

News Release

Schroder Pamfleet and Consortium Partners Reached an Agreement to Acquire CityPlaza One

9 November 2020, Hong Kong

Real estate investment manager Schroder Pamfleet today announced that the firm, through a fund under its management, entered into the Sale and Purchase Agreement as a co-investor alongside Gaw Capital Partners and other consortium partners for the purchase of CityPlaza One from Swire Pacific (0019.HK & 0087.HK) and Swire Properties (1972.HK). The acquisition price of the office tower is **HK\$9.845 billion**, which translates to an average price of around HK\$15,609 per sq. ft.

Situated in the decentralized office market of Taikoo Shing in Hong Kong East, the 21-storey Grade-A office tower, completed in 1997, comprises a total GFA of around 630,000 sq. ft, with higher floors enjoying sea views of Victoria Harbour. The property has a direct linkage to Tai Koo MTR station and is fully integrated with the CityPlaza shopping mall. Recent opening of the Central-Wan Chai Bypass has further enhanced the building's accessibility and reduced travelling time to and from the Central business district. CityPlaza One is backed by a strong tenant profile including financial institutions, insurance companies and multinational corporations. The building has achieved Platinum rating under the Hong Kong Green Building Council's BEAM certification.

Andrew Moore, Head of Schroder Pamfleet, said: "We are pleased to confirm Schroder Pamfleet's involvement in this deal, which comes after a period of patience and discipline in our approach to the real estate market in Hong Kong. Following the many challenges that Hong Kong has faced, it is gratifying to be able to make this investment in which we have such a high conviction. There are many reasons to be optimistic about Hong Kong's prospects, including the 60 or 70 IPOs in the pipeline and the real work that is being done on integration with the Greater Bay Area. The Hong Kong East core sub-market stands out in terms of its relatively low vacancy and limited upcoming new supply, and its diverse and loyal occupier base."

Allan Lee, Head of Asia (ex-China), Real Estate of Schroder Pamfleet, said: "CityPlaza One is a well-located, well-managed property that represents an opportunity to participate in the long-term favourable economic outlook for Hong Kong. We worked well with Gaw Capital in the past and are pleased to work with them again."

Goodwin Gaw, Chairman and Managing Principal of Gaw Capital Partners said: "At Gaw Capital, we continue to be confident about Hong Kong's future, and we would like to thank our investors and partners for their support. Following the purchase of portions of CityPlaza Three and CityPlaza Four in 2018 and 625 King's Road in 2019, we are delighted to have signed the sales & purchase agreement today for the purchase of CityPlaza One. We see it as a strong addition to our

commercial portfolio in Hong Kong's Island East District. The district has benefited from the many years of vibrant improvements made by Swire Properties as the major landlord. With the new addition of CityPlaza One to our Island East portfolio, we look forward to working together with our long-time partners Swire Properties to contribute to the continued evolution of the district as the alternative CBD of Hong Kong Island."

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About Schroder Pamfleet

In July 2020, Schroders completed the acquisition of a majority stake in Pamfleet, a leading Asian real estate investment advisor founded in 2000 by its current senior management team. The entire Pamfleet team of professionals remained with the organisation, which was renamed Schroder Pamfleet. The firm has a strong track record of repositioning under-performing properties and delivering value-add returns for its investors from its offices in Hong Kong, Singapore and Shanghai. In its early days as operating partner Pamfleet acquired and repositioned several well-known buildings, including Vicwood Plaza and Nexxus Building.

About Schroders

As a global investment manager, we actively and responsibly manage investments for a wide range of institutions and individuals, to help them meet their financial goals and prepare for the future. The world is forever changing, and with our clients at the centre of everything we do, we understand the need to continue to adapt and evolve our business in line with what matters most to our clients today, and in the future.

Our ongoing success is built on a history of experience and expertise, whereby we partner with our clients to construct innovative products and solutions across our five business areas consisting of Private Assets & Alternatives, Solutions, Mutual Funds, Institutional and Wealth Management and invest in a wide range of assets and geographies. By combining our commitment to active management and focus on sustainability, our strategic capabilities are designed to deliver positive outcomes for our clients.

We are responsible for £525.8 billion (€578.4 billion/\$649.6 billion)* assets of our clients, managed locally by 42 investment teams worldwide. As a global business with over 5,000 talented staff across 35 locations, we are able to stay close to our clients and understand their needs. We have over 200 years of experience in investment and innovation and remain committed to creating a better future by investing responsibly for our clients.

Further information about Schroders can be found at www.schroders.com.hk.

*as at 30 June 2020

About Gaw Capital Partners

Gaw Capital Partners is a uniquely positioned private equity fund management company that focusing on real estate markets in greater China and other high barrier-to-entry markets globally.

Specializing in adding strategic value to under-utilized real estate through redesign and repositioning, Gaw Capital runs an integrated business model with own in-house asset management operating platforms in retail, hospitality, property development, logistics and IDC. The firm's investments span the entire spectrum of real estate sectors, including residential development, offices, retail malls, hospitality, logistics warehouses and IDC projects.

Gaw Capital has raised six commingled funds targeting the Greater China and APAC regions since 2005. The firm also manages value-add/opportunistic funds in Vietnam and the US, a Pan-Asia hospitality fund, a European hospitality fund and also provides services for separate account direct investments globally.

Gaw Capital has raised equity of USD\$15.6 billion since 2005 and commands assets of USD\$26.7 billion under management as of Q2 2020.