



Full Year 2023 (FY23) Results Presentation

Prime Financial Group Ltd (ASX:PFG)

aspire, innovate, grow & impact

Connecting Aspirations, Opportunities & Expertise

We are a market leading Advice, Capital & Asset Management Group.

We believe in uncapped opportunities and are committed to creating prosperous and sustainable financial futures for all.



\$1.1B FUM

150+ Team Members

Global Footprint

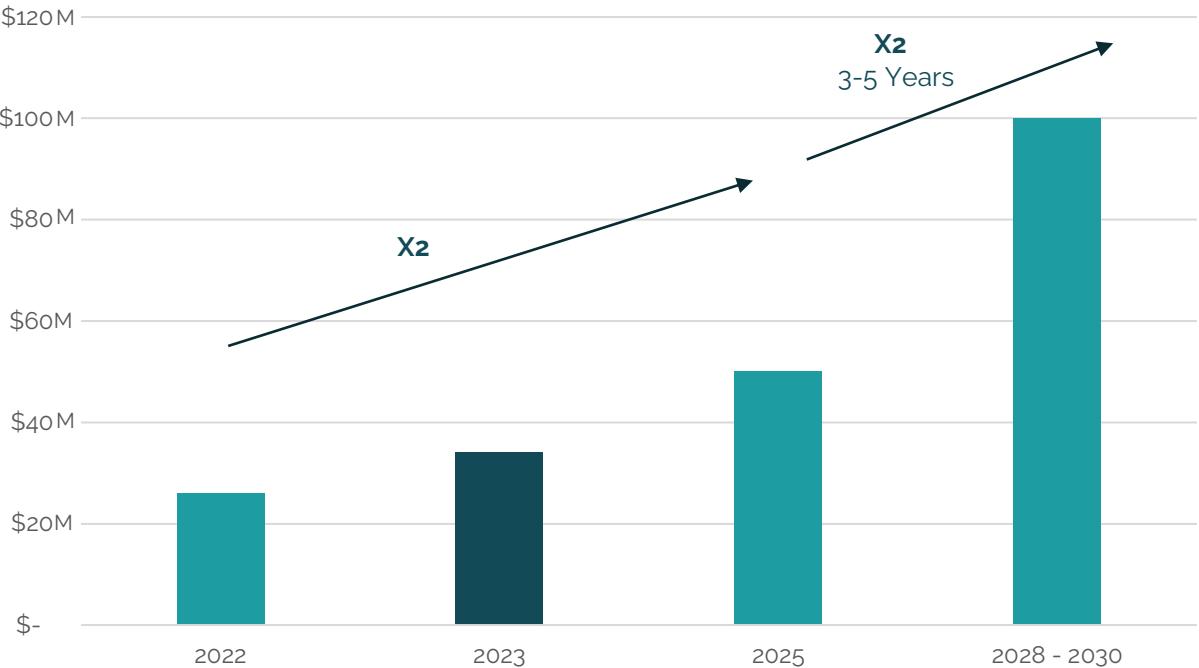
4 Service Lines

25 Year History

FY23 Overview & Highlights

Delivering on Growth

Our goal is to double revenue from \$26M in FY22 to \$50M in FY25
And then double revenue again to \$100M within 3-5 years



Organic Growth

Organic growth realised across all service lines

- Wealth Management
- Capital & Corporate Advisory
- Accounting & Business Advisory
- Self-Managed Super Funds (SMSF)



New Service Offerings

- Debt Capital Advisory
- Environmental, Social Governance (ESG) Consulting
- Expansion of Wholesale Investor Service



Acquisition

SMSF acquisition (Intello) completed October 2022

Financial Highlights: FY23 – Delivering to Plan

<p>+28% to \$33.7M</p> <p>Revenue</p>	<p>+11% to \$8.6M</p> <p>Underlying EBITDA (members/shareholders)</p>	<p>26%</p> <p>EBITDA Margin</p>
<p>+15% 2.22 cps</p> <p>Reported Earnings Per Share (EPS)</p>	<p>+36% 1.50 cps</p> <p>Full year dividend up</p>	<p>1.1 x Underlying EBITDA to Net Debt Ratio</p> <p>\$9.47M</p>

Financial Results FY23

Prime's 5-year Performance

	FY19	FY20	FY21	FY22	FY23	CAGR**
Underlying EBITDA to members/shareholders (\$000's)*	4,099	5,533	6,778	7,770	8,619	20%
Reported profit/(loss) after tax attributable to members/shareholders (\$M)	1.3	2.1	3.1	3.8	4.4	36%
Basic earnings per share (cents)	0.77	1.21	1.69	1.93	2.22	30%
Dividend per share (Interim paid + Final declared) to members/shareholders (cents)	0.40	0.45	0.70	1.10	1.50	39%
Share price at the end of the year (\$)	0.065	0.070	0.097	0.170	0.200	32%

*Excluding the impact of AASB-16 lease standard for 2019

**Compound Annual Growth Rate

Profit & Loss

Investment in business driving strong growth

- 28% revenue growth
 - 19% organic growth
 - 9% via acquisition
- Margin reduced due to investment in staff costs for new service offerings plus SMSF acquisition (Intello) integration
- Underlying EBITDA up 11% – fifth consecutive year of earnings growth since repositioning as OneConnected Group

*Please see slide 20 for reconciliation of Reported and Underlying EBITDA to NPAT
 **EBITDA is defined as earnings before interest, tax, depreciation and amortisation
 Note: Rounding is to nearest AUD \$M and as such subject to rounding differences when calculating variances and totals

Financial Highlights*			
	FY22	FY23	Change
Underlying			
Revenue - Contracts with Customers	\$26.2M	\$33.7M	28% ↑
Expenses - Employee	(\$13.8M)	(\$17.6M)	-28% ↓
Expenses - Other	(\$4.8M)	(\$7.5M)	-58% ↓
EBITDA**	\$7.8M	\$8.6M	11% ↑
Margin	30%	26%	-4% ↓
Reported			
EBITDA	\$6.9M	\$8.4M	21% ↑
NPAT	\$3.8M	\$4.4M	16% ↑
Diluted EPS - cents per share (cps)	1.93	2.22	15% ↑

Revenue Growth



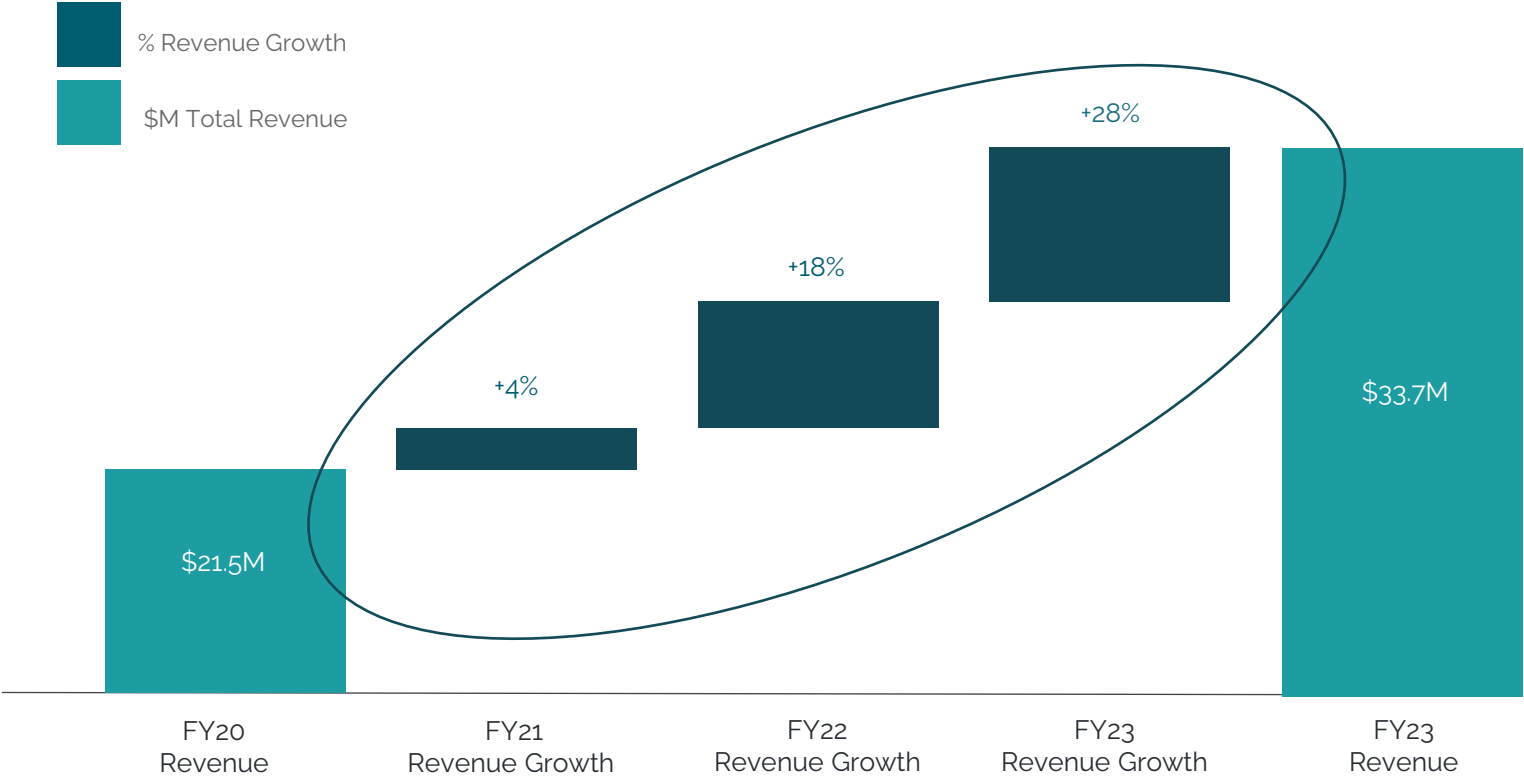
80%+ of total revenue is generated from existing clients on a recurring basis



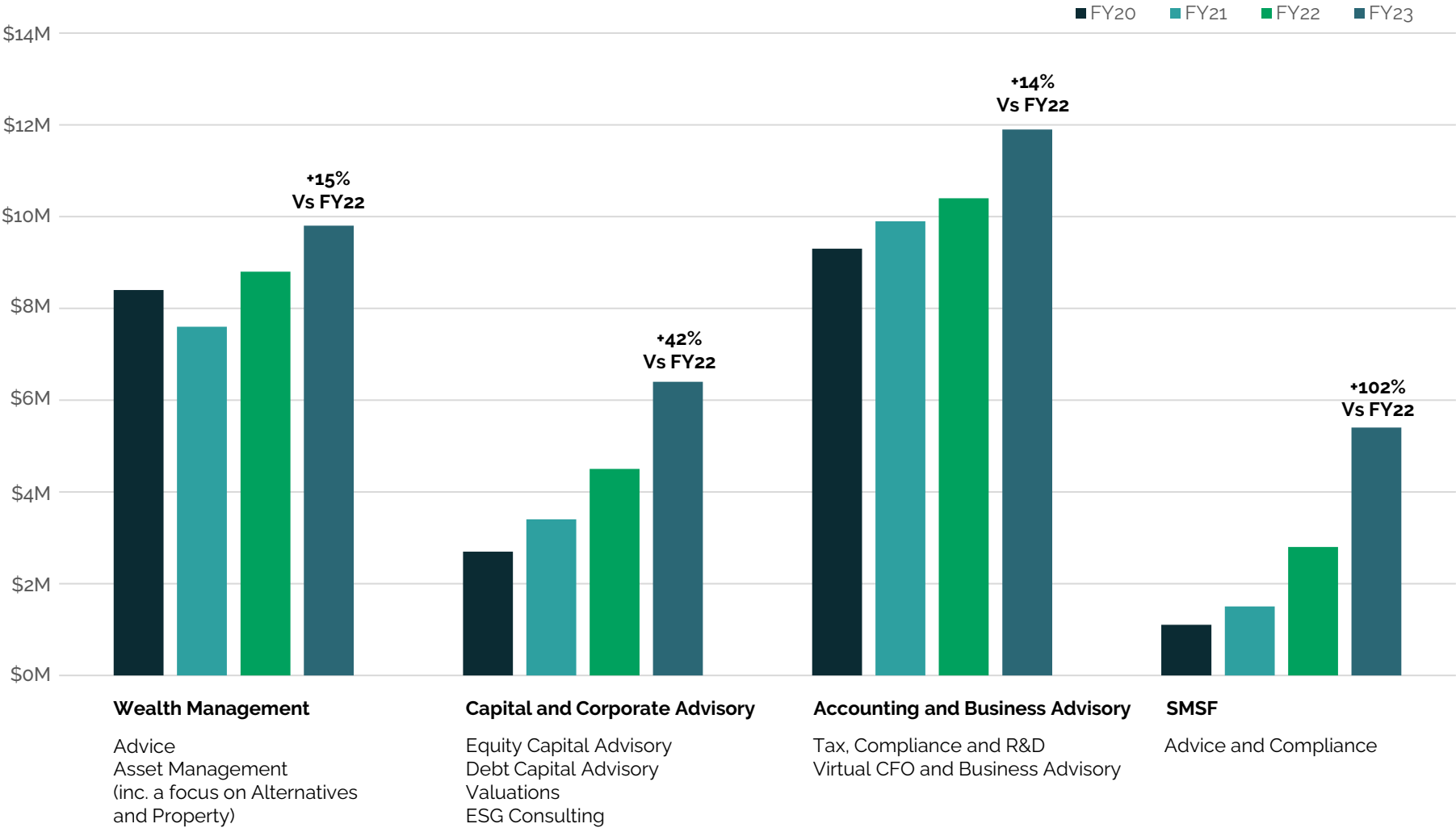
Revenue growth has accelerated over the past 2 years vs the prior periods



On target to achieve \$50M in revenue by FY25



Revenue Growth By Service Line



OneConnected Group

Growing revenue four ways;

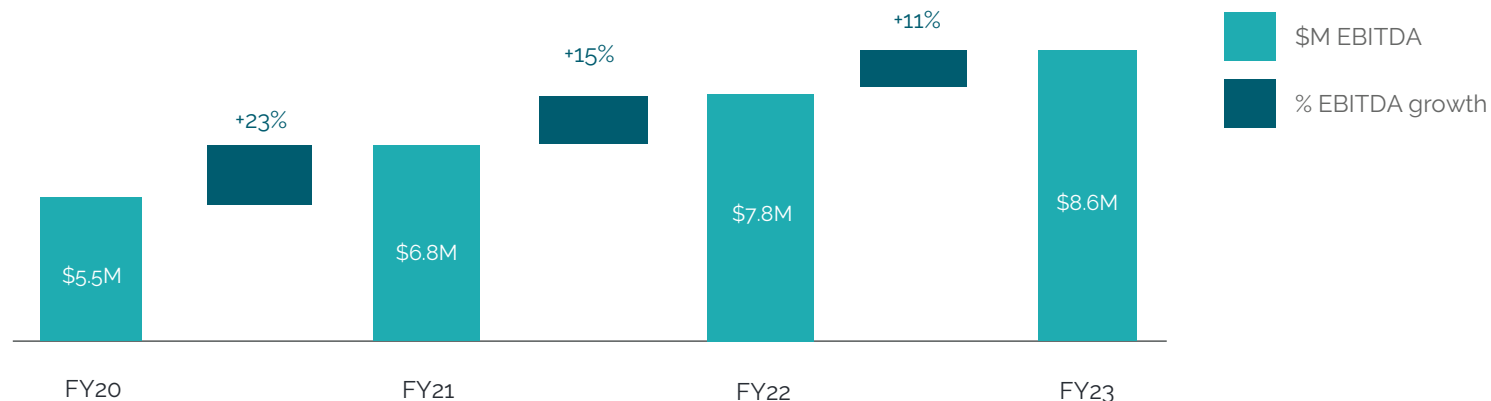
- Organically
- New revenue contributors
- New service lines
- Acquisitions

Underlying EBITDA and Margin

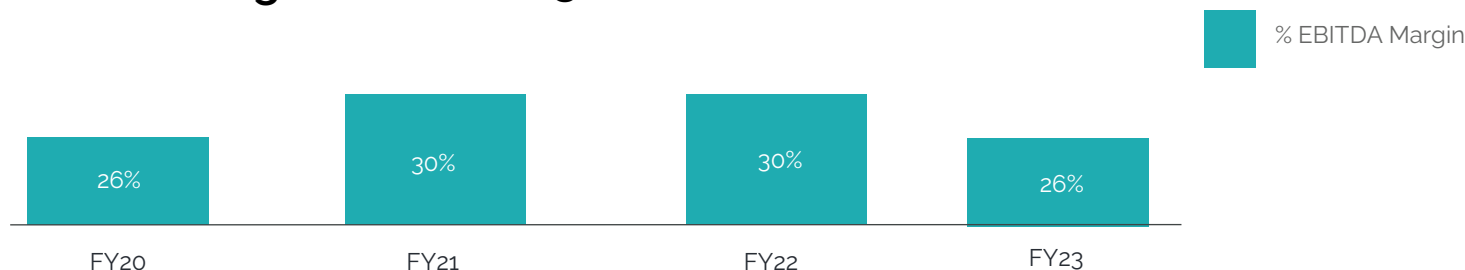
Investing for Future Growth – Proven Model

- FY23 included investments in building out service offerings in Debt Capital Advisory and ESG Consulting, plus expanding the Wholesale Investor Service
 - Investment in H2 FY23 was circa \$500k
 - Typically, it takes 6-9 months for these investments to make a positive contribution to earnings
- FY23 also included SMSF acquisition (Intellecto)
 - All costs now in Prime's P&L; revenue run-rate of \$3 million annually
- Team headcount increased to support revenue growth
- Investment in IT (scalability for growth plus IT security)

Underlying EBITDA FY20 – FY23



EBITDA Margin FY20 – FY23



Note: Rounding is to nearest \$M and as such subject to rounding differences when calculating variances and totals

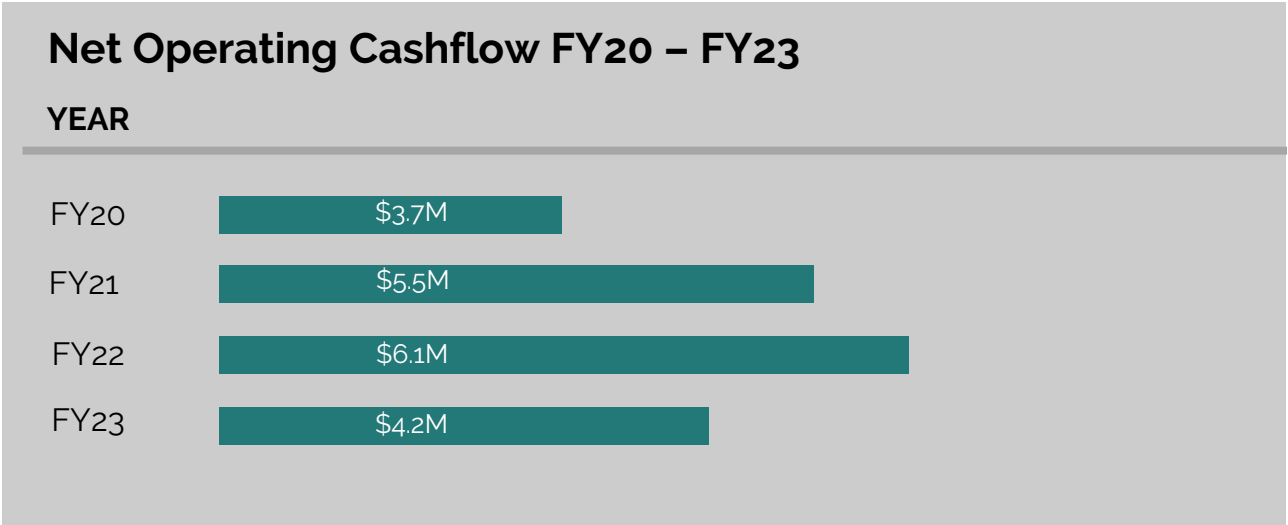
Balance Sheet, Group Net Debt & Cashflow

Group Net Debt/Underlying EBITDA increased to 1.1 x given the acquisition of SMSF entity (Intello)

Net Operating Cashflow decreased due to investment in new service offerings and additional working capital for growth, plus increase in tax payable and interest costs

Group Balance Sheet	At 30 June 2022 \$	At 30 June 2023 \$
Cash	0.1	1.0
Total assets	59.8	67.1
Borrowings	(5.4)	(10.5)
Total liabilities	(13.1)	(17.8)
Net assets	46.6	49.3
Non-controlling interests	0.6	0.6
Equity attributable to members/shareholders	46.0	48.7
Group Net Debt	(5.2)	(9.5)

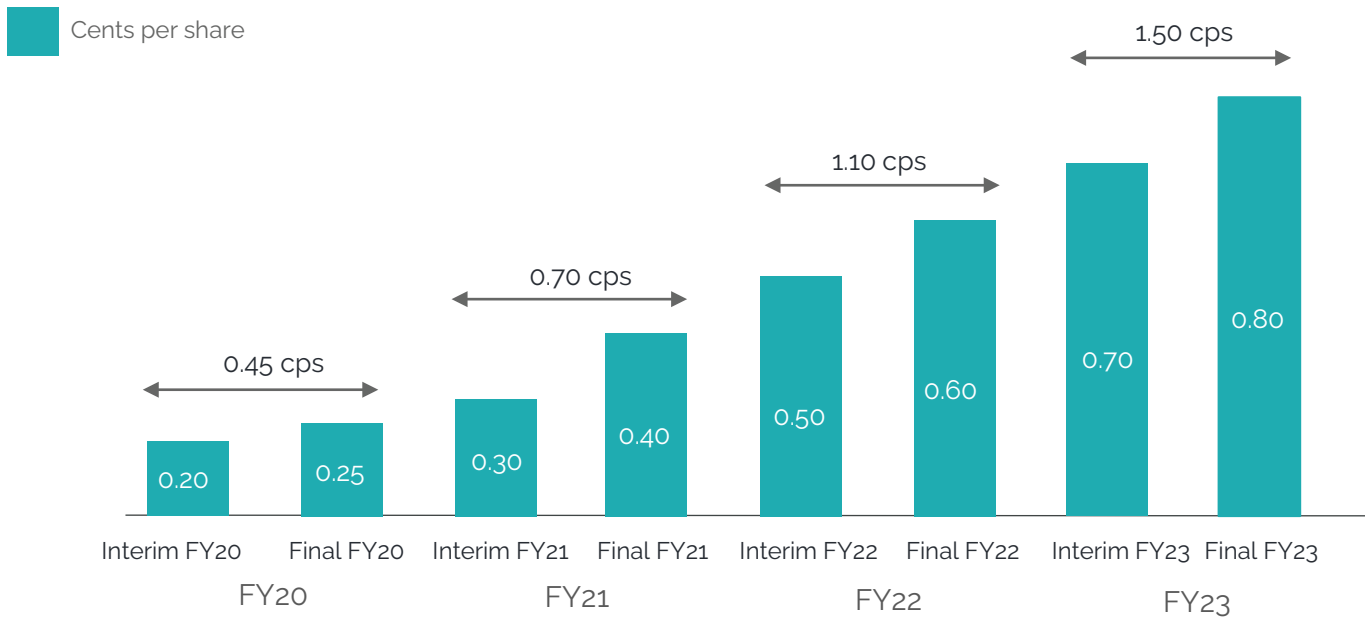
Net Operating Cashflow FY20 – FY23



Dividends

- FY23 final dividend declared of 0.80 cps (fully franked) vs final dividend of 0.60 cps in FY22 (+33%)
- FY23 payout ratio of 68% of reported NPAT (members/shareholders)
- Target dividend payout ratio of 50 – 70% of reported and maintainable earnings with positive momentum to continue increasing dividends

Dividends FY20 – FY23



Key Dates for Dividends

Dividend	
Record Date	4 September 2023
Payment Date	29 September 2023

Business Strategy & Outlook

Strategy for Growth

1. Topline Growth

- Organic growth in existing service lines and new services
- Recruiting people with an existing revenue and client base
- Cross-delivery of additional services to existing clients
- Stable & growing recurring revenue across Advice, Accounting, Wealth & Asset Management
- Revenue diversification through emerging strategies and solutions

2. Margin Expansion

- Efficiencies driven by centralised operations and a shared services model
- Emerging and new services with higher EBITDA margins
- Economies of scale as the group grows
- The potential of Artificial Intelligence to enhance productivity

3. Balance Sheet Strength

- Accretive acquisition strategy
- Funding capability to capitalise on future growth opportunities

Our Commitment to Impact

As we accelerate our growth, we do so with a commitment to impactful corporate citizenship, and the planet in mind, all contributing to creating a just world today and for generations to come.

We will do this by working with our people, partners, clients and the communities in which we operate to form meaningful and impactful partnerships.

Our plan is focused on creating impact guided by the United Nations (UN) Sustainable Development Goals (SDGs) and as such have in 2023 become signatories to the UN Global Compact.

We are committed to diversity, equity & inclusion (DEI) and know that our approach to DEI plays a significant role in our success.

We support the following UN SDGs



Our Commitment to Ownership

Our people are our biggest asset

- Currently 45% of our company is owned by the team
- We encourage our staff to have an 'ownership' mentality and to work collaboratively, enabling them to help co-create the firm of the future
- We do this through our equity/business ownership plan (Long Term Incentive (LTI)/Performance Rights) that connects all team members through the same shared growth orientated financial goals as OneConnected team



Outlook FY24 - Continuing to Deliver Results



Appendices

EBITDA & NPAT

\$'000 AUD	FY22	FY23
Reported net profit after tax from operations (Group)	4,448	4,983
Add: Tax expense	1,407	1,694
Add: Interest expense/(income)	322	706
EBIT (Group)	6,177	7,383
Add: Depreciation	49	71
Add: Amortisation	1,546	1,696
Reported EBITDA (Group)	7,771	9,150
Reconciliation of Reported to Underlying EBITDA		
Non-recurring expenses including, Acquisitions, Investment in New Service Offerings, Restructuring & Repositioning	330	855
Fair value movements/adjustments on financial assets/contingent consideration	(3)	(621)
Loss on lease modification (Sublease of Office Space)	516	-
Underlying EBITDA (Group)	8,614	9,384
Underlying EBITDA (members/shareholders)	7,770	8,619
Reported EBITDA (members/shareholders)	6,927	8,385

Experienced Board



Simon Madder

Chief Executive Officer, Managing Director & Chairman

- Co-founder, Managing Director & CEO of Prime Financial Group Ltd (Prime) since 1998
- 25+ years' experience in Wealth Management & Accounting Services across Operations, Strategy & Acquisitions
- Share Ownership: 29.1M (14.7%)



Tim Bennett

Executive Director (effective 3 July 2020) & Managing Director – Capital & Corporate Advisory

- Established the Capital & Corporate Advisory division. Prior to joining Prime, Tim was a partner at a 'Big 4 Firm' leading a Mergers & Acquisitions group
- Chartered Accountant with 15+ years' specialist M&A experience having advised on a range of transactions, across all industry sectors
- 3.8M Performance Rights (3M vesting NOV23 & 0.8M NOV24)



Matt Murphy

Executive Director (effective 3 July 2020)

- Joined Prime in 2016 as Managing Director – Accounting & Business Advisory after merging his Accounting Firm with Prime
- Experienced Leader, Accountant and Business Adviser with 20+ years' experience across Business, Accounting and Taxation Advisory services and a focus on integrated advice
- Share Ownership: 13.6M (6.5%)

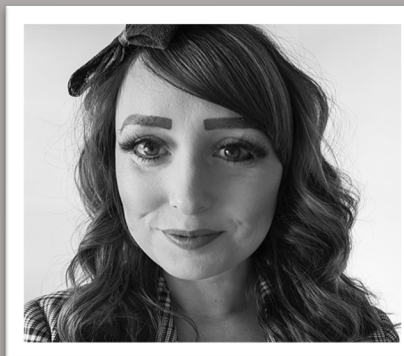
Management Team



Angelina Rigoli
Wealth



Mark Johnson
Wealth & Asset Management



Melissa Pascoe
SMSF



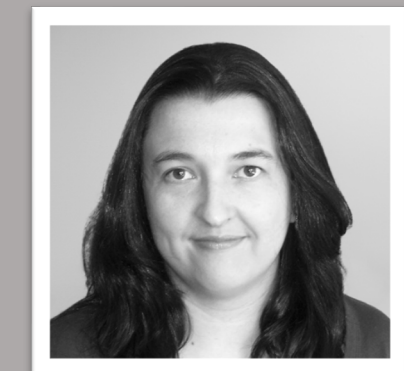
Yasmin Omar-Meer
Head of Distribution



Ben Priestley
Head of Finance
& Investor Relations



Peter Bergin
M&A and Finance



Alicia Sanders
Group General Manager &
Company Secretary



Nat Simmons
Strategy, Marketing & ESG



Richard Sheehan
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