

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
7.9M Stock, sqm	▲	▲
9.1% Vacancy Rate	▲	▲
¥694.1 Average Rent, RMB/sqm/mo <i>(Prime Shopping Mall Property)</i>	▼	▼

ECONOMIC INDICATORS

2025	YOY Chg	12-Month Forecast
5.5% GDP Growth	▼	—
2.3% Retail Sales Growth	▲	▲
0.2% CPI Growth	▲	▲

Sources: Shenzhen Statistic Bureau, Moody's Analytics, Cushman & Wakefield Research

HOLIDAY ECONOMY FUELS DOMESTIC DEMAND

No new prime retail supply entered in Q1, citywide stock remaining at 7.9 million sq m. The longest on-record Spring Festival holiday spurred domestic demand. During the nine-day holiday period, Shenzhen welcomed 10.5 million visitors and generated tourism income of RMB11.8 billion, registering 17.9% and 19.8% y-o-y growth, respectively. Shopping malls attracted crowds and drove sales by hosting traditional cultural events such as temple fairs, lion dances, and creating interactive experiences. Supported by consumption momentum, the overall prime shopping mall vacancy rate stood at 9.1% at the end of the quarter.

HEALTHY LIGHT MEALS ON THE RISE

Demand from year-end gatherings and holiday dining out supported the F&B sector to take a 45.7% share of new store openings in Q1, with Beijing cuisine brands expanding. Specialist tea beverages stores accounted for 8.4% of total new store openings, driven by non-local brands, with Chayan Yuese's upcoming first South China store demonstrating confidence in the market. Amid the growing popularity of the "low-GI" concept, KFC and Lacesar responded through innovative menus with greener and lighter meal choices.

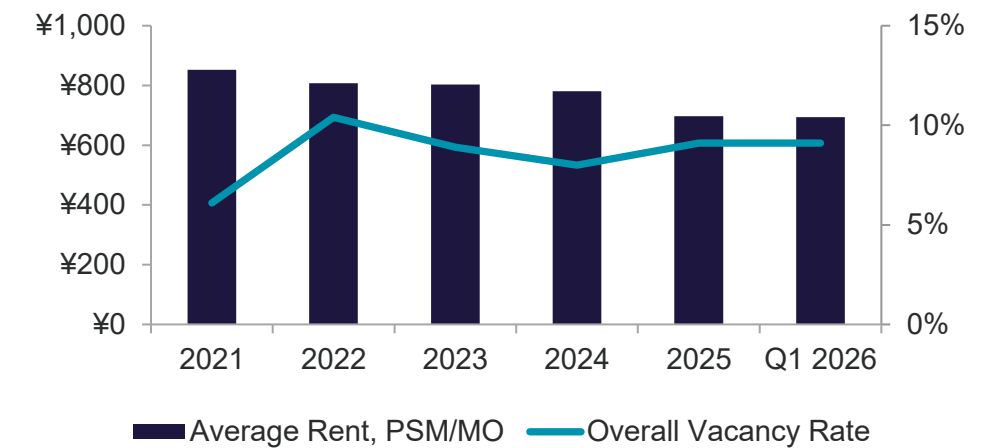
General retailing accounted for 44.3% of total new openings. Continuous innovation in IP-related products is energizing consumer enthusiasm. Warmpaca, featuring soft, plush textures, is gaining popularity. Soniandsmi will open its first China store in Qianhai Uniwalk. Sports brands also continue to expand, with On's largest nationwide flagship store opening at MIXC World, and Salomon's first two-story store in South China at Coastal City.

HIGH-END DINING TO ENHANCE CITY'S CONSUMPTION IMAGE

To improve occupancy rates, some malls in growth stages lowered rents in Q1. As a result, citywide average monthly prime rents dipped to RMB694.1 per sq m. However, many brands have slowed expansion efforts in the face of macro environment uncertainties, leading to sluggish absorption of vacant space.

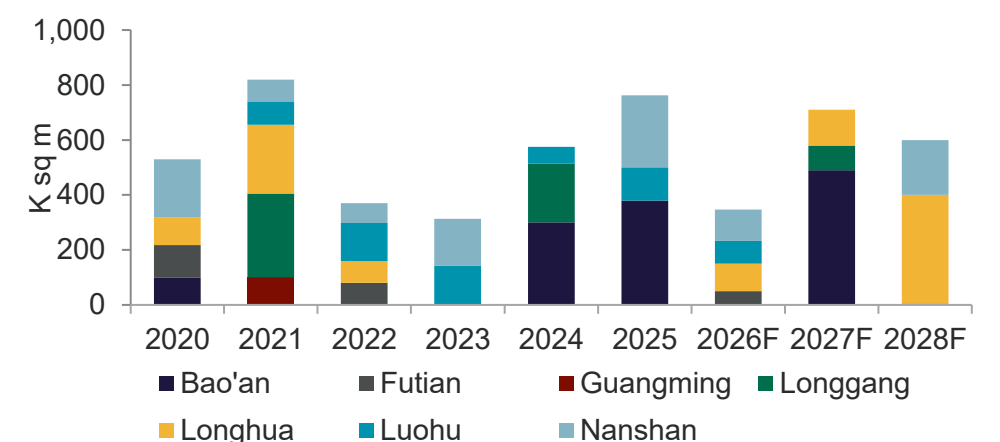
Ahead, 347,000 sq m of prime retail supply is due to enter the market through 2026. This temporary slowing in new supply may ease pressures on existing projects and provide a window for upgrades and operational enhancements. Looking forward, Shenzhen will debut in the 2026 Michelin Guide, helping to drive fine dining upgrades, foster diverse culinary experiences, and impacting positively on the city's image and tourism appeal.

OVERALL VACANCY & AVERAGE RENT



* 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.

RETAIL SUPPLY PIPELINE BY SUBMARKET



Note: F is forecast.

MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	VACANT (SQM)	OVERALL VACANCY RATE	FUTURE SUPPLY TILL 2028 (SQM)	OVERALL AVG RENT		
					RMB/SQM/MO	USD/SF/MO	EUR/SF/MO
Luohu	963,829	65,412	6.8%	83,000	¥718.5	US\$9.7	€8.4
Futian	1,348,000	93,630	6.9%	50,000	¥965.0	US\$13.0	€11.3
Nanshan	2,083,390	353,643	17.0%	314,000	¥656.8	US\$8.9	€7.7
Longgang	1,022,000	52,310	5.1%	90,000	¥533.8	US\$7.2	€6.3
Bao'an	1,630,000	116,060	7.1%	490,000	¥658.6	US\$8.9	€7.7
Longhua	640,000	28,700	4.5%	630,000	¥467.5	US\$6.3	€5.5
Guangming	250,000	9,500	3.8%	-	¥475.0	US\$6.4	€5.6
SHENZHEN TOTALS	7,937,219	719,254	9.1%	1,657,000	¥694.1	US\$9.4	€8.1

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.

Exchange Rate: 1 USD = 0.86957486 Euros = 6.88324962 RMB (2026.3.17)

KEY LEASE TRANSACTIONS Q1 2026

PROPERTY	SUBMARKET	TENANT	SECTOR
One Avenue	Futian	Xinjingxi Hot Pot	F&B
Bao'an Maxland	Bao'an	70's Jiangxi Cuisine	F&B
Holiday Plaza	Nanshan	TamKoKo	F&B
MIXC World	Nanshan	On	Retail
Coastal City	Nanshan	Salomon	Retail

KEY PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	EXPECTED OPENING YEAR	SQM	OWNER / DEVELOPER
Hongling MIXC One	Luohu	2026	83,000	Shenzhen Chengjian
Shenzhen MIXC Longhua	Longhua	2027	130,000	China Resources
Uni Outlets	Bao'an	2027	300,000	China Horoy

XIAODUAN ZHANG

Head of Research, South & Central China
5F, Tower2, Kerry Plaza, No.1 Zhongxinsi Road,
Futian District | Shenzhen 518048 | China
xiaoduan.zhang@cushwake.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In Greater China, a network of 23 offices serves local markets across the region. In 2025, the firm reported revenue of \$10.3 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.

©2026 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield ("CWK"). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK's securities.

You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK's affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.