

# Alpha Tiger Property Trust Limited

11 September 2009

## Alpha Tiger Property Trust Limited (“Alpha Tiger” or the “Company”) Change of Investing Policy

### Highlights

- The Company will continue to consider investments in India, and the Investment Manager continues to develop a pipeline of opportunities for the Company in India. The Revised Investing Policy would allow the Company to invest in real estate opportunities unconstrained by geography, but with a particular focus on the UK, Europe and Asia;
- Change would enable the Company to invest in a more diversified portfolio of real estate, including allowing access to lower-risk, mature markets such as the UK;
- Such diversification should allow the Company to better manage risk and still target investments which should offer high total returns;
- UK, Europe and Asia are markets in which Alpha Real Capital has extensive experience, established offices and experienced management;
- Directors would support in principle the instigation of a share buyback programme by way of tender offer to all shareholders or on-market purchases; and
- A circular convening an EGM to consider the change of investing policy has today been sent to Shareholders and is available at [www.alphatigerpropertytrust.com](http://www.alphatigerpropertytrust.com).

Brad Bauman, Fund Manager of Alpha Tiger commented

“The substantial correction in many property and financial markets around the world as a result of the credit crunch has created comparatively favourable real estate investment opportunities with the potential for high total returns. These include both opportunities in more mature property markets (compared to India) within the UK, Europe and Asia and to invest in assets with more immediate income.

We are continuing to develop a pipeline of opportunities for the Company in India, and the revised investing policy will allow Alpha Tiger to invest in real estate opportunities unconstrained by geography, but with a particular focus on the UK, Europe and Asia where we see exciting opportunities.”

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Further information is available at [www.alphatigerpropertytrust.com](http://www.alphatigerpropertytrust.com)

Capitalised terms used in this announcement have the same meaning as defined in the circular which has today been sent to shareholders.

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## ADDITIONAL INFORMATION

Proposed revision of investing policy

### 1. Introduction

Alpha Tiger has been reviewing its investment policy in light of the current property investment climate in India in comparison to other geographical regions and believes, in conjunction with the recommendations it has received from its Investment Manager, that it is appropriate to make certain changes to its investment policy to allow greater diversification and to better manage risk. The purpose of this document is to explain those proposed changes and the reasons for them.

Alpha Tiger is an “investing company” for the purposes of the AIM Rules. Rule 8 of the AIM Rules requires an investing company to state and to follow an investing policy and to seek the prior consent of its shareholders at a general meeting for any material change to such policy. Accordingly, a circular containing a notice convening an Extraordinary General Meeting of the Company, such meeting to be held at 10 a.m. on 28 September 2009 at Regency Court, Glatigny Esplanade, St. Peter Port, Guernsey GY1 1WW has today been posted to Shareholders.

### 2. Background and rationale for the proposed Revised Investing Policy

The Company’s stated investment objective on its admission to trading on AIM in December 2006 was “to target investment and development opportunities in real estate in India that will offer high total returns”. The Company’s Current Investing Policy is set out in full in Appendix I of this announcement.

The Board and the Investment Manager have been keeping the Current Investing Policy under active review. The Board has considered proposals made to it by its Investment Manager to change the Current Investing Policy and believes that, in light of the current property investment climate in India in comparison to other geographical regions, there is merit in broadening the Current Investing Policy beyond its current focus on business parks, and business park-led mixed use and township projects, in India. The Investment Manager has recommended to the Board that such a change would enable the Company to invest in a more diversified portfolio of real estate, including allowing access to lower-risk, mature markets such as the UK. In current market conditions such diversification should allow the Company to better manage risk and still target investments which should offer high total returns. This is consistent with the Company’s strategy for its existing investments of actively managing downside risk whilst maintaining potential upside in returns. In the Investment Manager’s opinion, the substantial correction in many property and financial markets around the world as a result of the credit crunch has created comparatively favourable real estate investment opportunities with the potential for high total returns. These include both opportunities in more mature property markets (compared to India) within the UK, Europe and Asia and to invest in assets with more immediate income. The Board agrees with the Investment Manager that the Current Investing Policy should be revised and believes that the Investment Manager and its team have the necessary skills, contacts and experience to execute the proposed Revised Investing Policy for the Company.

### 3. Summary of the Revised Investing Policy

If the Resolution is approved by Shareholders, the Revised Investing Policy (which is set out in full in Appendix II of this announcement) would allow the Company to make investments unconstrained by geography, although given the Company's existing investments in India (the prospects for which the Company and the Investment Manager retain confidence), India is likely to continue to be an area of focus for the Company. Whilst the Company will continue to consider investments in India, and the Investment Manager continues to develop a pipeline of opportunities for the Company in India, the Revised Investing Policy would allow the Company to invest in real estate opportunities unconstrained by geography, but with a particular focus on the UK, Europe and Asia.

The Revised Investing Policy would also allow the Company to invest in real estate services, which would include real estate fund management activities (again unconstrained by geography) but with a particular focus on the UK, Europe and Asia. The Revised Investing Policy includes direct and indirect property investment. The Company will also consider investments in listed or unlisted equity and debt securities where the Investment Manager believes that such investments can offer attractive absolute value or good value relative to equivalent direct property investments. Whilst there are no restrictions on maximum exposures per investment in listed equity or debt securities issued by entities in respect of which Alpha Real Capital is the investment manager, the Company's investments in listed equity or debt securities issued by entities in respect of which Alpha Real Capital is not the investment manager will comprise no more than 25 per cent. of the Gross Assets of the Company at the time of the investment.

The Company will continue to have an active investment philosophy in respect of all of its investments.

As the Company has no fixed life, no time limits will be set as a matter of investing policy generally and individual holding periods will vary to achieve best value from each investment. As is the case for the Current Investing Policy, the Revised Investing Policy will not limit maximum exposures to specific investments.

Alpha Tiger is a limited liability company incorporated in Guernsey and authorised by the GFSC as an Authorised Closed-Ended Collective Investment Scheme and seeks to manage its affairs so as to qualify for an exemption from liability to income tax in Guernsey. There is currently no charge to Guernsey taxation in relation to any capital gains. The Company intends to structure its investments so as not to jeopardise the Company's current tax status.

The increased investment flexibility afforded by the Revised Investing Policy would allow the Company to consider a wider range of opportunities with near-term income prospects (compared to the longer-term capital growth opportunities targeted by its existing Indian investments), including investment in well-let, income-producing property in the UK, Europe and Asia. These are markets in which the Investment Manager has extensive experience, established offices and experienced management. The Company believes the Revised Investing Policy will assist the Company to invest in a manner which diversifies risk whilst maximising the opportunity for high total returns.

#### 4. Share buyback policy

The Directors and the Investment Manager will continue to actively consider share buybacks and other returns of capital where such exercises are considered to be in Shareholders' best interests. The Company has renewed the authority to purchase up to 24.99 per cent. of its issued share capital at each of the Company's Annual General Meetings since Admission, utilising the authority once on 29 October 2008 when it repurchased 7,500,000 Alpha Tiger Shares (10 per cent. of the Company's issued share capital) at a price of 34 pence per Alpha Tiger Share.

The Directors would support in principle the instigation of a share buyback programme by way of tender offer to all shareholders or on-market purchases. Since share buybacks or other returns of capital may increase the shareholding of Antler, together with the Investment Manager and partners of the Investment Manager who are deemed to be acting in concert with Antler, as a percentage of the Company's total issued share capital (currently 39.9 per cent.), any such transaction would require the consent of the Takeover Panel and independent Shareholder approval. No further action is required by you regarding share buybacks at this stage.

#### 5. AIM Rules disclosures

The following disclosures are being made in accordance with the Note for Investing Companies of the AIM Rules.

##### **Expertise of the Directors, in respect of the Revised Investing Policy**

All of the Directors are non-executive and are responsible for the determination of the investing policy of the Company and the overall supervision of its activities. The Directors have experience in international real estate investment and development, securities investment and international fund administration. The CVs of the Directors are as follows:

##### **David Jeffreys Chairman (aged 49)**

David Jeffreys qualified as a Chartered Accountant with Deloitte Haskins and Sells in 1985. He is a non-executive director of EQT Funds Management Limited, the Guernsey management office of the EQT group of private equity funds, and is a Director of six EQT fund general partners. David is also an independent non-executive director to a number of other Guernsey based investment fund companies and managers. He was previously the Managing Director of Abacus Fund Managers (Guernsey) Limited between 1993 and 2004, a third party administration service provider to primarily corporate and fund clients.

David is a director of the following listed companies: Alpha Pyrenees Trust Limited, Argo Real Estate Opportunities Fund Limited, Ingenious Media Active Capital Limited, PFB Regional Office Fund Limited, PFB Data Centre Fund Limited and Tetragon Financial Group Limited.

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## **Phillip Rose Director (aged 49)**

Phillip Rose is a Fellow of the Securities Institute and holds a Master of Law degree. He has 25 years' experience in the real estate, funds management and banking industries in Europe, the USA and Australasia. He has been the Head of Real Estate for ABN AMRO Bank, Chief Operating Officer of European shopping centre investor and developer TrizecHahn Europe, Managing Director of retail and commercial property developer and investor Lend Lease Global Investment and Executive Manager of listed fund General Property Trust.

Phillip is currently CEO of the Investment Manager, a non-executive director of London office and retail property investor Great Portland Estates Plc and a member of its Audit Committee. He is a director of the Alpha Global Property Securities Fund. He is also a member of the Management Committee of the Hermes Property Unit Trust and its Audit Committee.

## **Serena Tremlett Director (aged 44)**

Serena Tremlett has over 20 years' experience in financial services, specialising in closed-ended property and private equity funds and fund administration over the last 12 years. She is a Guernsey resident and Managing Director of Morgan Sharpe Administration, a third party fund administrator which was acquired by her and her team by way of management buy-out in April 2008 and is a non-executive director on Alpha Pyrenees Trust, Alpha Tiger Property Trust, Ingenious Media Active Capital and NewRiver Retail Limited in addition to various unlisted funds and general partners. Serena was previously company secretary (and formerly director) of Assura Group, a company listed on the London Stock Exchange investing in primary healthcare property, pharmacy and medical businesses and ran Assura's Guernsey head office. Prior to working for Assura, Serena was head of Guernsey property funds at Mourant Guernsey for two years and worked for Guernsey International Fund Managers (now Northern Trust) for seven years where she sat on a number of listed and unlisted fund boards.

## **Jeff Chowdhry Director (aged 49)**

Jeff Chowdhry is currently Head of Emerging Market Equities at F&C Asset Management plc, with overall responsibility for investments in global emerging markets. Previously, he was a director of Sun F&C Asset Management (India) Limited and also managed the Indian Investment Company SICAV, an open ended investment fund registered in Luxembourg. Prior to this, Jeff managed the India Fund Inc, a closed ended investment fund listed in New York that seeks long-term capital appreciation through investing primarily in Indian equities.



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## **Roddy Sage Director (aged 56)**

Roddy Sage is currently Chief Executive Officer of the AFP group of companies, providing corporate and taxation advisory services in Asia. Prior to that he spent 20 years with KPMG Hong Kong, 10 years of which were as Senior Tax Partner for Hong Kong and China. He has held Chairmanships within KPMG and outside as Chairman of the Hong Kong General Chamber of Commerce's Taxation Committee and is a non-executive director of Tai Ping Carpets International.

## **Experience of the Investment Manager**

The Investment Manager is an international real estate group managing funds investing in France, Spain, Germany and India, headquartered in the UK with offices in France, Germany, India and Singapore and a relationship with an office in Spain. Further information on the Investment Manager can be found on its website, [www.alpharealcapital.com](http://www.alpharealcapital.com).

Key principals at the Investment Manager have, collectively, over 100 years' experience of the real estate, banking and funds management industries gained with leading organisations including Lend Lease, TrizecHahn, ABN AMRO, Pacific Investments, Lehman Brothers, Aviva, GE Capital, Axa, DTZ, Knight Frank, Cushman & Wakefield and CBRE.

Phillip Rose and Brad Bauman are the executives of the Investment Manager with day-to-day responsibility for the Company's activities, and are both partners in the Investment Manager. Mr Rose has 28 years' experience in the real estate fund management and banking industries in Europe, USA and Australasia and has extensive experience in establishing investment programmes in a number of jurisdictions and across a number of asset classes. Mr Bauman has 21 years' experience in the real estate fund management and finance industries. This includes 7 years as managing director of financial services at CB Richard Ellis Financial Services Limited. His other experience includes direct and indirect property investment and managing real estate debt portfolios.

## ***Regulatory status***

Alpha Real Capital is authorised and regulated by the FSA with registration number 436048.

## ***Management Agreement***

The key terms of the Management Agreement are set out in Appendix III of this announcement.

## **Independence of the Board and the Nominated Adviser**

The Company confirms that the Board as a whole, and the Nominated Adviser, are independent from the Investment Manager. Furthermore, the Company confirms that the Board as a whole, and the Nominated Adviser, are independent of any Substantial Shareholders or investments (and any associated investment manager) comprising over 20 per cent. of the Gross Assets of the Company.

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Phillip Rose, as CEO of the Investment Manager, is not independent of (a) the Investment Manager; and (b) Antler (a Substantial Shareholder in the Company). Antler is the Company's largest Shareholder, owning approximately 32.7 per cent. of the Company's issued share capital, and is part of the same corporate group as ARRCO Limited, which holds a 50 per cent. partnership interest in the Investment Manager.

## **The Investment Manager and conflicts of interest**

Under the terms of the Management Agreement, the Investment Manager has undertaken to the Company that it will not acquire (or develop) a property (or any interest therein) situated in India meeting the Company's investment objective where such property or relevant interest (as the case may be) has a value (or anticipated value after development) of £5 million or more, unless it has first offered the Board the opportunity to acquire such property or relevant interest. Further details of this "right of first refusal" provision (including the circumstances in which it lapses) are set out in the summary of the Management Agreement at Appendix III.

Both the Board and the Company recognise the importance of having procedures in place to address potential conflicts of interest that may arise between the Company and the Investment Manager. However, given the wide geographical scope of the Revised Investing Policy, both the Board and the Investment Manager agree that it would be impractical for the "right of first refusal" provision under the Management Agreement to be extended beyond real estate investment in India. Notwithstanding the foregoing, the Company and the Investment Manager have entered into a side letter to the Management Agreement in which the Investment Manager gives certain undertakings to the Company in relation to the management of potential conflicts of interest (the "**Conflicts Side Letter**").

Under the terms of the Conflicts Side Letter, there is a general undertaking from the Investment Manager to the Company to use (and to procure that members of its group use) best efforts to manage conflicts and potential conflicts of interest with the Company. In summary, and without prejudice to the generality of the foregoing, the Investment Manager undertakes to the Company that it will (a) maintain and fully adhere to a detailed policy for managing conflicts of interest; (b) notify the Board promptly if it or any member of its group proposes to advise, manage or establish or arrange transactions in real estate investments for any fund, company or other structure that has investment guidelines which are similar to the Revised Investing Policy; and (c) act in the best interests of the Company at all times with respect to allocating investment opportunities to its clients in accordance with its policy for managing conflicts of interest. The Conflicts Side Letter will become effective from the date on which the Resolution is approved by Shareholders and is without prejudice to the existing provisions of the Management Agreement.



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In addition to acting as investment manager to the Company, the Investment Manager also acts as investment manager to the following companies:

- Alpha Pyrenees Trust Limited (“**APTL**”), a Guernsey registered closed-ended investment company listed on the Official List of the London Stock Exchange, which has been established for the purpose for investing in French and Spanish commercial real estate; and
- Alpha German Property Income Trust Limited (“**AGPITL**”), an unlisted Guernsey registered closed-ended investment company which has been established for the purpose of investing in German commercial real estate.

The Investment Manager has advised that the management agreements that the Investment Manager has entered into with APTL and AGPITL contain certain right of first refusal provisions for investment opportunities that the Investment Manager identifies that meets the respective investment criteria of APTL and AGPITL. Accordingly, consideration of the relevant provisions of these management agreements will be taken into account as part of the Investment Manager’s overall conflicts policy.

In the event of a potential conflict of interest in relation to purchase opportunities allocation should be made on the basis, amongst other things, of the date the capital was made available for investment in the relevant market, sector and return profile.

## **Policy on regular updates**

The Company has, and will continue to, issue quarterly updates of the Company’s net asset value and details of its main investments.

## **6. Current commitments and cash position**

As at 31 July 2009, the total equity committed to investments (including conditional commitments) was INR 1,657 million (£20.7 million) of which INR 613 million (£7.6 million) has already been spent. The cash position at 31 July 2009 was INR 5,167 million (£64.4 million), of which INR 1,044 million (£13.0 million) is required for current projects, which leaves £51.4 million available for other future investments.

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	Total commitments	Drawn to date	Additional requirement
	INR million	INR million	INR million
Galaxia (Noida, Sector 140a)	510	10	500
Technova** (Noida, Sector 132)	812	500	312
Technika (Noida, Sector 132)	335	103	232
<b>Total</b>	<b>1,657</b>	<b>613</b>	<b>1,044</b>

\*The exchange rate as at 31 August 2009 of INR 80.23:£1 has been used except for historic funded amounts which reflect the exchange rate on the date of funding.

\*\* Includes compound interest on the Fully Convertible Debentures.

## 7. Extraordinary General Meeting

A notice convening the EGM, which is to be held at the Regency Court, Glategny Esplanade, St. Peter Port, Guernsey GY1 1WW on 28 September 2009 from 10 a.m., is set out in the circular which has today been sent to Shareholders. The adoption of the proposed Revised Investing Policy is conditional upon Shareholder approval for the Resolution at the EGM.

## 8. Recommendations

Your Board considers that the adoption of the Revised Investing Policy is in the best interests of Shareholders as a whole and unanimously recommends that Shareholders vote in favour of the Resolution, as the Directors intend to do in respect of their own beneficial holdings in respect of 265,000 Alpha Tiger Shares (representing 0.39 per cent. of the current issued share capital of the Company (excluding treasury shares)).

## APPENDIX I

### CURRENT INVESTING POLICY

#### ***Investment objective and policy***

The Company intends to target investment and development opportunities in real estate in India that will offer high total returns. The Company's investment focus will include property investment and development opportunities. In the medium term, the principal focus of the Company's real estate activities in India will be on development opportunities.

The Company will consider real estate opportunities in seven of India's largest cities (Bangalore, Chennai, Delhi NCR, Hyderabad, Kolkata, Mumbai and Pune), often referred to as Tier I and Tier II cities. The Company will also consider opportunities in a number of other large cities, including Jaipur, Mangalore, Mysore and Nagpur. It is intended that business parks, and business park-led mixed use and township projects, will form the core of the Company's Indian property portfolio. The Company may also invest in a range of other Indian real estate sectors, including office, mixed use/residential, hotels and serviced apartments.

The Company intends to focus its investments on strong covenants (including multinationals with an operating base in India), long leaseholds (particularly where tenant fit-out commitments constitute a substantial part of the overall build cost) and buildings with flexible space (to give good re-leasing potential).

Real estate investments may be held either directly or indirectly through joint venture or other investment structures, including equity, debt instruments, convertible loans and options.

#### ***Investment strategy***

It is the intention of the Investment Manager to complement its international real estate skills in development and asset management with local market real estate skills, by working with experienced local partners to effect efficient site assembly, planning and other local market needs.

The Investment Manager intends to target high total returns for investors and believes that there will be capital growth opportunities in the portfolio through income growth, active asset management and yield compression.

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## ***Income growth***

The Investment Manager will seek to secure income growth through stepped rental payments and phased development of additional trading space. It is common market practice in the Indian real estate market for leases to run for up to nine or ten years with breaks at either three, five or six years respectively, and to have a stepped rental payment increase of between 10 and 15 per cent. every three years.

## ***Active asset management***

The Investment Manager will seek to enhance income and capital values where appropriate through the following:

- space reconfiguration where under-utilised or inefficient areas within a building can be re-arranged to provide more valuable space;
- refurbishment and redevelopment where space can be modernised and the specification upgraded to create space which can command higher rents;
- re-leasing, which has the potential to increase the rental income to an open market level, when this is in excess of the existing rent;
- space creation by extending the building to meet tenant demand; and
- change of use which can result in higher value use for certain areas of a building or for entire properties.

## ***Yield compression***

The Investment Manager believes that the current spread of rental yields over relevant base finance costs may cause capital values to appreciate in the markets being targeted by the Company. This may be further enhanced by the potential for REIT (Real Estate Investment Trust) type investment funds and further deregulation of Foreign Direct Investment within India.

## ***Risk management***

Portfolio and asset diversification across economic sectors will be sought by investing in a number of regions in India. It is the Company's intention to assemble an appropriately diversified portfolio of up to approximately £150 million, with over 15 properties.

## ***Borrowing***

Over time, the Company expects to borrow to optimise returns for investors. Although the Company expects to initially target borrowing levels of between 50 per cent. and 65 per cent. of Gross Assets it has adopted a gearing policy allowing for borrowings of up to 95 per cent. of Gross Assets to provide the Company with investment flexibility. The Company intends to initially enter into medium term fixed financing arrangements of approximately three to five years' duration. The Directors will consider the Company's gearing levels both in the context of individual property gearing and gearing levels across the whole portfolio.



## APPENDIX II

### REVISED INVESTING POLICY

Alpha Tiger is an “investing company” for the purposes of the AIM Rules. Recent changes to the AIM Rules require an investing company to have in place an investment policy which is “sufficiently precise and detailed so that it is clear, specific and definitive”. The AIM Rules provide guidance in relation to what this investment policy is expected to include as a minimum.

As part of the changes to the AIM Rules, an investing company is also required to ensure that its investing policy is “regularly notified” to Shareholders (i.e. by being placed on an investing company’s website and included in the investing company’s annual accounts).

#### **Revised Investing Policy**

##### ***Objectives and sector focus***

The Company will target investment and development opportunities in real estate, real estate operating companies and securities, real estate services and other real estate related businesses that will offer high total returns.

The Revised Investing Policy includes direct and indirect property investment and the Company will consider investment in real estate related equity and debt securities.

##### ***Geographical focus***

The Company’s investments will be unconstrained by geography, although, given the Company’s existing investments in India, India is likely to continue to be an area of focus for the Company.

##### ***Strategy***

It is the intention of the Investment Manager to complement its international real estate skills in development and asset management with local market real estate skills, by working with experienced local partners to source, execute and manage investments.

The Investment Manager will seek to enhance income and capital values where appropriate through the following:

- space reconfiguration where under-utilised or inefficient areas within a building can be re-arranged to provide more valuable space;
- refurbishment and redevelopment where space can be modernised and the specification upgraded to create space which can command higher rents;

- re-leasing, which has the potential to increase the rental income to an open market level, when this is in excess of the existing rent;
- space creation by extending the building to meet tenant demand; and
- change of use which can result in higher value use for certain areas of a building or for entire properties.

### ***Assets or companies in which the Company can invest***

The Company's real estate investments may be held either directly or indirectly through joint venture or other investment structures, including equity, debt instruments, convertible loans and options or other securities.

Investments in listed equity or debt securities could include, but not be limited to:

- companies where Alpha Real Capital is the investment manager but any fees payable (upfront and/or ongoing) to Alpha Real Capital as a result of the investment in a company managed by Alpha Real Capital would be reimbursed to the Company;
- companies where the:
  - Directors believe the price of the equity or debt securities offer value;
  - Company is seeking to acquire a substantial interest;
  - Investment Manager believes it is able to actively seek to close any valuation gap between the value at which the security is trading and its intrinsic value; and
  - Investment Manager believes it can add value.

The Company may hold positions in a concentrated number of assets or companies. Although the Board and the Investment Manager will have regard to the need for risk diversification there is no limit on the amount of the Company's assets which may be invested in any one investment.

Whilst there are no restrictions on maximum exposures per investment in listed equity or debt securities issued by entities in respect of which Alpha Real Capital is the investment manager, the Company's investments in listed equity or debt securities issued by entities in respect of which Alpha Real Capital is not the investment manager will comprise no more than 25 per cent. of the Gross Assets of the Company at the time of the investment.

### ***Whether investments will be active or passive investments***

The Company will continue to have an active investment philosophy in respect of all of its investments.

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## ***Holding period for investments***

As the Company has no fixed life, no time limits will be set as a matter of investing policy generally and individual holding periods will vary to achieve best value from each investment.

## ***Spread of investments and maximum exposure limits***

The Company's investing policy does not set maximum exposures per investment or country. The Company believes the Revised Investing Policy assists it to invest in a manner which diversifies risk while maximizing the opportunity for high total returns.

## ***Policy in relation to gearing and cross holdings***

The Company expects to borrow to optimise returns for investors. Although the Company expects to initially target borrowing levels of between 50 per cent. and 65 per cent. of Gross Assets it has adopted a gearing policy allowing for borrowings of up to 95 per cent. of Gross Assets to provide the Company with investment flexibility. The Directors will consider the Company's gearing levels both in the context of individual property gearing and gearing levels across the whole portfolio.

In relation to cross-holdings, the Company will not invest more than 25 per cent. of the Company's Gross Assets at the time of investment, in the equity and/or debt of other listed companies where Alpha Real Capital is not the investment manager, which includes investments in other closed-ended investment funds.

Additionally in relation to cross-holdings, the Company does not have any limits on the amount of the Company's Gross Assets that may be invested in the equity and/or debt of other listed companies where Alpha Real Capital is the investment manager, which includes investments in other closed-ended investment funds where Alpha Real Capital is the investment manager.

## ***Investing restrictions***

Other than the requirement for the Investment Manager to manage any potential conflicts, and the requirement to invest in accordance with its investing policy, there are no investing restrictions.

## ***Nature of returns that the Company will seek to deliver to Shareholders***

The Company will target investment opportunities that the Directors believe will offer high total returns. The Company does not currently anticipate the payment of a dividend in the near term; however the policy on dividends will be regularly reviewed.

## APPENDIX III

### SUMMARY OF THE MANAGEMENT AGREEMENT

Alpha Tiger and Alpha Real Capital entered into a management agreement dated 18 December 2006 pursuant to which the Company appointed the Investment Manager to provide investment and development advisory services to the Company (and potentially other members of its corporate group), and property advisory and property management services to other members of its corporate group (the “**Group**”) in each case in accordance with the investment objective and investment policy and restrictions of the Group from time to time.

In consideration for the services provided pursuant to the Management Agreement, the Investment Manager is paid a management fee in cash quarterly in arrears equal to, in aggregate, 2 per cent. per annum of the Group’s net asset value (as defined therein), as adjusted to reflect the Group’s share of the net asset value of properties held indirectly or through joint ventures, minority interests or other structures that are not reflected in the consolidated net assets.

In addition, the Investment Manager is entitled to an annual performance fee calculated by reference to the relevant Total Shareholder Return (or “**TSR**”). The Total Shareholder Return is a percentage, calculated by reference to (i) the Alpha Tiger share price at the end of the relevant accounting period, plus all dividends paid and returns of capital received during that accounting period less (ii) the High Watermark Amount, divided by the High Watermark Amount.

For these purposes, the share price at the end of any accounting period is the average closing share price over the last 20 dealing days of that accounting period. The “**High Watermark Amount**” is the highest of the adjusted share prices at the end of each of the three immediately preceding accounting periods (or, if relevant, such lesser number of accounting periods as have completed). Each share price at the end of such three immediately preceding accounting periods is adjusted by deducting all dividends paid and returns of capital received between the end of the accounting period for that share price and the start of the relevant accounting period.

The performance fee becomes payable once the annualised TSR achieved for the relevant accounting period exceeds 15 per cent. Once the 15 per cent. threshold is exceeded, the Investment Manager is entitled to receive a fee equal to 20 per cent. of such excess. The performance fee is to be settled as to 100 per cent. in cash.

The Management Agreement is for an initial eight year term and thereafter for a further eight year term if the Board, acting in its sole discretion, so determines prior to the seventh anniversary of Admission. In the event that the Board does not so renew the agreement for a further eight year period, the Management Agreement may be terminated by either party giving to the other not less than 12 months’ written notice, to expire no earlier than the eighth anniversary of Admission. The Management Agreement may be terminated in certain circumstances, including a material breach by the Investment Manager of its obligations contained in the Management Agreement (which, where appropriate, has not been remedied) or an insolvency event in relation to the Investment Manager. In the event that the Company wrongfully terminates the Management Agreement, the Investment Manager will be entitled to liquidated damages in cash of an amount equal to the net present value of the amount it would have

received by way of management fees over the unexpired term of the Management Agreement, less certain expenses.

Cash management services and other day-to-day management services are to be provided by third party service providers (arranged and co-ordinated by the Investment Manager), at the cost of the Company or the relevant property-owning member of the Group. In addition, the Company is responsible for third party expenses incurred by the Investment Manager in carrying out its services under the Management Agreement.

The Investment Manager has agreed that until the earlier of (a) the date on which the Company has real property investments of not less than £125 million; and (b) the determination of the Management Agreement in accordance with its terms, the Investment Manager will not acquire (whether on its own behalf or as investment manager or adviser to any fund or other entity) a property situated in India meeting the Company's investment objective (or any interest therein, whether direct or indirect) where such property or relevant interest (as the case may be) has a value of £5 million or more, or a property so situated and meeting such objective (or any interest therein, whether direct or indirect) where such property is to be developed whilst within the relevant ownership and the property or relevant interest (as the case may be) has an anticipated value after such development of £5 million or more, unless it has first offered the Board the opportunity to acquire such property or relevant interest. In the event that the Board resolves not to pursue such opportunity, the Investment Manager is free to do so, on materially the same terms. Furthermore, where the Investment Manager has entered into, or at any time in the future enters into any joint venture arrangement with a third party, it shall use all reasonable endeavours (acting in good faith) to ensure that, where applicable, such joint venture complies with these first offer provisions to the extent that the Investment Manager's economic interest in the relevant property would exceed these amounts.



## APPENDIX IV

### DEFINITIONS

<b>Admission</b>	admission of the Alpha Tiger Shares to trading on AIM on 21 December 2006;
<b>AIM</b>	the AIM market operated by the London Stock Exchange;
<b>AIM Rules</b>	the AIM Rules for Companies and guidance notes as published by the London Stock Exchange from time to time;
<b>Alpha Real Capital or the Investment Manager</b>	Alpha Real Capital LLP;
<b>Alpha Tiger or the Company</b>	Alpha Tiger Property Trust Limited, a Guernsey incorporated closed-ended investment company with registered number 44786;
<b>Alpha Tiger Shares</b>	the issued ordinary shares of no par value in the share capital of Alpha Tiger;
<b>Antler</b>	Antler Investment Holdings Limited, which has a 50 per cent. partnership interest in the Investment Manager held through ARRCO Limited, a member of the same corporate group as Antler Investment Holdings Limited;
<b>Board or your Board</b>	the Directors acting as a board;
<b>City Code or the Code</b>	the City Code on Takeovers and Mergers;
<b>Current Investing Policy</b>	the Company's current investing policy as set out in Appendix I of this announcement;
<b>Directors</b>	the directors of Alpha Tiger, namely David Jeffreys, Jeff Chowdhry, Phillip Rose, Roddy Sage and Serena Tremlett;
<b>Extraordinary General Meeting or the EGM</b>	the extraordinary general meeting of the Company, convened for 10 a.m. on 28 September 2009 or any adjournment thereof, notice of which is set out in the circular to Shareholders;
<b>Form of Proxy</b>	the form of proxy for use in relation to the Extraordinary General Meeting as set out in the circular to Shareholders;
<b>FSA</b>	the Financial Services Authority;
<b>Gross Assets</b>	the aggregate value of the assets of the Group determined in accordance with the accounting principles adopted by the Group from time to time

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<b>Group</b>	Alpha Tiger and any subsidiary undertakings;
<b>GFSC</b>	the Guernsey Financial Services Commission;
<b>INR</b>	Indian Rupees;
<b>London Stock Exchange</b>	London Stock Exchange plc;
<b>Management Agreement</b>	the management agreement dated 18 December 2006 between the Company and the Investment Manager;
<b>Note for Investing Companies</b>	the Note for Investing Companies issued by the London Stock Exchange in June 2009 as amended from time to time;
<b>Panmure Gordon or the Nominated Adviser</b>	Panmure Gordon (UK) Limited;
<b>Resolution</b>	the resolution set out in the notice of EGM as set out in the circular to Shareholders
<b>Revised Investing Policy</b>	the investment policy proposed to be adopted by the Company, as set out in Appendix II of this announcement;
<b>Substantial Shareholders</b>	has the meaning given in the AIM Rules;
<b>the Takeover Panel</b>	the Panel on Takeovers and Mergers; and
<b>Shareholders or Alpha Tiger Shareholders</b>	the holders of Alpha Tiger Shares.