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ESR CAYMAN LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1821)

(1) MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE PROPOSED ACQUISITION OF ARA ASSET MANAGEMENT LIMITED

(2) ISSUE OF CONSIDERATION SECURITIES AND SUBSCRIPTION SHARES UNDER A SPECIFIC MANDATE

INTRODUCTION

The Board is pleased to announce that on 4 August 2021 (after trading hours), the Company, ARA and the Sellers entered into the Acquisition Agreement in relation to a proposed business combination of the Group with the ARA Group.

The ARA Group is the largest real assets manager in APAC with US\$95 billion¹ in gross assets managed by the ARA Group and its associates as at 30 June 2021, with a fast growing new economy real estate platform. ARA raises, manages and advises public and private investment funds that invest across traditional real estate assets, private real estate credit and infrastructure and, through its subsidiary Logos, “new economy” real estate assets, including logistics and data centers (“**New Economy**”). ARA operates a global platform with a focus on APAC, including key markets such as China, India, Japan, Australia and New Zealand, South Korea, Hong Kong SAR and Singapore. Upon Completion, ARA will hold 86.4% of Logos.

The Board believes that the Proposed Transaction will enhance shareholder value and represents a continuation of the Company’s strategy articulated at the time of its listing on the Stock Exchange in 2019. The Proposed Transaction will also provide the opportunity for the Company to expand its

¹ 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

fund management platform across geographies, investment strategies and risk/reward profiles powered by the leading New Economy real estate platform.

The key reasons for, and the benefits of, the Proposed Transaction are as follows:

- Creation of APAC's largest real estate and real asset manager and the third largest listed real estate asset manager globally
- Double down on New Economy real estate with the leading logistics and data center platform in APAC
- Well-positioned to benefit from the financialization of real estate in APAC which is set to take off and represents an opportunity of more than US\$2 trillion
- Enhanced resilience from increased contribution from fund management segment with predominantly perpetual and core-capital
- Generates the fastest AUM growth of all listed real estate managers with increased asset light trajectory
- Brings together a best-in-class management team with a supportive strategic shareholder base
- Reinforces deep commitment to ESG in real estate in APAC

The Proposed Transaction will be implemented through (a) a combination of the sale and purchase of ARA Shares held by certain shareholders of ARA and the merger of ARA and NewCo (which will be a wholly-owned subsidiary of the Company) under Bermuda Law, whereupon ARA will be the surviving entity or (b) at the election of ARA Cayman, the sale of ARA Shares held by the Sellers (without any merger between ARA and NewCo) to the Company, which, in each case, will be satisfied by the allotment and issue of the Consideration Shares and Consideration VLN (together, the “**Consideration Securities**”) and the payment of the Cash Consideration.

Completion of the Proposed Transaction is conditional upon the satisfaction (or, if applicable, waiver) of certain conditions, as described further below. Subject to the satisfaction (or, if applicable) waiver of the conditions, it is currently expected that Completion will take place in the fourth quarter of 2021 or the first quarter of 2022.

On Completion, ARA will become a subsidiary of the Company and accordingly, the financial results of the ARA Group will be consolidated into the accounts of the Company.

ISSUE OF THE CONSIDERATION SECURITIES AND SUBSCRIPTION SHARES UNDER THE SPECIFIC MANDATE

Consideration Securities

Subject to the Cash Consideration Adjustment, the Total Consideration of US\$5,192 million will be satisfied in the following manner:

- US\$519 million in cash (the “**Cash Consideration**”);
- US\$4,286 million by the issue of 1,234,438,841 Consideration Shares at a price of HK\$27.00 per Share (the “**Consideration Share Price**”); and

- US\$387 million by the issue of 111,459,237 Consideration VLNs to be converted at the Consideration Share Price (subject to any adjustments).

Cash Consideration Adjustment

The Company may, in the period between the date of the Acquisition Agreement and the date falling seven Business Days before Completion, issue new Shares provided that, among other things, such Shares will be issued for cash at a price per Share which is equal to or greater than the Company Agreed Share Price (being HK\$27.00), and the total cash proceeds of such issuance (the “**Additional Cash**”) do not exceed US\$1,038 million (such issuance, a “**Permitted Issuance**”). If a Permitted Issuance is made, the full amount of the Additional Cash will be applied towards partial settlement of the Total Consideration. In such a case, the amount of the Cash Consideration, the principal amount of the Consideration VLNs, the number of Conversion Shares and the number of Consideration Shares which will be allocated to each Consideration Recipient (other than the Logos Founders, the ARA Executives, SMBC and Ivanhoe Cambridge) (each an “**Additional Cash Consideration Recipient**”) will be adjusted accordingly (the “**Cash Consideration Adjustment**”).

The Consideration Shares and Conversion Shares will be issued by the Company to the Sellers or the Consideration Recipients pursuant to the Specific Mandate to be obtained from the Shareholders at the EGM.

The Consideration Shares will be issued at the price of HK\$27.00 per Share, which was determined after arm’s length negotiation with reference to the prevailing market price of the Shares and which represents:

- (i) a discount of approximately 2.5% to the closing price of HK\$27.70 per Share as quoted on the Stock Exchange on the date of this announcement;
- (ii) a discount of approximately 1.6% to the average closing price of HK\$27.44 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the date of this announcement;
- (iii) a premium of approximately 1.9% to HK\$26.50 per Share, being the average of the closing prices of the Shares as quoted on the Stock Exchange for the period from 5 July 2021 up to and including the date of this announcement; and
- (iv) a premium of 5.7% to HK\$25.54 per Share, being the average of the closing prices of the Shares as quoted on the Stock Exchange for the period from 5 February 2021 up to and including the date of this announcement.

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares, (upon full conversion of the Consideration VLNs) the Conversion Shares and the SMBC Subscription Shares referred to below.

Subscription of new Shares by SMBC

Pursuant to the Acquisition Agreement, SMBC will be issued 118,166,110 Consideration Shares at an issue price of HK\$27.00 per Share as a Seller of its ARA Shares to the Company.

In addition, SMBC has agreed to subscribe or procure the subscription for, and the Company has agreed to allot and issue to SMBC and/or its designated affiliates, an additional 76,689,349 Shares (the “**SMBC Subscription Shares**”) for an aggregate subscription price of US\$250 million at a

subscription price of HK\$25.35 per Share (the “**SMBC Subscription Price**”) (the “**SMBC Subscription**”). Therefore, on Completion, SMBC will be issued a combination of Consideration Securities and SMBC Subscription Shares representing 205,014,113 Shares in aggregate, and 4.6% of the total issued Shares as enlarged by the allotment and issue of the Consideration Shares and SMBC Subscription Shares, and full conversion of the Consideration VLN (assuming the Cash Consideration Adjustment is not exercised). The SMBC Subscription Shares will be issued pursuant to the Specific Mandate to be sought from the Shareholders at the EGM. The SMBC Subscription is conditional on, among other things, the Proposed Transaction becoming unconditional.

The SMBC Subscription Price of HK\$25.35 per Share represents a discount of approximately 8.5% to the closing price of the Shares of HK\$27.70 per Share as quoted on the Stock Exchange on the date of this announcement.

The Company believes that, while the SMBC Subscription Price is slightly below the Consideration Share Price, the introduction of SMBC as an additional strategic investor represents an opportunity for the Group to expand and strengthen its long-term blue chip shareholder base.

Total Issued Shares after the Proposed Transaction

Assuming that the Cash Consideration Adjustment is not exercised, the Consideration Shares will represent approximately 40.33% of the existing total issued Shares as at the date of this announcement and approximately 28.24% of the total issued Shares as enlarged by the allotment and issue of the Consideration Shares and the SMBC Subscription Shares.

Assuming that the Cash Consideration Adjustment is not exercised and the Consideration VLN is converted in full, the Consideration Shares and Conversion Shares will represent approximately 43.97% of the existing total issued Shares as at the date of this announcement and approximately 30.02% of the total issued Shares as enlarged by the allotment and issue of the Consideration Shares, the SMBC Subscription Shares and the Conversion Shares.

IRREVOCABLE VOTING UNDERTAKINGS

Each of Redwood, Laurels, OMERS and Jingdong (who in aggregate hold approximately 46.6% of the existing total issued Shares as at the date of this announcement) has irrevocably undertaken to, among other things, vote or appoint a proxy to vote all of the Shares legally or beneficially owned by them in favour of the ordinary resolutions to approve the Proposed Transaction and the Specific Mandate at the EGM.

LOGOS JOINT VENTURE

The Logos Founders have entered into the Logos Revised SHA with ARA to govern their relationship as shareholders of Logos with effect from Completion. Pursuant to the Logos Revised SHA, on or shortly after the date falling three years after Completion, the Company will acquire the Logos Shares held by the Logos Founders (the “**Logos Minority Acquisition**”) at fair market value, to be determined by an independent valuer at the time of such acquisition, subject to a monetary cap of US\$4.5 billion (the “**Logos Consideration Cap**”). The Logos Consideration Cap has been agreed to facilitate the classification of the Proposed Transaction (including the Logos Minority Acquisition) pursuant to the Listing Rules. The consideration for the Logos Minority Acquisition will be satisfied by an issue of new Shares to the Logos Founders and/or the payment of cash, at the Company’s election. Prior to the transfer of their shares, the Logos Founders will continue to manage the day-to-day operations of the Logos Group with support from the Enlarged Group.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Proposed Transaction (including the Logos Minority Acquisition) exceeds 25% but is less than 100%, the Proposed Transaction constitutes a major transaction of the Company under Chapter 14 of the Listing Rules. Accordingly, the Proposed Transaction is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Mr. Lim Hwee Chiang (John) indirectly holds 20.96% of the shareholding interest in ARA Asset Management, which in turn directly holds 100% of the shareholding interest in ARA Cayman. As Mr. Lim Hwee Chiang (John) is entitled to control the exercise of 10% or more of the voting power at the general meetings of ARA, Mr. Lim Hwee Chiang (John) is a substantial shareholder of ARA for the purposes of the Listing Rules. Pursuant to the Acquisition Agreement, Mr. Lim Hwee Chiang (John) will be appointed as a senior advisor to the Company and a non-executive Director of the Company upon Completion and is therefore regarded as a controller of the Company under Rule 14A.28(1) of the Listing Rules. Accordingly, the Proposed Transaction constitutes a connected transaction of the Company under Rule 14A.28 of the Listing Rules.

As the highest applicable percentage ratio in respect of the Proposed Transaction exceeds 5%, the Proposed Transaction constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee comprising all of the independent non-executive Directors of the Company has been established to advise the Shareholders in connection with the Proposed Transaction and the issue of the Consideration Securities. The Company will appoint an Independent Financial Adviser to advise the Independent Board Committee and the Shareholders on the same.

EGM AND CIRCULAR

The EGM will be convened to consider and, if thought fit, approve, among other things, (i) the Acquisition Agreement and the transactions contemplated thereunder and (ii) the Specific Mandate for the allotment and issue of the Consideration Shares, the SMBC Subscription Shares and the Conversion Shares.

The Circular containing, among other things, (i) further details of the terms of the Proposed Transaction and the Specific Mandate; (ii) a letter from the Independent Board Committee; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee in respect of the Proposed Transaction; (iv) the accountants' report on the ARA Group; (v) the unaudited pro forma financial information of the Enlarged Group; and (vi) other information as required under the Listing Rules together with a notice convening the EGM, will be despatched to the Shareholders. In order to allow sufficient time for the Company to prepare the Circular, including the accountants' report on the ARA Group, the Circular will be despatched more than 15 business days after the publication of this announcement and is expected to be despatched to the Shareholders on or before 30 September 2021.

It is expected that the EGM will be convened on or before 31 October 2021.

FURTHER INFORMATION

The Proposed Transaction is subject to all of the Conditions being satisfied (or, if applicable, waived) and therefore may or may not become unconditional. If any of the Conditions is not satisfied (or, if applicable, waived), the Proposed Transaction will not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares and other securities of the Company.

1. INTRODUCTION

The Board is pleased to announce that on 4 August 2021 (after trading hours), the Company, ARA and the Sellers entered into the Acquisition Agreement in relation to a proposed business combination of the ARA Group with the Group.

2. THE PROPOSED TRANSACTION AND THE ISSUE OF THE CONSIDERATION SECURITIES

The principal terms of the Acquisition Agreement are set out below:

(a) Date

4 August 2021

(b) Parties

(i) The Company

(ii) ARA

(iii) ARA Cayman, SMBC, New Horizon, Ivanhoe Cambridge, Athena Logistics and (upon its execution of a counterpart to the Acquisition Agreement) Alexandrite Gem (as the Sellers)

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, ARA and the Sellers and their respective ultimate holding company, are Independent Third Parties.

(c) Sale and purchase of the Sale Shares and Proposed Merger of ARA and NewCo

The Proposed Transaction will be implemented as follows:

(i) a combination of (a) the sale and purchase of the Sale Shares held by all Sellers except (upon its adherence to the Acquisition Agreement) Alexandrite Gem and (b) the merger of ARA and NewCo; or

(ii) if ARA Cayman gives notice in writing to the Company and each other Seller on or before the Pre-Completion Cut-off Date, stating that the Sellers will transfer all of the Sale Shares held by all Sellers (a "**Full Transfer Election Notice**"), the sale and purchase of the Sale Shares held by all Sellers including Alexandrite Gem (without any merger of ARA and NewCo),

and accordingly:

- (iii) if a Full Transfer Election Notice is given, each Seller will be a “**Designated Transfer Seller**” (and there will be no Designated Merger Seller); and
- (iv) in all other circumstances (a) each Seller except Alexandrite Gem shall be a “**Designated Transfer Seller**” and (b) Alexandrite Gem (upon its adherence to the Acquisition Agreement) shall be the sole “**Designated Merger Seller**”.

At Completion:

- (a) each Designated Transfer Seller shall sell all of its Sale Shares and the Company shall purchase all such Sale Shares (immediately before the Proposed Merger); and
- (b) unless a Full Transfer Election Notice is given, ARA and NewCo (a wholly-owned subsidiary of the Company) will merge, whereupon the separate corporate identity of NewCo as an individual Bermuda company on the register of companies maintained by the Registrar of Companies in Bermuda will cease, and ARA will continue its existence under Bermuda law as the surviving company of the Proposed Merger.

The Proposed Merger constitutes a merger pursuant to the applicable provisions of the Companies Act 1981 of Bermuda. The memorandum of association and bye-laws of ARA and (subject to any resignations and appointments) the directors and officers of ARA immediately prior to the Proposed Merger will be the surviving company’s memorandum of association and bye-laws and the directors and officers after the Proposed Merger. The authorised share capital of the surviving company will be the authorised share capital of ARA immediately prior to the Proposed Merger and will not be combined with the authorised share capital of NewCo.

(d) Cash Consideration and Consideration Securities

The Total Consideration for the Proposed Transaction payable by the Company is US\$5,192 million. The Total Consideration was determined after negotiation on an arm’s length basis with ARA and the Sellers, with reference to, among other things, the overall financial position and performance of the ARA Group, the relative value of each of the Group and the ARA Group, and the value of synergies created by the Enlarged Group.

Subject to the Cash Consideration Adjustment, the Total Consideration of US\$5,192 million will be satisfied in the following manner:

- (i) US\$519 million in cash;
- (ii) US\$4,286 million by the issue of 1,234,438,841 Consideration Shares at the Consideration Share Price; and
- (iii) US\$387 million by the issue of 111,459,237 Consideration VLNs to be converted at the Consideration Share Price.

The Consideration Shares and the Conversion Shares will be issued by the Company to the Sellers or Consideration Recipients pursuant to the Specific Mandate to be obtained from the Shareholders at the EGM.

Assuming that the Cash Consideration Adjustment is not exercised, the Consideration Shares will represent approximately 40.33% of the existing total issued Shares as at the date of this

announcement and approximately 28.24% of the total issued Shares as enlarged by the allotment and issue of the Consideration Shares and SMBC Subscription Shares.

Assuming that the Cash Consideration Adjustment is not exercised and the Consideration VLN's are converted in full, the Consideration Shares and Conversion Shares will represent approximately 43.97% of the existing total issued Shares as at the date of this announcement and approximately 30.02% of the total issued Shares as enlarged by the allotment and issue of the Consideration Shares, SMBC Subscription Shares and Conversion Shares.

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares, (upon full conversion of the Consideration VLN's) the Conversion Shares and the SMBC Subscription Shares referred to below.

The Consideration Shares will be issued at the price of HK\$27.00 per Share, which was determined after arm's length negotiation with reference to the prevailing market price of the Shares and which represents:

- (i) a discount of approximately 2.5% to the closing price of HK\$27.70 per Share as quoted on the Stock Exchange on the date of this announcement;
- (ii) a discount of approximately 1.6% to the average closing price of HK\$27.44 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the date of this announcement;
- (v) a premium of approximately 1.9% to HK\$26.50 per Share, being the average of the closing prices of the Shares as quoted on the Stock Exchange for the period from 5 July 2021 up to and including the date of this announcement; and
- (vi) a premium of 5.7% to HK\$25.54 per Share, being the average of the closing prices of the Shares as quoted on the Stock Exchange for the period from 5 February 2021 up to and including the date of this announcement.

The table below sets out the number of Consideration Shares and Consideration VLN's to be issued to, and the amount of the Cash Consideration payable to, each of the Sellers and the Consideration Recipients upon Completion, assuming that the Cash Consideration Adjustment is not exercised.

| Seller/Consideration Recipient | Sale Shares / ARA Merger Shares | Total Consideration | | |
|---|---------------------------------|----------------------|--|---------------------------|
| | | Consideration Shares | Conversion Shares on exercise of Consideration VLN's | Cash Consideration (US\$) |
| ARA Cayman | 1,504,934,891 | - | - | - |
| WP Entities | 113,941,204 | 538,184,533 | 53,255,626 | 273,776,743.09 |
| Straits | - | 195,386,883 | 19,287,617 | 99,880,604.71 |
| JL Entities | - | 185,644,110 | 18,325,859 | 94,900,157.48 |
| Wealthman Group | - | 73,336,509 | 7,239,414 | 37,489,184.28 |
| Lim Hwee Chiang (John) ^(Note) | - | 7,762,145 | 640,814 | - |
| Moses K. Song ^(Note) | - | 7,762,145 | 640,814 | - |
| Ng Beng Tiong ^(Note) | - | 7,762,145 | 640,814 | - |
| Seow Bee Lian (Cheryl) ^(Note) | - | 6,696,227 | 640,813 | 3,700,962.25 |
| Long Range Global Limited ^(Note) | - | 3,156,349 | - | 3,054,428.58 |
| Trent Iliffe ^(Note) | - | 3,156,349 | - | 3,054,428.58 |

| Seller/Consideration Recipient | Sale Shares / ARA Merger Shares | Total Consideration | | |
|--|---------------------------------|-------------------------|---|---------------------------|
| | | Consideration Shares | Conversion Shares on exercise of Consideration VLNs | Cash Consideration (US\$) |
| Magenta Asset Management Pte ^(Note) | - | 822,252 | - | 117,969.52 |
| SMBC | 168,372,041 | 118,166,110 | 10,158,654 | - |
| New Horizon | 10,413,474 | 6,369,970 | 628,812 | 3,256,290.73 |
| Ivanhoe Cambridge | 102,072,956 | 80,233,114.00 | - | - |
| Total | 1,899,734,566 | 1,234,438,841.00 | 111,459,237.00 | 519,230,769.23 |

Note: The table sets out the number of Consideration Shares to be issued to, and the amount of the Cash Consideration payable to, certain members of the ARA management team and each of the ARA Executives and Logos Founders, as directed by, and which would otherwise have been payable to, certain of the Sellers, in satisfaction of certain arrangements for the ARA Executives and Logos Founders.

The table below sets out the number of Consideration Shares to be issued to, and the amount of the Cash Consideration payable to, each of the Sellers and the Consideration Recipients upon Completion, assuming that the Cash Consideration Adjustment is exercised in full.

| Seller / Consideration Recipient | Sale Shares / ARA Merger Shares | Total Consideration | |
|--|---------------------------------|-------------------------|---------------------------|
| | | Consideration Shares | Cash Consideration (US\$) |
| ARA Cayman | 1,504,934,891 | - | - |
| WP Entities | 113,941,204 | 430,381,938 | 832,985,099.52 |
| Straits | - | 156,139,434 | 303,119,522.80 |
| JL Entities | - | 148,353,696 | 288,004,768.62 |
| Wealthman Group | - | 58,605,372 | 113,772,875.93 |
| Lim Hwee Chiang (John) ^(Note) | - | 8,402,959 | - |
| Moses K. Song ^(Note) | - | 8,402,959 | - |
| Ng Beng Tiong ^(Note) | - | 8,402,959 | - |
| Seow Bee Lian (Cheryl) ^(Note) | - | 7,337,040 | 3,700,962.25 |
| Long Range Global Limited ^(Note) | - | 3,156,349 | 3,054,428.58 |
| Trent Iliffe ^(Note) | - | 3,156,349 | 3,054,428.58 |
| Magenta Asset Management Pte ^(Note) | - | 822,252 | 117,969.52 |
| SMBC | 168,372,041 | 128,324,764 | - |
| New Horizon | 10,413,474 | 5,090,432 | 9,882,251.88 |
| Ivanhoe Cambridge | 102,072,956 | 80,233,114 | - |
| Total | 1,899,734,566 | 1,046,809,617.00 | 1,557,692,307.69 |

Note: The table sets out the number of Consideration Shares to be issued to, and the amount of the Cash Consideration payable to, certain members of the ARA management team and each of the ARA Executives and Logos Founders, as directed by, and which would otherwise have been payable to, certain of the Sellers, in satisfaction of certain arrangements for the ARA Executives and Logos Founders.

The Consideration Shares and the Conversion Shares will be issued as fully paid and will rank *pari passu* in all respects with the Shares in issue.

Cash Consideration Adjustment

The Company may, in the period between the date of the Acquisition Agreement and the date falling seven Business Days before Completion, issue new Shares provided that:

- (a) such Shares are issued for cash payable on issuance at a price per Share which is equal to or greater than the Company Agreed Share Price (being HK\$27.00);

- (b) such issuance is made by way of a placement to a number of public markets investors, and such investors are not granted or promised governance or other rights in the Group; and
- (c) the total Additional Cash arising from such issuance does not in aggregate exceed US\$1,038 million and will be held by the Company and applied towards part settlement of the Total Consideration at Completion.

If a Permitted Issuance is made, the full amount of any Additional Cash will be applied towards part settlement of the Total Consideration and will be allocated to each Additional Cash Consideration Recipient on a pro rata basis to the allocation of Cash Consideration among the Additional Cash Consideration Recipients as originally contemplated prior to any Cash Consideration Adjustment.

The amount of the Cash Consideration, the principal amount of Consideration VLNs, the number of Conversion Shares and the number of Consideration Shares which will be allocated to each Additional Cash Consideration Recipient will therefore be deemed adjusted accordingly.

Issue of Consideration VLNs

Pursuant to the Acquisition Agreement, the Company shall issue the Consideration VLNs to the Consideration Recipients at Completion pursuant to the Convertible Vendor Loan Note Instrument.

The key terms of the Consideration VLNs are summarised as follows:

| | |
|-----------------------------|---|
| Principal Amount | : US\$386,996,309 |
| Maturity date | : N/A (perpetual) |
| Interest rate/Coupon | : Zero interest or coupon rate |
| Status and Rights | : The Consideration VLNs are non-voting notes which rank behind and are subordinated to all other present and future unsecured and unsubordinated obligations of the Company, and upon conversion, the Conversion Shares will rank <i>pari passu</i> with, and carry the same rights in all respects, as the Shares in issue on the date of such allotment and issue. |

The holders of the Consideration VLNs will enjoy the right to receive an amount equal to any dividends (whether in cash or scrip) made by the Company, on an as-converted basis.

| | |
|-------------------------|--|
| Conversion price | : The initial conversion price is HK\$27.00 per Conversion Share, subject to certain standard adjustments. |
|-------------------------|--|

The conversion price was arrived at after arm's length negotiations among the Sellers and the Company with reference to the market performance of the Shares and the issue price of the Consideration Shares.

- Automatic Conversion** : The Consideration VLN will be automatically converted into Conversion Shares upon certain conversion triggers, provided that the Consideration VLN will not be converted in circumstances where such conversion would trigger a mandatory general offer (i.e. 30% or more holding of voting rights in the Company) by the holders of the Consideration VLN and/or persons acting in concert with them (as such term is defined in the Takeovers Code).
- Redemption** : Each interest in the Consideration VLN is a perpetual interest in respect of which there is no fixed redemption date subject to limited exceptions, including the right of the holders of the Consideration VLN to redeem upon the occurrence of an event of default by the Company.

It is expected that the Consideration VLN will be accounted as equity by the Company.

Termination

The Acquisition Agreement may be terminated at any time prior to Completion (and for so long as the relevant Material Adverse Effect is, or in the case of a Material Adverse Effect under limb (b) of the definition of Material Adverse Effect by 1pm (Hong Kong time) on the seventh Business Day of it, subsisting) by notice in writing:

- (i) by ARA Cayman to the other parties if a Material Adverse Effect occurs with respect to the Group;
- (ii) by the Company to the other parties if a Material Adverse Effect occurs with respect to the ARA Group; and/or
- (iii) by the Company to the other parties if a Material Adverse Effect has occurred with respect to the Group pursuant to limb (b) where the closing price per Share on the Stock Exchange falls 20% or more below the Company Agreed Share Price (being HK\$27.00) for any consecutive 10 trading day period after the date of the Acquisition Agreement on or before the date falling 45 calendar days after the date of the Acquisition Agreement.

Upon the termination of the Acquisition Agreement, it will cease to have further force or effect, and the Proposed Transaction will not proceed, except that certain surviving provisions, and any rights or liabilities that have accrued prior to termination shall survive termination of the Acquisition Agreement.

ARA Financing

ARA has secured US\$1,000,000,000 of committed financing which will be partially utilized to repay debt that will fall due as a result of the Proposed Transaction.

Lock-up

Subject to certain customary exceptions:

- (a) the WP Entities, Straits, SMBC, Wealthman Group, New Horizon and Ivanhoe Cambridge, in respect of all Shares legally and beneficially owned by them and the Consideration VLNs (and Conversion Shares) issued to them (“**Owned Securities**”) for a period of six months from the date of Completion;
- (b) the JL Entities, the Logos Founders, Laurels and Redwood Entities in respect of a certain of their respective Owned Securities for a period of up to 36 months after the date of Completion; and
- (c) the ARA Executives, in respect of all or part of the Shares legally and beneficially owned by them and issued to them pursuant to the employee share option plan of the ARA Group (“**ESOP Shares**”) for a period of up to 18 months from the date of Completion,

will upon Completion agree not to and agree to procure that no company controlled by such Undertaking Party (by majority interest or board control) or any nominee or trustee holding in trust for such Undertaking Party will:

- (i) sell or otherwise transfer or dispose of or create an encumbrance over any of their Owned Securities or ESOP Shares;
 - (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of, any of their Owned Securities or ESOP Shares;
 - (iii) enter into any transaction with the same economic effect as any transaction described in paragraph (i) or (ii) above; or
 - (iv) offer to or contract to or agree to or publicly disclose that such Undertaking Party will or may enter into any transaction described in paragraph (i), (ii) or (iii) above.
- (e) **Certain steps relating to the reorganisation of ARA pre-Completion**

Prior to Completion, the ARA Group will undertake a reorganisation pursuant to which:

- (i) Logos JV will acquire all of the ordinary shares in Logos held by Ivanhoe Cambridge from Ivanhoe Cambridge, which will be satisfied by the allotment and issue of certain ARA Shares to Ivanhoe Cambridge; and
- (ii) ARA Logistics Partners Limited will acquire all of the ordinary shares in Logos JV held by Athena Logistics, which will be satisfied by the allotment and issue of certain ARA Shares and payment of a cash consideration to Athena Logistics.

As a result of the reorganisation, Ivanhoe Cambridge and Athena Logistics will become shareholders of ARA.

Immediately prior to Completion, Alexandrite Gem will also acquire ARA Shares from ARA Cayman, to roll its current indirect interest in ARA down to a direct interest, and become a Seller under the Proposed Transaction.

(f) Conditions to Completion

Completion of the Proposed Transaction is conditional upon the satisfaction (or, if applicable, waiver) of the following Conditions on or prior to the Long Stop Date:

- (i) the listing of and permission to deal in all the Consideration Shares, the Conversion Shares and the SMBC Subscription Shares being granted by the Listing Committee of the Stock Exchange, and such listing and permission not being subsequently revoked before Completion;
- (ii) approval from the Bermuda Monetary Authority having been obtained for the Proposed Sale and (if applicable) the Proposed Merger;
- (iii) approval from the Securities and Exchange Board of India having been obtained for the indirect change of control of LAI Investment Manager Private Limited;
- (iv) notice having been provided to the United Kingdom Financial Conduct Authority under Section 178 of FSMA, and the United Kingdom Financial Conduct Authority, in respect of the Company or any other persons acquiring or increasing control over Venn Partners LLP and Cromwell Investment Services Limited for the purposes of Part XII of FSMA:
 - (a) having given notice in writing of its unconditional approval of the acquisition or increase in control by the Company or any other persons in accordance with section 189(4)(a) of FSMA; or
 - (b) having given notice in writing that it proposes to approve the acquisition or increase of control by the Company or any other persons subject to conditions in accordance with section 189(4)(b)(i) of FSMA where those conditions are reasonably satisfactory to the Company; or
 - (c) being treated as having approved the acquisition or increase of control by the Company or any other persons in accordance with section 189(6) of FSMA;
- (v) all necessary consents having been obtained under the Overseas Investment Act 2005 (NZ) for, or in connection with, completion of the Proposed Transaction;
- (vi) either:
 - (a) the Treasurer of the Commonwealth of Australia (or his or her delegate) having provided a written notice under the Australian Foreign Acquisitions and Takeovers Act 1975 to the effect that, the Australian Commonwealth Government does not object to the Proposed Transaction, either without conditions (other than the conditions set out in the list of standard tax conditions published in FIRB Guidance 12 – Tax Conditions on the FIRB website under “Guidance notes”) or otherwise on terms acceptable to the Company and ARA Cayman, each acting reasonably; or
 - (b) following notice of the Proposed Transaction to the Treasurer of the Commonwealth of Australia under the Australian Foreign Acquisitions and Takeovers Act 1975, the Treasurer of the Commonwealth of Australia ceasing to be empowered to make any order under Division 2 of Part 3 of the Australian Foreign Acquisitions and Takeovers Act 1975;

- (vii) approval from the Hong Kong Securities and Futures Commission having been obtained for the Company becoming a “substantial shareholder” (as defined in Schedule 1 of the SFO) of the relevant SFC Regulated Entities as a result of the Proposed Transaction pursuant to section 132 of the SFO, and such approval being in full force and effect;
- (viii) following the submission of an application for the MAS’ approval, pursuant to Section 97A of the SFA, for the Company to acquire effective control of certain ARA licensed entities in connection with the Proposed Transaction, the MAS:
 - (a) having given notice in writing of its unconditional approval pursuant to Section 97A of the SFA; or
 - (b) having given notice in writing of its approval pursuant to Section 97A of the SFA subject to conditions which are reasonably satisfactory to the Company, and where one or more of the conditions are required by the MAS to be satisfied prior to Completion, such conditions having been satisfied,
 and, in either case, such approval not having been withdrawn or revoked;
- (ix) (if required) the Registrar of Moneylenders granting the approval under the Moneylenders Act, Chapter 188 of Singapore for the Proposed Sale and (if applicable) the Proposed Merger, and such approval not having been withdrawn or revoked;
- (x) (unless the Company determines that such approval is not required) approval from the Vietnamese competition authority having been obtained either approving the economic concentration contemplated under the Transaction or confirming that the economic concentration contemplated under the Transaction is not prohibited in accordance with (i) the Competition Law No 23/2018/QH14 passed by the National Assembly of Vietnam on 12 June 2018 and (ii) Decree No. 35/2020/ND-CP of the Government of Vietnam dated 24 March 2020;
- (xi) the Company obtaining relief from ASIC to acquire a downstream interest in the stapled securities of Cromwell Property Group held by ARA on terms and conditions acceptable to the parties,

(the Conditions in paragraphs (i) to (xi) together, the “**Regulatory Conditions**”);
- (xii) the passing by the shareholders of the Company (being such shareholders as are allowed to vote under the Listing Rules or permitted by the Stock Exchange to vote) at an extraordinary general meeting of the Company of the resolutions to:
 - (a) approve the Transaction in accordance with the requirements of Chapter 14 and 14A of the Listing Rules;
 - (b) approve the issue and allotment of the Consideration Securities (including the Conversion Shares) and the SMBC Subscription Shares; and
 - (c) appoint each of the (i) two nominees of ARA Cayman and (ii) one nominee of SMBC to the Board as directors; and
- (xiii) no Governmental Authority in any jurisdiction having taken any action (or enacted, promulgated, issued, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand, decision or order) that would prohibit or make the consummation of the Transaction or its implementation in accordance with its terms

void, unenforceable, illegal or impracticable, other than such actions, proceedings, suits, investigations or enquiries as would not have a material adverse effect on the legal ability of the parties to proceed with the Transaction.

If any of the Conditions is not satisfied (or, if applicable, waived) by 5:00 p.m. on the Long Stop Date, any party to the Acquisition Agreement may by written notice to the other parties terminate the Acquisition Agreement with immediate effect.

Irrevocable Voting Undertakings

Each of Redwood, Laurels, OMERS and Jingdong (who in aggregate hold approximately 46.6% of the existing total issued Shares as at the date of this announcement) has irrevocably undertaken to, among other things, vote or appoint a proxy to vote all of the Shares legally or beneficially owned by them in favour of the ordinary resolutions to approve the Proposed Transaction and the Specific Mandate at the EGM.

(g) Pre-Completion Obligations

From the date of the Acquisition Agreement to Completion:

- (i) the Company has agreed to conduct the business of the Group in the ordinary course, subject to certain restrictive covenants, including but not limited to distribution of dividends and disposal of material assets; and
- (ii) each of the Sellers has agreed to take all necessary corporate action to conduct the business of the ARA Group (and in the case of Athena Logistics and Ivanhoe Cambridge, exclusively with respect to the Logos JV Group and the Logos Group, respectively) in the ordinary course, subject to certain restrictive covenants, including but not limited to distribution of dividends, acquisition or disposal of material assets, incurrence of financial debt and creation of encumbrances over any shares of a material ARA Group Company.

(h) Warranty and Indemnity Insurance

The Acquisition Agreement contains customary fundamental warranties to be made by the Sellers in respect of (among others) their title to the Sale Shares or ARA Merger Shares (as applicable), their capacity to enter into the transaction documents and their solvency. ARA Cayman has separately provided certain customary business warranties in respect of the ARA Group on a nil resource basis.

The Company purchased a warranty and indemnity insurance policy (the “**W&I Insurance Policy**”) from Liberty Global Transaction Solutions (the “**W&I Insurer**”) on and with effect from the date of the Acquisition Agreement to protect itself against claims relating to warranties and indemnities that are not recoverable under the Acquisition Agreement, including the business warranties. The maximum aggregate liability of the W&I Insurer will not exceed US\$500 million and will be subject to a de minimis claim threshold of US\$6.3 million.

All costs and expenses in relation to obtaining the W&I Insurance Policy will be borne by the Company.

(i) Completion

Completion will take place on the tenth Business Day after the date on which the last of the Conditions is satisfied (or, if applicable, waived) (or any other date agreed in writing by ARA Cayman and the Company). Subject to the satisfaction (or, if applicable, waiver) of the Conditions, it is currently expected that Completion will take place in the fourth quarter of 2021 or the first quarter of 2022.

3. CHANGES TO MANAGEMENT OF THE ARA GROUP AND THE BOARD AFTER THE PROPOSED TRANSACTION

Prior to Completion, the Company and ARA Cayman will discuss in good faith the integration of the management teams of the ARA Group and Logos with the Group.

It is expected that, on Completion:

- (i) the existing CEO of ARA will continue as CEO of the ARA Group;
- (ii) the existing co-CEOs of Logos will continue as co-CEOs of Logos; and
- (iii) the other core ARA and Logos management teams will be retained in appropriate roles.

It is further expected that (and the Company and ARA Cayman will work together in good faith to implement arrangements before Completion to provide that):

- (i) Wealthman Group will be entitled to appoint the chairpersons of, and have a veto over the appointment of the chief executive officers nominated by the Group to, the managers of Fortune REIT, Prosperity REIT and Hui Xian REIT for so long as it and its affiliates collectively remain the largest unitholder of the relevant REIT;
- (ii) Straits will retain its existing right to appoint the chairperson of Suntec REIT for so long as it remains a 'significant shareholder' (by reference, to a numerical threshold to be discussed and agreed, to asset value) in the Company; and
- (iii) Mr. Lim Hwee Chiang (John) will be entitled to be appointed as a senior advisor to the Company, on terms (including as to compensation) to be discussed and agreed between the Company and ARA Cayman, for so long as he is subject to the lock-up undertakings.

Pursuant to the Acquisition Agreement, the parties have agreed that the composition of the Board will be increased from its current 11 Directors to 14 Directors and the Company will appoint three additional non-executive Directors with effect from Completion. A further announcement will be made by the Company in relation to the appointment of the directors in accordance with the Listing Rules as and when appropriate.

Save as disclosed above, the Company has not granted any Shareholder (including the Sellers and the Consideration Recipients) any right to appoint a Director.

4. SUBSCRIPTION OF SHARES BY SMBC

As noted above, pursuant to the Acquisition Agreement, SMBC will be issued 118,166,110 Consideration Shares at an issue price of HK\$27.00 per Share as a Seller of its ARA Shares to the Company (assuming that the Cash Consideration Adjustment is not exercised in full).

Pursuant to the Acquisition Agreement, SMBC has further agreed to subscribe or procure the subscription for, and the Company has agreed to allot and issue to SMBC and/or its designated affiliates, an additional 76,689,349 Shares for an aggregate subscription price US\$250 million at a subscription price of US\$25.35 per Share. The SMBC Subscription Shares will be issued as fully paid and will rank *pari passu* in all respects with the Shares in issue and will be issued pursuant to the Specific Mandate to be sought from the Shareholders at the EGM. The SMBC Subscription is conditional on, amongst other things, the Proposed Transaction becoming unconditional.

Therefore, on Completion, SMBC will be issued a combination of Consideration Securities and SMBC Subscription Shares representing 205,014,113 Shares in aggregate, and 4.6% of the total issued Shares as enlarged by the allotment and issue of the Consideration Shares and SMBC Subscription Shares (assuming the Cash Consideration Adjustment is not exercised).

The SMBC Subscription Price of HK\$25.35 per Share represents a discount of approximately 8.5% to the closing price of the Shares of HK\$27.70 per Share as quoted on the Stock Exchange on the date of this announcement.

The Company believes that, while the SMBC Subscription Price is slightly below the Consideration Share Price, the introduction of SMBC as an additional strategic investor represents an opportunity for the Group to expand and strengthen its long-term blue chip shareholder base.

5. LOGOS JOINT VENTURE

The Logos Founders have entered into the Logos Revised SHA with ARA and the Company to govern their relationship as shareholders of Logos with effect from Completion. Pursuant to the Logos Revised SHA, on or shortly after the date falling on three years after Completion, the Company will acquire the Logos Shares held by the Logos Founders at fair market value, to be determined by an independent valuer at the time of such acquisition, subject to the Logos Consideration Cap. The Logos Consideration Cap has been agreed to facilitate the classification of the Proposed Transaction (including the Logos Minority Acquisition) pursuant to the Listing Rules. The consideration for the Logos Minority Acquisition will be satisfied by an issue of new Shares to the Logos Founders and/or the payment of cash, at the Company's election. Prior to the acquisition of their shares, the Logos Founders will continue to manage the day-to-day operations of the Logos Group with support from the Group.

6. SHARE OPTIONS

Following Completion, the Company will grant awards or other rights under its incentive schemes (which may include its long-term incentive scheme) to certain ARA Group employees. The aggregate value of all such grants (calculated by reference to the net value of such grants as at their date of grant, being the Share price at the relevant time net of any strike price or other exercise payment or threshold) is expected to be approximately US\$27.7 million.

7. **TERMINATION OF THE CONSULTANCY SERVICES AGREEMENT WITH WARBURG PINCUS**

On 30 March 2021, the Company announced that it had entered into a consultancy agreement with WP OCIM Alpha Limited, an affiliate of Warburg Pincus LLC, pursuant to which WP OCIM Alpha Limited would provide certain consultancy services to the Company for an initial term of 24 months, which may be extended at the Company's discretion for a further 12 months (the "**Consultancy Agreement**"). In view of the Proposed Transaction, the Company and WP OCIM Alpha Limited have agreed that pending Completion, payment of the service fee under the Consultancy Agreement will be suspended and if the Proposed Transaction is completed, the Consultancy Agreement will be terminated with effect from Completion. If the Proposed Transaction is not completed and the Acquisition Agreement is terminated, the Company's obligation to pay the service fee (including the service fee payable in respect of the relevant period) under the Consultancy Agreement will resume.

8. **REASONS FOR, AND BENEFITS OF, THE PROPOSED TRANSACTION**

The Board believes that the Proposed Transaction will enhance shareholder value and represents a continuation of the Company's strategy articulated at the time of its listing on the Stock Exchange in 2019. The Proposed Transaction will also provide the opportunity for the Company to expand its fund management platform across geographies, investment strategies and liquidity profiles powered by the leading New Economy real estate platform.

The key reasons for, and the benefits of, the Proposed Transaction are as follows:

(a) **Creation of APAC's largest real estate and real assets manager and the third largest listed real estate asset manager globally²**

According to JLL Market Report, the ARA Group is the largest real assets manager based in APAC. As a result, upon the completion of the Proposed Transaction, the Enlarged Group will become the largest real asset manager in Asia Pacific with AUM of US\$129 billion and the third largest listed real estate investment manager globally. With institutional global investors increasingly looking to invest more capital with a smaller group of managers, size increasingly matters for fund managers. With ARA Group's leading position in Asia-Pacific, the Enlarged Group will be very well positioned to take advantage of this trend.

(b) **Double down on New Economy real estate with the leading logistics and data center platform in APAC**

ARA, through its subsidiary Logos, represents a unique opportunity for the Company to materially increase the size and scale of its logistics and data center real estate business. The combination would increase the Company's presence to 10 markets in APAC with a leadership position across markets and increase New Economy AUM by 49%.

The indirect acquisition of Logos would add to the Company's existing business with US\$16.6 billion of New Economy AUM, 8.9 million sqm of gross floor area in 9

² APAC peer data based on JLL Independent Market Research as at 31 December 2020, or if unavailable, as of latest publicly available figures; excludes balance sheet AUM. Global peer data as at 30 June 2020 and based on IPE Top 150 Real Estate Investment Managers 2020.

countries across 26 investment vehicles with 22 institutional capital partners of which 14 are new to the Company. It would also enhance the Company's capital partner relationships as the Logos Group raised US\$3.8 billion in capital from its capital partners in the last 24 months.

The Proposed Transaction would accelerate the roll-out of the Company's data center strategy. Logos' partnership with leading data center operators and mechanical and electrical providers would enhance the Enlarged Group's data center offering. On completion of the Proposed Transaction, the Company would have a pipeline of 1,200MW sqm across APAC.

Based on ARA and the Company's audited financial statements for the year ending 31 December 2020, the New Economy business would have comprised more than approximately 80% of the Enlarged Group's 2020 EBITDA.

(c) Positions the Group to benefit from the financialization of real estate in APAC which is set to take off and represents an opportunity of more than US\$2 trillion

With its leading position in Asia Pacific, the Enlarged Group will be well-positioned to benefit from financialization of real assets in Asia Pacific where REITs are just emerging in markets such as China, Korea and India, and deliver a full suite of both public and private capital solutions to leading global investors. According to JLL*, institutionally invested income producing real estate is expected to increase from US\$3.3 trillion in 2020 to US\$5.2 trillion in 2025, representing a more than US\$2 trillion growth opportunity.

The Enlarged Group is also well-positioned to benefit from a fully integrated closed loop solutions ecosystem to help global capital partners divest Grade A commercial real estate with the benefit to re-deploy the capital back into New Economy real estate with the Company.

(d) Enhanced resilience from increased contribution from fund management segment with predominantly perpetual and core-capital

The increase in AUM would translate to increased contribution from fee-based earnings from the fund management segment, thereby improving the quality of the earnings of the Enlarged Group. Based on ARA and the Company's audited financials as at 31 December 2021, the segmental EBITDA contribution for 2020 from the fund management segment would have increased from 22% to 33% for the Enlarged Group.

In addition, the contribution of perpetual and core-capital vehicles in AUM of the Enlarged Group in 2020 would have increased from 30% to over 50% for the Enlarged Group, and going forward will contribute to greater earnings visibility and enhance the earning resilience and dividend capacity in the Enlarged Group's earning profile.

(e) Generating the fastest AUM growth of all listed real estate managers with increased asset light trajectory

On a five-year CAGR basis, the Company's and ARA's AUM have increased at a compound annual growth rate of 41.8% and 30.1%, respectively, which is the fastest amongst the listed real estate asset managers. The Enlarged Group's size and scale together with the track record and leadership position in key markets would well-position

the Enlarged Group for even greater growth opportunities over the long term off a larger base.

The Proposed Transaction would be in line with the Company's asset light business strategy to enhance shareholder returns.

(f) Brings together best-in-class management team with a supportive strategic shareholder base

ARA will bring in top quality professionals with extensive industry experiences and expertise at the C-suite level. The senior leadership team has an average experience of more than 25 years in real estate, asset management, REITs management, corporate strategy and finance, and has been with ARA for an average of more than 10 years.

Under the new shareholder ownership structure, the Enlarged Group will benefit from a group of new strategic shareholder, such as Warburg Pincus and SMBC, who will be adding significant value to the Company both as capital partners and long term strategic partners, supporting the Company's next phase of growth.

(g) Reinforces deep commitment to ESG in real estate in APAC

ARA has been a pioneer in ESG in Asia Pacific with notable environmental initiatives and proactive actions across its portfolio. ARA is the first real estate asset manager in Asia to sign WorldGBC's Net Zero Building Carbon Commitment. ARA has pledged to support the United Nations Principles of Reasonable Investing and committed to only owning net zero carbon assets by 2030, measuring and disclosing energy consumption and carbon emissions from 2022. ARA's ESG practices have received industry recognition – received more than 120 ESG awards and accolades, achieved 53 green building certifications (approximately 25% of property portfolio), raised more than S\$1 billion of green financings.

9. INFORMATION ABOUT THE ARA GROUP

(a) ARA Group

ARA is an investment holding company and a direct non-wholly owned subsidiary of ARA Cayman. For details on the shareholding structure of ARA Cayman, please refer to the section headed "Information about the Sellers" below.

The ARA Group is the largest real assets manager in APAC based on ARA's GAMA, according to the JLL Market Report*. As at 30 June 2021, ARA's GAMA was US\$95 billion. ARA raises, manages and advises public and private investment funds that invest across traditional real estate assets and private real estate credit and infrastructure and, through its subsidiary Logos, "New Economy" real estate assets, including logistics and data centers. ARA operates a global platform with a focus on APAC, in key markets including China, India, Japan, Australia and New Zealand, South Korea, Hong Kong SAR and Singapore. Upon Completion, ARA will hold 86.4% of Logos.

(b) **Selected Financial Information on the ARA Group**

The table below sets out selected financial information on the ARA Group based on the consolidated accounts of the ARA Group for the last two financial years and the six months ended 30 June 2021:

| (US\$'000) | ARA Group | | | |
|-----------------------------------|---------------------------------------|---------------------------------------|---|---|
| | Year ended 31 December 2019 (audited) | Year ended 31 December 2020 (audited) | Six months ended 30 June 2020 (unaudited) | Six months ended 30 June 2021 (unaudited) |
| Profit before tax | 128,944 | 171,445 | 40,590 | 200,951 |
| Net Profit after tax | 161,199 | 134,185 | 28,369 | 166,324 |
| Net Assets / (Liabilities) | 1,410,144 | 1,838,602 | 1,602,554 | 2,170,630 |
| Total Assets | 1,879,535 | 2,653,199 | 1,913,037 | 3,434,865 |
| Fee Revenue | 146,049 | 255,300 | 90,519 | 216,616 |

The table below sets out ARA's public market and private market segments, as absolute amounts and as percentages of the ARA's total results for the last two financial years and the six months ended 30 June 2021:

| | Year ended 31 December | | | | Six months ended 30 June | |
|---------------------|-----------------------------------|------|-------|------|--------------------------|------|
| | 2019 | | 2020 | | 2021 | |
| | US\$ | % | US\$ | % | US\$ | % |
| | (in millions, except percentages) | | | | | |
| GAMA | 64.6 | | 87.7 | | 95.4 ³ | |
| Fee Revenue | 146.0 | | 255.3 | | 216.6 | |
| <i>New Economy</i> | 11.0 | 7.5 | 94.7 | 37.1 | 121.7 | 56.2 |
| <i>Other</i> | 135.0 | 92.5 | 160.6 | 62.9 | 94.9 | 43.8 |
| Fee EBITDA | 75.9 | | 140.6 | | 133.7 | |
| Group EBITDA | 168.5 | | 200.9 | | 196.6 | |

The ARA Group increased its GAMA by 35.8% from US\$64.6 million as at 31 December 2019 to US\$87.7 billion as at 31 December 2020. The ARA Group's fee revenue grew by 74.8% from US\$146.0 million in 2019 to US\$255.3 million in 2020.

³ Adjusted for Logos' acquisition of Moorebank Logistics Park announced on 5 July 2021

10. EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below shows the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately upon the allotment and issue of all the Consideration Shares and SMBC Subscription Shares; and (iii) immediately upon the allotment and issue of all the Consideration Shares, SMBC Subscription Shares and Conversion Shares, in each case, assuming the Cash Consideration Adjustment is not exercised, and no Shares other than the Consideration Shares, SMBC Subscription Shares and Conversion Shares are issued from the date of this announcement up to and including the date of Completion, for illustration purpose only:

| Name of Shareholder | As at this announcement | | Immediately upon completion of the issue of the Consideration Shares and SMBC Subscription Shares | | Immediately upon completion of the issue of the Consideration Shares, SMBC Subscription Shares and Conversion Shares | |
|-------------------------|-------------------------|---------------|---|----------------|--|----------------|
| | Number of Shares | % | Number of Shares | % | Number of Shares | % |
| OMERS | 456,221,943 | 14.9 | 456,221,943 | 10.4 | 456,221,943 | 10.2 |
| Redwood ⁽¹⁾ | 435,522,532 | 14.2 | 435,522,532 | 10.0 | 435,522,532 | 9.7 |
| Laurels ⁽²⁾ | 319,658,645 | 10.4 | 319,658,645 | 7.3 | 319,658,645 | 7.1 |
| Jingdong ⁽³⁾ | 213,821,461 | 7.0 | 213,821,461 | 4.9 | 213,821,461 | 4.8 |
| APG ⁽⁴⁾ | 211,057,897 | 6.9 | 211,057,897 | 4.8 | 211,057,897 | 4.7 |
| SK Holdings | 196,539,292 | 6.4 | 196,539,292 | 4.5 | 196,539,292 | 4.4 |
| WP Entities | - | - | 538,184,533 | 12.3 | 591,440,159 | 13.2 |
| JL Entities | - | - | 185,644,110 | 4.2 | 203,969,969 | 4.5 |
| Straits | - | - | 195,386,883 | 4.5 | 214,674,500 | 4.8 |
| Wealthman Group | - | - | 73,336,509 | 1.6 | 80,575,923 | 1.8 |
| SMBC | - | - | 194,855,459 | 4.5 | 205,014,113 | 4.6 |
| New Horizon | - | - | 6,369,970 | 0.1 | 6,998,782 | 0.2 |
| Ivanhoe Cambridge | - | - | 80,233,114 | 1.8 | 80,233,114 | 1.8 |
| ARA Executives | - | - | 29,982,662 | 0.7 | 32,545,917 | 0.7 |
| Logos Founders | - | - | 7,134,950 | 0.2 | 7,134,950 | 0.2 |
| Other Shareholders | 1,227,934,636 | 40.2 | 1,227,934,636 | 28.1 | 1,227,934,636 | 27.4 |
| Total | 3,060,756,406 | 100.00 | 4,371,884,596 | 100.00% | 4,483,343,833 | 100.00% |

Notes:

- (1) Redwood is owned as to 42.0% and 58.0% by Kurmasana Holdings, LLC and Redwood Investor (Cayman) Limited, respectively, of which Kurmasana Holdings, LLC is wholly-owned by Redwood Investor (Cayman) Limited and the voting rights of Redwood Investor (Cayman) Limited are controlled as to 50% and 50% by Mr Charles Alexander Portes and Mr Stuart Gibson, respectively. Hence, each of Mr Charles Alexander Portes, Mr Stuart Gibson, Redwood Investor (Cayman) Limited and Kurmasana Holdings, LLC are deemed to be interested in the Shares held by Redwood. Besides, as at 31 December 2020, 31,900,882 Shares (representing 1.04%(L) of the total issued shares of the Company then and inclusive of the interest in 16,899,687 Shares underlying the share options pursuant to the Tier 1 ESOP) were held by Redwood Consulting (Cayman) Limited (“**Redwood Consulting**”) as the beneficial owner. Redwood Consulting is owned as to 50.0% and 50.0% by Mr Charles Alexander Portes and Mr Stuart Gibson, respectively. Hence each of Mr Charles Alexander Portes and Mr Stuart Gibson are deemed to be interested in Shares held by Redwood Consulting.
- (2) Laurels is wholly owned by The Shen Trust. The settlor of The Shen Trust is Rosy Fortune Limited, the sole shareholder of which is Mr Jinchu Shen. The trustee of The Shen Trust is Tricor Equity Trustee Limited. Rosy Fortune Limited has a deemed interest under the SFO in the Shares held by The Shen Trust in its capacity as settlor of The Shen Trust, Mr Jinchu Shen has a deemed interest under the SFO in the Shares held by The Shen Trust solely in his capacity as the sole shareholder of the settlor of The Shen Trust and Tricor Equity Trustee Limited has a deemed interest under the SFO in the Shares held by The Shen Trust in its capacity as trustee of The Shen Trust. As at 31 December 2020, 319,658,645 Shares of the total issued shares of the Company then and inclusive of the interest in 7,799,856 Shares underlying the share options pursuant to the Tier 1 ESOP) were held by Laurels as the beneficial owner.
- (3) Jingdong is a wholly owned subsidiary of Jingdong Technology Group Corporation. Jingdong Technology Group Corporation is a wholly owned subsidiary of JD.com, Inc., a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the NASDAQ (stock symbol: JD) and the Main Board of the Stock Exchange (stock code: 9618). Max Smart Limited, a BVI company beneficially owned by Mr Richard Qiangdong Liu through a trust, owned 13.5% of the total outstanding ordinary shares and 72.9% of the total outstanding voting power of JD.com, Inc. as at 28 February 2021. Therefore, each of JD Logistics Holding Limited, Jingdong Technology Group Corporation, JD.com, Inc., Max Smart Limited and Mr Richard Qiangdong Liu is deemed to have beneficial ownership over the Shares held by Jingdong.
- (4) APG Asset Management N.V. (“**APG-AM**”) is the investment manager of APG, which is the holder of the relevant Shares. APG-AM is wholly-owned by APG Groep N.V., which is 92.16% owned by Stichting Pensioenfond ABP, which is an investor in APG Strategic Real Estate Pool. Each of Stichting Pensioenfond ABP, APG-AM and APG Groep N.V., are therefore deemed to be interested in the Shares held by APG.

The table below shows the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon the allotment and issue of all the Consideration Shares and SMBC Subscription Shares, in each case assuming that the Cash Consideration Adjustment is exercised in full and no Shares other than the Consideration Shares and SMBC Subscription Shares and new Shares under the Permitted Issuance are issued from the date of this announcement up to and including the date of Completion, for illustration purpose only:

| Name of Shareholder | As at this announcement | | Immediately upon completion of the issue of the Consideration Shares and SMBC Subscription Shares | |
|----------------------------|--------------------------------|---------------|--|---------------|
| | <i>Number of Shares</i> | <i>%</i> | <i>Number of Shares</i> | <i>%</i> |
| OMERS | 456,221,943 | 14.9 | 456,221,943 | 10.2 |
| Redwood | 435,522,532 | 14.2 | 435,522,532 | 9.7 |
| Laurels | 319,658,645 | 10.4 | 319,658,645 | 7.1 |
| Jingdong | 213,821,461 | 7.0 | 213,821,461 | 4.8 |
| APG | 211,057,897 | 6.9 | 211,057,897 | 4.7 |
| SK Holdings | 196,539,292 | 6.4 | 196,539,292 | 4.4 |
| WP Entities | - | - | 430,381,938 | 9.6 |
| JL Entities | - | - | 148,353,696 | 3.3 |
| Straits | - | - | 156,139,434 | 3.5 |
| Wealthman Group | - | - | 58,605,372 | 1.3 |
| SMBC | - | - | 205,014,113 | 4.6 |
| New Horizon | - | - | 5,090,432 | 0.1 |
| Ivanhoe Cambridge | - | - | 80,233,114 | 1.8 |
| ARA Executives | - | - | 32,545,917 | 0.7 |
| Logos Founders | - | - | 7,134,950 | 0.2 |
| Other Shareholders | 1,227,934,636 | 40.2 | 1,527,023,098 | 34.1 |
| Total | 3,060,756,406 | 100.00 | 4,483,343,834 | 100.00 |

11. INFORMATION ABOUT THE SELLERS

(a) ARA Cayman

ARA Cayman is an investment holding company incorporated in the Cayman Islands with limited liability. As at the date of this announcement, ARA Asset Management holds 100% of the ordinary share capital of ARA Cayman (see note 1). ARA Asset Management is in turn held by the following shareholders:

| Name of Shareholders | Shareholding Percentage |
|---|--------------------------------|
| Alexandrite Gem Holdings Limited ⁽¹⁾ | 48.7% ^(Note 1) |
| JL Investment Group Limited ⁽²⁾ | 19.85% |
| JL Investment Group II Limited ⁽²⁾ | 1.11% |
| Straits Equities Holdings (One) Pte. Ltd. | 22.06% |
| Wealthman Group Limited ⁽³⁾ | 8.28% |

Notes:

- (1) Alexandrite Gem is an investment holding company indirectly wholly-owned by funds managed or advised by Warburg Pincus LLC or its affiliates. Immediately prior to Completion, Alexandrite Gem will acquire shares in ARA from ARA Cayman, to roll its current indirect interest in ARA down to a direct interest, whereupon it will adhere to the Acquisition Agreement as a Seller and participate in the Proposed Transaction.

As at the date of this announcement, Alexandrite Gem holds certain redeemable preference shares in ARA Cayman. Upon conversion of the redeemable preference shares, ARA Asset Management will own 96.21% of the ordinary share capital of ARA Cayman.

- (2) JL Investment Group Limited and JL Investment Group II Limited (together, the “**JL Entities**”) are each investment holding companies ultimately controlled by Mr. Lim Hwee Chiang (John). The total original acquisition cost of the ARA Shares indirectly held by the JL Entities was approximately S\$292,441,188.
- (3) Wealthman Group is an investment holding company ultimately controlled by CK Asset Holdings Limited.

(b) SMBC

SMBC is one of Japan’s leading banks and is a direct wholly-owned subsidiary of Sumitomo Mitsui Financial Group, Inc., a financial holding company.

As at the date of this announcement, SMBC directly holds 10% of the shareholding interest in ARA.

(c) New Horizon

New Horizon is an investment holding company incorporated in Samoa and is directly wholly-owned by Chen Huaidan.

As at the date of this announcement, New Horizon directly holds 0.62% of the shareholding interest in ARA.

(d) Athena Logistics

Athena Logistics is an exempted company incorporated in the Cayman Islands. Athena Logistics is an investment holding company indirectly wholly-owned by funds managed or advised by Warburg Pincus LLC or its affiliates.

(e) Ivanhoe Cambridge

Ivanhoe Cambridge is an investment holding company incorporated in Canada and is a wholly owned subsidiary of Ivanhoe Cambridge Inc., a Canadian real estate investment company.

12. INFORMATION ON THE GROUP

The Group is the largest Asia-Pacific logistics real estate group by gross floor area and by value of the assets owned directly and by the funds and investment vehicles it manages. Its investments include completed properties held on its balance sheet and co-investments in the funds and investment vehicles and other public REITs which it manages. It also manages a broad range of funds and investment vehicles that invest in a portfolio of premium logistics properties in various stages of the property life cycle.

As at the date of this announcement, the Company indirectly owns (a) approximately 67% of ESR Funds Management (S) Limited, the manager of ESR-REIT, and (b) 100% of Sabana Real Estate Investment Management Pte. Ltd., the manager of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust. Upon completion of the Proposed Transaction, in addition to these two managers, the Company will also indirectly own 100% of ARA LOGOS Logistics Trust Management Limited, the manager of ARA LOGOS Logistics Trust. The Company will work with the boards of directors of each of the managers to address and resolve any potential conflict of interests that may arise from ESR's ownership of the managers of the abovementioned REITs with overlapping investment mandates. Appropriate announcements will be made at the relevant time in accordance with all applicable regulatory requirements.

13. RECOMMENDATION OF THE BOARD

Having regard to the reasons for, and benefits of, the Proposed Transaction as set out above, the Directors (excluding the independent non-executive Directors whose views will be set out in the Circular) consider that the terms of the Acquisition Agreement (including the Proposed Transaction contemplated thereunder) and the issue of the Consideration Securities and SMBC Subscription Shares under the Specific Mandate are on normal commercial terms, fair and reasonable and in the interests of the Shareholders as a whole.

As Mr. Jeffrey David Perlman ("**Mr. Perlman**") is a director of ARA as well as a Director of the Company, Mr. Perlman has a material interest in the Proposed Transaction contemplated in the Acquisition Agreement and has therefore abstained from voting on the board resolutions of the Company for approving the Acquisition Agreement (including the Proposed Transaction contemplated thereunder) and the Specific Mandate. In addition, Mr. Perlman has not been involved in any of the discussions in relation to the Proposed Transaction in his capacity as the Director of the Company.

Save as disclosed above, none of the Directors had a material interest in the Acquisition Agreement (including the Proposed Transaction contemplated thereunder) and the Specific Mandate and no Director has abstained from voting on the relevant resolutions of the Board.

14. LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Proposed Transaction exceeds 25% but is less than 100%, the Proposed Transaction constitutes a major transaction of the Company under Chapter 14 of the Listing Rules. Accordingly, the Proposed Transaction is subject to the reporting, announcement and shareholders' approval requirement, under Chapter 14 of the Listing Rules.

As at the date of this announcement, Mr. Lim Hwee Chiang (John) indirectly holds 20.96% of the shareholding interest in ARA Asset Management, which in turns holds 100% of the shareholding interest in ARA Cayman. As Mr. Lim Hwee Chiang (John) is entitled to control the exercise of 10% or more of the voting power at general meetings of ARA, Mr. Lim Hwee Chiang (John) is a substantial shareholder of ARA for the purposes of the Listing Rules. Pursuant to the Acquisition Agreement, Mr. Lim Hwee Chiang (John) will be appointed as a senior advisor to the Company and a non-executive Director of the Company and is therefore regarded as a controller of the Company under Rule 14A.28(1) of the Listing Rules. Accordingly, the Proposed Transaction constitutes a connected transaction of the Company under Rule 14A.28 of the Listing Rules.

As the highest applicable percentage ratio in respect of the Proposed Transaction exceeds 5%, the Proposed Transaction constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

15. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee comprising all of the independent non-executive Directors of the Company has been established to advise the Shareholders in connection with the Proposed Transaction and issue of Consideration Securities. The Company will appoint an Independent Financial Adviser to advise the Independent Board Committee and the Shareholders on the same.

16. EGM AND CIRCULAR

The EGM will be convened for the independent shareholders (being all of the shareholders of the Company) to consider and, if thought fit, approve, among other things, (i) the Acquisition Agreement and the transactions contemplated thereunder and (ii) the Specific Mandate for the allotment and issue of Consideration Shares, the Conversion Shares and the SMBC Subscription Shares.

The Circular containing, among other things, (i) further details of the terms of the Proposed Transaction and the Specific Mandate; (ii) a letter from the Independent Board Committee; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee in respect of the Proposed Transaction; (iv) the accountants' report on the ARA Group; (v) the unaudited pro forma financial information of the Enlarged Group; and (vi) other information as required under the Listing Rules together with a notice convening the EGM, will be despatched to the Shareholders. In order to allow sufficient time for the Company to prepare the Circular, including the accountants' report on the ARA Group, the Circular will be despatched more than 15 business days after the publication of this announcement and is expected to be despatched to the Shareholders on or before 30 September 2021.

It is expected that the EGM will be convened to be held on or before 31 October 2021.

15. FURTHER INFORMATION

Morgan Stanley Asia Limited acted as the financial adviser to the Company on the Proposed Transaction.

Further announcements will be made by the Company in relation to the Proposed Transaction as and when appropriate.

The Proposed Transaction is subject to all of the Conditions being satisfied (or, if applicable, waived) and therefore may or may not become unconditional. If any of the Conditions is not satisfied (or, if applicable, waived), the Proposed Transaction will not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares and other securities of the Company.

17. DEFINITIONS

Unless the context otherwise requires, the following expressions have the following meanings:

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| “Acquisition Agreement” | the conditional Acquisition Agreement dated 4 August 2021 entered into between the Company, ARA, and the Sellers |
| “Additional Cash” | the total cash proceeds of the Permitted Issuance |
| “Additional Cash Consideration Amount” | the additional amount of Cash Consideration payable to the Additional Cash Consideration Recipients, details of which are set out in the section headed “ <i>Cash Consideration Adjustment</i> ” of this announcement |
| “Additional Cash Consideration Recipient” | each Consideration Recipient to whom Cash Consideration is payable at Completion, except the Logos Founders and the ARA Executives |
| “Alexandrite Gem” | Alexandrite Gem Holdings Limited, a company incorporated in the British Virgin Islands with limited liability |
| “APAC” | Asia Pacific |
| “APG” | Stichting Depository APG Strategic Real Estate Pool, a depository for an investment fund in Netherlands |
| “ARA” | ARA Asset Management Limited, a company incorporated in Bermuda with limited liability |
| “ARA Asset Management” | ARA Asset Management Holdings Pte. Ltd., a company incorporated in Singapore with limited liability |
| “ARA Cayman” | ARA Investment (Cayman) Limited a company incorporated in the Cayman Islands with limited liability |
| “ARA Executives” | Mr. Lim Hwee Chiang (John), Moses K. Song, Ng Beng Tiong and Seow Bee Lian (Cheryl); |

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| “ARA Group” | ARA and its subsidiaries and “ARA Group Company” means any of them |
| “ARA Merger Shares” | the 1,899,734,566 ARA Shares held by the Designated Merger Sellers |
| “ARA Shares” | ordinary shares in the share capital of ARA |
| “Athena Logistics” | Athena Logistics Holding Ltd., a company incorporated in the Cayman Islands with limited liability |
| “AUM” | in respect of ARA, gross assets under management of ARA Group and its associates as at 30 June 2021 adjusted for acquisition of Moorebank Logistics Park announced on 5 July 2021; in respect of the Company, gross assets under management of the Group as at 31 December 2020 adjusted for announced additions in the six months ended 30 June 2021 |
| “Board” | the board of Directors |
| “Business Day” | a day (other than a Saturday, Sunday or public holiday, and a day on which a typhoon signal number 8 or a black rainstorm warning is hoisted in Hong Kong at any time) on which banks in Bermuda, Cayman Islands, Hong Kong, Tokyo and Singapore are generally open for business |
| “Cash Consideration” | US\$519 million to be paid by the Company to the Consideration Recipients for the purpose of partially satisfying the Total Consideration (assuming the Cash Consideration Adjustment is not exercised) |
| “Cash Consideration Adjustment” | the possible adjustment at the Company’s election to issue new Shares at a price per Share which is greater than the Company Agreed Share Price (being HK\$27.00) subject to the maximum total cash proceeds of US\$1,038 million and which will be applied towards the partial settlement of the Total Consideration, thereby adjusting the amount of the Cash Consideration, the principal amount of Consideration VLNs, the number of Conversion Shares and the number of Consideration Shares which will be allocated to each Additional Cash Consideration Recipient |
| “Circular” | the circular to be despatched by the Company to the Shareholders in connection with the EGM |
| “Companies Ordinance” | the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (as amended and supplemented from time to time) |
| “Company” | ESR Cayman Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1821) |
| “Company Agreed Share Price” | HK\$27.00 per Share |

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| “Completion” | completion of the Proposed Transaction in accordance with the terms of the Acquisition Agreement |
| “Conditions” | the conditions as set out in the section headed “ <i>The Proposed Transaction and the Issue of the Consideration Securities</i> ” of this announcement to which the Proposed Transaction is subject |
| “connected person” | has the meaning ascribed to it under the Listing Rules |
| “Consideration Recipients” | (a) the Indirect Consideration Recipients, (b) each of the Logos Founders (as designated Consideration Recipients of each of the Sellers except Ivanhoe Cambridge), (c) each of the ARA Executives (as designated Consideration Recipients of each of the Sellers except Athena Logistics and Ivanhoe Cambridge) and (d) each of the Sellers, except ARA Cayman |
| “Consideration Securities” | Consideration Shares and (if applicable) Consideration VLNs |
| “Consideration Shares” | an aggregate of 1,234,438,841 Shares to be issued by the Company to the Sellers or the Consideration Recipients for the purpose of satisfying US\$4,286 million of the Total Consideration (assuming the Cash Consideration Adjustment is not exercised) |
| “Consideration Share Price” | HK\$27.00 per Share |
| “Convertible Vendor Loan Note Instrument” | the instrument constituting up to US\$387 million zero coupon subordinated unsecured perpetual convertible loan of the Company |
| “Consideration VLNs” | 111,459,237 vendor loan notes to be issued by the Company to the Sellers and the Consideration Recipients for the purpose of satisfying US\$387 million of the Total Consideration (assuming the Cash Consideration Adjustment is not exercised) |
| “Conversion Shares” | the Shares, when issued and delivered upon conversion of Consideration VLNs |
| “Directors” | the directors of the Company |
| “EBITDA” | earnings before interest, tax, depreciation and amortisation |
| “EGM” | the extraordinary general meeting of the Company to be convened for the Shareholders to consider and, if thought fit, approve the Proposed Transaction and the Specific Mandate |
| “Enlarged Group” | the Group as enlarged by the Proposed Transaction |
| “ESG” | environmental, social and corporate governance |
| “FIRB” | the Australian Foreign Investment Review Board |
| “FSMA” | the United Kingdom Financial Services and Markets Act 2000 (as amended and supplemented from time to time) |

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| “GAMA” | the gross assets managed by the ARA Group and its associates |
| “Group” | the Company and its subsidiaries, and “Group Company” means any of them |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Indirect Consideration Recipients” | each of Alexandrite Gem (until it adheres to the Acquisition Agreement as a Seller), Straits, JL Entities and Wealthman Group (in respect of, and as the designated Consideration Recipients of ARA Cayman) |
| “Independent Board Committee” | an independent committee of the Board comprising all of the independent non-executive Directors to advise the Shareholders in relation to the Proposed Transaction and the issue of Consideration Securities |
| “Independent Financial Adviser” | an independent financial adviser to be appointed by the Company to advise the Independent Board Committee and the Shareholders in connection with the Proposed Transaction and the issue of Consideration Securities |
| “Independent Third Party(ies)” | independent third party(ies) not connected with the Company or its connected persons |
| “Ivanhoe Cambridge” | Ivanhoe Cambridge Asia Inc., a company incorporated in Canada with limited liability |
| “Jingdong” | JD Property Holding Limited (formerly known as JD Logistics Holding Limited), a company incorporated in the Cayman Islands with limited liability |
| “JL Entities” | JL Investment Group Limited and JL Investment Group II Limited, each a wholly owned entity of Mr. Lim Hwee Chiang (John) |
| “Laurels” | Laurels Capital Investments Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly-owned by The Shen Trust and in which Mr. Jinchu Shen, an Executive Director of the Company, is deemed to have an interest under the SFO |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange (as amended and supplemented from time to time) |
| “Long Stop Date” | (a) 24 December 2021, (b) such later date (being no later than 14 February 2022) as either the Company or ARA Cayman may from time to time specify by written notice to the other parties on or before the then-prevailing Long Stop Date, if no Condition has become impossible to satisfy on or before 14 February 2022 or (c) such other date as may be agreed in writing by ARA Cayman and the Company, each acting reasonably and in good faith |

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| “Logos” | Logos Property Group Limited (formerly known as Logos China Investments Limited), a company incorporated in the British Virgin Islands with limited liability |
| “Logos Consideration Cap” | the maximum consideration of US\$4.5 billion payable by the Company under the Logos Minority Acquisition |
| “Logos Group” | Logos and its subsidiary undertakings (as defined under the Companies Ordinance) |
| “Logos Founders” | John Marsh (in his own capacity and for and on behalf of Long Range Global Limited), Trent Iliffe, Stephen Hawkins (in his own capacity and for and on behalf of Magenta Asset Management Pte Ltd) |
| “Logos JV” | ARA Logistics Venture I Limited, a company incorporated in the Cayman Islands with limited liability |
| “Logos JV Group” | Logos JV and its subsidiary undertakings (as defined under the Companies Ordinance) |
| “Logos Minority Acquisition” | the proposed acquisition by the Company of the Logos Shares held by the Logos Founders in consideration for an issue of new Shares and/or the payment of cash |
| “Logos Revised SHA” | an amended and restated shareholders’ agreement between Logos JV and Logos Founders with respect to Logos |
| “Logos Shares” | ordinary shares in the share capital of Logos |
| “Material Adverse Effect” | <p>with respect to the Group or ARA Group (as applicable), a materially adverse effect on the business, operations, assets, liabilities, condition (financial or otherwise) or results of the Group or ARA Group (as applicable) taken as a whole, provided that a “Material Adverse Effect” will:</p> <ul style="list-style-type: none"> (a) not be deemed to include effects arising out of or resulting from: <ul style="list-style-type: none"> (i) changes in: (A) financial markets; (B) industry conditions; and/or (C) applicable Laws or accounting standards, generally applicable to the fund management industry or the ownership, operation and/or development of logistics real estate projects in Asia, except to the extent such change has a disproportionate effect on the Group or the ARA Group (as applicable); (ii) a pandemic and/or an epidemic; and/or (iii) earthquakes, tsunamis, typhoons, outbreaks of war, or the occurrence of any military or terrorist attack; and |

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| | (b) be deemed to have occurred with respect to the Group if the closing price per Share on the Stock Exchange falls 20% or more below the Company Agreed Share Price (being HK\$27.00) for any consecutive 10 trading day period after the date of the Acquisition Agreement |
| “MAS” | the Monetary Authority of Singapore |
| “Merger Implementation Agreement” | the Bermuda law merger agreement to be entered into by the Company, ARA and NewCo |
| “NewCo” | a company to be incorporated in Bermuda with limited liability as soon as practicable following the date of the Acquisition Agreement and which will be a wholly-owned subsidiary of the Company |
| “New Horizon” | New Horizon Global Limited, a company incorporated in Samoa with limited liability |
| “OMERS” | OMERS Administration Corporation, a non-share capital corporation continued pursuant to the Ontario Municipal Employees Retirement System Act 2006 |
| “Permitted Issuance” | the possible issuance of new Shares by the Company, details of which are set out in the section headed “ <i>Cash Consideration Adjustment</i> ” of this announcement |
| “Pre-Completion Cut-off Date” | the Business Day after the date on which the Company and the Sellers are notified that all of the conditions have been satisfied |
| “Proposed Merger” | the proposed merger between the Group and the ARA Group, through a merger of ARA and NewCo pursuant to the terms and conditions under the Acquisition Agreement and the Merger Implementation Agreement |
| “Proposed Sale” | the proposed sale of the Sale Shares by the Designated Transfer Sellers to the Company |
| “Proposed Transaction” | the transactions contemplated under the Acquisition Agreement (including the Proposed Merger (if applicable), the Proposed Sale and the SMBC Subscription) |
| “Redwood” | Redwood Investment Company, Ltd., a company incorporated in the Cayman Islands with limited liability and which is controlled by Mr. Stuart Gibson, an Executive Director of the Company, and Mr. Charles Alexander Portes, a Non-Executive Director of the Company |
| “Redwood Consulting” | Redwood Consulting (Cayman) Limited, a company incorporated in the Cayman Islands with limited liability and which is controlled by Mr. Stuart Gibson, an Executive Director of the Company, and Mr. Charles Alexander Portes, a Non-Executive Director of the Company |

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| “Redwood Entities” | Redwood and Redwood Consulting |
| “Sale Shares” | the 1,899,734,566 ARA Shares held by the Designated Transfer Sellers |
| “Sellers” | ARA Cayman, SMBC, New Horizon, (upon its execution of a counterpart to the Acquisition Agreement) Alexandrite Gem, Athena Logistics and Ivanhoe Cambridge |
| “SFC” | the Securities and Futures Commission of Hong Kong |
| “SFC Regulated Entity” | each of ARA Asset Management (Fortune) Limited, ARA Asset Management (Prosperity) Limited and Hotel Xray Asset Management Limited |
| “SFO” | Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended and supplemented from time to time) |
| “Shareholders” | the holders of Shares |
| “Shares” | ordinary shares in the share capital of the Company |
| “SK Holdings” | SK Holdings Co., Ltd., a company incorporated in South Korea with limited liability |
| “SMBC” | Sumitomo Mitsui Banking Corporation, a company incorporated in Japan with limited liability |
| “SMBC Subscription Shares” | 76,689,349 Shares to be issued to SMBC and/or its designated affiliates |
| “SMBC Subscription” | the proposed subscription by SMBC and/or its designated affiliates in relation to the SMBC Subscription Shares for US\$250 million in aggregate |
| “SMBC Subscription Price” | HK\$25.35 per Share |
| “Specific Mandate” | the specific mandate to be obtained at the EGM for the allotment and issue of the Consideration Shares, the Conversion Shares and the SMBC Subscription Shares and (if the Company’s elects to make the Cash Consideration Adjustment) the Shares pursuant to the Permitted Issuance |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Straits” | Straits Equities Holdings (One) Pte. Ltd., a company incorporated in Singapore with limited liability |
| “S\$” | Singapore dollars, the lawful currency of Singapore |
| “Takeovers Code” | the Code on Takeovers and Mergers and Share Buy-backs (as amended and supplemented from time to time) |

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|------------------------------|---|
| “Total Consideration” | US\$5,192 million, which will be satisfied by the allotment and issue of the Consideration Securities and the payment of the Cash Consideration |
| “US\$” | United States dollars, the lawful currency of the United States of America |
| “Wealthman Group” | Wealthman Group Limited, a company incorporated in the British Virgin Islands with limited liability |
| “WP Entities” | Alexandrite Gem and Athena Logistics |
| “Undertaking Party” | each of the parties who will enter into a lock-up undertaking as set out in the section headed “ <i>Lock-up</i> ” of this announcement |
| “%” | per cent. |

Unless otherwise stated, the figures in S\$ are converted into US\$ at the rate of US\$1.00: S\$1.351 for indicative purposes only, and should not be construed as a representation that any amount has been, could have been or may be, exchanged at this or any other rate.

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By Order of the Board
ESR Cayman Limited
Jinchu Shen
Director

Hong Kong, 4 August 2021

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Jinchu Shen and Mr. Stuart Gibson as Executive Directors, Mr. Jeffrey David Perlman as the Chairman and Non-executive Director, Mr. Charles Alexander Portes, Mr. Wei Hu and Mr. David Alasdair William Matheson as Non-executive Directors, Mr. Brett Harold Krause, The Right Honourable Sir Hugo George William Swire, KCMG, Mr. Simon James McDonald, Ms. Jingsheng Liu and Mr. Robin Tom Holdsworth as Independent Non-executive Directors.