



REIMAGINING OFFICE SPACES FOR TOMORROW'S WORKFORCE

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Office Portfolio



Canopy by Hilton,
Longkloof, Cape Town

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144 Oxford Road, Illovo, Johannesburg

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KEY OFFICE PERFORMANCE INDICATORS

Quarter 1 ending Sept 2025 - R26.9bn

KPI	Dec 24	Jun 25	Sept 25	Movement	Comment
GLA	1 613 493m ²	1 596 233m ²	1 580 323m ²	↓	15 910m ² reduction
No of assets	149	146	143	↓	3 asset disposals
Vacancy	15.9%	14.6%	14.6%	→	33 584m ² let
Weighted average renewal growth	-6.9%	-3.2%	-11.4%	↓	
Weighted average future escalations on renewals	7.5%	7.5%	6.6%	↓	
Renewal success rate	45.5%	57.5%	81.5%	↑	89 592m ² renewed
Weighted average lease expiry (years)	3.0	3.0	4.2	↑	

VISION AND STRATEGY FOR THE OFFICE PORTFOLIO



The office strategy focuses on ensuring we have a relevant portfolio of properties in the major metropolises of South Africa, and we will do this by ensuring:

We own desirable properties by

- » Disposing of the non desirable properties
- » Investing and reinvesting in desirable properties

Providing an enhanced offering by developing value adding services

FACTORS THAT AFFECT TOMORROW'S OFFICE SPACES

DISPOSALS

Disposals has been a focus, and we have seen good progress

»2024	R104 000 000
»2025	R432 300 000
»2026	R126 000 000

...with a further 10 properties worth R960 700 000 in discussion and finalisation

INVESTMENTS

- »36 Hans Strijdom (Ninety One), Foreshore, Cape Town
- »199 Umhlanga Ridge Boulevard, Cornubia, Durban
- »Hilton Canopy Hotel, Longkloof, Cape Town
- »Cape Town Foreshore (Site B & Wharf site), Foreshore, Cape Town
- »Reinvestment in the existing portfolio

VALUE ADDING SERVICES

- »Digital enhancements to improve the client's experience
- »Control room
- »ECO² and Tradeable renewable energy certificates
- »Incentives (SmartFLIGHT)

THE WORKPLACE OF THE FUTURE - WHAT WE WERE TOLD



Oxford Corner, Rosebank, Johannesburg

An employee will say they are **productive at home**

An employer is likely to say they **want people back** (“RTW5”)

Space planners will tell you that you **need to redesign** your entire space

Collaborative workspace providers will tell you “**free beer**”
is a good idea and **shared workspace** is the future

A landlord will tell you **people are coming back** to the office

Occupancy **statistics from around the world are shared**,
the **more alarming the more likely** it’s to be shown and shared

THE WORKPLACE OF THE FUTURE - WHAT WE WERE TOLD



Discovery, Sandhurst, Johannesburg

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Offices Around America Hit a New Vacancy Record

The 19.6% of office space that isn't leased is the highest since at least 1979

By [Konrad Putzier](#) [Follow](#)

Jan. 8, 2024 5:30 am ET

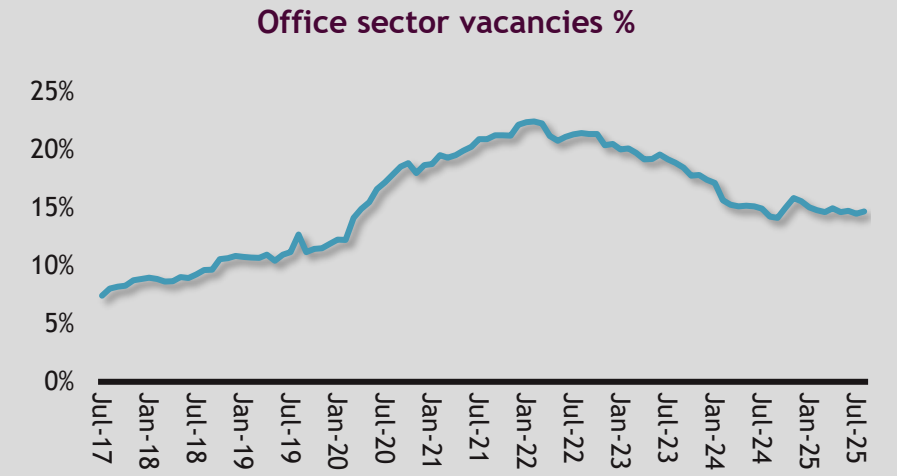
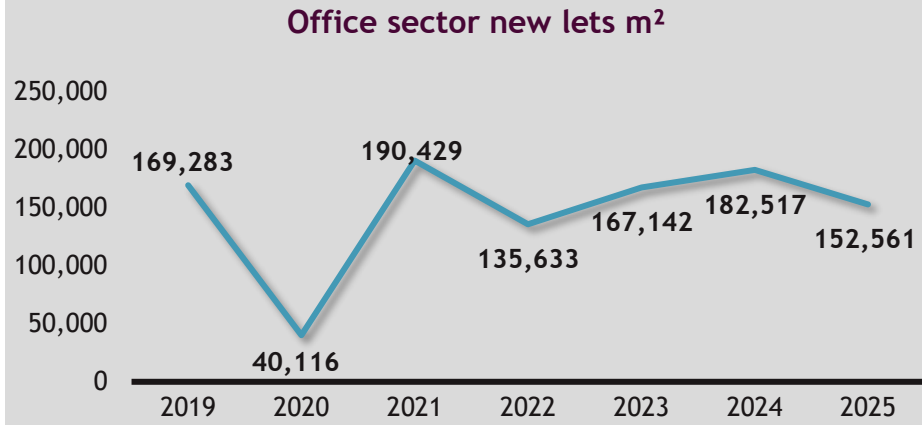
OFFICES ARE RELEVANT



Vacancies at 14.6% means they are **85.4%** occupied

Coastal demand **exceeds** supply

Inland supply **exceeds** demand, but there is still demand



ANTICIPATING THE FUTURE

*We can't anticipate every need exactly
We can anticipate the dominant themes*

144 Oxford Road, Illovo,
Johannesburg

FACTORS THAT AFFECT TOMORROW'S OFFICE SPACES

WAYS OF WORKING

- » Full time office
- » Work from home
- » Flexible & hybrid arrangements

THE BENEFITS OF HAVING AN OFFICE

- » Culture
- » Onboarding
- » Team cohesion
- » Collaboration
- » Learning
- » Client interaction & engagement

FLEXIBILITY

- » Lease length
- » Space
 - Floor size
 - Sub divisibility
 - Density
 - Flexible parking
- » The product offering
 - Collaborative workspace (shared office)
 - Dedicated furnished and serviced offices
 - Traditional
- » The fit out

TECHNOLOGY AND AI

- » Rapid change
- » Embraced with systems and procedures and the offering
- » Impact of AI on the BPO market

DESIRABILITY

- » To make sense of the world - we invent categories & force facts into separated pigeonholes
- » Premium, A, B and C grade buildings per SAPOA
- » High rise, low rise and office parks in valuations
- » Green star ratings & other ESG classifications
- » We classify geographical areas as nodes & generalise past performance & future prospects of properties clustered in a node
- » While still relevant, if we reimagining office spaces for tomorrow's workforce we need to change the lens we use and focus on the client's perspective

DESIRABILITY

The best way to consider desirability from a client's perspective is to look at a case study

Longkloof was:

- » 4 separate buildings
- » 12 000m² of conventional offices
- » 1 small Spar convenience store



Longkloof became a precinct consisting of:

- » 12 000m² of mixed offices, collaborative, furnished and traditional spaces which were subdivisible
- » 154 bed hotel under the brand of Canopy by Hilton Cape Town Longkloof
- » 1 200m² of bespoke artisanal retail shops
- » An activated piazza and place of connection
- » A neighbourhood



DESIRABILITY

Desirability is something a client subjectively feels but there are objective criteria



DESIRABILITY

*“I long, as does every human being,
to be at home wherever I find myself”*

Maya Angelou



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DESIRABILITY

Desirability is also relevant for the landlord and investor and their factors include



Longkloof Studios, Gardens, Cape Town

Historical financial performance

Rental rates in force and future potential

Vacancy rates

Lease length

Tenant quality and covenant

Anticipated tenant installation and capex

Floor sub divisibility

Ability to exit at the end of the Investment term

REIMAGINING OFFICE SPACES FOR TOMORROW'S WORKFORCE

By focusing on our clients needs and anticipating them we are able to provide the office spaces for tomorrows workforce



Exxaro, Centurion, Pretoria



Capital Markets Day - 27 November 2025

THANK YOU



Canopy by Hilton,
Longkloof, Cape Town