

Villa World Limited

FY19 RESULTS PRESENTATION
20 AUGUST 2019



HELPING PEOPLE REACH HOME

2019

Agenda

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Strategic Direction



Strategic Framework

PURPOSE

HELPING PEOPLE REACH HOME

“Home is more than a place... It’s a feeling, a sense of belonging. It’s where the heart is”

- Ensuring our people feel “at home” by helping them develop to their full potential while providing a safe, healthy and happy workplace
- Helping our customers find their dream home and making the process of buying that home easy
- Recognising the broader societal contribution we can make to better living for our community
- We’re proud of the partnerships we have forged with stakeholders who share our beliefs and feel “at home” working with us

BELIEFS

• *Put people first* • *Do it as one team* • *We do what we say* • *Get it done* • *Enjoy the ride* • *Make it easy*

PEOPLE

Organisational design

Grow talent and capability

One service centric team

Health and well-being

MAJOR DRIVERS

Master the fundamentals

Customer centricity

Smart growth

Effective, best fit ESG framework

Do it differently, do it better

SUCCESS INDICATORS

Enduring, sustainable company

Great place to work & thrive

Great reputation & brand

Happy customers

Optimal financial performance

ULTIMATE OUTCOMES – LONG TERM GOALS

Happy, healthy communities

Improving and advocating for housing affordability

Investment of choice for Shareholders

Company growth through the cycles

Recurrent income streams

Results Overview

Villa World Limited (ASX: VLW) acquires, develops and markets residential land and house and land estates, across the greenfield growth corridors of east coast Australia.

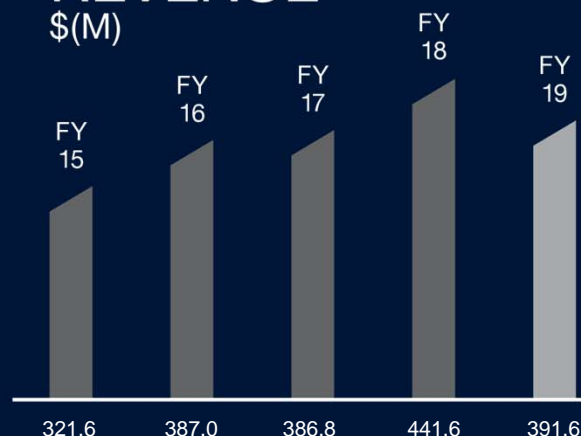
The Company has a long history navigating through market cycles and has a forward strategy focused on its customers and long-term value creation.

Villa World has conviction that its projects are located where people want to live, its homes are priced within reach of its customers and its turnkey homes offer a unique customer experience.

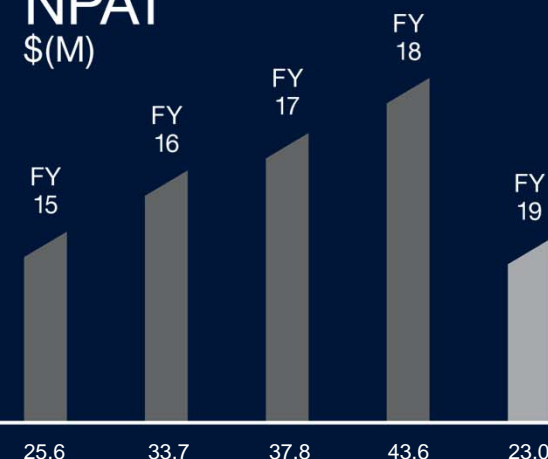
VLW and AVID have entered into a binding Scheme Implementation Agreement. AVID proposes to acquire all shares in Villa World for \$2.345 per share. The Board unanimously recommend shareholders vote in favour of the Scheme.

Revenue, NPAT and EPS for FY19 reflects revenue recognition standard AASB 15 with house and land and land only contracts being recognised upon cash settlement. Prior periods FY15 to FY18 revenue recognition per AASB 118.

REVENUE \$(M)



NPAT \$(M)



EPS (CPS)



DIVIDEND (CPS)



Sales and Delivery

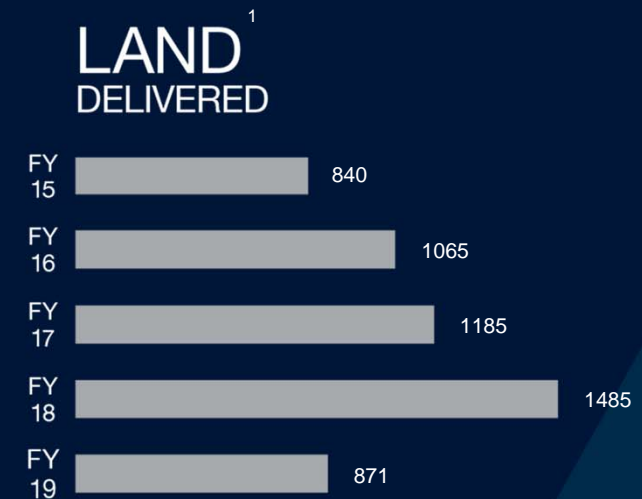
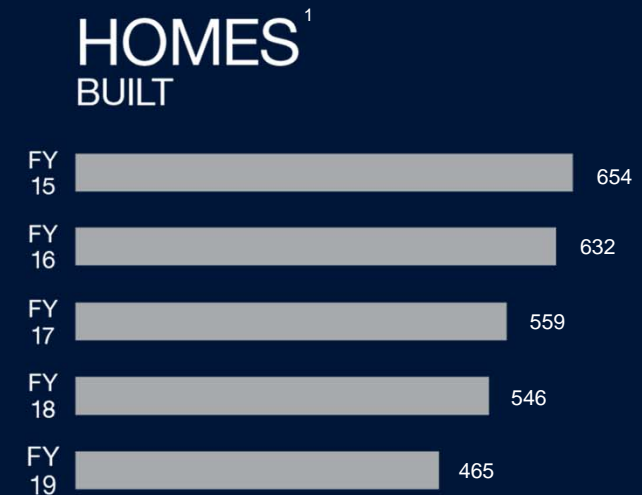
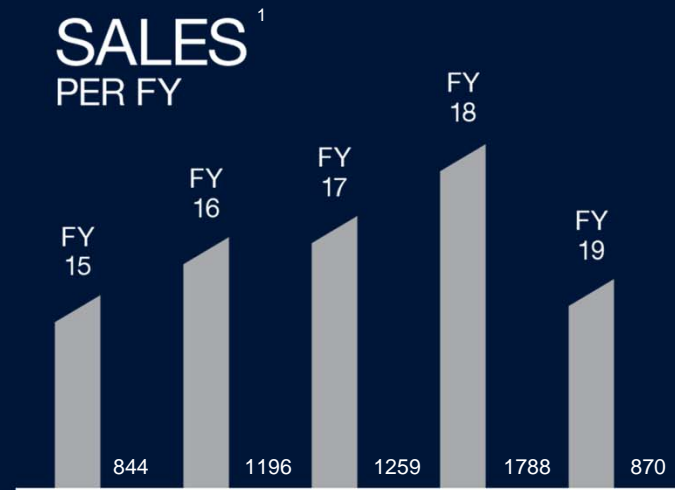
Sales conditions remained challenging throughout FY19 as Australia's residential housing market conditions declined.

Strategy has seen focus on development of current portfolio and delivery of carried forward sales.

This strategy will continue as significant carried forward sales are due to be delivered in FY20.

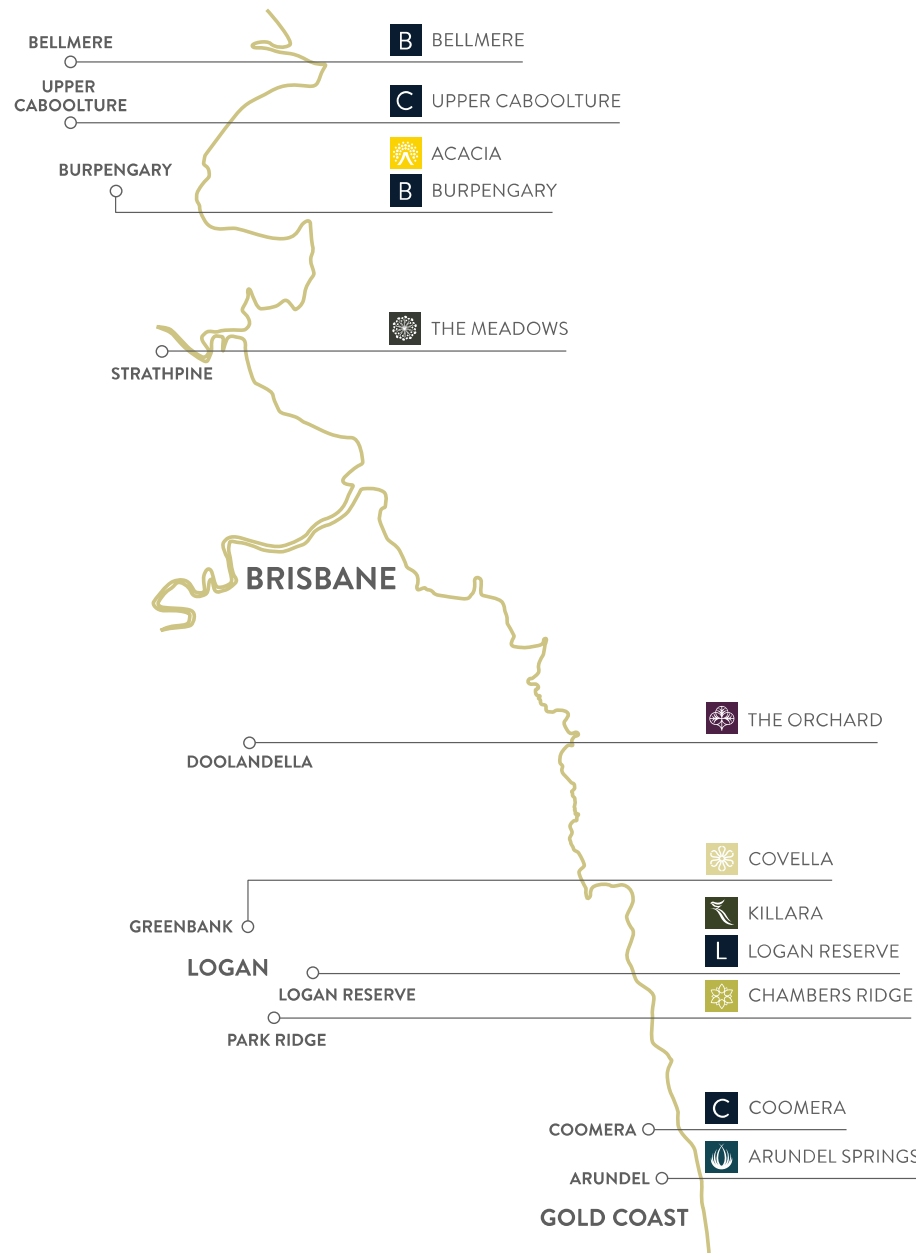
Opportunities to restock may present in FY20.

Portfolio reflects conditional sale of Donnybrook parcels.



¹ Prior year statistics have been restated for the changed in joint ventures and split contracts. Previously they were recorded in line with Villa World's ownership interest or as part of a whole transaction (i.e. 0.5), they are now recorded as one single transaction. This simplification of statistical reporting will have no impact on financial information.

Portfolio Overview - Queensland



VLW Pipeline of 6,596 lots, representing ~ 5-6 years of sales.

VLW Portfolio diversified across and within the east coast states.

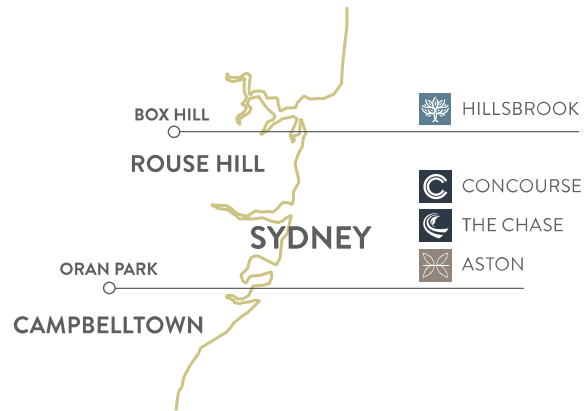
Sales and delivery focus for FY20.

Maintains presence across customer segments, retail buyers (first home buyers & owner occupiers), builders and local investors.

Restocking may recommence in FY20.

New projects include 70 lots at Burpengary (Brisbane North) and 35 lots at Coomera (Gold Coast), both to be delivered under capital lite funding models.

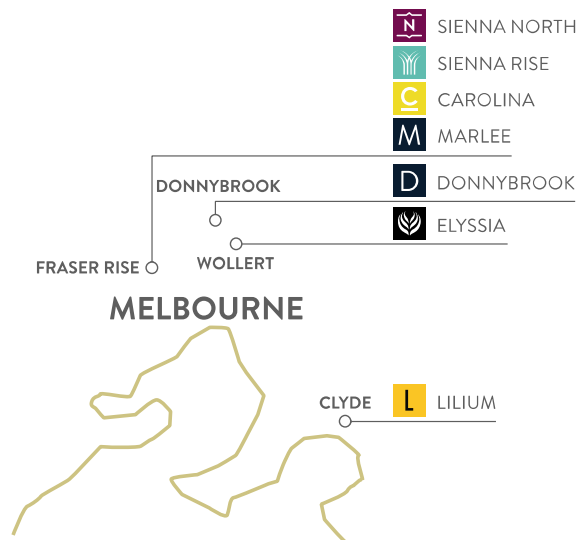
Portfolio Overview – NSW & Victoria



NSW exposure predominantly through capital lite funding models.

VIC market underpinned by significant carried forward sales at Lilium, Sienna Rise and Sienna North.

Initial stages at Sienna Rise and Sienna North to be delivered in 1H20.



FY19 Results



Profit & Loss

FY19 net profit after tax of \$23.0m, down 47%.

EPS of 18.2 cps¹, down 47%.

Business performance:

- Revenue² of \$391.6m with 1,049 wholly owned lots³ settled.
- Gross margin of \$93.0m or 23.7%, within the target range of 23%-25%.
- Revenue from joint ventures of \$3.4m. Ongoing revenue stream.
- High level of carried forward sales⁴ of \$291.4m (992 lots).
- No final dividend declared

1. Basic earnings per share based on weighted average shares outstanding of 125,948,056 (FY18 126,926,266).

2. Excludes contribution from JV's and associates.

3. Total lots settled in FY19 was 1,158. 1,049 wholly owned lots contributed to revenue.

4. Total sales value (including GST) for conditional and unconditional contracts not yet recognised as revenue, inclusive of 185 joint ventures lots included at 100%.

| | FY19 (\$m) | FY18 (\$m) | △ % |
|---|---------------|---------------|-------------|
| Revenue² | 391.6 | 441.6 | -11% |
| Gross Margin | 93.0 | 111.4 | -17% |
| Gross Margin (%) | 23.7% | 25.2% | -6% |
| Revenue from Joint Ventures and Associates | 3.4 | 17.5 | -81% |
| EBITDA | 37.0 | 65.6 | -44% |
| Statutory net profit before tax | 32.3 | 62.0 | -48% |
| Tax Expense | (9.4) | (18.3) | -49% |
| Statutory net profit after tax | 23.0 | 43.6 | -47% |
| | | | |
| | FY19 | FY18 | △ % |
| EPS¹ | 18.2 | 34.4 | -47% |
| Dividend (cps) fully franked | 8.0 | 18.5 | -57% |

Operating Performance

Sales:

- Flagship projects contributed to FY19 sales of 870 lots.
- Sale results and enquiries have been impacted by the decline in the residential housing market, customer sentiment and availability of finance.
- Strong presence across key customer segments – being retail buyers (comprising of first home buyers and other owner occupiers), as well as builders and local investors.

Revenue:

- Revenue mix weighted towards house and land – 54% (FY18: 53%).
- QLD and NSW key contributor to revenue – 89% (FY18: 84%).
- Increase in average revenue per lot is reflective of higher price point for house and land and for land only product.

Carried Forward Sales:

- \$291.4m sales carried forward into FY20 (992 lots) (FY18: \$284.6m; 871 lots)¹.

1. Total sales value (including GST) for conditional and unconditional contracts not yet recognised as revenue, inclusive of joint ventures carried forwards sales included at 100%. Refer slide 21.

| Performance | FY19 | FY18 ⁴ | Change |
|---|--------------|-------------------|--------|
| Sales (# lots)¹ - inc. Joint Ventures | 870 | 1,788 | ▼ |
| Mean rate of sale pcm - FY | 73 | 149 | ▼ |
| Number of projects contributing to profit | 21 | 28 | |
| Settlements (# lots)² - inc. Joint Ventures | 1,158 | 1,451 | ▼ |
| Settlements (# lots) - Wholly Owned Projects | 1,049 | 1,303 | ▼ |
| - House and Land (# lots) | 466 | 556 | ▼ |
| - Land Only (# lots) | 579 | 742 | ▼ |
| - Englobo Sale (# lots) ² | 4 | 5 | |
| - House and Land (%) | 44% | 43% | |
| - Land Only (%) | 56% | 57% | |
| Settlements (# lots) - Joint Ventures (recorded at 100%) | 109 | 148 | ▼ |
| Revenue - property sales (\$m) | 391.6 | 441.6 | ▼ |
| - House and Land (\$m) | 210.2 | 234.0 | ▼ |
| - Land Only (\$m) | 158.9 | 180.5 | ▼ |
| - Englobo (\$m) ² | 22.5 | 27.1 | |
| - House and Land (%) | 54% | 53% | |
| - Land Only (incl englobo) (%) | 46% | 47% | |
| Revenue - property sales (\$k/Lot)³ | 353.1 | 319.3 | ▲ |
| - House and Land | 450.9 | 420.6 | ▲ |
| - Land Only ³ | 274.4 | 243.3 | ▲ |

1 Sales - executed contracts, not necessarily unconditional.

2 Englobo sale recorded at Essence South Morang (1 lot), Lyra Hope Island (3 lots).

3 Excludes englobo sales.

4 Statistics for split contracts and joint ventures recorded as one single transaction. Prior year comparatives restated to reflect this change, refer to ASX 1H19 investor presentation for reconciliation (slide 24).

Balance Sheet & Capital Management

Flexible and diverse funding profile:

- \$190m senior debt facility with ANZ¹.
- Long term, staggered maturity profile:
 - \$50m matures October 2021
 - \$90m matures October 2022
 - \$50m matures October 2023.
- \$50m simple corporate Bond maturing in April 2022.

Share Buy-Back:

- Commenced on-market share buy-back on 5 October 2018 for up to 5% of shares on issue.
- Activity in the buy-back ceased in March 2019. Shares purchased was 1,766,341 at an average price of \$1.91 per share.
- Buy-back represented a prudent deployment of capital when the share price was trading below NTA and was NTA and earnings per share accretive.

Balance Sheet:

- Net debt of \$115.3m.
- Undrawn facility of \$102.8m.
- Delivery phase, has resulted in gearing of 24.1%, within the targeted range of 15% - 30%.
- Debt and Bond covenants remain within limits

NTA of \$2.28.

¹ On 13 August 2019, Villa World secured an increase in the ANZ banking facility to \$190 million. Westpac is no longer a lender under the Club Financing Arrangement after previously providing a \$50 million facility.

| Balance Sheet | FY19 (\$m) | FY18 (\$m) |
|---|---------------|---------------|
| Assets | | |
| Cash | 6.6 | 12.6 |
| Receivables | 2.4 | 130.2 |
| Inventories | 425.0 | 401.6 |
| Investments accounted for using the equity method | 31.7 | 27.3 |
| Other | 18.9 | 16.2 |
| Total Assets | 484.6 | 587.9 |
| Liabilities | | |
| Trade and other payables | 28.8 | 44.1 |
| Land acquisitions payable | 42.1 | 33.7 |
| Interest bearing liabilities | 121.9 | 183.8 |
| Other | 6.3 | 16.6 |
| Total Liabilities | 199.1 | 278.2 |
| Net Assets | 285.5 | 309.7 |
| Net tangible assets | 285.5 | 309.7 |
| NTA (\$ / Share)¹ | 2.28 | 2.44 |
| Net Debt | 115.3 | 171.1 |
| Net Debt : Equity (%) | 40.4% | 55.2% |
| Gearing ^{2,3} | 24.1% | 29.7% |
| Secured Gearing Ratio ⁴ | 13.9% | 21.3% |
| Look Through Gearing ⁵ | 27.4% | 28.9% |
| Interest Cover ⁶ | 4.4x | 6.8 x |
| Capitalised borrowing costs (% of Inventory) | 4.2% | 3.7% |

¹ NTA based on shares outstanding at the end of the period. FY19: 125,153,751 (FY18: 126,913,766)

² (Interest bearing liabilities - cash)/(Total assets - cash)

³ Limitation on debt incurrence covenant under the Bond issue. Limit of 50%.

⁴ Negative pledge (secured gearing ratio) under the Bond issue. Limit of 40%.

⁵ Gearing w hen joint ventures are proportionally consolidated.

⁶ Interest Cover = adj. EBITDA / interest paid.

Cash Flow

Business generating strong operating cash flow:

- FY19 net cash flow from trading activities (before land acquisitions) of \$126.3m.
- Cash land payments of \$29.9m, inclusive of capital lite land payments of \$15.4m, reflecting a targeted acquisition approach (acquisitions contracted in prior period).
- Interest cover of 4.4x.

Positive cash flow from operating activities enabled the Company to:

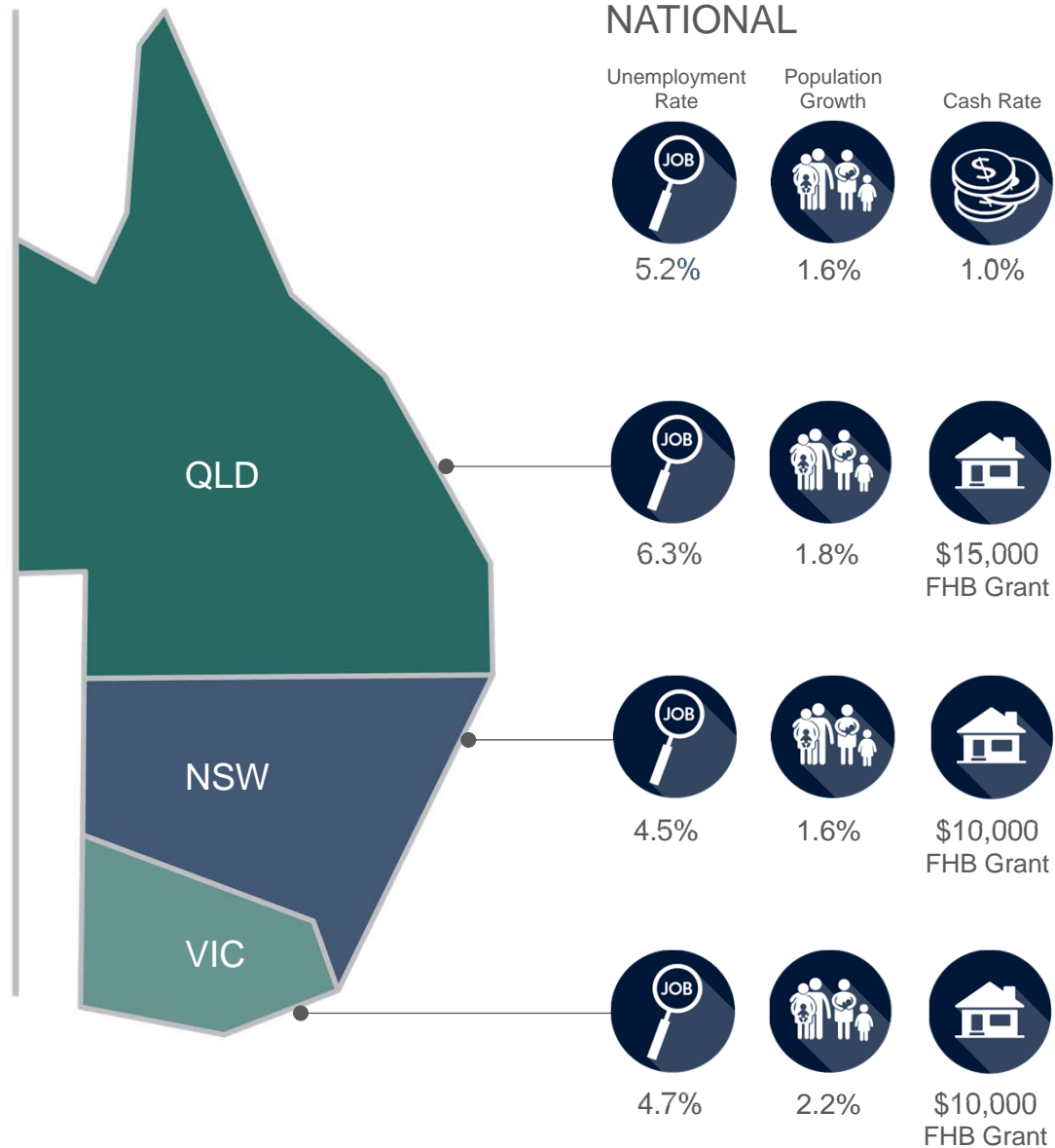
- Pursue growth through the development of existing portfolio.
- Reinvest in the business through settlement of value accretive acquisitions.
- Support the ongoing payment of dividends.
- Maintain a strong balance sheet.

| | FY19 (\$m) | FY18 (\$m) |
|--|---------------|---------------|
| Cash flows from operating activities | | |
| Receipts from customers (inc. GST) | 415.9 | 396.9 |
| Receipts from the transfer of development rights | - | 19.0 |
| Payments to suppliers and employees (inc. GST) | (289.6) | (292.3) |
| Net cash flow from trading activities | 126.3 | 123.6 |
| Payments for land acquired | (29.9) | (155.5) |
| Net Interest paid | (9.5) | (7.6) |
| Borrowing costs | (0.3) | (0.1) |
| Corporate Tax Paid | (11.0) | (21.5) |
| GST (Paid) / Refund | 12.5 | (6.4) |
| Net cash (outflow) / inflow from operating activities | 88.1 | (67.6) |
| Net cash (outflow) from investing activities | (4.3) | (5.0) |
| Cash flows from financing activities | | |
| Net borrowings (repaid) / drawn | (62.4) | 101.1 |
| Payments for shares acquired by Employee Share Scheme Trust | (0.7) | (0.1) |
| Proceed from shares issued under the Employee Share Scheme Trust | 0.0 | 0.1 |
| Shares acquired as part of share buyback plan | (3.4) | - |
| Dividends paid | (23.3) | (23.5) |
| Net cash inflow / (outflow) from financing activities | (89.8) | 77.7 |
| Net increase/(decrease) in cash and cash equivalents | (6.1) | 5.0 |
| Cash & cash equivalents at the beginning of the financial year | 12.6 | 7.7 |
| Cash & cash equivalents at the end of the year | 6.6 | 12.6 |

Market Conditions



Market Fundamentals



Consumer confidence remains low despite positive underlying fundamentals:

- Interest rate cuts
- New tax offsets
- Finance availability – amendments to APRA serviceability testing
- First home buyer grants and Government's continued commitment to assisting FHB
- Consumer confidence at lowest point since August 2017

Source:

- 1 National Statistics – RBA Snapshot (7 August 2019)
- 2 State unemployment rates (trend) Labour Force, June 2018 (based on ABS 6202.0, released on 18 July 2019)
- 3 Westpac-Melbourne Institute Index of Consumer Sentiment (July 2019)
- 4 State population growth – Australian Demographic Statistics, December 2018 (based on ABS 3101.0, released on 20 June 2019)
- 5 FHB Grants - Queensland Treasury, Office of State Revenue New South Wales, State Revenue Office Victoria

FY20 Outlook



19

FY20 OUTLOOK

Outlook

Villa World will continue to focus on operational delivery and cash settlement of carried forward sales. The business cost structure continues to be managed in light of current trading conditions, with a reduction in overheads during 2H19 set to be realised in FY20.

Since the Federal election in May 2019, improved market fundamentals have included tax offsets, reduction in the cash rate, some improvement in credit availability and the Government's continued commitment to assisting first home buyers.

The Company expects that an upturn in sales enquiries may convert to an increase in sales rates during FY20, although buyers remain cautious.

The Company expects its FY20 gross margin to be within the 23% to 25% guidance range.

Development management fees and share of joint venture profits will continue to provide an ongoing revenue stream, as the Company pursues capital-efficient growth opportunities that provide a strong return on assets.

Villa World's projects are located where people want to live, our homes are priced within the reach of customers and our turnkey homes offer a unique customer experience.

Our strong customer centric strategy and our purpose of helping people reach home is core to our business.

The transaction with AVID recognises these strengths and provides our shareholders the opportunity to realise their investment in Villa World at an attractive and certain price.

Scheme Implementation Agreement

VLW and AVID have entered into a binding Scheme Implementation Agreement for AVID to acquire all shares in Villa World.

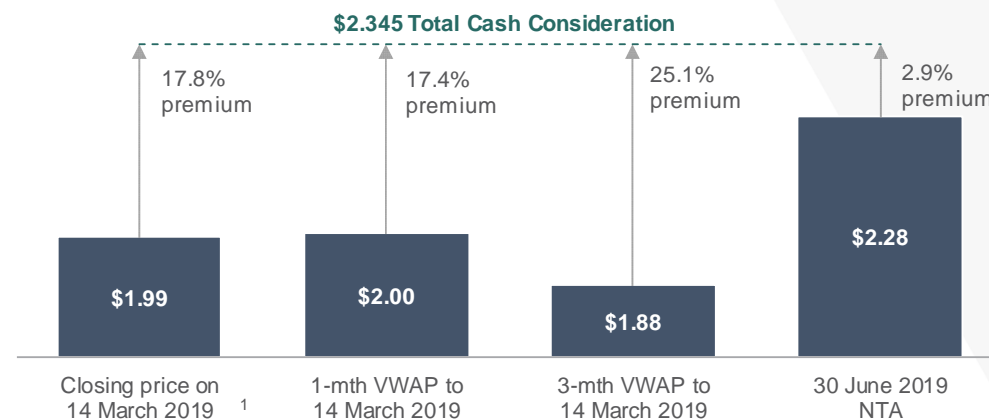
The Board intends to declare a 31.0 cps fully franked Special Dividend if the Scheme becomes effective.

If declared, shareholders will receive the Special Dividend of 31.0 cps and a reduced Scheme consideration of \$2.035 per share to form the Total Cash Consideration of \$2.345 per share.

The Board unanimously recommends the Scheme (in the absence of a Superior Proposal and subject to the Independent Expert concluding and continuing to conclude that the Scheme is in the best interests of shareholders):

- Total consideration of \$2.345 per share represents an attractive premium to the recent trading performance;
- Cash consideration delivers certainty and immediate value; and
- Special dividend which is expected to enable many shareholders to benefit from franking credits.

Under the SIA, Villa World is assisting AVID with their efforts to redeem and prepay interest on the Villa World Bonds as at the date of implementation, if the Scheme becomes effective.



¹14 March 2019, being the last closing price of Villa World shares prior to the announcement of the initial proposal received from AVID and announced to the market on 14 March 2019.

INDICATIVE TIMETABLE



Questions



Annexures

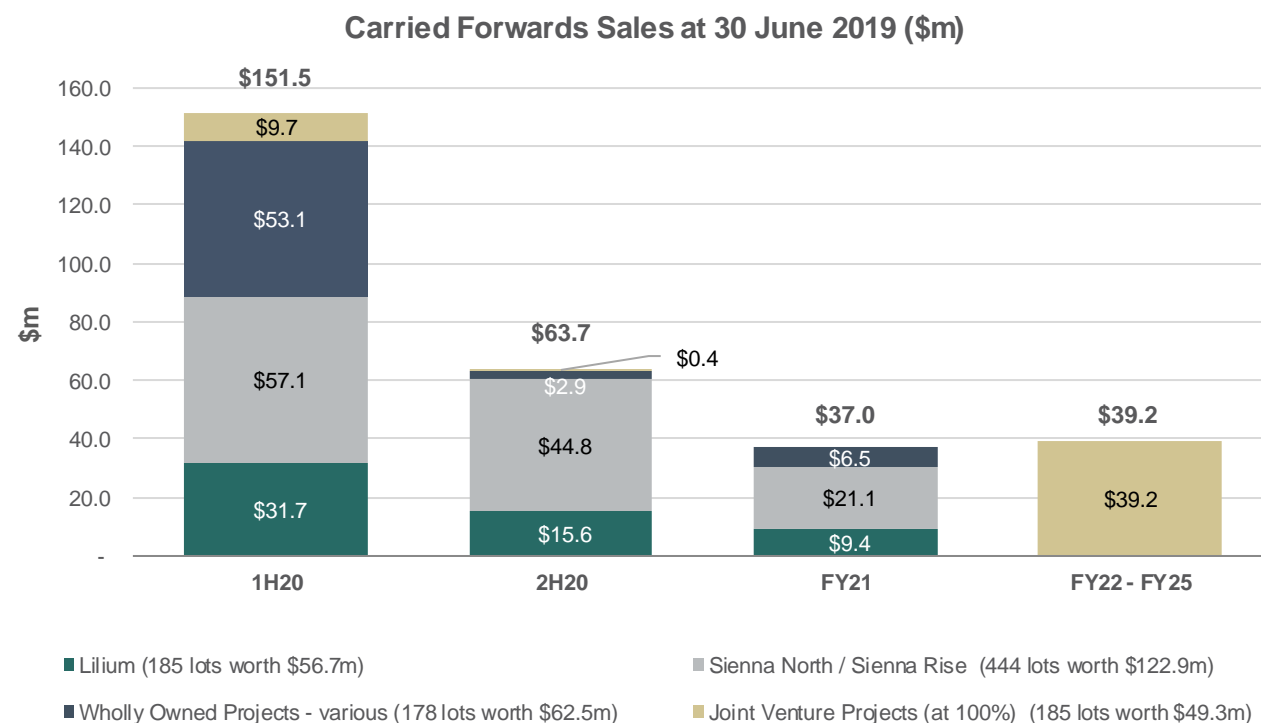


Carried Forward Sales

992 sales carried forward into FY20 (\$291.4m)¹ (FY18: 871 lots; \$284.6m).

- 48% of lots due to settle in 1H20
- 22% of lots due to settle in 2H20
- 16% of lots due to settle in FY21
- Balance 14% of lots due to settle in FY22 to FY25

1. Total sales value (including GST) for conditional and unconditional contracts not yet recognised as revenue, inclusive of 185 joint venture lots at 100%.



Portfolio Table

| Project Name | Region | Suburb | State | Product | Status | Calendar Year Acquired | FY19 | | | | FY20 | FY21 | FY22 | FY20 | | FY21 | | FY22 | | FY23 | | FY24 | | Starting Price |
|---|--------------|---------------|-------|------------------|-----------------------|------------------------------|--------|-------------------|------------------------------|----------------|------|------|------|------|----|------|----|------|----|------|----|------|--|----------------|
| | | | | | | | Yield | Unsettled Lots | Contracted Lots | Unsold Lots | | | | 1H | 2H | 1H | 2H | 1H | 2H | 1H | 2H | + | | |
| Queensland | | | | | | | | | | | | | | | | | | | | | | | | |
| Little Creek ¹ | Regional QLD | Kirkwood | QLD | LO | Construction | 2007 | 688 | 388 | 2 | 386 | ✓ | ✓ | ✓ | | | | | | | | | | LO \$90k+ | |
| Augustus | Regional QLD | Hervey Bay | QLD | H&L | Construction | 2005 | 731 | 270 | - | 270 | | ✓ | ✓ | ✓ | | | | | | | | | H&L \$355k+ | |
| The Meadows | N-Brisbane | Strathpine | QLD | H&L | Construction | 2015 | 426 | 301 | 12 | 289 | ✓ | ✓ | ✓ | | | | | | | | | | 392 H&L \$440k+; 34 TH \$373k+ | |
| Acacia | N-Brisbane | Burpengary | QLD | H&L | Construction | 2018 | 88 | 88 | - | 88 | ✓ | ✓ | | | | | | | | | | | H&L \$375k+ | |
| [], Bupengary ⁴ | N-Brisbane | Burpengary | QLD | H&L Capital Lite | Construction | 2019 | 70 | 70 | - | 70 | ✓ | ✓ | | | | | | | | | | | H&L \$454k+ | |
| [], Caboolture | N-Brisbane | Caboolture | QLD | LO H&L | Planning ⁵ | 2016 | 291 | 291 | - | 291 | | | ✓ | | | | | | | | | | LO \$179k+; H&L \$400k+ | |
| [], Bellmere | N-Brisbane | Bellmere | QLD | LO | Planning ⁵ | 2017 | 450 | 450 | - | 450 | | | ✓ | | | | | | | | | | LO \$180k+ | |
| Killara, Logan Reserve | Logan | Logan Reserve | QLD | LO | Construction | 2016 | 714 | 376 | 30 | 346 | ✓ | ✓ | ✓ | | | | | | | | | | LO \$190k+ | |
| [], Logan Reserve | Logan | Logan Reserve | QLD | H&L | Construction | 2018 | 250 | 250 | - | 250 | | ✓ | ✓ | ✓ | | | | | | | | | H&L \$439k+ | |
| Covella (JV) ⁷ | Logan | Greenbank | QLD | LO JV | Construction | 2016 | 1,502 | 1,391 | 43 | 1,348 | ✓ | ✓ | ✓ | | | | | | | | | | LO \$208k+ | |
| Chambers Ridge | Logan | Park Ridge | QLD | H&L | Construction | 2016 | 300 | 239 | 12 | 227 | ✓ | ✓ | ✓ | | | | | | | | | | H&L \$431k+ | |
| The Orchard ³ | SW-Brisbane | Doolandella | QLD | LO TH | Construction | 2017 | 149 | 59 | 45 | 14 | ✓ | ✓ | | | | | | | | | | | 116 LO \$263k+; 33 TH \$380k+ | |
| Arundel Springs ¹ | Gold Coast | Arundel | QLD | LO TH | Construction | 2015 | 393 | 152 | 34 | 118 | ✓ | ✓ | | | | | | | | | | | 306 LO \$350k+; 87 TH \$495k+ | |
| [], Coomera ⁴ | Gold Coast | Coomera | QLD | H&L Capital Lite | Construction | 2019 | 35 | 35 | - | 35 | ✓ | ✓ | | | | | | | | | | | H&L \$499k+ | |
| Subtotal - QLD (30 June 2019) | | | | | | | 6,087 | 4,360 | 178 | 4,182 | | | | | | | | | | | | | | |
| Victoria | | | | | | | | | | | | | | | | | | | | | | | | |
| Elyssia (JV) ⁷ | N-Melbourne | Wollert | VIC | LO JV | Planning ⁵ | 2016 | 303 | 303 | 142 | 161 | | | | | | | | | | | | | LO \$295k+ | |
| Englobo parcel 1, under contract, Donnybrook ⁷ | N-Melbourne | Donnybrook | VIC | LO JV Englobo | PSP Approval | 2015 | 4 | 4 | 4 (conditional) ⁸ | - | | ✓ | ✓ | ✓ | | | | | | | | | Under contract - subject to PSP approval | |
| Englobo parcel 2, under contract, Donnybrook ⁷ | N-Melbourne | Donnybrook | VIC | LO JV Englobo | PSP Approval | 2015 | 4 | 4 | 4 (conditional) ⁸ | - | | ✓ | ✓ | ✓ | | | | | | | | | Under contract - subject to PSP approval | |
| Sienna Rise + Sienna North | NW-Melbourne | Plumpton | VIC | LO | Construction | 2014 | 610 | 610 | 444 | 166 | ✓ | ✓ | ✓ | | | | | | | | | | LO \$270k+ | |
| Marlee | NW-Melbourne | Plumpton | VIC | H&L | Planning ⁵ | 2017 | 471 | 471 | - | 471 | | ✓ | ✓ | ✓ | | | | | | | | | H&L \$527k+ | |
| Carolina (Development agreement) | NW-Melbourne | Plumpton | VIC | LO Capital Lite | Planning ⁵ | 2018 | 322 | 322 | 27 | 295 | | ✓ | ✓ | ✓ | | | | | | | | | LO \$280k+ | |
| Lilium | SE-Melbourne | Clyde | VIC | LO | Construction | 2017 | 412 | 324 | 185 | 139 | ✓ | ✓ | ✓ | | | | | | | | | | LO \$255k+ | |
| Subtotal - VIC (30 June 2019) | | | | | | | 2,126 | 2,038 | 798 | 1,232 | | | | | | | | | | | | | | |
| New South Wales | | | | | | | | | | | | | | | | | | | | | | | | |
| Concourse ⁴ | SW-Sydney | Oran Park | NSW | H&L Capital Lite | Construction | 2016 ongoing | 61 | 17 | 2 | 15 | ✓ | | | | | | | | | | | | H&L \$668k+ | |
| Aston | SW-Sydney | Oran Park | NSW | H&L | Construction | 2018 | 33 | 32 | 5 | 27 | ✓ | ✓ | | | | | | | | | | | H&L \$635k+ | |
| The Chase (Development agreement) | SW-Sydney | Oran Park | NSW | H&L Capital Lite | Construction | 2016 | 93 | 91 | 2 | 89 | ✓ | ✓ | ✓ | | | | | | | | | | H&L \$305k+ | |
| Hillsbrook ² | NW-Sydney | Box Hill | NSW | H&L LO | Planning ⁵ | 2017 | 34 | 34 | - | 34 | ✓ | ✓ | ✓ | | | | | | | | | | 25 H&L \$700k+; LO \$450k+ | |
| Subtotal - NSW (30 June 2019) | | | | | | | 221 | 174 | 9 | 165 | | | | | | | | | | | | | | |
| Sold out / near sold out in FY19 | | | | | | | | | | | | | | | | | | | | | | | | |
| Allure | NW-Sydney | Box Hill | NSW | H&L | Construction | 2015 | 50 | 4 | 2 | 2 | ✓ | | ✓ | | | | | | | | | | H&L \$735k+ | |
| Cascades | SE-Melbourne | Clyde | VIC | H&L LO | Construction | 2006 | 1,138 | 15 | - | 15 | | | | | | | | | | | | | LO \$450k+ | |
| Other ⁶ | | | | | | | 1,479 | 5 | 5 | - | ✓ | | | | | | | | | | | | | |
| Subtotal - Near sold out | | | | | | | 2,667 | 24 | 7 | 17 | | | | | | | | | | | | | | |
| Total (all categories) (30 June 2019) | | | | | | | 11,101 | 6,596 | 992 | 5,596 | | | | | | | | | | | | | | |

Notes:

¹ Predominantly land only.

² Predominantly house and land.

³ Predominantly Town House stock remaining.

⁴ Contracted under Put and Call option. Land predominantly paid out of settlement proceeds from third party sales.

⁵ Planning - Residential use allowed. Progressing with any necessary approvals from relevant authorities. Low risk.

⁶ Completed Projects FY19 - 203 settlements over 10 projects: Seabright, Harmony, Exford Waters, Bella Vista, Essence, Affinity, Lyra Hope Island, Silvan Rise, Rochedale Contract Build and Rochedale Joint Venture.

⁷ Joint Venture Projects recorded at 100%. Villa World's proportional share is 50% at Covella and 51% at Donnybrook and Elyssia.

⁸ Contract not included in total Carried Forward Sales or Contract Lots

Cash Commitments on Projects

The chart below shows \$80.5m in anticipated total cash outlay for land for contracted acquisitions comprising of:

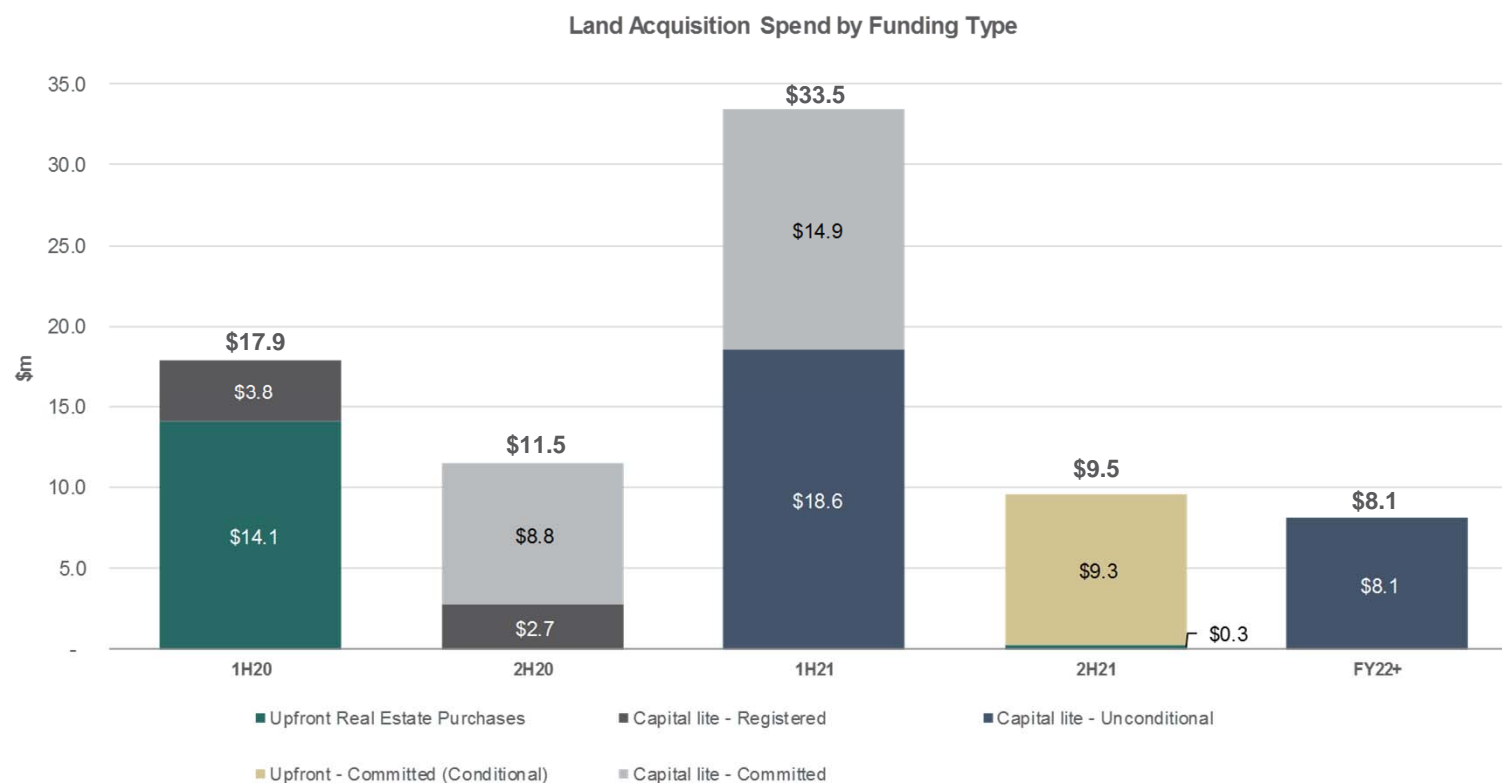
- \$47.6m¹ recorded as land acquisitions payable as at 30 June 2019
- \$23.7m in 'capital lite' acquisitions to be settled primarily through third party settlement proceeds not yet shown on the balance sheet as a payable as the land is not yet registered
- \$9.2m commitment to future wholly owned real estate purchases.

In addition to the above commitments the Company expects further acquisition opportunities may present in FY20.

In total, the \$80.5m will be funded as follows:

- \$23.7m from operating cash flow and existing debt facilities
- \$56.8m funded from primarily third party settlement proceeds ("capital lite" model).

¹ Includes land acquisitions payable of \$42.1 million as shown on the balance sheet, adjusted for NPV unwind of \$5.5 million.



Presentation of Statistics

| Carried Forward Sales | | FY18 | | FY19 | |
|------------------------------|------------------------|---------------|---------------|---------------|---------------|
| | | # Lots | \$ (m) | # Lots | \$ (m) |
| | Wholly Owned Projects | 824 | 271.6 | 807 | 242.1 |
| | Joint Venture Projects | 47 | 13.0 | 185 | 49.3 |
| | Total | 871 | 284.6 | 992 | 291.4 |

| Settlements | | FY18 | FY19 |
|--------------------|--------------------------|--------------|--------------|
| | Wholly Owned Projects | 1,303 | 1,049 |
| | Joint Venture Projects | 148 | 109 |
| | Total Settlements | 1,451 | 1,158 |

| Sales and Delivery | | FY15 | FY16 | FY17 | FY18 | FY19 |
|---------------------------|------------------------|--------------|--------------|--------------|--------------|--------------|
| Sales | Wholly Owned Projects | 842 | 1,183 | 1,196 | 1,591 | 676 |
| | Joint Venture Projects | 2 | 13 | 63 | 197 | 194 |
| | Total | 844 | 1,196 | 1,259 | 1,788 | 870 |
| Homes Built | Wholly Owned Projects | 654 | 632 | 559 | 546 | 465 |
| | Joint Venture Projects | - | - | - | - | - |
| | Total | 654 | 632 | 559 | 546 | 465 |
| Land Delivered | Wholly Owned Projects | 840 | 1,065 | 1,077 | 1,299 | 785 |
| | Joint Venture Projects | - | - | 108 | 186 | 86 |
| | Total | 840 | 1,065 | 1,185 | 1,485 | 871 |
| Portfolio | Wholly Owned Projects | 4,120 | 4,806 | 6,403 | 5,330 | 4,902 |
| | Joint Venture Projects | 2,152 | 2,318 | 2,896 | 1,734 | 1,694 |
| | Total | 6,272 | 7,124 | 9,299 | 7,064 | 6,596 |

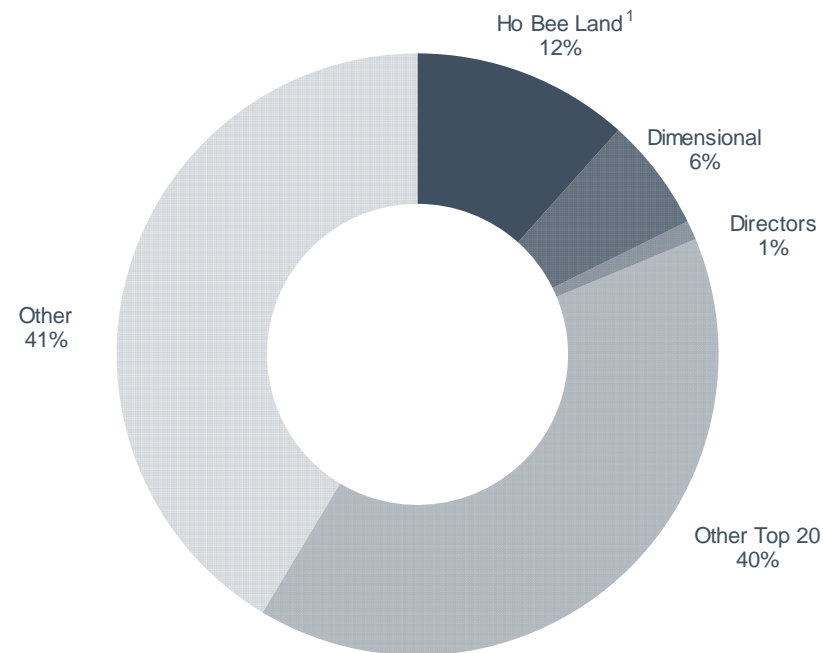
Statistics associated with sales, production, portfolio and settlements changed for joint ventures and split contracts from 1 July 2018. Previously they were recorded in line with Villa World's ownership interest or as part of a whole transaction (i.e. 0.5), they are now recorded as one single transaction. This simplification of statistical reporting will have no impact on financial information. Prior year statistics have been restated to reflect the change.

Share Register

Broad, supportive shareholder base

- 59% of shares held by Top 20 investors
- 15+ institutions on the share register

Shareholders at 8 August 2019



Note 1: Accordion Investments Pty Ltd (ACN 628 676 111), Ho Bee Land Limited (Registration No. 198702381M), Ho Bee Holdings (Pte) Ltd (Registration No. 198305918C) and Chua Thian Poh.