

Dear Shareholders

We are pleased today to;

- Announce the AGMs for F19, F20 and F21 will take place consecutively on Saturday, 14 May, 2022, 2pm for a 2:30pm start, closing at 4:30pm (RSVP via [link](#));
- Attach the Financial Reports for F20 and F21 (as lodged with ASIC) with thanks to our Auditors and External Accountants, Collins & Co; and
- Provide you with a summary of the F20 and F21 results, as below.

AGMs

Please advise whether you can attend the AGMs by Friday 6 May via [link](#). A reminder will go out on Friday 29 April. RSVPs via [link](#) are essential as we need to set up the venue for the meeting and organise catering. If you have questions relating to the results or Pride generally that you would like answered at the AGMs, please send them through in advance if possible, using the same [link](#). We look forward to seeing as many of you at the AGMs as possible.

The F20 and F21 Results

The results cover both the non-trading parent company "Pride of our Footscray Ltd" ("**Parent Co**") which holds the shares and also the trading company that runs the daily bar operations, "Pride of our Footscray Community Bar Pty Ltd" ("**The Bar**"), which is owned by Parent Co.

F20

- The Bar was on track for a break even / small profit position in F20 but COVID closed the bar for the final 3.5 months of the financial year, turning the year into a loss, with The Bar losing \$110,000.
- The Bar's income was up **43.15%** on F19, despite being closed for that last 3.5 months, a promising sign. The Bar's expenses were up similarly, 48%.
- The loss resulted in a Balance Sheet position of **(\$278,416)** for The Bar, down 65.86% on F19.
- The Parent Co, which doesn't trade, recorded a loss of **\$25,877** in F20, having lost \$42,306 in F19, resulting in a balance sheet position of **(\$184,698)**.
- With The Bar unable to trade for the last 3.5 months of the F20 fin year, critical help came in the form of;
 - Incredible community support of Pride's online bingo, merchandise sales and broadcasted "telethons";
 - Loans from Director Mathew O'Keefe and Company Accountant Minh Nguyen;
 - JobKeeper;
 - Key Pride staff donating their time to ensure activity continued.

F21

- F21 was also significantly affected by COVID, with The Bar not open from 1 July 2020 to 5 November 2020, after which it was restricted or severely restricted in its operations by the various COVID protocols, including density limits and prohibitions on dancing.
- From July to Nov 2020, with The Bar unable to open, help to survive came in the form of;
 - Income from Pride's online bingo and merchandise sales (including Memberships);
 - Loans from Director Mathew O'Keefe and Company Accountant Minh Nguyen;
 - JobKeeper;

- A very significant Victoria Government Live Music Venues Grant;
- Once trading re-commenced, results were stronger than anticipated, with The Bar's income for F21 above \$1 million, the first time the business has achieved that milestone;
- Revenue for The Bar in F21 was up **38%** on F20 to \$1,154,808, resulting in a surplus for The Bar of **\$93,045**, the first time The Bar has been in surplus, the result representing a improvement of approximately **\$203,000** on F20.
- For the Parent Co in F21, it benefited from an adjustment of approximately \$22,500 and had expenses of approximately \$31,000, for a loss of approximately, \$8,500, an improvement of **67%** on F20's result.
- Due to its surplus result, the balance sheet position for The Bar ended at **(\$185,371)**, an improvement of **33%** from F20;
- Due to Director Mathew O'Keefe accepting equity for a debt of \$158,600, the balance sheet position for Parent Co improved **81.5%** to **(\$34,105)**.
- Between 5 November 2020 and 30 June 2021, trading was regularly restricted or ceased because of COVID and further Government support was received to assist, including tax assistance from the Federal Government and general business support from the Victorian State Government.
- No assistance was provided by Pride's core banking partner, Commonwealth Bank, over F21 (or F20) and Pride has subsequently terminated the relationship.

A table showing the F20 and F21 results in comparison to F18 and F19 is below;

Company	Item	F18	F19	F20	F21
Pride of our Footscray Ltd (Parent Co)	INCOME / ADJUSTMENT	\$943	\$0	\$9,220	\$22,568
	EXPENSES	\$315,756	\$42,306	\$35,097	\$31,225
	RESULT	(\$314,813)	(\$42,306)	(\$25,877)	(\$8,657)
	BALANCE SHEET	(\$116,515)	(\$158,821)	(\$184,698)	(\$34,105)
	VS PRIOR YEAR	N/A	Result up \$272,507 (86.6%) Balance Sheet down \$42,306 (36.3%)	Result up \$16,429 (38.8%) Balance Sheet down \$25,877 (16.3%)	Result up \$17,220 (66.5%) Balance Sheet up \$150,593 (81.5%)
Pride of our Footscray Community Bar Pty Ltd (Trading Company) The Bar	INCOME	\$211,923	\$584,047	\$836,056	\$1,154,808
	EXPENSES	\$324,210	\$639,620	\$946,612	\$1,061,763
	RESULT	(\$112,287)	(\$55,573)	(\$110,556)	\$93,045
	BALANCE SHEET	(\$112,288)	(\$167,860)	(\$278,416)	(\$185,374)
	VS PRIOR YEAR	N/A	Income up \$372,124 (175.6%) Result up \$56,714 (50.5%) Balance Sheet down \$55,573 (49.5%)	Income up \$252,009 (43.1%) Result down \$54,983 (98.9%) Balance Sheet down \$110,556 (65.9%)	Income up \$318,752 (38.1%) Result up \$203,601 (184.2%) Balance Sheet up \$93,045 (33.4%)
BOARD COMMENTS		Venue purchased, renovated and opened in quick time – a hidden venue upstairs, not the prominent local hotel originally hoped for. The poor liquor licence inherited restricted capacity to 88 people and did not allow patrons to come before 5pm or stay after 1am. Could not serve some products including cocktails until later council approvals. Some confusion by the public over what a 'Community Bar' was. Banks refused to lend money to Pride. Loans had to come from Mathew O'Keefe (approx. \$160,000) and from a finance co (\$25,000, guaranteed by Mathew O'Keefe). A large loss for the year attributed to difficult trading conditions, the poor liquor licence and the paper-loss provision for the loan to the subsidiary to establish venue.	Reduced total losses from \$427,100 to \$97,879. Increased revenue to over half a million dollars. Suffered the poor liquor licence until March 2019, when a very rare 3am licence was granted to Pride, a valuable asset it retains. Mathew O'Keefe extended his loan to Pride to \$165,000 whilst Margaret O'Keefe lent approximately \$20,000 to ensure the bar could pay bills during the difficult conditions.	Revenues of over \$800,000 despite being closed for COVID for 3.5 months of F20. Was on target for a small profit/break-even position when closed by COVID. Closure for the last 3.5 months of F20 put the year into loss. Reputation rapidly growing as a destination night club. Support from the community helped Pride survive over the months closed due to COVID.	Income of over \$1,000,000 (first time ever) despite being closed in July, August, September and October due to COVID and Nov open but heavily restricted with further closures and restrictions through several other months including December, February and May. First Financial Year surplus achieved (by bar and overall), \$84,388, thanks to great performance when allowed to open plus government grants. Pride's performance and reputation continues to grow strongly, with a reputation for supporting its people, supporting live entertainment every night it's open and for reflecting the values of its community.

Update on F22 thus far

Whilst the F21 numbers for The Bar were very good (revenue improved **38.1%**, performance improved **184.2%** and equity improved **33.4%**), F22 has been another serious challenge thus far, with Melbourne's extended lockdown 6 again putting a lengthy halt to trading. Once lockdown 6 was over, restrictions remained in place and were almost over when the Omicron wave devastated Melbourne once again, causing Pride to be shut for 5 weeks over the summer period as many of its staff and performers contracted the virus. Once the bar was able to re-open on 27 Jan, restrictions such as dancing prohibitions were still in place. Pride followed these restrictions to the letter, much more stringently than most other venues according to our own observations and all reports. Whilst Pride's leadership and behaviour over COVID has enhanced its reputation, our upholding of the

restrictions did not help us commercially over the period. With the summer effectively lost, Pride now faces the challenge of almost starting again, such have been the disruptions endured. Further Victorian Government assistance has been received however and we now have the chance to rebuild.

General Comments

Given Pride was only getting established when COVID hit, we are very happy and grateful to still be here. And excited by the chance this provides to rebuild and continue progress. We thank everyone involved in helping Pride survive COVID. That includes all our own people, plus the community that supported us so broadly plus the various layers of government, as we received critical assistance from local, state and federal government (putting aside the initial decision of the federal government to not support visa holders (thereby affecting Minh and Simon), something which we were critical of in 2020, with the government later including visa holders in support packages in 2021).

We thank especially our staff, who stuck by us and who during the closure periods did as much as possible to help Pride survive and improve. If you haven't been to Pride for a year, you will scarcely recognise it, with the karaoke rooms gone, the pool room now a pretty fancy cocktail bar and the main show room now with a high roof and nightclub lighting. The staff did almost all of this redecorating themselves, particularly Mitch, David, Mon and Connor. Other staff also made massive contributions during COVID, including Minh who worked all through the pandemic and provided loans to the company and Una who volunteered a lot of time and who successfully sold our online bingo shows. We thank bingo host Aurora too for delivering such incredible entertainment from her lounge room. Adrian also volunteered a lot of time helping put together Pride videos and TV shows.

Going forward, we need everyone around Melbourne to realise Pride is back and back better than ever. That will take some time, particularly given the closures and restrictions over summer, which saw people fall out of the habit of attending. But we are back and we are confident that if people come to Pride, they will get an enjoyable experience that can't be replicated by other venues around Melbourne. They will also be very pleasantly surprised when they meet our cocktail bar, Superbia.

Thank you to all the shareholders for your help and support through COVID and hope to see many of you at the AGMs on Sat May 14 (again, please RSVP by Friday 6 May via [link](#)). You'll also receive a social invite to a Shareholder Exclusive event following this email.

Sincerely

The Board of Pride of our Footscray (Mat, Maggie, Pauline)

Mat O'Keefe

CEO

Pride of our Footscray | Community Bar

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