

Barings acquires Australian Industrial Portfolio for A\$780 million

Sydney, Australia, 7 May 2024: Barings, one of the world's largest diversified real estate investment managers, has completed a joint acquisition with profit-to-member superannuation fund Rest of an off-market premium industrial portfolio worth approximately A\$780 million from Goodman Group.

This significant acquisition comprising 12 assets and 17 tenants across c.70 hectares of underlying land and approximately 340,000sqm of total leasable area across Sydney and Melbourne further cements the partnership between Barings and Rest Super, one of Australia's largest superannuation funds. The assets are leased to global top-tier tenant covenants including Metcash, Super Retail Group, Pack Rack, Iron Mountain, and Amazon.

The portfolio includes the largest wholesale distribution centre in Australia, c.115,000 sqm mega shed in Melbourne's west for Metcash. This will be Metcash's main distribution facility, an ambient warehouse with significant automation technology, a chiller and freezer area, as well as a modern new office. This facility is over 700 metres in length and equivalent to the size of 15 football fields and will be the key cog in the Victorian operations of the grocery wholesaler and its network of IGA supermarkets.

The Sydney assets comprise a mix of functional single tenanted and multi-tenanted industrial estates well located in sought after core infill locations experiencing strong market rent growth. The Melbourne assets are mostly newly complete and soon to be completed assets located in premium locations with modern sustainability features and long leases to strong tenant covenants in place.

Shaun Hannah, Executive Director, Real Estate at Barings said, "The acquisition of this portfolio reflects Barings' positive outlook for the industrial sector in Australia and aligns with our investment strategy of targeting to buy existing leased buildings with significant underlying land value at attractive pricing. The newer, larger, longer leased assets are more likely to provide stable

defensive cashflows and the shorter lease Sydney infill assets unlock the opportunity to improve the ESG features and capture rental reversion.”

Barings and Australian superannuation fund Rest Super last year announced a A\$1 billion industrial property partnership, purchasing their first industrial asset at Saintly Drive Truganina in Melbourne.

Andrew Lill, Chief Investment Officer, Rest said, “Rest is excited to continue working with Barings by expanding our exposure to industrial investments in Australia through the acquisition of this high-quality portfolio from Goodman Group.

“After investing successfully in the US industrial property sector and committing to a venture targeting the UK and Europe, we're pleased to now increase our presence in the Australian market where there is continued strong demand for industrial property.

“We’re confident about our plan to continue investment in industrial property with Barings. We believe there's value in purchasing well-located industrial assets and we expect rents to increase materially over time.

“We expect that the new industrial investments will add diversification benefits to Rest's property holdings and deliver good long-term results for our 2 million members.”

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About Barings

Barings is a US\$406+ billion* global asset management firm that partners with institutional, insurance, and intermediary clients, and supports leading businesses with flexible financing solutions. The firm, a subsidiary of MassMutual, seeks to deliver excess returns by leveraging its global scale and capabilities across public and private markets in fixed income, real assets and capital solutions. Learn more at www.barings.com.

*As of 31 March 2024.

About Rest

Established in 1988, Rest is one of Australia's largest profit-to-member superannuation funds, with more than 1.96 million members and around A\$75 billion in funds under management as at 30 June 2023.

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