



ARA Asset Management Limited
SIAS Dialogue Session
15 March 2017

PROPOSED SCHEME OF ARRANGEMENT

- 1 Transaction Overview**
- 2 Rationale for the Acquisition**
- 3 IFA and Independent Directors' Recommendations**
- 4 Overview of the Scheme and Expected Indicative Timeline**

Q&A

Note: All capitalised terms shall, if not otherwise defined, have the same meanings as ascribed to them in the Scheme Document. Please refer to pages 1 to 12 of the Scheme Document.

① TRANSACTION OVERVIEW

Mr Lim Hwee Chiang John, Straits Trading and Cheung Kong Property to Partner with Warburg Pincus and AVIC Trust to Privatisise ARA



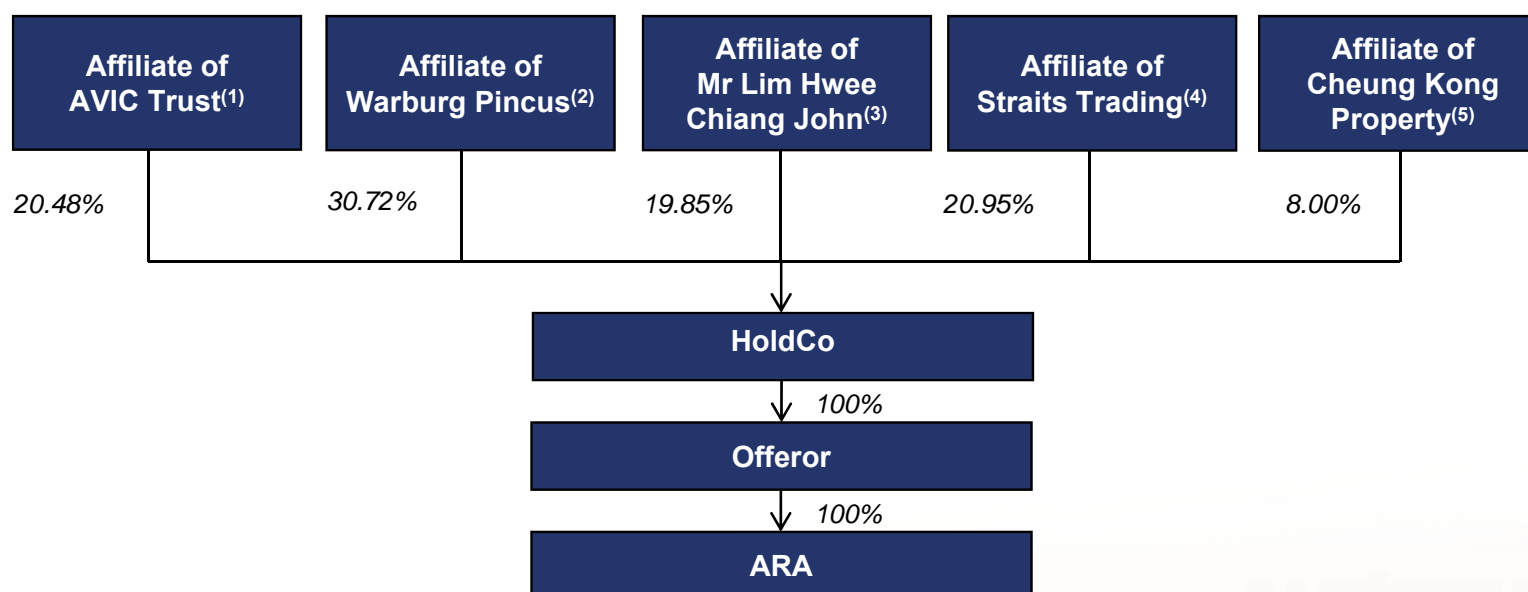
Scheme of Arrangement involving the acquisition of all ARA shares other than those held by the Rollover Shareholders

OFFEROR	Athena Investment Company (Cayman) Limited <ul style="list-style-type: none">Indirectly owned by affiliates of Warburg Pincus LLC (“Warburg Pincus”) and AVIC Trust Co., Ltd (“AVIC Trust”)
ROLLOVER SHAREHOLDERS	<ul style="list-style-type: none">Affiliate of Mr Lim Hwee Chiang JohnAffiliates of The Straits Trading Company Limited (“Straits Trading”)Affiliate of Cheung Kong Property Holdings Limited (“Cheung Kong Property”)
SCHEME CONSIDERATION	S\$1.78 in cash per Scheme Share <ul style="list-style-type: none">43.9% premium to 12-month VWAPThe Scheme Consideration is <u>FINAL</u> and will not be revised

Mr Lim Hwee Chiang John, Straits Trading and Cheung Kong Property to Partner with Warburg Pincus and AVIC Trust to Privatisise ARA



- Upon the Scheme becoming effective, the Rollover Shareholders will transfer their Rollover Shares to the Offeror at a valuation equivalent to the Scheme Consideration in exchange for a combination of cash and shares in the holding company of the Offeror (the “**HoldCo**”)
- At completion, ARA will become a wholly-owned subsidiary of the Offeror and an indirect wholly-owned subsidiary of the HoldCo



Note(s):

- (1) Shares are held by AVICT Dragon Holdings Limited, a special purpose vehicle established and controlled by AVIC Trust.
 (2) Shares are held by Alexandrite Gem Holdings Limited, an affiliate of Warburg Pincus.
 (3) Shares are held by JL Investment Group Limited, an entity wholly-owned by Mr Lim Hwee Chiang John.
 (4) Shares are held by Straits Equities Holdings (One) Pte. Ltd, a wholly-owned subsidiary of The Straits Trading Company Limited.
 (5) Shares are held by Wealthman Group Limited, an indirect wholly-owned subsidiary of Cheung Kong Property Holdings Limited.

Irrevocable Undertaking by Franklin Templeton Institutional, LLC



- Franklin Templeton Institutional, LLC, a substantial shareholder of ARA, has given an irrevocable undertaking to vote all of the Shares it owns as at the date of the Scheme Meeting in favour of the Scheme
- As at the Latest Practicable Date, based on the disclosures made to the Company, Franklin Templeton Institutional, LLC holds an aggregate of 79,661,020 Shares, representing 7.99% of the Shares
- Please refer to pages 32 to 33 of the Scheme Document for further details on the irrevocable undertaking

2 RATIONALE FOR THE ACQUISITION

1 Opportunity for Scheme Shareholders to Realise their Investment at a Favourable Valuation

- ✓ Attractive premium to historical trading prices
- ✓ Implied multiples compare favourably to historical averages
- ✓ Opportunity to exit despite low trading liquidity

2 Continued Growth Requires Significant Capital

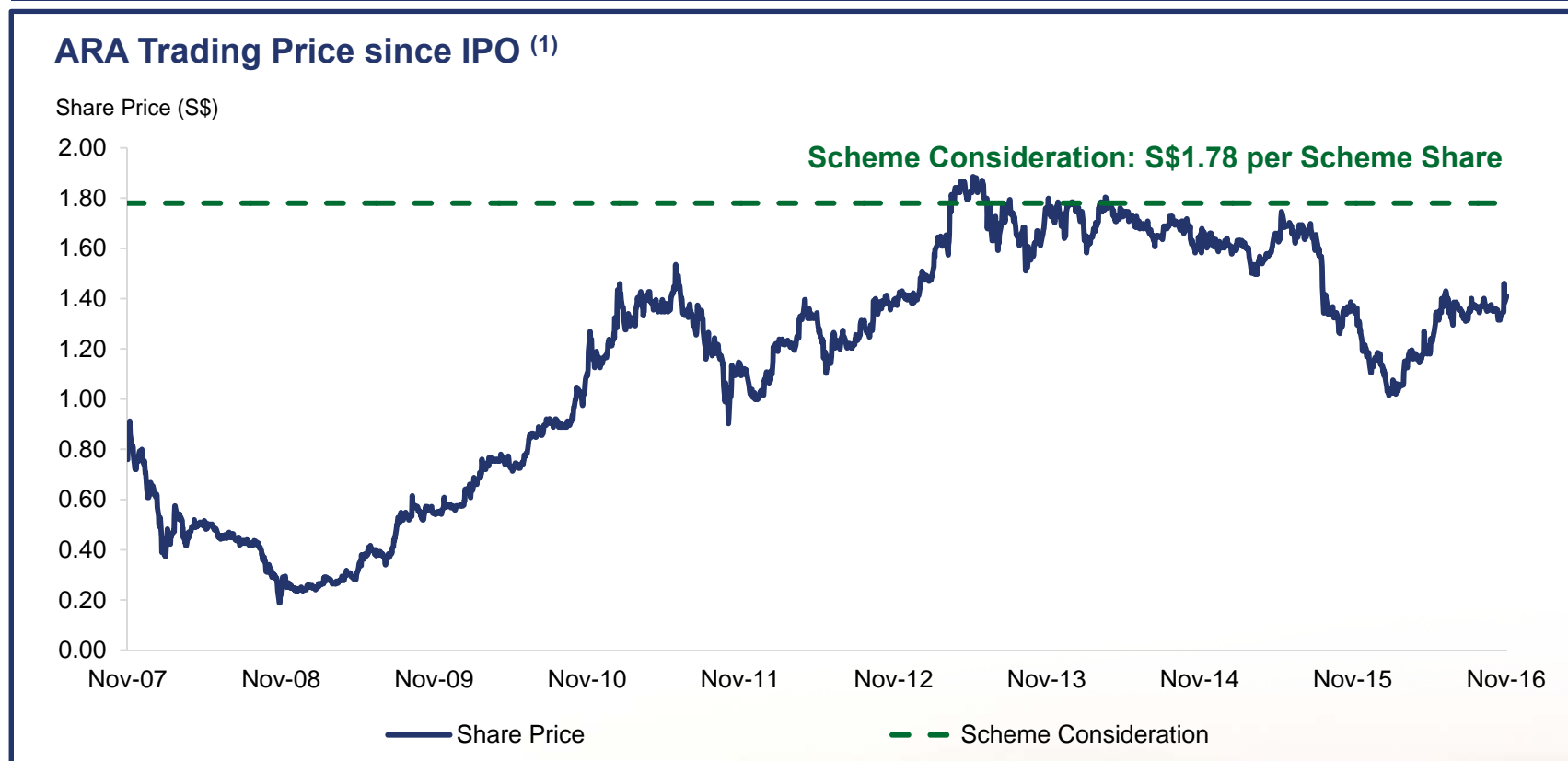
3 Access to an Efficient Source of Significant Capital in Support of ARA's Future Growth

1

Opportunity for Scheme Shareholders to Realise their Investment at a Favourable Valuation



Attractive compared to historical share price

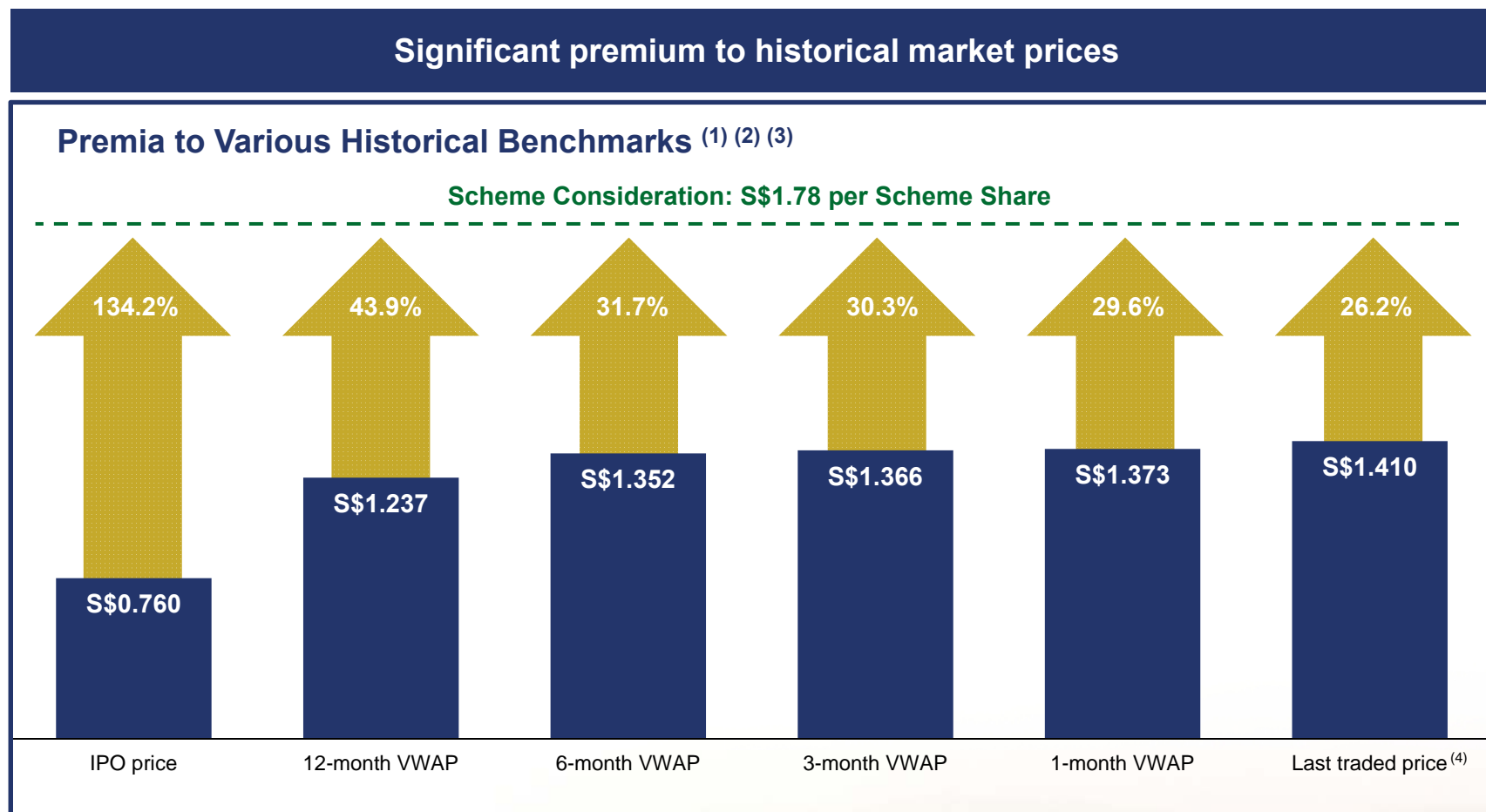


Source: Bloomberg

Note(s):

(1) Up to and including 2 November 2016, being the Last Full Trading Day. Based on data extracted from Bloomberg which shows prices adjusted to reflect any changes in the share capital of ARA and also includes off market transactions.

1 Opportunity for Scheme Shareholders to Realise their Investment at a Favourable Valuation (Cont'd)



Source: Bloomberg

Note(s):

- (1) Up to and including 2 November 2016, being the Last Full Trading Day.
- (2) IPO price and VWAPs shown in the chart above are based on data extracted from Bloomberg which shows prices adjusted to reflect any changes in the share capital of ARA and also includes off market transactions. Share price rounded to the nearest three decimal places.
- (3) Premia shown in the chart above are rounded to the nearest one decimal place.
- (4) Last traded price per share on 2 November 2016, being the Last Full Trading Day.

1

Opportunity for Scheme Shareholders to Realise their Investment at a Favourable Valuation (Cont'd)



Implied multiples compare favourably to historical averages

P/E⁽¹⁾⁽⁵⁾	20.7x	15.3x	16.5x	14.8x
	Implied by the Scheme Consideration	Historical 1-year average	Historical 3-year average	Average since IPO
EV/EBITDA⁽²⁾⁽³⁾⁽⁵⁾	17.5x	13.1x	14.5x	12.6x
	Implied by the Scheme Consideration	Historical 1-year average	Historical 3-year average	Average since IPO
EV/AUM⁽²⁾⁽⁴⁾⁽⁵⁾	5.0%	4.2%	5.1%	4.9%
	Implied by the Scheme Consideration	Historical 1-year average	Historical 3-year average	Average since IPO

Source: Bloomberg

Note(s):

- (1) EPS used in the calculation of P/E implied by the Scheme Consideration is based on Next Twelve Months ("NTM") consensus as sourced from Bloomberg as at 21 February 2017, being the Latest Practicable Date. EPS used in the calculation of the historical 1-year, 3-year and since IPO averages is based on NTM consensus as sourced from Bloomberg for each respective day up to and including 2 November 2016, being the Last Full Trading Day.
- (2) EV implied by the Scheme Consideration is calculated based on the (i) market capitalisation, plus (ii) consolidated loans and borrowings, less (iii) consolidated cash and cash equivalents, plus (iv) non-controlling interests, as at 31 December 2016. EV used in the calculation of the historical 1-year, 3-year and since IPO averages is computed on a daily basis and reflects the latest market capitalisation at the end of each day and the Company's financial statements for each corresponding quarter up to and including 2 November 2016, being the Last Full Trading Day (i.e. EV calculations on and after 30 September 2016 take into account the consolidated loan and borrowings, cash and cash equivalents and non-controlling interests figures as at 30 September 2016).
- (3) The EBITDA used in the calculation of EV/EBITDA implied by the Scheme Consideration is based on NTM consensus as sourced from Bloomberg as at 21 February 2017, being the Latest Practicable Date. The EBITDA used in the calculation of the historical 1-year, 3-year and since IPO averages is based on NTM consensus as sourced from Bloomberg for each respective day up to and including 2 November 2016, being the Last Full Trading Day.
- (4) The AUM figure used in the calculation of EV/AUM implied by the Scheme Consideration is based on the Company's figures as at 31 December 2016. The AUM figure used in the calculation of the historical 1-year, 3-year and since IPO averages is based on the Company's quarterly reported figure for each corresponding quarter up to and including 2 November 2016, being the Last Full Trading Day (i.e. AUM figures used in the calculations on and after 30 September 2016 reflect the Company's AUM as at 30 September 2016).
- (5) Percentages and multiples shown in the chart above are rounded to the nearest one decimal place.



Opportunity for Scheme Shareholders to Realise their Investment at a Favourable Valuation (Cont'd)



Opportunity for Scheme Shareholders to exit their investment in ARA

	Prior 12-months ⁽⁴⁾	Prior 6-months ⁽⁴⁾	Prior 3-months ⁽⁴⁾	Prior 1-month ⁽⁴⁾
Average daily trading volume ⁽¹⁾	658,027	525,181	571,259	546,252
Average daily trading volume as a percentage of total issued Shares ⁽²⁾⁽³⁾	0.066%	0.053%	0.057%	0.055%

- The Scheme presents an opportunity for Scheme Shareholders who may otherwise find it difficult to exit their investment in ARA due to low trading liquidity

Source: Bloomberg

Note(s):

- (1) Calculated using the total volume of Shares traded divided by the number of days on which ARA is traded on the SGX-ST.
- (2) Calculated using the daily total volume of Shares traded divided by the total number of Shares outstanding.
- (3) Rounded to the nearest three decimal places.
- (4) Based on the 12-month, 6-month, 3-month and 1-month periods up to and including the Last Full Trading Day.

2 Continued Growth Requires Significant Capital

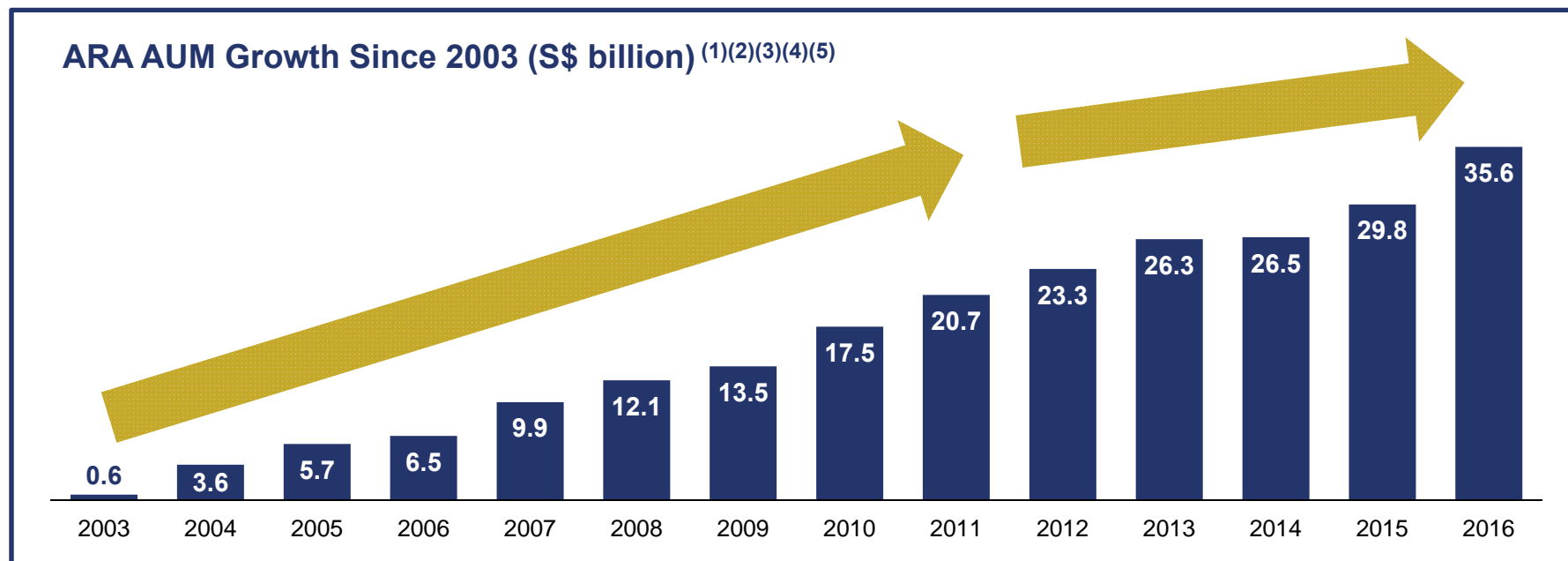


Diversified and resilient asset management portfolio across the Asia Pacific



- ARA has an established track record in growing its assets under management (“**AUM**”) in REITs and private real estate funds
- Since ARA's formation in 2002 and listing in 2007, it has built a diversified and resilient asset management portfolio across the Asia Pacific, managing approximately S\$35.6 billion worth of assets as at 31 December 2016

2 Continued Growth Requires Significant Capital (Cont'd)



- ARA will require a significant amount of capital to further its growth through strategic co-investments into existing and new funds, as well as through opportunistic acquisitions
- Should it remain a listed company at this scale, raising capital successfully will take time and will be highly dependent on market conditions. Such capital raisings also entail costs and may result in the dilution of Shareholders' interests

Note(s):

- (1) Based on exchange rates as at 31 December 2016. AUM as of 31 Dec for each financial year end of the Company.
- (2) AUM comprises of i) REITs – Real Estate, ii) Private RE Funds – Real Estate, iii) Private RE Funds – Capital and iv) Real Estate Management Services.
- (3) REITs – Real Estate comprises gross property value of REITs managed by subsidiaries, associates and joint venture.
- (4) Private RE Funds – Capital comprises of unutilised capital commitments.
- (5) Revenue base for Real Estate Management Services fee computation and gross property value of other properties under management.

3 Access to an Efficient Source of Significant Capital in Support of ARA's Future Growth



Leveraging the long term commitment of two new strategic capital partners

WARBURG PINCUS

- Leading global private equity firm focused on growth investing
- More than US\$40 billion in private equity AUM
- Experienced partner to management teams seeking to build durable companies with sustainable value



- Leading investment and trust manager in China with AUM of over US\$51 billion
- Owned by Oversea-Chinese Banking Corporation (19.9988%) and indirectly owned by AVIC Capital Co., Limited (80.0012%), a company listed on the Shanghai Stock Exchange and the finance arm of the Aviation Industry Corporation of China

Partnering with Warburg Pincus and AVIC Trust

1

INCREASED access to capital, which will allow ARA to operate more nimbly and efficiently in achieving its growth objectives.

2

LEVERAGE upon Warburg Pincus' global network of investor relationships, experience in partnering with management teams to drive growth, and strong investment track record in real estate platforms around the world.

3

TAP into AVIC Trust's unique distribution capability in China and provide ARA with important access to the Chinese capital markets and other business opportunities in China.

3 IFA AND INDEPENDENT DIRECTORS' RECOMMENDATIONS

Extracted from IFA Letter:

*“Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, overall, we are of the view that the financial terms of the Scheme are **FAIR AND REASONABLE**. Accordingly, we advise the Independent Directors to recommend Scheme Shareholders to **VOTE IN FAVOUR** of the Scheme.”*

Deloitte.
INDEPENDENT FINANCIAL ADVISOR

IT IS IMPORTANT THAT YOU READ THESE EXTRACTS TOGETHER WITH AND IN THE CONTEXT OF THE IFA LETTER IN FULL, WHICH CAN BE FOUND IN APPENDIX 1 TO THE SCHEME DOCUMENT. YOU ARE ADVISED AGAINST RELYING SOLELY ON THESE EXTRACTS.

Independent Directors' Recommendation



Extracted from recommendation from Independent Directors of ARA:

*“The Independent Directors, having considered carefully the terms of the Scheme and the advice given by the IFA in the IFA Letter, concur with the recommendation of the IFA in respect of the Scheme. Accordingly, the Independent Directors recommend that Scheme Shareholders **VOTE IN FAVOUR** of the Scheme at the Scheme Meeting.*

Scheme Shareholders should also be aware and note that there is no assurance that the trading volumes and market prices of the Shares will be maintained at the current levels prevailing as at the Latest Practicable Date if the Scheme does not become effective for whatever reason. Scheme Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective.”



INDEPENDENT DIRECTORS

IT IS IMPORTANT THAT YOU READ THESE EXTRACTS TOGETHER WITH AND IN THE CONTEXT OF THE LETTER TO SCHEME SHAREHOLDERS IN FULL, WHICH CAN BE FOUND AT PAGES 21 TO 37 OF THE SCHEME DOCUMENT. YOU ARE ADVISED AGAINST RELYING SOLELY ON THESE EXTRACTS.

④ OVERVIEW OF THE SCHEME AND EXPECTED INDICATIVE TIMELINE

A Scheme Shareholders' Approval

There are two conditions to be met for the Scheme to be approved by Scheme Shareholders at the Scheme Meeting:

“HEAD-COUNT” CONDITION

>50%

Approval of more than 50% of the number of Scheme Shareholders present and voting in person or by proxy at the Scheme Meeting



“SHARE-COUNT” CONDITION

≥75%

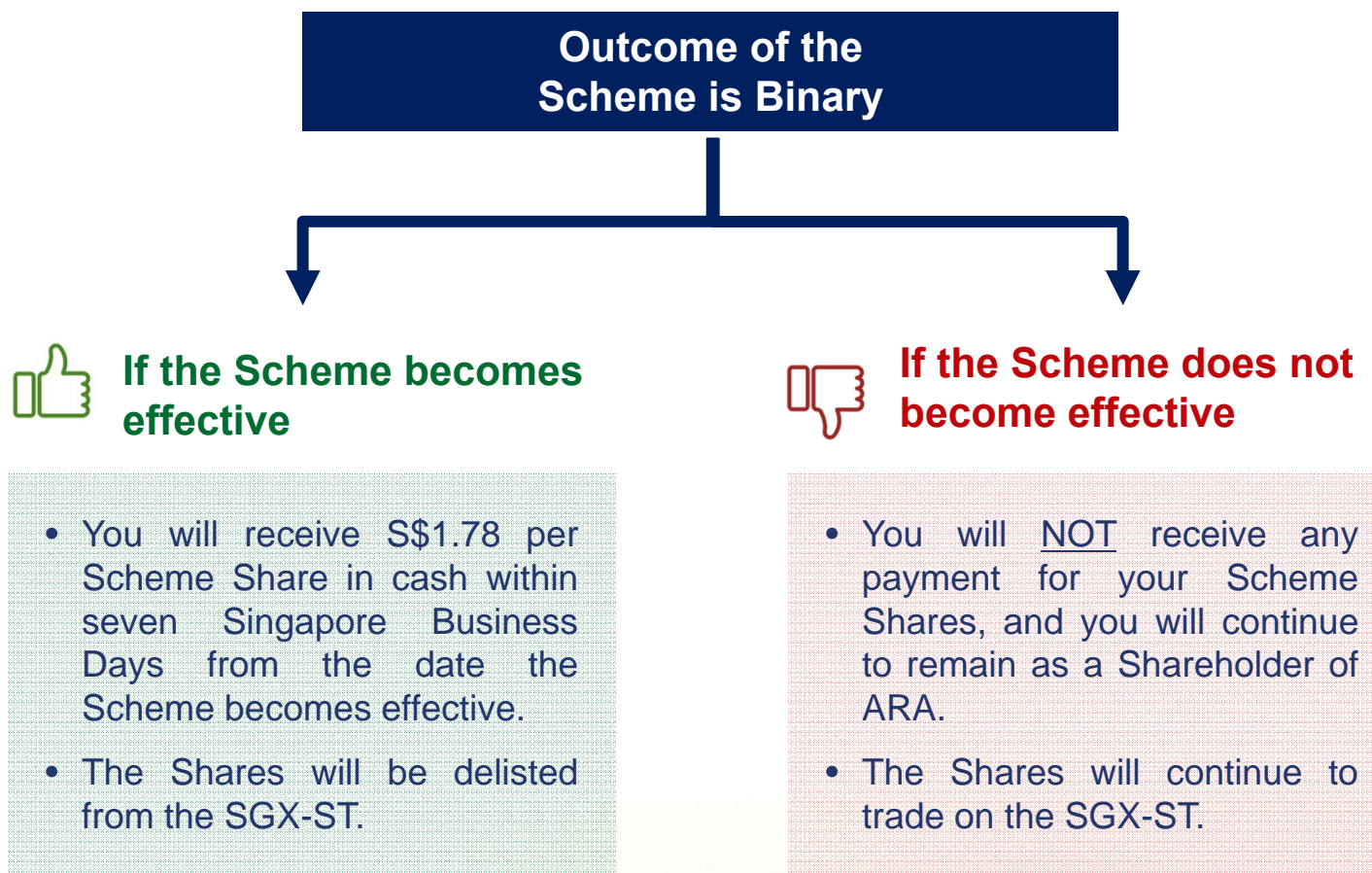
Approval of at least 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting in person or by proxy at the Scheme Meeting

- Outcome of the Scheme Meeting will be decided solely by the Scheme Shareholders (i.e. all shareholders except for the Rollover Shareholders)
- The Offeror (including the Rollover Shareholders) and its concert parties will abstain from voting on the Scheme

B Status of Scheme Conditions

- As at 15 March 2017, all regulatory approvals as set out in paragraph 4 of Appendix 7 to the Scheme Document have been fulfilled, or to the extent legally permissible, waived by the Company and the Offeror in accordance with the terms of the Implementation Agreement
- Please refer to Appendix 7 to the Scheme Document for a list of the Scheme Conditions
- A Scheme Meeting to seek approval from the Scheme Shareholders will be held on **23 March 2017**
- Once all the Scheme Conditions are satisfied (or, where applicable, waived) and if the Scheme is approved by the Scheme Shareholders, an application will be made to the Court by ARA for an order of the Court sanctioning the Scheme
- Based on the expected timetable, the Court hearing of the application to sanction the Scheme is expected to take place on 31 March 2017

Possible Outcomes of the Scheme



Expected Indicative Timeline



Transaction is expected to be completed by end April 2017

- Assuming the approval of the Scheme Shareholders is obtained at the Scheme Meeting:



Important Dates and Time



DATE AND TIME OF SCHEME MEETING

23 March 2017 at 11.00 a.m. (Singapore Time)

VENUE OF SCHEME MEETING

**Level 3, Summit 2, Suntec Singapore
Convention & Exhibition Centre, 1 Raffles Boulevard,
Suntec City, Singapore 039593**

LAST DATE AND TIME FOR LODGEMENT OF PROXY FORMS

21 March 2017 at 11.00 a.m. (Singapore Time)

Please return the completed and signed Proxy Form so that it arrives at the office of the Singapore Share Transfer Agent by no later than the date and time shown above. Please refer to the Scheme Document for more details.

INVESTOR CONTACT

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Strategic Advisory
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Goldman Sachs
Investment Banking
Telephone: +65 6889 1000

Disclaimers



Forward Looking Statements

All statements other than statements of historical facts included in this document are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Offeror's or ARA's (as the case may be) current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Scheme Shareholders and investors of the Offeror and ARA should not place undue reliance on such forward-looking statements, and neither the Offeror nor ARA undertakes any obligation to update publicly or revise any forward-looking statements.

Responsibility Statements

ARA. The directors of ARA (including any who may have delegated detailed supervision of the preparation of this document) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this document which relate to ARA (excluding information relating to the Offeror and its concert parties or any opinion expressed by the Offeror) are fair and accurate and that, where appropriate, no material facts which relate to ARA have been omitted from this document, and the directors of ARA jointly and severally accept responsibility accordingly.

Where any information which relates to ARA has been extracted or reproduced from published or otherwise publicly available sources, or obtained from the Offeror or its concert parties, the sole responsibility of the directors of ARA has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources and/or reproduced in this document. The directors of ARA do not accept any responsibility for any information relating to the Offeror and/or its concert parties or any opinion expressed by the Offeror.

Offeror. The directors of the Offeror and each of the members of the Steering Committee (including any who may have delegated detailed supervision of the preparation of this document) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this document (excluding information relating to ARA or any opinion expressed by ARA, the Offeror Financial Advisors, the IFA and/or KPMG) are fair and accurate and that, where appropriate, no material facts in relation thereto have been omitted from this document, and the directors of the Offeror and each of the members of the Steering Committee jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from ARA, the sole responsibility of the directors of the Offeror and the members of the Steering Committee has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this document. The directors of the Offeror and the members of the Steering Committee do not accept any responsibility for any information relating to or any opinion expressed by ARA, the Offeror Financial Advisors, the IFA and/or KPMG.