

[Immediate Release]



## **Wuzhou International Announces Strategic Investments by Ping An Real Estate and PAG**

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### **Investment to Further Advance the Company to be the Leading Integrated Merchandising and Logistics Platform in China**

(Hong Kong, 15 September 2014) **Wuzhou International Holdings Limited** (“Wuzhou International” or together with its subsidiaries, the “Group,” stock code: 01369), a leading developer and operator of integrated merchandising and logistics platforms in China, today is pleased to announce the introduction of Ping An Real Estate and PAG as strategic investors. Ping An Real Estate (Hong Kong) Company Limited (“Ping An Real Estate Hong Kong”) and PA Glorious Opportunity VIII Limited (“PAG VIII”) have agreed to subscribe for US\$100 million of convertible notes from the Group while Ping An Real Estate Company Limited (“Ping An Real Estate”) has also agreed to enter into a strategic cooperation framework agreement with Wuzhou International.

According to the purchase agreement of convertible notes, Ping An Real Estate Hong Kong and PAG VIII agreed to purchase the US\$100 million (Ping An Real Estate Hong Kong: US\$60 million and PAG VIII: US\$40 million) in convertible notes at an initial conversion price of HK\$1.78 per share from Wuzhou International. Assuming full conversion of the 435,955,056 shares, the notes represent approximately 9.36% and 8.56% of the issued and enlarged capital of Wuzhou International, respectively. The convertible notes bear interest at a rate of 7% per annum, and will mature on 30 September 2019.

Pursuant to the strategic corporation framework agreement, Ping An Real Estate intends to make strategic investments of up to RMB1.5 billion in aggregate within five years in the Group’s future specialised wholesale markets and logistic projects. This will further advance the Group to be the leading integrated merchandising and logistics platform serving China’s SMEs. Moreover, Ping An Real Estate will provide the Group with professional advice and financial support to further develop the Group’s integrated merchandising and logistics platform. Additionally, Ping An Real Estate will also assist the Group in leveraging on Ping An’s integrated financial services platform to explore SME financing serving the Group’s extensive network of SME clients. Furthermore, Ping An Real Estate will explore the possibility to deploying insurance capital to make investments in the Group’s stabilised logistics properties.

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During the past years, Wuzhou has built up well-recognised brands, accumulated extensive experience in specialised wholesale market development and formed strong tenant network. Leveraging on Ping An Real Estate's China real estate investment experience and logistics property development expertise, PAG VIII's strong connection to key players in the region, global platform and expertise, the Group could achieve synergies and further advance in building a leading integrated merchandising and logistics platform.

**Mr. Wei WANG, Managing Director of Ping An Real Estate Fund Management** said, "Wuzhou International will definitely be one of our valuable partners in creating a leading logistics property platform in China. We endeavour to utilise multi-dimensional resources of Ping An's integrated finance platform to work with the Group and strive for their further business expansion. Leveraging the robust development of China's logistics property market, we believe that Wuzhou International will be able to take advantage of the growth potential and further grow the business in specialised wholesale market and logistics properties."

**Mr. Eddie HUI, Managing Partner of PAG** said, "Wuzhou International is one of the leading developers and operators, encompassing all-round advantages for logistics property development in China. This investment demonstrates our continuous commitment to collaborating with high potential companies in China. We are confident that Wuzhou International's strong operating and professional management team combined with PAG's global platform and expertise will form a beneficial and successful partnership."

**Mr. SHU Cecheng, Executive Director and Chairman of Wuzhou International** said, "We're pleased to welcome Ping An Real Estate and PAG VIII as our strategic investors. On top of the collaboration with GLP China back in June this year, we step further and introduce these two well-known investors to provide capital and experience support in building the integrated merchandising and logistics platform. In future, we'll continuously seek for potential investments to further expand our business and generate promising returns to our investors."

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### **About Wuzhou International**

Starting in Wuxi, Jiangsu Province in 2004, Wuzhou International is a developer and operator of integrated merchandising and logistics platforms with 35 projects covering ten provinces and cities across China. The Group's "Wuzhou International" brand was named "2013 Chinese commercial real estate brand value Top 10", by Development Research Center of the State Council. As at the end of 2013, Wuzhou International is No. 1 in the no. of trade logistics center, No. 1 in the no. of partial completed and trade logistics center in operation, and No. 1 in the coverage of provinces and cities, according to Savills.

### **About Ping An Real Estate Hong Kong**

Ping An Real Estate Hong Kong is a private company wholly-owned by Ping An Real Estate, the real estate investment management arm of Ping An Insurance (Group) Company of China, Ltd. listed on the Stock Exchange (stock code: 2318) and Shanghai Stock Exchange (stock code: 601318). Ping An Real Estate primarily focuses on mixed-use development, senior housing communities, industrial and logistic properties through private equity and debt instruments in China and selected overseas markets.

### **About PAG VIII**

PAG VIII is a private company wholly-owned by investment funds managed by Pacific Alliance Investment Management Limited, and an affiliate of PAG. PAG is an Asia alternative investment fund management group and has extensive experience investing in the region's capital markets.

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