

## PRICE-FOR-LEASE AREA STRATEGIES EVIDENT IN GRADE A MARKET

Citywide total Grade A office stock expanded past 9 million sq m as at the end of Q4 2025. New project entrants, coupled with relocation activity to headquarters buildings, prompted the citywide overall vacancy rate up 0.4 percentage points q-o-q to record 29.4%. Price-for-lease area strategies continued in Q4, in turn pulling down the monthly average rental level 11.7% y-o-y to RMB149.4 per sq m. Quarterly net absorption for Q4 reached 104,000 sq m.

Some high-quality and cost-effective office projects showed strong absorption performance this year. However, older properties are grappling with tenant losses due to outdated facilities and more basic services, and reimagining the competitiveness of such aging projects is now a key challenge.

## TMT SECTOR DOMINATES FULL-YEAR LEASING TRANSACTIONS

The TMT sector dominated the Grade A office leasing market in 2025, accounting for approximately one-third of the total leased area. AI-related enterprises have exhibited strong leasing momentum through the year.

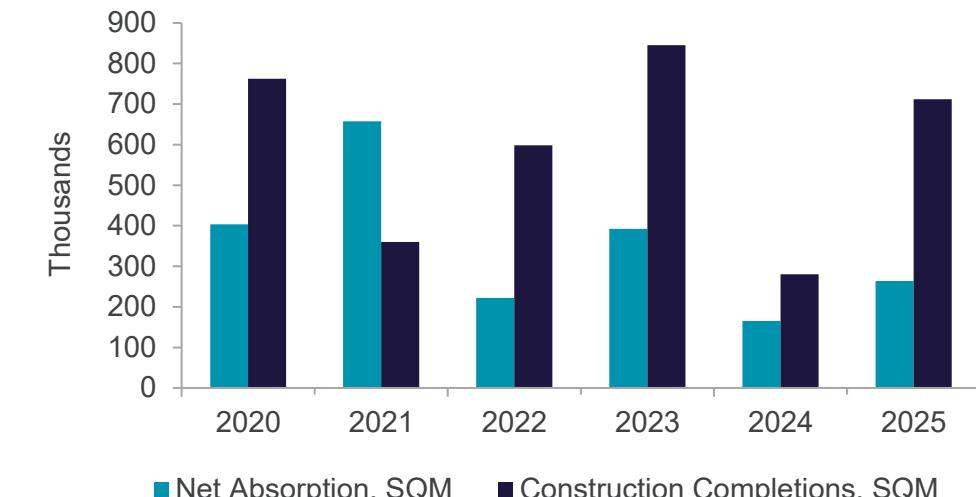
Enterprises engaged in 'embodied intelligence' have specifically taken a substantially greater share of leased area compared with prior years. Selected consumer electronics enterprises are also emerging as key contributors to leasing demand, while large-scale relocations by tech giants further bolstered growth in leasing space within the TMT sector in the year.

Export firms also demonstrated strong performance in 2025, reflecting that globalized supply chains remain robust. Office space operators have also experienced an upturn, with their flexible lease terms better aligned with the needs of startups and small and medium-sized enterprises.

## PROPERTY OWNERS FURTHER ADVANCE LEASING PLANS

More than 1 million sq m of new supply is scheduled to enter the market in 2026. Fierce competition has compelled property owners to advance leasing plans. Against the backdrop of intensified homogenized competition, property owners need to focus on the core needs of enterprises and to provide more targeted value-added services, by developing differentiated offerings to strengthen property competitiveness.

## SPACE DEMAND / DELIVERIES



## OVERALL VACANCY RATE & GRADE A RENT



## MARKET STATISTICS

SUBMARKET	INVENTORY (SQ M)	VACANT (SQ M)	VACANCY RATE	FUTURE SUPPLY TILL 2028 (SQ M)	RMB/SQ M/MO	GRADE A FACE RENT US\$/SF/MO	EUR/SF/MO
Luohu	676,813	250,447	37.0%	320,634	¥122.80	US\$1.62	€1.38
Futian	3,567,697	734,687	20.6%	494,990	¥166.44	US\$2.19	€1.87
Nanshan	2,263,310	651,150	28.8%	2,652,105	¥159.92	US\$2.11	€1.79
Qianhai	2,067,103	854,366	41.3%	1,261,163	¥120.74	US\$1.59	€1.35
Bao'an	506,624	180,487	35.6%	220,978	¥134.43	US\$1.77	€1.51
<b>SHENZHEN GRADE A TOTAL</b>	<b>9,081,547</b>	<b>2,671,136</b>	<b>29.4%</b>	<b>4,949,870</b>	<b>¥149.38</b>	<b>US\$1.97</b>	<b>€1.68</b>

Face Rent is calculated based on gross floor area and assuming a letting of mid floors for a typical three-year lease term with VAT.

Exchange Rate: 1 USD = 7.05225664 RMB= 0.85163697 Euros (2025.12.15)

## KEY LEASE TRANSACTIONS Q4 2025

PROPERTY	SUBMARKET	TENANT	SQ M	TYPE
Dabaihui Plaza	Futian CBD	SY Holdings	4,700	Relocation & Expansion
Hengchang Technology Building	Qianhai	SmartMore	4,000	Expansion
Qianhai Financial Center	Qianhai	HUAZHJUN	2,500	Relocation
Satcom Tower	Bao'an Center	ATK	2,000	Relocation

## SIGNIFICANT PROJECTS PLANNED &amp; UNDER CONSTRUCTION

PROPERTY	SUBMARKET	DEVELOPER	SQ M	COMPLETION DATE
China Merchants Bank Global Headquarters Building	SZ Bay HQ Base	China Merchants Bank	254,400	2026
Shenzhen Metro Qianhai Times Headquarters Center	Qianhai	Shenzhen Metro	169,350	2026
Hongfan Building	Bao'an Center	Hongqiao Investment Holdings	52,900	2027
ZTE Headquarters Base Project	SZ Bay HQ Base	ZTE	121,540	2027
Smoore Technology Tower	Bao'an Center	Smoore	64,200	2027

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