



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

ENTRY INTO S\$200 MILLION UNSECURED LOAN FACILITY

1. ENTRY INTO S\$200 MILLION UNSECURED LOAN FACILITY

ESR Funds Management (S) Limited, as manager of ESR-REIT (the "**Manager**"), wishes to announce that RBC Investor Services Trust Singapore Limited, in its capacity as trustee of ESR-REIT (the "**Trustee**"), has entered into a S\$200 million unsecured loan facility agreement (the "**Facility Agreement**") with (i) MUFG Bank, Ltd. and Sumitomo Mitsui Banking Corporation Singapore Branch, as mandated lead arrangers and bookrunners, (ii) MUFG Bank, Ltd. and Sumitomo Mitsui Banking Corporation Singapore Branch, as original lenders and (iii) Sumitomo Mitsui Banking Corporation Singapore Branch, as facility agent (the "**Facility Agent**").

The unsecured loan facility consists of a S\$150 million term loan facility ("**Facility A**") and a S\$50 million revolving loan facility ("**Facility B**") (collectively, the "**Facilities**"). The proceeds of such Facilities will be applied towards general corporate funding purposes, including but not limited to:

- (a) the refinancing of existing indebtedness;
- (b) funding further asset acquisitions, enhancements and improvement of assets owned by ESR-REIT and its Subsidiaries (as defined in the Facility Agreement); and
- (c) other general working capital purposes.

2. KEY TERMS OF THE FACILITY AGREEMENT

Key terms of the Facility Agreement are as follows:

Original Lenders	(a) MUFG Bank, Ltd.; and (b) Sumitomo Mitsui Banking Corporation Singapore Branch.
Loan Commitment	(a) Facility A: S\$150 million; and (b) Facility B: S\$50 million.
Final Maturity Date	Facility A and Facility B: 48 months from the date of the Facility Agreement, being 28 February 2020
Security	None
Details of the conditions that refer	The Facility Agent (acting on the instructions of the Majority Lenders (as defined in the Facility Agreement) at their absolute

to the shareholding interest of the Manager's controlling shareholder or which place restrictions on any change in control of the Manager

discretion) has the right to require the Trustee (as borrower) to enter into discussions in good faith for a stipulated time with the Finance Parties (as defined in the Facility Agreement) to review the terms of the Facility Agreement, upon the occurrence of the following:

- (a) the Manager resigns or is removed as the manager of ESR-REIT without the prior written consent of all the Lenders (as defined in the Facility Agreement) and a replacement manager which is acceptable to all the Lenders is not appointed (i) in accordance with the terms of the trust deed of ESR-REIT or (ii) by the effective date of the resignation or removal of the Manager; and/or
- (b) ESR Cayman Limited ceases to hold, whether directly or indirectly, at least 50.1% of the issued share capital of the Manager without the prior written consent of all the Lenders.

If (i) the Facility Agent (on the instructions of all the Lenders) notifies the Trustee that the proposal submitted by the Trustee to the Facility Agent further to the discussions is not acceptable to the Majority Lenders (in their absolute discretion) or (ii) the Trustee has not submitted any proposal within the stipulated time for the discussions, the Facility Agent may, and shall if so directed by the Majority Lenders, by notice to the Trustee, cancel the Loan Commitments and/or require the Trustee to immediately repay or prepay all amounts owing under or in connection with the Finance Documents (as defined in the Facility Agreement).

If the Majority Lenders (in their absolute discretion) have accepted the proposal submitted by the Trustee and the Trustee fails to carry out the steps and/or proposed alternative arrangement set out in such proposal by the time period within which such proposed alternative arrangement is to be carried out to the satisfaction of the Majority Lenders, the Facility Agent may, and shall if so directed by the Majority Lenders, by notice to the Trustee, cancel the Loan Commitments and/or require the Trustee to repay or prepay all amounts owing under or in connection with the Finance Documents within 15 days from the date that the Facility Agent notifies the Trustee of the cancellation of the Loan Commitments.

The aggregate principal amount of loan facilities under the Facility Agreement that may be affected in the event of a breach of the conditions set out above is up to S\$200 million.¹

¹ It should be noted that the terms and conditions of typical facility agreements may contain cross default clauses, pursuant to which a default of obligations by the Trustee in the Facility Agreement may trigger an event of default in other facility agreements. The aggregate level of facilities affected in the event of a breach of conditions in the above table does not take into account facilities which may be affected due to the triggering of such cross default provisions in such other facility agreements.

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

28 February 2020

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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 31 December 2019 holds interest in a diversified portfolio of 57 properties located across Singapore, with a total gross floor area of approximately 15.1 million square feet and an aggregate property value of S\$3.04 billion². 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;
- Proactive 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.

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. 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 investors including APG, SK Holdings, JD.com, Goldman Sachs, CPPIB, OMERS, PGGM, Ping An and Allianz Real Estate. The ESR platform spans across the People's Republic of China, Japan, South Korea, Singapore, Australia and India. As of June 30, 2019, 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\$20.2 billion, and GFA of properties completed and under development as well as GFA to be built on land held for future development comprised over 15.3 million sqm in total. ESR has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 1 November 2019.

For more information on ESR, please visit www.esr.com.

² Includes (i) 100% of the valuation of 7000 Ang Mo Kio Avenue 5 in which ESR-REIT holds 80% interest; and (ii) 49% of the valuation of 48 Pandan Road in which ESR-REIT holds 49% interest, but excludes the effects arising from the adoption of Financial Reporting Standard (FRS) 116 Leases which became effective on 1 January 2019.

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 announcement is for information 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.