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

ANNUAL GENERAL MEETING TO BE HELD ON 5 JUNE 2020
DETAILED RESPONSES TO KEY QUESTIONS FROM UNITHOLDERS

ESR Funds Management (S) Limited, as manager of ESR-REIT (the "**Manager**"), would like to thank ESR-REIT unitholders ("**Unitholders**") for submitting their questions in advance of the Annual General Meeting in respect of the financial year ended 31 December 2019 ("**AGM**") to be held by electronic means tomorrow morning at 10.00 a.m. The Manager's responses to the key questions from Unitholders can be found in the Appendix to this announcement.

As there was substantial overlap between many of the questions received from Unitholders, we have, for Unitholders' easy reference and reading, summarised some of the questions and also grouped related and similar questions and our responses together and organised them under different topic headings.

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
4 June 2020

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Appendix 1

COVID-19

Question 1:
How many of your tenants are affected by COVID-19?
- Within our portfolio, retail tenants are the most affected. However, they comprise only c.8% of our portfolio rental income and also include clinics and supermarkets which are less affected by COVID-19
- More than half of our tenants are considered essential service providers and have continued operations during the circuit breaker period. With the gradual reopening of the economy starting with Phase 1 in which most industrial trade sectors are included, we expect more of our tenants will resume operations.
- Despite the COVID-19 situation, we have so far collected more than 90% of our billings for April and May 2020.

Question 2:
Have you received requests for rental relief?
- To date, we have received Notification for Relief from 10 tenants (out of a total of 343 tenants) and we are working closely with each of them to come up with a rental deferment plan. Procedurally, tenants have to apply to Ministry of Law in accordance with the rules set out in the COVID-19 (Temporary Measures) Act, post which we will discuss with them on a relief plan. Nevertheless, we have already started engaging tenants separately to work out sustainable relief plans.
- Most of the retail tenants in our portfolio, representing c.8% of the portfolio's monthly rental, have requested for rental rebates and/or deferrals. We have approved the majority of requests for rental assistance, providing eligible retail tenants with up to 2 months of rental rebates (inclusive of property tax rebate) and up to 6 months of rental deferral for a major tenant.
- Our retail tenants provide mostly supporting and/or ancillary services at our business parks. They add vibrancy and provide essential F&B & lifestyle services to our industrial tenants, increasing the overall attractiveness of our properties.
- Approximately 34% of our portfolio rental income is attributable to Small and Medium Enterprises ("SME") tenants. There have been requests for rental rebates and/or deferrals from our industrial tenants and we are reviewing the rental relief plans in conjunction with the latest COVID-19 (Temporary Measures) (Amendment) Bill which includes the co-sharing of rental waivers by landlords. We are working with our industrial tenants to help them tide over this period. As the Singapore economy gradually reopens, we expect more of our tenants to resume business operations and this should improve their cashflow.
- In arriving at the relief plans for our tenants, we also seek to balance the long-term interests of our unitholders.
- In the 2019 Economic Survey of Singapore by MTI[1],it is reported that rental contributes between 0.7%-1.7% of a manufacturer's overall business cost, with SMEs leaning towards the higher end of the range. The leading components of business costs are royalties, labour costs and work given out, each contributing between 15%-35% of overall business cost.
- Retail and F&B businesses on the other hand, have labour costs contributing 38%-48% of their overall business cost, followed closely by rental cost at 25%-35%.

Question 3:
What is the COVID-19 impact on DPU and what actions have been taken to mitigate this?
- As announced in our 1Q2020 Interim Update, we have made some provision for potential rental rebates. On top of that, we have also retained S$7.0m of distributable income in 1Q2020 for prudent cashflow management purposes.
- To conserve cash, we are also implementing cost-saving measures on operating expenses and deferring all non-essential capital expenditures, where possible.
- As the REIT has no more refinancing requirements for FY2020 and up till 2H2021, we have adequate operating cash flow and committed undrawn credit facilities to enable us to meet our financial obligations as and when they fall due.
- As explained in Questions 1 and 2, most of the affected tenants are in the retail and F&B sector which only comprise c.8% of the REIT's total rental income; and we have also been working closely

[1]Information obtained from the Economic Survey of Singapore 2019 by the Ministry of Trade and Industry.

with our industrial tenants in managing the impact of the COVID-19 situation.
- The current focus of the management is to provide the necessary support to our tenants and staff during this period and to diligently manage our cash flow to ensure that we can provide sustainable distributions to our unitholders.
- As uncertainties over the extent and duration of the COVID-19 situation remain, any further provision for rental rebates and/or retention of distributable income can only be determined on a quarterly basis.

Question 4:
Has there been any increase/decrease in costs due to COVID-19?
- While there have been no material changes to our cost, we have incurred additional operating expenses of approximately S$200,000 per month due to the setting up of temperature screening counters and other COVID-19 related measures for our properties.
- In light of COVID-19, we have put on hold our asset enhancement initiatives ("AEI") and redevelopment plans that have not yet commenced as a prudent cash conservation measure. We will review and determine the appropriate timing to proceed with such plans towards the end of 2020.

Question 5:
Has management considered adding tenants in growth industries to the tenant mix given the current Covid-19 pandemic?
- We are continually identifying potential tenants from new and emerging industries such as data-centers, food-related industries and urban farming. However, in some cases new industries require time to mature before they become viable tenants on commercial terms.
- ESR-REIT has data center tenants located within our Business Park and High-Specs properties and there are 2 data center tenants within the REIT's top 15 tenants.
- We also have tenants in the food logistics and supply chain business which continue to grow and remain resilient under the current economic climate.
- Given that our portfolio comprises of 70% multi-tenanted buildings ("MTB") and 30% single-tenanted buildings ("STB") across four industrial asset sub-sectors, we have more control and flexibility over our tenant mix to ensure that our tenants are in sectors which are resilient and in line with the government's growth plans for the Singapore economy.
- In addition, the availability of unutilized plot ratio and the redevelopment potential of some of our older properties provide ESR-REIT with the flexibility to pursue new opportunities in emerging industries.

Question 6:
What lessons have been learnt from COVID-19 and what plans have been put in place to mitigate effects should there be another pandemic?
- We have experienced the benefits of having a large portfolio that is well diversified across the industrial asset classes (business parks, high specs industrial, logistics/ warehouse, and general industrial) as well as across tenant sub sectors. This has mitigated the concentration risk from being exposed to a specific industrial sector which may be adversely affected by COVID-19 (for example, the aviation sector).
- Separately, having a 70% MTB and 30% STB portfolio has also reduced our concentration risk to single large tenants whose operations are adversely affected by COVID-19. While STBs tend to come with longer term leases with built-in rental escalations, our experience suggests that their performance tend to be binary – with occupancy of either 0% or 100%. During challenging times, the downside risks to performance and survivability of master-lease tenants in STBs are greater than those of MTBs.
- We reiterate the importance of having a well spread out debt maturity profile, thereby reducing the refinancing requirements in any given year, as in the case of ESR-REIT,
- The size and diversification of our portfolio and capital structure have reduced risk and enabled us to better withstand economic shocks.
- On the operations aspect, we have put in place relevant business continuity plans and adequate controls to ensure that our business operations continue to run smoothly. In addition, as we have recently in sourced our property management team and located the team on site, we have been able to communicate and understand our tenants needs better during the COVID-19 pandemic.

Question 7:
What is the outlook and management strategy for the REIT if COVID-19 continues to be a going concern?

- According to MTI, Singapore's GDP is expected to shrink between 4%-7%. Given this outlook, the impact from COVID-19 is likely to increase in 2H2020 as the Singapore economy heads towards a possible recession.
- Our near-term priority is to ensure prudent cashflow management and to work with tenants in sustaining their business for the longer term, despite the short-term disruption to our distributions. This will ensure sustainable distributions and property valuations in the future.
- We have security deposits equivalent to 5.5 months of rental on a weighted average basis.
- Our initial assessment is that the Circuit Breaker mandated implementation of work-from-home measures did not have a huge impact on demand for industrial space. However, the types, configuration and specifications required of industrial properties may evolve with technological advancement and global supply chain changes. Our properties will have to be future ready and sufficiently flexible to cater to a wider range and/or new emerging industries.
- From the leasing and asset management perspective, we will be monitoring and identifying resilient and emerging industries in order to position our tenant mix and properties appropriately. Having a portfolio with 70% MTB and a large tenant base allows us to identify such trends and quickly adapt to meet demands.

Hyflux

Question 8:
Updates of 8 Tuas South Lane

- Hyflux currently contributes approximately 2.8% of the REIT's portfolio rental income.
- Hyflux has been occupying and paying rent for c.30% of the space at 8 Tuas South Lane.
- Hyflux has made rental payments up till March 2020 and partial payments for April and May 2020.
- To date, Hyflux has not applied for rent deferment under the Notification for Relief.
- The current Court ordered moratorium which has been extended to July 2020 due to COVID-19, prevents us from taking any actions against Hyflux for non-payment of rent.
- In 2019, we secured 3 new tenants to occupy 8 Tuas South Lane, bringing the building occupancy to 55% as at 31 March 2020 despite Hyflux occupying a smaller space. This is testament to the good location and quality of the asset. We are currently in negotiations with new prospects to take up more space at the property.

DPU

Question 9:
Why was there a drop in DPU?

- The main reasons for the drop in DPU in 1Q2020 are:
  1) Certain planned lease conversions from STB to MTB
  2) Provision for rental rebates and retention of S$7.0m of distributable income for prudent cash flow management
  3) No distribution of capital gains (for cash conservation purposes)
  4) Non-renewals and downsizing by tenants, which were partially offset by income from 48 Pandan Road and lower borrowing costs.
- The conversions from STB to MTB gave rise to interim transient vacancies while the building was being converted and leased up. Also, with conversions of assets to MTB, the REIT takes over payment of land rent, property tax and maintenance. However, single tenant concentration risk is reduced with MTBs and management has more control over the tenant mix to ensure that tenants are within sectors which are resilient and in line with the government's growth plans for the Singapore economy.
- The management team has taken on a more prudent and conservative approach with the retention of distributable income and provisions for rental rebates, given the full impact of COVID-19 could not be fully ascertained in 1Q2020. The focus of the management is to ensure prudent DPU and cashflow management for the interests of our unitholders.

Question 10:
Will unutilised provision for rental rebates and retained distributable income be distributed back to unitholders?

- Significant uncertainties remain in the global economy with risk of subsequent waves of COVID-19 infections and industrial sectors being adversely affected by economic slowdown and prolonged supply chain disruptions. In addition, there may be changes in government policies under the COVID-19 (Temporary Measures) Act which may impact the REIT.
- As such, the focus of management is to ensure prudent DPU and cashflow management.
- Any further provision for rental rebates and/or retention of distributable income will be decided on a quarterly basis.
- Management has no intention to retain any more distributable income than is necessary and may pay out the retained distributable income depending on how the COVID-19 situation pans out.
- The timeline for S-REITs to distribute at least 90% of their taxable income derived in FY2020 has been extended from 3 months to 12 months after the end of FY2020 to qualify for tax transparency treatment.

Gearing and Valuation

Question 11:
Will there be a decline in portfolio valuation and NAV due to Covid-19?

- Portfolio valuation has not declined in 1Q2020. Portfolio valuation exercise is conducted on a yearly basis with the last valuation exercise completed on 31 December 2019.
- Based on our current and expected operational metrics and rental collections, we do not expect significant changes in our portfolio valuation.
- As at end of 1Q2020, 12.6% (by rental income) of our portfolio leases are expiring in 2020 of which, 11.9% and 0.7% are from MTBs and STBs respectively. Of the 11.9% of leases expiring in MTBs, approximately 9.0% are in negotiations and tenants have given indications of renewal. The 0.7% of leases expiring in STBs consist of two leases; only one lease will not be renewed as the asset has been identified for divestment.
- Net asset value per unit decreased by 1.4% from 43.3 cents as at 31 December 2019 to 42.7 cents as at 31 March 2020. The decrease was mainly because the 4Q2019 distribution paid out in March 2020 was greater than the accounting profit for 1Q2020.

Question 12:
Do you expect further portfolio valuation decrease due to the short land leases in Singapore? Is there any possibility of land lease extension?

- Industrial land in Singapore is highly regulated with clearly marked out industrial zones and masterplans that are reviewed every 5 years to guide the development of land and property in Singapore over the next 10-15 years.
- The largest asset in our portfolio with a short land lease is Viva Business Park ("VBP") with a valuation of c.S$323 million and a land lease of c.12 years.
- Based on the last URA Master Plan in 2019, the location of VBP is still zoned as Business Park.
- We have been actively engaging JTC and will be submitting an application for land lease extension in the next 1-2 years as JTC will only process land lease extensions nearer to the 10-year mark.
- In assessing land lease extensions, JTC considers amongst other things, the master plan zoning and investment commitment.
- Firstly, the asset has to be located in an industrial zone as set out in the URA masterplan. Secondly, JTC will assess if the development is the highest and best use of the site. The management team has plans to make investment commitments for AEIs and to bring in tenants who are in line with the government's growth plans for the Singapore Economy.
- Short industrial land leases in Singapore is an inherent business risk given the local regulations. Management team seeks to minimize this risk with close dialogues with the Authorities. Valuations will inevitably decline due to land lease decay if the land leases are not extended. Hence acquisition of overseas assets is a key business strategy for ESR-REIT in the medium to longer term with the strategic aim of balancing the short-term land lease issue for Singapore industrial land.

Question 13:
Is there a risk of gearing limit being triggered?

- As discussed in Question 11, based on our current and expected operational metrics and rental collections, we do not expect significant changes in our portfolio valuation.
- In addition, MAS has recently increased the gearing limit for REITs to 50% and deferred the implementation of a new minimum interest coverage ratio ("ICR") requirement of 2.5 times to 1 January 2022. Our current ICR is 3.35 times.

- At our current gearing level, our portfolio valuation would have to decline by more than 17% (c.S$550 million) for us to breach the MAS gearing limit of 50%.

Question 14:
ESR-REIT's gearing is relatively as high compared to your peers. Are there plans to lower the gearing ratio?

- MAS has recently raised the gearing limit to 50% to provide SREITs with greater flexibility to manage their capital structure amid the challenging operating environment due to COVID-19.
- We are comfortable with our current gearing of 41.7%. This implies a S$515 million debt headroom to the 50% regulatory gearing limit.
- The REIT's current ICR is 3.35 times, which is well above the ICR financial covenants of between 1.5-2.0 times for our loans and MAS's minimum ICR requirement of 2.5 times by 1 January 2022.
- ESR-REIT has no more refinancing requirements in FY2020; the next refinancing requirement is in 2H2021. All of our loans are unsecured, our weighted average debt expiry tenor is 2.4 years and there is no more than 35% of loans expiring each year. 100% of loan interest rates are fixed for 2.6 years.
- Gearing is only one parameter in capital management. Other key parameters that lenders analyze when deciding on pricing and whether to lend/refinance are ICR, debt expiry profile, proportion of assets that are unsecured, asset and lease concentration risks, as well as Sponsor quality.
- The REIT entered into a S$200 million loan facility with MUFG and SMBC in February 2020 for the refinancing of the S$160 million MTN due in 2Q2020 at lower interest costs despite the onset of COVID-19, demonstrating its good credit standing and banking support.
- Should we undertake any equity fund raising exercise, there will be clear use of proceeds which are in line with our business strategies such as pursuing organic growth (via AEIs and Asset Rejuvenations) and/or acquisition opportunities. When such corporate actions are taken, we may consider reducing our gearing if market conditions permit and by doing so benefit our unitholders.

Share Price Movement

Question 15:
What caused the sharp drop in share price?

- We believe that ESR-REIT's share price fell on the back of broad equity market sell-off brought about by the COVID-19 pandemic.
- Institutional fund redemptions followed by margin calls by private banks may have put further downward pressure on our share price.
- As Manager, we have no control over how unitholders finance their investment into ESR-REIT or how financing banks cure any margin calls with their clients.
- We have however, ensured sound operations and prudent capital structure with frequent communication with the investment and research community.
- Since 23 March 2020 when ESR-REIT's share price hit a low of $0.240, our share price has recovered to $0.395 as at 03 June 2020.
- Please refer to Questions 1 – 3 on the steps taken to prudently manage the COVID-19 situation.

Outlook and Strategy

Question 16:
Outlook for 2020

- Significant uncertainties remain in the global economy especially with the risk of subsequent waves of COVID-19 infections as countries reopen their economies and borders. The Singapore economy is headed for a full year recession in 2020 and MTI has forecasted Singapore's 2020 GDP figures to shrink by 4% - 7%.
- Our focus this year is on operational excellence and cashflow prudency and to ensure that the REIT as well as our tenants overcome this challenging period.
- We have taken measures to ensure that the REIT has adequate cashflow to meet its liabilities and pay out distributions. This includes close monitoring of the COVID-19 situation, regular dialogues with our tenants, partial retention of our distributable income if necessary, as well as deferring certain

AEI plans and non-essential capital expenditures for cash conservation. As the economy gradually reopens and recovers, we will have to adjust our measures accordingly.

- In the medium to long term, the growth strategy of the REIT remains. A larger portfolio will allow for increased diversification across our tenant base, asset classes and geographical locations. The COVID-19 situation has once again shown that size does matter for REITs.

Question 17:
Do you still see opportunities for acquisitions and will your focus still be in Singapore?

- Despite the challenging times, we continue to be presented with opportunities for acquisitions, partnerships and collaborations across different industrial asset classes both in Singapore and overseas, including countries where ESR Group has presence in.
- In the near term, our focus remains in Singapore but our investment mandate is not limited to Singapore.
- We will continue to evaluate opportunities that are in line with the REIT's strategies and in the best interest of our unitholders.

Question 18:
Is Mergers & Acquisitions ("M&A") still part of your strategy?

- Our growth strategy and objective of being a large and diversified REIT across tenant sub-sectors, industrial asset classes and geographical locations remains.
- We can achieve the above objectives through AEIs including redevelopments of older assets and development of unutilized plot ratios, acquisitions of third-party assets (both single asset and portfolio) and tapping on ESR Group's asset pipeline.
- As such, ESR-REIT has options for growth which are not limited to M&A. We will continue to evaluate any opportunities that are in line with the REIT's strategies and in the best interest of our unitholders.

Directors

Question 19:
Why do some directors not have any holdings in ESR-REIT?

- It is not unusual for directors to not have any interest in the company whose Board they are on. This is similar to the situation at other peer REITs and listed companies.
- Directors are often in possession of material non-public information and therefore, they need to exercise care and diligence when dealing in ESR-REIT units. Hence some Directors have opted not to hold any units in ESR-REIT to avoid any potential issues of insider trading.

Question 20:
I notice that a Director/Substantial Unitholder has disposed of a huge number of ESR-REIT units in the past few months via market transactions, kindly provide the underlying reason.

- Mr Tong Jinquan and his associates currently hold 843,759,723 ESR-REIT units, equivalent to 24.02% total units outstanding.
- We have no control over any unitholder's investment decisions and/or how any unitholder finances his investments into ESR-REIT. Hence, we are unable to comment on the structure / rationale behind any changes in a unitholder's shareholding in ESR-REIT, especially when the changes coincide with a period of significant volatility in the equities market due to COVID-19 where fund redemptions and margin calls were prevalent.

Sponsor

Question 21:
Your sponsor is registered in the Cayman Islands. Are there any tax and financial implications if they pull out of the REIT?

- ESR Cayman Limited is listed in Hong Kong.
- We are unable to comment on tax implications for ESR Cayman. However, there are no tax implications on ESR-REIT's unitholders should ESR Cayman exit the REIT.
- ESR Cayman remains committed to the REIT. This is evident in their previous demonstration of support for ESR-REIT via a S$125 million backstop for the March 2018 preferential offering and S$50 million backstop for the October 2019 preferential offering. ESR Cayman also facilitated the

merger with Viva Industrial Trust with the payment of S$62 million for the Manager of Viva Industrial Trust.

Resolution 2

Question 22:

ESR-REIT should consider appointing auditors from mid-tier firms like RSM and BDO to achieve cost efficiency.

- The Management recommends the appointment of auditors to the ARCC and Board based on a matrix of considerations, including:
  (1) Audit quality and effectiveness – based on (i) the quality and timeliness of advice and updates on key developments that might impact ESR-REIT that are provided by the auditors, (ii) the auditors understanding of ESR-REIT's business and the S-REIT industry in general, (iii) relevance of audit plans and reports to identify key risks specific to ESR-REIT as well as areas for improvement and (iv) their execution of the audit.
  (2) Experience and expertise – track record of auditing S-REITs, in particular S-REITs operating in the industrial sector in Singapore
  (3) Cost of engagement – where the Management would benchmark the proposed fees against fees paid by other SREITs, both within the industrial sector as well as other sectors.
- Audit fees for industrial / logistics S-REITs ranges from S$130,000 to S$690,000. ESR-REIT's audit fees of approximately S$290,000 is reasonable taking into consideration the difference in holding structure and countries the S-REITs operate in.
- Having a Big 4 audit firm also ensures that the auditors will be able to provide the relevant support for complex transactions especially in any overseas jurisdiction that we might expand into as part of the REIT's growth strategies.

Resolution 3

Question 23:

What is the likelihood of an equity fund raising ("EFR") exercise?

- Given that S-REITs are required to distribute at least 90% of their annual taxable income in order to qualify for tax transparency treatment, EFR is an integral part of the fund raising and capital structure of S-REITS.
- Should we undertake any EFR exercise, there will be clear use of proceeds which are in line with our business strategies such as pursuing organic growth (via AEIs and Asset Rejuvenations) and/or acquisition opportunities.
- We will consider the impact to our capital structure, growth strategies and portfolio risk for the benefit of our unitholders in the medium to long term.
- When such corporate actions are taken, we may consider reducing our gearing if market conditions permit and by doing so benefit our unitholders. In determining the structure of EFR, we will take into consideration the size of EFR and the then prevailing market conditions.

Resolution 4

Question 24:

What is the rationale for the Unit Buy-Back Mandate?

- Rationale for the Unit Buy-Back Mandate is as follows:
  (1) the Unit Buy-Back Mandate would be a flexible and cost-effective capital management tool to enhance return on equity for unitholders and/or the net asset value per unit; and
  (2) the Unit Buy-Back Mandate, when exercised at appropriate times, would help to mitigate short-term market volatility, off-set the effects of short-term speculative trading of the units, and bolster market confidence in the units

Question 25:

How will the unit buy-back be funded? Has the REIT repurchased any units previously?

- If we were to conduct the unit buy-back, we intend to utilise ESR-REIT's internal sources of funds, external borrowings or a combination of both to fund the Unit Buy-Back.
- To date, the REIT has not repurchased any units.

About ESR-REIT

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

ESR-REIT invests in quality income-producing industrial properties and as at 31 December 2019 holds interest in a diversified portfolio of 57 properties located across Singapore, with a total gross floor area of approximately 15.1 million square feet and an aggregate property value of S$3.2 billion[2]. The properties are in the following business sectors: Business Park, High-Specs Industrial, Logistics/Warehouse and General Industrial, and are located close to major transportation hubs and key industrial zones island-wide.

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

- Acquisition of value-enhancing properties;
- 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 Asia-Pacific focused logistics real estate platform by gross floor area (GFA) and by value of the assets owned directly and by the funds and investment vehicles it manages. Co-founded by its senior management team and Warburg Pincus, ESR and the funds and investment vehicles it manages are backed by some of the world's preeminent investors including APG, SK Holdings, JD.com, Goldman Sachs, CPPIB, OMERS, PGGM, Ping An and Allianz Real Estate. The ESR platform spans across the People's Republic of China, Japan, South Korea, Singapore, Australia and India. As of 31 December 2019, 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$22.1 billion, and GFA of properties completed and under development as well as GFA to be built on land held for future development comprised over 17.2 million sqm in total. ESR has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 1 November 2019.

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

[2] 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 ESRREIT) ("**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.