

12- Mo. Forecast

11,200

Average Rent (NTD/PING/MO)



2.8%

Rental Growth Rate (QOQ)



7.2%

Vacancy Rate



Source:Cushman & Wakefield

Consumer Enthusiasm Continues to Strengthen, Driving Record-High Retail Revenues

General merchandise stores' total revenues for January to November 2023 grew by 9.9% y-o-y to reach NT\$1.4 trillion, setting a record high for the 11-month period. Department stores recorded a revenue increase of 15.5% y-o-y in the period, benefiting from the boost of the annual sales period together with new mall openings. Convenience stores and supermarkets saw revenue rises of 8.1% y-o-y and 1.2% y-o-y respectively. On the other hand, hypermarket sales revenue slipped by 1.7% y-o-y. In other retail sectors, primarily duty-free shops, revenue through the year to date rose by 39.7% y-o-y on the back of a sustained revival in cross-border tourism.

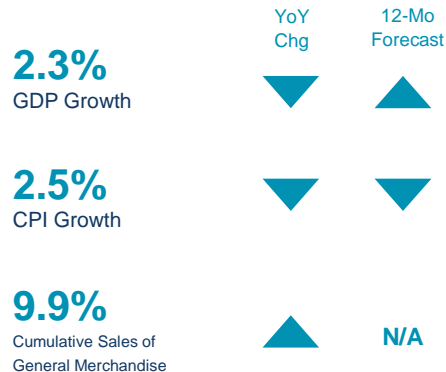
Ximen Retail Hub Vacancy Falls Below 5% for First Time Since the Pandemic

Both ends of the Zhongxiao retail hub witnessed grand openings in Q4 in the shape of the Shin Kong Mitsukoshi Diamond Towers and the Taipei Dome. However, the retail hub's commercial activities are yet to reach maturity, leading to just a slight drop in the vacancy rate to 13.4%. The Zhongshan commercial district has shown resilience amid the pandemic, with a standout investment transaction featuring a rental yield of 3.5%, solidifying the district as a key indicator for storefront investment returns in Taipei City. The Zhongshan vacancy rate in Q4 remained unchanged from the previous quarter at 5.3%. The Ximen retail hub vacancy rate continued its downward trend in Q4 to record 4.7%, setting its lowest vacancy rate among premier commercial districts in Taipei for four years.

Large-Scale Mall Projects Set to Enter The Market, Promising a Revival of Zhongxiao Commercial District

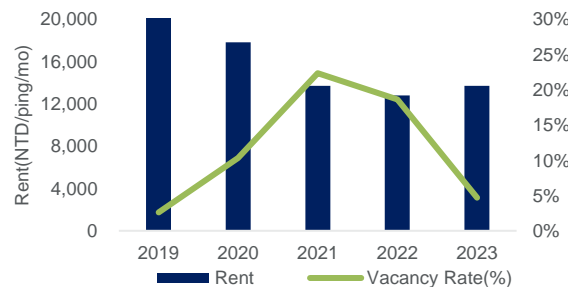
Nearly 80,000 pings of quality new space will enter the Taipei retail market in 2024, with the opening of Mitsui Shopping Park LaLaport Nangang in Nangang District and the Far Eastern SOGO CITY in Xinyi District expected to bring new dynamics to the city's retail environment. Far Eastern SOGO CITY is also anticipated to enhance synergies between Zhongxiao and Xinyi commercial districts, in turn accelerating the revitalization of the Zhongxiao commercial district.

TAIWAN ECONOMICS INDICATORS Q3 2023



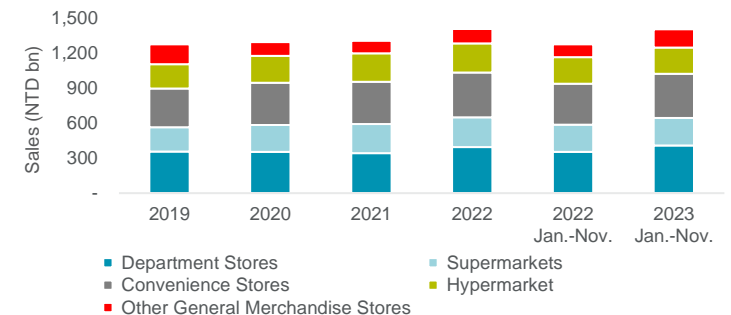
Source: Directorate-General of Budget, Accounting and Statistics, Moody's Analytics

RENT / VACANCY RATE IN XIMEN



Source: Cushman & Wakefield Research

CUMULATIVE SALES OF GENERAL MERCHANDISE



Source: Directorate-General of Budget, Accounting and Statistics

PRIMARY RETAIL VACANCY AND AVERAGE RENTS IN Q4 2023

RETAIL HUB	VACANCY RATE	RETAIL RANGE (NTD/PING/ MO)	RENTAIL RANGE (USD/SF/MO)	12- MONTH OUTLOOK
Zhongxiao	13.4%	8,000~11,000	7.2~9.9	■
Zhongshan/Nanjing	5.3%	7,000~12,000	6.3~10.8	■
Ximen	4.7%	9,000~15,000	8.1~13.5	▲

Note: Only high street store in prime retail hubs are taken into account. All data is based on gross floor area unless otherwise specified. Rentals are exclusive of management fees or other expenses.
Area Conversion: 1 Ping=35.58 Square Feet =3.3 Square Meters
Currency Exchange Rate: 1USD = 31.2889 NTD as of December 15, 2023

SIGNIFICANT OPENINGS IN Q4 2023

RETAIL HUB	LOCATION	TENANT	SIZE (Ping)
Zhongshan/Nanjing	Sec. 2, Zhongshan N. Rd.	Tifana Japan Selection	25
Ximen	Sec. 2, Wuchang St.	Jin Wu Men Massage	80
Ximen	Chengdu Rd.	Sunmerry	25
Zhongxiao	Sec. 4, Zhongxiao E. Rd.	Agete	40

SIGNIFICANT RETAIL PROJECTS - UNDER CONSTRUCTION/DECORATION

PROJECT	LOCATION	EXPECTED COMPLETION	GFA (Ping)
Mitsui Shopping Park LaLaport (Nangang)	Nangang District, Taipei City	2024	47,000
Far Eastern SOGO CITY	Xinyi District, Taipei City	2024	42,000

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