



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

UPDATED METHOD OF FINANCING AND FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION OF 100% TRUST BENEFICIARY INTEREST IN ESR KISOSAKI YATOMI DISTRIBUTION CENTRE IN JAPAN AND 51% INTEREST IN 20 TUAS SOUTH AVENUE 14 IN SINGAPORE ARISING FROM THE PROPOSED ISSUANCE OF PERPETUAL SECURITIES

Capitalised terms used herein, but not otherwise defined, shall have the meanings ascribed to them in the announcement of ESR-LOGOS REIT titled “Proposed Acquisition of 100% Interest in ESR Kisosaki DC and 51% Interest in 20 Tuas South Ave 14” dated 31 July 2024 and the announcement titled “Pricing of S\$174.75M 6.0% Additional & New Subordinated Perpetual Securities Comprised in Series 009” dated 13 August 2024 in relation to the proposed issuance of perpetual securities.

1. INTRODUCTION

ESR-LOGOS Funds Management (S) Limited, in its capacity as manager of ESR-LOGOS REIT (“**E-LOG**”, and the manager of E-LOG, the “**Manager**”), refers to:

- (i) the announcement titled “Pricing of S\$174.75M¹ 6.0% Additional & New Subordinated Perpetual Securities Comprised in Series 009” in relation to the proposed issuance of perpetual securities (the “**Perpetual Securities**”)² dated 13 August 2024; and
- (ii) the announcement titled “Proposed Acquisition of 100% Interest in ESR Kisosaki DC and 51% Interest in 20 Tuas South Ave 14” dated 31 July 2024 (the “**31 July 2024 Announcement**”).

Arising from the proposed issuance of the Perpetual Securities, the Manager wishes to provide an update to the method of financing the Acquisitions, the pro forma financial effects of the Acquisitions and the bases and assumptions underlying the pro forma financial effects of the Acquisitions.

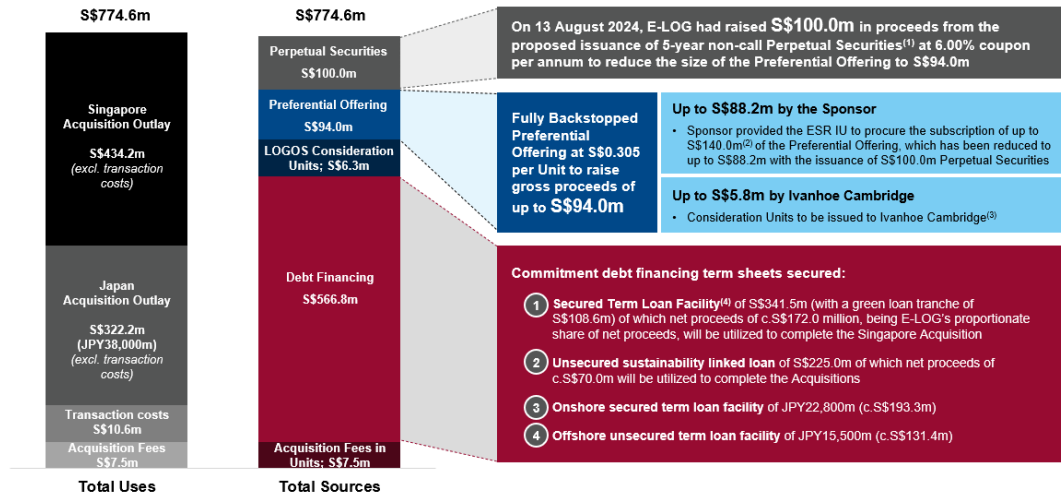
2. METHOD OF FINANCING THE ACQUISITIONS

The Manager intends to fund both the Acquisitions via (i) debt financing, (ii) the Preferential Offering, Consideration Units issued in relation to the Singapore Acquisition and/or the issuance of Perpetual Securities.

Following the issuance of additional S\$100.0 million of Perpetual Securities, the graphical representation of the total uses and sources of the financing has been updated as follows:

1 The S\$174.75 million of Perpetual Securities comprises (i) S\$100 million of Perpetual Securities issued to raise proceeds to part finance the Acquisitions and (ii) S\$74.75 million of Perpetual Securities issued in exchange of Series 006 subordinated perpetual securities.

2 For the avoidance of doubt, the references to “Instruments” in the 31 July 2024 Announcement refers to Perpetual Securities as defined in this Announcement.



Notes:

- Please refer to the announcement titled "Pricing of S\$174.75M 6.0% Additional & New Subordinated Perpetual Securities Comprised in Series 009" dated 13 August 2024 for further details.
- Comprising up to S\$17.4 million of subscription for the ESR Pro-Rata Units and up to S\$122.6 million for application for the ESR Excess. The Sponsor's undertaking to procure the subscription of the ESR Excess shall be reduced by any amount raised from (i) Third Party Proceeds and (ii) the proceeds from the Perpetual Securities, in excess of S\$48.2 million.
- Please see paragraphs 5.4 and 9.2 of the 31 July 2024 Announcement for further details about the issuance of the Ivanhoe Consideration Units and the Consideration Units in general.
- The secured term loan facility will be entered into by the Singapore PropCo, for which E-LOG will have a 51.0% interest in, to partially refinance the Existing Loan Settlement Sum (as defined in the Singapore Share Purchase Agreement).

3. DETAILS AND FINANCIAL INFORMATION OF THE ACQUISITIONS

3.1 Pro Forma Financial Effects of the Acquisitions

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Acquisitions on the DPU, NAV and NTA per Unit and aggregate leverage presented below are strictly for illustrative purposes only. Please refer to **Appendix A** for the bases and assumptions underlying the pro forma financial effects of the Acquisition.

3.2 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY:

The *pro forma* financial effects of the Acquisitions on the amount available for distribution to E-LOG Unitholders, the number of Units and E-LOG's DPU, and the accretion thereof, for FY2023, assuming that the Acquisitions had been completed on 1 January 2023 and E-LOG held and operated the properties through to 31 December 2023, the Acquisitions had been funded with the net proceeds from the Preferential Offering and the Perpetual Securities and assuming that, among other bases and assumptions stated in **Appendix A**, are as follows:

| | Actual FY2023 | After the Acquisitions |
|---|----------------------|-------------------------------|
| Amount available for distribution (S\$'000) | 192,698 | 208,062 |
| Applicable Number of Units ('000) | 7,515,523 | 7,878,611 |
| DPU (cents) | 2.564 | 2.641 |
| Accretion (%) | - | 3.0% |

3.3 Pro Forma NAV and NTA

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Acquisitions on the NAV and NTA, the number of Units and NAV and NTA per Unit, and the accretion thereof, as at 31 December 2023, assuming that the Acquisitions had been completed on 31 December 2023, the Acquisitions had been funded with the net proceeds from the Preferential Offering and the Perpetual Securities, and assuming that, among other bases and assumptions stated in **Appendix A**, are as follows:

| | As at 31 December 2023 | After the Acquisitions |
|-------------------------------|-------------------------------|-------------------------------|
| NAV and NTA (S\$'000) | 2,463,150 | 2,570,106 |
| Number of issued Units ('000) | 7,689,164 | 8,042,568 |
| NAV and NTA per Unit (cents) | 32.0 | 32.0 |
| Accretion (%) | - | - |

3.4 Pro Forma Aggregate Leverage

FOR ILLUSTRATIVE PURPOSES ONLY:

The pro forma financial effects of the Acquisitions on E-LOG's aggregate leverage as at 31 December 2023, assuming that the Acquisitions had been completed on 31 December 2023, the Acquisitions had been funded with the net proceeds from the Preferential Offering and the Perpetual Securities, and assuming that, among other bases and assumptions stated in **Appendix A**, are as follows:

| | As at 31 December 2023 | After the Acquisitions |
|------------------------|-------------------------------|-------------------------------|
| Aggregate Leverage (%) | 35.7% | 41.0% |

BY ORDER OF THE BOARD

ESR-LOGOS Funds Management (S) Limited

As Manager of ESR-LOGOS REIT

(Company Registration No. 200512804G, Capital Markets Services Licence No. 100132)

Adrian Chui

Chief Executive Officer and Executive Director

13 August 2024

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APPENDIX A
BASES AND ASSUMPTIONS UNDERLYING THE PRO FORMA FINANCIAL EFFECTS OF THE ACQUISITIONS

Basis of preparation for the pro forma financial effects of the Acquisitions on E-LOG's DPU for FY2023

FOR ILLUSTRATIVE PURPOSES ONLY:

The unaudited pro forma financial effects of the Acquisitions on E-LOG's DPU have been prepared based on E-LOG's latest audited financial statements for the financial year ended 31 December 2023 and are based on certain assumptions directly attributable to the Acquisitions.

The assumptions for the Acquisitions are set out as follows:

The Japan Acquisition

- (a) the illustrative exchange rate is JPY 100.00 = S\$0.848;
- (b) the acquisition of the New Japan Property had occurred on 1 January 2023 and a full year pro forma financial effect from the Japan Acquisition was included;
- (c) the Japan NPI Support was paid out to E-LOG such that the NPI yield from the New Japan Property is 4.0% for the full year;
- (d) net proceeds from the new Japanese Yen dominated banking facilities of JPY 37,917 million (approximately S\$321.5 million) were used to partially finance the Total Acquisitions Outlay at a weighted average "all-in" finance cost of 1.56% per annum;
- (e) existing Singapore Dollar banking facilities of approximately S\$3.3 million were used to partially finance the Total Acquisitions Outlay at a weighted average "all-in" finance cost of 4.00% per annum;
- (f) Japan Acquisition Fee of approximately S\$3.2 million (JPY 380 million) was paid by way of the issuance of approximately 10.6 million new Units at the illustrative issue price of S\$0.305 per Unit;
- (g) approximately 46% of the asset management fees relating to the Japan Acquisition was paid in Units;
- (h) other costs including stamp duty, the estimated professional and other fees and expenses of approximately S\$2.6 million (JPY 301 million) incurred or to be incurred by E-LOG in connection with the Japan Acquisition were funded as part of the Total Acquisitions Outlay;

The Singapore Acquisition

- (a) the acquisition of the New Singapore Property had occurred on 1 January 2023 and a full year pro forma financial effect from the Singapore Acquisition was included;
- (b) the Amalgamation and the LLP Conversion had occurred on 1 January 2023 such that the income generated from the New Singapore Property will not be subject to corporate income tax;

- (c) the Singapore Income Support was not paid out to E-LOG;
- (d) net proceeds of S\$172.0 million, being E-LOG's proportionate share of net proceeds from the new Singapore Dollar secured term loan facility of approximately S\$341.5 million (with a green loan tranche of S\$108.6 million), were used to partially finance the Total Acquisitions Outlay at a weighted average "all-in" finance cost of 5.00% per annum;
- (e) net proceeds of S\$70.0 million were utilised from the new Singapore Dollar unsecured sustainability linked loan of approximately S\$225.0 million to partially finance the Total Acquisitions Outlay at a weighted average "all-in" finance cost of 4.45% per annum;
- (f) issuance of approximately 39.6 million Consideration Units at an issue price of S\$0.305 per Unit representing an amount of S\$12.1 million, comprising of (a) the LOGOS Consideration Units of S\$6.3 million to LOGOS Units No. 1 Ltd; and (b) the Ivanhoe Consideration Units of S\$5.8 million to Ivanhoe Cambridge to partially finance the Total Acquisitions Outlay;
- (g) Singapore Acquisition Fee of approximately S\$4.3 million was paid by way of the issuance of approximately 14.0 million Units at the illustrative issue price of S\$0.305 per Unit;
- (h) 100% of the asset management fees relating to the Singapore Acquisition was paid in Units;
- (i) other costs including stamp duty, the estimated professional and other fees and expenses of approximately S\$8.1 million incurred or to be incurred by E-LOG in connection with the Singapore Acquisition were funded as part of the Total Acquisitions Outlay;
- (j) the Singapore PropCo is not required to pay the fee of approximately S\$69.0 million to JTC as described in paragraph 9.1(ii)(d) of the 31 July 2024 Announcement;

The Preferential Offering and Proceeds from the Perpetual Securities

- (a) approximately 289.2 million new Units was issued under the Preferential Offering at an issue price of S\$0.305 per Unit to raise gross proceeds of approximately S\$88.2 million to partially finance the Total Acquisitions Outlay; and
- (b) approximately S\$100.0 million was raised from the issuance of Perpetual Securities to partially finance the Total Acquisitions Outlay.

Basis of preparation for the pro forma financial effects of the Acquisitions on E-LOG's NAV, NTA per Unit and aggregate leverage as at 31 December 2023

FOR ILLUSTRATIVE PURPOSES ONLY:

The unaudited pro forma financial effects of the Acquisitions on E-LOG's NAV, NTA and aggregate leverage have been prepared based on E-LOG's latest audited financial statements for the financial year ended 31 December 2023 and are based on certain assumptions directly attributable to the Acquisitions.

The assumptions for the Acquisitions are set out as follows:

The Japan Acquisition

- (a) the illustrative exchange rate is JPY 100.00 = S\$0.848;
- (b) the acquisition of the New Japan Property had occurred on 31 December 2023;
- (c) net proceeds from the new Japanese Yen dominated banking facilities of JPY 37,917 million (approximately S\$321.5 million) were used to partially finance the Total Acquisitions Outlay at a weighted average "all-in" finance cost of 1.56% per annum;
- (d) existing Singapore Dollar banking facilities of approximately S\$3.3 million were used to partially finance the Total Acquisitions Outlay at a weighted average "all-in" finance cost of 4.00% per annum;
- (e) Japan Acquisition Fee of approximately S\$3.2 million (JPY 380 million) was paid by way of the issuance of approximately 10.6 million Units at the illustrative issue price of S\$0.305 per Unit;
- (f) other costs including stamp duty, the estimated professional and other fees and expenses of approximately S\$2.6 million (JPY 301 million) incurred or to be incurred by E-LOG in connection with the Japan Acquisition were funded as part of the Total Acquisitions Outlay;

The Singapore Acquisition

- (a) the acquisition of the New Singapore Property had occurred on 31 December 2023;
- (b) the Amalgamation and the LLP Conversion had occurred on 31 December 2023;
- (c) net proceeds of S\$172.0 million, being E-LOG's proportionate share of net proceeds from the new Singapore Dollar secured term loan facility of approximately S\$341.5 million (with a green loan tranche of S\$108.6 million), were used to partially finance the Total Acquisitions Outlay at a weighted average "all-in" finance cost of 5.00% per annum;
- (d) net proceeds of S\$70.0 million were utilised from the new Singapore Dollar unsecured sustainability linked loan of approximately S\$225.0 million to partially finance the Total Acquisitions Outlay at a weighted average "all-in" finance cost of 4.45% per annum;
- (e) issuance of approximately 39.6 million Consideration Units at an issue price of S\$0.305 per Unit representing an amount of S\$12.1 million, comprising of (a) the LOGOS Consideration Units of S\$6.3 million to LOGOS Units No. 1 Ltd and (b) the Ivanhoe Consideration Units of S\$5.8 million to Ivanhoe Cambridge to partially finance the Total Acquisitions Outlay;
- (f) Singapore Acquisition Fee of approximately S\$4.3 million was paid by way of the issuance of approximately 14.0 million Units at the illustrative issue price of S\$0.305 per Unit;

- (g) other costs including stamp duty, the estimated professional and other fees and expenses of approximately S\$8.1 million incurred or to be incurred by E-LOG in connection with the Singapore Acquisition were funded as part of the Total Acquisitions Outlay;
- (h) the Singapore PropCo is not required to pay the fee of approximately S\$69.0 million to JTC as described in paragraph 9.1(ii)(d) of the 31 July 2024 Announcement;

The Preferential Offering and Proceeds from the Perpetual Securities

- (a) approximately 289.2 million new Units was issued under the Preferential Offering at an issue price of S\$0.305 per Unit to raise gross proceeds of approximately S\$88.2 million to partially finance the Total Acquisitions Outlay; and
- (b) approximately S\$100.0 million was raised from the issuance of Perpetual Securities to partially finance the Total Acquisitions Outlay.

About ESR-LOGOS REIT

ESR-LOGOS REIT is a leading New Economy and future-ready Asia Pacific S-REIT. Listed on the Singapore Exchange Securities Trading Limited since 25 July 2006, ESR-LOGOS REIT invests in quality income-producing industrial properties in key gateway markets.

As at 30 June 2024, ESR-LOGOS REIT holds interests in a diversified portfolio of logistics properties, high-specifications industrial properties, business parks and general industrial properties with total assets of approximately S\$5.0 billion. Its portfolio comprises 71 properties (excluding 48 Pandan Road held through a joint venture) located across the developed markets of Singapore (52 assets), Australia (18 assets) and Japan (1 asset), with a total gross floor area of approximately 2.1 million sqm, as well as investments in three property funds in Australia. ESR-LOGOS REIT is also a constituent of the FTSE EPRA Nareit Global Real Estate Index.

ESR-LOGOS REIT is managed by ESR-LOGOS Funds Management (S) Limited (the **“Manager”**) and sponsored by ESR Group Limited (**“ESR”**). The Manager is owned by ESR (99.0%) and Shanghai Summit Pte. Ltd. (1.0%), respectively.

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

About the Sponsor, ESR

ESR Group is Asia-Pacific's leading New Economy real asset manager and one of the largest listed real estate investment managers globally. Our fully integrated fund management and development platform extends across Australia/New Zealand, Japan, South Korea, Greater China, Southeast Asia, and India, including a presence in Europe and the United States. We provide investors with a diverse range of real asset investment and development solutions across private and public investment vehicles. Our focus on New Economy real assets offers customers modern solutions for logistics, data centres, life sciences, infrastructure, and renewables. Our purpose, Space and Investment Solutions for a Sustainable Future, drives us to manage sustainably and impactfully for the communities where we operate and the spaces we develop to thrive for generations to come. ESR Group is listed on The Stock Exchange of Hong Kong (HKSE: 1821.HK). Visit www.esr.com for more information.

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This announcement 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 property rental income and occupancy, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, 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 have no right to request the Manager to redeem or purchase their Units while the Units are listed. It is intended that unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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This announcement has not been reviewed by the Monetary Authority of Singapore.