

ASX Announcement

24 February 2025

Centrepont Alliance H1 FY25 results Core business strong. Strategic initiatives launched.

Centrepont Alliance Limited (ASX: CAF) (“Centrepont” or “the Company”), a leading provider of financial advice and services to financial advice firms and customers throughout Australia, is pleased to provide the Company's Interim Financial Report and Appendix 4D for the six months ended 31 December 2024.

H1 FY25 Financial Highlights

- Strong financial performance with normalised EBITDA (excluding LTI, One-Off Costs & Contingent Consideration Release) of \$5.3m up \$1.2m (+29%) on H1 FY24 driven by the contribution of the Financial Advice Matters Group Pty Ltd (“FAM”) acquisition and organic licenced fee growth
- Gross revenue of \$159.7m up \$19.2m (+14%) on H1 FY24 driven by increase in gross commissions and annuitised adviser fee income received
- Net Revenue (Gross Profit) of \$20.1m up \$3.4m (+20%) on H1 FY24
- Contingent consideration provision release of \$1.3m relating to FAM acquisition
- Management expenses up by \$0.4m (3%) to Prior Corresponding Period (“PCP”) mainly driven by inflationary increases, excluding the impact of the FAM acquisition. Expenses up 17% primarily driven by expense increase from FAM’s normal operations now integrated into the core business
- Net Cash position of \$9.2m down 25% on 30 June 2024, primarily driven by \$2.6m cash provided by operations offset by \$3.5m dividends paid, \$0.8m NAB loan repayments, \$0.7m payment for software intangibles, \$0.5m for repayment of lease liabilities and \$0.2m claims settled
- Cash provided by operations was \$1.4m down on PCP due to working capital timing movement as a result of two extra weekly adviser payment runs than PCP
- NPBT of \$4.9m up \$2.5m (+104%) on H1 FY24, driven by \$1.2m growth in EBITDA and \$1.3m FAM contingent consideration release in H1 FY25
- Interim fully franked ordinary dividend of 1.25 cent per share declared with a payment date of 17 March 2025
- EBITDA guidance for FY25 maintained in the range of \$10.25m to \$10.5m (excluding LTI, One-Off Costs & Contingent Consideration Release)

H1 FY25 Operational Highlights

- The Group continues to deliver consistent earnings and net adviser growth, cementing its position as a leading destination for advisers, servicing both the licenced and self-licenced market segments. The market conditions for financial advice remain strong with significant demand for advice services, strong equity markets, and easing of regulation through a series of reforms arising from the Quality of Advice Review.

CENTREPOINT ALLIANCE LIMITED

Level 8, 309-315 George Street, Sydney NSW 2000

T: 1300 557 598

ABN: 72 052 507 507

W: www.centrepontalliance.com.au

- Licensee Services has demonstrated resilience and growth despite the tightening adviser recruitment conditions. At the end of H1 FY25, there were 556 authorised representatives, representing net growth of +7, and 200 self-licenced firms, representing a loss of 3 firms. Licensee service levels have continued their upward trend in performance, with average turnaround times of 1.27 days in H1 FY25 compared to 2.07 days in H2 FY24.
- Centrepoint's Licensee Net Promoter Score ("NPS") has reached an all-time high, indicating a high level of adviser satisfaction with the services provided. As of December 2024, the overall group NPS is 47, with licenced advisers scoring 52 and self-licenced advisers scoring 30. This compares to May 2024, when the overall NPS was 42, with licenced advisers at 42 and self-licenced advisers at 33.
- The salaried advice businesses, FAM and Centrepoint's salaried advisers, have been fully integrated, with all advisers now operating under the unified model. The business has retained 14 out of the 15 advisers from the FAM acquisition and added a Professional Year Adviser.
- The IconiQ Investment and Superannuation Platform was successfully launched with FNZ (Australia) Pty Limited as Administrator and technology provider. IconiQ Investment, an IDPS (non-super) platform, was soft launched in October 2024 and is now open to all advisers. IconiQ Super Wrap, promoted by Ventura Investment Management Limited ("VIML") a wholly owned subsidiary of Centrepoint, went live in December 2024. The focus is now on driving inflows.

Centrepoint continues to demonstrate strong performance and resilience in a dynamic market environment. The Group's strength in its core business of licensee services combined with the FAM acquisition, strategic growth initiatives, technological advancements, cybersecurity enhancements, and regulatory compliance, position it well for sustained growth and success.

The release of this announcement has been authorised by the Board of Directors.

For further information, please contact:

John Shuttleworth, Chief Executive Officer
Centrepoint Alliance Limited
Ph: +61 2 8987 3016
E: John.Shuttleworth@cpal.com.au

Brendon Glass, Chief Financial Officer
Centrepoint Alliance Limited
Ph: +61 2 8987 3037
E: Brendon.Glass@cpal.com.au

Greg Slade, Investor Relations
Slade Investor Relations
Ph: +61 (0) 488 917 882
E: greg@sladeir.com

About Centrepoint Alliance

Centrepoint Alliance (ASX: CAF) offers a range of services to financial advice firms throughout Australia. The company operates five core business lines: Licensee Services, Financial Advice, Investments, Platforms and Lending.

Licensee Services provides services to licenced and self-licenced advisers, consisting of licencing options, practice management, compliance, research, education and technology. Financial Advice is an in-house network of financial advisers, who provide personalised and holistic advice to clients. Investment Solutions source high quality underlying investments and construct diversified managed account portfolios. Platform Solutions provides portfolio services for investment and superannuation. Lending Solutions supports brokers and advisers with a credit licence, technology, lending panel, training and education.

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