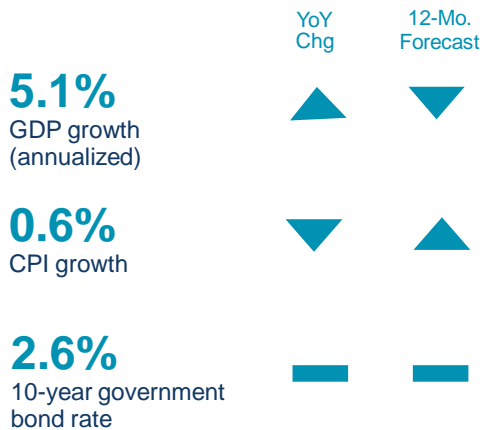


Source: Cushman & Wakefield

### ECONOMIC INDICATORS 2023 Q3



Source: Beijing Stats Bureau, China Foreign Exchange Trade System, Moody's Analytics

### Beijing Investment Market Activity Continued to Rise in Q4

Reduced sale price expectations led to continued growth in activity in the Beijing investment market in Q4, with transaction numbers and volume rising on the same period in 2022. Nine transactions were completed in Q4 for total transaction volume of RMB12.0 billion, up 7.7% q-o-q and 117.2% y-o-y. A total of 59 transactions were completed in the full-year 2023 period, with total volume reaching RMB57.6 billion, jumping 89.1% y-o-y. The deal count hit a new record high since 2019, with a significant increase in small and medium-sized projects, including 30 transactions at less than RMB500 million.

Investment-oriented buyers took a high share of market activity in Q4, with hotel assets in demand. Despite this, end-user buyer activity was on an upwards trend through the full year, with transaction volume of RMB28.2 billion accounting for 48.9% of total volume. End-user buyers actively sought office sector assets, accounting for 91% of total end-user transaction volume. By end-user buyer industry, the TMT sector remained the leader, accounting for 33% of the total end-user transaction volume.

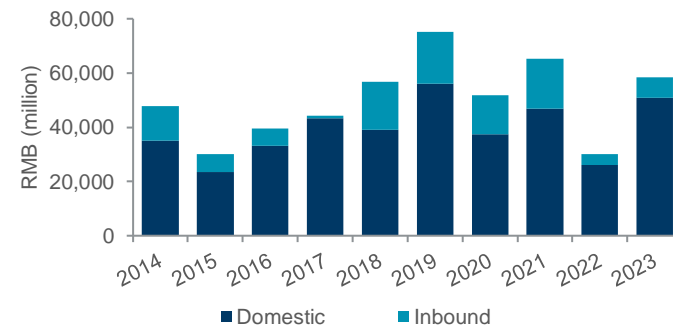
### Investment institutions Drawn to Consumer Infrastructure Public REITs

Although downwards economic pressures have led to a sustained slump in rental levels in the Beijing office leasing market, office building transactions have remained the mainstream of the investment market, taking a 62%, 62% and 66% share of total transaction volume in 2021, 2022 and 2023, respectively. However, retail and apartment projects are also now attracting greater investor attention, as consumer infrastructure public REIT development in the domestic market is gradually maturing. For the full-year 2023, the retail and apartment sectors' share of total transaction volume grew to 12% and 8%, respectively. In 2022, retail projects accounted for just a 5% share of total transaction volume, with no apartment properties transacted.

### Investment Opportunities Emerge, Domestic Players to Dominate Investment Buyers

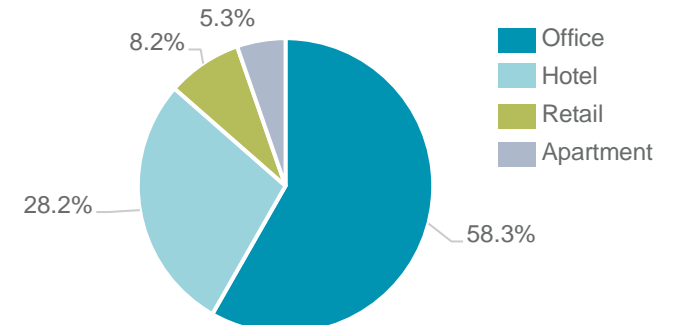
Going forward, we expect office sector transactions to remain central to the market. The impetus of the expected continued downward adjustment in selling prices of quality assets, combined with downward movement in deposit and lending rates, will see quality assets in core areas become more valuable investment targets. Enterprises are also likely to bolster their capital reserves by disposing of non-core assets in order to reduce debt ratios. As a result, a greater number of quality assets will become available in the Beijing market ahead. In terms of investment category, demand from end-user buyers will remain strong, while domestic operators will continue to dominate investment buyers.

### TRANSACTION VOLUME BY INVESTOR TYPE



Source: Cushman & Wakefield

### TRANSACTION VOLUME BY SECTOR (4Q 2023)

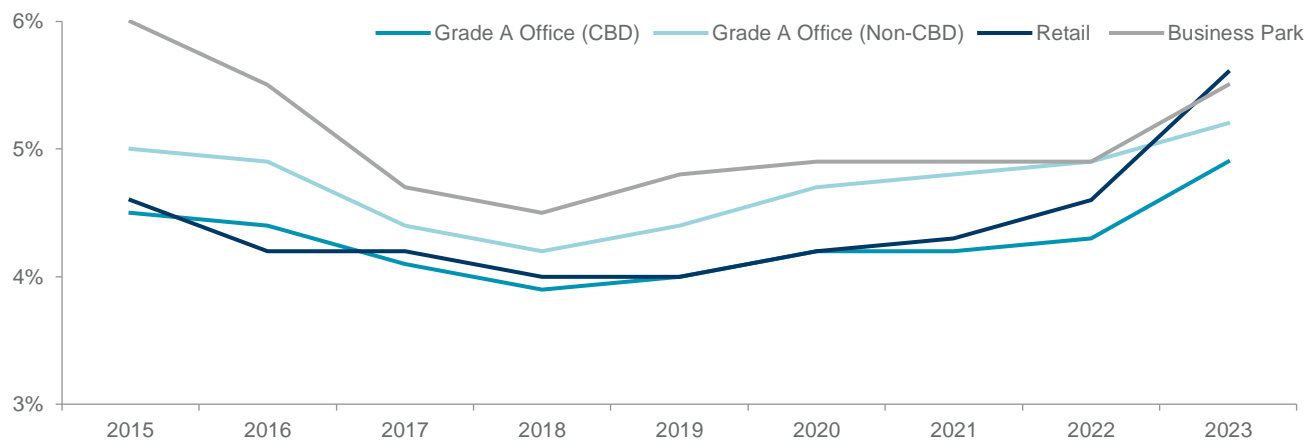


Source: Cushman & Wakefield

### KEY SALE TRANSACTIONS (2023 Q4)

PROPERTY	LOCATION	SECTOR	PRICE (RMB MN)	VENDOR	PURCHASER	DEAL TYPE
JD Technology Tower	Haidian	Office	4,000	AG	JD	Owner Occupation
Westin Beijing Chaoyang Hotel	Chaoyang	Hotel	2,800	Jinmao Beijing	Beijing Bohai Runze	Investment
CapitaLand Mall Shuangjing	Chaoyang	Retail	842	CapitaLand China Trust, CLCT	A Corporation from Ordos	Investment
Lianbao Apartment	Chaoyang	Apartment	689	ShoKai + Hong Kong Come Year	N/A	Investment

### CAP RATE TREND



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