



ESR and Chinachem close Hong Kong's first-ever HK\$8.8 billion Green Loan for the development of a logistics centre

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- *It will be used to finance the construction for Kwai Chung Cold Storage Logistics Centre, Hong Kong's largest cold storage facility ever to be built in the last 20 years*

HONG KONG, 10 November 2023 – ESR Group 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, and Chinachem Group have closed Hong Kong’s first-ever Green Loan for the development of a logistics centre. The HK\$8.8 billion Green Loan is one of the biggest in Hong Kong in 2023 and it will be used to finance the construction of Kwai Chung Cold Storage Logistics Centre, Hong Kong’s largest cold storage facility ever to be built in the last 20 years.

This five-year committed Green Loan is in alignment with the Green Loan Principles issued by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association. The Green Loan Principles focus on the following four core components (1) use of proceeds; (2) process for project evaluation and selection; (3) management of proceeds; and (4) reporting.

In support of efforts of ESR and Chinachem Group to further strengthen their Environmental, Social and Governance (“ESG”) commitments, Sumitomo Mitsui Banking Corporation (“SMBC”), United Overseas Bank Limited (“UOB”) and Oversea-Chinese Banking Corporation Limited (“OCBC”) acted as Mandated Lead Arrangers, Bookrunners and Underwriters and Green Loan Coordinators. Industrial and Commercial Bank of China (Asia) Limited (“ICBC Asia”), The Bank of East Asia, Limited (“BEA”), and The Bank of East Asia, Limited, Singapore Branch acted as Mandated Lead Arrangers and Bookrunners. Other Mandated Lead Arrangers included China CITIC Bank International Limited (“CNCBI”). Allen & Overy acted as the lead counsel to ESR and Chinachem Group and Mayer Brown acted as the lead counsel to the lenders.

Stuart Gibson and Jeffrey Shen, ESR Group Co-founders and Co-CEOs, said: “In a market with tight liquidity, we are extremely proud of this achievement. We thank our partners for their strong support of our ESG commitment, as well as development and project management capabilities, which are in line with the Hong Kong Government’s focus on sustainable modern logistics development to promote the city’s status as an international trade centre. Our cold storage logistics centre in Kwai Chung will provide a range of green features for companies looking for sustainable solutions in all aspects of their supply chain.”

“We’re thrilled to partner with various financial institutions to finance the development and construction of Kwai Chung Cold Storage Logistics Centre. The Green Loan advances our shared ESG priorities while also aligning with our commitment to the balance of People, Prosperity, and Planet,” says Donald Choi, Executive Director and CEO of Chinachem Group. “Together with ESR, our ambition is to shape the future of Hong Kong's logistics sector by creating a legacy of sustainable development and prosperity.”

Kwai Chung Cold Storage Logistics Centre targets to achieve Green Building Certifications such as BEAM Plus New Building Platinum and LEED Gold. 30% of the site area will be designated for greenery, including a rooftop garden and there will be a recycling irrigation water system for the landscape area. Electric Vehicle (EV) charging points will also be installed at the carpark.

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 approximately US\$150 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 approximately 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

About Chinachem Group

Since 1960, Chinachem Group has been a leading property developer in Hong Kong, with a portfolio covering residential, commercial, retail and industrial buildings for sales and investment, in addition to operating hotels, property management as well as healthcare and elderly services. The Group actively seeks to make a positive contribution to society through its adherence to the ‘Triple Bottom Line’, a commitment that its activities will benefit People, bring Prosperity to the community and preserve the Planet. Please visit www.chinachemgroup.com/en

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