

ASX Release

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Pymont Bridge Trust Update

BlackWall's latest turnaround project is now fully occupied with fit-out works almost complete on the last of the vacant space at 55 Pymont Bridge Road, located in the Sydney CBD fringe. The \$80 million distressed debt acquisition was initially structured with NAB's strategic business services group in 2014. BlackWall formed a wholesale investment syndicate known as the Pymont Bridge Trust to joint venture the deal with NAB. In late 2016, Pymont Bridge Trust undertook a rights issue to acquire the bank's position and take full control of the project.

55 Pymont Bridge Road is a 14,500 square metre technology and media hub that was 50% vacant when BlackWall took over. The former home of Fox Sports came under stress due to the insolvency of UBI World TV which occupied 2,500 sqm and Fox vacating over 4,800 sqm not long after.

"We have reconfigured Pymont Bridge Road and filled it with smaller tenants on more flexible arrangements," said BlackWall CEO Stuart Brown.

BlackWall's flexible office business WOTSO WorkSpace has been a big part of the success. WOTSO has grown from 400 sqm to now occupying more than 2,000 sqm, with an offering ranging from a single hot desk up to suites of over 100 sqm all on month-to-month terms. "We have done a lot of work to upgrade the common areas and services at the building, which coupled with WOTSO has created a vibe that has attracted larger users on conventional lease arrangements," said Mr Brown.

In addition to WOTSO, the building houses US telco Verizon's Asia Pacific data centre, IAG's low cost insurance business Satellite, research and technology services provider Data Processors and growing web hosting business Digital Pacific. Onsite employees and locals can make use of the new coffee shop, two Little Learning Childcare centres and a Jump learn to swim centre. WOTSO has also retained some of the Fox Sports studios, which are available for hire by WOTSO members and external users for streaming, pod casting and advertising shoots.

BlackWall's listed property trust BlackWall Property Trust (BWR) is the largest investor in the project and announced that a new independent revaluation of the asset has come in at \$111 million. This result has led to BWR revaluing its holding in the Pymont Bridge Trust from \$7.6 million to \$13.7 million, adding 9 cents per unit to BWR's net tangible assets. The revised holding value is after ongoing management costs and a performance fee due to BlackWall as manager of the Pymont Bridge Trust.

"In addition to the strong value uplift the Pymont Trust is paying quarterly distributions equating to 10% per annum," said Mr Brown.

For further information please contact BlackWall:

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