CHINA PROPERTY WEEKLY WRAP

Week 18 Wrap - Labor Day holiday sales maintained strength following new wave of local easing

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Key highlights for the week:

New wave of local easing: *Amongst T-1 cities*, both Shenzhen and Guangzhou expanded easing measures, with **1)** Shenzhen further easing home purchase restrictions in its remaining core districts, allowing households and individuals with local Hukou to purchase up to 3 housing units, while quota for non-Hukou residents was also expanded by 1 additional units. Meantime, the Housing Provident Fund ("HPF") loan ceiling was raised to Rmb700k for individuals and Rmb1.3mn for households, with a 20-70% additional quota for qualified borrowers; **2)** Guangzhou raising HPF loan ceiling to Rmb1mn for individuals and Rmb2mn for households, with a 10-50% additional quota for qualified borrowers. In addition, a new subsidy of up to Rmb30k was introduced for trade-in purchasers, while housing voucher eligibility has been extended to non-residential property owners undergoing expropriation. *Beyond Tier-1 cities*, **1)** Suzhou raised HPF loan limits, emphasized balanced land supply, expanded "white-list" loan support, and vowed accelerated destocking of completed inventory; **2)** Tianjin promoted LGSB-funded land buybacks, conversion of completed inventory into rental housing, expanded home purchase subsidies, and tax rebates for trade-in buyers; **3)** Wuhan broadened first-time homebuyer criteria, offered subsidies for new commercial/office property purchases, and optimized HPF loan terms; **4)** Yangzhou expanded eligibility for its housing voucher program for talents, introduced purchase subsidies for families with children and talents, and extended land payment deadlines to ease developer funding pressure.

Market performance: During the Labor Day holiday (May 1st-5th), daily average new home sales across 20+ monitored cities rose 13% yoy compared to the 2025 holiday period and were 57% higher than 2024 levels, according to CREIS. Meanwhile, daily average secondary home sales in 10+ monitored cities increased 27% yoy versus the 2025 holiday period and reached 70% above 2024 levels. Pricing stayed solid with transaction prices in monitored cities rising 2% wow, and agent price expectations (CSI) up 1.7pp over the same period, supported by new listing supply declining 17% wow (and was down 36% relative to the 2025 holiday week).

Key data points:

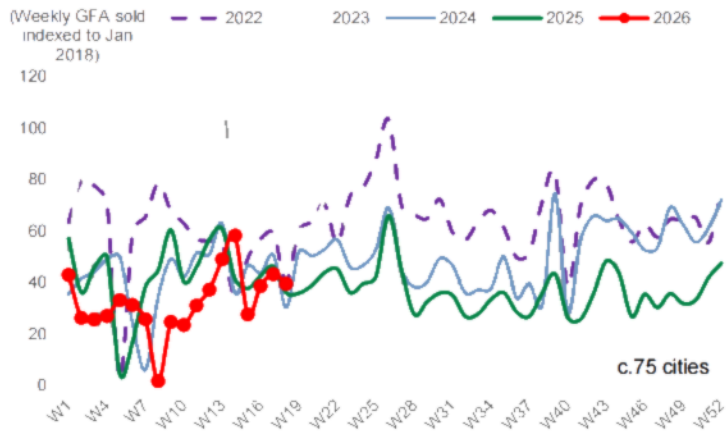
- **New homes** sales volume was -9% wow and +10% yoy, while new home search activities were flattish wow.
- **Secondary** transactions were -25% wow and +52% yoy, with price appreciation expectations improving for agents while staying flattish for home sellers.
- **YTD: Primary GFA** sold on average was -17% yoy and was -14%/-50% vs. the 2024/2023 level; **secondary GFA** sold on average was -4% yoy and was +25%/+4% vs. the 2024/2023 level.
- **Inventory** balance was +0.1% wow, with inventory months at 29.0 (vs. average 29.3 in Apr-26).
- **Valuation:** Our covered **stronger SOE developers** saw share price +7% wow on average, with COLI (0688.HK, Buy) outperforming at +12% wow; meanwhile, **POE developers** and **other SOE developers** both saw share price +3% average wow. Our offshore/onshore coverage now trade at an average 20%/13% discount to end-2026E NAV and at 0.6X/0.5X 2026E P/Bs.

Implications:

- **Completions:** GSPC tracker indicates **c.10 % yoy decline** in Apr (vs. -19% yoy/high-teens % yoy decline in Mar by NBS/GSe) and -1% yoy in FY26E per GSe.
- **New starts:** New starts to record a **mid-teens % yoy decline** in Apr (vs. -17%/c.20% yoy decline in Mar by NBS/GSe), based on the land sales trends in 300 cities and nationwide cement shipment ratio.
- **Home appliance sales** overall are likely to record yoy improvements in Apr, based on secondary sales trends in c.20 cities.

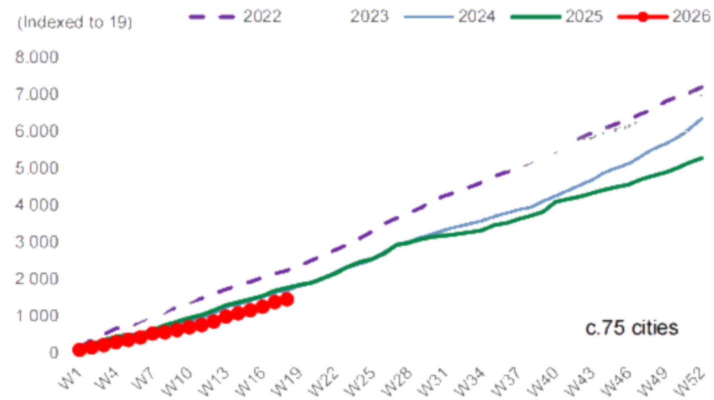
Primary market Week 18: GFA -9% wow and +10% yoy, sending YTD to -17% yoy

Exhibit 1: Primary GFA sold last week was -9% wow and +10% yoy in c.75 cities



Source: CREIS, Goldman Sachs Global Investment Research

Exhibit 2: Primary GFA sold YTD on average was -17% yoy in c.75 cities, and -14%/-50% vs. 2024/2023 level



Source: CREIS, Goldman Sachs Global Investment Research

Secondary market: Week 18/YTD volumes were +52%/-4% yoy, with price appreciation expectations improving for agents while staying flattish for home sellers

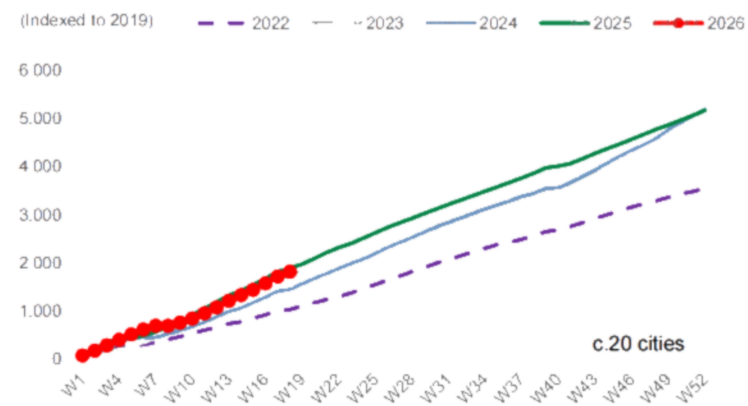
Exhibit 3: Secondary GFA sold last week was -25% wow and +52% yoy in c.20 cities

Average weekly volume of secondary property sales

Source: Wind, Goldman Sachs Global Investment Research

Exhibit 4: Secondary GFA sold YTD was -4% yoy in c.20 cities, while +25%/+4% vs. 2024/2023

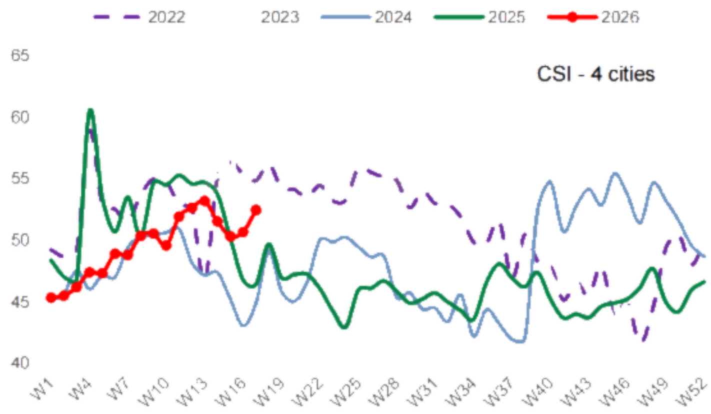
2026 secondary volume sold vs. 2022-25



Source: Wind, Goldman Sachs Global Investment Research

Exhibit 5: Average CSI was +1.7pp wow and +2.8pp yoy

Weekly Centaline Salesman Index (CSI) tracker in 5 cities

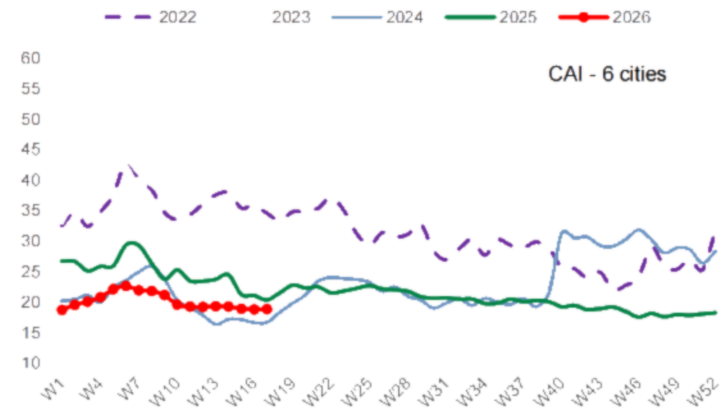


CSI refers to agents' view on property price, >50 means positive views on price increases, and vice versa.

Source: Centaline

Exhibit 6: Average CAI was flat wow and -2.7pp yoy

Weekly Centaline Seller Asking Index (CAI) tracker in 6 cities



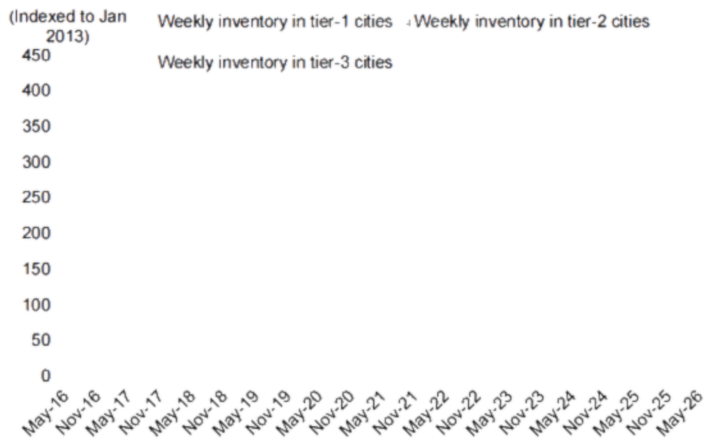
CAI refers to sellers' quoted price.

Source: Centaline

Inventory Week 18: Inventory +0.1% wow and -3.1% from end-25 level, with inventory months at 29.0 (vs. average 29.3 in Apr-26)

Exhibit 7: Inventory balance was +0.1% wow, -3.1% from end-25 levels

c.20 cities' total inventory breakdown by city tier



Source: CREIS, Goldman Sachs Global Investment Research

Exhibit 8: Inventory month was +0.2% wow, representing +3.9% from end-25 levels

c.20 cities' inventory months (12mth rolling) breakdown by city tier

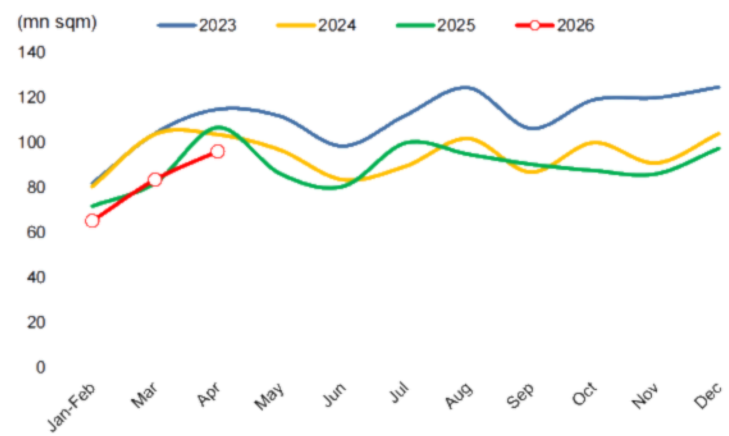
Source: CREIS, Goldman Sachs Global Investment Research

GSPC implies c.10% yoy decline/-1% yoy in completions for Apr-26/FY26E per GSe

GS Property Completion (GSPC) tracker indicates **c.10% yoy decline in Apr-26** (vs. -19% yoy/high-teens % yoy decline in Mar by NBS/GSe) and **-1% yoy for FY26E per GSe**, based on downstream supply/demand implied from our China float glass industry outlook and proprietary weekly float glass demand model.

Exhibit 9: GSPC tracker implied monthly completions...

GSPC tracker implied monthly GFA completion - based on GS float glass S-D model

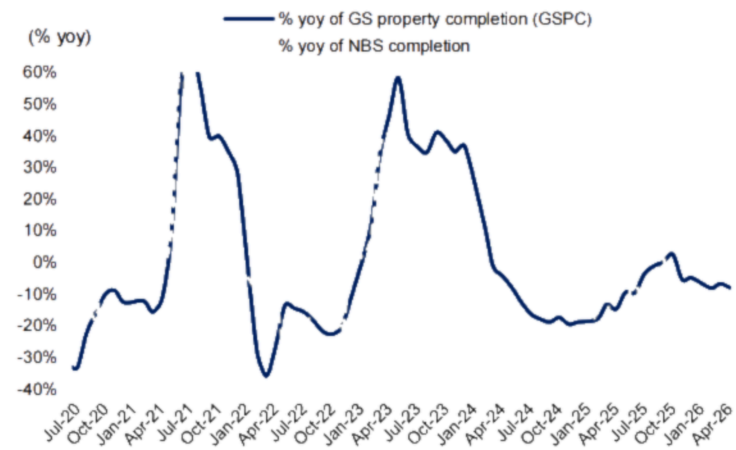


Jan-Feb refers to average level in Jan and Feb.

Source: Sublime China Information, Wind, NBS, Goldman Sachs Global Investment Research

Exhibit 10: ...suggesting completions at c.10% yoy decline for Apr-26

% yoy change of GSPC - based on GS float glass S-D model



Source: Sublime China Information, Wind, NBS, Goldman Sachs Global Investment Research

Valuations: P/B valuation at downturn trough

- Over week 18, our covered **stronger SOE developers** saw share prices +7% wow, with COLI (0688.HK, Buy) outperforming at +12% wow; meanwhile, **POE developers** and **other SOE developers** both saw share prices +3% wow.
- Our offshore coverage developers on average saw share prices +6% wow (vs. -1% for MSCI China); our onshore coverage developers averaged +3% wow (vs. +1% for CSI 300).
- Our offshore coverage now trades at an average 20% discount to end-2026E NAV and 0.6X 2026E P/B vs. 2H2008, 2H2011 and 1H2014 troughs of 39%, 0.7X; 73%, 0.9X; 58%, 0.9X.
- Our onshore coverage trades at an average 13% discount to end-2026E NAV and 0.5X 2026E P/B vs. 2H2008, 2H2011 and 1H2014 troughs of 67%, 1.6X; 64%, 1.5X; 61%, 1.2X.

Exhibit 11: Over week 18, our covered stronger SOE developers saw share prices +7% wow, with COLI (0688.HK, Buy) outperforming at +12%; meanwhile, POE developers and other SOE developers both saw share prices +3% wow. Our offshore coverage developers on average saw share prices +6% wow (vs. -1% for MSCI China); our onshore coverage developers averaged +3% wow (vs. +1% for CSI 300).

Company	Ticker	Type	Price as of 5/6/2026	Share price performance Past week	MTD	YTD
Stronger SOE developers			(LCY)			
CMSK	001979 SZ	Central SOE	9.1	2%	4%	5%
COLI	0688 HK	Central SOE	15.0	12%	13%	22%
CR Land	1109 HK	Central SOE	35.3	7%	9%	30%
Greentown	3900 HK	Mixed ownership	10.2	5%	6%	21%
Jinmao	0817 HK	Central SOE	1.8	8%	9%	50%
Poly	600048 SS	Central SOE	6.4	4%	4%	5%
Average				**7%**	**7%**	**22%**
POE developers			(LCY)			
Gemdale	600383 SS	Mixed ownership	3.0	3%	2%	-3%
Longfor	0960 HK	POE	8.5	3%	5%	-1%
Seazen	1030 HK	POE	2.3	4%	3%	11%
Average				**3%**	**4%**	**2%**
Other SOE developers			(LCY)			
OCT	000069 SZ	Central SOE	2.3	1%	0%	-8%
Vanke (A)	000002 SZ	Mixed ownership	4.0	4%	3%	-14%
Vanke (H)	2202 HK	Mixed ownership	3.2	4%	5%	-4%
Average				**3%**	**3%**	**-9%**
H-share average				**6%**	**7%**	**18%**
A-share average				**3%**	**3%**	**-3%**
Value chain Index						
Construction materials				3%	4%	24%
Construction companies				0%	1%	6%
Building products				3%	3%	11%
Home appliances				1%	1%	-1%
Home furnishing				1%	0%	-2%

Construction Materials Index (801710.SI), Construction Companies Index (801720.SI), Building Products Index (801713.SI), Decoration Companies Index (801722.SI), Home Appliances Index (801110.SI) and Home Furnishing Index (801142.SI) as compiled by Wind.

Source: Datastream, Wind, Data compiled by Goldman Sachs Global Investment Research

Exhibit 12: China developers' valuation comparisons

Company	Ticker	Mkt Cap (US$ bn)	Daily liquidity (US$ mn) 1 mth trailing	Type	Rating	Price as of 6/May/26	12 mth Price target	Potential upside/ downside (%)	Target price disc. to NAV	End-26E NAV	Shr price (disc)/ prem to NAV	FD Core P/E (x) 25	26E	27E	28E	P/B (x) (excl. revaluation gain) 25	26E	27E	28E	Dividend yield (%) 25	26E	27E	28E
Developers																							
Stronger SOE developers																							
CMSK	001979.SZ	11.9	69	Central SOE	Neutral	9.05 (Rmb)	**10.10**	12	-15%	**11.93**	(24)	n.m.	22.3	18.6	17.1	0.8	0.8	0.8	0.8	0.6	2.0	2.4	2.6
COLI	0688 HK	20.9	34	Central SOE	Buy	15.0 (HK$)	**14.70**	(2)	-10%	**16.39**	(9)	11.6	11.4	11.0	9.9	0.5	0.5	0.4	0.4	3.3	3.5	3.6	4.1
CR Land	1109 HK	32.2	58	Central SOE	Buy	35.3 (HK$)	**36.60**	4	-10%	**40.70**	(13)	10.3	9.4	9.3	9.0	1.1	1.0	0.9	0.9	3.6	4.1	4.2	4.3
Greentown	3900 HK	3.3	13	Mixed ownership	Buy	10.2 (HK$)	**11.10**	9	-15%	**13.02**	(21)	4.8	5.3	5.1	4.9	0.7	0.6	0.6	0.6	-	2.0	3.5	5.2
Jinmao	0817.HK	3.1	7	Central SOE	Buy	1.8 (HK$)	**1.70**	(5)	-10%	**1.89**	(4)	46.1	25.7	13.4	7.3	0.8	0.8	0.7	0.7	1.7	1.6	3.1	5.8
Poly	600048 SS	11.2	89	Central SOE	Neutral	6.40 (Rmb)	**6.50**	2	-10%	**7.24**	(12)	74.0	n.m.	n.m.	n.m.	0.4	0.4	0.4	0.4	0.5	-	-	-
Average								**3**	**-12%**		**(14)**	**11.6**	**11.4**	**11.0**	**9.0**	**0.7**	**0.7**	**0.7**	**0.6**	**1.6**	**2.2**	**2.8**	**3.7**
POE developers																							
Gemdale	600383 SS	2.0	23	Mixed ownership	Sell	2.97 (Rmb)	**2.70**	(9)	-20%	**3.40**	(13)	n.m.	n.m.	n.m.	n.m.	0.4	0.4	0.4	0.4	-	-	-	-
Longfor	0960 HK	7.7	20	POE	Neutral	8.5 (HK$)	**8.70**	3	-25%	**11.55**	(27)	n.m.	n.m.	25.2	16.5	0.4	0.4	0.4	0.4	0.9	-	1.3	1.9
Seazen	1030 HK	2.1	4	POE	Sell	2.3 (HK$)	**1.80**	(21)	-50%	**3.64**	(37)	38.7	57.5	26.7	15.1	0.4	0.4	0.4	0.4	-	-	-	-
Average								**(9)**	**-32%**		**(26)**	**38.7**	**57.5**	**25.9**	**15.8**	**0.4**	**0.4**	**0.4**	**0.4**	**0.3**	**-**	**0.4**	**0.6**
Other SOE developers																							
OCT	000069.SZ	2.7	12	Central SOE	Sell	2.27 (Rmb)	**1.50**	(34)	-20%	**n.m.**	n.m.	n.m.	n.m.	n.m.	n.m.	0.5	0.5	0.6	0.6	-	-	-	-
Vanke (A)	000002.SZ	5.7	54	Mixed ownership	Sell	4.01 (Rmb)	**3.70**	(8)	-10%	**4.10**	(2)	n.m.	n.m.	n.m.	n.m.	0.4	0.5	0.5	0.6	-	-	-	-
Vanke (H)	2202 HK	0.9	7	Mixed ownership	Sell	3.15 (HK$)	**2.90**	(8)	-35%	**4.47**	(30)	n.m.	n.m.	n.m.	n.m.	0.3	0.3	0.4	0.4	-	-	-	-
Average								**(17)**	**-22%**		**(16)**	**n.m.**	**n.m.**	**n.m.**	**n.m.**	**0.4**	**0.5**	**0.5**	**0.6**	-	-	-	-
Coverage average								**-5**			**(17)**	**30.9**	**21.9**	**15.6**	**11.4**	**0.6**	**0.6**	**0.6**	**0.6**	**0.9**	**1.1**	**1.5**	**2.0**
H-share average								**(3)**			**(20)**	**22.3**	**21.9**	**15.1**	**10.4**	**0.6**	**0.6**	**0.6**	**0.5**	**1.4**	**1.6**	**2.3**	**3.0**
A-share average								**(8)**			**(13)**	**74.0**	**22.3**	**18.6**	**17.1**	**0.5**	**0.5**	**0.5**	**0.6**	**0.2**	**0.4**	**0.5**	**0.5**

Note

(1) * denotes stock is on the APAC Conviction List

(2) Our 12-month target prices are based on end-2026E NAV for our coverage universe except for OCT

Our OCT TP is based on SOTP of its property development (valued by NAV) and its tourism business (valued by P/E)

Source: Datastream, Goldman Sachs Global Investment Research