

1 September 2017

360 Capital Group
New proposal to acquire Asia Pacific Data Centre Group

On 28 August 2017, 360 Capital Group (ASX:TGP) provided an update regarding the status of its due diligence in relation to its conditional offer to acquire all the ordinary, fully paid, stapled securities of Asia Pacific Data Centre Group (ASX: AJD) that it did not own at \$1.80 per security (**Initial Takeover Proposal**).

360 Capital Group confirms that it has now completed its due diligence and provides the following update regarding its position.

1/ NEW PROPOSAL

Yesterday, 360 Capital Group submitted a proposal to the board of AJD to acquire all the ordinary, fully paid, stapled securities of AJD by scheme of arrangement (**Scheme Proposal**). Under the Scheme Proposal, AJD securityholders will receive:

- capital distribution from AJD of \$0.65 per stapled security; plus
- cash consideration of \$1.30 per stapled security.
(Total Consideration)

The Total Consideration of \$1.95 per stapled security represents:

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

The Scheme Proposal requires AJD to increase its current 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 (AJD's financier) for this to occur.

The Scheme Proposal is incomplete and is conditional on the parties entering into a scheme implementation agreement.

2/ NEXT STEPS

360 Capital Group believes that the Scheme Proposal represents a compelling opportunity for the AJD board to secure for AJD securityholders a substantial premium to the NEXTDC Offer.

Having regard to NEXTDC's holding in AJD, 360 Capital Group also advised the board of AJD that it is prepared to work with the AJD Board to explore and consider alternative structures and arrangements to deliver to AJD securityholders a capital return and total consideration consistent with the Scheme Proposal, subject to obtaining any required ASIC relief.

In light of the Scheme Proposal and having regard to the NEXTDC Offer, 360 Capital Group will not be proceeding with the Initial Takeover Proposal.

As stated previously, 360 Capital believes data centres as a real estate class are very exciting and that the facilities in AJD are world-class, leased to a proven operator in Next DC.

More information on the Group can be found on the ASX's website at www.asx.com.au using the Group's ASX code "TGP", on the Group's website www.360capital.com.au, by calling the 360 Capital investor enquiry line on 1300 082 130 or emailing investor.relations@360capital.com.au

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About 360 Capital Group (ASX: TGP)

360 Capital Group is an ASX-listed, property investment and funds management group concentrating on strategic investment and active investment management of property assets. The Group actively invests in direct property assets, property securities, real estate debt and various corporate real estate investments within Australian real estate markets on a private and public equity basis.

ASX Release