

## ESR acquires its first life sciences business park located in Shanghai Zhangjiang Hi Tech Development Zone

- Latest acquisition expands the Group's New Economy real estate footprint into life sciences
- The business park is strategically located in China's prestigious biopharmaceutical R&D cluster
- ESR has assembled a sizable pipeline of over 500,000 sqm of life sciences projects across key hubs in China



*ESR acquires life sciences R&D business park in Zhangjiang, Shanghai.*

**SINGAPORE/HONG KONG, 11 August 2022** – ESR Group Limited (“ESR” or the “Company”, together with its subsidiaries the “Group”; SEHK Stock Code: 1821), APAC’s largest real asset manager powered by the New Economy, has made its strategic milestone entry into China’s prestigious biopharmaceutical R&D cluster.

ESR, together with its JV partner, has acquired a life sciences R&D business park for RMB 268 million (USD 40 million) in Zhangjiang, Shanghai. Formerly known as Zhangjiang NEO, the life sciences R&D business park is located at Shanghai Zhangjiang Hi-Tech Development Zone (Zhangjiang Pharma Valley Phase II), a leading R&D cluster to more than 600 life sciences companies, 150 R&D institutions, and seven of the world’s top 10 pharmaceutical companies. Strategically located at the heart of China’s best life sciences cluster, the business park has easy access to Shanghai’s Central Business Districts, major hubs and public transportations and is a 25-minute ride to Pudong International Airport. The Zhangjiang NEO, with a total GFA of 8,940 sqm consists of two blocks of 4 to 5-storey Pharmaceutical R&D lab and office space. Over 90% of tenants (in terms of leased GFA) are leading biopharmaceutical companies pioneering innovative medicines for oncology and immunology (both small molecules and biologics), recombinant protein R&D, and new drug discovery and development in disease areas of significant unmet medical needs.

Jeffrey Shen and Stuart Gibson, Co-founders and Co-CEOs of ESR, said: “We are delighted to extend our New Economy real estate footprint into the life sciences sector, which expands the range of ESR’s real asset investment solutions. As the largest New Economy real estate platform in APAC, we are looking to play into the critical need for rising demand of the biopharma industry to address the healthcare needs in China and across APAC. We will leverage our core competitive advantages by creating innovative new formats such as shared laboratories that meet pharmaceutical companies’ R&D needs. With our deep land sourcing capabilities, best-in-class design and construction capabilities, an integrated fund management platform as well as commitment to sustainability – we are in a strong position to support our capital partners and customers to thrive and capitalise on the continued secular trend.”

As of 2020, Zhangjiang accounts for 15% of new original drugs developed worldwide and is set to become a world-class industrial cluster for biopharmaceutical innovation and production<sup>1</sup>. This is at the back of the rapid growth in China’s pharmaceutical and life sciences industry in recent years as technological and industrial revolution gains momentum, with the onset of the COVID-19 pandemic in 2020 providing the sector with added impetus for expansion.

China is the world’s largest Active Pharmaceutical Ingredient (API) exporter and the second largest pharmaceutical market globally<sup>2</sup>. Driven by the central government’s reforms of the health insurance and modern hospital system, as well as rising demand for quality healthcare from a growing and ageing urban population, China’s biotech and pharmaceutical market growth is expected to continue its rapid expansion, generating property demand from a wide range of industry participants such as pharmaceutical companies, drug distribution firms and R&D organisations.

## **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 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](http://www.esr.com).

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