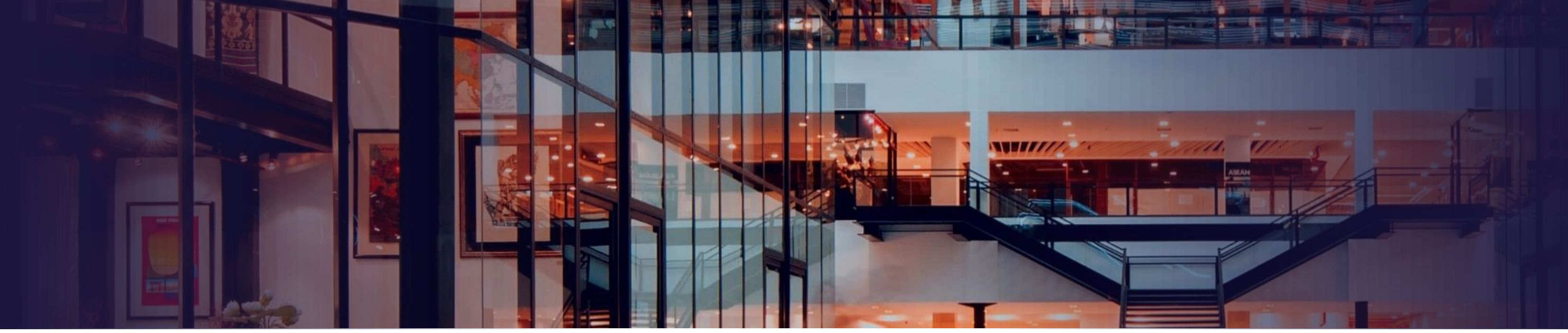


MARKETBEAT PORTUGAL
RETAIL Q4 2025

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
€1,282 Average Monthly Income	▲	▲
10,750K Population	▲	▲
6.1% Unemployment Rate	▼	▼

Source: Moody's Analytics; INE

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
1.9% GDP Growth	▼	▲
3.5% Consumer Spending Growth	▲	▼
5.6% Retail Sales Growth	▲	▲

Source: Moody's Analytics

ECONOMY: GDP GROWTH EXPECTED TO ACCELERATE TO 2.3% IN 2026

According to Moody's Analytics, Portuguese GDP grew by 1.9%, in 2025 and it is expected to accelerate to 2.3% in 2026 before normalizing to 1.9% in 2027, reflecting moderate but resilient growth. Exports, though facing some challenges, grew by 1.2% in 2025 and are expected to accelerate in the short term (+ 3.4% in 2026), while domestic demand remains a key driver of the economy, with private consumption expanding by 3.5% in 2025. The inflation rate is anticipated to moderate gradually, reaching 2.3% in 2025 and stabilizing below 2.0% in 2026 and 2027. The labor market remains resilient, with the unemployment rate forecast to continue its downward trend, falling from 6.1% in 2025 to 5.7% in 2026 and 5.4% in 2027.

DEMAND: 800 NEW OPENINGS DURING 2025 AND 192,500 SQ.M GLA OF RETAIL SCHEMES IN PIPELINE

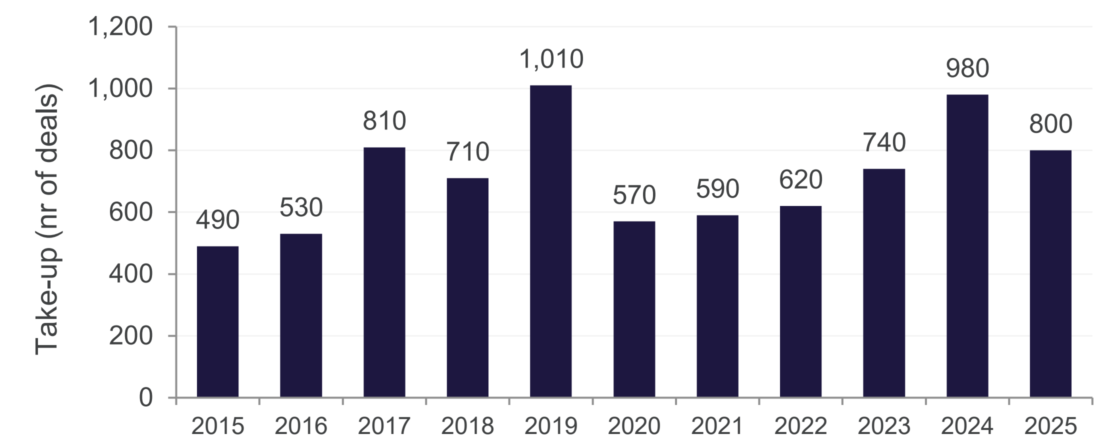
During 2025, 5 retail schemes were completed totaling 51,930 sq.m of GLA with the most notable being the opening of Nova Vila Retail Park with 22,000 sq.m. Regarding the fourth quarter, it was completed the expansion of Vila do Conde Porto Fashion Outlet with 10,000 sq.m. The pipeline for the next three years indicates higher development volumes in retail parks. Of the forecasted 192,500 sq.m of GLA, 87% is allocated to this segment. Among the 104,900 sq.m currently under construction, the largest retail park projects regard Retail Park Póvoa de Varzim with 21,000 sq.m, Azores Retail Park (Ponta Delgada) with 18,000 sq.m and RIA 125 Retail Park (Olhão) with 17,000 sq.m and for shopping centres the highlight is City Center Covilhã, with 18,000 sq.m.

According to Cushman & Wakefield, retail take-up recorded a total of 185 new openings during the fourth quarter, contributing to an accumulated volume of 800 inaugurations in 2025, a 14% decrease when comparing with the previous year. In this period, high street retail remained the dominant format with 68% of the new openings, followed by shopping centers with 16% and stand-alone units with 8%. In terms of sectors, Food & Beverage (F&B) represented 45% of total openings.

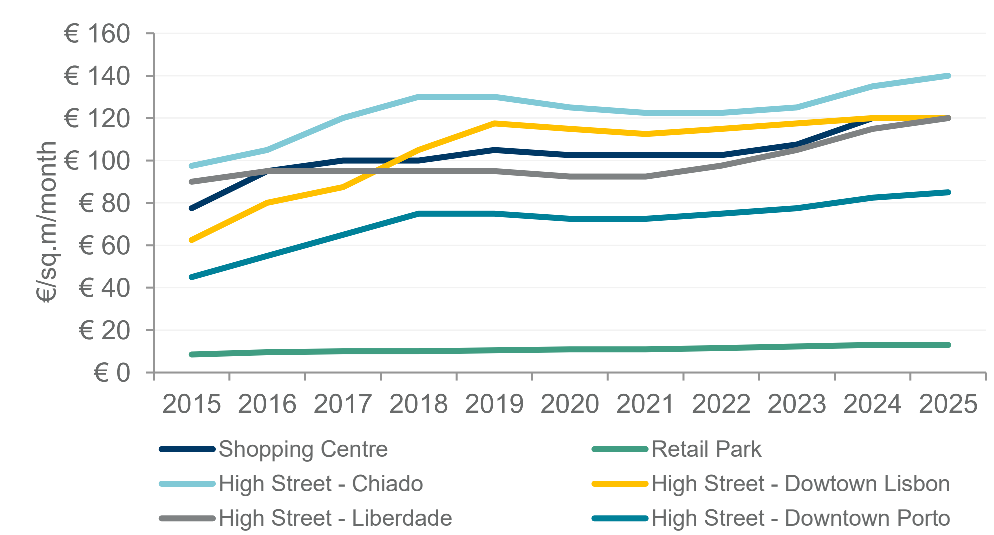
RENTS: PRIME RENTS STABLE IN Q4-25 BUT EXPECTED TO INCREASE IN THE SHORT TERM

When comparing with Q4 2024 prime rents registered an increase in high street retail format (Lisbon and Porto), remaining stable in shopping centres and retail parks. When compared with the previous quarter, prime rental values remained stable across all retail formats in the last quarter of 2025 but are expected to increase in the short term.

DEMAND EVOLUTION



PRIME RENTS



MARKET STATISTICS

SUBMARKET	RETAIL SCHEMES STOCK (SQ.M)	RETAIL SCHEMES PIPELINE (SQ.M)
North	522,420	15,030
Greater Porto	875,950	21,000
Centre	662,900	43,240
Greater Lisbon	1,077,510	40,540
Setúbal Peninsula	379,060	12,340
South	422,220	42,330
Islands	92,510	18,000
PORTUGAL TOTALS	**4,032,560**	**192,480**

FORMAT	LOCATION	PRIME RENT (€/SQ.M./MONTH)	PRIME YIELD (%)
High Street Retail	Lisbon – Chiado	€140.0	4.00%
High Street Retail	Lisbon – Av. Liberdade	€120.0	4.15%
High Street Retail	Porto - Downtown	€85.0	5.25%
Shopping Centres	Portugal	€120.0	6.15%
Retail Parks	Portugal	€13.0	6.40%

MAIN OCCUPANCY TRANSACTIONS Q4 2025

RETAIL FORMAT	LOCATION	TENANT	AREA (SQ.M)	RETAILER TYPE
Stand Alone	Palmela	Casa Peixoto	4,000	Multiple
Stand Alone	Matosinhos	Mercadona	3,800	Cross Border
Stand Alone	Porto	Mercadona	3,800	Cross Border
Stand Alone	Lisbon	Mercadona	3,800	Cross Border
Stand Alone	Palmela	Mercadona	3,800	Cross Border

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