



ABN 53 000 364 465

9 April 2020

ASX Market Announcements Office
ASX Limited
20 Bridge Street, Sydney NSW 2000

Dear Sir/Madam,

ASX MARKET ANNOUNCEMENT – INVESTOR PRESENTATION

Please find attached the Investor Presentation for immediate release to the market.

For further information please contact:

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INVESTOR PRESENTATION

April 2020



Euroz is a diversified financial services company

GROUP FUM

\$1.3b^{1,2}



MARKET CAPITALISATION

\$120m¹

STAFF OWNERSHIP

39%

\$224m



FULLY FRANKED DIVIDENDS
IN 20 YEARS

\$88.8m

CASH & INVESTMENTS

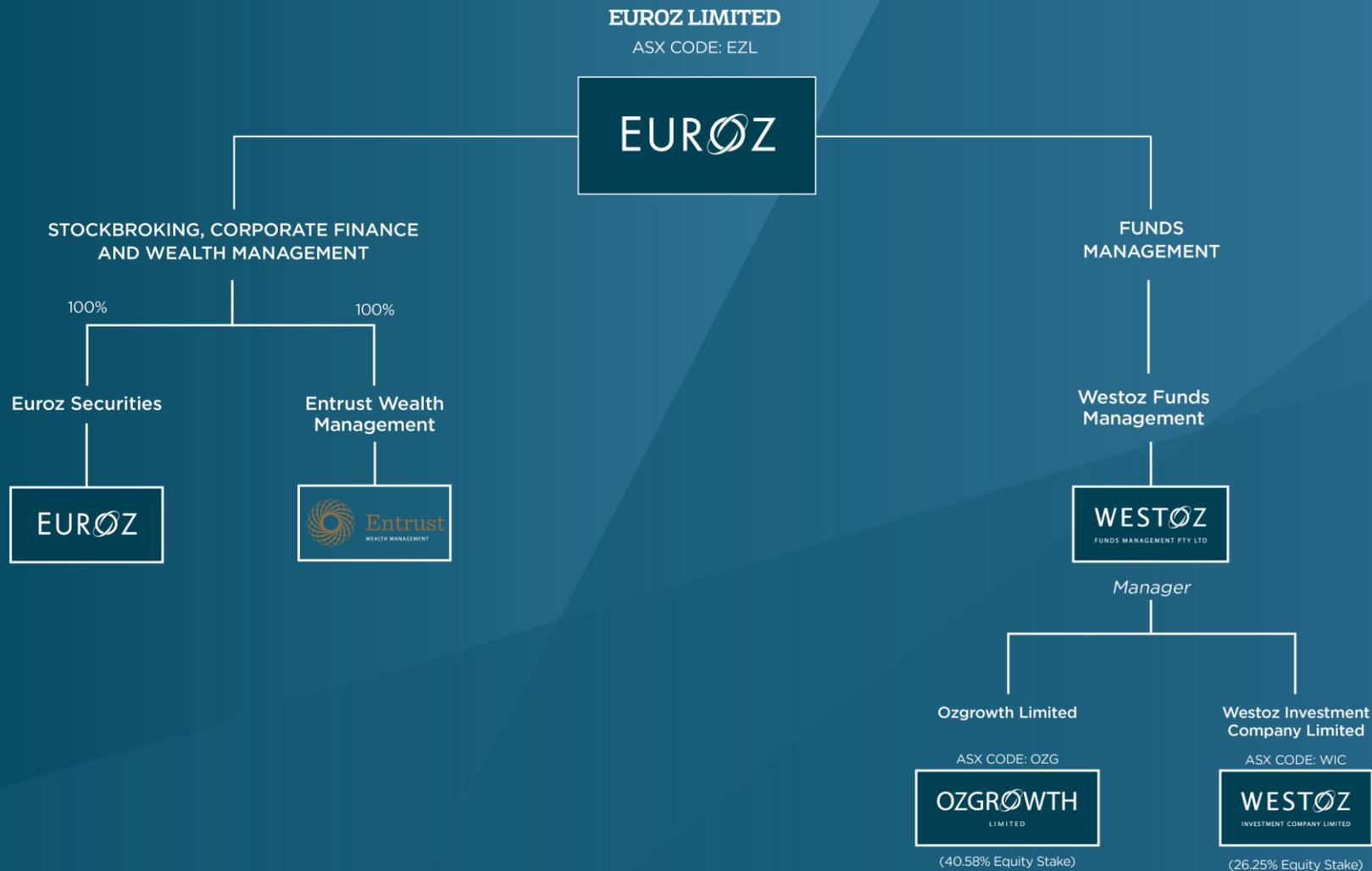
A strong platform for future growth

Note 1: As at 31 March 2020

Note 2: Excluding Flinders Investment Partners, Dalton Street Capital and Equus Point Capital FUM of \$83.9m as at 31 March 2020

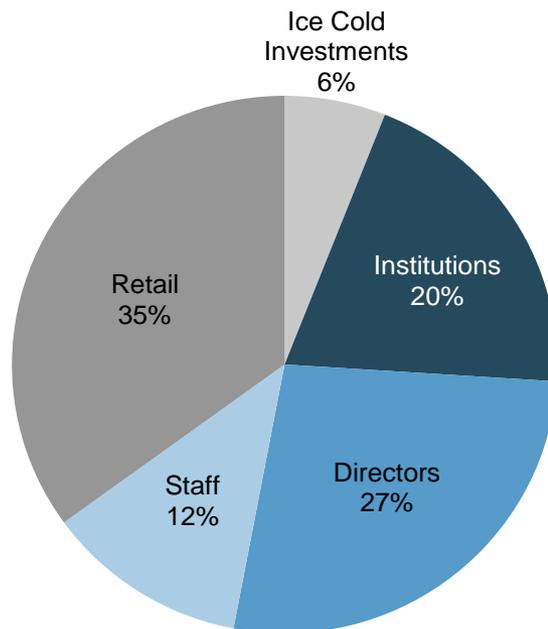
GROUP STRUCTURE

EUROZ



Note 1: Excluding Prodigy Investment Partners and boutiques Flinders Investment Partners, Dalton Street Capital and Equus Point Capital as at 31 March 2020

Increasingly diversified share register



- Staff ownership of 39%
- Improving liquidity
- Performance Rights Plan = ongoing capital management

Significant staff ownership = strong alignment with shareholders

Note : As at 31 March 2020

HEADLINE RESULT

\$8.6m¹

UNDERLYING CASH PROFIT

\$4.5m¹

HALF YEAR DIVIDEND

1.75cps

GROUP FUM UP 9%

\$1.73b

EUROZ SECURITIES EQUITY RAISINGS

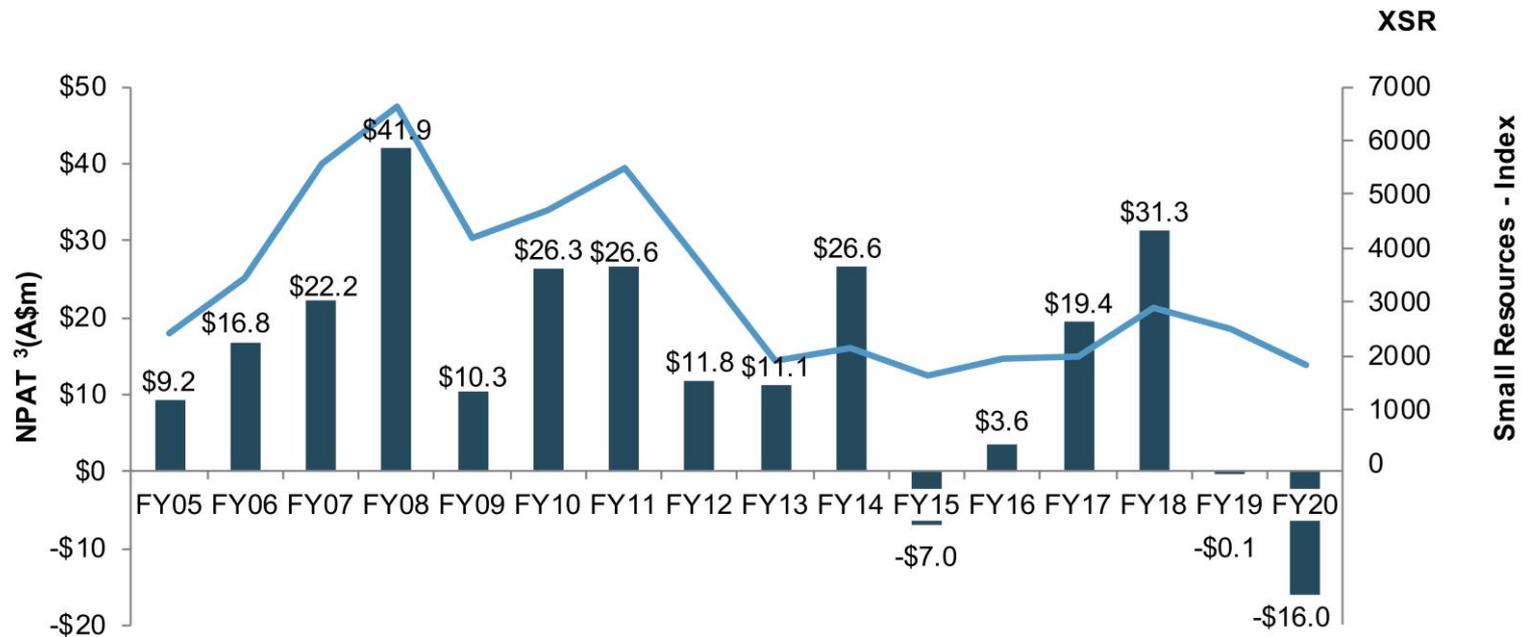
\$519m

CASH & INVESTMENTS

\$116m

Note 1: Attributable to members

High correlation to resource markets



- Strong past correlation to resource markets (Small Resources Index)
- Small Resources Index down 26.6% financial year 2020¹ and down 29.1% in the 12 months² to 31 March 2020
- Strategy is to generate diverse recurring revenue streams whilst maintaining traditional upside leverage to resource markets

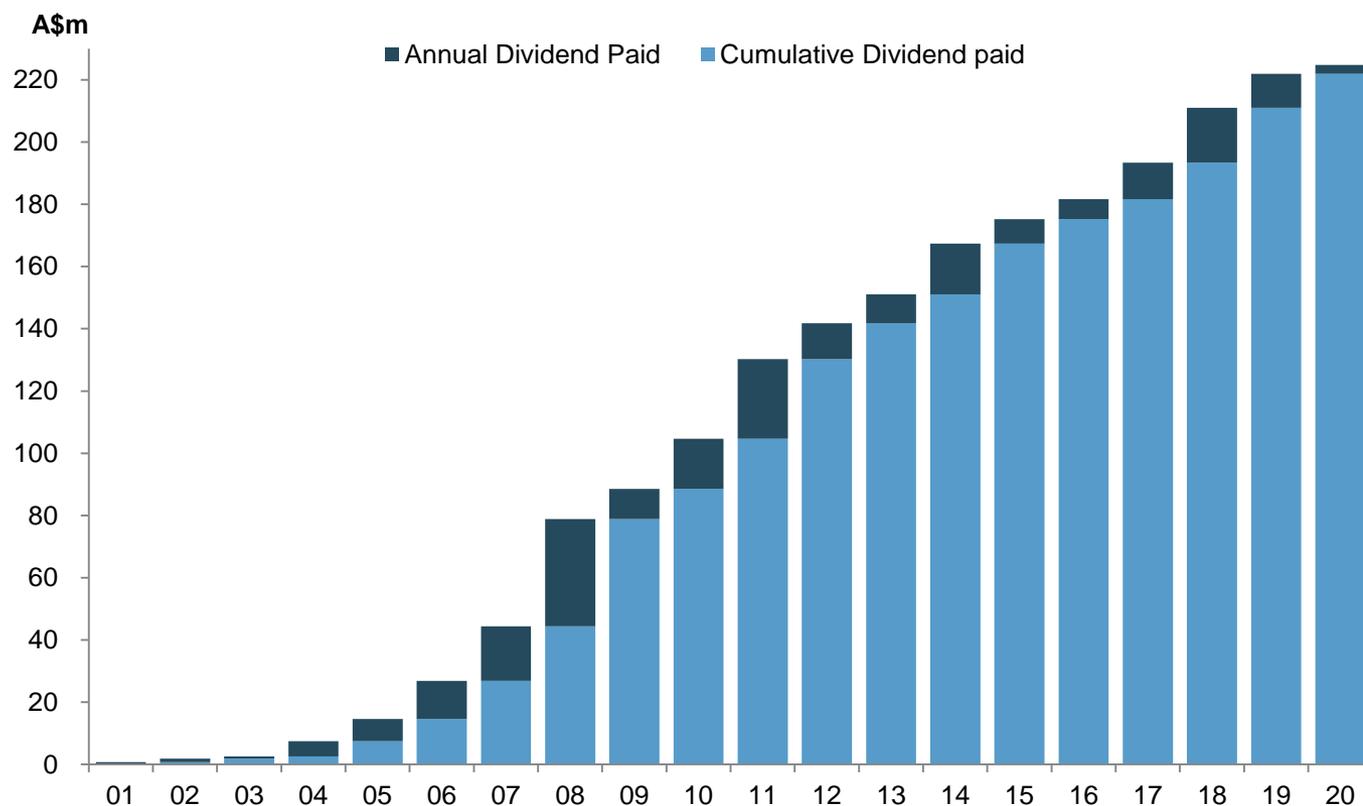
Maintain traditional strengths while building recurring revenue streams

Note 1: 1 July 2019 to 31 March 2020

Note 2: 1 April 2019 to 31 March 2020

Note 3: Attributable to members

Paid \$224 million in fully franked dividends



PAST:

- Paid \$224m dividends over 39 consecutive half year periods
- High payout ratio

FUTURE:

- Aim to increase the base level of dividends through generating recurring revenue streams

Strong dividend history reflects strong cash flow and minimal capital expenditure

Euroz Securities - 20 year history of partnering and supporting clients through research, dealing and corporate finance services

Research

- Quality equities research is the foundation of our business
- Highly rated research from our team of six analysts

Institutional Sales

- Institutional advisory and equities dealing services
- Team of nine institutional dealers have significant long-term relationships with major institutional investors

Private Client Dealing

- Predominantly high net worth client base
- Significant capacity to support new issues/construct first class share registers
- Expanded wealth management capabilities

Corporate Finance

- Dominant market position in WA Equity Capital Markets (**ECM**)
- Specialised mergers and acquisitions (**M&A**) corporate advisory services

LONG TERM STRATEGY: Leverage deal flow in WA related companies through high quality research, dealing and corporate finance services

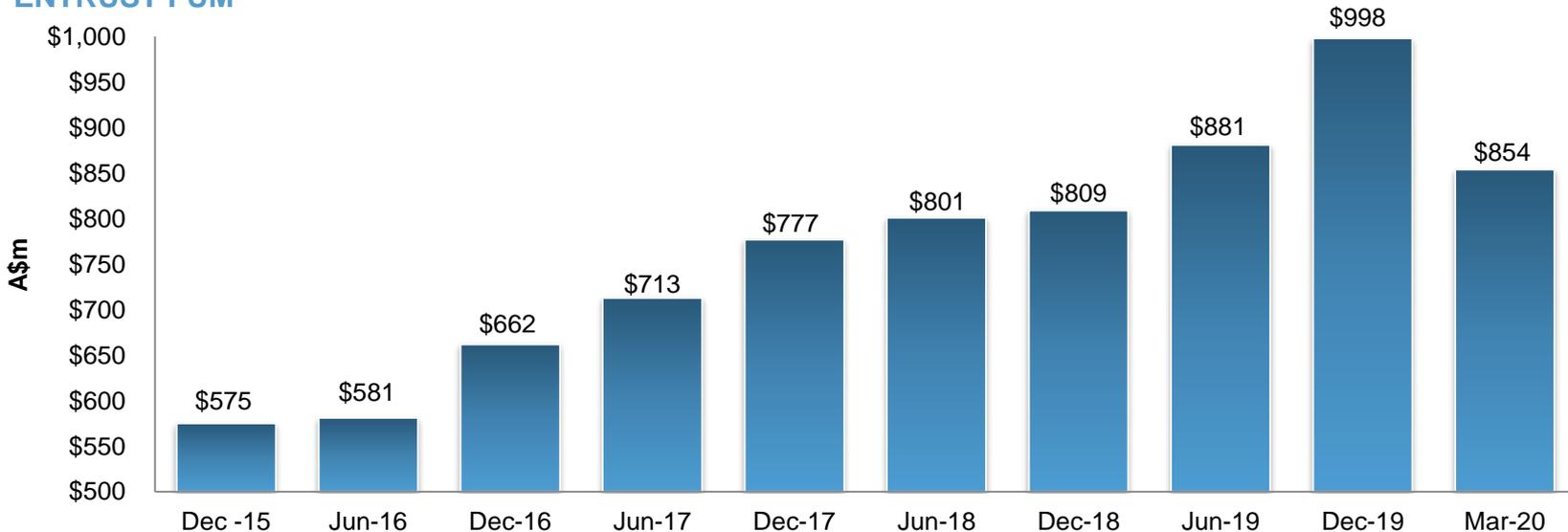
Major corporate finance transactions

 Placement & Rights Issue \$12.7 million Joint Lead Manager, Bookrunner & Underwriter Euroz Securities Ltd Jul 19	 Placement \$129 million Joint Lead Manager Euroz Securities Ltd Feb 19, Jul 19	 Placement, SPP Shortfall Placement \$29.8 million Lead Manager Euroz Securities Ltd May 19, Jul 19	 Placement \$13.3 million Lead Manager Euroz Securities Ltd Aug 19	 Placements \$8.6 million Lead Manager Euroz Securities Ltd Apr 19, Aug 19	 Private Placement \$3.1 million Lead Manager Euroz Securities Ltd Aug 19	 Placement \$30.2 million Lead Manager Euroz Securities Ltd Sep 19
 Placement \$15 million Lead Manager Euroz Securities Ltd Sep 19	 DRP Shortfall Placement \$6.4 million Joint Lead Manager Euroz Securities Ltd Oct 19	 Placement + ANREO \$139 million Joint Lead Manager Euroz Securities Ltd Oct 19	 Placement \$5.7 million Joint Lead Manager & Bookrunner Euroz Securities Ltd Jun 19, Oct 19	 Placement \$17 million Co-Lead Manager & Joint Bookrunner Euroz Securities Ltd Nov 19	 Placements \$48 million Joint Lead Manager & Bookrunner Euroz Securities Ltd Nov 19	 Placement \$120 million Co-Manager Euroz Securities Ltd Nov 19
 Placement \$23.5 million Joint Lead Manager Euroz Securities Ltd Dec 19	 Placement \$7.6 million Joint Lead Manager Euroz Securities Ltd Dec 19	 IPO \$12 million Lead Manager & Underwriter Euroz Securities Ltd Jan 20	 Two-Tranche Placement \$75 million Lead Manager Euroz Securities Ltd Jan 20	 Placement \$17.5 million Lead Manager & Underwriter Euroz Securities Ltd Mar 20		

Entrust Wealth Management - 17 year track record

- Combines its deep knowledge of managed discretionary advice, financial planning and portfolio management with its portfolio administration service to create a comprehensive wealth management solution for each individual client
- Euroz acquired Entrust Wealth Management (**Entrust**) in July 2015
- The strategy behind acquiring Entrust was to leverage an established wealth management business with long term ongoing revenues as a platform for further acquisitions and organic growth
- Entrust has a significant high net worth client base with Funds Under Management (**FUM**) of \$854m as at 31 March 2020

ENTRUST FUM

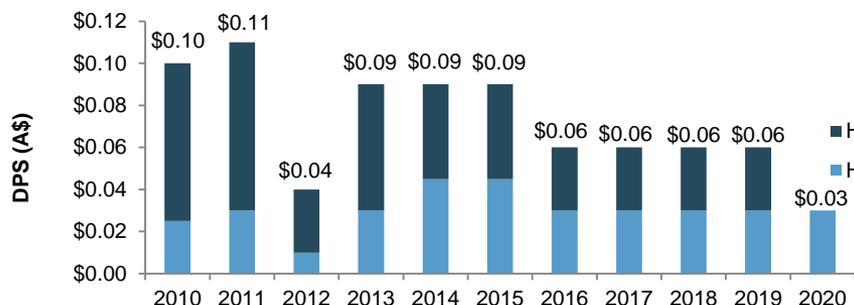


LONG TERM STRATEGY: Grow FUM through organic growth and attracting external wealth advisors to join our wealth platform

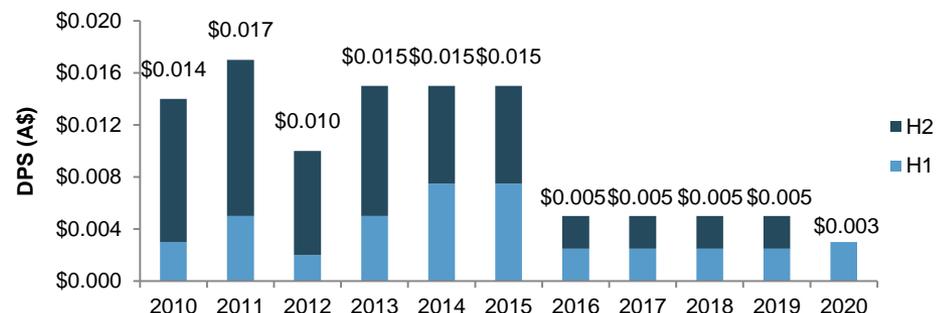
Westoz Funds Management – “Finding the Best in the West”

- Westoz Funds Management (**WFM**) is a 100% owned subsidiary of Euroz Limited established in 2005
- WFM manages portfolios of Australian equities on behalf of two listed investment companies, Westoz Investment Company Limited (**WIC**) and Ozgrowth Limited (**OZG**)
- WIC and OZG have contributed \$41.7m in dividend income to Euroz Limited since inception
- WIC and OZG have paid \$162m in fully franked dividends to shareholders since inception
- Euroz owns 26.25% of WIC and 40.58% of OZG
- WIC gross investment performance of -27.4% financial period to 31 March 2020
- OZG gross investment performance of -20.7% financial period to 31 March 2020

WESTOZ INVESTMENT COMPANY LIMITED (ASX:WIC)



OZGROWTH LIMITED (ASX:OZG)



LONG TERM STRATEGY: provide a steady base of ongoing management fee revenues with potential performance fee upside

WESTOZ
FUNDS MANAGEMENT PTY LTD

FINDING THE
BEST
IN
THE WEST

Improving balance sheet

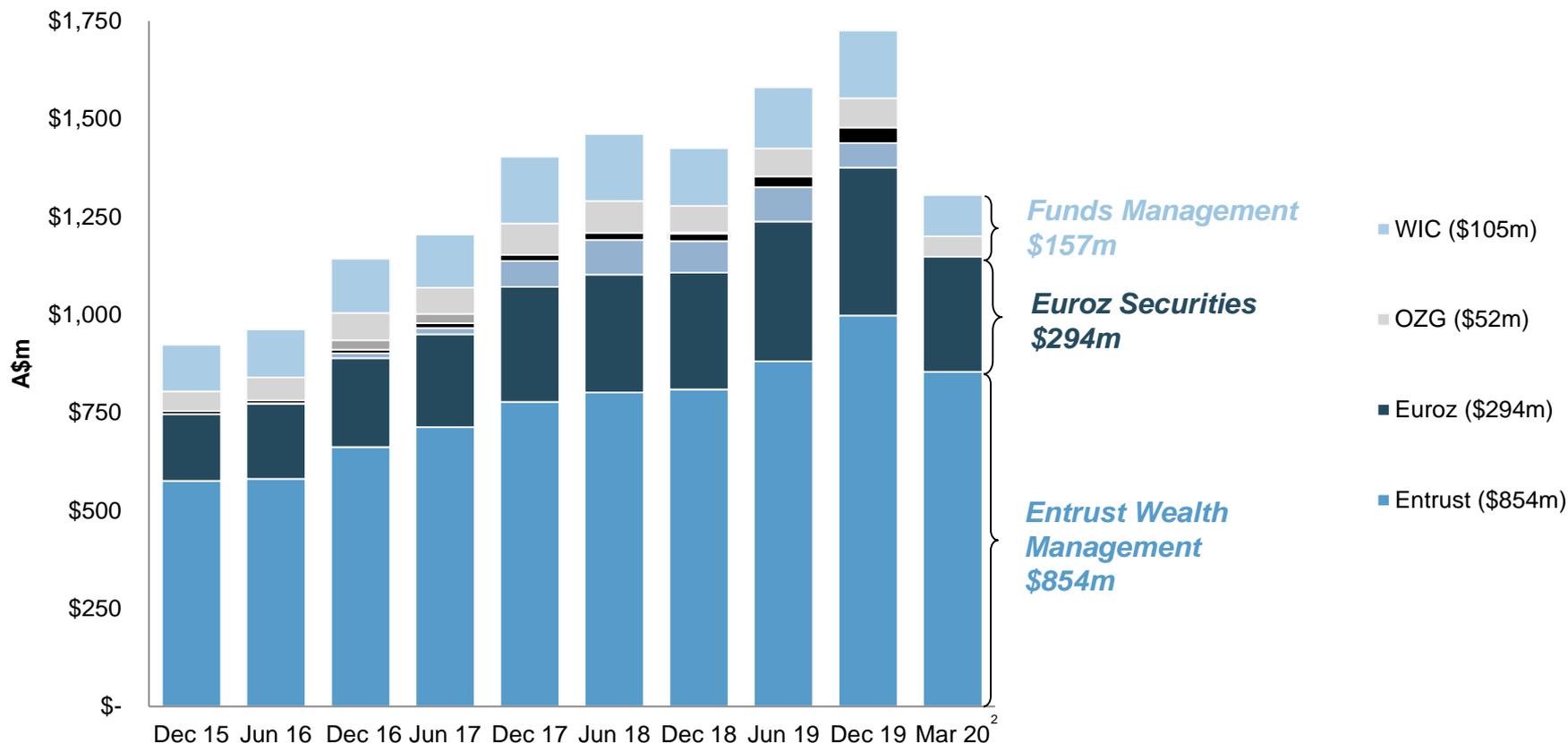
- Strong balance sheet/zero debt
- Market Valuation: \$15m – \$31m Enterprise Value

	Cost	Market	Look through value ¹
Westoz	\$39.0m	\$23.9m	\$32.0m
Ozgrowth	\$27.8m	\$16.8m	\$24.7m
Flinders / Dalton / Equus Investments	\$11.3m	\$10.5m	\$10.5m
Other Investments	\$7.9m	\$5.1m	\$5.1m
Cash	\$32.5m	\$32.5m	\$32.5m
Total	\$118.5m	\$88.8m	\$104.8m
Market Capitalisation (\$0.74/share)		\$120m	\$120m
Enterprise Value (approx.)		\$31m	\$15m

Note 1: WIC and OZG valued at NTA

FUNDS UNDER MANAGEMENT

\$1.3 billion in FUM across Funds and Wealth Management



Group FUM of \$1.3 billion

Note 1 ■ PFM (\$24m) Precision Funds Management removed from 01/07/2017 as no longer a corporate authorised representative

Note 2. Excluding Flinders Investment Partners, Dalton Street Capital and Equus Point Capital FUM of \$83.9m as at 31 March 2020

Euroz Group Summary

- Underlying cash profits after tax of \$6 million
- Headline net loss after tax (attributable to members) of \$16 million includes “non cash” after tax losses of \$14 million from mark to market of investments and \$8 million previously reported costs associated with the closure of the Prodigy business.
- Closure of Prodigy Investment Partners and associated boutiques
- Good performance from Euroz Securities
- FUM \$1.3 billion (now excludes all Prodigy funds¹)

Euroz Securities

- Solid performance
- \$641.5 million in announced ECM raisings
- FUM currently \$294 million

Entrust Wealth Management

- Platform for future wealth management acquisitions and organic growth
- Excellent organic FUM growth now offset by market decline
- FUM currently \$854 million

Westoz Funds Management

- WIC -27.4% ↓ to 31 March 2020
 - OZG -20.7% ↓ to 31 March 2020
 - Relative outperformance
- FUM \$105 million
FUM \$52 million

Note 1. Excluding Flinders Investment Partners, Dalton Street Capital and Equus Point Capital FUM of \$83.9m as at 31 March 2020

Euroz is a diversified financial services company

Modest underlying profitability

Established track record provides solid platform for growth when markets improve



A robust balance sheet

Aim to increase recurring revenue

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Note, all figures are expressed in Australian dollars unless otherwise stated.

THANK YOU

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