

HFA Holdings Limited



2016 Annual General Meeting

26 October 2016



The numbers in this presentation have been presented in **US dollars (USD)**, unless otherwise indicated.

Agenda

- Welcome
- Chairman's Address
- Formal business

Headline results for FY16 full year

AUMA as at 30 June 2016

\$8.377 billion

EBITDA from continuing operations

\$29.5 million

Operating income

Up 1.4%

Operating expenses (net of sub-lease income)

Up 0.3%

EPS from continuing operations

9.25 cps

Final Dividend

7.00 cps

Introduction

Chairman's Address

Formal Business

2016 key achievements



Repayment of debt



Inclusion in S&P/ASX 300



Continued increase in dividends



Lighthouse wins 4 awards at the 2016 InvestHedge Awards

Key balance sheet items as at 30 June 2016

\$27.0 million	Current assets	Cash	<p>Key sources and uses of cash for the period:</p> <ul style="list-style-type: none"> + \$30.1 million cash generated from operating activities + \$1.2 million deferred revenue from sale of Certitude in FY15 - \$8.8 million paid in interest and principal repayments on the bank loan - \$5.4 million used for acquisition of investments - \$17.2 million paid in dividends to shareholders
\$12.4 million	Non-current assets	Investments	<p>Investments held by the Group:</p> <ul style="list-style-type: none"> ▪ \$8.86 million invested in Lighthouse funds and products ▪ \$2.89 million investment in 361 Capital ▪ \$0.68 million investment in a promissory note
\$95.8 million		Intangible assets	<p>Intangible assets recognised in the balance sheet:</p> <ul style="list-style-type: none"> ▪ \$93.8 million of goodwill ▪ \$2.0 million of trademarks and software
\$117.7 million		Deferred tax assets	<p>\$117.7 million of deferred tax assets recognised in the balance sheet relate to US tax consolidated group. The comprise \$36.0 million of US carried forward tax losses and \$81.6 million of other impairment losses and other deductible temporary differences</p> <p>\$65.8 million of unrecognised deferred tax assets relate to the Australian tax consolidated group, and comprise \$3.0 million of carried forward tax losses and \$62.8 million of impairment losses and other temporary differences</p>
Nil	Liabilities	Bank debt	The loan was repaid in full in March 2016

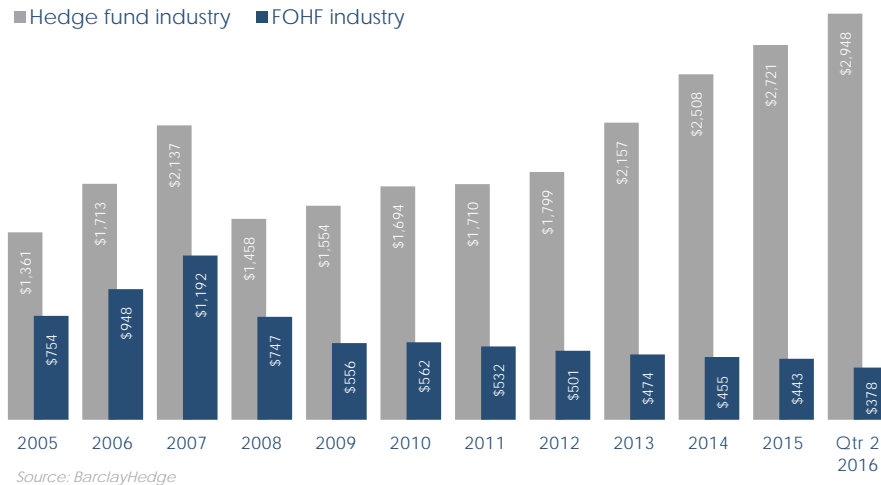
Key Lighthouse Funds – performance

September 2016 performance estimates

Lighthouse Multi-strategy Funds	September 2016	3 year	5 year	10 year	3 year volatility
Lighthouse Diversified Fund (onshore) <i>Lighthouse Diversified Fund (QP) II, LP Series A</i>	0.70%	5.44%	5.64%	4.25%	3.43%
Lighthouse V Fund Ltd (benefit plan dedicated) <i>Class A</i>	0.25%	4.70%	5.06%	3.29%	3.25%
Lighthouse Multi-Strategy Fund Limited <i>Class C</i>	0.40%	4.99%	5.76%	n/a	3.14%
Lighthouse Strategy-Focused Funds	September 2016	3 year	5 year	10 year	3 year volatility
Lighthouse Global Long/Short Fund L.P. <i>Series A</i>	0.95%	5.54%	7.61%	5.53%	4.35%
Lighthouse Credit Opportunities Fund L.P. <i>Series A</i>	0.60%	1.94%	5.08%	3.69%	5.08%
Lighthouse Healthcare Series <i>Class A2</i>	5.50%	12.34%	14.10%	n/a	8.37%
Benchmarks	September 2016	3 year	5 year	10 year	3 year volatility
S&P 500 TR Index	0.02%	11.18%	16.38%	7.24%	10.83%
MSCI AC World Index	0.66%	5.75%	11.23%	4.90%	11.35%
Barclays Government / Credit Bond Index	-0.19%	4.22%	3.24%	4.87%	3.05%
91 Day US Treasury Bills	0.05%	0.11%	0.10%	0.91%	0.05%
HFRX Global Hedge Fund Index	0.55%	-0.22%	1.31%	-0.19%	3.84%

- Performance may vary among different share classes or series within a fund. Past performance is not indicative of future results.
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- Please refer to slide 8 for important information on the information provided above.

Industry conditions and outlook



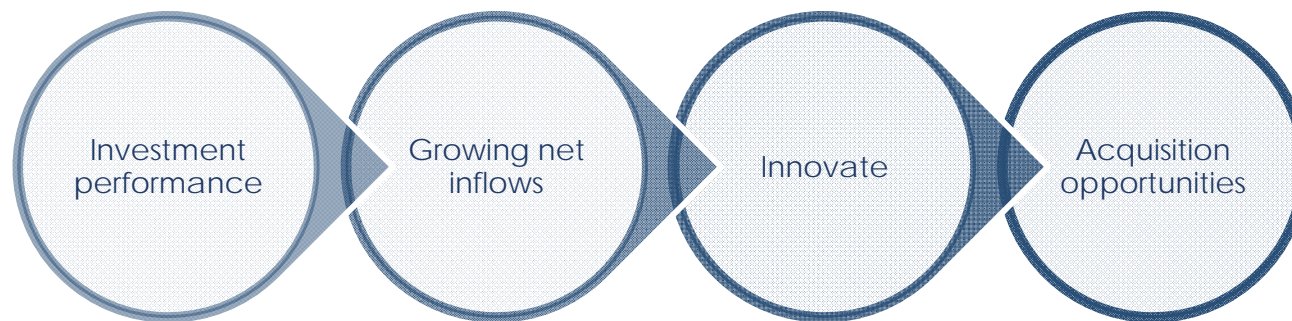
Industry size as at 31 December 2015

- *Prequin* reports FoHF assets at \$807 billion
- *InvestHedge* reports combined assets of \$671 billion for FoHF managers managing more than \$1 billion
- *BarclayHedge* reports FOHF assets of \$443 billion

InvestHedge ranking:

- 28th largest FOHF manager by asset size as at 31 December 2015 (2014: 29th)

Our strategy continues to centre around retaining and growing assets through a quality client base:



Disclaimers

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