

23 November 2015

***By Electronic Lodgement***

The Manager  
Company Announcements Office  
ASX Ltd  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**Wilson Group Limited (ASX: WIG) – 2015 Annual General Meeting Address and Presentation**

Please find attached the address and presentation materials for the Annual General Meeting of Wilson Group Limited to be held today, Monday 23 November 2015.

The meeting commences at 9:00am (Brisbane time) and will be held at:

Level 24  
Riparian Plaza  
71 Eagle Street  
Brisbane

Please do not hesitate to contact me if you require any further information.

Yours faithfully



**Eleanor Padman**  
**Company Secretary**  
[eleanor.padman@wilsongrouplimited.com.au](mailto:eleanor.padman@wilsongrouplimited.com.au)  
+61 2 8247 3165

Wilson Group Limited (ASX: WIG)  
Annual General Meeting of Shareholders  
9am Brisbane time on 23 November 2015

Slide 1 – Cover Page

# Wilson Group Limited

Annual General Meeting of Shareholders

23 November 2015

## Slide 2 – Agenda



- > Chairman's Address – Alan Watson
- > Managing Director Address – Sandy Grant
- > Pinnacle Managing Director Address – Ian Macoun
- > Q & A
- > Ordinary Business

2

Good morning ladies and gentlemen, fellow shareholders, staff and visitors.

I would like to begin by introducing myself. My name is Alan Watson and I am Chairman of Wilson Group Limited.

Before we begin, I would be grateful if you could please all turn off your mobile phones or switch them to silent mode for the duration of the meeting.

Welcome to our 2015 Annual General Meeting and thank you for joining us in our Brisbane office.

I have been informed by the Company Secretary that we have a quorum present and I now declare the meeting open.

On the basis that the Notice of Annual General Meeting has been sent to shareholders, I propose that it be taken as read.

I am also advised that there are no apologies recorded prior to the commencement of this meeting.

Are there any apologies that shareholders wish to have recorded in the Minutes of the Meeting?

[Yes/No], thank you.

In addition to those present here today, based on the first resolution valid proxies have been received from 209 shareholders who between them are the holders of approximately 42,487,152 shares representing approximately 38.44% of the capital of the Company.

Before we begin with today's Agenda, I would like to introduce my fellow Board members to you all:

- > On my far left/right, we have Mr Steven Skala, our former Chairman
- > Next to Mr Skala, we have Mr Steve Wilson
- > And next to Mr Wilson, we have Mr Sandy Grant, our Managing Director.

Also here today is Mr Ian Macoun, the Chairman and Managing Director of Pinnacle Investment Management Limited and Mrs Eleanor Padman our Company Secretary.

I would also like to welcome the Company's auditor, Mr Michael O'Donnell from PricewaterhouseCoopers who is here to answer any questions that shareholders may have in relation to the 2015 financial statements.

Today, I have a number of topics that I would like to cover in relation to the year that was and the Board's vision for the future before handing over to Sandy Grant.

Sandy is going to talk about :

- > The different business segments within the Group
- > The financial results for the 2015 financial year;
- > The performance of the Priority Funds; and
- > an update on the Group's financial performance for the four months to the end of October 2015.

Following Sandy, Ian Macoun, Chairman and Managing Director of Pinnacle, will address the meeting in relation to the performance of Pinnacle and its funds management boutiques, its ongoing growth and its future strategy.

We will then invite questions from shareholders before moving to the formal part of the meeting.

There are three matters of ordinary business to attend to, being the formal tabling of the 2015 financial statements, the shareholder vote on the Remuneration Report and a resolution proposing the re-election of Mr Steven Skala as a director.

Of the eligible proxies received to date, approximately:

- > 96.95% have voted in favour of the remuneration report; and
- > 82.76% have voted in favour of the resolution to re-elect Steven Skala.

Unless a number of those present in this room vote against either resolution, we will have a majority in favour of each resolution. We will call for a show of hands on each item of business requiring resolution. However, shareholders should be aware that the proxies received mean that each of these resolutions will pass and therefore we will not be calling for a poll on any resolution

Shareholders will be invited to ask questions in relation to each resolution prior to the votes being cast.

## Slide 3 - Chairman's Address



- > WIG Financials
- > A Transformational Year
- > Pinnacle Growth Continues
- > Wilson HTM Securities - discontinued
- > Shareholder Returns

3

Starting with my overview, I will be addressing a number of topics, being:

- > the WIG financial results for 2015
- > WIG's sale of the Wilson HTM Securities business
- > Continued growth in Pinnacle
- > Wilson Group's businesses including Priority Funds
- > An update on the Board's composition
- > returns for shareholders

## Slide 4 – WIG Financials



## Group FY2015 Financials on a normalised basis



- > Group NPAT before individually significant items of \$4.8 million (1H15 \$2.6 million)
  - includes \$1.2 million tax benefit (1H15 \$0.6 million)
  - includes \$0.9 million contribution from securities business (discontinued operation) (1H15 \$0.5 million)
  - For comparison purposes, WIG 1H15 result ex Securities and tax benefit therefore was \$1.5m
- > Special fully franked dividend per share of 2.25 cents per share
- > One-off costs associated with sale of \$1.85 million recognised in 2015
- > Pinnacle segment NPAT \$7.4 million ▲ 25 % from \$5.9 million
- > Pinnacle's share of the Boutiques' NPAT of \$11.9 million ▲ 42% from \$8.4 million
- > Pinnacle FUM of \$16.1 billion ▲ 31 % from \$ 12.3 billion

The 2015 financial year was dominated by two distinct items: the continued profit growth in Pinnacle, and the disposal of the Securities business. In all, the Group still reported a net profit after tax attributable to shareholders and adjusted for one off items of \$4.8 million or 4.5 cents per share.

The result reflects net profit after tax from the Pinnacle segment increasing by 25% to \$7.4 million. Pinnacle's share of the Boutiques' net profit after tax increased 42% to \$11.9 million.

In the Wilson HTM business segment there was a mixed result. Principal Investments returned only \$0.1 million, down from \$1.2 million, and losses in Next Financial rose as its revenues decreased due to the run off and closure of its product book. Priority Funds contributed a small loss. In his discussion, Sandy will address the current progress of these businesses.

The Securities business contributed a profit after tax of \$0.9 million in the 2015 financial year compared with \$1.2 million in the prior year.

A fully franked special dividend of 2.25 cents was paid to shareholders on 18 September and it is the Board's intention that with a sound balance sheet and continuing profits, regular dividends will be declared.

The 2015 financial year was also subject to a number of significant one off accounting treatments and expenses related to the sale of the Securities business. Whilst most of these items were captured in the 2015 financial

year, including costs relating to the transaction of \$1.85 million, the finalisation of the residual expenses relating to the sale of securities will be taken in the first half of 2016. Whilst it is self-evident, as we no longer own this business, shareholders should note that there will be no profit contribution by the Securities business to 2016 Group results.

## Slide 5 – WIG’s Transformational year

### Another Transformational Year



- > Sale of the Securities business provides less volatility and a clear focus on Funds Management
- > Strategic supporter of excellent people in the investment industry in Pinnacle and Priority Funds
- > Fundamental belief in the power of ownership to drive alignment, accountability and commitment and deliver good results for clients and shareholders
- > Share price doubled during FY 2015

5

As shareholders are aware, the Board had been actively engaged in seeking a buyer for the Securities business, and this process reached a conclusion on 1 July of this

year, having consumed a significant amount of management and board time during the last 12 months. The Board believes that the sale of the Securities business significantly de-risks the Group and reduces the exposure of shareholders to both the increasing regulatory burden and profit volatility of that business, which had suffered losses in FY12 and FY13 before returning to profitability in FY14. We wish all success to the new owners of the Securities business in the future.

The Board is now able to focus its attention on its funds management business, both through its Priority Funds business and through its role as a strategic supporter of Pinnacle and its house of boutiques.

For some time now, the Board has operated in accordance with its belief that ownership drives alignment and accountability to achieve the overarching ambition of good results for clients and shareholders.

During the 2015 financial year, the Company has also demonstrated its commitment to its belief that owner-operators of financial services businesses are better motivated to achieve great results for clients, by putting a new long term incentive scheme in place for senior

executives in Pinnacle, which has been previously approved by shareholders. This scheme sees increased ownership by those executives in both the Pinnacle and WIG businesses.

This strategy has yielded positive results for shareholders with the WIG share price doubling in value in the 2015 financial year. Regular dividends have also contributed to total shareholder returns. The Board intends to remain committed to this strategy in 2016 as well as maintaining disciplined capital management and investment in the Group's future.

Priority Funds has continued to operate as a proprietary boutique funds manager within WIG, enjoying increased alpha and maintaining its track record of consistent outperformance.

The Company will also continue to manage its legacy items during 2016. Next Financial no longer has any active clients or products and it is the Board's intention to wind up its operations.

WIG's corporate overheads are also being trimmed.

## Slide 6 – Group overview



6

Following the sale of the Securities business, there are now four businesses across Pinnacle and WIG. In WIG, we have Priority Funds and WIG's principal investments, as well as the management of legacy issues in Next Financial and the Securities business.

In 1996 Hyperion Asset Management was established. Hyperion was subsequently the backbone for the creation in 2006 by Ian Macoun and WIG, of Pinnacle, in a culture of supported independence. Over the

following 9 years, this has been built into a successful enterprise which now consists of 7 boutique fund managers across a range of investment styles and at varying stages in their life cycles.

In February 2015, we announced that, as part of long term incentive and retention arrangements for key Pinnacle executives we would sell 4.29% of Pinnacle to its executives, thus leaving WIG with its current 75.01% shareholding. Since the IPO of WIG in 2006, our shareholding in Pinnacle has been governed by a Shareholders agreement between Pinnacle, WIG and Mr Macoun, which includes, amongst other things, provisions relating to any potential Change of Ownership of WIG. Key elements of this Shareholders agreement can be found at the Investor Centre page of the Wilson Group website.

The chart on the slide shows WIG's businesses and their effective ownership as at 31 October 2015. Shareholders should note that Pinnacle has agreed to sell a small amount of equity in its Plato boutique to two incoming shareholders in January of 2017. When completed, the sale will lead to a gain being booked.



## Slide 7 – Pinnacle continues to grow

### Pinnacle Continues to Grow



- > Significantly improved profits in FY2015 up 25%
- > Addition of a new boutique in December 2014 specialising in international equities now called Antipodes Global Investment Partners (Pinnacle ownership 23%)
- > FUM up 31% to \$16.1 billion from \$12.3 billion at 30 June 2015
- > Industry projections for superannuation and funds management remain strong

7

Mr Macoun will discuss Pinnacle in detail; however, I would like to highlight that Pinnacle has continued to build on its strong growth and performance in 2015 with funds under management up 6% to \$17 billion as at 31 October 2015. Pinnacle's net profit after tax built on its record 97% improvement in 2014, showing sustained growth as it recorded net profits of \$7.4 million, a further increase of 25%.



Pinnacle continues to uphold its focused and methodical approach to managing and growing its house of boutiques, having added Antipodes Global Investment Partners to its stable in December 2014 and introducing international equities to its investment styles.

With industry forecasts projecting growth in superannuation assets to \$3.5 trillion by 2025 and Australia comprising the third biggest global pension fund market after the US and the UK<sup>1</sup>, the Board remains optimistic that the background within which Pinnacle operates remains supportive of its medium term growth, and the Board expects to continue to support the growth of this business segment in 2016 and beyond.

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<sup>1</sup> “Supertrends : the trends shaping Australia's superannuation industry”, KMPG, May 2015

## Slide 8 – Wilson HTM Securities

### Wilson HTM Securities



- > \$0.9 million post-tax profit v \$1.2 million in previous year
- > Business now sold after 2 years of losses in FY 12 and 13 and a return to modest profits for the last 2 years.
- > Potential share of profits this year and next if certain hurdles are met but timing such that unlikely to be crystallised in FY16.
- > Legacy items around warranties and indemnities in place.
- > Completion of vendor finance arrangements over next 2 years.

8

Whilst this business has now been sold, the Securities business did contribute \$0.9m million to the Group's post-tax profit in FY15. As previously highlighted, this will no longer be a part of the group and its results.

However, under the sale agreement with the Securities business, WIG is entitled to additional future consideration in both FY16 and FY17 if certain performance and other hurdles are met. It is too soon to comment on whether any additional consideration will be received. Moreover, your Board does not

anticipate knowing the outcome with sufficient certainty until after 30 June 2016 and 2017 respectively. That is, only once the Securities business has completed the audit of its own financial results. If information becomes available at an earlier date, the Board will of course ensure that shareholders and the market are informed.

## Slide 9 – Board

Board						
	Board	Audit & Risk Committee	Remuneration & Nominations Committee	Next Financial Limited	Pinnacle Investment Management Limited	Priority Funds Investment Committee
Steven Skala AO	✓			✓		
Chum Darvall AM*	✓	✓	✓		✓	
Alan Watson	✓		✓			
Steven Wilson AM	✓	✓		✓	✓	✓
Sandy Grant - Managing Director	✓			✓	✓	✓

\* Resigned 31 August 2015.

The Board is continuing to develop. As indicated at last year's AGM Steven Skala has stepped down from the Chair, and will in due course retire from the board itself.

On behalf of shareholders and the board I would like to acknowledge Steven's long and dedicated service to our company. Whilst Chairman, Steven has led the company through a challenging, and ultimately successful, process of transformation and repositioning, both with determination and with dignity; and as a result of these changes, I think it is fair to say that all shareholders' prospects have been materially improved over this period. Thank you for all your efforts Steven.

Chum Darvall had indicated that he would leave the Board of WIG towards the end of March 2015, but kindly stayed on to assist the company through the Securities sale process and the subsequent reporting season. Chum's resignation took place on 31 August 2015 and on behalf of the shareholders and Board I would like to also acknowledge his efforts as a director and more recently as our Head of Audit and Risk Committee.

The company is currently conducting a process to recruit a new independent director.

## Outlook

Looking to future performance, Pinnacle is currently tracking to expectations, however, markets remain volatile and this can affect FUM levels and performance fees.

Priority Funds has achieved good alpha in the early part of the year however performance fees are earned only after alpha is determined at 30 June 2016.

As I mentioned previously, whilst most of the costs associated with the sale of the Securities transaction were taken in the 2015 financial year, it is expected there will be some final items to be expensed in the first half of the 2016 financial year. We have foreshadowed the possibility exists of additional future consideration in relation to sale of Securities; however due to timing differences, this is unlikely to be finalised in FY16. In addition we will not be able to finally determine the

outcome of the Vendor Finance arrangement relating to the sale of the securities business until the ends of both of FY 2016 and FY 2017. This item may affect the P&L in a non-cash charge in each of those years by up to \$0.5m.

Taking all these together, the Board considers that it would not be appropriate to provide any financial forecasts for the 2016 financial year at this early stage.

## Slide 10 – Shareholder returns




As a Board, we remain focused on delivering sustainable growth and dividend yield for our shareholders. The

sale of the Securities business has been a significant step forwards in reducing earnings volatility and this has been reflected in the material increase in the share price over the last 12 months.


However, we acknowledge that there is still work to be done and we shall be focusing on achieving the best corporate structure for shareholders and containing costs whilst still investing in growth, our people and our future.

With that I will now hand you over to Sandy Grant, our Managing Director.

## Slide 11 – Managing Director’s Address



Managing Director’s Address



- > Business Segmentation
- > Financial Performance FY2015
  - > FY2015 Profit and Loss
  - > FY2015 Balance Sheet
- > Alpha Generation
- > Group Strategy and FY 2016 Progress

11

Thank you Chairman.

Good morning shareholders, staff and visitors.

In my address today, I will speak to you on four main areas:

- > Business segmentation;
- > The financial performance of the Group for financial year 2015;



- > WIG's performance during the last 4 months to October 2015; and
- > Alpha Generation

## Slide 12 – Wilson Group Limited Segments



12

During 2015, the Group reported on two business segments Pinnacle and Wilson HTM. After the sale of Wilson HTM ie the securities business the segment in the future will be referred to as the Wilson Group Segment.


In FY2015 the Wilson HTM segment included Priority Funds, the Group's Principal Investments and Next

Financial Limited. Next Financial has now completed the run-off of its product book and does not have any active clients.

As a result of the sale of the Securities business and ‘held for sale accounting’, the Securities business moved from the Wilson HTM segment into discontinued operations.

Pinnacle has now reached \$17.0 billion of funds under management across its seven boutiques and is continuing to contribute materially to the Group’s profitability and cash flow.

## Slide 13 – Group 2015 Financials versus 2014 Financials

Group FY2015 Financials				
				
Composition of Group Results (\$million)	1H2015	2H2015	FY2015	FY2014
<b>Pinnacle <sup>1</sup></b>	<b>4.2</b>	<b>3.2</b>	<b>7.4</b>	<b>5.9</b>
Principal Investments	(0.3)	0.4	0.1	1.2
Priority Funds	(0.1)	(0.2)	(0.3)	(0.4)
Next Financial	(0.4)	(0.3)	(0.7)	(0.4)
<b>Wilson HTM (pre consolidation of Wilson Group Priority Core Fund)</b>	<b>(0.8)</b>	<b>(0.1)</b>	<b>(0.9)</b>	<b>0.4</b>
Consolidation of Wilson HTM Priority Core Fund <sup>2</sup>	0.0	0.0	0.0	2.3
<b>Wilson HTM</b>	<b>(0.8)</b>	<b>(0.1)</b>	<b>(0.9)</b>	<b>2.7</b>
Group Overhead (unallocated)	(1.0)	(1.2)	(2.2)	(2.3)
Tax benefit from continuing operations before significant items <sup>3</sup>	0.6	0.6	1.2	0.9
<b>Adjusted profit from continuing operations</b>	<b>3.0</b>	<b>2.5</b>	<b>5.5</b>	<b>7.2</b>
Operating result of discontinued operation - Securities business <sup>4</sup>	0.5	0.4	0.9	1.2
Minority Interests	(0.9)	(0.7)	(1.6)	(3.6)
<b>Profit before significant items</b>	<b>2.6</b>	<b>2.3</b>	<b>4.8</b>	<b>4.8</b>
Loss on held-for-sale classification of discontinued operation <sup>4</sup>	0.0	(4.4)	(4.4)	0.0
Derecognition of deferred tax assets <sup>3</sup>	0.0	(9.4)	(9.4)	0.0
<b>Profit / (loss) attributable to shareholders</b>	<b>2.6</b>	<b>(11.6)</b>	<b>(9.0)</b>	<b>4.8</b>
1 Includes share of Pinnacle Boutiques profit after tax	5.2	6.7	11.9	8.4
2 Relates to profit before tax attributable to non-controlling interests in the Wilson Group Priority Core Fund required to be consolidated into the Group's results				
3 Included in income tax (expense) / benefit from continuing operations				
4 Included in Profit/(loss) from discontinued operations in statement of comprehensive income				

13

Turning to Financial Performance, the Group reported a consolidated net profit after tax attributable to shareholders and before significant items attributable of \$4.8 million. This result was flat when compared with last year. With the sale of the Securities business it was necessary to de-recognise the group's Deferred Tax Assets. Along with the loss related to the sale and the transaction costs associated with the sale, the statutory loss for the group was \$9 million.

Earnings per share before significant items were 4.5 cents for the 2015 financial year. This was down a little on the previous year due mainly to the vesting and subsequent exercise of options issued to employees of the group.

The Company declared an interim fully franked dividend of 1.6 cents per share but no final dividend. A fully franked dividend was paid in September of 2.25 cents per share.

FUM growth and investment performance have driven revenue in the Pinnacle segment helping it to achieve a 25% increase in profit to \$7.4 million.

Ian Macoun will speak in more detail about Pinnacle shortly.

The Wilson HTM segment had a more mixed year. Principal Investments returned a modest gain when compared with the previous year. Priority Funds again contributed a small loss as it struggled to regain a high water mark such that it could earn performance fees again in one of the funds. The Next Financial business

generated losses, caused by a combination of a lack of new revenue as the structured product book reached maturity and the need to maintain its operational capabilities to support its products and clients as the business is wound up. Those losses in the Wilson HTM segment were offset by the contribution of the Securities business which has now been sold. Corporate overhead costs remained constant.

Of the two continuing activities, Principal Investments was hampered by a volatile market which essentially finished the year flat having been both quite a bit lower and higher during the year.

Priority Funds added value to investors creating alpha in both funds. However, because of the underlying volatility in the market and a poor 'alpha' year in 2014 in the Priority Growth Fund, the Fund lost FUM during 2015.

## Slide 14 – Balance Sheet

Group Balance Sheet				
As at:				
	30 June 2015	30 June 2014		
	\$ million	\$ million		
<b>Assets</b>				
Cash and cash equivalents	13.6	20.6		
Financial assets at fair value through profit or loss	6.2	5.7		
Trade and other receivables	3.2	5.6		
Derivative financial assets	0.1	0.4		
Loans to investors	0.0	4.0		
Other current assets	3.9	0.0		
Deferred tax assets	0.0	12.3		
Investments accounted for using the equity method	19.4	19.4		
Other non-current assets	0.5	7.0		
Assets classified as held for sale	17.1	0.0		
<b>Total Assets</b>	<b>64.0</b>	<b>75.0</b>		
<b>Liabilities</b>				
Trade and other payables	5.1	9.0		
Borrowings	0.0	3.2		
Derivative financial liabilities	0.0	0.4		
Other current liabilities	2.0	4.0		
Deferred tax liabilities	0.0	0.0		
Non-current liabilities	0.2	4.0		
Liabilities classified as held for sale	12.2	0.0		
<b>Total liabilities</b>	<b>19.5</b>	<b>20.6</b>		
<b>Net assets</b>	<b>44.5</b>	<b>54.4</b>		

Excludes \$10.6 million in cash of Securities business classified as held for sale

Principal Investments

Next instalment loans now repaid

De-recognition of DTA following sale of Securities


Securities business classified as discontinued operation and held for sale

Securities business classified as discontinued operation and held for sale

Moving now to our Balance Sheet. The de-recognition of the Group's Deferred Tax Assets saw net tangible assets decline to \$44.5 million or 40c per share. The balance sheet remained cash rich and we still have no corporate debt.

Cash and liquids before the sale of the Securities business were \$12.9m (excluding cash in both Pinnacle and the Securities business).

## Slide 15 – Group Strategy and Progress FY 2016



**WILSON GROUP**  
LIMITED

### Group Strategy and Progress for FY2016

- 1. FUM Growth**
  - > Focus on growing funds management business through Pinnacle and Wilson Group Priority Funds.
  - > Pinnacle is continuing to invest in establishing boutiques and other initiatives. FUM \$17b as at October 2015.
  - > Priority Funds FUM up 8% YTD with market and alpha gains.
- 2. Cost Control**
  - > Reduce group overheads – Lower property, head-count, IT, professional services and Board costs will positively impact the second half – likely benefit of \$0.5 million annualised to begin in the second half.
  - > Finalise Next Financial - Likely ongoing costs post closure in the order of \$0.1 million pa for run-off insurance. Expected closure costs in first half 2016 of \$0.5 million
  - > Final additional expenses related to the disposal of the securities business to be incurred in 1H16.
- 3. Capital / Dividends**
  - > Fully franked dividend – Paid in September of 2.25c/share. The company intends to pay regular fully franked dividends.

15

Since balance date the group has received the cash consideration for the sale of the Securities business and also a debt repayment from Pinnacle seeing a total of \$6 million being added to the cash and liquids of \$12.9 million.

Our primary goal is to grow our FUM and as mentioned before Pinnacle FUM has continued to grow. Priority Funds has continued to achieve outperformance in both its funds and its FUM balance is up as well.



Principal Investments are up modestly as at the end of October.

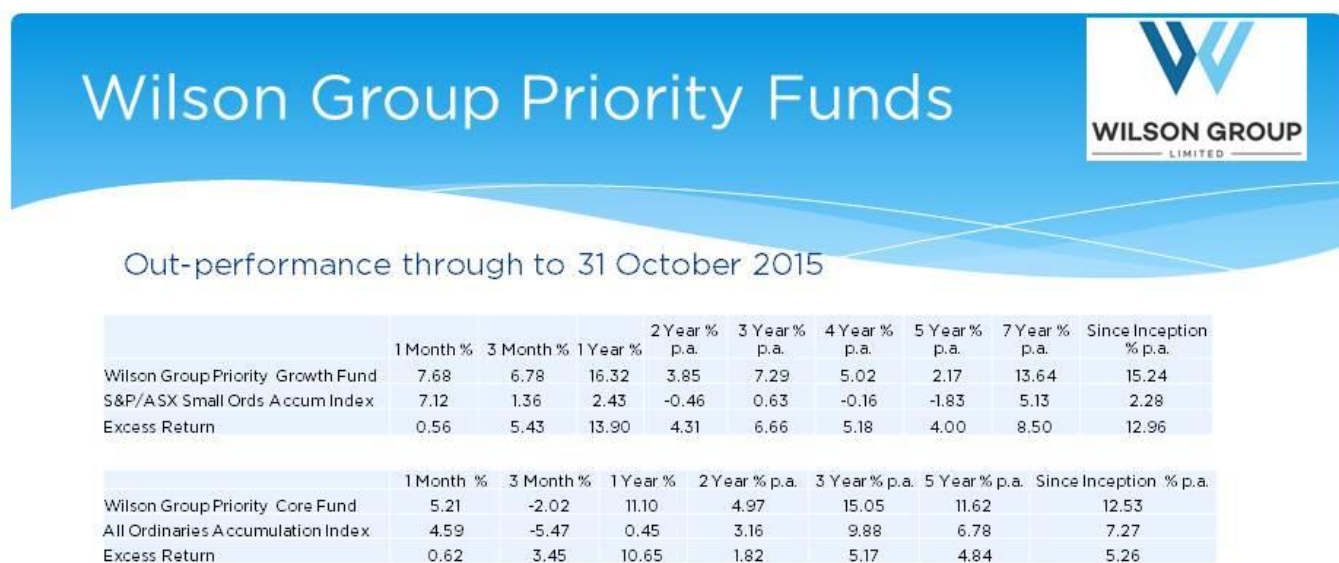
Controlling our costs is another point of focus and as foreshadowed at last years AGM, we will see further progress in this area in 2016. With lower property, staff, IT, professional services and Board costs, we expect a \$0.5 million annualised saving from the Group Overhead to begin from the 2nd half of the 2016 financial year. We anticipate that Board costs will be approximately \$100,000 lower in FY16, following a review of directors' fees and entitlements. In addition, there were a number of one-off costs in FY15 including a payment for special exertion to Alan Watson of \$75,000 for his increased level of work as the lead independent director.

As mentioned before, there are some additional expenses related to the sale of the Securities business that will be incurred in the first half of this financial year. Similarly, it is anticipated that closure costs of \$0.5 million for Next Financial will also be incurred in the first half. Residual Next Financial related expenses thereafter will be confined to run-off insurance and data storage



and are estimated to be about \$0.1 million on an annualised basis.

## Slide 16 - Alpha Generation



16

Alpha generation is a fundamental premise for the Funds management business and a core value for our company.

Our Priority Funds have begun the year very well such that the high water mark has been regained in the

Priority Growth Fund such that it can again earn performance fees if the alpha is maintained and improved on from this point.

The chart on this slide shows a long history of alpha generation now with the Growth Fund and the Core Fund. They have now posted 10 year and 5 year track-records respectively.

## Finally

Our people remain dedicated to the direction and future of the business. I would like to sincerely thank my now very small team for the support and encouragement they have provided to me and the firm in the last year.

Our other main business, Pinnacle, is proving to be a beneficial, long term strategic investment for the Group and its shareholders.

I would now like to hand over to Ian Macoun who will speak about Pinnacle.

## Slide 17 Pinnacle Managing Director's Address



**Pinnacle Managing Director's Address**



- > Aggregate FUM of boutiques now \$17.0 billion as at October 15
- > Diversification of managers and strategies provides growth opportunities and seeks to mitigate risk
- > Performance of boutiques remains strong, underpinning growth expectations
  - Above market benchmarks
  - Strong consultant ratings
- > Economics are compelling
  - Breakeven at modest FUM levels
  - Significant profits with incremental FUM inflow

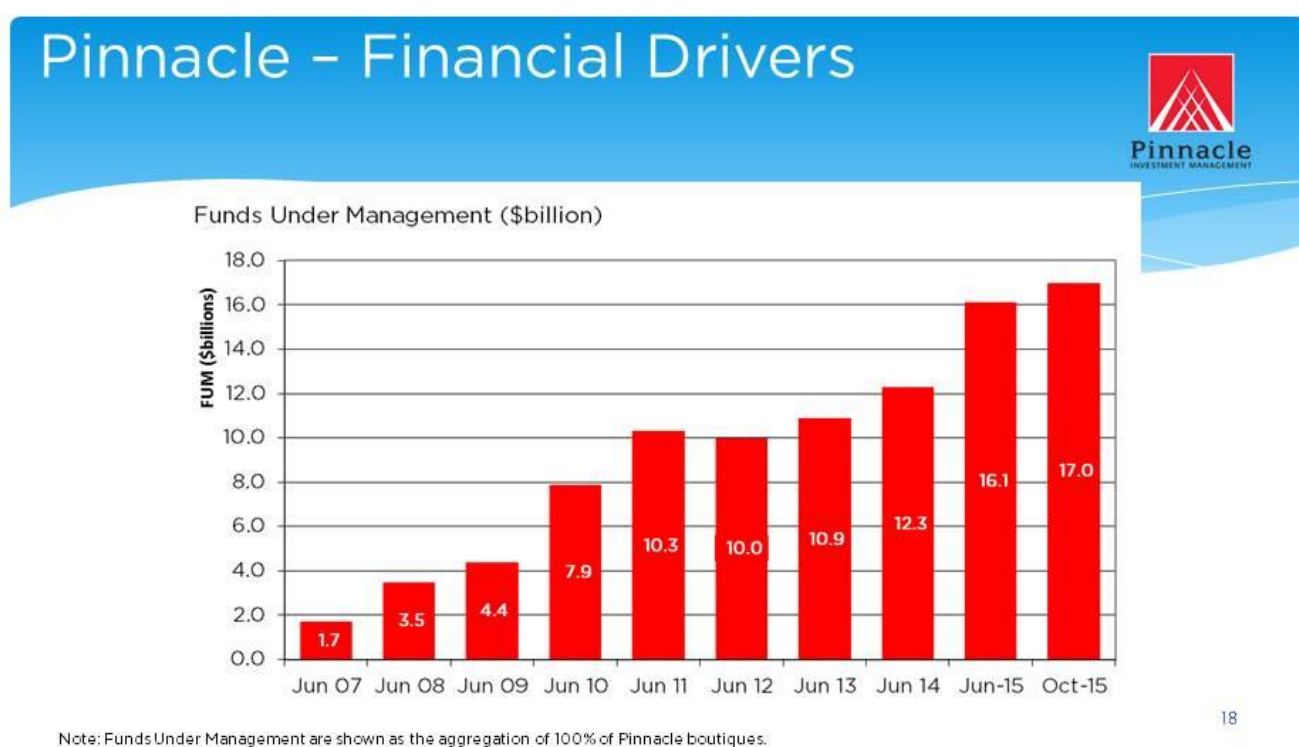
17

**Thank you Sandy.**

Pinnacle's success over time is determined by a number of factors. These include the successful launch and subsequent growth of new boutiques and of new investment offerings by existing boutiques, the investment performance of the boutiques, successful distribution of their investment offerings and the continued high quality administration of the various infrastructure service functions in support of the fund managers. When successfully combined, the result is

growth in FUM, revenue and profits. The 2015 financial year was another successful year along this path as you can see from the following slides.

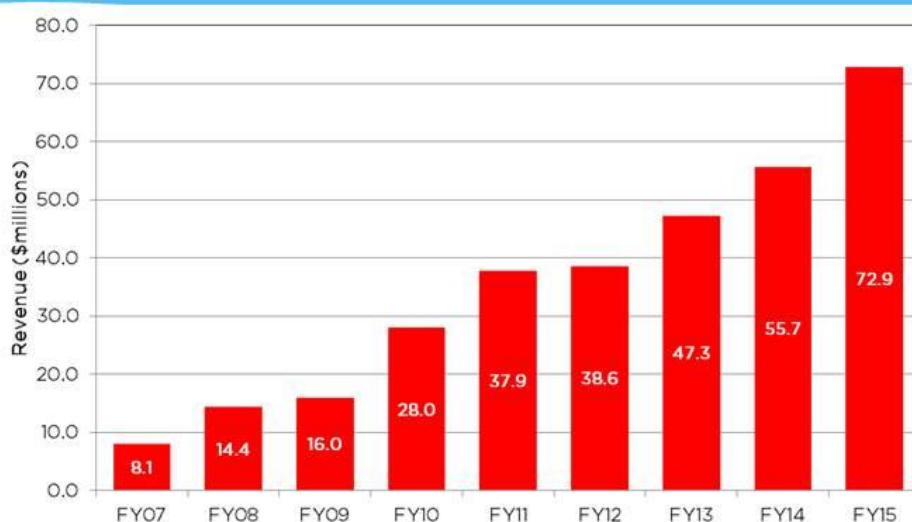
## Slide 18 Pinnacle Financial Drivers



Pinnacle boutiques' total Funds under Management at the end of the 2015 financial year were \$16.1 billion, an increase of 31% from the level prevailing a year earlier. As at 31 October 2015, the FUM had increased by a further 5.6% to \$17 billion.

## Slide 19 Pinnacle Financial Drivers – Revenue

## Pinnacle – Gross Boutique Revenues




Note: Revenue is shown as the aggregation of 100% of Pinnacle boutiques. Revenue excludes revenue derived by Pinnacle itself.

19

The growth in boutiques' revenues over the same period is shown in this slide. During the year total boutique revenues grew by 31% to \$72.9 million, up from \$55.7 million in the prior year.

## Slide 20 Pinnacle statutory financial results

Extract from Pinnacle statutory financials



	FY2015	FY2014
<b>Pinnacle Boutiques (100% aggregate basis)</b>		
FUM (\$billion)	16.1	12.3
Revenue (\$million)	72.9	55.7
<b>Net profit before tax</b>	<b>38.9</b>	<b>26.2</b>
Tax expense	(11.4)	(8.2)
<b>Net profit after tax</b>	<b>27.5</b>	<b>18.0</b>
<b>Pinnacle</b>		
Revenue	5.9	4.3
Expenses	(10.3)	(6.2)
Share of Pinnacle Boutiques net profit after tax	<b>11.9</b>	<b>8.4</b>
<b>Pinnacle Group statutory result<sup>#</sup></b>	<b>7.5</b>	<b>6.5</b>
<small><sup>#</sup> 100% of Pinnacle (The Group had a 75.01% interest as at 30 June 2015).</small>		

20

Pinnacle's share of boutiques' net after tax profit increased by 42% from \$8.4 million in the year ended 30 June 2014 to \$11.9 million in the year ended 30 June 2015. Pinnacle's overall Group net profit after tax increased by 15% from \$6.5 million in 2014 to \$7.5 million in 2015.



## Slide 21 Pinnacle Boutiques

# Pinnacle Boutiques



**Pinnacle**  
INVESTMENT MANAGEMENT

	<p>&gt; <b>Hyperion Asset Management</b> (49.9% owned by Pinnacle) – a specialist manager of Australian equities following a growth style</p>
	<p>&gt; <b>Palisade Investment Partners</b> (35.7% owned by Pinnacle) – a specialist manager of unlisted infrastructure assets with both pooled funds and separately managed portfolios for institutional investors;</p>
	<p>&gt; <b>Plato Investment Management</b> (49.9% owned by Pinnacle) – a specialist manager of Australian equities following a quantitative style;</p>
	<p>&gt; <b>Solaris Investment Management Limited</b> (40.0% owned by Pinnacle) – a specialist manager of Australian equities following a style-neutral approach to investing;</p>
	<p>&gt; <b>Resolution Capital</b> (40.0% owned by Pinnacle) – a specialist manager of Australian and global listed real estate securities portfolios; and</p>
	<p>&gt; <b>Sigma Funds Management</b> (27.0% owned by Pinnacle) – a value style Australian equities manager.</p>
	<p>&gt; <b>Antipodes Partners</b> (23.0% owned by Pinnacle) – an International Equities manager.</p>

Wilson Group Limited has a 75.01% interest in Pinnacle Investment Management, which in turn has an interest in seven boutiques –

- > **Hyperion Asset Management** (49.9% owned by Pinnacle) – a specialist manager of Australian equities following a growth style;
- > **Palisade Investment Partners** (35.7% owned by Pinnacle) – a specialist manager of unlisted

infrastructure assets with both pooled funds and separately managed portfolios for institutional investors;

- > **Plato Investment Management** (currently 49.9% owned by Pinnacle) – a specialist manager of Australian equities following a quantitative style;
- > **Solaris Investment Management Limited** (40.0% owned by Pinnacle) – a specialist manager of Australian equities following a style-neutral approach to investing;
- > **Resolution Capital** (40.0% owned by Pinnacle) – a specialist manager of Australian and global listed real estate securities portfolios;
- > **Sigma Funds Management** (27.0% owned by Pinnacle) – a value style Australian equities manager; and
- > **Antipodes Global Investment Partners** (23.0% owned by Pinnacle) – a specialist manager of



global and Asian equities – both long-short and long-only.

Pinnacle facilitated the creation of Antipodes Global Investment Partners by acquiring 100% of the Perennial International Equities business during the course of the 2014-15 financial year. Following the Pinnacle business model, this position was reduced to 23% in May when the Antipodes team under the leadership of Jacob Mitchell came together and the Antipodes business was launched.

Pinnacle continues to provide distribution services to its boutique funds management firms, in both institutional and retail markets, and Pinnacle also provides the full range of ‘infrastructure’ services including Responsible Entity, compliance and risk, middle office, tax and financial reporting, technology, legal, HR and office accommodation services.

These seven boutiques, together with our ‘third party distribution’ partners, offer a variety of styles and asset classes to the Australian funds management

marketplace. This provides substantial growth opportunities for Pinnacle and, by diversification of our business offerings, reduces the risk of the performance of the business.

## Slide 22 Investment Performance

Investment Performance - Boutiques				
Performance as at 31 October 2015				
Pinnacle Investment Management				
	1Y	3Y	Inception	Inception date
<b>Hyperion Asset Management - Gross Performance</b>				
Hyperion Australian Growth Companies Fund	8.8%	18.3%	12.8%	01/10/2002
Returns in excess of benchmark	9.3%	8.7%	3.8%	
Hyperion Small Growth Companies Fund	22.0%	24.9%	19.0%	01/10/2002
Returns in excess of benchmark	19.5%	24.3%	12.8%	
<b>Plato Asset Management - Gross Performance</b>				
Plato Australian Shares Core Fund	2.8%	12.6%	5.3%	30/10/2006
Returns in excess of benchmark	3.3%	3.0%	1.3%	
Plato Australian Shares Equity Income Fund - Class A	2.3%	14.2%	12.3%	09/09/2011
Returns in excess of benchmark	1.5%	2.7%	3.2%	
<b>Solaris Investment Management - Gross Performance</b>				
Solaris Core Australian Equity Fund	4.5%	13.7%	5.1%	09/01/2008
Returns in excess of benchmark	5.3%	3.9%	2.5%	
Solaris High Alpha Australian Equity Fund	4.5%	14.2%	6.0%	04/02/2008
Returns in excess of benchmark	5.2%	4.3%	2.9%	
<b>Resolution Capital - Gross Performance</b>				
Resolution Capital Core Plus Property Securities Fund	18.6%	16.7%	8.3%	30/09/2008
Returns in excess of benchmark	0.3%	0.7%	2.8%	
Resolution Capital Global Property Securities Fund	14.2%	17.2%	13.6%	30/09/2008
Returns in excess of benchmark	4.6%	3.3%	5.3%	

22

Investment performance is at the heart of the Pinnacle boutiques' funds management offerings. Strong

performance against market benchmarks and strong ratings by asset consultants, research houses and Superannuation Funds underpins future growth in Funds under Management and profits.

## Slide 23 Investment Performance

Investment Performance - Boutiques				
Performance as at 31 October 2015				
Pinnacle Investment Management				
	1Y	3Y	Inception	Inception date
<b>Palisade Investment Partners - Gross Performance</b>				
Palisade Diversified Infrastructure Fund #	10.5%	14.8%	9.0%	01/08/2008
Palisade Australian Social Infrastructure Fund	17.0%	15.8%	16.1%	31/05/2011
<b>Sigma Funds Management - Gross Performance</b>				
Sigma Emerging Companies Fund	-6.4%	2.5%	4.3%	10/10/2012
Returns in excess of benchmark	-8.8%	1.9%	5.0%	
Sigma Select Equities Fund	-2.9%	11.7%	7.5%	02/05/2011
Returns in excess of benchmark	-2.3%	2.0%	1.2%	
<b>Antipodes Partners - Gross Performance</b>				
Antipodes Global Fund			9.0%	01/07/2015
Returns in excess of benchmark			3.8%	
Antipodes Global Fund - Long Only			6.8%	01/07/2015
Returns in excess of benchmark			1.6%	
Antipodes Asia Fund # #			0.6%	01/07/2015
Returns in excess of benchmark			4.1%	

# Inception date is since commencement of Palisade management on 01 August 2008  
# # Fund of fund, performance is net of fees

23

I am delighted once again to report that the investment performance of our boutiques has continued to be very strong as shown in this slide.

## Slide 24 - Pinnacle Strategy FY16

### Pinnacle - Strategy for FY16



**Pinnacle**  
INVESTMENT MANAGEMENT

- > Continue to provide high quality distribution, Responsible Entity and infrastructure services
- > Maintain its affiliated fund managers' high standards
- > Remain focused on investing to enable continued strong performance and FUM growth
- > Grow retail FUM
- > Drive selected third party distribution and new boutique opportunities

24

During the 2015 financial year, an additional boutique was added to the group in an asset class that was new to Pinnacle. Pinnacle continues to explore new boutique opportunities. Meanwhile existing boutiques also have the ability to create new investment products and offerings and to explore new facets of the marketplace.

I am pleased to report that our distribution partnership with Metrics Credit Partners, which commenced during the 2013 financial year, remains strong. Metrics Credit

Partners is a specialist fixed income and credit fund manager providing expertise to investors seeking opportunities in global debt markets.

I will now hand you back to the Chairman of the meeting Alan Watson

## Slide 25 – Q&A



> Q&A

25

Before moving to the formal part of the meeting, I would now like to invite any shareholders who wish to ask a question to raise their hand.

In order to provide all shareholders present with a fair opportunity to speak could I please ask you to limit the number of questions to two questions per shareholder.

We ask if you could please identify yourself before asking your question.

[QUESTIONS]

Slide 26 – “Ordinary Business”



> Ordinary Business:

- Formal tabling of 2015 financial statements and reports
- Resolution 1 – adoption of remuneration report
- Resolution 2 – re-election of S Skala AO

26

I would now like to proceed with the business of the meeting in the order it appears in the Notice of Meeting.

Unless anyone requires the notice of meeting to be read, I propose that the



notice of annual general meeting, which was sent to all shareholders, be taken as read. Copies are available if required.

All valid Proxies received have been recorded and these will be reported to the ASX after the meeting.

Details of the proxies received are available for inspection on the table at the entrance after the meeting.

Today we intend to determine all matters by conducting a show of hands – and as each resolution is discussed, there will be an opportunity for shareholders to ask questions.

I request shareholders to limit their questions to matters relevant to the item of business being discussed and that there are only two questions per shareholder.

If you have a question, please raise your hand.



Firstly, if there is any person present who believes they are entitled to vote but has not registered to vote, would you please raise your hand for assistance.

The persons entitled to vote are all shareholders, representatives and attorneys of shareholders, and proxyholders who hold blue admission cards.

For shareholder's information, we will display on the screen, prior to

consideration of each resolution, the Proxy Voting for each resolution that I announced at the start of the meeting.

All open proxy votes directed to the Chairman will be voted in favour of the relevant resolution, however any such proxies in relation to the remuneration report appointed by any key management personnel will be excluded from the Chairman's proxy votes.

## Slide 27 – Item 1 – Financial statements and reports



- > Formal tabling of 2015 Financial Statements and Reports

27

The first item of formal business on the Notice of Meeting is to consider the Financial Statements of the Company for the year ended 30 June 2015 together with the Directors' Report and the Auditor's Report as set out in the 2015 Annual Report and which have been made available to shareholders.

I formally table the financial statements of the Company for the year ended 30 June 2015 and the related

Directors' Reports, Directors' Declarations and Auditors' Report.

Are there any questions in respect of the financial statements and or any other matters?

[Yes/No, thank you]

I will take all of these reports as read.

Is there any discussion or are there any questions for the auditor in relation to the content of PricewaterhouseCoopers' audit report for the year ended 30 June 2015, the accounting policies adopted by the Company in relation to the preparation of the financial statements of the Company and the independence of the auditor in relation to the conduct of the audit?

[Yes/No, Thank you].

## Slide 28 - Item 2 – Remuneration Report

### Item 2 - Resolution 1



- > Remuneration Report
- > To consider and, if thought fit, pass the following Resolution as an ordinary resolution:  
*“To adopt the Remuneration Report for the financial year ended 30 June 2015”*

28

The next item of business is to consider the adoption of the remuneration report for the 2015 financial year.

The Remuneration Report is contained with the Directors' Report and forms part of the 2015 financial statements and reports.

The Remuneration Report incorporates information required by section 300A of the Corporations Act, which sets out the remuneration policy for the Company

and reports the remuneration arrangements in place for key management personnel, including the Directors.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report contained in the Directors' Report be adopted.

Are there any questions in relation to this resolution?

[Yes/No, thank you]

## Slide 29 – Proxies

Resolution 1 - proxies	
<ul style="list-style-type: none"> <li>Valid proxies received by the Company</li> </ul>	
Resolution by proxy	Resolution 1
	Adoption of Remuneration Report
Total number votes cast	42,436,961
- For	96.95 %
- Against	2.64 %
- Open	0.41%
Excluded votes	6,391,466
Abstain	29,045,406

The number of proxies received by the Company 48 hours prior to this meeting for the resolution to adopt the remuneration report for the year ended 30 June 2015 are shown on the screen behind me

Any votes from Directors and Key Management Personnel and their associates have been excluded from this resolution.

I now move, and for members to consider and, if in favour, to pass the following resolution under section 250R(2) of the Act:

*That the remuneration report for the financial year ended 30 June 2015 be adopted*

Could I call for a seconder?

Thank you [seconder's name]

Please can all shareholders in favour raise their hands ?

And all those against?

I now declare Resolution 1 [carried/defeated].

## Slide 30 – Re-election of Mr Steven Skala AO

### Item 3: Resolution 2



- > Re-election of Mr Steven Skala AO
- > To consider and, if thought fit, pass the following Resolution as an ordinary resolution:

*“That Mr Steven Skala AO, who retires from the office of director by rotation and, being eligible, offers himself for re-election, is re-elected as a director of the Company”*

30

The meeting now needs to consider the re-election of a director in accordance with the Corporations Act and the Constitution.

The requirements of our Constitution are that at each Annual General Meeting, one third of the directors should retire from office.

One director is retiring and standing for re-election, being Mr Steven Skala.



The next item of business is therefore to consider Mr Skala's re-election.

The explanatory statement attached to the notice of meeting provides details on Steven.

Are there any questions in relation to this resolution ?

[Yes/No, thank you]

## Slide 31 – Proxies

Resolution 2 - Proxies	
<ul style="list-style-type: none"> <li>Valid proxies received by the Company</li> </ul>	
Resolution by proxy	Resolution 2
	Re-election of Steven Skala as a Director
Total number votes cast	74,942,123
- For	82.76 %
- Against	17.08 %
- Open	0.16%
Abstain	1,806,986

The number of proxies received by the Company 48 hours prior to this meeting for the resolution are shown on the screen behind me

As Chair of the meeting, I intend to vote all available proxies in favour of this resolution.

I will now put the resolution as follows:

*That Mr Steven Skala AO, who retires from the office of Director by rotation and, being eligible,*

*offers himself for re-election, is re-elected as a Director of the Company.*

Do I have a seconder?

Thank you [seconder's name]

Please can all shareholders in favour raise their hands ?

And all those against?

I now declare Resolution 2 [carried/defeated].

Congratulations Steven

That concludes the formal business of this meeting.

## Slide 32 – Closure of meeting

### Wilson Group Limited - Contacts

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32

Do shareholders have any further questions they would like to raise?

[Pause]

If there are no further questions I now declare the meeting closed. Thank you all for your attendance today.

I would like to invite shareholders to join the Board for tea and coffee.

## Slide 33 – Disclaimer

### Disclaimer



- \* This presentation has been prepared by Wilson Group Limited (**WIG**). The information in this presentation is current as at 23 November 2015.
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- \* The returns for Wilson Group Priority Growth Fund ARSN 117 083 762 (**Growth Fund**) and Wilson Group Priority Core Fund ARSN 144 032 431 (**Core Fund**) are stated as at 31 October 2015 (net of fees). The Growth Fund inception date is 4/7/2005 and the Core Fund inception date is 22/6/2010. Past performance is not a reliable indicator of future performance. Returns are net of management fees (1.25% p.a. for the Growth Fund and 1.5% p.a. for the Core Fund) and net of any performance fees (20% for the Growth Fund and 15% for the Core Fund) and assume distributions are reinvested. Returns do not include tax or entry fees of 0-2% or ongoing adviser service fees of 0-1% p.a. as these fees are not charged unless an investor agrees to pay them to an adviser. The Growth Fund's risk/return profile is High Growth and the Core Fund's is Growth. The S&P/ASX Small Ordinaries Accumulation Index and the All Ordinaries Accumulation Index assume 100% reinvestment of dividends. Interests in the Growth Fund and Core Fund are issued by Pinnacle Fund Services Limited ABN 29 082 494 362 AFSL 238371. The information provided is without reference to your objectives, financial situation or needs. Refer to the Wilson Group Priority Fund's Product Disclosure Statement available at [www.wilsongrouplimited.com.au](http://www.wilsongrouplimited.com.au) before making a decision.