



# Acquisition of Fintelligence

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Investor Presentation

**AFG**

# Transaction Overview

## Growth in Asset Finance Aggregation

- AFG to acquire 75% of National Finance Alliance Pty Ltd (Fintelligence) in a transaction that values Fintelligence at \$70 million on a cash free, debt free basis
- Transaction structure to allow AFG to acquire remaining 25% over a 3.5 year period.
- Fintelligence is a fast-growing, technology-enabled asset finance aggregation business of scale which will drive further growth in AFG's asset finance volumes and market share
- The transaction aligns with AFG's strategy to grow distribution and invest in manufacturing capability across multiple asset classes
- Provides in-house referral capability for AFG's residential brokers
- Enhances competition amongst major and non major lenders

## Key Benefits of Combined Group

- 3,335+ brokers and combined asset finance settlements of more than \$1.7 billion p.a. based on combined, proforma results<sup>1</sup>
- Opportunity to utilise Fintelligence's leading technology platform and AFG's supporting infrastructure to drive broker efficiency
- Strong cultural alignment and well-respected Fintelligence management team to remain post-transaction with a continued focus on delivering value to brokers and competition and choice to customers
- Enhanced Fintelligence brand exposure leveraging AFG's marketing footprint including conferencing and learning and development events
- Both AFG and Fintelligence operate under a robust regulatory and compliance framework with the combined group to leverage best practice across both businesses and be an industry-leading partner with lenders
- Critical mass to establish asset finance manufacturing to deliver revenue synergies

## Creates Long Term Value for AFG Shareholders

- Expected to be EPS accretive (pre-synergies) in first full financial year post integration

# Key Terms of the Transaction

<p><b>Transaction Structure</b></p>	<ul style="list-style-type: none"> <li>• AFG will acquire 75% of the fully diluted share capital of Fintelligence</li> <li>• AFG has an exclusive option to acquire the remaining 25% interest in Fintelligence over the next three and a half years with value linked to Fintelligence achieving agreed milestones</li> </ul>
<p><b>Purchase Price</b></p>	<ul style="list-style-type: none"> <li>• \$52.5 million for the purchase of 75% of Fintelligence (primarily funded by a new corporate debt facility)</li> <li>• Purchase price subject to standard net cash and working capital adjustments</li> </ul>
<p><b>Completion</b></p>	<ul style="list-style-type: none"> <li>• Customary conditions precedent to a transaction of this nature</li> <li>• No regulatory approval or clearances required</li> <li>• AFG anticipates completion of the transaction before 31 December 2021</li> </ul>
<p><b>Other Key Terms</b></p>	<ul style="list-style-type: none"> <li>• Standard representations and warranties for this type of transaction</li> </ul>

# Who is Fintelligence?

Established in 2018, Fintelligence is a fast-growing, technology-enabled asset finance aggregation platform based in Queensland with a national presence.

**285 +**

Brokers

**\$1.1Bn**

NAF forecast in FY22

**182%**

NAF growth over the last 2 years

**30 +**

Lender network



Plus more....

### Tech Platform

- Proprietary cloud-based CRM and sales platform
- Generating monthly fee income of circa \$60k

### Broker Sales Training

- Teaching brokers sales and business strategy developed by industry experts

### IT Systems & Call Centre Support

- Enterprise grade platform and cloud solutions to store business and customer data



### Aggregation Platform

- Direct access to every major finance provider

### Digital Lead Generation

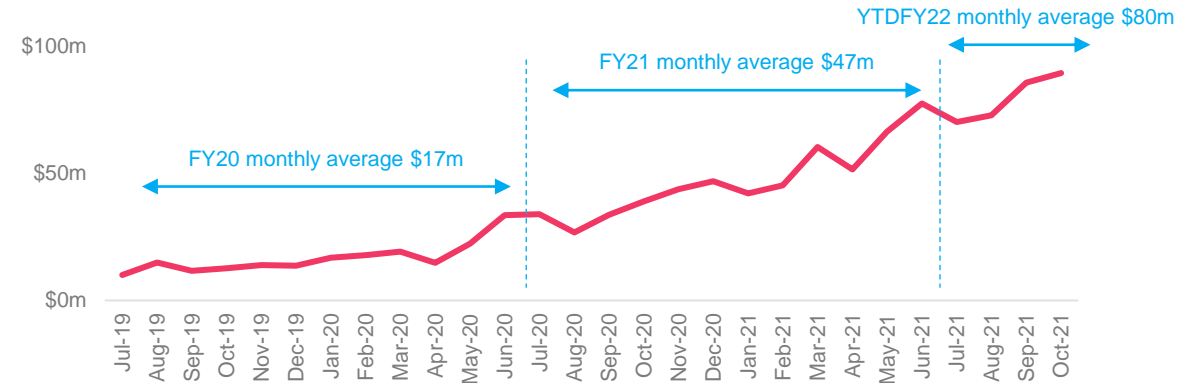
- Digital lead generation marketing campaigns

### Retail

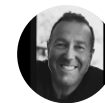
- Retail asset finance broking under the Broli Brand



## Monthly Net Amount Financed (NAF)



## Key Management – all continuing in their roles



**Darren Rumble**  
Head of Partnerships

- Leading and growing aggregation business



**Richard Burgess**  
Head of Strategy

- Strategic oversight and sales and marketing



**Greg Bellchambers**  
Head of Digital

- IT development and managing the platform



**Jamie Stumer**  
Head of Relationships

- Supporting Fintelligence aggregation clients



**Scott Valle**  
Group Operations Manager

- Administration, operations and compliance

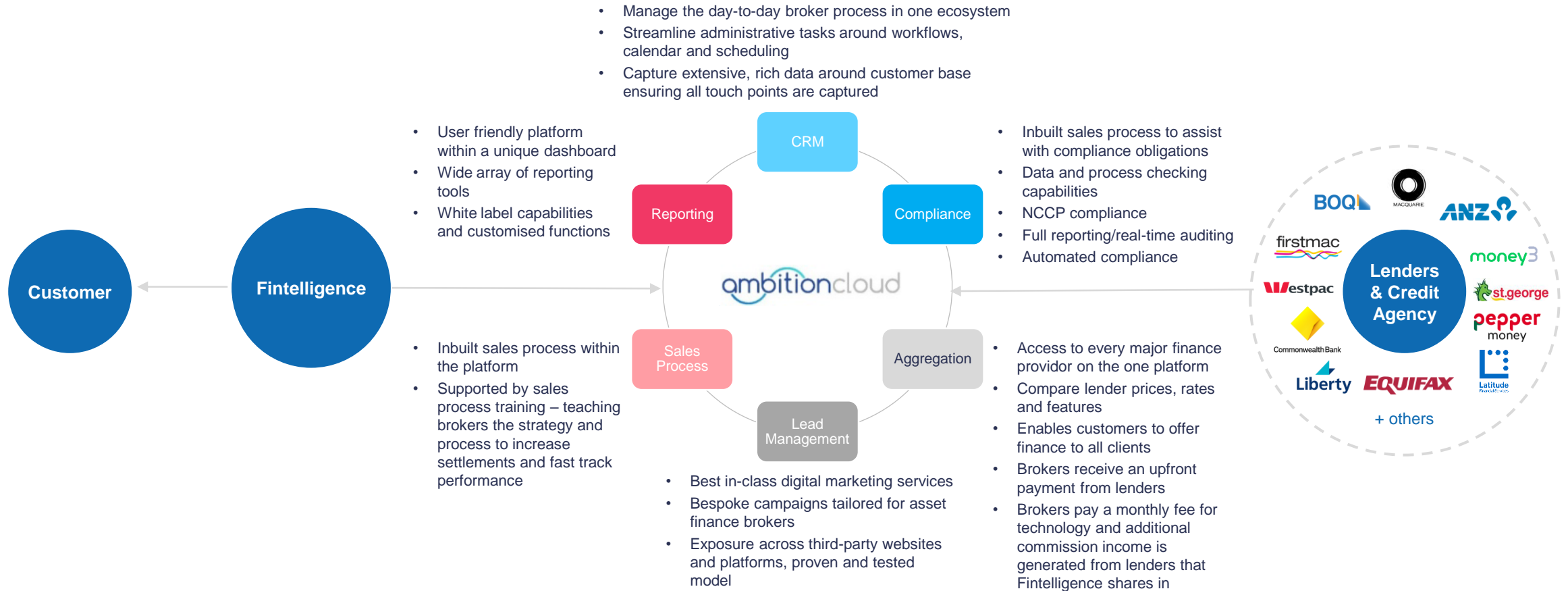


**Tim Stevenson**  
Head of Sales

- Management and sales of Retail Finance division

# Who is Fintelligence? Technology-led Business Model

Fintelligence’s Ambition Cloud is a proprietary, cloud-based, customisable asset finance broker and business management platform with the ability to seamlessly integrate into other business applications and streamline the business through built in API capabilities.



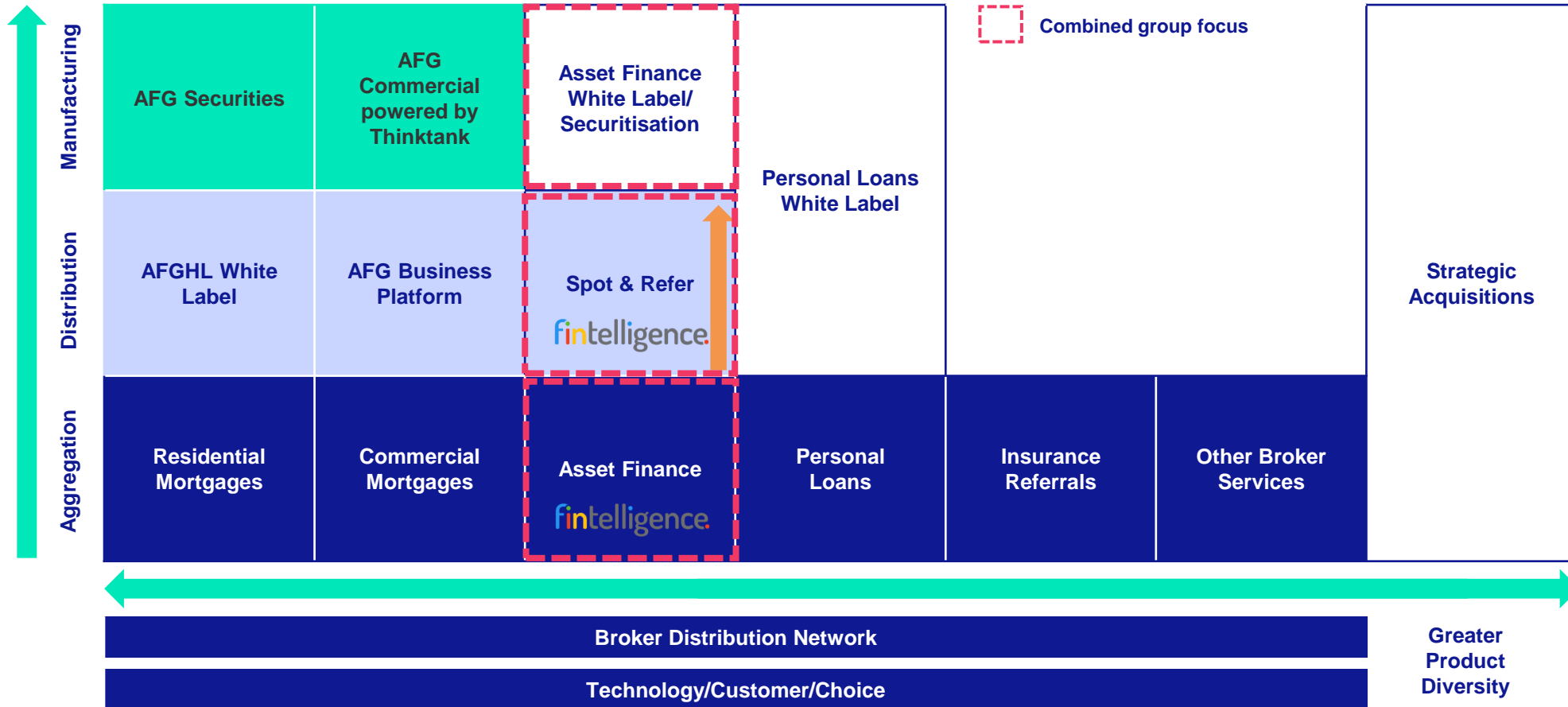
# Complementary Value Propositions

Fintelligence will remain as a separate brand in the market place

	<b>AFG</b>	<b>fintelligence.</b>	<b>AFG + fintelligence.</b>
<b>Distribution Network</b>	<b>3,050+ brokers</b>	<b>285+ brokers</b>	<b>3,335+ brokers</b>
<b>Asset Finance Settlements<sup>1</sup></b>	<b>~\$600 million</b>	<b>~\$1,150 million</b>	<b>\$1.7 billion+</b>
<b>Asset Finance vision</b>	<ul style="list-style-type: none"> <li>• Strong brand recognition and marketing footprint</li> <li>• Industry expertise, scale and deep relationship with lenders</li> <li>• Industry leading marketing platform, broker education platform and access to funding</li> </ul>	<ul style="list-style-type: none"> <li>• Proprietary, asset finance leading technology platform and recognised innovation contributing to fast-tracked growth in a compliant manner</li> <li>• Platform is developed, managed entirely in-house and highly scalable</li> <li>• Majority of existing volume is to non-bank lenders</li> <li>• Retail asset finance broking under the Broli Brand</li> </ul>	<ul style="list-style-type: none"> <li>✓ Larger distribution channel</li> <li>✓ More lender and product opportunities for brokers and customers</li> <li>✓ Drives critical mass for the establishment of a warehouse and development of white label products to drive further revenue synergies</li> <li>✓ Complementary asset finance businesses with industry leading technology will provide opportunities to grow market share</li> </ul>
<b>Corporate</b>	Industry leading compliance, governance and advocacy		<ul style="list-style-type: none"> <li>✓ Streamline of back office functions</li> </ul>

# Executing on AFG's Earnings Diversification Strategy

The Fintelligence transaction aligns with our long-term strategy. It significantly grows our asset finance distribution network, provides an in-house referral service to residential brokers and a direct-to-consumer website presence. It provides the scale required to commence our own white-label and securitisation programmes.



# Earnings Growth / Maintaining a Conservative Balance Sheet

## Financial Highlights

- Fintelligence standalone asset finance settlements of more than \$1.15 billion driving forecast Net Revenue of \$27 million<sup>1</sup> in FY22
- Fintelligence standalone FY22 forecast NPAT of \$6.6 million<sup>1</sup>
- AFG and Fintelligence businesses are both capital light with strong cash flow generation
- Expected to be EPS accretive (pre-synergies) in first full financial year post integration

## Funding Arrangements

- Transaction funding supported by a major bank:
  - Credit approved term sheet obtained for a \$52.5 million facility limit
  - Annual interest rate equivalent to BBSY plus 2.75%
  - 5 year term (amortisation is for 50% of debt over 5 years, with a bullet repayment of the remaining 50% balance to occur at the end of year 5)
- Conservative gearing levels



# Merger to Create Long-Term Value for AFG Shareholders

- ✓ A significant national asset finance distribution network with fast-tracked growth to drive greater competition in the asset finance market
- ✓ Both businesses are culturally aligned and highly complementary at the strategic and operational levels
- ✓ Expected to be EPS accretive (pre-synergies) in first full financial year post integration
- ✓ Combined distribution power fast tracks establishment of own product development and funding program

Q&A

AFG

# Appendix 1 – Key Fintelligence Executive Biographies



**Darren Rumble**  
Head of Partnerships

- Deep financial services experience, career since 1989
- Previous roles include:
  - Founder & Managing Director of National Finance Choice Aggregation
  - Group Executive, McMillan Shakespeare's Retail Finance Services division
- Responsible for strategic oversight alongside Richard, as well as leading and growing the aggregation business



**Richard Burgess**  
Head of Strategy

- Financial services career since 2000
- Previous roles include:
  - Founder & Sales Director of 360 Finance
  - National Operations Manager of PR Finance
- Responsible for strategic oversight alongside Darren, as well as the sales and marketing strategy



**Greg Bellchambers**  
Head of Digital

- Deep industry experience in IT, career since 1992
- Previous roles include:
  - Head of Technology at 360 Finance
  - Manager of Digital Services at Canon Australia
- Leads the development team, responsible for IT development and managing the platform



**Jamie Stumer**  
Head of Relationships

- Financial services career since 2005
- Previous roles include:
  - General Manager at Money Now
  - Managing Director at Sentina Finance Group
- Responsible for supporting existing and new Fintelligence aggregation clients and maintaining a close relationship with each of the clients



**Scott Valle**  
Group Operations Manager

- Financial services career since 1991
- Previous roles include:
  - General Manager Motor, Liberty Financial
  - National Operations Manager, McMillan Shakespeare's Retail Financial Services division
- Responsible for administration and operations, and compliance



**Tim Stevenson**  
Head of Sales

- Financial services career since 2003
- Previous roles include:
  - National Sales Manager at 360 Finance
  - Credit Analyst at Pioneer Mortgage Services
- Responsible for the daily management and sales function of the Retail Finance division