

**Offer Information Statement dated 24 February 2014**

(Lodged with the Monetary Authority of Singapore on 24 February 2014)

**THIS OFFER INFORMATION STATEMENT IS IMPORTANT. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.**

The collective investment scheme offered in this Offer Information Statement (as defined herein) is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”). A copy of this Offer Information Statement, together with the application form for the new units in AIMS AMP Capital Industrial REIT (“AICI REIT”) to be issued for the purpose of the Rights Issue (as defined herein) (“Rights Units”) and Excess Rights Units (as defined herein) (“ARE”) and the application form and acceptance form for Rights Units to be issued to purchasers of the Rights Entitlements (as defined herein) (“ARS”) under the Rights Issue traded on the Singapore Exchange Securities Trading Limited (the “SGX-ST”) under the book-entry (scripless) settlement system, has been lodged with the Monetary Authority of Singapore (the “Authority”). The Authority assumes no responsibility for the contents of this Offer Information Statement, the ARE and the ARS. Lodgement of this Offer Information Statement with the Authority does not imply that the SFA, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the units being offered, or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from the SGX-ST for the listing of and quotation for the Rights Units on the Main Board of the SGX-ST. The SGX-ST’s in-principle approval is not to be taken as an indication of the merits of the units in AICI REIT (“Units”), the Rights Issue, the Rights Units, AICI REIT and/or its subsidiaries and AIMS AMP Capital Industrial REIT Management Limited, in its capacity as manager of AICI REIT (the “Manager”). The SGX-ST assumes no responsibility for the accuracy of any statements made, reports contained or opinions expressed in this Offer Information Statement. No Rights Units shall be allotted on the basis of this Offer Information Statement later than the date falling six months from the date of lodgement of this Offer Information Statement.

This Offer Information Statement may not be sent to any person or any jurisdiction in which it would not be permissible to make an offer of Rights Units or to deliver the “nil-paid” provisional allotments of Rights Units to Eligible Unitholders (as defined herein) under the Rights Issue (“Rights Entitlements”), and the Rights Units and the Rights Entitlements may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction. The Rights Units and the Rights Entitlements have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or under any securities laws of any state or other jurisdiction of the United States (“U.S.”) and may not be offered, sold or delivered, directly or indirectly, within the U.S. except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the U.S.. The Rights Units and the Rights Entitlements are being offered and sold in offshore transactions as defined in and in reliance on Regulation S under the Securities Act (“Regulation S”).

**AIMS AMP CAPITAL INDUSTRIAL REIT**

(a unit trust constituted in the Republic of Singapore pursuant to a trust deed dated 5 December 2006 (as amended))

MANAGED BY

**AIMS AMP CAPITAL INDUSTRIAL REIT MANAGEMENT LIMITED**

**UNDERWRITTEN RENOUNCEABLE RIGHTS ISSUE (THE “RIGHTS ISSUE”) OF 92,512,712 RIGHTS UNITS AT AN ISSUE PRICE OF S\$1.08 FOR EACH RIGHTS UNIT (THE “RIGHTS ISSUE PRICE”), ON THE BASIS OF SEVEN (7) RIGHTS UNITS FOR EVERY FORTY (40) EXISTING UNITS (THE “RIGHTS RATIO”) HELD BY ELIGIBLE UNITHOLDERS AS AT 24 FEBRUARY 2014 AT 5.00 P.M. (THE “RIGHTS ISSUE BOOKS CLOSURE DATE”), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED.**

**Joint Global Lead Coordinators for the Rights Issue****Joint Bookrunners and Underwriters for the Rights Issue****IMPORTANT DATES AND TIMES**

(The following is qualified by, and should be read in conjunction with, the section entitled “Timetable of Key Events”)

Last date and time for trading of Rights Entitlements	:	7 March 2014 at 5.00 p.m.
Last date and time for acceptance of Rights Entitlements and payment for Rights Units	:	13 March 2014 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks (each as defined herein))
Last date and time for application and payment for Excess Rights Units	:	13 March 2014 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)

*This page has been intentionally left blank.*

# TABLE OF CONTENTS

	Page
<b>Notice to Unitholders and Investors</b> .....	ii
<b>Important Notice to (A) CPFIS Investors, (B) SRS Investors and (C) Investors Who Hold Units Through a Finance Company and/or Depository Agent</b> .....	vi
<b>Eligibility of Unitholders to Participate in the Rights Issue</b> .....	viii
<b>Corporate Information</b> .....	xv
<b>Summary</b> .....	1
<b>Timetable of Key Events</b> .....	4
<b>Principal Terms of the Rights Issue</b> .....	6
<b>Use of Proceeds</b> .....	13
<b>Operating and Financial Review and Prospects</b> .....	16
<b>Information Relating to AACI REIT</b> .....	23
<b>Risk Factors</b> .....	32
<b>General Information</b> .....	57
<b>Glossary</b> .....	60
 <b>APPENDICES</b>	
<b>Appendix A</b> Certain Financial Information relating to AACI REIT .....	A-1
<b>Appendix B</b> Procedures for Acceptance, Payment, Renunciation and Excess Application by Eligible Unitholders .....	B-1
<b>Appendix C</b> Additional Terms and Conditions for Electronic Applications .....	C-1
<b>Appendix D</b> List of Participating Banks .....	D-1

## NOTICE TO UNITHOLDERS AND INVESTORS

No person has been authorised to give any information or make any representations other than those contained in this Offer Information Statement in connection with the Rights Issue and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of AACI REIT, the Manager, HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of AACI REIT (the “**Trustee**”), Standard Chartered Securities (Singapore) Pte. Limited (“**Standard Chartered**”) together with Macquarie Capital Securities (Singapore) Pte. Limited (“**Macquarie**”) as joint global lead coordinators for the Rights Issue (the “**Joint Global Lead Coordinators**”) and Standard Chartered and Macquarie together with Religare Capital Markets (Singapore) Pte. Limited (“**Religare**”) as the joint bookrunners and underwriters for the Rights Issue (collectively, the “**Joint Bookrunners and Underwriters**”). Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of AACI REIT or the Manager. Neither the delivery of this Offer Information Statement nor the issue of the Rights Units shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no material change in the affairs of AACI REIT or in any of the information contained herein since the date of this Offer Information Statement. Where such changes occur after the date of this Offer Information Statement and are material and required to be disclosed by law and/or the SGX-ST, the Manager will announce such changes via SGXNET<sup>1</sup>, and if required, lodge a supplementary or replacement document with the Authority. All holders of Units (“**Unitholders**”) and investors should take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

For Eligible Unitholders, acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Units may be made through The Central Depository (Pte) Limited (“**CDP**”) or through an automated teller machine (“**ATM**”) of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement (“**Electronic Application**”).

**Central Provident Fund Investment Scheme (“CPFIS”) investors, Supplementary Retirement Scheme (“SRS”) investors and investors who hold Units through a finance company and/or Depository Agent (as defined herein) should see the section entitled “Important Notice to (A) CPFIS Investors, (B) SRS Investors and (C) Investors Who Hold Units Through a Finance Company and/or Depository Agent” on page vi of this Offer Information Statement for important details relating to the application and acceptance procedures for them.**

This Offer Information Statement, the ARE and the ARS may not be used for the purpose of, and does not constitute, an offer, invitation or solicitation in any jurisdiction or in any circumstances in which such offer, invitation or solicitation is unlawful or unauthorised, or to any person to whom it is unlawful to make such offer, invitation or solicitation. In addition, no action has been or will be taken in any jurisdiction (other than Singapore) that would permit a public offering of the Rights Units or the possession, circulation or distribution of this Offer Information Statement or any other material relating to AACI REIT or the Rights Units in any jurisdiction (other than Singapore) where action for that purpose is required. The Rights Units may not be offered or sold, directly or indirectly, and neither this Offer Information Statement nor any other offering material or advertisements in connection with the Rights Units may be distributed or published in or from any country or jurisdiction, except, in each case, under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice regarding an investment in the Rights Units and/or Units.

---

1 An internet-based corporate announcement submission system maintained by the SGX-ST.

The Manager, the Trustee, the Joint Global Lead Coordinators, the Joint Bookrunners and Underwriters and each of their respective officers and employees make no representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the Rights Units, the Rights Entitlements or AACI REIT, or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to subscribe for the Rights Units or to purchase the Rights Entitlements. Prospective subscribers of Rights Units and purchasers of Rights Entitlements should rely, and shall be deemed to have relied, on their own independent enquiries and investigations of the affairs of AACI REIT, including but not limited to, the assets and liabilities, profits and losses, financial position, financial performance, risk factors and prospects of AACI REIT, and their own appraisal and determination of the merits of investing in AACI REIT. Persons in doubt as to the action they should take should consult their business, financial, legal, tax or other professional adviser before deciding whether to subscribe for or purchase the Rights Units or the Rights Entitlements.

This Offer Information Statement and the accompanying documents have been prepared solely for the purposes of the Rights Issue and may not be relied upon for any other purposes.

The Rights Units and the Rights Entitlements have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the U.S. and may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, transferred or delivered, directly or indirectly, within the U.S. except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the U.S.. The Rights Units and the Rights Entitlements are being offered and sold in offshore transactions (as defined under Regulation S) in reliance on Regulation S. The distribution of this Offer Information Statement and the placement of the Rights Units in certain jurisdictions may be prohibited or restricted by law. Persons who come into possession of this Offer Information Statement and/or its accompanying documents are required by the Manager, the Joint Global Lead Coordinators and the Joint Bookrunners and Underwriters to inform themselves of, and observe, any such prohibitions and restrictions.

Selected financial data from the audited financial statements of AACI REIT and its subsidiaries (the “**Group**”) for the financial year ended 31 March 2011 (“**FY2011**”, and the audited financial statements of the Group for FY2011, the “**FY2011 Audited Financial Statements**”), the audited financial statements of the Group for the financial year ended 31 March 2012 (“**FY2012**”, and the audited financial statements of the Group for FY2012, the “**FY2012 Audited Financial Statements**”), the audited financial statements of the Group for the financial year ended 31 March 2013 (“**FY2013**”, and the audited financial statements of the Group for FY2013, the “**FY2013 Audited Financial Statements**”), the unaudited financial statements of the Group for the nine-month financial period ended 31 December 2012 (“**YTD FY2013**”, and the unaudited financial statements of the Group for YTD FY2013, the “**YTD FY2013 Unaudited Financial Statements**”) and the unaudited financial statements of the Group for the nine-month financial period ended 31 December 2013 (“**YTD FY2014**”, and the unaudited financial statements of the Group for YTD FY2014, the “**YTD FY2014 Unaudited Financial Statements**”) (collectively, the “**Financial Statements**”), are set out in **Appendix A**. Financial data relating to (i) distribution per Unit (“**DPU**”), (ii) earnings per Unit (“**EPU**”), (iii) net asset value (“**NAV**”) per Unit, (iv) EPU and NAV per Unit, adjusted for the Rights Issue, (v) EPU and NAV per Unit, adjusted for the Recent Acquisition (as defined herein) and (vi) EPU and NAV per Unit, adjusted for the Recent Acquisition and the Rights Issue are also set out in **Appendix A**.

Such selected financial data should be read together with the relevant notes to the Financial Statements, where applicable, which are available for inspection during normal business hours at the registered office of the Manager at 1 George Street, #23-03 One George Street, Singapore 049145, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement<sup>1</sup>.

**Prospective investors are advised to obtain and read the Financial Statements (including the relevant notes, where applicable) before making any investment decision in relation to the Rights Units and the Rights Entitlements.**

The value of Units and the income derived from them may fall as well as 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. None of the Manager or any of its affiliates guarantees the performance of AACI REIT or the repayment of capital from AACI REIT, or any particular rate of return.

Investors 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 Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of AACI REIT is not necessarily indicative of the future performance of AACI REIT.

### **Forward-Looking Statements**

This Offer Information Statement 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. The Manager, the Trustee, the Joint Global Lead Coordinators and the Joint Bookrunners and Underwriters do not represent or warrant that the actual future performance, outcomes or results of AACI REIT will be as discussed in those statements. 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 property expenses and operating expenses, and governmental and public policy changes.

(See the section entitled “Risk Factors” on page 32 of this Offer Information Statement for a discussion of certain factors to be considered in connection with an investment in the Rights Units and the Rights Entitlements)

Given the risks, uncertainties and other factors that may cause AACI REIT’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, 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. Investors should read the whole of this Offer Information Statement and make their own assessment of the future performance of AACI REIT before deciding whether to subscribe for the Rights Units and/or apply for Excess Rights Units. Investors should also make their own independent investigations of any bases and assumptions upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Figures and percentages are rounded to an appropriate number of decimal places, where applicable.

---

<sup>1</sup> Prior appointment with the Manager will be appreciated.

## **Where to Find Help**

If you have any enquiries, please contact us at the email address set out below.

**Email enquiries to: [general@aimsampcapital.com](mailto:general@aimsampcapital.com)**

Please note that the applicable rules and regulations in Singapore do not allow the persons replying to the enquiries to give advice on the merits of the Rights Issue, the Rights Entitlements, the Rights Units or AACI REIT or to provide investment, business, financial, legal or tax advice. If you are in any doubt as to what action you should take, please consult your legal, financial, tax or other professional adviser.



## **IMPORTANT NOTICE TO (A) CPFIS INVESTORS, (B) SRS INVESTORS AND (C) INVESTORS WHO HOLD UNITS THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT**

Eligible Unitholders who have subscribed for or purchased Units under the CPFIS, the SRS or through a finance company and/or Depository Agent can only accept their Rights Entitlements and (if applicable) apply for Excess Rights Units by instructing the relevant banks, finance company and/or Depository Agent in which they hold their CPFIS accounts and/or SRS accounts to do so on their behalf.

**ANY APPLICATION MADE DIRECTLY BY THE ABOVE-MENTIONED UNITHOLDERS THROUGH CDP OR THROUGH ATMS WILL BE REJECTED.**

The above-mentioned Unitholders, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Units to their respective approved bank, finance company and/or Depository Agent.

### **(i) Use of CPF Funds**

Eligible Unitholders participating in the CPFIS – Ordinary Account must use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their Rights Entitlements and (if applicable) application for Excess Rights Units, if they have previously bought their Units using their CPF Investible Savings (“**CPF Funds**”).

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using CPF Funds must have sufficient funds in their CPF Investment Accounts and must instruct their respective approved banks, where such Unitholders hold their CPF Investment Accounts, to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.

Such Unitholders who have insufficient funds in their CPF Investment Accounts may deposit cash into their CPF Investment Accounts with their approved banks to enable them to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. CPF Funds may not, however, be used for the purchase of the Rights Entitlements directly from the market.

### **(ii) Use of SRS Funds**

Eligible Unitholders who had purchased Units using their SRS accounts and who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS accounts.

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using SRS monies, must instruct the relevant approved banks in which they hold their SRS accounts to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement. Such Unitholders who have insufficient funds in their SRS accounts may, subject to the SRS contribution cap, deposit cash into their SRS accounts with their approved banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. SRS investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved



banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date (as defined herein). Any acceptance and (if applicable) application made directly through CDP, Electronic Applications at ATMs of the Participating Banks, Boardroom Corporate & Advisory Services Pte. Ltd. (the “**Unit Registrar**”) and/or AACI REIT will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the provisional allotments of the Rights Units directly from the market.

**(iii) Holdings through finance company and/or Depository Agent**

Eligible Unitholders who hold Units through a finance company and/or Depository Agent must instruct the relevant finance company and/or Depository Agent to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.

## ELIGIBILITY OF UNITHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

### Eligible Unitholders

Eligible Unitholders are Unitholders with Units standing to the credit of their securities account with CDP (but do not include securities sub-accounts) (“**Securities Account**”) and (a) whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days<sup>1</sup> prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents and (b) such Unitholders who the Manager, on behalf of AACI REIT, and in consultation with the Joint Bookrunners and Underwriters determine, may be offered Rights Units without breaching applicable securities laws (“**Eligible Unitholders**”).

Eligible Unitholders will receive their Rights Entitlements under the Rights Issue on the basis of their unitholdings in AACI REIT as at the Rights Issue Books Closure Date and are entitled to participate in the Rights Issue and to receive this Offer Information Statement (including the ARE and the ARS) at their respective Singapore addresses. Eligible Unitholders who do not receive this Offer Information Statement and the ARE and the ARS may obtain them from CDP for the period up to the Closing Date.

Eligible Unitholders are at liberty to accept in part or in full, decline or otherwise renounce or trade on the SGX-ST (during the Rights Entitlements trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for Excess Rights Units.

The Rights Units represented by the provisional allotments (A) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the Rights Entitlements trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders (as defined herein) which have not been sold during the Rights Entitlements trading period prescribed by the SGX-ST or (B) that have not been validly taken up by the original allottees, renouncees of the provisional allotments or the purchasers of the Rights Entitlements (collectively, “**Excess Rights Units**”) will be aggregated and used to satisfy Excess Rights Units applications (if any) or disposed of or otherwise dealt with in such manner as the Manager may, in its absolute discretion, deem fit.

Subject to the requirements of or otherwise waived by the SGX-ST, in the allotment of Excess Rights Units, preference will be given to the rounding of odd lots (if any), and that the directors of the Manager (“**Directors**”) and Substantial Unitholders (as defined herein) who have control or influence over AACI REIT in connection with the day-to-day affairs of AACI REIT or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Manager’s board of Directors (“**Board**”) will rank last in priority for the rounding of odd lots and allotment of Excess Rights Units.

**All dealings in and transactions of the Rights Entitlements through the SGX-ST will be effected under the book-entry (scripless) settlement system.**

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the Rights Entitlements and for the applications for Excess Rights Units, including the different modes of acceptance and application and payment, are contained in **Appendices B and C** and in the ARE and the ARS.

---

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

## Ineligible Unitholders

No Rights Entitlements will be provisionally allotted to Unitholders who are not Eligible Unitholders (“**Ineligible Unitholders**”) and no purported acceptance thereof or application for Excess Rights Units therefore by Ineligible Unitholders will be valid.

This Offer Information Statement and its accompanying documents (including the ARE and the ARS) will not be despatched to Ineligible Unitholders. This Offer Information Statement and its accompanying documents (including the ARE and the ARS) relating to the Rights Issue have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore.

The offer, sale and delivery of the Rights Units and the Rights Entitlements may be prohibited or restricted in certain jurisdictions under their relevant securities laws. Thus, for practical reasons and in order to avoid any violation of the securities legislation or other relevant laws applicable in countries (other than in Singapore) where Unitholders may have as their addresses registered with CDP, the Rights Issue will not be extended to Ineligible Unitholders.

The Rights Units and the Rights Entitlements have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the U.S. and may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, transferred or delivered, directly or indirectly, within the U.S. except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the U.S.. The Rights Units and the Rights Entitlements are being offered, sold or delivered in offshore transactions in reliance on Regulation S.

This Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the Rights Entitlements, whose registered addresses with CDP are outside Singapore (“**Foreign Purchasers**”). Foreign Purchasers who wish to accept the Rights Entitlements credited to their Securities Accounts should ensure that they comply with the applicable rules and regulations and make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

The Manager reserves the right, but shall not be obliged, to treat as invalid any application or purported application, or decline to register such application or purported application which (i) appears to the Manager or its agents to have been executed in any jurisdiction outside Singapore or which the Manager believes may violate any applicable legislation of such jurisdiction, or (ii) purports to exclude any deemed representation or warranty.

**Notwithstanding the above, Unitholders and any other person having possession of this Offer Information Statement are advised to inform themselves of and to observe all legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement may treat the same as an offer, invitation or solicitation to subscribe for any Rights Units unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.**

If it is practicable to do so, the Manager may, in its absolute discretion, arrange for Rights Entitlements which would otherwise have been allotted to Ineligible Unitholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto.

Where such Rights Entitlements are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Manager, may, in its absolute discretion, decide and no Ineligible Unitholder or persons acting for the account or benefit of any such persons, shall have any claim whatsoever against the Manager, the Joint Global Lead Coordinators, the Joint Bookrunners and Underwriters, the Trustee, CDP or the Central Provident Fund Board (“**CPF Board**”) or their respective officers in respect of such sales or the proceeds thereof, the Rights Entitlements or the Rights Units represented by such provisional allotments.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Ineligible Unitholders in proportion to their respective unitholdings determined as at the Rights Issue Books Closure Date and sent to them by means of a crossed cheque drawn on a bank in Singapore via ordinary post to their mailing address as maintained with CDP, at their own risk, or such other manner as they may have agreed with CDP for the payment of any cash distributions, provided that where the amount of net proceeds to be distributed to any single Ineligible Unitholder is less than S\$10, the Manager shall be entitled to retain or deal with such net proceeds as the Manager may, in its absolute discretion, deem fit for the sole benefit of AACI REIT and no Ineligible Unitholder shall have any claim whatsoever against the Manager, the Joint Global Lead Coordinators, the Joint Bookrunners and Underwriters, the Trustee or CDP in connection herewith.

If such Rights Entitlements cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the Rights Entitlements, the Rights Units represented by such Rights Entitlements will be issued to satisfy applications for Excess Rights Units or dealt with in such manner as the Manager may, in its absolute discretion, deem fit in the interest of AACI REIT and no Ineligible Unitholder or persons acting for the account or benefit of any such persons, shall have any claim whatsoever against the Manager, the Joint Global Lead Coordinators, the Joint Bookrunners and Underwriters, the Trustee, CDP or CPF Board or their respective officers in connection therewith.

Unitholders should note that the special arrangement described above will apply only to Ineligible Unitholders.

### **Selling Restrictions**

Investors are advised to consult their legal counsel prior to making any offer, sale, resale, pledge or other transfer of the Rights Units and the Rights Entitlements. No action has been or will be taken to permit the Rights Issue in any jurisdiction or the possession, circulation, or distribution of this Offer Information Statement, its accompanying documents or any other materials relating to AACI REIT, the Rights Units and the Rights Entitlements in any jurisdiction where action would be required for that purposes, except that this Offer Information Statement has been lodged with the Authority. Accordingly, the Rights Units and the Rights Entitlements may not be offered, sold or delivered, directly or indirectly, and none of this Offer Information Statement, its accompanying documents, or any offering materials or advertisements in connection with the Rights Units and the Rights Entitlements may be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction.

This Offer Information Statement and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each purchaser of Rights Units and/or Rights Entitlements is deemed to have represented and agreed that it will comply with the selling restrictions set out below for each of the following jurisdictions:

### ***United States***

Each purchaser of the Rights Entitlements and/or the Rights Units offered, sold or delivered in reliance on Regulation S will be deemed to have represented and agreed as follows (terms used in this paragraph that are defined in Regulation S are used herein as defined therein):

- (a) the purchaser is acquiring the Rights Entitlements and/or the Rights Units in an offshore transaction meeting the requirements of Regulation S;
- (b) the purchaser is aware that the Rights Entitlements and the Rights Units have not been and will not be registered under the Securities Act and are being offered, sold or delivered in reliance on Regulation S; and
- (c) the purchaser acknowledges that the Manager, the Joint Global Lead Coordinators, the Joint Bookrunners and Underwriters, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Unitholders or any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and to observe such prohibitions and restrictions. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Units or purchase any Rights Entitlements unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.

AACI REIT, the Manager, the Joint Global Lead Coordinators and the Joint Bookrunners and Underwriters have not taken any action, nor will AACI REIT, the Manager, the Joint Global Lead Coordinators and the Joint Bookrunners and Underwriters take any action, in any jurisdiction other than Singapore that would permit a public offering of the Rights Units or the Rights Entitlements, or the possession, circulation or distribution of this Offer Information Statement or any other material relating to AACI REIT, the Manager, the Rights Units or the Rights Entitlements in any jurisdiction other than Singapore where action for that purpose is required.

Accordingly, each purchaser of Rights Units and/or Rights Entitlements may not offer or sell, directly or indirectly, any Rights Units or Rights Entitlements and may not distribute or publish this Offer Information Statement or any other offering material or advertisements in connection with the Rights Units or Rights Entitlements in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction.

### ***Hong Kong***

**IMPORTANT NOTICE:** AACI REIT has not been authorised, nor has the contents of this Offer Information Statement been reviewed or approved by any regulatory authority in the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"). You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Offer Information Statement, you should obtain independent professional advice.

This Offer Information Statement has not been approved by the Securities and Futures Commission in Hong Kong. Each purchaser of Rights Entitlements or Rights Units agrees that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Rights Entitlements or Rights Units other than to “professional investors” as defined in the Securities and Futures Ordinance of Hong Kong (Cap. 571) (“**SFO**”) and any rules made under the SFO, or in circumstances which do not result in any document being a “prospectus” as defined in the Companies Ordinance of Hong Kong (Cap. 32) (“**CO**”) or which do not constitute an offer or invitation to the public for purposes of the CO or the SFO; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Rights Entitlements or the Rights Units, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Rights Entitlements or Rights Units which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

### ***European Economic Area***

In relation to each member state of the European Economic Area (“**EEA**”) which has implemented the Prospectus Directive (as defined herein) (each, a “**Relevant Member State**”), offers of the Rights Entitlements and the Rights Units which are the subject of the offering contemplated by this Offer Information Statement may not be made to the public in that Relevant Member State except that an offer to the public in that Relevant Member State of any Rights Entitlements and/or Rights Units may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to legal entities which are qualified investors as defined under the Prospectus Directive;
- (b) to fewer than 100, or if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Joint Global Lead Coordinators and the Joint Bookrunners and Underwriters; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of the Rights Entitlements or the Rights Units shall require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or a supplemental prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression “**an offer to the public**” in relation to any Rights Entitlements or Rights Units in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Rights Entitlements or the Rights Units to be offered so as to enable an investor to decide to purchase or subscribe the Rights Entitlements or the Rights Units, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, and the expression “**Prospectus Directive**” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State (and amendments thereto including the 2010 PD Amending Directive to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State, and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.



Each purchaser of the Rights Entitlements or the Rights Units located within a member state of the European Economic Area will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2(1)(e) of the Prospectus Directive and in the case of any Rights Entitlements and/or Rights Units acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the Rights Entitlements and/or Rights Units acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Joint Global Lead Coordinators and the Joint Bookrunners and Underwriters has been given to the offer or resale; or (ii) where Rights Entitlements and/or Rights Units have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Rights Entitlements and/or Rights Units to it is not treated under the Prospectus Directive as having been made to such persons. Each of AACI REIT, the Manager, the Joint Global Lead Coordinators and the Joint Bookrunners and Underwriters and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

### ***United Kingdom***

In addition to restrictions applicable to the EEA, no Rights Entitlements or Rights Units may be offered or sold to the public in the United Kingdom nor may any request be made for the admission of the Rights Entitlements or the Rights Units to trading on a regulated market situated or operating in the United Kingdom prior to a “**Prospectus**” (as defined in the Prospectus Directive) having been approved by the UK Listing Authority and made available in accordance with Financial Services and Markets Act 2000 (the “**FSMA**”) and the Financial Services Authority rules introduced to implement the Prospectus Directive in the United Kingdom.

All applicable provisions of the FSMA must be complied with respect to anything done in relation to the Rights Entitlements or the Rights Units and a Prospectus in, from or otherwise involving the United Kingdom.

Invitations or inducements to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of the Rights Units and/or Rights Entitlements may only be communicated or caused to be communicated in circumstances in which section 21(1) of the FSMA does not apply.

Any investment or investment activity to which this Offer Information Statement relates is directed only at, available only to, and will be engaged in only with (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”) or (iii) persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc.”) of the Order (all such persons together being referred to as “**relevant persons**”). Persons who are not relevant persons should not take any action on the basis of this Offer Information Statement and should not act or rely on it or any of its contents.

### ***Grand Duchy of Luxembourg***

In addition to restrictions applicable to the EEA subject to which offers of Rights Entitlements and/or Rights Units to the public are permitted in an EEA Member State (including the Grand Duchy of Luxembourg), Rights Entitlements and/or Rights Units may be offered or sold in the Grand Duchy of Luxembourg:

- (a) at any time, to national and regional governments, central banks, international and supranational institutions (such as the International Monetary Fund, the European Central Bank, the European Investment Bank) and other similar international organisations;



- (b) at any time, to legal entities which are authorised or regulated to operate in the financial markets (including, credit institutions, investment firms, other authorised or regulated financial institutions, insurance companies, undertakings for collective investment and their management companies, pension and investment funds and their management companies, commodity dealers as well as entities not so authorised or regulated whose corporate purpose is solely to invest in securities); and
- (c) at any time, to certain natural persons or small and medium-sized enterprises (as defined in the Luxembourg act dated 10 July 2005 on prospectuses for securities implementing the Prospectus Directive into Luxembourg law) recorded in the register of natural persons or small and medium-sized enterprises considered as qualified investors as held by the Commission desurveillance du secteur financier as competent authority in Luxembourg in accordance with the Prospectus Directive.

### **Australia**

Each purchaser of Rights Entitlements and/or Rights Units represents and agrees that no prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (“**Corporations Act**”)) in relation to the Rights Entitlements or the Rights Units has been or will be lodged with the Australian Securities and Investments Commission (“**ASIC**”) and represents and agrees that any offer in Australia of the Rights Entitlements and/or Rights Units under any document may only be made to persons who are “sophisticated investors” (within the meaning of section 708(8) of the Corporations Act), to “professional investors” (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Corporations Act so that it is lawful to offer the Rights Entitlements and/or Rights Units in Australia without disclosure to investors under Part 6D.2 of the Corporations Act.

Any offer of Rights Entitlements and/or Rights Units for on-sale that is received in Australia within 12 months after their issue is likely to need prospectus disclosure to investors under Part 6D.2 of the Corporations Act, unless such offer for on-sale in Australia is conducted in reliance on a prospectus exemption under section 708 of the Corporations Act or otherwise.

## **CORPORATE INFORMATION**

<b>Directors of the Manager</b>	<p>Mr George Wang (Non-Executive, Non-Independent Chairman)</p> <p>Mr Simon Laurence Vinson (Non-Executive, Non-Independent Director and Member of the Audit, Risk and Compliance Committee)</p> <p>Mr Nicholas Paul McGrath (Non-Executive, Non-Independent Director)</p> <p>Ms Moni XinYe An (Non-Executive, Non-Independent Director)</p> <p>Mr Tan Kai Seng (Lead Independent, Non-Executive Director and Chairman of the Audit, Risk and Compliance Committee)</p> <p>Mr Norman Ip Ka Cheung (Independent, Non-Executive Director and Member of the Audit, Risk and Compliance Committee)</p> <p>Mr Eugene Paul Lai Chin Look (Independent, Non-Executive Director)</p> <p>Mr Koh Wee Lih (Executive Director and Chief Executive Officer)</p>
<b>Registered office of the Manager and the Property Manager</b>	<p>1 George Street #23-03 One George Street Singapore 049145</p>
<b>Trustee of AACI REIT</b>	<p>HSBC Institutional Trust Services (Singapore) Limited 21 Collyer Quay #10-02 HSBC Building Singapore 049320</p>
<b>Legal Adviser for the Rights Issue and to the Manager</b>	<p>Allen &amp; Gledhill LLP One Marina Boulevard #28-00 Singapore 018989</p>
<b>Joint Global Lead Coordinators for the Rights Issue</b>	<p>Standard Chartered Securities (Singapore) Pte. Limited 8 Marina Boulevard #19-01 Marina Bay Financial Centre Tower 1 Singapore 018981</p> <p>Macquarie Capital Securities (Singapore) Pte. Limited 10 Marina Boulevard #17-01 Tower 2, Marina Bay Financial Centre Singapore 018983</p>

**Joint Bookrunners and  
Underwriters for the Rights  
Issue**

Standard Chartered Securities (Singapore) Pte. Limited  
8 Marina Boulevard  
#19-01 Marina Bay Financial Centre Tower 1  
Singapore 018981

Macquarie Capital Securities (Singapore) Pte. Limited  
10 Marina Boulevard #17-01  
Tower 2, Marina Bay Financial Centre  
Singapore 018983

Religare Capital Markets (Singapore) Pte. Limited  
80 Raffles Place  
#43-01 UOB Plaza 1  
Singapore 048624

**Legal Adviser to the  
Joint Bookrunners and  
Underwriters**

WongPartnership LLP  
12 Marina Boulevard Level 28  
Marina Bay Financial Centre Tower 3  
Singapore 018982

**Legal Adviser to the  
Joint Bookrunners and  
Underwriters as to  
U.S. Federal Securities Law  
and New York Law**

Shearman & Sterling LLP  
6 Battery Road  
#25-03  
Singapore 049909

**Unit Registrar and Unit  
Transfer Office**

Boardroom Corporate & Advisory Services Pte. Ltd.  
50 Raffles Place  
#32-01 Singapore Land Tower  
Singapore 048623

## SUMMARY

*The following summary is qualified in its entirety by, and is subject to, the more detailed information contained or referred to elsewhere in this Offer Information Statement.*

### Overview of AACI REIT

AIMS AMP Capital Industrial REIT is a real estate investment trust ("**REIT**") which was listed on the Main Board of the SGX-ST on 19 April 2007 (the "**Listing Date**"). The principal investment objective of AACI REIT is to invest in a diversified portfolio of income-producing real estate located throughout the Asia-Pacific that is used for industrial purposes, including, but not limited to warehousing and distribution activities, business park activities and manufacturing activities. AACI REIT's existing portfolio consists of 26 industrial properties (the "**Existing Portfolio**"), 25 of which are located throughout Singapore with a total appraised value of S\$1.13 billion for the Singapore-located properties as at 31 December 2013. On 7 February 2014, AACI REIT completed the acquisition of a 49.0% interest in Optus Centre, Sydney, Australia at a purchase consideration of A\$184.425 million (the "**Recent Acquisition**").

(See the section entitled "Information Relating to AACI REIT" on page 23 of this Offer Information Statement for details on the general development of AACI REIT)

### The Rights Issue

The Rights Issue comprises an offer of 92,512,712 Rights Units on a renounceable and underwritten basis to Eligible Unitholders based on the Rights Ratio of seven (7) Rights Units for every forty (40) existing Units in AACI REIT held as at the Rights Issue Books Closure Date (fractional entitlements to be disregarded) at the Rights Issue Price of S\$1.08 per Rights Unit. The Manager expects to raise gross proceeds of approximately S\$100.0 million.

The Rights Units will be issued pursuant to the general mandate (the "**General Mandate**") that was given by the Unitholders to the Manager for the issue of new Units, pursuant to an ordinary resolution obtained at an annual general meeting of Unitholders held on 25 July 2013.

The Rights Issue Price would provide Unitholders with the opportunity to subscribe for Rights Units at an attractive issue price of S\$1.08 per Rights Unit, which is at a discount of:

- (i) approximately 23.7% to the last closing price of S\$1.415 per Unit on the SGX-ST on 14 February 2014, being the last trading day of the Units prior to the announcement of the Rights Issue (the "**Closing Price**"); and
- (ii) approximately 20.9% to theoretical ex-rights price ("**TERP**") of S\$1.365.

(See **Appendix B** for further details relating to the procedures for acceptance, payment, renunciation and excess application by Eligible Unitholders)

### Rationale for the Rights Issue

The Manager believes that the Rights Issue will bring the following key benefits to Unitholders:

- Facilitates the funding of asset enhancement initiatives (including redevelopment projects in respect of AACI REIT's Singapore-located properties), development projects and/or third party acquisitions in Singapore which, when completed, will further enhance the quality of AACI REIT's existing portfolio and enhance distributable income to Unitholders;

- Strengthens AACI REIT's balance sheet and capital structure and enhances its financial flexibility, enabling AACI REIT to capitalise on future growth opportunities such as asset enhancement initiatives (including redevelopment projects in Singapore), other development opportunities in Singapore or potential acquisitions in Singapore, as and when they may arise;
- Increased market capitalisation through the Rights Issue and the increase in the total number of Units in issue pursuant to the Rights Issue may improve the trading liquidity of the Units after the Rights Issue; and
- Opportunity for Unitholders to subscribe for Rights Units at an attractive price which is at a discount of (i) approximately 23.7% to the Closing Price of S\$1.415 per Unit and (ii) approximately 20.9% to TERP of S\$1.365, while Unitholders who do not wish to subscribe for the Rights Units may choose to realise the value of their Rights Entitlements through selling their Rights Entitlements.

### **Use of Proceeds**

For each dollar of the gross proceeds of approximately S\$100.0 million that will be raised from the Rights Issue, the Manager intends to allocate the proceeds from the Rights Issue in the following manner:

- (i) approximately 80.0 cents (equivalent to approximately S\$80.0 million) will be used to fund AACI REIT's:
  - (a) asset enhancement initiatives in Singapore, including redevelopment projects in respect of its properties located in Singapore;
  - (b) development projects in Singapore; and/or
  - (c) third party acquisitions in Singapore, if any.

As the asset enhancement initiatives and development projects are expected to be financed progressively over the next 12 – 24 months, the Manager may use the proceeds to repay outstanding borrowings<sup>1</sup> in the interim;

- (ii) approximately 17.2 cents (equivalent to approximately S\$17.2 million) will be used to pay down AACI REIT's outstanding borrowings<sup>1</sup> and for general corporate and working capital; and
- (iii) approximately 2.8 cents (equivalent to approximately S\$2.8 million) will be used to pay for the estimated fees and expenses (including underwriting, selling and management fees, professional fees and expenses), incurred or to be incurred by AACI REIT in connection with the Rights Issue.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the gross proceeds from the Rights Issue at its absolute discretion for other purposes. Pending the deployment of the gross proceeds from the Rights Issue, the gross proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

---

<sup>1</sup> The outstanding borrowings that may be partially repaid include borrowings provided by a group of lenders which includes Standard Chartered Bank, an affiliate of Standard Chartered.

The increase in AACI REIT's debt headroom through a reduction of its outstanding borrowings will overall enhance the robustness of AACI REIT's capital structure and the increased capital management flexibility of AACI REIT in facilitating future investments by AACI REIT and improving the quality of its portfolio through asset enhancement initiatives and potential development and redevelopment opportunities.

The above allocation of proceeds is only indicative and the Manager will announce the reasons for any material deviation from the above stated use of proceeds. The Manager will also make periodic announcements on the utilisation of the net proceeds from the Rights Issue via SGXNET as and when such funds are materially utilised and will provide a status report on the use of proceeds in the annual report of AACI REIT to Unitholders.

(See the section entitled "Use of Proceeds" on page 13 of this Offer Information Statement for further details)

### **Commitments of Certain Unitholders**

To demonstrate its support to AACI REIT and the Rights Issue, the Manager (in its own capacity) has committed to subscribe and pay in full for such number of Rights Units equal to its total provisional allotments of Rights Units.

In addition, the Manager has also received commitments from certain other Unitholders, namely:

- (i) AACI REIT's sponsors, AIMS Financial Group<sup>1</sup> and AMP Capital<sup>2, 3</sup>;
- (ii) AACI REIT's largest Unitholder, Dragon Pacific Assets Limited; and
- (iii) AIMS AMP Capital Property Management Pte. Ltd., the property manager of AACI REIT (in its own capacity),

to subscribe and pay in full for such number of Rights Units equal to their total provisional allotments of Rights Units.

The total commitments of the above-mentioned Unitholders, in aggregate, represent 27.8% of the Rights Issue.

(See the section entitled "Principal Terms of the Rights Issue – Commitments of Certain Unitholders" on page 11 of this Offer Information Statement for further details)

---

1 "AIMS Financial Group" refers to the entities and companies controlled directly or indirectly by Mr George Wang, which includes AIMS Financial Holding Limited.

2 "AMP Capital" refers to AMP Capital Holdings Limited and its subsidiaries.

3 Including a fund managed by AMP Capital Investors Limited.

## TIMETABLE OF KEY EVENTS

The indicative timetable for the Rights Issue is set out below.

Event	Date and Time
Last day of Units traded “cum-rights” for the Rights Issue	: 19 February 2014
First day of Units traded “ex-rights” for the Rights Issue	: 20 February 2014
Rights Issue Books Closure Date	: 24 February 2014 at 5.00 p.m.
Despatch of this Offer Information Statement (together with the application forms) to Eligible Unitholders	: By 27 February 2014
Commencement of trading of Rights Entitlements	: 27 February 2014 from 9.00 a.m.
Last date and time for trading of Rights Entitlements	: 7 March 2014 at 5.00 p.m.
<b>Closing Date:</b>	
Last date and time for acceptance of the Rights Entitlements and payment for Rights Units <sup>(1)</sup>	: 13 March 2014 at 5.00 p.m. <sup>(2)</sup> (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for application and payment for Excess Rights Units <sup>(1)</sup>	: 13 March 2014 at 5.00 p.m. <sup>(2)</sup> (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for acceptance of and payment by the renouncees <sup>(1)</sup>	: 13 March 2014 at 5.00 p.m. <sup>(3)</sup> (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Expected date of the issuance of the Rights Units	: 20 March 2014
Expected date for crediting of Rights Units with the Securities Accounts of Eligible Unitholders	: 21 March 2014
Expected date for refund of unsuccessful acceptances or Rights Entitlements and/or applications for Excess Rights Units (if made through CDP)	: 21 March 2014
Expected date for listing of Rights Units on the SGX-ST	: 21 March 2014 from 9.00 a.m.

**Notes:**

- (1) This does not apply to CPFIS investors, SRS investors and investors who hold Units through a finance company and/or Depository Agent. CPFIS investors, SRS investors and investors who hold Units through a finance company and/or Depository Agent should see the section entitled “Important Notice to (A) CPFIS Investors, (B) SRS Investors and (C) Investors who hold Units through a Finance Company and/or Depository Agent” on page vi of this Offer Information Statement. Any application made by these investors directly through CDP or through ATMs will be rejected. Such investors, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved bank, finance company and/or Depository Agent.
- (2) If acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Units, as the case may be, are made through CDP in accordance with the ARE and the ARS.
- (3) Eligible Unitholders who wish to renounce their Rights Entitlements in favour of a third party should note that CDP requires at least three Market Days to effect such renunciation. As such, Eligible Unitholders who wish to renounce their entire Rights Entitlements or any part of it in favour of one person are advised to do so early to allow sufficient time for the renounee to accept his Rights Entitlements and make payment for Rights Units.



The Manager may, in consultation with the Joint Bookrunners and Underwriters and with the approval of the SGX-ST, modify the above timetable subject to any limitation under any applicable laws. In such an event, the Manager will announce the same via the SGXNET. However, as at the date of this Offer Information Statement, the Manager does not expect the above timetable to be modified.

### **Results of the Allotment**

The Manager will announce the results of the Rights Issue through an SGXNET announcement to be posted on the SGX-ST website at [www.sgx.com](http://www.sgx.com).

### **Crediting of Rights Units**

The Rights Entitlements will be provisionally allotted to Eligible Unitholders on or about 26 February 2014, and the Rights Units will be credited on or about 21 March 2014.

In the case of Eligible Unitholders with valid acceptances and (where applicable) successful applications for Excess Rights Units, a notification letter informing the credit of such number of Rights Units will be sent by CDP within 10 Market Days after the Closing Date.

(See **Appendix B** for further details relating to the procedures for acceptance, payment, renunciation and excess application by Eligible Unitholders)

## PRINCIPAL TERMS OF THE RIGHTS ISSUE

*The following principal terms and conditions of the Rights Issue are derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and are qualified in their entirety by reference to information appearing elsewhere in this Offer Information Statement.*

Issue Size	:	92,512,712 Rights Units to raise gross proceeds of approximately S\$100.0 million and net proceeds of approximately S\$97.2 million.
Basis of Provisional Allotments/Rights Ratio	:	Each Eligible Unitholder is entitled to subscribe for seven (7) Rights Units for every forty (40) existing Units (held as at the Rights Issue Books Closure Date) standing to the credit of his Securities Account with CDP as at the Rights Issue Books Closure Date, fractional entitlements to be disregarded.
Rights Issue Price	:	S\$1.08 for each Rights Unit. The Rights Units are payable in full upon acceptance and/or application.
Administrative Fee	:	An administrative fee of up to S\$2.00 will be payable by applicants for each Electronic Application made through the ATMs of the Participating Banks.
Status of Rights Units	:	The Rights Units will, upon allotment and issue, rank <i>pari passu</i> in all respects with the existing Units in issue as at the date of issue of the Rights Units, including the right to any distributions which may accrue for the period from 1 January 2014 to 31 March 2014 as well as all distributions thereafter.

**For the avoidance of doubt, the Rights Units will be entitled to AACI REIT's distribution for the period from 1 January 2014 to 31 March 2014 notwithstanding that the Rights Units will be issued on or around 20 March 2014.**

Eligible Unitholders who validly accept, in full, their Rights Entitlements, will receive such amount of the accrued distributions for the period from 1 January 2014 to 31 March 2014 which they would have been entitled to had the Rights Issue not occurred.

Eligible Unitholders who decide not to accept in full their Rights Entitlements can, where applicable, make arrangements to trade them on the SGX-ST under the book-entry (scripless) settlement system, or renounce their Rights Entitlements in favour of a third party.

For Ineligible Unitholders, the Manager may, at its absolute discretion and if it is practicable to do so, arrange for the Rights Entitlements which would otherwise have been provisionally allotted to Ineligible Unitholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that the proceeds from such sales can at least cover the expenses to be incurred in relation thereto.

Other than the Rights Entitlements, none of the Unitholders has pre-emptive rights to subscribe for or purchase the Rights Units.

Eligible Unitholders : Eligible Unitholders are Unitholders with Units standing to the credit of their Securities Account and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents and such Unitholders who the Manager, on behalf of AACI REIT, and in consultation with the Joint Bookrunners and Underwriters determine, may be offered Rights Units without breaching applicable securities laws.

(See the section entitled “Eligibility of Unitholders to Participate in the Rights Issue” on page viii of this Offer Information Statement for details)

Rights Entitlements of Eligible Unitholders : Eligible Unitholders will receive their Rights Entitlements and are at liberty to accept in part or in full or decline or otherwise renounce or trade (during the Rights Entitlements trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for Excess Rights Units on 27 February 2014 from 9.00 a.m. up to the Closing Date as set out in the section entitled “Timetable of Key Events” on page 4 of this Offer Information Statement. Eligible Unitholders are also able to trade their Rights Entitlements on the SGX-ST during the Rights Entitlements trading period prescribed by the SGX-ST. In addition, Eligible Unitholders may renounce their Rights Entitlements in favour of a third party.

Eligible Unitholders who wish to renounce their Rights Entitlements in favour of a third party should note that CDP requires at least three Market Days to effect such renunciation. As such, Eligible Unitholders who wish to renounce are advised to do so early to allow sufficient time for the renouncee to accept his Rights Entitlements and make payment for the Rights Units.

Each Eligible Unitholder may, among other things, choose to:

- (i) accept all or a portion of his Rights Entitlements;
- (ii) renounce all or a portion of his Rights Entitlements in favour of a third party; and/or
- (iii) trade all or a portion of his Rights Entitlements.

In addition, each Eligible Unitholder may also apply for Excess Rights Units.

The procedures for acceptance, payment, renunciation and excess application by Eligible Unitholders are set out in **Appendix B – Procedures for Acceptance, Payment, Renunciation and Excess Application by Eligible Unitholders** and in **Appendix C – Additional Terms and Conditions for Electronic Applications**.

Ineligible Unitholders : No provisional allotments of Rights Units will be made to Ineligible Unitholders and no purported acceptance thereof or application for Excess Rights Units thereof by Ineligible Unitholders will be valid.

Ineligible Unitholders should refer to the section entitled “Eligibility of Unitholders to Participate in the Rights Issue – Ineligible Unitholders” on page ix of this Offer Information Statement.

Trading of Rights Entitlements : Eligible Unitholders who wish to trade all or part of their Rights Entitlements on the SGX-ST can do so for the period commencing on 27 February 2014 from 9.00 a.m., being the date and time of commencement of the Rights Entitlements trading, and ending on 7 March 2014 at 5.00 p.m., being the last date and time of the Rights Entitlements trading.

Eligible Unitholders should note that the Rights Entitlements will be tradable in board lot sizes of 1,000 Rights Entitlements and 25 Rights Entitlements.

Trading of Rights Units : Upon the listing of and quotation for the Rights Units on the Main Board of the SGX-ST, the Rights Units will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the Main Board of the SGX-ST, each board lot of Units will comprise 1,000 Units.

All dealings in and transactions (including transfers) of the Rights Units effected through the SGX-ST and/or CDP shall be made in accordance with the “Terms and Conditions for Operation of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP.

Manner of Refund	:	<p>When any acceptance of Rights Entitlements and/or Excess Rights Units application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date as follows:</p> <ul style="list-style-type: none"> <li>(i) where the acceptance and/or application had been made through CDP, by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses maintained with CDP or in such other manner as they may have agreed with CDP for the payment of any cash distribution; and</li> <li>(ii) where the acceptance and/or application had been made through Electronic Applications, by crediting their bank accounts with the relevant Participating Banks at their own risk, the receipt by such bank being a good discharge of the Manager's and CDP's obligations.</li> </ul>
Odd Lot Trading	:	<p>There will be no temporary counter for Unitholders and investors to trade Units and Rights Entitlements in board lots other than board lots of 1,000 Units, and, in the case of Rights Entitlements, board lots of 1,000 Rights Entitlements or 25 Rights Entitlements.</p> <p>Notwithstanding the above, Unitholders who hold odd lots (that is, lots other than board lots of 1,000 Units or Rights Entitlements or (as the case may be) lots other than board lots of 25 Rights Entitlements) and who wish to trade in odd lots are able to trade odd lots on the SGX-ST's Unit Share Market<sup>1</sup>.</p>
Underwriting of the Rights Issue	:	<p>The Rights Issue is underwritten by the Joint Bookrunners and Underwriters on the terms and subject to the conditions of the Underwriting Agreement (as defined herein).</p> <p>(See the section entitled "Principal Terms of the Rights Issue – Underwriting of the Rights Issue" on page 10 of this Offer Information Statement for details)</p>
Listing of the Rights Units	:	<p>Approval in-principle has been obtained from the SGX-ST on 14 February 2014 for the listing of and quotation for, <i>inter alia</i>, the Rights Units on the Main Board of the SGX-ST.</p> <p>The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Units, the Rights Issue, the Rights Units, AACI REIT and/or its subsidiaries and the Manager.</p>

---

1 "Unit Share Market" refers to the ready market of the SGX-ST for trading of odd lots of Units with a minimum size of one Unit.

Unitholders who are CPFIS investors, SRS investors or who hold Units through a finance company and/or a Depository Agent : CPFIS investors, SRS investors and investors who hold Units through a finance company and/or Depository Agent should see the section entitled “Important Notice to (A) CPFIS investors, (B) SRS Investors and (C) Investors who Hold Units Through a Finance Company and/or Depository Agent” on page vi of this Offer Information Statement for important details.

Governing Law : Laws of the Republic of Singapore.

**AS THE RIGHTS ISSUE IS MADE ON A RENOUNCEABLE BASIS, THE RIGHTS ENTITLEMENTS CAN BE RENOUNCED IN FAVOUR OF A THIRD PARTY OR, TRADED ON THE SGX-ST DURING THE RIGHTS ENTITLEMENTS TRADING PERIOD PRESCRIBED BY THE SGX-ST.**

### **Rights Issue Price Discount**

The Rights Issue Price of S\$1.08 per Rights Unit represents a discount of:

- approximately 23.7% to the Closing Price of S\$1.415 per Unit; and
- approximately 20.9% to the TERP of S\$1.365 which is calculated as follows:

$$\text{TERP} = \frac{\text{Market capitalisation of AACI REIT based on the Closing Price} + \text{Gross proceeds from the Rights Issue}}{\text{Units outstanding after the Rights Issue}^1}$$

### **Underwriting of the Rights Issue**

The Rights Issue is underwritten by the Joint Bookrunners and Underwriters on the terms and subject to the conditions of a management and underwriting agreement entered into between the Manager and the Joint Bookrunners and Underwriters on 14 February 2014 (the “**Underwriting Agreement**”). Pursuant to the Underwriting Agreement, the Joint Bookrunners and Underwriters have agreed, subject to the terms and conditions of that agreement to subscribe for, and/or procure the subscription for, at the Rights Issue Price, the Rights Units for which valid applications have not been submitted.

The table below sets out the total number of Rights Units that the Joint Bookrunners and Underwriters have agreed to underwrite.

<b>Joint Bookrunners and Underwriters</b>	<b>Number of Rights Units</b>
Standard Chartered Securities (Singapore) Pte. Limited . . . . .	34,865,474
Macquarie Capital Securities (Singapore) Pte. Limited . . . . .	30,991,532
Religare Capital Markets (Singapore) Pte. Limited . . . . .	11,621,824
<b>Total</b> . . . . .	<b>77,478,830</b>

<sup>1</sup> For the avoidance of doubt, Units outstanding immediately after the Rights Issue comprise only the existing Units and the Rights Units.

The Joint Bookrunners and Underwriters are entitled to a commission of 2.15% of the Rights Issue Price multiplied by the total number of Rights Units less the number of Commitment Rights Units (as defined herein) (which is equivalent to approximately S\$1.8 million), together with any goods and services tax payable thereon (the “**Underwriting Commission**”).

The Underwriting Agreement may be terminated upon the occurrence of certain events, including those of a *force majeure* nature. However any *force majeure* clause in the Underwriting Agreement cannot be invoked after the commencement of ex-rights trading, in compliance with Rule 818 of the Listing Manual of the SGX-ST (the “**Listing Manual**”).

### **Commitments of Certain Unitholders**

In order to demonstrate support for AACI REIT and the Rights Issue:

- (i) the Manager (in its own capacity), which directly and/or indirectly owns 1,358,617 Units as at 7 February 2014, has on 7 February 2014 provided an undertaking to each of (i) the Manager and (ii) the Joint Bookrunners and Underwriters, in their capacity as joint bookrunners and underwriters of the Rights Issue pursuant to which the Manager (in its own capacity) will, directly and/or through one or more of its nominee(s), accept, subscribe and pay in full for such number of Rights Units equal to its total provisional allotment of Rights Units;
- (ii) AIMS AMP Capital Property Management Pte. Ltd., the property manager of AACI REIT (in its own capacity), which directly and/or indirectly owns 1,138,100 Units as at 7 February 2014, has on 7 February 2014 provided an undertaking to each of (i) the Manager and (ii) the Joint Bookrunners and Underwriters, in their capacity as joint bookrunners and underwriters of the Rights Issue pursuant to which AIMS AMP Capital Property Management Pte. Ltd. (in its own capacity) will, directly and/or through one or more of its nominee(s), accept, subscribe and pay in full for such number of Rights Units equal to its total provisional allotment of Rights Units;
- (iii) AMP Capital Investors (Luxembourg No. 4) S.A.R.L. and a fund managed by AMP Capital Investors Limited<sup>1</sup>, which directly and/or indirectly own 24,731,099 Units as at 6 February 2014 and 22,752,475 Units as at 12 February 2014 respectively, have on 6 February 2014 and (as the case may be) 12 February 2014 provided an undertaking to each of (i) the Manager and (ii) the Joint Bookrunners and Underwriters, in their capacity as joint bookrunners and underwriters of the Rights Issue pursuant to which each of AMP Capital Investors (Luxembourg No. 4) S.A.R.L. and the fund managed by AMP Capital Investors Limited<sup>1</sup> will, directly and/or through one or more of its nominee(s), accept, subscribe and pay in full for such number of Rights Units equal to its total provisional allotment of Rights Units;
- (iv) AIMS Financial Holding Limited and AIMS Fund Management Limited, which directly and/or indirectly own 33,758,884 Units and 2,168,742 Units respectively as at 4 February 2014, have on 4 February 2014 respectively provided an undertaking to each of (i) the Manager and (ii) the Joint Bookrunners and Underwriters, in their capacity as joint bookrunners and underwriters of the Rights Issue pursuant to which each of AIMS Financial Holding Limited and AIMS Fund Management Limited will, directly and/or through one or more of its nominee(s), accept, subscribe and pay in full for such number of Rights Units equal to its total provisional allotment of Rights Units,

(the above Rights Units collectively, the “**Commitment Rights Units**”); and

---

<sup>1</sup> Parangool Pty Limited.



- (v) Dragon Pacific Assets Limited, which directly and/or indirectly owns 60,992,000 Units as at 10 February 2014, has on 10 February 2014 provided an undertaking to each of (i) the Manager and (ii) the Joint Bookrunners and Underwriters, in their capacity as joint bookrunners and underwriters of the Rights Issue pursuant to which Dragon Pacific Assets Limited will, directly and/or through one or more of its nominee(s), accept, subscribe and pay in full for such number of Rights Units equal to its total provisional allotment of Rights Units.

### ***Manager's Lock-Up***

The Manager has, pursuant to the Underwriting Agreement, agreed not to, among other things, directly or indirectly (i) offer, issue, contract to issue, grant any option to purchase any Units (or any securities convertible into or exchangeable into Units or which carry rights to subscribe for Units), (ii) enter into a transaction (including a derivative transaction) with a similar economic effect to the foregoing, or (iii) publicly announce any intention to do any of the foregoing transactions, from the date of the Underwriting Agreement until the date falling 90 days after the date on which the Rights Units are listed on the SGX-ST, other than as required by applicable laws and regulations. The restrictions set out in this paragraph do not apply to the Rights Units and the Units to be issued to the Manager in full or part payment of the Manager's fees under the Trust Deed and the Units to be issued to AIMS AMP Capital Property Management Pte. Ltd. (in its capacity as property manager of AACI REIT, the "**Property Manager**") in full or part payment of the Property Manager's fees under the property management agreements entered into with the Property Manager.

## USE OF PROCEEDS

### Offer Proceeds and Use of Proceeds

The Manager expects to raise gross proceeds of approximately S\$100.0 million, with the net proceeds from the Rights Issue (after taking into account, among other things, the estimated fees and expenses (including underwriting, selling and management fees, professional fees and expenses) incurred or to be incurred by AACI REIT in connection with the Rights Issue) being approximately S\$97.2 million.

For each dollar of the gross proceeds of approximately S\$100.0 million that will be raised from the Rights Issue, the Manager intends to allocate the proceeds from the Rights Issue in the following manner:

- (i) approximately 80.0 cents (equivalent to approximately S\$80.0 million) will be used to fund AACI REIT's:
  - (a) asset enhancement initiatives in Singapore, including redevelopment projects in respect of its properties located in Singapore;
  - (b) development projects in Singapore; and/or
  - (c) third party acquisitions in Singapore, if any.

As the asset enhancement initiatives and development projects are expected to be financed progressively over the next 12–24 months, the Manager may use the proceeds to repay outstanding borrowings<sup>1</sup> in the interim;

- (ii) approximately 17.2 cents (equivalent to approximately S\$17.2 million) will be used to pay down AACI REIT's outstanding borrowings<sup>1</sup> and for general corporate and working capital; and
- (iii) approximately 2.8 cents (equivalent to approximately S\$2.8 million) will be used to pay for the estimated fees and expenses (including underwriting, selling and management fees, professional fees and expenses), incurred or to be incurred by AACI REIT in connection with the Rights Issue.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the gross proceeds from the Rights Issue at its absolute discretion for other purposes. Pending the deployment of the gross proceeds from the Rights Issue, the gross proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The increase in AACI REIT's debt headroom through a reduction of its outstanding borrowings will overall enhance the robustness of AACI REIT's capital structure and the increased capital management flexibility of AACI REIT in facilitating future investments by AACI REIT and improving the quality of its portfolio through asset enhancement initiatives and potential development and redevelopment opportunities.

---

<sup>1</sup> The outstanding borrowings that may be partially repaid include borrowings provided by a group of lenders which includes Standard Chartered Bank, an affiliate of Standard Chartered.

The above allocation of proceeds is only indicative and the Manager will announce the reasons for any material deviation from the above stated use of proceeds. The Manager will also make periodic announcements on the utilisation of the net proceeds from the Rights Issue via SGXNET as and when such funds are materially utilised and will provide a status report on the use of proceeds in the annual report of AACI REIT to Unitholders.

### ***Costs of the Rights Issue***

AACI REIT will have to bear the following costs and expenses in relation to the Rights Issue:

- (i) management, underwriting and selling commissions payable to the Joint Bookrunners and Underwriters of approximately S\$1.8 million (excluding goods and services tax payable); and
- (ii) professional and other fees and expenses, including advisory fees of approximately S\$1.0 million (excluding goods and services tax payable).

### **Additional Details on the Use of Proceeds**

#### ***Acquisition or Refinancing the Acquisition of an Asset other than in the Ordinary Course of Business***

None of the proceeds from the Rights Issue will be used to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

#### ***Financing or Refinancing the Acquisition of a Business***

None of the proceeds from the Rights Issue will be used to finance or refinance the acquisition of a business.

#### ***Discharge, Reduction or Retirement of the Indebtedness of AACI REIT***

The actual indebtedness which would be reduced by the Manager out of the proceeds of the Rights Issue, any reduction of the indebtedness of AACI REIT by the Manager out of the proceeds of the Rights Issue in the interim pending the deployment of the gross proceeds from the Rights Issue to fund AACI REIT's asset enhancement initiatives, development projects and/or third party acquisitions in Singapore and the order of repayment of the facilities set out in the table below would depend on, among other things, the outcome of the Manager's negotiations with the relevant lenders, the prevailing economic environment and exchange rates at the relevant time as well as the requirements of AACI REIT. Each such repayment would be announced by the Manager on SGXNET. The details of the indebtedness of AACI REIT which the Manager may reduce in full or in part with the net proceeds from the Rights Issue (including the details of the maturity of such indebtedness and, in relation to indebtedness which AACI REIT has incurred over the past 12 months, the uses to which the proceeds giving rise to such indebtedness were put) are set out in the table below.

<b>Indebtedness which may be reduced</b>	<b>Usage</b>	<b>Principal Amount</b>	<b>Maturity Date(s)</b>
<b>Term Loans/Revolving Facilities</b>			
Development loan	To finance the redevelopment of 20 Gul Way (Phase One and Two)	S\$149.1 million	October 2015
Term loan	To part finance the further development of 20 Gul Way (Phase 2 Extension (“2E”) and Phase Three) and the redevelopment of 103 Defu Lane 10	S\$38.1 million	October 2015
Dual currency SGD/AUD revolving credit facility	To part finance the Recent Acquisition	S\$76.3 million (mainly denominated in Australian dollars)	October 2016
Term loan	To part finance the Recent Acquisition	S\$122.9 million (denominated in Australian dollars)	February 2019
<b>Approximately S\$17.2 million may be used to reduce any of the above indebtedness</b>			

### **Working Capital**

The Manager is of the view that, in its reasonable opinion, after taking into consideration AACI REIT’s internal resources, its available loan facilities and the net proceeds of the Rights Issue, the working capital available to AACI REIT, as at the date of lodgement of this Offer Information Statement, is sufficient for AACI REIT’s present requirements.

### **Commission**

The details of the commission payable to the Joint Bookrunners and Underwriters are set out in the section entitled “Principal Terms of the Rights Issue – Underwriting of the Rights Issue” on page 10 of this Offer Information Statement.

## OPERATING AND FINANCIAL REVIEW AND PROSPECTS

*This section should be read together with the selected financial data from the Financial Statements which are set out in **Appendix A**. Such selected financial data should also be read together with the relevant notes to the Financial Statements, which are available for inspection during normal business hours at the registered office of the Manager at 1 George Street, #23-03 One George Street, Singapore 049145, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement<sup>1</sup>.*

### **Statements of Total Return and Distribution Statements**

Selected financial data from the FY2011 Audited Financial Statements, the FY2012 Audited Financial Statements, the FY2013 Audited Financial Statements, the YTD FY2013 Unaudited Financial Statements and the YTD FY2014 Unaudited Financial Statements are set out in **Appendix A**. Financial data relating to (i) DPU, (ii) EPU, and (iii) EPU after adjustment for the issuance of the Rights Units and (iv) EPU after adjustments to reflect the Recent Acquisition and the issuance of the Rights Units, amongst others, are also set out in **Appendix A**.

Such selected financial data should be read together with the relevant notes to the Financial Statements where applicable.

### **Balance Sheets and Cash Flow Statements**

Selected financial data from the FY2013 Audited Financial Statements and the YTD FY2014 Unaudited Financial Statements, including the line items in the consolidated balance sheets and cash flow statements of the Group, NAV per Unit, and NAV per Unit after adjustment for the issuance of the Rights Units and NAV per Unit after adjustment to reflect the Recent Acquisition and the issuance of the Rights Units are also set out in **Appendix A**.

Such selected financial data should be read together with the relevant notes to the Financial Statements.

## OPERATING AND FINANCIAL REVIEW

### **Management's Discussion and Analysis of Financial Condition and Results of Operations**

*The following sets out the management's discussion and analysis on significant factors, including any unusual or infrequent event or new development, which materially affected income available for distribution to Unitholders after tax, including significant components of revenue or expenditure relating to distribution to Unitholders after tax for the financial periods referred to below.*

#### **FY2012 compared against FY2011**

Gross revenue for FY2012 was S\$84.0 million, an increase of S\$10.7 million or 14.7% as compared to FY2011. The increase was mainly due to the net effect of the following:

- (a) Full year contribution from 27 Penjuru Lane and 29 Woodlands Industrial Park E1 which were acquired on 15 October 2010 and 21 February 2011 respectively; and
- (b) Loss in revenue due to (i) the sale of 23 Changi South Avenue 2 on 14 February 2011 and Asahi Ohmiya Warehouse, Japan on 24 March 2011 and (ii) the redevelopment of 20 Gul Way.

---

<sup>1</sup> Prior appointment with the Manager will be appreciated.

Property operating expenses for FY2012 increased by S\$4.6 million as compared to FY2011. The increase was mainly due to the net effects of the acquisitions, divestments and the redevelopment of 20 Gul Way referred to above.

Taking into consideration the increase in gross revenue as well as higher property operating expenses, the net result was an increase in net property income by S\$6.1 million in FY2012 compared to FY2011.

The Manager's management fees were higher in FY2012 compared to FY2011 as the result of a net increase in the size of AACI REIT's property portfolio as well as the performance component of the management fees for the period from 1 April 2011 to 31 March 2012.

Borrowing costs in FY2012 was S\$7.3 million lower than in FY2011. The reduction was largely due to an accelerated recognition of unamortised loan transaction costs of S\$5.4 million in FY2011 and annual borrowing costs for Asahi Ohmiya Warehouse in Japan amounting to S\$0.7 million.

Other trust expenses in FY2012 was higher than FY2011 by S\$0.2 million mainly due to cost associated with distribution reinvestment plan, credit rating cost and outsourcing of internal audit function.

AACI REIT achieved Unitholders' distribution of S\$46.3 million for FY2012, S\$9.1 million or 24.5% higher as compared to FY2011. DPU for FY2012 was 10.45 cents, representing a 5.3% increase compared to FY2011. The increase was mainly attributed to the full year contribution from 27 Penjuru Lane and 29 Woodlands Industrial Park E1 which were acquired in FY2011. AACI REIT continued to pay out 100% of Unitholders' distribution, demonstrating a firm commitment to deliver stable distributions to Unitholders.

### ***FY2013 compared against FY2012***

Gross revenue for FY2013, excluding a one-off additional property tax recovery of S\$4.1 million<sup>1</sup>, was S\$87.9 million. This was S\$3.9 million higher compared to the gross revenue of S\$84.0 million for FY2012 mainly due to:

- (i) higher rental rates and recoveries achieved from 8 and 10 Pandan Crescent and 27 Penjuru Lane as the properties reverted to multi-tenancy properties from 19 April 2012 and 12 December 2012 respectively;
- (ii) contributions from Phase One of 20 Gul Way as the property became income producing from 29 December 2012; and
- (iii) higher rental rates and recoveries achieved for new and renewal leases at 29 Woodlands Industrial Park E1 and 1 Bukit Batok Street 22.

The higher contributions were partly offset by the loss of revenue contributions arising from the divestment of 31 Admiralty Road on 11 May 2012 and the redevelopment of 103 Defu Lane 10.

---

<sup>1</sup> The gross revenue of S\$92.1 million for FY2013 included a one-off additional property tax assessment of S\$4.1 million at 27 Penjuru Lane for the period from 10 April 2007 to 11 December 2012. The additional property tax was due to the change in the prior years' annual value assessed by Inland Revenue Authority of Singapore which was fully recovered from the master tenant, C&P Holdings Pte Ltd. Excluding the one-off additional property tax, gross revenue and property operating expenses for FY2013 would have been S\$87.9 million and S\$28.0 million respectively.

Property operating expenses for FY2013, excluding the one-off additional property tax assessed of S\$4.1 million for 27 Penjuru Lane, would have been S\$28.0 million. This was S\$3.1 million higher than FY2012 mainly due to higher property expenses which was consistent with the increase in revenue from 8 and 10 Pandan Crescent and 27 Penjuru Lane following the reversion of the properties to gross lease multi-tenancy properties in April 2012 and December 2012 respectively. Taking into consideration the increase in gross revenue as well as higher property operating expenses, the net property income stood at S\$59.9 million, which was S\$0.8 million higher compared to FY2012.

Borrowing costs of S\$14.1 million was S\$3.1 million higher than FY2012. This was largely due to accelerated recognition of unamortised loan transaction costs and prepayment fee in FY2013, higher borrowing costs incurred to finance the property at Phase One of 20 Gul Way (borrowing costs were previously capitalised whilst the property was under development but are now expensed following the achievement of Temporary Occupation Permit) and higher borrowing costs on the medium term notes which were issued under the Group's Multicurrency Medium Term Note Programme (the **"MTN Programme"**).

Manager's base fee element of the management fees of S\$5.0 million was S\$0.5 million higher in FY2013 as compared against FY2012 as a result of the net increase in size of AACI REIT's property portfolio. In FY2013, the Manager's performance fees of S\$1.1 million was S\$0.8 million lower than FY2012. The Manager is entitled to a performance fee of 0.1% per annum of the value of the Deposited Property<sup>1</sup> where the growth in DPU exceeds 2.5% but is less than 5.0% relative to the DPU in the previous financial year. The Manager is entitled to a performance fee of 0.2% where the growth in the DPU exceeds 5.0% relative to the DPU in the previous year. DPU for FY2013 was 10.72 cents, representing a 2.6% increase compared to FY2012. DPU for FY2012 was 10.45 cents, representing a 5.3% increase compared to FY2011.

Other trust expenses in FY2013 was lower than FY2012 by S\$0.3 million mainly due to implementation costs associated with distribution reinvestment plan and one-off cost incurred for the Unit consolidation in FY2012.

AACI REIT achieved Unitholders' distribution of S\$48.1 million for FY2013, which was S\$1.7 million or 3.8% higher as compared to FY2012. DPU for FY2013 was 10.72 cents, representing a 2.6% increase compared to FY2012. The increase was mainly due to the positive net contributions referred to above, as well as the partial distribution of the capital gain arising from the divestment of 31 Admiralty Road. AACI REIT continued to pay out 100.0% of Unitholders' distribution demonstrating a firm commitment to deliver stable distributions to Unitholders.

---

1 **"Deposited Property"** refers to the gross assets of AACI REIT, including the properties and the Authorised Investments (as defined herein) for the time being held or deemed to be held upon the trusts under the Trust Deed.



### ***YTD FY2014 compared against YTD FY2013***

The gross revenue achieved for YTD FY2014 of S\$78.8 million was S\$14.7 million higher than the corresponding period in the previous year (excluding one-off additional property tax recovery of S\$4.1 million<sup>1</sup>) mainly due to:

- (i) increase in rental contribution from 20 Gul Way as Phase One and Phase Two of the development became income-producing from 29 December 2012 and 7 July 2013, respectively;
- (ii) higher rental rates and recoveries achieved from 27 Penjuru Lane and 8 and 10 Pandan Crescent as the properties reverted to multi-tenancy leases on 12 December 2012 and 19 April 2012 respectively; and
- (iii) higher rental rates and recoveries achieved for new and renewal leases at 29 Woodlands Industrial Park E1.

This was partly offset by the loss in revenue due to the redevelopment of 103 Defu Lane 10.

Property operating expenses for YTD FY2014 was S\$6.4 million higher than YTD FY2013 (excluding one-off additional property tax recovery of S\$4.1 million<sup>1</sup>), which was consistent with the increase in revenue and the reversion of certain single tenant properties to multi-tenancy properties.

Net property income for YTD FY2014 stood at S\$52.6 million which was S\$8.3 million higher compared to YTD FY2013.

Borrowing costs of S\$9.4 million was S\$0.9 million lower than YTD FY2013 largely due:

- (i) accelerated recognition of unamortised loan transaction costs and prepayment fee of S\$1.5 million in YTD FY2013 as a result of early refinancing of the secured borrowings due in October 2013 and February 2014 with the proceeds from the issuance of the medium term notes on 8 August 2012 and 5 December 2012 respectively; and
- (ii) interest cost savings from the repayment of a S\$100.0 million term loan facility on 3 May 2013 using the proceeds from the private placement, pending the deployment of such funds for their intended use.

However, this was offset by:

- (i) borrowing costs incurred on the drawdown of development loans to finance the Phase One and Phase Two of the property at 20 Gul Way, and borrowing costs that were previously capitalised whilst the property was under development but are now expensed following the achievement of Temporary Occupation Permit; and
- (ii) higher interest rates on the S\$100.0 million four-year fixed rate notes due 2016 and S\$30.0 million seven-year fixed rate notes due 2019 which were issued under the Group's MTN Programme. The MTN Programme was established to provide the Group with more diversified funding sources and to extend the loan tenor of the Group's existing debt portfolio.

---

1 For YTD FY2013, the gross revenue of S\$68.3 million included a one-off additional property tax assessment of S\$4.1 million at 27 Penjuru Lane for the period from 10 April 2007 to 11 December 2012. The additional property tax was due to the change in the prior years' annual value assessed by Inland Revenue Authority of Singapore which was fully recovered from the head tenant, C&P Holdings Pte Ltd. Excluding the one-off additional property tax, gross revenue and property operating expenses for YTD FY2013 would have been S\$64.1 million and S\$19.7 million respectively.

Manager's management fees were higher in YTD FY2014 as compared to YTD FY2013 as a result of the net increase in size of AACI REIT's property portfolio.

Other trust expenses of S\$1.2 million was S\$0.4 million higher than YTD FY2013. This was largely due to the increase in operating costs in line with the increase in AACI REIT's size and investor base and costs associated with the distribution reinvestment plan.

The distribution to the Unitholders for YTD FY2014 stood at S\$41.6 million, an increase of S\$7.7 million as compared to YTD FY2013 mainly in line with positive net contributions referred to above.

## **Liquidity and Capital Resources**

### ***FY2013***

The Group's cash balance decreased by S\$0.6 million from S\$3.6 million as at 31 March 2012 to S\$3.0 million as at 31 March 2013. The decrease was largely due to the net cash used in investing activities of S\$83.2 million which comprised mainly the redevelopment cost of the property at 20 Gul Way.

The decrease in cash balance was largely offset by:

- (i) cash flows from operating activities of S\$60.4 million which was mainly in line with the net property income in FY2013 and collections of rental deposits from tenants; and
- (ii) cash flows from financing activities which comprised mainly the net proceeds from borrowings, partially offset by distributions paid to Unitholders and borrowing costs paid to lenders.

### ***YTD FY2014***

The Group's cash balance increased by S\$6.0 million to S\$9.0 million during YTD FY2014. The increase was mainly due to net cash generated from operating activities and financing activities of S\$50.7 million and S\$11.9 million respectively, offset by S\$56.6 million of cash outflow due to investing activities.

The net cash flows from operating activities for YTD FY2014 was mainly in line with the net property income achieved for the period. The cash inflows from financing activities was mainly due to gross proceeds of S\$110.0 million from the private placement of 68,750,000 new Units in AACI REIT on 2 May 2013. The proceeds were substantially used to repay an outstanding term loan facility (including interest accrued) of S\$100.2 million.

Net cash used in investing activities of S\$56.6 million comprised mainly the development costs of the properties at 20 Gul Way (Phase Two, 2E and Three) and 103 Defu Lane 10 as well as a S\$10.7 million refundable deposit paid in relation to the Recent Acquisition.

## Business Prospects and Trend Information

### *Business Prospects of AACI REIT for FY2014*

As at 31 December 2013, leases which account for approximately 2.6% of AACI REIT's Rental Income<sup>1</sup> are due for renewal in the remainder of FY2014. The Manager is actively seeking to renew these expiring leases. AACI REIT's weighted average lease expiry profile of 2.89 years as at 31 December 2013 provides strong support for AACI REIT's earnings, barring any unforeseen adverse circumstances.

Following the completion of the Recent Acquisition on 7 February 2014, the total assets of AACI REIT's portfolio grew from S\$1,159.2 million as at 31 December 2013 to S\$1,360.3 million on a pro forma basis. The larger asset base is expected to enhance AACI REIT's overall capital management flexibility, which will, among others, facilitate future investment by AACI REIT. The larger asset base will increase the capacity for property development activities that AACI REIT can undertake<sup>2</sup>, thus allowing AACI REIT the opportunity to unlock value within its portfolio and give AACI REIT more flexibility in broadening banking relationships and diversifying its funding sources.

Following the completion of the Recent Acquisition, AACI REIT's Aggregate Leverage<sup>3</sup> was 37.8% as at 31 December 2013 on a pro forma basis with a weighted average remaining debt term of approximately 3.1 years as at 31 December 2013 on a pro forma basis.

As at 17 February 2014, being the latest practicable date prior to the lodgement of this Offer Information Statement with the Authority (the "**Latest Practicable Date**"), and after the completion of the Recent Acquisition, approximately 61.6% of the Group's borrowings were on fixed rates taking into account the interest rate swaps entered into and the medium term notes. The Manager will continue to appropriately hedge interest rate risks that may impact AACI REIT's financial condition.

### *Significant Trends and Conditions of the Market*

In Singapore, the Ministry of Trade and Industry ("**MTI**") announced on 2 January 2014 that the Singapore economy grew by 4.4% on a year-on-year basis in the fourth quarter of 2013, compared to 5.9% in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 2.7%, a reversal from the 2.2% expansion in the previous quarter. For the whole of 2013, the economy is estimated to have grown by 3.7%. This is in line with MTI's growth forecast of 3.5 to 4.0%<sup>4</sup>

---

1 "**Rental Income**" means net rental income, after rental rebates and provisions for rent free periods.

2 Paragraph 7.1(d) of the Property Funds Appendix (as defined herein) restricts the development activities and investments in uncompleted property developments of AACI REIT to 10.0% of its deposited property. The larger asset base of AACI REIT following the Recent Acquisition will therefore increase the capacity for property development activities that AACI REIT can undertake.

3 "**Aggregate Leverage**" refers to the ratio of the value of total borrowings and deferred payments (if any) to the value of the gross assets of AACI REIT, including all its Authorised Investments (as defined herein) held or deemed to be held under the Trust Deed.

4 **Source:** The MTI's press release titled "Singapore's GDP Grew 4.4 Per Cent in the Fourth Quarter of 2013" on 2 January 2014, which is available on the website of the MTI at <http://www.mti.gov.sg>. The MTI has not provided its consent, for purposes of Section 249 (read with Section 302) of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Section 302) of the SFA. While the Manager has taken reasonable actions to ensure that the information from the relevant report published by the MTI is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Manager, the Joint Global Lead Coordinators, the Joint Bookrunners and Underwriters or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

The global economic outlook is expected to continue to improve modestly in 2014, supported by a slow recovery in the U.S. and Eurozone. In Asia, while the recovery in the advanced economies is expected to lift export demand, growth is likely to remain moderate given on-going structural reforms in China and fiscal consolidation in some ASEAN economies. Against this backdrop, the growth outlook for the Singapore economy remains modest. Externally-oriented sectors such as manufacturing and transportation & storage are likely to continue to provide support to growth, in tandem with the recovery in global demand. However, some labour-intensive domestically-oriented sectors may see their growth weighed down by tightness in labour market conditions. There are also risks to the global growth outlook. Uncertainties remain over how markets will react to the further tapering of the quantitative easing programme by the U.S. Federal Reserve, and whether the debt ceiling in the U.S. will be raised in a timely manner. The Eurozone remains susceptible to a flare-up of the sovereign debt crisis, while there are risks of a sharper-than-expected slowdown in China given on-going policy adjustments to restructure the economy. Barring these downside risks, the Singapore economy is expected to grow by 2.0 to 4.0% in 2014.<sup>1</sup>

The above mentioned data and statistics are not necessarily indicative of the future or likely performance of AACI REIT.

(See the section entitled “Risk Factors” on page 32 of this Offer Information Statement for a discussion of certain factors to be considered in connection with an investment in the Rights Entitlements and the Rights Units)

---

<sup>1</sup> **Source:** The MTI’s press release titled “MTI Forecasts Growth of 3.5 to 4.0 Per Cent in 2013 and 2.0 to 4.0 Per Cent in 2014” on 21 November 2013, which is available on the website of the MTI at <http://www.mti.gov.sg>. The MTI has not provided its consent, for purposes of Section 249 (read with Section 302) of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Section 302) of the SFA. While the Manager has taken reasonable actions to ensure that the information from the relevant report published by the MTI is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Manager, the Joint Global Lead Coordinators, the Joint Bookrunners and Underwriters or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

## INFORMATION RELATING TO AACI REIT

### Development of AACI REIT

The general development of the business of AACI REIT (formerly known as MacarthurCook Industrial REIT) from the beginning of the period comprising the three most recent completed financial years to the Latest Practicable Date is set out below. Save as disclosed below, to the best of the Manager's knowledge and belief, there have been no material changes in the affairs of AACI REIT since the release of AACI REIT's unaudited financial statements for YTD FY2014 and the completion of the Recent Acquisition on 7 February 2014.

Date	Significant developments
August 2010 . . . . .	<p>The Manager announced the proposed acquisition of 27 Penjuru Lane, Singapore for S\$161.0 million, a new debt facility of S\$280.0 million and a fully underwritten renounceable rights issue to raise S\$79.6 million.</p> <p>Issue of a circular to Unitholders dated 24 August 2010 seeking Unitholders' approval for the proposed acquisition of 27 Penjuru Lane, Singapore and the provision of AMP Debt Advisory Services<sup>(1)</sup>.</p>
October 2010 . . . . .	<p>The Manager announced that it has issued an aggregate of 513,309,781 Rights Units pursuant to the offer information statement dated 22 September 2010 (the "<b>2010 Offer Information Statement</b>") in relation to a fully underwritten, 7-for-20 renounceable rights issue to raise S\$79.6 million (the "<b>2010 Rights Issue</b>"), bringing the total number of Units in issue to 1,979,909,158.</p> <p>The Manager announced the completion of the acquisition of 27 Penjuru Lane, Singapore, drawdown of the debt facility of S\$280.0 million from Standard Chartered Bank, the Commonwealth Bank of Australia, and United Overseas Bank Limited, and the use of proceeds of the 2010 Rights Issue.</p>
November 2010 . . . . .	<p>The Manager announced the sale of 23 Changi South Avenue 2, Singapore for S\$16.7 million, above the independently appraised value.</p>
February 2011 . . . . .	<p>The Manager announced the acquisition of 29 Woodlands Industrial Park E1, Northtech, Singapore for S\$72.0 million and the launch of a private placement of 219,989,907 new Units to raise gross proceeds of S\$43.5 million.</p> <p>The Manager also announced the completion of the sale of 23 Changi South Avenue 2, Singapore and the completion of the acquisition of 29 Woodlands Industrial Park E1, Northtech, Singapore for S\$72.0 million.</p> <p>The Manager announced the sale of the Asahi Ohmiya Warehouse, Tokyo Japan for JPY1.49 billion (about S\$22.8 million), above book value.</p>
March 2011 . . . . .	<p>The Manager announced the completion of the sale of Asahi Ohmiya Warehouse, Tokyo Japan.</p>

Date	Significant developments
July 2011 . . . . .	The Manager announced a significant redevelopment of 20 Gul Way Singapore for S\$155.0 million. The value on completion of the redeveloped property is S\$214.0 million, up from a current book value of S\$41.8 million.
August 2011 . . . . .	<p>The Manager announced the entry into Definitive Announcements<sup>(2)</sup> in relation to redevelopment of 20 Gul Way Singapore:</p> <p>(a) the Design and Construction Agreement<sup>(2)</sup>,</p> <p>(b) the Agreement for Lease<sup>(2)</sup>, and</p> <p>(c) the Subscription Agreement<sup>(2)</sup>.</p> <p>Pursuant to the Subscription Agreement, the Manager has agreed to issue, by way of a private placement, to CWT or its subsidiary, 12,195,122 Units at the issue price of S\$0.205 per Unit.</p> <p>The Manager announced the proposed unit consolidation (the “<b>Unit Consolidation</b>”) involving the consolidation of every five (5) existing units AACI REIT held by Unitholders.</p>
September 2011 . . . . .	The Manager announced that the resolution as set out in the Notice of EGM dated 6 September 2011 to seek Unitholders’ approval for the proposed Unit Consolidation has been duly passed.
October 2011 . . . . .	<p>The Manager announced the completion of Unit Consolidation of every five existing units into one unit, bringing the total number of units in issue to 443,851,849 from 2,219,259,296.</p> <p>The Manager also announced the sale of 31 Admiralty Road Singapore for a consideration of S\$16.4 million. The sale price was 8.9% above book value and 22.7% above AACI REIT’s initial purchase price of S\$13.4 million.</p>
April 2012 . . . . .	The Manager announced Standard & Poor’s had assigned AACI REIT an investment grade credit rating of BBB-.
May 2012 . . . . .	The Manager announced the completion of sale of 31 Admiralty Road Singapore.
July 2012 . . . . .	<p>The Manager announced that the Trustee has established:</p> <p>(a) a wholly-owned subsidiary company incorporated in Singapore, AACI REIT MTN Pte. Ltd. on 28 May 2012, with an initial share capital of S\$1, to act as issuer of the MTN Programme (as defined below); and</p> <p>(b) a S\$500,000,000 MTN Programme on 25 July 2012 and that in connection therewith, Standard Chartered Bank and United Overseas Bank Limited have been appointed to act as the arrangers and the dealers of the MTN Programme.</p>

Date	Significant developments
August 2012 . . . . .	The Manager announced that AACI REIT MTN Pte. Ltd., a wholly-owned subsidiary of the Trustee, has issued S\$100.0 million 4.90% fixed rate notes due 2016 under the MTN Programme.
October 2012 . . . . .	The Manager announced the Temporary Occupation Permit for Phase One at 20 Gul Way, Singapore was issued on 29 October 2012.
December 2012 . . . . .	The Manager announced that AACI REIT MTN Pte. Ltd., a wholly-owned subsidiary of the Trustee, has issued S\$30.0 million 4.35% fixed rate notes due 2019 under the MTN Programme.
January 2013 . . . . .	The Manager announced the S\$25.4 million redevelopment of 103 Defu Lane 10, Singapore.
April 2013 . . . . .	<p>The Manager announced that the Urban Redevelopment Authority of Singapore has approved in-principle the Manager's application to rezone the plot ratio at 20 Gul Way, Singapore from the existing 1.4 to 2.0.</p> <p>The Manager announced that it is proposing to carry out a private placement of new Units to institutional and other investors at an issue price of between S\$1.575 and S\$1.625 per new Unit to raise gross proceeds of at least S\$100 million (the <b>"2013 Private Placement"</b>).</p> <p>The Manager announced that it closed the book of orders for the 2013 Private Placement on 17 April 2013, and increased the issue size of the 2013 Private Placement to S\$110 million as it was 3.5 times subscribed. The issue price per new Unit was fixed at S\$1.60 per new Unit.</p>
May 2013 . . . . .	<p>The Manager announced that it has issued 68,750,000 new Units pursuant to the 2013 Private Placement, bringing the total number of Units in issue to 518,149,302 as at 2 May 2013.</p> <p>The Manager announced that it had received the Temporary Occupation Permit on 7 May 2013 for Phase Two of its development at 20 Gul Way, Singapore.</p> <p>The Manager announced Standard &amp; Poor's had reaffirmed AACI REIT's investment grade credit rating of BBB-.</p>
June 2013 . . . . .	The Manager announced it had entered into a conditional development agreement with CWT Limited, which would see further development at 20 Gul Way, Singapore of an additional 496,944 sq ft via a Phase 2E and Phase Three.
September 2013 . . . . .	The Manager announced it will commence development of Phase 2E and Phase Three of 20 Gul Way, following the satisfaction of all conditions precedent under the Second Development Agreement dated 6 June 2013.



<b>Date</b>	<b>Significant developments</b>
	The Manager announced that it has appointed Mr Koh Wee Lih as Chief Executive Officer, effective 1 January 2014. The Manager also announced the cessation of Mr Nicholas Paul McGrath as Chief Executive Officer. Mr Nicholas Paul McGrath will remain on the Board as a Non-Executive Director.
November 2013 . . . . .	The Manager announced that AACI REIT is proposing to acquire from Stockland Capital Partners Limited, in its capacity as responsible entity of Stockland Direct Office Trust No. 2, a 49.0% indirect interest in Optus Centre, Sydney, Australia for the aggregate purchase consideration of A\$184,425,000 (approximately S\$215.0 million).
January 2014 . . . . .	The Manager announced that the resolution for the proposed acquisition of Optus Centre, Sydney, Australia put to Unitholders at the extraordinary general meeting held on 16 January 2014 was duly passed.  The Manager also announced the cessation of Mr Andrew Bird as Non-Executive, Non-Independent Chairman and Non-Executive Director, the appointment of Mr George Wang as Non-Executive, Non-Independent Chairman and the appointment of Mr Koh Wee Lih as Executive Director.
February 2014 . . . . .	The Manager announced the completion of the acquisition of Optus Centre, Sydney, Australia.

**Notes:**

- (1) The capitalised term shall have the same meaning ascribed to it in the circular to Unitholders dated 24 August 2010.
- (2) Capitalised terms shall have the same meaning ascribed to them in the Manager's announcement dated 26 July 2011 in relation to the redevelopment of 20 Gul Way Singapore.

**The Manager of AACI REIT**

The Manager of AACI REIT is AIMS AMP Capital Industrial REIT Management Limited and its registered office is located at 1 George Street, #23-03 One George Street, Singapore 049145. The Manager can be contacted at +65 6309 1050, and its facsimile number is +65 6534 3942. The names and addresses of the Directors are set out below.

<b>Name</b>	<b>Address</b>	<b>Position</b>
Mr George Wang . . . . .	1 George Street #23-03 One George Street Singapore 049145	Non-Executive, Non-Independent Chairman
Mr Simon Laurence Vinson . .	1 George Street #23-03 One George Street Singapore 049145	Non-Executive, Non-Independent Director and Member of the Audit, Risk and Compliance Committee
Mr Nicholas Paul McGrath . . .	1 George Street #23-03 One George Street Singapore 049145	Non-Executive, Non-Independent Director

<b>Name</b>	<b>Address</b>	<b>Position</b>
Ms Moni XinYe An . . . . .	1 George Street #23-03 One George Street Singapore 049145	Non-Executive, Non-Independent Director
Mr Tan Kai Seng . . . . .	1 George Street #23-03 One George Street Singapore 049145	Lead Independent, Non-Executive Director and Chairman of the Audit, Risk and Compliance Committee
Mr Norman Ip Ka Cheung . . .	1 George Street #23-03 One George Street Singapore 049145	Independent, Non-Executive Director and Member of the Audit, Risk and Compliance Committee
Mr Eugene Paul Lai Chin Look . . . . .	1 George Street #23-03 One George Street Singapore 049145	Independent, Non-Executive Director
Mr Koh Wee Lih . . . . .	1 George Street #23-03 One George Street Singapore 049145	Executive Director and Chief Executive Officer

#### **Information on the Units**

As at the Latest Practicable Date, there were 528,644,071 Units in issue.

#### **Substantial Unitholders of AACI REIT and their Unitholdings**

Based on the Register of Substantial Unitholders maintained by the Manager, the Substantial Unitholders of AACI REIT<sup>1</sup> and their interests in the Units as at the Latest Practicable Date are as follows:

<b>Name of Unitholder</b>	<b>Number of Units</b>			<b>% of total issued Units</b>
	<b>Direct Interest</b>	<b>Deemed Interest</b>	<b>Total Interest</b>	
Dragon Pacific Assets Limited. . . . .	60,992,000	–	60,992,000	11.54
APG Algemene Pensioen Groep N.V. . . . .	47,330,930	–	47,330,930	8.95
AMP Limited <sup>(1)</sup> . . . . .	–	49,980,291	49,980,291	9.45
AMP Group Holdings Limited <sup>(1)</sup> . . . . .	–	49,980,291	49,980,291	9.45
AMP Holdings Limited <sup>(1)</sup> . . . . .	–	49,980,291	49,980,291	9.45
AMP Capital Holdings Limited <sup>(1)</sup> . . . . .	–	49,980,291	49,980,291	9.45
AMP Capital Investors International Holdings Limited <sup>(2)</sup> . . . . .	–	27,227,816	27,227,816	5.15
J.P. Morgan Chase & Co. <sup>(3)</sup> . . . . .	–	37,268,362	37,268,362	7.05

1 The Substantial Unitholders do not have different voting rights from ordinary Unitholders.

Name of Unitholder	Number of Units			% of total issued Units
	Direct Interest	Deemed Interest	Total Interest	
JF Asset Management Limited . . . .	36,602,371	–	36,602,371	6.92
George Wang <sup>(4)</sup> . . . . .	–	38,424,343	38,424,343	7.27
AIMS Capital Holdings Pty Ltd <sup>(4)</sup> . . .	–	38,424,343	38,424,343	7.27
AIMS Group Holding Pty Ltd <sup>(4)</sup> . . . .	–	38,424,343	38,424,343	7.27
AIMS Capital Management Limited (formerly known as AIMS Funds Management Limited) <sup>(5)</sup> . . . . .	–	36,255,601	36,255,601	6.86
AIMS Financial Holding Limited <sup>(6)</sup> . .	33,758,884	2,496,717	36,255,601	6.86
Universities Superannuation Scheme Limited . . . . .	31,448,604	–	31,448,604	5.95

**Notes:**

- (1) Deemed to have an interest in the Units held by AMP Capital Investors (Luxembourg No. 4) S.A.R.L. (which is held through BNP Paribas Securities Services, Singapore Branch), Units held by a fund managed by AMP Capital Investors Limited, 1,138,100 Units held by AIMS AMP Capital Property Management Pte Ltd and 1,358,617 Units held by the Manager.
- (2) Deemed to have an interest in the Units held by AMP Capital Investors (Luxembourg No. 4) S.A.R.L. (which is held through BNP Paribas Securities Services, Singapore Branch), 1,138,100 Units held by AIMS AMP Capital Property Management Pte Ltd and 1,358,617 Units held by the Manager.
- (3) Deemed to have an interest in the Units held by JF Asset Management Limited and other J.P. Morgan affiliates.
- (4) Deemed to have an interest in the following Units: (i) Units held by AIMS Financial Holding Limited, (ii) 1,138,100 Units held by AIMS AMP Capital Property Management Pte Ltd, (iii) 1,358,617 Units held by the Manager and (iv) Units held by a fund managed by AIMS Fund Management Limited (formerly known as MacarthurCook Fund Management Limited).
- (5) Deemed to have an interest in the Units held by AIMS Financial Holding Limited, 1,138,100 Units held by AIMS AMP Capital Property Management Pte Ltd and 1,358,617 Units held by the Manager.
- (6) Deemed to have an interest in 1,138,100 Units held by AIMS AMP Capital Property Management Pte Ltd and 1,358,617 Units held by the Manager.

**History of Issuance of Units**

The table below sets out the Units issued for cash or services within the 12 months immediately preceding the Latest Practicable Date.

Date	Number of Units Issued
2 May 2013. . . . .	Issue of 68,750,000 Units pursuant to the 2013 Private Placement at S\$1.60 per new Unit, bringing the total number of Units in issue to 518,149,302 Units.
27 May 2013. . . . .	Issue of 671,102 Units to the Manager, at S\$1.5739 per Unit as payment of the performance component of the Manager's management fee for the year ended 31 March 2013, bringing the total number of Units in issue to 518,820,404.

<b>Date</b>	<b>Number of Units Issued</b>
18 June 2013 . . . . .	Issue of 2,939,794 Units pursuant to the distribution reinvestment plan of AACI REIT implemented on 20 April 2012 (" <b>Distribution Reinvestment Plan</b> ") at S\$1.6727 per new Unit, bringing the total number of Units in issue to 521,760,198 Units.
28 June 2013 . . . . .	Issue of 2,121,777 Units to the Property Manager as payment of the marketing services provided by the Property Manager in respect of securing tenants at two properties, namely 20 Gul Way Phase One and 27 Penjuru Lane Singapore at S\$1.6276 per new Unit, bringing the total number of Units in issue to 523,881,975 Units.
30 July 2013 . . . . .	Issue of 1,428,430 Units at \$1.6186 per new Unit as partial satisfaction of the base fee element of the management fee incurred for the period from 1 January 2013 to 30 June 2013 (both dates inclusive), bringing the total number of Units in issue to 525,310,405 Units.
13 September 2013 . .	Issue of 1,138,100 Units to the Property Manager as payment of the marketing services provided by the Property Manager in respect of securing tenants at two properties, namely 20 Gul Way Phase Two and 103 Defu Lane 10 at S\$1.3895 per new Unit, bringing the total number of Units in issue to 526,448,505 Units.
20 September 2013 . .	Issue of 127,298 Units pursuant to the Distribution Reinvestment Plan at S\$1.5598 per new Unit, bringing the total number of Units in issue to 526,575,803 Units.
18 December 2013 . . .	Issue of 1,293,258 Units pursuant to the Distribution Reinvestment Plan at S\$1.5134 per new Unit, bringing the total number of Units in issue to 527,869,061 Units.
30 January 2014 . . . . .	Issue of 775,010 Units at \$1.5097 per new Unit as partial satisfaction of the base fee element of the management fee incurred for the period from 1 July 2013 to 31 December 2013 (both dates inclusive), bringing the total number of Units in issue to 528,644,071 Units.

***Price Range and Trading Volume of the Units on the SGX-ST***

The highest and lowest closing prices and the average daily volume of Units traded on the SGX-ST for the 12 calendar months immediately preceding the Latest Practicable Date and for the period commencing on 1 February 2014 to the Latest Practicable Date are as follows:

<b>Month</b>	<b>Price Range (S\$ per Unit)</b>		<b>Average Daily Volume Traded Units</b>
	<b>Highest</b>	<b>Lowest</b>	
February 2013 . . . . .	1.595	1.545	611,107
March 2013 . . . . .	1.585	1.560	416,613
April 2013 . . . . .	1.820	1.570	1,456,300
May 2013 . . . . .	1.870	1.630	1,944,161
June 2013 . . . . .	1.675	1.565	1,039,567

Month	Price Range (S\$ per Unit)		Average Daily Volume Traded Units
	Highest	Lowest	
July 2013 . . . . .	1.690	1.585	410,742
August 2013 . . . . .	1.605	1.365	982,129
September 2013 . . . . .	1.535	1.440	262,333
October 2013 . . . . .	1.585	1.440	396,452
November 2013 . . . . .	1.555	1.485	353,233
December 2013 . . . . .	1.490	1.410	643,677
January 2014 . . . . .	1.445	1.385	755,710
1 February 2014 to 17 February 2014, being the Latest Practicable Date . . . . .	1.450	1.380	489,412

**Source:** Bloomberg L.P. has not provided its consent, for purposes of Section 249 (read with Section 302) of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Section 302) of the SFA. While the Manager has taken reasonable actions to ensure that the information from the relevant report published by Bloomberg L.P. is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Manager, the Joint Global Lead Coordinators, the Joint Bookrunners and Underwriters or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

## Indebtedness

As at the Latest Practicable Date, the Group's total borrowings was S\$516.4 million and its all-in average cost of borrowings was approximately 4.4% per annum, with approximately 61.6% of the Group's borrowings being on fixed rates taking into account the interest rate swaps entered into and the medium term notes.

## Secured Borrowings

As at the Latest Practicable Date, AACI REIT has a S\$370.0 million facility from a syndicate of five financial institutions secured by the collateral described below. The facility comprised the following:

- S\$150.0 million ("**development loans**") is to be used to partially finance the redevelopment of Phase One and Phase Two of 20 Gul Way. As at the Latest Practicable Date, AACI REIT has drawn down S\$149.1 million under the development loans;
- S\$100.0 million term loan facility which was prepaid using the proceeds from the private placement in May 2013. AACI REIT can redraw under this term loan facility to fund development costs and acquisitions. As at the Latest Practicable Date, AACI REIT has drawn down S\$38.1 million under this term loan facility for the redevelopment of the property at 103 Defu Lane 10 and the further development of Phase 2E and Phase Three of 20 Gul Way; and
- dual currency SGD/AUD revolving credit facility of S\$120.0 million. As at the Latest Practicable Date, AACI REIT has drawn down S\$76.3 million under this revolving credit facility.

The details of the collateral for the S\$370.0 million facility are as follows:

- first legal mortgage over 17 investment properties of AACI REIT;
- assignment of rights, title and interest in leases, insurances, contracts and rental proceeds of the related mortgaged investment properties; and
- a fixed and floating charge over certain assets arising out of or in connection with the mortgaged properties.

In connection with the Recent Acquisition, AMP Capital AA REIT Investments (Australia) Pty Limited in its capacity as trustee of AA REIT Macquarie Park Investment Trust (an indirect wholly-owned subsidiary of AACI REIT) (the “**Borrower**”) has on 7 February 2014 entered into a A\$110,655,000 syndicated facility agreement with Australia and New Zealand Banking Group Limited and Commonwealth Bank of Australia (the “**Syndicated Facility Agreement**”, and the new five-year debt facility provided by Australia and New Zealand Banking Group Limited and Commonwealth Bank of Australia pursuant to the Syndicated Facility Agreement, the “**New Loan**”). As at the Latest Practicable Date, AACI REIT has fully drawn down A\$110,655,000 under the New Loan.

The details of the security for the New Loan are as follows:

- first ranking general security agreement over the current and future assets and undertakings of the Borrower, including the Borrower’s units in Macquarie Park Trust; and
- first ranking specific security agreement from AMP Capital Investors Limited in its capacity as trustee for AIMS AMP Capital Industrial REIT (Australia) Trust over the units of the Borrower and all present and future rights and property interests in respect of the units in the Borrower.

### ***Unsecured Borrowings***

On 25 July 2012, AACI REIT, through its wholly-owned subsidiary, AACI REIT MTN Pte. Ltd., established the MTN Programme. As at 31 March 2013, S\$130.0 million medium term notes (the “**Notes**”) have been issued. These comprised of:

- (a) S\$100.0 million four year Notes with a fixed rate of 4.90% per annum, payable semi-annually in arrears, fully repayable on 8 August 2016; and
- (b) S\$30.0 million seven year Notes with a fixed rate of 4.35% per annum, payable semi-annually in arrears, fully repayable on 5 December 2019.

## RISK FACTORS

*The risks described below should be carefully considered before making an investment decision in relation to the Rights Entitlements, the Rights Units or the Units. The risks described below are not the only ones relevant to AACI REIT, the Manager, the Trustee, the Rights Entitlements, the Rights Units or the Units. These risk factors are not intended to be exhaustive and, in particular, are not intended to repeat the risk factors set out in the prospectus dated 12 April 2007 in connection with the listing of AACI REIT on the SGX-ST (the “**IPO Prospectus**”), the offer information statement dated 30 November 2009 (the “**2009 Offer Information Statement**”) and the 2010 Offer Information Statement previously issued by the Manager and the information memorandum dated 25 July 2012 issued by AACI REIT MTN Pte. Ltd. (a wholly-owned subsidiary of the Trustee) (the “**2012 Information Memorandum**”), certain of which may continue to be applicable to AACI REIT. Details of some of the risk factors relating to the Existing Portfolio which continue to be applicable to AACI REIT can be found in the IPO Prospectus, the 2009 Offer Information Statement, the 2010 Offer Information Statement and the 2012 Information Memorandum. Additional risks not described below or not presently known to the Manager and/or the Trustee or that it/they currently deem(s) immaterial may also impair the business operations of AACI REIT. The business, financial condition and/or results of operations of AACI REIT could be materially and adversely affected by any of these risks.*

### **Risks Relating to the Existing Portfolio**

- (1) AACI REIT owns an equitable interest and not the legal interest in respect of certain properties held by AACI REIT which may have an adverse impact on the future marketability of such property**

The leases from JTC Corporation (“**JTC**”, each a “**JTC Lease**”) in respect of 56 Serangoon North Ave 4 and 1A International Business Park have not been issued, and as such, the Trustee only holds equitable leasehold titles to these properties. AACI REIT therefore has an equitable interest, and not a legal interest, in respect of these properties, which may have an adverse impact on the future marketability of these properties.

- (2) The loss of anchor tenants, tenants and licencees or a downturn in the businesses of AACI REIT’s anchor tenants, tenants and licencees could have an adverse effect on its business, financial condition and/or results of operations**

AACI REIT is directly dependent upon the anchor tenants, tenants and licencees of AACI REIT’s properties for the revenue from the properties. AACI REIT is therefore subject to the risk of default on rental payments and negotiation of reduced rent by the anchor tenants, tenants and licencees and non-renewal, non-replacement or early termination of the underlying tenancies in the event that these anchor tenants, tenants and/or licencees become bankrupt or insolvent, suffer a downturn in business, prematurely terminate their leases, do not renew their leases at expiry, or reduce their leased space in AACI REIT’s properties. The business of the anchor tenants, tenants and licencees may be adversely affected by external factors such as acts of Gods, terrorists’ attacks, riots, civil commotions, widespread communicable diseases or other events beyond the control of the Manager in Singapore or in foreign countries where the anchor tenants, tenants and/or licencees may have business dealings in. In the event that the tenancies are terminated, there is no guarantee that replacement anchor tenants, tenants and/or licencees on satisfactory terms may be found in a timely manner or at all.



The loss of one or more of the anchor tenants, tenants and licencees of AACI REIT's properties could result in periods of vacancy which could adversely affect AACI REIT's income. In addition, the amount of rent and the terms of new leases entered into with replacement anchor tenants, tenants and licencees or renewal leases entered into with current anchor tenants, tenants and licencees may be less favourable than the existing leases. This would adversely affect AACI REIT's operating results and its ability to generate revenue.

**(3) *Leases from JTC, the Housing and Development Board ("HDB"), Ascendas Land (Singapore) Pte Ltd ("Ascendas") and the President of the Republic of Singapore in relation to the properties in the Existing Portfolio contain certain provisions that may have an adverse effect on the business, financial condition and/or results of operations of AACI REIT***

Each property in the Existing Portfolio which is held under a JTC Lease is subject to terms and conditions ordinarily found in building agreements or agreements for lease entered into or leases granted by JTC such as provisions requiring the lessee:

- to pay a yearly rent to JTC;
- not to use or permit such property in the Existing Portfolio to be used otherwise than for such purposes as approved by JTC; and
- not to demise, assign, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of a property in the Existing Portfolio without first obtaining JTC's prior written consent or, with respect to 8 and 10 Pandan Crescent, without first notifying JTC.

Each property in the Existing Portfolio which is held under a lease from HDB (the "**HDB Lease**") is subject to terms and conditions ordinarily found in building agreements entered into or leases granted by HDB such as provisions requiring the lessee:

- to pay a yearly rent to HDB;
- not to use or permit such property in the Existing Portfolio to be used otherwise than for such purposes as approved by HDB; and
- not to demise, transfer, assign, mortgage, let, sublet or underlet or licence or part with possession of such property in the Existing Portfolio or any part thereof and not to effect any form of reconstruction including any form of amalgamation or merger with or take-over by another company or body without first obtaining the consent of HDB in writing.

A property in the Existing Portfolio which is held under a lease from Ascendas (the "**Ascendas Lease**") is subject to terms such as provisions requiring the lessee:

- to pay a yearly rent to Ascendas;
- not to use or permit such property in the Existing Portfolio to be used otherwise than for such purposes as approved by Ascendas; and
- not to demise, assign, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of such property in the Existing Portfolio without first obtaining Ascendas' prior written consent.

Each property in the Existing Portfolio which is held under a lease from the President of the Republic of Singapore (the “**State Lease**”) is subject to terms and conditions ordinarily found in leases granted by the President of the Republic of Singapore, such as provisions:

- preventing the lessee, without the written approval of the lessor, from using or permitting such property in the Existing Portfolio to be used otherwise than as permitted by the terms of the State Lease or in accordance with the written approval obtained from the lessor and the competent planning authority;
- granting the lessor the right of re-entry if the lessee fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have; and
- requiring the lessee to surrender free of cost to the Singapore Government portions of such property in the Existing Portfolio that may be required from time to time for certain public uses, such as roads, drainage and other public improvements as may be declared or notified to the lessee.

Compliance with the terms of such leases may restrict AACI REIT’s ability to respond to changing real estate market conditions, re-let a property in the Existing Portfolio to different tenants or perform asset enhancements. In addition, any current or future breaches of its land leases may require rectification. These restrictions may have an adverse effect on AACI REIT’s business, financial condition and/or results of operations.

**(4) *JTC has announced that all new leases from JTC as well as transfers of JTC properties by owners should give JTC the right to buy the relevant property should the owner decide to sell the property in the future***

In order to facilitate overall land use planning and development needs in Singapore, JTC has announced that all new leases from JTC as well as transfers/assignments and lease renewals of JTC properties by owners should give JTC the right to buy the relevant property should the lessee decide to sell the property in the future (excluding sale and lease-back transactions and mortgagee sales). According to the announcement, the reason behind this policy is that land in Singapore is scarce and the constant rejuvenation of land use is essential to optimise land use in Singapore. There is currently no certainty or clarity as to how JTC will implement this policy, which may have an impact on AACI REIT’s ability to acquire properties to be leased under JTC or dispose of its properties which are held under JTC Leases.

**(5) *JTC has announced a revision to their assignment of lease policy which resulted in industrialists and third-party facility providers who own industrial properties on JTC-leased sites being subject to a longer assignment prohibition period and the extension of the minimum occupation period for anchor tenants of third-party facility providers***

JTC has announced a revision to their assignment of lease policy which resulted in industrialists and third-party facility providers who own industrial properties on JTC-leased sites being subject to a longer assignment prohibition period and the extension of the minimum occupation period for anchor tenants of third-party facility providers. The revised policy will apply to all new and renewed assignments commencing 15 November 2013. According to the announcement, the reason behind this revision to the policy is to ensure that industrialists who have leased industrial land based on their proposed business plans remain committed to them for a sustained and reasonable period of time, while allowing lessees to exit on grounds of genuine business needs.

There is currently no certainty or clarity as to how JTC will implement this policy, which may decrease the pool of available industrial assets for acquisition by AACI REIT.

**(6) *The sub-tenancies in respect of properties in the Existing Portfolio with existing sub-tenants may not have been properly approved by or notified to JTC and/or HDB and/or Ascendas***

The tenants of some of the properties have sub-tenanted and may sub-tenant out parts of the properties to third parties. Some of the sub-tenancies in respect of these properties may not have been approved by or notified to, as the case may be, JTC under the relevant JTC Lease or HDB under the relevant HDB lease, Ascendas under the Ascendas Lease or any other head lessor, or where approval is necessary and has been obtained, the terms of the approval (including duration of sub-tenancy, term of sub-tenancy and permitted use) may not reflect the actual terms of the sub-tenancy (including the duration and term of the sub-tenancy or the permitted use under such sub-tenancy). This may be a breach of the relevant JTC Lease, HDB Lease, Ascendas Lease or lease with any head lessor, which may give rise, *inter alia*, to a right of re-entry by the JTC, HDB, Ascendas or the head lessor.

Arising from the recent changes in JTC sub-letting policies where JTC requires a minimum of 50.0% of gross floor area to be occupied by approved anchor tenant(s) with effect from 1 January 2012, there may be a potential risk that the sub-tenancies in respect of the properties in the Existing Portfolio with existing anchor tenant(s) and/or sub-tenants not being in compliance.

Any breach of JTC Leases, HDB Leases, the Ascendas Lease or any other head lease or non-compliance with JTC sub-letting policies could result in significant financial loss and adversely affect AACI REIT's business, financial condition and/or results of operations.

**(7) *AACI REIT may not have legal rights of access to the road which gives access to Yishun Industrial Park A, Defu Lane 10 and Bukit Batok Street 22***

AACI REIT has received confirmations from the relevant authorities that Yishun Industrial Park A (along which 61 Yishun Industrial Park A and 541 Yishun Industrial Park A are situated), Defu Lane 10 (along which 103 Defu Lane 10 is situated) and Bukit Batok Street 22 (along which 1 Bukit Batok Street 22 is situated) are not public roads, but are nevertheless opened to vehicular access. In addition, the public are allowed access to Yishun Industrial Park A, Defu Lane 10 and Bukit Batok Street 22 and hence to and from 61 Yishun Industrial Park A, 541 Yishun Industrial Park A, 103 Defu Lane 10 and 1 Bukit Batok Street 22 respectively. However, there is no assurance that such confirmations will not be revoked or withdrawn in the future. In the event of such revocation or withdrawal, AACI REIT may find itself unable to gain and grant proper access to 61 Yishun Industrial Park A, 541 Yishun Industrial Park A, 103 Defu Lane 10 and 1 Bukit Batok Street 22. This may have an adverse impact on the value of 61 Yishun Industrial Park A, 541 Yishun Industrial Park A, 103 Defu Lane 10 and 1 Bukit Batok Street 22 and, consequently may have an adverse impact on the business, financial condition and/or results of operations of AACI REIT.

**(8) *AACI REIT may be involved in boundary disputes and there may be encroachment by, or affecting, AACI REIT's properties***

AACI REIT may be involved in boundary disputes which may cause difficulties in future dispositions of the land or unexpected costs or losses including, but not limited to, the loss of part of the area of the land or liability for damages arising in relation to its properties. Some of the properties are encroaching on, or being encroached upon, by adjoining properties. Such encroachment by, or affecting, the properties may restrict the use of the land or lead to claims from neighbours and may adversely affect AACI REIT's Rental Income and cause additional expense to be incurred by AACI REIT in the removal of the encroachment or reinstatement of the relevant land. These risks may have an adverse effect on AACI REIT's business, financial condition and/or results of operations.

***(9) The properties in the Existing Portfolio may be affected by contamination and other environmental issues***

The properties in the Existing Portfolio and other properties owned by AACI REIT may from time to time be affected by contamination or other environmental issues which may not previously have been identified and/or rectified. This gives rise to a number of risks including:

- the risk of prosecution by relevant authorities;
- the requirement for unbudgeted additional expenditure to remedy such issues; and
- the adverse impact on the financial position of tenants arising from the above, affecting their ability to trade and meet their tenancy obligations.

The factors above could have an adverse impact on AACI REIT's business, financial condition and/or results of operations.

***(10) AACI REIT may not be able to extend the terms of the underlying leases of certain properties in the Existing Portfolio which contain options to renew***

The underlying leases of certain of the properties in the Existing Portfolio contain a covenant by the relevant lessor thereof to grant a further term following the expiry of the current lease term subject to the satisfaction of certain conditions, such as there being no breach of any terms and conditions of the underlying leases and that certain fixed investment criteria in respect of the properties in the Existing Portfolio are fulfilled.

While AACI REIT had, where applicable, required the then vendors, at the time of the acquisition of the relevant properties in the Existing Portfolio to provide written confirmation of the relevant head lessor (namely, JTC or HDB, as the case may be) that the pertinent fixed investment criteria had been fulfilled, there can be no assurance that such conditions for extension have been or will be satisfied or that AACI REIT's tenants while in occupation of the premises have not been or will not be in breach of the terms and conditions of the underlying leases or that any such breach has been or will be rectified in time or at all.

If AACI REIT for whatever reason is not able to extend the lease term of the underlying leases of any of these properties in the Existing Portfolio, AACI REIT will have to surrender such property in the Existing Portfolio to its lessor upon expiry of the original lease term. The value of the properties in the Existing Portfolio, and consequentially the asset value underlying the Units, may be substantially reduced upon such surrender. Any potential income expected after the extension of the lease term will not be realised. In addition, AACI REIT may be required to incur substantial amounts of money to reinstate a property in the Existing Portfolio to a state and condition acceptable to the relevant lessor, including the demolition of any existing building and/or reinstatements thereof on a property in the Existing Portfolio.

***(11) The properties of AACI REIT may be revalued downwards***

There can be no assurance that AACI REIT will not be required to make downward revaluation of its properties in the future. Any fall in the gross revenue or net property income earned from the properties will result in their downward revaluation. Further downward revaluations could negatively impact AACI REIT's gearing, which in turn could trigger a default under certain loan covenants and/or impact AACI REIT's ability to refinance its existing borrowings or its ability to secure additional borrowings.

In addition, AACI REIT is required to measure investment properties at fair value at each balance sheet date and any change in the fair value of its investment properties is recognised in the statements of total return. The changes in fair value may have an adverse effect on AACI REIT's financial results in the financial years where there is a significant decrease in the valuation of AACI REIT's investment properties which will result in revaluation losses that will be charged to its statements of total return.

***(12) The properties held by AACI REIT may face competition from other properties***

There are many existing and new industrial properties in Singapore that compete with AACI REIT's properties in attracting and retaining tenants. Whenever competing properties in the vicinity of properties held by AACI REIT are developed or substantially upgraded and refurbished, the attractiveness of such properties may be affected. The properties held by AACI REIT will also compete with properties that may be developed in the future which may adversely affect the demand and rental rates for space in AACI REIT's properties and consequently the business, financial condition and/or results of operations of AACI REIT, which may in turn affect the availability of cash flows and AACI REIT's ability to make distributions to its Unitholders.

Factors that affect the ability of industrial properties to attract or retain tenants include connectivity through proximity to strategic infrastructure amenities and major highways. The income from, and market value of, AACI REIT's properties will be largely dependent on the ability of AACI REIT's properties to compete with other industrial properties in the relevant localities in attracting and retaining tenants. Historical operating results and the market values of the properties in the Existing Portfolio may not be indicative of future operating results and market values of AACI REIT's properties.

***(13) The Rental Income earned from, and the value of, the properties in the Existing Portfolio may be adversely affected by a number of factors***

The Rental Income earned from, and the value of, the properties in the Existing Portfolio may be adversely affected by a number of factors, including:

- vacancies following expiry or termination of leases or licences that lead to lower occupancy rates which reduce AACI REIT's Rental Income and its ability to recover certain operating costs through charge-out collections;
- the Manager's ability to collect rent or licence fees from tenants and licencees on a timely basis or at all;
- the amount and extent to which AACI REIT is required to grant rebates on rental rates to tenants, due to market pressure;
- tenants seeking the protection of bankruptcy laws which could result in delays in receipt of rent payments, inability to collect rentals at all or delays in the termination of the tenant's lease, or which could hinder or delay the sale of a property in the Existing Portfolio or the re-letting of the relevant premises;
- the amount of rent payable by tenants and the terms on which lease renewals and new leases are agreed being less favourable than current leases;
- the national and international economic climate and real estate market conditions (such as oversupply of, or reduced demand for, industrial space, the Singapore Government's release of land, changes in market rental rates and operating expenses for the properties in the Existing Portfolio);

- the Manager's ability to provide adequate management and maintenance or to purchase adequate insurance;
- tenants or sub-tenants failing to comply with the terms of their leases or sub-leases;
- bankruptcy, insolvency or downturn in the business of tenants or sub-tenants which may cause any of them not to renew their leases or sub-leases or to terminate them before they expire;
- competition for tenants from other similar properties which may affect rental levels or occupancy levels at the properties in the Existing Portfolio;
- changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance. Rights relating to the relevant properties in the Existing Portfolio may also be restricted by legislative actions, such as revisions to building standards laws or town planning laws, or the enactment of new laws relating to contamination and redevelopment; and
- acts of God, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases and other events beyond the control of the Manager.

***(14) Amenities and transportation infrastructure near properties in the Existing Portfolio may be closed, relocated or terminated, or the commencement of their operations may be delayed***

The proximity of amenities, transportation infrastructure such as train stations and bus interchanges and shuttle services to properties in the Existing Portfolio influence the demand for and hence the occupancy of the properties in the Existing Portfolio.

There is no assurance that the amenities, transportation infrastructure and shuttle services will not be closed, relocated or terminated in the future, or the commencement of their operations will not be delayed.

***(15) Renovation or redevelopment works or physical damage to properties in the Existing Portfolio may disrupt the operations of AACI REIT and collection of rental income or otherwise result in an adverse impact on the business, financial condition and/or results of operations of AACI REIT***

The quality and design of the properties in the Existing Portfolio have a direct influence over the demand for space in, and the rental rates of such properties.

The properties in the Existing Portfolio may need to undergo renovation or redevelopment works from time to time to retain their competitiveness and may also require unforeseen *ad hoc* maintenance or repairs in respect of faults or problems that may develop from time to time or because of new planning laws, regulations or building codes. The costs of maintaining a property and the risk of unforeseen maintenance or repair requirements tend to increase over time as the building ages. In addition, some of the older properties may be required to undergo regularisation exercises to comply with updated building codes.



Furthermore, while the Manager and the Property Manager will endeavour to keep any disruptions caused by such renovation or redevelopment works or maintenance or repairs to a minimum, the operations of such properties in the Existing Portfolio may still suffer some disruption and it may not be possible to collect the full rate of, or, as the case may be, any rental income on space affected by such renovation or redevelopment works or maintenance or repairs. If any leases are due for renewal at that time, the existing tenants may either choose not to renew the leases upon its expiry or negotiate for lower rentals and this will adversely affect the revenue of the affected property.

In addition, physical damage to properties in the Existing Portfolio resulting from fire or other causes may lead to a significant disruption to the operations of properties in the Existing Portfolio, and together with the foregoing, may result in an adverse impact on AACI REIT's business, financial condition, results of operations and its level of distributable income.

***(16) Further development of 20 Gul Way Phase 2E and Three and redevelopment of 103 Defu Lane 10 may not be completed and/or take place as planned***

Further development works of 20 Gul Way Phase 2E and Three and redevelopment of 103 Defu Lane 10 (collectively, the "**Works**") are currently being undertaken. In the event that the Works are not completed, do not take place as planned and/or the counterparty(s) fail to deliver and/or perform their obligations in connection therewith, the business, financial condition and/or results of operations of AACI REIT may be adversely affected. Please also see the risk factors titled "*AACI REIT is exposed to general risks associated with the development and asset enhancement works on AACI REIT's properties*" and "*Renovation or redevelopment works or physical damage to properties in the Existing Portfolio may disrupt the operations of AACI REIT and collection of rental income or otherwise result in an adverse impact on the business, financial condition and/or results of operations of AACI REIT*".

Although the Manager has sought to mitigate some of the risks associated with the redevelopment works including providing for liquidated damages for delay (based on loss in rental income) in the relevant contract and securing master leases of between four to five years for the property which will commence upon completion of the redevelopment, there is no assurance that the counterparty(s) will be able to perform its (their) obligation(s).

***(17) Losses or liabilities from latent building or equipment defects may adversely affect earnings and cash flow***

Design, construction or other latent property or equipment defects in the properties in the Existing Portfolio may require additional capital expenditure, special repair or maintenance expenses or the payment of damages or other obligations to third parties, other than those disclosed in this Offer Information Statement.

Costs or liabilities arising from such property or equipment defects may involve significant and potentially unpredictable patterns and levels of expenditure which may have a material adverse effect on AACI REIT's earnings and cash flows.

Statutory or contractual representations, warranties and indemnities given by any seller of real estate are unlikely to afford satisfactory protection from costs or liabilities arising from such property or equipment defects. All of these factors could have an adverse effect on the business, financial condition and/or results of operations of AACI REIT and its level of distributable income.



***(18) AACI REIT's properties or part thereof may be acquired compulsorily***

The Land Acquisition Act, Chapter 152 of Singapore, gives the Singapore Government the power to acquire any land in Singapore:

- (i) for any public purpose;
- (ii) where the acquisition is of public benefit or of public utility or in the public interest; or
- (iii) for any residential, commercial or industrial purposes.

The compensation to be awarded pursuant to any compulsory acquisition would be based on, among other factors:

- (a) the market value of the property as at the date of the publication in the Singapore Government Gazette of the notification of the likely acquisition of the land (provided that within six months from the date of publication, a declaration of intention to acquire is made by publication in the Singapore Government Gazette); or
- (b) the market value of the property as at the date of publication in the Singapore Government Gazette of the declaration of intention to acquire.

Accordingly, if the market value of a property (or part thereof) is greater than the market values referred to above, the compensation paid in respect of the property will be less than its market value. In such event, such compulsory acquisitions would have an adverse effect on the value of AACI REIT's property portfolio.

The Existing Portfolio includes Optus Centre which is located in Australia. AACI REIT may also in future acquire properties located in other countries. The laws of these countries may also provide for a right by the governments of these countries to compulsorily acquire any land or property with no compensation to the owner or with compensation which is below market value. Such compulsory acquisitions would have an adverse effect on AACI REIT's Rental Income and the value of AACI REIT's property portfolio.

***(19) AACI REIT's properties in the Existing Portfolio are predominantly located in Singapore, which exposes AACI REIT to economic and real estate conditions in Singapore***

The properties in the Existing Portfolio are situated in Singapore, with the exception of Optus Centre which is situated in Australia. This exposes AACI REIT to the risk of a prolonged downturn in economic and real estate conditions in Singapore. The value of these properties in the Existing Portfolio may also be adversely affected by a number of local real estate conditions, such as oversupply and other competing commercial and industrial properties or reduced demand from tenants.

There are numerous business parks and light industrial properties in Singapore that compete with the properties in the Existing Portfolio in attracting tenants.

If competing properties of a similar type are built in the areas where the properties in the Existing Portfolio are located or similar properties in their vicinity are substantially upgraded and refurbished, the value of certain properties in the Existing Portfolio could be adversely affected.

In addition, AACI REIT's business, financial condition and/or results of operations may be adversely affected by competition for business and direct investment from other Asian countries such as China, India, Malaysia, Indonesia, Thailand, Vietnam or the Philippines, where the cost of operating a business and rental and property rates may be substantially lower than those in Singapore. There can be no assurance that prospective or current tenants will not seek properties in locations outside of Singapore, which could have an adverse effect on AACI REIT's business, financial condition and/or results of operations, with a consequential adverse effect on AACI REIT's ability to make expected distributions to Unitholders.

***(20) AACI REIT may be adversely affected by economic and real market conditions, as well as changes in regulatory, fiscal and other governmental policies of other countries in the Asia-Pacific in which the assets of AACI REIT are located, including Australia***

AACI REIT's principal investment objective is to invest in a diversified portfolio of income-producing real estate located throughout the Asia-Pacific that is used for industrial purposes, including, but not limited to warehousing and distribution activities, business park activities and manufacturing activities. AACI REIT's Existing Portfolio consists of Optus Centre which is located in Sydney, Australia. The Manager may also venture to invest in properties located elsewhere in the Asia-Pacific to enhance AACI REIT's value in the future.

Investment in properties in Australia and/or such other countries will expose AACI REIT to local real estate market conditions in these countries. An economic decline in Australia and/or any of the countries in which the properties of AACI REIT are located could adversely affect AACI REIT's operations and future growth. Other local real estate market conditions which may adversely affect AACI REIT's performance include the attractiveness of competing industrial properties, the supply of industrial properties and demand from tenants.

Further, AACI REIT will be subject to foreign real estate laws, securities laws, tax laws, any applicable laws relating to foreign exchange and related policies and any unexpected changes to the same. There might be a negative impact on AACI REIT's investments located in Australia and/or any of the countries in which the properties of AACI REIT are located as a result of measures and policies adopted by the relevant foreign governments and authorities at the local and national levels, including the imposition of foreign exchange restrictions. There is the risk that AACI REIT will not be able to repatriate the income and gains derived from investment in real estate and other assets in these foreign countries. It may also be difficult to obtain legal protection and recourse in some countries.

In addition, the income and gains derived from investment in properties in Australia and/or other foreign countries will be subject to various types of taxes in Singapore and in such countries, including income tax, withholding tax, capital gains tax and such other taxes which may be imposed specifically for ownership of real estate. All these taxes, which are subject to changes in laws and regulations that may lead to an increase in tax rates or the introduction of new taxes, could adversely affect and erode the returns from these properties and hence the yield to investors. There is also no assurance that AACI REIT will be able to repatriate to Singapore the income and gains derived from its investment in Optus Centre and/or other properties outside Singapore on a timely and regular basis. Any inability to repatriate the income and gains to Singapore will affect AACI REIT's ability to make distributions to Unitholders out of such income and gains.

***(21) AACI REIT is exposed to the risks relating to the uncertainties and changes in the Australian taxation regime***

In Australia, a public trust (e.g. trusts beneficially owned by listed trusts) will be taxed as a company where the trust does not engage in “wholly eligible investment business” at any time during an income year. Furthermore, where the public trust also qualifies as a managed investment trust (“MIT”), the public trust will lose its MIT status if it does not engage in “wholly eligible investment business” at any time during an income year. This is an annual test. While AACI REIT may seek professional advice to ensure that its relevant Australian unit trusts should only engage in “wholly eligible investment business”, there is no assurance that the Australian Taxation Office may not take a different view.

Further, Australia is going through a period of tax reform. The tax reform process may result in changes to tax legislation which may adversely impact the acquisition and holding structure which AACI REIT has adopted in relation to Optus Centre. In this regard, AACI REIT is exposed to the risks relating to the uncertainties and changes in the Australian taxation regime, and in the event that there are new developments which affect its holding structure of Optus Centre, there may be an adverse effect on the business, financial condition and/or results of operations of AACI REIT.

***(22) AACI REIT may be exposed to risks associated with exchange rate fluctuations between the currencies of the countries in which AACI REIT invests and the Singapore dollar***

AACI REIT’s current and future foreign investments may be denominated in foreign currencies. However, AACI REIT will maintain its financial statements in Singapore dollars, will make distributions in Singapore dollars and its Unit price will remain in Singapore dollars. A substantial proportion of its expenses and liabilities will also be denominated in Singapore dollars. AACI REIT will therefore be exposed to risks associated with exchange rate fluctuations between the Singapore dollar and the local currency of any foreign country in which AACI REIT invests.

***(23) Major natural catastrophes may materially disrupt and adversely affect the business and operations of the properties in the Existing Portfolio***

Severe weather conditions and natural disasters may affect the operations of the properties in the Existing Portfolio. These events may cause substantial structural and physical damage to the properties in the Existing Portfolio, resulting in expenses to repair the damage caused. The environmental conditions may also cause disruptions, affect investments and result in various other adverse effects on the relevant economies in general. This could materially and adversely affect AACI REIT’s business, financial condition and/or results of operations.

***(24) AACI REIT is exposed to general risks associated with the development and asset enhancement works on AACI REIT’s properties***

The Manager may from time to time initiate asset enhancement and/or development works on some of the properties held by AACI REIT at the request of existing or pre-committed tenants or to attract new tenants. There is no assurance that such plans for asset enhancement and/or development works will materialise. In the event that such asset enhancement and/or development works do materialise and are completed, there is no assurance that they will be able to achieve their desired results as such properties may still be unable to attract new tenants or retain existing tenants or pre-committed tenants may default on their pre-commitment obligations, and significant costs may have been incurred by AACI REIT in the course of such asset enhancement and/or development works.

In addition, these asset enhancement and/or development works may be subject to delays in completion or cost overruns beyond estimates due to several factors, including disputes with the contractors and suppliers, industrial accidents, work stoppages arising from accidents at the worksite, and shortages of labour, equipment and construction materials.

***(25) The properties in the Existing Portfolio may be affected or damaged by acts of terrorism***

Following the terrorist attacks in the United States in 2001, there is a heightened risk of terrorism in the world. Various properties owned by AACI REIT may be affected or damaged by acts of terrorism. Where such damage occurs, this may lead to a significant disruption to the business or operation of the relevant properties in the Existing Portfolio and result in an adverse impact on the business, financial condition and/or results of operations of AACI REIT. In such an event, the net income of AACI REIT may be adversely affected.

**Risks Relating to Investing in Real Estate**

***(1) Properties held by AACI REIT may be subject to increases in operating and other expenses***

AACI REIT's ability to make distributions to Unitholders could be adversely affected if operating and other expenses increase without a corresponding increase in revenues or tenant reimbursements of operating and other costs.

Factors which could increase operating and other costs include:

- increases in the rate of inflation;
- increases in payroll expenses and energy costs;
- increases in property taxes and other statutory charges;
- increases in annual rents and/or service charges payable to the lessors under the land leases for the properties held by AACI REIT;
- changes in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;
- change in direct or indirect tax policies;
- increases in sub-contracted service costs;
- increase in repair and maintenance costs;
- increases in insurance premiums; and
- defects affecting or environmental pollution in connection with, the properties which need to be rectified.

**(2) *AACI REIT may be adversely affected by the illiquidity of real estate investments***

Real estate investments, particularly investments in high value properties such as those in which AACI REIT tends to invest, are relatively illiquid. Such illiquidity may affect AACI REIT's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, real estate market or other conditions. This could have an adverse effect on AACI REIT's business, financial condition and/or results of operations, with a consequential adverse effect on AACI REIT's ability to make expected distributions to Unitholders.

**(3) *AACI REIT may suffer material losses in excess of insurance proceeds***

AACI REIT's properties could suffer physical damage caused by fire or other causes, resulting in losses (including loss of rent) which may not be fully compensated by insurance. In addition, certain types of risks (such as war risk and terrorist acts) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. Should an uninsured loss or a loss in excess of insured limits occur, AACI REIT could lose capital invested in the affected property as well as anticipated future revenue from that property. AACI REIT would also remain liable for any debt or other financial obligation related to that property. No assurance can be given that material losses in excess of insurance proceeds will not occur in the future. In the event that an uninsured loss or a loss in excess of insured limits occurs, this may have an adverse effect on the value of AACI REIT's property portfolio.

**(4) *AACI REIT is exposed to general risks associated with the ownership and management of real estate***

Property investment is subject to risks incidental to the ownership and management of industrial properties including, among other things, competition for tenants, changes in market rent, inability to renew leases or re-let space as existing leases expire, inability to collect rent from tenants due to bankruptcy or insolvency of tenants or otherwise, inability to dispose of major investment properties for the values at which they are recorded in AACI REIT's financial statements, increased operating costs, the need to renovate, repair and re-let space periodically, wars, terrorist attacks, riots, civil commotions, natural disasters and other events beyond AACI REIT's control.

The activities of AACI REIT may also be impacted by changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance. Rights related to the relevant properties may also be restricted by legislative actions, such as revisions to the laws relating to building standards or town planning laws, or the enactment of new laws relating to government appropriation, condemnation and redevelopment.

**Risks Relating to AACI REIT's Operations**

**(1) *There may be potential conflicts of interests between AACI REIT, the Manager, the Property Manager, AMP Capital and the AIMS Financial Group***

There may be potential conflict of interests between AACI REIT, the Manager, the Property Manager, AMP Capital and AIMS Financial Group.

Moreover, AMP Capital or AIMS Financial Group may in the future sponsor, manage or invest in other investment vehicles which may also compete directly with AACI REIT. There can be no assurance that conflict of interests will not arise between AACI REIT and AMP Capital or AIMS Financial Group in the future whether in relation to the future acquisition of properties or in relation to competition for tenants.

**(2) *The Manager may not be able to implement its investment strategy for AACI REIT***

AACI REIT's principal investment objective is to invest in a diversified portfolio of income-producing real estate located throughout the Asia-Pacific that is used for industrial purposes, including, but not limited to warehousing and distribution activities, business park activities and manufacturing activities. There can be no assurance that the Manager will be able to implement AACI REIT's investment strategy successfully or that it will be able to expand AACI REIT's portfolio at all, or at any specified rate or to any specified size. The Manager may not be able to make acquisitions or investments on favourable terms or within a desired time frame.

AACI REIT will rely on external sources of funding to expand its portfolio, which may not be available on favourable terms, or at all. As such, AACI REIT's ability to make new property acquisitions under its acquisition growth strategy may be adversely affected.

Even if AACI REIT were able to successfully make additional property acquisitions or investments, there can be no assurance that AACI REIT will achieve its intended return on such acquisitions or investments. Since the amount of debt AACI REIT can incur to finance acquisitions is limited (for example, by the Property Funds Appendix and various financial and restrictive covenants in AACI REIT's debt instruments and/or loan facilities), such acquisitions are likely to be largely dependent on AACI REIT's ability to raise equity capital, which may result in a dilution of Unitholders' holdings. Potential vendors may also view the necessity of raising equity capital to fund any such purchase negatively and may prefer other potential purchasers.

Furthermore, there has been significant competition for attractive investment opportunities for industrial properties, both in Singapore and regionally, from other real estate investors, including other industrial REITs, industry property development companies and private investment funds. These real estate investors may include foreign or domestic companies, which may be larger in terms of assets and revenue and/or have greater financial resources, better quality of assets and/or stronger relationships with potential vendors and tenants than AACI REIT. There can be no assurance that AACI REIT will be able to compete effectively against such entities. AACI REIT's failure to effectively compete against its competitors may in turn adversely affect the ability of AACI REIT to make distributions to Unitholders.

**(3) *AACI REIT's strategy of investing primarily in industrial properties may entail a higher level of risk compared to other types of unit trusts that have a more diverse range of investments***

AACI REIT's principal strategy is investing in industrial properties. As such, AACI REIT will be subject to risks inherent in concentrating on investments in a single industry. The level of risk could be higher compared to other types of unit trusts that have a more diverse range of investments.



A concentration of investments in a portfolio of such industrial properties exposes AACI REIT to both a downturn in the real estate market as well as the industrial sector. Such downturns may lead to a decline in occupancy for properties that are primarily used for industrial purposes including those in AACI REIT's portfolio thereby affecting AACI REIT's Rental Income, and/or a decline in the capital value of AACI REIT's portfolio, which will have an adverse impact on distributions to the Unitholders and/or on the results of operations and the business, financial condition and/or results of operations of AACI REIT.

**(4) *Payment of management fees in cash by AACI REIT to the Manager may have an adverse effect on the cash flow of AACI REIT and its ability to make distributions to Unitholders***

The Manager is entitled to management fees, comprising, *inter alia*, a base fee and a performance fee, which shall be paid to the Manager in the form of cash and/or Units (as the Manager may elect prior to each such payment) out of the Deposited Property and in such proportion as may be determined by the Manager.

If AACI REIT is required to pay a large amount of management fees in cash, it may have a material adverse impact on AACI REIT's cash flow, business, financial condition and/or results of operations as well as its ability to make distributions to Unitholders, and the Unit price may be materially and adversely affected as a result.

**(5) *AACI REIT depends on certain key personnel, and the loss of any key personnel may adversely affect AACI REIT's business, financial condition and/or results of operations***

AACI REIT's performance depends, in part, upon the continued service and performance of key personnel of the Manager. These key personnel may leave the Manager in the future or compete with the Manager and AACI REIT. The loss of one or more of these key personnel could have a material adverse effect on AACI REIT's business, financial condition and/or results of operations.

**(6) *Uncertainties and instability in global market conditions could adversely affect AACI REIT's business, financial condition and/or results of operations***

The global credit markets have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries. There is also growing concern that the debt crisis in Europe will impinge upon the health of the global financial system. These and other related events have had a significant impact on the global capital markets associated not only with asset-backed securities but also with the global credit and financial markets as a whole. These events could adversely affect AACI REIT, including:

- a negative impact on the ability of the tenants of AACI REIT to pay their rents in a timely manner or continue their leases, thus reducing AACI REIT's cash flow;
- an increase in counterparty risk; and/or
- an increased likelihood that one or more of (i) AACI REIT's banking syndicate, (ii) banks providing bankers' guarantees for AACI REIT's security deposits and/or (iii) AACI REIT's insurers may be unable to honour their commitments to AACI REIT.



**(7) *AACI REIT may not be able to control or exercise any influence over entities in which it has minority interests***

AACI REIT may, in the course of future acquisitions, acquire minority interests in real estate-related investment entities. There can be no assurance that AACI REIT will be able to control such entities or exercise any influence over the assets of such entities or their distributions to AACI REIT. Such entities may develop objectives which are different from those of AACI REIT and may not be able to make distributions. The management of such entities may make decisions regarding the entities they control which could, in turn, adversely affect the operations of AACI REIT and its ability to make distributions to Unitholders.

**(8) *The amount AACI REIT may borrow is limited, which may affect the operations of AACI REIT and the borrowing limit may be exceeded if there is a downward revaluation of assets***

AACI REIT is subject to certain covenants under the terms of its existing borrowings that limit the amount that it may borrow, which may otherwise adversely affect its operations. There is also no assurance that AACI REIT's future borrowings will not contain similar covenants.

Under the current restrictions set out in the Property Funds Appendix, AACI REIT is permitted to borrow only up to 35.0% of the value of its Deposited Property at the time the borrowing is incurred (and up to a maximum of 60.0% only if a credit rating of AACI REIT from Fitch Inc., Moody's or Standard and Poor's is obtained and disclosed to the public). AACI REIT should maintain and disclose a credit rating so long as its aggregate leverage exceeds 35.0%. AACI REIT currently has a BBB-credit rating from Standard and Poor's as announced by the Manager on 14 May 2013 and is permitted to borrow up to a maximum of 60.0% of the value of its Deposited Property under the Property Funds Appendix. However, under the terms of its existing borrowings, AACI REIT is only permitted to borrow up to a maximum of 50.0% of the value of its Singapore-located properties and 65.0% of the value of Optus Centre.

AACI REIT may, from time to time, require further debt financing to achieve its investment strategy. A substantial decline in the value of the Deposited Property may affect AACI REIT's ability to make further borrowings due to the limit(s) imposed under the terms of its existing borrowings and/or the Property Funds Appendix.

Adverse business consequences of this limitation on borrowings may include:

- (i) an inability to fund capital expenditure requirements in relation to AACI REIT's existing portfolio or in relation to the acquisition by AACI REIT of further properties to expand its portfolio;
- (ii) a decline in the value of the Deposited Property may cause the borrowing limit to be exceeded, thus affecting AACI REIT's ability to make further borrowings; and
- (iii) cashflow shortages (including with respect to required distributions) which AACI REIT might otherwise be able to resolve by borrowing funds.

**(9) *There is no assurance that the current rating given to AACI REIT by Standard and Poor's will be maintained or that the rating will not be reviewed, downgraded, suspended or withdrawn in the future***

AACI REIT currently has a BBB-credit rating from Standard and Poor's as announced by the Manager on 14 May 2013. The rating assigned by Standard and Poor's is based on the views of Standard and Poor's only. Future events could have a negative impact on the rating of AACI REIT and prospective investors should be aware that there is no assurance that the rating given will continue or that the rating would not be reviewed, downgraded, suspended or withdrawn as a result of future events or judgment on the part of Standard and Poor's. A downgrade or withdrawal of the credit rating assigned by Standard and Poor's may have a negative impact on the trading price of the Units and may lead to AACI REIT being unable to obtain future credit on competitive terms.

**(10) *AACI REIT may experience limited availability of funds***

AACI REIT may require additional financing to fund working capital requirements, to support the future growth of its business and/or to refinance existing debt obligations. There can be no assurance that additional financing, either on a short-term or long-term basis, will be made available or, if available, that such financing will be obtained on terms favourable to AACI REIT. Factors that could affect AACI REIT's ability to procure financing include the cyclicity of the property market and market disruption risks which could adversely affect the liquidity, interest rates and the availability of funding sources. A global credit crunch will also have an adverse impact on the availability and cost of funding and consequently may hinder AACI REIT's ability to obtain additional financing.

**(11) *AACI REIT may have a higher level of gearing than certain other types of unit trusts***

AACI REIT's level of borrowings represents a higher level of gearing as compared to certain other types of unit trusts, such as non-specialised collective investment schemes which invest in equities and/or fixed income instruments. Investment risk is known to increase with the increase in gearing or leverage. An increase in gearing or leverage will subject AACI REIT to the risk of changing economic climate. For example, in a climate of rising interest rates, the costs of financing of AACI REIT's investments (including servicing its indebtedness) will increase and this will adversely affect AACI REIT's cash flow and the amount of funds available for distribution to the Unitholders. AACI REIT has taken steps to actively manage this risk through its interest rate risk management policies. Please also see the risk factors titled "*AACI REIT is subject to interest rate fluctuations*" and "*AACI REIT may engage in hedging transactions, which can limit gains and increase exposure to losses*".

**(12) *AACI REIT faces risks associated with debt financing***

AACI REIT is subject to risks associated with debt financing, including the risk that its cash flow will be insufficient to meet the required payments of principal and interest under such financing, and therefore to make distributions to Unitholders.

AACI REIT's distribution policy is to distribute at least 90.0% of its taxable income for a full financial year. As a result of this distribution policy, AACI REIT may not be able to meet all of its obligations to repay any future borrowings through its cash flow from operations. AACI REIT may be required to repay maturing debt with funds from additional debt or equity financing or both. There is no assurance that such financing will be available on acceptable terms or at all.

Some or all of its properties are, or may in future be, mortgaged to secure payment of indebtedness. If AACI REIT is unable to meet interest or principal payments, the lenders may foreclose its properties or any one of them, or the lenders could require a forced sale of its mortgaged properties, or any one of them, resulting in a loss of income and asset value to AACI REIT.

AACI REIT will also be subject to the risk that its existing borrowings may be terminated by the lenders upon occurrence of certain events and it may not be able to refinance its existing borrowings or that the terms of any refinancing undertaken will be less favourable than the terms of existing borrowings.

In addition, AACI REIT is, and in future may continue to be, subject to certain covenants in connection with its borrowings that may limit or otherwise adversely affect its operations and its ability to make distributions to Unitholders. Such covenants may also restrict AACI REIT's ability to acquire properties or undertake other capital expenditure or may require it to set aside funds for maintenance or repayment of security deposits. Furthermore, if prevailing interest rates or other factors at the time of refinancing (such as the possible reluctance of lenders to make loans in relation to properties that are primarily used for industrial purposes) result in higher interest rates upon refinancing, the interest expense relating to such refinanced indebtedness would increase, which would in turn adversely affect AACI REIT's cash flow.

***(13) AACI REIT may be involved in legal and other proceedings from time to time***

AACI REIT may be involved from time to time in disputes with various parties such as tenants, contractors, sub-contractors, consultants, suppliers, construction companies, purchasers and other partners involved in the asset enhancement, operation and purchase of its properties. These disputes may lead to legal and other proceedings, and may cause AACI REIT to suffer additional costs and delays. In the event that such proceedings are resolved in favour of other parties against AACI REIT, there may be an adverse impact on AACI REIT's business, financial condition, results of operations and level of distributable income.

(See the section entitled "General Information – Legal and Arbitration Proceedings" on page 57 of this Offer Information Statement for further details)

***(14) If the Capital Markets Services Licence of the Manager is cancelled or not renewed by the Authority, the operations of AACI REIT may be adversely affected***

The capital markets services ("CMS") licence issued to the Manager is subject to certain conditions. If the CMS licence of the Manager is cancelled or not renewed by the Authority, AACI REIT will need to expend time and resources searching for a replacement manager, and accordingly the operations of AACI REIT may be adversely affected.

***(15) AACI REIT is subject to interest rate fluctuations***

Some of AACI REIT's existing debt, and AACI REIT's borrowings in future may, carry floating interest rates, and consequently, the interest cost to AACI REIT for such debt will be subject to fluctuations in interest rates. AACI REIT's exposure to changes in interest rates relates primarily to interest-bearing financial liabilities. Interest rate risk is managed by AACI REIT on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates.

Currently, the New Loan and the sum drawn down from the existing revolving credit facility to fund the Recent Acquisition is at a margin over Bank Bill Swap Bid Rate ("BSBY").

The remaining balance of the S\$370.0 million facility bears an interest margin over the Singapore Dollar Swap Offer Rate (“**SOR**”) presently.

Any adverse movements in the BBSY and SOR rates would adversely affect AACI REIT’s operating results and level of distributable income. As at the Latest Practicable Date, AACI REIT has existing interest rate swap contracts with a total notional amount of S\$188.2 million. Upon expiry of the existing interest rate swap contracts, there is no assurance that AACI REIT will be able to secure interest rate swap contracts at favourable rates or terms.

In addition, AACI REIT is, and may in future be, subject to market disruption clauses contained in its loan agreements with banks. Such clauses will generally provide that to the extent that the banks may face difficulties in raising funds in the interbank market or are paying materially more for interbank deposits than the displayed screen rates, they may pass on the higher cost of funds to the borrower, notwithstanding the margins agreed. Where appropriate, AACI REIT seeks to minimise its interest rate risk exposure by entering into interest rate swap contracts to swap floating interest rates for fixed interest rates over the duration of certain of its borrowings. However, AACI REIT’s hedging policy may not adequately cover its exposure to interest rate fluctuations and this may result in a large interest expense and an adverse effect on AACI REIT’s business, financial condition and/or results of operations.

***(16) AACI REIT may engage in hedging transactions, which can limit gains and increase exposure to losses***

AACI REIT may enter into hedging transactions to protect itself or its portfolio from the effects of interest rate and currency exchange fluctuations. Hedging transactions may include entering into interest rate hedging instruments, purchasing or selling futures contracts, purchasing put and call options or entering into forward agreements. Hedging activities may not have the desired beneficial impact on the business, financial condition and/or results of operations of AACI REIT.

Hedging could fail to protect AACI REIT or adversely affect AACI REIT because among others:

- available interest rate hedging may not correspond directly with the interest rate risk for which protection is sought;
- the party owing money in the hedging transaction may default on its obligation to pay;
- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs AACI REIT’s ability to sell or assign its side of the hedging transaction; and
- the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Downward adjustments would reduce the NAV of AACI REIT.

Hedging involves risks and transaction costs, which may reduce overall returns. These costs increase as the period covered by the hedging increases and during periods of rising and volatile interest rates. These costs will also limit the amount of cash available for distributions to Unitholders.

AACI REIT may have to pre-terminate any of the hedging contracts should there be a change in hedge requirement. Under such circumstances, AACI REIT has to settle any loss arising out of the hedging contract in cash and that may have a material adverse impact on AACI

REIT's cash flow, business, financial condition and/or results of operations as well as its ability to make distributions to Unitholders, and the Unit price may be materially and adversely affected as a result.

### **Risks Relating to the Rights Issue**

**(1) *An active trading market may not develop for the Rights Entitlements and, if a market does develop, the Rights Entitlements may be subject to greater price volatility than the Units***

A trading period for the Rights Entitlements has been fixed for 27 February 2014 to 7 March 2014. There is no assurance that an active trading market for the Rights Entitlements on the SGX-ST will develop during the Rights Entitlements trading period prescribed by the SGX-ST or that any over-the-counter trading market in the Rights Entitlements will develop. Even if active markets develop, the trading price of the Rights Entitlements, which depends on the trading price of the Units, may be volatile. As the Manager may arrange for the sale of the Rights Entitlements relating to the Units held by Ineligible Unitholders, such sale may give pressure to the trading price of the Rights Entitlements. In addition, the market price of the Rights Entitlements may not reflect their actual value.

**(2) *Unitholders who do not or are not able to accept their provisional allotments of Rights Units will experience a dilution in their interest in AACI REIT***

If Unitholders do not or are not able to accept their provisional allotments of Rights Units, their proportionate interest in AACI REIT will be reduced. Even if a Unitholder sells his Rights Entitlements, or such Rights Entitlements are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his unitholding as a result of the Rights Issue.

In particular, foreign Unitholders whose registered addresses with CDP are outside Singapore will not be permitted to participate in the Rights Issue by AACI REIT. The Trust Deed provides that in relation to any rights issue, the Manager may, in its absolute discretion, elect not to extend an offer of Units under a rights issue to those Unitholders whose addresses, as registered with CDP, are outside Singapore. The Manager may, at its absolute discretion and if it is practicable to do so, arrange for the Rights Entitlements which would otherwise have been provisionally allotted to such Ineligible Unitholders to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that the proceeds from such sales can at least cover the expenses to be incurred in relation thereto. There is no guarantee that such sale will be successful, and even if successful, the proceeds of any such sale may not be sufficient to compensate him fully for the dilution of his unitholding as a result of the Rights Issue.

**(3) *The Rights Issue Price is not an indication of the underlying value of the Units***

The Rights Issue Price was determined based on the last traded price of the Units on the SGX-ST on 14 February 2014, being the last trading day of the Units on the SGX-ST prior to the release of the announcement of the Rights Issue on 14 February 2014. The Rights Issue Price was set at a discount to the Closing Price and to the TERP at that time. The Rights Issue Price does not bear a direct relationship to the book value of AACI REIT's assets, past operations, cash flow, earnings, financial condition or any other established criteria for value, and Unitholders should not consider the Rights Issue Price to be any indication of the Units' underlying value. The Units may trade at prices lower than the Rights Issue Price in the future.

**(4) *The Rights Issue may cause the price of the Units to decrease, and this decrease may continue***

The Rights Issue Price represents a discount of (i) approximately 23.7% to the Closing Price of S\$1.415 per Unit and (ii) approximately 20.9% to the TERP of S\$1.365 per Unit. This discount, along with the number of Rights Units, may result in a decrease in the trading price of the Units and this decrease may continue after the completion of the Rights Issue.

**(5) *Unitholders need to act promptly and follow subscription instructions, otherwise their exercise of Rights Entitlements may be rejected and their Rights Entitlements may expire without value and without any compensation***

Unitholders who desire to accept their Rights Entitlements or apply for Excess Rights Units in the Rights Issue must act promptly to ensure that all required forms, letters and payments are actually received by the relevant agents prior to the respective expiration dates and times as set forth under **Appendix B – Procedures for Acceptance, Payment, Renunciation and Excess Application by Eligible Unitholders** and in **Appendix C – Additional Terms and Conditions for Electronic Applications** to this Offer Information Statement. Failure to complete and sign the required acceptance forms or letters, the sending of an incorrect payment amount, or otherwise failure to follow the procedures that apply to a Unitholder's desired transaction may lead to rejection of the Unitholder's acceptance of the Rights Entitlements and any Rights Entitlements not accepted will expire without value and without any compensation.

None of the Manager, the Unit Registrar, CDP, or the Joint Bookrunners and Underwriters undertakes to contact the Unitholder concerning, or attempt to correct, an incomplete or incorrect acceptance form, letter or payment. The Manager has sole discretion to determine whether an acceptance of Rights Entitlements and acceptance of or subscription for Rights Units properly follows the appropriate procedures. Unitholders who hold Units through a securities sub-account, brokerage account or other similar custodial account with a depository agent, broker, custodian or nominee other than CDP are urged to consult their depository agent, broker, custodian or nominee without delay regarding the procedures that they need to follow for the subscription and payment for the Rights Units.

**Risks Relating to an Investment in the Units**

**(1) *The trading price of the Units has been, and may continue to be, volatile***

The trading price of the Units has been, and may continue to be, subject to large fluctuations. The trading price of the Units may increase or decrease in response to a number of events and factors, including:

- quarterly variations in operating results;
- changes in financial estimates and recommendations by securities analysts;
- the operating and stock price performance of companies in the real estate industry and other REITs;
- developments affecting AACI REIT, its tenants or its competitors;
- valuations of the properties held by AACI REIT;
- changes to the regulatory system, including the tax system, both generally and specifically in relation to Singapore REITs;



- changes in general economic conditions;
- changes in foreign exchange rates or interest rates;
- changes in accounting policies; and
- other events or factors described in this Offer Information Statement.

These factors may adversely affect the trading price of the Units regardless of AACI REIT's operating performance.

**(2) *The Singapore Code on Take-overs and Mergers (the “Code”) may discourage or prevent certain types of transactions***

The Code contains certain provisions that may delay, deter or prevent a future take-over or change in control of AACI REIT. Any person acquiring an interest (either on his or her own or together with parties acting in concert with him or her) in:

- (i) 30.0% or more of the total Units; or
- (ii) when holding not less than 30.0% but not more than 50.0% of the total Units, more than 1.0% of the total Units in any six-month period,

will be required to make a general offer for the remaining Units. These provisions may discourage or prevent certain types of transactions involving an actual or threatened change of control of AACI REIT. Some of the Unitholders may, therefore, be disadvantaged as a transaction of that kind might have allowed the sale of Units at a price above the prevailing market price.

**(3) *AACI REIT may be unable to comply with the terms of the Tax Ruling<sup>1</sup> or the Tax Ruling may be revoked or amended***

AACI REIT has received a Tax Ruling from the Inland Revenue Authority of Singapore (“IRAS”) under which tax transparency has been granted to AACI REIT on stipulated terms and conditions. These terms and conditions include undertakings by the Trustee and the Manager to take all reasonable steps necessary to safeguard the IRAS against the loss of tax as a result of the Tax Ruling and to comply with all administrative requirements to ensure ease of tax administration.

The Tax Ruling grants tax transparency to the Trustee on Taxable Income<sup>2</sup> that is distributed to Unitholders provided that at least 90.0% of its Taxable Income is distributed within the year in which income is derived. The Tax Ruling, either in part or in whole, may be revoked or its terms may be reviewed and amended by the IRAS at any time. If the Tax Ruling is revoked or if the Trustee is unable to comply with its terms, the Trustee will be subject to tax on its Taxable Income and the tax will be assessed on and collected from the Trustee, in which case distributions to all Unitholders will not be subject to further tax. If the terms of the Tax Ruling are amended, the Trustee may not be able to comply with the new terms imposed and this non-compliance could affect AACI REIT's tax transparent status and its ability to distribute its Taxable Income free of tax deducted at source.

---

1 The tax ruling dated 13 November 2006 issued by the IRAS on the taxation of AACI REIT and its Unitholders.

2 “**Taxable Income**” means income chargeable to tax after deduction of the allowable expenses incurred and the tax depreciation claimed on assets used in the generation of income, if any.



**(4) *AACI REIT is required to distribute at least 90.0% of its Taxable Income and may face liquidity constraints***

The Manager and the Trustee are required by the Tax Ruling to distribute at least 90.0% of AACI REIT's Taxable Income. If AACI REIT's Taxable Income is greater than its cashflow from operations, it may have to borrow to meet ongoing cashflow requirements in order to distribute at least 90.0% of its Taxable Income since it may not have any reserves to draw on. AACI REIT's ability to borrow is, however, limited by the Property Funds Appendix.

**(5) *AACI REIT may not be able to make distributions to Unitholders or the level of distributions may fall***

The net operating profit earned from real estate investments depends on, *inter alia*, the amount of Rental Income received, and the level of property, operating and other expenses incurred. If the Properties held by AACI REIT directly or indirectly do not generate sufficient net operating profit, AACI REIT's income, cash flow and ability to make distributions will be adversely affected.

No assurance can be given as to AACI REIT's ability to pay or maintain distributions. Neither is there an assurance that the level of distributions will increase over time, that there will be contractual increases in rent under the leases of the Existing Portfolio or that the receipt of Rental Income in connection with expansion of the Existing Portfolio or future acquisitions of properties will increase AACI REIT's cash flow available for distribution to Unitholders.

**(6) *Market and economic conditions may affect the market price and demand for the Units***

Movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price and demand for the Units. In particular, an increase in market interest rates may have an adverse impact on the market price of the Units if the annual yield on the price paid for the Units gives investors a lower return than other investments. It may be difficult to assess AACI REIT's performance against either domestic or international benchmarks.

**(7) *Unitholders may bear the effects of tax adjustments on income distributed in prior periods***

Distributions will be based on AACI REIT's Taxable Income as computed by the Manager. AACI REIT's Taxable Income as computed by the Manager may, however, be subject to adjustment by the IRAS. The effect of this adjustment would mean that AACI REIT's actual Taxable Income is either higher or lower than what was computed by the Manager. The difference between AACI REIT's actual Taxable Income and AACI REIT's Taxable Income as computed by the Manager for the purpose of making a distribution to Unitholders will be added to or deducted from the Taxable Income computed by the Manager for the subsequent distribution to Unitholders. Tax transparency does not apply to gains realised from the divestment of properties that are determined by the IRAS as not capital gains and such gains will be subsequently assessed for taxation by the IRAS. Distributions will only be made out of such gains after tax has been paid by the Trustee in the case of trading gains or when the full amount of the gains is confirmed as non-taxable by the IRAS.

**(8) *The Manager is not obliged to redeem Units***

Unitholders have no right to request the Manager to redeem their Units while the Units are listed on the SGX-ST. It is intended that Unitholders may only deal in their listed Units through trading on the SGX-ST.

***(9) The NAV of the Units may be diluted if further issues are priced below the current NAV***

The Trust Deed contemplates that new issues of Units may occur, the offering price for which may be above, at or below the then current NAV per Unit. Where new Units are issued at less than NAV, including Units issued to the Manager in payment of its management fees, the NAV of existing Units may be diluted.

***(10) Corporate disclosure, accounting and governance standards in Singapore may differ from those in other countries***

There may be less publicly available information about Singapore REITs and public companies such as AACI REIT and the Manager, respectively, than is regularly made available by REITs or public companies in other jurisdictions. In addition, AACI REIT's pro forma financial information has been, and financial information reported in the future will be, prepared in accordance with Singapore Generally Accepted Accounting Principles, which differs in certain significant respects from generally accepted accounting principles in other jurisdictions. Corporate governance standards in Singapore may also differ from those in other jurisdictions.

***(11) The Manager may change AACI REIT's investment strategy***

AACI REIT's policies with respect to certain activities, including investments and acquisitions, will be determined by the Manager. The Manager has stated its intention to invest in a diversified portfolio of income-producing real estate located throughout the Asia-Pacific that is used for industrial purposes, including, but not limited to warehousing and distribution activities, business park activities and manufacturing activities. The Manager however may from time to time amend the investment strategy and policies of AACI REIT if it determines that such change is in the best interest of AACI REIT and its Unitholders without seeking Unitholders' approval. There are risks and uncertainties with respect to the selection of investments and implementation of new investment strategies.

***(12) Accounting standards in Singapore are subject to change***

The financial statements of the Group may be affected by the introduction of new or revised accounting standards. The extent and timing of these changes in accounting standards are currently unknown. The Manager has not quantified the effects of such possible changes and there can be no assurance that these changes will not have a significant impact on the presentation of AACI REIT's financial statements or on AACI REIT's business, financial condition and/or results of operations. In addition, such changes may adversely affect the ability of AACI REIT to make distributions to Unitholders.

***(13) The actual performance of AACI REIT and the Existing Portfolio could differ materially from the pro forma statements in this Offer Information Statement***

This Offer Information Statement contains pro forma statements regarding the pro forma performance of AACI REIT and the Existing Portfolio. These pro forma statements are based on historical data and a number of assumptions. As a result, actual results and performance may differ materially from that in the pro forma statements.

***(14) AACI REIT may be affected by the introduction of new or revised legislation, regulations, guidelines or directions affecting REITs***

AACI REIT may be affected by the introduction of new or revised legislation, regulations, guidelines or directions affecting REITs in general. There is no assurance that the Authority or any other relevant authority will not introduce new legislation, regulations, guidelines or directions which would adversely affect REITs generally, or AACI REIT specifically.

***(15) There is no assurance that the Units will remain listed on the SGX-ST or that there will be a liquid market for the Units***

Although it is currently intended that the Units will remain listed on the SGX-ST, there is no guarantee of the continued listing of the Units. AACI REIT may not continue to satisfy any continuing listing obligations under the Listing Manual. As a result, there may not be a liquid market for the Units.

## **GENERAL INFORMATION**

### **Legal and Arbitration Proceedings**

To the best of the Manager's knowledge and belief, there are no legal or arbitration proceedings, including those which are pending or known to be contemplated, which, in the opinion of the Manager, may have or have had in the last 12 months immediately preceding the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of AACI REIT.

### **Material Contracts**

There were no material contracts entered into by the Trustee or the Manager, other than contracts entered into in AACI REIT's ordinary course of business, for the period of two years before the date of lodgement of this Offer Information Statement, save for:

- the Underwriting Agreement dated 14 February 2014 entered into between the Manager and the Joint Bookrunners and Underwriters in relation to the Rights Issue for the fees as described in this Offer Information Statement; and
- the placement agreement and the supplemental placement agreement both dated 17 April 2013, entered into between Standard Chartered, Macquarie, Religare and the Manager in relation to the 2013 Private Placement pursuant to which Standard Chartered, Macquarie and Religare agreed, *inter alia*, to procure subscriptions for, or to subscribe and pay for 68,750,000 new Units at an issue price of S\$1.60 per new Unit for aggregate fees of approximately S\$2.6 million.

### **Breach of Terms and Conditions or Covenants of Credit Arrangement or Bank Loan**

To the best of the Manager's knowledge and belief, AACI REIT is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect AACI REIT's financial position and results or business operations, or the investments by Unitholders.

### **Significant Changes**

Save as disclosed in this Offer Information Statement and in particular the Recent Acquisition which was completed on 7 February 2014, to the best of the Manager's knowledge and belief, no event has occurred from 31 December 2013, being the last day of the period covered by the YTD FY2014 Unaudited Financial Statements, to the Latest Practicable Date, which may have a material effect on the financial position and results of AACI REIT.

### **Trading of Units**

The Manager is not aware of any significant trading suspension of the Units on the SGX-ST during the three years immediately preceding the Latest Practicable Date.

The Manager believes that Units are regularly traded on the SGX-ST.

### **Statement by Experts**

No statement or report attributed to an expert is included in this Offer Information Statement.

## **Consents from Issue Managers and Underwriters**

Each of Standard Chartered and Macquarie has given, and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to being named in this Offer Information Statement as a Joint Global Lead Coordinator for the Rights Issue. Each of Standard Chartered, Macquarie and Religare has given, and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to being named in this Offer Information Statement as a Joint Bookrunner and Underwriter for the Rights Issue.

## **Authority to Issue Rights Units**

The Manager's authority to issue the Rights Units is pursuant to the General Mandate that was given by the Unitholders to the Manager for the issue of new Units, pursuant to an ordinary resolution obtained at an annual general meeting of Unitholders held on 25 July 2013.

## **Miscellaneous**

AACI REIT is subject to the Code on Collective Investment Schemes issued by the Authority. The Code on Collective Investment Schemes can be found on the website of the Authority at [www.mas.gov.sg](http://www.mas.gov.sg).

Save as disclosed in this Offer Information Statement, including the Appendices to this Offer Information Statement, the Manager is not aware of any other matters which could materially affect, directly or indirectly, the operations or financial position or results of AACI REIT or investments by Unitholders.

Statements contained in this Offer Information Statement which do not state historical facts may be forward-looking statements. Such statements are based on certain assumptions and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecasts. See the sections entitled "Notice to Unitholders and Investors – Forward-Looking Statements" and "Risk Factors" on page ii and page 32 of this Offer Information Statement respectively for further details. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Manager or any other person or that these results will be achieved or are likely to be achieved.

Other than the Rights Entitlements, none of the Unitholders has pre-emptive rights to subscribe for or purchase the Rights Units.

As there may be prohibitions or restrictions against the offering of Rights Units in certain jurisdictions (other than Singapore), only Eligible Unitholders are eligible to participate in the Rights Issue. Please refer to the section entitled "Eligibility of Unitholders to Participate in the Rights Issue" on page viii of this Offer Information Statement for further information.

In relation to this Offer Information Statement

Dated 24 February 2014

**Directors of AIMS AMP Capital Industrial REIT Management Limited  
(as manager of AIMS AMP Capital Industrial REIT)**

---

Mr George Wang  
Non-Executive, Non-Independent Chairman

---

Mr Simon Laurence Vinson  
Non-Executive, Non-Independent Director  
and Member of the Audit, Risk and  
Compliance Committee

---

Mr Nicholas Paul McGrath  
Non-Executive, Non-Independent Director

---

Ms Moni XinYe An  
Non-Executive, Non-Independent Director

---

Mr Tan Kai Seng  
Lead Independent, Non-Executive Director  
and Chairman of the Audit, Risk and  
Compliance Committee

---

Mr Norman Ip Ka Cheung  
Independent, Non-Executive Director and  
Member of the Audit, Risk and  
Compliance Committee

---

Ms Eugene Paul Lai Chin Look  
Independent, Non-Executive Director

---

Mr Koh Wee Lih  
Executive Director and  
Chief Executive Officer

## GLOSSARY

For the purpose of this Offer Information Statement, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

<b>2E</b>	:	2 Extension
<b>2009 Offer Information Statement</b>	:	The offer information statement of AACI REIT dated 30 November 2009
<b>2010 Offer Information Statement</b>	:	The offer information statement of AACI REIT dated 22 September 2010
<b>2010 PD Amending Directive</b>	:	Directive 2010/73/EU
<b>2010 Rights Issue</b>	:	The issue of new Units on a fully underwritten and renounceable basis to Eligible Unitholders on the basis of seven (7) new Units for every twenty (20) existing Units held as at 5.00 p.m. on 20 September 2010 at S\$0.155 per new Unit
<b>2012 Information Memorandum</b>	:	The information memorandum dated 25 July 2012 issued by AACI REIT MTN Pte. Ltd. (a wholly-owned subsidiary of the Trustee)
<b>2013 Private Placement</b>	:	The private placement of new units in AACI REIT to institutional and other investors at an issue price of between S\$1.575 and S\$1.625 per New Unit to raise gross proceeds of at least S\$100 million
<b>AACI REIT</b>	:	AIMS AMP Capital Industrial REIT (formerly known as MacarthurCook Industrial REIT), a unit trust constituted in the Republic of Singapore pursuant to a trust deed dated 5 December 2006 (as amended)
<b>Aggregate Leverage</b>	:	The ratio of the value of total borrowings and deferred payments (if any) to the value of the gross assets of AACI REIT, including all its Authorised Investments held or deemed to be held under the Trust Deed
<b>AIMS Financial Group</b>	:	The entities and companies controlled directly or indirectly by Mr George Wang
<b>AMP Capital</b>	:	AMP Capital Holdings Limited and its subsidiaries



<b>an offer to the public</b>	:	In relation to any Rights Entitlements or Rights Units in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Rights Entitlements or the Rights Units to be offered so as to enable an investor to decide to purchase or subscribe the Rights Entitlements or the Rights Units, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State
<b>Ascendas</b>	:	Ascendas Land (Singapore) Pte Ltd
<b>Ascendas Lease</b>	:	A lease from Ascendas
<b>Authorised Investments</b>	:	Refers to, in general (i) real estate, whether freehold or leasehold, in or outside Singapore, held singly or jointly, and/or by way of direct ownership or by a shareholding in a special purpose vehicle; (ii) any improvement or extension of or addition to, or reconstruction, refurbishment, retrofitting, renovation or other development of any real estate or any building thereon; (iii) real estate related assets, wherever the issuers, assets or securities are incorporated, located, issued or traded; (iv) listed or unlisted debt securities and listed shares or stock and (if permitted by the MAS) unlisted shares or stock of or issued by local or foreign non-property companies or corporations; (v) Government securities (issued on behalf of the Singapore Government or governments of other countries) and securities issued by a supra-national agency or a Singapore statutory board; (vi) cash and cash equivalent items; (vii) financial derivatives only for the purposes of (a) hedging existing positions in AACI REIT's portfolio where there is a strong correlation to the underlying investments or (b) efficient portfolio management, provided that such derivatives are not used to gear the overall portfolio of AACI REIT or intended to be borrowings of AACI REIT; and (viii) any other investment not covered by paragraph (i) to (vii) of this definition but specified as a permissible investment in the Property Funds Appendix and selected by the Manager for investment by AACI REIT and approved by the Trustee in writing
<b>ARE</b>	:	The application form for Rights Units and Excess Rights Units issued to Eligible Unitholders in respect of their Rights Entitlements under the Rights Issue
<b>ARS</b>	:	The application form and acceptance form for Rights Units to be issued to purchasers of the Rights Entitlements under the Rights Issue traded on the SGX-ST under the book-entry (scripless) settlement system
<b>ASIC</b>	:	Australian Securities and Investments Commission
<b>ATM</b>	:	Automated teller machine

<b>Authority or MAS</b>	:	Monetary Authority of Singapore
<b>BBSY</b>	:	Bank Bill Swap Bid Rate
<b>Board</b>	:	The board of directors of the Manager
<b>Borrower</b>	:	AMP Capital AA REIT Investments (Australia) Pty Limited in its capacity as trustee of AA REIT Macquarie Park Investment Trust (an indirect wholly-owned subsidiary of AACI REIT)
<b>CDP</b>	:	The Central Depository (Pte) Limited
<b>Closing Date</b>	:	<ul style="list-style-type: none"> <li>(i) 13 March 2014 at 5.00 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Manager), being the last date and time for acceptance of Rights Units and/or application for Excess Rights Units and payment therefor under the Rights Issue through CDP;</li> <li>(ii) 13 March 2014 at 9.30 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Manager), being the last date and time for acceptance of Rights Units and/or application for Excess Rights Units and payment therefor under the Rights Issue through an ATM of a Participating Bank;</li> <li>(iii) 13 March 2014 at 5.00 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Manager), being the last date and time for acceptance of and payment for the Rights Units by the renouncee (if acceptance is made through CDP); or</li> <li>(iv) 13 March 2014 at 9.30 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Manager), being the last date and time for acceptance of and payment for the Rights Units by the renouncee (if acceptance is made through an ATM of a Participating Bank)</li> </ul>
<b>Closing Price</b>	:	The closing price of S\$1.415 per Unit on 14 February 2014, being the last trading day of the Units prior to the announcement of the Rights Issue
<b>CMS</b>	:	Capital markets services
<b>CO</b>	:	Companies Ordinance of Hong Kong (Cap. 32)
<b>Code</b>	:	The Singapore Code on Take-overs and Mergers

<b>Commitment Rights Units</b>	:	The collective number of Rights Units equal to the total provisional allotment of Rights Units of the Manager (in its own capacity), AIMS AMP Capital Property Management Pte. Ltd. (in its own capacity), AMP Capital Investors (Luxembourg No. 4) S.A.R.L., Parangool Pty Limited, AIMS Financial Holding Limited and AIMS Fund Management Limited
<b>Corporations Act</b>	:	Corporations Act 2001 of Australia
<b>CPF</b>	:	Central Provident Fund
<b>CPF Board</b>	:	Central Provident Fund Board
<b>CPF Funds</b>	:	CPF Investible Savings
<b>CPFIS</b>	:	CPF Investment Scheme
<b>Deposited Property</b>	:	The gross assets of AACI REIT, including the properties and the Authorised Investments for the time being held or deemed to be held upon the trusts under the Trust Deed
<b>development loans</b>	:	S\$150.0 million out of the S\$370.0 million facility from a syndicate of five financial institutions granted to AACI REIT
<b>Directors</b>	:	The directors of the Manager
<b>Distribution Reinvestment Plan</b>	:	Distribution reinvestment plan of AACI REIT implemented on 20 April 2012
<b>DPU</b>	:	Distribution per Unit
<b>EEA</b>	:	European Economic Area
<b>Electronic Application</b>	:	Acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Units under the Rights Issue made through an ATM of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement
<b>Eligible Unitholders</b>	:	Unitholders with Units standing to the credit of their Securities Account and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, and such Unitholders who the Manager, on behalf of AACI REIT, in consultation with the Joint Bookrunners and Underwriters determine, may be offered Rights Units without breaching applicable securities laws
<b>EPU</b>	:	Earnings per Unit

<b>Excess Rights Units</b>	:	The Rights Units represented by the provisional allotments (A) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the Rights Entitlements trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders which have not been sold during the Rights Entitlements trading period prescribed by the SGX-ST or (B) that have not been validly taken up by the original allottees, renouncees of the provisional allotments or the purchasers of the Rights Entitlements
<b>Existing Portfolio</b>	:	The portfolio of properties currently held by AACI REIT, consisting of 25 properties in Singapore (27 Penjuru Lane Singapore, 8 & 10 Pandan Crescent, 10 Changi South Lane, 11 Changi South Street 3, 61 Yishun Industrial Park A, 103 Defu Lane 10, 7 Clementi Loop, 15 Tai Seng Drive, 1 Bukit Batok Street 22, 20 Gul Way, 3 Tuas Ave 2, 8 & 10 Tuas Ave 20, 8 Senoko South Road, 10 Soon Lee Road, 26 Tuas Avenue 7, 1 Kallang Way 2A, 135 Joo Seng Road, 541 Yishun Industrial Park A, 2 Ang Mo Kio 65, 3 Toh Tuck Link, 30 & 32 Tuas West Road, 23 Tai Seng Drive, 56 Serangoon North Avenue 4, 1A International Business Park, 29 Woodlands Industrial Park E1) and a 49.0% interest in one property in Australia (Optus Centre, Sydney, Australia)
<b>Financial Statements</b>	:	The FY2011 Audited Financial Statements, the FY2012 Audited Financial Statements, the FY2013 Audited Financial Statements, the YTD FY2013 Unaudited Financial Statements and the YTD FY2014 Unaudited Financial Statements
<b>Foreign Purchasers</b>	:	Persons whose registered addresses with CDP are outside Singapore and who purchase the Rights Entitlements through the book-entry (scripless) settlement system
<b>FSMA</b>	:	Financial Services and Markets Act 2000
<b>FY2011</b>	:	The financial year ended 31 March 2011
<b>FY2012</b>	:	The financial year ended 31 March 2012
<b>FY2013</b>	:	The financial year ended 31 March 2013
<b>FY2011 Audited Financial Statements</b>	:	The audited financial statements of the Group for FY2011
<b>FY2012 Audited Financial Statements</b>	:	The audited financial statements of the Group for FY2012
<b>FY2013 Audited Financial Statements</b>	:	The audited financial statements of the Group for FY2013

<b>General Mandate</b>	:	The general mandate that was given by the Unitholders to the Manager for the issue of new Units, pursuant to an ordinary resolution obtained at an annual general meeting of Unitholders held on 25 July 2013
<b>Group</b>	:	AACI REIT and its subsidiaries
<b>HDB</b>	:	Housing and Development Board
<b>HDB Lease</b>	:	A lease from the Housing and Development Board
<b>Hong Kong</b>	:	Hong Kong Special Administrative Region of the People's Republic of China
<b>Ineligible Unitholders</b>	:	Unitholders who are not Eligible Unitholders
<b>IPO Prospectus</b>	:	AACI REIT's prospectus dated 12 April 2007 in connection with the listing of AACI REIT on the SGX-ST
<b>IRAS</b>	:	Inland Revenue Authority of Singapore
<b>Joint Bookrunners and Underwriters</b>	:	Standard Chartered, Macquarie and Religare
<b>Joint Global Lead Coordinators</b>	:	Standard Chartered and Macquarie
<b>JTC</b>	:	JTC Corporation
<b>JTC Lease</b>	:	A lease from JTC
<b>Latest Practicable Date</b>	:	17 February 2014, being the latest practicable date prior to the lodgement of this Offer Information Statement with the Authority
<b>Listing Date</b>	:	The date on which AACI REIT was listed on the Main Board of the SGX-ST, being 19 April 2007
<b>Listing Manual</b>	:	The Listing Manual of the SGX-ST
<b>Macquarie</b>	:	Macquarie Capital Securities (Singapore) Pte. Limited
<b>Manager</b>	:	AIMS AMP Capital Industrial REIT Management Limited, as manager of AACI REIT
<b>Market Day</b>	:	A day on which the SGX-ST is open for trading in securities
<b>MIT</b>	:	Managed investment trust
<b>MTI</b>	:	Ministry of Trade and Industry

<b>MTN Programme</b>	:	S\$500,000,000 Multicurrency Medium Term Note Programme established by AACI REIT on 25 July 2012 and that in connection therewith, Standard Chartered Bank and United Overseas Bank Limited have been appointed to act as the arrangers and the dealers
<b>NAV</b>	:	Net asset value
<b>New Loan</b>	:	The new five-year debt facility of A\$110,655,000 (S\$122.9 million) provided by Australia and New Zealand Banking Group Limited and Commonwealth Bank of Australia pursuant to the Syndicated Facility Agreement in connection with the Recent Acquisition
<b>Notes</b>	:	Medium term notes issued under the MTN Programme
<b>Offer Information Statement</b>	:	This offer information statement to Unitholders dated 24 February 2014
<b>Optus Centre</b>	:	The property located at 1-5 Lyonpark Road, Macquarie Park, New South Wales 2113, Australia
<b>Order</b>	:	Financial Services and Markets Act 2000 (Financial Promotion) Order 2005
<b>Participating Banks</b>	:	The banks as set out in <b>Appendix D</b>
<b>Property Funds Appendix</b>	:	The Property Funds Appendix in Appendix 6 of the Code on Collective Investment Schemes issued by the MAS, as may be amended or supplemented from time to time
<b>Property Manager</b>	:	AIMS AMP Capital Property Management Pte. Ltd.
<b>Prospectus</b>	:	As defined in the Prospectus Directive
<b>Prospectus Directive</b>	:	Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State (and amendments thereto including the 2010 PD Amending Directive to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State
<b>Purchasers</b>	:	Persons purchasing the Rights Entitlements
<b>Recent Acquisition</b>	:	The acquisition of a 49.0% interest in Optus Centre by the Group
<b>Regulation S</b>	:	Regulation S under the Securities Act
<b>REIT</b>	:	Real estate investment trust

<b>Relevant Member State</b>	:	Member state of the EEA which has implemented the Prospectus Directive
<b>relevant persons</b>	:	Refers to (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Order or (iii) persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc.”) of the Order
<b>Religare</b>	:	Religare Capital Markets (Singapore) Pte. Limited
<b>Rental Income</b>	:	Refers to net rental income, after rent rebates and provisions for rent free periods
<b>Rights Entitlements</b>	:	The “nil-paid” provisional allotments of Rights Units to Eligible Unitholders under the Rights Issue
<b>Rights Issue</b>	:	The issue of new Units on an underwritten and renounceable basis to Eligible Unitholders on a basis of the Rights Ratio at the Rights Issue Price
<b>Rights Issue Books Closure Date</b>	:	5.00 p.m. on 24 February 2014 being the time and date on which the Transfer Books and Register of Unitholders are closed to determine the Rights Entitlements of Eligible Unitholders under the Rights Issue
<b>Rights Issue Price</b>	:	S\$1.08 being the issue price per Rights Unit
<b>Rights Ratio</b>	:	The rights ratio of seven (7) Rights Units for every forty (40) existing Units standing to the credit of an Eligible Unitholders’ Securities Account as at the Rights Issue Books Closure Date
<b>Rights Units</b>	:	The new Units to be issued by the Manager pursuant to the Rights Issue
<b>Securities Account</b>	:	A securities account maintained by a Depositor with CDP (but do not include securities sub-accounts)
<b>Securities Act</b>	:	U.S. Securities Act of 1933, as amended
<b>SFA</b>	:	Securities and Futures Act, Chapter 289 of Singapore
<b>SFO</b>	:	Securities and Futures Ordinance of Hong Kong (Cap. 571)
<b>SGX-ST</b>	:	Singapore Exchange Securities Trading Limited
<b>SOR</b>	:	Singapore Dollar Swap Offer Rate
<b>SRS</b>	:	Supplementary Retirement Scheme
<b>Standard Chartered</b>	:	Standard Chartered Securities (Singapore) Pte. Limited



<b>State Lease</b>	:	A lease from the President of the Republic of Singapore
<b>Substantial Unitholders</b>	:	Unitholders with interests in not less than 5.0% of all Units in issue
<b>Syndicated Facility Agreement</b>	:	The A\$110,655,000 syndicated facility agreement entered into with Australia and New Zealand Banking Group Limited and Commonwealth Bank of Australia on 7 February 2014 in connection with the Recent Acquisition
<b>Tax Ruling</b>	:	The tax ruling dated 13 November 2006 issued by the IRAS on the taxation of AACI REIT and its Unitholders
<b>Taxable Income</b>	:	Income chargeable to tax after deduction of the allowable expenses incurred and the tax depreciation claimed on assets used in the generation of income, if any
<b>TERP</b>	:	<p>The theoretical ex-rights price which is calculated as follows:</p> $\text{TERP} = \frac{\begin{array}{c} \text{Market capitalisation of AACI REIT} \\ \text{based on the Closing Price} + \\ \text{Gross proceeds from the Rights Issue} \end{array}}{\text{Units outstanding after the Rights Issue}^1}$
<b>Trust Deed</b>	:	The trust deed dated 5 December 2006 constituting AACI REIT, as amended and/or supplemented by a supplemental deed of appointment and retirement of trustee dated 8 March 2007 (under which HSBC Institutional Trust Services (Singapore) Limited replaced MacarthurCook Property Investment Pte. Ltd. as trustee of AACI REIT), a first amending and restating deed dated 8 March 2007 and a supplemental deed dated 31 May 2010
<b>Trustee</b>	:	HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of AACI REIT
<b>Underwriting Agreement</b>	:	The management and underwriting agreement entered into between the Manager and the Joint Bookrunners and Underwriters on 14 February 2014
<b>Underwriting Commission</b>	:	The underwriting commission of 2.15% of the Rights Issue Price multiplied by the total number of Rights Units less the number of Commitment Rights Units (which is equivalent to approximately S\$1.8 million), together with any goods and services tax payable thereon
<b>Unit</b>	:	A unit representing an undivided interest in AACI REIT
<b>Unitholders</b>	:	A Depositor whose securities account with CDP is credited with Units

---

<sup>1</sup> For the avoidance of doubt, Units outstanding after the Rights Issue comprise only the existing Units and the Rights Units.

<b>Unit Consolidation</b>	:	Unit consolidation involving the consolidation of every five (5) existing units AACI REIT held by Unitholders
<b>Unit Registrar</b>	:	Boardroom Corporate & Advisory Services Pte. Ltd.
<b>Unit Share Market</b>	:	Ready market of the SGX-ST for trading of odd lots of Units with a minimum size of one Unit
<b>U.S. or United States</b>	:	United States of America
<b>Works</b>	:	Further development works of 20 Gul Way Phase 2E and Three and redevelopment of 103 Defu Lane 10
<b>YTD FY2013</b>	:	The nine-month financial period ended 31 December 2012
<b>YTD FY2014</b>	:	The nine-month financial period ended 31 December 2013
<b>YTD FY2013 Unaudited Financial Statements</b>	:	The unaudited financial statements of the Group for YTD FY2013
<b>YTD FY2014 Unaudited Financial Statements</b>	:	The unaudited financial statements of the Group for YTD FY2014
<b>A\$ and AUD</b>	:	Australian dollar
<b>JPY</b>	:	Japanese Yen
<b>S\$, SGD and cents</b>	:	Singapore dollars and cents
<b>%</b>	:	Per centum or percentage

For the purpose of this Offer Information Statement, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

The terms “Depositor” and “Depository Agent” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act, Chapter 50 of Singapore.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to dates and to a time of day in this Offer Information Statement shall be a reference to Singapore dates and time unless otherwise stated.

**Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Figures and percentages are rounded to an appropriate number of decimal places, where applicable.**

*This page has been intentionally left blank.*

**CERTAIN FINANCIAL INFORMATION RELATING TO AACI REIT**

Selected financial data from the FY2011 Audited Financial Statements, the FY2012 Audited Financial Statements, the FY2013 Audited Financial Statements, the YTD FY2013 Unaudited Financial Statements and the YTD FY2014 Unaudited Financial Statements including the line items in the statements of total return and distribution statements, consolidated balance sheets and cash flow statements of the Group, are set out in this Appendix. Financial data relating to (i) DPU, (ii) EPU, (iii) NAV per Unit, (iv) EPU and NAV per Unit, adjusted for the Rights Issue, (v) EPU and NAV per Unit, adjusted for the Recent Acquisition and (vi) EPU and NAV per Unit, adjusted for the Recent Acquisition and the Rights Issue are also set out below.

Such selected financial data should be read together with the relevant notes to the Financial Statements, where applicable, which are available for inspection during normal business hours at the registered office of the Manager at 1 George Street, #23-03 One George Street, Singapore 049145, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement<sup>1</sup>.

---

<sup>1</sup> Prior appointment with the Manager will be appreciated.

## Statement of Total Return

	Unaudited YTD FY2014	Unaudited YTD FY2013	Audited FY2013 <sup>(1)</sup>	Audited FY2012 <sup>(1)</sup>	Audited FY2011 <sup>(1)</sup>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Gross revenue . . . . .	78,767	68,272	92,082	83,983	73,245
Property operating expenses . . . . .	(26,132)	(23,892)	(32,186)	(24,912)	(20,263)
<b>Net property income . . . . .</b>	<b>52,635</b>	<b>44,380</b>	<b>59,896</b>	<b>59,071</b>	<b>52,982</b>
Interest and other income . . . . .	16	9	11	28	164
Foreign exchange loss . . . . .	(368)	—	—	—	—
Borrowing costs . . . . .	(9,358)	(10,286)	(14,137)	(11,026)	(18,309)
Manager's management fees . . . . .	(4,190)	(3,667)	(6,017)	(6,328)	(3,751)
Other trust expenses . . . . .	(1,239)	(861)	(1,238)	(1,493)	(1,245)
Non-property expenses . . . . .	(14,787)	(14,814)	(21,392)	(18,847)	(23,305)
<b>Net income . . . . .</b>	<b>37,496</b>	<b>29,575</b>	<b>38,515</b>	<b>40,252</b>	<b>29,841</b>
Net change in fair value of financial derivatives . . . . .	2,568	(1,710)	(1,571)	(429)	(829)
Net change in fair value of investment properties and investment properties under development . . . . .	16,822	35,657	40,794	35,827	19,725
Gain/(loss) on liquidation of a subsidiary . . . . .	—	1,411	1,411	(172)	—
Gain on termination of financial derivatives . . . . .	—	—	—	—	446
Gain on divestment of investment properties . . . . .	—	—	—	—	396
<b>Total return before income tax . . . . .</b>	<b>56,886</b>	<b>64,933</b>	<b>79,149</b>	<b>75,478</b>	<b>49,579</b>
Income tax expense . . . . .	— <sup>(2)</sup>	—	— <sup>(2)</sup>	—	—
<b>Total return after income tax . . . . .</b>	<b>56,886</b>	<b>64,933</b>	<b>79,149</b>	<b>75,478</b>	<b>49,579</b>
Non-controlling interests . . . . .	—	—	—	—	50
<b>Total return after income tax and non-controlling interests . . . . .</b>	<b>56,886</b>	<b>64,933</b>	<b>79,149</b>	<b>75,478</b>	<b>49,629</b>

### Notes:

- (1) Comparative figures in FY2011, FY2012 and FY2013 were reclassified to align with the current year presentation for consistency.
- (2) Less than S\$1,000.

	Unaudited YTD FY2014	Unaudited YTD FY2013	Audited FY2013	Audited FY2012	Audited FY2011
<b>Earnings per Unit (cents)</b>					
Basic and diluted . . . . .	11.03	14.55	17.70	17.05	13.74 <sup>(1)</sup>
<b>Adjusted Earnings per Unit (cents)<sup>(2)</sup></b>					
Basic and diluted . . . . .	9.35	12.05	14.67	14.10	10.94
<b>Pro Forma Earnings per Unit (as adjusted) (cents)<sup>(3)</sup></b>					
Basic and diluted					
– Before Rights Issue <sup>(4)</sup> . . . . .	10.40	–	17.22	–	–
– After Rights Issue <sup>(4)(5)</sup> . . . . .	9.06	–	14.63	–	–

**Notes:**

- (1) The comparative figures have been restated for the effect of the Unit Consolidation.
- (2) Adjusted earnings per Unit after Rights Issue is shown based on:
  - (i) the weighted average number of Units in issue during the financial year/period under review; and
  - (ii) the assumption that the Rights Issue was completed at the beginning of each such year/period and without taking into account the use of proceeds from the Rights Issue on the earnings of AACI REIT.
- (3) The pro forma financial information as disclosed above is strictly for illustrative purposes.
- (4) Adjusted for the Recent Acquisition.
- (5) Assuming the Rights Issue was completed at the beginning of the year/period and approximately S\$97.2 million of the net proceeds from the Rights Issue are used to reduce certain borrowings with an average interest cost of 2.0% per annum.

## Distribution Statements

	Unaudited YTD FY2014	Unaudited YTD FY2013	Audited FY2013	Audited FY2012	Audited FY2011
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total return after income tax and non-controlling interests . . . . .	56,886	64,933	79,149	75,478	49,629
Net effect of tax adjustments . . . .	(14,813)	(30,586)	(32,434)	(29,148)	(12,162)
Other adjustments . . . . .	120	(1)	(1)	(19)	(263)
<b>Amount available for distribution to the Unitholders from taxable income . . . . .</b>	<b>42,193</b>	<b>34,346</b>	<b>46,714</b>	<b>46,311</b>	<b>37,204</b>
Distribution from capital gain <sup>(1)</sup> . .	—	—	1,348	—	—
<b>Amount available for distribution to the Unitholders . .</b>	<b>42,193</b>	<b>34,346</b>	<b>48,062</b>	<b>46,311</b>	<b>37,204</b>
<b>Distribution per Unit (cents)<sup>(2)</sup> . .</b>	<b>8.02</b>	<b>7.58</b>	<b>10.72</b>	<b>10.45</b>	<b>9.92</b>

### Notes:

- (1) Distribution from capital gain arose from the divestment of 31 Admiralty Road.
- (2) For FY2011 and FY2012, the number of Units used to compute DPU was adjusted for the effect of the Unit Consolidation.



## Consolidated Balance Sheets

	Unaudited as at 31 December 2013	Audited as at 31 March 2013
	S\$'000	S\$'000
<b>Non-current assets</b>		
Investment properties . . . . .	1,071,947	971,040
Investment properties under development . . . . .	56,580	73,945
Trade and other receivables . . . . .	3,730	–
Derivative financial instruments . . . . .	258	–
Plant and equipment . . . . .	32	71
	<b>1,132,547</b>	<b>1,045,056</b>
<b>Current assets</b>		
Trade and other receivables . . . . .	17,623	8,217
Cash at banks and in hand . . . . .	9,008	2,975
	<b>26,631</b>	<b>11,192</b>
<b>Total assets . . . . .</b>	<b>1,159,178</b>	<b>1,056,248</b>
<b>Current liabilities</b>		
Trade and other payables . . . . .	38,489	19,659
Derivative financial instruments . . . . .	103	534
	<b>38,592</b>	<b>20,193</b>
<b>Non-current liabilities</b>		
Rental deposits . . . . .	5,621	7,276
Trade and other payables . . . . .	6,738	3,481
Interest-bearing borrowings . . . . .	304,687	356,860
Derivative financial instruments . . . . .	882	3,102
	<b>317,928</b>	<b>370,719</b>
<b>Total liabilities . . . . .</b>	<b>356,520</b>	<b>390,912</b>
<b>Net assets . . . . .</b>	<b>802,658</b>	<b>665,336</b>
Represented by:		
Unitholders' funds . . . . .	<b>802,658</b>	<b>665,336</b>
<b>Units in issue ('000) . . . . .</b>	<b>527,868</b>	<b>449,399</b>
<b>Units in issue and to be issued ('000) . . . . .</b>	<b>528,643</b>	<b>450,890</b>
<b>Adjusted Units in issue and to be issued ('000)<sup>(1)</sup> . . . . .</b>	<b>621,156</b>	<b>543,403</b>
<b>NAV per Unit (S\$) . . . . .</b>	<b>1.518</b>	<b>1.476</b>
<b>Adjusted NAV per Unit (S\$)<sup>(1)</sup> . . . . .</b>	<b>1.449</b>	<b>1.403</b>
<b>Pro Forma NAV per Unit (as adjusted) (S\$)<sup>(2)</sup> . . . . .</b>		
– Before Rights Issue <sup>(3)</sup> . . . . .	1.512	1.469
– After Rights Issue <sup>(4)</sup> . . . . .	1.443	1.397

### Notes:

- (1) Adjusted for the issuance of the Rights Units only.
- (2) The pro forma NAV per Unit as disclosed above is strictly for illustrative purposes.
- (3) Adjusted for the Recent Acquisition only.
- (4) Adjusted for the Recent Acquisition and the issuance of the Rights Units.

## Consolidated Cash Flow Statements

	Unaudited YTD FY2014	Audited FY 2013
	S\$'000	S\$'000
<b>Cash flow from operating activities</b>		
Total return before income tax . . . . .	56,886	79,149
<b>Adjustments for:</b>		
Borrowing costs . . . . .	9,358	14,137
Manager's management fees in Units . . . . .	2,188	3,625
Foreign exchange loss . . . . .	368	—
Gain on liquidation of a subsidiary . . . . .	—	(1,411)
Net change in fair value of financial derivatives . . . . .	(2,568)	1,571
Net change in fair value of investment properties and investment properties under development . . . . .	(16,822)	(40,794)
Depreciation . . . . .	39	55
<b>Operating income before working capital changes . . . . .</b>	<b>49,449</b>	<b>56,332</b>
<b>Changes in working capital</b>		
Rental deposits . . . . .	1,234	2,647
Trade and other receivables . . . . .	217	(2,442)
Trade and other payables . . . . .	(101)	3,877
<b>Cash generated from operating activities . . . . .</b>	<b>50,799</b>	<b>60,414</b>
<b>Cash flows from investing activities</b>		
Capital expenditure on investment properties and investment properties under development . . . . .	(45,937)	(99,094)
Refundable deposit paid <sup>(1)</sup> . . . . .	(10,711)	—
Proceeds from divestment of investment properties . . . . .	—	15,938
Purchase of plant and equipment . . . . .	—	(76)
<b>Cash flows from investing activities . . . . .</b>	<b>(56,648)</b>	<b>(83,232)</b>
<b>Cash flows from financing activities</b>		
Borrowing costs paid . . . . .	(9,777)	(12,963)
Distributions to Unitholders . . . . .	(33,670)	(42,222)
Proceeds from interest-bearing borrowings . . . . .	48,124	251,013
Repayment of interest-bearing borrowings . . . . .	(100,000)	(173,600)
Proceeds from placements . . . . .	110,000	—
Issue expenses paid . . . . .	(2,795)	(15)
<b>Net cash from financing activities . . . . .</b>	<b>11,882</b>	<b>22,213</b>
<b>Net increase/(decrease) in cash at banks and in hand . . . . .</b>	<b>6,033</b>	<b>(605)</b>
<b>Cash at banks and in hand at beginning of the period/year . . . . .</b>	<b>2,975</b>	<b>3,580</b>
<b>Cash at banks and in hand at end of the period/year . . . . .</b>	<b>9,008</b>	<b>2,975</b>

### Note:

(1) The refundable deposit paid was in relation to the Recent Acquisition.

## PROCEDURES FOR ACCEPTANCE, PAYMENT, RENUNCIATION AND EXCESS APPLICATION BY ELIGIBLE UNITHOLDERS

### 1. INTRODUCTION

- 1.1 Eligible Unitholders are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank shall, where the Eligible Unitholder is a Depository Agent, be taken to include an application made via the SGX-SSH Service.

- 1.2 The Rights Entitlements are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Trust Deed and the instructions in the ARE.

The number of Rights Units provisionally allotted to each Eligible Unitholder is indicated in the ARE (fractional entitlements (if any) having been disregarded). The Securities Accounts of Eligible Unitholders have been credited by CDP with the Rights Entitlements as indicated in the ARE. Eligible Unitholders may accept their Rights Entitlements in whole or in part and are eligible to apply for Rights Units in excess of their provisional allotments under the Rights Issue. Full instructions for the acceptance of and payment for the Rights Entitlements and payment for Excess Rights Units are set out in the Offer Information Statement as well as the ARE.

- 1.3 If an Eligible Unitholder wishes to accept his Rights Entitlements specified in the ARE, in full or in part, and (if applicable) apply for Excess Rights Units, he may do so by way of an Electronic Application or by completing and signing the relevant sections of the ARE. An Eligible Unitholder should ensure that the ARE is accurately completed and signed, failing which the acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Units may be rejected.

For and on behalf of the Manager, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the "Free Balance" of an Eligible Unitholder's Securities Account is not credited with, or is credited with less than the relevant number of Rights Units accepted as at the last time and date for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the ARE or the Offer Information Statement, at CDP's absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank) or **BY MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST**, as the case may be, (in each case) **AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

**AN ELIGIBLE UNITHOLDER MAY ACCEPT HIS RIGHTS ENTITLEMENTS SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS UNITS EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN**

**ATM OF A PARTICIPATING BANK. WHERE AN ELIGIBLE UNITHOLDER IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SSH SERVICE.**

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS and/or any other application form for the Right Shares and/or Excess Rights Units in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS and/or any other application form for the Rights Units and/or Excess Rights Units in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Manager and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Manager and CDP shall be entitled to process each application submitted for the acceptance of the Rights Entitlements, and where applicable, application for Excess Rights Units in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Eligible Unitholder, on its own, without regard to any other application and payment that may be submitted by the same Eligible Unitholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for Excess Rights Units.

- 1.4 **Persons who have previously bought their Units under the CPF Investment Scheme – Ordinary Account (collectively, “CPFIS Members”) can only use, subject to applicable CPF rules and regulations, their CPF account savings (“CPF Funds”) for the payment of the Rights Issue Price to accept their provisional allotments of Rights Entitlements and (if applicable) apply for excess Rights Units. CPFIS Members who wish to accept their provisional allotments of Rights Entitlements and (if applicable) apply for excess Rights Units using CPF Funds will need to instruct their respective approved banks, where such CPFIS Members hold their CPF Investment Accounts, to accept the Rights Entitlements and (if applicable) apply for the excess Rights Units on their behalf in accordance with this Offer Information Statement. In the case of insufficient CPF Funds or stock limit, CPFIS Members could top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept the Rights Entitlements and (if applicable) apply for excess Rights Units. Any acceptance and (if applicable) application made directly to CDP, Electronic Applications at ATMs of the Participating Banks, the Unit Registrar and/or the Manager will be rejected. CPF Funds cannot, however, be used for the purchase of provisional allotments of Rights Entitlements directly from the market.**

SRS investors who had purchased Units using their SRS Accounts and who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts. Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf. Such Unitholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and/or apply for Excess Rights Units. SRS

investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application made directly through CDP, Electronic Applications at ATMs of the Participating Banks, the Unit Registrar and/or the Manager will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the Rights Entitlements directly from the market.

- 1.5 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Eligible Unitholders or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B, of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

## **2. MODE OF ACCEPTANCE AND APPLICATION**

### **2.1 Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank**

Instructions for Electronic Applications through ATMs to accept the Rights Units provisionally allotted or (if applicable) to apply for Excess Rights Units will appear on the ATM screens of the respective Participating Banks. Please refer to Appendix C of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

**IF AN ELIGIBLE UNITHOLDER MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ELIGIBLE UNITHOLDER WHO HAS ACCEPTED THE RIGHTS UNITS PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS UNITS BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE MANAGER AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE MANAGER AND/OR CDP MAY, IN THEIR/ITS ABSOLUTE DISCRETION, DEEM FIT.**

### **2.2 Acceptance/Application through CDP**

If the Eligible Unitholder wishes to accept the Rights Entitlements and (if applicable) apply for Excess Rights Units through CDP, he must:

- (a) complete and sign the ARE. In particular, he must state in Part (A) of Section (II) of the ARE the number of Rights Units provisionally allotted to him which he wishes to accept, in Part (B) of Section (II) of the ARE the number of Excess Rights Units applied for and in Section (II) of the ARE the respective and total amounts to be made payable to **“CDP – AACI REIT RIGHTS ISSUE ACCOUNT”**; and

(b) deliver the duly completed and originally signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Units accepted and (if applicable) Excess Rights Units applied for:

- (i) by hand to **AIMS AMP CAPITAL INDUSTRIAL REIT MANAGEMENT LIMITED, AS MANAGER OF AACI REIT C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 4 SHENTON WAY, #02-01, SGX CENTRE 2, SINGAPORE 068807**; or
- (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **AIMS AMP CAPITAL INDUSTRIAL REIT MANAGEMENT LIMITED, AS MANAGER OF AACI REIT C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**,

in each case so as to arrive not later than **5.00 P.M. ON 13 MARCH 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

The payment for the relevant number of Rights Units accepted and (if applicable) Excess Rights Units applied for at the Rights Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to **"CDP – AACI REIT RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** with the name and Securities Account number of the Eligible Unitholder clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

**NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

**FOR SRS INVESTORS AND INVESTORS WHO HOLD UNITS THROUGH FINANCE COMPANIES OR DEPOSITORY AGENTS, ACCEPTANCES OF THE RIGHTS ENTITLEMENTS AND (IF APPLICABLE) APPLICATIONS FOR EXCESS RIGHTS UNITS MUST BE DONE THROUGH THE RELEVANT APPROVED BANKS IN WHICH THEY HOLD THEIR SRS ACCOUNTS AND THE RESPECTIVE FINANCE COMPANIES OR DEPOSITORY AGENTS, RESPECTIVELY. SUCH INVESTORS ARE ADVISED TO PROVIDE THEIR RESPECTIVE BANKS IN WHICH THEY HOLD THEIR SRS ACCOUNTS, FINANCE COMPANIES OR DEPOSITORY AGENTS, AS THE CASE MAY BE, WITH THE APPROPRIATE INSTRUCTIONS NO LATER THAN THE DEADLINES SET BY THEM IN ORDER FOR SUCH INTERMEDIARIES TO MAKE THE RELEVANT ACCEPTANCE AND (IF APPLICABLE) APPLICATION ON THEIR BEHALF BY THE CLOSING DATE. ANY ACCEPTANCE AND/OR APPLICATION MADE DIRECTLY THROUGH CDP, ELECTRONIC APPLICATIONS AT ATMS OF PARTICIPATING BANKS, THE UNIT REGISTRAR AND/OR THE MANAGER WILL BE REJECTED.**

**WHERE AN ELIGIBLE UNITHOLDER IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE VIA THE SGX-SSH SERVICE.**

### **2.3 Acceptance through the SGX-SSH Service (for Depository Agents only)**

Depository Agents may accept the Rights Entitlements and (if applicable) apply for Excess Rights Units through the SGX-SSH service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Manager to receive acceptances and (if applicable) applications on its behalf. Such



acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and the Offer Information Statement as if the ARE had been completed and submitted to CDP.

## **2.4 Insufficient Payment**

If no remittance is attached or the remittance attached is less than the full amount payable for the Rights Entitlements accepted by the Eligible Unitholder and (if applicable) the Excess Rights Units applied for by the Eligible Unitholder; the attention of the Eligible Unitholder is drawn to paragraphs 1.3 and 5.2 of this Appendix B which set out the circumstances and manner in which the Manager and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Manager's behalf whether under the ARE, the ARS or any other application form for Rights Units in relation to the Rights Issue.

## **2.5 Acceptance of Part of Rights Entitlements and Trading of Rights Entitlements**

An Eligible Unitholder may choose to accept his Rights Entitlements specified in the ARE in full or in part. If an Eligible Unitholder wishes to accept part of his Rights Entitlements and trade the balance of his Rights Entitlements on the SGX-ST, he should:

- (a) complete and sign the ARE for the number of Rights Units provisionally allotted which he wishes to accept and submit the duly completed and originally signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or
- (b) accept and subscribe for that part of his Rights Entitlements by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his Rights Entitlements may be sold as soon as dealings therein commence on the SGX-ST.

Eligible Unitholders who wish to trade all or part of their Rights Entitlements on the SGX-ST during the provisional allotment trading period should note that the Rights Entitlements will be tradable in board lots, each board lot comprising provisional allotments of 1,000 Rights Entitlements or 25 Rights Entitlements, or any other board lot size which the SGX-ST may require. Such Eligible Unitholders may start trading in their Rights Entitlements as soon as dealings therein commence on the SGX-ST. Eligible Unitholders who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

## **2.6 Sale of Rights Entitlements**

The ARE need not be forwarded to the purchasers of the Rights Entitlements ("**Purchasers**") as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Manager, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the Rights Entitlements may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.00 p.m. on 13 MARCH 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).



This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are not in Singapore (**“Foreign Purchasers”**). Foreign Purchasers who wish to accept the Rights Entitlements credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

**PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH RIGHTS ENTITLEMENTS ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS UNITS REPRESENTED BY THE RIGHTS ENTITLEMENTS PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE RIGHTS ENTITLEMENTS ON THEIR BEHALF.**

## **2.7 Renunciation of Rights Entitlements**

Eligible Unitholders who wish to renounce in full or in part their Rights Entitlements in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of Rights Entitlements which they wish to renounce. Such renunciation shall be made in accordance with the “Terms and Conditions for Operations of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three Market Days to effect such renunciation, Eligible Unitholders who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Manager, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his Rights Entitlements. The last time and date for acceptance of the Rights Entitlements and payment for the Rights Units by the renounee is **5.00 p.m. on 13 MARCH 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

## **2.8 Acceptance/Application using CPF Funds**

Unitholders participating under the CPFIS – Ordinary Account must use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their Rights Entitlements and (if applicable) application for Excess Rights Units, if they have previously bought their Units using their CPF Funds.

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using CPF Funds must have sufficient funds in their CPF Investment Accounts and must instruct their respective approved banks, where such Unitholders hold their CPF Investment Accounts, to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.

Such Unitholders who have insufficient funds in their CPF Investment Accounts may deposit cash into their CPF Investment Accounts with their approved banks to enable them to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. CPF Funds may not, however, be used for the purchase of the Rights Entitlements directly from the market.

**Any acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units made by the above-mentioned Unitholders directly through CDP, Electronic Applications at ATMs of the Participating Banks, the Unit Registrar and/or the Manager will be rejected.**

## 2.9 Acceptance/Application using SRS Funds

**Unitholders with SRS Accounts must use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS Accounts to pay for the acceptance of their Rights Entitlements and (if applicable) application for Excess Rights Units.**

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using SRS monies will need to instruct the relevant approved banks in which they hold their SRS Accounts (“**SRS Banks**”) to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf and make sure that they have sufficient funds in their SRS Accounts to pay for the number of Rights Units (including, if applicable, the Excess Rights Units) for which they intend to subscribe. They may also partially accept their Rights Entitlements and/or instruct their respective brokers to sell their Rights Entitlements held under their SRS Accounts during the Rights Entitlements trading period on the SGX-ST.

Unitholders who have insufficient funds in their SRS Accounts to fully accept their Rights Entitlements and/or apply for Excess Rights Units and who have:

- (a) **not reached their SRS contribution cap** may, subject to the SRS contribution cap, deposit cash into their SRS Accounts and (i) instruct their respective SRS Banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf, to the extent of the funds available in their SRS Accounts, and/or (ii) to the extent that there are insufficient funds in their SRS Accounts after the said deposit to fully accept their Rights Entitlements, instruct their respective brokers to sell their Rights Entitlements during the Rights Entitlements trading period on the SGX-ST.
- (b) **reached their SRS contribution cap** may instruct their respective SRS Banks to (i) accept their Rights Entitlements and (if applicable) apply for Excess Rights Units to the extent of the funds available in their SRS Accounts, and/or (ii) to the extent that there are insufficient funds in their SRS Accounts to fully accept their Rights Entitlements, instruct their respective brokers to sell their Rights Entitlements during the Rights Entitlements trading period on the SGX-ST.

If a Unitholder instructs the relevant SRS Bank to subscribe for Rights Units and (if applicable) apply for Excess Rights Units offered under the Rights Issue and he does not have sufficient funds in his SRS Account to pay for the number of Rights Units which he intends to subscribe, his acceptance of Rights Entitlements under the Rights Issue and, if applicable, application for Excess Rights Units will be made in part to the extent of the funds available in his SRS Account with the balance rejected.

**SRS monies may not be used for the purchase of Rights Entitlements directly from the market.**

**Any acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units made by the above-mentioned Unitholders directly through CDP, Electronic Applications at ATMs of the Participating Banks, the Unit Registrar and/or the Manager will be rejected.**

## **2.10 Acceptance/Application via Finance Company and/or Depository Agent**

Unitholders who hold Units through a finance company and/or Depository Agent must instruct the relevant finance company and/or Depository Agent to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.

**Any acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units made by the above-mentioned Unitholders directly through CDP, Electronic Applications at ATMs of Participating Banks, the Unit Registrar and/or the Manager will be rejected.**

## **2.11 Return of Surplus Application Monies**

In the case of applications for Excess Rights Units, if no Excess Rights Units are allotted to an Eligible Unitholder or if the number of Excess Rights Units allotted to an Eligible Unitholder is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to the Eligible Unitholder without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date, at the Eligible Unitholder's own risk by any one or a combination of the following: (i) by crediting the Eligible Unitholder's bank account with the relevant Participating Bank if the Eligible Unitholder accepts and (if applicable) applies through an ATM of a Participating Bank, the receipt by such bank being a good discharge to the Manager and CDP of their obligations, if any, thereunder; or (ii) by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent **BY ORDINARY POST AT THE ELIGIBLE UNITHOLDER'S OWN RISK** to the Eligible Unitholder's mailing address as recorded with CDP or in such other manner as the Eligible Unitholder may have agreed with CDP for the payment of any cash distributions, if the Eligible Unitholder accepts and (if applicable) applies through CDP.

## **3. COMBINATION APPLICATION**

In the event that the Eligible Unitholder or the Purchaser accepts his Rights Entitlements by way of the ARE and/or the ARS and/or has applied for Excess Rights Units by way of the ARE and also by way of Electronic Application(s), the Manager and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Eligible Unitholder or the Purchaser shall be regarded as having irrevocably authorised the Manager and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Units provisionally allotted to him and/or application for Excess Rights Units (including an Electronic Application(s)) in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit.

#### 4. ILLUSTRATIVE EXAMPLES

As an illustration, if an Eligible Unitholder has 10,000 Units standing to the credit of his Securities Account as at the Books Closure Date, the Eligible Unitholder will be provisionally allotted 1,750 Rights Units as set out in his ARE. The Eligible Unitholder's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

##### Alternatives

- (a) Accept his entire provisional allotment of 1,750 Rights Units and (if applicable) apply for Excess Rights Units.

##### Procedures to be taken

- (1) Accept his entire provisional allotment of 1,750 Rights Units and (if applicable) apply for Excess Rights Units by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 13 MARCH 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or
- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 1,750 Rights Units and (if applicable) the number of Excess Rights Units applied for and forward the original signed ARE together with a single remittance for S\$1,890.00 (or, if applicable, such higher amount in respect of the total number of Rights Units accepted and Excess Rights Units applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to **"CDP – AACI REIT RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** for the full amount due on acceptance and (if applicable) application, by hand to **AIMS AMP CAPITAL INDUSTRIAL REIT MANAGEMENT LIMITED, AS MANAGER OF AACI REIT C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 4 SHENTON WAY, #02-01, SGX CENTRE 2, SINGAPORE 068807** or by post, at his own risk, in the self-addressed envelope provided to **AIMS AMP CAPITAL INDUSTRIAL REIT MANAGEMENT LIMITED, AS MANAGER OF AACI REIT C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 13 MARCH 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager) and with the name and Securities Account number of the Eligible Unitholder clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

## Alternatives

## Procedures to be taken

**NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

- (b) Accept a portion of his Rights Entitlements, for example 1,000 of his 1,750 provisionally allotted Rights Units, not apply for Excess Rights Units and trade the balance on the SGX-ST.

- (1) Accept 1,000 of his provisional allotment of 1,750 Rights Units by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than 9.30 p.m. on **13 MARCH 2014**; or
- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of 1,000 of his provisional allotment of 1,750 Rights Units, and forward the original signed ARE, together with a single remittance for S\$1,080.00, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than 5.00 p.m. on **13 MARCH 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

The balance of the provisional allotment of 750 Rights Units which is not accepted by the Eligible Unitholder may be traded on the SGX-ST during the provisional allotment trading period. Eligible Unitholders should note that the Rights Entitlements would be tradable in the ready market, each board lot comprising provisional allotments size of 1,000 Rights Entitlements or 25 Rights Entitlements or any other board lot size which the SGX-ST may require.

- (c) Accept a portion of his Rights Entitlements, for example 1,000 of his 1,750 provisionally allotted Rights Units, and reject the balance.

- (1) Accept 1,000 of his provisional allotment of 1,750 Rights Units by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than 9.30 p.m. on **13 MARCH 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or

## Alternatives

## Procedures to be taken

- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of 1,000 of his provisional allotment of 1,750 Rights Units and forward the original signed ARE, together with a single remittance for S\$1,080.00, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 p.m. on 13 MARCH 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

The balance of the provisional allotment of 750 Rights Units which is not accepted by the Eligible Unitholder will automatically lapse and cease to be available for acceptance by that Eligible Unitholder if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 13 MARCH 2014** or if an acceptance is not made through CDP by **5.00 p.m. on 13 MARCH 2014**.

## 5. TIMING AND OTHER IMPORTANT INFORMATION

### 5.1 Timing

**THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS UNITS IN RELATION TO THE RIGHTS ISSUE IS:**

- (A) **9.30 P.M. ON 13 MARCH 2014 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE MANAGER) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS UNITS IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; AND**
- (B) **5.00 P.M. ON 13 MARCH 2014 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE MANAGER) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS UNITS IS MADE THROUGH CDP OR SGX-SSH SERVICE.**

If acceptance and payment for the Rights Units in the prescribed manner as set out in the ARE or the ARS (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank by **9.30 p.m. on 13 MARCH 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager) or through CDP by **5.00 p.m. on 13 MARCH 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager) from any Eligible Unitholder or Purchaser, the Rights Entitlements shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All moneys received in connection therewith will be returned by CDP for and on behalf of the Manager to the Eligible Unitholders or the Purchasers, as the case may be, without interest or any share of



revenue or other benefit arising therefrom, by ordinary post **AT THE ELIGIBLE UNITHOLDER'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as maintained in the records of CDP.

**IF AN ELIGIBLE UNITHOLDER OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

## **5.2 Appropriation**

Without prejudice to paragraph 1.3 of this Appendix B, an Eligible Unitholder should note that:

- (a) by accepting his Rights Entitlements and/or applying for Excess Rights Units, he acknowledges that, in the case where:
  - (i) the amount of remittance payable to the Manager in respect of his acceptance of the Rights Units provisionally allotted to him and (if applicable) in respect of his application for Excess Rights Units as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Units in relation to the Rights Issue differs from the amount actually received by CDP; or
  - (ii) the amounts as stated in Parts (A) and (B) of Section (II) in the ARE, the ARS and/or in any other application form for Rights Units in relation to the Rights Issue differs from the amount received by CDP, or otherwise payable by him in respect of his acceptance of the Rights Units provisionally allotted to him and (if applicable) in respect of his application for the Excess Rights Units,

the Manager and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Manager's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Units in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Units provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for Excess Rights Units. The determination and appropriation by the Manager and CDP shall be conclusive and binding;

- (b) if the Eligible Unitholder has attached a remittance to the ARE, the ARS and/or any other application form for Rights Units in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Manager and CDP, in applying the amounts payable for his acceptance of the Rights Units and (if applicable) his application for Excess Rights Units, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Units in relation to the Rights Issue made through CDP; and
- (c) in the event that the Eligible Unitholder accepts the Rights Units provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for Excess Rights Units by way of the ARE and also by way of Electronic Application(s), the Manager and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Eligible Unitholder shall be deemed as having irrevocably authorised the Manager and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other



acceptance and/or application for Excess Rights Units (including Electronic Application(s)) in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit.

### 5.3 Availability of Excess Rights Units

The Excess Rights Units available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Trust Deed. Applications for Excess Rights Units will, at the Directors' absolute discretion, be satisfied from such Rights Units as are not validly taken up by the Eligible Unitholders, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the Rights Entitlements together with the aggregated fractional entitlements to the Rights Units, any unsold "nil-paid" Rights Entitlements (if any) of Ineligible Unitholders and any Rights Units that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Manager for more Excess Rights Units than are available, the Excess Rights Units available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of AACI REIT. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the allotment of Excess Rights Units, preference will be given to the rounding of odd lots, and the Directors and Substantial Unitholders who have control or influence over AACI REIT in connection with the day-to-day affairs of AACI REIT or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of Excess Rights Units. The Manager reserves the right to refuse any application for Excess Rights Units, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Units allotted to an Eligible Unitholder is less than the number of Excess Rights Units applied for, the Eligible Unitholder shall be deemed to have accepted the number of Excess Rights Units actually allotted to him.

If no Excess Rights Units are allotted or if the number of Excess Rights Units allotted is less than that applied for, the amount paid on application or the surplus application moneys, as the case may be, will be refunded to such Eligible Unitholders, without interest or any share of revenue or other benefit arising therefrom, within 14 days after the Closing Date, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for Excess Rights Units by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Manager and CDP of their obligations, if any, thereunder, or by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST AT THEIR OWN RISK** to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had applied for Excess Rights Units through CDP).

### 5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the Rights Entitlements is made by the Eligible Unitholders or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Units is effected by **9.30 p.m. on 13 MARCH 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or
- (b) the duly completed and originally signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Units accepted and (if applicable) Excess Rights Units applied for at the Rights Issue Price, made in

Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – AACI REIT RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Eligible Unitholders or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's order or Banker's Draft is submitted by hand to **AIMS AMP CAPITAL INDUSTRIAL REIT MANAGEMENT LIMITED, AS MANAGER OF AACI REIT C/O THE CENTRAL DEPOSITORY (PTE) LIMITED**, at **4 SHENTON WAY, #02-01, SGX CENTRE 2, SINGAPORE 068807** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **AIMS AMP CAPITAL INDUSTRIAL REIT MANAGEMENT LIMITED, AS MANAGER OF AACI REIT C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 13 MARCH 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or

- (c) acceptance is made by a Depository Agent via the SGX-SSH Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent(s) for the Rights Units is effected by **5.00 p.m. on 13 MARCH 2014** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager),

the Rights Entitlements will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All moneys received in connection therewith will be returned to the Eligible Unitholders or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the **ELIGIBLE UNITHOLDER'S OR PURCHASERS' OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP.

**ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.**

## **5.5 Confirmation Note**

A confirmation note confirming the date of issue and the number of Rights Units will be issued by the Manager or the agent appointed by the Manager to CDP. Upon the crediting of the Rights Units and Excess Rights Units, CDP will send to you, **BY ORDINARY POST AND AT YOUR OWN RISK**, a notification letter showing the number of Rights Units and Excess Rights Units credited to your Securities Account.

## **5.6 General**

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Units provisionally allotted and credited to your Securities Account. You can verify the number of Rights Units provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access or through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your telephone pin (T-Pin). Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Rights Units provisionally allotted and credited to your Securities Account.

It is your responsibility to ensure that the ARE and/or ARS is accurately completed in all respects and signed. The Manager and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions

contained herein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Manager accepts any responsibility or liability for the consequences of such a decision.

**EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE RIGHTS ENTITLEMENTS AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS RIGHTS UNITS IS IRREVOCABLE.**

No acknowledgement will be given for any submissions sent by post, deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. You can check the status of your acceptance of the Rights Entitlements and (if applicable) your application for Excess Rights Units through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your T-Pin.

#### **CDP Phone User Guide**

1. Dial (65) 6535-7511
2. Press '1' for English; Press '2' Mandarin
3. Press '3' for 'Corporate Actions Announcement and Transactions'
4. Press '2' for your rights application status
5. Enter your 12 digit CDP securities account number
6. Enter your 6 digit telephone pin

All communications, notices, documents and remittances to be delivered or sent to you will be sent by **ORDINARY POST** to your mailing address as maintained in the records of CDP, and **AT YOUR OWN RISK**.

*This page has been intentionally left blank.*

## ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS

The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Banks (the **“Electronic Application Steps”**). Please read carefully the terms and conditions set out in this Offer Information Statement, the instructions set out on the ATM screens of the relevant Participating Banks and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept Rights Units and (if applicable) apply for Excess Rights Units at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

**Unitholders who have subscribed for or purchased Units under the CPFIS and/or the SRS or through a finance company and/or Depository Agent can only accept their Rights Entitlements and (if applicable) apply for Excess Rights Units by instructing the respective approved banks in which they hold their CPFIS accounts and/or SRS accounts, finance company and/or Depository Agent to do so on their behalf. ANY APPLICATION MADE BY THE ABOVE-MENTIONED UNITHOLDERS DIRECTLY THROUGH CDP OR THROUGH ATMS WILL BE REJECTED.** Such Unitholders who have insufficient funds in their CPF Investment Accounts or SRS accounts may deposit cash into their CPF Investment Accounts or SRS accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. CPF Funds or SRS monies may not, however, be used for the purchase of the Rights Entitlements directly from the market. Such Unitholders, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved bank, finance company and/or Depository Agent.

**All references to “Rights Issue” and “Rights Application” on the ATM screens of the Participating Banks shall mean the offer of Rights Units under the Rights Issue and the acceptance of Rights Entitlements and (if applicable) the application for Excess Rights Units, respectively. All references to “Document” on the ATM screens of the Participating Banks shall mean this Offer Information Statement.**

Any reference to the “Applicant” in the terms and conditions for Electronic Applications and the Electronic Application Steps shall mean the Eligible Unitholder or the Purchaser who accepts his Rights Entitlements and (if applicable) applies for Excess Rights Units through an ATM of a Participating Bank. An Applicant must have an existing bank account with and be an ATM cardholder of one of the Participating Banks before he can make an Electronic Application at the ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks.

Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (the **“Transaction Slip”**), confirming the details of his Electronic Application. The Transaction Slip is for retention by the Applicant and should not be submitted with any ARE and/or ARS.

**An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units liable to be rejected.**

The Electronic Applications shall be made on, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

- (1) In connection with his Electronic Application, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
  - (a) that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of his Rights Units and (if applicable) application for Excess Rights Units under the Rights Issue prior to effecting the Electronic Application and agrees to be bound by the same; and
  - (b) that he authorises CDP to give, provide, divulge, disclose or reveal information from his account with the relevant Participating Bank, including, without limitation, his name(s), his NRIC number(s) or passport number(s), Securities Account number(s), address(es), the number of Units standing to the credit of his Securities Account, the number of Rights Entitlements allotted to him, his acceptance and (if applicable) application for Excess Rights Units and any other information (the “**Relevant Particulars**”) to the Manager, the Joint Bookrunners and Underwriters and any other relevant parties (the “**Relevant Parties**”) as CDP may deem fit for the purpose of the Rights Issue and his acceptance and (if applicable) application.

His acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units will not be successfully completed and cannot be recorded as a complete transaction in the ATM unless he presses the “Enter” or “OK” or “Confirm” or “Yes” key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

- (2) An Applicant may make an Electronic Application using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.
- (3) The Applicant irrevocably agrees and undertakes to subscribe for and accept up to the aggregate of the number of Rights Entitlements allotted and Excess Rights Units applied for as stated on the Transaction Slip or the number of Rights Units standing to the credit of the “Free Balance” of his Securities Account as at the Closing Date. In the event that the Manager decides to allot any lesser number of Excess Rights Units or not to allot any number of Excess Rights Units to the Applicant, the Applicant agrees to accept the decision as conclusive and binding.
- (4) If the Applicant’s Electronic Application is successful, his confirmation (by his action of pressing the “Enter” or “OK” or “Confirm” or “Yes” key on the ATM) of the number of Rights Entitlements accepted and (if applicable) Excess Rights Units applied for shall signify and shall be treated as his acceptance of the number of Rights Units that may be allotted to him and (if applicable) his application for Excess Rights Units.
- (5) In the event that an Applicant accepts his Rights Entitlements and (if applicable) applies for Excess Rights Units both by way of an ARE and through an Electronic Application, the Manager and/or CDP shall be authorised and entitled to accept the instructions of the Applicant in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of Rights Units which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions

to accept such number of Rights Units not exceeding the number of Rights Entitlements, which are standing to the credit of "Free Balance" of the Applicant's Securities Account as at the Closing Date. If applicable, in determining the number of Excess Rights Units which the Applicant has validly given instructions to apply for, the Applicant shall be deemed to have irrevocably given instructions to apply for such number of Excess Rights Units not exceeding the aggregate number of Excess Rights Units for which the Applicant has applied for by way of an ARE, and through an Electronic Application. The Manager and/or CDP, in determining the number of Rights Entitlements and (if applicable) the number of Excess Rights Units in which the Applicant has given valid instructions for acceptance of and (if applicable) application for, as the case may be, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Entitlements and (if applicable) the application for Excess Rights Units, as the case may be, whether by way of Cashier's Order or Banker's Draft or by way of Electronic Application, which the Applicant has authorised or deemed to have authorised, to be applied towards the payment in respect of the Applicant's acceptance and/or application.

- (6) The Applicant irrevocably requests and authorises the Manager to:
  - (a) register, or procure the registration of the Rights Units allotted to the Applicant in the name of CDP for deposit into his Securities Account; and
  - (b) return (without interest or any share of revenue or other benefit arising therefrom) the full amount or, as the case may be, the balance of the acceptance and/or application monies, should his Electronic Application in respect of the Rights Units accepted and (if applicable) Excess Rights Units applied for, as the case may be, not be accepted or, as the case may be, be accepted in part only by or on behalf of the Manager for any reason, by automatically crediting the Applicant's bank account with the relevant Participating Bank with the relevant amount within 14 days after the Closing Date.
- (7) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING THE RIGHTS ENTITLEMENTS OR APPLYING FOR EXCESS RIGHTS UNITS AS A NOMINEE OF ANY OTHER PERSON.**
- (8) The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Joint Bookrunners and Underwriters and/or the Manager) and any events whatsoever beyond the control of CDP, the Participating Banks, the Joint Bookrunners and Underwriters and/or the Manager and if, in any such event, CDP, the Participating Banks, the Joint Bookrunners and Underwriters and/or the Manager do not record or receive the Applicant's Electronic Application by 9.30 p.m. on the Closing Date, or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Joint Bookrunners and Underwriters and/or the Manager for any purported acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Units, or for any compensation, loss or damage in connection therewith or in relation thereto.
- (9) Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays (excluding public holidays) between **7.00 a.m. and 9.30 p.m.**
- (10) Electronic Applications shall close at **9.30 p.m. on 13 March 2014** or such other time as the Manager (in consultation with the Joint Bookrunners and Underwriters) may, in its absolute discretion, deem fit in the interests of AACI REIT.



- (11) All particulars of the Applicant in the records of the relevant Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify the relevant Participating Bank.
- (12) The Applicant must have sufficient funds in his bank account(s) with the relevant Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made at the ATMs of Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
- (13) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance and/or application monies will be refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within 14 days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance and/or application monies will be refunded on the same terms.
- (14) In consideration of the Manager arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 13 March 2014** or such other time or date as the Manager may (in consultation with the Joint Bookrunners and Underwriters), in its absolute discretion, decide, and by making and completing an Electronic Application, the Applicant agrees that:
- (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document is lodged with the Authority);
  - (b) his Electronic Application, the acceptance thereof by the Manager and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the non-exclusive jurisdiction of the Singapore courts;
  - (c) none of the Manager, the Joint Bookrunners and Underwriters nor the Participating Banks shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Manager or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 8 above or to any cause beyond their respective control;
  - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units;
  - (e) in respect of the Rights Entitlements and (if applicable) the Excess Rights Units for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Manager and not otherwise, notwithstanding any payment received by or on behalf of the Manager; and

- (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application, a person who is not party to any contracts made pursuant to this Offer Information Statement or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained in this Offer Information Statement or the Electronic Application, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- (15) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Bank are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondences will be sent to his address last registered with CDP.
- (16) The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Manager will reject any application by any person acting as nominee.
- (17) In the event that the Applicant accepts the Rights Entitlements, by way of the ARE, the ARS, and/or by way of Electronic Application through ATMs of Participating Banks, the Rights Units and/or Excess Rights Units will be allotted in such manner as the Manager and/or CDP may, in their/its absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be refunded, without interest or any share of revenue or other benefit arising therefrom, within 14 days after the Closing Date by any one or a combination of the following:
- (a) by means of a crossed cheque in Singapore currency sent by ORDINARY POST at his own risk to his mailing address as maintained with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions if he accepts and (if applicable) applies through CDP; and
  - (b) by crediting the Applicant's bank account with the Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank a good discharge to the Manager and CDP of their obligations, if any, thereunder.
- (18) The Applicant hereby acknowledges that, in determining the total number of Rights Entitlements which the Applicant can validly accept, the Manager and CDP are entitled and the Applicant hereby authorises the Manager and CDP to take into consideration:
- (a) the total number of Rights Entitlements which the Applicant has validly accepted, whether by way of an ARE or any other form of application (including an Electronic Application) for the Rights Units; and
  - (b) the total number of Rights Entitlements allotted to the Applicant and standing to the credit of the "Free Balance" of his Securities Account which is available for acceptance.

The Applicant hereby acknowledges that CDP's and the Manager's determination shall be conclusive and binding on him.

- (19) The Applicant irrevocably requests and authorises CDP to accept instructions from the relevant Participating Bank through whom the Electronic Application is made in respect of the Rights Entitlements accepted by the Applicant and (if applicable) the Excess Rights Units which the Applicant has applied for, and such instructions shall be binding and conclusive on the Applicant.
- (20) With regard to any acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS and/or any other application form for the Rights Units in relation to the Rights Issue, or which does not comply with the instructions for Electronic Application, or where the "Free Balance" of the Applicant's Securities Account is credited with less than the relevant number of Rights Units subscribed for as at the Closing Date, or in the case of an application by the ARE, the ARS and/or any other application form for the Rights Units in relation to the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Manager and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such application and payment or otherwise process all remittances at any time after receipt in such manner as it deems fit.
- (21) The Manager and CDP shall be entitled to process each application submitted for the acceptance of Rights Entitlements, and (if applicable) application of Excess Rights Units in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application on its own, without regard to any other application and payment that may be submitted by the Applicant. For the avoidance of doubt, insufficient payment for an application submitted for the acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Units may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application.

**LIST OF PARTICIPATING BANKS**

- DBS Bank Ltd (including POSB)
- Oversea-Chinese Banking Corporation Limited
- United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited

*This page has been intentionally left blank.*

*This page has been intentionally left blank.*

