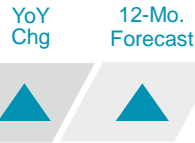


€1,140
Average Monthly Income



10,640K
Population



6.4%
Unemployment Rate



Source: Moody's Analytics; INE

ECONOMIC INDICATORS 2024

1.7%
GDP Growth



1.6%
Consumer Spending Growth



3.0%
Retail Sales Growth



Source: Moody's Analytics; INE

ECONOMY: GDP annual growth forecasted to stabilize at circa 2,0% figures between 2024 and 2026

According to Moody's Analytics, despite the slowdown in 2024 Portugal will remain a top performer in the euro zone, with GDP growing by 1,7%, followed by slight increases over the next two years (1,8% in 2025 and 2,0% in 2026).

Private consumption is projected to stabilize at 1,6% until 2025, dropping to 0,5% in 2026. The inflation rate is anticipated to continue decreasing, reaching 2.2% in 2024 and falling below the 2,0% target in 2025 (1,3% in 2025 and 1,4% in 2026). After an upward trend in 2023, unemployment should decrease to 6,4% this year, reaching 5,8% in 2025 and 5,3% in 2026 – a 25-year historical low.

DEMAND: 153,700 sq.m GLA of retail schemes in pipeline and 360 new openings during H1

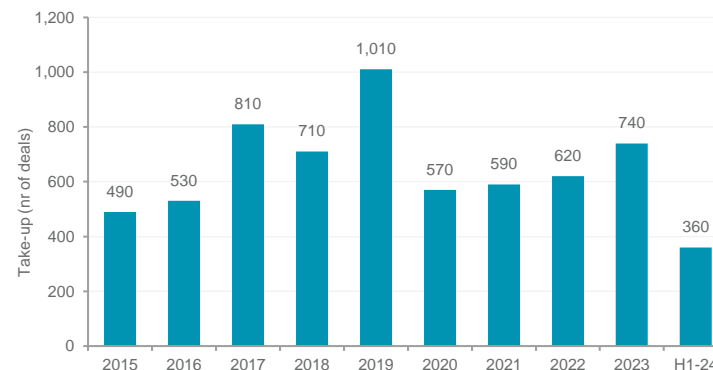
During the second quarter of 2024, a new retail scheme was completed: the Arco Retail Park (Santo Tirso) developed by Garcia & Garcia, with 6,600 sq.m. The pipeline for the next three years indicates higher development volumes in retail parks. Of the forecasted 153,700 sq.m of GLA, 81% is allocated to this segment. Among the 78,300 sq.m currently under construction, the largest projects regard Nova Vila Retail Park (Portimão) and Retail Park Tavira within retail parks, and City Center Covilhã and the Centro Colombo (Lisbon) redevelopment and expansion amongst shopping centres.

According to Cushman & Wakefield, retail take-up registered 180 new openings in the second quarter, contributing to an accumulated volume of 360 inaugurations in the first semester, marking a 22% year-on-year growth. In the first half of the year, high street retail dominated with 71% of the new openings, while the Food & Beverage (F&B) sector represented 46%.

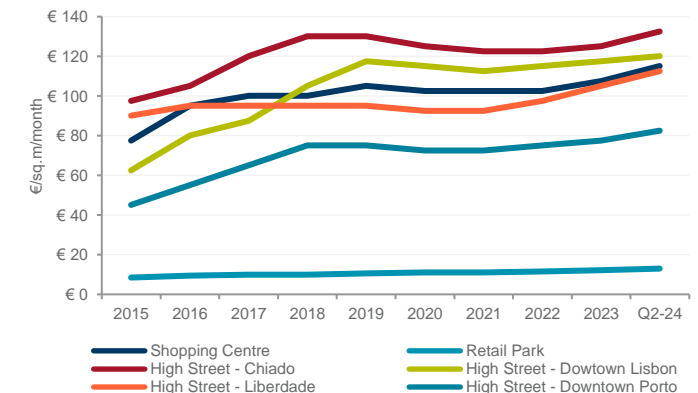
PRICING: stability in retail schemes and rental increases in high street retail

Compared to the previous quarter, prime rental values remained stable in both shopping centres and retail parks. However, there was an increase of €2.5/sq.m/month in high street retail in Lisbon's Chiado and Avenida da Liberdade, as well as Porto's Downtown.

DEMAND EVOLUTION



PRIME RENTS



MARKET STATISTICS

SUBMARKET	RETAIL SCHEMES STOCK (SQ.M)	RETAIL SCHEMES PIPELINE (SQ.M)
North	572,250	21,290
Greater Porto	787,520	4,000
Centre	710,620	29,500
Lisbon Metropolitan Area	1,029,280	40,900
Setúbal Peninsula	375,330	4,000
South	396,220	41,000
Islands	92,510	13,000
PORTUGAL TOTALS	3,963,730	153,690

FORMAT	LOCATION	PRIME RENT (€/SQ.M./MONTH)	PRIME YIELD (%)
High Street Retail	Lisbon – Chiado	€132.5	4.75%
	Lisbon – Av. Liberdade	€112.5	4.75%
	Porto - Downtown	€82.5	5.75%
Shopping Centres	Portugal	€115.0	6.50%
Retail Parks	Portugal	€13.0	7.00%

MAIN OCCUPANCY TRANSACTIONS Q2 2024

RETAIL FORMAT	LOCATION	TENANT	AREA (SQ.M)	RETAILER TYPE
Shopping Centre	Olhão	Auchan	4,000	Cross Border
Stand Alone	Ponte de Lima	Aldi	2,200	Cross Border
High Street	Lisbon	Lidl	1,200	Cross Border
Retail Park	Vizela	Action	1,040	Cross Border
High Street	Lisbon	Aldi	700	Cross Border

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