



**VELOCITY**  
PROPERTY GROUP

VISION INTEGRITY LIFESTYLE

# Shareholder Presentation

**15 & 17 November 2018**

# Disclaimer

---

This presentation paper has been published for information purposes only. The information contained in this presentation paper is of general purpose nature and does not constitute financial product advice. It has been prepared without taking into account any reader's financial position or needs. As such, each reader of this presentation paper, and consequently any reader acting on information in this presentation paper, should seek professional advice from (or consult) their stockbroker, bank manager, solicitor, financial planner, accountant or other qualified and independent financial advisor.

In preparing this presentation paper, Velocity Property Group Limited has relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources and the Company's audited financial reports or which has otherwise been reviewed in preparation of this presentation paper. The information contained in this presentation paper is current as at the date of this presentation paper and is subject to change without notice.

Any forward looking statements included in this presentation paper involves subjective judgement and analysis, and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, Velocity Property Group Limited and its directors.

Velocity Property Group Limited, nor any of its Director's, employees and associates, give any warranty as to the accuracy, reliability or completeness of the information contained throughout this presentation paper, nor do they accept any liability for any loss or damage (whether direct, indirect, consequential or otherwise) arising from the use of the information supplied throughout this presentation paper, except as required by law or by any appropriate regulatory authority.



# Agenda

---

- ✓ 2018 Annual General Meeting
- ✓ FY2018 Financial Snapshot
- ✓ Capital Management
- ✓ Development Pipeline
- ✓ Development Updates
- ✓ Focus for FY2019



# 2018 Annual General Meeting

---

- ✓ Velocity's AGM will be held on Tuesday, 27 November 2018 commencing at 10:00am (Brisbane Time) at the offices of McCullough Robertson Lawyers, Level 11, 66 Eagle Street, Brisbane, QLD, 4000
- ✓ Shareholders who are unable to attend the AGM can vote online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) after logging in using their...
  - ✓ **SRN** (Shareholder Reference Number) for Issuer Sponsored holdings or
  - ✓ **HIN** (Holder Identification Number) for Broker Sponsored holdings



# 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

---



**VELOCITY** PROPERTY GROUP  
VISION INTEGRITY LIFESTYLE



# The Hathaway

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

<sup>(1)</sup> as at 12 November 2018



**VELOCITY** PROPERTY GROUP

VISION INTEGRITY LIFESTYLE

# ONE Palm Beach

---

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

<sup>(1)</sup> as at 12 November 2018



**VELOCITY** PROPERTY GROUP

VISION INTEGRITY LIFESTYLE



# Ellerslie Residences

---

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

<sup>(1)</sup> as at 12 November 2018





# Parque on Oxford

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

<sup>(1)</sup> as at 12 November 2018





# ONE Bulimba Riverfront

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

<sup>(1)</sup> as at 12 November 2018



**VELOCITY** PROPERTY GROUP

VISION INTEGRITY LIFESTYLE



# 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

---

