



PRESS RELEASE

Hengli Investments Holding Group and Gaw Capital Partners Close Acquisition of Cityplaza Three & Four in Hong Kong

April 11, 2019, Hong Kong – Hengli Investments Holding (Group) Ltd. (“Hengli Group”) and real estate private equity firm **Gaw Capital Partners**, through a fund under its management, today closed the acquisition of portions of Cityplaza Three (including 10 high zone office floors and commercial areas) and Cityplaza Four from Swire Properties. The partners closed the acquisition of the two office towers for HK\$15 billion, amounting to an average price of around HK\$19,350 per sq. ft.

Located in the growing business center of Taikoo Shing in Hong Kong’s Eastern District, the two 22-storey Grade-A office towers have a combined GFA of around 775,000 sq. ft. and enjoy views over the Victoria Harbor with direct walkways connecting the buildings to Tai Koo MTR station and Cityplaza shopping mall. With the recent opening of the Central-Wan Chai Bypass, the towers also have quick and convenient access to the Central business district.

Chang Wei Chen, Chairman of Hengli Investments Holding (Group) Ltd., said, “Record-high rents in traditional business areas have created demand for more cost-effective and spacious Grade-A office buildings in emerging commercial districts, creating huge potential for areas like Taikoo Shing. Working closely with Gaw Capital’s team, we look forward to adding strategic value to Cityplaza Three and Four through property enhancement work, leveraging the towers’ attractive location in the fast-growing Eastern District to capture this new wave of tenants. This investment is one of the long-holding properties of our Group in Hong Kong, which will provide continuous stable rental returns.”

Mr. Chen, possessing over 30 years of experience in investment, industrial and commercial sectors and real estate development, is the key decision maker on strategic development for Hengli Group. Mr. Chen is currently the second-largest shareholder of Wanda Hotel. Wanda Hotel is principally engaged in property development, property letting, property management and investment holding activities.

Kenneth Gaw, President and Managing Principal of Gaw Capital Partners, said, “We are delighted to be partnering with Hengli Group to purchase portions of Cityplaza Three, including 10 high zone office floors and commercial areas, and Cityplaza Four and to reposition them into attractive office space that appeals to the new wave of businesses moving into the Taikoo district. Riding on the properties’ promising location, we will deploy a creative approach to asset management that strengthens the buildings’ pull factors and makes them a key destination for firms that are looking to relocate to the Eastern District.”

Gaw Capital has over 13 years of experience investing in and/or turning around commercial properties in Greater China, including Hong Kong. The firm successfully transformed and



repositioned properties such as 133 Wai Yip Street in Hong Kong, a former 12-storey industrial building turned creative office space; and Sky Bridge HQ, a mixed-use project located in the heart of Linkong Economic Park in Shanghai. In recent years, the firm also purchased 29 local Hong Kong shopping malls from Link REIT, which it intends to reposition and revitalize into attractive hubs of community life.

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About Hengli Group

Headquartered in Hong Kong, Hengli Investments Holding (Group) Limited was established in 1989. The Group's main activities are engaged in diversities of business, including the development and sales of residential and commercial properties, property investment, asset management, funds as well as property leasing in mainland China, Hong Kong and overseas. Recent selected investment portfolios include a one-floor luxury residential unit in Opus, the Peak, Hong Kong, and the headquarters of Lloyds Bank in the City of London. Following the prolonged success in sales of developed properties, the Group is continuously looking at investment opportunities globally.

About Gaw Capital Partners

Gaw Capital Partners is a uniquely positioned private equity fund management company focusing on real estate markets in greater China and other high barrier-to-entry markets globally.

Specializing in adding strategic value to under-utilized real estate through redesign and repositioning, Gaw Capital runs an integrated business model with its own in-house asset management operating platforms in retail, hospitality, property development and logistics. The firm's investments span the entire spectrum of real estate sectors, including residential development, offices, retail malls, hospitality and logistics warehouses.

Gaw Capital has raised five commingled funds targeting the Greater China and APAC regions since 2005. The firm also manages value-add/opportunistic funds in Vietnam and the US, a Pan-Asia hospitality fund, a European hospitality fund and also provides services for separate account direct investments globally.

Gaw Capital has raised equity of USD\$ 11.4 billion since 2005 and commands assets of USD\$ 18.2 billion under management as of Q4 2018.