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# SERVcorp



22 August 2024

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# FY/24 HIGHLIGHTS



# FY24 UNDERLYING RESULTS

**\$72.5M**

**UNDERLYING FREE CASH\***

**+18% ON PCP**

**\$295.7M**

**UNDERLYING  
OPERATING REVENUE**

**+9% ON PCP**

**53.3 CPS**

**UNDERLYING EPS**

**+21% ON PCP**

**\$56.6M**

**UNDERLYING NPBIT\*\***

**+18% ON PCP**

**\$54.3M**

**UNDERLYING  
OPERATING PROFIT**

**+25% ON PCP**

**25.0 CPS**

**DPS**

**+14% ON PCP**

# FY24 STATUTORY RESULTS

\$317.0M

STATUTORY REVENUE

+7% ON PCP

\$48.8M

STATUTORY  
OPERATING PROFIT

+43% ON PCP

\$42.9M

STATUTORY NPBT

+153% ON PCP

\$39.0M

STATUTORY NPAT

+253% ON PCP

\$71.2M

FREE CASH\*

+22% ON PCP

39.9 CPS

BASIC EPS

+249% ON PCP

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\* Cash inflow from Operating Activities adjusting for lease payments

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# BUSINESS UPDATE



# CONTINUED INVESTMENT IN 2024

## Smart Office Digital Ecosystem

After multiple years of investment, we have developed a new debtor system called the Wombat, a critical element of the Smart Office Platform.

- Global migration to Wombat was completed in December 2023.

- Smart Office Platform enhances our operating capabilities and provides instant updates on revenue generation and business performance.



## Business Process Enhancement

- In addition to our marketplace initiative, we are also enhancing our setup and takedown systems for onboarding and offboarding clients.

- These improvements are designed to streamline our processes and provide a better experience for our clients.

- The automated onboarding and offboarding process will also achieve cost reduction and mitigation of any revenue leakage.

## Community & Marketplace

- Our development team is currently working on creating a new marketplace tailored for our 50,000+ clients.

- This project is still in its formative stages, and we are not yet positioned to outline a monetization strategy.

## Continued Investment

- This year, our budget for IT development will exceed AUD 4 million.

- Research and development is performed by a dedicated IT development team.

- Our dedicated in-house IT team of 100 professionals primarily focuses on servicing our current client base, maintaining our existing systems, and rolling out improved IT solutions to enhance client services.





# MIDDLE EAST UPDATE

Completed reorganisation to establish Servcorp Middle East Group

Obtained Regional Headquarter license from the local authorities, enabling access to tax and commercial benefits

Appointment of key advisors required for the planned listing is completed

2024 projected profit target\* successfully achieved, demonstrating strong momentum in business

All work streams are progressing on track. Further update to be provided at the Annual General Meeting.

Planned listing in 2025 is on schedule. Final decision is to be made in early 2025.



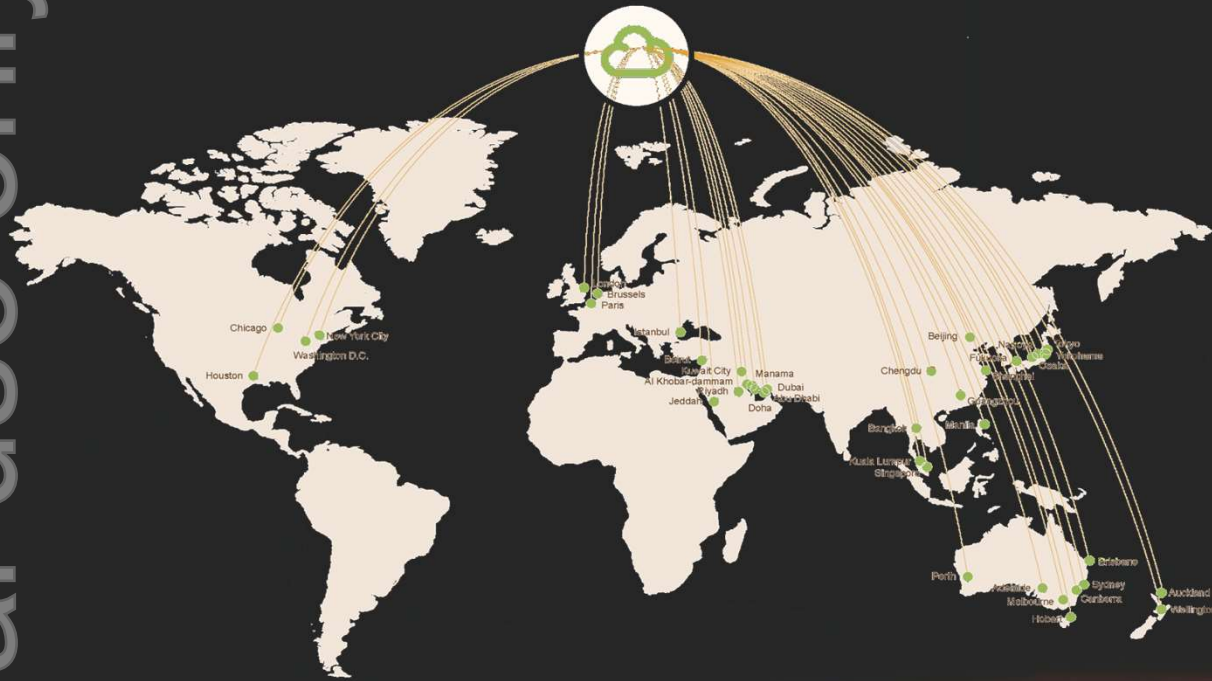


# GLOBAL EXPANSION



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# GROWING GLOBAL PRESENCE



- During FY24, 9 new operations\* were opened, including 4 in Australia & New Zealand, 2 in North Asia, 2 in the Middle East, and 1 in the USA.
- 4 locations were closed in FY24, including 1 in Australia & New Zealand, 1 in South East Asia, 1 in Europe and 1 in the USA. Capital resources from closed floors were redeployed to more prestigious locations opened in the same year.
- 4 more new floors are thus far scheduled to commence operations in FY25, spanning Australia & New Zealand, and the Middle East.

\* Includes 2 acquired operations in Canberra



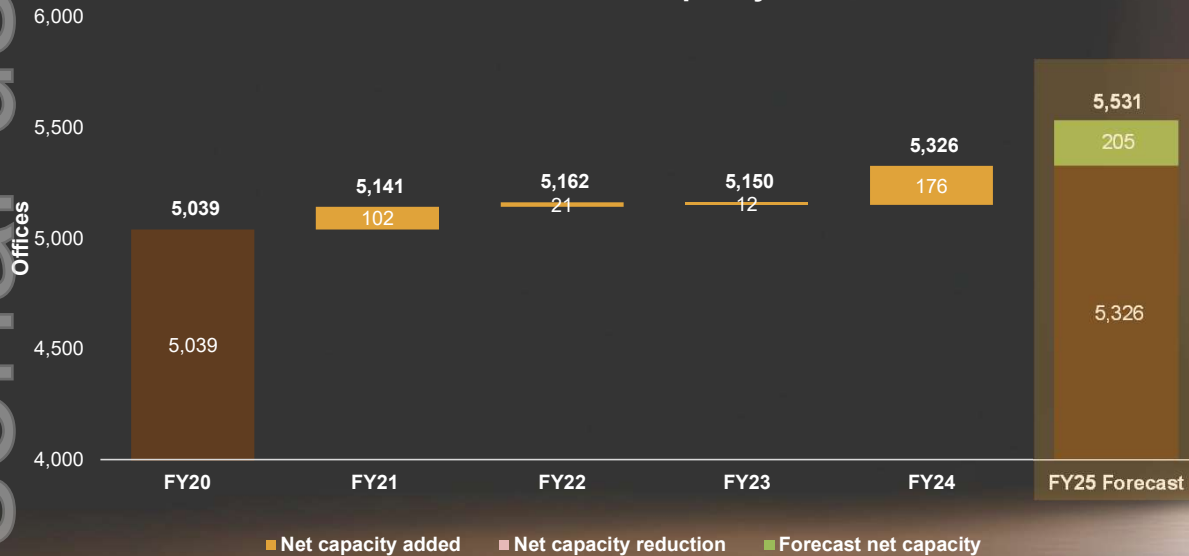
# IMPROVED GLOBAL FOOTPRINT

In February 2023, Servcorp stated its intention to recommence expansion of its global footprint where suitable opportunities and management depth are present. The plan discussed in February 2023 was to spend ~\$60m on building 15 more floors over the next 18 months\*.

By 30 June 2024, Servcorp has spent \$60.9m. 16 new operations have opened by August 2024, with another 2 scheduled to commence trading in 1H25 and more in the pipeline under negotiation.

Net capacity is anticipated to increase to 5,531 by June 2025.

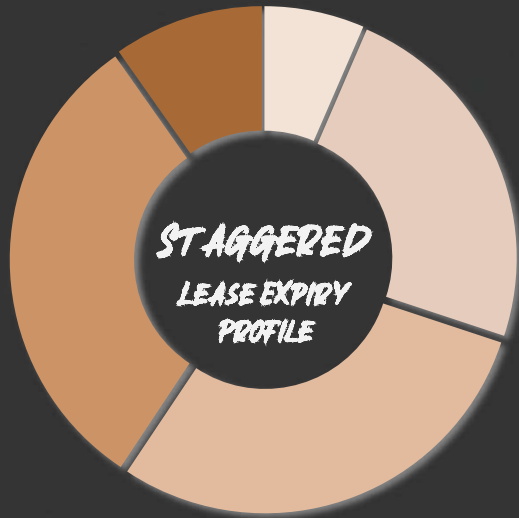
Office Capacity



\* Includes the amounts spent on floors opened in 1H23  
 \*\* Includes 2 operations acquired from Canberra franchisee

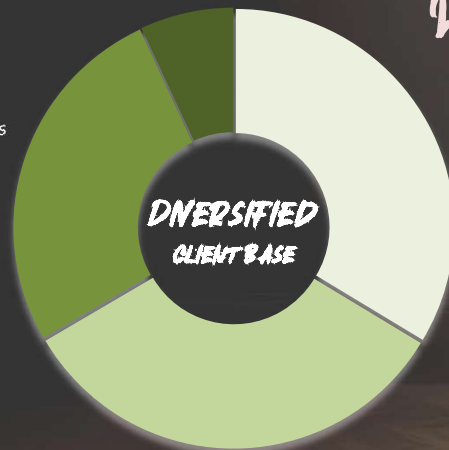
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# PORTFOLIO OVERVIEW



■ Less than 1 Year ■ 1 to 3 years ■ 3 to 5 years ■ 5 to 10 years ■ Over 10 years

OPERATIONS ACROSS  
141,000 SQM GLOBALLY



■ ANZ & SEA ■ North Asia ■ Europe & Middle East ■ USA

20 COUNTRIES

40 CITIES



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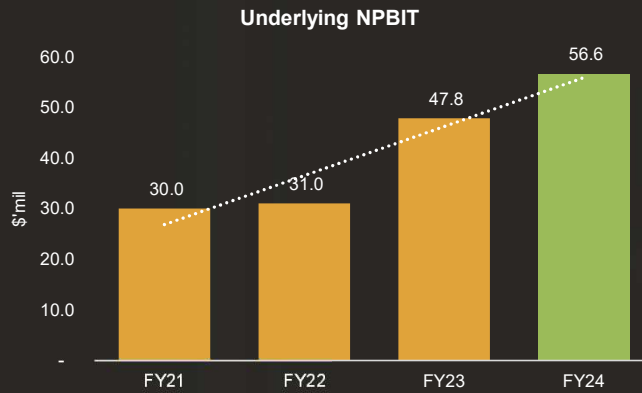
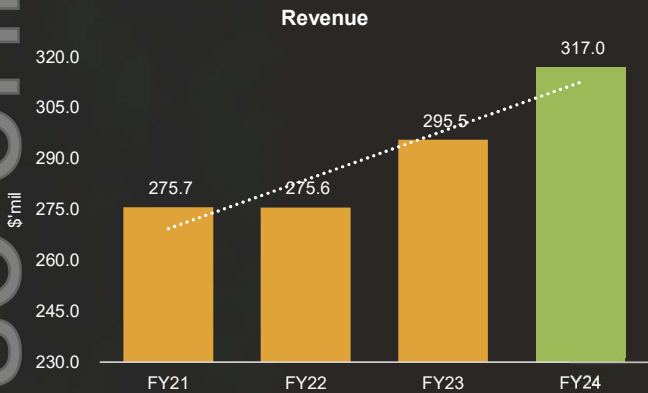
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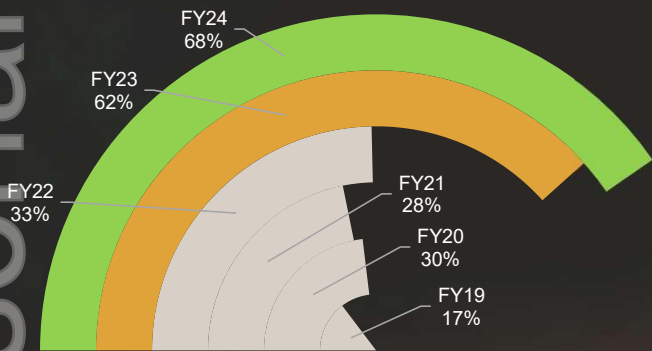
# FINANCIAL RESULTS



# FINANCIAL PERFORMANCE



**Return on Funds Employed ROFE**



**FY24 UNDERLYING  
FREE CASH UP  
\$10.9M ON PCP**

**FY25 COMMENCED  
WITH A ROBUST START**



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# REVENUE

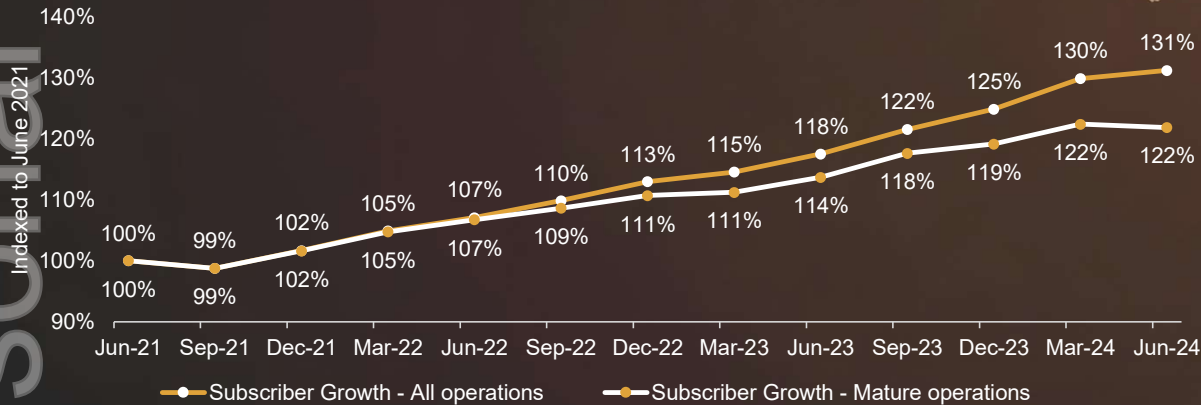
**Underlying Operating Revenue\* achieved a growth of 9% year-on-year**

- Underpinned by continued improvement in both effective pricing and new business development, FY24 Underlying Operating Revenue increased by \$23.7m on pcp.
- Premium services at prestigious locations enabled materialisation of strong price growth across all products through FY24.
- The addition of new locations gathered substantial momentum, contributing strong revenue stream.

**\$295.7M**  
**UNDERLYING**  
**OPERATING**  
**REVENUE**  
**+9%**

**\$317.0M**  
**STATUTORY**  
**REVENUE**  
**+7%**

Overall Subscriber Growth



\* Underlying Operating Revenue refers to revenue generated by Mature floors from operating activities

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# REVENUE

Underlying Operating Revenue\* achieved a growth of 9% year-on-year

**\$295.7M**  
UNDERLYING OPERATING REVENUE  
+9% ON PCP

+\$12.1M  
GROWTH

+\$11.6M  
PRICING

~50%  
CONVERSION RATE  
TO PROFIT

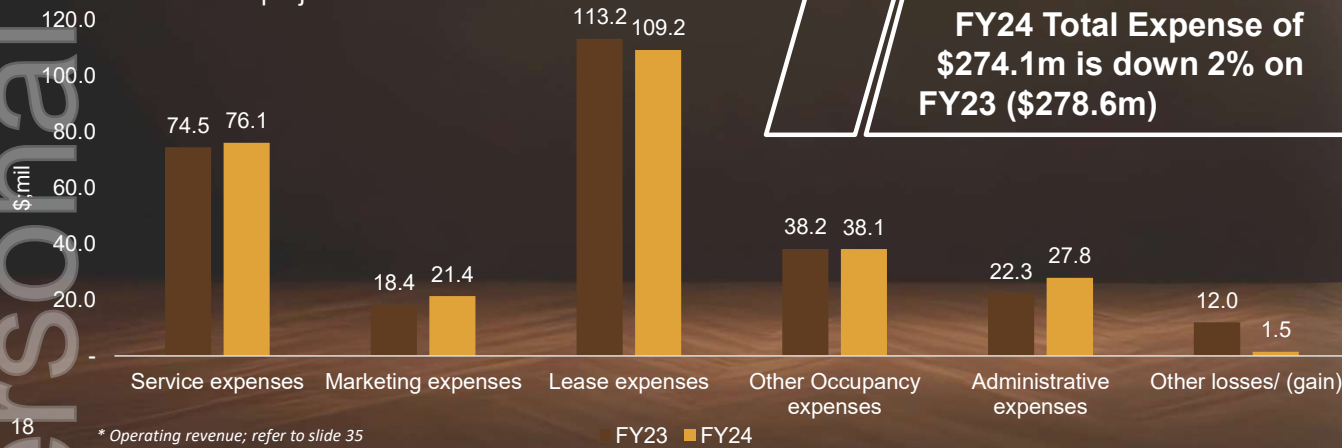
OFFICES  
+  
COWORKING



# EXPENSES

**Overall expenses decreased 2% on FY23, while revenue\* was up 8%**

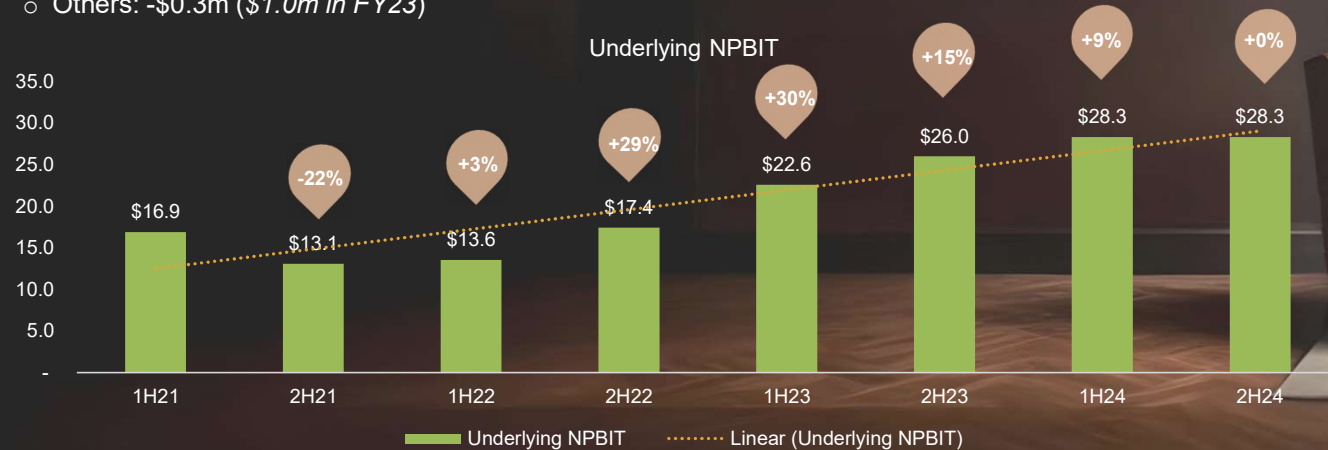
- Service expenses increased marginally by \$1.6m or 2%, reflecting effective cost disciplinary measures implemented to counter-effect the persistent inflationary pressure.
- Servcorp continued its strategic investment in marketing initiatives and raised the marketing and advertising spending by an additional \$3.0m or 16% on pcp. The investment returned a pleasing growth in sustainable revenue stream by \$23.7mon pcp and a healthy business development pipeline to drive further revenue growth.
- Lease & Occupancy expenses remain the largest component of the cost profile. Costs year-on-year decreased by \$4.0m, attributable to the additional incentive obtained through lease negotiation as well as the natural decline of lease interest expense throughout the life cycle of leases under IFRS16. More than half of the active lease portfolio has more than 3 years residual life at 30 June 2024.
- Administrative expenses were \$5.5m higher on pcp, largely driven by the one-off spending incurred on the Middle East project.



# PROFITABILITY

**Underlying Operating Profit up 25%\*; Statutory Operating Profit up 43%\***

- Underlying NPBIT \$56.6m, exceeding the revised profit guidance of \$50.0m - \$55.0m, up \$8.8m or 18% on pcp\*\*.
- 2H24 Underlying NPBIT was adversely affected by a weak Japanese Yen (JPY), particular in the last quarter of the year when JPY depreciated to a decade-low level.
- Statutory NPBT includes non-recurring costs totalling \$8.2m (\$21.4m in FY23):
  - Impairment losses in North Asia and Europe of \$2.5m (\$15.1m in FY23)
  - Closure & termination costs: \$0.8m (\$5.3m in FY23)
  - Reorganisation costs: \$4.6m (nil in FY23)
  - Amortisation of acquired contract value: \$0.6m (nil in FY23)
  - Others: -\$0.3m (\$1.0m in FY23)



\* On pcp  
 \*\* 1H23 & 2H23 Underlying NPBIT are adjusted to reflect the latest operational status of the floors that are mature operations in 1H24, for full comparability. Refer to slide 36 for reconciliation

# CASH FLOW

Large cash reserve to support organic growth and continued global expansion

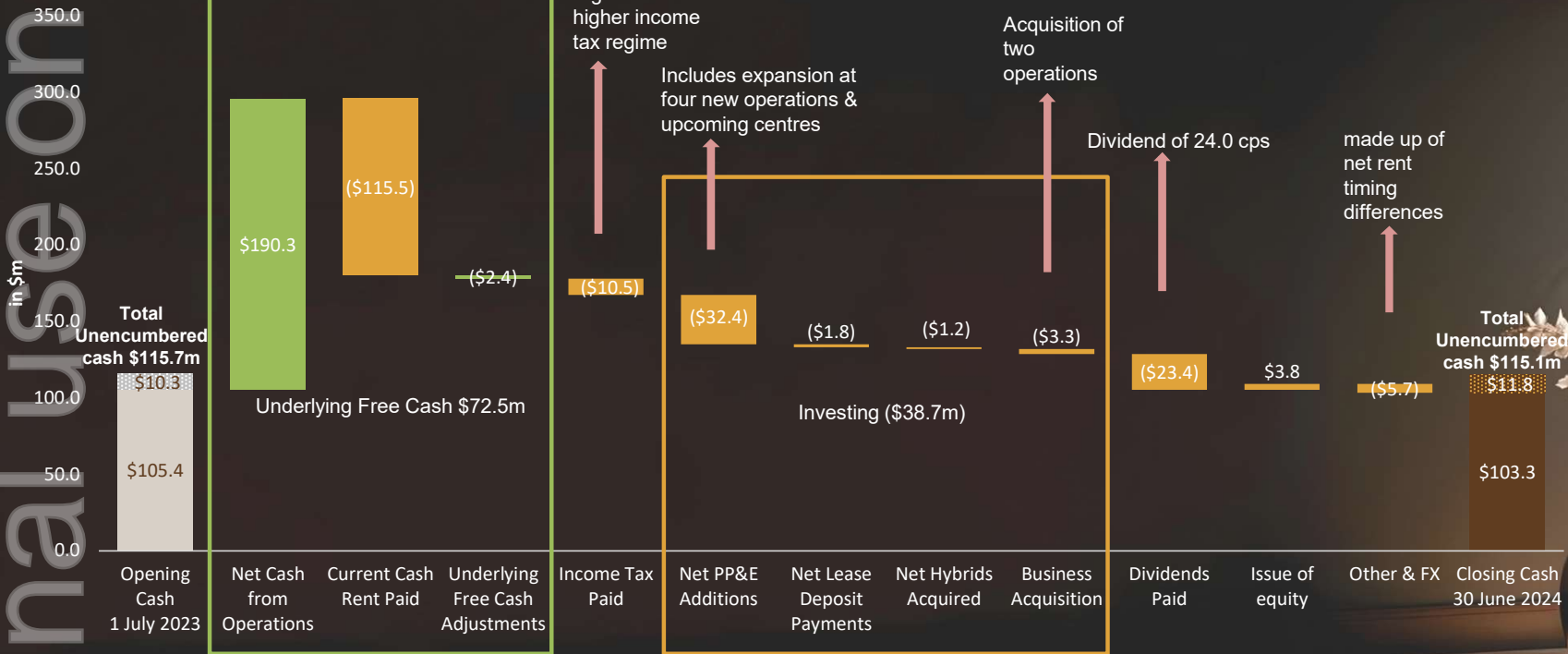
	FY24	FY23	Var	Var
	\$'m	\$'m	\$'m	%
<b>Net Operating Cash flow</b>	<b>165.8</b>	<b>155.5</b>	<b>10.3</b>	<b>7%</b>
<i>Add:</i>				
Tax paid	10.5	2.1	8.4	410%
<i>Less:</i>				
Lease liability Cash Rent for related period paid in related period	101.4	98.0	3.4	4%
Cash Rent timing differences	3.7	1.2	2.5	213%
<b>Free Cash</b>	<b>71.2</b>	<b>58.4</b>	<b>12.8</b>	<b>22%</b>
<i>Add:</i>				
Cash Rent previously withheld now paid	0.6	1.0	(0.4)	(43%)
<i>Less:</i>				
Cash Rent relating to current period withheld	3.1	1.5	1.7	(114%)
Other timing differences & write-off	(3.8)	(3.7)	(0.1)	(3%)
<b>Underlying Free Cash</b>	<b>72.5</b>	<b>61.7</b>	<b>10.9</b>	<b>18%</b>

- Underlying free cash generated in FY24 of \$72.5m, attributed to the strong operating performance driven by continued growth in revenue despite increase in expenditures
- Unencumbered cash balance decreased by \$0.6m from June 2023 due to elevated capital spending to expand operations in growth areas
- Net cash position remains robust as at 30 June 2024, with \$115.3m cash and cash equivalents

UNDERLYING FREE  
CASH IS 126% OF  
UNDERLYING  
NPBIT



# CASH FLOW



Balance at FY23

\$107.6m	\$168.8m	(\$109.3m)	\$2.1m	(\$2.1m)	(\$19.8m)	(\$1.3m)	(\$3.5m)	-	(\$19.4m)	-	(\$11.0m)	\$115.7m
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# BALANCE SHEET

Balance Sheet	Jun-24 \$'m	Jun-23 \$'m
Cash	103.3	105.4
Trade Receivables <sup>1</sup>	32.7	27.8
PP&E & ROUA	406.1	385.7
Software & Intangible	2.7	2.4
Goodwill <sup>2</sup>	17.3	13.8
Deferred Tax Asset	44.2	42.3
Lease Deposit	36.7	37.8
Other Assets	28.2	25.9
<b>Total Assets</b>	<b>671.2</b>	<b>641.0</b>

Trade Payables	59.7	43.5
Provisions	14.4	14.6
Lease Liabilities	372.0	367.8
Other Liabilities	30.5	27.2
<b>Total Liabilities</b>	<b>476.6</b>	<b>453.2</b>

**Net Assets** **194.6** **187.8**

NTA per share (\$) 1.77 1.77

	Jun-24 \$'m	Jun-23 \$'m
<b>Total Current Liabilities</b>	<b>197.9</b>	<b>189.8</b>
Adjust for:		
Short-term lease liability under IFRS16	(94.4)	(106.0)
<b>Adjusted Current Liabilities</b>	<b>103.6</b>	<b>83.8</b>

Total Current Assets	164.2	159.0
Adjusted Current Liabilities	(103.6)	(83.8)
<b>Net Surplus in Current Assets</b>	<b>60.6</b>	<b>75.2</b>
Current Ratio	1.6	1.9

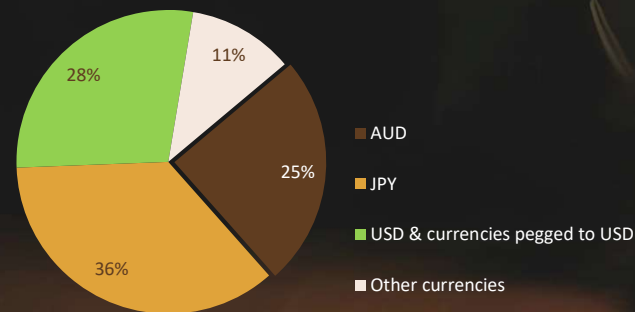
PP&E & ROUA	PP&E \$'m	ROUA \$'m	Total \$'m
<b>Opening balance</b>	<b>80.4</b>	<b>305.3</b>	<b>385.7</b>
Addition <sup>3</sup>	34.9	117.3	152.2
Disposal <sup>4</sup>	(4.7)	(0.6)	(5.4)
Depreciation	(18.2)	(95.2)	(113.4)
Impairment	-	(2.5)	(2.5)
FX movement	(2.7)	(7.9)	(10.6)
<b>Movement</b>	<b>9.3</b>	<b>11.1</b>	<b>20.3</b>
<b>Closing balance</b>	<b>89.6</b>	<b>316.4</b>	<b>406.1</b>

<sup>1</sup> Trade receivables balance increases as business size and therefore revenue base increases

<sup>2</sup> Additional Goodwill recognized from Canberra acquisition

<sup>3</sup> new leases signed, and capital investment carried out in ANZ & South East Asia, North Asia, Europe & Middle East

<sup>4</sup> floor closure in ANZ & South East Asia



Cash and cash equivalents



# OTHER PERFORMANCE MATRIX



**+22%**  
ON PCP  
REVENUE  
EFFICIENCY



**+40%**  
ADDITIONAL  
SPACE  
UTILISATION



**+15%**  
ON PCP  
BUSINESS  
EFFICIENCY



**+12%**  
ON PCP  
REVENUE  
PER SQM



**+25%**  
ON PCP  
SERVICE  
CONVERSION



**+10%**  
ON PCP  
CLIENT  
BASE



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# SEGMENT OVERVIEW





# SEGMENT OVERVIEW

## ANZ & SOUTH EAST ASIA

- Segment Profit from mature operations improved to \$16.7m
- Trading performance continues to improve
- Profit margin increased to 24%, up 4% on pcp

## NORTH ASIA

- While remained profitable, the overall performance was lower than expected as profit slipped \$3.1m year-on-year, largely attributed to a decline in revenue
- \$2.2m impairment losses were recognized in FY24

## EUROPE & MIDDLE EAST

- Profit margin grew to 24% from 18% in pcp, supported by strong market demand throughout the region
- Operating expense increased by 18% as the segment accelerates strategic expansion

## USA

- Off a lower base, revenue growth was steady but below expectations
- Additional marketing investment was committed to stimulate sales. The increased spending commenced materializing, evident in expanding sales pipeline

	Mature Revenue		Mature Segment Profit		Mature Cash Earnings	
	FY24	FY23	FY24	FY23	FY24	FY23
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
ANZ & SEA	70.9	62.7	16.7	12.7	21.4	17.9
North Asia	85.4	94.5	12.7	15.9	16.6	20.5
Europe & Middle East	119.8	94.5	28.3	16.8	34.6	23.2
USA	18.9	17.7	(1.3)	(0.1)	0.0	0.1
<b>Total</b>	<b>294.9</b>	<b>269.3</b>	<b>56.4</b>	<b>45.3</b>	<b>72.5</b>	<b>61.7</b>
Others	0.8	2.7	(2.1)	(1.8)	(0.1)	(0.0)
<b>Grand Total</b>	<b>295.7</b>	<b>272.0</b>	<b>54.3</b>	<b>43.5</b>	<b>72.5</b>	<b>61.7</b>



# ALL MATURE OPERATIONS

## Strong FY24

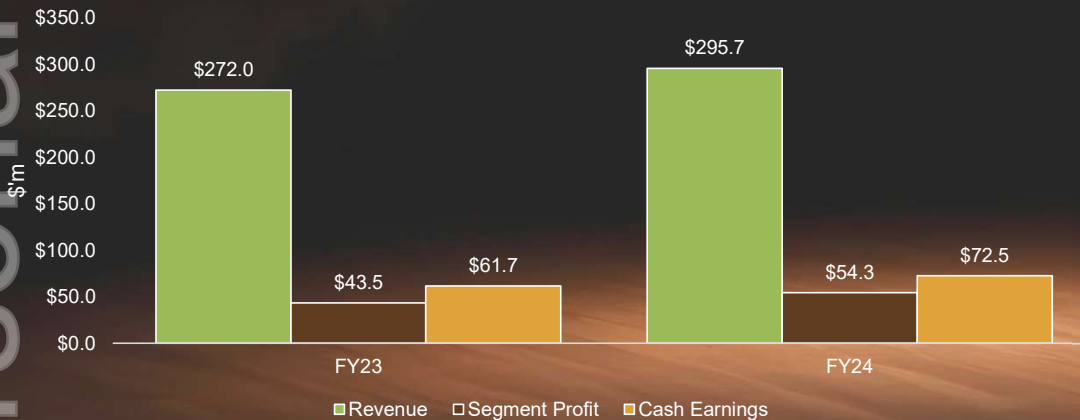
Our mature global operations have demonstrated a robust performance this fiscal year, showcasing commendable growth in revenue, profit, and sustainable cash earnings.

Underlying NPBIT achieved a record level of \$56.6m in FY24, outperforming the upgraded profit guidance of \$50.0m - \$55.0m. Underlying Free Cash also delivered a pleasing result of \$72.5m, exceeding the revised target of a minimum \$70.0m.

## Improved Business Efficiency

Underpinned by both improvement in effective pricing and continued business development, strong revenue growth was achieved across all income streams. A balanced approach was followed to implement cost discipline and strategic investment to support ongoing growth. As a result, profit margin continues to expand, evident in more than one-third of the incremental revenue being converted into profit. This reflects enhanced business efficiency and substantial potential for further profit upside.

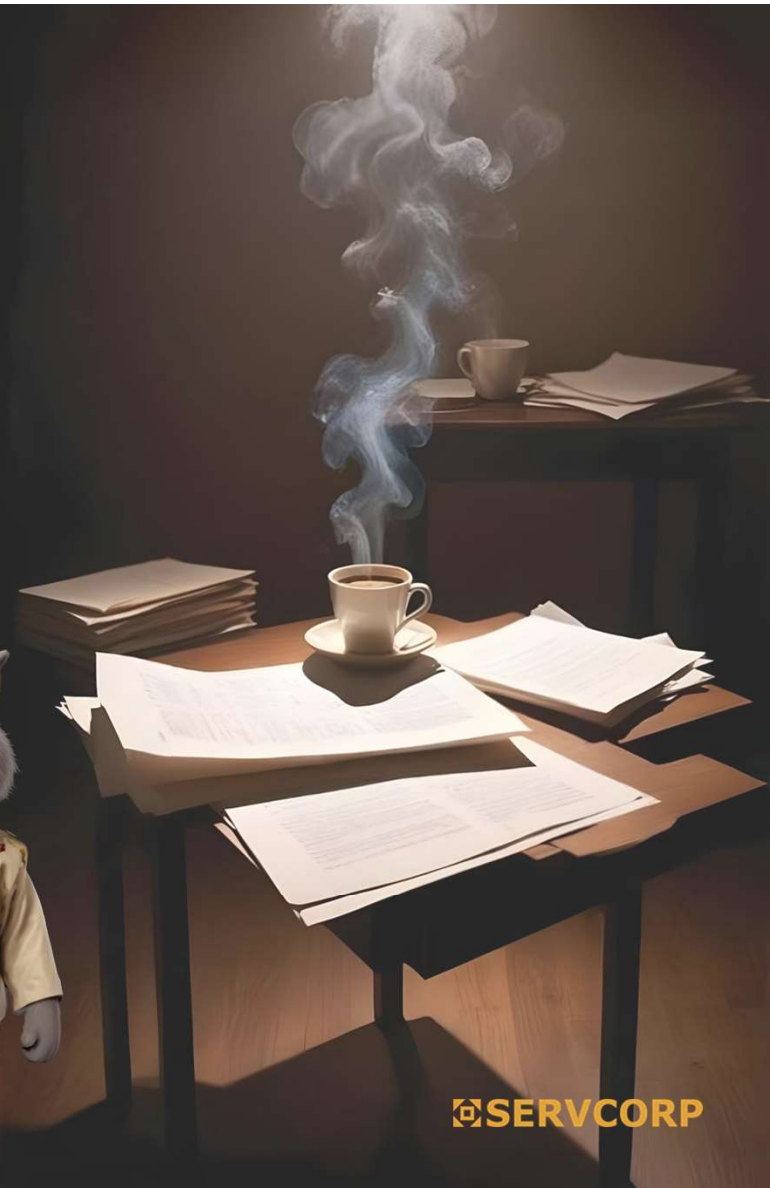
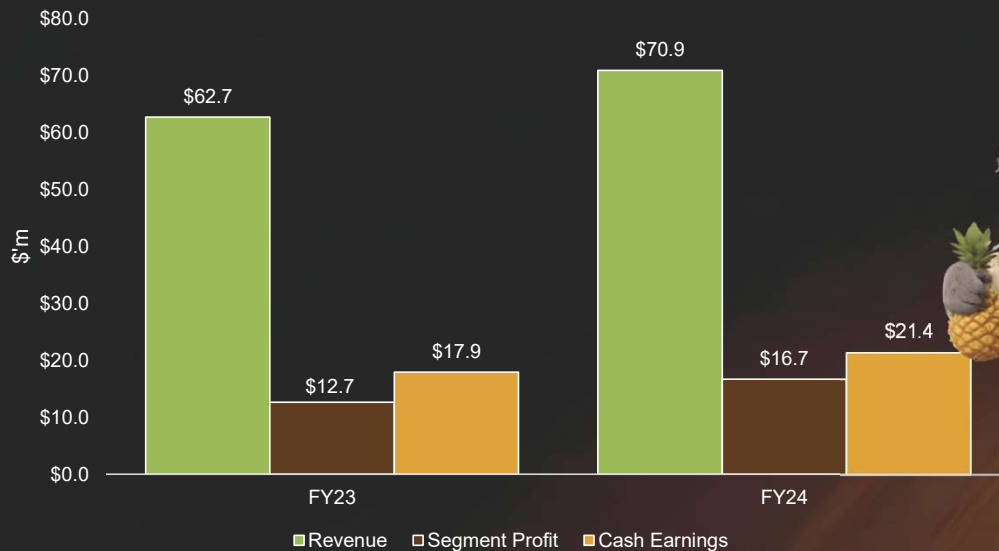
*MATURE: REVENUE, SEGMENT PROFIT & CASH EARNINGS*



# ANZ AND SOUTH EAST ASIA

- Australia, New Zealand and South East Asia continues to strengthen and elevate its market position.
- Mature Revenue is up \$8.2m or 13.0% year-on-year, with enhanced management focus on improving occupancy and service conversion.
- Approximately half of the revenue increase was successfully translated into the profit line. FY24 Margin was 24% (FY23: 20%).

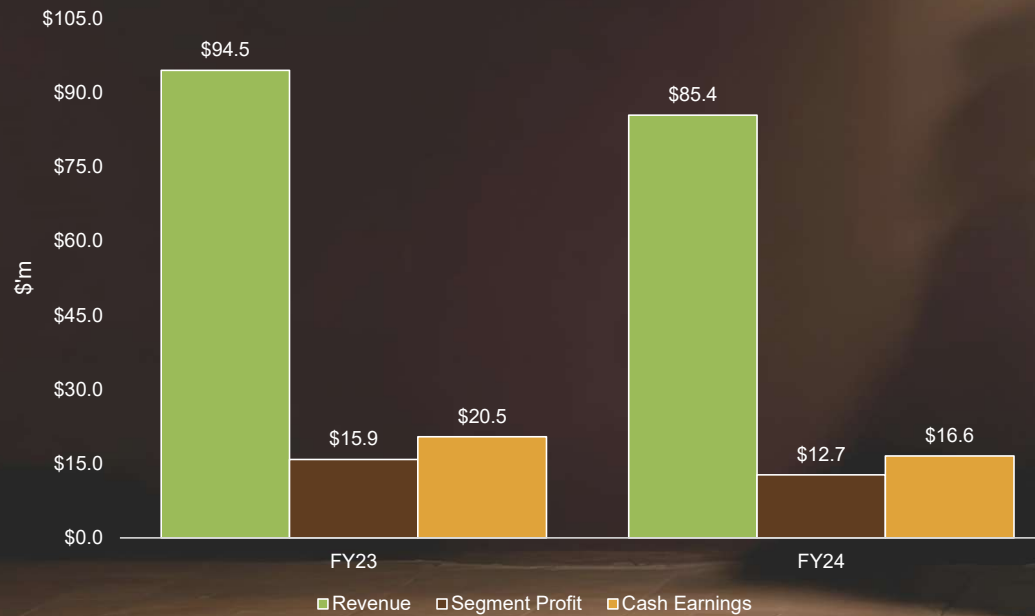
MATURE: REVENUE, SEGMENT PROFIT & CASH EARNINGS



# NORTH ASIA

- North Asia overall maintained solid results. Mature Revenue declined as a result of ongoing challenges in Greater China, coupled with a decade-week Japanese Yen (JPY).
- A further \$2.2m impairment was recognised for China in FY24.

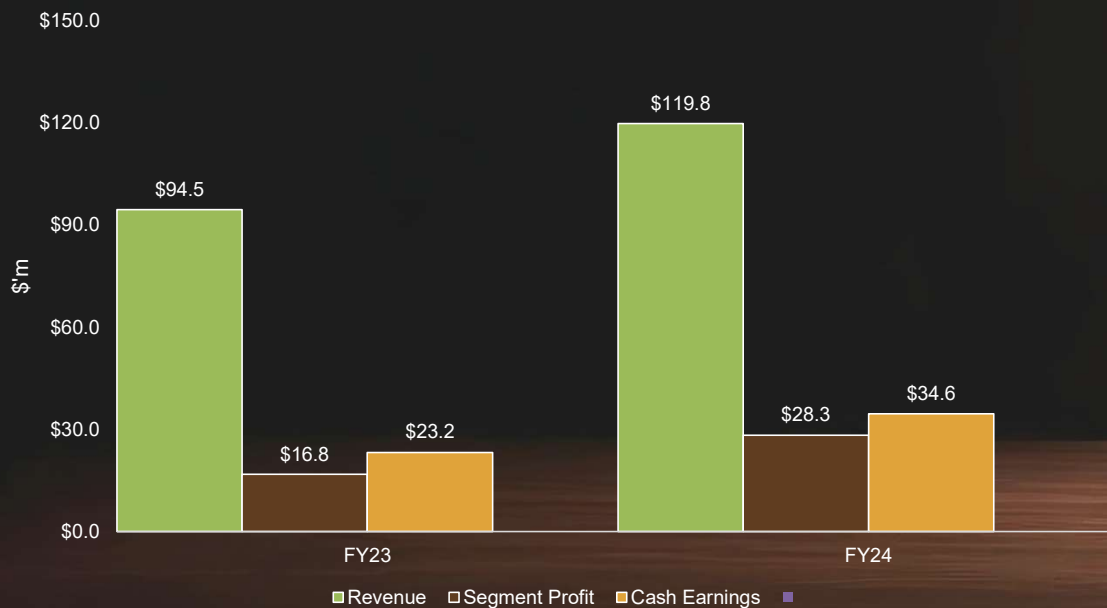
MATURE: REVENUE, SEGMENT PROFIT & CASH EARNINGS



# EUROPE AND MIDDLE EAST

- Mature Revenue is up by \$25.3m on pcp.
- 2 new operations were added to the portfolio in FY24, with another 2 opened in July 2024.
- Segment Profit and Cash Earnings for the region were up \$11.5m and \$11.4m respectively on pcp. FY24 margin was 24% (FY23: 18%).

MATURE: REVENUE, SEGMENT PROFIT & CASH EARNINGS

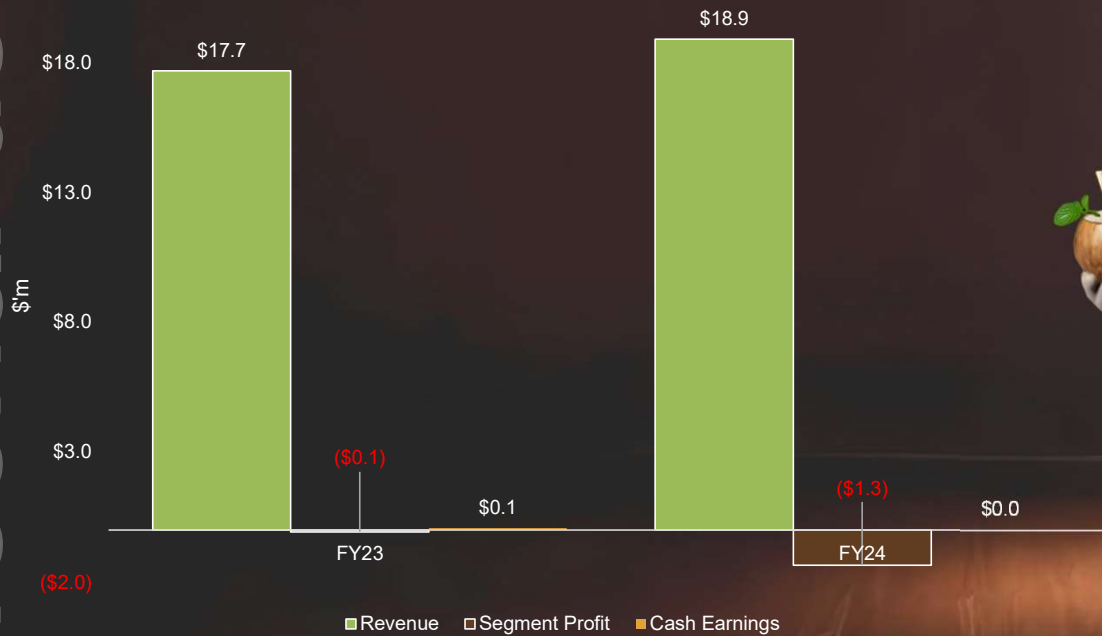


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# USA

- FY24 Segment Loss was \$1.3m. The Segment remained cash breakeven in FY24.
- FY24 margin was -7% (FY23: 0%).

MATURE: REVENUE, SEGMENT PROFIT & CASH EARNINGS



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# OUTLOOK & DIVIDEND



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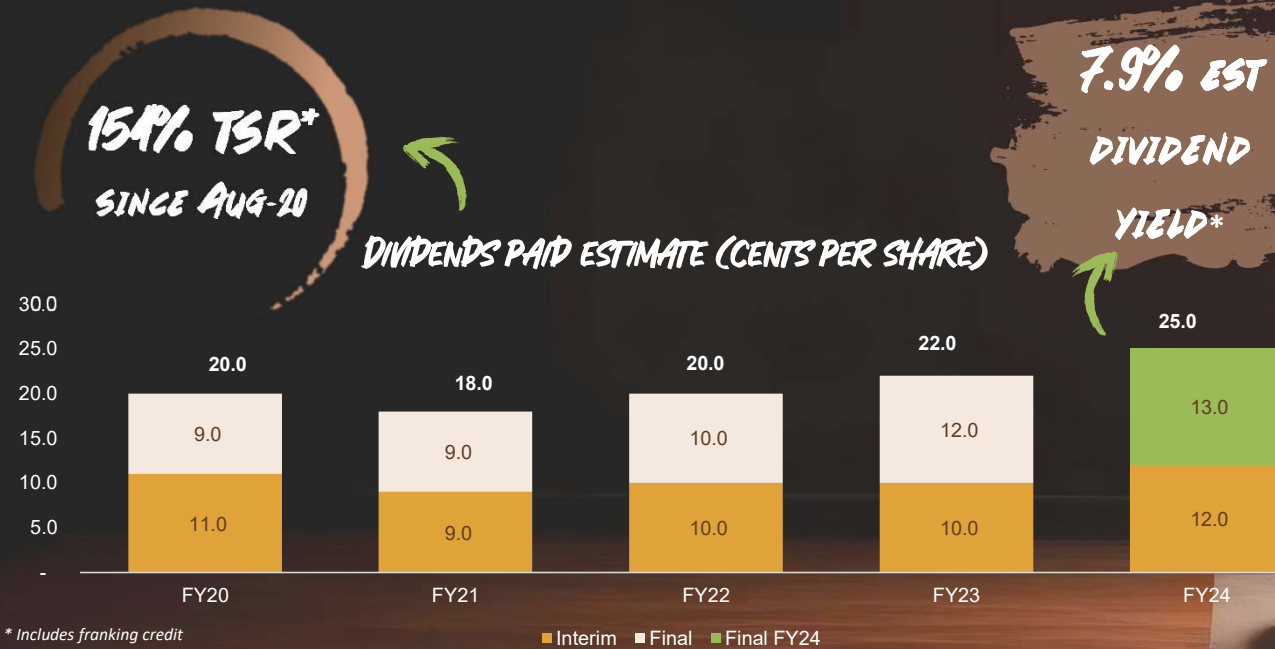
# DIVIDENDS

## Final FY24 Dividend

- Final dividend payable of 13.0 cps, 20% franked, payable on 5 October 2024
- Total FY24 dividend of 25.0 cps (up 14%)

## FY25 Dividend

- Guidance for FY25 dividends will be announced at the Annual General Meeting in November; our dividend payment will not be below 26.0 cps. Servcorp would expect to make dividend payments consistent with our long-term history and commitment to shareholders.





# OUTLOOK & GUIDANCE

## Outlook

FY24 marked a year of significant progress, with Servcorp delivering record Underlying NPBIT and achieved substantial improvement across a majority of performance indicators, particularly in revenue growth from sustainable income sources. Most countries experienced positive progress year on year.

As FY25 begins, strong momentum in business continues.

Servcorp remains cautiously optimistic about business outlook in FY25.

With a strong balance sheet and no geographic constraints, Servcorp is confident about the future.

## FY25 Guidance

Another record projected:

- **Underlying NPBIT:** \$61.0m - \$65.0m
- **Underlying Free Cash:** more than \$75.0m



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# APPENDICES



# REVENUE

\$'m	FY24	FY23*	Var	%
<b>Statutory Total Revenue</b>	<b>317.0</b>	<b>295.5</b>	<b>21.5</b>	<b>7%</b>
<b>Add</b>				
Revenue from JV operation	1.9	1.5	0.4	27%
<b>Less</b>				
Royalty Income**	-	(0.2)	0.2	(100%)
Other revenue and income***	(2.9)	(3.1)	0.2	(5%)
<b>Operating Revenue</b>	<b>316.0</b>	<b>293.8</b>	<b>22.3</b>	<b>8%</b>
<b>Less</b>				
Pre-maturity revenue	(20.3)	(7.0)	(13.3)	192%
Post-closure revenue	(0.0)	(14.8)	14.8	(100%)
<b>Underlying Operating Revenue</b>	<b>295.7</b>	<b>272.0</b>	<b>23.7</b>	<b>9%</b>
<b>Revenue from pre-existing contracts</b>	<b>272.0</b>			
Total Growth drives	12.1			
Total Price drives	11.6			
<b>Underlying Operating Revenue</b>	<b>295.7</b>			

\* FY23 results were adjusted to reflect the latest status of operations in FY24

\*\* No more royal income was collected following the acquisition of Canberra franchise on 3 July 2023

\*\*\* Other revenue and income includes interest income, franchise income, etc.

# PROFIT

	FY24	FY23*	Var	Var
	\$'m	\$'m	\$'m	%
<b>Statutory NPBT</b>	<b>42.9</b>	<b>17.0</b>	<b>26.0</b>	<b>153%</b>
<b>Add</b>				
Operating loss from pre-mature or post-closure floors	5.5	9.4	(3.9)	(41%)
Impairment losses, closure costs and other non-recurring costs	8.2	21.4	(13.3)	(62%)
<b>Underlying NPBIT</b>	<b>56.6</b>	<b>47.8</b>	<b>8.8</b>	<b>18%</b>
<b>Less</b>				
Interest & franchise income	(2.8)	(3.6)	0.8	22%
Forex gain	(0.9)	(3.1)	2.2	72%
Other non-operating items	1.3	2.3	(1.0)	(44%)
<b>Underlying Operating Profit</b>	<b>54.3</b>	<b>43.5</b>	<b>10.8</b>	<b>25%</b>
<b>Less</b>				
Operating loss from pre-mature or post-closure floors	(5.5)	(9.4)	3.9	41%
<b>Total Operating Profit</b>	<b>48.8</b>	<b>34.1</b>	<b>14.7</b>	<b>43%</b>
	<b>FY24</b>	<b>FY23</b>	<b>Var</b>	<b>Var</b>
	<b>\$'m</b>	<b>\$'m</b>	<b>\$'m</b>	<b>%</b>
<b>Return on Net Funds Employed</b>				
Net Asset	194.6	187.8	6.8	4%
Unencumbered cash	(115.1)	(115.7)	0.6	0%
<b>Net funds employed</b>	<b>79.5</b>	<b>72.1</b>	<b>7.4</b>	<b>10%</b>
Underlying NPBIT	56.6	47.8	8.8	18%
Interest income	(2.6)	(2.8)	0.2	8%
<b>Underlying NPBIT excluding interest income</b>	<b>54.0</b>	<b>45.0</b>	<b>9.1</b>	<b>20%</b>
<b>Return on net funds employed</b>	<b>68%</b>	<b>62%</b>	<b>6%</b>	<b>9%</b>

	FY23
	\$'m
FY23 Underlying NPBIT reported in FY23	42.3
Floors closed in the last 12 months on FY23**	5.9
Floors turned mature in the last 12 months on FY23	(0.4)
<b>Adjusted FY23 Underlying NPBIT</b>	<b>47.8</b>

\* FY23 Underlying results are restated to reflect the pre-mature/ post-closure floors in FY24

# PROFIT

	Statutory Profit			
	FY24	FY23*	Var	Var
	\$'m	\$'m	\$'m	%
Revenue and other income	317.0	295.5	21.5	7%
Total expenses	(274.1)	(278.6)	4.5	2%
<b>Net profit before tax</b>	<b>42.9</b>	<b>17.0</b>	<b>26.0</b>	<b>153%</b>
Income tax expense	(3.9)	(5.9)	2.0	34%
<b>Net profit after tax</b>	<b>39.0</b>	<b>11.1</b>	<b>28.0</b>	<b>253%</b>

	Statutory Cash Flow			
	FY24	FY23*	Var	Var
	\$'m	\$'m	\$'m	%
<b>Net profit after tax</b>	<b>39.0</b>	<b>11.1</b>	<b>28.0</b>	<b>253%</b>
Working capital movement	148.5	154.7	(6.1)	(4%)
Franchise & interest income	2.7	3.1	(0.4)	(15%)
Interest paid	(14.0)	(11.2)	(2.8)	(25%)
Tax paid	(10.5)	(2.1)	(8.4)	(410%)
<b>Net operating cash inflows</b>	<b>165.8</b>	<b>155.5</b>	<b>10.3</b>	<b>7%</b>
<b>Net investing cash outflows</b>	<b>(38.7)</b>	<b>(24.7)</b>	<b>(14.0)</b>	<b>(57%)</b>
<b>Net financing outflows</b>	<b>(125.2)</b>	<b>(122.8)</b>	<b>(2.4)</b>	<b>(2%)</b>
Foreign exchange movement	(3.9)	(3.5)	(0.4)	13%
<b>Net cash movement</b>	<b>(2.0)</b>	<b>4.6</b>	<b>(6.6)</b>	<b>nmf</b>
<b>Opening cash 1 July</b>	<b>105.4</b>	<b>100.8</b>	<b>4.6</b>	<b>5%</b>
Net cash movement	(2.0)	4.6	(6.6)	nmf
<b>Closing cash 30 June</b>	<b>103.4</b>	<b>105.4</b>	<b>(2.0)</b>	<b>(2%)</b>

	Underlying			
	FY24	FY23*	Var	Var
	\$'m	\$'m	\$'m	%
<b>Statutory Revenue and other income</b>	<b>317.0</b>	<b>295.5</b>	<b>21.5</b>	<b>7%</b>
Revenue from JV	1.9	1.5	0.4	27%
Non-operating revenue	(2.9)	(3.3)	0.4	12%
<b>Operating Revenue</b>	<b>316.0</b>	<b>293.8</b>	<b>22.3</b>	<b>8%</b>
Revenue from operations pre-maturity	(20.3)	(7.0)	(13.3)	192%
Revenue from operations closed since FY23	-	(14.8)	14.8	nmf
<b>Underlying Operating Revenue</b>	<b>295.7</b>	<b>272.0</b>	<b>23.7</b>	<b>9%</b>
Total expenses	(274.1)	(278.6)	4.5	2%
Operating expenses from pre-mature/ post-closure sites	25.8	31.1	(5.3)	(17%)
Impairment, closure & termination costs	3.2	20.4	(17.0)	100%
Restructure costs	4.3	-	4.3	nmf
Other expenses	1.6	2.8	(1.2)	(42%)
<b>Net profit before tax</b>	<b>56.6</b>	<b>47.8</b>	<b>8.8</b>	<b>18%</b>
Income tax expense	(4.5)	(5.2)	0.7	13%
<b>Net profit after tax</b>	<b>52.1</b>	<b>42.6</b>	<b>9.5</b>	<b>22%</b>

	Underlying Free Cash			
	FY24	FY23*	Var	Var
	\$'m	\$'m	\$'m	%
<b>Net operating cash inflows</b>	<b>165.8</b>	<b>155.5</b>	<b>10.3</b>	<b>7%</b>
Add: tax paid	10.5	2.1	8.4	410%
Net Cash Rent adjustments	(107.6)	(99.6)	(8.0)	(8%)
Other timing differences	3.8	3.7	0.1	(3%)
<b>Underlying Free Cash</b>	<b>72.5</b>	<b>61.7</b>	<b>10.9</b>	<b>18%</b>

\* FY23 Underlying results are restated to reflect the pre-mature/ post-closure floors in FY24

# SEGMENT

	FY24 Total Revenue from Continuing Operations	Revenue from new floors pre-maturity	Other adjustments	FY24 Mature Revenue
	FY24 in \$'m			
ANZ & SEA	79.5	(9.2)	0.6	70.9
North Asia	88.3	(3.7)	0.8	85.4
Europe & Middle East	124.5	(6.6)	1.9	119.8
USA	20.5	(0.8)	(0.8)	18.9
<b>Total - operating segments</b>	<b>312.8</b>	<b>(20.3)</b>	<b>2.4</b>	<b>294.9</b>
Other	0.8			0.8
<b>Grand Total</b>	<b>313.6</b>			<b>295.7</b>

	FY23 Total Revenue from Continuing Operations	Adj. from status changes since FY23*	Adj. Total Revenue from Continuing Operations	Revenue from new floors pre-maturity	Other adjustments	FY23 Mature Revenue
	FY23 in \$'m					
ANZ & SEA	67.7	(1.7)	66.0	(3.3)	-	62.7
North Asia	94.9	0.9	95.8	(1.3)	(0.0)	94.5
Europe & Middle East	95.9	1.0	96.8	(2.3)	(0.0)	94.5
USA	19.1	(1.5)	17.7	-	-	17.7
<b>Total - operating segments</b>	<b>277.6</b>	<b>(1.4)</b>	<b>276.3</b>	<b>(7.0)</b>	<b>(0.0)</b>	<b>269.3</b>
Other	2.7	(0.0)	2.7			2.7
<b>Grand Total</b>	<b>280.4</b>	<b>(1.4)</b>	<b>279.0</b>			<b>272.0</b>

	FY24 Segment Profit from Continuing Operations	Loss from new floors pre-maturity	Other adjustments	FY24 Mature Segment Profit
	FY24 in \$'m			
ANZ & SEA	16.3	1.7	(1.3)	16.7
North Asia	11.3	3.1	(1.7)	12.7
Europe & Middle East	27.1	0.0	1.2	28.3
USA	(0.9)	0.1	(0.5)	(1.3)
<b>Total - operating segments</b>	<b>53.7</b>	<b>4.9</b>	<b>(2.3)</b>	<b>56.4</b>
Other	(4.4)		2.3	(2.1)
<b>Grand Total</b>	<b>49.3</b>	<b>4.9</b>	<b>0.0</b>	<b>54.3</b>

	FY23 Segment Profit from Continuing Operations	Adj. from status changes since FY23*	Adj. Segment Profit from Continuing Operations	Loss from new floors pre-maturity	Other adjustments	FY23 Mature Segment Profit
	FY23 in \$'m					
ANZ & SEA	9.8	1.3	11.1	1.5	-	12.7
North Asia	14.6	(0.1)	14.4	1.4	-	15.9
Europe & Middle East	10.6	5.5	16.2	0.6	0.0	16.8
USA	0.8	(0.8)	(0.1)	-	-	(0.1)
<b>Total - operating segments</b>	<b>35.8</b>	<b>5.9</b>	<b>41.7</b>	<b>3.6</b>	<b>0.0</b>	<b>45.3</b>
Other	(0.3)	(1.5)	(1.7)		(0.0)	(1.8)
<b>Grand Total</b>	<b>35.5</b>	<b>4.5</b>	<b>39.9</b>	<b>3.6</b>	<b>(0.0)</b>	<b>43.5</b>

	FY24 Mature Segment Profit	Depreciation	Other Non-cash adjustments	FY24 Mature Cash Earnings
	FY24 in \$'m			
ANZ & SEA	16.7	4.7	-	21.4
North Asia	12.7	3.8	-	16.6
Europe & Middle East	28.3	6.3	-	34.6
USA	(1.3)	1.6	(0.2)	0.0
<b>Total - operating segments</b>	<b>56.4</b>	<b>16.4</b>	<b>(0.2)</b>	<b>72.5</b>

	FY23 Mature Segment Profit	Depreciation	Other Non-cash adjustments	FY23 Mature Cash Earnings
	FY23 in \$'m			
ANZ & SEA	12.7	5.2	-	17.9
North Asia	15.9	4.6	-	20.5
Europe & Middle East	16.8	6.4	-	23.2
USA	(0.1)	1.7	(1.6)	0.1
<b>Total - operating segments</b>	<b>45.3</b>	<b>18.0</b>	<b>(1.6)</b>	<b>61.7</b>

\* FY23 Underlying results are restated to reflect the pre-mature/ post-closure floors in FY24

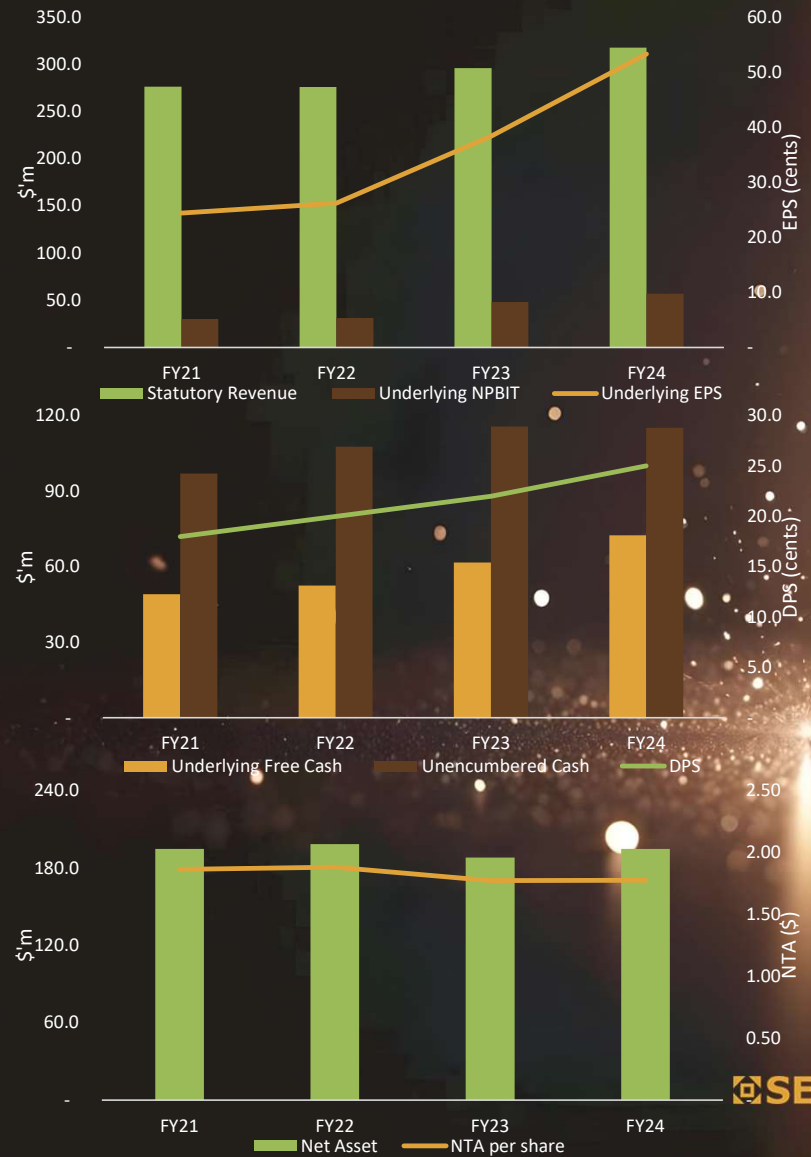
# KPI TRACKER

	Statutory Revenue	Underlying NPBIT	Underlying EPS
	\$'m	\$'m	cents
FY21	275.7	30.0	24.4
FY22	275.6	31.0	26.1
FY23	295.5	47.8	38.4
FY24	317.0	56.6	53.3

	Underlying Free Cash	Unencumbered Cash	DPS
	\$'m	\$'m	cents
FY21	49.1	97.0	18.0
FY22	52.5	107.6	20.0
FY23	61.7	115.7	22.0
FY24	72.5	115.1	25.0

	Net Asset	NTA per share
	\$'m	\$
FY21	194.6	1.86
FY22	198.3	1.88
FY23	187.8	1.77
FY24	194.6	1.77

	Stock Capacity	Number of Floors
FY21	5,141	125
FY22	5,162	129
FY23	5,150	129
FY24	5,326	132



\* FY23 Underlying results are restated to reflect the pre-mature/ post-closure floors in FY24

# STATS VS UNDERLYING TRACKER

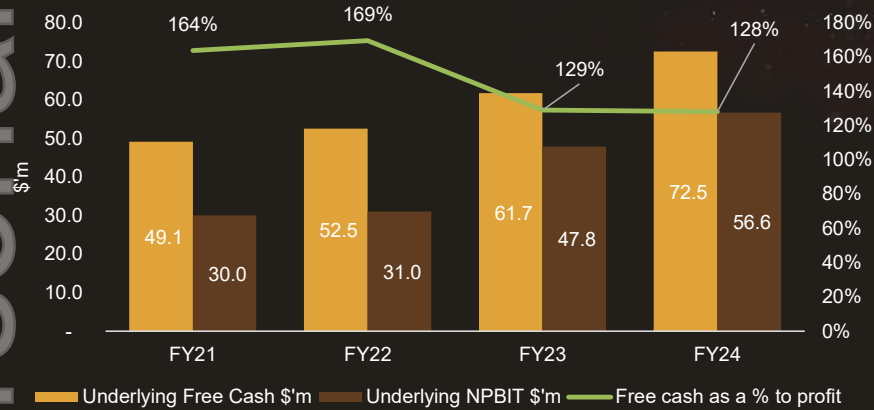
## Statutory Revenue vs. Revenue from continuing operations and other income\*

	Statutory Revenue	Revenue from continuing operations & other income
	\$'m	\$'m
FY21	275.7	275.3
FY22	275.6	269.1
FY23	295.5	292.1
FY24	317.0	316.5



## Underlying Cash Flow vs. Underlying NPBIT

### Underlying Results



	Underlying Free Cash	Underlying NPBIT
	\$'m	\$'m
FY21	49.1	30.0
FY22	52.5	31.0
FY23	61.7	47.8
FY24	72.5	56.6

\* FY23 Underlying results are restated to reflect the pre-mature/ post-closure floors in FY24



# STATS vs UNDERLYING TRACKER

<b>ANZ</b>	Australia and New Zealand
<b>Cash Earnings</b>	Is EBITDA minus Cash Rent paid
<b>Cash Rent</b>	Cash Rent is the amount paid to a landlord (or lessor) by Servcorp as a lessee under the terms of a signed lease agreement
<b>cps</b>	Cents per share
<b>DPS</b>	Dividend per share
<b>EME</b>	Europe & the Middle East
<b>EPS</b>	Earnings per share
<b>Free Cash</b>	Is the Net Operating Cash Flows before tax as reported in the Consolidated Statement of Cash Flows contained in the Servcorp Consolidated Financial Report minus Cash Rent paid
<b>FY/ HY</b>	Financial Year/ Half Year
<b>Immature</b>	Immature means floors that are not mature, excluding closed floors
<b>Mature</b>	Mature means floors that were open in both the current and comparative reporting periods. A floor is categorized as Mature at the earlier of 24 months from the date it becomes operational or 3 months consecutive operating profit, excluding closed floors
<b>SEA</b>	South East Asia
<b>Segment Profit</b>	Calculated in accordance with Australian Accounting Standards as reported in the Servcorp Consolidated Financial Report
<b>Statutory NPAT</b>	Calculated in accordance with Australian Accounting Standards as reported in the Servcorp Consolidated Financial Report
<b>Statutory NPBT</b>	Calculated in accordance with Australian Accounting Standards as reported in the Servcorp Consolidated Financial Report
<b>Subscriber</b>	User who subscribes to serviced office(s) or coworking package(s)
<b>Underlying Free Cash</b>	Is Free Cash adjusted for significant items (before tax) which relate to the reported financial year however, because of timing, either occurred in the preceding financial year or will occur in the subsequent financial year
<b>Underlying NPAT</b>	Is the Statutory NPAT adjusted for significant items (net of tax) that are one-off in nature and that do not reflect the underlying performance of our business, and includes Mature floors only
<b>Underlying NPBIT</b>	Is the Statutory NPBT adjusted for significant items (before tax) that are one-off in nature and that do not reflect the underlying performance of our business, and includes Mature floors only
<b>Statutory Operating Profit</b>	Is the total profit generated from operating activities. Is also known as Total Operating Profit
<b>Underlying Operating Profit</b>	Is the profit generated from operating activities from Mature floors
<b>NTA</b>	Net tangible asset per share
<b>\$'m</b>	Million in Australian dollars