



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

**PROPOSED MERGER OF VIVA INDUSTRIAL TRUST AND ESR-REIT
BY WAY OF A TRUST SCHEME OF ARRANGEMENT SUBJECT TO WHITEWASH
RESOLUTION**

PAYMENT OF THE SCHEME CONSIDERATION AND DELISTING OF VIVA INDUSTRIAL TRUST

1. INTRODUCTION

ESR Funds Management (S) Limited, as manager of ESR-REIT (the "**ESR-REIT Manager**"), refers to:

- (a) the circular dated 7 August 2018 (the "**Circular**") despatched to unitholders of ESR-REIT (the "**ESR-REIT Unitholders**") in relation to the proposed merger (the "**Merger**") of all the issued and paid-up stapled securities (the "**Stapled Securities**") of Viva Industrial Trust ("**VIT**") held by the stapled securityholders of VIT (the "**Stapled Securityholders**") and the units in ESR-REIT (the "**ESR-REIT Units**") held by the ESR-REIT Unitholders, which will be effected through the acquisition by ESR-REIT of all the Stapled Securities held by the Stapled Securityholders by way of a trust scheme of arrangement (the "**Scheme**") in compliance with the Singapore Code on Take-overs and Mergers;
- (b) the scheme document dated 7 August 2018 issued by VIT to the Stapled Securityholders in relation to the Merger and the Scheme; and
- (c) the announcement dated 15 October 2018 made by the ESR-REIT Manager in relation to, *inter alia*, the Effective Date of the Scheme.

All capitalised terms used herein shall, unless otherwise defined or the context otherwise requires, have the same meaning as given to them in the Circular.

2. DATE FOR PAYMENT OF THE SCHEME CONSIDERATION AND DATE FOR DELISTING OF VIT

The ESR-REIT Manager wishes to announce that it has made payment of the Scheme Consideration on 17 October 2018.

The ESR-REIT Manager further wishes to announce that VIT will be delisted from the Official List of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") with effect from 22 October 2018.

3. **ISSUE AND LISTING OF NEW ESR-REIT UNITS PURSUANT TO THE MERGER AND THE SCHEME**

The ESR-REIT Manager wishes to announce that it has today issued an aggregate of 1,585,021,648 new ESR-REIT Units (the "**New ESR-REIT Units**") in connection with the Merger and the Scheme, comprising:

- (a) 1,561,213,700 Consideration Units at an issue price of S\$0.54 per Consideration Unit as part of the Scheme Consideration paid to Stapled Securityholders; and
- (b) 23,807,948 New ESR-REIT Units in payment of the acquisition fee to the ESR-REIT Manager for the Merger in accordance with the ESR-REIT Trust Deed.

With the issuance of 1,585,021,648 New ESR-REIT Units in connection with the Merger and the Scheme, the total number of ESR-REIT Units in issue is 3,168,723,595 ESR-REIT Units as at the date of this announcement.

The New ESR-REIT Units issued in connection with the Merger and the Scheme will, upon issue and listing, rank *pari passu* in all respects with the existing ESR-REIT Units.

The New ESR-REIT Units issued in connection with the Merger and the Scheme will be listed and quoted on the Main Board of the SGX-ST with effect from **9.00 a.m.** today, **17 October 2018**.

17 October 2018

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)

Any queries relating to this Announcement, the Merger or the Scheme should be directed to one of the following:

ESR Funds Management (S) Limited

Citigroup Global Markets Singapore Pte. Ltd.

Tel: +65 6657 1959

The directors of the ESR-REIT Manager (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than those relating to VIT and/or the VIT Managers) are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from VIT and/or the VIT Managers, the sole responsibility of the directors of the ESR-REIT Manager has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement. The directors of the ESR-REIT Manager jointly and severally accept responsibility accordingly.

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 15 October 2018 has a diversified portfolio of 56 properties located across Singapore, with a total gross floor area of approximately 13.6 million sq ft and a property value of S\$2.94 billion¹. The properties are in the following business sectors: General Industrial, Light Industrial, Logistics/Warehouse, Hi-Specs Industrial, and Business Park, 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 and secure 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 two stakeholders, namely, ESR Cayman Limited ("ESR") (indirectly c.80 percent) and Mitsui & Co., Ltd ("Mitsui") (20 percent):

- ESR is a leading pure-play pan-Asia logistics real estate developer, owner, and operator focused on the key metropolitan areas most closely tied with consumption and global trade. Co-founded by senior management and Warburg Pincus, ESR is backed by some of the world's preeminent investors including APG, CITIC CLSA, CPPIB, Goldman Sachs, JD.com, PGGM, Ping An and SK Holdings. The ESR platform represents one of the largest in the Asia-Pacific region, spanning across Mainland China, Japan, Singapore, South Korea, Australia and India. The company also runs capital and fund management offices in Hong Kong and Singapore. As at 30 June 2018, the company's assets under management (AUM) reached approximately US\$13 billion, and the gross floor area (GFA) of projects owned and under development stood at over 10 million square metres.
- Mitsui is one of the largest corporate conglomerates in Japan and listed on the Tokyo Stock Exchange. It is one of the largest publicly traded companies in the world. Mitsui also developed the Japan Logistics Fund Inc., a publicly listed REIT in Japan dedicated to investing in distribution facilities.

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

¹ Includes valuation of 7000 Ang Mo Kio Avenue 5 on a 100% basis, of which ESR-REIT has 80% economic interest.

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 (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 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.