CACHE LOGISTICS TRUST
(Constituted in the Republic of Singapore
pursuant to a Trust Deed dated 11 February 2010 (as amended))

PRESS RELEASE

Cache Logistics Trust
Acquires Portfolio of Nine Warehouses in Australia
16 Asset Portfolio in Australia demonstrates success of Portfolio Rebalancing & Growth Strategy

- Sizable transaction of A$177.6 million marks Cache's largest Australian acquisition to date
- Longer WALE, freehold properties and healthy occupancy further enhances the quality of Cache's portfolio
- Proactive capital recycling from divestment of 40 Alps Ave, Singapore[1] into Australia

Singapore, 31 January 2018 – ARA-CWT Trust Management (Cache) Limited, in its capacity as Manager of Cache Logistics Trust ("**Cache**") (the "**Manager**"), is pleased to announce the proposed acquisition ("**Proposed Acquisition**") of a portfolio of nine logistics properties located in the states of Victoria, New South Wales and Queensland Australia (the "**Portfolio**") for a total purchase consideration of A$177.6 million (approximately S$188.3 million). Including stamp duties and other expenses, the total acquisition cost is approximately A$191.0 million (S$203.0 million).

Mr Daniel Cerf, Chief Executive Officer of the Manager said, "The Proposed Acquisition demonstrates the success of Cache's portfolio rebalancing and growth strategy where we have recycled capital into good quality, income-producing freehold assets in Australia to generate stable, long-term sustainable earnings for unitholders. The yield-accretive transaction not only provides income and geographical diversification to Cache but further enhances its base of high quality logistics tenants and end-users. Cache is well-positioned to ride on foreseeable growth in the industrial sector in Australia which is supported by a stable economy and strong investments in infrastructure. This latest acquisition will increase Cache's portfolio valuation by approximately 15.6%, with the Australian assets making up about 28% of the total portfolio."

[1] The proposed divestment of Hi-Speed Logistics Centre located at 40 Alps Ave, Singapore was announced on 18 January 2018.

Benefits of the Proposed Acquisition

1. High Quality, Freehold Logistics Properties in Key Established Industrial Precincts

The Portfolio is made up of institutional grade industrial logistics properties, all of which are located on freehold land in key established industrial precincts along the Eastern Seaboard of Australia. The modern logistics properties enjoy close proximity to main arterial roadways and transport infrastructure.

2. Income and Geographical Diversification

The Portfolio will provide income and geographical diversification to Cache's existing portfolio. With the Proposed Acquisition, the gross revenue contribution from Australia will increase from 16% to approximately 24%. Cache's tenant base will be enlarged by multi-national third-party logistics tenants such as DHL Supply Chain, Toll Transport and Melbourne Transport and Warehousing, and high-calibre, good quality tenants such as Mars Australia, Penske Power Systems, Ajax Fasteners, Kadac, Ball & Doggett, Kitchen Innovations, Carter Holt Harvey Wood Products, Cummins South Pacific and AJ Baker & Sons.

The Australian economy continues to enjoy stable growth and the outlook for non-mining business investment has improved over time. Business conditions are positive and increased public infrastructure investment will continue to support the economy[2].

3. Strengthens the Portfolio with Longer WALE, Freehold Land and Strong Occupancy

The Portfolio has a longer Weighted Average Lease to Expiry ("WALE") of 5.0 years[3] and a strong occupancy of 98.1%. The WALE for Cache's portfolio is expected to extend from 3.2 years to approximately 3.4 years. The long lease commitments from largely good-credit tenants provides stability to Cache's cashflows over time. In addition, the proportion of freehold properties within Cache's portfolio will increase from approximately 22% to 35%.

4. Greater Scale in Australia, Enlarged Quality Portfolio

Cache will benefit from an increased portfolio size that will create a stronger and more diversified platform for further acquisition growth, primarily due to better access to both the capital markets and the debt markets. The sizable portfolio of nine properties of approximately A$177.6 million would almost double Cache's assets under management in Australia, from A$195.9 million to A$373.5 million. Following the completion of the acquisition, Cache will increase its investment property base by 15.6% to approximately S$1.4 billion.

5. Attractive Initial Net Property Yield with potential for income growth

The portfolio comes with annual rental escalations of between 2.0% and 3.5%, which is generally higher than leases signed in Singapore. This provides the benefit of organic income growth over time. In addition, as the tenants are responsible for all property outgoings, minimal maintenance demand is required of Cache.

[2] Reserve Bank of Australia, Statement by Philip Lowe, Governor: Monetary Policy Decision, 5 December 2017.
[3] By Gross Rental Income as at 31 December 2017.

Portfolio Details

The Portfolio, with a gross lettable area of approximately 142,103 square metres, comprises nine prime institutional grade logistics properties on freehold land located on the eastern seaboard of Australia. The modern logistics properties are in the core, well-established industrial precincts in Melbourne, Victoria (6 properties), Sydney, New South Wales (1 property) and Brisbane, Queensland (2 properties) and are in close proximity to main arterial roadways and transport infrastructure.

Portfolio Overview	
Locations	**9 logistics warehouse assets** located in Australia's Eastern Seaboard States: • Victoria – 6 properties • New South Wales – 1 property • Queensland – 2 properties
Land Area	328,000 sqm (3.53 million sqft)
Land Tenure	All properties are freehold in nature
Purchase Consideration	A$177.6 million (S$188.3 million)
Total Acquisition Cost	A$191.0 million (S$203.0 million)
Initial Net Property Yield	6.4%
Gross Lettable Area	142,103 sqm (1.53 million sqft)
Occupancy	98.1%
Number of tenants	13
WALE by Gross Rental Income	5.0 years (as at 31 December 2017)
Aggregate Leverage	From 36.3% to 39.3% post acquisition

Funding Structure

The Manager intends to fund the Proposed Acquisition with a combination of a new S$110 million five-year unsecured term loan facility and the remainder via proceeds from the recent issuance of Cache's subordinated perpetual securities.

As part of its prudent capital management, the Manager will continue to manage Cache's exposure to foreign currency and interest rate risks, with the objective of minimising income volatility. The Manager will hedge the forecasted income cash flow via interest rate swaps and/or other hedging instruments. As at 31 December 2017, the proportion of total borrowings hedged was approximately 77%. The Manager will continue to manage the REIT's interest rate exposure through maintaining a healthy level of borrowings on fixed interest rates.

Legal completion is expected by end February 2018.

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

Daniel Cerf
Chief Executive Officer
31 January 2018

For enquiries, please contact:
ARA-CWT Trust Management (Cache) Limited
Judy Tan
Assistant Director, Investor Relations
Tel: +65 6512 5161
judytan@ara.com.hk

ABOUT CACHE LOGISTICS TRUST ("CACHE")

Listed on the Singapore Exchange on 12 April 2010, Cache Logistics Trust is a real estate investment trust ("**REIT**") that invests in quality income-producing industrial real estate used for logistics purposes, as well as real estate-related assets, in Asia Pacific.

Cache's portfolio comprises 19 high quality logistics warehouse properties strategically located in established logistics clusters in Singapore, Australia and China. The portfolio has a total gross floor area of approximately 7.6 million square feet valued at approximately S$1.2 billion[4] as at 31 December 2017.

Cache is managed by ARA-CWT Trust Management (Cache) Limited. For more information, please visit www.cache-reit.com.

ABOUT ARA-CWT TRUST MANAGEMENT (CACHE) LIMITED

ARA-CWT Trust Management (Cache) Limited is a joint-venture REIT management company between ARA and CWT.

Established in 2002, ARA Asset Management Limited ("ARA" or the "Group") is a premier integrated real estate fund manager driven by a vision to be the best-in-class real estate fund management company focused on the management of real estate investment trusts ("REITs") and private real estate funds.

ARA's business is focused on the following segments:

(a) **REITs** – ARA is one of the largest REIT managers in Asia ex-Japan and currently manages five listed REITs, namely Fortune REIT dual-listed in Singapore and Hong Kong, Suntec REIT and Cache Logistics Trust listed in Singapore and Hui Xian REIT and Prosperity REIT listed in Hong Kong. The Group also manages six privately-held REITs in South Korea;

(b) **Private real estate funds** – The Group manages nine private funds investing in real estate in Asia; and

(c) **Real estate management services** – The Group provides property management services and convention & exhibition services, including managing the award-winning Suntec Singapore Convention & Exhibition Centre.

[4] Based on independent valuations as at 31 December 2017.

ARA's diverse suite of REITs and private real estate funds are invested in the office, retail, logistics/industrial, hospitality and residential sectors. ARA has distinguished itself over the years with its unique investor-operator philosophy, which nurtures each asset from acquisition to divestment to add value to every stage of the asset life cycle. Built on a foundation of strong corporate governance and business integrity, it counts some of the world's largest pension funds, financial institutions, endowments and family offices as its investors.

ARA has approximately 1,300 staff in 19 cities in seven countries. It manages over 90 properties measuring 57 million square feet in Asia Pacific, with approximately S$40 billion in assets under management.

For more information, please visit www.ara-asia.com.

CWT provides integrated commodity services to create better supply chain and opportunities for world trade. Its core business focus is commodity trading, complemented by financial services and integrated logistics platform to form a seamless industrial linkage. CWT combines its industry domain capabilities, global scale and resources to deliver a holistic business solution while helping customers succeed and communities thrive. CWT is a wholly-owned subsidiary of CWT International Limited (HKEX: 521).

For more information, please visit www.cwtlimited.com.

IMPORTANT NOTICE

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of Cache and the Manager is not necessarily indicative of the future performance of Cache and the Manager. This announcement may contain forward-looking statements that involve risks and uncertainties. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

The value of Units and the income derived from them, if any, may fall or rise. The Units are not obligations of, deposits in, or guaranteed by, the Manager or HSBC Institutional Trust Services (Singapore) Limited (as the trustee of Cache) or any of their affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.