

Extraordinary General Meeting

23 April 2025



Proposed Unit Consolidation Resolution

Approval is being sought from Unitholders for the following resolution:

Ordinary Resolution

- The Proposed Unit Consolidation of every ten (10) Existing Units into one (1) Consolidated Unit
- *FRACTIONAL ENTITLEMENTS TO BE ROUNDED UP*
- *Record date: 2 May 2025, 5.00 p.m.*

Each Consolidated Unit will rank pari passu with each other.

The Consolidated Units will be traded in board lots of one hundred (100) Consolidated Units⁽¹⁾

Fractional & Odd Lots Management

- *Fractional units will be rounded up (E.g., Post consolidation, 158.2 units will be rounded to 159 units; 158.7 units to 159 units)*
- *Odd lots will be available for trading over a 4-week⁽²⁾ period*

For the avoidance of doubt, the Proposed Unit Consolidation will not:

- a) Affect the total distribution income of ESR-REIT;
- b) Affect the total NAV of ESR-REIT⁽³⁾;
- c) Require any payment from Unitholders;
- d) Result in any return of capital to Unitholders; and
- e) Dilute the unitholdings of Unitholders

Rationale for the Proposed Unit Consolidation

1

Potential Reduction of Magnitude of Fluctuation in ESR-REIT's Unit Trading Price and Market Capitalisation

2

Reduce Interest from Share Speculators or Punters and Short Sellers on the Units

3

Lower Brokerage Trading Costs to Investors

4

Increase in the Market Interest and Attractiveness of ESR-REIT and its Consolidated Units

Trading Arrangements for the Consolidated Units and for Odd Lots

Trading Arrangements - Consolidated Units

- The Consolidated Units shall be traded in board lots of one hundred (100) Consolidated Units

Trading Arrangements - Odd Lots of Consolidated Units

- Unitholders who receive odd lots of Consolidated Units pursuant to the Proposed Unit Consolidation and who wish to trade such odd lots of Consolidated Units on the SGX-ST (“Odd Lots Trade”) can trade with a **minimum size of one (1) Consolidated Unit** on the SGX-ST’s unit share market
- For any Odd Lots Trade, the Manager has also put in place an odd lot counter service for a period of **four (4) weeks from the Effective Trading Date, from 5 May 2025 and up to and including 30 May 2025** (the “Applicable Period”). **Phillip Securities Pte Ltd (“Phillip Securities”)** will be offering odd lot counter services at a **concessionary brokerage rate**
- During the Applicable Period, **Unitholders will not incur any brokerage fees for any Odd Lots Trades**. Instead, ESR-REIT will bear the brokerage fees payable to Phillip Securities.
- After the Applicable Period, the concessionary brokerage rate will no longer be applicable to Odd Lots Trade of Consolidated Units undertaken on Phillip Securities' Online Electronic Mart System (“POEMS”) and offline voice-order and Unitholders will have to bear the standard account brokerage charges
- **Unitholders should note that the prevailing clearing fee and other regular trading fees (including goods and services tax for such fees) imposed by the SGX-ST will still be borne by Unitholders during the Applicable Period**

Scenarios for Proposed Unit Consolidation Round-Up

Proposed 10-to-1 Unit Consolidation announced – Fractional Units to be rounded up

Scenario 1:

- Unitholder holds 10,000 Units, a 10-to-1 consolidation = **1,000 Units**
- Assuming a price of S\$0.260 per Unit pre-consolidation, the post-consolidation price = S\$2.60 per Unit
- Market value of units held = unchanged

Scenario 2:

- Unitholder holds 10,002 Units, a 10-to-1 consolidation = **1,000.2 Units** (odd/fractional)
- Fractional Units will be rounded-up to nearest whole Unit**
- Unitholder will result with **1,001 Units**
- Odd lots will be available for trading over a 4-week⁽¹⁾ period**
- Market value of units held = Increased slightly by S\$2.08

Scenario 1: No fractional Units after consolidation

	Before consolidation		After 10-to-1 consolidation
No. of Units	10,000	→	1,000
Price per Unit	S\$0.260	→	S\$2.60
Total Value (no. of Unit x Price per Unit)	S\$2,600		S\$2,600

Scenario 2: Fractional Units after consolidation

	Before consolidation		After 10-to-1 consolidation		After rounding up to the nearest whole Unit
No. of Units	10,002	→	1,000.2	→	1,001
Price per Unit	S\$0.260	→	S\$2.60	→	S\$2.60
Total Value (no. of Unit x Price per Unit)	S\$2,600.52				S\$2,602.6

Indicative Timeline for the Proposed Unit Consolidation

Record Date	<ul style="list-style-type: none">▪ 2 May 2025, 5.00 p.m.
Effective Date	<ul style="list-style-type: none">▪ 5 May 2025, 9.00 a.m., which is the Market Day immediately following the Record Date
<p><i>Notwithstanding that the Proposed Unit Consolidation will become effective on the Proposed Unit Consolidation Effective Date, the Units will in fact be traded as Consolidated Units earlier than the Proposed Unit Consolidation Effective Date on account of the fact that trades on the SGX-ST are settled on a “T+2” settlement cycle</i></p>	
Cease of Trading of Existing Units	<ul style="list-style-type: none">▪ 29 April 2025, 5.00 p.m., which is the day falling three Market Days before the Proposed Unit Consolidation Effective Date
Commencement of Trading in the Consolidated Units	<ul style="list-style-type: none">▪ 30 April 2025, 9.00 a.m., which is the day falling two Market Days before the Proposed Unit Consolidation Effective Date

Directors' Recommendation

Resolution 1:

The Manager is seeking approval from unitholders for the proposed consolidation of every ten (10) existing units in ESR-REIT held by unitholders into one (1) unit in ESR-REIT, fractional entitlement to be rounded up

Directors' Recommendation

Having considered the relevant factors, including the rationale for the Proposed Unit Consolidation as set out in paragraph 2.2 in the Circular, the Directors recommend that the Unitholders VOTE IN FAVOUR of the Resolution relating to the Proposed Unit Consolidation.



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