

ECM markets bouncing back

Bell Financial Group Ltd (ASX:BFG) is a diversified provider of financial products and software solutions within, and increasingly outside, its traditional full-service stockbroking business. Since our initiation in **October 2023** there have been some positive developments across a number of divisions. Against our forecast of \$550m in equity raisings over H2 FY23 we now estimate \$800m with a spike in activity over October and November. The 25bps RBA rate hike in November is positive for the net interest income on cash at bank and client funds, and neutral for Margin Leading as higher funding costs are passed through. The merger of Count Limited (ASX:CUP) with Diverger (ASX: DVR) and acquisition of Millennium3 by WT Financial (ASX:WTL) promises a 10%-20% increase in Desktop Broker users in FY24, benefiting both transaction and clearing fees. As a result, we upgrade FY23 EPS estimates by 24%, and FY24-FY26 by between 4% and 12%. BFG has outperformed the peer average since October but continues to trade at a significant PBTA discount to a range of peers based on actual earnings in the 12 months to June 2023. Our Sum of The Parts (SoTP) valuation has increased from \$2.10/share to \$2.15/share on the back of higher through-the-cycle earnings assumptions for the Institutional division.

Business model

BFG is a diversified financial services business incorporating a traditional stockbroking business (retail, institutional and corporate), and a range of financial product offerings including margin lending, portfolio administration, trade execution, clearing and settlement, and cash management. The business is supported by ~100 IT professionals who have developed internal systems for account management (Fusion) and cloud-based trading platforms for Bell Direct. This platform forms the foundation for external offerings to financial planners (Desktop Broker), white labelling and third-party clearing. More intermediaries will be targeted for these products, and more products and services added to complete the offering and monetise the investment already made.

Positive developments for H2 FY23 and into FY24

RaaS forecasts for H2 FY23 assumed \$550m in ECM activity at an average 4% fee. We now estimate \$800m in ECM activity at a 4% fee, resulting in \$7m or an 18% PBT upgrade alone following a spike in activity over October/November. We had forecast no further RBA rate hikes this cycle and a cut in H2 FY25. We now incorporate the November 25bps RBA rate hike and delay any cuts until H1 FY25, resulting in \$7m or 15% PBT increase. Recent M&A activity in the financial planning space promises a solid uplift in Desktop Broker users in FY24. Current customers WT Group (ASX:WTL) and Count Financial (ASX:CUP) have recently announced mergers with Millennium3 (out of Insignia) and Diverger (ASX:DVR) respectively, promising an uplift of ~300 new Desktop Broker users over FY24, which also has flow-on benefit for Third Party Clearing.

Valuation of \$2.15/share or \$690m market cap

Given the different earnings streams and drivers of the BFG business we use a Sum of The Parts (SoTP) methodology to value BFG. Higher average peer multiples (outside of Technology & Platforms) and an upgrade in through-the-cycle Institutional PBTA has resulted in an increase in our valuation from \$2.10/share to \$2.15/share.

Historical earnings and RaaS' estimates (in A\$ unless otherwise stated)

Year end	Revenue	PBTA adj.	NPATA adj.	EPS adj.	P/E (x)	EV/PBTA (x)	Yield (%)
12/22a	241.3	43.5	32.2	0.101	11.0	5.6	6.3
12/23f	245.5	44.5	31.8	0.099	11.2	5.4	5.9
12/24f	271.8	60.4	42.3	0.132	8.4	3.1	7.2
12/25f	283.3	70.3	49.2	0.153	7.2	2.3	8.1

Source: FY22 actual, RaaS estimates FY23f, FY24f and FY25f

Financial Services

30 November 2023

Share Details

ASX code	BFG
Share price (29-Nov)	\$1.11
Market capitalisation	\$356.0M
Shares on issue	320.7M
Cash at 30-Jun-23	\$110.3M
Free float	~40%

Share Performance (12 Months)



Upside Case

- Expand avenues to market for commercially available solutions and products
- New products through existing channels
- ECM and ASX activity improvements

Downside Case

- Prolonged ECM downturn
- Regulatory breaches
- Severe ASX correction

Catalysts

- New platform distribution partnerships
- New customers for Clearing and Technology
- Evidence of improved ECM activity

Board of Directors

Brian Wilson AO	Independent Chair
Graham Cubbin	Independent Director
Alastair Provan	Non-Executive Director
Christine Feldmanis	Non-Executive Director
Andrew Bell	Executive Director

Company Contact

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Divisional Update

Technology and Platforms

Under the trading entity **Third Party Platforms** Pty Ltd (TPP), BFG has built a cloud-based end-to-end execution and settlement platform which underpins Bell Direct (online), Bell Direct Advantage (HNW), Desktop Broker (Financial Planners), and white-label online broking (Macquarie and HSBC).

The division also derives income from **Third-Party Clearing**, which is the clearing, settlement, and movement of funds for both Bell Potter Securities (100% from March 2023), Macquarie and other parties (including users of Desktop Broker).

PBT margins in this division were 53% in the 12 months to June 2023.

Recent M&A activity in the financial planning space promises a solid uplift in Desktop Broker users in FY24. Current key customers WT Group (ASX:WTL) and Count Financial (ASX:CUP) have recently announced intentions to merge with Millennium3 (out of Insignia) and Diverger (ASX:DVR) respectively, promising an uplift of ~300 new Desktop Broker users over FY24, which also has flow-on benefit for Third Party Clearing

While the revenue impact is modest, the high-margin nature of the business delivers 3-4% earnings accretion on RaaS estimates, all else equal.

Products and Services

The Products and Services division is made up of two distinct businesses: **Portfolio/Super Administration Service (PAS)**, deriving revenue from the administration of funds and/or portfolios under advice, and **Margin Lending**, essentially the net revenue (interest charge less cost of interest and overheads) from the margin lending book.

PBT margins in this division reached 73% in the 12 months to June 2023.

We have no update on the number of clients electing this model (currently 12% or \$4.7b) but the equity market as measured by the All-Ordinaries Index has been flat since October 2023, implying limited market impacts on FUA, and therefore revenue/earnings.

The recent RBA rate increase will be passed through to margin lending clients to offset the higher funding costs and maintain the net interest margin. From our research BFG margin lending is amongst the lowest rates in the market.

Retail/Institutional

The Retail and Institutional division is the traditional full-service stockbroking business deriving revenue from brokerage (predominantly equities but also options, futures, and FX), ECM activity and interest income.

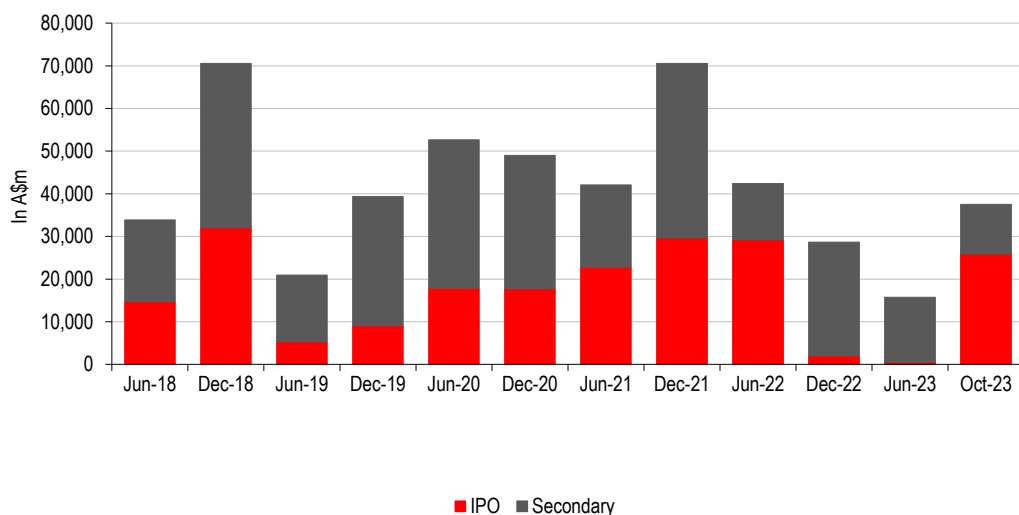
The fee income (ECM) side of the business is the key to profitability as ECM fees are materially higher than vanilla brokerage fees, particularly in Australia, and particularly in the ex-100 space.

Activity has picked up significantly over the past two months, and Bell Potter Securities has seen its share of activity.

Having forecast \$550m in ECM activity across H2 FY23 we now increase this to \$800m on the back of a number of raises including LTR (\$420m co-lead), DLI (\$70m co-lead), IPG (\$65m), AIS (\$30m), PAR (\$30m) and AVJ (\$30m).

According to the ASX, ECM activity in the four months to October was almost as high as the June 2022 half, and likely to be eclipsed when November numbers are released based on recent activity.

Exhibit 1: Initial and secondary ECM activity on the ASX



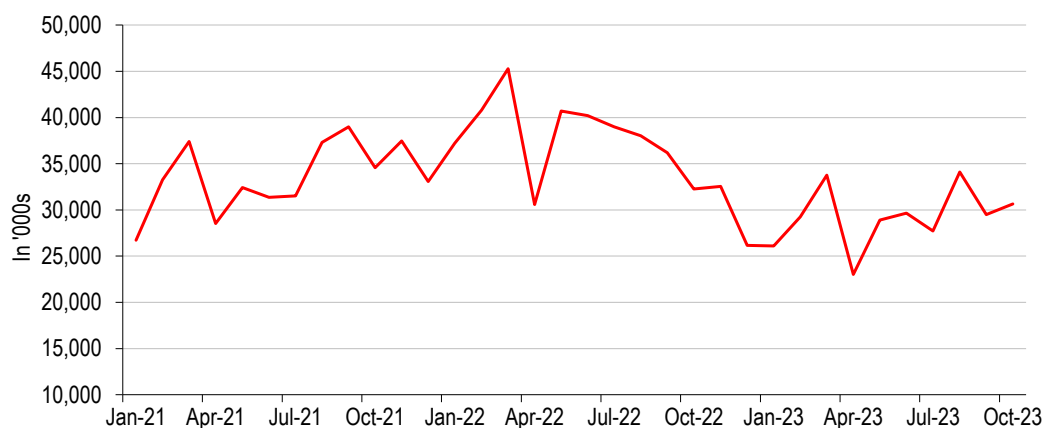
Source: ASX

The increase in ECM revenue adds ~\$10m to revenue and ~\$7.0m to EBITDA, all else equal, and is the key driver of our FY23 earnings upgrades representing 75% of the upgrade.

We have also lifted H1 FY24 revenue from \$700m to \$800m, while keeping longer-term assumptions unchanged.

Equity brokerage conditions remain tough in H2 FY23, down 16% between July and October according to the ASX, with October showing some improvement, down just 5% on the PCP. We suspect conditions in ex-100 stocks are tougher and as a result have increased our volume decline assumptions over H2 FY23 for Bell Potter Securities (from -5% to -8%). This has lowered retail brokerage assumptions.

Exhibit 2: Number of ASX secondary-market equity trades



Source: ASX

Higher cash rates

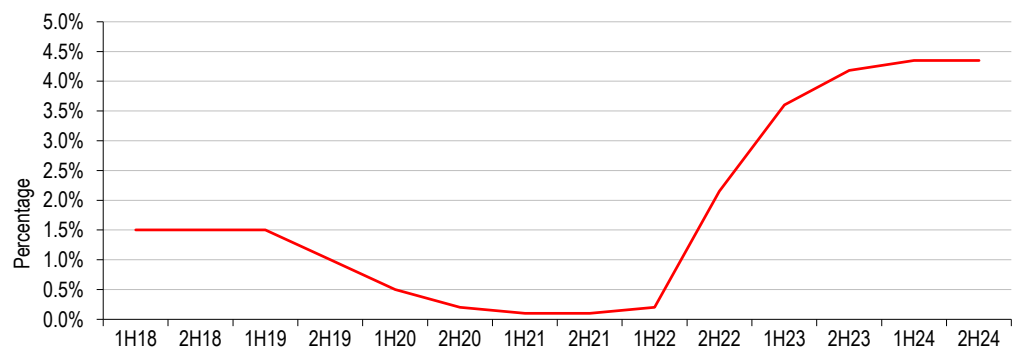
Most players in the financial services space have cash at bank for regulatory requirements which earns interest income.

BFG is a net beneficiary of higher interest rates relative to peers from interest earned on cash balances (~\$110m), some client funds (\$150m-\$250m), and net fees from margin lending.

RaaS had forecast no additional cash rate increases from 4.1% and a decline in H2 FY24 to 3.5%. The November 2023 25bps increase and hawkish tones around strong for longer has seen us incorporate the November increase and delay a cut until H1 FY25.

The net result is a 1% increase in revenue and EBITDA, all else equal, predominantly seen in the Retail and the Technology & Platforms division.

Exhibit 3: RBA cash rate



Source: RBA and RaaS estimates

BFG Earnings Changes

In summary we have made the following changes to BFG earnings on the back of recent events:

- **Higher H2 FY23 and H1 FY24 ECM assumptions**, with H2 FY23 now forecast at \$800m (up from \$550m) driven by heightened activity in October and November, and H1 FY24 \$800m (up from \$700m). This represents 75% of the 24% EPS upgrade.
- **Higher net interest income**, predominantly from cash at bank (retail division) and client funds (Technology and Products division) due to increased cash rate assumptions.
- **Higher Desktop Broker user numbers in FY24** due to the merger of Millennium3 and Diverger with key existing clients WT Financial and Count Group respectively.
- **Lower retail brokerage volumes in H2 FY23** (from -5% to -8% on the PCP) due to continued subdued trading conditions, particularly in ex-100 stocks.

The net result is a 24% increase in EPS for FY23 and between 4% and 12% between FY24 and FY26. Revenue is relatively unchanged due mainly to the mix of higher margin business (ECM and Desktop Broker) replacing lower margin retail brokerage.

Exhibit 4: RaaS BFG earnings adjustments (in A\$m unless stated)

Variable	FY23f	FY24f	FY25f	FY26f	Comments
Revenue					
Previous	236.6	266.3	286.6	277.4	ECM in FY23
Revised	245.5	271.8	283.3	279.3	ECM and Technology FY24
% CHG	4	2	(1)	1	
Adj. PBTA					
Previous	35.6	53.7	67.5	65.4	Operating leverage to fees
Revised	44.5	60.4	70.3	67.4	Mix of business a +ive
% CHG	25	12	4	4	Higher net interest income
Adj. EPS					
Previous	0.080	0.117	0.147	0.142	
Revised	0.099	0.132	0.153	0.147	
% CHG	25	12	4	4	

Source: Company announcements and RaaS estimates

Listed Peer Update

BFG (and indeed many of its listed peers) are not just traditional stockbrokers, and as such should be viewed and valued in-line with a more diversified financial services group. As such, we have spent considerable time looking at potential peers which we review and discuss below.

The following table summarises the key financial metrics of selected peers for FY23 which we use to select the appropriate multiples for a Sum of The Parts (SoTP) valuation.

Exhibit 5: Peer group FY23 financial comparison (in A\$m unless otherwise stated)

Company Name	Ticker	Share price (cps)	Mkt. cap.	Net debt (cash) @ Jun-23	Adj. pre AASB16 PBTA	Revenue	Adj. EPS (cps)	Adj. PBTA (x)	PER (x)	Yield (%)
Platforms						Average		22.2	30.6	1.9
						Avg Small		12.2	20.3	2.5
Netwealth	NWL	14.57	3,552	(109.4)	97.6	207	0.29	36.4	50.4	1.6
Hub24	HUB	32.60	2,657	(42.8)	94.8	280	1.04	28.0	31.3	1.0
Iress	IRE	5.89	1,100	375.2	73.5	630	0.22	15.0	26.9	5.1
Praemium	PPS	0.44	221	(46.2)	23.2	76	0.03	9.5	13.8	0.0
Stockbroking						Average		17.8	17.3	3.5
Euroz Hartleys	EZL	0.86	142	(74.1)	15.3	96	0.06	9.3	13.6	7.0
E&P Financial Group	EP1	0.53	126	(58.8)	4.8	167	0.03	26.4	21.0	0.0
Other financial						Average		9.6	11.3	4.7
MA Financial	MAF	5.14	916	64.0	79.5	289	0.42	11.5	12.4	3.9
Sequoia Financial	SEQ	0.57	78	(39.3)	7.7	98	0.04	10.1	12.8	7.0
Centrepoint Alliance	CAF	0.28	55	(15.6)	7.8	35	0.03	7.1	8.7	8.9
Bell Financial *	BFG	1.11	356	-110.3	45.2	248	0.10	7.9	11.3	6.8

Sources: Company financials, Refinitiv; Prices as of 29 November 2023; * Adjusted to June 2023 year-end

Looking at BFG relative to the peer group using actual FY23 multiples we would highlight the following:

- Trading at a 37% PBTA discount to our selected 'smaller' platform players, being IRE and PPS;
- Trading at a 57% PBTA discount to our selected 'broking' peers, being EZL and EP1;
- Trading at a 20% PBTA discount to our selected 'other financial' peer group;
- Has a solid net cash position, which is a feature of most stockbroking peers; and
- Divisionally, BFG Technology and Platforms (53%) and Products and Services (73%) PBT margins compare favourably with some of the higher rates of financial services players such as NWL, HUB and PPS.

Valuation

Sum of The Parts

Given the mix of growth businesses such as Technology and Platforms, the recurring nature of businesses within Products and Services, and the cyclical nature of Retail and Institutional we believe a Sum of The Parts valuation is the most appropriate valuation methodology for BFG.

For Technology and Platforms we use the average FY23 PBTA multiple of the two smaller platform operators Iress (ASX:IRE) and Praemium (ASX:PPS) which have similar revenue drivers, operating leverage, and market capitalisation.

For the Margin Lending business within Products and Services we apply a 20% premium to the average regional bank FY23 PBT multiple (6.0x) to reflect the superior credit history, net interest margin, and ROE of this product.

For the PAS and Super business within Products and Services we have conducted a standalone DCF valuation for this product given the recurring nature of this income, low capex, low working capital, and growth visibility relative to other divisions. As a result, we apply a divisional beta of 0.8x against a group beta of 1.1x. Our numbers assume just 20% (or \$7b) of Bell Potter's current \$34b in FUA adopt the PAS fee option by FY31 against \$4.7b currently.

For the combined Retail/Institutional businesses we have applied our 'other financials' peer multiple of 8.2x to through-the-cycle earnings based on financial years FY20-FY23 inclusive, which incorporates both strong and weak trading environments.

While some divisions provide the market for other divisions to thrive (Retail for example provides the FUA advice for PAS and many leads for Margin Lending), we think the SoTP exercise is useful in identifying the varying nature of revenue and earnings streams by product.

Since our initiation the peer multiples of Technology & Platforms has fallen on the back of a PPS earnings downgrade. Offsetting this has been the improved through-the-cycle earnings estimate for Institutional on the back of stronger H2 FY23 trading, and generally higher peer multiples for the other divisions.

Exhibit 6: BFG Sum of The Parts valuation – FY23 A\$m unless otherwise stated				
Division	FY23 adj. PBTA	PBTA multiple (x)	Valuation	Comments
Technology and Platforms	14.7	12.2	180	Avg of IRE and PPS, includes amort.
Products and Services	16.1	12.3	198	
Margin Lending	7.7	7.2	56	20% premium to regional bank average
PAS and Super	8.4	16.9	142	Standalone DCF
Retail *	6.0	9.6	57	Through-the-cycle PBTA
Institutional *	14.8	9.6	142	(FY20-FY23f inclusive)
Group total	67.8		577	
Add net cash (Jun-23)			110	
VALUATION			687	
Shares on issue			320	
EQUITY VALUE			\$2.15	
Source: RaaS estimates; *Average of FY20-FY23 inclusive				

Investment Case Revisited

BFG has built a diversified earnings stream across multiple product streams, many at or approaching scale and therefore operating leverage. Despite this, the group is arguably still seen and being valued as a traditional full-service stockbroker. Consider the following:

- 73% of group PBT adjusted for an FY23 June financial year came from divisions outside of the traditional full-service broking, being Technology and Platforms and Products and Services. This compared to 40% for listed stockbroking peer E&P Group and 0% for Euroz Harleys, highlighting the continued shift in the business composition over recent years.
- The Retail and Institutional divisions combined experienced a 65% decline in PBT over the past 12 months on the back of a directionless ASX, 15% decline in ASX trading volumes, and 65% decline in market ECM activity. Such a decline has aided the mix of non-stockbroking business but provides significant earnings leverage to improved equity market conditions when they return, as October/November 2023 highlights.
- Having the internal on-line trading platform (Bell Direct) and having developed an execution and settlement offering for financial planners (Desktop Broker), there is an opportunity to add additional products and services to these solutions, and integrate with more platforms, offering a more compelling service and new revenue streams. International trading is likely to be added this calendar year while existing products such as margin lending and portfolio administration have platform attraction.
- BFG has significant cash at bank for regulatory requirements, significant client cash holdings on its balance sheet, and a large and robust margin lending book that derives significant and consistent net interest income. BFG as a result is a net beneficiary of higher interest rates, which has only been evident in the earnings for BFG in its H1 FY23.
- Market downturns and industry consolidation provides further opportunities for Third Party Clearing and Technology and Platforms as players look to cut costs and improve efficiencies.
- BFG is trading on an FY23a EV/PBTA discount to each of our defined financial segments, being small platforms (37% discount), stockbroking (57% discount), and other financial (20% discount). BFG offers top quartile dividend yields relative to our selected peer group.

Exhibit 7: BFG Financial Summary

Bell Financial Group (ASX:BFG)						Share price (29 November 2023)						A\$		1.110								
Profit and Loss (A\$m)						Interim (A\$m)		H122A	H222A	H123A	H223F	H124F	H224F									
Y/E 31 Dec	FY21A	FY22A	FY23F	FY24F	FY25F	Revenue	111.8	129.5	118.7	126.8	132.8	139.0										
Operating Revenue	269.1	206.4	195.4	217.3	231.6	EBITDA	21.8	29.7	23.1	29.0	32.0	36.3										
Finance/Other Income	23.7	34.9	50.1	54.5	51.7	EBIT	16.1	24.7	17.9	23.9	26.7	31.0										
Total Revenue	292.8	241.3	245.5	271.8	283.3	NPATA (normalised)	14.7	20.2	15.5	19.0	21.0	24.0										
EBITDA	75.4	51.4	52.1	68.3	78.4	Adjustments	(3.2)	(0.6)	(1.4)	0.0	0.0	0.0										
Depn	(0.6)	(1.0)	(1.1)	(1.1)	(1.1)	NPAT (reported)	11.5	19.6	14.1	19.0	21.0	24.0										
RoU	(8.3)	(6.9)	(6.6)	(6.8)	(7.0)																	
Amortisation	(2.7)	(2.7)	(2.7)	(2.7)	(2.7)	EPS (adjusted)	0.046	0.063	0.048	0.059	0.065	0.075										
PBT	63.8	40.8	41.8	57.7	67.6	Dividend (cps)	0.025	0.045	0.030	0.035	0.040	0.040										
Tax	(19.0)	(11.3)	(12.7)	(18.1)	(21.1)	Imputation	30.0	30.0	30.0	30.0	30.0	30.0										
(Tax Rate)	30%	28%	30%	31%	31%	Operating cash flow	na	na	na	na	na	na										
NPATA normalised	47.5	32.2	31.8	42.3	49.2	Free Cash flow	na	na	na	na	na	na										
Adjustments	1.1	3.8	0.0	0.0	0.0	Divisionals	H122A	H222A	H123A	H223F	H124F	H224F										
NPAT (reported)	45.9	33.2	29.1	39.6	46.5	Revenue	111.8	129.5	118.7	126.8	132.8	139.0										
Cash flow (A\$m)						Technology & Platforms							12.3	11.6	11.0	11.5	12.2	13.1				
Y/E 31 Dec	FY21A	FY22A	FY23F	FY24F	FY25F	Products & Services							11.3	10.9	11.3	12.0	12.3	12.6				
Adj EBTDA (after rent)	65.0	47.0	45.6	61.5	71.4	Retail							57.9	55.6	50.7	51.5	54.6	60.2				
Tax	(21.6)	(12.1)	(12.7)	(18.1)	-21.1	Institutional							16.9	29.9	21.2	26.2	26.5	25.8				
Working Capital	40.8	-7.6	5.7	35.1	6.5	Interest/Other							13.4	21.5	24.5	25.6	27.2	27.2				
Other	(10.0)	(24.7)	0.0	0.0	0.0	Profit After Tax							9.2	16.5	11.1	16.2	18.4	21.4				
Operating cash flow	74.2	2.6	38.6	78.5	56.8	Technology & Platforms							2.3	3.9	4.6	4.9	5.0	5.8				
Mtce capex	(1.0)	(0.4)	(1.4)	(1.5)	-1.5	Products & Services							5.4	5.7	5.9	6.4	6.8	7.1				
Acquisition of Investments	-9.5	-10.8	-2.8	0.0	0.0	Retail							0.8	1.6	-	1.6	-	0.0	1.5	3.9		
Proceeds from Investments	9.6	5.2	0.0	0.0	0.0	Institutional							0.7	5.3	2.1	4.9	5.0	4.7				
Free cashflow	73.3	(3.5)	34.4	77.0	55.2	PAT %							8.3%	12.7%	9.3%	12.8%	13.9%	15.4%				
Equity	(1.7)	(1.4)	0.0	0.0	0.0	Margins, Leverage, Returns							FY21A	FY22A	FY23F	FY24F	FY25F					
Borrowings	95.6	(0.0)	0.0	0.0	0.0	EBITDA margin %							25.8%	21.3%	21.2%	25.1%	27.7%					
CHG in Client Cash Balance	43.6	-19.7	0.0	0.0	0.0	EBIT margin %							21.8%	16.9%	17.0%	21.2%	23.8%					
CHG in Margin Loans	-63.5	37.8	0.0	0.0	0.0	NPAT margin (pre significant items)							16.2%	13.3%	12.9%	15.6%	17.4%					
CHG in borrowings	52.0	-48.0	14.6	0.0	20.0	Net Debt (Cash)							-	136.49	-	110.31	-	116.00	-	165.99	-	193.57
Net Dividends paid	(35.3)	(28.9)	(24.0)	(24.1)	-25.7	Net debt/EBITDA (x)							(x)	-1.8	-2.1	-2.2	-2.4	-2.5				
Change in cash	164.1	(63.6)	25.0	53.0	49.6	ND/ND+Equity (%)							(%)	(57.5%)	(47.3%)	(48.7%)	(65.5%)	(70.6%)				
Balance sheet (A\$m)						EBITDA interest cover (x)							(x)	-0.6	-0.5	-0.4	-0.4	-0.4				
Y/E 31 Dec	FY21A	FY22A	FY23F	FY24F	FY25F	ROA							9.5%	3.1%	3.3%	4.5%	4.9%					
Cash	136.5	110.3	116.0	166.0	193.6	ROE							19.2%	14.1%	12.1%	15.5%	16.8%					
Client cash	216.2	151.0	133.3	141.7	156.8	NTA (per share)							0.29	0.28	0.29	0.34	0.41					
Trade receivables	100.9	151.0	133.3	141.7	156.8	Working capital							184.6	133.2	107.3	104.5	121.9					
Other receivables	180.7	102.8	90.7	96.4	106.7	WC/Sales (%)							68.6%	64.5%	54.9%	48.1%	52.7%					
Financial Assets	13.3	15.6	18.4	18.4	18.4	Revenue growth								(23.3%)	(5.4%)	11.2%	6.6%					
Loan advances	534.0	495.8	520.0	520.0	540.0	EBIT growth pa								(36.1%)	2.4%	38.1%	17.1%					
RoU assets	12.2	45.5	38.9	32.1	25.2	Pricing							FY21A	FY22A	FY23F	FY24F	FY25F					
Goodwill	130.4	130.4	130.4	130.4	130.4	No of shares (y/e)							(m)	320	319	321	321	321				
Intangibles	14.8	15.5	16.1	16.4	15.7	Weighted Av Dil Shares							(m)	320	319	321	321	321				
Other assets	7.9	36.1	51.6	60.3	64.0	EPS Reported							A\$ cps	0.143	0.104	0.091	0.123	0.145				
Total Assets	1,347.0	1,254.0	1,248.6	1,323.4	1,407.6	EPS Normalised/Diluted							A\$ cps	0.148	0.101	0.099	0.132	0.153				
Trade payables	132.5	168.9	159.2	178.9	191.7	EPS growth (norm/dil)								-3%	-32%	-2%	33%	16%				
Other payables	324.8	253.1	238.6	268.2	287.3	DPS							cps	0.11	0.07	0.07	0.08	0.09				
Bell Financial Trust	481.1	461.4	461.4	461.4	461.4	DPS Growth								5%	-36%	-7%	23%	13%				
Cash Advance Facility	92.0	44.0	58.6	58.6	78.6	Dividend yield								9.9%	6.3%	5.9%	7.2%	8.1%				
Lease Liability	16.3	52.0	52.0	52.0	52.0	Dividend imputation								30	30	30	30	30				
Employee Benefits	58.9	37.2	36.3	38.2	38.5	PE (x)								7.5	11.0	11.2	8.4	7.2				
Other	2.4	1.9	1.9	10.3	21.3	PE market								15.0	15.0	15.0	15.0	15.0				
Total Liabilities	1,108.0	1,018.6	1,008.1	1,067.7	1,130.8	Premium/(discount)								(50.1%)	(26.6%)	(25.3%)	(43.9%)	(51.7%)				
Net Assets	239.0	235.4	240.5	255.8	276.8	EV/EBITDA (x)								4.7	6.9	6.8	5.2	2.1				
Share capital	204.2	204.2	204.2	204.2	204.2	FCF/Share							A cps	0.218	(0.021)	0.097	0.231	0.166				
Other Equity	(28.9)	(28.9)	(28.9)	(28.9)	(28.9)	Price/FCF share								5.1	(51.7)	11.5	4.8	6.7				
Reserves	(0.6)	(1.0)	(1.0)	(1.0)	(1.0)	Free Cash flow Yield								19.6%	(1.9%)	8.7%	20.8%	15.0%				
Retained Earnings	64.2	61.0	66.1	81.7	102.5																	
Total Shareholder funds	239.0	235.4	240.5	256.0	276.8																	

Source: Company data for actuals, RaaS estimates

FINANCIAL SERVICES GUIDE

RaaS Advisory Pty Ltd

ABN 99 614 783 363

Corporate Authorised Representative, number 1248415

of

BR SECURITIES AUSTRALIA PTY LTD

ABN 92 168 734 530

AFSL 456663

Effective Date: 6th May 2021

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- who we are
- our services
- how we transact with you
- how we are paid, and
- complaint processes

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 - Securities
- deal on behalf of retail and wholesale clients in relation to
 - Securities

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Website: www.afca.org.au; Email: info@afca.org.au; Telephone: 1800931678 (free call)

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne, VIC, 3001.

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