

WORKSPACE GROUP PLC

SECOND QUARTER BUSINESS UPDATE FOR THE PERIOD ENDING 30 SEPTEMBER 2025

Workspace Group PLC (“Workspace”), London’s leading owner and operator of sustainable, flexible work space, provides a business update for the second quarter ending 30 September 2025.

Lawrence Hutchings, Chief Executive Officer, Workspace Group PLC, commented:

“This has been a busy quarter of solid progress in our strategy to Fix, Accelerate and Scale our business and embed operational excellence. Our efforts to stabilise and rebuild occupancy by improving customer retention and conversion to lettings are starting to bear fruit, with 326 lettings completed in the quarter. As expected, the overall impact of these actions on occupancy was outweighed in the quarter by the vacation of large spaces at The Centro Buildings in Camden. To support the move towards operational excellence, we have streamlined our support functions, creating a leaner, faster organisation and delivering £2m in annualised efficiencies.

Our pilot capital-light upgrade projects at high-conviction sites, The Leather Market and Vox Studios, are complete and the early responses we’ve had from existing and new customers have been extremely positive. We are now selectively expanding this programme to other high-conviction buildings. We’ve also made progress on our plan to accelerate asset disposals in line with our new conviction approach to portfolio management. We have exchanged or completed on the disposal of £52.4m of low-conviction assets and have good momentum on other assets identified for disposal following our thorough portfolio review.

In parallel with our laser focus on increasing occupancy, we are also advancing our plans to provide a more specialised offer to certain fast-growing industries in high-conviction locations, which we believe will provide opportunities to scale our business and drive accretive growth for Workspace in the future. In an uncertain environment, we don’t underestimate the work we have to do to deliver on our strategy and it will take time, but we are executing at pace and are confident we have the foundations in place to deliver shareholder value.”

Progress against strategy

- **Fix – stabilise and rebuild occupancy**
 - Actions implemented to stabilise and rebuild occupancy, including improvements to product and empowering frontline teams, gaining early traction and driving customer retention, as well as better conversion of enquiries to lettings
 - Delivered £2m in annualised efficiencies by streamlining our central cost base
 - As expected, like-for-like¹ occupancy down 2.3% in the quarter to 80.0%, largely driven by large customers vacating The Centro Buildings in Camden. Excluding those vacations, like-for-like occupancy would have been 81.7%
- **Accelerate – optimise our portfolio and platform**
 - Further progress on disposal of non-core assets, in line with conviction approach to portfolio management. £52.4m exchanged or completed against our £200m target, 1.6% below March 2025 book value and at a combined net initial yield of 3.5%. Momentum building on other low conviction assets in the disposal pipeline
- **Scale – innovate to deliver accretive scale in the future**
 - Advancing plans to provide a more specialised offer to certain fast-growing industries in high-conviction locations, expanding our addressable market

Additional operational & financial highlights

- 326 new lettings completed in the quarter, with a total rental value of £7.3m per annum
- Like-for-like¹ rent per sq. ft. up 0.1% in the quarter to £47.55
- Like-for-like¹ rent roll down 3.2% in the quarter to £107.1m
- Robust balance sheet with £167m of cash and undrawn facilities and proforma LTV at 35% (based on 31 March 2025 valuation)

¹ Restated for the transfer in of Barley Mow, Chiswick; Pall Mall Deposit, Ladbroke Grove and the development part of The Light Bulb, Wandsworth, where occupancy is now stabilised post-refurbishment and the transfer out of Morie Street, Wimbledon (sold) and Castle Lane, Victoria (exchanged).

Customer activity

We have seen robust demand with 326 new lettings completed in the second quarter (Q2 2024/25: 296) with a total rental value of £7.3m (Q2 2024/25: £7.4m). While demand was impacted by summer holidays and Tube strikes, we have driven improved conversion of enquiries to lettings through more targeted marketing in line with our strategy. The table below shows a 2% uplift in conversion of enquiries to lettings to 16%, from 14% in Q2 2024/25.

	Monthly Average			Monthly Activity		
	Q2 2025/26	Q1 2025/26	Q2 2024/25	30 Sep 2025	31 Aug 2025	31 Jul 2025
Enquiries	666	634	700	699	565	733
Viewings	519	495	486	504	458	596
Lettings	109	93	99	127	109	90

As stated previously, we expected to see a decline in like-for-like occupancy in the second quarter, mainly due to the impact of two large customers vacating their units at The Centro Buildings in Camden, in particular Win Technologies who vacated 43,000 sq. ft. These two vacations represent 1.7% of occupancy, with like-for-like occupancy now at 80.0%.

We have continued to prioritise retention through empowering our centre teams and delivering fast improvements to our product and experience, in line with feedback from customers. Our recent marketing campaign helped to support new customer acquisition, driving a 22% uplift in viewers booked via our website during the campaign period compared to the prior three-year average for the same period. In addition, we are taking a pragmatic approach to pricing, with like-for-like rent per sq. ft. stable in the quarter at £47.55.

	Quarter Ended		
	30 Sep 25	30 Jun 25 ¹	31 Mar 25 ¹
Like-for-like occupancy	80.0%	82.3%	82.5%
Like-for-like occupancy change ²	(2.3%)	(0.2%)	0.2%
Like-for-like rent per sq. ft.	£47.55	£47.50	£47.52
Like-for-like rent per sq. ft. change	0.1%	0.0%	0.9%
Like-for-like rent roll	£107.1m	£110.6m	£110.7m
Like-for-like rent roll change	(3.2%)	(0.1%)	1.7%

¹ Restated for the transfer in of Barley Mow, Chiswick; Pall Mall Deposit, Ladbroke Grove and the development part of The Light Bulb, Wandsworth, where occupancy is now stabilised post-refurbishment and the transfer out of Morie Street, Wimbledon (sold) and Castle Lane, Victoria (exchanged).

² Absolute change

In line with our stated methodology for calculating like-for-like occupancy, 28,000 sq. ft. has been adjusted out at 30 September 2025 due to refurbishment projects. Like-for-like rent roll and like-for-like rent per sq. ft. are unaffected.

We have made good progress with our ongoing programme of refurbishment and subdivision of larger units, with c.9,000 sq. ft. completed in the quarter and marketing commencing shortly on a further c.7,000 sq. ft. largely completed in the quarter. In tandem, we have continued to let some of our larger spaces in their current form, with six units totalling 24,000 sq. ft. let in the quarter.

Total rent roll decreased by 3.9% (£5.4m) in the first half to £134.0m, as detailed below:

Total Rent Roll	£m
At 31 March 2025	139.4
Like-for-like portfolio	(3.6)
Completed projects	0.3
Projects underway and design stage	(0.4)
South East offices	(0.2)
Disposals	(1.4)
Other	(0.1)
At 30 September 2025	134.0

Portfolio activity

In July, we completed on the sale of The Shaftesbury Centre, Ladbrooke Grove for £4.7m, 3.3% above the March 2025 valuation with a net initial yield of 6.2%.

In August, we exchanged and completed on the sale of Morie Street Studios, Wandsworth for £8.1m and completed the sale of Chocolate Factory (Part) - Block E1, Wood Green for £2.2m with a combined net initial yield of 3.8% and 3.5% below the March 2025 valuations.

In September, we exchanged on the sale of Castle Lane, Victoria for £14.3m, 4.3% below the March 2025 valuation with a net initial yield of 4.0%.

There is a further £13.0m of exchanged disposals which are expected to complete within the next 12 months, and we will continue to dispose of low conviction assets throughout the year.

Activity is ongoing at our major refurbishment projects. The Biscuit Factory in Bermondsey will deliver 31,000 sq. ft. of additional space towards the end of 2025 and we are nearing completion of Atelier House at The Centro Buildings in Camden, where we have transformed a traditional office building into a Workspace business centre with 41 units, a café and meeting rooms. Marketing has now started for the units at Atelier House.

Financing

Net debt increased by £20m in the quarter to £833m (30 June 2025: £813m), following payment of the full year dividend, partly offset by disposal proceeds received in excess of capital expenditure. Cash and undrawn facilities were £167m as at 30 September 2025, with LTV at 35% on a proforma basis, based on the 31 March 2025 valuation.

Half year results

Workspace will publish its half year results for the six months to 30 September 2025 on 19 November 2025. A presentation to analysts and investors will be held at 10:30am at our Eventspace, Salisbury House, 114 London Wall, EC2M 5QA.

– ENDS –

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Notes to Editors

About Workspace Group PLC:

Workspace is London's leading owner and operator of flexible workspace, currently managing 4.2 million sq. ft. of sustainable space at 64 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