



# VIVA iTRUST

## VIVA INDUSTRIAL TRUST

**CIRCULAR DATED 23 OCTOBER 2015  
THIS CIRCULAR IS IMPORTANT AND  
REQUIRES YOUR IMMEDIATE ATTENTION.**



Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) takes no responsibility for the accuracy of any statements or opinions made, or reports contained, in this circular dated 23 October 2015 (“**Circular**”). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

In the event that the Equity Fund Raising (as defined herein) is carried out, an application will be made to the SGX-ST for the proposed issue and listing and quotation of the New Stapled Securities (as defined herein) in respect of the Equity Fund Raising on the Main Board of the SGX-ST.

If you have sold or transferred all your stapled securities in Viva Industrial Trust (a stapled group comprising Viva Industrial Real Estate Investment Trust (“**VI-REIT**”) and Viva Industrial Business Trust (“**VI-BT**”)) (“**VIT**”), and the stapled securities in VIT, the “**Stapled Securities**”), you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form in this Circular, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities (including without limitation, the Stapled Securities) in the United States. This Circular is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia), Canada or Japan. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold in the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. No public offering of securities is being made in the United States.

*Standard Chartered Securities (Singapore) Pte. Limited, Merrill Lynch (Singapore) Pte. Ltd. and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch were the Joint Global Coordinators and Issue Managers for the initial public offering and listing of VIT (the “**Offering**”). Standard Chartered Securities (Singapore) Pte. Limited, Merrill Lynch (Singapore) Pte. Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, CIMB Securities (Singapore) Pte. Ltd., Maybank Kim Eng Securities Pte. Ltd. and Credit Suisse (Singapore) Limited were the Joint Bookrunners and Underwriters for the Offering.*

**Comprising:**

### **VIVA INDUSTRIAL REAL ESTATE INVESTMENT TRUST**

(a real estate investment trust constituted on 23 August 2013 under the laws of the Republic of Singapore)

managed by  
**Viva Industrial Trust Management Pte. Ltd.**

### **VIVA INDUSTRIAL BUSINESS TRUST**

(a business trust constituted on 14 October 2013 under the laws of the Republic of Singapore)

managed by  
**Viva Asset Management Pte. Ltd.**

**Sole Financial Adviser, Lead Manager and Placement Agent for the Equity Fund Raising**



### **CIRCULAR TO STAPLED SECURITYHOLDERS IN RELATION TO:**

- (1) THE PROPOSED EQUITY FUND RAISING; AND**
- (2) THE PROPOSED CHANGE OF AUDITORS.**

#### **IMPORTANT DATES AND TIMES FOR STAPLED SECURITYHOLDERS**

Last date and time for lodgement of Proxy Forms	Saturday, 14 November 2015 at 2.00 p.m.
Date and time of Extraordinary General Meeting	Monday, 16 November 2015 at 2.00 p.m.
Place of Extraordinary General Meeting	750E Chai Chee Road #03-01 Technopark@Chai Chee Singapore 469005



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## CORPORATE INFORMATION

<b>Directors of the Managers (as defined herein)</b>	:	Dr Leong Horn Kee (Chairman and Independent Non-Executive Director) Mr Ang Poh Seong (Chief Executive Officer and Executive Director) Dr Choong Chow Siong (Independent Non-Executive Director) Mr Teo Cheng Hiang Richard (Independent Non-Executive Director) Mr Ronald Lim Cheng Aun (Independent Non-Executive Director) Mr Tan Kim Seng (Non-Executive Director) Mr Tan Hai Peng Micheal (Non-Executive Director)
<b>Registered Office of the Managers</b>	:	750 Chai Chee Road #04-03 Technopark@Chai Chee Singapore 469000
<b>Trustee of VI-REIT (the “REIT Trustee”)</b>	:	The Trust Company (Asia) Limited 8 Marina Boulevard #05-02 Marina Bay Financial Centre Singapore 018981
<b>Sole Financial Adviser, Lead Manager and Placement Agent for the Equity Fund Raising</b>	:	Oversea-Chinese Banking Corporation Limited 63 Chulia Street #10-00 Singapore 049514
<b>Legal Adviser to the Managers as to Singapore Law</b>	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
<b>Legal Adviser to the Sole Financial Adviser, Lead Manager and Placement Agent for the Equity Fund Raising as to Singapore Law</b>	:	Baker & McKenzie.Wong & Leow 8 Marina Boulevard #05-01 Marina Bay Financial Centre Tower 1 Singapore 018981
<b>Stapled Security Registrar and Stapled Security Transfer Office</b>	:	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place Singapore Land Tower #32-01 Singapore 048623

## OVERVIEW

*The following overview is qualified in its entirety by, and should be read in conjunction with, the full text of this Circular. Meanings of defined terms may be found in the Glossary on pages 31 to 35 of this Circular.*

*Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.*

### OVERVIEW OF VIVA INDUSTRIAL TRUST

VIT is a stapled group comprising VI-REIT and VI-BT. The units in VI-REIT and VI-BT are stapled together under the terms of a stapling deed dated 14 October 2013 and entered into between the REIT Manager, the REIT Trustee and the Trustee-Manager (the “**Stapling Deed**”) and cannot be traded separately.

#### VI-REIT and VI-BT

VI-REIT is a Singapore-based real estate investment trust (“**REIT**”) and VI-BT is a Singapore-based business trust which as at 16 October 2015, being the latest practicable date prior to the printing of this Circular (the “**Latest Practicable Date**”), has been dormant since 4 November 2013 (being the date on which VIT was listed on the Main Board of the SGX-ST (the “**Listing Date**”)).

VI-REIT is established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate which is used predominantly for business park and other industrial purposes, whether wholly or partially, in Singapore and elsewhere in the Asia-Pacific region, as well as real estate-related assets in connection with the foregoing.

As at the Latest Practicable Date, VIT had a market capitalisation of approximately S\$532.8 million and owns (i) UE BizHub EAST, (ii) Technopark@Chai Chee (“**TPCC**”), (iii) Mauser Singapore, (iv) Jackson Square and (v) Jackson Design Hub (collectively, the “**Existing Properties**”).

### SUMMARY OF APPROVALS SOUGHT

Viva Industrial Trust Management Pte. Ltd., as manager of VI-REIT (the “**REIT Manager**”) and Viva Asset Management Pte. Ltd., as trustee-manager of VI-BT (the “**Trustee-Manager**”, and together with the REIT Manager, the “**Managers**”) are convening an extraordinary general meeting (the “**Extraordinary General Meeting**”) of the stapled securityholders of VIT (the “**Stapled Securityholders**”) to seek the Stapled Securityholders’ approval for the following resolutions:

#### RESOLUTION 1: The proposed Equity Fund Raising (Ordinary Resolution)

The Managers are seeking the approval of Stapled Securityholders for the proposed issue of up to 160,819,000 new Stapled Securities (the “**New Stapled Securities**”) (representing approximately 22.8% of the existing number of issued Stapled Securities as at the Latest Practicable Date) to raise gross proceeds of up to S\$110.0 million (the “**Equity Fund Raising**”).

The Managers intend to utilise the net proceeds of the Equity Fund Raising to partially fund the Total Acquisition Cost (as defined herein) of the Tai Seng Acquisition, the Ubi Acquisition and the Pioneer Acquisition (each as defined herein) of approximately S\$191.0 million, with the balance, if any, to be used to partially fund the asset enhancement initiatives (“**AEI**”) at TPCC.

(See paragraph 2 of the Letter to Stapled Securityholders for further details.)

#### **RESOLUTION 2: The proposed Change of Auditors (Ordinary Resolution)**

The Managers are seeking the approval of Stapled Securityholders for the proposed change of auditors of VIT from KPMG LLP (“**KPMG**”) to Deloitte & Touche LLP (“**Deloitte**”, and the change of auditors from KPMG to Deloitte, the “**Change of Auditors**”).

#### **THE ACQUISITIONS**

##### **The Tai Seng Acquisition and the Ubi Acquisition**

On 29 July 2015, the Managers had announced (the “**Tai Seng and Ubi Announcement**”) the entry by the REIT Trustee into:

- (a) a put and call option agreement (the “**Home-Fix Option Agreement**”) with Home-Fix D.I.Y. Pte Ltd (“**Home-Fix**”) dated 28 July 2015 in relation to the acquisition of the property located at 19 Tai Seng Avenue, Singapore 534054 (the “**Tai Seng Property**”) and the mechanical and electrical equipment therein (the “**Tai Seng Acquisition**”); and
- (b) an option agreement (the “**Meiban Option Agreement**”) with Meiban Investment Pte Ltd (“**Meiban**”) dated 28 July 2015 in relation to the acquisition of the property located at 11 Ubi Road 1, Singapore 408723 (the “**Ubi Property**”) and the mechanical and electrical equipment therein (the “**Ubi Acquisition**”).

(See paragraph 4 of the Letter to Stapled Securityholders for further details.)

##### **The Pioneer Acquisition**

On 28 August 2015, the Managers had announced (the “**Pioneer Announcement**”, and together with the Tai Seng and Ubi Announcement, the “**Announcements**”) the entry by the REIT Trustee into a put and call option agreement dated 28 August 2015 (the “**GKE Option Agreement**”) with GKE Warehousing & Logistics Pte Ltd (“**GKE**”, and collectively with Home-Fix and Meiban, the “**Vendors**”) in relation to the acquisition of the property located at 30 Pioneer Road, Singapore 628502 (the “**Pioneer Property**”, and collectively with the Tai Seng Property and the Ubi Property, the “**Acquisition Properties**”) and the mechanical and electrical equipment therein (the “**Pioneer Acquisition**”, and collectively with the Tai Seng Acquisition and the Ubi Acquisition, the “**Acquisitions**”).



## Total Acquisition Cost

As stated by the Managers in the Announcements, the total acquisition cost for the Acquisitions (comprising the Tai Seng Acquisition, the Ubi Acquisition and the Pioneer Acquisition) is approximately S\$191.0 million<sup>1</sup> (the “**Total Acquisition Cost**”) and will be funded by a combination of debt and equity financing.

(See paragraph 4.3 of the Letter to Stapled Securityholders for further details on the Total Acquisition Cost.)

The final decision regarding the proportion of equity and debt financing to be employed for the purposes of funding the Total Acquisition Cost will be made by the Managers, in consultation with the Sole Financial Adviser, Lead Manager and Placement Agent for the Equity Fund Raising (as defined herein), at the appropriate time taking into account the then prevailing market conditions and interest rate environment, availability of alternative funding options, the impact on VIT’s capital structure, distribution per Stapled Security (“**DPS**”) and debt expiry profile and the covenants and requirements associated with each financing option.

## RESOLUTION 1: THE PROPOSED EQUITY FUND RAISING (ORDINARY RESOLUTION)

The Managers are seeking the approval of Stapled Securityholders for the proposed issue of up to 160,819,000 New Stapled Securities (representing approximately 22.8% of the existing number of issued Stapled Securities as at the Latest Practicable Date) under the Equity Fund Raising to raise gross proceeds of up to S\$110.0 million.

The Managers intend to utilise the net proceeds of the Equity Fund Raising to partially fund the Total Acquisition Cost of approximately S\$191.0 million with the balance, if any, to be used to partially fund the AEI at TPCC.

The structure and timing of the Equity Fund Raising have not been determined. If and when the Managers decide to undertake the Equity Fund Raising, the Equity Fund Raising may (at the Managers’ absolute discretion) comprise:

- (i) a private placement of New Stapled Securities to institutional and other investors (which may include one or more of the Vendors) (the “**Private Placement**”); and/or
- (ii) a non-renounceable preferential offering of New Stapled Securities to the existing Stapled Securityholders on a *pro rata* basis (the “**Preferential Offering**”),

which the Managers deem appropriate in the circumstances and after having considered the then prevailing market conditions.

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1 Comprising:

- (a) the purchase consideration for the Acquisition Properties of S\$167.7 million;
- (b) the upfront land premium and stamp duty payable of approximately S\$21.3 million;
- (c) the acquisition fee payable to the REIT Manager for the acquisition of the Acquisition Properties in accordance with the REIT Trust Deed (as defined herein) of approximately S\$1.7 million (being 1.0% of the purchase consideration for the Acquisition Properties); and
- (d) the estimated professional and other transaction fees and expenses incurred or to be incurred by VI-REIT in connection with the acquisition of the Acquisition Properties (inclusive of due diligence costs and costs incurred in relation to the valuation reports) of approximately S\$0.3 million.

The structure and time schedule of the Equity Fund Raising and the issue price of New Stapled Securities (the “**Issue Price**”) will be determined in accordance with, among others, Chapter 8 of the Listing Manual of the SGX-ST (“**Listing Manual**”). The Issue Price for New Stapled Securities under the Private Placement and/or Preferential Offering will comply with Rules 811(1) and 811(5) of the Listing Manual, and will not be at more than 10.0% discount to the volume weighted average price (“**VWAP**”) for trades done on the SGX-ST for the full market day on which the placement agreement is signed, or (if trading in the Stapled Securities is not available for a full market day) for the preceding market day up to the time the placement agreement is signed, excluding (where applicable) declared distributions provided that the holders of the New Stapled Securities are not entitled to the declared distributions.

In the event that the Equity Fund Raising comprises a Private Placement and a Preferential Offering, the Issue Price of New Stapled Securities pursuant to the Private Placement may differ from the Issue Price of New Stapled Securities pursuant to the Preferential Offering.

Oversea-Chinese Banking Corporation Limited has been appointed as the sole financial adviser, lead manager and placement agent in respect of the Equity Fund Raising (the “**Sole Financial Adviser, Lead Manager and Placement Agent**”). The Managers will work together with the Sole Financial Adviser, Lead Manager and Placement Agent to determine the structure and timing of the Equity Fund Raising and the Issue Price in order to determine the most appropriate structure and launch timing of the Equity Fund Raising so as to ensure its success, having regard to market conditions and other factors that the Managers and the Sole Financial Adviser, Lead Manager and Placement Agent may consider relevant.

The Managers will announce details of the Equity Fund Raising via SGXNET at the appropriate time.

The Managers intend to utilise the net proceeds of the Equity Fund Raising to partially fund the Total Acquisition Cost of approximately S\$191.0 million, with the balance, if any, to be used to partially fund the AEI at TPCC. Further details pertaining to the use of proceeds of the Equity Fund Raising (including details on the percentage allocation for each use) will be announced at the appropriate time.

For the avoidance of doubt, in the event for any reason, any of the Tai Seng Acquisition, Ubi Acquisition and/or Pioneer Acquisition does not proceed to completion, the Managers may, at their absolute discretion, continue undertaking the Equity Fund Raising to fund the acquisition cost of the respective Acquisitions which will be completed and in such circumstance, the Managers may reduce the size of the Equity Fund Raising accordingly.

Notwithstanding their current intention, the Managers may, subject to relevant laws and regulations, utilise the net proceeds of the Equity Fund Raising at their absolute discretion for other purposes, including without limitation, the repayment of existing indebtedness.

As the details of the Equity Fund Raising have not been finalised, the Managers have not made any application to the SGX-ST for the listing of and quotation for the New Stapled Securities.

(See paragraph 2 of the Letter to Stapled Securityholders for further details.)

### **Consequential Adjustment to Distribution Period and Status of the New Stapled Securities**

VIT’s policy is to distribute its distributable income on a quarterly basis to Stapled Securityholders<sup>1</sup>.

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<sup>1</sup> The total distributions available to the Stapled Securityholders are an aggregate of the distributions from VI-REIT and VI-BT. VI-BT is currently dormant and will not make any distributions for so long as it remains dormant.



However, when the Managers decide to carry out the Equity Fund Raising, the Managers may decide to make adjustments to the distribution period which may include, among others, a cumulative distribution or an advanced distribution, or such other plans to ensure fairness to holders of the Stapled Securities in issue on the day immediately prior to the date on which the New Stapled Securities are issued under the Private Placement and/or Preferential Offering (as the case may be) (the “**Existing Stapled Securities**”).

In the event that the Managers undertake a Preferential Offering, the Managers may decide that the New Stapled Securities issued in connection with the Preferential Offering will, upon issue and allotment, rank *pari passu* in all respects with the Existing Stapled Securities, including the right to any distributions which may accrue prior to the issuance of the New Stapled Securities issued under the Preferential Offering.

Further details pertaining to any adjustments to the distribution period, if any, and the status of the New Stapled Securities issued pursuant to the Equity Fund Raising will be announced at the appropriate time.

(See paragraph 2.6 of the Letter to Stapled Securityholders for further details.)

#### **Requirement for Stapled Securityholders’ Approval**

The Managers are seeking the approval of Stapled Securityholders for the proposed issue of up to 160,819,000 New Stapled Securities (representing approximately 22.8% of the existing number of issued Stapled Securities as at the Latest Practicable Date) under the Equity Fund Raising pursuant to Rule 805(1) of the Listing Manual.

(See paragraph 2.9 of the Letter to Stapled Securityholders for further details.)

#### **COMMITMENT BY TONG JINQUAN, HO LEE GROUP TRUST AND CHINA ENTERPRISES LIMITED**

Tong Jinquan<sup>1</sup> has demonstrated his support for the Equity Fund Raising by providing an irrevocable undertaking dated 23 October 2015 (the “**Tong Jinquan Undertaking**”) pursuant to which:

- (a) he has undertaken to vote at the Extraordinary General Meeting in favour of Resolution 1 in relation to the Equity Fund Raising in respect of all his interests in the Stapled Securities; and

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1 As at the date of this Circular, Wealthy Fountain Holdings, Inc (“**WFH**”) directly holds 334,252,000 Stapled Securities, representing approximately 47.37% of the total number of Stapled Securities in issue. WFH is a wholly-owned subsidiary of Shanghai Summit Pte. Ltd. (“**SSPL**”), which is in turn wholly-owned by Tong Jinquan. Therefore, each of Tong Jinquan and SSPL is deemed to be interested in the Stapled Securities held by WFH.

SSPL owns 62.0% equity interest in Maxi Capital Pte. Ltd., which in turn owns 55.55% equity interest in Viva Investment Management Pte. Ltd. (“**VIMPL**”), which in turn owns 90.0% equity interest in the REIT Manager and 100.0% equity interest in Viva Real Estate Asset Management Pte. Ltd. (the “**Property Manager**”). Therefore, each of Tong Jinquan and SSPL is deemed to be interested in the 11,285,074 Stapled Securities held by the REIT Manager and the Property Manager as at the date of this Circular, representing approximately 1.60% of the total number of Stapled Securities in issue.

In addition, as at the date of this Circular, Tong Jinquan himself directly holds 52,890,000 Stapled Securities, representing approximately 7.50% of the total number of Stapled Securities in issue. Taking into account his direct interest in Stapled Securities and his deemed interest (through SSPL) in the Stapled Securities held by WFH, the REIT Manager and the Property Manager, as at the date of this Circular, Tong Jinquan has an aggregate interest in 398,427,074 Stapled Securities, representing approximately 56.46% of the total number of Stapled Securities in issue.

- (b) in the event that the Equity Fund Raising comprises a Preferential Offering, he has undertaken to (i) accept in full his provisional allotment of New Stapled Securities under such Preferential Offering; and (ii) subscribe for New Stapled Securities to the extent that they remain unsubscribed after satisfaction of all applications (if any) for excess New Stapled Securities up to such a sum provided that his total subscription under the Preferential Offering will not exceed S\$61.1 million.

The Trust Company (Asia) Limited, in its capacity as trustee of Ho Lee Group Trust (the “**HLGT Trustee**”)<sup>1</sup> has demonstrated its support for the Equity Fund Raising by providing an irrevocable undertaking dated 23 October 2015 (the “**HLGT Undertaking**”) pursuant to which:

- (a) it has undertaken to vote at the Extraordinary General Meeting in favour of Resolution 1 in relation to the Equity Fund Raising in respect of all its interests in the Stapled Securities; and
- (b) in the event that the Equity Fund Raising comprises a Preferential Offering, HLGT Trustee has undertaken to accept in full its provisional allotment of New Stapled Securities under such Preferential Offering up to such a sum provided that its total subscription under the Preferential Offering will not exceed S\$5.724 million.

China Enterprises Limited (“**CEL**”)<sup>2</sup> has demonstrated its support for the Equity Fund Raising by providing an irrevocable undertaking dated 23 October 2015 (the “**CEL Undertaking**”) pursuant to which:

- (a) it has undertaken to vote at the Extraordinary General Meeting in favour of Resolution 1 in relation to the Equity Fund Raising in respect of all its interests in the Stapled Securities; and
- (b) in the event that the Equity Fund Raising comprises a Preferential Offering, CEL has undertaken to accept in full its provisional allotment of New Stapled Securities under such Preferential Offering up to such a sum provided that its total subscription under the Preferential Offering will not exceed S\$3.180 million.

(See paragraph 3 of the Letter to Stapled Securityholders for further details.)

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1 As at the date of this Circular, HLGT Trustee directly holds 57,699,050 Stapled Securities, representing approximately 8.18% of the total number of Stapled Securities in issue. Each of Tan Thuan Teck, Tan Hai Seng Benjamin, Tan Hai Peng Micheal, Ong Yew Lee, Tan Yong Hiang Priscilla, Seow Whye Pheng, Seow Hwey Min, Seow Whye Teck, Seow Hwey Tiong and Loh Guik Kiang is a beneficiary of Ho Lee Group Trust and is therefore, deemed to be interested in the Stapled Securities held by HLGT Trustee.

In addition, as at the date of this Circular, each of Tan Thuan Teck, Tan Hai Seng Benjamin and Tan Hai Peng Micheal owns not less than 20.0% equity interest in Teck Lee Holdings Pte. Ltd., which in turn owns 81.25% equity interest in Ho Lee Group Pte. Ltd. (“**HLGPL**”). HLGPL owns 27.78% equity interest in VIMPL, which in turn owns 90.0% equity interest in the REIT Manager and 100.0% equity interest in the Property Manager. Therefore, each of Tan Thuan Teck, Tan Hai Seng Benjamin and Tan Hai Peng Micheal is also deemed to be interested in the 11,285,074 Stapled Securities held by the REIT Manager and the Property Manager. In addition, Tan Hai Peng Micheal is currently a director of the Managers.

2 As at the date of this Circular, CEL directly holds 32,051,025 Stapled Securities, representing approximately 4.54% of the total number of Stapled Securities in issue. Each of Tan Kim Seng, Tan Fuh Gih, Tan Hoo Lang and Tan Wei Min owns a 25.0% equity interest in CEL and is therefore deemed to be interested in the Stapled Securities held by CEL. In addition, Tan Kim Seng and his siblings control Kim Seng Holdings Pte. Ltd. (“**KSH**”), which owns 16.67% equity interest in VIMPL, which in turn owns 90.0% equity interest in the REIT Manager and 100.0% equity interest in the Property Manager. In addition, Tan Kim Seng is currently a director of the Managers.

## **RATIONALE FOR THE EQUITY FUND RAISING**

Given the current market conditions and the borrowing limit imposed by MAS on property funds such as VI-REIT, the Managers believe that the Equity Fund Raising is an efficient and beneficial method of raising funds to fund the Acquisitions, and provides VIT with the flexibility to tap the equity markets for funds.

As stated in the Announcements, the benefits of the Acquisitions to VIT and Stapled Securityholders include:

- the Acquisitions are in line with VI-REIT's investment strategy;
- strategic locations of the Tai Seng Property, the Ubi Property and the Pioneer Property;
- portfolio and income diversification and enlarged tenant base; and
- increased portfolio size, weighted average land lease (“**WALL**”) and weighted average lease expiry (“**WALE**”).

(See paragraph 5 of the Letter to Stapled Securityholders for further details.)

## **RESOLUTION 2: THE PROPOSED CHANGE OF AUDITORS (ORDINARY RESOLUTION)**

The Managers are seeking the approval of Stapled Securityholders for the proposed Change of Auditors from KPMG to Deloitte.

The Managers have been requested by SSPL<sup>1</sup> to appoint Deloitte as their auditors and as auditors of VIT in place of KPMG, as it would be more efficient from a reporting perspective for SSPL Group<sup>2</sup> and for VIT to use the same audit firm. The Managers are also of the view that a change in auditors would enable VIT to benefit from a fresh perspective and the views of another professional firm.

Having received such request, the Directors, based on the audit proposal received from Deloitte, have determined that the fees proposed by Deloitte were not higher than those currently charged by KPMG for the same scope of audit. The Managers are therefore proposing the Change of Auditors from KPMG to Deloitte.

(See paragraph 7 of the Letter to Stapled Securityholders for further details.)

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1 SSPL is wholly-owned by Tong Jinqun. SSPL owns 100.0% equity interest in WFH and is therefore, deemed to be interested in the 334,252,000 Stapled Securities held by WFH as at the date of this Circular, representing approximately 47.37% of the existing number of issued Stapled Securities. In addition, SSPL owns 62.0% equity interest in Maxi Capital Pte. Ltd., which in turn owns 55.55% equity interest in VIMPL, which in turn owns 90.0% equity interest in each of the Managers and 100.0% equity interest in the Property Manager. Therefore, SSPL is also deemed to be interested in the 11,285,074 Stapled Securities held by the REIT Manager and the Property Manager as at the date of this Circular, representing approximately 1.60% of the total number of Stapled Securities in issue.

2 “**SSPL Group**” refers to SSPL and its subsidiaries.

## INDICATIVE TIMETABLE

Any changes (including any determination of the relevant dates) to the timetable below will be announced.

Event	Date and Time
Last date and time for lodgement of Proxy Forms	Saturday, 14 November 2015 at 2.00 p.m.
Date and time of the Extraordinary General Meeting	Monday, 16 November 2015 at 2.00 p.m.
<b>If approval for the Equity Fund Raising is obtained from Stapled Securityholders at the Extraordinary General Meeting</b>	
Target date for completion of the Equity Fund Raising	Prior to completion of the Acquisitions (which is expected to be no later than 31 December 2015)

# LETTER TO STAPLED SECURITYHOLDERS



## VIVA INDUSTRIAL TRUST

### Comprising:

#### VIVA INDUSTRIAL REAL ESTATE INVESTMENT TRUST

(a real estate investment trust constituted on  
23 August 2013 under the laws of  
the Republic of Singapore)  
managed by

**Viva Industrial Trust Management Pte. Ltd.**

#### VIVA INDUSTRIAL BUSINESS TRUST

(a business trust constituted on  
14 October 2013 under the laws of  
the Republic of Singapore)  
managed by

**Viva Asset Management Pte. Ltd.**

#### Directors of the Managers

Dr Leong Horn Kee (Chairman and Independent  
Non-Executive Director)  
Mr Ang Poh Seong (Chief Executive Officer and  
Executive Director)  
Dr Choong Chow Siong (Independent  
Non-Executive Director)  
Mr Teo Cheng Hiang Richard (Independent  
Non-Executive Director)  
Mr Ronald Lim Cheng Aun (Independent  
Non-Executive Director)  
Mr Tan Kim Seng (Non-Executive Director)  
Mr Tan Hai Peng Micheal (Non-Executive Director)

#### Registered Office

750 Chai Chee Road  
#04-03 Technopark@Chai Chee  
Singapore 469000

23 October 2015

To: Stapled Securityholders of Viva Industrial Trust

Dear Sir/Madam

### 1. SUMMARY OF APPROVALS SOUGHT

The Managers are convening the Extraordinary General Meeting to seek Stapled Securityholders' approval for the following resolutions:

#### 1.1 Resolution 1: The proposed Equity Fund Raising (Ordinary Resolution)

The Managers are seeking the approval of Stapled Securityholders for the proposed issue of up to 160,819,000 New Stapled Securities (representing approximately 22.8% of the existing number of issued Stapled Securities as at the Latest Practicable Date) under the Equity Fund Raising to raise gross proceeds of up to S\$110.0 million.

#### 1.2 Resolution 2: The proposed Change of Auditors (Ordinary Resolution)

The Managers are seeking the approval of Stapled Securityholders for the proposed Change of Auditors from KPMG to Deloitte.

## **2. RESOLUTION 1: THE PROPOSED EQUITY FUND RAISING (ORDINARY RESOLUTION)**

### **2.1 Introduction**

VIT is a stapled group comprising VI-REIT and VI-BT. The units in VI-REIT and VI-BT are stapled together under the terms of the Stapling Deed and cannot be traded separately.

VI-REIT is a Singapore-based REIT and VI-BT is a Singapore-based business trust which as at the Latest Practicable Date has been dormant since 4 November 2013 (being the Listing Date).

VI-REIT is established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate which is used predominantly for business park and other industrial purposes, whether wholly or partially, in Singapore and elsewhere in the Asia-Pacific region, as well as real estate-related assets in connection with the foregoing.

As at the Latest Practicable Date, VIT had a market capitalisation of approximately S\$532.8 million and owns the Existing Properties comprising (i) UE BizHub EAST, (ii) TPCC, (iii) Mauser Singapore, (iv) Jackson Square and (v) Jackson Design Hub.

On 29 July 2015, the Managers had announced the Tai Seng Acquisition and the Ubi Acquisition. On 28 August 2015, the Managers had announced the Pioneer Acquisition.

### **2.2 Details of the Equity Fund Raising**

The Managers propose to issue up to 160,819,000 New Stapled Securities (representing approximately 22.8% of the existing number of issued Stapled Securities as at the Latest Practicable Date) under the Equity Fund Raising to raise gross proceeds of up to S\$110.0 million.

### **2.3 Method of Funding the Acquisitions**

As stated by the Managers in the Announcements, the Total Acquisition Cost for the Acquisitions (comprising the Tai Seng Acquisition, the Ubi Acquisition and the Pioneer Acquisition) is approximately S\$191.0 million<sup>1</sup> and will be funded by a combination of debt and equity financing.

(See paragraph 4.3 of the Letter to Stapled Securityholders for further details on the Total Acquisition Cost.)

The Managers intend to utilise the net proceeds of the Equity Fund Raising to partially fund the Total Acquisition Cost of approximately S\$191.0 million, with the balance, if any, to be used to partially fund the AEI at TPCC. The balance of the Total Acquisition Cost will be funded by debt.

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<sup>1</sup> Comprising:

- (a) the purchase consideration for the Acquisition Properties of S\$167.7 million;
- (b) the upfront land premium and stamp duty payable of approximately S\$21.3 million;
- (c) the acquisition fee payable to the REIT Manager for the acquisition of the Acquisition Properties in accordance with the REIT Trust Deed of approximately S\$1.7 million (being 1.0% of the purchase consideration for the Acquisition Properties); and
- (d) the estimated professional and other transaction fees and expenses incurred or to be incurred by VI-REIT in connection with the acquisition of the Acquisition Properties (inclusive of due diligence costs and costs incurred in relation to the valuation reports) of approximately S\$0.3 million.



The final decision regarding the proportion of equity and debt financing to be employed for the purposes of funding the Total Acquisition Cost will be made by the Managers, in consultation with the Sole Financial Adviser, Lead Manager and Placement Agent, at the appropriate time taking into account the then prevailing market conditions and interest rate environment, availability of alternative funding options, the impact on VIT's capital structure, DPS and debt expiry profile and the covenants and requirements associated with each financing option.

The illustrative debt and equity funding plan adopted for the purposes of the pro forma financial effects contained in this Circular is based on an illustrative debt funding level of 50.0% of the Total Acquisition Cost. (See paragraph 6.1.2 of the Letter to Stapled Securityholders for further details.) However, the actual debt and equity funding plan to be adopted by the Managers will depend on, among others, the prevailing market conditions, the demand for New Stapled Securities, the Issue Price and the terms and interest rates of available debt and loan facilities.

## **2.4 Structure of the Equity Fund Raising**

The structure and timing of the Equity Fund Raising have not been determined. If and when the Managers decide to undertake the Equity Fund Raising, the Equity Fund Raising may (at the Managers' absolute discretion) comprise:

- 2.4.1** a Private Placement of New Stapled Securities to institutional and other investors (which may include one or more of the Vendors); and/or
- 2.4.2** a non-renounceable Preferential Offering of New Stapled Securities to the existing Stapled Securityholders on a *pro rata* basis,

which the Managers deem appropriate in the circumstances and after having considered the then prevailing market conditions.

Stapled Securityholders should note that the New Stapled Securities offered under the Preferential Offering (if undertaken by the Managers) will be on a non-renounceable basis. The ARE<sup>1</sup> will not be renounceable or transferable and will be for use only by entitled Stapled Securityholders.

Oversea-Chinese Banking Corporation Limited has been appointed as the Sole Financial Adviser, Lead Manager and Placement Agent in respect of the Equity Fund Raising. The Managers will work together with the Sole Financial Adviser, Lead Manager and Placement Agent to determine the structure and timing of the Equity Fund Raising and the Issue Price in order to determine the most appropriate structure and launch timing of the Equity Fund Raising so as to ensure its success, having regard to market conditions and other factors that the Managers and the Sole Financial Adviser, Lead Manager and Placement Agent may consider relevant.

The Equity Fund Raising is subject to, *among others*, the then prevailing market conditions and (if the Private Placement is carried out) agreement to the terms of and execution of the placement agreement to be entered into between the Managers and the Sole Financial Adviser, Lead Manager and Placement Agent in relation to the Private Placement. The Managers will announce details of the Equity Fund Raising via SGXNET at the appropriate time.

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1 "ARE" refers to the acceptance form for New Stapled Securities provisionally allotted to entitled Stapled Securityholders under the Preferential Offering and application form for excess New Stapled Securities.

The Issue Price under the Equity Fund Raising will be determined by the Managers and the Sole Financial Adviser, Lead Manager and Placement Agent closer to the date of commencement of the Equity Fund Raising. The actual number of New Stapled Securities to be issued pursuant to the Equity Fund Raising will depend on the aggregate amount of proceeds to be raised from the Equity Fund Raising and the Issue Price.

The structure and time schedule of the Equity Fund Raising and the Issue Price will be determined in accordance with, among others, Chapter 8 of the Listing Manual. The Issue Price for New Stapled Securities under the Private Placement and/or Preferential Offering will comply with Rules 811(1) and 811(5) of the Listing Manual, and will not be at more than 10.0% discount to the VWAP for trades done on the SGX-ST for the full market day on which the placement agreement is signed; or (if trading in the Stapled Securities is not available for a full market day) for the preceding market day up to the time the placement agreement is signed, excluding (where applicable) declared distributions provided that the holders of the New Stapled Securities are not entitled to the declared distributions.

In the event that the Equity Fund Raising comprises a Private Placement and a Preferential Offering, the Issue Price of New Stapled Securities pursuant to the Private Placement may differ from the Issue Price of New Stapled Securities pursuant to the Preferential Offering.

The stapled securityholding interest of existing Stapled Securityholders may be diluted by the issue of New Stapled Securities in the event that the Managers issue New Stapled Securities under the Equity Fund Raising and such existing Stapled Securityholders do not participate, or do not have the opportunity to participate, in the Equity Fund Raising.

In the event that the Equity Fund Raising includes a Private Placement, the Sole Financial Adviser, Lead Manager and Placement Agent will work with the Managers to co-ordinate the Private Placement, conduct a book-building exercise and act as placement agent in relation to such Private Placement.

If the Managers should decide to undertake the Equity Fund Raising using a form other than, or in addition to, the Private Placement, such as the Preferential Offering, the Managers will enter into discussions with the Sole Financial Adviser, Lead Manager and Placement Agent to explore how the Sole Financial Adviser, Lead Manager and Placement Agent may assist to facilitate the successful implementation of the Equity Fund Raising.

**The information contained in this paragraph 2 is subject to change.** When the Managers finalise their plans in relation to the Equity Fund Raising, they will make an announcement in relation to such details at the appropriate time.

## **2.5 Compliance with Rule 803, Rule 812 and Rule 877(10) of the Listing Manual**

In the event that the Equity Fund Raising is carried out:

**2.5.1** the Equity Fund Raising will comply with Rule 803 of the Listing Manual, such that the New Stapled Securities will not be issued under the Equity Fund Raising to transfer a controlling interest without the prior approval of Stapled Securityholders in a general meeting;

**2.5.2** (if the Equity Fund Raising comprises a Private Placement) the Private Placement will comply with Rule 812 of the Listing Manual, such that the New Stapled Securities will not be placed to any of the connected persons listed under Rule 812(1) of the Listing Manual (other than one that fulfils the criteria set out in Rule 812(3) of the Listing Manual);

**2.5.3** (if the Equity Fund Raising comprises a Preferential Offering) the Preferential Offering will comply with Rule 877(10) of the Listing Manual, such that in the allotment of any excess New Stapled Securities, preference will be given to the rounding of odd lots, and that directors of the Managers and Substantial Stapled Securityholders who have control or influence over VIT in connection with its day-to-day affairs or the terms of the Preferential Offering, or have representation (direct or through a nominee) on the board of directors of the Managers will rank last in priority for the rounding of odd lots and allotment of excess New Stapled Securities; and

**2.5.4** an application will be made to the SGX-ST for the listing of and quotation for the New Stapled Securities to be issued under the Equity Fund Raising.

As the details of the Equity Fund Raising have not been finalised, the Managers have not made any application to the SGX-ST for the listing of and quotation for the New Stapled Securities.

## **2.6 Consequential Adjustment to Distribution Period and Status of the New Stapled Securities**

VIT's policy is to distribute its distributable income on a quarterly basis to the Stapled Securityholders.<sup>1</sup>

However, when the Managers decide to carry out the Equity Fund Raising, the Managers may decide to make adjustments to the distribution period which may include, among others, a cumulative distribution or an advanced distribution, or such other plans to ensure fairness to holders of the Existing Stapled Securities.

In the event that the Managers undertake a Preferential Offering, the Managers may decide that the New Stapled Securities issued in connection with the Preferential Offering will, upon issue and allotment, rank *pari passu* in all respects with the Existing Stapled Securities, including the right to any distributions which may accrue prior to the issuance of the New Stapled Securities issued under the Preferential Offering.

Further details pertaining to any adjustments to the distribution period, if any, and the status of the New Stapled Securities issued pursuant to the Equity Fund Raising will be announced at the appropriate time.

## **2.7 Use of Proceeds**

The Managers intend to utilise the net proceeds of the Equity Fund Raising to partially fund the Total Acquisition Cost of approximately S\$191.0 million, with the balance, if any, to be used to partially fund the AEI at TPCC. Further details pertaining to the use of proceeds of the Equity Fund Raising (including details on the percentage allocation for each use) will be announced at the appropriate time.

For the avoidance of doubt, in the event for any reason, any of the Tai Seng Acquisition, Ubi Acquisition and/or Pioneer Acquisition does not proceed to completion, the Managers may, at their absolute discretion, continue undertaking the Equity Fund Raising to fund the acquisition cost of the respective Acquisitions which will be completed and in such circumstance, the Managers may reduce the size of the Equity Fund Raising accordingly.

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<sup>1</sup> The total distributions available to the Stapled Securityholders are an aggregate of the distributions from VI-REIT and VI-BT. VI-BT is currently dormant and will not make any distributions for so long as it remains dormant.

Notwithstanding their current intention, the Managers may, subject to relevant laws and regulations, utilise the net proceeds of the Equity Fund Raising at their absolute discretion for other purposes, including without limitation, the repayment of existing indebtedness.

The Managers will make periodic announcements on the utilisation of the net proceeds of the Equity Fund Raising via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where proceeds are to be used for working capital purposes, the Managers will disclose a breakdown with specific details on the use of proceeds for working capital in VIT's announcements on use of proceeds and in VIT's annual report and where there is any material deviation from the stated use of proceeds, the Managers will announce the reasons for such deviation.

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

## **2.8 Costs of the Equity Fund Raising**

Costs and expenses in connection with the Equity Fund Raising which are to be borne by VIT comprise the fees and expenses, including professional fees and expenses, incurred or to be incurred by VIT in connection with the Equity Fund Raising. The costs and expenses in connection with the Equity Fund Raising will vary according to the amount of gross proceeds to be raised and the structure and form of the Equity Fund Raising.

## **2.9 Requirement for Stapled Securityholders' Approval**

The Managers are seeking the approval of Stapled Securityholders for the proposed issue of up to 160,819,000 New Stapled Securities (representing approximately 22.8% of the existing number of issued Stapled Securities as at the Latest Practicable Date) under the Equity Fund Raising pursuant to Rule 805(1) of the Listing Manual.

## **3. COMMITMENT BY TONG JINQUAN, HO LEE GROUP TRUST AND CHINA ENTERPRISES LIMITED**

### **3.1 Commitment by Tong Jinquan**

Tong Jinquan<sup>1</sup> has demonstrated his support for the Equity Fund Raising by providing the Tong Jinquan Undertaking dated 23 October 2015, pursuant to which, he has undertaken to vote at the Extraordinary General Meeting in favour of Resolution 1 in relation to the Equity Fund Raising in respect of all his interests in the Stapled Securities.

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1 As at the date of this Circular, WFH directly holds 334,252,000 Stapled Securities, representing approximately 47.37% of the total number of Stapled Securities in issue. WFH is a wholly-owned subsidiary of SSPL, which is in turn wholly-owned by Tong Jinquan. Therefore, each of Tong Jinquan and SSPL is deemed to be interested in the Stapled Securities held by WFH.

SSPL owns 62.0% equity interest in Maxi Capital Pte. Ltd., which in turn owns 55.55% equity interest in VIMPL, which in turn owns 90.0% equity interest in the REIT Manager and 100.0% equity interest in the Property Manager. Therefore, each of Tong Jinquan and SSPL is deemed to be interested in the 11,285,074 Stapled Securities held by the REIT Manager and the Property Manager as at the date of this Circular, representing approximately 1.60% of the total number of Stapled Securities in issue.

In addition, as at the date of this Circular, Tong Jinquan himself directly holds 52,890,000 Stapled Securities, representing approximately 7.50% of the total number of Stapled Securities in issue. Taking into account his direct interest in Stapled Securities and his deemed interest (through SSPL) in the Stapled Securities held by WFH, the REIT Manager and the Property Manager, as at this date, Tong Jinquan has an aggregate interest in 398,427,074 Stapled Securities, representing approximately 56.46% of the total number of Stapled Securities in issue.

In addition, pursuant to the Tong Jinqun Undertaking, in the event that the Equity Fund Raising comprises a Preferential Offering, Tong Jinqun has undertaken to (i) accept in full his provisional allotment of New Stapled Securities under such Preferential Offering; and (ii) subscribe for New Stapled Securities to the extent that they remain unsubscribed after satisfaction of all applications (if any) for excess New Stapled Securities up to such a sum provided that his total subscription under the Preferential Offering will not exceed S\$61.1 million.

### **3.2 Commitment by Ho Lee Group Trust**

The HLG Trustee<sup>1</sup> has demonstrated its support for the Equity Fund Raising by providing the HLG Undertaking dated 23 October 2015, pursuant to which, it has undertaken to vote at the Extraordinary General Meeting in favour of Resolution 1 in relation to the Equity Fund Raising in respect of all its interests in the Stapled Securities.

In addition, pursuant to the HLG Undertaking, in the event that the Equity Fund Raising comprises a Preferential Offering, HLG Trustee has undertaken to accept in full its provisional allotment of New Stapled Securities under such Preferential Offering up to such a sum provided that its total subscription under the Preferential Offering will not exceed S\$5.724 million.

### **3.3 Commitment by China Enterprises Limited**

CEL<sup>2</sup> has demonstrated its support for the Equity Fund Raising by providing the CEL Undertaking dated 23 October 2015, pursuant to which, it has undertaken to vote at the Extraordinary General Meeting in favour of Resolution 1 in relation to the Equity Fund Raising in respect of all its interests in the Stapled Securities.

In addition, pursuant to the CEL Undertaking, in the event that the Equity Fund Raising comprises a Preferential Offering, CEL has undertaken to accept in full its provisional allotment of New Stapled Securities under such Preferential Offering up to such a sum provided that its total subscription under the Preferential Offering will not exceed S\$3.180 million.

## **4. DETAILS OF THE ACQUISITIONS**

### **4.1 The Tai Seng Acquisition and the Ubi Acquisition**

On 29 July 2015, the Managers had announced the entry by the REIT Trustee into:

#### **4.1.1 the Home-Fix Option Agreement with Home-Fix in relation to the acquisition of the Tai Seng Property and the mechanical and electrical equipment therein; and**

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1 As at the date of this Circular, HLG Trustee directly holds 57,699,050 Stapled Securities, representing approximately 8.18% of the total number of Stapled Securities in issue. Each of Tan Thuan Teck, Tan Hai Seng Benjamin, Tan Hai Peng Micheal, Ong Yew Lee, Tan Yong Hiang Priscilla, Seow Whye Pheng, Seow Hwey Min, Seow Whye Teck, Seow Hwey Tiong and Loh Guik Kiang is a beneficiary of Ho Lee Group Trust and is therefore, deemed to be interested in the Stapled Securities held by HLG Trustee.

In addition, as at the date of this Circular, each of Tan Thuan Teck, Tan Hai Seng Benjamin and Tan Hai Peng Micheal owns not less than 20.0% equity interest in Teck Lee Holdings Pte. Ltd., which in turn owns 81.25% equity interest in HLGPL. HLGPL owns 27.78% equity interest in VIMPL, which in turn owns 90.0% equity interest in the REIT Manager and 100.0% equity interest in the Property Manager. Therefore, each of Tan Thuan Teck, Tan Hai Seng Benjamin and Tan Hai Peng Micheal is also deemed to be interested in the 11,285,074 Stapled Securities held by the REIT Manager and the Property Manager. In addition, Tan Hai Peng Micheal is currently a director of the Managers.

2 As at the date of this Circular, CEL directly holds 32,051,025 Stapled Securities, representing approximately 4.54% of the total number of Stapled Securities in issue. Each of Tan Kim Seng, Tan Fuh Gih, Tan Hoo Lang and Tan Wei Min owns a 25.0% equity interest in CEL and is therefore deemed to be interested in the Stapled Securities held by CEL. In addition, Tan Kim Seng and his siblings control KSH, which owns 16.67% equity interest in VIMPL, which in turn owns 90.0% equity interest in the REIT Manager and 100.0% equity interest in the Property Manager. In addition, Tan Kim Seng is currently a director of the Managers.

**4.1.2** the Meiban Option Agreement with Meiban in relation to the acquisition of the Ubi Property and the mechanical and electrical equipment therein.

Under the Home-Fix Option Agreement, the REIT Trustee and Home-Fix will be deemed to have entered into a sale and purchase agreement (the “**Home-Fix SPA**”) on the date the option is exercised. The option may be exercised only after JTC Corporation (“**JTC**”) approves the sale of the Tai Seng Property. On completion, the REIT Trustee and Home-Fix will enter into a master lease agreement pursuant to which the Tai Seng Property will be leased back to Home-Fix.

Under the Meiban Option Agreement, the REIT Trustee and Meiban will be deemed to have entered into a sale and purchase agreement (the “**Meiban SPA**”) on the date the REIT Trustee exercises the option. The REIT Trustee may exercise the option only after the Housing and Development Board (“**HDB**”) approves the sale of the Ubi Property. On completion, the REIT Trustee and Meiban will enter into lease agreements pursuant to which parts of the Ubi Property will be leased back to Meiban.

## **4.2 The Pioneer Acquisition**

On 28 August 2015, the Managers had announced the entry by the REIT Trustee into the GKE Option Agreement with GKE in relation to the acquisition of the Pioneer Property and the mechanical and electrical equipment therein.

Under the GKE Option Agreement, the REIT Trustee and GKE will be deemed to have entered into a sale and purchase agreement (the “**GKE SPA**”) on the date the option is exercised. The REIT Trustee may exercise the option only after various conditions precedent have been fulfilled, including GKE obtaining the requisite approvals from JTC for the sale of the Pioneer Property. On completion, the REIT Trustee and GKE will enter into a master lease agreement pursuant to which the Pioneer Property will be leased back to GKE.

## **4.3 Total Acquisition Cost**

### **4.3.1 Purchase Consideration and Valuation**

#### **(a) *The Tai Seng Property***

The purchase consideration for the Tai Seng Property is S\$42.0 million (excluding an estimated upfront land premium for the balance of the initial 30-year lease term of S\$4.8 million (subject to final confirmation by JTC)) and was negotiated on a willing-buyer and willing-seller basis, taking into account the independent valuation by Colliers International Consultancy & Valuation (Singapore) Pte Ltd (“**Colliers**”). Colliers has been appointed as the independent property valuer to value the Tai Seng Property. Colliers, in its market valuation report dated 27 July 2015, stated that the “market value” of the Tai Seng Property (including an estimated upfront land premium for the balance of the initial 30-year lease term) is S\$47.8 million (based on the discounted cash flow analysis, the income capitalisation approach and direct comparison method).

#### **(b) *The Ubi Property***

The purchase consideration for the Ubi Property is S\$80.7 million (excluding an estimated upfront land premium for the balance of the initial 30-year lease term of S\$5.3 million (subject to final confirmation by HDB)) and was negotiated on a willing-buyer and willing-seller basis, taking into account the independent valuation by Suntec Real Estate Consultants Pte Ltd (“**Suntec Real Estate**”).



Suntec Real Estate has been appointed as the independent property valuer to value the Ubi Property. Suntec Real Estate, in its market valuation report dated 14 July 2015, stated that the “market value” of the Ubi Property (including an estimated upfront land premium for the balance of the initial 30-year lease term) is S\$87.0 million (based on the discounted cash flow approach and the income capitalisation approach).

(c) ***The Pioneer Property***

The purchase consideration for the Pioneer Property is S\$45.0 million (excluding an estimated upfront land premium for the balance of the initial 30-year lease term of S\$6.1 million (subject to final confirmation by JTC)) and was negotiated on a willing-buyer and willing-seller basis, taking into account the independent valuation by Colliers. Colliers has been appointed as the independent property valuer to value the Pioneer Property. Colliers, in its market valuation report dated 26 August 2015, stated that the “market value” of the Pioneer Property (including an estimated upfront land premium for the balance of the initial 30-year lease term) is S\$55.0 million (based on the discounted cash flow analysis, the income capitalisation method and the direct comparison method).

#### **4.3.2 Total Acquisition Cost**

The Total Acquisition Cost for the Tai Seng Acquisition, the Ubi Acquisition and the Pioneer Acquisition is approximately S\$191.0 million, comprising:

- (a) the purchase consideration of S\$42.0 million for the Tai Seng Property;
- (b) the purchase consideration of S\$80.7 million for the Ubi Property;
- (c) the purchase consideration of S\$45.0 million for the Pioneer Property;
- (d) upfront land premium and stamp duty payable of S\$6.1 million, S\$7.7 million and S\$7.5 million for the Tai Seng Property, the Ubi Property and the Pioneer Property respectively;
- (e) the acquisition fee payable to the REIT Manager for the Acquisitions in accordance with the trust deed dated 23 August 2013 (as amended) constituting VI-REIT (the “**REIT Trust Deed**”), of approximately S\$1.7 million (being 1.0% of the total purchase consideration for the Tai Seng Property, the Ubi Property and the Pioneer Property); and
- (f) the estimated professional and other transaction fees and expenses incurred or to be incurred by VI-REIT in connection with the Acquisitions (inclusive of due diligence costs and costs incurred in relation to the valuation reports) of approximately S\$0.3 million.

## **5. RATIONALE FOR THE EQUITY FUND RAISING**

- 5.1** Given the current market conditions and the borrowing limit imposed by MAS on property funds such as VI-REIT, the Managers believe that the Equity Fund Raising is an efficient and beneficial method of raising funds to partially fund the Acquisitions, and provides VIT with the flexibility to tap the equity markets for funds.

## 5.2 Benefits of the Acquisitions

As stated in the Announcements, the benefits of the Acquisitions to VIT and Stapled Securityholders include:

### 5.2.1 The Acquisitions are in line with VI-REIT's Investment Strategy

The REIT Manager aims to achieve distribution growth and enhance the value of VI-REIT's property portfolio by further diversifying the portfolio over time through, *inter alia*, selectively acquiring additional properties that meet the REIT Manager's investment criteria. The Acquisitions are in line with the REIT Manager's growth strategy of acquiring well-located, good quality assets that deliver stable distribution and maximise returns to Stapled Securityholders.

### 5.2.2 Strategic Locations of the Tai Seng Property, the Ubi Property and the Pioneer Property

The Tai Seng Property is located within a short walk from the Tai Seng MRT Station and within a short drive away to Pan-Island Expressway ("PIE") and the Kallang-Paya Lebar Expressway ("KPE"). The Ubi Property is located within short walking distance to Macpherson MRT Station, which serves the existing Circle Line and the upcoming Downtown Line, and is within easy access to the PIE and KPE.

The Pioneer Property is strategically located at the junction of Pioneer Road and Benoi Road in close proximity to Jurong Port and Tuas Checkpoint and with easy access to PIE and the Ayer Rajah Expressway.

### 5.2.3 Portfolio and Income Diversification and Enlarged Tenant Base

The Acquisitions will diversify the current portfolio by further enhancing the portfolio and income diversification of VI-REIT arising from an enlarged portfolio and tenant base, and reduce its reliance on the income stream from any single property. Following the Acquisitions, the contribution by the top 10 tenants to VI-REIT's property income is expected to be reduced by 0.8%, from 49.6% to 48.8%.

### 5.2.4 Increased Portfolio Size, WALL and WALE

VI-REIT will benefit from the increased portfolio size which creates a stronger platform for further acquisition growth, primarily due to better access to both the capital markets and the debt markets. Following completion of the Acquisitions, VI-REIT will increase its investment property base by 19.8% to approximately S\$1.1 billion and its portfolio WALL will increase marginally from approximately 37.68 years to approximately 37.71 years.

In addition, the WALE (by rental income) is expected to increase from 3.3 years to 4.2 years<sup>1</sup>. This will boost the long-term cash flow of VI-REIT and provide good cash flow visibility.

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<sup>1</sup> Based on net property income and rental support for the month of June 2015, taking into account the master lease arrangements and the rental support arrangements (including in respect of the master lease and lease arrangements for the Acquisition Properties), assuming that renewal options are not exercised.

## 6. FINANCIAL INFORMATION OF THE ACQUISITIONS AND THE EQUITY FUND RAISING

### 6.1 Pro Forma Financial Effects of the Acquisitions and the Equity Fund Raising

**FOR ILLUSTRATIVE PURPOSES ONLY:** The pro forma financial effects of the Acquisitions and the Equity Fund Raising on the DPS and net asset value (“NAV”) per Stapled Security, and the pro forma capitalisation of VIT presented below are strictly for illustrative purposes only and were prepared based on the audited consolidated financial statements of VIT for the financial year ended 31 December 2014 (“FY2014”) after taking into account the 80,347,100 Stapled Securities issued pursuant to a private placement which was completed on 16 June 2015 and which raised net proceeds of approximately S\$61.1 million (the “June 2015 Private Placement”), and the scenarios and assumptions set out below:

#### 6.1.1 Scenarios

The pro forma financial effects of the Acquisitions and Equity Fund Raising presented below are based on gross proceeds of approximately S\$110.0 million being raised under the Equity Fund Raising under each of the following scenarios as set out below:

Scenario	Illustrative Issue Price (S\$)	(A)	(B)	(C) = (A) + (B)
		Illustrative number of New Stapled Securities to be issued under the Equity Fund Raising ('000)	Illustrative number of Stapled Securities to be issued as payment of the REIT Manager’s base fees and the Property Manager’s management fees attributable to each of the Acquisition Properties <sup>(1)</sup> ('000)	Illustrative total number of Stapled Securities to be issued ('000)
Scenario 1	0.755 <sup>(2)</sup>	145,695	680	146,375
Scenario 2	0.732 <sup>(3)</sup>	150,273	701	150,974
Scenario 3	0.717 <sup>(4)</sup>	153,417	716	154,133
Scenario 4	0.680 <sup>(5)</sup>	160,819	755	161,574

#### Notes:

- (1) For the avoidance of doubt, the illustrative number of Stapled Securities to be issued as payment of the REIT Manager’s base fees and the Property Manager’s management fees attributable to each of the Acquisition Properties will be issued pursuant to the general mandate that was given by the Stapled Securityholders to the Managers at the annual general meeting of VIT held on 22 April 2015.
- (2) The illustrative Issue Price of S\$0.755 per Stapled Security was the closing price of the Stapled Securities on 16 October 2015.
- (3) The illustrative Issue Price of S\$0.732 per Stapled Security is a 3.0% discount to the closing price of the Stapled Securities on 16 October 2015.
- (4) The illustrative Issue Price of S\$0.717 per Stapled Security is a 5.0% discount to the closing price of the Stapled Securities on 16 October 2015.
- (5) The illustrative Issue Price of S\$0.680 per Stapled Security is a 10.0% discount to the closing price of the Stapled Securities on 16 October 2015.

#### 6.1.2 Assumptions

The pro forma financial effects of the Acquisitions and the Equity Fund Raising were prepared based on the following assumptions:

- (a) the pro forma financial effects do not take into account the fees and expenses, including professional fees and expenses, incurred or to be incurred by VIT in connection with the Equity Fund Raising;

- (b) 50.0% of the Total Acquisition Cost of S\$191.0 million<sup>1</sup> will be funded by debt and the remaining 50.0% thereof will be funded by the net proceeds of the Equity Fund Raising; and
- (c) the balance, if any, of the net proceeds of the Equity Fund Raising will be used to partially fund the AEI at TPCC.

Stapled Securityholders should note that the Managers have obtained commitments from Tong Jinqun, Ho Lee Group Trust and CEL to vote at the Extraordinary General Meeting in favour of Resolution 1 in relation to the proposed Equity Fund Raising in respect of all their interests in the Stapled Securities. (See paragraph 3 of the Letter to Stapled Securityholders for further details.)

The voting commitments in relation to the Equity Fund Raising obtained from Tong Jinqun, Ho Lee Group Trust and CEL represent more than 50.0% of the existing number of issued Stapled Securities as at the date of this Circular. As such, the pro forma financial effects set out in this paragraph 6 were prepared on the basis that the Acquisitions will be partially funded by the Equity Fund Raising and the pro forma financial effects of the Acquisitions solely (without taking into account the effects of the Equity Fund Raising) are not illustrated.

## 6.2 Pro Forma DPS

**FOR ILLUSTRATIVE PURPOSES ONLY:** The pro forma financial effects of the Acquisitions and the Equity Fund Raising on the DPS for FY2014, as if VIT had completed the June 2015 Private Placement, the Acquisitions and the Equity Fund Raising (collectively, the “**Transactions**”) on 1 January 2014 and held the Acquisition Properties through to 31 December 2014, are as follows:

	Pro Forma Effects of the Transactions for FY2014					
	Before the Transactions	After the June 2015 Private Placement only <sup>(1)</sup>	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Distributable Income<sup>(2)</sup> (S\$'000)</b>	40,967	40,967	50,385 <sup>(3)</sup>	50,385 <sup>(3)</sup>	50,385 <sup>(3)</sup>	50,385 <sup>(3)</sup>
<b>No. of Stapled Securities ('000)</b>	599,530 <sup>(4)</sup>	679,877 <sup>(5)</sup>	826,252 <sup>(6)</sup>	830,851 <sup>(6)</sup>	834,010 <sup>(6)</sup>	841,451 <sup>(6)</sup>
<b>DPS (cents)</b>	6.833	6.026	6.098	6.064	6.041	5.988

### Notes:

- (1) Assuming the completion of the June 2015 Private Placement only but before the Acquisitions and the Equity Fund Raising.
- (2) The distributable income of VIT represents the aggregate of distributions by VI-REIT and VI-BT. The distribution of VIT for FY2014 was contributed solely by VI-REIT as VI-BT was dormant during FY2014. Accordingly, only the income available for distribution of VI-REIT has been presented.
- (3) Includes (i) pro forma rental revenue from the Acquisition Properties and (ii) deduction of additional borrowing costs and property expenses.

### 1 Comprising:

- (a) the purchase consideration for the Acquisition Properties of S\$167.7 million;
- (b) the upfront land premium and stamp duty payable of approximately S\$21.3 million;
- (c) the acquisition fee payable to the REIT Manager for the acquisition of the Acquisition Properties in accordance with the REIT Trust Deed of approximately S\$1.7 million (being 1.0% of the purchase consideration for the Acquisition Properties); and
- (d) the estimated professional and other transaction fees and expenses incurred or to be incurred by VI-REIT in connection with the acquisition of the Acquisition Properties (inclusive of due diligence costs and costs incurred in relation to the valuation reports) of approximately S\$0.3 million.

- (4) Applicable number of Stapled Securities for the calculation of DPS for FY2014.
- (5) Based on the applicable number of Stapled Securities for the calculation of DPS in Note (4) above and including the issuance of 80,347,100 Stapled Securities pursuant to the June 2015 Private Placement.
- (6) Based on the applicable number of Stapled Securities for the calculation of DPS in Note (5) above and including the illustrative total number of new Stapled Securities to be issued for each scenario as shown in column (C) of the table set out in paragraph 6.1.1.

### 6.3 Pro Forma NAV per Stapled Security

**6.3.1 FOR ILLUSTRATIVE PURPOSES ONLY:** The pro forma financial effects of the Acquisitions and the Equity Fund Raising on the NAV per Stapled Security as at 31 December 2014, as if the Transactions were completed on 31 December 2014, are as follows:

	Pro Forma Effects of the Transactions as at 31 December 2014					
	Before the Transactions	After the June 2015 Private Placement only <sup>(1)</sup>	Scenario 1	Scenario 2	Scenario 3	Scenario 4
NAV (S\$'000)	471,486	532,647	641,486	641,486	641,486	640,843
No. of Stapled Securities ('000)	621,884 <sup>(2)</sup>	702,231 <sup>(3)</sup>	847,926 <sup>(4)</sup>	852,504 <sup>(4)</sup>	855,648 <sup>(4)</sup>	863,050 <sup>(4)</sup>
NAV per Stapled Security (cents)	75.82	75.85	75.65	75.25	74.97	74.25

**Notes:**

- (1) Assuming the completion of the June 2015 Private Placement only but before the Acquisitions and the Equity Fund Raising.
- (2) Number of issued and issuable Stapled Securities as at 31 December 2014.
- (3) Based on the number of issued and issuable Stapled Securities as at 31 December 2014 in Note (2) above and including the issuance of 80,347,100 Stapled Securities pursuant to the June 2015 Private Placement.
- (4) Based on the number of issued and issuable Stapled Securities as at 31 December 2014 in Note (3) above and including the illustrative number of New Stapled Securities to be issued under the Equity Fund Raising for each scenario as shown in column (A) of the table set out in paragraph 6.1.1.

**6.3.2 FOR ILLUSTRATIVE PURPOSES ONLY:** Based on the unaudited consolidated financial statements of VIT for the six-month period ended 30 June 2015, the pro forma financial effects of the Acquisitions and the Equity Fund Raising on the NAV per Stapled Security as at 30 June 2015, as if the Acquisitions and the Equity Fund Raising were completed on 30 June 2015, are as follows:

	Pro Forma Effects of the Acquisitions and the Equity Fund Raising as at 30 June 2015				
	Before the Acquisitions and the Equity Fund Raising	Scenario 1	Scenario 2	Scenario 3	Scenario 4
NAV (S\$'000)	585,660	694,498	694,498	694,498	693,855
No. of Stapled Securities ('000)	705,632 <sup>(1)</sup>	851,327 <sup>(2)</sup>	855,905 <sup>(2)</sup>	859,049 <sup>(2)</sup>	866,451 <sup>(2)</sup>
NAV per Stapled Security (cents)	83.00	81.58	81.14	80.84	80.08

**Notes:**

- (1) Number of issued and issuable Stapled Securities as at 30 June 2015.
- (2) Based on the number of issued and issuable Stapled Securities as at 30 June 2015 in Note (1) above and including the illustrative number of New Stapled Securities to be issued under the Equity Fund Raising for each scenario as shown in column (A) of the table set out in paragraph 6.1.1.

## 6.4 Pro Forma Capitalisation of VIT

**6.4.1 FOR ILLUSTRATIVE PURPOSES ONLY:** The pro forma capitalisation of VIT as at 31 December 2014, as if the Transactions were completed on 31 December 2014, is as follows:

	Pro Forma Effects of the Transactions as at 31 December 2014					
	Before the Transactions	After the June 2015 Private Placement only <sup>(1)</sup>	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Gross debt (\$ million)	391.0	391.0	486.5	486.5	486.5	486.5
Stapled Securityholders' funds (\$ million)	471.5	532.6	641.5	641.5	641.5	640.9
Total assets (\$ million)	882.5	943.7	1,148.0	1,148.0	1,148.0	1,147.4
Gearing	44.3%	41.4%	42.4%	42.4%	42.4%	42.4%

**Note:**

(1) Assuming the completion of the June 2015 Private Placement only but before the Acquisitions and the Equity Fund Raising.

**6.4.2 FOR ILLUSTRATIVE PURPOSES ONLY:** Based on the unaudited consolidated financial statements of VIT for the six-month period ended 30 June 2015, the pro forma capitalisation of VIT as at 30 June 2015, as if the Acquisitions and the Equity Fund Raising were completed on 30 June 2015, is as follows:

	Pro Forma Effects of the Acquisitions and the Equity Fund Raising as at 30 June 2015				
	Before the Acquisitions and the Equity Fund Raising	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Gross debt (\$ million)	385.0	480.5	480.5	480.5	480.5
Stapled Securityholders' funds (\$ million)	585.7	694.5	694.5	694.5	693.9
Total assets (\$ million)	989.5	1,193.8	1,193.8	1,193.8	1,193.2
Gearing	38.9%	40.3%	40.3%	40.3%	40.3%

The Property Funds Appendix provides that the aggregate leverage of a REIT may exceed 35.0% of its deposited property, subject to a limit of 60.0% of its deposited property, so long as it obtains and discloses a credit rating from Standard & Poor's, Moody's or Fitch, Inc.<sup>1</sup> As at the Latest Practicable Date, VI-REIT has a "BB" credit rating from Standard & Poor's. Accordingly, the level of aggregate leverage set out above is within the limits allowed under the Property Funds Appendix.

<sup>1</sup> With effect from 1 January 2016, the aggregate leverage of a REIT should not exceed 45.0% of the value of its deposited property regardless of the REIT's credit rating.



## **7. RESOLUTION 2: THE PROPOSED CHANGE OF AUDITORS (ORDINARY RESOLUTION)**

The Managers are seeking the approval of Stapled Securityholders for the proposed Change of Auditors from KPMG to Deloitte.

VIT's existing auditors, KPMG, were re-appointed as auditors of VIT at the last annual general meeting of VIT held on 22 April 2015 to hold office until the conclusion of the next annual general meeting of VIT. KPMG has been acting as the auditors of VIT since the Listing Date and has completed two (2) audits in respect of the financial period ended 31 December 2013 and FY2014.

### **7.1 Rationale for and details of the Proposed Change of Auditors**

Deloitte is the auditor of SSPL<sup>1</sup>, and SSPL holds a 48.97% interest in VIT.

As at the date of this Circular, SSPL owns 100.0% equity interest in WFH and is therefore, deemed to be interested in the 334,252,000 Stapled Securities held by WFH, representing approximately 47.37% of the existing number of issued Stapled Securities.

In addition, SSPL owns 62.0% equity interest in Maxi Capital Pte. Ltd., which in turn owns 55.55% equity interest in VIMPL. VIMPL owns 90.0% equity interest in each of the Managers and 100.0% equity interest in the Property Manager. Therefore, SSPL is also deemed to be interested in the 11,285,074 Stapled Securities held by the REIT Manager and the Property Manager as at the date of this Circular, representing approximately 1.60% of the existing number of issued Stapled Securities.

The Managers and VIT belong to the SSPL Group as the Managers are subsidiaries of SSPL and SSPL holds a 48.97% interest in VIT. The Managers have been requested by SSPL to appoint Deloitte as their auditors and as auditors of VIT in place of KPMG, as it would be more efficient from a reporting perspective for SSPL Group and for VIT to use the same audit firm. The Managers are also of the view that a change in auditors would enable VIT to benefit from a fresh perspective and the views of another professional firm.

Having received such request, the Directors, based on the audit proposal received from Deloitte, have determined that the fees proposed by Deloitte were not higher than those currently charged by KPMG for the same scope of audit. The Managers are therefore proposing the Change of Auditors from KPMG to Deloitte.

In this regard, KPMG have, on 8 October 2015, given notice to the Directors of their intended resignation as auditors of VIT and Deloitte have, on 14 October 2015, given their consent to be appointed as auditors of VIT, subject to approval of the Stapled Securityholders at the Extraordinary General Meeting. Accordingly, the resignation of KPMG as auditors of VIT and the appointment of Deloitte as auditors of VIT will take effect upon approval of the same by the Stapled Securityholders at the Extraordinary General Meeting. Upon appointment, Deloitte will hold office until the conclusion of the next annual general meeting of VIT.

The Directors wish to express their appreciation for the past services rendered by KPMG.

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<sup>1</sup> SSPL is wholly-owned by Tong Jinquan.

## 7.2 Information on Deloitte

Deloitte provides audit, consulting, financial advisory, risk management, tax and related services to their clients in multiple industries through their globally connected network of member firms in more than 150 countries with more than 220,000 professionals.

Deloitte Singapore is part of Deloitte Southeast Asia Ltd – a member firm of Deloitte Touche Tohmatsu Limited comprising Deloitte practices operating in Brunei, Cambodia, Guam, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Thailand and Vietnam. With coming to 50 years of history in Singapore, Deloitte Singapore currently has more than 2,300 staff and over 100 partners. Please visit [www.deloitte.com/sg/about](http://www.deloitte.com/sg/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

The audit engagement partner in charge will be Mr James Xu, who has more than 19 years of experience in public accounting in Singapore and the United States of America. Mr James Xu has extensive experience in leading the audits of multi-nationals and local companies across diverse sectors ranging from real estate, hospitality and consumer business to technology, media and tele-communications. Mr James Xu is a practising member of the Institute of Singapore Chartered Accountants, a Fellow Chartered Accountant of Singapore and a Fellow of the Association of Chartered Certified Accountants of the United Kingdom.

## 7.3 Rule 1203(5) of the Listing Manual

In accordance with the requirements of Rule 1203(5) of the Listing Manual of SGX-ST:

**7.3.1** the outgoing auditors, KPMG, have by way of their letter dated 8 October 2015 (the “**Professional Clearance Letter**”), confirmed that they are not aware of any professional reasons why the incoming auditors, Deloitte, should not accept appointment as auditors of VIT;

**7.3.2** the Managers confirm that there were no disagreements with the outgoing auditors, KPMG, on accounting treatments within the last 12 months;

**7.3.3** the Managers confirm that, other than as disclosed in this Circular, they are not aware of any circumstances connected with the proposed Change of Auditors that should be brought to the attention of the Stapled Securityholders;

**7.3.4** the Managers confirm that the specific reasons for the proposed Change of Auditors are disclosed in paragraph 7.1 of the Letter to Stapled Securityholders above; and

**7.3.5** the Managers confirm that VIT complies with Rule 712 and Rule 715 of the Listing Manual in relation to the appointment of Deloitte.

**7.4** The proposed Change of Auditors has been reviewed and recommended by the Audit and Risk Committee. Please refer to paragraph 9 of the Letter to Stapled Securityholders for further details.

## 8. INTERESTS OF DIRECTORS AND SUBSTANTIAL STAPLED SECURITYHOLDERS

Further details of the interests in Stapled Securities of Directors and Substantial Stapled Securityholders are set out below.

### 8.1 Interests of Directors

Based on the Register of Directors' Stapled Securityholdings maintained by the Managers, the Directors and their interests in the Stapled Securities as at the Latest Practicable Date are as follows:

Name of Director	Direct Interest		Deemed Interest	
	No. of Stapled Securities	% of issued Stapled Securities <sup>(1)</sup>	No. of Stapled Securities	% of issued Stapled Securities <sup>(1)</sup>
Dr Leong Horn Kee	64,000	0.01	–	–
Mr Ang Poh Seong	1,000,000	0.14	–	–
Dr Choong Chow Siong	–	–	–	–
Mr Teo Cheng Hiang Richard	200,000	0.03	–	–
Mr Ronald Lim Cheng Aun	80,000	0.01	–	–
Mr Tan Kim Seng	–	–	32,051,025 <sup>(2)</sup>	4.54
Mr Tan Hai Peng Micheal	–	–	68,984,124 <sup>(3)(4)</sup>	9.78

**Notes:**

- (1) Computed based on total number of issued Stapled Securities as at the Latest Practicable Date of 705,632,449.
- (2) Mr Tan Kim Seng owns 25.0% equity interest in CEL and is therefore, deemed to be interested in the Stapled Securities held by CEL.
- (3) Mr Tan Hai Peng Micheal is a beneficiary of Ho Lee Group Trust and is therefore, deemed to be interested in the Stapled Securities held by HLG Trustee.
- (4) Mr Tan Hai Peng Micheal owns 20.0% equity interest in Teck Lee Holdings Pte. Ltd., which in turn owns 81.25% equity interest in HLGPL. HLGPL owns 27.78% equity interest in VIMPL, which in turn owns 90.0% equity interest in the REIT Manager and 100.0% interest in the Property Manager. Therefore, Mr Tan Hai Peng Micheal is deemed to be interested in the 11,285,074 Stapled Securities held by the REIT Manager and the Property Manager.

## 8.2 Interests of Substantial Stapled Securityholders

Based on the Register of Substantial Stapled Securityholders maintained by the Managers, the Substantial Stapled Securityholders of VIT and their interests in the Stapled Securities as at the Latest Practicable Date are as follows:

Substantial Stapled Securityholder	Direct Interest		Deemed Interest	
	No. of Stapled Securities	% of issued Stapled Securities <sup>(1)</sup>	No. of Stapled Securities	% of issued Stapled Securities <sup>(1)</sup>
WFH	334,252,000	47.37	–	–
Tong Jinquan	52,890,000	7.50	345,537,074 <sup>(2)(3)</sup>	48.97
SSPL	–	–	345,537,074 <sup>(2)(3)</sup>	48.97
HLGT Trustee	57,699,050	8.18	–	–
Tan Thuan Teck	300,000	0.04	68,984,124 <sup>(4)(5)</sup>	9.78
Tan Hai Seng Benjamin	–	–	68,984,124 <sup>(4)(5)</sup>	9.78
Tan Hai Peng Micheal	–	–	68,984,124 <sup>(4)(5)</sup>	9.78
Ong Yew Lee	–	–	57,699,050 <sup>(4)</sup>	8.18
Tan Yong Hiang Priscilla	–	–	57,699,050 <sup>(4)</sup>	8.18
Seow Whye Pheng	–	–	57,699,050 <sup>(4)</sup>	8.18
Seow Hwey Min	–	–	57,699,050 <sup>(4)</sup>	8.18
Seow Whye Teck	–	–	57,699,050 <sup>(4)</sup>	8.18
Seow Hwey Tiong	–	–	57,699,050 <sup>(4)</sup>	8.18
Loh Guik Kiang	–	–	57,699,050 <sup>(4)</sup>	8.18

### Notes:

- (1) Computed based on total number of issued Stapled Securities as at the Latest Practicable Date of 705,632,449.
- (2) WFH is a wholly-owned subsidiary of SSPL, which is in turn wholly-owned by Tong Jinquan. Therefore, each of Tong Jinquan and SSPL is deemed to be interested in the Stapled Securities held by WFH.
- (3) SSPL (which is wholly-owned by Tong Jinquan) owns 62.0% equity interest in Maxi Capital Pte. Ltd., which in turn owns 55.55% equity interest in VIMPL, which in turn owns 90.0% equity interest in the REIT Manager and 100.0% equity interest in the Property Manager. Therefore, each of Tong Jinquan and SSPL is deemed to be interested in the 11,285,074 Stapled Securities held by the REIT Manager and the Property Manager.
- (4) Each of Tan Thuan Teck, Tan Hai Seng Benjamin, Tan Hai Peng Micheal, Ong Yew Lee, Tan Yong Hiang Priscilla, Seow Whye Pheng, Seow Hwey Min, Seow Whye Teck, Seow Hwey Tiong and Loh Guik Kiang is a beneficiary of Ho Lee Group Trust and is therefore, deemed to be interested in the Stapled Securities held by HLGT Trustee.
- (5) Each of Tan Thuan Teck, Tan Hai Seng Benjamin and Tan Hai Peng Micheal owns not less than 20.0% equity interest in Teck Lee Holdings Pte. Ltd., which in turn owns 81.25% equity interest in HLGPL. HLGPL owns 27.78% equity interest in VIMPL, which in turn owns 90.0% equity interest in the REIT Manager and 100.0% equity interest in the Property Manager. Therefore, each of Tan Thuan Teck, Tan Hai Seng Benjamin and Tan Hai Peng Micheal is also deemed to be interested in the 11,285,074 Stapled Securities held by the REIT Manager and the Property Manager.

Save as disclosed above and based on information available to the Managers as at the Latest Practicable Date, none of the Directors or the Substantial Stapled Securityholders have an interest, direct or indirect, in the proposed Equity Fund Raising and/or the proposed Change of Auditors.

### **8.3 Directors' Service Contracts**

No person is proposed to be appointed as a director of the Managers in connection with the proposed Equity Fund Raising and/or the proposed Change of Auditors or any other transactions contemplated in relation to the proposed Equity Fund Raising and/or the proposed Change of Auditors (as the case may be).

## **9. AUDIT AND RISK COMMITTEE'S STATEMENT**

The Audit and Risk Committee of the REIT Manager<sup>1</sup> has reviewed and deliberated on the proposed Change of Auditors and has recommended the same to the Board of Directors for approval after having satisfied itself of the suitability of Deloitte by taking into consideration VIT's audit requirements and statutory obligations, and the requirements of the Listing Manual.

## **10. DIRECTORS' RECOMMENDATIONS ON THE RESOLUTIONS**

### **10.1 Resolution 1: The proposed Equity Fund Raising**

Having regard to the rationale for the proposed Equity Fund Raising as set out in paragraph 5 above, the Directors believe that the proposed Equity Fund Raising would be beneficial to, and is in the interests of, VIT and its Stapled Securityholders.

Accordingly, the Directors recommend that Stapled Securityholders vote at the Extraordinary General Meeting in favour of Resolution 1 (in relation to the proposed Equity Fund Raising).

### **10.2 Resolution 2: The proposed Change of Auditors**

Having regard to the rationale for the proposed Change of Auditors as set out in paragraph 7.1 above and the statement by the Audit and Risk Committee of the REIT Manager as set out in paragraph 9 above, and after taking into consideration various factors including the adequacy of the resources of Deloitte, their experience and other audit engagements, their proposed audit arrangements for VIT, and the experience of the audit engagement partner, as well as the number and experience of the supervisory and professional staff, who will be assigned to the audit of the financial statements of VIT, the Directors are of the opinion that Deloitte will be able to meet the audit requirements of VIT and that Rule 712 of the Listing Manual has been complied with.

Accordingly, the Directors recommend that Stapled Securityholders vote at the Extraordinary General Meeting in favour of Resolution 2 (in relation to the proposed Change of Auditors).

## **11. EXTRAORDINARY GENERAL MEETING**

The Extraordinary General Meeting will be held on Monday, 16 November 2015 at 2.00 p.m. at 750E Chai Chee Road #03-01, Technopark@Chai Chee, Singapore 469005, for the purpose of considering and, if thought fit, passing with or without modification, the resolutions set out in the Notice of Extraordinary General Meeting, which is set out on pages A-1 to A-2 of this Circular. The purpose of this Circular is to provide Stapled Securityholders with relevant information about the resolutions.

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1 The Monetary Authority of Singapore has granted the Trustee-Manager a waiver from compliance with section 15(1) of the BTA to the extent that section 15(1) requires an audit committee to be constituted, subject to the conditions that (i) the exemption shall only be in effect for so long as VI-BT is dormant, and (ii) immediately upon the Trustee-Manager becoming aware that VI-BT will become active, the Trustee-Manager shall ensure that an audit committee in compliance with the requirements of the BTA and the BTR is constituted before VI-BT becomes active.

Approval by way of Ordinary Resolutions is required in respect of Resolution 1 (in relation to the proposed Equity Fund Raising) and Resolution 2 (in relation to the proposed Change of Auditors).

A Depositor<sup>1</sup> shall not be regarded as a Stapled Securityholder entitled to attend the Extraordinary General Meeting and to speak and vote thereat unless he is shown to have Stapled Securities entered against his name in the Depository Register<sup>2</sup>, as certified by The Central Depository (Pte) Limited (“CDP”) as at 48 hours before the time fixed for the Extraordinary General Meeting.

## **12. ACTION TO BE TAKEN BY STAPLED SECURITYHOLDERS**

Stapled Securityholders will find enclosed in this Circular the Notice of Extraordinary General Meeting and a Proxy Form.

If a Stapled Securityholder is unable to attend the Extraordinary General Meeting and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the enclosed Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Stapled Security Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623 not later than Saturday, 14 November 2015 at 2.00 p.m., being 48 hours before the time fixed for the Extraordinary General Meeting. The completion and return of the Proxy Form by a Stapled Securityholder will not prevent him from attending and voting in person at the Extraordinary General Meeting if he so wishes.

Persons who have an interest in the approval of any of the resolutions must decline to accept appointment as proxies unless the Stapled Securityholder concerned has specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of such resolution.

## **13. DIRECTORS’ RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed Equity Fund Raising, the proposed Change of Auditors, VIT, VI-REIT, VI-BT and their subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

## **14. RESPONSIBILITY STATEMENT OF THE SOLE FINANCIAL ADVISER, LEAD MANAGER AND PLACEMENT AGENT FOR THE EQUITY FUND RAISING**

To the best of the Sole Financial Adviser, Lead Manager and Placement Agent’s knowledge and belief, save for the information set out in paragraphs 4, 5.2, 6, 7, 8, 9, 10 and 13, this Circular constitutes full and true disclosure of all material facts about the proposed Equity Fund Raising, VIT, VI-REIT, VI-BT and their subsidiaries in relation to the proposed Equity Fund Raising and the Sole Financial Adviser, Lead Manager and Placement Agent is not aware of any facts the omission of which would make any statement about the proposed Equity Fund Raising in this Circular misleading.

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1 As defined in Section 130A of the Companies Act, Chapter 50 of Singapore.

2 As defined in Section 130A of the Companies Act, Chapter 50 of Singapore.

## 15. CONSENT

Deloitte has given and has not withdrawn its written consent (the “**Deloitte Letter of Consent**”) to the issue of this Circular with the inclusion of its name and all references thereto, in the form and context in which they appear in this Circular and to act in such capacity in relation to this Circular.

## 16. DOCUMENTS ON DISPLAY

A copy of the following documents is available for inspection during normal business hours at the registered office of the Managers at 750 Chai Chee Road, #04-03 Technopark@Chai Chee, Singapore 469000, for a period of three months commencing from the date of the respective Announcements:

- (i) the Home-Fix Option Agreement (which contains the form of the Home-Fix SPA);
- (ii) the Meiban Option Agreement (which contains the form of the Meiban SPA);
- (iii) the GKE Option Agreement (which contains the form of the GKE SPA);
- (iv) the Home-Fix Master Lease Agreement;
- (v) the Meiban Lease Agreements;
- (vi) the Meiban Facilities Management Agreement;
- (vii) the GKE Master Lease Agreement;
- (viii) the Tai Seng Property valuation report by Colliers dated 27 July 2015;
- (ix) the Ubi Property valuation report by Suntec Real Estate dated 14 July 2015;
- (x) the Pioneer Property valuation report by Colliers dated 26 August 2015;
- (xi) the Professional Clearance Letter from KPMG dated 8 October 2015;
- (xii) the letter of resignation as auditors of VIT from KPMG dated 8 October 2015;
- (xiii) the letter of consent to act as auditors of VIT from Deloitte dated 14 October 2015; and
- (xiv) the Deloitte Letter of Consent dated 23 October 2015.

Copies of the audited financial statements of VIT and the Trust Deeds will also be available for inspection at the registered office of the Managers for so long as VIT is in existence.

Yours faithfully

By Order of the Board  
Wilson Ang Poh Seong  
Chief Executive Officer and Executive Director

**Viva Industrial Trust Management Pte. Ltd.**  
(Company Registration No. 201204203W)  
As manager of Viva Industrial Real Estate Investment Trust

**Viva Asset Management Pte. Ltd.**  
(Company Registration No. 201316690M)  
As trustee-manager of Viva Industrial Business Trust



## IMPORTANT NOTICE

The value of Stapled Securities and the income derived from them may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers, the REIT Trustee or any of their affiliates.

An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Stapled Securityholders have no right to request the Managers to redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on the SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

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

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

If you have sold or transferred all your Stapled Securities, you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities (including without limitation, the Stapled Securities) in the United States. This Circular is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia), Canada or Japan. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. No public offering of securities is being made in the United States.

## GLOSSARY

In this Circular, the following definitions apply throughout unless otherwise stated:

<b>Acquisition Properties</b>	:	The Tai Seng Property, the Ubi Property and the Pioneer Property
<b>Acquisitions</b>	:	The Tai Seng Acquisition, the Ubi Acquisition and the Pioneer Acquisition
<b>AEI</b>	:	Asset enhancement initiatives
<b>Announcements</b>	:	The Tai Seng and Ubi Announcement and the Pioneer Announcement
<b>BT Trust Deed</b>	:	The trust deed dated 14 October 2013 (as amended) constituting VI-BT
<b>CDP</b>	:	The Central Depository (Pte) Limited
<b>CEL</b>	:	China Enterprises Limited
<b>Circular</b>	:	This circular to Stapled Securityholders dated 23 October 2015
<b>Controlling Interest</b>	:	The interest of the Controlling Stapled Securityholders
<b>Controlling Stapled Securityholder</b>	:	A person who (a) holds directly or indirectly 15% or more of the total number of issued Stapled Securities (subject to the SGX-ST determining that such a person is not a Controlling Stapled Securityholder); or (b) in fact exercises control over VIT
<b>Deloitte</b>	:	Deloitte & Touche LLP
<b>Deposited Property</b>	:	The gross assets of VI-REIT, including all its authorised investments held or deemed to be held upon the trust under the REIT Trust Deed
<b>Depositor</b>	:	As defined in Section 130A of the Companies Act, Chapter 50 of Singapore.
<b>Directors</b>	:	Directors of the Managers
<b>DPS</b>	:	Distribution per Stapled Security
<b>Equity Fund Raising</b>	:	The proposed issue of up to 160,819,000 New Stapled Securities to raise gross proceeds of up to S\$110.0 million
<b>Existing Properties</b>	:	UE BizHub EAST, Technopark@Chai Chee, Mauser Singapore, Jackson Square and Jackson Design Hub collectively

<b>Existing Stapled Securities</b>	:	The Stapled Securities in issue on the day immediately prior to the date on which the New Stapled Securities are issued under the Private Placement and/or the Preferential Offering (as the case may be)
<b>FY2014</b>	:	The financial year ended 31 December 2014
<b>GKE</b>	:	GKE Warehousing & Logistics Pte Ltd
<b>GKE Option Agreement</b>	:	The put and call option agreement entered into between the REIT Trustee and GKE dated 28 August 2015
<b>HLGT Trustee</b>	:	The Trust Company (Asia) Limited, in its capacity as trustee of Ho Lee Group Trust
<b>Home-Fix</b>	:	Home-Fix D.I.Y. Pte Ltd
<b>Home-Fix Option Agreement</b>	:	The put and call option agreement entered into between the REIT Trustee and Home-Fix dated 28 July 2015
<b>Issue Price</b>	:	The issue price of the New Stapled Securities under the Equity Fund Raising
<b>Independent Directors</b>	:	The independent directors of the Managers
<b>KPE</b>	:	Kallang-Paya Lebar Expressway
<b>Latest Practicable Date</b>	:	16 October 2015, being the latest practicable date prior to the printing of this Circular
<b>Listing Manual</b>	:	The Listing Manual of the SGX-ST
<b>KPMG</b>	:	KPMG LLP
<b>Managers</b>	:	The REIT Manager and the Trustee-Manager
<b>Market Day</b>	:	A day on which the SGX-ST is open for trading in securities
<b>Meiban</b>	:	Meiban Investment Pte Ltd
<b>Meiban Option Agreement</b>	:	The option agreement entered into between the REIT Trustee and Meiban dated 28 July 2015
<b>NAV</b>	:	Net asset value
<b>New Stapled Securities</b>	:	The up to 160,819,000 new Stapled Securities proposed to be issued pursuant to the Equity Fund Raising

<b>Ordinary Resolution</b>	:	A resolution proposed and passed as such by a majority being greater than 50.0% or more of the total number of votes cast for and against such resolution at a meeting of Stapled Securityholders convened in accordance with the provisions of the Trust Deeds
<b>Per cent. or %</b>	:	Per centum or Percentage
<b>PIE</b>	:	Pan-Island Expressway
<b>Pioneer Acquisition</b>	:	The acquisition of the Pioneer Property and the mechanical and electrical equipment therein
<b>Pioneer Announcement</b>	:	The announcement dated 28 August 2015 made by the Managers in relation to the Pioneer Acquisition
<b>Pioneer Property</b>	:	The property located at 30 Pioneer Road, Singapore 628502
<b>Preferential Offering</b>	:	A non-renounceable preferential offering of New Stapled Securities on a <i>pro rata</i> basis to existing Stapled Securityholders
<b>Private Placement</b>	:	A placement of New Stapled Securities to institutional and other investors (which may include one or more of the Vendors)
<b>Property Funds Appendix</b>	:	Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore
<b>Property Manager</b>	:	Viva Real Estate Asset Management Pte. Ltd.
<b>REIT Manager</b>	:	Viva Industrial Trust Management Pte. Ltd., as manager of VI-REIT
<b>REIT Trust Deed</b>	:	The trust deed dated 23 August 2013 (as amended) constituting VI-REIT
<b>REIT Trustee</b>	:	The Trust Company (Asia) Limited, in its capacity as trustee of VI-REIT
<b>S\$ and cents</b>	:	Singapore dollars and cents
<b>SGX-ST</b>	:	Singapore Exchange Securities Trading Limited
<b>SFA</b>	:	Securities and Futures Act, Chapter 289 of Singapore
<b>SGD</b>	:	Singapore dollars
<b>Sole Financial Adviser, Lead Manager and Placement Agent for the Equity Fund Raising</b>	:	Oversea-Chinese Banking Corporation Limited

<b>SSPL</b>	:	Shanghai Summit Pte. Ltd.
<b>Stapled Securities</b>	:	The stapled securities in VIT
<b>Stapled Securityholder</b>	:	The registered holder for the time being of a Stapled Security, including person(s) so registered as joint holders, except where the registered holder is CDP, the term “Stapled Securityholder” shall, in relation to Stapled Securities registered in the name of CDP, mean, where the context requires, the Depositor whose Securities Account with CDP is credited with Stapled Securities
<b>Stapling Deed</b>	:	The stapling deed dated 14 October 2013 entered into between the REIT Manager, the REIT Trustee and the Trustee-Manager
<b>Substantial Stapled Securityholder</b>	:	A person with an interest in Stapled Securities constituting not less than 5.0% of the total number of Stapled Securities in issue
<b>Tai Seng Acquisition</b>	:	The acquisition of the Tai Seng Property and the mechanical and electrical equipment therein
<b>Tai Seng and Ubi Announcement</b>	:	The announcement dated 29 July 2015 made by the Managers in relation to the Tai Seng Acquisition and Ubi Acquisition
<b>Tai Seng Property</b>	:	The property located at 19 Tai Seng Avenue, Singapore 534054
<b>Total Acquisition Cost</b>	:	The total acquisition cost for the Acquisitions (comprising the Tai Seng Acquisition, the Ubi Acquisition and the Pioneer Acquisition) of approximately S\$191.0 million <sup>1</sup>
<b>TPCC</b>	:	Technopark@Chai Chee
<b>Trust Deeds</b>	:	The REIT Trust Deed, the BT Trust Deed and the Stapling Deed
<b>Trustee-Manager</b>	:	Viva Asset Management Pte. Ltd., as trustee-manager of VI-BT

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<sup>1</sup> Comprising:

- (a) the purchase consideration for the Acquisition Properties of S\$167.7 million;
- (b) the upfront land premium and stamp duty payable of approximately S\$21.3 million;
- (c) the acquisition fee payable to the REIT Manager for the acquisition of the Acquisition Properties in accordance with the REIT Trust Deed of approximately S\$1.7 million (being 1.0% of the purchase consideration for the Acquisition Properties); and
- (d) the estimated professional and other transaction fees and expenses incurred or to be incurred by VI-REIT in connection with the acquisition of the Acquisition Properties (inclusive of due diligence costs and costs incurred in relation to the valuation reports) of approximately S\$0.3 million.

<b>Ubi Acquisition</b>	:	The acquisition of the Ubi Property and the mechanical and electrical equipment therein
<b>Ubi Property</b>	:	The property located at 11 Ubi Road 1, Singapore 408723
<b>Vendors</b>	:	GKE, Home-Fix and Meiban
<b>VI-BT</b>	:	Viva Industrial Business Trust
<b>VI-REIT</b>	:	Viva Industrial Real Estate Investment Trust
<b>VIT</b>	:	Viva Industrial Trust
<b>VWAP</b>	:	Volume-weighted average price
<b>WALE</b>	:	Weighted average lease expiry
<b>WALL</b>	:	Weighted average land lease
<b>WFH</b>	:	Wealthy Fountain Holdings Inc

The terms “Depositor” and “Depository Register” 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 include corporations.

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

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an **EXTRAORDINARY GENERAL MEETING** of Viva Industrial Trust (“**VIT**”) will be held on Monday, 16 November 2015 at 2.00 p.m. at 750E Chai Chee Road #03-01, Technopark@Chai Chee, Singapore 469005, for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions:

### ORDINARY RESOLUTIONS

#### (1) THE PROPOSED EQUITY FUND RAISING

That:

- (i) approval be and is hereby given for the issue of up to 160,819,000 new stapled securities in VIT (“**New Stapled Securities**”) under an equity fund raising to raise gross proceeds of up to S\$110.0 million (the “**Equity Fund Raising**”) in the manner described in the circular to stapled securityholders of VIT dated 23 October 2015; and
- (ii) the Managers, any director of the Managers (“**Director**”), and The Trust Company (Asia) Limited, in its capacity as trustee of Viva Industrial Real Estate Investment Trust (the “**REIT Trustee**”) be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Managers, such Director or, as the case may be, the REIT Trustee, may consider expedient or necessary or in the interests of VIT to give effect to the Equity Fund Raising.

#### (2) THE PROPOSED CHANGE OF AUDITORS

That:

- (i) Messrs Deloitte & Touche LLP (“**Deloitte**”) be hereby appointed as the auditors of VIT in place of Messrs KPMG LLP to hold office until the conclusion of the next annual general meeting of VIT (the “**Change of Auditors**”) and that the Managers and/or Directors be authorised to fix the remuneration of Deloitte thereof; and
- (ii) the Managers, any Director and the REIT Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Managers, such Director or, as the case may be, the REIT Trustee, may consider expedient or necessary or in the interests of VIT to give effect to the Change of Auditors.

By Order of the Board  
Wilson Ang Poh Seong  
Chief Executive Officer and Executive Director

**Viva Industrial Trust Management Pte. Ltd.**  
(Company Registration No. 201204203W)  
As manager of Viva Industrial Real Estate Investment Trust

**Viva Asset Management Pte. Ltd.**  
(Company Registration No. 201316690M)  
As trustee-manager of Viva Industrial Business Trust

23 October 2015

**Important Notice:**

- (1) A stapled securityholder of VIT entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a stapled securityholder of VIT.
- (2) Where a stapled securityholder of VIT appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
- (3) The instrument appointing a proxy must be lodged at the Stapled Security Registrar's office at Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623 not less than 48 hours before the time appointed for the Extraordinary General Meeting.

**Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a Stapled Securityholder (i) consents to the collection, use and disclosure of the Stapled Securityholder's personal data by the Managers and the REIT Trustee (or their agents) for the purpose of the processing and administration by the Managers and the REIT Trustee (or their agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Managers and the REIT Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Stapled Securityholder discloses the personal data of the Stapled Securityholder's proxy(ies) and/or representative(s) to the Managers and the REIT Trustee (or their agents), the Stapled Securityholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Managers and the REIT Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Stapled Securityholder will indemnify the Managers and the REIT Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Stapled Securityholder's breach of warranty.



## VIVA INDUSTRIAL TRUST

Comprising:

### VIVA INDUSTRIAL REAL ESTATE INVESTMENT TRUST

(a real estate investment trust constituted on  
23 August 2013 under the laws of  
the Republic of Singapore)

managed by

**Viva Industrial Trust Management Pte. Ltd.**

### VIVA INDUSTRIAL BUSINESS TRUST

(a business trust constituted on  
14 October 2013 under the laws of  
the Republic of Singapore)

managed by

**Viva Asset Management Pte. Ltd.**

**IMPORTANT:**

PLEASE READ NOTES TO THE PROXY FORM.

**Personal data privacy**

By submitting an instrument appointing a proxy(ies) and/or representative(s), the investor accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 23 October 2015.

**PROXY FORM  
EXTRAORDINARY GENERAL MEETING**

I/We \_\_\_\_\_ (Name)

of \_\_\_\_\_ (Address)

being a stapled securityholder/stapled securityholders of Viva Industrial Trust ("VIT"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Stapled Securityholdings	
			No. of Stapled Securities	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Stapled Securityholdings	
			No. of Stapled Securities	%

or, both of whom failing, the Chairman of the Extraordinary General Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and if necessary, to demand a poll, at the Extraordinary General Meeting of VIT to be held on Monday, 16 November 2015 at 2.00 p.m. at 750E Chai Chee Road #03-01, Technopark@Chai Chee, Singapore 469005 and any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the Extraordinary General Meeting, authority herein includes the right to vote on a poll.

**Pursuant to Rule 730A(2) of the Listing Manual of the SGX-ST, all resolutions at the Extraordinary General Meeting and at any adjournment thereof will be voted on by way of poll.**

Resolutions	No. of Votes For*	No. of Votes Against*
To approve the Equity Fund Raising (Ordinary Resolution)		
To approve the Change of Auditors (Ordinary Resolution)		

\* If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2015

**Total number of Stapled Securities held**

Signature(s) of stapled securityholder(s)/Common Seal

**IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM.**

Postage will be  
paid by  
addressee.  
For posting in  
Singapore only.

**BUSINESS REPLY SERVICE  
PERMIT NO. 09181**



**Viva Industrial Trust Management Pte. Ltd.**  
(as manager of Viva Industrial Real Estate Investment Trust)  
and

**Viva Asset Management Pte. Ltd.**  
(as trustee-manager of Viva Industrial Business Trust)

**c/o: Boardroom Corporate & Advisory Services Pte. Ltd.**  
50 Raffles Place  
#32-01 Singapore Land Tower  
Singapore 048623

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**Notes to Proxy Form**

1. A stapled securityholder of Viva Industrial Trust ("Stapled Securityholder") entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead.
2. Where a Stapled Securityholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A proxy need not be a Stapled Securityholder.
4. A Stapled Securityholder should insert the total number of Stapled Securities held. If the Stapled Securityholder has Stapled Securities entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("CDP"), he/she should insert that number of Stapled Securities. If the Stapled Securityholder has Stapled Securities registered in his/her name in the Register of Stapled Securityholders of VIT, he/she should insert that number of Stapled Securities. If the Stapled Securityholder has Stapled Securities entered against his/her name in the said Depository Register and registered in his/her name in the Register of Stapled Securityholders, he/she should insert the aggregate number of Stapled Securities. If no number is inserted, this form of proxy will be deemed to relate to all the Stapled Securities held by the Stapled Securityholder.
5. The instrument appointing a proxy or proxies (the "Proxy Form") must be deposited at the Stapled Security Registrar's office at Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, not less than 48 hours before the time set for the Extraordinary General Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority must (failing previous registration with the Managers) be lodged with the instrument of proxy; failing which the instrument may be treated as invalid.
8. The Managers shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Stapled Securities entered in the Depository Register, the Managers may reject a Proxy Form if the Stapled Securityholder, being the appointor, is not shown to have Stapled Securities entered against his/her name in the Depository Register as at 48 hours before the time appointed for holding the Extraordinary General Meeting, as certified by CDP to the Managers.
9. All Stapled Securityholders will be bound by the outcome of the Extraordinary General Meeting regardless of whether they have attended or voted at the Extraordinary General Meeting.
10. On a poll, every Stapled Securityholder who is present in person or by proxy shall have one vote for every Stapled Security of which he/she is the Stapled Securityholder. There shall be no division of votes between a Stapled Securityholder who is present in person and voting at the Extraordinary General Meeting and his/her proxy(ies). A person entitled to more than one vote need not use all his/her votes or cast them the same way.

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**Viva Industrial Trust Management Pte. Ltd.**

Registration Number: 201204203W

**Viva Asset Management Pte. Ltd.**

Registration Number: 201316690M

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