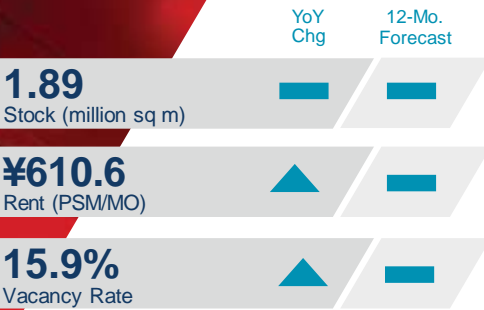


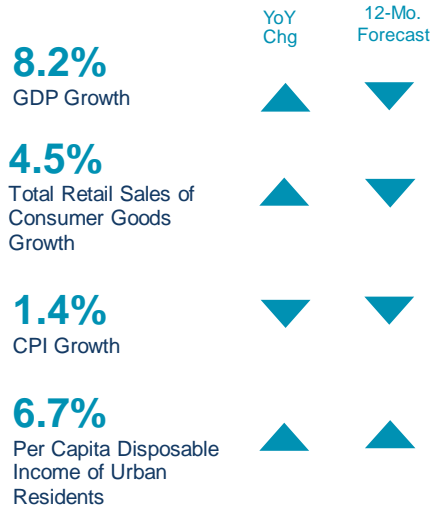
DALIAN

Retail Q1 2022



Source: Cushman & Wakefield Research

DALIAN ECONOMIC INDICATORS Q4 2021



Source: Dalian Statistics Bureau / Cushman & Wakefield Research

Market Overview

No new supply entered the market in Q1 2022, and Dalian's prime retail stock remained at 1.89 million sq m. Market activity continued to focus on absorbing existing stock during the quarter.

Although the pandemic has exerted a considerable impact on Dalian's retail market, with no new projects now have entered the market for the past four years, the market maintained relatively stable performance. The overall average rental level remained at RMB610.6 per square meter in the quarter, with the vacancy rate rising slightly by 0.6 percentage points to reach 15.9%.

New store openings in the quarter were primarily from fashion retail brands. The Pavilion Shopping Center in Qingniwa submarket introduced Swiss military watch brand Bell & Ross, and American designer brand Calvin Klein, while ANTA KIDS opened in Dalian CapitaMall. In addition, the tea brand Sevenbus opened its first store in Dalian at the Olympia 66 project.

Outlook

New supply into Dalian's retail market will remain paused in the short-term, with the market instead working on differentiated and distinctive upgrades of existing projects.

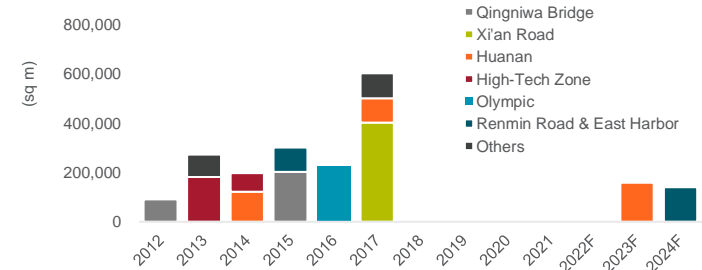
By the end of 2024, just the MixC One in the Huanan submarket and CNOOC Harbour City in the East Harbor submarket are scheduled to enter the market, bringing a total of 296,000 sq m of quality new retail space. The two new projects are expected to significantly uplift their districts' retail environments and to improve shopping convenience for the surrounding communities.

RENT / VACANCY RATE



Source: Cushman & Wakefield Research

RETAIL SUPPLY PIPELINE BY SUBMARKET



Source: Cushman & Wakefield Research

MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	VACANT (SQM)	VACANCY RATE	UNDER CNSTR TILL 2024 (SQM)	ASKING RENTAL RANGE (RMB/SQMMO)*
Qingniwa Bridge	210,000	4,095	1.95%	0	500–1,300
Xi'an Road	766,560	181,521	23.68%	0	550–1,250
High-tech Zone	180,000	1,692	0.94%	0	350–600
Huanan	220,000	20,592	9.36%	156,000	300–800
OTHERS TOTALS	511,900	/	/	140,000	/
DALIAN TOTALS	1,888,460	299,510	15.86%	296,000	610.6

*Data includes shopping malls only.

*Asking Rental Range (RMB/sq m/mo) is based on ground floor rent in prime locations in major shopping centers, excluding management, promotional and other fees.

SIGNIFICANT STORE OPENINGS Q1 2022

PROPERTY	SUBMARKET	TENANT	SECTOR
Pavillion	Qingniwa Bridge	Bell & Ross	Fashion
Pavillion	Qingniwa Bridge	Calvin Klein Jeans / Calvin Klein Underwear	Fashion
Olympia 66	Olympic	LOTTUSSE	Fashion

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	EXPECTED OPENING DATE	SQM
MixC One	Huanan	2023	156,000
CNOOC Harbour City	East Harbor	2024	140,000

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