

KEYNOTE · API INTERNATIONAL CONFERENCE · CAPE TOWN 2026

THE WELLNESS ECONOMY AND THE BUILT ENVIRONMENT

Wellness real estate, wellness hospitality and the rise of the wellness city

Market scale · return on investment · the new segments · capital · players · the operating playbook



Tony Payne Co-CEO, Technogym Southern Africa (PentaSystems Group)

THE CORE THESIS

Wellness is not an amenity. It is a valuation mechanism.

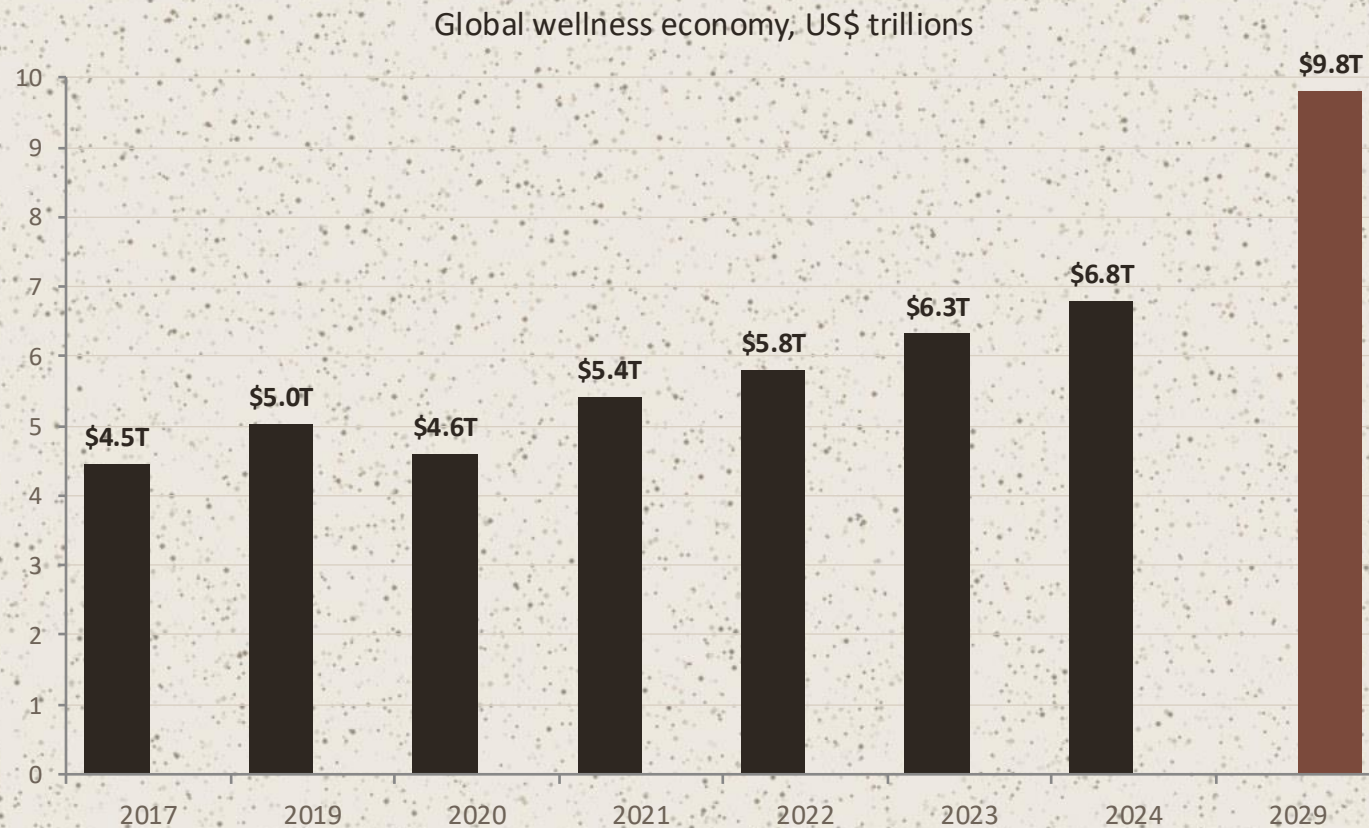
An investment typically below 1 to 2% of total project cost triggers price premiums, rental premiums, faster absorption, longer leases, lower churn, higher revenue per available room and tighter exit cap rates, compounding across every unit, every key and every year of the hold. Applied at the scale of a district or a city, the same logic compounds again into tourism yield, talent attraction, healthcare savings and jobs.

And it is now segmenting.

The generic wellness premium of the last decade is becoming a set of distinct businesses: longevity residences, wellness clubs, medical-wellness hospitality, active-ageing communities, social wellness. Each has its own economics, operators and capital.

The question is no longer whether wellness creates value. It is who captures it first.

A \$6.8 trillion economy, doubling every decade



7.9%

Growth in 2024 alone, against global GDP growth of roughly 4.5%

6.1%

Of global GDP today, projected to reach 7.1% by the end of the decade

7.6%

Compound annual growth projected to 2029, on course for \$9.8 trillion

Larger than IT, four times the size of pharma



4x
the size of the global pharmaceutical industry

+30%
larger than the global green economy

2x
the growth rate of world economic output

Sources: Global Wellness Institute, World Bank, WHO, Gartner, LSEG, Euromonitor, IQVIA. Wellness shown at 2024; comparators at 2023, latest available.

WHY THE GROWTH IS STRUCTURAL, NOT CYCLICAL

Seven forces, none of which reverses



Chronic disease

Lifestyle-related disease will reach 56% of the global disease burden by 2030 (WHO)



Ageing populations

Over-60s pass 1.4 billion by 2030 and demand active-longevity design



Mental health

The mental wellness market grew over 12% annually from 2019 to 2024



Generational shift

Gen Z and Millennials drive 41% of wellness spend from 36% of the adult population



The wealth transfer

\$68 to 84 trillion moving to the most wellness-committed generations in history



Post-pandemic recalibration

A permanent step-change in how consumers judge buildings and health



Technology personalisation

Wearables and connected platforms make wellness data-rich, continuous and portable

GWI, McKinsey and every major property research house now treat wellness demand as a permanent repricing, not a post-pandemic spike.

Wellness has become identity

82%

United States

87%

China

73%

United Kingdom

Share of consumers who consider wellness a top or important priority in their everyday lives

"Exercise more" is the single most-cited life priority in both the United States (29%) and China (28%), ahead of eating better, reducing stress and improving sleep. Property that makes movement effortless is aligned with the modern consumer's top life goal.



**Meanwhile,
something strange
is happening to
young people.**

culture moved before policy did.

WELLNESS AS THE NEW SOCIAL FABRIC

From barstools to barbells

54%

of US adults now drink – the lowest since records began in 1939.

1m

clubs on Strava after a 4× surge in one year; run clubs up 3.5×

35.5%

gym membership among 18–24s – the highest of any US age group

\$68-84T

The great wealth transfer. Transferring from Baby Boomers to younger generations through 2045, into the hands of the most wellness-committed inheriting cohorts in history. That capital will be deployed into homes, travel and cities that reflect those values.

Sources: Gallup 2025; Strava Year in Sport 2025; HFA; parkrun SA.



Every generation buys wellness, differently

Gen Z

18 to 27

Data-driven and community-oriented. Two-thirds rely on apps and wearables; per-capita spend growing at twice the rate of older cohorts.

Millennials

28 to 43

The dominant force. Most likely to choose wellness-forward hotels for business travel and to pay a premium. Entering prime household formation.

Gen X

44 to 59

Leading wellness travel growth. Experience-rich, financially capable, strong repeat-visit behaviour. The natural estate-living market.

Boomers & 75+

60 plus

Active longevity: strength, balance, cognition, community. Over 60% rate healthy-ageing products very or extremely important.

Personalization, Journeys & Experiences



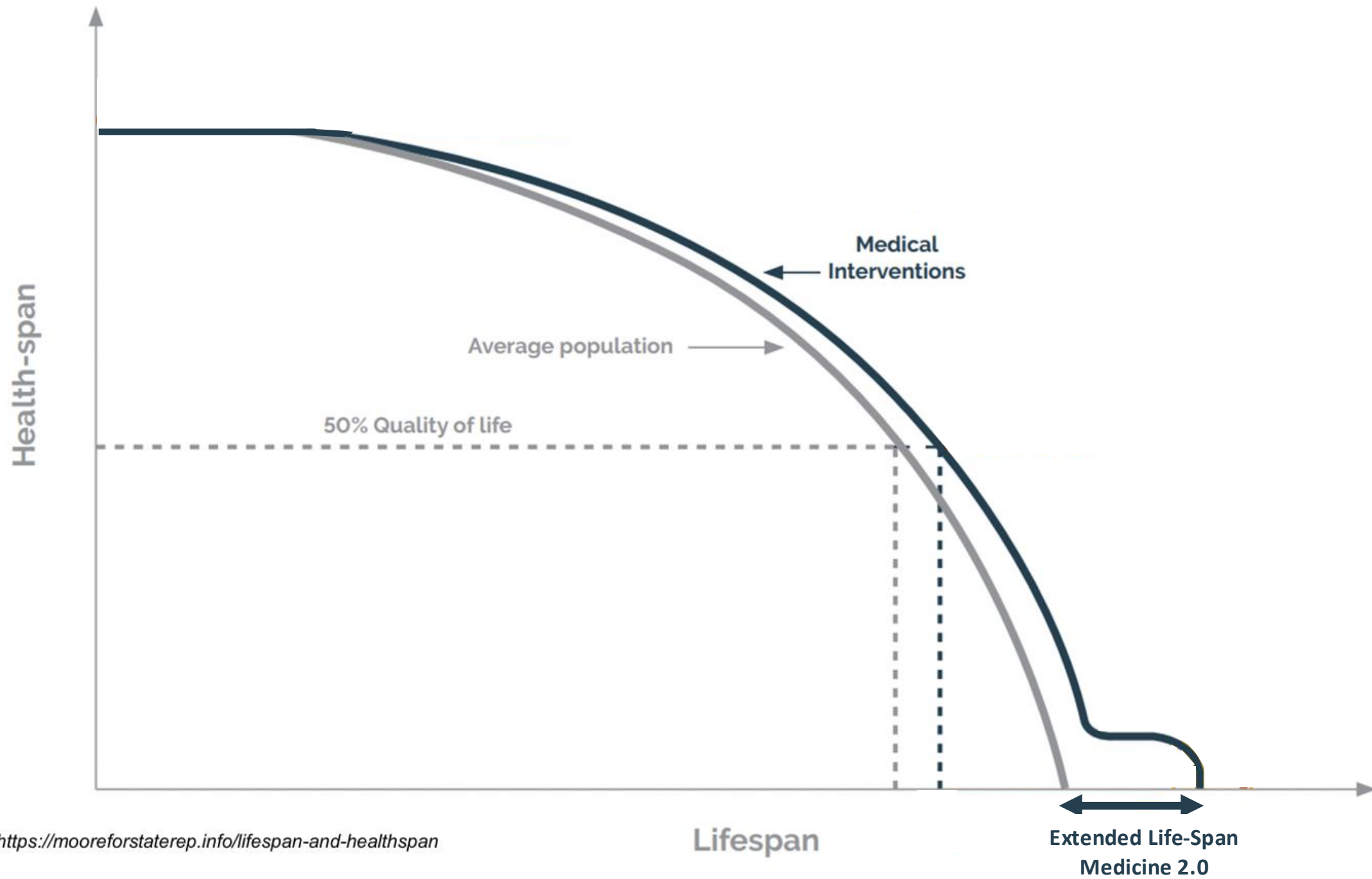
THE DEEPEST CURRENT

From lifespan to healthspan

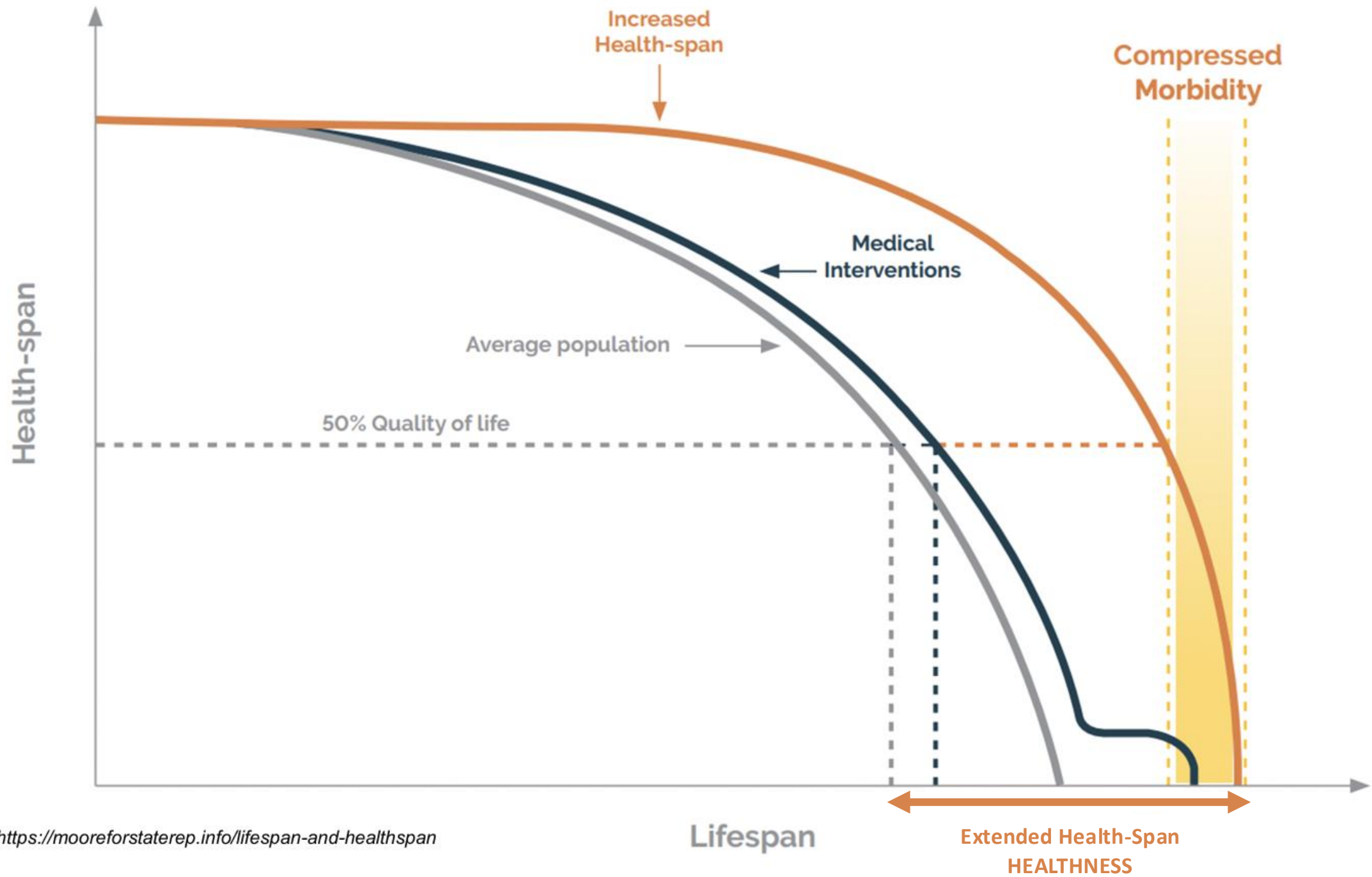
The consumer no longer wants merely to live longer. They want to live well for longer. That reframing converts wellness from discretionary indulgence into preventive investment, and it is moving medical-grade assessment, diagnostics and longevity programming out of clinics and into hotels, estates, clubs and workplaces.

Exercise is the single most evidence-backed longevity intervention available, and the built environment is its delivery system. Lifestyle drives 80 to 85% of health outcomes; genetics only around 20%.

Sources: McKinsey 2024; Global Wellness Institute 2024



Source: <https://mooreforstaterep.info/lifespan-and-healthspan>



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GLP-1: the feared disruptor became the acquisition channel

Monthly fitness spend, US adults

GLP-1 users



\$449

13.2%

Of US adults have now taken a GLP-1, roughly double three years ago

Non-users



\$120

+22pts

Net UK fitness-spend intention during treatment: 27% increased against 5% who cut back; 41% joined a gym, 20% shifted to strength, 16% hired a trainer

81% of GLP-1 users hold a gym membership, against 43% of non-users.

+\$6.8B

Estimated increase in the US club market's addressable spend from GLP-1 customers

Health has become the ultimate luxury

From possessions to biomarkers

The discreet ring replaces the conspicuous watch; VO₂max is shared where the sports car once was.

The longevity clinic boom

A US\$5.4bn clinic market compounding above 12% – and retreats approaching US\$10bn.

Longevity residences

Wellness real estate at ~20% growth and double-digit premiums: longevity is no longer a service you visit, but a lifestyle you live in.

Health is the one luxury that cannot be purchased finished. It can be measured, guided and housed magnificently – but in the end it must be trained.

The South African dividend: luxury demand at the top of the market funds precisely the assessment and training infrastructure that automation and rental economics extend to the communities that need it most.

Six channels of capital, one thesis

Sovereign and state

Saudi wellness real estate compounding 85% a year since 2017; wellness as the organising principle of giga-projects; city-states funding wellness research as strategy

REITs

VICI Properties: \$150m+ into the Canyon Ranch growth partnership, funding resorts and membership clubs

Institutional real estate

~\$70bn into hotel real estate in 2026; \$14.8bn deployed into amenity-led build-to-rent for its retention-driven income

Venture capital

Bathhouse \$35m; Othership ~\$20.6m; Remedy Place at a \$60m valuation; Fountain Life \$108m: consumer VC treating wellness venues as scalable brands

Franchise and operators

Sauna House committing \$9.6m to 3+ sites a year; boutique recovery formats replicating below the venture radar

Strategic and corporate

Every major hotel group active since 2023; Marriott x Therme; platform ecosystems funding the operating layer; buyer pre-sales quietly financing longevity residences

When sovereign funds, REITs, institutional capital and top-tier consumer VC fund the same thesis through different instruments, institutional sentiment is settled.

PART ONE

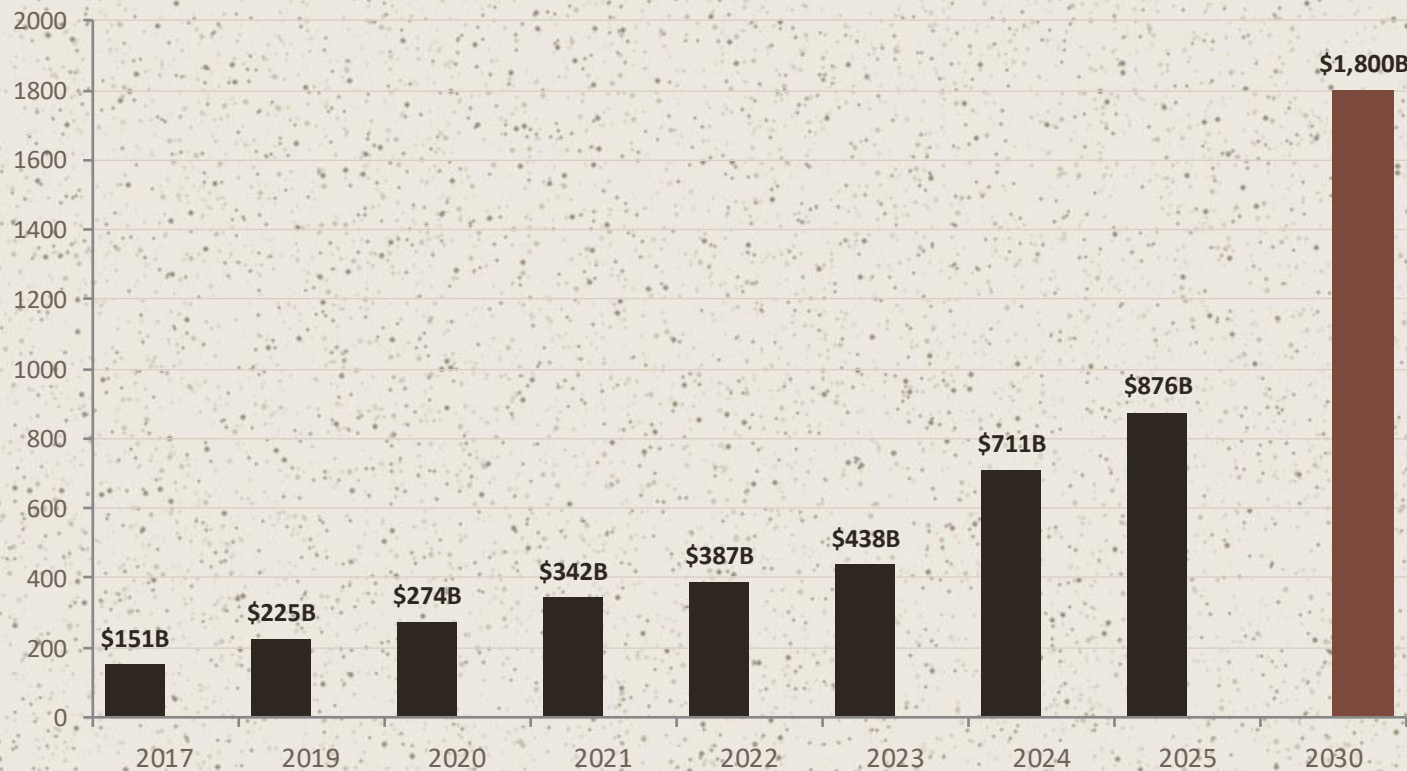
WELLNESS REAL ESTATE

The fastest-growing sector of the fastest-growing consumer economy



From \$151 billion to \$1.8 trillion, doubling every four years

Global wellness real estate market, US\$ billions



23.6%

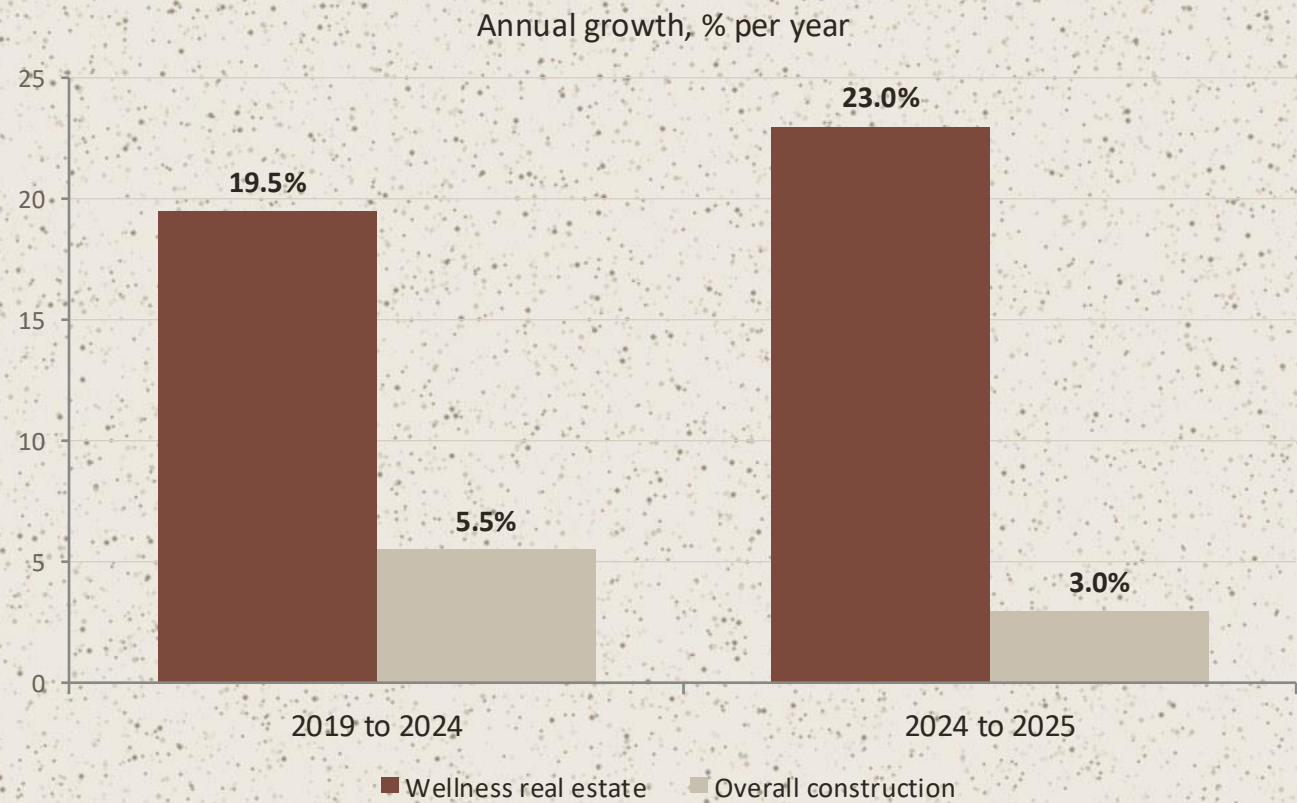
Average annual growth from 2019 to 2025, roughly double the wider wellness economy

3.3%

Of global construction output today, and still rising

Fastest-growing wellness sector every year since GWI first quantified it in 2013.

Growing eight times faster than construction itself



3.5x

faster than construction over 2019 to 2024, widening to nearly 8x in the latest year

15%+

annual growth in every one of the top twenty national markets since 2019. There are no laggards at the top of this market

4x

multiple in Sub-Saharan Africa too: 13.1% wellness real estate growth against 3.3% for regional construction, 2019 to 2023

THE DEMAND SIDE

Demand exceeds supply in every measured market

No. 1

Wellness is now the top purchase motivator in residential real estate. Many buyers would trade floor area to live somewhere that better supports health *America at Home Study, 6,000 consumers*

Up to 25%

More that buyers are willing to pay for properties featuring wellness-oriented solutions. *GWJ 2024*

58%

Of global companies are upgrading, or planning to upgrade, to wellness-integrated office space. *Market research 2025*

2.8%

Of the 550 Million-square-meter US office market carries a healthy-building certification, against documented rental premiums of 4 to 7.7% *Cambridge / Envigilance 2025*

97% of the commercial market is leaving money on the table.



The WELL Standard is a library of evidence-based building and organizational strategies that can improve the health and well-being of your people.



MIND



COMMUNITY



MOVEMENT



WATER



AIR



LIGHT



THERMAL
COMFORT



NOURISHMENT



SOUND



MATERIALS

7,000+

peer-reviewed studies
and citations

20,000+

industry leaders and
practitioners

40,000+

locations
enrolled

500+

evidence-based
interventions

Certification became an industry: twelve-fold growth since 2020

6.4bn

Square feet now engaged with the WELL Standard, across 100,000+ locations in over 130 countries

~\$2T

In assets shaped by WELL, supported by nearly 30,000 credentialed professionals

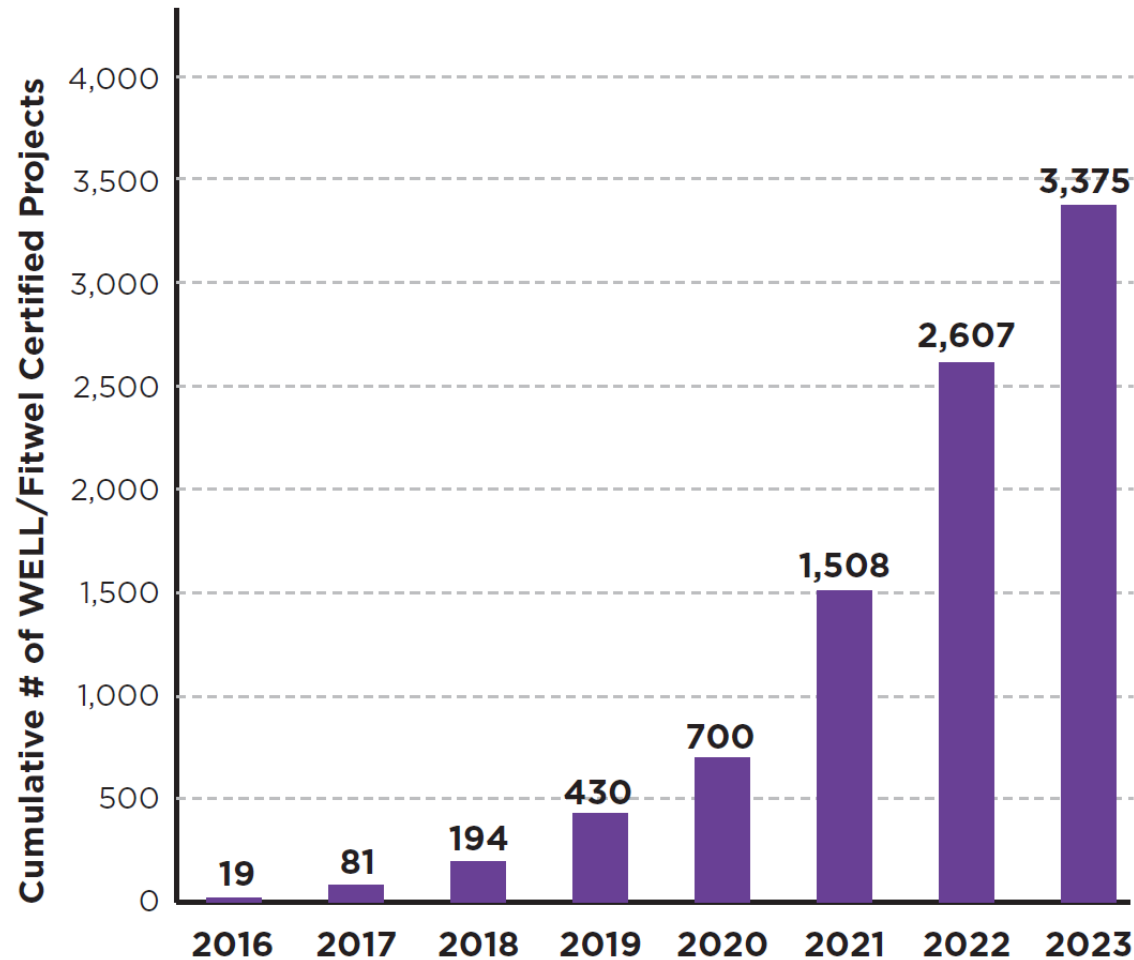
40,000+

Homes in the WELL for residential pilot across 22 countries, the first global certification for healthier homes

THE ARBITRAGE IS STILL OPEN

Certification is what converts wellness intent into the rental evidence lenders and acquirers underwrite: 4.4 to 7.7% per square meter in the MIT study, 4 to 6% in the 2025 peer-reviewed Cambridge analysis of 425 certified buildings (\$55.26 against \$41.82). Yet even after twelve-fold growth, under 3% of the most mature commercial market is certified. First-mover certification advantage remains available in essentially every submarket on earth, and nowhere more so than in Africa and the Indian Ocean.

WELL and Fitwel Certifications Cumulative, 2016-2023



Top 10 in 2023

United States (1,870)
China (411)
Canada (298)
United Kingdom (134)
France (84)
Spain (77)
Australia (68)
India (63)
Netherlands (49)
Japan (45)

These figures measure fully certified projects, and they are cumulative (showing the increase in the total number of certified projects over time). Data compiled by GWI using publicly-available online project databases from WELL and Fitwel. Note that the data have been revised slightly since the previous version of the Wellness Economy Monitor, due to changes in these underlying project databases.

Source: Global Wellness Institute



The certified rental premium, and the gap owners are not pricing

4.4-7.7%

Higher certified office rents per m2, independent of all other factors

MIT Real Estate Innovation Lab

68% vs 52%

BTR retention against traditional multifamily, with 15-20% rent premiums and 97%+ occupancy

JLL Capital Markets 2024

31%

Higher average asking rents for LEED-certified assets across 20,000 US office buildings, after controls

CBRE 2022

THE UNDER-VALUATION GAP

Owners self-estimate their healthy-building premium at roughly 1.9%, against a measured 4 to 7%. Among owners tracking the numbers, 73% report faster leasing and 62% higher asset values. The investor willing to underwrite the published evidence rather than industry intuition is buying a documented income uplift the seller has not priced. This gap, not any single amenity, is where the excess return lives.

THE RETURN ON INVESTMENT: BUILD-TO RENT

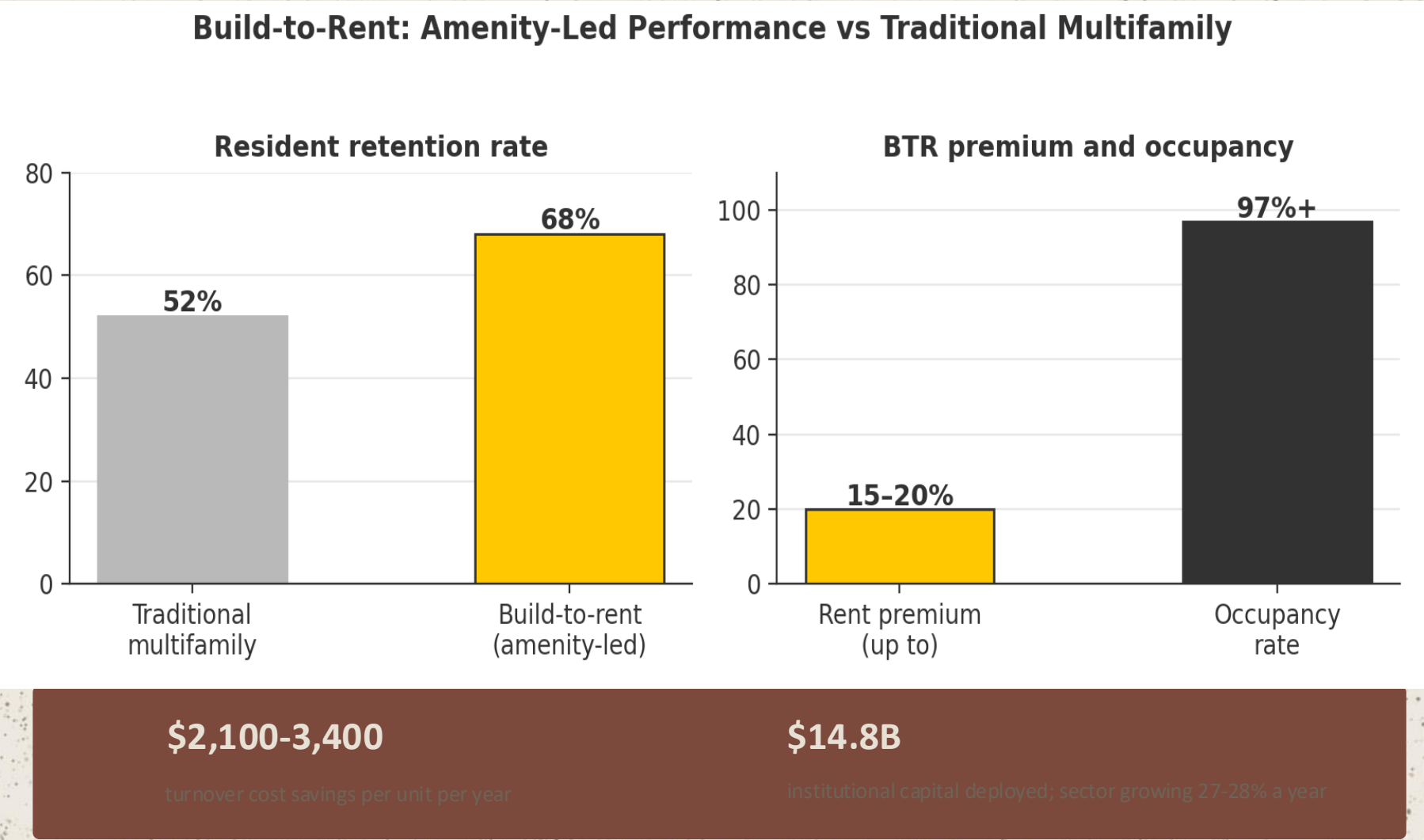


Figure 8: Build-to-rent amenity-led performance versus traditional multifamily. Sources: JLL Capital Markets 2024; Cavan Companies 2025; CRE Investment Analysis 2025.

A 10 to 25% price premium, proven across 300+ studies

Serenbe, Georgia

30-55%

Premium versus Atlanta metro comparables, sustained over two decades and multiple cycles

Masdar City, UAE

20%+

Apartment premiums within a sustainability-led master plan, attracting end-users and investors

Lake Nona, Orlando

24,000

Residents, 44 miles of trails and a medical city anchor: evidence-led wellness urbanism

Avira Medini, Malaysia

Day 1

3,000 residences sold out on launch day in 2013. Wellness drives velocity, not only price

THE BUILD-TO-SELL EQUATION

Premium (10-25%) x faster absorption x incremental cost below 1-2% of budget. On a 200-unit development at \$500,000 average, a conservative 10% premium is \$10 million of incremental sales value against a wellness cost usually below 2% of project cost

The premium is self-funding; the cost is a rounding error

<2%

Typical share of total project cost for comprehensive wellness integration, when designed in from inception. Late-stage retrofits cost multiples more for less effect.

PART TWO

WELLNESS HOSPITALITY

The highest-yield differentiator available to a hotel brand



Fewer trips, far more money

\$894B

Wellness tourism in 2024, up 13.8% in a year and 30.3% over two; past \$1.4 trillion by 2027-28

7.8% of trips
18.7% of spend

Wellness trips as a share of all tourism trips versus all tourism expenditure

+36-41%

Spend premium of the international wellness tourist over the average international tourist

+163-175%

Spend premium of the domestic wellness tourist over the average domestic tourist

The secondary wellness traveller, who folds wellness into an otherwise conventional trip, is the far larger group, which makes wellness relevant to every hotel, not only destination spas.



The wellness premium, measured for seven years

Total revenue per occupied room, H1 2025

Major Wellness hotels



+108%

Major Wellness TRevPAR against No Wellness properties (+56% against Minor); 56% of it is ancillary spend beyond the room

Minor Wellness hotels

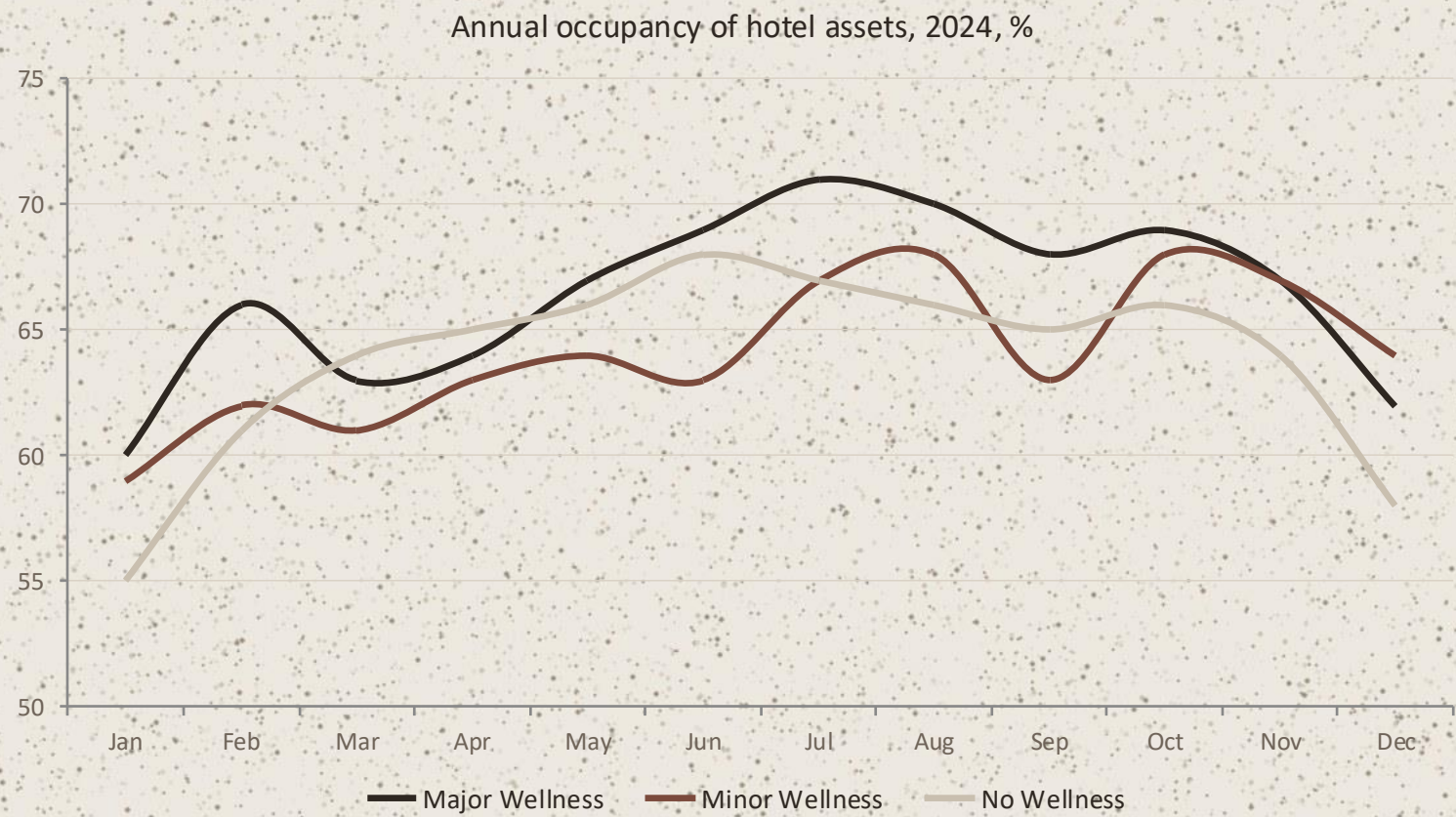


+84%

Luxury Major Wellness TRevPAR over Upper Upscale Major Wellness; a 49% leisure profit conversion; wellness demand also flattens the 13-point seasonality swing of no-wellness hotels

A 67.5% premium per occupied room, before the room itself.

Wellness holds the occupancy floor through low season



13pts

Occupancy swing between the lowest and highest months at No Wellness properties. Major Wellness assets are the least affected by seasonality

The executive needs a recharge in February as much as July. For seasonal and resort-weighted portfolios, wellness positioning actively flattens the troughs that force low-season pricing concessions.

For the first time, focus beat scale

ADR

Minor Wellness \$250 against Major Wellness \$232: Minor overtook Major on rate for the first time

RevPAR and GOPPAR

Minor Wellness led both, with RevPAR up 6% and TRevPAR up 5% year on year

US Major Wellness

GOPPAR fell 14.7%: heavy payroll (35% of leisure income) met softening demand

Middle East and Africa

Led global TRevPAR momentum; the Americas remained the strongest absolute market

This is not evidence against wellness. It is evidence about discipline: revenue without cost control does not convert. Choose the largest offer you can run excellently, not the largest you can build.

The wellness guest books you, returns and recruits for you

52%

of guests examine gym amenities and wellness services when booking *TripAdvisor*

80%

of Millennials say fitness is a key feature when travelling; 77% favour interactive fitness experiences *Loudhouse/ Topdeck*

73%

of consumers prefer hotels offering high-level automated technology to personalise their stay *Hotel Business 2024*

35% vs 15%

referral rate of wellness-oriented guests against average guests: organic marketing no budget can buy *GWI Wellness Policy Toolkit*



THE AGENTIC SEARCH SIGNAL

As AI-assisted travel planning becomes mainstream, wellness content must be machine-visible. A property whose running routes, healthy menus and fitness facilities are not in structured digital content will simply not surface when a traveller asks an AI assistant to find them. Being wellness-forward now means being visible to algorithms as well as humans.

DESIGN EXPERIENCES : The guest we design for

One philosophy, several need states. The design variable is what the guest needs to feel on departure.

Cohort	Primary need state	The HIDDEN promise	The Technogym role
30 to 40	Performance, sleep, mental clarity, data	Optimise without losing the feeling of escape	Connected training, wearables, Reformer, digital continuity
40 to 50	Executive recovery, stress, energy	Recover from the life you have built	Checkup, mobility, strength, breathwork, personalised schedule
50 to 60	Healthy ageing, body composition, cognition	Build the capacity you need for the next decade	Strength preservation, mobility, Checkup, low impact conditioning
60 to 70	Independence, confidence, mobility	Move well, feel capable, stay connected	Safe strength, balance, walking, family programming

A generic wellness programme fails in both directions: it intimidates the guest who has lost fitness and disappoints the guest who trains seriously.

Five archetypes properties can actually use

Recognisable in a conversation at arrival, without consulting a manual.

1

The Exhaler

High responsibility, low bandwidth. Wants silence, sleep and gentle movement. The risk is an over-filled schedule.

2

The Maintainer

Trains at home and does not want travel to interrupt it. The risk is a facility that feels like a compromise.

3

The Rebuilder

Has lost fitness or confidence, often after illness. Needs a first session that succeeds.

4

The Optimiser

Data literate and wearable connected. Wants a baseline, progression and something to continue at home.

5

The Legacy Traveller

Often older, travelling with family. Values mobility, nature and experiences shared across generations.

The same guest moves between archetypes within a stay. A Maintainer who arrives exhausted is an Exhaler by the second morning so the system has to be responsive rather than prescriptive.

Technogym Checkup is the centre point

One assessment, six domains, one number the guest understands immediately. Available in Sandstone.



WELLNESS AGE

The biological age of the body, derived from measured performance rather than self-report.

A guest who arrives at a Wellness Age of 52 against a chronological age of 46, and returns a year later at 47, has been given proof.



Wellness Age display

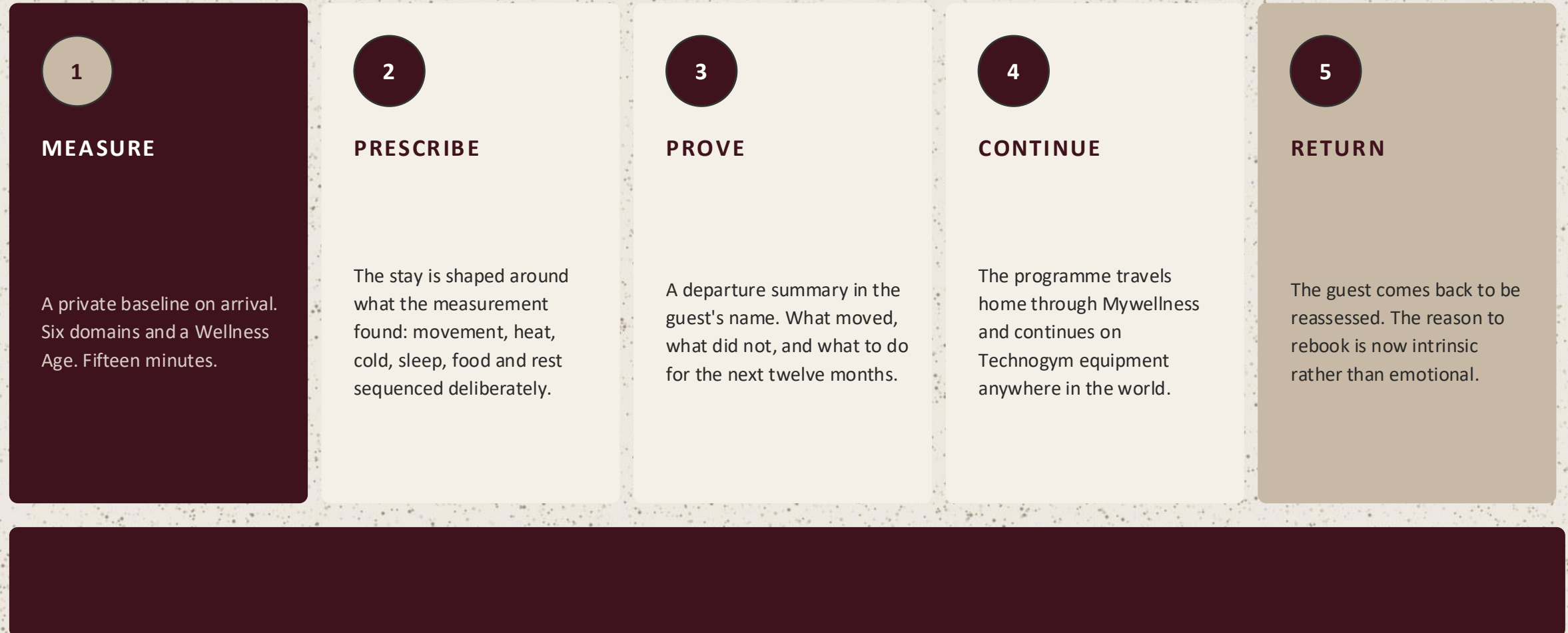
Cardiovascular	The strongest single predictor of all-cause mortality
Strength	Lean mass and force production, the second
Mobility	Range and quality of movement
Balance	The determinant of independence after sixty
Cognition	Reaction and processing under load
Body composition	Fat mass, lean mass, distribution, with DEXA validation in progress

Six measured domains converge into a single Wellness Age and a personalised programme.



The loop that creates the return booking

This, and not the equipment, is what pays for the investment.



Sell an outcome with a name

Five signature journeys, each combining movement, nature, spa, food, rest and optional measurement.

EXHALE	Stress reduction and nervous system reset	Arrival ritual, digital disconnection, breathwork, gentle mobility, nature walks, massage, sleep support
RESTORE	Recover energy and physical ease	Light Checkup baseline, mobility, Reformer, guided stretching, spa recovery, protein forward nutrition
PERFORM	Maintain training while travelling	Trail and ride sessions, strength work, outdoor conditioning, structured recovery, wearable integration
REBUILD	Regain confidence after inactivity	Safe strength, balance, low impact cardio, cooking education, a progression plan to take home
RENEW	Healthy ageing and future capacity	Checkup with Wellness Age, strength preservation, balance, nature experiences, a twelve week plan

A journey gives the guest a reason to choose, staff a shared purpose, and the business something to price and measure.

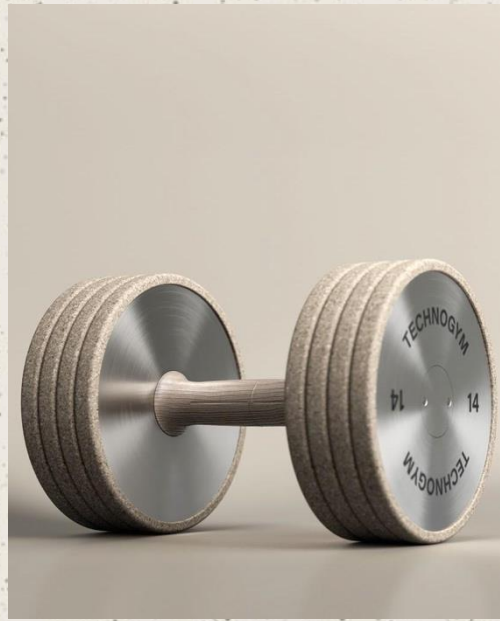
A worked example: five days of EXHALE

White space is a designed feature of this journey, not an absence of programming.

	Morning	Afternoon	Evening
Day one	Arrival ritual, breathwork and intention setting	Rest, a slow walk on the reserve	Restorative dinner, sleep protocol, devices handed over
Day two	Optional light Checkup, then a personalised session	Spa ritual, then unstructured time	Nature drive at last light, early night
Day three	Guided hike with breathwork at elevation	Reformer or stretch session, recovery	Cooking session focused on food the guest can reproduce
Day four	Gentle mobility, guided by screen content in the pavilion	Conservation participation or a slow game experience	Sound or meditation session, dinner
Day five	Short strength session, review of the take-home plan	Departure, programme transferred to Mywellness	Continuation at home, reassessment on return

Sandstone as the design identity

A professional environment that reads as quiet, tactile and highly designed rather than commercial.



Equipment selected as part of a designed environment, not assembled as a collection of machines. Sandstone is also the visual language that makes co-branded retail coherent later, from mats and rollers to the items sold in the boutique.

Sandstone was singled out in the meeting as the identity that integrates with the architecture and the landscape.



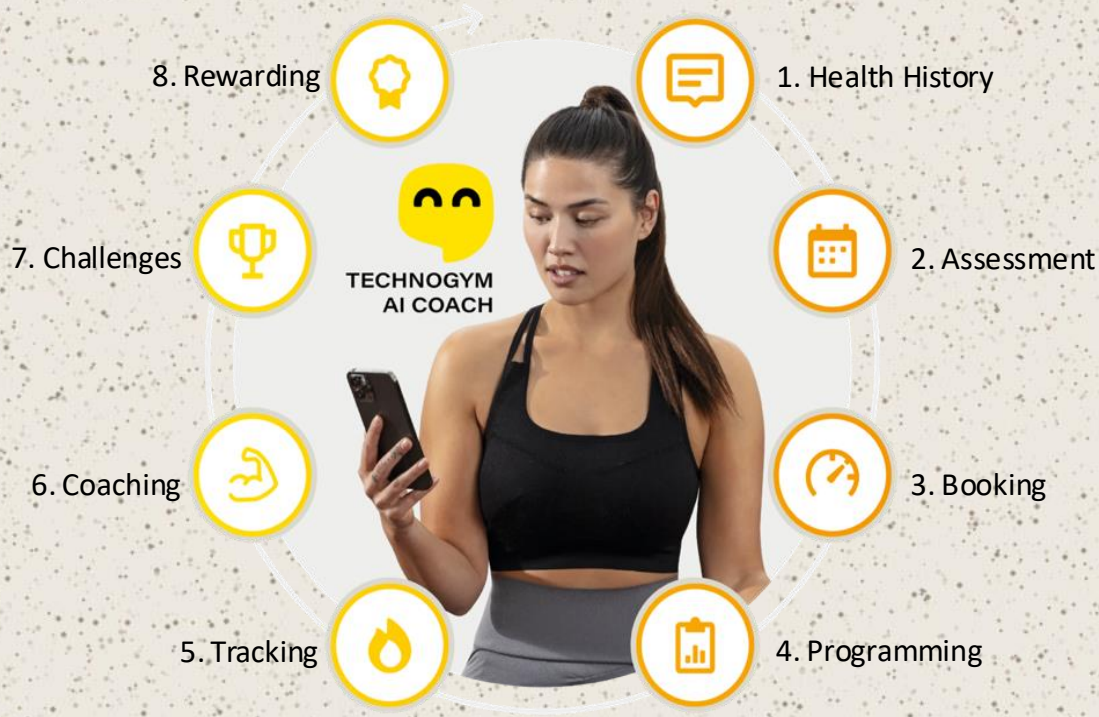
DESIGN WITH INTENT : FORM & FUNCTION

Equipment selected as part of a designed interior rather than assembled as a collection of machines.



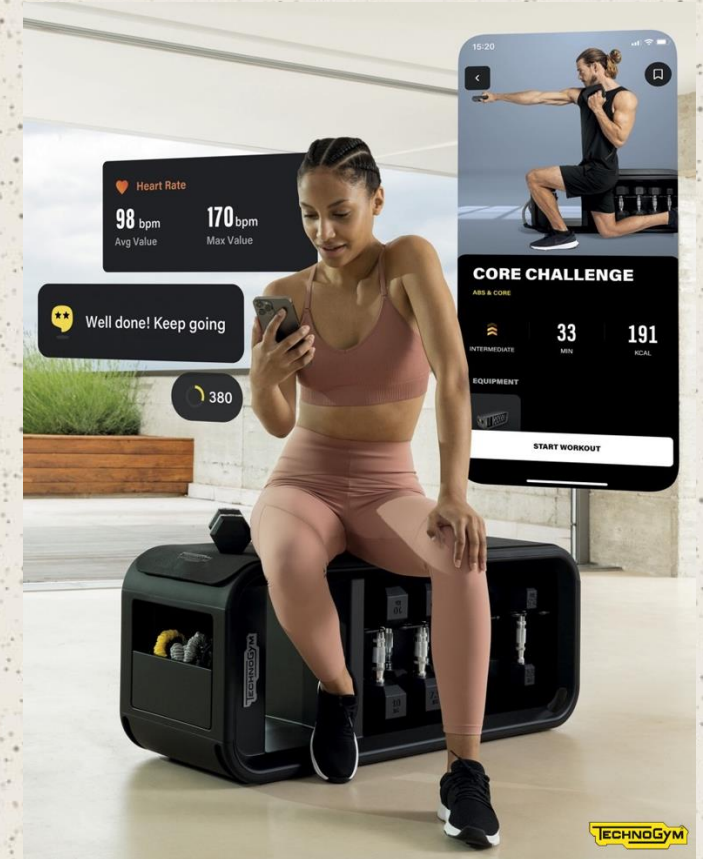
Left: a Sandstone wall-to-wall floor. Top right: ARTIS cardio in Sandstone. Bottom right: Technogym Reform in Sandstone, with ash wood-frame and clay upholstery.

WELLNESS CRM: Content and Continuity



Mywellness

Carries the guest from pre-arrival profiling through in-stay programming to continuation at home, including activity recorded on the reserve through Garmin, Apple Watch or Strava.



1,400+ hours

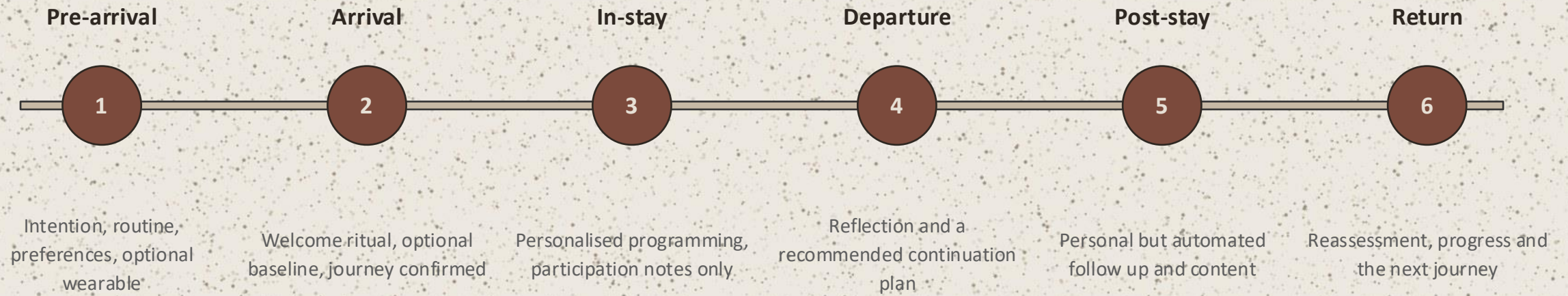
Trainer led content across Pilates, Reformer, yoga, mindfulness, mobility and conditioning, with roughly 300 new hours a year. World class instruction without every specialist living on a remote property.

Bespoke HOTEL content

In time, each property records its own practitioners, so the content becomes a brand asset and the guest can continue with the instructor they connected with.

WELLNESS CRM: A relationship, not a stay

The digital layer exists to extend the guest relationship in both directions.



Technogym equipment sits in a substantial proportion of the premium hotels this clientele already frequents, so a guest can continue a programme created at the hotel while training somewhere else entirely.

PART THREE

The New Segments

Longevity residences · longevity centres · active ageing · social wellness · branded residences



Longevity residences: formally named in April 2026

Canyon Ranch Austin

\$500m resort, 134 residences, homes pre-fitted with sauna, cold plunge and circadian lighting; women's wellness focus

The Estate

25 hotels, residences and urban centres by 2030; Fountain Life and Clinique La Prairie clinical stack; \$35,000 memberships

SHA Costa Mujeres

31 residences from \$2.4m: the clinic brand extending into ownership

Continuum 12000, Miami

263 residences from \$1.5m; the developer as its own operator with a 14 000 m2 club

THE WELL Coconut Grove

194 residences from \$1.5m; red-light therapy built into the specification

Aman

Briefing brokers on longevity-led design of its next three residence projects

***Longevity is no longer a service you visit. It is a lifestyle you live in, and the home is becoming the most powerful longevity tool of all.
(Global Wellness Summit, 2026)***

Longevity centres: a \$5-11 billion services market at 12-13% growth

2025 market estimates by definition, US\$ billions



Definitions vary materially across research houses. Underwrite ranges, not points.

THE REFERENCE OPERATOR

Fountain Life

\$108m raised; ~\$21,500 annual memberships around whole-body MRI, genomics and advanced blood panels; scaling into Houston, LA and Miami; embedded as the clinical layer of The Estate; co-publishes GWI's US market research. Membership programmes are the leading clinic service model at 44% share, and white-label clinics are now opening inside fitness clubs.

SEGMENT THREE: THE VOLUME STORY

Active ageing: the largest quiet market in wellness real estate

\$661B

US active adult (55+) community market in 2025, heading for \$906.6 billion by 2033

70%

Of all US senior living revenue sits in this lifestyle-led segment

1.4bn

People over 60 globally by 2030; the longevity economy spends disproportionately on healthy living

52.8%

Of segment revenue comes from women, the majority buyer

Del Webb, The Villages, Latitude Margaritaville and Trilogy are the mass-market expression of the wellness thesis, and their design brief is converging on active longevity: strength, balance, cognition and community.



Wellness-anchored flags own the fastest pipelines

+233%

Six Senses branded-residence pipeline growth, the fastest in the sector

+214%

Mandarin Oriental pipeline growth; both flags are explicitly wellness-anchored

~\$70B

Institutional capital flowing into global hotel real estate in 2026

THE MOVES OF 2025-26

IHG is scaling Six Senses in the US, including the 1,200-acre RiverStone Estate with 40 branded residences. Equinox is building a resort and residences at AMAALA on Saudi Arabia's Red Sea. Marriott has partnered with Therme Group, whose \$850 million Dallas urban wellness resort targets 2031 as its first US site. Hilton, Accor, Hyatt, Marriott, Radisson and Four Seasons have all made wellness acquisitions or launched dedicated lines since 2023. Wellness has become the pipeline strategy of luxury hospitality, not a feature of it.

PART FOUR

Africa, South Africa and the Indian Ocean

The thesis is no longer arriving in this region. It has arrived, with published numbers



Africa's first globally ranked wellness estate

GW I 2026 WELLNESS REAL ESTATE ATLAS

Val de Vie: top 15 in the world

The only African development at that tier, scored across six wellness pillars with its highest marks for physical wellness and social design; Val de Vie Evergreen separately ranked in the 31-estate second tier. Listings to R100 million; close to 30% of municipal property taxes; GWI's own framing calls such estates economic engines for regional growth.



150,000

People a year semigrating to the Western Cape, including HNW retirees and foreign buyers

9.5% vs 4.6%

WC price growth vs Gauteng, late 2025; estate homes are SA's top performer

THE DEVELOPMENT RESPONSE

Evergreen Lifestyle has more than R3 billion of Western Cape developments under way against largely sold-out villages. Steyn City completes 760 residences in Q4 2026 with a Saxon-branded hotel and spa. Munyaka carries the model into the mass market; Brooklyn House into student living. The regional premium evidence, roughly 40% over comparable freehold with a 3 to 7% wellness rental premium, now has a globally benchmarked flagship attached.

The Cape Town proof: a social wellness club with published returns

R100m+

Virgin Active's Collection Country Club, Green Point: 5,500 sq m of training, recovery, contrast therapy, padel, HYROX, health food and co-working, opened February 2026

37% ROIC

Forecast at maturity, with a 2.7-year payback; four further SA clubs planned in a 37-club premiumisation programme funded by a £175m rights issue

R1,500 → R2,499

Monthly membership repricing, with the base holding at 8,900 members against 9,300 pre-refurbishment



WHY THIS CASE MATTERS BEYOND ONE OPERATOR

This is the first African data point proving the global club findings locally: premium wellness positioning carries a two-thirds price increase with minimal member loss, and the payback maths works at Cape Town price points. Southern Africa supplies 623,000 of the group's 1.02 million members,

For every estate clubhouse, hotel wellness floor and island resort in the region, this is now the benchmark of what members will pay for.

PART FIVE

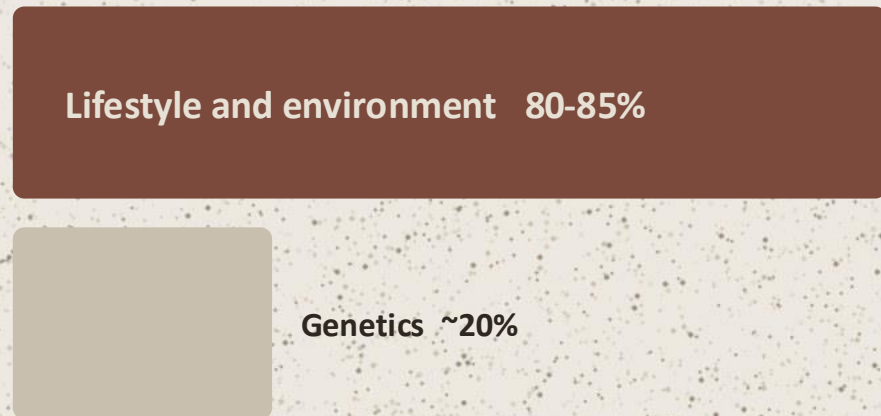
THE WELLNESS CITY

The model at full scale: urban wellness as economic strategy



Lifestyle drives the outcomes; cities shape the lifestyle

What determines health outcomes



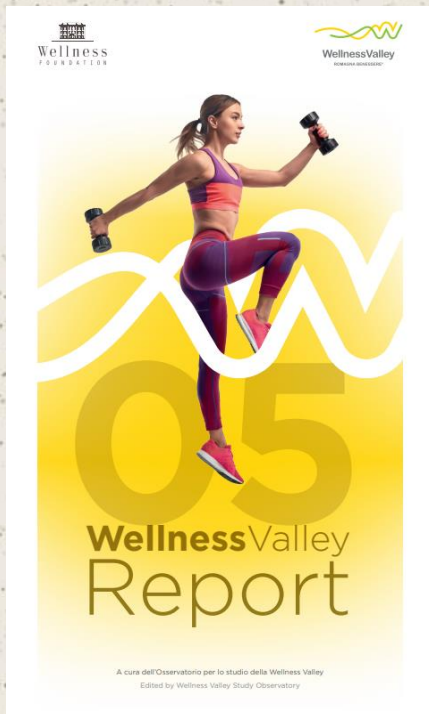
70% of the world's population will live in cities by 2050. Chronic disease already absorbs roughly 70% of healthcare spending in advanced economies. Urban design is now a public health and fiscal question.

Five reinforcing returns for city leadership

-  **Tourism yield** the traveller who spends 41 to 175% more
-  **Real estate investment** the 10 to 25% premium applied at precinct scale
-  **Talent attraction** wellness cities are magnets for mobile, skilled professionals
-  **Job creation** across the whole wellness value chain
-  **Healthcare cost avoidance** a measurably healthier, more productive population

THE PROVEN MODEL, TWENTY YEARS OF DATA

Wellness Valley, Emilia-Romagna: the definitive evidence base



55.6% vs 48.3%

Population meeting WHO activity recommendations, Valley versus Italy

15.6% vs 28.1%

Sedentary population: roughly half the national average

15.6% vs 20.6%

Diabetes prevalence among over-65s; disability risk 10.5% vs 17.0%

+50%

Growth in the wellness industry's value, from EUR 1.15bn (2011) to EUR 1.73bn (2022)

EUR 5.86

Returned in national health service savings for every euro invested in sport (CONI, 2024)

+31.5%

Wellness employment growth 2011-2023, against 2.8% across all other sectors

The world's first wellness district, launched by Technogym founder Nerio Alessandri in 2002: 75 municipalities, 63 healthcare facilities, 124 gyms and sports centres, 30 schools, 26 university departments and 24 certified hotels and beaches, measured annually by an independent observatory.

From Romagna to Milan to the Gulf

Milano Wellness City 2030

Milan is applying the model at metropolitan scale, anchored to the Milano-Cortina 2026 Olympic legacy. A coalition spanning Bocconi, Politecnico, San Raffaele, Human Technopole, the hotel association and the city's great sports institutions, with green space per inhabitant already up from 16.9 to 18.8 square metres since 2011.

The Gulf programmes

Wellness is the organising principle of trillion-dollar national development plans. Saudi Arabia's wellness real estate market has compounded at 85% annually since 2017, the fastest in the world, with the UAE at 21%. When sovereign capital reorganises around a thesis, institutional sentiment has spoken.

The wider wave

Governments, tourism boards and investors now plan wellness at destination scale. Dense cities from Bangkok to New York and London are converting themselves into accessible wellness hubs built around recovery, diagnostics and longevity programming.

The first credible mover in each region captures a positioning that followers cannot easily replicate.

THE SOUTHERN HEMISPHERE'S WELLNESS CITY CANDIDATE

Cape Town

NATURAL ASSETS

Table Mountain National Park with 135+ marked trails across 70km of peninsula, two oceans, world-class surf, and the Sea Point Promenade as a free seven-kilometre outdoor gym

BUILT INFRASTRUCTURE

One of SA's highest fitness participation rates, 27 Virgin Active clubs, the Sports Science Institute, 35+ public pools, 200+ municipal sports facilities and 60+ five-star properties

EVENT CALENDAR AS INFRASTRUCTURE

Cape Town Cycle Tour, Absa Cape Epic, Ultra-Trail Cape Town, Two Oceans Marathon and Red Bull King of the Air, drawing global participants and broadcast attention annually

The Wellness Valley precedent shows the model requires coordination, measurement and patience more than mega-capital: a foundation structure, stakeholder alignment and measurable annual outcomes.

WHERE PREMIUMS ARE CREATED AND SUSTAINED

The building is the hardware; the premium lives in the operating layer



A stagnant amenity earns no premium; the under-utilised residential gym is the canonical failure mode. The premium attaches to activated, programmed, measured wellness.



Certification

WELL and Fitwel convert intent into priceable, underwritable evidence: 7,000+ studies, three-yearly recertification, and under 3% of stock certified in even the most mature market. First-mover advantage remains available in essentially every submarket on earth.



The connected platform

A MyWellness-class digital layer across the guest or resident journey: 1,400+ hours of content, equipment and wearable connectivity, CRM and loyalty integration, and post-stay engagement that keeps the brand in daily life after checkout.



Assessment and measurement

Baseline testing, structured programmes and visible progress convert a facility user into a retained member and a guest into a returning advocate. Engagement is an operations discipline, not a floor-plan feature.

Five commitments of a serious player

1

Design wellness in from the masterplan

The sub-2% cost benchmark holds only from inception; late retrofits cost multiples for less effect

2

Certify so the market can price it

Certification converts intent into the 4.4-7.7% evidence lenders underwrite, and under 3% of stock has claimed it

3

Build the operating layer before the ribbon-cutting

Connected platform, content, people, programming; a stagnant amenity earns no premium

4

Anchor a recurring-revenue membership

From Canyon Ranch clubs to \$35k urban memberships to Life Time's \$882 ARPU, membership is what capital prices

5

Measure outcomes and publish them

Assessment, structured programmes, visible progress: retention for members, durable premium against copycats

CONCLUSION

Who captures it first?

Developers and investors

Design wellness in from master planning. Certify so the market can price it. Activate it with a credible operating layer. Underwrite the evidence, not the industry's lagging intuition: the under-valuation gap is where excess return lives.

Hotel groups and operators

Choose a lane on the wellness spectrum and drive in it. The Minor Wellness data proves the entry barrier is low; the Major Wellness data proves the ceiling is high; the seasonality data makes this existential for resort portfolios.

City and regional leadership

The wellness city is a proven twenty-year model with measured health, economic, tourism and fiscal returns. It needs coordination, measurement and patience more than capital, and the first credible mover captures the position.

Three hundred studies, a decade of GWI quantification, MIT, Cambridge, CBRE, JLL, ULI and twenty years of Wellness Valley outcomes have settled whether wellness creates value. Those who build, operate and govern well will capture a documented, compounding, multi-lever return. Those who do not are choosing to compete on price alone in the one market that most richly rewards differentiation.

**LET'S MOVE
FOR A
BETTER
WORLD**

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