



GFH ACQUIRES A \$2 BILLION PORTFOLIO OF AMAZON DESIGNATED LOGISTICS WAREHOUSES IN THE US

- Group continues to build its global logistics portfolio of blue-chip assets
- Investment leverages ongoing growth and expansion of e-commerce in the US

Manama– 3 November 2021 - GFH Financial Group (GFH or the Group) today announced its successful investment in a portfolio of high quality, income yielding logistics assets leased to Amazon. In a transaction currently valued at more than **US\$2 billion**, the portfolio, comprised of 14 mission-critical logistics assets strategically located in 11 states, is fully leased on a long-term basis to the global e-commerce giant.

Totalling more than 11 million sq. ft. of prime space, the investment sees GFH expand its portfolio of logistics assets in the US. GFH's investment drive is based on long-term fundamentals supported by the continued growth of e-commerce, evolution of supply chain logistics and inadequate supply with construction unable to meet the current or projected requirements of the industry. Demand for warehousing space has outstripped new supply by 41 million sq. ft. in Q3 2021 as e-commerce continues to grow in the post-pandemic era. Contributing factors include the impact of increased volumes in ports across the US stemming from the post-pandemic rise in demand for all goods, the effect of the Panama Canal expansion on shipping volumes to the eastern ports of the US, along with the continued push by e-commerce players to shorten delivery times. This has led to significantly higher demand for warehousing space, which has grown by over 135% compared to the same period last year.

The assets in the new portfolio have been designed and built to suit Amazon's requirements and are strategically located near major ports and critical infrastructure, minimizing inbound ground transportation expenses and providing for significant national reach to a majority of the US market.

The investment by GFH was made in partnership with Preylock Holdings, alongside a club of highly reputable multi-national institutional investment firms. Based in Los Angeles, Preylock Holdings is an



owner, manager, and developer with total assets under management of more than \$4 billion across 13 million sq. ft. of office and industrial investments.

Preylock CEO, Brett Lipman, commented, “Preylock values its strategic relationship with such a reputable partner in GFH and we look forward to continuing to execute on the logistics portfolio strategy. The strength of this asset class is unparalleled in US real estate and the Preylock portfolio is well positioned to deliver on that value.”

Mr. Nael Mustafa, Co-Chief Investment Officer – Real Estate at GFH, added, “We’re excited to announce another major investment in the US logistic sector, which continues to go from strength to strength and is projected to continue its positive momentum in the near term due to economic growth in the US and the increasing demand for logistics and warehouse assets. The 14 assets are strategically located, purpose-built and state-of-the-art, enabling Amazon to effectively streamline the flow and delivery of goods to its massive and ever-expanding customer base across the US. The investment is supported by the ongoing growth in e-commerce, with Amazon an undisputed leader, and the resulting demand for high quality industrial and warehousing space required for storage and distribution. We look forward to working with our industry partners in this transaction to maximize the value of the portfolio and continue to look for other opportunities to build our presence in the logistics segment of the real estate market both in the US and Europe.”

Over the past 12-months, GFH has built a portfolio currently valued at more than **US\$1 billion** in the US and European logistics sectors, including the purchase of facilities purpose-built for and occupied by market leading tenants such as Amazon in Spain and FedEx and Michelin in the US.

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About GFH Financial Group B.S.C.

GFH is one of the most recognised financial groups in the Gulf region. Its businesses include Asset Management, Wealth Management, Commercial Banking and Real Estate Development. The Group’s operations are focused in the GCC, North Africa and India. GFH is listed in Bahrain Bourse, Boursa Kuwait and Dubai Financial Market. For more information, please visit www.gfh.com

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