PARAGON GROUP

1997 - 1999

Paragon Architects was formed in October 1997 by Anthony Orelowitz and Henning Rasmuss, and formalised under its current name in February 1999, following a win in the Melrose Arch building design competition.

The new practice moved into shared offices with two media companies and with our architectural colleagues at Urban Solutions in Parkhurst, Johannesburg. Highlights during this time were the Melrose Arch competition win, the Kimberley Legislature competition no-win, the completion of two private houses, and the ongoing community work in Leeuwfontein and Mabopane.

By the beginning of 1999, the team consisted of four people.

1999 - 2002

Like other practices in South Africa, we took on many private residential commissions. We have always followed a policy of not turning away any commissions, regardless of size and type. Our business in built on this decision. Each project has a potential: sometimes the potential is architectural, sometimes it is in terms of learning opportunities, and sometimes it is in the people that make up the project.

During this time, we successfully competed for the Peregrine Holdings head office project, and built our team's technical competence through two key people who joined our team: Zark Kruger and Marilize van Dyk (a partner in Paragon Interface until early 2013 when she left to pursue alternative projects).

We also completed a number of large office refurbishment projects, and started doing hotel and game lodge projects, notably Mateya Lodge in Madikwe. New projects included Sun International's head office.

In early 2002, we bought the business of Atelier Tectoniqua as a going concern from a colleague who emigrated; and made Marilize van Dyk our partner. From 2002 to 2009, the business produced once-off residential projects, exhibitions, and interior design and space planning projects under the name Tectoniqua. In 2009, it was renamed Paragon Interface as part of our Group re-branding strategy. It is now a respected company in space planning and interior architecture in the South African development industry.

2002 - 2003

You need your first 'big' building to get your next one. With a base of 12 team members, we became active on our first 'new build' big buildings – Sun International and T-Systems head offices - and finally completed our first 'building with a lift' at Melrose Arch.

At the same time, with more visibility in the market, other opportunities arose. In April 2003, we began work for Summercon, a major residential developer active in the sectional title housing market. By September 2003, we acquired the business of Architectural Concepts as a going concern from a colleague who retired and formed it into another Group company under the name Hub Architects. Our longest-serving team member, Jean-Paul Zietsman, became our partner in this niche practice, which focused on limited-service residential developments and prototypes, and rolled out large-scale housing projects. Between late 2003 and late 2013, we delivered architectural documents for about 7,000 units of sectional title housing, for three dominant clients in South Africa.

The Bowman Gilfillan and Discovery Health projects began to occupy our time during this period. We also engaged in wild and not always fruitful projects in Angola, for interesting potential clients with big ideas and limited technical and contractual means.

2004 - 2006

These years allowed us to consolidate technical knowledge and design ability based on strong, established working relationships with clients, consultants and contractors. We continued working in all project types, from private residences and industrial work to retail and corporate head offices. Office buildings started to dominate our architectural production – the most important of these, and the most technically challenging, was the double conversion of two adjacent buildings in Sandton into the head office extension for Discovery Health.

Towards the end of this time, we decided to separate residential and commercial architectural production, and formed Paragon Habitat Architects with Nadia Tromp as partner. The intention was to deliver a better and more focussed service to our clients in all sectors.

We exited this phase of our practice with a staff complement of 28 people in Paragon Architects, and another 14 to 16 people in the other Group companies. Project highlights were the highly visible cluster of buildings on the Woodmead interchange, and the joint venture project with VIVID Architects for the Design Quarter Lifestyle Centre in Fourways.

2006 - 2010

The year 2006 saw the beginning of South Africa's largest-ever property boom. We had an immense amount of work, increasingly spread around South Africa with projects in the Eastern Cape, KwaZulu-Natal, and Cape Town. In April 2006, we joined the Joint Venture team for the 2010 FIFA World Cup Stadium in Green Point, Cape Town. Our participation in this project was undertaken as part of 'Point Architects and Urban Designers', one of three practices in the Stadium Architects Joint Venture.

Our final responsibility in this project was the design and documentation of the 38,000m2 cable-supported glass roof, the largest structure of its kind in the world at ZAR 450 million. This project changed the way our business perceived itself and was perceived, and the way we managed our work and our teams. It also introduced us to consultants and technologies of global repute and reach.

During this time, we changed our drawing production systems and implemented Autodesk REVIT technology. Our design delivery was fundamentally impacted by this and we began to design more sculptural buildings, combining our deep skills in Cost Engineering with the capabilities of 3D modelling technology.

Project highlights in this time included ABSA Capital, with architecture by Paragon Architects, and interior architecture and space planning by Paragon Interface (then Tectoniqua). The other major project to emerge during this time, and which is now under construction, is the 22-storey project at 15 Alice Lane.

At the end of 2007, we won first prize in the Aspire MOGAS Towers international architectural competition, for an 18,000m2 office tower in Kampala, Uganda. The project remains unbuilt due to political tensions in the East African region following the 2008 Kenyan elections. However, the project inspired us to include Green Building principles in our design thinking. We now have accredited Green Building professionals in our team and are corporate members of the Green Building Council South Africa.

In 2008, we closed Paragon Habitat Architects and decided to exit the market for once-off houses. We also welcomed Estelle Heuseveldt (now Meiring) as our first associate, as part of a

decision to grow our client base and to independently manage larger production teams in the office.

During 2008, Paragon Architects landed its biggest job to date, the 24,000m2 Norton Rose Fulbright Towers. This building offered the practice an opportunity to explore glass technology and, in doing so, established an iconic building on the Sandton skyline. The building was completed in 2010.

In 2009, we opened an office in Belo Horizonte, Brazil, under the name of Paragon Arquitetura, with Leticia de Andrade, who had worked with us on the 4 Sandown Valley Crescent project. Paragon Arquitetura was involved in projects in Angola and in Belo Horizonte 'Mineirão Stadium' for the 2014 FIFA World Cup, in a joint appointment with other architects. We also established an in-principle partnership in Angola for the formation of an office in that country and continue to market actively in Angola together with our Brazilian office.

2010 - 2014

In 2010, Paragon Architects was awarded the contract for the design and erection of the Alexander Forbes head office (38,000m2), located across the road from the Sandton Gautrain Station. The interiors were completed by Paragon Interface and the building was completed in September 2012.

In 2011 the company was pleased to re-locate its own offices into the Norton Rose Fulbright building where it remained for 2 years.

During 2011, Henning Rasmuss began an active campaign to establish links across the continent. This has proven to be successful and the company is poised to further its roots into other African countries.

2012 saw the completion of Alexander Forbes and it attained a 4-Star Green Star SA rating. And, in 2013, Paragon Architects' South African business achieved a Broad Based Black Economic Empowerment (BBBEE) rating of LEVEL 3 under the Construction Industry Transformation Charter.

Also, during 2013, Paragon Architects was awarded the 68,000m2 Sasol Corporate Office, and later the interiors were secured by Paragon Interface. The company was also awarded the last buildings in the Alice Lane Precinct, which were completed in 2016. In 2013, Alice Lane Phase One, 30 Jellicoe and 105 Corlett Drive were completed next to the M1 motorway.

By September 2013 the Group staff complement had grown to 75 people, with 44 in Paragon Architects, 10 in Paragon Interface, and 4 in Paragon Architects South Africa, and 12 support staff members. Also, during September 2013, the company relocated to 33 Fricker Road in Illovo. In February 2014, Hub Architects separated from the Paragon Group and Jean-Paul Zietsman acquired all shares in the business. It now operates independently.

2015 - 2017

In late 2014, we formally closed our Brazilian business. Looking back, we misjudged the nature of the market and the type of client that we could access. Continental African growth was strong but would soon be undermined by the follow-on effects of the resource price crash of October 2014. By March 2015, our staff complement had reached 88. We continued to invest in Revit skills and used strong cash flows to undertake training in Scrum methodologies and invested in our belief in autonomous decision-making processes.

People skills development became a big push between 2017 and 2019. Outside of South Africa, we were building in Accra, Gaborone, Mbabane, and Nairobi. Interior Design projects were completed in Accra, Brazzaville, Dar es Salaam, Gaborone, Lagos, Libreville, Maputo,

Maseru, Nairobi and Port Gentil. We looked again at the Middle East, with an exploration into Oman as a basis for project engagements.

2018 - 2019

Going in to 2018, we had reached a team size of 103. In the African and South African industry, this put us into the top 5% of companies by size and reach. Business outside of South Africa had become very tough going, as the 'easy money' of resource-fuelled exploitation evaporated. Local in-country Pension Funds became important clients in Eswatini, Ghana and Kenya. We had been on the verge of securing large projects in Cape Town and, after much planning and evaluation of the market, decided to open an office in Cape Town at the beginning of 2019.

The Discovery Health head office project in Sandton dominated the life of just about everyone in Paragon Interface Architects. It was an intense and highly pressurised project. Its completion properly set us apart from most of our major competitors and led to strong project enquiries and substantial appointments for space planning and interior design projects in Johannesburg and Cape Town. Our very striking first new-build project in Durban was completed in Umhlanga Ridge during 2019. We commenced construction of a 23-storey high rise tower in Nairobi, which was later stopped when the client's financing bank was liquidated by the Kenyan bank regulator.

It was a year of external pressure and a shrinking economy, with the impact of State Capture becoming evident everywhere around us, and the continuing shrinking of average commercial property project sizes. For Paragon Group and for its competitors, we could see and feel the South African market shrinking. As a counterstrategy, we diversified into Student Housing, Retail Centres, Data Centres, and Residential Housing projects. A large new University in South African absorbed much of our design energy.

At the end of 2018 and 2019, we staged massive and memorable End of Year events, which included many people in our entire industry ecosystem. And we burnt city silhouettes and sculptures custom-designed for the events. We concluded 2019 with an important transformation transaction in Paragon Interface Architects, in which 51% of the ownership in that company was vested in a Black partner, Thulani Sibande. We were confident and now future-ready, and the Cape Town office was showing its first cash-generating projects.

2020

The shrinking of average project sizes and the longer extent of 'risk work' phases in projects forced us to consider retrenchments for the first time in 23 years of company history. Emigration caused a small number of top team members to leave us for the proverbial 'greener pastures. But were there planes leaving to everywhere? Far from it. The first client to warn us of the impact of the Coronavirus was a Botswana-based hotel developer who cancelled a project bid in December 2019.

Less than two months later, we were holding open-air meetings in our courtyard, purchasing N95 masks for all staff, getting to know everything about hand sanitiser, and decamping to over 90 home offices. Our IT service providers did incredible work to keep us connected electronically, and our autonomy-based work processes helped us over the initial hurdles of communication.

2020's history is not written yet. It was a year of emergency management, and permanent change is only now becoming visible. We ended the year with a team size of about 80 people, but in a strong position and with almost all clients continuing to honour their project commitments. It would be wrong to say, however, that we were not fundamentally impacted. Like 8 billion other people on earth. That being said, 2020 was not all zoom and gloom, and we emerged more united and leaner.