

## GFH completes early exit of Amazon portfolio in Spain amid booming demand for warehousing



- GFH successfully exits Amazon Last Mile Logistics Warehouses Portfolio less than a year after its initial investment as demand for quality warehousing facilities surges across Europe
- The investment generated approximately a 17% annualised return in less than a year
- The investment was managed by GFH's European logistics subsidiary, Roebuck Asset Management LLC, ("Roebuck")
- GFH continues to seek robust real estate assets in Europe and the US as part of its strategy focusing on prime, income yielding logistics assets

**Manama, Bahrain 29 January 2022:** GFH's European subsidiary, Roebuck Asset Management, has successfully completed an exit from its Amazon Last Mile Logistics Warehouses Portfolio in Spain, the investment group announced today. Acquired in 2020, the portfolio covers an area of approximately 140,000 square meters and comprises three strategically located, high-quality assets leased to Amazon Road transport Spain, S.L.U. The last mile delivery facilities, spread across Murcia, Alicante and Valladolid, form a critical part of Amazon's rapidly expanding Spanish logistics network.

Online sales accounted for unprecedented levels of total retail sales during the COVID-19 pandemic, spiking as high as a third in some European countries during lockdowns. The e-commerce market in Spain has grown to over €5 billion, expanding by an average of over 13% annually for the past decade. Amazon has invested nearly €3 billion in Spain over the past decade and has seen its revenues quadruple in the past few years. A fact that fueled the need for last mile distribution assets that facilitate and reduce delivery times.

During the holding period, Roebuck took an active asset management approach, overseeing the completion of the development and the takeover by the tenant, and actively sourcing a suitable buyer to secure the exit.

The portfolio's exit reflects an overall return on investment (ROI) of 17%, matching what was initially targeted over a longer holding period.

"Significant shifts in the e-commerce and Fast Moving Consumer Goods markets over the last two years have sparked increased demand for quality warehousing facilities across Europe. Leading distributors now rely on well located, modern facilities as part of their logistics networks. This is an opportunity we have been swift to capitalise on," said Hugh Macdonald-Brown, Managing Partner at Roebuck.



Nael Mustafa, Co-Chief Investment Officer at GFH, said: “While we still believe in the overall fundamentals of investing in logistics assets, our investment in the Amazon Last Mile Logistics Warehouses Portfolio has delivered the target yield and the capital appreciation desired. Amid favourable market conditions, we have decided to make a timely and profitable earlier exit to secure a strong return for investors.”

The investment group focuses on defensive sectors and prime, income yielding real estate and logistics assets. However, GFH’s strategy is also underpinned by an opportunistic and agile outlook that aims to capitalise on market shifts. The group has an ongoing strategy to diversify and expand its portfolio of international real estate assets.

Mr. Mustafa added: “GFH remains committed to the strategy of sourcing and structuring robust real estate asset transactions in Europe and the US that provide stable returns in fundamentally sound sectors supported by long term trends. ”

GFH’s exit from its Amazon Last Mile Logistics Warehouses Portfolio has positively impacted the group’s year-end financials of 2021.

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**About GFH Financial Group B.S.C:**

GFH is known among the global investor community as one of the Middle East region’s most highly regarded and credible financial investment groups. Over two decades, GFH has established a strong and diverse portfolio of investments across the Middle East, US, UK, Asia and other key markets. Focusing on defensive sectors, including healthcare, education, and logistics, GFH is focused on delivering growth and value creation for stakeholders.