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VANTAGE POINT

# GREATER CHINA RETAIL SUPPLY / DEMAND TRENDS

## *SHIFTING CONSUMPTION PATTERNS RESHAPING RETAIL REAL ESTATE*

SEPTEMBER 2025

GREATER CHINA RESEARCH

Better never settles


CUSHMAN & WAKEFIELD
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# EXECUTIVE SUMMARY

## The General Market

According to the *2025 Report on the Work of the Government*, "vigorously boosting consumption and investment returns and stimulating domestic demand across the board" was ranked as the top priority for economic policy this year, underscoring the central role of consumer spending in driving recovery. The Chinese mainland's total retail sales of consumer goods reached RMB24.5 trillion in the first half of 2025, up 5.0% year-on-year. The growth rate expanded by 1.3 percentage points compared with the same period in 2024, providing a stronger foundation for economic recovery.

By Q2 2025, the total prime retail property stock in the core markets of the 15 major cities Cushman & Wakefield tracks in Greater China reached 116.7 million sq m. Looking ahead, more than 20 million sq m of new supply is scheduled to enter the market by the end of 2027, further intensifying competition among landlords and operators.

Consumer behavior is also evolving. Against the backdrop of an economic slowdown and demographic shifts, Chinese consumers are becoming more cautious and selective. New patterns such as emotional consumption, green consumption, health-focused spending, and cost–performance awareness are accelerating. Retailers and shopping center landlords are responding with a renewed focus on customer experience, introducing new technologies, and experimenting with innovative retail formats.

In terms of supply and demand, several key trends stand out in 2025:

- Renovation and upgrading of existing properties;
- Integration of cultural and tourism consumption;
- The rise of pop toys as part of emotional consumption;
- Strong growth in health-related consumption.

While slower economic growth and uncertain disposable incomes are likely to temper household spending, ongoing government measures to stimulate consumption — together with the success of new retail concepts and formats — are expected to support steady momentum.

The outlook for Greater China's retail property market remains positive, with policy support, changing consumer preferences, and innovative supply all converging to drive sustainable long-term growth.

# BEIJING

By the end of H1 2025, the total stock in Beijing's retail property market reached 18.7 million sq m, of which 16.9 million sq m was accounted for by shopping centers.

Despite pressures from an economic slowdown and consumption downgrading, the market broadly maintained stability over the past year. Average asking rents stood at RMB2,130 per sq m per month, while the vacancy rate edged down to 10.5%. To adapt to shifting consumer sentiment, malls have actively renewed and upgraded their tenant mixes, aiming to attract footfall, enhance customer loyalty, and align with changing demands. The strategy has helped mitigate operational challenges faced by both projects and retail brands.

Looking ahead, approximately 500,000 sq m of new supply is scheduled to enter the market in H2 2025. This pipeline is concentrated in suburban developments and urban renewal projects across traditional submarkets, which will further diversify Beijing's retail landscape.

In parallel, Beijing has rolled out a series of supportive policies to stimulate consumption. A new policy issued in June emphasizes upgrading traditional submarkets and malls, fostering innovative consumption scenarios, promoting the introduction of brand first stores, and providing targeted support for China-Chic brands and time-honored domestic brands. Together, these measures are expected to reinforce market confidence and unlock new consumption potential in the capital.

# SHANGHAI

In the past year, 1.61 million sq m of new retail space was added to the Shanghai market, bringing the total stock of mid- to high-end shopping centers to approximately 25.0 million sq m.

The influx of new supply in H2 2024 and H1 2025 placed pressure on market fundamentals. The overall vacancy rate for mid- to high-end retail properties edged up 0.2 percentage points year-on-year to 9.5%, while the average first-floor asking rent fell 4.2% year-on-year to RMB728.7 per sq m per month. The rental decline was primarily driven by competitive pricing at newly launched suburban projects.

This heightened level of supply has intensified intra-market competition. Many aging retail properties are responding by repositioning their projects, upgrading brand mixes, and enhancing facilities to better align with the needs of Shanghai's increasingly sophisticated consumer base.

Looking ahead, the second half of 2025 will see a further influx of new projects, adding to competitive pressures. Nonetheless, established properties by leading developers are expected to remain attractive to both international and prominent domestic retailers. Conversely, older retail properties located near new developments will face mounting competition and will need to adapt proactively to retain relevance and market share.

# SHENZHEN

Shenzhen's retail market maintained positive momentum in the past year, with demand bright spots providing confidence for mall operators. Development activity also picked up, with approximately 878,000 sq m of prime shopping mall space delivered. As a result, Shenzhen's prime mall stock increased 13.3% year-on-year to reach 7.5 million sq m.

At the same time, consumer behavior is evolving. More residents are frequenting community-based retail premises for convenience, reducing visits to large-scale malls. In response, landlords adjusted strategies by lowering rents to attract new entrants. The average monthly rental level declined 6.2% year-on-year to RMB761.6 per sq m, while the citywide vacancy rate rose 0.7 percentage points year-on-year to 9.1%. Looking ahead, approximately 1.3 million sq m of prime new mall space is scheduled for completion through the end of 2027. This influx of supply will intensify competition and exert further downward pressure on rental levels.

To counterbalance these pressures, Shenzhen has introduced a series of action plans aimed at improving employment rates and raising household incomes, measures designed to strengthen consumer confidence. These initiatives are expected to help mitigate the impact of macroeconomic uncertainty and support more sustainable long-term retail growth.

# GUANGZHOU

Over the past year, Guangzhou added 443,000 sq m of high-quality retail space, lifting citywide stock to more than 6 million sq m. Approximately 87% of this new supply was delivered in non-core commercial districts, accelerating the city's retail landscape diversification and extending consumer reach beyond traditional hubs.

Despite signs of improving consumer demand, retailers adopted a more cautious expansion approach. As a result, the overall vacancy rate rose 1.9 percentage points year-on-year to 9.2%. Competitive leasing strategies were observed in some prime malls, where landlords lowered rents to attract leading brands. This contributed to a 6.1% year-on-year decline in average prime mall rents, which fell to RMB672.6 per sq m per month.

Still, Guangzhou's retail sector demonstrated resilience. Supported by the "first store" policy, prime malls introduced nearly 85 first stores in the past year — representing a 70% increase year-on-year — a clear sign of retailers' long-term confidence in the city's consumer base.

Looking ahead, approximately 976,000 sq m of new retail space is scheduled for completion between mid-2025 and 2026, with Panyu and Liwan districts accounting for nearly 40% of deliveries. Meanwhile, Guangzhou continues to strengthen its policy environment, issuing a draft implementation plan to stimulate consumer markets and rolling out special measures targeting duty-free retail, elderly services, and the catering industry. These initiatives are expected to further energize market vitality and accelerate the city's consumption recovery.

# CHENGDU

The recovery of consumption supported the growth of Chengdu's retail market over the past year. During H2 2024 and H1 2025, four new shopping centers were completed, adding 452,000 sq m of retail space and bringing the prime retail market stock to approximately 8.5 million sq m.

However, the addition of new projects with relatively high vacancy rates, combined with adjustments in existing retail properties, led to an increase in the overall vacancy rate, which rose 2.9 percentage points year-on-year to 8.93% by the end of Q2 2025. In response to this pressure, the average first-floor asking rent declined 3.4% year-on-year to RMB586.62 per sq m per month.

Despite these challenges, Chengdu has implemented multiple supportive policies in 2025 aimed at enhancing the retail sector. These initiatives are designed to diversify consumption scenarios, improve consumer spending capacity, and revitalize the city's retail market, providing a solid foundation for sustainable long-term growth.

* As well as for two reinstallation projects

# HANGZHOU

Hangzhou continues to promote "domestic demand expansion and consumption growth" through targeted policies and activities, positioning consumption as a key engine for the city's economic vitality. However, amid growing global uncertainties, demand remains somewhat constrained, highlighting the need for stronger foundations to support recovery.

Over the past 12 months, Hangzhou's premium retail market welcomed the grand openings of six major commercial projects, adding nearly 380,000 sq m of new retail space. This marks a new phase of qualitative upgrading within the city's retail sector.

Commercial complexes are increasingly enhancing their offerings to provide richer and more diverse shopping experiences. The market is also seeing a concentrated launch of flagship stores and first-to-market outlets, while emerging formats such as anime-themed venues and pet-centric stores continue to expand, creating new opportunities for premium consumption.

# HONG KONG

Over the past year, Hong Kong has seen a continuous uptick in total tourist arrivals. However, visitor spending has become more cautious, with a growing preference for cultural experiences and value-for-money retail offerings. As a result, the increase in visitor numbers has not yet translated into stronger retail sales. From January to June 2025, total retail sales amounted to HK$185.1 billion, reflecting a year-on-year decline of 3.3%. High-end retail segments traditionally favored by tourists were particularly affected.

Some traditional retailers have exited the market after struggling to adapt to evolving consumption patterns among inbound tourists and local residents. Consequently, vacancy pressure has increased, with the average high street vacancy rate rising to 9.7% as at Q2 2025, exerting downward pressure on overall high street and F&B rents.

Despite these challenges, current attractive rental levels have encouraged mass-market retailers and emerging brands to enter high street areas, boosting leasing activity. The market is also undergoing a reshuffling of tenants, resulting in a more diversified and dynamic retail landscape.

Looking ahead, government initiatives promoting mega events and world-class concerts are expected to draw more international visitors and tourism spending. As a result, high street and F&B rents are projected to remain largely stable in H2 2025.

# TAIPEI

In 2024, Taipei's retail market stabilized as the effects of the pandemic recovery gradually diminished. Major shopping districts returned to regular activity, while brands adopted longer-term expansion strategies. The opening of the Taipei Dome boosted visibility and attracted visitors to the Zhongxiao district, while Zhongshan-Nanjing and Ximen maintained stable performance, supported by everyday consumption and inbound tourism.

During H1 2025, the retail market continued to perform steadily, with both rents and vacancy rates remaining flat. However, the long-term impact of the Taipei Dome on Zhongxiao remains to be seen.

Looking ahead to H2 2025, global economic uncertainty and outbound travel, which is diverting domestic spending overseas, are expected to persist. Meanwhile, new retail supply such as Dream Plaza will intensify competition. Major retail districts are likely to remain stable but may face rising pressure from consumer dispersal. Enhancing the street-level shopping experience and maintaining dynamic brand content will be key to sustaining competitiveness. The growth of micro-stores and flexible leases reflects a broader shift toward spatial efficiency and faster tenant turnover, helping retail districts adapt to evolving market dynamics.

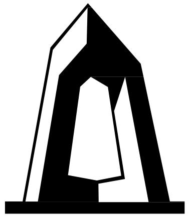
# REPORT INTRODUCTION

**China's retail market has continued to expand over the past year, with upgrading in commodity consumption and the expansion of new forms of consumption. Thus, the retail market in China continued to see recovery. This report looks at the prime retail property market in Greater China and provides an understanding of:**

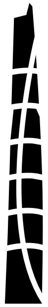
- The retail supply/demand trends experienced in the region over the past year;
- An outlook on retail supply/demand in Greater China for the year ahead and beyond, and;
- The insight into the retail supply/demand trends for each major city in Greater China.

**The eight key city-level prime retail property markets the report covers are:**

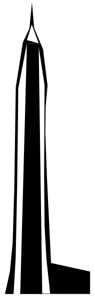
## BEIJING



## SHANGHAI

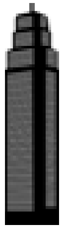


## SHENZHEN

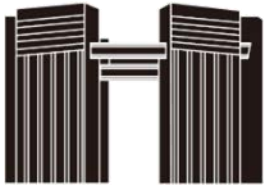


## GUANGZHOU

## CHENGDU



## HANGZHOU



## HONG KONG

## TAIPEI

# GREATER CHINA RETAIL - WHERE IT'S AT

According to the *2025 Report on the Work of the Government*, "*vigorously boosting consumption and investment returns and stimulating domestic demand across the board*" was ranked as the top policy priority, fostering steady growth in domestic spending. In the first half of 2025, the Chinese mainland's total retail sales of consumer goods reached RMB24.5 trillion, up 5.0% year-on-year, with the growth rate accelerating 1.3 percentage points compared with the same period in 2024, providing further support for economic recovery.

By consumption type, sales of goods increased 5.1% year-on-year, while sales of services rose 5.3%. Policies promoting large-scale equipment upgrades and consumer goods trade-ins were effectively implemented, delivering measurable results. Retail sales in home appliances and audiovisual equipment for enterprises above a designated size surged 30.7%, while cultural and office supplies grew 25.4% and communication equipment rose 24.1%. Although overall spending is improving, consumer behavior remains cautious. The consumer confidence index on the Chinese mainland stood at 87.9 in June 2025, reflecting a 1.7-point year-on-year increase. In H1 2025, consumption contributed 52% to GDP growth, up 0.3 percentage points from Q1 2025, but down 9.4 percentage points from Q2 2024. While consumer confidence and expectations have stabilized, some demand remains unsatisfied, and the overall consumer environment needs optimization. As a result, the momentum of the rebound in consumption is not yet fully stable, highlighting the need for continued policy support and market adaptation.

**Figure 1:**
**Total retail sales of consumer goods on the Chinese mainland (2013-H1 2025)**

*Source: National Bureau of Statistics, Cushman & Wakefield Research*

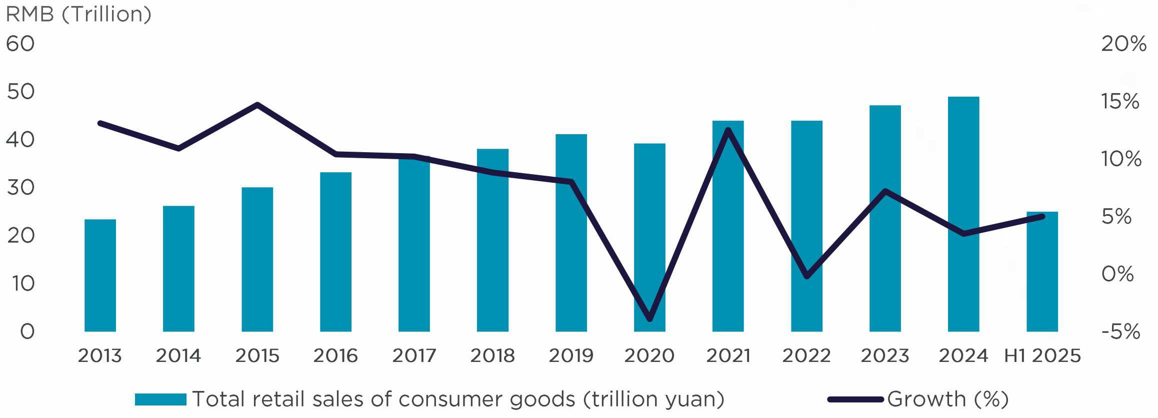
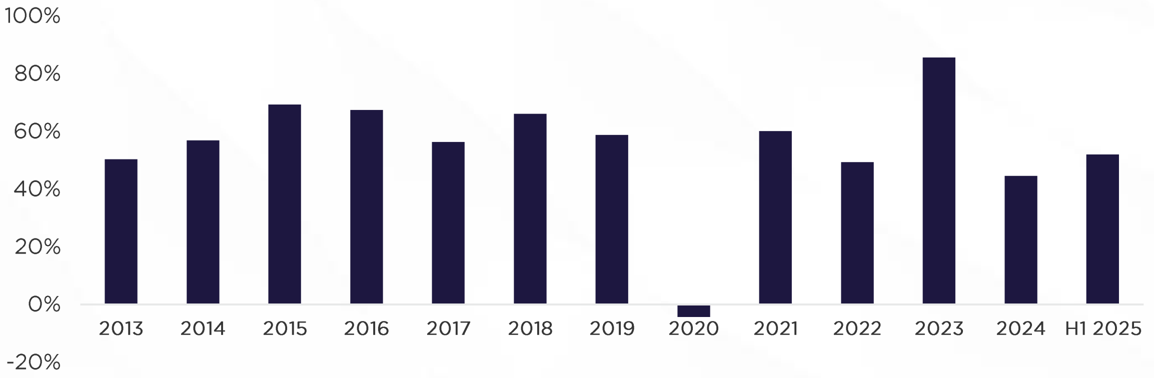



**Figure 2:**
**Chinese consumer confidence index (2013-H1 2025)**

*Source: National Bureau of Statistics, Cushman & Wakefield Research*


**Figure 3:**
**The contribution of consumer spending to GDP growth on the Chinese mainland (2013-H1 2025)**

*Source: National Bureau of Statistics, Cushman & Wakefield Research*



# GREATER CHINA RETAIL - WHERE IT'S AT

Domestic economic growth slowdown and uncertain disposable income have led to more cautious consumer spending, meaning the Greater China retail property market has not yet fully recovered. Nevertheless, supported by "boosting consumption" measures, the Chinese mainland's retail market demonstrated strong resilience over the past year. New retail formats and innovative retail models continue to stimulate demand and activate market participants.

By Q2 2025, the total prime retail property stock in the 15 major cities tracked in Greater China reached 116.7 million sq m. Looking forward, more than 20 million sq m of new supply is scheduled for completion through the end of 2027, further intensifying competition.

Consumer behavior is evolving rapidly under the influence of economic slowdown and demographic shifts. Emerging consumption patterns, including emotional consumption, green consumption, health-focused spending, and cost-performance-oriented purchases, are gaining traction.

Reflecting these dynamics, the overall average vacancy rate across the 15 major cities rose 0.4 percentage points year-on-year to 11.1% in Q2 2025, influenced by low consumer confidence and project upgrading efforts. Despite these challenges, the market continues to adapt, with retailers and landlords actively repositioning assets to align with new consumption preferences and evolving demand.

**Table 1**

**The supply/demand rundown for 17 city core area-level markets in Greater China (Q2 2025)**

*Source: Cushman & Wakefield Research*

**CORE MARKET DATA**
**GREATER CHINA RETAIL**
**Q2 2025**

| Markets | Stock (sq m) | Under Construction (sq m) | Absorption (q-o-q sq m) | Vacancy | Rent (Local currency) (q-o-q change) | | |
|---|---|---|---|---|---|---|---|
| Beijing | 16,856,205 | 2,038,864 | 195,656 | 10.50% | 2130.00 | 0.00% | RMB/sq m/mo |
| Shanghai | 24,990,701 | 8,631,179 | 170,339 | 9.51% | 1877.47 | 0.33% | RMB/sq m/mo |
| Guangzhou | 6,077,086 | 1,903,032 | 195,848 | 9.20% | 672.63 | -1.58% | RMB/sq m/mo |
| Shenzhen | 7,477,219 | 1,864,000 | 187,423 | 9.11% | 761.64 | -2.69% | RMB/sq m/mo |
| Tianjin | 2,859,846 | 619,547 | 27,383 | 16.35% | 408.00 | -1.25% | RMB/sq m/mo |
| Shenyang | 6,569,251 | 236,912 | 42,280 | 19.14% | 232.00 | -2.11% | RMB/sq m/mo |
| Dalian | 2,082,460 | 240,000 | 2,700 | 15.64% | 610.20 | -0.10% | RMB/sq m/mo |
| Qingdao | 4,169,300 | 490,361 | 17,057 | 8.51% | 435.00 | 0.00% | RMB/sq m/mo |
| Nanjing | 7,604,930 | 3,594,749 | 168,050 | 9.10% | 572.64 | -2.37% | RMB/sq m/mo |
| Hangzhou | 7,304,070 | 2,886,000 | -9,003 | 9.67% | 523.24 | -1.57% | RMB/sq m/mo |
| Chongqing | 6,817,000 | 1,347,000 | -19,519 | 10.36% | 568.55 | -0.41% | RMB/sq m/mo |
| Chengdu | 8,498,923 | 761,000 | -61,110 | 8.93% | 586.62 | -0.84% | RMB/sq m/mo |
| Xi'an | 7,756,683 | 506,400 | 119,100 | 15.51% | 235.24 | -0.47% | RMB/sq m/mo |
| Wuhan | 4,511,399 | 464,500 | 27,653 | 15.09% | 404.55 | -0.83% | RMB/sq m/mo |
| Xiamen | 3,107,700 | 428,650 | 95,961 | 11.18% | 432.41 | -2.36% | RMB/sq m/mo |
| Hong Kong | - | - | - | - | 625.64 | -2.62% | HKD/sq ft/mo |
| Taipei | - | - | - | - | 12,400.00 | 0.00% | TWD/ping/mo |

# GREATER CHINA RETAIL - WHERE IT'LL BE

"With policy stimulus, the consumption environment improved marginally in the first half of 2025, reflected in both the recovery of consumer confidence and the accelerating growth of total retail sales of consumer goods on a quarter-on-quarter basis. Driven by emotional consumption and the increasing importance of quality-price ratio, the Chinese consumer market has become more diverse and dynamic, exhibiting renewed vitality."

"Since the start of this year, a series of supportive policies have continued to stimulate consumption, driving steady growth in the Chinese consumer market. To meet increasingly diverse and personalized consumer demands, the retail sector has been actively introducing new business models, consumption scenarios, service offerings, and retail formats."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# GREATER CHINA RETAIL - WHERE IT'LL BE

## Supply Trends

### Urban Renewal Drives Innovative Retail Formats

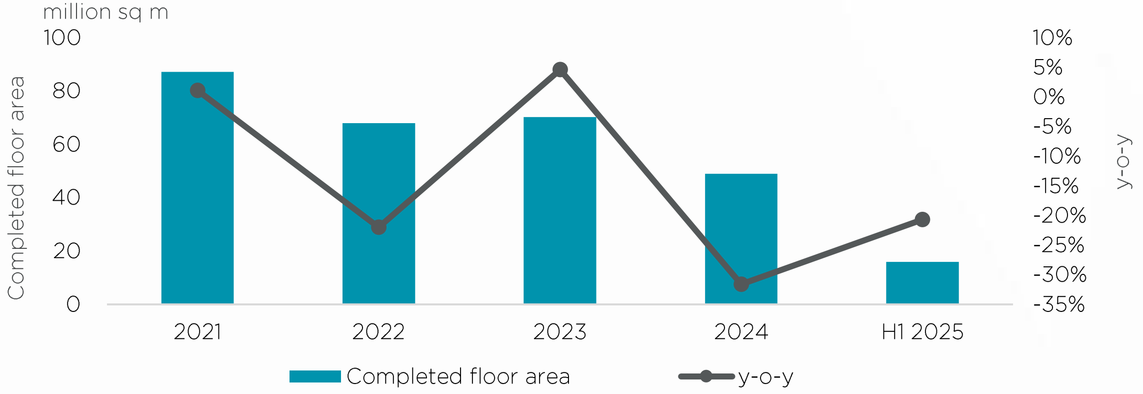
The Chinese mainland's commercial real estate market is increasingly focused on renovating and upgrading existing properties, reflecting the country's steady progress in urban renewal projects. By H1 2025, floor space of new properties for business use completed declined by 20.7% year-on-year, underscoring a shift from new developments to revitalizing existing assets.

According to the Ministry of Housing and Urban-Rural Development, more than 2,600 street and old factory sites have been renovated and upgraded. In this context, "non-standard shopping centers" are adopting innovative design concepts and transformative planning, creating distinctive retail spaces from pre-existing properties.

These non-standard retail properties are injecting new vitality into urban areas, blending creativity with commercial functionality. Notable examples include Beijing The Box, Shanghai Zhangyuan, and Chengdu Eastern Suburb Memory, which showcase how urban renewal and innovative design can reshape the cityscape while meeting evolving consumer preferences.

**Figure 4:**
**Newly completed floor space of new properties for business use on the Chinese mainland (2021–H1 2025)**

*Source: National Bureau of Statistics, Cushman & Wakefield Research*



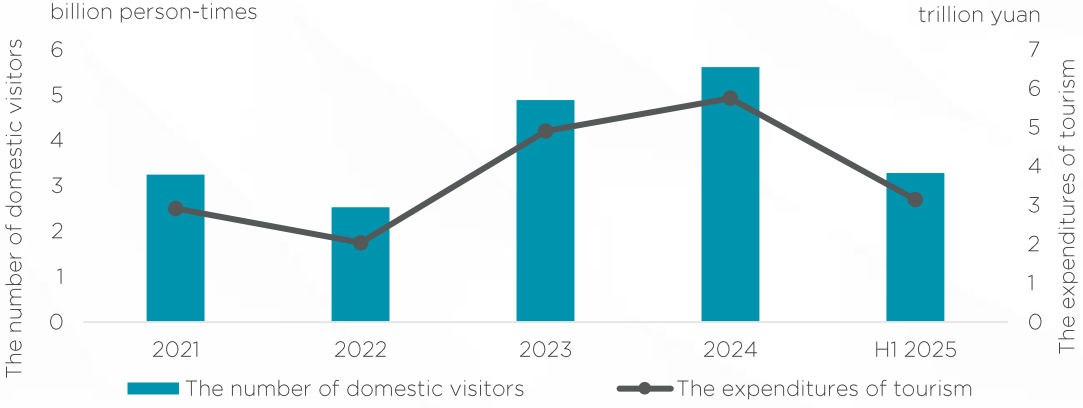

### Tourism Recovery Drives Retail Upgrading and Market Vitality

By Q2 2025, domestic visitor numbers reached 3.285 billion person-times, representing a 20.6% year-on-year increase, while domestic residents spent RMB3.15 trillion on travel, up 15.2% year-on-year. The extension of visa-free transit stays to 240 hours has sustained a surge in inbound tourism. In H1 2025, 38.1 million foreigners entered and exited the Chinese mainland through various ports, marking a 30.2% year-on-year increase.

Amid this recovery in cultural and tourism consumption, cities are increasingly enhancing property quality and creating distinctive retail spaces, supporting the upgrading of the Chinese mainland's tourism-driven retail market. These initiatives are helping to attract both domestic and international consumers, injecting renewed vitality into urban retail districts.

**Figure 5:**
**Development of tourism on the Chinese mainland (2021–H1 2025)**

*Source: Ministry of Culture and Tourism, Cushman & Wakefield Research*



# GREATER CHINA RETAIL - WHERE IT'LL BE

## Demand Trends

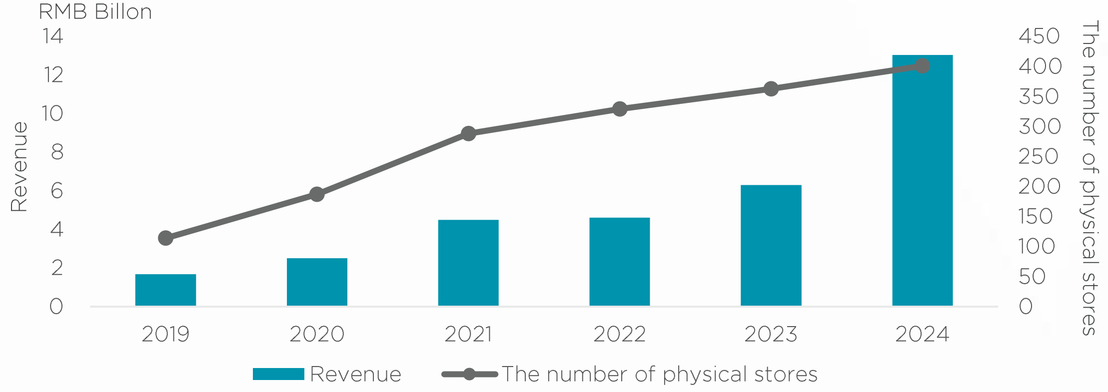
### Experiential and Emotional Value Drives Consumer Spending

With the upgrading of consumption and increasingly fast-paced lifestyles, Chinese consumers are demonstrating a willingness to pay for goods and services that provide emotional value and enable personal expression. Over recent years, pop toys have rapidly gained popularity, reflecting a shift toward richer, experiential, and high-quality emotional satisfaction.

In 2024, POP MART reported revenue of RMB13.04 billion, up 106.9% year-on-year, and expanded its physical presence with 38 new stores, bringing the total to 401 stores on the Chinese mainland. This growth highlights the rising importance of emotional consumption, where material purchases are increasingly tied to personal enjoyment and identity expression, driving a new wave of retail innovation.

**Figure 6:**
**The growth rate of the Chinese mainland's cultural tourism market in H1 2024 compared to the same period in 2019**

*Source: POP MART.com, Cushman & Wakefield Research*




### Growing Focus on Fitness, Wellness, and Healthy Lifestyles

In April 2025, the "*Plan for Promoting Health Consumption*" was issued, aiming to develop sports and fitness consumption scenarios, expand the sports tourism industry, and strengthen the health services sector. In 2024, the Chinese mainland had a total of 4.8 million sports venues, an increase of 249,000 compared to 2023, with the average area per capita reaching 3.0 sq m, up 0.11 sq m.

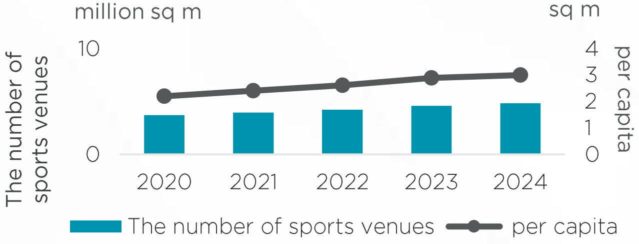
As living standards improve, Chinese consumers are increasingly prioritizing physical health and overall quality of life. Activities such as outdoor sports, fitness, and healthy eating are moving from niche segments into the mainstream consumer market. Sports and wellness brands, including Arc'teryx, Lululemon, and KOLON Sports, have achieved significant success on the Chinese mainland, driven by specialized product positioning and targeted marketing strategies.

This shift toward health-conscious consumption is reshaping retail offerings, creating new opportunities for both existing and emerging brands in the rapidly evolving Chinese consumer market.

**Figure 7:**
**The change in the number of sports venues (2020–2024), and the revenue of some sports brands in 2024 on the Chinese mainland**

*Source: General Administration of Sport of China, Company Website, Cushman & Wakefield Research*

**The change in the number of sports venues and sports venue area per capita**




**The revenue growth of some sports brands in 2024**

Growth of 53.7% in Greater China

KOLON SPORT DESCENTE Growth of 53.7%*

lululemon Net revenue Growth of 41.3% On the Chinese mainland

* Growth includes all other brands under Anta Group except Anta and FILA. In 2024, growth in all other brands will mainly come from Descent and Kolon Sports.

# THE EIGHT MAJOR CITIES RETAIL PROPERTY MARKET

***The eight major Greater China city-level retail property markets this report covers are:***

- ✓ Beijing;
- ✓ Shanghai;
- ✓ Shenzhen;
- ✓ Guangzhou;
- ✓ Chengdu;
- ✓ Hangzhou;
- ✓ Hong Kong, and;
- ✓ Taipei.

These eight markets provide a broad overview of the latest retail property supply and demand activity across the key gateway markets in the Greater China region.



SHENZHEN

CHENGDU

HONG KONG

GUANGZHOU

HANGZHOU

TAIPEI

# TOP SUPPLY/DEMAND TRENDS FOR BEIJING

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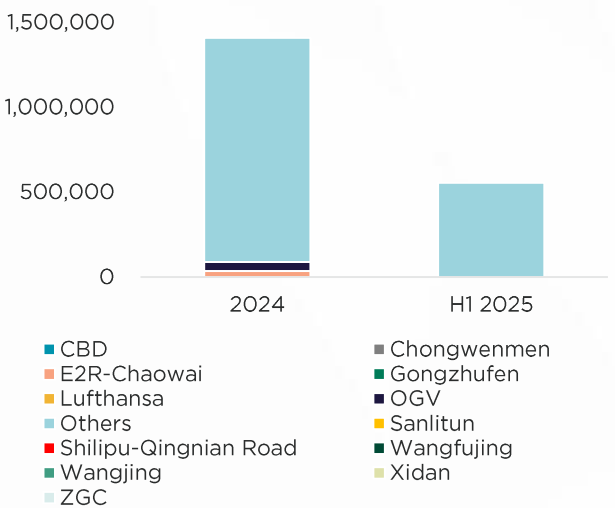
## The Past Year

During the past year, Beijing's retail market welcomed 14 new completions, bringing a total of 1.4 million sq m of high-quality retail space to the market. Among them, six shopping centers with a combined 556,000 sq m opened in H1 2025, a slight increase compared to the same period last year. Most new entrants are urban renewal projects, accounting for 61.2% of the total area.

In the past year, both new project openings and existing project refurbishments are accelerating in the Beijing retail market. The upgrading process of existing retail projects is continuing and shows a trend of expanding from the city center to suburban areas. The Wangjing Huacai Commercial Center is one such example, jointly upgraded by Huacai and CR Group to become Wangjing MixC. Several existing projects have also completed upgrades and renovations and reopened with a fresh look, greatly enhancing the commercial atmosphere in the areas.

**Figure 8:**
**Beijing retail property market – New supply dynamics by submarkets (2024-H1 2025)**

*Source: Cushman & Wakefield Research*




## Demand

### The Past Year

With the continuous entry of new-format shopping malls and consumers' growing demand for experiential consumption, traditional department stores and retail properties have been severely impacted and are now in urgent need of transformation and upgrading. Supported by favorable policies, several older commercial projects have been renovated and revitalized to align with evolving public consumption trends.

These revamped spaces not only actively introduce brand first stores but also increasingly integrate cultural elements, emphasize time-honored brands, China-Chic, and cultural communication brands, and create immersive consumption environments with distinct cultural characteristics. A notable example is Daji Xiang, an urban renewal project that integrates history, culture, and consumption through a courtyard-style block.

The first-store economy continues to drive consumer momentum in Beijing. In 2024, the city attracted 960 brand first stores, with plans to introduce 800 more in 2025 — 400 of which opened in the first five months. Highlights include Michelin Guide–selected Yan Yu · Fujian Restaurant opening its Beijing first store in SKP; golf apparel brand Mark & Lona debuting its first store in China at China World Mall; the mainland's first Armani Café launching in China World Mall; and Pooposuper's Asia flagship store opening at Beijing Hops On. Meanwhile, independent stores in Beijing's Hutong areas are gradually gaining traction, such as JM Café Bakery establishing its first nationwide store in Gongmenkou Dongcha, Xicheng District.

**Figure 9:**
**Beijing retail property market – Supply, absorption and vacancy (2017-Q2 2025)**

*Source: Cushman & Wakefield Research*

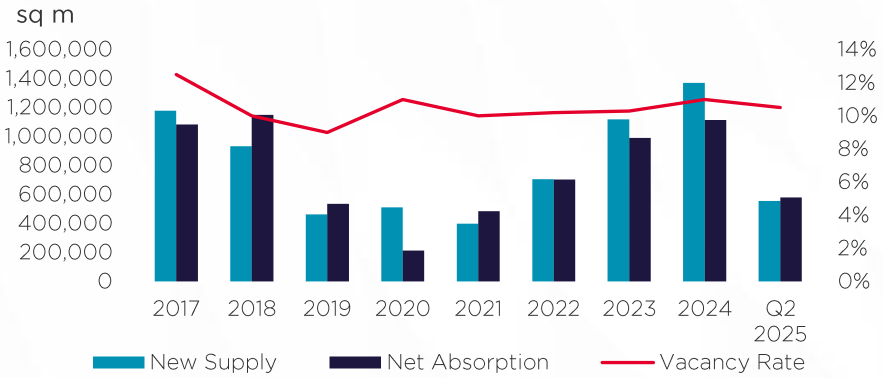



**Figure 10:**
**Beijing retail property market – Average rental (2017-Q2 2025)**

*Source: Cushman & Wakefield Research*

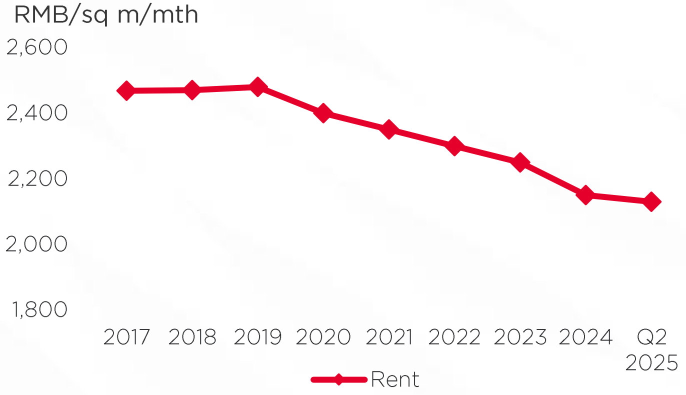



**Figure 11:**
**Beijing retail property market statistics (Q2 2025)**

*Source: Cushman & Wakefield Research*

| Submarket | Inventory (sq m) | Vacancy Rate | Average Rental (RMB/sq m/mth)* |
|---|---|---|---|
| CBD | 979,849 | 5.20% | ¥800 - 2,000 |
| Sanlitun | 246,000 | 2.60% | ¥800 - 2,500 |
| Xidan | 199,000 | 5.50% | ¥1,000 - 1,600 |
| Wangfujing | 450,000 | 3.86% | ¥800 - 2,000 |
| Lufthansa | 234,000 | 4.50% | ¥600 - 1,500 |
| E2R-Chaowai | 279,276 | 5.60% | ¥600 - 1,200 |
| Chongwenmen-Xuanwumen | 309,000 | 8.00% | ¥500 - 1,000 |
| Zhongguancun | 1,012,000 | 4.50% | ¥800 - 1,800 |
| Other Areas | 13,147,080 | 12.08% | / |
| Beijing Totals | 16,856,205 | 10.5% | ¥ 2,130 |

**Data includes shopping centers only.*
**Overall average asking rental range is based on ground floor rent in prime locations in major shopping centers, excluding management, promotional and other fees; the overall average rent is the best location for the first floor of the benchmarking projects in the core submarkets.*

## Supply & Demand

### The Outlook

Five new projects are scheduled to enter the market in H2 2025, adding over 500,000 sq m of high-quality retail space. Supply will continue to be driven primarily by new developments in suburban areas and urban renewal projects in traditional submarkets. Meanwhile, Beijing is actively promoting the development of distinctive commercial blocks. Future projects such as Aoyuan City Street, Datunli, and Longfusi Block are expected to integrate cultural, commercial, tourism, and sports elements, injecting fresh vitality into the retail market.

The Beijing retail market continues to upgrade with strong government policy support, as both new project launches and refurbishments of existing developments accelerate. In April, authorities issued a notice providing funding to support quality enhancements for malls, commercial streets, and submarkets, facilitating commercial enterprise upgrades. Further policy measures issued in June emphasize upgrading traditional submarkets and malls, innovating consumption scenarios, introducing brand first stores, and supporting China-Chic and time-honored Chinese brands — key initiatives aimed at stimulating new market consumption.

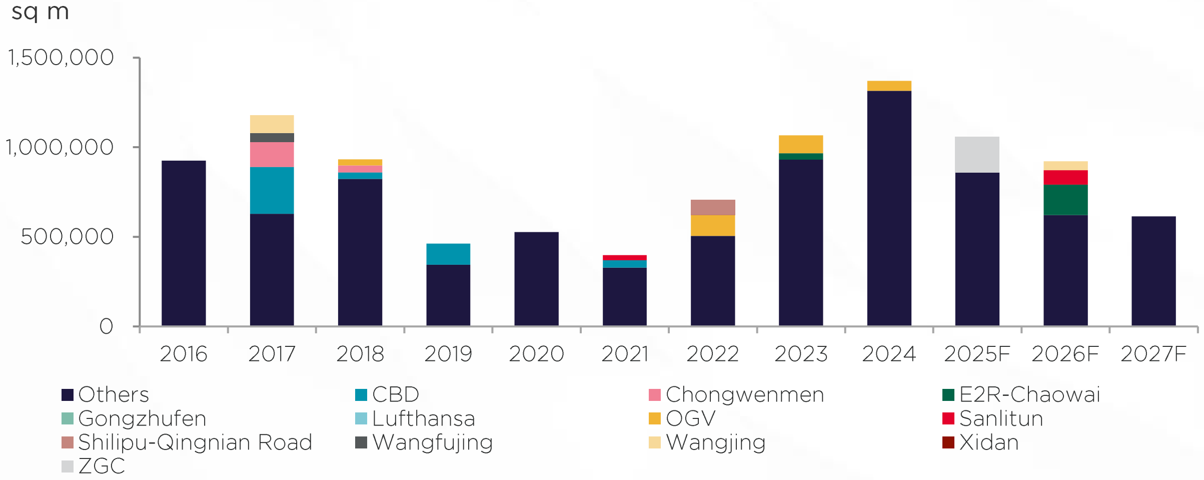
**Figure 12:**
**Beijing retail property market – Significant projects under construction (H2 2025-2026)**

*Source: Cushman & Wakefield Research*

| Property | Submarket | Expected Opening Date | sq m |
|---|---|---|---|
| Beijing Shangde Yintai City | Other (Daxing) | 2025 | 56,000 |
| Wanli Wangfujing WellTown | Other (Tongzhou) | 2025 | 190,000 |
| Zhongguancun ART PARK | Zhongguancun | 2025 | 200,000 |
| D.P.ONE Rlive Plaza | Other (Fangshan) | 2025 | 33,964 |
| Daxing Xinchen Place ( North Zone) | Other (Daxing) | 2026 | 70,000 |

**Figure 13:**
**Beijing retail property market – New supply pipeline by submarkets (2016-2027)**

*Source: Cushman & Wakefield Research*



# TOP SUPPLY/DEMAND TRENDS FOR SHANGHAI

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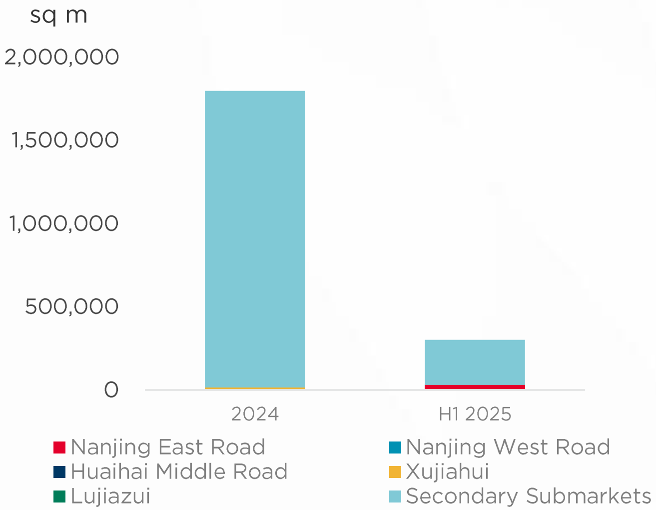
### The Past Year

In the past year, the consumption market in Shanghai has continued to heat up. According to the Shanghai Municipal Bureau of Statistics, in the first five months of 2025, total retail sales of social consumer goods reached RMB687.2 billion, up 1.4% year-on-year. Since 2025, the growth momentum of inbound tourists and consumption in Shanghai has remained strong. In H1 2025, Shanghai welcomed 4.2 million foreign tourists, up 38.5% year-on-year; sales of tax refund goods for foreign tourists increased by 85%; and the "refund upon purchase" sales increased by 28.1 times.

Echoing these positive indicators, Shanghai's prime retail property market was active. The new supply added a total of 1.61 million sq m of retail space to the market in H2 2024 and H1 2025, pushing the stock of the overall mid- to high-end shopping center market in Shanghai to approximately 25.0 million sq m.

**Figure 14:**
**Shanghai retail property market – New supply dynamics by submarkets (2024-H1 2025)**

*Source: Cushman & Wakefield Research*




# Demand

## The Past Year

Due to the large volume of new supply entering the Shanghai market in H2 2024 and H1 2025, the overall vacancy rate for mid- to high-end retail property rose by 0.2 percentage points year-on-year to 9.5%. The average first floor asking rent at mid- to high-end shopping centers dropped by 4.2% year-on-year to RMB728.7 per sq m per month this quarter, primarily pulled down by competitive rents at new supply projects in the suburbs. Given the volume of new supply, Shanghai's retail property market is facing more intensified intra-market project competition. Many aging retail properties are actively adjusting their positioning, brand mixes and facilities, in response to increasing demands from the city's ever more sophisticated consumers.

Fashion, F&B, designer toy, sports, entertainment and discount store sectors were the primary demand generators during the past year. International retailers focused on prime areas, while mass market and F&B brands continued to expand in emerging areas. In the fashion sector, certain international brands upgraded their flagship stores to improve their brand image, as evidenced by Louis Vuitton's maritime-themed landmark outlet, "The Louis“, which opened at HKRI Taikoo Hui. In other sectors, many popular brands expanded their market share in Shanghai, including: MINISO, which opened its No.1 global flagship store on East Nanjing Road; TOP TOY, which opened its Shanghai global flagship store on East Nanjing Road; Siji Minfu Roast Duck Restaurant, which opened a new restaurant at the Longemont Shopping Park; and the first LEGOLAND theme park on the Chinese mainland, which opened in Jinshan District.

**Figure 15:**
**Shanghai retail property market – Supply, absorption and vacancy (2017-Q2 2025)**

*Source: Cushman & Wakefield Research*

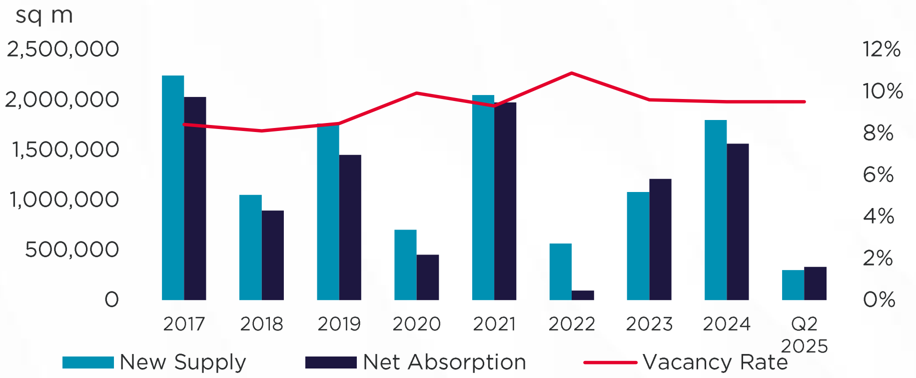



**Figure 16:**
**Shanghai retail property market – Core areas average rental (2017-Q2 2025)**

*Source: Cushman & Wakefield Research*

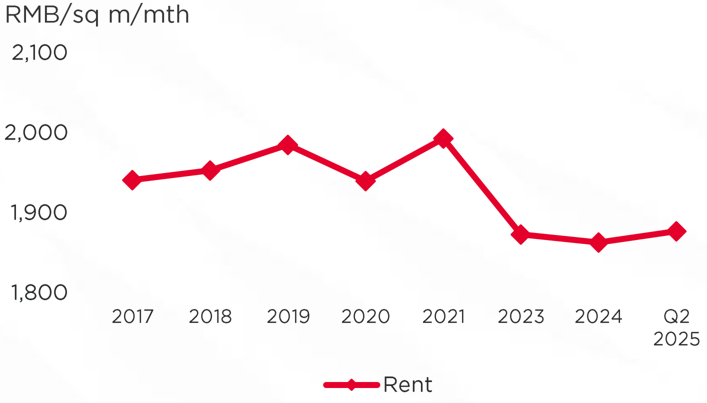



**Figure 17:**
**Shanghai retail property market statistics (Q2 2025)**

*Source: Cushman & Wakefield Research*

| Submarket | Inventory (sq m) | Vacancy Rate | Average Rental (RMB/sq m/mth)* |
|---|---|---|---|
| Nanjing East Road | 491,660 | 6.2% | 2,144.5 |
| Nanjing West Road | 665,738 | 5.8% | 2,250.0 |
| Huaihai Middle Road | 515,560 | 6.2% | 1,508.7 |
| Xujiahui | 282,000 | 2.8% | 2,345.8 |
| Lujiazui | 1,029,978 | 4.8% | 1,483.1 |
| Other Areas | 22,005,765 | 10.3% | 539.3 |
| Shanghai Total | 24,990,701 | 9.5% | 728.7 |

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

# Supply & Demand

## The Outlook

In 2025, Shanghai's efforts to expand consumption will adhere to the dual wheel drive of "*policy + activity*", focusing on supply side innovation, consumption side incentives, and consumption environment optimization. The city aims to actively promote service consumption, bulk consumption, foreign consumption and new consumption. It will also vigorously develop the "*debut economy*", the "*silver-haired economy*", the "*night economy*" and the "*ticket stub economy*", forming a high-level consumption expansion pattern where demand drives supply and supply creates demand. These new policies are timely, promoting the continuous expansion of the consumer market and optimizing the consumption structure.

Looking ahead, with an influx of new projects set to enter the market in H2 2025, established properties by well-known developers will continue to be sought after by international and well-known domestic brands. Certain older retail properties, however, will face fierce competition from nearby new projects. Given that several well-known new projects entering the market will intensify market competition, the differentiation between retail properties may further intensify. Existing shopping malls will respond to increasingly fierce market competition by opening first or flagship stores, optimizing the tenant mix, renovating facilities, and/or setting up experiential spaces.

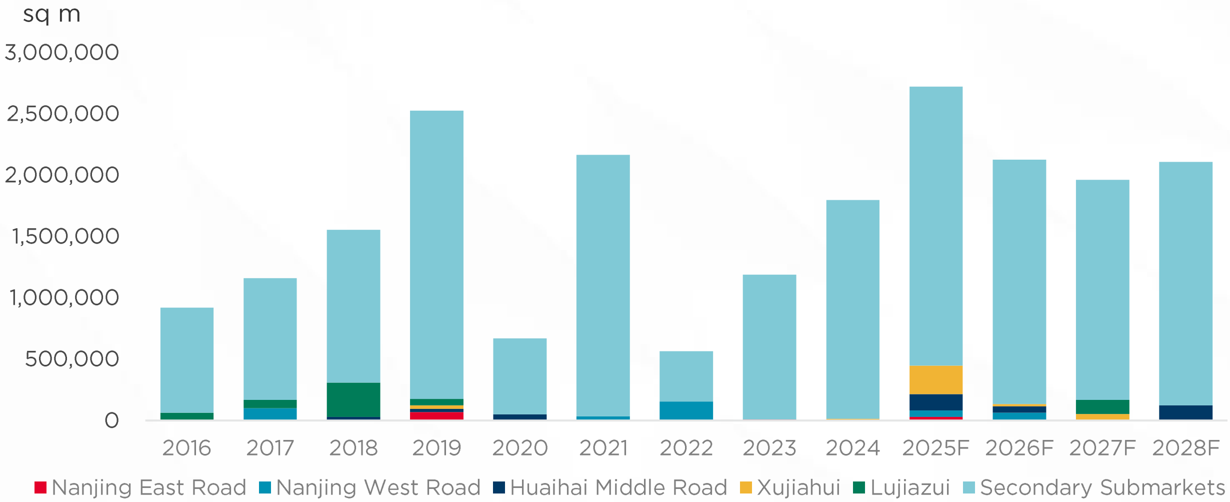
**Figure 18:**
**Shanghai retail property market – Significant projects under construction (H2 2025-2028)**

*Source: Cushman & Wakefield Research*

| Property | Submarket | Expected Opening Date | sq m |
|---|---|---|---|
| Pacific Xintiandi | Huaihai Middle Road | 2025 | 83,000 |
| ITC Phase II | Xujiahui | 2025 | 231,417 |
| K11 ELYSEA | Huaihai Middle Road | 2025 | 50,000 |
| Taikoo Li | Lujiazui | 2027 | 115,000 |
| Plaza 66 III | Nanjing West Road | 2027 | 3,080 |

**Figure 19:**
**Shanghai retail property market – New supply pipeline by submarkets (2016-2028)**

*Source: Cushman & Wakefield Research*



# TOP SUPPLY/DEMAND TRENDS FOR SHENZHEN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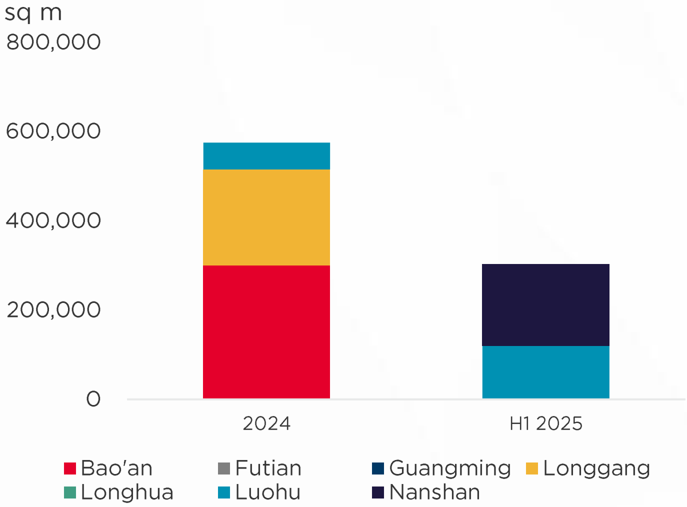
### The Past Year

Shenzhen’s retail market maintained positive momentum over the past year, with particularly strong signals from the demand side. Mall operators regained confidence, increasing construction activity and being selective with tenants. Reflecting this trend, a combined 877,807 sq m of prime retail shopping mall space was added to the market in H2 2024 and H1 2025. As a result, Shenzhen’s prime mall stock grew 13.3% year-on-year, reaching 7.5 million sq m by the end of Q2 2025.

New openings were spread across multiple regions. Bao’an accounted for 34.2% of the total new retail gross floor area, primarily in the Fuyong-Shajing submarket. Longgang contributed 24.5%, with malls incorporating natural environments proving particularly popular. Nanshan and Luohu added 20.8% and 20.5% respectively, led by K11 ECOAST and Luohu Yitian Holiday Plaza.

**Figure 20:**
**Shenzhen retail property market – New supply dynamics by submarkets (2024-H1 2025)**

*Source: Cushman & Wakefield Research*




## Demand

### The Past Year

The influx of new supply enabled innovative consumption scenarios, attracted new entrants, provided local brands with more opportunities to relocate or renovate, and boosted overall consumption potential and upgrading. However, the market also observed a shift in consumer behavior, with some local shoppers increasingly frequenting community retail premises and retail plazas in mixed-use office developments for convenience rather than visiting major malls. This intensified competition among landlords and brands to attract new entrants and customer traffic. As a result, in Q2 2025, the monthly average rental level of prime malls declined 6.2% year-on-year to RMB761.6 per sq m, while the citywide vacancy rate rose 0.7 percentage points year-on-year to 9.1%.

In terms of store openings, women's wear and outdoor clothing accounted for 8.1% and 5.2%, respectively, bringing the general retailing sector to a 47.3% total share. Young adults and office workers increasingly embraced sports and fitness activities as a way to socialize and de-stress. Coupled with media exposure from global sporting events, sportswear stores expanded within malls.

The F&B sector represented 40.6% of total new stores, with beverages featuring green and low-calorie ingredients gaining popularity. Niche offerings, including ice cream, bagels, and ciabatta also saw growth. Meanwhile, Hong Kong visitors' consumption trends created new opportunities, prompting the reopening of some Cantonese and Shanghai restaurants after previously suspended expansion plans.

**Figure 21:**
**Shenzhen retail property market – Supply, absorption and vacancy (2017-Q2 2025)**

*Source: Cushman & Wakefield Research*

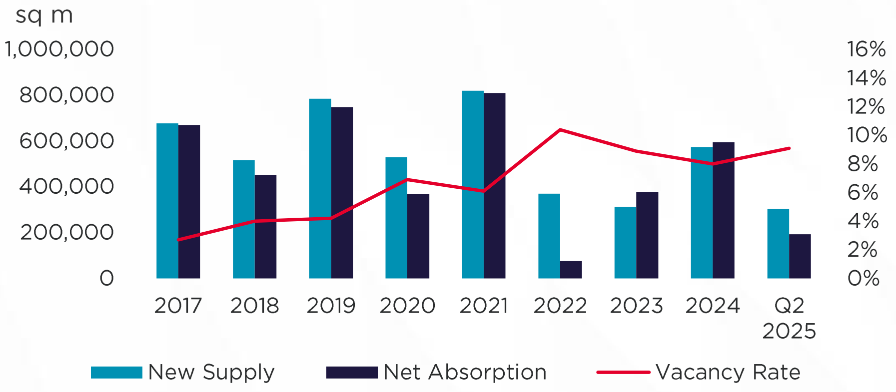



**Figure 22:**
**Shenzhen retail property market – Average rental (2017-Q2 2025)**

*Source: Cushman & Wakefield Research*

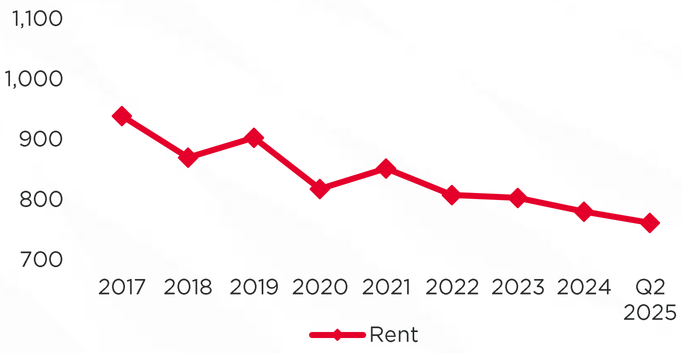



**Figure 23:**
**Shenzhen retail property market statistics (Q2 2025)**

*Source: Cushman & Wakefield Research*

| Submarket | Inventory (sq m) | Vacancy Rate | Overall Average Rental (RMB/sq m/mth)* |
|---|---|---|---|
| Luohu | 963,829 | 6.9% | 900.5 |
| Futian | 1,348,000 | 8.3% | 1,015.4 |
| Nanshan | 2,003,390 | 17.1% | 711.3 |
| Longgang | 1,022,000 | 3.2% | 531.9 |
| Bao'an | 1,250,000 | 7.0% | 758.8 |
| Longhua | 640,000 | 4.8% | 462.5 |
| Guangming | 250,000 | 3.8% | 425.0 |
| Shenzhen Totals | 7,477,219 | 9.1% | 761.6 |

**Rentals are calculated by NLA and considered as consistently achievable for prime space in prime shopping centers, excluding management fee, promotional fee and other fees.*

# Supply & Demand

## The Outlook

Approximately 1.3 million sq m of new prime retail supply is scheduled to enter the market by the end of 2027, with western submarkets, including Bao'an and Nanshan, accounting for 68.4% of the total. While this supply influx is expected to intensify competition and put pressure on the citywide average rental level, recent tourism and urban renewal projects led by new entrants such as New World, Joy City, and Huafa are anticipated to introduce fresh campaigns to Shenzhen's retail market. These projects are also expected to enhance the city's commercial network layout and improve its aesthetic appeal.

Government-supported trade-in program subsidies have stimulated renewed market demand and promoted Shenzhen's manufacturing technology, resulting in a 55.7% year-on-year growth in retail sales of household appliances and audio-visual equipment in H1 2025. While expanding domestic demand remains a priority for economic growth, the marginal impact of these initiatives may be limited given the durable nature of electronic products.

To strengthen consumption confidence, Shenzhen has introduced action plans aimed at improving employment, raising incomes, reducing education costs, and alleviating the burden of elderly care. At the same time, the rise of "emotional consumption" has boosted demand for IP-related products with cultural and personality appeal, as well as pet-related products, creating new bright spots that support overall retail sales.

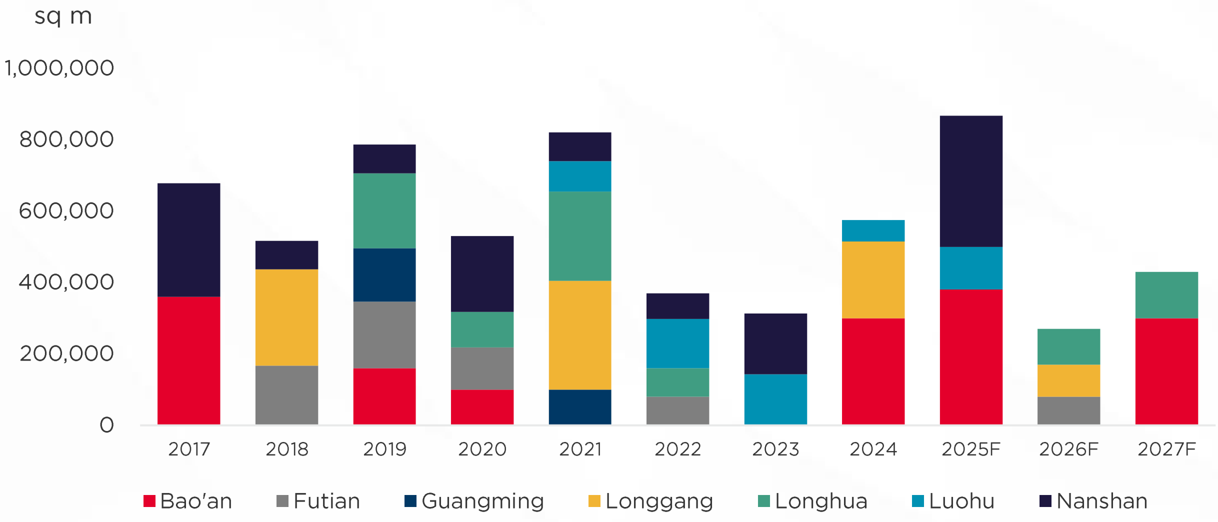
**Figure 24:**
**Shenzhen retail property market – Significant projects under construction (H2 2025-2027)**

*Source: Cushman & Wakefield Research*

| Property | Submarket | Expected Opening Date | sq m |
|---|---|---|---|
| MIxC ONE Huaide | Bao'an | 2025 | 180,000 |
| Huafa Snow World | Bao'an | 2025 | 50,000 |
| The MIXC (Longhua) | Longhua | 2027 | 130,000 |
| Uni Outlet | Bao'an | 2027 | 300,000 |

**Figure 25:**
**Shenzhen retail property market – New supply pipeline by submarkets (2017-2027)**

*Source: Cushman & Wakefield Research*



# TOP SUPPLY/DEMAND TRENDS FOR GUANGZHOU

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“

### The Past Year

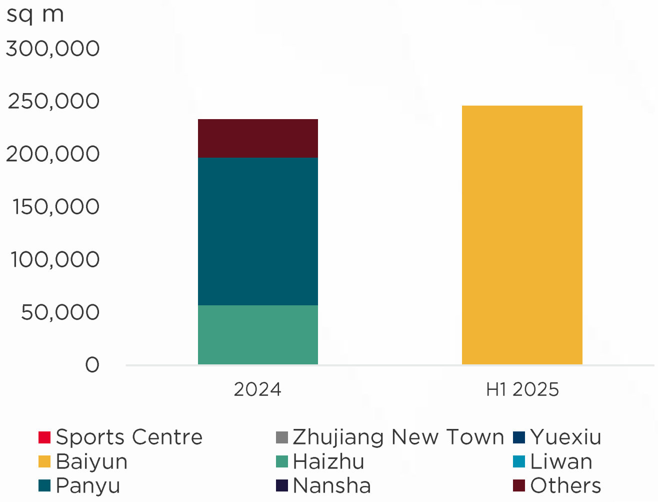
Over the past year, four new shopping malls added 443,000 sq m of high-quality retail space to the market, pushing the total citywide stock past 6 million sq m. Approximately 87% of these projects are located in non-core shopping districts, accelerating the expansion of the city's retail landscape.

Faced with rising competition from new developments, established shopping centers have actively adjusted their strategies to maintain competitiveness. These efforts include optimizing brand mixes, repositioning market positioning, and upgrading facilities. For example:

- Guangzhou Teemall launched a three-year upgrade plan while maintaining daily operations.
- Popark reconfigured its supermarket area and introduced more retail and F&B brands.
- K11 added a range of luxury brands, several of which opened within the year.

**Figure 26:**
**Guangzhou retail property market – New supply dynamics by submarkets (2024-H1 2025)**

*Source: Cushman & Wakefield Research*




## Demand

### The Past Year

Guangzhou's retail consumption turned from negative to positive growth in H2 2024 and maintained steady momentum in H1 2025, reaching 5.9% year-on-year. Despite improved consumer demand, brand owners remain cautious about expansion. Many new projects in non-core commercial districts are still in the lease-up phase, contributing to a citywide vacancy rate increase of 1.9 percentage points year-on-year, reaching 9.2%.To remain competitive, some prime malls reduced rents for high-quality space to attract first-tier brands. Consequently, the citywide prime mall average rent dropped 6.1% year-on-year to RMB672.6 per sq m per month.

Guided by the first store policy, prime malls in Guangzhou introduced nearly 85 first stores over the past year, a 70% year-on-year increase. The general retail sector drove market absorption, accounting for 42% of all new and pending store openings. Policies such as trade-in programs and national subsidies have effectively stimulated retail consumption, particularly boosting growth in 3C electronics, home furnishings, and related sectors.

Sub-categories emphasizing emotional consumption, including culture and leisure, outdoor sports, and cosmetics, also performed strongly. The catering sector accounted for 41% of new stores, with expansions focusing on local specialty cuisines and beverages.

**Figure 27:**
**Guangzhou retail property market – Supply, absorption and vacancy (2017-Q2 2025)**

*Source: Cushman & Wakefield Research*

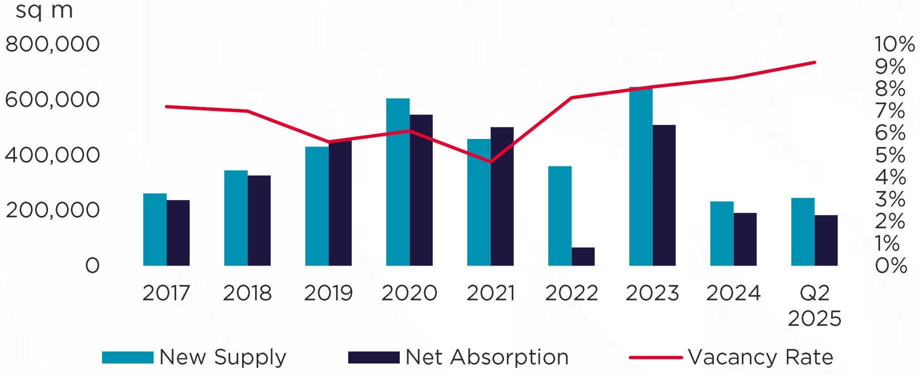



**Figure 28:**
**Guangzhou retail property market – Average rental (2017-Q2 2025)**

*Source: Cushman & Wakefield Research*

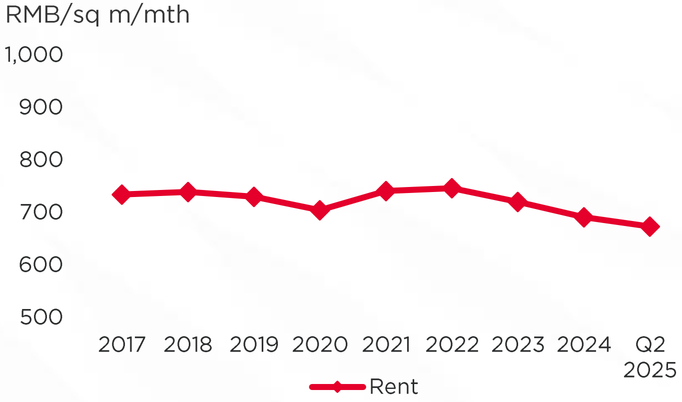



**Figure 29:**
**Guangzhou retail property market statistics (Q2 2025)**

*Source: Cushman & Wakefield Research*

| Submarket | Inventory (sq m) | Vacancy Rate | Overall Average Rental (RMB/sq m/mth)* |
|---|---|---|---|
| Sports Centre | 867,800 | 1.0% | 1,855.8 |
| Zhujiang New Town | 604,359 | 9.7% | 860.0 |
| Yuexiu | 477,200 | 8.7% | 778.8 |
| Baiyun | 984,300 | 16.9% | 400.8 |
| Haizhu | 366,000 | 1.1% | 599.1 |
| Liwan | 525,900 | 21.8% | 476.0 |
| Panyu | 703,225 | 3.9% | 409.3 |
| Nansha | 383,530 | 5.3% | 265.0 |
| Other Areas | 1,164,772 | 10.1% | 316.1 |
| Guangzhou Totals | 6,077,086 | 9.2% | 672.6 |

**Rentals are calculated by NLA and considered as consistently achievable for prime space in prime shopping centers, excluding management fee, promotional fee and other fees.*

# Supply & Demand

## The Outlook

Approximately 976,025 sq m of new retail space is scheduled for completion between mid-2025 and 2026. The Panyu and Liwan commercial districts account for 21% and 18% of this supply, respectively, bringing landmark projects such as K11 Select and Baietan MixC. The accelerated development of the Baietan and Changlong-Wanbo areas will further strengthen Guangzhou's "5+2+4" multi-core commercial district system. The addition of high-end retail malls will provide brands with a wider range of locations and an expanded market reach.

Over the past year, Guangzhou has introduced a series of policies to boost consumption. In June 2025, the "*Guangzhou Special Action Plan for Boosting Consumption (Draft for Comment)*" was released, outlining measures to improve service consumption, ensure consumption capacity, raise residents' incomes, and upgrade large-scale consumption, aiming to activate the market across all segments. Additionally, relevant departments have implemented special policies for duty-free shops, elderly-focused services, and the catering industry. Looking ahead, with the support of these policies, Guangzhou's retail consumption vitality is expected to be further unleashed and activated.

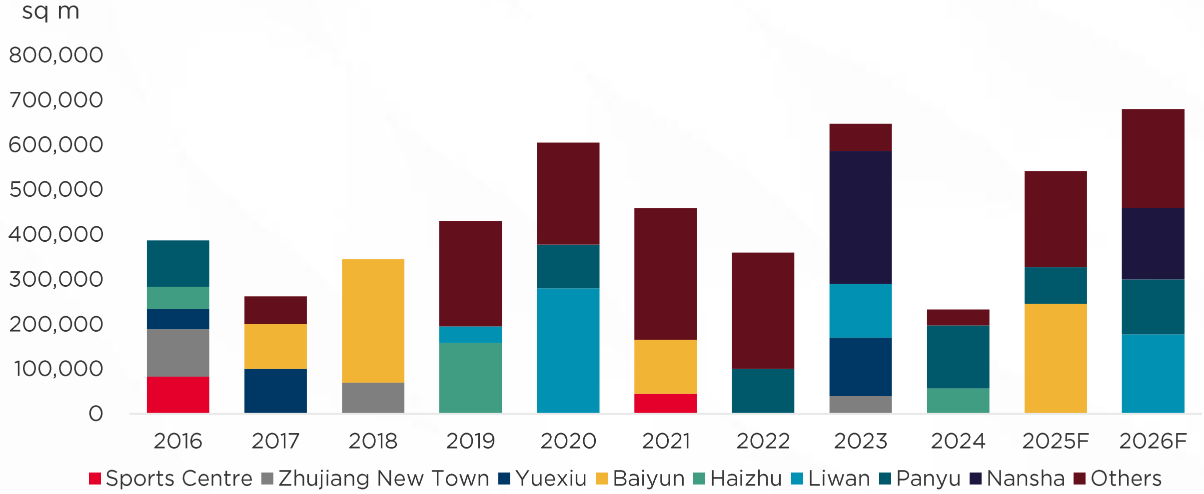
**Figure 30:**
**Guangzhou retail property market – Significant projects under construction (H2 2025-2026)**

*Source: Cushman & Wakefield Research*

| Property | Submarket | Expected Opening Date | sq m |
|---|---|---|---|
| Junchao Mall | Others | 2025 | 128,000 |
| K11 Select | Panyu | 2025 | 81,000 |
| Baietan Mixc | Liwan | 2026 | 177,025 |

**Figure 31:**
**Guangzhou retail property market – New supply pipeline by submarkets (2016-2026)**

*Source: Cushman & Wakefield Research*



# TOP SUPPLY/DEMAND TRENDS FOR CHENGDU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### The Past Year

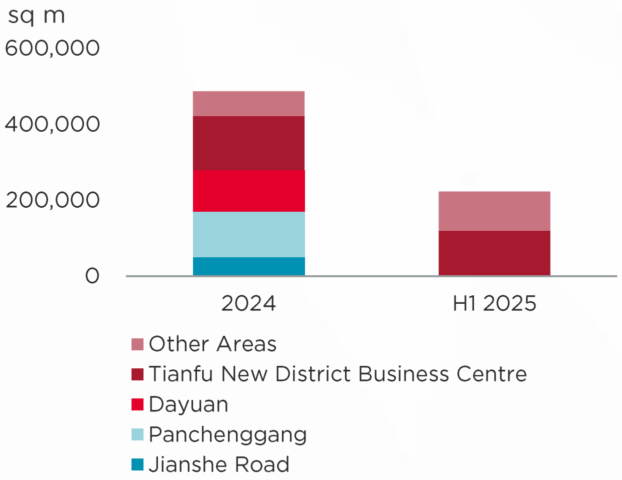
In H1 2025, Chengdu's total retail sales of consumer goods rose 6.1% year-on-year to RMB562.2 billion, an acceleration of 3.9 percentage points compared with the previous period. The recovery in consumption has underpinned the steady growth of Chengdu's retail market over the past year.

During H2 2024 and H1 2025, the city welcomed four new shopping centers, adding approximately 452,000 sq m of retail space and bringing Chengdu's total stock to around 8.5 million sq m.

At the same time, the upgrading of existing retail projects continued in response to evolving consumer demand. Notable examples include the renovation of Chicony Plaza (B1 to 2F), which reopened with a dedicated anime-themed space. Other projects undergoing remodeling and upgrades included Wuhou Wanda, Newcore Outlets (Kehua Road), and Ito Yokado Plaza (Greenland).

**Figure 32:**
**Chengdu retail property market – New supply dynamics by submarkets (2024-H1 2025)**

*Source: Cushman & Wakefield Research*




* Includes two reinstallation projects

## Demand

### The Past Year

By the end of Q2 2025, the overall vacancy rate in Chengdu's prime retail property market rose to 8.93%, an increase of 2.9 percentage points year-on-year, largely driven by the adjustment of existing retail properties and the introduction of new projects with higher vacancy levels. Under this pressure, the average first-floor asking rent declined by 3.4% year-on-year to RMB586.62 per sq m per month.

Outdoor sports brands continued to perform strongly, supported by consumers' growing emphasis on health and active lifestyles. Notable openings included On and KOLON KRAFT, both launching their first Chinese mainland flagship stores at Taikoo Li, while Jordan World of Flight established its first Chengdu store.

Meanwhile, although international brands have generally slowed the pace of new store expansion, many have sought to sustain their presence by upgrading or renovating key locations. For instance, Tiffany & Co. unveiled a newly upgraded three-story flagship store at Taikoo Li; Louis Vuitton at IFS introduced the first Montgolfier Vestibule Room on the Chinese mainland; and UNIQLO opened its first Northwest China flagship store at The Mixc following an upgrade. These developments highlight that international brands remain active in Chengdu's retail market, underscoring both the scale and long-term potential of local consumption.

**Figure 33:**
**Chengdu retail property market – Supply, absorption and vacancy (2017-H1 2025)**

*Source: Cushman & Wakefield Research*

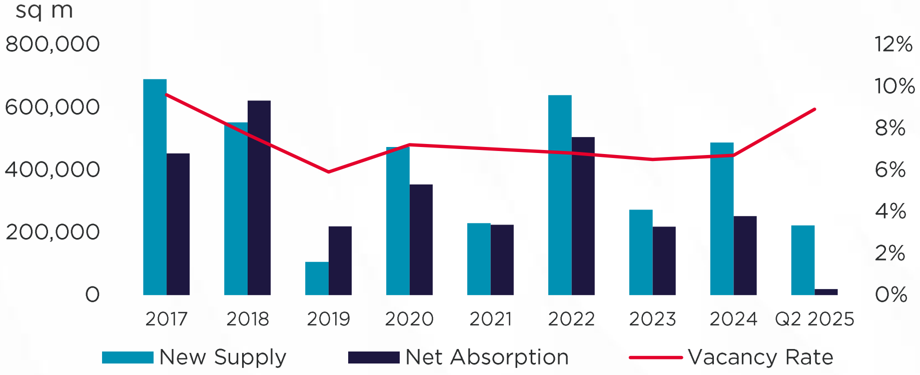



**Figure 34:**
**Chengdu retail property market – Average rental (2017-H1 2025)**

*Source: Cushman & Wakefield Research*

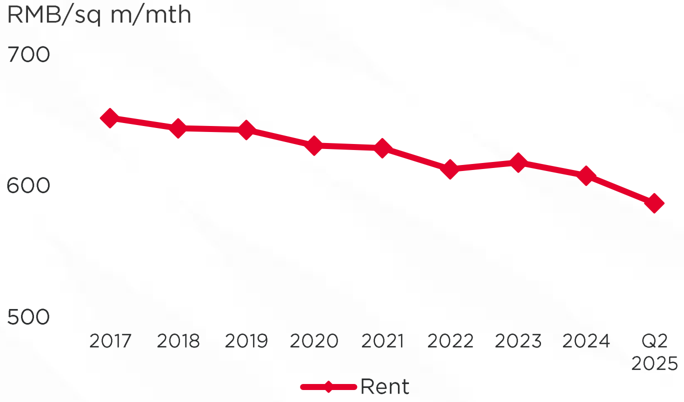



**Figure 35:**
**Chengdu retail property market statistics (Q2 2025)**

*Source: Cushman & Wakefield Research*

| Submarket | Inventory (sq m) | Vacancy Rate | Overall Average Rental (RMB/sq m/mth)* |
|---|---|---|---|
| Chunyan Business Centre | 1,191,556 | 19.04% | 1,364.81 |
| Shuangnan-Zijing | 513,000 | 11.21% | 583.33 |
| Guanghua-Jinsha | 306,171 | 2.97% | 432.22 |
| Jianshe Road | 820,700 | 13.14% | 342.59 |
| Panchenggang | 712,239 | 3.00% | 830.00 |
| Xinnan Tiandi | 281,773 | 3.73% | 755.56 |
| Jiaozi Business Centre | 1,386,400 | 5.39% | 526.19 |
| Da Yuan | 695,000 | 2.07% | 355.95 |
| North of the City | 958,300 | 7.04% | 451.19 |
| East of the City | 235,000 | 10.21% | 366.67 |
| Tianfu New District Business Centre | 534,000 | 9.90% | 333.33 |
| Other Areas | 864,784 | 10.69% | 431.48 |
| Chengdu Totals | 8,498,923 | 8.93% | 586.62 |

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

## Supply & Demand

### The Outlook

Looking ahead, approximately 761,000 sq m of new supply is scheduled to enter Chengdu's prime retail market between H2 2025 and 2027. However, due to ongoing economic pressures, some projects are expected to face delays, leading to a slower pace of new additions.

While consumers have become more cautious — reducing spending on non-essential goods and frequently comparing prices — they remain willing to pay for products and services that enhance happiness and health. In response, shopping center owners and retailers are expected to focus on enhancing product value, while also exploring innovative business models and retail concepts to capture demand.

Policy support will further underpin the sector. In 2025, Chengdu introduced a series of measures, including the "*Plan for Boosting Demand in Chengdu 2025*", aimed at diversifying consumption scenarios, improving consumer purchasing power, and revitalizing the retail market.

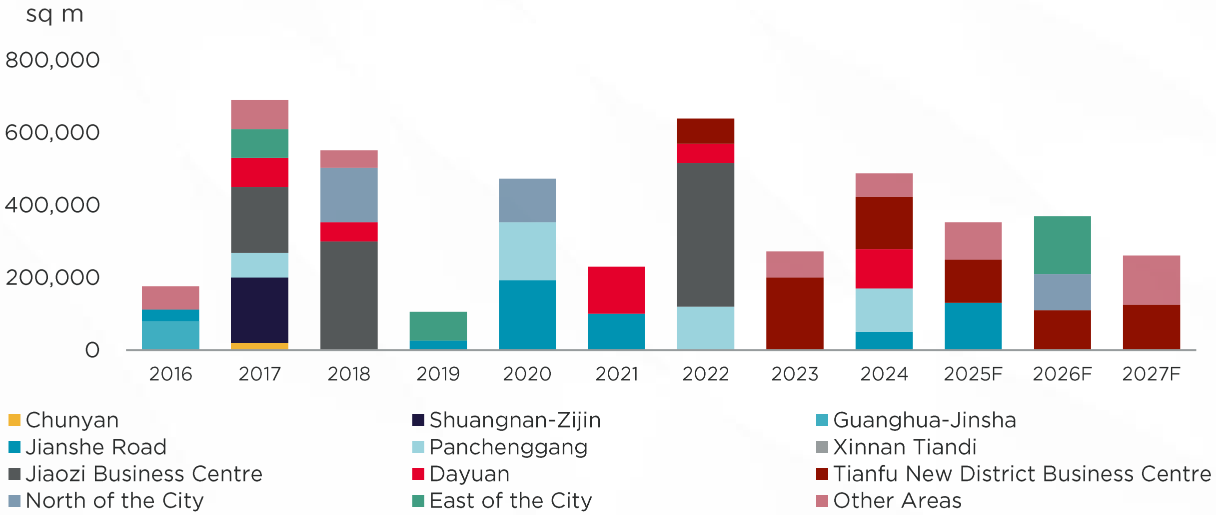
**Figure 36:**
**Chengdu retail property market – Significant projects under construction (H2 2025-2027)**

*Source: Cushman & Wakefield Research*

| Property | Submarket | Expected Opening Date | sq m |
|---|---|---|---|
| Wangfujing Shopping Mall | Jianshe Road | 2025 | 130,000 |
| Chenghua Joyous Time | East City | 2026 | 160,000 |
| Jinniu Joy City | North City | 2026 | 100,000 |
| Chengdu MixC World | Others | 2027 | 136,000 |

**Figure 37:**
**Chengdu retail property market – New supply pipeline by submarkets (2016-2027)**

*Source: Cushman & Wakefield Research*



# TOP SUPPLY/DEMAND TRENDS FOR HANGZHOU

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### The Past Year

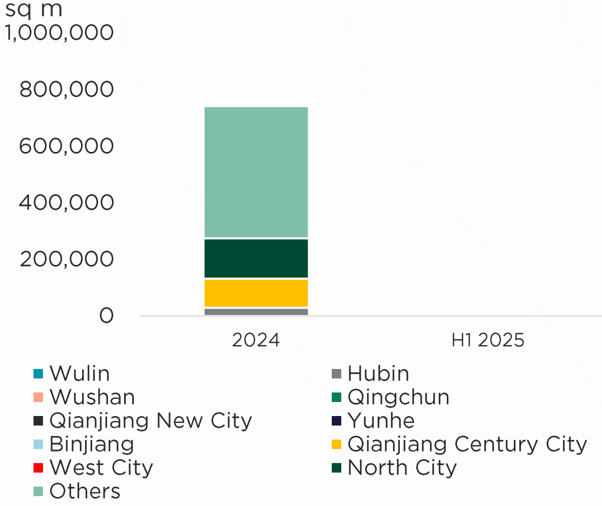
Hangzhou is actively promoting “*domestic demand expansion and consumption growth*” through a series of supportive policies and activities, positioning consumption as a new engine to drive urban vitality. However, amid growing global uncertainties, insufficient demand remains a challenge, highlighting the need for stronger foundations to sustain economic recovery.

Over the past 12 months, Hangzhou’s premium retail market has entered a new phase of qualitative upgrading. The city witnessed the grand openings of six major commercial projects, collectively adding nearly 380,000 sq m of retail space. These developments are reshaping the market by offering more diverse and immersive shopping experiences.

At the same time, the market has seen a wave of flagship store debuts and first-to-market outlets, further enriching Hangzhou’s retail landscape. Emerging formats — such as anime-themed venues and pet-focused stores — are also expanding.

**Figure 38:**
**Hangzhou retail property market – New supply dynamics by submarkets (2024-H1 2025)**

*Source: Cushman & Wakefield Research*




## Demand

### The Past Year

In H1 2025, Hangzhou's total retail sales reached RMB458.5 billion, up 6.0% year-on-year, supported by trade-in policies. Household appliances and consumer electronics surged +97.5%, communication equipment rose +40.9%, and new-energy vehicle sales grew +30.5%. Daily necessities also maintained steady growth.

The premium retail market remained under pressure. No new projects were completed in H1, and the occupancy rate edged down to 90.33%, while average ground-floor rents fell 3.2% year-on-year to RMB523.2 per sq m per month.

Developers and retailers have shifted strategies toward asset-light models and stock optimization, as high inventories and weak consumption weigh on expansion plans. Although six new commercial projects totaling 380,000 sq m opened over the past 12 months, delays in flagship developments have slowed momentum. Emerging formats — such as anime-themed venues, pet-focused stores, and first-to-market flagships — continue to diversify consumption scenarios.

Hangzhou's retail market is entering a new iteration cycle, with policy support providing a buffer. However, near-term challenges remain, as businesses adopt a cautious, consolidation-focused approach amid slow consumption recovery.

**Figure 39:**
**Hangzhou retail property market – Supply, absorption and occupancy (2017-Q2 2025)**

*Source: Cushman & Wakefield Research*

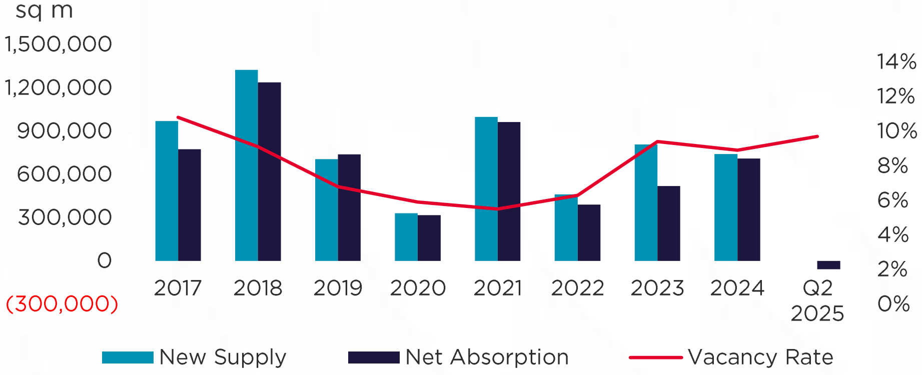



**Figure 40:**
**Hangzhou retail property market – Average rental (2017-Q2 2025)**

*Source: Cushman & Wakefield Research*

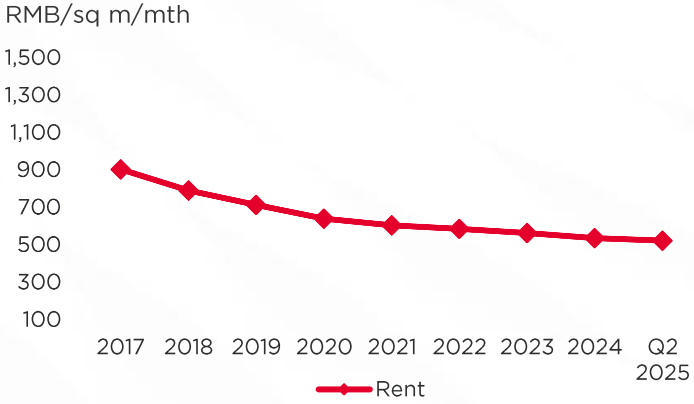



**Figure 41:**
**Hangzhou retail property market statistics (Q2 2025)**

*Source: Cushman & Wakefield Research*

| Submarket | Inventory (sq m) | Vacancy Rate | Average Rental (RMB/sq m/mth)* |
|---|---|---|---|
| Wulin | 498,930 | 4.70% | 800 – 1,500 |
| Hubin | 603,400 | 5.20% | 700 – 1,500 |
| Wushan | 176,000 | 13.10% | 500 – 1,000 |
| Qingchun | 193,000 | 5.80% | 600 – 800 |
| Qianjiang New City | 513,000 | 5.60% | 600 – 900 |
| Hangzhou Totals | 7,304,070 | 9.7% | 600 – 1,000 |

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

## Supply & Demand

### The Outlook

In H2 2024, Hangzhou is scheduled to open nine new commercial properties, adding more than 800,000 sq m of leasable area. Yet despite robust pipeline figures, malls face persistent challenges from inventory surplus and insufficient consumption momentum. Whether these projects proceed as planned — or follow H1's delayed-launch trend — remains to be seen. The market will continue to display a mix of consumption downgrading and demand upgrading, creating both risks (greater pricing pressure) and opportunities (building loyalty among more rational consumers).

Policy support is also emerging. Hangzhou recently rolled out measures to standardize and promote outdoor business operations, building on its three-year pilot of outdoor dining models. The Municipal Urban Management Bureau has eased restrictions across 52 designated locations, including smart business districts, specialty streets, night economy hubs, and district-level commercial zones. The initiative encourages outdoor commerce and cultural-commercial activities to boost vitality, while ensuring orderly management. Key improvements include simplified approval procedures, new service formats, and upgraded supporting facilities.

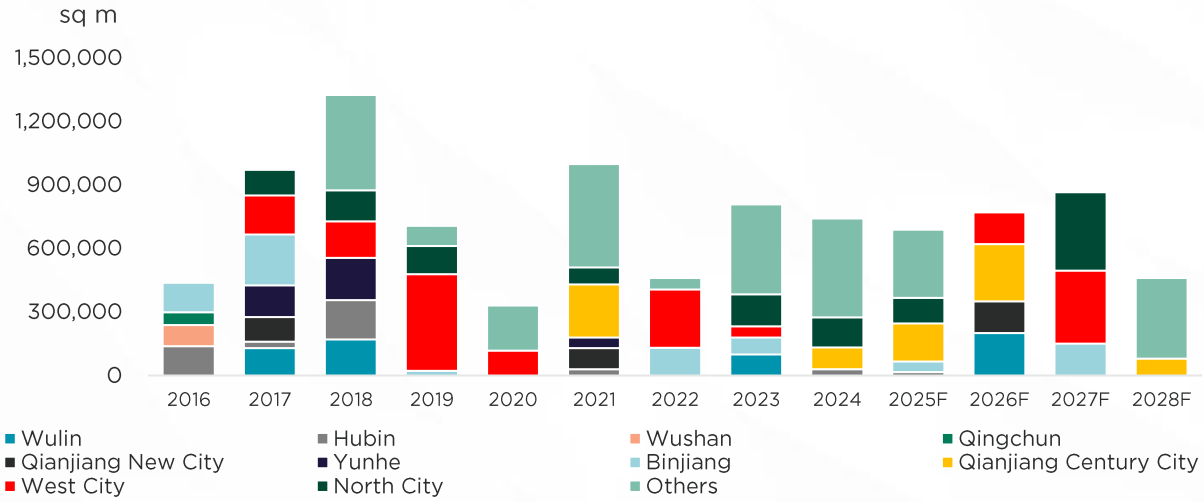
**Figure 42:**
**Hangzhou retail property market – Significant projects under construction (H2 2025)**

*Source: Cushman & Wakefield Research*

| Property | Submarket | Expected Opening Date | sq m |
|---|---|---|---|
| One Avenue World Mall | Qianjiang New City | 2025 | 95,000 |
| EIC LIVE Lifestyle Plaza | Qianjiang New City | 2025 | 50,000 |
| Longfor Shang Cheng Project | Jiu Bao | 2025 | 136,000 |
| Kerry Parkside | Wen Hui | 2025 | 100,000 |

**Figure 43:**
**Hangzhou retail property market – New supply pipeline by submarkets (2016-2028)**

*Source: Cushman & Wakefield Research*



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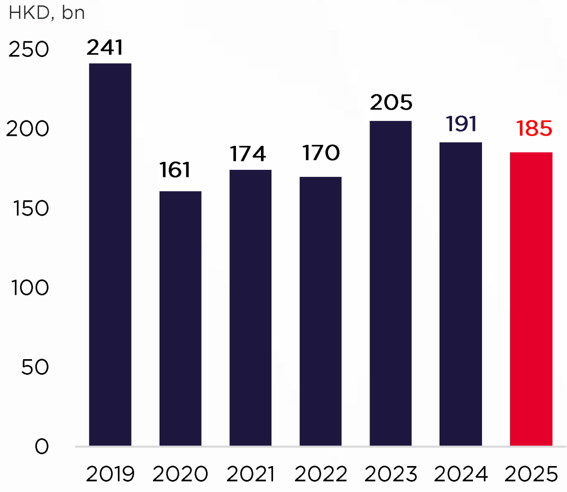
### The Past Year

Over the past year, the number of inbound visitors to Hong Kong has continued to pick up, with more than 23 million arrivals recorded for the first six months of 2025, up around 12% comparing to the same period in 2024. Yet, tourists are placing more emphasis on culture, experience and affordability, changing away from the previous consumption pattern of mainly focusing on luxury goods.

As a result, the rise in visitor numbers has not yet translated into stronger retail sales. From January to June 2025, total retail sales in Hong Kong amounted to HK$185.1 billion, reflecting a year-on-year decline of 3.3%. Traditionally popular high-end retail categories have been most affected, with sales in the Jewelry & Watches and Apparel & Accessories sectors declining by 6.3% and 5.5% year-on-year, respectively. Meanwhile, the Medicines & Cosmetics; and Food, Alcoholic Beverages & Tobacco sectors recorded modest single-digit growth during the same period.

**Figure 44:**
**Retail sales value (Jan-Jun) (2019—2025)**

*Source: HK Census Dept, Cushman & Wakefield Research*




# Demand

## The Past Year

Despite the recovery of inbound tourists over the past year, the structural changes in visitor spending have forced some yet-to-transform retailers out of the market. As of Q2 2025, the average high street vacancy rates have lifted again to reach 9.7%. As a result, high street retail rents fell in response to the higher vacancy pressure. Traditional tourist districts such as Causeway Bay and Tsimshatsui recorded notable declines, within a 5% range for H1 2025.

However, leasing sentiment remained active with multiple deals signed. Deals were particularly active in Kowloon in H1 2025, aided by stable tourist footfall and the relatively attractive rental level. In Mongkok, notable transactions included international sportswear giant ADIDAS' lease of a 1,880 sf retail space on Sai Yeung Choi Street South, and Siberia Taiga, the first Russian-themed supermarket in Hong Kong, opening a 1,300 sf store on the same street. International handmade cosmetics brand LUSH relocated within the district and moved to a 1,000 sf store on Sai Yeung Choi Street South. In Tsimshatsui, Heirloom Fortune, a subsidiary of Lukfook Jewelry, opened its first Hong Kong store on Haiphong Road, spanning 770 sf. Both districts also recorded several smaller-sized deals, reflecting that tourist-oriented retail brands are still attracted to enter core districts amid current attractive rental levels, to strengthen exposure to rising tourist numbers. On Hong Kong Island, Futu Securities' multi-floor store lease spanning 5,400 sf at Soundwill Plaza in Causeway Bay was another remarkable new lease, with the brand aiming to grow its offline presence and services.

**Figure 45:**
**Hong Kong high street rental trend (2019—Q2 2025)**

*Source: Cushman & Wakefield Research*

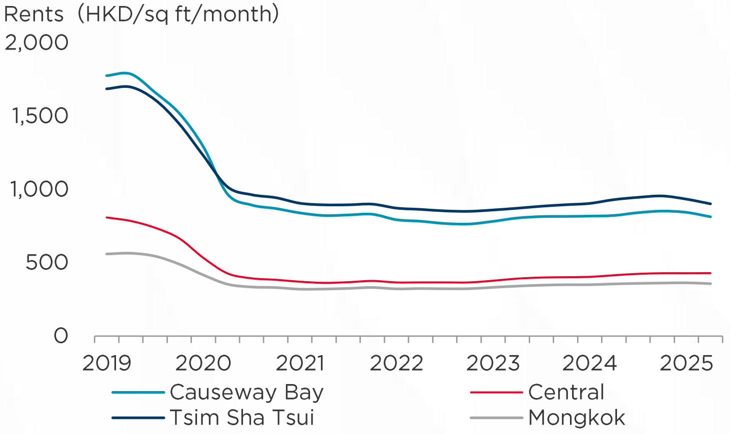



**Figure 46:**
**Hong Kong F&B rental trend (2019—Q2 2025 )**

*Source: Cushman & Wakefield Research*

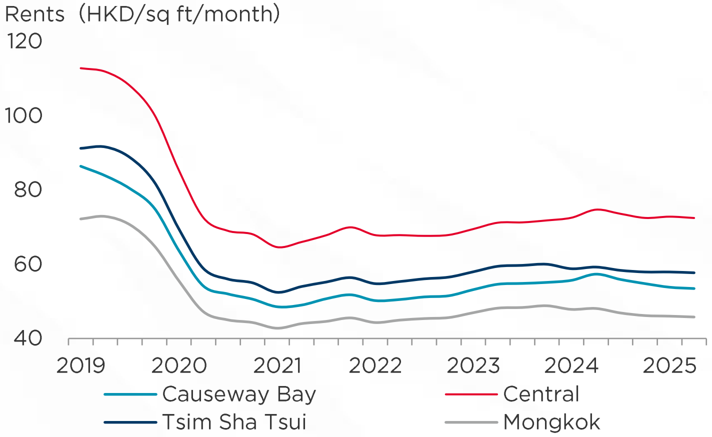



**Figure 47:**
**Hong Kong high street rents (Q2 2025)**

*Source: Cushman & Wakefield Research*

| Submarket | Rents (HKD/sq ft/month) | H2 forecast |
|---|---|---|
| Causeway Bay | 813.6 | ▼ |
| Central | 429.5 | ▼ |
| Tsim Sha Tsui | 902.0 | ▼ |
| Mongkok | 357.5 | ▼ |
| Hong Kong Average | 625.6 | ▼ |

**Figure 48:**
**Hong Kong high street vacancies (Q2 2025)**

*Source: Cushman & Wakefield Research*

| Submarket | Vacancies | H2 forecast |
|---|---|---|
| Causeway Bay | 13.2% | ▬ / ▼ |
| Central | 8.6% | ▬ / ▼ |
| Tsim Sha Tsui | 9.4% | ▬ / ▼ |
| Mongkok | 9.5% | ▬ / ▼ |
| Hong Kong Average | 9.7% | ▬ / ▼ |

# Supply & Demand

## The Outlook

We believe that uncertainty surrounding structural changes in consumption patterns among visitors and residents is likely to remain in the near-term, in turn forcing underperforming retailers who have failed to adapt to the shifting patterns to leave the market. Yet, leasing sentiment on high streets has remained active. The current attractive rental level is lowering costs of entry for emerging brands, while benefitting mass-market retailers aiming to enter core high-street areas. The retail market is expected to continue undergoing a reshuffling of tenants, which will help create a more diversified and dynamic tenant mix in the retail landscape and better suit evolving consumer preferences.

In addition, with the opening of Kai Tak Stadium, the government will also continue to proactively promote mega events and world-class concerts, in turn attracting international visitor arrivals and spending. Looking ahead, we expect high street retail rents and F&B rents to remain largely stable in the H2 2025 period, and to mildly correct in the range of -1% to -3% through the whole year of 2025.

**Figure 49:**
**Hong Kong retail market leasing transactions (H1 2025)**

*Source: Cushman & Wakefield Research*

| Address | Submarket | Retailer | Type | Leased Area (saleable, sq ft) |
|---|---|---|---|---|
| Shop A, B & C on G/F, Shop A on 1/F, Soundwill Plaza, 38 Russell Street | Causeway Bay | Futu Securities | Banking & Finance | 5,400 |
| G/F & 1/F, 48-50 Sai Yeung Choi Street South | Mongkok | ADIDAS | Athleisure | 1,880 |
| G/F, 34-36 Sai Yeung Choi Street South | Mongkok | Siberia Taiga | Supermarket | 1,300 |
| G/F & C/L, 66 Sai Yeung Choi Street South | Mongkok | LUSH | Beauty & Cosmetics | 1,000 |
| Shop 5, G/F & C/L, Haiphong Mansion, 53-55 Haiphong Road | Tsimshatsui | Heirloom Fortune | Jewelry & Watches | 770 |

***Note:*** *Hong Kong retail market analysis refers to tier-1 streets in each core districts*

*Causeway Bay: Russell Street & Kai Chiu Road*

*Central: Queens' Road Central and Pedder Street*

*Tsim Sha Tsui: Canton Road & Haiphong Road*

*Mongkok: Sai Yeung Choi Street South & Argyle Street*

# TOP SUPPLY/DEMAND TRENDS FOR TAIPEI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### The Past Year

In 2024, as the effects of the post-pandemic recovery faded, retail activity returned to normal. Consumer demand was supported by both international tourism and domestic spending, contributing to stable performance across the major shopping districts. A key highlight of the year was the series of events at the Taipei Dome and the opening of its adjacent mall, Garden City, which brought renewed attention and visitors to Zhongxiao, signaling early signs of recovery in the area.

Overall, rents across prime retail areas stabilized, and brands showed confidence in the market by adopting long-term expansion strategies, providing steady momentum and injecting new vitality into the core shopping areas.

## Demand

### The Past Half a Year

In the first half of 2025, the retail market in Taipei remained stable, with rental levels holding steady. Zhongxiao District recorded a single-digit vacancy rate in Q1, followed by a rise back to 10.06% in Q2, leaving the long-term impact of the Taipei Dome uncertain. Zhongshan-Nanjing District, supported by steady local demand, maintained stable conditions with a Q2 vacancy rate of 4.93%. Ximen District continued to benefit from inbound tourism, with its vacancy rate also remaining steady at 4.73% in Q2.

**Figure 50:**
**Rent and vacancy in Ximen (2021-Q2 2025)**

*Source: Cushman & Wakefield Research*

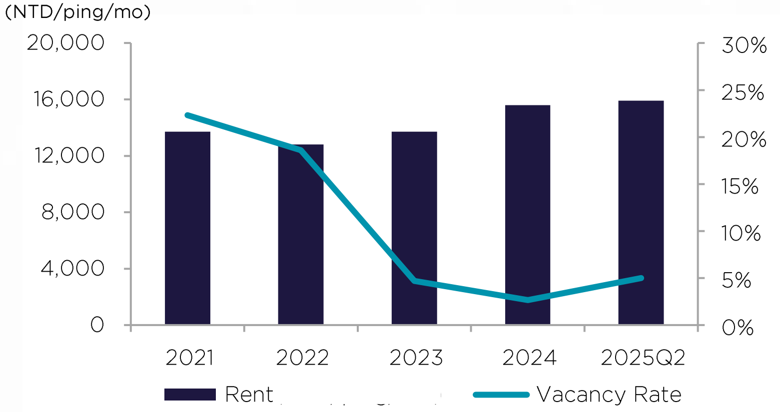



**Figure 51:**
**Taipei significant openings (Q2 2025)**

*Source: Cushman & Wakefield Research*

| Retail Hub | Location | Tenant | Size (Ping) |
|---|---|---|---|
| Zhongshan/Nanjing | Sec. 1, Nanjing E. Rd. | GOLD PIG | 95 |
| Zhongshan/Nanjing | Nanjing W. Rd. | BRAND OFF | 80 |
| Ximen | Hanzhong St. | COSMED | 40 |
| Zhongxiao | Sec. 4, Zhongxiao E. Rd. | CHI YUAN TEA | 15 |

**Figure 52:**
**Taipei prime retail market statistics (Q2 2025)**

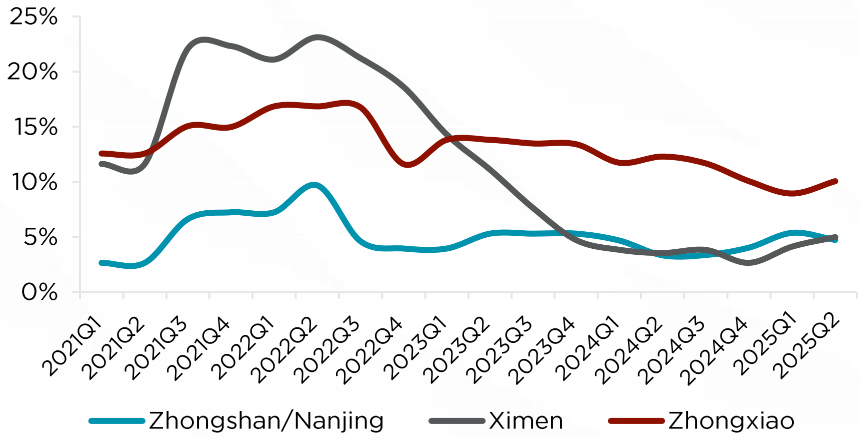
*Source: Cushman & Wakefield Research*

| Retail Hub | Vacancy Rate | Rental Range (NTD/ping/mo) | 12-month Outlook |
|---|---|---|---|
| Zhongxiao | 10.06% | 8,000-11,000 | ▬ |
| Zhongshan/Nanjing | 4.73% | 7,200-12,300 | ▬ |
| Ximen | 4.99% | 9,600-16,000 | ▬ |

**Only high street store in prime retail hubs are taken into account. All data is based on gross floor area unless otherwise specified. Rentals are exclusive of management fees or other expenses;*
**Area Conversion: 1 Ping=35.58 Square Feet =3.3 Square Meters.*

**Figure 53:**
**Vacancy rate in Taipei prime retail market (2021-Q2 2025)**

*Source: Cushman & Wakefield Research*



# Supply & Demand

## The Outlook

Amid continued global economic uncertainty, consumer confidence remains cautious. Currency appreciation and a surge in outbound travel have diverted more domestic spending overseas. While the retail market is expected to remain stable, the outlook still carries some uncertainty.

Meanwhile, with the new supply such as LaLaport Nangang and Dream Plaza, along with the rise of regional retail hubs, shopping activity has become more decentralized. In response, enhancing street-level walkability, improving the overall shopping experience, and accelerating brand content renewal will be key to sustaining competitiveness. Micro-store formats and flexible lease models have already emerged in major districts, improving space efficiency and enabling faster tenant turnover to keep the area dynamic.

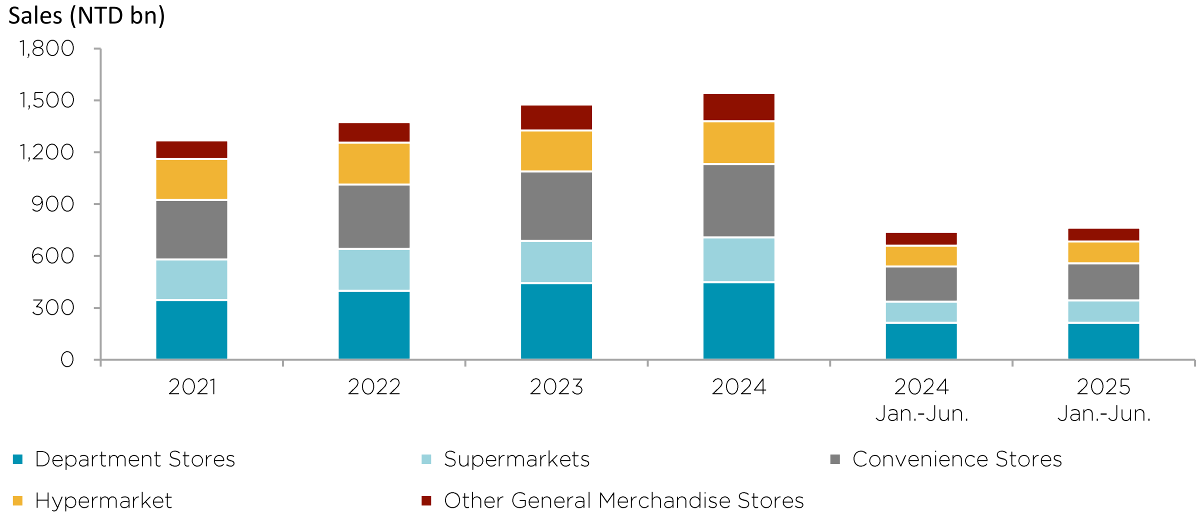
**Figure 54:**
**Taipei retail property market – Significant projects under construction (H2 2025-2026)**

*Source: Cushman & Wakefield Research*

| Property | Location | Expected Completion | GFA (Ping) |
|---|---|---|---|
| Dream Plaza | Xinyi District, Taipei City | 2025 | 7,500 |
| Far Eastern Garden City | Xinyi District, Taipei City | 2026 | 42,000 |

**Figure 55:**
**Taiwan cumulative sales of general merchandise (2021-From January to June 2025)**

*Source: Directorate-General of Budget, Accounting and Statistics, Cushman & Wakefield Research*



# KEY TAKEAWAYS

- Total retail sales of consumer goods on the Chinese mainland reached RMB24.5 trillion in H1 2025, up 5.0% year-on-year, with the growth rate expanding by 1.3 percentage points compared with the same period in 2024, providing further support for economic recovery.

- By Q2 2025, the total prime retail property stock in the 15 major cities tracked in Greater China reached 116.7 million sq m.

- Reflecting low consumer confidence and ongoing project upgrades, the overall average vacancy rate across the 15 major cities rose 0.4 percentage points year-on-year to 11.1% in Q2 2025.

- Supported by the implementation of “boosting consumption” policies and strong performance of new retail formats, the outlook for retail market growth on the Chinese mainland is expected to remain in positive territory.

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Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In Greater China, a network of 23 offices serves local markets across the region. In 2024, the firm reported revenue of $9.4 billion across its core services of Valuation, Consulting, Project & Development Services, Capital Markets, Project & Occupier Services, Industrial & Logistics, Retail, and others. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com..