

YoY Chg 12-Mo. Forecast

4.2%
Disposable Income Growth



0.3%
Population Growth (2019)



2.3%
Tertiary Industry Growth



Source: Wuxi Statistics Bureau
The forecast is based on Oxford Economics

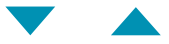
WUXI ECONOMIC INDICATORS Jan – Sept 2020

YoY Chg 12-Mo. Forecast

-3.9%
Total Retail Sales Growth



2.5%
GDP Growth



3.1%
CPI Growth



Source: Wuxi Statistics Bureau
The forecast is based on Oxford Economics

Yaohan Center Opened in Q4

The Yaohan Center project opened in December, adding 170,000 sq m of quality new retail supply to the market and bringing a landmark new shopping destination to East Wuxi. The new mall utilizes best-practice interior design and brand mixes. The opening of Metro Line 3 has also added convenience for consumers to enjoy a better shopping experience at many high-quality malls. East Wuxi is expected to welcome further prime shopping malls in the near future, boding well for the emerging submarket's development.

New First Stores Revive Consumer Expectations

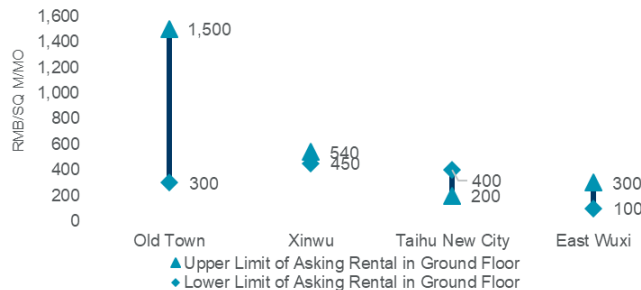
Rigorous COVID-19 pandemic control measures enabled Wuxi to record zero locally confirmed cases in Q4, enabling a relatively relaxing shopping environment. Supported by the festive season, many malls upgraded their brand mixes to successfully attract customer footfall. Yaohan Center itself introduced many first stores to the city, including cosmetics, food & beverage and experiential brands; and enjoyed sustained traffic following its launch, notably from parent and kid visitors. Livat Centre in East Wuxi adopted a similar strategy, while Center 66 introduced more luxury and high-end beverage brands including Peet's Coffee and % Arabica. Into the colder weather period shopping malls near metro line stations benefitted from solid foot traffic at night and on the weekends, while those more distant from metro stations or from major residential areas often suffered a fall in traffic.

Citywide net absorption recorded 167,996 sq m at the year-end. With solid occupancy recorded in Yaohan Center, the citywide average vacancy rate dropped to 3.7%.

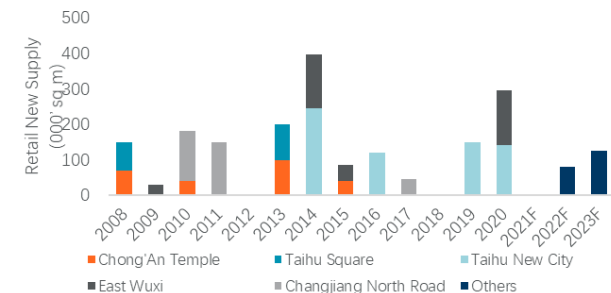
Competitive Rents at Yaohan Center Pushed Down Overall Rental Level

Citywide total retail sales growth was in positive territory at the year-end. With most malls in East Wuxi experiencing relatively lower rents, the citywide overall average rental edged down to RMB519.1 per sq m per month. Ahead, the average monthly rental level may stay under RMB600 per sq m, with most future prime supply to be located in the emerging submarkets.

RENT / VACANCY RATE



RETAIL SUPPLY PIPELINE BY SUBMARKET



MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	VACANT (SQM)	VACANCY RATE	UNDER CNSTR TILL 2023 (SQM)	OVERALL AVG RENT (RMB/SQMMO)*
Chong'An Temple	558,500	15,630	2.8%	-	456-1,520
East Wuxi	398,000	11,745	3.0%	-	100-240
Taihu Square	180,000	12,200	6.8%	-	300
Changjiang North Road	330,000	21,300	6.5%	-	300-510
Taihu New City	656,400	17,768	2.7%	-	200-400
WUXI TOTALS	2,122,900	78,643	3.7%		100-1,520

* Rental rates are calculated by NLA and considered as consistently achievable for prime space (usually the ground floor) in major shopping centers, excluding management fee, promotional fee and other fees.

SIGNIFICANT STORE OPENINGS Q4 2020

PROPERTY	SUBMARKET	TENANT	SECTOR
Center 66	Chong'An Temple	Cartier	Luxury
Center 66	Chong'An Temple	Peet's Coffee	Food & Beverage
Center 66	Chong'An Temple	Chanel	Beauty
Center 66	Chong'An Temple	%Arabica	Food & Beverage
Yaohan Center	East Wuxi	M-A-C	Beauty
Yaohan Center	East Wuxi	CCZOO	Parent & Kid
Yaohan Center	East Wuxi	Xin Bai Lu Restaurant	Food & Beverage
Yaohan Center	East Wuxi	Grandma's Kitchen	Food & Beverage
Yaohan Center	East Wuxi	Buffy Chinese Dimsum	Food & Beverage
Yaohan Center	East Wuxi	Tuna Maki Sushi	Food & Beverage
Livat	East Wuxi	Kwei Mun Long Restaurant	Food & Beverage

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	EXPECTED OPENING DATE	SQM
Xidong Wuyue Plaza	Others	2022	80,000
Yuanrong Plaza	Others	2023	130,000

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