



VELOCITY
PROPERTY GROUP

VISION INTEGRITY LIFESTYLE

AGM Presentation

27 November 2018

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Chairman's Address



Mr Michael Pearson



Presentation & Company Highlights



Mr Brendon Ansell
Managing Director



Agenda

- ✓ FY2018 Financial Snapshot
- ✓ Capital Management
- ✓ Development Pipeline
- ✓ Development Updates
- ✓ Focus for FY2019

FY2018 Financial Snapshot

- ✓ Revenue Decreased 2% to \$17.4M
- ✓ NPAT Decreased 93% to \$0.2M
- ✓ Net Assets Increased 1% to \$17.9M
- ✓ Cash & Cash Equivalents of \$3.7M

Statement of comprehensive income

Financial Year Ended	30 June 2018	30 June 2017
Revenue	\$17,402,497	\$17,704,227
Expenses	-\$17,250,135	-\$14,785,797
Profit before income tax expense	\$152,362	\$2,918,430
Income tax expense	-\$54,444	-\$793,321
Profit after income tax expense for the year	\$97,918	\$2,125,109
Profit for the year is attributable to:		
Non-controlling interest	-\$59,895	-\$73,585
Shareholders of VPG	\$157,813	\$2,198,694



Capital Management

Working Capital

- ✓ \$8.9M cash & financial assets available for working capital from ONE Burleigh Headland in FY2018
- ✓ We have sufficient borrowing facilities to continue to fund our developments

Borrowings

- ✓ Net proceeds of \$29.3M of Group borrowings in FY2018 to fund delivery of the development pipeline
- ✓ No undrawn working capital facilities at 30 June 2018
- ✓ Average cost of borrowings in FY2018 was 9.7%, up from 5.7% in FY2017 as a result of our collaboration with non-bank lenders

Dividends

- ✓ We will continue to monitor and assess the Group's capacity to pay a dividend to shareholders



Development Pipeline

- ✓ Projects under construction have a gross development value of \$143M
- ✓ The additional development pipeline has a gross development value of \$51M
- ✓ Revenue in the second half of FY2019 will be from the Ellerslie Residences and any sales of residual stock from previously completed projects



Development Updates



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The Hathaway

Gross Development Value	\$16M
Completed And Settling	December Quarter 2018 FY2019
Project Sales to Date ⁽¹⁾	73% Sold

⁽¹⁾ as at 12 November 2018



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ONE Palm Beach

Gross Development Value	\$39M
Expected Construction Completion	December Quarter 2018 FY2019
Project Sales to Date ⁽¹⁾	82% Sold

⁽¹⁾ as at 12 November 2018



Ellerslie Residences

Gross Development Value	\$6M
Expected Construction Completion	March Quarter 2019 FY2019
Project Sales to Date ⁽¹⁾	25% Sold

⁽¹⁾ as at 12 November 2018



Parque on Oxford

Gross Development Value	\$22M
Expected Construction Completion	December Quarter 2019 FY2020
Project Sales to Date ⁽¹⁾	0% Sold

⁽¹⁾ as at 12 November 2018



ONE Bulimba Riverfront

Gross Development Value	\$60M
Expected Construction Completion	December Quarter 2019 FY2020
Project Sales to Date ⁽¹⁾	23% Sold

⁽¹⁾ as at 12 November 2018



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Development Summary

<u>Completed</u>	Gross Dev. Value	Expected Completion	Financial Year
The Hathaway	\$16M	September Quarter, 2018	2019

<u>Under Construction</u>	Gross Dev. Value	Expected Completion	Financial Year
ONE Palm Beach	\$39M	December Quarter, 2018	2019
Ellerslie Residences	\$6M	March Quarter, 2019	2019
Parque on Oxford	\$23M	December Quarter, 2019	2020
ONE Bulimba Riverfront	\$60M	December Quarter, 2019	2020

<u>Pipeline</u>	Gross Dev. Value	Expected Completion	Financial Year
Palm Beach II	\$51M	March Quarter 2021	2021



Focus for FY2019

