

30 November 2018

Company Announcements Office
Australian Securities Exchange Limited

Prime Financial Group Ltd
ACN 009 487 674

Level 17, Como Office Tower
644 Chapel Street
PO Box 6105
South Yarra VIC 3141

Tel 03 9827 6999
Fax 03 9827 9100

enquiries@primefinancial.com.au
www.primfinancial.com.au

**Prime Financial Group Ltd (Prime – ASX code PFG)
2018 Annual General Meeting**

In accordance with the requirements of the ASX Listing Rules, Prime Financial Group Ltd (ASX.PFG) is pleased to provide a copy of the presentation to be given by Prime's Chairman, Mr Paul Cowan, and its Managing Director / CEO, Mr Simon Madder at the Company's Annual General Meeting (which will commence at 9.00am this morning).

About Prime Financial Group

Prime is an Integrated Accounting, Wealth Management and Capital Advisory firm that operates a direct client advice model and a partnership model with Accounting and Advisory firms. Prime's goal is for clients to receive complete Accounting, Wealth Management and Capital Advice.

For more information on this announcement please contact **Simon Madder (Managing Director / CEO)** on (03) 9827 6999.

30 November 2018

2018 ANNUAL GENERAL MEETING

Chairman's Address

Good morning Ladies and Gentlemen. On behalf of my fellow directors, Mr Simon Madder, Mr Peter Madder, and Mr Tim Carroll, it gives me great pleasure to welcome you to the 2018 Annual General Meeting of Prime Financial Group Limited. My name is Paul Cowan, and I have the honour of being your Chairman.

I would also like to take the opportunity to welcome the members of our team who are in attendance this morning, as well as representatives from our current auditors, Ernst & Young, and from our legal advisers, HFW Australia. I would also like to welcome representatives of Computershare who will be counting votes on resolutions to be considered this morning.

The agenda for this meeting will comprise of my address, followed by our Managing Director/CEO, Mr Simon Madder's presentation on the business and the results for the 2018 financial year. Simon will also provide a progress update for the current financial year. We will then allow some time for questions on the business of Prime.

The formal business of the meeting will then be conducted which will include resolutions for the adoption of the 2018 Annual Financial Statements and the Remuneration Report, followed by the re-election of Mr Tim Carroll as a director of the Company.

On behalf of the Directors and shareholders, I would like to thank our CEO Simon Madder for his dedication and leadership, our management team and staff for their passion and commitment, and also our 30+ partner firms across the country for embracing the opportunity to join us on our journey.

I would also like to thank my fellow Directors (Peter Madder & Tim Carroll) for their valuable contributions during the past 12 months, and to welcome those new members to the Prime team, who have already and will continue to place their own stamp on the future direction, growth and success of the business.

In the year ended 30 June 2018 (FY18), the management team made significant progress to reposition Prime as a fully integrated professional services firm, and to build out the Company's Accounting & Business Advisory, Wealth Management and Capital Advisory capabilities.

Our goal has consistently been to deliver a complete service offering that encompasses our three core service areas to provide clients with a seamless and high-quality experience.

Prime Financial Group Ltd
ACN 009 487 674

Level 17, Como Office Tower
644 Chapel Street
PO Box 6105
South Yarra VIC 3141

Tel 03 9827 6999
Fax 03 9827 9100

enquiries@primefinancial.com.au
www.primefinancial.com.au

Historically, Prime's Wealth Management services were delivered both directly and through Joint Ventures with Accounting Firms, with Accounting & Business Advisory services being delivered through Accounting Firms where Prime maintained a minority equity interest. Although previously a successful business model, a strategic review conducted in FY17 identified the need for Prime to maintain greater influence and control over its entire service offering to ensure a consistent, high quality and seamless service was being delivered to clients across all three lines of business.

To do this, we needed to move to a model where all of Prime's services were controlled and operated under the Prime brand, and by Prime people that have both an ownership in the firm, and share a consistent vision under Prime's 'One Connected' business plan and strategy.

This was a material shift, and one which has seen Prime divest minority interests in several Accounting Firms, invest in existing relationships with its joint venture partners, and develop capabilities that extend past its historical and proven expertise in Wealth Management.

Currently, over 40% of Prime's issued shares are owned by staff and associates.

The last two years have been busy, difficult, exciting and challenging, and has required a significant commitment from your Board, management team staff members old and new, and indeed our shareholders.

Prime has made a number of important decisions during this transition period, which has seen it exit a number of minority equity positions in accounting firms, acquire and integrate complimentary businesses to provide additional scale and capability, and establish a new Capital Advisory division to expand our suite of client services.

This repositioning has resulted in:

- a 150% increase in team members from 35 to over 90;
- a 54% increase in consolidated revenues;
- a decrease in minority equity investments in accounting firms from 10 to 2; and
- the 100% acquisition of four businesses across the Accounting, Business Advisory and Corporate Advisory divisions.

To progress the Company's strategic repositioning, the development of additional capabilities, and to generate enhanced efficiencies, Prime has further invested in the infrastructure that supports these endeavours, and has appointed Ernst & Young as its auditor.

The changes made over the past two years, while impacting on short term profitability, have been necessary and leave Prime well positioned for earnings growth and margin improvement in FY19 and beyond. These benefits will become more apparent as we continue to scale and become a destination of choice for clients seeking a high quality integrated service, like minded firms wishing to participate alongside Prime in our journey, and well credentialed professionals looking to further their careers in a supportive and innovative environment.

Over the last 12 months, Prime invested in Finance & IT resources to support its accelerated business expansion and our future earnings growth. We continue to actively engage with our Accounting Firm Joint Venture partners as we work alongside them to provide an enhanced client experience for Wealth Management and other services.

With the right infrastructure in place, our strategic plans being executed, and a meaningful pipeline of opportunities to scale the business, Prime is well positioned to leverage the strategic investment made to date to drive strong growth from its expanded service offering and enhanced client experience.

In the current environment of significant industry change, where sub-scale businesses will struggle to compete, your Board and management team is confident that significant value from these past two years of investment to reposition the business will be realised.

On a go-forwards basis, Prime's key priorities include;

- expanding our capabilities in our core hub locations of Melbourne, Sydney and Brisbane;
- growing our commercial footprint to drive revenue growth and improve financial performance;
- acquiring and successfully integrating additional businesses under the Prime brand and infrastructure;
- leveraging the Company's recent investments in Finance and IT;
- continuing to enhance our client service standards and the performance of the team; and
- addressing the inevitable challenges that come with the existing advice environment.

We are ambitious and conscious of the importance of improving performance but most importantly, we are confident that we can execute on our strategic plans to deliver a better outcome for all stakeholders.

We would like to thank our clients, joint venture partners, shareholders and team members for their participation in this growth plan for the future, and look forward to a successful FY19 and beyond.

Simon will elaborate further on the financial results for the year during his presentation.

Looking forward, your Board is committed to increasing its footprint in the Wealth Management, Accounting & Business Advisory and Capital Advisory sectors, and to identifying opportunities to grow both organically and via the acquisition of businesses who share our passion for excellence.

In closing, I would like to thank our shareholders for their continued support of Prime during the year and in particular those shareholders who have been able to attend today's meeting.

I can assure you that your Board and Management Team are working hard to realise Prime's potential to grow our business and service offerings, and to see these efforts recognized by way of an increased earnings per share, and consequential growth in value attributed to the Prime business.

Paul Cowan
Chairman



Prime Financial Group Ltd (ASX: PFG) – AGM Presentation

30 November 2018

Welcome

Directors

- Simon Madder – Managing Director & CEO
- Peter Madder – Executive Director
- Paul Cowan – Independent Non-Executive Chairman
- Tim Carroll – Independent Non-Executive Director

Auditors

- Ernst & Young

Legal Advisors

- HFW

Share Registry

- Computershare Investor Services

Agenda

1. Independent Non-Executive Chairman's Address – Paul Cowan
2. Managing Director/CEO's Presentation
3. Business of the Meeting



Prime Financial Group Ltd (ASX: PFG) – Managing Director/CEO's Presentation

Who We Are

Services



- Integrated Accounting & Business Advisory, Wealth Management and Capital Advisory Services with \$1.1 billion of funds under management (FUM)

Purpose



- Advise investors, business owners and entrepreneurs on realising their aspirations, protecting and growing their wealth and accessing capital

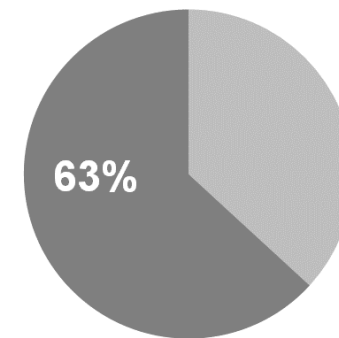
Operations



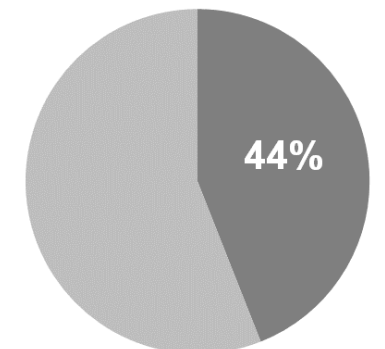
- 90+ team members across Melbourne, Sydney, Brisbane, Gold Coast, Cairns, and Perth
- Focus on growing three core hubs in Melbourne, Sydney and Brisbane for all service lines
- Centralised Services (IT, Finance, Marketing & HR) in Melbourne

Prime's Capital Structure

Shares on issue (includes treasury shares) at 30/06/18	193.0 million
Market Capitalisation at \$0.10 at 26/11/18 closing	\$19.1 million
Net debt at 30 June 2018	\$7.7 million



Top 20 Shareholders

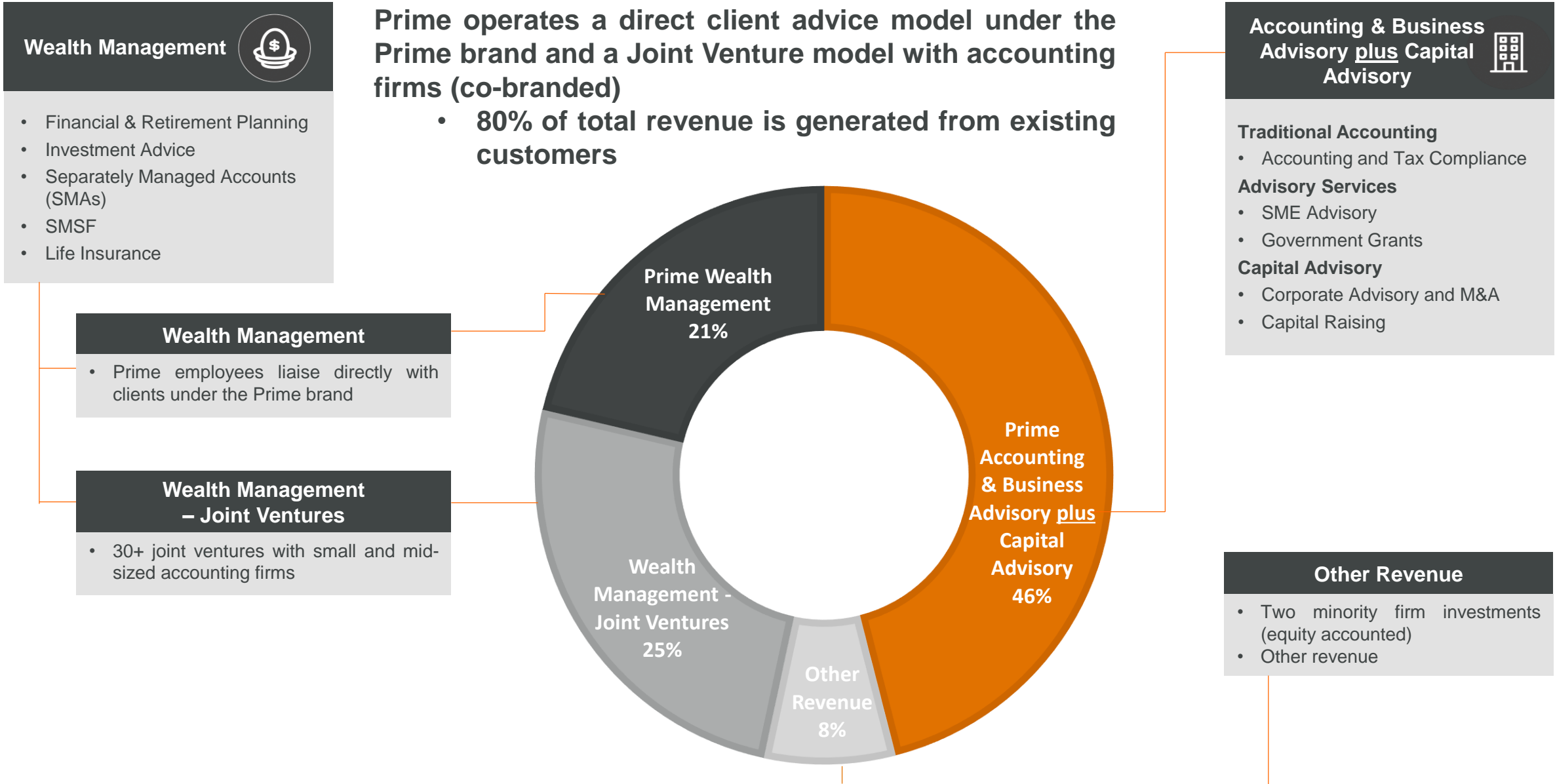


Staff & Associate Shareholders

Key Points

1. Exposure to favourable industry thematic in Wealth Management, SMSF and Business Advisory
2. Continued Revenue Growth and Scale
3. Strategic repositioning of Prime substantially complete in FY18
4. Invested in infrastructure and services to allow acceleration of business plan
5. Targeting double digit earnings growth in FY19
6. Potential acquisitions to add to earnings and EPS
7. Attractive valuation with gross dividend yield (including franking credits) of 12.4%*

What We Do – Revenue by Service



FY18 Highlights

Continued Growth

- Revenue growth +11% in FY18
- Scaling through acquisitions and organic growth

Build Platform to Scale

- Three core hubs now established in Melbourne, Sydney and Brisbane
- Only core capability not available across key hubs is Accounting & Business Advisory in Sydney (key priority)

Acquisitions Successfully Implemented

- Altezza Partners (Prime Brisbane) acquisition successfully implemented and growing
- Better systems and resourcing in place for growth and performance improvement

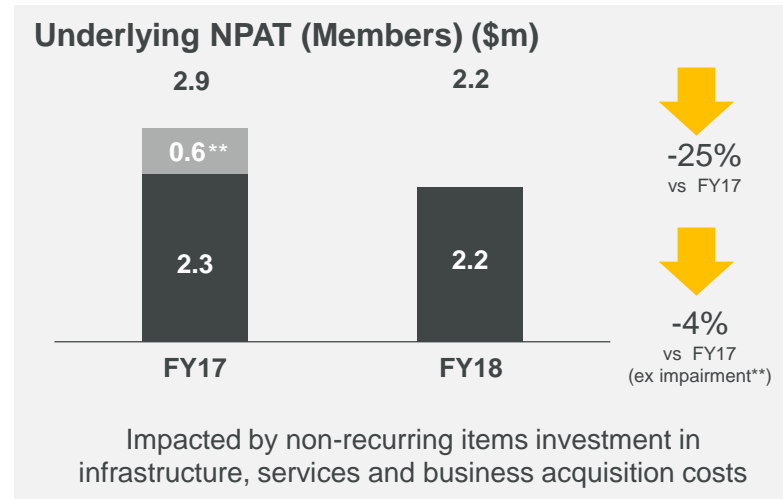
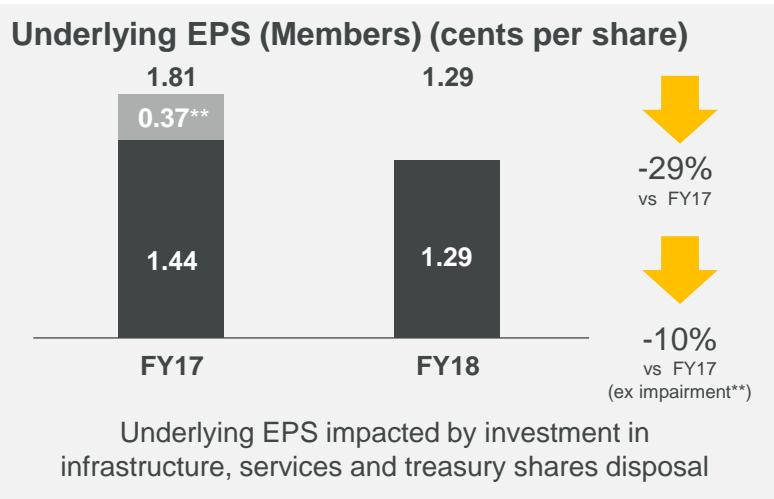
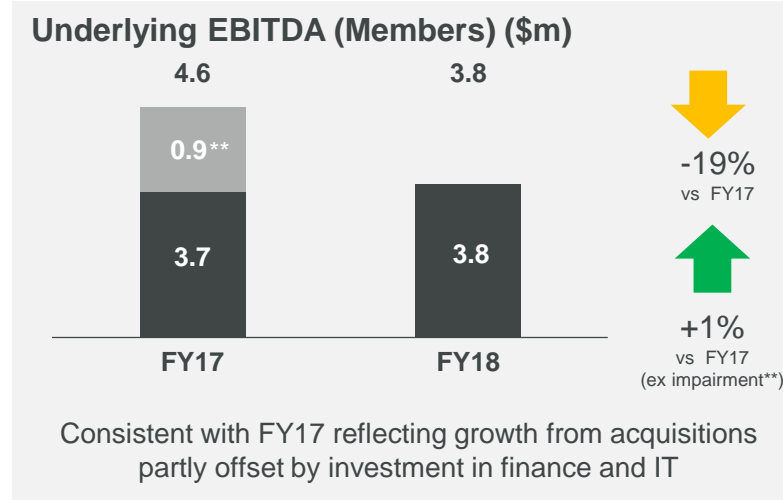
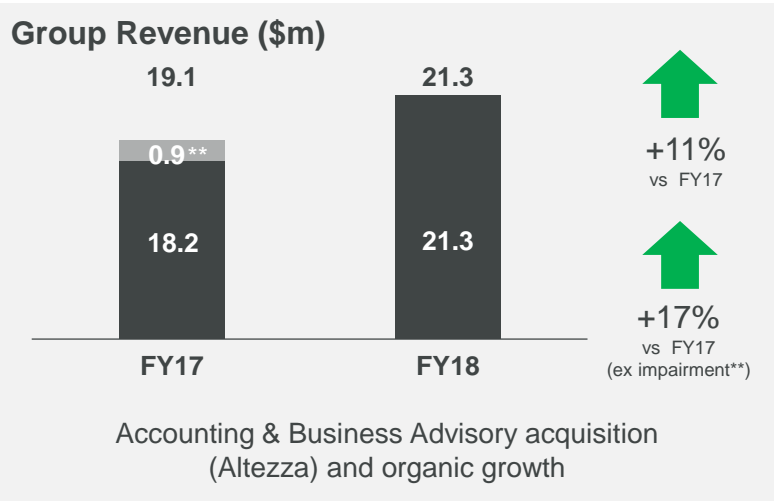
Divestments and Focus on Core

- Divestment of minority equity interests in Accounting Firms (almost final)
- Acquisition of additional equity in Wealth Management entities (core)
- Acquisition of Corporate Advisory entities (July 2018) to scale our Capital Advisory Division

Key Takeaway

- Prime has invested in future growth by building infrastructure, services and acquiring strategic assets
- These investments impacted FY18 earnings but position Prime to deliver growing shareholder value through further acquisitions and organic growth

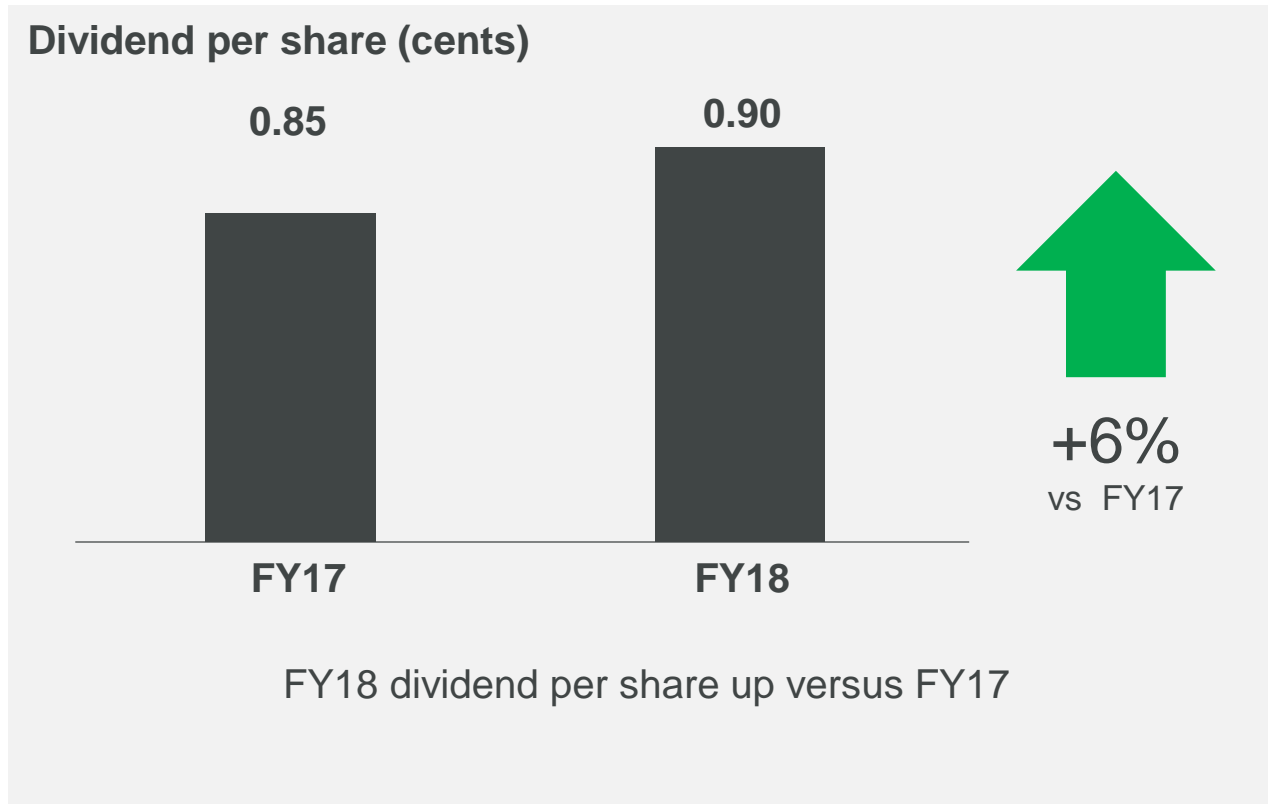
FY18 Performance Summary



• Note the P&L metrics included above have been derived from the FY18 Financial Statements and exclude share based payment expenses/(benefits), fair value adjustments on contingent consideration, amortisation of intangibles and non-recurring items including: business acquisition costs, restructuring costs, non-recurring professional fees, losses on disposal of investments and impairment losses. Please see Appendix for reconciliation of Underlying NPAT and Reported EBITDA and NPAT

** This item represents revenue recognised in FY17 that was written off as an impairment in H1 FY18. It related to non-recoverable debtors and work in progress. To provide a useful period-on-period comparison for users of this document, this item has been separately identified in the FY17 figures shown above. Prime has strengthened its systems and controls to reduce the risk of any future impairments of these items

FY18 Dividend Summary



**FY18 dividend at
0.90 cents per share
(FY17 0.85 cents per share)**

- Final dividend = 0.45 cents per share
- Final dividend consistent with prior year

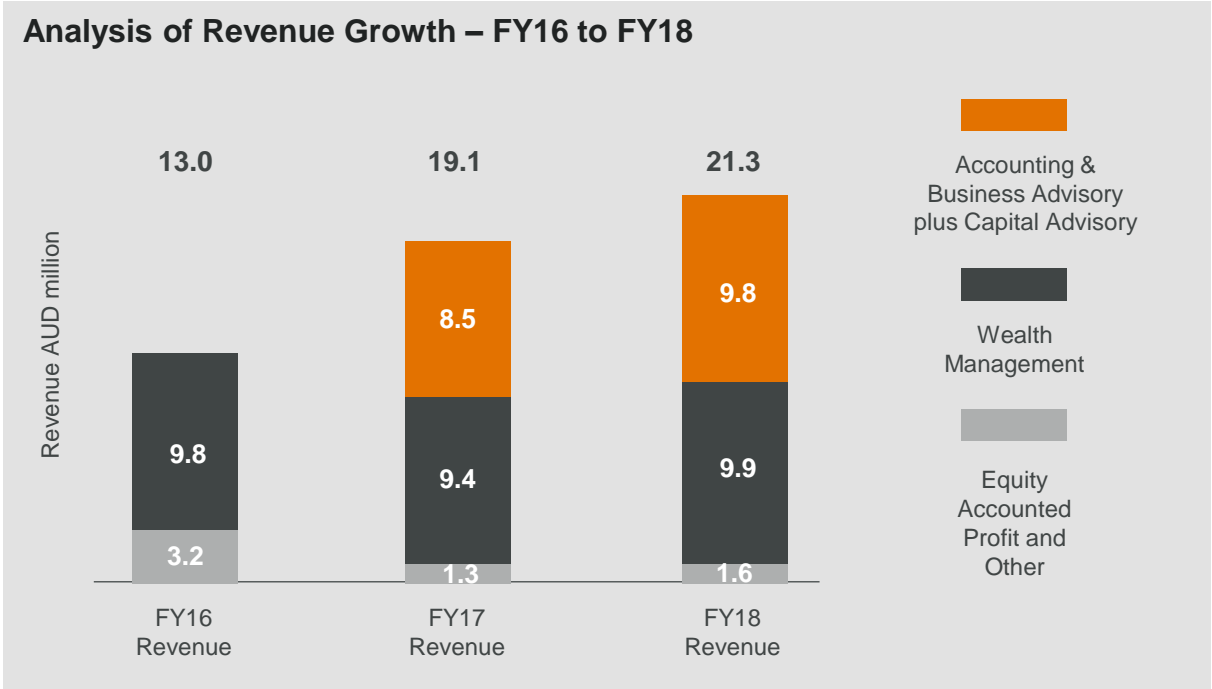
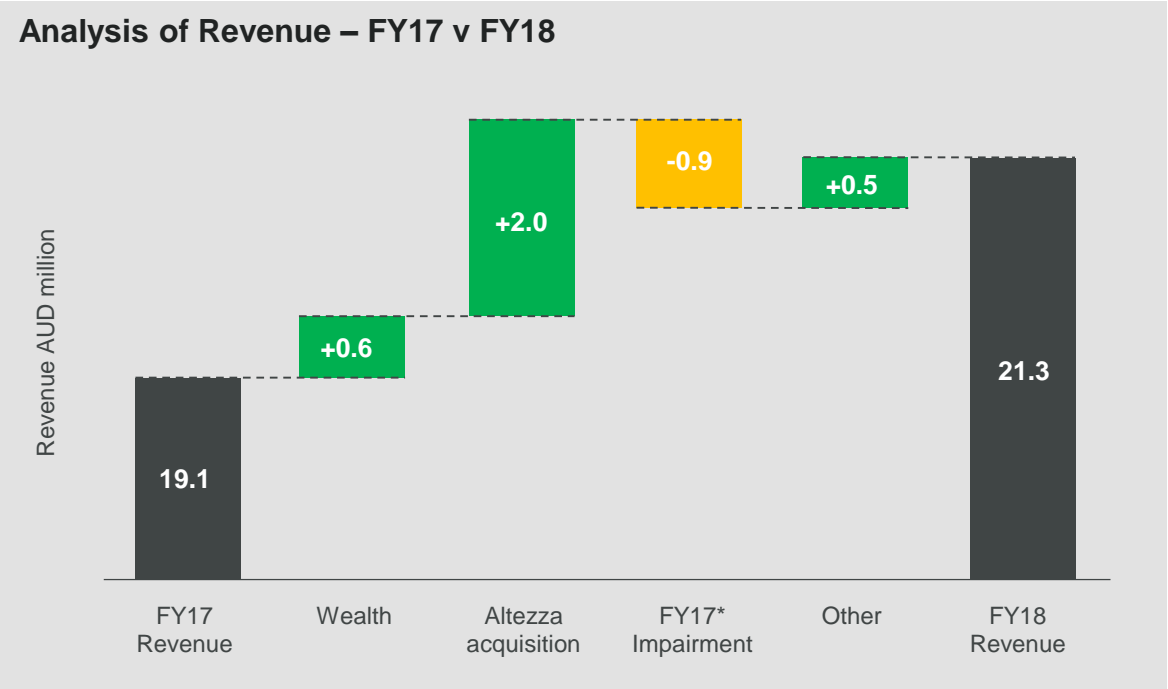
FY18 Revenue

How are we growing?

- Strategy changed in FY17 to divest minority accounting firm investments and focus on wholly owned businesses in Melbourne, Sydney and Brisbane

Where are we growing?

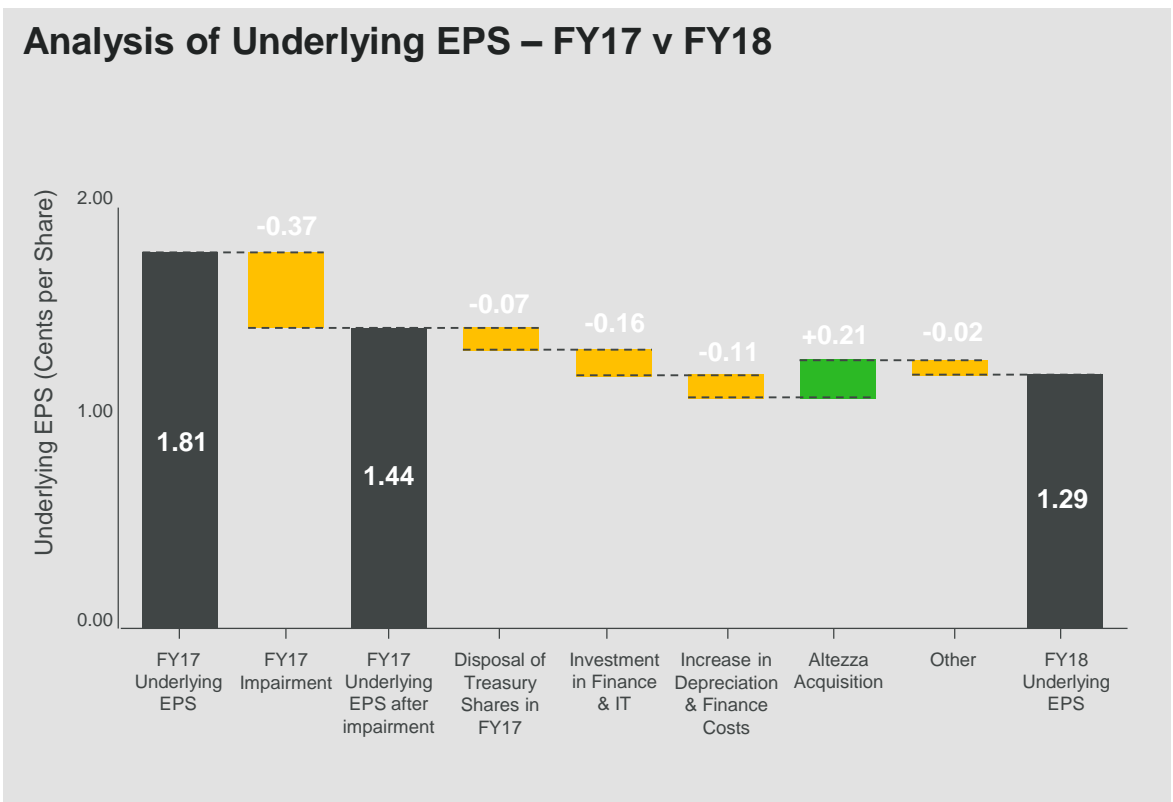
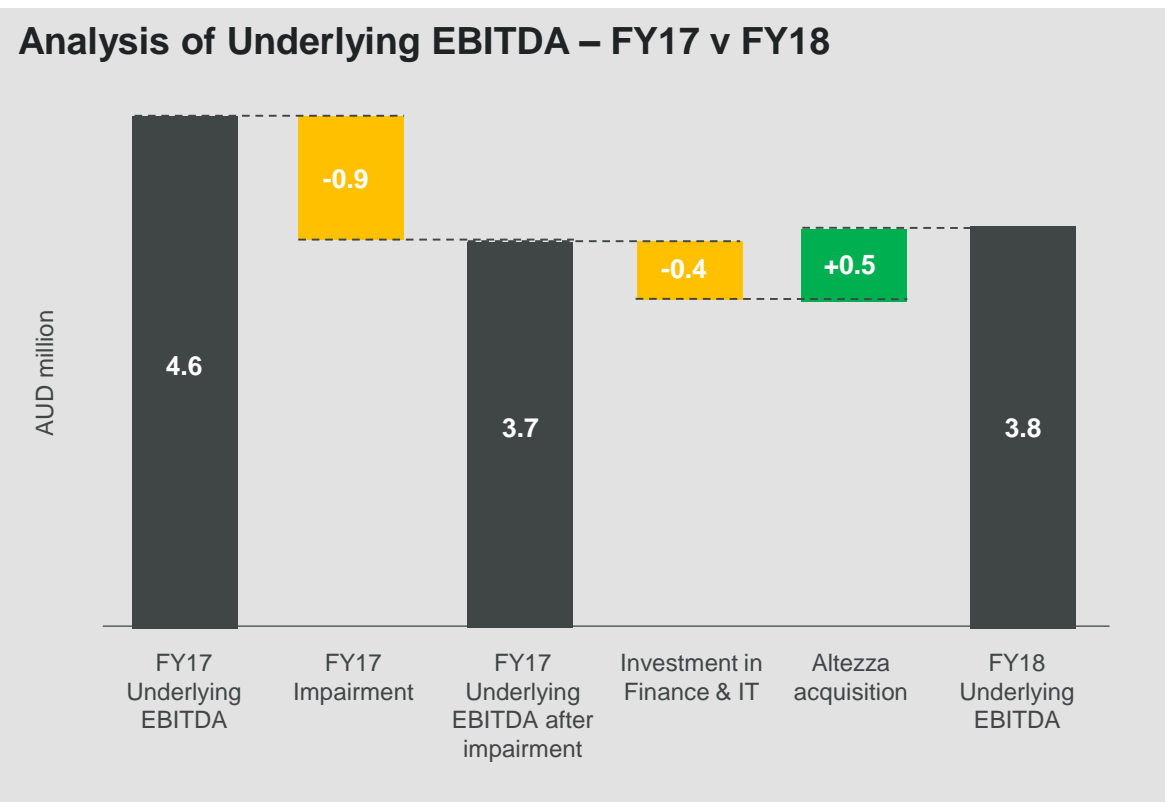
- Accounting & Business Advisory plus Capital Advisory revenue increased from \$0 in FY16 to \$9.8 million in FY18.** Delivered through two successful acquisitions in Melbourne and Brisbane plus the set up of Prime’s capital advisory division
- Wealth Management revenue increased by 6% in FY18 with continued growth in SMAs (+ \$65 million)



11

* This item represents revenue recognised in FY17 that was written off as an impairment in H1 FY18. It related to non-recoverable debtors and work in progress. To provide a useful period-on-period comparison for users of this document, this item has been separately identified in the FY17 figures shown above. Prime has strengthened its systems and controls to reduce the risk of any future impairments of these items

FY18 Underlying EBITDA & EPS (Members)



- FY17 Impairment - this item represents revenue recognised in FY17 that was written off as an impairment in H1 FY18. It related to non-recoverable debtors and work in progress. To provide a useful period-on-period comparison for users of this document, this item has been separately identified above. Prime has strengthened its systems and controls to reduce the risk of any future impairments of these items
- Investment in Finance & IT in FY18 – Prime invested in Finance & IT, which reduced EBITDA and NPAT but provides the platform for future growth through both acquisitions and organic growth

* Note the P&L metrics included above have been derived from the FY18 Financial Statements and exclude share based payment expenses/(benefits), fair value adjustments on contingent consideration, amortisation of intangibles and non-recurring items including: business acquisition costs, restructuring costs, non-recurring professional fees, losses on disposal of investments and impairment losses. Please see Appendix for reconciliation of Underlying NPAT and Reported NPAT

FY18 Balance Sheet & Cash flow

- Group net debt at 30 June 2018 was \$0.3 million lower than 30 June 2017
- Operating cash flow for FY18 was \$2.7 million



Balance Sheet

Group (AUD million)	At 30 Jun 2018	At 30 Jun 2017 *
Cash	0.9	0.6
Total assets	60.5	63.6
Borrowings	(8.6)	(8.6)
Total liabilities	(16.1)	(16.0)
Net assets	44.4	47.5
Non-controlling interests	(6.1)	(5.9)
Equity attributable to members of the parent	38.3	41.6
Group net debt	(7.7)	(8.0)
Gearing ratio	16.8%	16.1%

Cash flow

Group (AUD million)	FY18 Reported	FY17 Reported
Operating cash flow	2.7	3.0
Investing cash flow	(0.7)	(5.2)
Financing cash flow	(1.7)	1.6
Net cash flow	0.3	(0.6)
Cash at 30 June	0.9	0.6

Strategic Plan

Purpose	Advise investors, business owners and entrepreneurs on realising their aspirations, protecting and growing their wealth and accessing capital			
Goal	To be the leading integrated advice firm of the future			
How	Helping our clients and business partners access advice, services, grants, networks, education, expertise and capital			
Area	Strategic Objective	FY19 Key Priorities		
Customer	Provide clients with advice, growth opportunities and wealth management services	Organic Growth		<ul style="list-style-type: none"> Improve and grow partnerships, proactive client advice and a total client service Focus inwardly to improve organic growth and EPS
Financial	Target double digit earnings growth, scale revenue to \$50 million and FUM to \$3 billion	Acquisitions & Integration		<ul style="list-style-type: none"> Acquire in core locations when EPS accretive and enhances growth profile Integrate corporate advisory acquisitions as part of total client offering
People	Build a team that adds value to clients through proactive, goal oriented advice	People & Culture		<ul style="list-style-type: none"> Further develop and empower our people to confidently advise our clients and engage with prospects - client service is a priority
Technology	Invest in the future by utilising data and technology to improve our clients' experience and deliver Prime's business strategy	Systems & Efficiency		<ul style="list-style-type: none"> System enhancement plus automation to increase efficiency, reduce cost to income ratio and further our client experience Leverage the investment in Finance & IT infrastructure to improve ROI on acquisitions

Core Hub Strategy – Melbourne, Sydney & Brisbane

Division	HUB	FY17	FY18	FY19
Accounting & Business Advisory	MEL	MPR acquisition (100%) →		
	SYD			Key acquisition focus
	BRI	Altezza acquisition (100%) →		
Wealth Management	MEL	Existing presence →		
	SYD	Existing presence →		
	BRI			Key adviser hire →
Capital Advisory	MEL			Eaton acquisition (100%) →
	SYD	Capital division set up →		Eaton acquisition (100%)
	BRI			CMB acquisition (100%) →



Industry Landscape & Opportunities

	Key Themes	Opportunities
Wealth Management	<ul style="list-style-type: none">• Royal Commission• New advisor educational requirements• Shift away from non-bank owned advice channels• Scale, consolidation and margin compression• Changing business models• Fintech	<ul style="list-style-type: none">• Continue to position Prime as the leading client focused integrated advice firm of the future• Progressively leverage investment in infrastructure and services• Acquire sub-scale businesses struggling with change and the investment required• Destination for advisors that seek ownership, growth and support
Accounting & Business Advisory <u>plus</u> Capital Advisory	<ul style="list-style-type: none">• Tax and compliance responsibilities are a constant• SMEs need support and advice to succeed• New business establishments, rise of the start-up community, incubators and scale-ups• R&D investment and government grants technical advice	<ul style="list-style-type: none">• Further establish Prime as the 'go-to' advisory group for entrepreneurs & business owners• Keep bringing together advice, services and access to capital in one cohesive service• Help clients grow, realise and manage their capital in one connected environment

Key Points

1. Exposure to favourable industry themes in Wealth Management, SMSF and Business Advisory
2. Continued Revenue Growth and Scale
3. Strategic repositioning of Prime substantially complete in FY18
4. Invested in infrastructure and services to allow acceleration of business plan
5. Targeting double digit earnings growth in FY19
6. Potential acquisitions to add to earnings and EPS
7. Attractive valuation with gross dividend yield (including franking credits) of 12.4%*

Appendix 1 - Reconciliations of Reported NPAT to Underlying EBITDA and Reported NPAT Attributable to Members to Underlying NPAT Attributable to Members

EBITDA reconciliation:

\$000 AUD	FY18	FY17
Profit after tax from operations (Group)	131	4,081
Add: Tax expense	431	46
Add: Interest expense/(income)	503	335
EBIT *	1,065	4,462
Add: Depreciation	235	122
Add: Amortisation	699	350
EBITDA **	1,999	4,934
Adjustments:		
Business acquisition costs, restructuring costs and non-recurring professional fees	660	86
Share based payment expenses/(benefit)	(284)	812
Fair value adjustment on contingent consideration	88	-
Loss on disposal of investment	689	-
Impairment losses	2,303	393
Underlying EBITDA **	5,455	6,225
Underlying EBITDA attributable to members	3,772	4,631

* EBIT is defined as earnings before interest and tax

** EBITDA is defined as earnings before interest, tax, depreciation and amortisation

NPAT attributable to members reconciliation:

\$000 AUD	FY18	FY17
NPAT attributable to members - Reported	(1,135)	2,922
Business acquisition costs, restructuring costs and non-recurring professional fees	660	86
Share based payment expenses/(benefit)	(284)	812
Fair value adjustment on contingent consideration	88	-
Loss on disposal of investment	689	-
Impairment losses	2,303	393
Amortisation	699	350
Tax on above items and alignment of underlying tax rate to 27.5% (FY17: 30%)	(821)	(1,641)
NPAT attributable to members - Underlying	2,199	2,922

Business Of The Meeting

1. Consideration of the Financial Statements

- Note: There is no requirement for the shareholders to approve these statements

2. Adoption of the Remuneration Report

3. Re-Election of Director – Mr. Tim Carroll

Resolution 1

- The first item on the agenda is the resolution concerning the Remuneration Report
- Article 37.2 of the Company's Constitution states that a resolution put to the vote of a meeting is decided on a show of hands unless a poll is demanded. As Chairman I have elected that the resolution be put to vote as a poll

Resolution 2

- The second item on the agenda is the Re-election of Mr. Tim Carroll as a Director of the Company
- Article 37.2 of the Company's Constitution states that a resolution put to the vote of a meeting is decided on a show of hands unless a poll is demanded. As Chairman I have elected that the resolution be put to vote as a poll

Important Notice and Disclaimer

This investor presentation (**Presentation**) has been prepared by Prime Financial Group Limited (**PFG**).

Summary Information

This Presentation contains summary information about PFG. The information in this Presentation is general background information and does not purport to summarise all information that an investor should consider when making an investment decision. It should be read in conjunction with PFG's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (**ASX**), which are available at www.asx.com.au or www.primefinancial.com.au. Not all assets depicted in the Presentation are necessarily owned by PFG or any entity managed by PFG. Figures may not sum due to rounding. Currencies are generally presented in Australian dollars and times are references to Melbourne times except where the context requires otherwise.

Forward Looking Statements

This Presentation contains forward looking statements which may be subject to significant uncertainty outside of PFG's control. No representation is made as to the accuracy or reliability of the forecasts or the assumptions on which they are based. Actual future events may vary from these forecasts. Users of this information are cautioned against placing undue reliance on any forward looking statements.

Not Investment Advice

This Presentation is for information purposes only and is not financial product or investment advice or a recommendation to acquire entitlements or shares. This Presentation is not a prospectus or a product disclosure statement under the *Corporations Act 2001* (Cth) (**Corporations Act**) nor is it an offering document under any other law, and has not been lodged with ASIC. The information in this Presentation has been prepared without taking into account the investment objectives, financial circumstances, taxation position or particular needs of investors. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek appropriate legal, financial and taxation advice appropriate to their jurisdiction.

Disclaimer

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this Presentation. To the maximum extent permitted by law, none of PFG nor any of its related bodies corporate, shareholders or respective directors, officers, employees, agents or advisors (collectively, **Related Parties**), nor any other person accepts any liability, including, without limitation, any liability arising out of fault or negligence for any loss arising from the use of information contained in this Presentation. To the fullest extent permitted by law, PFG and its Related Parties:

- do not accept any responsibility for any interpretation that any recipient or any other person may place on this Presentation or for any opinion or conclusion that any recipient or any other person may form as a result of examining the information contained in this Presentation; and
- do not accept any liability, whether direct or indirect or consequential, for any loss, damage, cost, expense, outgoing, interest, loss of profits or loss of any kind (**Losses**) suffered or incurred by any person (whether foreseeable or not) as a result of or by reason of or in connection with the provision or use of information contained (or not contained) in this Presentation, or of any recipient or its representatives or advisers acting on or relying on any information provided or referred to in or omitted from this Presentation or any other written or oral opinions, whether the Losses arise in connection with any negligence, default or lack of care on the part of PFG and its Related Parties or any other cause.

Any recipient of this presentation acknowledges and agrees that:

- they will rely entirely upon their own assessment and advice in relation to the business, assets, financial position and affairs of PFG, including conducting independent inquiries, due diligence or analysis with appropriate legal, financial, taxation and other advice, as required; and
- any opinions expressed in this presentation are based on the knowledge and approach of the persons forming the opinion at the date that the opinion was formed and may have ceased or may in the future cease to be appropriate in the light of subsequent knowledge or attitudes.