



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

NOTICE OF:

- (I) PREFERENTIAL OFFERING BOOKS CLOSURE DATE; AND**
- (II) CUMULATIVE DISTRIBUTION 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 13 September 2019 titled "Launch of Preferential Offering on the Basis of 29 New Units for Every 1,000 Existing Units to Raise Gross Proceeds of Up To Approximately S\$50.0 Million".

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Unitholders of ESR-REIT will be closed at:

- (i) 5.00 p.m. on Monday, 23 September 2019 (the "**Preferential Offering Books Closure Date**") for the purpose of determining the provisional allotment of new units in ESR-REIT (the "**New Units**") to Entitled Unitholders¹ under the Preferential Offering; and
- (ii) 5.00 p.m. on Friday, 11 October 2019 for the purpose of determining the entitlement of Unitholders to a distribution for the period from 1 July 2019 to 30 September 2019 (the "**3Q2019 Distribution**") and an advanced distribution for the period from 1 October 2019 to the day immediately prior to the date on which the New Units are issued pursuant to the Preferential Offering (the "**Advanced Distribution**" and together with the 3Q2019 Distribution, the "**Cumulative Distribution**") (the books closure date for the Cumulative Distribution, the "**Cumulative Distribution Books Closure Date**").

THE CUMULATIVE DISTRIBUTION

The Cumulative Distribution per Unit is estimated to be between 1.079 Singapore cents to 1.192 Singapore cents, which will only be distributed in respect of the Existing Units held as at 5.00 p.m. on the Cumulative Distribution Books Closure Date. A further announcement on the actual quantum of the Cumulative Distribution per Unit (which may differ from the estimate above) will be made by the Manager in due course.

¹ "**Entitled Unitholders**" are Entitled Depositors (as defined herein). "**Entitled Depositors**" are Unitholders with Units standing to the credit of their respective securities accounts with The Central Depository (Pte) Limited ("**CDP**") as at the Preferential Offering Books Closure Date and (a) whose registered addresses with CDP are in Singapore as at the Preferential Offering Books Closure Date; or (b) who have at least three Market Days prior to the Preferential Offering Books Closure Date provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Unitholders located, resident or with a registered address outside of Singapore.

The next distribution following the Cumulative Distribution will comprise ESR-REIT's distributable income for the period from the day the New Units are issued pursuant to the Preferential Offering to 31 December 2019. Quarterly distributions will resume thereafter.

Unitholders whose securities accounts with The Central Depository (Pte) Limited are credited with Units as at 5.00 p.m. on the Cumulative Distribution Books Closure Date will be entitled to the Cumulative Distribution that will be paid on or around **Friday, 8 November 2019**.

The Cumulative Distribution is intended to ensure that the distributable income accrued by ESR-REIT up to the day immediately preceding the date of issue of the New Units pursuant to the Preferential Offering (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 THE NEW UNITS TO BE ISSUED PURSUANT TO THE PREFERENTIAL OFFERING

The New Units to be issued pursuant to the Preferential Offering will, upon issue, rank *pari passu* in all respects with the Units in issue on the day immediately prior to the date on which the New Units under the Preferential Offering are issued, including the right to distributions out of ESR-REIT's distributable income from the date of issuance of the New Units pursuant to the Preferential Offering as well as all distributions thereafter, other than in respect of the Cumulative Distribution.

For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Preferential Offering will not be entitled to the Cumulative Distribution.

DECLARATION FOR SINGAPORE TAX PURPOSES

1. Any tax-exempt income component of the Cumulative 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 Cumulative 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 Cumulative Distribution.
4. The following categories of Unitholders will receive a gross Cumulative 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 Cumulative 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 Cumulative 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. For Unitholders who do not fall within the categories stated under Paragraph 4 above, tax at the reduced rate of 10.0% will be deducted from the Cumulative Distribution made to such Unitholders if they are:
 - (a) foreign non-individual investors – for distributions made during the period from 18 February 2005 to 31 December 2025; or
 - (b) foreign funds – for distributions made during the period from 1 July 2019 to 31 December 2025.

A foreign non-individual investor is one which is not a resident of Singapore for income tax purposes and:

- (a) which does not have a permanent establishment in Singapore; or
- (b) which 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.

A foreign fund is one that qualifies for tax exemption under section 13CA, 13X or 13Y of the Income Tax Act, Chapter 134 of Singapore that is not a resident of Singapore for income tax purposes and:

- (a) which does not have a permanent establishment in Singapore (other than a fund manager in Singapore); or

- (b) which carries on any operation in Singapore through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used to acquire the Units are not obtained from that operation.
9. To receive the Cumulative Distribution net of tax deducted at 10.0%, foreign non-individual investors and foreign funds are required to complete Form A.
10. Beneficial owners of Units who hold Units through depository agents will receive:
- (a) gross Cumulative Distribution if they are persons described in categories (a) to (f) under Paragraph 4 above; and
- (b) Cumulative Distribution net of tax deducted at 10.0% if they are foreign non-individual investors or foreign funds as described in Paragraph 8 above.
11. To receive gross Cumulative Distribution and Cumulative 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 **Wednesday, 16 October 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 **Friday, 25 October 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 Cumulative 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 Cumulative 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 **Friday, 25 October 2019** in order to receive the Cumulative Distribution either at gross or at net (after deduction of tax at 10.0%) as described above.

DECLARATION IN INCOME TAX RETURN

The Cumulative Distribution is considered as income for the year 2019. Beneficial owners of the Cumulative Distribution, other than those who are exempt from tax on the Cumulative 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 Cumulative 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	Date and Time
Last date that the Units are quoted on a “cum” Preferential Offering basis	: Thursday, 19 September 2019
Units trade ex-Preferential Offering	: Friday, 20 September 2019 at 9.00 a.m.
Preferential Offering Books Closure Date for eligibility to participate in the Preferential Offering	: Monday, 23 September 2019 at 5.00 p.m.
Last date that the Units are quoted on a “cum” Cumulative Distribution basis	: Wednesday, 9 October 2019
Units trade ex-Cumulative Distribution	: Thursday, 10 October 2019 at 9.00 a.m.
Cumulative Distribution Books Closure Date for entitlement to the Cumulative Distribution	: Friday, 11 October 2019 at 5.00 p.m.
Expected date for crediting of New Units pursuant to the Preferential Offering	: Monday, 14 October 2019
Expected date for listing of New Units pursuant to the Preferential Offering	: Monday, 14 October 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>)	: Friday, 25 October 2019 at 5.00 p.m.
Payment of the Cumulative Distribution	: Friday, 8 November 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. 100132-5)

Adrian Chui

Chief Executive Officer and Executive Director

13 September 2019

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About ESR-REIT

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

ESR-REIT invests in quality income-producing industrial properties and as at 30 June 2019 has a diversified portfolio of 56 properties located across Singapore, with a total gross floor area of approximately 14.0 million square feet and an aggregate property value of S\$3.02 billion². 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 manages. 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, Goldman Sachs, CPPIB, Ping An, Allianz Real Estate and CSOBOR Fund. 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.

² 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.

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.