



FRONTIER CAPITAL GROUP LIMITED  
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25 November 2015

Company Announcement Office  
Australian Securities Exchange Limited

**Company Presentation**

In accordance with the requirements of Listing Rule 3.1 we submit the attached updated company presentation posted on the company's website.

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# Frontier Capital Group Limited Acquisition of Stotsenberg Hotel & Casablanca Casino

ASX: FCG

Stotsenberg Hotel & Casablanca Casino

CK Graphics

Mongolian National Lottery



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Actual events and results may differ materially from those expressed or forecasted in forward-looking statements due to a number of factors. The principal important risk factors that could cause FCG’s actual performance and future events and actions to differ materially from such forward-looking statements, include, but are not limited to, continuing volatility in the capital or credit markets and other changes in the securities and capital markets, changes in market prices of FCG’s investments, the occurrence of one or more catastrophic events, such as an earthquake, hurricane, or act of terrorism, changes in laws or regulations, changes in income tax laws, and changes in general economic and market factors that affect the prices of securities or the industries in which it does business.

- 100% acquisition of Stotsenberg Hotel and Casablanca Casino
- USD26m in Shares for Hotel and Casino
- Casino license
- Current Gaming Tables – 36, Slot Machines – 190
- Expansion Gaming Tables – 47, Slot Machines - 250
- Casino Operator Group – Guarantee minimum Profit USD25m over 1st 5 years
- Stotsenberg Hotel and Casablanca Casino Target 2018 NPAT USD11.7m / AUD16.5m
- Recently appointed COO Ken Wong with more than 14 years experience in Gaming and Gaming related industries
- Clark International Airport Upgrade AU\$450m – passenger increase >8m

## Other:

- Acquired CK Graphic – NPAT 2016 1.5m
- Acquisition of Mongolian National Lottery



# COMBINED FORECAST NET PROFIT AFTER TAX



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	2016 USD/ AUD	2018 USD/AUD
CK Graphics	\$1.1m /\$1.5m	\$1.3m/\$1.8m
Mongolian Lottery	\$1.0m/\$1.4m	\$1.5m/\$2.1m
Resort and Casino	\$5.0m/\$7.0m	\$11.7m/\$16.5m
<b>COMBINED</b>	<b>\$7.1m / \$9.9m</b>	<b>\$14.5 / \$20.4m</b>



CK GRAPHIC





Notice of Meeting sent to shareholders of FCG	November 2015
Prospectus lodged with ASIC Application for readmission lodged with ASX	December 2015
FCG Shareholders Meeting	December 2015
Completion of Acquisition Re-instatement to trading on ASX	Upon confirmation by ASX that all conditions for readmission have been met.

**These dates are indicative only and subject to change.**



# SHAREHOLDING INFORMATION



<b>Frontier Capital Group Limited</b>	<b>ASX: FCG</b>
Listing Date	December 2011
Share Price (23 November 2015)	\$0.25
Shares on Issue	87,800,000
Unlisted Options	42,950,000
Market Cap	\$24.58m
Cash Approx	\$1.3m
Total number of investors	324
<b>Major Shareholders</b>	
Ooi Chin Keat	23.6%
Tam Chen Kien	19.3%
Fragrant Prosperity Ltd	5.8%

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# CAPITAL STRUCTURE – POST ACQUISITION



	Shares	Listed Options	Other Options	Comment
<b>Current</b>	87,800,000	13,000,000	42,950,000	
<b>Tranche 1</b>	47,400,000			To be issued on Completion
<b>Tranche 2</b>	62,212,500			To be issued on 1 May 2016
<b>Tranche 3</b>	44,437,500			To be issued on 1 August 2016
<b>E!xcite</b>	28,440,000			To be issued on Completion
<b>Performance Shares</b>	113,760,000			Convert to Shares upon E!xcite meeting each year's profit guarantee
<b>Others</b>	5,000,000			
<b>Total</b>	<b>389,050,000</b>	<b>13,000,000</b>	<b>42,950,000</b>	

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# DIRECTORS & MANAGEMENT



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Director and Management	Details
<b>Dato Madam Zhang Li</b>	<p>Non-Executive Chairman of Top Creation Limited (Stock Code: TOPC), a public company listed on the London Stock Exchange. 2001 to 2007 as a property investment adviser to Brilliant Valley Sdn Bhd. Significant property projects including Bandar Alam Perdana (Kuala Lumpur), Dataran Pahlawan (Malacca), and Empire Tower (Kuala Lumpur)</p>
<b>Ramakrishnan Navaratnam</b>	<p>Successful career in Fund Management, Investment Banking and Corporate Advisory. His expertise includes M &amp; A, corporate restructuring, Asian Markets and Islamic Finance. Currently a director of RNS Funds Pty Limited.</p> <p>Established first Derivatives broker in Malaysia.</p> <p>Involved in the setting up of a government linked stockbroking institution</p>
<b>William Wilkinson</b>	<p>Held a number of senior positions in business development and project management over the last twenty (20) years.</p> <p>Experienced in the management of large scale projects including the development and construction of plants and factories as well as the establishment of overseas operations. His extensive background in large scale investments and projects will provide expertise to the board to execute its long term vision.</p>
<b>Kenneth Wong (COO)</b>	<p>Over 14 years hands-on experience in gaming and gaming-related environments and held various Senior Positions in Genting Hong Kong. He has in-depth knowledge in Finance, Corporate Treasury, Revenue Management, Audit, new Casino set up, as well as the implementation and streamlining of controls.</p>



# PHILIPPINES RESORT AND CASINO



- SPA signed Oct 2015
- Target Completion Jan 2016
- Stotsenberg Hotel and Casablanca Casino (100% to be acquired)
  - Land Area 30,162 sqm
  - Floor Area 12,530 sqm
- Conference Facility up to 2000 people

- Less than 2km from Clark International Airport
  - 4m passengers pa increasing to >8m with AUD450M upgrade
- Philippines: only market with double digit growth (Citi July 2015)



- Hotel – 239 Rooms over 4 buildings
  - 2 Presidential Rooms
  - 39 Executive Rooms
  - 28 Deluxe Queen Bed Rooms
  - 163 Deluxe Twin Bed Rooms
  - 7 Studio Rooms
- Banquet room, restaurant, gym, outdoor pool, conference facilities, bar and coffee shop





# CASINO



## Current

36 gaming tables\*  
190 slot machines

## Expansion

47 gaming tables\*  
250 slot machines

\*Excluding VIP and Junket tables

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**“First-half gaming revenue at the country’s casinos grew 16 percent to \$1.4 billion, Philippine Amusement & Gaming Corp. Chairman Cristino Naguiat said in a telephone interview. There’s a “good chance” it will reach \$3 billion this year as he has predicted before, he added.**

**“Tourist arrivals in the Philippines increased 8.2 percent to 2.23 million in the first five months of the year, with most coming from South Korea, who accounted for 24.5 percent of the total, followed by the U.S. and Japan, according to government data. China is the fourth largest source of tourists, with a 7.1 percent share.”**

**Bloomberg 14 July 2015**

**MANILA, Philippines - The Philippines is on the cusp of a casino boom with more foreign firms placing their bets on the Southeast Asian nation that has attracted increasing numbers of the wealthy overseas high rollers and big spenders.**

**Macquarie Research sees the Philippine gaming industry growing over the next three years to hit \$4.8 billion.**

**The Philippine Star 13 April 2015**



# E!XCITE PROFILE



E!xcite Gaming and Entertainment Inc. (**E!xcite**) provides full and comprehensive advisory, development and business management services for Casino and Integrated Resort Owners. Their management team and associates possess deep knowledge on casino operations and have considerable experience in senior management levels in multiple jurisdictions, which is vital for the proper development and management of gaming facilities. E!xcite also has an extensive network that further strengthens their player development and market understanding on how best to service the target markets. E!xcite provides business solutions to casino resort owners to expedite their development and operations through market research, evaluation of new projects for future developments, management of the entire gaming operations, and correction of the performance metrics to further improve the business.



### **Juan Martin L. Syquia**

#### **President**

Mr. Syquia is an experienced banker with a strong base of business relationships in the Philippines, Hong Kong and Singapore built over 15 years of banking career at Barclays Capital, Deutsche Bank and Nomura. He possesses deep knowledge on Project and Capital Finance built from his strong background and experience in Debt Capital Markets, amassed during his tenure in Barclays Capital. Mr. Syquia also headed Deutsche Bank Manila's Debt Capital Market team for 7 years.

### **Wong Ken Hong**

#### **Chief Financial Officer**

#### **Senior Vice President, Finance**

Mr. Wong holds the function of a Chief Financial Officer of various partner properties and oversees the setup and operation of Finance, Corporate Treasury, Purchasing and Information Technology Departments, as well as the implementation and streamlining of controls across all partner properties. He possesses 14 years of hands-on experience in gaming and gaming-related environments and is a key member of the Resorts World Manila setup team. Mr. Wong holds a degree in Bachelor of Business major in Accounting from La Trobe University of Australia and an MBA in Finance from Charles Stuart University of Australia. He is also a member of the Australian Society of Certified Practising Accountants and the Malaysian Institute of Accountants.

### **Kristine Margaret R. Delos Reyes**

#### **Senior Vice President, Legal, Human Resources and Administration**

#### **Attorney-at-Law, Juris Doctor**

Ms. Delos Reyes graduated from one of the most recognized law schools in the Philippines, Ateneo De Manila University School of Law. She practiced law in the fields of civil and criminal litigation, corporate law and intra-corporate disputes, as well as arbitration in Angara Abello Concepcion Regala & Cruz Law Offices, one of the biggest and most distinguished law firms in the Philippines, prior to joining the gaming industry in Resorts World Manila as the Head of Legal Special Projects and Contracts, specializing on corporate mergers and acquisitions, debt capital markets, intellectual property, corporate housekeeping, gaming and hotel development, and regulatory compliance in the stock exchange.



- NPAT forecast 2016 of USD1.1m / AUD1.5m
- CK Graphic was established in 2003, as a visual communication company dedicated to creating a dynamic lasting design solution for its clients through the latest media technology with expertise in digital rendering and digital visualisation.
- It provides its clients with services in the areas of computer-based architectural rendering, 3D modelling and visualisation, architectural illustration, digital interior designing, and walk-through animation with a photo-realistic output.
- CK Graphic's main base is in Kuala Lumpur, Malaysia where it has successfully completed projects for international clients through the Internet. One of the Company's objectives is to expand the operations of CK Graphic to Australia and other Asia Pacific countries and beyond.
- FCG acquired CK Graphic in April 2015





# CK GRAPHIC PROJECTS



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# MONGOLIAN GAMING



Exclusive Heads of Agreement enabling Frontier Capital to acquire the licence to operate the Mongolian National Lottery currently held through subsidiaries of Monvest Group Pte Ltd, a Singaporean company

Multiple of ten times the Net Profit After Tax for the financial year ending 31 December 2015

Settlement Cash and Shares

Forecast NPAT of \$1m CY2015

Targeted Completion March 2016





## FURTHER INFORMATION

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