

## **WT FINANCIAL GROUP LIMITED (ASX: WTL)**

**FORMERLY SPRING FG LIMITED ASX: (SFL)**

### **ASX Release 15 November 2019**

#### **Change of Company Name and new ASX Code**

An Extraordinary General Meeting (EGM) of Spring FG Limited (the Company or the Group) held on 8 November 2019 resolved to change the name of the Company from Spring FG Limited to WT Financial Group Limited.

As from the commencement of trading today (Friday 15 November 2019 at 10.00am AEST), the name change will be reflected and the ASX code of the Company will change to WTL. The Company's new ASX Trade Abbreviation will be WT FIN GRP.

Changing the name of the Company reflects the evolution of the business and operations of the Group to include a much greater focus on the provision of licensing and support services on a "business-to-business" basis under its Wealth Today Pty Ltd dealer group. The Group intends to continue its direct-to-consumer operations under the *Spring Financial Group* banner in both the immediate and longer term.

#### **Background**

Over the past two years the Group has undergone a transformational restructure to reduce its focus and reliance on business-to-consumer (B2C) and non-recurring revenue, to emerge as a primarily business-to-business (B2B) focused enterprise targeting predominately recurring revenue lines.

Central to its strategic transformation has been the acquisition of the Group's Wealth Today Pty Ltd (Wealth Today) subsidiary which provides a comprehensive range of "dealer group" services to financial advisers who are independent business operators acting as authorised representatives. Wealth Today adviser numbers have nearly tripled over the past 18 months and now exceed 120 advisers.

The Company's strategic transformation has positioned it to capitalise on industry disruption created by the unravelling of institutional advice models which is creating a substantial expansion opportunity for the Company (as was more fully detailed in a market update provided by the Company on 26 August 2019).

Concurrently the Group has rationalised its B2C financial advice and wealth management operations conducted under the Spring Financial Group banner.

This strategy has seen the Group achieve significant revenue increases with FY2019 *Revenue from Ordinary Activities* up more than 40% over the prior year to \$10.47M (FY2018 \$7.38M), with improvement ongoing throughout the year showing H2 FY2019 *Revenue from Ordinary Activities* up around 18% on the first half.

#### **Convertible Note Issue**

To ensure it is best positioned to capitalise on the unprecedented growth opportunities before it, the second resolution approved by the EGM was the issue of Convertible Notes (Notes) to raise up to \$2,600,000.

The Notes are intended to be issued to wholesale and sophisticated investors within three months from the date of approval (being by 8 February 2020). If fully subscribed the Notes will be convertible to up to a maximum of 40,000,000 shares at between \$0.065 and \$0.085 per share, will have maturity dates of between 2 and 3 years, and interest rates of between 8.25% pa and 8.75% pa. The Convertible Notes will not be quoted on the ASX.

ENDS

#### **Further information:**

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