Full Year Results

30 June 2017

LMW

Agenda

1. Company Vision
2. Key Achievements
3. Acquisition
4. MVS Earn Out
5. Structure of LMW
6. FY17 Results
7. Revenue Growth
8. Earnings Per Share
9. Market Outlook
10. Our Strategy & Focus
11. Forecast for 2018
12. Investor Relations Timetable
13. Q & A

John Wise, CFO & Company Secretary
Chris Coonan, CEO

LMW

Disclaimer

This presentation contains statements which could be perceived as 'forward-looking statements'. Such statements are only expectations or beliefs and are subject to inherent risks and uncertainties which could cause actual values, results or performance achievements to differ materially from those expressed or implied in this presentation. No representation or warranty, express or implied is made by LandMark White Limited that any forward-looking statement in this presentation will take place, be achieved or prove to be correct. You are cautioned against relying on any forward-looking statement.

Except for statutory liability which cannot be excluded, each of LandMark White Limited and its related body corporates and their officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this presentation and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error in or omission from it.

LandMark White Limited accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this presentation or any other representation or information made available to a person, not any obligation to provide such further information.

This presentation does not provide advice of any sort, including but not limited to, investment or financial product advice. You should obtain professional advice and make and rely on your own independent investigations and assessment of the information presented and any assumptions made before acting.

LMW

Company Vision

To create Australia's premier property advisory services company.

Through development and acquisition of complementary and diversified service lines.

Key Achievements

TOWARDS EXCELLENCE

Business Plan

- Successful acquisition and integration of MVS creating the largest ASX listed valuation services business.
- Awarded 2017 RICS Valuation Team of the Year.
- Completed projects targeting efficiencies across the business.
- Diversification of services.
- Significant investment in client engagement across the business resulting in an increase of market share.
- Maintained a high level of risk management within the business.
- Focus on digital marketing strategy to improve brand awareness.

LMW

Acquisition

MVS

Why?

- Increase scale & geographic spread
- Add new revenue streams
- Deliver operational efficiencies & shareholder value

Acquisition price

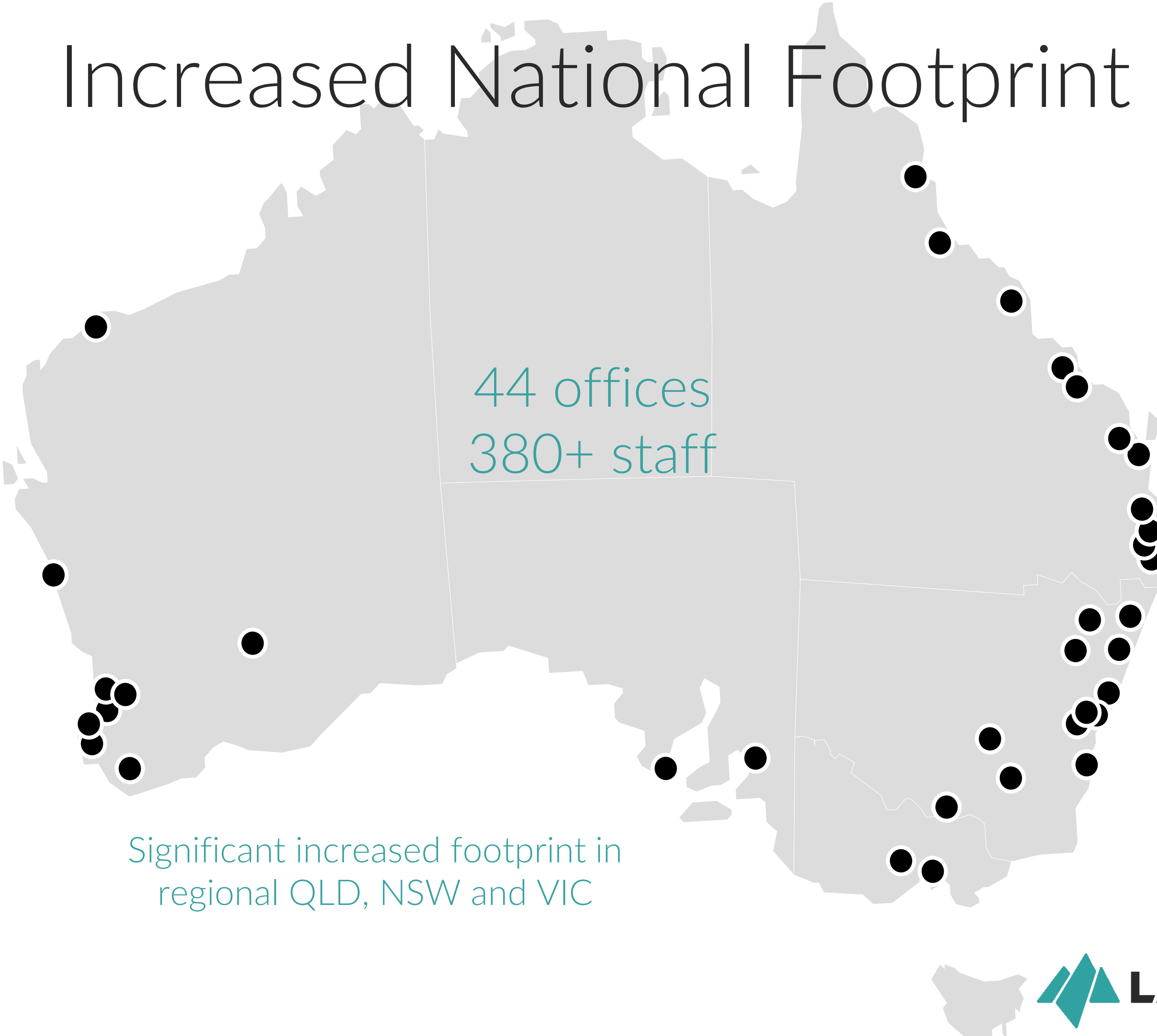
- MVS was acquired based on 4.5x EBITDA (circa 7x PAT)
- LMW trading at 11-13x
- Upfront payment of $16M cash plus $7.3M of shares
- Earn out payment in 3 years based on performance

Synergies

- Synergistic savings of $1.5-2M (annualised) anticipated
- Mainly support functions (finance, IT, payroll, management) plus some organisational efficiency benefits

LMW

Increased National Footprint



44 offices
380+ staff

Significant increased footprint in
regional QLD, NSW and VIC

LMW

MVS Earn-Out

- The residential and commercial businesses of MVS have been merged with the existing LMW's businesses
- The government business will continue to be run as a separate division
- We have made, and will continue to make, cost savings within the acquired business, including within the separate government division
- Accordingly the acquisition earn out value is based on the gross margin from the government division only
- This allows flexibility to generate savings below the gross margin line in the government business without impacting the earn out calculation
- Implied EBITDA = government business gross margin - $2.06M
- $2.06M represents historical overheads of MVS business minus historical gross margins from residential & commercial businesses
- Earn out business value is based on 4.5x implied EBITDA
- Maximum consideration is capped at $35M corresponding to an implied EBITDA of $7.8M
- Deferred consideration (satisfied via issue of shares at $0.60) is excess of earn out value over initial consideration of $23.3M and would be payable in September 2020
- “High water mark” implied EBITDA is based on results for calendar year 2017
- This will then be reduced if average of FY18, FY19 & FY20 is below the high water mark and/or if FY20 is lower than the average of FY18, FY19 & FY20

LMW

MVS Earn-Out

	Initial Consideration	Current estimate of high water mark[1]	Provided for in financial statements[2]	Maximum Consideration
Implied EBITDA	5.2	6.4	7.1	7.8
Earn out business value	23.3	28.8	32.0	35.1
Consideration				
Cash paid	16.0	16.0	16.0	16.0
Shares issued on completion at $0.60	7.3	7.3	7.3	7.3
	23.3	23.3	23.3	23.3
Deferred consideration (September 2020)				
Shares issued on completion at $0.60	-	5.5	8.7	11.8
	23.3	28.8	32.0	35.1

Notes

[1] based on actual results for first half of calendar 2017 plus forecasts for second half

[2] based on projections prepared during due diligence

[3] in accordance with Accounting Standard AASB 3, the acquisition entries will be amended for the 31 December 2017 half year accounts if the expected deferred consideration changes

Structure of LMW

Owned

- NSW & ACT
  - Residential
- Queensland
  - Residential
  - Commercial
- Victoria
  - Residential
  - Commercial
- National
  - Government

Franchises

- NSW
  - Commercial
- Sunshine Coast
  - Commercial

Joint Venture

- WA & SA
  - Commercial
  - Residential

Shared Services: Finance, IT, Marketing, Payroll & HR

FY17 Results – Highlights

Results

- Gross Revenues including franchised offices & joint venture businesses increased 5.0% to $38.9m.
- Revenues from owned businesses increased 9.7% to $25.1m of which 2.2% growth came from the existing business and 7.5% from the acquired MVS business.
- Net Profit Before Tax up 1.1% to $2.4m. However, the increase was 4.0% excluding profits from the acquired MVS business and acquisition costs posted to the profit and loss account.

Dividend

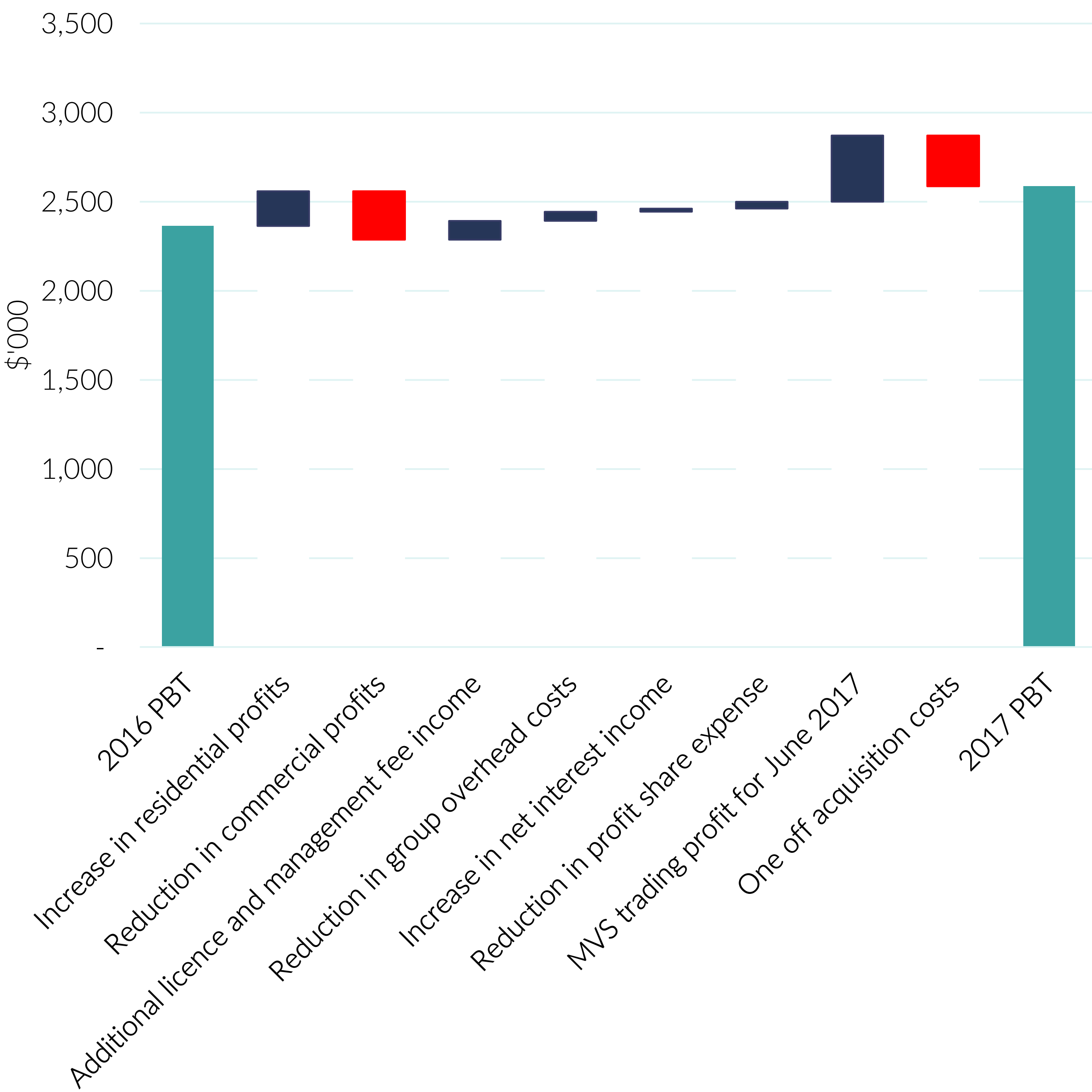
- Fully franked Final Dividend of 2.25 cents
- Full year dividend being maintained at 4.50 cents notwithstanding the increase in shares issued (from 27.6m to 75.9m) to fund the acquisition of MVS.

LMW

FY17 Results - Summary

	Year ended 30 June 2017 $000s	Year ended 30 June 2016 $000s	Increase/ (Decrease) $000s	% Change
Revenue				
Gross revenues (including joint ventures & franchisees)	38,879	37,013	1,866	5%
Owned business				
Continuing operations	23,352	22,849	503	2%
Acquired business	1,716	-	1,716	-
	25,068	22,849	2,219	10%
Profit before tax				
Continuing operations	2,462	2,368	94	4%
Acquired business	212	-	212	-
Acquisition costs expensed	(286)	-	(286)	-
	2,388	2,368	20	1%
Income tax expense	762	709	53	7%
Net Profit after tax from continuing operations	1,626	1,659	(33)	(2%)
Net Profit after tax adjusted to remove the impact of the MVS acquisition	1,826	1,659	167	10%

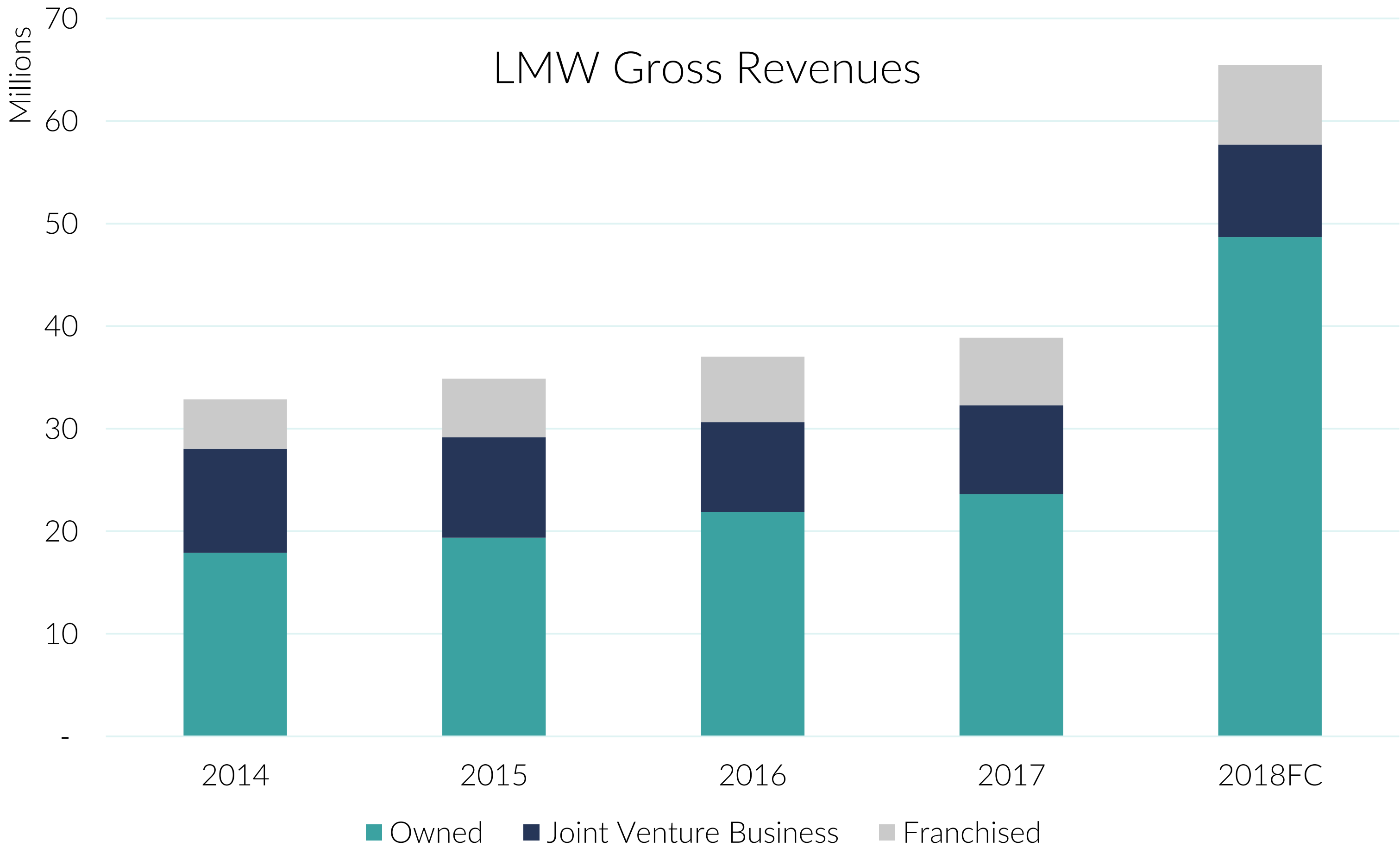
2017 v 2016 Results



- Residential profits increased as a result of increased market share in a flattening market
- Commercial profits are earned predominantly in SE Queensland which experienced a downturn in activity
- Profit from continuing operations increased 4% to $2,462,000
- Profit before one off acquisition costs was $2,674,000

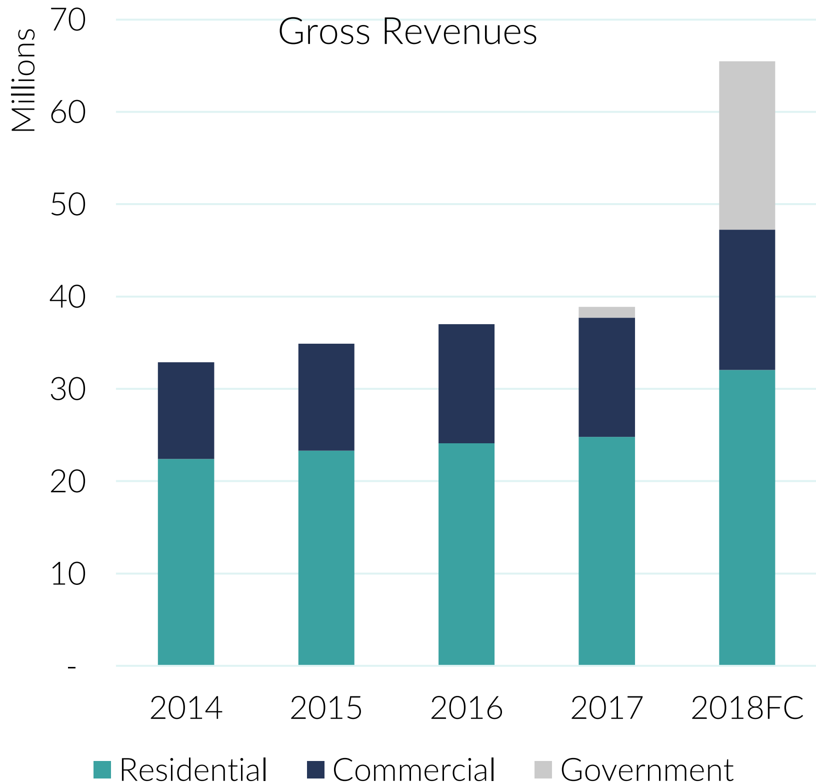
LMW

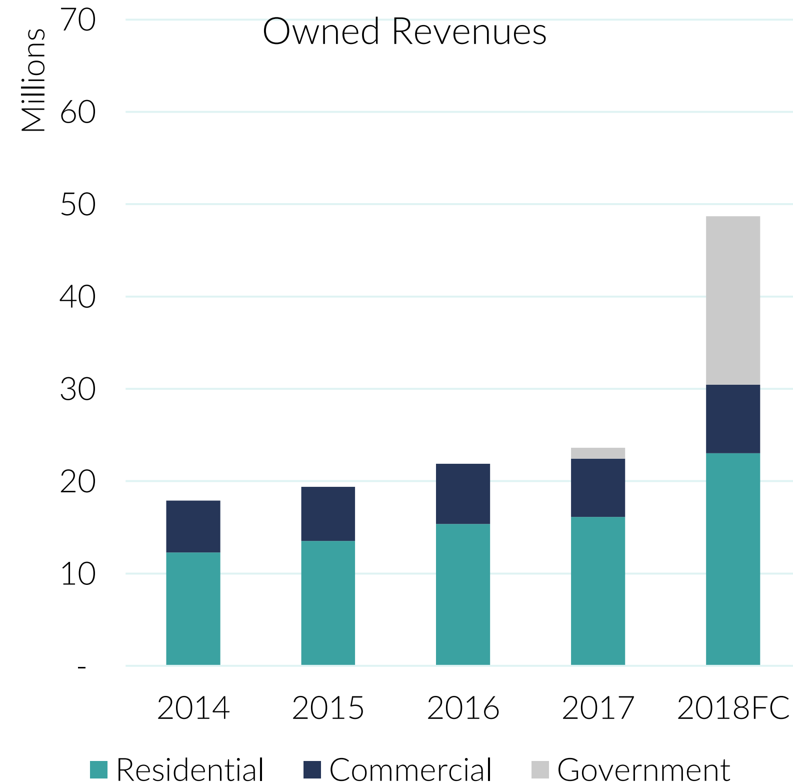
Revenue Growth



- Growth in 2017 ($2.3M) was driven by the acquisition of MVS ($1.7M) and organic growth ($0.6M).
- Forecast growth in 2018 reflects the benefits from the acquisition of MVS.

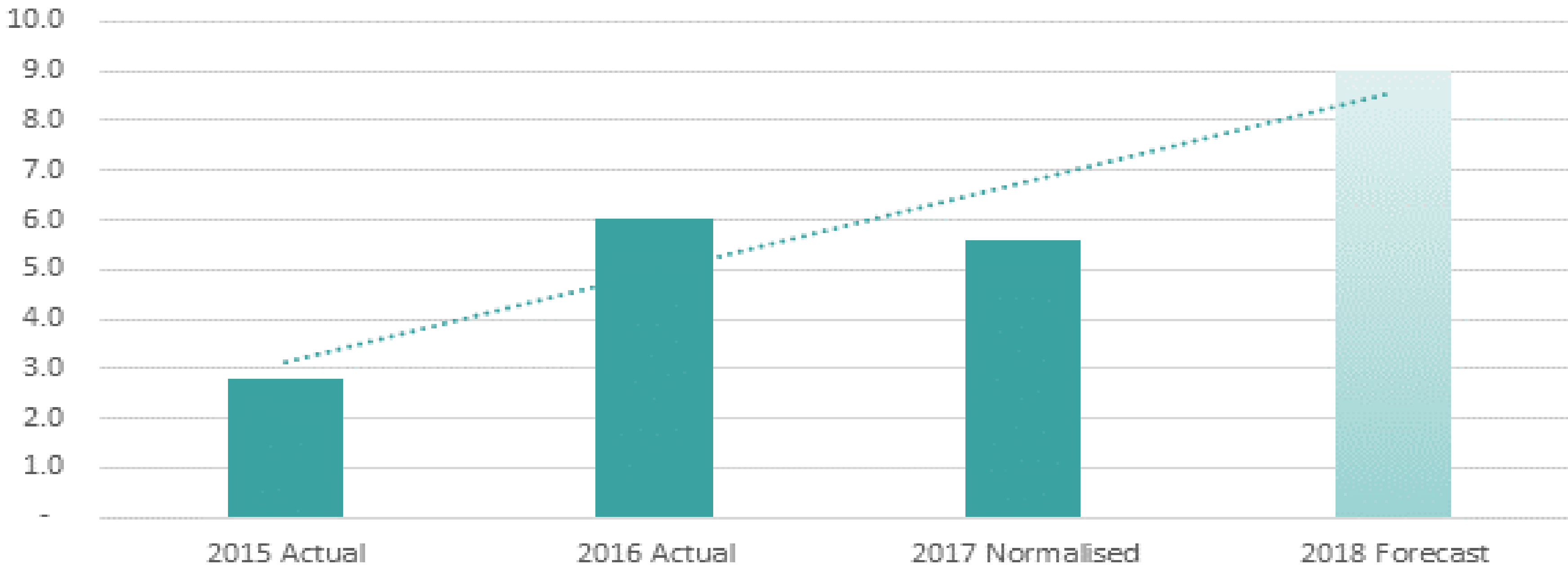
Revenue Growth





- Prior to acquisition of MVS, LMW earned revenues from Federal & State Government departments, however did not separately identify these.
- With the acquisition of MVS, we are now running a separately identified "Government Services" business line.

Earnings Per Share

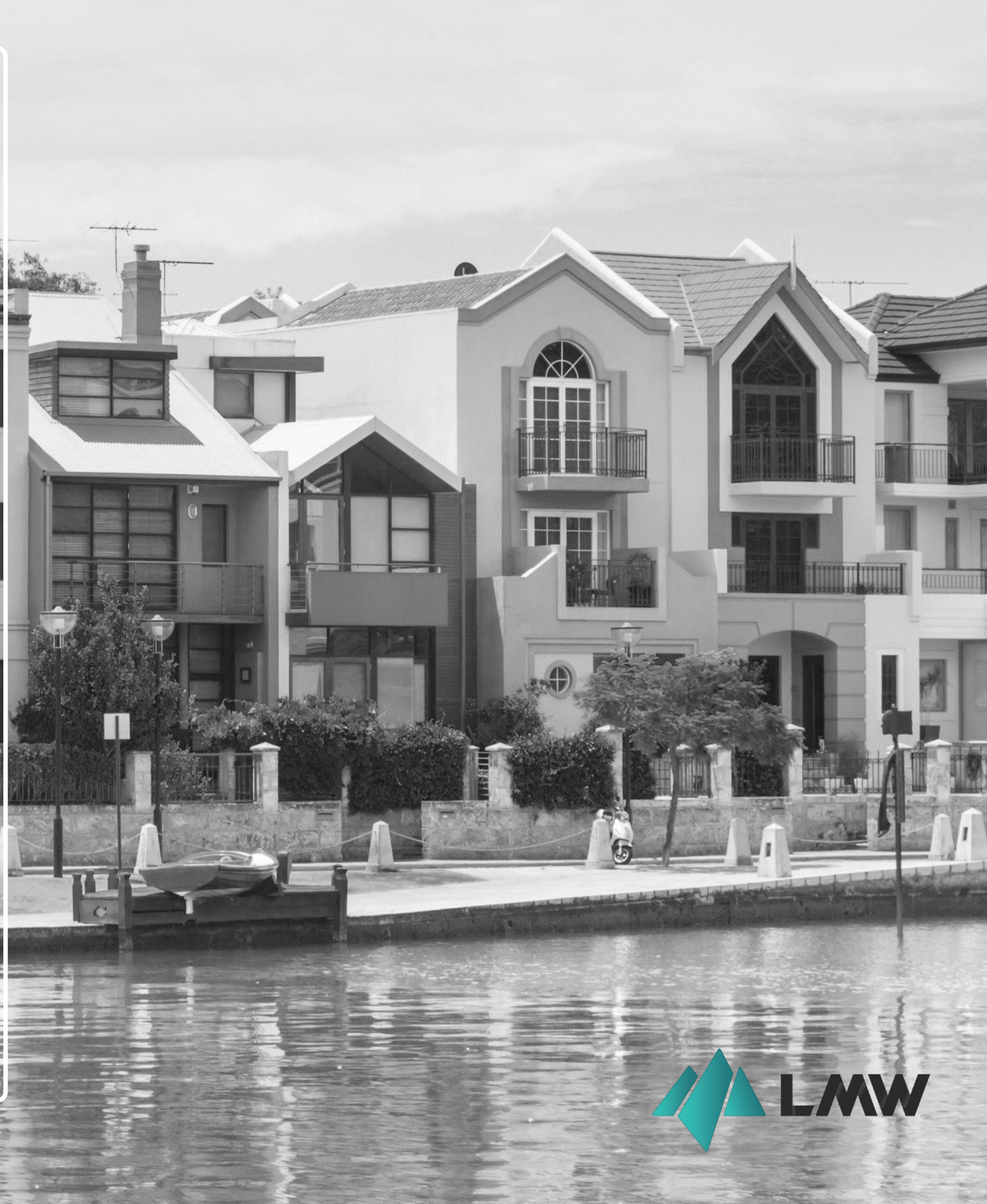


	2015 Actual	2016 Actual	2017 Actual	2017 Normalised	2018 Forecast
Profit after tax ($M)	0.779	1.659	1.626	1.826	7.0+
Shares on issues					
• Start of year	27,588,781	27,588,781	27,669,201	27,669,201	75,930,855
• End of year	27,588,781	27,669,201	75,930,855	75,930,855	75,930,855
• Weighted average	27,588,781	27,607,509	32,696,665	32,696,665	75,930,855
• Diluted weighted average	27,588,781	28,722,894	32,696,665	32,696,665	75,930,855
EPS	$0.028	$0.060	$0.050	$0.056	$0.09+
Diluted EPS	$0.028	$0.058	$0.050	$0.056	$0.09+

LMW

Market Outlook

- Residential market has flattened in both Sydney and Melbourne and remained subdued in other locations.
- Expecting continuation of flat markets particularly in residential.
- Continued strength in commercial activity across Sydney, Melbourne and to a lessor extent, SEQ.
- Ongoing consolidation within the valuation industry.
- Larger firms are growing market share at the expense of smaller firms.
- Clients continue to look for service quality and consistency across all major markets.
- Expectations of opportunities within the less cyclical, non-mortgage sector.

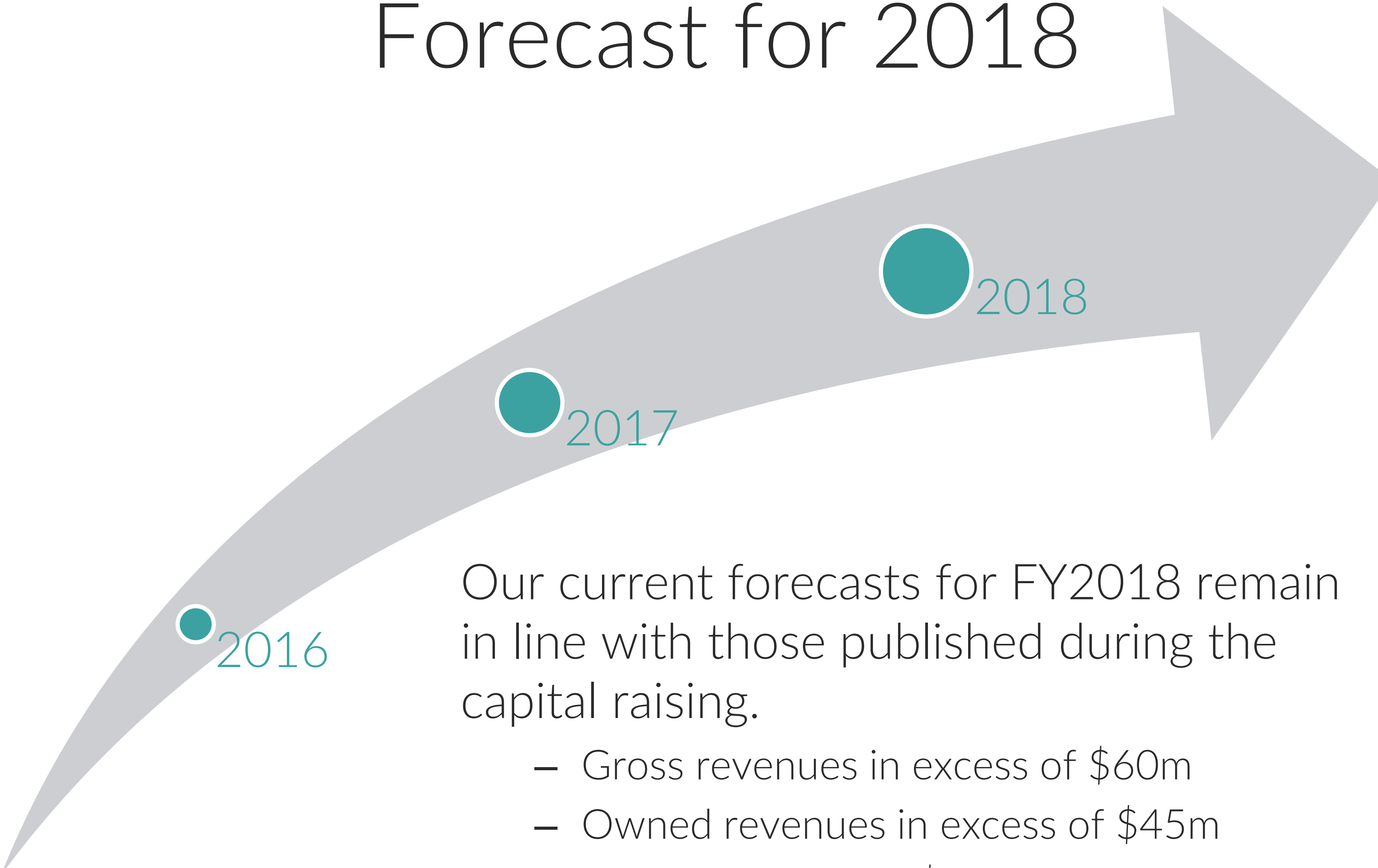


LMW

Our Strategy & Focus

- Continue to focus on our client engagement strategy.
- Capitalise on our greater capacity across major cities and expand on our regional footprint.
- Concentrate on expanding our Victorian business.
- Expand on the non-mortgage operations across the country.
- Continue to look for cost savings across the business.
- Explore opportunistic acquisitions as per investment and acquisition strategy.
- Investment in our people.
- Continued investment in business efficiencies and innovation.

Forecast for 2018



Our current forecasts for FY2018 remain in line with those published during the capital raising.

- Gross revenues in excess of $60m
- Owned revenues in excess of $45m
- NPAT in excess of $7m
- Full year EPS in excess of 9 cents

Investor Relations Timetable

- Investor Presentations
  - Full year results: late August / Early September
  - Half year results: late February / Early March
- AGM
  - Notice of meeting: late October
  - Meeting: late November

Questions