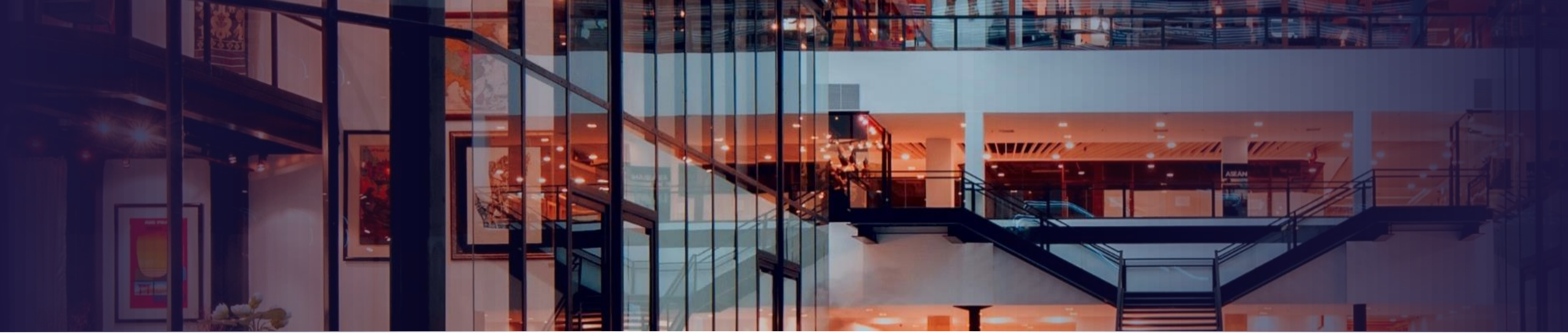


MARKETBEAT
SHANGHAI
RETAIL Q4 2025

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
25.96 Stock, million sqm	▲	▲
9.23% Vacancy Rate	▼	▲
¥713.01 Average Rent, RMB/sqm/mo *(Overall Retail Property)*	▼	▼

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
5.5% GDP Growth	▲	▬
4.3% Retail Sales Growth	▲	▲
-0.1% CPI Growth	▲	▲

Source: Shanghai Municipal Bureau of Statistics
The forecast is based on Moody's Analytics

THREE NEW PROJECTS OPEN IN EMERGING SUBMARKETS

In the first three quarters of 2025, total retail sales of consumer goods in Shanghai reached RMB1.23 trillion, up 4.3% y-o-y. The opening of three new projects in Q4 2025 added a total of 300,000 sq m of retail space to the market, bringing total stock in the Shanghai mid- to high end shopping center market to approximately 25.96 million sq m, up 1.16% q-o-q.

WIDENING RETAIL PROPERTY PERFORMANCE DIVERGENCE

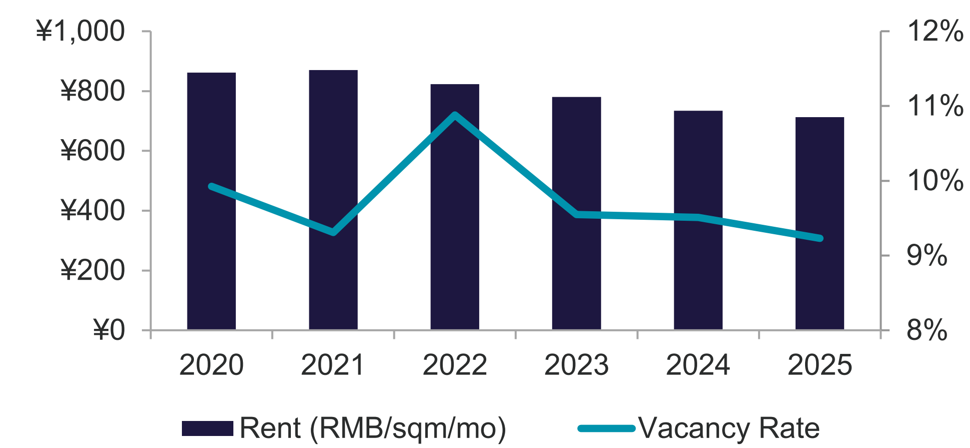
In the mid- to high-end shopping center market, demand was active from the fashion, F&B, gold jewelry, sports, pop toys, lifestyle, children's and entertainment sectors in Q4. Foreign and domestic retailers demonstrated a continued preference for Shanghai as the location for their first or flagship stores in China. Despite the influx of new supply, active leasing demand drove the overall vacancy rate in Shanghai's mid- to high-end shopping center market down by 0.1 percentage points q-o-q to record 9.23% at the end of Q4 2025.

With the intensification of market competition, some shopping center landlords adopted a strategy of offering rental concession for selected anchor tenants and prime tenants in order to attract "experience-led" brands. With this strategy, experiential brands draw customers and overall footfall to drive growth in sales revenues. Therefore, the average first-floor asking rent at mid- to high-end shopping centers softened 1.02% q-o-q to record RMB713.01 per sq m per month in Q4. Performance disparity among retail projects has also widened. On the one hand, several mature retail projects have upgraded their brand mixes by introducing designer brands, experiential brands, and owner-operated restaurants. On the other hand, a number of underperforming projects continue to grapple with tenant withdrawals.

HEAVY NEW SUPPLY WEIGHS ON RENTS

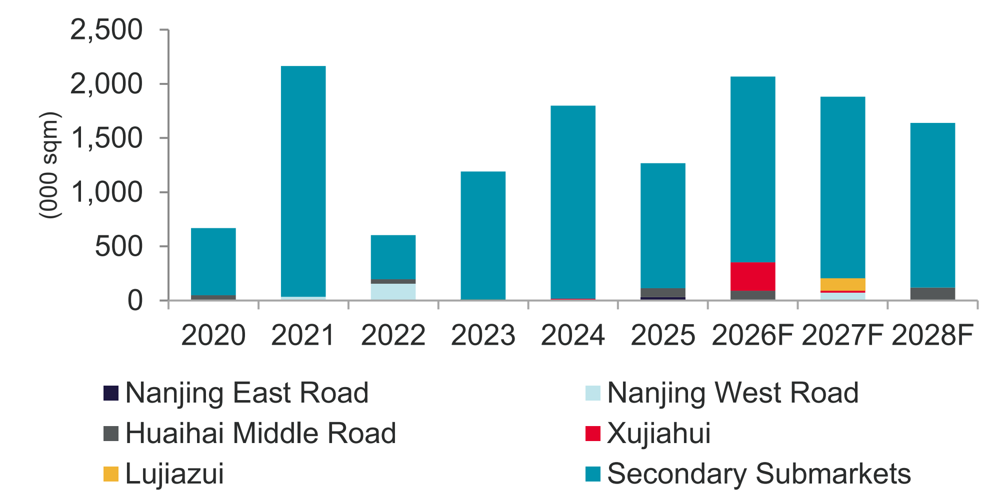
Looking forward, a total GFA of approximately 5.63 million sq m is scheduled to enter the Shanghai market over the next three years. Given the substantial influx of new supply entering the market, citywide rents will face prolonged downward pressure in the short to medium term.

OVERALL RENT / VACANCY RATE



**Rental rates are calculated by NLA and considered as consistently achievable for prime space (usually the ground floor) in major shopping centres, excluding management fee, promotional fee and other fees.*

RETAIL SUPPLY PIPELINE BY SUBMARKET



MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	VACANT (SQM)	OVERALL VACANCY RATE	FUTHURE SUPPLY TILL 2028 (SQM)	OVERALL AVG RENT		
					RMB/SQM/MO	US$/SF/MO	EUR/SF/MO
NANJING EAST ROAD	491,660	27,313	5.56%	0	¥2,148.33	US$28.30	€24.10
NANJING WEST ROAD	665,738	38,290	5.75%	71,162	¥2,249.34	US$29.63	€25.24
HUAIHAI MIDDLE ROAD	598,560	38,645	6.46%	214,000	¥1,469.89	US$19.36	€16.49
XUJIAHUI	282,000	8,090	2.87%	314,417	¥2,286.68	US$30.12	€25.65
LUJIAZUI	1,029,978	52,240	5.07%	115,000	¥1,487.58	US$19.60	€16.69
DOWNTOWN TOTALS	3,067,936	164,578	5.36%	714,579	¥1,854.38	US$24.43	€20.80
OTHER TOTALS	22,889,765	2,232,462	9.75%	4,914,028	¥529.04	US$6.97	€5.94
SHANGHAI TOTALS	**25,957,701**	**2,397,039**	**9.23%**	**5,628,607**	**¥713.01**	**US$9.39**	**€8.00**

**Rental rates are calculated by NLA and considered as consistently achievable for prime space (usually the ground floor) in major shopping centres, excluding management fee, promotional fee and other fees.*
1.00 USD = 0.85163697 EUR = 7.05225664 CNY (December 15th, 2025)

KEY LEASE TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	TENANT	SECTOR
Jing'an Kerry Centre	Nanjing West Road	Beyond The Vines	Fashion
Huaihai Parkson	Huaihai Middle Road	Musinsa	Fashion
IFC	Lujiazui	LOVOT	Lifestyle
Shanghai Shimao Plaza	Nanjing East Road	POP MART	Lifestyle
Jinqiao ASE Mall	Jinqiao	POPEYES	F&B

KEY CONSTRUCTION COMPLETIONS

PROPERTY	SUBMARKET	EXPECTED OPENING YEAR	SQM	OWNER / DEVELOPER
Longfeng·PRSCO	Huaihai Middle Road	2026	38,000	Huaihai Group & Shanghai Yongye
ITC Maison	Xujiahui	2026	231,417	Sun Hung Kai Properties
K11 ELYSEA	Huaihai Middle Road	2026	52,000	New World Land
Taikoo Li	Lujiazui	2027	115,000	Swire Properties
Plaza 66 III	Nanjing West Road	2027	3,080	Hang Lung Properties

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