

ASX Announcement for release – 14 August 2024

WTL FY2024 INDICATIVE RESULTS PRESENTATION

UNDERLYING NPBT UP MORE THAN 50% FOR FOURTH STRAIGHT YEAR STRONG OPERATING CASHFLOW PROVIDES FOR A RETURN TO DIVIDENDS

Investor Webinar and presentation deck

The Company will shortly hold an investor webinar to discuss the Company's indicative results. Details for the webinar and a registration link are provided below with a copy of the presentation attached with this release.

WT Financial Group Investor Webinar

10.30am AEST (8.30am AWST) TODAY

Wednesday 14th August 2024

Presenter: Keith Cullen, Founder and Managing Director

Register using the following link:

https://janemorganmanagement-au.zoom.us/webinar/register/WN_OYmZixNNRX6JlJrwgyluTNg

After registering your interest, you will receive a confirmation email with information about joining the webinar. Participants will be able to submit questions via the panel throughout the presentation, however we encourage shareholders and investors to send through questions via email beforehand to:

info@janemorganmanagement.com.au

HIGHLIGHTS

Summary of indicative results for the underlying business

- *Revenue & Other Income* for the underlying business is expected to increase by **15.3% to \$185.1M** (FY23 \$160.5M). *Direct Cost of Sales* were **\$167.4M** (FY23 \$145.4M), resulting in an expected gross profit increase of **17.4% to \$17.7M** (FY23 \$15.1M).
- *Earnings Before Interest and Tax ("EBIT")* for the underlying business is expected to be up **41.5% to \$5.2M** (FY23 \$3.7M) after *Total Operating Expenses* of the underlying business increased just **12.4% to \$11.9M** (FY23 \$10.6M); and *Depreciation & Amortisation* fell to **\$624K** (FY23 \$832K).
- Underlying net profit before tax ("**NPBT**") is expected to be up **51.4% to \$4.4M** (FY23 \$2.9M), after *Net Interest Expense* of **\$774K** (FY23 \$751K).
- *Cash and Cash Equivalents* increased **50.8% to \$8.0M** at year end (30 June 2023 \$5.3M) net of a \$2.0M cash payment in December 2023 related to the acquisition of Millennium3 ("**M3**").
- The strong result represents **the fourth consecutive year of compounding growth** for the underlying business and provides for a **return to dividends**. The Board anticipates being able to declare a **fully franked dividend of 0.4 cents** on release of the Company's Audited Financial Statements and has reinstated its policy to pay dividends biannually (subject to available cash).

WT Financial Group Limited ("**WTL**" or "**the Company**") is pleased to provide indicative results for the full year to 30 June 2024 ("**FY24**" or "**Period**"), with the Company's underlying business operations recording a 15.3% increase in revenue to \$185.1M (FY23 \$160.5M) and a 51.4% increase in underlying net profit before tax ("**NPBT**") to \$4.4M (FY23 \$2.5M). Solid operating cashflow resulted in a more than 50% increase in year-end cash to \$8.0M, providing for a return to a policy of paying dividends biannually.

A summary of the indicative results is provided herein, including details of the expected positive impact on the underlying business results in the Company's statutory accounts from one-off income and expenses.

One-off income and expenses to (positively) impact Statutory Results

Adding to the result of the underlying business, net *one-off income and expenses* relating to the sale of assets (B2C mortgage book) and purchase of assets (M3) during the Period are expected to positively impact profit by \$357K. The impact is expected to increase the *Statutory NPBT* to \$4.8M (FY23 result was \$4.9M, after a positive impact on the underlying business of \$2.0M from *gains on contracts* related to prior acquisitions).

The Company is yet to finalise its tax position but anticipates a *Statutory Tax Expense* of circa \$900K (FY2023 \$736K) resulting in a *Statutory NPAT* of circa \$3.9M (FY23 \$4.3M). However, with the benefit of carried-forward tax losses no cash tax liability will arise. Notwithstanding carried-forward tax losses, the Company has a franking credit balance more than \$1.4M, which will enable a dividend to be fully franked.

Net assets as at 30 June 2024 increased 14.9% to \$29.4M (30 June 2023 \$25.6M), and the Company had a total of 339.2M shares and 1.5M options on issue as at 30 June 2024. No shares or options were issued during the Period.

Appendix 4E and Audited Financial Statements

The Company is expected to lodge its Financial Statements and Appendix 4E on or before 31 August 2024 and its Audited Financial Statements and Annual Report by mid-September 2024. The Company does not anticipate any material variances to the indicative results.

ENDS

About WT Financial Group Limited

WT Financial Group Limited has established itself as amongst the very largest financial adviser networks in Australia. Its wealth management, retirement planning and personal risk insurance advice services are delivered primarily through a group of around 400 privately-owned advice practices whose advisers operate as authorised representatives under its Wealth Today, Sentry Advice, Synchron Advice, and Millennium3 subsidiaries.

The Group's B2C division delivers a range of financial advice services directly to wholesale and retail clients through its Spring Financial Group brand.

The Group's Wealth Adviser division is the Company's central services and support hub and also offers market-leading services and solutions to advisers and their clients outside of WTL's subsidiary cohorts including through regular in-person and livestreamed seminar and professional development programs and the publication of a library of more than 100 financial literacy handbooks and manuals in both digital and printed formats.

Authorised for release by:

Keith Cullen
Managing Director
(02) 9248 0422

For further information:

Jane Morgan
Investor and Media Relations
+ 61 (0) 405 555 618
jm@janemorganmanagement.com.au

WT | FINANCIAL GROUP

The Future Of Quality Advice

FY2024 Indicative Results Presentation

14 August 2024

Important Information

Issuer and Date

This investor presentation (Presentation) has been prepared by WT Financial Group Limited (ACN 169 037 058) (WTL) and is dated 14 August 2024.

Summary Information

This Presentation contains summary information about WTL and its subsidiaries (the Group) and their respective activities which is current as at the date of this Presentation. Information contained herein is of a general nature and does not purport to be complete, nor does it contain all the information which a prospective investor may require in evaluating a possible investment in WTL or that would be required in a prospectus, or other disclosure document prepared in accordance with the Corporations Act. This Presentation should be read in conjunction with WTL's other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au.

Not financial product advice

This Presentation does not constitute investment or financial product advice (nor tax, accounting or legal advice) nor a recommendation to acquire New Shares. Recipients of the Presentation should make their own enquiries and investigations regarding information herein, which is not intended to be relied upon as advice and has been prepared without taking account of any person's individual investment objectives, financial situation or needs. Before making an investment decision, investors should have regard to their own objectives, financial situation and needs and seek appropriate financial, legal, accounting and taxation advice.

Forward-looking statements and forecasts

This Presentation contains certain "forward-looking statements" that are based on management's beliefs, assumptions and expectations on information currently available to management. Forward looking statements can generally be identified by the use of forward-looking words such as, "expect", "anticipate", "likely", "plan", "propose", "believe", "forecast", "estimate", "target", "guidance" and similar expressions within the meaning of securities laws of applicable jurisdictions. Such forward-looking statements include statements regarding the timetable, conduct and outcome of the Offer and the use of proceeds thereof, statements about the plans, objectives and strategies of the Group and about the markets in which the Group operates and about future performance. Indications of, and guidance or outlook on, future earnings or financial position or performance, future earnings and distributions are also forward-looking statements.

You should not place undue reliance on forward looking statements, which are provided as a general guide only and are not indications, guarantees or predictions of future performance. The success of any of WTL's business strategies is subject to uncertainties and contingencies beyond its control, and no assurance can be given that they will be effective, or the anticipated benefits will be realised in the period for which the forward-looking statements may have been prepared or otherwise.

Investment Risk

An investment in WTL shares is subject to known and unknown risks, some of which are beyond the control of the Group. WTL does not guarantee any particular rate of return or the performance of the Group, nor does it guarantee any particular tax treatment.

Other risks may materially affect the future performance of WTL and the price of WTL's shares including risks and uncertainties not presently known to management or that management currently believe not to be material may also affect WTL's business.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including WTL or any of its advisers). Except as required by law or regulation (including the ASX Listing Rules), WTL disclaims any obligation or undertaking to update forward looking statements in this Presentation to reflect any changes in expectations in relation to any forward-looking statement or change in events, circumstances or conditions on which any statement is based.

Past performance

Historical financial information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Group's views on its future financial performance or condition. Investors should note that past performance, including past share price performance, of WTL cannot be relied upon as an indicator of (and provides no guidance as to) future WTL performance including future share price performance.

Disclaimer

None of WTL nor any of their respective advisers nor any of their respective affiliates, related bodies corporate, directors, officers, partners, employees or agents (together, the Beneficiaries), have authorised, permitted or caused the issue, submission, dispatch or provision of this Presentation and, except to the extent referred to in this Presentation, none of them makes or purports to make any statement in this Presentation and there is no statement in this Presentation which is based on any statement by any of them.

WT Financial Group Limited brands and services

WTL is a “pure play” wealth management and financial and personal risk insurance advice group with B2B scale and real-world B2C experience and expertise. Advice is at the heart of everything we do.

ASX LISTED
PARENT COMPANY

WT | FINANCIAL GROUP

B2B LICENSING
SOLUTIONS FOR
ADVICE PRACTICES



B2B ADVISER HUB
AND LICENSEE
SERVICES



B2C FINANCIAL
ADVICE SERVICES
FOR CONSUMERS



* Acquired 8 December 2023

Centralised hub delivers operational efficiency

Our operating model has enabled us to retain our strong legacy brands and cohorts while gaining efficiencies through centralised supports.



CENTRALISED ADVISER SUPPORT AND SERVICES HUB

APL | Policy suite | Adviser education and training | Consumer engagement and marketing tools

PI insurance | Remuneration management | Risk management framework | Estate planning



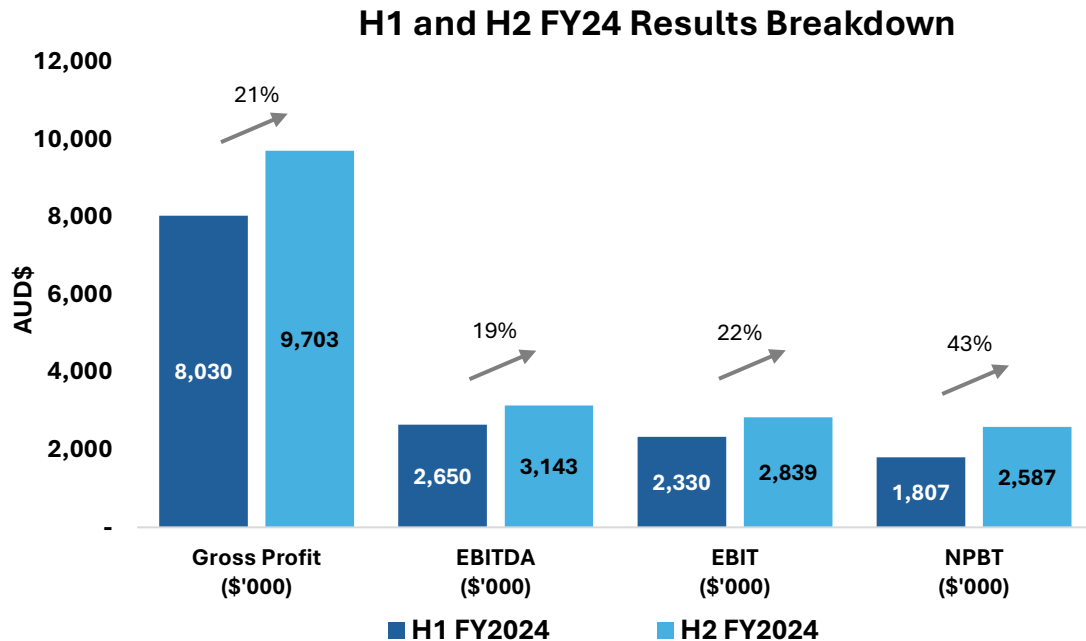
Adviser recruitment | Practice management and support | M&A and succession planning support



B2C financial advice | Accounting & tax | Our “R&D lab”

H2 builds on strong H1 to deliver 51% jump in Underlying NPBT for FY24

Revenue for the underlying business was up more than 33% in the second half, while expenses increased just 22%, resulting in a 43% improvement in NPBT to deliver a year-on-year increase of more than 50% in underlying NPBT.



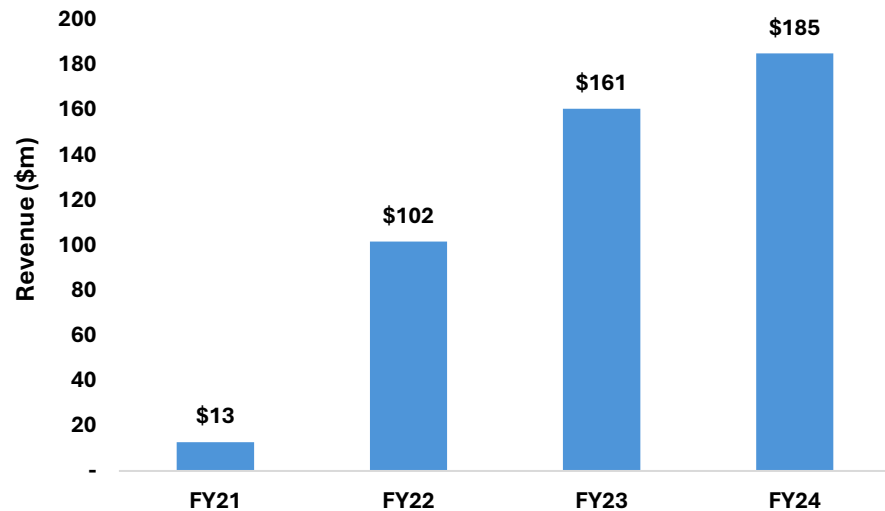
2024 Profit and Loss - H1 and H2	H1 FY2024	H2 FY2024	FY2024	PP variance
Total advice network	78,738,209	104,566,387	183,304,596	32.8%
Total revenue and other income	79,603,755	105,496,147	185,099,902	32.5%
Total COGS	(71,573,880)	(95,793,249)	(167,367,129)	33.8%
Gross Profit	8,029,875	9,702,898	17,732,772	20.8%
Total Expenses	(5,379,748)	(6,559,764)	(11,939,512)	21.9%
Underlying EBITDA	2,650,127	3,143,134	5,793,261	18.6%
Total depreciation & amortisation	(320,397)	(304,255)	(624,652)	-5.0%
Underlying EBIT	2,329,730	2,838,879	5,168,609	21.9%
Net interest expense	(522,909)	(251,447)	(774,356)	-51.9%
Underlying NPBT	1,806,820	2,587,433	4,394,253	43.2%
Statutory P&L adjustments				
Net one-off income/expenses	452,100	(95,000)	357,100	-121.0%
Statutory NPBT	2,258,920	2,492,433	4,751,353	10.3%
Income Tax Benefit/Expense*	-	-	(935,979)	-
Statutory NPAT	-	-	3,815,374	-

Source: WTL FY2024 (unaudited) accounts

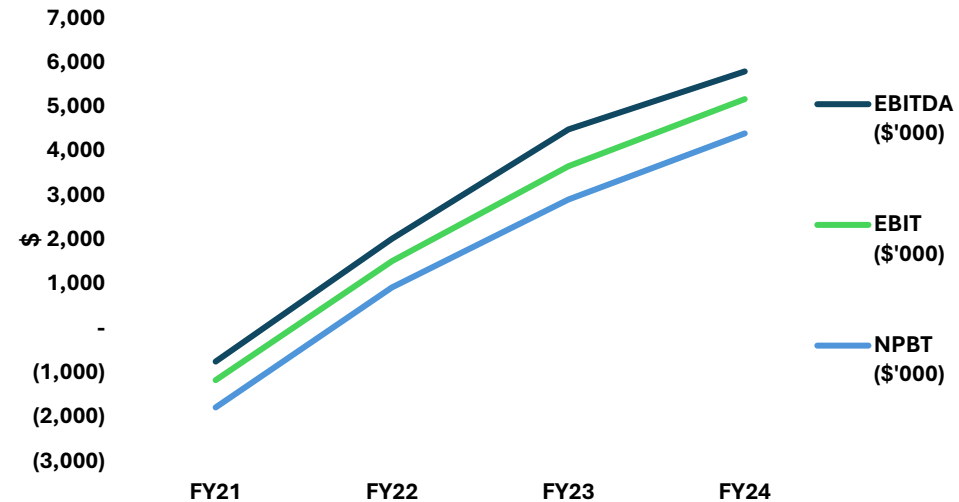
Underlying business delivering consistent growth

Underlying business has delivered four consecutive years of revenue and profit growth as the Company executed its acquisition and renovation strategies to redefine the adviser-licensee relationship and rationalized operations and its networks.

Annual Revenue of Underlying Business



Annual Profit Growth of Underlying Business



The strong result for the year and compounding growth for the underlying business have provided for a return to dividends.

Underlying business delivering consistent growth

Underlying NPBT turned around from negative \$1.7M in FY21 to positive \$4.4M in FY24, inclusive of increase of 51.4% this year.

One-off revenue/expenses from asset sales, gains on contracts, and restructuring in the various years.

Profit and Loss	2021	2022	2023	2024	PCP variance
B2B Revenue	10,245,054	99,727,654	158,802,692	183,304,596	15.4%
B2C Revenue	2,520,406	1,994,697	1,709,417	1,795,306	5.0%
Total Revenue and Other Income	12,765,460	101,722,351	160,512,109	185,099,902	15.3%
Direct cost of sales	(9,052,866)	(92,558,156)	(145,404,128)	(167,367,129)	15.1%
Gross Profit	3,712,594	9,164,195	15,107,981	17,732,772	17.4%
Total Underlying Expenses	(4,466,427)	(7,148,255)	(10,622,426)	(11,939,512)	12.4%
Underlying EBITDA	(753,833)	2,015,940	4,485,555	5,793,261	29.2%
Depreciation & amortisation	(419,640)	(502,558)	(832,718)	(624,652)	-25.0%
Finance costs	(615,397)	(597,742)	(750,845)	(774,356)	3.1%
Underlying Net Profit Before Tax	(1,788,870)	915,640	2,901,992	4,394,253	51.4%
Statutory P&L adjustments					
One-off income	790,045	1,907,186	1,975,391	527,100	-73.3%
One-off expenses	(2,893,287)	(472,156)	-	(170,000)	100.0%
Statutory Net Profit Before Tax	(3,892,112)	2,350,670	4,877,383	4,751,353	-2.6%
Income tax benefit/(expense)*	604,615	(477,143)	(735,804)	(935,979)	27.2%
Statutory Net Profit After Tax	(3,287,497)	1,873,527	4,141,579	3,815,374	-7.9%

* Statutory tax not yet finalised ~\$935k. Due to carried-forward tax losses no cash payment is required.

** Statutory NPAT down slightly on last year due to significant gain on contract in FY2023.

Underlying Revenue

up 15.4% to \$185M

Underlying EBITDA

up 29.2% to \$5.8M

Underlying NPBT

up 51.4% to \$4.4M

Acquisitions and new paradigms deliver balance sheet turnaround

Net assets increased by 394% since 2021, against an increase in issued capital of just 68%.

Assumed liabilities and backend payments related to acquisitions satisfied. Corporate debt at very manageable \$6.7M.

Balance Sheet	2021	2022	2023	2024	PCP variance
Current assets	2,176,550	12,526,039	13,158,709	19,162,795	45.6%
Non-current assets	9,475,131	36,243,861	34,688,640	35,401,044	2.1%
Total Assets	11,651,681	48,769,900	47,847,349	54,563,839	14.0%
Current liabilities	3,218,330	17,889,080	13,141,222	17,299,551	31.6%
Non-current liabilities	2,477,712	10,819,093	9,128,991	7,871,777	-13.8%
Total Liabilities	5,696,042	28,708,173	22,270,213	25,171,329	13.0%
Net Assets	5,955,639	20,061,727	25,577,136	29,392,511	14.9%
Issued capital	20,142,712	32,375,273	33,749,103	33,749,103	0.0%
Current year earnings	(3,287,497)	1,873,527	4,141,579	3,815,375	-7.9%
Reserves	26,659	26,659	26,659	26,659	0.0%
Accumulated Dividends	(6,827,069)	(6,827,069)	(6,827,069)	(6,827,069)	0.0%
Accumulated Profit/Loss	(4,099,166)	(7,386,663)	(5,513,136)	(1,371,557)	124.9%
Total Equity	5,955,639	20,061,727	25,577,136	29,392,511	14.9%



Net

Assets

up 394% to \$29.4M

Issued

Capital

up 13.8% to \$7.9M

Non-current

Debt

at \$6.7M

Consistent positive operating cashflow enables return to dividends

Cash and cash equivalents increased 50.8% to \$8.0M at year end, net of a \$2.0M cash payment in December 2023 related to the acquisition of Millennium3.

CASH FLOWS FROM OPERATING ACTIVITIES	2023	2024
Receipts from customers	154,709,185	182,371,334
Payments to suppliers and employees	(148,716,592)	(176,492,873)
Net interest paid	(746,346)	(770,754)
Payment for prior period restructuring and acquisition costs	(2,344,235)	-
Net cash provided by / (used in) operating activities	2,902,012	5,107,707
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash payments for acquisitions	(1,784,423)	(2,014,951)
Proceeds from sale of intangible assets		527,100
Acquisition of plant and equipment		(185,520)
Net cash provided by / (used in) investing activities	(1,784,423)	(1,673,371)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	1,979,490	-
Repayment of lease liabilities	(717,941)	(625,681)
Loans to corporate authorised representatives	(451,000)	(54,509)
Net cash provided by financing activities	810,549	(680,190)
Net increase/(decrease) in cash and cash equivalents held	1,928,138	2,754,146
Cash and cash equivalents at beginning of year	3,384,884	5,313,022
Cash and cash equivalents at end of financial year	5,313,022	8,067,168



Operating Cashflow
at \$5.1M

Net Investing Cashflow
at \$(1.7M)

Cash Balance
up 50.8% to \$8.0M

Re-cap of Indicative Results for FY2024

In addition to enabling cash funding of its \$2M acquisition of Millennium3 in December, consistent positive operating cashflow has enabled WTL to return to a dividend cycle.

- ❖ Underlying Revenue & Other Income up 15.3% to \$185.1M (FY23 \$160.5M). Direct Cost of Sales \$167.4M (FY23 \$145.4M), resulting in an expected GP increase of 17.4% to \$17.7M (FY23 \$15.1M).
- ❖ Underlying EBIT up 41.5% to \$5.2M (FY23 \$3.7M) after Total Operating Expenses increased just 12.4% to \$11.9M (FY23 \$10.6M); and Dep. & Amort. fell to \$624K (FY23 \$832K).
- ❖ Underlying NPBT expected to be up 51.4% to \$4.4M (FY23 \$2.9M), after Net Interest Expense of \$774K (FY23 \$751K).
- ❖ Cash and Cash Equivalents increased 50.8% to \$8.0M at year end (30 June 2023 \$5.3M) net of a \$2.0M cash payment in December 2023 related to the acquisition of Millennium3.
- ❖ The strong result represents the fourth consecutive year of compounding growth for the underlying business and provides for a return to dividends.
- ❖ Board anticipating being able to declare a fully franked dividend of 0.4 to 0.5 cents.
- ❖ Consistent strong operating cashflow has enabled the Board to reinstate its policy to pay dividends biannually (subject to available cash) now that acquisition strategy completed.

One-off income and expenses and tax impact on Statutory Results

The Company is expecting a positive impact on the underlying business results in the statutory accounts from one-off income and expenses.

- ❖ Net one-off income and expenses relating to the sale of assets (B2C mortgage book) and purchase of assets (M3) during the Period are expected to positively impact profit by \$357K.
- ❖ The impact is expected to increase the Statutory NPBT to \$4.8M (FY23 result was \$4.9M, after a positive impact on the underlying business of \$2.0M from gains on contracts related to prior acquisitions).
- ❖ Statutory Tax Expense of circa \$900K (FY2023 \$736K) anticipated, resulting in a Statutory NPAT of circa \$3.9M (FY23 \$4.3M).
- ❖ With carried-forward tax losses no cash tax liability will arise, and the Company has a franking credit balance more than \$1.4M, which will enable a dividend to be fully franked.
- ❖ The Company had a total of 339.2M shares and 1.5M options on issue as at 30 June 2024 and no shares or options were issued during the Period.
- ❖ Financial Statements and Appendix 4E expected on or before 31 August 2024 and Audited Financial Statements and Annual Report by mid-September 2024. No material variances to the indicative results reported today are expected.

Industry tailwinds and supply-demand imbalance provide for significant upside

The Company's results are not only reflective of the performance of its own team and network practices, but of a very positive future for all advice practices and advice network operators in Australia.

- ❖ Adviser numbers have declined to little more than 15,000 while estimates suggest it will be 2026 before new entrant numbers get close to matching natural outflow.
- ❖ While decline in the supply of financial advisers is occurring, the number of consumers in core cohorts seeking advice and their capacity to pay continues to grow – retiree market up 19% between last two years' Census.
- ❖ The core asset pool of superannuation that consumers seek advice regarding is on a relentless, statutorily-mandated growth trend of circa \$2B each week.
- ❖ The mass-market industrial model has been replaced with a narrower professional services model with advisers able to generate more revenue, dealing with less clients – considerable upside remains.
- ❖ WTL will continue to drive paradigm shifts in the licensee-adviser relationship to further improve outcomes for practitioners, their clients, and our shareholders.
- ❖ WTL working with practices to further modernise their businesses through technology solutions and corporatisation initiatives, including playing a key role in facilitating M&A activity.

WT Financial Group Limited

Board of Directors

The WTL Board includes significant shareholder founders and has a strong record of success in financial services, and in mergers and acquisitions in private and public companies.



Guy Hedley

Non-Executive Chairman

15 years as head of Macquarie Bank global private banking unit and BNP Private Banking. Now Chair at Stoic Asset Management. Has helped steer WTL through industry upheaval and supported executive and management team with WTL's transformation to a B2B focussed enterprise, to emerge as one of the largest advice networks in Australia.



Keith Cullen

Founder and Managing Director

WTL founder and largest (non-institutional) WTL shareholder. 39 years' experience as a corporate executive and entrepreneur across the broadcast media, technology and financial services sectors. Successfully conceived and implemented the strategy to pivot WTL to B2B through acquisition of Wealth Today, Sentry, Synchron and Millennium3.



Chris Kelesis

Non-Executive Director

Foundation director and significant shareholder of WTL with 15 years' experience as an equities trader and technical analyst. Private and wholesale client adviser roles with Spring Equities, Ark Equities and the Rivkin Group. Has helped steer WTL through its transformation to a B2B focussed enterprise.



Chelsea Pottenger

Non-Executive Director

One of Australia's most popular keynote speakers and corporate wellbeing presenters and the author of The Mindful High Performer. Founder of EQ MINDS, a corporate performance and wellbeing platform that works with leading global brands to train thousands of executives and staff each year across many industries including financial services.

WT Financial Group Limited

Executive Team

WTL has a hands-on senior executive team with significant shareholdings and extensive experience in financial services in both B2B and B2C roles enabling it to add real value to the practices the group supports.



Frank Paul

Joint COO, Group Head of Risk

Frank is a significant WTL shareholder and has 25 years in financial advice, as a practice principal and senior executive including 10 years with WTL in head of advice and COO roles. His focus is group risk management and key operational matters.



David Newman

Joint COO, Group Head of Adviser Services

David is a significant WTL shareholder with 35 years in financial services, specialising in strategic planning and execution. As joint-COO his focus is leading the regional management team in business development and supporting growth of the Group's network practices.



Jack Standing

Group Head of Advice

Jack has served 12 years with WTL in key B2B and B2C advice roles and heads adviser professional development, training & education, and oversees advice creation within WTL's innovative peer review and risk management framework.



Ricton Jones

Group Head of Finance

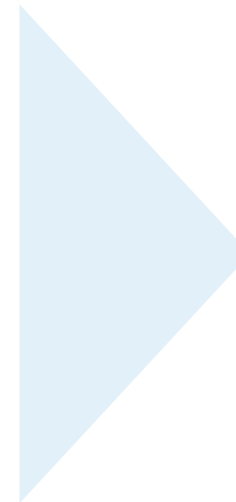
Ricton has broad experience in financial accounting, treasury, audit coordination and tax in technology and financial services, and heads finance functions across the Group. CIMA and CPA qualified.

WT Financial Group Limited

Top shareholders

WTL is founder led with board and management having significant holdings. Additionally, WTL has a strong register of experienced financial services investors who share its vision, including UIL, Ariadne and IFM and leading financial services executives.

TOP SHAREHOLDERS		
UIL Limited (ICM)	81,186,172	23.93%
Keith Cullen (founder & CEO)	35,433,540	10.45%
Chris Kelesis (board) and related entities	25,338,646	7.47%
IFM Pty Limited and related entities	22,943,311	6.76%
David Newman (executive) and related entities	22,141,867	6.47%
Ariadne Limited	20,564,308	6.06%
Mr Michael Harrison and related entities	19,286,735	5.69%
Llenpart Insurance and Investment	8,485,091	2.50%
Prossor and related entities	8,485,091	2.50%
Pelosi (management) related entities	7,200,000	2.10%
Other board and management	5,308,693	1.56%
Total these holders	256,373,454	75.49%
Total on issue	339,234,358	
Total board and management	95,422,746	28.13%



Board and management
hold 95M shares

Top 10 holders
hold 251M shares

Shares on issue
total 339M shares

Thanks for joining

Contact us for further information

WT | FINANCIAL GROUP

Keith Cullen

Founder and Managing Director
(02) 9248 0422

JMM
JANE MORGAN MANAGEMENT

Jane Morgan

Investor and Media Relations
jm@janemorganmanagement.com.au