



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

PROPOSED MERGER OF ESR-REIT AND ARA LOGOS LOGISTICS TRUST BY WAY OF A TRUST SCHEME OF ARRANGEMENT

1. INTRODUCTION

- 1.1 **The Merger and the Scheme.** The board of directors of ESR Funds Management (S) Limited, as manager of ESR-REIT (the "**ESR-REIT Manager**") is pleased to announce the proposed merger (the "**Merger**") of ESR-REIT and ARA LOGOS Logistics Trust ("**ALOG**"). The Merger will be effected through the acquisition by RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT) (the "**ESR-REIT Trustee**") of all the units of ALOG ("**ALOG Units**") held by the unitholders of ALOG (the "**ALOG Unitholders**"), in exchange for a combination of cash and units in ESR-REIT ("**ESR-REIT Units**"), by way of a trust scheme of arrangement (the "**Scheme**") in compliance with the Singapore Code on Take-overs and Mergers (the "**Code**").
- 1.2 **Joint Announcement.** For further details on the Scheme, please refer to the joint announcement released today by the ESR-REIT Manager and the ALOG Manager (as defined in paragraph 0 below) titled "Proposed Merger of ESR-REIT and ARA LOGOS Logistics Trust by way of a Trust Scheme of Arrangement" (the "**Joint Announcement**"). Unless otherwise defined herein, all capitalised terms have the meaning ascribed to them in the Joint Announcement.

2. INFORMATION ON ALOG AND THE ALOG MANAGER

- 2.1 **ALOG.** ALOG is a real estate investment trust ("**REIT**") that is listed on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), which invests in quality income-producing industrial real estate used for logistics purposes, as well as real estate-related assets in the Asia Pacific. Based on publicly available information, ALOG's portfolio includes 29 (nine (9) in Singapore and 20 in Australia) high quality logistics warehouse properties strategically located in established logistics clusters in Singapore and Australia, with a total gross floor area ("**GFA**") of approximately one million square metres as at 30 June 2021. ALOG also owns a 49.5% stake in the New LAIVS Trust and a 40.0% stake in the Oxford Property Fund as at 30 June 2021 ("**Fund Investments**"). The New LAIVS Trust has a portfolio of four (4) logistics properties in Australia and the Oxford Property Fund holds one (1) logistics property in Australia. As at the date of this Announcement (the "**Announcement Date**"), ALOG has in issue an aggregate of 1,450,174,297 ALOG Units.

Based on the unaudited consolidated financial statements with respect to ALOG and its subsidiaries (the "**ALOG Group**") for the half year ended 30 June 2021 ("**1H2021**"), certain key financial information with respect to the ALOG Group is set out as follows:

ALOG Group (as at 30 June 2021)	
Total assets (S\$'000)	2,045,071
Net asset value (" NAV ") (S\$'000)	977,828
NAV per ALOG Unit (S\$)	0.67
Distributable income for 1H2021 (S\$'000)	34,574
Distribution per ALOG Unit for 1H2021 (cents)	2.570

2.2 **The ALOG Manager.** ALOG is managed by ARA LOGOS Logistics Trust Management Limited (as manager of ALOG, the "**ALOG Manager**"), which was incorporated in Singapore on 15 October 2009 and currently holds a capital market services licence for REIT management pursuant to the Securities and Futures Act, Chapter 289 of Singapore.

As at the Announcement Date:

- (a) the ALOG Manager is indirectly wholly-owned by the LOGOS Group¹. ARA Asset Management Limited ("**ARA**") is a majority shareholder of the LOGOS Group, which operates as ARA's global logistics real estate platform. LOGOS Property Group Limited is the sponsor of ALOG. On 4 August 2021, ESR Cayman Limited (the "**Sponsor**" and the Sponsor and its subsidiaries, the "**ESR Group**") announced (the "**ARA Acquisition Announcement**") that it entered into an acquisition agreement with, among others, ARA in relation to the proposed acquisition (the "**Proposed ARA Acquisition**") of 100% of the issued share capital and voting power in ARA. ARA has an indirect majority stake in the ALOG Manager. Immediately upon completion of the Proposed ARA Acquisition, the Sponsor will indirectly own more than 86%² of the ALOG Manager; and
- (b) the directors of the ALOG Manager are:
- (i) Mr. Lim How Teck (Chairman and Non-Executive Director);
 - (ii) Mr. Lim Lee Meng (Lead Independent Non-Executive Director and Chairman of the Audit Committee);
 - (iii) Mr. Lim Kong Puay (Independent Non-Executive Director);
 - (iv) Mr. Oh Eng Lock (Independent Non-Executive Director);
 - (v) Mr. Stephen George Hawkins (Non-Executive Director); and
 - (vi) Ms Low Poh Choo (Non-Executive Director).

2.3 As at the Announcement Date, LOGOS Units No. 1 Ltd ("**LOGOS Units**"), an indirect subsidiary

¹ "**LOGOS Group**" refers to the LOGOS Property Group Limited group of companies.

² The Sponsor plans to acquire the remaining interest in the ALOG Manager three (3) years after completion of the Proposed ARA Acquisition.

of ARA, is the largest ALOG Unitholder holding a direct interest in 177,862,538 ALOG Units, representing approximately 12.26% of the total number of ALOG Units.

3. THE MERGER AND THE SCHEME

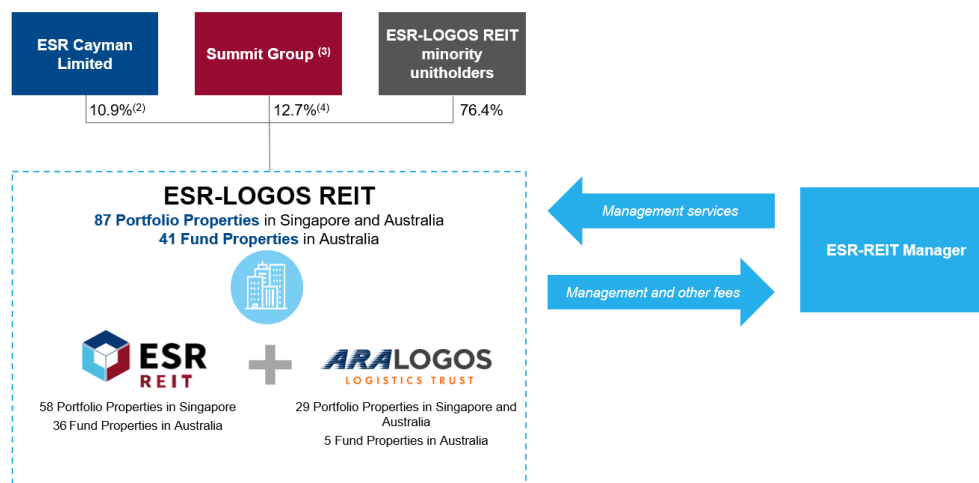
3.1 Implementation Agreement

In connection with the Merger, the ESR-REIT Manager, the ESR-REIT Trustee, the ALOG Manager and HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of ALOG) (the "**ALOG Trustee**") (each, a "**Party**" and collectively the "**Parties**") have today entered into an implementation agreement (the "**Implementation Agreement**") setting out the terms and conditions on which the Parties will implement the Scheme. The key terms of the Scheme, including the Scheme Consideration, the Scheme Conditions, the ALOG Permitted Distributions, the ESR-REIT Permitted Distributions, and the events of termination of the Scheme, are summarised in the Joint Announcement.

3.2 The ESR-LOGOS REIT Structure

Following the Merger, it is intended that the enlarged ESR-REIT will be renamed as "ESR-LOGOS REIT". It is currently envisaged that the structure of ESR-LOGOS REIT upon completion of the Merger will be as follows:

ESR-LOGOS REIT Structure Post-Merger⁽¹⁾



Notes:

- (1) Illustrative pro forma unitholding structure based on latest available information as at 8 October 2021, based on gross exchange ratio of 1.863x.
- (2) Comprises deemed interests held through holding entities.
- (3) Mr. Tong Jinqun ("**Mr. Tong**") is a director of the ESR-REIT Manager, and he and his associates (collectively, the "**Summit Group**") collectively hold a controlling interest in the ESR-REIT Manager as well as a controlling interest in ESR-REIT Units.
- (4) Excludes deemed interest held through the ESR-REIT Manager.

3.3 **ESR-REIT Unitholders' Approval**

The Merger requires the approval of the unitholders of ESR-REIT (the "**ESR-REIT Unitholders**") under Chapter 10 of the listing manual (the "**Listing Manual**") of the SGX-ST. Further, the Merger is an "interested person transaction" under Chapter 9 of the Listing Manual, as well as an "interested party transaction" under Appendix 6 of the Code on Collective Investment Schemes (the "**Property Funds Appendix**") requiring the approval of the independent ESR-REIT Unitholders.

In addition, the issue of the ESR-REIT Units as consideration for the Scheme (the "**Consideration Units**") at an issue price of S\$0.510 for each Consideration Unit requires approval of the ESR-REIT Unitholders by way of an Ordinary Resolution³.

3.4 **Scheme Consideration**

The Scheme Consideration was determined based on commercial negotiations between the ESR-REIT Manager and the ALOG Manager. Factors taken into account in arriving at the Scheme Consideration by determining the exchange ratio include (without limitation): (a) the prevailing and historical relative market prices of the ESR-REIT Units and ALOG Units; (b) the NAVs of each of ESR-REIT and ALOG; (c) the market value of the respective property portfolios; (d) the fair value of the respective investments by ESR-REIT and ALOG in property funds; (e) relevant precedent trust scheme transactions in Singapore; (f) the prevailing and historical price to NAV per unit of each REIT; (g) the prevailing and historical distribution yield of each REIT; (h) the market capitalisation and trading liquidity of each REIT; (i) the historical highest price of each REIT and the accompanying trading volume; (j) the capital structure, debt financing and access to capital of each REIT; and (k) the resulting pro forma financial impact of the Merger on ESR-REIT and ALOG.

3.5 **Expected Indicative Timeline**

An expected indicative timeline is also set out in **Schedule 1** to this Announcement.

4. **RATIONALE FOR THE MERGER AND FUTURE INTENTIONS FOR ESR-LOGOS REIT**

The Merger is a combination of two (2) "best-in-class" platforms to create a well-diversified portfolio with a broader geographic diversification while maintaining strategic focus in developed markets. With S\$5.4 billion⁴ of total assets, the ESR-LOGOS REIT will hold 87 Portfolio Properties⁵ (including 20 in Australia) and 41 Fund Properties⁶ in Australia to manage a total net leasable area of 2.2 million square metres (24.1 million square feet). This will also

³ "**Ordinary Resolution**" means a resolution proposed and passed by a majority being greater than 50% or more of the total number of votes cast for and against such resolution at a meeting of ESR-REIT Unitholders convened in accordance with the provisions of the deed of trust dated 31 March 2006 constituting ESR-REIT entered into between the ESR-REIT Manager and the ESR-REIT Trustee, as supplemented and amended from time to time (the "**ESR-REIT Trust Deed**").

⁴ Based on reported total assets as of 30 June 2021.

⁵ "**Portfolio Properties**" refer to all properties owned either directly or indirectly but excludes Fund Properties.

⁶ "**Fund Properties**" refer to all properties owned either directly or indirectly through investment funds.

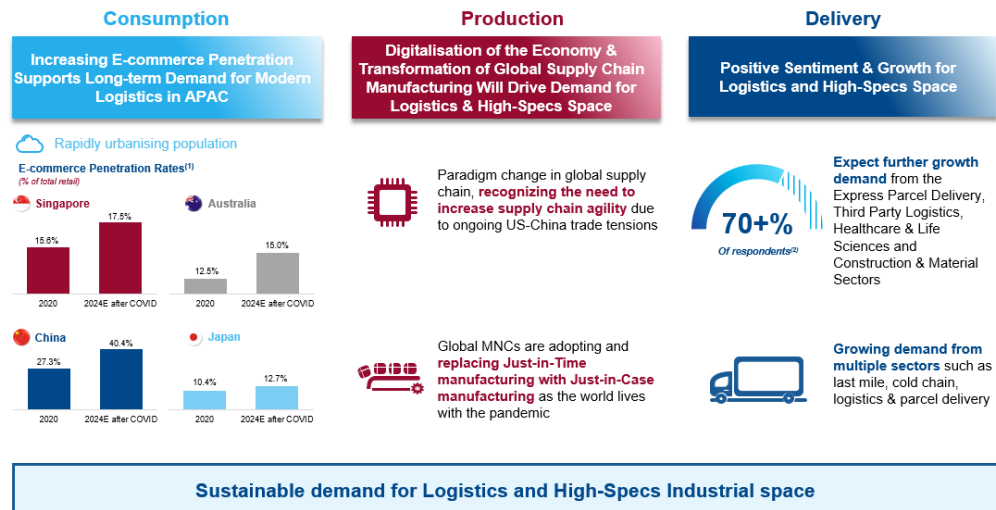
create a more resilient and diversified platform that is well-positioned to leverage on the Sponsor's New Economy⁷ pipeline for future growth. The rationale of the Merger is outlined in further detail below.

4.1 Increased Exposure to Sustainable "In-Demand" Logistics and High-Specs Properties

- (a) **Largest Secular Growth Opportunity in Asia.** The ESR-REIT Manager is of the view that the high-specs industrial and, in particular, the logistics sector in Asia remains the largest secular opportunity in Asia given the paradigm shift in the way goods are consumed, produced and delivered, exacerbated by technological improvements which are expected to continue to drive sustainable demand for logistics and high-specs industrial space for the following reasons:
- (i) **Consumption: Increasing e-commerce penetration.** With a rising urbanised population, e-commerce penetration rates are also expected to increase, thus supporting long-term demand for modern logistics in the Asia Pacific ("**APAC**") region.
 - (ii) **Production: Transformation in global supply chain manufacturing.** Continued US-China trade tensions have highlighted weak points in the global supply chain networks for production. While the globalisation of supply chains has enabled cost effective and efficient movement of goods around the world, the COVID-19 pandemic has intensified the need for more agility and flexibility across supply chains. Increasingly, industrialists have been holding a reserve of both raw materials and finished products in response to the pandemic, signalling a shift from a Just-in-Time inventory model to a Just-in-Case inventory approach towards manufacturing. A consequence of this phenomenon is the expansion of the supply chain footprint, and accelerated demand as occupiers seek a different cost / resilience trade-off and look to localise production and sourcing.
 - (iii) **Delivery: Digitalisation of the economy.** COVID-19 has also been a reality check for businesses that have been reluctant to embrace digital transformation, but are now scrambling to migrate operations and workforce to a digital environment. According to a survey conducted by Jones Lang LaSalle Incorporated ("**JLL**")⁸, more than 70% of respondents expect further growth in demand from the express parcel delivery, third party logistics, healthcare and life sciences and construction and material sectors. The ESR-REIT Manager is of the view that this will drive further growth in occupier demand from New Economy sectors such as last mile, cold chain, logistics and parcel.

⁷ "**New Economy**" refers to logistics / warehouses and high-specs industrial properties.

⁸ Based on JLL Global Logistics Survey conducted in April 2021.



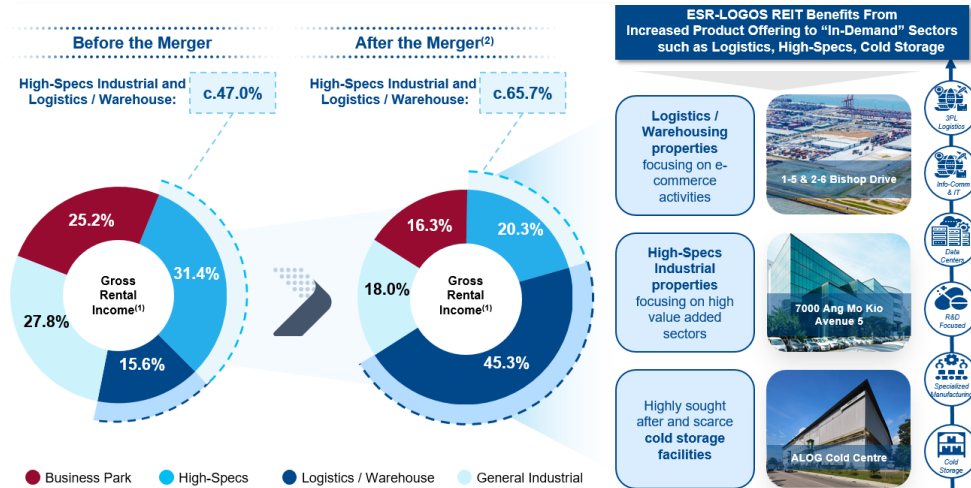
Notes:

- (1) Based on Euromonitor.
- (2) Based on JLL Global Logistics Survey conducted in April 2021.

(b) **Increased Portfolio Exposure to "In-Demand" Sectors.** The Merger will accelerate the transformation of ESR-LOGOS REIT into a Future-Ready APAC REIT, with 65.7%⁹ exposure to "in-demand" sectors such as logistics and high-specs industrial. This provides ESR-LOGOS REIT outsized exposure to benefits from the largest secular growth opportunity in Asia, leveraging the integrated value chain of consumption, production and delivery, to create an environment of sustainable demand for New Economy real estate whilst enjoying favourable supply dynamics. Such real estate includes (i) logistics and high-specs industrial space focused on e-commerce growth, (ii) high value-added manufacturing such as precision engineering, (iii) data centres, and (iv) cold storage facilities.

Importantly, this positions ESR-LOGOS REIT's portfolio to benefit from the increased demand for New Economy real estate for the reasons outlined in paragraph 4.1(a) above. With a larger portfolio, ESR-LOGOS REIT will also be able to offer tenants a more comprehensive suite of "in-demand" offerings, in areas such as logistics, high-specs industrial and cold storage and/or redevelop the older, more dated general industrial properties to high-specs industrial properties suitable for advanced manufacturing and data-centre operators.

⁹ Based on Gross Rental Income ("**GRI**") for the month of June 2021. Excludes contribution from Fund Properties.

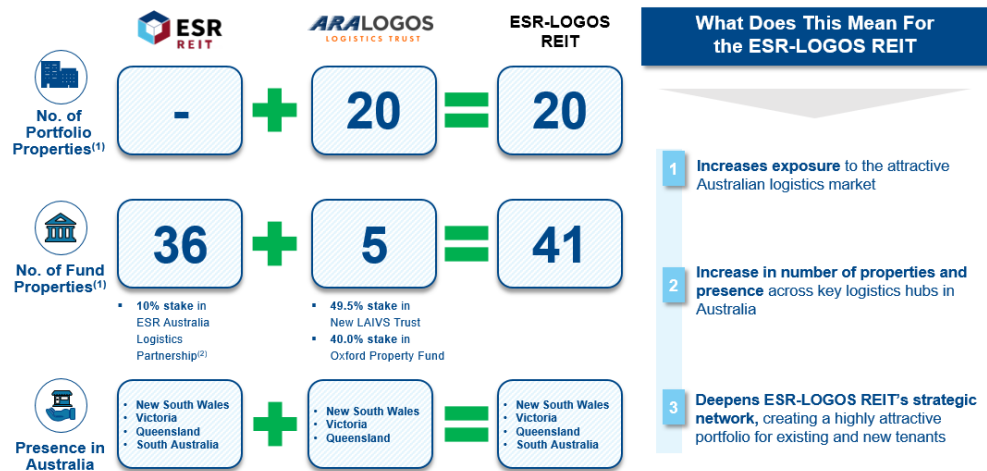


Notes:

(1) Based on GRI for the month of June 2021. Excludes contribution from Fund Properties.

(2) In this Announcement, any discrepancies in aggregated figures are due to rounding.

(c) **Increased Strategic Presence in Australia's Attractive Logistics Market.** The Merger will add 17 freehold and three (3) leasehold Australia logistics properties, including stakes in two (2) Australia logistics-focused funds, increasing ESR-LOGOS REIT's presence in the highly attractive Australia logistics market. This is in line with ESR-REIT's strategy to scale up presence in developed markets with direct access to freehold properties.



Notes:

(1) Data as at 30 June 2021.

(2) Comprises land and development assets.

Post-Merger, ESR-LOGOS REIT's Australia portfolio will comprise 20 Portfolio Properties and 41 Fund Properties across eastern seaboard cities such as Sydney, Melbourne and Brisbane in Australia. This is highly valued and attractive to new and existing tenants seeking seamless real estate solutions across such key economic

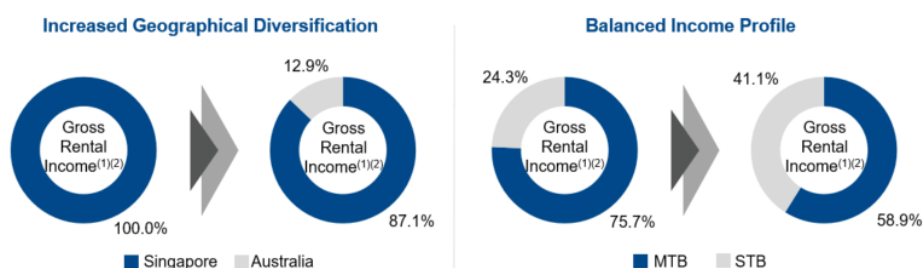
hubs.

In addition, the Merger will expand and deepen ESR-LOGOS REIT's footprint significantly in Australia with the inclusion of three (3) income-producing properties and one (1) property currently under development strategically located within the Port of Brisbane, Queensland¹⁰. The Port of Brisbane is currently the third largest and busiest port in Australia and the nation's fastest growing multi-cargo port, handling almost 1.49 million containers annually¹¹. The properties located within the Port of Brisbane are well-placed to ride on the robust logistics market in Australia underpinned by strong market fundamentals and limited supply.

4.2 Size Increasingly Matters

(a) **Lower Portfolio Risks with Increased Diversification.** The Merger will add a high-quality portfolio of 29 logistics Portfolio Properties, which results in ESR-LOGOS REIT owning 87 Portfolio Properties. With the increased scale, the Manager is of the view that ESR-LOGOS REIT will become a stronger platform, and at the same time, enjoy the benefits of a larger and well-diversified portfolio as outlined below:

(i) **Income Diversification.** Post-Merger, 12.9%¹² of ESR-LOGOS REIT's portfolio will be exposed to the Australian market, providing immediate geographical diversification. In addition, the income profile of ESR-LOGOS REIT between single tenanted buildings ("**STB**") and multi-tenanted buildings remains well balanced at 41.1%¹² and 58.9%¹², respectively.



Notes:

- (1) Excludes contributions from Fund Properties.
- (2) Based on GRI as of the month of June 2021.

(ii) **Increased Income Stability.** Post-Merger, ESR-LOGOS REIT will enjoy increased portfolio resilience and income stability with occupancy increasing from 91.7%¹³ to 94.5%¹³, underpinned by a longer Weighted Average Lease Expiry profile of 3.2 years¹² from 2.8 years¹². Furthermore, the STB portfolio in

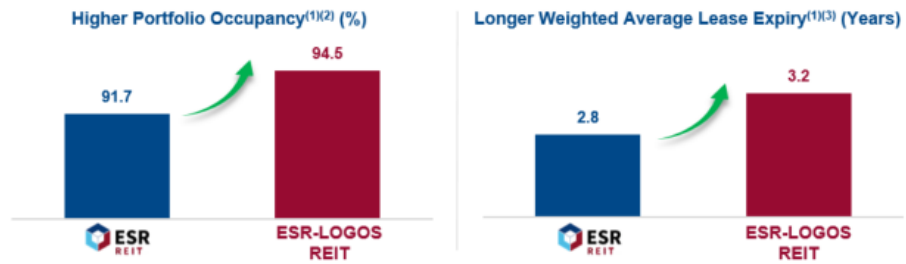
¹⁰ Includes 8 Curlew Street, Port of Brisbane, Queensland; 1-5 & 2-6 Bishop Drive, Port of Brisbane, Queensland and 53 Peregrine Drive, Port of Brisbane, Queensland and one development asset, Corner Heron Drive and Curlew Street, Port of Brisbane, Queensland (the "**Heron Property**") which will be completed and added to the portfolio in December 2021.

¹¹ Information obtained from Port of Brisbane Sustainability Report 2020/2021.

¹² Based on GRI as of the month of June 2021. Excludes contributions from Fund Properties.

¹³ Based on occupied area over net leasable area as at 30 June 2021. Excludes contributions from Fund Properties.

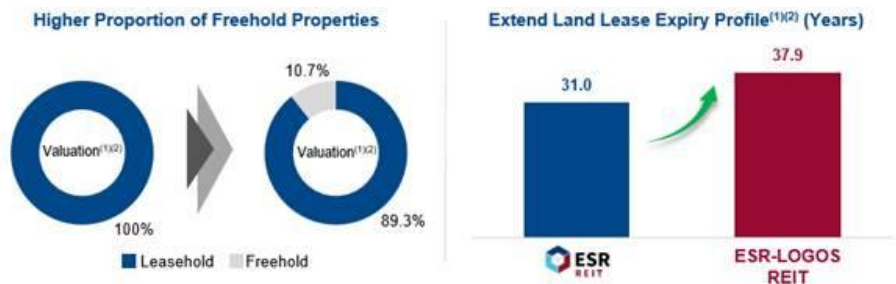
Australia will scale up the visibility and quality of earnings due to longer leases and built-in rental escalations of between 2.5% to 4.0% throughout the lease tenures.



Notes:

- (1) Excludes contributions from Fund Properties.
- (2) Based on occupied area over net leasable area as at 30 June 2021.
- (3) Based on GRI as of the month of June 2021.

(iii) **Resilient Portfolio.** Post-Merger, ESR-LOGOS REIT will have an additional 17 freehold Portfolio Properties, increasing its proportion of freehold Portfolio Properties to 10.7%¹⁴ while also increasing its land lease expiry profile from 31.0 years¹⁴ to 37.9 years¹⁴. As ESR-LOGOS REIT gains more exposure to freehold and/or longer land lease assets, this will further strengthen the resilience of ESR-LOGOS REIT's portfolio. Freehold assets do not suffer from valuation decay as a result of declining land lease as compared to the short underlying land lease issue with Singapore assets which are all on leasehold tenure.



Notes:

- (1) Excludes contribution from Fund Properties.
- (2) Based on valuation as at 30 June 2021. Assumes that freehold land has an equivalent land lease tenure of 99 years.

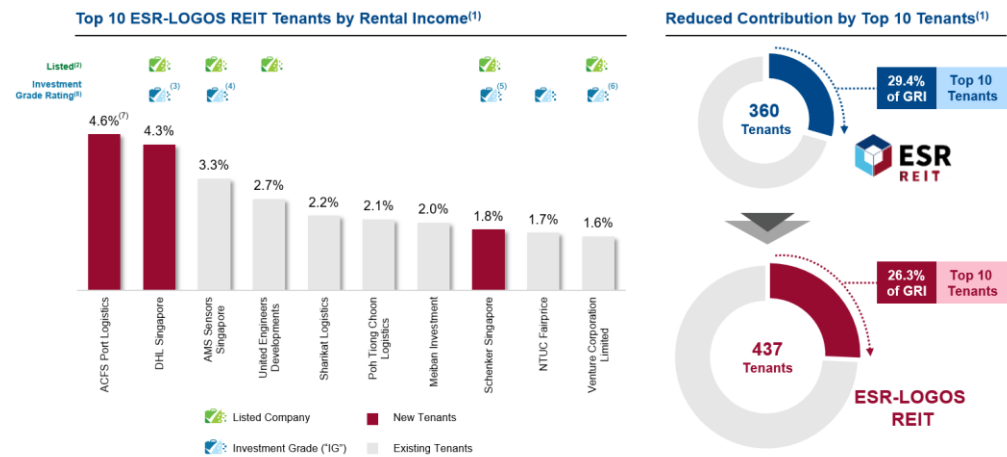
(b) **Improved Tenant Quality and Reduced Concentration Risk.** ESR-LOGOS REIT is expected to benefit from the introduction of more established companies that will enhance the quality and diversification of its tenant base. These tenants include renowned companies in attractive trade sectors such as logistics and warehousing,

¹⁴ Based on valuation as at 30 June 2021. Excludes contributions from Fund Properties. Assumes that freehold land has an equivalent land lease tenure of 99 years.

information communication and technology, manufacturing, and electronics.

Post-Merger, the number of tenants in Portfolio Properties will increase by 21.4% to 437 tenants. This reduces the top 10 tenants' contribution to GRI from 29.4%¹⁵ to 26.3%¹⁵, with no single tenant accounting for more than 4.6%¹⁵ of ESR-LOGOS REIT's GRI.

The quality of the top 10 tenants will be enriched by the addition of renowned and quality logistics players such as ACFS Port Logistics, Australia's largest privately-owned container logistics operator; DHL Supply Chain, a global leader in contract logistics backed by a sizeable listed company; and McPhee Distribution Services Pty Ltd, a well-established third-party logistics operator in Australia. Such quality tenants will provide ESR-LOGOS REIT income stability through long leases and strong tenant covenants.



Notes:

- (1) Excludes contribution from Fund Properties. GRI based on month of June 2021.
- (2) Ultimate parent of DHL Singapore, AMS Sensors Singapore, United Engineers Developments and Schenker Singapore are listed entities.
- (3) DHL Supply Chain Singapore's rating is based on its ultimate parent, Deutsche Post AG.
- (4) AMS Sensor Singapore's rating is based on its ultimate parent, AMS AG.
- (5) Schenker Singapore's rating is based on its ultimate parent, Deutsche Bahn AG.
- (6) Venture Corp's rating is based on Bloomberg Default Risk Scale.
- (7) ACFS Logistics had acquired IPS Logistics' Port of Brisbane operations in July 2021. GRI contribution is based on their combined GRI for the month of June 2021.
- (8) Investment grade rating refer to bonds that are rated Baa3 / BBB- or better.

(c) **Opportunities for Operational Synergies and Portfolio Optimisation.** ESR-LOGOS REIT's total number of Portfolio Properties will increase by 50% to 87, with total net leasable area increasing by 72% to 2.2 million square metres (24.1 million

¹⁵ Based on GRI for the month of June 2021. Excludes contributions from Fund Properties.

square feet). The total number of tenants will also increase by 21% to 437. The enhanced size and scale will bring about opportunities for operational synergies and portfolio optimisation potential. By leveraging ESR-REIT's and the ESR Group's existing marketing, leasing and asset management platform, economies of scale are expected to be extracted across operations. There are also further potential cost savings for tenants arising from the integration and optimisation of property management services due to the close proximity of assets within each cluster. With a bigger portfolio and tenant base, ESR-LOGOS REIT will also have stronger bargaining power with service providers to bring operational costs down and be able to offer more leasing options to tenants with a wider pool of assets at competitive rents.

The ESR-REIT Manager will also continually review opportunities to optimise ESR-LOGOS REIT's portfolio, which include the divestment of non-core properties with limited growth. To accelerate its pivot into the New Economy sector, the ESR-REIT Manager targets to progressively pare down its portfolio¹⁶ of non-core legacy assets over the next 18 – 24 months to create a flagship New Economy REIT.

- (d) **Leads to Competitive Costs of Capital.** ESR-LOGOS REIT's market capitalisation is expected to increase by approximately 77.1%¹⁷ to S\$3.3 billion¹⁷ while its free float is expected to increase by approximately 91.3%¹⁸ to S\$2.5 billion¹⁸. ESR-LOGOS REIT is expected to broaden its access to a wider, deeper and more diversified investor base, increased analyst coverage, higher trading liquidity and a larger weightage in the EPRA Index, resulting in a potential positive re-rating.

With its 100% unencumbered portfolio, ESR-LOGOS REIT is expected to have its cost of debt lowered by 40 basis points¹⁹ to 2.84%¹⁹, while lengthening its weighted average debt expiry to 3.4 years, enjoying wider access to pools of capital (e.g. perpetual securities and bond markets) while retaining balance sheet flexibility.

¹⁶ Subject to regulatory approvals.

¹⁷ Based on the Scheme Consideration of S\$0.950 per ALOG Unit, 4,007,446,385 ESR-REIT Units in issue, approximately 2,431.2 million ESR-REIT Units issued as consideration to ALOG Unitholders and 31.1 million ESR-REIT Units issued to the ESR-REIT Manager as acquisition fees.

¹⁸ Free float excludes ESR-REIT Units held by the Sponsor, Summit Group, the ESR-REIT Manager, the directors of the ESR-REIT Manager, other substantial ESR-REIT Unitholders and their respective associates. The free float of ESR-LOGOS REIT post-Merger also excludes ESR-REIT Units that would be held by the ALOG Manager, the directors of the ALOG Manager, and their respective associates. ESR-LOGOS REIT's free float of S\$2.5 billion is computed based on 4,951 million free float units multiplied by an issue price of S\$0.510 per ESR-LOGOS REIT unit.

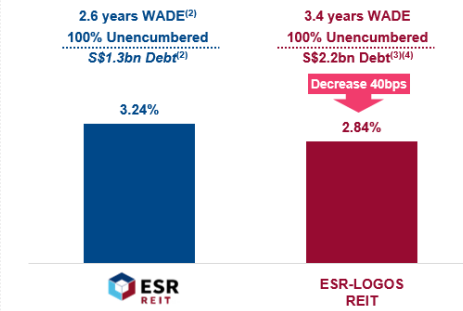
¹⁹ Unsecured banking facilities at an approximate all-in interest cost of 2.25% provided by DBS Bank Ltd, Malayan Banking Berhad, Singapore Branch and Sumitomo Mitsui Banking Corporation Singapore Branch to finance the Cash Consideration payable under the Scheme, refinancing of ALOG's existing debt, derivative liabilities, upfront land premium, stamp duty, estimated professional and other fees and expenses relating to the Merger.

Larger Free-Float Market Capitalisation⁽¹⁾



▲ Access to wider & more diversified investor base
▲ Increased analyst coverage & trading liquidity
▲ Larger weightage in FTSE EPRA Nareit Global Developed Index
▲ Potential positive re-rating

Competitive Cost of Debt & Enhanced Capital Structure



▲ Lower cost of debt
▲ Longer Weighted Average Debt Expiry ("WADE")
▲ Fully unencumbered portfolio
▲ Access to wider pools of capital

Notes:

- (1) Free float excludes ESR-REIT Units held by the Sponsor, Summit Group, the ESR-REIT Manager, the directors of the ESR-REIT Manager, other substantial ESR-REIT Unitholders and their respective associates. The free float of ESR-LOGOS REIT post-Merger also excludes ESR-REIT Units that would be held by the ALOG Manager, the directors of the ALOG Manager, and their respective associates. ESR-REIT's free float of S\$1.3 billion is computed based on 2,838 million free float ESR-REIT Units multiplied by the closing price of the ESR-REIT Units on 14 October 2021, being the last full trading day immediately prior to the Announcement Date, of S\$0.465. ESR-LOGOS REIT's free float of S\$2.5 billion is computed based on 4,951 million free float units multiplied by an issue price of S\$0.510 per ESR-LOGOS REIT unit. Any discrepancies in aggregated figures are due to rounding.
- (2) As at 30 June 2021.
- (3) Unsecured banking facilities at an approximate all-in interest cost of 2.25% provided by DBS Bank Ltd, Malayan Banking Berhad, Singapore Branch and Sumitomo Mitsui Banking Corporation Singapore Branch.
- (4) Includes the new debt facilities to finance the Cash Consideration payable under the Scheme, the refinancing of ALOG's existing debt, derivative liabilities, upfront land premium, stamp duty, estimated professional and other fees and expenses relating to the Merger.

4.3 Transformational Scale and Sponsor's Network

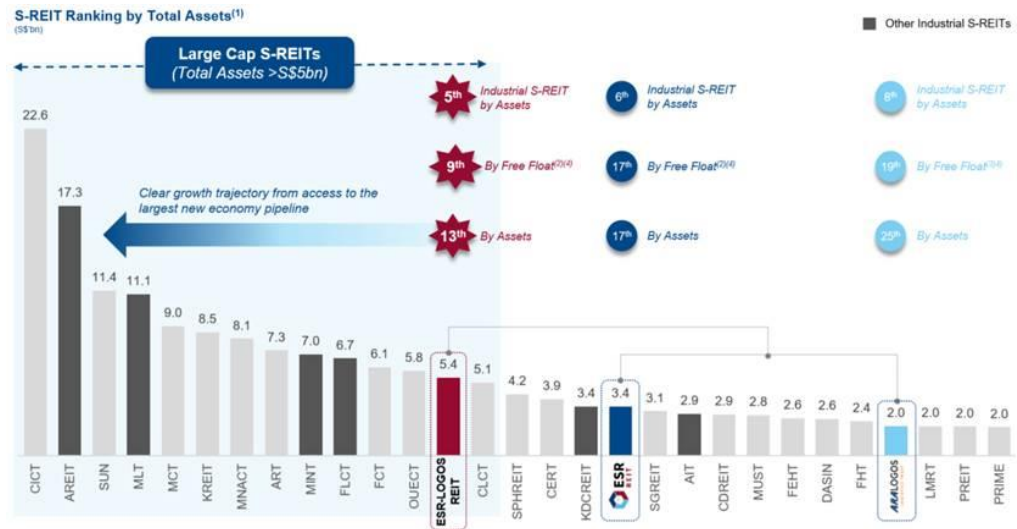
- (a) **Creating a Future-Ready APAC S-REIT Sponsored by the ESR Group²⁰.** The Merger accelerates the transformation of ESR-REIT into a Future-Ready APAC S-REIT with a combined asset size of approximately S\$5.4 billion²¹. Post-Merger, ESR-LOGOS REIT is expected to become amongst the top 10 largest S-REIT with a free float market capitalisation of S\$2.5 billion²², and solidify its position as one of the top

²⁰ Unless stated otherwise, any reference to the ESR Group and/or the Sponsor figures in this paragraph 4 assumes that the Proposed ARA Acquisition has been completed.

²¹ Based on reported total assets as of 30 June 2021.

²² Free float excludes ESR-REIT Units held by the Sponsor, Summit Group, the ESR-REIT Manager, the directors of the ESR-REIT Manager, other substantial ESR-REIT Unitholders and their respective associates. The free float of the ESR-LOGOS REIT post-Merger also excludes ESR-REIT Units that would be held by the ALOG Manager, the directors of the ALOG Manager, and their respective associates. ESR-LOGOS REIT's free float of S\$2.5 billion is computed based on 4,951 million free float units multiplied by an issue price of S\$0.510 per ESR-LOGOS REIT unit.

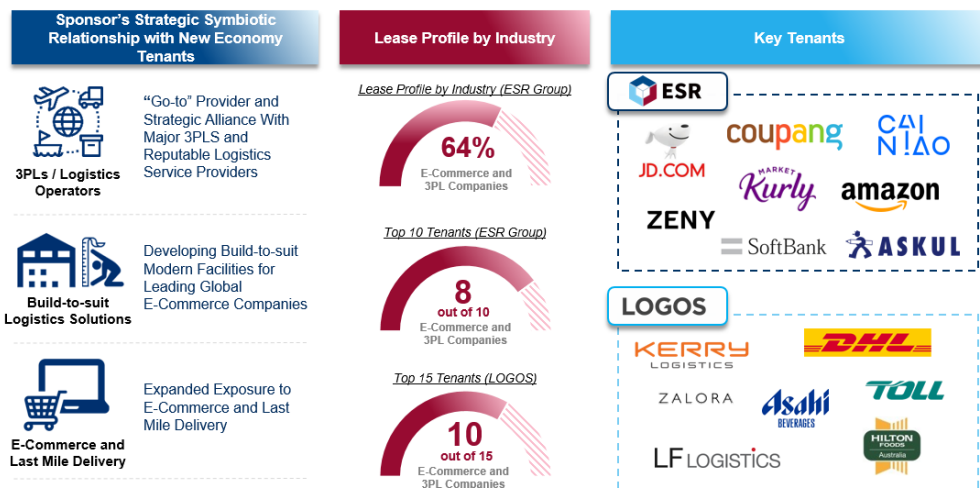
five (5) industrial S-REITs by total assets.



Notes:

- (1) Based on reported total assets as of 30 June 2021, otherwise based on latest publicly available data.
- (2) Free float excludes ESR-REIT Units held by the Sponsor, Summit, the ESR-REIT Manager, the directors of the ESR-REIT Manager, other substantial ESR-REIT Unitholders and their respective associates. The free float of ESR-LOGOS REIT post-Merger also excludes ESR-REIT Units that would be held by the ALOG Manager, the directors of the ALOG Manager, and their respective associates.
- (3) Free float excludes ALOG Units held by the joint sponsors, LOGOS Group and ARA, the ALOG Manager, the directors of the ALOG Manager, other substantial ALOG Unitholders and their respective associates.
- (4) ESR-REIT's free float of S\$1.3 billion is computed based on free float ESR-REIT Units of 2,838 million ESR-REIT Units multiplied by the closing price of the ESR-REIT Units on 14 October 2021, being the last full trading day immediately prior to the Announcement Date, of S\$0.465. ALOG's free float of S\$1.2 billion is computed based on free float ALOG Units of 1,260 million multiplied by the closing price of ALOG Units on 14 October 2021, being the last full trading day immediately prior to the Announcement Date, of S\$0.935. ESR-LOGOS REIT's free float of S\$2.5 billion is computed based on 4,951 million free float units multiplied by an issue price of S\$0.510 per ESR-LOGOS REIT unit.

(b) **Accessing the ESR Group's Global Tenant Network.** ESR-LOGOS REIT can leverage the Sponsor's strong network and access its global tenant network. The ESR Group is the "go-to" provider and a strategic ally with several third party logistics and major logistics service providers, and also has strong experience in developing build-to-suit modern facilities for leading global e-commerce companies, providing an expanded exposure to the e-commerce and last mile delivery sector.



(c) **Leverage the ESR Group's Financial Strength and Operating Platform to Grow.**

The Merger will remove any overlapping mandate conflicts between ESR-REIT and ALOG, thus providing ESR-LOGOS REIT access to ESR Group's assets of >US\$50 billion²³ in an increasingly scarce environment for quality logistics assets. An initial pipeline of approximately US\$2 billion of visible and executable Asia Pacific New Economy assets available from the ESR Group will accelerate ESR-LOGOS REIT's growth as a leading Future-Ready APAC S-REIT.

Since its entry as the sponsor of ESR-REIT in 2017, the ESR Group has demonstrated strong support for ESR-REIT, transforming it into a large developer-backed REIT. Since then, ESR-REIT's portfolio GFA has almost doubled, and its portfolio has been repositioned to focus on higher-value segments of the industrial value chain, including high-specs industrial properties and logistics assets.

As the sponsor of ESR-REIT, the ESR Group has also provided strong capital support and financial commitment to ESR-REIT via a total of S\$225 million²⁴ backstop in preferential offerings and, in 2018, facilitated the merger of ESR-REIT with Viva Industrial Trust through the acquisition of Viva Industrial Trust Management Pte. Ltd. by ESR Funds Management Ltd.

With the ESR Group's continued support, ESR-LOGOS REIT will be able to leverage the Sponsor's strong network of strategic relationships with leading global e-commerce companies, retailers, logistics service providers and manufacturers in addition to its established local real estate operating platform, while at the same time having the opportunity to access the ESR Group's visible pipeline of assets. This will propel ESR-LOGOS REIT's growth and overseas expansion in the future.

(d) **The Largest New Economy Pipeline to Supercharge Growth.** ESR-LOGOS REIT

²³ Sponsor and LOGOS Group data as at 30 June 2021, inclusive of ALOG, adjusted for LOGOS Group's acquisition of Moorebank Logistics Park announced on 5 July 2021.

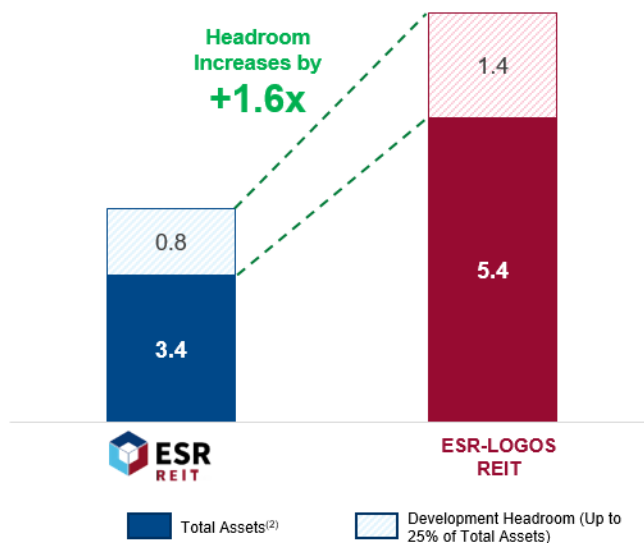
²⁴ S\$125.0 million backstop in relation to a preferential offering undertaken in March 2018, S\$50.0 million backstop in relation to a preferential offering undertaken in October 2019 and S\$50.0 million backstop in relation to a preferential offering undertaken in August 2021.

will be backed by a leading New Economy developer sponsor with the largest AUM in Asia Pacific of US\$131 billion²⁵ amongst S-REIT peers, the largest New Economy AUM of >US\$50 billion²⁶ and a work-in-progress development value of >US\$10 billion²⁷ across 10 markets. ESR-LOGOS REIT will also be able to leverage the largest New Economy pipeline to supercharge growth to be a leading Future-Ready APAC S-REIT.

- (e) **Provides Greater Access to Growth Opportunities.** The Merger would increase the development limit capacity of ESR-LOGOS REIT to approximately S\$1.4 billion²⁸, thereby allowing ESR-LOGOS REIT to undertake development opportunities to enhance unitholder returns. ESR-LOGOS REIT could also explore opportunities to participate in any development opportunities on its own and/or jointly with the ESR Group. There is also increased flexibility to undertake development and/or asset enhancement initiatives ("**AEIs**") to unlock value from unutilised GFA and/or redevelopment of some of its older and dated general industrial properties into high-specs industrial properties. The increased size of ESR-LOGOS REIT provides a "buffer" for any AEIs and/or redevelopments in the portfolio to be undertaken, minimising downtime impact from the loss of income during AEIs. There is increased opportunity to further assess a larger tenant base to identify optimal use for unutilised GFA and reduce leasing risks. Access to lower cost of capital will further enhance returns on AEIs and/or redevelopments for unitholders.

Development Headroom⁽¹⁾

(S\$'bn)



Notes:

- (1) Development Headroom of up to 25% of the total assets of ESR-LOGOS REIT. Total assets are

²⁵ As of 31 December 2020 for ESR, adjusted for AUM announced in 1H2021 (Milestone Portfolio US\$2.8 billion, RJLF 3 US\$675 million, Korea Income JV US\$500 million). AUM of ARA Group and its associates as at 30 June 2021. Peer data only includes AUM of funds.

²⁶ Sponsor and LOGOS Group data as at 30 June 2021, inclusive of ALOG, adjusted for LOGOS Group's acquisition of Moorebank Logistics Park announced on 5 July 2021.

²⁷ ESR Group data as at 30 June 2021.

²⁸ Development Headroom of up to 25% of the total assets of ESR-LOGOS REIT. Total assets are taken as a close proxy for deposited property value. 25% development limit is subject to approval.

taken as a close proxy for deposited property value. 25% development limit is subject to approval.

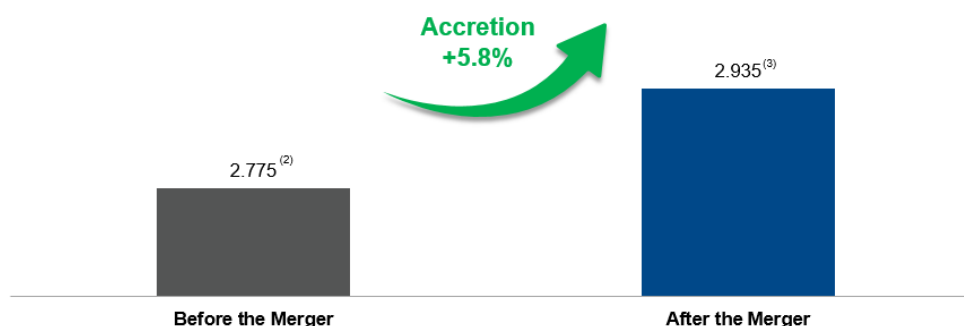
(2) Based on reported total assets as of 30 June 2021.

4.4 Value Accretive for Unitholders

DPU Accretive Transaction for ESR-REIT Unitholders. FOR ILLUSTRATIVE PURPOSES ONLY: Assuming that the Merger had been completed on 1 January 2020, the distribution per ESR-REIT Unit ("**DPU**")²⁹ for the financial year ended 31 December 2020 ("**FY2020**") would have increased from 2.775³⁰ Singapore cents to 2.935³¹ Singapore cents, translating to a DPU accretion of 5.8%.

Distribution per Unit (Singapore Cents)⁽¹⁾

FOR ILLUSTRATIVE PURPOSES ONLY – NOT A FORWARD LOOKING PROJECTION



Notes:

- (1) Assuming that the Merger had been completed on 1 January 2020 and ESR-LOGOS REIT held and operated the properties of ALOG through to 31 December 2020, and assuming that the FY2021 ESR-REIT Acquisitions (as defined in Schedule 2), the FY2021 ESR-REIT Divestments (as defined in Schedule 2), the ESR-REIT EFR (as defined in Schedule 2), the FY2021 ALOG Acquisitions (as defined in Schedule 2), the FY2021 ALOG Divestments (as defined in Schedule 2), and the ALOG EFR (as defined in Schedule 2) were completed on 1 January 2020.
- (2) After the FY2021 ESR-REIT Acquisitions, FY2021 ESR-REIT Divestments and ESR-REIT EFR. Based on approximately 3,933.5 million ESR-REIT Units for the period from 1 January 2020 to 31 December 2020.
- (3) After the FY2021 ESR-REIT Acquisitions, FY2021 ESR-REIT Divestments, ESR-REIT EFR and the Merger. Based on approximately 6,394.8 million ESR-REIT Units for the period from 1 January 2020 to 31 December 2020.

4.5 Enhanced Environmental, Social, and Governance ("**ESG**") Offering

Further Propel ESG Offerings with Reinforced Commitment. The Merger will further

²⁹ Assuming that the Merger had been completed on 1 January 2020 and ESR-LOGOS REIT held and operated the properties of ALOG through to 31 December 2020, and assuming that the FY2021 ESR-REIT Acquisitions (as defined in Schedule 2), the FY2021 ESR-REIT Divestments (as defined in Schedule 2), the ESR-REIT EFR (as defined in Schedule 2), the FY2021 ALOG Acquisitions (as defined in Schedule 2), the FY2021 ALOG Divestments (as defined in Schedule 2), and the ALOG EFR (as defined in Schedule 2) were completed on 1 January 2020.

³⁰ After the FY2021 ESR-REIT Acquisitions, the FY2021 ESR-REIT Divestments and the ESR-REIT EFR. Based on approximately 3,933.5 million ESR-REIT Units for the period from 1 January 2020 to 31 December 2020.

³¹ After the FY2021 ESR-REIT Acquisitions, the FY2021 ESR-REIT Divestments, the ESR-REIT EFR and the Merger. Based on approximately 6,394.8 million ESR-REIT Units for the period from 1 January 2020 to 31 December 2020.

reinforce the ESR-LOGOS REIT's commitment to its green initiatives and ESG performance. Reducing carbon footprint, potential usage of green financing methods and providing further community support are key initiatives that ESR-LOGOS REIT will continue to pursue. ESR-LOGOS REIT will also continue to provide enhanced ESG disclosures based on the Global ESG Benchmark for Real Assets ("**GRESB**") assessment. Governance will also be a key focus area, with strong commitment to diversity and ensuring high standards of corporate governance throughout the organisation.

Green Initiatives and ESG Efforts

1 Reducing our carbon footprint	 On-going Solar Harvesting Programme with 9 properties in Singapore installed with solar panels  Over 21,000 solar panels installed across rooftops of 3 warehouses, one of the largest combined rooftop solar generation facility in Singapore	<p>Building Certifications</p>  
2 Green Financing	 Launched inaugural bespoke S\$80m green interest rate swap tagged to committed green targets	
3 Community Support	 Partnered with Kidzcare@KCC (Kembangan-Chai Chee Constituency) to provide a tuition centre and tutors for disadvantaged youths at ESR Bizpark @ Chai Chee	
4 Disclosure & Commitments	 Committed to achieve Green Mark certifications for all buildings that undergo AEI and provided enhanced ESG disclosures with first GRESB assessment  Committed directly controlled Singapore properties to net zero carbon by 2030 and provided enhanced ESG disclosures with first GRESB assessment	
5 Governance	 Strong board and management diversity including female representation across the board and senior management  Uphold high standards of corporate governance to ensure the REIT is aligned with best practices and is responsive to change	

Disclosure and Accolades



ESR-REIT and ALOG GRESB Participation FY 2020



ALOG Manager awarded "Singapore Corporate Renewable Energy Company of the Year" by Frost & Sullivan

4.6 Future Intentions for ESR-LOGOS REIT

Assuming the completion of the Merger:

- the enlarged ESR-REIT will be renamed as "ESR-LOGOS REIT";
- the ESR-REIT Manager will be the manager of ESR-LOGOS REIT after completion of the Merger and Mr. Adrian Chui will continue to be the Chief Executive Officer ("**CEO**") of the ESR-REIT Manager, while Ms. Karen Lee will join the ESR-REIT Manager as the Deputy CEO. The Nominating and Remuneration Committee of the ESR-REIT Manager will also review the composition of the board of directors of the ESR-REIT Manager as may be appropriate to align with ESR-LOGOS REIT's future strategic direction, focus and corporate governance best practices;
- it is intended that the existing outstanding loan facilities granted to ALOG will be refinanced; and
- post-Merger, ESR-LOGOS REIT will target to sell down a portfolio of non-core assets over the next 18-24 months to further create a flagship New Economy REIT.

5. TOTAL ACQUISITION COST AND SOURCE OF FUNDS FOR THE MERGER

- 5.1 The total cost of the Merger is estimated to be approximately S\$2,384.5 million comprising:
- (a) the aggregate Scheme Consideration of approximately S\$1,377.7 million, based on the Scheme Consideration of S\$0.950 for each ALOG Unit and an aggregate of 1,450,174,297 ALOG Units in issue as at the Announcement Date;
 - (b) estimated upfront land premium payable to JTC Corporation ("**JTC**") of approximately S\$87.9 million;
 - (c) the acquisition fee payable to the ESR-REIT Manager for the Merger (the "**Acquisition Fee**") which is estimated to be approximately S\$15.9 million, based on the Scheme Consideration;
 - (d) the refinancing of ALOG's total borrowings and related interest rate swaps and derivative liabilities of S\$768.7 million;
 - (e) the redemption of ALOG's perpetual securities of S\$101.5 million; and
 - (f) the estimated professional and other costs, fees and expenses (including taxes) of approximately S\$32.9 million incurred in connection with the Scheme.
- 5.2 **Scheme Consideration.** The Scheme Consideration of S\$0.950 per ALOG Unit will be satisfied through the payment of an aggregate cash amount (the "**Cash Consideration**") of approximately S\$137.8 million and the allotment and issue of approximately 2,431.2 million Consideration Units at an issue price of S\$0.510 for each Consideration Unit, to the ALOG Unitholders.
- 5.3 **Consideration Units.** The Consideration Units will be issued and credited as fully paid to the ALOG Unitholders upon the Scheme becoming effective in accordance with its terms. The issue of the Consideration Units at an issue price of S\$0.510 for each Consideration Unit requires approval of the ESR-REIT Unitholders by way of an Ordinary Resolution.
- The ESR-REIT Manager will be submitting an additional listing application to the SGX-ST for the listing and quotation of the Consideration Units on the Main Board of the SGX-ST. An announcement will be made in due course to notify the ESR-REIT Unitholders when the approval-in-principle from the SGX-ST is obtained.
- 5.4 **Acquisition Fee.** As the Merger constitutes an "interested party transaction" under the Property Funds Appendix, the Acquisition Fee is payable in ESR-REIT Units³² to the ESR-REIT Manager for the Merger, and shall not be sold within one (1) year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.
- 5.5 **Method of Financing.** In connection with the Merger and the Scheme, the ESR-REIT Trustee has obtained unsecured banking facilities from DBS Bank Ltd, Malayan Banking Berhad,

³² Pursuant to the Merger, approximately 31.1 million ESR-REIT Units will be allotted and issued to the ESR-REIT Manager in payment of the Acquisition Fee based on the Scheme Consideration.

Singapore Branch, and Sumitomo Mitsui Banking Corporation Singapore Branch³³. The proceeds received by the ESR-REIT Trustee will be applied towards the following purposes:

- (a) the financing of the Cash Consideration of the Scheme;
- (b) the refinancing in full of the indebtedness under existing loan facilities granted to the ALOG Trustee;
- (c) the payment of costs, fees and expenses (including taxes) incurred in connection with the Scheme; and
- (d) general working capital purposes for ESR-REIT.

6. CHAPTER 10 OF THE LISTING MANUAL

6.1 For the purposes of Chapter 10 of the Listing Manual, the relative figures of the Merger computed on the bases set out in Rules 1006(b) to (d) of the Listing Manual are as follows. The figures are based on ESR-REIT's and ALOG's unaudited consolidated financial statements for 1H2021 (being the latest announced financial statements of ESR-REIT and ALOG):

Bases	ALOG Group (million)	ESR-REIT and its subsidiaries (million)	Relative figures (%)
Net property income attributable to the assets acquired, compared with the group's net property income. ⁽¹⁾	S\$51.4	S\$87.0	59.1
The aggregate value of the consideration given, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares. ⁽²⁾	S\$1,377.7	S\$1,863.5	73.9
The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	2,431.2 ⁽³⁾	3,877.2	62.7

Notes:

- (1) In the case of a REIT, net property income is a close proxy to the net profits attributable to its assets.
- (2) Based on the Scheme Consideration of S\$0.950 per ALOG Unit, the aggregate Scheme Consideration is approximately S\$1,377.7 million. Market capitalisation is based on S\$0.465 per ESR-REIT Unit (as at close

³³ ESR-REIT may also issue new perpetual securities to finance the Merger.

of trading on 14 October 2021) and 4,007,446,385 ESR-REIT Units in issue.

(3) Aggregate number of Consideration Units to be issued as consideration for the Merger.

6.2 Pursuant to Rule 1014(1) of the Listing Manual, where an acquisition of assets is one where any of the relative figures as computed on the bases set out in Rule 1006 exceeds 20% but not 100%, the transaction is classified as a "major transaction" under Chapter 10 of the Listing Manual.

6.3 As shown in the table above, as the relative figures of the Merger on the bases set out in Rule 1006(b), 1006(c) and 1006(d) exceed 20% but not 100%, the Merger is considered a "major transaction" under Chapter 10 of the Listing Manual. Accordingly, the approval of the ESR-REIT Unitholders is required in respect of the Merger and included as a Scheme Condition.

7. VALUE OF ALOG UNITS

7.1 Based on ALOG's unaudited consolidated financial statements for 1H2021:

(a) the NAV and net tangible assets ("**NTA**") per ALOG Unit as at 30 June 2021 were S\$0.67; and

(b) the amount available for distribution to the ALOG Unitholders for the half year ended 30 June 2021 was approximately S\$34.6 million.

7.2 Based on the volume weighted average price of S\$0.927 per ALOG Unit with reference to the 30-calendar day period from 14 September 2021 up to and including 14 October 2021, the latest available open market value of all the ALOG Units on 14 October 2021 is approximately S\$1.4 billion.

8. FINANCIAL EFFECTS OF THE MERGER

8.1 The pro forma financial effects of the Merger (and the related transactions in connection therewith) on (a) ESR-REIT's DPU; (b) the NAV and NTA per ESR-REIT Unit; and (c) the aggregate leverage of ESR-REIT are set out in **Schedule 2** to this Announcement.

8.2 The financial effects of the Merger on ESR-REIT as set out in **Schedule 2** to this Announcement are for illustrative purposes only and do not reflect the actual financial performance or position of ESR-REIT after the Merger. The financial effects of the Merger have been prepared based on ESR-REIT's and ALOG's audited consolidated financial statements for FY2020, after making certain adjustments. The bases and assumptions on which the pro forma financial effects of the Merger have been prepared are also set out in **Schedule 2** to this Announcement.

9. INTERESTED PERSON TRANSACTION AND INTERESTED PARTY TRANSACTION

9.1 Under Chapter 9 of the Listing Manual, where an issuer proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated

with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person (as defined in Chapter 9 of the Listing Manual) during the same financial year) is equal to or exceeds 5.0% of the listed group's latest audited NTA, unitholders' approval is required in respect of the transaction. Further, under Paragraph 5 of the Property Funds Appendix, a property fund is also required to make an immediate announcement and obtain a majority vote at a participants' meeting, if the value of the transaction with an interested party is equal to or exceeds 5.0% of its NAV.

- 9.2 Based on ESR-REIT's latest audited consolidated financial statements for FY2020, its NAV and NTA as at 31 December 2020 was approximately S\$1,447.0 million. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by ESR-REIT with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S\$100,000) entered into with the same interested person during the current financial year, equal to or in excess of S\$72.4 million, such a transaction would be subject to the approval of the ESR-REIT Unitholders.
- 9.3 The Sponsor, through its wholly-owned subsidiaries, holds approximately 67.3% of the shares in the ESR-REIT Manager, and is therefore a "controlling shareholder" of the ESR-REIT Manager under both the Listing Manual and the Property Funds Appendix. Upon completion of the Proposed ARA Acquisition, ARA will be wholly-owned by the Sponsor and accordingly, ARA and its subsidiaries (including LOGOS Units) will be "associates" of the Sponsor under both the Listing Manual and the Property Funds Appendix. As such, each of them will be (for the purposes of the Listing Manual) an "interested person" and (for the purposes of the Property Funds Appendix) an "interested party" of ESR-REIT.
- 9.4 As mentioned in paragraph 2.3 above, LOGOS Units is the holder of 177,862,538 ALOG Units, representing approximately 12.26% of the total number of ALOG Units. As the Merger will be completed after the completion of the Proposed ARA Acquisition, the acquisition of ALOG Units from LOGOS Units pursuant to the Merger will constitute an "interested person transaction" under Chapter 9 of the Listing Manual as well as an "interested party transaction" under the Property Funds Appendix.
- 9.5 Pursuant to the Merger, LOGOS Units will be entitled to receive from ESR-REIT approximately S\$169.0 million to be satisfied partly in cash and partly in the form of new ESR-REIT Units, as consideration for the acquisition of the ALOG Units held by LOGOS Units. This represents approximately 11.7% of the latest audited NAV and NTA of ESR-REIT. As mentioned in paragraph 5 above, the ESR-REIT Manager will also receive an Acquisition Fee payable in ESR-REIT Units pursuant to the Merger, estimated to be approximately S\$15.9 million based on the Scheme Consideration.
- 9.6 As the aggregate amount of consideration payable to LOGOS Units for its ALOG Units in connection with the Merger and the Acquisition Fee exceeds 5% of the NAV and NTA of ESR-REIT, the Merger will require the approval of the ESR-REIT Unitholders. Pursuant to Rule 919 of the Listing Manual and Paragraph 5.2(b) of the Property Funds Appendix, the Sponsor and its associates will abstain from voting (either in person or by proxy) in respect of the resolutions relating to the Merger at an extraordinary general meeting of ESR-REIT to be convened (the "EGM").
- 9.7 In addition, the total value of interested person transactions, excluding transactions which are

less than S\$100,000, between ESR-REIT and the Sponsor and its associates entered into during the course of the current financial year up to the Announcement Date which are required to be aggregated with the Merger under the Listing Manual is approximately S\$71.6 million, comprising the acquisition of a 10.0% interest in ESR Australia Logistics Partnership ("**EALP**") which was completed on 14 May 2021 and the execution of an office lease at the ESR-REIT Manager's current premises. This is also the current total of all interested person transactions entered into between ESR-REIT and all interested persons during the course of the current financial year up to the Announcement Date.

9.8 **Summit Group.** Mr. Tong is a director of the ESR-REIT Manager, and the Summit Group holds a controlling interest in the ESR-REIT Manager as well as a controlling interest in ESR-REIT Units. Pursuant to Rule 748(5) of the Listing Manual and Paragraph 5.2(b) of the Property Funds Appendix, the Summit Group will abstain from voting (either in person or by proxy) in respect of the resolutions relating to the Merger at the EGM.

9.9 **Mitsui.** Mitsui & Co., Ltd ("**Mitsui**") holds 7.7% of the issued shares of the ESR-REIT Manager. Mitsui is also an ESR-REIT Unitholder. Pursuant to Rule 748(5) of the Listing Manual and Paragraph 5.2(b) of the Property Funds Appendix, Mitsui will abstain from voting (either in person or by proxy) in respect of the resolutions relating to the Merger at the EGM.

10. **APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

10.1 Pursuant to Chapter 9 of the Listing Manual, the ESR-REIT Manager has appointed Rothschild & Co Singapore Limited as the independent financial adviser (the "**ESR-REIT IFA**") to advise the ESR-REIT Manager's Audit, Risk Management and Compliance Committee (the "**ARCC**") and its directors who are considered independent for the purposes of the interested person transaction and interested party transaction (the "**ESR-REIT Independent Directors**") as to whether the Merger is on normal commercial terms and is not prejudicial to the interests of ESR-REIT and its minority unitholders.

10.2 A copy of the letter from the ESR-REIT IFA to the ESR-REIT Independent Directors and the members of the ARCC will be included in the circular to be made available to the ESR-REIT Unitholders in due course.

11. **STATEMENT OF AUDIT, RISK MANAGEMENT AND COMPLIANCE COMMITTEE**

The ARCC will obtain an opinion from the IFA before forming its view on whether the Merger as an interested person transaction and interested party transaction is on normal commercial terms and is not prejudicial to the interests of ESR-REIT and its minority unitholders. The ARCC's views on the Merger will be set out in the circular to be made available to the ESR-REIT Unitholders in due course.

12. **FINANCIAL ADVISERS**

Citigroup Global Markets Singapore Pte. Ltd. and Maybank Kim Eng Securities Pte. Ltd. are the

financial advisers to the ESR-REIT Manager in respect of the Merger and the Scheme.

13. **805 AUDITORS' OPINION**

The Parties have agreed to instruct, in the case of ESR-REIT, Ernst & Young LLP (the "**ESR-REIT 805 Auditors**") and in the case of ALOG, KPMG LLP (the "**ALOG 805 Auditors**") to:

- (a) perform an audit, in accordance with Singapore Standard on Auditing 805 (Revised) on Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement, on:
- (i) in the case of the ESR-REIT 805 Auditors, the ALOG Statements of Investment Properties³⁴, including by, among other things, reviewing the valuation reports of the ALOG Real Properties (excluding the Heron Property) and the ALOG Fund Real Properties³⁵ as at 30 September 2021; and
 - (ii) in the case of the ALOG 805 Auditors, the ESR-REIT Statements of Investment Properties³⁶, including by, among other things, reviewing the valuation reports of the ESR-REIT Real Properties and the EALP Real Properties³⁷ as at 30 September 2021; and
- (b) deliver an audit opinion as to whether:
- (i) in the case of the ESR-REIT 805 Auditors, the ALOG Statements of Investment Properties have been prepared, in all material respects, in accordance with the relevant accounting policies of the ALOG Group; and
 - (ii) in the case of the ALOG 805 Auditors, the ESR-REIT Statements of Investment Properties have been prepared, in all material respects, in accordance with the relevant accounting policies of the ESR-REIT Group,
- (respectively, the "**ESR-REIT 805 Auditors Opinion**" and "**ALOG 805 Auditors Opinion**"). The circular despatched to the ESR-REIT Unitholders will contain a copy of the ESR-REIT 805 Auditors Opinion and the Scheme Document despatched to the ALOG Unitholders will contain a copy of the ALOG 805 Auditors Opinion.

³⁴ "**ALOG Statements of Investment Properties**" means the statements prepared or to be prepared by the ALOG Manager and LOGOS Investment Manager Pty Ltd setting out the carrying values of the ALOG Real Properties (excluding the Heron Property) and the ALOG Fund Real Properties respectively as at 30 September 2021, and related notes.

³⁵ "**ALOG Fund Real Properties**" means (a) the properties in Australia in which New LAIVS Trust holds a 100.0% interest, namely 69 Sargents Road, Minchinbury, New South Wales, 11-14 John Morphet Place, Erskine Park, New South Wales, 34-58 Marshall Court, Altona, Victoria and 27-43 Toll Drive, Altona North, Victoria; and (b) the property in Australia in which Oxford Property Fund holds a 100.0% interest, namely 1 Hume Road, Laverton North, Victoria.

³⁶ "**ESR-REIT Statements of Investment Properties**" means the statements prepared or to be prepared by the ESR-REIT Manager and ESR Asset Management (Australia) Pty Ltd setting out the carrying values of the ESR-REIT Real Properties and the EALP Real Properties respectively as at 30 September 2021, and related notes.

³⁷ "**EALP Real Properties**" means the 36 properties in Australia in which EALP holds an interest.

14. **EXTRAORDINARY GENERAL MEETING AND CIRCULAR**

14.1 ESR-REIT will convene an EGM to seek the approval of the ESR-REIT Unitholders for, *inter alia*:

- (a) the Merger; and
- (b) the issue of Consideration Units for the Merger,

(collectively, the "**ESR-REIT Resolutions**"),

and the circular containing, *inter alia*, details thereof, together with the opinions and recommendations of the ESR-REIT Independent Directors in relation thereto and enclosing the notice of EGM and proxy form in connection therewith, will be despatched or made available to ESR-REIT Unitholders in due course.

14.2 In respect of each of the ESR-REIT Resolutions, the ESR-REIT Manager is seeking approval by way of Ordinary Resolutions. Each of the ESR-REIT Resolutions shall be conditional upon the passing of the other resolution.

15. **ABSTENTIONS FROM VOTING**

15.1 **The Sponsor.** Under Rule 919 of the Listing Manual, where a meeting is held to obtain unitholders' approval, the interested person and any associate of the interested person must not vote on a resolution in respect of which such person is interested, nor accept appointments as proxies, unless specific instructions as to voting are given. As set out in paragraph 9.6 above, the Sponsor and its associates will abstain from voting (either in person or by proxy) on the resolutions relating to the Merger at the EGM.

15.2 Additionally, none of the Sponsor or its associates will accept proxies, powers of attorney or other authorisations to vote in respect of the resolutions relating to the Merger at the EGM unless specific instructions as to voting are given.

15.3 **Summit Group.** As mentioned in paragraph 9.8 above, Mr. Tong is a director of the ESR-REIT Manager, and the Summit Group collectively holds a controlling interest in the ESR-REIT Manager as well as a controlling interest in ESR-REIT Units. Pursuant to Rule 748(5) of the Listing Manual and Paragraph 5.2(b) of the Property Funds Appendix, the Summit Group will abstain from voting (either in person or by proxy) in respect of the resolutions relating to the Merger at the EGM.

15.4 **Mitsui.** As mentioned in paragraph 9.9 above, Mitsui holds 7.7% of the issued shares of the ESR-REIT Manager. Mitsui is also an ESR-REIT Unitholder. Pursuant to Rule 748(5) of the Listing Manual and Paragraph 5.2(b) of the Property Funds Appendix, Mitsui will abstain from voting (either in person or by proxy) in respect of the resolutions relating to the Merger at the EGM.

16. DIRECTORS' SERVICE CONTRACTS

It is intended that following completion of the Merger, the Nominating and Remuneration Committee of the ESR-REIT Manager will review the composition of the board of directors of the ESR-REIT Manager. Further details will be set out in the circular to be made available to the ESR-REIT Unitholders in due course.

17. INTERESTS OF DIRECTORS AND SUBSTANTIAL ESR-REIT UNITHOLDERS

17.1 Directors' Interests in ESR-REIT Units

The interests of the directors of the ESR-REIT Manager in ESR-REIT Units, as recorded in the Register of Directors' Unitholdings as at the Announcement Date, are set out below.

Directors	Direct Interest		Deemed Interest		Total Interest	
	No. of ESR-REIT Units	%*	No. of ESR-REIT Units	%*	No. of ESR-REIT Units	%*
Mr. Ronald Lim Cheng Aun	163,837	0.004	-	-	163,837	0.004
Ms. Stefanie Yuen Thio ⁽¹⁾	153,279	0.004	37,951	0.001	191,230	0.005
Mr. Wilson Ang Poh Seong	3,914,774	0.098	-	-	3,914,774	0.098
Mr. Tong ⁽²⁾	172,802,987	4.312	668,186,055	16.674	840,989,042	20.986

Notes:

* The percentage interest is based on the number of ESR-REIT Units in issue as the Announcement Date, being 4,007,446,385 ESR-REIT Units. Percentages are rounded to the nearest three (3) decimal places.

(1) As 37,951 ESR-REIT Units are held by Ms. Stefanie Yuen Thio's husband, Ms. Stefanie Yuen Thio is deemed to be interested in these ESR-REIT Units.

(2) Wealthy Fountain Holdings Inc holds 60 ESR-REIT Units and Skyline Horizon Consortium Ltd holds 13,172,094 ESR-REIT Units. Both entities are wholly owned by Shanghai Summit Pte Ltd ("**SSPL**"). The ESR-REIT Manager holds 33,061,223 ESR-REIT Units and is 25% owned by SSPL. Leading Wealth Global Inc holds 621,952,678 ESR-REIT Units and is a wholly-owned subsidiary of Longemont Real Estate Pte Ltd, which is in turn a wholly-owned subsidiary of Shanghai Summit (Group) Co., Ltd ("**SSGCL**"). Both SSPL and SSGCL are wholly owned by Mr. Tong. Therefore, Mr. Tong is deemed to be interested in the 668,186,055 ESR-REIT Units held by the above-mentioned entities.

17.2 Interests of Substantial ESR-REIT Unitholders in ESR-REIT Units

The interests of the substantial ESR-REIT Unitholders in ESR-REIT Units, as recorded in the Register of Substantial Unitholders as at the Announcement Date, are set out below.

Substantial ESR-REIT Unitholders	Direct Interest		Deemed Interest		Total Interest	
	No. of ESR-REIT Units	%*	No. of ESR-REIT Units	%*	No. of ESR-REIT Units	%*
Leading Wealth Global Inc	621,952,678	15.520	-	-	621,952,678	15.520
Longemont Real Estate Pte. Ltd. ⁽¹⁾	-	-	621,952,678	15.520	621,952,678	15.520
Shanghai Summit (Group) Co., Ltd ⁽²⁾	-	-	621,952,678	15.520	621,952,678	15.520
Mr. Tong ⁽³⁾	172,802,987	4.312	668,186,055	16.674	840,989,042	20.986
e-Shang Infinity Cayman Limited ⁽⁴⁾	331,224,638	8.265	46,873,444	1.170	378,098,082	9.435
e-Shang Jupiter Cayman Limited ⁽⁵⁾	-	-	378,098,082	9.435	378,098,082	9.435
ESR Cayman Limited ⁽⁶⁾	-	-	378,098,082	9.435	378,098,082	9.435

Notes:

* Based on substantial ESR-REIT Unitholders' disclosures in respect of interests in ESR-REIT Units. The percentage interest is based on the number of ESR-REIT Units in issue as the Announcement Date, being 4,007,446,385 ESR-REIT Units. Percentages are rounded to the nearest three (3) decimal places.

(1) Leading Wealth Global Inc ("**LWG**") holds 621,952,678 ESR-REIT Units. LWG is a wholly-owned subsidiary of Longemont Real Estate Pte. Ltd. ("**LRE**") and therefore, LRE is deemed to be interested in the 621,952,678 ESR-REIT Units held by LWG.

(2) LRE is a wholly-owned subsidiary of SSGCL. Therefore, SSGCL is deemed to be interested in the 621,952,678 ESR-REIT Units held by LWG.

(3) Wealthy Fountain Holdings Inc holds 60 ESR-REIT Units and Skyline Horizon Consortium Ltd holds 13,172,094 ESR-REIT Units. Both entities are wholly owned by SSPL. The ESR-REIT Manager holds 33,061,223 ESR-REIT Units and is 25% owned by SSPL. Both SSPL and SSGCL are wholly owned by Mr. Tong. Therefore, Mr. Tong is deemed to be interested in the 668,186,055 ESR-REIT Units held by the above-mentioned entities.

(4) The ESR-REIT Manager and the property manager of ESR-REIT, ESR Property Management (S) Pte. Ltd. ("**ESR-PM**") are indirect subsidiaries of e-Shang Infinity Cayman Limited. Therefore, e-Shang Infinity Cayman Limited is deemed to be interested in the 46,873,444 ESR-REIT Units held by the ESR-REIT Manager and ESR-PM.

(5) e-Shang Infinity Cayman Limited is a wholly-owned subsidiary of e-Shang Jupiter Cayman Limited. Therefore, e-Shang Jupiter Cayman Limited is deemed to be interested in the 378,098,082 ESR-REIT Units held by e-Shang Infinity Cayman Limited, the ESR-REIT Manager and ESR-PM.

(6) e-Shang Jupiter Cayman Limited is a wholly-owned subsidiary of ESR Cayman Limited. Therefore, ESR Cayman Limited is deemed to be interested in the 378,098,082 ESR-REIT Units held by e-Shang Infinity Cayman Limited, the ESR-REIT Manager and ESR-PM.

17.3 Directors' Holdings in ALOG Units. As at the Announcement Date, the interests of the directors of the ESR-REIT Manager in ALOG Units are set out below:

Directors	Direct Interest		Deemed Interest		Total Interest	
	No. of ALOG Units	%*	No. of ALOG Units	%*	No. of ALOG Units	%*
Ms. Stefanie Yuen Thio	63,543	0.004	-	-	63,543	0.004
Mr. Wilson Ang Poh Seong	112,700	0.008	-	-	112,700	0.008

Notes:

* The percentage interest is based on the number of ALOG Units in issue as the Announcement Date, being 1,450,174,297 ALOG Units. Percentages are rounded to the nearest three (3) decimal places.

17.4 **Substantial ESR-REIT Unitholders' Holdings in ALOG Units.** Based on the Register of Substantial Unitholders maintained by the ALOG Manager as at the Announcement Date, none of the substantial ESR-REIT Unitholders also hold ALOG Units.

17.5 Save as disclosed in this Announcement, none of the directors of the ESR-REIT Manager or substantial ESR-REIT Unitholders has any interest, direct or indirect, in the Merger.

18. DOCUMENTS FOR INSPECTION

The Implementation Agreement will be available for inspection³⁸ by ESR-REIT Unitholders during normal business hours at the office of the ESR-REIT Manager in Singapore at 8 Changi Business Park Avenue 1, #05-51, ESR BizPark @ Changi (South Tower), Singapore 486018 from the Announcement Date up to and including the date falling three (3) months after the Announcement Date.

The ESR-REIT Trust Deed will be available for inspection at the registered office of the ESR-REIT Manager for so long as ESR-REIT is in existence.

19. FURTHER ANNOUNCEMENTS

The ESR-REIT Manager will make further announcements, in compliance with the requirements of the Listing Manual, as and when there are material developments in respect of the Merger, the Scheme, the Implementation Agreement and/or other matters contemplated by this Announcement.

³⁸ Prior appointment is required in light of the COVID-19 situation. To ensure compliance with applicable measures and restrictions relating to safe distancing and to curb the spread of COVID-19, the ESR-REIT Manager reserves the right to limit the time allocated for inspection of documents, and the taking of copies in any form and/or removal of any documents is strictly not permitted.

20. RESPONSIBILITY STATEMENT

The directors of the ESR-REIT Manager (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than those relating to ALOG and/or the ALOG Manager) are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading. The directors of the ESR-REIT Manager jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including the ARA Acquisition Announcement) or obtained from a named source (including ALOG and/or the ALOG Manager), the sole responsibility of the directors of the ESR-REIT Manager has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement. The directors of the ESR-REIT Manager do not accept any responsibility for any information relating to ALOG and/or the ALOG Manager or any opinion expressed by ALOG and/or the ALOG Manager.

21. CAUTION IN TRADING

ESR-REIT Unitholders and potential investors should note that the Merger is subject to the fulfilment of, *inter alia*, the Scheme Conditions set out in the Joint Announcement, including the obtaining of the relevant regulatory approvals, and accordingly, should exercise caution when trading in the ESR-REIT Units. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

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)

Adrian Chui

Chief Executive Officer and Executive Director

15 October 2021

Any queries relating to this Announcement, the Merger or the Scheme should be directed to:

Citigroup Global Markets Singapore Pte. Ltd.

Tel: +65 6657 1959

Maybank Kim Eng Securities Pte. Ltd.

Tel: +65 6231 5179

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". 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 (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in amounts and on terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the ESR-REIT Manager's current view of future events, and the ESR-REIT Manager does not undertake any obligation to update publicly or revise any forward-looking statements.

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 30 June 2021 holds interest in a diversified portfolio of 58 properties located across Singapore, with a total GFA of approximately 15.6 million square feet and an aggregate property value of S\$3.2 billion³⁹. 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. ESR-REIT also holds a 10.0% interest in ESR Australia Logistics Partnership, a private fund comprising 36 predominantly freehold logistics properties all located in Australia.

The ESR-REIT 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;
- Proactive asset management;
- Divestment of non-core properties; and
- Prudent capital and risk management.

The ESR-REIT Manager is owned by namely, ESR Cayman Limited ("**ESR**") (67.3%), Shanghai Summit Pte. Ltd. (25.0%), and Mitsui (7.7%).

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

About the Sponsor, ESR

ESR is the largest APAC focused logistics real estate platform by GFA and by value of the assets owned directly and by the funds and investment vehicles it manages with a growing presence in data centres. ESR and the funds and investment vehicles it manages are backed by some of the world's preeminent investors including APG, CPP Investments, JD.com, Oxford Properties, PGGM and SK Holdings. The ESR platform spans major economies across the APAC region, including China, Japan, South Korea, Singapore, Australia, India, Vietnam and Indonesia. As of 30 June 2021, 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\$36.3 billion, and GFA of properties completed and under development as well as GFA to be built on land held for future development comprised over 22.6 million sqm in total. Listed on the Main Board of The Stock Exchange of Hong Kong Limited in November 2019, ESR is a constituent of the FTSE Global Equity Index Series (Large Cap), Hang Seng Composite Index and MSCI Hong Kong Index.

For more information on ESR, please visit www.esr.com.

³⁹ 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.

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 announcement 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 announcement is for information purposes only and does not have regard to your specific investment objectives, financial situation or your particular needs. Any information contained in this announcement 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.

SCHEDULE 1

EXPECTED INDICATIVE TIMELINE

Key Event	Date
Expected date of first Court Hearing of the application to convene the Scheme Meeting ⁽¹⁾	▪ December 2021
Expected date of ESR-REIT EGM (AM)	▪ Early January 2022
Expected date of ALOG EGM and Scheme Meeting (PM)	
Expected date of second Court Hearing for Court Approval of Scheme ⁽¹⁾	▪ Late January 2022
Expected Effective Date of Scheme	▪ Early February 2022
Expected payment of Cash Consideration and allotment and issue of Consideration Units to ALOG Unitholders	▪ February 2022
Expected commencement date of trading of Consideration Units	▪ February 2022
Expected delisting of ALOG	▪ February 2022

Note:

- (1) The dates of the Court hearings of the application to (i) convene the Scheme Meeting and (ii) approve the Scheme will depend on the dates that are allocated by the Court.

All dates and times referred to above are to Singapore dates and times. Please note that the above timeline is indicative only and may be subject to change. Please refer to future SGXNET announcement(s) by the ESR-REIT Manager for the exact dates of these events.

SCHEDULE 2

PRO FORMA FINANCIAL EFFECTS OF THE MERGER ON ESR-REIT

Purely for illustrative purposes only, the pro forma financial effects of the Merger on ESR-REIT and ESR-LOGOS REIT are set out in the tables below.

1. DPU for FY2020

The pro forma financial effects of the Merger on the amount available for distribution to ESR-REIT Unitholders, the number of ESR-REIT Units and ESR-REIT's DPU, and the accretion thereof, for FY2020, assuming that the Merger had been completed on 1 January 2020 and ESR-LOGOS REIT held and operated the properties of ALOG through to 31 December 2020, and assuming that, among other bases and assumptions stated below, the FY2021 ESR-REIT Acquisitions (as defined herein), the FY2021 ESR-REIT Divestments (as defined herein), the ESR-REIT EFR (as defined herein), the FY2021 ALOG Acquisitions (as defined herein), the FY2021 ALOG Divestments (as defined herein) and the ALOG EFR (as defined herein) were completed on 1 January 2020, are as follows:

	ESR-REIT for FY2020		Effects of the Merger – ESR-LOGOS REIT basis
	Actual	After the FY2021 ESR-REIT Acquisitions, FY2021 ESR-REIT Divestments and ESR-REIT EFR	After the FY2021 ESR-REIT Acquisitions, FY2021 ESR-REIT Divestments, ESR-REIT EFR and the Merger
Amount available for distribution (S\$'000)	99,127	109,155	187,706
Applicable Number of ESR-REIT Units ('000)	3,540,250	3,933,485	6,394,774
DPU (cents)	2.800	2.775	2.935
Accretion (%)			5.8%

2. NAV and NTA per ESR-REIT Unit for FY2020

The pro forma financial effects of the Merger on the NAV and NTA, the number of ESR-REIT Units, and NAV and NTA per ESR-REIT Unit, and the accretion thereof, as at 31 December 2020, assuming that the Merger had been completed on 31 December 2020, and assuming that, among other bases and assumptions stated below, the FY2021 ESR-REIT Acquisitions, the FY2021 ESR-REIT Divestments, the ESR-REIT EFR, the FY2021 ALOG Acquisitions, the FY2021 ALOG Divestments, the ALOG EFR and the ESR-REIT Revaluation (as defined below) were completed on 31 December 2020, are as follows:

	ESR-REIT as at 31 December 2020		Effects of the Merger – ESR-LOGOS REIT basis
	Actual	After the FY2021 ESR-REIT Acquisitions, FY2021 ESR-REIT Divestments, ESR-REIT EFR and ESR-REIT Revaluation	After the FY2021 ESR-REIT Acquisitions, FY2021 ESR-REIT Divestments, ESR-REIT EFR, ESR-REIT Revaluation and the Merger
NAV and NTA (S\$'000)	1,446,990	1,597,984	2,423,207
Number of issued ESR-REIT Units ('000)	3,576,362	3,969,252	6,431,571
NAV and NTA per ESR-REIT Unit (cents)	40.5	40.3	37.7
Dilution (%)			(6.4%)

3. Aggregate Leverage for FY2020

The pro forma financial effects of the Merger on ESR-REIT's aggregate leverage as at 31 December 2020, assuming that the Merger had been completed on 31 December 2020, and assuming that, among other bases and assumptions stated below, the FY2021 ESR-REIT Acquisitions, the FY2021 ESR-REIT Divestments, the ESR-REIT EFR, the FY2021 ALOG Acquisitions, the FY2021 ALOG Divestments, the ALOG EFR and the ESR-REIT Revaluation were completed on 31 December 2020, are as follows:

	ESR-REIT as at 31 December 2020		Effects of the Merger – ESR-LOGOS REIT basis
	Actual	After the FY2021 ESR-REIT Acquisitions, FY2021 ESR-REIT Divestments, ESR-REIT EFR and ESR-REIT Revaluation	After the FY2021 ESR-REIT Acquisitions, FY2021 ESR-REIT Divestments, ESR-REIT EFR, ESR-REIT Revaluation and the Merger
Aggregate leverage (%)	41.6%	39.4%	42.1%

INTRODUCTION

These pro forma financial effects have been prepared in connection with the Merger.

BASES AND ASSUMPTIONS UNDERLYING THE PRO FORMA FINANCIAL EFFECTS OF THE MERGER

Basis of Preparation for the pro forma financial effects of the Merger on ESR-REIT's DPU for FY2020

The unaudited pro forma consolidated financial effects of the Merger on ESR-LOGOS REIT have been prepared based on the consolidated audited financial statements of ESR-REIT for FY2020 which were announced on 7 April 2021 ("**FY2020 ESR-REIT Audited Financial Statements**") and the consolidated audited financial statements of ALOG for FY2020 which were announced on 8 April 2021 ("**FY2020 ALOG Audited Financial Statements**"), for illustrative purposes only, and based on certain assumptions directly attributable to the Merger after making certain adjustments, to show the pro forma financial effects of the Merger on ESR-REIT's DPU for FY2020.

The assumptions are set out as follows:

- (a) the Merger had occurred on 1 January 2020;
- (b) the following acquisitions by ESR-REIT had occurred on 1 January 2020:
 - (i) the acquisition of 10.0% interest in EALP which was actually completed on 14 May 2021; and
 - (ii) the acquisition of 46A Tanjong Penjuru which was actually completed on 29 June 2021;(collectively, the "**FY2021 ESR-REIT Acquisitions**"), and a full year pro forma financial effect from the FY2021 ESR-REIT Acquisitions was included;
- (c) the following divestments by ESR-REIT had occurred on 1 January 2020 and the net divestment proceeds were used for the repayment of bank borrowings:
 - (i) the divestment of 11 Serangoon North Avenue 5 and 3C Toh Guan Road East as announced on 28 April 2021; and
 - (ii) the divestment of 45 Changi South Avenue 2 as announced on 30 August 2021;(collectively, the "**FY2021 ESR-REIT Divestments**"), and the actual financial information of the FY2021 ESR-REIT Divestments for FY2020 were excluded from the pro forma financial effects of the Merger;
- (d) the ESR-REIT equity fund raising comprising a private placement of 268,818,000 new ESR-REIT Units and a preferential offering of 124,071,569 new ESR-REIT Units (the "**ESR-REIT EFR**"), which were actually completed on 18 May 2021 and 26 August 2021 respectively and

raised gross proceeds of S\$149.6 million to partially finance the FY2021 ESR-REIT Acquisitions, had occurred on 1 January 2020;

- (e) the following acquisitions by ALOG had occurred on 1 January 2020:
- (i) the acquisition of 47 Logistics Place, Larapinta, Queensland located in Australia which was actually completed on 16 April 2021;
 - (ii) the acquisition of (1) 1-5 & 2-6 Bishop Drive, (2) 8 Curlew Street, and (3) 53 Peregrine Drive, all located in Port of Brisbane, Queensland, Australia which was actually completed on 21 April 2021;
 - (iii) the acquisition of a 49.5% interest in the New LAIVS Trust and a 40.0% interest in the Oxford Property Fund which was actually completed on 16 April 2021; and
 - (iv) completion of the development and acquisition of the Heron Property (which is currently under development and is expected to be completed by December 2021) based on its contracted purchase consideration,

(collectively, the "**FY2021 ALOG Acquisitions**"), and a full year pro forma financial effect from the FY2021 ALOG Acquisitions was included;

- (f) the following divestments by ALOG had occurred on 1 January 2020 and the net divestment proceeds were used for the repayment of bank borrowings:
- (i) the divestment of 3 Changi South Street 3, also known as ALOG Changi DistriCentre 2, as announced on 22 April 2021; and
 - (ii) the divestment of 404-450 Findon Road, Kidman Park, South Australia in Australia as announced on 26 April 2021,

(collectively, the "**FY2021 ALOG Divestments**"), and the actual financial information of the FY2021 ALOG Divestments for FY2020 was excluded from the pro forma financial effects of the Merger;

- (g) the ALOG equity fund raising comprising a private placement of 90,498,000 new ALOG Units and a preferential offering of 91,112,930 new ALOG Units (together with the ALOG Subscription Units Issuance (as defined below), the "**ALOG EFR**"), which were actually completed on 11 November 2020 and 25 January 2021 respectively, and raised gross proceeds of S\$100.3 million to partially finance the FY2021 ALOG Acquisitions, had occurred on 1 January 2020;
- (h) the issuance of 126,696,800 new ALOG Units to Ivanhoé Cambridge Asia, and 33,846,100 new ALOG Units to LOGOS Units No. 1 (the "**ALOG Subscription Units Issuance**") which was actually completed on 16 April 2021 and raised gross proceeds of S\$88.7 million to partially finance the FY2021 ALOG Acquisitions, had occurred on 1 January 2020;

- (i) the ESR-REIT Real Properties and the EALP Real Properties held as at 30 September 2021 were revalued in FY2020 based on their latest actual independent valuations as at 30 September 2021 (the "**ESR-REIT Revaluation**");
- (j) the ALOG Real Properties and the ALOG Fund Real Properties held as at 30 September 2021 were stated at 1 January 2020 based on their latest actual independent valuations as at 30 September 2021 and these valuations remained unchanged throughout FY2020;
- (k) the translation of A\$ to S\$ at the exchange rates prevailing in the preparation of the FY2020 ALOG Audited Financial Statements;
- (l) based on the number of ALOG Units issued as at the Announcement Date, the Scheme Consideration of approximately S\$1,377.7 million for the Merger was settled by way of an aggregate Cash Consideration of approximately S\$137.8 million and the issuance of approximately 2,431.2 million new ESR-REIT Units;
- (m) ALOG's total borrowings and related interest rate swaps of approximately S\$768.7 million and total perpetual securities outstanding of approximately S\$101.5 million were replaced with new banking facilities of approximately S\$618.7 million at a weighted average "all-in" finance cost of 2.25% per annum and approximately S\$251.5 million of new perpetual securities at an illustrative coupon rate of 4.50% per annum;
- (n) the estimated upfront land premium of approximately S\$87.9 million, funded by new banking facilities at a weighted average "all-in" finance cost of 2.25% per annum, was paid to JTC at completion of the Merger and ESR-LOGOS REIT did not incur any land rent expenses for the ALOG SG Real Properties⁴⁰ in FY2020;
- (o) acquisition fees of approximately S\$15.9 million pursuant to the Merger were paid by way of the issuance of approximately 31.1 million new ESR-REIT Units at the illustrative issue price of S\$0.510 per ESR-REIT Unit;
- (p) ALOG's asset management and trustee fee structures were replaced with the management fee and trustee fee structures in the ESR-REIT Trust Deed with effect from 1 January 2020. Consequently, no performance fee was paid by ESR-LOGOS REIT for FY2020 and approximately 64.1% of the asset management fees for ESR-LOGOS REIT was paid in ESR-REIT Units;
- (q) estimated professional fees, stamp duty, and other fees and expenses of approximately S\$32.9 million related to the Merger were funded by new banking facilities at a weighted average "all-in" finance cost of 2.25% per annum;
- (r) transaction costs related to the Merger and the excess of the Scheme Consideration over the acquired net assets of ALOG were written off; and
- (s) excludes any other operational and trust level savings or potential synergies from the Merger.

⁴⁰ "**ALOG SG Real Properties**" means the ALOG Real Properties which are located in Singapore.

Basis of Preparation for the pro forma financial effects of the Merger on ESR-REIT's NAV and NTA per Unit and aggregate leverage as at 31 December 2020

The unaudited pro forma consolidated financial effects of the Merger on ESR-LOGOS REIT have been prepared based on the FY2020 ESR-REIT Audited Financial Statements which were announced on 7 April 2021 and the FY2020 ALOG Audited Financial Statements which were announced on 8 April 2021, for illustrative purposes only, and based on certain assumptions directly attributable to the Merger after making certain adjustments, to show the pro forma financial effects of the Merger on ESR-REIT's NAV and NTA per Unit and aggregate leverage as at 31 December 2020.

The assumptions are set out as follows:

- (a) the Merger had occurred on 31 December 2020;
- (b) the FY2021 ESR-REIT Acquisitions, the FY2021 ESR-REIT Divestments and the ESR-REIT EFR had occurred on 31 December 2020;
- (c) the FY2021 ALOG Acquisitions, the FY2021 ALOG Divestments and the ALOG EFR had occurred on 31 December 2020;
- (d) the ESR-REIT Real Properties, the EALP Real Properties, the ALOG Real Properties and the ALOG Fund Real Properties held as at 30 September 2021 were stated at 31 December 2020 based on their latest actual independent valuations as at 30 September 2021;
- (e) the translation of A\$ to S\$ at the exchange rates prevailing in the preparation of the FY2020 ALOG Audited Financial Statements;
- (f) based on the number of ALOG Units issued as at the Announcement Date, the Scheme Consideration of approximately S\$1,377.7 million for the Merger was settled by way of an aggregate Cash Consideration of approximately S\$137.8 million and the issuance of approximately 2,431.2 million new ESR-REIT Units;
- (g) ALOG's total borrowings and related interest rate swaps of approximately S\$768.7 million and total perpetual securities outstanding of approximately S\$101.5 million were replaced with new banking facilities of approximately S\$618.7 million at a weighted average "all-in" finance cost of 2.25% per annum and approximately S\$251.5 million of new perpetual securities at an illustrative coupon rate of 4.50% per annum;
- (h) estimated upfront land premium of approximately S\$87.9 million, funded by new banking facilities at a weighted average "all-in" finance cost of 2.25% per annum, was paid to JTC at completion of the Merger;
- (i) acquisition fees of approximately S\$15.9 million pursuant to the Merger were paid by way of the issuance of approximately 31.1 million new ESR-REIT Units at the illustrative issue price of S\$0.510 per ESR-REIT Unit;

- (j) estimated professional fees, stamp duty, and other fees and expenses of approximately S\$32.9 million related to the Merger were funded by new banking facilities at a weighted average "all-in" finance cost of 2.25% per annum; and
- (k) transaction costs related to the Merger and the excess of the Scheme Consideration over the acquired net assets of ALOG were written off.