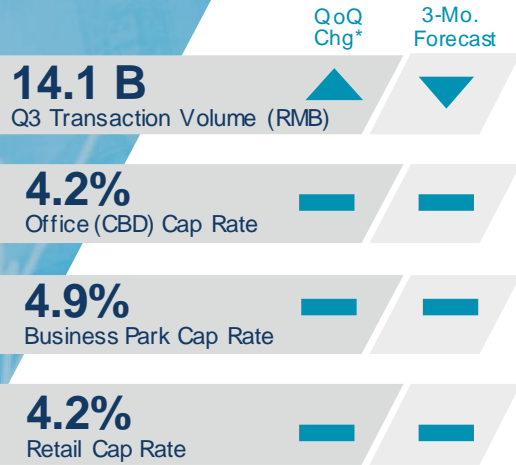


# BEIJING

## Capital Markets Q3 2020



### Transaction Volume Jumps 67.2% Q-O-Q in Q3

The overall market continued in recovery in Q3 in the wake of the pandemic. Overall transaction volume improved significantly on the previous quarter, at RMB12.2 billion, up 67.2% q-o-q.

As at the end of Q3, total transaction volume for the year-to-date stands at RMB41.1 billion, a fall of 30.5% on the same period last year. Office buildings, including R&D properties, continue to be the preferred asset for investors, accounting for 73.1% of total volume.

### Domestic – Foreign Joint Investment Partnerships Becoming More Prevalent

Although the pandemic has slowed the pace of activity, investors, especially foreign investors, have remained attentive to the Beijing market. For the Q1-Q3 period, foreign capital accounted for 33% of the total transaction volume in Beijing, considerably up on the 20% average of the past six years.

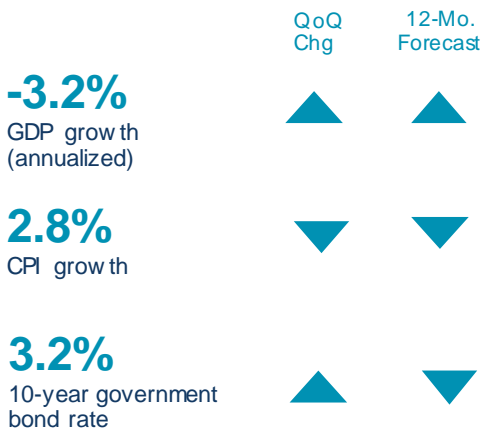
Joint investment partnerships by domestic and foreign players are also becoming more frequent. A notable example was the joint acquisition by GIC, AEW, and SDP Investment of the U-Show Plaza project, with the property expected to be upgraded and converted into an office complex.

### Domestic Investors to Continue to Drive Market, Tongzhou District a Rising Star

Investors remained cautious in Q3, alert to the risks of a further wave of COVID-19 or subsequent potential financial crisis. In this prevailing environment foreign investment activity will again be pressured, with transactions slowing, and domestic investors will continue to be the main drivers of the Beijing market in the short-term.

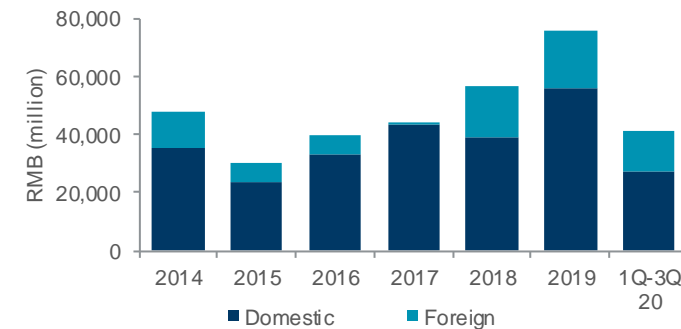
Tongzhou Canal Business District is gaining ascendancy, as new projects come onstream and the supporting transportation and commercial infrastructure enters maturity. The district has attracted banks, insurance companies and other financial sector firms. The opening of Beijing Universal Studios next year will further boost Tongzhou's commercial surroundings and consumer spending, and we can expect the district to win ever greater interest from enterprises and investors.

### ECONOMIC INDICATORS 2020 Q2



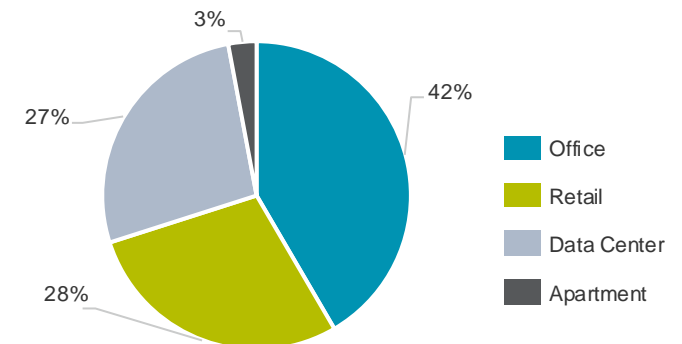
Source: Beijing Stats Bureau, China Foreign Exchange Trade System, Oxford Economics

### TRANSACTION VOLUME BY INVESTOR TYPE



Source: Cushman & Wakefield

### TRANSACTION VOLUME BY SECTOR (3Q 2020)

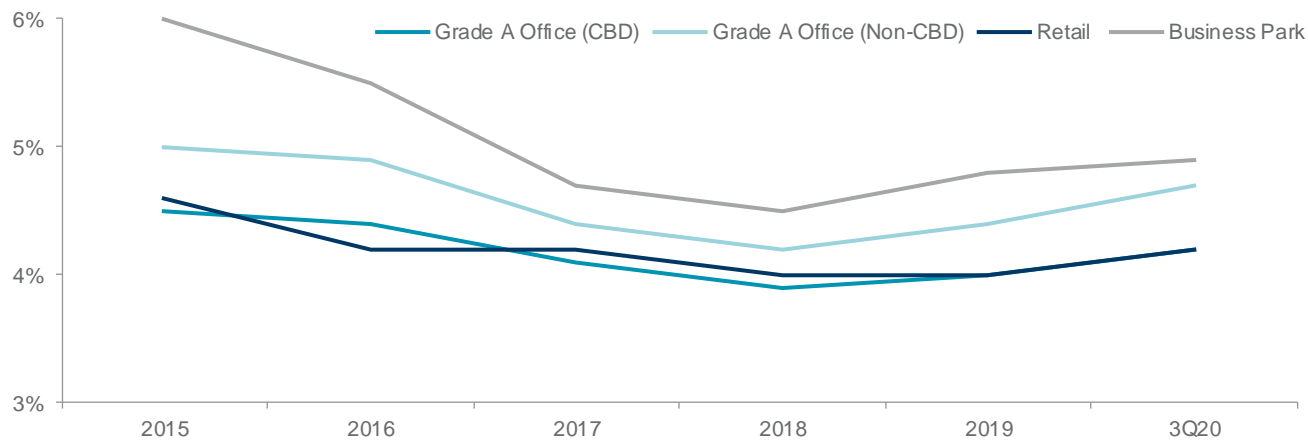


Source: Cushman & Wakefield

### KEY SALE TRANSACTIONS (2020 Q3)

PROPERTY	LOCATION	SECTOR	PRICE (RMB BN)	VENDOR	PURCHASER	DEAL TYPE
U-SHOW	Fengtai	Retail	-	GOME	GIC, AEW, SDP Investment	Investment
GREAT WALL FUGUO OFFICE BUILDING	Fengtai (Lize)	Office	3.36	GREAT WALL GUOFU REAL ESTATE; GREAT WALL GLORY SECURITIES	CHINA COMSERVICE	Investment
GDS Beijing No.14 Data Center	Shunyi	Data Center	3.8	CPE	GDS	Self-use
Beyou Lifestyle Center	Chaoyang (Wangjing)	Retail	0.9	CMBC	HANDE GROUP	Investment

### CAP RATE TREND



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