



Acquisition of
Beijing Jingtong
Roosevelt Plaza

November 2018

Roosevelt Plaza in Tongzhou, Beijing

Property Particulars



Location

21 Cuijingbei Lane, Tongzhou, Beijing

Opening

2014

No. of Floors

Retail: 7 (B1-6F)
Car Park: 2 (B2 and B3)

Gross Floor Area

67,546 sqm (Retail)

Car Park Spaces

576 spaces

Agreed Property Value

RMB2,560M

Expected date of completion of acquisition

23 Jan 2019

Note:

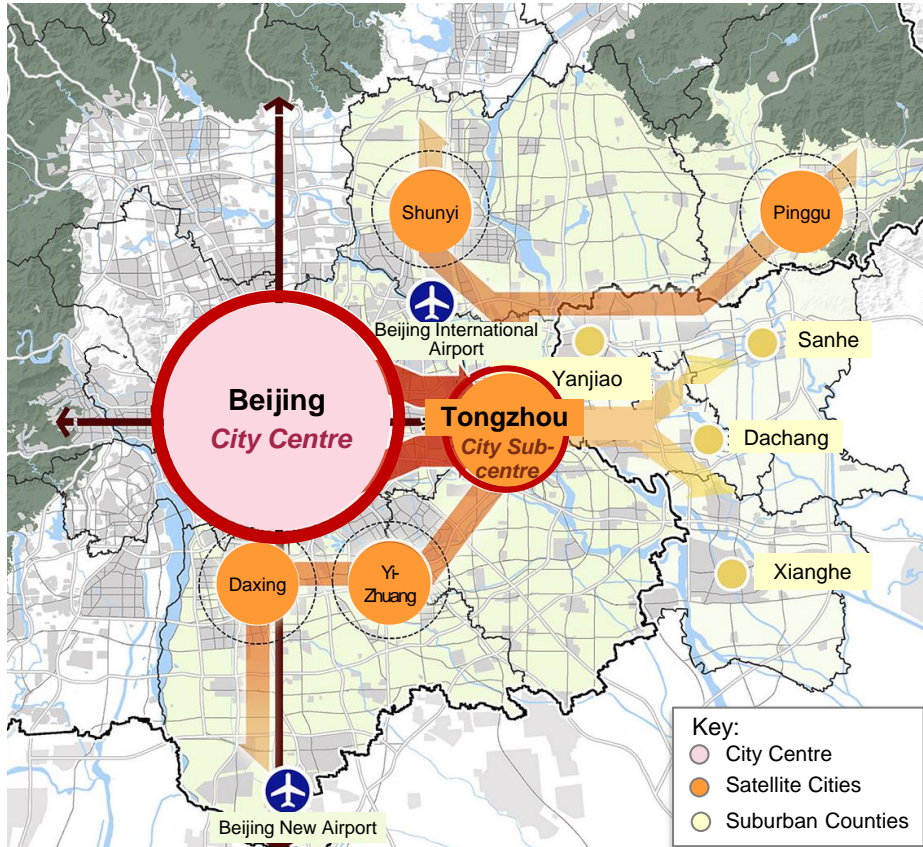
(1) As at 31 October 2018.

Investment Rationale

1	Sub-centre of Beijing	<ul style="list-style-type: none"> • Municipal government departments have started relocating to Tongzhou • Population expected to increase to 1.6M by 2020 • To develop into an administrative, commercial and tourist centre
2	Strong Consumption Demand	<ul style="list-style-type: none"> • Located in Jiukeshu (九棵樹), the core residential area of Tongzhou, an increasingly affluent and well-educated catchment • Strong disposable income growing at ~10% since 2013
3	Good Connectivity	<ul style="list-style-type: none"> • Situated along Beiyuan South Road, the main artery of Tongzhou district • Adjacent to Jiukeshu Station, only 30 minutes from Beijing CBD by metro • New metro extensions under construction connecting to Universal Studio
4	Immediate Upside	<ul style="list-style-type: none"> • ~50% leases by area will expire in 2019 and 2020 • Upside potential from improving retail offerings and tenant remixing • Currently managed by an established asset management team

1. Tongzhou - Sub-centre of Beijing

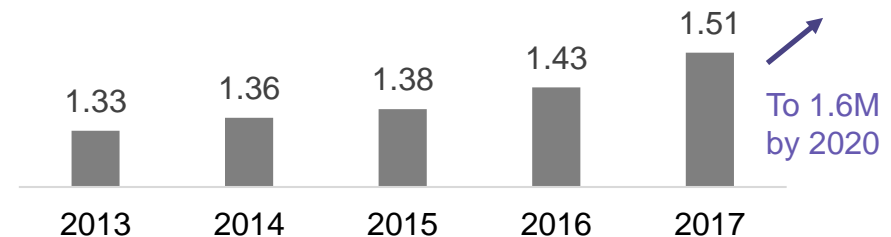
A Brief Overview



2016–2035 Beijing City Government overall plan for Tongzhou :

- Relocation of municipal government departments
- Government staff quarters and public facilities under planning
- Transportation hub for other satellite cities
- Universal Studio to open in 2020
- Working population will grow to 600–800k by 2035

Population of Tongzhou (million)



Sources:

Beijing Municipal Commission of City Planning, Tongzhou Statistics Bureau, Xinhuanet.com

Tongzhou is a city sub-centre well-positioned to enjoy influx of residential and working population due to migration of municipal government functions

2. Strong Consumption Demand Jiukeshu – A Well-established Residential Area



Residential developments nearby



Beijing Life Plaza
(The only other retail mall within 2km radius)

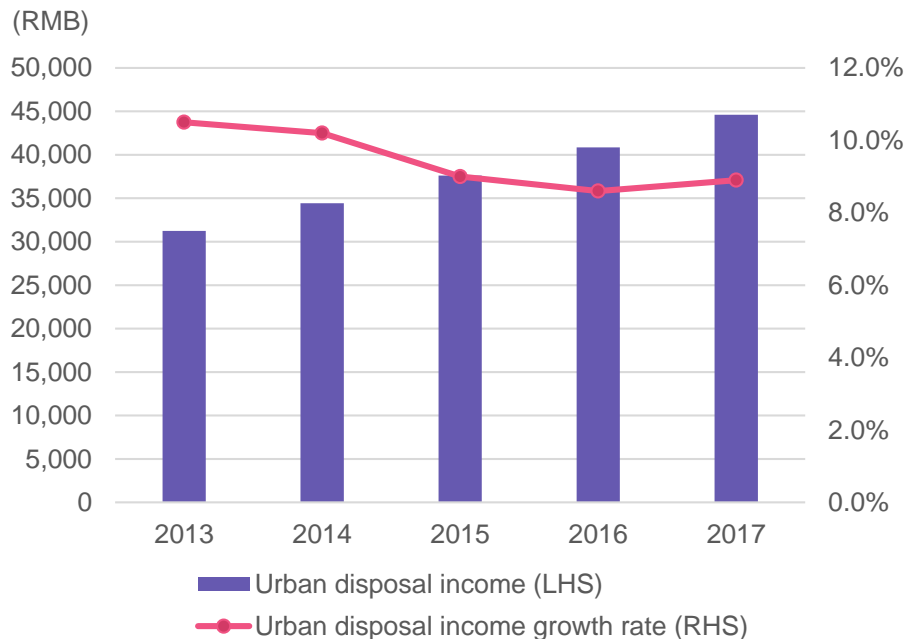
Strategically located near Jiukeshu station,
a well-established residential area with limited competition

2. Strong Consumption Demand (cont'd)

Tongzhou – Growth in Income and Catchment

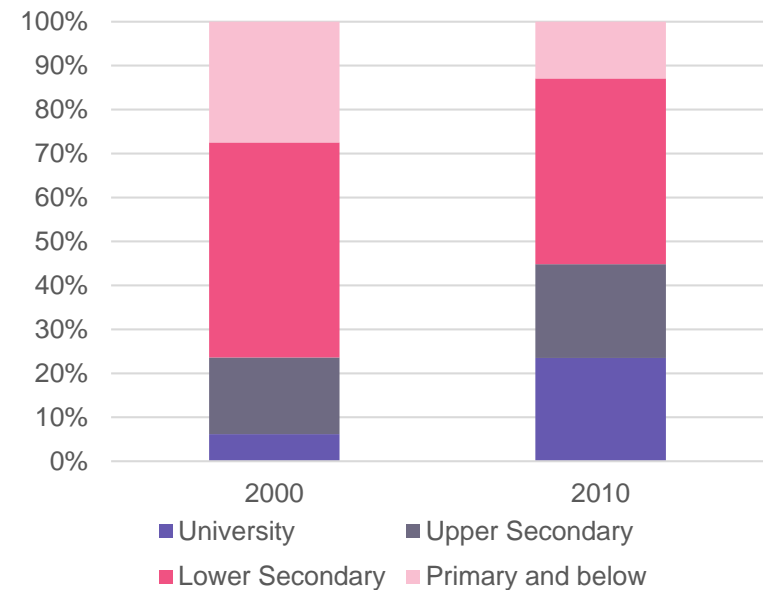
Strong growth in disposable income

**Tongzhou disposable income and growth rate
(per capita per year)**



Well-educated catchment

Distribution of education level



**Consumption power should continue to grow amid
development of the district and its catchment**

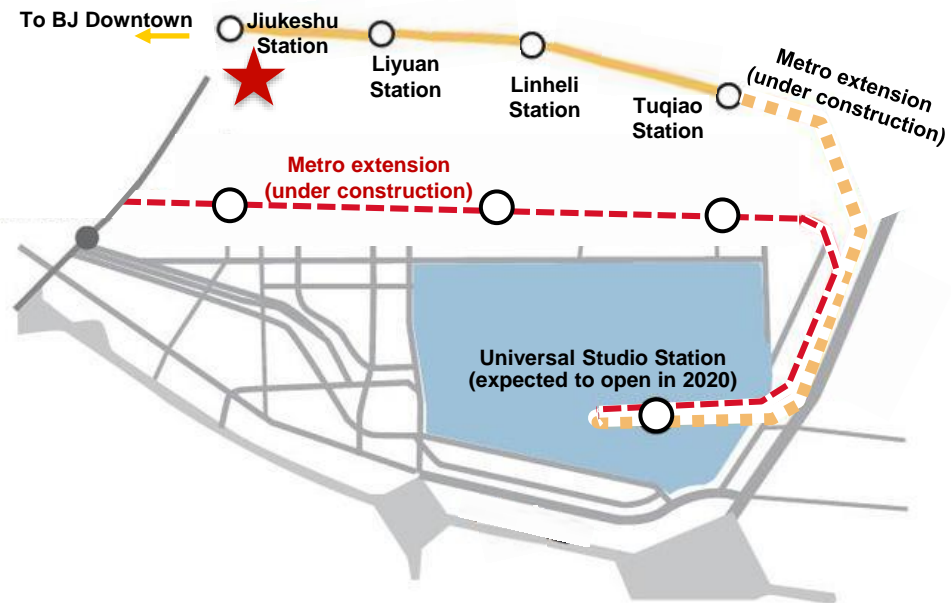
3. Good Connectivity

Easily Accessible by Existing and New Metro Lines

Adjacent to metro station
along a major thoroughfare



New metro line connecting
Jiukeshu Station to Universal Studio



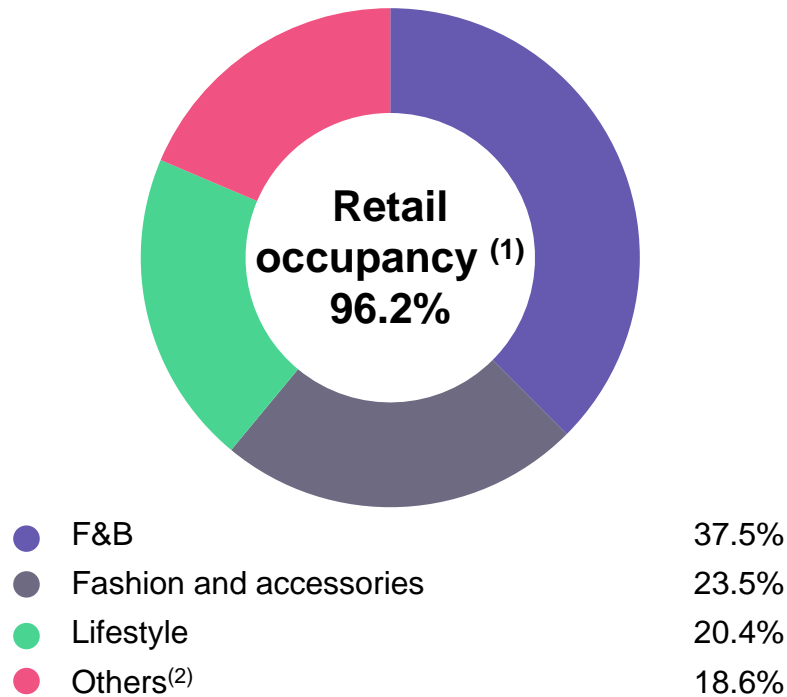
Source: Beijing Evening News

Roosevelt Plaza will capture opportunities from new developments and changing demographics in the surrounding area

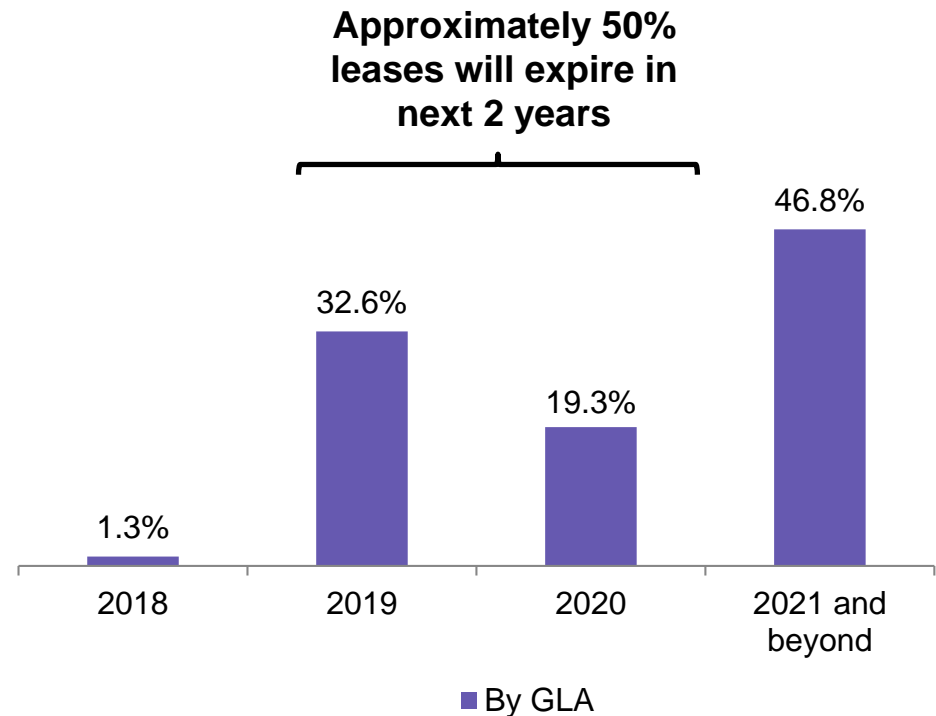
4. Immediate Upside

Balanced Trade Mix and Rental Upside

Trade mix (by rent) ⁽¹⁾



Lease expiration ⁽¹⁾



Managed by an asset management team with ~4 years' experience in leasing, property management and car park operations at the project

Notes:

(1) As at 31 October 2018.

(2) Others include kids and entertainment.

Conditions at Roosevelt Plaza

Pleasant shopping environment



Mix of retail and entertainment



Quality Tenants

Food & Beverage



Kids & Entertainment



銀興影城



Fashion & Sportswear



Financial Impact

Agreed Property Value	RMB2,560M⁽¹⁾
Valuation by JLL	RMB2,560M
Earnings contribution	
Monthly gross income (excluding management fees)	RMB10.3M
Financing	
▪ Acquisition to be funded by debt and existing liquidity	
Portfolio mix	
▪ Pro-forma adjusted ratio of Mainland China assets ⁽²⁾	9.5%
Impact on gearing	
▪ Pro-forma adjusted ratio of debt to total assets ⁽³⁾	11.6%

Notes:

(1) The Property is subject to a mortgage of RMB749M. The mortgage will be deducted from the balance of the consideration payable to the seller on completion

(2) Based on valuation of Link portfolio as at 30 Sep 2018.

(3) Based on the consolidate financial position of Link as at 30 Sep 2018.

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