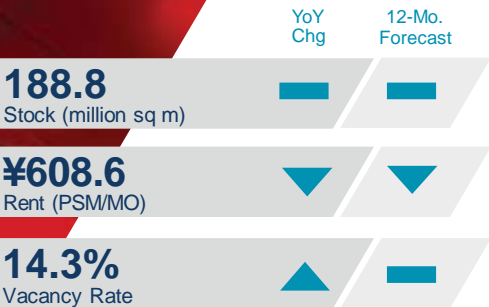


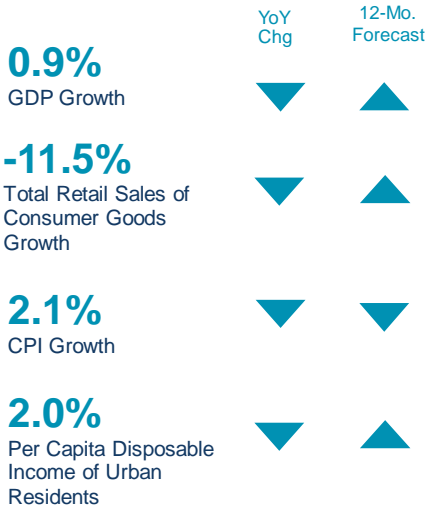
DALIAN

Retail Q1 2021



Source: Cushman & Wakefield Research

DALIAN ECONOMIC INDICATORS Q4 2020



Source: Dalian Statistics Bureau / Cushman & Wakefield Research

Market Overview

No new supply entered the Dalian market in Q1, and the city's prime retail stock remained at 1.89 million sq m. The retail market generally regained stability as the pandemic came under effective control domestically, with the citywide vacancy rate rising just 0.1 pp q-o-q to 14.3%, and overall average rent standing at RMB608.6 per sq m per month.

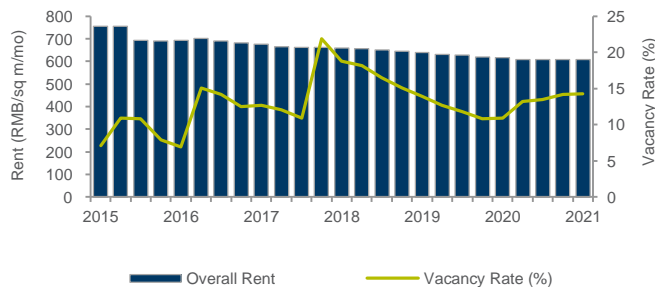
Entering 2021, many shopping malls continued to adjust their brands and upgrade tenant mixes. Innovative retail formats and crossover brands have also continued to appear, creating an enhanced shopping experience better meeting the more diversified needs of younger consumers.

Outlook

No new supply will enter the market in 2021. Mall operators will continue to focus on differentiated and distinctive upgrades based on regional retail characteristics. From 2022 to 2023, the MixC One in the Huanan submarket and CNOOC Harbour City in the East Harbor submarket will enter the market, which will bring 296,000 sq m of quality new retail space to the market. The new projects are expected to greatly boost the districts' retail environments and enhance their overall desirability for residents and shoppers.

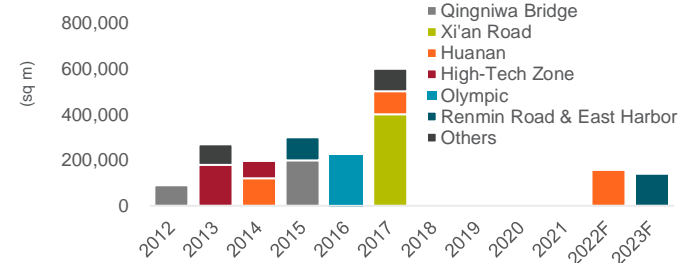
Looking ahead, we can expect that raised consumer expectations and changes in consumption habits will continue to promote innovation and transformation in shopping malls. The predominance of traditional retail areas such as apparel will likely decline, in favor of more current in-demand and attractive formats such as casual and light dining.

RENT / VACANCY RATE



Source: Cushman & Wakefield Research

RETAIL SUPPLY PIPELINE BY SUBMARKET



Source: Cushman & Wakefield Research

MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	VACANT (SQM)	VACANCY RATE	UNDER CNSTR TILL 2023 (SQM)	ASKING RENTAL RANGE (RMB/SQM/MO)*
Qingniwa Bridge	210,000	4,095	1.95%	0	500-1,300
Xi'an Road	766,560	181,521	23.68%	0	550-1,250
High-tech Zone	180,000	1,692	0.94%	0	350-600
Huanan	220,000	20,592	9.36%	156,000	300-800
OTHERS TOTALS	511,900	/	/	140,000	/
DALIAN TOTALS	1,888,460	270,050	14.3%	296,000	608.6

*Data includes shopping malls only.

*Asking Rental Range (RMB/sq m/mo) is based on ground floor rent in prime locations in major shopping centers, excluding management, promotional and other fees.

SIGNIFICANT STORE OPENINGS Q1 2021

PROPERTY	SUBMARKET	TENANT	SECTOR	SQM
Pavillion	Qingniwa Bridge	DJI	Electronic Products	80
Pavillion	Qingniwa Bridge	ADLV	Fashion	120

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	EXPECTED OPENING DATE	SQM
MixC One	Huanan	2022	156,000
CNOOC Harbour City	East Harbor	2023	140,000

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