

Can Co-Working Spaces Keep Growing?

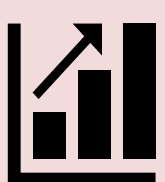
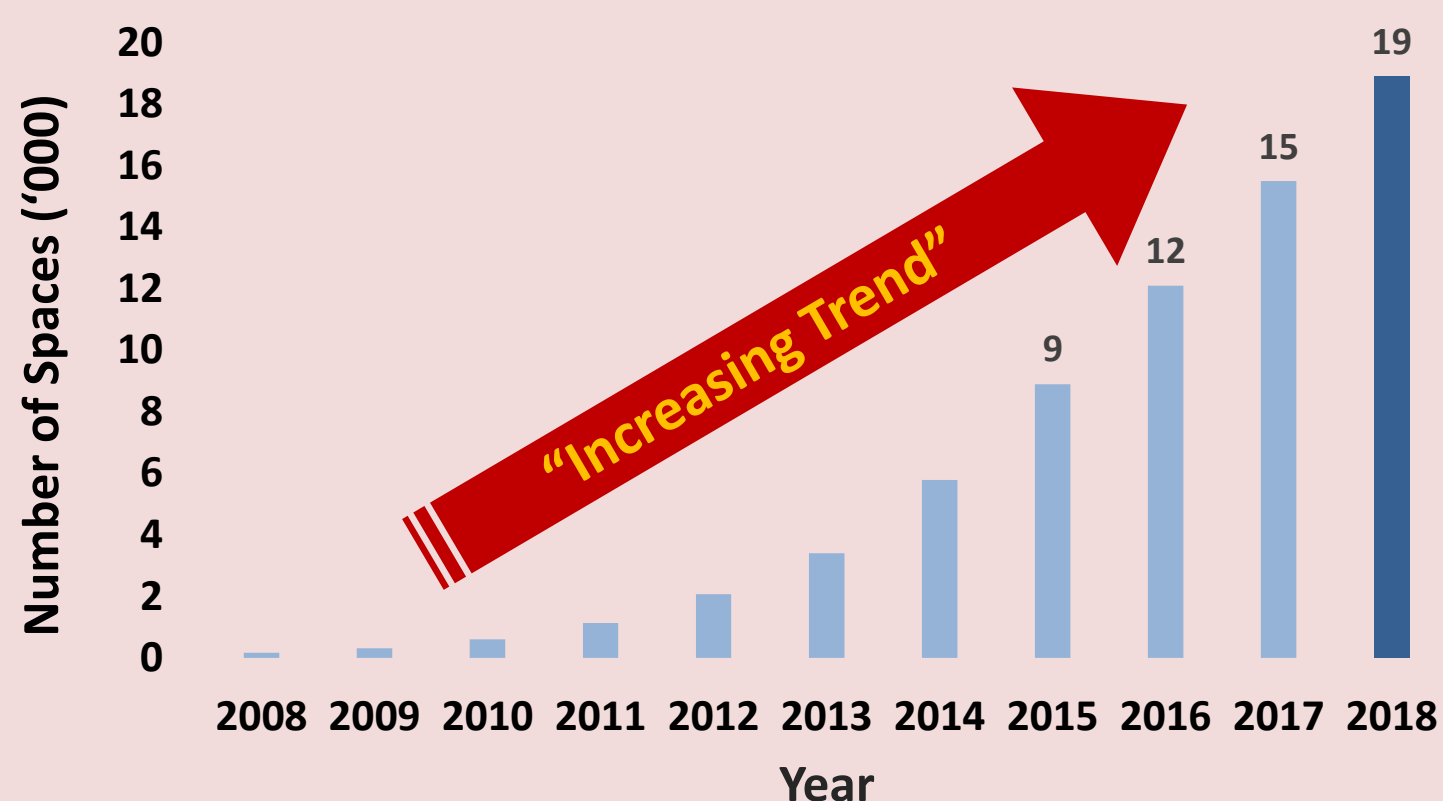


Co-Working Space

Business services provision model that involves individuals working independently or collaboratively **in shared office space**

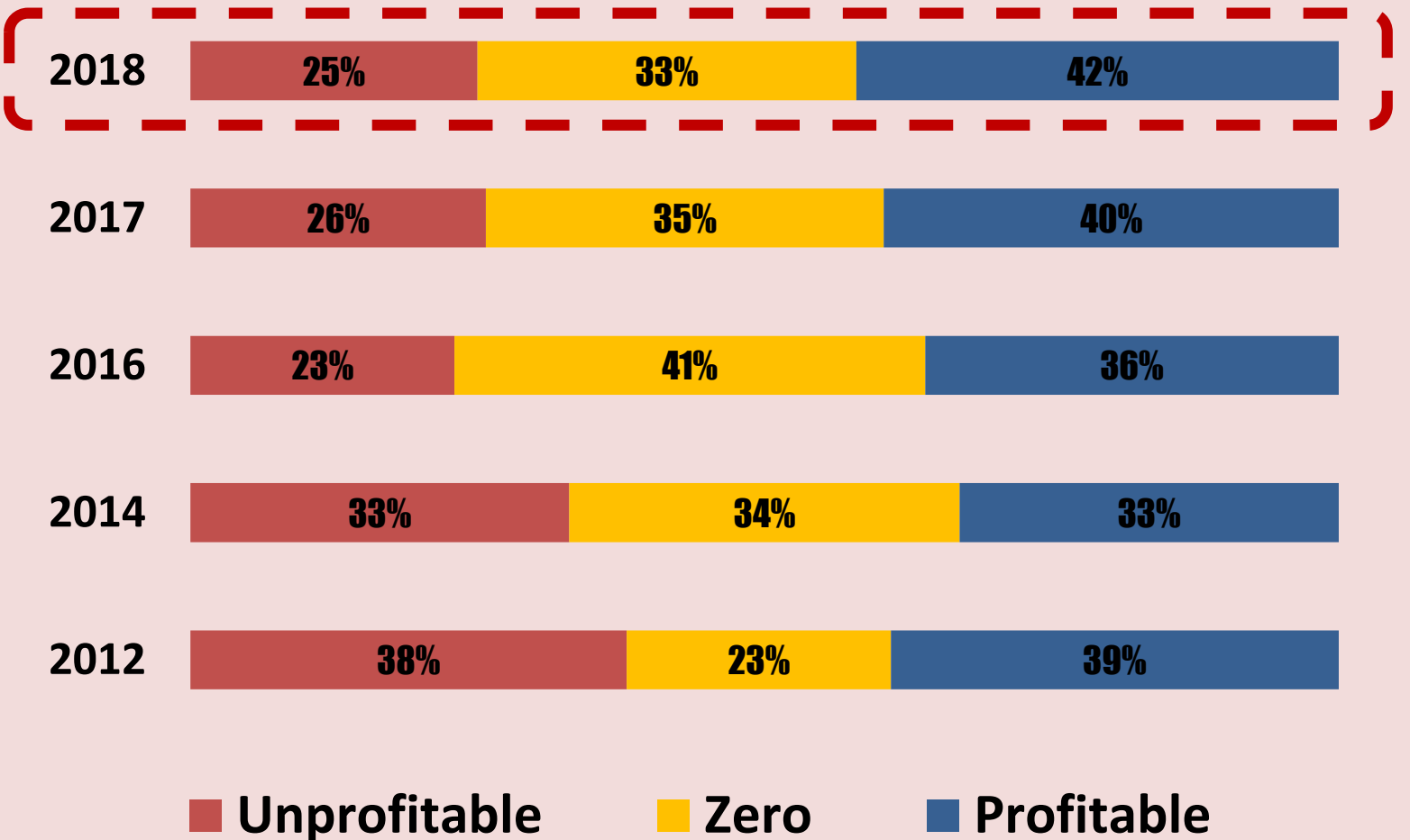
What is the trend now?

Global Number of Co-working Spaces



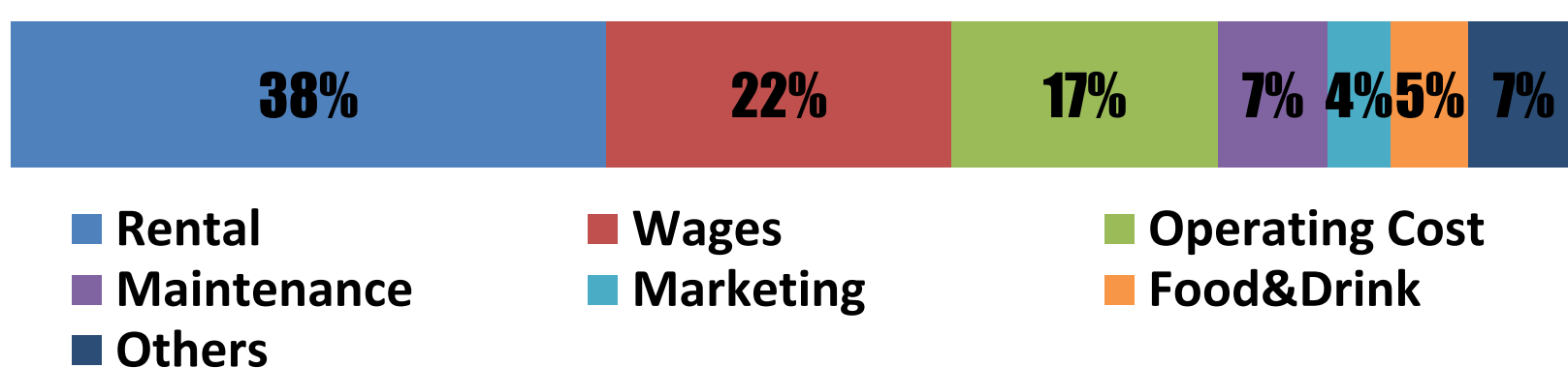
- ✓ **Young market** that emerged in **2005**
- ✓ **International growth trend** in co-working space industry
- ✓ Co-working spaces in 2018 **doubled** from 2015

Profitability



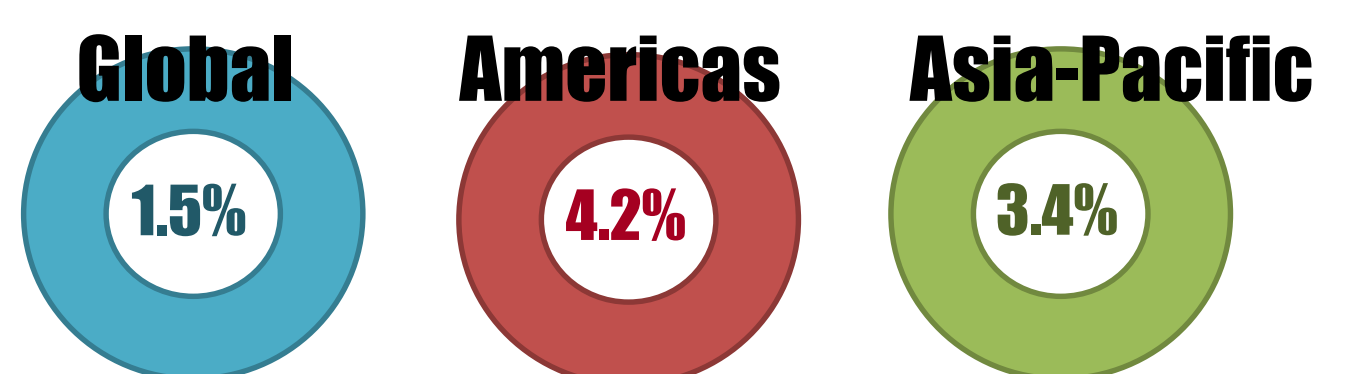
Are there any factors slowing growth?

Percentage of Expenses



Rental for location accounts for **#1 expenditure** for co-working spaces

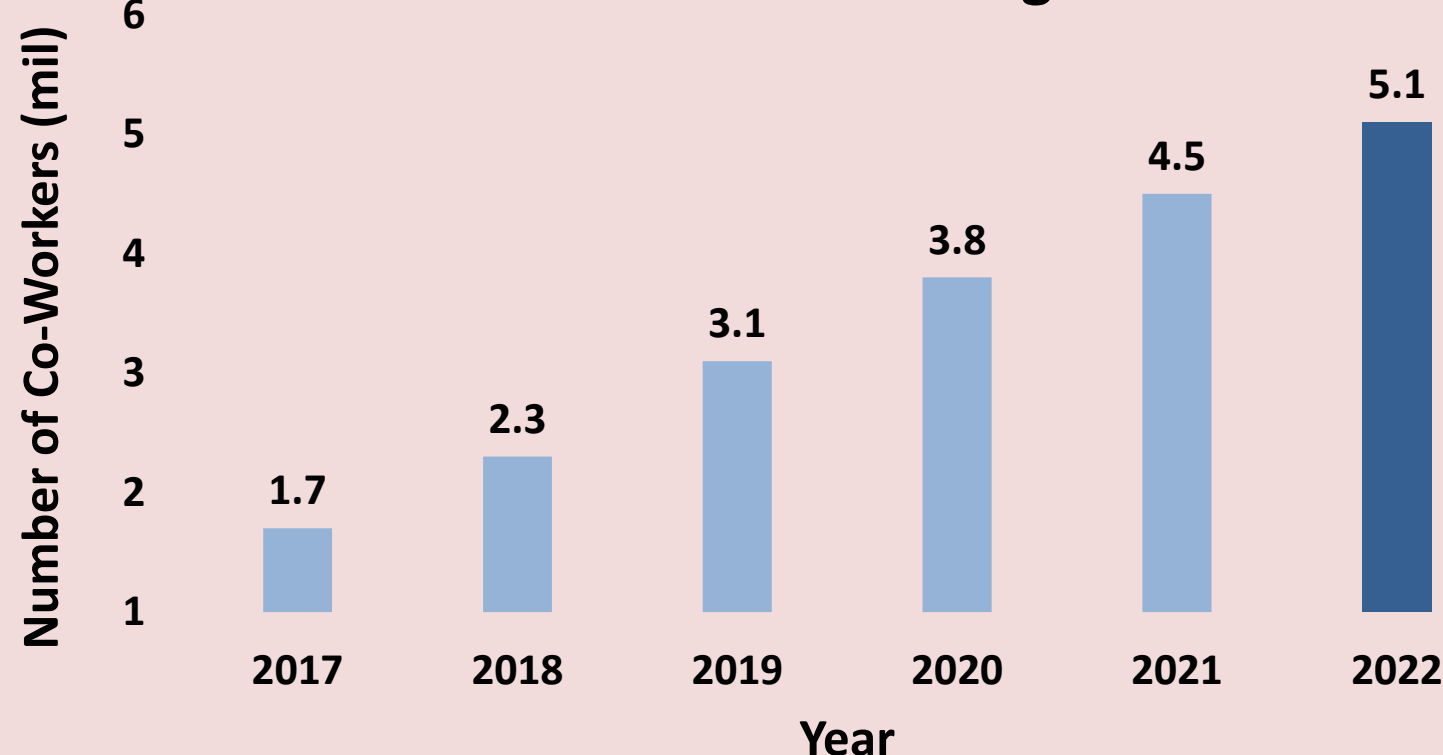
Annual Costs per Workstation



- ✓ **Globally, cost of office space will continue to increase (expense pressure)**
- ✓ **Cities with clusters of co-working spaces rank Top 10 most expensive markets**
- ✓ **#1 Hong Kong (\$27,432) / #2 London (\$22,665) / #3 Tokyo (\$18,111)**

Optimistic Prospects but Change in Shape

Number of Global Co-Working Members

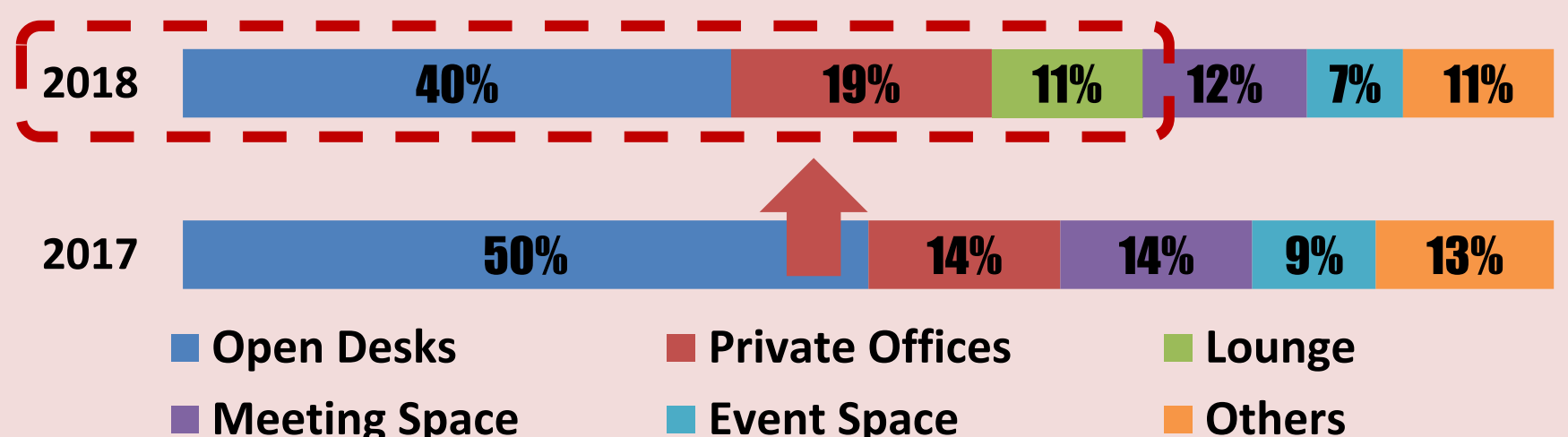


- ✓ **Average annual growth rate of 24.2%**
- ✓ **Niche spaces are expanding the co-working market**
- ✓ **By 2020, 40% of workforce will be freelancers, temps, independent contractors**



Start-ups and freelancers highly interested in co-working spaces

- **Reduce cost**
- **Increase efficiency**
- **Networking opportunities**
- **Flexible environment**



Sources: Statista, Cushman & Wakefield, Liquid Space, Coworking Resources, Deskmag



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