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# BELL FINANCIAL GROUP

19 April 2023

ASX Market Announcements Office  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

## **2023 AGM – EXECUTIVE CHAIRMAN’S PRESENTATION**

Please find attached a copy of the presentation to be given by the Executive Chairman at Bell Financial Group Limited’s Annual General Meeting today.

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This announcement was authorised for release by the Executive Chairman.



# 2023 ANNUAL GENERAL MEETING

Wednesday 19 April 2023



# AGENDA

BELL FINANCIAL GROUP

**2022 Overview**

**2023 Market Update**

- 1** Reports for 2022
- 2** Re-election of director
- 3** Remuneration Report

# EXECUTIVE CHAIRMAN'S PRESENTATION

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**BELL FINANCIAL GROUP**

**Alastair Provan**

19 April 2023

## REVENUE

**\$237.5m**

18.7% decrease on 2021

## PROFIT AFTER TAX

**\$25.7 m**

41.8% decrease on 2021

## EARNINGS PER SHARE

**8.0¢ share**

42.0% decrease on 2021

## DIVIDEND PER SHARE

**7.0¢ share**

36.4% decrease on 2021

## DIVIDEND YIELD (GROSS)

**10.2%**

Based on the BFG share price at 31 December 2022

## RETURN ON EQUITY

**15.7%**

40.4% decrease on 2021

## EBITDA MARGIN

**17.1%**

24.3% decrease on 2021

## PE MULTIPLE

**12.2 times**

Based on the BFG share price at 31 December 2022

## BALANCE SHEET

Cash	<b>\$110.3M</b>
Net assets	<b>\$235.4M</b>
Net tangible assets	<b>\$89.8M</b>

A strong cash-backed Balance Sheet with no core debt, and \$110.3 million net cash at 31 December.

## FUNDS UNDER ADVICE

**\$72.8b**

4.1% decrease on 2021

## TECHNOLOGY & PLATFORMS AND PRODUCTS & SERVICES REVENUE

**\$72.3m**

6.9% increase on 2021 and 31% of total revenue

## SHARE PRICE

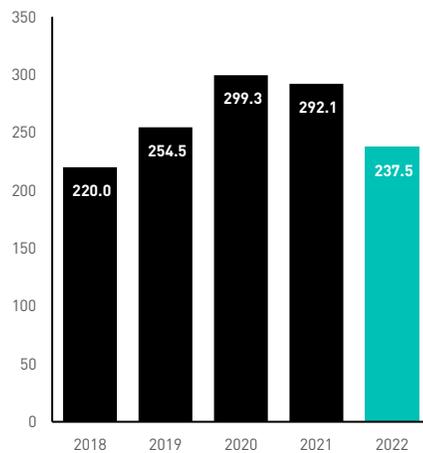
**\$0.98**

As at 31 December 2022

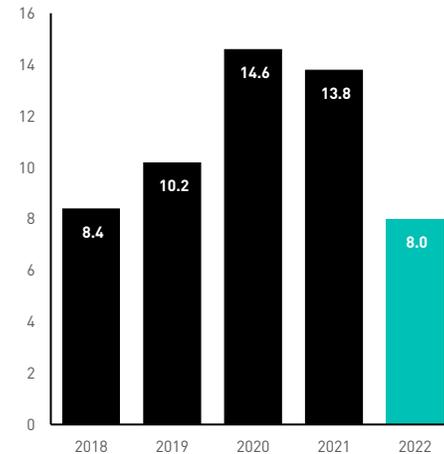
## Revenue and Earnings for 2022 directly reflect prevailing market conditions.

- 2022 revenue was down 18.7% on 2021, due in the main to lower Equity Capital Markets revenue, and to a reduction in equities execution revenue.
- 2022 Earnings Per Share (EPS) of 8.0 cents.
- 2022 Profit after Tax was \$25.7 million, down 41.8% on 2021.
- \$22.5 million in fully franked dividends were paid in 2022, representing a gross dividend yield of 10.2% (based on the 31 December 2022 BFG share price).

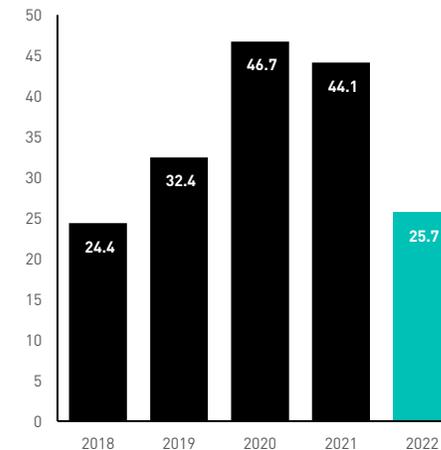
Revenue (\$M)



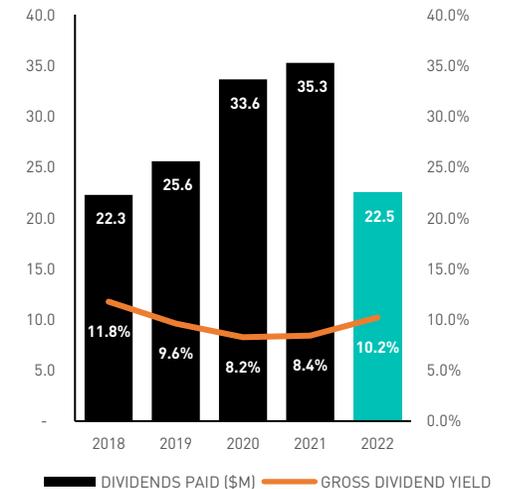
Earnings Per Share (Cents)



Profit After Tax (\$M)

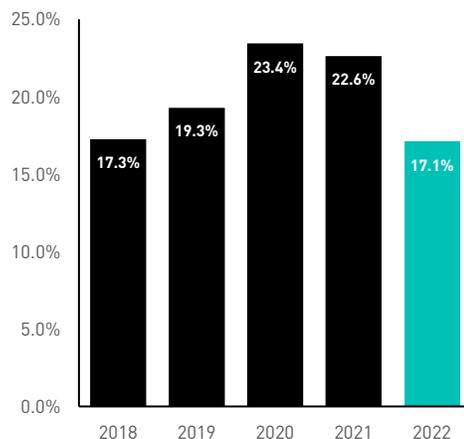


Dividend Paid (\$M) and Gross Dividend Yield (%)

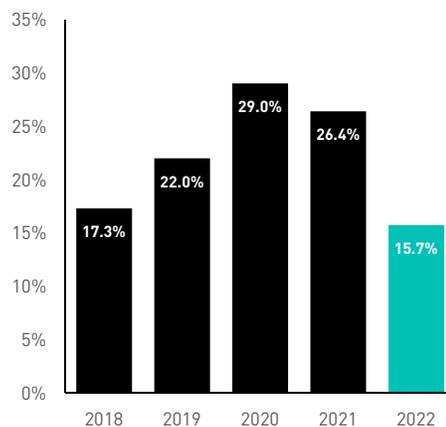


We have a solid cash-backed balance sheet with no core operating debt

## EBITDA Margin

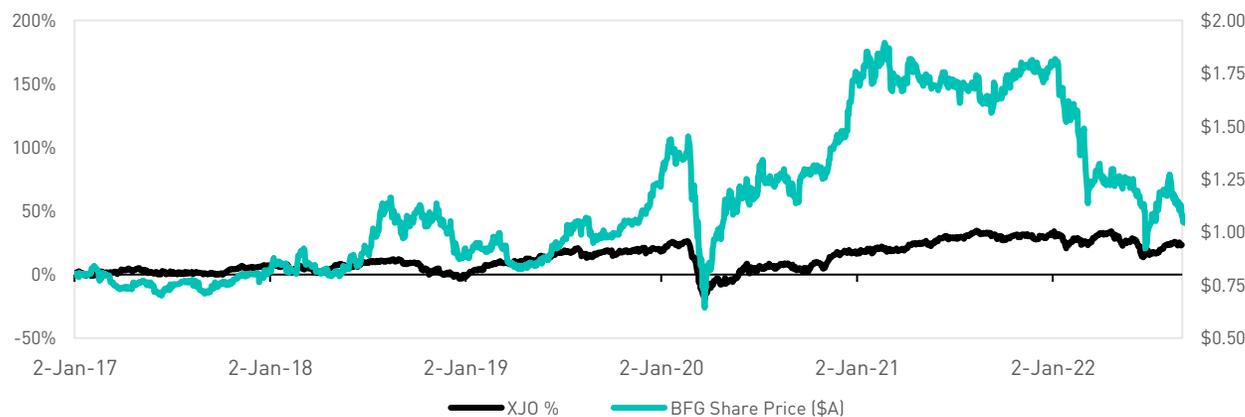


## Return on Equity



## BFG Share Price Movement

January 2017 - December 2022



## Balance Sheet

As at 31 December 2022

	\$M
Cash	110.3
Net assets	235.4
Net tangible assets	89.8

A strong cash-backed Balance Sheet with no core debt, and \$110.3 million net cash at 31 December.

Calculations are based on the BFG Share Price as at 31 December 2022: \$0.98

Enterprise Value	\$204m
Market capitalisation	\$314m
EV/EBITDA multiple <sup>1</sup>	5.8x
Dividend yield (gross) <sup>2</sup>	10.2%
Price earnings ratio (PE) <sup>3</sup>	12.2x

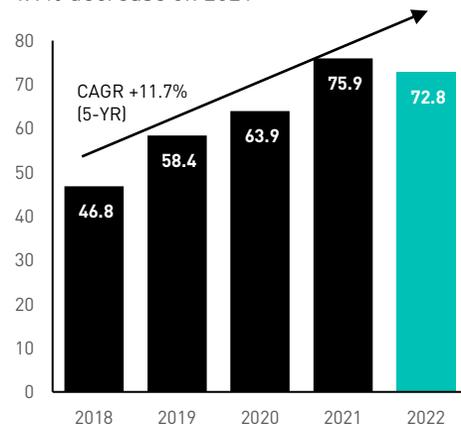
<sup>1</sup> based on 12 month EBITDA to 31 December 2021, and BFG share price at 31 December 2022.

<sup>2</sup> based on interim 2022 dividend paid and final 2022 dividend payable, divided by BFG share price at 31 December 2022.

<sup>3</sup> based on market capitalisation at 31 December 2022 and 12 month earnings to 31 December 2022.

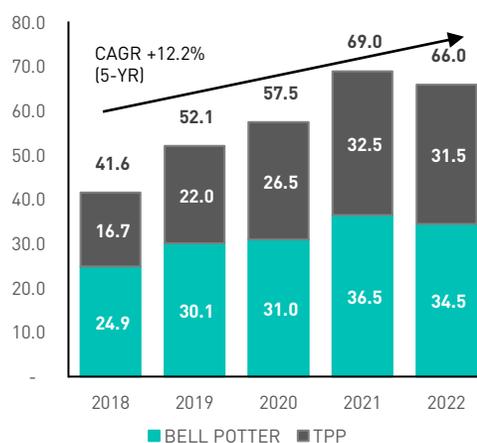
## Funds Under Advice (\$B) \*

4.1% decrease on 2021



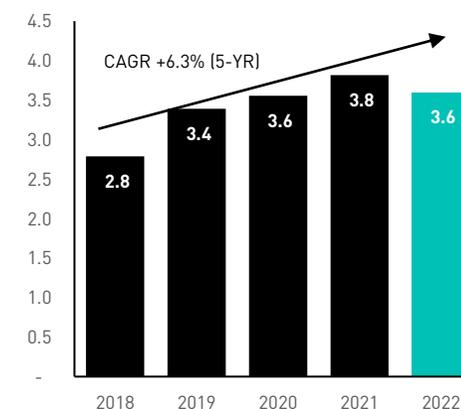
## CHESS Sponsored Holdings (\$B)

4.3% decrease on 2021



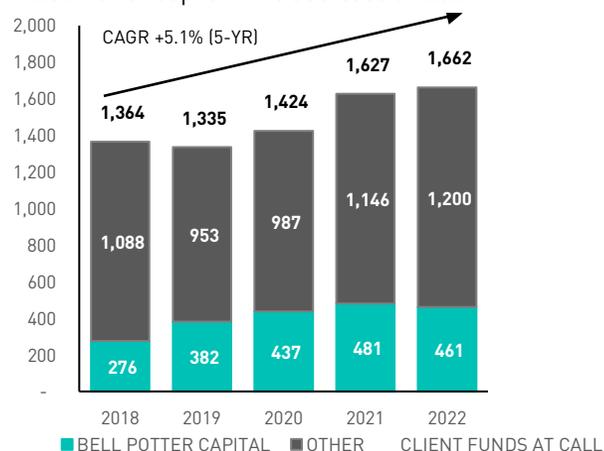
## PAS (\$B)

6.8% decrease on 2021



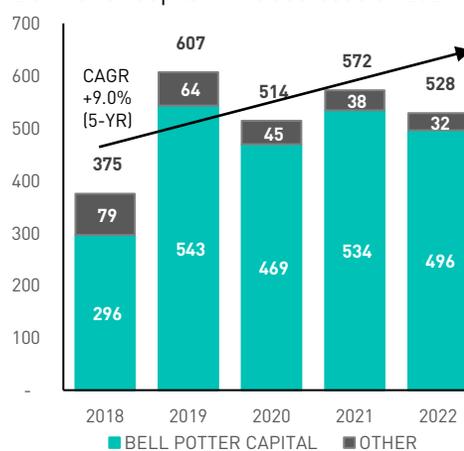
## Client Funds at Call (\$M)

Bell Potter Capital 4.1% decrease on 2021



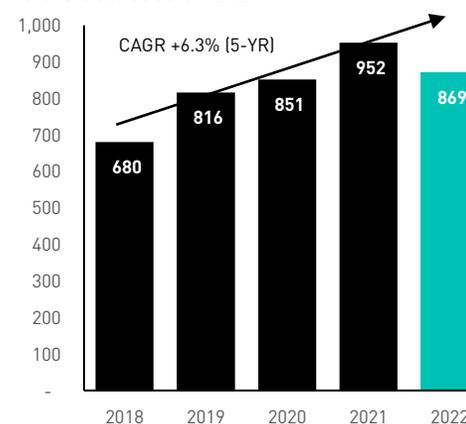
## Margin Loans (\$M)

Bell Potter Capital 7.1% decrease on 2021



## Superannuation Assets (\$M)

8.8% decrease on 2021



\* FUA decreased 4.1% for the 12 months to 31 December 2022 compared with the S&P/ASX200 benchmark down 5.5% over the same period.

## BELL POTTER

## THIRD PARTY PLATFORM

## BELL POTTER CAPITAL

### BROKING RETAIL & INSTITUTIONAL

- Retail Equities (Domestic & International)
- Institutional Equities
- 24-hour Commodities & FX Desk
- Equity Capital Markets (ECM)
- Syndication

### TECHNOLOGY & PLATFORMS

**belldirect** >

Private Client online share trading platform

**belldirect**  
ADVANTAGE

General advice High Net Worth desk

**desktopbroker** >

Wholesale & Independent Financial Advisers online share trading



**BELL POTTER ONLINE**

White label online share trading platform

### THIRD PARTY CLEARING

Third Party Clearing services

### Technology

Continuous development of proprietary software applications for TPP and the wider BFG Group.

### PRODUCTS & SERVICES

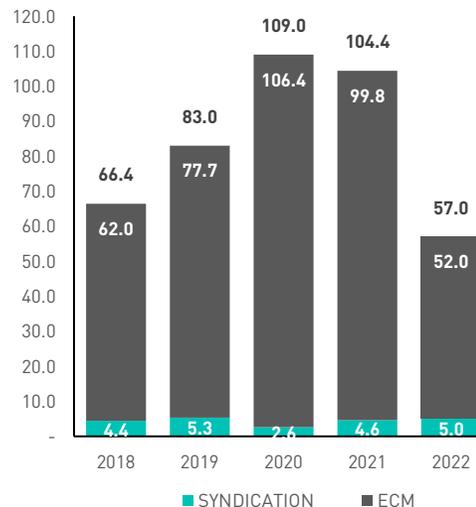
- Bell Potter Portfolio Lending
- Bell Financial Trust
- Structured Loan Products
- Portfolio Administration Service (PAS)
- Bell Potter Personal Superannuation Solutions
- Australian Equities Research

- Brokerage from our Institutional and Retail desks & Commodities and FX was \$103.3m for the year, down 10.9% on the p.c.p.
- \$57.0 million in ECM and Syndication fee income, down 45.4% on the p.c.p, a direct reflection of the domestic and global downturn in ECM transactions.
- Successfully executed 85 ECM transactions across 2022, raising in excess of \$1.9 billion in new equity capital.
- We improved our market position from 10<sup>th</sup> (2021) to 6<sup>th</sup> (2022) in the Australian Equity Capital Market league tables according to the Refinitiv 2022 Global Equity Capital Markets review.
- The decline in Profit After Tax was due in the main to lower Equity Capital Markets revenue, and to the reduction in Equities Brokerage revenue.

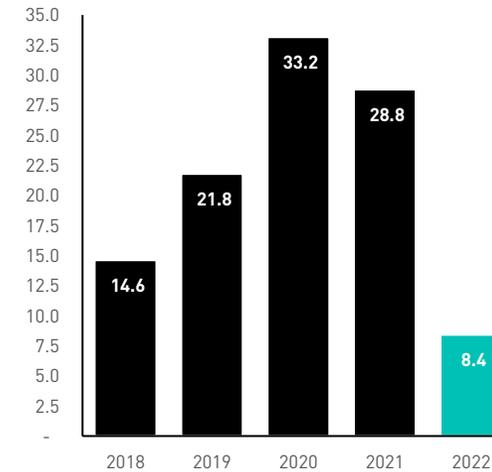
**Retail, Institutional Equities Brokerage and Commodities & FX Revenue (\$M)**



**ECM and Syndication Revenue (\$M)**



**Profit After Tax (\$M)**



 RHYTHM BIOSCIENCES \$6.5m Placement January 2022 Lead Manager & Bookrunner	 PEARL GLOBAL \$5m NREO January 2022 Lead Manager & Bookrunner	 agrimin \$10m Placement & SPP January 2022 Joint Lead Manager & Bookrunner	 ANAX METALS LIMITED \$4m Placement February 2022 Lead Manager & Bookrunner	 ARDIDEN \$6.5m Placement February 2022 Lead Manager & Bookrunner	 NICKEL INDUSTRIES \$296.2 Placement February 2022 Joint Lead Manager & Bookrunner	 SENSORE \$7.4m IPO February 2022 Lead Manager & Bookrunner
 Halo Food Co. \$5m Placement & SPP February 2022 Joint Lead Manager & Bookrunner	 Halo Food Co. \$2m Block Trade February 2022 Joint Lead Manager & Bookrunner	 GENUS \$20m Placement February 2022 Joint Lead Manager & Bookrunner	 CHIMERIC THERAPEUTICS \$14.3m ANREO February 2022 Lead Manager & Bookrunner	 GALILEE ENERGY LIMITED \$13m Placement & SPP February 2022 Joint Lead Manager & Bookrunner	 hydrix \$2.8m Placement February 2022 Joint Lead Manager & Bookrunner	 doctor care anywhere. \$12.2m Placement & SPP February 2022 Joint Lead Manager & Bookrunner
 US STUDENT HOUSING REIT \$15.5m IPO March 2022 Joint Lead Manager & Bookrunner	 PSC INSURANCE GROUP \$80m Placement March 2022 Joint Lead Manager & Bookrunner	 CETTIRE \$47.2m Block Trade March 2022 Lead Manager & Bookrunner	 MICROBA \$30m IPO April 2022 Joint Lead Manager & Bookrunner	 RHINOMED \$4.9m ANREO April 2022 Lead Manager & Bookrunner	 EMERSON \$6.5m Placement & SPP April 2022 Joint Lead Manager & Bookrunner	 GREEN TECHNOLOGY \$55m Two Tranche Placement April 2022 Joint Lead Manager & Bookrunner
 Aeris RESOURCES \$117.1m Placement & ANREO April 2022 Lead Manager & Bookrunner	 felix \$7.3m Placement & SPP May 2022 Lead Manager & Bookrunner	 SIERRA NEVADA GOLD \$10m IPO May 2022 Lead Manager & Bookrunner	 PEARL GLOBAL \$3m Two Tranche Placement May 2022 Lead Manager & Bookrunner	 AEON METALS \$9.1m Two Tranche Placement & Entitlement Offer May 2022 Lead Manager & Bookrunner	 QuickFee. \$4.5m Placement & SPP May 2022 Lead Manager & Bookrunner	 AUSTRALIAN MINES LIMITED \$4.4m Placement & Entitlement Offer May 2022 Lead Manager & Bookrunner

 INTELLIGENT MONITORING \$9.9m ANRED May 2022 Joint Lead Manager & <u>Bookrunner</u>	 chalice \$100m Placement May 2022 Joint Lead Manager & <u>Bookrunner</u>	 creditclear \$7.5m Placement June 2022 Lead Manager & <u>Bookrunner</u>	 LUMOS DIAGNOSTICS \$11.2m ANRED June 2022 Joint Lead Manager & <u>Bookrunner</u>	 CHIMERIC THERAPEUTICS \$0.5m Placement June 2022 Lead Manager & <u>Bookrunner</u>	 PANTORO \$12.5m Block Trade June 2022 Lead Manager & <u>Bookrunner</u>	 ALKANE RESOURCES LTD \$14.2m Block Trade June 2022 Joint Lead Manager & <u>Bookrunner</u>
 HORIZON MINERALS \$3.9m Placement & SPP June 2022 Joint Lead Manager & <u>Bookrunner</u>	 BWX \$23.1m Placement & SPP June 2022 Lead Manager & <u>Bookrunner</u>	 bubs Growing Generation Joy \$63m Placement & ANRED July 2022 Joint Lead Manager & <u>Bookrunner</u>	 SANTANA MINERALS LIMITED \$9.3m Two Tranche Placement July 2022 Lead Manager & <u>Bookrunner</u>	 X2M CONNECT \$3.9m ANRED July 2022 Lead Manager & <u>Bookrunner</u>	 demem \$3m Placement July 2022 Joint Lead Manager & <u>Bookrunner</u>	 AASURA RESOURCES LIMITED \$41.5m Placement August 2022 Joint Lead Manager & <u>Bookrunner</u>
 Medical Developments International \$30m Placement & ANRED August 2022 Lead Manager & <u>Bookrunner</u>	 mesoblast the regenerative medicine company \$65m Placement August 2022 Lead Manager & <u>Bookrunner</u>	 Meeka Metals \$8.8m Placement August 2022 Lead Manager & <u>Bookrunner</u>	 PARAVIGM BIOPHARMA \$65.9m Placement & ANRED August 2022 Lead Manager & <u>Bookrunner</u>	 DevEx RESOURCES \$17.2m Two Tranche Placement August 2022 Lead Manager & <u>Bookrunner</u>	 Best&Less \$32m Block Trade August 2022 Lead Manager & <u>Bookrunner</u>	 strike energy \$30m Placement September 2022 Lead Manager & <u>Bookrunner</u>
 REGAL ASIAN INVESTMENTS \$109.9m ANRED September 2022 Co-Lead Manager	 Comet Ridge \$24m Placement September 2022 Joint Lead Manager & <u>Bookrunner</u>	 IMUGENE Developing Cancer Immunotherapies \$80m Placement September 2022 Lead Manager & <u>Bookrunner</u>	 Atrium Coal \$4.1m ANRED September 2022 Lead Manager & <u>Bookrunner</u>	 OCTAVA MINERALS LIMITED \$6m IPO September 2022 Lead Manager & <u>Bookrunner</u>	 pharmaxis \$10m Two Tranche Placement September 2022 Joint Lead Manager & <u>Bookrunner</u>	 METAL HAWK LIMITED \$1m Two Tranche Placement September 2022 Lead Manager & <u>Bookrunner</u>

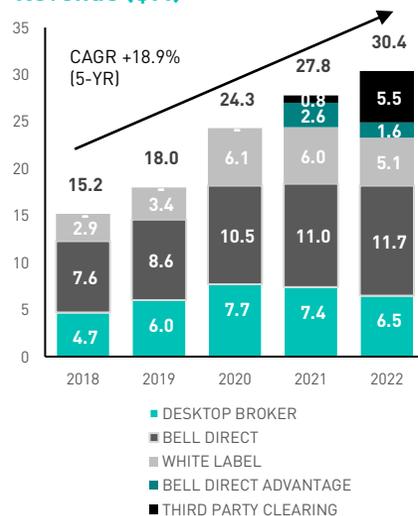
 <p>\$22m IPO September 2022 Joint Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$25m IPO October 2022 Joint Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$5.2m Two Tranche Placement October 2022 Joint Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$10m ANREO October 2022 Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$4.9m Two Tranche Placement October 2022 Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$45m IPO October 2022 Joint Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$40m Placement &amp; SPP October 2022 Lead Manager &amp; <u>Bookrunner</u></p>
 <p>\$3.5m Placement November 2022 Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$49.9m Placement November 2022 Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$4.2m Entitlement Offer November 2022 Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$2.2m Placement November 2022 Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$16m Placement November 2022 Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$6.8m Two Tranche Placement November 2022 Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$47m Placement &amp; SPP November 2022 Joint Lead Manager &amp; <u>Bookrunner</u></p>
 <p>\$5m Placement &amp; Entitlement Offer November 2022 Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$17.8m Placement November 2022 Financial Advisor</p>	 <p>\$55m Two Tranche Placement November 2022 Joint Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$79.7m Placement December 2022 Joint Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$133m Two Tranche Placement &amp; SPP December 2022 Joint Lead Manager &amp; <u>Bookrunner</u></p>	 <p>\$4.1m Placement December 2022 Joint Lead Manager and <u>Bookrunner</u></p>	 <p>\$25m IPO December 2022 Lead Manager &amp; <u>Bookrunner</u></p>

# THIRD PARTY PLATFORM TECHNOLOGY & PLATFORMS

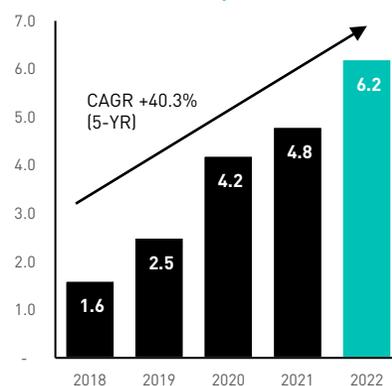
## Consistent growth in revenue, profit, sponsored holdings and client accounts over an extended period

- \$30.4 million in Revenue.
- \$6.2 million Profit After Tax.
- \$31.5 billion in Sponsored Holdings.
- 253,000 client accounts.
- Sponsored holdings were down 2.6% versus the S&P / ASX200 benchmark down 5.5% over the same period.

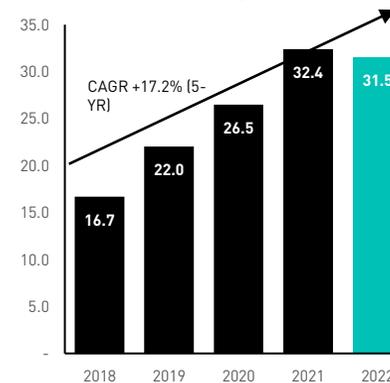
Revenue (\$M)



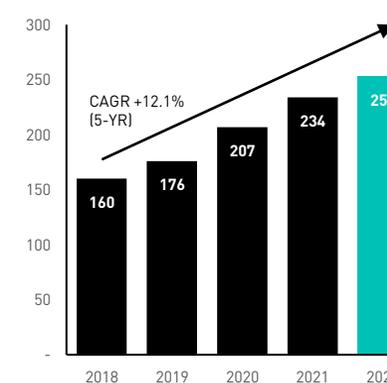
Profit After Tax (\$M)



Sponsored Holdings (\$B) \*

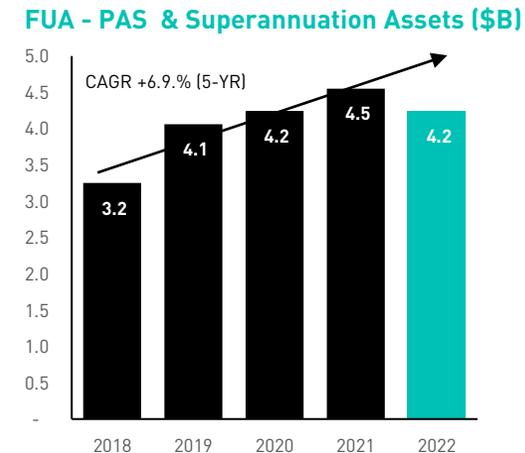
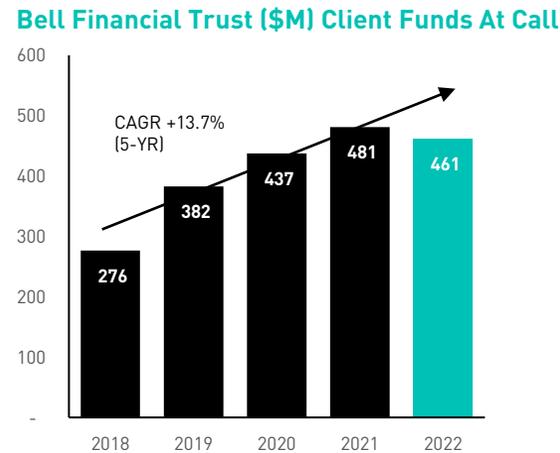
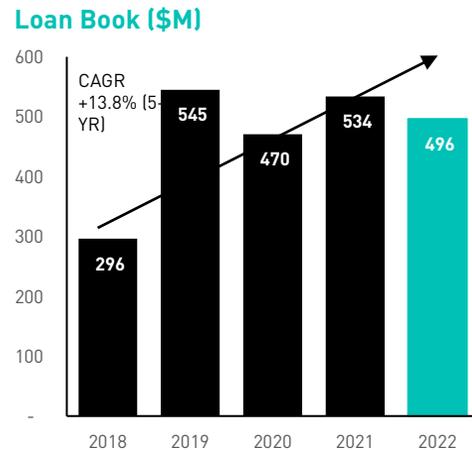
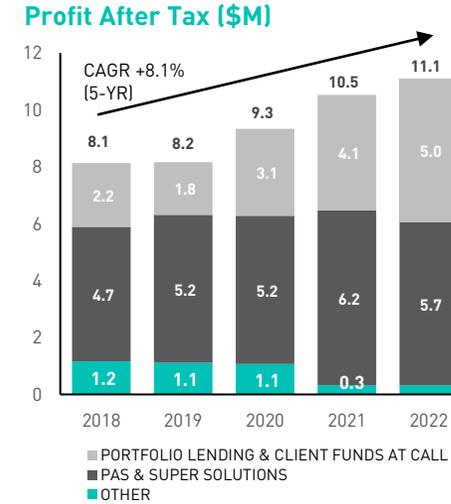
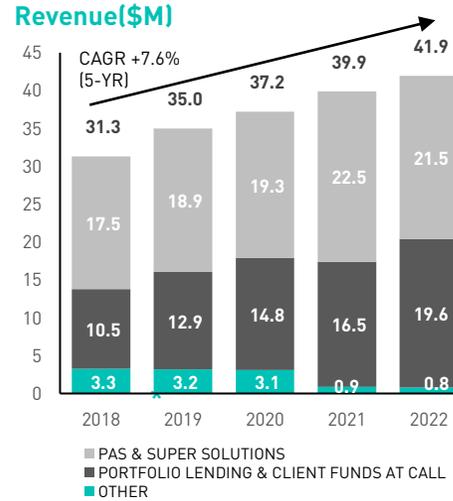


Client Accounts ('000)



\* Sponsored holdings were down 2.6% versus the S&P / ASX200 benchmark down 5.5% over the same period.

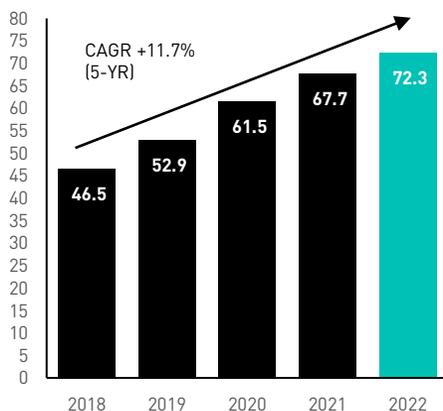
- \$41.9 million in Revenue.
- \$11.1 million Profit After Tax.
- \$496 million loan book at 31 December 2022, down 7.1% reflecting a reduction in risk appetite.
- \$461 million in the Bell Financial Trust at 31 December 2022, down 4.1% consistent with the downturn in markets.



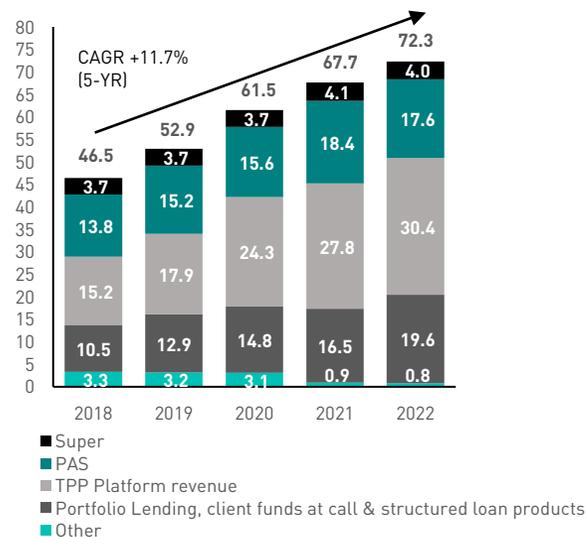
Investment in proprietary technology, platforms and our products and services is key to the future for growth of the business.

- Both our Technology & Platforms and our Products & Services businesses recorded record revenues and record profits for the year.
- Combined revenues of \$72.3 million, a 6.9% increase on the p.c.p., accounted for 31% of total Group revenue and a 5-year CAGR of 11.7%.
- Combined Profit after tax of \$17.3 million, a 12.8% increase on the p.c.p., accounted for 67% of total Group profit after tax and a 5-year CAGR of 15.5%.
- Approximately 9% of Group FUA, \$6.9 billion, currently use our various products and services.

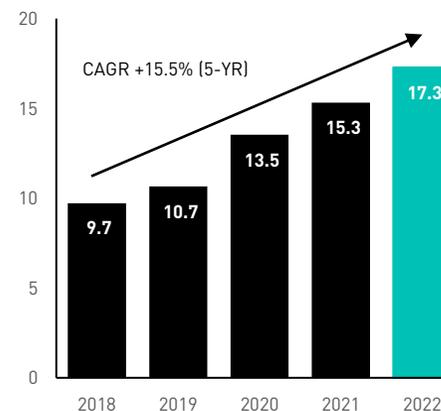
**Technology & Platforms and Products & Services Revenue (\$M)**



**Technology & Platforms and Products & Services Revenue Breakdown (\$M)**



**Technology & Platforms and Products & Services Profit After Tax (\$M)**



- A quieter start to the year.
- Group revenue was \$53.3m (unaudited) for the first quarter ending 31 March, a 6.1% decrease on the p.c.p.
- Group profit before tax was \$5.8m (unaudited), a 29% decrease on the p.c.p.
- Funds Under Advice were \$75b at 31 March, a 3% increase on 31 December 2022.
- All business divisions were profitable for the quarter.
- Revenue is up 9.8%, and profit is up 17.9% y.o.y. in our Technology & Platforms and Products & Services businesses, Third Party Platform and Bell Potter Capital.

## REVENUE

**\$53.3m** (unaudited)

6.1% decrease on Q1 2022

## PROFIT BEFORE TAX

**\$5.8m** (unaudited)

29% decrease on Q1 2022

## FUNDS UNDER ADVICE

**\$75b** (unaudited)

3% increase on 31 December 2022