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25 November 2010

The Manager  
Company Announcements  
Australian Stock Exchange Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

Dear Sirs

**Re: Annual General Meeting to be held today at 11.00 am on 25 November 2010**

Please find following the Chairman's / Investment Manager's presentation to be delivered at the Annual General Meeting of Members of Souls Private Equity Limited to be held at 11.00 am today.

Yours faithfully,

A handwritten signature in black ink, appearing to read "R. Pillinger", with a stylized flourish at the end.

**Richard Pillinger**  
**Company Secretary**



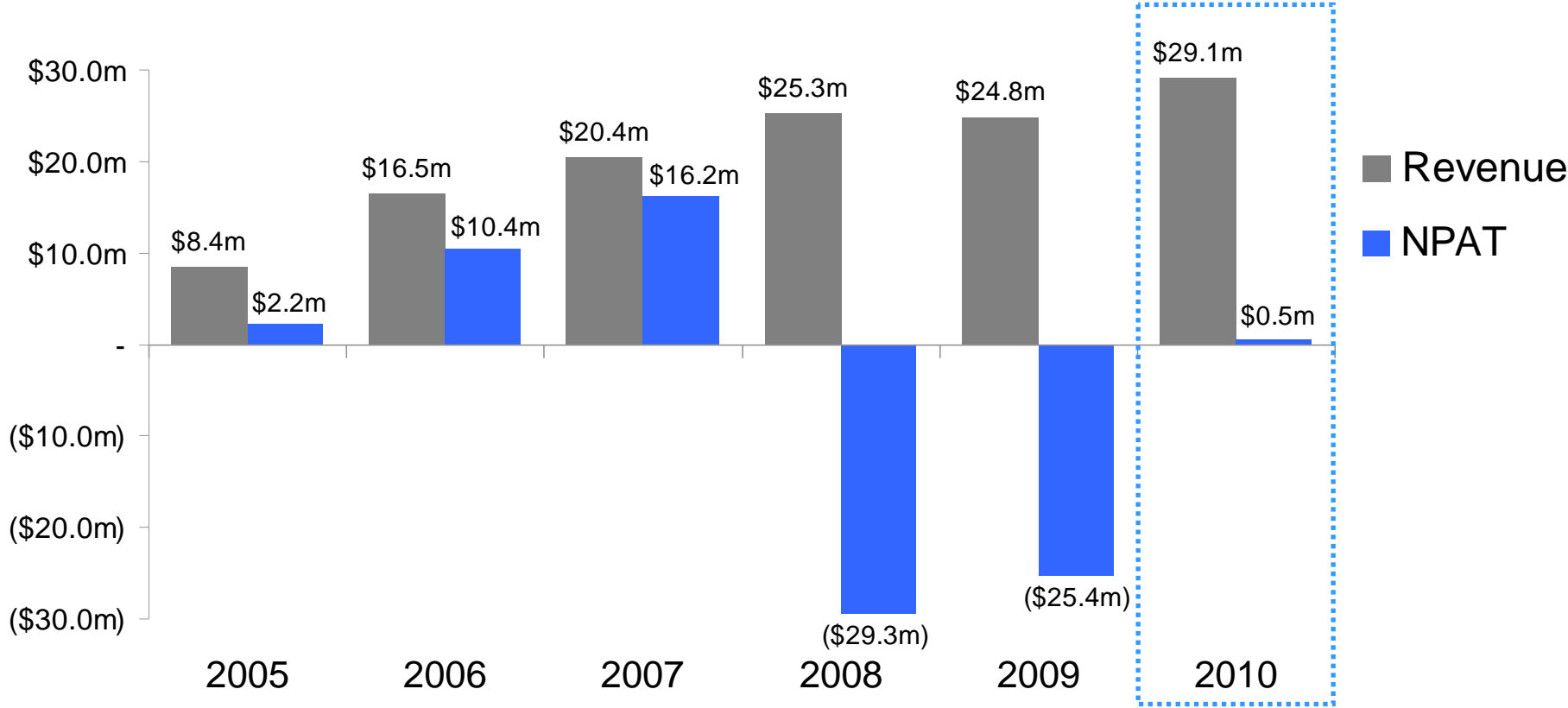
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# Annual General Meeting

25 November 2010

# 2010 Financial Year

- Revenue \$29.1m (up 17% on previous year)
- Net Profit After Tax of \$0.5m



## Asset valuations

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- No impairments to assets in FY10 (\$9.1m in FY09)
- Conservative valuations of SME investments: \$75m

<b>SME Investments</b>	<b>Investment cost</b>	<b>Book value</b>
<b>As at 31 July 2010</b>	<b>\$m</b>	<b>\$m</b>
Ampcontrol Pty Limited	11.5	26.2
Cromford Pty Limited	44.9	24.0
Pitt Capital Partners Limited	5.9	6.6
CMA Corporation Limited	12.0	3.3
InterRisk Australia Pty Limited	2.1	3.0
CBD Energy Limited	2.9	2.7
Supercorp Australia Pty Limited	3.7	2.5
Belaroma Coffee Pty Limited	3.0	2.5
Specialist Oncology Property Pty Limited	1.6	2.1
Austgrains Pty Limited	2.9	1.1
Soda Brands Limited	7.4	1.0
<b>Total SME investments (listed and unlisted)</b>	<b>97.9</b>	<b>75.0</b>

## Net Assets

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- Net Assets as at 31 July of \$114.3m (19.25cps)
- The company has no external debt
- 5.76cps in liquid investments (30% of Net Assets)

Segmented net assets				
as at 31 July 2010	\$m	cps	%	
SME investments - Unlisted	68.0	11.45	60%	} Low liquidity
SME investments - Listed	7.0	1.18	6%	
Listed Share portfolio	33.3	5.61	29%	} High liquidity
Cash	0.9	0.15	1%	
Other assets and eliminations	5.1	0.86	4%	
<b>Net assets</b>	<b>114.3</b>	<b>19.25</b>		

# Ampcontrol



Investment date: Dec 2005

SPEL ownership: 45%

Investment cost: \$11.5m

Book value: \$26.2m

Employees: 850

<b>\$'000</b>	<b>Jun-09</b>	<b>Jun-10</b>
Revenue	170,572	158,074
EBITDA	17,366	20,915
EBIT	12,162	12,039

- Cost control and focus on higher margins resulted in a 20% increase in EBITDA in FY10 despite lower revenue
- \$517k dividend received by SPEL
- Infrastructure spending in the mining sector affected by uncertainty around mining tax
- Acquired Magnalec in South Africa in March 2010
- Expanded transformer manufacturing capabilities
- Positive outlook for mining expenditure
- Ampcontrol is currently experiencing strong growth in sales with a large order book

# Cromford



Cromford Group Pty Ltd

Industrial Plastics Since 1978

Investment date: Dec 2004

SPEL ownership: 100%

Investment cost: \$44.9m

Book value: \$24.0m

Employees: 100

<b>\$'000</b>	<b>Jul-09</b>	<b>Jul-10</b>
Revenue	19,359	26,503
EBITDA	(6,420)	(3,524)
EBIT	(7,887)	(5,019)

- Cromford grew revenue in both film and pipe divisions (up 37% on previous year)
- EBITDA loss of \$3.5m (45% improvement on FY09)
- Pipe market continues to experience significantly reduced volumes
- Film division is performing well despite import competition
- SPEL converted \$28.2m of shareholder loans into equity
- Capacity is being added to both film and pipe divisions to position the company to participate in expected increase in market demand

# Pitt Capital Partners



**PITT CAPITAL PARTNERS**

Investment date: Dec 2004

SPEL ownership: 25%

Investment cost: \$5.9m

Book value: \$6.6m

Employees: 11

<b>\$'000</b>	<b>Jul-09</b>	<b>Jul-10</b>
Revenue	36,027	5,839
EBITDA	24,763	(86)
EBIT	24,615	(168)

- Revenue down on previous year due to lumpy nature of advisory services
- Significant restructuring conducted in FY10
- Underlying profit of \$0.6m (before one-off costs associated with restructuring)
- SPEL received a dividend of \$2.5m in the year. A further \$0.9m was received in August 2010 (FY11). Total dividends received to date equal to SPEL's investment cost
- Well positioned to capitalise on increased market activity with a significantly lower cost base translating to improved future profitability
- Recently acquired 50% of property advisory firm BW Partners



# Other SME investments

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## CBD Energy Limited



- Revenue grew by 163% to \$44.4m and EBITDA increased to \$6.2m (previous year loss of \$3.3m)
- Eco-Kinetics acquired in January 2010- only 6 months contribution in FY10. Continuing to perform strongly
- Strong project pipeline in wind and large scale solar

## CMA Corporation Limited



- Currently in voluntary suspension whilst reviewing capital structure
- Appointed new CEO and Chairman to lead review

# Other SME investments

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## InterRisk Australia Pty Limited



- Record profit in FY10
- Well positioned to capture growth in life insurance and workers compensation segments
- Acquisition in early FY11 of Lyne & Associates extends reach into SME market

## Supercorp Australia Limited



- Significant milestone achieved with the commercial release of superMate software
- \$10m of revenue in FY10 in line with previous year
- Re-engineered back office with greater automation allowing more profitable growth



# Other SME investments

## Belaroma Coffee Company Pty Limited



- Revenue up 15% to \$12.6m and EBITA up 38% to \$1.5m
- Continued strong growth in sales to cafes and restaurants
- First quarter FY11 NPAT up 270% on pcp

## Specialist Oncology Properties Pty Limited



- Expansion of suites through acquisition in Norwest Hospital
- Generated EBIT of \$1.4m on revenue of \$6.5m
- Growth expected from recently acquired suites
- SPEL received dividend of \$54k

# Other SME investments

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## Austgrains Pty Limited



- FFI (50% owned by Austgrains) was closed
- Core business will benefit from improved seasonal conditions
- Strong growth in demand for niche grain varieties

## Heritage Brands Limited (formerly Soda)

Heritage Brands

- Merger with Creative Brands in August 2010
- SPEL's equity diluted to 25.1%
- Revenue expected to double, strong synergies created through merger

## Listed Investments

- Market value of listed portfolio (excluding listed SME investments) increased in value by \$3.3m
- Received dividends totalling \$1.8m

<b>Listed share portfolio (excluding listed SME investments) as at 31 July</b>	<b>Book Value FY09 \$m</b>	<b>Book Value FY10 \$m</b>
Australia & New Zealand Banking Group Ltd	4.6	5.2
BHP Billiton Ltd	2.6	2.0
Bravura Solutions Limited	0.3	0.2
Commonwealth Bank of Australia	8.2	10.1
Coca Cola Amatil Ltd	1.9	1.7
Fairfax Media Limited	0.6	0.6
Suncorp-Metway Limited	0.7	0.8
Telstra Corporation Ltd	7.4	6.8
Transurban Group	2.0	2.1
Wesfarmers Ltd	1.9	2.3
Westfield Group	1.4	1.5
<b>Totals</b>	<b>31.6</b>	<b>33.3</b>

## Ongoing strategy

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- Continuing to evaluate new investment opportunities
- Maximise returns from existing investment portfolio:
  - provide support to grow businesses and increase returns
  - seek exit opportunities
- The share price of SPEL significantly understates the net asset position and the prospects of the company

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# Questions?