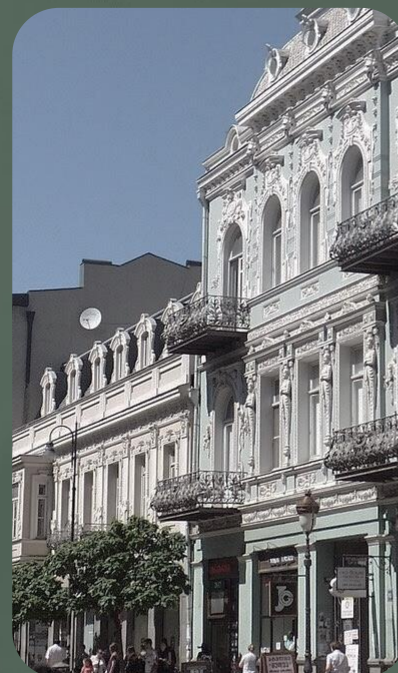
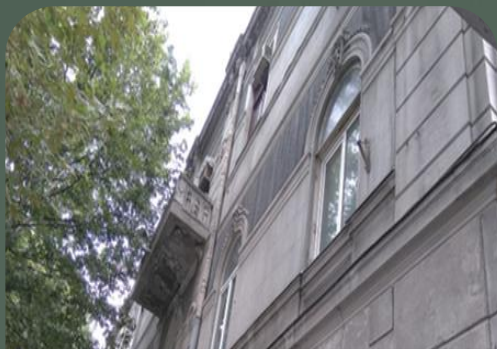




GALT & TAGGART
CREATING OPPORTUNITIES



Retail Real Estate Market in Tbilisi

Malls, high street retail & bazaars

May 2026





What are the key questions in Tbilisi's retail real estate market?



How large is Tbilisi's retail real estate market and how is it structured?



How strong is demand and how is supply expected to grow?



Which price segments have expansion potential?



Do high streets and bazaars remain competitive?



Tbilisi's major retail space stock stands at 1.3mn sq.m, with shopping malls accounting for one third

Major retail formats in Tbilisi, 2025

1.3mn sq.m.

Bazaars

58%

770k sq.m.

Shopping malls

33%

430k sq.m.

High streets

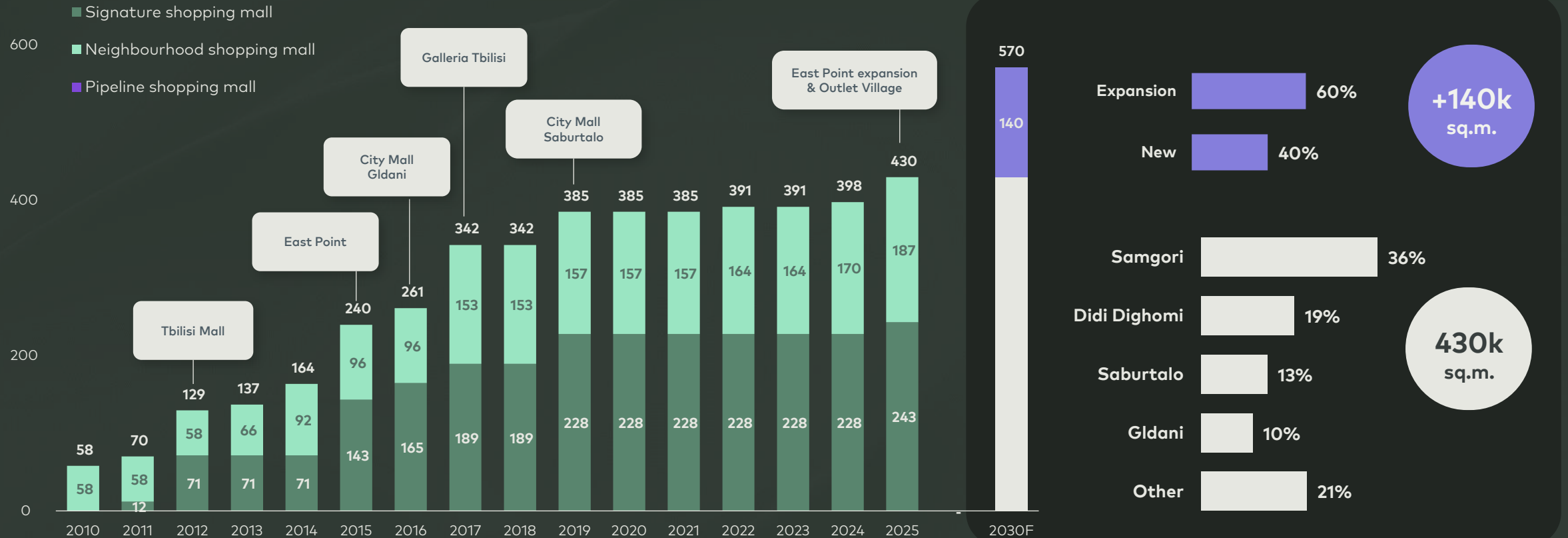
9%

120k sq.m.



After a period of stagnation in 2020–24, Tbilisi's shopping mall supply is entering a new phase of growth...

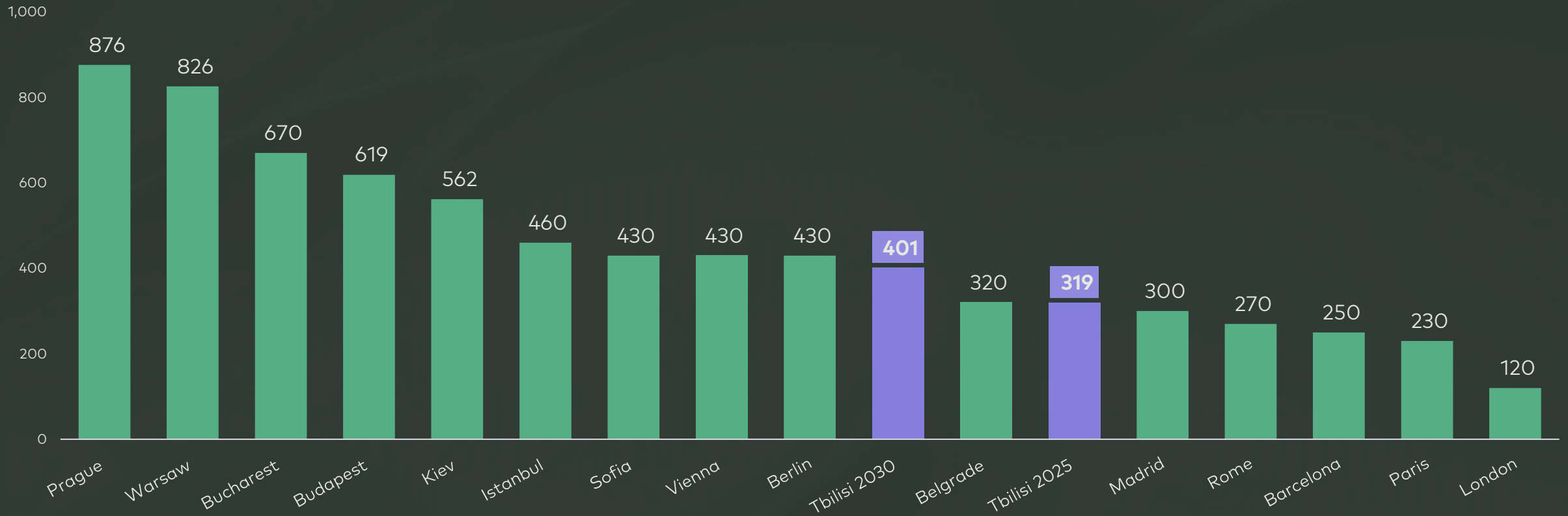
Shopping mall supply in Tbilisi, '000 sq.m.





...However, Tbilisi's shopping mall market still does not indicate oversupply risks

Retail mall supply per 1,000 residents in selected cities, sq.m



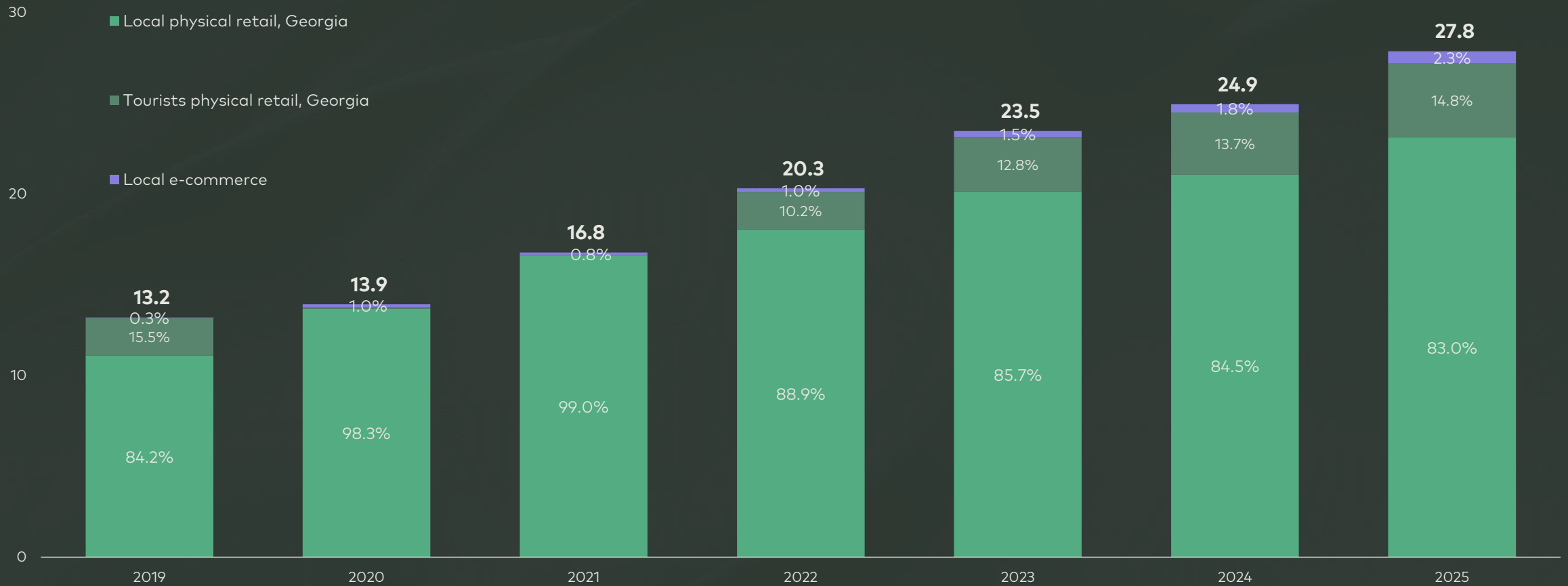
Source: Regiodata, NAPR, Reportal, TAS, Individual malls, Galt & Taggart

Note: Supply in comparable cities is shown as of 2023



Georgia's retail trade turnover doubled during 2019-25, while the share of local e-commerce grew slowly

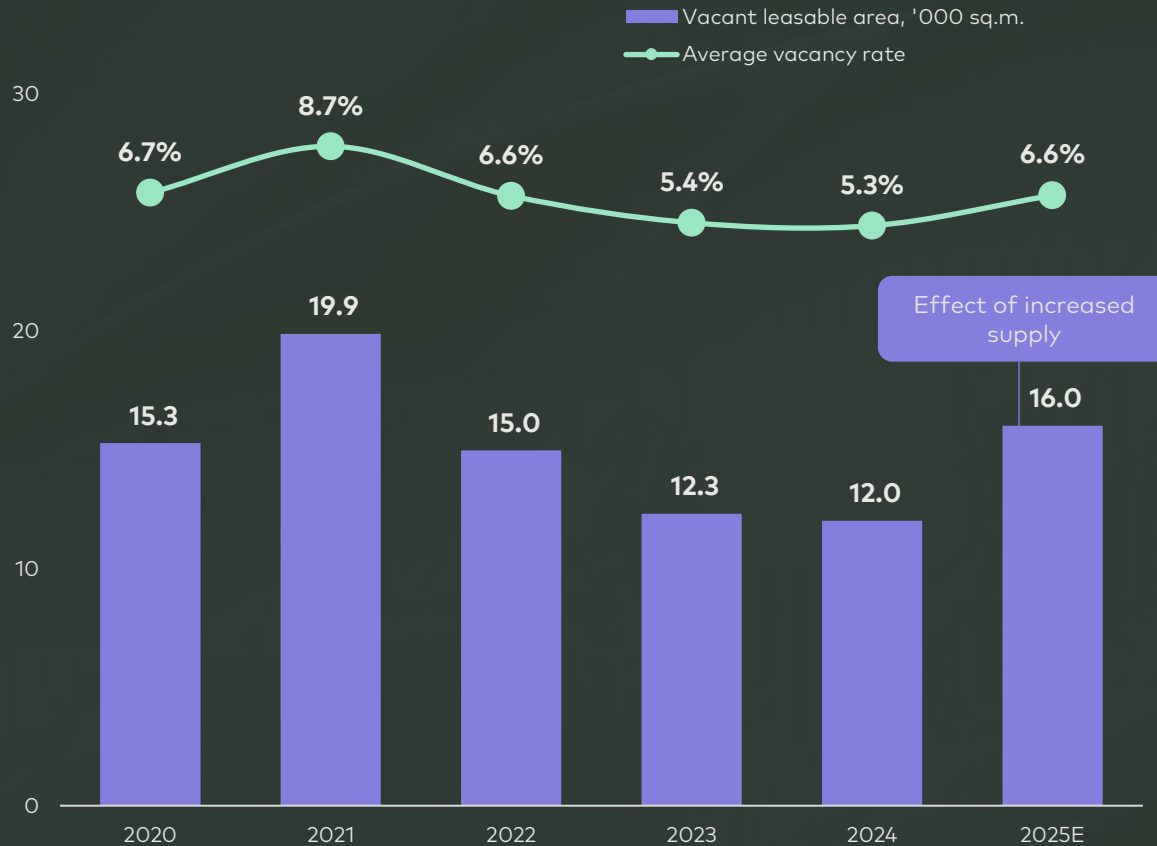
Retail trade turnover in Georgia, GEL bn



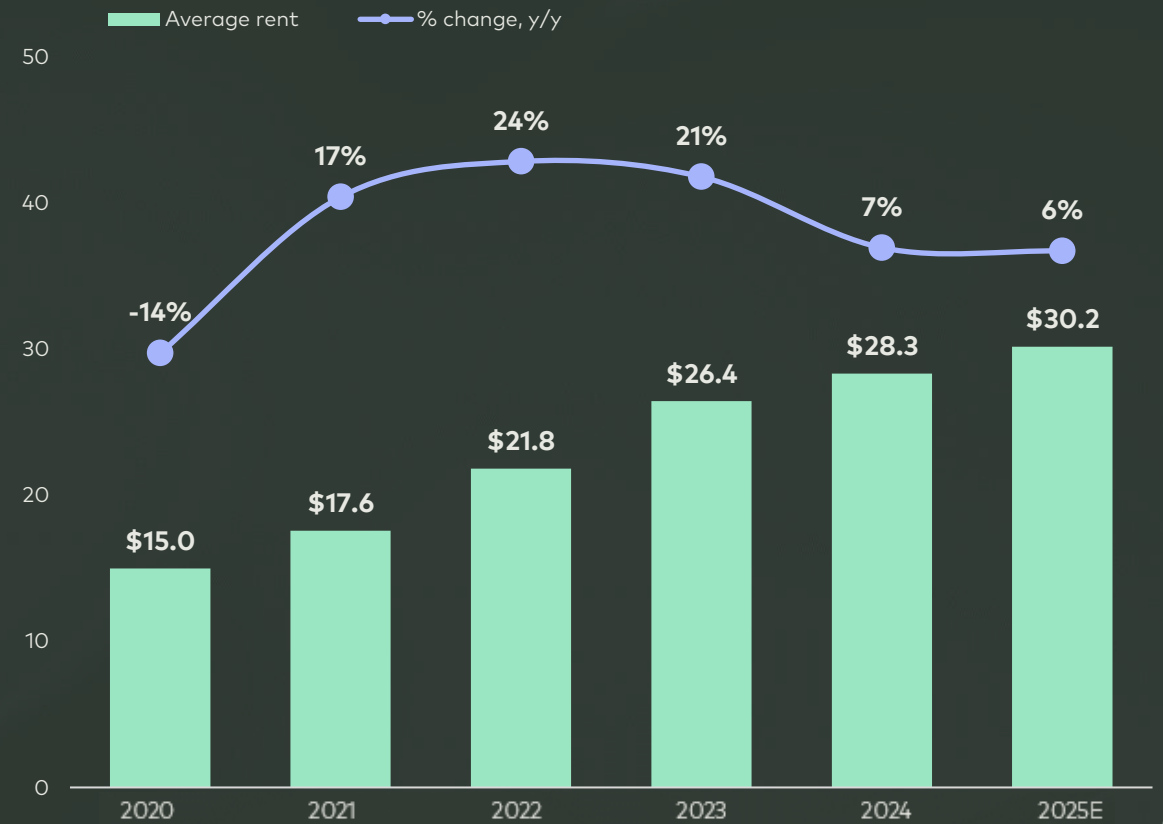


Stronger retail activity and robust demand have lowered vacancy rate across major malls, resulting in rapid rent increases

Vacancy in signature shopping malls



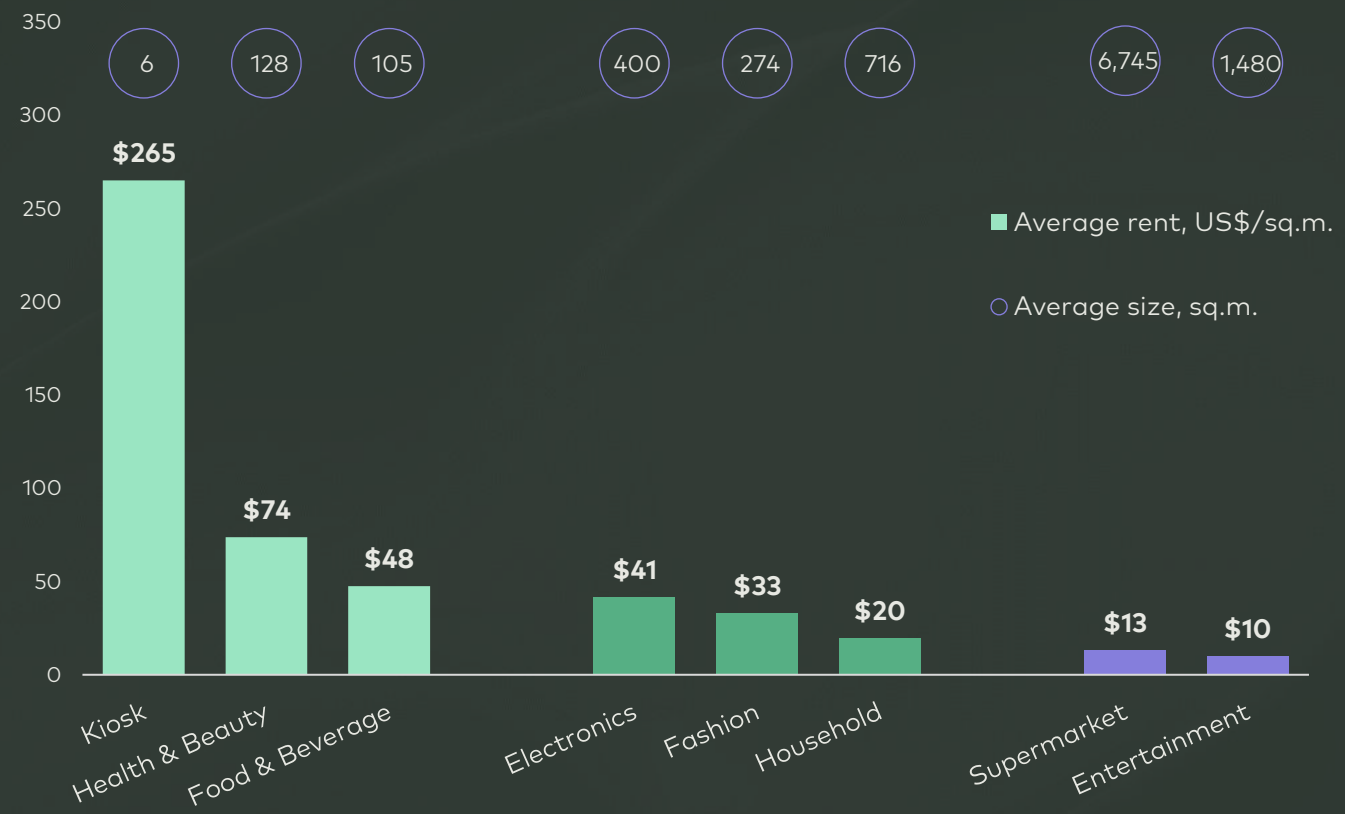
Weighted average rent in signature shopping malls, US\$/sq.m.





Rent in major malls varies by tenant function and size, with traffic-generating sectors paying relatively lower rents

Average store rent and size by sector in signature shopping malls, 2025



Store category distribution by area and revenue in signature shopping malls, 2025

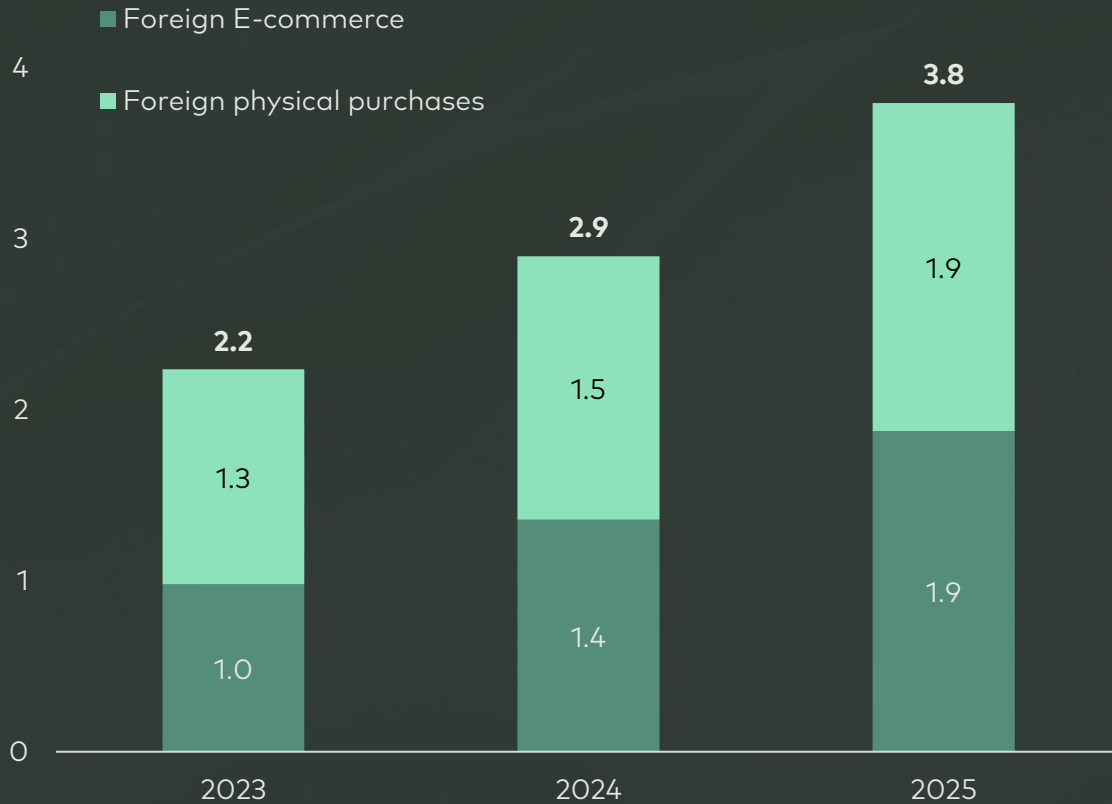
Category	Share in rent revenue	Share in total area
Revenue generator	18%	8%
Core retail	73%	65%
Traffic generator	9%	27%

Source: Reportal, Individual malls, Galt & Taggart
Note: Rents are given incl. service fee and excl. VAT

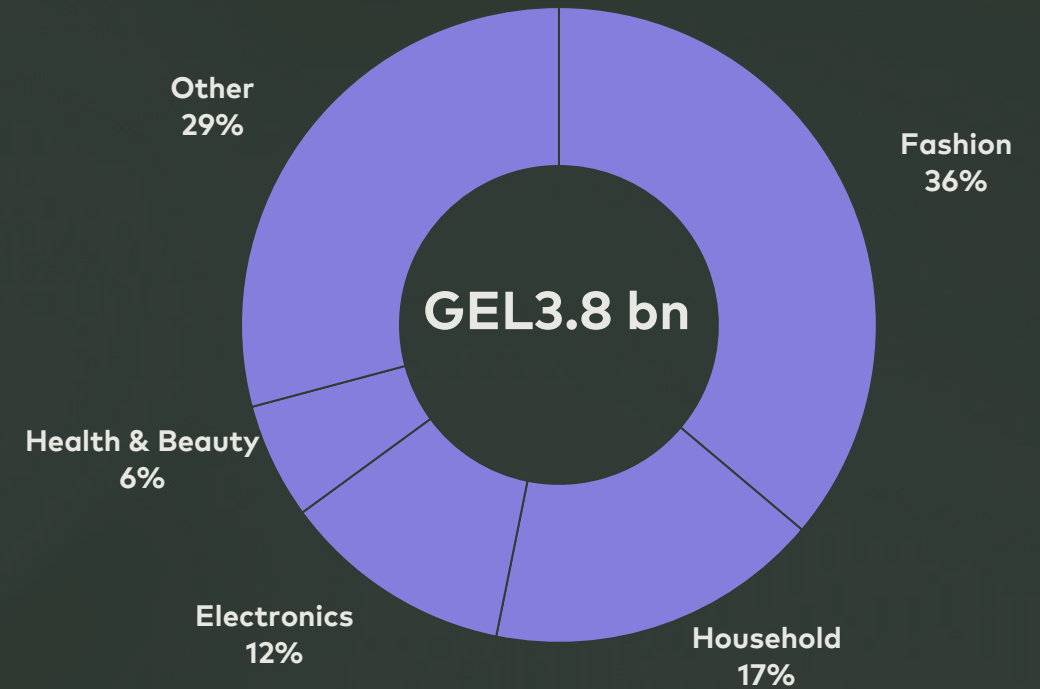


Retail spending outside Georgia reached GEL3.8bn in 2025, with fashion making up the largest share

Spending abroad with Georgian cards by trade format, GEL bn



Distribution of spending abroad with Georgian cards by sector, 2025





Luxury brands account for half of foreign fashion spending, yet represent only 2% of total space in Georgian malls, and 28% on high streets

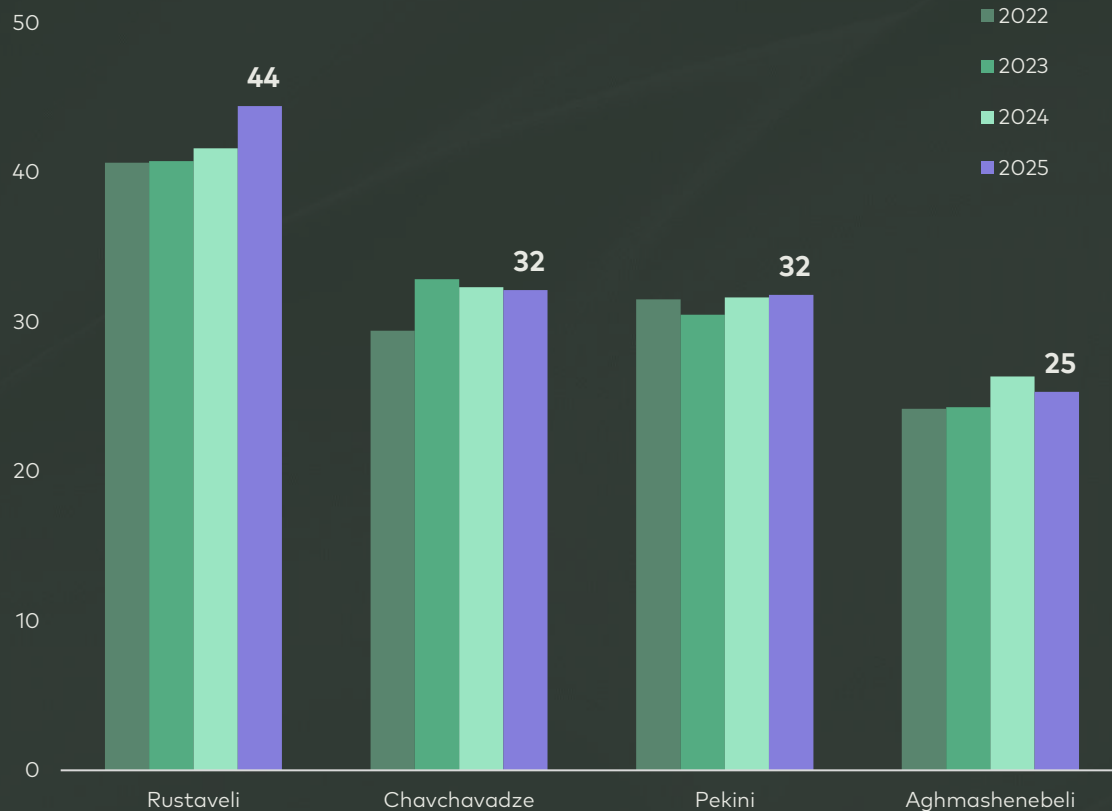
Fashion sector distribution by price segments, 2025



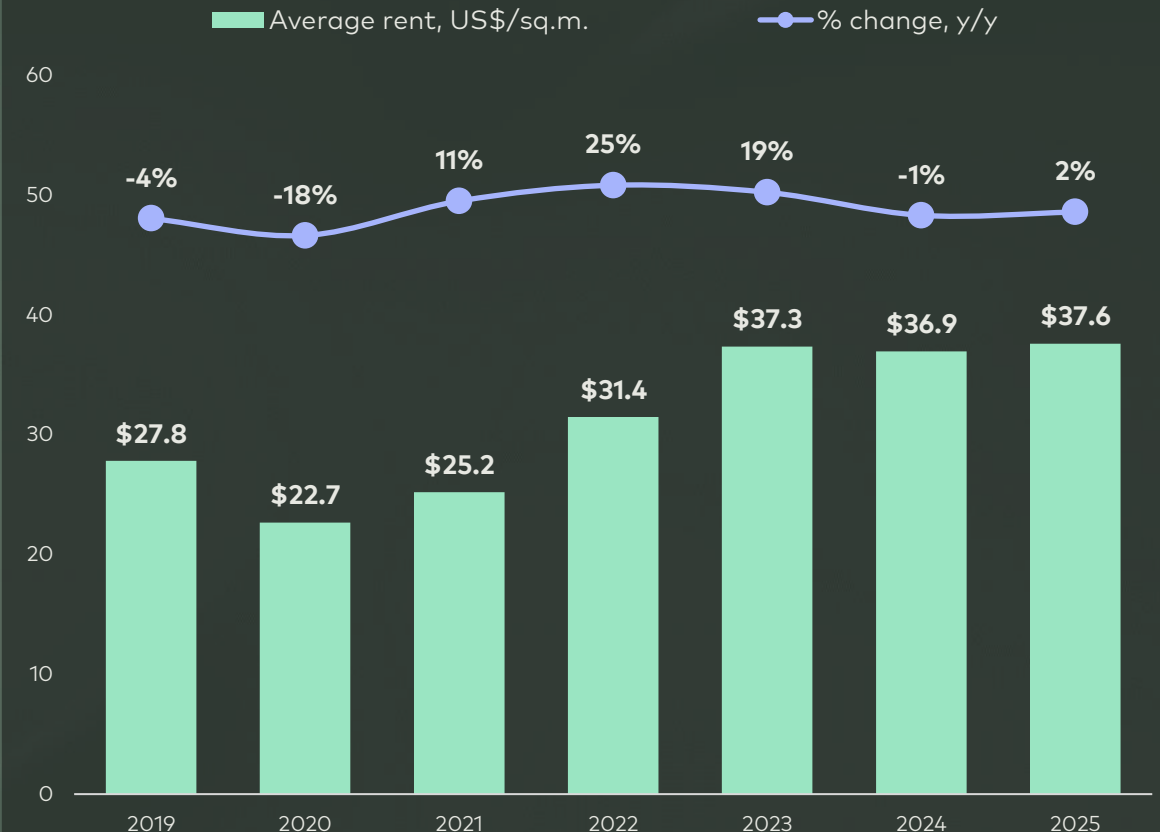


Average rents across Tbilisi's four high streets have remained broadly stable in recent years, increasing only on Rustaveli Avenue

Weighted average rent in ongoing contracts by street, US\$/sq.m.



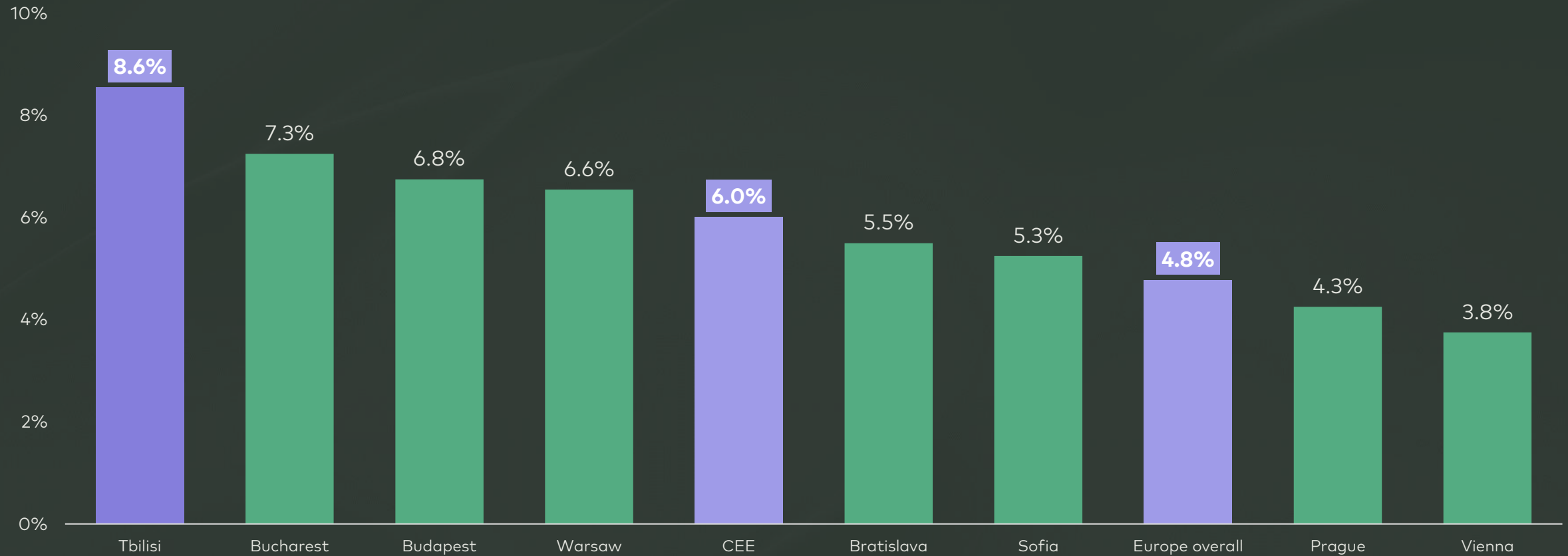
Weighted average rent in new contracts on high streets, US\$/sq.m.





Rental yields remain attractive across Tbilisi high streets

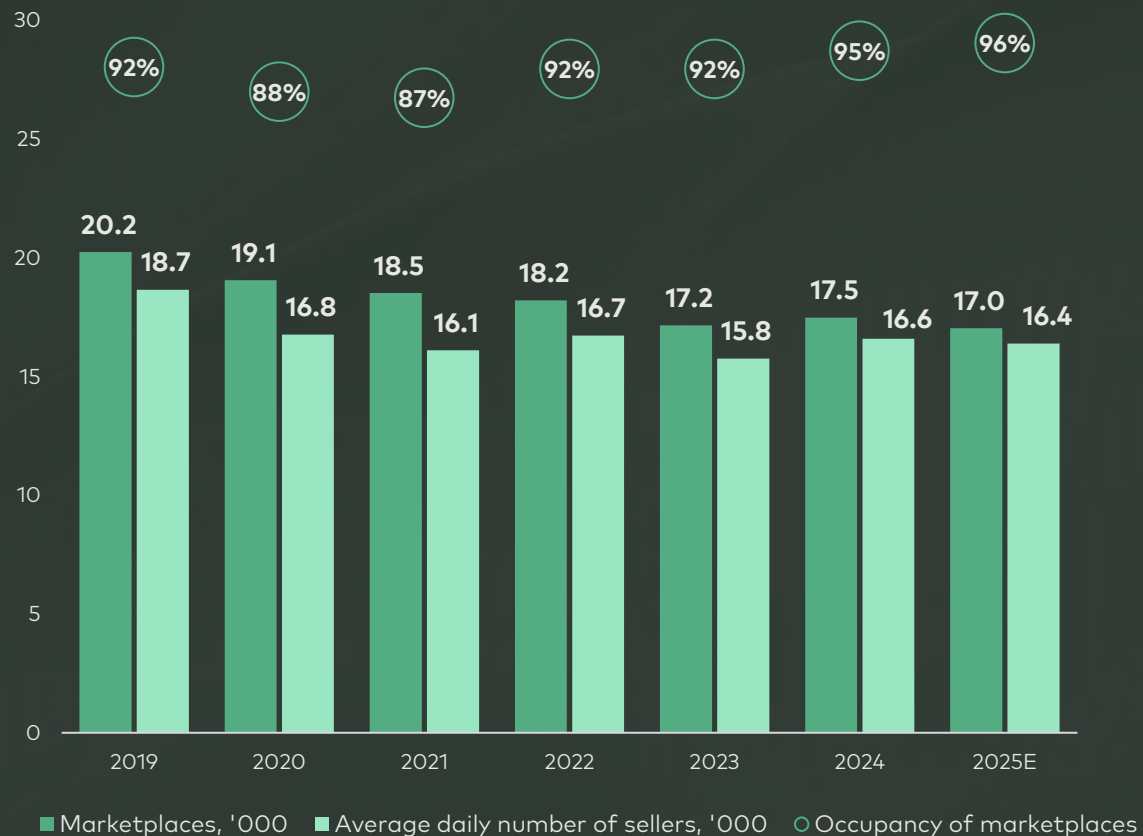
Prime rental yields on high street retail in selected cities, 2025



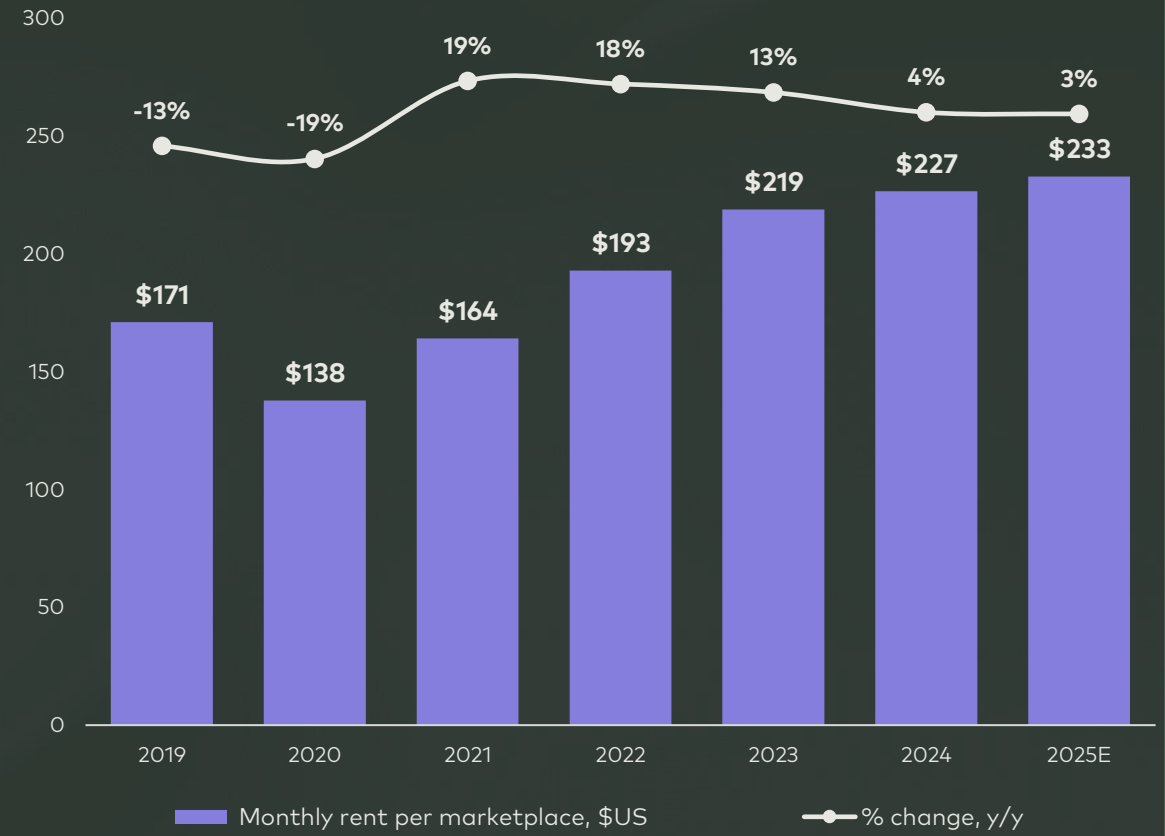


Despite a decline in supply, bazaars have maintained stable demand, driving rent growth in recent years

Number of marketplaces and average daily sellers in bazaars, '000



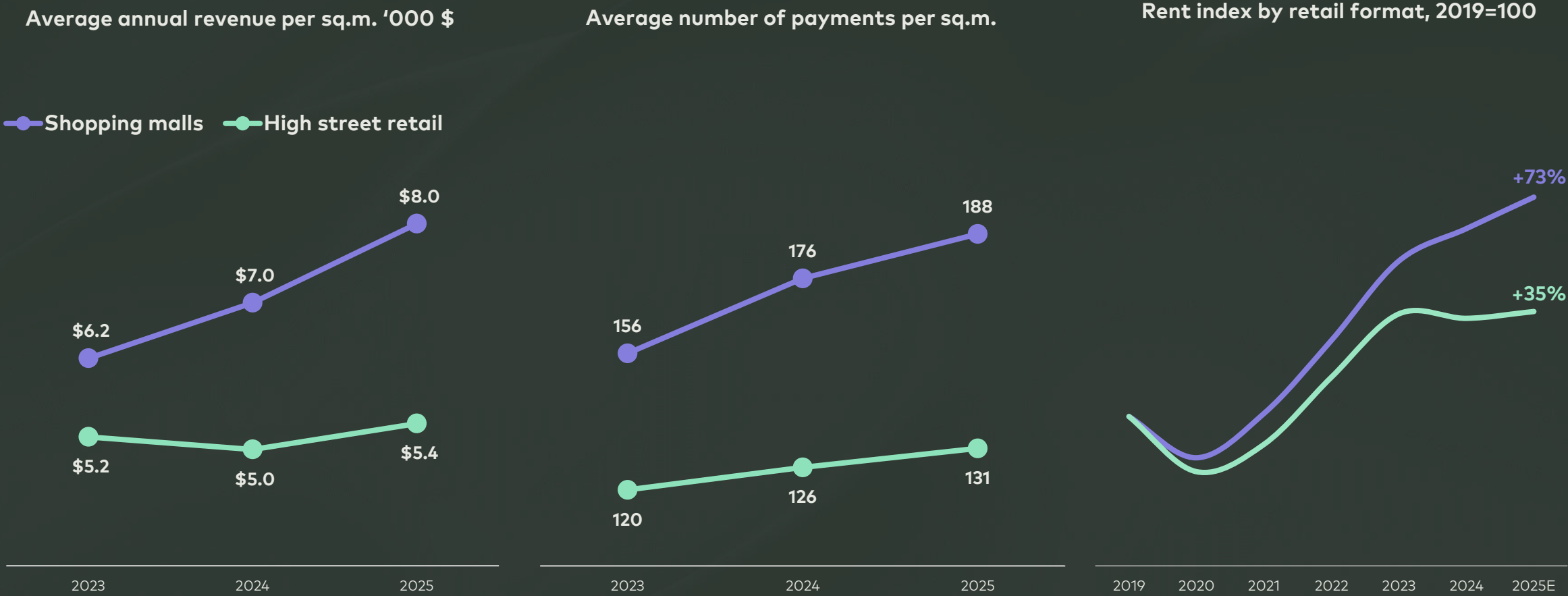
Weighted average monthly rent in bazaars, US\$/marketplace





Shopping mall rents rose twice as fast as high street rents during 2019-2025, driven by a shift in consumer preferences

POS payment analysis for selected brands



Source: NAPR, Geostat, Reportal, Individual malls, BOG, Galt & Taggart
Note: The POS payment analysis is based on 40 brands with a presence both in shopping malls and on central shopping streets



Key Findings



Demand:

SHOPPING MALLS

Strong

Vacancy: 6.6%

HIGH STREETS

Unchanged

Dependent on tourism and premium brands

BAZAARS

Resilient

Loyal, price-sensitive consumers



Supply:

New wave

+33% by 2030

Physically limited

Constrained by built-up streets and parking deficit

Declining

Ongoing bazaar consolidation



Price:

Growing

Stabilization phase

Stable

Flat for last 3 years

Slowly growing

Supply reduction effect



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