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# SERVCORP



19 February 2025

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1425

HIGHLIGHTS

# A YEAR OF MILESTONE

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RECORD OPERATING PROFIT



RECORD UNDERLYING NPBIT



RECORD UNDERLYING FREE CASH



RECORD DIVIDEND



# 1H25 UNDERLYING RESULTS

\$40.5M

UNDERLYING  
FREE CASH

+13% ON PCP

\$34.4M

UNDERLYING  
NPBIT

+19% ON PCP

\$32.8M

UNDERLYING  
OPERATING PROFIT

+22% ON PCP

\$158.8M

UNDERLYING  
OPERATING REVENUE

+7% ON PCP

31.5 CPS

UNDERLYING  
EPS

+21% ON PCP

14.0 CPS

DIVIDEND  
PER SHARE

+17% ON PCP

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# 1H25 STATUTORY RESULTS

\$168.1M

STATUTORY REVENUE

+7% ON PCP

\$29.8M

STATUTORY  
OPERATING PROFIT

+20% ON PCP

\$38.3M

STATUTORY NPBT

+70% ON PCP

\$34.6M

STATUTORY NPAT

+76% ON PCP

\$38.7M

FREE CASH

+18% ON PCP

35.1 CPS

BASIC EPS

+74% ON PCP

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BUSINESS

UPDATE

# CONTINUED INVESTMENT IN FY25

## Global Booking System Completed

Servcorp has successfully completed the development and rollout of its global booking system, providing a seamless and unified experience for clients worldwide. This system enhances efficiency by streamlining reservations, reducing manual processes, and ensuring real-time availability across all locations. With a focus on user experience, the platform offers intuitive navigation, secure transactions, and integration with existing Servcorp services, reinforcing our commitment to technological advancement.

## Enhanced Check-in & Facial Recognition

Our check-in process has commenced to be significantly improved with the introduction of facial recognition technology. This advancement not only enhances security but also delivers a faster and more convenient client experience. By automating identity verification, we minimize wait times while maintaining high standards of access control. This initiative aligns with Servcorp's broader strategy to leverage smart technology for improved operational efficiency and customer satisfaction.

## Messaging App Development & Servcorp Home Upgrade

The Servcorp messaging app has been developed and is scheduled for release towards the end of 2025. Designed to facilitate seamless communication between clients and teams, the app will enhance connectivity and efficiency within our global network. Simultaneously, work on the updated Servcorp Home is underway, ensuring an upgraded user interface and enhanced functionality to meet the evolving needs of our clients.

## AI Strategy, Implementation & Data Platform Development

Servcorp has formalized its AI policy and strategy, outlining a structured approach to AI adoption across various business functions. AI has already been implemented in multiple operational areas, with a focus on improving productivity and efficiency. Our long-term goal is to commercialize AI-driven solutions and establish new service offerings. To support these initiatives, we are building a comprehensive data platform, providing a strong foundation for AI development and future innovations.



# GLOBAL EXPANSION

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# GROWING GLOBAL PRESENCE

## Strategic Expansion in 1H25

- Servcorp continued its growth with the opening of 3 new operations, including 1 in Australia & New Zealand and 2 in the Middle East, strengthening strategic presence in these key regions.

## Upgrading and Enhancing Workspaces

- A replacement floor was opened in Australia, providing modern and premium workspace solutions with the latest amenities to clients. Ongoing refurbishment and upgrades continued taking place internationally to ensure the quality of the look and feel of the floors and the premium experience of clients.

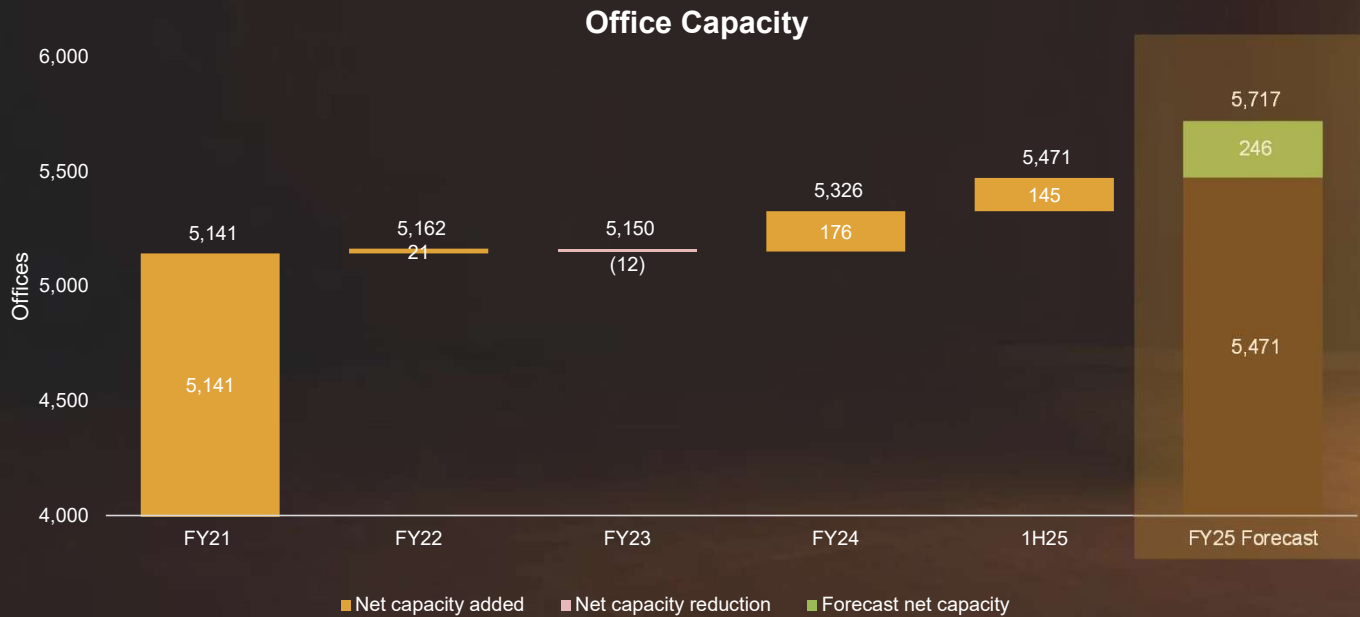
## Upcoming Growth in Key Markets

- 5 new floors are scheduled to commence operations within the next 12 months across South East Asia and the Middle East. These expansions align with Servcorp's long-term strategy to meet growing demand and reinforce our position as a leader in providing flexible, high-end office spaces in prime locations.



# IMPROVED GLOBAL FOOTPRINT

- In 1H25, Servcorp continued expanding its global footprint where suitable opportunities and management depth are present.
- In the 6 months to 31 December 2024, \$14.8m capital expenditure were invested to launch 4 new locations, including a replacement floor, taking the floor count to 135 as of 31 December 2024.
- Within the next 12 months to 31 December 2025, the global portfolio is expected to grow to 140 locations with the capacity growing to 5,844.

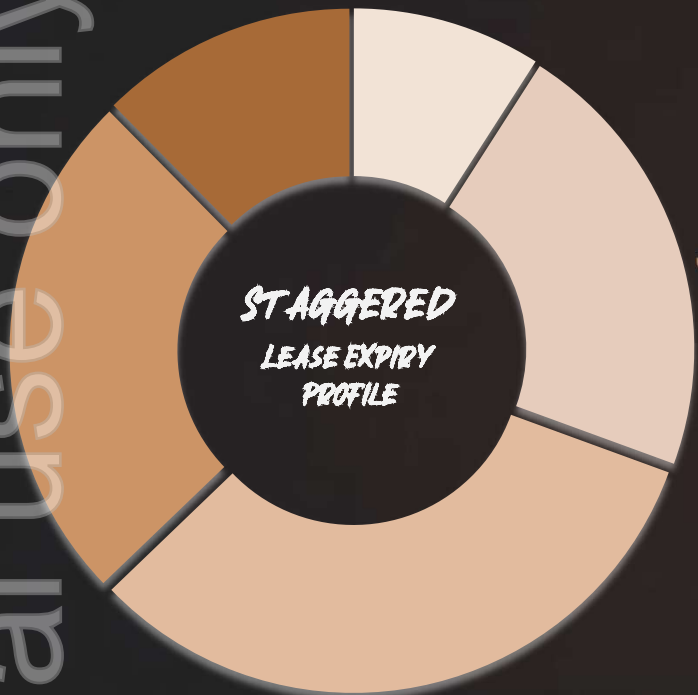


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# PORTFOLIO OVERVIEW

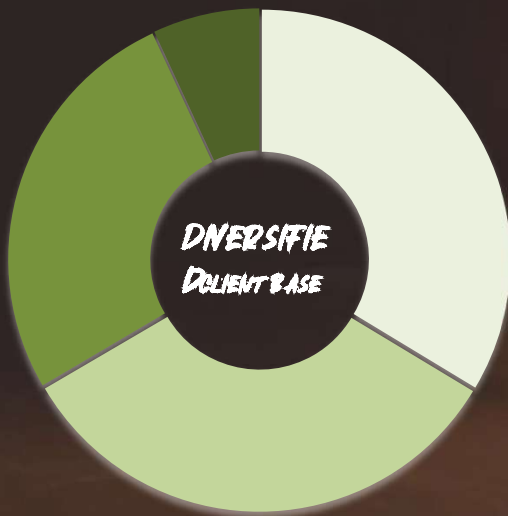
OPERATIONS ACROSS  
148,000 SQM GLOBALLY

Strong growth  
in clientele size  
and diversity in  
every market



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

Well-balanced lease  
maturity portfolio



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



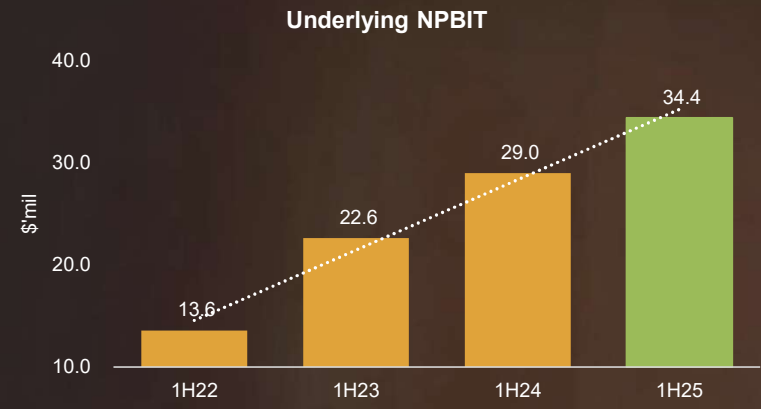
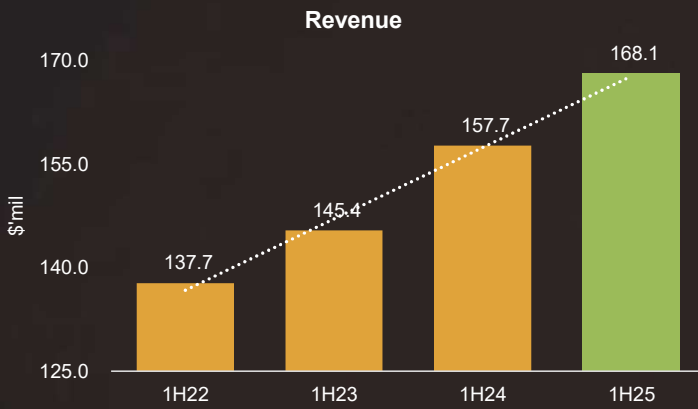
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# FINANCIAL RESULTS



# FINANCIAL PERFORMANCE

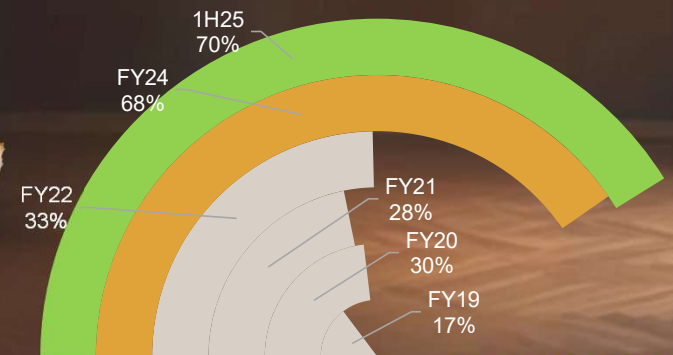


**FY25 COMMENCED  
WITH A ROBUST START**



*1H25 Underlying  
Free Cash up  
\$4.8m on pcp*

Return on Funds Employed ROFE



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# REVENUE

Underlying Operating Revenue\* achieved a growth of 7% year-on-year

**\$158.8M**  
UNDERLYING OPERATING REVENUE  
+7% ON PCP

**+\$6.9M**  
GROWTH

**+\$5.9M**  
PRICING

**STRONG  
MOMENTUM  
CONTINUES**



**OFFICES  
+  
COWORKING**

**\$158.8M**  
Underlying  
Operating  
Revenue +7%



**\$168.1M**  
Statutory  
Revenue +7%



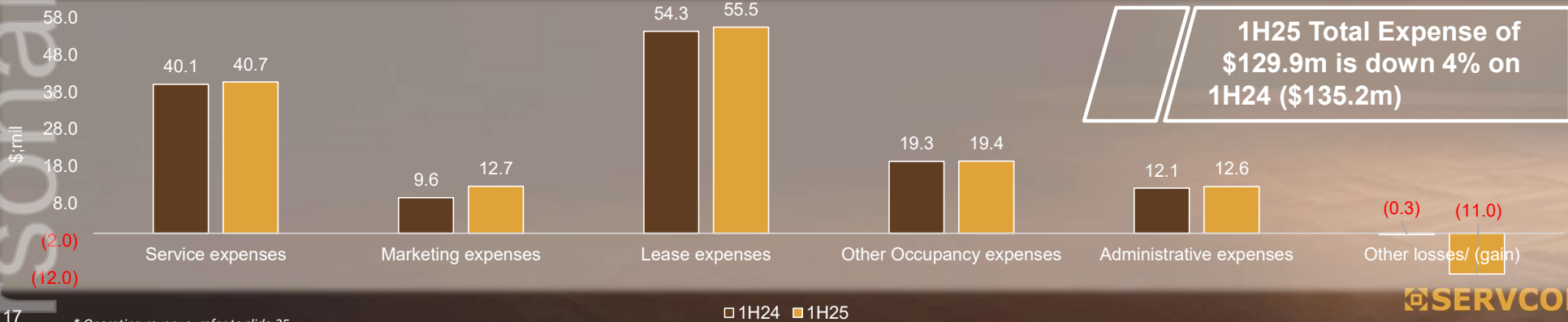
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# EXPENSES

Overall expenses decreased 4% on 1H24, while revenue\* was up 7%

- Service expenses increased marginally by \$0.6m 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 \$3.1m or 32% on pcp. The investment returned a pleasing growth in sustainable revenue stream by \$10.9m on 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 increased by \$1.1m, arising from the additional rental expenses incurred as the global footprint continued expanding, partially negated by 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 31 December 2024.
- Administrative expenses were \$0.5m higher on pcp, largely driven by the one-off spending incurred on the Middle East project.
- Other losses/ (gain) included a one-off net credit adjustment of \$8.0m, made up of \$14.9m credit from derecognition of lease liability offset by \$6.8m impairment.

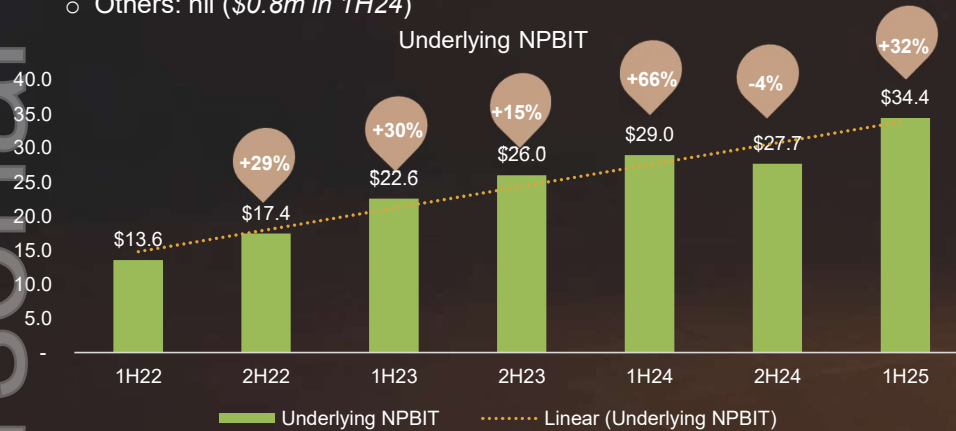


\* Operating revenue; refer to slide 35

# PROFITABILITY

## Underlying Operating Profit up 22%\*; Statutory NPBT up 70%\*

- Strong 1H25 Underlying NPBIT of \$34.4m, up \$5.5m or 19% on pcp\*\*, supporting progress toward meet the full-year profit guidance
- Statutory NPBT includes non-recurring credit adjustment totalling \$6.8m (\$4.5m net cost in 1H24):
  - One-off net credit adjustment of \$8.0m, made up of:
    - Gain from derecognition of lease liability of \$14.9m (nil in 1H24); and
    - Impairment losses in North Asia and Europe of \$6.8m (\$1.6m in 1H24)
  - Closure & termination costs: nil (\$0.2m in 1H24)
  - Reorganisation costs: \$1.2m (\$1.4m in 1H24)
  - Amortisation of acquired contract value: nil (\$0.5m in 1H24)
  - Others: nil (\$0.8m in 1H24)



\* On pcp

\*\* 1H24 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 34 for reconciliation

Despite the stronger AUD negatively impacting reported profits over the past 18 months, the underlying business continued to strengthen



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# CASH FLOW

Large cash reserve to support organic growth and continued global expansion

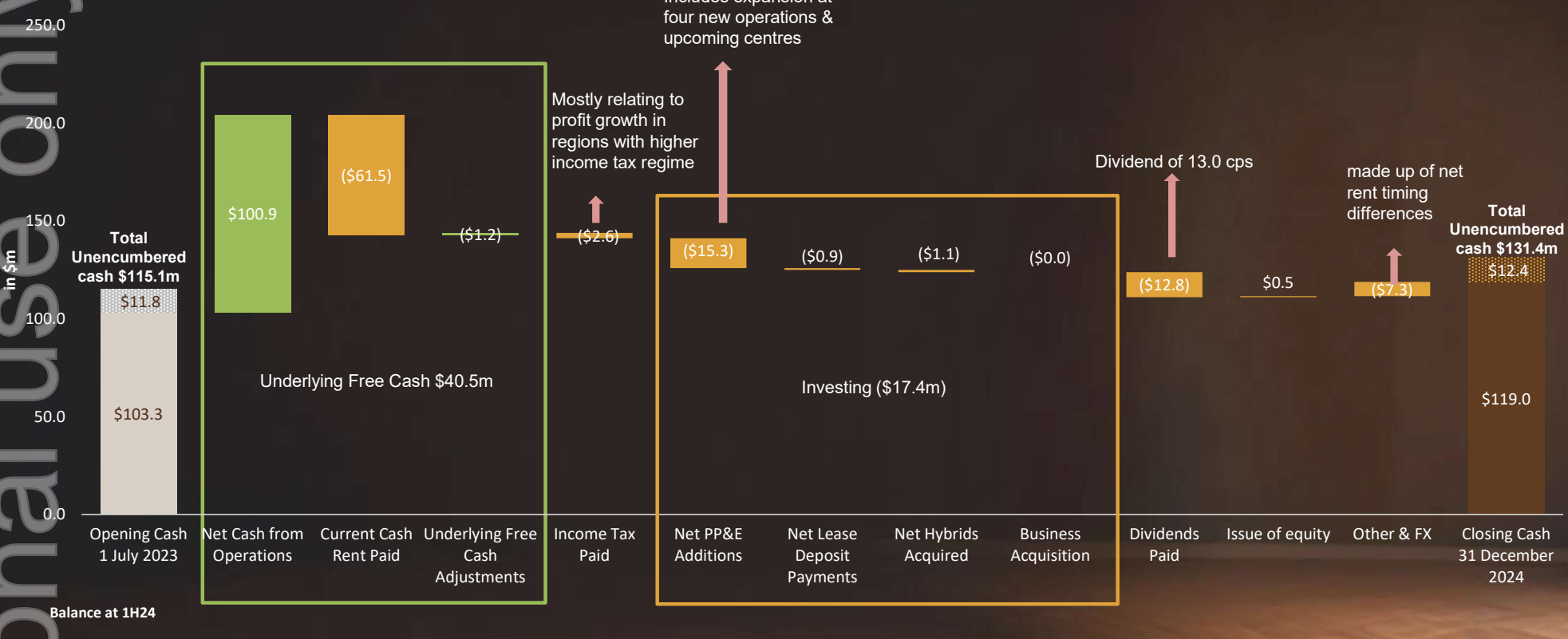
	1H25	1H24	Var	Var
	\$'m	\$'m	\$'m	%
<b>Net Operating Cash flow</b>	<b>\$91.7</b>	<b>81.6</b>	<b>10.1</b>	<b>12%</b>
<i>Add:</i>				
Tax paid	2.6	7.1	(4.4)	(63%)
<i>Less:</i>				
Lease liability Cash Rent for related period paid in related period	54.9	57.4	(2.4)	(4%)
Cash Rent timing differences	0.7	(1.4)	2.1	nmf
<b>Free Cash</b>	<b>38.7</b>	<b>32.7</b>	<b>6.0</b>	<b>18%</b>
<i>Add:</i>				
Cash Rent previously withheld now paid	0.8	1.8	(1.1)	(58%)
<i>Less:</i>				
Cash Rent relating to current period withheld	0.4	-	0.4	nmf
Other timing differences & write-off	(1.5)	(1.2)	(0.3)	(27%)
<b>Underlying Free Cash</b>	<b>40.5</b>	<b>35.8</b>	<b>4.8</b>	<b>13%</b>

- Underlying free cash generated in 1H25 of \$40.5m
- Unencumbered cash balance increased by \$16.3m from June 2024 Net cash position remains robust as at 31 December 2024, with \$131.4m cash and cash equivalents



\* Capital expenditure spent on Property, plant and equipment, and intangible assets

# CASH FLOW



\$115.7m	\$95.6m	(\$64.3m)	\$4.4m	(\$7.1m)	(\$16.4m)	(\$0.7m)	(\$1.0m)	(\$3.3m)	(\$11.6m)	\$3.8m	\$9.0m	\$107.8m
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# BALANCE SHEET

Balance Sheet	Dec-24	Jun-24
	\$'m	\$'m
Cash	119.0	103.3
Trade Receivables <sup>1</sup>	39.6	35.9
PP&E & ROUA	409.4	406.1
Software & Intangible	2.6	2.7
Goodwill <sup>2</sup>	17.1	17.3
Deferred Tax Asset	47.2	44.2
Lease Deposit	38.8	36.7
Other Assets	24.9	28.2
<b>Total Assets</b>	<b>698.5</b>	<b>674.4</b>

Trade Payables	63.6	63.7
Provisions	15.3	14.4
Lease Liabilities	358.1	371.2
Other Liabilities	34.5	30.5
<b>Total Liabilities</b>	<b>471.5</b>	<b>479.7</b>

<b>Net Assets</b>	<b>227.1</b>	<b>194.6</b>
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NTA per share (\$)	2.10	1.77
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	Dec-24	Jun-24
	\$'m	\$'m
<b>Total Current Liabilities</b>	<b>210.1</b>	<b>201.1</b>
Adjust for:		
Short-term lease liability under IFRS16	(98.5)	(94.4)
<b>Adjusted Current Liabilities</b>	<b>111.6</b>	<b>106.7</b>

Total Current Assets	183.4	167.4
Adjusted Current Liabilities	(111.6)	(106.7)
<b>Net Surplus in Current Assets</b>	<b>71.9</b>	<b>60.6</b>
Current Ratio	1.6	1.6

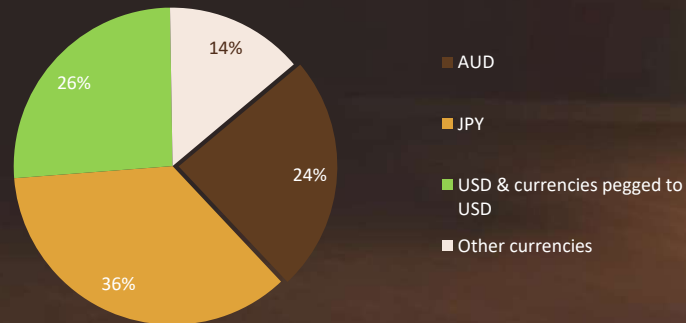
PP&E & ROUA	PP&E	ROUA	Total
	\$'m	\$'m	\$'m
<b>Opening balance</b>	<b>89.6</b>	<b>316.5</b>	<b>406.1</b>
Addition <sup>3</sup>	14.8	45.4	60.2
Disposal <sup>4</sup>	(0.0)	(13.8)	(13.8)
Depreciation	(9.5)	(48.9)	(58.4)
Impairment	-	(8.0)	(8.0)
FX movement	4.9	18.3	23.3
<b>Movement</b>	<b>10.1</b>	<b>(6.9)</b>	<b>3.3</b>
<b>Closing balance</b>	<b>99.7</b>	<b>309.6</b>	<b>409.4</b>

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

<sup>2</sup> Goodwill associated with China was derecognized in 1H25

<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



Cash and cash equivalents



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SEGMENT

OVERVIEW

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# SEGMENT OVERVIEW

## ANZ & SOUTH EAST ASIA

- Segment Profit from mature operations remains steady at \$8.0m
- Segment Revenue from mature operations showed marginal growth despite of the competition

## EUROPE & MIDDLE EAST

- Profit margin continued improving as the market momentum remains robust supported by strong demand throughout the region
- Continued investment is made to expand strategic footprint

## NORTH ASIA

- Although revenue was lower year-on-year due to adverse forex impact arising from converting local currencies into the reporting currency, namely AUD, the underlying business remains solid. Profit improved marginally.

## USA

- Revenue continued improving, the segment was cash positive in 1H25.
- As occupancy level builds up, further performance improvement is anticipated in the next 6 months.

	Mature Revenue		Mature Segment Profit		Mature Cash Earnings	
	1H25	1H24	1H25	1H24	1H25	1H24
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
ANZ & SEA	34.8	34.5	8.0	8.0	10.2	10.3
North Asia	42.7	44.4	6.9	6.8	8.8	9.0
Europe & Middle East	69.9	59.0	18.4	13.0	21.0	13.7
USA	10.3	9.4	(0.2)	(0.4)	0.6	0.4
<b>Total</b>	<b>157.7</b>	<b>147.4</b>	<b>33.1</b>	<b>27.4</b>	<b>40.5</b>	<b>33.4</b>
Others	1.1	0.5	(0.3)	(0.6)	0.1	2.4
<b>Grand Total</b>	<b>158.8</b>	<b>147.9</b>	<b>32.8</b>	<b>26.8</b>	<b>40.5</b>	<b>35.8</b>

# ALL MATURE OPERATIONS

- Strong Growth in Mature Operations**

Servcorp's mature operations saw solid growth in 1H25. Revenue increased from \$147.9m in 1H24 to \$158.8m in 1H25, highlighting the continued strength and resilience of the proven business model.

- Improved Profitability and Efficiency**

Segment profit increased 22% YoY, from \$26.8m in 1H24 to \$32.8m in 1H25.

- Robust Cash Earnings Growth**

Cash earnings grew 18% from \$35.8m in 1H24 to \$40.5m in 1H25.

Mature: Revenue, Segment Profit & Cash Earnings



# ANZ AND SOUTH EAST ASIA

- **Stable Revenue Performance**

Mature revenue showed a slight increase, rising from \$34.5m to \$34.8m, reflecting a 1% growth. While the growth was modest, it demonstrates the resilience of the regional operations in maintaining stable revenue levels despite market fluctuations. This steady performance highlights the company's ability to sustain demand and deliver value to clients.

- **Consistent Profitability**

Mature segment profit remained steady at \$8.0m, indicating a stable margin despite external challenges. This consistency reflects disciplined cost management and operational efficiency, ensuring that profitability is maintained even in a flat revenue environment. Servcorp continues to focus on optimizing resources to sustain and improve profit margins.

- **Slight Decline in Cash Earnings**

Mature cash earnings saw a minor decrease from \$10.3m to \$10.2m, representing a 1% dip. This slight decline reflects normal business fluctuations and investment in growth initiatives. Despite this, cash generation remains strong, providing a solid foundation for future expansion and operational improvements.

Mature: Revenue, Segment Profit & Cash Earnings



# NORTH ASIA

- **Revenue Decline Due to Forex Impact**

Mature revenue declined from \$44.4m to \$42.7m, primarily due to unfavourable foreign exchange movements when converting local currency revenue into AUD. The underlying business remains stable.

- **Slight Increase in Segment Profit Despite Challenges**

North Asia showed a modest increase in mature segment profit from \$6.8m to \$6.9m, reflecting disciplined cost management and operational efficiency. While revenue was affected by forex headwinds, strategic initiatives helped sustain profitability.

- **Cash Earnings Marginally Lower**

Mature cash earnings declined slightly from \$9.0m to \$8.8m, reflecting the revenue impact and ongoing operational challenges in certain markets. Despite this minor decline, North Asia as a whole continues to generate strong cash flows, ensuring financial stability and flexibility to invest in future growth opportunities.

- **China Underperformance & Impairment Recognition**

China operations continue to underperform, leading to an impairment charge of \$4.9m. Additionally, goodwill of \$0.2m was derecognized.

## Mature: Revenue, Segment Profit & Cash Earnings



# EUROPE AND MIDDLE EAST

- **Strong Revenue Growth**

Mature revenue increased significantly from \$59.0m to \$69.9m, reflecting a 19% year-on-year growth, highlighting Servcorp's ability to capitalize on market opportunities and deliver value to clients.

- **Substantial Profit Expansion**

Mature segment profit increased from \$13.0m to \$18.4m, as a result of management focus on operational efficiency, cost discipline, and strategic investments that drive profitability.

- **Robust Cash Earnings Growth**

Mature cash earnings improved from \$13.7m to \$21.0m, attributed to strong underlying performance, improved collections, and disciplined financial management. The rise in cash earnings reinforces the underlying financial resilience and ensures ability to reinvest in future growth initiatives.

- **Europe Impairment Recognized**

Despite the strong overall performance, an impairment charge of \$1.7m was recognized in Europe.

*Mature: Revenue, Segment Profit & Cash Earnings*



# USA

- **Steady Progress in Core Operations**

In the first half of 2025, USA achieved solid growth, with key financial metrics showing notable improvements. Mature revenue grew from \$9.4m in 1H24 to \$10.3m in 1H25, up 9% on pcp. The improved performance was underpinned by growing demand and effective pricing strategies, demonstrating the effectiveness and adaptability of the business model albeit in a competitive market.

- **Enhanced Profitability and Operational Optimization**

In addition, USA managed to decrease the segment loss from \$0.4m in 1H24 to \$0.2m in 1H25, a 50% reduction, as management continued improving operational efficiency and controlling costs. By addressing key areas of underperformance, management have demonstrated our ability to transform challenges into opportunities for growth and profitability.

- **Strong Cash Earnings Performance**

Mature cash earnings grew by 50%, rising from \$0.4m in 1H24 to \$0.6m in 1H25, following the organic growth in the underlying business performance. The augmented cash earnings also provide ongoing financial strength and capacity to reinvest in future initiatives for organic expansion when suitable opportunities present.

## Mature: Revenue, Segment Profit & Cash Earnings



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# OUTLOOK & DIVIDEND

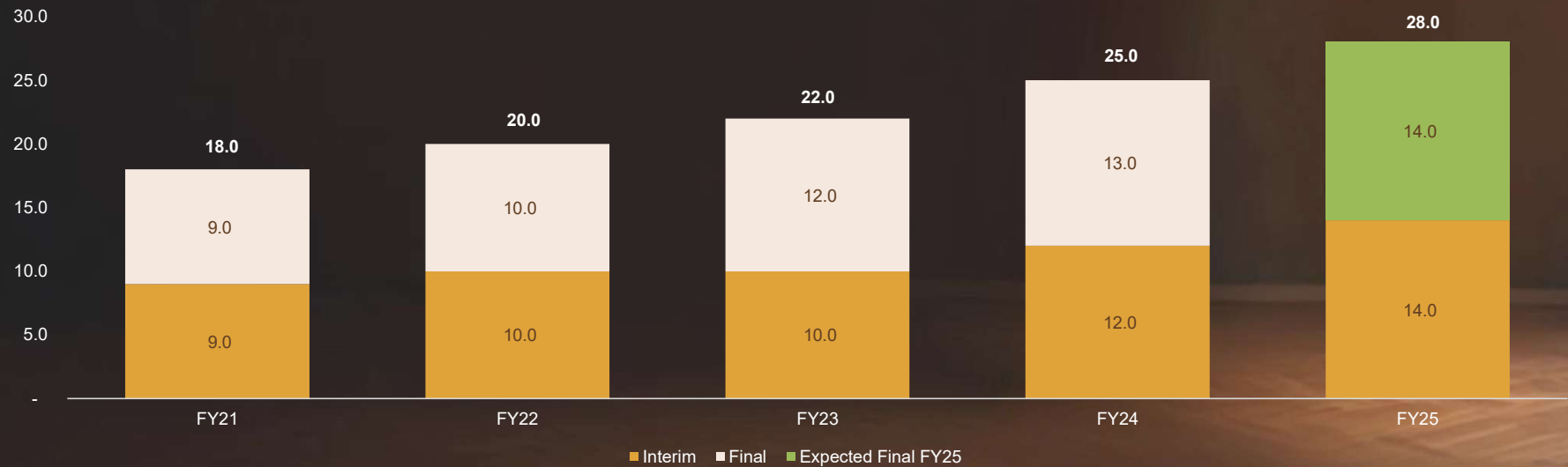


# DIVIDENDS

## Interim FY25 Dividend

- Interim dividend payable of 14.0 cps, 10% franked, payable on 2 April 2025
- Expected Final FY25 dividend no less than 14.0 cps
- Total FY25 dividend expected to be not less than 28.0 cps (up 12%)

DIVIDENDS PAID/ESTIMATE (CENTS PER SHARE)



\* Includes franking credit

# OUTLOOK & GUIDANCE

## Business Outlook

With the first half of FY25 behind us, Servcorp continues to demonstrate resilience and steady business performance. Our disciplined execution and strategic initiatives have led to positive momentum across key operational metrics. While macroeconomic uncertainties and competitive pressures persist, our focus remains on driving sustainable growth through revenue efficiency and enhanced service conversion.

Our strong Balance Sheet provides the flexibility to pursue strategic and organic expansion in high-potential markets, ensuring long-term value creation. While challenges remain, our adaptability and market responsiveness position us well to capitalize on emerging opportunities. New operations are progressing across various stages of development, reinforcing our growth trajectory.

## Guidance for FY25 Reaffirmed

We are pleased with the results for the first half of FY25. We reaffirm our guidance for FY25, for underlying NPBIT between \$61.0m and \$65.0m, and believe we are tracking towards the higher end of that range, with associated underlying free cash of more than \$75.0m.

These projections underscore our commitment to profitability, cash flow strength, and long-term value creation. Servcorp remains dedicated to operational excellence, strategic expansion, and delivering sustained value to stakeholders.



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# APPENDICES

# REVENUE

\$'m	1H25	1H24*	Var	%
<b>Statutory Total Revenue</b>	<b>168.1</b>	<b>157.7</b>	<b>10.4</b>	<b>7%</b>
<b>Add</b>				
Revenue from JV operation	0.8	0.9	(0.1)	(6%)
<b>Less</b>				
Other revenue and income**	(0.9)	(1.8)	0.9	(52%)
<b>Operating Revenue</b>	<b>168.1</b>	<b>156.7</b>	<b>11.3</b>	<b>7%</b>
<b>Less</b>				
Pre-maturity revenue	(9.3)	(3.7)	(5.6)	151%
Post-closure revenue	0.0	(5.2)	5.2	(100%)
<b>Underlying Operating Revenue</b>	<b>158.8</b>	<b>147.9</b>	<b>10.9</b>	<b>7%</b>
<b>Revenue from pre-existing contracts</b>	<b>147.9</b>			
Total Growth drives	6.9			
Total Price drives	5.9			
<b>Forex impact</b>	<b>(1.9)</b>			
<b>Underlying Operating Revenue</b>	<b>158.8</b>			

\* 1H24 results were adjusted to reflect the latest status of operations in 1H25

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

# PROFIT

	1H25	1H24	Var	Var
	\$'m	\$'m	\$'m	%
<b>Statutory NPBT</b>	<b>38.3</b>	<b>22.5</b>	<b>15.8</b>	<b>70%</b>
<b>Add</b>				
Operating loss from pre-mature or post-closure floors	3.0	2.0	1.0	49%
Impairment losses, closure costs and other non-recurring costs	(6.8)	4.5	(11.3)	(253%)
<b>Underlying NPBIT</b>	<b>34.4</b>	<b>29.0</b>	<b>5.5</b>	<b>19%</b>
<b>Less</b>				
Interest & franchise income	(0.8)	(1.7)	0.9	54%
Forex gain	(3.3)	(1.6)	(1.7)	(110%)
Other non-operating items	2.5	1.1	1.3	121%
<b>Underlying Operating Profit</b>	<b>32.8</b>	<b>26.8</b>	<b>6.0</b>	<b>22%</b>
<b>Less</b>				
Operating loss from pre-mature or post-closure floors	(3.0)	(2.0)	(1.0)	(49%)
<b>Total Operating Profit</b>	<b>29.8</b>	<b>24.8</b>	<b>5.0</b>	<b>20%</b>
	<b>1H25</b>	<b>1H24</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	227.1	194.6	32.4	17%
Unencumbered cash	(131.4)	(115.1)	(16.3)	(14%)
<b>Net funds employed</b>	<b>95.7</b>	<b>79.5</b>	<b>16.2</b>	<b>20%</b>
Underlying NPBIT	34.4	29.0	5.5	19%
Interest income	(0.8)	(1.6)	0.7	47%
<b>Underlying NPBIT excluding interest income</b>	<b>33.6</b>	<b>27.4</b>	<b>6.2</b>	<b>23%</b>
<b>Return on net funds employed</b>	<b>70%</b>	<b>68%</b>	<b>2%</b>	<b>3%</b>

	1H24
	\$'m
1H24 Underlying NPBIT reported in 1H24	28.3
Floors closed in the last 12 months on 1H24**	(0.6)
Floors turned mature in the last 12 months on 1H24	1.2
<b>Adjusted 1H24 Underlying NPBIT</b>	<b>29.0</b>

\* 1H24 Underlying results are restated to reflect the pre-mature/ post-closure floors in 1H25

# PROFIT

	Statutory Profit			
	1H25	1H24*	Var	Var
	\$'m	\$'m	\$'m	%
Revenue and other income	168.1	157.7	10.4	7%
Total expenses	(129.9)	(135.2)	5.3	4%
<b>Net profit before tax</b>	<b>38.3</b>	<b>22.5</b>	<b>15.8</b>	<b>70%</b>
Income tax expense	(3.7)	(2.9)	(0.8)	(29%)
<b>Net profit after tax</b>	<b>34.6</b>	<b>19.6</b>	<b>14.9</b>	<b>76%</b>

	Statutory Cash Flow			
	1H25	1H24	Var	Var
	\$'m	\$'m	\$'m	%
<b>Net profit after tax</b>	<b>34.6</b>	<b>19.6</b>	<b>14.9</b>	<b>76%</b>
Working capital movement	65.7	74.4	(8.7)	(12%)
Franchise & interest income	0.6	1.6	(0.9)	(61%)
Interest paid	(6.6)	(6.9)	0.3	5%
Tax paid	(2.6)	(7.1)	4.4	63%
<b>Net operating cash inflows</b>	<b>91.7</b>	<b>81.6</b>	<b>10.1</b>	<b>12%</b>
<b>Net investing cash outflows</b>	<b>(17.4)</b>	<b>(21.4)</b>	<b>4.0</b>	<b>19%</b>
<b>Net financing outflows</b>	<b>(70.7)</b>	<b>(72.0)</b>	<b>1.3</b>	<b>2%</b>
Foreign exchange movement	12.1	2.3	9.8	429%
<b>Net cash movement</b>	<b>15.7</b>	<b>(9.5)</b>	<b>25.2</b>	<b>nmf</b>
<b>Opening cash 1 July</b>	<b>103.3</b>	<b>105.4</b>	<b>(2.1)</b>	<b>(2%)</b>
Net cash movement	15.7	(9.5)	25.2	nmf
<b>Closing cash 31 December</b>	<b>119.0</b>	<b>95.8</b>	<b>23.1</b>	<b>24%</b>

	Underlying			
	1H25	1H24	Var	Var
	\$'m	\$'m	\$'m	%
<b>Statutory Revenue and other income</b>	<b>168.1</b>	<b>157.7</b>	<b>10.4</b>	<b>7%</b>
Revenue from JV	0.8	0.9	(0.1)	(6%)
Non-operating revenue	(0.9)	(1.8)	0.9	52%
<b>Operating Revenue</b>	<b>168.1</b>	<b>156.7</b>	<b>11.3</b>	<b>7%</b>
Revenue from operations pre-maturity	(9.3)	(3.7)	(5.6)	151%
Revenue from operations closed since 1H24	0.0	(5.2)	5.2	nmf
<b>Underlying Operating Revenue</b>	<b>158.8</b>	<b>147.9</b>	<b>10.9</b>	<b>7%</b>
Total expenses	(129.9)	(135.2)	5.3	4%
Operating expenses from pre-mature/ post-closure sites	12.3	10.9	1.4	13%
Impairment, closure & termination costs	(8.0)	1.6	(10.0)	nmf
Restructure costs	1.2	1.3	(0.1)	(8%)
Other expenses	0.0	2.4	(2.4)	Nmf
<b>Net profit before tax</b>	<b>34.4</b>	<b>29.0</b>	<b>5.5</b>	<b>19%</b>
Income tax expense	(3.3)	(3.7)	0.3	10%
<b>Net profit after tax</b>	<b>31.1</b>	<b>25.3</b>	<b>5.8</b>	<b>23%</b>

	Underlying Free Cash			
	1H25	1H24	Var	Var
	\$'m	\$'m	\$'m	%
<b>Net operating cash inflows</b>	<b>91.7</b>	<b>81.6</b>	<b>10.1</b>	<b>12%</b>
Add: tax paid	2.6	7.1	(4.4)	(63%)
Net Cash Rent adjustments	(55.2)	(54.2)	(1.0)	(2%)
Other timing differences	1.5	1.2	0.3	(27%)
<b>Underlying Free Cash</b>	<b>40.5</b>	<b>35.8</b>	<b>4.8</b>	<b>13%</b>

\* 1H24 Underlying results are restated to reflect the pre-mature/ post-closure floors in 1H25

# SEGMENT

	1H25 Total Revenue from Continuing Operations	Revenue from new floors pre-maturity	Other adjustments	1H25 Mature Revenue
	1H25 in \$'m			
ANZ & SEA	39.5	(4.7)	(0.0)	34.8
North Asia	45.3	(2.6)	(0.0)	42.7
Europe & Middle East	70.3	(1.2)	0.8	69.9
USA	11.1	(0.8)	(0.0)	10.3
<b>Total - operating segments</b>	<b>166.2</b>	<b>(9.3)</b>	<b>0.8</b>	<b>157.7</b>
Other	1.1			1.1
<b>Grand Total</b>	<b>167.3</b>			<b>158.8</b>

	1H25 Segment Profit from Continuing Operations	Loss from new floors pre-maturity	Other adjustments	1H25 Mature Segment Profit
	1H25 in \$'m			
ANZ & SEA	7.0	1.1	(0.2)	8.0
North Asia	6.6	1.2	(1.0)	6.9
Europe & Middle East	17.1	0.6	0.7	18.4
USA	0.0	0.0	(0.2)	(0.2)
<b>Total - operating segments</b>	<b>30.8</b>	<b>2.9</b>	<b>(0.6)</b>	<b>33.1</b>
Other	(2.3)		2.0	(0.3)
<b>Grand Total</b>	<b>28.5</b>	<b>2.9</b>	<b>1.4</b>	<b>32.8</b>

	1H25 Mature Segment Profit	Depreciation	Other Non-cash adjustments	1H25 Mature Cash Earnings
	1H25 in \$'m			
ANZ & SEA	8.0	2.2	-	10.2
North Asia	6.9	1.8	-	8.8
Europe & Middle East	18.4	3.5	(1.0)	21.0
USA	(0.2)	0.8	-	0.6
<b>Total - operating segments</b>	<b>33.1</b>	<b>8.4</b>	<b>(1.0)</b>	<b>40.5</b>

	1H24 Total Revenue from Continuing Operations	Adj. from status changes since 1H24*	Adj. Total Revenue from Continuing Operations	Revenue from new floors pre-maturity	Other adjustments	1H24 Mature Revenue
	1H24 in \$'m					
	39.6	(2.6)	37.0	(2.5)	0.0	34.5
	45.4	0.0	45.4	(0.9)	0.0	44.4
	59.6	(0.3)	59.3	(0.3)	(0.0)	59.0
	10.2	(0.8)	9.4	-	-	9.4
<b>Total</b>	<b>154.8</b>	<b>(3.8)</b>	<b>151.1</b>	<b>(3.7)</b>	<b>0.0</b>	<b>147.4</b>
	0.5	0.0	0.5			0.5
<b>Grand Total</b>	<b>155.3</b>	<b>(3.8)</b>	<b>151.6</b>			<b>147.9</b>

	1H24 Segment Profit from Continuing Operations	Adj. from status changes since 1H24*	Adj. Segment Profit from Continuing Operations	Loss from new floors pre-maturity	Other adjustments	1H24 Mature Segment Profit
	1H24 in \$'m					
	6.8	0.3	7.2	0.9	-	8.0
	6.1	(0.6)	5.5	1.4	-	6.8
	12.5	0.3	12.8	0.2	0.0	13.0
	(0.1)	(0.3)	(0.4)	-	-	(0.4)
<b>Total</b>	<b>25.3</b>	<b>(0.3)</b>	<b>25.0</b>	<b>2.4</b>	<b>0.0</b>	<b>27.4</b>
	(2.1)	1.5	(0.6)		-	(0.6)
<b>Grand Total</b>	<b>23.2</b>	<b>1.1</b>	<b>24.3</b>	<b>2.4</b>	<b>0.0</b>	<b>26.8</b>

	1H24 Mature Segment Profit	Depreciation	Other Non-cash adjustments	1H24 Mature Cash Earnings
	1H24 in \$'m			
	8.0	2.3	-	10.3
	6.8	2.1	-	9.0
	13.0	3.2	(2.5)	13.7
	(0.4)	0.8	-	0.4
<b>Total</b>	<b>27.4</b>	<b>8.4</b>	<b>(2.5)</b>	<b>33.4</b>

\* 1H24 Underlying results are restated to reflect the pre-mature/ post-closure floors in 1H25

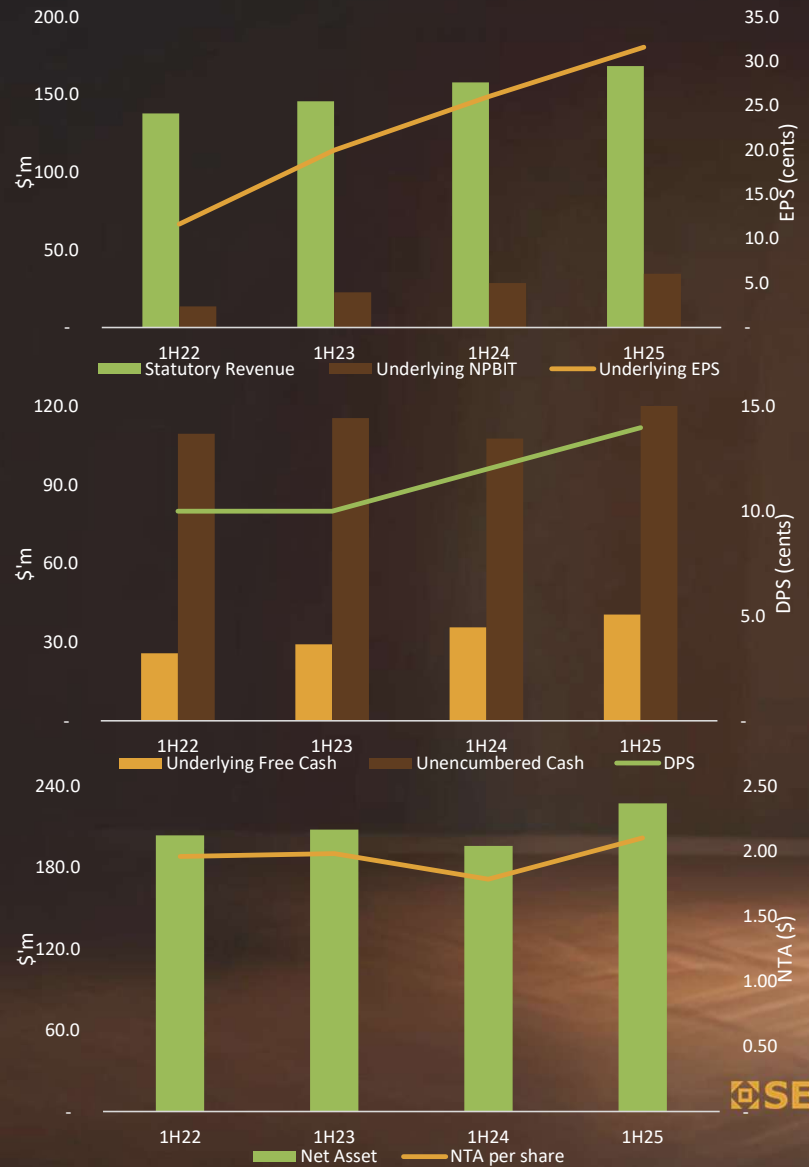
# KPI TRACKER

	Statutory Revenue	Underlying NPBIT	Underlying EPS
	\$'m	\$'m	cents
1H22	137.7	13.6	11.6
1H23	145.4	22.6	20.0
1H24	157.7	29.0	26.0
1H25	168.1	34.4	31.5

	Underlying Free Cash	Unencumbered Cash	DPS
	\$'m	\$'m	cents
1H22	25.8	109.6	10.0
1H23	29.2	115.6	10.0
1H24	35.8	107.8	12.0
1H25	40.5	131.4	14.0

	Net Asset	NTA per share
	\$'m	\$
1H22	203.5	1.96
1H23	207.8	1.98
1H24	195.7	1.78
1H25	227.1	2.10

	Stock Capacity	Number of Floors
1H22	5,113	122
1H23	5,225	130
1H24	5,360	131
1H25	5,471	135



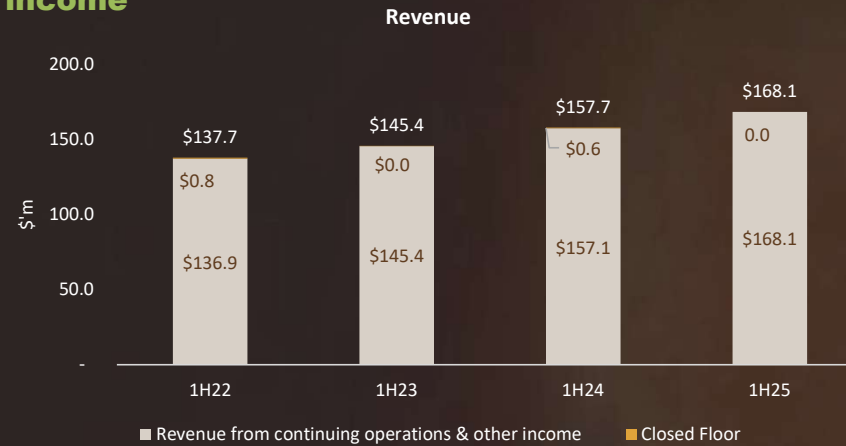
\* 1H24 Underlying results are restated to reflect the pre-mature/ post-closure floors in 1H25

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# STATS VS UNDERLYING TRACKER

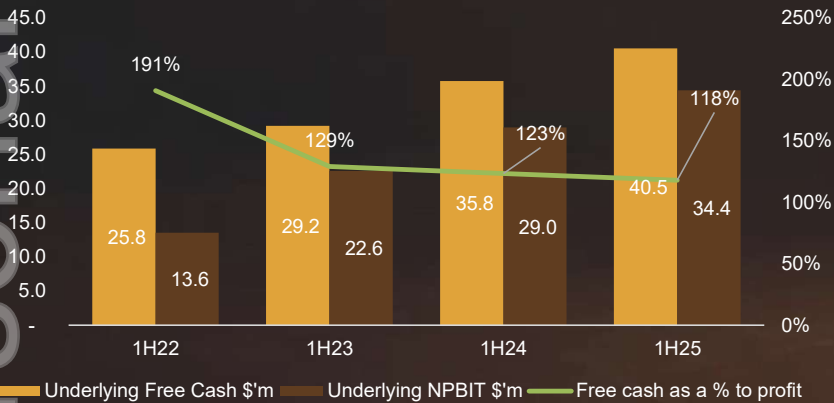
## Statutory Revenue vs. Revenue from continuing operations and other income\*

	Statutory Revenue	Revenue from continuing operations & other income
	\$'m	\$'m
1H22	137.7	136.9
1H23	145.4	145.4
1H24	157.7	157.1
1H25	168.1	168.1



## Underlying Cash Flow vs. Underlying NPBIT

### Underlying Results



	Underlying Free Cash	Underlying NPBIT
	\$'m	\$'m
1H22	25.8	13.6
1H23	29.2	22.6
1H24	35.8	29.0
1H25	40.5	34.4

\* 1H24 Underlying results are restated to reflect the pre-mature/ post-closure floors in 1H25

# GLOSSARY

<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