

ESR launches A\$1 billion ESR Australia Logistics Partnership

- *New core-plus logistics partnership which represents the largest capital raising to date for ESR Australia demonstrating continuing strong investor support*
- *Completes ESR Australia's capital recycling programme, selling down balance sheet assets into funds and mandates*
- *Demonstrates the resiliency of ESR's fund management model during COVID-19 and its deep set of capital partner relationships*

SYDNEY/HONG KONG, 27 March 2020 – ESR Cayman Limited (“ESR” or the “Group”; SEHK Stock Code: 1821), the largest APAC focused logistics real estate platform, is pleased to announce the launch of ESR Australia Logistics Partnership (“EALP”), a new Australian-focused, core-plus logistics partnership. EALP is seeded with A\$715.6 million (equivalent to approximately US\$431.1 million) of prime logistics assets currently held on ESR's balance sheet. EALP is seeking to raise A\$1 billion (equivalent to approximately US\$602.4 million) of equity and will be anchored by a global institutional investor which is providing an initial commitment of A\$450 million (equivalent to approximately US\$271.1 million).

This is the largest capital raising to date for ESR Australia, underlining the commitment of investors to their strategy and acknowledgement of the opportunities in the Australian market.

The seed portfolio is valued at A\$715.6 million and includes 20 income-producing assets and 19.4 ha of land (valuation date 31 October 2019). This initial portfolio comprises assets attained as part of the Propertylink acquisition, recently completed developments, and land acquired by ESR Australia over the past 18 months. The assets are strategically located industrial and logistics assets with a majority weighting to the eastern seaboard, where 76% of Australia's population resides.

The launch of EALP represents a major milestone in the execution of the Australian strategy as it marks the completion of the recycling of balance sheet assets into ESR's managed funds. This provides significant capital to fund the growth of ESR Australia in line with the Group's capital recycling strategy of transferring balance sheet assets into new funds and investment vehicles it manages.

The success of this strategy has been demonstrated by other highly successful capital raisings recently. This includes the generation of A\$350 million for a new mandate, ESR Australian Logistics Trust (EALT). The launch of ESR Office Partnership IV (EOP IV) then followed, raising A\$138 million.

The establishment of EALP signals the significant progress of the Australian business and also represents a sizeable transaction for ESR.

After raising over US\$1.8 billion in its Initial Public Offering last year, ESR continues to attract capital to fund its expansion. ESR Australia's launch of EALP is such an example, and significant capital has been raised in other ESR markets in recent times. Most notably, in January, ESR entered into a strategic partnership with the Singapore Government Investment Corporation (GIC) to establish a joint venture with a total equity commitment of US\$500 million in China.

Phil Pearce, CEO of ESR Australia, said, "This is a significant milestone in the growth of ESR Australia as it substantially completes our strategy of recycling capital from the sell-down of our balance sheet to fund the growth of our business. Securing such a prominent investor as a capital partner is a testament to the quality of our Australian platform. The launch of EALP allows us to capitalise on diminishing land supply and strong tenant demand, developing premium logistics and industrial facilities.

We have significant further capital reserves to accelerate our growth and continue as a serious contender for strategic development sites and established assets. I've tremendous faith in the ESR Australia team to deliver for our investors, and to manage the assets to continue to add value for customers."

ESR has made substantial inroads into the Australian market in the last 12 months. Apart from attracting significant capital via equity raisings, ESR Australia has also successfully executed sales of non-core assets and recycled capital into strategic land banks to bolster its considerable development pipeline.

Jeffrey Shen and Stuart Gibson, Co-founders and Group Co-CEOs of ESR remarked, "The EALP launch marks the success of building on our positive momentum in the launch of new investment vehicles across APAC. A strong local team with deep market knowledge has been the foundation of how ESR has expanded successfully across the region. We have a long-term commitment to Australia and are confident that the team will strive to continue to deliver returns to our investors. Leveraging our strong track record and integrated fund management platform, we look forward to taking our capital partners across our geographies to tap into the burgeoning APAC market."

About ESR

ESR is the largest APAC focused logistics real estate platform by gross floor area (GFA) and by value of the assets owned directly and by the funds and investment vehicles it manages. Co-founded by its senior management team and Warburg Pincus, ESR and the funds and investment vehicles it manages are backed by some of the world's preeminent investors including APG, SK Holdings, JD.com, Goldman Sachs, CPPIB, OMERS, PGGM, Ping An and Allianz Real Estate. The ESR platform spans across the People's Republic of China, Japan, South Korea, Singapore, Australia and India. As of 31 December 2019, the fair value of the properties directly held by ESR and the assets under management with respect to the funds and investment vehicles managed by ESR recorded approximately US\$22.1 billion, and GFA of properties completed and under development as well as GFA to be built on land held for future development comprised over 17.2 million sqm in total. ESR has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 1 November 2019.

For more information on ESR, please visit www.esr.com.

Investor Relations

Chang Rui Hua
Managing Director
Group Capital Markets and Investor Relations
+852 2376 9623 / +852 5506 7719
rh.chang@esr.com

Media

Antonia Au
Executive Director
Group Corporate Communications
+852 2376 9617
antonia.au@esr.com

Media (Australia)

Stuart Carson (FTI Consulting)
+61 403 527 755
Stuart.carson@fticonsulting.com