



SERVCORP

UNDERLYING OPERATING PROFIT UP 25%

STATUTORY OPERATING PROFIT UP 42%

22 February 2024

 **SERVCORP**

DISCLAIMER

Important Information

Servcorp Limited (ABN 97 089 222 506) (“Servcorp”) is the parent entity of the Servcorp Group and is responsible for all information contained in this presentation.

Not an offer nor investment advice

This presentation is not an offer or invitation for subscription or purchase of or a recommendation of securities. It does not take into account the investment objectives, financial situation and particular needs of the investor. Before making an investment in Servcorp, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary. It does not contain all the information necessary to fully evaluate any transaction or investment and, as such, no reliance should be placed on its contents. Any investment decision should be made based solely upon appropriate due diligence and, if applicable, upon receipt and careful review of relevant offering documents. Recipients of this presentation should neither treat nor rely on its contents as advice relating to legal, taxation or investment matters and are advised to consult their own professional advisers.

Capital returns not guaranteed

Investment is subject to significant risks of loss of income and capital. To the maximum extent permitted by law, none of Servcorp, its directors, employees or agents, accepts any liability for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it, including, without limitation, any liability arising from fault or negligence on the part of Servcorp or its directors, employees or agents. Information, including forecast financial information, in this presentation should not be considered as a recommendation in relation to holding purchasing or selling, securities or other instruments in Servcorp Group.

Forecasts and forward-looking statements

Due care and attention has been used in the preparation of forecast information and forward-looking statements made in this presentation. However, actual results may vary from forecasts and any variation may be materially positive or negative. Forecasts by their very nature, are subject to uncertainty and contingencies many of which are outside the control of Servcorp Group. Past performance is not a reliable indication of future performance.

Dividend Guidance

Servcorp’s dividend guidance and related statements in this presentation are subject to Servcorp’s forecast assumptions being met.

Policies

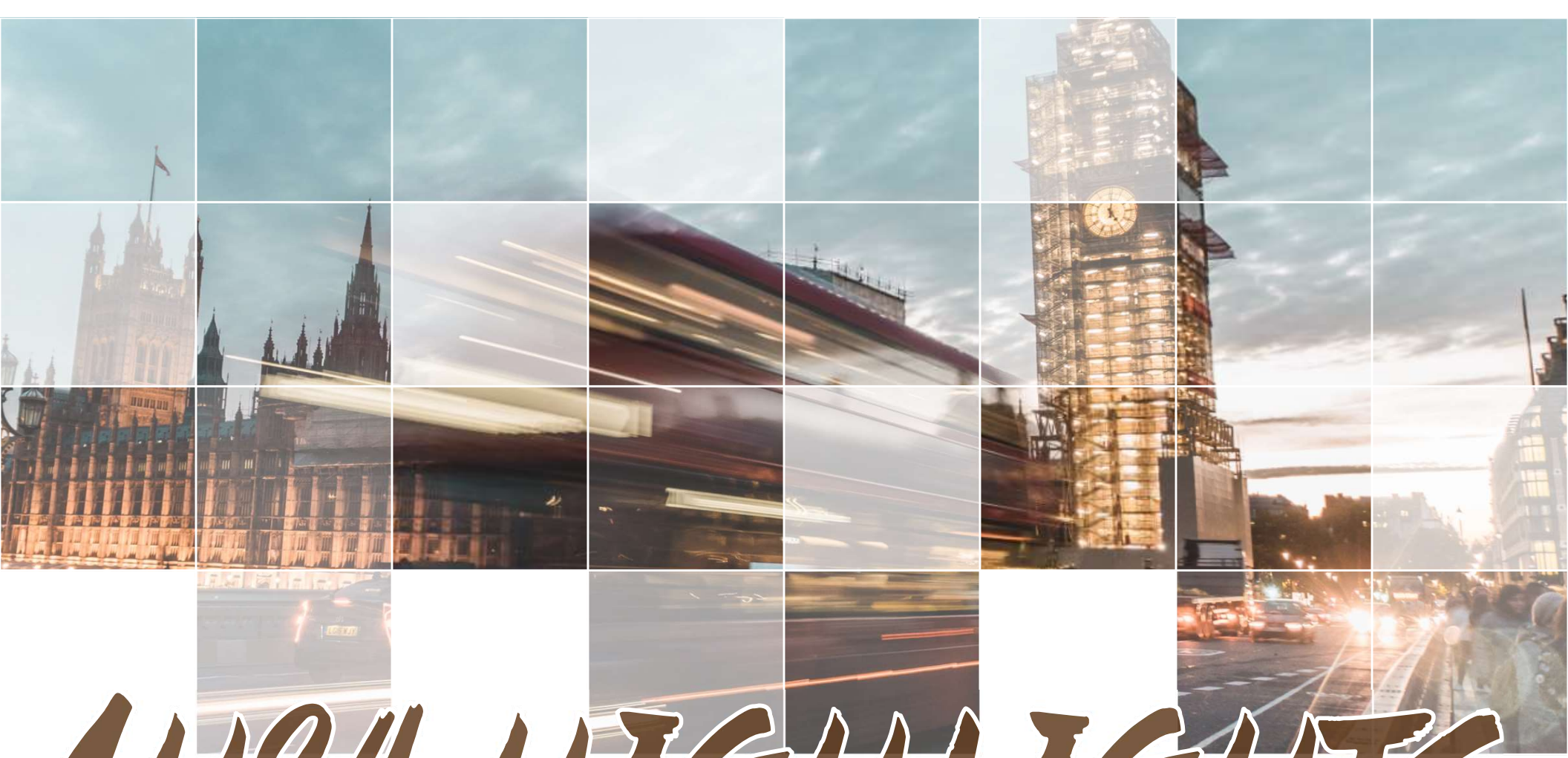
This presentation has been prepared using policies adopted by the directors of Servcorp and, unless stated otherwise, these policies have been consistently applied to all periods presented in this presentation. Parts of this presentation have therefore been prepared on a different basis to the Financial Report of Servcorp. Certain information contained within this presentation does not, and cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of Servcorp Group as in the Financial Report. This presentation should be read in conjunction with the Financial Report of Servcorp Group, which can be found on the Servcorp website at www.servcorp.com.au

© Servcorp Group

CONTENTS

- 1 1H24 HIGHLIGHTS
- 2 IT DEVELOPMENT
- 3 GLOBAL EXPANSION
- 4 FINANCIAL RESULTS
- 5 SEGMENT OVERVIEW
- 6 OUTLOOK
- 7 APPENDIX





1H24 HIGHLIGHTS

1H24 UNDERLYING RESULTS

\$143.6M

**UNDERLYING
OPERATING REVENUE**

+8% ON PCP

\$26.1M

**UNDERLYING
OPERATING PROFIT**

+25% ON PCP

\$28.3M

UNDERLYING NPBIT

+25% ON PCP

\$35.8M

UNDERLYING FREE CASH

+22% ON PCP

25.4 CPS

UNDERLYING EPS

+27% ON PCP

12.0 CPS

DPS

+20% ON PCP

1H24 STATUTORY RESULTS

\$157.7M

STATUTORY REVENUE

+8% ON PCP

\$24.8M

**STATUTORY
OPERATING PROFIT**

+42% ON PCP

\$22.5M

STATUTORY NPBT

+29% ON PCP

\$19.6M

STATUTORY NPAT

+32% ON PCP

\$32.7M

FREE CASH

+4% ON PCP

20.2 CPS

BASIC EPS

+31% ON PCP

IT DEVELOPMENT



 SERVCORP

CONTINUED INVESTMENT IN 2024

STAGE 1 MIGRATION TO THE NEW SMART OFFICE WAS COMPLETED IN 1H24 ENABLING A MORE AUTOMATED AND STREAMLINED NEW BILLING AND CLIENT MANAGEMENT APPLICATION WITH BETTER REVENUE ENHANCEMENT FEATURES

ESTABLISHMENT OF NEW DATA ARCHITECTURE FACILITATING DATA ANALYTICS TO INDUCE REVENUE OPTIMIZATION



CONTINUED INVESTMENT TO REFRESH SERVCORP IT ECOSYSTEM-ENABLING BETTER CUSTOMER EXPERIENCE AND IMPROVING BUSINESS PROCEDURAL EFFICIENCY

DEPLOYMENT OF THE NEW VISITOR MANAGEMENT APPLICATION AND A NEW RESOURCE MANAGEMENT PLATFORM FACILITATING REAL TIME RESOURCE BOOKING AND TRACKING CUSTOMER BEHAVIOUR TO ALLOW PERSONALISED SOLUTIONS TAILORED TO THE NEEDS TO EACH CLIENT

YEAR OF DRAGON-AN AUSPICIOUS YEAR



GLOBAL EXPANSION

GROWING GLOBAL PRESENCE



- During 1H24, 6 new operations* were open, including 3 in Australia & New Zealand, 2 in North Asia, and 1 in the Middle East.
- 1 location was closed in Australia & New Zealand in 1H24, replaced by deploying resources to more prestigious locations opened in the same year.
- 7 more new floors are scheduled to commence operations in 2H24, spanning Australia & New Zealand, Middle East and the USA.



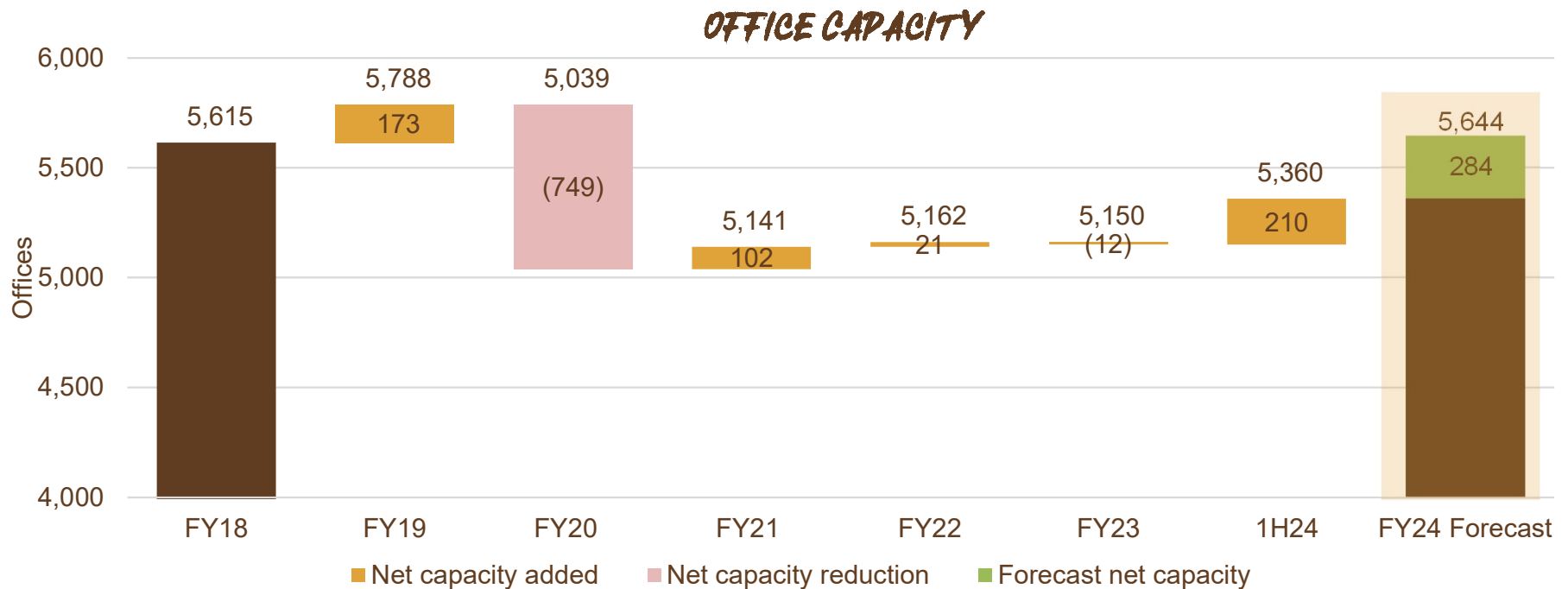
* Includes 2 acquired operations in Canberra

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*.

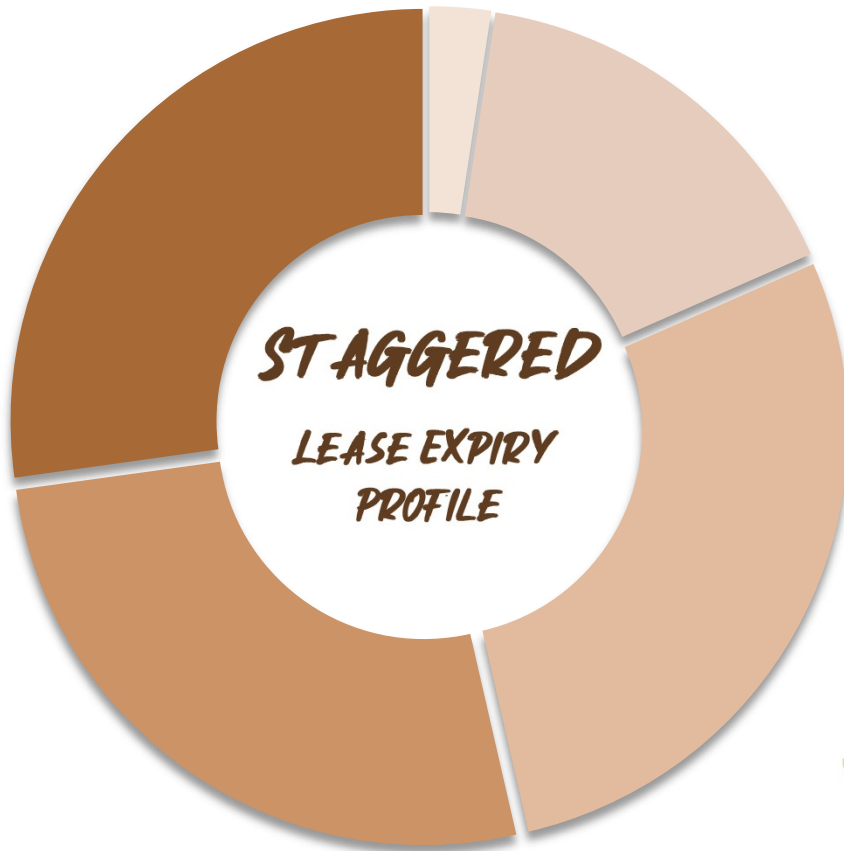
By 31 December 2023, Servcorp has spent \$44.9m and successfully opened 11 more operations**, with another 7 in the pipeline scheduled to commence trading in 2H24.

Net capacity is anticipated to increase to 5,644 by June 2024.



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

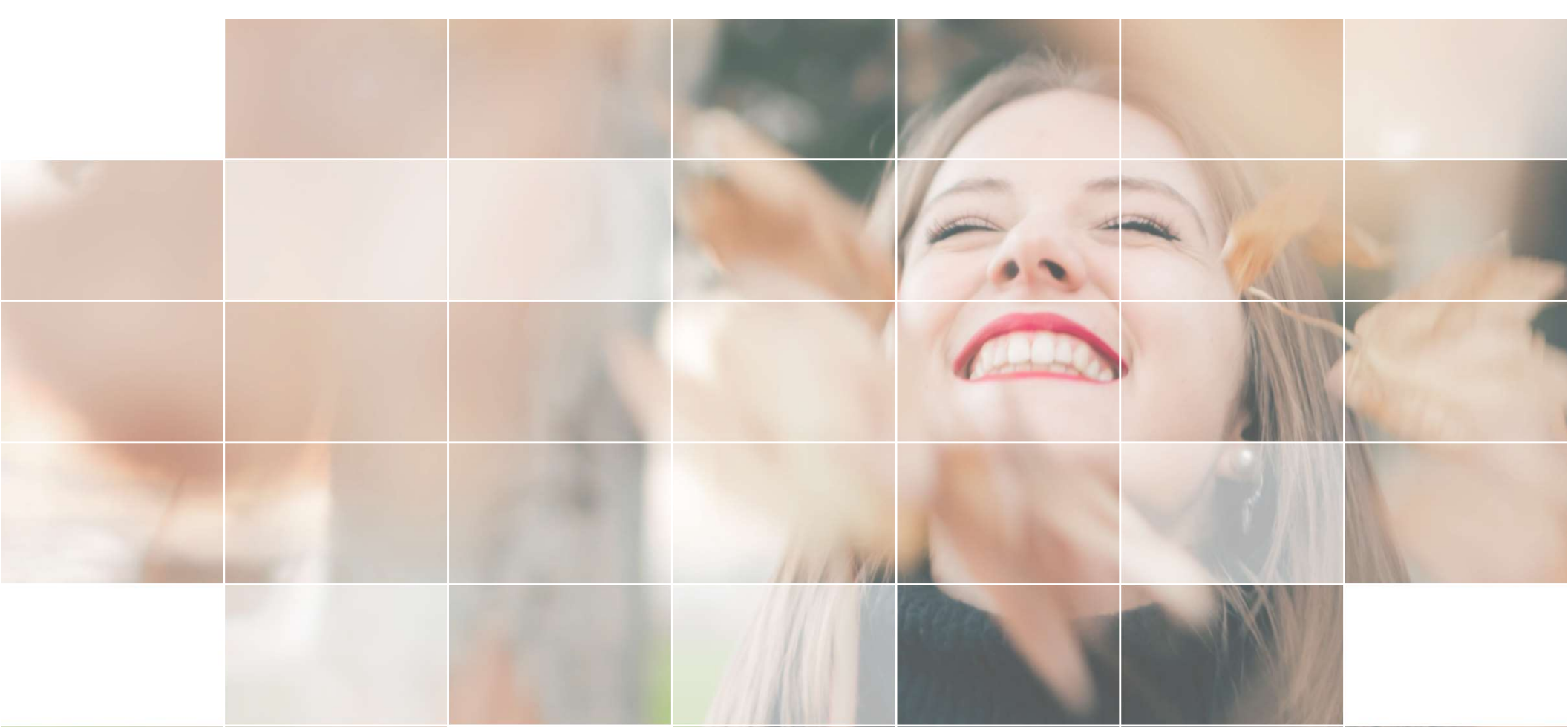
PORTFOLIO OVERVIEW



**OPERATIONS ACROSS
151,000 SQM GLOBALLY**

**FOOTPRINT SPANNING 20
COUNTRIES AND 40 CITIES**

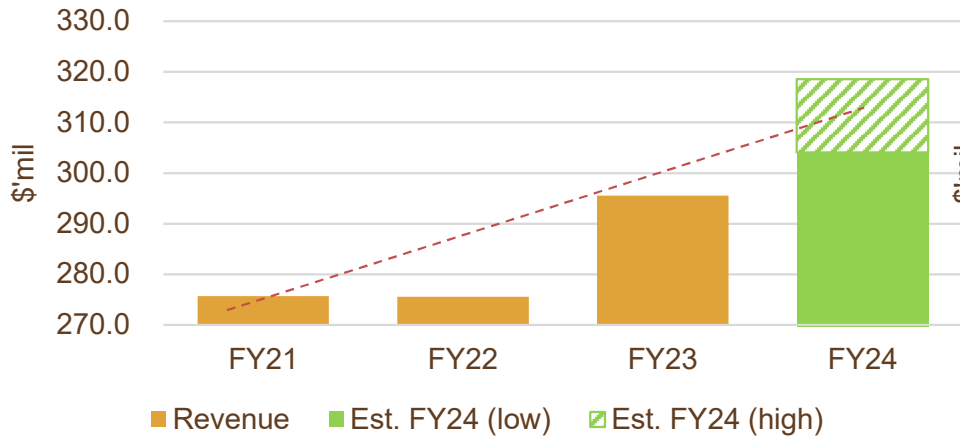
■ Less than 1 Year ■ 1 to 3 years ■ 3 to 5 years ■ 5 to 10 years ■ Over 10 years



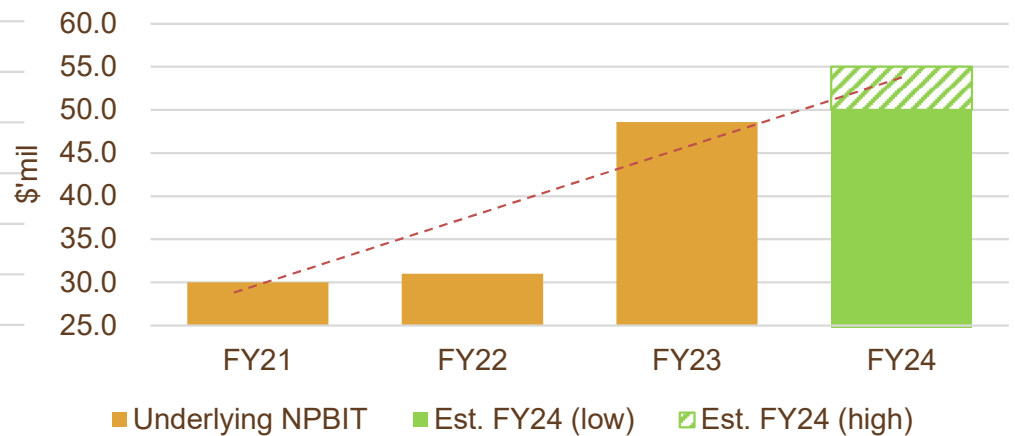
FINANCIAL RESULTS

FINANCIAL PERFORMANCE

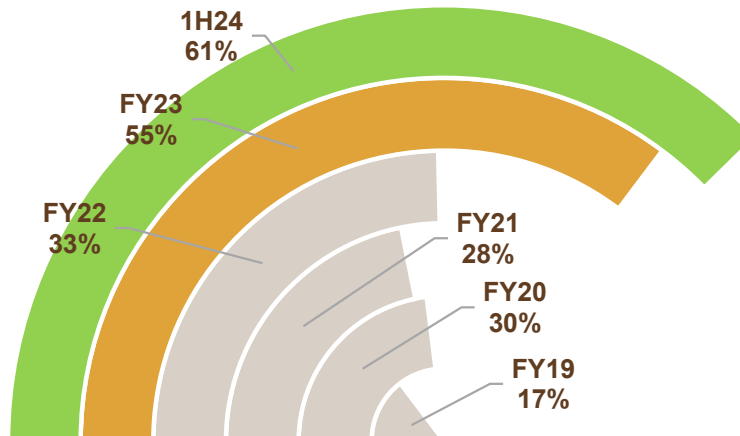
Revenue



Underlying NPBIT



RETURN ON FUNDS EMPLOYED ROFE



1H24 UNDERLYING
FREE CASH UP
\$6.6M ON PCP

FY24 COMMENCED
WITH A ROBUST START



REVENUE

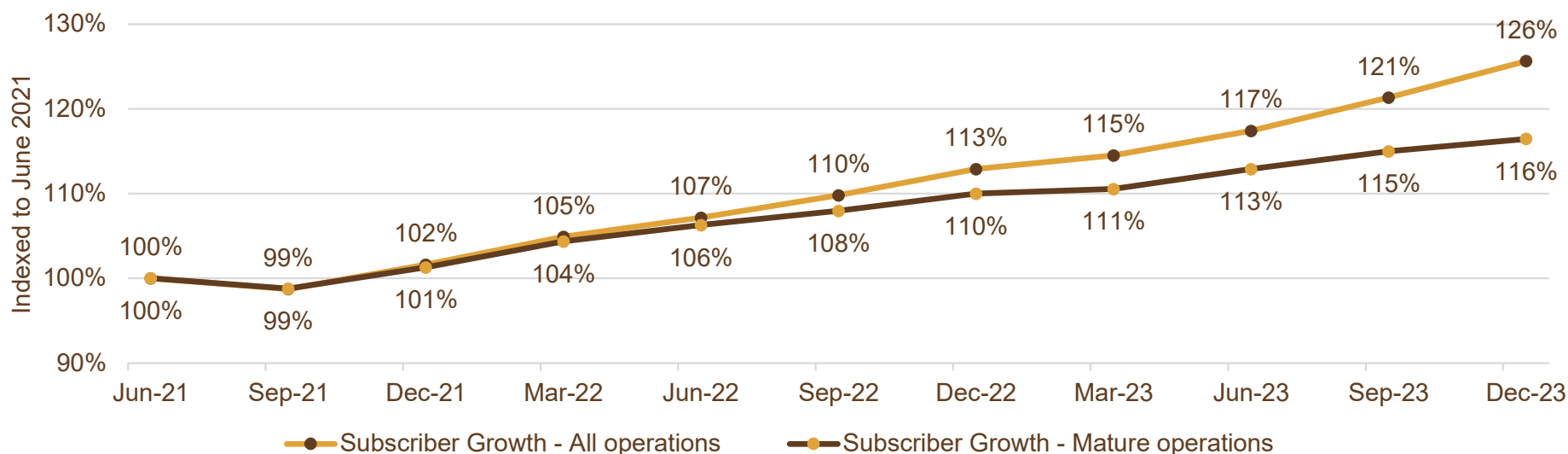
Underlying Operating Revenue* achieved a growth of 8% year-on-year

- Underpinned by continued improvement in effective pricing, 1H24 Underlying Operating Revenue increased by \$10.7m on pcp.
- Premium services at prestigious locations enabled materialisation of strong price growth across all products, especially in the last 6 months.
- The addition of new locations gathered substantial momentum, contributing strong revenue stream.

\$143.6M
UNDERLYING
OPERATING
REVENUE
+8%

\$157.7M
STATUTORY
REVENUE
+8%

Overall Subscriber Growth

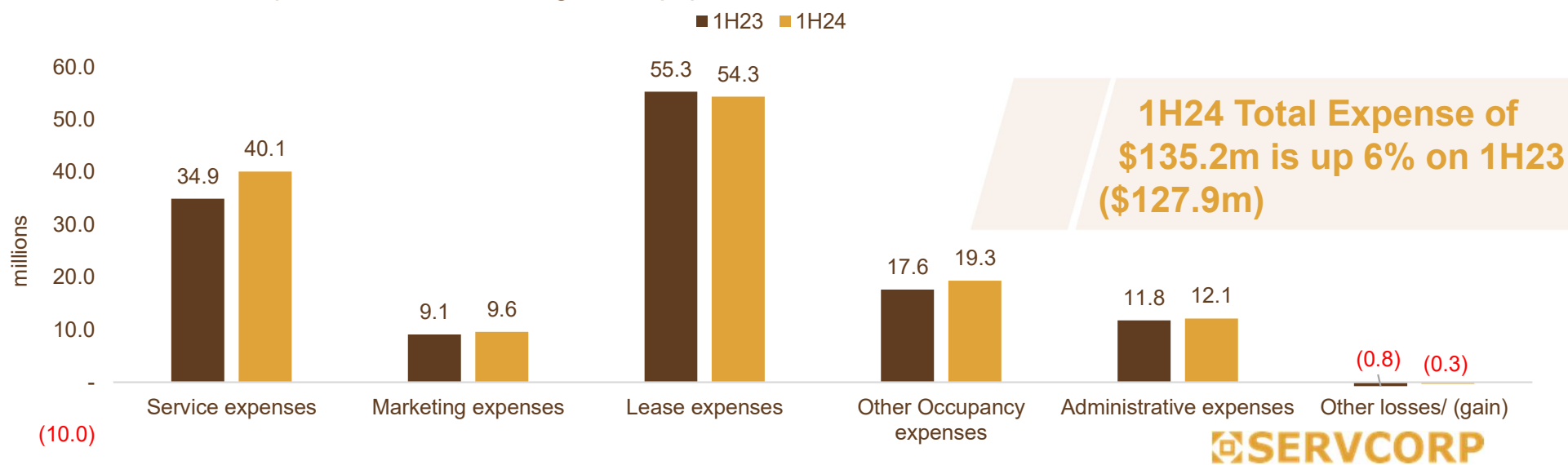


* Underlying Operating Revenue refers to revenue generated by Mature floors from operating activities

EXPENSES

Overall expenses rose 6% on 1H23, while revenue was up 8%

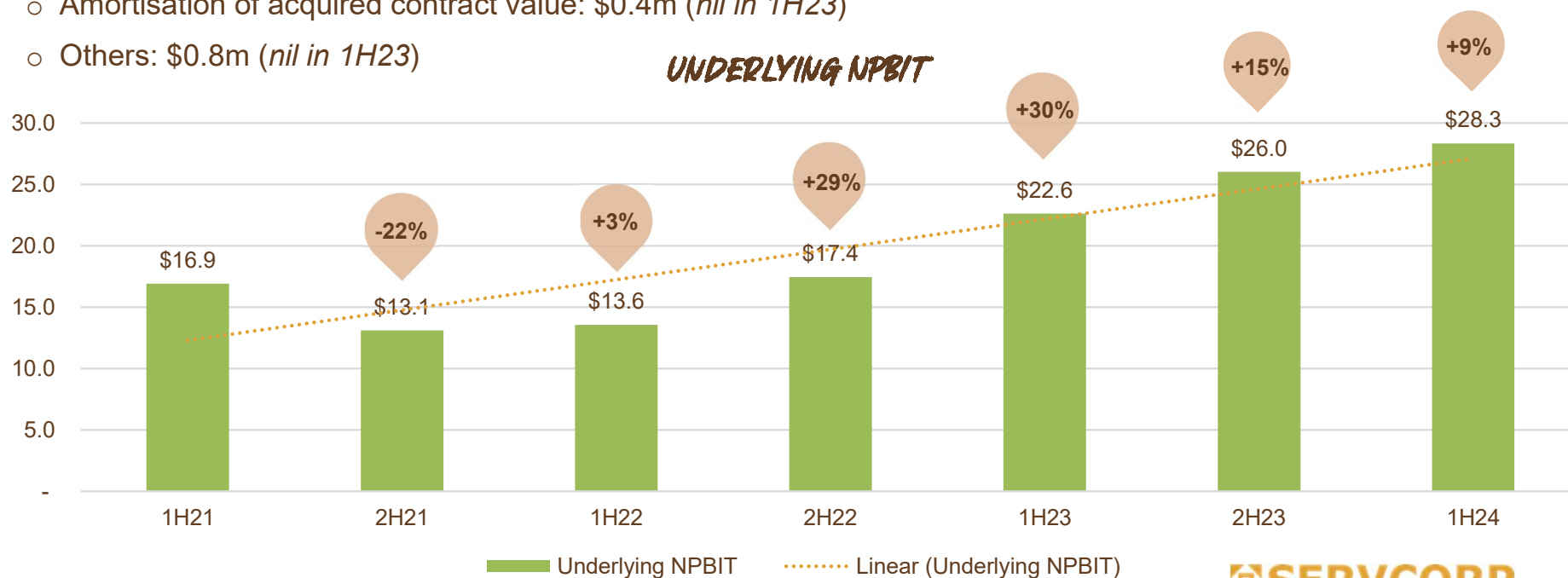
- Service expenses increased by \$5.2m or 15%, as a result of persistent inflationary pressure.
- Strategically, Servcorp continued its focus on marketing activities, invested an extra \$0.5m on spending year-on-year to promote brand awareness and seize market leadership. As a result of the continued investment in marketing promotion amongst other strategic initiatives, Underlying Operating Revenue achieved a growth of \$10.7m on pcp.
- Lease & Occupancy expenses remain the largest component of the cost profile. Costs year-on-year increased marginally by \$0.7m, mostly attributable to the rental expenses associated with the new locations opened which was partially offset by the natural decline in Lease expenses under IFRS16. More than half of the active lease portfolio has more than 5 years residual life at 31 December 2023.
- Administrative expenses were \$0.3m higher on pcp.



PROFITABILITY

Underlying Operating Profit up 25%*; Statutory Operating Profit up 42%*

- Underlying NPBIT \$28.3m, exceeding the mid-point of the 6-month pro-rated profit target, up \$5.7m or 25% on pcp**
- Statutory NPBT includes non-recurring costs totalling \$4.5m:
 - Impairment losses in North Asia and Europe of \$1.6m (\$1.8m in 1H23)
 - Closure & termination costs: \$0.2m (nil in 1H23)
 - Reorganisation costs: \$1.4m (nil in 1H23)
 - Amortisation of acquired contract value: \$0.4m (nil in 1H23)
 - Others: \$0.8m (nil in 1H23)



* 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

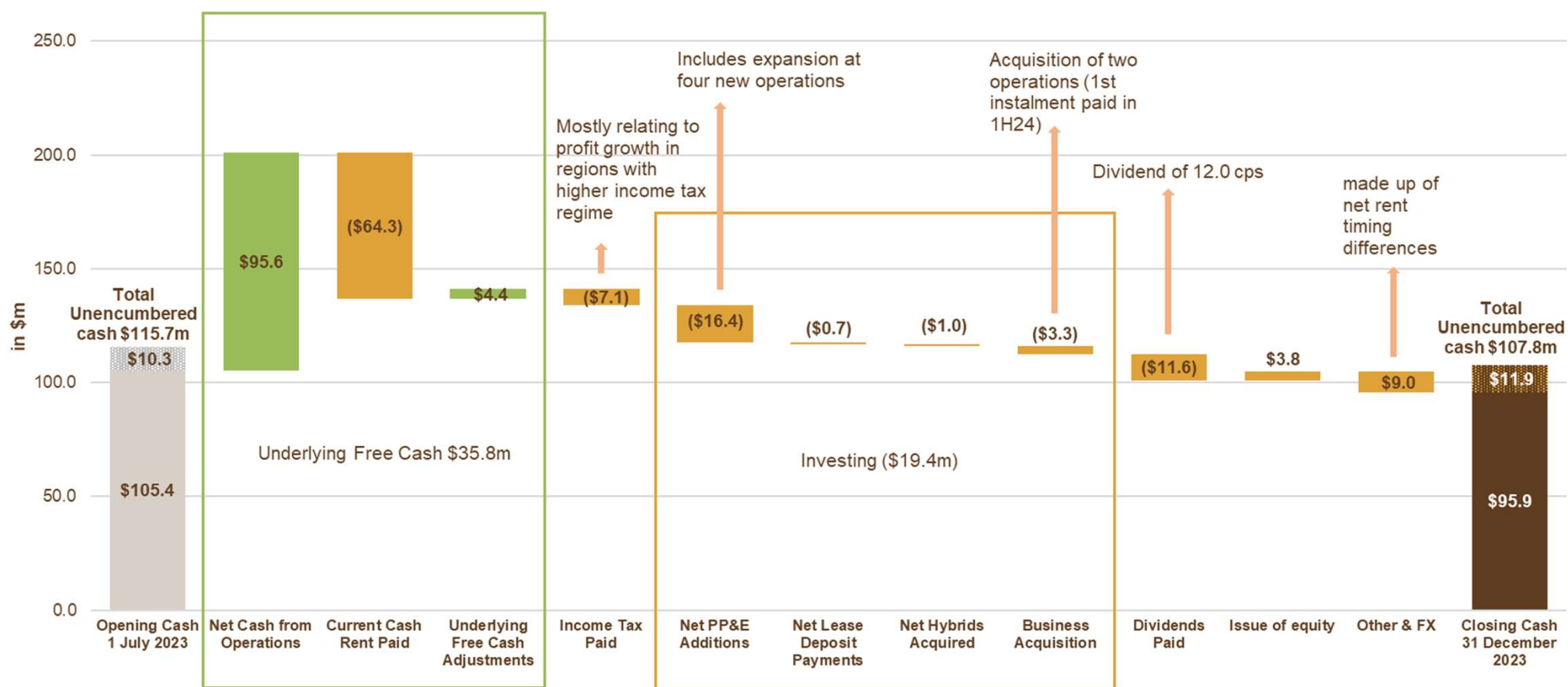
- Underlying free cash generated in 1H24 of \$35.8m, attributed to the strong operating performance driven by continued growth in revenue despite increase in expenditures
- Unencumbered cash balance decreased by \$7.9m from June 2023 due to elevated capital spending to expand operations in growth areas
- Net cash position remains robust as at 31 December 2023, with \$107.8m cash and cash equivalents

	1H24 \$'m	1H23 \$'m	Var \$'m	Var %
Net Operating Cash flow	81.6	78.0	3.6	5%
<i>Add:</i>				
Tax paid	7.1	3.8	3.3	86%
<i>Less:</i>				
Lease liability Cash Rent for related period paid in related period	57.4	48.8	8.5	17%
Cash Rent timing differences	(1.4)	1.5	(3.0)	nmf
Free Cash	32.7	31.4	1.3	4%
<i>Add:</i>				
Cash Rent previously withheld now paid	1.8	-	1.8	nmf
<i>Less:</i>				
Cash Rent relating to current period withheld	-	1.3	(1.3)	nmf
Other timing differences & write-off	(1.2)	0.9	(2.1)	nmf
Underlying Free Cash	35.8	29.2	6.6	22%

Underlying
Free Cash is
126% of
Underlying
NPBIT

 **SERVCORP**

CASH FLOW



Balance at 1H23

\$107.6m | \$87.0m | (\$54.0m) | (\$3.8m) | (\$3.8m) | (\$10.4m) | (\$0.7m) | - | (\$3.0m) | (\$9.7m) | - | (\$2.7m) | \$115.6m

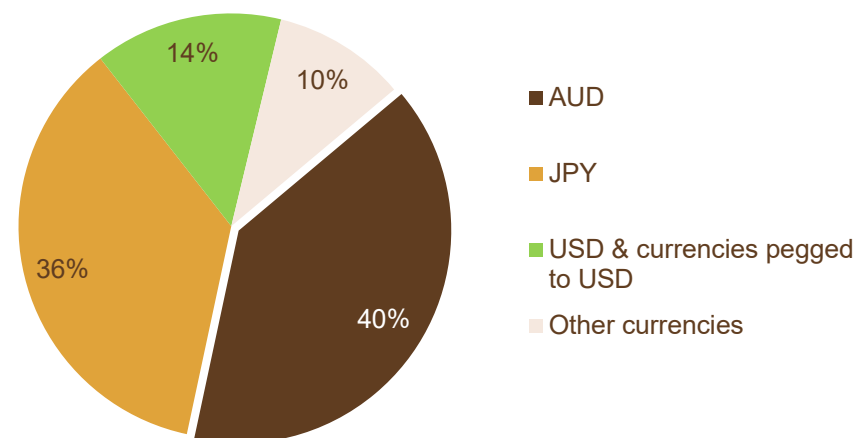
BALANCE SHEET

Balance Sheet	Dec-23 \$'m	Jun-23 \$'m
Cash	95.8	105.4
Trade Receivables	36.4	27.8
PP&E & ROUA	396.7	385.7
Software & Intangible	2.8	2.4
Goodwill	17.3	13.8
Deferred Tax Asset	43.9	42.3
Lease Deposit	38.0	37.8
Other Assets	27.3	25.9
Total Assets	658.3	641.0
Trade Payables	54.2	43.5
Provisions	13.0	14.6
Lease Liabilities	367.4	367.8
Other Liabilities	27.9	27.2
Total Liabilities	462.5	453.2
Net Assets	195.7	187.8
NTA per share (\$)	1.78	1.77
	Dec-23 \$'m	Jun-23 \$'m
Total Current Liabilities	196.6	189.8
Adjust for:		
Short-term lease liability under IFRS16	(103.1)	(106.0)
Adjusted Current Liabilities	93.4	83.8
Total Current Assets	159.5	159.0
Adjusted Current Liabilities	(93.4)	(83.8)
Net Surplus in Current Assets	66.1	75.2
Current Ratio	1.7	1.9

PP&E & ROUA	PP&E \$'m	ROUA \$'m	Total \$'m
Opening balance	80.4	305.3	385.7
Addition ¹	19.5	59.9	79.4
Disposal ²	(5.0)	-	(5.0)
Depreciation	(9.4)	(47.4)	(56.8)
Impairment	-	(1.6)	(1.6)
FX movement	(1.1)	(3.8)	(4.9)
Movement	3.9	7.1	11.0
Closing balance	84.3	312.4	396.7

¹ new leases signed, and capital investment carried out in ANZ & South East Asia, North Asia, Europe & Middle East

² floor closure in ANZ & South East Asia



Cash and cash equivalents

BALANCE SHEET COMPARISON

SERVCORP

ANOTHER OPERATOR

Consolidated Statement of Financial Position	31-Dec-23	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	\$'m	\$'m	\$'m	\$'m	\$'m
CURRENT ASSETS					
Cash and cash equivalents	96	105	103	286	145
Trade and other receivables	36	26	22	1,634	1,365
Other financial assets	20	18	18	94	2
Current tax receivable	8	9	6	34	35
TOTAL CURRENT ASSETS	160	158	150	2,048	1,548
NON-CURRENT ASSETS					
Other financial assets	38	42	43	350	177
Property, plant and equipment	84	83	90	2,178	2,087
Intangible assets	3	2	-	380	145
Right-of-use assets	312	307	272	8,905	9,773
Deferred tax assets (net of Deferred tax liability)	44	43	39	364	346
Goodwill	17	14	14	1,660	1,310
TOTAL NON-CURRENT ASSETS	499	491	457	13,838	13,837
TOTAL ASSETS	658	649	607	15,886	15,385
CURRENT LIABILITIES					
Trade and other payables (incl. customer deposits)	82	69	68	3,026	2,427
Bank and other loans				507	41
Lease liabilities	103	104	89	1,781	1,734
Provisions	11	10	8	55	15
TOTAL CURRENT LIABILITIES	197	183	165	5,369	4,217
NON-CURRENT LIABILITIES					
Lease liabilities	264	256	237	8,955	9,652
Provisions	2	1	1	80	37
Bank and other loans				1,045	843
Other non-current liabilities				20	69
TOTAL NON-CURRENT LIABILITIES	266	258	239	10,100	10,601
TOTAL LIABILITIES	463	441	404	15,468	14,818
NET ASSETS	196	208	203	418	567
Less Goodwill	(17)	(14)	(14)	(1,660)	(1,310)
Net Asset excl. Goodwill	178	194	190	(1,243)	(742)

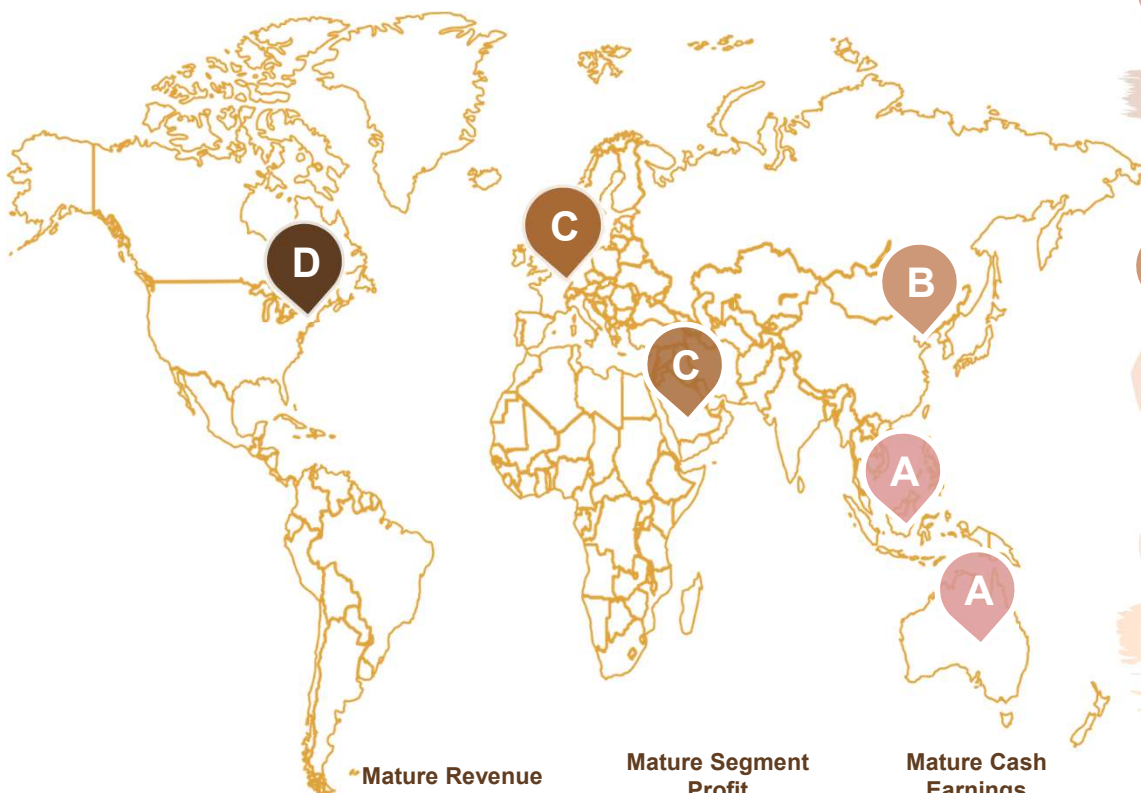
A HEALTHY BALANCE SHEET
PROTECTS INVESTMENT OF
SHAREHOLDERS



 SERVCORP

SEGMENT OVERVIEW

SEGMENT OVERVIEW



A ANZ & SOUTH EAST ASIA

- Segment profit from mature operations improved to \$8.4m
- Trading performance continues to improve
- Profit margin increased to 25%, up 3% on pcp

B NORTH ASIA

- While remained profitable, the overall performance was lower than expected as profit slipped \$3.0m year-on-year, largely attributed to decline in revenue
- \$1.5m impairment losses were recognised in 1H24

C EUROPE & MIDDLE EAST

- Profit margin grew to 22% in 1H24 from 18% in pcp, supported by strong market demand throughout the region
- Operating expense increased by 17% on pcp, as the segment accelerates strategic expansion

D USA

- Off a lower base, revenue growth was steady but below expectation
- Revenue increase was fully translated to profit, indicating potential strong profit uplift for further revenue increases

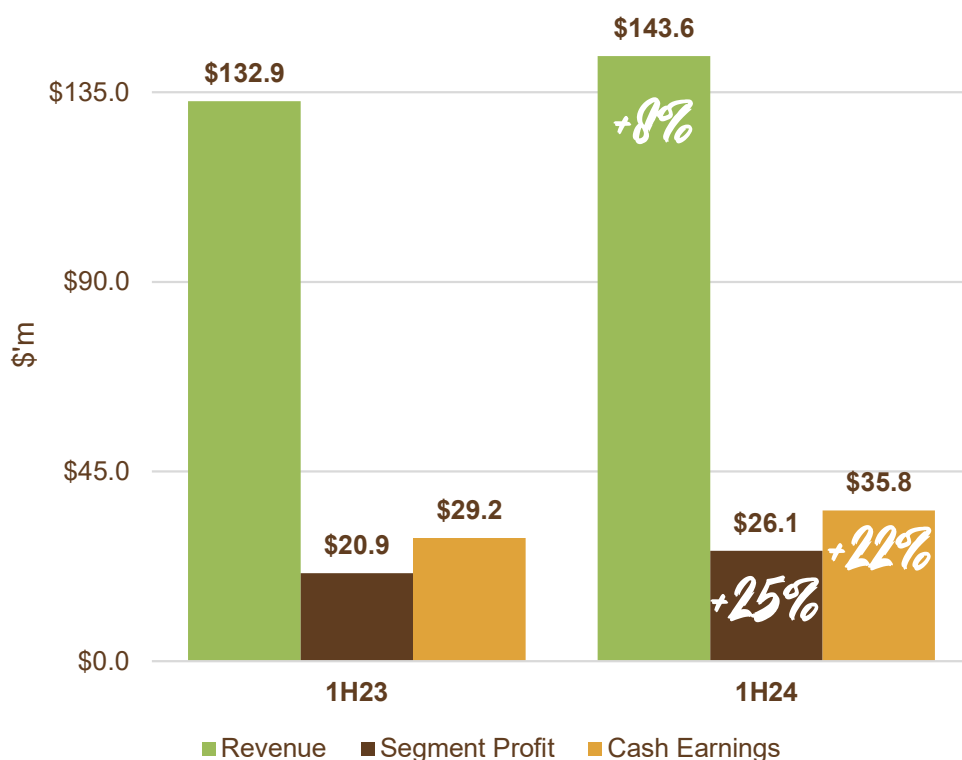
	Mature Revenue		Mature Segment Profit		Mature Cash Earnings	
	1H24 \$'m	1H23 \$'m	1H24 \$'m	1H23 \$'m	1H24 \$'m	1H23 \$'m
ANZ & SEA	33.4	29.3	8.4	6.3	10.6	8.8
North Asia	43.9	47.4	6.8	9.8	8.8	12.1
Europe & Middle East	55.7	45.2	12.0	7.9	14.9	11.3
USA	10.2	9.4	(0.3)	(1.2)	0.5	(0.2)
Total	143.1	131.3	26.8	22.9	34.8	32.0
Others	0.5	1.6	(0.7)	(2.0)	0.9	(2.8)
Grand Total	143.6	132.9	26.1	20.9	35.8	29.2



* Mature excludes any HK and any other closed floors in both 1H24 and 1H23. For further details, refer to slide 36

ALL MATURE OPERATIONS

Mature: Revenue, Segment Profit & Cash Earnings*



- Strong 1H24**

Mature operations globally achieved a respectable performance, evident in notable improvement across revenue, profit and cash earnings

As a result, FY24 profit guidance was upgraded to \$50.0m - \$55.0m Underlying NPBIT and no less than \$70.0m Underlying Free Cash at the Annual General Meeting in November 2023

- Improved Business Efficiency**

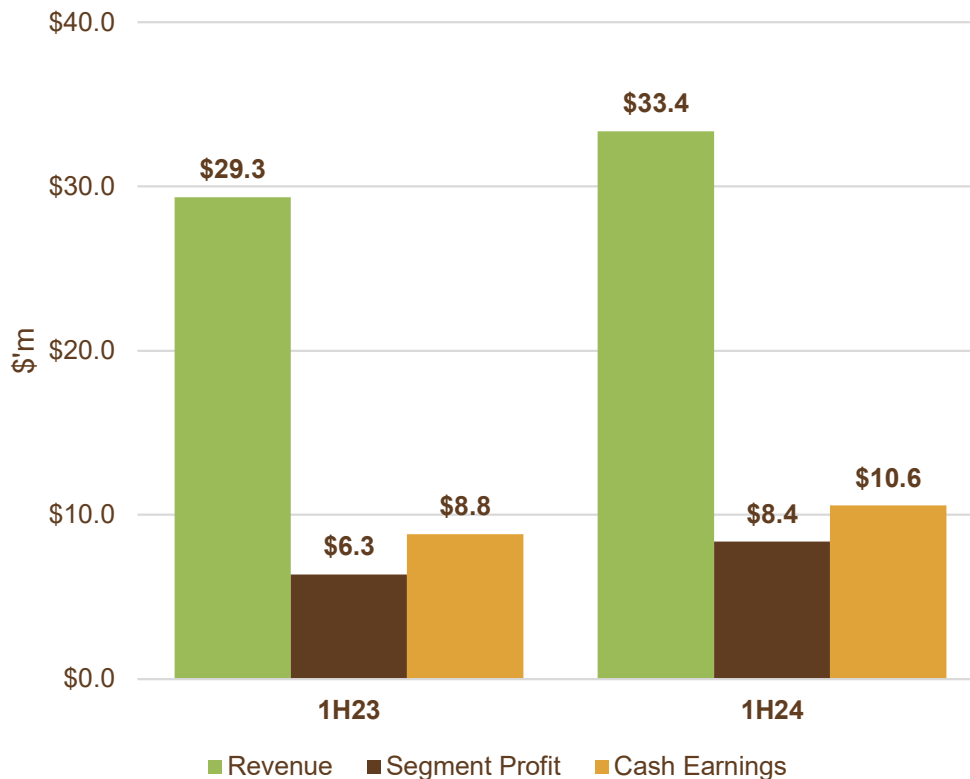
Driven by strong growth in revenue conversion, Mature Revenue increased 8% or \$10.7m on pcp, of which half was translated into profit line, indicating enhanced business efficiency and substantial profit upside.

1H24 Underlying NPBIT exceeded mid-point of the revised profit guidance (\$50.0m - \$55.0m)

* Mature revenue and Mature Segment profit is also known as Underlying Operating Revenue and Underlying Operating Profit. Segment cash earnings from operating activities (exclusive of non-operating activities and any timing difference in cash receipts/ payments). For further details, refer to slide 36

ANZ AND SOUTH EAST ASIA

Mature: Revenue, Segment Profit & Cash Earnings



- **Enhanced Performance**

Australia, New Zealand and South East Asia continues to improve and enhance its market position

- **Mature Revenue Improvement**

Mature revenue is up \$4.1m or 14% year-on-year

Enhanced management focus is invested on improving occupancy and service conversion

- **Profit Restoration**

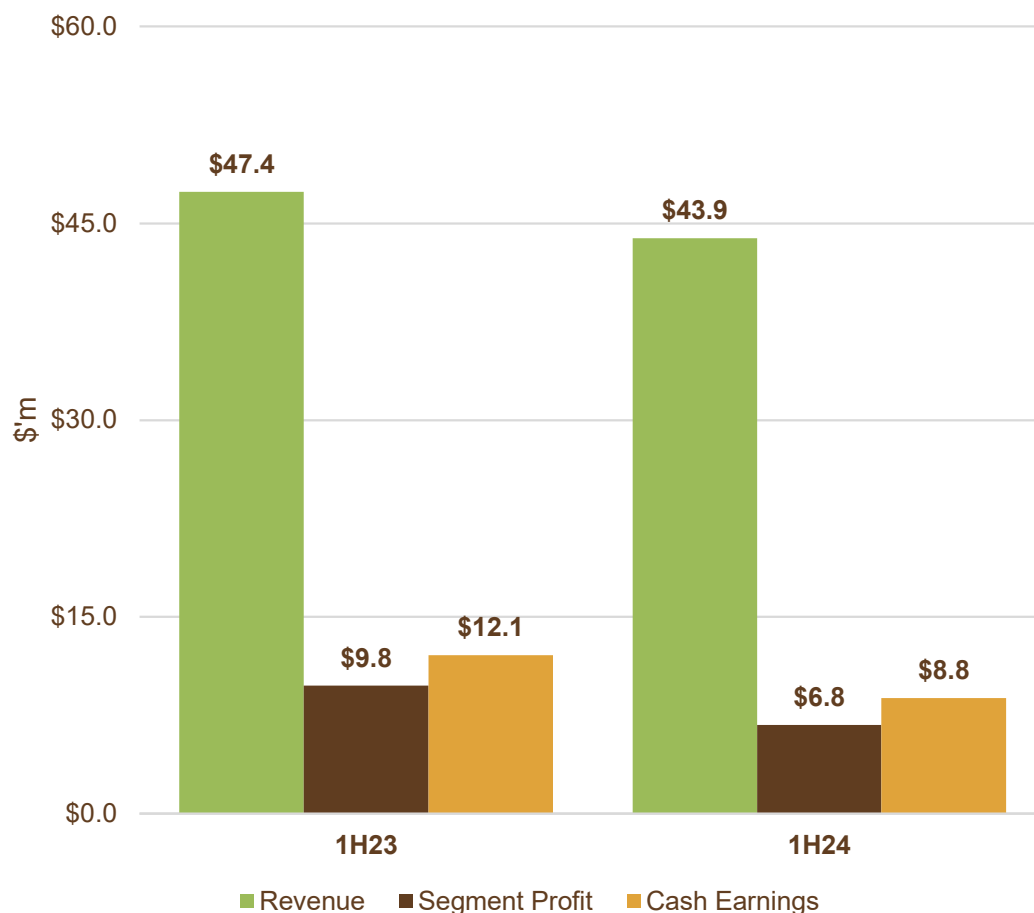
As revenue recovered, profit and cash earnings followed the same trend, up \$2.1m and \$1.8m respectively

- **Margin**

1H24 Margin was 25% (1H23: 22%)

NORTH ASIA

Mature: Revenue, Segment Profit & Cash Earnings



- **Weaker Performance**

North Asia as a whole continued to deliver a solid result. The decline in revenue was resulted from the extended underperformance in Greater China. A further \$1.5m impairment was recognised for China in 1H24.

Competition increased substantially off an already high level in the segment as a growing number of building owners launched shared space programs, particularly in Japan.

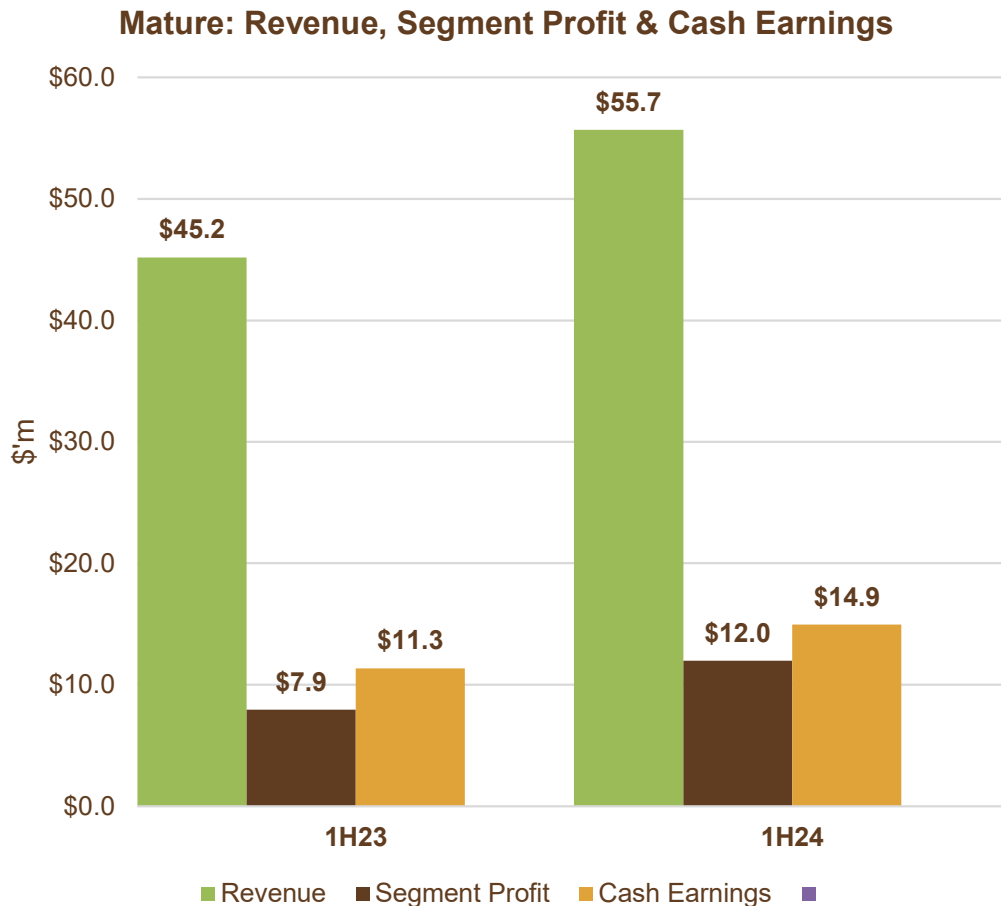
- **Decline in Mature Revenue and Profit**

The underperformance led to a decline in Mature Revenue by \$3.5m on pcp, while operating expenses held largely flat year-on-year. Decreases in Segment Profit and Cash Earnings are largely attributed to the drop in Mature Revenue.

- **Margin**

1H24 Margin was 15% (1H23: 21%)

EUROPE AND MIDDLE EAST



- **Robust Performance**

Europe & Middle East continued to perform well.

- **Mature Revenue Surge**

Mature revenue recorded a healthy growth of \$10.5m on pcp off the back of stronger demand.

At least 3 new operations will commence trading in 2H24 with further expansion opportunities to ensure market leadership.

- **Segment Profit & Cash Earnings**

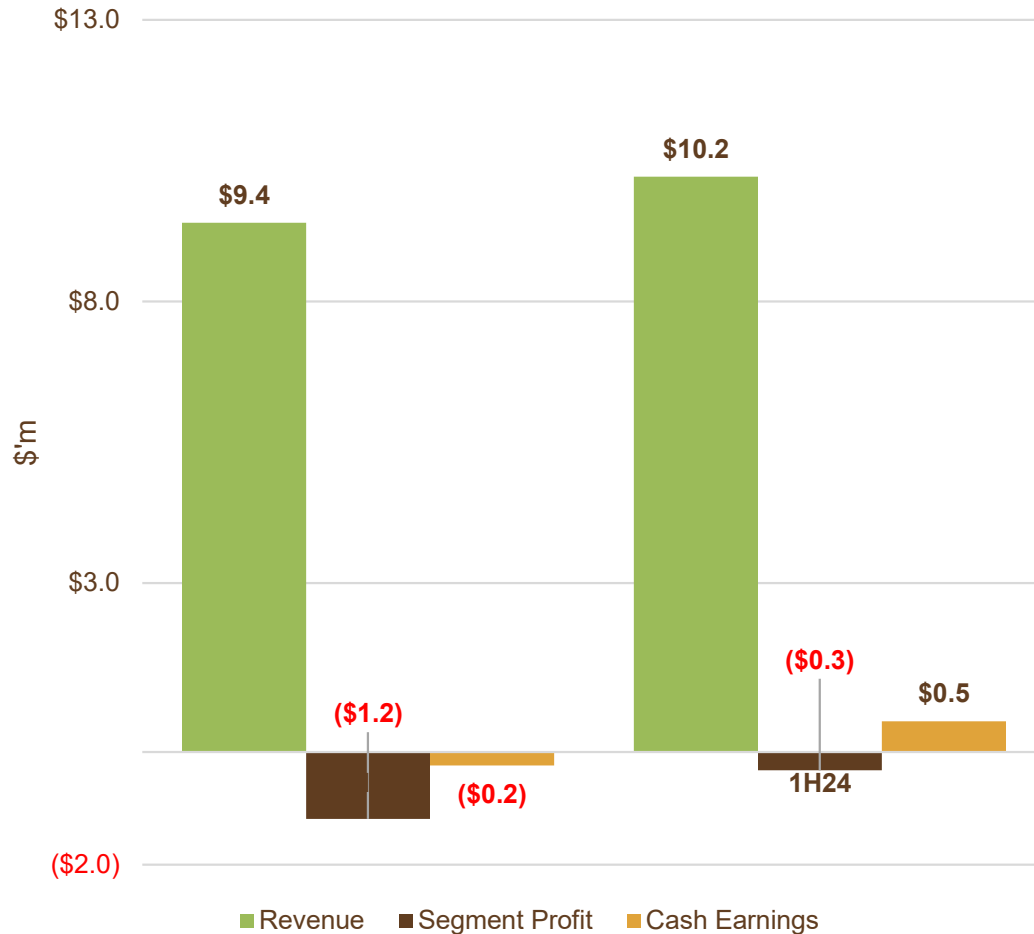
Segment Profit and Cash Earnings for the region was up \$4.1m and \$3.6m respectively on pcp.

- **Margin**

1H24 Margin was 22% (1H23: 18%)

USA

Mature: Revenue, Segment Profit & Cash Earnings



- **Improved Performance**

USA continued to show improvements in performance in 1H24, albeit at a slower-than-expected pace.

- **Segment Profit**

Following the restructure of the local management team, USA successfully swung its performance to become cash breakeven in 1H24.

All revenue growth was translated into profitability, indicating potential strong profit uplift for further revenue increases.

- **Margin**

1H24 Margin was -3% (1H23: -13%)



OUTLOOK

OUTLOOK & GUIDANCE

Outlook

FY24 commenced with strong momentum, marked by year-on-year improvements in key performance indicators across our business, despite facing significant competition. While acknowledging the persistent challenges and uncertainties in the global economic sphere, Servcorp approaches the future with tempered optimism, focusing on sustainable income generation through ongoing efforts to enhance revenue efficiency from service conversion.

With the flexibility afforded by a strong Balance Sheet and without geographic constraints, Servcorp has been actively pursuing strategic and organic expansion opportunities. This includes a focus on robust growth market exploration to further solidify our market leadership position. In 1H24, 6 new operations were successfully launched, with an additional 7 slated to commence trading in 2H24. Further expansion opportunities are in the pipeline under negotiation for opening in the next 12-18 months.

Guidance Reaffirmed

Underpinned by a demonstrated track record of strategy execution and the solid 1H24 results, we reaffirm the full year profit guidance for FY24.

- **Underlying NPBIT***: \$50.0m - \$55.0m (original guidance provided in August 2023 at \$46.0m - \$49.0m)
- **Underlying Free Cash***: more than \$70.0m (original guidance provided in August 2023 at no less than \$65.0m)



DIVIDENDS

7.4% EST
DIVIDEND YIELD

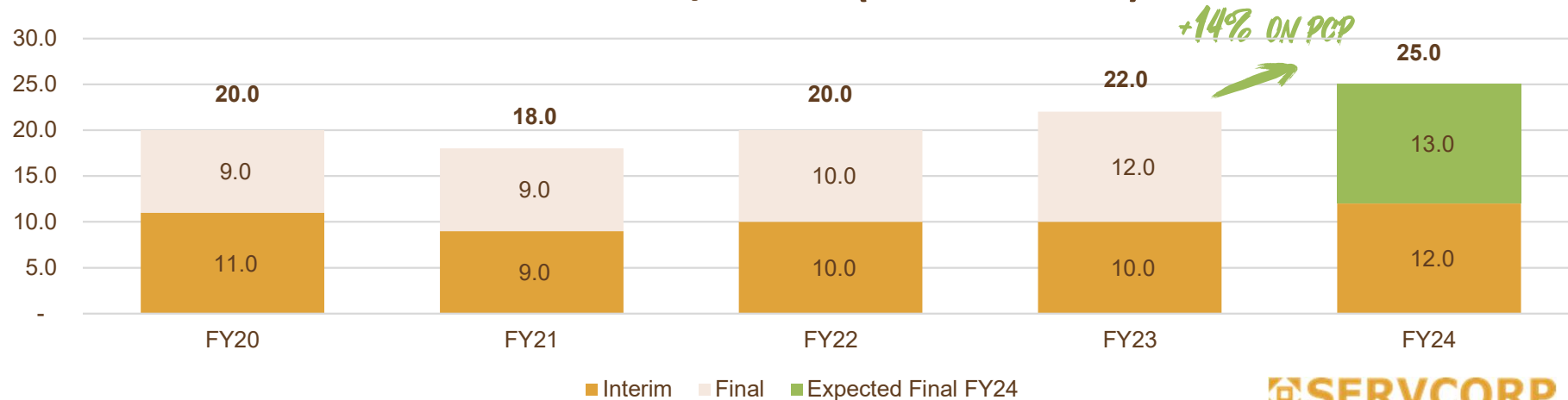


7% TSR*
SINCE FY20



384% TSR*
SINCE IPO

DIVIDENDS PAID/ESTIMATE (CENTS PER SHARE)



*TSR: Total Shareholder Return



APPENDICES

REVENUE

\$'m	1H24	1H23*	Var	%
Statutory Total Revenue	157.7	145.4	12.3	8%
Add				
Revenue from JV operation	0.9	0.7	0.2	24%
Less				
Royalty Income **	-	(0.1)	0.1	(100%)
Other revenue and income ***	(1.8)	(1.5)	(0.3)	21%
Operating Revenue	156.7	144.5	12.3	9%
Less				
Pre-maturity revenue	(13.1)	(3.1)	(10.1)	331%
Post-closure revenue	-	(8.5)	8.5	(100%)
Underlying Operating Revenue	143.6	132.9	10.7	8%
Revenue from pre-existing contracts	132.9			
Total Growth drives	(2.6)			
Total Price drives	11.6			
Forex impact	1.7			
Underlying Operating Revenue	143.6			



* 1H23 results were adjusted to reflect the latest status of operations in 1H24

** 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

	1H24	1H23	Var	Var
	\$'m	\$'m	\$'m	%
Statutory NPBT	22.5	17.4	5.1	29%
Add				
Operating loss from pre-mature or post-closure floors	1.4	3.4	(2.0)	(60%)
Impairment losses, closure costs and other non-recurring costs	4.5	1.8	2.7	148%
Underlying NPBIT	28.3	22.6	5.7	25%
Less				
Interest & franchise income	(1.6)	(1.4)	(0.2)	(13%)
Forex gain	(1.6)	(0.9)	(0.7)	(82%)
Other non-operating items	0.9	0.5	0.4	83%
Underlying Operating Profit	26.1	20.9	5.3	25%
Add				
Operating loss from pre-mature or post-closure floors	(1.4)	(3.4)	2.0	60%
Statutory Operating Profit	24.8	17.5	7.3	42%
Return on Net Funds Employed	1H24	1H23	Var	Var
	\$'m	\$'m	\$'m	%
Net Asset	195.7	207.8	(12.0)	(6%)
Unencumbered cash	(107.7)	(115.7)	8.0	7%
Net funds employed	88.1	92.1	(4.0)	(4%)
Underlying NPBIT	28.3	22.6	5.7	25%
Interest income	(1.6)	(1.3)	(0.3)	(24%)
Underlying NPBIT excluding interest income	26.8	21.3	5.4	25%
Annualised Underlying NPBIT excluding interest income	53.5	42.7	10.8	25%
Return on net funds employed	61%	46%	14%	31%

	1H23
	\$'m
1H23 Underlying NPBIT reported in 1H23	20.3
Floors closed in the last 12 months on 1H23**	2.0
Floors turned mature in the last 12 months on 1H23	0.4
Adjusted 1H23 Underlying NPBIT	22.6



PROFIT

	Statutory Profit			
	1H24	1H23	Var	Var
	\$'m	\$'m	\$'m	%
Revenue and other income	157.7	145.4	12.3	8%
Total expenses	(135.2)	(127.9)	(7.2)	(6%)
Net profit before tax	22.5	17.4	5.1	29%
Income tax expense	(2.9)	(2.5)	(0.3)	(13%)
Net profit after tax	19.6	14.9	4.7	32%

	Statutory Cash Flow			
	1H24	1H23	Var	Var
	\$'m	\$'m	\$'m	%
Net profit after tax	19.6	14.9	4.7	32%
Working capital movement	74.4	70.7	3.7	5%
Franchise & interest income	1.6	1.4	0.2	13%
Interest paid	(6.9)	(5.2)	(1.7)	(33%)
Tax paid	(7.1)	(3.8)	(3.3)	(86%)
Net operating cash inflows	81.6	78.0	3.6	5%

Net investing cash outflows	(21.4)	(14.1)	(7.3)	(52%)
Net financing outflows	(72.0)	(64.9)	(7.1)	(11%)
Foreign exchange movement	2.3	5.3	(3.0)	(57%)
Net cash movement	(9.5)	4.3	(13.8)	nmf

Opening cash 1 July	105.4	100.8	4.6	5%
Net cash movement	(9.5)	4.3	(13.8)	nmf
Closing cash 30 June	95.8	105.1	(9.2)	(9%)

	Underlying			
	1H24	1H23	Var	Var
	\$'m	\$'m	\$'m	%
Statutory Revenue and other income	157.7	145.4	12.3	8%
Revenue from JV	0.9	0.7	0.2	24%
Non-operating revenue	(1.8)	(1.5)	(0.3)	(21%)
Operating Revenue	156.7	144.6	12.2	8%
Revenue from operations pre-maturity	(13.1)	(3.1)	(10.1)	331%
Revenue from operations closed since 2H23	0.0	(8.5)	8.5	nmf
Underlying Operating Revenue	143.6	133.0	10.6	8%
Total expenses	(135.2)	(127.9)	(7.2)	(6%)
Operating Expenses from pre-mature/ post-closure sites	14.5	14.9	(0.4)	(3%)
Impairment, closure & termination costs	1.8	1.8	-	-
Restructure costs	1.4	-	1.4	nmf
Other expenses	2.1	0.8	1.3	164%
Net profit before tax	28.3	22.6	5.7	25%
Income tax expense	(3.6)	(3.3)	(0.3)	(10%)
Net profit after tax	24.7	19.4	5.4	28%

	Underlying Free Cash			
	1H24	1H23	Var	Var
	\$'m	\$'m	\$'m	%
Net operating cash inflows	81.6	78.0	3.6	5%
Add: tax paid	7.1	3.8	3.3	86%
Net Cash Rent adjustments	(54.2)	(51.7)	(2.5)	(5%)
Other timing differences	1.2	(0.9)	2.1	nmf
Underlying Free Cash	35.8	29.2	6.6	22%

SEGMENT

	Total Revenue from Continuing Operations	Revenue from new floors pre-maturity	Other adjustments	Mature Revenue
	1H24 in \$'m			
ANZ & SEA	39.6	(6.9)	0.6	33.4
North Asia	45.4	(1.5)	0.0	43.9
Europe & Middle East	59.6	(4.8)	0.9	55.7
USA	10.2	-	0.0	10.2
Total - operating segments	154.8	(13.1)	1.5	143.1
Other	0.5			0.5
Grand Total	155.3			143.6

	Segment Profit from Continuing Operations	Loss from new floors pre-maturity	Other adjustments	Mature Segment Profit
	1H24 in \$'m			
ANZ & SEA	6.8	0.7	0.8	8.4
North Asia	6.1	1.3	(0.6)	6.8
Europe & Middle East	12.5	(0.9)	0.3	12.0
USA	(0.1)	-	(0.2)	(0.3)
Total - operating segments	25.3	1.2	0.3	26.8
Other	(2.1)		1.5	(0.7)
Grand Total	23.2	1.2	1.7	26.1

	Mature Segment Profit	Depreciation	Other Non-cash adjustments	Mature Cash Earnings
	1H24 in \$'m			
ANZ & SEA	8.4	2.2		10.6
North Asia	6.8	2.0		8.8
Europe & Middle East	12.0	3.0		14.9
USA	(0.3)	0.9		0.5
Total - operating segments	26.8	8.1	-	34.8

	Total Revenue from Continuing Operations	Adj. from status changes since 1H23*	Adj. Total Revenue from Continuing Operations	Revenue from new floors pre-maturity	Other adjustments	Mature Revenue
	1H23 in \$'m					
	34.4	(3.3)	31.1	(1.7)	(0.0)	29.3
	53.0	(5.2)	47.8	(0.4)	0.0	47.4
	45.4	0.7	46.1	(1.0)	-	45.2
	9.4	(0.0)	9.4	-	-	9.4
Total	142.2	(7.8)	134.4	(3.1)	0.0	131.3
	1.6	(0.0)	1.6			1.6
Grand Total	143.8	(7.8)	136.0			132.9

	Segment Profit from Continuing Operations	Adj. from status changes since 1H23*	Adj. Segment Profit from Continuing Operations	Loss from new floors pre-maturity	Other adjustments	Mature Segment Profit
	1H23 in \$'m					
	5.6	(0.0)	5.6	0.8	-	6.3
	7.1	2.3	9.4	0.4	-	9.8
	7.4	0.4	7.8	0.2	-	7.9
	(0.7)	(0.4)	(1.2)	-	-	(1.2)
Total	19.3	2.2	21.5	1.3	-	22.9
	(0.4)	(1.6)	(2.0)			(2.0)
Grand Total	18.9	0.6	19.5	1.3	-	20.9

	Mature Segment Profit	Depreciation	Other Non-cash adjustments	Mature Cash Earnings
	1H23 in \$'m			
	6.3	2.5	-	8.8
	9.8	2.3		12.1
	7.9	3.4		11.3
	(1.2)	0.9		(0.2)
Total	22.9	9.1	-	32.0

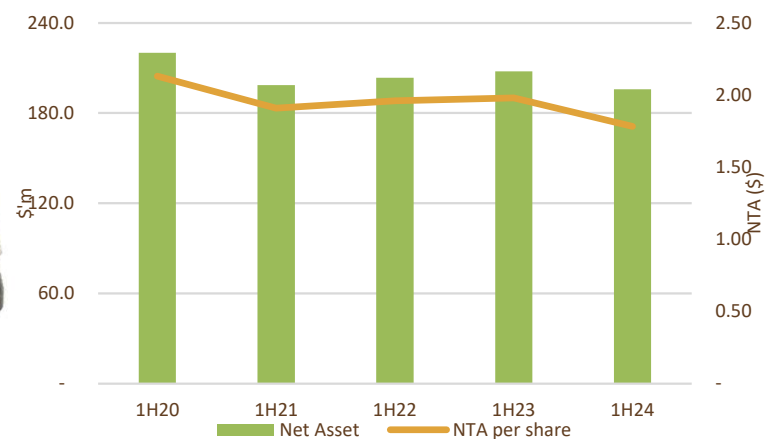
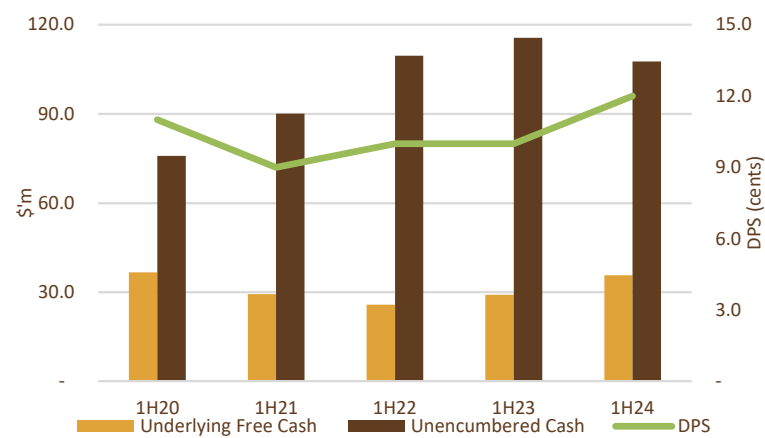
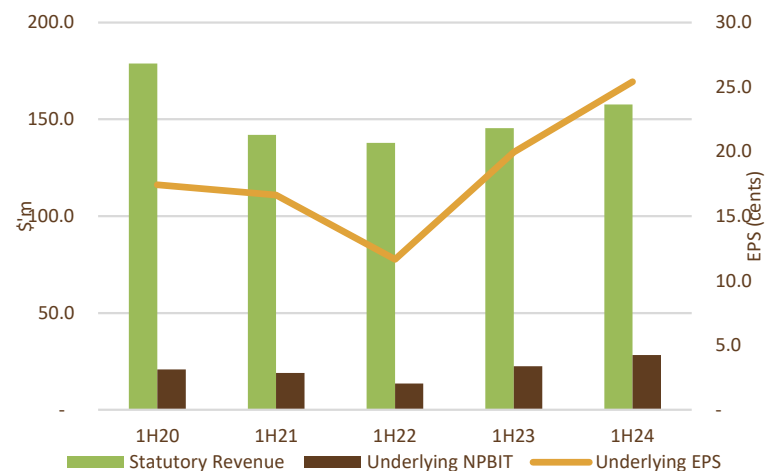
KPI TRACKER

	Statutory Revenue \$'m	Underlying NPBIT \$'m	Underlying EPS cents
1H20	178.8	21.0	17.4
1H21	142.0	19.0	16.6
1H22	137.7	13.6	11.6
1H23	145.4	22.6	20.0
1H24	157.7	28.3	25.4

	Underlying Free Cash \$'m	Unencumbered Cash \$'m	DPS cents
1H20	36.7	75.9	11.0
1H21	29.4	90.1	9.0
1H22	25.8	109.6	10.0
1H23	29.2	115.6	10.0
1H24	35.8	107.7	12.0

	Net Asset \$'m	NTA per share \$
1H20	220.1	2.13
1H21	198.6	1.91
1H22	203.5	1.96
1H23	207.8	1.98
1H24	195.7	1.78

	Stock Capacity	Number of Floors
1H20	5,655	145
1H21	5,003	125
1H22	5,113	122
1H23	5,225	130
1H24	5,360	131

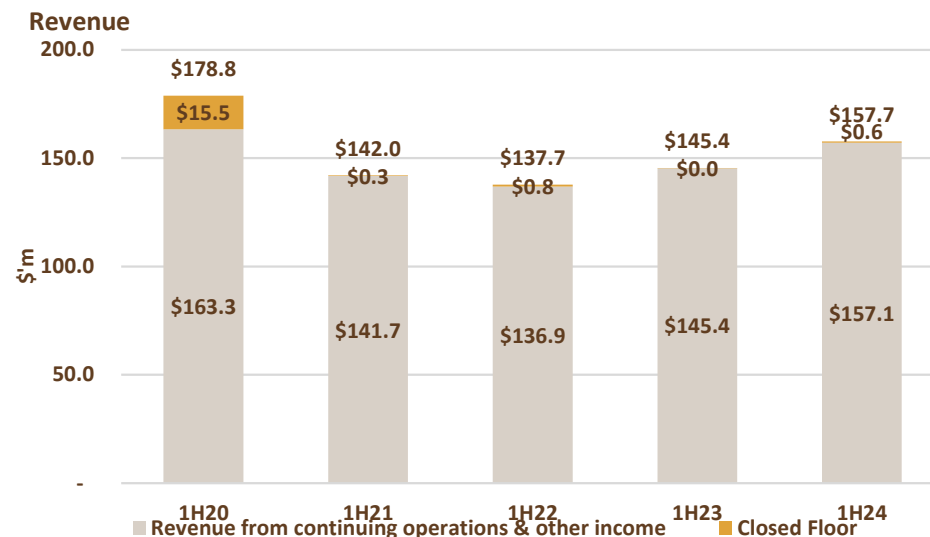


* Underlying results for 1H22 are adjusted to exclude the \$4.8m one-off income and \$2.8m gain from cloud computing adjustment, for true comparability

STATS VS UNDERLYING TRACKER

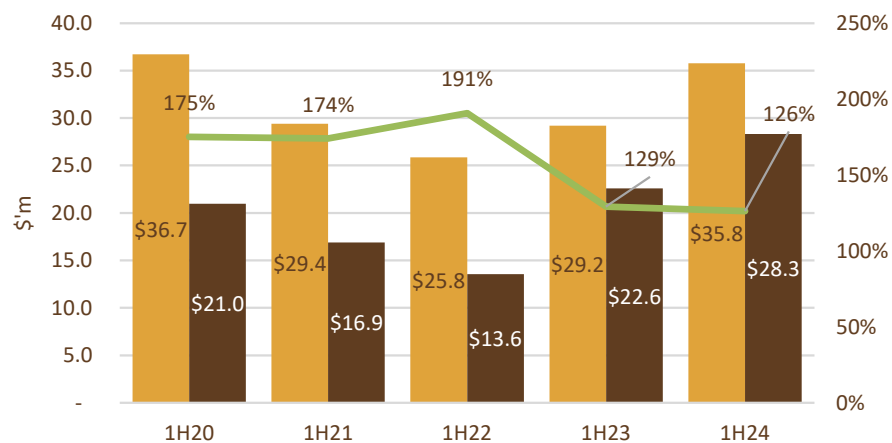
Statutory Revenue vs. Revenue from continuing operations and other income*

	Statutory Revenue	Revenue from continuing operations & other income
	\$'m	\$'m
1H20	178.8	163.3
1H21	142.0	141.7
1H22	137.7	136.9
1H23	145.4	145.4
1H24	157.7	157.1



Underlying Cash Flow vs. Underlying NPBIT

Underlying Results



	Statutory NPBT	Underlying NPBIT
	\$'m	\$'m
1H20	18.9	21.0
1H21	18.0	16.9
1H22	16.0	13.6
1H23	17.4	22.6
1H24	22.5	28.3

■ Underlying Free Cash \$'m
 ■ Underlying NPBIT \$'m
 — Free cash as a % to profit

GLOSSARY

ANZ	Australia and New Zealand
Cash Earnings	Is EBITDA minus Cash Rent paid
Cash Rent	Cash Rent is the amount paid to a landlord (or lessor) by Servcorp as a lessee under the terms of a signed lease agreement
cps	Cents per share
DPS	Dividend per share
EME	Europe & the Middle East
EPS	Earnings per share
Free Cash	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
FY/ HY	Financial Year/ Half Year
Immature	Immature means floors that are not mature, excluding closed floors
Mature	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
SEA	South East Asia
Segment Profit	Calculated in accordance with Australian Accounting Standards as reported in the Servcorp Consolidated Financial Report
Statutory NPAT	Calculated in accordance with Australian Accounting Standards as reported in the Servcorp Consolidated Financial Report
Statutory NPBT	Calculated in accordance with Australian Accounting Standards as reported in the Servcorp Consolidated Financial Report
Subscriber	User who subscribes to serviced office(s) or coworking package(s)
Underlying Free Cash	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
Underlying NPAT	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
Underlying NPBIT	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
Statutory Operating Profit	Is the total profit generated from operating activities. Is also known as Total Operating Profit
Underlying Operating Profit	Is the profit generated from operating activities from Mature floors
NTA	Net tangible asset per share
\$'m	Million in Australian dollars