



ASX and Media Release
Spring FG Limited (ASX: SFL)
27 November 2015

Spring FG Limited 2015 AGM Highlights

Insider share purchases – Significant Digital Expansion Plans – Franchise rollout

Financial services company Spring FG Limited (Spring FG or the Company, ASX: SFL) today held its first Annual General Meeting as an ASX-listed company. The following is a summary of key highlights from the meeting.

Solid Year and More Innovation Planned

In addressing members today at its AGM, Spring FG chairman Guy Hedley summarised FY2015 as an exciting year of achievement for Spring FG Limited with revenue up 83% to \$14.9M and net profit after tax up 108% to \$4.7M.

He advised that a fully-franked dividend of 2.6 cents per share was paid on 20 November 2015, representing an increase of 108% over last year.

My Hedley told the meeting that fundamental shifts in the wealth management industry driven by a changing regulatory landscape, technological innovation, and most significantly, consumer demands continued to present incredible opportunity for Spring. He said the Company was poised to take advantage of those shifts.

He added that the Company's integration of financial information publisher Digifi Group and launch of world-leading digital wealth management platform Spring247 had set the stage for further innovation in client offerings and diversification of revenue streams.

Board, executive and staff acquire 4.4M more shares for nearly \$1.4M

Mr Hedley told the meeting that the commitment and belief of the Company's board, executive and staff in its future was highlighted by their continued investment in the Company. He said that over recent weeks that they had collectively acquired more than 4.4M shares representing a further investment in the Company of nearly \$1.4M.

"A great demonstration of their belief in what we are doing and great alignment with the interests of shareholders I am sure you will agree", Mr Hedley said.

MD outlines franchising rollout

Founder & managing director, Keith Cullen told the meeting that the Company would commence the rollout of its first franchise outlets from mid-2016 with its first locations being in key regional markets and capital city fringe markets not readily served by its CBD offices.

"From mid 2016 we will embark on our most ambitious expansion program to date, as we commence a rollout of franchised outlets that will see the Spring brand expand across Australia", said Mr Cullen.

He added, "Our goal is for up to ten outlets by the end of FY2017 with a vision for 80-100 outlets across Australia within a 5-8 year period".

He said the Company's modelling was based on minimum annual revenues of \$1M per outlet with a pre-tax contribution per outlet of circa \$350,000 expected.

"Over time we will expand our footprint across our capital cities to improve the ease of our customers accessing our services by taking our brand into suburban commercial hubs", Mr Cullen told the meeting.

In a formal presentation to the meeting on the franchising model Mr Cullen submitted:



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- The Company's operational model is perfectly suited to franchising. From establishment Spring FG has adopted a process-driven approach to its operations designed to support significant expansion and consistency is service delivery and quality of outcomes for clients.
- The Company's centralised approach to recruitment, training and the delivery of technical expertise lends itself to supporting a broad geographic network of offices.
- Rather than "branding" existing accounting, tax & accounting or mortgage outlets of independent third-parties Spring's franchise model is based on green-fields opportunities ensuring each franchisee has complete alignment with the Company's *fresh approach*.
- Franchisees will undergo extensive education and training through Spring's graduate academy prior to opening their outlets.
- Franchisees will benefit from the Company's centralised marketing and client recruitment and clients in these areas will benefit from improved service delivery on their doorstep.

Significant Fintech Expansion

Mr Cullen also told the meeting that the Company would roll out a range of digital services to the emerging self-directed investor market including those in the Company's existing online community of more than 140,000 subscribers.

He told the meeting the Company was preparing for the launch of:

- Its mysuper247.com online SMSF establishment, operation, administration and investing service that will offer self-directed investors world-class technology and a broad range of investment options, portfolio management tools and information and education resources.
- Its mytax247.com personally-assisted online tax return service will be launched ahead of the FY2016 tax season that will offer consumers low-cost, online, personally-assisted tax services from the comfort and convenience of their home or workplace with support available 24 hours-a-day, 7-days a week.

"We expect the [mysuper247](http://mysuper247.com) service to be launched in the first quarter of 2016 and to make a meaningful contribution to revenue and profits from FY2017 and beyond", said Mr Cullen.

The meeting was told that other digital services under strategic consideration included online general insurance sales; online finance brokerage services; digital wealth management and personal bookkeeping solutions.

Resolutions

All resolutions put to the meeting were passed on a show of hands with the chairman holding significant proxy numbers in their favour in reserve.

Full details

Please see separate releases of today's date for the full address to members by chairman Mr Hedley; full address to members by founder & managing director, Keith Cullen; and for detailed results of resolutions including proxy numbers.



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About Spring FG Limited - www.springFG.com - ASX: SFL

Spring FG Limited (Spring FG) is a diversified financial services company offering financial planning and investment advice; wealth management; insurance and superannuation; finance; and tax & accounting services. Its advice and product offerings are broad and include a specialisation in the high-growth markets of self-managed superannuation funds (SMSFs); and direct and SMSF residential real estate investment.

With a combined online community of more than 140,000 subscribers, the Company's *Wealthadviser* and *Digifi* divisions offer financial education and market information services free-of-charge through content-rich websites, regular seminar programs and the publication of more than 70 eBooks on a broad range of subjects.

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