

ESR closes JPY28 billion Sustainability-Linked Loan

Represents ESR Group's third sustainability-linked loan which further reinforces its deep-rooted commitment to ESG following the acquisition of ARA

SINGAPORE/HONG KONG, 30 January 2022 – ESR Cayman Limited (“ESR” or the “Company”, together with its subsidiaries as the “Group”; SEHK Stock Code: 1821) has secured a Sustainability-Linked Loan (“SLL”) of JPY28 billion (approximately US\$243 million) with an option to upsize it to JPY35 billion (approximately US\$303 million). This represents an important step for ESR as an enlarged platform in further strengthening its commitment in Environmental, Social and Governance (“ESG”), following the recent completion of the acquisition of ARA Asset Management (“ARA”).

The Group has secured the loan from a consortium of leading Asian banks, including the Group's strategic investor Sumitomo Mitsui Banking Corporation (“SMBC”) which acted as Sustainability Advisor and Mandated Lead Manager. Other Mandated Lead Managers included Mizuho Bank, Ltd. (“Mizuho”) and E.Sun Commercial Bank, Ltd. (“E.Sun”).

The five-year senior unsecured, committed corporate facility is designed with the same tiered incentive mechanism as the Group's inaugural US\$1 billion sustainability-linked loan which closed in November 2021. ESR will be entitled to a reduction of interest rate (currently at Tibor plus 1.8%) as sustainability targets are achieved. The proceeds will be used to fund the Group's refinancing of existing borrowings, working capital requirements and for general corporate purposes. This JPY28 billion SLL also comes on the heels of the ARA US\$1 billion sustainability-linked loan which recently closed in January. Structured as a dual currency USD-SGD facility, ARA's five-year unsecured committed facility is also designed with a pricing incentive mechanism to the extent it achieves its sustainability targets.

Jeffrey Perlman, Chairman of ESR, said: “ESG sits at the heart of our business, playing a key role in each and every part of our operations. With the closing of this financing, I am very pleased that the Group is already realising on its cost-of-capital synergies from the ARA acquisition. As the largest real asset manager in APAC, we have a strong sense of common purpose and a vision to focus on the well-being and long-term priorities of our broader community and environment. We look forward to using the proceeds of this loan to sustainably enhance our assets, operations and the communities in which we work.”

Jeffrey Shen and Stuart Gibson, Co-founders and Co-CEOs of ESR, said: “We would like to express our gratitude to SMBC, Mizuho and E.Sun for their recognition of the Group's achievements and continued progress and emphasis on sustainability. We are also delighted to have expanded our relationship with SMBC which became ESR's strategic investor as a part of the ARA acquisition. Together with the two sustainability-linked loans ESR and ARA closed previously, these facilities are important milestones as we seek to integrate sustainability in all aspects of our business in pursuit of our goal of creating a positive impact on our stakeholders and the communities where we operate.”

With the completion of the ARA acquisition, ESR has emerged as APAC's largest real asset manager powered by the New Economy and the third largest listed real estate investment manager globally with

a gross AUM of US\$140 billion¹. The integration with ARA, including its subsidiary LOGOS, also drives the Group to further strengthen its ESG leadership and offerings. The JPY28 billion SLL backed by SMBC, Mizuho and E.Sun is a demonstration of such efforts, in addition to ESR and ARA's respective recent US\$1 billion sustainability-linked loans.

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 US\$140 billion in gross 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. With 14 listed REITs managed by the Group and its associates, ESR is the largest sponsor and manager of REITs in APAC with a total AUM of US\$45 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. More information is available at www.esr.com.

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¹ Based on management estimates for the Group (including the AUM of associates – Cromwell and Kenedix) as of 31 December 2021