

# EUROZ HARTLEYS GROUP

ABN 53 000 364 465

24 January 2023

## **Unaudited first half result and interim dividend**

Euroz Hartleys Group Limited (“Euroz Hartleys”) reports modest profitability for the first half of the 2023 financial year.

Euroz Hartleys is Western Australia’s leading stockbroking and wealth management business.

On a headline basis, Euroz Hartleys expects an unaudited net profit after tax (attributable to members) of approximately \$3.1 million for the 6 months to 31 December 2022, down 87% versus the previous corresponding period. We have been the beneficiaries of good markets for a number of years and whilst we continue to build a stronger underlying business with an increasing base of recurring earnings, our future profit results can still reflect market volatility.

We are pleased to operate a profitable business in a hesitant market environment affected by a series of unprecedented and rapid interest rate rises and inflation.

During this period, we have also been active in returning \$80 million of excess cash to shareholders and simultaneously cancelling 16.85% of our issued capital via a capital return.

Your Directors have declared a first half dividend of 2.5 cents per share fully franked, consistent with the previous corresponding period.

### **Highlights**

- **Special dividend of 20.27 cps (~\$40 million) paid on 7 October 2022**
- **Capital Return and Equal Capital Reduction of 20.274 cps (~\$40 million) paid on 2 December 2022**
- **Group Funds Under Management of \$3.3 billion**
- **Cash and investments of \$91.6 million**

Euroz Hartleys Executive Chairman, Andrew McKenzie commented:

“We are pleased with the performance and resilience of all aspects of our Euroz Hartleys business. During this more difficult half our management team has worked particularly hard to improve our underlying business so that it can perform even better when markets inevitably rebound. The best measure of a strong business is of course the payment of dividends and we are proud that we have now returned \$327.5 million in fully franked dividends and \$40 million of capital to shareholders across our 22-year history.”

Our current balance sheet with \$91.6 million of cash and investments continues to support our activities, differentiates us from many of our competitors and provides confidence to our significant adviser network and their large client base.

Euroz Hartleys has an excellent track record of counter cyclical and well executed acquisitions in a financial landscape that continues to evolve and benefit those that have true scale and that can provide the best investment solutions to their clients.

We are a “Best of the Best” combination of four major Western Australian financial advice businesses and with our balance sheet, people and track record of successful integrations / mergers believe we will continue to be a natural consolidator in an exciting growth industry.

We remind investors that our second half performance and final dividend will be dependent on market sentiment, commodity prices and our Equity Capital Markets and corporate advisory activity.

The relevant dates for the interim dividend are as follows:

<b>Interim Dividend:</b>	<b>2.5 cents per share fully franked</b>
<b>Ex-Dividend Date:</b>	<b>1 February 2023</b>
<b>Record Date:</b>	<b>2 February 2023</b>
<b>DRP Election Date:</b>	<b>3 February 2023</b>
<b>Payment Date:</b>	<b>17 February 2023</b>

The Dividend Reinvestment Plan (**DRP**) will be active for the 2023 interim dividend. A discount rate of 2.5% to the 5-day VWAP will be applied to shares allocated under the DRP in accordance with clause 4.6 of the DRP Rules.

For further information please contact:

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*This announcement is authorised for release by the Board of Euroz Hartleys Group Limited.*