

# Transmetro Corporation Limited ABN 45 001 809 043

## Quarterly Activities report

### Quarter Ended 30 June 2022

The Company's cash flow in the fourth quarter has been positive and is now trending higher. Early indications indicate the trending is sustainable. Revenues too have increased. The fourth quarter produced the company's highest revenues, and strongest EBITDA, with all accommodation hotels recording a profit. Occupancies, and room rates in particular, are beginning to firm. Our Darwin property has returned to high season after a 6-months hiatus which helped our 30 June 2022 quarterly result.

There are still concerns, particularly in relation to Covid-19, and now Monkeypox, and economic conditions are souring, though there are signs the worst may be behind us.

Our pub operations however, being fringe-city based, continued to struggle. During the quarter The Elephant British pub in Adelaide continued to underperform. Whilst significant sums have been invested in the property over more than two decades, the returns have failed to materialize. As a result the pub was sold during the June quarter.

Domestic leisure travel has been quite buoyant in the fourth quarter. Corporate travel is still lagging, whilst we are seeing little to no bounce from the international sector, despite the reopening of the borders. Industry forecasts still see this sector not returning to previous levels until 2024 or 2025. Skyrocketing fuel costs have now added to the cost of air travel which is resulting in higher fares, and consequential flight and capacity reductions.

The Company continues to seek opportunities to expand its portfolio and is in a number of discussions to endeavor to bring this about.

The outlook for cash flow estimates into the 2022/23 year remains positive.

A summary of expenditure for the quarter of the consolidated entity.

<b>Expenditure for the quarter</b>	<b>Current Quarter \$A'000</b>	<b>Year to date June'22 \$A'000</b>
<b>Hotel &amp; Apartments Operations</b>	<b>3,598</b>	<b>11,256</b>
<b>Pubs operations</b>	<b>776</b>	<b>2,488</b>
<b>Consolidation Operating Costs</b>	<b>4,374</b>	<b>13,744</b>

Authorised by: Jakin Agus, Company Secretary on behalf of Transmetro Corporation Ltd