

ASX Announcement
23 February 2023

Alloggio Group 1H FY23 Financial Results

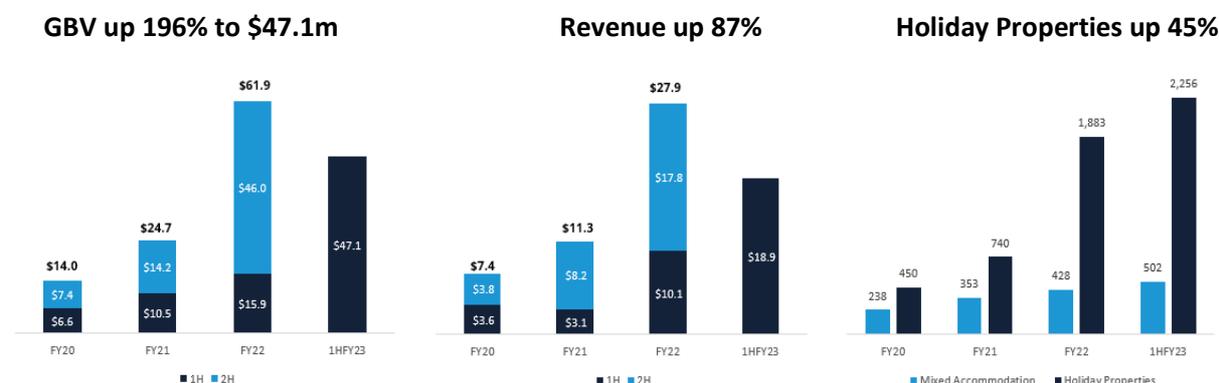
Building the foundations for long-term growth

Leading Australian short-term rental accommodation provider Alloggio Group Limited (ASX.ALO) (**Alloggio** or the **Company**) announces financial results for the half year ending 31 December 2022.

Highlights:

- Revenue up +87% to \$18.9 million
- Gross Booking Value up +196% to \$47.1 million
- Contribution margin 56%
- EBITDA of \$4.7 million, Normalised EBITDA of \$1.9 million¹
- FY23 Normalised EBITDA guidance of \$6.2 - \$8.4 million
- Alloggio continues to execute its growth strategy

Key Operating Metrics



Alloggio’s Founder and CEO, Will Creedon, said “We are pleased to present our 1H FY23 financial results with our key operating metrics continuing to perform strongly. Revenue is up 87% on the prior corresponding period (pcp) and highlights the strength of our technology platform as a leading operator of short-term rental accommodation.”

“In this reporting period, we have disclosed the Company’s normalised EBITDA which is EBITDA, less rental expense. In 1H FY22, EBITDA included one-off government contracts. Pleasingly, 1H FY23 normalised EBITDA is in-line with the pcp.”

“Alloggio’s seasonality is typically 30% to 42% normalised EBITDA in the 1H. The Company provides normalised EBITDA guidance for FY23 of \$6.2 to \$8.4 million, which at the mid-point of this guidance range, is +230% increase on FY22 and reflects the strong momentum in Alloggio’s core business.”

¹ EBITDA does not take account of rental expense as per the adoption of AASB16, Normalised EBITDA refers to EBITDA, less rental expense



“We have successfully transformed the business through broadening and refining our proprietary technology platform and we continue to build our team and operations. Alloggio now has the foundations in place for its next phase of growth, enabling us to operate even more efficiently as we continue to scale.”

Acquisitions

In 1H FY23, the following acquisitions completed, utilising Alloggio’s existing cash and debt facilities:

| Month | Acquisition | Description |
|-----------|-------------|---|
| July | | Expanded presence in Coffs Harbour and Magnetic Island via the acquisition of holiday property management rights |
| September | | E-market booking platform |
| November | | Mixed Accommodation Management Agreement (AMA) |
| November | | Acquisition of an adjacent business opportunity (linen and laundry business) |
| December | | Entered new markets of Byron Bay, Gold Coast and Melbourne via the acquisition of a Perfect Stay and Boutique Stays |

H1FY23 Financial Performance

Alloggio delivered total revenue of \$18.9 million in 1H FY23, +87% ahead of the pcp. Contribution Margin increased to \$10.7m, representing a Contribution Margin of 56% which is up slightly on the pcp.

Operating expenses increased to \$5.9m in line with acquisitions integrated since the pcp and further investment in head office to support the Company’s future growth.

As at 31 December 2022, Alloggio had available funding capacity of A\$7.7 million, noting the typical seasonality in the business is weighted to the second half.

Alloggio’s 1H FY23 results include:

- contributions from the full year benefit of acquisitions made in FY21
- partial contribution from acquisitions made in FY22 and 1H FY23; and
- full six month period of public company costs versus one month in the pcp.

| \$ million | 1HFY23 | 1HFY22 |
|---------------------------------|---------------|---------------|
| Total Revenue | \$18.9 | \$10.1 |
| Contribution Margin | \$10.7 | \$5.5 |
| Contribution Margin (%) | 56% | 55% |
| Total operating expenses | \$5.9 | \$1.9 |
| EBITDA | \$4.7 | \$4.2 |



Reconciliation between Statutory EBITDA and normalised EBITDA

| | | |
|-------------------------------------|--------------|--------------|
| EBITDA | \$4.7 | \$4.2 |
| Add: IPO transaction costs | - | \$0.1 |
| Less: Rent adjustment | \$2.8 | \$2.1 |
| Less: Rent concession income | - | \$0.2 |
| Normalised EBITDA | \$1.9 | \$2.0 |

Strategy update

Alloggio has successfully transformed from a private Company to a listed entity and continues to broaden and refine its proprietary technology platform. The Company continues to execute its growth strategy with new marketing distribution channels, providing differentiated accommodation meanwhile continuing to invest in its proprietary technology platform and people.

As the Company moves into its next phase of growth, Alloggio remains committed to deliver on its growth strategy and profit growth, develop new growth opportunities in key tourism destinations meanwhile extracting technology platform efficiencies.

Expected growth drivers for the remainder of FY23

- Further top line growth driven by traditional seasonality, organic growth and the benefit from acquisitions completed and announced to date and other potential acquisitions in what is a highly fragmented industry (although timing is uncertain)
- Continue to execute the Company's growth strategy of securing holiday property management rights and mixed accommodation in key tourism destinations, including metropolitan areas
- Operational enhancements over time from further investment in our technology platform are expected to improve performance
- Continuous improvement in our shared services that are being implemented across all Alloggio's businesses, including recent acquisitions
- Cost-out programs have been initiated across the Group to manage the potential impact of a weaker economic environment

FY23 outlook

- Alloggio's seasonality is typically 30% to 42% normalised EBITDA in 1H
- FY23 normalised EBITDA is expected to be in the range of \$6.4 to \$8.2m
- 2H FY23 is expected to be driven by traditional seasonality, further top-line growth and operational enhancements which are expected to improve margins



Results presentation and conference call

As previously announced, a teleconference and results presentation by Will Creedon (Founder & CEO) and Michael Potts (CFO), will be held at 10:30am (Sydney time) today.

If you wish to listen to the teleconference and results presentation, please note you are required to pre-register in advance of the time for the presentation. You will be provided with a ticket ID to login to the presentation.

<https://backstage.alloggio.com.au/ALO1H2023ResultsInvestorPresentation>

Disclaimer

This announcement should be considered in conjunction with the full FY23 half year results presentation announced by the Company today. Information, including any forward-looking statement, in this announcement is subject to the qualifications and limitations in that presentation.

ENDS

This announcement has been approved by the Board of Alloggio Group Limited.

Further enquiries

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About Alloggio

Alloggio (Italian for accommodation) is a leading operator of short-term rental accommodation (STRA) in Australia. Formed in 2015 by founder and CEO William Creedon, Alloggio has developed an in-house scalable cloud-based technology platform that provides an end-to-end solution for travellers and holiday property owners and managers.

The Company operates in the large and fragmented Australian STRA market.

Alloggio has a strong portfolio of recognised brands operating in popular tourism destinations such as Magnetic Island, Noosa, Brisbane, Gold Coast, Byron Bay, Coffs Harbour, Port Stephens, Newcastle, Sydney, Jervis Bay, Mollymook / Milton, Melbourne, Great Ocean Road and Mornington Peninsula, with ambitions for continued growth across Australia and where Australians travel to.

