



Victory Offices

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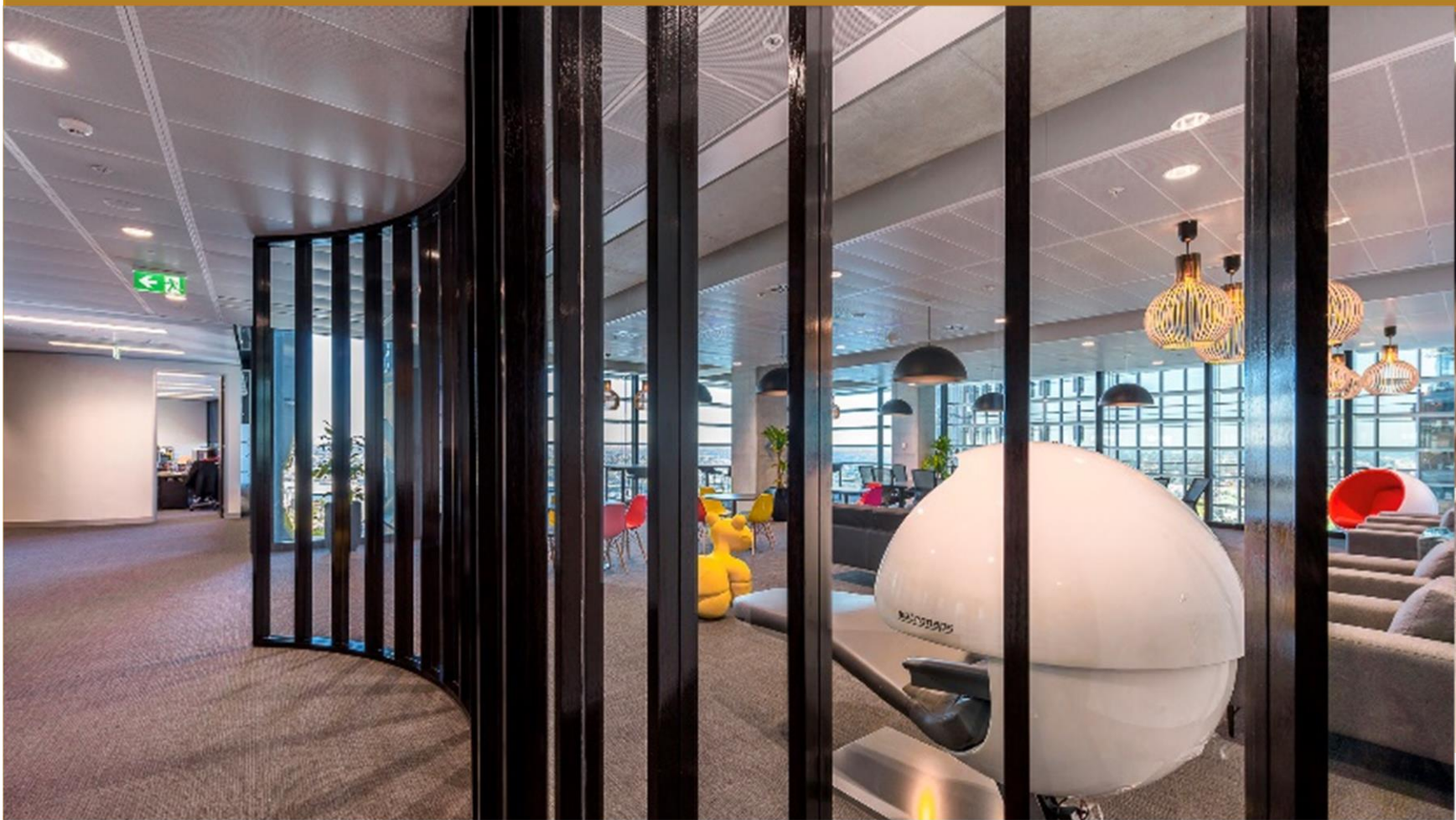
**Annual General Meeting | 23 November 2020**

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## 1. Introduction from Chairman

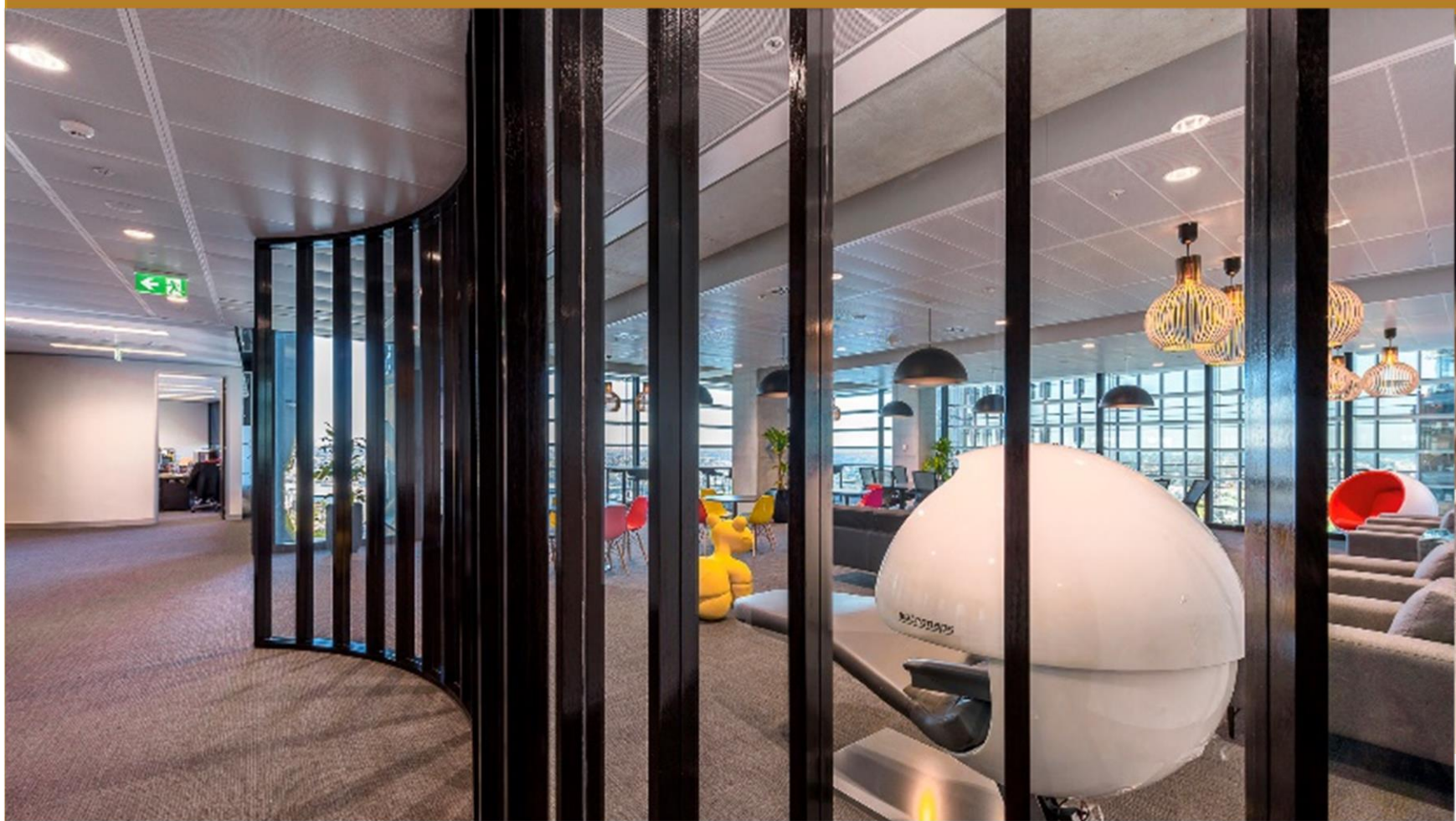


## Overview

- Successfully raised \$14.6m (net of costs) in July 2020 to strengthen the balance sheet and provide working capital
- Continuing to navigate through the impacts of COVID
- Optimistic of a gradual recovery through the remainder of FY2021
- Well positioned to capitalise on post-COVID trends to flexible workspace within the Australian market
- Focused on maintaining premium service offering with premium amenities







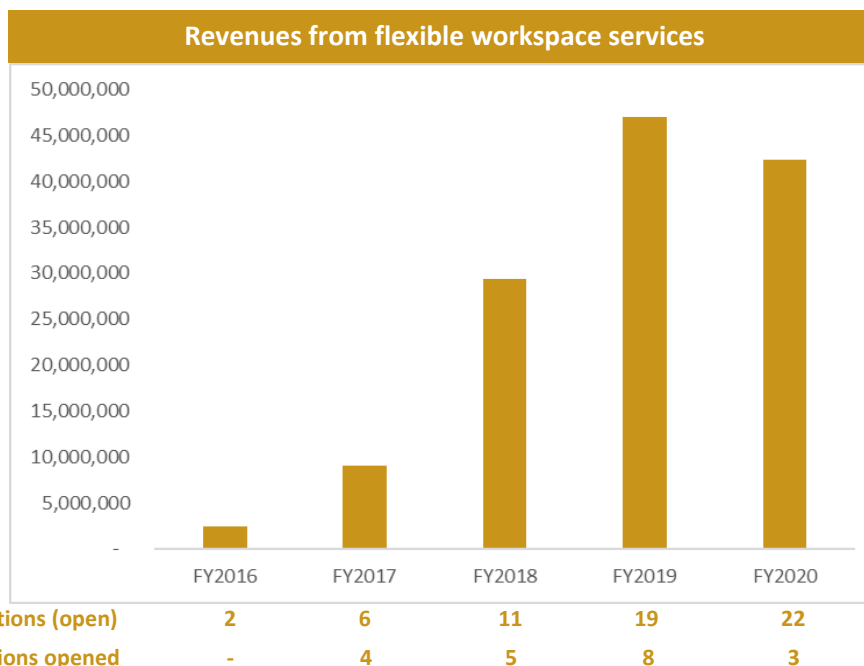
## 2. Presentation from the CEO



# Overview – FY2020 Highlights

- Proactive approach to managing the impacts of COVID:
  - Lease negotiations
  - Cost reductions
  - Capital raising
- In July 2020 completed a \$14.6 million (net of costs) capital raising to strengthen balance sheet and provide working capital for FY2021
- Whilst 2021 expected to be challenging the business is optimistic of a gradual recovery during the year

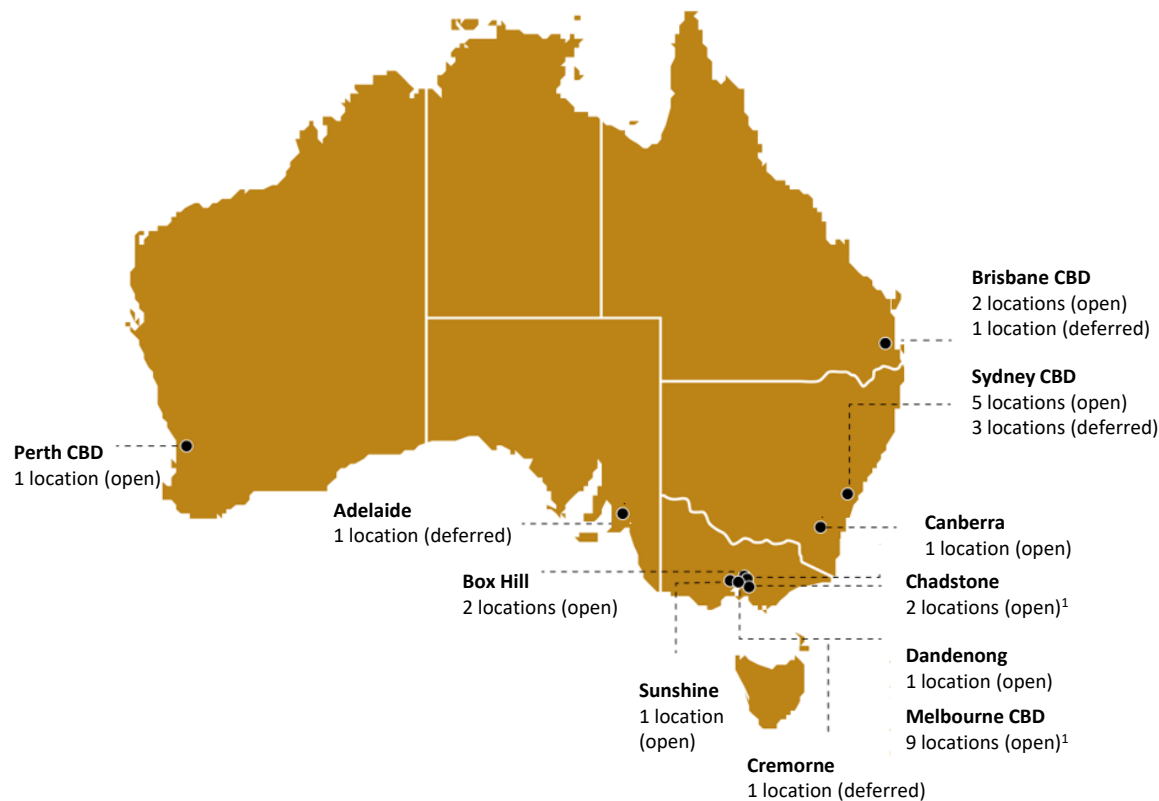
Summary metrics	FY2020 (\$'million)	FY2019 (\$'million)
Revenue from flexible workspace services	\$42.3	\$47.0
Underlying EBITDA <sup>(1)</sup>	\$25.8	\$33.6
Underlying NPAT <sup>(1)</sup>	(\$0.4)	\$9.6
NPAT	(\$8.1)	\$9.6
Operating cash flows	\$14.9	\$27.9
Net assets	\$36.6	\$44.7



**Company well-positioned to withstand COVID-19**



## Diversified Australian Portfolio



- Currently 24 locations<sup>1</sup>.
- Four locations (two Sydney CBD, one Canberra CBD and one Brisbane CBD) opened since December 2019.
- Six locations that were expected to be open by June 2020 are now on hold, resulting in the deferral of these rental obligations until market conditions allow.
- Actively pursuing surrendering of four leases (locations on hold in Sydney and Brisbane) to reduce cost base.



# Business and liquidity update

- November estimated revenues up 30% (from October) to \$1.4m with majority of growth from non-Victorian locations (although seeing increasing activity in Victorian suburban locations)
- July to November 2020 revenues from suite services are \$5.7 million
- Favourably resolved negotiations with landlords for all but three locations including extending rent relief past Sept-20 for ~50% Victorian locations to date
- Liquidity position at end of October 2020 \$9.7 million<sup>(1)</sup>
- Current forecast available liquidity of \$10.0 million<sup>(1)</sup> as at June 2021
- Underpinning the liquidity forecast above are the following assumptions around occupancy:
  - No further lockdowns
  - By March 2021 expected to be 35-55% (depending on location)
  - Growing to 70 - 75% (depending on location) by June 2021





- FY2021 expected to be challenging
- Optimistic of a continued gradual recovery for non-Victorian locations
- Victorian locations have recently returned from hibernation with some earlier than expected increase in occupancy at some suburban locations in November 2020
- Expect flexible workplaces to become more strategically important to the way the world does business



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