



PRESS RELEASE

Gaw Capital Partners Completes Acquisition of Florentia Village Guangzhou Outlet Mall

April 21, 2023, Hong Kong – Real estate private equity firm Gaw Capital Partners announced today that the firm, through a fund under its management together with LPs' co-investment, has acquired **Florentia Village Guangzhou outlet mall in Guangdong, China**, with a total gross leasable area of 62,200 sqm.

Situated within the Guangzhou-Foshan Metropolitan Area, Florentia Village Guangzhou outlet mall enjoys excellent transport connectivity via Guangzhou South Railway Station and proximity to Guangzhou city center and Foshan, making it an ideal retail destination for the catchment pool of 21 million residents in Guangzhou and Foshan. Opened in 2015, Florentia Village Guangzhou has matured rapidly to achieve full occupancy with an established tenancy mix of 182 international and local retail brands.

Florentia Village outlet mall markets in different top-tier cities in China, and it has been constantly growing over the past four years. RDM Asia will continue as the property and asset manager for the outlet mall business, leveraging its experience in developing, leasing, and managing luxury outlets across China. The master plan for the expansion works of the 17,000 sqm connecting square and adjacent retail podium in the outlet mall has been approved by authorities and it will take approximately 12 months to complete the planned asset enhancement works.

Christina Gaw, Managing Principal & Global Head of Capital Markets, Co-chair of Alternative Investments at Gaw Capital, said, “We are delighted to have completed the acquisition of Florentia Village Guangzhou outlet mall, which is a strong performing asset with unique expansion opportunity. Despite the global economic challenges, China’s luxury goods market continues to enjoy steady growth. We expect Chinese consumers’ spending to continue its favorable growth boosted by the border reopening. The expansion of Florentia Village will allow us to harvest untapped revenue potential and create value through asset upgrades.”

Imelda Tham, Managing Director – Investment at Gaw Capital, said, “The Florentia Village Guangzhou outlet mall is a unique and resilient segment of the retail sector, and being located in the Greater Bay Area, it will be able to ride on a domestic consumption-led recovery in the region. The strong rebound in footfall since the relaxation of measures has been remarkable and we hope to continue to attract more visitors by enhancing the brand offerings through the expansion opportunity at the outlet.”

Chinese retail markets have achieved 6.3% CAGR (Compound Annual Growth Rate) by sales over 2018-21, well weathering the Covid storm. Following an impressive 48% increase in 2020, China’s domestic sales of personal luxury goods grew 36% in 2021, totaling nearly RMB471 billion,



according to the findings of Bain & Company's annual *China Luxury Report 2021*¹. China's current share at approximately 21% of global luxury goods spending is expected to surge, making it the world's largest luxury goods market by 2025.

Gaw Capital has over 18 years of experience investing in and turning around commercial, industrial, residential, and retail properties in Asia Pacific including Greater China and Hong Kong. As of Q4 2022, Gaw Capital commanded assets of US\$35.7 billion under management globally.

-END-

About Gaw Capital Partners

Gaw Capital Partners is a uniquely positioned private equity fund management company focusing on real estate markets in Asia Pacific 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 commercial, hospitality, property development, logistics, IDC and education. The firm's investments span the entire spectrum of real estate sectors, including residential development, offices, retail malls, serviced apartments, hotels, logistics warehouses and IDC projects.

Gaw Capital has raised seven commingled funds targeting the Greater China and APAC regions since 2005. The firm also manages value-add/opportunistic funds in the US, a Pan-Asia Hospitality Fund, a European Hospitality Fund and a Growth Equity Fund, and it also provides services for credit investments and separate account direct investments globally.

Since 2005, Gaw Capital commanded assets of US\$35.7 billion under management as of Q4 2022.

Contacts:

Gaw Capital Partners

Camille Lam

Tel: +852 2583 7717/+852 9884 9198

Email: camillelam@gawcapital.com

www.gawcapital.com

Citigate Dewe Rogerson

Paul Sutcliffe

Tel: +852 3103 0117 / +852 6114 1069

Email: Paul.Sutcliffe@citigatedewerogerson.com

¹ Bain & Company's annual *China Luxury Report 2021*:

<https://www.bain.com/about/media-center/press-releases/2022/2021-china-luxury-report>