



(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 11 February 2010 as amended and restated)

Press Release

ARA LOGOS Logistics Trust's 3Q FY2021 Distribution Grows 21% Year-on-Year

Key Highlights:

- Continuing strong and steady growth in performance, underscoring resiliency of its logistics portfolio
- Gross Revenue and NPI in 3Q FY2021 grew 15.1% and 13.9% year-on-year (“y-o-y”) respectively
- Strong portfolio metrics underpinned by high occupancy rate of 97.6% with a long weighted average lease expiry (“WALE”) of 4.6 years⁽¹⁾, providing long-term cash flow stability
- Announced proposed merger with ESR-REIT to form benchmark New Economy⁽²⁾ S-REIT with the largest pipeline in Asia; backed by strong developer-sponsor, ESR Group⁽³⁾

Financial Performance

In S\$'000 unless otherwise noted

	3Q FY2021	3Q FY2020	Change (%)
Gross Revenue	33,967	29,517	15.1
Net Property Income ("NPI")	26,093	22,899	13.9
Distribution Declared to Unitholders	19,309	15,965	20.9
Distribution per Unit ("DPU") (cents)⁽⁴⁾	1.329	1.461	(9.0)

Singapore, 26 October 2021 – ARA LOGOS Logistics Trust Management Limited, the manager (the “**Manager**”) of ARA LOGOS Logistics Trust (“**ALOG**”), is pleased to announce today a distribution of S\$19.3 million for the period 1 July 2021 to 30 September 2021 (“**3Q FY2021**”). This translates into a DPU of 1.329 cents for the quarter.

¹ By Gross Rental Income (“**GRI**”).

² New Economy refers to logistics / warehouse and high-specs industrial properties.

³ For more information, please refer to the joint announcement titled “Proposed Merger of ESR-REIT and ARA LOGOS Logistics Trust by way of a Trust Scheme of Arrangement” dated 15 October 2021.

⁴ Based on 1,452,179,433 units issued and to be issued as at 30 September 2021 and 1,092,786,817 units as at 30 September 2020.

Gross Revenue and NPI for 3Q FY2021 rose by 15.1% and 13.9% y-o-y to S\$34.0 million and S\$26.1 million respectively. The higher Gross Revenue and NPI were underpinned by increased revenue generated from the Australian portfolio acquired in April 2021, commencement of new leases during the quarter as well as relatively stronger Australian dollar in 3Q FY2021 vs 3Q FY2020 and was partially offset by the divestment of Kidman Park in Australia and ALOG Changi DistriCentre 2 in Singapore in May and June 2021 respectively⁽⁵⁾. Similarly, 3Q FY2021 distribution was up 20.9% y-o-y to S\$19.3 million, from S\$16.0 million a year ago, mainly due to higher NPI and contributions⁽⁶⁾ from ALOG's investments in the New LAIVS Trust and Oxford Property Fund ("**Fund Investments**"). 3Q FY2021 DPU was however lower by 9.0% y-o-y to 1.329 cents on the back of an enlarged unit base, following the equity raised for the maiden Australian portfolio acquisition from its Sponsor, LOGOS⁽⁷⁾.

Healthy Financial Position

For the quarter ended 30 September 2021, ALOG continues to maintain a strong balance sheet and further strengthens its financial position with a lower aggregate leverage of 37.8%. All-in financing costs have also reduced to 2.77% in 3Q FY2021 as compared to 2.92% in 1H FY2021. Debt maturity profile remains well-spread with weighted average tenure of debt outstanding at 3.0 years and ALOG has sufficient liquidity in place to fulfill any obligations when required.

ALOG remains prudent in its capital management with approximately 73.7% of ALOG's borrowings hedged into fixed interest rates and 84.7% of ALOG's distributable income either derived in or hedged to Singapore dollars.

Portfolio Update

ALOG successfully secured and renewed more than 171,000 square metres of leases⁽⁸⁾ year-to-date ("**YTD**"), with a positive rental reversion rate of 3.2% on the back of proactive leasing efforts. ALOG's portfolio occupancy also stood at a healthy 97.6%⁽⁹⁾ and portfolio's WALE by GRI is at 4.6 years, providing long-term stability in cash flow.

Post quarter-end, ALOG undertook a valuation on its property portfolio in relation to the proposed merger with ESR-REIT⁽³⁾. As at 30 September 2021, the appraised value of its investment properties is at S\$1.5 billion. Excluding the impact of the weaker Australian dollar, ALOG's Australian portfolio saw a slight uplift of 3.1% to A\$685.9 million as at 30 September 2021 from A\$665.1 million as at 30 June 2021. Including the Fund Investments, ALOG's total portfolio value is approximately S\$1.8 billion. ALOG's NAV per Unit also increased slightly to S\$0.68 as at 30 September 2021 from S\$0.67 as at 30 June 2021.

⁵ Refer to SGX announcements dated 31 May 2021 and 30 June 2021 on the completion of divestments of Kidman Park and ALOG Changi DistriCentre 2 respectively.

⁶ Distribution of S\$2.5 million from ALOG's investments in the New LAIVS Trust and Oxford Property Fund.

⁷ For more information, please refer to the SGX announcement dated 16 April 2021.

⁸ Excluding short-term leases executed.

⁹ The portfolio occupancy would have increased to 98.6%, taking into account a new lease commitment at ALOG Commodity Hub with effect from October 2021.

Chief Executive Officer of the Manager, Ms Karen Lee said: “Underscored by the resilient logistics market fundamentals, ALOG has continued to deliver a strong set of results despite the prolonged COVID-19 outbreak. Its high-quality portfolio also saw a healthy portfolio occupancy of 97.6% and a positive rental reversion of 3.2%. In addition, the portfolio’s occupancy would have improved to 98.6% following the signing of a new lease commitment, which will be effective from October 2021. This steady set of performance has reaffirmed our positive outlook towards the resiliency of the logistics sector, supported by long-term structural shifts in areas such as e-commerce and supply chain.”

Proposed Merger with ESR-REIT to Form ESR-LOGOS REIT (“E-LOG”), the Leading New Economy and Future-Ready APAC S-REIT⁽¹⁰⁾

On 15 October 2021, ALOG announced a proposed merger with ESR-REIT to create E-LOG, a leading New Economy and Future-Ready Asia-Pacific (“**APAC**”) S-REIT⁽¹⁰⁾. This proposed merger will be a combination of two “best-in-class” REITs and E-LOG is expected to be amongst the top 10 largest S-REITs by free float market capitalisation⁽¹¹⁾. The proposed merger will be effected by way of a trust scheme of arrangement in compliance with the Singapore Code on Take-overs and Mergers, with ESR-REIT acquiring all units of ALOG in exchange for a combination of cash and new units in ESR-REIT.

Backed by the enlarged ESR Group, the Future-Ready resilient portfolio will have a core focus on New Economy real estate and will deliver the below key benefits to ALOG’s unitholders:

1. Value accretion;
2. Ability to leverage on the enlarged ESR Group’s fully integrated platform and global tenant network;
3. Enhanced growth trajectory with access to the largest New Economy AUM in APAC;
4. Create a top 10 S-REIT by free float; and
5. Enlarged portfolio with enhanced flexibility, ability to drive growth and ESG offerings

Commenting on this development, Ms Lee continued: “Since its rebranding last year, ALOG’s transformational growth journey has been marked by several milestones. Firstly, its successful maiden Australian portfolio acquisition from its current Sponsor, LOGOS, demonstrated LOGOS’ commitment to grow the REIT and alignment of interests with ALOG’s Unitholders. Secondly, the continual robust performance of its portfolio, underpinned by resilient logistics market fundamentals, has translated into a re-rating in ALOG’s unit price and its subsequent inclusion in the FTSE EPRA Nareit Global Developed Index, a leading global real estate benchmark. And recently, ALOG announced the proposed merger with ESR-REIT, another transformational development for the combined entities, delivering DPU accretion and

¹⁰ For more information, please refer to the joint announcement titled “Proposed Merger of ESR-REIT and ARA LOGOS Logistics Trust by way of a Trust Scheme of Arrangement” dated 15 October 2021.

¹¹ Free float excludes ESR-REIT Units held by the Sponsor, Summit Group, the ESR-REIT Manager, the directors of the ESR-REIT Manager, other substantial ESR-REIT Unitholders and their respective associates. The free float of the Enlarged REIT post-Merger also excludes ESR-REIT Units that would be held by the ALOG Manager, the directors of the ALOG Manager, and their respective associates. ESR-LOGOS REIT’s free float of S\$2.5 billion is computed based on 4,951 million free float units multiplied by an issue price of S\$0.510 per ESR-LOGOS REIT Unit.

enhanced growth trajectory for all Unitholders. From a growth standpoint, ALOG is now well-placed to tap on these upcoming growth opportunities and continue to deliver long-term value creation for its Unitholders moving forward.”

Outlook

According to MTI’s recent report, Singapore’s gross domestic product (“**GDP**”) lifted 6.5% y-o-y in 3Q 2021, moderating from the 15.2% growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted basis, Singapore’s GDP grew by 0.8% in the third quarter of 2021, a reversal from the 1.4% contraction in the previous quarter⁽¹²⁾.

Singapore’s industrial property market continues to show recovery in the first half of 2021, with the JTC rental and price indices increasing 1.1% and 2.7% respectively as compared to a year ago⁽¹³⁾. The increased flow of biotechnology investments into Singapore as well as potential expansion from technology and logistics firms, which have been capitalising on the growth in e-commerce and business digitalization, could potentially increase demand for high-tech and prime logistics space. In Q3 2021, the heightened demand for prime logistics space amidst a moderate supply has also further tightened vacancy rates, which are anticipated to remain low in the upcoming quarters⁽¹⁴⁾.

In a statement by the Reserve Bank of Australia (“**RBA**”), the Delta outbreak has disrupted the recovery of the Australian economy and GDP is expected to see a decline in the September quarter. However, this setback to Australia’s economic expansion is expected to be temporary. With higher vaccination rates and the easing of restrictions, Australia’s economy is expected to rebound. Cash rate will also remain low until actual inflation is sustainably maintained within the 2.0% to 3.0% target range⁽¹⁵⁾.

In Australia, the industrial market has seen strong demand over the past quarter and is well on track for another strong year, notwithstanding the recent lockdowns⁽¹⁶⁾. The growth surge in online / e-commerce usage and increasing investment in supply-chain drivers by businesses have remained strong. In addition, the rising need for speed to market, together with demand for higher quality and larger facilities to accommodate automated supply chain requirements, have also continued to bolster demand for quality logistics and warehouse facilities⁽¹⁷⁾.

¹² Ministry of Trade and Industry, Press Release, Singapore’s GDP Grew by 6.5 Per Cent in the Third Quarter of 2021, 14 October 2021.

¹³ Colliers Research, Singapore Industrial: Staying ahead, 18 August 2021.

¹⁴ Cushman & Wakefield, Marketbeat, Singapore, Industrial 3Q 2021.

¹⁵ Statement by Philip Lowe, Governor: Monetary Policy Decision, 5 October 2021.

¹⁶ Dexus Research, Australian Real Estate Quarterly Review, 3Q 2021.

¹⁷ Knight Frank Research, Australia Industrial Review, August 2021.



Distribution to Unitholders

ALOG will pay a distribution of 1.329 cents per unit for the period 1 July 2021 to 30 September 2021 on 26 November 2021. The books closure date for determining unitholders' entitlement to the distribution is 3 November 2021.

<END>

RESPONSIBILITY STATEMENT

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

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including the announcement dated 4 August 2021 released by ESR Cayman Limited in relation to the merger between ESR Cayman Limited and ARA Asset Management) or obtained from a named source (including ESR-REIT and/or the ESR-REIT Manager), the sole responsibility of the directors of the ALOG 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 press release. The directors of the ALOG Manager do not accept any responsibility for any information relating to ESR-REIT and/or the ESR-REIT Manager or any opinion expressed by ESR-REIT and/or the ESR-REIT Manager.



ABOUT ARA LOGOS LOGISTICS TRUST (“ALOG”)

Listed on the Singapore Exchange on 12 April 2010, ARA LOGOS Logistics Trust (“**ALOG**”) is a real estate investment trust (“**REIT**”) that invests in quality income-producing industrial real estate used for logistics purposes, as well as real estate-related assets in the Asia Pacific. ALOG is managed by ARA LOGOS Logistics Trust Management Limited.

As at 30 September 2021, ALOG’s portfolio comprises 29 high quality logistics warehouse properties strategically located in established logistics clusters in Singapore and Australia as well as 49.5% and 40.0% stakes in the New LAIVS Trust and Oxford Property Fund respectively. The portfolio has a total gross floor area of approximately 1.0 million square metres and is valued at approximately S\$1.8 billion⁽¹⁸⁾.

For more information, please visit <https://www.aralogos-reit.com>.

ABOUT ARA LOGOS LOGISTICS TRUST MANAGEMENT LIMITED

ALOG is managed by ARA LOGOS Logistics Trust Management Limited (the “**Manager**”), a wholly-owned subsidiary of LOGOS. ARA Asset Management Limited (“**ARA**” or the “**Group**”) is a majority shareholder of LOGOS, which operates as ARA’s global logistics real estate platform.

LOGOS is one of Asia Pacific’s leading logistics property groups. It has total Assets Under Management (“**AUM**”) of US\$17 billion⁽¹⁹⁾, comprising more than 9.0 million sqm of property owned and under development across 26 ventures, including ALOG. As a vertically integrated business, LOGOS manages every aspect of logistics real estate, from sourcing land or facilities, to undertaking development and asset management, on behalf of some of the world’s leading global real estate investors.

ARA is the largest real assets manager in Asia Pacific with approximately US\$95 billion⁽²⁰⁾ gross AUM by the Group and its associates. ARA Group operates a global platform with a focus on APAC, managing public and private investment funds that invest across traditional and New Economy real estate assets spanning office, logistics, retail, residential, hospitality, and data centers, as well as private real estate credit and infrastructure. ARA’s vertically integrated business includes development and value-add asset management capabilities, an in-house capital raising team, and property management expertise in local markets where ARA invests and manages assets. With a resolute focus on creating sustainable value, ARA manages funds on behalf of many of the world’s largest pension funds, sovereign wealth funds and financial institutions.

For more information on ARA and LOGOS, please visit <https://www.ara-group.com> and <https://www.logosproperty.com>.

For enquiries, please contact:

ARA LOGOS Logistics Trust Management Limited

Cassandra Seet

Senior Manager, Investor Relations

Tel: +65 6428 7769

Email: cassandraset@ara-logos.com

IMPORTANT NOTICE

The value of units in ALOG (“**Units**”) and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, ARA LOGOS Logistics Trust Management Limited (as the manager of ALOG) (the “**Manager**”) or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). It is intended that holders of

¹⁸ Portfolio value includes ALOG’s 49.5% and 40.0% stakes in the New LAIVS Trust and Oxford Property Fund respectively.

¹⁹ As of 30 September 2021, with June 2021 FX rates applied.

²⁰ Includes assets under management by ARA Asset Management Limited and the Group of companies (“**ARA Group**”) and its Associates as at 30 June 2021, adjusted for LOGOS’ acquisition of Moorebank Logistics Park announced on 5 July 2021.



Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of ALOG is not necessarily indicative of the future performance of ALOG.