



ABN 53 000 364 465

24 February 2021

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:

Andrew McKenzie  
Executive Chairman  
M: 0438 755 727  
E: [amckenzie@euroz.com](mailto:amckenzie@euroz.com)

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



EUROZ

INVESTOR PRESENTATION

February 2021

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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 Strong 1H FY21 performance**

# Our Strategy

## OUR VISION

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

## OUR PURPOSE

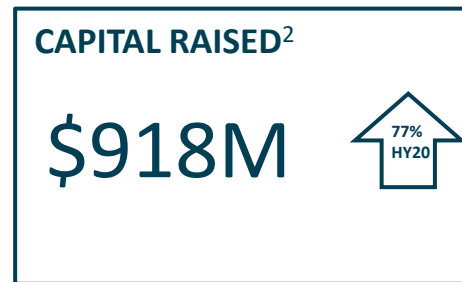
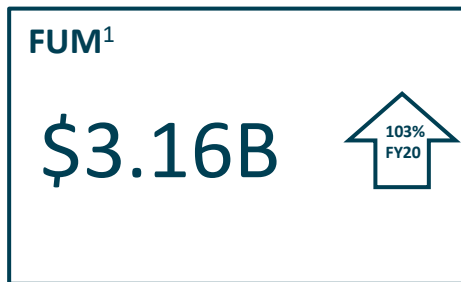
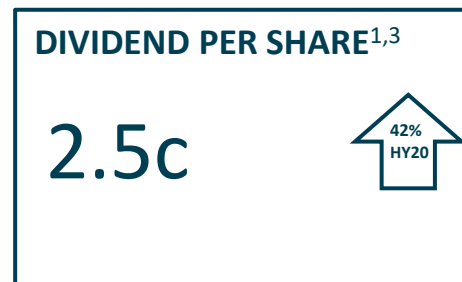
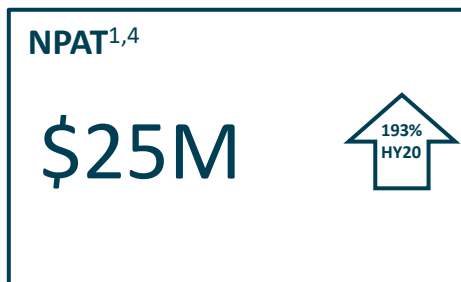
- Building long term relationships and trust with our clients by delivering consistently good outcomes

## OUR CULTURE

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

# Strong 1H FY21 Performance

- Excellent profitability and cash generation for the first half of the 2021 financial year
- Successful completion of landmark transaction with Hartleys Limited
- Leverage to improving WA economy and commodity prices



Note 1: As at 31 December 2020

Note 2: Capital raised in 1H 1FY21, including funds raised by Hartleys Limited prior to completion of the merger

Note 3: Fully franked

Note 4: Attributable to members

# Corporate Overview – Euroz Limited

## CAPITAL STRUCTURE

**A\$1.44**

Share price (19 Feb 21)

**195.5M**

Shares on issue

**A\$282M**

Market Capitalisation

**A\$148M**

Cash & Investments<sup>1</sup>

**Nil**

Debt

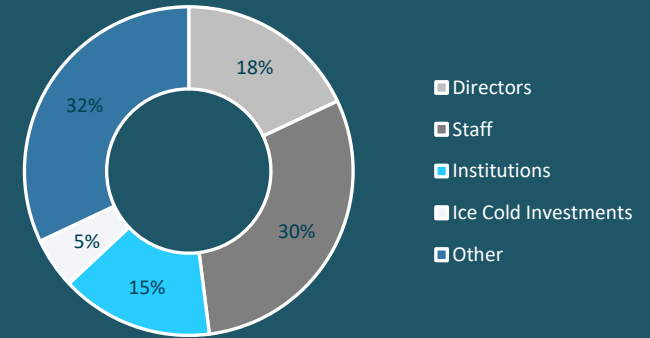
**\$134M**

Enterprise Value<sup>2</sup>

## HISTORICAL SHARE PRICE



## OWNERSHIP

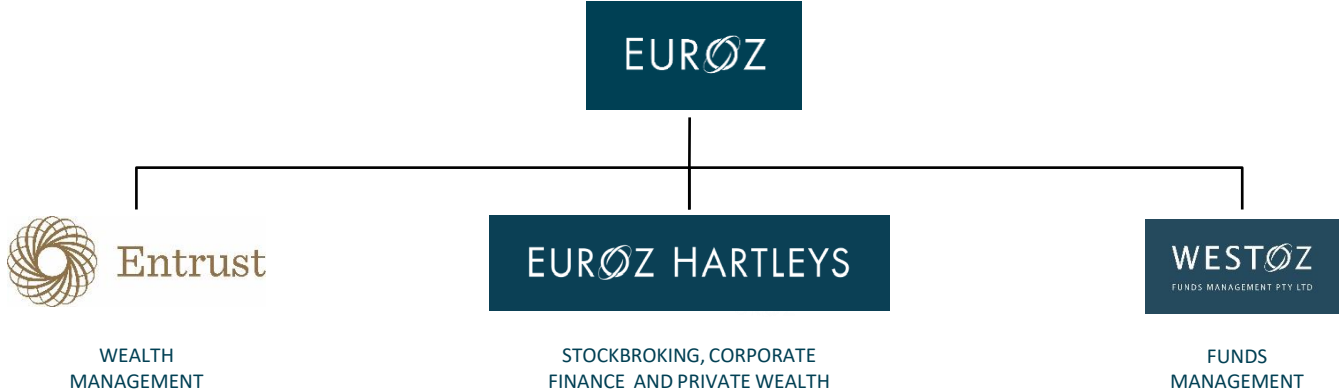


Note 1: As at 31 December 2020

Note 2: Based on market capitalisation at 19 February 2021 and cash & investments at 31 December 2020

# Euroz Limited Group

Western Australia's leading financial services company





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



Largest Broking Firm in Western Australia



Significant Global & Domestic Distribution Capability



+127 Stocks Under Research

### CAPITAL RAISED

~\$918M<sup>1</sup>  
1H FY21

### STAFF

171

#### 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 \$1.8B<sup>1</sup>
- Extensive high net worth and family office client base
- Focus on providing timely and high quality financial advice to clients

Note 1: Capital raised in 1H 1FY21, including funds raised by Hartleys Limited prior to completion of the merger

REVENUE<sup>1</sup>

**\$43M**



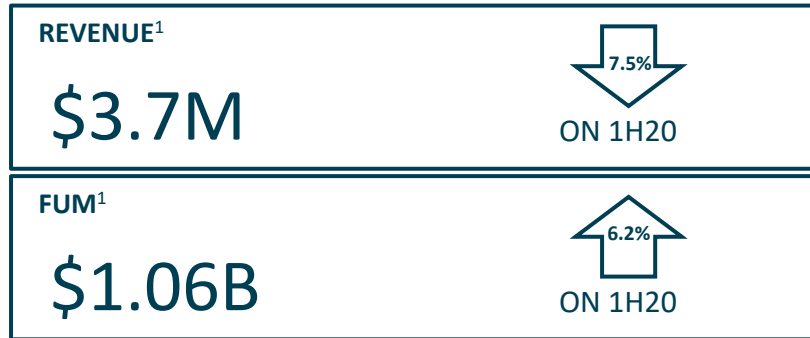
FUM<sup>1</sup>

**\$1.8B**



- Strong first half performance
- Merger completed and integration progressing smoothly
- Strong equity capital market (“ECM”) raisings and brokerage revenues driving underlying cashflow and profitability
- \$918m in announced gross ECM raisings (July – Dec 2020)
- Solid Merger and Acquisition /Advisory contribution





- Solid organic growth in FUM
- Continue to target smaller bolt on acquisition opportunities

- 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
- Wide Approved Product List with extensive investment capability across all asset classes

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**ADVISERS**

**9**

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**STAFF**

**19**

**REVENUE<sup>1</sup>**

**\$1.25M**



**FUM<sup>1</sup>**

**\$293M**



- Excellent first half performance from our significant investments in the Westoz Investment Company Limited (“WIC”) and Ozgrowth Limited (“OZG”)
- First half gross investment performance of:
  - 38.8% for WIC
  - 45% for OZG
- June 30 Performance Fee Opportunity

- WFM manages portfolios of Australian equities on behalf of two listed investment companies:
  1. Westoz Investment Company Limited (WIC)
  2. Ozgrowth Limited (OZG)
- WIC and OZG have contributed \$44.7m in dividend income to Euroz Limited since inception
- WIC and OZG have paid \$173m in fully franked dividends to shareholders since inception
- Euroz owns 26.25% of WIC and 40.58% of OZG

**WIC FUM**

**\$192M<sup>1</sup>**

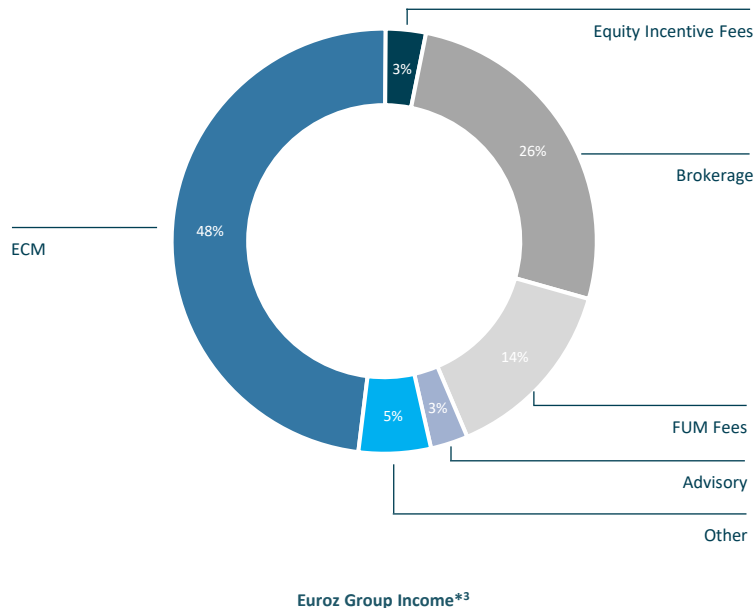
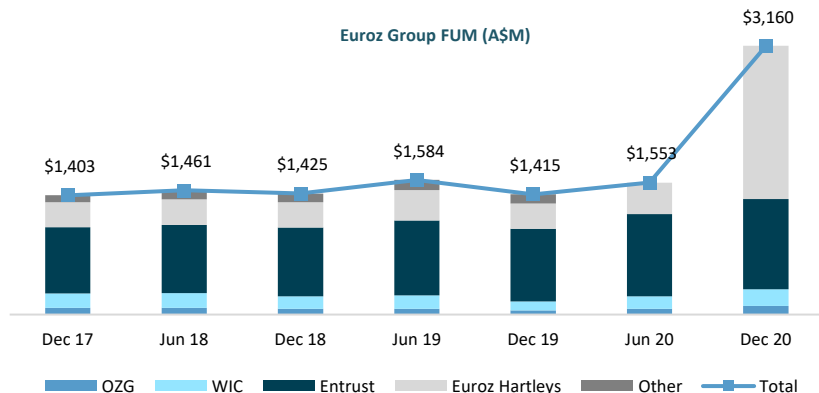
**OZG FUM**

**\$101M<sup>1</sup>**

# Growing and Diverse Revenue Streams

## Increasing contribution of recurring revenue

- \$3.16B<sup>1,2</sup> in FUM in Funds and Wealth Management and growing
- Continued focus on growing FUM – increase of +\$1.36B<sup>1</sup> through merger with Hartleys Limited
- Increased scale provides material synergies and an enhanced platform for organic and acquisition growth opportunities



\*Includes 3 months of contributions from Hartleys Limited (now Euroz Hartleys Limited)

Note 1: As at 31 December 2020

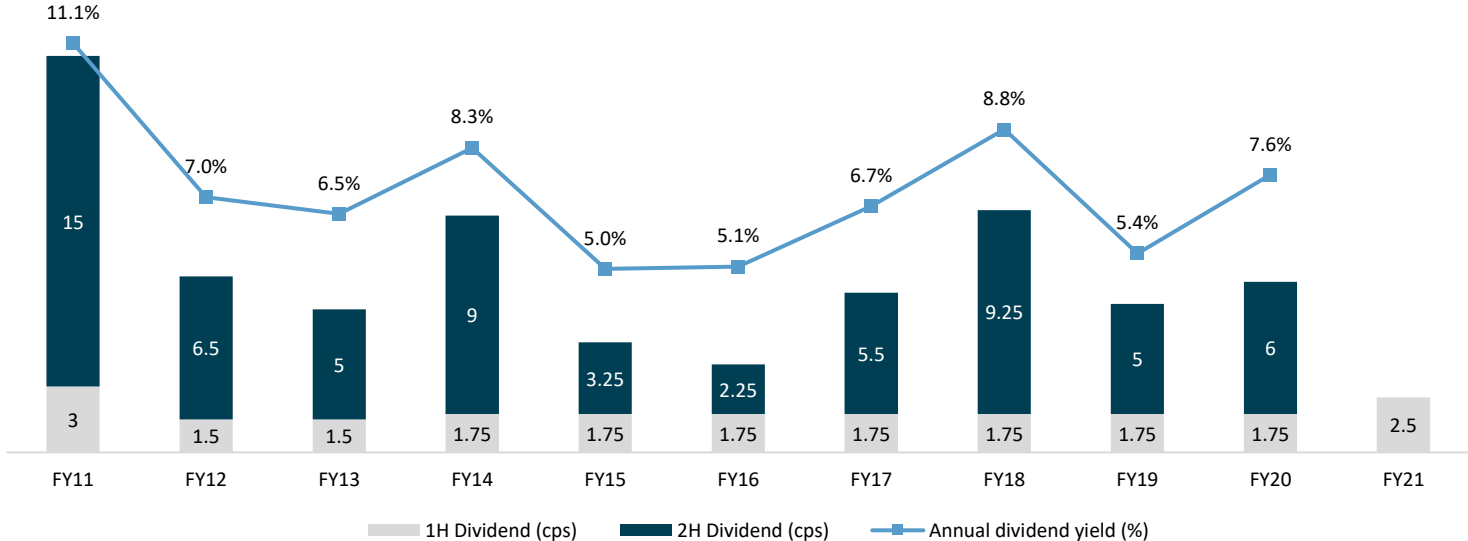
Note 2: 'Other' represents historical FUM from Flinders Investment Partners, Dalton Street Capital and Equus Point Capital

Note 3: 1H FY21

# Consistent Dividend History

Increasing base dividend levels through growth in recurring revenue streams while maintaining traditional transaction strengths

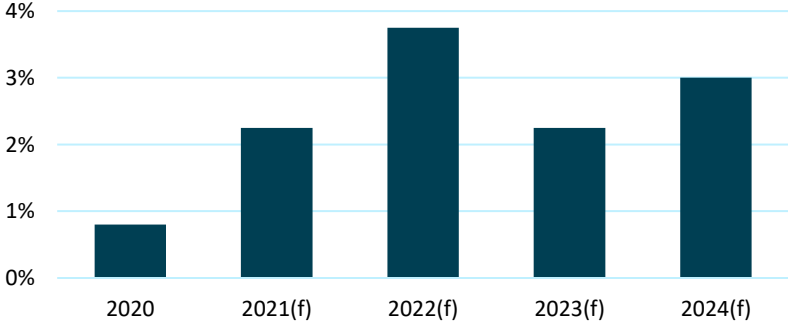
- Paid \$240m dividends over 41 consecutive half year periods
- Average dividend of 8.5 cents / year over past decade<sup>1</sup>
- Average dividend yield of 7.1% over past decade<sup>1</sup>



# Western Australian Economic Rebound

- Economic growth strengthening: better than expected consumer spending and business investment
- Business and consumer confidence at 10 year highs
- Housing market strong: rising prices; Government stimulus; record low vacancy rate; and, growing rents
- State Finances boosted by strong commodity prices with significant upside to forward surplus estimates
- Employment market improved significantly over December half, border closures impacting skill shortages

**STATE FINAL DEMAND GROWTH**



**WA JOB VACANCIES ('000)**



## Balance Sheet

- Strong balance sheet with zero debt<sup>1</sup>
- Enterprise value currently \$145m - \$153m

	Cost <sup>1</sup>	Market <sup>1</sup>	Look through value <sup>1</sup>
Westoz	\$39m	\$42m	\$45m
Ozgrowth	\$28m	\$32m	\$37m
Other investments	\$10m	\$18m	\$18m
Cash	\$56m	\$56m	\$56m
<b>Total</b>	<b>\$133m</b>	<b>\$148m</b>	<b>\$156m</b>
Market Capitalisation (A\$1.44/share)		\$282m	\$282m
<b>Enterprise Value (approx.)</b>		<b>\$134m</b>	<b>\$126m</b>



# 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

**Operational synergies from Hartleys merger start in May 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