



ANGAS SECURITIES LIMITED ABN 50 091 942 728  
AUSTRALIAN FINANCIAL SERVICES LICENCE NO. 232 479

1 April 2016

## CHAIRMAN'S UPDATE

I draw the attention of the market to relevant detail in the Angas Securities Limited ("Angas") Half Year Review. These are available for inspection at <http://www.angassecurities.com/about-us>. This should assist with an understanding of the path the company is on as there is progress on the run off of the legacy debenture fund.

Underlying profit for the six months to December 31, 2015 was \$665,293 and, after accounting for impairments of \$1,340,479, Angas reported an accounting loss of \$675,186. In the context of changes underway across our business, I believe this was quite a solid result.

While the auditor, Deloitte, provided an unqualified opinion on Angas, the run off of the debenture fund required that the auditor also provide an emphasis of matter. That said, the review did not present any issues from a regulatory perspective.

With the approval of the Loan Realisation Committee (LRC), Angas has returned more than \$72 million of the debenture principal and interest to debenture holders since the August 2015 meeting where 89% of investors voted in favour of the run off proposal.

Whilst the timelines in that proposal put to debenture holders were indicative and timing of LRC decisions varies from payment to payment, the Angas Board projects that half of the debenture funds will have been repaid by June 30, 2016.

Angas management has a clear focus which is to continue to run off the debenture business and build up the mortgage trust business. Be assured that Angas management, led by Matthew Hower, are working towards loans being discharged, property assets sold and the realisation of loans at or above book value.

Both of the mortgage trusts are performing well and the company is hiring key people to assist with building both businesses, particularly Angas Prime Income Fund which has grown to more than \$25 million in funds under management.

Angas has run its business in a very lean manner over the last 12 months and, whilst Angas is focused on directing every dollar towards the run off process, management is working to ensure that customer service functions are focused on meeting investor requests for information and guidance on future payments.

Andrew Luckhurst-Smith  
Chairman  
ANGAS SECURITIES LIMITED

### ADELAIDE

Level 14, 26 Flinders Street, Adelaide SA 5000  
GPO Box 2948, Adelaide SA 5001  
Ph [61 8] 8410 4343 Fax [61 8] 8410 4355

### SYDNEY

Level 10, 19-31 Pitt Street, Sydney NSW 2000  
Royal Exchange, PO Box R1835, Sydney NSW 2001  
Ph [61 2] 9259 0777 Fax [61 2] 9259 0788

### PERTH

Suite 12, 448 Roberts Road, Subiaco WA 6008  
PO Box 1602, Subiaco WA 6904  
Ph [61 8] 9380 4983 Fax [61 8] 9380 4480

### GOLD COAST

Suite 54, 1 Arbour Avenue, Robina QLD 4226  
PO Box 5116, Robina Town Centre QLD 4230  
Ph [61 7] 5578 9311 Fax [61 7] 5593 2422

Email [contact@angassecurities.com](mailto:contact@angassecurities.com)

Web [www.angassecurities.com](http://www.angassecurities.com)

Investor Service Line 1800 010 800