

**18 November 2016**

**GARDA Capital Group**

**2016 AGM Chairman's Address and Presentation**

Good morning Ladies and Gentlemen, it is 11:00am and as there is a quorum present, I declare this meeting open.

Welcome to the 2016 Annual General Meeting of GARDA Capital Group. My name is David Usasz and I am the Independent Chairman for GARDA Capital Group. The Group consists of GARDA Capital Limited and its subsidiaries, and now includes GARDA Capital Trust following listing of the stapled securities.

May I ask that you please turn your mobile phones off for the duration of the meeting? Thank you.

I would like to start by introducing my fellow Group Directors:

- Mr Mathew Madsen, the Managing Director of the Group.
- Mr Philip Lee, also a Non-Executive Director. Mr Lee chairs the Audit and Risk Committee and is a member of the Nomination and Remuneration Committee.
- Mr Mark Hallett a Non-Executive Director who is a member of the Audit and Risk Committee and the Nomination and Remuneration Committee.
- Mr Leylan Neep, Executive Director and Chief Financial Officer of the Group.

Also present today are:

- Mr Lachlan Davidson, Company Secretary and General Counsel for the Group;
- Mr Paul Brown, the Manager for Investor Relations;
- Mr Matt Foster of Link Market Services, our Share Registry. Mr Foster will oversee the conducting of the poll to be taken today.
- Mr Paul Gallagher and Mr Tim Mann from our auditors, BDO Audit Pty Ltd; and
- Some staff of GARDA Capital Group.

I will provide a brief overview of the Fund's business and achievements in FY16. Mr Madsen will then go through the Group's 2016 Financial Year performance and results and provide an update on the Group's activities. Following that we will move to the formal business of today's meeting and the Resolutions for your approval as detailed in the Notice of Meeting which was mailed to all securityholders on 19 October 2016.

I will take the Notice of Meeting as read. I will just briefly reiterate the coloured card system.

Securityholders holding a YELLOW card are permitted to vote and ask questions at the appropriate time. Those with a BLUE card are not permitted to vote but are permitted to ask questions. Those with a WHITE card are a visitor and are not permitted to ask questions. We will take questions when we get into the formal part of the meeting, after Mr Madsen's address.

**Chairman's Address**

GARDA Capital Group (or GCM) achieved a number of significant milestones during the 2016 financial year, which included the recapitalisation and ASX listing of the Group's \$183 million AREIT, the GARDA Diversified Property Fund in July 2015, as well as the recent corporate group restructure and IPO completed in mid-July 2016.

There are now 24.03 million stapled securities on issue, representing a market capitalisation of approximately \$24 million.

All four key business activities contributed to generate a Group FY16 EBITDA of \$1.6 million.

As a result of the recapitalisation and ASX listing after the financial year end, the Group now has a conservative balance sheet with low gearing of 10%, a platform that provides investors a diverse property income stream through debt and equity investments, and strong alignment with securityholders.

Your Board and management team are focused on growing the value of the Group's investments by adhering to our investment strategy, as well as growing operating earnings and distributions. We are confident the Group is well positioned to deliver securityholder value into the future.

I would like to take this opportunity to thank the GARDA team for all their hard work throughout the year and particularly for achieving the listing of the GARDA Capital Group.

I would also like to thank my fellow Directors for their dedicated service over the period.

Mr Matthew Madsen will now provide an overview of our 2016 financial year performance, and an outline of the Group's activities, objectives and strategy.

More information on GCM can be found on the ASX's website, [www.asx.com.au](http://www.asx.com.au), using the ASX code "GCM", on the GARDA website [www.gardacapital.com.au](http://www.gardacapital.com.au), by calling the GCM investor enquiry line on 1300 554 474 or by emailing [info@gardacapital.com.au](mailto:info@gardacapital.com.au)

**-Ends-**

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**About GARDA Capital Group**

GARDA Capital Group (GCM) is an ASX listed (ASX: GCM) real estate investment and funds management group. GARDA Capital Group is a stapled structure comprising GARDA Capital Limited and GARDA Capital Trust.

GARDA Capital Limited (AFSL 246714) is the parent entity of the GARDA Capital Group and is also the responsible entity of the ASX-listed Real Estate Investment Trust, GARDA Diversified Property Fund (GDF).

GARDA Capital Trust is a registered managed investment scheme and is the primary investment vehicle for the GARDA Capital Group.

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# GARDA CAPITAL GROUP

ANNUAL GENERAL MEETING  
18 NOVEMBER 2016

# IMPORTANT INFORMATION

## DISCLAIMER

The information provided in and accompanying this presentation (**Presentation**) has been prepared on behalf of GARDA Capital Limited (ACN 095 039 366) (**GARDA**), and GARDA Funds Management Limited (ACN 140 857 405) (AFSL 398764) (**GFML**), in its capacity as responsible manager of the GARDA Capital Trust, a registered managed investment scheme with ARSN 150 164 720 (the **Fund**), together the **GARDA Capital Group** or **GCM**. The information and statements in this Presentation were prepared or are made only as of the date of this Presentation, unless otherwise stated.

This Presentation contains general and summary information about the current activities of the GARDA Capital Group. It does not purport to be complete, or contain all the information which would be relevant to existing or prospective investors of GCM. No member of the GARDA Capital Group or any of their related entities and their respective directors, employees, officers and advisers give any warranties in relation to the statements and information contained in or referred to in this Presentation.

This Presentation has been compiled from sources which the GARDA Capital Group believes to be reliable. However, it is not audited, and it is not a prospectus, product disclosure statement or other disclosure document as defined in the Corporations Act 2001 (Disclosure Document), and has not been lodged with the Australian Securities and Investments Commission. It is not, nor does it purport to be, complete or include all the information that a Disclosure Document may contain. Historical, financial and other 'continuous disclosure' information required by law can be found at the GARDA Capital Group's website [www.gardacapitalgroup.com.au](http://www.gardacapitalgroup.com.au) and in the audited financial statements (also on the website). All references to dollars or \$ in this document are to Australian currency.

Nothing contained in the Presentation constitutes investment, legal, tax or other advice. It is not an offer of securities, or a recommendation to buy or sell securities in GCM. It has been prepared for general information only, and without taking into account the investment objectives, financial situation or needs of individuals. Any existing or prospective investor should not rely on this Presentation, but consider the appropriateness of the information in a Disclosure Document, having regard to their own objectives, financial situation and needs and seek appropriate independent advice, including financial, legal and taxation advice appropriate to their jurisdiction. Neither GARDA nor GFML is licensed to provide financial product advice in respect of any securities, including the stapled securities comprising GCM. The GARDA Capital Group does not guarantee any particular rate of return or performance of GCM or any securities, nor do they guarantee the repayment of capital or any particular tax treatment.

This Presentation contains certain "forward looking statements" (Forecasts) with respect to the financial condition, results of operations and business relating to the GARDA Capital Group. These Forecasts may involve subjective judgments. The words "forecast", "estimate", "likely", "anticipate", "believe", "expect", "project", "opinion", "predict", "outlook", "guidance", "intend", "should", "could", "may", "strategy", "target", "plan" and other similar expressions are intended to identify forward-looking statements.

The Forecasts are by their very nature subject to significant and unknown risks, uncertainties, vagaries and contingencies, many (if not all) of which are outside the control of members of the GARDA Capital Group. Various risk factors may cause the actual results or performance of GCM to be materially different from any future results or performance expressed or implied by such Forecasts. There can be no assurance that any Forecasts are attainable or will be realised. No representation, warranty or guarantee, whether express or implied, is made or given by any member of the GARDA Capital Group that any Forecast will or is likely to be achieved. Except as required by law, the GARDA Capital Group is not liable to release updates to the Forecasts to reflect any changes.

To the maximum extent permitted by law, any and all liability in respect of the Presentation and Forecast is expressly excluded, including, without limitation, any liability arising from fault or negligence, for any direct, indirect or consequential loss or damage arising whatsoever from the use of the information in this Presentation or otherwise arising in connection with it. GCM is listed on the ASX and all applicable obligations and restrictions contained in (without limitation) the Listing Rules and Corporations Act apply accordingly. The acknowledgements referred to above apply accordingly. The acknowledgements referred to above may be pleaded as a bar to any claim that a reader may bring.

# BOARD OF DIRECTORS

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DAVID USASZ, INDEPENDENT CHAIRMAN



MATTHEW MADSEN, MANAGING DIRECTOR



MARK HALLETT, NON-EXECUTIVE DIRECTOR



PHILIP LEE, NON-EXECUTIVE DIRECTOR



LEYLAN NEEP, EXECUTIVE DIRECTOR

# AGENDA

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1	• Chairman's welcome and introduction
2	• Board of Directors
3	• Managing Director's address
4	• Questions
5	• Business of the Meeting



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# **MANAGING DIRECTOR'S ADDRESS**

# INTRODUCTION

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**GARDA Capital (Group or GCM) achieved a number of significant milestones during the 2016 financial year including:**

- **IPO and Group restructure successfully completed in July 2016:**
  - 16.03 million stapled securities were issued at an offer price of \$1.00.
  - 24.03 million securities are now on issue.
  - Representing a market capitalisation of approximately \$24 million.
- **Trading commenced on the ASX on 14 July 2016 (ASX code: GCM).**
- **Restructure to a stapled entity – a GCM Stapled Security comprises:**
  - one share in GARDA Capital Limited and one unit in GARDA Capital Trust.
  - providing an appropriate structure for the Group's operating and investment activities.
- **The recapitalisation and ASX listing of the Group's \$183 million AREIT, GARDA Diversified Property Fund (GDF) in July 2015.**
- **All four key activities of the business contributing to generate a Group FY2016 EBITDA of \$1.6 million.**
- **The Group's future residential apartments site in Townsville increased \$0.5 million in value to \$1.2 million as a result of recently completed earth works.**



# RESULTS OVERVIEW - OUTCOMES

CATEGORY	AMOUNT		OUTCOME
Investment	\$0.25 million	↑	Increase in fair value of the Group's strategic investment in GARDA Diversified Property Fund by \$0.25 million to \$10.3 million.
Investment	\$0.5 million	↑	Increase in fair value of the Group's directly held Townsville property by \$0.5 million to \$1.2 million.
Debt	\$9.35 million	↓	As part of the Group's June 2016 IPO, the conversion of \$9.35 million Group debt into GARDA stapled securities (equity).
Debt	\$2.43 million	↓	All steps as part of the Group's restructure were completed by 19 July 2016, which included \$2.43 million of funds raised under the IPO used to repay debt.
Debt	\$0.5 million	↓	On 20 July 2016, \$0.5 million of Group debt was repaid from working capital, so that the only Group debt remaining is the capital adequacy loan of approximately \$2 million which is subject to ASIC deed of subordination.

# REVENUE OVERVIEW - PROFIT & LOSS

SUMMARISED GARDA STATEMENTS OF PROFIT OR LOSS	YEAR ENDED 30-JUN-16	YEAR ENDED 30-JUN-15
Total Revenue	5,026,033	4,947,759
Total Expenses	(4,814,738)	(4,055,614)
Profit/(loss) before tax	211,295	892,145
Income tax benefit/(expense)	(97,725)	(408,635)
<b>Profit/(loss) after tax</b>	<b>113,570</b>	<b>483,510</b>
<b>Adjustments to income statements to determine EBITDA</b>		
Interest costs (net)	(1,328,018)	(227,253)
Depreciation of plant and equipment	(22,467)	(22,470)
Amortisation of intangibles	(84,171)	(266,277)
Income tax benefit/(expense)	(97,725)	(408,635)
Total adjustments	(1,532,381)	(924,635)
<b>EBITDA</b>	<b>1,645,951</b>	<b>1,408,145</b>

- The Group's investment activities for FY16 were almost entirely debt funded.
- The majority of the Group's debt was either converted to equity or repaid through the IPO and recapitalisation of the Group in July 2016.
- Increase in fair value of the Group's strategic investment in GARDA Diversified Property Fund by \$0.25 million to \$10.3 million.
- Increase in fair value of the Group's directly held Townsville Property by \$0.5 million to \$1.2 million.

# RESULTS OVERVIEW - BALANCE SHEET

SUMMARISED GARDA STATEMENTS OF FINANCIAL POSITION	GCL YEAR ENDED 30-JUN-16 \$	PRO FORMA <sup>1</sup> TRANSACTION COMPLETION \$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	1,678,525	5,065,641
Trade and other receivables	2,844,006	2,611,951
Other assets	35,585	35,585
Financial assets available for sale	10,254,828	10,254,828
Investment properties	1,201,000	1,201,000
Intangible assets	738,207	738,207
<b>TOTAL ASSETS</b>	<b>16,752,151</b>	<b>19,907,212</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	695,369	695,369
Interest bearing loans and borrowing	4,708,458	2,028,458
Financial liability held at fair value	9,600,000	-
Other liabilities	558,531	558,531
<b>TOTAL LIABILITIES</b>	<b>15,562,358</b>	<b>3,282,358</b>
<b>NET ASSETS</b>	<b>1,189,793</b>	<b>16,624,854</b>

<sup>1</sup> Post IPO and Group restructure in July 2016, including debt repayments.

- The majority of the Group's debt was either converted to equity or repaid through the IPO and recapitalisation of the Group in July 2016.
- All steps as part of the Group's restructure were completed by 19 July 2016.
- The only Group debt remaining is the capital adequacy loan of approximately \$2 million which is subject to ASIC deed of subordination.

# PRINCIPAL ACTIVITIES

## Property funds management, real estate debt advisory and property investment.

FUNDS MANAGEMENT	<ul style="list-style-type: none"><li>GARDA Capital Limited is the responsible entity for the \$183 million ASX listed GARDA Diversified Property Fund.</li></ul>
EQUITY CO-INVESTMENT	<ul style="list-style-type: none"><li>GARDA Capital Group holds a substantial investment of 10 million units in GDF (10.7% of issued units).</li><li>At 30 June 2016, GDF's market price was \$1.025, and net tangible assets (NTA) of \$1.13 per unit.</li></ul>
PROPERTY DEBT ADVISORY	<ul style="list-style-type: none"><li>Fee for service debt advisory operations that also supplies a pipeline of transactions for proprietary lending activities (debt investment).</li></ul>
REAL ESTATE DEBT INVESTMENT	<ul style="list-style-type: none"><li>Property investment through direct real estate debt positions.</li></ul>

# REVENUE GENERATION

**Sustainable and growing distributable revenue derived from both operational earnings and investment returns.**

## OPERATING INCOME:

BUSINESS UNIT	OPERATING REVENUE
GARDA Capital	<ul style="list-style-type: none"><li>Revenue generated from funds management.</li></ul>
GARDA Finance	<ul style="list-style-type: none"><li>Debt advisory revenue including transaction fees such as procurement, exit and trail fees; and</li><li>Recurring revenue from a \$150 million non principal loan book earning trail commission.</li></ul>
GARDA Real Estate Services	<ul style="list-style-type: none"><li>Revenue generated from property management, sales and leasing.</li></ul>
GARDA Facilities Management	<ul style="list-style-type: none"><li>Revenue generated from facility management.</li></ul>

## INVESTMENT INCOME:

INVESTMENT	SOURCE OF REVENUE
Real Estate Equity	Distributions from co-investment in GARDA Diversified Property Fund.
Real Estate Debt	Interest and other payments from debt investment.

# OVERVIEW OF OPERATIONS FOR FY16

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**30% increase in GDF AUM since GDF IPO in July 2015.**

## FUNDS MANAGEMENT

- The Group has \$183 million of assets under management, as manager of the ASX Listed AREIT - GARDA Diversified Property Fund (ASX:GDF).
- GARDA delivered a 8.9% increase (\$12.45 million) from the independent valuations of the GDF properties taking the portfolio value to \$153 million at 1 June 2016.
- The total return for GDF in FY2016 was 22%<sup>1</sup>.
- A further GDF portfolio asset was acquired in August 2016, growing GDF AUM to \$183 million, representing a 30% increase in GDF AUM from July 2015.

## DEBT ADVISORY

- GARDA Finance performed broadly within expectations during the year, however the increasingly constrained credit environment may have an impact on this activity in the next financial year.
- GARDA Finance is benefited from a ~\$150 million non principal loan book.

<sup>1</sup>Calculated as 30 June 2016 NTA of \$1.13 less IPO issue price of \$1.00, plus annual distribution of \$0.09

# OVERVIEW OF OPERATIONS FOR FY16

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**Strong underlying returns on capital deployed in FY16.**

## EQUITY

- The Group holds a strategic stake of 10.7% (10 million units/\$10 million capital deployed) in GARDA Property Diversified Fund.
- The Group received distributions during the year from GDF of \$0.09 per unit, totalling \$0.9 million.
- The reported NTA per unit at 30 June for GDF was \$1.13.
- The Group's investment is valued at \$11.3 million based on NTA per unit.
- The total return for GDF in FY16 was 22%<sup>1</sup>.
- The Group's Townsville Property, a 2,034m<sup>2</sup> future residential development site located adjacent to the Ross Creek inlet in South Townsville, nearby to the proposed new football stadium, increased in valuation to \$1.2 million after site works were completed.

## DEBT

- The Group's \$2 million junior debt investment performed within terms during the year generating \$0.26 million in interest revenue, a return on capital of 13%.
- Furthermore the gearing position of this investment reduced following an increase in the independent valuations of the security assets.

<sup>1</sup> Calculated as 30 June 2016 NTA less IPO issue price of \$1.00, plus annual distribution of \$0.09

<sup>2</sup> As per the accounting standards, the 30 June 2016 closing market price of \$1.025 has been used to attribute a fair value of \$10.3 million in the balance sheet.

# OUTLOOK

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**As a result of the recapitalisation and ASX listing the Group now has:**

- A conservative balance sheet with low gearing of 10% (subordinated capital adequacy loan);
- A platform that provides investors a diverse property income stream through equity and debt investments, advisory and funds management; and
- Strong alignment with security holders as the Board and associated entities hold 59% of stapled securities.

**The key focus for FY2017 includes:**

- Increasing both the AUM of GDF and also the equity value of GDF .
  - positively impacting both funds management revenues and the Group's investment in GDF;
- Deployment of funds received from the Group's IPO in July 2016.
  - This may take the form of either increased co-investment in GDF or further junior debt investments; and
- Selective debt advisory activities, particularly having regard for the current credit environment which continues to demonstrate further tightening.

## **Distributions & Dividends**

- The Group will pass through all quarterly distributions received from its investment in GDF promptly upon receipt.
- The first quarterly distribution was made in late October to security holders at 0.97c per security.
- The next quarterly distributions is expected to be made in late January.
- The Group will consider and announce any full year dividend in the second half of FY17.





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# **REAL ESTATE EQUITY INVESTMENT**

# REAL ESTATE INVESTMENT

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**GARDA Capital Group's primary equity investment is its substantial unitholder position held in the ASX listed AREIT, GARDA Diversified Property Fund.**

**10m UNITS**  
**\$11.1m AT NTA<sup>1</sup>**

**\$0.094**  
PER UNIT  
**FORECAST FY2017  
DISTRIBUTIONS**

**53%**  
TAX ADVANTAGED  
INCOME

**STRATEGIC GROUP  
CO-INVESTMENT**

- The GDF investment is considered both strategic to Group activities as well as compelling from a stand alone investment perspective.
- The Group invested \$10 million to acquire 10 million units which returns \$0.94 million per annum with an NTA value of \$11.1 million<sup>1</sup>.

<sup>1</sup> Unaudited proforma NTA post Mackay acquisition in August 2016.

## GDF AT A GLANCE

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# \$183 MILLION

## COMMERCIAL AND INDUSTRIAL PORTFOLIO

### ~ \$100 MILLION MARKET CAPITALISATION

**3.9 YEARS**

WALE

**93%**

OCCUPANCY

**\$1.11<sup>1</sup>**

NTA PER UNIT

FY17 DISTRIBUTION  
GUIDANCE

**\$0.094/UNIT**

PAID QUARTERLY

**8.13%**

WEIGHTED AVERAGE  
CAP RATE

**43.6%**

LVR

**4.5 TIMES**

INTEREST COVER

**53%**

TAX DEFERRED  
INCOME

**ALIGNED MANAGER**

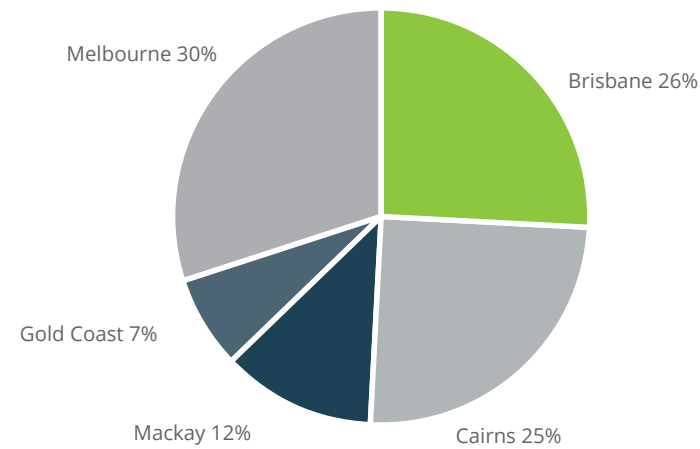
GARDA CAPITAL HOLDS 10.7% OF GDF UNITS

<sup>1</sup> Unaudited proforma NTA post Mackay acquisition in August 2016.

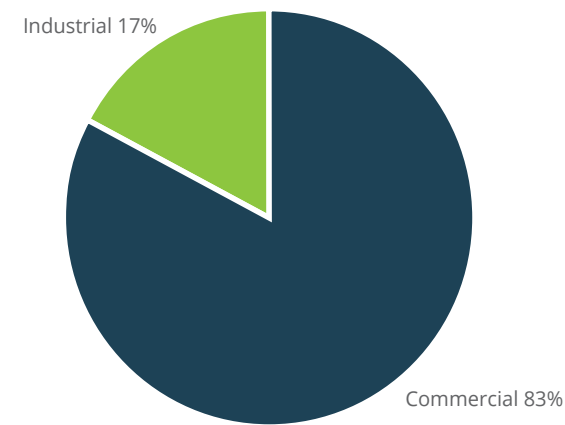
# DIVERSIFIED PORTFOLIO



PORTFOLIO INCOME (by location)

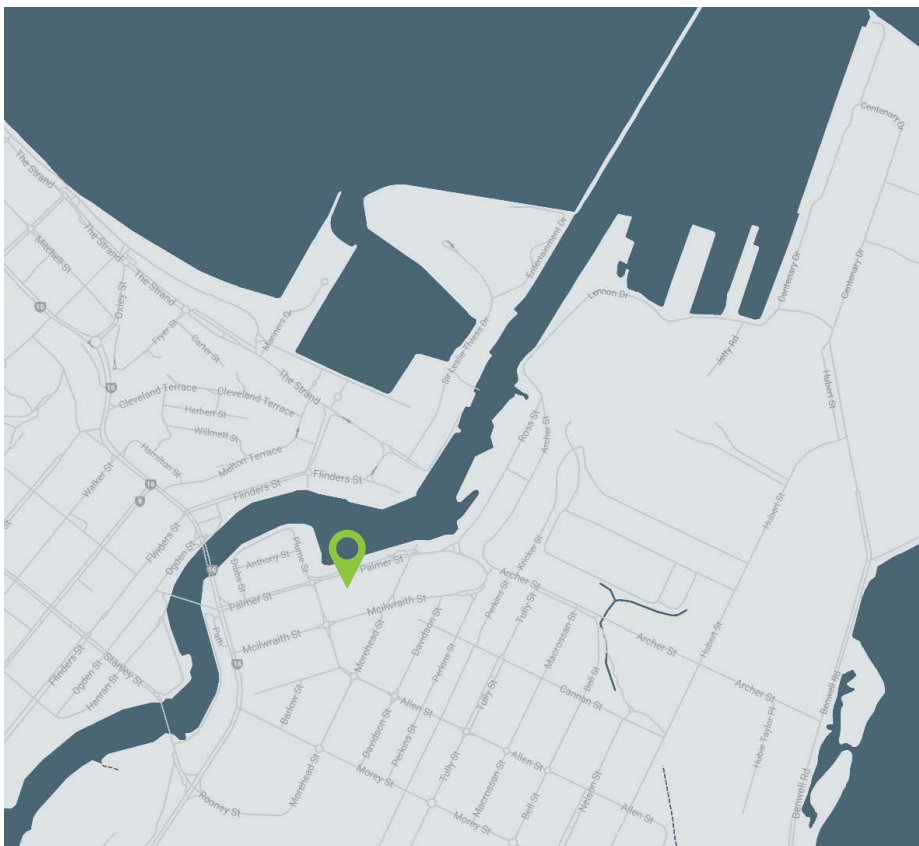


PORTFOLIO INCOME (by sector)



# REAL ESTATE INVESTMENT

**GARDA Capital Group holds a residential apartment development site in Townsville.**



- The Group owns a 2,036m<sup>2</sup> future high rise residential site in Townsville, QLD.
- The site is anticipated to yield approximately 100 apartment sites, as of right.
- It is located in the South Townsville entertainment precinct adjacent to the Ross creek inlet.
- It is also within one kilometre of the proposed North Queensland Stadium.
- The market does not currently support a project of this nature.
- The Group is not actively pursuing the advancement of this project and holds the property as a non-current investment.
- GCM is not a property developer and if or when a project could be supported on this site GCM will not directly undertake development of this site.



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# DEBT ADVISORY

# DEBT ADVISORY

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- GARDA Finance is an intermediary that provides debt structuring and arrangement services for commercial real estate debt, servicing both property developers and investors.
- Revenues generated typically consist of a transactional or procurement fee and a recurring trail or management fee.
- Typically higher and longer tenured recurring income is generated from investment debt rather than construction and development debt.
- The Group has a \$150 million non-principal loan book, generating recurring income which provides higher transactional fees.
- This activity also provides 'deal flow' for the Group's debt investment activities.

## Why use debt advisory?

There are many varied reasons for clients to engage an intermediary, however typically it is a combination of the intermediary's structuring capabilities, current market position and knowledge, 'leverage' with and 'access' to various lenders/institutions, outsourcing and resourcing considerations. A constantly changing debt market, particularly a toughening market reinforces the value of debt advisory activity.



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# **REAL ESTATE DEBT INVESTMENT**



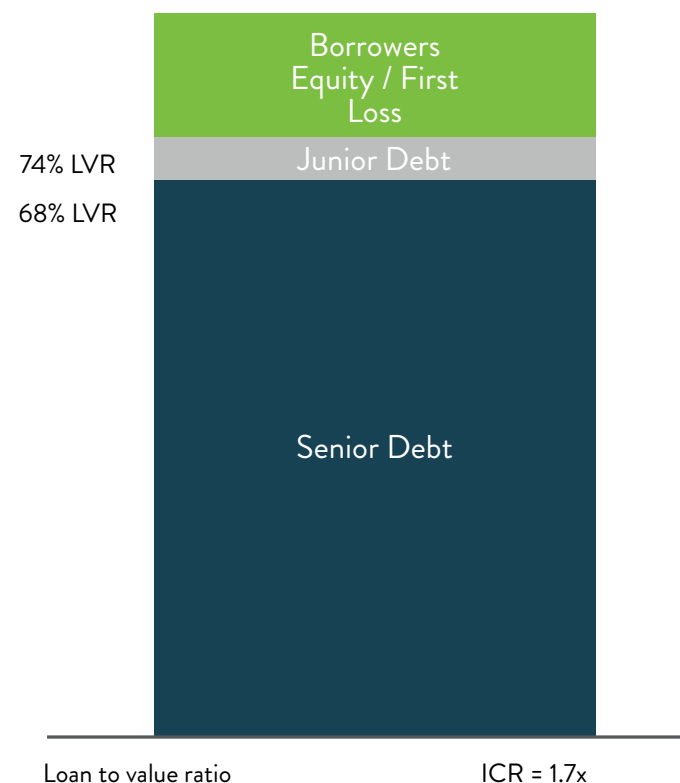
# REAL ESTATE DEBT INVESTMENT

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- GCM invests in real estate debt.
- GCM considers real estate debt investment as a prudent method of expanding the Group's investment options as well as diversifying risk.
- Real estate debt investment provides alternative return characteristics than equity.
- Investment opportunities are generated through the groups Debt Advisory function.
- Junior debt becomes 'enabling capital' in a transaction, reducing borrowers' first loss/equity requirements providing greater funding options and flexibility to borrowers.
- With major banks decreasing their risk appetite, in many cases the opportunity is to replace/take risk positions that were previously senior debt level risk yet at far larger returns.
- The Group will look to expand its capital available for this activity through various methods, including possibly seeding a debt fund with the capital currently committed to this activity or a mandated co-investment structure with external investors.

# REAL ESTATE DEBT INVESTMENT - CURRENT

- The Group, at 30 June 2016 had a \$2 million junior debt investment that was returning a 13% per annum coupon, paid monthly.
- This investment was repaid by the Borrower in late September.
- The transaction was originated by the GARDA Finance debt advisory function.
- Senior Debt was arranged by GARDA Finance and provided by a big four bank.
- Procurement and trailing revenues were generated from arranging the senior debt.
- The total non-investment revenue generated equates to approximately **7% of the \$2m** capital deployed.
- The total return (investment and non-investment revenues) was **27% over 19 months**.





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**QUESTIONS?**



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# **BUSINESS OF THE MEETING**

# BUSINESS OF THE MEETING

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1	<ul style="list-style-type: none"><li>FY16 Financial Statements and Report</li></ul>
2	<ul style="list-style-type: none"><li>Resolution 1 – Adoption of Remuneration Report</li></ul>
3	<ul style="list-style-type: none"><li>Resolution 2 – Re-election of Director – Mark Hallett</li></ul>

# 1. FY16 FINANCIAL STATEMENTS AND REPORT

To receive and consider the Annual Financial Report and Financial Statements, the Directors' Report and Auditor's Report for GARDA Capital Limited and its controlled entities for the financial year ended 30 June 2016.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2016

	NOTE	2016 \$	2015 \$
Revenue	4	4,277,359	4,945,659
Other income	4	748,674	2,100
Employee benefits expense		(1,230,045)	(1,580,279)
Professional costs		(1,017,857)	(807,588)
Facilities management costs		(196,290)	(225,208)
Depreciation		(22,467)	(22,470)
Amortisation of intangibles		(84,171)	(266,277)
Insurance		(118,200)	(136,419)
Occupancy costs		(247,192)	(222,974)
Finance costs		(1,361,468)	(384,271)
Impairment of receivables		(3,630)	(104,536)
Fair value of financial assets held for sale		-	(7,642)
Other expenses		(319,357)	(297,950)
Impairment of intangible assets	11	(214,061)	-
<b>Profit before income tax</b>		<b>211,295</b>	<b>892,145</b>
Income tax expense	6	(97,725)	(408,635)
<b>Profit after income tax</b>		<b>113,570</b>	<b>483,510</b>
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year attributable to:</b>			
Owners of GARDA Capital Limited		<b>113,570</b>	<b>483,510</b>
<b>Basic and diluted earnings per share (cents)</b>	26	<b>1.4</b>	<b>6.6</b>

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	NOTE	2016 \$	2015 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	25	1,678,525	2,426,668
Trade and other receivables	7(a)	2,844,006	438,245
Inventories	8	-	663,791
Other assets		-	3,024
<b>Total current assets</b>		<b>4,522,531</b>	<b>3,531,728</b>
<b>Non-current assets</b>			
Other Receivables	7(b)	-	2,000,000
Property, plant and equipment		35,585	58,052
Financial assets	10	10,254,828	10,004,824
Investment properties	9	1,201,000	-
Intangible assets	11	738,207	1,036,439
<b>Total non-current assets</b>		<b>12,229,620</b>	<b>13,099,315</b>
<b>Total assets</b>		<b>16,752,151</b>	<b>16,631,043</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	12	695,369	665,839
Interest bearing loans	13	1,500,000	250,000
Financial liabilities held at fair value through profit or loss	14	9,600,000	1,250,000
Provisions	15	165,995	659,456
Current tax liability		251,631	356,258
<b>Total current liabilities</b>		<b>12,212,995</b>	<b>3,181,553</b>
<b>Non-current liabilities</b>			
Deferred tax liability	6	135,396	37,674
Interest bearing loans	13	3,208,458	3,979,643
Financial liabilities held at fair value through profit or loss	14	-	8,350,000
Provisions	15	5,509	5,950
<b>Total non-current liabilities</b>		<b>3,349,363</b>	<b>12,373,267</b>
<b>Total liabilities</b>		<b>15,562,358</b>	<b>15,554,820</b>
<b>Net assets</b>		<b>1,189,793</b>	<b>1,076,223</b>
<b>EQUITY</b>			
Contributed equity	16	1,942,421	1,942,421
Accumulated Losses		(752,628)	(866,198)
<b>Total equity</b>		<b>1,189,793</b>	<b>1,076,223</b>

The Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

## 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider, and if thought fit, pass the following as an advisory resolution:

“That the Remuneration Report for the year ended 30 June 2016 (set out on pages 9 to 14 of the GARDA Capital Group’s Annual Report 2016) be adopted.”

The vote of this resolution is advisory only and does not bind the Directors of the Company.

RESOLUTION NAME		LODGED FOR	LODGED OPEN	LODGED AGAINST	ABSTAIN
1. ADOPTION OF THE REMUNERATION REPORT	Votes	2,584,928	301,327	24,394	0
	Percentage	88.81%	10.35%	0.84%	0.00%

### Voting exclusions

In accordance with section 250R of the Corporations Act a vote must not be cast (in any capacity) on the non-binding Remuneration Report resolution (Resolution 1) by or on behalf of the key management personnel (KMP) (whose remuneration details are contained in the Remuneration Report) or their closely related parties whether as a Securityholder or as a proxy. However, a vote may be cast on Resolution 1 by KMP or their closely related party if:

- a) the vote is cast by a person as a proxy for a person who is entitled to vote (i.e. is not a KMP or a closely related party of a KMP), in accordance with the directions on the Proxy Form; or
- b) the KMP is the Chairman of the meeting and the appointment of the Chairman as proxy does not specify which way the proxy is to vote on the resolution and expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of the KMP.

## 2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MARK HALLETT

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To consider, and if thought fit, pass the following as an ordinary resolution of the Company:

“That Mr Mark William Hallett, a Director retiring from office by rotation in accordance with Article 11.3(b) of the Constitution of GARDA Capital Limited and each of its subsidiaries, being eligible, be re-elected as a Director of GARDA Capital Limited and each of its subsidiaries.”

RESOLUTION NAME		LODGED FOR	LODGED OPEN	LODGED AGAINST	ABSTAIN
2. RE-ELECTION OF DIRECTOR MARK HALLETT	Votes	9,561,232	7,288,668	13,808	0
	Percentage	56.70%	43.22%	0.08%	0.00%





**GARDA CAPITAL GROUP**  
ANNUAL GENERAL MEETING | 18 NOVEMBER 2016