



Annual Results Presentation

FINANCIAL YEAR ENDED 30 JUNE 2022

24 AUGUST | 2022

Disclaimer

IMPORTANT NOTICE

This Presentation (as amended) (Presentation) has been prepared and issued by CVC Limited ACN 002 700 361 (CVC).

This Presentation must not be copied or distributed to other persons without the prior written consent of CVC, which may be given or withheld in its absolute discretion.

This document is not a prospectus and does not contain all of the information which would be required to be disclosed in a prospectus.

SUMMARY INFORMATION

The information contained in this Presentation is of a general nature and in summary form. Neither CVC (nor any of its respective officers, employees, related bodies corporate, affiliates, agents or advisers) guarantees or makes any representation or warranty, express or implied, as to, or takes responsibility for, the accuracy, or reliability of the information contained in this document. CVC does not represent or warrant that this document is complete or that it contains all material information about CVC or which a prospective investor or purchaser may require in evaluating a possible investment in CVC or acquisition of CVC shares.

It is not intended to be relied upon as advice to investors or potential investors, and does not contain all information relevant or necessary for an investment decision or that would be required in a prospectus prepared in accordance with the Corporations Act.

Statements in this Presentation are made only as of the date of this Presentation unless otherwise stated and information in this Presentation remains subject to change without notice.

NOT AN OFFER

This Presentation is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law and does not constitute an invitation to subscribe for or buy any shares in CVC, including in any jurisdiction in which it would be unlawful, or a solicitation to engage in or refrain from engaging in any transaction.

NOT INVESTMENT ADVICE OR A RECOMMENDATION

This Presentation does not constitute investment or financial product advice, nor is it a recommendation to acquire shares in CVC. It is not intended to be used as the basis for making a financial decision, nor is it intended to constitute legal, tax, accounting or other advice. In particular, this Presentation is not intended to be relied upon as advice to any person and does not take into account the financial situation, objectives or needs of any person. This Presentation may not be relied on to make an investment or other financial decision, and you should make your own assessment and take independent professional advice in relation to the information, before making any investment decision in relation to CVC.

FINANCIAL AMOUNTS

All dollar values are in Australian Dollars (A\$) and financial data is presented as at the date of this presentation unless stated otherwise. CVC's results are reported under Australian International Financial Reporting Standards, or AIFRS.

FUTURE PERFORMANCE

This Presentation contains certain 'forward looking statements' including statements regarding or based on CVC's current belief, intent, assumptions or expectations with respect to the financial condition and performance, results and operations, business plans and objectives or management, capital adequacy, risk management practices and specific or general provisions.

Forward looking statements can generally be identified by the use of forward looking words such as 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'will', 'could', 'may', 'target', 'plan' and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on future earnings, distributions or financial position or performance are also forward looking statements. The forward looking statements contained in this Presentation involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of CVC, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.

DISCLAIMER

No party other than CVC has authorised or caused the issue, lodgement, submission, dispatch or provision of this Presentation, or takes any responsibility for, or makes or purports to make any statements, representations or undertakings in this Presentation. Any information or representations not contained in this Presentation may not be relied upon as having been authorised by CVC.

Nothing contained in this document nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future. Past performance information given in this document is given for illustrative purposes only and should not be relied upon as (and is not) any indication of future performance.

To the maximum extent permitted by law, CVC, officers, employees, agents and advisers disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of this presentation being inaccurate or due to information being omitted from this Presentation, whether by way of negligence or otherwise, make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this Presentation.

The information in this Presentation remains subject to change without notice.

CVC Limited – Ethos

1 July 2021 – 30 June 2022

CVC Limited is an ASX listed investment company with a strong focus on deploying capital into real estate opportunities

Relationships and Perspective

CVC seeks to invest in great people and opportunities. Our focus is often where others are not looking.

Our approach to building investment partnerships has delivered a consistent pipeline of quality investment opportunities.

We pride ourselves on protecting capital while generating exceptional investment returns for shareholders.



CVC Results *Summary*

1 July 2021 – 30 June 2022



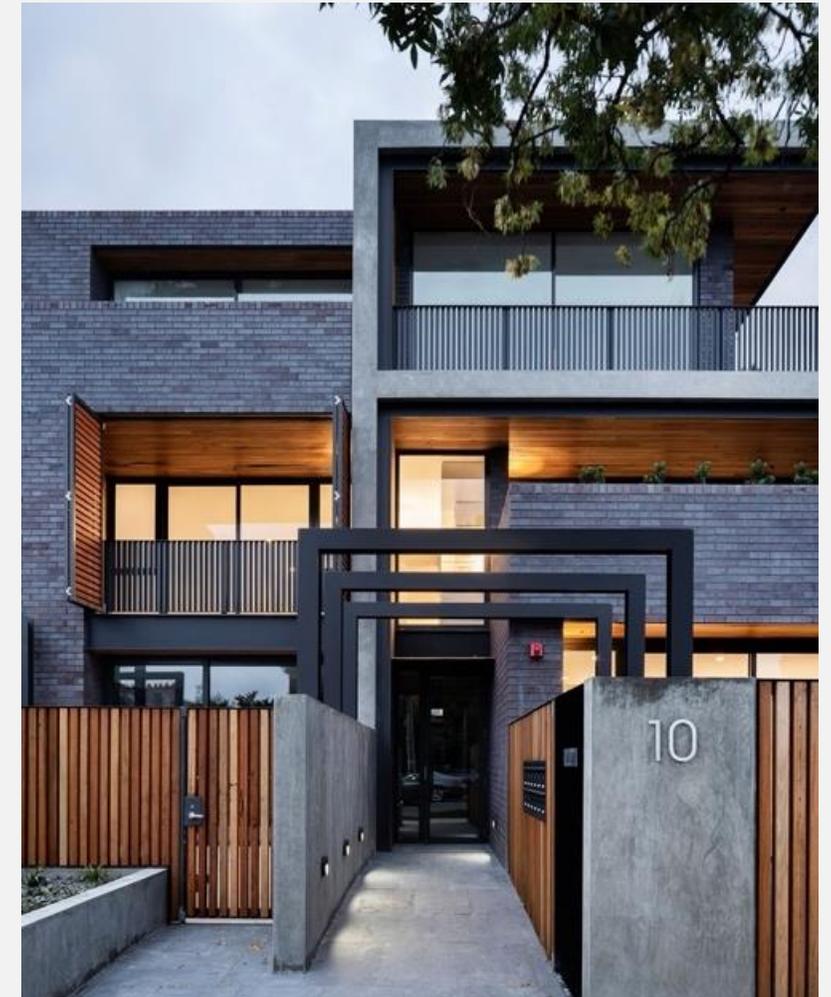
CVC LIMITED – FY 2022 RESULTS

1 July 2021 – 30 June 2022

- Net profit after tax of \$12.9m (2021: \$28.0m)
- Net profit after tax attributable to shareholders \$6.1m (2021: \$19.5m)
- Total fully franked dividends paid relating to the period of 9 cents per share (including final dividend paid on 18 August 2022)
- Net Assets per share \$1.53 as at 30 June 2022 excluding non statutory uplift in asset values estimated at \$1.14 per share as a result of independent valuations of property assets classified as inventory.
- Further rationalisation of the investment portfolio with re-weighting toward property by virtue of rebalancing as well as value increase in property investments.

SEGMENT CONTRIBUTION	2022 \$(m)	2021 ¹ \$(m)
Property Investments	27.4	38.5
Non Property Investments	1.2	10.1
Convertible note interest	(2.9)	(3.0)
Unallocated	(10.6)	(7.7)
Tax effect	(2.3)	(9.9)
Net Profit After Tax	12.8	28.0
Net Profit Attributable to Shareholders	6.1	19.5

¹ Comparative balances have been changed for consistency



OVERVIEW OF CVC PORTFOLIO – 30 JUNE 2022



Property Investments	Direct Property <ul style="list-style-type: none"> Relates to direct exposure, including in ordinary equity, preference equity, joint ventures and options to acquire an interest in direct property subject to planning outcomes Since 2010 we have deployed in excess of \$330m of equity capital to investments of this nature 	74%	89%
	Property Backed Lending <ul style="list-style-type: none"> Comprises loans backed by underlying property assets with registered positions and additional corporate security and personal guarantees Over the past 12 years, over \$390m has been deployed into property backed lending Our current portfolio of loans spans Victoria, New South Wales and Queensland 	15%	
Other Investments	Non-Property Investments <ul style="list-style-type: none"> Comprises listed investments, unlisted investments and secured lending opportunities that are non-property related. It also includes receivables, litigation claims and other investments Anticipated to remain only a small part of the overall CVC investment portfolio 		6%
Other	Cash <ul style="list-style-type: none"> \$26.4m of cash and cash equivalents 		5%

All values are based on underlying market values rather than statutory values.

CVC – BUSINESS FOCUS

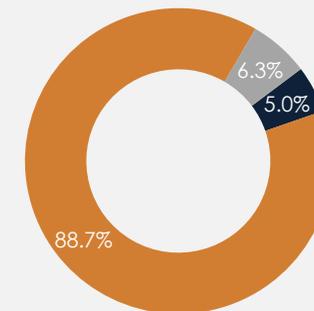
1 July 2021 – 30 June 2022

Status of Business – Key Themes

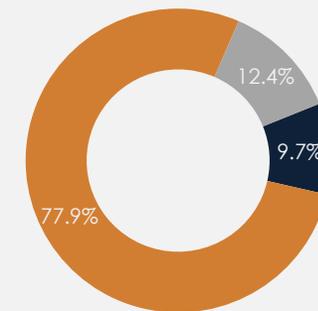
- Reduction in number of investments
 - Objective to increase minimum investment size to >\$5m to align with strategy of high conviction investment and to match management capacity to portfolio composition
- Re-weighting to property
 - CVC has increased its exposure in property related investments from 71% in 2021 to 78% in 2022 based on statutory book values
 - Having regard to current market valuation assessments of Marsden Park, Liverpool and Donnybrook, CVC's exposure to property related investments increases to 89%
 - It is anticipated that non-property investments will remain a relatively small proportion of the investment portfolio
- Capital Management
 - The business has some significant capital commitments falling in the FY 2023 period including convertible note maturity, Liverpool deposit and settlement of a land contract in Burleigh Waters, QLD
 - Business well placed to meet these commitments with forecast cashflows

SEGMENT INVESTMENT ALLOCATION	2022 Adjusted %	2022 Statutory %	2021 Statutory %
Property Investment	39.8	77.9	71.0
Unrecognised Valuation Impact of Property Investments (net of Tax)	48.9	-	-
Non Property Investments	6.3	12.4	13.2
Cash and Deposits	5.0	9.7	15.8
TOTAL	100.0	100.0	100.0

FY 2022 Adjusted



FY 2022 Statutory



Non-Property Investments
 Direct Property
 Cash & Deposits



CVC Segment Reporting

1 July 2021 – 30 June 2022



CVC – PROPERTY INVESTMENTS

1 July 2021 – 30 June 2022

Direct Property Investments

Investment Thematic

- Understand downside risk and seek capital protection in positions taken upfront (i.e. don't pay for potential future value today – create it after buying at current value). Look to add value to investment by advancing:
 - Planning outcomes; and / or
 - Development; and / or
 - Tenant commitments to site
- Invest alongside partners that are qualified, experienced and likeminded
- Look to maximise alignment of parties in all phases of a transaction
- Focus on a small number of meaningful projects – increase efficiency of management and be highly convicted to investment

Performance

- Invested at 30 June 2022: \$132.5m
- FY22 profit: \$13.7m(**) (excluding non statutory value uplifts)
- FY22 return: 10.7%
- Number of investments: 17

KEY INVESTMENT POSITIONS	STATUTORY EQUITY VALUE (JUN -22) [^]	IMPACT OF VALUATION ASSESSMENT*
Heathcote Road, Liverpool, NSW (66%) – Option Agreement (**)	\$15.9m	
Donnybrook Road, Donnybrook, VIC (49%)	\$3.7m	
Park Road, Marsden Park, NSW (66%) (**)	\$13.1m	
Logan Road, Woolloongabba, QLD (35%)(**)	\$8.5m	
Harpley Neighbourhood Shopping Centre, Werribee, VIC (100%)	\$21.9m	
Big Fish Retail and Commercial Centre, Caboolture, QLD (60%) (**)	\$21.5m	
Musgrave Street, Kirra, QLD (50%)	\$6.2m	
Eildon Capital Group	\$17.5m	
Other Direct Property Investments	\$24.2m	
TOTAL	\$132.5m	
IMPACT OF VALUATION ASSESSMENTS		\$260.6
TOTAL VALUE INC VALUATION ASSESSMENTS IMPACT		\$393.1

[^] Lower of cost and current market value. * Based on independent valuations of underlying property.

** Although CVC does not own 100% of the property, 100% of the value is recorded in the accounts due to the ownership structure.

CVC – PROPERTY INVESTMENTS

1 July 2021 – 30 June 2022

Selected Investments – Direct Property Investments

Donnybrook Road, Donnybrook, VIC

- Purchased two sites in 2015 and 2016 in joint venture with Villa World Limited (now Avid Property Group) for \$22.8m (CVC ownership 49%)
- Sought rezoning to allow development of more than 2,500 residential allotments and industrial land
- Achieved rezoning in January 2022 with contracts for the residential zoned land totalling \$92m
- Future strategy for Industrial land will be resolved in H1 FY2023

Heathcote Road, Liverpool, NSW

- Option to acquire 16.7Ha site in Liverpool, NSW, entered into in 2016 (CVC ownership 66.7%)
- Site currently zoned industrial, rezoning application submitted for approximately 5,000 apartments and further commercial, retail and associated uses
- Strike price of option \$160m with \$30m deposit payment due in June 2023 if option exercised. Balance due no earlier than 2026
- Strong valuation uplift in underlying land on the basis of its current industrial zoning with further upside potential if rezoned to mixed use uses
- Supported by Liverpool City Council and good engagement with NSW Department of Planning with regard to entering into planning process

East Boundary Road, Bentleigh East, VIC

- Purchased 4.3Ha site in Bentleigh, VIC in 2015 for \$25m (CVC ownership 50%)
- Site was zoned industrial, application was made to rezone to mixed use
- Approval granted in March 2021 and site valued at \$67.3m at that time
- CVC sold its ownership in site in FY22 at premium to valuation to conclude a very successful investment



CVC – PROPERTY INVESTMENTS

1 July 2021 – 30 June 2022

Selected Investments – Direct Property Investments

Lake Orr Drive, Burleigh Waters, QLD

- Contracted to purchase 5.4Ha of development land in Gold Coast for \$45m (CVC 50% in partnership with private developer) in March 2022
- Settlement payable in March 2023
- Extremely flexible development approval with multiple development options
- Strategy to deliver infrastructure to allow development or divestment of a variety of super lots which can be developed into residential, retirement, commercial and retail uses
- Detailed planning work being undertaken with subdivision work forecast to commence in 2023

Musgrave Street, Kirra, QLD

- Development of 11 premium one per floor apartments in Kirra Beach, QLD (50% CVC in partnership with private developer)
- Construction commenced, presales in place
- End value in excess of \$50m

Harley Shopping Centre Land, Werribee, VIC

- Purchased 4.4Ha of land in Lend Lease master planned community in Werribee, Victoria for \$18.5m in 2020 (100% CVC)
- Development to incorporate:
 - 8,000sqm Coles anchored neighbourhood centre
 - Medical centre, Service station, Childcare centre, fast food outlet and Commercial development
- End value in excess of \$85m
- Construction to commence H1 FY23



CVC – PROPERTY INVESTMENTS

1 July 2021 – 30 June 2022

Selected Investments – Direct Property Investments

Pumicestone Road, Caboolture, QLD

- Purchased 15Ha site in 2015 for \$5.35m (60% CVC)
- Completed Ampol anchored travel centre and McDonalds store
- Bunnings Warehouse currently under development anticipated to be completed December 2022
- Commenced development of Coles and Chemist Warehouse anchored 7,200sqm neighbourhood centre anticipated to complete December 2022
- Further Bulky Goods Centre commenced with tenant commitments from Pet Stock, Super Cheap Auto. Anticipated to complete in December 2023
- Further sites to provide for childcare, convenience retail and tavern/pub uses

Mooloolaba Wharf, Mooloolaba, QLD

- Purchased leasehold Marina and retail complex in 2016 for \$1.7m (CVC 50%)
- Asset has been materially repositioned to be one of the Sunshine Coasts leading tourist destinations
- Further redevelopment is occurring and will add further value

Park Road, Marsden Park, NSW

- Purchased in 2013 in partnership with Leamac Property Group for \$9.0m (CVC ownership 66%)
- Rezoning application submitted to approval for approximately 550 residential allotments
- Progressing rezoning with NSW Department of Planning



CVC – PROPERTY INVESTMENTS

1 July 2021 – 30 June 2022

Selected Property Backed Lending Investments

Investment Thematic

- Registered mortgages over real estate assets with guarantees from Borrowers have been a strong performing segment for CVC
- Flexibility in structuring, efficient approval process and strong balance sheet capacity places CVC in a strong position to win transaction flow
- CVC's ability to understand real estate as an equity participant provides a unique insight into transaction evaluation and ongoing risk management

Process

- Thorough investigation of macro and micro economic factors which will influence value of security
- Evaluate strength of expert due diligence reports against 'on the ground' information which is shared by our extensive industry network
- Consider each transaction through the lens 'would we be comfortable to own the asset'
- Thorough counterparty due diligence, ensuring appropriate expertise and resources

Performance

- Invested at 30 June 2022: \$79.6m
- FY22 profit: \$13.7m (based on 100% underlying interest)
- FY22 return: 13.3%
- Number of investments: 13

DEBT TYPE	TYPICAL LVR RANGES
Senior	0-65%
Stretch Senior	0-70%
Mezzanine	60-75%



CVC – PROPERTY INVESTMENTS

1 July 2021 – 30 June 2022

Selected Property Backed Lending Investments

Collingwood, VIC

- Registered 2nd mortgage investment in a 35 apartment and retail development
- Owner occupier market with majority of project presold
- Low supply of this product in this location
- Project completing with loan to be repaid H1 FY 2023

Hawksburn, VIC

- Registered 2nd mortgage mezzanine investment to assist in the construction of 13 luxury apartments in inner Melbourne suburb
- Owner occupier market with construction nearing completion
- Anticipated repayment H1 FY 2023

Glenelg, SA

- Registered 1st mortgage investment against land approved for 29 residential apartments in beachside suburb of Adelaide
- Owner occupier market and site enjoys very strong view lines to water
- Ability to participate in senior construction finance of development



CVC – NON-PROPERTY INVESTMENTS

1 July 2021 – 30 June 2022

Investment Thematic

- Focus on small number of concentrated investments
- Recognition that this segment will remain a smaller part of business operations than it has in the past within CVC

Performance

- Invested at 30 June 2022: \$33.8m
- FY22 profit: \$1.2m
- FY22 return: 3.0%
- Number of investments: 24

Selected Investments – Non Property Investments



NON PROPERTY INVESTMENT / POSITIONS	STATUTORY EQUITY VALUE (Jun -22)
CVC Emerging Companies Fund I and II	\$10.3m
Cyclopharm Limited	\$6.7m
Tas Foods Limited	\$3.9m
Corporate Loans (Various)	\$3.9m
Other Non Property Investments	\$8.9m
TOTAL	\$33.8m



CVC Outlook

1 July 2021 – 30 June 2022



OUTLOOK – OBJECTIVES

1 July 2021 – 30 June 2022

CVC is well positioned to perform strongly in the short and medium term

We are focused on unlocking significant value from the existing investment portfolio while also assessing new opportunities which are likely to emerge

Objectives – Property Investment

Direct Property Investment

- Progress Liverpool planning to advance mixed use approval and to be in a position to exercise option in June 2023 and subsequently settle the property in line with or ahead of current commercial timelines (2026)
- Optimise value from Donnybrook project which has been recently rezoned, commence settlement of contracted positions
- Achieve rezoning for Marsden Park project and commence project delivery with Mirvac
- Complete development of Caboolture Bunnings and Coles anchored neighbourhood centre
- Commence development of Harpley Neighbourhood Retail Centre
- Advance subdivision approval on Varsity Lakes site

Property Backed Lending

- Actively monitor all debt positions on account of current market volatility around construction pricing pressure and sales volumes and values
- Seek out attractive risk positions that meet investment hurdle returns

Objectives – Non-Property Investments

- Continue to seek to add value to higher concentration positions and realise remaining smaller scale investments which are non property
- Ensure continuous evaluation as to each investments prospects to contribute further value for shareholders

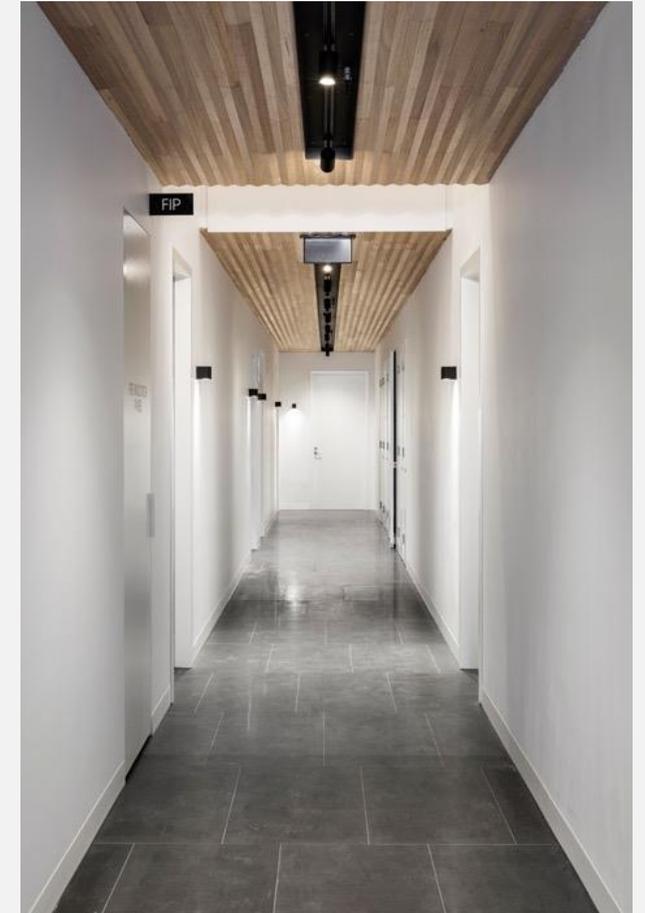
CVC – FY23 Outlook

Forecast Performance

- The composition of the investment portfolio of CVC does not allow meaningful performance forecasting
- Portfolio of major direct property investments have potential to add material value as advancements are made through planning processes
- Other direct property investments will contribute to profit as they complete or are transacted
- Property backed lending has prospect to deliver higher returns in an environment of increasing rates
- Non property investments have potential to contribute to profit, but are also exposed to movements in the general market

Capital Management

- Total fully franked dividends for the FY2022 period of 9 cents per share versus earnings of 5.2 cents per share
- The Board of CVC has declared the dividend payment in recognition of the considerable value that has been created in the property portfolio as well as the anticipated profits that will come from the Donnybrook project as contracts in place settle and deliver further profitability and cash flow in coming periods
- Commitment to continual evaluation of merit in undertaking convertible note and share buybacks, but this will be balanced against backdrop of future cash requirements within the business





CVC Limited

Contact Details

Suite 40.04
Level 40 Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000

P (02) 9087 8000

W www.cvc.com.au