapled Securities (as the Trustee-Manager may elect) provided that in respect of any acquisition and sale or divestment of real estate assets from/to related parties, such a fee shall be in the form of Stapled Securities at prevailing market price(s) instead of cash. The Stapled Securities issued to the Trustee-Manager as its acquisition or divestment fee shall not be sold within one year from the date of their issuance.

Development Management Fee Payable to the Trustee-Manager

The Trustee-Manager is entitled to development management fees equivalent to 3.0% of the Total Project Costs (as defined in the VI-BT Trust Deed) incurred in a Development Project (as defined in the VI-BT Trust Deed) undertaken by the Trustee-Manager on behalf of VI-BT.

Trustee Fee Payable to the Trustee-Manager

Under the VI-BT Trust Deed, the Trustee-Manager is entitled to a trustee fee in cash of up to 0.03% per annum of the value of the VI-BT Trust Property, provided that the value of the VI-BT Trust Property is at least $50.0 million.

For the purpose of calculating the trustee fee, if VI-BT holds only a partial interest in any of the VI-BT Trust Property, such VI-BT Trust Property shall be pro-rated in proportion to the partial interest held.

The trustee fee shall be payable in arrears on a monthly basis in the form of cash.

(ii) REIT Trustee's fee

Under the VI-REIT Trust Deed, the REIT Trustee's fee is presently charged on a scaled basis of up to 0.015% per annum of the value of VI-REIT's Deposited Property, subject to a minimum of $15,000 per month. The actual fee payable will be determined between the REIT Manager and the REIT Trustee from time to time.

(iii) Fees Payable to the REIT Manager

Management Fees Payable to the REIT Manager

Under the VI-REIT Trust Deed, the REIT Manager is entitled to the following management fees:

- a REIT Base Fee of 10.0% per annum of the Distributable Income of VI-REIT (as defined in the VI-REIT Trust Deed) (calculated before accounting for the REIT Base Fee and the REIT Performance Fee); and

- a REIT Performance Fee equal to 25.0% per annum of the difference in DPS of VIT in a financial year with the DPS of VIT in the preceding complete financial year (calculated before accounting for the REIT Performance Fee and the BT Performance Fee but after accounting for the REIT Base Fee and the BT Base Fee in each financial year) multiplied by the weighted average number of Stapled Securities in issue for such financial year.

1. GENERAL (CONT'D)

(iii) Fees Payable to the REIT Manager (cont'd)

Management Fees Payable to the REIT Manager (cont'd)

The REIT Performance Fee is payable if the DPS of VIT in respect of a financial year exceeds the DPS of VIT in the preceding complete financial year, notwithstanding that the DPS of VIT in the financial year where the REIT Performance Fee is payable may be less than the DPS of VIT in any financial year prior to the preceding complete financial year.

There should be no double-counting of fees in the event that both the REIT Manager and the Trustee-Manager are entitled to the Base Fee and the Performance Fee. In the event that both the REIT Manager and the Trustee-Manager are entitled to the Performance Fee, such fees payable to both the REIT Manager and the Trustee-Manager will be apportioned based on the respective proportionate contributions of VI-REIT and VI-BT in the Performance Fee. For the avoidance of doubt, the maximum Base Fee payable to both the REIT Manager and the Trustee-Manager collectively is 10.0% per annum of the Distributable Income of VIT and the maximum Performance Fee payable to both the REIT Manager and the Trustee-Manager collectively is 25.0% per annum of the difference in DPS of VIT in a financial year compared to the DPS of VIT in the preceding complete financial year (calculated before accounting for the Performance Fee but after accounting for the Base Fee in each financial year) multiplied by the weighted average number of Stapled Securities in issue for such financial year.

The REIT Manager has elected for the portion of the REIT Base Fee attributable to the Initial Properties and the REIT Performance Fee for the period from the Listing Date to 31 December 2015 to be payable in Stapled Securities. Thereafter, the REIT Manager may elect to receive the REIT Base Fee and the REIT Performance Fee in cash or Stapled Securities or a combination of cash and Stapled Securities (as it may in its sole discretion determine).

Any portion of management fees payable in the form of Stapled Securities shall be payable quarterly in arrears and any portion of management fees payable in cash shall be payable monthly in arrears.

Acquisition Fee and Divestment Fee Payable to the REIT Manager

The REIT Manager is also entitled to:

– an acquisition fee of 1.0% of any of the following as is applicable (subject to there being no double-counting):

  (i) in relation to an acquisition (whether directly or indirectly through one or more SPVs of VI-REIT) of any real estate, the acquisition price of any real estate purchased by VI-REIT, plus any other payments in addition to the acquisition price made by VI-REIT or its SPVs to the vendor in connection with the purchase of the real estate (pro-rated if applicable to the proportion of VI-REIT's interest);

  (ii) in relation to an acquisition (whether directly or indirectly through one or more SPVs of VI-REIT) of any SPVs or holding entities which holds real estate, the underlying value of any real estate which is taken into account when computing the acquisition price payable for the acquisition from the vendor of the equity interests in any vehicle holding, directly or indirectly, the real estate purchased by VI-REIT, plus any additional payments made by VI-REIT or its SPVs to the vendor in connection with the purchase of such equity interests (pro-rated if applicable to the proportion of VI-REIT's interest); or

1. GENERAL (CONT'D)

(iii) Fees Payable to the REIT Manager (cont'd)

Acquisition Fee and Divestment Fee Payable to the REIT Manager (cont'd)

(iii) the acquisition price of any investment by VI-REIT, whether directly or indirectly through one or more SPVs of VI-REIT, in any debt securities of any property corporation or other SPV owning or acquiring real estate.

– a divestment fee of 0.5% of any of the following as is applicable (subject to there being no double-counting):

(i) the sale price of any real estate sold or divested, whether directly or indirectly through one or more SPVs, by VI-REIT (plus any other payments in addition to the sale price received by VI-REIT or its SPVs from the purchaser in connection with the sale or divestment of the real estate) (pro-rated if applicable to the proportion of VI-REIT's interest);

(ii) the underlying value of any real estate which is taken into account when computing the sale price for the equity interests in any vehicle holding directly or indirectly the real estate, sold or divested, whether directly or indirectly through one or more SPVs, by VI-REIT (plus any additional payments received by VI-REIT or its SPVs from the purchaser in connection with the sale or divestment of such equity interests) (pro-rated if applicable to the proportion of VI-REIT's interest); or

(iii) the sale price of any investment sold or divested by VI-REIT, whether directly or indirectly through one or more SPVs of VI-REIT, in any debt securities of any property corporation or other SPVs owning or acquiring real estate.

Any payment to third party agents or brokers in connection with the acquisition or divestment of any real estate of VI-REIT shall be paid by the REIT Manager out of the VI-REIT Deposited Property and not by the REIT Manager to such persons.

The acquisition fee and divestment fee are payable to the REIT Manager in the form of cash and/or Stapled Securities (as the REIT Manager may elect) provided that in respect of any acquisition and sale or divestment of real estate assets from/to related parties, such a fee shall be in the form of Stapled Securities at prevailing market price(s) instead of cash. The Stapled Securities issued to the REIT Manager as its acquisition or divestment fee shall not be sold within one year from the date of their issuance.

Development Management Fee Payable to the REIT Manager

The REIT Manager is entitled to development management fees equivalent to 3.0% of the Total Project Costs (as defined in the VI-REIT Trust Deed) incurred in a Development Project (as defined in the VI-REIT Trust Deed) undertaken by the REIT Manager on behalf of VI-REIT.

1. GENERAL (CONT'D)

(iv) Property Manager's fee

Property and lease management fees

Under the property management agreement dated 14 October 2013 (the "Property Management Agreement") between VI-REIT and Viva Real Estate Asset Management Pte. Ltd. (the "Property Manager"), the Property Manager is entitled to the following management fees on each property of VI-REIT located in Singapore under its management:

– a property management fee of 2.0% per annum of the gross revenue of each property, except for the Hotel Leased Premises of UE BizHub EAST for which property management fee is based on 1.0% per annum of its gross revenue; and

– a lease management fee of 1.0% per annum of the gross revenue of each property, except for the Hotel Leased Premises of UE BizHub EAST for which no lease management fee is payable to the Property Manager.

The Property Manager has waived its right to the lease management fee in respect of UE BizHub EAST and Mauser Singapore for the first three years from the Listing Date.

The Property Manager has elected for the property and lease management fees in respect of the Initial Properties for the period from the Listing Date to 31 December 2015 to be payable in Stapled Securities. Thereafter, the Property Manager may elect to receive the property and lease management fees in cash or Stapled Securities or a combination of cash and Stapled Securities (as it may in its sole discretion determine).

Any portion of management fees payable in the form of Stapled Securities shall be payable quarterly in arrears and any portion of management fees payable in cash shall be payable monthly in arrears.

Marketing services fee

The Property Manager is entitled to the following marketing services commissions:

– up to one month's gross rent inclusive of service charge, for securing a tenancy of three years or less;

– up to two months' gross rent inclusive of service charge, for securing a tenancy of more than three years;

– up to 0.5 month's gross rent inclusive of service charge, for securing a renewal of tenancy of three years or less; and

– up to one month's gross rent inclusive of service charge, for securing a renewal of tenancy of more than three years.

1. GENERAL (CONT'D)

(iv) Property Manager's fee (cont'd)

Marketing services fee (cont'd)

If a third party agent secures a tenancy, the Property Manager will be responsible for all marketing services commission payable to such third party agent, and the Property Manager will be entitled to the following marketing services commissions:

– up to 1.2 months' gross rent inclusive of service charge, for securing a tenancy of three years or less; and

– up to 2.4 months' gross rent inclusive of service charge, for securing a tenancy of more than three years.

The marketing services fee is payable to the Property Manager in cash.

Project management fee

The Property Manager is entitled to the following fees in relation to the refurbishment, retrofitting and renovation works on a property:

– a fee of 3.0% of the construction costs, where the construction costs are $2.0 million or less;

– a fee of 2.0% of the construction costs or $60,000, whichever is the higher, where the construction costs exceed $2.0 million but do not exceed $20.0 million;

– a fee of 1.5% of the construction costs or $400,000, whichever is the higher, where the construction costs exceed $20.0 million but do not exceed $50.0 million; and

– a fee of 1.4% of the construction costs or $750,000, whichever is the higher, where the construction costs exceed $50.0 million.

The project management fee is payable to the Property Manager in cash.

Property tax services fee

In relation to the services provided in respect of property tax objections submitted to the tax authorities on any proposed annual value of a property, the Property Manager is entitled to the following fees if as a result of such objections, the proposed annual value of a property is reduced, resulting in property tax savings for VI-REIT:

– if the proposed annual value is reduced by $1.0 million or less, 7.5% of the property tax savings;

– if the proposed annual value is reduced by more than $1.0 million but less than $5.0 million, 5.5% of the property tax savings; and

– if the proposed annual value is reduced by more than $5.0 million, 5.0% of the property tax savings.

The property tax services fee is payable to the Property Manager in cash.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of VI-BT are prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The consolidated financial statements of VI-REIT Group and the Stapled Group are prepared in accordance with the Statement of Recommended Accounting Practice ("RAP") 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants, and the applicable requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the VI-REIT Trust Deed and the Stapling Deed. RAP 7 requires the accounting policies to generally comply with the recognition and measurement principles of FRS.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain assets and liabilities which are measured at fair value as set out in the accounting policies below.

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollars, which is the functional currency of VI-BT and VI-REIT. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies, assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the financial statements is described in the following notes:

- Note 5 – valuation of investment properties
- Note 23 – valuation of financial instruments

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied by VI-BT, VI-REIT Group and the Stapled Group consistently to the periods presented in these financial statements.

3.1 Consolidation

Stapling

Where entities enter into a stapling arrangement, the stapling arrangement is accounted for as a business combination under the purchase method except where the entities entering into the stapling arrangement are entities under common control, in which case, the stapling arrangement is accounted for as a business combination under common control, in a manner similar to the pooling of interest method.

Subsidiary

A subsidiary is an entity controlled by VI-REIT Group. VI-REIT Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements of VI-REIT Group and the Stapled Group.

3.2 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Stapled Group entities at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated to the functional currency at the exchange rate prevailing at that balance sheet date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date on which the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in the statement of total return.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value with any change therein recognised in the statement of total return or profit or loss (as the case may be). The cost of a purchased property comprises its purchase price and any directly attributable expenditure including transaction costs. The fair values of investment properties are determined based on the valuations undertaken by independent registered valuers at least once a year.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the investment property) is recognised in the statement of total return.

Investment properties are not depreciated. Investment properties are subject to continued maintenance and are regularly revalued on the basis set out above.

3.4 Intangible assets

Intangible assets are measured initially at cost. Following the initial recognition, the intangible assets are measured at cost less any accumulated amortisation and impairment losses.

The intangible assets are amortised in the statement of total return on a systematic basis over their estimated useful lives of 2 years and 5 years. The intangible assets are tested for impairment as described in Note 3.6.

3.5 Financial instruments

Non-derivative financial assets

The Stapled Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Stapled Group becomes a party to the contractual provisions of the instrument.

The Stapled Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Stapled Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Stapled Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Non-derivative financial assets are classified into the loans and receivables category.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Financial instruments (cont'd)

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables, and cash and cash equivalents.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

Non-derivative financial liabilities

The Stapled Group initially recognises financial liabilities (including liabilities designated at fair value through statement of total return or profit or loss (as the case may be)) on the trade date, which is the date that the Stapled Group becomes a party to the contractual provisions of the instrument.

The Stapled Group derecognises a financial liability when its contractual obligations are discharged or cancelled or when they expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Stapled Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Stapled Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise borrowings, trade and other payables, and rental deposits.

Derivative financial instruments

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the statement of total return or profit or loss (as the case may be) when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in the statement of total return or profit or loss (as the case may be). Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivatives are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through the statement of total return or profit or loss (as the case may be).

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 Impairment

Non-derivative financial assets

A financial asset not carried at fair value through the statement of total return or profit or loss (as the case may be) is assessed at each balance sheet date to determine whether there is any objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has a negative impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Stapled Group on terms that the Stapled Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security.

Loans and receivables

The Stapled Group considers evidence of impairment for loans and receivables at specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Stapled Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in the statement of total return or profit or loss (as the case may be) and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When the Stapled Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the statement of total return or profit or loss (as the case may be).

Non-financial assets

The carrying amounts of the Stapled Group's non-financial assets, other than investment properties, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 Impairment (cont'd)

Non-financial assets (cont'd)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of total return or profit or loss (as the case may be).

Impairment losses recognised in prior periods are assessed at each balance sheet date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.7 Unitholders' funds

Unitholders' funds of the Stapled Group comprise unitholders' funds of VI-BT and VI-REIT Group. Unitholders' funds are classified as equity.

Issue expenses relate to expenses incurred in connection with the issue of Stapled Securities and are deducted directly against the unitholders' funds.

3.8 Revenue recognition

Rental income from operating leases

Rental income from operating leases is recognised in the statement of total return or profit or loss (as the case may be) on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised as an integral part of the total rental income to be received. Variable rentals are recognised as income in the accounting period in which they are earned and the amount can be measured reliably.

3.9 Finance income and finance expense

Finance income comprises interest income and net gains on hedging instruments that are recognised in the statement of total return or profit or loss (as the case may be). Interest income is recognised as it accrues, using the effective interest method.

Finance expense comprises interest expense on borrowings, amortisation of debt-related transaction costs, and net losses on hedging instruments that are recognised in the statement of total return or profit or loss (as the case may be). Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the statement of total return or profit or loss (as the case may be) using the effective interest method.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the statement of total return or profit or loss (as the case may be) except to the extent that they relate to items recognised directly in unitholders' funds.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Stapled Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Stapled Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Stapled Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Stapled Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the taxation of VI-REIT for income earned and expenditure incurred after its listing on SGX-ST. Subject to meeting the terms and conditions of the tax ruling which includes the distribution of at least 90% of VI-REIT's taxable income, VI-REIT will not be taxed on the portion of its taxable income that is distributed to holders of VI-REIT Units ("Unitholders"). Any portion of VI-REIT's taxable income that is not distributed to Unitholders will be taxed at VI-REIT's level. In the event that there are subsequent adjustments to the taxable income when the actual taxable income of VI-REIT is finally agreed with the IRAS, such adjustments are taken up as an adjustment to the taxable income for the next distribution following the agreement with IRAS.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Tax (cont'd)

Although VI-REIT is not taxed on the portion of its taxable income that is distributed to Unitholders, the REIT Trustee and the REIT Manager are required to withhold income tax at the applicable corporate tax rates from the distributions of such taxable income (i.e. which has not been taxed in the hands of the REIT Trustee) to certain Unitholders.

Qualifying Unitholders are entitled to receive gross distributions of taxable income from VI-REIT. For distributions of VI-REIT's taxable income made to qualifying non-resident non-individual Unitholders during the period up to 31 March 2020, the REIT Trustee and the REIT Manager are required to withhold income tax at the reduced concessionary tax rate of 10% from such distributions made. For other types of Unitholders, the REIT Trustee and the REIT Manager are required to withhold income tax at the prevailing corporate tax rate from the distributions of taxable income made by VI-REIT. Such other types of Unitholders are subject to tax on the regrossed amounts of the distributions received but may claim a credit for the tax deducted at source at the prevailing corporate tax rate by the REIT Trustee.

A Qualifying Unitholder refers to a unit holder who is:

- An individual;
- A company incorporated and tax resident in Singapore;
- A Singapore branch of a company incorporated outside Singapore that has obtained the IRAS's approval for distributions to be made to it by VI-REIT without deduction of tax; or
- A body of persons incorporated or registered in Singapore, including a charity registered under the Charities Act (Cap. 37) or established by any written law, a town council, a statutory board, a co-operative society registered under the Co-operative Societies Act (Cap. 62) or a trade union registered under the Trade Unions Act (Cap. 333).

A qualifying non-resident non-individual Unitholder refers to a unit holder who:

- does not have any permanent establishment in Singapore; or
- carries on any operation through a permanent establishment in Singapore, where the funds used by that person to acquire the units in VI-REIT are not obtained from that operation in Singapore.

The above tax transparency ruling does not apply to gains from the disposal of any properties such as immovable properties and shares that are determined by the IRAS to be revenue gains chargeable to tax; and income derived by VI-REIT but not distributed to the Unitholders in the same year in which the income is derived. Such gains or profits will be subject to tax in accordance with Section 10(1)(a) of the Income Tax Act (Cap. 134) and the resultant tax will be collected from the REIT Trustee.

Distributions made out of after-tax amounts will not be subject to any further tax. Where the disposal gains are regarded as capital in nature, such gains will not be subject to tax and the REIT Trustee and the REIT Manager may distribute the capital gains without tax being deducted at source.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.11 Segment reporting

An operating segment is a component of the Stapled Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that arise from transactions with any of the other components of the Stapled Group. All operating segments' operating results are reviewed regularly by the Board of Directors of the REIT Manager to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

3.12 New standards and interpretations not adopted

A number of new financial reporting standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Stapled Group.

4. SUBSIDIARY

Investment in a subsidiary is stated in VI-REIT's statement of financial position at cost less accumulated impairment losses.

	VI-REIT	
	2014	2013
	$'000	$'000
Unquoted equity investment, at cost	*	–

* *Denotes an amount of $1*

Details of the subsidiary are as follows:

Name of subsidiary	Principal activities	Country of incorporation	Effective equity interest held	
			2014	2013
			%	%
Held through VI-REIT				
Viva iTrust MTN Pte. Ltd. #	To establish and act as the issuer of a MTN Programme	Singapore	100	–

\# *Audited by KPMG Singapore*

On 28 August 2014, VI-REIT acquired 100% of the equity interest in Viva iTrust MTN Pte. Ltd., which established a $500 million Multicurrency MTN Programme on that same date.

5 INVESTMENT PROPERTIES

	Stapled Group		VI-REIT Group		VI-BT	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000
At beginning of the year/ date of constitution	725,600	–	725,600	–	–	–
Acquisition of investment properties	111,486	739,000	111,486	739,000	–	–
Acquisition related costs	1,365	7,456	1,365	7,456	–	–
Fair value of rental differential recognised as intangible assets (note 6)	–	(18,300)	–	(18,300)	–	–
	112,851	728,156	112,851	728,156	–	–
Capital expenditure incurred	128	–	128	–	–	–
Change in fair value	14,121	(2,556)	14,121	(2,556)	–	–
At end of the year/period	852,700	725,600	852,700	725,600	–	–

The investment properties are stated at fair value based on the independent valuations undertaken by Suntec Real Estate Consultants Pte Ltd as at 31 December 2014 (2013: based on the average of the independent valuations undertaken by Suntec Real Estate Consultants Pte Ltd and Jones Lang LaSalle Property Consultants Pte Ltd). The independent valuers have appropriate professional qualifications and recent experience in the location and category of the properties being valued.

In determining the fair values of the investment properties, the independent valuers have used valuation techniques which involve certain estimates. In relying on the valuation reports, the REIT Manager has exercised its judgment and is satisfied that the valuation methods and estimates are reflective of current market conditions. The fair values of the properties are based on open market values, which are the valuers' opinion of the best price at which the sale of an interest in each property would complete unconditionally for cash consideration on the date of valuation, and are prepared in accordance with recognised appraisal and valuation standards. The valuers have considered the direct comparison method, capitalisation method and discounted cash flows method in arriving at the open market values of the properties.

The net change in fair value of the investment properties has been recognised in the statement of total return in accordance with the accounting policies of the Stapled Group.

As at the balance sheet date, investment properties with an aggregate carrying amount of $737,300,000 (2013: $725,600,000) are pledged as security to secure borrowings (see note 9).

6 INTANGIBLE ASSETS

	Stapled Group		VI-REIT Group		VI-BT	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Cost						
At beginning of the year/ date of constitution	18,300	–	18,300	–	–	–
Acquisition	–	18,300	–	18,300	–	–
At end of the year/period	18,300	18,300	18,300	18,300	–	–
Accumulated amortisation and impairment losses						
At beginning of the year/ date of constitution	665	–	665	–	–	–
Amortisation	4,200	665	4,200	665	–	–
At end of the year/period	4,865	665	4,865	665	–	–
Carrying amount						
At beginning of the year/ date of constitution	17,635	–	17,635	–	–	–
At end of the year/period	13,435	17,635	13,435	17,635	–	–

Intangible assets represent the contractual rights of VI-REIT to receive payments from the respective vendors of UE BizHub EAST and Technopark@Chai Chee, which are determined in accordance with the respective sale and purchase agreements entered into with the respective vendors, net of accumulated amortisation and impairment losses. The rental differential is amortised on a straight-line basis over the respective rental guarantee periods of 5 years for the Business Park component of UE BizHub EAST and 2 years for Technopark@Chai Chee, commencing from the Listing Date.

7 TRADE AND OTHER RECEIVABLES

	Stapled Group		VI-REIT Group		VI-BT	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Trade receivables:						
- the Property Manager	11	28	11	28	–	–
- third parties	2,084	3,041	2,084	3,041	–	–
	2,095	3,069	2,095	3,069	–	–
Other receivables:						
- VI-REIT	–	–	–	–	–	30
- third parties	1,618	1,340	1,618	1,340	–	–
GST receivable	–	1,441	–	1,441	–	–
Refundable deposits	490	1,465	490	1,465	–	–
Property tax recoverable from vendor of UE BizHub EAST	2,095	3,942	2,095	3,942	–	–
Loans and receivables	6,298	11,257	6,298	11,257	–	30
Prepayments	5,125	6,407	5,125	6,407	–	–
	11,423	17,664	11,423	17,664	–	30

7 TRADE AND OTHER RECEIVABLES (CONT'D)

Outstanding balances with the Property Manager and VI-REIT are unsecured. There is no impairment loss arising from these outstanding balances.

The ageing of trade receivables, which were not impaired, at the balance sheet date was as follows:

	Gross 2014 $'000	Gross 2013 $'000
VI-REIT Group and Stapled Group		
Not past due	2,095	3,069

8 CASH AND CASH EQUIVALENTS

	Stapled Group		VI-REIT Group		VI-BT	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Cash at bank	4,957	11,683	4,928	11,683	29	–

9 INTEREST-BEARING BORROWINGS

	Stapled Group		VI-REIT Group		VI-BT	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Secured borrowings	291,000	300,000	291,000	300,000	–	–
Less: Unamortised debt-related transaction costs	(3,799)	(5,513)	(3,799)	(5,513)	–	–
	287,201	294,487	287,201	294,487	–	–
Unsecured borrowings	100,000	–	100,000	–	–	–
Less: Unamortised debt-related transaction costs	(1,174)	–	(1,174)	–	–	–
	98,826	–	98,826	–	–	–
Total borrowings (net of transaction costs)	386,027	294,487	386,027	294,487	–	–
Maturity of borrowings						
- Current	20,456	29,223	20,456	29,223	–	–
- Non-current	365,571	265,264	365,571	265,264	–	–
	386,027	294,487	386,027	294,487	–	–

9 INTEREST-BEARING BORROWINGS (CONT'D)

Terms and debt repayment schedule

Terms and conditions of outstanding borrowings are as follows:

	Currency	Year of maturity	Face value		Carrying amount	
			2014 $'000	2013 $'000	2014 $'000	2013 $'000
VI-REIT Group and Stapled Group						
Secured borrowings						
Term Loan Facilities						
- Floating rate loan A	SGD	2016	135,000	135,000	133,492	132,649
- Floating rate loan B	SGD	2017	135,000	135,000	133,253	132,615
Revolving Credit Facility						
- Floating rate loan C	SGD	2015	21,000	30,000	20,456	29,223
Unsecured borrowings						
Medium Term Notes	SGD	2018	100,000	–	98,826	–
			391,000	300,000	386,027	294,487

Secured borrowings

VI-REIT Group has in place a Singapore dollar denominated senior 3-year secured term loan facility and a Singapore dollar denominated senior 4-year secured term loan facility, each amounting to $135 million (2013: $135 million), from a syndicate of lenders (the "Syndicated Lenders") (the "Term Loan Facilities"). In addition, VI-REIT Group has in place a committed revolving credit facility of $45 million (2013: $45 million) from the Syndicated Lenders (the "Revolving Credit Facility", together with the Term Loan Facilities, the "Credit Facilities").

The Credit Facilities bear interest at rates based on the aggregate of a margin plus Singapore dollar Swap Offer Rate ("SOR") per annum and are secured by way of the following:

- mortgages over the Initial Properties (the "Mortgaged Properties");
- debenture creating fixed and floating charges on all present and future assets in relation to the Mortgaged Properties;
- an assignment of the relevant lease agreements, acquisition agreement, services agreement and other key agreements in relation to the Mortgaged Properties;
- an assignment of all tenancy agreements, insurance policies, rental assignments, rental support arrangements and bankers' guarantees in relation to the Mortgaged Properties; and
- an assignment of all rental, sale and insurance proceeds and all sums from time to time which VI-REIT Group is entitled to receive from the Mortgaged Properties.

9 INTEREST-BEARING BORROWINGS (CONT'D)

As at the balance sheet date, $270 million (2013: $270 million) in aggregate of the Term Loan Facilities have been drawn down to partially finance the acquisition of the Initial Properties and $21 million (2013: $30 million) of the Revolving Credit Facility have been utilised for general working capital purposes.

Interest rates of the outstanding Credit Facilities are repriced on a monthly or quarterly basis. VI-REIT Group has entered into interest rate swaps to fix the interest rates for 79.0% (2013: 76.7%) of the outstanding Credit Facilities as at 31 December 2014 (see note 11).

Unsecured borrowings

On 28 August 2014, VI-REIT, through its wholly-owned subsidiary, Viva iTrust MTN Pte. Ltd. (the "Issuer"), established a $500 million Multicurrency MTN Programme (the "MTN Programme"). Under the MTN Programme, the Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes (the "Notes") denominated in Singapore dollars and/or any other currencies.

The Notes may be issued in one or more tranches, on the same or different issue dates. Each tranche of Notes may be issued in various amounts and tenors, and may bear fixed, floating, or variable rates of interest. Hybrid Notes or zero coupon Notes may also be issued under the MTN Programme. The maximum aggregate principal amount of the Notes outstanding at any time shall be $500 million, or such higher amount as may be determined pursuant to the MTN Programme.

The payment of all amounts payable in respect of the Notes will be unconditionally and irrevocably guaranteed by the REIT Trustee, as guarantor of the MTN Programme.

On 19 September 2014, the Issuer issued $100 million in principal amount of 4-year Singapore dollar fixed rate Notes comprised in series 001 (the "Series 001 Notes") under its MTN Programme. The Series 001 Notes are unsecured and bear interest at a fixed rate of 4.15% per annum payable semi-annually in arrears, and will mature on 18 September 2018. The Issuer has on-lent the proceeds from the issuance of the Series 001 Notes to VI-REIT, which has in turn used such proceeds to partially finance the acquisition of two investment properties, namely Jackson Square and Jackson Design Hub.

As at the balance sheet date, both the MTN Programme and the Series 001 Notes have been assigned a credit rating of "BBB-" by Standard & Poor's Rating Services.

As at the balance sheet date, the weighted average effective interest rate of the outstanding borrowings (including the margins charged on the Credit Facilities and the amortisation of debt-related transaction costs) is 3.79% (2013: 3.53%) per annum, and the total borrowings (excluding the Revolving Credit Facility) have a weighted average maturity period of 2.7 years (2013: 3.4 years).

10 TRADE AND OTHER PAYABLES

	Stapled Group		VI-REIT Group		VI-BT	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Trade and other payables:						
- third parties	2,213	4,165	2,211	4,165	2	–
- the REIT Manager	58	1,240	58	1,240	–	–
- the REIT Trustee	45	29	45	29	–	–
- the Property Manager	40	–	40	–	–	–
- VI-BT	–	–	–	30	–	–
GST payable	378	–	378	–	–	–
Finance costs payable	2,445	687	2,445	687	–	–
Security deposits	9,054	6,544	9,054	6,544	–	–
Rental income and rental support received in advance	1,099	2,477	1,099	2,477	–	–
Property tax payable	6,468	10,588	6,468	10,588	–	–
Accrued operating expenses	1,081	1,940	1,081	1,940	–	–
	22,881	27,670	22,879	27,700	2	–

Outstanding balances with the REIT Manager, REIT Trustee, Property Manager and VI-BT are unsecured and interest-free, and are repayable on demand.

Included in security deposits is an amount of $46,000 (2013: $Nil) received from the REIT Manager.

11 DERIVATIVE FINANCIAL INSTRUMENTS

	Stapled Group		VI-REIT Group		VI-BT	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Interest rate swaps	322	1,488	322	1,488	–	–

VI-REIT Group and the Stapled Group use interest rate swaps to manage their exposures to interest rate movements on the floating rate interest-bearing borrowings by swapping the interest expense of such borrowings from floating rates to fixed rates.

As at the balance sheet date, VI-REIT Group and the Stapled Group have entered into interest rate swap contracts with tenors of 2 and 3 years with total notional amount of $230 million (2013: $230 million). Under these interest rate swap contracts, VI-REIT Group and the Stapled Group pay interest at a weighted average fixed interest rate of 0.95% (2013: 0.95%) per annum and receive interest at SOR.

12 STAPLED SECURITIES/UNITS IN ISSUE

A Stapled Security comprises one unit of VI-REIT and one unit of VI-BT stapled together under the terms of the Stapling Deed.

	Stapled Group		VI-REIT		VI-BT	
	2014	2013	2014	2013	2014	2013
	Number of Stapled Securities		Number of Units		Number of Units	
Stapled Securities/ Units issued						
At beginning of the year/ date of constitution	594,000,275	275	594,000,275	2	594,000,275	275
Issue of new Stapled Securities/Units:						
- pursuant to private placement	20,000,000	–	20,000,000	273	20,000,000	–
- pursuant to the initial public offering	–	594,000,000	–	594,000,000	–	594,000,000
- as payment of REIT Manager's fees	4,705,490	–	4,705,490	–	4,705,490	–
- as payment of Property Manager's fees	1,536,193	–	1,536,193	–	1,536,193	–
At end of the year/period	620,241,958	594,000,275	620,241,958	594,000,275	620,241,958	594,000,275
Stapled Securities/ Units issuable						
REIT Manager's fees payable in Stapled Securities/Units	1,207,476	829,645	1,207,476	829,645	1,207,476	829,645
Property Manager's fees payable in Stapled Securities/Units	434,203	260,790	434,203	260,790	434,203	260,790
	1,641,679	1,090,435	1,641,679	1,090,435	1,641,679	1,090,435
Total issued and issuable Stapled Securities/ Units at end of the year/period	621,883,637	595,090,710	621,883,637	595,090,710	621,883,637	595,090,710

During the year ended 31 December 2014, the following were issued:

- 20,000,000 new Stapled Securities were issued on 2 December 2014 at an issue price of $0.780 per Stapled Security pursuant to a private placement. Stapled Security holders on the register with The Central Depository (Pte) Limited on 1 December 2014 received an advanced distribution on 23 December 2014, of 1.095 cents per Stapled Security in respect of the period from 1 October 2014 to 1 December 2014. Thereafter, the 20,000,000 new Stapled Securities rank *pari passu* in all respects with the Stapled Securities in issue prior to 2 December 2014, including the entitlement to all future distributions.

12 STAPLED SECURITIES/UNITS IN ISSUE (CONT'D)

- 4,705,490 new Stapled Securities, amounting to approximately $3,705,000, were issued to the REIT Manager at issue prices ranging from $0.7668 to $0.8100 per Stapled Security (as determined in accordance with the VI-REIT Trust Deed) as payment of the REIT Manager's fees.

- 1,536,193 new Stapled Securities, amounting to approximately $1,210,000, were issued to the Property Manager at issue prices ranging from $0.7668 to $0.8100 per Stapled Security (as determined in accordance with the VI-REIT Trust Deed) as payment of the Property Manager's fees.

During the period from 23 August 2013 to 31 December 2013, the following were issued:

- Upon the constitution of VI-REIT on 23 August 2013, one VI-REIT Unit was issued to each of Kim Seng Holdings Pte. Ltd. ("KSH") and Ho Lee Group Pte. Ltd. ("HLG") at an issue price of $1.00 per VI-REIT Unit; and on 27 September 2013, 200, 49 and 24 additional VI-REIT Units were issued to Wealthy Fountain Holdings Inc ("WFH"), HLG and KSH, respectively, at an issue price of $1.00 per VI-REIT Unit (collectively, the "Initial VI-REIT Units"). Subsequently, each of HLG and KSH transferred their respective Initial VI-REIT Units to Ho Lee Group Trust ("HLGT") and China Enterprises Limited ("CEL"), respectively.

- Upon the constitution of VI-BT on 14 October 2013, 200, 50 and 25 VI-BT Units were issued to WFH, HLGT and CEL, respectively, at an issue price of $1.00 per VI-BT Unit (collectively, the "Initial VI-BT Units"). Pursuant to the Stapling Deed, each Initial VI-REIT Unit is stapled together with an Initial VI-BT Unit (each, a "Stapled Security") and thereafter, the VI-REIT Units and the VI-BT Units cannot be traded separately.

- 594,000,000 new Stapled Securities were issued on 4 November 2013 at an issue price of $0.780 per Stapled Security pursuant to the initial public offering of VIT, of which 376,922,000, 64,103,000 and 32,051,000 Stapled Securities were issued to WFH, HLGT and CEL, respectively.

As at the balance sheet date, the following are issuable:

- 1,207,476 (2013: 829,645) new Stapled Securities, amounting to approximately $963,000 (2013: $642,000), are issuable to the REIT Manager at an issue price of $0.7977 (2013: $0.7739) per Stapled Security (as determined in accordance with the VI-REIT Trust Deed) as payment of the REIT Manager's fees attributable to the Initial Properties for the quarter ended 31 December 2014.

- 434,203 (2013: 260,790) new Stapled Securities, amounting to approximately $347,000 (2013: $202,000), are issuable to the Property Manager at an issue price of $0.7977 (2013: $0.7739) per Stapled Security (as determined in accordance with the VI-REIT Trust Deed) as payment of the Property Manager's fees attributable to the Initial Properties for the quarter ended 31 December 2014.

Each Stapled Security represents an undivided interest in VI-REIT and VI-BT. A holder of the Stapled Securities has no equitable or proprietary interest in the underlying assets of VI-REIT and VI-BT, and is not entitled to the transfer to it of any asset (or any part thereof) or of any real estate, any interest in any asset and real estate-related assets (or any part thereof) of VI-REIT and VI-BT.

The liability of a holder of the Stapled Securities is limited to the amount paid or payable for the Stapled Securities.

Each Stapled Security carries one vote.

12 STAPLED SECURITIES/UNITS IN ISSUE (CONT'D)

Capital management

The REIT Manager's key objective is to provide Stapled Security holders with a competitive rate of return by ensuring stable distributions to Stapled Security holders as well as long-term growth in distribution per Stapled Security and net asset value per Stapled Security, while maintaining an optimal capital structure.

The REIT Manager will endeavour to employ an appropriate mix of debt and equity in financing acquisitions and utilise interest rate and currency hedging strategies where appropriate to minimise exposure to market volatility and optimise risk-adjusted returns to Stapled Security holders.

The Property Fund Appendix of the CIS Code stipulates that the total borrowings and deferred payments (together, the "Aggregate Leverage") of a property fund should not exceed 35% of the fund's deposited property. The Aggregate Leverage of a property fund may exceed 35% of the fund's deposited property (up to a maximum of 60%) only if a credit rating from Fitch Inc., Moody's or Standard & Poor's is obtained and disclosed to the public. The property fund should continue to maintain and disclose a credit rating so long as its Aggregate Leverage exceeds 35% of the fund's deposited property.

As at the balance sheet date, VI-REIT has been assigned a corporate credit rating of "BB+" by Standard & Poor's Rating Services. The Aggregate Leverage of VI-REIT as at 31 December 2014 was 44.3% (2013: 38.8%) of its deposited property and remained within the Aggregate Leverage limit of 60% (2013: 60%) during the year.

Distribution policy

VI-REIT's distribution policy is to distribute 100% of its distributable income for the period from the Listing Date to 31 December 2015 and thereafter, to distribute at least 90% of its distributable income. Distributions are made on a quarterly basis at the sole discretion of the REIT Manager.

As at the balance sheet date, VI-BT remains inactive. In the event that VI-BT becomes active and profitable, VI-BT's distribution policy will be to distribute as much of its income as practicable, and the declaration and payment of distributions by VI-BT will be at the sole discretion of the Trustee-Manager.

13 NET ASSET VALUE PER STAPLED SECURITY/UNIT

	Stapled Group		VI-REIT Group		VI-BT	
	2014	2013	2014	2013	2014	2013
Net asset value per Stapled Security/Unit is calculated based on:						
Net assets ($'000)	471,486	448,555	471,459	448,525	27	30
Total number of issued and issuable Stapled Securities/Units ('000)	621,884	595,091	621,884	595,091	621,884	595,091
Net asset value per Stapled Security/Unit (cents)	75.816	75.371	75.811	75.367	0.004	0.005

14 GROSS REVENUE

	Stapled Group		VI-REIT Group		VI-BT	
	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 14/10/2013 to 31/12/2013 $'000
Property rental income	57,105	8,300	57,105	8,300	–	–
Other income	4,635	717	4,635	717	–	–
	61,740	9,017	61,740	9,017	–	–

15 PROPERTY EXPENSES

	Stapled Group		VI-REIT Group		VI-BT	
	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 14/10/2013 to 31/12/2013 $'000
Property Manager's fees paid/ payable in:						
- cash	38	–	38	–	–	–
- Stapled Securities	1,355	202	1,355	202	–	–
	1,393	202	1,393	202	–	–
Repair and maintenance expenses	7,332	984	7,332	984	–	–
Property tax expense	5,443	885	5,443	885	–	–
Insurance premium	160	29	160	29	–	–
Other property expenses	6,659	913	6,659	913	–	–
	20,987	3,013	20,987	3,013	–	–

The Property Manager has elected for the property and lease management fees in respect of the Initial Properties for the period from the Listing Date to 31 December 2015 to be payable in Stapled Securities.

16 RENTAL SUPPORT/RENTAL ARRANGEMENT

	Stapled Group		VI-REIT Group		VI-BT	
	Year ended 31/12/2014	Period from 23/8/2013 to 31/12/2013	Year ended 31/12/2014	Period from 23/8/2013 to 31/12/2013	Year ended 31/12/2014	Period from 14/10/2013 to 31/12/2013
	$'000	$'000	$'000	$'000	$'000	$'000
Technopark@Chai Chee rental support arrangement (Note A below)	1,565	225	1,565	225	–	–
UE BizHub EAST rental arrangement (Note B below)	10,638	2,245	10,638	2,245	–	–
Jackson Square rental support arrangement (Note C below)	246	–	246	–	–	–
	12,449	2,470	12,449	2,470	–	–

Notes:

(A) Technopark@Chai Chee ("TPCC") rental support arrangement

Pursuant to the sale and purchase agreement entered into between VI-REIT and the vendor of TPCC, Wan Tien Realty (Pte) Ltd ("WTR"), WTR agreed to pay VI-REIT for the rental differential where the actual gross rental income derived from TPCC is less than $2.15 million per month. The aggregate amount of the rental support to be provided by WTR under the TPCC rental support arrangement is capped at $2.3 million. The said aggregate amount of rental support had been received in advance by VI-REIT on the Listing Date. The duration of the TPCC rental support arrangement is for a period of 2 years from the Listing Date. If VI-REIT does not fully utilise the rental support amount of $2.3 million by the end of the rental support period, the remaining unutilised balance of the rental support amount shall be refunded to WTR after expiry of the TPCC rental support arrangement on 3 November 2015.

(B) UE BizHub EAST ("UEBH") rental arrangement

Pursuant to the sale and purchase agreement entered into between VI-REIT and the vendor of UEBH, United Engineers Developments Pte Ltd ("UED"), UED agreed to pay VI-REIT for the rental differential where the actual net rental income derived from UEBH (excluding the Hotel Leased Premises) is less than an agreed amount per annum (the "Agreed Amount"). The duration of the UEBH rental arrangement is for a period of 5 years from the Listing Date. The Agreed Amount is $26 million per annum for each of the first 2 years, with a step-up of 5% in each of the third and fifth year of the term. If the actual net rental income derived from UEBH (excluding the Hotel Leased Premises) is in excess of the Agreed Amount, VI-REIT shall pay the excess amount to UED.

(C) Jackson Square rental support arrangement

Pursuant to the sale and purchase agreement entered into between VI-REIT and the vendor of Jackson Square, Jackson International Private Limited ("JIPL"), JIPL agreed to pay VI-REIT for the rental differential where the actual aggregate gross rental income derived from Jackson Square is less than $58 million over the rental support period of 5 years commencing from the date of acquisition of Jackson Square on 21 November 2014. If the actual aggregate gross rental income derived from Jackson Square is more than $58 million over the rental support period of 5 years, VI-REIT shall be entitled to the excess amount.

17 REIT MANAGER'S FEES

	Stapled Group		VI-REIT Group		VI-BT	
	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 14/10/2013 to 31/12/2013 $'000
Base fees paid/payable in:						
- cash	79	–	79	–	–	–
- Stapled Securities	4,026	642	4,026	642	–	–
	4,105	642	4,105	642	–	–

The REIT Manager has elected for the portion of the REIT Base Fee attributable to the Initial Properties and the REIT Performance Fee for the period from the Listing Date to 31 December 2015 to be payable in Stapled Securities.

No performance fee is payable to the REIT Manager in respect of the year/period ended 31 December 2014 and 2013.

18 OTHER TRUST EXPENSES

	Stapled Group		VI-REIT Group		VI-BT	
	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 14/10/2013 to 31/12/2013 $'000
Fees paid/payable to the Stapled Group's auditors and their affiliates:						
- audit fees	143	90	139	90	4	–
- non-audit fees	40	16	40	16	–	–
Valuation fees	23	43	23	43	–	–
Other expenses	523	75	523	75	–	–
	729	224	725	224	4	–

19 FINANCE EXPENSES

	Stapled Group		VI-REIT Group		VI-BT	
	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 14/10/2013 to 31/12/2013 $'000
Amortisation of debt-related transaction costs	1,853	294	1,853	294	–	–
Interest expense and loan commitment fee	9,878	1,387	9,878	1,387	–	–
	11,731	1,681	11,731	1,681	–	–

20 INCOME TAX EXPENSE

	Stapled Group		VI-REIT Group		VI-BT	
	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 14/10/2013 to 31/12/2013 $'000
Current tax expense						
Current year/period	1,791	382	1,791	382	–	–
Reconciliation of effective tax rate						
Total return for the year/ period before income tax	47,586	1,185	47,590	1,185	(4)	–
Tax calculated using Singapore tax rate of 17% (2013: 17%)	8,090	201	8,090	201	(1)	–
Non-tax deductible items	1,993	1,003	1,993	1,003	1	–
Non-taxable items	(2,816)	(47)	(2,816)	(47)	–	–
Tax transparency (Note 3.10)	(5,476)	(775)	(5,476)	(775)	–	–
	1,791	382	1,791	382	–	–

Tax treatment of the rental income support in respect of the UEBH rental arrangement

The IRAS has, on 11 October 2013, granted VI-REIT a provisional approval for tax transparency treatment to be accorded to the rental income support in respect of the UEBH rental arrangement, subject to certain conditions being met (the "Provisional Approval").

The IRAS has, on 23 April 2014, issued a letter to withdraw the aforesaid Provisional Approval. The withdrawal of the Provisional Approval by the IRAS has no financial impact on the financial statements of VI-REIT Group and the Stapled Group as such financial statements have been prepared on the basis that tax transparency treatment would not be applicable to the rental income support in respect of the UEBH rental arrangement and consequently, VI-REIT Group and the Stapled Group made income tax provision of approximately $1,791,000 (2013: $382,000) in respect of the rental income support arising from the UEBH rental arrangement for the year ended 31 December 2014.

21 EARNINGS AND DISTRIBUTION PER STAPLED SECURITY/UNIT

Earnings per Stapled Security/Unit

Basic earnings per Stapled Security/Unit is calculated based on:

	Stapled Group		VI-REIT Group		VI-BT	
	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 14/10/2013 to 31/12/2013 $'000
Total return for the year/ period after income tax	45,795	803	45,799	803	(4)	–

	Number of Stapled Securities ('000)		Number of Units ('000)		Number of Units ('000)	
Number of issued and issuable Stapled Securities/Units at beginning of the year/ date of constitution	595,091	–	595,091	–	595,091	–
Effect of new Stapled Securities/ Units issued and issuable:						
- pursuant to private placement	1,644	–	1,644	–	1,644	–
- pursuant to the initial public offering	–	594,000	–	594,000	–	594,000
- as payment of REIT Manager's fees	1,976	14	1,976	14	1,976	14
- as payment of Property Manager's fees	647	5	647	5	647	5
Weighted average number of issued and issuable Stapled Securities/ Units during the year/period	599,358	594,019	599,358	594,019	599,358	594,019

Diluted earnings per Stapled Security/Unit is the same as the basic earnings per Stapled Security/Unit as there were no potential dilutive instruments in issue during the year.

21 EARNINGS AND DISTRIBUTION PER STAPLED SECURITY/UNIT (CONT'D)

Distribution per Stapled Security/Unit

Distribution per Stapled Security/Unit ("DPS"/"DPU") is calculated based on the amount available for distribution for the financial year/period and the applicable number of Stapled Securities/Units which is either the number of Stapled Securities/Units in issue at the end of the financial year/period or the applicable number of Stapled Securities/Units in issue during the financial year/period.

	VI-REIT Group and Stapled Group	
	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000
Amount available for distribution	40,967	6,421

	Number of Stapled Securities/Units ('000)	('000)
Applicable number of Stapled Securities/ Units for the calculation of DPS/DPU	599,530	594,000

Without the effects of rental support/rental arrangement, the DPS/DPU for the year ended 31 December 2014 would be 5.054 cents (2013: 0.729 cents).

Distributions of the Stapled Group represent the aggregate of distributions by VI-REIT Group and VI-BT. The distributions of the Stapled Group for the current year are contributed solely by VI-REIT Group as VI-BT was inactive during the year. Accordingly, only the amount available for distribution of VI-REIT Group has been included for the purpose of calculating the DPS.

22 OPERATING SEGMENTS

Business segments

The Stapled Group has four reportable business segments as follows:

- Business park
- Hotel
- Logistics
- Light industrial

Management monitors the operating results of the business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment information is presented in respect of the Stapled Group's business segments, based on its management and internal reporting structure.

Segment revenue comprises mainly income generated from tenants. Segment net property income represents the income earned by each segment after allocating property operating expenses. Segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly the REIT Manager's fees, trust expenses, finance income/costs and related assets and liabilities.

22 OPERATING SEGMENTS (CONT'D)

Business segments (cont'd)

Performance is measured based on segment net property income, as included in the internal management reports that are reviewed by the Board of Directors of the REIT Manager. Segment net property income is used to measure performance as management believes that such information is the most relevant in evaluating the results of each segment relative to other entities that operate within the same industry.

Information about reportable segments

	Business Park $'000	Hotel $'000	Logistics $'000	Light Industrial $'000	Total $'000
Stapled Group					
Year ended 31 December 2014					
Gross revenue	49,114	9,421	1,917	1,288	61,740
Property expenses	(20,326)	(356)	(41)	(264)	(20,987)
Net property income	**28,788**	**9,065**	**1,876**	**1,024**	**40,753**
Rental support/rental arrangement	12,164	39	–	246	12,449
Reportable segment results	40,952	9,104	1,876	1,270	53,202
Unallocated items:					
- REIT Manager's fees					(4,105)
- REIT Trustee's fees					(180)
- Amortisation of intangible assets					(4,200)
- Other trust expenses					(729)
- Finance income					42
- Finance expenses					(11,731)
Net income					**32,299**
Change in fair value of investment properties					14,121
Change in fair value of derivative financial instruments					1,166
Total return for the year before income tax					**47,586**
Income tax expense					(1,791)
Total return for the year after income tax					**45,795**
At 31 December 2014					
Reportable segment assets	592,660	140,565	28,268	115,723	877,216
Unallocated assets					5,299
Total assets					**882,515**
Reportable segment liabilities	15,793	716	176	2,714	19,399
Unallocated liabilities					391,630
Total liabilities					**411,029**

22 OPERATING SEGMENTS (CONT'D)

Information about reportable segments (cont'd)

	Business Park $'000	Hotel $'000	Logistics $'000	Light Industrial $'000	Total $'000
Stapled Group					
Period from 23 August 2013 to 31 December 2013					
Gross revenue	7,215	1,500	302	–	9,017
Property expenses	(2,951)	(56)	(6)	–	(3,013)
Net property income	**4,264**	**1,444**	**296**	**–**	**6,004**
Rental support/rental arrangement	2,470	–	–	–	2,470
Reportable segment results	6,734	1,444	296	–	8,474
Unallocated items:					
- REIT Manager's fees					(642)
- REIT Trustee's fees					(33)
- Amortisation of intangible assets					(665)
- Other trust expenses					(224)
- Finance expenses					(1,681)
Net income					**5,229**
Change in fair value of investment properties					(2,556)
Change in fair value of derivative financial instruments					(1,488)
Total return for the period before income tax					**1,185**
Income tax expense					(382)
Total return for the period after income tax					**803**
At 31 December 2013					
Reportable segment assets	592,212	139,061	28,185	–	759,458
Unallocated assets					13,124
Total assets					**772,582**
Reportable segment liabilities	20,047	1,525	168	–	21,740
Unallocated liabilities					302,287
Total liabilities					**324,027**

Geographical segments

Segment information by geographical area is not presented as all of the Stapled Group's assets are located in Singapore.

23 FINANCIAL RISK MANAGEMENT

Risk management is integral to the whole business of the Stapled Group. The Stapled Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Trustee-Manager and the REIT Manager continually monitor the Stapled Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Stapled Group's activities.

The Audit and Risk Committee of the REIT Manager oversees how the REIT Manager Board monitors compliance with the Stapled Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Stapled Group.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a tenant or counterparty of the Stapled Group to settle its financial and contractual obligations, as and when they fall due.

Credit evaluations are performed before lease agreements are entered into with tenants. Rental deposits or bank guarantees are collected or obtained, where appropriate, to reduce credit risk. In addition, the REIT Manager monitors the balances due from tenants on an ongoing basis.

The tenant profile of the Stapled Group is generally well-diversified, except for one major tenant, which accounted for 38.2% (2013: 56.3%) of the trade receivables as at 31 December 2014. There are no arrears owing from this major tenant.

The Stapled Group establishes an allowance for impairment, based on a specific loss component that relates to individually significant exposures, that represents its estimate of incurred losses in respect of trade and other receivables.

The allowance account in respect of trade and other receivables is used to record impairment losses unless the Stapled Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Cash and fixed deposits are placed with financial institutions which are regulated.

The maximum exposure to credit risk is represented by the carrying value of each financial asset on the statement of financial position.

Liquidity risk

Liquidity risk is the risk that the Stapled Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Trustee-Manager and the REIT Manager monitor the Stapled Group's liquidity risk and maintain a level of cash and cash equivalents deemed adequate to finance the Stapled Group's operations and to mitigate the effects of fluctuations in cash flows. The REIT Manager also monitors and observes the CIS Code issued by the MAS in respect of limits on total borrowings.

23 FINANCIAL RISK MANAGEMENT (CONT'D)

Liquidity risk (cont'd)

In addition, the Stapled Group maintains the following lines of credit:

- $135 million (2013: $135 million) secured Term Loan Facility, which is fully repayable by way of a bullet repayment on 28 October 2016. As at the balance sheet date, this facility has been fully drawn down.
- $135 million (2013: $135 million) secured Term Loan Facility, which is fully repayable by way of a bullet repayment on 28 October 2017. As at the balance sheet date, this facility has been fully drawn down.
- $45 million (2013: $45 million) committed and secured Revolving Credit Facility, which can be rolled-over on a monthly or quarterly basis until its final maturity date on 28 October 2016. As at the balance sheet date, $21 million (2013: $30 million) of this facility has been drawn down.
- $100 million (2013: $Nil) in principal amount of unsecured Series 001 Notes issued under the MTN Programme, which will mature on 18 September 2018.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

			Cash flows		
	Carrying amount $'000	Contractual cash flows $'000	Within 1 year $'000	Between 2 to 5 years $'000	More than 5 years $'000
VI-REIT Group					
2014					
Non-derivative financial liabilities					
Trade and other payables (excluding rental income and rental support received in advance)	21,780	21,780	21,780	–	–
Interest-bearing borrowings	386,027	422,615	30,918	391,697	–
	407,807	444,395	52,698	391,697	–
Derivative financial instruments					
Interest rate swaps	322	322	322	–	–
	408,129	444,717	53,020	391,697	–
2013					
Non-derivative financial liabilities					
Trade and other payables (excluding rental income and rental support received in advance)	25,223	25,223	25,223	–	–
Interest-bearing borrowings	294,487	321,471	36,757	284,714	–
	319,710	346,694	61,980	284,714	–
Derivative financial instruments					
Interest rate swaps	1,488	1,488	1,488	–	–
	321,198	348,182	63,468	284,714	–

23 FINANCIAL RISK MANAGEMENT (CONT'D)

	Carrying amount $'000	Contractual cash flows $'000	Cash flows: Within 1 year $'000	Cash flows: Between 2 to 5 years $'000	Cash flows: More than 5 years $'000
Stapled Group					
2014					
Non-derivative financial liabilities					
Trade and other payables (excluding rental income and rental support received in advance)	21,782	21,782	21,782	–	–
Interest-bearing borrowings	386,027	422,615	30,918	391,697	–
	407,809	444,397	52,700	391,697	–
Derivative financial instruments					
Interest rate swaps	322	322	322	–	–
	408,131	444,719	53,022	391,697	–
2013					
Non-derivative financial liabilities					
Trade and other payables (excluding rental income and rental support received in advance)	25,193	25,193	25,193	–	–
Interest-bearing borrowings	294,487	321,471	36,757	284,714	–
	319,680	346,664	61,950	284,714	–
Derivative financial instruments					
Interest rate swaps	1,488	1,488	1,488	–	–
	321,168	348,152	63,438	284,714	–

The maturity analyses show the contractual undiscounted cash flows of the financial liabilities of VI-REIT Group and the Stapled Group on the basis of their earliest possible contractual maturity. Derivative financial instruments held are normally not closed out prior to contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled.

Market risk

Market risk is the risk that changes in market prices, such as interest rates, will affect VI-REIT Group's and the Stapled Group's total return or the value of their holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

VI-REIT Group's and the Stapled Group's exposure to changes in interest rates relate primarily to interest-bearing financial liabilities. This risk is managed by the REIT Manager on an on-going basis with the primary objective of limiting the extent to which the finance costs could be affected by an adverse movement in the market interest rates.

23 FINANCIAL RISK MANAGEMENT (CONT'D)

As at the balance sheet date, the interest rate profile of the interest-bearing financial instruments was as follows:

	Stapled Group		VI-REIT Group		VI-BT	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Fixed rate instruments						
Medium Term Notes (principal amount)	100,000	–	100,000	–	–	–
Variable rate instruments						
Floating rate borrowings (principal amount)	291,000	300,000	291,000	300,000	–	–
Interest rate swaps (notional amount)	(230,000)	(230,000)	(230,000)	(230,000)	–	–

The REIT Manager's strategy to manage the risk of potential interest rate volatility may be through the use of interest rate hedging instruments and/or fixed rate borrowings. The REIT Manager will regularly evaluate the feasibility of putting in place the appropriate level of interest rate hedges, after taking into account the prevailing market conditions.

Derivative financial instruments are used to manage exposures to interest rate risk arising from financing activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Sensitivity analysis for variable rate instruments

For the variable rate instruments, a change of 100 basis points (bp) in interest rate at the balance sheet date would have increased/(decreased) total return and unitholders' funds (before any tax effects) by the amounts shown below. This analysis assumes that all other variables remain constant.

	VI-REIT Group and Stapled Group			
	Statement of Total Return		Unitholders' funds	
	100 bp increase $'000	100 bp decrease $'000	100 bp increase $'000	100 bp decrease $'000
2014				
Variable rate instruments				
Interest-bearing borrowings				
- Interest expense	(3,217)	3,217	(3,217)	3,217
Interest rate swaps				
- Interest expense	2,300	(2,300)	2,300	(2,300)
- Change in fair value of derivative financial instruments	3,100	(3,100)	3,100	(3,100)
Cash flow sensitivity (net)	2,183	(2,183)	2,183	(2,183)

23 FINANCIAL RISK MANAGEMENT (CONT'D)

	VI-REIT Group and Stapled Group			
	Statement of Total Return		Unitholders' funds	
	100 bp increase $'000	100 bp decrease $'000	100 bp increase $'000	100 bp decrease $'000
2013				
Variable rate instruments				
Interest-bearing borrowings				
- Interest expense	(470)	470	(470)	470
Interest rate swaps				
- Interest expense	365	(365)	365	(365)
- Change in fair value of derivative financial instruments	5,600	(5,600)	5,600	(5,600)
Cash flow sensitivity (net)	5,495	(5,495)	5,495	(5,495)

Fair values

Accounting classifications and fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statements of financial position, are as follows:

	Loans and receivables $'000	Fair value through profit or loss $'000	Other financial liabilities $'000	Total carrying amount $'000	Fair value $'000
VI-REIT Group					
2014					
Financial assets					
Loans and receivables	6,298	–	–	6,298	6,298
Cash and cash equivalents	4,928	–	–	4,928	4,928
	11,226	–	–	11,226	11,226
Financial liabilities					
Interest-bearing borrowings	–	–	(386,027)	(386,027)	(386,027)
Derivative financial instruments	–	(322)	–	(322)	(322)
Trade and other payables ^	–	–	(21,780)	(21,780)	(21,780)
	–	(322)	(407,807)	(408,129)	(408,129)
2013					
Financial assets					
Loans and receivables	11,257	–	–	11,257	11,257
Cash and cash equivalents	11,683	–	–	11,683	11,683
	22,940	–	–	22,940	22,940
Financial liabilities					
Interest-bearing borrowings	–	–	(294,487)	(294,487)	(294,487)
Derivative financial instruments	–	(1,488)	–	(1,488)	(1,488)
Trade and other payables ^	–	–	(25,223)	(25,223)	(25,223)
	–	(1,488)	(319,710)	(321,198)	(321,198)

23 FINANCIAL RISK MANAGEMENT (CONT'D)

	Loans and receivables $'000	Fair value through profit or loss $'000	Other financial liabilities $'000	Total carrying amount $'000	Fair value $'000
Stapled Group					
2014					
Financial assets					
Loans and receivables	6,298	–	–	6,298	6,298
Cash and cash equivalents	4,957	–	–	4,957	4,957
	11,255	–	–	11,255	11,255
Financial liabilities					
Interest-bearing borrowings	–	–	(386,027)	(386,027)	(386,027)
Derivative financial instruments	–	(322)	–	(322)	(322)
Trade and other payables ^	–	–	(21,782)	(21,782)	(21,782)
	–	(322)	(407,809)	(408,131)	(408,131)
2013					
Financial assets					
Loans and receivables	11,257	–	–	11,257	11,257
Cash and cash equivalents	11,683	–	–	11,683	11,683
	22,940	–	–	22,940	22,940
Financial liabilities					
Interest-bearing borrowings	–	–	(294,487)	(294,487)	(294,487)
Derivative financial instruments	–	(1,488)	–	(1,488)	(1,488)
Trade and other payables ^	–	–	(25,193)	(25,193)	(25,193)
	–	(1,488)	(319,680)	(321,168)	(321,168)

^ *Excluding rental income and rental support received in advance*

The Stapled Group has an established control framework with respect to the measurement of fair values. This framework includes a team that reports directly to the Head of Finance, and has overall responsibility for all significant fair value measurements, including Level 3 fair values.

The team regularly reviews significant unobservable inputs and valuation adjustments applied in the fair value measurements. If third party information, such as broker quotes or pricing services, is used to measure fair value, then the team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of FRS, including the level in the fair value hierarchy that the resulting fair value estimate should be classified.

23 FINANCIAL RISK MANAGEMENT (CONT'D)

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- **Level 1**: quoted prices (unadjusted) in active markets for identical assets or liabilities that VI-REIT Group and the Stapled Group can access at the measurement date;
- **Level 2**: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- **Level 3**: Unobservable inputs for the asset or liability.

Financial liabilities carried at fair value

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
VI-REIT Group and Stapled Group				
2014				
Derivative financial instruments	–	322	–	322
2013				
Derivative financial instruments	–	1,488	–	1,488

24 COMMITMENTS

Capital commitment

As at the balance sheet date, VI-REIT Group and the Stapled Group have capital commitments of $4.2 million (2013: $4.2 million) in respect of the construction costs of landscaping works and an underground passageway in relation to UE BizHub EAST.

Operating lease rental receivable

Non-cancellable operating lease rentals are receivable as follows:

	Stapled Group		VI-REIT Group		VI-BT	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Within 1 year	62,544	50,270	62,544	50,270	–	–
After 1 year but within 5 years	124,256	120,788	124,256	120,788	–	–
After 5 years	42,072	38,906	42,072	38,906	–	–
	228,872	209,964	228,872	209,964	–	–

The above operating lease rental receivables are based on the fixed component of the rent receivable under the lease agreements, adjusted for increases in rent where such increases have been provided for under the lease agreements.

25 RELATED PARTY TRANSACTIONS

The REIT Manager, the Trustee-Manager and the Property Manager are indirect subsidiaries of the ultimate holding company of the Stapled Group.

In the normal course of the operations of VI-REIT, the REIT Manager's management fee and the REIT Trustee's fee have been paid or are payable to the REIT Manager and the REIT Trustee, respectively. Property and lease management fees are payable to the Property Manager, a related party of the REIT Manager.

During the financial year, other than the transactions disclosed elsewhere in the financial statements, there were the following related party transactions carried out on terms agreed between the parties:

	Stapled Group		VI-REIT Group		VI-BT	
	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 23/8/2013 to 31/12/2013 $'000	Year ended 31/12/2014 $'000	Period from 14/10/2013 to 31/12/2013 $'000
Rental income received/ receivable from:						
- the REIT Manager	101	–	101	–	–	–
- a related party of the REIT Manager	1,830	290	1,830	290	–	–
Acquisition fee paid to the REIT Manager in relation to the acquisition of investment properties	1,080	7,110	1,080	7,110	–	–
Marketing commission paid/payable to the Property Manager	577	–	577	–	–	–
Acquisition of an investment property from a related party of the REIT Manager	–	28,000	–	28,000	–	–

26 DETERMINATION OF FAIR VALUES

A number of the Stapled Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Investment properties

The fair values of investment properties are based on independent valuations undertaken. Further information is set out in note 5.

(ii) Trade and other receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoiced amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and for disclosure purposes, at each annual balance sheet date.

(iii) Derivatives

The fair values of interest rate swaps (Level 2 fair values) are based on banks' quotes. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take into account the credit risk of the Stapled Group and the counterparty where appropriate.

(iv) Other non-derivative financial liabilities

Other non-derivative financial liabilities are measured at fair value at initial recognition and for disclosure purposes, at each annual balance sheet date. The fair values of non-derivative financial liabilities with a maturity of less than one year are assumed to approximate their carrying values because of the short period to maturity. The fair values of other non-derivative financial liabilities are calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

Fair value hierarchy

Fair value and fair value hierarchy information of financial instruments are disclosed in note 23.

The table below analyses fair value measurements for non-financial assets carried at fair value by valuation method. The different levels have been defined as follows:

- **Level 1**: quoted prices (unadjusted) in active markets for identical assets or liabilities that VI-REIT Group and the Stapled Group can access at the measurement date;
- **Level 2**: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- **Level 3**: Unobservable inputs for the asset or liability.

26 DETERMINATION OF FAIR VALUES (CONT'D)

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
VI-REIT Group and Stapled Group				
2014				
Investment properties	–	–	852,700	852,700
2013				
Investment properties	–	–	725,600	725,600

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	VI-REIT Group and Stapled Group	
	2014 $'000	2013 $'000
Investment properties		
At beginning of the year/date of constitution	725,600	–
Acquisition (including acquisition-related costs)	112,851	746,456
Fair value of rental differential recognised as intangible assets	–	(18,300)
Capital expenditure incurred	128	–
Change in fair value recognised in statement of total return	14,121	(2,556)
At end of the year/period	852,700	725,600

The following table shows the key unobservable inputs used in the valuation models as at 31 December 2014:

Type	Key unobservable input	Inter-relationship between key unobservable inputs and fair value measurement
Investment properties	Capitalisation rates (from 6.0% to 8.0%)	The estimated fair value would decrease as the capitalisation rates and discount rates increase
Industrial properties for leasing	Discount rates (from 6.5% to 8.0%)	

Valuation process applied by the Stapled Group

The fair value of investment properties is determined by external independent property valuers, having the appropriate recognised professional qualifications and recent experience in the location and category of properties being valued. Valuation of VI-REIT Group's and the Stapled Group's investment properties is carried out at least once a year.

26 DETERMINATION OF FAIR VALUES (CONT'D)

Key unobservable inputs

Key unobservable inputs correspond to:

- Discount rate, based on the risk-free rate for 10-year bonds issued by the government in the relevant market, adjusted for a risk premium to reflect the increased risk of investing in the asset class.
- Capitalisation rate corresponds to a rate of return on investment properties based on the expected income that the property will generate.

27 FINANCIAL RATIOS

	Stapled Group		VI-REIT Group	
	Year ended 31/12/2014	Period from 23/8/2013 to 31/12/2013	Year ended 31/12/2014	Period from 23/8/2013 to 31/12/2013
	%	%	%	%
Expenses to weighted average net assets [1]				
- including performance component of the REIT Manager's fees	1.10	1.03	1.10	1.03
- excluding performance component of the REIT Manager's fees	1.10	1.03	1.10	1.03
Portfolio turnover rate [2]	–	–	–	–

[1] *The annualised ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses of VI-REIT Group and the Stapled Group, excluding property expenses, interest expense and income tax expense of each entity, where applicable.*

[2] *The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of VI-REIT Group and the Stapled Group expressed as a percentage of daily average net asset value.*

28 SUBSEQUENT EVENTS

On 6 February 2015, 1,207,476 and 434,203 new Stapled Securities were issued to the REIT Manager and the Property Manager, respectively, at an issue price of $0.7977 per Stapled Security (as determined in accordance with the VI-REIT Trust Deed) as payment of their fees attributable to the Initial Properties for the quarter ended 31 December 2014.

On 27 February 2015, VI-REIT Group and the Stapled Group paid a distribution of approximately $3,758,000 or 0.606 cents per Stapled Security to Stapled Security holders in respect of the period from 2 December 2014 to 31 December 2014.

Financials Trustee-Manager

VIVA ASSET MANAGEMENT PTE. LTD.

Registration Number: 201316690M

FINANCIAL STATEMENTS
Year ended 31 December 2014

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Directors' Report

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2014.

DIRECTORS

The directors in office at the date of this report are as follows:

Ang Poh Seong
Tan Hai Peng Micheal
Tan Fuh Gih
Leong Horn Kee
Teo Cheng Hiang Richard
Ronald Lim Cheng Aun
Choong Chow Siong

DIRECTORS' INTERESTS

According to the register kept by the Company for the purposes of Section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants or share options of the Company and its related corporations are as follows:

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Ang Poh Seong		
Intermediate holding company		
Maxi Capital Pte. Ltd.		
- ordinary shares		
- direct interests	420	420
- preference shares		
- direct interests	272	272
Tan Hai Peng Micheal		
The Company		
- ordinary shares		
- deemed interests	90	90
Immediate holding company		
Viva Investment Management Pte. Ltd.		
- ordinary shares		
- deemed interests	402,778	402,778
Tan Fuh Gih		
Immediate holding company		
Viva Investment Management Pte. Ltd.		
- ordinary shares		
- deemed interests	241,667	241,667

DIRECTORS' INTERESTS (CONT'D)

By virtue of Section 7 of the Act, Tan Hai Peng Micheal is deemed to have an interest in all the other subsidiaries of Viva Investment Management Pte Ltd, at the beginning and at the end of the financial year.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning or at the end of the financial year.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the last financial period, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

SHARE OPTIONS

During the financial year, there were:

(i) no options granted by the Company to any person to take up unissued shares in the Company; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial year, there were no unissued shares of the Company under option.

AUDITORS

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Ang Poh Seong
Director

Leong Horn Kee
Director

27 March 2015

Statement by Directors

In our opinion:

(a) the financial statements set out on pages 149 to 159 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2014 and of the results, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; and

(b) at the date of this statement, having regard to the continuing financial support from its immediate holding company, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due, notwithstanding the net capital deficiency.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors

Ang Poh Seong
Director

Leong Horn Kee
Director

27 March 2015

Independent Auditors' Report

Members of the Company
Viva Asset Management Pte. Ltd.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Viva Asset Management Pte. Ltd. (the "Company"), which comprise the statement of financial position of the Company as at 31 December 2014, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 149 to 159.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Company as at 31 December 2014 and the results, changes in equity and cash flows of the Company for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
27 March 2015

Statement of Financial Position

As at 31 December 2014

	Note	2014 $	2013 $
Current assets			
Cash and cash equivalents	4	12,628	20,100
Total assets		12,628	20,100
Equity			
Share capital	5	100	100
Accumulated losses		(14,813)	(5,145)
Deficit in equity attributable to owners of the Company		(14,713)	(5,045)
Current liabilities			
Accruals and other payables	6	27,341	25,145
Total liabilities		27,341	25,145
Total equity and liabilities		12,628	20,100

The accompanying notes form an integral part of these financial statements.

Statement of Comprehensive Income

Year ended 31 December 2014

	Note	Year ended 31/12/2014 $	Period from 20/6/2013 (date of incorporation) to 31/12/2013 $
Revenue		–	–
Administrative expenses		(9,668)	(5,145)
Loss before income tax		(9,668)	(5,145)
Income tax expense	8	–	–
Loss/Total comprehensive loss for the year/period		(9,668)	(5,145)

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Equity

Year ended 31 December 2014

	Share capital $	Accumulated losses $	Total equity $
At 20 June 2013 (date of incorporation)	95	–	95
Total comprehensive loss for the period			
Loss for the period	–	(5,145)	(5,145)
Total comprehensive loss for the period	–	(5,145)	(5,145)
Transactions with owners, recognised directly in equity			
Proceeds from issue of additional shares	5	–	5
Total transactions with owners	5	–	5
At 31 December 2013	100	(5,145)	(5,045)
At 1 January 2014	100	(5,145)	(5,045)
Total comprehensive loss for the year			
Loss for the year	–	(9,668)	(9,668)
Total comprehensive loss for the year	–	(9,668)	(9,668)
At 31 December 2014	100	(14,813)	(14,713)

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

Year ended 31 December 2014

	Note	Year ended 31/12/2014 $	Period from 20/6/2013 (date of incorporation) to 31/12/2013 $
Cash flows from operating activities			
Loss before income tax		(9,668)	(5,145)
Change in:			
Accruals and other payables		1,158	3,842
Net cash used in operating activities		(8,510)	(1,303)
Cash flows from financing activities			
Non-trade amount due to immediate holding company		1,038	21,303
Proceeds from issue of additional shares		–	5
Net cash generated from financing activities		1,038	21,308
Net (decrease)/increase in cash and cash equivalents		(7,472)	20,005
Cash and cash equivalents at beginning of the year/period		20,100	95
Cash and cash equivalents at end of the year/period	4	12,628	20,100

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

Year ended 31 December 2014

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 27 March 2015.

1 DOMICILE AND ACTIVITIES

Viva Asset Management Pte. Ltd. (the "Company") is incorporated in the Republic of Singapore and has its registered office at 750 Chai Chee Road, #04-03 Technopark@Chai Chee, Singapore 469000.

The principal activity of the Company is to act as the trustee-manager of Viva Industrial Business Trust ("VI-BT"), a business trust registered under the Business Trusts Act, Chapter 31A of Singapore. The Company is the trustee-manager of VI-BT which is part of Viva Industrial Trust ("VIT"), a stapled group comprising Viva Industrial Real Estate Investment Trust and VI-BT. VIT is listed on Singapore Exchange Securities Trading Limited. VI-BT has been dormant since the listing of VIT and it does not own any properties.

At the reporting date, the Company's immediate and ultimate holding companies are Viva Investment Management Pte. Ltd. and Shanghai Summit Pte. Ltd., respectively. Both the immediate and ultimate holding companies are incorporated in the Republic of Singapore.

2 BASIS OF PREPARATION

2.1 Going concern

During the financial year, the Company incurred a loss of $9,668 (2013: $5,145) and as of 31 December 2014, the Company's total liabilities exceeded its total assets by $14,713 (2013: $5,045). Notwithstanding these, the financial statements have been prepared on the going concern basis as the immediate holding company has undertaken to provide continuing financial and other support as necessary to enable the Company to continue its operations and meet its liabilities as and when they fall due, for at least twelve months from the date of these financial statements. Management believes that the immediate holding company has the ability to provide such financial and other support as necessary.

2.2 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis.

2.4 Functional and presentation currency

The financial statements are presented in Singapore dollars which is the Company's functional currency.

2 BASIS OF PREPARATION (CONT'D)

2.5 Use of estimates and judgements

The preparation of financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

3.1 Financial instruments

Non-derivative financial assets

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company has the following non-derivative financial assets: loans and receivables.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents. Cash and cash equivalents comprise cash balances and bank deposits.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Financial instruments (cont'd)

Non-derivative financial liabilities

The Company initially recognises financial liabilities on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or when they expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise accruals and other payables.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.2 Impairment

Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has a negative impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Company, economic conditions that correlate with defaults or the disappearance of an active market for a security.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.4 New standards and interpretations not adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements.

4 CASH AND CASH EQUIVALENTS

	2014 $	2013 $
Cash at bank	12,628	20,100

5 SHARE CAPITAL

	2014		2013	
	No. of shares	$	No. of shares	$
Issued and fully paid ordinary shares, with no par value				
At beginning of the year/At date of incorporation	100	100	90	95
Issue of new shares	–	–	10	5
At end of the year/period	100	100	100	100

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All shares rank equally with regard to the Company's residual assets.

6 ACCRUALS AND OTHER PAYABLES

	2014 $	2013 $
Accruals	5,000	3,000
Other payables	–	842
Non-trade amount due to immediate holding company	22,341	21,303
	27,341	25,145

The amount due to immediate holding company is unsecured and interest-free, and is repayable on demand. The immediate holding company has undertaken not to demand repayment of the outstanding amount due to it until such time when the Company has funds available to effect the repayment.

7 FINANCIAL INSTRUMENTS

Financial risk management

Overview

The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk is the potential financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis.

The maximum exposure to credit risk is represented by the carrying value of each financial asset on the statement of financial position.

7 FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following are the contractual maturities of financial liabilities, including estimated interest payments (if any):

	Carrying amount $	Contractual cash flows $	Cash flows within 1 year $
2014			
Accruals and other payables	27,341	(27,341)	(27,341)
2013			
Accruals and other payables	25,145	(25,145)	(25,145)

Interest rate and foreign currency risks

At the reporting date, the Company has no exposure to interest rate and foreign currency risks.

Fair values

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including cash and cash equivalents and other payables) approximate their fair values because of the short period to maturity.

Capital management

The primary objectives of the Company's capital management are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value. The Company defines "capital" as including all components of equity and any loans from its shareholders. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirement.

8 INCOME TAX EXPENSE

	Year ended 31/12/2014 $	Period from 20/6/2013 (date of incorporation) to 31/12/2013 $
Current tax expense		
Current year/period	–	–
Reconciliation of effective tax rate		
Loss before income tax	(9,668)	(5,145)
Tax calculated using Singapore tax rate of 17% (2013: 17%)	(1,644)	(875)
Effect of non-tax deductible expenses	1,644	875
	–	–

9 RELATED PARTIES

For the purpose of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company. The directors and members of the management team are considered as key management personnel of the Company.

During the financial year, there were no significant related party transactions other than those disclosed elsewhere in the financial statements.

Interested Person Transactions ("IPTs")

Name of Interested Person/Party	Aggregate value of all IPTs during the financial year under review		
	Stapled Group S$'000	VI-REIT Group S$'000	VI-BT S$'000
Viva Industrial Trust Management Pte Ltd (the "REIT Manager")			
Management fees paid and payable	4,105	4,105	–
Acquisition fee paid in relation to the acquisition of investment properties	1,080	1,080	–
Rental income received and receivable	101	101	–
Viva Real Estate Asset Management Pte Ltd (the "Property Manager") (Note (a))			
Property and lease management fees paid and payable	1,393	1,393	–
Marketing commission paid and payable	577	577	–
The Trust Company (Asia) Limited (the "REIT Trustee")			
Trustee fees paid and payable	180	180	–
Ho Seng Lee Industries Pte Ltd (Related party of the REIT Manager) (Note (b))			
Rental income received and receivable	1,830	1,830	–

Notes:

(a) The Property Manager is a related corporation of the REIT Manager.

(b) Ho Seng Lee Industries Pte Ltd, which is a wholly owned subsidiary of Ho Lee Group Pte Ltd ("**HLG**"), is related to the REIT Manager by virtue of HLG's indirect equity interest in the REIT Manager of 25%.

There were no IPTs conducted under stapled securityholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual during the financial year under review.

Directors' Interests in Stapled Securities

As at 31 December 2014 and 21 January 2015

Name of Director	Direct Interests		Deemed Interests	
	No. of Stapled Securities	%*	No. of Stapled Securities	%*
Ang Poh Seong	1,000,000	0.16	–	–
Leong Horn Kee	64,000	0.01	–	–
Teo Cheng Hiang Richard	200,000	0.03	–	–
Tan Hai Peng Micheal	–	–	63,940,733[1][2]	10.31
Tan Fuh Gih	–	–	32,051,025[3]	5.17

* *Computed based on total number of issued Stapled Securities as at 31 December 2014 and 21 January 2015 of 620,241,958.*

(1) Mr Tan Hai Peng Micheal is a beneficiary of Ho Lee Group Trust ("HLGT") and is therefore, deemed to be interested in the Stapled Securities held by The Trust Company (Asia) Limited, in its capacity as trustee of HLGT.

(2) Mr Tan Hai Peng Micheal owns 20.0% equity interest in Teck Lee Holdings Pte. Ltd., which in turn owns 81.25% equity interest in Ho Lee Group Pte. Ltd. ("HLGPL"). HLGPL owns 27.78% equity interest in Viva Investment Management Pte. Ltd., which in turn owns 90.0% equity interest in Viva Industrial Trust Management Pte. Ltd. (the "REIT Manager") and 100.0% equity interest in Viva Real Estate Asset Management Pte. Ltd. (the "Property Manager"). Therefore, Mr Tan Hai Peng Micheal is deemed to be interested in the Stapled Securities held by the REIT Manager and the Property Manager.

(3) Mr Tan Fuh Gih owns 25.0% equity interest in China Enterprises Limited ("CEL") and is therefore, deemed to be interested in the Stapled Securities held by CEL.

There were no changes in the Directors' interests in Stapled Securities between 31 December 2014 and 21 January 2015.

Statistics of Holdings of Stapled Securities

As at 17 March 2015

Type	:	Stapled securities
Voting rights issued	:	One vote per unit of stapled securities
No. of units of stapled securities	:	621,883,637
Market capitalisation based on closing price of S$0.805 as at 17 March 2015	:	S$500,616,328

DISTRIBUTION OF STAPLED SECURITYHOLDINGS

Size of Stapled Securityholdings	No. of Stapled Securityholders	%	No. of Stapled Securities	%
1 – 99	0	0.00	0	0.00
100 – 1,000	555	24.79	553,400	0.09
1,001 – 10,000	987	44.08	7,521,500	1.21
10,001 – 1,000,000	682	30.46	41,749,800	6.71
1,000,001 AND ABOVE	15	0.67	572,058,937	91.99
TOTAL	**2,239**	**100.00**	**621,883,637**	**100.00**

TWENTY LARGEST STAPLED SECURITYHOLDERS

No.	Name	No. of Stapled Securities	%
1	RAFFLES NOMINEES (PTE) LIMITED	315,973,600	50.81
2	DBS NOMINEES (PRIVATE) LIMITED	58,930,000	9.48
3	ABN AMRO NOMINEES SINGAPORE PTE LTD	40,566,000	6.52
4	CIMB SECURITIES (SINGAPORE) PTE. LTD.	35,188,150	5.66
5	HSBC (SINGAPORE) NOMINEES PTE LTD	34,967,025	5.62
6	CITIBANK NOMINEES SINGAPORE PTE LTD	33,682,800	5.42
7	UNITED ENGINEERS DEVELOPMENTS PTE LTD	29,700,000	4.78
8	VIVA INDUSTRIAL TRUST MANAGEMENT PTE LTD	5,912,966	0.95
9	BANK OF SINGAPORE NOMINEES PTE. LTD.	4,214,000	0.68
10	TAN KAH GUAN (CHEN JIAYUAN)	3,995,000	0.64
11	DB NOMINEES (SINGAPORE) PTE LTD	2,804,000	0.45
12	VIVA REAL ESTATE ASSET MANAGEMENT PTE LTD	1,970,396	0.32
13	LIM KOK HOW OR TAN GEK CHOON	1,870,000	0.30
14	NG CHEE CHUAN	1,150,000	0.18
15	OCBC SECURITIES PRIVATE LIMITED	1,135,000	0.18
16	ANG POH SEONG	1,000,000	0.16
17	TAY BUANG KIM	1,000,000	0.16
18	XIAO ZHONGMIN	880,000	0.14
19	UOB KAY HIAN PRIVATE LIMITED	793,000	0.13
20	PHILLIP SECURITIES PTE LTD	769,000	0.12
	TOTAL	**576,500,937**	**92.70**

Statistics of Holdings of Stapled Securities

As at 17 March 2015

REGISTER OF SUBSTANTIAL HOLDERS OF STAPLED SECURITIES AS AT 17 MARCH 2015

Name of Substantial Stapled Securityholder	Direct Interests		Deemed Interests	
	No. of Stapled Securities	%*	No. of Stapled Securities	%*
Wealthy Fountain Holdings Inc ("WFH")	331,849,200	53.36	–	–
Tong Jinquan	52,860,000	8.50	339,732,562(1)(2)	54.63
Shanghai Summit Pte. Ltd. ("SSPL")	–	–	339,732,562(1)(2)	54.63
The Trust Company (Asia) Limited, in its capacity as trustee of Ho Lee Group Trust ("HLGT Trustee")	57,699,050	9.28	–	–
Tan Thuan Teck	300,000	0.05	65,582,412(3)(4)	10.55
Tan Hai Seng Benjamin	–	–	65,582,412(3)(4)	10.55
Tan Hai Peng Micheal	–	–	65,582,412(3)(4)	10.55
Ong Yew Lee	–	–	57,699,050(3)	9.28
Tan Yong Hiang Priscilla	–	–	57,699,050(3)	9.28
Seow Whye Pheng	–	–	57,699,050(3)	9.28
Seow Hwye Min	–	–	57,699,050(3)	9.28
Seow Whye Teck	–	–	57,699,050(3)	9.28
Seow Hwye Tiong	–	–	57,699,050(3)	9.28
Loh Guik Kiang	–	–	57,699,050(3)	9.28
China Enterprises Limited ("CEL")	32,051,025	5.15	–	–
Tan Kim Seng	–	–	32,051,025(5)	5.15
Tan Hoo Lang	–	–	32,051,025(5)	5.15
Tan Wei Min	–	–	32,051,025(5)	5.15
Tan Fuh Gih	–	–	32,051,025(5)	5.15

** Computed based on total number of issued stapled securities as at 17 March 2015 of 621,883,637.*

Notes:

(1) WFH is a wholly-owned subsidiary of SSPL, which is in turn wholly-owned by Tong Jinquan. Therefore, each of Tong Jinquan and SSPL is deemed to be interested in the Stapled Securities held by WFH.

(2) SSPL (which is wholly-owned by Tong Jinquan) owns 62.0% equity interest in Maxi Capital Pte. Ltd., which in turn owns 55.55% equity interest in Viva Investment Management Pte. Ltd. ("VIMPL"), which in turn owns 90.0% equity interest in Viva Industrial Trust Management Pte. Ltd. (the "REIT Manager") and 100.0% equity interest in Viva Real Estate Asset Management Pte. Ltd. (the "Property Manager"). Therefore, each of Tong Jinquan and SSPL is deemed to be interested in the 7,883,362 Stapled Securities held by the REIT Manager and the Property Manager.

(3) Each of Tan Thuan Teck, Tan Hai Seng Benjamin, Tan Hai Peng Micheal, Ong Yew Lee, Tan Yong Hiang Priscilla, Seow Whye Pheng, Seow Hwye Min, Seow Whye Teck, Seow Hwye Tiong and Loh Guik Kiang is a beneficiary of Ho Lee Group Trust and is therefore, deemed to be interested in the Stapled Securities held by HLGT Trustee.

(4) Each of Tan Thuan Teck, Tan Hai Seng Benjamin and Tan Hai Peng Micheal owns not less than 20.0% equity interest in Teck Lee Holdings Pte. Ltd., which in turn owns 81.25% equity interest in Ho Lee Group Pte. Ltd. ("HLGPL"). HLGPL owns 27.78% equity interest in VIMPL, which in turn owns 90.0% equity interest in the REIT Manager and 100.0% equity interest in the Property Manager. Therefore, each of Tan Thuan Teck, Tan Hai Seng Benjamin and Tan Hai Peng Micheal is deemed to be interested in the 7,883,362 Stapled Securities held by the REIT Manager and the Property Manager.

(5) Each of Tan Kim Seng, Tan Hoo Lang, Tan Wei Min and Tan Fuh Gih owns 25.0% equity interest in CEL and is therefore, deemed to be interested in the Stapled Securities held by CEL.

PERCENTAGE OF HOLDINGS OF STAPLED SECURITIES IN THE HANDS OF PUBLIC

As at 17 March 2015, 17.41% of the stapled securities of Viva Industrial Trust is held in the hands of the public. Accordingly, Viva Industrial Trust has complied with Rule 723 of the Listing Manual of the SGX-ST.

Notice of Annual General Meeting

VIVA INDUSTRIAL TRUST

Comprising:

VIVA INDUSTRIAL REAL ESTATE INVESTMENT TRUST
(a real estate investment trust constituted on 23 August 2013 under the laws of the Republic of Singapore)
managed by
Viva Industrial Trust Management Pte. Ltd.

VIVA INDUSTRIAL BUSINESS TRUST
(a business trust constituted on 14 October 2013 under the laws of the Republic of Singapore)
managed by
Viva Asset Management Pte. Ltd.

Standard Chartered Securities (Singapore) Pte. Limited, Merrill Lynch (Singapore) Pte. Ltd. and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch are the Joint Global Coordinators and Issue Managers for the initial public offering and listing of Viva Industrial Trust (the "**Offering**"). Standard Chartered Securities (Singapore) Pte. Limited, Merrill Lynch (Singapore) Pte. Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, CIMB Securities (Singapore) Pte. Ltd., Maybank Kim Eng Securities Pte. Ltd. and Credit Suisse (Singapore) Limited are the Joint Bookrunners and Underwriters for the Offering.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2nd Annual General Meeting of the holders of Stapled Securities of Viva Industrial Trust ("VIT") will be held at Block 750E Chai Chee Road, #03-01 Technopark@Chai Chee, Singapore 469005 on Wednesday, 22 April 2015 at 9.30 am to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Report of Viva Asset Management Pte. Ltd., as the trustee-manager of VI-BT (the "BT Trustee-Manager"), the Statement by the Chief Executive Officer of the BT Trustee-Manager, the Report of The Trust Company (Asia) Limited, as the trustee of VI-REIT (the "REIT Trustee"), the Report of Viva Industrial Trust Management Pte. Ltd., as the manager of VI-REIT (the "REIT Manager") and the Audited Financial Statements of VIT, VI-REIT and VI-BT for the financial year ended 31 December 2014 and the Independent Auditors' Report thereon. **(Resolution 1)**

2. To re-appoint Messrs KPMG LLP as Independent Auditors of VIT comprising VI-REIT and VI-BT to hold office until the conclusion of the next Annual General Meeting of VIT and to authorise the REIT Manager and the BT Trustee-Manager to fix their remuneration. **(Resolution 2)**

Notice of Annual General Meeting

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution as Ordinary Resolution, with or without any modifications:

3. That authority be and is hereby given to the REIT Manager and the BT Trustee-Manager, to **(Resolution 3)**

(a) (1) issue new units in VI-REIT ("VI-REIT Units") and new units in VI-BT ("VI-BT Units", together the "Stapled Securities") whether by way of rights or otherwise; and/or

(2) make or grant offers, agreements or options (collectively, "Instruments") that might or would require Stapled Securities to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Stapled Securities,

at any time and upon such terms and conditions and for such purposes and to such persons as the REIT Manager and the BT Trustee-Manager may in their absolute discretion deem fit; and

(b) issue Stapled Securities in pursuance of any Instrument made or granted by the REIT Manager and the BT Trustee-Manager while this Resolution is in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force), provided that:

(1) the aggregate number of Stapled Securities to be issued pursuant to this Resolution (including Stapled Securities to be issued in pursuance of Instruments made or granted pursuant to this Resolution), shall not exceed fifty per cent (50%) of the total number of issued Stapled Securities (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Stapled Securities to be issued other than on a pro rata basis to Stapled Securityholders shall not exceed twenty per cent (20%) of the total number of issued Stapled Securities (as calculated in accordance with sub-paragraph (2) below);

(2) subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited ("SGX-ST") for the purpose of determining the aggregate number of Stapled Securities that may be issued under sub paragraph (1) above, the total number of issued Stapled Securities shall be based on the number of issued Stapled Securities at the time this Resolution is passed, after adjusting for:

(i) any new Stapled Securities arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed; and

(ii) any subsequent bonus issue, consolidation or subdivision of Stapled Securities;

(3) in exercising the authority conferred by this Resolution, the REIT Manager and the BT Trustee-Manager shall comply with the provisions of the Listing Manual of SGX-ST for the time being in force (unless such compliance has been waived by SGX-ST), the Business Trusts Act, Chapter 31A of Singapore for the time being in force (unless otherwise exempted or waived by The Monetary Authority of Singapore), the trust deed constituting VI-REIT (as amended) (the "REIT Trust Deed") for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore), the trust deed constituting VI-BT (the "BT Trust Deed") for the time being in force (unless otherwise exempted or waived by The Monetary Authority of Singapore) and the Stapling Deed entered into between the REIT Manager, the REIT Trustee and the BT Trustee-Manager for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);

(4) (unless revoked or varied by the Stapled Securityholders in a general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next Annual General Meeting of VIT; or (ii) the date by which the next Annual General Meeting of VIT is required by law to be held, whichever is earlier;

(5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Stapled Securities into which the Instruments may be converted, in the event of rights, bonus or other capitalisation issues or any other events, the REIT Manager and the BT Trustee-Manager are authorised to issue additional Instruments or Stapled Securities pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments are issued; and

(6) the REIT Manager, the REIT Trustee and the BT Trustee-Manager be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the REIT Manager, the REIT Trustee or, as the case may be, the BT Trustee-Manager may consider expedient or necessary or in the interest of VI-REIT, VI-BT and VIT as whole to give effect to the authority conferred by this Resolution.

On behalf of the Board
Wilson Ang Poh Seong
Chief Executive Officer

Viva Industrial Trust Management Pte. Ltd.
(Company Registration No. 201204203W)
As manager of Viva Industrial Real Estate Investment Trust

Viva Asset Management Pte. Ltd.
(Company Registration No. 201316690M)
As trustee-manager of Viva Industrial Business Trust

07 April 2015

Notice of Annual General Meeting

Important Notice:

1. A Stapled Securityholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Stapled Securityholder.

2. Where a Stapled Securityholder appoints two proxies and does not specify the proportion of his/her stapled securityholding to be represented by each proxy, then the Stapled Securities held by the Stapled Securityholder are deemed to be equally divided between the proxies.

3. The proxy form must be lodged at the office of VIT's Stapled Security Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 48 hours before the time set for holding the Annual General Meeting.

Explanatory Note on Ordinary Resolution 3

The Ordinary Resolution 3 above, if passed, will empower the REIT Manager and the BT Trustee-Manager to issue Stapled Securities and to make or grant Instruments (such as warrants, debentures or other securities) convertible into Stapled Securities and issue Stapled Securities pursuant to such Instruments from the date of the Annual General Meeting until (i) the conclusion of the next Annual General Meeting of VIT; or (ii) the date by which the next Annual General Meeting of VIT is required by the applicable regulations to be held, whichever is earlier, unless such authority is earlier revoked or varied by the Stapled Securityholders at a general meeting. The aggregate number of Stapled Securities which the REIT Manager and the BT Trustee-Manager may issue (including Stapled Securities to be issued pursuant to convertibles) under this Resolution must not exceed fifty per cent. (50%) of the total number of issued Stapled Securities of which up to twenty per cent. (20%) of the total number of issued Stapled Securities may be issued other than on a pro rata basis to Stapled Securityholders.

The Ordinary Resolution 3 above, if passed, will empower the REIT Manager and the BT Trustee-Manager from the date of the Annual General Meeting until the date of the next Annual General Meeting of VIT, to issue Stapled Securities as either partial or full payment of the fees which the REIT Manager, the Property Manager and the BT Trustee-Manager are entitled to receive for their own accounts pursuant to the REIT Trust Deed and BT Trust Deed respectively.

For the purpose of determining the aggregate number of Stapled Securities that may be issued, the percentage of issued Stapled Securities will be calculated based on the total number of issued Stapled Securities at the time the Ordinary Resolution 3 above is passed, after adjusting for (i) new Stapled Securities arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed; and (ii) any subsequent bonus issue, consolidation or subdivision of Stapled Securities.

Fund raising by issuance of new Stapled Securities may be required in instances of property acquisitions or debt repayments. In any event, if the approval of Stapled Securityholders is required under the Listing Manual of SGX-ST, the REIT Trust Deed, the BT Trust Deed and the Stapling Deed or any relevant laws and regulations in such instances, the REIT Manager and the BT Trustee-Manager will then obtain the approval of Stapled Securityholders accordingly.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a Stapled Securityholder of VIT (i) consents to the collection, use and disclosure of the Stapled Securityholder's personal data by VIT (or its agents) for the purpose of the processing and administration by VIT (or its agents) or proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendances lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for VIT (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the Stapled Securityholder discloses the personal data of the Stapled Securityholder's proxy(ies) and/or representative(s) to VIT (or its agents), the Stapled Securityholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by VIT (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Stapled Securityholder will indemnify VIT in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Stapled Securityholder's breach of warranty.

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VIVA INDUSTRIAL TRUST

Comprising:

VIVA INDUSTRIAL REAL ESTATE INVESTMENT TRUST
(a real estate investment trust constituted on 23 August 2013 under the laws of the Republic of Singapore)
managed by
Viva Industrial Trust Management Pte. Ltd.

VIVA INDUSTRIAL BUSINESS TRUST
(a business trust constituted on 14 October 2013 under the laws of the Republic of Singapore)
managed by
Viva Asset Management Pte. Ltd.

PROXY FORM

ANNUAL GENERAL MEETING OF VIVA INDUSTRIAL TRUST

I/We _____ (Name(s) with

NRIC No./Passport No./Company Registration No.) _____

of _____ (Address)

being a Stapled Securityholder/Stapled Securityholders of Viva Industrial Trust ("VIT") hereby appoint:

Name	Address	NRIC No./ Passport No.	Proportion of Stapled Securityholdings	
			No. of Stapled Securities	%

and/or (delete as appropriate)

Name	Address	NRIC No./ Passport No.	Proportion of Stapled Securityholdings	
			No. of Stapled Securities	%

or, both of whom failing, the Chairman of the Annual General Meeting ("AGM") as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and if necessary, to demand a poll, at the AGM of VIT to be held at Block 750E Chai Chee Road, #03-01 Technopark@Chai Chee, Singapore 469005 on Wednesday, 22 April 2015 at 9.30 am or at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the resolution to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion.

Ordinary Resolution		To be used on a show of hand		To be used in the event of a poll	
		For*	Against*	No. of Votes For**	No. of Votes Against**
Ordinary Business					
1.	Adoption of the BT Trustee-Manager's Report, the Statement by the Chief Executive Officer of the BT Trustee-Manager, the REIT Trustee's Report, the REIT Manager's Report and the Audited Financial Statements of VIT, VI-REIT and VI-BT for the financial year ended 31 December 2014 and the Independent Auditors' Report thereon.				
2.	Re-appointment of Independent Auditors and authorisation of the REIT Manager and the BT Trustee-Manager to fix the Independent Auditors' remuneration.				
Special Business					
3.	Authority to issue Stapled Securities and to make or grant convertible instruments.				

* If you wish to exercise all your votes "For" or "Against", please tick (/) within the box provided.

** If you wish to exercise all your votes "For" or "Against", please tick (/) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2015

Total number of Stapled Securities held

_____

Signature(s) of Stapled Securityholder(s)/Common Seal of Corporate Stapled Securityholder

Fold this flap to seal

Postage will be paid by addressee. For posting in Singapore only

BUSINESS REPLY SERVICE
PERMIT NO. 09181

Viva Industrial Trust Management Pte Ltd
(as manager of Viva Industrial Real Estate Investment Trust)
&
Viva Asset Management Pte Ltd
(as trustee-manager of Viva Industrial Business Trust)

c/o: Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

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Notes to Proxy Form

1. A Stapled Securityholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead.
2. Where a Stapled Securityholder appoints more than one proxy, he/she must specify the proportion of his/her stapled securityholding (expressed as a percentage of the whole) to be represented by each proxy. Where a Stapled Securityholder appoints two proxies and does not specify the proportion of his/her stapled securityholding to be represented by each proxy, then the Stapled Securities held by the Stapled Securityholder are deemed to be equally divided between the proxies.
3. A proxy need not be a Stapled Securityholder.
4. A Stapled Securityholder should insert the total number of Stapled Securities held. If the Stapled Securityholder has Stapled Securities entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("CDP"), he/she should insert that number of Stapled Securities. If no number is inserted, this form of proxy will be deemed to relate to all the Stapled Securities held by the Stapled Securityholder.
5. The instrument appointing a proxy or proxies (the "Proxy Form") must be deposited at the Stapled Security Registrar's office at Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time set for holding the Annual General Meeting.
6. The Proxy Form must be signed by the appointor or his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a Stapled Securityholder of VIT (i) consents to the collection, use and disclosure of the Stapled Securityholder's personal data by VIT (or its agents) for the purpose of the processing and administration by VIT (or its agents) or proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendances lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for VIT (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the Stapled Securityholder discloses the personal data of the Stapled Securityholder's proxy(ies) and/or representative(s) to VIT (or its agents), the Stapled Securityholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by VIT (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Stapled Securityholder will indemnify VIT in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Stapled Securityholder's breach of warranty.

Corporate Information

REIT MANAGER
Viva Industrial Trust Management Pte. Ltd.

BT TRUSTEE-MANAGER
Viva Asset Management Pte. Ltd.

BUSINESS AND REGISTERED ADDRESS OF THE REIT MANAGER AND BT TRUSTEE-MANAGER
750 Chai Chee Road
#04-03 Technopark@Chai Chee
Singapore 469000
T: +65 6229 5555
F: +65 6229 5550
W: www.vivaitrust.com

REIT TRUSTEE
The Trust Company (Asia) Limited
8 Marina Boulevard
#05-02 Marina Bay Financial Centre
Singapore 018981
T: +65 6645 0830
F: +65 6438 0255

BOARD OF DIRECTORS
Dr Leong Horn Kee
Chairman and
Independent Non-Executive Director

Mr Richard Teo Cheng Hiang
Independent Non-Executive Director

Dr Choong Chow Siong
Independent Non-Executive Director

Mr Ronald Lim Cheng Aun
Independent Non-Executive Director

Mr Micheal Tan Hai Peng
Non-Executive Director

Mr Tan Fuh Gih
Non-Executive Director

Mr Wilson Ang Poh Seong
Chief Executive Officer and
Executive Director

AUDIT & RISK COMMITTEE
Dr Choong Chow Siong
Chairman

Mr Richard Teo Cheng Hiang
Member

Mr Ronald Lim Cheng Aun
Member

INVESTMENT COMMITTEE
Mr Richard Teo Cheng Hiang
Chairman

Dr Leong Horn Kee
Member

Mr Micheal Tan Hai Peng
Member

Mr Tan Fuh Gih
Member

Mr Wilson Ang Poh Seong
Member

REMUNERATION COMMITTEE
Mr Ronald Lim Cheng Aun
Chairman

Dr Choong Chow Siong
Member

Mr Micheal Tan Hai Peng
Member

Mr Tan Fuh Gih
Member

COMPANY SECRETARY
Ms Ang Siew Koon

INDEPENDENT AUDITOR
KPMG LLP
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581
T: +65 6213 3388
F: +65 6225 0984

Partner-in-charge:
Barry Lee Chin Siang
(Appointed since 2013)

UNIT REGISTRAR
Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 046623
T: +65 6536 5355
F: +65 6536 1360

INTERNAL AUDITOR
BDO LLP
21 Merchant Road
#05-01 Singapore 058267
T: +65 6828 9118
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PRINCIPAL BANKERS
Standard Chartered Bank
The Hongkong and Shanghai Banking Corporation Limited

Standard Chartered Securities (Singapore) Pte. Limited, Merrill Lynch (Singapore) Pte. Ltd. and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch are the Joint Global Coordinators and Issue Managers for the initial public offering and listing of Viva Industrial Trust (the "Offering"). Standard Chartered Securities (Singapore) Pte. Limited, Merrill Lynch (Singapore) Pte. Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, CIMB Securities (Singapore) Pte. Ltd., Maybank Kim Eng Securities Pte. Ltd. and Credit Suisse (Singapore) Limited are the Joint Bookrunners and Underwriters for the Offering. The above mentioned parties assume no responsibility for the contents of this Annual Report.



Viva Industrial Trust Management Pte. Ltd.
Registration Number: 201204203W

Viva Asset Management Pte. Ltd.
Registration Number: 201316690M

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