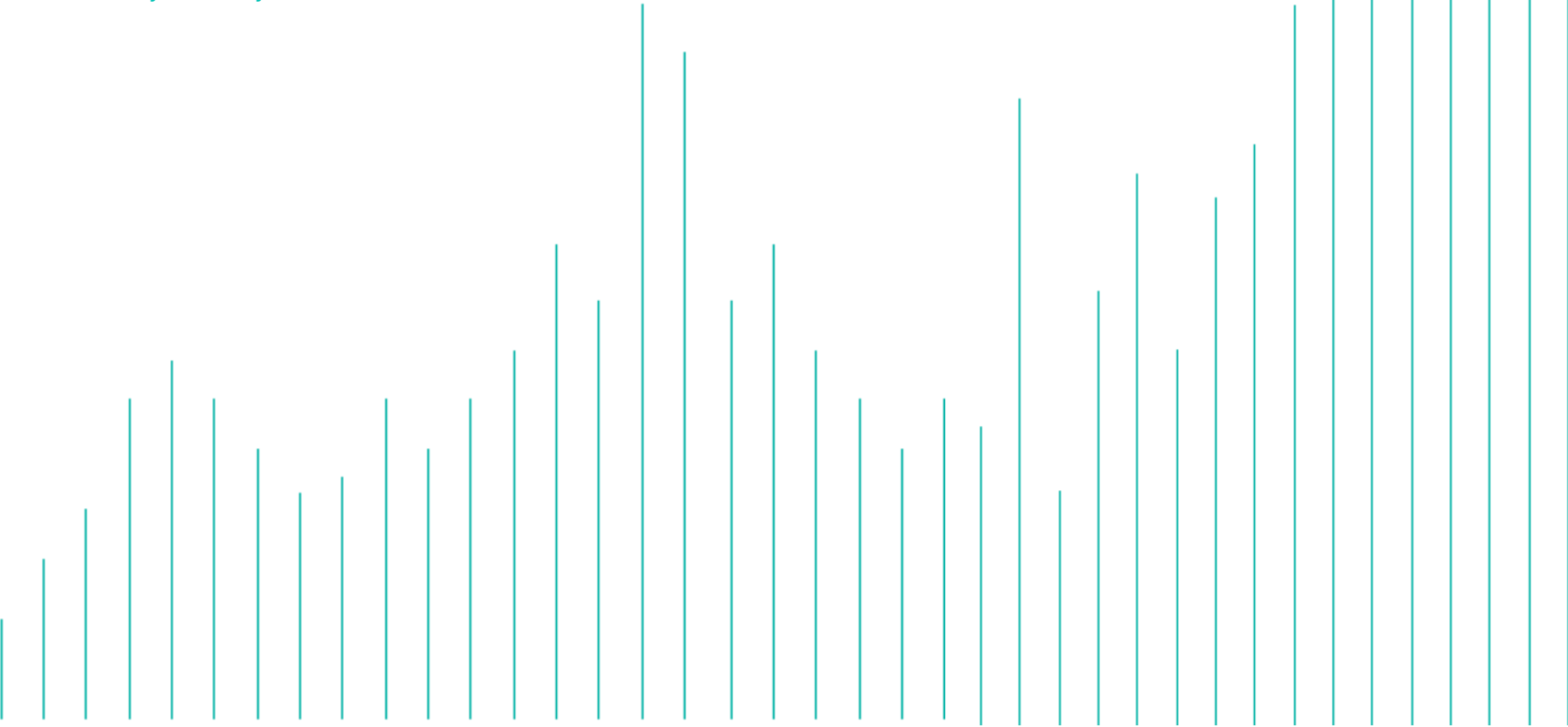


# BELL FINANCIAL GROUP (ASX:BFG)

Wednesday 29 May 2024



Bell Potter Securities Ltd

**BELL POTTER** **BELL FX**

Bell Potter Capital Ltd

**BELL POTTER CAPITAL**

Third Party Platform Pty Ltd

**belldirect** > **desktopbroker** >

**belldirect** >  
**ADVANTAGE**

**BELL POTTER ONLINE**

**TANDEM SECURITIES**

**BELL FINANCIAL GROUP**

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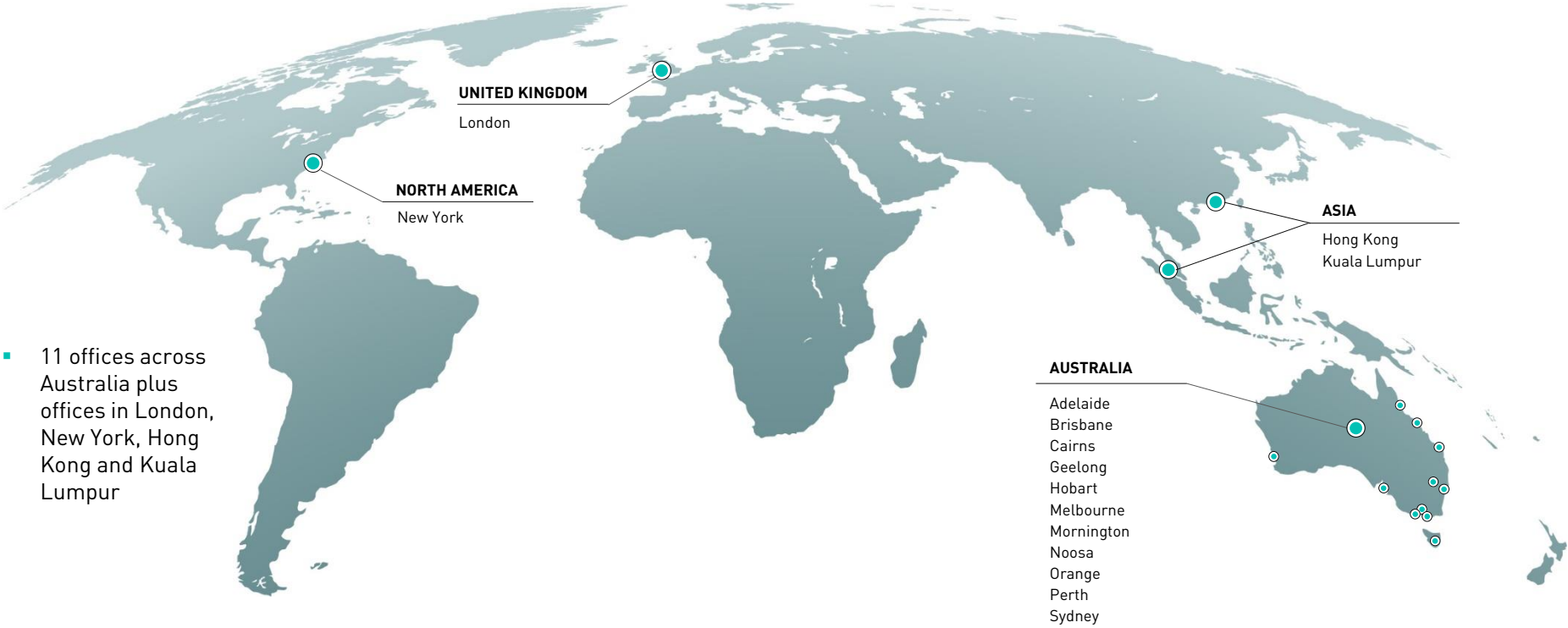
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**BELL FINANCIAL GROUP**

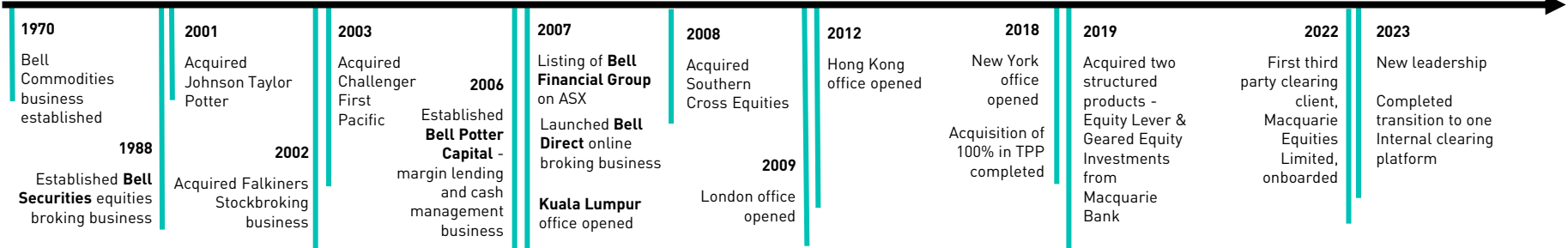
- 1 Bell Financial Group
- 2 Corporate Structure
- 3 Strategy
- 4 Group Financial Summary

# BELL FINANCIAL GROUP

Bell Financial Group is a leading Australian financial services business



- 11 offices across Australia plus offices in London, New York, Hong Kong and Kuala Lumpur



# LEADERSHIP

A professional Board with a deep industry understanding and decades of experience

- A deliberately flat management structure that is experienced, stable and has a substantial shareholding in the business
- Alastair Provan retired in November last year from his role as Executive Chairman and remains as a Non-Executive Director
- Arnie Selvarajah and Dean Davenport have been appointed Group Co-CEOs

## BELL FINANCIAL GROUP BOARD

**Brian Wilson AO**  
Independent Chairman  
+40 years' industry  
experience

**Alastair Provan**  
Non-Executive Director  
+35 years' industry  
experience

**Graham Cubbin**  
Non-Executive Director  
+20 years' industry  
experience

**Christine Feldmanis**  
Non-Executive Director  
+30 years' industry  
experience

**Andrew Bell**  
Non-Executive Director  
+40 years' industry  
experience

## BUSINESS LEADERS

**Dean Davenport**  
Co-Chief Executive Officer  
+25 years' industry  
experience

**Arnie Selvarajah**  
Co-Chief Executive Officer  
+25 years' industry  
experience

**James Unger**  
Head of Corporate Finance  
+25 years' industry  
experience

**Dean Surkitt**  
MD of Retail Equities  
+35 years' industry  
experience

**James Gordon**  
Head of Australian  
Institutional Broking  
+25 years' industry  
experience

**Lee Muco**  
CEO of TPP  
+20 years' industry  
experience

**Rowan Fell**  
CEO of  
Bell Potter Capital  
+35 years' industry  
experience

**Joe Tillig**  
Chief Technology Officer  
25+ years' industry  
experience

# CORPORATE STRUCTURE & BUSINESS DIVISIONS

A highly diversified financial services and wealth management business

## BROKING RETAIL & INSTITUTIONAL

Bell Potter Securities Ltd

**BELL POTTER**

**BELL FX**

- Retail and Institutional Equities
- Equity Capital Markets
- International Equities
- Foreign Exchange
- Fixed Income

## PRODUCTS & SERVICES

Bell Potter Capital Ltd

**BELL POTTER CAPITAL**

**TANDEM CAPITAL**

- Margin Lending
- Structured Products
- Bell Client Funds at Call
- Portfolio Administration
- Superannuation

## TECHNOLOGY & PLATFORMS

Third Party Platform Pty Ltd

**belldirect** >

belldirect >  
**ADVANTAGE**

**desktopbroker** >

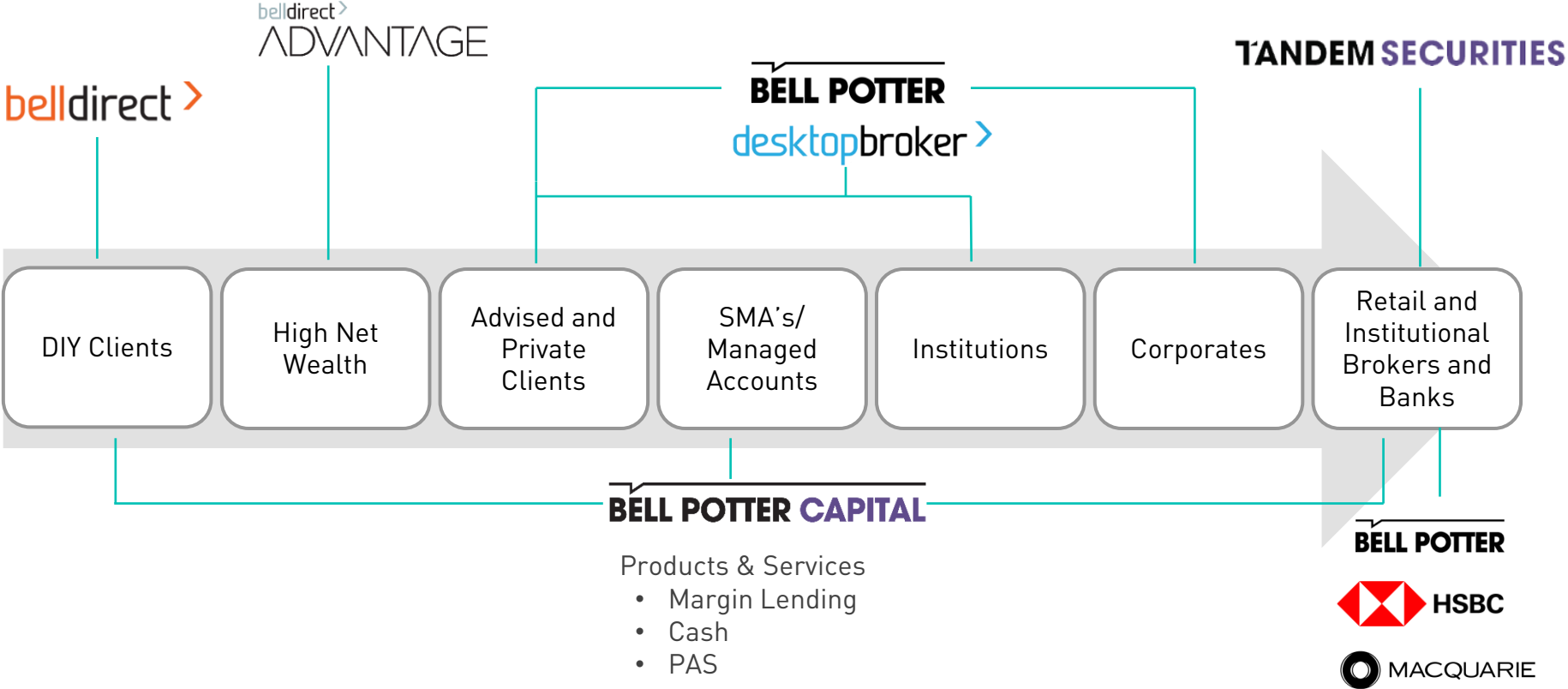
**BELL POTTER ONLINE**

**TANDEM SECURITIES**

- Retail Online Broking
- Wholesale Online Broking
- Institutional Online Broking
- Third Party Clearing

# STRATEGY

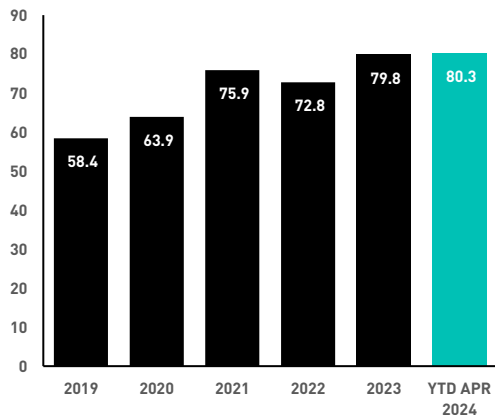
A diversified wealth management business



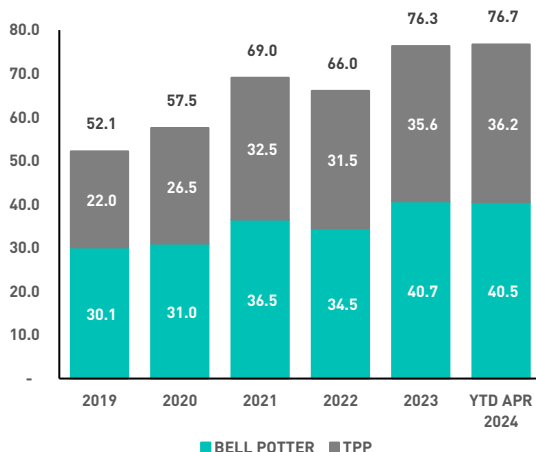
# GROWING FUNDS UNDER ADVICE

Funds Under Advice including Portfolio Administration Services (PAS), Superannuation Assets, CHESS Sponsored Holdings and the Bell Potter Capital margin loan book continue to grow, and are at record highs

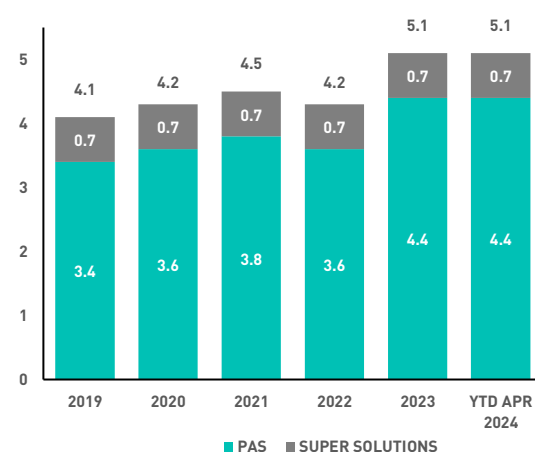
FUNDS UNDER ADVICE (\$B)



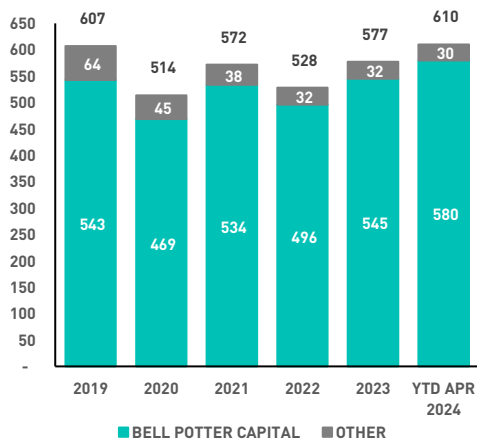
CHESS SPONSORED HOLDINGS (\$B)



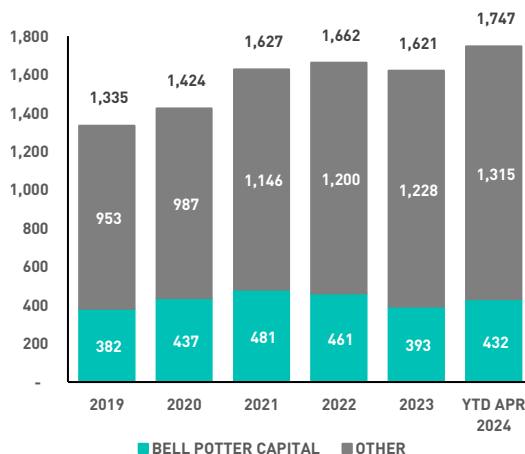
FUA - PAS AND SUPERANNUATION ASSETS (\$B)



MARGIN LOANS (\$M)



CLIENT FUNDS AT CALL (\$M)

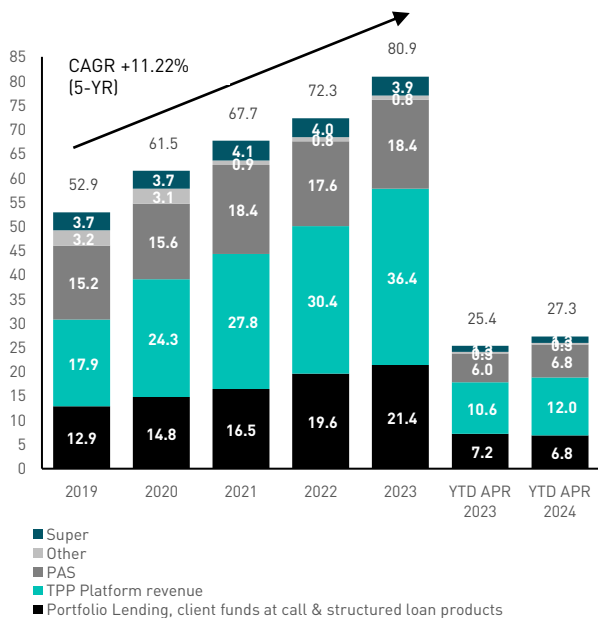


# BUILDING RECURRING REVENUES

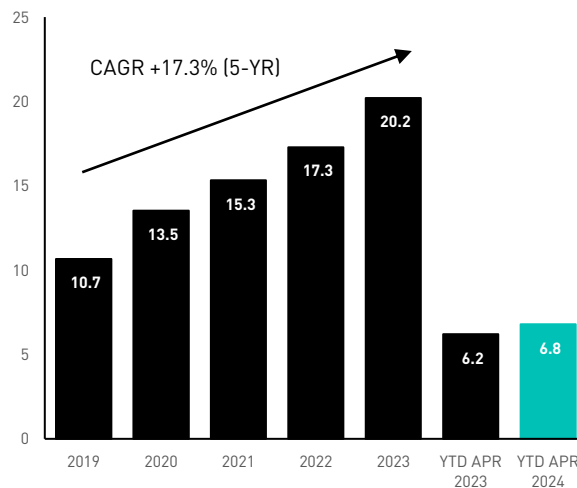
Our investment in Technology & Platforms and Products & Services creates the foundations for ongoing growth

- Our Technology & Platforms and Products & Services businesses have delivered revenue and earnings growth for 10 consecutive years. We expect this to continue
- In 2023 their combined contribution represented 32.8% of Group revenue, and 83% of Group profit
- These businesses are now at a scale where revenue growth contributes significantly to Group earnings
- They provide relatively stable, recurring revenues through the market cycle
- Approximately 10% of Group Funds Under Advice, \$8.1 billion, currently use our products and services, with opportunity for further expansion

**TECHNOLOGY & PLATFORMS AND PRODUCTS & SERVICES REVENUE BREAKDOWN (\$M)**



**TECHNOLOGY & PLATFORMS AND PRODUCTS & SERVICES PROFIT AFTER TAX (\$M)**





# DEVELOPMENT OF PEOPLE, TECHNOLOGY AND PRODUCTS

Unlocking growth potential by focusing on people, technology and products

## People

- Evaluating opportunities to grow our team through both internal and external channels
- Developing our next generation of Advisers and Managers
- Building on relationships across our broad client base, that includes internally advised clients, brokers, corporates, institutional clients, DIY investors, and externally advised clients

## Technology

- Taking advantage of our market-leading proprietary technologies to capitalise on new opportunities
- Operating through a single integrated end-to-end platform creates scale, reliability and delivers cost efficiencies resulting in improved margins
- Ongoing investment in our cybersecurity posture, ensuring our technology platform and systems remain secure

## Products

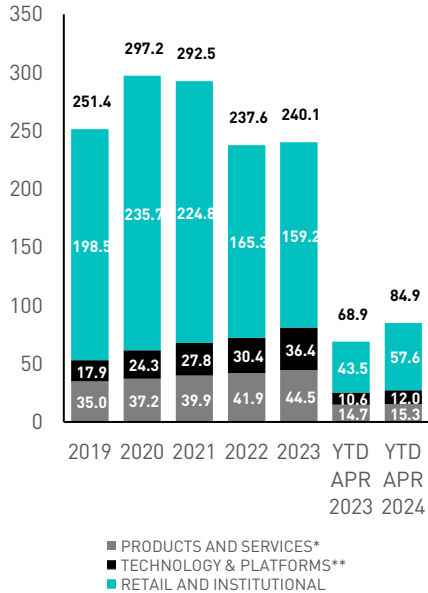
- Expanding the distribution of our products and services both internally and externally
- Exploring both internal and external growth opportunities, new product and service offerings

# GROUP FINANCIAL SUMMARY

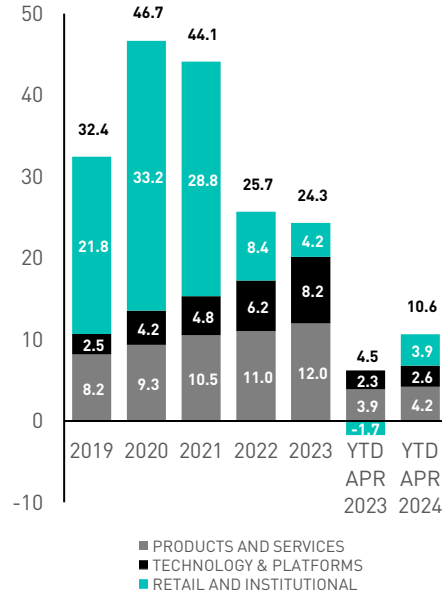
## Solid earnings underpinned by recurring revenues

- Positive market momentum in the final quarter of 2023 has carried into 2024 giving us a strong start to the year
- Revenue and earnings continue to grow in our Technology & Platforms and Products & Services businesses

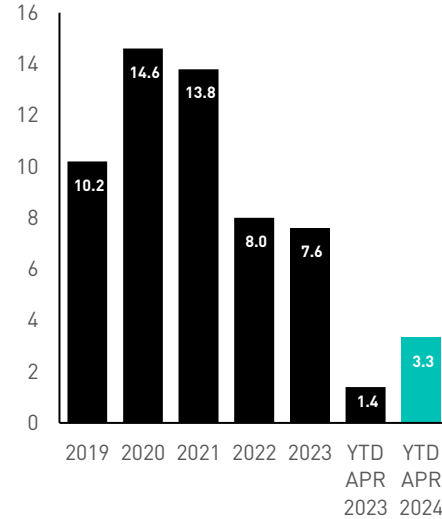
### REVENUE (\$M)



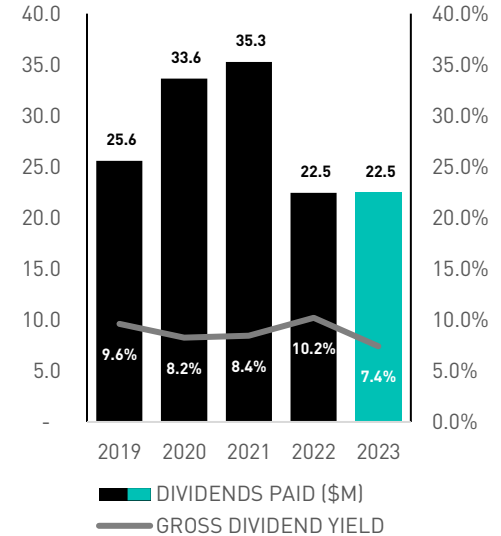
### PROFIT AFTER TAX (\$M)



### EARNINGS PER SHARE (CENTS)



### DIVIDEND PAID (\$M) AND GROSS DIVIDEND YIELD (%)



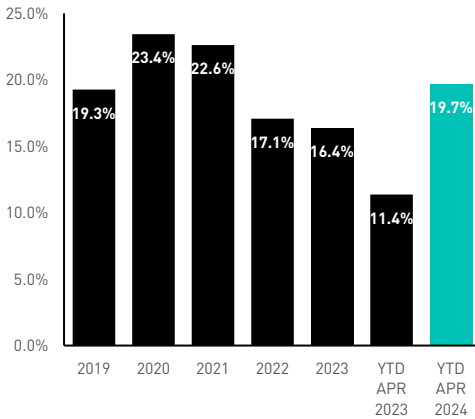
\* Based on Bell Potter Capital net interest revenue.

\*\* Includes clearing revenue paid by Bell Potter Securities and product fees paid by Bell Potter Capital.

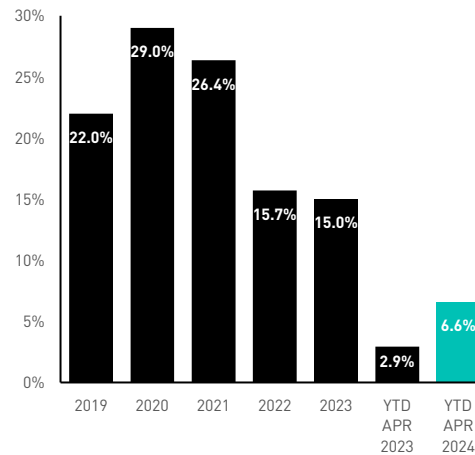
# GROUP FINANCIAL SUMMARY (cont'd.)

The Group is in a strong financial position, with a solid cash-backed balance sheet

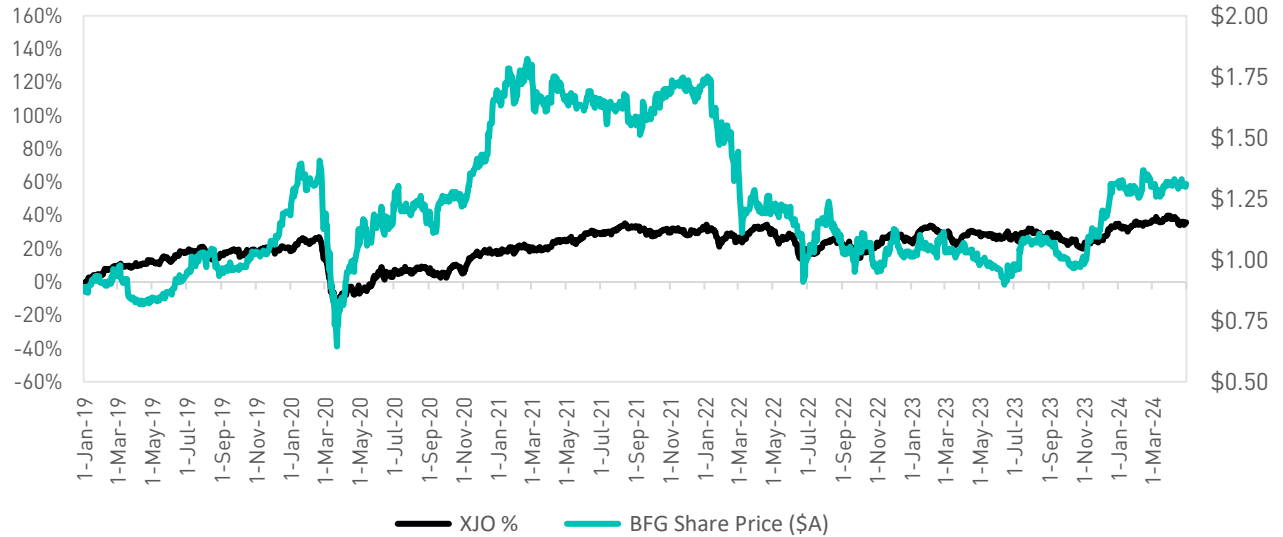
## EBITDA MARGIN



## RETURN ON EQUITY



## BFG Share Price Movement January 2019 - April 2024



## Key Financials

A solid cash-backed balance sheet with \$99 million net cash at 30 April.

	\$M		
<b>Cash</b>	99	<b>Market capitalisation</b>	\$433m
<b>Net assets</b>	233.6	<b>EV/EBITDA multiple<sup>1</sup></b>	11.2x
<b>Net tangible assets</b>	87.6	<b>Dividend yield (gross)<sup>2</sup></b>	7.4%
		<b>Price earnings ratio (PE)<sup>3</sup></b>	17.8x

<sup>1</sup> based on 12 month EBITDA to 31 December 2023, and BFG share price at 31 December 2023.

<sup>2</sup> based on interim 2023 dividend paid and final 2023 dividend payable, divided by BFG share price at 31 December 2023.

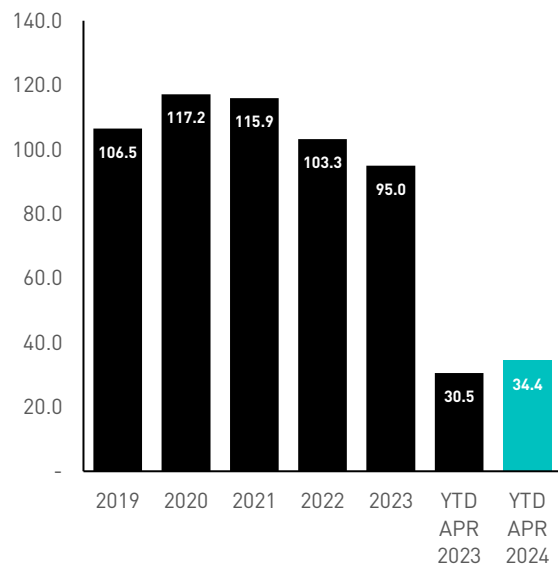
<sup>3</sup> based on market capitalisation at 31 December 2023 and 12 month earnings to 31 December 2023.

# BROKING – RETAIL & INSTITUTIONAL

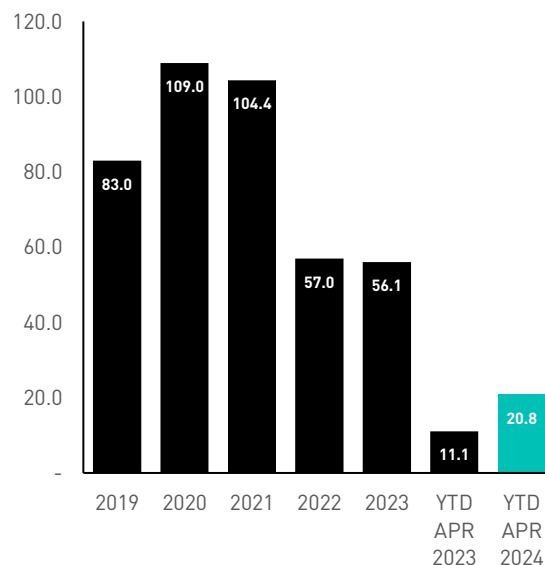
Leveraged to markets

- 300 Financial Advisers servicing retail, wholesale and institutional client accounts
- Successfully executed 87 ECM transactions across 2023, raising more than \$1.9 billion in equity capital
- Our ECM team is a market leader in the Small and Mid-Cap segment of the Australian market

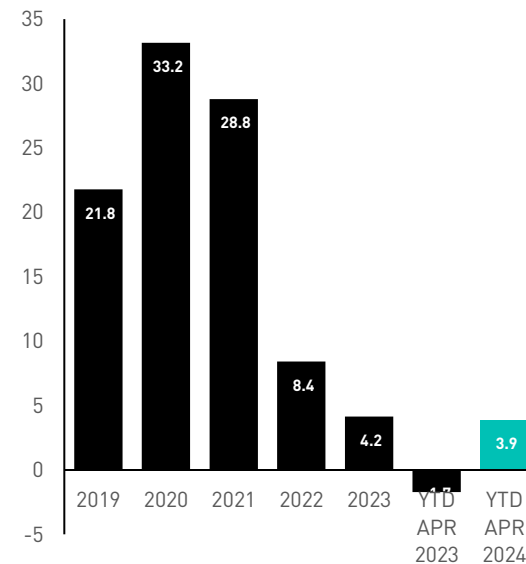
RETAIL & INSTITUTIONAL BROKERAGE (\$M)



ECM AND SYNDICATION REVENUE (\$M)



PROFIT AFTER TAX (\$M)



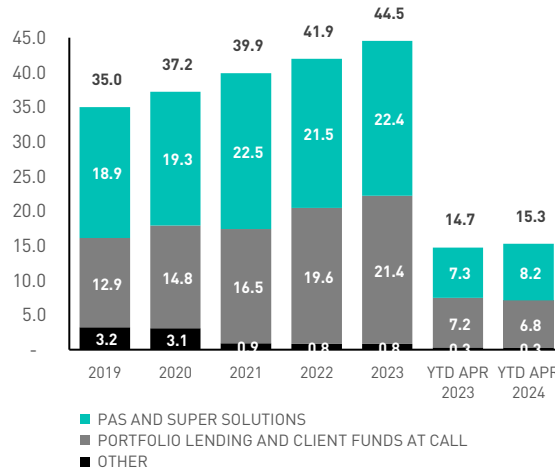
# PRODUCTS & SERVICES

Leveraged to distribution

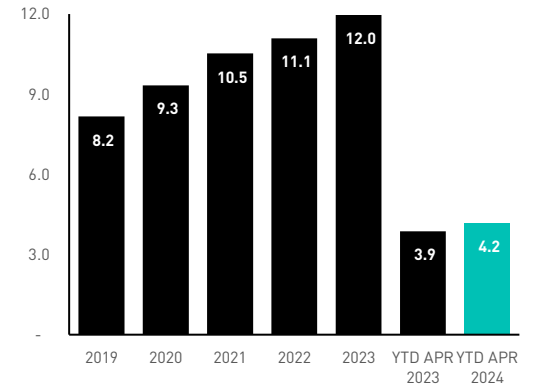
**Products & Services revenue and earnings have grown consistently over an extended period**

- \$44.5 million in Revenue in 2023
- \$12 million Profit After Tax in 2023
- \$580 million loan book
- \$432 million client funds at call
- \$5.1 billion in PAS and Superannuation assets

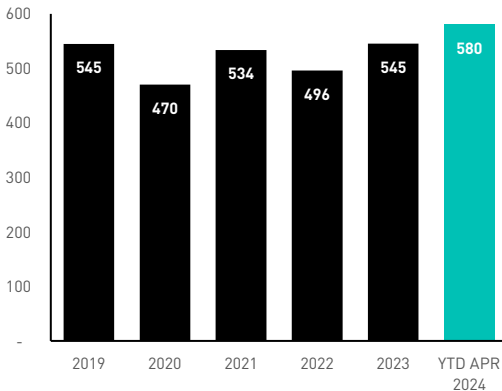
**REVENUE (\$M)**



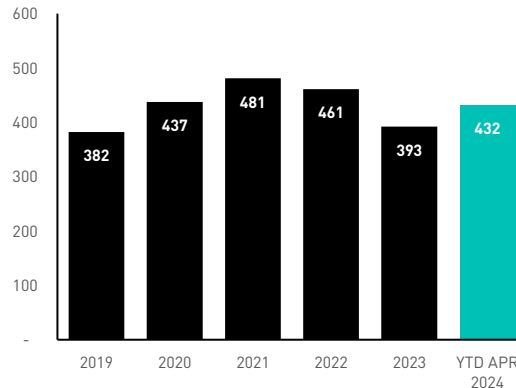
**PROFIT AFTER TAX (\$M)**



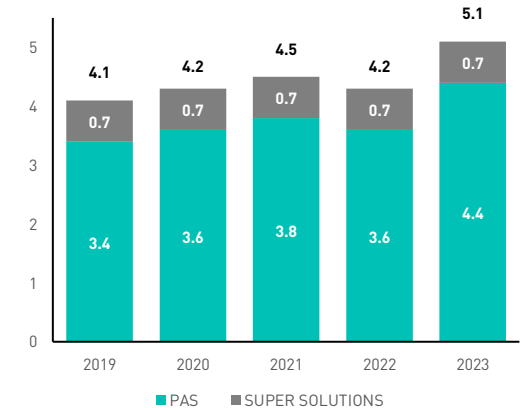
**LOAN BOOK (\$M)**



**BELL FINANCIAL TRUST (\$M) CLIENT FUNDS AT CALL**



**FUA - PAS AND SUPERANNUATION ASSETS (\$B)**





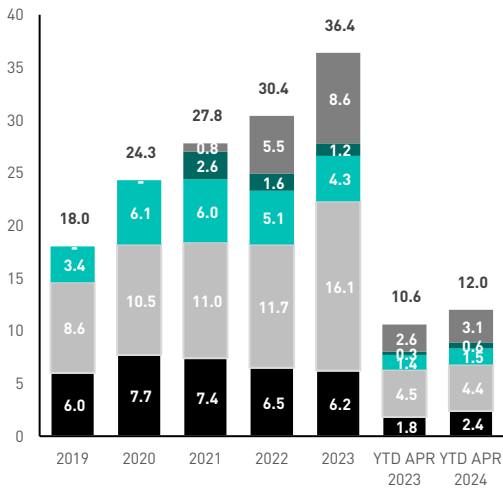
# TECHNOLOGY & PLATFORMS

Leveraged to scale

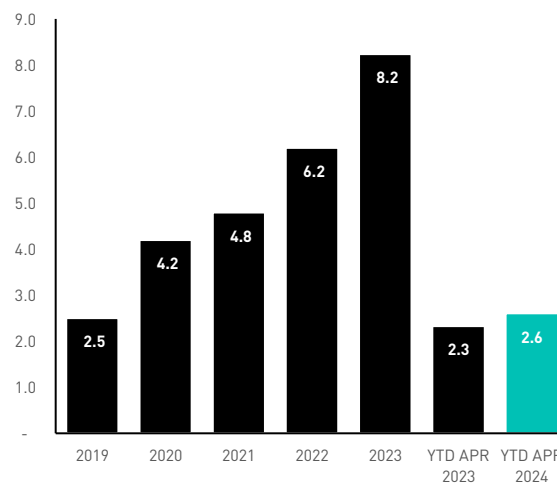
**Our Technology & Platforms business continues to deliver consistent growth in revenue, profit and sponsored holdings**

- \$36.4 million in Revenue in 2023
- \$8.2 million Profit After Tax in 2023
- \$36.2 billion in Sponsored Holdings

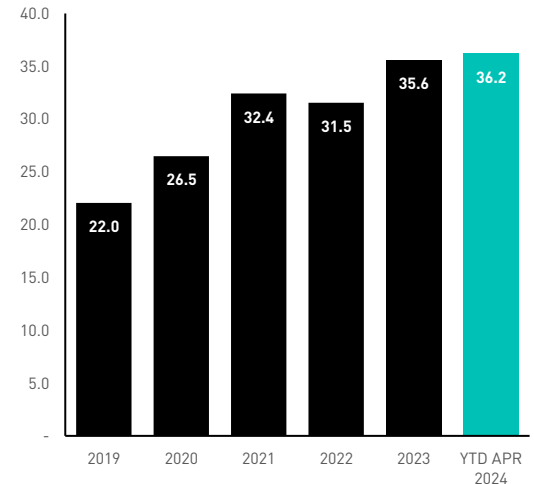
REVENUE (\$M)



PROFIT AFTER TAX (\$M)



SPONSORED HOLDINGS (\$B)



- DESKTOP BROKER
- BELL DIRECT
- WHITE LABEL
- BELL DIRECT ADVANTAGE
- THIRD PARTY CLEARING

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