

# EUROZ HARTLEYS GROUP

ABN 53 000 364 465

27 May 2022

## Trading Update

Euroz Hartleys Group Limited (“**Euroz Hartleys**”) reports solid profitability for the financial year to 19 May 2022.

Euroz Hartleys is Western Australia’s largest wealth management business and we are proud of the significant efforts of our 185 staff who are the major driver of our ongoing success and growth.

Euroz Hartleys reports headline unaudited net profit after tax (attributable to members) of approximately \$41.4 million for the period to 19 May 2022.

Financial year to date brokerage, advisory and recurring Funds Under Management (FUM) revenues remain broadly in line with the previous strong year. Equity Capital Market (ECM) revenues are solid (\$1.3 billion in announced raisings) but down ~40% from the previous exceptional year.

As previously advised, the Westoz Investment Company Limited and Ozgrowth Limited schemes completed last month and we received approximately 49.95 million WAM Capital Limited ordinary shares. These shares have since been sold, resulting in cash proceeds of ~\$103.9 million and a simplification of our group structure.

Euroz Hartleys Executive Chairman, Andrew McKenzie commented:

*“We are pleased with the performance of all aspects of our Euroz Hartleys business. Equity Capital Markets activity this year was affected by broader market volatility but was still good compared to the prior bumper year. Our balance sheet has been further strengthened from continued profitability and proceeds from the sale of the WAM Capital Limited shares taking our cash and investments to \$207.4 million.”*

We remind investors our final full year profitability and dividend continue to be dependent on market sentiment and activity but we are very pleased with our performance and achievements in the year to date.

For further information please contact:

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

INVESTOR PRESENTATION

May 2022

## Disclaimer and Disclosure

Euroz Hartleys Group Limited (**EZL**) and its related entities and each of their respective directors, officers and agents (together the **Disclosers**) have prepared the information contained in these materials in good faith. However, no warranty (express or implied) is made as to the accuracy, completeness or reliability of any statements, estimates or opinions or other information contained in these materials (any of which may change without notice) and to the maximum extent permitted by law, the Disclosers disclaim all liability and responsibility (including, without limitation, any liability arising from fault or negligence on the part of any or all of the Disclosers) for any direct or indirect loss or damage which may be suffered by any recipient through relying on anything contained in or omitted from these materials. This information has been prepared and provided by Euroz Hartleys Group Limited. To the extent that it includes any financial product advice, the advice is of a general nature only and does not take into account any individual's objectives, financial situation or particular needs. Before making an investment decision an individual should assess whether it meets their own needs and consult a financial advisor. Past performance is not an indication of future performance.

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



# Western Australia's Leading Wealth Management Company

- 
- 1 Western Australia's largest and most successful wealth management firm**
  - 2 Strategically located in the global resources hub of Western Australia**
  - 3 Focus on growing diverse revenue streams**
  - 4 Increasingly stronger balance sheet**
  - 5 Well positioned to capitalise on continued positive WA and commodities outlook**

# Strategy



## AIM

- Grow Western Australia's leading wealth management business

## PURPOSE

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

## CULTURE

- Our clients and staff are our greatest assets
- Develop a deep understanding of our client's needs
- Maintain a high performance culture
- High staff ownership aligns staff and shareholder interests

# Corporate Overview – Euroz Hartleys Group Limited

## CAPITAL STRUCTURE

**A\$1.68**

Share price (19 May)

**197.3M**

Shares on issue

**A\$331.5M**

Market Capitalisation

**A\$207.4M**

Cash & Investments<sup>1</sup>

**Nil**

Debt

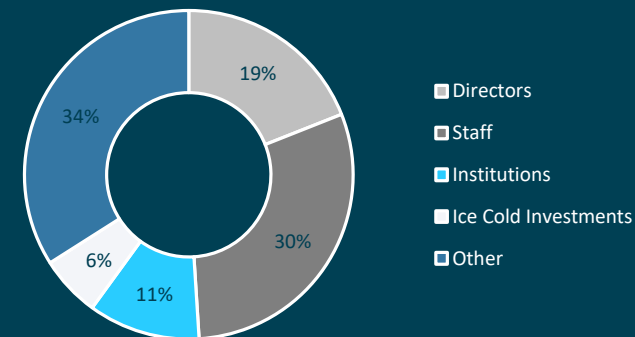
**\$124.1M**

Enterprise Value<sup>1</sup>

## HISTORICAL SHARE PRICE



## OWNERSHIP



Note 1: Market capitalisation, cash (\$186.4m) & investments (\$21m) as at 19 May 2022



# Euroz Hartleys Overview

EUROZ HARTLEYS



Largest Wealth Management Firm in Western Australia



Significant Global & Domestic Distribution Capability



+100 Stocks Under Research Coverage

CAPITAL RAISED<sup>1</sup>

~A\$1.3B  
FY22 to date

STAFF

185

## Corporate Finance

### 15 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

### 8 RESEARCH ANALYSTS

- Extensive coverage of ASX small-mid cap resources, energy, mining services and WA industrial companies
- Focus on institutional quality research to a global client base
- Over 100 stocks under research

## Institutional Sales

### 11 INSTITUTIONAL SALES ADVISERS

- Significant small-mid cap institutional desk with specific focus on resources, energy, mining services and WA industrials
- Long term relationships with all key domestic institutional investors
- Targeted global distribution network

## Private Wealth

### 63 PRIVATE CLIENT ADVISERS

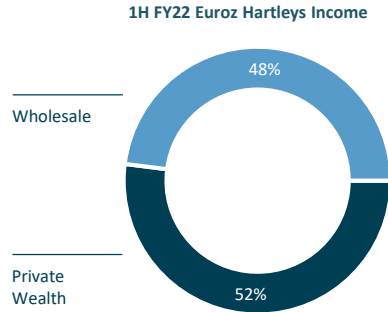
- Largest private wealth desk in WA
- FUM of ~\$3.2B<sup>2</sup>
- Extensive high net worth and family office client base
- Focus on providing timely and high quality financial advice to clients

Note 1: Capital raising transactions where Euroz Hartleys acted as Lead Manager or Joint Lead Manager

Note 2: As at 19 May 2022

# Euroz Hartleys Commentary

- Strong equity capital market (ECM) raisings and brokerage revenues driving underlying cashflow and profitability
- \$1.3 billion in announced gross ECM raisings (July 2021 – to date)
- Continued growth in Euroz Hartleys FUM<sup>1</sup>



Note 1: Westoz Investment Company Limited and Ozgrowth Limited were acquired by WAM Capital on 21 April 2022



- Entrust has a 19 year history of providing financial strategy and advice to a diverse range of clients
- Managing funds for high net worth individuals, business owners, multi-generational families, self-managed superannuation funds and “not for profit” organisations
- Relationship driven bespoke investment solutions



Personal & Family Wealth



Self Managed Superannuation



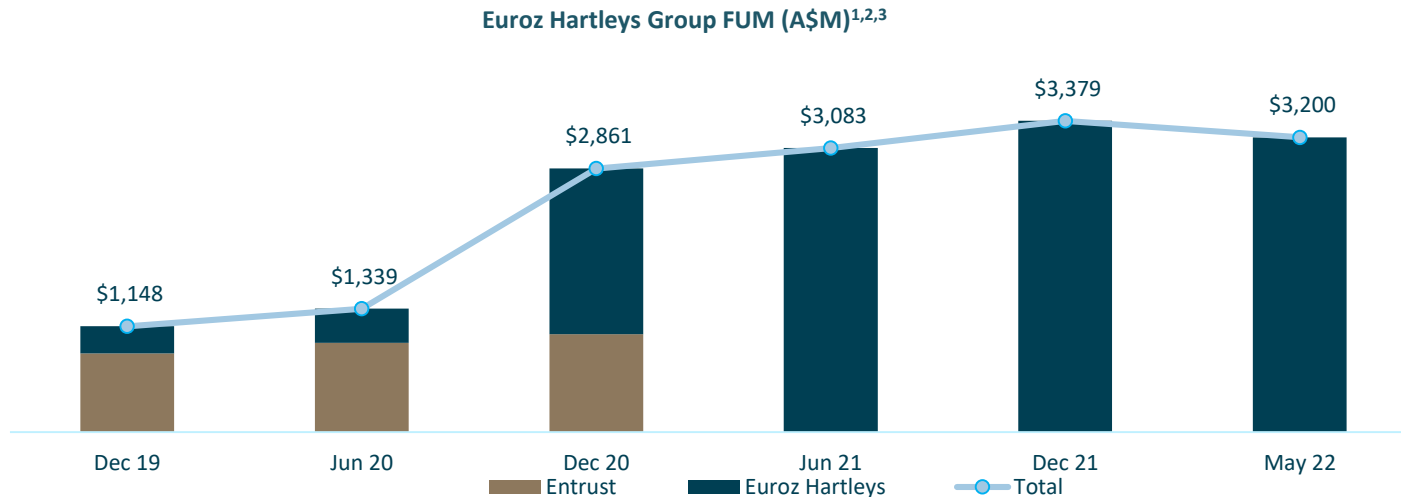
Not-for-Profit & Philanthropy



# Focus on Increasing Recurring Revenue

## Increasing contribution of recurring revenue

- ~\$3.2B<sup>1,2</sup> in FUM and growing
- Increased scale provides an enhanced platform for organic and acquisition growth opportunities
- Developing new strategies for FUM growth



Note 1: As at 19 May 2022

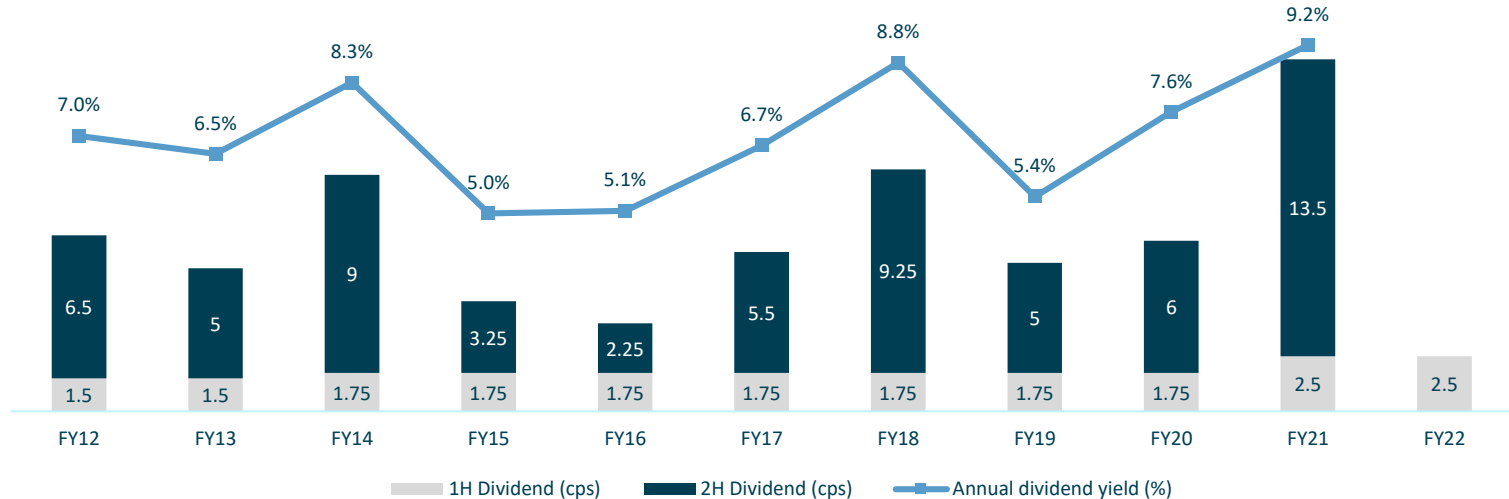
Note 2: Entrust FUM included within Euroz Hartleys from Jun '21 onwards and Hartleys Limited FUM included within Euroz Hartleys from 'Dec 2020 onwards

Note: FUM of entities no longer under group control has been removed. Westoz Investment Company Limited and Ozgrowth Limited were acquired by WAM Capital Limited on 21 April 2022, associated FUM was removed on this date.

# Consistent Dividend History

Increasing dividends through growth in recurring revenue streams while maintaining traditional transaction strengths

- Paid \$271m dividends over 43 consecutive half year periods
- Average dividend of 8.3 cents / year over past decade
- Average dividend yield of 7.0% over past decade



# Euroz Hartleys Foundation

- Established in 2006 to provide support to worthy charities within our broader community
- Donated over \$2.6m to over 100 individual charities in 14 years
- Staff encouraged to provide their time to support charities in and around their local community
- 2021 Commission for a Cause raised a record breaking \$450,000 for the Perth Children’s Hospital Foundation, WA Cricket Foundation and Women & Infants Research Foundation



The Euroz Hartleys Foundation (formerly Euroz Charitable Foundation) has supported many organisations, including:

Proudly supporting



# Investment Highlights

1

**Largest wealth management firm in Western Australia**

2

**Established platform for diversified and recurring revenue streams**

3

**Continually improving and growing our client offering**

4

**Targeting organic FUM growth and growth by acquisition**

5

**Increasingly stronger balance sheet**

6

**Well positioned to capitalise on positive WA and commodities outlook**



# EUROZ HARTLEYS GROUP

## Thank You

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