

MEDIA RELEASE

For immediate release

ESR-REIT Advances Portfolio Rejuvenation and Capital Recycling Strategy with Proposed Divestment of Eight Non-Core Singapore Assets Totalling S\$338.1 Million

- S\$338.1 million Proposed Divestment, representing a 2.0% premium to independent valuation
- Portfolio quality enhancement, with land lease tenure improving from 43.3 to 44.8 years across the portfolio and WALE increasing from 4.1 to 4.3 years
- Reduced short land lease exposure of assets of <15 years from 13.2% to 11.8%¹, reducing impact of land lease decay on NAV
- Pro forma leverage improves from 42.8% to approximately 39.2%, expanding debt headroom to approximately S\$1,114.0 million
- Strengthened financial flexibility to embark on future value-accretive New Economy opportunities through AEIs, redevelopments and acquisitions

Singapore, 15 December 2025 – ESR-REIT Management (S) Limited, the manager of ESR-REIT (the “**Manager**”), is pleased to announce the proposed divestment of a portfolio comprising eight non-core properties (“**Proposed Divestment**”) in Singapore (collectively, the “**Divestment Properties**”), for an aggregate sale consideration of S\$338.1 million (“**Divestment Consideration**”).

The Divestment Properties comprise: 46A Tanjong Penjuru, 86 & 88 International Road, 120 Pioneer Road, 21 & 23 Ubi Road 1, 24 Jurong Port Road, 13 Jalan Terusan, 60 Tuas South Street 1, and 43 Tuas View Circuit.

The Divestment Consideration represents a premium of 2.0% to the independent valuation of the Divestment Properties as at 30 November 2025.

Detailed information of the Divestment Properties is provided in the Appendix.

Commenting on the Proposed Divestment, Mr. Adrian Chui, Chief Executive Officer & Executive Director of the Manager, said, “The Proposed Divestment represents a disciplined and strategic step in our ongoing Portfolio Rejuvenation and Capital Recycling efforts. By realising value from non-core assets, we continue to reduce the impact of land lease decay in our net asset value (“**NAV**”). Through enhancing our balance sheet strength, ESR-REIT is better positioned to pursue new, value-accretive New Economy opportunities through asset enhancement initiatives (“**AEIs**”), redevelopments and acquisitions. The improvements in portfolio fundamentals, leverage and debt headroom underscore our commitment to delivering sustainable total returns to our Unitholders.”

1 Based on valuation as at 31 December 2024

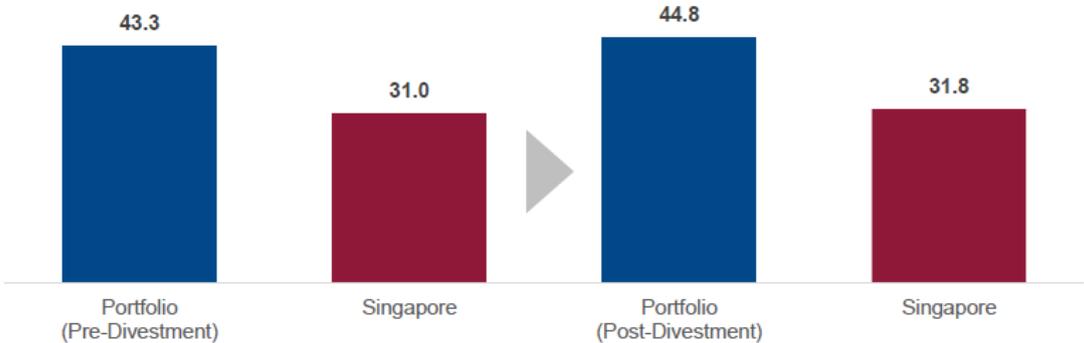
Proposed Divestment Enhances Portfolio Resilience and Financial Flexibility

The Proposed Divestment is expected to enhance ESR-REIT’s overall portfolio quality upon completion. On a pro forma basis as at 30 September 2025:

- Portfolio weighted average remaining land lease will improve from 43.3 years to 44.8 years;
- For the Singapore portfolio specifically, weighted average remaining land lease will improve from 31.0 years to 31.8 years; and
- Weighted average lease expiry (“WALE”) will increase from 4.1 years to 4.3 years

Land Lease Expiry

Improved Land Lease expiry from 43.3 years to 44.8 years on a portfolio basis with Singapore portfolio improving from 31.0 years to 31.8 years



Portfolio Weighted Average Lease Expiry (WALE)

Improved WALE from 4.1 years to 4.3 years on a portfolio basis



As at 30 September 2025, 13.2% of ESR-REIT’s portfolio comprises assets with remaining land leases of less than 15 years. Upon completion of the Proposed Divestment, this proportion is projected to decrease to 11.8%², consistent with ESR-REIT’s strategy to reduce the land lease decay impact on its NAV. Notably, four of the properties within the Proposed Divestment portfolio have land leases of approximately 13 years or less, and the divestment will meaningfully reduce ESR-REIT’s exposure to such assets with short land lease tenures.

² Based on valuation as at 31 December 2024

Assuming all net proceeds are fully utilised to repay existing debt, ESR-REIT's pro forma aggregate leverage as at 31 December 2024 will reduce from 42.8% to approximately 39.2% and is expected to increase ESR-REIT's pro forma debt headroom from S\$790.2 million to approximately S\$1,114.0 million, providing substantial financial flexibility to pursue future accretive investment opportunities. In addition, ESR-REIT's pro forma interest coverage ratio ("ICR") for the trailing 12 months as at 31 December 2024 is expected to improve from 2.5x to 2.6x, further strengthening ESR-REIT's capital structure.

Pro Forma Financial Impact

For illustration purposes, assuming that the Proposed Divestment was completed on 1 January 2024, the pro forma financial effect of the Proposed Divestment on ESR-REIT's Distribution per Unit ("DPU") for FY2024, will result in a -4.1% drop in DPU from 21.190³ Singapore cents to 20.323 Singapore cents, and the pro forma financial effect on NAV per Unit will result in an unchanged NAV per Unit of S\$2.75⁴. ESR-REIT's pro forma aggregate leverage as at 31 December 2024 will decrease from 42.8% to approximately 39.2%.

More Information on the Divestment Properties

The Divestment Properties were identified as part of the Manager's ongoing Portfolio Rejuvenation strategy to divest non-core assets in the portfolio, particularly those with short land lease tenures, to minimise the impact of land lease decay on NAV while supporting stable and growing distributions and NAV, and maintaining a future-ready asset portfolio. This approach aims to deliver sustainable total returns to the Unitholders of ESR-REIT.

The Proposed Divestments are also a key component of ESR-REIT's Capital Recycling strategy, and aligns with its proactive asset management approach, providing financial flexibility to redeploy sales proceeds into new, value-accretive New Economy opportunities through AEs, redevelopments and acquisitions.

The Divestment Properties are located in Singapore and are sited on leasehold land with an average remaining land lease of 22.4 years as at 30 September 2025.

###

For media and analyst enquiries, please contact:

ESR-REIT Management (S) Limited

Lyn Ong
Senior Manager,
Capital Markets and Investor Relations
P: +65 6222 3339
lyn.ong@esr-reit.com.sg

Sua Xiu Kai
Manager,
Corporate Communications
P: +65 6222 3339
xiukai.sua@esr-reit.com.sg

3 Units and DPU figures have been adjusted for the 10:1 Unit consolidation completed on 5 May 2025

4 Units and NAV figures have been adjusted for the 10:1 Unit consolidation completed on 5 May 2025

APPENDIX

Property Name	46A Tanjong Penjur	86 & 88 International Road	120 Pioneer Road	21 & 23 Ubi Road 1	24 Jurong Port Road	13 Jalan Terusan	60 Tuas South Street 1	43 Tuas View Circuit	Total ⁽⁸⁾
Asset Type	Logistics	General Industrial	General Industrial	High-Specifications Industrial	Logistics	General Industrial	General Industrial	General Industrial	-
Gross Floor Area (sqm)	48,652	22,039	23,043	18,838	75,904	22,777	4,150	11,412	226,815
Net Lettable Area (sqm)	48,136	22,039	20,064	13,778	67,647	21,366	4,150	11,412	208,592
Remaining Land Lease (years) ⁽⁵⁾	24.6	29.2	29.4	31.3	11.4	9.5	9.5	12.3	22.4 ⁽⁶⁾
Valuation (S\$ million) ⁽⁷⁾	109.5	42.2	34.1	42.5	68.0	16.7	3.5	15.1	331.6
Sale Consideration (S\$ million)	113.5	42.2	34.1	45.0	68.0	16.7	3.5	15.1	338.1

(5) The remaining land lease is calculated as at 30 September 2025

(6) This refers to the weighted average remaining land lease of the Divestment Properties as at 30 September 2025

(7) Based on the independent valuation of each of the Divestment Properties by the Independent Valuers as at 30 November 2025. Please refer to paragraph 3.1 of announcement titled "PROPOSED DIVESTMENT OF PORTFOLIO OF EIGHT (8) INDUSTRIAL PROPERTIES LOCATED IN SINGAPORE" announced on 15 December 2025 for further details

(8) Any discrepancies in the total figures are due to rounding

About ESR-REIT

ESR-REIT is a leading New Economy and future-ready Asia Pacific S-REIT. Listed on the Singapore Exchange Securities Trading Limited since 25 July 2006, ESR-REIT invests in quality income-producing industrial properties in key gateway markets.

As at 30 June 2025, ESR-REIT holds interests in a diversified portfolio of logistics properties, high-specifications industrial properties, business parks and general industrial properties with total assets of approximately S\$5.9 billion. Its portfolio comprises 70 properties (excluding 48 Pandan Road held through a joint venture) located across the developed markets of Singapore (50 assets), Australia (18 assets) and Japan (2 assets), with a total gross floor area of approximately 2.5 million sqm, as well as investments in three property funds in Australia. ESR-REIT is also a constituent of the FTSE EPRA Nareit Global Real Estate Index.

ESR-REIT is managed by ESR-REIT Management (S) Limited (the “Manager”) and sponsored by ESR. The Manager is owned by ESR (99.0%) and Shanghai Summit Pte. Ltd. (1.0%), respectively.

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

About the Sponsor, ESR

ESR is a leading Asia-Pacific real asset owner and manager focused on logistics real estate, data centres, and energy infrastructure that power the digital economy and supply chain for investors, customers, and communities. Through our fully integrated real asset fund management and development platform, we strive to create value and growth opportunities for our global portfolio of investors. We offer our customers modern space solutions to realise their ambitions across Australia and New Zealand, Japan, South Korea, Greater China, Southeast Asia, and India, including a presence in Europe. Our purpose, Space and Investment Solutions for a Sustainable Future, drives us to manage sustainably and impactfully for the communities we serve to thrive for generations to come. Visit www.esr.com for more information.

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-REIT Management (S) Limited (“**Manager**”), Perpetual (Asia) 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 news release 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.