



## MACARTHURCOOK

A Member of AIMS Financial Group

20 April 2012

ASX Code: MPS

SGX Code: MacCookPSF

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### ASX Announcement

#### **MacarthurCook Property Securities Fund Non-Renounceable Entitlement Offer**

MacarthurCook Fund Management Limited as responsible entity of the MacarthurCook Property Securities Fund ("**Responsible Entity**") is pleased to announce a fully underwritten non-renounceable entitlement offer ("**Entitlement Offer**") for holders of units in the MacarthurCook Property Securities Fund ("**Fund**") to raise up to A\$5.869 million. The Entitlement Offer is an offer of 13 new units ("**New Units**") for every 15 units held in the Fund ("**Entitlement**") as at 7.00 pm Sydney time (5.00 pm Singapore time) on 2 May 2012 ("**Record Date**").

It is expected that the Entitlement Offer will open on 8 May 2012 and be available to unitholders who have registered addresses in Australia, New Zealand or Singapore as at the Record Date ("**Eligible Unitholders**"). It is expected that the Entitlement Offer will close on 22 May 2012 at 7.00pm Sydney time (5.00pm Singapore time).

Proceeds from the Entitlement Offer will be used to repay part of the Fund's existing debt facilities and pay the expenses of the Entitlement Offer. The Responsible Entity has secured an extension to the existing debt facility with OCBC so that the repayment formerly due on 31 March 2012 is now payable upon settlement of the Entitlement Offer.

The issue price for New Units will be fixed at A\$0.035 or S\$0.0454, calculated using the Australian-Singapore exchange rate of S\$1.2971 for A\$1.00 as at 19 April 2012 ("**Issue Price**"). Eligible Unitholders may elect to subscribe for their New Units in either currency. The Issue Price of A\$0.035 or S\$0.0454 represents a 51.9% discount to the volume weighted average price of units traded on the ASX over the 10 trading days up to and including 13 April 2012.<sup>1</sup>

Persons who hold units in the Fund that are traded on Singapore Exchange Securities Trading Limited ("**SGX**") and whose units are registered in the name of Central Depository Pte Limited ("**CDP**") (the

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<sup>1</sup> Being the last trading day that the units in the Fund traded on ASX prior to the Fund going into a trading halt prior to announcement of the Entitlement Offer.

**Head Office Sydney:** Level 16, Central Square  
323 Castlereagh Street, Sydney NSW 2000 Australia  
PO Box K222 Haymarket NSW 1240 Australia  
**Client Services: 1300 655 197, 1300 362 117 Fax: +612 9281 7611**  
**Melbourne Office:** Level 9, 350 Collins Street, Melbourne Victoria 3000 Australia  
PO Box 28 Flinders Lane VIC 8009 Australia  
**Email:** mail@macarthurcook.com.au **Website:** www.macarthurcook.com.au

**MacarthurCook Group**  
**MacarthurCook Fund Management Limited**  
ABN 79 004 956 558 AFS Licence No: 258052  
**MacarthurCook Investment Managers Limited**  
ABN 45 099 054 074 Licence No: 225357 SEC No: 801-66388  
**MacarthurCook Real Estate Funds Limited**  
ABN 32 126 766 167 AFSL No: 318261

"Singapore CDP Account Holders") are not being made an offer under the Entitlement Offer.<sup>2</sup> However, Singapore CDP Account Holders as at the Record Date may instruct CDP to apply for New Units on their behalf based on the number of units which are standing to the credit of their CDP securities account as at the Record Date.

Eligible Unitholders<sup>3</sup> may apply for New Units in excess of their Entitlement ("**Additional Units**") under a shortfall facility ("**Shortfall Facility**"). Singapore CDP Account Holders may also instruct CDP to apply for Additional Units under the Shortfall Facility on their behalf. Any Additional Units will be limited to the extent of any shortfall under the Entitlement Offer. Unitholders should satisfy themselves that they are able to acquire Additional Units in accordance with applicable laws before applying for (or instructing CDP to apply for) Additional Units.

The Independent Directors reserve the right to issue any shortfall at their discretion. The Independent Directors have determined that to the extent that applications under the Shortfall Facility and underwriting arrangements (described below) exceed any shortfall under the Entitlement Offer, the applications will be scaled back applications according to applicants' pro rata unitholding as at the Record Date (in the case of Singapore CDP Account Holders, the pro rata allocation will be based on the number of units which are standing to the credit of their CDP securities account as at the Record Date) and applicable *Corporations Act 2001* (Cth) requirements.

Eligible Unitholders and Singapore CDP Account Holders as at the Record Date will receive an offer booklet and a personalised entitlement and acceptance form which will provide further details of how to participate in the Entitlement Offer and Shortfall Facility or instruct CDP (as applicable).

Please note that only those Singapore CDP Account Holders who have addresses registered with CDP in Singapore on the Record Date, or who have at least three (3) market days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents shall be entitled to instruct CDP to apply for New Units and Additional Units. Singapore CDP Account Holders who do not have addresses in Singapore for the service of notices and documents and who wish to be entitled to apply for the Entitlement Offer through CDP should provide CDP with an address in Singapore at least three (3) market days prior to the Record Date.

### **Underwriting and sub-underwriting arrangements**

BBY Limited (AFSL 238095) is acting as financial adviser to the Responsible Entity and has provided the Responsible Entity with advice in respect to, among other things, the pricing of the Entitlement Offer.

MacarthurCook Fund Management Limited (AFSL 258052) in its personal capacity (**MacarthurCook**) has agreed to fully underwrite the Entitlement Offer under an underwriting deed. AIMS Group Holding Pty Ltd

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<sup>2</sup> This is because Singapore CDP Account Holders are not Eligible Unitholders as they do not hold a registered interest in units in the Fund.

<sup>3</sup> Excluding any Eligible Unitholders who have already been offered an opportunity to participate in the sub-underwriting of the Entitlement Offer.

(AIMS), the ultimate holding company of MacarthurCook, is also a party to the underwriting deed. AIMS has agreed to exercise its powers as holding company to ensure that MacarthurCook performs its commitments as underwriter under the underwriting deed between the parties on 14 April 2012. AIMS has also agreed to pay to the Responsible Entity on demand any amount that MacarthurCook fails to pay the Responsible Entity in respect of underwritten units.

The five largest unitholders that are wholesale clients (as defined by section 761G of the Corporations Act), excluding CDP, have been offered an opportunity to sub-underwrite the Entitlement Offer. In response to the sub-underwriting offers, AIMS and Laxey Partners Ltd (**Laxey**) have each agreed to sub-underwrite the Entitlement Offer as at the date of this announcement. AIMS and its associates have a relevant interests in 12.09% of the units in the Fund. The Responsible Entity understands that Laxey and its associates have a relevant interest in 5.02% of the units in the Fund. If all Eligible Unitholders take up their Entitlements in full, the relevant interest of AIMS and Laxey (and their respective associates) will not change.

The following table shows the potential effect that the Entitlement Offer may have on control of the Fund at various levels of take-up under the Entitlement Offer assuming that AIMS and Laxey take up their full Entitlement and no unitholders participate in the Shortfall Facility. Discussions with potential sub-underwriters are ongoing. If further sub-underwriting commitments are obtained, this may change the potential effect that the Entitlement Offer may have on control of the Fund. The Responsible Entity will update the market once sub-underwriting commitments are finalised.

Take-up under Entitlement Offer*	Relevant interest post Entitlement Offer		
	AIMS	Laxey	Other unitholders
100%	12.1%	5.0%	82.9%
75%	21.9%	9.1%	69.0%
50%	27.7%	11.5%	60.8%
25%	33.5%	13.9%	52.6%
0%	39.3%	16.3%	44.4%

\* Assuming that AIMS and Laxey take up their full Entitlement.

If there is a material effect on control of the Fund following completion of the Entitlement Offer by virtue of AIMS increasing its relevant interest pursuant to the underwriting and sub-underwriting arrangements, AIMS has confirmed to the Responsible Entity that it has no intention to change the operation of the Fund from the manner in which it is currently operated by the Responsible Entity. The Responsible Entity will continue to operate the Fund and perform the functions conferred on it by the Fund's constitution and all applicable laws and follow the operational strategy for the Fund as outlined in the 2011 Annual Report and subsequent announcements to Unitholders.

## Timetable

	ASX Date	SGX <sup>1</sup> Date
<b>Announcement date</b>	20 Apr	20 Apr
<b>Notice sent to Unitholders (Eligible and Ineligible)</b>	23 Apr	23 Apr
<b>Securities quoted "ex" rights</b>	26 Apr	27 Apr
<b>Record date to determine entitlements</b> (7.00pm Sydney time / 5.00pm Singapore Time)	2 May	2 May
<b>Opening date and despatch of Offer Booklet</b>	8 May	8 May
<b>Closing Date of Rights Issue</b> (7.00pm Sydney time / 5.00pm Singapore Time)	22 May	22 May
<b>ASX and SGX notified of under subscriptions</b> (10.00am Sydney time)	25 May	25 May
<b>Settlement</b>	28 May	28 May
<b>Allotment of securities under rights issue and Despatch Date</b>	30 May	30 May
<b>Trading of New Units commences</b>	31 May	31 May
<b>Mailout of Holding Statements</b>	1 June	1 June

### *1. Applicable for Singapore CDP Account Holders*

These dates are indicative only and are subject to change without notice. Subject to the requirements of the Corporations Act, the ASX Listing Rules and any other applicable laws, the Responsible Entity reserves the right to amend the timetable including to extend the closing date for the Entitlement Offer, to close the Entitlement Offer early, to withdraw the Entitlement Offer at any time prior to the allotment of New Units under the Entitlement Offer and/or to accept late applications either generally or in specific cases. If the closing date is extended, the subsequent dates may also be extended. For the reasons set out in this announcement, there can be no guarantee that the Entitlement Offer will proceed in accordance with this timetable or at all.

## **Pelorus Proposal**

On 4 April 2012, BlackWall Property Funds Limited, a subsidiary of Pelorus Private Equity Limited, has convened a meeting of unitholders where it will seek unitholder approval to replace MacarthurCook Funds Management Limited as the responsible entity of the Fund with TFML Limited ("**Pelorus Proposal**"). The

Pelorus Proposal does not affect the Entitlement Offer. The Entitlement Offer will proceed to enable the repayments due under the OCBC debt facility to be made. This is consistent with the Responsible Entity's strategy of stabilising the Fund's balance sheet.

### **Takeovers Panel application**

On 18 April 2012, Laxey made an application to the Takeovers Panel ("**Panel**") seeking a declaration of unacceptable circumstances in relation to the Entitlement Offer. The Entitlement Offer will proceed, however, the Entitlement Offer will be subject to any orders that the Panel makes.

Laxey is claiming, amongst other things, that the Entitlement Offer, including the underwriting and sub-underwriting arrangements amount to unacceptable circumstances under section 657A(2)(a) of the Corporations Act and has sought interim and final orders.

The Responsible Entity denies that the Entitlement Offer gives rise to unacceptable circumstances. In accordance with the Panel's rules, the Responsible Entity cannot canvass matters before the Panel in the media. Accordingly, the Responsible Entity cannot say more about the Panel proceedings at this point in time.

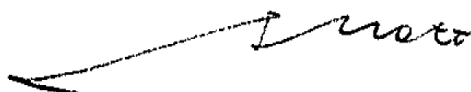
There is a risk that the Panel may make orders stopping the Entitlement Offer from proceeding or changing the structure of the Entitlement Offer, including the underwriting and sub-underwriting arrangements.

### **ASIC relief**

Relief from ASIC is required to facilitate the Entitlement Offer which has not yet been obtained. The Responsible Entity is in advanced discussions with ASIC and, subject to the outcome of the Panel proceedings, is confident that relief will be forthcoming. Nevertheless, as the Entitlement Offer cannot open unless and until the ASIC relief is obtained, there can therefore be no guarantee that Entitlement Offer will proceed in its current form or at all.

For further information please contact the Responsible Entity on +61 2 9217 2727.

Yours faithfully



Richard Nott  
Director  
MacarthurCook Fund Management Limited



Moni An  
Company Secretary  
MacarthurCook Fund Management Limited

**About MacarthurCook:**

***MacarthurCook Fund Management Limited (MacarthurCook) is a wholly owned subsidiary of the AIMS Financial Group (AIMS), which specialises in the investment management of direct property, real estate securities and mortgage assets.***

***MacarthurCook and AIMS manage over A\$1.5 billion on behalf of over 20,000 Investors/borrowers as at 21 December 2010 and are the investment managers for the CWH Australia Trust, MacarthurCook Office Property Trust, MacarthurCook Mortgage Fund, Advance Mortgage Fund, MacarthurCook Property Securities Fund and the RMR Asia Pacific Real Estate Fund. AIMS also manages, in a joint-venture arrangement with AMP Capital, the AIMS-AMP Capital Industrial REIT in Singapore.***

***The MacarthurCook Property Securities Fund is listed on the ASX and the Singapore Exchange. The AIMS-AMP Capital Industrial REIT is listed on the Singapore Exchange. The RMR Asia Pacific Real Estate Fund is listed on the New York Stock Exchange.***

**About AIMS Financial Group:**

***Established in 1991, AIMS Financial Group is an Australian company with a solid track record and enviable reputation in the mortgage and securitisation markets. It has expanded to become an international financial group focusing on funds management, real estate investment, securitisation and mortgage lending.***

***AIMS is a 100% Australian owned business that has operated in Australia for nearly 20 years. AIMS started in Australia with only two staff and today have in excess of 100 staff in Australia. AIMS has been very active in introducing international investors into the Australian real estate market. During this time AIMS has attracted significant investment in Australian direct property from its international clients. Since 1999, AIMS has raised directly and indirectly approximately A\$3 billion in funds from the Australian capital markets, with most of the RMBS (Residential Mortgage Backed Securities) rated AAA by both Standard & Poors and Fitch Ratings.***

***With offices across Australia and China and highly qualified, professional and experienced cross-cultural teams, AIMS Financial Group bridges the gap between Australia and China in various markets, especially in real estate, resources, technology, infrastructure, banking and financial services.***