



**ESR announces successful tender of its shares in CNLP
delivering a HK\$1.0 billion gain on the investment**

Represents approximately HK\$2.7 billion of gross proceeds (US\$350 million) which will be recycled back into new opportunities across APAC

HONG KONG, 23 May 2022 – ESR Cayman Limited (“ESR” or the “Company”, together with its subsidiaries as the “Group”; SEHK Stock Code: 1821), APAC’s largest real asset manager powered by the New Economy, today announced the successful tender of its current holding of 630,866,000 shares in China Logistics Property Holdings Co., Ltd. (“CNLP”; SEHK Stock Code: 1589), or 18.16% of CNLP, at HK\$4.35 per share. Upon completion of the tender, ESR is expected to receive approximately HK\$2.7 billion (US\$350 million) of gross proceeds in cash which represents a HK\$1.04 billion (US\$134 million) total gain on the investment.

Jeffrey Perlman, Chairman of ESR, said: “We are very pleased with our investment and final exit from CNLP which represents another highly successful outcome for ESR. Post the acquisition of ARA, we are very well-positioned with our strong balance sheet, active capital recycling efforts and accelerating asset light strategy to take advantage of an increasing set of more attractive opportunities in light of the current macro and geopolitical headwinds. Our focus will remain on the integration of ARA as well as leveraging our position as the largest real asset manager in APAC to deliver best-in-class New Economy developments and broader investment solutions for our capital partners and customers.”

During FY2021, the Group had over US\$800 million of divestments from its balance sheet and received over US\$500 million of net cash which was subsequently recycled back for future growth. The Group also maintains a robust and well-capitalised balance sheet. Post the acquisition of ARA, on a pro forma basis, the enlarged ESR Group had a substantially reinforced balance sheet with low net gearing (20.4%), robust liquidity (US\$1.9 billion in cash) and a lower average cost of funding (3.8%) as of 31 December 2021.

Jeffrey Shen and Stuart Gibson, Co-founders and Co-CEOs of ESR, said: “With the US\$350 million of tender proceeds, ESR Group is well-positioned to have a record capital recycling year as we further position ourselves to take advantage of what is likely to become a very compelling investing environment where we can leverage the strength of our best-in-class platform, balance sheet, capital partners and customers to deliver long-term sustainable growth.”

ESR became a shareholder of CNLP in 2018 and its stake in the company was 18.16% as at 20 May 2022 with an average blended cost per share of HK\$2.69¹.

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\$140.2 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

¹ Excluding transaction costs

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\$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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