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CANADA OR JAPAN.**



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

LAUNCH OF PRIVATE PLACEMENT OF NEW UNITS IN CACHE LOGISTICS TRUST ("CACHE") TO RAISE GROSS PROCEEDS OF APPROXIMATELY S\$100.0 MILLION

1. Introduction

The board of directors of ARA-CWT Trust Management (Cache) Limited, in its capacity as manager of Cache (the "**Manager**"), wishes to announce that the Manager is proposing to carry out a placement of between 104,166,700 and 106,270,000 new units in Cache (the "**New Units**") to institutional and accredited investors (the "**Private Placement**") at an issue price of between S\$0.941 (the "**Minimum Issue Price**") and S\$0.960 per New Unit (both figures inclusive) (the "**Issue Price Range**") to raise gross proceeds of approximately S\$100.0 million.

2. Details of the Private Placement

The Manager has today entered into a placement agreement (the "**Placement Agreement**") with DBS Bank Ltd. and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch (the "**Joint Lead Managers and Underwriters**") in relation to the Private Placement. Pursuant to the Placement Agreement, the Joint Lead Managers and Underwriters have been appointed to procure subscriptions for or place out, as applicable, and failing which, to subscribe and pay for the New Units to be issued pursuant to the Private Placement at the issue price per New Unit (the "**Issue Price**") to be determined, on the terms and subject to the conditions of the Placement Agreement. The Private Placement is fully underwritten by the Joint Lead Managers and Underwriters on the terms and subject to the conditions of the Placement Agreement.

The Issue Price Range of between S\$0.941 and S\$0.960 per New Unit represents a discount of between:

- (i) 3.9% and 5.8% to the volume weighted average price ("**VWAP**") of

S\$0.9989 per unit in Cache (the “Unit”); and

- (ii) (for illustrative purposes only) 3.1% and 5.0% to the adjusted VWAP¹ (“Adjusted VWAP”) of S\$0.9903 per Unit,

for trades in the Units done on Singapore Exchange Securities Trading Limited (the “SGX-ST”) for preceding Market Day² on 2 November 2015 and up to the time the Placement Agreement was signed on 3 November 2015.

The Issue Price will be determined by the Manager and the Joint Lead Managers and Underwriters following a book-building process, and will be announced by the Manager thereafter via SGXNET.

The Private Placement shall be subject to certain conditions precedents more particularly set out in the Placement Agreement, including the approval in-principle of the SGX-ST for the listing of and quotation for the New Units on the Main Board of the SGX-ST.

3. Use of Proceeds

Subject to relevant laws and regulations, the Manager intends to use the gross proceeds of approximately S\$100.0 million from the Private Placement in the following manner:

- (i) approximately S\$37.0 million (which is equivalent to 37% of the gross proceeds of the Private Placement) to partially fund potential acquisitions of properties located in Australia (“Potential Acquisitions”), subject to completion of negotiations with the vendors and satisfactory due diligence;
- (ii) approximately S\$60.0 million (which is equivalent to 60% of the gross proceeds of the Private Placement) to partially or wholly repay debt; and
- (iii) approximately S\$3.0 million (which is equivalent to 3% of the gross proceeds of the Private Placement) to pay the estimated fees and expenses, including professional fees and expenses, incurred or to be incurred by Cache in connection with the Private Placement,

with the balance of the net proceeds, if any, to be used for general corporate and working capital purposes.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Private Placement at its absolute

1 The Adjusted VWAP is computed based on the VWAP of trades in the Units done on the SGX-ST for the preceding Market Day on 2 November 2015 up to the time the Placement Agreement was signed on 3 November 2015 less the Advanced Distribution (as defined herein). The Advanced Distribution stated herein is an estimate only based on information currently available to the Manager and the Manager’s estimate of Cache’s revenue and expenses, and the actual Advanced Distribution may differ.

2 “Market Day” refers to a day on which the SGX-ST is open for securities trading.

discretion for other purposes.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Private Placement via SGXNET as and when such funds are materially utilised and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

4. Rationale for the Private Placement

The Manager believes that the Private Placement will bring the following benefits to unitholders of Cache (the “Unitholders”):

4.1 Finance the Potential Acquisitions to grow Cache’s existing portfolio

The Manager intends to use part of the proceeds from the Private Placement to fund the Potential Acquisitions.

The Potential Acquisitions are in line with the Manager’s principal investment strategy to invest in income-producing real estate used for logistics purposes and real estate related assets which will provide value creation opportunities so as to deliver stable distributions and sustainable returns to the Unitholders.

4.2 Increase financial flexibility and proactively maintain a prudent aggregate leverage ratio

Given the current market conditions and recent changes to statutory guidelines, the Manager believes the Private Placement is an efficient and overall beneficial method of raising funds to reduce debt, finance future acquisitions of income-producing properties, asset enhancement initiatives, build-to-suit developments as well as working capital, and to allow Cache to maintain a prudent aggregate leverage ratio. After the Private Placement, the aggregate leverage on a pro forma basis (based on Cache’s unaudited financial results as at 30 September 2015) will reduce from 39.7%¹ to approximately 35.2%. Cache will have no further debt refinancing needs until 2017 and the weighted average term to expiry of Cache’s

¹ Aggregate leverage ratio post acquisition of 203 Viking Drive, Wacol, Queensland.

debt will increase from 3.1 years¹ to 3.2 years.

The Private Placement will provide Cache with greater financial capacity to capitalise on potential growth opportunities as and when they may arise.

4.3 Expected increase in the trading liquidity of the Units

The successful completion of the Private Placement will increase the number of Units in issue by 106,270,000 Units², which is an increase of approximately 13.5% from a total of 785,576,123 Units in issue as at 22 October 2015. The Manager believes that the increase in the total number of Units in issue has the potential to enhance the trading liquidity of the Units and raise Cache's profile among investors.

5. Authority to Issue New Units

The Manager is relying on a general mandate given by the Unitholders to the Manager in the annual general meeting held on 14 April 2015 (the "**General Mandate**"), which allows the Manager to issue New Units and/or convertible securities or other instruments (including but not limited to warrants) which may be convertible into Units (the "**Convertible Securities**") such that the number of New Units (and/or Units into which the Convertible Securities may be converted) does not exceed 50.0% of the number of Units in issue as at 14 April 2015 (the "**Base Figure**"), of which the aggregate number of New Units (and/or Units into which the Convertible Securities may be converted) issued other than on a *pro rata* basis to existing Unitholders, shall not be more than 20.0% of the Base Figure.

As at 14 April 2015, the number of Units in issue was 781,758,464 Units.

The number of Units that can be issued under the General Mandate is 390,879,232 Units, of which no more than 156,351,692 Units may be issued for a non *pro rata* private placement. The Manager has issued 3,817,659 Units since 14 April 2015.

106,270,000 New Units, together with the 3,817,659 Units issued since 14 April 2015, constitutes 14.1% of the Base Figure, which is within the 20.0% limit for issues of Units on a non *pro rata* basis. Accordingly, the prior approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

1 Weighted average debt duration reported as at 2015 Third Quarter Unaudited Financial Statements, adjusted to the date of this announcement.

2 Based on gross proceeds of approximately S\$100.0 million being raised at the Minimum Issue Price of S\$0.941 per New Unit.

6. Eligibility to Participate in the Private Placement

The offer of New Units under the Private Placement will be made to institutional and accredited investors.

The New Units have not been and will not be registered under the Securities Act or the securities laws of any state or jurisdiction of the United States and may not be offered or sold within the United States absent registration or an exemption from registration under the Securities Act. The New Units are being offered and sold in offshore transactions as defined in and in reliance on Regulation S under the Securities Act.

The Manager, along with the Joint Lead Managers and Underwriters, reserve the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

7. Advanced Distribution

Cache's policy is to distribute its distributable income on a quarterly basis to Unitholders.

In connection with the Private Placement, the Manager however intends to declare in respect of the Units in issue immediately prior to the issue of the New Units (the "**Existing Units**"), a distribution of the distributable income for the period from 1 October 2015 to 12 November 2015, the day immediately preceding the date on which the New Units will be issued under the Private Placement (the "**Advanced Distribution**").

The next distribution thereafter will comprise Cache's distributable income for the period from 13 November 2015 to 31 December 2015. Quarterly distributions will resume thereafter.

The Advanced Distribution is intended to ensure that the distributable income accrued by Cache up to the day immediately preceding the date of issue of the New Units (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

The current expectation of the Manager is that the quantum of the distribution per Unit ("**DPU**") under the Advanced Distribution is estimated to be 0.86 Singapore cents per Unit.¹ The actual quantum of the DPU under the Advanced Distribution will be announced on a later date after the management accounts of Cache for the

1 This estimated distribution period from 1 October 2015 to 12 November 2015 is based on the Manager's pro-rated estimate of Cache's revenue and expenses for the quarter ending 31 December 2015. This amount is an estimate only based on information currently available to the Manager and the Manager's estimate of Cache's revenue and expenses, and the actual Advanced Distribution may differ.

relevant period have been finalised.

(Please see the announcement dated 3 November 2015 issued by the Manager in relation to the notification of the time and date on which the transfer books and register of Unitholders will be closed to determine Unitholders' entitlement to the Advanced Distribution.)

8. Status of New Units

The New Units are expected to be listed on or around 13 November 2015.

Other than the Advanced Distribution to which the New Units will not be entitled, the New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to any distributions which may be paid for the period from 13 November 2015 to 31 December 2015, as well as all distributions thereafter.

9. Application to the SGX-ST for Approval In-Principle

The Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

BY ORDER OF THE BOARD
ARA-CWT TRUST MANAGEMENT (CACHE) LIMITED
(Company Registration No. 200919331H)
(as manager of Cache Logistics Trust)

Daniel Cerf
Chief Executive Officer
3 November 2015

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 16 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 6.7 million square feet valued at approximately S\$1.3 billion as at 30 September 2015.

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 Asset Management Limited (“**ARA**”) and CWT Limited (“**CWT**”).

ARA is Asia’s premier integrated real estate fund management company which is listed on the main board of the SGX-ST since November 2007. It currently manages REITs and private real estate funds that are invested in the office, retail, logistics/industrial, hospitality and residential sectors in the Asia Pacific region, complemented by its in-house real estate management services and advisory services. Established in 2002, to date it has over 1,100 professionals in 15 cities managing total assets in excess of S\$26.0 billion.

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

CWT is a leading provider of integrated logistics and supply chain solutions. CWT’s business is about connecting world trade. CWT moves, builds and powers its customers’ supply chain forward. CWT Group combines its logistics capabilities, global network and resources to add value for its customers. CWT also provides commodity marketing, financial and engineering services ancillary to its core logistics business.

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

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The value of Units and the income derived from them may fall or rise. Units are not obligations of, deposits in, or guaranteed by, 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 the 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.

This announcement is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United States securities laws or the laws of other jurisdictions.