

8th of November, 2015

Source: Deal Street Asia

Access at: <http://www.dealstreetasia.com/stories/hong-kongs-adm-capital-bpe-asia-to-invest-150m-in-philippines-office-space-project-18846/>

Hong Kong's ADM Capital, BPE Asia to invest \$150m in Philippines Office Space Project

Hong Kong-based fund managers ADM Capital and BPE Asia Real Estate have announced plans of investing up to \$150 million to construct five office towers at the Clark Freeport in the Philippines.

The project stands as one of the largest investments by foreign investors in the Philippine real-estate sector, and the goal is to transform Clark Freeport into a new office and logistics hub.

In a joint statement, the two private equity firms pledged an initial \$150 million investment to fund the construction of "Grade A" office buildings and surrounding infrastructure within the 177-hectare Global Gateway Logistics City (GGLC).

The latter is a master-planned office and logistics district strategically located next to the Clark International Airport, being developed by Kuwait-based firm KGL Investment Co (KGLI).

ADM Capital is a fund-management company, while BPE Asia is an affiliate of Baring Private Equity Asia, based in Hong Kong.

To meet the demand of multinational companies and business process outsourcing (BPO) companies in Central Luzon, ADM Capital and BPE Asia are leading a consortium of investors providing the cornerstone capital for the construction of office buildings with gross floor area of 142,000 square meters within the GGLC site.

The first of the five office towers to be constructed on the GGLC site will be right across The Medical City Clark Hospital, designed to provide 5.8 million square meters of office, logistics, industrial and supporting retail and hotel space.

The Medical City Clark was the first development made by KGLI on the 177-hectare GGLC, which was also co-founded by ADM Capital and BPE Asia.

KGLI said, pre-leasing arrangements were already underway and construction of the first phase of office buildings is expected to start this November.

Large locators, such as Convergys, Texas Instruments, Samsung, and iQor, have already established a presence in Clark Freeport, while MNCs and BPOs are looking at expanding in the former US airbase.

BPE Asia managing director and head of real estate Mark Fogle explained the strong demand for office space in Metro Manila has resulted in high occupancy and rising rental costs, leading existing tenants and new entrants to look at secondary markets such as Cebu and Clark.

ADM CAPITAL

“The Clark area is well-positioned to thrive, given good accessibility and rents that are approximately half that of Metro Manila,” Fogle said. “With our own development and construction expertise in-house, BPE Asia looks forward to working closely with KGLI to deliver this high-quality project.”

Please contact **Investor Relations** on (852) 2536 4567 or email admir@admcap.com for further information.