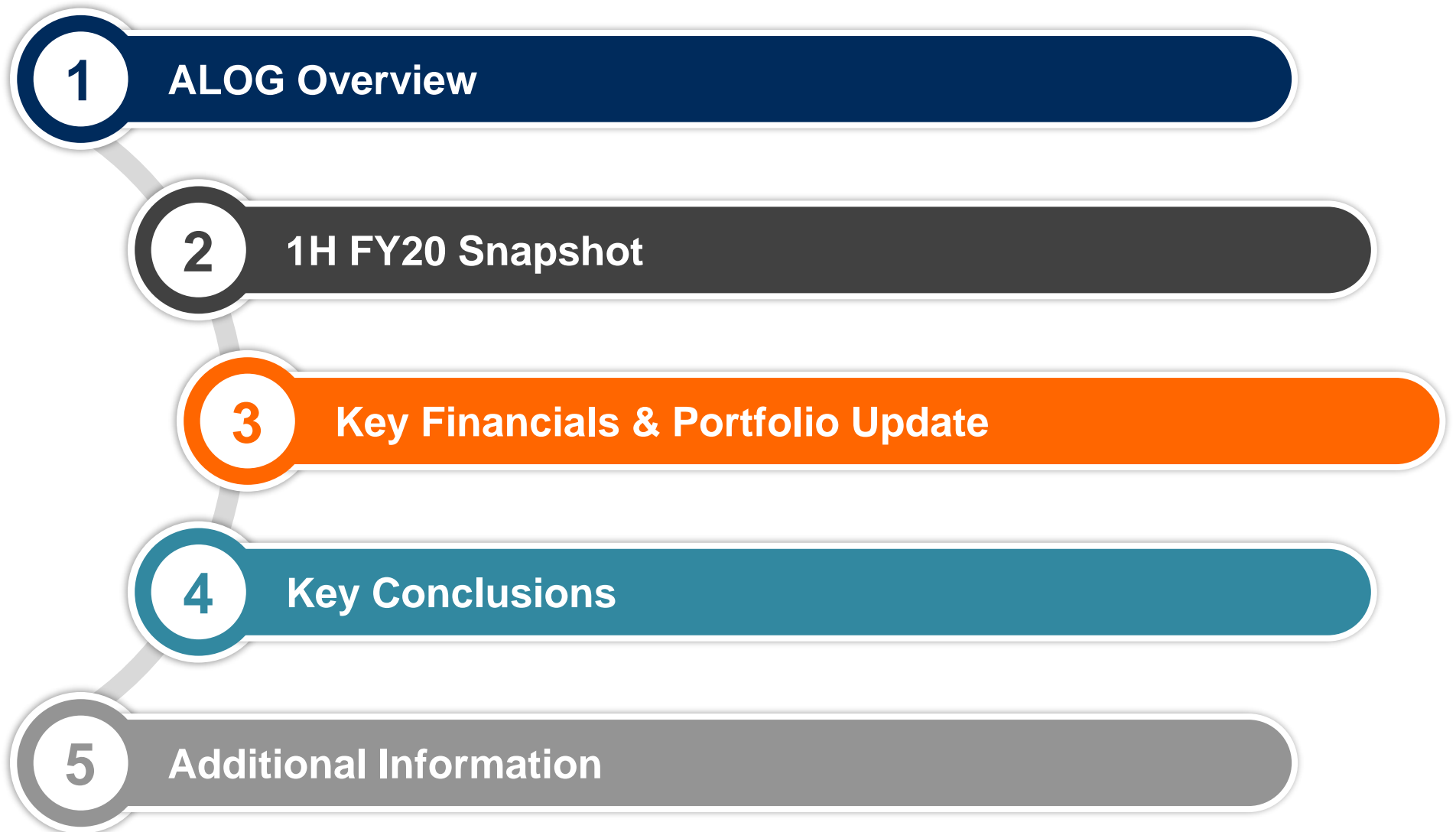




# ARA LOGOS Logistics Trust

SGX-CS Real Estate Virtual  
Corporate Day Presentation  
30 September 2020







## ALOG Overview

41 – 51 Mills Road, Braeside, Victoria, AUS

# ARA LOGOS Logistics Trust

Backed by ARA and Strong Sponsor, LOGOS

ARA LOGOS Logistics Trust, “ALOG”, (previously Cache Logistics Trust <sup>(1)</sup>) is a leading Asian logistics REIT with a S\$1.26 billion<sup>(2)</sup> portfolio across Singapore and Australia.

Listed on the SGX, ALOG invests in quality income-producing real estate used for logistics purposes and real estate-related assets in APAC.

## Supported by:

- **ARA** – One of Asia’s leading APAC real assets fund manager with a global reach; and
- **LOGOS** – ALOG’s Sponsor and a leading owner, developer and manager of logistics property across APAC

## Portfolio Statistics

- ✓ 27 Properties across Singapore and Australia
- ✓ 9.0 mil sf GFA
- ✓ S\$1.26 bil in property value
- ✓ WALE of 2.8 years by NLA

Singapore

10

Australia

5

Brisbane

1

Adelaide

2

Sydney

9

Melbourne

### Notes:

- (1) Name change effective 28 April 2020.  
(2) As at 30 June 2020.

# Vision & Strategy

Provide High Quality, Best-in-Class Logistics Real Estate Solutions to Our Customers



## OUR MISSION:

Long-term sustainable growth in DPU and NAV per unit to Unitholders

# Strong Sponsorship

## Cementing Position for a Transformative Growth Outlook



# ARA Overview

## Leading APAC Real Assets Fund Manager with Global Reach



### 2002

Founded in 2002 with a strong APAC focus  
Co-founded by Group CEO, John Lim with CK Asset Holdings



### Global network, local expertise

Headquartered in Singapore with **9 offices worldwide, present in >100 cities in 28 countries**



### Investor-operator model

Vertically-integrated investment, asset and property management to add value to every stage of the asset life cycle



### Robust ESG

An integral part of the business, with strong CG practices to meet fiduciary needs of institutional investors



### S\$110 billion<sup>1</sup>

Gross Assets Managed by ARA Group and its Associates



### Strong track record

Real Estate Investment Trusts (REITs)  
Private Real Estate Funds  
Infrastructure  
Country Desks  
Real Estate Management Services



### Experienced management

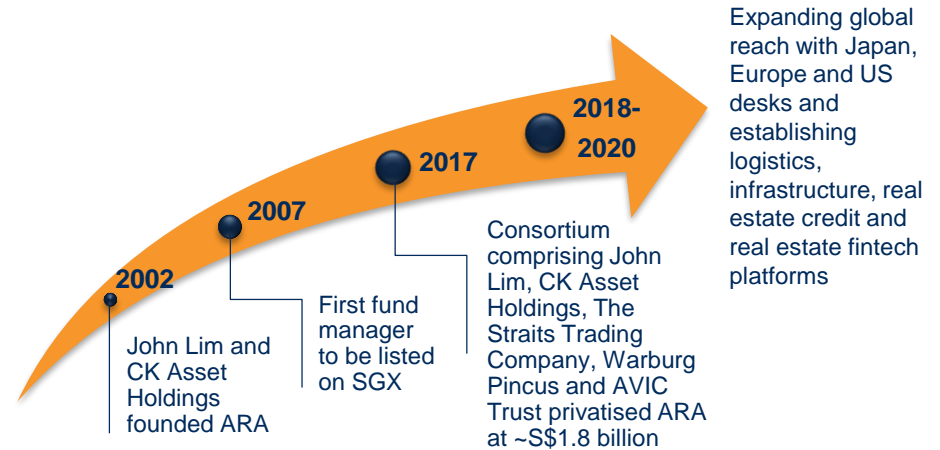
>25 years of experience on average



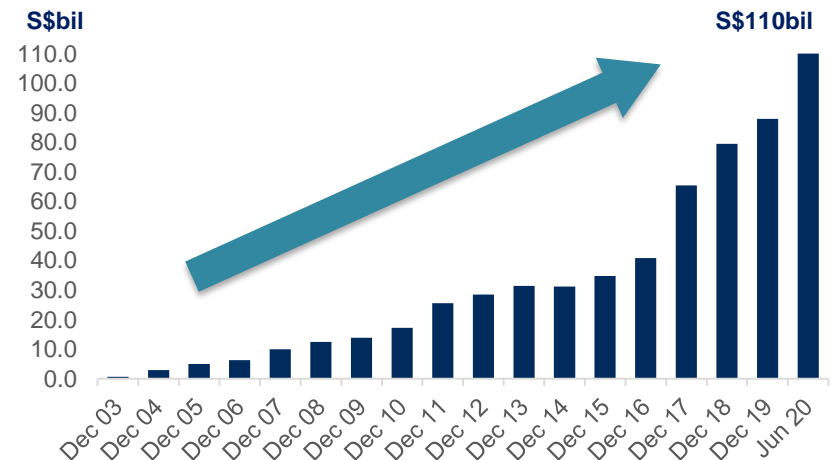
### Real estate ecosystem enabled by technology

Multi-platform, multi-product global fund management business complemented by forward-looking real estate technology strategy

### Consistent, disciplined business expansion and launch of new products....



### with robust track record



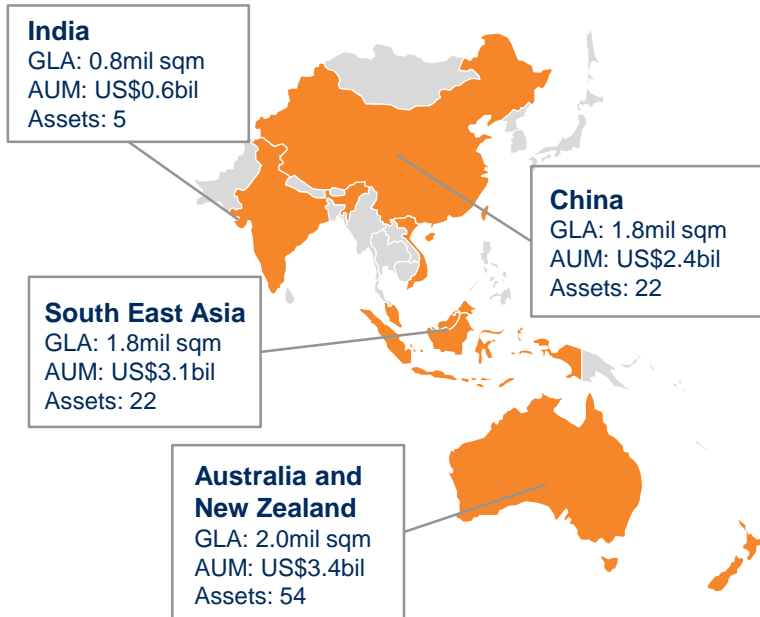
Notes:

(1) Includes assets under management by ARA Asset Management Limited and the Group of companies ("ARA Group") and its Associates as at 30 June 2020.

# LOGOS Overview

## Leading Logistics Developer and Real Estate Specialist in APAC

### Strong Regional Presence



### Vertically Integrated Platform with a Wide Offering



### Summary of Key Capital Partners



### Key Tenant Customers







**1H FY20 Snapshot**

*Pandan Logistics Hub, Singapore*

# 1H FY20 Snapshot

Improved Performance Underpinned by Strong Portfolio Fundamentals

## Financial Performance

Gross Revenue  
**S\$57.8 mil**

NPI  
**S\$43.9 mil**

Distributable Income Declared  
**S\$25.3 mil**

DPU to Unitholders  
**2.323 cents<sup>(1)</sup>**

Total Distributable Income Retained  
**S\$2.0 mil**

## Prudent Capital Management

Aggregate Leverage  
**40.4%**

All-in Financing Cost  
**3.45%**

NAV <sup>(2)</sup>  
**S\$0.58 per unit**

Interest Coverage Ratio <sup>(3)</sup>  
**3.6 times**

Total Debt <sup>(4)</sup>  
**S\$523.4 mil**

Average Debt to Maturity  
**3.5 years**

## Strong Portfolio Performance

Strong Portfolio Occupancy  
**97.0%** committed

WALE (by NLA)  
**2.8 years**

Significant Leases Secured  
**~ 1.4 mil sf** in 1H FY20

High Quality and Diversified Tenants  
**Serving Well-Supported Logistics Sectors**

### Notes:

(1) Includes 1Q FY20 DPU of 0.997 cents distributed to Unitholders on 29 May 2020.

(2) Based on 1,090,825,691 Units. NAV Per Unit is computed based on the net assets attributable to Unitholders.

(3) ICR is computed based on trailing 12-month period ending on 30 Jun 2020. Includes margin and amortisation of capitalised upfront fee, excluding non-recurring finance expenses and upfront fees written-off.

(4) Excludes unamortised transaction costs.



## Key Financials

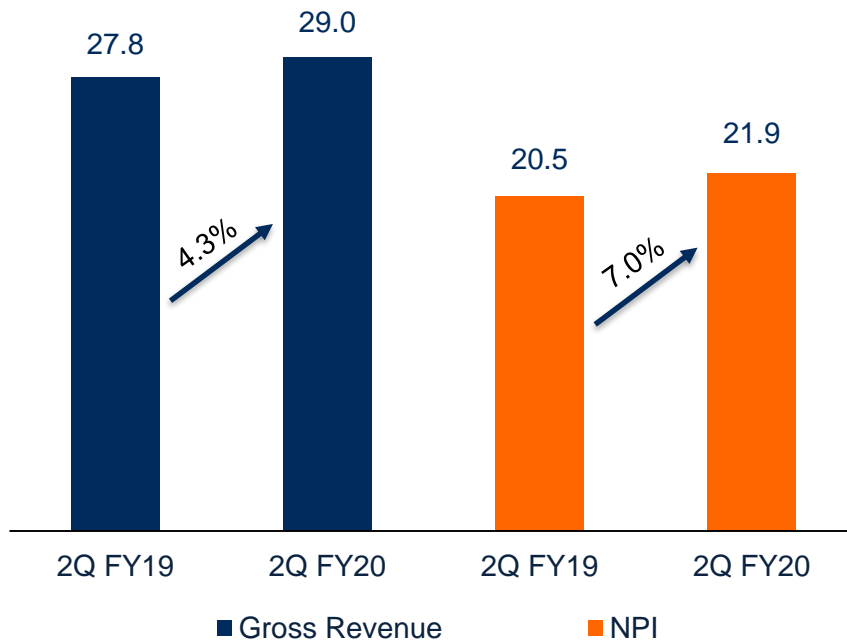
*ALOG Changi DistriCentre 1, Singapore*

# 2Q FY20 vs 2Q FY19 Performance (Y-o-Y)

## Delivered Improved Overall Performance

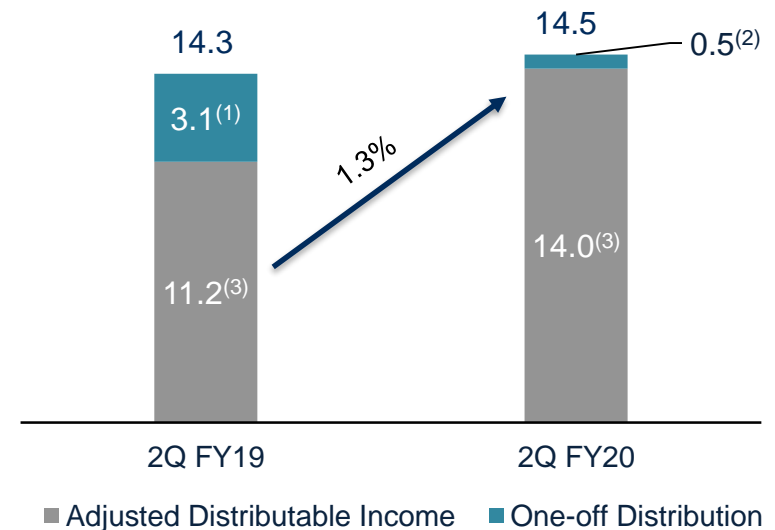
### Gross Revenue and Net Property Income

(S\$ million)



### Distributable Income

(S\$ million)



- Stronger performance recorded in 2Q FY20 compared to 2Q FY19.
- Higher Gross Revenue and NPI of 4.3% and 7.0% respectively, mainly due to commencement of new leases at several properties.
- 2Q FY20 distributable income increased 1.3% to S\$14.5 mil from S\$14.3 mil in 2Q FY19. On a like-for-like basis, 2Q FY20 was up 25.0% from 2Q FY19.<sup>(3)</sup>

Notes:

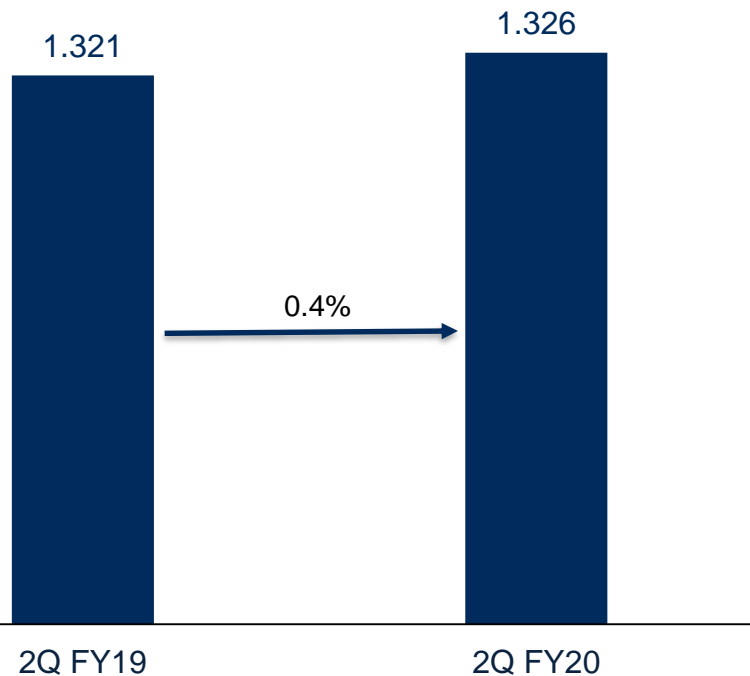
- (1) S\$2.7 mil distribution from 51 Alps Avenue and S\$0.4 mil capital distribution in 2Q FY19.
- (2) One-off distribution consists of S\$0.5 mil of the S\$2.5 mil retained distributable income in 1Q FY20 released as part of 2Q FY20 distributable income.
- (3) Excluding above footnote (1) and (2).

# 2Q FY20 vs 2Q FY19 Distribution (Y-o-Y)

## Delivered Improved Overall Performance

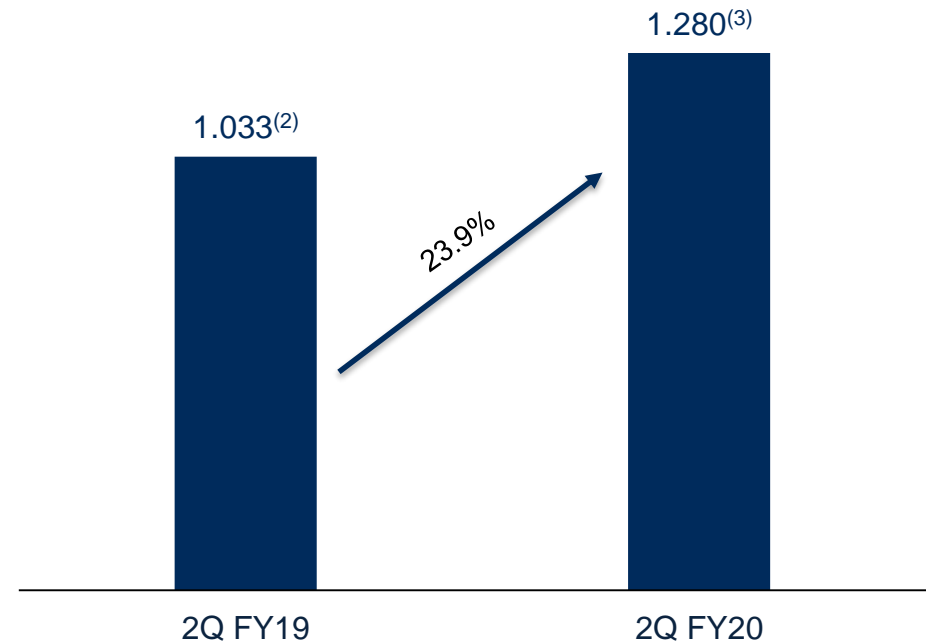
### DPU

(Cents)



### Adjusted DPU<sup>(1)</sup>

(Cents)



Notes:

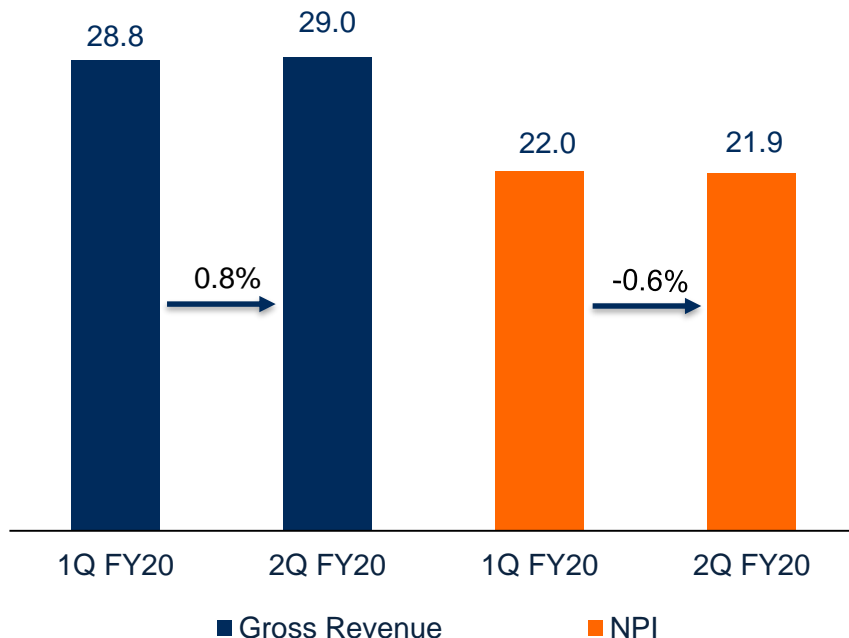
- (1) Excluding capital and one-off distribution for purpose of like-for-like comparisons.
- (2) Excluding S\$2.7 mil distribution from 51 Alps Avenue and S\$0.4 mil capital distribution in 2Q FY19.
- (3) Excluding S\$0.5 mil of the S\$2.5 mil retained distributable income in 1Q FY20 released as part of 2Q FY20 distributable income.

# 2Q FY20 vs 1Q FY20 Performance (Q-o-Q)

## Achieved Robust Performance in 2Q FY20

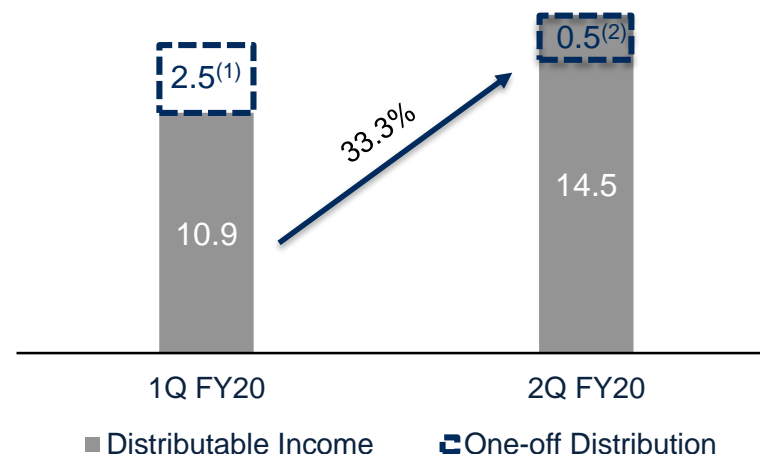
### Gross Revenue and Net Property Income

(S\$ million)



### Distributable Income

(S\$ million)



- Gross Revenue was 0.8% marginally higher mainly due to commencement of new leases for certain properties in 2Q FY20; NPI was however 0.6% lower marginally from S\$22.0 mil in 1Q FY20 mainly due to higher revenue partially offset by higher property expenses incurred from the portfolio.
- 2Q FY20 distributable income **increased 33.3%** to S\$14.5 mil from S\$10.9 mil in 1Q FY20. On a like-for-like basis, 2Q FY20 was up **4.6%**.<sup>(3)</sup>

Notes:

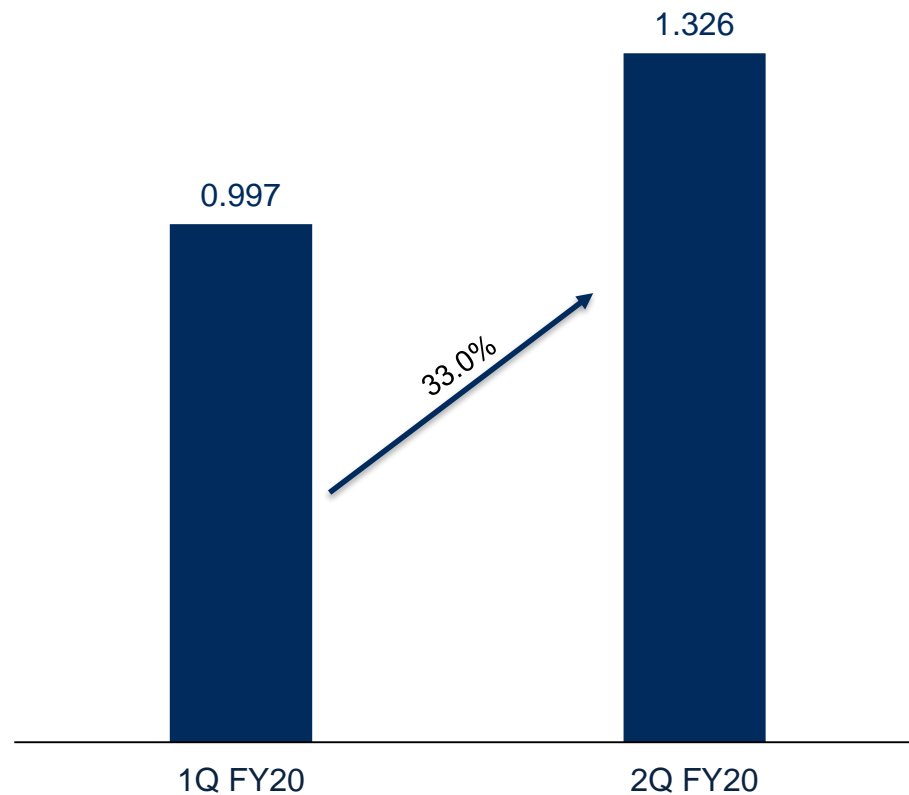
- (1) S\$2.5 mil retained distributable income in 1Q FY20 shown for purpose of like-for-like comparison.
- (2) S\$0.5 mil of the S\$2.5 mil retained distributable income in 1Q FY20 released as part of 2Q FY20 distributable income.
- (3) Including footnote (1) and excluding footnote (2).

# 2Q FY20 vs 1Q FY20 Distribution (Q-o-Q)

## Achieved Robust Performance in 2Q FY20

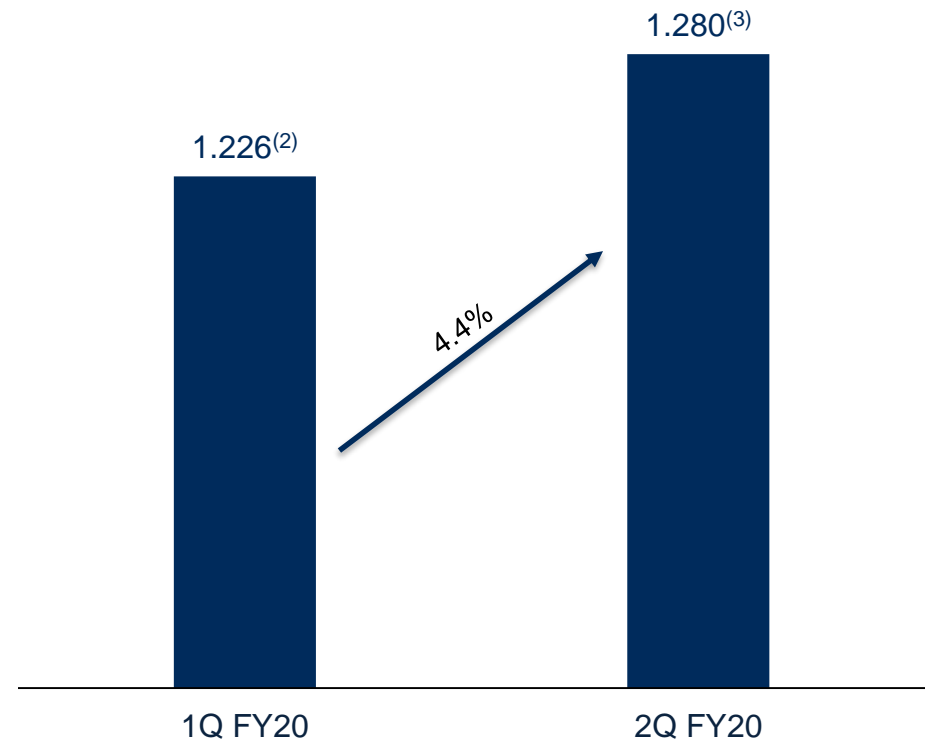
### DPU

(Cents)



### Adjusted DPU<sup>(1)</sup>

(Cents)



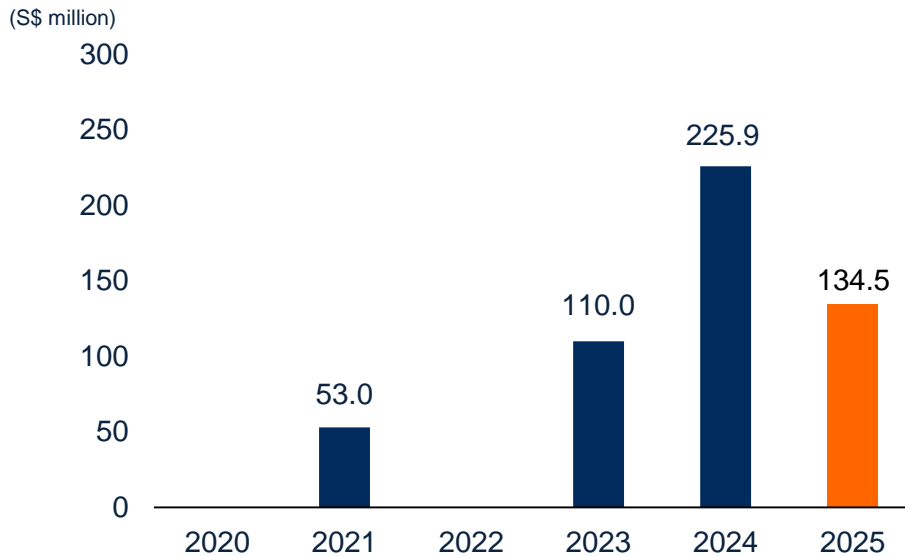
Notes:

- (1) Excludes capital and one-off distribution for the purpose of a like-for-like comparison.
- (2) Including the S\$2.5 mil retained distributable income in 1Q FY20 for purpose of like-for-like comparison.
- (3) Excluding the S\$0.5 mil of the S\$2.5 mil retained distributable income in 1Q FY20 released as part of 2Q FY20 distributable income.

# Prudent Capital Management

Well-Balanced Debt Maturity Profile Extending Into Future Years

## Debt Maturity Profile



Year	2020	2021	2022	2023	2024	2025
% of debt due	0%	10%	0%	21%	43%	26%

■ SGD Loan      ■ AUD Loan

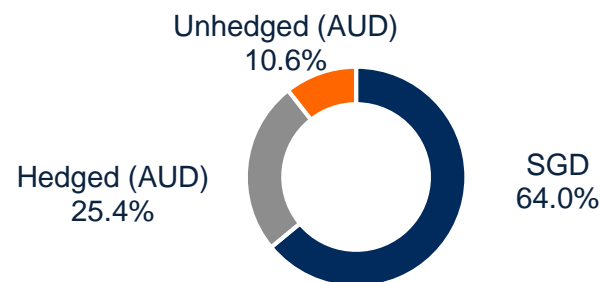
- Total Outstanding Debt of S\$523.4 mil as at end-Jun 2020.
- Well-Manageable Debt Maturity Profile. No further refinancing required until Dec 2021.
- Weighted Average Debt Maturity was 3.5 years as at 30 Jun 2020.

## Interest Rate Hedging



- 68.5% of total debt hedged.
- 83.6% of SGD debt and 28.6% of onshore AUD borrowings are hedged with an average term of 2.9 years.

## Forex Hedging



- 89.4% of distributable income is hedged or derived in SGD to reduce the impact of adverse exchange rate fluctuation.





# Portfolio Update

*ALOG Commodity Hub, Singapore*

# Portfolio Performance

## Strong Fundamentals

### High Occupancy

High Committed Portfolio Occupancy Achieved	97.0%
Significant leases secured in 1H FY20 <sup>(1)</sup>	1,453,500 sq ft

1H FY20 <sup>(1)</sup>	Area (sq ft)
Renewals	965,300
New Leases	488,200
<b>Total</b>	<b>1,453,500</b>
Rental Reversion <sup>(2) (3)</sup>	- 0.5% <sup>(4)</sup>

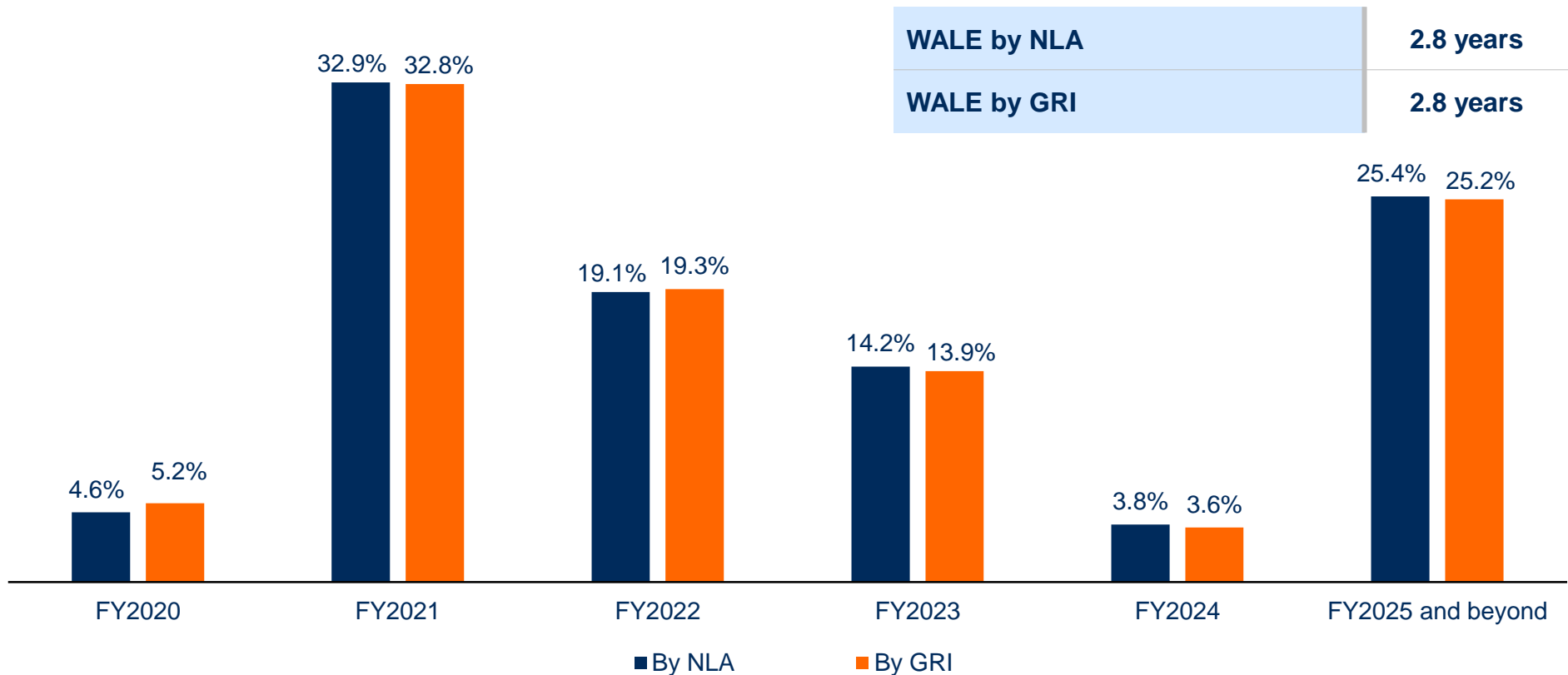
### Leases Secured in 1H FY20



- Notes:
- (1) Excludes short-term leases.
  - (2) Based on the weighted average variance between the average signing rents for new and renewed leases and the average signing rents of preceding leases.
  - (3) Excludes leases with different lease structures (e.g. master lease to multi-tenant), short-term leases and when the leased areas differ significantly.
  - (4) Mainly attributed to lease expansion for a tenant with lower signing rent secured against the preceding lease.

# Portfolio Expiry Profile

## Well-Balanced Lease Expiry Profile



- Only 5.2% lease expiries remaining for FY2020 (by GRI).
- Making progress on FY2021 expiries; commenced negotiations with existing and potential new tenants to secure early commitments ahead of expiry i.e. at least 6 months in advance.

# Portfolio Rebalancing & Growth

Performance Driven by Diversified and Balanced Portfolio

## Portfolio NLA



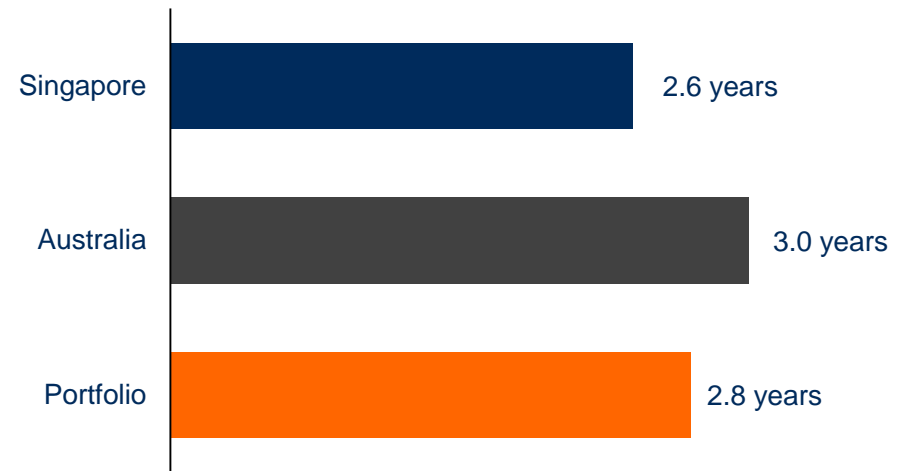
## Gross Revenue



## Portfolio Valuation



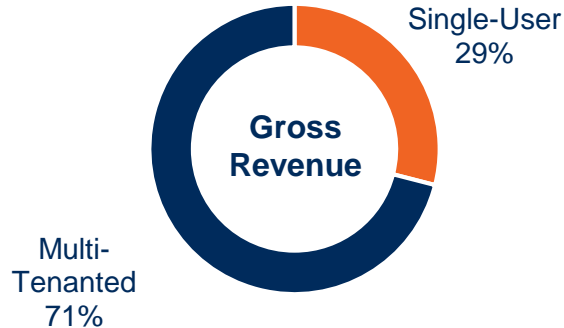
## WALE (by NLA)



# Portfolio Diversification –

## Strong and Diversified Portfolio Supported by Quality Tenants

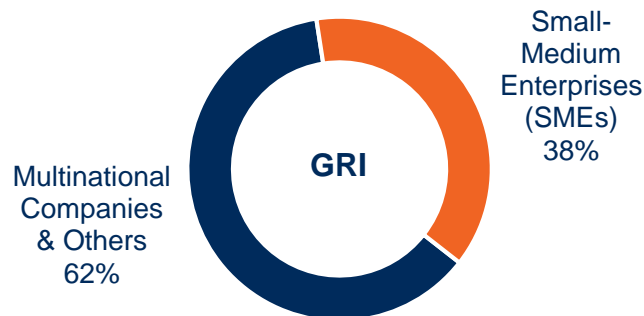
### 1 Greater Balance of Multi-Tenanted and Single-User Lease Structures



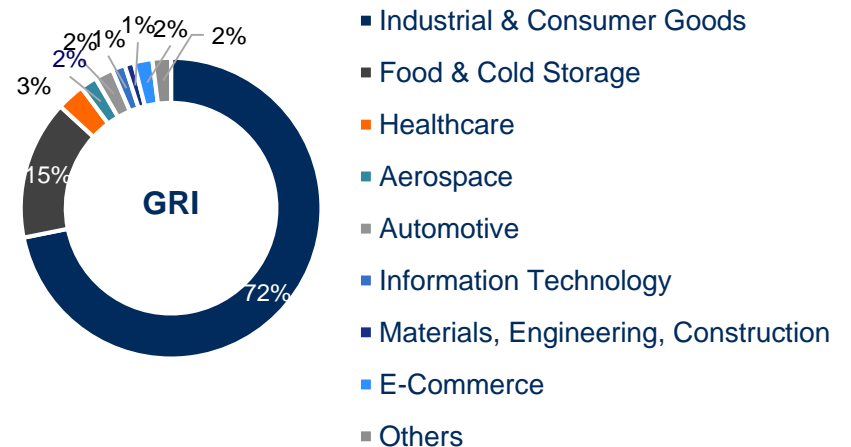
### 2 Geographical Diversification



### 3 Credit Quality: Majority of Tenants are Multinational Companies (MNCs)



### 4 Well-Supported Industry Sectors Represented

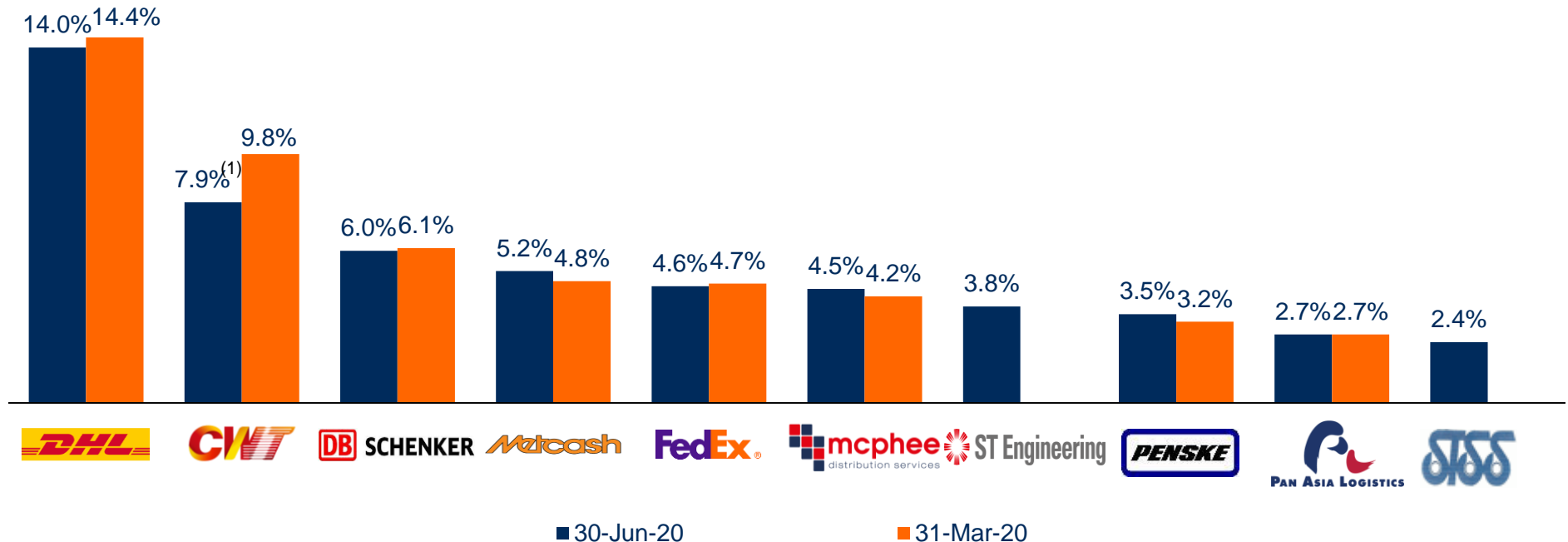


# Diversified Tenant Base

## High Quality Tenants

- Top 10 tenants make up approximately 54.5% of ALOG's GRI.
- Tenants comprise mainly high quality multinational businesses in the logistics / supply chain and other diverse sectors including FMCG, transportation and construction.

### Top 10 Tenants by % of GRI



Notes:  
(1) Reduces to 5.9% from 1 July 2020.



- ALOG's tenants have been operating in SG and AUS throughout the course of the pandemic.
- High rental collection rate seen across ALOG's portfolio.



- Commenced passing on the property tax rebates from the Singapore Government's Resilience Budget to its tenants.
- Approximately 20 SMEs in SG have written in so far to enquire about the SG Gov Assistance packages and only a couple have made formal representation seeking relief.
- Only 2 leases in AUS so far qualifies under the AUS Code of Conduct for rental relief.



- Continues to maintain strong track record of high occupancy.
- Management continues to receive leasing enquiries and will continue its proactive marketing efforts.



- The Manager will continue to review the release of the remaining S\$2.0 million retained distribution income while remaining mindful of the current conditions.
- Prudently managing ALOG's cash flow to balance between distribution to Unitholders and provisioning for future events.

# ESG Efforts

Ongoing Efforts to Integrate Sustainability in ALOG's Business

ALOG has been awarded  
“Singapore Corporate  
Renewable Energy Company of  
the Year”  
by Frost & Sullivan.







## Key Conclusions

*DHL Supply Chain Advanced Regional Centre, Singapore*

# Key Conclusions

## Well-Positioned for a Transformative Outlook Ahead

1

### Defensive Portfolio

*Stable and Resilient Logistics Market Fundamentals*

2

### Transformative Change Ahead

*LOGOS on Board as Sponsor and Strong Commitment from ARA and LOGOS to Grow ALOG*

3

### Well-Positioned for Sustainable Long-Term Growth

*Access to ARA and LOGOS' Strong APAC Network and Pipeline Opportunities to Drive Future Growth*

# Contact Information



## For enquiries:

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### **Cassandra Seet**

Manager, Investor Relations

cassandraset@ara-  
group.com

### **ARA LOGOS Logistics Trust Management Limited**

5 Temasek Boulevard #12-01

Suntec Tower Five

Singapore 038985

Tel: +65 6835 9232

Website: [www.aralogos-reit.com](http://www.aralogos-reit.com)

# Disclaimer

This presentation has been prepared by ARA LOGOS Logistics Trust Management Limited, in its capacity as the manager of ALOG (the “**Manager**”) and includes market and industry data and forecast that have been obtained from internal survey, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information. While the Manager has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, none of the Manager or any of its officers, representatives, affiliates or advisers has independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.

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## Additional Information

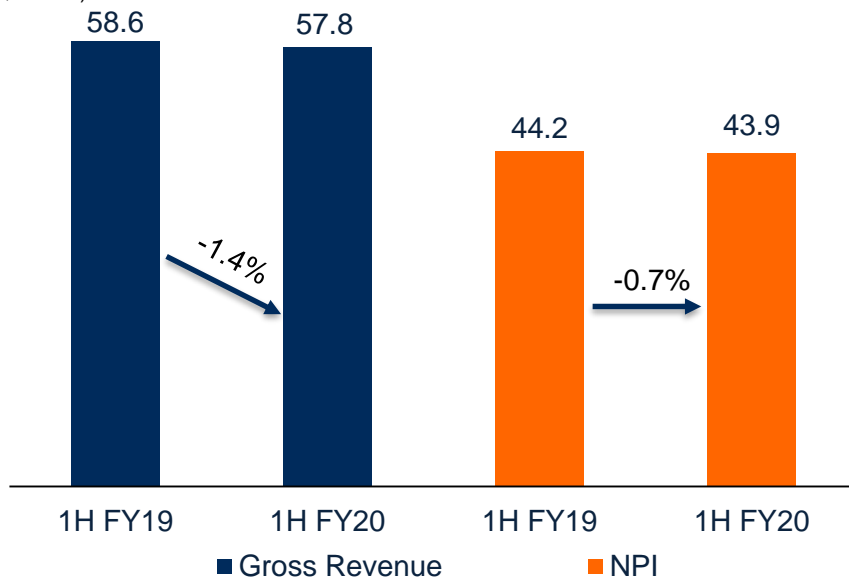
223 Viking Drive, Wacol, Queensland ,AUS

# 1H FY20 vs 1H FY19 Performance

## Stable Operating Metrics

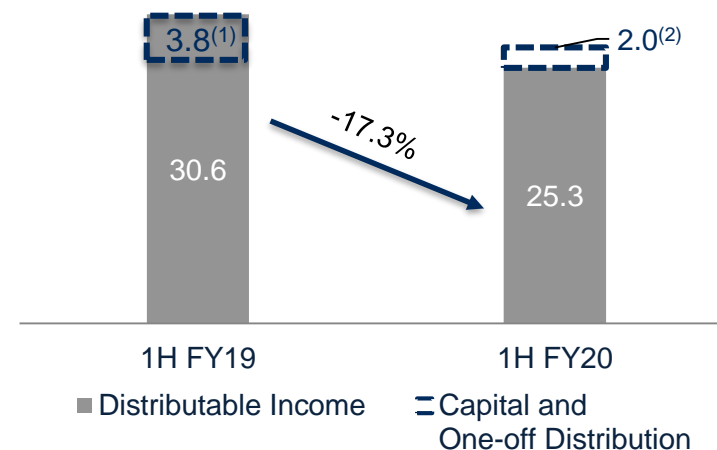
### Gross Revenue and Net Property Income

(S\$ million)



### Distributable Income

(S\$ million)



- Gross Revenue and NPI decreased by 1.4% and 0.7% respectively, due to:
  - i. transitory downtime between replacement tenants at ALOG Cold Centre and Pandan Logistics Hub;
  - ii. rental waivers to be given to qualifying SME tenants as part of the rental relief framework under the COVID-19 (Temporary Measures) (Amendment) Bill;
  - iii. weaker Australian dollar; and
  - iv. partially offset by higher revenue at ALOG Commodity Hub with the commencement of new leases in 2Q FY20 and additional rental contribution from the property in Altona, Victoria, Australia acquired in April 2019.
- 1H FY20 distributable income would have been **2.1% higher** as compared to 1H FY19 on a like-for-like basis.<sup>(3)</sup>

Notes:

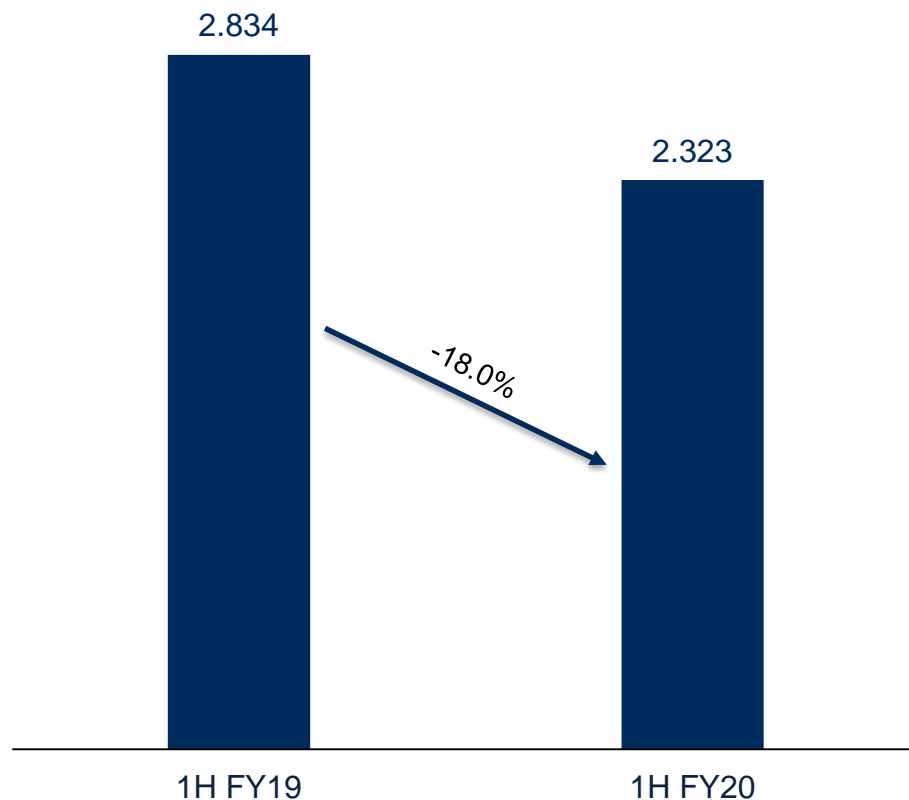
- (1) One-off S\$0.7 mil tax-exempt distribution from the divestment of Jinshan Chemical Warehouse, S\$2.5 mil distribution from 51 Alps Avenue and S\$0.6 mil capital distribution in 1H FY19.
- (2) S\$2.0 mill of distributable income is retained to address potential mandatory rental deferral and/or waivers required to support some tenants. Amount shown for purpose of like-for-like comparisons only.
- (3) Excluding footnote (1) and including footnote (2).

# 1H FY20 vs 1H FY19 Distribution

## Stable Operating Metrics

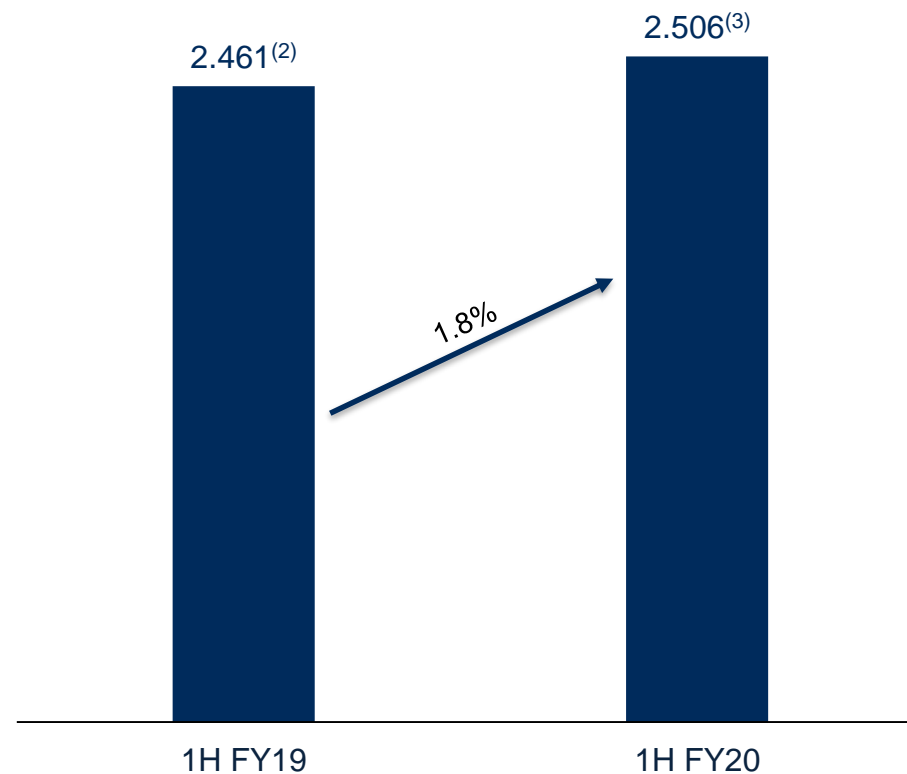
### DPU

(Cents)



### Adjusted DPU<sup>(1)</sup>

(Cents)



Notes:

- (1) Excludes capital and one-off distribution for the purpose of a like-for-like comparison.
- (2) Excluding S\$0.7 mil tax-exempt distribution from the divestment of Jinshan Chemical Warehouse, S\$2.5 mil distribution from 51 Alps Avenue and S\$0.6 mil capital distribution in 1H FY19.
- (3) Including the S\$2.0 mil retained distributable income in 1H FY20.

# Portfolio Statistics

(as at 30 Jun 2020)

<b>27 Logistics Warehouse Properties</b>	Singapore - 10 Australia - 17
<b>Total Valuation<sup>(1)</sup></b>	S\$1.26 bil
<b>Gross Floor Area (GFA, approx.)</b>	9.0 million sq ft
<b>Committed Occupancy</b>	<b>Portfolio – 97.0%</b> Singapore – 98.6% Australia – 94.7%
<b>Average Building Age</b>	16.0 years
<b>Weighted Average Lease to Expiry (“WALE”) by NLA</b>	2.8 years
<b>WALE by Gross Rental Income (“GRI”)</b>	2.8 years
<b>Weighted Average Land Lease Expiry</b>	54.0 years <sup>(2)</sup>
<b>Rental Escalations within Single-Tenant / Master Leases</b>	~1% to 4% p.a.
<b>Number of Tenants</b>	70

Notes:

(1) Based on FX rate of S\$1.00 = A\$1.0588.

(2) For the purpose of presentation, freehold properties are computed using a 99-year leasehold tenure.



# ALOG's Portfolio Overview

## Singapore

### Changi North / Loyang



**8** Pan Asia Logistics Centre  
21 Changi North Way



**9** Air Market Logistics Centre  
22 Loyang Lane

### Airport Logistics Park



**5** Schenker Megahub  
51 Alps Avenue

### Tampines LogisPark



**10** DHL Supply Chain ARC  
1 Greenwich Drive



### Changi South



**6** ALOG Changi DistriCentre 1  
5 Changi South Lane



**7** ALOG Changi DistriCentre 2  
3 Changi South Street 3

### Pandan/ Penjuru/ Gul Way



**1** ALOG Commodity Hub  
24 Penjuru Road



**2** ALOG Cold Centre  
2 Fishery Port Road



**3** Pandan Logistics Hub  
49 Pandan Road



**4** ALOG Gul LogisCentre  
15 Gul Way

# ALOG's Portfolio Overview

## Australia

### Brisbane, Queensland



**11** 51 Musgrave Road, Coopers Plains



**12** 203 Viking Drive, Wacol



**13** 223 Viking Drive, Wacol



**14** 11 – 19 Kellar Street, Berrinba



**15** 196 Viking Drive, Wacol

### Sydney, New South Wales



**16** 127 Orchard Road, Chester Hill



**17** 3 Sanitarium Drive, Berkeley Drive

### Adelaide, South Australia



**26** 404 – 450 Findon Road, Kidman Park

### Melbourne, Victoria



**18** 16 – 28 Transport Drive, Somerton



**19** 217 – 225 Boundary Road, Laverton North



**20** 16 – 24 William Angliss Drive, Laverton North



**21** 151 – 155 Woodlands Drive, Braeside



**22** 41 – 51 Mills Road, Braeside



**23** 67 – 93 National Boulevard, Campbellfield



**24** 41 – 45 Hydrive Close, Dandenong South



**25** 76 – 90 Link Drive, Campbellfield



**27** 182 – 198 Maidstone Street, Altona

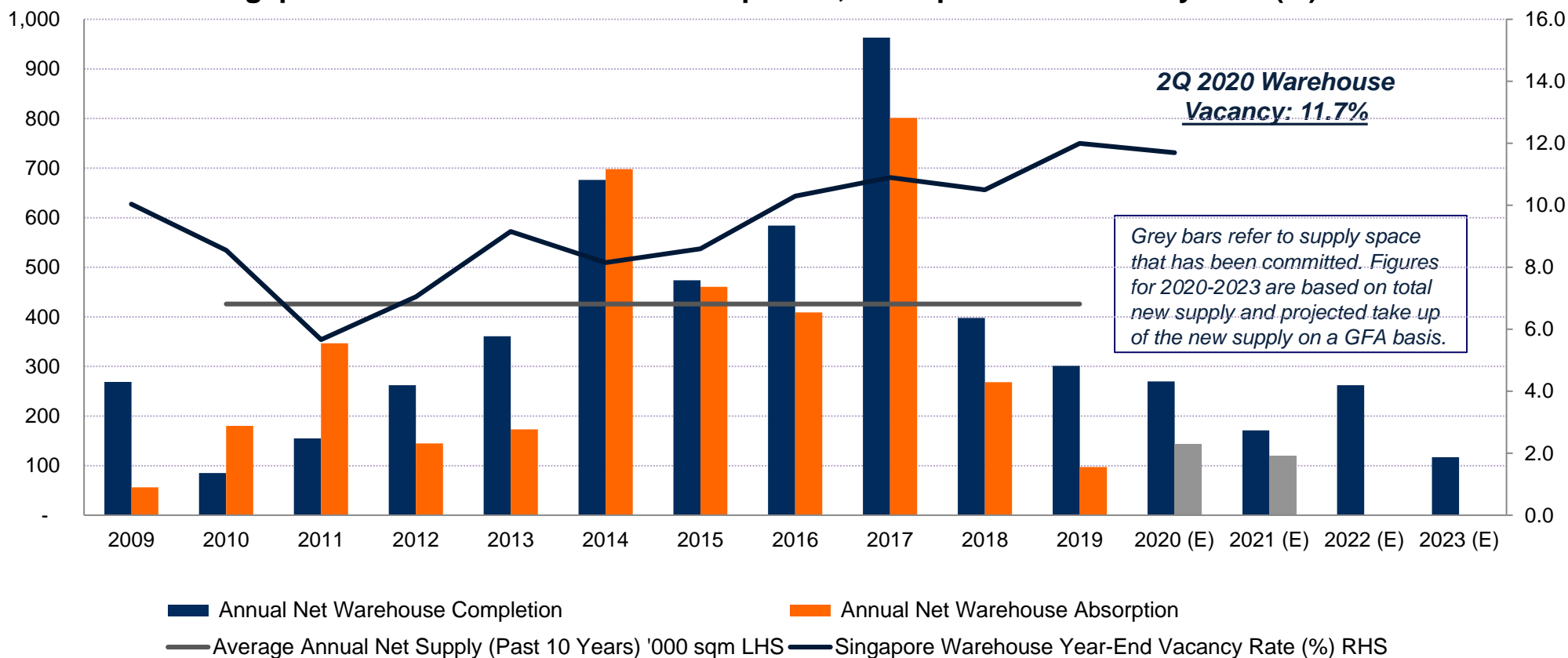


# Market Outlook – Singapore

Stable Logistics Market Fundamentals with High Growth Potential

## Moderated Supply Pipeline

Singapore Warehouse Annual Net Completion, Absorption and Vacancy Rate (%)

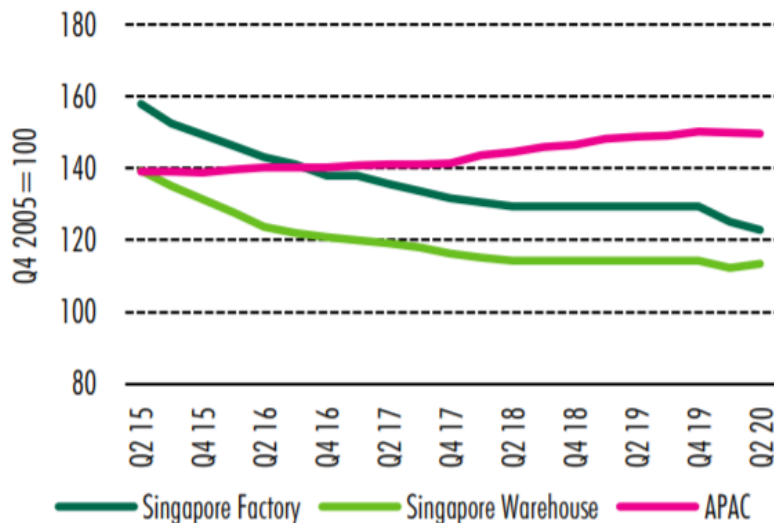


# Market Outlook - Singapore

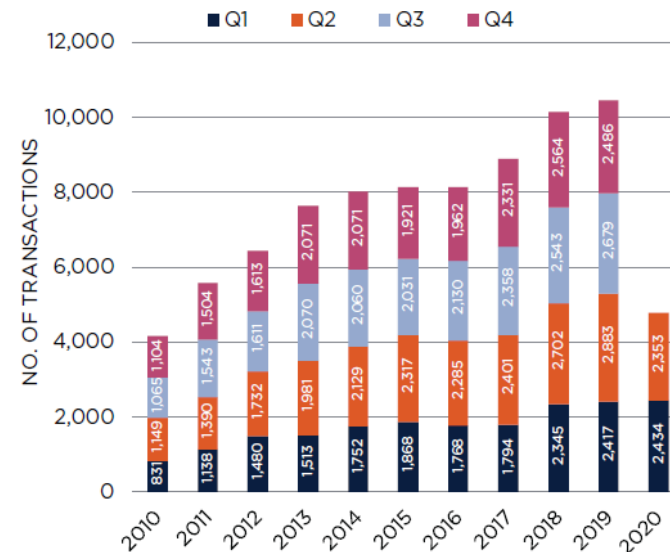
## Stable Logistics Market Fundamentals with High Growth Potential LOGISTICS TRUST

- Higher leasing activities were seen towards the end of 2Q 2020, especially for prime logistics, on the back of government stockpiling and demand increase during the “circuit breaker” period from e-commerce, food logistics and third-party logistics players.
- Research have also shown that players involved in the last-mile delivery set up short-term fulfilment centres to cater to the higher e-commerce demand, thus compressing the overall prime logistics vacancy.
- Rents for logistics and warehouse properties are expected to see a year-on-year lower decline of 5.0% this year and the warehouse segments continues to be supported by higher demand for logistics and storage needs.

**Industrial Rental Index**



**Factory And Warehouse Leasing Volumes, 2010 to 2Q 2020**



Notes:

- CBRE Research, Marketview, Singapore, Q2 2020.
- Savills Research, Singapore Industrial, August 2020.

# Market Outlook - Australia

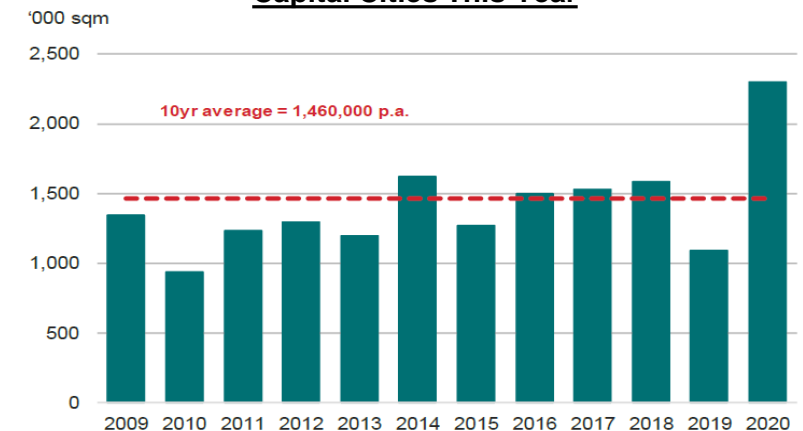
## Stable and Resilient Logistics Market Fundamentals

- Deloitte's forecasted a 5.2% contraction in GDP growth in 2020.
- Improved outlook is however expected to be underpinned by:
  - Sizable fiscal stimulus packages amounting to 16.4% of GDP, designed to help businesses and workers;
  - Reduction in the official cash rate to a record low of 0.25% and easing in the AUS dollar, providing further stimulus; and
  - Ongoing infrastructure pipeline.
- Notwithstanding the short-term impacts, macro drivers for industrial and logistics tenancy demand such as growth in e-commerce and infrastructure investment continue to support leasing activity.
- Higher demand for additional warehouse space seen from sectors under e-commerce, essential goods, pharmaceutical supplies, medical equipment and online retail sectors.
- Industrial property markets are expected to be relatively resilient and long-term growth drivers for the Australian industrial market remain intact with continued expansion in e-commerce and infrastructure investment.

### Annual GDP Growth, Australia



### Industrial Supply Expected to Rise Across the Australian Capital Cities This Year



#### Notes:

- (1) Dexis Research, Australian Real Estate Quarterly Review, 2Q 2020.
- (2) Colliers Research, Industrial & Logistics Market Update, 2Q 2020.