

MARKET FUNDAMENTALS

NT\$1,550
Xihu Section rents (NTD/ Ping/ month)

3.4%
Xihu Section vacancy (vacancy rate in %)

Source: Cushman & Wakefield Research

TAIWAN ECONOMIC INDICATORS Q3 2024

| | Q2 2024 | 12-Month Forecast |
|--|---------|-------------------|
| 4.2% GDP Growth | 4.9% | ▲ |
| 8.2% Secondary Sector Growth | 9.3% | N/A |
| 2.3% CPI Growth | 2.2% | ▼ |

Note: Growth figure is y-o-y growth
Source: Directorate-General of Budget, Accounting and Statistics, Moody's Analytics

NHTP VACANCY RATE RISES SLIGHTLY

The vacancy rate in Xihu Section edged up 0.1 percentage points to 3.4% in Q4 2024, with only modest absorption of 320 pings by an apparel retail tenant at Chonghong New Century. In Wende Section, the vacancy rate dropped by 0.5 percentage points to 5.5%, mainly due to the absorption of 160 pings by a wholesale and retail tenant at Shi Ji Guo Pao, and 680 pings by the optoelectronics industry at Boss World DC. Jiuzong Section saw vacancy climb 1.4 percentage points to 12.8%, with just 200 pings absorbed by a biotech company at Wei Mon Industry Building.

RENTALS HOLD STEADY, CAPITAL VALUES EDGE UP

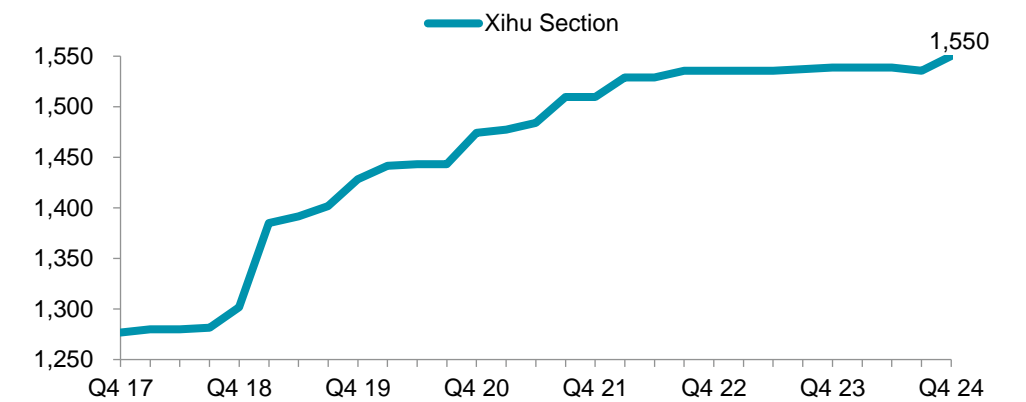
Rental levels remained steady in Q4, with Xihu Section seeing a slight increase to NT\$1,550 per ping per month. Rent in Wende Section held steady at NT\$1,100 per ping per month, while Jiuzong Section remained at NT\$1,000 per ping per month. Capital values in each section also remained stable, with Xihu Section ranging from NT\$630,000 to NT\$900,000 per ping, Wende Section from NT\$470,000 to NT\$560,000 per ping, and Jiuzong Section from NT\$440,000 to NT\$540,000 per ping. The most notable market transaction in Q4 was Silver Lake International Asset Management Limited's acquisition of eight pre-sale I/O units at Kuo Yang Intercontinental Headquarters in Jiuzong Section for NT\$1.214 billion, with an average price of approximately NT\$796,000 per ping.

UPGRADED DEMAND RISES AMID AGING FACILITY COMPETITION

The aging specifications and planning of older industrial offices developed in the early stages of the NHTP mean that many of these facilities are increasingly unable to meet current standards for energy efficiency, green building certifications, and human-centric workplaces aligning with ESG trends. Consequently, newly completed industrial office buildings are becoming more attractive to those enterprises with more ambitious ESG targets, while older facilities are gradually facing increased competitive pressures.

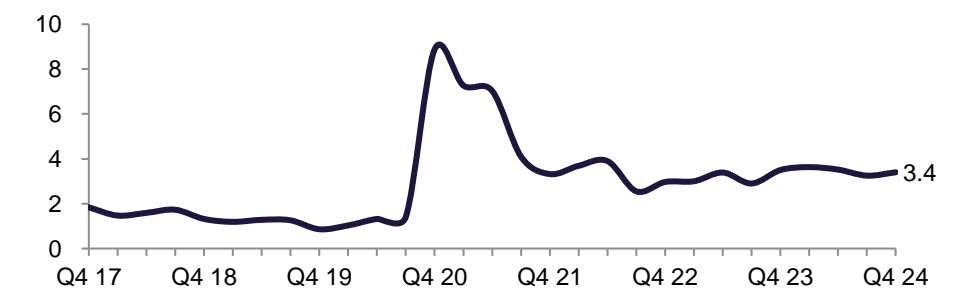
Rent Level in Xihu Section

Average Rents (NTD/ Ping/ month)



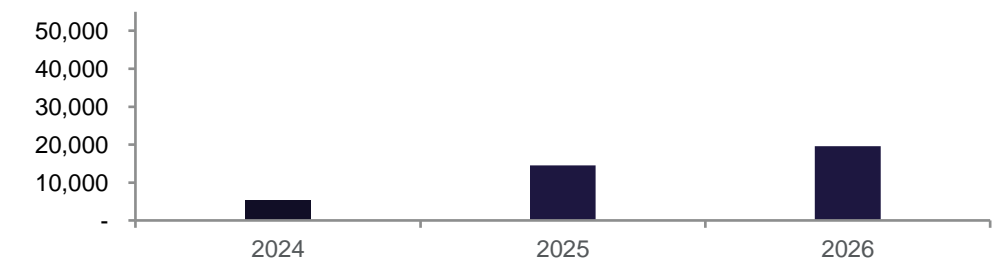
Vacancy Rate in Xihu Section (%)

Vacancy Rate (by %)



Future Supply

Area (Ping)



RENT LEVELS Q4 2024

| | I/O RENT | | | Q-O-Q CHANGE |
|---------------------|--------------|------------|------------|--------------|
| | NTD/PING/MO | USD/SF/MO | EUR/SF/MO | |
| Xihu | 1,550 | 1.34 | 1.27 | 0.9% |
| Wende | 1,100 | 0.95 | 0.90 | 0.0% |
| Jiuzong | 1,000 | 0.86 | 0.82 | 0.0% |
| NHTP AVERAGE | 1,220 | 1.0 | 1.0 | 0.8% |

Area Conversion: 1 Ping=35.58 Square Feet =3.3 Square Meters
Exchange Rate: 1USD = 0.9506EUR = 32.5244NTD (as of Dec 16, 2024)

VACANCY RATE Q4 2024

| | Q4 2023 | Q1 2024 | Q2 2024 | Q3 2024 | Q4 2024 |
|---------------------|-------------|-------------|-------------|-------------|-------------|
| Xihu | 3.5% | 3.6% | 3.5% | 3.3% | 3.4% |
| Wende | 6.4% | 6.1% | 6.3% | 6.0% | 5.5% |
| Jiuzong | 12.2% | 12.3% | 11.7% | 11.4% | 12.8% |
| NHTP AVERAGE | 6.1% | 6.1% | 6.0% | 5.7% | 6.0% |

KEY LEASE TRANSACTIONS Q4 2024

| PROPERTY | SECTION | TENANT INDUSTRIAL CLASSIFICATION | PING | Type |
|---------------------------|---------|----------------------------------|------|-----------|
| Chonghong New Century | Xihu | Apparel Retail | 320 | New Lease |
| Shi Ji Guo Pao | Wende | Wholesale and Retail | 160 | Expansion |
| Boss The World D.C. | Wende | Optoelectronics Industry | 680 | Expansion |
| Wei Mon Industry Building | Jiuzong | Biotech Company | 200 | New Lease |

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