



**FY2024**

# **Result Presentation Strategy Update**

August **2024**

# Disclaimer

This presentation is intended for general informational purposes only and should be read alongside the Full Year Financial Report for the twelve months ending 30 June 2024, as well as the Appendix 4E submitted to the Australian Securities Exchange by [The Australian Wealth Advisors Group Ltd \(ASX:WAG\)](#) on 27 August 2024. It does not offer any recommendations or opinions regarding specific investments or securities.

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This presentation is not intended to be relied upon, and the information it contains does not consider your financial objectives, situation, or needs. Investors should seek advice from their legal, tax, business, and/or financial advisors before making any investment decisions.

All figures are accurate as of 30 June 2024 unless stated otherwise. Figures may not sum precisely due to rounding.

This announcement has been authorized for release by the Board of Directors.





# About Us

AWAG is a diversified financial services firm that has 3 prime chapters of operations:

1. Corporate, Activist Investment
2. Funds Management
3. Financial Wealth Management and Advisory

AWAG's objective is to build out 2 stable profitable operating businesses, as well as being an active participant in the rationalisation of the diversified financial services sector.

# Key Highlights

- 1 Revenue growth of 24% year on year
- 2 Underlying net profit before tax (\*) growth of 116% year on year
- 3 Funds under management and administration of \$2.1b
- 4 Successful oversubscribed IPO
- 5 Strong balance sheet with no debt.
- 6 Equity Partnership Scheme (EPS) and first successful investment
- 7 Succession Fund establishment

\* Underlying net profit before tax excludes the one-off costs related to the IPO process of WAG and assumed a full 12-month-operation of Armytage Private.



# FY24 Snapshot



**REVENUE**

**FY2024 \$10.1m**



24% on FY2023



**NPBT**

**FY2024 \$564k**



116% on FY2023



**FUMA**

**FY2024 \$2.1b**



40% on FY2023



**CASH**

**FY2024 \$5.9m**



FY2023 \$1.8m

\* Underlying net profit before tax excludes the one-off costs related to the IPO process of WAG and assumed a full 12-month-operation of Armytage Private.

# Financials

Profit & Loss	FY2023	FY2024
Revenue	\$8,093,322	\$10,054,918
Expenses	\$7,839,045	\$9,584,072
EBITDA	\$254,277	\$470,846
Statutory NPBT	\$260,691	-\$120,647
Normalisation items (*)	–	\$685,167
Underlying NPBT	\$260,691	\$564,520
Balance Sheet	FY2023	FY2024
Cash	\$1,827,037	\$5,872,231
Total Assets	\$2,899,843	\$13,300,769
Total Equity	\$2,608,393	\$11,645,340

\* Normalisation items include the one-off costs related to the IPO process of WAG and assumed a full 12-month-operation of Armytage Private. Armytage Private was acquired in 1 September 2023.

# BOARD OF DIRECTORS



**Lee  
IaFrate**  
*Chairman*



**Mike  
Fitzpatrick**  
*Non-Executive Director*



**Mark  
Stephen**  
*Non-Executive Director*



**David  
Slack**  
*Non-Executive Director*



**Paul  
Young**  
*Non-Executive Director*





# Corporate Timeline



**2021**

AWAG Incorporated - Capital Raise \$2m

**2022**

Acquisition of Dealer Group CHPW Financial

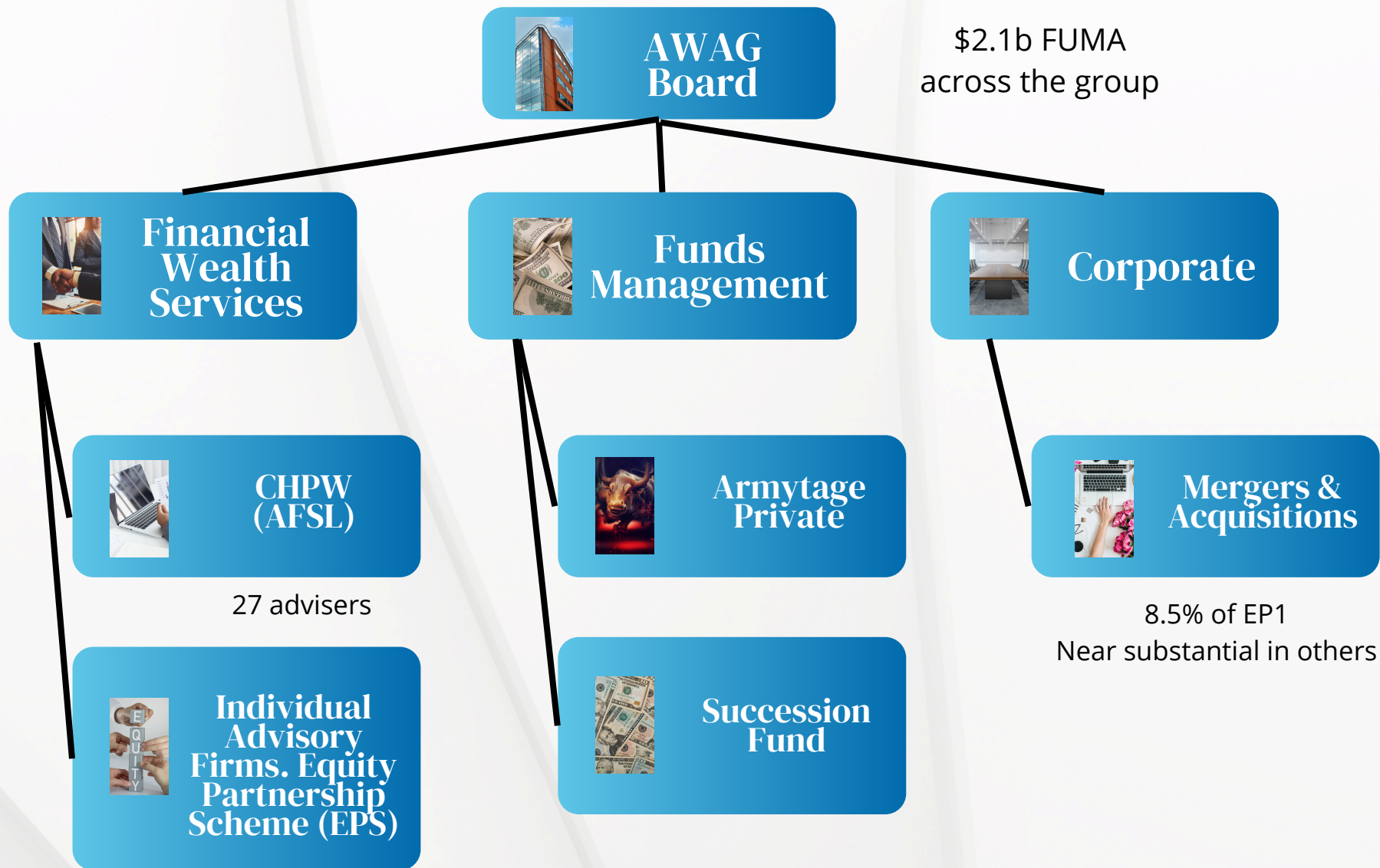
**2023**

Acquisition of Fund Manager Armytage Private

**2024**

Listing of AWAG (ASX:WAG)  
1st Equity Partnership Scheme Investment  
Succession Fund Established







# Universe

## Corporate Services

- September 2019 to April 2022, there were 13 corporate transactions via takeover or merger. Our **Armytage Micro Cap Activist Fund (MCAF)** participated in 11.
- April 2022 to February 2024, there was only 1 completed takeover: CountPlus takeover of Diverger.
- Recent deals: Clime divests Madison; AMP/IFL/CBA divests the advisory; MYS/ABA merger, COG 19% of CAF.
- Going forward:
  - Approximately 12 to 14 potential transactions in the small to micro cap universe within the next 2 years.
  - Mid Cap, Large Cap , will see several deals play out over the next 12 months to 18 months.

# Equity Partnership Scheme (EPS)

- WAG acquires a 20% strategic stake in a Financial Services business. WAG's targets include Financial Planning, Insurance, Mortgage Brokering and Accounting.
- Consideration could be all cash, all scrip or a combination of both.
- In return, WAG receives a royalty payment based on the revenue of the business
- On 5 July 2024, WAG announced its first EPS transaction with Melican Financial Planning (MFP), where WAG took a 20% stake in MFP for all cash consideration.
- WAG now has a formal EPS onboarding process and established a solid foundation for the model, covering due diligence, legal, compliance and general admin for future transactions.
- WAG has a pipeline of EPS likely investments.



# The Succession Fund

<b>Investment manager</b>	Armytage Private
<b>Responsible Entity</b>	ARC Funds (ASX:ARC)
<b>Fund Administrator</b>	ARC Funds (ASX:ARC)
<b>Investors</b>	Wholesale only
<b>Application/redemption frequency</b>	Quarterly
<b>Distributions</b>	Monthly

- The Succession Fund was established to enable the “successor” to purchase a stake in the business. It provides the “successor” access to capital.
- The Fund also provides loans to qualified Small & Medium Enterprises (SME).
- The Fund aims to provide 5% - 8% per annum yield over the RBA Official Cash Rate.
- Armytage, the Fund Manager & a subsidiary of AWAG, earns management fees and eligible for performance fees if hurdles are met.
- An Independent Investment Committee was established to oversee and assess loan investments.



# The Succession Fund

## **Case study 1: Access to capital**

- ABC Financial Planning is 100% owned by Mr. Planner, who is 63 years of age and would like to retire in the next 5 years.
- Mr. Successor is 36 years of age. He has been working at ABC for 8 years and would like to eventually become the operator of ABC when Mr. Planner retires in the next 5 years.
- Mr. Successor hasn't yet got the financial capacity to purchase ABC. AWAG's Succession Fund provides access to capital to Mr. Successor.

## **Case study 2: Earnings to WAG**

- The Fund earns interest income from lending money to qualified SMEs and Successors.
- Armytage earns a management fees and eligible for performance fees, subject to performance hurdles.

# Outlook

The Board is confident that now, as a publicly listed entity, we are well-positioned to achieve sustained growth across all relevant metrics, both financial and non-financial. This optimism is grounded in our strong foundation, strategic vision, and the momentum we have built in recent years. As the financial services sector experiences a wave of significant corporate activity, we recognize the importance of being not just observers, but active participants in these developments. Our aim is to capitalize on emerging opportunities, enhance shareholder value, and drive innovation within the industry. By doing so, we intend to solidify our position as a leading player in the market, ensuring long-term success and resilience.



# Get in Touch



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