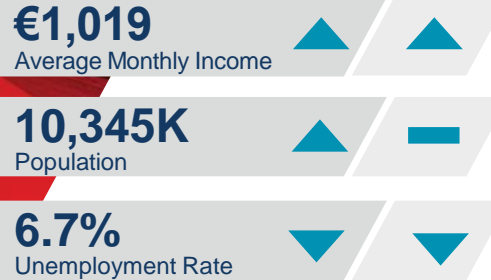


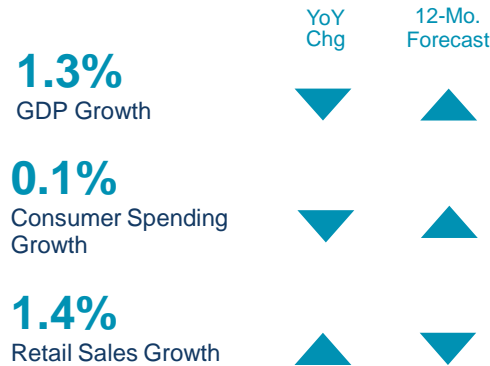
PORTUGAL

Retail Q1 2023



Source: Moody's Analytics; INE

ECONOMIC INDICATORS 2023



Source: Moody's Analytics; INE

ECONOMY: Retail Sales Registered a year-on-year growth of 1.4% influenced by non-food retail (+3.5%)

According to Moody's Analytics, the Portuguese economy closed 2022 with a GDP growth of 6.7%. The GDP growth is expected to slow down to 1.3% in 2023, followed by a recovery in 2024 (+2.5%) and 2025 (+2.1%). A recovery in private consumption was registered in 2022, surpassing 2021 by 5.7%, but it is expected to slow down to 0.1% in 2023. The inflation rate is currently forecasted to gradually moderate to 5.1% in 2023 and 2.4% in 2024.

Until March, retail sales registered a year-on-year growth of 1.4% according to INE, mainly influenced by non-food retail (+3.5%).

DEMAND: Over the Next Three Years a Total of 75,500 sq.m of GLA are Expected to Enter the Market

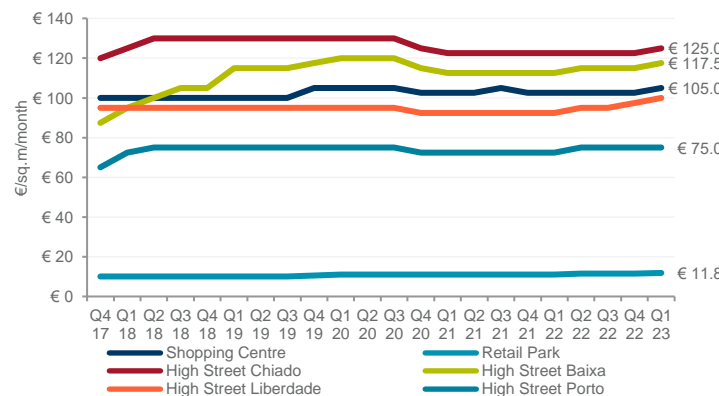
With no retail schemes completed in the first quarter of 2023, the future supply for the next three years of 75,500 sq.m reflects an increased focus on the retail park format. Some of the main projects in pipeline include Nova Vila Retail Park (Portimão), City Center Covilhã and Salinas Park (Vila Franca de Xira) that are expected to open in 2023, and the Centro Colombo (Lisbon) redevelopment and expansion for 2025.

Cushman & Wakefield's retail take-up registered 93 new openings in Lisbon in Q1 2023 (-15% year-on-year) accounting for 39,290 sqm. The predominance of high street retail prevailed, with 61% of total new openings, followed by shopping centres with 18%. Large units remain popular with retailers, namely retail parks and stand-alone units, which together accounted for around 15% of the deals. The Food and Beverage (F&B) sector remained dominant, representing 47% of new openings, followed by the Food and Leisure & Culture sectors with respectively 14% and 13% of new openings.

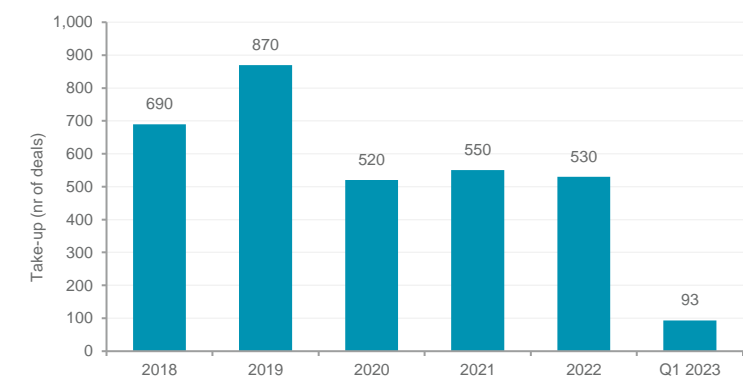
PRICING: Prime Rents Growing

When compared with Q4 2022, high street rental values increased to €125.00/sq.m/month in Chiado remaining stable at €75.00/sq.m/month in Porto (Downtown). In Baixa and Avenida da Liberdade prime rents increased to €117.50 and €100.00/sq.m/month, respectively. Retail parks prime rent have also registered a slight increase to €11.75/sq.m/month.

PRIME RENTS



DEMAND EVOLUTION



MARKET STATISTICS

SUBMARKET	SHOPPING CENTRE STOCK (SQ.M)	SHOPPING CENTRE PIPELINE (SQ.M)
North	432,400	-
Greater Porto	672,230	-
Centre	529,970	18,000
Lisbon Metropolitan Area	894,160	10,500
Setúbal Peninsula	269,090	-
South	277,920	-
Islands	92,510	-
PORTUGAL TOTALS	3,168,280	28,500

FORMAT	LOCATION	PRIME RENT (€/SQ.M./MONTH)	PRIME YIELD (%)
High Street Retail	Lisbon – Chiado	€125.0	4.75%
	Porto - Downtown	€75.0	5.75%
Shopping Centres	Portugal	€105.0	6.00%
Retail Parks	Portugal	€11.75	6.50%

MAIN OCCUPANCY TRANSACTIONS Q1 2023

RETAIL FORMAT	LOCATION	TENANT	AREA (SQ.M)	RETAILER TYPE
Stand Alone	Albufeira	Aldi	2,400	Cross Border
Stand Alone	Valongo	Lidl	2,400	Cross Border
Stand Alone	Maia	Aldi	2,400	Cross Border
Stand Alone	Loulé	Aldi	2,400	Cross Border
Stand Alone	Paços de Ferreira	Intermarché	2,000	Cross Border

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