

Chairman & CEO's Address

AGM 2019



7 November 2019

LandMark White Limited

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Agenda

1. Welcome
2. Chairman's Address
3. CEO's Address
4. Notice of Meetings and Proxies
5. Financial statements and reports
6. Resolutions
7. Questions





Chairman's Address

Keith Perrett

CHAIRMAN'S ADDRESS – KEITH PERRETT

Good afternoon ladies and gentlemen and thank you for joining us for LMW's 2019 Annual General Meeting. My name is Keith Perrett and I am a non-executive director and chairman of LMW.

The last 9 months has been a very challenging time for LMW as a result of the criminal cyber-attacks we were the victim of and the resulting impact on our revenue and profitability following bank valuation panel suspensions.

But we are pleased that this is now behind us and believe that the company has come out of the adversity with extra strength and is well placed to return to profitability in 2020 and beyond.

Strength from Adversity

- Acquisition of Taylor Byrne
- Criminal cyber attacks & fallout
- Capital raise
- Investment in IT & ISO 27001
- Board & executive changes
- The future



Acquisition of Taylor Byrne

The year started well with the successful acquisition of Taylor Byrne in October 2018.

This added in significant regional network and rural and agribusiness capabilities.

It allowed us to service our national Government clients via a wholly owned network and to commence the simplification of our business via the removal of licensed offices.

Criminal cyber attacks & fallout

As is now well documented, LMW was the victim of criminal cyber-attacks in February and May 2019.

As a result of the attacks, many of LMW's clients suspended us from their panels whilst they evaluated the impact on privacy and security of data.

This obviously had a very material impact on our revenues and profits.

We are pleased that the NSW Cyber Police recently made an arrest which we believe draws a line under the events.

Capital raise

In order to refinance the company and allow it to move forward with its restructuring and rebuilding we undertook a successful capital raise in August 2019.

We raised \$5.4M with the issue of shares at 8 cents.

I would like to personally thank our existing and new shareholders who took part in the raise and who had faith in the company and its ability to recover from the criminal attacks.

It is pleasing to see that the share price has recovered significantly since our reinstatement to the ASX in late August.

Chairman & CEO's Address

AGM 2019



Investment in IT & ISO 27001

We have invested very heavily in our IT systems to ensure they meet or exceed the standards in the industry and our client expectations.

We are pleased to confirm that we have achieved third party certification to ISO 27001.

Board & executive changes

We have undertaken significant board renewal since the beginning of last year which has seen the departure of 2 non-executive directors and the hiring of 3 new, non-executive directors.

This now means our board comprises an independent chairman, 2 independent directors and 1 non-independent director.

We are very pleased to have appointed our first female director to the board and I would like to personally thank Andrea Staines who was appointed in late September.

As well as the board changes, we were saddened to see the departure of Chris Coonan as our CEO but very pleased to confirm Tim Rabbitt as our new CEO.

The future

LMW is well progressed in its rebuilding of the business and delivering on the strategies outlined in our prospectus.

We look forward to restoring LMW to its place as Australia's premier, independent and locally owned, property valuation provider.

CEO's address

I would now like to hand over to Tim Rabbitt so he can deliver his CEO's report.



CEO's Address

Tim Rabbitt

CEO'S ADDRESS – TIM RABBITT

Thanks Keith and welcome Shareholders to the 2019 LMW Annual General Meeting.

CEO Address

- FY2019 results
- Investing in the business
- FY2020 outlook
- FY2020 guidance
- LMW focus and strategy



I would like to cover:

- Our FY19 results;
- How we have continued to invest in improving our business;
- The market outlook;
- Our FY20 guidance; and
- Our focus and strategy moving forward.

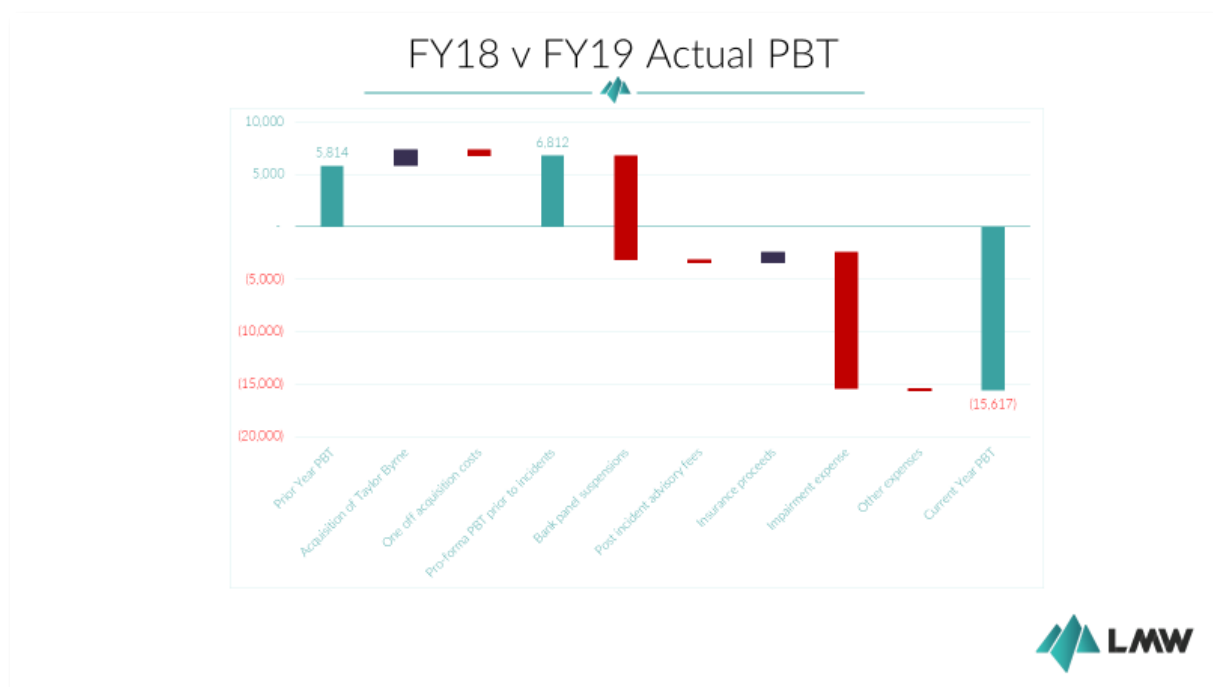
Financial Results

	FY19 \$M	FY18 \$M	Change \$M	Increase %
Revenue	43.0	43.2	(0.2)	-
EBITDA	(1.6)	6.6	(8.2)	(124%)
(Loss)/Profit before tax	(15.6)	5.8	(21.4)	(369%)
(Loss)/Profit after tax	(15.1)	4.1	(19.2)	(468%)
Earnings per share	(18.36) cents	5.44 cents	(23.80) cents	(438%)
Total dividends	Nil	4.6 cents	(4.6) cents	(100%)

Financial Results

FY19 was obviously a poor set of numbers largely impacted by the consequences of the criminal cyber-attacks we suffered.

Unfortunately, with the losses sustained and erosion of cash balances, LMW was unable to declare a dividend for FY19.

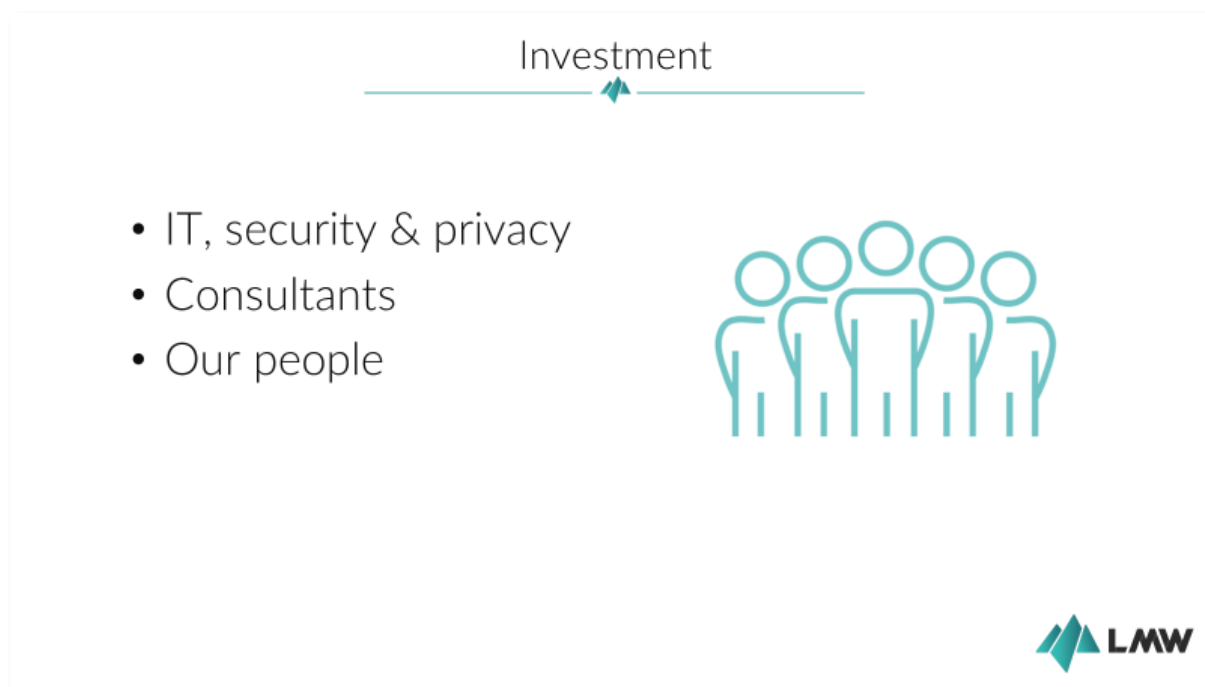


FY18 v FY19 Actual PBT

FY18 PBT was \$5.8M and we went into FY19 anticipating growth via acquisitions with continued synergistic savings.

This chart shows the major changes between the actual PBT for FY18 and FY19.

- The Taylor Byrne acquisition added \$1.5M.
- Acquisition costs expensed were \$0.5M.
- Without the impact of the cyber incidents we were anticipating a FY19 PBT of \$6.8M.
- We estimate that the bank panel suspensions cost us almost \$10M in FY19 (and continues to result in lower revenues into FY20).
- Advisory fees expensed in FY19 were \$0.3M and additional fees continued to be incurred in FY20 but have now ceased.
- Insurance proceeds of \$1M were received in FY19 and we have received a further \$1.2M in FY20.
- One off, non-cash, impairment charges booked in FY19 totalled \$13M.
- Other net expenses increased \$0.1M.



Investment in IT

We have made very significant investments in our IT to deliver arguably the most secure valuation platform in the industry including:

- Multi-factor authentication;
- Anonymisation of data;
- Encryption of data;
- Increased restrictions of access levels both internally and externally; and
- White listing of domains applications (with access restrictions for others).

This culminated in ISO 27001 certification which was achieved on 18 October 2019.

Consultants

In responding to the cyber-attacks we relied on the skill and expertise of many consultants, and I would like to personally thank:

- Clyde & Co – Lawyers;
- Klein & Co – Forensic IT specialists;
- CXO Security – IT security specialists;
- Hall & Wilcox – Lawyers;
- William Buck – Accountants;
- Enrizen – Corporate Advisors; and
- The NSW Police - Cyber Crime Squad

Without whose tireless help, understanding and expertise, it is arguable that LMW would not be here today.

I would also like to thank our corporate bankers, St George Bank, who supported LMW via a restructuring of our debt and overdraft facilities and associated covenants.

Our people

Throughout the response to the criminal activities, our people have been incredibly loyal and have stood by the company.

Unfortunately, some staff were forced to look for employment elsewhere as their take home pay was reduced.

They did this reluctantly and we would not be at all surprised to see many return as LMW restores its market share and revenues.

Outlook

- Low interest rates
- Political issues
- Scrutiny of finance sector
- Recapture of lost revenues
- Grow market share

The LMW logo, consisting of a teal mountain-like graphic and the letters 'LMW' in black.

Outlook

The property sector is still facing headwinds and we do not see a significant pick up in lending / valuation volumes.

Confidence is low as a result of the low interest rates, political issues globally and the ongoing scrutiny of the finance sector and lending in particular.

Notwithstanding this, we see opportunity for LMW to grow and I will touch on this later in the presentation.

We fully expect to restore LMW to its position as the leading, independent, Australian owned, national valuation business providing the highest quality and most secure services to our valuable clients.

FY20 Guidance

	FY20 Forecast (Normalised) \$M	FY20 Forecast (Statutory) \$M	FY19 Actual \$M
Revenue	\$38.0	\$38.6	\$43.0
EBITDA	\$4.8	(\$1.0)	(\$1.6)
NPAT	\$2.6	(\$1.5)	(\$15.1)
EPS	1.79 cents	(1.03) cents	(18.36) cents



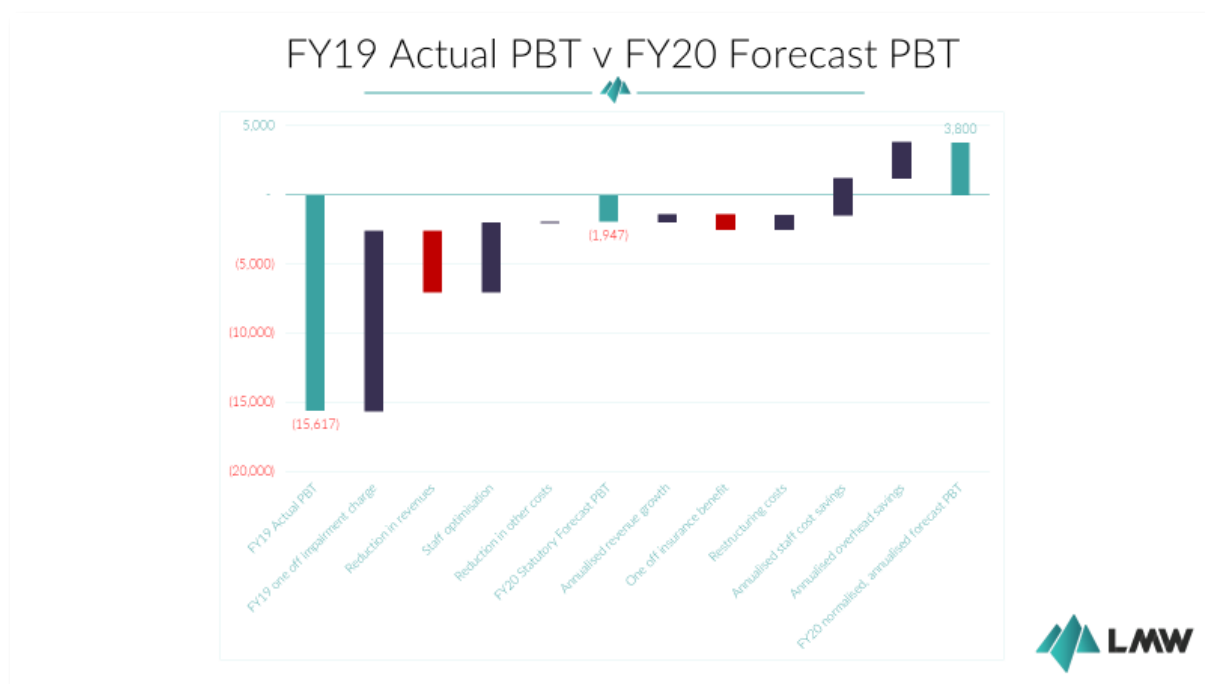
FY20 Guidance

Whilst we have been a little disappointed with the speed at which some of our clients have reinstated LMW on their panels, at this point in time we believe that we will achieve the forecast provided in our prospectus of 19 August 2019.

This remains dependent on a number of factors including rebuilding our revenues to \$38M and we will be closing monitoring this through the coming months.

The longer than expected timeframe for restoration onto the valuation panels of a number of financial institutions continues to affect our revenues delaying the rebuilding and return to normal profit levels.

I would like to reassure investors that, following the successful capital raise, LMW is in a strong financial position to rebuild its business through FY2020.



FY19 v FY20

This chart shows the major changes between our actual result for FY19 and our current forecast for FY20.

FY19 PBT was a loss of \$15.6M and our statutory forecast for FY20 is a loss of \$1.9M – the changes to achieve this are:

- Removal of one-off impairment charges \$13M
- A further reduction in revenues following the criminal cyber-attacks \$4.4M
- Savings from the staff optimisation program undertaken \$4.9M
- Other cost reductions \$0.1M

The statutory loss of \$1.9M converts to a normalised profit of \$3.8M taking into account:

- Annualised revenue growth \$0.5M
- Removal of one-off insurance benefit \$1.2M
- Removal of one-off restructuring costs \$1.1M
- Annualised savings from staff optimisation \$2.7M
- Annualised overhead cost savings \$2.6M

LMW Focus & Strategy

- Rebuilding of revenues
- Simplification of the business
- Growth of regional network
- Diversification of revenue streams
- Profit improvement



LMW Focus & Strategy

Our key focuses for the coming year are:

To rebuild our client trust and hence our revenues.

To undertake a simplification of our business via

- Removal of franchises;
- Moving to a single operating entity; and
- Moving to a single, in-house, valuation platform.

To continue to growth in regional network in Southern NSW, Victoria and Tasmania

To continue to diversify our revenue streams by growing our owned commercial businesses, expanding our Government Services client base, increasing our income from depreciation reports and further growing our family law clients.

Profit improvement will flow from the return of revenue and the streamlining of our business & systems as well as ongoing overhead cost synergies and savings.

Thank you once again for your ongoing support of LMW.

We will now move onto the formal part of the meeting and voting on the proposed resolutions.