

Shenzhen Transformed

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真思



SHENZHEN DEVELOPMENT BRIEFING

MACAU 2017

01



SUSTAINABILITY AND
CHINA'S 5 YEAR PLAN



REGIONAL TRENDS



SHENZHEN
TRANSFORMED

China's Five-Year Plan

02

The Five-Year Plan is a blueprint that details the government's main policy goals and development initiatives for a period of five years.

- 13th Five-Year Plan adopted on 15 March 2016.
- The Plan outlines China's goals, principles and targets for its development through to 2020. They are heavily weighted to environmental protection and sustainable development
- This is the first Five-Year Plan to be developed under President Xi Jinping's leadership and the first since China's economy entered the "new normal" pace of economic growth.

Accelerated Development of
Functional Regions

Support for Clean Production and
a Low Carbon Economy

Resource Conservation

Environmental Protection

Harmonized Development
Between Nature and Mankind

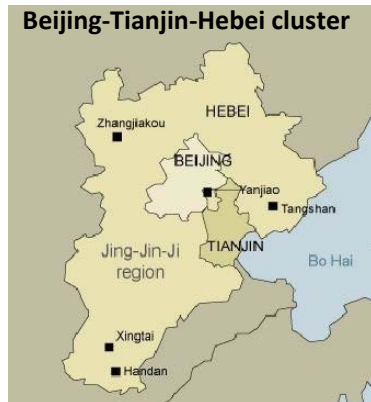


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Urbanisation Trends

03



More than 20 urban agglomerations have been classified in order to provide strategic level guidance on development goals, infrastructure construction and function orientation.

- providing development direction for networks and infrastructure,
- promoting city-specific features and regional positioning
- emphasizes inter-operability and collaborative development.



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Battle of the Bridges



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05

- 长约**387**km,总投资约**593**亿元。
- 广州与茂名之间的铁路运行时间将由**5**小时以上缩短至**2.5**小时左右,茂名到江门只需**1**个多小时,跨过珠江口到深圳也不超过**3**小时。
- 通车时间应该可以提前到**2017**年**10**月左右。



The Western Front

Economy Overview

highest economic output per unit area among mainland cities

Lowest energy and water consumption on the mainland.

ranks fourth in terms of **sustainable** competitiveness

ranks sixth for **livability**

Expensive - Highest housing price-to-income ratio in China.

Average population age the **lowest** of all China cities.

Population growth is the **highest** among China's four first-tier cities.

Recent data indicates Shenzhen has overtaken Guangzhou as the **third-largest city** in China and is expected to soon surpass Shanghai.

Most competitive city economically in China*,
passed Hong Kong in an overall economic competitiveness ranking in 2014,

Shenzhen
Hong Kong,
Shanghai,
Guangzhou
Taipei.

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*Chinese Academy of Social Sciences (CASS)

2016 GDP up 9%

- 1.95 trillion yuan (\$284 billion) (Similar to HK)

R&D spending highest/capita in China

4.05% GDP

(Hong Kong 0.73%)



Britcham - 2017 Shenzhen Trends and Predictions -
So many world unknowns currently

“Expect the Unexpected”



Cultivating events, showcasing innovation.
Shenzhen has held the Shenzhen Maker Faire since 2012

startups
mass entrepreneurship and innovation
innovation-based, high value-added industries
innovation within manufacturing
tech hub

Transformation

As one of the pioneers in China's new economy, Shenzhen has been reinventing itself...

The "Silicon Valley of hardware" integration of innovation and manufacturing has made Shenzhen a rising incubator of innovative technology businesses.

Following central government's 2014 initiative to encourage mass entrepreneurship and innovation, Shenzhen has been striving to provide a platform for new companies.

Relatively low levels of traffic and air pollution compared with other major Chinese cities like Beijing and Shanghai also serve as an advantage to entice new businesses.

Huawei
Tencent
DJI

2016

3,363 foreign-funded companies registered in Qianhai,
(**55 % of new-added foreign-owned enterprises in Shenzhen**)
1,894 from Hong Kong



08

innovative, offers efficient markets, globally connected.

The Qianhai and Shekou Area of Shenzhen in the China (Guangdong) Pilot Free Trade Zone opened in 2015

**finance,
modern logistics,
information and technology services
professional services.**

Development intended to lead Shenzhen and PRD to transform from the world's factory to a major player in the innovation space.

Qianhai FTZ

Qianhai is a new area where both the central and local government intend to cultivate innovation to drive China's economic growth

Qianhai has a number of unique supportive business incentives including various subsidies and tax breaks and hong kong legal framework.

Continually introduced and amended making it complex to keep up.

- facilitate innovation in the modern service industry
- hub of modern service development
- A pilot area for cooperation between mainland China and Hong Kong
- A facilitator in the industrial reform and sustainable economic development of the Pearl River Delta.

Featured Tall Building One Shenzhen Bay, Shenzhen



09

Shenzhen's ability to attract talent due to the jobs being offered by internet and finance companies headquartered in the area has pushed up economic growth and property prices,

Shenzhen surpassed Beijing and Shanghai last year to become the most expensive housing market on the mainland,

Real Estate Market

Residential

market put on 50% value last year.

- Market now flat after govt calming interventions

Commercial

- Investment funds moving into commercial space
- Huge quality of grade A office coming on line from 2016 onwards: Ping An Tower; Houhai
- Relocation of corporate HQ's from Beijing such as Alibaba

Museum of Contemporary Art & Planning
Exhibition (MOCAPE)



Victoria and Albert Museum
(Open in 2017)



Antuo Hill Folk Culture Museum
(Commencing 2017)



Layers of Culture

New emphasis on development of culture and tourism promotion

- Civic building generation;
- Heritage protection;
- International image and overseas promotion;
- Park building.

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Mobility Revolution

E- taxis

E-buses

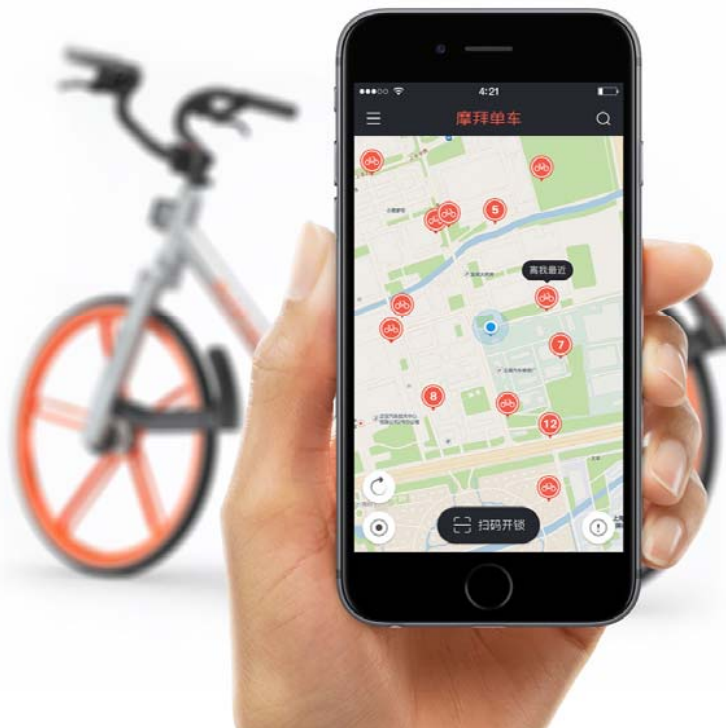
E - bikes

E - charging points

High speed train

Four GPS based public bike platforms arrived.

- Mobike
- Bluegogo
- Ofo
- Xiaoming



sustainable design solutions

related to

land,
drainage,
water use,
energy consumption

and

quality of life

We troubleshoot, assess and manage
project feasibility, design and delivery

established in 1996

Hong Kong
Shenzhen

Feasibility+
Planning +
Design +
Construction+
Management+

The Hong Kong
portfolio focuses on
large scale public
sector infrastructure
projects.

The China studio
concentrates on the
problems related to
rapid urbanisation and
city expansion.



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