



**Cache Logistics Trust
2019 Fourth Quarter and Full Year ended Unaudited Financial Statements & Distribution
Announcement**

INTRODUCTION

Cache Logistics Trust ("Cache") is a Singapore-based real estate investment trust constituted by the Trust Deed entered into on 11 February 2010 (as amended) between ARA Trust Management (Cache) Limited, in its capacity as the manager (the "Manager"), and HSBC Institutional Trust Services (Singapore) Limited, in its capacity as the trustee (the "Trustee"), to invest in income-producing real estate predominantly used for logistics purposes in Asia-Pacific, as well as real estate-related assets.

Cache's portfolio as at 31 December 2019 comprised of 27 quality logistics warehouse properties located in Singapore and Australia (collectively "Investment Properties").

The financial information for the fourth quarter and full year ended 31 December 2019 set out in this announcement has been extracted from financial information for the period from 1 January 2019 to 31 December 2019 which has been reviewed by Cache's independent auditors in accordance with Singapore Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". For this announcement, references to "Trust" are to Cache; and references to "Group" are to Cache and its subsidiaries.

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SUMMARY OF RESULTS FOR CACHE LOGISTICS TRUST

	Notes	Group					
		1/10/19 to 31/12/19	1/10/18 to 31/12/18	Change	Year to Date		Change
					1/1/19 to 31/12/19	1/1/18 to 31/12/18	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue		27,202	30,988	(12.2)	113,555	121,540	(6.6)
Net property income		20,482	23,368	(12.4)	85,844	90,924	(5.6)
Distributable amount to Unitholders		14,941	16,178	(7.6)	59,770	63,409	(5.7)
- from operations		14,398	15,804	(8.9)	58,042	62,241	(6.7)
- from capital	(a)	543	374	45.2	1,728	1,168	47.9
Distribution per unit ("DPU") (cents)	(b)	1.376	1.502	(8.4)	5.523	5.903	(6.4)
- from operations		1.326	1.467	(9.6)	5.363	5.794	(7.4)
- from capital		0.050	0.035	42.9	0.160	0.109	46.8
Number of units issued and to be issued at end of period		1,085,818,549	1,077,881,375	0.7	1,085,818,549	1,077,881,375	0.7

Notes:

(a) Capital distribution for both 4Q 2019 and 4Q 2018 relates to reimbursements received from the vendor in relation to outstanding lease incentives at the point of completion of the acquisition of certain properties in Australia.

Additionally, capital distribution for 4Q 2019 includes rental support received from the vendor in relation to a warehouse acquired in Australia in April 2019.

Capital distribution in FY 2018 also includes the capital gains/sale proceeds from the disposal of Kim Heng warehouse in 2015.

(b) Please refer to item 6 and 11 for further details.

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1(a)(i) Statement of Total Return and Distribution Statement for the Fourth Quarter and Full Year ended 31 December 2019

	Notes	Group					
		1/10/19 to 31/12/19	1/10/18 to 31/12/18	Change	Year to Date		Change
					1/1/19 to 31/12/19	1/1/18 to 31/12/18	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Statement of Total Return							
Gross revenue	(a)	27,202	30,988	(12.2)	113,555	121,540	(6.6)
Property expenses	(b)	(6,720)	(7,620)	(11.8)	(27,711)	(30,616)	(9.5)
Net property income		20,482	23,368	(12.4)	85,844	90,924	(5.6)
Other income		-	-	-	25	-	nm
Net financing costs	(c)	(5,395)	(4,920)	9.7	(21,492)	(18,405)	16.8
Manager's base fee	(d)	(1,615)	(1,651)	(2.2)	(6,580)	(6,774)	(2.9)
Manager's performance fee	(d)	(288)	(351)	(17.9)	(1,197)	(1,364)	(12.2)
Trustee fees		(139)	(150)	(7.3)	(557)	(598)	(6.9)
Other trust expenses	(e)	(225)	(582)	(61.3)	(2,164)	(2,420)	(10.6)
Foreign exchange gain/ (loss)	(f)	2,437	(3,862)	(163.1)	(2,504)	(11,168)	(77.6)
		(5,225)	(11,516)	(54.6)	(34,469)	(40,729)	(15.4)
Net income		15,257	11,852	28.7	51,375	50,195	2.4
Gain on disposal of investment property	(g)	-	-	nm	-	2,735	nm
Gain on disposal of a subsidiary	(h)	-	118	nm	-	118	nm
Net change in fair value of investment properties	(i)	(55,018)	(21,770)	nm	(57,312)	(21,770)	nm
Net change in fair value of financial derivatives	(j)	(218)	(66)	nm	304	943	(67.8)
Total return for the period before taxation and distribution		(39,979)	(9,866)	305.2	(5,633)	32,221	(117.5)
Tax expense	(k)	(498)	(1,233)	(59.6)	(2,025)	(2,532)	(20.0)
Total return for the period after taxation before distribution		(40,477)	(11,099)	264.7	(7,658)	29,689	(125.8)
Attributable to:							
Unitholders		(41,864)	(12,486)	235.3	(13,158)	24,656	(153.4)
Perpetual securities holders	(l)	1,387	1,387	-	5,500	5,033	9.3
		(40,477)	(11,099)	264.7	(7,658)	29,689	(125.8)

	Notes	Group					
		1/10/19 to 31/12/19	1/10/18 to 31/12/18	Change	Year to Date		Change
					1/1/19 to 31/12/19	1/1/18 to 31/12/18	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Distribution Statement							
Total return for the period attributable to Unitholders and perpetual securities holders		(40,477)	(11,099)	264.7	(7,658)	29,689	(125.8)
Less: Amount reserved for distribution to perpetual securities holders	(l)	(1,387)	(1,387)	-	(5,500)	(5,033)	9.3
Distribution adjustments:							
Manager's fees paid/payable in units	(d)	1,427	1,501	(4.9)	5,833	6,103	(4.4)
Trustee fees		99	101	(2.0)	395	406	(2.7)
Amortisation of transaction costs	(m)	231	249	(7.2)	927	1,044	(11.2)
Transaction costs written-off	(n)	-	375	nm	-	489	nm
Gain on disposal of investment property	(g)	-	-	nm	-	(2,735)	nm
Gain on disposal of a subsidiary	(h)	-	(118)	nm	-	(118)	nm
Land rent	(o)	(1,507)	-	nm	(6,028)	-	nm
Interest expenses on lease liabilities	(o)	729	-	nm	2,956	-	nm
Net change in fair value of investment properties	(i)	55,018	21,770	nm	57,312	21,770	nm
Net change in fair value of financial derivatives	(j)	218	66	nm	(304)	(943)	(67.8)
Depreciation	(p)	95	141	(32.6)	490	616	(20.5)
Foreign exchange (loss)/ gain	(f)	(2,339)	4,216	nm	2,589	11,599	(77.7)
Commitment fee		28	34	(17.6)	128	245	(47.8)
51 Alps Ave compensation amount	(q)	-	(179)	nm	2,503	(817)	nm
Other items	(r)	258	46	nm	394	1,209	(67.4)
Net profit from subsidiaries	(s)	(5,656)	(5,072)	11.5	(21,106)	(20,291)	4.0
Distribution adjustments		48,601	23,130	110.1	46,089	18,577	148.1
Taxable income		6,737	10,644	(36.7)	32,931	43,233	(23.8)
Tax exempt income	(t)	7,661	5,160	48.5	25,111	19,008	32.1
Income available for distribution		14,398	15,804	(8.9)	58,042	62,241	(6.7)
Capital distribution	(u)	543	374	45.2	1,728	1,168	47.9
Distributable amount to Unitholders	(v)	14,941	16,178	(7.6)	59,770	63,409	(5.7)

nm denotes "not meaningful"

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Notes:

- (a) Gross revenue comprises mainly rental income from investment properties.

The decrease in gross revenue for the quarter ended 31 December 2019 was mainly due to i) lower revenue from Cache Gul LogisCentre (formerly known as Precise Two) as a result of the conversion from a master lease to a multi-tenancy lease structure; ii) transitory vacancy downtime between leases; iii) lower signing rents for leases as compared to the previous leases; iv) absence of rental contribution from Jinshan Chemical Warehouse which was divested in December 2018; and v) a weaker Australian dollar. This was partially offset by additional rental contribution from the warehouse in Altona, Victoria, Australia acquired in April 2019.

- (b) Property expenses comprise property management fee, lease management fee, reimbursable expenses payable to the Property Manager, property maintenance, lease commissions and other property related expenses.

The decrease for the quarter was primarily due to S\$1.5 million land rent that was excluded from the property expenses due to the adoption of Singapore Financial Reporting Standard 116 Leases ("FRS 116"), effective 1 January 2019.

FRS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payment. The lease liability will be discharged through lease payments with recognition of interest on the lease liability in the statement of total return. The standard is effective for annual periods beginning on or after 1 January 2019.

- (c) Included in the net financing costs are the following:

Notes	Group					
	1/10/19 to 31/12/19	1/10/18 to 31/12/18	Change	Year to Date		Change
				1/1/19 to 31/12/19	1/1/18 to 31/12/18	
S\$'000	S\$'000	%	S\$'000	S\$'000	%	
Finance income :						
Bank deposits	7	32	(78.1)	146	150	(2.7)
Finance expenses :						
Bank loans	(3,776)	(3,865)	(2.3)	(15,906)	(15,041)	5.8
Interest rate swaps	(616)	(395)	55.9	(1,617)	(1,605)	0.7
Amortisation of transaction costs	(m) (253)	(279)	(9.3)	(1,029)	(1,163)	(11.5)
Transaction costs written-off	(n) -	(375)	nm	-	(489)	nm
Lease liabilities	(o) (729)	-	nm	(2,956)	-	nm
Others	(28)	(38)	(26.3)	(130)	(257)	(49.4)
Net financing costs	(5,395)	(4,920)	9.7	(21,492)	(18,405)	16.8

The increase in net financing costs for the quarter and full year ended was mainly attributable to interest expenses on lease liabilities recognised as a result of the adoption of FRS 116.

- (d) Manager's fee consists of:

- A base fee of 0.5% per annum of the value of the total assets; and
- A performance fee of 1.5% per annum of the Net Property Income ("NPI").

The Manager has excluded the impact of FRS 116 changes in the computation of fees paid and payable. The Manager may elect to receive the base fee and performance fee in cash or units, or a combination of cash and units, as it may in its sole discretion determine.

- (e) Other trust expenses include professional fees, listing fees and other non-property related expenses. The decrease was mainly due to the reversal of project abortive costs and other expenses.

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- (f) Relates mainly to unrealised foreign currency exchange rate movement on shareholder loans to an Australia subsidiary as a result of fluctuations in the AUD/SGD foreign currency exchange rates.
- (g) Relates to the gain on disposal of 40 Alps Ave, Singapore.
- (h) Relates to the gain on disposal of a China subsidiary, CWT Warehousing Transportation (Shanghai) development Co., Ltd.
- (i) Represents fair value adjustments of investment properties of S\$54.2m as at 31 December 2019 and fair value adjustments of S\$3.1m on ROU assets in relation to the portfolio of land leases with Jurong Town Council (“JTC”) included in investment properties as at 31 December 2019, in accordance with FRS 116. The revaluation exercise was performed by Edmund Tie & Company (SEA) Pte Ltd and CBRE Valuations Pty Limited.
- (j) Represents the changes in fair value of interest rate swaps and forward foreign currency exchange contracts.
- (k) Tax expense includes withholding tax incurred on its overseas operations.
- (l) On 1 February 2018, the Trust issued S\$100.0 million of subordinated perpetual securities (the “Perpetual Securities”). The Perpetual Securities confer a right to receive distribution payments at a rate of 5.50% per annum, with the first distribution rate reset falling on 1 February 2023 and subsequent resets occurring every five years thereafter. Distributions are payable semi-annually in arrears on a discretionary basis and are non-cumulative in accordance with the terms and conditions of the Perpetual Securities.
- (m) Represents amortisation of non-tax deductible upfront fees on credit facilities.
- (n) Represents unamortised upfront fees written-off following repayment of the S\$185.0 million term loan and S\$150.0 million term loan.
- (o) Adjustments for changes in fair value of investment properties, land rent and interest expenses on lease liabilities, including adjustments in relation to the application of FRS 116. There is no impact to DPU as a result of the adoption of FRS 116.
- (p) Relates to depreciation of plant and equipment.
- (q) In respect of the tax matter associated with 51 Alps Avenue, Singapore, IRAS confirmed that out of the Relevant Sum (as defined previously), approximately S\$7.4 million qualifies for tax transparency with the balance (associated with legal fees and trial-related costs) being subject to tax. The amount withheld of \$2.7 million, net of relevant expenses, attributable to the rental period from 1 September 2016 to 31 March 2019 was distributed in 2Q 2019 and the remaining amount, net of relevant expenses, has been/will be distributed over the remaining rental period until 31 August 2021. On the amount of \$0.8 million costs recovery being subject to tax, as the expenses incurred were in excess of the recovery, there should not be any tax payable and the tax computation has been submitted to IRAS for their concurrence.
- (r) Relates to specific property and finance expenses that are non-tax deductible, other tax adjustments and includes one-off project abortive costs.
- (s) Relates to net income from the Trust’s subsidiaries.
- (t) Relates to distribution of income from Australia and other overseas subsidiaries that have been received in Singapore (net of withholding tax).
- (u) Capital distribution for both 4Q 2019 and 4Q 2018 relates to reimbursements received from the vendor in relation to outstanding lease incentives at the point of completion of the acquisition of certain properties in Australia. Additionally, capital distribution for 4Q 2019 includes rental support received from the vendor

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in relation to a warehouse acquired in Australia in April 2019, and capital distribution in FY2018 includes the capital gains/sale proceeds from the disposal of Kim Heng warehouse in 2015.

- (v) For a Real Estate Investment Trust to maintain tax transparency (such that distributions are tax exempt to eligible Unitholders), it is required to distribute at least 90.0% of its taxable income. Currently, Cache distributes 100.0% of taxable and tax-exempt income. The dividends are distributed on a quarterly basis, no later than 60 days after the end of each distribution period.

1(b)(i) Statements of Financial Position

	Notes	Group		Trust	
		31/12/19	31/12/18	31/12/19	31/12/18
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Investment properties	(a)	1,333,939	1,269,026	929,315	905,800
Plant and equipment		788	1,274	788	1,274
Investments in subsidiaries	(b)	-	-	187,786	168,445
Amounts due from subsidiaries	(c)	-	-	161,765	-
Trade and other receivables	(d)	262	-	-	-
Total non-current assets		1,334,989	1,270,300	1,279,654	1,075,519
Current assets					
Trade and other receivables	(d)	8,206	5,914	5,566	4,711
Amounts due from subsidiaries	(c)	-	-	27,715	152,041
Derivative assets	(e)	210	142	210	142
Cash and cash equivalents		15,259	33,338	8,907	10,795
Total current assets		23,675	39,394	42,398	167,689
Total assets		1,358,664	1,309,694	1,322,052	1,243,208
Current liabilities					
Trade and other payables		(18,474)	(14,889)	(14,617)	(11,255)
Amounts due to subsidiaries	(c)	-	-	(41)	-
Provisions	(f)	-	(664)	-	(664)
Interest bearing borrowings	(g)	(113,277)	(28,098)	(67,500)	-
Derivative liabilities	(e)	(126)	(117)	-	(94)
Lease liabilities	(h)	(3,190)	-	(3,190)	-
Total current liabilities		(135,067)	(43,768)	(85,348)	(12,013)
Non-current liabilities					
Trade and other payables		(3,734)	(4,215)	(3,734)	(4,215)
Interest bearing borrowings	(g)	(396,562)	(442,082)	(396,562)	(395,635)
Derivative liabilities	(e)	(7,516)	(4,925)	(7,516)	(4,768)
Lease liabilities	(h)	(74,825)	-	(74,825)	-
Total non-current liabilities		(482,637)	(451,222)	(482,637)	(404,618)
Total liabilities		(617,704)	(494,990)	(567,985)	(416,631)
Net assets		740,960	814,704	754,067	826,577
Represented by:					
Unitholders' funds	(i)	639,413	713,157	652,520	725,030
Perpetual securities holders' funds	(j)	101,547	101,547	101,547	101,547
		740,960	814,704	754,067	826,577

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Notes:

- (a) Represents carrying value of the investment properties based on independent valuations carried out by Edmund Tie & Company (SEA) Pte Ltd and CBRE Valuations Pty Limited as well as S\$78.0 million ROU assets in relation to the portfolio of land leases with JTC, in accordance with FRS 116 which is effective 1 January 2019.
- (b) Relates to wholly-owned subsidiaries of Cache, stated at cost. The increase in the investment value represents further investment in Australia for the acquisition of a warehouse in Altona, Victoria.
- (c) The amounts due from subsidiaries mainly represent loans to an Australia subsidiary. The increase was mainly to finance the acquisition of a warehouse in Australia.
- (d) The increase in trade and other receivables was mainly due to higher trade receivables and rental support receivable from vendor of the newly acquired warehouse in Altona, Victoria, Australia.
- (e) Relates to the fair value of interest rate swaps and forward foreign currency exchange contracts. During the year, the Group entered into S\$70.0 million interest rate swap effective from October 2019.
- (f) Relates to the provision of income support associated with the sale of 40 Alps Ave for the period from May 2018 to May 2019.
- (g) Refer to Item 1(b)(ii), Aggregate amount of Borrowings and Debt Securities, for details.
- (h) Relates to lease liabilities in relation to the portfolio of land leases with JTC, in accordance with FRS 116.
- (i) Refer to Item 1(d)(i), Statement of Movements in Unitholders' Funds, for details. Changes were mainly due to movement in foreign currency translation reserves and the effective portion of changes in fair value of cash flow hedges, return and distribution to Unitholders for the period.
- (j) On 1 February 2018, the Trust issued S\$100.0 million of fixed rate Perpetual Securities. Distributions to the perpetual securities holders will be payable semi-annually in arrears on a discretionary basis and will be non-cumulative. The perpetual securities are classified as equity and recorded within the Statement of Movements in Unitholders' Funds. The carrying value represents the perpetual securities issued, net of issue costs and includes the total return attributable to the perpetual securities holders from the last distribution date.

As at 31 December 2019, Cache's current liabilities exceeded its current assets primarily due to current borrowings of S\$47.6 million from the Revolving Credit Facility ("RCF"), S\$19.9 million short-term borrowings and A\$48.5 million term loan.

1(b)(ii) Aggregate amount of Borrowings and Debt Securities

	Group		Trust	
	31/12/19	31/12/18	31/12/19	31/12/18
	S\$'000	S\$'000	S\$'000	S\$'000
Secured borrowings				
Amount repayable within one year	45,808	28,125	-	-
Less : Unamortised transaction costs	(31)	(27)	-	-
	45,777	28,098	-	-
Amount repayable after one year	-	46,555	-	-
Less : Unamortised transaction costs	-	(108)	-	-
	-	46,447	-	-
Unsecured borrowing				
Amount repayable within one year	67,500	-	67,500	-
Less : Unamortised transaction costs	-	-	-	-
	67,500	-	67,500	-
Amount repayable after one year	400,000	400,000	400,000	400,000
Less : Unamortised transaction costs	(3,438)	(4,365)	(3,438)	(4,365)
	396,562	395,635	396,562	395,635
Total borrowings	509,839	470,180	464,062	395,635

Notes:

(a) The Group has in place the following unsecured Singapore dollar facilities:

- 5-year term loan of S\$90.0 million maturing in 2021;
- 5-year term loan of S\$110.0 million maturing in 2023;
- 5.5-year term loan of S\$200.0 million maturing in 2024;
- committed RCF of S\$65.0 million maturing in 2024; and
- uncommitted short-term borrowings of S\$20.0 million.

As at 31 December 2019, a total of S\$467.5 million was drawn.

(b) The Group has in place the following secured Australian dollar facilities:

- 5-year term loans of A\$48.5 million maturing in 2020.

As at 31 December 2019, the above facilities were fully drawn.

The secured facilities indicated in (b) above are secured by way of a legal mortgage and charges over 4 Australia properties as follows:

- 127 Orchard Road, Chester Hill, New South Wales;
- 16 - 28 Transport Drive, Somerton, Victoria;
- 51 Musgrave Road, Coopers Plains, Queensland; and
- 203 Viking Drive, Wacol, Queensland.

During the quarter ended, the Group repaid the 4-year A\$29.3 million secured term loan using proceeds drawn down from the committed S\$65.0 million RCF. The associated mortgage over 404 - 450 Findon Road, Kidman Park, South Australia was discharged accordingly.

The Group is currently in the process of finalising a term loan facility to refinance the existing Australian dollar facilities as well as to repay certain Singapore dollar debts.

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1(c) Statement of Cash Flows

	Notes	Group			
		1/10/19 to 31/12/19	1/10/18 to 31/12/18	Year to Date	
				1/1/19 to 31/12/19	1/1/18 to 31/12/18
		S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities					
Total return for the period before taxation and distribution		(39,979)	(9,866)	(5,633)	32,221
Adjustments for:					
Manager's fees paid/payable in units		1,427	1,501	5,833	6,103
Depreciation		95	181	490	771
Foreign exchange loss		(2,437)	3,862	2,504	11,168
Net financing costs	(a)	5,395	4,920	21,492	18,405
Net change in fair value of investment properties		55,018	21,770	57,312	21,770
Net change in fair value of financial derivatives		218	66	(304)	(943)
Gain on disposal of investment property		-	-	-	(2,735)
Gain on disposal of a subsidiary		-	(118)	-	(118)
Changes in:					
Trade and other receivables		257	788	(1,766)	(3,483)
Trade and other payables		1,282	163	2,855	812
Provisions		-	(201)	(664)	(716)
Cash generated from operations		21,276	23,066	82,119	83,255
Tax paid		(940)	(1,327)	(2,420)	(2,784)
Net cash from operating activities		20,336	21,739	79,699	80,471
Cash flows from investing activities					
Interest received		6	32	145	150
Acquisition of subsidiaries, net of cash acquired	(b)	-	(84)	-	(193,834)
Acquisition of investment property	(c)	(19)	-	(39,498)	-
Capital expenditure on investment properties	(d)	(4,524)	(2,345)	(8,435)	(5,062)
Purchase of plant and equipment		-	(16)	(4)	(527)
Net proceeds from disposal of investment property	(e)	-	-	-	72,782
Net proceeds from disposal of a subsidiary, net of cash disposed of	(f)	-	16,243	-	16,243
Net cash (used in)/ from investing activities		(4,537)	13,830	(47,792)	(110,248)
Cash flows from financing activities					
Proceeds from issuance of perpetual securities	(g)	-	-	-	100,000
Issue costs paid in relation to perpetual securities	(h)	-	-	-	(759)
Proceeds from borrowings	(i)	38,600	170,000	84,700	310,000
Repayment of borrowings	(j)	(34,600)	(171,606)	(45,800)	(274,444)
Financing costs paid		-	(3,352)	-	(4,177)
Interest paid on borrowings		(4,520)	(2,065)	(17,656)	(14,764)
Interest paid on lease liabilities		(729)	-	(2,956)	-
Payment of lease liabilities		(779)	-	(3,073)	-
Distributions to Unitholders		(14,213)	(15,858)	(61,007)	(64,310)
Distributions to perpetual securities holders		-	-	(5,500)	(2,727)
Net cash (used in)/from financing activities		(16,241)	(22,881)	(51,292)	48,819
Net (decrease)/ increase in cash and cash equivalents		(442)	12,688	(19,385)	19,042
Cash and cash equivalents at the beginning of the period		14,154	20,513	33,338	14,969
Effect of exchange rate fluctuations on cash held		1,547	137	1,306	(673)
Cash and cash equivalents at the end of the period		15,259	33,338	15,259	33,338

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Notes:

- (a) Refer to Item 1(a)(i)(c) for details.
- (b) Net cash outflow on acquisition of subsidiaries is set out as below:

	Group	
	1/1/19 to 31/12/19	1/1/18 to 31/12/18
	S\$'000	S\$'000
Investment properties (including acquisition costs)	-	193,323
Other assets	-	1,217
Accrued expenses	-	(637)
Other liabilities	-	(69)
Net identifiable assets acquired	-	193,834
Net cash outflow	-	193,834

- (c) Amount incurred on acquisition of a warehouse in Altona, Victoria, Australia, includes transaction costs.
- (d) Represents asset enhancement initiatives for existing investment properties.
- (e) Represents net proceeds from disposal of 40 Alps Ave in May 2018.
- (f) Represents proceeds from the disposal of a China subsidiary, CWT Warehousing Transportation (Shanghai) Development Co., Ltd.
- (g) Represents proceeds from the Perpetual Securities issued on 1 February 2018.
- (h) Represents professional fees and other costs incurred in relation to the issuance of the Perpetual Securities.
- (i) Represents amount drawdown from RCF to i) repay the A\$29.3 million offshore term loan which matured in December 2019; (ii) partially finance the acquisition of a warehouse in Altona, Victoria, Australia and; (iii) for working capital requirements. Refer to Item 1(b)(ii), Aggregate amount of Borrowings and Debt Securities, for details.
- (j) Represents repayment of A\$29.3 million term loan which matured in December 2019 and amount owing under RCF.

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1(d)(i) Statements of Movements in Unitholders' Funds

	Notes	Group			
		1/10/19 to 31/12/19	1/10/18 to 31/12/18	Year to Date	
				1/1/19 to 31/12/19	1/1/18 to 31/12/18
		S\$'000	S\$'000	S\$'000	S\$'000
Unitholders' Funds					
Balance at the beginning of the period/year		691,916	748,330	713,157	765,668
Operations					
Total return for the period after tax, attributable to Unitholders and perpetual securities holders		(40,477)	(11,099)	(7,658)	29,689
Less: Amount reserved for distribution to perpetual securities holders		(1,387)	(1,387)	(5,500)	(5,033)
Net (decrease)/increase in net assets from operations		(41,864)	(12,486)	(13,158)	24,656
Effective portion of changes in fair values of cash flow hedges	(a)	(609)	(4,176)	(2,693)	(3,969)
Foreign currency translation reserve					
Translation differences from financial statements of foreign entities		2,074	(4,178)	(2,719)	(14,256)
Net gain/(loss) recognised directly in Unitholders' funds		1,465	(8,354)	(5,412)	(18,225)
Disposal of a subsidiary	(b)	-	(736)	-	(736)
Unitholders' transactions					
- Manager's base fees paid in units		-	-	3,724	3,843
Units to be issued:					
- Manager's base fees payable in units	(c)	1,211	1,238	1,211	1,238
- Manager's performance fees payable in units	(c)	898	1,023	898	1,023
Distributions to Unitholders		(14,213)	(15,858)	(61,007)	(64,310)
Net decrease in net assets resulting from Unitholders' transactions		(12,104)	(13,597)	(55,174)	(58,206)
Unitholders' funds at the end of the period/year		639,413	713,157	639,413	713,157
Perpetual Securities Holders' Funds					
Balance at the beginning of the period/year		100,160	100,160	101,547	-
Issue of perpetual securities		-	-	-	100,000
Issue costs		-	-	-	(759)
Amount reserved for distribution to perpetual securities holders		1,387	1,387	5,500	5,033
Distribution to perpetual securities holders		-	-	(5,500)	(2,727)
Balance as at the end of the period/year		101,547	101,547	101,547	101,547
Total		740,960	814,704	740,960	814,704

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	Notes	Trust			
		1/10/19 to 31/12/19	1/10/18 to 31/12/18	Year to Date	
				1/1/19 to 31/12/19	1/1/18 to 31/12/18
		S\$'000	S\$'000	S\$'000	S\$'000
Unitholders' Funds					
Balance at the beginning of the period/year		710,654	752,307	725,030	760,987
Operations					
Total return for the period after tax, attributable to Unitholders and perpetual securities holders		(43,901)	(8,082)	(9,083)	31,335
Less: Amount reserved for distribution to perpetual securities holders		(1,387)	(1,387)	(5,500)	(5,033)
Net (decrease)/increase in net assets from operations		(45,288)	(9,469)	(14,583)	26,302
Effective portion of changes in fair value of cash flow hedges	(a)	(742)	(4,211)	(2,753)	(4,053)
Unitholders' transactions					
Issue of new units					
- Manager's base fees paid in units		-	-	3,724	3,843
Units to be issued:					
- Manager's base fees payable in units	(c)	1,211	1,238	1,211	1,238
- Manager's performance fees payable in units	(c)	898	1,023	898	1,023
Distributions to Unitholders		(14,213)	(15,858)	(61,007)	(64,310)
Net decrease in net assets resulting from Unitholders' transactions		(12,104)	(13,597)	(55,174)	(58,206)
Unitholders' funds at the end of the period/year		652,520	725,030	652,520	725,030
Perpetual Securities Holders' Funds					
Balance at the beginning of the period/year		100,160	100,160	101,547	-
Issue of perpetual securities		-	-	-	100,000
Issue costs		-	-	-	(759)
Amount reserved for distribution to perpetual securities holders		1,387	1,387	5,500	5,033
Distribution to perpetual securities holders		-	-	(5,500)	(2,727)
Balance as at the end of the period/year		101,547	101,547	101,547	101,547
Total		754,067	826,577	754,067	826,577

Notes:

- (a) Relates to the effective portion of changes in fair value of derivative instruments designated as cash flow hedges.
- (b) Relates to the decrease in other reserves subsequent to the divestment of a China subsidiary.
- (c) Represents the value of units to be issued to the Manager as partial consideration of the Manager's base fees and performance fees incurred for the quarter and full year ended respectively. The units are to be issued within 30 days from the quarter-end.

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1(d)(ii) Details of any changes in the units

	Notes	Group and Trust			
		1/10/19 to 31/12/19	1/10/18 to 31/12/18	Year to Date	
				1/1/19 to 31/12/19	1/1/18 to 31/12/18
		Units	Units	Units	Units
Issued units at the beginning of the period		1,082,845,470	1,074,653,480	1,077,881,375	1,069,700,408
Creation of units:					
- Manager's base fees paid in units		-	-	4,964,095	4,953,072
Issued units at the end of the period		1,082,845,470	1,074,653,480	1,082,845,470	1,074,653,480
Units to be issued:					
- Manager's base fees payable in units	(a)	1,706,974	1,767,462	1,706,974	1,767,462
- Manager's performance fees payable in units	(a)	1,266,105	1,460,433	1,266,105	1,460,433
Total issued and to be issued units		1,085,818,549	1,077,881,375	1,085,818,549	1,077,881,375

Notes:

- (a) Represents units to be issued to the Manager as partial consideration of Manager's base fees and performance fees incurred for the quarter and full year ended respectively. The units are to be issued within 30 days from the quarter-end.

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited but have been reviewed by the auditors in accordance with Singapore Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

3 Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

See attached auditors' review report.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2018.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted new Financial Reporting Standards in Singapore (“FRSs”) and interpretations effective for the financial period beginning 1 January 2019 as follows:

FRS 116 Leases

FRS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (“ROU”) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. FRS 116 replaces existing lease accounting guidance, including FRS 17 Leases, FRS INT 104 Determining whether an Arrangement contains a Lease, FRS INT 15 Operating Leases – Incentives and FRS INT 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted.

The Group measures lease liabilities by applying a single discount rate to their portfolio of land leases with JTC and applied the practical expedient to recognise amounts of ROU assets equal to their lease liabilities as at 1 January 2019. For lease contracts that contain the option to renew, the Group is expected to use hindsight in determining the lease term.

As at 1 January 2019, the Company recorded ROU assets in the investment properties and corresponding lease liabilities of approximately \$81.0 million. Such adjustments have no impact on the net assets, total return and distributable amount to Unitholders.

6 Earnings Per Unit (“EPU”) and Distribution Per Unit (“DPU”) for the financial period

EPU

	Notes	Group			
		1/10/19 to 31/12/19	1/10/18 to 31/12/18	Year to Date	
				1/1/19 to 31/12/19	1/1/18 to 31/12/18
Weighted average number of units		1,082,877,786	1,074,688,566	1,080,396,130	1,072,178,341
Earnings per unit for the period based on the weighted average number of units issued and to be issued (cents)	(a)	(3.87)	(1.16)	(1.22)	2.30
Weighted average number of units on the fully diluted basis		1,085,818,549	1,077,881,375	1,085,818,549	1,077,881,375
Earnings per unit for the period based on the fully diluted basis (cents)	(b)	(3.86)	(1.16)	(1.21)	2.29
<u>For information only</u>					
Adjusted earnings per unit for the period based on the weighted average number of units issued and to be issued (cents)	(c)	1.21	0.86	4.09	4.33

Notes:

(a) Basic EPU calculation has been calculated by dividing the total return for the period after tax attributable to Unitholders by the weighted average number of units issued and to be issued.

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- (b) Diluted EPU calculation has been calculated by dividing the total return for the period after tax attributable to Unitholders by the weighted average number of units issued and to be issued, adjusted on the basis that the Manager's base fee and performance fee paid in units were issued at the beginning of the period.
- (c) Adjusted EPU calculation excludes net change in fair value of the investment properties from the total return for the period after tax, divided by the weighted average number of units issued and to be issued.

DPU

In computing the DPU, the number of units as at the end of each period is used for the computation.

	Notes	Group			
		1/10/19 to 31/12/19	1/10/18 to 31/12/18	Year to Date	
				1/1/19 to 31/12/19	1/1/18 to 31/12/18
Number of units issued and to be issued at end of period entitled to distribution	(a)	1,085,818,549	1,077,881,375	1,085,818,549	1,077,881,375
DPU based on the total number of units entitled to distribution (cents)	(b)	1.376	1.502	5.523	5.903

Notes:

- (a) Computation of DPU for the period from 1 October 2019 to 31 December 2019 is based on the number of units entitled to distribution:
- (i) Number of units in issue as at 31 December 2019 of 1,085,818,549; and
 - (ii) Units to be issued to the Manager by 30 January 2020 as partial consideration of Manager's base fees incurred for the quarter ended 31 December 2019 of 1,706,974 and performance fees incurred for the full year ended 31 December 2019 of 1,266,105.
- (b) Distribution of 1.376 cents per unit for the period 1 October 2019 to 31 December 2019 will be paid on 27 February 2020.

7 Net Asset Value ("NAV") per unit at the end of the year

	Group		Trust	
	31/12/2019 ^(a)	31/12/2018 ^(b)	31/12/2019 ^(a)	31/12/2018 ^(b)
NAV per unit attributable to Unitholders (S\$)	0.59	0.66	0.60	0.67

Notes:

- (a) NAV per unit is computed based on the net assets attributable to Unitholders. Number of units used to compute NAV per unit as at 31 December 2019 was 1,085,818,549 comprising the number of units in issue as at 31 December 2019 of 1,082,845,470 and units to be issued to the Manager as partial consideration of Manager's base fees incurred for the quarter ended 31 December 2019 of 1,706,974 and performance fees incurred for the full year ended 31 December 2019 of 1,266,105.
- (b) Number of units used to compute NAV per unit as at 31 December 2018 was 1,077,881,375 comprising the number of units in issue as at 31 December 2018 of 1,074,653,480 and units to be issued to the Manager as partial consideration of Manager's base fees incurred for the quarter ended 31 December 2018 of 1,767,462 and performance fees incurred for the full year ended 31 December 2018 of 1,460,433.

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8 (i) Review of the performance for the quarter ended 31 December 2019

Gross revenue for the quarter ended was S\$27.2 million, a decrease of S\$3.8 million or 12.2% compared to 4Q 2018. The decrease was mainly due to i) lower revenue from Cache Gul LogisCentre (formerly known as Precise Two) as a result of the conversion from a master lease to a multi-tenancy lease structure; ii) transitory vacancy downtime between leases; iii) lower signing rents for leases as compared to the previous leases; iv) absence of rental contribution from Jinshan Chemical Warehouse which was divested in December 2018; and v) a weaker Australian dollar. This was partially offset by additional rental contribution from the warehouse in Altona, Victoria, Australia acquired in April 2019.

NPI for the quarter was S\$20.5 million, which was a decrease of S\$2.9 million or 12.4% compared to 4Q 2018. The decrease in NPI was mainly attributable to the lower revenue and partly due to higher expenses from the conversion of Cache Gul LogisCentre from a master lease to a multi-tenancy lease structure. This was partially offset by the exclusion of S\$1.5 million land rent from property expenses following the adoption of FRS 116, effective 1 January 2019.

Net financing costs for the quarter were S\$5.4 million, which was an increase of S\$0.5 million or 9.7% compared to 4Q 2018. The increase was mainly attributable to interest expenses on lease liabilities recognised as a result of the adoption of FRS 116. Excluding FRS 116 adjustments, finance costs for the quarter would have been S\$4.7 million, a decrease of S\$0.3 million. The all-in-financing cost averaged 3.78% for the quarter and the aggregate leverage stood at 40.1% as at 31 December 2019.

Distributable amount to Unitholders in 4Q 2019 amounted to S\$14.9 million, which was 7.6% lower compared to the corresponding period last year. The lower distribution was mainly due to lower performance of the Singapore portfolio attributable to Commodity Hub, Cache Gul LogisCentre, Pandan Logistics Hub and the absence of contribution from the divestment of Jinshan Chemical Warehouse in December 2018.

(ii) Review of the performance for the full year ended 31 December 2019

Gross revenue for the full year ended was S\$113.6 million, which was a decrease of S\$8.0 million or 6.6% compared to YTD 4Q 2018. The decrease in gross revenue was mainly due to i) lower revenue from Commodity Hub and Cache Gul LogisCentre (formerly known as Precise Two) as a result of the conversion from a master lease to a multi-tenancy lease structure; ii) transitory vacancy downtime between leases; iii) lower signing rents for leases as compared to the previous leases; iv) absence of rental contribution from 40 Alps Ave and Jinshan Chemical Warehouse which were divested in May 2018 and December 2018 respectively; and v) a weaker Australian dollar. This was partially offset by additional rental contribution from the warehouse in Altona, Victoria, Australia acquired in April 2019 and the full year rental contribution from the 9-property Australia portfolio acquired in February 2018.

NPI for the full year ended was S\$85.8 million, which was a decrease of S\$5.1 million or 5.6% compared to same period last year. The decrease in NPI was mainly attributable to lower performance of the Singapore portfolio and the absence of rental contribution from the divestment of 40 Alps Ave and Jinshan Chemical Warehouse. This was partially offset by additional rental contribution from the warehouse in Altona, Victoria, Australia acquired in April 2019, the full year rental contribution from the 9-property Australia portfolio acquired in February 2018 as well as the exclusion of S\$5.8 million land rent from property expenses following the adoption of FRS 116, effective 1 January 2019.

Net financing costs for the full year ended were S\$21.5 million, 16.8% higher than YTD 4Q 2018. The increase in net financing costs was mainly attributable to interest expenses on lease liabilities recognised as a result of the adoption of FRS 116. Excluding FRS 116 adjustments, finance costs would have been S\$18.5 million, a marginal increase of S\$0.1 million or 0.7% compared to same period last year. The all-in financing cost for the period averaged 3.84%.

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9 Variance between the projection and actual results

The current results are broadly in line with the Trust's commentary made in the third quarter 2019 financial results announcement under Item 10. The Trust has not disclosed any financial forecast to the market.

10 Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Based on advance estimates from the Ministry of Trade & Industry¹, Singapore's economy in 2019 grew only 0.7%, considerably lower than 2018's 3.1%. 4Q 2019 saw a growth of 0.8% on a y-o-y basis, higher than the 0.7% experienced in 3Q 2019. On a q-o-q seasonally-adjusted annualised basis, the economy saw a lower expansion rate of 0.1%, as compared to 2.4% growth in 3Q 2019.

The manufacturing sector experienced a contraction of 2.1% on a y-o-y basis in 4Q 2019, extending the 0.9% decline from the preceding quarter. This was mainly due to decline in outputs in the electronics, chemicals and transport engineering clusters, more than offsetting the output expansions in the precision engineering and biomedical and general manufacturing clusters.

Singapore's Purchasing Managers' Index (PMI) rose to 50.1 in December 2019, rising above 50 for the first time since April, due to an expansion in factory activity. The expansion was mainly due to more new orders and exports, employment, and increasing factory output and inventory growth rates.²

In a report by Knight Frank Research, Singapore's industrial rents were lower by 1.6% y-o-y for the whole of 2019 on the back of prolonged trade disputes and electronic sector downturn. Monthly gross rents for industrial space remained fairly stagnant in 4Q 2019, with a marginal decrease q-o-q of 0.1%. Leasing transactions for warehouse and multiple-user factory space was lower by 3.4% and 11.5% y-o-y respectively in October and November 2019 as compared to the same period in 2018. It is expected that trade disputes between China and US may have slowed demand growth as firms are more cautious on their expansion activities. Knight Frank expects industrial rents to remain flat in 2020 as the global economy continue to face headwinds due to uncertainties such as the rising tensions in the Middle East.³

According to the Reserve Bank of Australia, Australia's economy is expected to see a turning point after experiencing a softening growth period in the second half of 2019. Growth is expected to pick up slowly to around 3% in 2021. Growth drivers will include factors such as low interest rates, recent tax cuts, ongoing spending on infrastructure, the upswing in housing prices and a brighter outlook for the resources sector. The cash rate remained unchanged and was kept at 0.75%.⁴

According to Knight Frank Australia, the core industrial markets along the Eastern Seaboard are expected to remain tightly held, with continued constraints in supply within the traditional markets. This has created heightened demand for new industrial products beyond the current core areas. In addition, the strong performance for industrial real estate space continues to be driven by key factors such as infrastructure spending, rising e-commerce sector and higher demand for

¹ Ministry of Trade and Industry, Press Release, "Singapore's GDP Grew by 0.8 Per Cent in the Fourth Quarter of 2019", 2 January 2020.

² The Straits Times, Manufacturing shows signs of recovery, 4 January 2020.

³ Knight Frank Research, Singapore, 4Q 2019 Industrial Market Snapshot.

⁴ Statement by Philip Lowe, Governor: Monetary Policy Decision, 3 December 2019.

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companies to implement supply-chain efficiencies, thus indicating that the sector is well-placed for further future growth.⁵

As at 31 December 2019, Cache maintained a strong committed portfolio occupancy of 95.3% and the WALE by net lettable area was 3.0 years after having signed approximately 1.5 million square feet of leases in the year. Aggregate leverage ratio was 40.1% as at 31 December 2019 and the full year all-in financing cost was 3.84%.

On 12 December 2019, ARA announced a venture with LOGOS to establish a best-in-class logistics real estate development and investment management partnership in APAC. While ARA will transfer its entire holdings in both Cache and the Manager to LOGOS as part of the transaction upon completion, ARA will retain control of the Manager through LOGOS. The Manager will provide more information to the market upon completion of the proposed transaction.

The Manager remains focused on its proactive asset and lease management strategies to optimise returns and to maintain high occupancy. As part of its ongoing Portfolio Rebalancing and Growth Strategy, the Manager will continue to seek out strategic opportunities to grow Cache's portfolio and to generate sustainable returns and long-term value for our Unitholders.

11 Distributions

(a) Current financial period

Any distribution declared for the current period? Yes

Name of distribution: Distribution for the period from 1 October 2019 to 31 December 2019

Distribution Type:

Distribution Income Period	1/10/19 to 31/12/19
Distribution Type	cents
Tax exempt income component	0.459
Taxable income component	0.867
Capital component	0.050
Total	1.376

Number of units entitled to distribution: 1,085,818,549

Par value of units: Not meaningful

Tax rate: **Tax exempt income component**
The tax-exempt income component of the distribution is exempt from tax in the hands of all Unitholders.

Taxable income component
Distributions are derived from Cache's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax.

⁵ Knight Frank Research, 2020 Outlook Report, Australia.

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Distributions made to individuals, irrespective of their nationality or tax residence status, who hold units as investment assets will be tax exempt. However, distributions made to individuals who hold units as trading assets or through a partnership in Singapore will be taxed at their applicable income tax rates.

All Unitholders who are not individuals are subject to Singapore income tax / withholding tax on distributions of Cache.

Capital component

The capital component of the distribution represents a return of capital to Unitholders for tax purposes and is therefore not subject to income tax. For Unitholders holding units as trading assets, the amount of capital distribution will be applied to reduce the cost base of their units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the units.

Remarks: Nil

(b) Corresponding period of the immediately preceding financial year

Any distribution declared for the previous corresponding financial period? Yes

Name of distribution: Distribution for the period from 1 October 2018 to 31 December 2018

Distribution Type:

Distribution Income Period	1/10/18 to 31/12/18
Distribution Type	cents
Tax exempt income component	0.246
Taxable income component	1.221
Capital component	0.035
Total	1.502

Number of units entitled to distribution: 1,077,881,375

Par value of units: Not meaningful

Tax rate:

Tax exempt income component

The tax-exempt income component of the distribution is exempt from tax in the hands of all Unitholders.

Taxable income component

Distributions are derived from Cache's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax.

Distributions made to individuals, irrespective of their nationality or tax residence status, who hold units as investment assets will be tax exempt. However, distributions made to individuals who hold units as trading assets or through a partnership in Singapore will be taxed at their applicable income tax rates.

All Unitholders who are not individuals are subject to Singapore income tax / withholding tax on distributions of Cache.

Capital component

The capital component of the distribution represents a return of capital to Unitholders for tax purposes and is therefore not subject to income tax. For Unitholders holding units as trading assets, the amount of capital distribution will be applied to reduce the cost base of their units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the units.

Remarks: Nil

(c) Date Payable 27 February 2020

**(d) Books Closure Date /
Record Date** 3 February 2020

12 If no distribution has been declared/(recommended), a statement to that effect

Not applicable.

13 Interested Party Transaction Mandate

Cache does not have in place a general mandate for interested party transactions.

14 Confirmation pursuant to Rule 705(5) of the Listing Manual

Not applicable.

15 Confirmation pursuant to Rule 720(1) of the Listing Manual

The Board of Directors of the Manager hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

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16 Segmented revenue and results for business or geographical segments (of the Group) with comparative information for the immediately preceding year

	Group			
	1/1/19 to 31/12/19		1/1/18 to 31/12/18	
	S\$'000	%	S\$'000	%
Gross Revenue				
Singapore	83,190	73.3	91,947	75.6
Australia	30,365	26.7	28,634	23.6
China	-	-	959	0.8
	113,555	100.0	121,540	100.0

	Group			
	1/1/19 to 31/12/19		1/1/18 to 31/12/18	
	S\$'000	%	S\$'000	%
Net Property Income				
Singapore	60,940	71.0	65,843	72.4
Australia	24,904	29.0	24,305	26.7
China	-	-	776	0.9
	85,844	100.0	90,924	100.0

17 In the review of performance, the factors leading to any changes in contributions to turnover and earnings by the business or geographical segments

Please refer to Section 8 for the review of the actual performance.

18 Breakdown of sales

	Group		
	1/1/19 to 31/12/19	1/1/18 to 31/12/18	Change
	S\$'000	S\$'000	%
<u>First half of year</u>			
Gross Revenue	58,632	59,054	(0.7)
Net Property Income	44,222	44,493	(0.6)
<u>Second half of the year</u>			
Gross Revenue	54,923	62,486	(12.1)
Net Property Income	41,622	46,431	(10.4)

Notes:

Please refer to Section 8 for review of actual performance.

19 Breakdown of the total distribution for the financial year ended 31 December 2019 and 31 December 2018

	Group	
	1/1/19 to 31/12/19	1/1/18 to 31/12/18
	S\$'000	S\$'000
In respect of the period:		
1 January 2018 to 31 March 2018		16,145
1 April 2018 to 30 June 2018		15,228
1 July 2018 to 30 September 2018		15,858
1 October 2018 to 31 December 2018		16,178
1 January 2019 to 31 March 2019	16,333	
1 April 2019 to 30 June 2019	14,283	
1 July 2019 to 30 September 2019	14,213	
1 October 2019 to 31 December 2019 (Payable on or about 27 February 2020)	14,941	
	59,770	63,409

20 Confirmation pursuant to Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board of Directors of ARA Trust Management (Cache) Limited (the "Company"), as manager of Cache, confirms that there are no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a Director or Chief Executive Officer or substantial unitholders of Cache.

21 Certificate pursuant to Paragraph 7.3 of the Property Funds Appendix

The Manager hereby certifies that in relation to the distribution to the Unitholders of Cache for the quarter ended 31 December 2019:

- (a) Cache will declare a distribution which is classified as capital distribution from a tax perspective, being reimbursements received from vendor in relation to outstanding lease incentives at the point of completion of the acquisition of certain properties in Australia and rental support received from the vendor in relation to a property acquired in Australia, in addition to the income available for distribution for the quarter ended 31 December 2019;
- (b) The Manager is satisfied on reasonable grounds that, immediately after making the distributions, Cache will be able to fulfill, from its deposited properties, its liabilities as they fall due.

The distribution is computed based on the accounts of Cache for the quarter ended 31 December 2019 and is verified by our external tax consultant.

Currently, Cache distributes 100.0% of its taxable income to Unitholders.

**Unaudited Financial Statements Announcement
For the Fourth Quarter and Full Year ended 31 December 2019**

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current views of management on future events.

The value of units in Cache (“**Units**”) and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, ARA Trust Management (Cache) Limited (as the manager of Cache) (the “**Manager**”) or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of Cache is not necessarily indicative of the future performance of Cache.

BY ORDER OF THE BOARD
ARA TRUST MANAGEMENT (CACHE) LIMITED
AS MANAGER OF CACHE LOGISTICS TRUST
(Company registration no. 200919331H)

Chia Nam Toon
Director
23 January 2020

For enquiries, please contact:

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The Board of Directors
ARA Trust Management (Cache) Limited
(in its capacity as manager of Cache Logistics Trust)
5 Temasek Boulevard
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22 January 2020

Cache Logistics Trust and its subsidiaries Review of Financial Information

Introduction

We have reviewed the accompanying Financial Information of Cache Logistics Trust (the “Trust”) and its subsidiaries (collectively the “Group”) for the year ended 31 December 2019. The Financial Information consists of the following:

- Statements of financial position of the Group and the Trust as at 31 December 2019;
- Portfolio statements of the Group and the Trust as at 31 December 2019;
- Statement of total return of the Group for the year ended 31 December 2019;
- Distribution statement of the Group for the year ended 31 December 2019;
- Statements of movements in unitholders’ funds of the Group and the Trust for the year ended 31 December 2019;
- Statement of cash flows of the Group for the year ended 31 December 2019; and
- Certain explanatory notes to the above financial information.

The management of ARA Trust Management (Cache) Limited (the “Manager” of the Trust) is responsible for the preparation and presentation of this Financial Information in accordance with the recommendations of the Statement of Recommended Accounting Practice (“RAP”) 7 *Reporting Framework for Unit Trusts* issued by the Institute of Singapore Chartered Accountants. Our responsibility is to express a conclusion on this Financial Information based on our review.



Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of the Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Financial Information is not prepared, in all material respects, in accordance with the recommendations of RAP 7 issued by the Institute of Singapore Chartered Accountants.

Restriction of Use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Financial Information for the purpose of assisting the Trust to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Trust's announcement of its Financial Information for the information of its unitholders. We do not assume responsibility to anyone other than the Trust for our work, for our report, or for the conclusions we have reached in our report.

A handwritten signature in black ink, appearing to be 'KMG LL', is written over a faint, larger signature.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore