

ASX RELEASE

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360 Capital Group Revised Proposal

The Board of Asia Pacific Data Centre Group (**APDC**) notes this morning's announcement by 360 Capital Group (**360 Capital**).

APDC confirms that it has received the attached proposal from 360 Capital after market close yesterday (**360 Capital Revised Proposal**). The proposal is described as being incomplete and is subject to a number of requirements and conditions. If these requirements and conditions are met and the proposal is implemented, it would result in APDC securityholders receiving total funds of \$1.95 per APDC security, comprising a capital distribution from APDC of \$0.65 and cash consideration of \$1.30 from 360 Capital.

The Board of APDC is committed to maximising value for APDC securityholders and will give prompt consideration to the 360 Capital Revised Proposal.

The Board notes that:

- aspects of the 360 Capital Revised Proposal are likely to require the support of NEXTDC Limited (**NEXTDC**) which, based on its most recent notice of substantial holder filed with ASX, has a relevant interest in 20.77% of APDC securities; and
- receipt of the 360 Capital Revised Proposal does not of itself cause the APDC Board to change its current recommendation that APDC securityholders accept NEXTDC's unconditional cash takeover offer at \$1.87 cash per APDC security in the absence of a superior proposal.

The Board will provide a further update when it has considered the 360 Capital Revised Proposal in detail.

For further information please contact:

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APDC is a special purpose real estate investment trust (A-REIT) which listed on the Australian Securities Exchange on 9 January 2013 to own data centre properties. APDC has the objective of providing investors with a stable income and the potential for capital growth.



31 August 2017

Mr Ian Fraser
Independent Chairman
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Dear Mr Fraser,

New proposal for Asia Pacific Data Centre Group (AJD) by 360 Capital Group (TGP)

Further to our indicative non-binding proposal dated 25 July 2017, 360 Capital Group has now completed its due diligence and now makes the following new proposal.

1/ THE PROPOSAL

The proposal is for 360 Capital Group (or its related entity) to acquire 100% of the securities in Asia Pacific Data Centre Group (**AJD**) by scheme of arrangement (**Proposal**). Under the Proposal, AJD securityholders will receive a capital distribution from AJD of \$0.65 per security plus cash consideration of \$1.30 per security (**Total Consideration**).

The Total Consideration of \$1.95 per security represents:

- 1/ 24.6% premium to the \$1.565 closing price for AJD Securities on 1 May 2017, the day before 360 Capital announced its acquisition of a 19.99% stake in AJD;
- 2/ 20.0% premium to AJD's net tangible assets per AJD security as at 30 June 2017; and
- 3/ 3.7% premium to the takeover offer by NEXTDC dated 14 August 2017 of \$1.87 per AJD security (**NEXTDC Offer**).

2/ CAPITAL DISTRIBUTION

This Proposal requires AJD to increase the current AJD debt facility from \$29.0 million to \$100.0 million and to use the proceeds of this facility to undertake a capital distribution of \$0.65 per AJD security to all AJD securityholders. 360 Capital Group has obtained a credit approved facility from BankWest for this to occur.

360 Capital Group understands that AJD will need to consider, among other things, the financial assistance provisions of the Corporations Act. However, given the financial position of AJD and the fact that the distribution will be primarily funded out of Asia Pacific Data Centre Trust, 360 Capital Group does not believe this should be an impediment to the Proposal proceeding.

3/ STATUS OF THE PROPOSAL

The Proposal is incomplete and not capable of acceptance, and among other things, is conditional on the parties entering a scheme implementation agreement on market terms.

4/ ALTERNATIVE CONSIDERATIONS

To the extent that AJD is concerned that the Proposal may not proceed without NEXTDC's support, 360 Capital Group is willing to engage with AJD in relation to developing an alternative proposal to present to AJD securityholders on terms consistent with the Proposal whereby:

1. AJD agrees to make a capital distribution of \$0.65 to AJD securityholders; and
2. 360 Capital Group (or its related entity) makes an offer to acquire AJD securities for \$1.30 cash per security on terms consistent with the NEXTDC Offer.

To the extent this alternative arrangement proceeds by way of takeover bid, it would be subject to obtaining all relevant ASIC approvals and relief, including in respect of the minimum bid price rule.

The formulation of any proposal in respect of this alternative will be subject to the outcome of discussions between 360 Capital Group and AJD.

DIRECTORS SUPPORT

360 Capital Group believes that the Proposal represents an opportunity for the AJD Board to secure a substantial uplift for AJD securityholders compared to the NEXTDC Offer. 360 Capital Group is willing to work with AJD and its advisers on an urgent basis to develop and implement the Proposal.

FUNDING

360 Capital Group has sufficient financial resources to undertake the transaction.

We look forward to your response and to working with you to secure a beneficial outcome for Securityholders in AJD.

I can be contacted on +612 8405 8860

Yours sincerely



David van Aanholt
Independent Chairman
360 Capital Group