

PAG and Dalian Wanda Commercial Management Group Announce New Agreement

December 12, 2023, Beijing – PAG, a leading Asia-focused private equity investment group, and Dalian Wanda Commercial Management Group Co. Ltd. announce that they signed a new investment agreement. Dalian Wanda is the parent company of Zhuhai Wanda Commercial Management Group Co., Ltd. Under the new agreement, PAG, together with other investors (the “existing investors”), will re-invest in Zhuhai Wanda with the proceeds redeemed from Dalian Wanda in accordance with their earlier investment agreement.

The existing investors made an investment of approximately USD5.9 billion (RMB38 billion) in Zhuhai Wanda in August 2021; PAG’s share was approximately USD2.8 billion (or about RMB18 billion). By the agreement of 2021, existing investors had the right to redeem their investment upon the due date.

Under the new agreement, Dalian Wanda will remain the largest single shareholder in Zhuhai Wanda, with 40% of shares outstanding. PAG and other investors will collectively own 60% of the company. Dalian Wanda and PAG, together with the other major shareholders, have pledged to further improve the governance of Zhuhai Wanda, maintain the stability of the management team, and jointly support the long-term growth of the business.

“This new agreement reflects our confidence in Zhuhai Wanda’s growth potential and its management capabilities,” said a PAG representative.

“Dalian Wanda appreciates the trust and support by the investors and will continue to support the development of Zhuhai Wanda,” said a spokesperson of Wanda.

Zhuhai Wanda is the world’s largest operator of shopping malls by square footage. The company currently manages 494 malls in 227 cities in China. Over the past two years, the number of malls under management has increased from 417 to 494, representing an annual growth rate of about 9%.

In the three years since the investment by the existing investors in 2021, Zhuhai Wanda has consistently outperformed its financial targets. Its after-tax revenue was RMB24 billion in 2021, RMB27 billion in 2022 and RMB29 billion (estimated) in 2023, representing an annual growth rate of about 12%. Its after-tax profit was RMB5.3 billion in 2021, RMB7.5 billion in 2022 and RMB 9.5 billion (estimated) in 2023, representing an annual growth rate of 34%. In the past three years, the company paid taxes of about RMB10 billion. And it also distributed dividends to shareholders of RMB4.6 billion in 2021, RMB6.7 billion in 2022 and RMB8.5 billion (estimated) in 2023.

About PAG

PAG is a leading private equity investment firm focused on Asia-Pacific with three core strategies: Credit & Markets, Private Equity, and Real Assets. It manages capital on

behalf of nearly 300 global institutional investors. PAG has more than 300 investment professionals in 15 key offices globally, and approximately USD55 billion in assets under management. For more information, please see www.paq.com.