

# Cashwerkz



1H FY2021 Results

Investor Update

March 2021

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# Our vision.

To be the thought-leader for income investing in Australia. To provide investors and portfolio managers with the most trustworthy and capable platform for research, execution and management of their income investments.

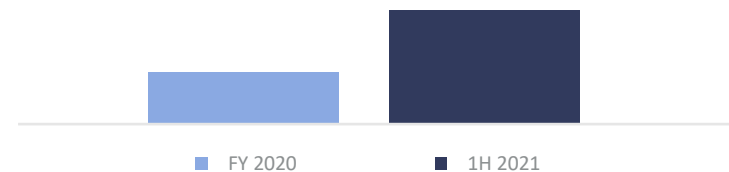
# Business Highlights.

## The past six months have been about realignment and growth

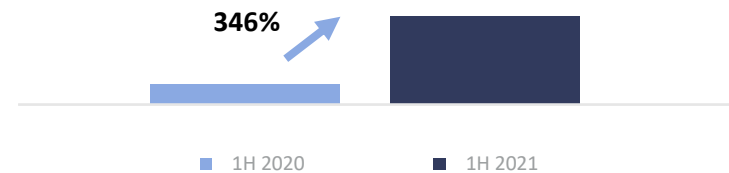
### 2020

- Total Revenue increased 346% with underlying Revenue increased 154%
- R&D grants of \$880,000
- Restructuring Group to bring in the best people across Cash, Bonds, Funds Management and Support services
- Implemented significant new technology from Bloomberg, BondIT, Salesforce
- Enabled Research and client education from external parties
- Bondincome launched August 2020 and operational October 2020
- FundIncome launched August 2020
- Fortlake Asset Management launched November 2020
- Fortlake reaches \$300m in FUM mandates December 2020
- Trustees Australia restructured and new Board members added

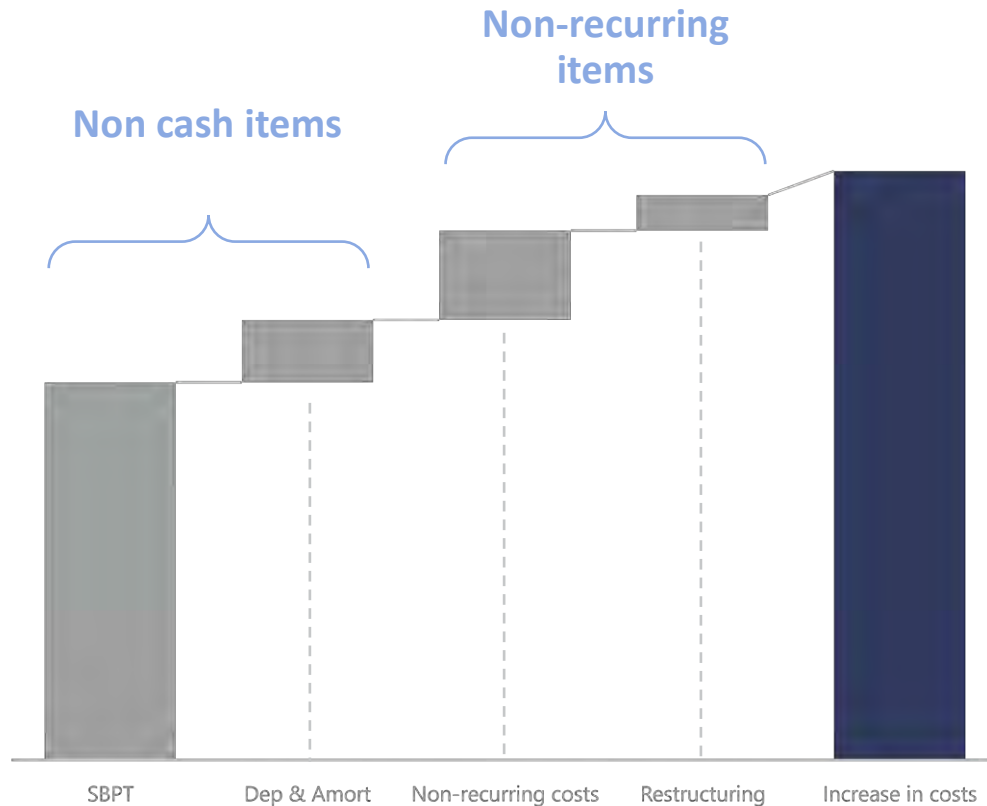
### 1H 2021 Revenue exceeded FY2020



### Total Revenue

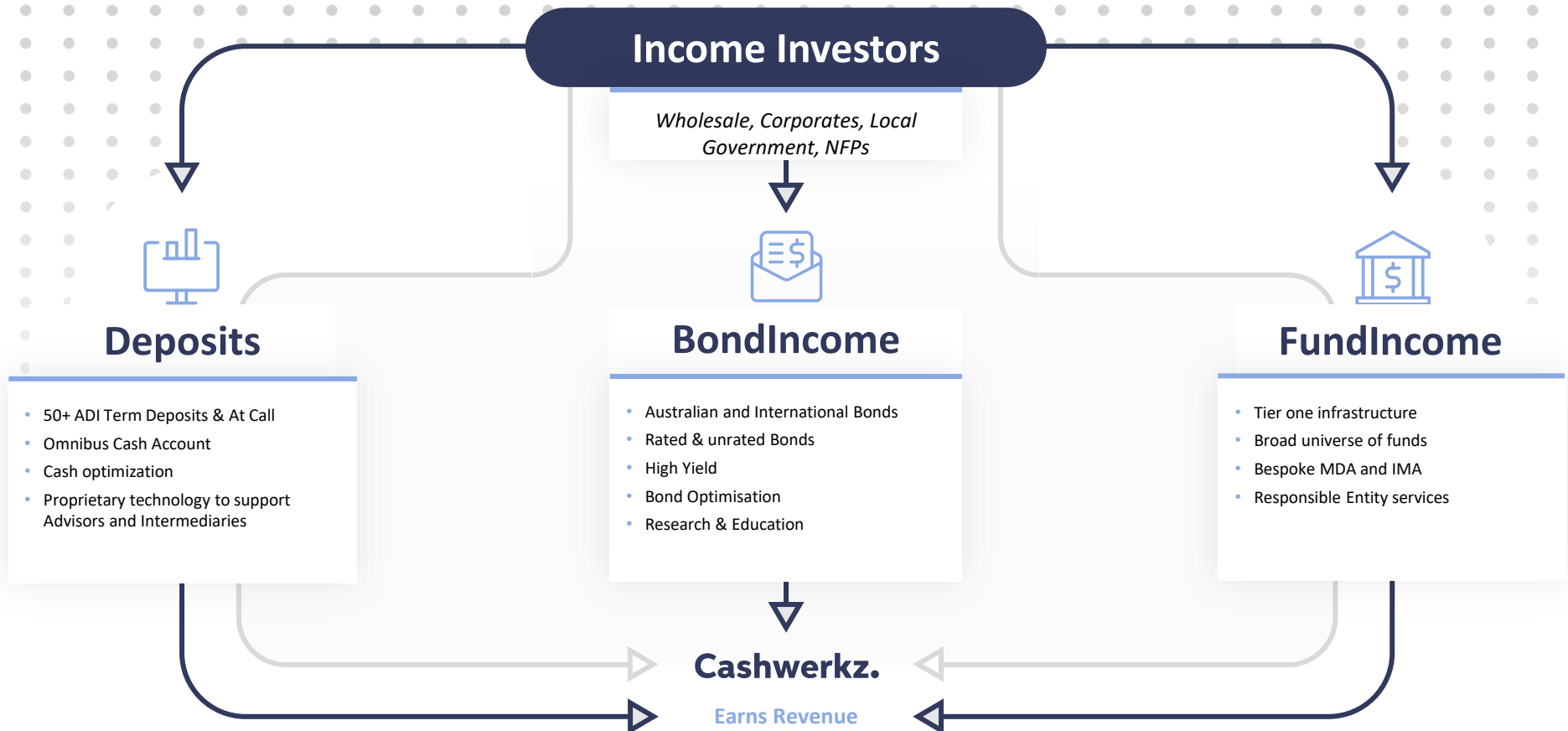


# The overall costs of the business have increased predominately in non-cash items in-line with the growth of the business



- Realignment and expansion of the group has seen costs for 1H 2021 increased \$6.6m
- \$5.9m of total expenses were one off and non-cash items.
- Performance rights have been issued to attract significant talent across the business, invest in our first Fund and manage cash expenses. 61% of Performance Rights hurdles are set at more than \$0.45c reflecting confidence in achieving significant enterprise value and alignment with Shareholders.
- The Group holds material carry forward tax losses which it will seek to use in the future.
- \$1.4m increase in ongoing costs for investment in systems, services and people including;
  - Bond, Cash and Fund distribution, operations and technology professionals
  - Bloomberg TOMS
  - Salesforce – CRM and Order Management
  - BondAdvisor – External Research
  - BondIT – Cash and Bond portfolio optimisation

# A revenue and client eco-system that enables Direct and Managed services across Fixed Income



# Our diversification of revenue and strong growth provides a good indicator of our future revenue potential

## Deposits

- Brokerage Commission
- Corporates, HNW and Non-Government deposit broking services
- Dedicated Omnibus Cash Account for investors in BondIncome and FundIncome with competitive rate

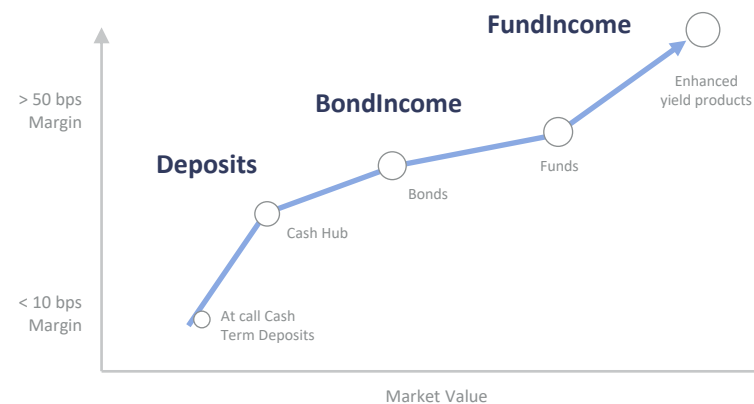
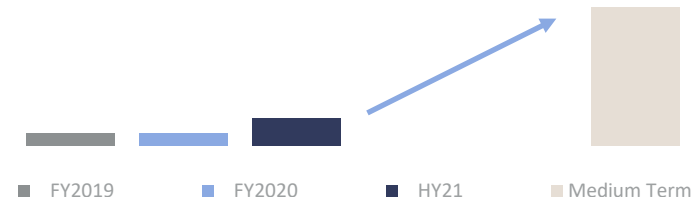
## BondIncome

- Brokerage from Bond trading
- Fees from primary issuance of Bonds
- Working with and not competing against the majors
- Wholesale and Sophisticated investors only

## FundIncome

- Revenue from distribution of Fund mandates
- Revenue from equity stake in Fund Managers
- Service Fees from Responsible Entity, middle and back office support to Funds

### Revenue Growth from multiple lines of business



# The outlook - 2021

## 2021 IS ABOUT REVENUE AND A CAREFUL EYE ON COSTS



Strong focus on client onboarding



Secondary Bond trading revenue will increase significantly inline with new hires



Significant pipeline of new Bond issuances for distribution



Team creating client opportunities by being able to offer broader suite of Fixed income services



Sales team are rewarded for cross referrals into Fortlake Asset Management enabling us to deliver to clients more of their Fixed Income needs



Salesforce is enabling a seamless process for client management from onboarding to client Bond orders



Continuous enhancement of our Core technology with key infrastructure across Trading, Client Management, Sales Target management



Potential for new Fund to be incubated



Working with International Bank to enable Derivatives and Leverage for clients





# Cashwerkz

Thank you.

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