

3.0

Stock (Million sq m)

YoY  
Chg12-Mo.  
Forecast

511.1

Average Rent (RMB/sq m/month)

14.4%

Vacancy Rate

WUHAN ECONOMIC INDICATORS  
2021

10.5%

Total Retail  
Sales Growth

25.4%

Online Retail Sales  
Growth

0.6%

CPI Growth

Source: Wuhan Statistics Bureau/ Oxford  
Economics/ Cushman & Wakefield Research

## The Joy City Boosts New Supply Volume

The opening of the Joy City project in Q1 added 136,207 sq m of new retail space to the Wuhan market. Total prime retail stock then rose to approximately 3.0 million sq m. Overall vacancy in the prime retail market remained stable in Q1, with the overall vacancy rate for the city's four core retail submarkets dropping just slightly at 0.3 percentage points q-o-q to record 14.4%. The delivery of new projects promoted the net absorption performance in the prime retail market, with the four core business circles recording net absorption of 126,106 sq m. The citywide average rental level maintained a downwards trend, overall average rental levels dropping 2.9% q-o-q to record RMB511.1 per sq m per month by the end of the quarter.

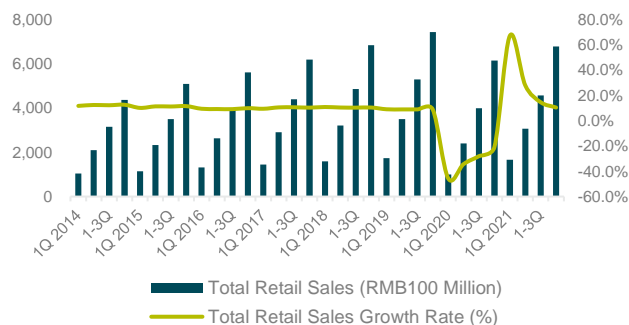
## Coffee, Chinese Bakery Brands Actively Expand

New store openings in Q1 slowed somewhat from the prior quarter. By sector, the F&B, apparel accessories, and children's sectors led the way, accounting for 33.6%, 32.9% and 15.8% of total new store openings in Q1, respectively. The newly opened Joy City property is the first shopping mall project launched in the eastern area of Optics Valley, giving a significant uplift to the overall retail facilities in the emerging area. In addition, coffee brands and Chinese bakery brands, including Tiger Attitude Chartered Pastry Bank, Dim Sum Bureau of Momo, No Worry Coffee, M Stand, and Lavazza, actively expanded in the city during the quarter.

## Outlook

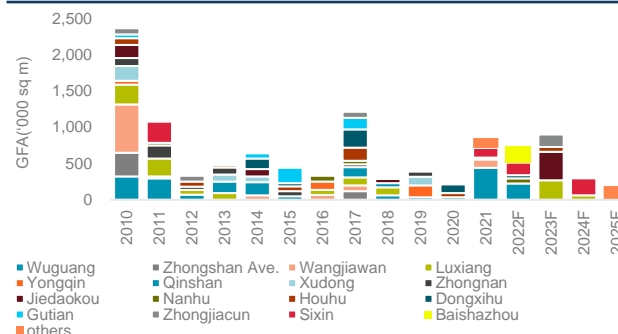
A total of 734,666 sq m of new retail supply is currently scheduled to complete within the year 2022, including Longfor Paradise Walk, GR Sky Square, and The MIXC projects.

## RETAIL SALES &amp; GROWTH RATE



Source: Cushman &amp; Wakefield Research

## RETAIL SUPPLY PIPELINE BY SUBMARKET



Source: Cushman &amp; Wakefield Research

## MARKET STATISTICS

| SUBMARKET                                 | INVENTORY (SQM)  | VACANCY RATE | UNDER CNSTR TILL 2025 (SQM) | OVERALL AVG RENT (RMB/SQMMO)* | OVERALL AVG RENT (US\$/SQMMO)* | OVERALL AVG RENT (EUR/SQMMO)* |
|-------------------------------------------|------------------|--------------|-----------------------------|-------------------------------|--------------------------------|-------------------------------|
| Wuguang                                   | 1,184,987        | 10.6%        | 224,271                     | 623.1                         | 9.1                            | 8.3                           |
| Zhongshan Ave.                            | 478,000          | 22.0%        | 0                           | 495.0                         | 7.2                            | 6.6                           |
| Wangjiawan                                | 462,935          | 8.3%         | 0                           | 428.6                         | 6.3                            | 5.7                           |
| Luxiang                                   | 860,977          | 18.7%        | 330,000                     | 427.8                         | 6.2                            | 5.7                           |
| <b>WUHAN CORE BUSINESS CIRCLES TOTALS</b> | <b>2,986,899</b> | <b>14.4%</b> | <b>554,271</b>              | <b>511.1</b>                  | <b>US\$7.5</b>                 | <b>€6.8</b>                   |

\*Rental rates are calculated by NLA and considered as consistently achievable for prime space (usually the ground floor) in major shopping centers, excluding management fee, promotional fee and other fees.

1 USD = 6.3656467 RMB = 0.91332398EUR as of 15th Mar 2022

## SIGNIFICANT STORE OPENINGS Q1 2022

| PROPERTY                | SUBMARKET | TENANT                  | SECTOR                |
|-------------------------|-----------|-------------------------|-----------------------|
| Hang Lung Plaza         | Wuguang   | CASSINA                 | Apparel & Accessories |
| World Trade Plaza       | Wuguang   | ZEEKR                   | Facilities            |
| Jiangchen Paradise Walk | Wuguang   | TUH-TUH Thai Restaurant | F&B                   |
| The Joy City            | Luxiang   | Mozong YAKINIKU         | F&B                   |

## SIGNIFICANT PROJECTS UNDER CONSTRUCTION

| PROPERTY              | SUBMARKET  | EXPECTED OPENING DATE | GFA SQM |
|-----------------------|------------|-----------------------|---------|
| GR Sky Square         | Wangjiawan | 2022                  | 170,000 |
| Longfor Paradise Walk | Luxiang    | 2023                  | 120,000 |
| The MIXC              | Wuguang    | 2022                  | 166,700 |
| The Dream Mall        | Jiedaokou  | 2023                  | 390,100 |

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