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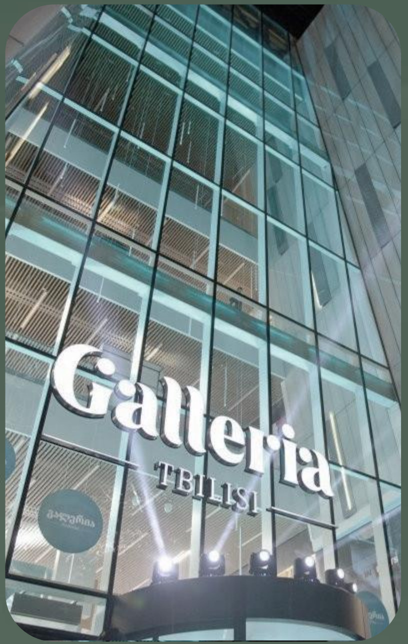
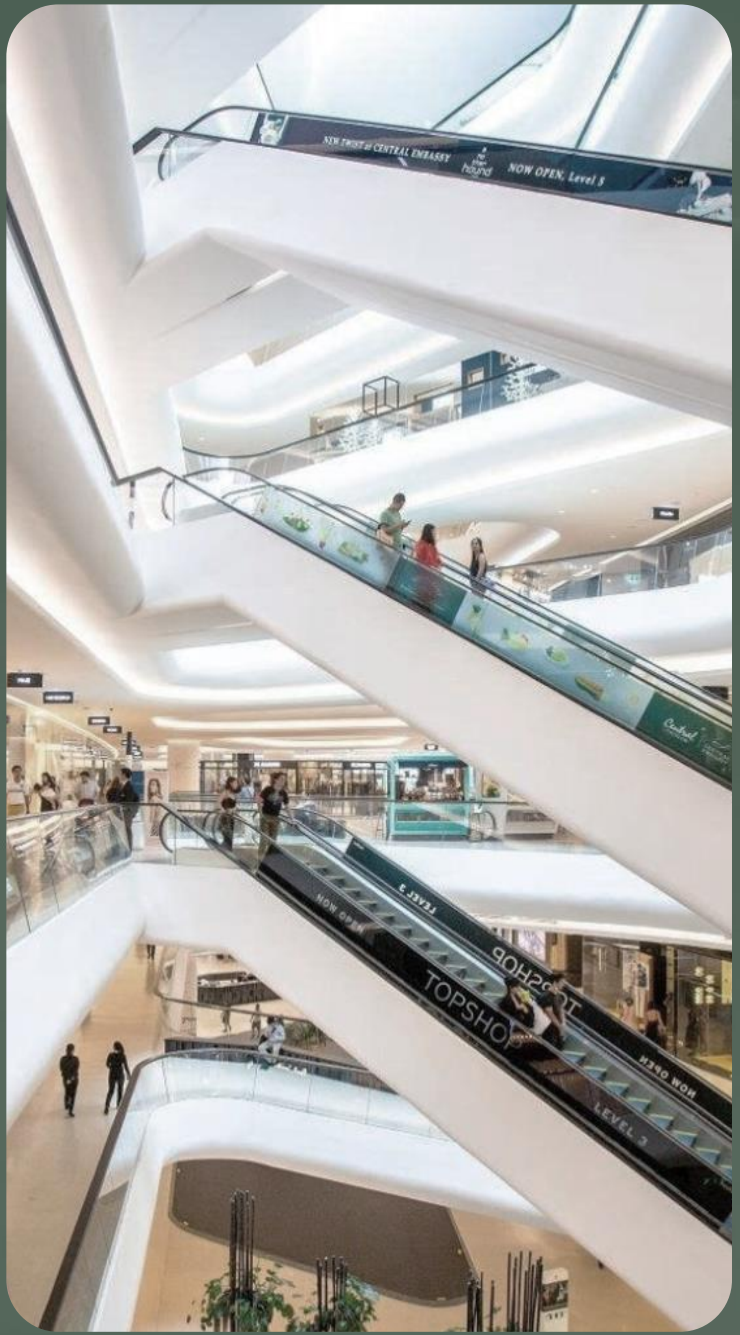




Retail Real Estate Market in Tbilisi

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?

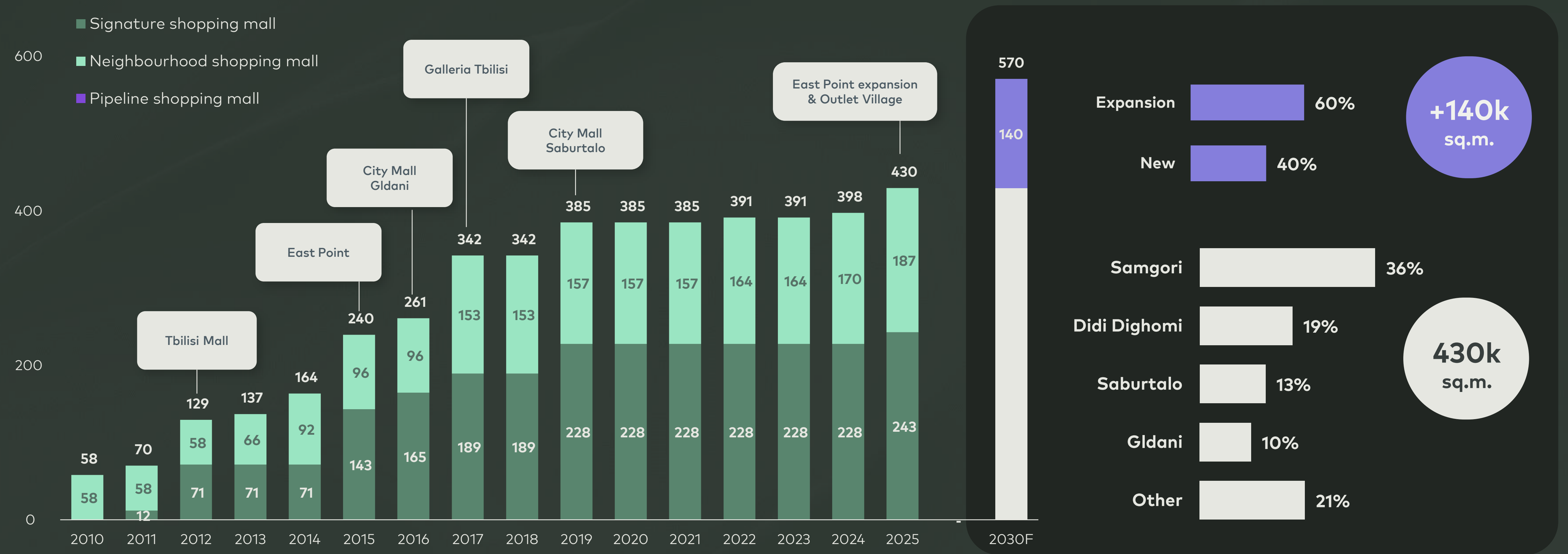
Do high streets and bazaars remain competitive?

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

Note: Area occupied by bazaars as of 2024 (based on the latest available data)

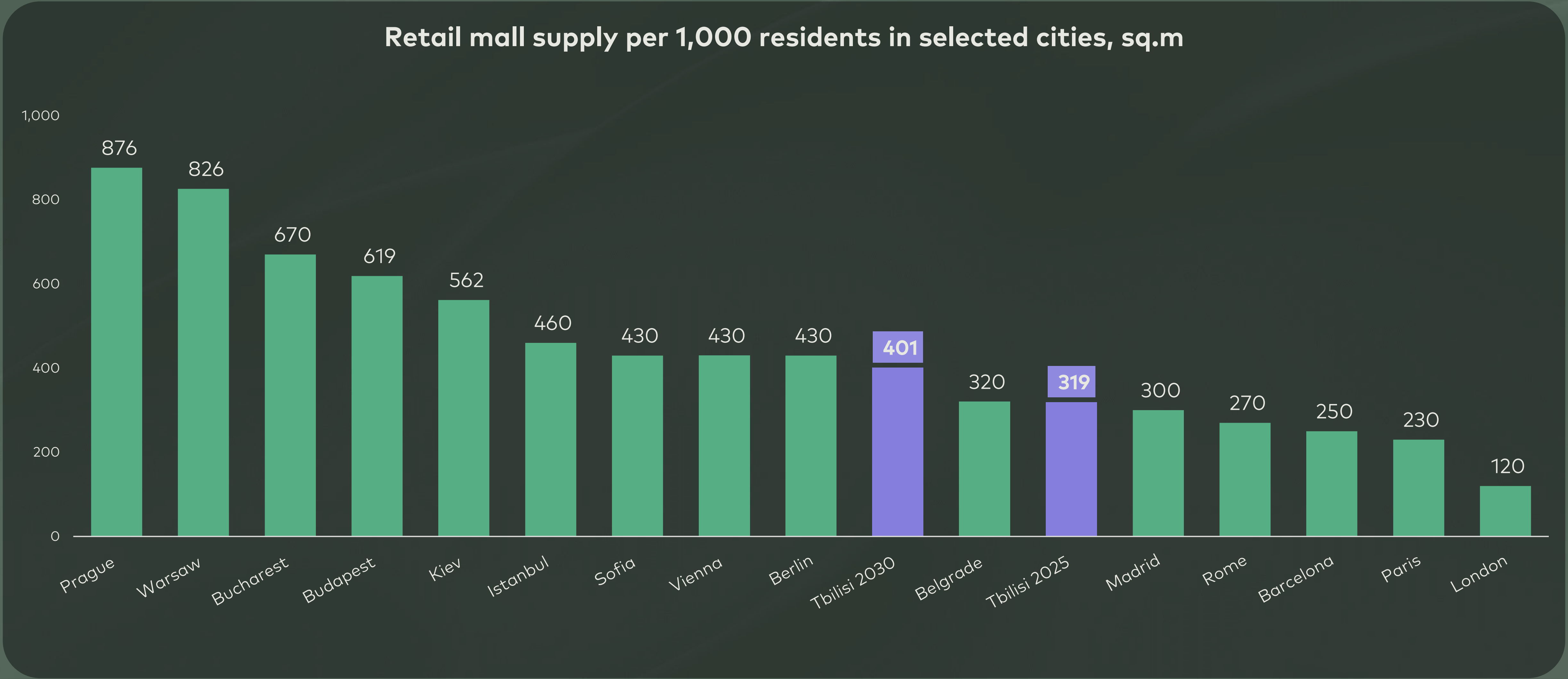
After a period of stagnation in 2020–24, Tbilisi's shopping mall supply is entering a new phase of growth...

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



Source: NAPR, TAS, Galt & Taggart
Note 1: Retail mall supply is measured in GLA (gross leasable area). Note 2: All signature shopping malls with GLA > 20,000sq.m.

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



Source: Regiodata, NAPR, Reportal, TAS, Individual malls, Galt & Taggart
Note: Supply in comparable cities is shown as of 2023

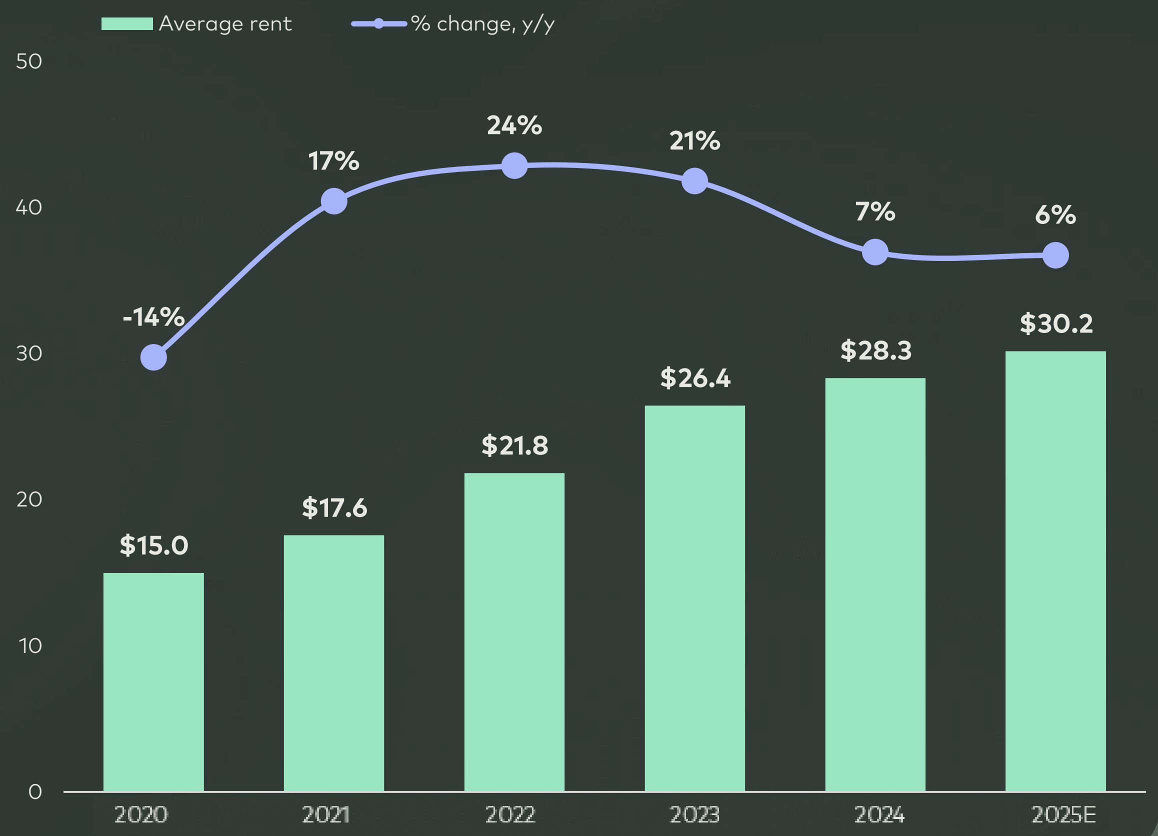
Georgia's retail trade turnover doubled during 2019-25, while the share of local e-commerce grew slowly

Source: NBG, Geostat, SARAS, Company survey, Galt & Taggart, Note 1: Indicators are given excl. VAT Note 2: Retail trade includes food and beverage stores (FMCG), pharmacies, clothing, footwear, textile accessories, cosmetics, perfumes, healthcare, electronics, household goods, construction materials stores.

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

Vacancy in signature shopping malls

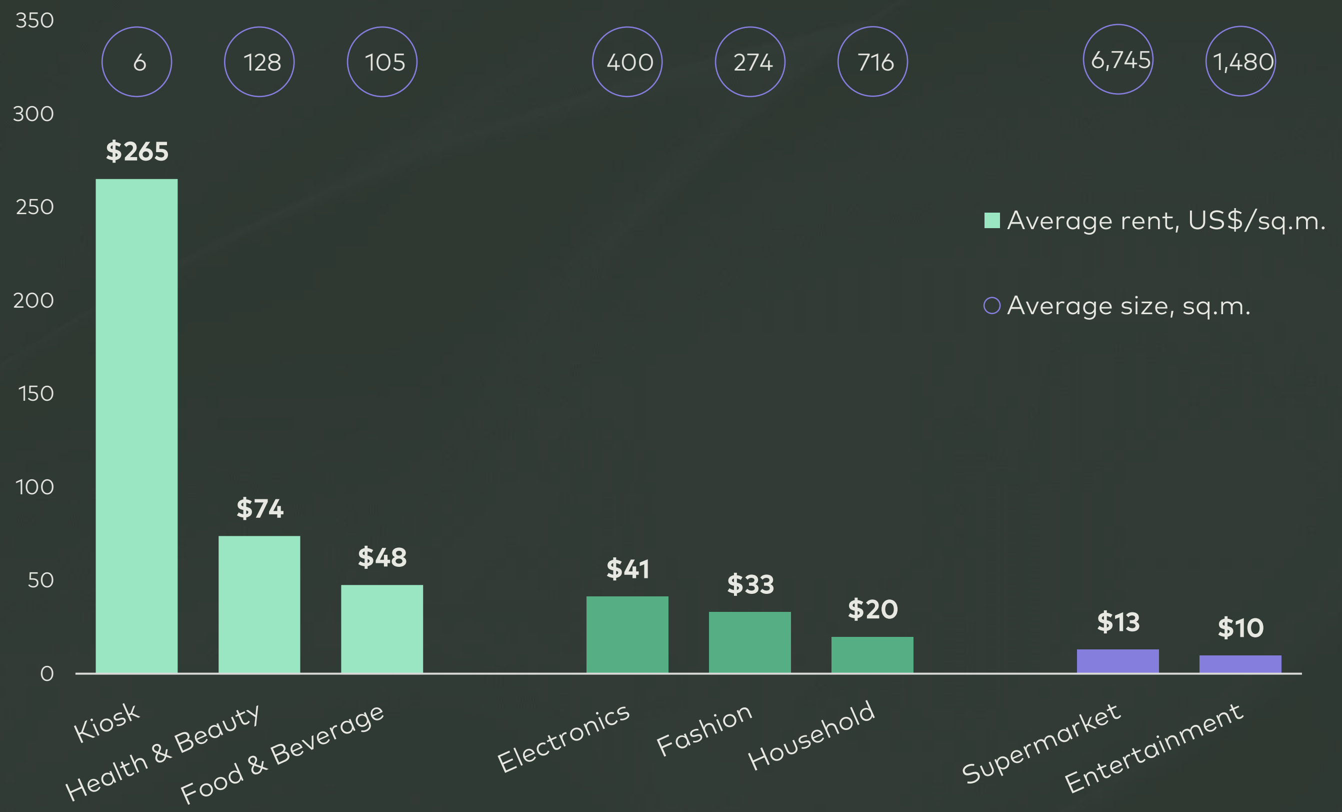
Weighted average rent in signature shopping malls, US$/sq.m.



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

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

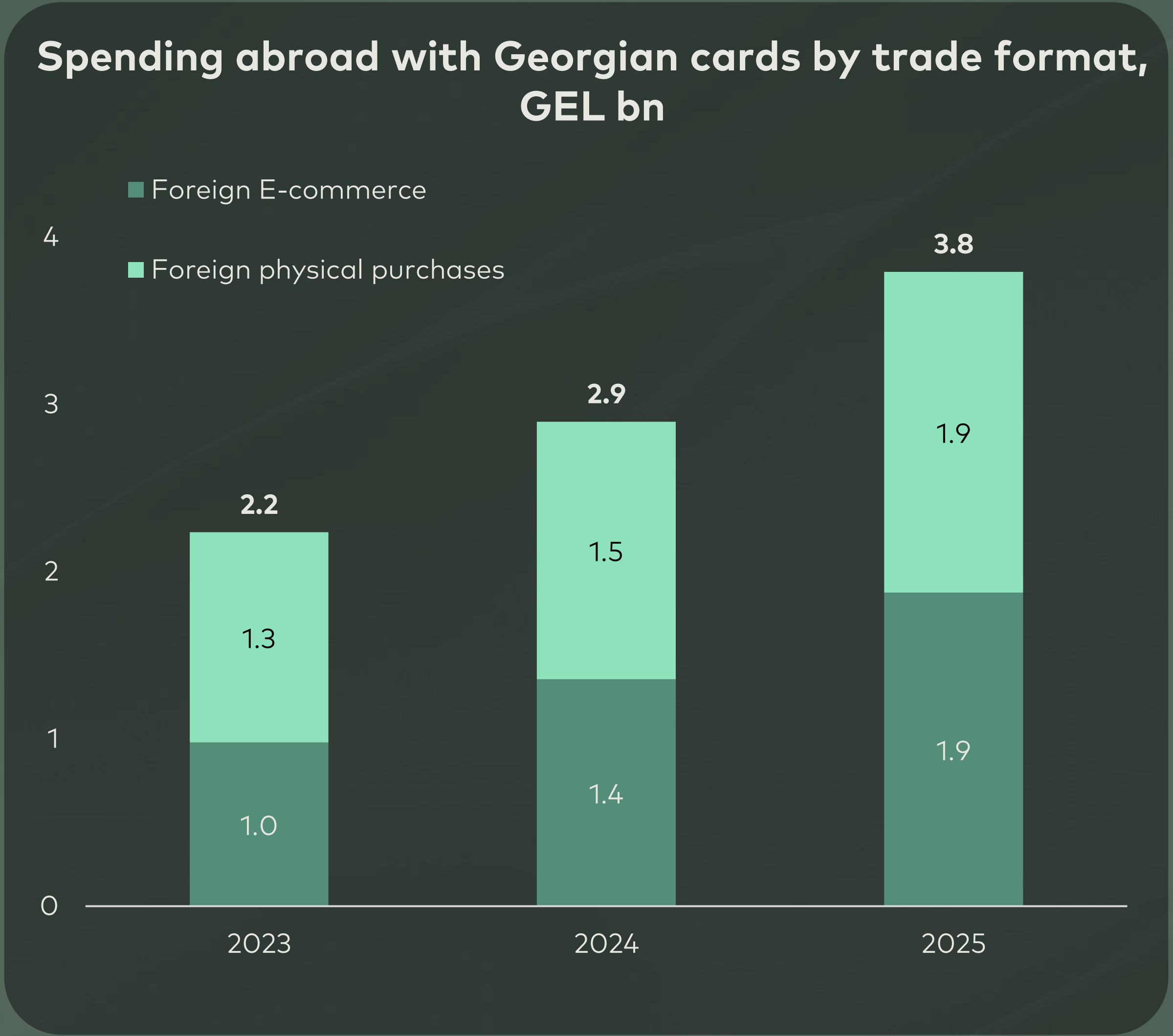


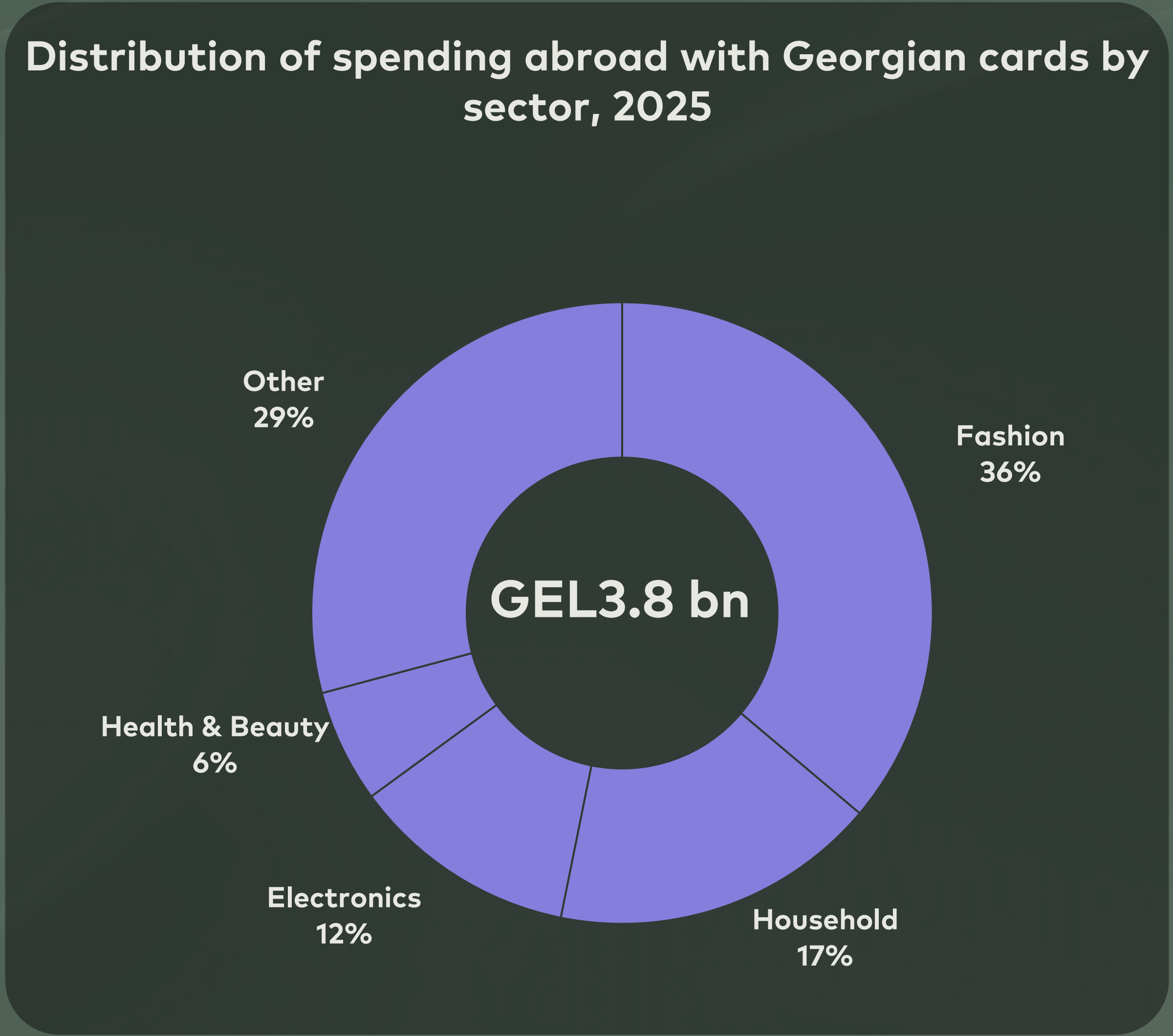
Store category distribution by area and revenue in signature shopping malls, 2025

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





Source: NBG, BOG, Galt & Taggart

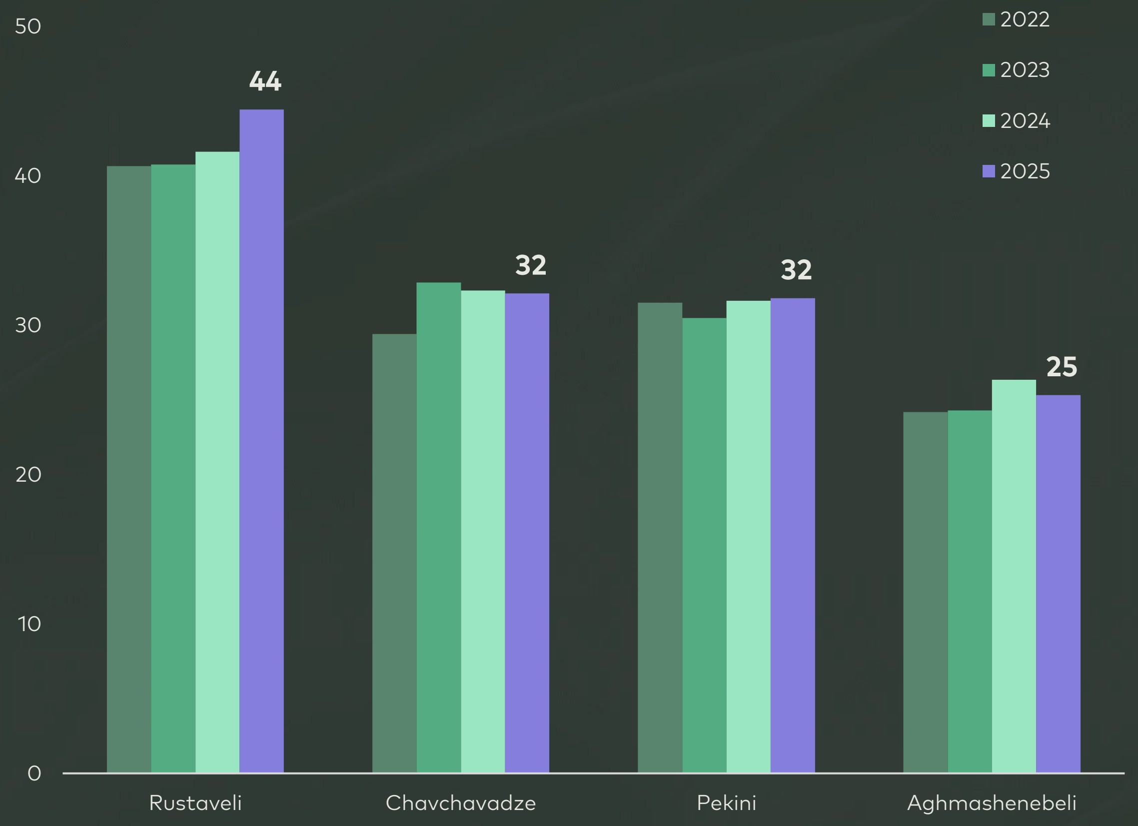
Luxury brands account for half of foreign fashion spending, yet represent only 2% of total space in Georgian malls, and 28% on high streets

Fashion sector distribution by price segments, 2025

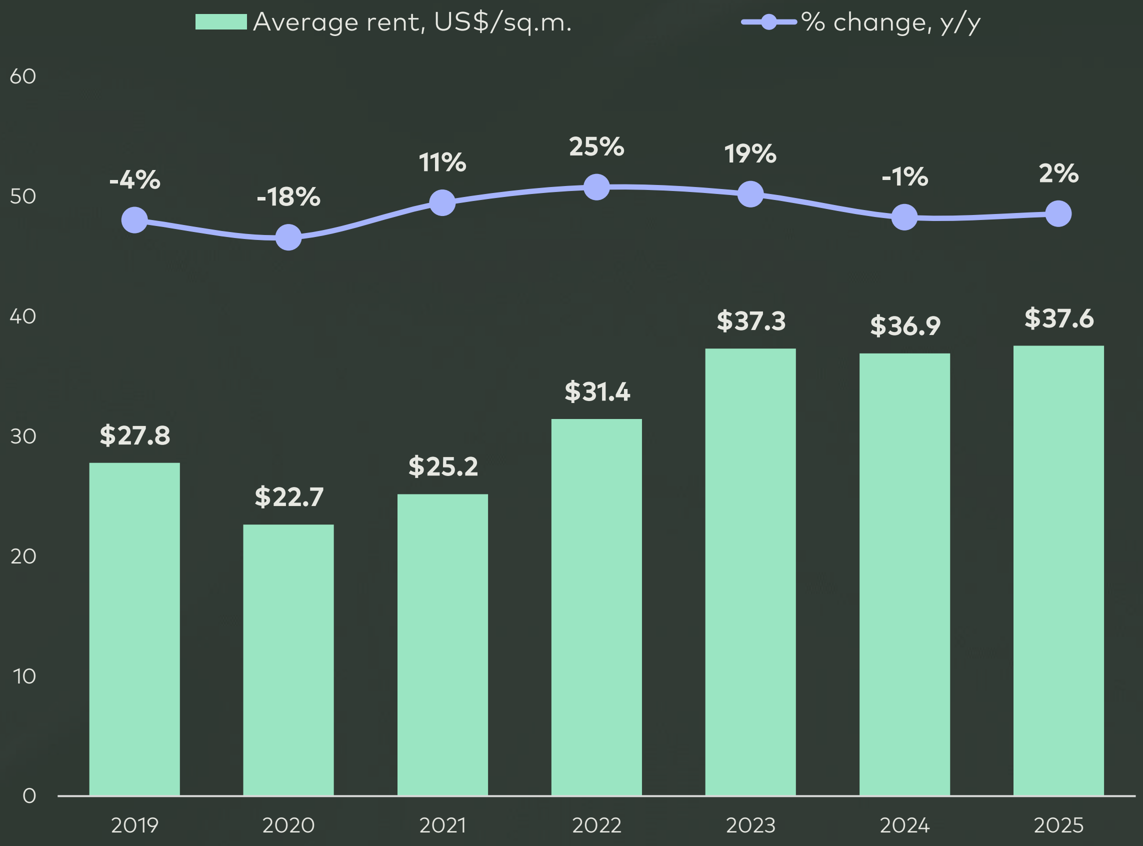
Source: NBG,BOG, Individual malls, Galt & Taggart. Note: Segments are classified by average ticket size from POS terminals. **budget (<150 GEL); midscale (151–300 GEL); upscale (301–700 GEL); luxury (>700 GEL)** International purchases include e-commerce and physical purchases abroad

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.

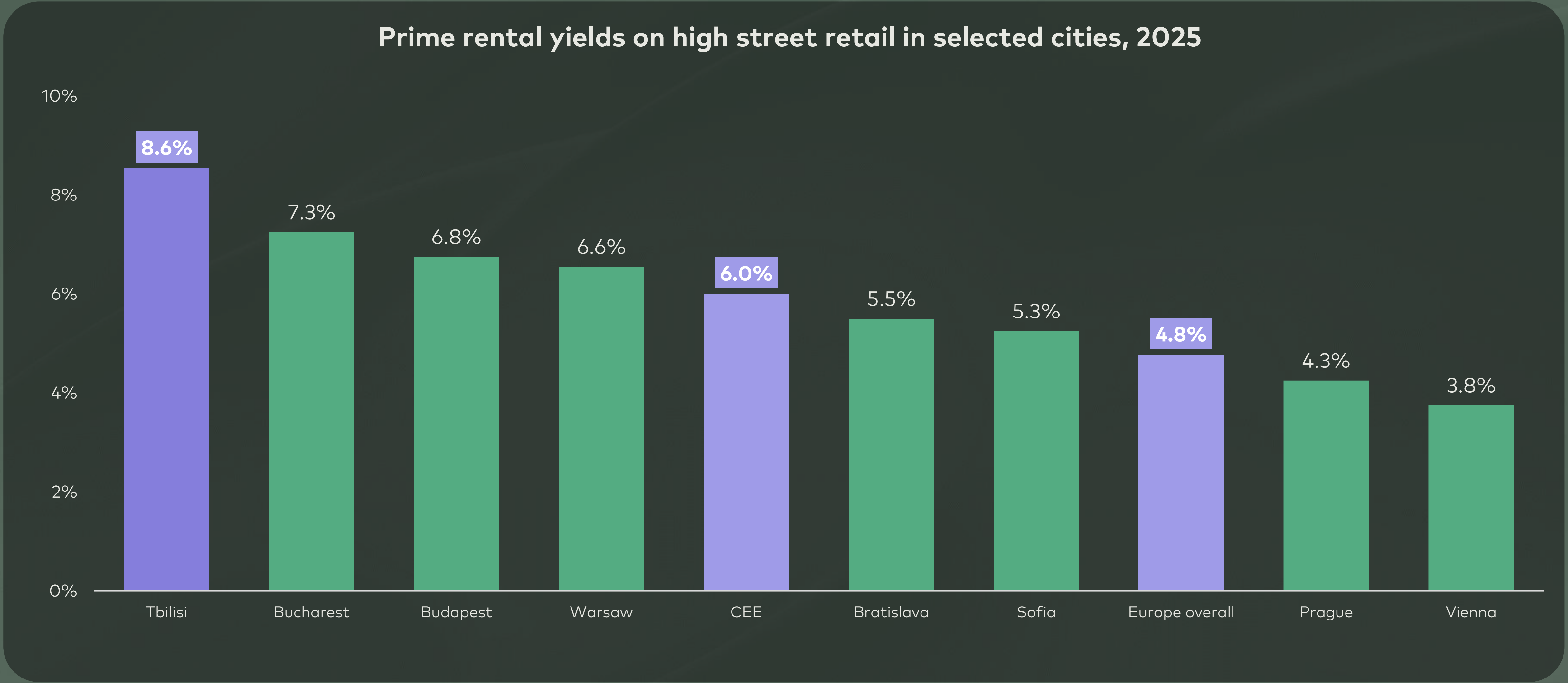


Weighted average rent in new contracts on high streets, US$/sq.m.



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

Rental yields remain attractive across Tbilisi high streets

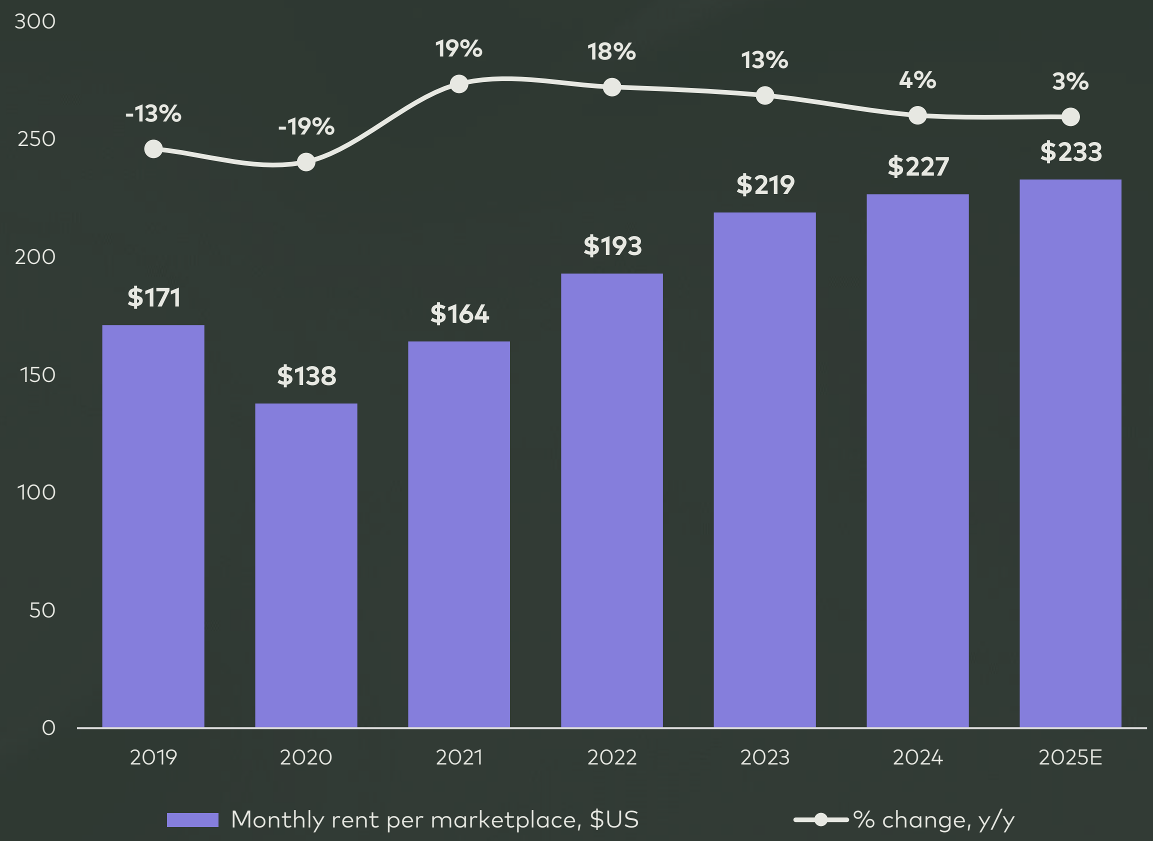


Source: NAPR, Cushman & Wakefield, Galt & Taggart

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

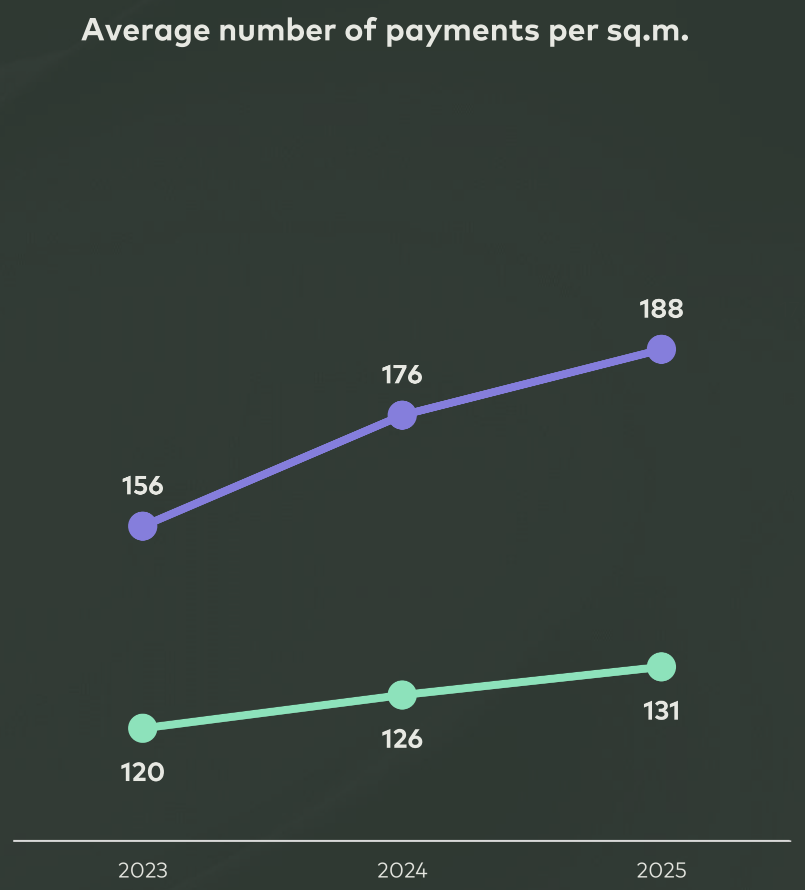
Weighted average monthly rent in bazaars, US$/marketplace

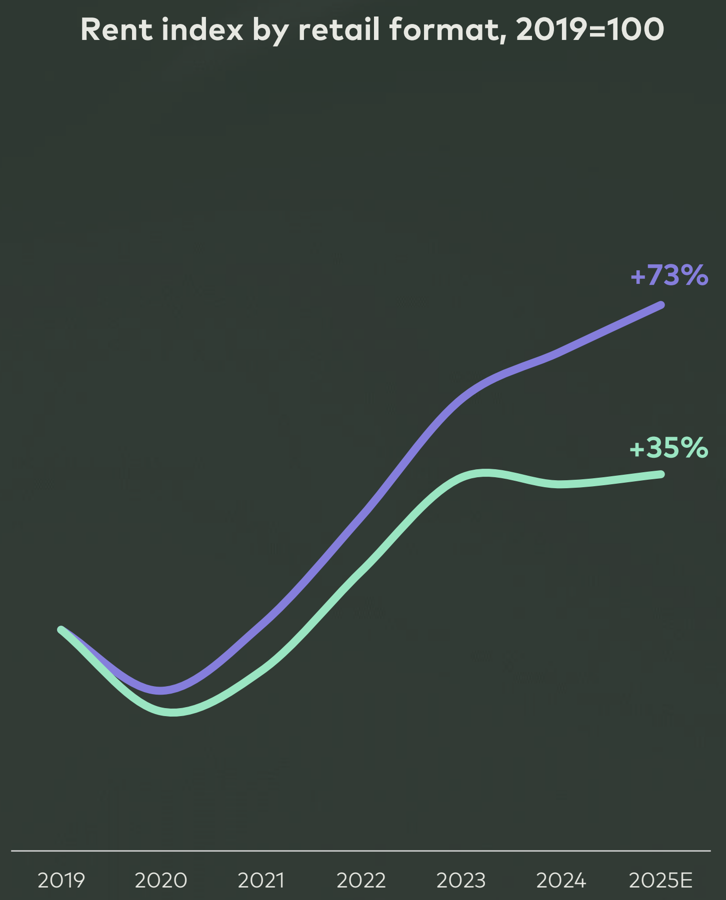


Source: Geostat, Galt & Taggart

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

	SHOPPING MALLS	HIGH STREETS	BAZAARS
Demand:	**Strong** Vacancy: 6.6%	**Unchanged** Dependent on tourism and premium brands	**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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