



*A visionary adventure leisure company  
formed to build and operate world class  
indoor skydiving facilities across the region*

# **HY 2017**

## **Results Presentation**



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# 1. Overview

## Highlights

Opening of 3rd Facility in Perth

Stable Operating Platform for 2<sup>nd</sup> Half 2017

December Sales \$2.2m

First S/E Asian Project - Malaysia

National Call Centre in Operation

Frequent iFLYER Loyalty Programme launched

Agreement for Lease signed for 2<sup>nd</sup> Sydney Site

Further sites in S/E Asia under review





## 2. Results & Analysis

	2017 HY ('000)	2016 HY ('000)	2016 FY ('000)
<b>Consolidated Revenue</b>	\$5,150	\$3,905	\$8,371
<b>Consolidated EBITDA*</b>	(\$422)	\$33	(\$322)
<b>Consolidated NPAT</b>	(\$893)	(\$190)	(\$1,315)
<b>VWT Operational EBITDA</b>	\$1,424	\$1,992	\$4,143
<b>Cashflow from operations</b>	\$918	\$1,550	\$273
<b>Net Tangible Assets/Share</b>	\$0.24	\$0.25	\$0.24

\* Reported EBITDA includes the effect of share based payments

# 2. Results & Analysis

2017 HY – BY FACILITY	SYDNEY ('000)	GOLD COAST ('000)	PERTH* ('000)
Revenue (excluding Sydney Café)	\$2,744	\$1,888	\$393
COGS	(\$580)	(\$379)	(\$117)
Expenses	(\$973)	(\$1,075)	(\$456)**
EBITDA	\$1,190	\$435	(\$180)
EBITDA Margin %	43%	23%	(46%)

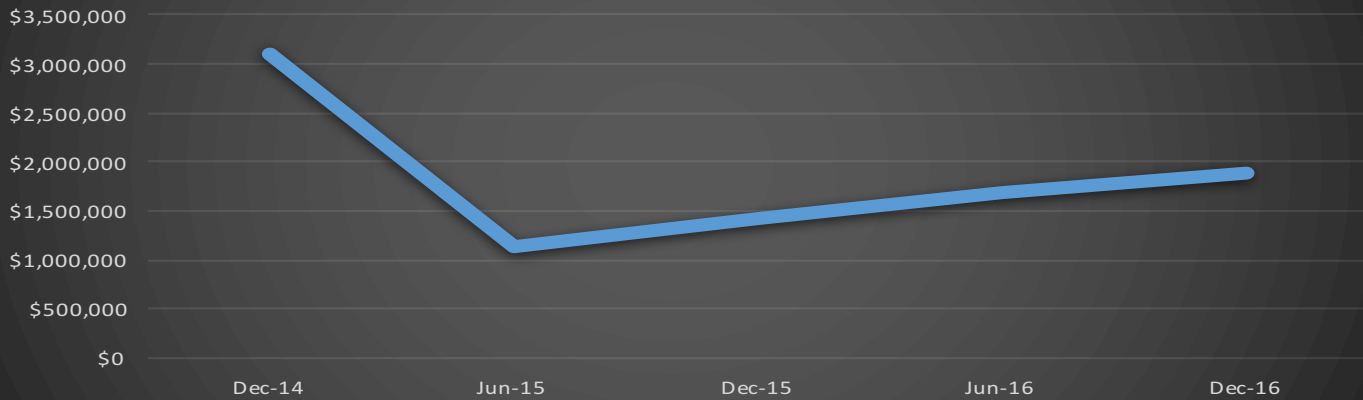
\* iFLY Perth opened on 14<sup>th</sup> December 2016

\*\* includes operational expenses incurred prior to opening

# 2. Results & Analysis

## Group Overhead Expenses

ISA Group - Corporate Cost (HY)



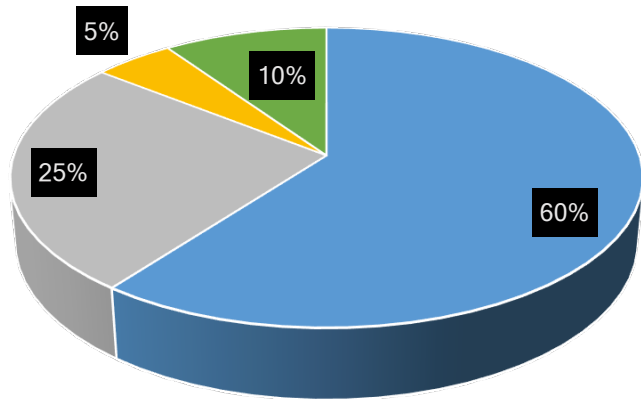
**Founders Incentives (IPO) – Final Tranche Complete**

**Marketing Expense – Entry to Perth Market**

**Includes S/E Asia Preparation and International IT Systems development**

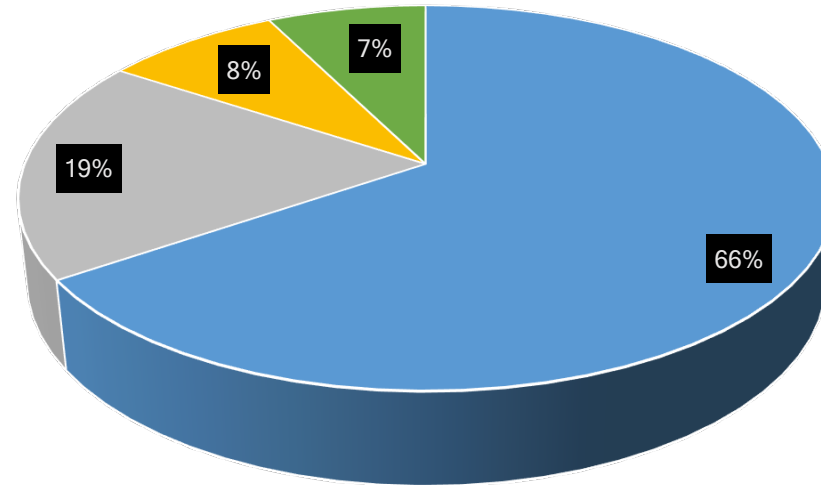
# 2. Results & Analysis - Consolidated

Average Weekday Revenue Mix



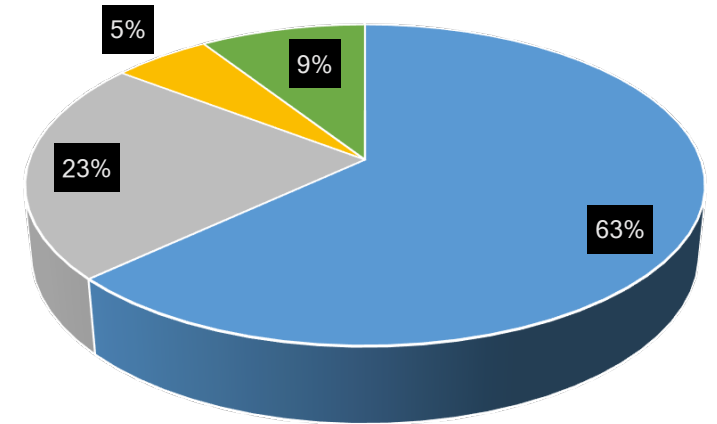
■ First timers ■ Professional ■ Groups/Events ■ Merchandise

Average Weekend Revenue Mix



■ First timers ■ Professional ■ Groups/Events ■ Merchandise

Average Weekly Revenue Mix



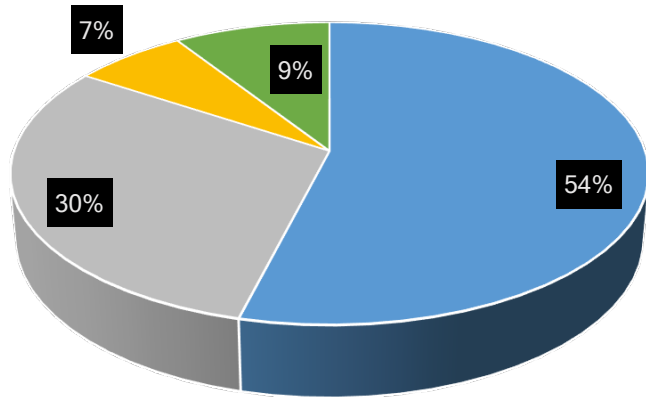
■ First timers ■ Professional ■ Groups/Events ■ Merchandise

**Unique Visitors – 37,006 (6 months)**



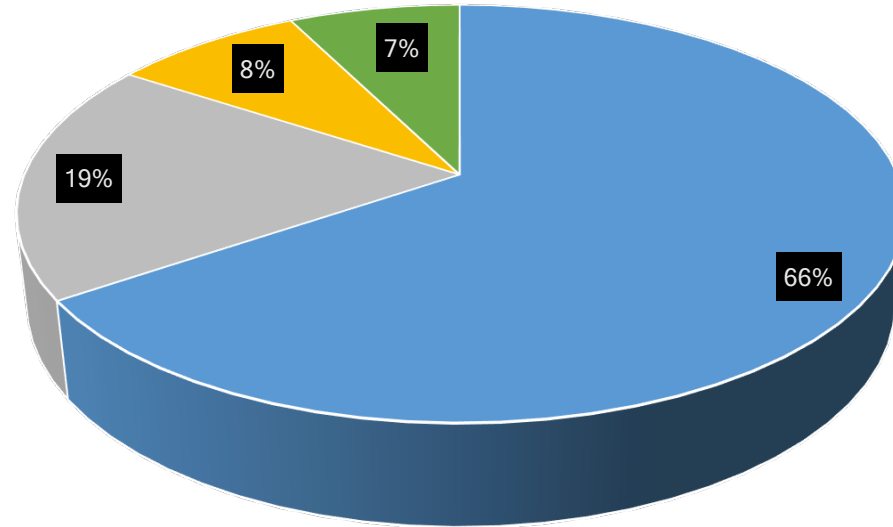
# 2. Results & Analysis - Penrith

Average Weekday Revenue Mix



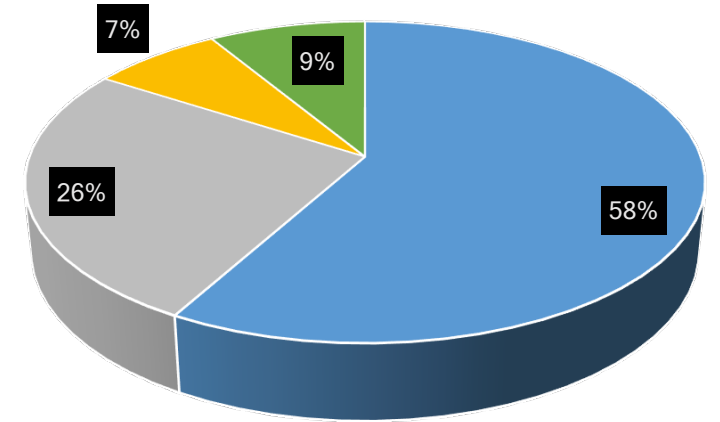
■ First timers ■ Professional ■ Groups/Events ■ Merchandise

Average Weekend Revenue Mix



■ First timers ■ Professional ■ Groups/Events ■ Merchandise

Average Weekly Revenue Mix

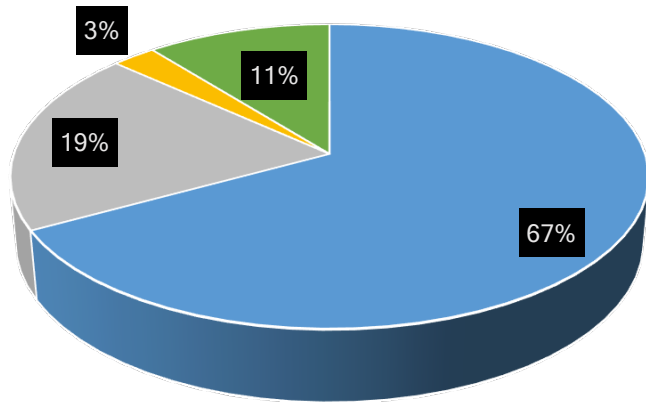


■ First timers ■ Professional ■ Groups/Events ■ Merchandise

**Unique Visitors – 19,519 (6 months)**

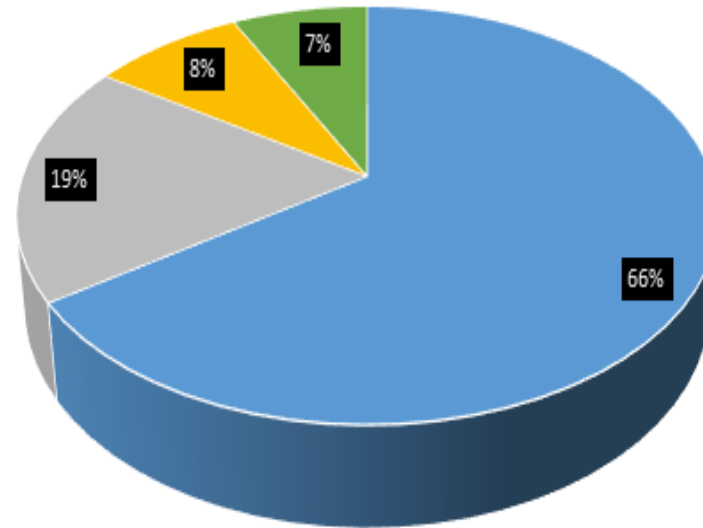
# 2. Results & Analysis – Gold Coast

Average Weekday Revenue Mix



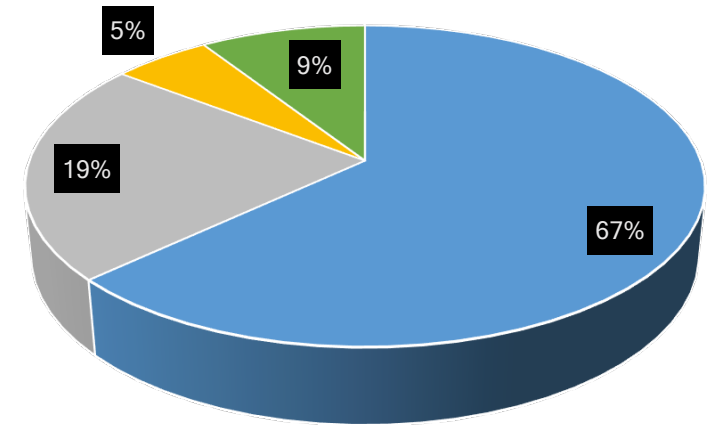
■ First timers ■ Professional ■ Groups/Events ■ Merchandise

Average Weekend Revenue Mix



■ First timers ■ Professional ■ Groups/Events ■ Merchandise

Average Weekly Revenue Mix



■ First timers ■ Professional ■ Groups/Events ■ Merchandise

**Unique Visitors – 15,344 (6 months)**

# 3. Current Focus

## IFLY GOLD COAST

**Peak Season Dec/Jan** – Revenue \$818k

**Brand Recognition** – Recognised by Queensland Tourism Award

**Dynamic Marketing Strategy** – Catering for Walk in Customers

**Seasonality** – Clear strategy for revenue generation in low periods

**Cost Reduction** – Cost reduction to correspond with Revenue Generation

**2<sup>nd</sup> Half Outlook** – Expected full year EBITDA margin above 25%



# 3. Current Focus

## IFLY PERTH

**First Full Month of Operations(Jan)** – Revenue \$581k

**Dec/Jan Sales** - \$1.6m

**Dec/Jan Utilisation\*** – 80%

**Market Penetration** – Early opening capitalised on Peak Season

**Professional Market** – Strong Early Military and Skydiver Interest

**2<sup>nd</sup> Half Outlook** – Expected full year EBITDA margin above 45%



*\* Utilisation is calculated on 12hrs/day*

# 3. Current Focus

## Australian Tunnel Operations

- Stable Operations with 3 Facilities
- Growth in market segments
- Business Model Blueprint
- International capable IT Systems

## Current Projects

- Sydney City
  - Approvals
  - Construction
  - Funding
- Kuala Lumpur
  - Operations
  - Joint Venture
  - Regional Partner

## Resulting in:

- Diversity by region
- Regional Brand recognition
- Economies of Scale
- Corporate overhead absorption
- Increased profitability

## Contingencies:

- Currency
- Construction risk
- Economic downturn



## Managed by:

- Project Timeline Management
- Cost Management
- Debt

## Further Expansion

- Additional Australian Projects
- Partnership Projects: Australia & NZ (SkyVenture Projects)
- S/E Asia
- Hong Kong
- Global



# 4. Projects Update

## Kuala Lumpur

MOU signed with Largest Shopping Centre in S/E Asia

Joint Venture with share in operational profit of 60%

Investment \$1.5m – 2m

ROI 2 – 3 years

Management Contract with Incentives

Long Term with well established partner



# 4. Projects Update

## iFLY Sydney City

Agreement for Lease signed

Partnership with SkyVenture under ETDA

Expected \$16m CAPEX

14ft Diameter Flight Chamber

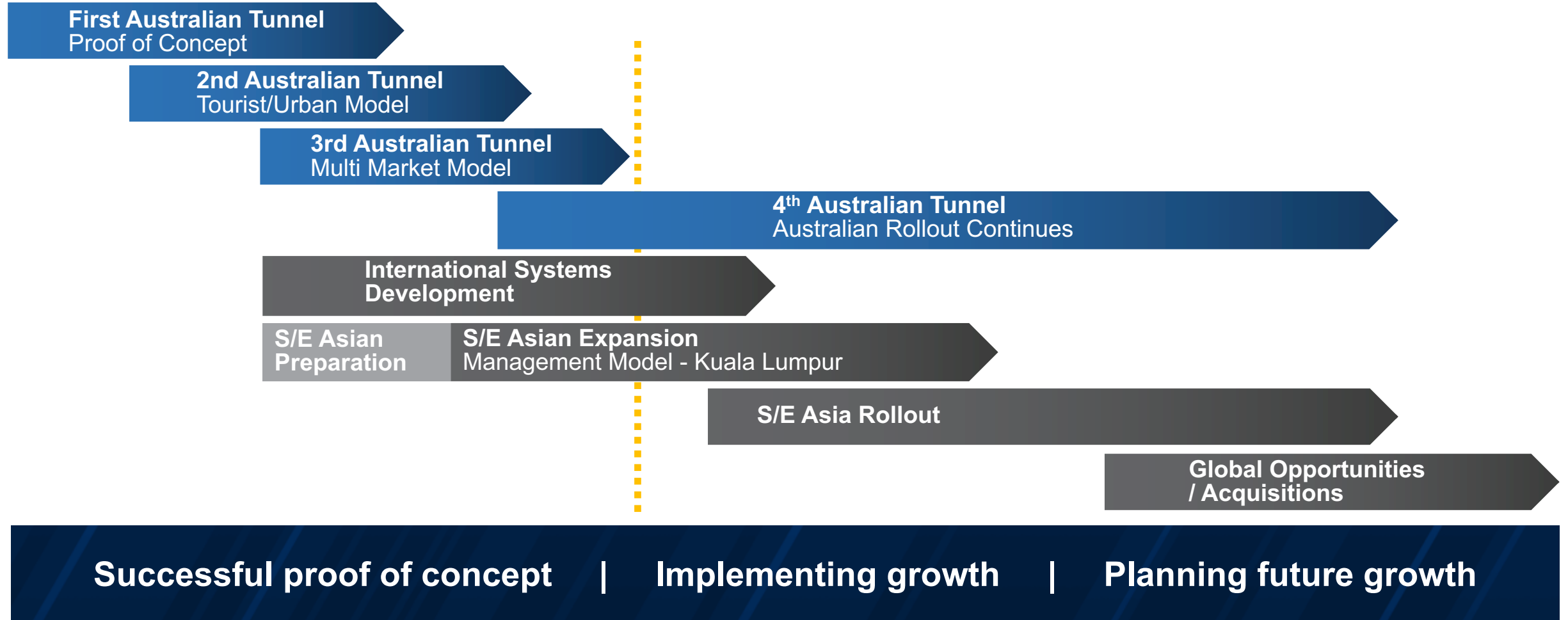
Design & DA development underway

Partner Investment anticipated to be 40%

Construction Timeline to be developed



# 5. Strategy



# 6. Summary



-  **Clear strategy** for growth in an expanding industry
-  **Dynamic** Board of Directors
-  **Strong** management team
-  **Expertise** in planning and execution
-  **Proven** to deliver
-  **Flexibility** in engagement / manufacturers / technology

# 7. Appendices

## Indoor Skydive Australia Group Board



**David Murray AO**  
Non-Executive Director

**Kirsten Thomson**  
Non-Executive Director

**Wayne Jones**  
Director &  
Chief Executive  
Officer

**Ken Gillespie**  
**AC, DSC, CSM**  
Chairman

**Danny Hogan MG**  
Director &  
Chief Operations  
Officer

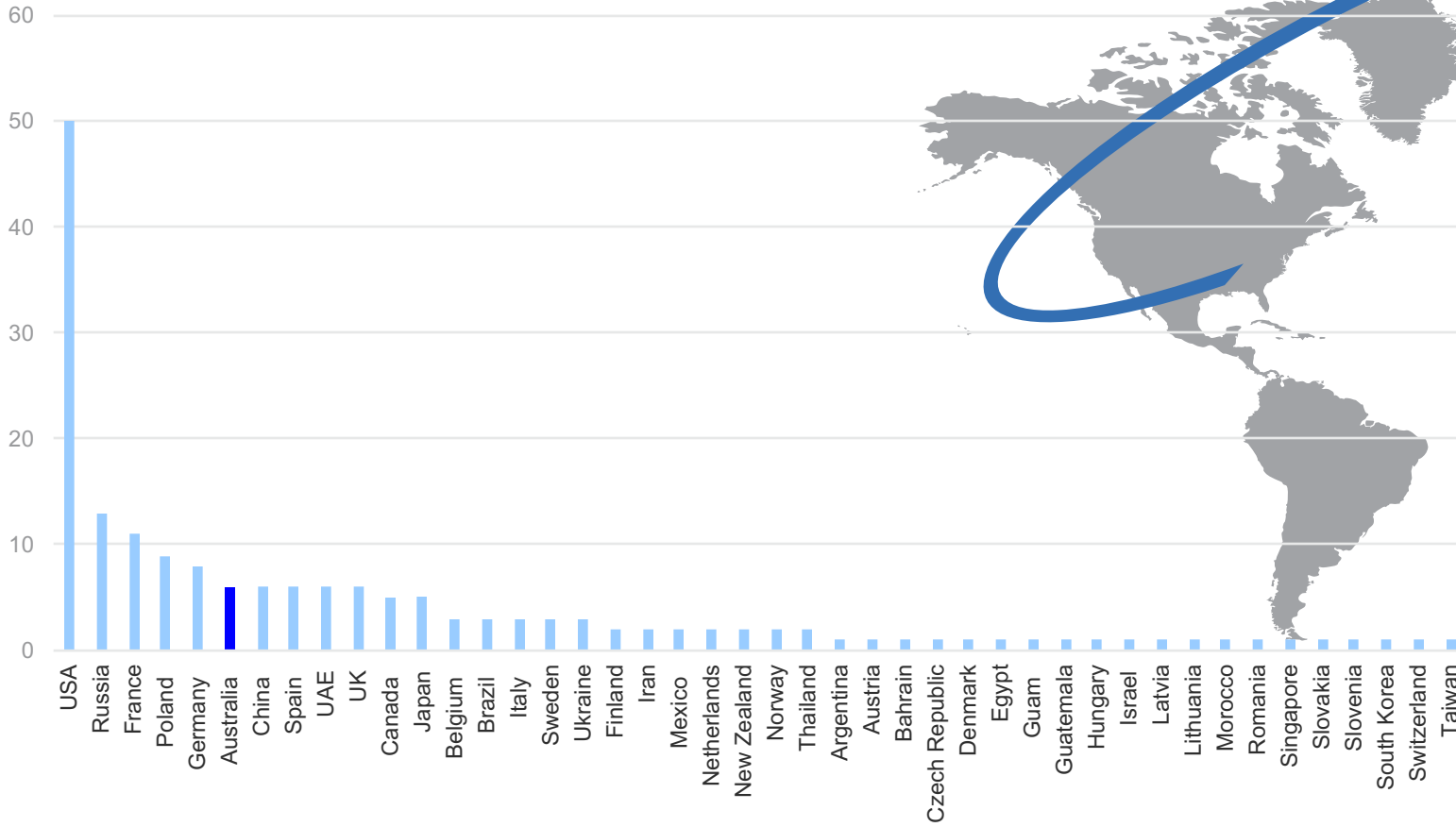
**Stephen Baxter**  
Non-Executive Director



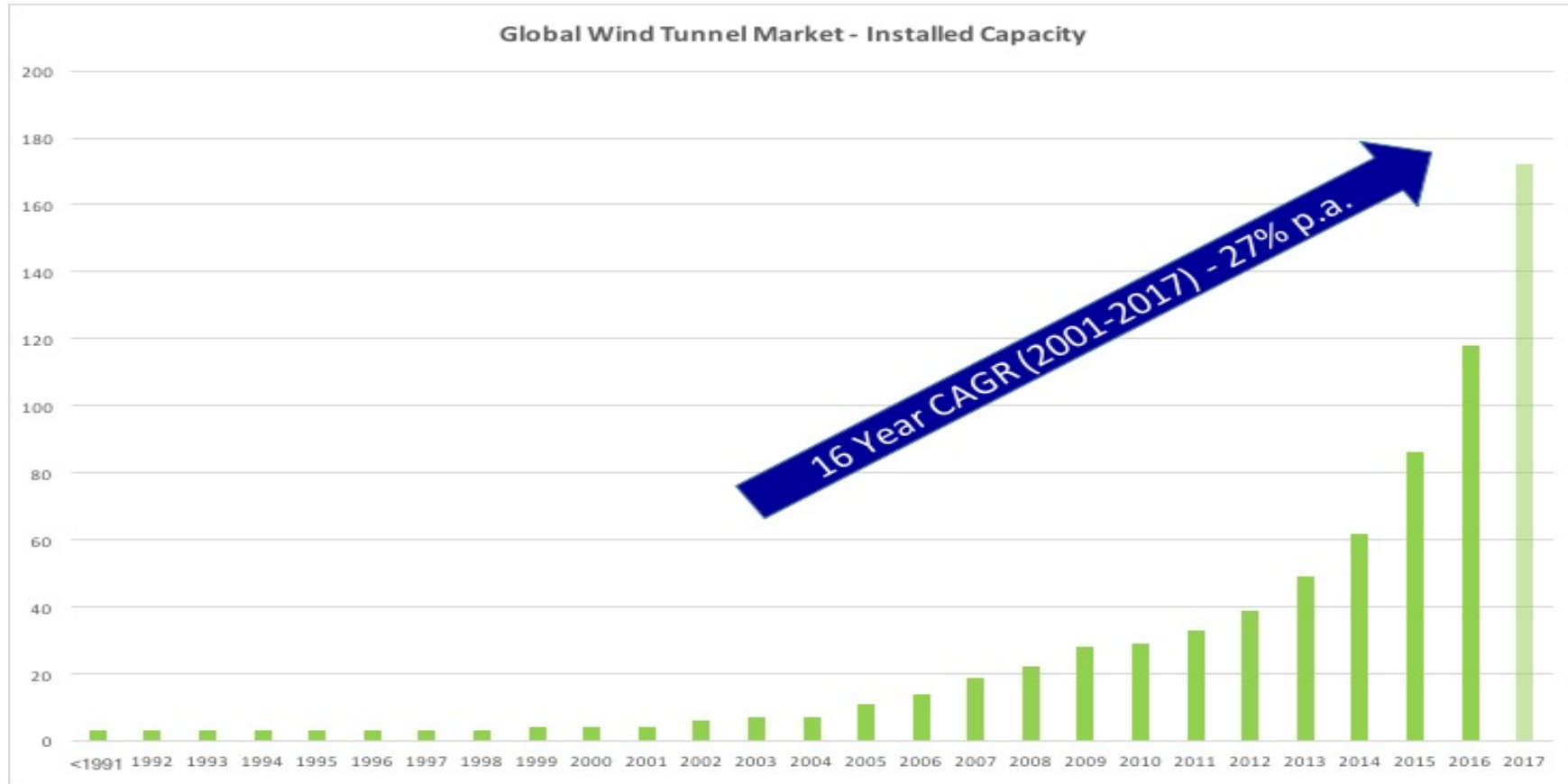
# 7. Appendices

## Global Industry

Wind Tunnel Locations Operational or Announced - Global

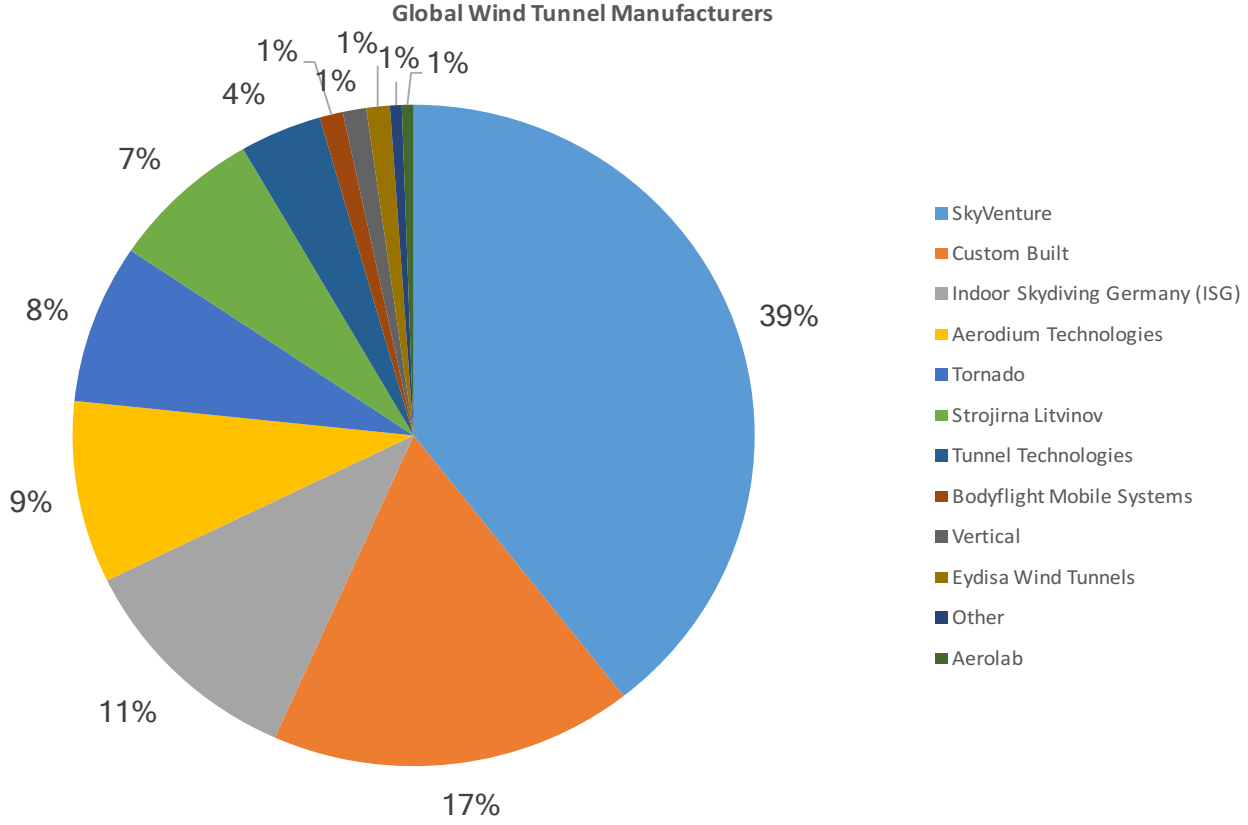


# 7. Appendices



Wind Tunnels – Long Term, High Growth, Global Market – 16 Year CAGR 27%

# 7. Appendices



**Wind Tunnels Manufacturers – Competition in Manufacturing is driving increased efficiency in Technology**



# ISA GROUP

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# Thank you

