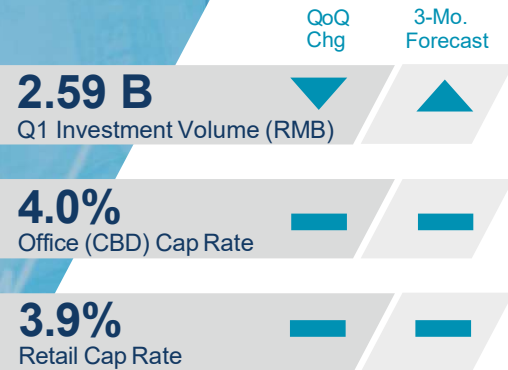


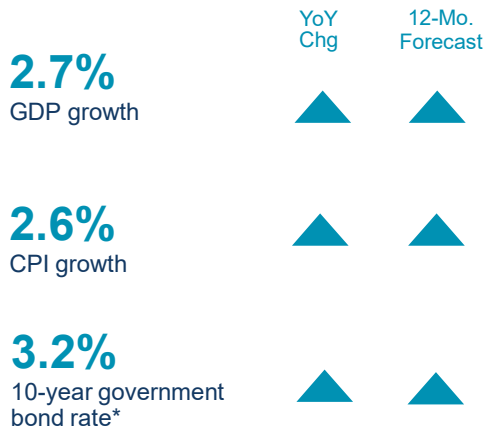
GUANGZHOU

Capital Markets Q1 2021



Source: Cushman & Wakefield

ECONOMIC INDICATORS JAN - Dec 2020



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

*10-year government bond rate is as of 31st Mar 2020.

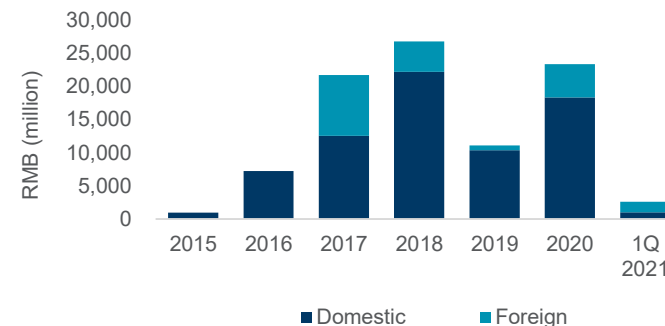
Capital Market Maintains Momentum

The capital market recorded four transactions in Q1, totaling RMB2.59 billion, up 7% y-o-y. Activity continued to pick up, indicating a good start to the year. Foreign investors returned to the market to account for 61% of total consideration. Domestic investors also remained active, with all three transactions recorded from enterprise buyers. The largest transaction was a for mixed-use property, with First Sponsor purchasing the Yingdielanwan project in Panyu from Chuang's Group for more than RMB1.56 billion. Two office transactions comprised a TMT firm's purchase of Casa Riva office units, and GZP Group's purchase of Ganghang Building Phase I 47-51F, together representing value of RMB0.52 billion. In the industrial sector, Foran Energy acquired a 40% equity share in Yuanheng Logistics, valued at RMB 0.50 billion.

Outlook

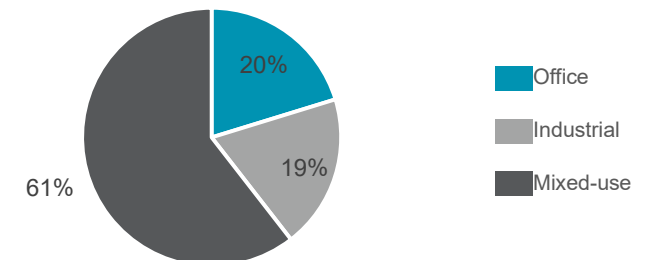
We expect domestic and foreign investors to continue to favor Guangzhou's capital market, generating increased investment opportunities. Investors are also increasingly considering the emerging submarkets. In Financial Town, the approval of the *Urban Design Optimization and Regulatory Plan of Financial Town* guidance indicates that building height limit issues have been resolved and we expect new construction to accelerate, with subsequent investment opportunities. Pazhou district saw well-known enterprises taking land parcels for headquarters developments, including Miniso, Sofia and Fang Suo Culture. Pazhou's industrial clustering benefits are gradually appearing, indicating future asset appreciation potential and supporting the region's investment market. Guangzhou's urban renewal program also continues, with the former TIT Science and Trade Park in Haizhu approved for redevelopment as a large commercial complex. More than 300 urban villages are also targeted for renovation, and investment opportunities for high-quality assets in the core area are set to grow.

TRANSACTION VOLUME BY INVESTOR TYPE



Source: Cushman & Wakefield

TRANSACTION VOLUME BY SECTOR (Q1 2021)

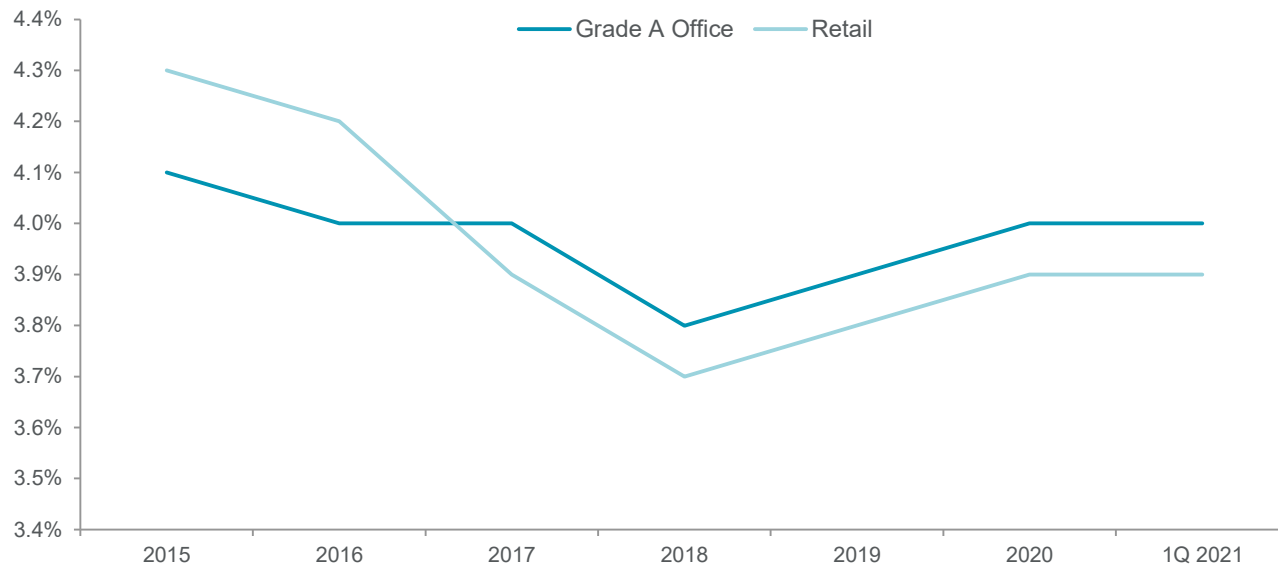


Source: Cushman & Wakefield

KEY SALE TRANSACTIONS (2021 Q1)

PROPERTY	LOCATION	SECTOR	PRICE (RMB MN)	VENDOR	PURCHASER	DEAL TYPE
Yingdianwan	Panyu	Mixed-use	1,564.1	Chuang's Group	First Sponsor	Investment
Yuanheng Warehouse 40% share	Nansha	Industrial	497.4	Yuanheng Logistics	Foran Energy	Investment
Ganghang Building Phase I. 47-51F	Huangpu	Office	309.2	Haigang Pearl	GZP Group	Owner Occupation
Casa Riva Office	Haizhu	Office	215.3	Zhujiang Investment	Unspecified TMT Company	Owner Occupation

CAP RATE TREND

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