

## ESR KendallSquare REIT recaps logistics asset in S. Korea with strong investment return

- *ESR KendallSquare REIT (365550 KS) has achieved a significant milestone by successfully selling a logistics asset for 81 billion KRW (approximately US\$62 million), this transaction has garnered an impressive total investment return of c.30% over a period of 2.5 years*
- *ESR KendallSquare REIT is the only KOSPI listed REIT that NPS (National Pension Service) has increased its ownership to over 5% in 2023*



*Icheon LP 1*

**Seoul, 12 June 2023** – ESR KendallSquare REIT (hereinafter referred to as "the REIT"), part of the ESR Group, has announced the sale of its owned logistics centre, "Icheon LP 1" (Kendall Square Professional Investment Real Estate Trust No. 6) for 81 billion KRW. This has resulted in a significant total return of c.30% including dividends paid from the trust.

The property is situated at 452 Hoeok-ri, Majang-myeon, Icheon-si, Gyeonggi-do, and is a cutting-edge logistics center encompassing a total floor area of approximately 15,000 pyeong (1 pyeong is approximately 3.3 square meters). The REIT initially acquired the asset for 66 billion KRW during its initial public offering in December 2020.

Despite concerns regarding possible declines in real estate prices resulting from rising interest rates and the aftermath of the COVID-19 pandemic, the REIT has showcased its resilience and profitability by executing the successful sale of its logistics asset at a highly competitive cap rate of 4.0% in the market. This achievement effectively allays any fears surrounding the depreciation of logistics real estate assets and provides clear evidence of the overall high value inherent in the REIT's portfolio.

Sanghwoi Bae, CEO of ESR KendallSquare REIT, said: “We are proud that ESR KendallSquare REIT has achieved this milestone divestment to deliver significant returns for our investors. This will enable us to take advantage of increasingly more attractive pipeline opportunities in South Korea and build on the strength of our platform to deliver long-term sustainable growth.”

ESR KendallSquare REIT is the only listed Korean REIT in 2023 that has witnessed the National Pension Service (NPS) increasing its ownership over 5% level.

### **About ESR KendallSquare REIT**

ESR KendallSquare REIT is the first logistics focused REIT listed on the KRX KOSPI Market in South Korea. It seeks to provide perpetual growth and maximise returns through advanced risk, capital and asset management, leveraging the pan-Asian network and expertise of its sponsor, ESR, and its affiliates, ESR Kendall Square and Kendall Square REIT Management. At present, ESR Kendall Square REIT manages a portfolio of 12 modern, institutional-grade logistics assets with total asset value of approximately US\$1.3 billion and total GFA of 727,140 square metres mainly in Greater Seoul area. For more information, please visit: [www.esrks-reit.com](http://www.esrks-reit.com).

### **About ESR**

ESR is APAC's largest real asset manager powered by the New Economy and the third largest listed real estate investment manager globally. With approximately US\$150 billion in total assets under management (AUM), our fully integrated development and investment management platform extends across key APAC markets, including China, Japan, South Korea, Australia, Singapore, India, New Zealand and Southeast Asia, representing over 95% of GDP in APAC, and also includes an expanding presence in Europe and the U.S. We provide a diverse range of real asset investment solutions and New Economy real estate development opportunities across our private funds business, which allow capital partners and customers to capitalise on the most significant secular trends in APAC. ESR is the largest sponsor and manager of REITs in APAC with a total AUM of US\$46 billion. Our purpose – Space and Investment

Solutions for a Sustainable Future – drives us to manage sustainably and impactfully and we consider the environment and the communities in which we operate as key stakeholders of our business. Listed on the Main Board of The Stock Exchange of Hong Kong, ESR is a constituent of the FTSE Global Equity Index Series (Large Cap), Hang Seng Composite Index and MSCI Hong Kong Index. For more information on ESR, please visit [www.esr.com](http://www.esr.com)

**Investor Relations Contact**

Dongjin Lee  
Director, Head of IR & Capital Markets  
ESR KendallSquare REIT  
+822 6205 0467  
[dongjinlee@ks-reit.com](mailto:dongjinlee@ks-reit.com)

**Media Contact**

Kathleen Goh  
Senior Director, Group Corporate Affairs  
ESR Group  
+65 6972 2192  
[kathleen.goh@esr.com](mailto:kathleen.goh@esr.com)