

## MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
<b>17.48</b> Stock, million sqm	▲	▲
<b>10.2%</b> Vacancy Rate	▼	▬
<b>¥885</b> Average Rent, RMB/sqm/mo	▼	▼

(\*Starting from Q1 2026, the rental calculation basis adjusted from "rent for prime locations on the ground floor of benchmark projects in core submarkets" to "average rent for high-quality malls citywide".)

## ECONOMIC INDICATORS

2025 Q4	YOY Chg	12-Month Forecast
<b>5.4%</b> GDP Growth	▲	▬
<b>-2.9%</b> Retail Sales Growth	▼	▲
<b>-0.1%</b> CPI Growth	▼	▲

Source: Beijing Statistics Bureau / Cushman & Wakefield Research

## MARKET OVERVIEW

The Beijing Yuan Chuang Metropolis project entered the market in Q1 2026, expanding citywide total mall stock to 17.48 million sq m. Overall, market activity in the quarter focused on existing project renovation and urban renewal.

The quarter has seen a wave of renovations and upgrades of existing projects. Established shopping malls and regional benchmark commercial complexes have successively launched renewal plans. Examples include: Landao Mansion closed for renovation prior to transformation into a hub for trending IP launches, Xinhua Department Store (Xinjiekou) reopened with a new brand identity as CC Mall, positioned as an urban service and family life center; and the ZUCZUG Cosmic Center PF3, converted from the former cold storage facility at Beijing Friendship Garden, also commenced operations, marking the completion of the overall Beijing Friendship Store renewal project.

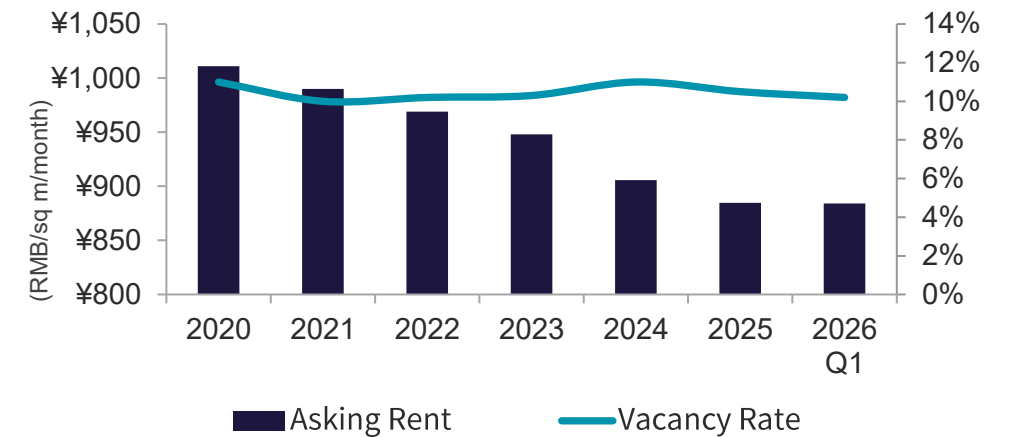
The investment side has also been active in Beijing's retail market recently. A notable deal was Boyu Capital's purchase of a 75% equity stake in Beijing Badaling Outlets in Q1, having acquired a stake in Beijing SKP in 2025. The involvement of capital has provided financial and resource support for the quality improvement and upgrading of existing retail projects in Beijing.

In terms of brands, the first-store economy and brand innovation remained vibrant: Sanlitun Taikoo Li welcomed several high-end first stores such as the Nike ACG Global First Store and the Brooks Concept Store. Fengtai District introduced its first warehouse outlets in the form of Himaxx, and Alibaba's trendy toy store Lucky Loop opened at The Box Chaowai. In the F&B category, Haidilao launched its Super Store while Xiabu Xiabu expanded into the steak sector. After an absence of more than a year, Din Tai Fung also made its comeback to Beijing, with its first company-owned store in the city soft-opening at Kerry Centre. Meanwhile, the strategic contraction of foreign retail brands continued. Ito Yokado disposed of its Beijing operations, while BreadTalk closed its last remaining store in Beijing this quarter.

## OUTLOOK

As the infrastructure REITs program continues to expand, urban renewal and asset revitalization will become the core drivers of market supply. Over the next three years, nearly 2 million sq m of new supply is planned to enter the market. However, amid weak consumption and leasing pressures, the overall market supply pace is expected to slow further, and market rents will remain under downward pressure.

## RENT / VACANCY RATE

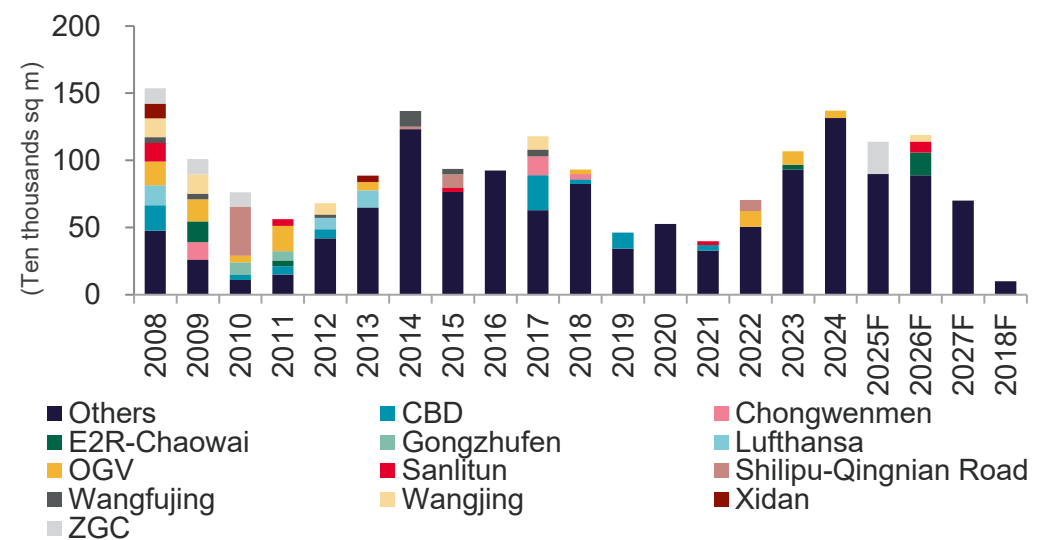


Note:

\* Average rent is the best location for the first floor of the high-quality shopping malls citywide.

\* Starting from Q1 2026, the rental calculation basis adjusted from "rent for prime locations on the ground floor of benchmark projects in core submarkets" to "average rent for high-quality malls citywide"

## RETAIL SUPPLY PIPELINE BY SUBMARKET



- Others
- E2R-Chaowai
- OGV
- Wangfujing
- ZGC
- CBD
- Gongzhufen
- Sanlitun
- Wangjing
- Chongwenmen
- Lufhansa
- Shilipu-Qingnian Road
- Xidan

MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	VACANT (SQM)	OVERALL VACANCY RATE	FUTURE SUPPLY TILL 2027 (SQM)	ASKING RENTAL RANGE		
					RMB/SQM/MO	EUR/SF/MO	US\$/SF/MO
CBD	979,849	47,033	4.80%	0	¥800 – 1,500	US\$10.80 – 20.25	€9.39 – 17.60
Sanlitun	246,000	6,396	2.60%	80,000	¥800 – 2,000	US\$10.80 – 26.99	€9.39 – 23.47
Xi Dan	199,000	10,945	5.50%	0	¥1,000 – 1,500	US\$13.50 – 20.25	€11.74 – 17.60
Wangfujing	450,000	17,370	3.86%	0	¥800 - 2,000	US\$10.80 – 26.99	€9.39 – 23.47
Lufthansa	234,000	10,530	4.50%	0	¥600 – 1,200	US\$8.10 – 16.20	€7.04 – 14.08
E2R-Chaowai	279,276	15,639	5.60%	170,000	¥600 - 1,200	US\$8.10 – 16.20	€7.04 – 14.08
Chongwenmen-Xuanwumen	309,000	24,720	8.00%	0	¥500 - 1,000	US\$6.75 – 13.50	€5.87 - 11.74
Zhongguancun	1,252,000	53,836	4.30%	0	¥500 - 1,500	US\$6.75 – 20.25	€5.87 – 17.60
OTHERS TOTALS	13,490,044	1,644,644	12.19%	1,739,900	/	/	/
<b>BEIJING TOTALS</b>	<b>17,439,169</b>	<b>1,831,113</b>	<b>10.5%</b>	<b>1,989,900</b>	<b>¥ 885</b>	<b>US\$ 11.94</b>	<b>€ 10.39</b>

\*Data includes shopping malls only; the stock of shopping mall has changed due to database adjustments in this quarter.

\*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 for the first floor of quality projects citywide tracked by Cushman & Wakefield.

\*Exchange Rate: 1 USD = 0.86957486 Euros = 6.88324962 CNY, as of March 17<sup>th</sup> 2026.

SIGNIFICANT STORE OPENINGS Q1 2026

PROPERTY	SUBMARKET	TENANT	SECTOR
China World Shopping Mall	CBD	Michael Kors	Fashion
Beijing SKP	CBD	Manolo Blahnik	Fashion
Sanlitun Taikoo Li	Sanlitun	BROOKS	Fashion
Beijing apm	Wangfujing	Zetian Benjia · Dorayaki	F&B
Beijing Kerry Center	CBD	Din Tai Fung	F&B
The Box Chaowai	E2R-Chaowai	LUCKY LOOP	Fashion

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	EXPECTED OPENING YEAR	SQM	OWNER / DEVELOPER
Poly Time Edition	Other (Changping)	2026	100,000	Poly Development & Future Science City Group
CG Live	Other (Haidian)	2026	73,000	Beijing Xingquanhui Commercial Management
The Sky Shall	Other (Tongzhou)	2026	127,000	Perennial & Shun Tak
The EYEX	Other (Changping)	2026	40,000	Beijing New Domain Real Estate

Source: Cushman & Wakefield Research

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