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M&G invests A\$200million to develop logistics real estate partnership in Australia

M&G today announces that it has committed A\$200 million (circa £100 million) through its indirect fund of funds mandate into a partnership to develop an Australian real estate portfolio investing in the logistics sector.

The ESR Australia Development Partnership (EADP) will acquire sites and develop a portfolio of logistics assets, designed for investors to hold over the long-term. Through its Asian real estate investment team and on behalf of third-party client, M&G is taking a 20 percent stake in the partnership.

The partnership is managed by ESR Group, a leading Asia-Pacific logistics real estate company, and was launched a year ago with two Western Sydney logistics projects. It has an active developable land pipeline with an anticipated end value in excess of A\$1 billion.

ESR Group is committed to set the standard for sustainable development in logistics assets in Asia. By 2025, they are seeking a 50 percent increase in solar power generation and a 20 percent reduction in energy consumption across the ESR Group's property portfolio*.

M&G Real Estate Asia is responsible for managing around USD 7.1 billion¹ of assets in the region, investing both directly and indirectly across all sectors of commercial real estate. The team sits within M&G's £67.2 billion² Private & Alternative Assets division.

Jing Dong Lai, Chief Investment Officer and interim Chief Executive at M&G Real Estate Asia, says: "The logistics sector is a high conviction theme for our real estate portfolios and Australia is a core market for us in Asia-Pacific. Extending our strategic partnership with ESR in this highly competitive market grants us exposure to a high quality, sustainable and modern portfolio of assets to hold over the long-term."

ENDS

* From base year 2019, 'Building for the New Economy', ESR's ESG Roadmap 2025

^{1,2} As of 31 December 2021



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About M&G plc

M&G plc is an international savings and investments business, managing money for both individual savers and institutional investors in 28 markets. As at 31 December 2020, we had £367 billion of assets under management and administration, around 5 million retail customers and more than 800 institutional clients.

With a heritage dating back more than 170 years, M&G plc has a long history of innovation in savings and investments, combining asset management and insurance expertise to offer a wide range of solutions. We serve our savings and insurance customers under the Prudential brand in the UK and Europe and for asset management in South Africa, and under the M&G Investments brand for asset management clients globally.

M&G has committed to achieve net zero carbon emissions on its total book of assets under management and administration by 2050 and committed to reduce operational carbon emissions as a corporate entity to net zero by 2030.

About ESR Australia

ESR Australia is a leading manager of industrial and business park real estate with assets under management of more than A\$2.5 billion, and a robust pipeline of developments underway. ESR Australia also has established funds management capabilities with long term relationships with global institutional investors.

Their team has deep expertise across the industrial and office real estate markets. A fully integrated service offering is delivered by this in-house team, achieving positive customer outcomes through tenant-driven development solutions, active asset management, and a strategic approach to property investment management.

ESR Group is the largest Asia-Pacific logistics real estate group by gross floor area (GFA) and by value of the assets owned directly and by the funds and investment vehicles it manages. With over US\$29.9 billion in assets under management across 20.1 million sqm of real estate and land, ESR operates across the region in China, Japan, Singapore, South Korea, India and Australia. ESR has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 1 November 2019.



For more information on ESR Australia, please visit au.esr.com

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