

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
25.66 Stock, million sqm	▲	▲
9.32% Vacancy Rate	▲	▲
¥720.34 Average Rent, RMB/sqm/mo (Overall Retail Property)	▼	—

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
5.1% GDP Growth	▲	—
1.7% Retail Sales Growth	▲	▲
0.1% CPI Growth	▲	▲

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

EIGHT NEW RETAIL PROPERTIES ENTER IN Q3

Economic conditions in Shanghai's retail property sector remained robust in Q3 2025, with key indicators trending upwards through the first three quarters of the year. Total retail sales of consumer goods reached RMB1.09 trillion for the January to August period, growing 3.7% y-o-y. Supporting these positive trends, eight new retail projects entered the market in Q3, adding a combined 667,000 sq m of prime retail space, and in turn expanding citywide mid- to high-end retail stock by 2.67% q-o-q to reach 25.66 million sq m.

A DYNAMIC MARKET WITH CONTINUOUS UPGRADING

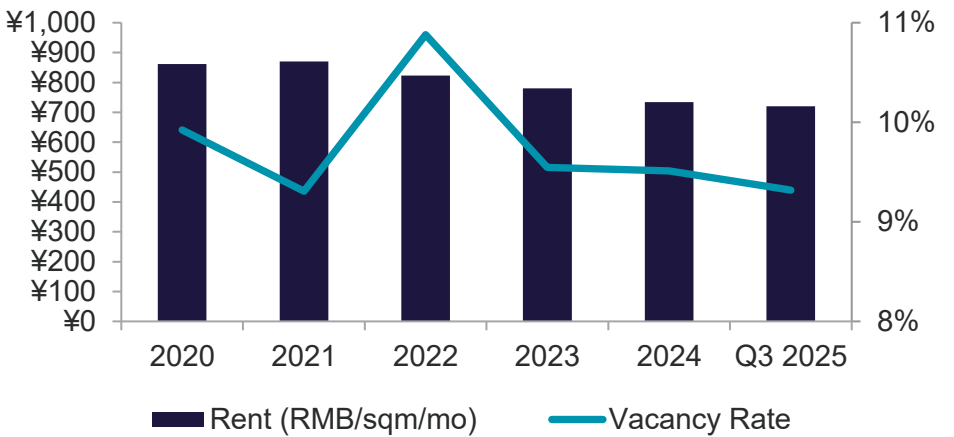
Demand for prime retail space outpaced effective new supply through Q3 2025. Quarterly net absorption at mid- to high-end shopping centers totalled 626,915 sq m, while the overall vacancy rate dropped 0.19 percentage point q-o-q to record 9.32%. International and domestic brands continued to expand business lines in the city through the period, driving demand for prime retail space. The fashion, sports, art toy, gold jewellery, lifestyle, F&B and entertainment sectors remained key demand drivers. Art toy and ACGN IP brands such as POP MART, Jellycat, Nobody and Chiikawa were a customer attraction highlight, collaborating with several shopping malls to continue opening pop-up stores and offering consumers a relaxed and enjoyable shopping experience.

The average first-floor asking rent at mid- to high-end shopping centers softened 1.14% q-o-q to record RMB720.34 per sq m per month in Q3, primarily pulled down by competitive rents at new project entrants. However, monthly rents in the core submarkets edged up by 0.44% q-o-q to RMB1,885.81 per sq m, supported by tenant adjustments and lease renewals.

SUBSTANTIAL NEW SUPPLY IN THE PIPELINE

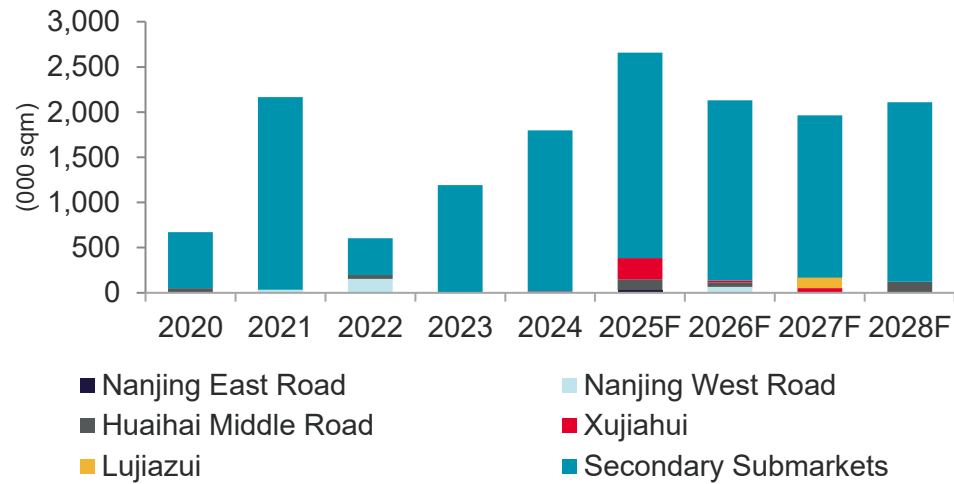
Looking ahead, a large number of new projects are scheduled to enter Shanghai's retail property market over the next three years. Consequently, shopping center landlords will need to continue to actively adjust tenant mixes and update existing properties to maintain an edge in an increasingly highly competitive market.

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 2027 (SQM)	OVERALL AVG RENT		
					RMB/SQM/MO	US\$/SF/MO	EUR/SF/MO
NANJING EAST ROAD	491,660	29,053	5.91%	0	¥2,154.53	US\$28.17	€ 23.77
NANJING WEST ROAD	665,738	35,290	5.30%	189,162	¥2,263.04	US\$29.59	€ 24.97
HUAIHAI MIDDLE ROAD	598,560	42,795	7.15%	90,000	¥1,530.32	US\$20.01	€ 16.88
XUJIAHUI	282,000	7,790	2.76%	310,417	¥2,385.76	US\$31.19	€ 26.32
LUJIAZUI	1,029,978	46,640	4.53%	115,000	¥1,487.58	US\$19.45	€ 16.41
DOWNTOWN TOTALS	3,067,936	161,568	5.27%	704,579	¥1,885.81	US\$24.66	€ 20.81
OTHER TOTALS	22,589,765	2,298,451	10.17%	5,094,028	¥531.24	US\$6.95	€ 5.86
SHANGHAI TOTALS	25,657,701	2,390,819	9.32%	5,798,607	¥720.34	US\$9.42	€ 7.95

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*1.00 USD = 0.84387995 EUR = 7.1057203 CNY (September 17th, 2025)*

KEY LEASE TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	TENANT	SECTOR
Crystal Plus	Nanjing West Road	TWOI	Fashion
Xintiandi	Huaihai Middle Road	Aveda	Fashion
Xintiandi Galleria	Huaihai Middle Road	PELLIOT	Fashion
The Central	Nanjing East Road	Chiikawa	Lifestyle
Shanghai Miraland	Lingang	GALANGAL	F&B

KEY CONSTRUCTION COMPLETIONS

PROPERTY	SUBMARKET	EXPECTED OPENING YEAR	SQM	OWNER / DEVELOPER
Longfeng·PRSCO	Huaihai Middle Road	2025	38,000	Huaihai Group & Shanghai Yongye
ITC Maison	Xujiahui	2025	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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