

## NEWS RELEASE



### **ESR's ARA announces milestone partnership with the Export-Import Bank of China for US\$1 billion infrastructure fund**

- *China ASEAN Investment Cooperation Fund II is the largest ASEAN-focused private infrastructure fund and this represents ESR Group's first infrastructure fund*
- *Fund will invest in infrastructure, energy resources including renewables, and information and communications ("ICT") sub-sectors, with a strong focus on sustainability and ESG standards*

**SINGAPORE/HONG KONG, 21 November 2022** – ESR Group Limited ("ESR" or the "Company", together with its subsidiaries as the "Group"; SEHK Stock Code: 1821), Asia-Pacific ("APAC")'s largest real asset manager powered by the New Economy, today announced its wholly-owned subsidiary, ARA, has entered into a milestone partnership with the Export-Import Bank of China for the closing of a US\$1 billion infrastructure fund – China-ASEAN Investment Cooperation Fund<sup>1</sup> II ("CAF II"). ARA Private Fund's infrastructure arm, ARA Infrastructure, has also been appointed as investment adviser by the Export-Import Bank of China, the main anchor sponsor of the fund. This follows Chinese Premier Li Keqiang's speech at the 25<sup>th</sup> China-ASEAN Summit highlighting the support of major infrastructure and energy projects in ASEAN.<sup>2</sup>

The Export-Import Bank of China, Gezhouba Group Overseas Investment Corporation, China Road & Bridge Corporation and ARA have together committed US\$1 billion to CAF II. The fund will invest in ASEAN countries across various infrastructure, energy resources including renewables, and ICT sub-sectors, with a strong focus on sustainability and ESG standards.

Jeffrey Shen and Stuart Gibson, ESR Co-founders and Co-CEOs, said: "We are very proud of our ARA Infrastructure team for setting up the largest ASEAN-focused private infrastructure fund. We thank our partners and investors for their support and recognition of our Group's sterling fund management expertise and track record as APAC's largest real asset manager. Our move into the infrastructure and renewables business further strengthens our competitive edge as a fully integrated one-stop solution for our capital partners and customers. We are confident that the infrastructure fund is well-positioned to benefit from robust long-term macroeconomic trends in ASEAN including rising incomes, rapid urbanisation and favourable demographics. Alongside the focus on post-COVID economic recovery and growth, and various government investor-friendly policies to encourage infrastructure investment, the fund will contribute significantly to economic expansion and job creation across the region."

---

<sup>1</sup> Mainly sponsored by the Export-Import Bank of China, CAF I invested in such sectors as infrastructure, energy resources and ICT, and provided capital support for outstanding enterprises in China and ASEAN countries.

<sup>2</sup> Speech by H.E. Li Keqiang Premier of the State Council of the People's Republic of China at the 25th China-ASEAN Summit, 11 November 2022 ([https://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/202211/t20221112\\_10973135.html](https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202211/t20221112_10973135.html))

Chen Bin, Vice President of the Export-Import Bank of China, said, “I’m very glad to see that with the strong support of government departments and the joint efforts of respective LPs, CAF II is now set up. Dedicated to supporting the foreign trade sector, the Export-Import Bank of China takes ASEAN countries as key areas for business development. We have established business ties with ASEAN countries for more than 20 years and financed more than 200 projects in such sectors as power, transportation, water conservancy and industrial production. We hope CAF II can help enhance connectivity, trade and investment cooperation between China and ASEAN countries, so as to contribute to the economic cooperation and trade in the region.”

According to the Asian Development Bank (ADB), developing Asia will require more than US\$26 trillion of investments between 2016 to 2030 (US\$1.7 trillion per year) in infrastructure to support economic growth, raise living standards and mitigate climate change impacts<sup>3</sup>. Of these funds, USD\$14.7 trillion (56% of the total) will be needed for the transition of the energy sector to more renewable and efficient sources. However, there remains a funding gap of US\$459 billion per year in the region.

Moses Song, ARA CEO, said: “We are excited to have expanded into a new asset class and we have established a specialist infrastructure and renewables team, leveraging the resources across the Group, to steer the business as we continue to accelerate our growth in size, scale and offerings. With the fund’s focus on essential infrastructure and renewable assets, we are delighted to play a part in helping to build connectivity, economic, trade and investment cooperation in ASEAN, and to bridge any funding gap. In line with our focus on ESG, the fund will also adopt best-in-class sustainability practices and ESG standards to support the region’s energy transition and climate action.”

The resilience of infrastructure assets during times of economic downturn has greatly raised the attractiveness of the asset class among investors. According to a 2021 Preqin survey, 47% of global investors intend to increase their long-term allocation to the asset class<sup>4</sup>. Assets under management (AUM) for the sector is projected to grow at a rate of 16.6% CAGR from US\$86 billion to US\$1.87 trillion between 2021 to 2026, overtaking real estate to become the largest real asset class.

## **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 over US\$140 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 allows 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\$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.

For more information on ESR, please visit [www.esr.com](http://www.esr.com).

---

<sup>3</sup> Meeting Asia’s Infrastructure Needs, ADB, 2017

<sup>4</sup> Global Infrastructure Report, Preqin, 2022

**Investor Relations**

Chang Rui Hua  
Group Head of Capital Markets and Investor  
Relations - Managing Director  
+852 2376 9623 / +852 5506 7719  
[rh.chang@esr.com](mailto:rh.chang@esr.com)

**Media Contact**

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

**About the Export–Import Bank of China**

Founded in 1994, the Export-Import Bank of China (hereinafter referred to as the Bank) is a state-funded and state-owned policy bank with the status of an independent legal entity. It is a bank under the direct leadership of the State Council and dedicated to supporting China’s foreign trade, investment and international economic cooperation. Its financial support mainly goes to foreign trade, cross-border investment, the Belt and Road Initiative, international industrial capacity and equipment manufacturing cooperation, the “going global” endeavors of science and technology, cultural industries as well as SMEs, and the building of an open economy.

For more information on the Export-Import Bank of China, please visit [www.eximbank.gov.cn/](http://www.eximbank.gov.cn/).