

Investor Presentation

July 2018



EUROZ

Euroz is a growing and diversified financial services company

Group FUM

\$1.46b¹



**Market
capitalisation**

\$201m¹

Dividends 11 cps

52%

increase on FY17

\$211m

**fully franked
dividends in 18 years**



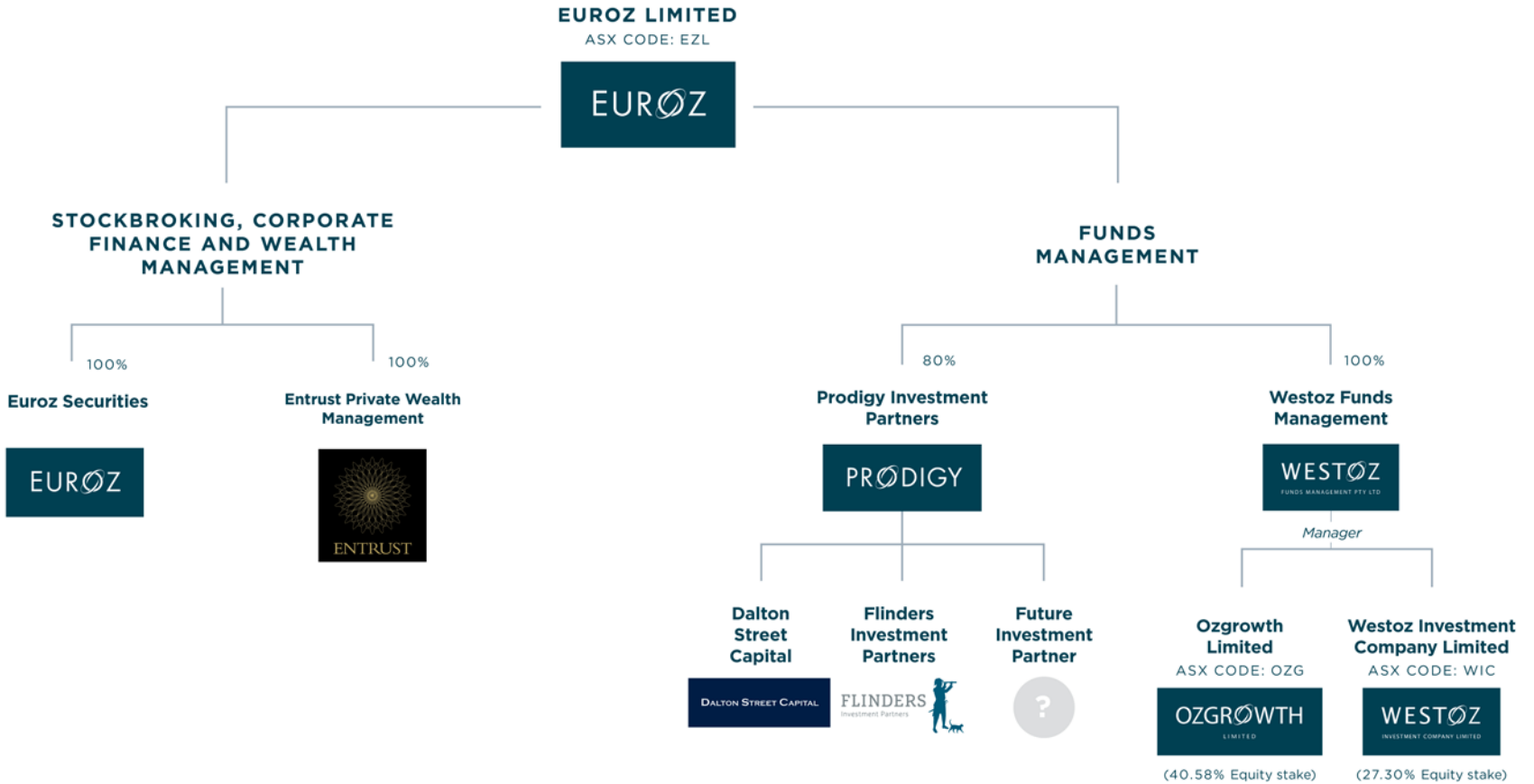
Cash & investments
increasing

\$139.4m¹

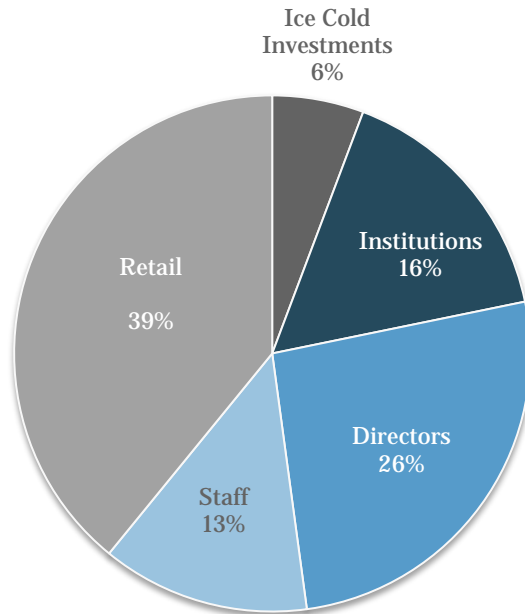


A strong platform for future diversification and growth

Note 1: As at 30 June 2018



Increasingly diversified share register

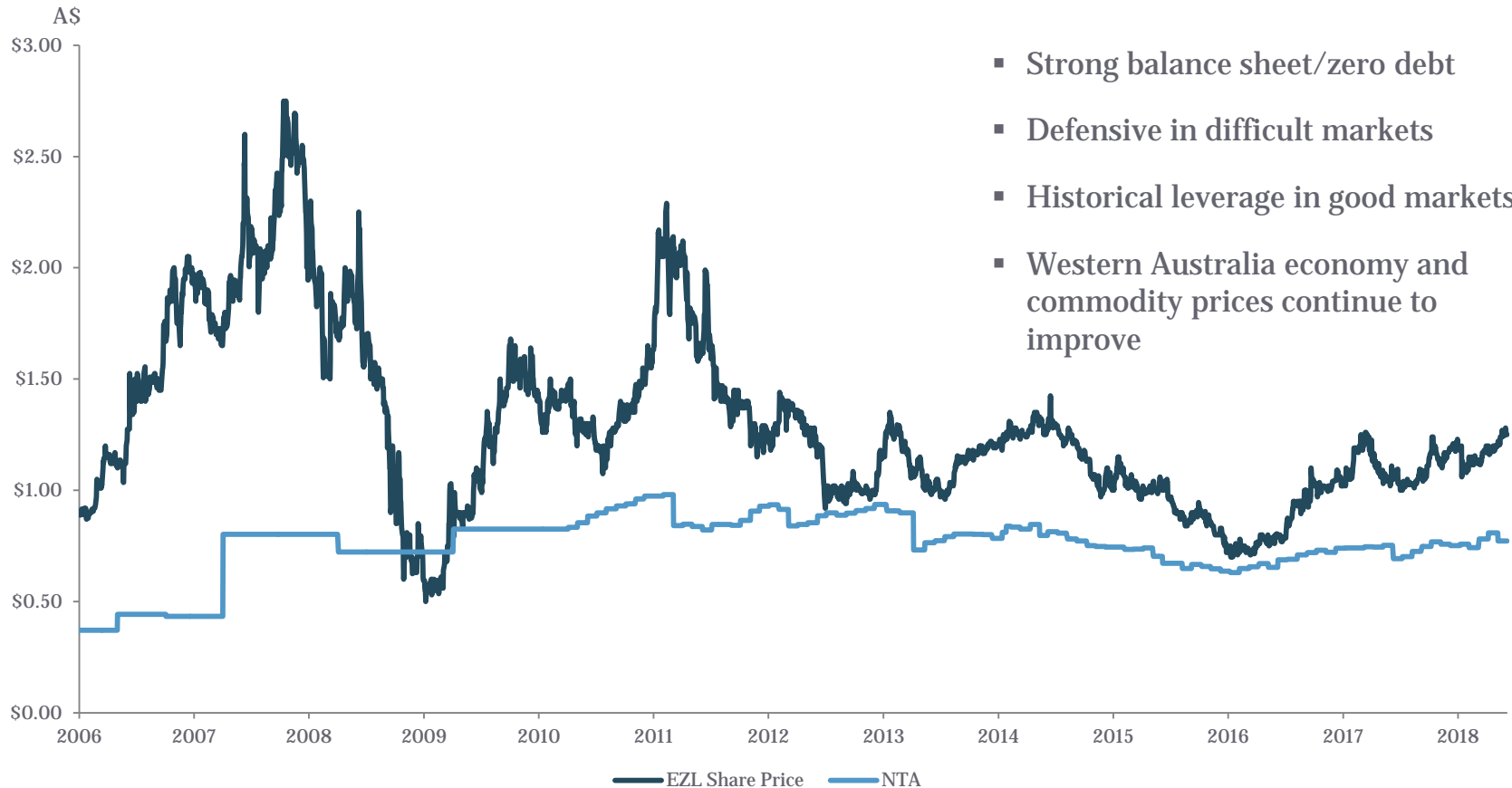


As at 30 June 2018

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

High staff ownership = strong alignment with shareholders

Solid NTA growth



Strong balance sheet /increasingly diversified revenue streams

Unaudited Full Year Result Highlights

EUROZ

Profitability driven by increases in WIC and OZG share prices, performance fee income, equity capital markets activity and growth in group FUM

WIC investment
performance

39.1%



30.7%

OZG investment
performance



Total performance
fee revenue

\$10.2m



Euroz Securities
equity raisings

\$837m

Group FUM up
\$1.46b

21.3%



Net profit after tax

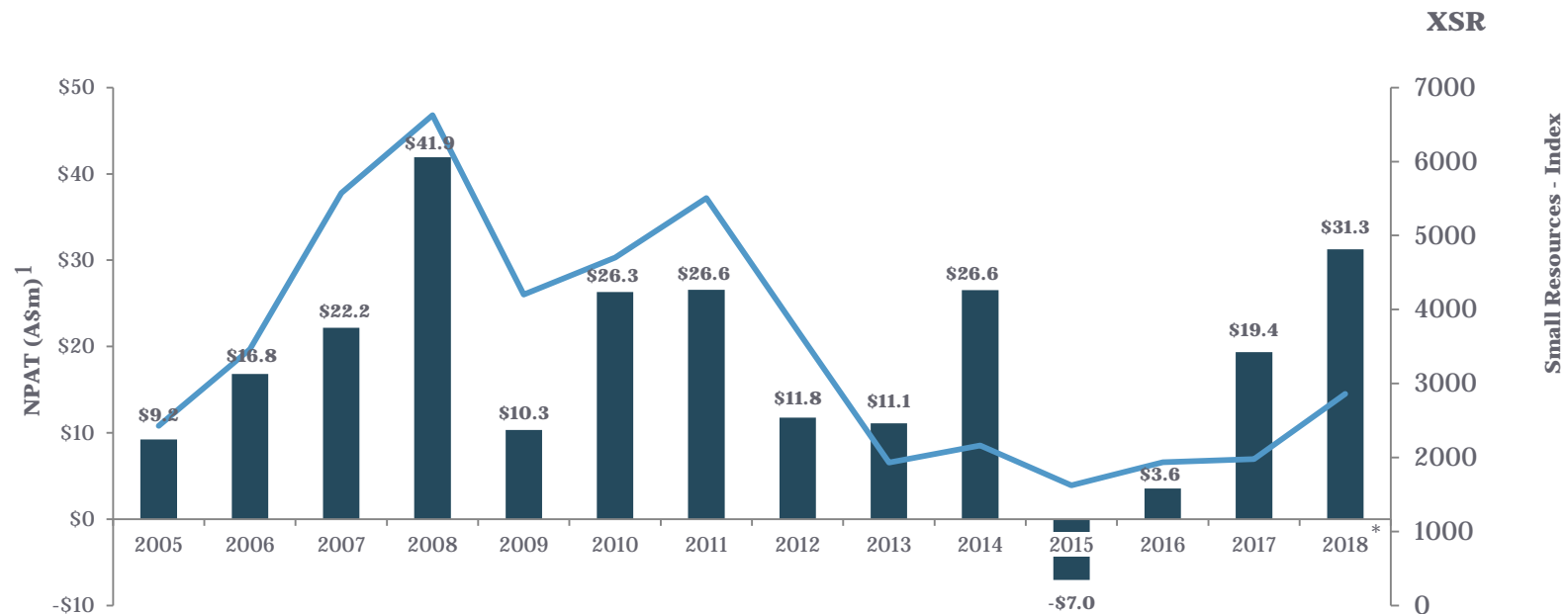
\$31.3m¹



Note 1: Attributable to members

Resource markets rebound

- Strong past correlation to resource markets (Small Resources Index)
- Strategy is to generate diverse revenue streams whilst maintaining traditional upside leverage to resource markets

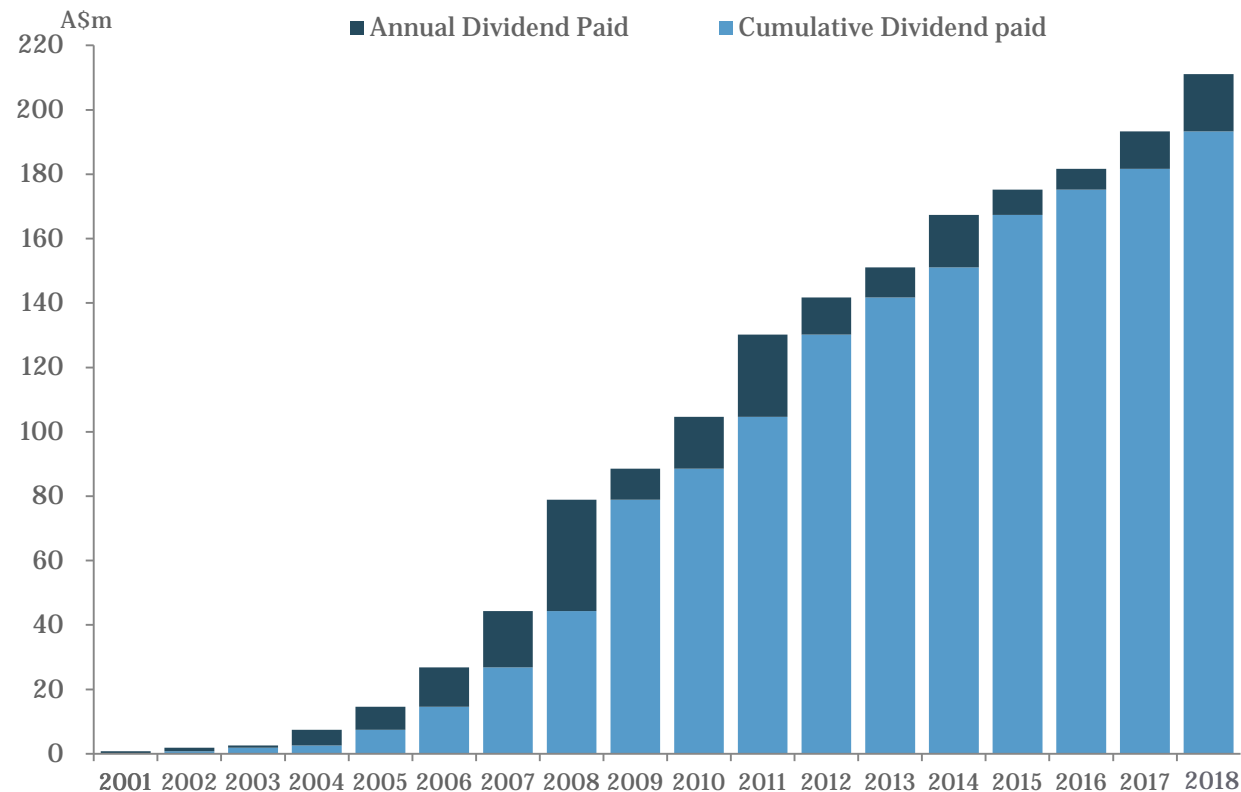


Maintain traditional strengths while building new revenue streams

*Unaudited

Note 1: Attributable to members

Euroz has paid \$211 million fully franked dividends over 18 years



Past:

- Paid \$211m dividends over 36 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 - 18 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

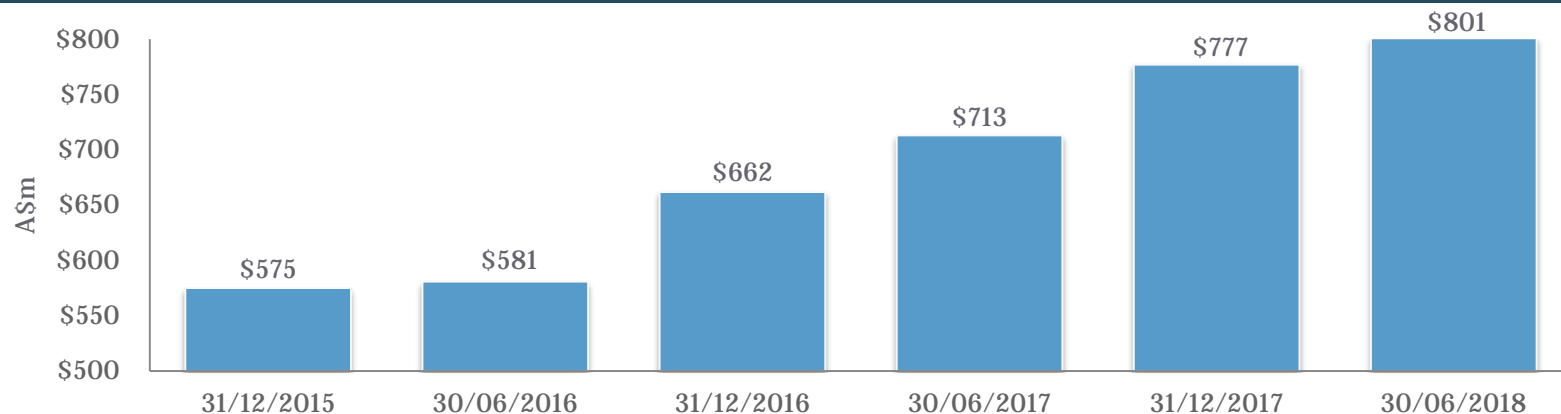
- Dominant market position in WA Equity Capital Markets (**ECM**)
- Specialised mergers and acquisitions (**M&A**) corporate advisory services

Long term strategy: Leverage deal flow in WA related companies through high quality research, dealing and corporate finance services

Entrust Private Wealth Management - 15 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 Private 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 \$801m

Entrust FUM



Long term strategy: Grow FUM through organic growth and attracting external wealth advisors to join our wealth platform

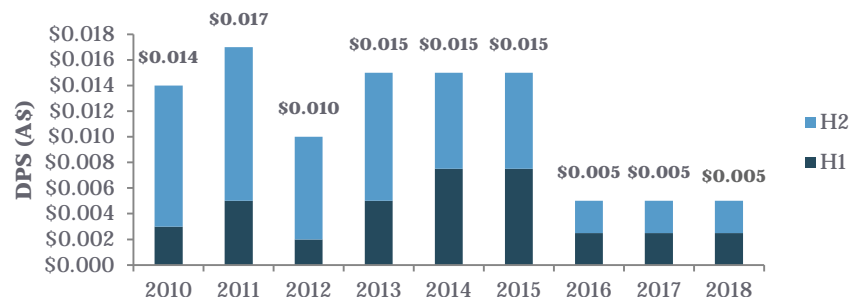
Westoz Funds Management – “Finding the Best in the West”

- 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 \$36m in dividend income to Euroz Limited since inception
- WIC and OZG have paid \$147m in fully franked dividends to shareholders since inception
- Euroz owns 27.30% of WIC and 40.58% of OZG
- WIC Gross Investment performance of 39.1% for the financial year to 30 June 2018
- OZG Gross Investment performance of 30.7% for the financial year to 30 June 2018

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

Prodigy Investment Partners – boutique funds management joint venture

- Prodigy Investment Partners (**Prodigy**) is an 80% owned joint venture between Euroz Limited and former MLC CEO Steve Tucker
- The first of these new boutique fund management partnerships was announced in July 2015 with Flinders Investment Partners (**Flinders**) and subsequently Dalton Street Capital (**DSC**) launched in May 2016
- We continue to search for new investment partners

PRODIGY
INVESTMENT PARTNERS LIMITED

FLINDERS
Investment Partners

DALTON STREET CAPITAL

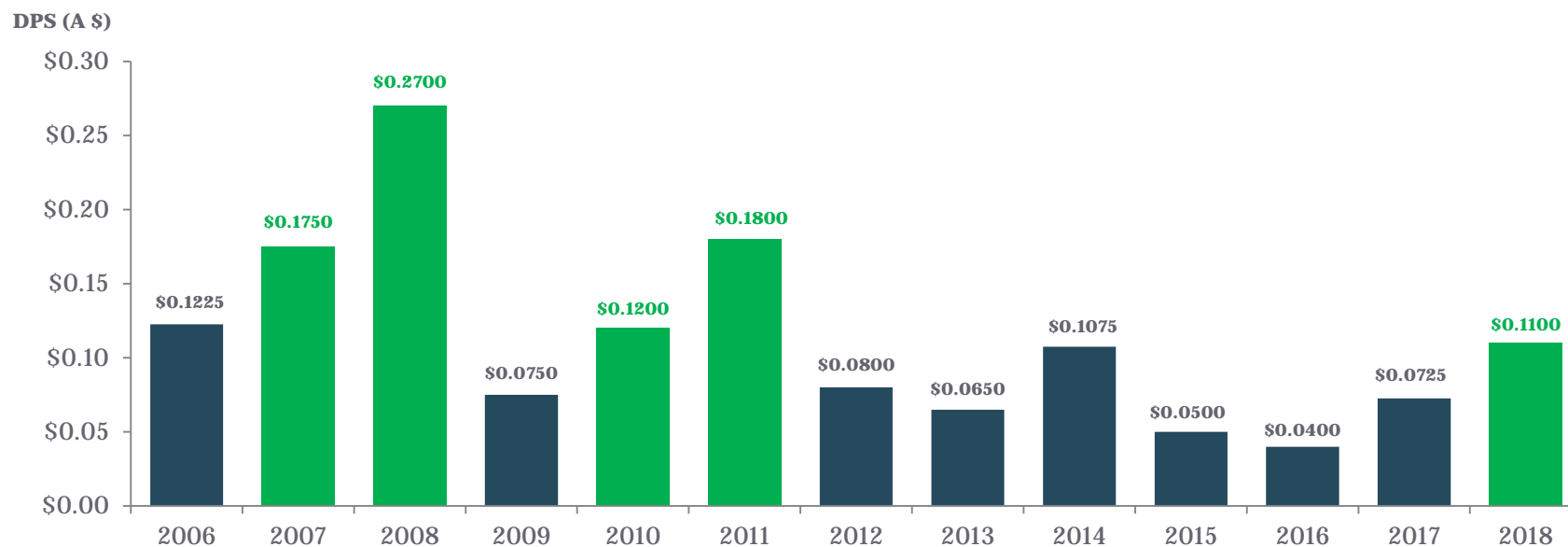
- Flinders is a specialist small companies investment manager that brings together two of Australia's most experienced small and emerging company investors Andrew Mouchacca (ex - Contango Asset Management) and Richard Macdougall (ex - Perennial Growth)
- Flinders has achieved "Investment Grade" rating from Lonsec and an "Approved" rating from Zenith.
- Strong financial year investment performance of 34.2%

- DSC's strategy is aimed at giving investors access to strong uncorrelated absolute returns through different market cycles
- The strategy has a 12-year track record of producing positive investment returns over various market cycles
- DSC is headed by Alan Sheen. Before joining Prodigy, Alan worked at Credit Suisse where he was Head of Proprietary Trading.
- DSC has achieved "Superior" fund rating from SQM Research and "Approved" from Zenith.
- Solid financial year investment performance of 18.3%

Long term strategy: provide a steady base of diverse ongoing management fee revenues with potential performance fee upside

Dividend drivers

- The major driver of past dividends have been corporate finance fees (ECM and M&A) and funds management performance fees (WIC and OZG)
- ECM and performance fees have typically occurred together in strong resource markets (2007, 2008, 2010, 2011 and 2018)



Strategy: Grow the base level of dividends by building more diverse recurring revenue streams while maintaining exposure to an increased range of high impact performance and transactional fees

Improving balance sheet

- Strong balance sheet/zero debt
- Deploying modest capital into Prodigy
- Market Valuation: \$54- \$62m enterprise value.

	Cost	Market	Look through value ¹
Westoz	\$39.0m	\$41.4m	\$43.6m
Ozgrowth	\$27.7m	\$26.1m	\$31.8m
Flinders Investment Partners	\$7.2m	\$8.8m	\$8.8m
Dalton Street Capital	\$5.0m	\$5.1m	\$5.1m
Other Investments	\$11.2m	\$13.5m	\$13.5m
Cash ²	\$44.4m	\$44.4m	\$44.4m
Total	\$134.5m	\$139.3m	\$147.3m
<i>NTA</i>		<i>\$0.77</i>	<i>\$0.82</i>
Market Capitalisation (\$1.25/share) ³		\$201m	\$201m
Enterprise Value		\$62m	\$54m

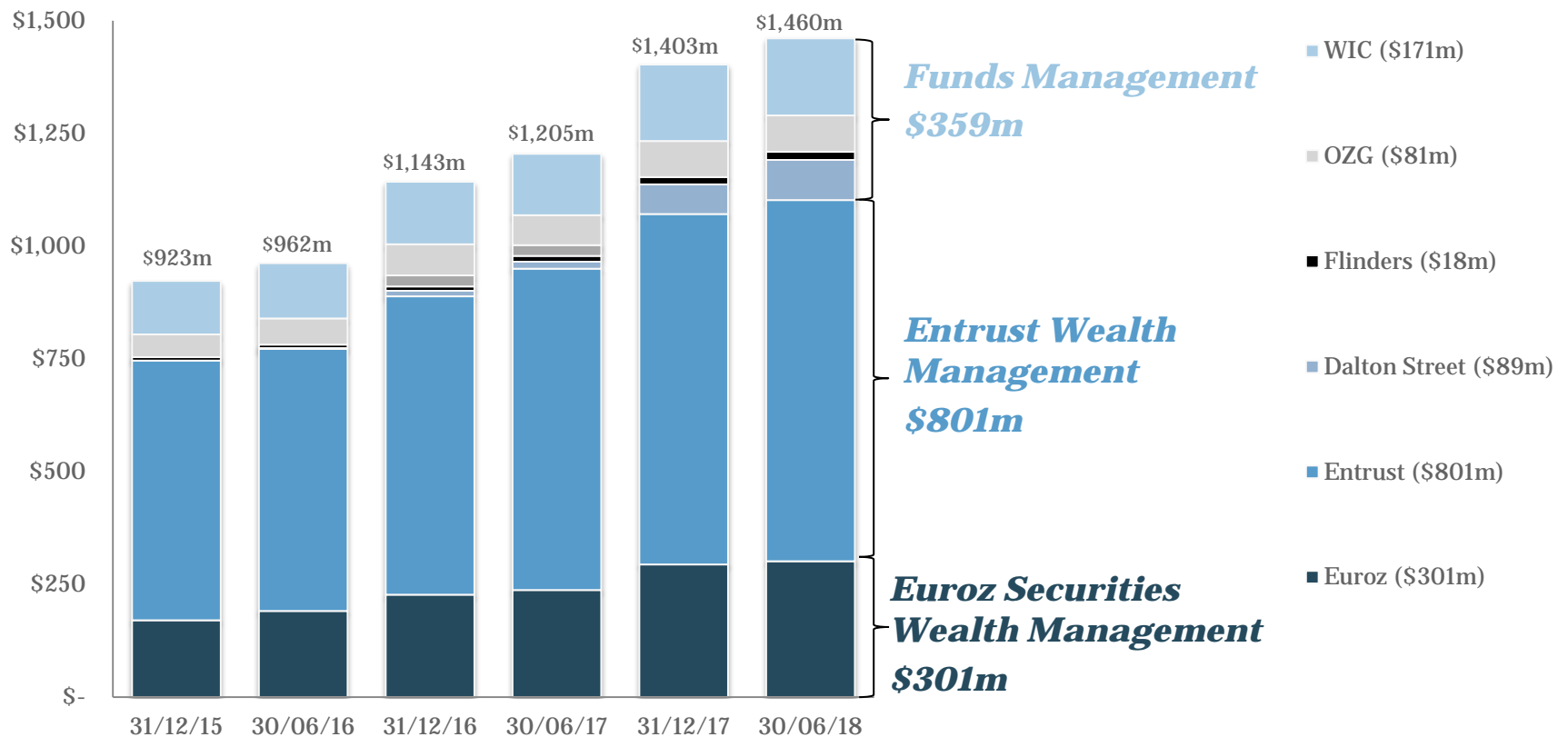
Note 1: WIC and OZG valued at NTA

Note 2: Pre dividend

Note 3: As at 30 June 2018

Funds Under Management

Strong organic FUM growth from a diverse range of businesses



Group FUM of \$1.46 billion

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

Highlights

- An improved second half (2H) driven by strong ECM activity
- Wealth Management FUM now over \$1.1 billion
- Solid Dalton Street Capital FUM growth

Euroz Securities

- Positive resource sentiment continues
- Strong 2H ECM activity (\$837m total raisings)
- FUM \$301m



Entrust Private Wealth Management

- Profitability improving with increased scale
- Acquisitions continue to be evaluated
- FUM \$801m

Westoz Funds Management

- Excellent investor returns
- WIC 39.1% gross investment performance for FY'18 /FUM \$171m
- OZG 30.7% gross investment performance for FY'18 /FUM \$81m

As at 30 June 2018



PRODIGY
INVESTMENT PARTNERS LIMITED

Prodigy Investment Partners

- Sales team making good inroads into retail platform market
- Excellent Dalton Street Capital progress / strong investor engagement
- Building good relationships with consultants and platforms
- Searching for new investment partners



FLINDERS
Investment Partners

Flinders Investment Partners

- Strong gross investment performance (FY 34.2%)
- \$18m FUM
- Approaching 3 year track record
- Zenith and Lonsec research ratings



DALTON STREET CAPITAL

Dalton Street Capital

- Positive consultant & investor engagement
- Solid gross investment performance (FY 18.3%)
- Zenith and SQM research ratings
- Consistent FUM growth to \$89m

As at 30 June 2018

Euroz is a growing and diversified financial services company

Excellent full
year result and
dividend

WA economy &
commodity
prices
improving



Group FUM up
\$1.46b

21.3%



A robust &
growing balance
sheet



Diversification
strategy

Established track
record provides
solid platform
for growth

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

Thank you

Euroz Limited
Level 18 Alluvion
58 Mounts Bay Rd
Perth Western Australia 6000

euroz.com

EUROZ