



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

ARA LOGOS Logistics Trust

Extraordinary General Meeting

Responses to Substantial and Relevant Questions

Singapore, 23 December 2020 – ARA LOGOS Logistics Trust Management Limited, the manager (the “**Manager**”) of ARA LOGOS Logistics Trust (“**ALOG**”), would like to thank Unitholders for submitting their questions in advance of ALOG’s Extraordinary General Meeting (“**AGM**”) to be held by electronic means at 10 a.m. on 23 December 2020.

The Manager will address the substantial and relevant questions with regard to the Proposed Acquisitions and Fund Investments. As there are areas of overlap in the questions raised, we have grouped related and similar questions together and provided our corresponding responses to them.

Please refer to **Annex A** for the list of substantial and relevant questions, and the Manager’s responses to these questions.

For full details on ALOG’s proposed acquisition of 5 Australian properties, 49.5% Investment in New LAIVS Fund which holds 4 Australian properties and 40.0% in OP Fund which holds 1 Australian property, please refer to the Announcements section on ALOG’s website at <https://investor.aralogos-reit.com/newsroom.html>.

Annex A

Please refer to our responses to the questions as set out in the table below:

A) Proposed Acquisition and Fund Investments	
1.	<p>i. I note that post-acquisition, the DPU and NAV would both decline. Why should unitholders support transactions that diminish the DPU and NAV that unitholders would receive going forward?</p> <p>ii. Are the acquisitions yield accretive?</p> <p>iii. Could management have structured this acquisition better or perhaps acquire other assets of the sponsor or third party which result in a more favorable outcome for unitholders? If the manager is not able to make the acquisition accretive, it's better not to do the acquisition as it's detrimental to unitholders' interest. Please share management's rationale for going ahead with this acquisition?</p> <p>iv. How is the proposed acquisition of 4 logistics properties in Australia deemed to be strategic, essential and in alignment with the ALOG's mid to long term plan for business growth and expansion?</p> <p>Response:</p> <ul style="list-style-type: none"> • Our continued focus is to be disciplined in acquiring assets with sound real estate fundamentals that will provide long term sustainability in DPU and NAV. This will include strategically located assets that are freehold or have long leasehold tenure, assets with modern specifications and/or underpinned by strong credit tenants with long WALE. • ALOG is acquiring a quality portfolio of largely freehold and longer leasehold assets. Typically, these assets have lower NOI yields and are more valuable than assets with short leasehold tenure. • Despite the proforma DPU and NAV dilution, there are long-term benefits of the Proposed Acquisitions and Fund Investments. The logistics sector has remained resilient despite COVID-19 and cap rates continue to compress for this sector, reflecting the attractiveness of logistics real estate. The Proposed Acquisitions and Fund Investments are well-positioned to ride on the growth potential of robust demand for logistics services and assets and will strengthen ALOG's portfolio for a more sustainable DPU and NAV in the long term. • We believe that the Proposed Acquisitions and Fund Investments will be beneficial to Unitholders in the long term, augmented by the improvements in the overall portfolio quality, performance metrics and lengthening of the land tenure of the enlarged portfolio post-acquisition. • In addition, the Proposed Acquisitions and Fund Investments will also enable ALOG to ride on the positive demand-supply dynamics in Australia logistics real estate sector, adding strength and resilience to the existing portfolio, positioning ALOG for growth in the future. • Post-acquisition, we believe ALOG is still a compelling investment proposition offering a relatively high distribution yield, notwithstanding a mild dilution based on the pro-forma financial numbers. As indicated in the announcement, the purchase consideration for the Proposed Acquisitions and Fund Investments is in line with the two independent market valuations commissioned by the Trustee and the Manager. • We envisage that this transaction will also help improve ALOG's trading liquidity going forward. In the longer term, we are confident that our Portfolio Rebalancing & Growth Strategy will strengthen ALOG, potentially resulting in a re-rating and improvement in unit price.
2.	<p>Why should a REIT be investing in a Property Fund to boost its DPU through dividends from Property Funds instead of acquiring property assets outright and managing the assets under the REIT?</p> <ul style="list-style-type: none"> • The assets under New LAIVS Fund and OP Fund are currently owned by funds. Ivanhoé Cambridge Inc. ("Ivanhoé") is the sole investor/limited partner of the New LAIVS Fund while Ivanhoé and LOGOS are the limited partners of OP Fund. LOGOS has a 5.4% stake in the OP fund. • As Ivanhoé and LOGOS wish to continue to remain invested in the funds, only a partial interest is available for ALOG to invest in as "real estate related assets". Ivanhoé's continued majority interest in the funds demonstrate strong alignment of interest and the merits and growth potential of the underlying assets. The Sponsor, LOGOS, will continue to be the Manager of the two funds. • ALOG has a right-of-first-offer over the balance stakes, which could be a potential pipeline for the REIT in the future.

B) Management's Strategy	
1.	<p>What changes do the new leadership and LOGOS intend to bring to the REIT? What would the new leadership and LOGOS do DIFFERENTLY vis-a-vis the former leadership (led by ex-CEO Daniel Cerf)?</p> <p>What is the new leadership and LOGOS vision and 5-year plan for the trust going forward?</p> <p>Response:</p> <ul style="list-style-type: none"> • We aim to generate long-term sustainable value and returns for ALOG's Unitholders. • The on-boarding of LOGOS as ALOG's Sponsor brings significant opportunities for ALOG. These opportunities include the ability to leverage on the Sponsor's quality assets as pipeline opportunities, in addition to strengthening ALOG's portfolio and tenant diversification. • ALOG will also continue to maintain the competitiveness of its portfolio and find ways to unlock further value through asset enhancement or redevelopment initiatives by leveraging on the Sponsor's development expertise. • LOGOS has demonstrated its commitment to ALOG, increasing its stake in ALOG earlier this year and currently has a 10.7% interest in ALOG for full alignment of interest with Unitholders. • Furthermore, for this Proposed Acquisitions and Fund Investments, LOGOS continues to demonstrate support and confidence in ALOG in its proposed subscription for new units and providing a full back-stop for the preferential offering, which is subjected to Unitholders' approval. • ALOG has delivered an improvement in performance this year and successfully maintained a strong portfolio occupancy despite the COVID-19 outbreak. The logistics industry has continued to remain resilient and continues to show significant growth potential. • ALOG is well-positioned to tap on several growth factors such as the Sponsor's network, potential pipeline and robust demand for warehousing and logistics facilities for a transformational growth outlook ahead.
2.	<p>Moving forward to the new year, what are the plans for further acquisitions? How are these going to be funded?</p> <p>Response:</p> <ul style="list-style-type: none"> • The Manager continues to seek value-added acquisitions to grow long-term sustainable returns for our Unitholders. • With the on-boarding of LOGOS as ALOG's Sponsor, Management will work closely with the Sponsor to review the pipeline opportunities to identify suitable assets that will strengthen ALOG's portfolio and generate more sustainable returns. • We will continue to explore employing both a mixture of debt and equity to fund future acquisitions.
3.	<p>How will the REIT exploit the opportunity due to the logistics demands (e.g. demand for cold room and storages) from the vaccine distributions regionally?</p> <p>Response:</p> <ul style="list-style-type: none"> • According to research reports, logistics-focused REITs may have pivotal roles in vaccine distribution within ASEAN. • For Singapore, its strategic positioning within the Association of Southeast Asian Nations (ASEAN) region and its strong network links imply that it could be a choice location for vaccine distribution in 2021 and beyond. This could result in additional demand for warehouse space in the upcoming year, especially for REITs with cold storage facilities which may be a vital component to vaccine distribution. • Management will pro-actively reach out to prospective third-party logistics providers that are involved in the vaccine supply chain and look at ways of providing warehousing solutions to cater to the stringent requirements of the highly temperature-sensitive vaccine products where possible.

C) Capital Management	
1.	<p>I note that post-acquisition, the gearing of the Trust would rise from 40% to 43%. What is the gearing level the company would be comfortable with going forward? Are there any plans to raise the gearing level further or vice-versa?</p> <p>Response:</p> <ul style="list-style-type: none"> • The Manager is comfortable with the current gearing level. • The gearing limit has been raised to 50% by MAS, which provides debt headroom for future transactions. • To grow ALOG going forward, we will continue to explore employing both debt and equity. • We will continue to be prudent and disciplined in our capital and debt management and act in the best interest of our Unitholders.
2.	<p>What is the loan outlay vs next 3 immediate years and how are we treating the AUD and S\$ currency fluctuation?</p> <ul style="list-style-type: none"> • As at 3QFY20, approx. 87.1% of distributable income is hedged or derived in SGD. • On our foreign source income, we have hedged a significant portion (approximately 80%) of our forecast FY2020/2021 income on a rolling basis to mitigate the risk of any adverse exchange rate fluctuations. • The Manager has no further refinancing requirements till December 2021. For more information on ALOG's debt maturity profile, please refer to Slide 12 of ALOG's 3Q Business Updates at the link here.

D) Management Fees	
1.	<p>Do the Trust manager earn a fee on the 2 funds? What is the fee charge?</p> <p>Response:</p> <ul style="list-style-type: none"> • There is an investment management fee of 0.45% of gross asset value per annum, payable quarterly to both the New LAIVS Fund Manager and OP Fund Manager. • The New LAIVS Fund and OP Fund Investment Manager will waive a portion of its fees equal to the difference between the actual investment management fees paid to the New LAIVS Fund Manager and OP Fund Manager, and the theoretical amount of management fees otherwise payable to ALOG Manager under the provisions of the trust deed if the Australia Fund Properties were instead treated as direct "real estate" acquisitions. • This waiver is so that ALOG does not pay more than what would be payable if ALOG holds the Australia Fund Properties as "real estate" instead of "real estate-related assets" for the purpose of the Property Fund Appendix. • For more details on the fees, please refer to page 22 – 27 of the circular in the link here.

E) Equity Fund Raising	
1.	<p>What is the subscription rate from investors in the recent placement exercise?</p> <p>Response:</p> <ul style="list-style-type: none"> • As mentioned in our announcement on 3 November 2020, the private placement saw strong participation from a broad spectrum of investors, including new and existing institutional investors. For more information, please refer to the announcement in the link here.

F) Existing Portfolio	
1.	<p>Would COVID-19 affect the company's bottomline badly next year.?</p> <p>Response:</p> <ul style="list-style-type: none"> • As mentioned in ALOG's 3Q Business Updates announcement on 26 October, the portfolio continues to see a high rental collection rate and strong portfolio occupancy rate despite the pandemic. • ALOG's tenants have been operating in Singapore and Australia throughout the course of the pandemic. Only a handful of tenants across the portfolio have written in to seek assistance and only a couple have made formal representation seeking relief. • ALOG has also distributed S\$1.5 million of the S\$2.5 million previously retained distributable income in 2Q FY20 and 3Q FY20. • ALOG's high-quality and defensive portfolio continues to be well-positioned to leverage on the continued growth of the logistics sector. • For more information, please refer to slide 33 of ALOG's 3Q Business Update in the link here.

G) Market Outlook	
1.	<p>Will the deteriorating trade friction between Australia and China affect the prospect and benefits of acquiring the additional warehouse capacities in Australia?</p> <p>Response:</p> <ul style="list-style-type: none"> • The outlook for Australia's industrial market continues to remain stable over the long term. This is underpinned by factors such as low interest rates and vacancy rates, significant investment in transport infrastructure by the Australian government and exponential growth in defensive downstream industries such as the e-commerce space and demand for cold storage facilities. • Australia continues to see strong domestic demand. This is on the back of factors such as population growth, food consumption and rise of the Asia middle class resulting in higher demand for imports from Australia, thus demand for warehouse facilities including cold storage is expected to remain robust. COVID-19 has also accelerated these structural trends, benefitting the logistics market. Therefore, e-commerce and cold-storage is expected to be key drivers for logistics space moving forward and hence, the Proposed Acquisitions and Fund Investments presents a good opportunity for ALOG to deepen its strategic presence in Australia's attractive logistics market.

By Order of the Board

ARA LOGOS Logistics Trust Management Limited
(as manager of ARA LOGOS Logistics Trust)
(Company registration no. 200919331H)

Karen Lee
Chief Executive Officer
23 December 2020

For enquiries, please contact:
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ABOUT ARA LOGOS LOGISTICS TRUST (“ALOG”)

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

As at 30 September 2020, ALOG’s portfolio comprises 27 high quality logistics warehouse properties strategically located in established logistics clusters in Singapore and Australia. The portfolio has a total gross floor area of approximately 9.0 million square feet valued at approximately S\$1.26 billion.

For more information, please visit www.aralogos-reit.com.

ABOUT ARA LOGOS LOGISTICS TRUST MANAGEMENT LIMITED

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

LOGOS is one of Asia Pacific’s leading logistics property groups with over 6.7 million sqm of property owned and under development, and a completed value of S\$14 billion across 24 ventures. As a vertically integrated business, LOGOS manages every aspect of logistics real estate, from sourcing land or facilities, to undertaking development and asset management, on behalf of some of the world’s leading global real estate investors.

ARA is a leading APAC real assets fund manager with a global reach. With S\$110 billion⁽¹⁾ in gross assets under management as at 30 June 2020, ARA manages listed and unlisted real estate investment trusts (REITs), private real estate equity and credit funds, and infrastructure funds in 28 countries. As part of its investor-operator philosophy, ARA also operates a real estate management services division with local teams to manage its assets worldwide.

ARA’s multi-platform, multi-product global fund management business is supported by dedicated local teams with in-depth knowledge and expertise and empowered by a forward-looking real estate technology strategy. Built on a foundation of strong corporate governance and business integrity, ARA counts some of the world’s largest pension funds, sovereign wealth funds, financial institutions, endowments and family offices as its investors.

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

IMPORTANT NOTICE

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

Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of ALOG is not necessarily indicative of the future performance of ALOG.

¹ Includes assets under management by ARA Asset Management Limited and the Group of companies (“ARA Group”) and its Associates as at 30 June 2020.