



Financial Results Presentation

1H2021



Contents



Key Highlights



1H2021 Financial Performance



Real Estate Highlights



Capital Management



Industrial Market Outlook and Strategy



Appendix


Key Highlights



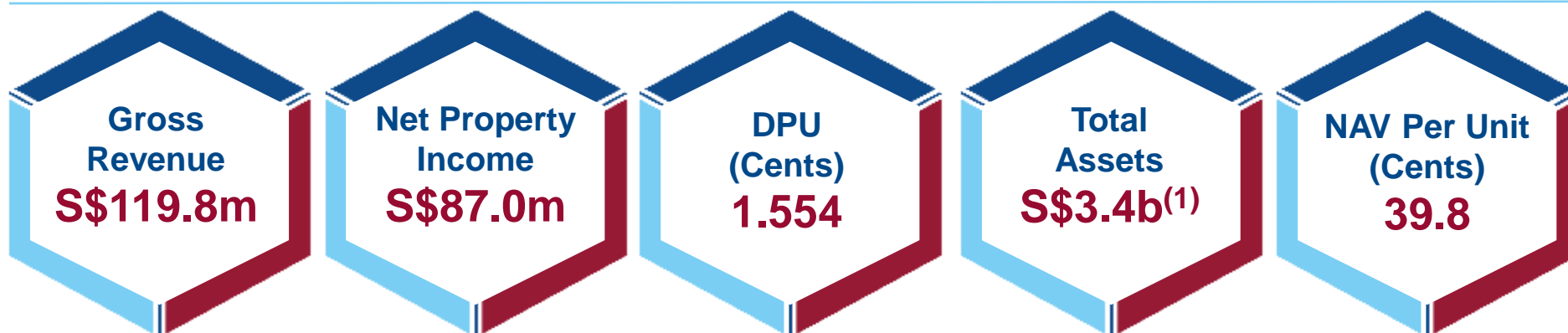
Top: ESR BizPark @ Changi | Business Park
Second: 7000 Ang Mo Kio Avenue 5 | High-Specs Industrial
Bottom: 30 Marsiling Industrial Estate Road 8 | High-Specs Industrial

Execution of Our Business Strategy

Executed the following in 1H2021: (1) Acquisitions; (2) Asset Enhancement Initiatives; (3) Divestment of non-core assets; and (4) Early Refinancing

<p>ESR-REIT's Business Strategy</p> 	<p>Organic Growth</p>	<p>Acquisition & Development Growth</p>	<p>Capital Management</p>
	<ul style="list-style-type: none"> ✓ Divestment of two non-core assets <ol style="list-style-type: none"> 1 3C Toh Guan Road East and 11 Serangoon North Ave 5 2 5.0% premium to aggregate fair value ✓ Asset Enhancement Initiative ("AEI") works on track <ol style="list-style-type: none"> 1 ESR BizPark @ Changi completed in 1Q2021 2 AEI of 19 Tai Seng Avenue to complete in 3Q2021 (63.0% committed occupancy) 3 Planned AEIs for 16 Tai Seng Street and 7000 Ang Mo Kio Ave 5 to be carried out⁽¹⁾ 	<ul style="list-style-type: none"> ✓ DPU accretive S\$124.7 million⁽²⁾ acquisition of 46A Tanjong Penjuru, a fully committed modern ramp-up logistics facility ✓ Value enhancing acquisition of 10.0% interest in ESR Australia Logistics Partnership <ol style="list-style-type: none"> 1 ESR-REIT's first overseas acquisition and from Sponsor's pipeline 	<ul style="list-style-type: none"> ✓ Successfully refinanced all expiring debt due in FY2021 ahead of expiry with a S\$320.0 million new loan facility ✓ S\$100.0 million Private Placement – 3.4x subscribed with upside option exercised ✓ Sponsor to provide backstop for upcoming Preferential Offering to raise up to S\$50.0 million
	<p>Rejuvenating Portfolio to be Future-Ready</p>	<p>Drive Portfolio Growth via Acquisitions</p>	<p>Increasing Financial Flexibility for Operations</p>

1H2021 at a Glance



Financial Performance

- 1H2021 DPU up **14.3% y-o-y** to **1.554 cents** on the back of stabilising portfolio performance
- 2Q2021 DPU **increased 13.9% y-o-y** to **0.754 cents**
- Stable rental collections of **97.9%** as at 30 June 2021
- Gross revenue increased 5.4% from S\$113.8 million in 1H2020 to S\$119.8 million in 1H2021
- Net property income grew 8.4% from S\$80.2 million in 1H2020 to S\$87.0 million in 1H2021

Proactive Asset Management

- Portfolio occupancy increased from 91.0% to **91.7%⁽²⁾** in 1H2021
- **Secured ~1.08 million sq ft of new and renewed leases for 1H2021**
- **Slight improvement in YTD rental reversion to -1.6%** as at 30 Jun 2021 (-5.0% as at 31 Mar 2021)
- Completed the acquisitions of 46A Tanjong Penjuru and 10.0% stake in ESR Australia Logistics Partnership
- Divestment of two non-core properties above valuation
- AEI at 19 Tai Seng Avenue on track for completion in 3Q2021, secured >63.0% committed occupancy
- AEIs of 16 Tai Seng Street and 7000 Ang Mo Kio Ave 5 announced⁽³⁾

Prudent Capital Management

- **Successfully refinanced all expiring debt due in FY2021**
- **Announced up to S\$150.0 million equity fund raising**
 - ✓ S\$100.0 million private placement 3.4x subscribed with upside option exercised
 - ✓ Sponsor to backstop upcoming S\$50.0 million Preferential Offering
- Gearing at 42.9% / 41.3% on a *pro forma* basis⁽³⁾
- **75.0% of interest rate exposure fixed for 2.1 years**
- **All-In cost of debt further reduced from 3.54% p.a. to 3.24% p.a.**

1H2021 DPU Increased 14.3% Y-o-Y

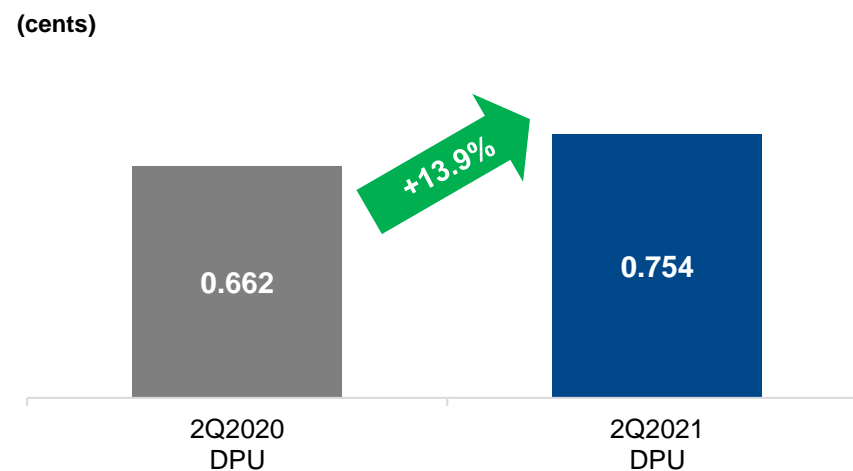
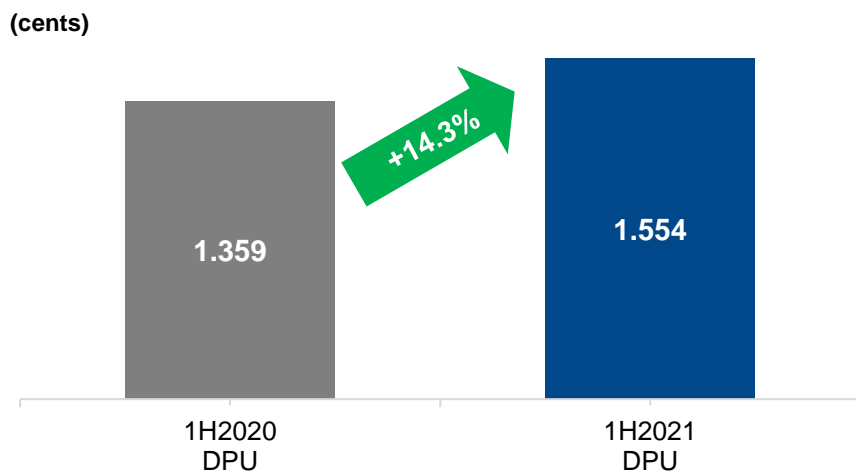
Demonstrates resilience despite tightening restrictions amidst P2(HA)

1H2021 DPU Increased 14.3% Y-o-Y to 1.554 Cents

- **Absence of provision of COVID-19 rental rebates**
- **Higher Net Property Income (“NPI”) due to:**
 - Increase in leasing activities; and
 - Lower operating costs contributed to higher NPI offset by incentives and lower renewal rates given to certain large tenants in the business park segment

2Q2021 DPU Increased 13.9% Y-o-Y to 0.754 Cents

- **The increase is mainly due to:**
 - Absence of provision of COVID-19 rental rebates;
 - Higher NPI; and
 - Lower total borrowing costs



1H2021 Financial Performance



Top: ESR BizPark @ Changi | Business Park
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Bottom: 30 Marsiling Industrial Estate Road 8 | High-Specs Industrial

Summary of Financial Results

	1H2021 (S\$ million)	1H2020 (S\$ million)	+ / (-) (%)
Gross Revenue ⁽¹⁾	119.8	113.8	5.4
Net Property Income (“NPI”) ⁽¹⁾⁽²⁾	87.0	80.2	8.4
Amount available for distribution to Unitholders ⁽³⁾	56.8	47.8	18.7
Applicable number of units for calculation of DPU (million)	3,653.6	3,519.4	3.8
Distribution per Unit (“DPU”) (cents)	1.554	1.359	14.3

Notes:

- (1) Higher gross revenue and NPI mainly attributed to the absence of provision for COVID-19 rental rebates to tenants in 1H2021 (1H2020: S\$4.6 million).
- (2) Lower property expenses also contributed to the higher NPI. Lower property expenses incurred in 1H2021 was mainly due to (i) lower utilities expenses arising from lower contracted electricity rates at certain properties, as well as reduction in electricity consumption for common areas of the properties; and (ii) lower maintenance costs in relation to safe management measures at the properties following the gradual relaxation of the safe management requirements.
- (3) Includes management fees payable to the Manager and the Property Manager in ESR-REIT units of S\$4.3 million for 1H2021 (1H2020: S\$4.4 million).

Financial Position

	As at 30 Jun 2021 (S\$ million)	As at 31 Dec 2020 (S\$ million)
Investment Properties ⁽¹⁾	2,976.5	2,889.3
Investment Properties Held for Divestment ⁽²⁾	52.6	-
Investment at fair value through profit and loss ⁽³⁾	61.5	-
Right-of-use of Leasehold Land (FRS 116)	233.8	229.8
Other Assets	68.2	68.3
Total Assets	3,392.6	3,187.4
Total Borrowings (net of debt transaction costs)	1,296.8	1,178.6
Lease Liabilities for Leasehold Land (FRS 116)	233.8	229.8
Non-controlling Interest	60.3	60.3
Other Liabilities	108.3	120.6
Total Liabilities	1,699.2	1,589.3
Net Assets Attributable to:		
- Perpetual Securities Holders	151.1	151.1
- Unitholders	1,542.3	1,447.0
No. of Units (million)	3,877.2	3,576.4
NAV Per Unit (cents)	39.8	40.5

Distribution Timetable

Distribution Details

Distribution Period	18 May 2021 – 30 June 2021
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Distribution Rate	0.344 cents taxable income per unit
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An Advanced Distribution of 0.410 Singapore cents per unit for the period from 1 April 2021 to 17 May 2021 has been paid on 17 June 2021. Together with the above distribution per unit of 0.344 Singapore cents, the total distribution per unit for 2Q2021 is 0.754 Singapore cents.

Distribution Timetable

Books Closure Date	To be announced at a later date
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Distribution Payment Date	To be announced at a later date
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Real Estate Highlights



Top: ESR BizPark @ Changi | Business Park
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ESR-REIT's Assets under Management (“AUM”) of S\$3.2 billion



AUM S\$3.2 billion⁽¹⁾

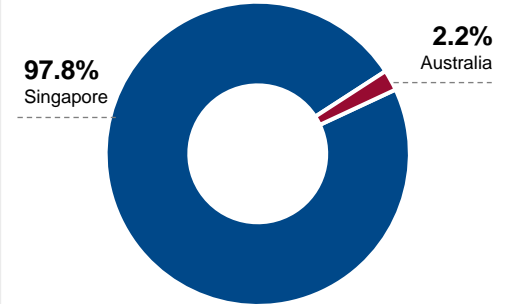
Direct asset

Real Estate Portfolio
S\$3.2 billion Valuation

10.0% interest

ESR Australia Logistics Partnership
S\$61.5 million equity stake

Portfolio Geographical Diversification
(by rental income⁽³⁾)



Portfolio of 58 properties in Singapore

Total Gross Floor Area	15.6 million sqft
Portfolio Occupancy	91.7%
Weighted Average Lease Expiry	2.8 years
Land Lease Expiry	31.0 years

SINGAPORE ASSETS



Business Park

High-Specs
Industrial

Logistics /
Warehouse

General
Industrial

37 Logistics Properties in Australia

Total Assets	A\$1,297 million ⁽²⁾⁽³⁾
Total Gross Leasable Area	533,515 sqm (~5.7 million sqft) ⁽³⁾
Occupancy Rate	97.8% ⁽³⁾
Weighted Average Lease Expiry	4.7 years ⁽³⁾
Weighted Average Land Lease Expiry	91 years ⁽³⁾⁽⁴⁾ 82% freehold (by value)

EALP ASSETS



6 Skyline Crescent, 379 Sherbrooke Road,
Bringelly NSW Willawong, QLD

71-83 Whiteside Road & 74-84 Main
Road, Clayton, VIC

Legend

- Investment in real estate assets
- Investment in real estate-related assets

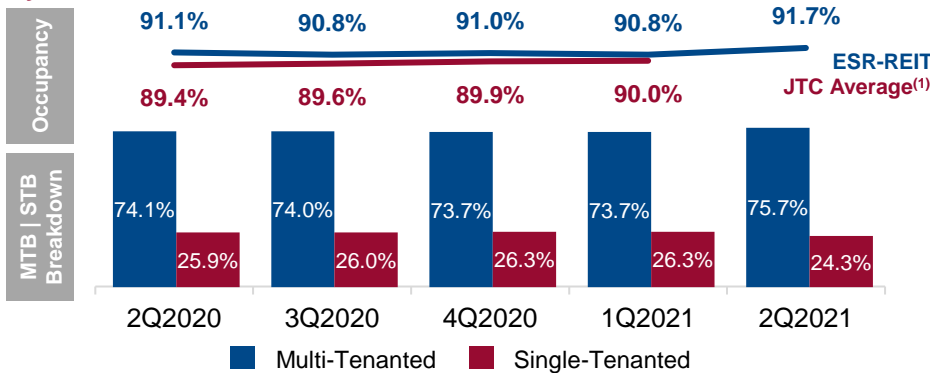


Notes: (1) Includes 100% of the valuation of 7000 Ang Mo Kio Avenue 5 and 48 Pandan Road, in which ESR-REIT holds 80% interest in 7000 Ang Mo Kio Avenue 5 and 49% interest in 48 Pandan Road, but excludes the effects arising from the adoption of Financial Reporting Standard (FRS) 116 Leases which became effective on 1 January 2019. (2) Comprises 33 income-producing properties, two land parcels for future development and two properties currently under development. (3) As at 30 June 2021. (4) Assuming that freehold land has an equivalent land lease tenure of 99 years and taking into account only a 10.0% interest in the Fund.

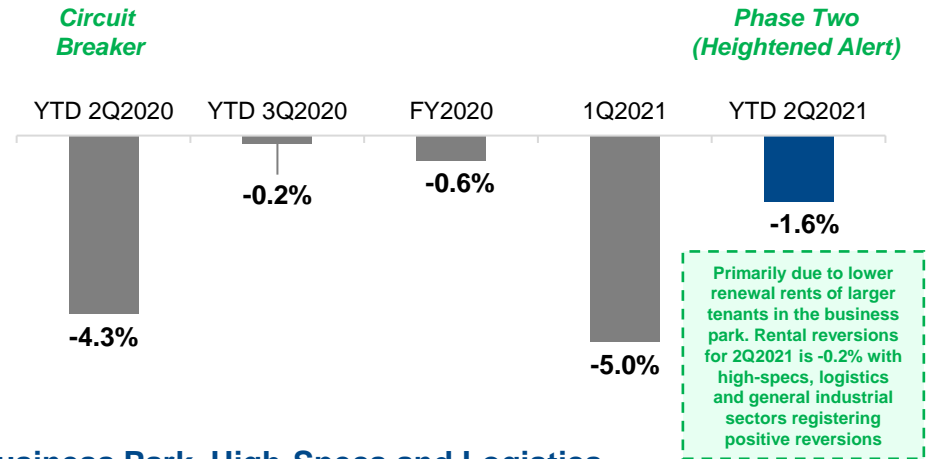
Diversified Portfolio Underpinned by Strong Fundamentals

Occupancy Maintained and Consistently Above JTC Average

Occupancy fluctuations due to portfolio comprising approx. 75.7% MTBs by rental income

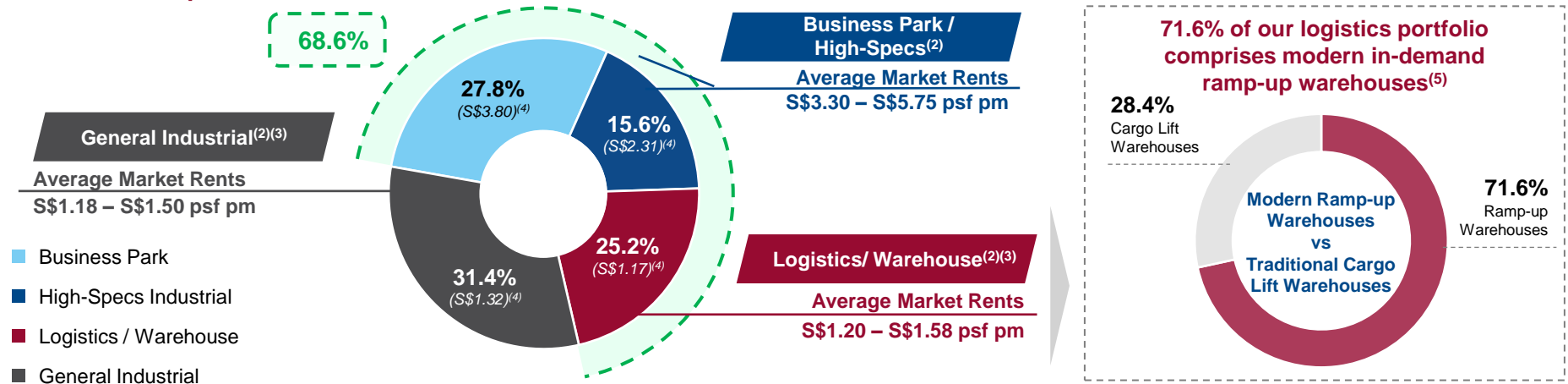


YTD Rental Reversions



Increased Exposure to Future-Ready and Resilient Sectors: Business Park, High-Specs and Logistics

Well-diversified portfolio across sub-sectors with over 360 tenants



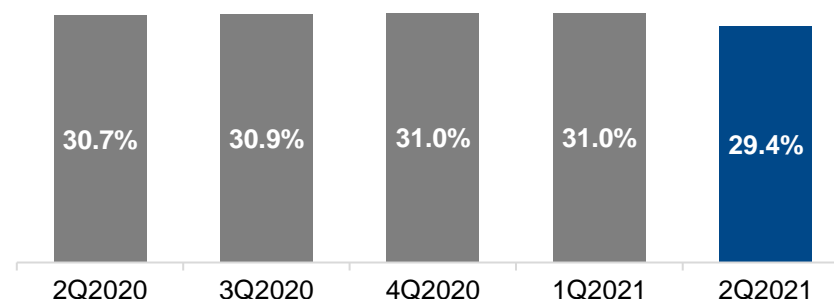
Notes: (1) Based on JTC 2Q2020 to 1Q2021 Industrial Property Market Statistics. (2) Based on 1Q2021 data from CBRE and 1Q2021 data from JTC. (3) Logistics based on "Warehouse (Ground Floor)" and "Warehouse (Upper Floor)", while General Industrial is based on "Factory (Ground Floor)" and "Factory (Upper Floor)" as defined by JTC. (4) Refers to portfolio MTB YTD passing rents per sqft per month. (5) By rental income as at 30 June 2021.

Proactive Lease Management

- During 1H2021, a total of **1.08 million sqft** of leases were secured:
 - New leases: **500,600 sqft (46.1%)**, primarily attributed to business park and general industrial segments
 - Renewal leases: **585,600 sqft (53.6%)**
- Leasing momentum has increased with new leases accounting for a larger proportion of total leases secured
- Rental reversion was -0.2% for 2Q2021 with **YTD rental reversion at -1.6%** primarily due to renewals of certain large tenants in the business park segment with high-specs, logistics and general industrial sectors registering positive rental reversions
- Rental income contributed by the top 10 tenants decreased from 31.0% (as at 31 Mar 2021) to **29.4% (as at 30 Jun 2021)**, reducing tenant concentration risks

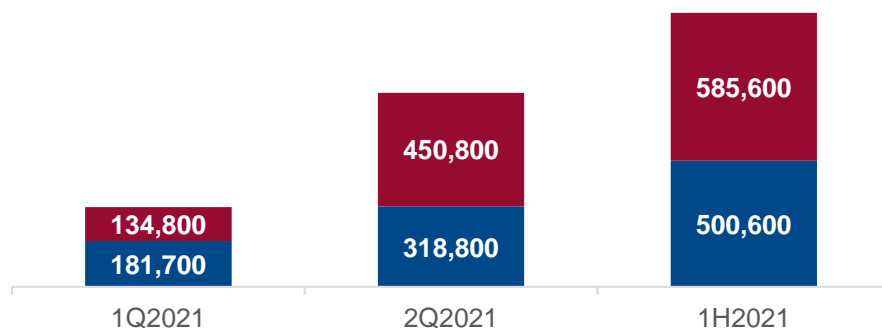
Top 10 Tenant Concentration Risk

Top 10 tenants account for 29.4% of rental income (as at 30 Jun 2021)



Total Leases in 1H2021 (by GFA)

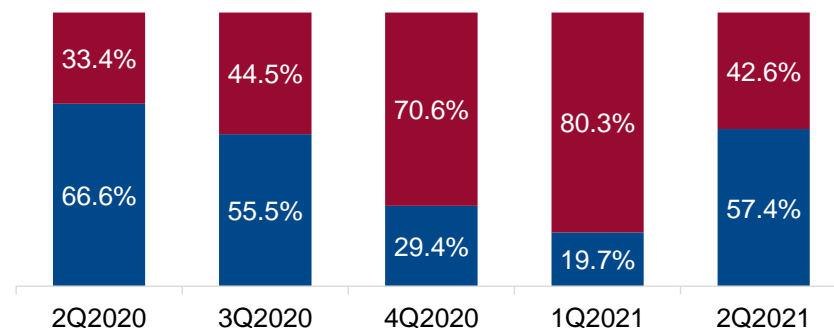
Renewed and secured new leases of approximately ~1.08 million sqft in 1H2021



■ New Leases ■ Renewal Leases

Leases Committed by Type

More new leases secured in 2Q2021



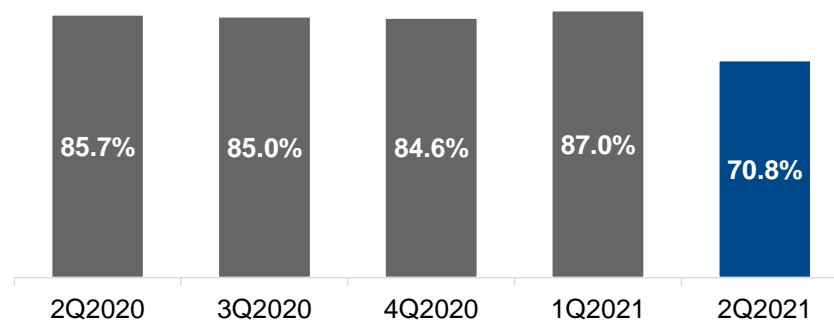
■ New Leases ■ Renewal Leases

Well Staggered Portfolio Expiry Profile

- Approximately 868,900 sqft was due to expire in 2Q2021. Retention rate of 70.8% was achieved during the quarter with YTD retention rate of **73.7%**.
- WALE remains stable at **2.8 years**
- 10.4% of leases are expiring in 2H2021, of which about 7.1% of total leases are under documentation and negotiations to secure early commitments ahead of expiry
- Majority of leasing interest received from **technology, media, e-commerce and general warehousing sectors**

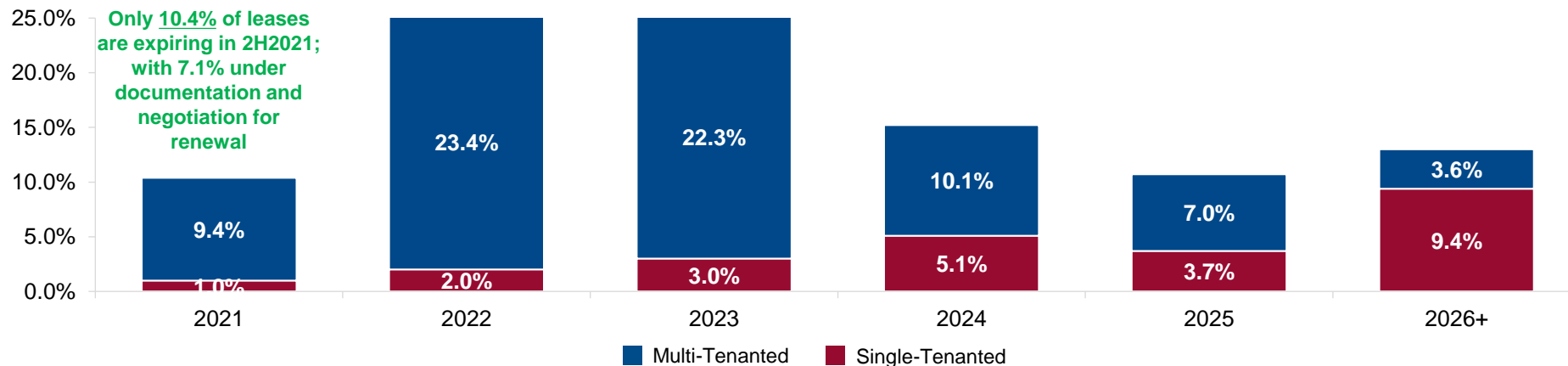
YTD Tenant Retention Rate

Retention rate of 70.8% was achieved during the quarter with YTD retention rate of 73.7%.






Weighted Average Lease Expiry (WALE) by Rental Income

Well Staggered WALE at 2.8 years



1H2021 Leasing Update: About 1.08 mil sqft Renewed and Newly Leased

Selected new tenants secured during 1H2021:

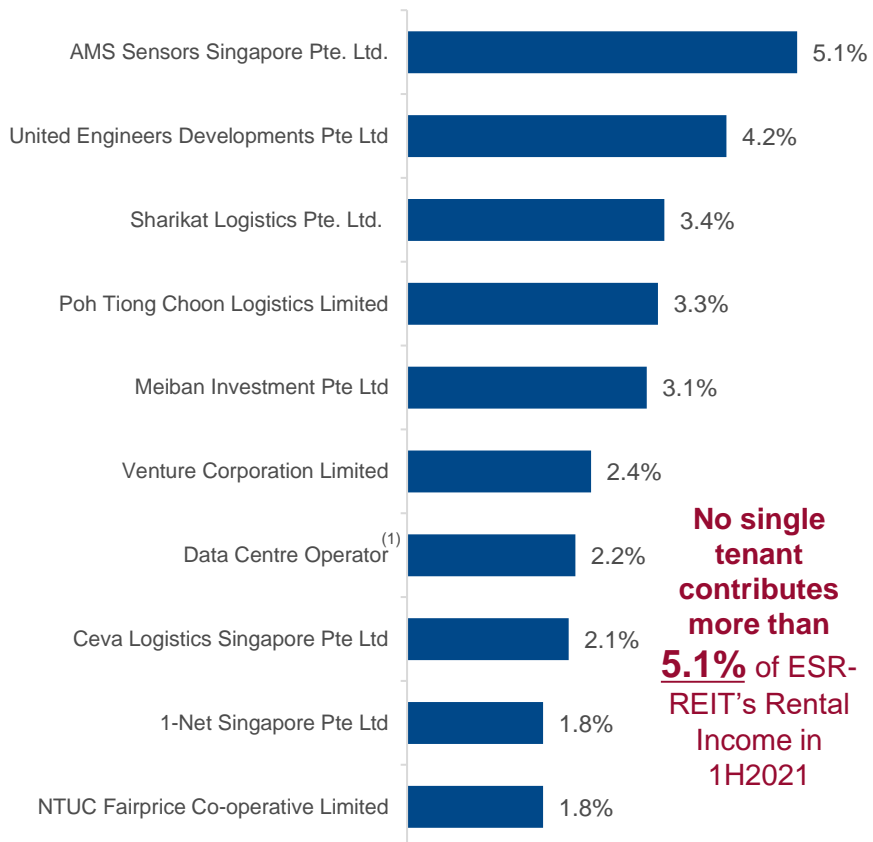
	A General Industrial	B General Industrial	C High-Specs Industrial
Name of Tenant	EGIS Nanotech Pte. Ltd. 	AF Global Logistics 	XP Power Limited 
Location	8 Tuas South Lane	8 Tuas South Lane	19 Tai Seng Avenue
Description	A fabric innovation company providing nanotechnology-infused textile to the apparel, medical and industrial markets, the leased area is for the storage of face mask and Personal Protection Equipment.	AF Global Logistics is a freight forwarding company based in Singapore, specializing in the providence of air-freight, sea-freight, transportation and warehousing services.	XP Power is committed to being a leading provider of power solutions, including AC-DC power supplies, DC-DC converters, high voltage power supplies and RF power supplies across 32 sales offices throughout Europe, North America and Asia.
Trade Sector	Logistics & Warehouse	Logistics & Warehouse	Electronics
NLA (sqft)	52,000	51,000	25,600
Lease Commencement Date	16 July 2021	1 August 2021	15 April 2022
Lease Type	Expansion	New Lease	New Lease

High quality tenants across various trade sectors improves tenant diversification and mix

Reduced Tenant Concentration Risk and Well-Diversified Trade Mix

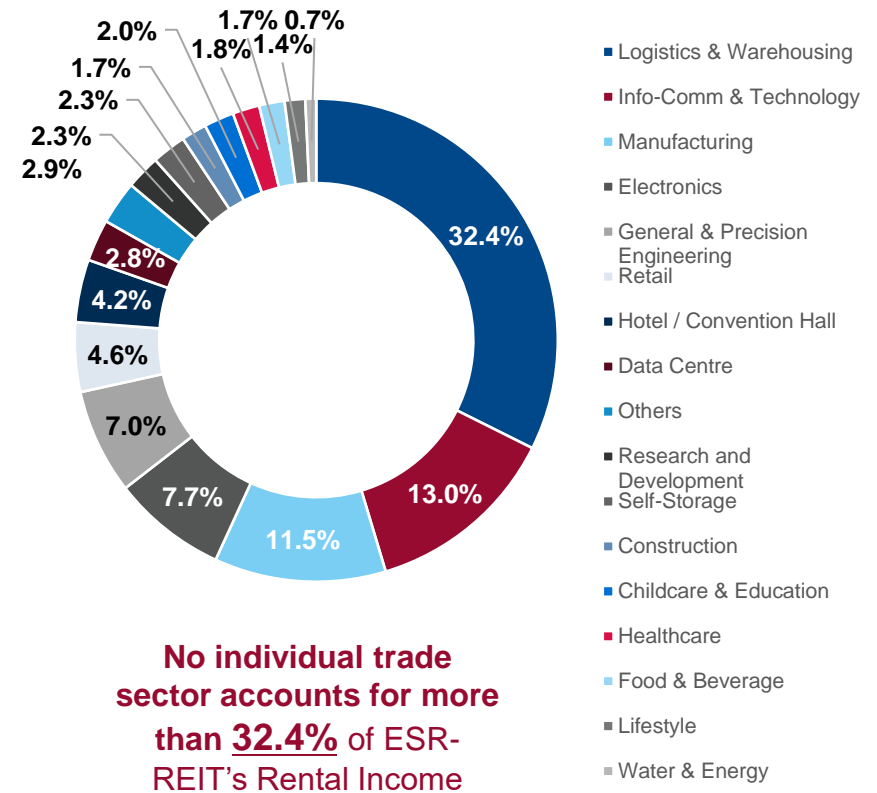
Top 10 Tenants

Remains stable accounting for **29.4%** of Rental Income and **25.2%** by NLA in 1H2021



Breakdown by Trade Sectors

Portfolio of **360** diverse tenants in 1H2021 increased against 343 tenants in 1H2020



Portfolio Growth & Rejuvenation



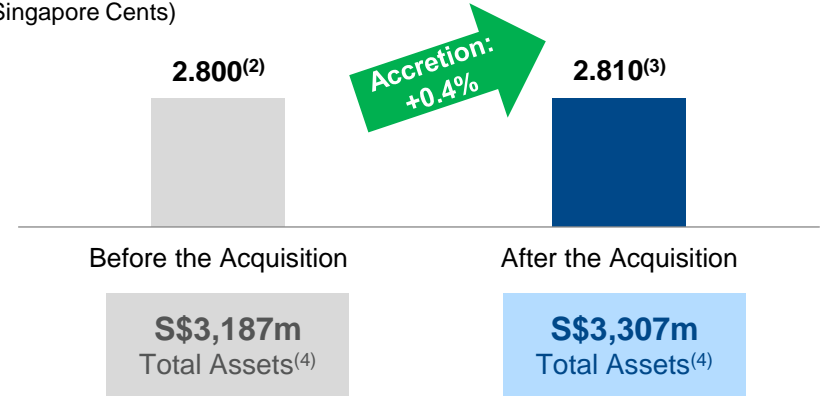
Top: ESR BizPark @ Changi | Business Park
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Portfolio Growth: DPU Accretive Acquisition of 46A Tanjong Penjuru



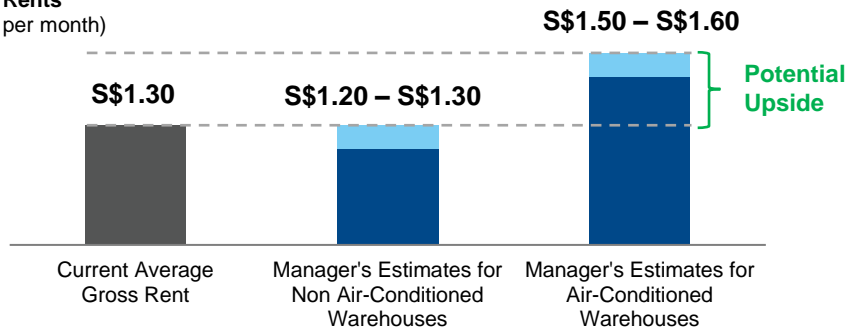
Singapore Acquisition is Expected to be DPU Accretive on a *Pro Forma* Historical Basis for FY2020⁽¹⁾

Distribution per Unit
(Singapore Cents)



Opportunity to Enhance Specifications of the Singapore Property to Capture Higher Rental Demand through Active Asset Management

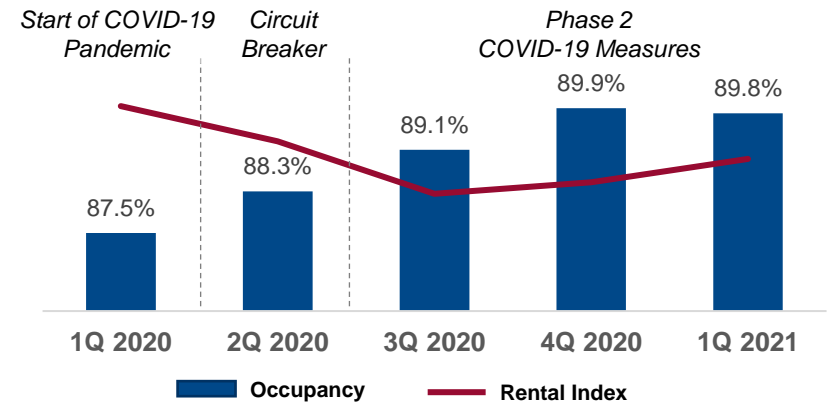
Gross Rents
(S\$psf per month)



Source: Manager's estimates

Current average gross rent of the Property vs the Manager's estimates of the gross rents for air-conditioned and non air-conditioned warehouses

Strengthens ESR-REIT's Portfolio Exposure to the Logistics Sector which has Remained Resilient During the COVID-19 Pandemic



Source: JTC Quarterly Market Reports 1Q2020 – 1Q2021



Notes: (1) Assumes the Singapore Acquisition had been completed on 1 January 2020 and ESR-REIT had held the Singapore Property through to 31 December 2020. (2) Based on ESR-REIT's DPU for FY2020. (3) Includes approximately 196.3 million new Units issued at an illustrative issue price of S\$0.375 per new Unit to raise gross proceeds of S\$73.6 million and approximately 0.9 million new Units issued as payment of management fees to the Manager in FY2020 at an issue price of S\$0.410 per Unit as at 5 May 2021. (4) As at 31 December 2020.

Portfolio Growth: Value Adding Acquisition of 10.0% interest in EALP (First Overseas Acquisition)

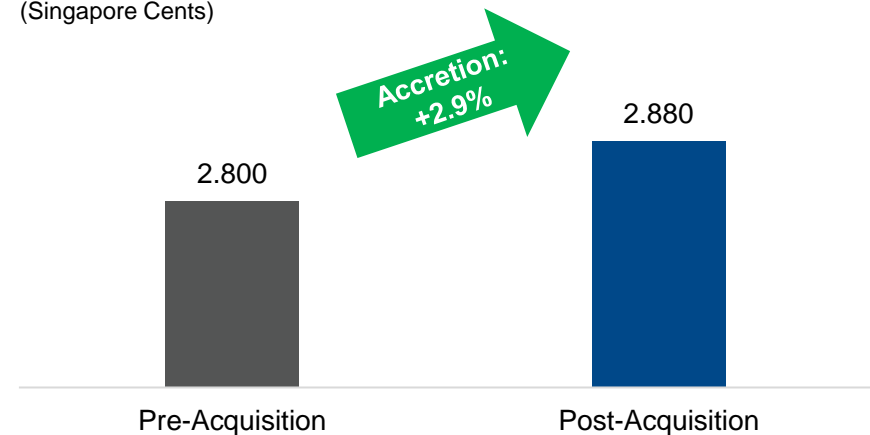
1. Acquisition of a 10.0% interest in ESR Australia Logistics Partnership (“EALP” or the “Fund”) from a subsidiary of the sponsor of ESR-REIT, ESR Cayman Limited (the “Sponsor”) for A\$60.5m (approximately S\$62.4m⁽¹⁾) (the “Purchase Consideration”)
2. The land leases of the **32 Income-Producing Properties**⁽²⁾ are **predominantly freehold (81.4% by value as at 31 March 2021)** with **assumed first year post tax dividend yield of 6.8%**⁽³⁾
3. Provides **opportunity to capitalise on Australia’s attractive logistics market**
4. Provides **exposure to an income-producing portfolio** with a **complementary opportunity for risk-managed development upside**
 - 55.3% of the leases in the Fund’s portfolio (by rental income)⁽²⁾ are single tenant master leases with longer lease tenures and built-in rental escalations (averaging 2.5% to 3.0% per annum)
 - Potential for development upside with four land parcels, two of which are currently under development
5. Provides **geographical diversification** and **exposes ESR-REIT to freehold assets** while **leveraging the Sponsor’s operational capabilities and presence** in Australia

Properties by State⁽²⁾



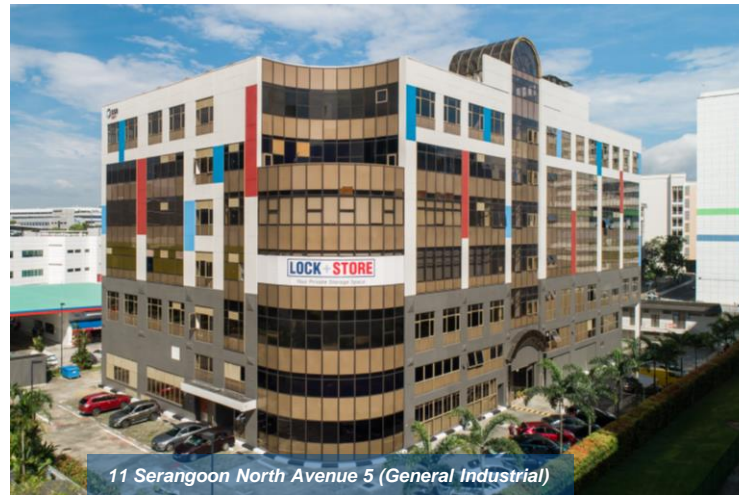
Australia Acquisition is Expected to be DPU Accretive on a Pro Forma Historical Basis for FY2020⁽³⁾⁽⁴⁾

Distribution per Unit (Singapore Cents)



Portfolio Optimisation: Divestment of Two Non-Core Properties

Divested at 5.0% premium to the total fair value of the properties and 7.1% premium to their total acquisition price



11 Serangoon North Avenue 5 (General Industrial)



3C Toh Guan Road East (Logistics & Warehouse)

	11 Serangoon North Avenue 5	3C Toh Guan Road East
Asset Type	General Industrial	Logistics & Warehouse
Lease Type	Multi-Tenanted	
Gross Floor Area	146,619 sqft	192,864 sqft
Valuation (as at 31 December 2020)	S\$20.0 million	S\$30.5 million
Sale Consideration	S\$53.0 million (excluding divestment costs and applicable goods and services tax)	
Remaining Term of Lease	35.8 years	29.6 years
Acquisition Date	25 Jul 2006	30 Jan 2012

Portfolio Rejuvenation: AEI Update: 19 Tai Seng Avenue (“19TS”)

Rejuvenation works on track to obtain temporary occupation permit (“TOP”) in 3Q2021, secured >63.0% committed occupancy



The AEI of 19TS reflects our focus to unlock value within our existing portfolio to bolster our recurring income

Details of the AEI

- The building façade is undergoing a modern facelift with significant enhancements to its infrastructure, including:
 - ✓ Major refurbishment of the main lobby, drop-off area and passenger lift lobbies to improve accessibility and user experience
 - ✓ M&E enhancements planned for the sprinkler, CCTV and air-conditioning systems to cater for a greater variety of high-tech tenants
- Total capex of ~S\$7.65 million is expected to generate an estimated yield-on-cost of 7%-9%
- Secured over 63% committed occupancy ahead of upcoming TOP

AEI will rejuvenate and reposition 19TS as a high-specs development to attract and retain quality tenants of tomorrow



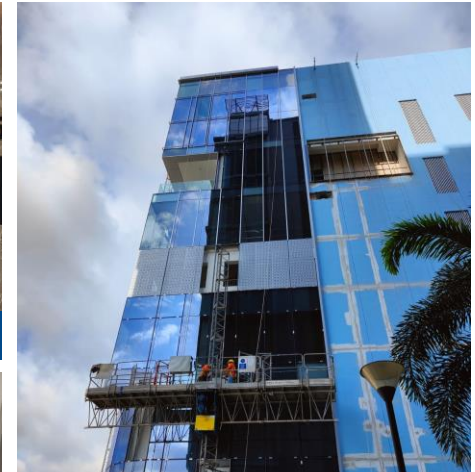
Makeover of passenger lift lobbies



Common toilets after AEI



M&E enhancements in progress



Building façade undergoing major facelift for a modern look



Refurbished common corridors

Portfolio Rejuvenation: Upcoming AEs of Two High-Specs Properties

Asset enhancement works planned for 16 Tai Seng Street and 7000 Ang Mo Kio Ave 5

- The AEs reflect the Manager’s commitment to seek organic growth continuously by active asset management to unlock value⁽¹⁾
- Development of un-utilised plot ratio for high-specifications assets will enhance ESR-REIT’s portfolio to ensure that they remain relevant to the needs and demands of industrialists in the manufacturing and data centre sectors

16 Tai Seng Street



7000 Ang Mo Kio Ave 5 (“7000 AMK”)



Location	16 Tai Seng Street, Singapore 534138	7000 Ang Mo Kio Avenue 5, Singapore 569877
Estimated Costs	Approximately S\$25.9m	Approximately S\$53.3m ⁽²⁾
Description	<ul style="list-style-type: none"> ▪ Maximising the plot ratio by adding an additional floor to increase GFA by approximately 29,000 square feet (“sq ft”) or 13.8% ▪ Redesigning and repositioning works to the façade, drop-off point, lift lobbies, lifts, the external linkway to the Mass Rapid Transit station 	<ul style="list-style-type: none"> ▪ In view of the current demand for quality high-specifications spaces from the advance manufacturing and electronics sector, the Manager intends to proceed with the previously announced AEI to 7000 AMK on a multi-tenanted basis to create approximately 265,000 sqft of additional GFA ▪ New design to allow for flexibility and specifications that are suitable for potential data centre tenants ▪ Post-AEI, there will be approximately 230,000 sqft of unutilised GFA remaining

Prudent Capital Management



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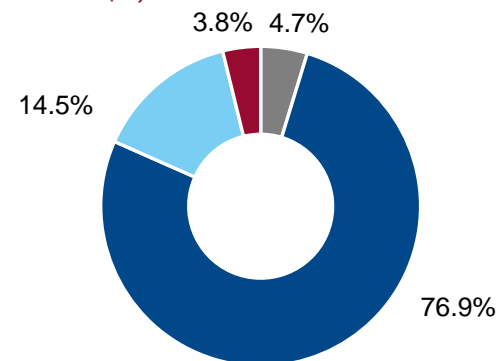
Key Capital Management Indicators

- Announced up to S\$150.0 million equity fund raising via a Private Placement and Preferential Offering
- Successfully raised S\$100 million via a Private Placement on 6 May 2021
 - **3.4x subscribed** with upside option exercised
- Debt to Total Assets (Gearing) is **42.9%** and **41.3% on a pro forma basis⁽¹⁾**
- 75.0% fixed interest rate exposure for 2.1 years**
- All-in Cost of Debt reduced to **3.24% p.a.**
- Portfolio remains **100.0% unencumbered**

	As at 30 Jun 2021	As at 31 Dec 2020
Total Gross Debt (S\$ million)	1,306.6	1,186.0
Debt to Total Assets (%) ⁽²⁾	42.9/41.3 ⁽¹⁾	41.6
Weighted Average All-in Cost of Debt (%) p.a.	3.24	3.54
Weighted Average Debt Expiry (“WADE”) (years)	2.6	2.2
Interest Coverage Ratio (“ICR”) (times)	3.9	3.5
MAS ICR (times) ⁽³⁾	2.8	2.6
Interest Rate Exposure Fixed (%)	75.0	89.0
Weighted Average Fixed Debt Expiry (“WAFDE”) (years)	2.1	2.0
Proportion of Unencumbered Investment Properties (%) ⁽⁴⁾	100.0	100.0
Debt Headroom (S\$ million) ⁽⁵⁾	463.2	507.7
Undrawn Available Committed Facilities (S\$ million)	78.1	119.0

Breakdown of Debt

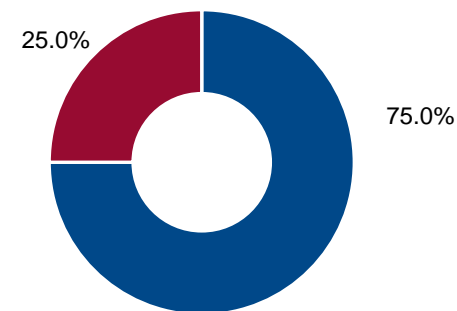
Total Debt of S\$1,306.6m



- SGD Unsecured Term Loans
- SGD Unsecured RCF Loans
- SGD MTNs
- AUD Unsecured Term Loans

Interest Rate Exposure Fixed (%)

75.0% of interest rate exposure fixed for 2.1 years

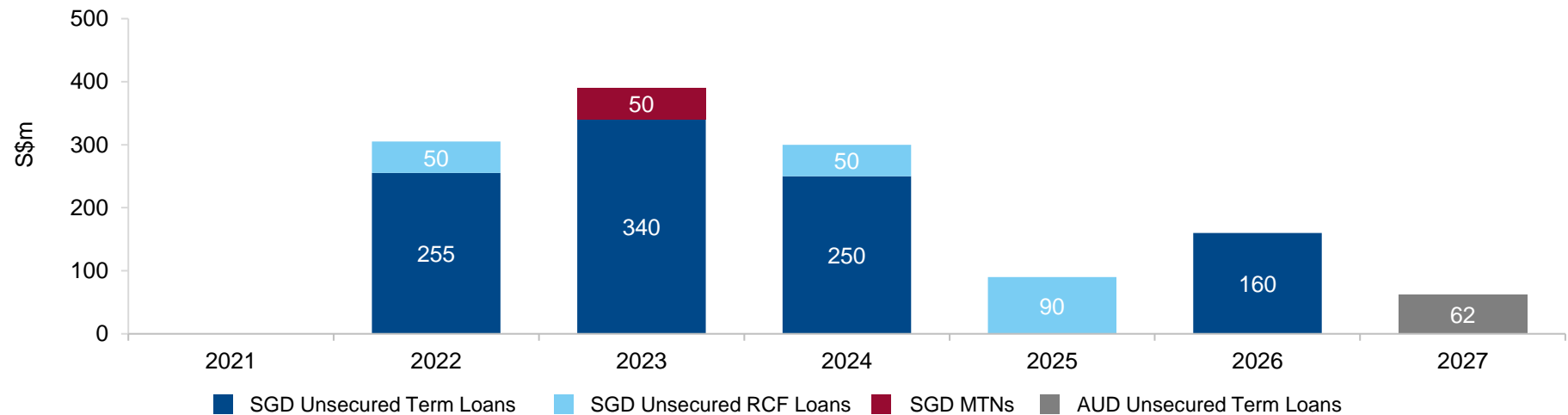


- Fixed Interest Rate
- Floating Interest Rate

Well-Staggered Debt Maturity Profile

- **WADE⁽¹⁾ as at 30 June 2021 was 2.6 years**
- **No refinancing requirements in FY2021** – successfully refinanced all expiring debt due in FY2021 ahead of expiry
- ESR-REIT remains well-supported by 11 lending banks on a 100% unsecured basis
- The Manager has proactively started to look at early refinancing options for debt expiring in FY2022 and may consider tapping the bond market if the terms are reasonably attractive

Debt Maturity Profile (as at 30 June 2021)



% of Debt Expiring	2021	2022	2023	2024	2025	2026	2027
	0	23.3	29.8	23.0	6.9	12.2	4.7

Industrial Market Outlook and Strategy



Top: ESR BizPark @ Changi | Business Park
Second: 7000 Ang Mo Kio Avenue 5 | High-Specs Industrial
Bottom: 30 Marsiling Industrial Estate Road 8 | High-Specs Industrial

Singapore Economy Outlook

Key Economic Indicators

- 1 Singapore's economy grew 14.3% in 2Q2021 – stronger than expected – with robust demand for exports and manufacturing driving better performance**
 - Singapore's economy grew 14.3% on a y-o-y basis, an improvement from the 1.3% y-o-y expansion recorded in 1Q2021. MTI expects Singapore's GDP growth forecast at 4.0% to 6.0% for 2021.⁽¹⁾
 - The manufacturing sector expanded by 18.5% on a y-o-y basis in 2Q2021 due to output expansions in the electronics, precision engineering and chemicals clusters.⁽¹⁾
 - Singapore's Purchasing Managers' Index increased marginally by 0.1 to 50.8 in June 2021 – the 12th consecutive month of expansion for the overall manufacturing sector. The PMI for electronics sector posted an expansion of 0.2 point from the previous month as well.⁽³⁾
- 2 Broader economic recovery is underpinned by improving external economic environment in the US and China**
 - Upgrades in the growth outlook for advanced economies will drive the pace of recovery of various sectors especially trade-related service sectors

Singapore Industrial Market Outlook

1 Rental and price index of industrial space in 1Q2021 recorded slight improvements, overall occupancy rate increased slightly by 0.1% to 90.0%⁽¹⁾

- Rental and price increased by 0.6% and 0.9% respectively compared to the previous quarter ⁽¹⁾
- Delays in completion continue to persist. While 1 million sqm of industrial space was originally expected to be completed in 1Q2021, actual completions were about 131,000 sqm

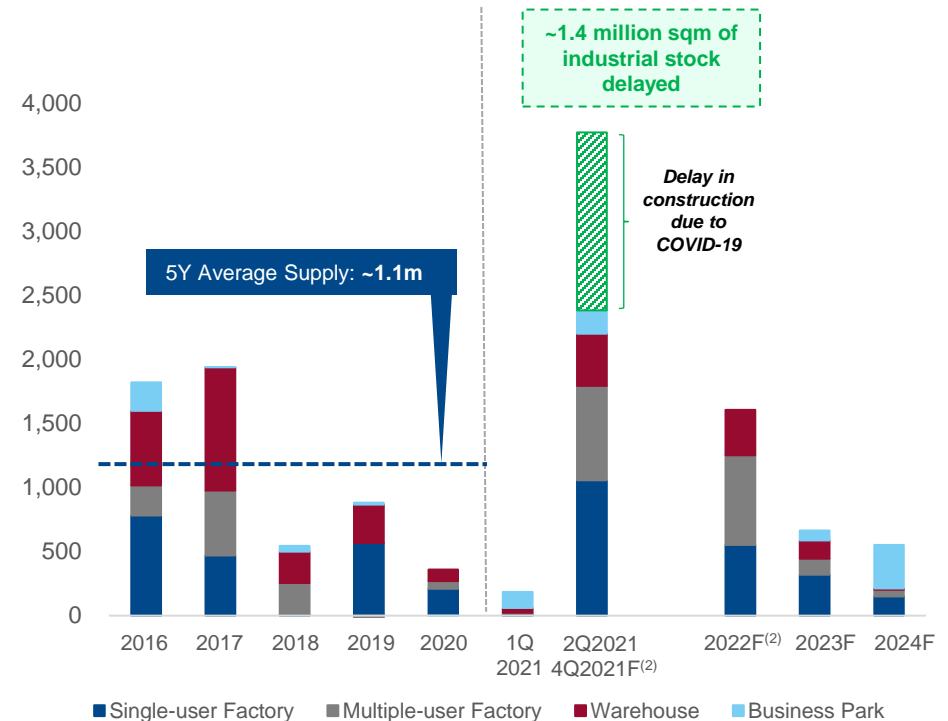
2 The industrial leasing market is expected to see some improvements in line with the external economic environment recovery although looming threats from recurring waves of the pandemic continues to undermine any recovery

3 Manufacturing and electronics sectors are expected to expand and drive demand for logistics and high-specs space

- Increased demand in e-commerce and last-mile logistics and storage of essential goods
- Semi-conductor demand from automotive and 5G markets will spur manufacturing sector

Net Supply of Industrial Space⁽¹⁾

('000 sqm)



As at 31 Mar 2021, ~1.0 million sqm of new industrial stock was forecast to complete in 1H2021 but **actual completions in 1Q2021 were only about 131,000 sqm** due to the impact of COVID-19 measures on construction activities

Consequently, **the remaining 2.4 million sqm of industrial stock is expected in the next three quarters**

Conclusion

1



Stabilised Portfolio Provides Strong Platform to Pursue Growth

- Larger, diversified portfolio across four asset sub-sectors and tenant trade sectors
- Portfolio resilience underpinned by stable and improving portfolio operations metrics
- Provides a strong platform for ESR-REIT to pursue growth
 - Overseas acquisitions: Pivoting towards logistics assets given Sponsor's visible pipeline of assets
 - AEs: Rejuvenates and improves portfolio quality to remain relevant to industrialists

2



Strengthen Portfolio Quality through Proactive Asset & Lease Management

- Leasing remains relatively stable with a total of ~1.08 million sqft of space leased and renewed during 1H2021. The tightening of restrictions from Phase 2 (Heightened Alert) impacted leasing activity in 2Q2021
- Leasing demand in technology, media, e-commerce and general warehousing sectors accounts for the steady YTD retention rate of 73.7% for 1H2021

3



Prudent Capital Management

- Reduced risks to capital structure with a well-staggered debt maturity profile with a weighted average debt expiry of 2.6 years
- Improved WAFDE⁽²⁾ with 75.0% fixed interest rate exposure for 2.1 years
- All-In cost of debt further reduced from 3.54% p.a. as at 31 Dec 2020 to 3.24% p.a. as at 30 June 2021
- Successfully refinanced all expiring debt due in FY2021 ahead of expiry
- Proactively started to look at early refinancing options for debt expiring in FY2022 and may consider tapping the bond market if the terms are reasonably attractive

Appendix



Top: ESR BizPark @ Changi | Business Park
Second: 7000 Ang Mo Kio Avenue 5 | High-Specs Industrial
Bottom: 30 Marsiling Industrial Estate Road 8 | High-Specs Industrial

Real Estate Portfolio Highlights



Diversified
portfolio of **58** properties
across
Singapore

Interest in ESR
Australia Logistics
Partnership

10.0%



Portfolio
Occupancy
91.7%⁽¹⁾

Above JTC Average
of **90.0%**⁽²⁾



Asset
Valuation

S\$3.2 billion⁽³⁾

Total GFA
~15.6 million sqft

360 tenants
from different
trade sectors



Located close
to **major**
transportation
hubs and
key industrial
zones



Weighted
Average
Lease Expiry of **2.8** years



Asset
Under
Management

S\$3.2 billion



Business Park



High-Specs Industrial



Logistics / Warehouse



General Industrial



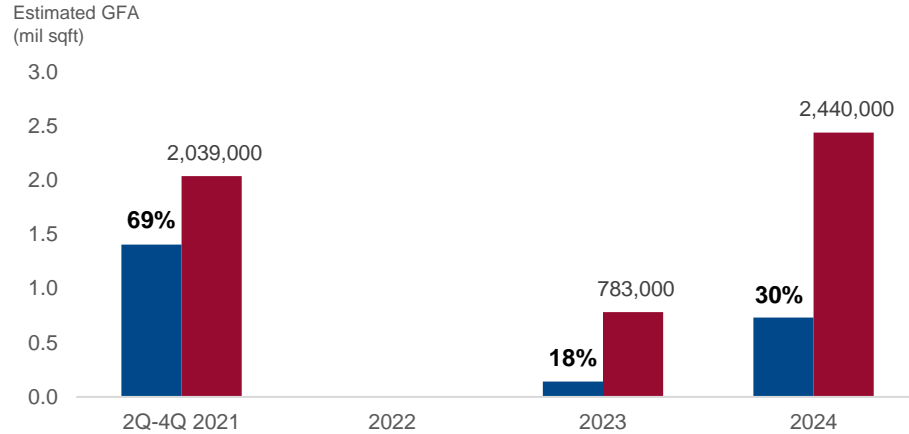
Notes: (1) Excludes properties in the pipeline for divestment. (2) Based on JTC 1Q2021 Industrial Property Market Statistics. (3) Includes 100% of the valuation of 7000 Ang Mo Kio Avenue 5 and 48 Pandan Road, in which ESR-REIT holds 80% interest in 7000 Ang Mo Kio Avenue 5 and 49% interest in 48 Pandan Road, but excludes the effects arising from the adoption of Financial Reporting Standard (FRS) 116 Leases which became effective on 1 January 2019.

Real Estate Portfolio Statistics

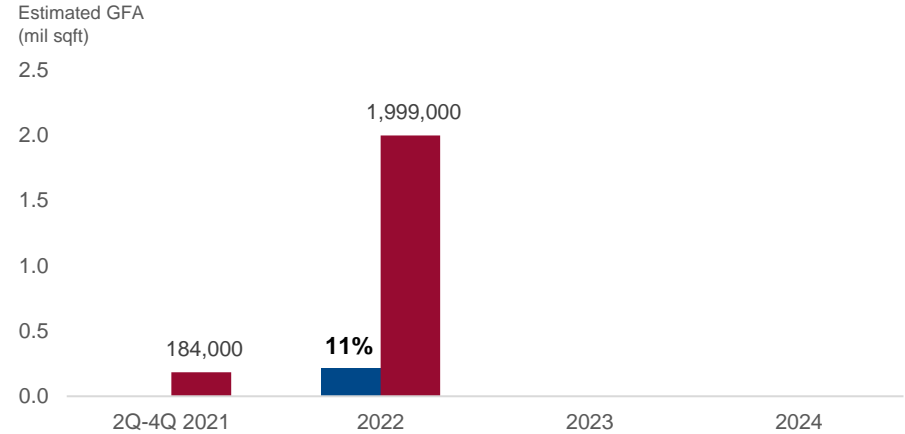
	As at 30 Jun 2021	As at 31 Dec 2020	As at 30 Jun 2020
Number of Properties	58	57	57
Valuation (S\$ million) ⁽¹⁾	3,233.0	3,113.4	3,117.1
GFA (million sqft)	15.6	15.1	15.1
NLA (million sqft)	14.0	13.4	13.4
Weighted Average Lease Expiry (“WALE”) (years)	2.8	3.0	3.4
Weighted Average Land Lease Expiry (years) ⁽²⁾	31.0	31.6	31.9
Occupancy (%)	91.7 ⁽³⁾	91.0	91.1
Number of Tenants	360	343	343
Security Deposit (months)	5.3	5.4	5.5

Future Supply and Pre-Commitment⁽¹⁾ Status 2Q2021 to 2024

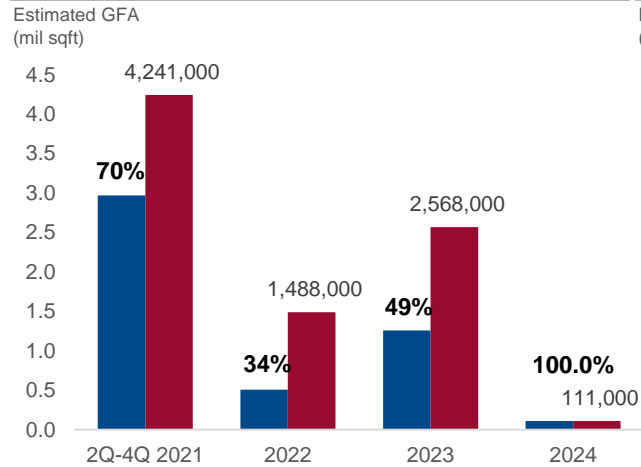
Future Supply and Pre-Commitments for Business Park



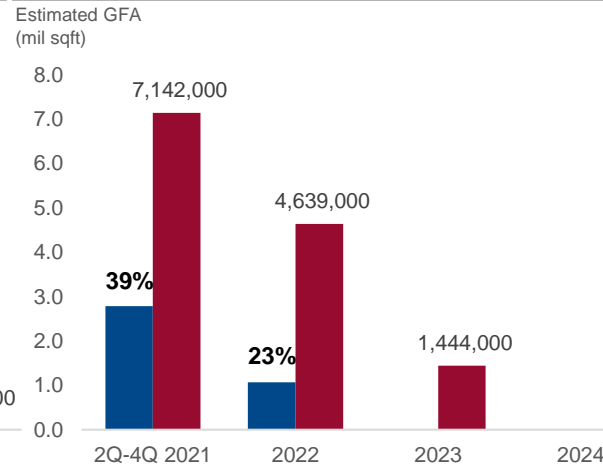
Future Supply and Pre-Commitments for High-Specs Industrial



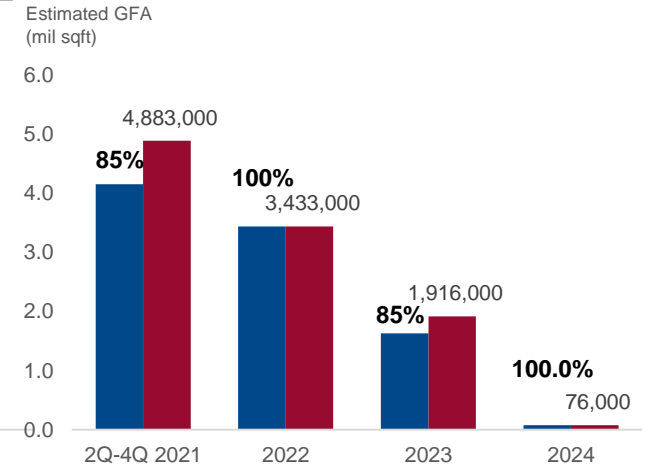
Future Supply and Pre-Commitments for Warehouse



Future Supply and Pre-Commitments for Multi-User Factory



Future Supply and Pre-Commitments for Single-User Factory



■ Pre-Committed ■ Future Supply



Source: JTC, CBRE.

Note: (1) Pre-commitment data as of 31 May 2021. Multi-user factory includes developments for strata sales and does not include high-specs subsector data.

Our Long-Term Strategy

Our three-pronged strategy focuses on optimising Unitholder returns while reducing risks



Organic Growth

- AEs to unlock value and attract high-valued tenants
- Proactive asset management to optimise investor returns
- Divest non-core assets and redeploy to higher value-adding properties
- Enhance tenant base by leveraging Sponsor networks



Acquisition and Development Growth

- Yield-accretive, scalable, value-enhancing acquisition opportunities in Singapore
- Potential pipeline of overseas assets from ESR
- Exploring opportunities to participate in development projects, either individually or in JV with ESR



Capital Management

- 100% unencumbered
- Well-staggered debt maturity profile
- Diversify funding sources into alternative pools of capital
- Broaden and strengthen banking relationships

Important Notice

This material shall be read in conjunction with ESR-REIT's results announcements for the half year ended 30 June 2021.

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