



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

FINANCIAL HIGHLIGHTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2021

The below financial highlights of ESR-REIT and its subsidiaries (the “Group”) for the third quarter (“3Q2021”) and nine months (“9M2021”) ended 30 September 2021 and the accompanying reports from the auditor and independent financial adviser of ESR-REIT have been prepared and provided to ESR-REIT Unitholders solely for the purpose of complying with the Singapore Code on Take-overs and Mergers in light of the proposed merger of ESR-REIT and ARA LOGOS Logistics Trust by way of a trust scheme of arrangement.

Summary of the Group’s Results

	3Q2021	3Q2020	9M2021	9M2020
	S\$'000	S\$'000	S\$'000	S\$'000
Gross revenue	61,068	56,946	180,908	170,700
Net property income	43,850	40,375	130,817	120,603
Total return before income tax	20,435	25,968	84,363	419
Total return after income tax	18,455	25,968	82,435	412
Attributable to:				
Unitholders and perpetual securities holders	16,883	24,995	78,899	(1,647)
Non-controlling interest	1,572	973	3,536	2,059
	<u>18,455</u>	<u>25,968</u>	<u>82,435</u>	<u>412</u>
Taxable income	28,433	24,815	85,211	72,644
Distribution from capital	119	-	119	-
Distributable amount available for Unitholders	28,552	24,815	85,330	72,644
Release / (Retention) of distributable income	-	3,461	-	(3,461)
Distribution declared to Unitholders	<u>28,552</u>	<u>28,276</u>	<u>85,330</u>	<u>69,183</u>
	Cents	Cents	Cents	Cents
Distributable amount available per unit	0.712	0.700	2.266	2.059
Declared distribution per unit	0.712	0.798	2.266	1.960
Basic and diluted earnings per unit	0.386	0.658	1.969	(0.194)

**ESR-REIT
FINANCIAL HIGHLIGHTS FOR THE THIRD QUARTER AND NINE MONTHS
ENDED 30 SEPTEMBER 2021**

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Summary of the Group's Financial Position

	30 Sep 2021	31 Dec 2020
	S\$'000	S\$'000
Non-current assets	3,284,149	3,157,076
Current assets	109,208	30,317
Total assets	3,393,357	3,187,393
Non-current liabilities	1,437,654	1,270,110
Current liabilities	207,895	319,178
Total liabilities	1,645,549	1,589,288
Net assets	1,747,808	1,598,105
Represented by:		
Unitholders' funds	1,594,954	1,446,990
Perpetual securities holders' funds	152,854	151,115
	1,747,808	1,598,105
	Cents	Cents
Net asset value / Net tangible asset per unit	39.8	40.5

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

27 October 2021

For further enquiries, please contact:

ESR Funds Management (S) Limited

Gloria Low
Corporate Communications Manager
Tel: +65 6827 9332
Email: gloria.low@esr-reit.com.sg

Lyn Ong
Investor Relations Manager
Tel: +65 6827 9504
Email: lyn.ong@esr-reit.com.sg

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 gross floor area of approximately 15.6 million square feet and an aggregate property value of S\$3.2 billion¹. The properties are in the following business sectors: Business Park, High-Specs Industrial, Logistics/Warehouse and General Industrial, and are located close to major transportation hubs and key industrial zones island-wide. 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 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.

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

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

About the Sponsor, ESR

ESR is the largest APAC focused logistics real estate platform by gross floor area ("GFA") and by value of the assets owned directly and by the funds and investment vehicles it manages 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.

¹ Includes 100% of the valuation of 7000 Ang Mo Kio Avenue 5 and 48 Pandan Road, in which ESR-REIT holds 80% interest in 7000 Ang Mo Kio Avenue 5 and 49% interest in 48 Pandan Road, but excludes the effects arising from the adoption of Financial Reporting Standard (FRS) 116 Leases which became effective on 1 January 2019.

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.



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working world**

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583

Mailing Address:
Robinson Road
PO Box 384
Singapore 900734

Tel: +65 6535 7777
Fax: +65 6532 7662
ey.com

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RBC Investor Services Trust Singapore Limited
(in its capacity as Trustee of ESR-REIT)
8 Marina View
#26-01 Asia Square Tower 1
Singapore 018960

ESR Funds Management (S) Limited
(in its capacity as Manager of ESR-REIT)
(the "Manager")
8 Changi Business Park Avenue 1
#05-51 ESR BizPark @ Changi (South Tower)
Singapore 486018

Dear Sirs

ESR-REIT and its subsidiaries

Review of interim financial information for the nine-month period and the three-month period ended 30 September 2021

Introduction

We have reviewed the accompanying interim financial information of ESR-REIT (the "Trust") and its subsidiaries (collectively, the "Group") for the nine-month period and the three-month period ended 30 September 2021 (the "Interim Financial Information"). The Interim Financial Information comprises the following:

- Statements of financial position of the Group and the Trust as at 30 September 2021;
- Statements of total return of the Group for the nine-month period and the three-month period ended 30 September 2021;
- Distribution statements of the Group for the nine-month period and the three-month period ended 30 September 2021;
- Statements of movements in unitholders' funds of the Group and the Trust for the nine-month period and the three-month period ended 30 September 2021;
- Statements of cash flows of the Group for the nine-month period and the three-month period ended 30 September 2021; and
- Certain explanatory notes to the above Interim Financial Information.

The Manager is responsible for the preparation and presentation of the Interim Financial Information in accordance with the recommendations of Statement of Recommended Accounting Practice ("RAP") 7 Reporting Framework for Investment Funds relevant to interim financial information issued by the Institute of Singapore Chartered Accountants ("ISCA"). Our responsibility is to express a conclusion on the Interim Financial Information based on our review.



Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with the recommendations of the RAP 7 relevant to interim financial information issued by the ISCA.

Restriction of use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting the Trust in meeting the relevant financial disclosure requirements under the Singapore Code on Take-overs and Mergers issued by the Monetary Authority of Singapore and for no other purpose. Our report is included in the Trust's financial highlights of its Interim Financial Information for the information of its unitholders. We do not assume responsibility to anyone other than the Trust for our work, for our report, or for the conclusions we have reached in our report.

A handwritten signature in black ink that reads 'Ernst & Young LLP'. The signature is stylized and written in a cursive-like font.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

26 October 2021



Report from the Independent Financial Adviser (“IFA”) in respect of the Interim Financial Information

The Board of Directors (the “**Directors**”) of

ESR Funds Management (S) Limited
as Manager of ESR-REIT
8 Changi Business Park Avenue 1 #05-51
ESR BizPark @ Changi (South Tower)
Singapore 486018

RBC Investor Services Trust Singapore Limited
as Trustee of ESR-REIT
8 Marina View
#26-01 Asia Square Tower 1
Singapore 018960

26 October 2021

Dear Sir/Madam,

Report from the IFA in respect of the Interim Financial Information (as defined herein) made in the announcement which was released by ESR Funds Management (S) Limited, as Manager of ESR-REIT, on SGXNET on 27 October 2021

For the purpose of this letter, capitalised terms not otherwise defined shall have the meaning given to them in the joint announcement in relation to the proposed merger of ESR-REIT and ARA LOGOS Logistics Trust by way of a trust scheme of arrangement dated 15 October 2021.

On 15 October 2021, the respective boards of directors of the ESR-REIT Manager and the ALOG Manager jointly announced the Merger of ESR-REIT and ALOG which shall be effected through the acquisition by the ESR-REIT Trustee of all the units of ALOG held by the unitholders of ALOG, in exchange for cash and units in ESR-REIT, by way of a trust scheme of arrangement in compliance with the Code.

On 27 October 2021, the Directors had approved the unaudited financial statements highlights announcement of ESR-REIT and its subsidiaries (collectively, the “**Group**”) relating to its financial performance for the nine-month period and the third quarter ended 30 September 2021 (the “**Interim Financial Information**”).

We have reviewed the Interim Financial Information and have held discussions with the management of the ESR-REIT Manager who are responsible for the preparation of the Interim Financial Information

The Interim Financial Information were arrived at on bases consistent with the significant accounting policies and methods of computation adopted by the Group for the preparation of the audited consolidated financial statements of the Group for the full year ended 31 December 2020 (“**FY2020**”), which are set out in the annual report of the Group for FY2020.

We have also considered the Report on review of Interim Financial Information dated 26 October 2021 issued by Ernst & Young LLP, being the external independent auditors of the Group, relating to their review of the Interim Financial Information.

Based on the above, we are of the opinion that the Interim Financial Information have been made by the ESR-REIT Manager after due and careful enquiry.



For the purpose of this letter, we have relied on and assumed the accuracy and completeness of all information provided to us and / or discussed with us by the ESR-REIT Manger. Save as provided in this letter, we do not express any other opinion or views on the Interim Financial Information. The Directors remain solely responsible for the Interim Financial Information.

This letter is provided to the Directors solely for the purpose of complying with Rule 25 of the Singapore Code on Take-overs and Mergers and not for any other purpose. We do not accept responsibility to any person(s), other than the ESR-REIT Manager, the Directors and the Trustee, in respect of, arising out of, or in connection with this letter.

Yours faithfully

For and on behalf of
Rothschild & Co Singapore Limited

Rohit Elhence
Managing Director, Head of South East Asia