



Proposed Merger with Viva Industrial Trust (the “Merger”)

- Part 1: Merger
- Part 2: Proposed ESR-REIT Trust Deed Amendments

21 August 2018



Important Notice

This material shall be read in conjunction with ESR-REIT's annual report and audited financial statements for the financial period ended 31 December 2017 released on 2 April 2018, and the circular dated 7 August 2018 (the "Circular").

Important Notice

The value of units in ESR-REIT ("**ESR-REIT Units**") and the income derived from them may fall as well as rise. ESR-REIT Units are not investments or deposits in, or liabilities or obligations, of ESR Funds Management (S) Limited ("**ESR-REIT Manager**"), RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT) ("**ESR-REIT Trustee**"), or any of their respective related corporations and affiliates (individually and collectively "**Affiliates**"). An investment in ESR-REIT 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 ESR-REIT Manager, the ESR-REIT 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 ESR-REIT Manager redeem or purchase their ESR-REIT Units while the ESR-REIT Units are listed. It is intended that investors may only deal in their ESR-REIT Units through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the ESR-REIT Units on the SGX-ST does not guarantee a liquid market for the ESR-REIT 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 (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in amounts and on terms necessary to support future ESR-REIT business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the ESR-REIT 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 particular needs. Any information contained in this announcement 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 ESR-REIT Manager, the ESR-REIT Trustee or any of the Affiliates.

The directors of the ESR-REIT Manager (including those who may have delegated detailed supervision of this material) collectively and individually accept full responsibility for the accuracy of the information given in this material and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this material constitutes full and true disclosure of all material facts about the Merger, the whitewash resolution and the ESR-REIT Group, opinions expressed in this material have been arrived at after due and careful consideration, and the directors of the ESR-REIT manager are not aware of any facts, the omission of which would make any statement in this material misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the VIT Managers or its advisers or a named source, the sole responsibility of the directors of the ESR-REIT Manager has been to ensure that such information has been accurately and correctly extracted from such sources and/or reflected or reproduced in this material in its proper form and context.

Part 1: Merger

Viva Business Park



What are the Resolutions to be Approved?

| | |
|---|---|
| <p>Ordinary Resolution 1 (>50%)</p> | <p>The proposed merger of all the Stapled Securities held by the Stapled Securityholders and the ESR-REIT Units held by the ESR-REIT Unitholders, via the acquisition by ESR-REIT of all of the Stapled Securities by way of a Scheme</p> |
| <p>Extraordinary Resolution 2 (≥75%)</p> | <p>The proposed issue of approximately 1,561.2 million new ESR-REIT Units to the Stapled Securityholders as part of the consideration pursuant to the Merger</p> |
| <p>Ordinary Resolution 3 (>50%)</p> | <p>The proposed Whitewash Resolution⁽¹⁾ for the waiver by the Independent ESR-REIT Unitholders (Whitewash)⁽²⁾ of their rights to receive a mandatory general offer from the Tong Group⁽³⁾</p> |

Resolutions 1, 2 and 3 are **inter-conditional** on the passing of each other and are also conditional upon the Scheme becoming effective⁽⁶⁾

The Tong Group, the Relevant ESR-REIT Unitholders⁽⁴⁾, the ESR-REIT Manager and Mitsui⁽⁵⁾ will abstain from voting on Resolutions 1, 2 and 3



Notes: Unless otherwise defined, defined terms in this material shall have the same meanings ascribed to them in the Circular. (1) The Ordinary Resolution proposed as Resolution 3 in the Notice of EGM to be approved, by way of a poll, by a majority of the Independent ESR-REIT Unitholders (Whitewash) at a general meeting of ESR-REIT to waive their rights to receive a mandatory general offer from the Tong Group who would incur an obligation to make a mandatory general offer under Rule 14 of the Code. (2) The ESR-REIT Unitholders who are considered independent for the purposes of the Whitewash Resolution, which, for the avoidance of doubt, excludes the Tong Group, parties acting in concert with the Tong Group and parties not considered independent of the Tong Group. (3) The Tong Group means Leading Wealth Global Inc, Longemont Real Estate Pte. Ltd., Shanghai Summit (Group) Co. Ltd., Shanghai Summit Pte. Ltd., Wealthy Fountain Holdings Inc, Skyline Horizon Consortium Ltd, Mr. Tong Jinquan and Mr. Tong Yu Lou. (4) The Relevant ESR-REIT Unitholders are e-Shang Infinity Cayman Limited and its wholly-owned subsidiary, Sunrise (BVI) Limited. (5) Refers to Mitsui & Co., Ltd, which holds 20% of the issued shares of the ESR-REIT Manager as at the Latest Practicable Date. (6) Please refer to Schedule 3 to the Circular for the list of conditions precedent for the Scheme. This includes VIT Stapled Securityholders' approval of the Scheme and court approval for the Scheme.

Advisers to ESR-REIT for the Merger

| | |
|-------------------------------|--|
| Financial Advisers |    |
| Legal Adviser |  |
| Public Relations Advisers |   |
| Auditor |  |
| Independent Financial Adviser |  |

What has Happened?

- On 18 May 2018, the managers of ESR-REIT and VIT issued a joint announcement on the Merger by way of a trust scheme of arrangement
- The Scheme Consideration payable to the Stapled Securityholders is:

S\$0.96 per Stapled Security⁽¹⁾

- The Scheme Consideration will be satisfied via:

10% in cash, **90%** in new ESR-REIT Units

New ESR-REIT Units to be issued at **S\$0.54** per ESR-REIT Unit⁽²⁾

Who is Viva Industrial Trust?



Viva Business Park



UE BizHub EAST



6 Chin Bee Avenue



Jackson Square



30 Pioneer Road



29 Tai Seng Street



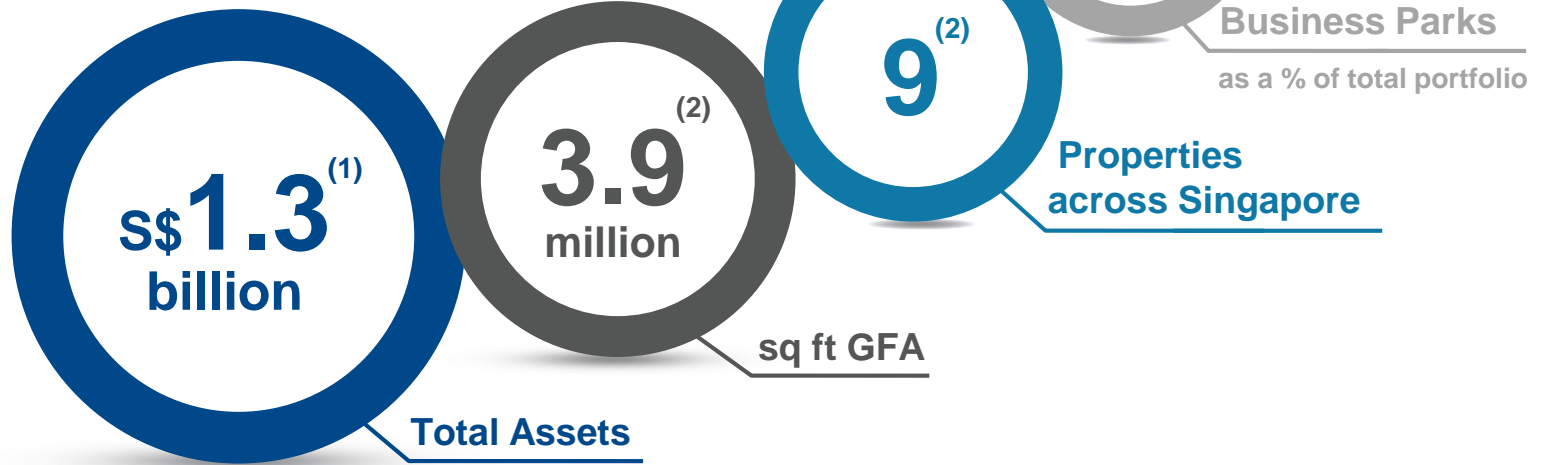
11 Ubi Road 1



19 Tai Seng Avenue



81 Tuas Bay Drive



Why should ESR-REIT Merge with VIT?



1 Immediate Access to a Large Proportion of Business Parks



2 Enhanced Portfolio Quality



3 VI-REIT Manager's Track Record in AEIs⁽¹⁾

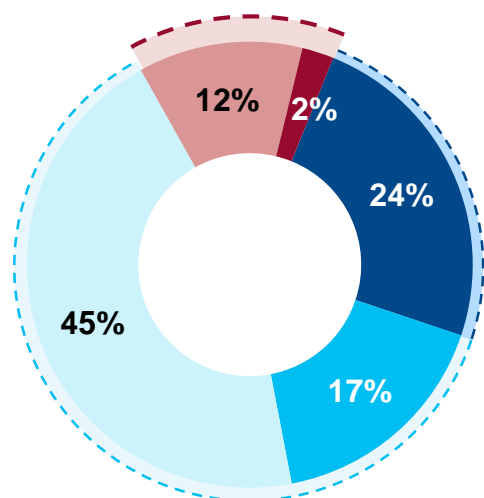


1 Immediate Access to a Large Proportion of Business Parks

Immediate access to S\$0.9bn worth of Business Park assets, which are of an asset class that is expected to be low in supply in Singapore for the next three years

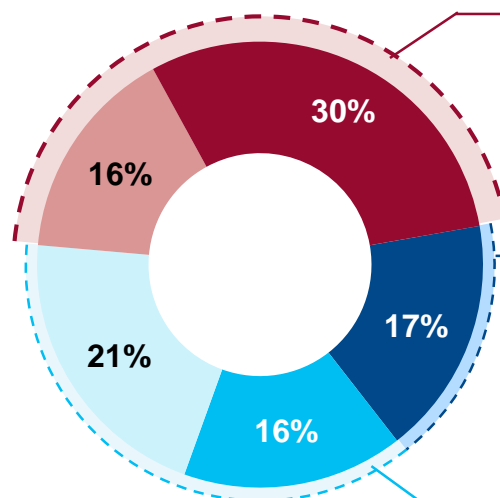
Pre-Acquisition of 7000 Ang Mo Kio Avenue 5⁽¹⁾

Business Park / High-Specs c.14%



Post-Merger⁽²⁾⁽³⁾

Business Park / High-Specs c.46%



Business Park / High-Specs

Average Monthly Rents S\$3.15 – S\$4.30 psf

Logistics⁽⁴⁾

Average Monthly Rents S\$1.21 – S\$1.58 psf

Light and General Industrial⁽⁴⁾

Average Monthly Rents S\$1.24 – S\$1.58 psf

High-Specs Industrial Business Park Logistics Light Industrial General Industrial



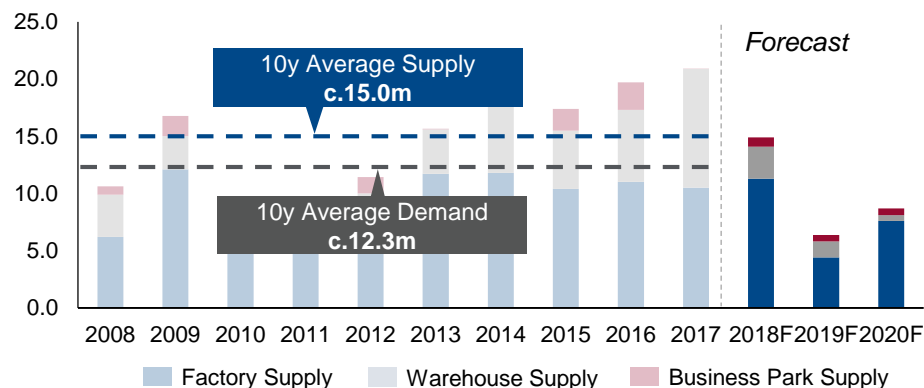
Sources: JTC, CBRE. Notes: (1) Based on ESR-REIT portfolio valuation as at 31 March 2018, excluding adjustments for the valuation of the property at 7000 Ang Mo Kio Avenue 5 (pursuant to the 7000 AMK Acquisition). (2) Based on ESR-REIT portfolio valuation as at 31 March 2018. (3) Based on VIT portfolio valuation as at 31 March 2018. (4) Logistics based on "Warehouse (Ground Floor)" and "Warehouse (Upper Floor)", while Light and General Industrial is based on "Factory (Ground Floor)" and "Factory (Upper Floor)" as defined by JTC. Please refer to page 10.



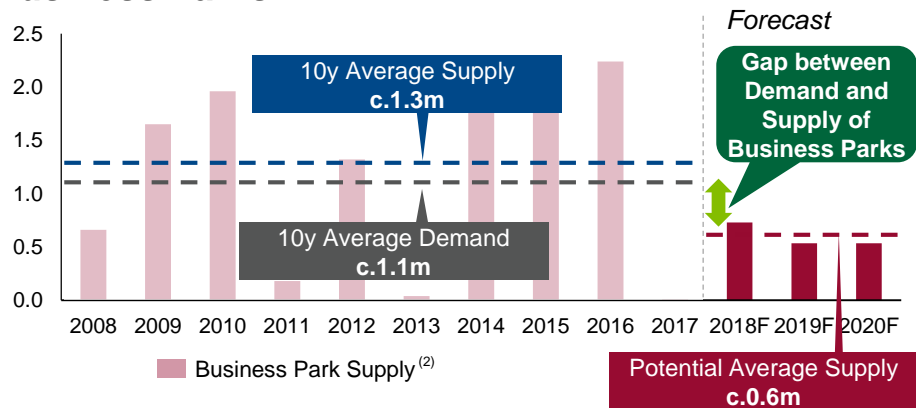
1 Scarcity of Supply in the Business Park Sector

Historical and Future Pipeline (Net Floor Area m sqft)

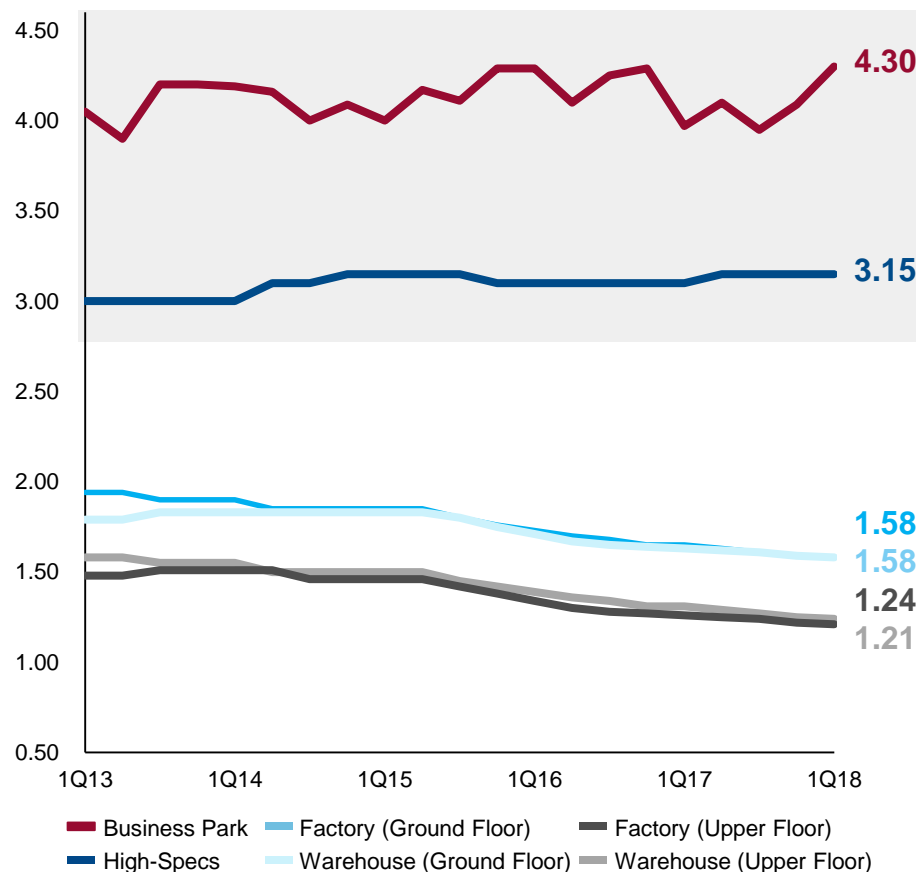
All Industrial Property



Business Parks⁽¹⁾



Average Industrial Rents (\$ / sqft / month)

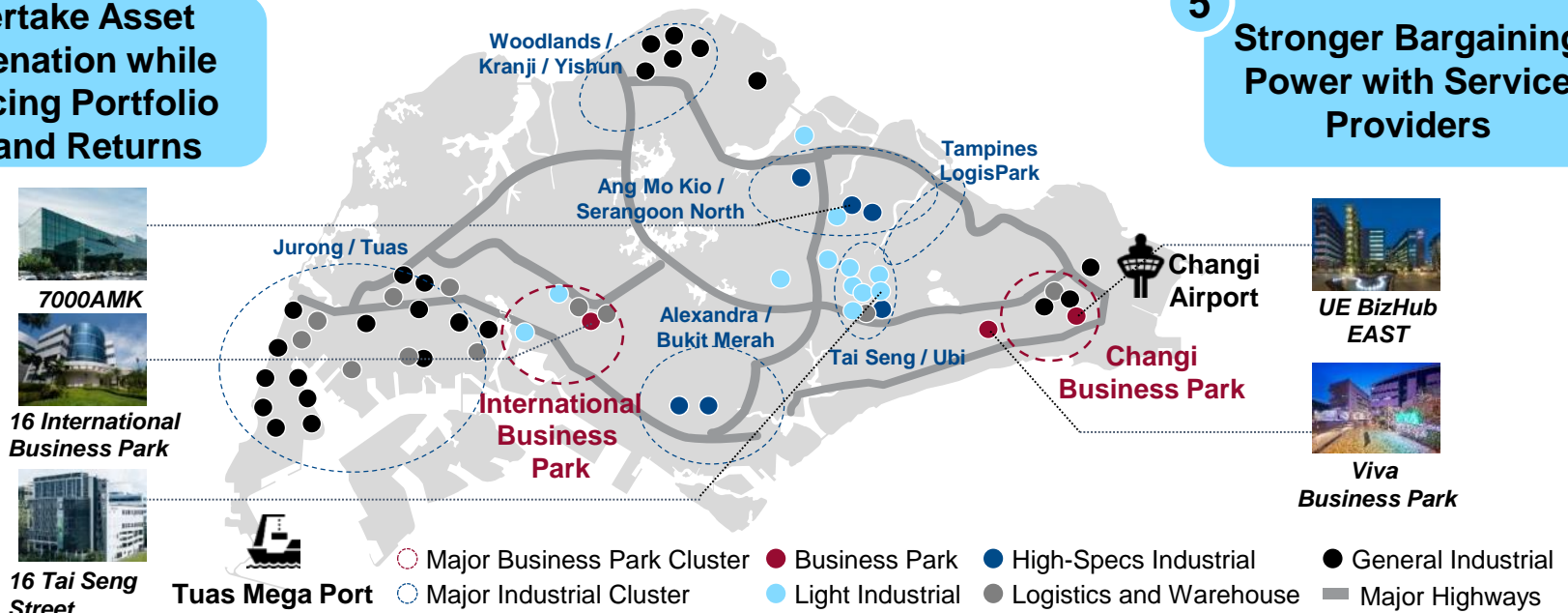


2 Enhanced Portfolio Quality



Diversified portfolio that is more resilient to market cycles with a network of 56 properties across Singapore

- 1 Undertake Asset Rejuvenation while Balancing Portfolio Risk and Returns
- 2 Diversify Asset and Tenant Concentration Risk
- 3 Economies of Scale Across Operations, Leasing and Marketing
- 4 Wider Product Suite Captures Larger Tenant Base
- 5 Stronger Bargaining Power with Service Providers



3 VI-REIT Manager's Track Record in AEs



Viva Business Park – before and after AEs

VI-REIT Management Team's Expertise & Track Record



Aligned with ESR-REIT Manager's Portfolio Enhancement Strategy



Potential Value Add to Unitholders

ESR-REIT Portfolio Rejuvenation through AEs

1 Reposition appropriate properties

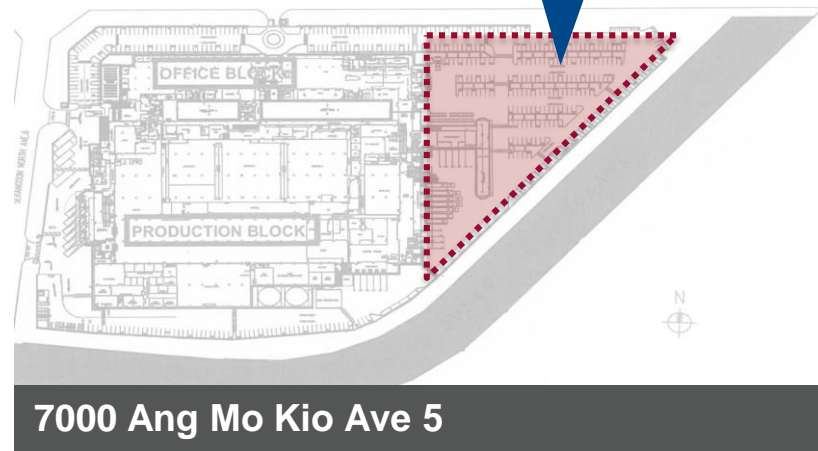
Potentially Higher Yields Post AEI



“General Industrial”
↓ +AEI
“High-Specs”

2 Maximise plot ratio

Untapped GFA of
c.495,000 sq ft
potentially unlocks value



How do I Benefit from the Merger?



1

4th Largest Industrial S-REIT



2

Increased Free Float and Liquidity



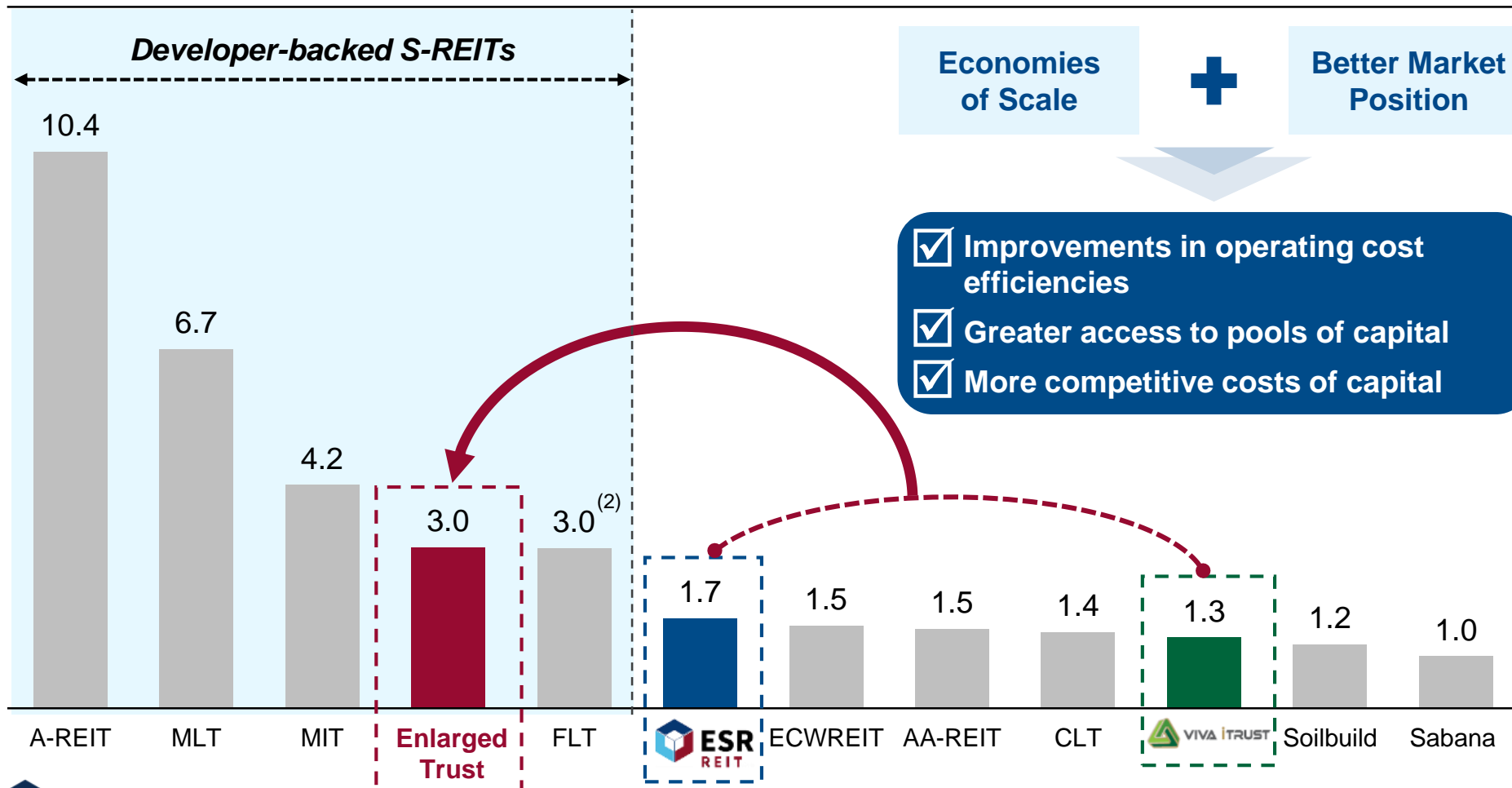
3

DPU Accretive on a Historical
Pro Forma Basis



1 4th Largest Industrial S-REIT

Total Asset Size (S\$bn)⁽¹⁾



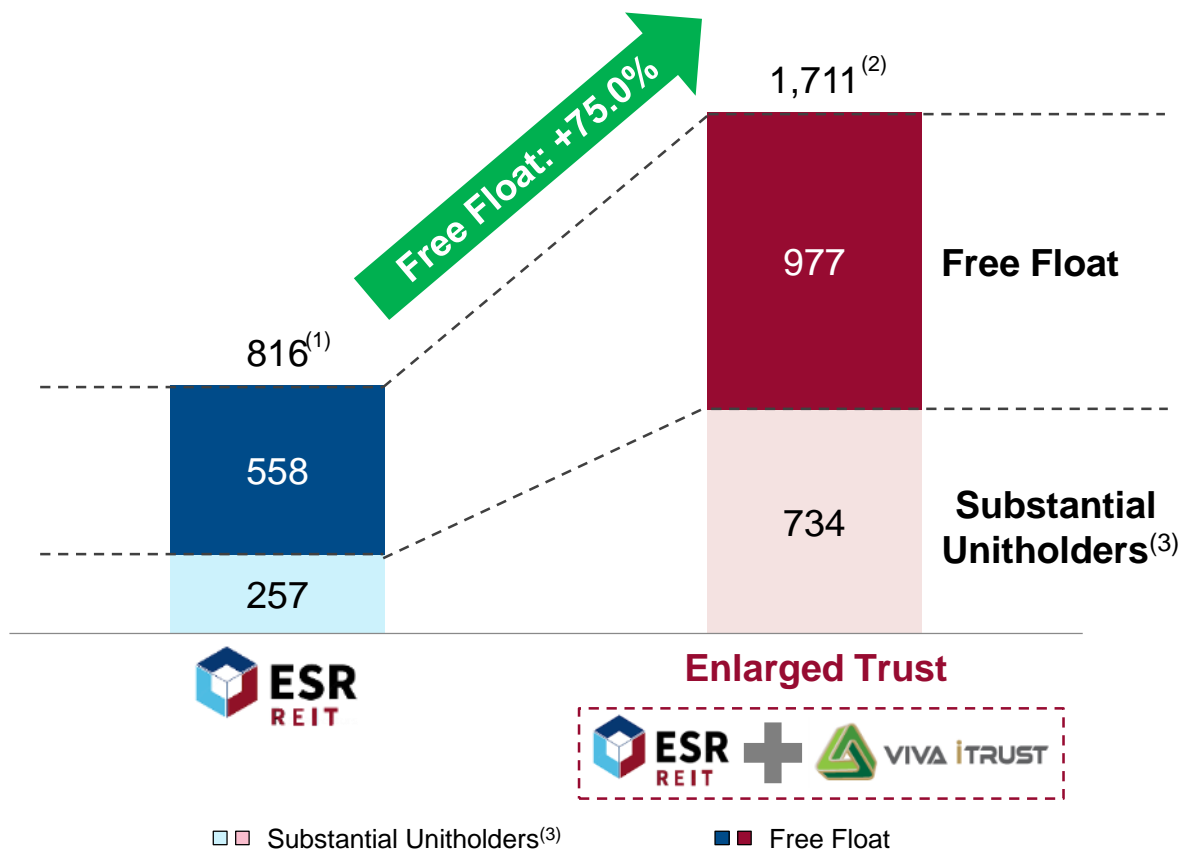
Source: Company filings.

Notes: (1) As at 31 March 2018. (2) Represents *pro forma* total asset size as at 31 March 2018, after adjusting for the proposed acquisition of interests in 21 properties in Germany and the Netherlands. Assumes exchange rate based on AUD:SGD of 1.00:1.01 as at the Latest Practicable Date.

2 Increased Free Float and Liquidity

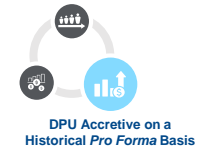


Market Capitalisation and Free Float (\$m)



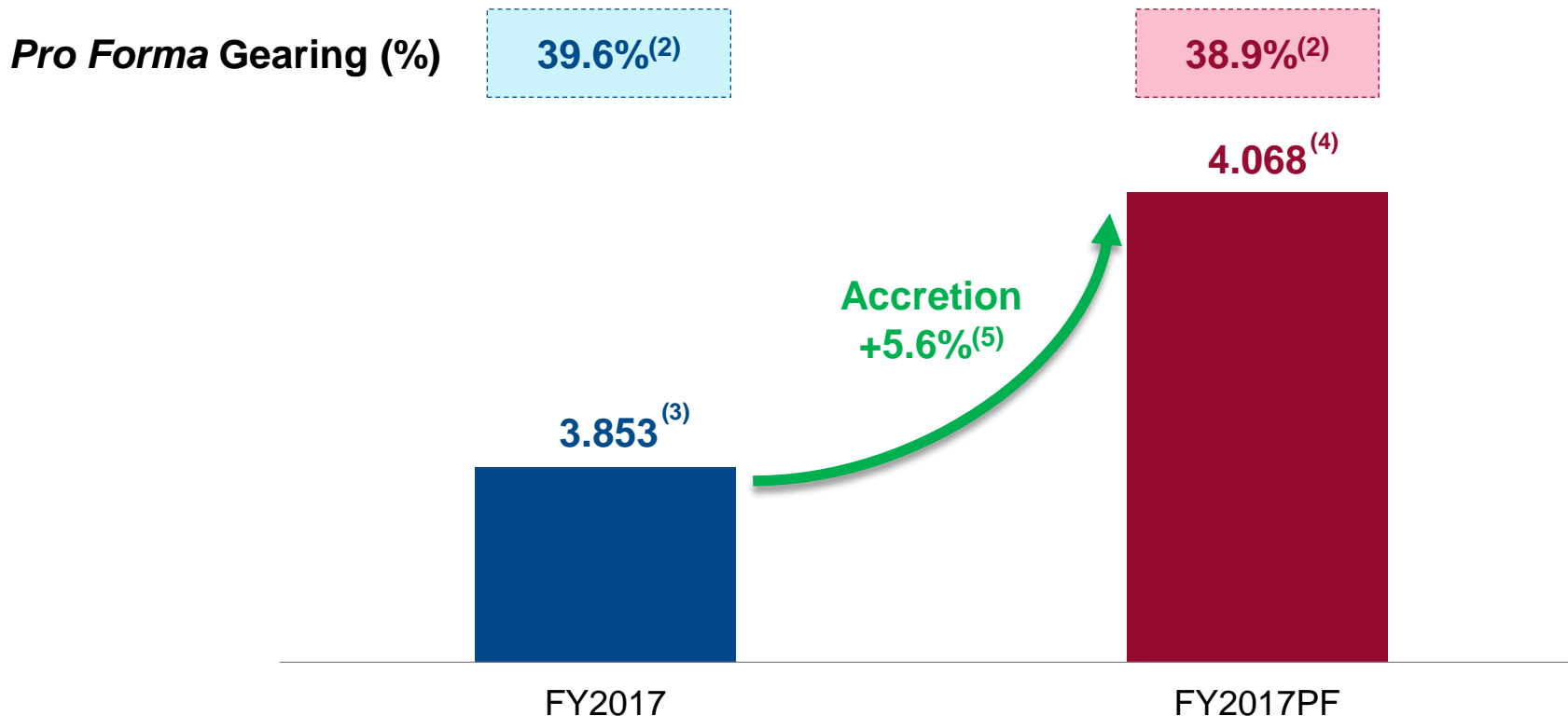
3

DPU Accretive on a Historical Pro Forma Basis



FOR ILLUSTRATIVE PURPOSES ONLY – NOT A FORWARD LOOKING PROJECTION

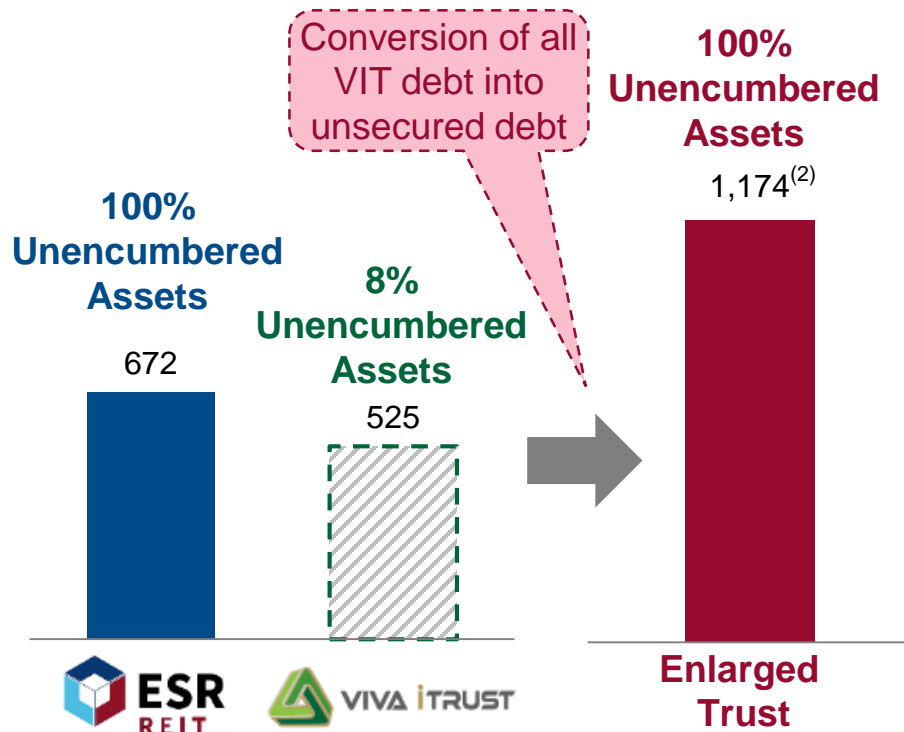
Annualised Distribution per Unit (Singapore Cents)⁽¹⁾



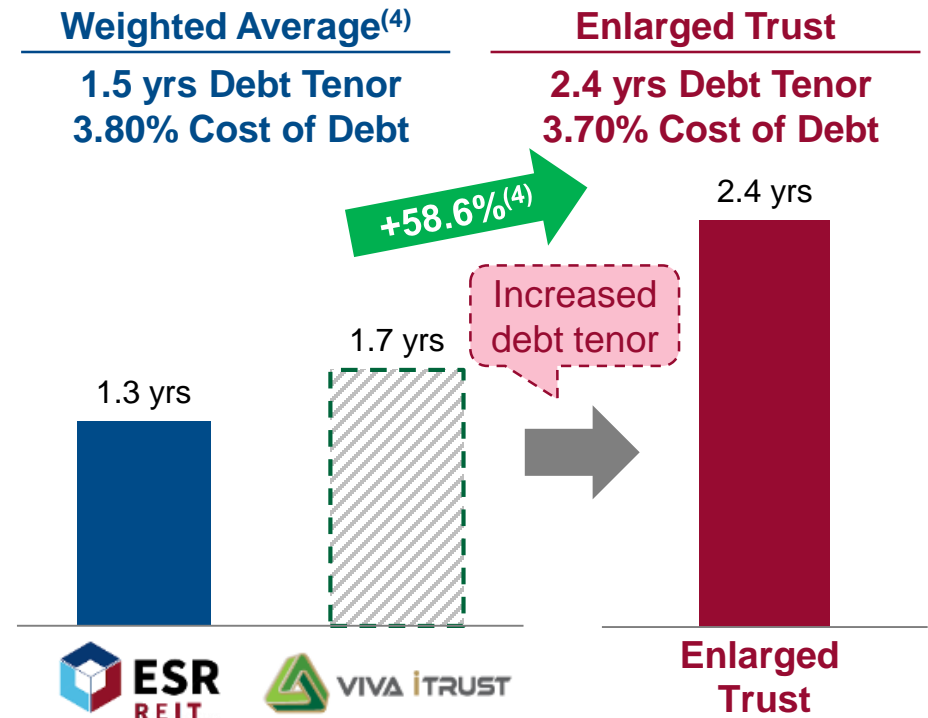
100% Unencumbered Portfolio Provides Better Access to Pools of Capital and More Competitive Costs of Capital

FOR ILLUSTRATIVE PURPOSES ONLY – NOT A FORWARD LOOKING PROJECTION

Pro Forma Gross Borrowings (\$m)⁽¹⁾



Pro Forma Debt Tenor⁽³⁾



- Larger fully unencumbered portfolio
- Increased debt tenor
- Improved interest cost



Notes: (1) As at 31 December 2017. (2) Includes the *pro forma* adjustment of debt repayment with gross proceeds raised from the Preferential Offering and the *pro forma* adjustment of new debt facilities drawn to refinance VIT's existing debt and payment of acquisition and transaction fees relating to the Merger. (3) As at the Effective Date, and assuming that the Scheme becomes effective in October 2018. (4) Weighted average based on ESR-REIT's and VIT's total gross debt as at 31 December 2017.

Enlarged Trust's Future Growth will Continue to be Well Supported by ESR Group⁽¹⁾



A leading Pan-Asian logistics real estate developer, operator and fund manager focusing on developing and managing institutional-quality logistics facilities with a high-quality tenant base

| | | | | | | | |
|---------------------------|----------------|---------------|-----|-------------------------------|----------------------|-------------|--|
| Selected Equity Investors | WARBURG PINCUS | JD.COM | SK | Selected Fund Level Investors | CPP INVESTMENT BOARD | PGGM | apg |
| | STEPSTONE | Goldman Sachs | apg | | Invesco | 中国平安 PINGAN | STATE OIL FUND OF THE REPUBLIC OF AZERBAIJAN |

| | | |
|---|---|---|
| <p>China</p> <ul style="list-style-type: none"> One of the top players by logistics facilities area and a leading landlord of key global e-commerce players | <p>South Korea</p> <ul style="list-style-type: none"> One of the largest modern warehouse developers in Korea upon completion of projects under development | <p>Japan</p> <ul style="list-style-type: none"> A top 5 institutional operator with an established and experienced team, as well as one of the highest new development starts over the past 24 months |
| <p>India</p> <ul style="list-style-type: none"> A top industrial real estate developer with best-in-class management team with initial focus on Tier-1 cities | <p>Singapore</p> <ul style="list-style-type: none"> Invested in ESR-REIT, an early industrial S-REIT player with >9m sq ft of GFA across key industrial zones c.13% stake in ESR-REIT; c.80% stake in ESR-REIT Manager and c.100% stake in its Property Manager | <p>Australia</p> <ul style="list-style-type: none"> The largest shareholder of PropertyLink and Centuria Capital which collectively have over A\$6b of AUM Acquired CIP, the leading industrial developer, and secured Philip Pearce as CEO of Australia |



Notes: Information above as of 30 June 2018. (1) ESR Cayman Limited and its subsidiaries.

Enlarged Trust's Future Growth will Continue to be Well Supported by ESR Group (Cont'd)

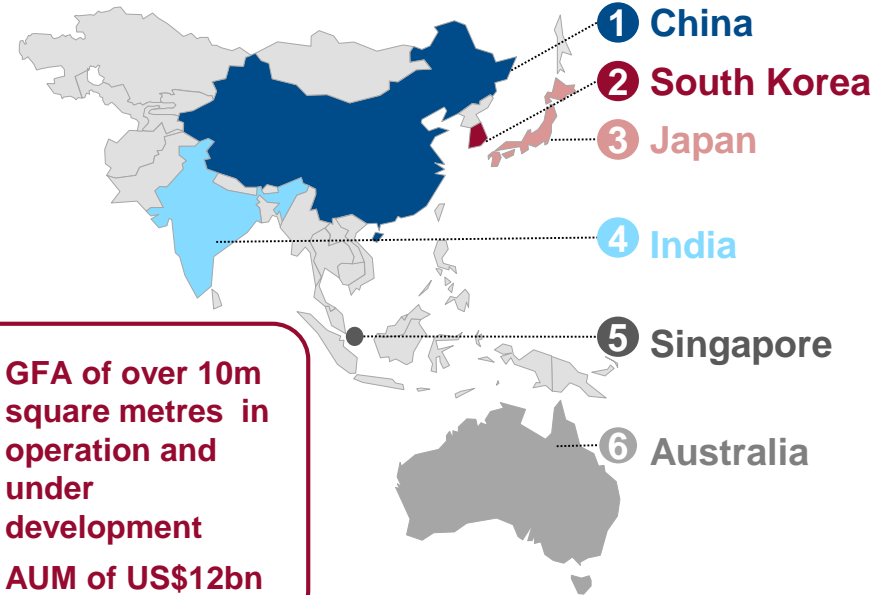


ESR Group's Demonstration of Support for ESR-REIT



- ✓ Proposed payment of S\$62m for the VI-REIT Manager to facilitate the Merger
- ✓ Financial commitment to grow ESR-REIT via S\$125m backstop in recent Preferential Offering

ESR Group's Regional Presence



Opportunities to acquire ESR Group's visible pipeline of assets – Scalable growth and potential overseas expansion in the future⁽¹⁾



China



South Korea



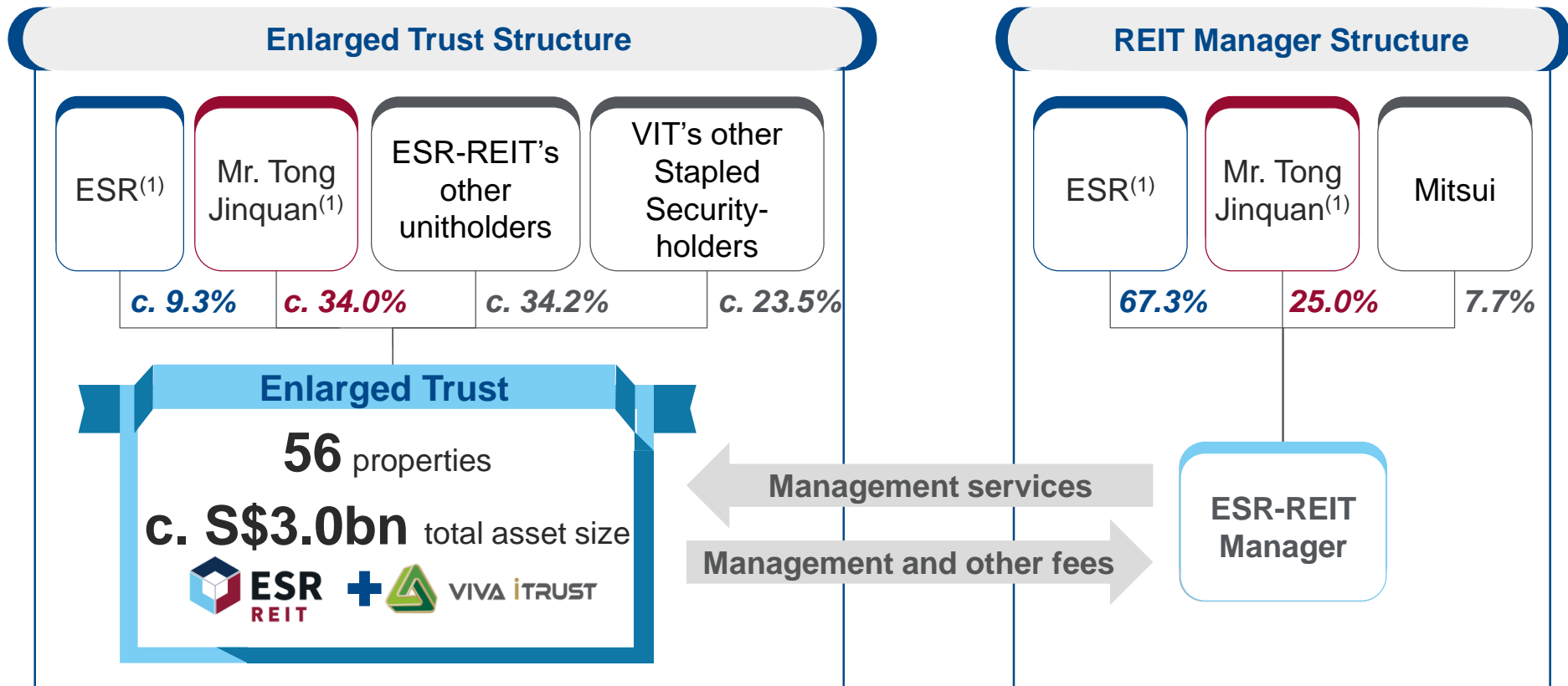
Japan



Notes: (1) Selected properties from the ESR Group's regional portfolio.

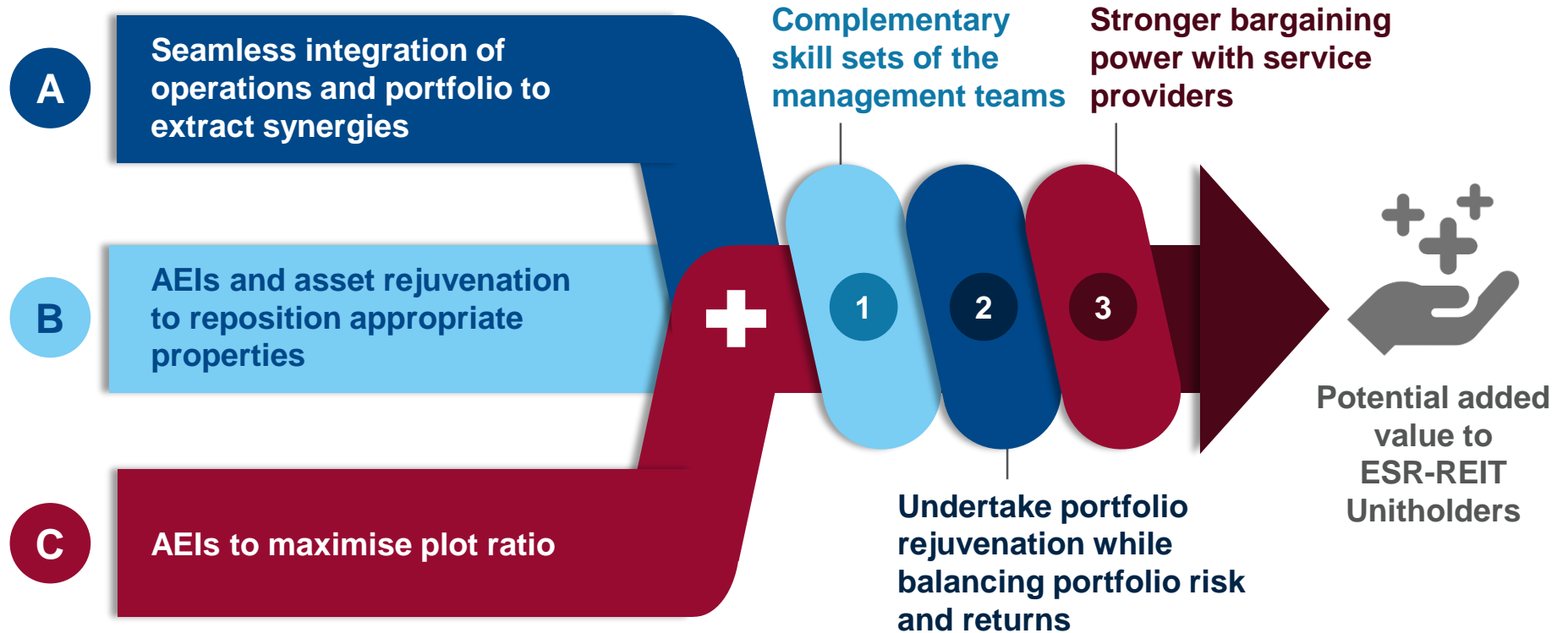
Enlarged Trust's Future Growth will Continue to be Well Supported by ESR Group (Cont'd)

Alignment of interest between sponsor, REIT manager and unitholders



ESR-REIT Manager's Post-Merger Strategy for the Enlarged Trust

Strategy to extract further added value to ESR-REIT Unitholders



Enhanced Portfolio Quality and Scalability with Strategic Addition of High Quality Properties



56

properties across
5 different sub-asset
classes

Total GFA of
approximately
13.6m sq ft

▲ **40.2%**



Portfolio occupancy of

90.9%

above JTC
average of 89.0%

Total asset size of approximately

\$3.0bn

▲ **79.8%**



Increase in net
property income

▲ **104.3%**

Land lease expiry

34.0
years



Weighted average lease expiry

3.8
years



350 tenants
from different
business sectors

▲ **81.3%**

What does the Independent Financial Adviser Recommend?

An extract of the IFA Letter is reproduced below:

- “ a) Based on the Scheme Consideration and the Consideration Unit Price, the Stapled Securities and Consideration Units are both fairly valued and the Merger is on normal commercial terms and is not prejudicial to the interests of ESR-REIT and its minority ESR-REIT Unitholders. Accordingly, we advise the ARCC of the ESR-REIT Manager and the Recommending Directors (IPT) may recommend that the Independent ESR-REIT Unitholders (IPT) **VOTE IN FAVOUR OF THE MERGER**; and
- b) the financial terms of the Merger (that is the subject of the Whitewash Resolution) are fair and reasonable. Accordingly, we advise the ARCC of the ESR-REIT Manager and the Recommending Directors (Whitewash) may recommend that the Independent ESR-REIT Unitholders (Whitewash) **VOTE IN FAVOUR OF THE WHITEWASH RESOLUTION**.”



INDEPENDENT FINANCIAL ADVISER (“IFA”)

What do the Directors Recommend?

The Recommending Directors (IPT) have considered the relevant factors, including the terms of the Merger and the rationale for the Merger as set out in paragraph 6 of the Circular, as well as ANZ's opinion as set out in the IFA Letter in Schedule 2 to the Circular, and recommend that the Independent ESR-REIT Unitholders (IPT) **VOTE IN FAVOUR** of Resolution 1, the Ordinary Resolution relating to the Merger and Resolution 2, the Extraordinary Resolution relating to the issue of approximately 1,561.2 million Consideration Units pursuant to the Merger.

The Recommending Directors (Whitewash) have considered the relevant factors, including the terms of the Merger and the rationale for the Merger as set out in paragraph 6 of the Circular, as well as ANZ's opinion as set out in the IFA Letter in Schedule 2 to the Circular, and recommend that the Independent ESR-REIT Unitholders (Whitewash) **VOTE IN FAVOUR** of Resolution 3, the Ordinary Resolution relating to the Whitewash Resolution.

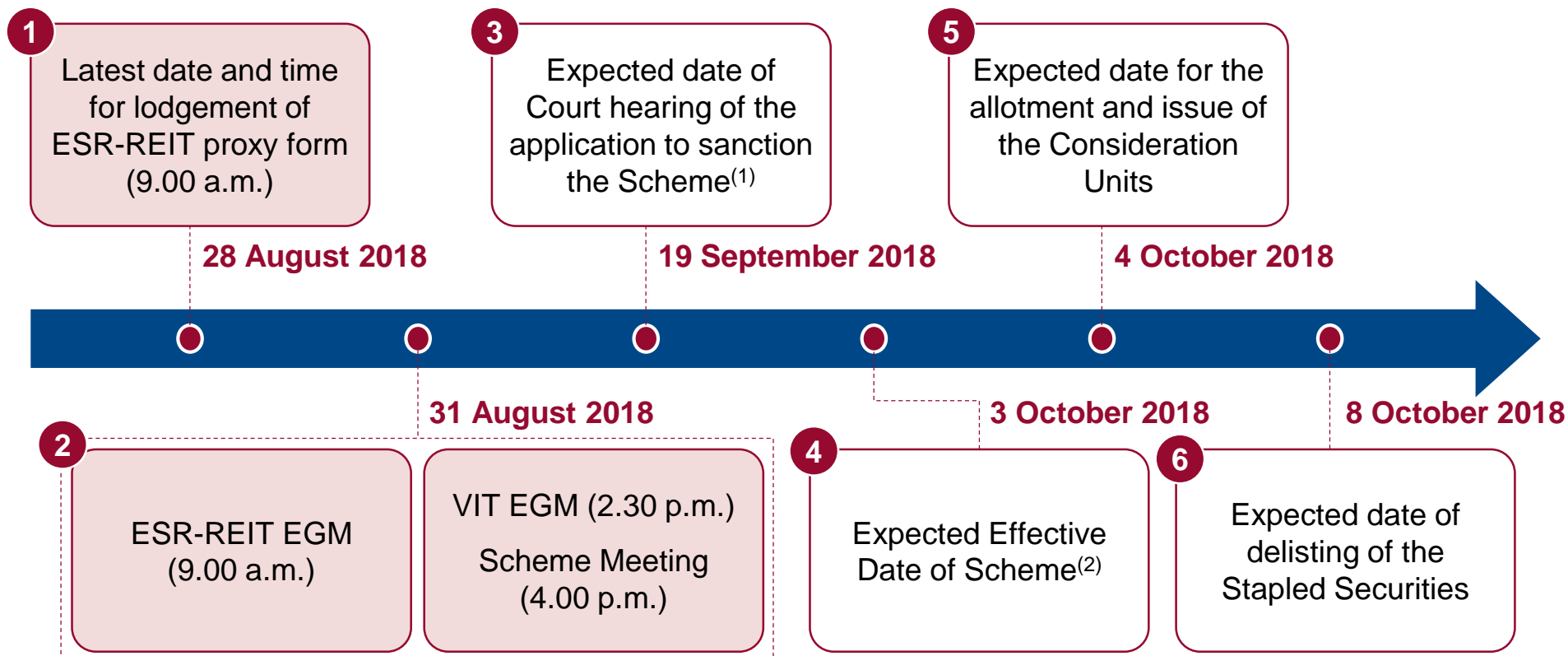


RECOMMENDING DIRECTORS (IPT)
RECOMMENDING DIRECTORS (WHITEWASH)



Note: It is important that you read the above in conjunction with the full text and context of the Circular.

Expected Indicative Timeline



Please note that the above timeline is indicative only and may be subject to change. For the events listed above which are described as “expected”, please refer to future announcement(s) by ESR-REIT for the exact dates of these events.

The Merger is expected to be completed by October 2018

Summary of Key Takeaways for the Merger

1 Strengthens ESR-REIT's Market Position with all Stakeholders

Due to an enlarged and enhanced portfolio which is well supported by ESR Group

2 Enhances Returns while Diversifying Risks

DPU accretive on a historical pro forma basis while creating a diversified portfolio that is more resilient to market cycles

3 Increases Flexibility to Undertake Value-Adding AEs

Reduced portfolio financial impact when undertaking AEs, while taking into consideration the favourable supply and demand dynamics of the industrial market over the next 2 years

4 Broadens Pools and Reduces Cost of Capital

Greater access to pools of capital at more competitive costs

Part 2:
ESR-REIT
Trust Deed
Amendments



What are the Other Resolutions?

Extraordinary
Resolution 4
(≥75%)

The proposed ESR-REIT Unit Issue Supplement⁽¹⁾
to the ESR-REIT Trust Deed

Extraordinary
Resolution 5
(≥75%)

The proposed ESR-REIT Electronic Communications
Supplement⁽²⁾ to the ESR-REIT Trust Deed

These Resolutions are **not** inter-conditional
on the passing of
each other or
Resolutions 1, 2 and 3

Rationale for the Proposed ESR-REIT Unit Issue Supplement to the ESR-REIT Trust Deed



Consistency

- **Align** the provisions of the ESR-REIT Trust Deed to the Listing Manual
- **Consistent** and in line with industry's best practices
- **Avoid** any potentially confusing situations



Flexibility

- **Flexibility** to determine the issue price and number of new ESR-REIT Units to be issued



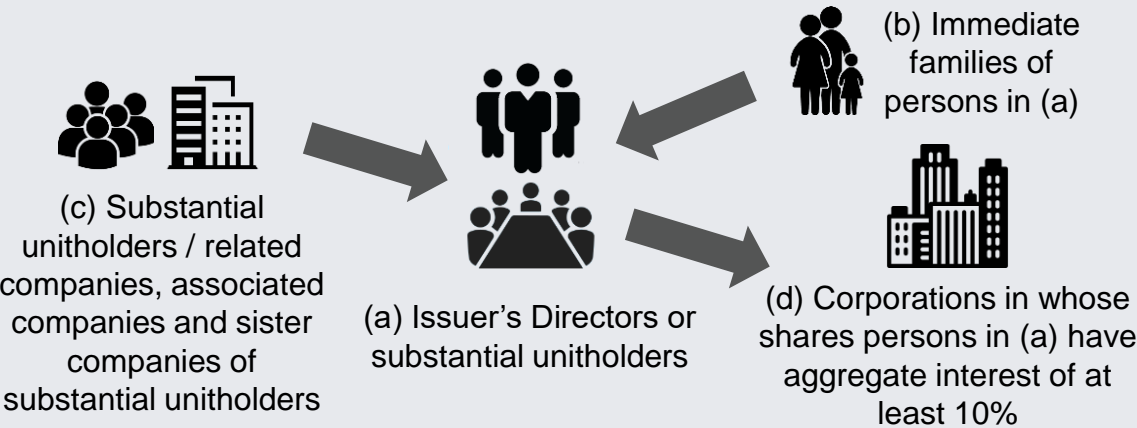
Efficiency

- Enables ESR-REIT to raise funds in a **prompt and efficient manner** to better handle its capital requirements

Changes / Limits in the Proposed ESR-REIT Unit Issue Supplement to the ESR-REIT Trust Deed

| Relevant Components | Proposed Changes / Limits as set out in the Listing Manual | | | | | | |
|---|---|-------------------------------|---------------------------|---|---------------------------|--|--|
| <p>1 Issue price of an ESR-REIT Unit (Rights Issue)</p> | <p>To replace existing limits and align with Listing Manual Rule 816 :</p> <table border="1" data-bbox="741 425 1935 664"> <thead> <tr> <th data-bbox="741 425 1452 482">Non-Renounceable Rights Issue</th> <th data-bbox="1452 425 1935 482">Renounceable Rights Issue</th> </tr> </thead> <tbody> <tr> <td data-bbox="741 482 1452 575"> No discount limit (with specific ESR-REIT Unitholders' approval sought) </td> <td data-bbox="1452 482 1935 575"> No limit specified </td> </tr> <tr> <td data-bbox="741 575 1452 664"> 10% discount limit (based on general mandate under Rule 806) </td> <td data-bbox="1452 575 1935 664"></td> </tr> </tbody> </table> | Non-Renounceable Rights Issue | Renounceable Rights Issue | No discount limit (with specific ESR-REIT Unitholders' approval sought) | No limit specified | 10% discount limit (based on general mandate under Rule 806) | |
| Non-Renounceable Rights Issue | Renounceable Rights Issue | | | | | | |
| No discount limit (with specific ESR-REIT Unitholders' approval sought) | No limit specified | | | | | | |
| 10% discount limit (based on general mandate under Rule 806) | | | | | | | |
| <p>2 Issue price of an ESR-REIT Unit (Distribution Reinvestment Plan)</p> | <p>To replace existing limits and align with Listing Manual Rule 862 :</p> <ul style="list-style-type: none"> ▪ Issue price to be based on the market price ▪ Issue price discount must not exceed 10% | | | | | | |
| <p>3 Issue price of an ESR-REIT Unit (other than by way of Rights Issue offered on a <i>pro rata</i> basis)</p> | <p>To replace existing limits and align with Listing Manual Rule 811:</p> <ul style="list-style-type: none"> ▪ Issue price discount not more than 10% ▪ Unless specific ESR-REIT Unitholders' approval is obtained pursuant to Rule 811(3) | | | | | | |

Changes / Limits in the Proposed ESR-REIT Unit Issue Supplement to the ESR-REIT Trust Deed (Cont'd)

| Relevant Components | Proposed Changes/ Limits as set out in the Listing Manual |
|--|--|
| <p>4 Number of ESR-REIT Units issued (other than by way of Rights Issue offered on a <i>pro rata</i> basis)</p> | <p>To replace existing limits and align with Listing Manual Rule 806 :</p> <ul style="list-style-type: none"> No more than 20% of total issued ESR-REIT Units (excluding treasury units) |
| <p>5 Parties to whom ESR-REIT Units may be issued (other than by way of Rights Issue offered on a <i>pro rata</i> basis)</p> | <p>To align with Listing Manual Rule 812; restricted parties⁽¹⁾ include:</p>  <p>(a) Issuer's Directors or substantial unitholders</p> <p>(b) Immediate families of persons in (a)</p> <p>(c) Substantial unitholders / related companies, associated companies and sister companies of substantial unitholders</p> <p>(d) Corporations in whose shares persons in (a) have aggregate interest of at least 10%</p> |
| <p>6 ESR-REIT Unitholders' approval for issuance of ESR-REIT Units in numbers exceeding the limit</p> | <p>Ordinary Resolution unless an Extraordinary Resolution is required by any applicable laws, regulations and the Listing Rules</p> |

Rationale for the Proposed ESR-REIT Electronic Communications Supplement to the ESR-REIT Trust Deed



Flexibility

- Provide **flexibility** to ESR-REIT Unitholders
- Choose to receive documents either in the form of electronic communications or physical notice



Cost Reduction

- **Reduce operational costs** and increase operational efficiency



Efficiency

- **Increase speed and effectiveness** of communications between ESR-REIT Unitholders and ESR-REIT

Amendments in the Proposed ESR-REIT Electronic Communications Supplement to the ESR-REIT Trust Deed

Current ESR-REIT Trust Deed



Unitholder Communications by way of Physical Copies

Proposed Amendments (as per Chapter 12 of the Listing Manual)



- 01** | Electronic communications
- 02** | Adopt use of Consent Regimes which are always subject to safeguards in the Listing Manual:

ESR-REIT Unitholders will be given a choice to choose between physical or electronic copies

(i) Deemed Consent

Deemed consent is given to receive electronic copies if ESR-REIT Unitholder does not respond within a specific timeframe

(ii) Implied Consent

ESR-REIT Unitholders have given implied consent to receive electronic copies

Conclusion

Part 1: Merger

| | | |
|---|---|---------------------------------|
| <p>Ordinary Resolution 1 (>50%)</p> | <p>The proposed merger of all the Stapled Securities held by the Stapled Securityholders and the ESR-REIT Units held by the ESR-REIT Unitholders, via the acquisition by ESR-REIT of all of the Stapled Securities by way of a Scheme</p> | <p>Inter-conditional</p> |
| <p>Extraordinary Resolution 2 (≥75%)</p> | <p>The proposed issue of approximately 1,561.2 million new ESR-REIT Units to the Stapled Securityholders as part of the consideration pursuant to the Merger</p> | |
| <p>Ordinary Resolution 3 (>50%)</p> | <p>The proposed Whitewash Resolution for the waiver by the Independent ESR-REIT Unitholders (Whitewash) of their rights to receive a mandatory general offer from the Tong Group⁽¹⁾</p> | |

Part 2: Proposed ESR-REIT Trust Deed Amendments

| | | |
|---|--|--|
| <p>Extraordinary Resolution 4 (≥75%)</p> | <p>The proposed ESR-REIT Unit Issue Supplement⁽²⁾ to the ESR-REIT Trust Deed</p> | <p><u>Not</u> Inter-conditional</p> |
| <p>Extraordinary Resolution 5 (≥75%)</p> | <p>The proposed ESR-REIT Electronic Communications Supplement⁽³⁾ to the ESR-REIT Trust Deed</p> | |



Notes: (1) The Tong Group means Leading Wealth Global Inc, Longemont Real Estate Pte. Ltd., Shanghai Summit (Group) Co. Ltd., Shanghai Summit Pte. Ltd., Wealthy Fountain Holdings Inc, Skyline Horizon Consortium Ltd, Mr. Tong Jinqun and Mr. Tong Yu Lou. (2) The proposed amendments to the ESR-REIT Trust Deed as set out in Part 1 of Schedule 9 to the Circular. (3) The proposed amendments to the ESR-REIT Trust Deed as set out in Schedule 10 to the Circular.

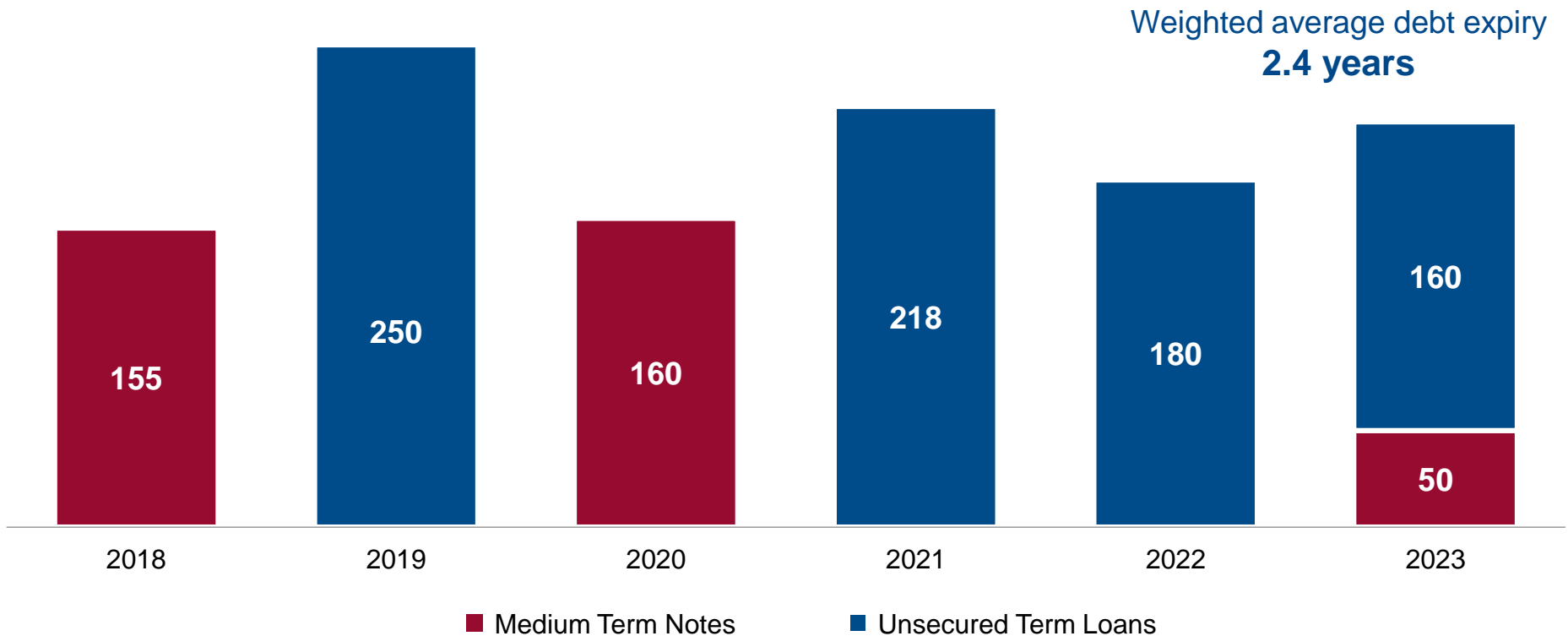
Appendix



Well Spaced Out Debt Maturity Profile

No more than 22.0% of debt expiring in a single year

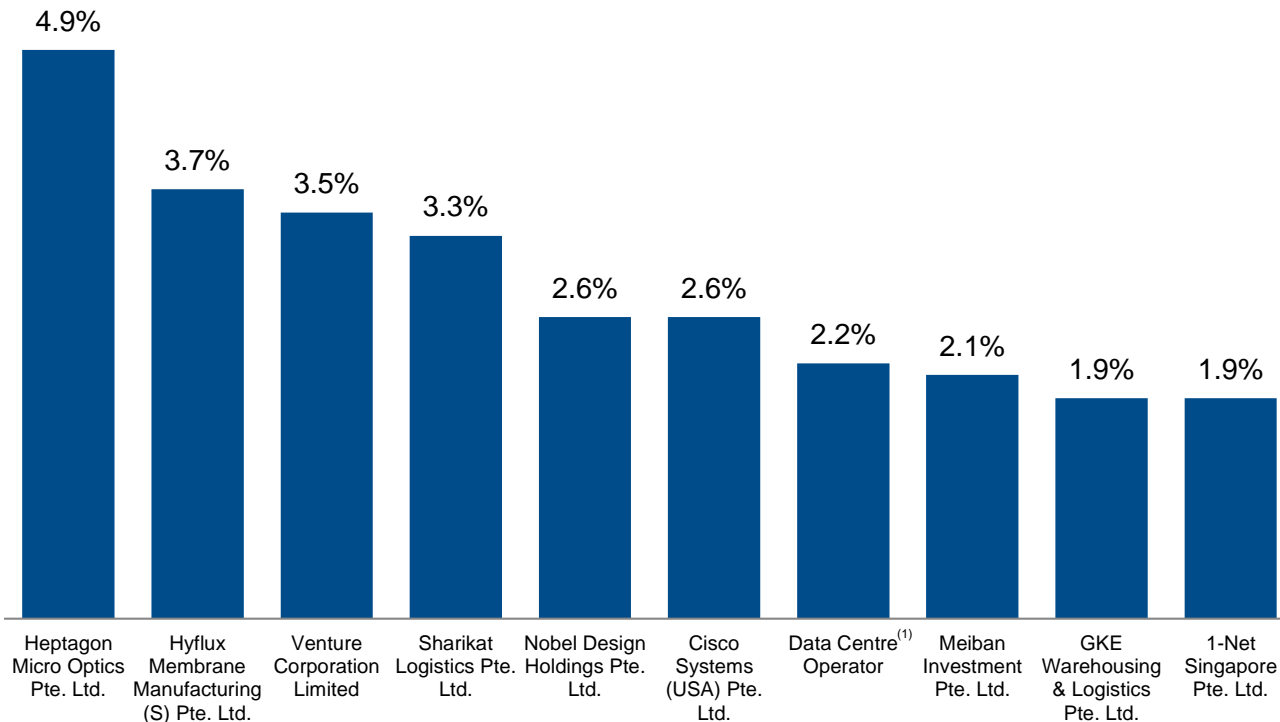
Post-Merger Debt Maturity Profile (\$m)



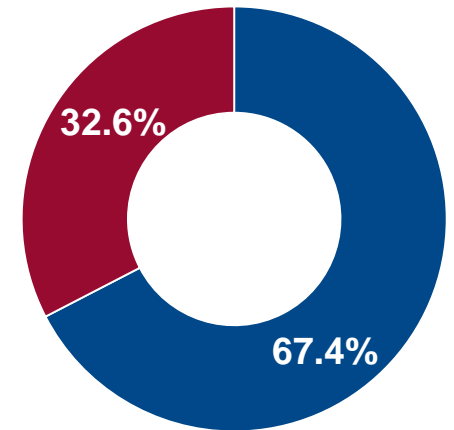
Diversified and Well-Balanced Tenant Base with Appropriately Managed Concentration Risk

Post-Merger Top 10 Tenants (as at 31 March 2018)

Top 10 tenants account for 28.7% of rental income, with no single tenant accounting for more than 5.0% of portfolio gross revenue



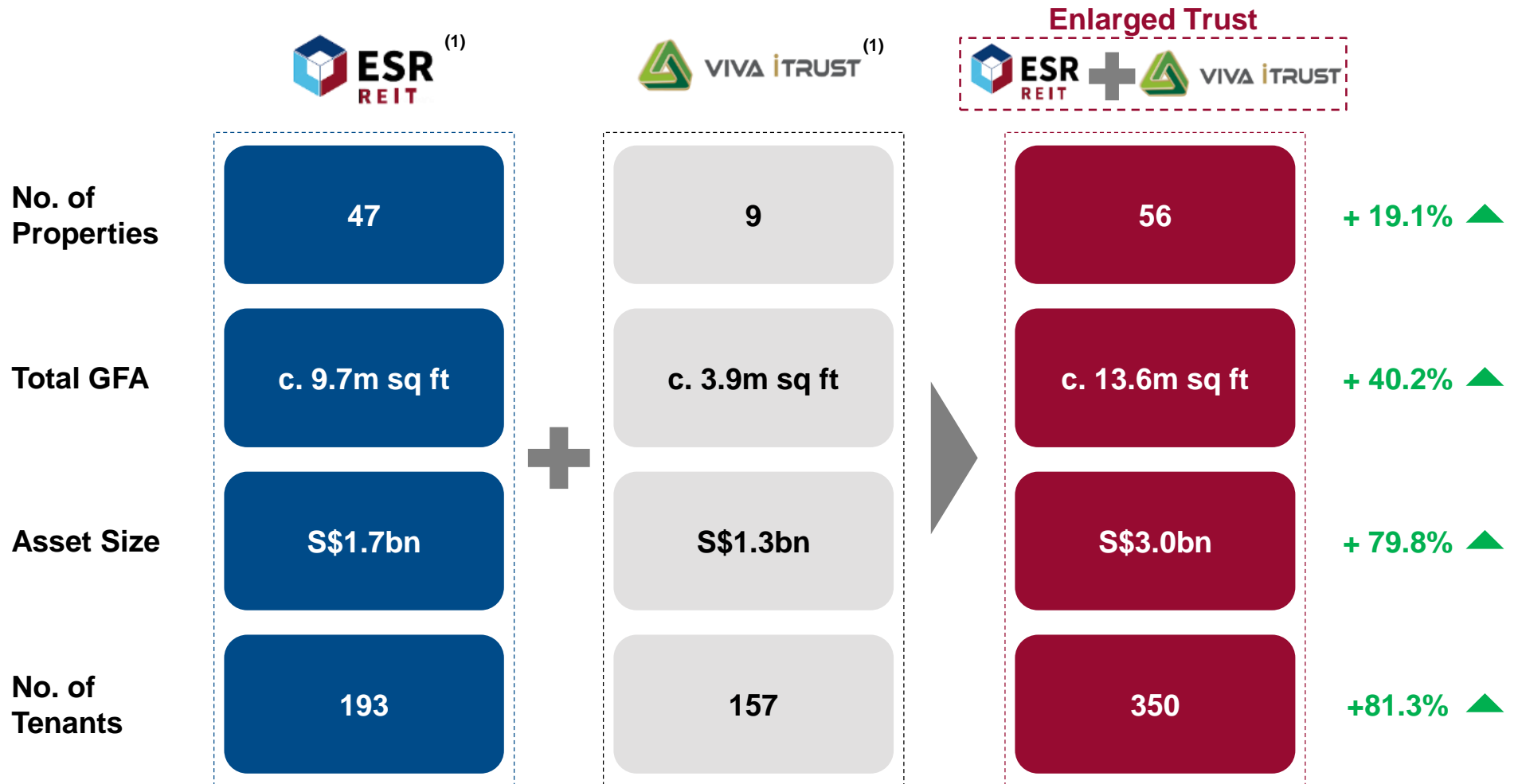
Single-Tenanted vs Multi-Tenanted by Rental Income



- Multi-tenanted buildings
- Single-tenanted buildings

Addition of a High Quality Portfolio of Scale to ESR-REIT's Current Portfolio

Portfolio Metrics



Financing Considerations

FOR ILLUSTRATIVE PURPOSES ONLY

Illustrative Uses

Total Acquisition Cost

- Approximately S\$1,498.8 million comprising:
 - Scheme Consideration of S\$936.7 million
 - Refinancing of VIT’s existing debt of S\$525.0 million
 - Acquisition fees payable in ESR-REIT Units to the ESR-REIT Manager for the Merger which is estimated to be approximately S\$12.8 million
 - The estimated professional and other fees and expenses of approximately S\$24.3 million

Illustrative Sources

Consideration Units

- Approximately S\$843.1 million:
 - 1,561.2 million new ESR-REIT Units to be issued at an issue price of **S\$0.54** per ESR-REIT Unit

New Debt

- Approximately S\$642.9 million including:
 - Financing of 10% of Scheme Consideration in cash of S\$93.7 million
 - Refinancing of VIT’s existing debt of S\$525.0 million
 - Debt taken to fund professional and other fees and expenses
 - 100% unsecured

Acquisition Fee in Units

- Approximately 23.8 million ESR-REIT Units will be allotted and issued to the ESR-REIT Manager as an acquisition fee for the Merger based on an illustrative issue price of **S\$0.54** per ESR-REIT Unit

Full Definitions for Restricted Parties

| Relevant Components | Proposed Changes/ Limits as set out in the Listing Manual |
|--|---|
| <p>5 Parties to whom ESR-REIT Units may be issued (other than by way of Rights Issue offered on a <i>pro rata</i> basis)</p> | <p>Replaced existing limits to align with Rule 812 of the Listing Manual:</p> <div style="border: 1px solid black; padding: 5px;"> <p>Must not be placed to the following persons unless specific ESR-REIT Unitholders' approval obtained or under circumstances stipulated under Rule 812(3):</p> <p>(a) issuer's directors and substantial unitholders;</p> <p>(b) immediate family members of the directors and substantial unitholders;</p> <p>(c) substantial unitholders, related companies, associated companies and sister companies of the issuer's substantial unitholders;</p> <p>(d) corporations in whose shares the issuer's directors and substantial unitholders have an aggregate interest of at least 10%; and</p> <p>(e) any person who, in the opinion of the SGX-ST, falls within the abovementioned categories (a) to (d).</p> </div> <p>The SGX-ST may agree to a placement to a person in Rule 812(1)(b), (c) or (d) if it is satisfied that the person is independent and is not under the control or influence of any of the issuer's directors or substantial shareholders.</p> |