

EUROZ



ANNUAL GENERAL MEETING PRESENTATION

November 2020

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

Western Australia's Leading Financial Services Company

- 
- 1 Combined capability and earnings leverage of WA's two most successful broking firms
 - 2 Strategically located in the global resources hub of Western Australia
 - 3 Increased focus on growing and diversifying revenue streams
 - 4 Strong balance sheet provides platform for growth
 - 5 Solid four month FY21 performance

Update on Merger with Hartleys Limited

Merger completed and integration progressing smoothly

- Merger with Hartleys completed 8 October 2020
- Euroz Hartleys re-branding completed
- Institutional Sales and Research teams fully integrated
- Integration of Private Wealth and Corporate Finance well advanced
- Full integration of staff, platforms and systems on track for April 2021

EUROZ HARTLEYS



Dominant WA Market Position



Complementary Strengths



Major Operational Scale



Enhanced Retail and Institutional Distribution Capability

ADDITIONAL FUM

+\$1.2b¹

NEW STAFF OWNERSHIP

17%

NEW EMPLOYEES

+105

Our Strategy

OUR VISION

- Continue to grow Western Australia's leading financial services business

OUR PURPOSE

- Building long term relationships and trust with our clients by delivering consistently good outcomes

OUR CULTURE

- Our clients and our staff are our greatest assets
- Develop a deep understanding of our clients needs
- Maintain a high performance staff culture
- High staff ownership to align staff and shareholder interests

Corporate Overview – Euroz Limited

CAPITAL STRUCTURE

A\$1.255

195.5m

A\$245m

A\$128m

Nil

\$117.5m

Share price (17 Nov 20)

Shares on issue

Market Capitalisation

Cash & Investments¹

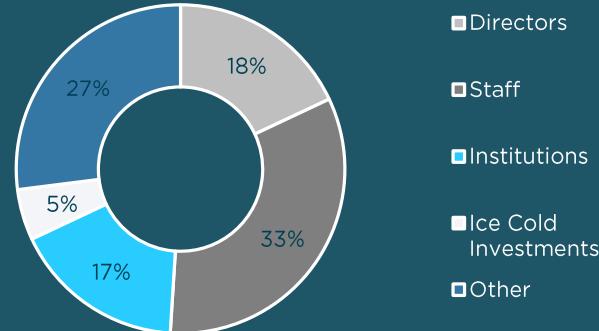
Debt

Enterprise Value²

HISTORICAL SHARE PRICE



OWNERSHIP



Note 1: As at 31 October 2020

Note 2: Based on market capitalisation at 17 November 2020 and cash & investments at 31 October 2020

Euroz Limited Snapshot

EUROZ

WA's leading financial services company

STAFF¹

190



GROUP FUM¹

\$2.87b



CAPITAL RAISED^{1,2}

\$998m



STAFF OWNERSHIP¹

51%



AVERAGE 10 YEAR DIVIDEND
YIELD

7.1%

CASH & INVESTMENTS¹

\$128m



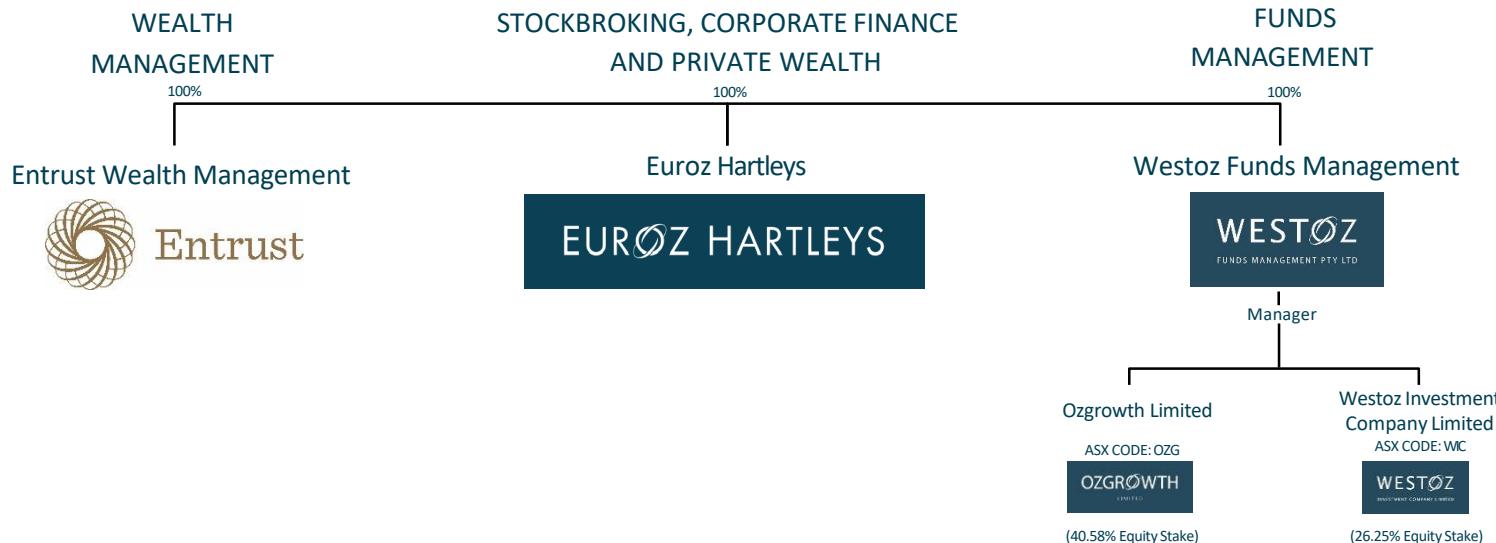
Note 1: As at 31 October 2020

Note 2: Capital raised in calendar year 2020 where Euroz Hartleys acted as Lead or Joint Lead Manager, including funds raised by Hartleys Limited prior to completion of the merger

A Diversified Financial Services Business

EUROZ LIMITED

ASX CODE: EZL



Combined capability and earnings leverage of WA's two most successful broking firms

1. LARGEST BROKING FIRM IN WESTERN AUSTRALIA

2. SIGNIFICANT DOMESTIC & GLOBAL DISTRIBUTION CAPABILITY

3. OVER 120 STOCKS UNDER RESEARCH

FUM

~\$1.6b¹

CAPITAL RAISED

\$998m^{1,2}

Corporate Finance

14 CORPORATE FINANCE EXECUTIVES

- Deep relationships and knowledge across WA resources and industrial sectors
- Specialising in:
 - Equity Capital Markets transactions
 - M&A Advisory
 - Strategic Corporate Advisory

Research

9 RESEARCH ANALYSTS

- Highly regarded and awarded research team
- Extensive coverage of ASX listed industrials, resources and energy companies
- Focus on institutional quality research to a global client base
- Over 120 stocks under research

Institutional Sales

12 INSTITUTIONAL SALES ADVISERS

- Largest institutional desk in Australia with specific focus on resources, mining services and small to mid-cap WA industrials
- Extremely strong, long term relationships with all key domestic institutional investors
- Targeted global distribution network

Private Wealth

65 PRIVATE CLIENT ADVISERS

- Largest retail desk in WA
- FUM of +\$1.6b¹
- Extensive high net worth and family office client base
- Focus on providing timely and high quality financial advice to clients

Note 1: As at 31 October 2020

Note 2: Capital raised in calendar year 2020 where Euroz Hartleys acted as Lead or Joint Lead Manager, including funds raised by Hartleys Limited prior to completion of the merger



Entrust

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
- Entrust has an extensive high net worth and family office client base

FUM

\$992m¹

STAFF

18¹

Note 1: As at 31 October 2020



EUROZ

Westoz Funds Management

“Finding the Best in the West”

- 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 \$43.2m in dividend income to Euroz Limited since inception
- WIC and OZG have paid \$167m in fully franked dividends to shareholders since inception
- Euroz owns 26.25% of WIC and 40.58% of OZG

WIC FUM

\$149m¹

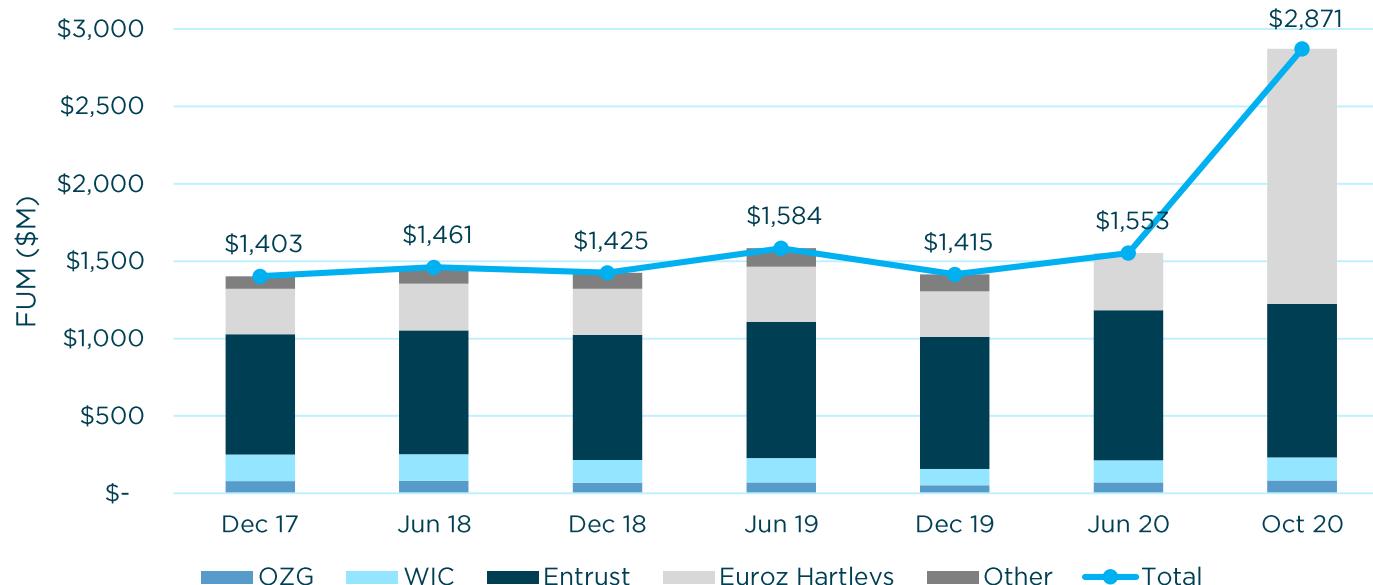
OZG FUM

\$83m¹

Group Funds Under Management

\$2.87b¹ in FUM in Funds and Wealth Management and growing

- Continued focus on growing FUM – increase of +\$1.2b¹ through merger with Hartleys Limited
- Increased scale provides material synergies and an enhanced platform for organic and acquisition growth opportunities



Note 1: As at 31 October 2020

Note 2: 'Other' represents historical FUM from Flinders Investment Partners, Dalton Street Capital and Equus Point Capital

Consistent Dividend History

Focus on increasing base dividend levels through growth in recurring revenue streams while maintaining traditional transaction strengths

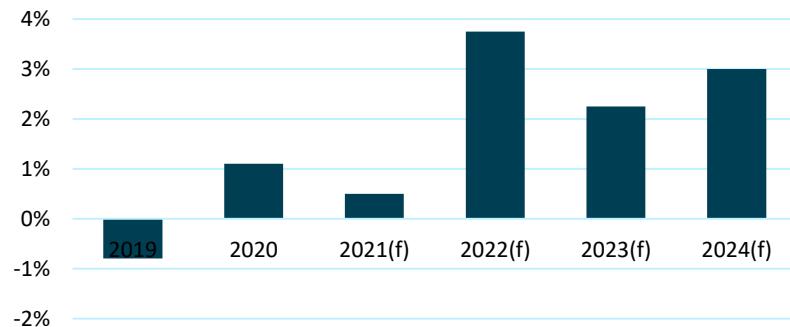
- Paid \$235m dividends over 40 consecutive half year periods
- Average dividend of 8.5 cents / year over past decade
- Average dividend yield of 7.1% over past decade



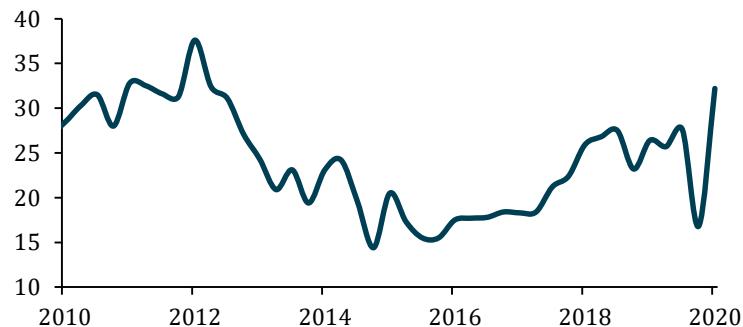
Strong Leverage to an Improving WA Economy

- Strong economic momentum evident prior to pandemic
- WA resilient to date, only State with positive FY2020 economic growth
- Resources sector and State finances buoyed by good commodity prices
- Construction uplift from resource/infrastructure projects & State/Federal incentives
- Healthy employment market, job vacancies at 8 year highs, border reopening helpful
- Solid growth forecast for Western Australia economy

STATE FINAL DEMAND GROWTH



WA JOB VACANCIES ('000)



Four Month Trading Update

Solid underlying profitability for first 4 months of FY21

- Driven by strong performance from Euroz Hartleys Securities Limited and increases in share price of investments in Westoz and Ozgrowth
- First 4 month unaudited FY21 headline NPAT of \$11.5m (underlying NPAT of \$5.8m) excludes ~\$3m pre-completion contribution from Euroz Hartleys Limited¹
- Leverage to improving WA economy and commodity prices

EUROZ HARTLEYS

- FUM \$1.65b²
- Strong 4 month start to financial year
- Merger completed and integration progressing smoothly
- \$658m in announced ECM raisings (July – Oct 2020)



Entrust

- FUM \$992m²
- Solid organic growth in FUM
- Continue to target smaller bolt on acquisition opportunities

WESTOZ

FUND MANAGEMENT PTY LTD

- FUM \$232m²
- Excellent gross 4 month investment performance:
 - WIC +7.3%
 - OZG +18.9%
- Performance fee opportunity

Note 1: ~\$3m cash profit from Euroz Hartleys Limited (formerly Hartleys Limited) will flow to Euroz Limited as net cash

Note 2: As at 31 October 2020

Euroz Charitable Foundation

- Established in 2006 to provide support to worthy charities within our broader community
- Donated over \$2m to over 100 individual charities in 14 years
- Staff encouraged to provide their time to support charities in and around their local community



The Euroz Charitable Foundation has supported many organisations, including:

Proudly supporting



Investment Highlights

1

Euroz Hartleys now the largest broking firm in Western Australia

4

Targeting organic FUM growth and growth by acquisition

2

Established platform for diversified and recurring revenue streams

5

Strong balance sheet

3

Scale and operational synergies from Hartleys merger start in April 2021

6

FY21 off to strong start and well positioned to capitalise on positive WA outlook



Thank You

Euroz Limited
Level 18 Alluvion
58 Mounts Bay Rd
Perth Western Australia