

Annual General Meeting
8th September 2022



AGM Agenda

1. Chairman's address (RK);
2. Review of March 2022 year (DOC);
3. Update since 1 April 2022 (DOC);
4. Forecast: September 2022 Result (DOC);
5. Questions on Financial Statements (Board Panel);
6. Ordinary Business to be considered (RK);
7. Questions on Ordinary Business (Board Panel);
8. Voting on Resolutions for Ordinary Business (RK).
9. Confirmation of voting results (RK)

Review of March 2022

| Consolidated Income Statement For the year ending 31 March 2022 | | | | | | | | |
|--|------------|------------|------------|--------------|------------|-------------|------------|---------------|
| | GFSL / GFL | Quest | SCL | GCL | FPT | Group | Mar 2021 | Variance |
| | \$M | \$M | \$M | \$M | \$M | \$M | Group | % |
| | | | | | | | \$M | |
| Operating Revenue | 14.5 | 23.4 | 1.0 | 2.0 | 1.9 | 42.7 | 34.8 | 22.7% |
| Interest Expense | (3.1) | 0.0 | (0.2) | (0.8) | (0.0) | (4.0) | (4.0) | 1.5% |
| Impaired Asset Expense | (0.0) | 0.0 | 0.8 | (0.3) | (0.1) | 0.4 | (0.8) | -152.1% |
| Operating cost | (6.0) | (18.7) | (1.4) | (1.1) | (0.4) | (27.5) | (20.2) | 36.6% |
| Trading Company Contribution | 5.4 | 4.7 | 0.2 | (0.2) | 1.5 | 11.6 | 9.9 | 17.4% |
| Non trading operating costs | | | | | | (3.3) | (3.1) | 7.8% |
| Net profit before Tax | | | | | | 8.2 | 6.8 | 21.8% |
| Tax benefit / Tax expense | | | | | | (2.3) | (0.1) | 1471.2% |
| Net profit after Tax | | | | | | 5.9 | 6.6 | -10.2% |
| <u>Attributable to:</u> | | | | | | | | |
| Group | | | | | | 5.5 | 6.2 | -10.9% |
| Non- controlling interest | | | | | | 0.4 | 0.4 | -0.5% |
| | | | | | | 5.9 | 6.6 | -10.2% |
| Prior year Net profit after Tax | | | | | | 6.6 | 4.1 | 60.9% |

Review of March 2022

| Consolidated Balance Sheet As at 31 March 2022 | | | | | | | | | |
|---|-----------------------|------------------------|----------------------|----------------------|----------------------|---|------------------------|------------------------|--------------|
| | Mar 22 GFSL \$M | Mar 22 Quest \$M | Mar 22 SCL \$M | Mar 22 GCL \$M | Mar 22 FPT \$M | * | Mar 22 Group \$M | Mar 21 Group \$M | Var % |
| Assets | | | | | | | | | |
| Net Receivables | 77.3 | 0.0 | 2.9 | 9.4 | 3.5 | | 93.1 | 91.9 | 1.3% |
| Net Other | 23.3 | 48.6 | 5.4 | 2.4 | 2.1 | | 62.0 | 50.6 | 22.7% |
| Total assets | 100.7 | 48.6 | 8.2 | 11.8 | 5.6 | | 155.1 | 142.5 | 8.9% |
| Total Liabilities | 73.8 | 30.7 | 3.7 | 10.1 | 0.6 | | 117.4 | 108.3 | 8.4% |
| Net Equity | 26.8 | 17.9 | 4.5 | 1.7 | 5.0 | | 37.8 | 34.2 | 10.3% |
| * Group consolidation entries are excluded where applicable | | | | | | | | | |

Review of March 2022

Financial Overview

- Group pre-tax profit of \$8.2m up \$1.5 (22%)
- After tax profit of \$5.9m down \$0.7m (11%)
- Quest insurance premium sales increased to \$30.1m (40%)

Review of March 2022

Financial Overview (continued)

- Group Assets increased to \$156m, up \$12.7m (8.9%)
- Group Equity increased to \$37.8m up \$3.5m (10.3%)
- Dividend (FYE Mar 2022) increased to 4.00 cps, up 6.7% on FYE Mar 2021



Review of March 2022

Financial Overview (Credit rating)

- Quest Credit rating
 - Financial Strength Rating B (Fair)
 - Issuer Credit Rating bb+ (Fair)

Review of March 2022

Financial Overview (Funding)

- Geneva has 3 sources of funding
 - Securitisation Facility provided by Westpac
 - \$75m facility, drawn to \$65.8m
 - Term Facility provided by Kiwi Bank
 - \$3.4m facility, fully drawn
 - Facility to be repaid commencing July 23
 - Wholesale investor funding
 - \$14.2m balance and includes loans from directors



Review of March 2022

Financial Overview (Dividends)

| Dividend Payments by Financial Period | | | |
|---------------------------------------|--------------------|-------------------|----------|
| FYE Period | Date Paid | Date Paid | Total |
| Mar 16 | | Aug16 (1.50 cps) | 1.50 cps |
| Mar 17 | | Jun 17 (2.00 cps) | 2.00 cps |
| Mar 18 | Dec 17: (1.00 cps) | Jun 18 (2.25 cps) | 3.00 cps |
| Mar 19 | Dec 18: (1.25 cps) | Jun 19 (2.25 cps) | 3.50 cps |
| Mar 20 | Dec 19: (1.25 cps) | Jul 20 (1.50cps) | 2.75 cps |
| Mar 21 | Dec 20: (1.25 cps) | Jun 21 (2.50cps) | 3.75 cps |
| Mar 22 | Nov 21: (1.25 cps) | Jun 22 (2.75cps) | 4.00 cps |

Review of March 2022

Financial Overview (Individual Trading Operations)

- Geneva Financial Services Limited: Pre-tax profit \$5.4m, up 12%
- Quest Insurance Group Limited: Pre-tax profit \$4.7m, up 47%
- Federal Pacific Finance Tonga Limited: Pre-tax profit \$1.5m, up 4%
- Stellar Collections Limited: Pre-tax profit \$0.2m, \$0.1m
- Geneva Capital Limited: Pre-tax loss \$0.2m, down \$0.3m



Review of March 2022

Financial Overview (Geneva Financial Services)

- Lending growth initially continued from Prior year but was impacted by the COVID trading restrictions
- GFSL Rebranded
- Receivables ledger up 2.7% to \$77.3m
- Asset quality improved and resulting in a reduction of the COVID overlay provision taken up in prior year
- Pre-tax Profit up 12%



Review of March 2022

Financial Overview (Quest Insurance)

- Gross written premium up 40% to \$30.1m
- Cash on hand increased to \$24.8m
- Strong solvency position at year end
- Pre-tax Profit up 47%



Review of March 2022

Financial Overview (Federal Pacific Tonga)

- Delivered solid result despite COVID interruptions
- Earthquake and Tsunami impacted business
- Pre-tax Profit up 4%



Review of March 2022

Financial Overview (Stellar Collections)

- Collections maintained and continue to deliver improved results
- Debt litigation business impacted by COVID as it restrict business operations severely over the period
- Pre-tax Profit down \$0.1m

Review of March 2022

Financial Overview (Geneva Capital)

- Experienced unexpected losses during the year
- Increased provisioning requirement as a result
- Pre-tax result down \$0.3m

Update Since April 2022

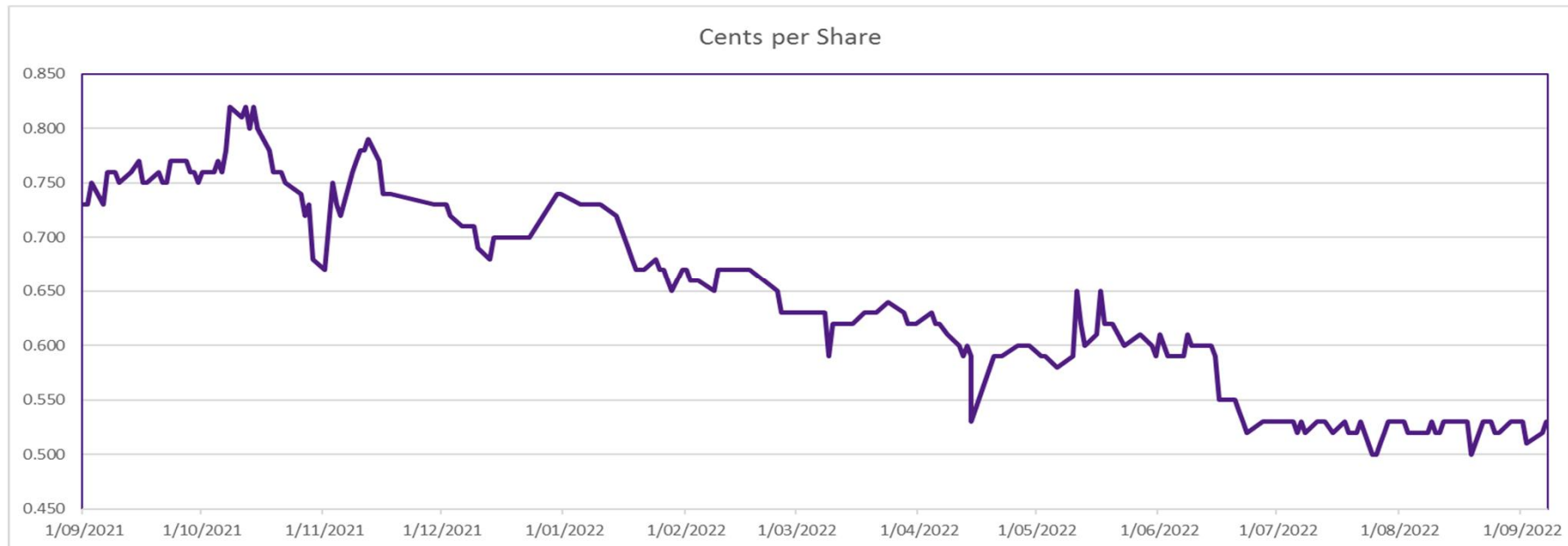
Events Subsequent to Balance Date

- Janssens insurance arrangement renewed for a further 5 years
- AM Best reaffirmed Quest Credit ratings
 - Financial Strength Rating B (Fair)
 - Issuer Credit Rating bb+ (Fair)
- Sales & Lending and Insurance manager resigned

Update Since April 2022

Share Price

- Share price moved from 73 cents in Sep 21 to 53 cents as at 7 Sep 22. Last 2 months trading between 51 cents and 53 cents



Update Since April 2022

Share price

- As at 5th September 22 52.0 cps
- Pre-tax earnings attributable to shareholders:
 - YE 31 Mar 22: \$7.6m
 - Pre-tax Earnings per share 10.48 cps
 - Pre-tax Yield on current market price 20.1%
 - Dividend yield at 4.00 cps equates to a dividend yield of 7.7%
- Market price is effected by current economic environment.
- Our focus is to continue to grow profitability and returns to shareholders.



Forecast to 30 September 2022

- The current financial year has seen the continuation of the factors that impacted to results for the YE 31 Mar 22, with some headwinds added:
 - Dealer to Public Motor Vehicle Sales are down by 12% on last year.
 - Inflation and increased mortgage rates are impacting household affordability
 - Corporate interest rates have increased
- As a result of the above we are expecting the September 22 result to be in line with or above last year.



Outlook and Summary

- March 22 was successful year despite COVID interruptions with the Group delivering a record \$8.2m profit up 22%.
- The insurance operation continues to deliver revenue and profit growth.
- Receivables ledgers are well provisioned
- Demand for lending was impacted by lockdowns and by regulatory changes. The impact of which have continued into the current year.



Outlook and Summary

- The current year also brings challenges associated with the drop in consumer confidence, inflation and increased interest rates (both consumer and corporate)
- Nevertheless, the company is in a position to weather these challenges and remains committed to maintaining profit growth and a strong balance sheet
- The board is looking forward to taking advantage of the opportunities the coming market will offer.



Questions on Accounts

Questions relating to the accounts are now invited



Ordinary Business to be considered

The following ordinary resolutions will now be considered

Ordinary Business to be considered

Resolution 1: Election of Director

To re-elect Malcolm Cliff Johnston as a Director of Geneva Finance Limited.



Ordinary Business to be considered

Resolution 2: Auditors Remuneration

That the board be authorised to determine the auditor's fees and expenses for the 2023 financial year.

Ordinary Business

Annual Report and Financial Statements

The Annual Report and the Financial Statements for the year ended 31 March 2022 and the audit report thereon have been considered and accepted by the board



Annual General Meeting
8th September 2022

