

11 July 2024

**WORKSPACE GROUP PLC**

**FIRST QUARTER BUSINESS UPDATE FOR THE  
PERIOD ENDING 30 JUNE 2024**

Workspace Group PLC (“Workspace”), London’s leading owner and operator of sustainable, flexible work space, provides a business update for the first quarter ending 30 June 2024.

**HIGHLIGHTS**

- Resilient customer demand with 307 new lettings completed in the quarter, with a total rental value of £8.5m per annum
- Continued rental growth with like-for-like rent roll up 1.2% in the quarter to £111.8m
- Improved pricing with like-for-like rent per sq. ft. up 1.2% in the quarter to £46.28
- Like-for-like occupancy stable at 88.2% (31 March 2024: 88.2%)
- Further progress on disposal of non-core assets, with £8.1m exchanged for sale since 31 March 2024
- Robust balance sheet with £172m of cash and undrawn facilities and proforma LTV of 34% (based on 31 March 2024 valuation)

Graham Clemett, Chief Executive Officer, Workspace Group PLC, commented:

“It has been a good start to the year with occupancy stable and continued pricing improvements in the first quarter, reflecting the resilience of our diverse SME customer base and the appeal of our distinctive, flexible offer.

We are progressing with the disposal of non-core assets, recycling capital to invest in accretive refurbishment projects across the portfolio. We are looking forward to the opening of Leroy House in Islington in September, which will be our first Net Zero building and the latest delivery from our project pipeline.

Looking ahead, our scalable operating platform puts us in a strong position to continue to deliver near and long-term income and dividend growth, and we move into the second quarter of the year with positive momentum.”

## Customer activity

We have seen resilient demand in what is typically a quieter quarter. While enquiry levels are lower, there has been an improved conversion to viewings and lettings, with 307 new lettings completed with a total rental value of £8.5m.

	Monthly Average		Monthly Activity		
	Q1 2024/25	Q1 2023/24	30 Jun 2024	31 May 2024	30 Apr 2024
Enquiries	688	738	650	689	725
Viewings	499	491	474	485	537
Lettings	102	87	110	105	92

Like-for-like rent roll was up £1.3m (1.2%) in the quarter to £111.8m. Like-for-like rent per sq. ft. increased by 1.2% in the first quarter to £46.28. Like-for-like occupancy was unchanged in the quarter at 88.2%.

	Quarter Ended		
	30 Jun 24	31 Mar 24 <sup>1</sup>	31 Dec 23 <sup>1</sup>
Like-for-like occupancy	88.2%	88.2%	88.2%
Like-for-like occupancy change <sup>2</sup>	(0.0)%	(0.0)%	(0.2)%
Like-for-like rent per sq. ft.	£46.28	£45.73	£44.82
Like-for-like rent per sq. ft. change	1.2%	2.0%	1.4%
Like-for-like rent roll	£111.8m	£110.5m	£108.1m
Like-for-like rent roll change	1.2%	2.2%	0.9%

<sup>1</sup> Restated for the transfer in of Old Dairy, Shoreditch, where occupancy is now stabilised post-acquisition and the transfer out of The Biscuit Factory site in Bermondsey which is undergoing major refurbishment and redevelopment activity

<sup>2</sup> Absolute change

Total rent roll decreased by £0.1m in the first quarter to £143.3m, as detailed below:

Total Rent Roll	£m
At 31 March 2024	143.4
Like-for-like portfolio	1.3
Completed projects	(0.1)
Projects underway and design stage	0.2
South-East portfolio	0.2
Disposals	(1.7)
<b>At 30 June 2024</b>	<b>143.3</b>

## Portfolio activity

Since 31 March 2024, we have exchanged on the sale of two small non-core office properties in Reading and Staines and an industrial estate in Folkstone, for a total of £8.1m, in line with the March 2024 valuations. We have received £26.4m in cash from the completion of non-core disposals in the first quarter.

We expect to complete the refurbishment and extension of Leroy House in Islington in September 2024, delivering 58,000 sq. ft. of new space. This is a great example of our refurbishment-first, sustainable approach and will be our first Net Zero building.

## Financing

Net debt reduced by £27m in the quarter to £828m, with cash and undrawn facilities of £172m as at 30 June 2024 and LTV at 34% on a proforma basis, based on the 31 March 2024 valuation.

– ENDS –

### For further information, please contact:

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## Notes to Editors

### About Workspace Group PLC:

Workspace is London's leading owner and operator of flexible workspace, currently managing 4.4 million sq. ft. of sustainable space at 74 locations in London and the South East.

We are home to some 4,000 of London's fastest growing and established brands from a diverse range of sectors. Our purpose, to give businesses the freedom to grow, is based on the belief that in the right space, teams can achieve more. That in environments they tailor themselves, free from constraint and compromise, teams are best able to collaborate, build their culture and realise their potential.

We have a unique combination of a highly effective and scalable operating platform, a portfolio of distinctive properties, and an ownership model that allows us to offer true flexibility. We provide customers with blank canvas space to create a home for their business, alongside leases that give them the freedom to easily scale up and down within our well-connected, extensive portfolio.

We are inherently sustainable – we invest across the capital, breathing new life into old buildings and creating hubs of economic activity that help flatten London's working map. We work closely with our local communities to ensure we make a positive and lasting environmental and social impact, creating value over the long term.

Workspace was established in 1987, has been listed on the London Stock Exchange since 1993, is a FTSE 250 listed Real Estate Investment Trust (REIT) and a member of the European Public Real Estate Association (EPRA).

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For more information on Workspace, visit [www.workspace.co.uk](http://www.workspace.co.uk)