

# ASX/Media Release

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## Annual General Meeting – CEO’s Address

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I welcome investors to the BlackWall Limited 2016 Annual General Meeting. The past 18 months have been very active and productive for our businesses.

In particular we are pleased with the growth and progress of our operating subsidiary, WOTSO WorkSpace. The collaborative workspace and flexible office provider is beginning to have a positive impact on all aspects of our activities.

As you will see in the presentation slides following this address, we have begun tracking WOTSO’s “moving annual turnover” or MAT. This measure is commonly used in retail businesses and tracks gross revenue for the twelve months preceding a particular month. WOTSO’s MAT has more than doubled since June 2015 and annualised revenue is now \$5.5 million. That slide also shows WOTSO’s potential once the sites we now have under development or in build-up phase reach occupancy expectation. Leaving aside new locations, WOTSO has the capacity to house over 1,500 members and generate around \$11 million in annual turnover.

In addition to its contribution to our bottom line, WOTSO adds significantly to BlackWall Property Funds traditional property operations. In short we are a property developer and fund manager that brings its own “ready made” tenant.

Our recent acquisition of WOTSO Brisbane and WOTSO Adelaide are examples of this; both properties were purchased with vacant possession and required little capex. We are achieving pleasing take-up of office space and collaborative workspace and are close to finalising coffee shop leases for each site. Once we are through the start-up phase our aim is to syndicate the assets generating development upside.

WOTSO is also playing a significant role from a funds management perspective. BlackWall’s control of 55 Pyrmont Bridge Road grew from asset management through to a joint venture and, as recently announced, we are undertaking a wholesale capital raising to take full control of the property. WOTSO occupies almost 20% of the once vacant space at the project and has played a key role in the success of our turnaround strategy.

BlackWall Property Trust (ASX: BWR), the listed REIT is also a key part of BlackWall’s growth. BWR is a total return property trust holding a mix of stable commercial, retail and industrial assets in its Income Portfolio alongside three more active holdings in the Growth Portfolio. Last week the Trust launched a Rights Issue and Private Placement to raise approximately \$12 million.

The capital raising is in response to a number of opportunities that have presented themselves to the Trust recently. Just over \$9 million of the raising will be invested on completion. In the past 12 months the Trust has paid 100% tax-deferred distributions equating to an 8.3% yield on the issue price under the offer.

In closing, I would like to thank BlackWall’s shareholders, the investors in our funds, our tenants and WOTSO members for their support and continued patronage. I also thank our staff and board members for their considerable efforts.

Although it is early and we have much to do before the end of the year we wish all a happy and safe holiday season.



# BLACKWALL



WOTSO  
WorkSpace.



BLACKWALL  
PROPERTY FUNDS

*Operating Businesses*



**Assets**  
**\$27m**

Collaborative Workspace

Real Estate Funds  
Management

Cash \$3m

Serviced Offices

Property Services

Properties \$7.5m

Meeting and  
Project Space

Current Transactions  
\$12m BWR Rights  
Issue and Placement  
\$15m Pymont Bridge  
Road Buyout

BWR Holding 16%

# WOTSO WORKSPACE

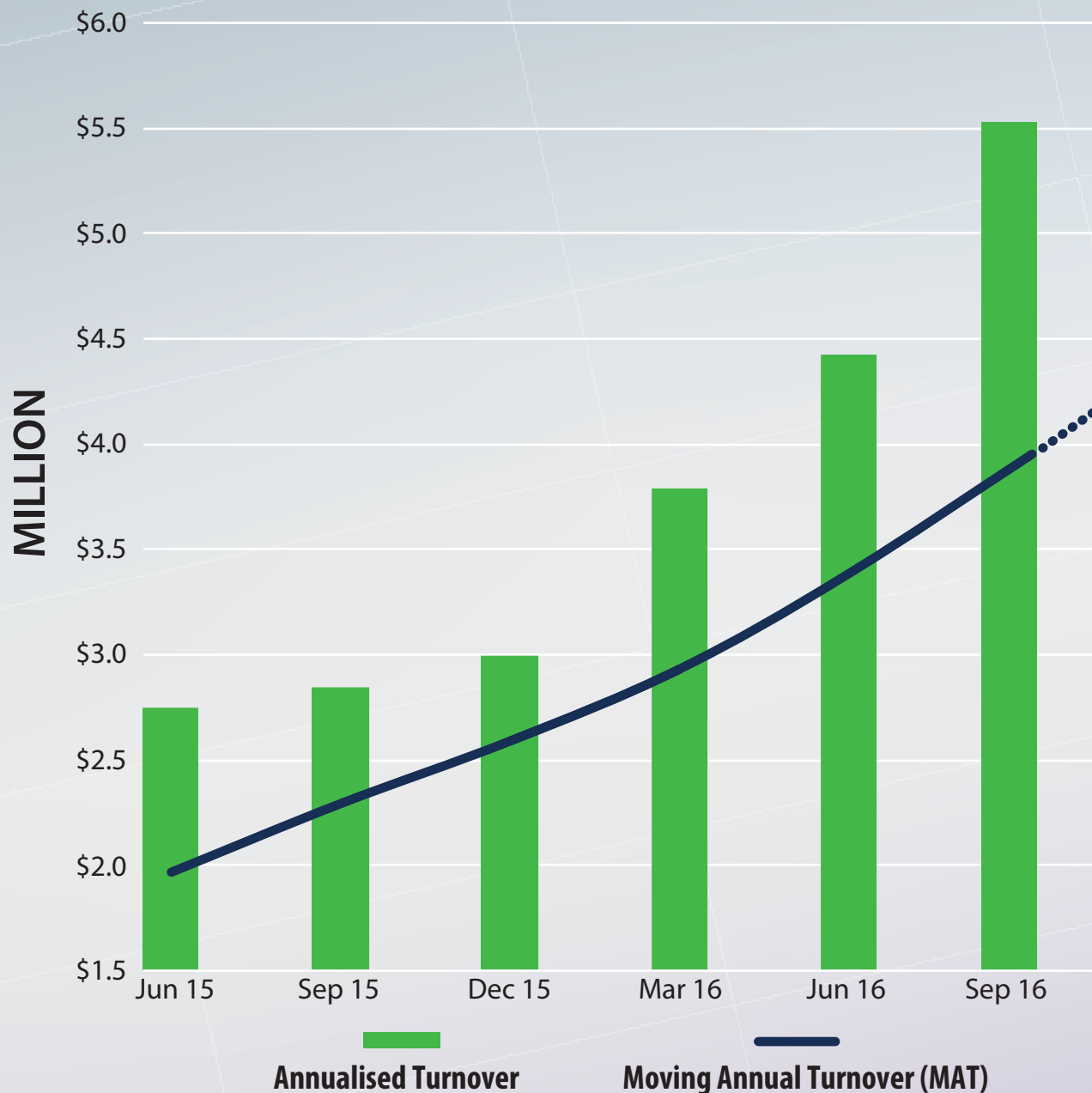
**Turnover \$5.5m**  
**Members 750**

Today

**Turnover \$11m**  
**Members 1,500**

Current Sites  
At Economic  
Maturity

## CURRENT SITES



# WOTSO WORKSPACE LOCATIONS



**SINGAPORE**

## SINGAPORE

19 Cecil St, Singapore

## AUSTRALIA

### New South Wales

50 Yeo St, Neutral Bay  
55 Pyrmont Bridge Rd, Pyrmont  
5 George St, North Strathfield  
95b Station St, Penrith

### Queensland

194 Varsity Pde, Varsity Lakes  
30 Chancellor Village Blvd, Sippy Downs  
84a Brunswick St, Fortitude Valley

### Australian Capital Territory

490 Northbourne Ave, Dickson  
14 Wormald St, Symonston

### South Australia

217-219 Flinders St, Adelaide



# BLACKWALL PROPERTY TRUST



\$8m placement and \$4m rights issue under way.



Income portfolio has a WALE of 5 years and a weighted average passing yield of 9%.



Growth Portfolio opportunities could grow NTA by 30c over the next 18 months.



55 Pyrmont Bridge Rd, Pyrmont, NSW



The Bakehouse Quarter, North Strathfield, NSW



490 Northbourne Ave, Dickson, ACT

# PYRMONT BRIDGE ROAD - A CASE STUDY

