

Stanfield Funds Management Limited: Business Strategy

Background

Historically, Stanfield Funds Management Limited (“Stanfield” or the “Company”) has operated as a funds management business whilst also providing management services to other entities.

Following Stanfield’s relisting, the Company will continue to provide investors with the opportunity to invest directly into Asian markets via strategically acquired or potentially via a funds management platform. The Company’s established networks connect offshore investors with Australian opportunities from the ASEAN region in order to leverage the “Asian Century”. This strategic direction was announced to shareholders of the Company on the 21st May 2014 and the Company fully intends to continue with the strategy outlined at that time.

Despite the fact that the Company was placed into Voluntary Administration and a number of agreements were unable to complete as a result, the existing and newly appointed Directors believe that the strategic direction outlined in May 2014 continues to have merit and in its view provides the best opportunity to deliver demonstrable growth in the near and medium term.

Keys to Success

The strengthening of the Board of Directors with their vast and varied experience on a domestic and international basis as a result of the recapitalisation process is a critical component in ensuring that the strategy-led and value-based decision making process delivers the requisite return for all stakeholders.

Making it Happen

Whilst continuing to evaluate and manage its current holdings, the Company will overlay its proprietary tools, processes and investment filtering criteria to deliver returns consistent with the Company’s activities (“Strategic Opportunity Criteria”).

In the event of direct investments, the Company will seek to provide operational guidance and support alongside its financial investment (“Management Services”). Through leveraging the Company’s networks and strategic and operational know-how, the Directors believe this will provide the best possible chance of any investment realising its full potential.

An overview of the Strategic Opportunity Criteria and Management Services is detailed in the table below:

Strategic Opportunity Criteria	Management Services
.. Authenticity of the product offering	.. Operational engagement with the businesses
.. Global / Regional application with no national limitations	.. Strategic, financial and operational oversight
.. Transactional / Service based revenue streams	.. Expanding and leveraging international networks
.. Scalability and leveraging pre-established infrastructure	.. Accessing capital markets for expansion and/or exit strategy
.. Existing marquee customers	.. Establishing growth visibility / profitability with entry barriers
.. Strong existing management teams and processes	

Making the Investments

The Company employs a tried and tested key indicator weighted scoring system when evaluating investment opportunities.

This scoring system enables the Company to readily assess the prospective financial return from any investment. Key indicators and facets assessed include: capital structure, shareholders, product and service, competitors, management team, locations, pricing model, revenue streams, key partners, key customers, geographical reach, valuation, use of funds, audited financials and projections.

This evaluation and assessment of prospective investments enables the Company to take advantage of opportunities in a timely fashion whilst ensuring that any investment risks are ascertained and mitigated for the Company and its shareholders.

Summary

The Company's focus to leverage the social change and growth in Asia and invest directly into Asian markets via strategically acquired corporate investments combined with the parallel deployment of knowledge capital through its Management Services means that Stanfield is well placed to execute the business plan previously announced to current and prospective shareholders.

As detailed above, the business plan is consistent with (i) the most recent financial statements describing the Company's activities as Funds Management and the provision of management services to other entities; and (ii) the strategic vision set-out prior to Voluntary Administration on the 21st May 2014.

The Company during its suspension has conducted a number of fact finding projects and commenced evaluation of a number of potential investments in line with its mandate. As a result the Company hopes to begin making investments shortly after relisting in order to maximise early revenue opportunities and shareholder returns.