

ESR successfully prices US\$350 million 1.50% convertible bond due 2025

- *New source of funding for ESR, in line with its capital management strategy*
- *Substantially oversubscribed by international investors*
- *Testament of ESR's good credit quality and strong fundamentals*

HONG KONG, 10 September 2020 – ESR Cayman Limited (“ESR” or the “Company”, together with its subsidiaries as the “Group”; SEHK Stock Code: 1821), the largest APAC focused logistics real estate platform, today announced a successful maiden issuance of unsecured convertible bonds (“Issue” or “Bonds”), raising gross proceeds of US\$350 million. The Issue received robust demand from the outset and was upsized from US\$325 million to US\$350 million.

The Bonds, which were allocated to a broad base of international investors including long-only, real estate focused funds and hedge funds, were attractively priced at an initial conversion price of HK\$32.13 per share or 27.50% premium above the closing price of HK\$25.20 per share on 9 September 2020.

The Issue is ESR's first convertible bond and is in line with the Company's continued efforts to diversify its funding sources and its capital management strategy. The semi-annual cash coupon for this convertible bond is an attractive rate of 1.50%. During the five-year tenor, investors have a one-time put option on the third anniversary. ESR as the issuer also has a call option after the third year if the share price performs at least 30% above the conversion price.

Jeffrey Shen and Stuart Gibson, Co-founders and Co-CEOs of ESR, stated, “We are delighted with the investors' strong interest in the new convertible bond issue by ESR and this demonstrates continued strong confidence in ESR's good credit quality and the Company's accelerating fundamentals. With the backdrop of a challenging macroeconomic environment, the logistics asset class has shown resilience and outperformed other traditional property asset classes. With this successful convertible bond issue, ESR is well positioned to take advantage of opportunities that may arise in the market.”

The Company intends to use the net proceeds raised for refinancing of existing borrowings, financing of potential acquisition and investment opportunities which the Group may pursue in the future as well as the working capital requirements and the general corporate purposes of the Group.

Credit Suisse (Singapore) Limited, Morgan Stanley & Co. International plc and Deutsche Bank AG Hong Kong Branch were joint lead managers for the Issue.

Summary of Convertible Bond Terms

- Deal size: US\$350 million
- Initial conversion price: HK\$32.13
- Conversion premium against last closing price: 27.50%
- Coupon: 1.50% per annum
- Maturity Date: 30 September 2025

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, CPP Investments, OMERS, PGGM and Ping An. The ESR platform spans across the People's Republic of China, Japan, South Korea, Singapore, Australia and India. As of 30 June 2020, 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\$26.5 billion, and GFA of properties completed and under development as well as GFA to be built on land held for future development comprised over 18.7 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
Group Managing Director
Capital Markets and Investor Relations
+852 2376 9623 / +852 5506 7719
rh.chang@esr.com

Media

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