



ARA LOGOS
Logistics Trust
Annual General Meeting
Presentation
30 April 2021





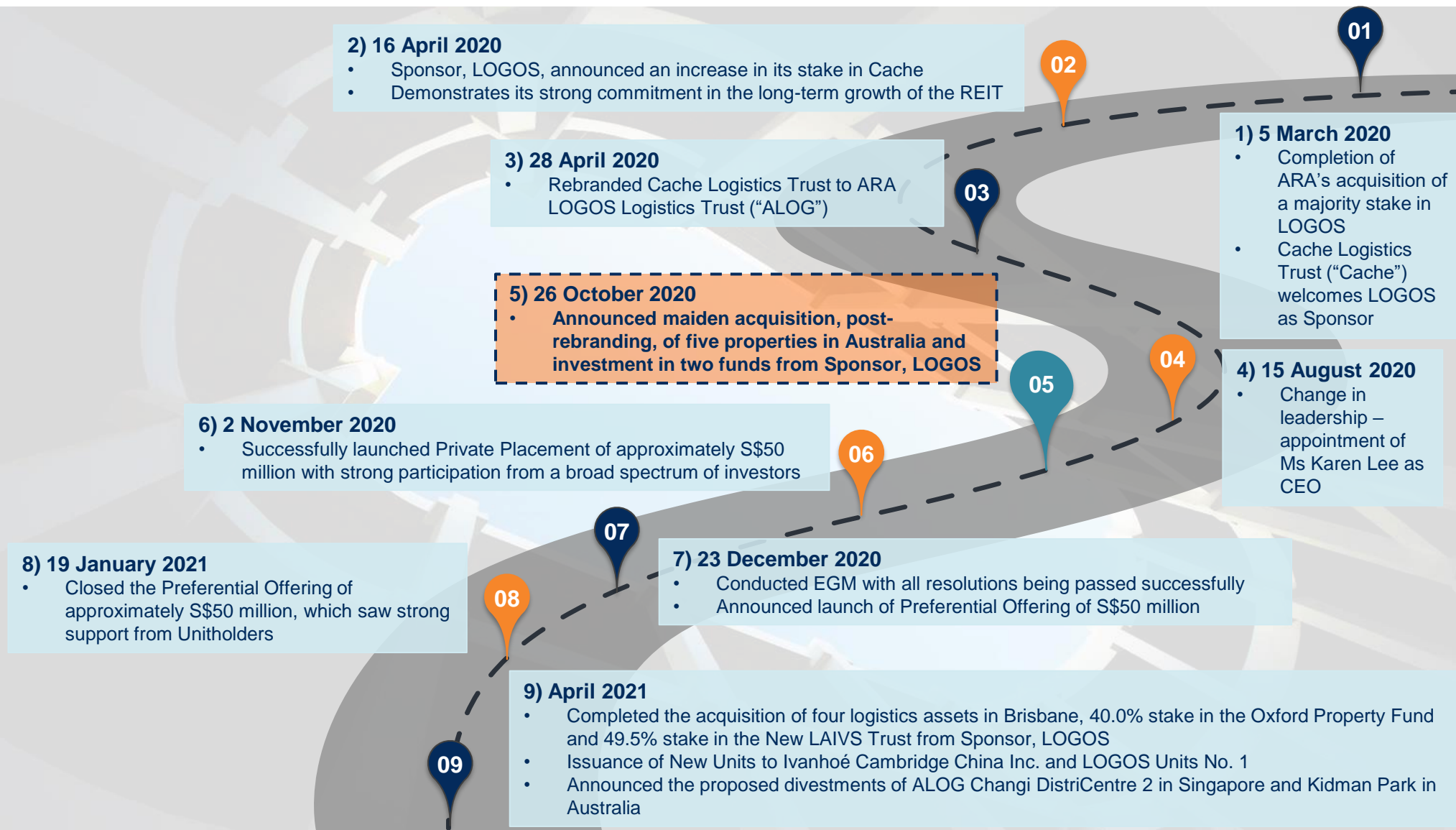


Year in Review

41 – 51 Mills Road, Braeside, Victoria, AUS

FY2020 - Pivotal Year

Well-Positioned for a Transformational Growth Journey Ahead





Key Financial Highlights

ALOG Changi DistriCentre 1, Singapore

Strong Financial Performance

Delivering Top and Bottom-Line Growth in FY2020

FY2020 Financial Performance

Gross Revenue
S\$117.4 mil

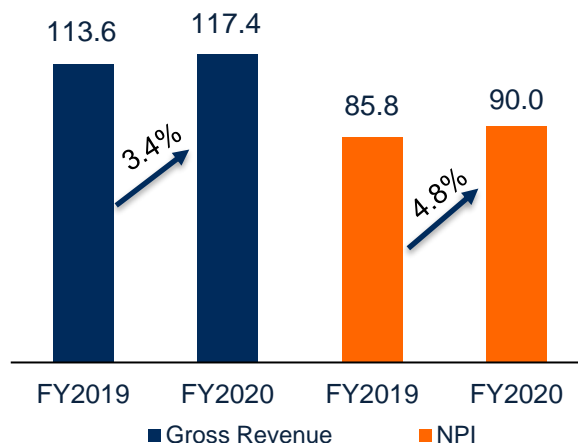
NPI
S\$90.0 mil

Distributable Income Declared
S\$58.8 mil

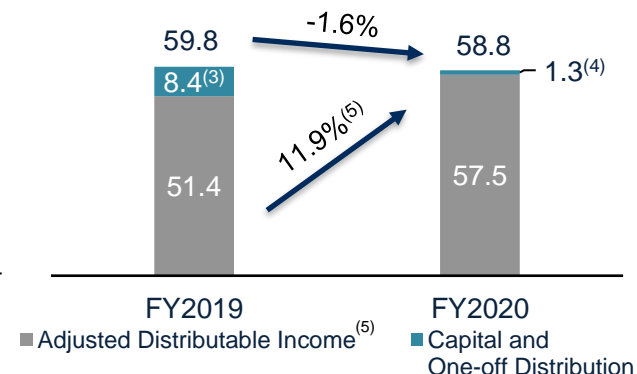
DPU
5.250 cents (1)

Retained Distributable Income Released to Unitholders as at 31 December 2020
S\$2.5 mil (2)

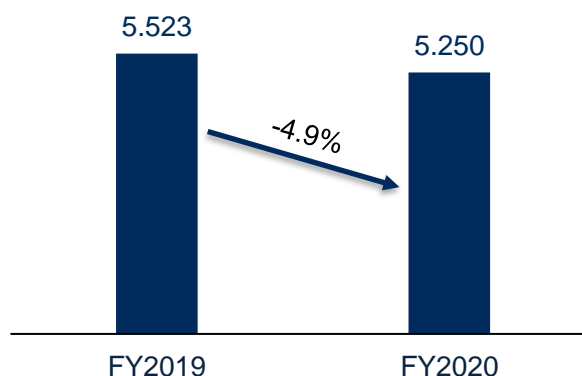
Gross Revenue and NPI (S\$mil)



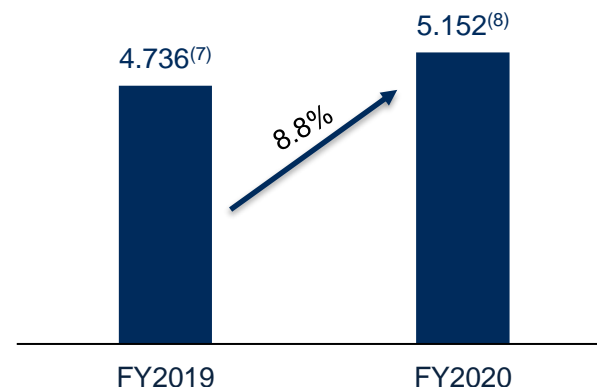
Distributable Income (S\$mil)



DPU⁽⁶⁾ (Cents)



Adjusted DPU⁽⁵⁾⁽⁶⁾ (Cents)



Notes:

- (1) DPU for FY2020 factored in the enlarged base with Private Placement Units issued on 11 November 2020 and Preferential Offering Units issued on 25 January 2021. The restated FY2020 DPU, including the effects of the Preferential Offering, is 5.220 cents.
- (2) The retained distributable income of S\$2.5 million in 1Q FY2020 has been fully released back to Unitholders as at 31 December 2020.
- (3) One-off distribution of S\$6.6 mil in relation to 51 Alps Avenue and the divestment of Jinshan Chemical Warehouse and capital distribution of S\$1.8 mil in FY2019.
- (4) One-off capital distribution of S\$1.3 mil in FY2020.
- (5) Excluding footnote (3) and (4). Amount shown for purpose of like-for-like comparisons only.
- (6) DPU for FY2020 factored in the enlarged base with Private Placement Units issued on 11 November 2020 and Preferential Offering Units issued on 25 January 2021.
- (7) Excluding footnote (3).
- (8) Excluding footnote (4).

Prudent Capital Management

Resilient Balance Sheet and Well-Spread Debt Maturity Profile

Prudent Capital Management

Aggregate Leverage

39.0%

All-in Financing Cost

3.22%

NAV

S\$0.57 per unit (1)

Interest Coverage Ratio

4.0 times (2)

Total Debt

S\$521.9 mil (3)

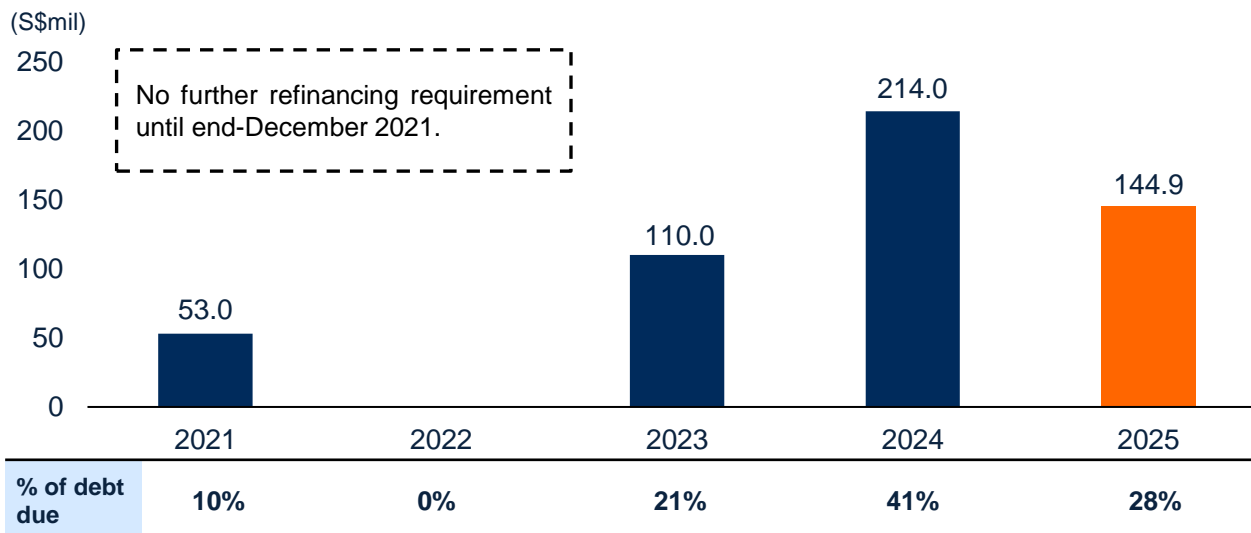
Average Debt to Maturity

3.1 years

% of Distributable Income is Hedged or Derived in SGD

88.8%

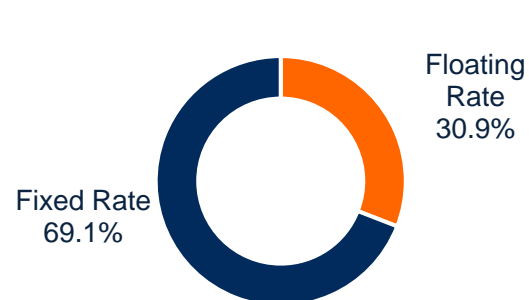
Debt Maturity Profile



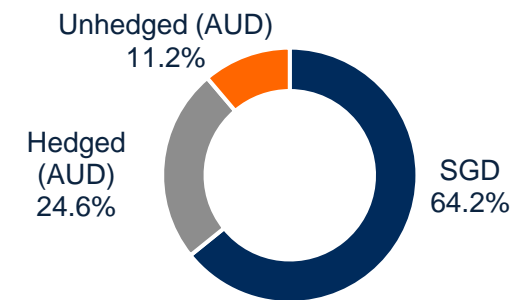
■ SGD Loan

■ AUD Loan

Interest Rate Hedging



Forex Hedging



Notes:

(1) Based on 1,186,965,979 Units (excludes the Preferential Offering Units issued on 25 January 2021). NAV Per Unit is computed based on the net assets attributable to Unitholders.

(2) ICR is computed based on trailing 12-month period ending on 31 December 2020. Includes margin and amortisation of capitalised upfront fee, excluding non-recurring finance expenses and upfront fees written-off.

(3) Excludes unamortised transaction costs.

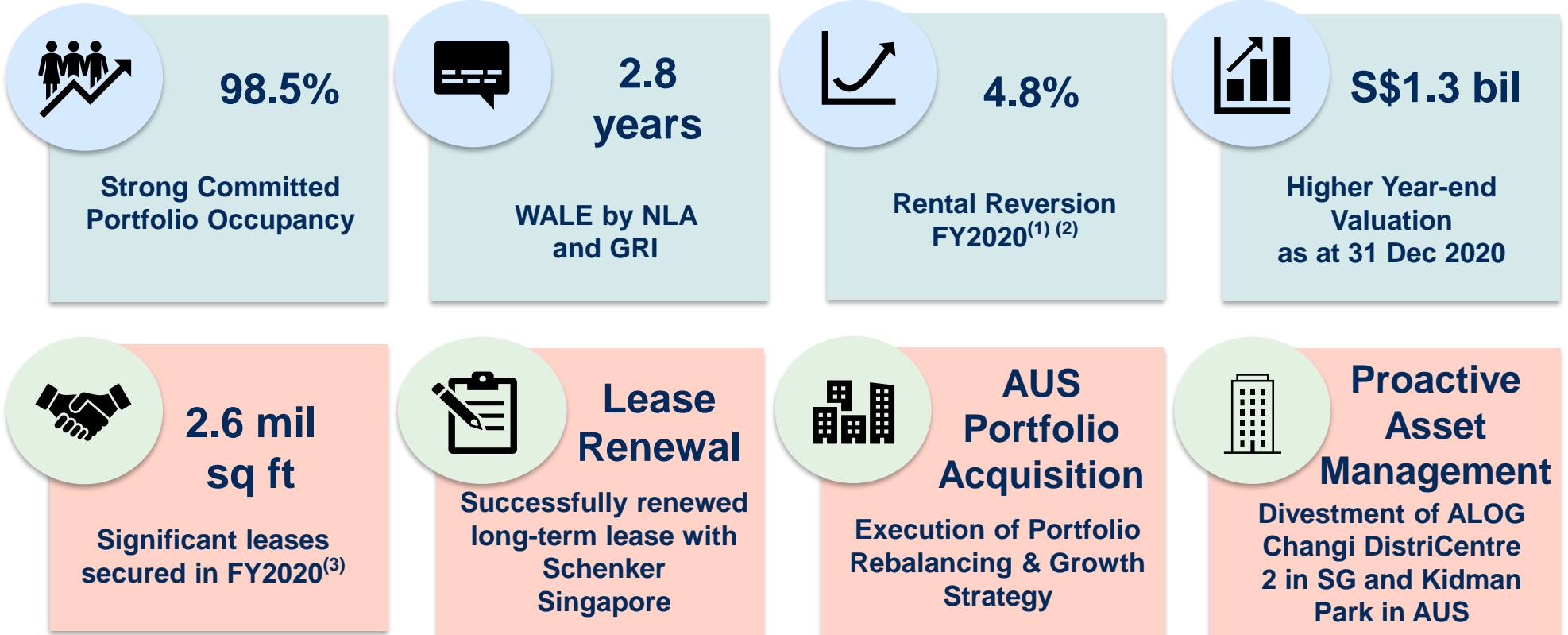


Portfolio Highlights

ALOG Commodity Hub, Singapore

Proactive Portfolio Management

Delivering Strong Operating Metrics



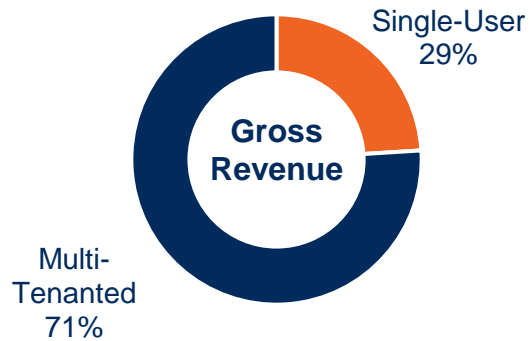
Notes:

- (1) Based on the weighted average variance between the average signing rents for new and renewed leases and the average signing rents of preceding leases.
- (2) Excludes leases with different lease structures (e.g. master lease to multi-tenant), short-term leases and when the leased areas differ significantly.
- (3) Excludes short-term leases.

Portfolio Diversification

Diversified Portfolio and Well-Staggered Lease Expiries

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

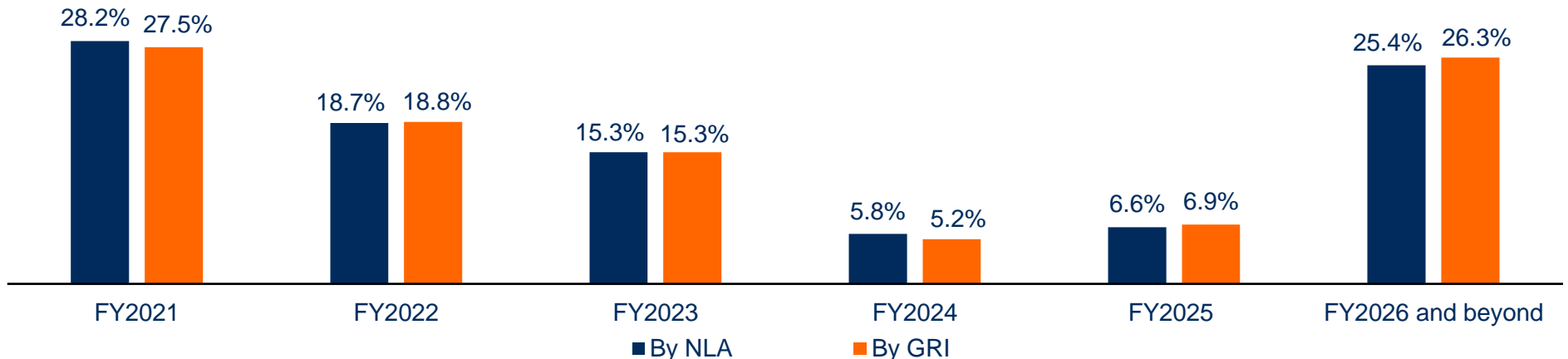


Portfolio Valuation by Geography



Well-Balanced Lease Expiry Profile

Commenced early negotiations with existing and potential new tenants to secure early commitments ahead of expiry.

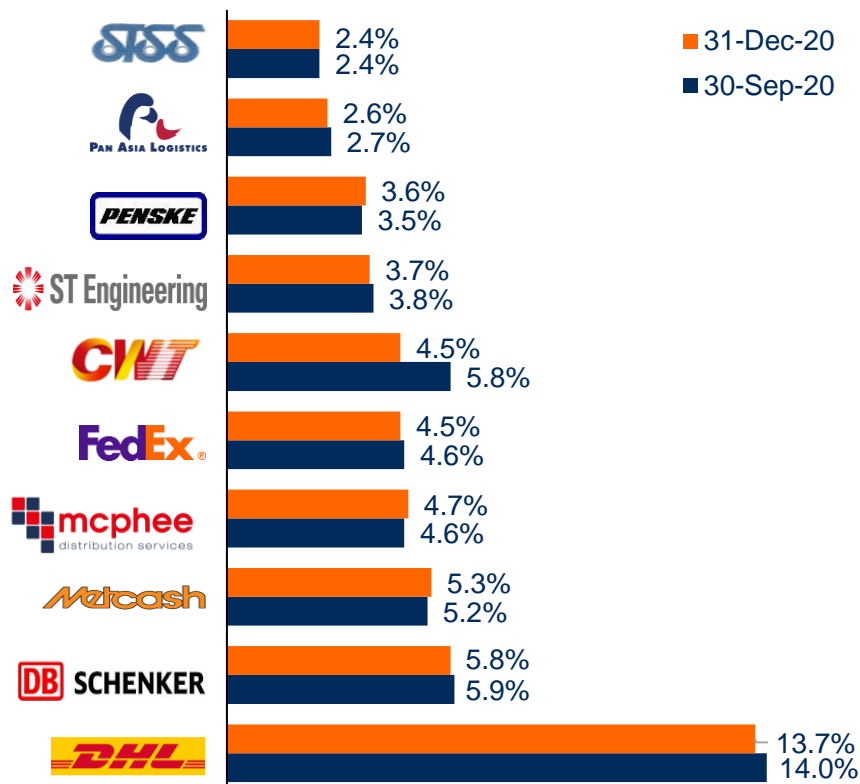


Diversified and Growing Tenant Base

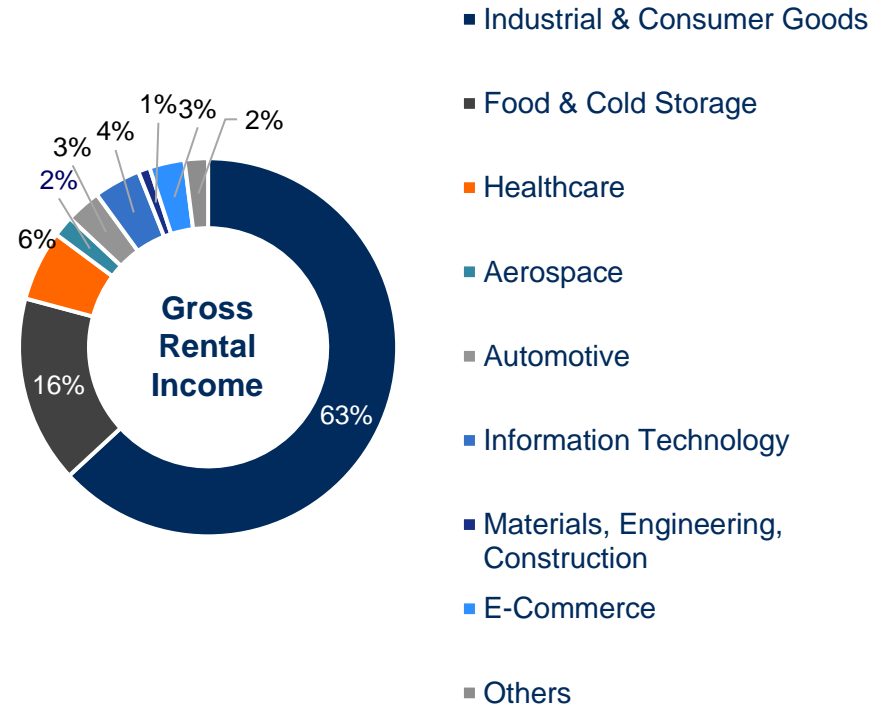
High Quality Tenants

- Top 10 tenants make up approximately 50.8% of ALOG's GRI.
- Diversified tenant base comprises 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



Well-Supported Industry Sectors Represented





Portfolio Rejuvenation

11-19 Kellar Street, Berrinba, Queensland, AUS

Portfolio Transformation

Driving Momentum in Portfolio Growth

Enlarged Portfolio with Addition of Good Quality Assets⁽¹⁾

Acquisition of 4 New Assets



47 Logistics Place,
Larapinta



8 Curlew Street,
Port of Brisbane



1-5 & 2-6 Bishop
Drive, Port of
Brisbane



53 Peregrine Drive,
Port of Brisbane

40.0% Investment in Oxford Property Fund



1 Hume Road,
Laverton North

49.5% Investment in New LAIVS Trust



69 Sargents Road,
Minchinbury



11-14 John
Morphett Place,
Erskine Park



34-58 Marshall
Court, Altona



27-43 Toll Drive,
Altona North

- ✓ **Completed the acquisition** of four logistics assets in Brisbane, 40.0% stake in the Oxford Property Fund and 49.5% stake in the New LAIVS Trust⁽²⁾.
- ✓ Acquired **modern and prime logistics portfolio** with quality assets spread across Brisbane, Sydney and Melbourne.
- ✓ ALOG's portfolio AUM will increase to **S\$1.6 bil⁽³⁾ from S\$1.3 bil** following the completion of the acquisition.
- ✓ **Deepens** ALOG's geographical footprint and presence in key market, **further fortifying** portfolio's quality and growth potential.
- ✓ Portfolio **underpinned** by key benefits such as reputable tenant base, built-in annual rent reviews, long WALE and pre-emptive rights over remaining stakes in the two funds.

Notes:

(1) Please refer to the SGX announcement dated 8 December 2020 for full details of the acquisition.

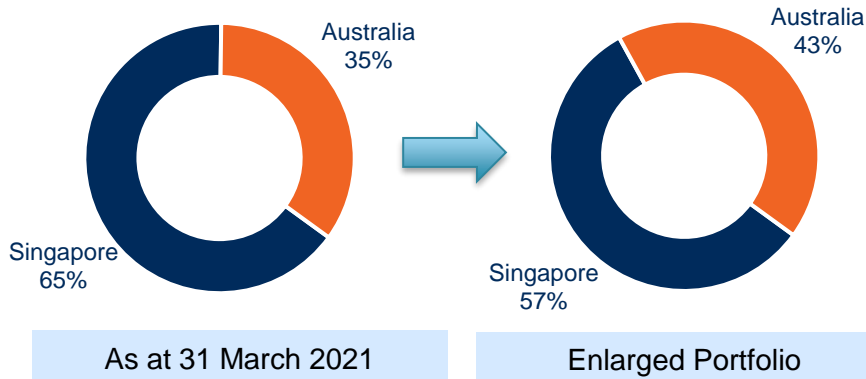
(2) Please refer to the SGX announcements dated 16 April 2021 and 21 April 2021 for more information. The Heron Property is currently still under development. Completion of the acquisition of the Heron Property would take place 10 business days after initial practical completion, which is currently expected to be in November 2021.

(3) AUM includes the 5% deposit paid for the Heron Property as disclosed in the SGX announcements dated 26 October 2020 and 8 December 2020.

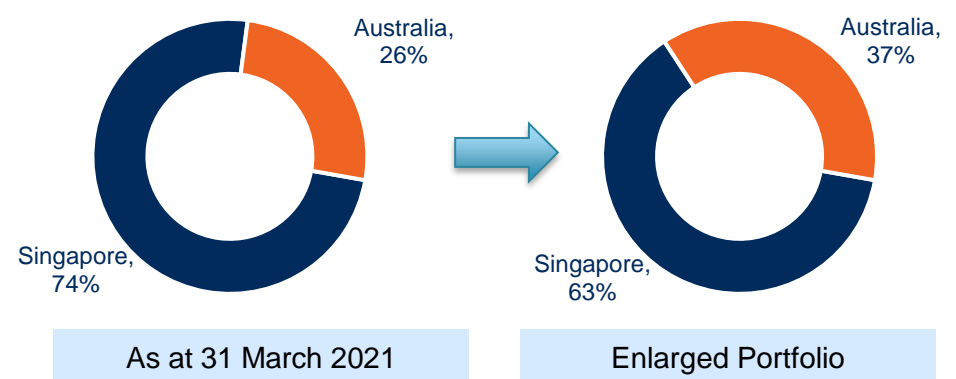
Portfolio Transformation

Strengthening Portfolio Quality and Sustainability

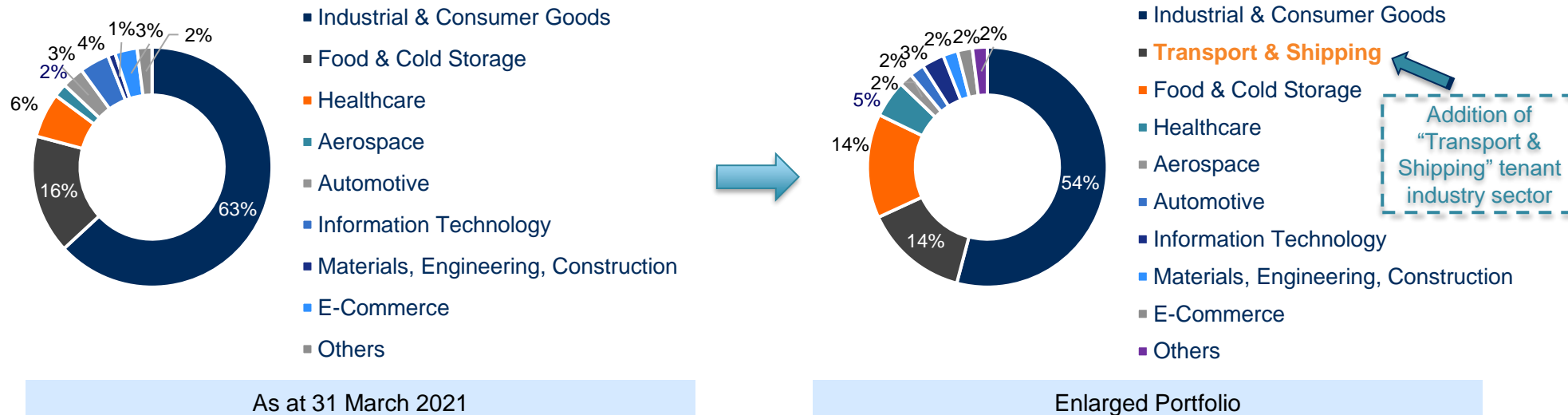
Portfolio Valuation (by Geography)



Geographical Diversification (by Gross Revenue)



Increased Tenants Sector Diversification (by Gross Rental Income)



Note: Excludes the Heron property as it is currently still under development. Completion of the acquisition of the property would take place 10 business days after initial practical completion, which is currently expected to be in November 2021.

Portfolio Transformation

Asset Recycling

Divestments of Low-Yielding Assets with Older Specifications⁽¹⁾



Property	404 - 450 Findon Road, Kidman Park, Adelaide	ALOG Changi DistriCentre 2 3 Changi South Street 3, Singapore
Country	Australia	Singapore
NLA	632,869 sq ft	90,688 sq ft
Total Sale Consideration	A\$41.5 million <i>(3.8% above 31 December 2020's valuation)</i>	S\$16.7 million <i>(7.7% above 31 December 2020's valuation)</i>
Targeted Completion Date	1H 2021	1H 2021 <i>(or as soon as JTC Corporation grants the necessary approval for the proposed sale)</i>

Note:

(1) Please refer to the SGX announcements dated 22 April 2021 and 26 April 2021 for full details of the divestments.

Maintaining a Defensive Portfolio

Asset Enhancement Initiatives in FY2021

Description	Defensive AEI works include toilet upgrading works, CCTV upgrading with video analytics and repainting works across the SG portfolio
Properties	1) ALOG Commodity Hub 2) Schenker Megahub 3) ALOG Changi DistriCentre 1 4) Pandan Logistics Hub 5) DHL Supply Chain Advanced Regional Centre
Estimated Cost	Approx. S\$5.1 mil
Targeted Completion Date	December 2021

Artist's Impression of Newly Upgraded Toilets



Illustration of CCTV System with Video Analytics



Illegal Parking Detection



License Plate Recognition



Manager's Strategy

223 Viking Drive, Wacol, Queensland ,AUS

Manager's Strategy

Looking Ahead

Acquisition

- Proactively **pursue strategic acquisition opportunities** of quality assets
- **Leveraging on Sponsor's pipeline** - proactively sourcing for value-adding opportunities drive future growth
- Backed by strong **commitment** from Sponsor to grow ALOG over time

Asset Management

- **Proactive asset management strategies** including proactive leasing management, asset recycling opportunities and undertaking strategic initiatives such as AElS and rejuvenation plans to unlock further value and optimize Unitholder's returns
- Tapping on **Sponsor's network and development and operational expertise**

Focused Development

- Pursue **selective re-development and development opportunities** that complements ALOG's portfolio
- **Ability to tap and access** Sponsor's integrated development platform

ESG

- Integrated within the **core of ALOG's business**
- **Proactively pursue initiatives** such as carbon reduction/neutrality opportunities to generate more sustainable returns as well as create a positive impact on the environment which ALOG operates in



Selected Unitholder Questions

DHL Supply Chain Advanced Regional Centre, Singapore

Relevant and Substantial Questions

Question 1

With the recent rise in share price of ALOG, are there any DPU accretive acquisition opportunities? If so, which are the targeted countries? Could you share more about the management's plan and strategy for the next 3 years? What are the growth opportunities for the reit?

- Our continued focus is to be disciplined in acquiring assets with sound real estate fundamentals that will provide long term sustainability in Distribution per Unit (“**DPU**”) and Net Asset Value (“**NAV**”).
- This will include strategically located assets that are freehold or have long leasehold tenure, assets with modern specifications and/or underpinned by strong credit tenants with long WALE.
- More importantly, we need to continue with our efforts to rebalance ALOG’s portfolio to increase more weightage of freehold or long dated leasehold assets to provide more a sustainable NAV and rental income for our Unitholders over time.
- With an APAC investment mandate, ALOG also has the ability to explore the markets where its Sponsor, LOGOS, is present in and leverage on the expanded resources from ARA and LOGOS to evaluate opportunities that will help enhance the long-term sustainability of ALOG’s earnings for its unitholders.

Relevant and Substantial Questions

Question 2

Post rebranding to ARA LOGOS, in the first acquisition exercise, the additions were done at yield dilutive basis. While the market may have reacted better than expected (possibly to a hope of a good turn-around story), will that lead to more dilutive acquisitions in future?

- Our continued focus is to be disciplined in acquiring assets with sound real estate fundamentals that will provide long term sustainability in DPU and NAV.
- For our recent acquisition, we believe that the acquisition will be beneficial to Unitholders in the long term, augmented by the improvements in the overall portfolio quality, performance metrics and lengthening of the land tenure of the enlarged portfolio post acquisition.
- Post-acquisition, we believe ALOG is still a compelling investment proposition offering a relatively high distribution yield, notwithstanding the dilution based on the pro-forma financial numbers.
- We envisage that this acquisition will also help improve ALOG's trading liquidity going forward. In the longer term, we are confident that our Portfolio Rebalancing & Growth Strategy will strengthen ALOG, potentially resulting in a re-rating and improvement in unit price.
- Moving forward, we will continue to be disciplined in seeking out value accretive investments or assets in excellent locations, underpinned by strong real estate fundamentals, be it in Singapore or outside Singapore. With the onboarding of our Sponsor, we have an open invitation to look at the Sponsor's assets as part of ALOG's potential growth pipeline. This growth strategy is key and other than looking at 3rd party assets, we now have another avenue to grow ALOG.

Relevant and Substantial Questions

Question 3

Approximately 47% of your leases (by NLA) would be expiring in 2021 and 2022. Do you foresee on average a rental escalation, if so by how much or do you foresee rental downward pressure on average?

- Even though we are unable to provide a forecast, we continue to see healthy demand for quality logistics space as well as the relative essentiality and resilience of our tenants' businesses despite the virus outbreak.
- In our latest 1Q Business Updates, we have further reduced the percentage of lease expiries to 20.9% (by Net Lettable Area) / 23.2% (by Gross Rental Income) in FY2021.
- As part of our proactive leasing strategy, we have also commenced advanced negotiations for renewal and new leases for leases expiring this and next year. ALOG has demonstrated a strong track record of maintaining high occupancy rate despite a soft market, which is also testament to the quality and competitiveness of ALOG's portfolio.

Contact Information



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