

ARA buys all of CWT's units in Cache Logistics Trust, raising its stake to 9.2%

By Marissa Lee, The Business Times MON, SEP 03, 2018

ARA Asset Management, the manager of Cache Logistics Trust, has raised its stake in the warehouse owner to 9.21 per cent through a married deal with Cache's sponsor CWT.

CWT, which was acquired by the Chinese HNA Group last year, sold all its 43.66 million units in Cache to ARA for S\$0.74 per unit on Aug 30, according to an exchange filing on Monday.

The sale lifts ARA's stake in Cache from 5.14 per cent to 9.21 per cent.

ARA's shareholders, which include The Straits Trading Company, Warburg Pincus and the Aviation Industry Corporation of China, are deemed substantial unit holders of Cache.

Earlier last month, ARA emerged as a substantial unit holder in Cache when it raised its stake from 4.96 per cent to 5.12 per cent via a market purchase of 1.7 million units on Aug 24, at an average price of S\$0.7371 per unit.

Daniel Cerf, chief executive of the Reit manager, said in a statement: "The acquisition of a substantial position in Cache, as well as the recent takeover of a full control of the manager and the property manager, demonstrates ARA's confidence and strong support in the Reit. We will continue to capitalise on ARA's established foothold and expanding partnerships to continue executing our well-defined portfolio rebalancing and growth strategy to enhance earnings growth over time."

In July, ARA acquired full ownership in the Reit and property managers of Cache by purchasing CWT's shares.

Units in Cache Logistics Trust fell 0.68 per cent to S\$0.735 on Monday.