



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

NEWS RELEASE

For immediate release

ESR-REIT Secures 2 New Tenants at 8 Tuas South Lane, Further Reducing Exposure to Hyflux Membrane

Singapore, 30 June 2020 – ESR Funds Management (S) Limited, as manager of ESR-REIT (the “**Manager**”), wishes to announce that Pacific Integrated Logistics Pte Ltd (“**Pacific Integrated Logistics**”) and Royal's Engineering & Trading (S) Pte. Ltd. have collectively leased an aggregate of 284,700 square feet of space at 8 Tuas South Lane (the “**Property**”).

Pacific Integrated Logistics is a global logistics provider operating in 16 locations across 11 countries. One of the pioneers to establish a joint venture with the China Rail Operator, the company taps on the fast-expanding Euro-Asia rail freight network to provide customised logistics solutions. Pacific Integrated Logistics has leased approximately 206,000 square feet of space which equates to an estimated 26.9% of the total net leasable area (NLA) of the Property.

Royal's Engineering & Trading (S) Pte. Ltd. is a local company in the construction industry specializing in plumbing and electrical works. Occupying approximately 78,700 square feet, the company has leased an estimated 10.3% of the total NLA of the Property.

8 Tuas South Lane is a multi-tenanted general industrial property located in the west of Singapore. It is strategically positioned at the gateway to Tuas Megaport, the world's largest container terminal. With the above new tenants, the committed occupancy for the Property is now approximately 90.3% of which 58.3% is currently leased to sub-tenants. Correspondingly, the rental income exposure to Hyflux Membrane Manufacturing (S) Pte. Ltd., will be reduced from 2.8%¹ to 1.6% on a portfolio basis.

Mr. Adrian Chui, Chief Executive Officer and Executive Director of the Manager said, “These tenants were secured against the backdrop of the ongoing COVID-19 pandemic and is a

¹ As at 31 March 2020.

further testament to the Manager's proactive asset and lease management to diversify the tenant concentration risks and strengthen the Property's tenant mix and quality. This is also part of our repositioning exercise to extract synergies in anticipation of the scheduled completion of the first phase of the Tuas Megaport. To-date, the Property continues to receive strong leasing interest and enquiries due to its close proximity to the upcoming port."

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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 billion². 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, CPP Investments, 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 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 news release 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 news release 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 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.