

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
590,000 Belgrade Retail Stock	▲	▲
€48-50 Average prime SC rent, sqm/month	▲	▲
8.00% Prime SC Yields <i>(Overall, All Property Classes)</i>	▲	▲

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
2.0% GDP Growth rate 2025	▼	▲
7.0% Belgrade Unemployment Rate Q3 2025	▼	▲
€1,150 Belgrade Average net salary Q3 2025 <i>(Overall, All Property Classes)</i> <i>Source: Statistical Office of the Republic of Serbia</i>	▲	▲

ECONOMY

Real GDP growth in 2025 equalled 2.0%, according to the preliminary official statistical data, driven by the service sector and industry, while construction and agriculture recorded a decline in activity. In Q3 2025, it amounted to 2.0% y/y, boosted by the expansion of the services sectors, notably the ICT sector and government-related sectors. For 2026, the projected GDP growth is 3.5%, yet expected to be accelerated to 5% in 2027, due to the hosting of the specialised international exhibition EXPO 2027.

According to the Labour Force Survey, the unemployment rate in Serbia in Q3 2025 was 8.2%, and the employment rate was 51.3%. Looking at Belgrade region, the unemployment rate stands at 7%. The average wage grew by 6.8% in the first ten months of 2025, equalling EUR 902 in Serbia and EUR 1,150 in Belgrade. Inflation declined until May 2025 (3.8%), then rose over the following three months due to higher food prices caused by unfavourable weather conditions. After margin caps were introduced, y/y inflation eased to 2.9% in September and remained broadly stable, ending the year at 2.7% y/y in December.

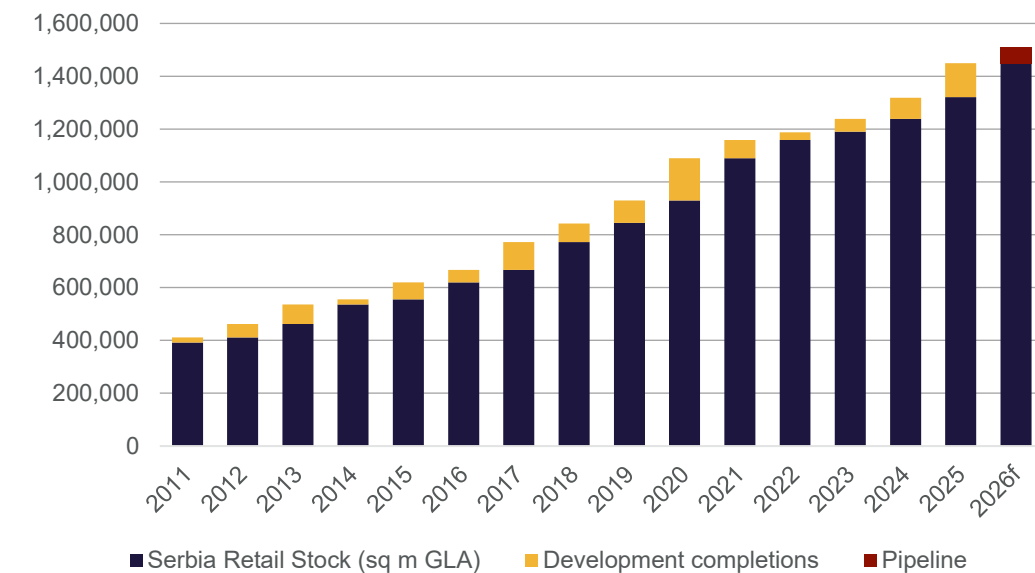
SUPPLY

Retail parks remain the fastest-growing retail format in Serbia, particularly outside major cities. The current supply is highly focused on retail park development. Following a strong expansion in 2024, when the total retail stock increased by 80,000 sq m, development accelerated further in 2025. A total of 11 new retail parks were completed, adding 127,000 sq m of modern retail space, out of which 6 were completed in Q4 2025 only.

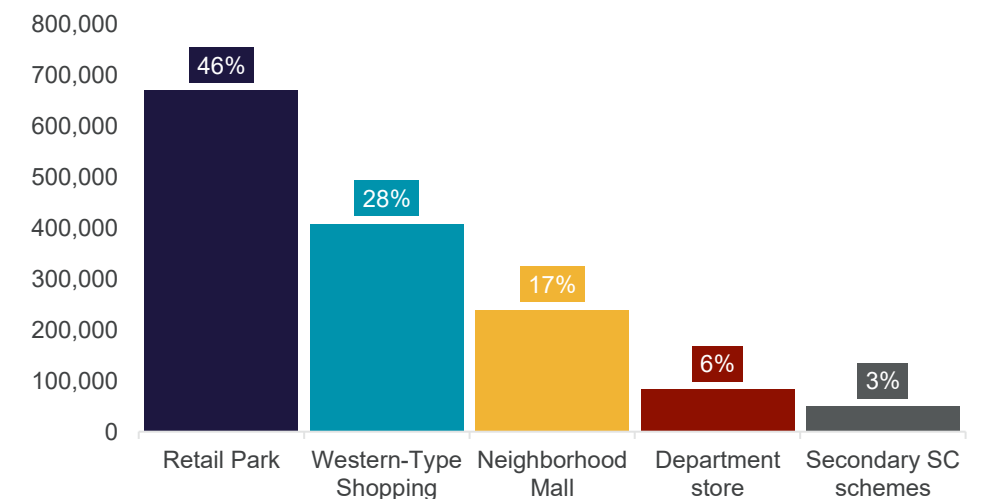
An Israeli developer BIG CEE was among the most active, delivering three retail parks in Cacak (16,000 sq m), Sabac (14,630 sq m) and Bor (9,415 sq m). Additional mid-sized developments included Tempo Plus in Nis, Gold Retail Park in Smederevo and ARA Plaza in Arandjelovac, each contributing approximately 15,000 sq m to the market.

As a result of this strong supply-side momentum, the total modern retail stock in Serbia has reached 1,448,883 sq m, which is equivalent to 218 sq m per 1,000 inhabitants. Retail parks hold a share 46% in the Serbian stock.

TOTAL RETAIL STOCK IN SERBIA (sq m)

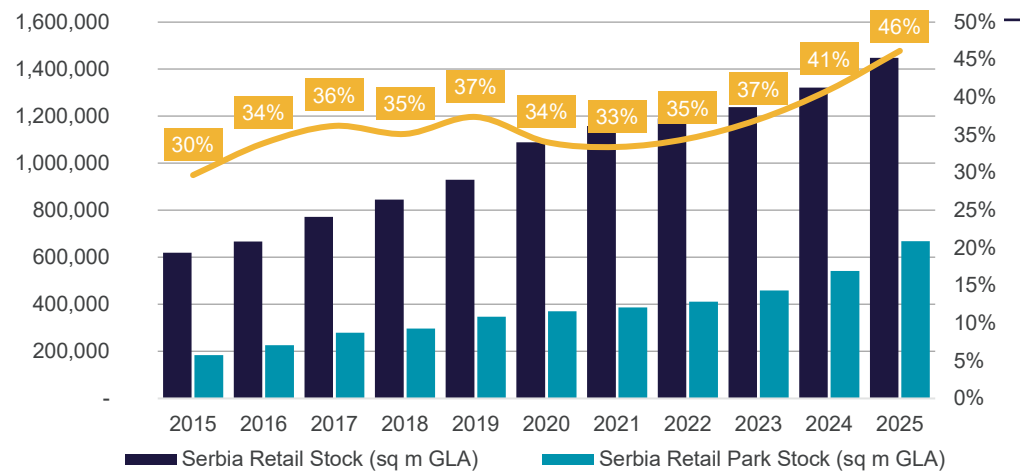


SUPPLY PER TYPE OF SCHEME IN SERBIA (sq m)

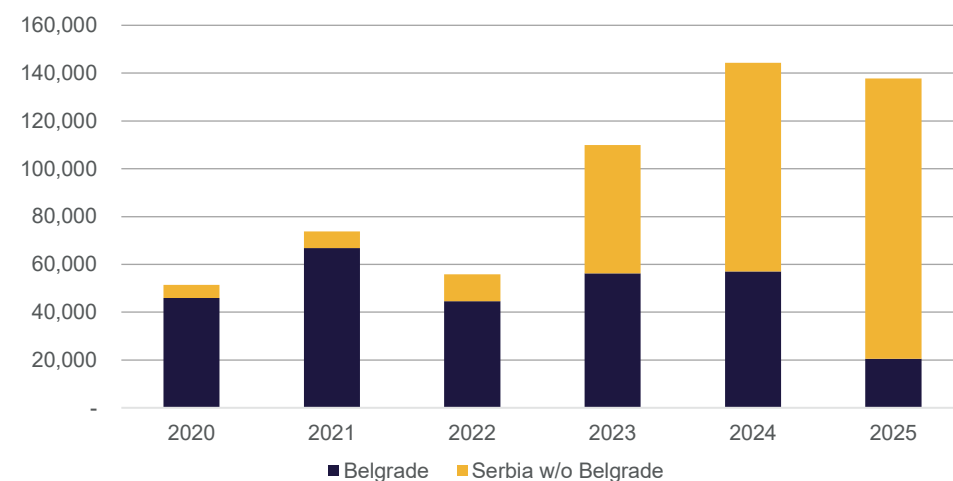


Source: CBS International

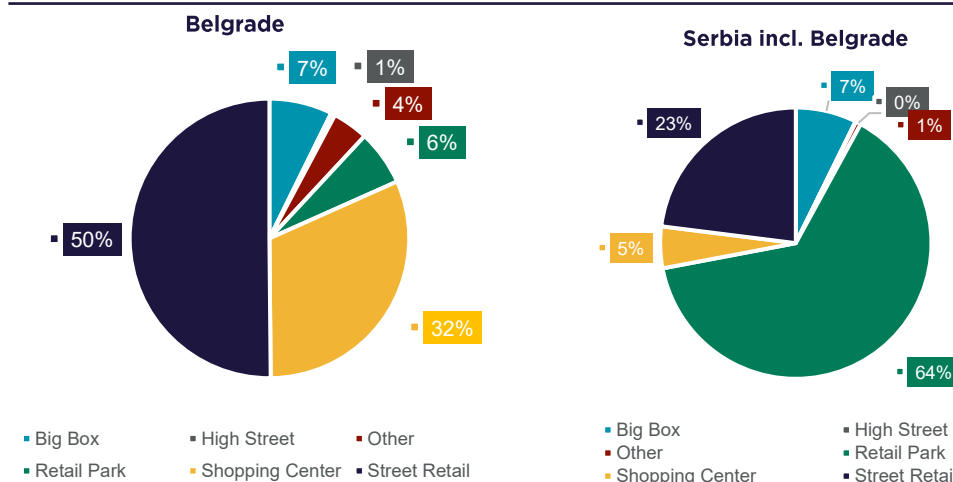
RETAIL PARK SHARE (%)



ANNUAL TAKE UP (sq m)



TAKE UP PER TYPE OF SCHEME



Source: CBS International, take-up excluding renewals

With no new completions in the capital, Belgrade’s modern retail stock has remained unchanged at 590,000 sq m, or 351 sq m per 1,000 inhabitants - still well below the regional capitals’ average of approximately 650 sq m per 1,000 inhabitants. On the new supply side, looking through 2026, four retail parks are envisaged: one in the Belgrade Municipality of Surcin (32,000 sq m) and others in Prijepolje, Paracin, Becej and Sombor, all totalling app. 30,500 sq m.

DEMAND

With a 35% increase compared to Q3 2025, the fourth quarter marked the strongest performance of the year, with total take-up reaching 56,000 sq m across Serbia. Leasing activity accelerated significantly in the second half of the year, with H2 take-up reaching 97,700 sq m, which is more than double the 40,000 sq m recorded in H1. As a result, the total annual take-up in 2025 amounted to 137,700 sq m. The most attractive scheme for retailers is the retail park format, which holds a 64% share in annual take-up.

In the capital, due to the prolonged absence of new completions, take-up in Belgrade has stabilised at approximately 20,000 sq m annually, mostly in street retail units.

In the second half of the year, the retail market was further strengthened by the entry of several international brands, enhancing the diversity and quality of the overall offer. The French contemporary fashion brand Maje opened its store in Galerija Shopping Centre, as well as the US sportswear brand Columbia. In the F&B segment, Belgrade welcomed its first Taco Bell restaurant at Usce Shopping Centre. Looking ahead, 2026 is expected to bring further expansion, including the opening of a Hard Rock Cafe in Belgrade downtown, as well as the debut of the Danish retail brand Flying Tiger Copenhagen with its first stores in the city.

PRICING

In key shopping centres, rental rates have remained stable, positioned between EUR 22-28 per sq m/month, while prime retail units achieve rates of EUR 45-50 per sq m/month. Average rental levels in retail park formats currently range between EUR 9-13 per sq m/month.

Retail remains a strong driver in the investment market. In 2025, the investment volume amounted to EUR 50 million. Among notable transactions are the acquisition of Aviv Park Zvezdara and ImmoCenter Outlet by two local companies. In addition, Gornji Milanovac Retail Park was purchased by the CPI Group, which enlarged their portfolio to 15 retail parks in Serbia. Yields for premium shopping centres in Belgrade range between 8.00-8.50%, while retail parks yield remains between 8.25-8.75%.

TRENDS 2026

- In 2026, retailers expect that **profitability-first strategies** will replace **growth at all costs**, by measuring investments in technology and real estate by margin and cash flow rather than pure growth.
- **Omnichannel** will remain essential, but with smarter execution - including real-time inventory visibility, flexible fulfilment options such as click-and-collect and parcel locker to better match local demand.
- Investment in **micro-fulfilment centres** and dark stores is accelerating, particularly in dense urban markets, reshaping store formats toward smaller front-of-house and expanded back-of-house logistics space.
- **AI** is becoming fully embedded in retail operations, driving demand forecasting, dynamic pricing and personalisation, with measurable improvements in efficiency and margins.
- **Consumer behaviour** will remain pragmatic, balancing value and experience - with cost-conscious spending on the essentials alongside selective premium purchases.

MARKET STATISTICS

CITY	RETAIL STOCK (SQ M GLA)	DENSITY (RETAIL STOCK PER 1,000 INH.)*	RETAIL PIPELINE (SQ M GLA)	AVERAGE PRIME RENT IN SHOPPING CENTRES (€/ sqm/ month)
Belgrade	590,845	351	32,000	45-50**
Novi Sad	124,399	337	-	20-35
Nis	92,117	369	-	18-30
Kragujevac	65,216	381	-	15-30
SERBIA TOTAL	1,448,883	218	62,500	

* Census 2022

**For units up to 150 sq m on the ground floor

CONSTRUCTION COMPLETIONS IN BELGRADE AND SERBIA 2025

PROPERTY	SUBMARKET	TYPE OF SCHEME	DEVELOPER	SIZE (SQM GLA)
BIG Cacak	Cacak	Retail Park	BIG CEE	16,000
Tempo Plus Nis	Nis	Retail Park	BDS Properties	15,500
Gold Retail Park	Smederevo	Retail Park	Coka Smederevo	15,000
ARA Plaza	Arandjelovac	Retail Park	Peštan	15,000
BIG Sabac	Sabac	Retail Park	BIG CEE	14,630
NOVA Retail Park Sid	Sid	Retail Park	GO SHOP Retail park Ruma	12,000
Lesko Park	Leskovac	Retail Park	Leskodrvo	11,500
Tempo Plus Kraljevo	Kraljevo	Retail Park	BDS Properties	11,500
BIG Bor	Bor	Retail Park	BIG CEE	9,415

KEY ONGOING PROJECTS IN SERBIA

PROPERTY	SUBMARKET	TYPE OF SCHEME	DEVELOPER	SIZE (SQM GLA)	DELIVERY YEAR
Retail Park Surcin	Belgrade	Retail Park	Aman Real Estate	32,000	2026
Futura Park - 2nd phase	Paracin	Retail Park	Juga-Coop doo Paracin	6,300	2026
Retail park Prijepolje	Prijepolje	Retail Park	Private Entity	5,000	2026
Becej Retail Park	Becej	Retail Park	Cluster properties	6,000	2026
Sombor Retail park	Sombor	Retail Park	Sinagoga	13,165	2026

SELECTED NEWCOMERS H2 2025

PROPERTY	SUBMARKET	TENANT	TYPE OF SCHEME	CATEGORY
BW Galerija	Belgrade, City Centre	Columbia	Shopping centre	Sports
Usce Shopping Center	New Belgrade	Taco Bell	Shopping centre	Food

KEY SALES TRANSACTIONS 2025

PROPERTY	SUBMARKET	MAJOR TENANT	SIZE	SELLER / BUYER
Aviv Zvezdara	Belgrade	Univerexport	11,500	Aviv Arlon/Mat Real Estate
ImmoOutlet	Belgrade	IDEA	8,500	MPC Properties/Private Entity

Source: CBS International, part of Cushman & Wakefield Group

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