

Warburg Pincus to Invest up to US\$300 Million in Strategic Partnership with CREATER on Urban Renewal Opportunities

Shanghai, December 25, 2018 – Warburg Pincus, a leading global private equity firm focused on growth investing, and CREATER, a leading urban renewal operator in China, jointly announced today that both parties have signed definitive agreements to pursue urban renewal acquisitions and redevelopment projects in China. Warburg Pincus will make an equity investment in CREATER at the corporate level and establish a new acquisition joint venture, for a total equity commitment of up to US\$300 million. The joint venture with CREATER will focus on urban renewal asset acquisitions in first-tier cities in China. The joint venture targets to reach US\$2 billion of assets under management in the next three years.

Founded in 2006, CREATER is one of the early urban renewal operators in Shanghai, and has a strong track record of converting old and underutilized buildings into modern office, retail and exhibition uses. To date, the company manages and operates 26 projects, with a total area of 330,000 square meters, in the core areas of Shanghai.

Through its smart IT management and application platform, CREATER provides its members with various value-add services, including office support services, and investment and financing services. CREATER has also successfully facilitated many cross-sector partnerships amongst its over 1,000 member companies and communities via the platform.

Fang Wen, President of CREATER, said: “Our urban renewal approach is not only to convert and improve the physical attributes of buildings, but also to redefine and uplift the service components in the process. We embrace the cultural history of each building and seek to balance the old and new elements in our urban renewal work. We are confident that our strategic partnership with Warburg Pincus will greatly enhance CREATER’s financing and operating capabilities and further expand our scale.”

Ellen Ng, Managing Director of Warburg Pincus, said: “With dwindling new land supply in first-tier cities in China, the revitalization of existing land parcels and buildings within city centers has become an important investment focus of ours. On the back of CREATER’s rich experience in product design, conversion and operations, we see a big opportunity to significantly unlock the value of well-located but underutilized buildings through thoughtful repositioning. We look forward to working closely with the company to further grow and consolidate its leading position.”

Warburg Pincus is a leading global private equity firm focused on growth investing. The firm has invested in more than 100 leading companies in various sectors since it

entered China. Warburg Pincus also possesses rich experience in real estate investment in China, and has invested over US\$4 billion in more than 30 companies, including developers, operators, asset managers and project-focused joint ventures. Warburg Pincus' investments cover multiple asset classes, including offices, retail, logistics, for-rent apartments, business parks, hotels, data centers, parking and non-performing loans.

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