

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
7.9M Stock, sqm	▲	▲
9.6% Vacancy Rate	▲	▲
¥682.5 Average Rent, RMB/sqm/mo (Prime Shopping Mall Property)	▼	▼

ECONOMIC INDICATORS

2026 1H	YOY Chg	12-Month Forecast
5.8% GDP Growth	▲	—
1.2% Retail Sales Growth	▼	▲
0.8% CPI Growth	▲	—

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

EMERGING BUSINESS DISTRICTS TO WELCOME FOOTFALL GROWTH

Shenzhen's total prime retail stock stood at 7.9 million sq m in Q3 2026. Mature operators leveraged management expertise in the quarter to strengthen newer projects as preferred locations for prime retail brands. However, the recent supply influx still pressured existing projects against a backdrop of soft demand. Reflecting this, Nanshan and Bao'an saw vacancy rates rise q-o-q. The citywide overall prime mall vacancy rate then climbed to 9.6% at the end of Q3. The average monthly prime rental level softened further to RMB682.5 per sq m. Looking ahead, enhanced transport infrastructure and a continued inflow of businesses in the emerging districts should generate new customer traffic. Prime malls in these areas are expected to capture footfall and stimulate demand.

RETAIL BRANDS CONTINUE RENEWAL AND DELIVER HIGHLIGHTS

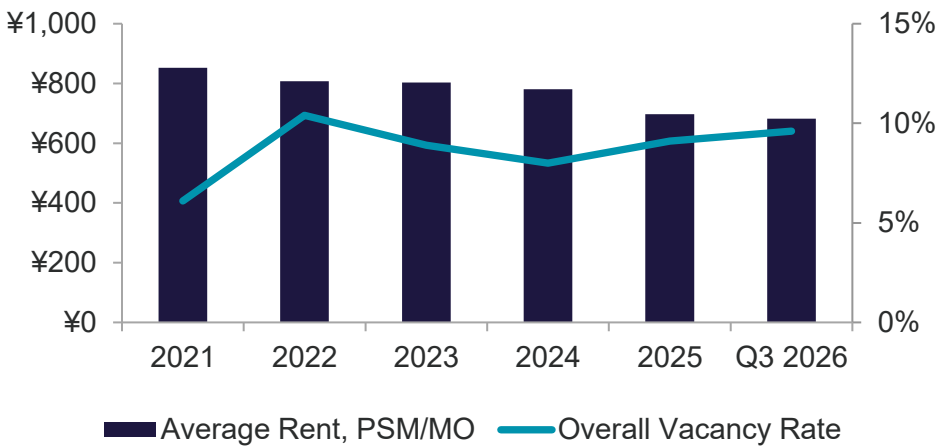
The general retail sector took a 48.6% share of new store openings in Q3. Women's wear and designer brands were active, with RicoVea, ODTD and Keigan opening new stores. Celebrity fashion brands are also appearing, including Song'tude, Goodbai and Xinadu. Online operators are expanding to physical stores, such as leather products brand Qiuzhen and apparel brand Insidedot. AI-powered consumer electronics are emerging, with AI smart glasses brands Rokid and INMO opening stores in Q3. The fresh snack retail category is also rapidly expanding, including Kinglomo and Uncle William.

In the F&B sector, tea beverage brands Chuntian from Shanghai and Liruotao from Chongqing are expanding. SUSHIRO's multiple store openings boosted Japanese cuisine to take a 5.5% share of total new store opening in Q3. The official release of the 2026 Shenzhen Michelin Guide, combining fine dining experiences and authentic local flavours, is expected to attract more visitors to experience the city's diverse culinary culture.

EXPERIENTIAL RETAIL TO PRESENT DIFFERENTIATED CONTENT

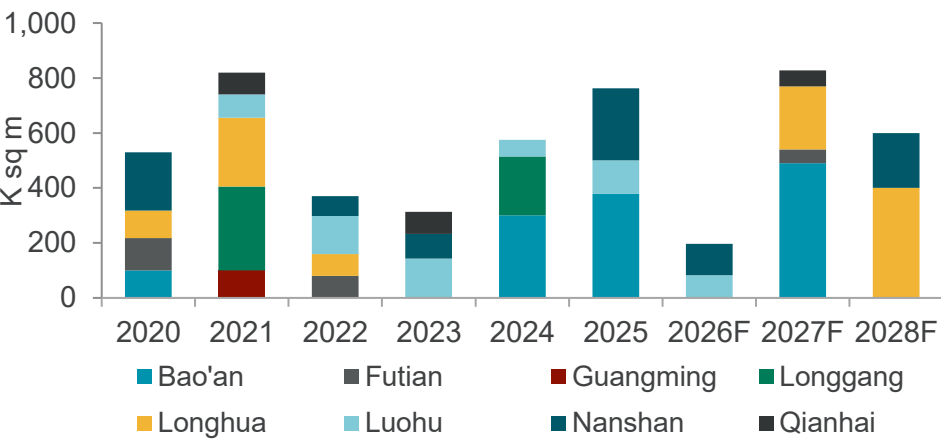
Ahead, around 197,000 sq m of new prime mall space is scheduled to enter the Shenzhen retail market in Q4. However, some projects may postpone openings due to highly competitive prime retail submarkets. Outside of the prime mall project pipeline, Luoshan Valley, China Resources' first park-based retail destination, is highly anticipated. The M80 and JD Space projects, with exhibition spaces, are also set to break traditional retail space boundaries with curatorial and experiential formats.

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	80,502	8.4%	83,000	¥714.0	US\$9.9	€8.6
Futian	1,348,000	90,640	6.7%	50,000	¥963.1	US\$13.3	€11.6
Nanshan	1,923,390	366,351	19.0%	314,000	¥645.0	US\$8.9	€7.8
Longgang	1,022,000	60,050	5.9%	-	¥526.9	US\$7.3	€6.4
Bao'an	1,630,000	113,120	6.9%	490,000	¥655.0	US\$9.1	€7.9
Longhua	640,000	28,700	4.5%	630,000	¥467.5	US\$6.5	€5.7
Guangming	250,000	12,500	5.0%	-	¥475.0	US\$6.6	€5.7
Qianhai	160,000	13,600	8.5%	58,000	¥450.0	US\$6.2	€5.4
SHENZHEN TOTALS	7,937,219	765,463	9.6%	1,625,000	¥682.5	US\$9.5	€8.3

Exchange Rate: 1 USD = 0.87274908 Euros = 6.70749216 RMB (2026.9.17)

KEY LEASE TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	TENANT	SECTOR
The MIXC Qianhai	Qianhai	Rokid	Retail
COCO Park	Futian	RicoVea	Retail
The MIXC Universiade	Longgang	Mchose	Retail
PA Mall	Futian	Morji	F&B
Shum Yip Upperhills	Futian	TeddyTales	F&B

KEY PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	EXPECTED OPENING YEAR	SQM	OWNER / DEVELOPER
The MIXC Longhua	Longhua	2027	130,000	China Resources & Shenzhen Metro
Uni Outlets	Bao'an	2027	300,000	China Horoy
Light Block	Qianhai	2027	58,000	Qianhai & Shekou Free Trade Zone Investment

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