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ESR CAYMAN LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1821)

**CONTINUING CONNECTED TRANSACTIONS
PURSUANT TO RULE 14A.60 OF THE LISTING RULES**

Reference is made to the circular issued by the Company dated 18 October 2021 in relation to the business combination of ARA Asset Management Limited and its subsidiaries with the Group (the “**ARA Acquisition**”), which was completed on 20 January 2022.

Following the completion of the ARA Acquisition, Alexandrite Gem and Athena Logistics together hold approximately 13.2% of the shareholding interest in the Company. Each of Alexandrite Gem and Athena Logistics is an investment holding company indirectly wholly owned by funds managed or advised by Warburg Pincus LLC or its affiliates.

Prior to the completion of the ARA Acquisition, on 17 January 2022, ESR V Investment Holding Pte. Ltd (“**ESR V Investment**”), a wholly-owned subsidiary of the Company, entered into management agreements with each of BW Industrial Development Thoi Hoa One Member Limited Liability Company and BW Industrial Development Thoi Hoa (Project 02) One Member Limited Liability Company (each, a “**BW JV**”) pursuant to which that BW JV had appointed ESR V Investment to provide certain management services to that BW JV in relation to the business of that BW JV (each, a “**BW Management Agreement**”).

As each BW JV is 51% indirectly owned by Cong Ty Co Phan Sao Hoa Toan Quoc (“**BW**”), which in turn is controlled by entities managed or advised by Warburg Pincus LLC or its affiliates, as are Alexandrite Gem and Athena Logistics, each BW JV has become a connected person of the Company upon the completion of the ARA Acquisition. Therefore, following the completion of the ARA Acquisition, the transactions under each BW Management Agreement have subsequently become continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.60 of the Listing Rules, the transactions under each BW Management Agreement are subject to the applicable reporting, annual review and disclosure requirements under Chapter 14A of the Listing Rules. In the event that a BW Management Agreement is renewed or the terms are varied, the Company will comply with the relevant requirements under Chapter 14A of the Listing Rules.

BW MANAGEMENT AGREEMENTS

The principal terms of each BW Management Agreement are disclosed in this announcement in compliance with Rule 14A.60(1) of the Listing Rules.

BW MANAGEMENT AGREEMENTS

Date: 17 January 2022

Parties: (i) ESR V Investment
(ii) each BW JV

Subject matter: Pursuant to the BW Management Agreements, ESR V Investment shall provide the following services to each BW JV:

- (a) **Leasing services:** introducing to the BW JV Group persons who may lease floor space above a certain minimum size in the warehouses and factories of such BW JV Group per annum over the life of the BW Project;
- (b) **Others:** any other services requested by each BW JV and agreed between ESR V Investment and such BW JV.

Term: The appointment of ESR V Investment pursuant to each BW Management Agreement shall commence on and from 21 January 2022 and shall continue until such time as the relevant BW JV is wound up unless terminated earlier in accordance with the terms of the BW Management Agreement.

Pricing:

The relevant BW JV shall pay ESR V Investment lease management fees based on the rates set out below:

- (a) **Warehouse tenants:** where one or more members of the Group are responsible for the successful referral of a tenant in relation to all or any portion of a warehouse forming part of the BW Project, the relevant BW JV shall pay ESR V Investment fees determined by reference to the lease period and such fees will either be an agreed percentage of the headline gross rent or an agreed number of months of headline gross rent; provided that, where one or more members of the Group and one or more members of the relevant BW JV Group are jointly responsible for the successful referral of any such tenant, the relevant BW JV shall instead pay ESR V Investment fees equal to 50% of an agreed percentage of the headline gross rent or an agreed number of months of headline gross rent.
- (b) **Factory tenants:** where one or more members of the Group are responsible for the successful referral of a tenant in relation to all or any portion of a factory forming part of the BW Project, the relevant BW JV shall pay ESR V Investment fees determined by reference to the lease period and such fees will either be an agreed percentage of the headline gross rent or up to an agreed number of months of headline gross rent; provided that where one or more members of the Group and one or more members of the relevant BW JV Group are jointly responsible for the successful referral of any such tenant, the relevant BW JV shall instead pay ESR V Investment fees equal to 50% of an agreed percentage of the headline gross rent or an agreed number of months of headline gross rent.

REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS UNDER THE BW MANAGEMENT AGREEMENT

The Group has extensive experience in the industrial and logistics real estate sector, particularly in relation to operating modern logistics warehouses and ready built factories for rent. The Group employs professional staff with expertise in various fields required to support investors at all phases of projects relating to the management of modern logistics warehouses and ready built factories. As the Group indirectly holds approximately 49% of the shareholding interest in each BW JV, it is beneficial to both the Group and each BW JV for each BW JV to benefit from the Group's extensive experience in providing professional services regarding the management of project(s) relating to modern logistics warehouses and ready built factories.

The Directors (including independent non-executive Directors) are of the view that (i) the continuing connected transactions of the BW Management Agreements have been entered into on normal commercial terms or better and in the ordinary course of the business of the Group, and are therefore fair and reasonable and in the interests of the Company and Shareholders as a whole.

None of the Directors had a material interest in the BW Management Agreements and the transactions contemplated thereunder.

LISTING RULES IMPLICATIONS

As each BW JV is 51% indirectly owned by BW, which in turn is controlled by entities managed or advised by Warburg Pincus LLC or its affiliates, as are Alexandrite Gem and Athena Logistics, each BW JV has become a connected person of the Company upon the completion of the ARA Acquisition. Therefore, following the completion of the ARA Acquisition, the transactions under each BW Management Agreement have subsequently become continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.60 of the Listing Rules, the transactions under each BW Management Agreement are subject to the applicable reporting, annual review and disclosure requirements under Chapter 14A of the Listing Rules. In the event that a BW Management Agreement is renewed or the terms are varied, the Company will comply with the relevant requirements under Chapter 14A of the Listing Rules.

INFORMATION ON THE PARTIES TO THE BW MANAGEMENT AGREEMENT

Each BW JV is a company incorporated in Vietnam with limited liability and is principally engaged in developing, managing, operating and leasing modern logistics warehouses and/or ready built factories in Vietnam. As at the date of this announcement, BW and the Company indirectly hold approximately 51% and 49% of the shareholding interest in each BW JV, respectively. BW is controlled by entities managed or advised by Warburg Pincus LLC or its affiliates.

ESR V Investment is an investment holding company incorporated in Singapore with limited liability and a wholly-owned subsidiary of the Company.

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.

DEFINITIONS

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

“Alexandrite Gem”	Alexandrite Gem Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“ARA Acquisition”	the business combination of ARA Asset Management Limited and its subsidiaries with the Group which was completed on 20 January 2022
“Athena Logistics”	Athena Logistics Holding Ltd., a company incorporated in the Cayman Islands with limited liability
“Board”	the board of Directors
“BW”	Cong Ty Co Phan Sao Hoa Toan Quoc, a company incorporated in Vietnam with limited liability
“BW JV”	BW Industrial Development Thoi Hoa One Member Limited Liability Company or BW Industrial Development Thoi Hoa (Project 02) One Member Limited Liability Company, as applicable, each a company incorporated in Vietnam with limited liability
“BW JV Group”	BW JV and its subsidiaries
“BW Project”	the management, operation and leasing of modern logistics warehouses and/or ready-built factories on Lot A3, Thoi Hoa Industrial Park, Thoi Hoa Ward, Ben Cat Town, Binh Duong province, Vietnam and Lot A4, Thoi Hoa Industrial Park, Thoi Hoa Ward, Ben Cat Town, Binh Duong province, Vietnam and any other property or land acquired by or on behalf of BW JV 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)
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company

“ESR V Investment”	ESR V Investment Holding Pte. Ltd., a company incorporated in Singapore with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended and supplemented from time to time)
“Shareholders”	the holders of the shares of the Company
“%”	per cent.

By Order of the Board
ESR Cayman Limited
Jinchu Shen
Director

Hong Kong, 23 January 2022

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, Mr. David Alasdair William Matheson, Mr. Lim Hwee Chiang (John), Dr. Chiu Kwok Hung, Justin and Mr. Rajeev Kannan 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.