

GIC and NOVA to establish RMB4.3B rental apartment platform in China

SINGAPORE / SHANGHAI, CHINA – 14 May 2018 – GIC, Singapore’s sovereign wealth fund, will be partnering with NOVA, a fully-integrated operator and investment manager headquartered in Shanghai and co-founded by Warburg Pincus, to establish a RMB4.3B (US\$675M¹) rental apartment platform in China. The platform will seek to invest in quality rental apartment projects in core locations across Tier 1 cities. GIC will also be acquiring a minority stake in NOVA.

Wang Qian, NOVA’s Co-Founder, Chairman and Co-CEO, said, “Our vision is to become a leading investment and asset management platform in the urban renewal and rental apartment sector, to deliver the best-in-class investment, renovation and operation services. GIC’s strategic partnership with NOVA is testament to our team’s vision and exceptional execution capabilities in building up NOVA’s leadership position in just three years, and an exciting milestone in our growth and expansion strategy. We look forward to leveraging our partnership with GIC and continued support from Warburg Pincus to accelerate our development and expansion in China’s urban renewal and institutional apartment sector.”

Lee Kok Sun, Chief Investment Officer of GIC Real Estate, said, “As a long-term value investor, we are attracted by the promising outlook of China’s fast-growing rental apartment sector, with demand driven by changing demographic trends and cultural shifts towards city-living. There is a large and growing population of renters within our target income group, with a limited supply of quality institutionally-owned and professionally-managed projects. We look forward to partnering with NOVA, given its solid track record in this sector, to establish and grow the platform in key Chinese cities. Our partnership with NOVA is an important component of our broader strategy to invest in this emerging sector in China.”

Joseph Gagnon, Managing Director and head of Asia Real Estate of Warburg Pincus, commented, “As one of the most active and experienced private equity investor in China’s real estate sector, we are a firm believer in the long-term apartment rental industry driven by continued urbanization and demand for high-quality rental properties in China. Since co-founding NOVA in 2015, we have been deeply impressed and pleased with NOVA’s growth under the leadership of Qian Wang and Jerry Shen. The partnership with GIC will take NOVA into a new stage of growth to further solidify its leadership position.”

The transaction is expected to be completed in the third quarter of 2018, subject to regulatory approvals by the relevant authorities.

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¹ Based on exchange rate of US\$1 = RMB6.35

About NOVA

NOVA was founded in Shanghai, China at the beginning of 2015 by Mr. Qian Wang and Warburg Pincus LLC headquartered in New York, USA. The company is an investment and asset management platform focused on value-add property acquisition, renovation and operation. In early 2016, NOVA successfully acquired “Yicheng Property Operation Co. Ltd” which was co-founded in 2008 by Mr. Jerry Shen, who is now the managing director and Co-CEO of NOVA. With its clear and unique business strategy, strong capital and operating capacity, NOVA has managed to achieve a rapid growth in commercial property acquisition in Shanghai and Beijing, in less than 3.5 years. Through renovation, these properties are repositioned as apartments, creative offices and retail, bringing in new life into the property and rejuvenating the neighborhood. From property acquisition, renovation, operation to investment management, NOVA now has a sophisticated team of more than 170 people, who are passionate, creative and results-driven. At present, the company has a total of 39 projects under operation or renovation. The total acquisition value is closed to RMB 10 billion with an operating area of over 300,000 square meters. Company’s current partners include Vanke, Sunac, InfraRed NF, Ocean property, XinDa Jingu, Tiantong Acer, Shanghai golden Bund Group, and BMW group. Strong business development ability, product innovation, and cross value chain team collaboration are our core competencies. For more information about NOVA, please visit www.novaasset.biz.

About Warburg Pincus

Warburg Pincus LLC is a leading global private equity firm focused on growth investing. The firm has more than \$44 billion in private equity assets under management. Warburg Pincus has a proven track record as an experienced and successful investor in the real estate sector in China. The firm has invested over \$3 billion in more than 20 Chinese real estate companies, helping build successful businesses and leading brands such as ESR, Mofang Apartments, D&J China, 7 Days Inn, Sunshine 100 and Guangzhou R&F.

Since entering the Chinese market in 1994, the firm has invested over \$8 billion in over 100 companies in China. The firm currently in nearly 40 Chinese companies, including Amcare, ANE Ltd., CAR Inc., China Kidswant, Hwabao WP Fund, Mofang Apartments, NIO, Nova, Red Star Macalline, Souche, Yuanfudao, Uxin Ltd and ZTO. For more information on Warburg Pincus, please visit www.warburgpincus.com.

About GIC

GIC is a leading global investment firm with well over US\$100 billion in assets under management. Established in 1981 to secure the financial future of Singapore, the firm manages Singapore’s foreign reserves. A disciplined long-term value investor, GIC is uniquely positioned for investments across a wide range of asset classes, including real estate, private equity, equities and fixed income. GIC has investments in over 40 countries and has been investing in emerging markets for more than two decades. Headquartered in Singapore, GIC employs over 1,400 people across 10 offices in key financial cities worldwide. For more information about GIC, please visit www.gic.com.sg.