



## **ESR Announces Large Pre-IPO Investment of US\$300 Million from Chinese Investors**

**Shanghai/Singapore/Tokyo 4 January, 2017** – e-Shang Redwood (“ESR”), the leading pan-Asia logistics real estate developer and operator, announced today that the group has closed a US\$300 million pre-IPO preferred equity investment by a consortium of Chinese investors (the “**Investors**”), including GF Investments (HK), Huarong International, Huarong Rongde, SPDB International, China Everbright Limited, Everbright Securities and CMBC International. ESR focuses on developing modern, institutional quality warehouses across major gateway markets in Asia. The company currently has 6.5 million square meters of projects in operation or under development in China, Japan and South Korea with another over 6 million square meters in pipeline.

ESR was formed as a result of a merger between e-Shang and Redwood in January 2016. e-Shang, initially founded in 2011 by global private equity firm Warburg Pincus with Jeffrey Shen and Dongping Sun, was one of the top developers of modern warehouses and largest third-party landlord for the leading e-commerce companies in China and South Korea. Redwood, founded in 2006 by Charles de Portes and Stuart Gibson, was a specialized logistics real estate firm with projects in prime locations across Japan and China.

Elyn Xu, Head of Structured Finance from GF Holdings (HK), commented, “We are very impressed by ESR’s fast growth and strong execution capabilities, which has laid a solid foundation for the company’s future. Modern warehousing will continue to benefit from the rapid development of e-Commerce and the transformation of the retail sector in Asia and we believe ESR is well-positioned to further enhance its strong leadership position. The Investors are excited to become long-term partners with ESR with the goal of expanding our relationship over time to include other strategic products and partnerships.”

Jeffrey Shen, Co-CEO of ESR said, “The investment by the Chinese consortium is an important endorsement of ESR as well as in the growth potential of logistics real estate and modern warehousing in China and across Asia. 2016 has been a very strong year for us with the completion of the Redwood merger, the substantial increase in development starts in our core markets of China, Korea and Japan on the back of robust market demand from our best-in-class tenant relationships and the establishment of new financing (both equity and debt) institutional relationships in each of our markets. The company is well positioned to further accelerate its growth and solidify its market leading position across Asia over the next few years.”

### **About ESR**

e-Shang Redwood (“ESR”) brings together two of the leading developers, owners and operators of logistics real estate in Asia and represents one of the largest logistics real estate platforms in the region with over 6.5 million square meters of projects owned and under development across China, Japan and South Korea, and capital and funds management offices in Hong Kong and Singapore.

Founded in 2006 and 2011, respectively, Redwood and e-Shang merged in 2016 to form ESR and are backed by some of the worlds’ preeminent investors including Warburg Pincus, APG, PGGM, CPPIB and Goldman Sachs. Today, ESR has one of the largest development pipelines in Asia focused on the key metropolitan areas most closely tied with consumption and trade. ESR is also the largest third-party landlord for the leading e-commerce companies in China, as well as for cold-chain logistics.

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