

Media Release

Alpha and Allianz to jointly acquire interest in S\$1.5 billion Grade A office complex in Beijing

Singapore, 16 October 2019 – Alpha Investment Partners (Alpha), acting on behalf of its funds under management, including the Alpha Asia Macro Trends Fund III (AAMTF III), has entered into agreements with Allianz Real Estate (acting on behalf of several Allianz companies, collectively, “Allianz”), to jointly acquire an 85% interest in Ronsin Technology Center, a Grade A office complex valued at approximately S\$1.5 billion in the Wangjing sub-district in Beijing, China, for an aggregate consideration of approximately S\$1.3 billion. The remaining 15% stake in the office complex will continue to be held by the seller, D&J China.

The Alpha-managed funds and Allianz will subscribe for 38% and 62% stakes respectively in the joint venture company that will acquire the 85% interest in the property. Allianz is also an investor of AAMTF III, which is managed by Alpha, the private fund management arm of Keppel Capital. The property will be managed by Alpha, Allianz and D&J China. The acquisition is expected to be completed in the fourth quarter of 2019.

Ms Christina Tan, CEO of Keppel Capital, said, “The acquisition of Ronsin Technology Center will be AAMTF III’s first investment in Beijing and is in line with our strategy to expand Keppel Capital’s presence in China. This follows on the back of AAMTF III and Keppel Land China’s acquisition of Yi Fang Tower in Shanghai earlier this year. Our experienced team is well-positioned to create value and drive returns for our investors through innovative asset management and proactive leasing strategies. We are delighted to expand our partnership with Allianz in the region.”

Mr Rushabh Desai, Asia-Pacific CEO of Allianz Real Estate, said “This is a continuation of Allianz’s investment strategy to allocate 50-60% of its Asia Pacific real estate exposure to fast-growing markets such as China and India. Beijing is demonstrating strong resilience to current volatility in the global markets while Wangjing is a well-established sub-market for technology and innovation firms, which is experiencing persistent demand with tight supply.”

Completed in March 2018, Ronsin Technology Center is a grade A office complex that comprises six office towers and a retail podium. The property has a total net leasable area of approximately 131,000 sm. Located above the Laiguangying subway station in Beijing’s Wangjing sub-district, it has an occupancy rate of 70%.

The AAMTF series is designed to ride on mega trends driving long-term growth in Asia-Pacific, which include urbanisation, growing consumerism and intra-regional tourism. AAMTF III is the third value-add Pan-Asian fund in this flagship series.

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For further information, please contact:

Media Relations

Frances Teh
Senior Manager
Group Corporate Communications
Keppel Corporation Limited
Tel: (65) 6413 6437
Email: frances.teh@kepcorp.com

Investor Relations

Ivana Chua
Assistant General Manager
Group Corporate Communications
Keppel Corporation Limited
Tel: (65) 6413 6436
Email: ivana.chua@kepcorp.com

About Alpha Investment Partners

Alpha Investment Partners (Alpha) is a wholly-owned subsidiary of Keppel Capital, a premier asset manager in Asia and the asset management arm of Keppel Corporation Limited.

Alpha has been adding value for investors by constantly seeking innovative solutions throughout its investment process since 2004.

Alpha has an institutional investor base comprising renowned pension plans, financial institutions, fund of funds, insurance companies, endowments and family offices spanning Europe, North America, Asia and the Middle East.

Its private funds are invested in different asset classes including real estate and data centres, and across the risk spectrum in the core, core-plus, value-add and opportunistic space. Each fund has a specific strategy to leverage prevailing opportunities, as well as seek a blend of income and capital returns according to its risk profile. Alpha also manages the Alpha Real Estate Securities Fund, an open-ended fund that invests in listed REITs and real estate securities predominantly in Asia.

About Allianz Real Estate

Allianz Real Estate is the dedicated real estate investment manager within the Allianz Group and has grown to become the world's largest investor in real estate. The firm develops and executes worldwide tailored portfolio and investment strategies on behalf of a range of global liability driven investors, including Allianz companies, creating value for clients through direct as well as indirect investments and real estate loans. Headquartered in Munich and Paris, the operational management of investments and assets is performed out of 19 offices in key gateway cities across 5 regions (West Europe, North & Central Europe, Switzerland, USA and Asia Pacific). As at 30 June 2019, Allianz Real Estate held 67.1 billion euros assets under management. For more information, please visit: <http://www.allianz-realestate.com>