



AVFM Limited

# **Investment Presentation**

## **April 2006**

# Who is AVFM?



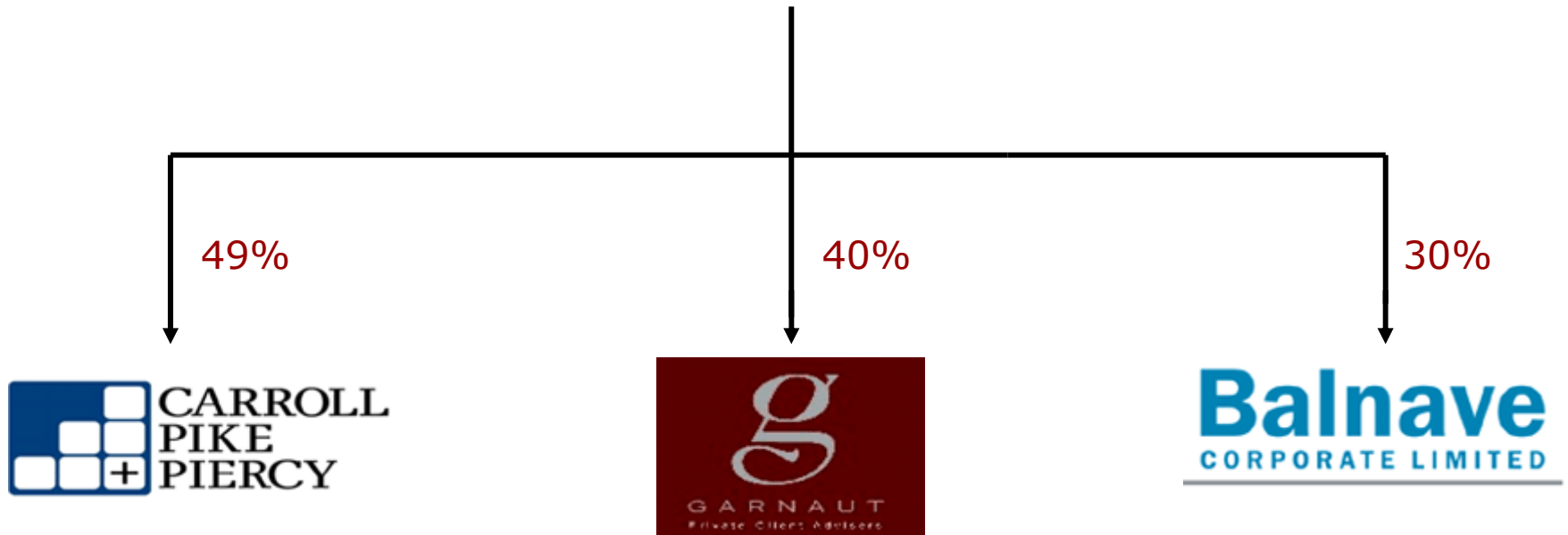
AVFM Limited

- Re-listed on the ASX December 2004
- Initial raising \$6m, subsequent raising \$4.6m via Options
- Initial major acquisitions:
  - 49% shareholding in Carroll, Pike & Piercy Pty Ltd, specialist Self Managed Superannuation Fund business
  - 40% of Garnaut Private Client Advisers Pty Ltd, specialist high end financial services business
- CPP and GPCA have more than \$900m in funds under advice
- Subsequent acquisition - 30% of Balnave Corporate Limited

# Structure



## AVFM Limited



- Note: AVFM Ltd has in addition to the above, \$3m invested in the Armytage Strategic Opportunities Fund (ASOF)
- % refers to AVFM Ltd net equity

# Board & Management



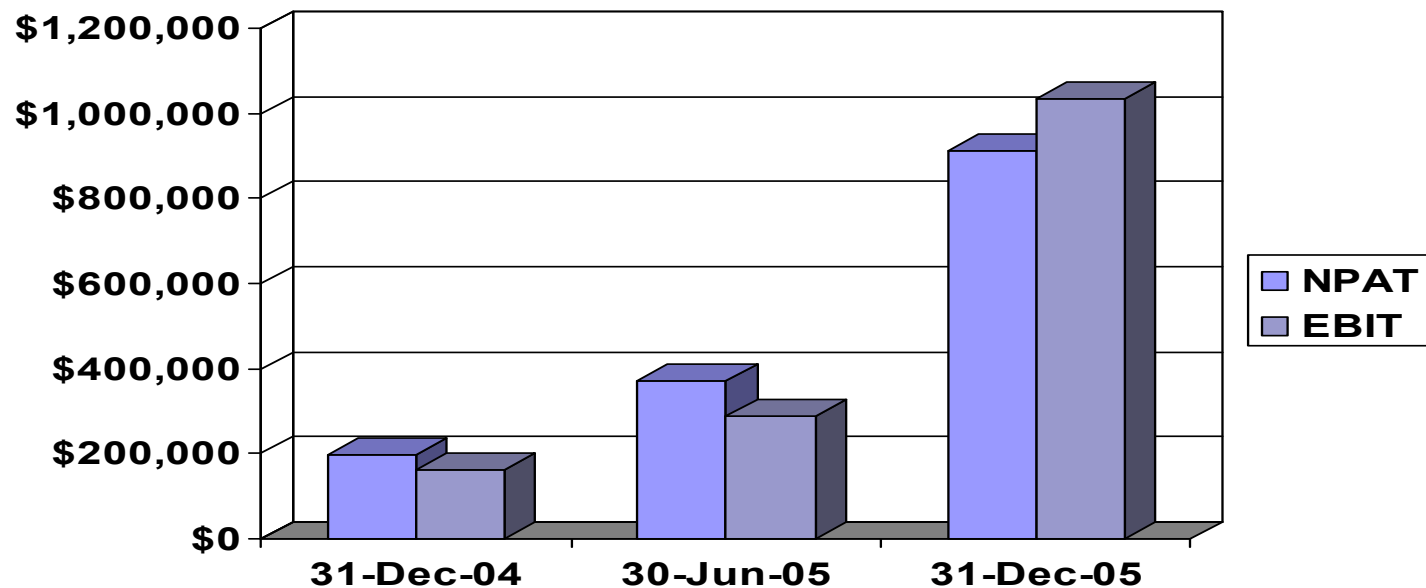
AVFM Limited

- ✦ Board comprises Peter Kennedy (Chairman), Lee Iafrate, Andrew Darbyshire, Nicholas Pike and Chris Garnaut.
  - Key Investees have Board representation – Nicholas Pike (CPP) and Chris Garnaut (GPCA)
  - Structure beneficial to enable promoting cross – referrals and providing comprehensive client solutions
  - Low cost management model, with Board taking an active role
  - Campbell Kennedy acts as CFO and Company Secretary, and works with Andrew Darbyshire (Director) to oversee day to day operations of AVFM and its Investees

# Results



AVFM Limited



Note: The above comparative figures have been adjusted for AIFRS. There was no tax payable on the comparative result at 31 December 2004 and reduced tax payable on the six month period to 30 June 2005, due to the offset of tax losses. Additionally, the Company derived interest income which is excluded for the purposes of calculating EBIT. In consequence, the EBIT for both prior periods was less than the reported NPAT.

# Shareholder Information



- Shares on Issue: 81,867,958
- Market Capitalisation (based on 49 cents per share): \$40,115,229
- Shareholder Profile:

| Range                | Total Holders | % of Issued Capital |
|----------------------|---------------|---------------------|
| 1 – 500              | 64            | 0.02%               |
| 501 – 1,000          | 38            | 0.04%               |
| 1,001 – 5,000        | 328           | 1.16%               |
| 5,001 – 10,000       | 148           | 1.61%               |
| 10,001 – 100,000     | 664           | 34.83%              |
| 100,001 – 20,000,000 | 123           | 62.34%              |

# Competitive Advantage



AVFM Limited

- Proven experience and expertise in growing and acquiring successful businesses
- Interests of shareholders and Directors / Investee Companies firmly aligned
- Existing quality Investments in strong underlying business, with significant growth potentials
- Philosophy of part ownership (only) creates continuing motivation for principals of Investees to manage and grow their business
- Low Corporate cost structure

# Investee Companies



AVFM Limited



- Established in 1994
- Specialises in financial and retirement planning, self managed superannuation funds, incorporating full active investment management (equities based)
- Strong earnings growth in the last 4 years
- \$450m+ Funds Under Advice
- Growth channels – strategic complimentary acquisitions / alliances

# Investee Companies



AVFM Limited



- Established in 1986 - offices in Melbourne and Canberra
- Specialises in providing comprehensive financial solutions to high net worth clients, strong direct property, agri – business, and insurance business portfolios
- Solid earnings growth track record
- \$450m+ Funds Under Advice
- Recently initiated and raised \$46m for an Australian equity “High Conviction Fund” as part of its forward growth strategy

# Investee Companies



AVFM Limited



- Primary focus – advice and capital raising for small to mid sized listed companies
- Executive Chairman (Mr Chris Newman) and Managing Director (Mr Aaron Muller)
- Since inception, has executed two corporate mandates and secured several ongoing advisory briefs
- Positioned to capitalise on extensive group referral and distribution network

# Achievements To Date



AVFM Limited

- Successful relisting and initial acquisitions
- Initiated growth strategies for investees
- Generated profits since re-listing
- Impressive EPS Growth
- Commenced paying Fully Franked Dividends

# Strategy/ Outlook



AVFM Limited

*“AVFM’s objective is to produce superior returns for its shareholders by investing in businesses with quality earnings and growth prospects in the financial services sector.”*

- Build investee companies and capitalise upon synergistic opportunities
- Pursue consolidation and aggregation opportunities
- Debt free, with available cash
- Any new major acquisition must be EPS accretive
- Several opportunities under evaluation

# Disclaimer



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