

| | YoY Chg | 12-Mo. Forecast |
|------------------------------------|---------|-----------------|
| €3.0bn Total Volume | ▲ | ▲ |
| €774m Office Volume | ▲ | ▲ |
| €314m Retail Volume | ▼ | ▲ |
| €893m Hospitality Volume | ▲ | ▲ |
| €618m Industrial Volume | ▲ | ▲ |

ECONOMIC OVERVIEW: GDP expected to slow down to 1.3% in 2023, after growing 6.7% in 2022

After a strong recovery in 2022, Portugal's economy is expected to slow down in the near term. According to Moody's Analytics, Portuguese GDP growth will slow down to 1.3% in 2023 (after 6.7% in 2022), followed by a recovery in 2024 (+2.8%) and 2025 (+2.2%). Investment will be impacted by some global uncertainty, and it is expected to grow only by 0.8% in 2023, followed by 6.6% in 2024. Inflation increased to 7.8% in 2022 and it is expected to gradually moderate to 5.2% in 2023 and 2.4% in 2024. Unemployment stabilized at 6.0% in 2022 and is expected to increase to 6.6% in 2023, recovering to 6.2% in 2024.

INVESTMENT OVERVIEW: Hospitality and Office sectors were the most dynamic in 2022

The recovery of institutional investment accelerated throughout Q4, with €1,216 million transacted, contributing to a total annual volume of €2.960 million in 2022 and reflecting a year-on-year increase of 37%.

The Crow Portfolio transaction was the main contributor to this result, as the largest deal of the quarter (representing around 50% of total investment volume in this period). The retail sector registered a recovery in the last quarter of the year, highly influenced by the sale of the Continente hypermarket in Centro Colombo by Jamestown to Union Investment for a confidential price.

The acquisition by DK Partners of the Crow Portfolio from ECS Capital for €600-650 million (only for investment assets, plus another €200-250 million for development plots) also caused Hospitality to take first place and receive 30% of the total investment volume, in 2022, followed closely by the offices sector (that accounted for 26%).

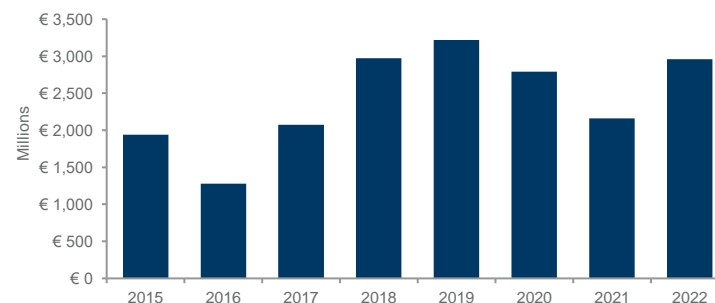
Following the contraction of prime yields in some sectors in the first half of 2022, a change in trajectory started taking place in the third quarter. In Q4 2022, and when compared to the previous quarter, prime yields increased again by 25 b.p. in Offices and Industrial & Logistics (to 4.25% and 5.00%, respectively). In retail, which had remained stable in Q3, an upward movement of 25 b.p. was registered in Q4, both for high street retail and for shopping centres (to 4.50% and 5.75%, respectively).

ECONOMIC INDICATORS 2022

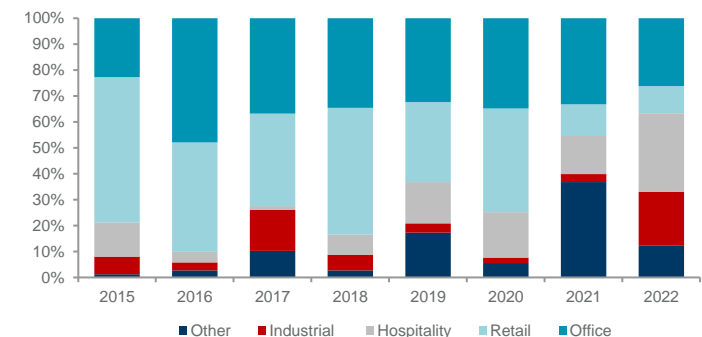
| | YoY Chg | 12-Mo. Forecast |
|-------------------------------------|---------|-----------------|
| 6.7% GDP Growth | ▲ | ▼ |
| 1.2% Investment Growth | ▲ | ▼ |
| 6.0% Unemployment Rate | ▼ | — |
| 2.2% 10-Yr Treasury Yield | ▲ | ▲ |

Source: Moody's Analytics

INVESTMENT VOLUME



INVESTMENT VOLUME BY SECTOR



MARKETBEAT PORTUGAL

Investment Q4 2022



MAIN INVESTMENT TRANSACTIONS Q4 2022

| PROPERTY NAME | SECTOR | MARKET | AREA (SQ.M) | SELLER | BUYER | PRICE (€M) | YIELD (%) |
|-----------------------------|-------------|-------------------|-------------|--------------------|-------------------------|----------------|------------|
| Crow Portfolio | Hospitality | Several Locations | 2,486 keys | ECS Capital | DK Partners | €600.0-650.0 M | n.a |
| Continente – Centro Colombo | Retail | Lisbon | 23,445 | Jamestown | Union Investment | Confidential | n.a |
| Project Soul – Luz Saúde | Other | Several Locations | 37,000 | FSG Saúde | Healthcare Activos | €50.0 M | 5.00-5.50% |
| Domitys Vilamoura | Other | Vilamoura | 13,000 | Nexity | Perial Asset Management | €45.0-50.0 M | n.a. |
| The Lodge Hotel | Hospitality | Vila Nova de Gaia | 116 keys | Pluris Investments | Azora Capital | €40.0 M | n.a. |
| Edifício Lisboa | Office | Lisbon | 4,186 | Marathon | AGEAS | €37.0-37.0 M | 5.00-5.50% |

INVESTMENT ACTIVITY 2022

| PROPERTY SECTOR | NR DEALS | TOTAL VOLUME (€M) | AVERAGE DEAL SIZE |
|-----------------|-----------|-------------------|-------------------|
| Office | 25 | €773.9 M | €30.9 M |
| Retail | 23 | €313.6 M | €13.6 M |
| Hospitality | 15 | €893.4 M | €59.6 M |
| Industrial | 20 | €617.9 M | €30.9 M |
| Other | 10 | €361.8 M | €36.2 M |
| TOTAL | 93 | €2,961 M | €31.8M |

ANDREIA ALMEIDA

Head of Research

+351 211 207 560

andrea.almeida@cushwake.com

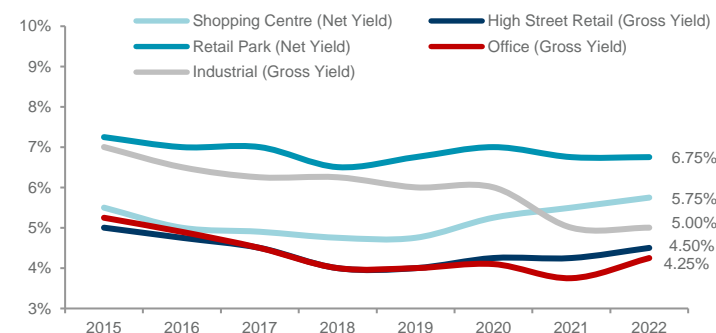
A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 50,000 employees in 400 offices and 60 countries. In 2020, the firm had a revenue of \$7.8 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services.

©2019 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy.

cushmanwakefield.com

PRIME YIELDS BY SECTOR



TOTAL INVESTMENT BY CAPITAL SECTOR 2022

