



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

ENTRY INTO S\$155 MILLION UNSECURED LOAN FACILITY

1. ENTRY INTO S\$155 MILLION UNSECURED LOAN FACILITY

ESR Funds Management (S) Limited, as manager of ESR-REIT (the "**Manager**"), wishes to announce that RBC Investor Services Trust Singapore Limited, in its capacity as trustee of ESR-REIT (the "**Trustee**"), has entered into a S\$155 million unsecured loan facility agreement (the "**Facility Agreement**") with Australia and New Zealand Banking Group Limited, Singapore branch; CTBC Bank Co., Ltd., acting through its Singapore branch; and Standard Chartered Bank, Singapore branch, as lenders (the "**Original Lenders**") and Australia and New Zealand Banking Group Limited as facility agent (the "**Facility Agent**").

The unsecured loan facility consists of a S\$75 million term loan facility ("**Facility A**") and a S\$80 million term loan facility ("**Facility B**") (collectively, the "**Facilities**"). The proceeds of such Facilities will be applied towards general corporate funding purposes, including but not limited to:

- (a) the refinancing of existing indebtedness;
- (b) funding further asset acquisitions, enhancements and improvement of assets owned by ESR-REIT or any of its Subsidiaries (as defined in the Facility Agreement); and
- (c) other general working capital purposes.

2. KEY TERMS OF THE FACILITY AGREEMENT

Key terms of the Facility Agreement are as follows:

Original Lenders	<ul style="list-style-type: none"> (a) Australia and New Zealand Banking Group Limited, Singapore branch; (b) CTBC Bank Co., Ltd., acting through its Singapore branch; and (c) Standard Chartered Bank, Singapore branch.
Loan Commitment	<ul style="list-style-type: none"> (a) Facility A: S\$75 million; and (b) Facility B: S\$80 million.

Final Maturity Date	<p>(a) Facility A: 36 months from the date of the Facility Agreement, being 4 March 2019; and</p> <p>(b) Facility B: 48 months from the date of the Facility Agreement, being 4 March 2019.</p>
Security	<p>None</p>
Details of the conditions that refer to the shareholding interest of the Manager's controlling shareholder or which place restrictions on any change in control of the Manager	<p>The Facility Agent (acting on the instructions of the Majority Lenders (as defined in the Facility Agreement)) has the right to require the Trustee (as borrower) to enter into discussions in good faith for a stipulated time with the Lenders (as defined in the Facility Agreement) to review the Facilities, upon the occurrence of the following:</p> <p>(a) the Manager resigns or is removed as the manager of ESR-REIT without the prior written consent in writing of all the Lenders and a replacement manager which is acceptable to all the Lenders is not appointed in accordance with the terms of the trust deed of ESR-REIT; or</p> <p>(b) ESR Cayman Limited ceases to hold, whether directly or indirectly, at least 50.1% of the issued share capital of the Manager.</p> <p>If the Lenders notify the Trustee that the proposal submitted by the Trustee to the Facility Agent further to the discussions is not acceptable to the Lenders or the Trustee has not submitted any proposal after the stipulated time for the discussions, the Facility Agent may, and shall if so directed by the Majority Lenders, cancel the Loan Commitments and/or require the Trustee to immediately repay or prepay all amounts owing under or in connection with the Facility Agreement.</p> <p>If the Lenders have accepted the proposal submitted by the Trustee and the Trustee fails to carry out the steps and/or proposed alternative arrangement set out in such proposal by the time period within which such proposed alternative arrangement is to be carried out (the "Remedy Period"), the Facility Agent may, and shall if so directed by the Majority Lenders, cancel the Loan Commitments and/or require the Trustee to repay or prepay all amounts owing under or in connection with the Facility Agreement within 15 days from the last day of the Remedy Period.</p>

	The aggregate principal amount of loan facilities under the Facility Agreement that may be affected in the event of a breach of the conditions set out above is up to S\$155 million. ¹
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BY ORDER OF THE BOARD

ESR Funds Management (S) Limited
As Manager of ESR-REIT
(Company Registration No. 200512804G, Capital Markets Services Licence No. 100132-5)

Adrian Chui
Chief Executive Officer and Executive Director
5 March 2019

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¹ It should be noted that the terms and conditions of typical facility agreements may contain cross default clauses, pursuant to which a default of obligations by the Trustee in the Facility Agreement may trigger an event of default in other facility agreements. The aggregate level of facilities affected in the event of a breach of conditions in the above table does not take into account facilities which may be affected due to the triggering of such cross default provisions in such other facility agreements.

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 2018 has a diversified portfolio of 57 properties located across Singapore, with a total gross floor area of approximately 14.1 million sq ft and a property value of S\$3.02 billion². The properties are in the following business sectors: General Industrial, Light Industrial, Logistics/Warehouse, Hi-Specs Industrial, and Business Park, 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 and secure income stream through the successful implementation of the following strategies:

- Acquisition of value-enhancing properties;
- Pro-active asset management;
- Divestment of non-core properties; and
- Prudent capital and risk management.

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

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

About the Sponsor, ESR

ESR is a leading Asia-Pacific focused logistics real estate platform. Co-founded by senior management and Warburg Pincus, ESR is backed by some of the world's preeminent investors including APG, SK Holdings, JD.com, CITIC CLSA, CPPIB, Goldman Sachs, CPPIB, Ping An and Allianz. The ESR platform represents one of the largest in the Asia-Pacific region, spanning across the People's Republic of China, Japan, Singapore, South Korea, Australia and India. As at 30 September 2018, the company's assets under management (AUM) exceeded US\$14 billion, and the gross floor area (GFA) of projects owned and under development stood at approximately 11 million square metres.

² Includes valuation of 7000 Ang Mo Kio Avenue 5 on a 100% basis, of which ESR-REIT has 80% economic interest.

Important Notice

The value of units in ESR-REIT ("**Units**") and the income derived from them may fall as well as rise. Units are not investments or deposits in, or liabilities or obligations, of ESR Funds Management (S) Limited ("**Manager**"), RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT) ("**Trustee**"), or any of their respective related corporations and affiliates (individually and collectively "**Affiliates**"). An investment in Units is subject to equity investment risk, including the possible delays in repayment and loss of income or the principal amount invested. Neither ESR-REIT, the Manager, the Trustee nor any of the Affiliates guarantees the repayment of any principal amount invested, the performance of ESR-REIT, any particular rate of return from investing in ESR-REIT, or any taxation consequences of an investment in ESR-REIT. Any indication of ESR-REIT performance returns is historical and cannot be relied on as an indicator of future performance.

Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that investors may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. This material may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of occupancy or property rental income, changes in operating expenses (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 ESR-REIT business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

This material is for informational purposes only and does not have regard to your specific investment objectives, financial situation or your particular needs. Any information contained in this material is not to be construed as investment or financial advice, and does not constitute an offer or an invitation to invest in ESR-REIT or any investment or product of or to subscribe to any services offered by the Manager, the Trustee or any of the Affiliates.