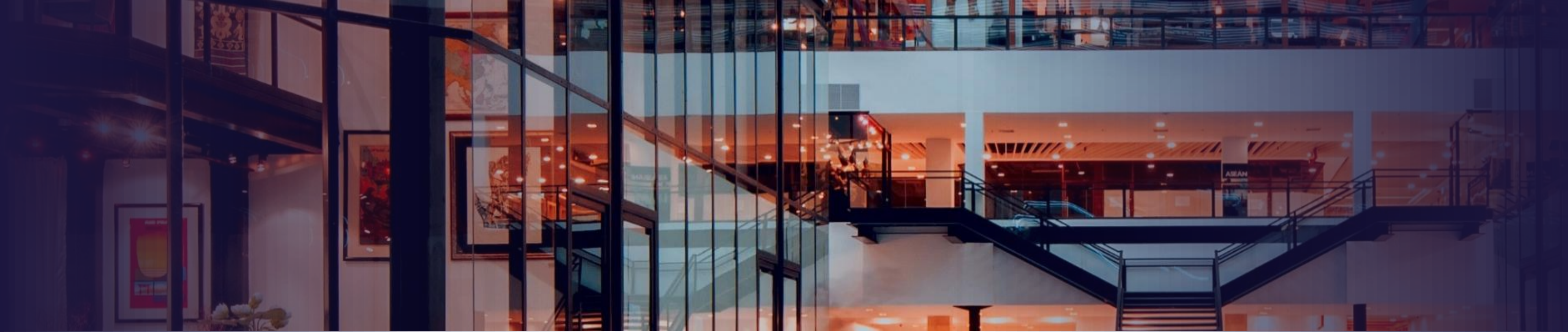
MARKETBEAT

GUANGZHOU

RETAIL Q2 2026



MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
6.3M Stock, sqm	▲	▲
9.3% Vacancy Rate	▲	▬
¥622.5 Average Rent, RMB/sqm/mo *(Prime Shopping Mall Property)*	▼	▼

ECONOMIC INDICATORS

2026 Q1	YOY Chg	12-Month Forecast
6.0% GDP Growth	▲	▼
6.6% Retail Sales Growth	▲	▬
1.1% CPI Growth	▲	▬

Source: Guangzhou Statistics Bureau, Moody's Analytics, Cushman & Wakefield Research

EXISTING RETAIL PROJECTS CONTINUE TO UPGRADE

Guangzhou recorded one prime mall opening in Q2, bringing total new supply for 1H 2026 to 86,437 sq m and pushing citywide stock past 6.3 million sq m. Existing projects pursued brand repositioning in the quarter, creating short-term vacancy pressure. However, strong pre-leasing at new completions supported a 0.2 percentage point q-o-q drop in the citywide vacancy rate to 9.3%. The average prime mall monthly rent fell by 1.1% q-o-q to RMB622.5 per sq m.

WELLNESS TREND RESHAPES DINING PREFERENCES

The F&B sector continued to lead expansion demand in Q2, accounting for 51% of new store openings — 15 percentage points ahead of general retail.

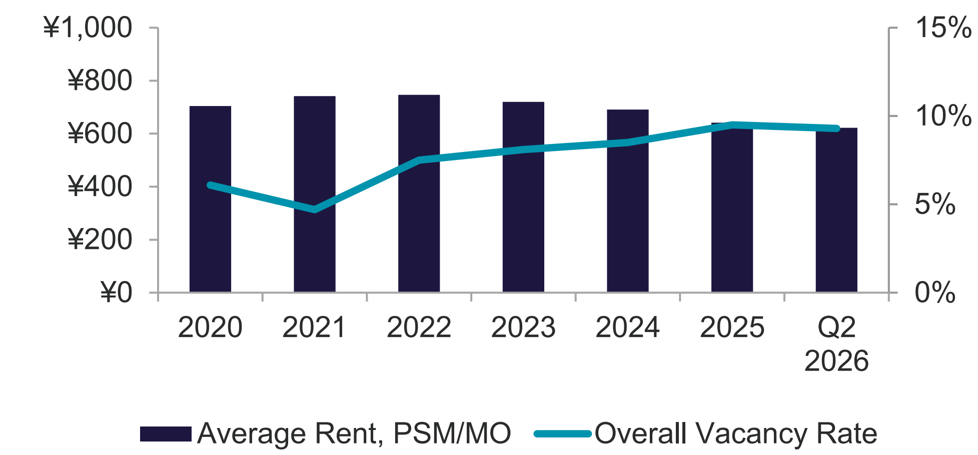
Rising wellness awareness is driving demand for lighter meals and fresh snacks, with such dining emerging as a new consumer favorite. Leading F&B brands Domino's and Tao Tao Ju have both launched "Energy Bowl" lines, while KFC and Naisnow have opened stores in Guangzhou emphasizing light food and beverages. Meanwhile, short-shelf-life bakery snacks are expanding rapidly. Notable brands include Pu Xia Long Jiu, JoySeason, and Ta Ta Ling.

The general retail sector is still in an adjustment cycle, accounting for 35% of new store openings in Q2. Traditional supermarkets are accelerating their transformation, while community discount stores with compact footprints, curated product ranges and price advantages are meeting rising consumer demand. Walmart Neighborhood Markets are expanding rapidly. Internet brands are also tapping into Guangzhou's market — Meituan's Happy Monkey has opened stores in Panyu, Yuexiu and Baiyun, and Hema's Chao He Suan NB is in Huangpu and Panyu. These players are jointly reshaping the local community retail landscape.

CORE PRIME ASSETS REMAIN HIGHLY SOUGHT-AFTER

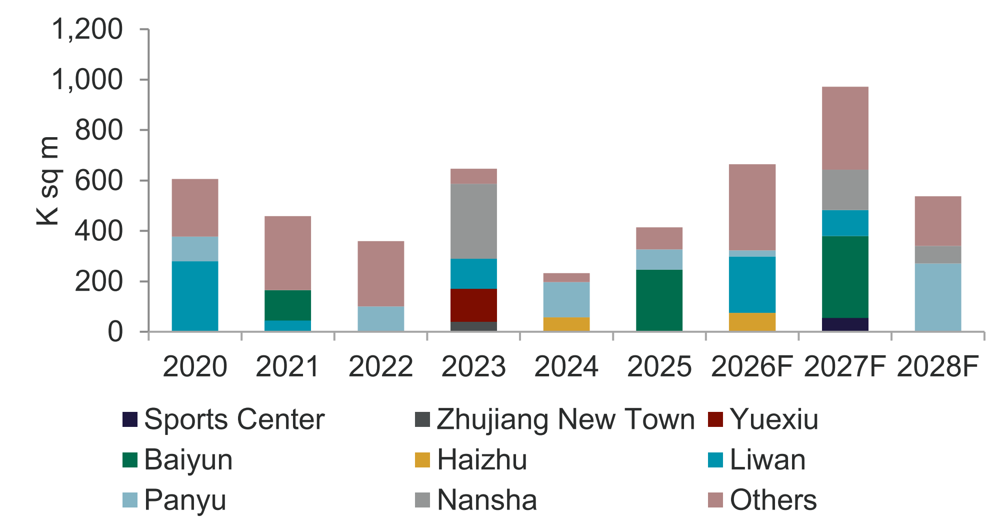
A total of 578,121 sq m of new retail supply is expected to enter within the year. Despite short-term supply pressures, core-located prime projects continue to attract strong interest. Operators from Hong Kong, the Chinese mainland, and local players are doubling down on their presence: Sun Hung Kai Properties acquired the remaining stakes in Guangzhou IGC and the Conrad Hotel for RMB320 million, while Longfor Group secured the commercial operation rights of a Panyu project, further expanding its strategic footprint across South China.

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	FUTHURE SUPPLY TILL 2028 (SQM)	OVERALL AVG RENT		
					RMB/SQM/MO	USD/SF/MO	EUR/SF/MO
Sports Center	867,800	14,908	1.7%	54,240	¥1,748.1	US$24.02	€ 20.72
Zhujiang New Town	604,359	70,534	11.7%	0	¥834.3	US$11.47	€ 9.89
Yuexiu	477,200	37,520	7.9%	0	¥747.5	US$10.27	€ 8.86
Baiyun	984,300	125,430	12.7%	325,000	¥392.9	US$5.40	€ 4.66
Haizhu	406,000	7,400	1.8%	35,000	¥485.0	US$6.67	€ 5.75
Liwan	572,337	145,173	25.4%	280,588	¥423.6	US$5.82	€ 5.02
Panyu	784,225	33,059	4.2%	293,889	¥392.5	US$5.39	€ 4.65
Nansha	383,530	8,900	2.3%	230,000	¥250.0	US$3.44	€ 2.96
Others	1,251,772	145,189	11.6%	868,694	¥311.5	US$4.28	€ 3.69
GUANGZHOU TOTALS	**6,331,523**	**588,112**	**9.3%**	**2,087,411**	**¥622.5**	**US$8.56**	**€ 7.38**

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Exchange Rate: 1 USD = 0. 86243725 Euros = 6.75998356 RMB (2026.06.15)

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	TENANT	SECTOR
Tai Koo Hui	Sports Center	Buccellati	Retail
Parc Central	Sports Center	Pu Xia Long Jiu	Retail
Parc Central	Sports Center	muva	Retail
OneLink Walk	Sports Center	Salt Onion Bakery	F&B
Taikoo Li Julong Wan GZ	Liwan	Rewild Fishmarket	F&B

KEY PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	EXPECTED OPENING YEAR	SQM	OWNER / DEVELOPER
Baietan Mixc	Liwan	2026	177,025	China Resources
Hopson One (Tianhe)	Others	2026	140,000	Hopson
Grantral One	Others	2026	128,000	Grantral Group

XIAODUAN ZHANG
Head of Research, South & Central China
Suite 2704, Taikoo Hui Tower 1, 385 Tianhe Road,
Tianhe District | Guangzhou 510613 | China
Tel: +86 755 2151 8116
xiaoduan.zhang@cushwake.com

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