

**Press Release**

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## **Fortune REIT Obtains HK\$1.2 Billion Sustainability-Linked Syndicated Term Loan Facility**

**28 January 2022 – ARA Asset Management (Fortune) Limited** (“the Manager”), the manager of **Fortune Real Estate Investment Trust** (“Fortune REIT”; SEHK: 778) is pleased to announce that Fortune REIT has closed a five-year HK\$1.2 billion sustainability-linked syndicated loan. Sumitomo Mitsui Banking Corporation (“SMBC”) will act as the sole Mandated Lead Arranger, Bookrunner, Sustainability Coordinator and Facility Agent of the facility. The loan has been syndicated to a Lead Arrangers’ group comprising three renowned financial institutions.

Proceeds of the new loan will be used for refinancing and general corporate purposes. The interest margin of the loan facility will be indexed against Fortune REIT’s environmental, social and governance (“ESG”) performance, taking into account the electricity consumption, greenhouse gas emissions and overall waste reduction of its properties. Fortune REIT will be entitled to interest rate savings if the pre-set ESG benchmarks are satisfied.

This latest sustainability-linked loan has received overwhelmingly favourable response from the banking community, representing a strong vote of confidence for Fortune REIT’s ESG performance. Fortune REIT’s dedicated ESG efforts have been recognised by prestigious organisations, as reflected by its unique status as the first Hong Kong-listed REIT to attain the highest five-star rating in the 2021 Global Real Estate Sustainability Benchmark (“GRESB”) and listing on the Hang Seng Corporate Sustainability Benchmark Index for the fifth consecutive year.

**Ms Justina Chiu, Chief Executive Officer** of the Manager, said, “This syndicated green financing initiative marks yet another milestone on the road to sustainability by Fortune REIT. The aggregate value of our sustainability-linked loan facilities now climbs to HK\$3.7 billion, thus accounting for 42% of our loan portfolio. These green financing facilities underscore the recognition of our high ESG performance from the banking community. They also reinforce our long-held belief in the importance of sustainable development in the overall value generation of Fortune REIT, as well as being a key component of our business plan.”

**Mr Luke Lee, General Manager, Head of Corporate Banking** of SMBC Hong Kong Branch, said, “To efficiently address global climate change, it necessitates a focused collective effort from all stakeholders and as such, SMBC is honoured to collaborate with the Lead Arrangers to execute Fortune REIT’s inaugural ESG-linked syndicated loan and thankful to the Manager for entrusting us with such an important funding transaction. At SMBC, we remain wholeheartedly committed to mobilise our global network of comprehensive banking capabilities to support the ESG initiatives of our customers to realize a more sustainable future for our planet.”

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Ms Justina Chiu, Chief Executive Officer (third from the left) of ARA Asset Management (Fortune) Limited, celebrates the closing of the loan facility with Mr Luke Lee (third from the right), General Manager, Head of Corporate Banking of SMBC HK Branch, Mr Kenney Cheung (right), Joint General Manager, Head of Origination and Distribution, East Asia, Loan Capital Markets Department, Asia Pacific, and representatives from other participating banks, including Mr Au Wai-Kuen, Kelvin (second from the left), General Manager & Head of Corporate Banking Division and Ms Wong Wai-Man, Christine (left), Head of Corporate Lending & Syndication Department from Bank of East Asia, and Ms Kelly Chiu (second from the right), Vice President, Large Corporates, Corporate Banking from CTBC Bank in front of the upcycled glass container feature wall in the newly renovated food court at Fortune Metropolis.

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**About Fortune REIT**

Established in 2003, Fortune REIT is a real estate investment trust constituted by a trust deed (as amended, supplemented or otherwise modified from time to time). It is the first REIT to hold assets in Hong Kong and is currently listed on the Main Board of The Stock Exchange of Hong Kong Limited.

Fortune REIT currently holds a portfolio of 16 private housing estate retail properties in Hong Kong, comprising 3 million sq. ft. of retail space and 2,713 car parking spaces. The retail properties are Fortune City One, +WOO, Ma On Shan Plaza, Metro Town, Fortune Metropolis, Belvedere Square, Laguna Plaza, Waldorf Avenue, Caribbean Square, Jubilee Square, Smartland, Tsing Yi Square, Centre de Laguna, Hampton Loft, Lido Avenue and Rhine Avenue. They house tenants from diverse trade sectors such as supermarkets, food and beverage outlets, banks, real estate agencies, and education providers. More information can be found at [www.fortunereit.com](http://www.fortunereit.com).

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### About the Manager

Fortune REIT is managed by ARA Asset Management (Fortune) Limited, a part of the ESR Group (the “Group”). The Group is APAC’s largest real asset manager powered by the New Economy and the third largest listed real estate investment manager globally. With US\$140 billion in gross 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. With 14 listed REITs managed by the Group and its associates, ESR is the largest sponsor and manager of REITs in APAC with a total AUM of 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. More information can be found at [www.ara-group.com](http://www.ara-group.com), [www.esr.com](http://www.esr.com).

### About SMBC

Since December 2002, Sumitomo Mitsui Banking Corporation (SMBC) has been a wholly-owned subsidiary of Sumitomo Mitsui Financial Group Inc. (SMFG), a financial holding company. SMBC is one of the world’s leading banks, with A1 by Moody’s and A by both Fitch and S&P.

Sumitomo Mitsui Banking Corporation (SMBC) and its group companies offer a broad range of financial services centered on banking. They are also engaged in the leasing, securities, credit card, investment, mortgage securitization, venture capital and other credit related businesses. The following lists the activities of SMBC, its subsidiaries and affiliates in the various business segments.

The headquarters and branches, including overseas branches, of SMBC engage in deposit taking, lending, securities brokering and trading, securities investment, money transfer, foreign currency exchange, corporate bond trustee services and custody services, financial futures underwriting, investment trust sales and other commercial banking activities. More information can be found at [www.smbc.co.jp](http://www.smbc.co.jp).

### Disclaimer

The information contained in this press release does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for Units or related financial instruments in Fortune REIT in Hong Kong or any other jurisdiction.

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