



(Constituted in the Republic of Singapore pursuant to a trust deed dated 31 March 2006 (as amended))

NOTICE OF BOOKS CLOSURE DATE

Capitalised terms used herein, but not otherwise defined, shall have the meanings ascribed to them in the announcement of ESR-REIT dated 17 June 2019 titled "Launch of Equity Fund Raising to Raise Gross Proceeds of Up To Approximately S\$150.0 Million".

NOTICE IS HEREBY GIVEN that pursuant to the Private Placement (as defined herein), the Transfer Books and Register of Unitholders of ESR-REIT will be closed at **5.00 p.m.** on **Tuesday, 25 June 2019** for the purpose of determining the entitlement of unitholders of ESR-REIT ("**Unitholders**") to an advanced distribution for the period from 1 April 2019 to the date immediately prior to the date on which the new units in ESR-REIT (the "**New Units**") are issued pursuant to the Private Placement, being 25 June 2019 (the "**Advanced Distribution**", and the books closure date of the Advanced Distribution, the "**Books Closure Date**").

It was announced on 17 June 2019 that ESR Funds Management (S) Limited, as manager of ESR-REIT (the "**Manager**"), is proposing to carry out an equity fund raising, comprising an offering of New Units by way of:

- (i) a private placement of up to approximately 195.0 million New Units (the "**Private Placement**") to institutional and other investors at an issue price of between S\$0.515 and S\$0.525 per New Unit (both figures inclusive) to raise gross proceeds of not less than approximately S\$75.0 million, subject to an upsize option to raise additional gross proceeds such that the total gross proceeds of the Private Placement will amount to not more than approximately S\$100.0 million; and
- (ii) a non-renounceable preferential offering of New Units (the "**Preferential Offering**") to existing Unitholders on a *pro rata* basis to raise gross proceeds of not more than approximately S\$75.0 million,

(together, the "**Equity Fund Raising**"). Pursuant to the Equity Fund Raising, the Manager has no intention of raising aggregate gross proceeds in excess of approximately S\$150.0 million.

The Books Closure Date is subject to change, at the discretion of the Manager, in consultation with Citigroup Global Markets Singapore Pte. Ltd. and RHB Securities Singapore Pte. Ltd. as the joint global co-ordinators and bookrunners for the Private Placement, subject to compliance with all applicable laws and regulations (including but not limited to the requirements of Singapore Exchange Securities Trading Limited (the "**SGX-ST**")). In the event of any such change, the Manager will announce such new Books Closure Date and/or any other dates in relation to the Private Placement on SGXNET.

THE ADVANCED DISTRIBUTION

The distribution per unit in ESR-REIT under the Advanced Distribution is estimated to be between 0.903 Singapore cents to 0.999 Singapore cents, which will only be distributed in respect of the existing Units in issue (the "**Existing Units**") held as at 5.00 p.m. on the Books Closure Date. A further announcement on the actual quantum of the Advanced Distribution (which may differ from the above estimate) will be made by the Manager in due course.

The next distribution following the Advanced Distribution will comprise ESR-REIT's distributable income for the period from the day the New Units are issued pursuant to the Private Placement to 30 June 2019. Quarterly distributions will resume thereafter.

Unitholders whose securities accounts with The Central Depository (Pte) Limited are credited with units in ESR-REIT ("**Units**") as at 5.00 p.m. on the Books Closure Date will be entitled to the Advanced Distribution that will be paid on or around **Friday, 26 July 2019**.

The Advanced Distribution is intended to ensure that the distributable income accrued by ESR-REIT from 1 April 2019 up to the day immediately preceding the date of issue of the New Units pursuant to the Private Placement (which, at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to the holders of the Existing Units.

STATUS OF NEW UNITS ISSUED PURSUANT TO THE PRIVATE PLACEMENT

The New Units issued pursuant to the Private Placement will, upon issue and delivery, rank *pari passu* in all respects with the Existing Units, including the eligibility to participate in the Preferential Offering and the right to distributions out of ESR-REIT's distributable income from the day of issuance of the New Units pursuant to the Private Placement, as well as all distributions thereafter, other than in respect of the Advanced Distribution.

For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Private Placement will not be entitled to the Advanced Distribution.

DECLARATION FOR SINGAPORE TAX PURPOSES

1. Any tax-exempt income component of the Advanced Distribution is exempt from tax in the hands of all Unitholders. No tax will be deducted at source from this component.
2. Any other gains component of the Advanced Distribution is not taxable in the hands of all Unitholders. No tax will be deducted at source from this component.
3. Tax will be deducted at source from the taxable income component in certain circumstances. The following paragraphs describe the circumstances in which tax will or will not be deducted from the taxable income component of the Advanced Distribution.
4. The following categories of Unitholders will receive a gross Advanced Distribution (i.e. no tax will be deducted from it):
 - (a) Unitholders who are individuals and who hold the Units either in their sole names or jointly with other individuals;
 - (b) Unitholders which are companies incorporated and tax resident in Singapore;

- (c) Unitholders which are Singapore branches of companies incorporated outside Singapore;
 - (d) Unitholders which are bodies of persons (excluding companies or partnerships) incorporated or registered in Singapore, such as:
 - (i) statutory boards;
 - (ii) co-operative societies registered under the Co-operative Societies Act, Chapter 62 of Singapore;
 - (iii) trade unions registered under the Trade Unions Act, Chapter 333 of Singapore;
 - (iv) charities registered under the Charities Act, Chapter 37 of Singapore or established by any written law; and
 - (v) town councils;
 - (e) Unitholders which are international organisations that are exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act, Chapter 145 of Singapore; and
 - (f) Unitholders which are real estate investment trust exchange-traded funds which have been accorded the tax transparency treatment.
5. To receive a gross Advanced Distribution, Unitholders in categories (b) to (f) under Paragraph 4 above must complete a prescribed form – the "*Declaration for Singapore Tax Purposes Form*" ("**Form A**").
 6. These categories of Unitholders, unless they are exempt from tax because of their own circumstances, will have to pay income tax subsequently at their own applicable tax rates.
 7. Unitholders in category (a) under Paragraph 4 above are not required to submit any form. The gross Advanced Distribution received by these Unitholders (irrespective of their tax residence status) is exempt from tax if it is not derived through a partnership in Singapore or from the carrying on of a trade, business or profession.
 8. Tax at the reduced rate of 10.0% will be deducted from the Advanced Distribution made to foreign non-individual Unitholders. A foreign non-individual Unitholder is one (other than an individual) who is not a resident of Singapore for income tax purposes and:
 - (a) who does not have a permanent establishment in Singapore; or
 - (b) who carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used to acquire the Units are not obtained from that operation.
 9. To receive the Advanced Distribution net of tax deducted at 10.0%, foreign non-individual Unitholders are required to complete Form A.
 10. Beneficial owners of Units who hold Units through depository agents will receive:
 - (a) gross Advanced Distribution if they are persons described in categories (a) to (f) under Paragraph 4 above; and

- (b) Advanced Distribution net of tax deducted at 10.0% if they are foreign non-individual Unitholders as described in Paragraph 8 above.
11. To receive gross Advanced Distribution and Advanced Distribution net of tax deducted at 10.0%, depository agents are required to complete the "*Declaration by Depository Agents for Singapore Tax Purposes Form*" ("**Form B**") and its annexes.
 12. Form A and Form B (and its annexes) will be sent to Unitholders and depository agents, respectively, by ESR-REIT's unit registrar (the "**Unit Registrar**"), B.A.C.S. Private Limited, located at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, on or around **Friday, 28 June 2019**.
 13. Unitholders (Form A) and the depository agents (Form B and its annexes) will have to complete the forms legibly and send them to the Unit Registrar such that they are received by **5.00 p.m.** on **Wednesday, 10 July 2019**. Failure to comply with any of these requirements will render Form A and Form B invalid and RBC Investor Services Trust Singapore Limited (as trustee of ESR-REIT) and the Manager will be obliged to deduct tax at the rate of 17.0% from the Advanced Distribution.
 14. Unitholders who hold Units under the Central Provident Fund Investment Scheme and the Supplementary Retirement Scheme do not have to return any form. They will receive gross Advanced Distribution.

IMPORTANT REMINDER

Unitholders and depository agents must complete and return Form A and Form B (and its annexes), respectively, to the Unit Registrar's office by **5.00 p.m.** on **Wednesday, 10 July 2019** in order to receive the Advanced Distribution either at gross or at net (after deduction of tax at 10.0%) as described above.

DECLARATION IN INCOME TAX RETURN

The Advanced Distribution is considered as income for the year 2019. Beneficial owners of the Advanced Distribution, other than those who are exempt from tax on the Advanced Distribution or who are entitled to the reduced tax rate of 10.0%, are required to declare the gross amount of the taxable income component of the Advanced Distribution (regardless of whether the distribution is paid in cash or in the form of units) as taxable income in their Singapore income tax return for the year of assessment 2020.

IMPORTANT DATES AND TIMES

Event	Indicative Date and Time
Launch of the Private Placement	Monday, 17 June 2019
Last date that the Units are quoted on a "cum-distribution" basis	Friday, 21 June 2019
Books Closure Date for entitlement to the Advanced Distribution	Tuesday, 25 June 2019 at 5.00 p.m.

Listing of New Units pursuant to the Private Placement	Wednesday, 26 June 2019 at 9.00 a.m.
Unitholders and depository agents must have completed and returned Form A or Form B (and its annexes), as applicable, to the Unit Registrar (<i>B.A.C.S. Private Limited, located at 8 Robinson Road, #03-00 ASO Building, Singapore 048544</i>)	Wednesday, 10 July 2019 at 5.00 p.m.
Payment of the Advanced Distribution	On or around Friday, 26 July 2019

BY ORDER OF THE BOARD

ESR Funds Management (S) Limited

As Manager of ESR-REIT

(Company Registration No. 200512804G, Capital Markets Services Licence No. 1001312-5)

Adrian Chui

Chief Executive Officer and Executive Director

17 June 2019

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About ESR-REIT

ESR-REIT has been listed on the Singapore Exchange Securities Trading Limited since 25 July 2006.

ESR-REIT invests in quality income-producing industrial properties and as at 31 March 2019 has a diversified portfolio of 57 properties located across Singapore, with a total gross floor area of approximately 14.1 million square feet and an aggregate property value of S\$3.03 billion¹. The properties are in the following business sectors: Business Park, High-Specs Industrial, Logistics/Warehouse and General Industrial, and are located close to major transportation hubs and key industrial zones island-wide.

The Manager's objective is to provide Unitholders with a stable income stream through the successful implementation of the following strategies:

- Acquisition of value-enhancing properties;
- Pro-active asset management;
- Divestment of non-core properties; and
- Prudent capital and risk management.

ESR Funds Management (S) Limited, the Manager of ESR-REIT, is owned by namely, ESR Cayman Limited ("**ESR**") (67.3%), Shanghai Summit Pte. Ltd. (25.0%), and Mitsui & Co., Ltd (7.7%).

For further information on ESR-REIT, please visit www.esr-reit.com.sg.

About the Sponsor, ESR

ESR is the largest Asia-Pacific focused logistics real estate platform by gross floor area (GFA) and by value of the assets owned directly and by the funds and investment vehicles it manages². Co-founded by its senior management team and Warburg Pincus, ESR and the funds and investment vehicles it manages are backed by some of the world's preeminent investors including APG, SK Holdings, JD.com, CLSA, Goldman Sachs, CPPIB, Ping An and Allianz Real Estate. The ESR platform spans across the People's Republic of China, Japan, South Korea, Singapore, Australia and India. As of 31 December 2018, the fair value of the properties directly held by ESR and the assets under management with respect to the funds and investment vehicles managed by ESR recorded approximately US\$16 billion, and GFA of properties completed and under development as well as GFA to be built on land held for future development stood at over 12 million square metres in total.

¹ Includes the valuation of 7000 Ang Mo Kio Avenue 5 on a 100% basis of which ESR-REIT has 80% economic interest, and excludes the effects arising from the adoption of Financial Reporting Standard (FRS) 116 Leases which became effective on 1 January 2019.

² Source: JLL market report.

Important Notice

The value of units in ESR-REIT ("**Units**") and the income derived from them may fall as well as rise. Units are not investments or deposits in, or liabilities or obligations, of ESR Funds Management (S) Limited ("**Manager**"), RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT) ("**Trustee**"), or any of their respective related corporations and affiliates (individually and collectively "**Affiliates**"). An investment in Units is subject to equity investment risk, including the possible delays in repayment and loss of income or the principal amount invested. Neither ESR-REIT, the Manager, the Trustee nor any of the Affiliates guarantees the repayment of any principal amount invested, the performance of ESR-REIT, any particular rate of return from investing in ESR-REIT, or any taxation consequences of an investment in ESR-REIT. Any indication of ESR-REIT performance returns is historical and cannot be relied on as an indicator of future performance.

Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that investors may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. This material may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of occupancy or property rental income, changes in operating expenses, governmental and public policy changes and the continued availability of financing in amounts and on terms necessary to support ESR-REIT's future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

This material is for informational purposes only and does not have regard to your specific investment objectives, financial situation or your particular needs. Any information contained in this material is not to be construed as investment or financial advice and does not constitute an offer or an invitation to invest in ESR-REIT or any investment or product of or to subscribe to any services offered by the Manager, the Trustee or any of the Affiliates.

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The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States except pursuant to an exemption from, or transactions not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws.