

**ARA VENN LAUNCHES NEW BOND SERIES UNDER THE GBP3 BILLION
AFFORDABLE HOMES GUARANTEE SCHEME**

GBP250 million of loans funded by the bond will support the delivery of new affordable homes in England

United Kingdom, 15 March 2023 - ARA Venn, part of ESR Group and a leading investment manager with a strong focus on European residential real estate, is pleased to announce the funding of three new 30-year loans totalling GBP250 million under the Affordable Homes Guarantee Scheme ("AHGS"), which ARA Venn manages for the UK Government. The loans were funded from the issuance of GBP350 million bonds under a new bond series maturing in March 2053 by Saltaire Finance plc, the funding vehicle for AHGS. The three new loans to housing associations: Coastline Housing, Stonewater and Torus will support the development of over 1,500 new affordable homes, and the GBP100 million balance of the bond issuance will be retained to fund other successful loan applications currently being processed.

The bond issuance, which is guaranteed by the UK Government, was successfully completed in a challenging economic backdrop with the sale to investors achieving a spread of 63 basis points over Gilts. The interest rate on the loans of 4.809% reflects the competitive pricing achieved under AHGS, highlighting its benefits to the sector.

Oriane Auzanneau, Deputy Portfolio Manager for AHGS and Managing Director at ARA Venn, commented:

"We are delighted to be able to support our borrowers with these 30-year loans, which will help to facilitate the development of over 1,500 much needed new affordable homes in the communities they serve across England. The attractive funding allows our borrowers to effectively support their investment and delivery ambitions within the constraints of their long-term business plans, showing the benefit of utilising the AHGS programme."

Nathan Mallows, Director of Finance, People and Change at Coastline Housing, commented:

"Coastline is delighted to be a participant in the recent AHGS bond as this funding is directly linked to supporting the delivery of new homes for Cornwall by us over the next two years. Having UK Government support for new build delivery is fantastic and for us, being combined with a recent Continuous Market Engagement approval from Homes England is significant in enabling delivery during volatile market conditions. ARA Venn have done an excellent job of aggregating a benchmark bond issue and the long-term interest stability helps reduce risk for us."

Anne Costain, Chief Financial Officer at Stonewater, commented:

"We are pleased to have been part of this funding round, achieving a good result in an uncertain market. We would like to thank ARA Venn for their valued support throughout the process. This funding will contribute to Stonewater working towards our vision, that everyone should have the opportunity to have a place that they can call home."

Peter Fieldsend, Chief Financial Officer at Torus, commented:

"We are very pleased to be involved in the AHGS and to achieve a good outcome which fits within our business plan parameters. This now gives us the funding for the development of much needed new affordable homes across our communities. ARA Venn have done an excellent job throughout the process delivering what we set out to achieve."

A UK House of Commons Library Research Briefing from March 2022¹ highlights that: "The need for subsidised housing has long been recognised. The cost of private sector housing of acceptable standards, compared with the level and distribution of incomes and assets, means numerous households lack the means to make demand for decent housing effective in the market. Without subsidised housing, these households may fail to obtain housing of a decent standard."

¹ "What is affordable housing?" By Wendy Wilson and Cassie Barton, House of Commons Library Research Briefing, 25 March 2022

NOTES TO EDITORS:

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About ARA Venn:

ARA Venn (the trading name of Venn Partners LLP) (“the firm”) is an investment manager in European private real estate debt. The firm specialises in creating investment products that provide investors with access to compelling risk-adjusted returns, whilst satisfying borrower demand for competitive, efficient and transparent loan product. ARA Venn serves the investment needs of a diverse range of government entities, leading global institutions and private investors.

Founded in 2009, the firm has assets under management (AUM) and active mandates totalling over GBP10 billion. With offices in the UK, Spain and an affiliate office in the Netherlands, ARA Venn comprises a team of experienced professionals that pull together credit origination, underwriting, liability structuring and risk management skills with a deep understanding of investor and borrower requirements.

ARA Venn is the credit subsidiary of ARA Asset Management Limited (“ARA”), which is part of the ESR Group (the “Group”), APAC’s largest real asset manager powered by the New Economy and the third largest listed real estate investment manager globally. With US\$149 billion in total AUM, the Group’s 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. It provides a diverse range of real asset investment solutions and New Economy real estate development opportunities across its private funds business, which allow capital partners and customers to capitalise on the most significant secular trends in APAC. ESR is the largest sponsor and manager of REITs in APAC with a total AUM of US\$45 billion. Its purpose – Space and Investment Solutions for a Sustainable Future – drives it to manage sustainably and impactfully and it considers the environment and the communities in which it operates as key stakeholders of its 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 is available at www.ara-group.com, www.esr.com.