Appendix 4E

Preliminary final report
Period ended 30 June 2021

EUROZ LIMITED ABN 53 000 364 465

Results for announcement to the market

Extracts from this report for announcement to the market

	30 June 21	30 June 20 (Restated)	Change $	$AUD Change %
Revenue from ordinary continuing activities	$131,055,891	$49,587,996	$81,467,895	164%
Profit/(loss) from ordinary activities after tax attributable to members	$52,540,905	($1,354,726)	$53,895,631	3978%
Net Profit/(loss) for the period attributable to members	$52,540,905	($1,354,726)	$53,895,631	3978%
Net Tangible Assets per share*	$0.71	$0.64		10.9%

Dividends and Distributions	Amount per security	Franked amount per security
Interim Dividend	2.5 cents	2.5 cents
Record date for determining entitlements to the interim dividend		4 Feb 21
Interim dividend payable date		19 Feb 21
DRP election date		5 Feb 21
Final Dividend	13.5 cents	13.5 cents
Record date for determining entitlements to the final dividend		20 Jul 21
Final dividend payable date		6 Aug 21
DRP election date		21 Jul 21

The Company's dividend reinvestment plan was applicable to the interim and final dividends.

* Includes Right of Use (ROU) assets and liabilities

Results commentary for announcement to the market

Euroz Limited ("**Euroz**") reports an audited result of $52.5 million net profit after tax attributable to members for the financial year ended 30 June 2021. The Group's profitability consists of "cash" profit after tax of $34.9 million and $17.6 million in "non-cash" after tax profit from the mark to market on investments.

On 1 October 2020 Euroz completed the transaction with Hartleys Limited (now Euroz Hartleys Limited ("**Euroz Hartleys**")) through the issue of 33,000,075 shares. Euroz Hartleys is now Western Australia's largest stockbroking and wealth management business. We are pleased to report excellent progress on this merger of equals and our ongoing cultural and brand alignment has been well received by our clients. This is the direct result of the significant efforts of our major asset – our staff, who have embraced this merger and worked tirelessly to ensure its success.

Underlying cash profitability was driven by a strong performance from Euroz Hartleys which delivered Equity Capital Market ("ECM") raisings of $2 billion versus $1.05 billion last year. Brokerage income for the year was up 90% versus last year with 9 months of revenue contribution from Hartleys following completion of the merger on 1 October 2020. Euroz Hartleys Funds Under Management ("FUM") as at 30 June 2021 was $3.1 billion, (2020:$1.3 billion) an increase of 130% from the previous year.

Total Group FUM as at 30 June was $3.4 billion (2020: $1.6 billion) an increase of 117% from the previous year.

Solid underlying cash profitability enabled your Directors to declare and pay a final fully franked dividend of 13.5 cents per share ("**cps**") which combined with the interim dividend of 2.5 cps brings the full year dividend to 16 cps (previous year 9.5 cps).

On 26 April 2021 Euroz Hartleys Securities Limited (formerly Euroz Securities Limited) and Entrust Wealth Management Pty Ltd merged with Euroz Hartleys Limited (formerly Hartleys Limited) and transformed the scale of our operations. The rebranded and merged operation of Euroz Hartleys Limited combines the staff and operations of Euroz Hartleys Limited, Euroz Hartleys Securities Limited and Entrust Wealth Management Pty Ltd into a single entity and licence.

We provide specific updates as follows:

Stockbroking, Corporate Finance & Private Wealth
Stockbroking and Corporate Finance revenue was up by 181% to $95.2 million from $33.9 million. Euroz Hartleys managed 76 (2020:36) Equity Capital Market ("ECM") transactions this year raising $2.0 billion (2020: $1.1 million). FUM growth continues to make progress and was up 130% to $3.1 billion with Wealth Management revenue increasing by 59% to $14.5 million from $9.1 million. We are pleased with the quality and stability of our wealth management offering at a time of significant change. Euroz Hartleys is well positioned for continued growth given our established team of private wealth advisers.

Funds Management
Revenue from Funds Management increased by 326% to $17.2 million from $4.0 million in the prior year. Revenue predominantly included performance and management fees received from Westoz Funds Management ("WFM"). Westoz Investment Company Limited ("WIC") and Ozgrowth Limited ("OZG") performed well in rising global markets with gross investment performance of 34% and 62.9% for the financial year respectively. WFM received performance fees of $14.5 million (2020: $0)

Summary
Euroz Limited now employs 195 staff across our businesses as we continue to pursue our diversification and consolidation strategy. Euroz maintains a strong balance sheet with a cash balance at 30 June 2021 of $83 million and zero debt.

Euroz Limited has paid $265 million in fully franked dividends to shareholders across our 21-year history.

I would once again like to sincerely thank our staff for their significant efforts and who as our largest shareholders, remain committed to growing this proudly Western Australian financial services company.

For further information please contact:

Andrew McKenzie
Executive Chairman
Phone: 0438 755 727
Email: amckenzie@euroz.com

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

Reporting period
The financial information contained in this report is for the period ended 30 June 2021. This document should be read in conjunction with the Financial Report and any public announcements made in the period by Euroz Limited in accordance with the continuous disclosure requirements of the Corporations Act 2001 and ASX Listing Rules.

Euroz Limited

ABN 53 000 364 465

Financial Report

For the year ended 30 June 2021

CONTENTS

CORPORATE DIRECTORY

Directors	Andrew McKenzie *Executive Chairman* Jay Hughes *Executive Director* Robert Black *Executive Director* Ian Parker *Executive Director - Appointed 6 October 2020* Richard Simpson *Executive Director - Appointed 6 October 2020* Robin Romero *Independent Non -Executive Director - Appointed 2 December 2020*
Company Secretary	Anthony Hewett
Registered Office and Principal Place of Business	Level 18 Alluvion 58 Mounts Bay Road PERTH WA 6000 Telephone: +61 8 9488 1400 Facsimile: +61 8 9488 1477 Email: info@euroz.com
Share Registry	Computershare Investor Services Pty Ltd Level 11 172 St Georges Terrace PERTH WA 6000 Telephone: 1300 787 575
Auditors	KPMG 235 St Georges Terrace Perth WA 6000 Telephone: +61 8 9263 7171
Bankers	Westpac Banking Corporation 109 St George's Terrace PERTH WA 6000
Securities exchange listings	Euroz Limited shares are listed on the Australian Securities Exchange (ASX: EZL)
Website address	www.euroz.com
Corporate governance statement	www.euroz.com/investor-relations/corporate-governance

DIRECTORS' REPORT

The Directors present their report on the consolidated group consisting of Euroz Limited ("Euroz") and the entities it controlled ("Group") at the end of, or during the year ended 30 June 2021.

The following persons were Directors of Euroz at any time during or since the end of the financial year and up to the date of this report:

EXECUTIVE CHAIRMAN
Andrew McKenzie

INDEPENDENT NON-EXECUTIVE DIRECTOR
Robin Romero – Appointed 2 December 2020

EXECUTIVE DIRECTORS
Jay Hughes
Robert Black
Ian Parker - *Appointed 6 October 2020*
Richard Simpson - *Appointed 6 October 2020*
Russell Kane - *Resigned 9 October 2020*
Simon Yeo - *Resigned 9 October 2020*
Anthony Brittain - *Resigned 9 October 2020*
Greg Chessell - *Resigned 9 October 2020*

Chief Operating Officer / Chief Financial Officer
Anthony Brittain is the Chief Operating Officer and Chief Financial Officer. Mr Brittain is an Executive Director of Euroz Hartleys Limited. He is a member of the Euroz Limited Audit and Risk Committee as well as a member of Euroz Hartleys Limited Underwriting Committee and Compliance Committee. Mr Brittain holds a Bachelor of Commerce degree from the University of Western Australia (UWA) and is a member of the Chartered Accountants Australia and New Zealand (CA). He also holds a Graduate Diploma in Applied Finance and Investment from FINSIA, is a Graduate member of (GAICD) of Australian Institute of Company Directors (AICD) and a Master Member (MSAFAA) of the Stockbrokers and Financial Advisers Association of Australia (SAFAA).

Company Secretary
Anthony Hewett is the Company Secretary. Mr Hewett is a Chartered Secretary, Chartered Governance Professional and holds a Master of Business Law (MBusLaw) from Curtin University and a Graduate Diploma in Applied Corporate Governance (GradDipACG) from the Governance Institute of Australia. Mr Hewett is a Fellow of the Chartered Governance Institute (FCG), a Fellow of the Governance Institute of Australia (FGIA), a Master Member (MSAFAA) of SAFAA and a member of the AICD.

Principal activities
During the year the principal activities of Euroz consisted of:
(a) Stockbroking & Corporate Finance;
(b) Funds Management;
(c) Wealth Management; and
(d) Investing.

Review of results
The consolidated entity reports a net profit attributable to members of $52.5 million for the financial year ended 30 June 2021 (2020: net loss -$1.4 million). This result represents basic earnings per share of 29.16 cents (2020: basic loss per share of 0.87 cents).

On 1 October 2020 Euroz completed the acquisition of Hartleys Limited (now Euroz Hartleys Limited ("Euroz Hartleys") through the issue of 33,000,075 shares. Euroz Hartleys is now Western Australia's largest stockbroking and wealth management business. We are pleased to report excellent progress on this merger of equals and our ongoing cultural and brand alignment has been well received by our clients. This is the direct result of the significant efforts of our major asset – our staff, who have embraced this merger and worked tirelessly to ensure its success.

Due to the restructure of operations within the Euroz Limited Group during the year, on 26 April 2021 Euroz Hartleys Securities Limited (formerly Euroz Securities Limited), Euroz Hartleys Limited (formerly Hartleys Limited) and Entrust Wealth Management Pty Ltd ("Entrust") consolidated their businesses under one single operating entity Euroz Hartleys Limited.

DIRECTORS' REPORT (CONTINUED)

The Group's profitability consists of "cash" profit after tax of $34.9 million and $17.6 million in "non-cash" after tax profit from the mark to market on investments.

Underlying cash profitability was driven by a strong performance from Euroz Hartleys which delivered Equity Capital Market ("ECM") raisings of $2.0 billion versus $1.1 billion last year. Brokerage income for the year was up 90% versus last year with 9 months of revenue contribution from Hartleys following completion of the merger on 1 October 2020. Euroz Hartleys Funds Under Management ("FUM") as at 30 June 2021 was $3.1 billion (2020: $1.3 billion) an increase of 130% from the previous year.

Total Group FUM as at 30 June 2021 was $3.4 billion (2020: $1.6 billion) an increase of 117% from the previous year.

Solid underlying cash profitability enabled your Directors to declare and pay a final fully franked dividend of 13.5 cents per share ("cps") which combined with the interim dividend of 2.5 cps brought the full year dividend to 16 cps (2020: 9.5 cps).

Review of operations including discontinued operations

	2021 $	2020 Restated (i) $
Revenues		
Brokerage	31,115,479	16,395,507
Underwriting and placement fees	51,658,163	16,830,047
Performance and management fees	17,218,045	4,039,361
Wealth management fees	14,531,619	9,148,623
Corporate advisory	12,381,468	684,802
Dividends and trust distributions received	3,063,965	3,636,078
Interest received	197,344	272,679
Other revenue	889,808	357,335
	131,055,891	**51,364,432**
Net Profit after tax	**52,540,905**	**4,350,450**

(i) Refer to note 4 (a)

Operating and Financial Review
The purpose of this review is to set out information that shareholders may require to assess Euroz's operations, financial position, business strategies and prospects for future financial years. This information complements and supports the report presented herein.

On 26 April 2021 Euroz Securities Limited merged with Hartleys Limited and transformed the scale of its operations. The rebranded and merged operation of Euroz Hartleys Limited combines the staff, operations and licences of Euroz Hartleys Limited, Euroz Hartleys Securities Limited (formerly Euroz Securities Limited) and Entrust Wealth Management Pty Ltd into a single entity.

This merger involved the transfer of all employees who signed new employment agreements with Euroz Hartleys Limited along with the migration of all clients to Euroz Hartleys. Substantial work has been undertaken to merge trading systems and back office operations into a single operating entity.

Disclosure of operations – Profit
Net profit after tax attributable to members was $52.5 compared to loss of -$1.4 million in the 2020 financial year. Underlying "cash" profit after tax of $34.9 million were combined with $17.6 million in "non-cash" after tax profit from the mark to market on investments.

Disclosure of operations – Sales
Revenue has increased by 155% to $131.1 million (inclusive of 9 months contribution from Hartleys since 1 October 2020) from restated previous year amount of $51.4 million.

(a) Stockbroking & Corporate Finance
Stockbroking and Corporate Finance revenue was up by 181% to $95.2 million from $33.9 million. Euroz Hartleys managed 76 (2020:36) Equity Capital Market ("ECM") transactions this year raising $2.0 billion (2020: $1.1 million). FUM growth in the business made significant progress and was up 130% to $3.1 billion from $1.3 billion.

DIRECTORS' REPORT (CONTINUED)

(b) Funds Management
Revenue from Funds Management increased by 326% to $17.2 million from $4.0 million in the prior year. Revenue predominantly included performance and management fees received from Westoz Funds Management ("WFM"). Westoz Investment Company Limited ("WIC") and Ozgrowth Limited ("OZG") performed well in rising global markets with gross investment performance of 34% and 62.9% for the financial year respectively. WFM received performance fees of $14.5 million (2020: $0)

(c) Wealth Management
Wealth Management revenue increased by 59% to $14.5 million from $9.1 million. We are pleased with the quality and stability of our wealth management service offering at a time of significant change in the Wealth Management landscape. Euroz Hartleys is well positioned for continued growth given our established team of private wealth advisers.

(d) Investment Income
Investment income decreased by 17% to $3.3 million (2020: $3.9 million). Previous year income included distributions from investments which were disposed of towards the end of the 2020 financial year.

Disclosure of operations
The consolidated group is principally involved in the following activities:
(a) Stockbroking & Corporate Finance;
(b) Funds Management;
(c) Wealth Management; and
(d) Investing.

Our operations are conducted in Perth, Western Australia (WA) and details of our operations are outlined below:

(a) Stockbroking & Corporate Finance
The Euroz Hartleys stockbroking operation comprises 4 main divisions as follows:

i. Equities Research

- Highly rated research from market leading research team of 9 analysts
- Our views are highly regarded by Australian and international institutional investors
- Access to the latest online news and financial information
- Based on fundamental analysis, strict financial modelling and regular company contact
  - Goal: Identify and maximise equity investment opportunities for our clients
  - Approach: Intimate knowledge of the companies we cover
  - Coverage: Broad cross section of mostly WA based industrial & resource companies
- Research Products:
  - Company Reports: Detailed analysis on companies as opportunities emerge
  - Morning Note: Overnight market updates
  - Weekly Informer: Compilation of all company reports throughout the preceding week
  - Quarterly and / or Semi-annual Review: Regular coverage on companies in book format

ii. Institutional Sales

- One of the largest institutional small to mid-cap dealing desks in the Australian market with a sales team of 13 staff
- Extensive client base of Australian and International institutional investors with strong relationships with small company fund managers
- Distribution network strength - long standing relationships with major institutional investors in the small to mid-cap market
- Western Australia's geographic isolation makes it difficult for institutional investors to maintain close contact with companies based here - investors can rely on our "on the ground" information
- Institutional dealing team "highly focused" on providing the following services:
  - Quality advice and idea generation
  - Efficient execution
  - Regular company contact
  - Site visits
  - Roadshows

iii. Private Wealth

- Team of 65 highly experienced and qualified private wealth advisers providing a broader investment offering for clients of Euroz Hartleys. Our wealth management service provides strategic investment advice, superannuation advice, investment management and portfolio administration service
- Significant capacity to support new issues and construct quality retail share registers
- Substantial "high net worth" client base (s.708 compliant investors)
- Exposure to high net worth clients via in-house conferences and one-on-one presentations
- Extensive research support - high quality research on WA based resource and industrial companies enable our advisers to provide quality investment and trading advice
- Specialised broking allows:
  - Close interaction between research analysts and private wealth advisers
  - Timely communication of ideas with clients
- Sophisticated investors are able to participate in many of our capital raisings

iv. Corporate Finance

- The corporate finance team of 17 staff focused on developing strong, long term relationships with our clients.
- Clients are provided with specialised Corporate Advisory services in:
  - Equity Capital Raisings and Underwriting
  - Mergers and Acquisitions
  - Strategic Planning and Reviews
  - Privatisation and Reconstructions
- Established track record in raising equity capital via:
  - Initial Public Offerings (IPO)
  - Placements
  - Rights Issues

(b) Funds Management

Westoz Funds Management Pty Ltd ("WFM") is responsible for managing FUM of $290.5 million (2020: $214.5 million). It manages funds under mandate from two listed investment companies; Westoz Investment Company Limited ("WIC") and Ozgrowth Limited ("OZG"). Both companies have enjoyed competitive portfolio returns since inception.

WIC commenced its investment activities in May 2005, with OZG commencing in January 2008. Both investment mandates focus on the generation of the target level of returns from investment in small to mid-cap ASX listed securities, generally with a connection to Western Australia. Both portfolios have produced returns in excess of comparable equity benchmarks.

In the past 16 years, WIC and OZG have returned $177.7 million in fully franked dividends to their shareholders.

(c) Wealth Management

In July 2015, Euroz acquired Entrust Wealth Management Pty Ltd ("Entrust") which has an 18-year track record as a leading wealth management business. The strategy in acquiring Entrust was to leverage an established wealth management business with long term ongoing revenues as a platform for further acquisitions and organic growth. The past year has seen a modest improvement in funds under management in line with our growth strategy.

On 26 April 2021, Euroz Securities Limited merged with Hartleys Limited and Entrust Wealth Management Pty Ltd. Since the merger the Euroz Hartleys Limited business now has FUM of $3.1 billion.

(d) Investing

Euroz Limited owns significant shareholdings of 26.25% in WIC and 40.58% in OZG. The investment focus of these funds is on small to mid-cap ASX securities with a general connection to Western Australia.

DIRECTORS' REPORT (CONTINUED)

Disclosure of business strategies and prospects - Growth

Our aim is to build real diversification of revenues into our overall business. We are cognisant that we need to continue to grow our wealth management FUM. We are pleased to report a Group FUM as at 30 June 2021 of $3.4 billion (2020: $1.6 billion).

On 1 October 2020, Euroz completed the transaction with Hartleys Limited through the issue of 33,000,075 shares. Euroz Hartleys is now Western Australia's largest stockbroking and wealth management business. We are pleased to report excellent progress on this merger of equals and our ongoing cultural and brand alignment has been well received by our clients. This is the direct result of the significant efforts of our major asset – our staff, who have embraced this merger and worked tirelessly to ensure its success.

The merger of Euroz Hartleys Securities Limited and Entrust Wealth Management Pty Ltd into Euroz Hartleys Limited has created a financial services company with a strong balance sheet, critical scale, strong operational synergies with solid recurring and transactional revenues delivering a positive outcome for clients and shareholders alike.

The Directors believe that Euroz has laid the foundations for our strategy to build a more consistent base of underlying recurring revenues through our growing wealth management businesses whilst still retaining the transaction-based upside of our traditional stockbroking business and performance fee upside from our funds management business.

Disclosure of business strategies and prospects - Material business risks

Due to the impact of Coronavirus (COVID-19) pandemic, the past year continues the trend of good but volatile trading conditions. Like many businesses we adapted quickly to remote working and our continued provision of key client services and operations. We have experienced record trading months with the volatility of the markets, however, significant economic concerns remain within the community.

Given this backdrop and the increasingly competitive landscape it has created, we are pleased with our overall results for the financial year. Our entire team has worked hard to manage our costs and generate profits and dividends for shareholders.

Financial position

The net assets of the consolidated group have increased to $171.1 million at 30 June 2021 from $114.3 million at 30 June 2020. The Company and consolidated group's financial performance has enabled it to continue to pay dividends to shareholders during the year while maintaining a healthy working capital ratio. The consolidated group's working capital, being current assets less current liabilities, is $51.0 million at 30 June 2021 (30 June 2020: $31.9 million).

During the past 21 years the Company has invested in expanding each of its business units to secure its long-term success.

In particular it has increased its strategic investments via the acquisitions of Hartleys and Entrust to develop a market leading platform for our future wealth management ambitions.

Our group remains in an extremely sound financial position with cash and investments of $181.3 million as at 30 June 2021. We have a Net Tangible Assets (NTA) of 71¢ per share and no debt to develop a market leading. Euroz has a proud history of consistent profits and dividends having paid a total of $265 million in fully franked dividends over the past 21 years.

The Directors believe the Company is in a strong and stable financial position to expand and grow its current operations.

Profit / (Loss) per share	**2021** Cents	**2020** Cents
Basic profit / (loss) per share	29.16	(0.87)
Diluted profit / (loss) per share	28.17	(0.84)

Dividends – Euroz Limited

Dividends paid or provided for during the financial year were as follows:

	2021 **$**	**2020** **$**
Interim ordinary dividend of 2.5 cents (2020: 1.75 cents) per fully paid ordinary share was paid on 19 February 2021.	4,887,958	2,838,449
Provision for final ordinary dividend for 30 June 2021 of 13.5 cents (2020: 6 cents) per fully paid ordinary share paid on 6 August 2021.	26,394,973	9,751,095
	31,282,931	12,589,544

Of the total dividends paid during the year, $63,005 (2020: $4,140) was paid to the Euroz Share Trust and is undistributed. Therefore, it has been eliminated on consolidation.

DIRECTORS' REPORT (CONTINUED)

State of affairs
On 1 October 2020, Euroz completed the acquisition of Hartleys Limited through the issue of 33,000,075 shares. Euroz Hartleys is now Western Australia's largest stockbroking and wealth management business. We are pleased to report excellent progress on this merger of equals and our ongoing cultural and brand alignment has been well received by our clients.

Due to the restructure of operations within the Euroz Limited Group during the year, on 26 April 2021 Euroz Hartleys Securities Limited (formerly Euroz Securities Limited), Euroz Hartleys Limited (formerly Hartleys Limited) and Entrust Wealth Management Pty Ltd consolidated their businesses under one single operating entity, Euroz Hartleys Limited.

Euroz acquired 5,298,017 treasury shares on-market and vested 1,996,076 shares under the Performance Rights Plan.

Other than described above there has been no other significant changes in the state of affairs of the consolidated Group.

Share options
There were no options on issue at 30 June 2021 and 30 June 2020.

Environmental regulation
The consolidated group is not subject to significant environmental regulation in respect of its operations.

Events after reporting date
The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not significantly impacted the Group up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on vaccination rates across the population as well as measures imposed by the Australian Government and other countries, such as vaccination rates, maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

On 2 July 2021, the Board of Directors announced its intention to table a special resolution at the Company's Annual General Meeting to seek shareholder approval to change the name of Euroz Limited to Euroz Hartleys Group Limited. The Board has proposed the change of name to reflect the deep history of the two most iconic and successful stockbroking, corporate finance and wealth management businesses based in Western Australia.

The Directors are not aware of any other matter or circumstance subsequent to 30 June 2021 that has significantly affected, or may significantly affect:
(a) the consolidated group's operations in future financial years; or
(b) the results of those operations in future financial years; or
(c) the consolidated group's state of affairs in future financial years.

Likely developments
The Directors are confident that a strong statement of financial position and established business platforms will support the Company in increasingly volatile market conditions.

Further information on likely developments in the operations of the consolidated group and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the consolidated group.

DIRECTORS' REPORT (CONTINUED)

Information on Directors			**Particulars of Directors' interests in shares of Euroz Limited**
Director	**Experience**	**Special responsibilities and qualifications**	**Ordinary shares***
A McKenzie *Executive Chairman*	Mr McKenzie has worked in the stockbroking industry since 1991.	Executive Chairman of Euroz Limited and Euroz Hartleys Limited Member of Euroz Limited Remuneration Committee, Euroz Hartleys Limited Executive Remuneration Committee and Euroz Hartleys Limited Underwriting Committee Holds a Bachelor of Economics Degree from UWA, a Graduate Diploma in Applied Finance and Investment from FINSIA and is a Master Member (MSAFAA) of SAFAA	13,268,724
J Hughes *Director*	Mr Hughes has worked in the stockbroking industry since 1986.	Executive Director of Euroz Limited and Euroz Hartleys Limited. Non-Executive Chairman of Westoz Funds Management Pty Ltd, Westoz Investment Company Limited and Ozgrowth Limited Member of Euroz Hartleys Limited Executive Remuneration Committee and Euroz Hartleys Limited Underwriting Committee Holds a Graduate Diploma in Applied Finance and Investment from FINSIA and is a Master Member (MSAFAA) of SAFAA	13,745,094
R Black *Director*	Mr Black has worked in stockbroking industry since 1993.	Executive Director of Euroz Limited and Euroz Hartleys Limited Managing Director of Euroz Hartleys Limited Member of Euroz Limited Audit and Risk Committee Member of Euroz Hartleys Limited Executive Remuneration Committee, Euroz Hartleys Limited Underwriting Committee, Euroz Hartleys Limited Research Committee and Euroz Hartleys Limited Compliance Committee Holds a Bachelor of Business Degree from ECU and is a Graduate member (GAICD) of AICD	5,042,340
R Simpson *Director*	Mr Simpson has worked in the stockbroking industry since 1990	Executive Director of Euroz Limited and Euroz Hartleys Limited Chairman of Euroz Limited Audit and Risk Committee Member of Euroz Hartleys Limited Executive Remuneration Committee, Euroz Hartleys Limited Underwriting Committee and Euroz Hartleys Limited Research Committee Holds a Bachelor of Applied Science (Hons) from Curtin University and a Masters in Business Administration (MBA) from UWA	2,503,878

DIRECTORS' REPORT (CONTINUED)

Information on Directors			Particulars of Directors' interests in shares of Euroz Limited
Director	**Experience**	**Special responsibilities and qualifications**	**Ordinary shares***
I Parker *Director*	Mr Parker has worked in the stockbroking industry since 1981	Executive Director of Euroz Limited and Euroz Hartleys Limited Member of Euroz Limited Remuneration Committee, Euroz Hartleys Limited Underwriting Committee and Euroz Hartleys Limited Research Committee Holds a Bachelor of Arts (Economics) from Murdoch University and is a Master Member (MSAFAA) of SAFAA	1,845,921
R Romero *Independent Non-executive Director*	Ms Romero has over 26 years' experience in law and accounting	Independent Non-executive Director of Euroz Limited Chairperson of Euroz Limited Remuneration Committee Member of Euroz Limited Audit and Risk Committee Holds a Bachelor of Laws from UWA and a Bachelor of Commerce from UWA, is a member of Chartered Accountants Australia and New Zealand and holds a practising certificate from the Legal Practice Board of Western Australia	22,575

**Balance as at the date of signing the report and total shares includes shares allocated under the Performance Rights Plan.*

Meetings of Directors

The numbers of meetings of the Company's Board of Directors held during the year ended 30 June 2021 and the numbers of meetings attended by each Director were:

Director	Directors Meetings		Committee Meetings			
			Audit		Remuneration	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Andrew McKenzie	12	12	-	-	2	2
Jay Hughes	12	12	-	-	1	1
Robert Black	12	12	1	1	1	1
Richard Simpson	10	9	1	1	-	-
Ian Parker	10	10	-	-	1	1
Robin Romero	7	6	1	1	1	1
Russell Kane	3	3	-	-	-	-
Simon Yeo	3	3	1	1	-	-
Anthony Brittain	3	3	1	1	-	-
Greg Chessell	3	3	1	1	-	-

Remuneration Report (audited)

This Remuneration Report outlines the Key Management Personnel ("KMP") remuneration arrangements of the Company and the consolidated group in accordance with the requirements of the Corporations Act 2001 and its regulations. For the purposes of this report KMP of the consolidated group are defined as those persons having authority for the strategic management and direction of the consolidated group including any Director (whether executive or otherwise) of the parent Company.

Key Management Personnel Remuneration

Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the consolidated group's operations. The Board undertakes regular reviews of its performance and the performance of the Board against expectations made at the start of the year. Performance related bonuses are available to KMP based on their performance and that of the Company.

Remuneration Report (continued)

Remuneration Policy
The remuneration policy has been designed to align the interests of shareholders, Directors and executives. Euroz remunerates its Directors, executives and other employees by way of a fixed base salary, commission and a combination of short and long term incentives. The Company believes this policy to have been effective in increasing shareholder wealth since inception.

The following table shows a summary of the gross revenue, profits and dividends for the Group, as well as the share price at the end of the respective financial years.

	2021 $	2020 $
Revenue (including discontinued operations)	131,055,891	49,587,996
Net profit / (loss) after tax attributable to members	52,540,905	(1,354,726)
Share price at year end	1.73	1.03
Dividends paid or recommended	31,282,931	12,589,544

The objective of the Company's remuneration framework is to ensure reward for performance is competitive and appropriate to the results delivered. The Board / Remuneration Committee ensure that executive rewards satisfy the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linked
- transparency
- capital management

Directors' fees
No Directors fees are paid to Executive Directors.

Non-Executive Directors are paid a fixed base fee and superannuation for their role on the Board.

Base pay
All Directors and executives are offered a competitive base salary and superannuation. Base pay for senior executives is reviewed semi-annually by the Remuneration Committee to ensure it is competitive with the market. Base pay is also reviewed upon promotion or additional responsibilities.

There is no guarantee of base pay increases fixed in any senior executive or Directors contracts.

Executives are offered a competitive salary that comprises of a base salary inclusive of superannuation and a combination of some of the following short term incentives, dependant on the terms of the individual employment contract:

- Participation in the profit share pool
- Commission
- Discretionary Bonus

Profit share pool
Directors and executives are invited to participate in the profit share pool. The Remuneration Committee determines the allocation of up to 45% pre-tax profit on an ongoing basis. In consultation with relevant Department Heads, the Committee uses the following informal criteria to assist in the allocation:

- Ability to perform individual tasks within the relevant department.
- Ability to add value and innovate beyond the job standard specifications.
- Development of new and existing client relationships.
- Ability to interact with other relevant departments as part of a larger team approach.
- Relevant industry salary benchmarking.
- General requirements to attract and retain staff.

Remuneration Report (continued)

The profit share payment is made as a combination of cash (75%) and equity (25%) in the Performance Rights Plan as detailed below in "Equity based payments".

During the year, the Board introduced an additional bonus sacrifice arrangement as part of the Performance Rights Plan. Employees who qualify for this have the opportunity to elect to sacrifice an additional amount of their bonus above the 25% to be settled via the issue or allotment of shares in accordance with the terms of the Performance Rights Plan, instead of cash. Shares acquired as part of the bonus sacrifice arrangement are subject to escrow for a period of 14 years and one day.

The three Directors on the Remuneration Committee are Ms Robin Romero (Chair) (Independent Non-Executive Director), Ian Parker and Andrew McKenzie (Executive Directors). Ms Romero and Mr Parker are not entitled to participate in the profit share pool.

Commission
Private Wealth Advisers are paid commission in addition to a base salary and superannuation. This is calculated on a sliding scale. Eligible Private Wealth Advisers are also invited to participate in the Performance Rights Plan based on certain performance hurdles set out in their employment contract.

Discretionary bonus
Executives and other staff members who do not participate in the profit share pool are paid a discretionary bonus based on the profitability of the Company. Similar to the profit share pool, the distribution of the discretionary bonus is also leveraged to the individual's performance and is made as a combination of cash (75%) and equity (25%) as detailed below in "Equity based payments".

Equity based payments
The Performance Rights Plan was established in 2014 as a long term incentive to assist in the reward, retention and motivation of Directors, executives and staff members. The overarching intention is to increase the alignment of staff with shareholder return. Eligible employees are invited to participate in this plan and are awarded a Performance Right at the beginning of the year. There are three separate long term incentives depending on the individual employment contract as below:

- Profit share
- Discretionary bonus
- Commission

The Performance Right represents a right to be issued a number of ordinary shares in Euroz to reflect 25% of the profit share or the discretionary bonus that is paid to the participant. Private Wealth Advisers who are paid a commission may also be paid a portion of their total monthly brokerage and portfolio administration revenue in equity based payments. The shares issued will only vest to the employee after 3 years subsequent service following the initial year of service and are escrowed for a further 11 years.

On 7 June 2021, 14 nominal 'rights' were issued under the Performance Rights Plan to 14 separate staff classed as sophisticated investors in accordance with section 708(8) of the Corporations Act for the sole purpose of permitting those staff members to sacrifice up to a further 75% of their profit share or discretionary bonus into the Performance Rights Plan and receive ordinary shares. The shares resulting from the election to sacrifice an amount greater than 25% into the Performance Rights Plan were purchased on market utilising funds accrued from the participants remuneration at market prices in accordance with ASX Listing Rule 10.16 and allotted to participants at the 30-day volume weighted average price in accordance with the terms of the Performance Rights Plan. Any shares that resulted from the additional sacrifice of a participant's profit share or the discretionary bonus above 25% are escrowed until 1 July 2035 and may not be sold, transferred or otherwise dealt with until that date. Andrew McKenzie, Jay Hughes, Robert Black, Anthony Brittain and Richard Simpson elected to sacrifice amounts greater than 25% into the Performance Rights Plan and as such the shares received via the PRP are representative of this additional amount.

Remuneration Report (continued)

Details of remuneration

Details of the nature and amount of each element of the emoluments of each KMP of the Group are set out in the following tables.

2021	Short-term			Post-Employment	Share Based Payment		
	Base salary $	Profit Share / bonus / Commission $	Other benefits $	Superannuation $	Performance Rights $	Total $	Performance related
Andrew McKenzie	250,587	842,796	28,492	25,999	162,500	1,310,374	77%
Jay Hughes	230,452	843,750	26,776	23,725	162,500	1,287,203	78%
Robert Black	250,587	842,796	19,526	25,999	152,188	1,291,096	77%
Anthony Brittain***	250,587	524,046	23,147	25,999	78,750	902,529	67%
Dermot Woods	225,129	618,748	12,143	25,000	85,546	966,566	73%
Richard Simpson	185,236	2,692,118	16,655	21,159	37,500	2,952,668	92%
Ian Parker	50,000	1,068,432	16,136	16,271	-	1,150,839	93%
Robin Romero*	43,750	-	-	4,156	-	47,906	0%
Greg Chessell**	63,326	150,000	4,961	5,424	58,750	282,461	74%
Russell Kane**	63,326	120,000	5,451	5,424	77,813	272,014	73%
Simon Yeo**	63,326	90,000	7,007	5,424	54,063	219,820	66%
Total	1,676,306	7,792,686	160,294	184,580	869,610	10,683,476	

** Appointed Non-Executive Director on 2 December 2020*
*** Ceased being KMP on 9 October 2020*
**** Resigned 9 October 2020 as Executive Director but remains a KMP*

Executive Directors did not receive any Directors fees.

Richard Simpson and Ian Parker were appointed to the Board on 6 October 2020, following completion of the off-market takeover offer by Euroz of Hartleys Limited on 1 October 2020. In connection with the takeover offer, it was agreed that certain amounts would be permitted to be distributed by Hartleys to its shareholders prior to completion of the takeover offer. This included cash proceeds from the sale of the securities held by Zenix Nominees Pty Ltd (a subsidiary of Hartleys) as at 30 June 2020 distributed by way of a dividend / return of capital as approved by Hartleys shareholders. Richard Simpson and Ian Parker each received (i) a completion bonus in connection with the takeover offer (paid from Hartleys cash reserves pre-completion of the takeover offer); and (ii) a corporate bonus which was paid following their respective appointments to the Euroz Board, however, which relates to the period up to completion of the takeover offer (such amount predominantly as a result of the sale of securities held by Zenix Nominees Pty Ltd).

DIRECTORS' REPORT (CONTINUED)

Remuneration Report (continued)

Details of remuneration (continued)

2020	Short-term			Post-Employment	Share Based Payment		
	Base salary $	Profit Share / bonus / Commission $	Other benefits $	Superannuation $	Performance Rights $	Total $	Performance related
Andrew McKenzie	246,092	337,500	23,569	25,000	133,438	765,599	62%
Jay Hughes	250,000	337,500	25,708	25,000	133,438	771,646	61%
Robert Black	250,000	337,500	18,508	25,000	114,063	745,071	61%
Dermot Woods	225,000	172,500	10,551	25,000	63,438	496,489	48%
Greg Chessell	253,997	210,000	19,384	21,003	65,000	569,384	48%
Russell Kane	253,997	187,500	19,557	21,004	95,000	577,058	49%
Simon Yeo	253,997	187,500	22,279	21,003	71,250	556,029	47%
Anthony Brittain	250,000	157,500	20,491	25,000	50,313	503,304	41%
Total	1,983,083	1,927,500	160,047	188,010	725,940	4,984,580	

Executive Directors did not receive any Directors fees.

Remuneration Report (continued)

Service agreements
Remuneration and other terms of employment for the Key Management Personnel are formalised in service agreements. Each of these agreements provide for performance-related cash bonuses and other benefits. Notwithstanding the agreed salary in the service agreement, the base salary may be reduced or increased based on trading conditions. Other major provisions of the agreements relating to remuneration are set out below.

Andrew McKenzie, *Executive Chairman*
- Term of contract - ongoing employment contract
- Base salary, exclusive of superannuation for the year ended 30 June 2021 of $253,500 (2020 - $253,997) plus profit share
- Payment on termination of employment by the employer, other than for gross misconduct - three months' salary

Jay Hughes, *Director*
- Term of contract - ongoing employment contract
- Base salary, exclusive of superannuation for the year ended 30 June 2021 of $253,500 (2020 - $253,997) plus profit share
- Payment on termination of employment by the employer, other than for gross misconduct - three months' salary

Robert Black, *Director*
- Term of contract - ongoing employment contract
- Base salary, exclusive of superannuation for the year ended 30 June 2021 of $253,500 (2020 - $253,997) plus profit share
- Payment on termination of employment by the employer, other than for gross misconduct - three months' salary

Anthony Brittain, *Director - Resigned 9 October 2020, Chief Operating and Financial Officer*
- Term of contract - ongoing employment contract
- Base salary, exclusive of superannuation for the year ended 30 June 2021 of $253,997 (2020 - $253,997) plus discretionary bonus
- Payment on termination of employment by the employer, other than for gross misconduct - three months' salary

Richard Simpson, *Director*
- Term of contract - ongoing employment contract
- Base salary, exclusive of superannuation for the year ended 30 June 2021 of $253,500 (2020 - $0) plus profit share
- Payment on termination of employment by the employer, other than for gross misconduct - six months' salary

Ian Parker, *Director*
- Term of contract - ongoing employment contract
- Base salary, exclusive of superannuation for the year ended 30 June 2021 of $66,000 (2020 - $0) plus commission
- Payment on termination of employment by the employer, other than for gross misconduct - six months' salary

Robin Romero, *Non-Executive Director*
- Term of contract - ongoing consulting contract
- Directors fee, exclusive of superannuation for the year ended 30 June 2021 of $75,000 (2020 - $0)

Dermot Woods, *Director Westoz Funds Management Pty Ltd*
- Term of contract – ongoing employment contract
- Base salary, exclusive of superannuation for the year ended 30 June 2021 of $229,000 (2020 - $228,997) plus discretionary bonus
- Payment on termination of employment by the employer, other than for gross misconduct – three months' salary

Greg Chessell, *Director - Resigned 9 October 2020*
- Term of contract - ongoing employment contract
- Base salary, exclusive of superannuation for the year ended 30 June 2021 of $253,997 (2020 - $253,997) plus profit share
- Payment on termination of employment by the employer, other than for gross misconduct - three months' salary

Russell Kane, *Director - Resigned 9 October 2020*
- Term of contract - ongoing employment contract
- Base salary, exclusive of superannuation for the year ended 30 June 2021 of $253,997 (2020 - $253,997) plus profit share
- Payment on termination of employment by the employer, other than for gross misconduct - three months' salary

Simon Yeo, *Director - Resigned 9 October 2020*
- Term of contract - ongoing employment contract
- Base salary, exclusive of superannuation for the year ended 30 June 2021 of $253,997 (2020 - $253,997) plus profit share
- Payment on termination of employment by the employer, other than for gross misconduct - three months' salary

DIRECTORS' REPORT (CONTINUED)
Remuneration Report (continued)

Shareholdings of Key Management Personnel
The movement during the reporting year in the number of shares in Euroz Limited held, directly, indirectly or beneficially, by each member of KMP, including related parties, is as follows:

2021	Balance at 1 July 2020	Received via PRP (i)	Bought & (sold)*	Net change other **	Balance at 30 June 2021
Ordinary shares					
A McKenzie	12,844,846	232,716***	191,162	-	13,268,724
J Hughes	12,955,676	599,418***	190,000	-	13,745,094
R Black	4,578,068	317,340***	146,932	-	5,042,340
A Brittain	643,633	219,396***	-	-	863,029
R Simpson	-	188,054***	50,000	2,265,824	2,503,878
I Parker	-	-	23,683	1,845,921	1,869,604
R Romero	-	-	22,575	-	22,575
D Woods	876,948	129,287	-	-	1,006,235
R Kane	3,501,647	-	5,000	(3,506,647)	-
S Yeo	4,792,972	-	172,028	(4,965,000)	-
G Chessell	4,952,924	-	114,771	(5,067,695)	-
	45,146,714	1,686,211	916,194	9,427,597	38,321,479

2020	Balance at 1 July 2019	Received via PRP (i)	Bought & (sold)*	Net change other **	Balance at 30 June 2020
Ordinary shares					
A McKenzie	12,680,051	114,795	50,000	-	12,844,846
J Hughes	12,690,912	114,795	149,969	-	12,955,676
R Black	4,275,630	114,795	187,643	-	4,578,068
A Brittain	590,062	53,571	-	-	643,633
D Woods	818,275	58,673	-	-	876,948
R Kane	3,353,006	63,775	84,866	-	3,501,647
S Yeo	4,609,197	63,775	120,000	-	4,792,972
G Chessell	4,740,280	71,428	141,216	-	4,952,924
	43,757,413	655,607	733,694	-	45,146,714

*Inclusive of shares allocated in Dividend Reinvestment Plan (DRP).
** Net change reflects commencement or cessation as a KMP.
*** Inclusive of shares allotted via the sacrifice of amounts greater than 25% in to the PRP.

(i) These shares are held by the Euroz Share Trust and are currently vesting in accordance with the Euroz Performance Rights Plan (PRP).

Performance Rights held by Key Management Personnel
The movement during the reporting period in performance rights in Euroz Limited held, directly, indirectly or beneficially, by each KMP, including related parties, is as follows:

2021	Date granted	Granted as remuneration	Vested
Performance Rights			
A McKenzie	1 July 2020	1	(1)
J Hughes	1 July 2020	1	(1)
R Black	1 July 2020	1	(1)
A Brittain	1 July 2020	1	(1)
R Simpson	18 May 2021	1	(1)
D Woods	1 July 2020	1	(1)
R Kane	1 July 2020	1	(1)
S Yeo	1 July 2020	1	(1)
G Chessell	1 July 2020	1	(1)
		9	**(9)**

DIRECTORS' REPORT (CONTINUED)

Remuneration Report (continued)

2020	Date granted	Granted as remuneration	Vested
Performance Rights			
A McKenzie	1 July 2019	1	(1)
J Hughes	1 July 2019	1	(1)
R Black	1 July 2019	1	(1)
D Woods	1 July 2019	1	(1)
R Kane	1 July 2019	1	(1)
S Yeo	1 July 2019	1	(1)
A Brittain	1 July 2019	1	(1)
G Chessell	1 July 2019	1	(1)
		8	**(8)**

These performance rights were issued in accordance with the PRP. Rights are granted on 1 July each year and vest on 30 June.

Share-based compensation
A performance right was issued to KMPs as part of their annual bonus / profit share plan. The fair value of each right is calculated as 25% of each member's bonus entitlement. The performance rights are subject to a vesting period of up to 1 year. Total fair values of shares resulting from the exercise of the performance rights issued to KMPs in the year amounts to $1,495,000 (2020: $642,500).

Loans Key Management Personnel
No loans were made to Directors of Euroz Limited and the KMPs of the consolidated group, including their personally-related entities during the year.

<u>Remuneration Report – end</u>

DIRECTORS' REPORT (CONTINUED)

Indemnification and Insurance of Directors and Officers
Euroz Limited has a Deed of Indemnity for all the Directors and Officers of the Company against all losses or liabilities incurred by each Director and Officer in their capacities as Directors and Officers of the Company. The Company agreed to indemnify and keep indemnified the Directors and Officers against all liabilities by the Directors and Officers as a Director and Officer of the Company to the extent permitted under the Corporations Act 2001.

During the financial year, Euroz Hartleys Limited paid a premium on behalf of the Group to insure the Directors and Officers of the Company. The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the Directors and Officers in their capacity as Directors and Officers of the Company.

Indemnification of Auditors
The Company has not indemnified the auditor and has not paid an insurance premium to insure the auditor.

Proceedings on behalf of Company
No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to such proceedings during the year.

Non-audit services
The following non-audit services were provided by the group's auditor, KPMG. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of non-audit service provided means that auditor independence was not compromised. KPMG received or is due to receive the following amounts for the provision of non-audit services:

	$
Other services	15,000

Auditor's independence declaration
The lead auditor's independence declaration for the year ended 30 June 2021 has been received and follows the Directors' report.

This report is made in accordance with a resolution of the Directors.

Andrew McKenzie
Executive Chairman

Richard Simpson
Executive Director

Date: 31 August 2021

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Euroz Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Euroz Limited for the financial year ended 30 June 2021 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Trevor Hart
Partner

Perth

31 August 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	2021 $	Restated (i) 2020 $
Revenue from continuing operations	4	131,055,891	49,587,996
Gain / (Loss) on fair value movement on investments		33,788,240	(1,491,922)
Employee benefits expense		(70,228,999)	(27,444,866)
Depreciation and amortisation expenses		(2,722,739)	(1,331,240)
Regulatory expenses		(716,330)	(423,714)
Legal, professional and consultancy expenses		(1,406,836)	(859,283)
Conference and seminar expenses		(379,667)	(670,544)
Stockbroking expenses		(8,410,708)	(3,911,055)
Communication expenses		(263,534)	(266,796)
Impairment expenses		(270,371)	(3,130,000)
Other expenses		(5,996,606)	(4,066,366)
Profit before income tax expense from continuing operations	5	74,448,341	5,992,210
Income tax (expense) / benefit	6	(21,907,436)	1,979,426
Profit after income tax expense for the year from continuing operations		52,540,905	7,971,636
Loss after income tax expense for the year from discontinued operations	7	-	(3,621,186)
Profit after income tax expense for the year		52,540,905	4,350,450
Other comprehensive income			
Other comprehensive income net of tax		-	-
Total comprehensive income for the year		52,540,905	4,350,450
Profit / (Loss) for the year is attributable to:			
Non-controlling interest		-	5,705,176
Owners of Euroz Limited		52,540,905	(1,354,726)
		52,540,905	4,350,450
Total comprehensive income / (loss) for the year is attributable to:			
Continuing operations		-	(220,563)
Discontinued operations		-	5,925,739
Non-controlling interest		-	5,705,176
Continuing operations		52,540,905	8,192,199
Discontinued operations		-	(9,546,925)
Owners of Euroz Limited		52,540,905	(1,354,726)
		52,540,905	4,350,450

(i) Refer to note 4 (a)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

	Notes	2021 ¢	2020 ¢
Earnings / (loss) per share for profit / (loss) from continuing operations attributable to the owners of Euroz Limited			
Basic earnings per share (cents)	36	29.16	5.26
Diluted earnings per share (cents)	36	28.17	5.09
Earnings / (loss) per share for profit / (loss) from discontinued operations attributable to the owners of Euroz Limited			
Basic earnings / (loss) per share (cents)	36	-	(6.13)
Diluted earnings / (loss) per share (cents)	36	-	(5.93)
Earnings / (loss) per share for profit / (loss) attributable to the owners of Euroz Limited			
Basic earnings / (loss) per share (cents)	36	29.16	(0.87)
Diluted earnings / (loss) per share (cents)	36	28.17	(0.84)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

EUROZ LIMITED
AS AT 30 JUNE 2021
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	2021 $	2020 $
CURRENT ASSETS			
Cash and cash equivalents	8	96,050,325	41,106,390
Trade and other receivables	9	28,779,550	2,368,924
Other financial Assets	10	21,455,932	7,164,665
Other current assets	11	2,804,724	1,418,940
Total current assets		149,090,531	52,058,919
NON-CURRENT ASSETS			
Financial assets	12	1,362,701	5,216,699
Investments	13	826,040	599,790
Investment entities at fair value	14	75,827,068	56,998,090
Plant and equipment	15	1,129,497	472,987
Deferred tax assets	16	9,013,841	9,464,820
Intangible assets	17	39,969,660	9,798,785
Right of use asset	21	5,494,070	4,556,400
Total non-current assets		133,622,877	87,107,571
TOTAL ASSETS		**282,713,408**	**139,166,490**
CURRENT LIABILITIES			
Trade and other payables	18	81,057,681	13,390,880
Current tax liabilities	19	8,123,786	2,548,489
Short term provisions	20	7,526,510	3,339,778
Lease liability	21	1,354,249	879,398
Total current liabilities		98,062,226	20,158,545
NON-CURRENT LIABILITIES			
Deferred tax liabilities	22	8,602,736	946,875
Long term provisions	23	109,882	72,656
Lease liability	21	4,836,380	3,653,897
Total non-current liabilities		13,548,998	4,673,428
TOTAL LIABILITIES		**111,611,224**	**24,831,973**
NET ASSETS		**171,102,184**	**114,334,517**
EQUITY			
Issued capital	24 (a)	134,665,226	102,167,440
Reserves	24 (g)	7,955,369	4,869,667
Retained earnings		28,481,589	7,267,597
Equity attributable to the owners of Euroz Limited		171,102,184	114,304,704
Non-controlling interest		-	29,813
TOTAL EQUITY		**171,102,184**	**114,334,517**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

EUROZ LIMITED
FOR THE YEAR ENDED 30 JUNE 2021
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued Capital $	Share Based Payment Reserve $	Retained Earnings $	Non-Controlling Interest $	Total $
Balance at 1 July 2019	**101,333,244**	**3,846,281**	**18,503,754**	**(5,887,863)**	**117,795,416**
Adjustment for change in accounting policy (Note 1) Balance 1 July 2019 - restated	-	-	(46,036)	-	(46,036)
	101,333,244	3,846,281	18,457,718	(5,887,863)	117,749,380
Loss for the period	-	-	(1,354,726)	5,705,176	4,350,450
Total comprehensive loss for the period	-	-	(1,354,726)	5,705,176	4,350,450
Transactions with owners, recorded directly in equity					
Shares issued during the period	1,639,362	-	-	212,500	1,851,862
Reclassification of subsidiary share capital	-	-	2,749,999	-	2,749,999
Vested shares under employee share plan	902,234	(902,234)	-	-	-
Treasury shares	(1,707,400)	-	-	-	(1,707,400)
Share based payments	-	1,925,620	-	-	1,925,620
Dividends declared	-	-	(12,585,394)	-	(12,585,394)
Total contributions by and distributions to owners	**834,196**	**1,023,386**	**(9,835,395)**	**212,500**	**(7,765,313)**
Balance at 30 June 2020	**102,167,440**	**4,869,667**	**7,267,597**	**29,813**	**114,334,517**
Balance at 1 July 2020	**102,167,440**	**4,869,667**	**7,267,597**	**29,813**	**114,334,517**
Profit for the period	-	-	52,540,905	(29,813)	52,511,092
Total comprehensive income for the period	-	-	52,540,905	(29,813)	52,511,092
Transactions with owners, recorded directly in equity					
Shares issued during the period	38,280,087	-	-	-	38,280,087
Vested shares under employee share plan	2,167,647	(2,167,647)	-	-	-
Treasury shares	(7,949,948)	-	-	-	(7,949,948)
Share based payments	-	5,253,349	-	-	5,253,349
Dividends declared	-	-	(31,326,913)	-	(31,326,913)
Total contributions by and distributions to owners	**32,497,786**	**3,085,702**	**(31,326,913)**	**-**	**4,256,575**
Balance at 30 June 2021	**134,665,226**	**7,955,369**	**28,481,589**	**-**	**171,102,184**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

EUROZ LIMITED
FOR THE YEAR ENDED 30 JUNE 2021
CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	2021 $	2020 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of goods and services tax)		111,728,760	46,627,655
Payments to suppliers and employees (inclusive of goods and services tax)		(59,370,947)	(37,160,919)
		52,357,813	9,466,736
Interest received		207,963	265,238
Proceeds from sale of trading shares		13,961,244	6,505,285
Income taxes		(7,953,595)	195,551
Payments for trading shares		(8,058,362)	(4,152,186)
Net cash flows from operating activities	34	**50,515,063**	**12,280,624**
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash acquired on acquisition of subsidiary		21,553,544	-
Pershing / FinClear Services security deposit		4,600,000	-
Payments for investment in WIC & OZG		-	(164,750)
Payments for management investment schemes		-	(250,020)
Receipts from disposal of management investment schemes		-	11,452,043
Dividends and trust distributions received		3,060,278	2,975,099
Transfer to financial assets		-	(216,699)
Payments for plant and equipment		(762,533)	(159,049)
Net cash flows from investing activities		**28,451,289**	**13,636,624**
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(14,683,034)	(10,883,769)
Payments for treasury shares		(7,949,948)	(1,707,400)
Repayment of lease liabilities		(1,141,310)	(1,076,592)
Interest paid on lease liabilities		(248,125)	(165,505)
Proceeds from share issue		-	1,639,362
Net cash flows used in financing activities		**(24,022,417)**	**(12,193,904)**
Net increase in cash and cash equivalents		54,943,935	13,723,344
Cash and cash equivalents at 1 July		41,106,390	27,383,046
Cash and cash equivalents at 30 June	8	**96,050,325**	**41,106,390**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

CONTENTS

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements as issued by the Australian Accounting Standards Board and the Corporations Act 2001 as appropriate for "for-profit" oriented entities.

This financial report has been authorised by the Directors to be issued on 31 August 2021. The Directors have the power to amend and reissue the financial statements.

Euroz Limited is a listed public company, trading on the Australian Securities Exchange and Chi - X, limited by shares, incorporated and domiciled in Australia.

The financial report of Euroz Limited and its controlled entities (the group or consolidated group), complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Separate financial information of the parent Company has been included in Note 37 as permitted by amendments to the Corporations Act 2001. The financial report is presented in Australian dollars which is the group's functional and presentation currency. Amounts are rounded to the nearest dollar in accordance with Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191.

The following is a summary of the material accounting policies adopted by the consolidated group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of preparation
Reporting basis and conventions
The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Presentation and functional currency
The consolidated financial statements are presented in Australian Dollars, which is the consolidated Group's functional currency. All amounts have been rounded to the nearest dollar, unless otherwise indicated.

Accounting policies
(a) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Euroz Limited ('Company' or 'parent entity') as at 30 June 2021 and the results of all controlled entities for the year then ended. Euroz Limited and its controlled entities together are referred to in this financial report as the consolidated group.

Subsidiaries are all those entities over which the consolidated group has control. The consolidated group controls an entity when the consolidated group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the consolidated group.

A change in ownership interest without the loss of control is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated group. All controlled entities have a 30 June financial year end.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

Euroz Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the Tax Consolidation Regime. The group formed an income tax consolidated group to apply from 1 July 2003. The tax consolidated group has entered a tax sharing agreement whereby each Company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

(c) Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree' s identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, and the consolidated group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Business combinations (continued)

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

(d) Revenue recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability. The consolidated group recognises revenue when it transfers control over a service to a customer. The nature and timing of satisfaction of performance obligations for each of the consolidated group's main revenue streams is set out below.

Brokerage revenue

Brokerage revenue from share trading is considered to be derived from a single obligation being the completion of a share trading transaction. Accordingly, at the completion of the transaction the revenue is recognised.

Underwriting, placement fees and corporate retainers

Corporate retainers relate to the service fee for work performed such as corporate advisory services. This service is considered a distinct performance obligation and accordingly revenue is recognised as the service is completed in accordance with the engagement mandate.

Placement fees are fees charged on raising capital for clients. This is determined to be the single performance obligation and revenue is recognised as the service is completed in accordance with the engagement mandate.

Underwriting fees are derived upon the satisfactory completion of the engagement criteria which may be the execution of a capital raising or the sale of a pre-determined number of shares for a client. The performance obligation is determined to be the completion of the capital raise or sale of the shares and revenue is recognised as the service is completed in accordance with the engagement mandate.

The payment terms in relation to this source of revenue is up to 7 days.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Revenue recognition (continued)

Performance and management fees
Performance fee income is derived from investment management agreements based on the performance of an underlying fund over a contracted period of time. If the fund performance exceeds a specified threshold the performance fee payable is determined and recorded as revenue at the conclusion of the performance period. The performance obligation is determined to be singular being to achieve a certain performance target over a specified period.

Management fee income is derived from investment management agreements whereby a monthly management fee is payable based on the fund value. The performance obligation is the monthly management of the fund and revenue is recorded monthly following the completion of the month.

The payment terms in relation to this source of revenue is up to 20 days.

Wealth management fees
Wealth management fee income is derived from agreements with clients individually whereby a monthly management fee is payable based on the portfolio value or alternatively a fixed fee arrangement. The performance obligation is the monthly management of the portfolio and revenue is recorded monthly following the completion of the month.

Proceeds from the sale of investments
Share trading revenue from the sale of stocks in the jobbing account is recognised on the day the security is traded. Revenue comprises the gross proceeds on sale of the security. The single performance obligation is the sale of the security.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

(e) Receivables
Trade receivables are recognised as current receivables as they are generally settled within 30 days from the date of recognition. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. For the Group it arises from receivables from subsidiaries, as well as from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and has established a credit and trading policy which sets certain trading limits and guidelines. These limits are reviewed and adjusted by management when and, if required, depending on circumstances prevailing at that time.

(f) Other Financial Assets
Other financial assets are securities in listed and unlisted companies held at fair value through profit and loss. Refer to Note 1(v) financial assets at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Plant and equipment

Each class of plant and equipment is carried at cost as indicated less, where applicable, any accumulated depreciation and impairment losses.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the residual values commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	2 - 25%
Plant and equipment	25 – 33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to the asset are transferred to retained earnings.

(h) Leasehold improvements

The cost of improvements to or on leasehold properties are amortised over the unexpired period of the lease or the estimated useful life of the improvement to the consolidated group, whichever is the shorter.

(i) Leases

Short term lease payments are charged to the statement of profit or loss in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

(j) Trade and other payables

Trade and other payables also include other liabilities for goods and services provided to the consolidated group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(k) Dividends

Provision is made for the amount of any dividend declared and authorised by the Directors on or before the end of the financial year, but not distributed at reporting date.

(l) Options

The fair value of options in the shares of the Company issued to Directors and other parties is recognised as an expense in the financial statements in relation to the granting of these options.

(m) Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Provisions

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

(o) Employee benefits

(i) *Wages, salaries and annual leave*

Liabilities for wages, salaries and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) *Employee benefits payable later than one year*

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. There have been no changes to the method used to calculate this liability.

(iii) *Superannuation*

Contributions are made by the consolidated group to superannuation funds as stipulated by statutory requirements and are charged as expenses when incurred.

(iv) *Employee benefit on costs*

Employee benefit on costs, including payroll tax, are recognised and included in employee benefits liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

(v) *Options / performance rights*

Options and/or performance rights issued are equity settled. The fair value of options/performance rights granted is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date. For the right to vest, the employee has to be an Eligible Employee.

The fair value of options at grant date is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of performance rights is estimated at grant date based on expectations of the bonus that will be paid at year end to eligible employees. Each performance right is subject to a service based vesting condition. At the end of each, the performance right converts to plan shares that are subject to a further 3-year service condition. The Board may, at their discretion accelerate the vesting period. Unvested shares are subject to leaver clawback provisions during the 3 year period.

(vi) *Profit-sharing*

The consolidated group recognises a liability and an expense for profit-sharing based on a formula that takes into consideration the profit attributable to the Company's employees after certain adjustments.

(vii) *Termination benefits*

The consolidated group recognises a liability and an expense when the group demonstrates a commitment to either terminate the employee before the normal retirement date or provide termination benefits as a result of an offer made to the employee prior to retirement date.

(p) Cash and cash equivalents

For purposes of the statement of cash flows, cash and cash equivalents includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Earnings per share

(i) *Basic earnings per share*

Basic earnings per share is determined by dividing the net profit after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares. The potential impact of issuing treasury shares externally is considered when calculating diluted earnings per share.

(r) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

(s) Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the consolidated group is the current closing price; the appropriate quoted market price for financial liabilities is the current closing price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The consolidated group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows and Black-Scholes model are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the consolidated group for similar financial instruments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Goods and Services Tax (GST)
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(u) Treasury Shares
Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in share-based payments reserve.

(v) Investments and Other Financial Assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at Fair Value Through Profit or Loss ("FVTPL"). Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Financial assets at amortised cost
The Group measures financial assets at amortised cost if both of the following conditions are met:
(i) The financial asset is held within a business model with the objective to hold financial assets to collect contractual cashflows; and
(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Expected Credit Losses (ECL's) on financial assets at amortised costs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Investments and Other Financial Assets (continued)

Impairment of financial assets
The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

(w) Current / non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

(x) Contributed equity
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

(y) Intangible asset
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Indefinite life intangibles are tested for impairment annually or more frequently if events, conditions or circumstances indicate that they might be impaired. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(z) Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(aa) Discontinued operations

In March 2020, the Group concluded a strategic review of the investment in Prodigy which resulted in the decision to discontinue the operations of the three subsidiaries, as follows:

FIP Management Services Pty Ltd (Note 31)
DSC Investment Management Pty Ltd (Note 31)
EPC Investment Pty Ltd (Note 31)

The results of discontinued operations are presented separately on the face of the Statement of Profit or Loss and Other Comprehensive Income.

(ab) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(ac) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ac) Lease liabilities (continued)

Australian Accounting Standards Board ('AASB') 16 Leases
The consolidated entity has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

Impact of adoption
AASB 16 was adopted using the modified retrospective approach and as such the comparatives have not been restated. The impact of adoption on opening retained profits as at 1 July 2019 was as follows:

	1 July 2019 $
Operating lease commitments as at 1 July 2019 (AASB 117)	6,131,095
Finance lease commitments as at 1 July 2019 (AASB 117)	-
Operating lease commitments discount based on the weighted average incremental borrowing rate of 3.5% (AASB 16)	(567,242)
Short-term leases not recognised as a right-of-use asset (AASB 16)	-
Right-of-use assets (AASB 16)	5,563,853
Lease liabilities - current (AASB 16)	(1,076,737)
Lease liabilities - non-current (AASB 16)	(4,533,152)
Reduction in opening retained profits as at 1 July 2019	(46,036)

(ad) New standards and interpretations
The consolidated group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current year

New Accounting Standards and Interpretations not yet mandatory or early adopted
The AASB has issued the following new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The group has not early adopted any of these standards.

AASB No.	New standards or amendments	Application date
AASB 2014-10	Sale or Contributions of Assets between an Investor and its Associate or Joint Venture	1 January 2022
AASB 2020-1	Classification of Liabilities as Current or Non-current	1 January 2023
AASB 2020-3	Annual Improvements 2018 – 2020 and Other Amendment	1 January 2022
AASB 17	Insurance Contracts	1 January 2023

NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements incorporated in the financial statements are based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key estimates and judgments

(i) Impairment

At each reporting date, the consolidated group compares the carrying values and market values of investments to determine whether there is any indication of impairment. If impairment indicators exist, any excess of the investment entity's carrying value over the recoverable amount is expensed to the statement of profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the consolidated group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(ii) Classification of other financial assets

The consolidated group has decided to classify investments in listed securities at fair value through profit and loss. These securities are accounted for at fair value. Any increments or decrements in their value at year end are charged or credited to the statement of profit or loss.

(iii) Taxation

Judgement is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the statement of financial position. Deferred tax assets, including those arising from temporary differences and tax losses, are recognised only where it is considered more likely than not they will be recovered, which is dependent on the generation of sufficient future taxable profits. Deferred tax liabilities arising from temporary differences are recognised to the extent that there are future profits.

(iv) Goodwill

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. For the purpose of impairment testing, the goodwill on acquisition of Blackswan Equities Limited is allocated to Blackswan private client broking cash-generating unit which represents the lowest level at which it is monitored for internal management purposes. Goodwill allocated to this was $2,803,345. The assumptions used for determining the recoverable amount are based on past experience and expectations for the future. Projected cash flows for each cash-generated unit are discounted using an appropriate discount rate and a value in use is determined over a 5-year life. The discount rate deemed applicable amounted to 7.06 % and a 2% growth rate on cash flows was assumed. The Board have assessed that there is no indication the goodwill is impaired.

Goodwill on the acquisition of Entrust totalling $5,639,200 has been allocated to the Entrust cash-generating unit. The assumptions used for determining the recoverable amount are based on past experience and expectations for the future. Projected cash flows for each cash-generated unit are discounted using an appropriate discount rate and a value in use is determined over a 5-year life. The discount rate deemed applicable amounted to 7.06 % and a 2% growth rate on cash flows was assumed. The Board have assessed that there is no indication the goodwill is impaired.

Goodwill on the acquisition of Hartleys Limited totalling $7,507,619 has been recognised as at 30 June 2021. The Board have assessed that there is no indication the goodwill is impaired.

(v) Intangible assets

Upon acquisition of Entrust, Euroz acquired $1,736,240 in other intangible assets consisting 3 separate client portfolios. The useful life of the intangibles is assessed as 10 years.

The Group is in the process of reviewing the cash generating units following the restructure of the Group operations.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Key estimates and judgments (continued)

(v) *Intangible assets (continued)*
On acquisition of Hartleys Limited, the Group recognised an intangible for Hartleys' brand name of $19,500,000 with an indefinite useful life and customer relationship asset of $3,900,000 with a useful life of 9 years. Amortisation expense of the customer relationship of $325,000 for the 9 months to 30 June 2021was recognised. The values of these intangibles were measured by an external professional valuer.

(vi) *Incremental borrowing rate*
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

(vii) *Coronavirus (COVID-19) pandemic*
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates.

NOTE 3: SEGMENT INFORMATION

Identification of reportable segments
The consolidated group has identified its operating segments based on the internal reports that are reviewed and used by the executive team (the chief operating decision makers) in assessing performance and in allocating resources.

Following the consolidation of operations of Euroz Hartleys Securities, Euroz Hartleys and Entrust into one business, Euroz Hartleys business segments have been determined to be:

Retail
Retail refers to private wealth advisers who deal with high net wealth non-institutional clients. The private wealth advisers provide a broad investment offering for the clients. The wealth management team provides strategic investment advice, superannuation advice, investment management and portfolio administration service. The specialised broking services allows close interaction between research analysts and private wealth advisers and hence allowing timely communication with clients.

Wholesale
Wholesale refers to the Institutional Dealing, Research and Corporate Finance team who deal with companies and other institutional clients. The Institutional dealing team provides quality advice, idea generation, site visits, roadshows highly focused on resources, mining services and small to mid- cap Western Australia (WA) industrials. Working along the Institutional team is the Research team which has extensive coverage of ASX listed industrials, resources and energy companies. The Corporate Finance team specialises in Equity Capital Markets (ECM), Mergers and Acquisitions (M&A) and strategic Corporate Advisory.

Funds Management
The consolidated group provides funds management services. It manages funds under mandate from two listed investment companies; Westoz Investment Company Limited ("WIC") and Ozgrowth Limited ("OZG"). Both companies have enjoyed competitive portfolio returns since inception.

Due to the nature of the business providing financial services to the clients driven by the employees, management does not consider asset and liabilities separation to be an appropriate measure of segments.

Basis of accounting for purpose of reporting by operating segments
The accounting policies used by the consolidated group in reporting segments internally are consistent with those adopted in the financial statements of the consolidated group, unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 3: SEGMENT INFORMATION (CONTINUED)

Segment performance

	Retail	Wholesale	Funds Management	Other	Total
	$	$	$	$	$
2021					
Brokerage	22,151,431	8,964,048	-	-	31,115,479
Underwriting and placement fees	10,307,152	41,351,011	-	-	51,658,163
Performance and management fees	-	-	17,218,045	-	17,218,045
Wealth management fees	14,495,036	36,583	-	-	14,531,619
Corporate advisory	-	12,381,468	-	-	12,381,468
Dividends and trust distributions received	-	-	-	3,063,965	3,063,965
Interest received	-	-	11,002	186,342	197,344
Other revenue	-	177,000	-	712,808	889,808
Total segment revenue	**46,953,619**	**62,910,110**	**17,229,047**	**3,963,115**	**131,055,891**
Segment net operating profit after tax	**6,497,804**	**14,941,039**	**10,712,822**	**20,389,240**	**52,540,905**

	Retail (ii)	Wholesale (ii)	Funds Management (ii)	Other (ii)	Total Restated (i) (ii)
	$	$	$	$	$
2020					
Brokerage	9,044,407	7,351,100	-	-	16,395,507
Underwriting and placement fees	768,370	16,061,678	-	-	16,830,048
Performance and management fees	-	-	4,039,361	-	4,039,361
Wealth management fees	9,129,608	19,015	-	-	9,148,623
Corporate advisory	-	684,802	-	-	684,802
Dividends and trust distributions received	-	-	-	3,636,079	3,636,079
Interest received	-	-	24,933	247,746	272,679
Other revenue	-	135,000	-	222,335	357,335
Total segment revenue	**18,942,385**	**24,251,595**	**4,064,294**	**4,106,160**	**51,364,432**
Segment net operating profit / (loss) after tax	**931,908**	**3,526,010**	**(6,503,491)**	**6,396,023**	**4,350,450**

(i) Refer to note 4 (a)

(ii) As a result of the acquisition of Hartleys Limited during the year ended 30 June 2021 (see Note 32) and the consolidation of Euroz Hartleys Securities, Euroz Hartleys and Entrust in to one business, the consolidated group has changed its internal organisation and the composition of its operating segments, which resulted in a change in reportable segments. Accordingly, the consolidated group has restated the previously reported segment information for the year ended 30 June 2020.

Entity-wide disclosures

The consolidated group predominately operates with in the geographical region of Australia. Therefore, the total revenue and non-current assets are reflected on the face of the financial statements.

During the year ended 30 June 2021, approximately 15.43% (2020: 10.47%) of the consolidated group's external revenue was derived from management fees and dividends from Ozgrowth Limited and Westoz Investment Company Limited.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4: REVENUE

	2021 $	2020 Restated (a) $
Revenue from continuing operations	131,055,891	49,587,996
Revenue from discontinued operations	-	1,776,436
	131,055,891	51,364,432

Disaggregation of revenue including discontinued operations
The disaggregation of revenue is as follows:

	2021 $	2020 Restated (a) $
Brokerage	31,115,479	16,395,507
Underwriting and placement fees	51,658,163	16,830,047
Performance and management fees	17,218,045	4,039,361
Wealth management fees	14,531,619	9,148,623
Corporate advisory fees	12,381,468	684,802
Dividends and trust distributions received	3,063,965	3,636,078
Interest received	197,344	272,679
Other revenue	889,808	357,335
	131,055,891	51,364,432

(a) Restatement
In the comparative period, in the statement of profit or loss, the Group included within Revenue the proceeds on sale of financial assets as "Proceeds on sale of principal trading shares" when securities were sold. In addition, the cost of those securities was disclosed as an expense described as "Carrying value of principle trading stock sold" with any prior period revaluation gains/losses on those securities sold being recognised in "Gain/(Loss) on fair value movement on investments". In order to comply with the requirements of AASB15 Revenue from Contracts with Customers and AASB 9 Financial Instruments, the Directors have restated the presentation of the Consolidated Statement of Profit or Loss and Other Comprehensive Income to disclose the difference between the proceeds and the carrying amount of securities sold as part of "Gain/(Loss) on fair value movement on investments". No restatement was required for Profit before income tax or Profit after income tax for the period. No restatement was required to the consolidated statement of financial position (other than to refer to investments in traded securities as other financial assets rather than inventory), consolidated statement of changes in equity and consolidated statement of cash flows in relation to the above.

Extracts from the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the table below set out the impact on the comparative for the year ended 30 June 2020.

	30 June 2020	Adjustment	Restated Amount (i)
Revenue	67,545,324	(17,957,328)	49,587,996
Gain on fair value movement on investments	1,587,010	(3,078,932)	(1,491,922)
Carrying Value of principal trading stock	(21,036,260)	21,036,260	-
Profit before Tax	5,992,210	-	5,992,210
Profit after tax expense for the period	4,350,450	-	4,350,450

(i) Refer to note 4 (a)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 5: PROFIT / (LOSS) BEFORE INCOME TAX EXPENSE FROM CONTINUING OPERATIONS

	2021 $	2020 $
Profit / (loss) before income tax is determined after accounting for the following specific expenses:		
Plant and equipment – depreciation	354,278	242,655
Leasehold improvements – amortisation	128,305	126,176
Right of use asset – amortisation	983,041	1,007,453
Right of use asset – impairment	270,371	
Amortisation – intangible asset	986,744	-
Less depreciation and amortisation from discontinued operations	-	(45,044)
	2,722,739	1,331,240
Finance costs		
Interest and finance charges paid/payable on lease liabilities	248,125	165,505
Leases		
Short term lease payments	-	770
Superannuation expense	2,040,313	1,058,927
Share based payments – PRP	5,253,350	1,900,220
Impairment expenses		
Impairment – investment	-	2,750,000
Impairment – intangible asset	270,371	380,000

NOTE 6: INCOME TAX

	2021	2020
The components of tax benefit / expense comprise:		
Current tax	13,800,596	2,570,078
Deferred tax	8,106,840	(2,870,406)
	21,907,436	(300,328)
Income tax benefit / expense is attributable to:		
Expense / (benefit) from continuing operations	21,907,436	(1,979,426)
Expense / (benefit) from discontinued operations	-	1,679,098
	21,907,436	(300,328)
Numerical reconciliation between tax expense and pre-tax accounting profit / (loss)		
Profit / (loss) before income tax expense from continuing operations	74,448,341	5,992,210
Profit / (loss) before income tax expense from discontinued operations	-	(1,942,088)
	74,448,341	4,050,122
Income tax using company's tax rate of 30% (2020: 30%)	22,334,502	1,215,037
Add tax effect of:		
- deferred tax not recognised on temporary differences	(116,263)	(246,127)
- other non-allowable items	82,542	82,333
	22,300,781	1,051,243

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6: INCOME TAX (CONTINUED)

	2021 $	2020 $
Less tax effect of:		
- franked dividends received	(393,345)	1,351,571
Income tax expense/(benefit) attributable to entity	21,907,436	(300,328)

	2021	2020
Reconciliations		
i. Gross movements		
The overall movement in the deferred tax account is as follows:		
Balance at 1 July	8,517,945	5,647,539
Recognised in statement of profit or loss	(8,106,840)	2,870,406
Balance at 30 June	411,105	8,517,945
ii. Deferred tax liability		
Movement in temporary differences during the year:		
Fair value gain adjustments		
Balance at 1 July	35,212	446,308
Recognised in the statement of profit or loss	7,229,741	(411,096)
Balance at 30 June	7,264,953	35,212
Other		
Balance at 1 July	911,663	866,760
Recognised in the statement of profit or loss	426,120	44,903
Balance at 30 June	1,337,783	911,663
	8,602,736	946,875
iii. Deferred tax assets		
Movement in temporary difference during the year:		
Fair value gain adjustments		
Balance at 1 July	2,292,692	3,150,224
Recognised in the statement of profit or loss	(2,292,692)	(857,532)
Balance at 30 June	-	2,292,692
Provisions		
Balance at 1 July	1,088,718	2,617,564
Recognised in the statement of profit or loss	2,926,051	(1,528,846)
Balance at 30 June	4,014,769	1,088,718
Other (i)		
Balance at 1 July	6,083,410	1,192,819
Recognised in the statement of profit or loss	(1,084,338)	4,890,591
Balance at 30 June	4,999,072	6,083,410
	9,013,841	9,464,820

(i) Deferred tax arising from debt forgiven $3,637,673 (2020: $4,708,994)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6: INCOME TAX (CONTINUED)

Tax consolidation legislation
Euroz Limited and its wholly-owned Australian subsidiaries implemented the tax consolidation legislation as of 1 July 2003. The accounting policy on implementation of the legislation is set out in Note 1(b). The impact on the income tax expense for the year is disclosed in the tax reconciliation above.

The entities have also entered into a tax sharing and funding agreement. Under the terms of this agreement, the wholly-owned entities reimburse Euroz Limited for any current income tax payable by Euroz Limited arising in respect of their activities. The reimbursements are payable at the same time as the associated income tax liability falls due and have therefore been recognised as a current tax-related receivable by Euroz Limited. In the opinion of the Directors, the tax sharing agreement is also a valid agreement under the tax consolidation legislation and limits the joint and several liability of the wholly-owned entities in the case of a default by Euroz Limited.

NOTE 7: DISCONTINUED OPERATIONS

In 2020, the Group concluded a strategic review of the investment in Prodigy which resulted in the decision to discontinue the operations of the three subsidiaries, as follows:

FIP Management Services Pty Ltd (Note 31)
DSC Investment Management Pty Ltd (Note 31)
EPC Investment Pty Ltd (Note 31)

The results of the discontinued subsidiaries operations are presented below:

Financial performance information

	2020 $
Revenue	1,776,436
Employee benefits expense	(2,023,635)
Depreciation and amortisation expenses	(45,044)
Regulatory expenses	(20,481)
Legal, professional and consultancy expenses	(101,101)
Conference and seminar expenses	(36,689)
Stockbroking & Portfolio management expenses	(1,138,152)
Communication expenses	(107,776)
Other expenses from ordinary activities	(245,646)
Loss before income tax	(1,942,088)
Income tax expense refer to Note 6	(1,679,098)
Loss after income tax expense from discontinued operations	(3,621,186)
Assets	
Cash	6
Other current assets	-
Plant and equipment	-
Deferred tax asset	-
	6
Liabilities	
Trade and other payables	-
Short term provisions	-
Deferred tax liability	-
Other non-current liabilities	-
	-
Net assets (liabilities) directly associated to the subsidiaries classified as discontinued	6

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 7: DISCONTINUED OPERATIONS (CONTINUED)

Cash flow information	**2021 $**	**2020 $**
Net cash from / (used in) operating activities	-	1,126,637
Net cash used in investing activities	-	(1,100)
Net cash from / (used in) investing activities	-	(1,159,934)
Net decrease in cash and cash equivalents from discontinued operations	-	(34,397)

NOTE 8: CASH AND CASH EQUIVALENTS

	2021 $	**2020** $
Cash at bank and on hand	78,587,456	41,106,390
Restricted cash:		
Cash margin account	3,330,943	-
Client trust account	14,131,926	-
Total restricted cash	17,462,869	-
Total cash and cash equivalents	96,050,325	41,106,390

The cash margin account is held by the Australian Securities Exchange (ASX) as a margin requirement to cover possible market participant default and is adjusted each day to reflect the Company's current obligation to the clearing house at ASX. Client trust bank balances are client funds, and not available for general use by the Group.

NOTE 9: TRADE AND OTHER RECEIVABLES

	2021 $	**2020 $**
Trade receivables	2,191,154	2,368,924
Broker receivable	26,505,144	-
Other receivable	83,252	-
	28,779,550	2,368,924

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group has established a credit and trading policy which sets certain trading limits and guidelines. These limits are reviewed and adjusted by management when and, if required, depending on circumstances prevailing at that time.

Receivables are measured at amortised cost and their carrying amount approximates fair value.

NOTE 10: OTHER FINANCIAL ASSETS

	2021 $	**2020 $**
Fair value of securities in listed companies (i)	14,683,377	6,932,665
Fair value of unlisted securities (ii)	6,772,555	232,000
Total	21,455,932	7,164,665

(i) The fair value adjustment is based on the closing price of each investment at year end.
(ii) These securities are held at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 11: OTHER CURRENT ASSETS

	2021 $	2020 $
Prepayments	2,647,821	1,043,453
Accrued income	156,903	375,487
Total	2,804,724	1,418,940

NOTE 12: FINANCIAL ASSETS

	2021 $	2020 $
Security deposit	400,000	5,000,000
Financial guarantee – term deposit	842,122	216,699
Other non-current receivable	120,579	-
	1,362,701	5,216,699

Security deposit is held by FinClear Services Pty Ltd (formerly Pershing Securities (Australia) Pty Ltd) who is the clearing and trading participant on behalf of Euroz Hartleys Limited for international trades.

NOTE 13: INVESTMENTS

	2021 $	2020 $
Fair value of investment in managed investment schemes (i)	826,040	599,790

(i) The fair value adjustment is based on the closing unit value of the scheme.

NOTE 14: INVESTMENT ENTITIES AT FAIR VALUE

	2021 $	2020 $
Listed ordinary shares in investment entities at fair value through profit or loss	75,827,068	56,998,090

Reconciliation

Reconciliation of the fair values at the beginning and end of the current financial year are set out below:

	2021 $	2020 $
Opening fair value	56,998,090	58,016,264
Additions	-	164,750
Fair value increments / (decrements)	18,828,978	(1,182,924)
Closing fair value	75,827,068	56,998,090

Investment entities encompass listed entities – Westoz Investment Company Limited and Ozgrowth Limited. While the consolidated group is deemed to control these entities, exemption from consolidation is obtained as the Company meets the definition of investment entity under AASB 2013-5 – Investment Entities. Accordingly, these investments are fair valued.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 15: PLANT AND EQUIPMENT

	2021 $	2020 $
Leasehold improvements		
At cost	476,351	413,396
Less: Accumulated amortisation	(277,902)	(321,264)
	198,449	92,132
Software		
At cost	2,215,907	283,238
Less: Accumulated depreciation	(1,612,339)	(212,301)
	603,568	70,937
Office equipment		
At cost	880,582	697,265
Less: Accumulated depreciation	(662,311)	(469,005)
	218,271	228,260
Furniture, fixtures and fittings		
At cost	219,759	105,437
Less: Accumulated depreciation	(110,550)	(23,779)
	109,209	81,658
	1,129,497	472,987

Reconciliations

Reconciliations of the carrying amounts of each class of plant and equipment at the beginning and end of the current and previous financial years are set out below:

	Leasehold improvements $	Plant and equipment $	Total $
2021			
Carrying amount at 1 July 2020	92,132	380,855	472,987
Additions as a result of acquisition of business	246,279	391,790	638,069
Additions	201,441	561,092	762,533
Disposal	(213,098)	(48,411)	(261,509)
Depreciation / amortisation expense	(128,305)	(354,278)	(482,583)
Carrying amount at 30 June 2021	198,449	931,048	1,129,497
2020			
Carrying amount at 1 July 2019	248,163	466,989	715,152
Additions	-	159,049	159,049
Disposal	(29,855)	(2,528)	(32,383)
Depreciation / amortisation expense	(126,176)	(242,655)	(368,831)
Carrying amount at 30 June 2020	92,132	380,855	472,987

Capital commitments – Property, plant and equipment

The Group had capital commitments of $2,328,592 for office renovations, plant and equipment at 30 June 2021 (30 June 2020: Nil).

NOTE 16: DEFERRED TAX ASSETS

	2021 $	2020 $
Deferred tax asset (Note 6)	9,013,841	9,464,820

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits can be generated.

NOTE 17: INTANGIBLE ASSETS

	2021 $	2020 $
Goodwill (refer (a) below)	15,950,164	8,442,545
Other intangible assets (refer (b) below)	24,019,496	1,356,240
	39,969,660	9,798,785

(a) Split of goodwill:	2021 $	2020 $
Goodwill on acquisition of Blackswan	2,803,345	2,803,345
Goodwill on acquisition of Entrust	5,639,200	5,639,200
Goodwill on acquisition of Hartleys Limited	7,507,619	-
	15,950,164	8,442,545

Goodwill balances are deemed to have an indefinite useful life and accordingly an impairment test was performed during the year. Based on the assessment, no impairment was identified. Note 2 (iv) contains additional information on this assessment.

	2021 $	2020 $
(b) Other intangible assets		
Client portfolios (i)	694,496	1,356,240
Hartleys Brand (ii)	19,500,000	-
Customer relationship - Hartleys (ii)	3,575,000	-
ASX Licence	250,000	-
	24,019,496	1,356,240

	Client portfolios $	Customer relationship - Hartleys $	Total $
2021			
Carrying amount at 1 July 2020	1,356,240	-	1,356,240
Additions as a result of acquisition of business	-	3,900,000	3,900,000
Amortisation expense	(661,744)	(325,000)	(986,744)
Carrying amount at 30 June 2021	694,496	3,575,000	4,269,496
2020			
Carrying amount at 1 July 2019	1,736,240	-	1,736,240
Amortisation expense	(380,000)	-	(380,000)
Carrying amount at 30 June 2020	1,356,240	-	1,356,240

NOTE 17: INTANGIBLE ASSETS (CONTINUED)

(i) During the year the useful life of the intangibles was assessed as 10 years and amortised accordingly.

(ii) On acquisition of Hartleys Limited, the Group recognised an intangible for Hartleys' brand name of $19,500,000 with an indefinite useful life and customer relationship asset of $3,900,000 with a useful life of 9 years. Amortisation expense of the customer relationship of $325,000 for the 9 months to 30 June 2021 was recognised. The values of these intangibles were measured by an external professional valuer.

NOTE 18: TRADE AND OTHER PAYABLES

	2021 $	2020 $
Trade and other payables	4,275,581	479,554
Broker payable	38,516,434	-
Dividend payable	26,394,973	9,751,095
Accruals	11,870,693	3,160,231
	81,057,681	13,390,880

Payables are measured at amortised cost and their carrying amount approximates fair value.

Dividend payable represents the dividend declared by the Board before the reporting date and to be paid out to shareholders subsequent to year end.

Movement in dividend payable is set out below:

	2021 $	2020 $
Carrying amount at 1 July	9,751,095	8,049,469
Additional amount recognised	31,389,918	12,589,545
Amounts paid out	(14,746,040)	(10,887,919)
Carrying amount at 30 June	26,394,973	9,751,095

NOTE 19: CURRENT TAX ASSETS AND LIABILITIES

	2021 $	2020 $
Provision for taxation	8,123,786	2,548,489

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 20: SHORT TERM PROVISIONS

	2021 $	2020 $
Employee benefits (annual leave)	3,320,114	1,483,615
Employee benefits (long service leave)	4,206,396	1,856,163
Total	7,526,510	3,339,778

Movements in employee benefits, are set out below:

	2021 $	2020 $
Annual leave:		
Carrying amount at 1 July	1,483,615	1,476,970
Additional provisions recognised	1,739,372	820,814
Addition as a result of acquisition of business	1,088,152	-
Amounts paid out	(991,025)	(814,169)
Carrying amount at 30 June	3,320,114	1,483,615
Long service leave:		
Carrying amount at 1 July	1,928,818	1,944,333
Additional provisions recognised	1,517,642	347,745
Addition as a result of acquisition of business	1,375,858	-
Amounts paid out	(506,040)	(363,259)
Carrying amount at 30 June including long term portion (Note 23)	4,316,278	1,928,819

NOTE 21: RIGHT OF USE ASSET AND LEASE LIABILITY

	2021 $	2020 $
Leased premises	8,271,695	5,974,870
Accumulated amortisation	(2,852,240)	(1,418,470)
	5,419,455	4,556,400
Office Equipment	159,692	-
Accumulated amortisation	(85,077)	-
	74,615	-
Right of use asset	5,494,070	4,556,400
Lease liability – current	1,354,249	879,398
Lease liability – non current	4,836,380	3,653,897

Reconciliation of right of use asset:

	2021 $	2020 $
Balance as at 1 July	4,556,400	-
Right of use assets on acquisition of Hartleys Limited	2,633,583	-
Adoption of AASB 16	-	5,563,853
Amortisation expense	(983,041)	(1,007,453)
Impairment	(270,371)	-
Transfer to lease receivable and write off	(442,501)	-
Balance as at 30 June	5,494,070	4,556,400

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 21: RIGHT OF USE ASSET AND LEASE LIABILITY (CONTINUED)

The following table sets out a maturity analysis of lease liabilities showing the undiscounted lease payments to be paid after the reporting date.

	2021 $	2020 $
Less than one year	1,354,249	879,398
One to two years	1,334,508	944,351
Two to three years	1,336,492	927,366
Three to four years	1,374,675	894,048
Four to five years	505,614	888,132
More than 5 years	285,091	-
	6,190,629	4,533,295

The above right of use asset and lease liability relates to:

- The lease on the premises at Level 18 Alluvion, 58 Mounts Bay Road is for a period of 15 years commencing 2 July 2010 and expiring on 1 July 2025.
- The lease on the premises at Level 6 Westralia, 141 St Georges Terrace is for a period of 8 years commencing 1 January 2019 and expiring on 31 December 2026.
- The licence on the premises at Level 9, 20 Bond Street, Sydney NSW is for a period of 5 years commencing 15 December 2018 and expiring on 14 December 2023. In December 2020, the Group sublet the Sydney office space. This has been presented as part of a right use asset.
- The licence on the premises at Level 15, 385 Bourke Street, Melbourne is for a period of 8 years commencing 1 June 2015 and expiring on 31 May 2022. These premises are in the process of being sub-let.

NOTE 22: DEFERRED TAX LIABILITIES

	2021 $	2020 $
Deferred tax liability (Note 6)	8,602,736	946,875

NOTE 23: LONG TERM PROVISIONS

	2021 $	2020 $
Employee benefits (long service leave)	109,882	72,656

NOTE 24: CONTRIBUTED EQUITY

	2021 Shares	2020 Shares	2021 $	2020 $
(a) Share capital				
Ordinary shares				
Issued and paid up capital - consisting of ordinary shares (net of Treasury shares)	185,374,535	156,676,401	134,665,226	102,167,440

(b) Movements in ordinary share capital

	2021 Shares	2020 Shares
At the beginning of the reporting period	155,676,401	155,012,651
Issue of new shares	33,000,075	1,528,860
Acquisition of Treasury shares	(5,298,017)	(1,940,740)
Vested shares under Performance Rights Plan	1,996,076	1,075,630
At the end of the year	185,374,535	156,676,401

NOTE 24: CONTRIBUTED EQUITY (CONTINUED)

(c) Movements in ordinary share capital

	2021 $	2020 $
At the beginning of the reporting period	102,167,440	101,333,244
Shares issued during the period	38,280,087	1,639,362
Acquisition of Treasury shares	(7,949,948)	(1,707,400)
Vested shares under Performance Rights Plan	2,167,647	902,234
At the end of the year	134,665,226	102,167,440

(d) Treasury shares

	2021 Shares	2020 Shares	2021 $	2020 $
Balance of Treasury shares at the end of the reporting period	(10,143,782)	(6,841,841)	13,025,440	7,137,510

Treasury shares were acquired by the Employee Share Trust at various times during the year. The acquisition of Treasury shares forms part of the Performance Right Plan.

(e) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. Ordinary shares have no par value.

On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(f) Options

There were no options on issue at 30 June 2021 (30 June 2020: Nil).

(g) Share based payments reserve

The reserve records items recognised as expenses on valuation of share based payments. The movement in the current period totalling $5,253,349 (2020: $1,925,620) relates to the vesting expense related to the fair value of performance rights issued in the prior year and the current year in connection with the Performance Rights Plan.

	2021 $	2020 $
Balance on share based payment reserve at 1 July	4,869,667	3,846,281
Recognised during the year	5,253,349	1,925,620
Vested shares under Performance Rights Plan	(2,167,647)	(902,234)
Balance on share based payments reserve at 30 June	7,955,369	4,869,667

(h) Capital management

The Directors primary objective is to maintain a capital structure that ensures the lowest cost of capital available to the group. At reporting date, the group has no external borrowings and significant cash reserves. As the holder of various Australian Financial Services Licences and as a market participant of the Australian Securities Exchange the group is exposed to externally imposed capital requirements, which have been complied with throughout the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 25: DIVIDENDS

	2021 $	2020 $
Ordinary shares		
Interim dividend for the half year ended 31 December 2020 of 2.5 cents (2020 – 1.75 cents) per fully paid ordinary share paid on 19 February 2021 Fully franked based on tax paid @ 30%	4,887,958	2,838,449
Final dividend declared and provided for at 30 June 2021 of 13.5 cents (2020 – 6 cents) per fully paid ordinary share paid on 6 August 2021. Fully franked based on tax paid @ 30%	26,394,973	9,751,095
Total dividends provided for or paid	31,282,931	12,589,544

Of the total dividends paid during the year, $63,005 (2020: $4,140) was paid to the Euroz Share Trust and is undistributed. Therefore, it has been eliminated on consolidation.

Franked dividends
The franked portions of the dividends recommended after 30 June 2021 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the year ending 30 June 2021.

	2021 $	2020 $
Franking credits available for subsequent financial years based on a tax rate of 30% (2020: 30%)	7,609,902	12,258,670

These dividends are fully-franked and therefore, there are no income tax consequences for the owners of Euroz Limited.

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:
(a) franking credits that will arise from the payment of the current tax liability
(b) franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
(c) franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date, and
(d) franking credits that may be prevented from being distributed in subsequent financial years.

The consolidated amounts include franking credits that would be available to the parent entity if distributable profits of controlled entities were paid as dividends.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 26: FINANCIAL INSTRUMENTS

(a) Financial risk management

The group's financial instruments consist of deposits with banks, trade receivables and payables, short term investments and long term investments. Derivative financial instruments are not used by the group. Senior executives meet regularly to analyse and monitor the financial risk associated with the financial instruments used by the group.

(b) Financial risk exposure and management

(i) Interest rate risk

The group has no borrowings and therefore is not exposed to interest rate risk associated with debt. The group has significant cash reserves and the interest income earned from these cash reserves will be affected by movements in the interest rate. A sensitivity analysis has been provided in the note to illustrate the effect of interest rate movements on interest income earned.

(ii) Liquidity risk

The group manages liquidity risk using forward cash flow projections, maintaining cash reserves and having no borrowings or debt.

Trade and other payables are expected to be paid as follows:

	2021 $	2020 $
Less than 1 month	54,662,708	3,639,785
1 to 3 months	26,394,973	9,751,095
	81,057,681	13,390,880

(iii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. For the Company it arises from receivables from subsidiaries, as well as from customers.

Senior management monitors its exposure to customers on a regular basis to ensure recovery and repayment of outstanding amounts. Cash deposits are only made with Australian based banks.
The maximum exposure to credit risk, excluding the value of any collateral or security, at reporting date is the carrying amount of the financial assets disclosed in the statement of financial position. There is no collateral or security held for those assets at 30 June 2021.

The carrying amount of the consolidated entity's cash and cash equivalents, receivables and deposits represents the maximum credit exposure.

The consolidated entity's maximum exposure to credit risk at the reporting date was:

	Note	Carrying Amount 2021 $	2020 $
Cash and cash equivalents	8	96,050,325	41,106,390
Trade and other receivables	9	28,779,550	2,368,924
Financial Assets	12	1,362,701	5,216,699
		126,192,576	48,692,013

Impairment losses

All of the consolidated group's receivables are considered recoverable.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 26: FINANCIAL INSTRUMENTS (CONTINUED)

(iv) Financial instruments composition

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-Interest Bearing	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
	%	**%**	**$**	**$**	**$**	**$**
FINANCIAL ASSETS						
Cash and cash equivalents	0.29	0.57	96,050,325	41,106,390	-	-
Trade and other receivables			-	-	28,779,550	2,368,924
Financial assets held for trading			-	-	21,455,932	7,164,665
Financial assets at fair value through profit and loss			-	-	75,827,068	56,998,090
Other investments			-	-	826,040	599,790
Financial Assets	0.36	0.08	1,279,449	5,216,699	83,252	-
Total financial assets			97,329,774	46,323,089	126,971,842	67,131,469
FINANCIAL LIABILITIES						
Trade and other payables			-	-	81,057,681	13,390,880
Lease liability (current and non current)	4.25	3.5	6,190,629	4,533,295	-	-
			6,190,629	4,533,295	81,057,681	13,390,880

(v) Fair value hierarchy

The following table details the consolidated group's fair value of financial instruments categorised by the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). Techniques, such as estimated discounted cash flows and Black-Scholes model are used to determine fair value for the financial instruments.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 26: FINANCIAL INSTRUMENTS (CONTINUED)

		Carrying amount			Fair value			
2021		Mandatorily at FVTPL(ii)	Financial assets / liabilities at amortised cost	Total	Level 1	Level 2	Level 3	Total
	Note	$	$	$	$	$	$	$
Current financial assets								
Cash and cash equivalents (i)	8	-	96,050,325	96,050,325	-	-	-	-
Trade and other receivables (i)	9	-	28,779,550	28,779,550	-	-	-	-
Other Financial Assets	10	21,455,932	-	21,455,932	14,683,377	6,589,954	182,601	21,455,932
Non - Current financial assets								
Financial assets (i)	12	-	1,362,701	1,362,701	-	-	-	-
Investments	13	826,040	-	826,040	-	-	826,040	826,040
Investment entities at fair value	14	75,827,068	-	75,827,068	75,827,068	-	-	75,827,068
Current financial liabilities								
Trade and other payables (i)	18	-	81,057,681	81,057,681	-	-	-	-
		98,109,040	45,134,895	143,243,935	90,510,445	6,589,954	1,008,641	98,109,040

(i) Balances are measured at amortised cost and their carrying amount approximates fair value.

(ii) Fair value through profit and loss (FVTPL)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 26: FINANCIAL INSTRUMENTS (CONTINUED)

		Carrying amount			Fair value			
2020		Mandatorily at FVTPL	Financial assets / liabilities at amortised cost	Total	Level 1	Level 2	Level 3	Total
	Note	$	$	$	$	$	$	$
Current financial assets								
Cash and cash equivalents (i)	8	-	41,106,390	41,106,390	-	-	-	-
Trade and other receivables (i)	9	-	2,368,924	2,368,924	-	-	-	-
Other Financial Assets	10	7,164,665	-	7,164,665	6,642,665	247,500	274,500	7,164,665
Non - Current financial assets								
Financial assets (i)	12	-	5,216,699	5,216,699	-	-	-	-
Investments	13	599,790	-	599,790	-	-	599,790	599,790
Investment entities at fair value	14	56,998,090	-	56,998,090	56,998,090	-	-	56,998,090
Current financial liabilities								
Trade and other payables	18	-	13,390,880	13,390,880	-	-	-	-
		64,762,545	35,301,133	100,063,678	63,640,755	247,500	874,290	64,762,545

(i) Balances are measured at amortised cost and their carrying amount approximates fair value.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 26: FINANCIAL INSTRUMENTS (CONTINUED)

(vi) Sensitivity analysis

Assuming all variables remain constant and the interest rate fluctuated by 1% at year end the effect on the consolidated group's equity and profit as follows:

	2021 $	2020 $
Increase by 1%	681,891	324,262
Decrease by 1%	(681,891)	(324,262)

Assuming all variables remain constant and the equity market fluctuated by 5% at year end the effect on the group's equity and profit is as follows:

	2021 $	2020 $
Increase by 5%	3,433,816	2,266,689
Decrease by 5%	(3,433,816)	(2,266,689)

NOTE 27: REMUNERATION OF AUDITORS

	2021 $	2020 $
Audit services		
Audit and review of financial reports for the Group		
Fees paid to KPMG	285,000	-
Fees paid to PKF Perth firm	-	187,500
Other services		
Tax compliance services to PKF Perth firm	-	41,700
Other fees paid to KPMG	15,000	-
Other services to PKF Perth firm	-	6,700
	15,000	48,400

NOTE 28: CONTINGENT LIABILITIES

The parent entity and consolidated group had contingent liabilities at 30 June as follows:

	2021 $	2020 $
Secured guarantees in respect of leases of a controlled group entity:		
Westpac Banking Corporation	1,013,514	1,013,514
Bankwest	625,423	-
	1,638,937	1,013,514

As detailed in note 12 the consolidated group has a deposit with FinClear Services Pty Ltd (formerly Pershing Securities (Australia) Pty Ltd) as part of Euroz Hartleys Limited international trading and settlement arrangements. This deposit totalled $400,000 at reporting date (2020: $5,000,000).

The Group has no contingent assets at reporting date (2020: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 29: COMMITMENTS FOR EXPENDITURE

	2021 $	2020 $
Capital commitments		
Office renovations and property, plant and equipment		
Within one year	2,328,592	-
Later than one year but not later than five years	-	-
Later than five years	-	-
Commitments not recognised in the financial statements	2,328,592	-

The lease on the premises at Level 18 Alluvion, 58 Mounts Bay Road is for a period of 15 years commencing 2 July 2010 and expiring on 1 July 2025.

The lease on the premises at Level 6 Westralia, 141 St Georges Terrace is for a period of 8 years commencing 1 January 2019 and expiring on 31 December 2026.

The licence on the premises at Level 9, 20 Bond Street, Sydney NSW is for a period of 5 years commencing 15 December 2018 and expiring on 14 December 2023.

The licence on the premises at Level 15, 385 Bourke Street, Melbourne is for a period of 8 years commencing 1 June 2015 and expiring on 31 May 2022.

The lease commitment has been included as part of lease liabilities. Refer to note 21.

NOTE 30: RELATED PARTIES

(a) Key Management Personnel compensation

	2021 $	2020 $
Short-term employee benefits	9,629,286	4,070,630
Post-employment benefits	184,580	188,010
Share based payments	869,610	725,940
Total compensation	10,683,476	4,984,580

Richard Simpson and Ian Parker were appointed to the Board on 6 October 2020, following completion of the off-market takeover offer by Euroz of Hartleys Limited on 3 October 2020. In connection with the takeover offer, it was agreed that certain amounts would be permitted to be distributed by Hartleys to its shareholders prior to completion of the takeover offer. This included cash proceeds from the sale of the securities held by Zenix Nominees Pty Ltd (a subsidiary of Hartleys) as at 30 June 2020 distributed by way of a dividend / return of capital as approved by Hartleys shareholders. Richard Simpson and Ian Parker each received (i) a completion bonus in connection with the takeover offer (paid from Hartleys cash reserves pre-completion of the takeover offer); and (ii) a corporate bonus which was paid following their respective appointments to the Euroz Board however which relates to the period up to completion of the takeover offer (such amount predominantly as a result of the sale of securities held by Zenix Nominees Pty Ltd).

(b) Individual Key Management Personnel (KMP) compensation disclosure

Information regarding individual KMP compensation and some equity instruments disclosures as required by Corporations Regulation is provided in the remuneration report section of the Directors' Report.

Apart from the details disclosed in this note, no KMP has entered into a material contract with the group since the end of the previous financial year and there were no material contracts involving KMP interest existing at year end.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 30: RELATED PARTIES (CONTINUED)

(c) Parent entity
The ultimate parent entity within the group is Euroz Limited.

(d) Share-based payments
During the year performance rights were issued to 127 employees (2020: 81 employees). This performance right entitles the holder to a number of shares in Euroz Limited calculated as 25% of their bonus entitlement for the year. At point of issue, these performance rights are subject to a 4-year vesting period. The fair value of each performance right is calculated as 25% of the individual's bonus entitlement.

During the year, the Board introduced an additional bonus sacrifice arrangement as part of the Performance Rights Plan. Employees who qualify for this will have the opportunity to elect to sacrifice an additional amount of their bonus above the 25% to be settled via the issue of a separate Performance Right, instead of cash. Shares acquired as part of the bonus sacrifice arrangement will not be subject to any vesting conditions.

(e) Wholly-owned group transactions

Wholly-owned group
The wholly-owned group consists of Euroz Limited and its wholly-owned controlled entities. See Note 31.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	2021 $	2020 $
Transactions with related parties consisting of:		
(i) Subsidiaries		
- Loans advanced by Euroz Limited to subsidiaries	18,531,540	3,351,937
- Payments of dividends to Euroz Limited by subsidiaries	37,175,000	7,575,000
- Management fees charged by Euroz Hartleys Securities Limited to subsidiaries	1,748,262	1,761,454
- Management fees charged by Prodigy Investment Partners Limited to subsidiaries	-	2,174,607
- Impairment of intercompany loan by Euroz Limited to subsidiaries	351,000	15,696,648
- Impairment of intercompany loan by Prodigy Investment Partners Limited to subsidiaries	-	15,641,791
(ii) Other		
- Dividends received by Euroz Limited from investment entities	2,987,513	2,912,157
- Management fee received by the Euroz Group from investment entities	2,688,557	3,304,512
- Performance fee received by the Euroz Group from investment entities	14,545,035	734 849

Ownership interests in related parties
Interests held in controlled entities are set out in note 31.

Other transactions with Directors and specified Executives
During the year ended 30 June 2021 the Directors and KMP transacted share business through Euroz Hartleys Securities Limited and Euroz Hartleys Limited on normal terms and conditions.

Aggregate amounts of the above transactions with Directors and KMP of the consolidated group:

	2021 $	2020 $
Amounts recognised as revenue		
Brokerage earned on Key Management Personnel accounts	62,923	33,602

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 31: INVESTMENTS IN CONTROLLED ENTITIES

Name of entity	Country of incorporation	Class of shares	Equity holding		Cost of parent entity's investment	
			2021 %	2020 %	2021 $	2020 $
Euroz Hartleys Limited	Australia	Ordinary	100	-	73,723,536	-
Euroz Hartleys Securities Limited	Australia	Ordinary	100	100	-	25,000,000
Detail Nominees Pty Ltd (i)	Australia	Ordinary	100	100	-	-
Zero Nominees Pty Ltd (i)	Australia	Ordinary	100	100	-	-
Westoz Funds Management Pty Ltd	Australia	Ordinary	100	100	1,450,000	1,450,000
Invesco Nominee Pty Ltd (i)	Australia	Ordinary	100	-	-	-
Saltbush Nominee Pty Ltd (i)	Australia	Ordinary	100	-	-	-
Zenix Nominees Pty Ltd (i)	Australia	Ordinary	100	-	-	-
Poynton Pty Ltd (i)	Australia	Ordinary	100	-	-	-
Poynton Investments Pty Ltd (i)	Australia	Ordinary	100	-	-	-
Poynton Corporate Pty Ltd (i)	Australia	Ordinary	100	-	-	-
Poynton Nominees Pty Ltd (i)	Australia	Ordinary	100	-	-	-
Euroz Employee Share Trust	Australia	Ordinary	-	-	-	-
Ozgrowth Limited*	Australia	Ordinary	40.58	40.58	-	-
Westoz Investment Company Limited*	Australia	Ordinary	26.25	26.25	-	-
Prodigy Investment Partners Limited	Australia	Ordinary	100	80	-	-
FIP Management Services Pty Ltd (formerly Flinders Investment Partners Pty Ltd) (ii)	Australia	Ordinary	-	50	-	2
DSC Investment Management Pty Ltd (formerly Dalton Street Capital Pty Ltd) (ii)	Australia	Ordinary	-	50	-	2
EPC Investment Management Pty Ltd (formerly Equus Point Capital Pty Ltd) (ii)	Australia	Ordinary	-	50	-	2
WIM WA Resources Limited	Australia	Ordinary	100	100	1	1
WIM Small Cap Limited	Australia	Ordinary	100	100	1	1
Entrust Wealth Management Pty Ltd	Australia	Ordinary	100	100	-	7,800,000
Prodigy Flinders Pty Ltd (ii)	Australia	Ordinary	-	100	-	2
Prodigy Corporate Pty Ltd (ii)	Australia	Ordinary	-	100	-	2
Prodigy DSC Pty Ltd (ii)	Australia	Ordinary	-	100	-	1
Prodigy EPC Pty Ltd (ii)	Australia	Ordinary	-	100	-	1

*Although Ozgrowth Limited and Westoz Investment Company Limited are controlled entities, exemption from consolidation was derived from the adoption of AASB 2013-5 Investment Entities.

The ultimate parent entity in the wholly owned group is Euroz Limited.
(i) Owned by Euroz Hartleys Limited
(ii) Owned by Prodigy Investment Partners Limited and deregistered on 11 November 2020

A brief description of each entity (unless inactive and dormant) is as follows: -

(a) Euroz Limited – Group holding company listed on the Australian Securities Exchange. Euroz Limited manages cash and investments including significant positions in Ozgrowth Limited and Westoz Investment Company Limited.
(b) Euroz Hartleys Securities Limited – Financial services company providing stockbroking services with a focus on Western Australian companies. This business is inactive effective 26 April 2021 following the restructure of the Group.
(c) Euroz Hartleys Limited – Financial services company providing stockbroking services with a focus on Western Australian companies. This is the merged entity containing the businesses of Euroz Hartleys Securities Limited and Entrust Wealth Management Pty Ltd from 26 April 2021.
(d) Westoz Funds Management Pty Ltd – Manages the mandates for two listed investment companies, Ozgrowth Limited and Westoz Investment Company Limited with a focus on investing in opportunities with a Western Australian connection.
(e) Zero Nominees – Custodian Company holding shares on behalf of clients of Euroz Hartleys Limited.
(f) Detail Nominees – Dormant Company that was previously used to for settlement obligation in relation to shares for the Group.
(g) Euroz Employee Share Trust – Vehicle established to acquire treasury shares on-market for distribution to eligible employees in connection with the Performance Rights Plan.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 31: INVESTMENTS IN CONTROLLED ENTITIES (CONTINUED)

(h) Entrust Wealth Management Pty Ltd – Wealth management business providing advice in relation to wealth management and strategic financial planning support for the entire Euroz Group. This business is inactive effective 26 April 2021 following the restructure of the Group.
(i) Prodigy Investment Partners Limited – Former 80/20 joint venture with Mr Steve Tucker to create a multi boutique funds management business. Prodigy had partnerships with three separate boutique funds, Flinders, Dalton and Equus. In 2020, the Company closed the Prodigy operations, including the partnership with the three separate boutiques.
(j) FIP Management Services Pty Ltd (formerly Flinders Investment Partners Pty Ltd) – Boutique fund manager launched in August 2015 specialising in investing in emerging companies. Prodigy Investment Partners Limited, the controlling parent entered into a profit share arrangement with a trust resulting in a minority interest. In June 2020, the Company closed the Prodigy operations, including the partnership with Flinders Investment Partners boutique fund. This entity was deregistered in November 2020.
(k) DSC Investment Management Pty Ltd (formerly Dalton Street Capital Pty Ltd) – Boutique fund manager launched in May 2016 specialising in alternative investment strategies. Prodigy Investment Partners Limited, the controlling parent entered into a profit share arrangement with a trust resulting in a minority interest. In June 2020, the Company closed the Prodigy operations, including the partnership with Dalton Street Capital Pty Ltd boutique fund. This entity was deregistered in November 2020.
(l) EPC Investment Management Pty Ltd (formerly Equus Point Capital Pty Ltd) – Boutique fund manager launched in August 2018 specialising in a systematic market neutral strategy. Prodigy Investment Partners Limited, the controlling parent entered into a profit share arrangement with a trust resulting in a minority interest. In June 2020, the Company closed the Prodigy operations, including the partnership with Equus Point Capital Pty Ltd boutique fund. This entity was deregistered in November 2020.

NOTE 32: ACQUISITION OF EUROZ HARTLEYS LIMITED

On 1 October 2020, the Group completed the acquisition of Hartleys Limited (now Euroz Hartleys Limited) when the Group received 100% acceptances of the takeover offer from shareholders of Hartleys Limited. The Group determines that with the takeover, Euroz Hartleys has become one of Western Australia's largest stockbroking and wealth management business. In addition, the Group also expects cost synergies from the merger of the operations.

Consideration transferred
The consideration transferred in relation to the acquisition is the issue of 33,000,075 Euroz Limited ("EZL") shares. As all shares were issued on 1 October 2020, the fair value of the ordinary shares issued was $38,280,087, based on the listed share price of EZL at 1 October 2020 of $1.16.

A portion of the consideration to the Hartleys Limited shareholders who are also employees was placed on voluntary escrow as follows:

- 12% of the EZL shares are subject to voluntary escrow period of 42 months.
- Further 12% of the EZL shares are subject to voluntary escrow period of 46 months.

Acquisition related costs
The Group incurred acquisition-related costs of $208,188 on legal fees and due diligence costs. These costs have been included in "Consultancy expenses".

Identifiable assets acquired and liabilities assumed
The following table summarises the recognised provisional amounts of assets acquired and liabilities assumed at the date of the acquisition.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 32: ACQUISITION OF EUROZ HARTLEYS LIMITED (CONTINUED)

	1 October 2020
	$
Cash and cash equivalents	32,168,127
Trade and other receivables	14,856,238
Other financial assets	652,048
Other current assets	210,240
Right of use asset	2,633,883
Plant and equipment	638,069
Identifiable intangible assets	23,650,000
Deferred tax assets	596,351
Trade and other payables	(29,049,989)
Subordinated loans	(10,000,000)
Current tax liabilities	(324,648)
Employee benefits provision	(2,464,011)
Lease liability	(2,793,840)
Total net assets acquired	30,772,468

Measurement of fair values

The valuation techniques used for measuring the fair value of the material assets acquired were as follows:

- Other financial assets – The fair value of other financial assets is determined by reference to their quoted bid price at reporting date or by an appropriate valuation model considering parameters applicable to the securities, such as last close price, depth and bid/ask spread, liquidity, relationship discount, escrow, relative size of the holdings and volatility.
- Right of use asset – The fair value of the right of use asset is determined by reference to its cost net of depreciation.
- Intangible asset – The fair value of the intangible asset (ASX licence) is determined by reference to its cost. Consideration has been made of the legal, commercial and technical factors that are likely to impact the useful life of the licence and determined that indefinite useful life to be appropriate. As at the date of the acquisition, no economic, market or legal indicators to suggest the licence is impaired.
- Plant and equipment – The fair value of the plant and equipment is determined by reference to its cost net of depreciation.

All trade and other receivables of $14,856,238 are expected to be collectable at the date of acquisition.

Fair values measured on a provisional basis

The intangible assets of $23,650,000 has been measured on a provisional basis. A preliminary assessment of the intangible assets has been conducted by a third-party valuer. If new information obtained within one year of acquisition identifies adjustments to the above amount or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

The difference between the purchase consideration and the fair value of identified assets and liabilities has been allocated to goodwill. The fair value of identifiable intangible assets has been valued by a third-party professional valuer as below.

	$
Consideration transferred	38,280,087
Fair value of identifiable net assets	(30,772,468)
Goodwill on acquisition	7,507,619
Allocation of Intangibles	
Customer relationship – Hartleys Limited	3,900,000
Hartleys Limited Brand	19,500,000
Goodwill	7,507,619
	30,907,619

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 33: EVENTS SUBSEQUENT TO REPORTING DATE

The Directors are not aware of any matter or circumstance subsequent to 30 June 2021 that has significantly affected, or may significantly affect:
(a) the consolidated group's operations in future financial years; or
(b) the results of those operations in future financial years; or
(c) the consolidated group's state of affairs in future financial years.

NOTE 34: RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2021	2020
	$	$
Profit / (Loss) for the year	52,540,905	4,350,450
Adjustments for:		
Depreciation and amortisation	2,722,739	1,376,284
Impairment expenses	270,371	3,130,000
Share based payments	5,253,349	2,138,120
Unrealised loss / (gain) arising from investing activity investments	(19,039,226)	2,364,089
Loss on disposal of property, plant and equipment	261,508	32,381
Loss on sale of investment in managed investment schemes	-	790,380
Interest paid on lease liabilities	248,125	165,505
Distributions received from investing activity investments	(3,060,278)	(2,975,099)
Distributions received in lieu of units	-	(636,379)
Changes in assets and liabilities		
Decrease / (increase) in trade and other receivables	(11,554,387)	(434,038)
Decrease / (increase) in other current assets	(1,175,545)	(39,875)
Decrease / (increase) in other financial assets	(13,639,219)	265,550
Decrease / (increase) in deferred tax assets	1,401,703	(2,504,213)
Increase / (decrease) in trade and other payables	21,972,934	1,866,904
Increase / (decrease) in current tax liabilities	5,250,649	2,765,628
Increase / (decrease) in deferred tax liabilities	7,301,488	(366,193)
Increase / (decrease) in provisions (excluding dividends)	1,759,947	(8,870)
Net cash from operating activities	50,515,063	12,280,624

NOTE 35: NON-CASH INVESTING AND FINANCING ACTIVITIES

	2021	2020
	$	$
Share issued under employee share plan	5,253,349	1,925,620
Addition to the right-of-use assets - Hartleys	2,633,882	5,563,853
Conversion of debt to equity	10,000,000	212,500
	17,887,231	7,701,973

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 36: EARNINGS / (LOSS) PER SHARE

	2021 Cents	2020 Cents
Earnings / (loss) per share for profit / (loss) from continuing operations attributable to the owners of Euroz Limited		
Basic earnings per share (cents)	29.16	5.26
Diluted earnings per share (cents)	28.17	5.09
Earnings / (loss) per share for profit / (loss) from discontinued operations attributable to the owners of Euroz Limited		
Basic earnings / (loss) per share (cents)	-	(6.13)
Diluted earnings / (loss) per share (cents)	-	(5.93)
Earnings / (loss) per share for profit / (loss) attributable to the owners of Euroz Limited		
Basic earnings / (loss) per share (cents)	29.16	(0.87)
Diluted earnings / (loss) per share (cents)	28.17	(0.84)

	2021 Number	2020 Number
Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings / loss per share.	180,197,903	155,685,590
Weighted average number of ordinary shares and potential ordinary shares (including treasury shares) used as the denominator in calculating diluted earnings / loss per share.	186,543,022	160,989,382

The profit / (loss) after tax figures used to calculate the earnings / loss per share for both the basic and diluted calculations was the same as the profit figure from Consolidated Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 37: PARENT ENTITY DISCLOSURES

	2021 $	2020 $
Financial position		
Assets		
Current assets	50,573,249	24,653,584
Non-current assets	160,491,555	100,172,204
Total assets	**211,064,804**	**124,825,788**
Liabilities		
Current liabilities	34,862,857	12,556,657
Non-current liabilities	6,270,235	961,217
Total liabilities	**41,133,092**	**13,517,874**
Equity		
Issued capital	134,785,172	102,083,528
Retained earnings	27,253,564	4,417,111
Reserves		
Share based payment reserve	7,892,976	4,807,274
Total equity	**169,931,712**	**111,307,913**
Financial performance		
Profit / (loss) for the year	54,226,371	(4,835,145)
Total comprehensive income / (loss)	**54,226,371**	**(4,835,145)**

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity and some of its subsidiaries are party to a deed of cross guarantee under which each company guarantees the debts of the others. No deficiencies of assets exist in any of these subsidiaries.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2021 and 30 June 2020.

Capital commitments – Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2021 and 30 June 2020.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity.

NOTE 38: COMPANY DETAILS

The registered office and principal place of business address of the Company is:

Euroz Limited
Level 18 Alluvion
58 Mounts Bay Road
PERTH WA 6000

DIRECTORS' DECLARATION

The Directors declare that:

1. The financial statements, notes and additional disclosures included in the Directors' Report and designated as audited, are in accordance with the Corporations Act 2001 and:

   (a) comply with Accounting Standards and Corporations Regulations 2001;

   (b) give a true and fair view of the Company's and consolidated group's financial position as at 30 June 2021 and of their performance for the year ended on that date;

   (c) the financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements.

2. The Executive Chairman and Chief Financial and Operating Officer have declared in accordance with section 295A of the Corporations Act 2001 that:

   (a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;

   (b) the financial statements and notes for the financial year comply with Accounting Standards; and

   (c) the financial statements and notes for the financial year give a true and fair view.

3. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Andrew McKenzie
Executive Chairman

Richard Simpson
Executive Director

Date: 31 August 2021

Independent Auditor's Report

To the shareholders of Euroz Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Euroz Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group***'s financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2021
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter – restatement of comparative balances

We draw attention to Note 4(a) of the Financial report which states that the amounts reported in the previously issued 30 June 2020 Financial report have been restated and disclosed as comparatives in this Financial report. Our opinion is not modified in respect of this matter.

The Financial Report of Euroz Limited for the year ended 30 June 2020 was audited by another auditor who issued an unmodified opinion on that Financial Report on 20 August 2020.

KPMG

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Acquisition Accounting $38 million – Hartleys Limited

Refer to Note 32 Acquisition of Euroz Hartleys Limited to the Financial Report.

The key audit matter	How the matter was addressed in our audit

During the year, the Group acquired Hartleys Limited and its controlled entities through the issue of 33,000,075 of its own shares for a total consideration of $38.3 million.
Acquisition accounting was considered a key audit matter due to the:
• Financial significance of the transaction to the Group;
• Significant judgements made by the Group relating to the purchase price allocation (PPA) of the purchase consideration. In particular, judgements made for the valuation of intangible assets such as brand name ($19.5m) and customer contract intangibles ($3.9m) for which the Group engaged the services of an external specialist.
The excess of purchase consideration and the identifiable net assets acquired resulted in Goodwill of $7.5m.
The Group's valuation model used to determine the fair value of acquired intangibles assets is complex and sensitive to changes in a number of key assumptions. This drives additional audit effort specifically on the feasibility of these key assumptions and consistency of application to the Group's strategy. The key assumptions we focussed on in the valuations of intangible assets included forecast earnings, growth rates, royalty rate, discount rates and client attrition rate.
These conditions and complexity of the acquisition accounting required significant audit effort and involvement of senior audit team members, including our specialists, in assessing this key audit matter.
	Our procedures included:
	• Assessed the appropriateness of the Group's accounting policies against the requirements of the accounting standard and our understanding of the business and industry practice.
	• Read the Bid Implementation Agreement related to the acquisition to understand the structure, key terms and conditions, and nature of purchase consideration;
	• Evaluated the accounting treatment of the purchase consideration and transaction costs against the criteria in the accounting standards;
	• Assessed the scope, competence and objectivity of the Group's external experts engaged to value the intangible assets;
	• With the assistance of our specialists and using our knowledge of the Group, their past performance, business and customers, and our industry experience:
	  ◦ Evaluated the valuation methodology for the intangible assets against our knowledge of accepted industry practice and the requirements of the accounting standards;
	  ◦ Assessed the Group's assumptions used in the valuation of the intangible assets against published comparable company assumptions and considered differences for the Group's operations as follows:
	    ▪ Brand names – royalty rate and discount rate applied to forecast earnings
	    ▪ Customer contracts – client attrition rate and discount rate.
	  ◦ Assessed the accuracy of previous forecasts of Hartleys Limited to inform our evaluation of forecast earnings used in the Group's valuation of the intangible assets.

	- Challenged the Group's significant forecast earnings and assumptions, including growth rates and consistency of these to the Group's strategy. We compared forecast growth rates to published studies of industry trends and expectations, and considered differences for the Group's operations. - Recalculated the goodwill balance recognised as a result of the transactions and compared it to the goodwill amount recorded by the Group; - Assessed the Group's disclosures in relation to the business acquisition, by comparing these disclosures to our understanding from our testing and the requirements of the accounting standards.

Other Information

Other Information is financial and non-financial information in Euroz Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Director's Report. The Executive Chairman's Report, Euroz Limited Board of Directors profiles, Euroz Group Structure, Euroz Hartleys Limited – Managing Directors Report, Corporate Transactions, Euroz Hartleys Limited Report, Entrust Wealth Management Report, Westoz Fund Management Report, Euroz Hartleys Foundation Report, and Other Information are expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error

- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Euroz Limited for the year ended 30 June 2021, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 11 to 18 of the Directors' report for the year ended 30 June 2021.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Trevor Hart
Partner
Perth
31 August 2021