

Report type: Factsheet

Company Overview

Dynasty REIT is Singapore's first RMB-denominated real estate investment trust established with the investment strategy of principally investing in income-producing commercial real estate located in the PRC.

The Offering

ARA Trust Management (Dynasty) Pte Ltd, as manager of Dynasty REIT is offering 893,162,000 to 900,832,000 units for subscription at offer price of RMB 4.40 – RMB 4.70 (S\$0.855 – S\$0.915) per unit.

Total gross proceeds of between RMB 5,050 mn and RMB 5,394.3 mn are expected to be raised from the offering. ARA will subscribe to S\$100 mn (RMB 514.6 mn) worth of shares as show of support and confidence in Dynasty REIT.

Dual Currency

Dynasty will be the first listed REIT on SGX to be traded under a dual currency regime. Units will be quoted and traded in Renminbi (RMB) and Singapore dollars (SGD). Units will rank pari passu and be fully fungible, hence prices will be kept at parity through market forces. The market value of the Units will be computed based on the last done price traded on the RMB counter, which will be the primary counter for the Units.

Use of proceeds

Dynasty will use 61% of the funding to acquire the initial three properties for the portfolio. 34% will be used to pay down existing debt, 4% for transaction costs and the remaining 0.25% as working capital.

Table 1. Use of IPO proceeds

Use of Proceeds	Based on min. offer price		Based on max. offer price	
	RMB'000	S\$'000	RMB'000	S\$'000
Acquisitions of SPVs owning the Properties	4,846,753	941,849	4,846,753	941,849
Repayment of existing debt at the SPVs	2,729,247	530,363	2,729,247	530,363
Transaction costs	327,012	63,547	331,377	64,395
Working capital	20,000	3,886	20,000	3,886
Total	7,923,012	1,539,645	7,927,377	1,540,493

Source: Company, Phillip Securities Research

Investors are advised to refer to the full prospectus for further details and information.

Fig.1. Offering Summary

Ticker	: TBC – Units will trade under 2 different tickers, one each for SGD and RMB
Currency of Issue Fungibility	: Dual currency – SGD and RMB : The units trade under a dual currency regime and will rank pari passu. Unit will be fully fungible and can be traded seamlessly on either RMB or SGD counter.
Sponsor	: ARA Asset Management Limited
IPO Listing	: Singapore Stock Exchange Mainboard
Total Units Outstanding	: 1,147,730,000 Units
Issue Size (incl. cornerstone)	: Up to 1,038,900,000 Units, representing up to c.S\$955m / US\$775m / RMB4,883
Free Float %	: Up to 90.5%
Sponsor Stake Post-IPO	: Up to 10.1%
Offer Structure	: Institutional and Public Tranche – Up to 901,292,000 Units or up to c.86.8% of the offer representing up to c.S\$829m / RMB4,236m. Cornerstone Tranche – 137,608,000 Units or up to c.13.3% of the offer representing up to c.S\$126m / RMB647m
Cornerstone Investors	: Credit Suisse AG (105.0m units – up to S\$97m) Amundi (32.6m units – up to S\$30m);
Offering Price	: SGD[0.86] – SGD[0.92] per Unit / RMB4.4 – RMB4.7 per Unit
Implied Yield Dec 2012E	: 6.8% – 7.1% (Annualized)
Implied Yield Dec 2013E	: 7.0% – 7.3%
Lock-Up	: Sponsor stake – 100% for 180 days, 50% for additional 180 days.
Use of Proceeds	: To pay the Vendors for the purchase price payable in relation to the acquisition of the SPVs owning the Properties, repay existing debt and pay transaction costs incurred and working capital.
Board Lot	: 1,000 units
Brokerage & Other fees	: 1.0% to be charged to all successful placees. Brokerage is subject to 7% GST to Singapore based investors.
Settlement	: Rule 240 letter will be required for all placees
Indicative Timetable	
Application period	: 19 October 9:00 a.m - 24 October 2012
Listing on the SGX-ST	: 30 October 2012 2:00 p.m

Source: Company, PSR

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Property Portfolio

Dynasty REIT will have an initial portfolio comprising of 3 properties, (i) Nanjing International Finance Center (ii) Dalian Tianxing Roosevelt and (iii) Shanghai International Capital Plaza. The total GFA is 350,475 sqm with lettable area of 243,657 sqm. Average independent valuation is RMB 7,681.5 mn and if without DPU support, RMB 7,190.5 mn. Purchase consideration is RMB 7,406 mn.

Nanjing International Finance Center (IFC) was acquired in December 2008 as a vacant building. There was progressive leasing and asset enhancement. IFC is located at the crossroads of Zhongshan South Road and Hanzhong Road in the Xinjiekou business centre. It is situated above the busiest intersection of metro lines 1 and 2, with a direct underground linkage to the metro station. The floors from basement one to level six are used for retail outlets and the remaining floors for offices.

69% of its gross rental income (GRI) is derived from the office segment and 31% from the retail segment. The retail segment is positioned to complement the office component as 62.9% of the retail tenants (by GRI) are in the F&B sector.

Dalian Tianxing Roosevelt (TRC) was acquired in January 2010 and underwent tenant repositioning and asset enhancement. TRC is located on Xi'an Road in the Shahekou district, which is the most densely populated urban district in Dalian. Xi'an Road is also the prime retail hub of western Dalian. Dalian TRC is the only modern retail mall on Xi'an Road with a strong marketing position on youth fashion and is well-poised to capture the fast-growing young urban population in Dalian.

TRC is a full fledged mall which derives 45% of the GRI from fashion & accessories.

Shanghai International Capital Plaza (ICP) was acquired in December 2010. There was low occupancy at the time of acquisition. ICP is located in the Hongkou district, close to the intersection of North Sichuan Road and Haining Road. Hongkou is one of Shanghai's largest downtown districts and it is also the traditional shipping, logistics and trading hub in Shanghai. The area is home to more than 3,000 shipping and logistics companies, including seven out of the 10 largest global logistics companies. IFC is poised to benefit from the PRC's Government's 12th Five Year Plan to further develop Hongkou's shipping industries. It is also Shanghai's ambition to become an international shipping center by 2020.

78% of the GRI is derived from the office segment and 22% from the retail segment. 27% of the total GRI is from the transportation & logistic sector.

Two unique terms are in place to ensure dividend yields will be elevated and adequate to attract investors.

a. DPU Support

Under this scheme, Dynasty will use RMB 491 mn raised from the offering to form the DPU support. That is, the amount will later be redistributed back to investors as dividend payouts.

No less than RMB 73.1 mn and RMB 137.5 mn from this DPU support will be paid in year 2012 and 2013 respectively. The support amount is expected to be fully utilized by 31st December 2017 and any balance will be returned to unitholders. In the event that more than 20% of the support amount is used for purposes other than distributions, consent from the Trustee would have to be obtained.

b. Waiver Period

The sponsor has agreed to waive entitlements from 2012 until the financial year ending 31st December 2017. Entitlements between RMB 6.9 mn to 7.2 mn for the forecast period 2012 will be waived; thereafter, between RMB 16.7 mn to RMB 17.3 mn for every financial year until the financial year ending 31st December 2017. The amount to be waived is fixed and will be distributed to the unit holders.

The DPU support and the waiver of entitlements are structured to boost dividend yields in the initial years of the IPO, hence attracting investors interested in high yields. For the forecast period of 2012, distribution yield is expected to be between 6.8% and 7.1% and in 2013, between 7% and 7.3%.

Without the DPU support and the waiver entitlements, the distribution yield is expected to be about 3.2% in the Year 2012 and c.4.1% in Year 2013.

Dynasty REIT will distribute 100% of income from listing date to 31st December 2013. The manager has also agreed to receive new units in lieu of fees until 2013.

Investors are advised to refer to pages 78 to 83 of the Prospectus for further details and information on DPU support and waiver entitlements.

Investment Merits

Experience Sponsor.

ARA is the sponsor of Dynasty REIT. ARA is an Asian real estate fund management group listed on SGX with a market capitalization of c.S\$1.2B. ARA's AUM had grown from S\$0.6B as at 31 Dec 2003 to S\$21.8B as at 30 June 2012. Dynasty may benefit from this strong affiliation with ARA.

Diversified and high quality tenant base.

Dynasty REIT rents to the office and retail sectors in almost equitable percentage. Each retail/office sector rents to a diversified pool of tenants thus reducing concentration risk.

Positive rental reversion

Current asking rental rates for the office sector are higher than the average expiring rents of the properties by 20% to 25%, thereby providing an upside to earnings. According to the company, 43% of the lettable area in the office sector in IFC is due to expire between 2012 and 2013. Similarly, 12% of the lettable area in TRC and 57% of the office lettable area in ICP will be up for renewal. Positive repricing of rents will increase rental yields, thereby boosting distributions.

Benefit from PRC Government's 12th Five Year Plan.

In the 12th Five Year Plan, the China government has the objective of creating a moderately prosperous society. Wages are expected to increase at a relatively fast pace as a result of this plan. The success of this plan means increase in discretionary spending and bodes well for the retail sector.

High dividend yields.

Waiver of entitlements and DPU support resulted in expected high yields of c.7%. The yields are attractive relative to yields offered by other REITs with exposure to China.

Improved accessibility

Dalian TRC is positioned for further boost in retail traffic with the future development of high-end residences nearby, with 900,000 sqm of residences and 60,000 sqm of serviced apartments being planned at the nearby Yitian City Plaza. Dalian TRC may also have direct access to the planned underground metro line 1 and line 2, both of which are expected to be completed in 2014.

Investment Risks

Rental repricing on the low side.

A total of 65,857 sqm of lettable area (excluding IFC and ICP retail portion) will expire in 2012 and 2013. Earnings may be adversely impacted if the new rental rates secured are lower than the expiring rents. Investors' sentiments may also be negatively impacted if new rental rates are less than the expected 20% to 25% increase.

Foreign currency risks.

RMB's potential for appreciation is much touted. RMB has appreciated against the USD and the Euro, however, against Sing dollar, RMB had depreciated. Assuming the continuation of this trend, investors may face currency risks as the earnings of the REIT are denominated in RMB.

Geographical risk

The three properties are located in China. Slow growth in China as a result of the poor global economic climate may reduce people's discretionary spending.

Land use rights expiry

The term of the land use rights for commercial use purposes is 40 years and for mixed-use purposes is 50 years. The remaining lease period for Nanjing IFC, Dalian TRC and Shanghai ICP are 33 years, 30 years and 33 years respectively. The value of Dynasty REIT will diminish over time and will have zero value in approximately 33 years when all the land use rights have expired. The land user would have to apply for an extension of the term of such land and be expected to pay a land grant premium.

Unregistered Tenancy agreements

According to Administration Measures on Commercial Real Estate Leasing promulgated by the Ministry of Housing and Urban-Rural Development of the PRC, all tenancy agreements for the Properties are required to be registered with the local housing administrative authority. However, a substantial portion of the Dynasty's tenancy agreements have not been registered as the relevant tenants were uncooperative. As a result, the lessor and/or the lessee may be fined up to RMB 10,000 per tenancy agreement which failed to be so registered.

There are 373 leases in total at Dalian TRC and Shanghai ICP as at 31 May 2012. Total of 195 leases are not registered, hence the maximum potential loss from a fine will be RMB 1.95 mn.

Conflict of Interest

Hui Xian REIT is managed by Hui Xian Asset Management Limited, of which ARA indirectly owns a 30.0% interest, Hui Xian REIT has an investment mandate which covers high-quality commercial properties (hotels, serviced apartments, office and retail properties) in the PRC.

CIP is managed by ARA Fund Management (CIP) Limited, it is a wholly-owned subsidiary of ARA, and it has an investment strategy of targeting high-quality, income producing office and retail properties in key cities in the PRC, including Hong Kong. Conflict of interest may arise as a result of the overlapping interest.

Competition

Dynasty properties are expected to face competition from new properties in the vicinity. In Nanjing Xinjiekou, 169,000 sqm of office/retail space is made available in 2012. The current supply is enlarged by 40%. Similarly in Dalian and Shanghai, new developments will provide more office/retail space, thereby heating up the competition.

Table 2. List of Office/Retail space competition with Dynasty properties

Development	Location	Year of Completion	Estimated GFA (sq m)
Nanjing IFC	Xinjiekou	2008	109,197
Nanjing City Center	Xinjiekou	2009	70,000
Golden Eagle International Plaza	Xinjiekou	1997	148,000
World Trade Center	Xinjiekou	1998	15,000
Deji Plaza Phase II	Xinjiekou	2012	60,000
Siya Fortune Center	Xinjiekou	2012	47,000
World Trade Center Phase II	Xinjiekou	2012	62,000
Total			511,197

Development	Location	Year of Completion	Estimated GFA (sq m)
Dalian TRC	Xi'an Road	2006	184,980
Fujia Xintiandi	Xi'an Road	2005	160,000
Peace Plaza	Gao'erji Road	2002	77,000
Parkland Mall	Jiefang Road	2003	80,000
Guotaishenda Mall	Tianjin Street	2013	40,000
Changxing Shopping Center	Xi'an Road	2013	40,000
Eton Place	Qingniw a	2015	140,000
Olympia 66	Olympic Square	2015	221,900
Total			943,880

Development	Location	Year of Completion	Estimated GFA (sq m)
Shanghai ICP	Hongkou	2009	56,299
Hi Time Times Tower	Hongkou	2006	38,000
CITIC Plaza	Hongkou	2011	87,000
One Prime	Hongkou	2011	36,718
BM Tower	Hongkou	2005	56,633
CITIC Pacific Place	Hongkou	2012	40,000
North Bund Pujiang International Finance Plaza	Hongkou	2013	69,111
Total			383,761

Source: Company, Phillip Securities Research

Investors are advised to refer to pages 40 to 70 of the Prospectus for the full listing of investment risks.

Table 3. Overview of Dynasty REIT properties

Overview of Properties				
Properties Overview	Nanjing International Finance Center	Dalian Tianxing Roosevelt	Shanghai International Capital Plaza.	Total/Average
Property Details	51-storey mixed use office and retail building with two basement levels in Xinjiekou, Baixia District Nanjing	5-storey retail mall with two basement levels in Shahekou District, Dalian	29-storey mixed use office and retail building with one basement level in Hongkou District, Shanghai	
Committed occupancy (%)	95.5	93.2	86.8	92.7
Number of tenants	167	260	99	520*
Car Park Lots	292	1013	128	1433
Total GFA (sq m)	109,196.5	184,980.3	56,299.0	350,475.8
Office GFA (sq m)	72,686.0	0.0	41,493.1	114,179.1
Retail GFA (sq m)	27,503.9	138,627.6	14,402.2	180,533.7
Carpark GFA (sq m)	9,006.6	46,352.7	403.6	55,762.9
Overall Lettable Area (sq m)	96,321.8	96,692.2	50,643.2	243,657.2
Office Lettable Area (sq m)	72,024.6	0.0	40,993.6	113,018.2
Retail Lettable Area (sq m)	24,297.3	96,692.2	9,649.5	130,639.0
GRI breakdown	34%	47%	19%	100%
Ave. independent valuation (RMB'mn)	2,777.9	3,281.6	1,622.0	7,681.5
Ave. independent valuation without DPU support (RMB'mn)	2,595.0	3,090.0	1,505.5	7,190.5
Purchase Consideration (RMB'mn)	2,678.0	3,164.0	1,564.0	7,406.0
Acquisition Date	Dec-08	Jan-10	Dec-10	
Completion Date	21 Mar 2008 (office) 20 Oct 2008 (retail)	17-Aug-06	23-Jul-09	
Land Use Right Expiry	28-Apr-45	18-Aug-42	18-May-45	
Property Specific Information				
Breakdown by GRI				
Office	69%	0%	78%	
Retail	31%	100%	22%	
Breakdown by Lettable Area				
Office	75%	0%	81%	
Retail	25%	100%	19%	
Top 3 sector contributor to GRI for the month of May 2012				
	21% F&B 19% Finance & consulting 17% Manufacturing	45% Fashion & Accessories 15% F&B 14% Department store	27% Transportation & logistics 19% Shipping & trading 17% F&B	
Retail component - Top 3 sector contributor to GRI for the month of May 2012				
	63% F&B 14% Entertainment & education 6% Science & technology	45% Fashion & Accessories 15% F&B 14% Department store	67% F&B 15% Fashion & accessories 11% Finance & consulting	
Office component - Top 3 sector contributor to GRI for the month of May 2012				
	28% Finance & consulting 24% Manufacturing 16% Services	- - -	35% Transportation & logistics 24% Shipping & trading 16% Services	
Top 10 tenants by GRI for the month of May 2012				
	1 AstraZeneca (Wuxi) Trading Co., Ltd	Bestseller (Jack & Jones) Fashion Co., Ltd. (Tianjin)	Apparel Group Trading (Shanghai) Co., Ltd	
	2 Citrix Systems Information Technology (Beijing) Ltd.	C&A (China) Company Limited	C&A (China) Company Limited	
	3 Dongfeng Yueda Kia Motors Co., Ltd	Dalian New Cashbox Entertainment Company Limited	Cinda Securities Co. Ltd. Shanghai Wujin Road Sales Department*	
	4 Nanjing Suodian Science & Technology Co., Ltd.	Dalian GOME Appliances Co., Ltd	E-Career (Shanghai) Co., Ltd.	
	5 KFC Nanjing Co., Ltd	Dalian Yueao Sports Goods Sales Co., Ltd	HKC (China) Management Co., Ltd.	
	6 Nanjing New Tang Fresh Food Co., Ltd	Dashang (MYKAL) Group Co., Ltd	Jinfu (Shanghai) Restaurant Management Co., Ltd.	
	7 Nanjing Web International English Institute	Fast Retailing (China) Trading Co., Ltd. (UNIQLO)	Kaiyuan Shipping Co., Ltd	
	8 Nanjing Zhuopei Education & Consulting Co., Ltd	Ningbo Hehejesika Fashion Co., Ltd	Shanghai Gourmet Master Food & Beverage Ltd.	
	9 Shenzhen Beloves Diamond Co., Ltd. Nanjing Xinjiekou Branch	Shanghai Dazzle Trading Co., Ltd.	Wallem Shipping (China) Ltd.	
	10 Sino-US United Metlife Insurance Company Limited Jiangsu Branch	Zhou Fu Kuan trading as Mark Fairhale	Yuyan (Shanghai) Restaurant Management Co., Ltd.	

Source: Company, Phillip Securities Research

* adjusted for tenants which have leases in multiple properties

Table 4. Peer Comparison

Peers	Dynasty REIT	Capitaretail China Trust	Hui Xian REIT	Yuexiu REIT
Exchange	Singapore	Singapore	Hong Kong	Hong Kong
Key Cities	Shanghai, Dalian, Nanjing	Beijing, Shanghai, Zhengzhou,	Beijing, Shanghai	Guangzhou
Asset size (RMB'mn)	7,681.50	7,079	34,947	6,644
GRI by sector	Retail 61% Office 39%	Retail 100%	Retail 35%, Office 29% Hotel 31%, Serviced residence 5%	Retail 61% Office 39%
Debt/Asset ratio	33%	28.10%	4.10%	26.30%
Occupancy	95%	97.10%	Retail 95.7%, Office 95.1% Hotel 87.2%, Serviced residence 65%	98.30%
Fee Structure	Dynasty REIT	Capitaretail China Trust	Hui Xian REIT	Yuexiu REIT
Base Fee	0.3% p.a based on value of consolidated assets	0.25% of desposited property	0.3% of property values	0.3% of desposited property
Performance Fee	4.5% p.a of Net Property Income .	4.0% p.a of Net Property Income .	3.0% p.a of Net Property Income .	3.0% p.a of Net Property Income .
Acquisition Fee	1% of the acquisition price	1% of the acquisition price, if > \$200 mn. 1.5%, if <\$200 mn.	1% of the acquisition price	1% of the acquisition price
Divestment fee	0.5% of the sale price	0.5% of the sale price	0.5% of the sale price	0.5% of the sale price
Property management fee	1.5% of Gross Revenue and 1.5% of Net Property Income.	2.0% of Gross Revenue and 2.0% of Net Property Income.	1.0% of Net Property Income and 2% of revenue of hotel manager	3% - 4% in gross revenue depending on property
Lease commission	1.5 months for new leases and 0.5 months for renew al.	0.5% of NPI in lieu of leasing commission	1-2 months effective rent 10% for hotel room bookings to agents	Included in property management fee
Currency	RMB	SGD	RMB	HKD
Share price	4.7	1.64	4.04	3.6
NAV	4.79	1.38	5.21	4.91
PB	0.99	1.2	0.78	0.73
Expected/annualised				
DPU (cents)	32	9.5	23.6	22
DPU yield	6.8%	5.8%	5.8%	6.1%

Source: Company, Phillip Securities Research , The Edge

Table 5. Financial Statements of Dynasty REIT

Unaudited Pro Forma Profit and Loss Statement (RMB'000)	Year Ended Dec 2011	5 months ended May 2011	5 months ended May 2012
Gross rental income	295,712	106,639	149,902
Service charges	58,789	23,493	25,803
Other income	22,080	11,510	10,457
Gross revenue	376,581	141,642	186,162
Property-related taxes	(39,562)	(14,634)	(18,460)
Business taxes	(22,232)	(9,060)	(11,515)
Property management fees	(11,865)	(3,427)	(4,564)
Other property operating expenses	(97,220)	(28,214)	(35,184)
Total property operating expenses	(170,879)	(55,335)	(69,723)
Net property income	205,702	86,307	116,439
Manager's management fees	(34,564)	(14,288)	(15,877)
Trustee's fees	(2,531)	(1,048)	(1,057)
Administrative expenses	(10,000)	(4,167)	(4,167)
Net foreign exchange gains/(losses)	302	417	(547)
Finance income	1,166	181	500
Finance costs	(115,711)	(60,986)	(60,860)
Change in fair value of investment properties	275,500	275,500	-
Total returns before income tax	319,864	281,916	34,431
Income tax expense	(56,950)	(78,656)	(10,201)
Total returns for the year/period	262,914	203,260	24,230

Unaudited Pro Forma Balance Sheet Statement (RMB'000)	Year Ended Dec 2011	5 months ended May 2012	10 months ended Oct 2012
Plant and equipment	2,146	1,983	1,798
Investment properties	7,681,500	7,681,500	7,681,500
Deferred tax assets	27,987	25,829	23,634
Non-current assets	7,711,633	7,709,312	7,706,932
Trade and other receivables	41,207	31,369	32,768
Cash and cash equivalents	683,037	716,233	768,023
Current assets	724,244	747,602	800,791
Total assets	8,435,877	8,456,914	8,507,723
Receipts in advance	24,926	26,362	26,362
Trade and other payables	121,534	110,924	106,329
Current tax payable	16,328	12,387	12,387
Current liabilities	162,788	149,673	145,078
Loans and borrowings	2,801,710	2,801,710	2,801,710
Deferred tax liabilities	68,875	68,875	69,017
Non-current liabilities	2,870,585	2,870,585	2,870,727
Total liabilities	3,033,373	3,020,258	3,015,805
Net assets	5,402,504	5,436,656	5,491,918
No. of shares	1,147,730,000	1,147,730,000	1,147,730,000
Book value per shs	4.71	4.74	4.74
Earnings per share	0.23	na	na
Share price (based on maximum offer price)	4.70	4.70	4.70
PB	1.00	0.99	0.99
PE	20.5	na	na

Source: Company, Phillip Securities Research

Key Management

Chief Executive Officer: Mr Mark Chu

Mr Chu has over 18 years of real estate experience. Prior to joining the Manager, Mr Chu was a managing director and head of Asia Real Estate, Gaming and Lodging at Bank of America Merrill Lynch for seven years. Mr Chu was responsible for establishing the group in the region and transactions in the space that BAML worked on from China to India. His job scope involved raising capital for developers, REITs and lodging companies and providing strategic advice. Mr Chu was a director of real estate and lodging in Citigroup, USA from 1997 to 2005. His duties centred primarily on capital markets transactions and mergers and acquisitions advisory work. During his time there, he represented many of the largest REITs in the US.

Director, Investments, of the Manager:

Mr Kong Tai Meng Thomas

Mr Kong has over 16 years of real estate experience. Prior to joining the Manager and since 2004, Mr Kong has held various positions within the ARA Group including the fund manager for Al Islami Far Eastern Real Estate Fund, the first Shariah compliant real estate fund in Asia. Mr Kong was also part of the pioneer team that established the ARA Asia Dragon Fund, which is ARA's flagship US\$1.1 billion private real estate fund, where he held the positions of Investment Director, Asset Management Director and Portfolio Management Director at various stages of the fund's life. As one of the key executives of ADF, Mr Kong was closely involved with the operations of the fund especially acquisition and asset management of properties, including those that Dynasty REIT would be acquiring for its initial portfolio. Prior to joining ARA, Mr Kong held various positions in CapitaLand Limited, the largest listed real estate developer in Southeast Asia, from 2000 to 2004. His last position held was Vice President in TCC Capital Land Limited.

Senior Finance Manager of the Manager:

Ms Chai Hoon Teng

Ms Chai has more than 18 years of experience in accounting and finance-related work including group accounting and reporting, tax planning, management, strategic planning and setting of accounting policies and procedures. Prior to joining the Manager, Ms Chai was with ARA Managers (Asia Dragon) Pte. Ltd. from July 2011. From June 2010 to July 2011, Ms Chai was an Assistant Financial Controller with Singex Group, the Meetings, Incentives, Conferences and Exhibitions (MICE) management business of Temasek Group. From June 2006 to June 2010, Ms Chai was with CapitaLand Financial Limited as finance manager.

Senior Asset Manager of the Manager:

Ms Chan See Sharon

Ms Chan See Sharon has more than 10 years of professional experience in the property and infrastructure sector. Her last role was Senior Manager, Asset Management with the ARA Asia Dragon Fund which she joined in April 2009 where she was involved in the pre-acquisition due diligence and asset-enhancement planning

for the PRC retail and office properties under the Asia Dragon Fund.

Board of Directors

Chairman and Non Executive Director:

Mr Chiu Kwok Hung Justin

He is the chairman and non-executive director of ARA Asset Management Limited, Fortune REIT, Suntec REIT and Prosperity REIT. He is also the Director of ARA Asia Dragon Fund and an executive director of Cheung Kong. He is a member of the 11th Shanghai Committee of the Chinese People's Political Consultative Conference, the PRC. He had more than 30 years of international experience in real estate in Hong Kong and various countries.

Non Executive Director:

Mr Lim Hwee Chiang John

Mr Lim is the group chief executive officer and an executive director of ARA since its establishment. He is also a non-executive director of ARA Asset Management (Fortune) Limited (the manager of Fortune REIT), ARA Trust Management (Suntec) Limited (the manager of Suntec REIT), ARA Asset Management (Prosperity) Limited (the manager of Prosperity REIT), Am ARA REIT Managers Sdn. Bhd. (the manager of AmFIRST Real Estate Investment Trust), ARA-CWT Trust Management (Cache) Limited (the manager of Cache Logistics Trust), APN Property Group Limited listed in Australia and Hui Xian Asset Management Limited (the manager of Hui Xian REIT).

Independent Non Executive Director:

Mr Lim Lee Meng

Mr Lim is currently a senior partner of RSM Chio Lim LLP, a member firm of RSM International. Mr. Lim is also an independent director of Teckwah Industrial Corporation Ltd, Tye Soon Ltd, ARA Asset Management (Fortune) Limited (the manager of Fortune REIT) and ARA Trust Management (Suntec) Limited (the manager of Suntec REIT). He also serves as the chairman of the audit committee of Teckwah Industrial Corporation Ltd and ARA Asset Management (Fortune) Limited.

Independent Non Executive Director:

Mr Lim Kong Puay

He is also the president and chief executive officer of Tuas Power Generation Pte. Ltd. (a power generation company supplying almost a quarter of Singapore's electricity needs). In addition, he is also a chairman and a non-executive director of TPGS Green Energy Pte. Ltd. Mr Lim is also a non-executive director of Tuas Power Supply Pte Ltd, TP Utilities Pte. Ltd., TP Asset Management Pte. Ltd., Newearth Pte. Ltd. and Newearth Singapore Pte. Ltd..

Independent Non Executive Director:

Mrs Yu_Foo Yee Shoon

She is currently a non-executive director of Singapura Finance Ltd. From 2004 to 2011, she was the Minister of State for the Ministry of Community Development, Youth and Sports, where her duties focused in community development for women, children, grassroots, charity and ComCare (Community Care Endowment Fund).

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