



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

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## UPDATE REGARDING 8 TUAS SOUTH LANE ESR-REIT SECURES NEW LEASE

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Further to our announcement titled "Update Regarding Hyflux Membrane Manufacturing (S) Pte. Ltd." dated 5 March 2019, ESR Funds Management (S) Limited, as manager of ESR-REIT (the "**Manager**"), wishes to update that P-Way Construction & Engineering Pte Ltd ("**P-Way**") has leased approximately 168,846 square feet at 8 Tuas South Lane (the "**Property**") to supply steel fabrication works, store railway equipment and parts and provide dormitory services for their employees.

P-Way Construction & Engineering Pte Ltd is a company specialising in railway construction, installation and maintenance and is currently contracted by Land Transport Authority to provide track work services. It intends to house operations related to the upcoming Jurong Region MRT Line and the extension of Changi Airport Terminal to the train depot at the Property. P-Way is expected to commence operations from 1 October 2019.

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. The Property is located in the heart of Singapore's largest manufacturing hub. P-Way Construction & Engineering Pte Ltd is expected to further strengthen the property's tenant mix as part of its repositioning exercise to extract synergies upon the scheduled completion of the first phase of the port in 2021.

The Property now comprises three tenants including Hyflux Membrane Manufacturing (S) Pte. Ltd. which accounts for 3.1% of ESR-REIT's total rental income<sup>1</sup> (down from 3.6%). This is part of the Manager's proactive asset management to diversify the tenant concentration risks and improve tenant mix and quality. To-date, the Property continues to receive strong leasing interest and enquiries due to its close proximity to the upcoming Tuas Megaport.

The Manager will make further announcements on the SGXNET as necessary when there are any material developments on this matter.

### BY ORDER OF THE BOARD

ESR Funds Management (S) Limited  
As Manager of ESR-REIT  
(Company Registration No. 200512804G, Capital Markets Services Licence No.100132-5)

Adrian Chui  
Chief Executive Officer and Executive Director  
5 September 2019

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<sup>1</sup> As at 30 June 2019.

For further enquiries, please contact:

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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 30 June 2019 has a diversified portfolio of 56 properties located across Singapore, with a total gross floor area of approximately 14.0 million square feet and an aggregate property value of S\$3.02 billion<sup>2</sup>. 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;
- Pro-active 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](http://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<sup>3</sup>. 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 partners including APG, SK Holdings, JD.com, Goldman Sachs, CPPIB, Ping An and Allianz Real Estate and CSOBOR Fund. The ESR platform spans across the People's Republic of China, Japan, South Korea, Singapore, Australia and India. As of 31 December 2018, 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\$16 billion, and GFA of properties completed and under development as well as GFA to be built on land held for future development stood at over 12 million square metres in total.

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<sup>2</sup> Includes the valuation of 7000 Ang Mo Kio Avenue 5 on a 100% basis of which ESR-REIT has 80% economic interest, and excludes the effects arising from the adoption of Financial Reporting Standard (FRS) 116 *Leases* which became effective on 1 January 2019.

<sup>3</sup> Source: JLL market report.

## 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 material 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 material is for informational 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.