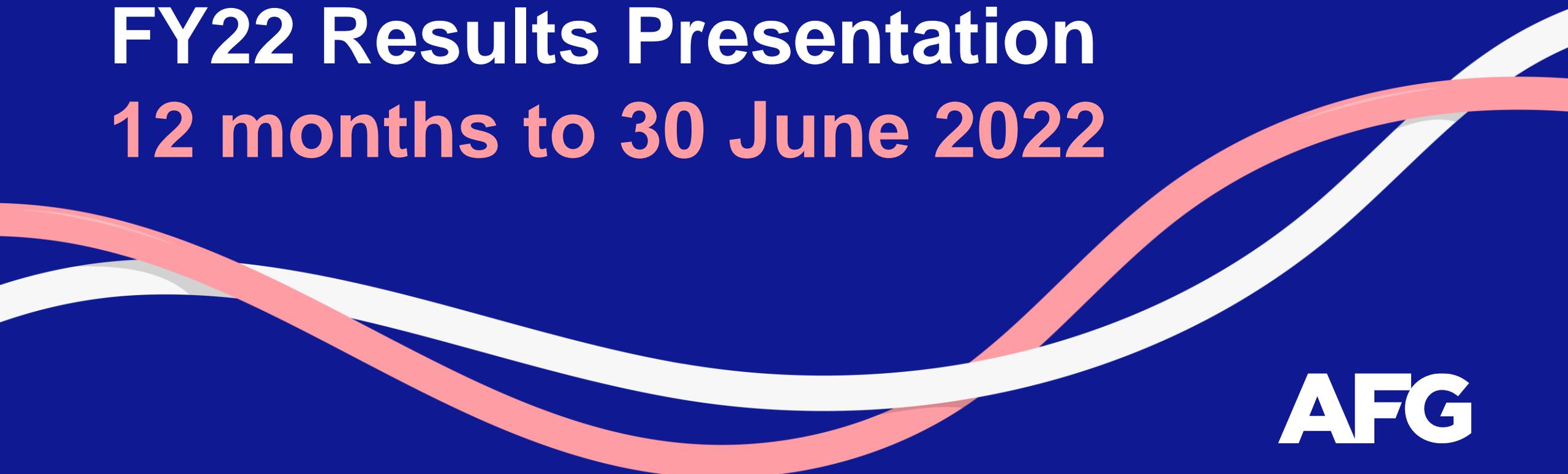


AFG Limited

FY22 Results Presentation

12 months to 30 June 2022

AFG

The background features several thick, wavy lines in white and light red, creating a dynamic, flowing pattern across the bottom and right side of the slide.

CONTENTS

Highlights

Operating Update

Financials

Business Strategy

Outlook

Appendix



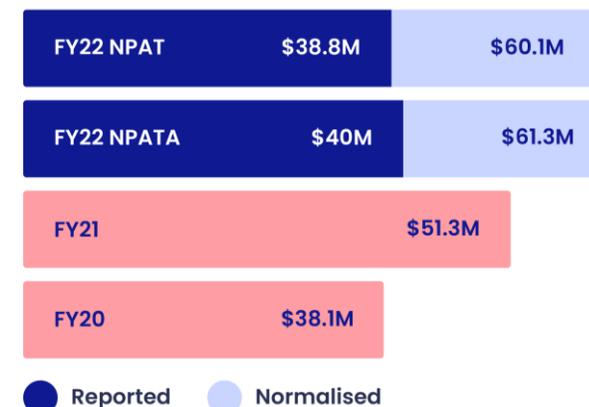
**MFAA Aggregator
of the Year 2022**

FY22 results

Strong trading results with overall volumes and key strategic investments delivering growth in underlying earnings and dividends - through changing market conditions

- Earnings diversification delivered 20% growth in normalised NPATA to \$61.3m
- Reported NPAT of \$38.8m after Volt and technology related impairments
- Record residential settlements of \$59.4b, up 36% on FY21. Mortgage brokers continue to dominate the residential mortgage market reaching 69.5% market share
- AFG Securities settlements up 102% in FY22, July 22 lodgements remain above prior year
- Fintelligence and BrokerEngine acquisitions performing above expectation
- Earnings associated with our Thinktank investment have continued to grow (up 16% to \$6.1m)
- Strong cash flow generation empowering the confidence to enhance our historical dividend policy to a record final dividend of 9.6 cents per share – an increase of 30% on FY21
- Low capital requirements support strong returns with an underlying ROE of 30%
- AFG maintains a strong balance sheet with \$217 million¹ in net cash and other financial assets such as investments in Thinktank all recorded at historic values
- Net present value of net trail book of \$106 million
- Awarded Aggregator of the Year at recent MFAA awards
- Strong results despite the disappointing impairments related to Volt and broker related technology. Whilst we have some learnings from the events, we remain committed to the ongoing investment in technology to deliver improved experiences for our brokers and their customers

Normalised NPATA up 20% to \$61.3M Reported NPATA of \$40M



Final fully franked dividend up 30% to 9.6 cents per share



HIGHLIGHTS

FY22 results

Strong growth in financials and strategic products

Number of customers that AFG brokers service

500,000+

AFG Home Loans number of customers
20,850 white label
11,450 AFG Securities

AFG Broker numbers including Fintelligence and non-residential brokers now sit at

3,700+

BrokerEngine subscribers

1,650+



FY22 Residential Settlements of

\$59.4B

up 36% from FY21

FY22 Residential Trail Book of

\$182.2B

up 9% from FY21



1 in 10

Australian residential mortgages are arranged by an AFG broker



FY22 AFGHL Settlements of

\$5.6B

up 62% from FY21

FY22 AFGHL Trail Book of

\$13.3B

up 18% from FY21



FY22 AFGS Settlements of

\$2.7B

up 102% from FY21



FY22 Commercial Settlements of

\$3.9B

up 67% from FY21

FY22 Commercial Trail Book of

\$10.9B

up 19% from FY21

AFGS Loan Book increased to

\$4.8B_{FY22}

up 41% from FY21

FY22

\$4.8B

FY21

\$3.4B

AFG investment highlights



TSR

3 Year 41%
5 Year 98%



Building distribution

3,700+ Brokers
(inc Fintelligence)
Up from 2,394 at Jun 2015



FY15-FY22

CAGR growth pa

Normalised NPATA 22%
Normalised EPS 18%



Dividend yield¹

9% at FY22
At least 5% over the
last 4 years fully
franked



Capital light with a robust balance sheet supported by strong reliable cash flow

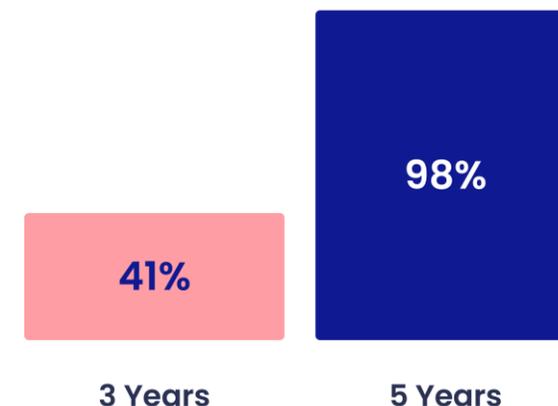


Growing AFG Securities book

(the most powerful margin
driver of AFG)

Jun 2018 \$1.4b
Jun 2020 \$2.9B
Jun 2022 \$4.8B

TSR to June 2022



AFG's strategy of providing choice and competition to Australian customers by building distribution, providing competitive products and investing in companies who also provide competitive products, is generating ongoing shareholder returns

AFG

FULL YEAR RESULTS

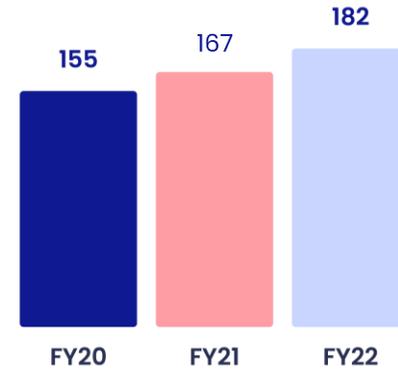
Operating Update



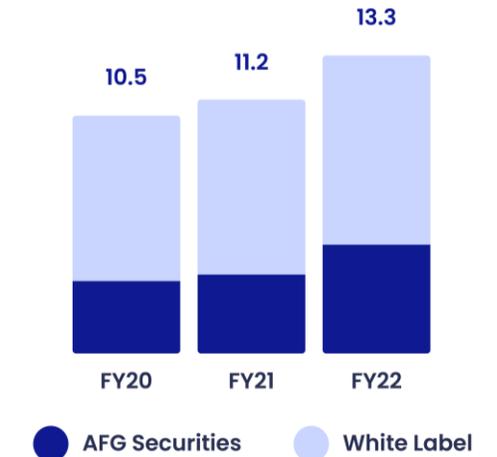
Settlements / Loan Books

Settlements	FY2022 \$000s	FY2021 \$000s	
Residential	59,393,017	43,632,251	36%
AFGHL	5,585,547	3,450,481	62%
White Label ²	2,865,864	2,104,947	36%
AFG Securities ²	2,719,683	1,345,534	102%
Commercial	3,887,484	2,321,763	67%
AFG Business	250,947	199,589	26%
Thinktank	239,010	130,031	84%
Leasing and Asset finance ¹	1,504,573	647,137	132%
Loan Book			
Residential	182,161,231	166,583,135	9%
AFGHL	13,285,672	11,245,255	18%
White Label ²	8,499,688	7,851,793	8%
AFG Securities ²	4,785,983	3,393,462	41%
Commercial	10,872,667	9,126,241	19%

Residential Portfolio (\$B)



AFGHL Portfolio (\$B)

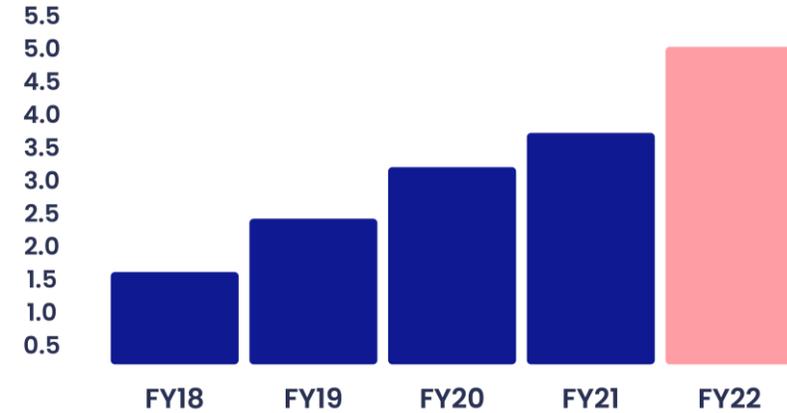


- Residential settlements up 36% to \$59.4 billion. Strong growth in all states with more customers upgrading and refinancing
- AFG Securities loan book continuing its excellent growth reaching \$4.8 billion up 41% on June 2021
- AFG Securities settlements increased 102% to \$2.7 billion
- AFG Home Loans white label products up 36% to \$2.9 billion
- Commercial and AFG Business volumes were up 67% and 26% reflecting growth in economic activity and an increased adoption of the broker channel by commercial lenders and customers
- Thinktank white label settlement volumes were up 84% to \$239 million
- Leasing and asset finance demonstrating strong momentum and growth fuelled by Fintelligence

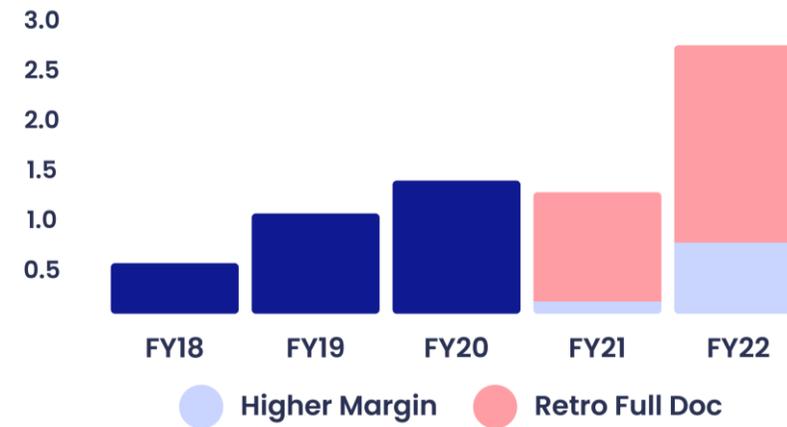
AFG Securities Update

- AFG Securities is a key driver of AFG's diversification strategy and earnings growth
- Strong growth in volumes, with Lodgements and Settlements up 73% and 102% respectively in FY22
- Recent change in mix towards higher margin products (Link, Retro Lite and SMSF) provides some protection for overall margin compression. Higher margin products made up 26% of FY22 settlements up from 11% in FY21
- Book growth is well above system demonstrating the value AFG Securities provides brokers and customers
- \$1.7 billion funded in RMBS term outs issued in FY22
- Pricing in RMBS market impacting net interest margin however this pricing expected to normalize over the year. In the interim, noting that a majority of funding is already locked in
- Cumulative uplift in warehouse capacity of \$700 million occurred in July/August 2022
- We will continue to issue RMBS paper through the cycle with a constant eye on minimizing balance sheet risk

AFG Securities Closing Book (\$B)



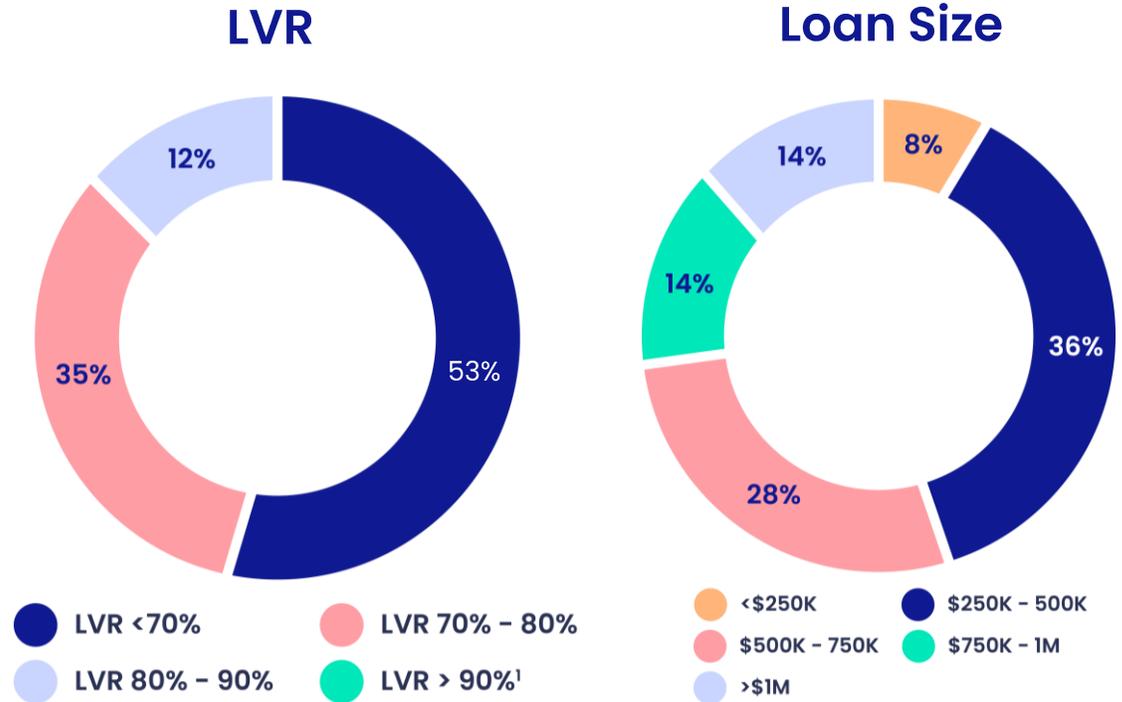
AFG Securities Settlements (\$B)



Credit risk and margins

AFG Securities has a high-quality loan book

- Robust credit assessment process, extensive industry experience and internally sourced data insights result in quality book performance
- Loan book is 100% variable and can respond quickly to increases in benchmark rates or funding margins
- Exceptionally low loss history of only \$260k
- Historical arrears rate consistently below the S&P Global Ratings Mortgage Performance Index
- 44% of the loan book has a balance below \$500k and only 14% greater than \$1m
- 88% of the book has an LVR below 80%
- Predicted contraction in net interest margin is occurring. Action taken to offset contraction includes rate rises and ongoing change in mix of new products written



AFG Securities losses and arrears

Losses since commencement in 2007

- Historically, only \$260k in losses incurred with the bulk originated in our initial warehouse, which funded predominantly low doc and high LVR loans
- Product spec post GFC cap LVR at 90% for Prime and 80% (plus Risk Fee) for Low Doc and Non-Conforming Loans

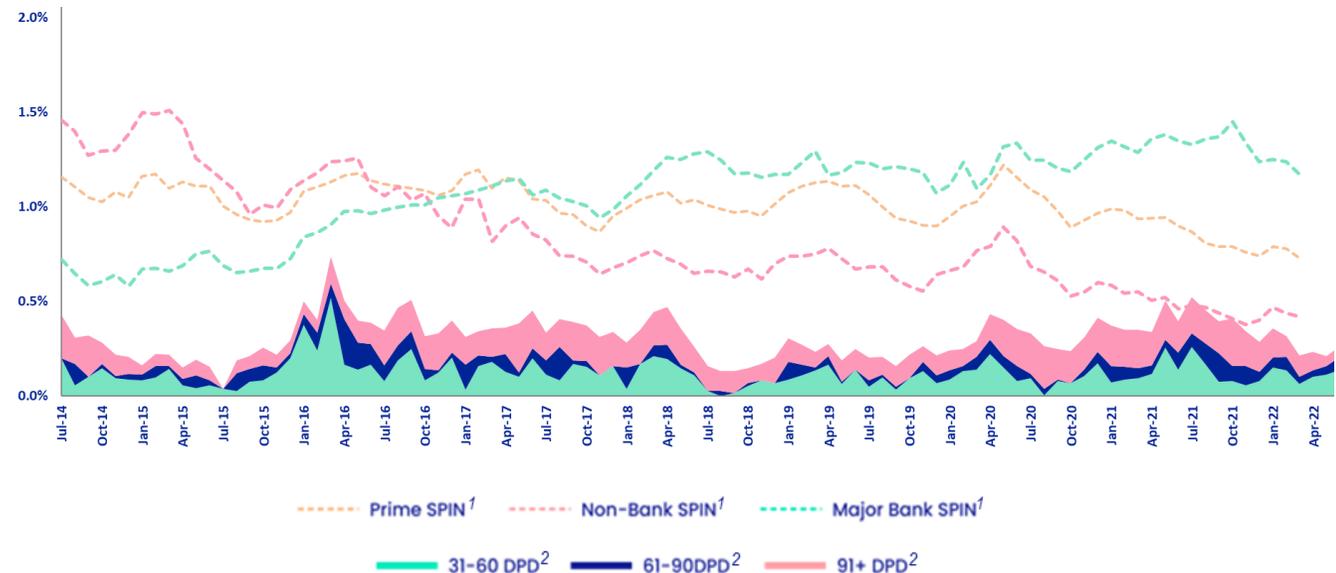
Arrears performance remains excellent

- At 30 June 2022 there were 29 loans in arrears greater than 30 days out of 11,058 loans in the book
- Loans in hardship sit at 0.09% (or 9 loans) at 30 June 2022
- Underlying provisions reduced by \$395k compared to 30 June 2021 as a reflection of overall performance of the book
- Our strategy of utilising insights from across our broking business continues to assist in credit policy design and minimal loss outcomes

AFG Securities historical losses

	Number of Loans	Loss to AFG
Total	35	\$260,206
Legacy Loans	17	\$228,115
Loans written Post-GFC	18	\$32,091

AFG arrears performance



1. S&P Global Ratings Mortgage Performance Index
2. % of book days passed due

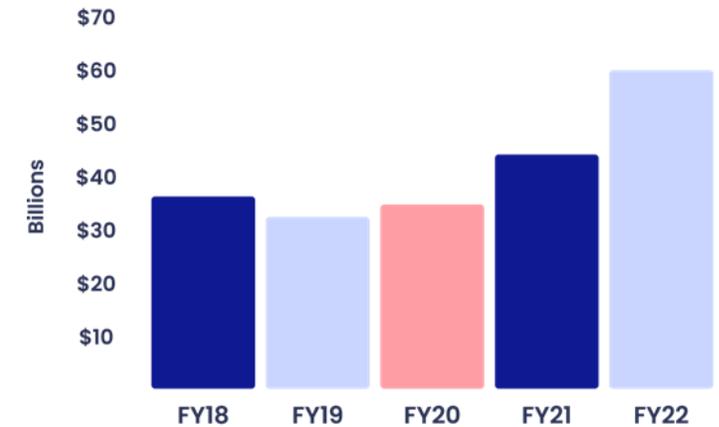
White Label and Aggregation Update

- Aggregation remains our largest business and continued to grow strongly throughout the year
 - \$59.4 billion of settlements, up 36%
 - Loan book up by 9% to a record \$182.2 billion
 - Best year for recruitment in over 10 years with over 200 groups recruited
- Strong growth in higher margin White Label volumes
 - Settlements 36% higher in FY22, up to \$2.9 billion
 - Loan book increased by 8% during the year
- Leasing and asset finance volumes up 132% to \$1.5 billion including Fintelligence from January 2022

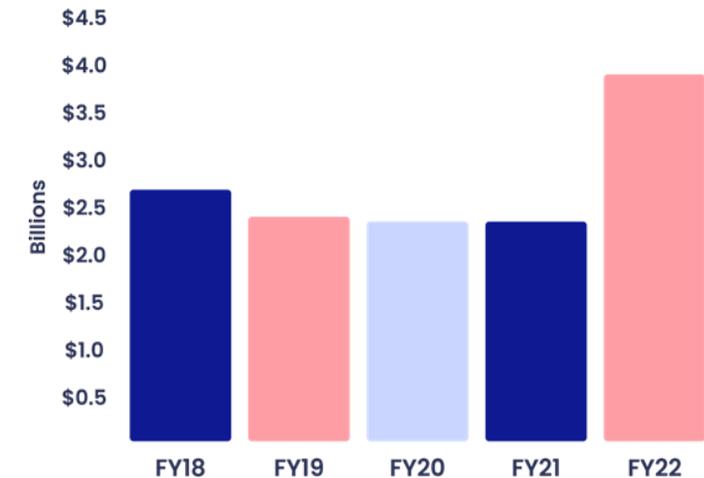
Commercial Update

- Business and Commercial volumes rebounded during the year reflecting improved business confidence relative to FY21
 - Commercial settlements were up 67%
 - 19% increase in the loan book

Residential Settlements



Commercial Settlements



Technology

- AFG continued to actively invest in technology in FY22, through the acquisition of the Fintelligence and BrokerEngine businesses, and also through the development of our in-house lodgement platform
- Acquisitions provided an opportunity to review and optimise technology development.
 - Elements of initial program ceased. Refocus to a new multilayered architecture incorporating the technology platforms from BrokerEngine and Fintelligence
 - Subscriptions to Broker Engine since acquisition have increased by 41%, reflecting the value this technology delivers to our brokers – supporting decision to refocus and integrate
- The impairment of our investments in Volt and ongoing broker related technology have been challenging but we remain committed to improving technology outcomes through learning, investing in people and businesses and exploring ways to partner
- *Tic:Toc partnership*
 - Work together to develop their broker proposition whilst also integrating with their market leading technology and assessment ecosystem

Our investments

Strategy around key investments delivering earnings growth and creating ongoing opportunity for further growth

Thinktank

- \$28.2m carrying value
- Earnings contribution up 16% to \$6.1 million for the year
- While label volumes up 84% to \$239 million in FY22

Fintelligence

- Earnings contribution of \$3.6 million (after tax) since acquisition
- \$700 million in asset finance settlements in H2 FY22
- Positive response from our brokers with some early adopters of the platform for their own business

BrokerEngine

- Growth in subscribers of 41% since acquisition to over 1,650 subscribers
- Key plank in technology offering for brokers



AFG

FULL YEAR RESULTS

Financials



Financial Results

- Revenue is up 25% with higher volumes across all key pillars of growth
- Net interest is 17% higher in FY22. Strong growth in the AFG Securities loan book, up 41% to \$4.8 billion at June 2022
- Normalised NPATA (Net profit for the period after tax and amortization) is up 20% in FY22
- Earnings associated with our Thinktank investment have grown 16% to \$6.1m
- \$3.6 million after tax contribution from Fintelligence (for the six months to 30 June 2022)
- Operating cash flow is down due to a commission timing difference at 30 June 2021
- Total dividend paid at 80% of underlying normalized profit *including* share of profit of associates

	FY2022 \$000s	FY2021 \$000s	
Total Revenue	955,533	767,138	25%
Gross Profit	130,226	102,415	27%
Normalised NPATA	61,310	51,304	20%
Normalised NPAT	60,129	51,304	17%
Reported NPAT	38,777	51,304	(24%)
Underlying normalised NPATA	55,755	49,586	12%
Net cash from operating activities	51,903	58,602	(11%)
Net Interest	51,125	43,722	17%
Net Interest Margin	163 bps	178 bps	(8%)
Financial Metrics	FY2022	FY2021	
Reported EPS	14.2 cents	18.9 cents	(25%)
Normalised EPS	22.0 cents	18.9 cents	17%
Underlying Normalised EPS	20.0 cents	18.2 cents	10%
Number of shares (diluted)	272,713	271,713	0%
Dividends Paid	44,675	35,695	25%
Dividends % of underlying normalised NPATA exc share of profit of associates	90%	80%	10%
Including share of profit of associates	80%	72%	8%
Normalised ROE	30%	27%	3%
Normalised P/E ratio ¹	8.1 x	13.5 x	(40%)

Normalised and underlying results

Underlying normalised NPATA is 12% above FY21 excluding change in value of future trailing commissions

Normalised profit excludes significant items relating to Volt and technology

	FY2022
Normalised Profit after tax	(\$m)
Normalised NPATA excluding significant items	61.3
Amortisation of acquired intangible assets	(1.2)
Normalised NPAT excluding significant items	60.1
Technology impairment	(6.3)
Volt impairment	(15.0)
Statutory NPAT	38.8

	FY2022		FY2021	
	Operating Income	NPATA	Operating Income	NPATA
Underlying results from continuing operations	832,668	55,755	671,029	49,586
Change in the carrying value of trailing commissions contract asset and payable	96,312	5,555	76,014	1,718
Total results from operating activities	928,980	61,310	747,043	51,304

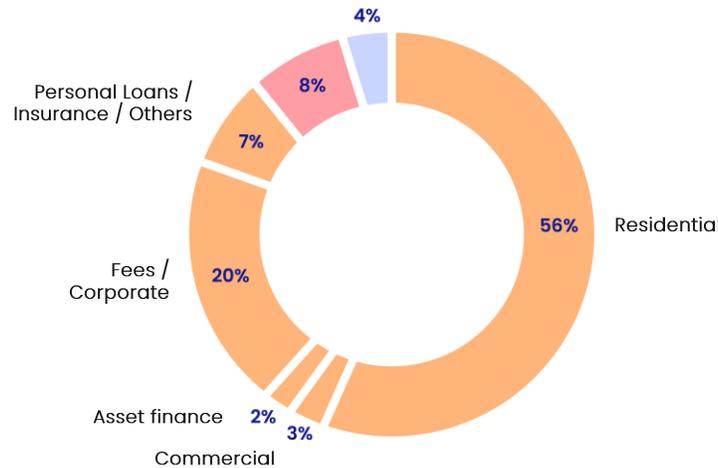
Key Assumptions	As at Jun 2022	As at Jun 2021
Average loan life	Between 3.8 and 4.8 years	Between 3.1 and 5.0 years
Discount rate per annum¹	Between 4.0% and 13.5%	Between 4.0% and 13.5%
Percentage paid to members²	Between 85% and 94.8%	Between 85% and 94.3%

1. Discount rates once set are not adjusted during the life of the loan. The spread in discount rate captures loans settled in previous financial years as well as the current financial year
2. The percentage paid to brokers is set at the time of settlement of the loan

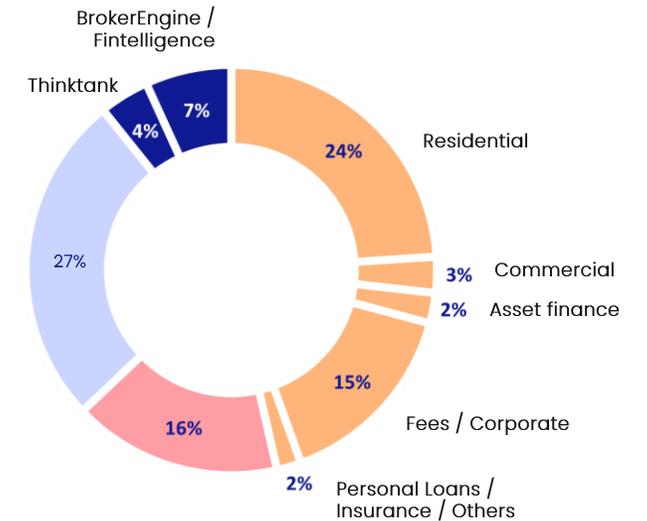
Transformation continues

- While aggregation remains the core asset of the business, our diversification strategy has resulted in the majority of gross profit now coming from other services and products delivered through the broker network
- Aggregation payout ratios continue to rise as competition in the market remains strong. AFG provides a broad service offering in the market, offsetting some pricing competition. Other income at the same time has increased by 8% also providing some offset against payout ratio creep
- Asset finance combined with our investment in Fintelligence provides another avenue for future growth

FY15 Gross Profit

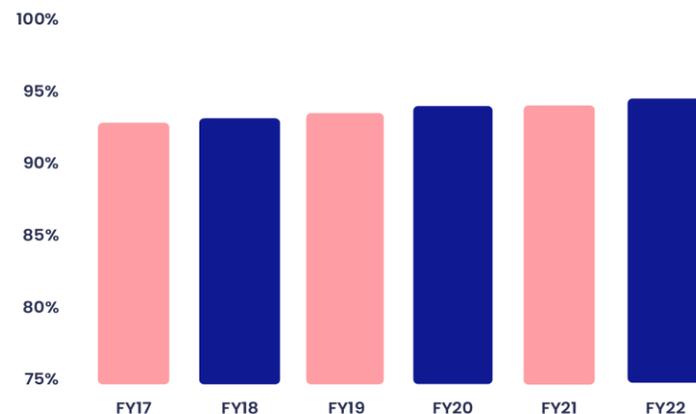


FY22 Gross Profit

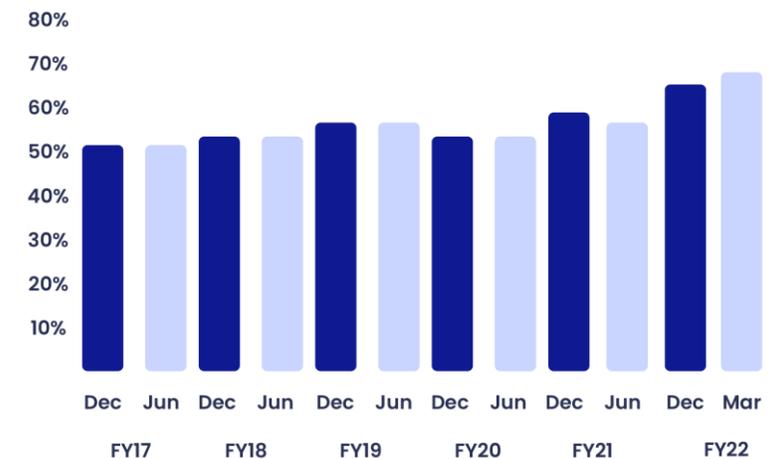


● Aggregation
 ● AFGHL White Label
 ● AFG Securities
 ● Acquisitions/Investments

Residential Upfront Payout Ratio



Australian Broker Market Share



Financial Strength

Underpinned by low risk annuity style cash flows from the aggregation and AFG Securities loan book, AFG continues to generate strong cash flows

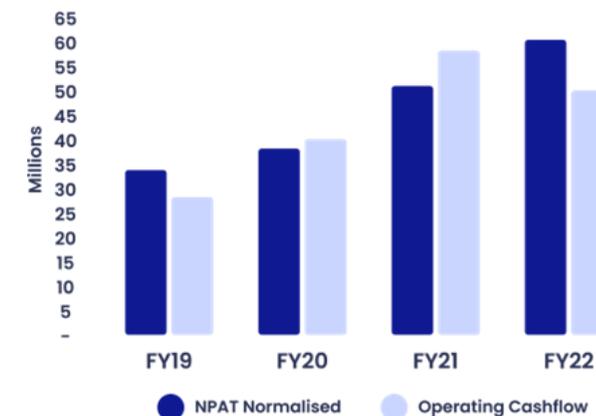
Strong balance sheet enables further growth through acquisition and investing in further strategic initiatives

1. Net unrestricted cash of \$32.2m (net of debt facility)
2. Trail book net asset increased to \$106 million. This is high quality future cash flow from aggregation and white label parties
3. Strong growth in valuable investments in associates with a balance sheet value up to \$31.4 million after impairment of investment in Volt Bank. AFG's contribution of profit for FY22 was \$5.9 million after tax from these investments
4. Subordinated notes value has increased to support the growth in the AFG Securities loan book. Future recycling opportunities exist with term outs
5. Net cash and other financial assets of \$217 million provide core balance sheet strength

Total Trail Book Net Asset



Cashflow vs. Normalised NPAT



	Jun 2022 \$000s
Net unrestricted cash	32,155
Trail book	105,893
Investments (Thinktank and MAB)	31,421
Subordinated notes	47,973
Unrestricted cash, net trail book and investments*	217,442

Summary Cash flow

Capital light business model with strong cash flow generation

Trail books and AFG Securities loan book provide strong annuity style earnings and cash flow

Notes:

1. Excluding timing differences predominately related to commission receipts and payments, underlying NPATA converts to operating cash flows at over 95% in FY22
2. Net interest is up 17% driven by the growth in the AFG Securities book
3. Acquisition of Fintelligence and BrokerEngine as well as new debt facility executed in FY22

		FY2022 \$000s	FY2021 \$000s
Cash flows from Operating activities			
Cash receipts from customers		734,035	597,068
Cash paid to suppliers and employees		(706,965)	(558,825)
Interest received	2	108,847	90,242
Interest paid	2	(58,635)	(46,520)
Net cash from operating activities before tax	1	77,282	81,965
Income taxes paid		(25,379)	(23,363)
Net cash from operating activities		51,903	58,602
Investments			
Investment in intangible assets		(12,120)	(6,522)
Other cash flows from investing activities		(1,391,275)	(480,509)
Dividends paid		(38,755)	(28,449)
Proceeds from debt facility	3	52,500	-
Other cash flows from financing activities		1,434,395	540,313
Net increase in cash and cash equivalents		42,537	64,520
Cash and cash equivalents at the beginning of period		226,048	161,528
Cash and cash equivalents at the end of the period		268,585	226,048
Cash Reconciliation			
Un-restricted net cash		84,681	106,930
Restricted cash (Securities)		183,904	119,118
Total cash		268,585	226,048

Summary Balance Sheet

Well capitalised with strong financial assets. Unrestricted cash, trail book assets, financial assets and subordinated capital totalling \$217 million support the strong balance sheet position

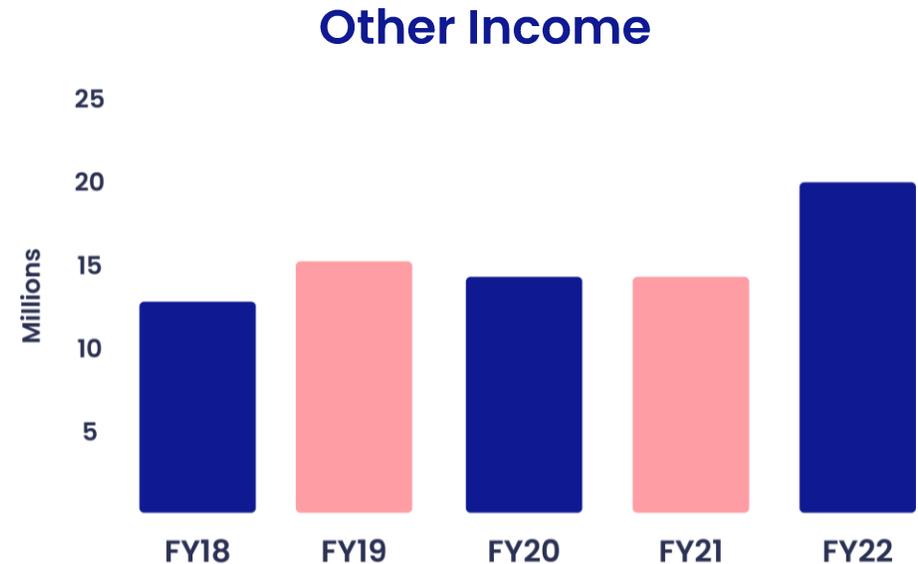
Notes:

- Trail book accounting including Residential, AFG Home Loans and Commercial trail books. Total net asset is now \$106 million
- AFG Securities programme and includes \$48.0 million of subordinated notes
- Investment in Thinktank and Mortgage Advice Bureau
- Investment in technology as well as asset related to acquisitions
- Goodwill recognised for Fintelligence
- Includes trail book accounting liability and general trade creditors and accruals
- AFG Securities programme as well as debt facility

		Jun 2022 \$000s	Jun 2021 \$000s
Assets			
Unrestricted Cash		84,681	106,930
Restricted Cash		183,904	119,118
Trade and other receivables		13,472	5,645
Other Assets		-	15,000
Contract Assets	1	1,146,926	1,050,613
Loans and advances	2	4,802,575	3,403,102
Right of use Asset		5,113	4,979
Investment in associates	3	31,421	25,999
Property, plant and equipment		884	693
Intangible assets	4	31,945	9,506
Goodwill	5	60,748	-
Total assets		6,361,669	4,741,585
Liabilities			
Trade and Other payables	6	1,153,457	1,056,905
Interest bearing liabilities	7	4,949,315	3,457,712
Employee benefits		7,203	6,283
Non interest bearing liabilities		20,180	-
Deferred tax liability		26,079	17,704
Total liabilities		6,156,234	4,538,604
Net assets		205,435	202,981
Equity			
Share capital		102,125	102,125
Reserves		(14,142)	4,543
Retained earnings		96,337	96,313
Non controlling interest		21,115	-
Total equity		205,435	202,981

Other Income

- Service fees increased 8% compared to FY22 due to an increase in broker numbers and higher take-up of additional services. Service fees include compliance, professional indemnity insurance and marketing services
- Sponsorship and conferencing activity was higher in FY22 compared to FY21 and FY20 which were both impacted by COVID restrictions. Note there was also a corresponding increase in related conference activity to offset this income
- FY18 included Volume Bonus Income of \$1.3 million, these have since been removed from the industry. Since their removal, AFG has replaced this income with a higher quality and sustainable income source



AFG

FULL YEAR RESULTS

Business strategy



AFG strategy for growth

Diversified business model built on a strategy of growing broker market share across a number of asset classes, and growing margins through expanding upstream into lending be it direct, white label or investment



3 Direct lending

RMBS AFG Securities loans generate a Net Interest Margin (NIM)

32.2% equity investment in Thinktank provides exposure to Commercial mortgage lending

\$4.8 billion loan book

- Full-service cradle to grave model
- 12 years' experience
- Initial funding provided by 3 major banks
- Refinanced to debt investors in RMBS market providing long term certainty
- Thinktank contribution to earnings in FY22 of \$6.1 million, Historical carrying value of \$28.2 million on AFG balance sheet

2 White label

White label loans generate an additional fee for marketing and distribution

\$8.5 billion trail book

- Simple reseller model
- No credit risk
- Credit and customer service provided by white label providers
- Residential and Commercial mortgages currently. Asset finance products to be developed

1 Aggregation

Broker originated loans funded by lenders generate an upfront and trail commission – majority of which is paid out to brokers

Investment in BrokerEngine provides access to additional IT capability and a broader technology offering to brokers with a higher level of integration

\$193 billion Residential and Commercial

- 75+ lenders
- 7,000+ products
- Investment in Fintelligence provides new product capability for AFG brokers and expands distribution footprint into asset finance
- IT reset to a more open architecture provides longer term flexibility and more choice for brokers in how they connect, manage and maintain their customers

AFG

FULL YEAR RESULTS

Outlook



AFG is well positioned as rates rise

Broker and lending market

- A key player in lending market – 1 in 10 Australian mortgages written by an AFG broker
- Australian broker market share up to 69.5% at Mar 2022, up from 57% in Dec 2016
- Home ground advantage with extensive industry knowledge

Rising interest rates

- AFG has historically performed well in rising rate environment
- Increased activity in rising interest rate environment
 - refinancing opportunities as customers seek better rate
 - Expiry of fixed rate terms. Approx \$36 billion fixed rates expected to reach maturity over next 3 years driving refinance
 - Net migration likely to increase

Housing sector

- Residential mortgages generally perform well across the cycle
- AFG has a proven track record of strong arrears performance and low losses compared to peers
- Current AFG loan book is high quality utilising our robust credit process and home ground advantage

Outlook – Aggregation

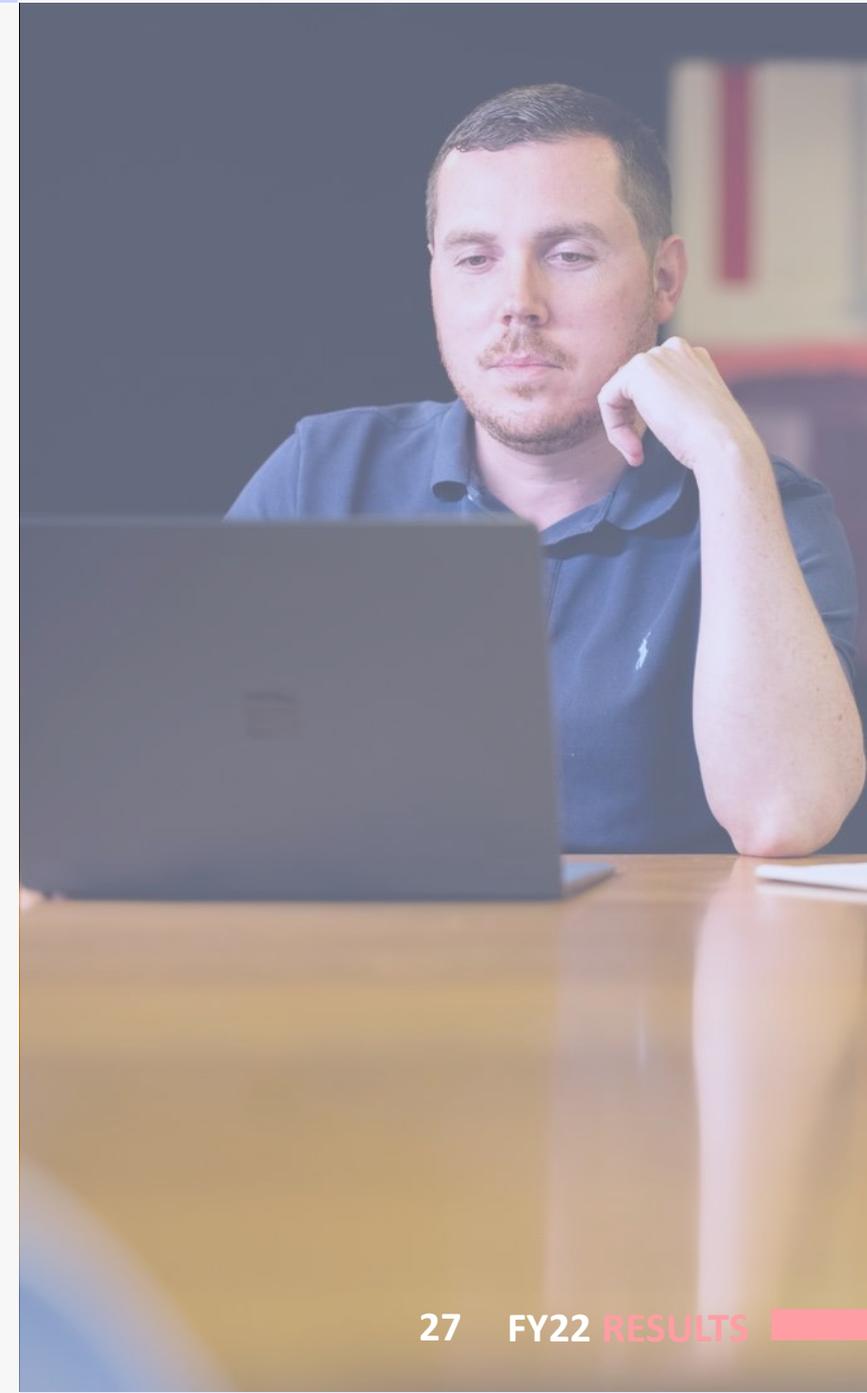
- The RBA has commenced increasing interest rates to more neutral level
- Rates and unemployment levels remain at historically low levels and continue to support demand for mortgage broking and lending services.
- Performance of AFG through the residential mortgage cycle is proven. AFG's volumes increased significantly and outperformed overall market during the last period of increasing interest rates in 2003 to 2007
- AFG's market offering remains compelling: Balance sheet strength, industry-leading compliance, advocacy, analytics capability and broader technology considerations - broker number increased to 3,700+ brokers
- Broking and aggregation in other asset classes provide additional opportunities for growth
- AFG trail book provides a natural hedge during lower levels of activity. Loan lives extend and more cash is collected
- Mortgage customers increasingly embracing the competition and choice that mortgage brokers offer. It is clearly now the dominant channel for mortgage origination and is acknowledged as such by lenders in the market



Outlook – Manufacturing and Lending

- Recent term transactions as well as increased warehouse capacity provides certainty for continuing to fund AFG Securities growth whilst the funding market settles following the recent RBA rate rises
- Lenders have predominately responded to the rate rises by passing on the rates in full to customers. Whilst some timing impact in the month of the increase, this will broadly preserve longer term net interest margins
- Increased focus on higher margin products within AFG Securities will assist in cushioning impact of net interest margins
- AFG's home ground advantage of product development and established credit processes have ensured that the quality of the book has been maintained. Despite recent rate rises, arrears performance remains strong
- Fixed rate volumes peaked at 38% in 2021 and now approximately 8%. The addressable market available to AFG Securities increases by 48%
- \$36 billion Residential mortgages were settled on a fixed rate term that is due to expire over the next 3 years. The expiry of these fixed rate terms presents an opportunity for AFG Securities

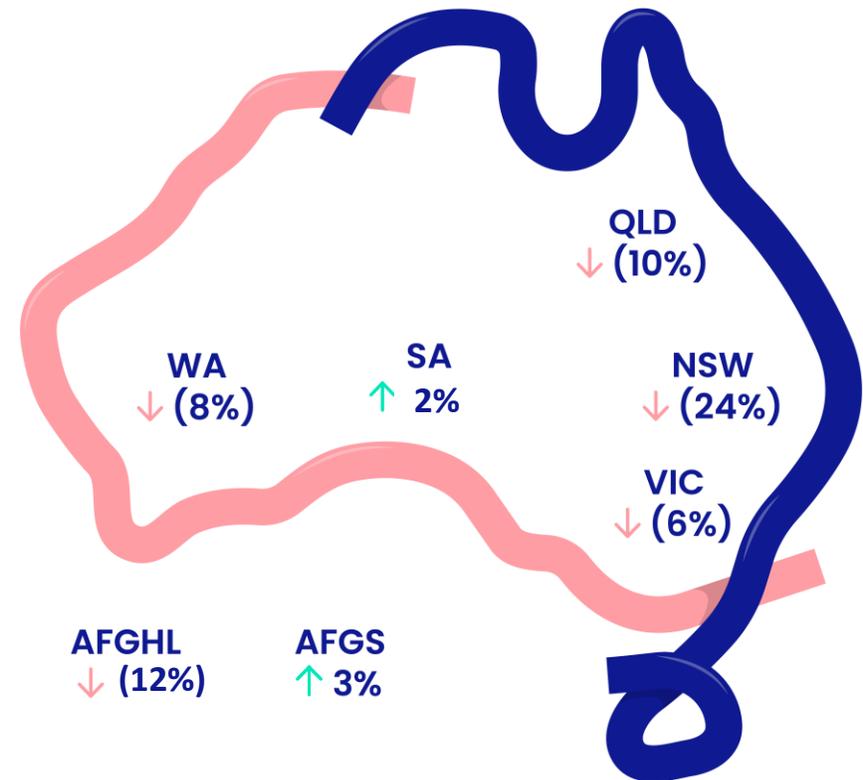
Fixed rate mortgages to mature (\$B)	
FY23	11.04
FY24	16.86
FY25	7.79



July 2022 Trading

- RBA interest rate rises have had the intended impact of slowing the market
- Residential lodgements below July 2021 at \$6.63 billion
- AFG Home Loans lodgements down 12% compared to July 2021
- AFG Securities lodgements 3% higher in July 2022, while settlements were 37% higher

Comparison of July Lodgements



July 2022 change on July 2021

In conclusion



Leading aggregation platform and an ability to continue to invest in new technology and services

- 3,700+ Brokers inc Fintelligence, up from 2,394 at Jun 2015
- 1 in 10 Residential mortgages through an AFG broker
- AFG brokers service over 500,000 customers
- Awarded MFAA Aggregator of the year



Growing distribution across a number of asset classes with an increasing demonstration of generating margin over and above distribution margins

- Growing AFG Securities book (currently the strongest earnings driver of AFG)
- Increased contribution from Thinktank
- Investments in BrokerEngine and Fintelligence improve distribution capability and additional services for brokers to help more customers and diversify their own income



Capital light with a robust balance sheet supported by strong reliable cash flow

- Net cash, investments and other financial assets of \$217 million



Consistent dividends

- Paid \$188m in fully franked dividends to shareholders since listing in May 2015



Track record of strong returns

- **CAGR** FY15-FY22 NPATA 22%, EPS 18%
- **TSR** 3 Year 41%, 5 Year 98%



Capacity to outperform in rising interest rate environment

- Positive demand drivers
- Proven performance in past rising interest rate periods
- High quality loan book

AFG

FULL YEAR RESULTS

Appendices



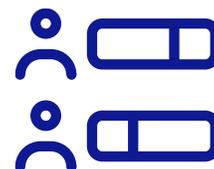
AFG's purpose and ambition



Our purpose

Brokering a better future

- We exist to create competition and financial choice for Australians by protecting and supporting our brokers, and championing the industry on behalf of our brokers

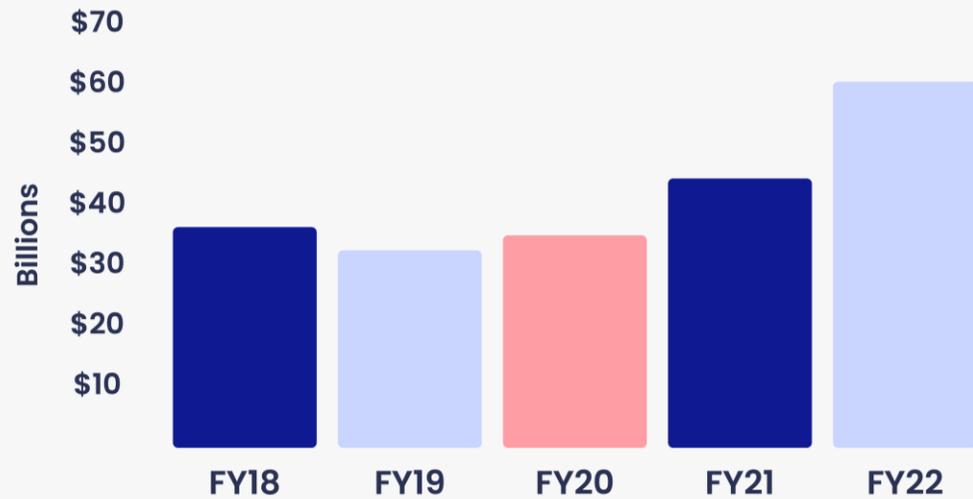


Our ambition

- To be the aggregator of choice for brokers and their customers, and for lenders. To lead the charge and challenge the status quo to create a fairer financial future for all Australians
- We provide a safe and compliant environment for our brokers to build their businesses and to protect their customers and our lender partners
- To drive competition and choice by providing a channel for lenders without branch networks, and by distributing and funding our own financial products for Australian consumers

Residential Settlements

Residential Settlements

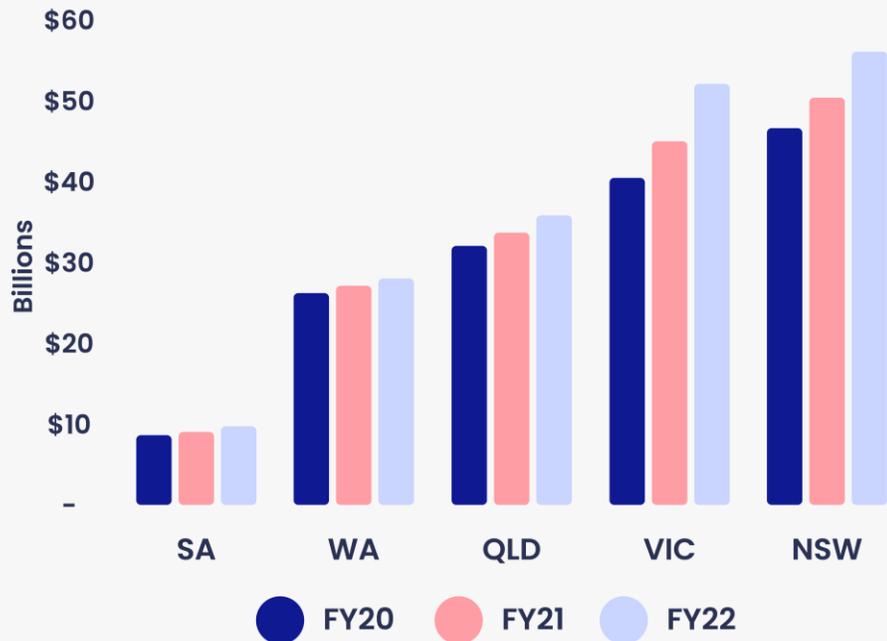


Residential Settlements by State

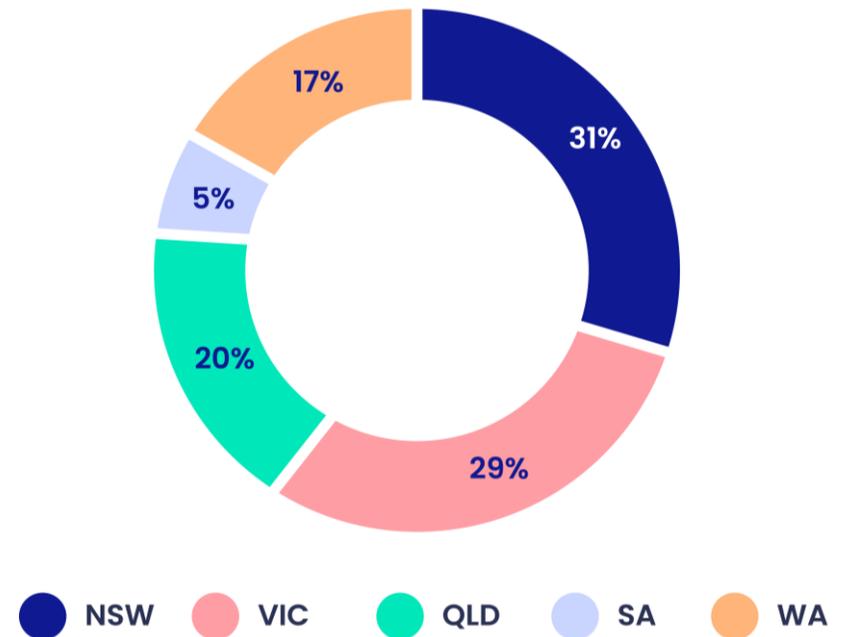


Residential Portfolio – June 2022

Residential Portfolio by State

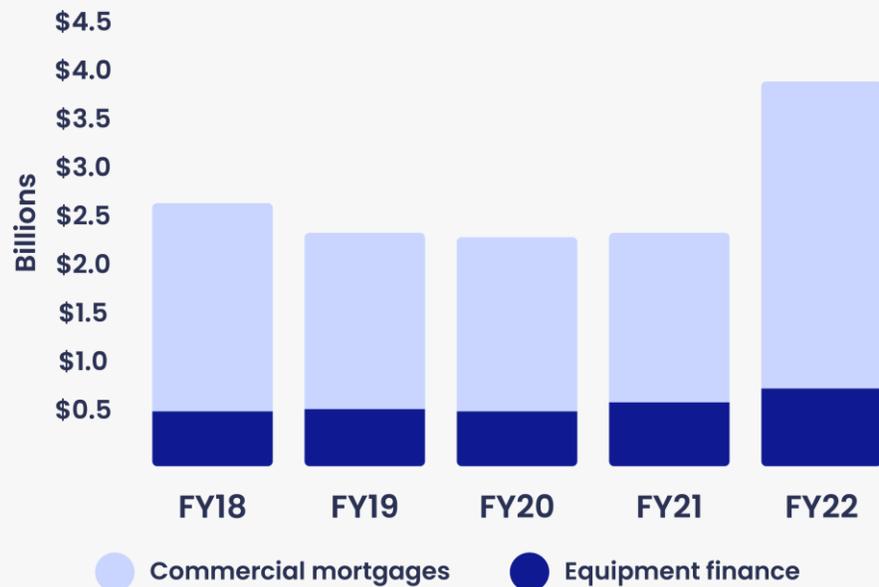


Residential Loan Book Location

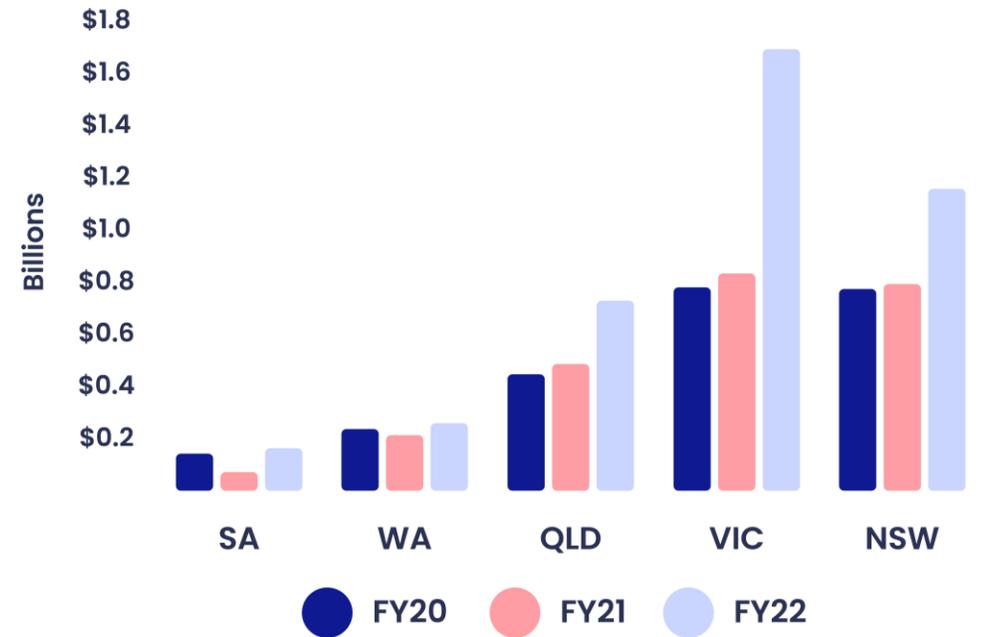


Commercial and Asset Finance Aggregation Settlements

Commercial and EF Settlements

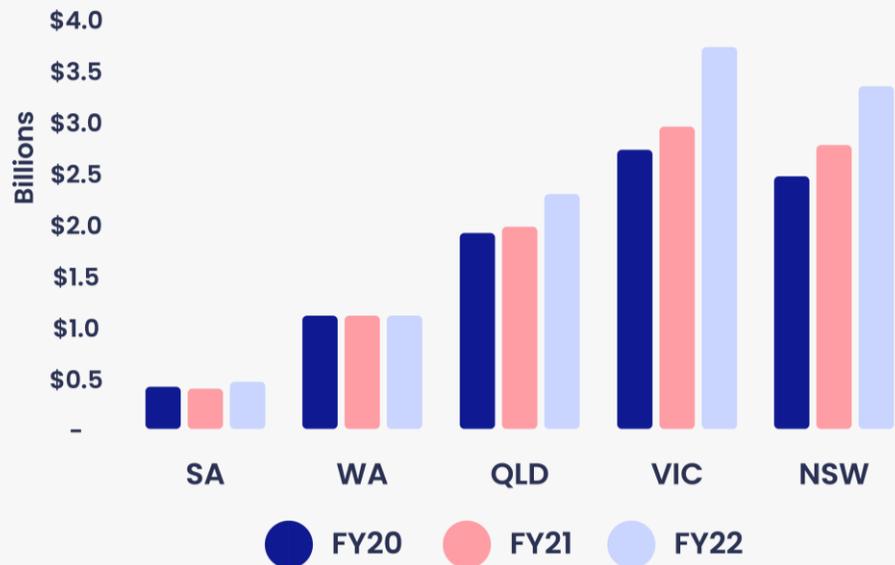


Commercial Settlements by State

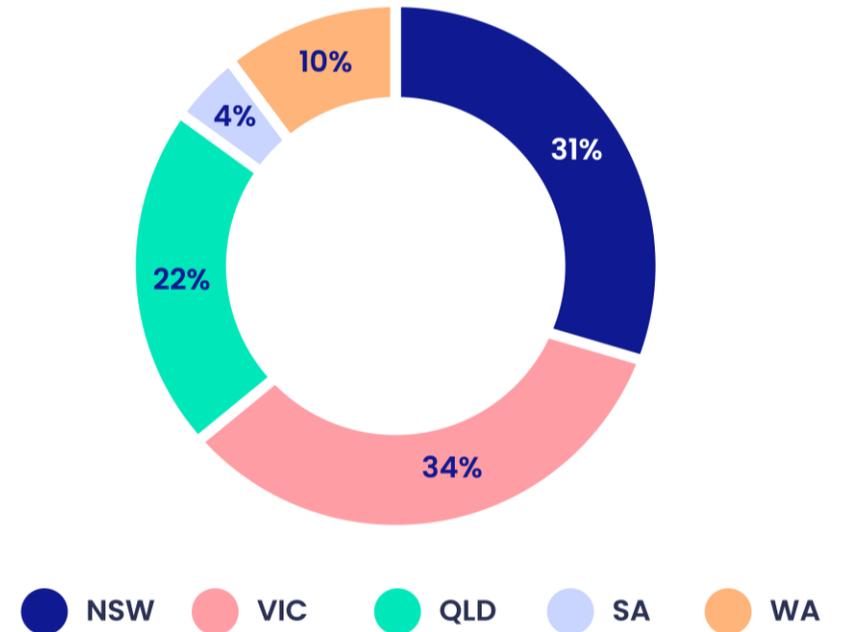


Commercial Portfolio – June 2022

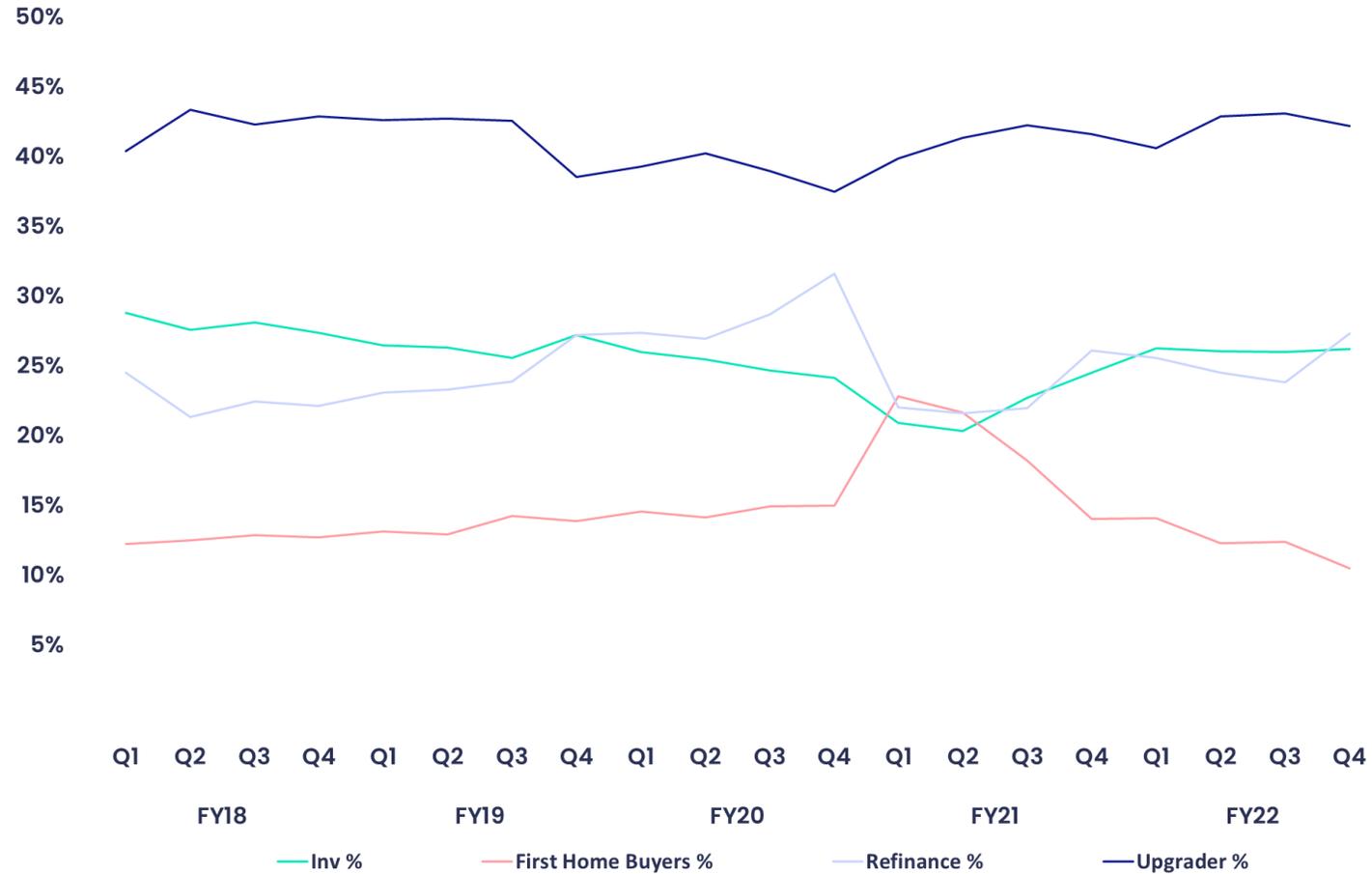
Commercial Portfolio by State



Commercial Book Location

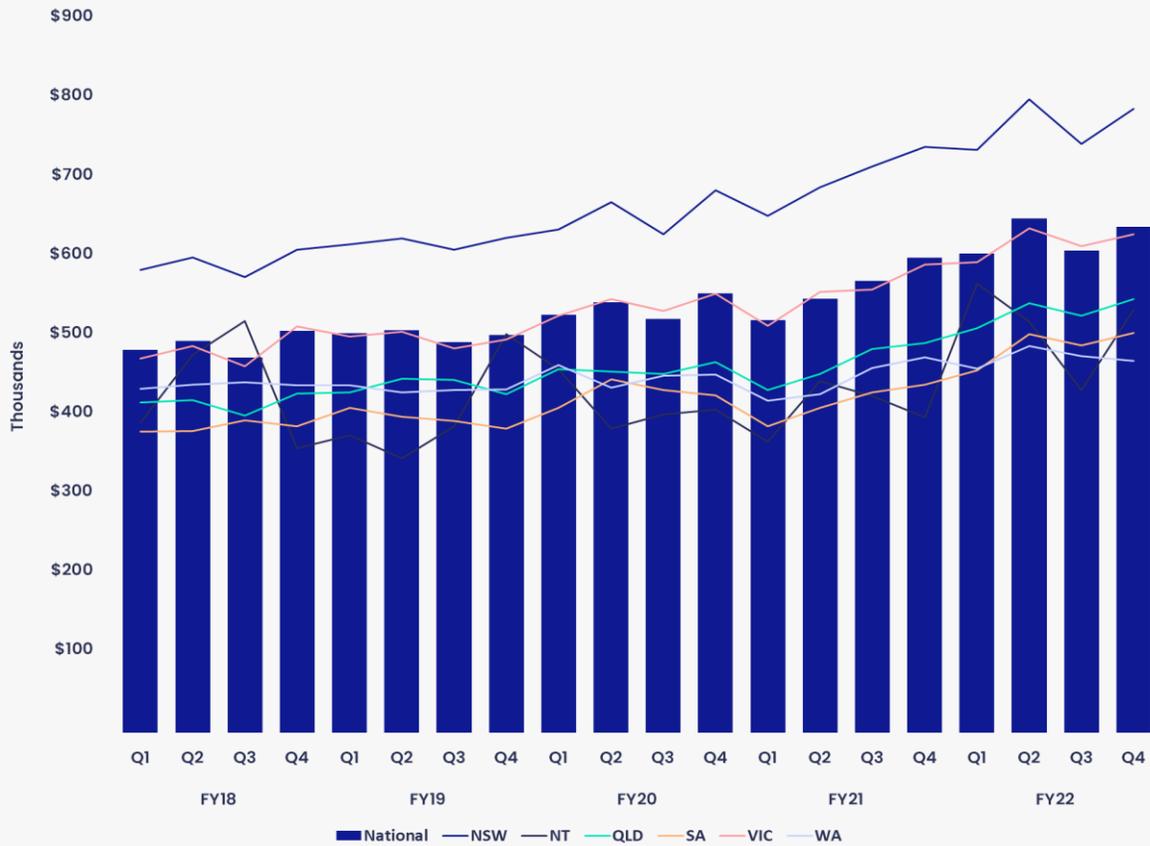


Types of Lodgements

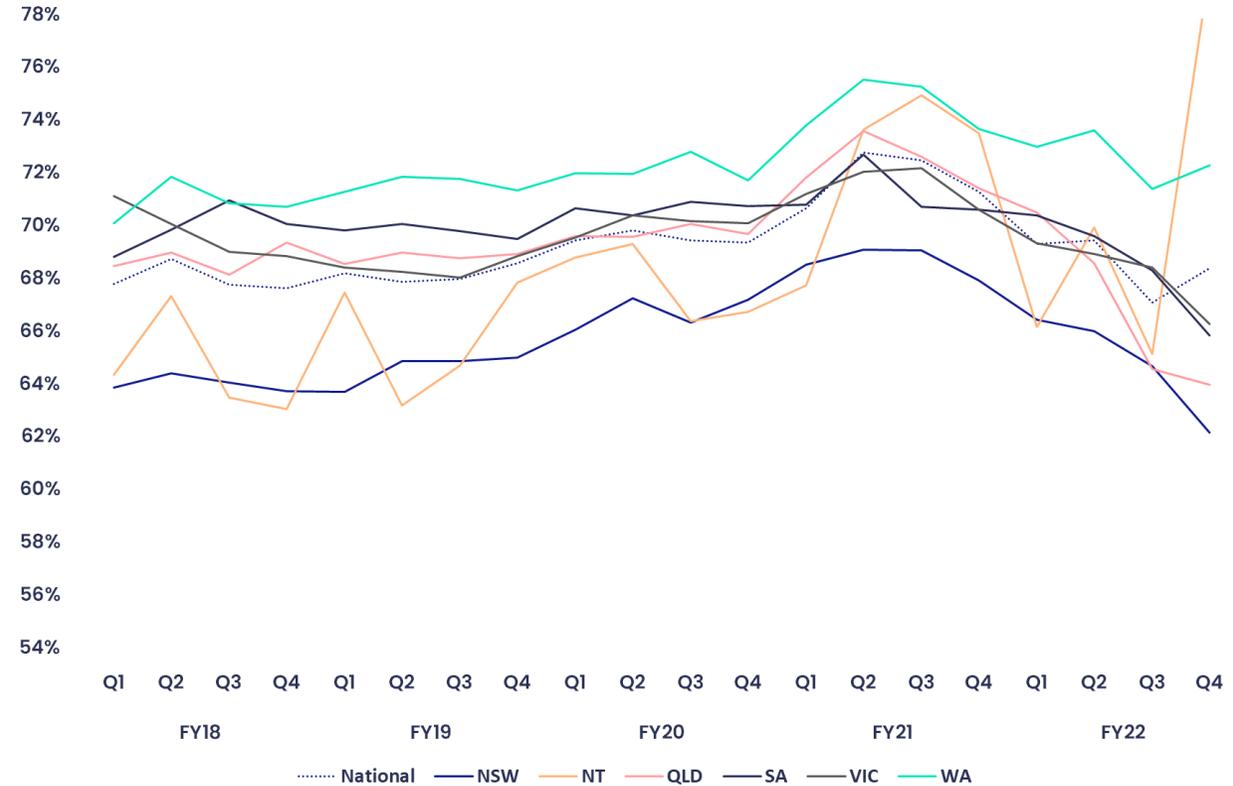


Lending Activity

National Average Loan Size



National Loan to Value Ratio



Investor Loans

Investor Loans %

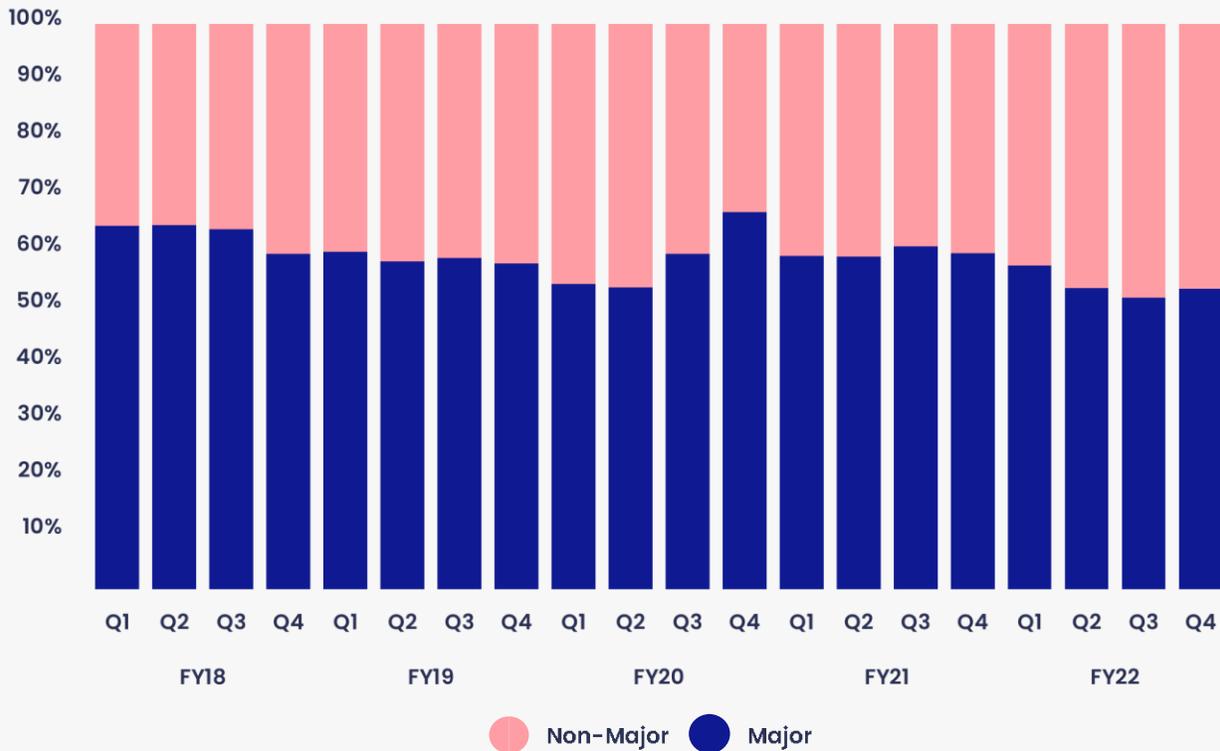


Investor Loans % per State



Lending Activity

Major vs Non-Major



Non-Major Market Share



Summary P&L

	FY2022 \$000s	FY2021 \$000s
Commissions	730,119	585,758
Interest on trail commission income receivable	82,219	67,491
Mortgage management services	488	254
Customer transaction fees	4,664	3,298
Securitisation interest income	108,847	90,242
Subscription income	1,689	-
Other income	954	-
Total Revenue	928,980	747,043
Securitisation interest expense	(57,722)	(46,520)
Commission and other cost of sales	(741,032)	(598,108)
Gross Profit	130,226	102,415
Other income	20,357	14,423
Administration expenses	(9,008)	(7,383)
Other expenses	(58,507)	(42,110)
Depreciation and amortisation	(4,118)	(2,065)
Impairment expenses	(23,679)	-
Result from operating activities	55,271	65,280
Net finance income	(830)	566
Share of profit of an associate	5,937	4,919
Profit before tax	60,378	70,765
Income tax expense	(20,666)	(19,461)
Net Profit after tax related to FY	39,712	51,304
Non-controlling interest	(935)	-
Net Profit attributable to equity holders	38,777	51,304

Consolidated Income Statement

	FY2022 \$000s	FY2021 \$000s
Commission and other income	820,133	656,801
Securitisation interest income	108,847	90,242
Operating income	928,980	747,043
Commission and other cost of sales	(741,032)	(598,108)
Securitisation interest expense	(57,722)	(46,520)
Gross profit	130,226	102,415
Other income	20,357	14,423
Administration expenses	(9,008)	(7,383)
Impairment expenses	(23,679)	-
Other expenses	(62,625)	(44,175)
Results from operating activities	55,271	65,280
Finance income	259	753
Finance expenses	(1,089)	(187)
Share of profit from associate	5,937	4,919
Net finance and investing income	5,107	5,485
Profit before tax from continuing operations	60,378	70,765
Income tax expense	(20,666)	(19,461)
Profit for the period	39,712	51,304

	FY2022 \$000s	FY2021 \$000s
Profit attributable to:		
Equity holders of the company	38,777	51,304
Non-controlling interests	935	-
Total profit for the period	39,712	51,304
Other comprehensive profit for the year, net of income tax	-	(15)
Total comprehensive income attributable to:		
Equity holders of the company	38,777	51,289
Non-controlling interests	935	-
Total comprehensive income for the year	39,712	51,289

Cash flows

Cash Reconciliation	Jun 22	Jun 21
Un-restricted net cash	84,681	106,930
Restricted cash (Securities)	183,904	119,118
Total cash	268,585	226,048

	FY2022 \$000s	FY2021 \$000s
Cash flows from operating activities		
Cash receipts from customers	734,035	597,068
Cash paid to suppliers and employees	(706,965)	(558,825)
Interest received	108,847	90,242
Interest paid	(58,635)	(46,520)
Income taxes paid	(25,379)	(23,363)
Net cash from operating activities	51,903	58,602
Cash flows from investing activities		
Interest received	259	753
Purchase of property, plant and equipment	(551)	(455)
Purchase of intangible assets	(12,120)	(6,522)
Dividend from Thinktank	515	-
Investment in Thinktank	-	(215)
Investment in Fintelligence	(50,509)	-
Investment in BrokerEngine	(3,602)	-
Investment in MAB	-	(3,700)
Investment in Volt	-	(15,000)
Decrease in other loans and advances	325	581
Loans and advances	(1,391,823)	(481,388)
Cash flows from investing activities	(1,457,506)	(505,946)
Cash flows from financing activities		
Proceeds from/(Repayments to) warehouse facility	927,044	(729,500)
Proceeds from securitised funding facilities	509,789	1,271,595
Proceeds from debt facility	52,500	-
Payment for acquisition of debt facility	(451)	-
Lease rental payment	(1,987)	(1,742)
Dividends Paid	(38,755)	(28,449)
Proceeds from issue of ordinary shares	-	(40)
Net cash from/(used in) financing activities	1,448,140	511,864
Net increase in cash and cash equivalents	42,537	64,520
Cash and cash equivalents at the beginning of the period	226,048	161,528
Cash and cash equivalents at the end of the period	268,585	226,048

Impact of Securitisation on SPVs on Balance Sheet

The proforma balance sheet shows the Group's balance sheet with the 'non-recourse' special purpose vehicles (SPVs) relating to the securitisation business and the balance sheet of the Group separately

Points to note:

1. The AFG business is in a net cash position outside the non-recourse securitisation book within the special purpose vehicles
2. AFG's total subordinated notes subscribed of \$48.0 million reflects the total cash exposure to the securitisation business at 30 June 2022 (\$36.2 million at 30 June 2021). This includes growth in the loan book

	AFG	AFG ex SPVs	Reclassification	AFG Limited
Assets				
Cash	180,169	88,416	-	268,585
Receivables	-	13,472	-	13,472
Contract assets	-	1,146,926	-	1,146,926
Loans and advances	4,782,079	20,496	-	4,802,575
Right of use Asset	-	5,113	-	5,113
Investment in associate	-	31,421	-	31,421
Investment in subordinated notes	-	47,973	(47,973)	-
Property, plant and equipment	-	884	-	884
Intangible assets	-	31,945	-	31,945
Goodwill	-	60,748	-	60,748
Total assets	4,962,248	1,447,394	(47,973)	6,361,669
Liabilities				
Interest bearing liabilities	4,734,803	262,485	(47,973)	4,949,315
Trade and Other payables	7,352	1,146,105	-	1,153,457
Employee benefits	-	7,203	-	7,203
Non interest bearing liabilities	-	20,180	-	20,180
Deferred tax liability	-	26,079	-	26,079
Total liabilities	4,742,156	1,462,051	(47,973)	6,156,234
Net assets	220,092	(14,657)	-	205,435

Important Disclaimer

This presentation contains general information which is current as at 25 August 2022.

The information is intended to be a summary of Australian Finance Group Ltd (AFG) and its activities as at 30 June 2022, and does not purport to be complete in any respect.

The information in this presentation is not a recommendation or advice about shares in AFG (or any other financial product or service). It is not intended to influence or be relied upon by any person in making a decision in relation to AFG shares (or any other financial product).

This presentation does not take into account the objectives, financial situation or needs of any particular investor. You should consider your own objectives, financial situation and needs when considering this presentation and seek independent investment, legal, tax, accounting or such other advice as you find appropriate before making any financial or investment decision.

This presentation contains some forward-looking statements. Such statements only reflect views held by AFG as at the date of this presentation and are subject to certain risks, uncertainties and assumptions. Actual events and results may vary from the events or results expressed or implied in these statements. You should not place undue reliance on any of these statements.

No representation or warranty is made in respect of the accuracy or completeness of any information in this presentation, or the likelihood of any of the forward-looking statements in the presentation being fulfilled.

For further information visit: www.afgonline.com.au or contact:

Alison Clarke
Head of Corporate Communications
+61 402 781 367