CUSHMAN & WAKEFIELD
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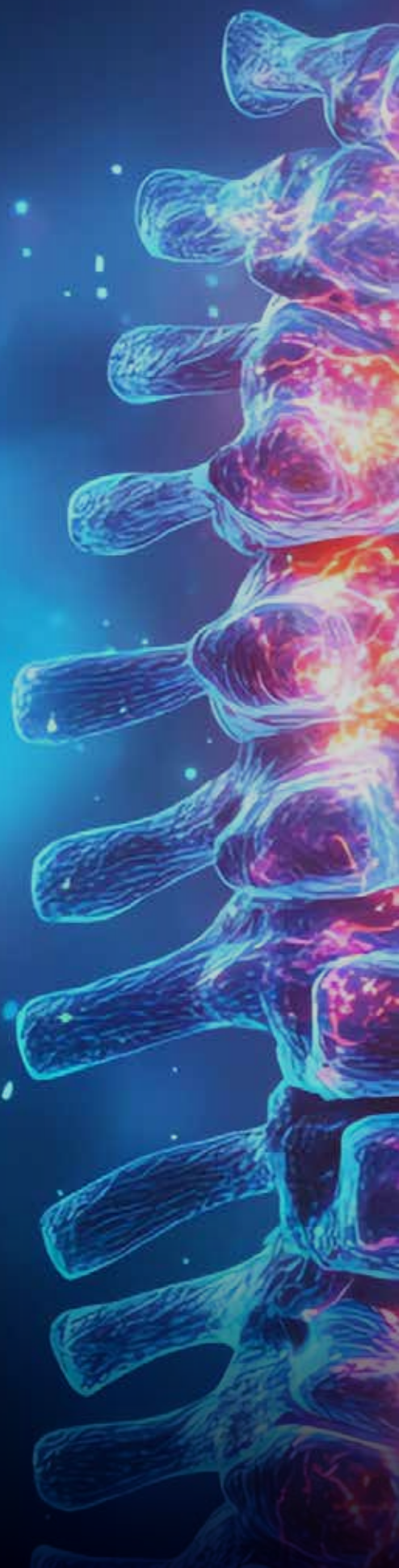
OUTTHINK

LIFE SCIENCES ON THE CHINESE MAINLAND

VITAL SIGNS:
DIAGNOSING TRENDS IN THE LIFE SCIENCES REAL ESTATE MARKET ON THE CHINESE MAINLAND

July 2025



Better never settles

TABLE OF CONTENTS

EXECUTIVE SUMMARY

The life sciences sector on the Chinese mainland is experiencing rapid transformation, underpinned by policy liberalisation, technological innovation, the emergence of major domestic players, and the rise of purpose-built real estate ecosystems. This report, "Vital Signs: Diagnosing Trends in the Life Sciences Real Estate Market on the Chinese Mainland," offers a comprehensive overview of current market dynamics, regulatory shifts, landlord and occupier perspectives, and future growth directions.

Policy Landscape – National and Local Catalysts
Reforms enacted in 2024-2025 have significantly accelerated sector development. Nationally, China relaxed restrictions on foreign investment in gene and cell therapy and allowed the establishment of wholly foreign-owned hospitals in key cities. Regulatory incentives – such as data protection and marketing exclusivity – have improved market access for innovative drugs. Locally, cities like Beijing, Shanghai, Shenzhen, Guangzhou and Suzhou are rolling out targeted subsidies, fast-track approvals, and ecosystem-building programmes that directly benefit biotech development.

Industry Innovation and Company Growth
Chinese life sciences companies are moving beyond generic drug manufacturing toward innovative therapies. Firms like Akeso, BeiGene, Gracell, and Legend Biotech are now global players, leading in CAR-T, bispecific antibodies, and AI-assisted R&D. These companies are not only commercialising cutting-edge treatments but also attracting international investment and licensing agreements, reinforcing the Chinese mainland's global relevance in life sciences.

Real Estate Development and Regional Hubs
Innovation hubs such as Suzhou BioBAY, Zhangjiang Hi-Tech Park (Shanghai), and the Bioisland Innovation Centre (Guangdong) are central to regional clustering. These hubs offer end-to-end support, including shared labs, venture capital access, GMP-compliant facilities, and proximity to academic and clinical networks. The rise of second-tier innovation cities like Chengdu and Ningbo further expands growth corridors.

Landlord Perspectives – Evolving Real Estate Models
Real estate developers and landlords are adapting to sector-specific requirements through asset-light models, flexible leasing, and high-specification lab and production

space. Tier-1 cities face saturation, but central and western regions exhibit healthy demand. Developers are incorporating advanced sustainability and compliance features to meet growing regulatory and ESG expectations, particularly in GMP and cleanroom environments.

Digitalisation, environmental policies, and differentiated tenant strategies are shaping performance. Operators now focus on integrated ecosystems with platforms that link tenants to R&D services, policy benefits, and technology partners.

Occupier Perspectives – Growth, Innovation, and Challenges

Life sciences occupiers are navigating regulatory reform, rising compliance demands, and intensified market competition. Many are localising production and R&D, leveraging regional subsidies, and investing in AI-powered innovation platforms. Occupiers seek flexibility, proximity to talent and infrastructure, and co-located R&D and manufacturing to support accelerated innovation and operational agility.

In real estate, demand is strongest for GMP-certified labs, modular production facilities, and shared innovation platforms. Occupiers emphasise location advantages, sustainability certifications (e.g., LEED, WELL), and integration into clusters that enable faster time-to-market.

Future Outlook – High-Value Growth and Real Estate Evolution

Looking ahead to 2025 and beyond, growth opportunities lie in AI-driven drug discovery, personalised medicine, advanced therapeutics (CGT, RNA), and green-certified facilities. Government policies continue to support innovation through fast-track approvals, rare disease funding, and subsidies aligned with dual-carbon and ESG goals.

Life sciences real estate is shifting from generic parks to specialised, digitally enabled campuses with high compliance and flexibility. Investment strategies increasingly emphasise long-term partnerships, collaborative operating models, and digital infrastructure. Both landlords and occupiers express cautious optimism, with strategic differentiation and regional targeting seen as keys to unlocking future value.

INTRODUCTION

The life sciences industry on the Chinese mainland is undergoing a transformative phase, driven by progressive policies, groundbreaking innovations, the emergence of influential life sciences companies, and strategic regional development. This report delves into the latest trends shaping the sector.

1A

Policy Landscape – Catalysing Growth and Innovation

Recent policy initiatives have significantly influenced the life sciences sector on the Chinese mainland:

Opening Up to Foreign Investment: In 2024, the Chinese mainland eased restrictions on foreign investments in stem cell research, gene therapy, and genetic diagnostics within Free Trade Zones (FTZs) like Beijing, Shanghai, Guangdong, and Hainan. This move allows foreign entities to engage in product registration, marketing, and production, fostering international collaboration.

Regulatory Incentives: The State Council's Circular No. 53 introduced measures such as regulatory data protection and marketing exclusivity for select pharmaceutical products, including orphan and paediatric drugs. This aims to eliminate hurdles hindering market access for innovative drugs and devices.

Wholly Foreign-Owned Hospitals: The Chinese mainland now permits the establishment of wholly foreign-owned hospitals in cities like Beijing, Shanghai, and Shenzhen, enhancing healthcare services and encouraging foreign investment (Figure 1).

Figure 1: Recent national policy initiatives on the Chinese mainland

Opening to Foreign Investment

In 2024, China eased restrictions on foreign investments in stem cell research, gene therapy, and genetic diagnostics within Free Trade Zones (FTZs) like Beijing, Shanghai, Guangdong, and Hainan.

Regulatory Incentives

The State Council's Circular No. 53 introduced measures such as regulatory data protection and marketing exclusivity for select pharmaceutical products, including orphan and paediatric drugs.

Wholly Foreign-Owned Hospitals

China now permits the establishment of wholly foreign-owned hospitals in cities like Beijing, Shanghai, and Shenzhen, enhancing healthcare services and encouraging foreign investment.

Source: Cushman & Wakefield Research

1B

City-level Policies Driving Growth

Beijing: Home to the Future Science Park and Zhongguancun Life Science Park, Beijing's local government supports biotechnology through funding grants, talent introduction programmes, and streamlined approval pathways for clinical trials.

Shanghai: In April 2023, Shanghai introduced incentive policies designating the biotech and pharmaceutical industry as one of the "Three Pioneering Industries," alongside integrated circuits and artificial intelligence. These policies offer substantial subsidies, tax benefits, and infrastructure support to attract both startups and multinational pharmaceutical firms.

Shenzhen: As part of the Greater Bay Area initiative, Shenzhen has introduced fast-track programmes for drug approvals and is home to several cross-border biotech partnerships focused on cell therapy and regenerative medicine.

Guangzhou: Huangpu District and China-Singapore Guangzhou Knowledge City in particular offer preferential tax incentives, land subsidies, and public-private funding models to accelerate biopharmaceutical innovation.

Suzhou: Suzhou is boosting its life sciences sector through targeted policies like the "Twelve Policies of Suzhou Biomedical Industry," which offer funding, tax incentives, and streamlined approvals to support biomedical innovation. Additionally, it has opened its free trade zone to greater foreign participation in advanced medical research areas such as cell and gene therapy. (Figure 2).

Figure 2: Recent city-level policy initiatives on the Chinese mainland

Source:
Cushman & Wakefield Research

BEIJING

Beijing's local government supports biotechnology through funding grants, talent introduction programmes, and streamlined approval pathways for clinical trials.

SHANGHAI

In April 2023, Shanghai introduced incentive policies designating the biotech and pharmaceutical industry as one of the "Three Pioneering Industries," alongside integrated circuits and artificial intelligence.

SHENZHEN

As part of the Greater Bay Area initiative, Shenzhen has introduced fast-track programmes for drug approvals and is home to several cross-border biotech partnerships focused on cell therapy and regenerative medicine.

GUANGZHOU

Huangpu District and China-Singapore Guangzhou Knowledge City in particular offer preferential tax incentives, land subsidies, and public-private funding models to accelerate biopharmaceutical innovation.

SUZHOU

Suzhou is boosting its life sciences sector through targeted policies like the "Twelve Policies of Suzhou Biomedical Industry," which offer funding, tax incentives, and streamlined approvals to support biomedical innovation.

2

Innovation and Emerging Life Sciences Companies – Leading the Charge

Chinese biotech firms are making significant strides:

Akeso: Founded in 2012, Akeso has developed ivonescimab, a bispecific antibody showing promise in lung cancer treatment. The drug was licensed to U.S.-based Summit Therapeutics in a deal potentially worth up to US$5 billion.

Gracell Biotechnologies: Acquired by AstraZeneca for up to US$1.2 billion, Gracell specialises in CAR-T therapies. This acquisition underscores the Chinese mainland's shift from generic drug production to innovative medicines.

BeiGene: Headquartered in Beijing, BeiGene is a global biotechnology company that focuses on molecularly targeted and immuno-oncology drug discovery. It has built a robust pipeline of over 40 clinical programmes.

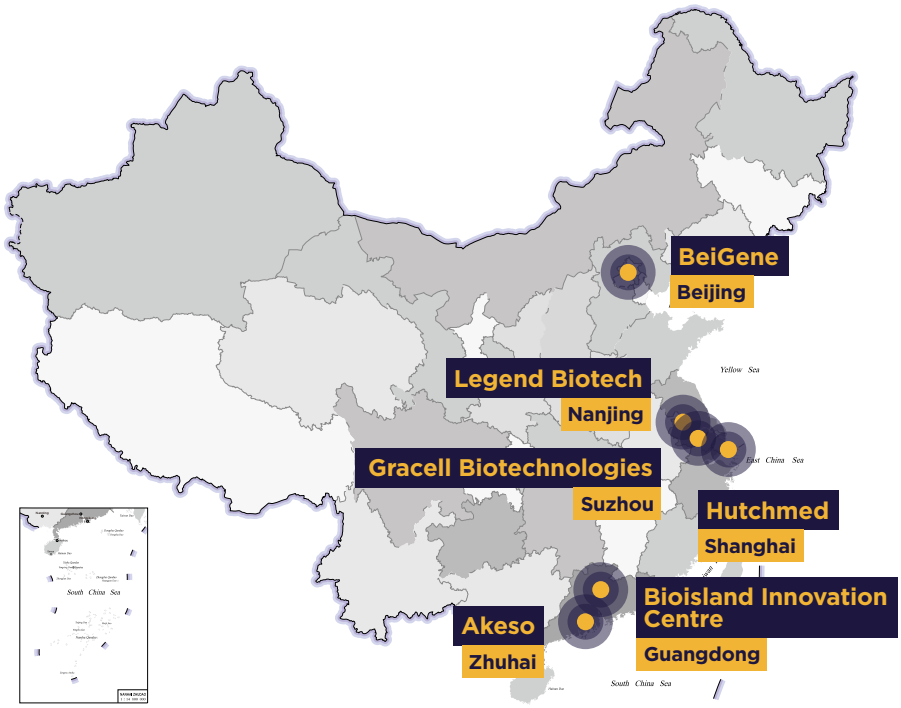
Legend Biotech: Known for its CAR-T therapy, Legend Biotech collaborates with Johnson & Johnson and has a strong international footprint while maintaining significant research and development (R&D) capacity on the Chinese mainland.

Hutchmed: Based in Shanghai, Hutchmed is a biopharmaceutical company focused on targeted therapies and immunotherapies for oncology and autoimmune diseases, with several assets in late-stage development.

Bioisland Innovation Centre: Located in Guangdong, this centre focuses on commercialising research achievements, bridging the gap between academia and industry (Figure 3).

Figure 3: Geographic distribution of examples of recent life sciences industry company innovation on the Chinese mainland

Company	Key Point
Akeso	Developed a bispecific antibody for lung cancer treatment.
Gracell Biotechnologies	Specialises in CAR-T therapies.
BeiGene	Focuses on molecularly targeted and immuno-oncology drug discovery.
Legend Biotech	Known for its CAR-T therapy.
Hutchmed	Focused on targeted therapies and immunotherapies for oncology and autoimmune diseases.
Bioisland Innovation Centre	Focuses on commercialising research achievements, bridging the gap between academia and industry.



Source: Cushman & Wakefield Research

3

Regional and City Development – Building Innovation Hubs

Several regions are emerging as life sciences powerhouses:

Future Science Park (Beijing): Situated in Changping, this park includes "Bio Valley," hosting various life sciences research institutes and national laboratories, fostering innovation in biotechnology.

Zhangjiang Hi-Tech Park (Shanghai): Established in 1992, this park hosts over 400 R&D institutions and focuses on industries like biomedicine, integrated circuits, and software.

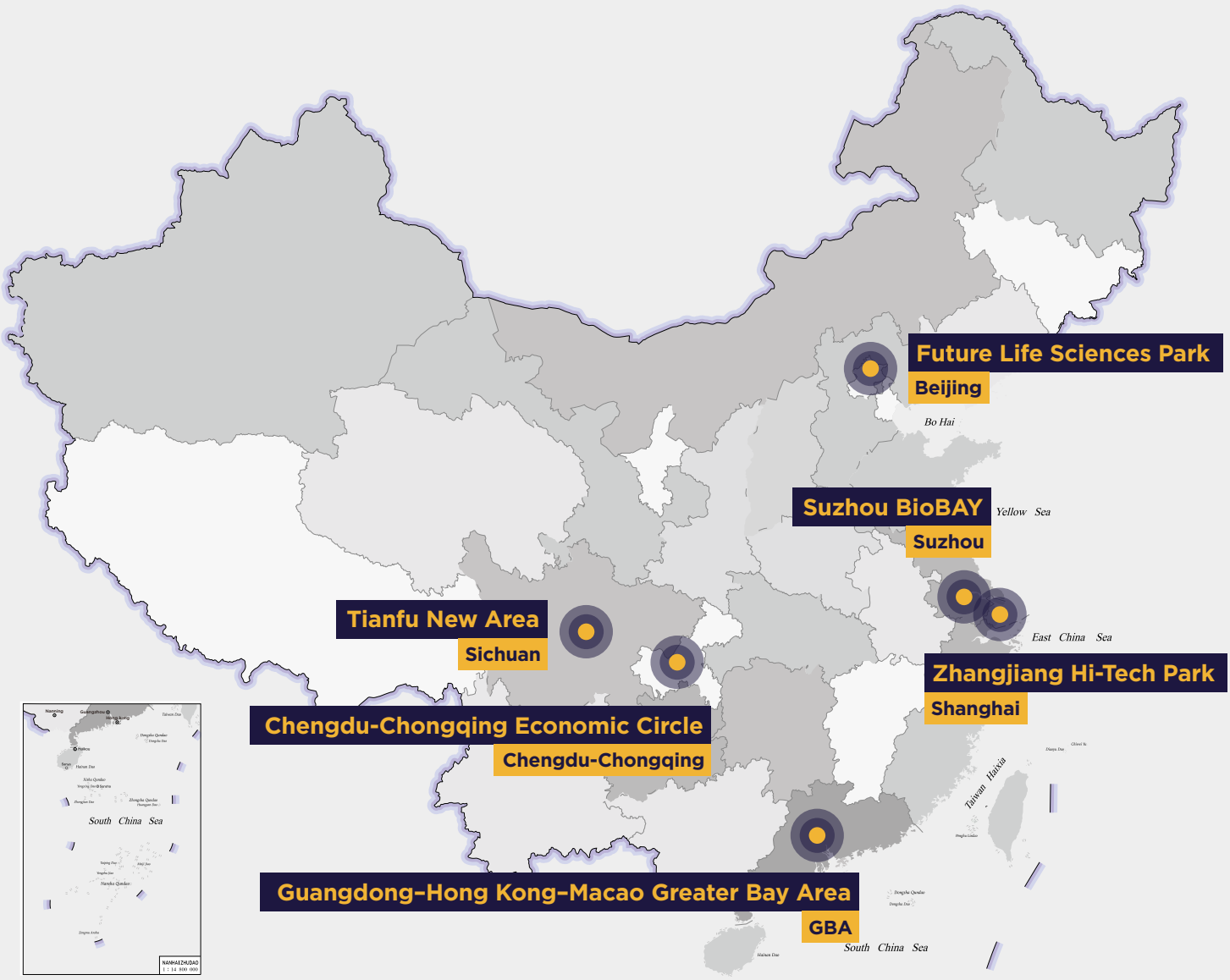
Guangdong–Hong Kong–Macao Greater Bay Area (GBA): With a GDP of US$1.92 trillion in 2023, the GBA is a key national development area for the biomedical industry. It boasts a complete industry chain, from R&D to production, and is home to leading life sciences enterprises like Guangzhou Baiyunshan Pharmaceutical.

Chengdu-Chongqing Economic Circle: Designated as the Chinese mainland's "fourth growth pole," this region focuses on advanced manufacturing and technological innovation, with significant investments in biotechnology.

Tianfu New Area (Sichuan): Identified as a future advanced manufacturing centre, this area offers preferential tax policies and incubation programmes for biomedicine, attracting multinational corporations and research organisations.

Suzhou BioBAY: Located within the Suzhou Industrial Park (SIP), Suzhou BioBAY has emerged as one of the Chinese mainland's most dynamic biotechnology clusters. Established over 15 years ago, BioBAY hosts more than 500 companies, primarily small and medium-sized enterprises specialising in pharmaceuticals, medical devices, diagnostics, and biotechnology. The park offers comprehensive support, including shared laboratories, venture capital funding, and R&D facilities. The development of BioBAY Phase IV in the Dushu Lake Science and Education Innovation Zone – covering 520,000 sq m near Suzhou East Railway Station – further enhances regional connectivity and growth potential (Figure 4).

Figure 4: Geographic distribution of examples of recent regional life sciences industry development on the Chinese mainland



Development	Key Point
Future Science Park	Including "Bio Valley," the park hosts various life science research institutes and national laboratories.
Zhangjiang Hi-Tech Park	Established in 1992, this park hosts over 400 R&D institutions and focuses on industries like biomedicine.
Guangdong–Hong Kong–Macao Greater Bay Area	Boasting a complete industry chain, the area covers industry R&D to industry production.
Chengdu-Chongqing Economic Circle	Focused on advanced manufacturing and technological innovation.
Tianfu New Area	This area offers preferential tax policies and incubation programmes for biomedicine, attracting multinational corporations and research organisations.
Suzhou BioBAY	One of China's most dynamic biotechnology clusters.

Source: Cushman & Wakefield Research

4

Global Collaborations and Market Dynamics

The life sciences sector on the Chinese mainland is increasingly engaging in global collaborations:

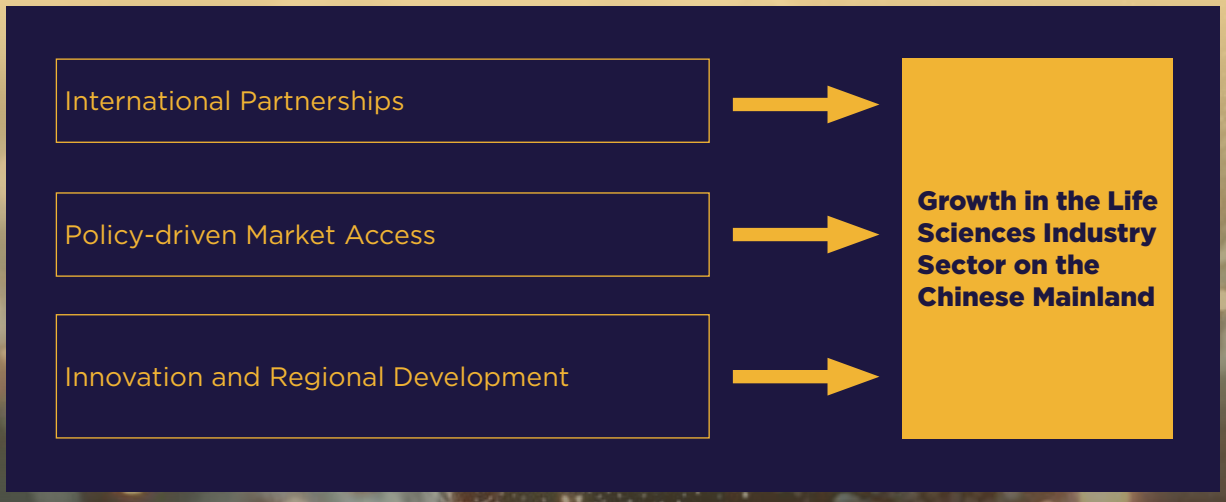
International Partnerships: Western pharmaceutical companies are entering deals with Chinese firms to access "bio-better" drugs, benefiting from the Chinese mainland's quicker trial processes. For instance, AstraZeneca's acquisition of Gracell Biotechnologies reflects this trend.

Policy-driven Market Access: Eased regulations and incentives are attracting foreign investments, allowing life sciences companies to leverage the Chinese mainland's vast market potential and advanced infrastructure.

The life sciences industry on the Chinese mainland is rapidly evolving, propelled by supportive policies at both the national and city levels, innovative enterprises, and strategic regional developments. As the country continues to open its healthcare and biotechnology sectors to foreign investment and fosters innovation, it is poised to become a global leader in life sciences (Figure 5).

With this in mind, let's next take into consideration the findings from our client survey and in particular the latest thinking on the industry and on the related real estate from key life sciences real estate landlords and companies doing business on the Chinese mainland.

Figure 5: Market dynamics within the life sciences industry on the Chinese mainland



Source: Cushman & Wakefield Research

VITAL SIGNS – INDUSTRY AND REAL ESTATE PERSPECTIVES

The following two sections of this report present insights gathered from in-depth 20-question interview surveys we conducted on professionals active in the life sciences sector on the Chinese mainland.

The first section focuses on the views from real estate landlords serving the life sciences industry, while the second explores the perspectives of real estate occupiers within the same sector. Each section highlights the key points drawn out from the answers to the survey questions. Each section also underlines the emerging trends, current challenges, and future opportunities – both from the standpoint of life sciences businesses and through the lens of the evolving life sciences real estate landscape within the Chinese mainland market.

VITAL SIGNS – LANDLORD PERSPECTIVES

BUSINESS ON THE CHINESE MAINLAND IN 2024

1

How would you describe the overall performance of your life sciences real estate portfolio on the Chinese mainland in 2024? (e.g., occupancy rates, rental growth, asset value)

Point 1: Regional Differentiation

In 2024, life sciences business parks on the Chinese mainland demonstrated clear regional differentiation, highlighting opportunities for strategic positioning. While Tier-1 cities saw more moderate performance due to broader macroeconomic factors and abundant supply, core cities in central and western regions recorded healthy occupancy rates, underpinned by strong industrial clustering and increasingly sophisticated ecosystems – contributing to steady growth in asset value.

Projects with state-owned enterprise (SOE) backing continued to showcase strong fundamentals, bolstered by policy alignment and strategic support. Meanwhile, private-led developments navigated a competitive pricing landscape, with many adopting proactive measures to strengthen positioning and protect asset values.

Point 2: Strategic Rental Adjustments and Asset Optimisation

The evolving market conditions in 2024 encouraged a more dynamic and tailored approach to rental strategy and asset planning. Life sciences business parks on the Chinese mainland employed innovative rental models – ranging from flexible pricing to tiered schemes aimed at attracting high-value tenants – demonstrating an adaptive response to changing demand.

An accelerated shift toward asset-light operating models supported improved liquidity, while attention to optimising existing stock led to a rise in creative reuse strategies (Figure 6). Renovation and repurposing of older facilities gained traction, enabling those interviewed life sciences real estate landlords to better align assets with current tenant needs and sustainability goals.

Figure 6: Asset-light life sciences real estate on the Chinese mainland explained

What It Means

Life sciences companies lease lab and office space instead of owning buildings

Key Features

- Leasing lab and R&D space from real estate developers
- Outsourcing manufacturing to CDMOs
- Using shared or flexible lab hubs (e.g., in innovation parks)

Benefits

- Lower upfront costs
- Greater flexibility to grow or pivot
- Faster speed to market
- Focus on innovation, not real estate

Who Provides the Space?

Real Estate Developers/Landlords who build and manage specialised lab properties

Source: Cushman & Wakefield Research

2

What have been the biggest challenges you faced as a life sciences real estate landlord on the Chinese mainland in 2024? (e.g., tenant demand, regulatory compliance, construction costs)

Point 1: Key Challenges and Growth Catalysts for Life Sciences Real Estate

A. Evolving Compliance Standards

Ongoing enhancements to regulatory frameworks, including the Drug Administration Law (Figure 7) and upgraded good manufacturing practice (GMP) standards in 2024, promoted more rigorous compliance – raising operational standards across the board on the Chinese mainland. While requiring greater capital outlay, these shifts encouraged the development of top-notch facilities and drove quality-focused demand.

B. Land Use and Environmental Policy-related Costs

Stricter land-use policies under the "Three Zones and Three Lines" framework (Figure 8) and green building mandates elevated the quality of new development on the Chinese mainland. Though costs rose in 2024, these standards will enable long-term competitiveness and ESG alignment, encouraging developers in the future to integrate sustainable design and technologies from the outset.

Figure 7: The "Drug Administration Law" and what it means for life sciences real estate on the Chinese mainland

MAH System (Marketing Authorisation Holder)

- **Impact:** Drug R&D companies no longer need in-house manufacturing
- **Result:** Boosts demand for third-party manufacturing (CDMO) space and shared labs in life science parks

GMP Requirements (Good Manufacturing Practice)

- **Impact:** Facilities must meet strict design, hygiene, and safety standards
- **Result:** Drives demand for high-spec industrial buildings and custom-built pharmaceutical plants

Licensing & Traceability

- **Impact:** Sites must support full drug traceability and secure storage
- **Result:** Increases need for smart warehouses with digital tracking systems and climate control

R&D and Innovation Support

- **Impact:** Encourages development of new drugs and faster approvals
- **Result:** Fuels growth of R&D hubs, innovation campuses, and bioincubators in key cities like Shanghai, Suzhou, and Guangzhou

Penalties and Compliance Risk

- **Impact:** High penalties for non-compliance raise tenant expectations
- **Result:** Landlords must offer regulatory-compliant facilities and facility management expertise to attract and retain pharma tenants

Source: Cushman & Wakefield Research

Figure 8: Life sciences real estate on the Chinese mainland and the "Three Zones and Three Lines" framework

Three Zones = Development, Farming, and Ecological

Limits where life sciences facilities can be built or expanded

Three Control Lines = Urban Development, Farmland Protection, Ecological Redline

Projects must avoid areas with strict development bans

Site Selection Gets Stricter

Need to choose land within approved urban development zones

Environmental Compliance is Crucial

Labs and production sites must meet ecological standards

Clustered Development Favoured

Encourages life sciences parks in designated innovation zones

Increased Due Diligence

More checks needed on land use, zoning, and sustainability impact

Source: Cushman & Wakefield Research

C. Market Competition
The proliferation of life sciences business parks in lower-tier cities on the Chinese mainland continued to prompt a competitive environment in 2024. However, this has also incentivised those surveyed life sciences real estate landlords to focus on differentiation – by attracting specialised tenants, enhancing service quality, and ensuring alignment with ecosystem enablers like contract research organisations (CROs) and logistics providers.

D. Technology-driven Space Evolution Adjustment
Digitalisation and lab automation (Figure 9) continued to reshape space requirements in 2024, allowing those interviewed life sciences real estate landlords on the Chinese mainland to reimagine property design. The trend toward more agile and efficient workspaces is creating an opportunity to reposition larger assets into innovation-ready hubs.

Figure 9: The Chinese mainland – Life sciences lab automation

AI-Driven Medicine Discovery

Companies like XtalPi are leveraging AI for drug development and expanding into materials science, aligning with the Chinese mainland's push for technological self-reliance

Smart Lab Collaborations

SPT Labtech and ICE Bioscience have launched a joint automated lab in Beijing, utilising the firefly® liquid handling platform to enhance high-throughput screening and assay development

Integration of Artificial Intelligence (AI) and the Internet of Things (IoT)

Laboratories are increasingly adopting AI and IoT technologies to create intelligent, efficient, and safe lab environments, as showcased at analytica China

Advancements in Robotics

Companies like Siasun Robotics are developing flexible 6-axis robots suitable for precision tasks in confined lab spaces, enhancing automation capabilities

Digital Microfluidics

The adoption of digital microfluidics is enabling miniaturised, contamination-reducing workflows, improving reproducibility and throughput in synthetic biology applications

Source: Cushman & Wakefield Research

3

What key strategies did you implement in 2024 to enhance the performance of your life sciences properties on the Chinese mainland? (e.g., leasing initiatives, property upgrades, tenant engagement)

Point 1: Lease Optimisation and Portfolio Activation

In 2024, those interviewed life sciences real estate landlords on the Chinese mainland responded proactively by rolling out flexible leasing strategies tailored to diverse tenant needs. Subleasing programmes, tiered rents, and broadened tenant eligibility helped boost occupancy while preserving long-term alignment with life sciences goals.

Point 2: Smart Facility Enhancements

In 2024, investments in tenant experience on the Chinese mainland were guided by rigorous analysis, ensuring optimal use of capital. High-impact upgrades – like communal GMP labs and shared R&D platforms – were complemented by lifestyle-enhancing amenities, reinforcing each life sciences business park's competitive edge and appeal.

Point 3: Integrated Services and Ecosystem Building

Operating models evolved toward proactive tenant empowerment in 2024, with platforms streamlining access to funding, policy benefits, and collaboration opportunities. By cultivating strong ecosystems and attracting high-calibre companies across biopharma, medtech, and other subsectors, those surveyed life sciences real estate landlords on the Chinese mainland reinforced their life sciences business parks' status as innovation nodes.

Point 4: Strategic Differentiation and Resilience Building

In 2024, in response to resource competition, those interviewed life sciences real estate landlords on the Chinese mainland pursued strategic partnerships and infrastructure upgrades – like certified testing labs and compliance facilities – to ensure service quality and tenant retention. Mixed-ownership initiatives and joint ventures further diversified risk and enhanced competitiveness.

4

How has the regulatory environment on the Chinese mainland impacted your life sciences real estate operations in 2024? (e.g., zoning laws, construction approvals, environmental regulations)

Point 1: Higher Quality and Innovation Alignment

In 2024, regulations like the Implementation Measures for the Regulations on Fair Competition Review (Figure 10) have encouraged a pivot toward more sustainable investment attraction models on the Chinese mainland. Industrial funds and ecosystem-based incentives are replacing traditional subsidies, enabling more focused and scalable development.

Point 2: Operational Upgrades and Value Enhancement

As land and tax incentives diminish, in 2024, life sciences business parks on the Chinese mainland boosted their competitiveness through differentiated services and enhanced operational quality. While higher environmental and compliance standards presented cost challenges, they also drove efficiency improvements and long-term value creation.

Point 3: Planning Integration and Strategic Adaptability

Evolving planning policies continued to offer fresh development opportunities for well-positioned interviewed life sciences real estate landlords on the Chinese mainland in 2024. Regulatory frameworks – such as bonded zone controls and pricing ceilings – are guiding the market toward more adaptive leasing and development strategies, ultimately supporting the formation of sustainable, policy-compliant innovation clusters.

Figure 10: Life Sciences – A pivot toward sustainable investment attraction models on the Chinese mainland

Regulatory Compliance

- Fair Competition Review restricts distortionary subsidies
- Ensures equal market access and healthy competition

Shift from Subsidies to Industrial Funds

- Funds support priority sectors aligned with national goals (e.g. green tech, advanced manufacturing)
- Reduces fiscal pressure on local governments

Ecosystem-Based Incentives

- Focus on infrastructure, talent, innovation platforms, and industry clusters
- Long-term support over one-time cash injections

Enhanced Investment Efficiency

- Attracts high-quality, innovation-driven enterprises
- Promotes sustainable and scalable regional development

Alignment with ESG and Dual Carbon Goals

- Encourages greener, lower-impact projects
- Attracts global investors seeking compliant and future-ready assets

Source: Cushman & Wakefield Research

5

What role did partnerships and collaborations (e.g., with tenants, developers, government agencies) play in your real estate strategy for the Chinese mainland market in 2024?

Point 1: Enablers of Growth and Innovation

Collaboration was central to 2024 strategies. Life sciences business parks on the Chinese mainland acted as active facilitators, connecting life sciences enterprises and policymakers to deliver subsidies, tailor facility solutions, and co-develop shared R&D platforms – enhancing value creation across the ecosystem.

Point 2: Synergistic Networks and Operational Excellence

Multilateral partnerships – with governments, developers, tenants, and financiers – underpinned project execution on the Chinese mainland in 2024. Policy support, joint funding mechanisms, and co-design processes enabled scalable, future-ready facility delivery.

Point 3: Challenge Navigation Through Strategic Optimisation

While some challenges on the Chinese mainland emerged in 2024 – such as funding limitations and uneven partner capabilities – surveyed life sciences real estate landlords responded with leasing innovation and ecosystem co-creation. A strategic shift from subsidy-dependence toward value-based collaboration helped sustain competitive advantage.

EXPECTATIONS FOR BUSINESS ON THE CHINESE MAINLAND IN 2024

6

How optimistic are you about the prospects of your life sciences real estate portfolio on the Chinese mainland for 2025? (Scale of 1-10)

Point 1: A Market of Contrast and Tailwinds

Ratings and perspectives remain mixed, but overall sentiment leans cautiously optimistic as new opportunities on the Chinese mainland take shape in 2025.

Point 2: Opportunities for Differentiation and Long-Term Growth

While competitive pressures exist in 2025, especially in undifferentiated life sciences business parks on the Chinese mainland, according to those interviewed life sciences real estate landlords, those landlords who position strategically around specialised life sciences industry ecosystems and life sciences industry innovation-focused tenants are well placed. The shift away from generic models opens space for targeted, high-value developments.

Point 3: Policy Support and Global Recognition

In 2025, supportive national policies on the Chinese mainland – such as those promoting senior healthcare consumption (Figure 11) – and increased international recognition of Chinese biopharma achievements are fuelling confidence in future demand and global integration of life sciences innovation from the Chinese mainland.

Figure 11: Chinese Biopharma – Key achievements over the last year

Breakthrough Drug Approvals

- Ivonescimab (Akeso): A bispecific antibody targeting PD-1 and VEGF-A, approved in China for non-small-cell lung cancer (NSCLC)

Surge in Clinical Trial Activity

- In 2024, China conducted over 7,100 clinical trials

Recognition and Awards

- Legend Biotech: Named "Company of the Year" at the 2024 BioCentury-BayHelix China Healthcare Summit
- XtalPi: Awarded "Commercial Achievement of the Year" for its AI-driven drug discovery platform

Global Licensing and M&A Activity

- Bristol Myers Squibb & SystImmune/ Biokin: Entered a deal worth up to $8.4 billion for a bispecific ADC targeting EGFR and HER3
- BioNTech & Biotheus: BioNTech acquired Chinese cancer drugmaker Biotheus for approximately US$950 million

Policy Reforms and Market Expansion

- Foreign Investment in CGT: China lifted restrictions on foreign investment in human stem cell and gene therapies within selected free-trade zones
- Shanghai's Biopharma Growth: Shanghai's biopharmaceutical industry output exceeded RMB200 billion in 2024

Source: Cushman & Wakefield Research

7 What specific growth opportunities do you see in the life sciences real estate sector on the Chinese mainland in 2025? (e.g., expanding lab facilities, new development projects, acquisitions)

Point 1: Pilot-scale and GMP-compliant Infrastructure

In 2025, advanced therapies such as cell gene therapy (CGT) (Figure 12) are accelerating demand for flexible, ready-to-use GMP production spaces on the Chinese mainland. This creates opportunities for life sciences business parks in the region to differentiate by offering integrated services from design to operation.

Point 2: Specialised Space for Niche Sub-Sectors

Emerging segments like synthetic biology and antibody drugs in 2025 present new spatial requirements on the Chinese mainland. Developers can respond by delivering customised infrastructure aligned with evolving tenant needs and the marketing authorisation holder (MAH) system (Figure 13), supporting flexible R&D-focused operations.

Point 3: Strategic Acquisitions and Portfolio Expansion

Current market conditions on the Chinese mainland in 2025 present an ideal window for acquiring underutilised land and distressed assets. Life sciences business parks that adopt value chain integration and spatial planning strategies can unlock tenant clustering and operational synergies for long-term performance.

Figure 12: GMP and effects on life sciences real estate on the Chinese mainland

Higher Facility Standards

- Drives demand for cleanrooms, air handling systems, and validated utilities
- Requires purpose-built or heavily retrofitted facilities

Zoning & Location Pressures

- Clusters in bio-industrial parks with supportive infrastructure
- Close proximity to regulatory authorities and talent hubs preferred

Increased CapEx and O&M Costs

- Real estate development must factor in GMP-compliant materials, workflows, and tech
- Long-term maintenance burden increases for landlords and tenants

Demand for Flexible & Modular Design

- Tenants prefer adaptable spaces for faster GMP certification and reconfiguration
- Supports rapid scaling for biologics, cell & gene therapies

Regulatory Scrutiny & Certification Cycles

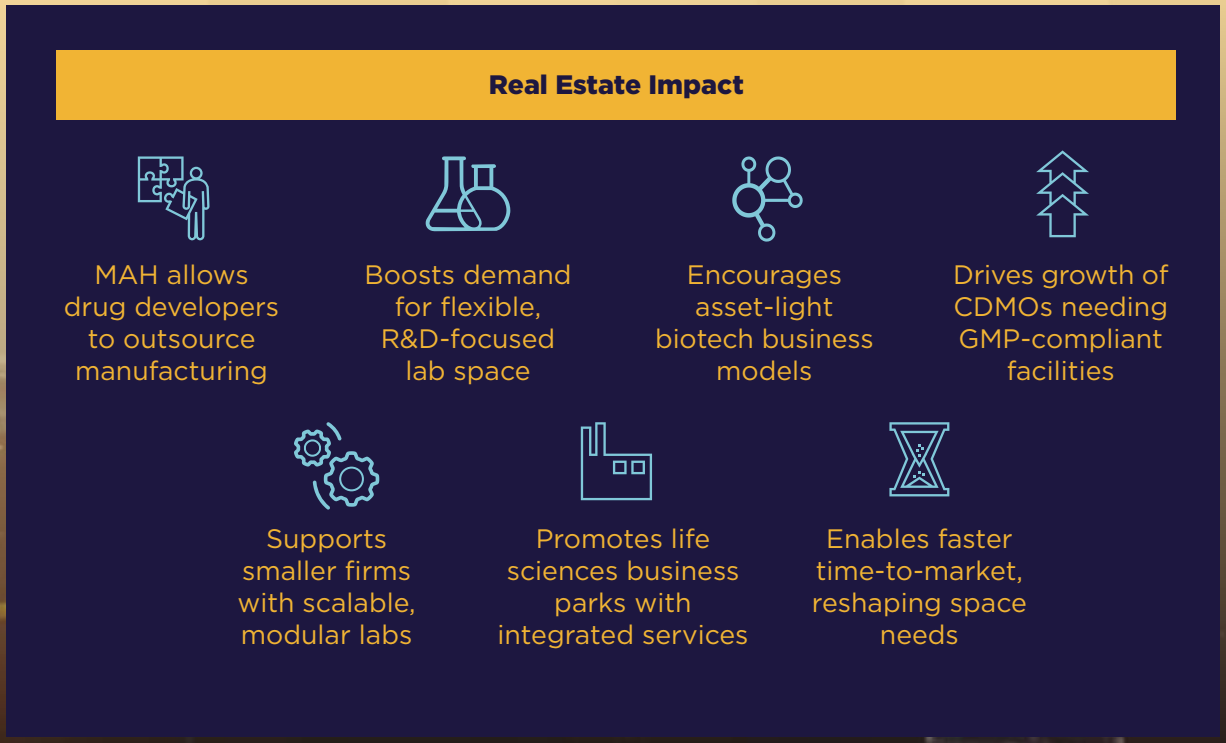
- Landlords need better understanding of compliance cycles to reduce downtime
- Certification delays can impact leasing and ROI

Tenant Consolidation & Asset Specialisation

- GMP drives tenants to consolidate into high-spec, compliant facilities– Growing market for specialised life sciences REITs and funds

Source: Cushman & Wakefield Research

Figure 13: Life sciences real estate on the Chinese mainland and the MAH system



Source: Cushman & Wakefield Research

8

How do you expect government policies and regulations to impact your life sciences real estate business on the Chinese mainland in 2025? (e.g., support for innovation hubs, environmental regulations)

Point 1: Precision Support Models

While universal incentives are maturing in 2025, targeted initiatives on the Chinese mainland like Beijing's "32 Innovation Pharma/Device Measures" (Figure 14) and CGT policies in Chengdu are expected to provide substantial value. These enable deeper R&D activity and commercialisation support, aligning with tenant growth trajectories.

Point 2: High-Value Innovation and Ecosystem Development

New reimbursement and funding policies on the Chinese mainland are supporting high-value therapies and CRO/contract development and manufacturing organisation (CDMO) platforms in 2025, enabling life sciences business parks in the region to attract leading innovators and foster advanced ecosystems.

Point 3: Environmental Compliance as a Competitive Advantage

Though regulatory costs are increasing on the Chinese mainland in 2025, upgraded environmental infrastructure is becoming a key differentiator. With subsidy support available, life sciences business parks investing early in compliance in the region are likely to enhance their attractiveness and leasing competitiveness.

Figure 14: The "32 Innovation Pharma/Device Measures" – An outline and the impact for life sciences real estate on the Chinese mainland

Faster approvals for innovative drugs and devices

Accelerates R&D timelines, driving lab space demand

Support for domestic innovation

Fosters growth of local biotech and medtech firms, needing incubation and pilot-scale space

Priority review pathways

Developers need near-market testing and production sites

Stronger IP protection

Attracts foreign investment, boosting demand in Tier 1 and 2 innovation hubs

Encouragement of MAH model

Promotes outsourced, asset-light operations

Support for rare disease and pediatric drugs

Requires specialised, adaptive lab and manufacturing environments

Integration of digital and AI tools

Increases demand for smart, tech-enabled life sciences facilities

Source: Cushman & Wakefield Research

9

What changes are you planning for your real estate portfolio on the Chinese mainland in 2025? (e.g., expanding developments, repurposing assets, divestments)

Point 1: Investment in Asset Upgrades and Sustainable Redevelopment

In 2025, a strong emphasis will remain on acquiring and upgrading existing assets, particularly within urban renewal zones on the Chinese mainland. This approach not only reduces costs and timelines but aligns with green development priorities.

Point 2: Unlocking New Value Through Repurposing

In 2025, underutilised assets on the Chinese mainland are being strategically repurposed to meet the specific spatial and operational needs of next-generation life sciences tenants – maximising value, adaptability, and ESG alignment.

10

What emerging trends in the life sciences sector do you believe will shape demand for commercial real estate on the Chinese mainland in 2025? (e.g., growth of biotech, AI-driven research, demand for GMP facilities)

Point 1: R&D Model Transformation and Infrastructure Upgrading

In 2025, AI technologies are accelerating drug R&D translation, pushing laboratories on the Chinese mainland toward modular and flexible space configurations. This requires dual-circuit power supply, temperature control systems, high-speed networks, and data centres to support real-time data processing. CGT and synthetic biology are reshaping production standards, necessitating life sciences business parks in the region to build ISO Class 5 cleanrooms, retrofit wastewater treatment systems, and develop detachable clean zones to meet flexible production demands.

Point 2: Spatial Restructuring, Industry Consolidation, and Financing

The contraction of the CDMO market is driving life sciences enterprises to optimise existing assets on the Chinese mainland, in 2025. Tier-2/3 life sciences business parks in the region must attract mid-sized firms through tax incentives. Medical device companies prioritise proximity to hospital resources, while traditional Chinese medicine manufacturers require integrated GMP workshops and heritage processing zones.

CURRENT REAL ESTATE ON THE CHINESE MAINLAND IN 2024

11

How would you describe your current life sciences real estate portfolio on the Chinese mainland? (e.g., number of properties, total square footage, occupancy rates)

Point 1: Scalable Expansion and Regional Dynamism

Our surveyed life sciences real estate landlord respondents generally exhibit a "multi-site deployment with phased development" characteristic, with property portfolios on the Chinese mainland concentrated in three to five life sciences business parks and total floor areas ranging from 50,000 to 1.6 million sq m. Encouragingly, new projects demonstrate a trend toward thoughtful growth through phased development strategies, reflecting responsive and forward-looking market anticipation.

Point 2: Occupancy – Regional Variation

Occupancy rates largely cluster within the 70%–90% range on the Chinese mainland, with high-performing specialised and state-backed projects leading the way. While some newer developments and supporting facilities are still maturing, strong sector alignment, cost-efficiency measures, and strategic clustering drive robust leasing performance across the key life sciences business parks.

Point 3: Asset-light Models and Enhanced Service Offerings

Surveyed life sciences real estate landlord enterprises on the Chinese mainland are actively transitioning from asset-heavy development to agile, service-oriented models. Asset-light partnerships and modular facility accelerators enable faster tenant acquisition and offer enhanced flexibility for evolving tenant needs.

12

What types of facilities do you primarily offer to life sciences tenants on the Chinese mainland? (e.g., R&D labs, GMP manufacturing, incubator spaces, office space)

Point 1: Core R&D and Production Facilities

Surveyed life sciences real estate landlords on the Chinese mainland offer life sciences business parks that are centred around R&D laboratories and GMP-compliant workshops, supported by standard instruments like HPLC systems and gene sequencers to serve a full spectrum of research and production needs. Modular GMP setups support fast-growing fields such as cell therapy, and integrated environmental systems help streamline tenant compliance. End-to-end operational continuity is supported by robust production infrastructure.

Point 2: Evolving Incubation Services and Shared Ecosystems

Incubation spaces are advancing into comprehensive innovation hubs with shared labs and CDMO platforms, significantly reducing R&D costs for startups. Leading life sciences business parks on the Chinese mainland have integrated academia-industry-research ecosystems for some time now, and many life sciences enterprises now operate in-house incubators to build self-sustaining innovation loops. Redundant office space is being reconfigured into "equipment sharing + technical consulting" formats, enhancing competitiveness with value-added services like pitch centres and testing platforms.

Point 3: Upgraded Amenities and Thoughtful Spatial Design

Talent-focused amenities such as apartments and incentive programmes help boost life sciences business park tenant retention on the Chinese mainland. Additionally, facilities prioritise safety and compliance, including P4 labs (Figure 15) and advanced wastewater systems. Finally, diverse spatial formats cater to varied tenant needs – from integrated R&D-production complexes to dense R&D towers and flexible mixed-use parks.

Figure 15: P4 labs – What are they and how do they raise health and compliance

P4 = Biosafety Level 4 (BSL-4) labs – Highest level of containment	
Handle deadly, high-risk pathogens (e.g., Ebola, Marburg)	Strictest safety protocols to protect researchers and environment
Boost national public health defense and emergency response	Support vaccine, antiviral, and pathogen research
Ensure compliance with global biosafety standards	Symbol of advanced biomedical R&D capability on the Chinese mainland
Require specialised real estate with airtight systems, secure waste handling, and isolated zones	

Source: Cushman & Wakefield Research

13

How satisfied are you with your current tenant mix and lease performance in your life sciences properties on the Chinese mainland?

Point 1: High Tenant Quality and Targeted Portfolios

Most surveyed life sciences real estate landlords on the Chinese mainland report satisfaction with tenant quality, especially those that foster closed-loop industrial ecosystems. Strategic tenant portfolios that span from R&D to mass production contribute to high occupancy and collection rates (often above 98%). This reinforces the value of cultivating core tenants and industry leaders.

Point 2: Occupancy – Operational Excellence Differentiating Top Performers

While occupancy is consistently strong at 80%–90%, leading life sciences business parks further distinguish themselves by attracting regional tenants through deep vertical integration and sector-aligned facilities. Though some parks adjust pricing to remain competitive, this signals adaptability and a continued drive to optimise tenant services.

Point 3: Market Conditions and Supportive Policy Ecosystems

State-backed life sciences business parks successfully leverage targeted policies and incentives to sustain tenant loyalty. Privately owned parks are increasingly upgrading ancillary services and exploring ways to attract more international clients, reflecting ongoing efforts to strengthen long-term competitiveness.

14

What challenges have you faced in managing your life sciences real estate on the Chinese mainland? (e.g., attracting tenants, maintenance of specialised facilities, cost control)

Point 1: Evolving Investment Models and Policy Alignment

Surveyed life sciences real estate landlord operators on the Chinese mainland are actively adapting to shifting policy tools and increasing sector competition. State-owned parks are applying refined tenant selection mechanisms (e.g., tax-linked production metrics), while private parks are optimising policy alignment to enhance incentive delivery. Hardware upgrades, including labs and animal facilities, are also being pursued strategically to attract niche tenants and increase park appeal.

Point 2: Facility Maintenance and Long-term Investment Planning

Older life sciences business parks on the Chinese mainland are reinvesting in long-term infrastructure resilience, including managing higher weather-related maintenance costs. While operational costs for specialised services (e.g., steam and hazardous waste treatment) remain significant, operators are showing initiative in self-building infrastructure. Policies balancing asset preservation and revenue optimisation are being pushed as well.

Point 3: Balancing Costs Across Energy, Talent, and Infrastructure

On the Chinese mainland, energy, talent, and infrastructure retrofits are being balanced with a view to long-term sustainability. Although dual-circuit power supply contributes significantly to electricity costs, ongoing discussions around tiered pricing are promising. Talent requirements for advanced equipment remain high, but life sciences business parks are investing in training and retention strategies. Retrofit strategies are improving, with efforts underway to enhance older utility systems and minimise service disruptions.

15

How important is sustainability in your life sciences real estate strategy on the Chinese mainland? Are you pursuing green building certifications or implementing sustainable building practices?

Point 1: Strategic Positioning Reflects Both Compliance and Leadership

Surveyed life sciences real estate landlords suggest that life sciences real estate projects on the Chinese mainland are showing a growing awareness of sustainability's strategic value. While some adopt a compliance-led approach focused on certifications and selective retrofits, others are proactively building integrated green systems. For example, dual certifications and demonstration zone status are elevating life sciences business park profiles in the region, supported by investments in smart metering and wastewater systems.

Point 2: Certifications Reflect Long-term Value Realisation

Green building certifications (Figure 16), though often driven by policy mandates, are increasingly recognised as valuable brand and tenant-retention tools on the Chinese mainland. State-backed projects are leading retrofits, and private operators are gradually adopting cost-effective sustainability strategies, positioning for future return on investment (ROI) as demand grows.

Figure 16: The Chinese mainland – Selected available green building certifications

China 3-Star System
National green rating (1–3 stars) for energy, water, materials, and environment

China Healthy Building
Focuses on air quality and occupant health

Green Eco-District
Evaluates sustainability at the urban or community level

China WELL-like Standard
Local wellness-focused standard for building performance

LEED (U.S.)
Global benchmark for sustainable, energy-efficient buildings

WELL (U.S.)
Prioritises health, comfort, and wellness in design and operations

BREEAM (UK)
Comprehensive sustainability assessment from design to use

RESET (Singapore)
Focuses on real-time monitoring of indoor environmental quality

EDGE (IFC) (U.S.)
Promotes affordable, resource-efficient green building in emerging markets

Source: Cushman & Wakefield Research

FUTURE REAL ESTATE PLANS ON THE CHINESE MAINLAND IN 2024

16

How do you expect your life sciences real estate needs or offerings on the Chinese mainland to change over the next three to five years? (e.g., developing innovation hubs, expanding lab facilities, offering flexible workspaces)

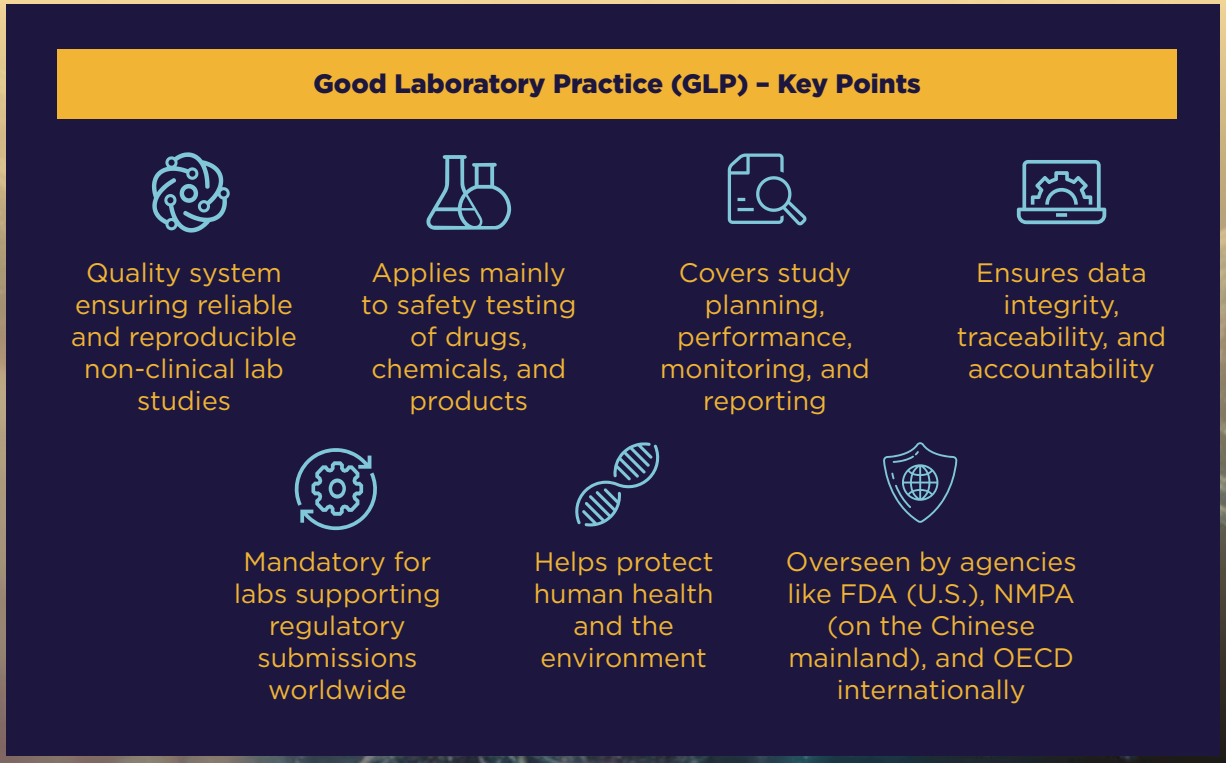
Point 1: Focus on Specialised Infrastructure

Oversupply of general-use spaces may emerge on the Chinese mainland, but high-standard, specialised facilities remain in demand. Our surveyed life sciences real estate landlord respondents identified strong future interest in on-demand lab rentals and advanced facilities like good laboratory practice (GLP)-compliant labs (Figure 17) and GMP pilot production spaces, highlighting robust growth in quality-driven development.

Point 2: Specialisation, Operational Precision, and Integration

The sector on the Chinese mainland is clearly moving from scale-based growth toward refined operations. Upgrading existing assets with digital capabilities and establishing technical platforms is key to long-term competitiveness. Additionally, specialised parks are increasingly seen as successors to traditional, broad-purpose ones.

Figure 17: Good laboratory practice (GLP) – Some main points



Source: Cushman & Wakefield Research

17

What factors are most likely to influence your real estate decisions on the Chinese mainland going forward? (e.g., tenant demand, government incentives, R&D investment growth)

Point 1: Tenant Demand

Life sciences enterprise requirements for lab space, layout, and services are central to development decisions on the Chinese mainland. Adapting plans to fit these evolving needs – such as space customisation and tailored infrastructure – remains a top priority for many interviewed life sciences real estate landlords.

Point 2: Policy Support and Government Incentives

National and local policy incentives continue to be key external enablers on the Chinese mainland. From industry subsidies to targeted support for strategic life sciences sectors, these tools shape investment strategies and tenant targeting.

Point 3: Technology, Innovation, and Capital Markets

Growing R&D investment and rapid innovation, including in synthetic biology, signal strong market fundamentals for the life sciences industry on the Chinese mainland. Investors are responding with confidence. Related policies and market trends (e.g., anti-corruption, procurement reform) also guide decision-making by shaping tenant profitability and investment timing.

18

Are you considering investments in specialised life sciences real estate on the Chinese mainland, such as research parks, biopharma campuses, or accelerator spaces? Why or why not?

Point 1: Market Confidence and Strategies

Nearly half of surveyed life sciences real estate landlord stakeholders on the Chinese mainland view life sciences as a high-potential sector aligned with national priorities. Others are evaluating selectively, citing resource considerations and strategic interest in other sectors.

Point 2: Capability Building and Resource Pooling

Specialised life sciences business parks on the Chinese mainland require technical expertise and financial strength. While some firms face investment constraints, others are gaining momentum through targeted approaches – for example, investing in CDMO or medical device facilities aligned with their strengths and sector positioning.

Point 3: Niche Focus and Local Adaptation

Successful surveyed life sciences real estate landlord investors emphasise focused strategies for the Chinese mainland life sciences market such as targeting medical devices for quick returns or identifying ideal locations with strong fundamentals. On-demand development and staged rollouts ensure risk control while tapping into high-growth opportunities.

19

How do you anticipate the growing focus on innovation and R&D on the Chinese mainland will impact your future real estate development and leasing strategies?

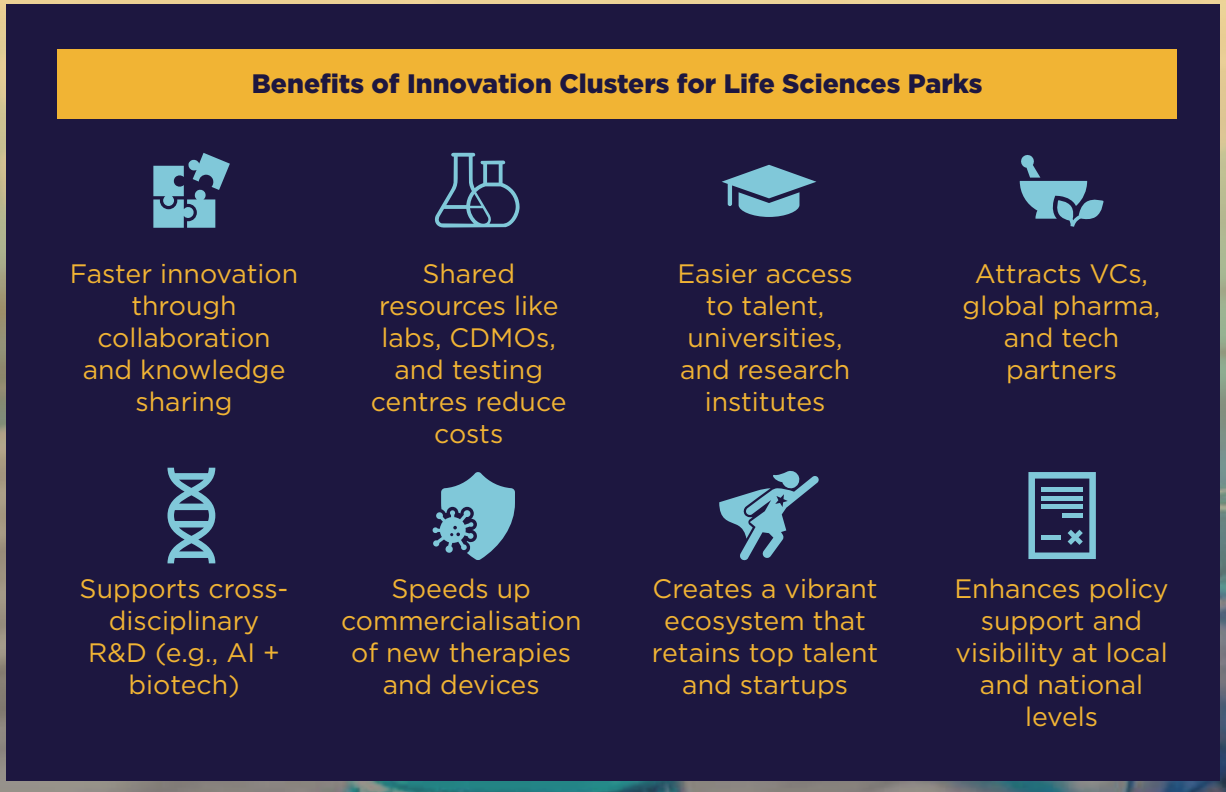
Point 1: Strategic Realignment Toward High-Tech Sectors and Smarter Services

Innovation policy is steering life sciences business parks on the Chinese mainland toward high-growth sectors like innovative clusters (ICs) (Figure 18) and biopharma. To stay ahead, interviewed life sciences real estate landlords are investing in specialised R&D platforms and flexible leasing structures to match evolving life sciences enterprise needs. Meanwhile, talent assessment and innovation potential evaluation are also becoming more sophisticated.

Point 2: From Rental Income to Long-term Industrial Partnerships

Interviewed life sciences real estate landlords are increasingly adopting collaborative models on the Chinese mainland. Instead of focusing solely on rent, they're investing in funds and incubators to align with tenant growth. For example, a shift toward R&D-oriented spaces and technology transfer projects in emerging regions reflects a broader strategic vision.

Figure 18: Advantages of innovation clusters for life sciences parks on the Chinese mainland



Source: Cushman & Wakefield Research

20

What role will flexible lab and office spaces, as well as digital infrastructure, play in your life sciences real estate strategy on the Chinese mainland over the next few years?

Point 1: Flexibility as a Core Enabler Across the Enterprise Lifecycle

According to our surveyed life sciences real estate landlords, flexible spaces certainly reduce startup costs and accommodate fast-changing tenant needs. Life sciences business parks on the Chinese mainland are designing space configurations that support every stage of growth, while site selection is increasingly guided by operational efficiency and collaborative potential.

Point 2: Digital Infrastructure as a Foundation for Smart Operations and Innovation

Those surveyed life sciences real estate landlords on the Chinese mainland also recognise that digital systems are enhancing safety, sustainability, and productivity. Also, AI platforms and smart sensors enable precision R&D and optimise resource use. Rather than being a cost burden, digital infrastructure is now central to competitive life sciences business park development in the region – strengthening data integration and enabling advanced service ecosystems that attract top talent.

VITAL SIGNS – OCCUPIER PERSPECTIVES

BUSINESS ON THE CHINESE MAINLAND IN 2024

1

How would you describe your company's overall business performance on the Chinese mainland in 2024? (e.g., revenue growth, market share, profitability)

Point 1: Income Growth Diversification

In 2024, several interviewed life sciences companies on the Chinese mainland achieved revenue growth supported by innovative products and favourable policy tailwinds. While overall growth remained modest for many, a select group reported strong performance, highlighting opportunities for differentiation.

Point 2: Market Share Volatility

In 2024, leading surveyed life sciences firms on the Chinese mainland continued to consolidate their positions through technological upgrades and localised strategies. Although smaller interviewed players faced heightened competition, this dynamic environment encouraged strategic repositioning and innovation.

Point 3: Profitability Pressures

In 2024, the life sciences industry on the Chinese mainland encountered margin compression due to rising costs – such as increased design-related spending – and broader market headwinds. Nonetheless, a number of surveyed life sciences companies successfully enhanced profitability through cost optimisation and improved operational efficiency.

2

What have been the biggest challenges your company faced on the Chinese mainland in 2024? (e.g., regulatory environment, market competition, supply chain issues)

Point 1: Regulatory Adjustments

While frequent regulatory adjustments – such as centralised procurement and health insurance cost controls – reshaped market access and pricing structures on the Chinese mainland in 2024, they also signalled a shift toward greater system efficiency and transparency. Some interviewed life sciences companies navigated increased compliance requirements, prompting enhancements in internal processes and strategic planning.

Point 2: Intensified Market Competition

The competitive landscape became more dynamic in 2024, with domestic and international life sciences industry players operating on increasingly level ground on the Chinese mainland. Although supply chain challenges and reliance on imported premium products presented hurdles, these conditions fostered resilience, localisation efforts, and innovation across the industry.

Point 3: Cost Pressures and Technological Barriers

Lengthy R&D cycles and high costs – especially those tied to advanced biopharmaceutical production – remained challenges in 2024 on the Chinese mainland. Yet, these pressures drive those surveyed life sciences companies to pursue cost optimisation and efficiency gains while accelerating the pursuit of high-impact technological breakthroughs.

3

What key strategies did your company implement on the Chinese in 2024 to drive growth? (e.g., partnerships, digital transformation, product innovation)

Point 1: Product Innovation and R&D Optimisation

By 2024, many interviewed life sciences companies on the Chinese mainland had achieved solid revenue growth by increasing R&D investment – particularly in areas such as AI-assisted drug development – to bring differentiated products to market. Innovative offerings, including advanced treatments for chronic diseases and new-generation vaccines, have, are, and will help expand product portfolios and meet a broader range of medical needs.

Point 2: Digital Transformation and Technological Empowerment

Digital technologies have, are, and will play an increasingly vital role in improving operational efficiency and decision-making on the Chinese mainland. From smart campus management platforms to integrated data-sharing systems and AI-powered R&D, in 2024, a good number of those surveyed life sciences companies on the Chinese mainland successfully leveraged digital tools not only to accelerate innovation but also to streamline operations and control costs.

Point 3: Collaborative Networks and Policy Synergy

Stronger collaboration among industry, academia, and research institutions – such as through joint laboratories with universities – is fostering a more dynamic life sciences innovation ecosystem on the Chinese mainland. Regional partnerships and localised strategies further strengthened market engagement in 2024. Meanwhile, supportive policies (e.g., subsidies from the "National Major New Drug Innovation Programme") (Figure 19) have, are, and will enable those interviewed life sciences companies and other life sciences to scale up innovation and bring promising therapies to patients more quickly.

Figure 19: Details – The National Major New Drug Innovation Programme

Launched

2008 as part of "China's National Science and Technology Major Projects"

Objective

Boost R&D of innovative, high-impact drugs to improve public health and reduce reliance on imports

Scope

Covers entire drug development cycle – from discovery to clinical trials and commercialisation

Support Mechanisms

- Government funding and subsidies
- Fast-track regulatory review for qualifying drugs
- Integration with national healthcare priorities and insurance coverage

Outcomes

- Acceleration of domestic drug innovation
- Rise in first-in-class and breakthrough therapies
- Stronger global competitiveness of Chinese pharmaceutical firms

Source: Cushman & Wakefield Research

4

How has the regulatory environment on the Chinese mainland impacted your business in 2024? (e.g., compliance costs, approval timelines, market access)

Point 1: Navigation – Compliance and Approval Challenges

In 2024, many life sciences companies on the Chinese mainland, including many of those surveyed life sciences companies, proactively adapted to increased compliance demands stemming from stricter regulatory standards (e.g., GMP compliance, rigorous approval procedures). This prompted strategic resource reallocation and investment in regulatory capabilities. Although extended approval cycles – especially in the innovative drug segment – remain a hurdle, they also drove/are driving/will drive greater focus on clinical trial efficiency and quality.

Point 2: The Evolving Market Access Landscape

Shifting policy dynamics (e.g., adjusted market access thresholds and evolving incentive schemes) did introduced new complexities for life sciences enterprise entry on the Chinese mainland in 2024. Nonetheless, many interviewed life sciences companies did find (and are finding) opportunities to refine market strategies amid these developments. Some firms have now successfully navigated inconsistencies in approvals and interdepartmental coordination by strengthening regulatory engagement and long-term planning.

Point 3: Regulatory Reform and Industry Standards

Recent policy reforms, such as updates to the "Pharmaceutical Administration Law" (Figure 20), continued to foster a more innovation-friendly environment on the Chinese mainland in 2024. Streamlined approval pathways are accelerating the commercialisation of new technologies, while improved regulatory standardisation is enhancing professional protections and raising life sciences industry benchmarks – laying a stronger foundation for sustainable sector growth.

Figure 20: An outline of the Pharmaceutical Administration Law

Source: Cushman & Wakefield Research

5

What role did localisation (e.g., local partnerships, manufacturing, R&D) play in your business strategy for the Chinese mainland market in 2024?

Point 1: Strategic Cost Efficiency and Regulatory Alignment

Localised life sciences manufacturing and R&D on the Chinese mainland unlocked cost efficiencies (e.g., use of domestic raw materials, localised packaging) in 2024, while alignment with evolving policies (e.g., GMP-compliant facilities) supported smooth regulatory navigation and reinforced the domestic substitution trend.

Point 2: Market Agility and Innovation Momentum

In 2024, life sciences localisation on the Chinese mainland sharpened responsiveness to domestic market needs, accelerated development timelines (e.g., faster localised clinical trials), and fostered innovation through proximity to advanced technologies (e.g., localised cell therapy capabilities).

Point 3: Supply Chain and Positioning

Building robust local life sciences supply chains on the Chinese mainland in 2024 (e.g., securing raw material access) enhanced resilience to external uncertainties (e.g., tariff changes) and cultivated stronger local partnerships, which, in turn, helped to create a good number of long-term competitive advantages.

EXPECTATIONS FOR BUSINESS ON THE CHINESE MAINLAND IN 2025

6

How optimistic are you about your company's business prospects on the Chinese mainland for 2025? (Scale of 1-10)

Point 1: Market Confidence

Most surveyed life sciences companies reported a neutral-to-optimistic outlook for the Chinese mainland market, with several interviewed life sciences companies assigning high confidence scores (9–10), citing policy support and increasing market demand as strong enablers of business growth.

Point 2: Policy and the Market as Key Drivers

There was broad consensus that policy incentives – such as comprehensive support for innovative drugs and ongoing medical insurance reform – along with expectations of life sciences industry recovery, will be key drivers for the industry into the rest of 2025. While some surveyed life sciences companies remain cautious due to external uncertainties, the general sentiment leans positive for the market on the Chinese mainland.

Point 3: Balancing Competition and Cost Pressures

Despite widespread optimism, some interviewed life sciences companies pointed to heightened competition and rising operational costs as challenges on the Chinese mainland. They also emphasised the importance of improving financing conditions to ensure effective strategy execution into the rest of 2025.

7

What specific growth opportunities do you see for your company on the Chinese mainland in 2025? (e.g., new product launches, geographic expansion, M&A)

Point 1: Product Innovation and R&D Breakthroughs

The majority of surveyed life sciences companies identify new product launches as a primary growth engine, increasingly leveraging advanced technological platforms (e.g., AI-assisted R&D) to fast-track the commercialisation of cutting-edge drug pipelines (e.g., Antibody-drug Conjugates (ADCs), cell therapy, Ribonucleic Acid (RNA) therapy). Many on the Chinese mainland are also targeting broader indications to boost market competitiveness.

Point 2: Regional Expansion and Market Coverage

Several interviewed life sciences companies have prioritised expanding into underpenetrated regions on the Chinese mainland or scaling up their market reach, aligning with rising healthcare demand from aging populations and the prevalence of chronic diseases.

Point 3: Mergers, Acquisitions, and Strategic Partnerships

Life sciences firms doing business on the Chinese mainland are actively exploring mergers and acquisitions to strengthen operational capabilities (e.g., acquiring non-core business units) and forming strategic partnerships (e.g., CROs/CDMOs, academic collaborations) to facilitate technology transfer and accelerate market access.

8

How do you expect government policies and regulations on the Chinese mainland to impact your business in 2025? (e.g., favourable policies, price controls, IP protection)

Point 1: Price Controls and Market Pressures

Many surveyed life sciences companies doing business on the Chinese mainland acknowledged that price control policies – such as centralised procurement and adjustments to the medical insurance directory – will continue to exert pressure on profit margins into H2 2025. Rising procurement costs are also prompting some firms to undergo strategic transformation.

Point 2: Policy Support, Innovation and Compliance

Government initiatives supporting the full innovation lifecycle of new drugs and medical devices (e.g., expedited approvals, R&D subsidies) have emerged as strong enablers of sector growth on the Chinese mainland. In parallel, enhanced intellectual property protection is fostering greater investment in R&D and compliance within the life sciences industry in the region, and this trend will continue through the rest of 2025.

Point 3: Domestic Procurement and Technological Substitution Trends

In 2025, policy-driven domestic procurement is continuing to accelerate the upgrading of local supply chains (e.g., increased domestic sourcing of raw materials) and continuing to encourage those interviewed life sciences companies to strengthen technological independence on the Chinese mainland. Some surveyed life sciences enterprises are also leveraging mergers and strategic alliances to integrate resources and improve competitiveness.

9

What changes, if any, are you planning to make to your market strategy on the Chinese mainland in 2025? (e.g., increase/ decrease investment, expand local operations, shift supply chains)

Point 1: Local Investment and Business Expansion

Into the rest of 2025, the majority of interviewed life sciences companies plan to deepen their investment on the Chinese mainland, with a focus on expanding local R&D centres, strengthening talent recruitment, and enhancing market reach – aimed at boosting domestic innovation capabilities and responsiveness to local demand.

Point 2: Parallel Localisation and Diversification of Supply Chains

To improve supply chain resilience in the second half of 2025, some interviewed life sciences companies doing business on the Chinese mainland will continue to advance localisation efforts to reduce dependency on external suppliers, while also diversifying supply chain configurations to better manage operational risks.

Point 3: Balancing Steady Growth and Cost Control

Amid expansion plans, surveyed life sciences companies on the Chinese mainland are, and will, also prioritise cost structure optimisation and operational efficiency as key strategies to sustain long-term competitiveness and financial health.

10

What emerging trends in the life sciences sector do you believe will shape your business on the Chinese Mainland in 2025? (e.g., AI-driven drug discovery, personalised medicine, regulatory innovation)

Point 1: AI-Driven Drug Development

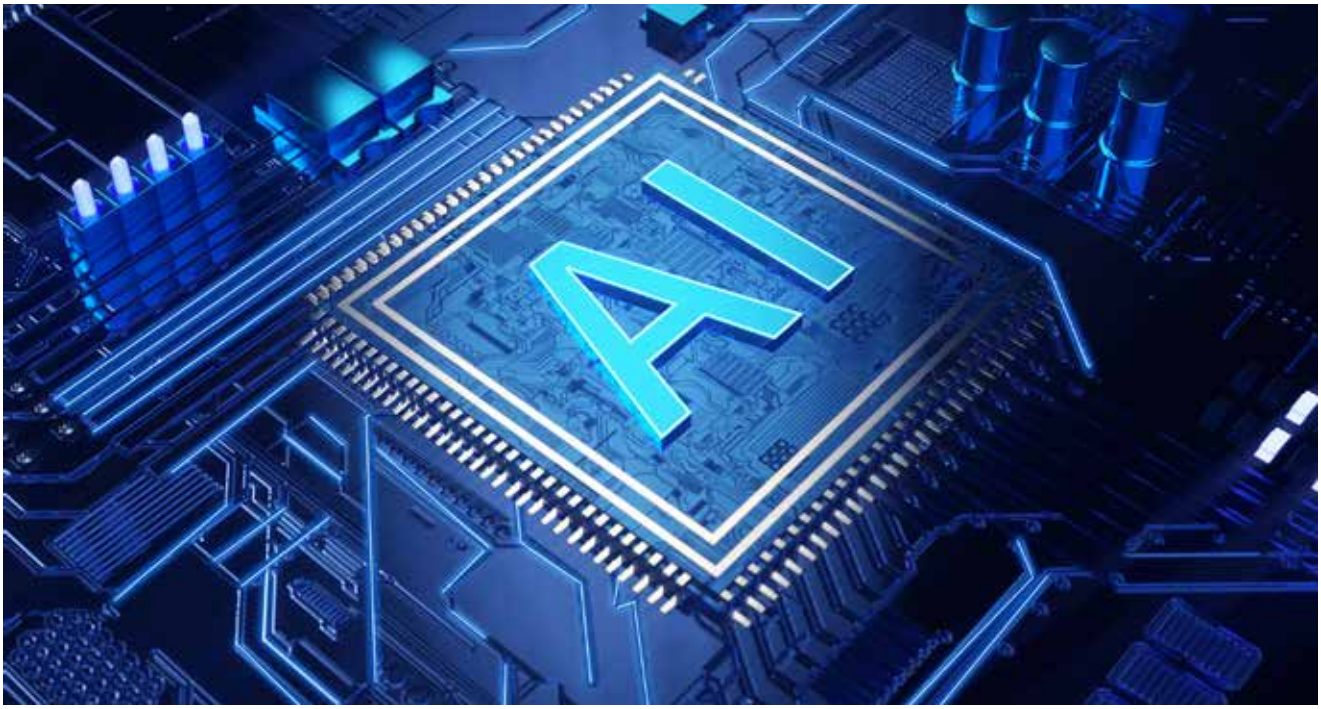
Many interviewed life sciences companies are optimistic that AI will significantly boost R&D efficiency, enabling faster development cycles, lower costs, and greater innovation in personalised medicine on the Chinese mainland in 2025 and beyond. For instance, AI-assisted platforms are already helping streamline clinical trials and raise success rates, bringing new therapies to market more effectively.

Point 2: Personalised Medicine

Fuelled by advancements in genomics and precision medicine, there is rising enthusiasm for tailored treatment solutions designed around individual patient profiles on the Chinese mainland. In 2025, a good number of surveyed life sciences companies in the region are actively expanding capabilities to meet this growing demand for more targeted and effective care.

Point 3: Regulatory Evolution and Compliance

With AI transforming healthcare, regulatory frameworks are evolving in tandem, offering clearer pathways and fostering innovation in 2025 on the Chinese mainland. Forward-looking interviewed life sciences companies in the region are embracing this shift, strengthening compliance systems to stay ahead of regulatory expectations while benefiting from a more responsive policy environment.



CURRENT REAL ESTATE ON THE CHINESE MAINLAND

11

How would you describe your company's current real estate footprint on the Chinese mainland? (e.g., number of sites, types of facilities, total square footage)

Point 1: Multi-location and Functional Zoning

Many surveyed life sciences companies are proactively building a robust presence across the Chinese mainland, establishing integrated networks of R&D centres, manufacturing facilities, office spaces, and customer experience hubs. This comprehensive "R&D + Manufacturing + Service" ecosystem (Figure 21) enhances operational efficiency and customer engagement.

Point 2: Regional Concentration and Strategic Focus

Many interviewed life sciences companies are strategically anchoring themselves in key innovation and commercial hubs on the Chinese mainland such as Beijing, Shanghai, Shenzhen, Guangzhou, and Suzhou, while also tapping into the growing potential of emerging cities like Chengdu and Ningbo to broaden their market reach.

Point 3: Flexible Models and Localised Operations

To optimise resource allocation and enhance agility, some surveyed life sciences companies are embracing flexible real estate strategies on the Chinese mainland – combining leasing and self-construction for office and production spaces. Furthermore, renting in core cities helps manage upfront costs while ensuring strategic access to talent and infrastructure.

Figure 21: The "R&D + Manufacturing + Service" ecosystem

Source: Cushman & Wakefield Research

12

What types of facilities does your company primarily occupy on the Chinese mainland? (e.g., R&D labs, manufacturing plants, office space, distribution centres)

Point 1: R&D Laboratories as Strategic Assets

R&D laboratories are widely regarded as core infrastructure by most interviewed life sciences companies on the Chinese mainland, with up to 70% or 40% of their facilities dedicated to drug development and experimentation. Many surveyed life sciences companies actively strengthen their innovation pipelines by investing in purpose-built or leased laboratory spaces, reflecting a strong commitment to research excellence.

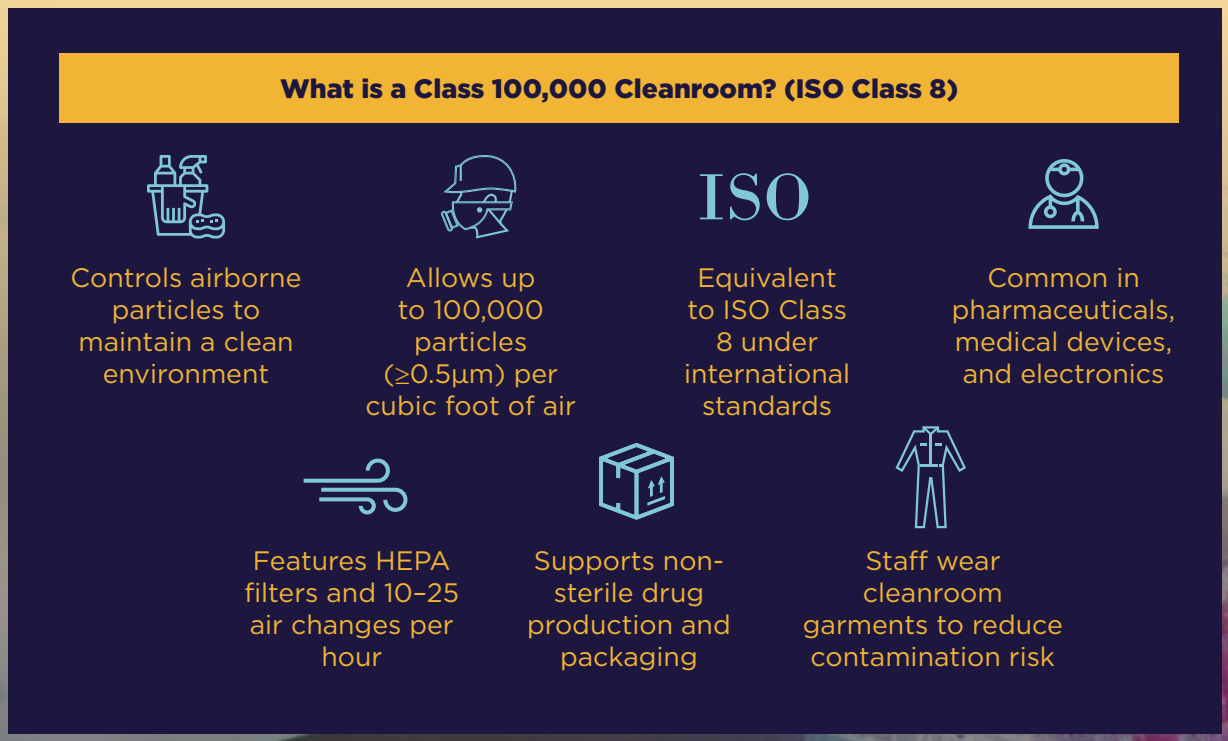
Point 2: High-Quality Manufacturing and Modern Office Spaces

Manufacturing plants and office spaces form the backbone of life sciences production and daily operations across the mainland. Several interviewed life sciences companies operate expansive, well-equipped facilities – including over 8,000 sq m of manufacturing space and Class 100,000 cleanrooms (Figure 22) – while also maintaining contemporary office environments such as a 6,000 sq m headquarters in Shanghai, supporting both functionality and employee engagement.

Point 3: Integrated and Resilient Facility Networks

Beyond R&D and production, many surveyed life sciences companies have developed diverse facility layouts on the Chinese mainland, including distribution centres and cold chain warehouses, to enhance supply chain efficiency and product reach. For example, one interviewed life sciences company ensures high-quality drug preservation through advanced cold chain logistics, while another has extended its market coverage via strategically located distribution centres.

Figure 22: Described – A Class 100,000 cleanroom



Source: Cushman & Wakefield Research

13

How satisfied are you with your current real estate portfolio on the Chinese mainland in terms of location, quality, and operational efficiency?

Point 1: Geographical Location and Coverage Advantages

Most surveyed life sciences companies are pleased with their strategic positioning on the Chinese mainland, particularly in key hubs like Beijing and Shanghai, which offer excellent market access. Meanwhile, some interviewed life sciences companies note opportunities to expand presence in central and western regions, which present potential growth areas for the future.

Point 2: Facility Quality and International Standards

Life sciences-related facilities on the Chinese mainland generally align with international standards – such as well-equipped laboratories and modern office spaces. Meanwhile, some surveyed life sciences companies see opportunities to enhance user experience further through upgrades like improved air conditioning and elevator systems, particularly if they own the property. This reflects an ongoing commitment to facility excellence.

Point 3: Operational Efficiency and Cost Control

Operational efficiency is broadly satisfactory, with many interviewed life sciences companies on the Chinese mainland recognising promising avenues to optimise space usage – such as improving lab equipment efficiency – and the benefit gained from cost-saving measures like leasing subsidies (Figure 23), which can collectively boost overall performance.

Figure 23: The "R&D + Manufacturing + Service" ecosystem

Example – A biotech startup leasing 1,000 sq m in a life sciences park may receive

A rent subsidy for the first year, capped at a certain amount

Additional support for lab fit-outs or hiring local talent

In return, the company may be expected to create jobs, invest in R&D, or remain in the zone for a minimum period

Source: Cushman & Wakefield Research

14

What challenges has your company faced in managing real estate on the Chinese mainland? (e.g., cost management, regulatory compliance, access to specialised facilities)

Point 1: Strategic Cost Management

Rising rental and operational costs are prompting many of those surveyed life sciences companies doing business on the Chinese mainland to enhance resource efficiency, particularly for high-end laboratories and GMP-standard workshops. This focus on strategic allocation supports more sustainable growth and long-term facility planning.

Point 2: Expanding Access to Specialised Infrastructure

While approval timelines and spatial constraints for internationally compliant facilities (e.g., P3 laboratories) remain considerations, a good number of interviewed life sciences companies doing business on the Chinese mainland are exploring phased development and adaptive strategies to enhance R&D and production capacity.

Point 3: Evolving Regulatory Standards

As environmental and safety regulations become more stringent, many surveyed life sciences companies doing business on the Chinese mainland are proactively investing in compliance, turning regulatory adaptation into an opportunity to strengthen operational standards and market credibility.

15

How important is sustainability in your company's real estate strategy on the Chinese mainland? Are you pursuing green building certifications or other sustainability initiatives?

Point 1: Sustainability as a Core Strategic Focus

Sustainability is increasingly embedded in corporate real estate strategies on the Chinese mainland, with strong emphasis on reducing carbon emissions and adopting green building practices. One interviewed life sciences company noted, "We place great importance on carbon emissions, and sustainability is extremely significant to our company," while another recognised green building certification as a valuable tool to boost market positioning and long-term competitiveness.

Point 2: Growing Embrace of Green Building Certifications

A rising number of surveyed life sciences enterprises doing business on the Chinese mainland have achieved international certification status, such as the Leadership in Energy and Environmental Design (LEED) certification system (Figure 24) and the WELL Building Standard (WELL) certification system, for their property/properties, underscoring a broader industry shift toward adopting recognised sustainability standards and enhancing environmental accountability.

Point 3: Expanding and Innovative Sustainability Practices

Many interviewed life sciences companies are actively deploying a variety of environmentally conscious measures to their real estate on the Chinese mainland – ranging from energy-efficient equipment and optimised lighting/HVAC systems to the use of eco-friendly materials. Many are also exploring smart technologies to further enhance resource efficiency and promote sustainable, intelligent operations.

Figure 24: LEED – Benefits for properties

Source: Cushman & Wakefield Research

FUTURE REAL ESTATE PLANS ON THE CHINESE MAINLAND

16

How do you expect your company's real estate needs on the Chinese mainland to change over the next 3-5 years? (e.g., expansion, consolidation, relocation)

Point 1: Expansion and Integration in Parallel

Many surveyed life sciences companies doing business on the Chinese mainland foresee an increase in real estate demand over the next three to five years, driven by business expansion and a proactive approach to integrating and optimising existing resources to boost operational efficiency. For instance, several plan to expand R&D centres or manufacturing facilities to support growing research and production needs.

Point 2: Relocation and Space Optimisation

To enhance cost-efficiency and maximise value, some interviewed life sciences companies doing business in the Chinese mainland are exploring relocation to more cost-effective regions or are actively optimising the use of current facilities. These efforts aim to reduce operational expenses while improving space utilisation and workplace functionality.

Point 3: Steady Growth as the Preferred Approach

Although a few surveyed life sciences companies doing business on the Chinese mainland note potential challenges related to relocation or integration, the prevailing sentiment supports a steady and confident growth trajectory. Real estate strategies are being flexibly adjusted in alignment with evolving business needs, ensuring long-term adaptability and resilience.

17

What factors are most likely to influence your company's real estate decisions on the Chinese mainland moving forward? (e.g., market growth, supply chain shifts, government incentives)

Point 1: Market Growth as the Primary Driver of Real Estate Decisions

Our interview respondents generally agree that sustained market demand remains the strongest catalyst for real estate investment on the Chinese mainland. Many surveyed life sciences companies doing business on the Chinese mainland are prepared to increase investment in line with business growth, with some affirming that continued demand would prompt expansion of their real estate footprint.

Point 2: Government Incentives Significantly Influence Decisions

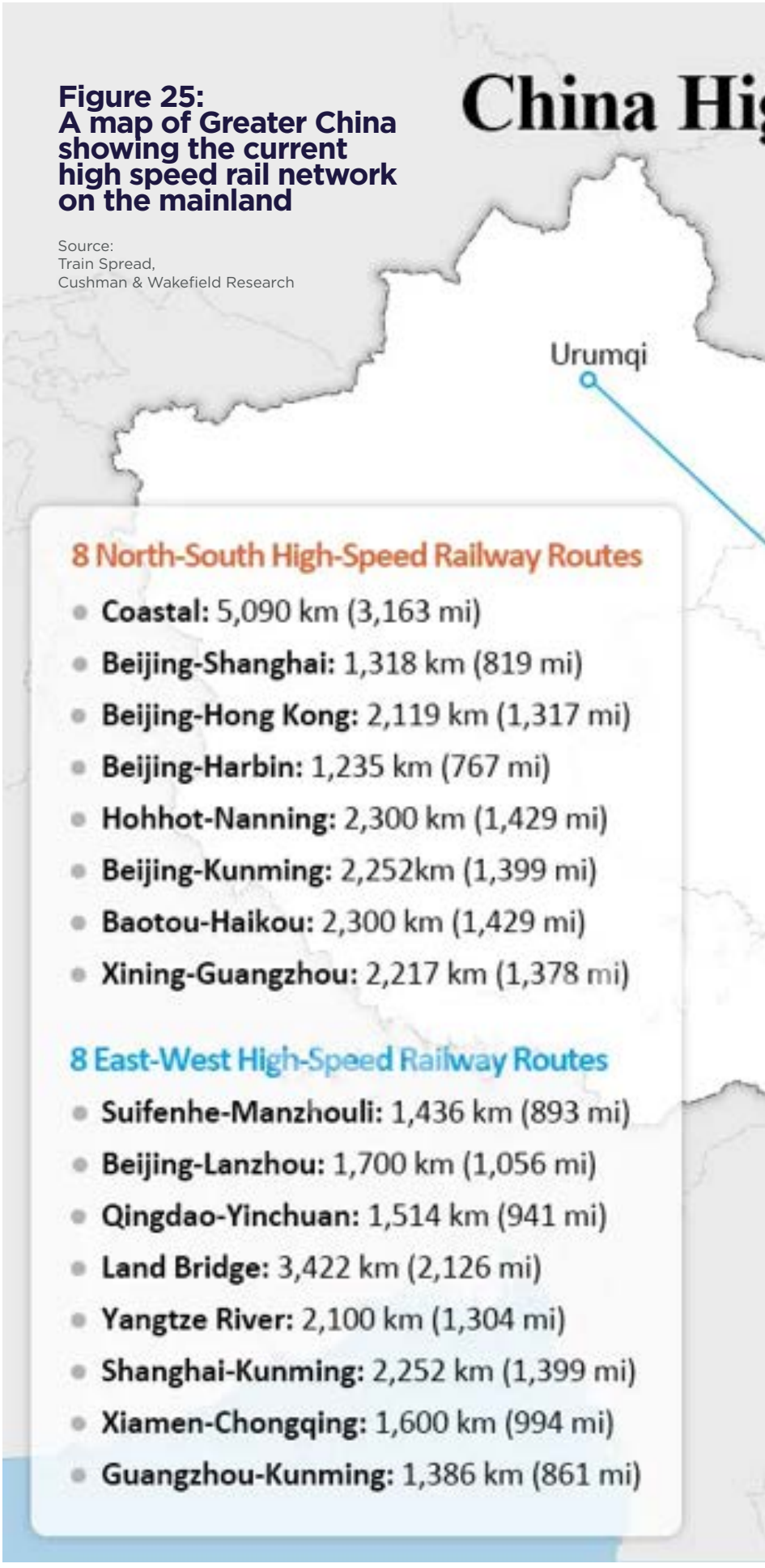
Supportive government policies – such as tax breaks and land incentives – are widely recognised as powerful enablers of real estate development on the Chinese mainland. By lowering enterprise costs and offering subsidies, these initiatives make life sciences-related projects more feasible and attractive, reinforcing long-term confidence in expansion.

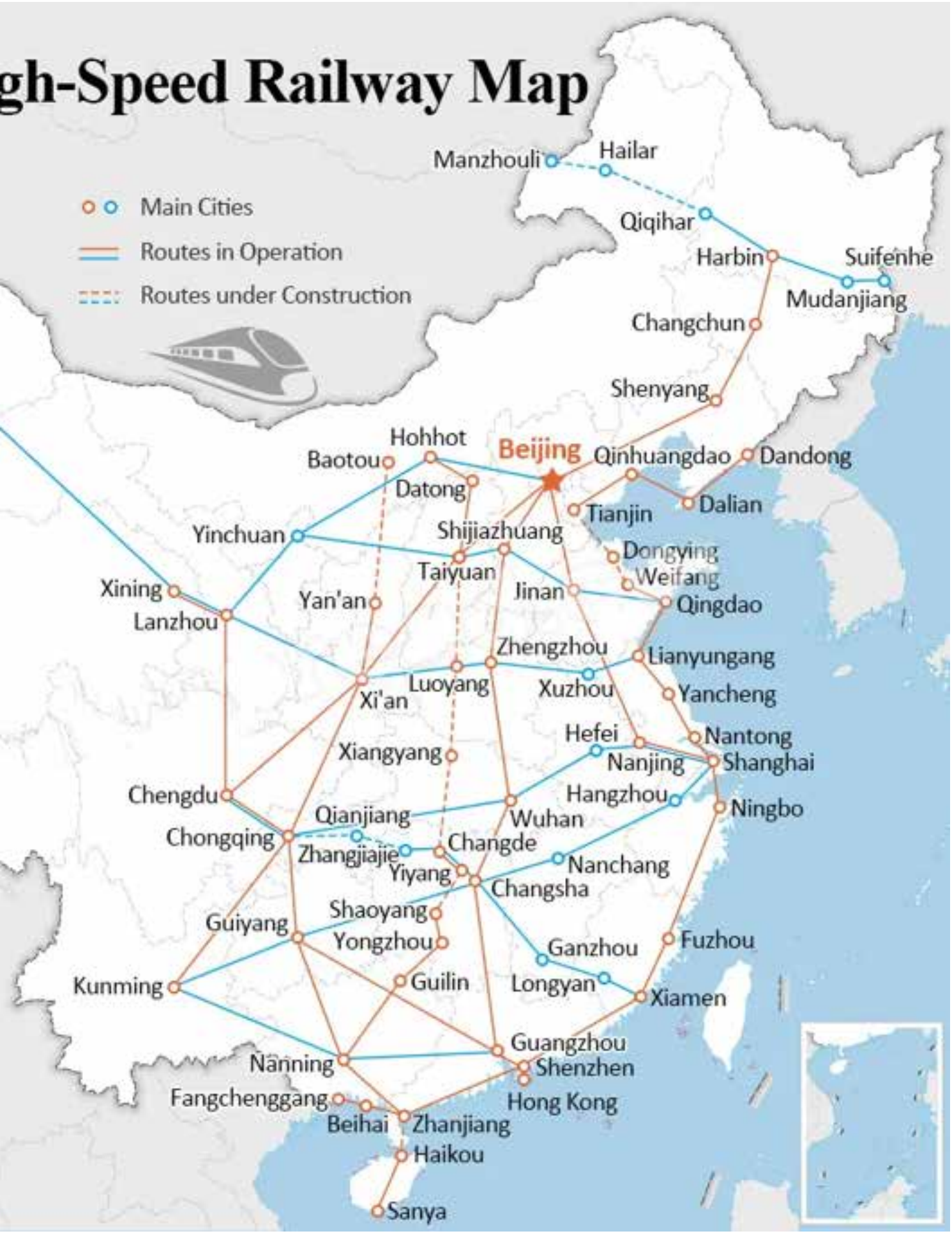
Point 3: Transportation Accessibility as a Key Factor in Regional Value

While mentioned less frequently, convenient transportation remains an important consideration for some interviewed life sciences companies doing business on the Chinese mainland. Improved infrastructure – such as high-speed rail access (Figure 25) – is seen to enhance regional mobility, increase business attractiveness, and contribute to rising property values through greater population inflows.

Figure 25:
A map of Greater China showing the current high speed rail network on the mainland

Source:
Train Spread,
Cushman & Wakefield Research

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Main Cities
Routes in Operation
Routes under Construction
Manzhouli
Hailar
Qiqihar
Harbin
Suifenhe
Mudanjiang
Changchun
Shenyang
Hohhot
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Shijiazhuang
Dongying
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Yongzhou
Ganzhou
Fuzhou
Kunming
Guilin
Longyan
Xiamen
Guangzhou
Nanning
Shenzhen
Fangchenggang
Hong Kong
Beihai
Zhanjiang
Haikou
Sanya

18

Are you considering investing in specialised real estate, such as life sciences parks, innovation hubs, or manufacturing clusters on the Chinese mainland? Why or why not?

Point 1: Market Awareness Shapes Investment Timing

Many of our surveyed respondents acknowledged the current market's complexity, noting that evolving conditions have encouraged a more cautious and strategic approach to investment on the Chinese mainland. Rather than deterring activity, this heightened awareness of policy shifts, economic cycles, and supply-demand dynamics is prompting life sciences companies doing business on the Chinese mainland to be more deliberate and adaptive in their planning.

Point 2: Specialised Industrial Real Estate Gains Strategic Attention

Targeted real estate sectors – such as life sciences parks – are emerging as priority investment areas on the Chinese mainland due to their strong cluster effects, innovation potential, and favourable policy support. As one interviewed respondent noted, life sciences parks offer dynamic research environments and tailored incentives, making them a compelling choice for long-term enterprise development on the Chinese mainland.

Point 3: Leasing Demand Signals Flexibility and Financial Agility

Leasing continues to dominate as the preferred approach for real estate use on the Chinese mainland, particularly in R&D and office functions. Our survey respondents highlighted that rising demand for rental space supports flexible operations and aligns with evolving cash flow and asset management strategies, allowing businesses to stay agile and responsive to change.

19

How do you anticipate the growing focus on innovation and R&D on the Chinese mainland will impact your future real estate requirements?

Point 1: Innovation-Driven Demand for Specialised Industrial Real Estate

The Chinese mainland's strategic focus on innovation and R&D is widely seen by our interview respondents as a key driver of future demand for specialised industrial real estate, particularly for advanced laboratories and high-tech equipment facilities.

Point 2: Policy Support and Cluster Effects Enhance Real Estate Appeal

According to our survey respondents, government incentives – such as tax benefits and land policy support – are making industrial real estate in sectors on the Chinese mainland like healthcare and technology more attractive. Meanwhile, the formation of industry clusters is accelerating the concentration of R&D and manufacturing activities in specific regions, further amplifying real estate demand in these innovation hubs.

Point 3: Shared and Flexible Workspaces on the Rise

With innovation-led life sciences companies embracing more agile work models, there is growing interest by our interview respondents in shared laboratories, open innovation platforms, and other flexible workspace formats. On the Chinese mainland, these evolving workplace preferences are reshaping the demand for life sciences-related office and industrial space in dynamic and collaborative directions.

20

What role will flexible work arrangements and digital infrastructure play in shaping your company's real estate strategy on the Chinese mainland over the next few years?

Point 1: Flexible Work Models to Enhance Space Utilisation and Operational Efficiency

Our survey respondents widely agree that adopting flexible work models can significantly lower fixed office costs while boosting resource efficiency. In the next few years, many interviewed life sciences companies doing business on the Chinese mainland also indicate a willingness to adapt their workplace strategies dynamically in response to evolving business needs and employee preferences.

Point 2: Digital Infrastructure as a Core Pillar of Real Estate Strategy

The development and implementation of digital infrastructure is seen as a critical component of future life sciences-related real estate strategies. Our survey respondents highlight that digital tools not only enhance operational efficiency but also play a vital role in improving the overall employee experience.

Point 3: Synergy of Flexible Work and Digital Infrastructure to Accelerate Strategic Transformation

Several of our interview respondents note that the integration of flexible work models with robust digital infrastructure enhances organisational agility and competitiveness. This combined approach is increasingly regarded as a foundational direction for future life sciences-related real estate planning and workplace transformation on the Chinese mainland.

VITAL SIGNS – THE MARKET

The life sciences sector on the Chinese mainland continues to gain momentum, fuelled by favourable national policies, increased R&D investment, and growing demand for healthcare innovation. Cities such as Beijing, Shanghai, Shenzhen, Guangzhou, and Suzhou have emerged as leading hubs, each cultivating strong ecosystems that combine research institutions, multinational corporations, local biotech firms, and supportive government initiatives (Figure 26).

This section analyses the life sciences real estate landscape across Beijing, Shanghai, Shenzhen, Guangzhou, and Suzhou, highlighting the key factors influencing investor sentiment. It covers existing stock, upcoming supply, and the evolving space requirements of life sciences occupiers – factors that directly impact absorption rates and rental performance. In addition, it explores the growing significance of innovation parks and specialised industrial zones, providing a clear view of both the opportunities and risks in this fast-evolving and resilient asset class.

Figure 26: Major city-market-level life sciences real estate markets on the Chinese mainland

Source:
Cushman & Wakefield Research

LIFE SCIENCES REAL ESTATE LANDSCAPE ACROSS BEIJING

Market Supply Overview

According to the Beijing High-end Industry Development Plan for the 14th Five-Year Period, the city's strategic development is divided between the north and south. In the north, Changping District and Haidian District are focal points, leveraging the scientific and technological strengths of Zhongguancun Science City and Future Science City. These hubs support industrial growth through advancements in basic medical research and cutting-edge technologies.

In the south, Daxing District and the Beijing Economic-Technological Development Area (BDA) prioritise optimised land use planning to attract and concentrate enterprises and projects. This approach enhances the clustering effect and competitiveness of high-end manufacturing industries.

Key projects that have entered the market recently

Project	Location	Floor Area (sq m)	Completion Date
Life Valley International Precision Medicine Industrial Park	Changping Zhongguancun Life Science Park	240,000	2025
Liandong U Valley Daxing Biomedical Enterprise Port No.2 Park	Daxing Biomedical Base	35,000	2024
Beijing Science Park Development Group (BSC) Yizhuang Science and Technology Innovation Park Phase II	The Economic and Technological Development Zone	60,000	2024
Life Valley (International) Bioengineering Innovation Centre	Changping Zhongguancun Life Science Park	290,000	2025

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Industrial, Cushman & Wakefield Research

Market Demand Overview

In the north, Changping and Haidian Districts benefit from the presence of top-tier universities and research institutions, giving them a strong edge in innovation and R&D within the life sciences sector. This advantage continues to attract a high concentration of leading domestic and international enterprises.

In the south, Daxing District and Yizhuang (Beijing Economic-Technological Development Area) strike a balance between research and development and manufacturing, supporting a more integrated and complete life sciences industrial chain.

Representative recent tenant leasing activity

Company	Business Field	Project (Space Leased In)	Leased Area (sq m)
Beijing Baylx Biotech	Innovative Drug R&D	CR Land (Beijing) Life Science Park	10,000
GenePlus	Genetic Testing	Peking University Medical Industry Park	6,000
Beijing Tiancheng Pharmaceutical Technology Co., Ltd	Innovative Drug R&D	Peking University Medical Industry Park	8,000
Beijing T&L Biotechnology	Cell and Gene Therapy (CGT)	Liandong U Valley Daxing Biomedical Technology Industrial Park	6,000
Allgens Medical Science & Technology	Medical Devices	Zhongguancun Medical Devices Park	2,000

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Industrial, Cushman & Wakefield Research

Life sciences industrial park market analysis (Q2 2025)

Life Sciences Location	Life Sciences Property Stock (sq m)	Average Vacancy Rate	Rental (RMB/sq m/day)
Changping Zhongguancun Life Science Park	753,000	8%	3.0-5.0
Economic and Technological Development Zone	640,300	18%	1.7-3.5
Daxing Biological Pharmaceutical Industry Base	88,3100	7%	1.7-2.4

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Industrial, Cushman & Wakefield Research

Market Development Outlook

According to the Beijing Implementation Plan for Promoting Innovative Development of Future Industries, the city is prioritising advancements in future life and health technologies to meet evolving medical needs. Key regions identified for this development include Haidian, Shijingshan, Tongzhou, Changping, Daxing, Pinggu, Miyun, and the Beijing Economic-Technological Development Area (BDA).

The focus is on accelerating growth in cutting-edge sub-sectors such as genetic technology, cell therapy and regenerative medicine, brain science and brain-computer interfaces, and synthetic biology, strengthening Beijing's position as a leader in next-generation life sciences innovation.

Property market outlook

Location	Key Future Supply Projects	Overall Vacancy Trend	Overall Rental Trend
Changping Zhongguancun Life Science Park	Life Valley Dart Innovation Complex	→	→
Economic and Technological Development Zone	Plot A12-1, Yizhuang East Industrial Zone, Biomedical Standard Workshop, Yizhuang Life and Health Industrial Zone	↓	↑
Daxing Biological Pharmaceutical Industry Base	Beijing Uni-Construction Group Yi'an Life Science Park	→	→

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Industrial, Cushman & Wakefield Research

LIFE SCIENCES REAL ESTATE LANDSCAPE ACROSS SHANGHAI

Market Supply Overview

To realise its goal of becoming a core hub for a world-class biomedical industry cluster, Shanghai has introduced the "1+5+X" biomedical industry park planning layout. This framework promotes specialised sub-sector focus within each area, enabling coordinated yet differentiated development that fosters industry synergies.

According to ongoing market tracking by Cushman & Wakefield, Shanghai is now home to over 110 biomedical-focused parks, with a total above-ground construction area exceeding 8.668 million square metres – underscoring the city's robust and expanding supply base.

Key projects that have entered the market recently

Project	Location	Floor Area (sq m)	Completion Date
Shanghai Biopharmaceutical Frontier Industry Innovation Centre	Zhangjiang Biomedical Innovation Core Area	126,000	2024
899 Halei Road Project	Zhangjiang Biomedical Innovation Core Area	28,219	2024
Shanghai International Medical Park Medical Device Accelerator Phases 1-3	Zhangjiang Biomedical Innovation Core Area	138,000	2025
CBC Life Science Park, QingPu, Shanghai	Qingpu Life Sciences Park	140,000	2024
Daling Bay Guosheng Health Cloud City	South Hongqiao Smart Medical Innovation Pilot Zone	180,000	2024
Wego	South Hongqiao Smart Medical Innovation Pilot Zone	180,000	2025

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Research

Market Demand Overview

Shanghai has prioritised the development of its biomedical industry for over 30 years, and is now accelerating efforts to build a comprehensive industrial chain spanning R&D, clinical trials, manufacturing, and application.

In 2024, the total scale of Shanghai's biomedical industry reached RMB 984.7 billion, marking an increase of RMB 51 billion from the previous year. The manufacturing output value stood at RMB 201.167 billion, representing a year-on-year growth of 3.3%, with an increase of RMB 15.192 billion – highlighting the sector's steady momentum.

Representative recent tenant leasing activity

Company	Business Field	Project (Space Leased In)	Leased Area (sq m)
Sino Bio	Cell and Gene Therapy	Zhangjiang Colud Cube	3,000
DMR Biotechnology	Innovative Drug R&D	Lingang Life Science and Technology Park Phase 2	6,300
Hengsai Biotechnology	Oncology Immunotherapy	Lingang Life Science and Technology Park Phase 2	6,300
DNK Medical Technology	Medical Devices	Liandong U Valley Qingpu International Enterprise Bay Phase 2	1,200
Akesobio	Macromolecular Biologics R&D	Zhangjiang Gene Island	2,500
Zai Lab	Innovative Drug R&D	899 Halei Road Project	8,000

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Research

Life sciences industrial park market analysis (Q2 2025)

Life Sciences Location	Life Sciences Property Stock (sq m)	Average Vacancy Rate	Rental (RMB/ sq m/day)
Zhangjiang Biomedical Innovation Core Area	1,176,600 (Zhangjiang Pharma Valley Core Area)	15%	3.5-7.5
Lingang Special Area Precision Medicine Pilot Demonstration Zone	710,500	17%	1.6-1.7
Oriental Beauty Valley Life and Health Integration Development Zone	208,500	28%	1.0-1.5
Jinhai' An Modern Pharmaceutical Leading Area	340,800	10%	0.8-1.1
South Hongqiao Smart Medical Innovation Pilot Zone	340,700 (Minhang Economic and Technological Development Zone)	17%	1.6-2.4
North Shanghai Biomedical High-end Manufacturing Cluster	526,300	21%	0.6-1.8

Source: Shanghai Municipal Commission of Economy and Informatisation, the 14th Five-Year Plan for the Development of Shanghai's Biomedical Industry,
Cushman & Wakefield Valuation and Cushman & Wakefield Research

Market Development Outlook

As Shanghai's biomedical industry continues to expand and related sub-sectors deepen their development, key projects across all major sectors are expected to enter the market, driving a sustained increase in market capacity. At the same time, the city's overall industrial carrier layout will undergo further upgrades, reinforcing resilience and injecting greater vitality into the sector's long-term growth.

Property market outlook

Location	Key Future Supply Projects	Overall Vacancy Trend	Overall Rental Trend
Zhangjiang Biomedical Innovation Core Area	Zhangjiang Zhi Shang	→	→
Lingang Special Area Precision Medicine Pilot Demonstration Zone	/	→	→
Oriental Beauty Valley Life and Health Integration Development Zone	Baoji e Medicine Valley	→	→
South Hongqiao Smart Medical Innovation Pilot Zone	New Hongqiao International Medical Centre	↓	↑
North Shanghai Biomedical High-end Manufacturing Cluster	Cathay Life Sciences Park	→	→
Qingpu Life Sciences Park	DNE Qingpu Life Sciences Park	↓	↑

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Research

LIFE SCIENCES REAL ESTATE LANDSCAPE ACROSS SHENZHEN

Market Supply Overview

Shenzhen's major life science clusters now offer over 2.6 million sq m of professional park space, supporting both R&D and production while providing living amenities for talent. These parks are increasingly specialised, with more advanced functions.

Pingshan District, the core biomedical hub, hosts China's only national bio-industry base. By 2024, it had 1,287 biopharma firms, including 108 large-scale enterprises. It contributes a quarter of Shenzhen's drug manufacturers, device certificates, and related metrics, with industry output reaching RMB26.79 billion (up 4.7% y-o-y).

Guangming District leads in synthetic biology, featuring the Guangming Biomedical Engineering Innovation Zone focused on gene, macromolecule, and cell technologies. By end-2024, it had 123 synthetic biology firms valued at nearly RMB40 billion.

Dapeng New District has 13 municipal-level innovation platforms, including two key labs and six research centres. It hosts 200+ biomedical and health enterprises, with 30 national high-tech firms. The Shenzhen International Bio-Valley includes 10+ institutes and over 200 IP rights.

Futian District is building a Shenzhen-Hong Kong biomedical cluster. In 2024, its biomedical sector added RMB4.71 billion in value (up 4.6% y-o-y), with enterprise growth over 10%. The Hong Kong-Shenzhen Biomedical Innovation Zone includes nearly 300,000 sq m of specialised space, such as the Hetao Science and Innovation Centre, now designated as a professional biomedical park. AI integration is planned to enhance R&D and speed up product launches.

Key projects that have entered the market recently

Project	Location	Floor Area (sq m)	Completion Date
Life Valley International Precision Medicine Industrial Park	Changping Zhongguancun Life Science Park	240,000	2025
Liandong U Valley Daxing Biomedical Enterprise Port No.2 Park	Daxing Biomedical Base	35,000	2024
Beijing Science Park Development Group (BSC) Yizhuang Science and Technology Innovation Park Phase II	The Economic and Technological Development Zone	60,000	2024
Life Valley (International) Bioengineering Innovation Centre	Changping Zhongguancun Life Science Park	290,000	2025

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Research

Market Demand Overview

The life science industry is a strategic pillar in Shenzhen, supported by a robust innovation ecosystem, strong financial backing, and close Shenzhen-Hong Kong collaboration. The city offers a first-class business environment for entrepreneurship and has built major scientific infrastructure in fields such as synthetic biology, brain analysis, and brain simulation.

Shenzhen has established pioneering institutions including the Shenzhen Academy of Medical Sciences, the country's first National Key Laboratory of Quantitative Synthetic Biology, and the first National Synthetic Biology College. It also hosts the Biomedical Safety Evaluation Centre and the Greater Bay Area Pharmaceutical Review Sub-centre and is home to China's only National Innovation Centre for the Biomanufacturing Industry.

To support enterprise growth, Shenzhen has launched angel and guidance funds focused on synthetic biology and created a coordinated investment mechanism with over 10 domestic investment institutions.

As a result, a comprehensive life science ecosystem – spanning basic research, commercialisation, financing, and talent development – has taken shape. With continued national policy and funding support, Shenzhen is set to nurture a growing number of life science enterprises, injecting fresh vitality and demand into the property market.

Representative recent tenant leasing activity

Company	Business Field	Project (Space Leased In)	Leased Area (sq m)
Shenzhen Qingyuan Kuntai Bio-technology	Medical Equipment	Shenzhen Biomedical Innovation Industrial Park	2,737
Shenzhen Dafo Pharmaceuticals	Pharmaceuticals	Shenzhen Biomedical Innovation Industrial Park	4,936
Shenzhen Agricultural Science and Technology Innovation Group Ltd	Healthy Foods	Hetao Science and Technology Innovation Centre Park	1,029
Guangdong-Hong Kong-Macao Greater Bay Area International Clinical Trials Centre	Clinical Trials	Hetao Science and Technology Innovation Centre Park	1,254
Huaxi Tangan Biotechnology (Shenzhen)	Synthetic Biology	Silver Star Synthetic Biotechnology Park	N/A

Source: Supply and Demand Platform for Shenzhen Industrial Land and Premises, Cushman & Wakefield Research

Life sciences industrial park market analysis (Q2 2025)

Life Sciences Location	Life Sciences Property Stock (sq m)	Average Vacancy Rate	Rental (RMB/sq m/day)
Pingshan National Biological Industry Base	1,502,000	26%	1.1-2.0
Guangming Biomedical Engineering Innovation Demonstration Zone	330,000	10%	2.3-3.7
Baguang International Bio Industry Valley	827,000	20%	1.0-1.5
Hong Kong-Shenzhen Biomedical Innovation Policy Exploration Zone	377,000	5%	3.8-4.6

Source: Shenzhen Biomedical Industry Clustering Development Implementation Programme (2020-2025), Cushman & Wakefield Research

Market Development Outlook

The rapid expansion of professional parks in recent years has intensified competition within industry. Over the next two to three years, more than 1.7 million sq m of new industrial space is expected to come online across Shenzhen's major life science clusters. At the same time, demand from life science enterprises currently located in smaller, decentralised parks may shift toward these core clusters. This convergence of new supply and shifting demand will pose challenges to future investment returns and rental growth.

Property market outlook

Location	Key Future Supply Projects	Overall Vacancy Trend	Overall Rental Trend
Guangming Biomedical Engineering Innovation Demonstration Zone	Phase III of Weiguang Life Science Park	↑	↓
Baolong Biopharmaceutical Innovation and Development Pilot Zone	Bay Area Future Tech Park	↑	↓

Source: Cushman & Wakefield Research

LIFE SCIENCES REAL ESTATE LANDSCAPE ACROSS GUANGZHOU

Market Supply Overview

The biomedical and health industry is a strategic pillar in Guangzhou's "12218" modern industrial system, rapidly advancing under strong policy support. The 2024 "Measures to Promote High-Quality Development of the Biopharmaceutical Industry" established a "one core, two hubs" spatial framework, centred on Bio-Island with Nansha Science City and Sino-Singapore Guangzhou Knowledge City (SSGKC)/ Airport Hub as dual poles. The 2025 "Implementation Plan for Developing Guangzhou High-Value Biopharmaceutical Parks" targets an industrial cluster valued at RMB400 billion, focusing on Huangpu, Nansha, Yuexiu, and Liwan districts.

Policy incentives are driving industrial expansion: the Nansha Hengli Bio-Pharma Park, launched in 2024, adds 150,000 sq m of space dedicated to medical technology and oncology, while Guangzhou iCampus on Bio-Island offers comprehensive innovation services.

Key projects that have entered the market recently

Project	Location	Floor Area (sq m)	Completion Date
Maipu Medical Building	Guangzhou Science City	54,000	2022
BioGBA	Guangzhou Science City	117,109	2023
IHM Guangdong-Hong Kong-Macao Greater Bay Area High-performance Medical Device Innovation Centre	Guangzhou International Biological Island	55,000	2023
SSGKC's Innovative Vaccine Production Base	Sino-Singapore Guangzhou Knowledge City	105,816	2023
Greater Bay Area Collaborative Innovation Centre	Guangzhou International Biological Island	154,000	2025
SSGKC's Health Industry Park	Sino-Singapore Guangzhou Knowledge City	83,000	2025

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Research

Market Demand Overview

With over 6,500 biomedicine and health enterprises, Guangzhou leads the nation in industry scale, company numbers, and innovation capacity. Huangpu District stands out, with its biomedicine firms growing from 1,000 in 2017 to 4,800 in 2024 – a 3.8-fold increase – and hosting major players like AstraZeneca, Hengrui Pharma, BeiGene, DAAN Gene, Wondfo, Thermo Fisher Scientific, and Fresenius.

Representative recent tenant leasing activity

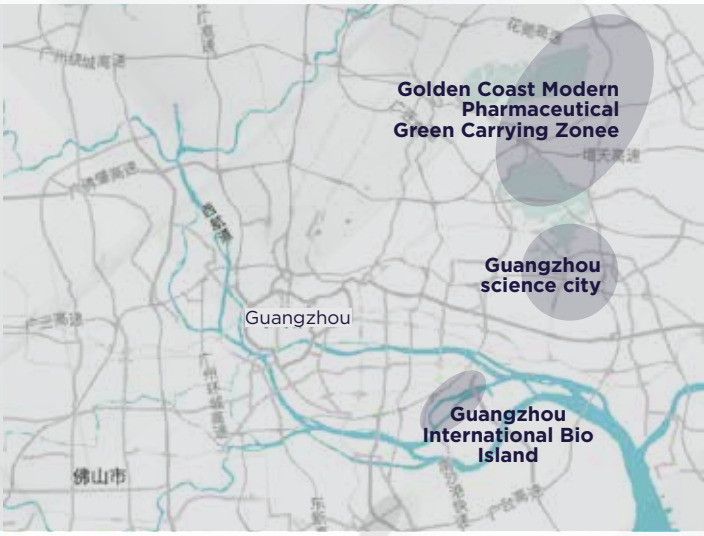
Company	Business Field	Project (Space Leased In)	Leased Area (sq m)
Thermo Fisher Scientific	Medical devices	SSGKC's Health Industry Park	18,000
Cothera Bioscience Guangzhou	Drug discovery	Cannano	350
Innogen Pharmaceutical	Drug discovery	Guangzhou International Biological Island	1,000
Vivolight	Medical Device R&D	Scientific and Technological Business Accelerator	1,500
MingCeler	Animal modelling technology	Guangzhou iCampus	/
Xianjin Regenerative Medicine	Regenerative medicine	Hengli Biomedical Industrial Park	8,000

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Research

Life sciences industrial park market analysis (Q2 2025)

Life Sciences Location	Life Sciences Property Stock (sq m)	Average Vacancy Rate	Rental (RMB/ sq m/day)
Guangzhou International Biological Island	773,887	15%	1.8-4.0
Guangzhou Science City	402,240	15%-20%	1.1-2.3
Sino-Singapore Guangzhou Knowledge City	418,838	40%	1.0-1.7

Source: Cushman & Wakefield Industrial, Cushman & Wakefield Research



Market Development Outlook

The industry's deepening development has boosted R&D investment and innovation translation, increasing demand for specialised facilities, advanced labs, and smart production infrastructure. This will continue to drive ongoing upgrades to industrial parks. The Life Sciences and Technology Port Phase I in SSGKC will deliver 80,000 sq m of R&D and manufacturing space for medical technology and pharmaceuticals by late 2025.

Property market outlook

Location	Key Future Supply Projects	Overall Vacancy Trend	Overall Rental Trend
Guangzhou International Biological Island	Luye Life Sciences Innovation Headquarters	→	↓
Guangzhou Science City	BioGBA Phase II	↑	↓
Sino-Singapore Guangzhou Knowledge City	Life Sciences and Technology Port	↑	↓

Source: Cushman & Wakefield Industrial, Cushman & Wakefield Research

LIFE SCIENCES REAL ESTATE LANDSCAPE ACROSS SUZHOU

Market Supply Overview

Suzhou's life sciences industry was initiated in 2006, entered a phase of rapid development between 2010 and 2015, and has since evolved into a mature "1+N" biomedical industry landscape. Anchored by Suzhou Industrial Park as the core engine, the city has achieved increasingly integrated development across key areas including the High-tech Zone and Wuzhong District.

In 2024, Suzhou continued to lead the nation in the number of approved innovative drugs, with its comprehensive industrial competitiveness firmly positioned among the top tier nationally.

Key projects that have entered the market recently

Project	Location	Floor Area (sq m)	Completion Date
Kangwu Life Science and Health Park	Wuzhong District	113,000	Q2 2025
Suzhou BioBAY Phase 7	Suzhou Industrial Park	127,000	Q1 2025
Suzhou BioBAY Phase 6	Suzhou Industrial Park	242000	Q3 2024
Shishan Life Science and Health Park	Suzhou National Hi-Tech District	99,000	Q2 2024

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Research

Market Demand Overview

As of 2024, Suzhou is home to 2,002 biomedical enterprises, reflecting the city's strong industrial foundation. In 2023, the total industrial output value of large-scale pharmaceutical manufacturing reached RMB 68.023 billion.

In the field of innovative R&D, Suzhou achieved notable milestones, with the approval and launch of 5 innovative drugs and 8 modified new drugs over the year – highlighting the city's robust innovation capabilities.

Further solidifying its leadership position, Suzhou's biomedical industry cluster received an excellent rating in the national strategic emerging industry cluster evaluation, making it the only cluster in Jiangsu Province to earn this distinction.

Representative recent tenant leasing activity

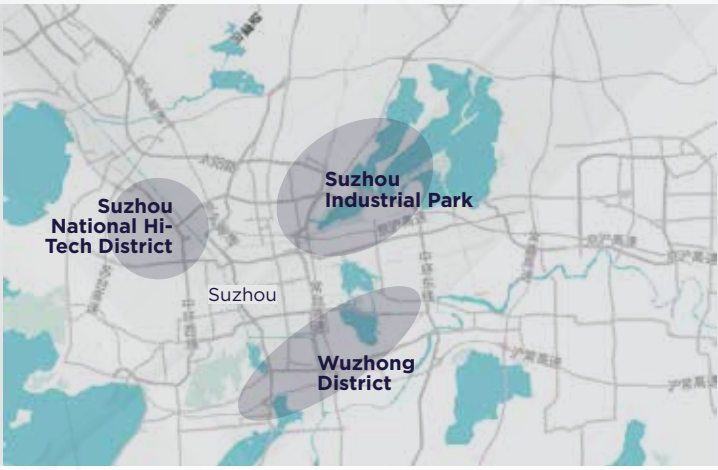
Company	Business Field	Project (Space Leased In)	Leased Area (sq m)
Abogenbio	Biopharmaceuticals	Suzhou BioBAY Phase 5, Unit B	19,000
Innobio	CRO	Suzhou BioBAY Phase 5, Unit D	10,000
Huayue Health Industry group	Medical Devices	Shishan Life Science and Health Park	11,500
Ignis Therapeutics	Biotechnology	Wuzhong Biomedical Industrial Park Phase 3	12,000

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Research

Suzhou Life Sciences Industrial Park Market Analysis (Q2 2025)

Life Sciences Location	Life Sciences Property Stock (sq m)	Average Vacancy Rate	Rental (RMB/ sq m/day)
Suzhou Industrial Park	2,419,000	8%	1.0-2.0
Suzhou National Hi-Tech District	1,614,000	8%	1.0-1.5
Wuzhong District	454,000	20%	1.0-1.3

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Research



Market Development Outlook

Within Suzhou's "1+N" biomedical industry framework, the three core regions will continue to deepen collaboration by leveraging their complementary strengths:

- Suzhou Industrial Park (SIP) continues to lead in innovation, supported by a strong concentration of top-tier talent and R&D capacity. However, with limited available land, its future development will prioritise policy-driven spatial optimization to sustain growth.
- The High-tech Zone is focusing on expanding high-end industrial carriers, actively introducing market-oriented platforms such as Yishang and Chuangyuan to accelerate the clustering of advanced biomedical enterprises.
- Wuzhong District, endowed with abundant land resources, is evolving into a strategic manufacturing hinterland, offering flexible, customized factory spaces and self-built land options to accommodate large-scale production and support functions.

Together, these three districts form a coordinated and differentiated development model, which will collectively drive the upgrading and expansion of Suzhou's biomedical industrial capabilities.

Property market outlook

Location	Key Future Supply Projects	Overall Vacancy Trend	Overall Rental Trend
Suzhou Industrial Park	Suzhou BioBAY Phase 4, Unit A	→	→
Suzhou National Hi-Tech District	Medpark Listing Base	→	→
ESR International Life Science Industrial Park	Wuzhong Biomedical Industrial Park Phase 5	↓	→

Source: Cushman & Wakefield Valuation, Cushman & Wakefield Research

KEY TAKEAWAYS

Policy Reform Is Fueling Sector Growth:
National and city-level policies are liberalising foreign investment, streamlining approvals, and offering incentives for innovative drugs and foreign-funded hospitals.

Innovation Is Surging:
Chinese life sciences companies are moving up the value chain, achieving global recognition in biopharma, gene therapy, and AI-powered R&D.

Regional Clusters Are Key:
Major hubs like Beijing, Shanghai, Shenzhen, Guangzhou and Suzhou lead in providing advanced infrastructure, but emerging regions like Chengdu and Ningbo are gaining momentum.

Landlords Are Adapting:
Developers are prioritising flexible leasing, asset-light models, and specialised infrastructure (e.g., GMP labs, cleanrooms) to attract high-quality tenants.

Occupiers Seek Integration:
Life sciences companies favour locations with proximity to talent, hospitals, and policy incentives. They prioritise modular, ESG-compliant, and tech-enabled spaces.

Sustainability and Compliance Are Critical:
Stricter environmental and manufacturing standards are reshaping real estate investment and operational decisions.

Flexibility and Ecosystem Integration Are Essential:
Shared labs, innovation platforms, and tenant service ecosystems will define competitive life sciences parks.

Future Growth Is Tech-Driven:
Ahead, trends such as personalised medicine, AI-driven discovery, and synthetic biology will drive demand for custom-built real estate solutions.

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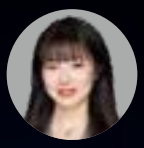

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