



# **H1 FY25 RESULTS PRESENTATION AND STRATEGY UPDATE**

John Shuttleworth, CEO

Brendon Glass, CFO

24<sup>th</sup> of February 2025

# DISCLAIMER

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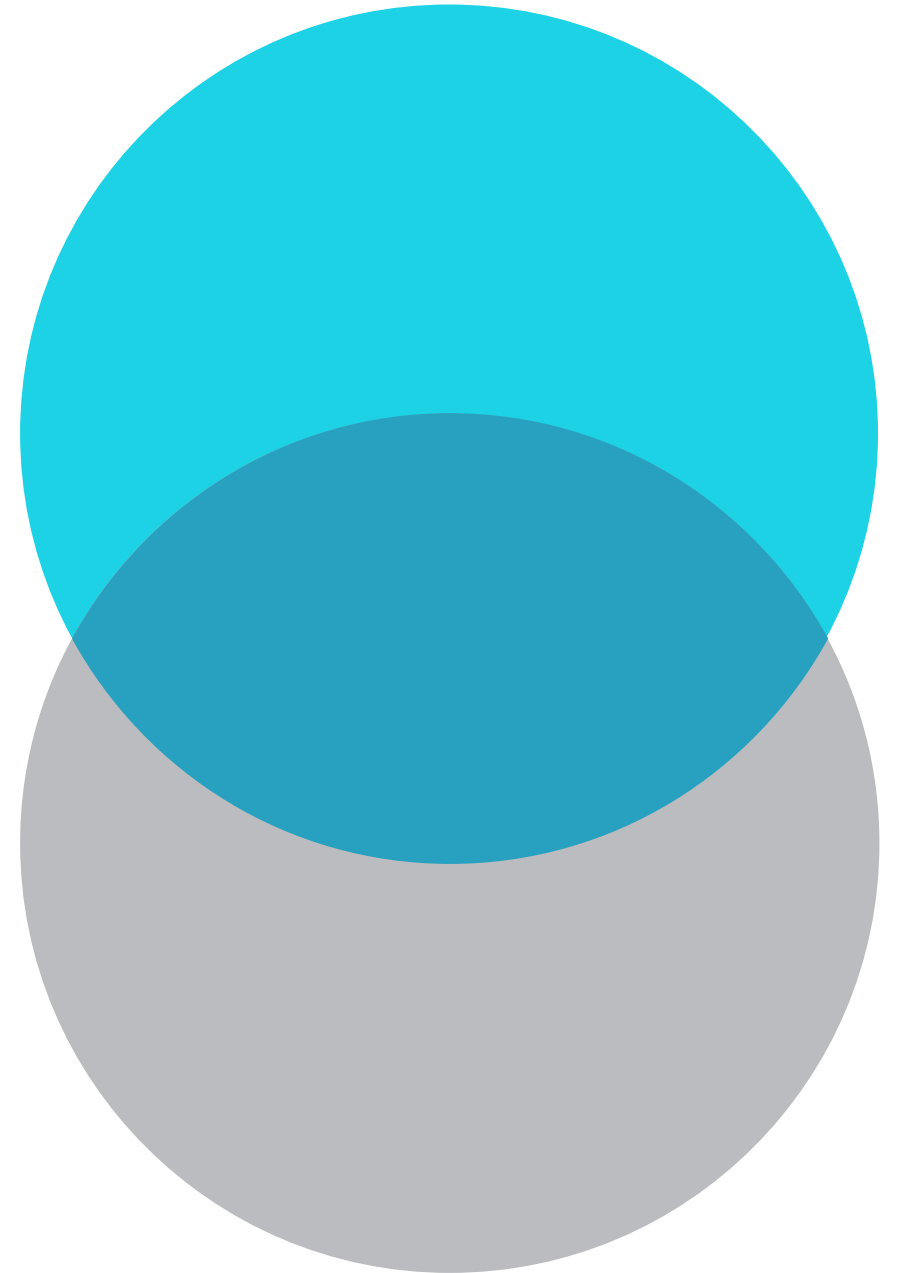
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All numbers are as at 31 December 2024 unless otherwise stated. Numbers may not add up due to rounding.

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

# RESULTS AND BUSINESS UPDATE

John Shuttleworth, CEO



## KEY HIGHLIGHTS FOR H1 FY25

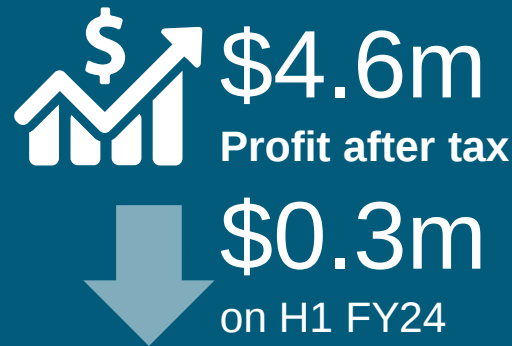
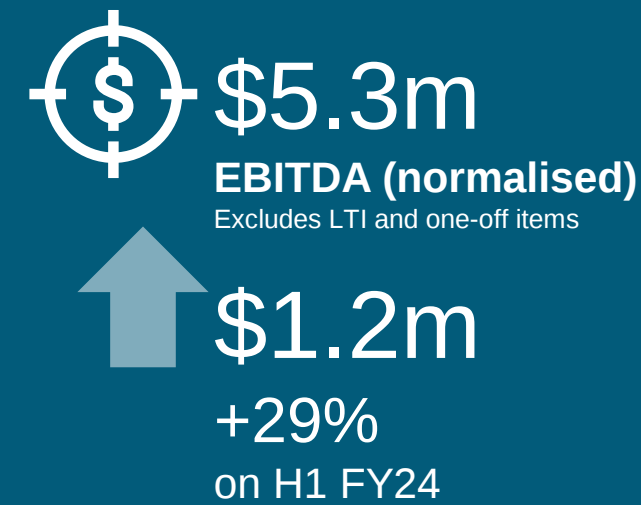
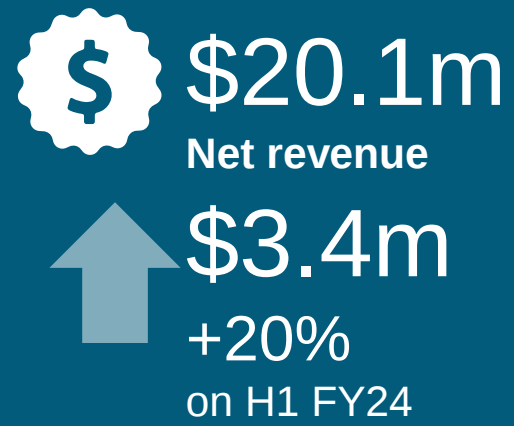
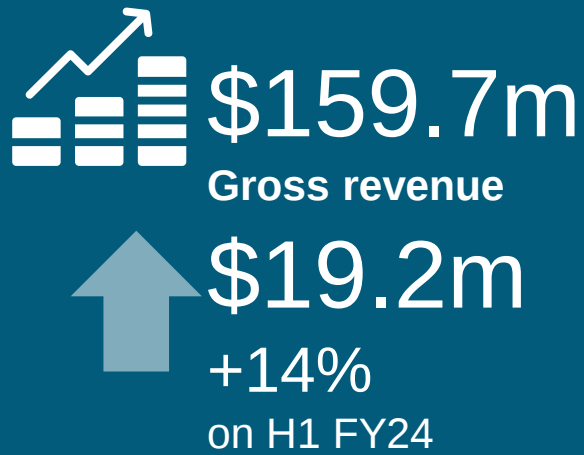
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Consistent strong performance in a dynamic market, capitalising on our core expertise in licensee services while introducing new strategic initiatives to drive future growth

- Strong financial performance driven by **organic adviser growth**, the full year **impact of the acquisition of Financial Advice Matters Group Pty Ltd (“FAM”)** and **disciplined cost management**
- Licensee Services growth despite the tightening recruitment conditions with **556 advisers and net growth of +7** over the six months
- NPS at an **all-time high of +47** reflecting a high level of adviser satisfaction
- FAM fully integrated with all **employed advisers operating under the unified model**
- IconiQ Investment and **Superannuation Platform was successfully launched** in November 2024, with VIML as the operator of the IDPS and promoter of the Super Wrap
- iQ Portfolio’s **outperformed benchmarks in 2024<sup>1</sup>**. Inflows are building **across 5 platforms**

1. Net of fee returns versus investment objectives 12 months ending Dec 2024.

# SNAPSHOT OF H1 FY25 RESULTS



Primarily driven by the Group transitioning to a tax paying entity



Primarily driven by \$2.6m cash provided by operations offset by \$3.5m dividends paid, \$0.8m NAB loan repayments, \$0.7m payment for intangibles, PP&E and \$0.5m for repayment on lease liabilities and \$0.2m claims settled



**Ordinary**  
Fully franked to be paid  
17 March 2025

# CENTREPOINT RANKED #3 IN THE MARKET AND CONTINUES TO LEAD THE MARKET IN NET GROWTH DUE TO THE HIGH QUALITY OF OUR LICENSEE SERVICES WHICH RESULTS IN HIGH ADVISER SATISFACTION

## CHANGES IN ADVISER NUMBERS BY LICENSEE 1 JAN 24 to 31 DEC 24

| RANK | LICENSEE GROUP <sup>1</sup>                                                         | NUMBER OF ARS <sup>2</sup> | APPOINTMENTS | RESIGNATIONS | NET CHANGE |
|------|-------------------------------------------------------------------------------------|----------------------------|--------------|--------------|------------|
| 1    |    | 1157                       | 111          | 202          | -91        |
|      | AMP Group                                                                           | 803                        |              |              | -63        |
|      | Fortnum Group                                                                       | 344                        |              |              | -28        |
| 2    |    | 671                        | 62           | 137          | -75        |
|      | Count Group                                                                         | 344                        |              |              | -22        |
|      | Diverger Group                                                                      | 327                        |              |              | -53        |
| 3    |    | 559                        | 88           | 49           | 39         |
| 4    |    | 520                        | 71           | 111          | -40        |
| 5    |    | 490                        | 62           | 67           | -5         |
| 6    |   | 336                        | 52           | 59           | -7         |
| 7    |  | 290                        | 38           | 26           | 12         |
| 8    |  | 230                        | 8            | 23           | -15        |
| 9    |  | 228                        | 21           | 34           | -13        |
| 10   |  | 180                        | 20           | 56           | -36        |

- M&A has reshaped the advice landscape over the past 2 years as licensees attempt to build scale
- Centrepont has consistently been one of the best performing licensee groups
- Centrepont's success in recruiting and retaining advisers is driven by the high quality of our service delivery, which results in high levels of adviser satisfaction

1. Licensee Group includes AFSL's that are 'dealer groups' but excludes licensee types that are not active participants in the licensee services market e.g. advisers within stock broking businesses and superannuation funds

2. Authorised Representatives Source: Wealthdata analysis of ASIC Register. Note appointments and resignations of ARs of entities purchased by the Licensee Group during the period are included in the statistics. Centrepont number of 559 differs to internal reporting of 556 due to timing differences with ASIC register.

## SERVICE STANDARDS CONTINUE TO IMPROVE – NPS AT ALL TIME HIGH

### SERVICE STANDARDS<sup>1</sup> IMPROVE DESPITE HIGH VOLUMES

**22,954** enquiries raised in H1 FY25

Average turnaround times

**reduced to 1.27 days**

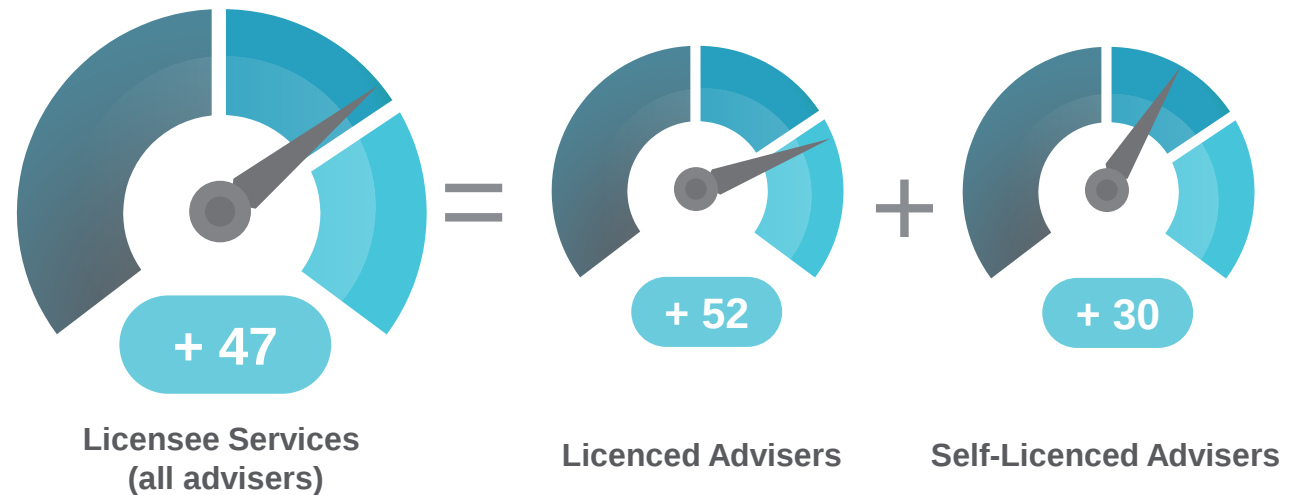
in H1 FY25 compared to 2.07 days  
in H2 FY24

Enquiries closed within 2 days increased to

**90.7%** from 84.6% over H1 FY25

### NET PROMOTOR SCORE<sup>2</sup>: ALL-TIME HIGH

The overall group NPS, including self-licenced results, stands at **47** which is an all-time high showing a significant improvement in adviser satisfaction



1. Service standards tracked using Salesforce from first contact to final resolution

2. For licenced advisers, the NPS score increased from 42 in May 2024 to 52 in November 2024. For self-licenced clients, the NPS score slightly decreased from 33 in May 2024 to 30 in November 2024.

# SALARIED ADVICE INTEGRATED - STRONG OPPORTUNITY FOR GROWTH

## BUSINESS SNAPSHOT



FINANCIAL ADVICE  
MATTERS  
*Achieving your goals*

+

CENTREPOINT  
ALLIANCE  
SALARIED ADVICE

### H1 FY24

Revenue \$4.2m

EBITDA \$1.4m

### ANNUALISED – JAN TO DEC 2024

Revenue \$8.5m

EBITDA \$3.0m

### PROFILE

Household Clients ~2,000

Funds Under Advice \$1.8b

Total Staff 33

– 19 advisers

– 14 direct support staff

## INTEGRATION ACTIVITIES

The salaried advice business is completely integrated with a uniform operating model

High staff retention

Excellent client retention

Unified advice process

Advice fee harmonisation

Standardised advice tech

Adopting managed portfolios

## GROWTH OPPORTUNITIES

1

**Capacity** within the group to service more customers with minimal impact on cost base

2

**Leveraging** industry fund relationships for client referrals

3

**Acquisitions** – the right business at the right price – strategic and tuck-in

# FAM PERFORMANCE - FIRST TWELVE MONTHS

| FAM Financial Performance                                              | PRE-ACQUISITION |           | First 12 Months (Dec23-Nov24) |
|------------------------------------------------------------------------|-----------------|-----------|-------------------------------|
|                                                                        | FY22 Act.       | FY23 Act. |                               |
| Net Revenue                                                            | \$5.5           | \$5.8     | \$6.0m                        |
| Management Expenses                                                    | (\$4.4m)        | (\$4.7m)  | (\$4.4m)                      |
| EBITDA (excluding LTI, One-Off Costs & Deferred Consideration Release) | \$1.1m          | \$1.1m    | \$1.6m                        |
| EBITDA Margin                                                          | 20%             | 19%       | 27%                           |

- FAM acquisition completed 1 Dec 2023
- EBITDA (first 12 months of operations) has increased by 45% to \$1.6m in first twelve months of operations through operational efficiencies
- Revenue up 3.5%
- Management expenses down 6%
- Earnings accretive transaction

# THE ICONIQ PLATFORM IS LIVE AND OUR FOCUS HAS SHIFTED FROM BUILD TO SALES - REGISTERING ADVISERS AND DRIVING INFLOWS

## IconiQ Platform<sup>1</sup> Launched

- IDPS<sup>2</sup> soft launched October 2024
- Super Wrap launched December 2024

## Features

- Rich functionality at a very competitive price
- Intuitive user experience
- Global technology partnership with FNZ
- Wide range of investment options
- Flexible account structures
- Comprehensive portfolio reporting
- Competitive pricing – no minimum fees

## IconiQ SMA<sup>3</sup>

- Launched December 2024
- Provides investment managers and asset consultants an investment vehicle for managed accounts



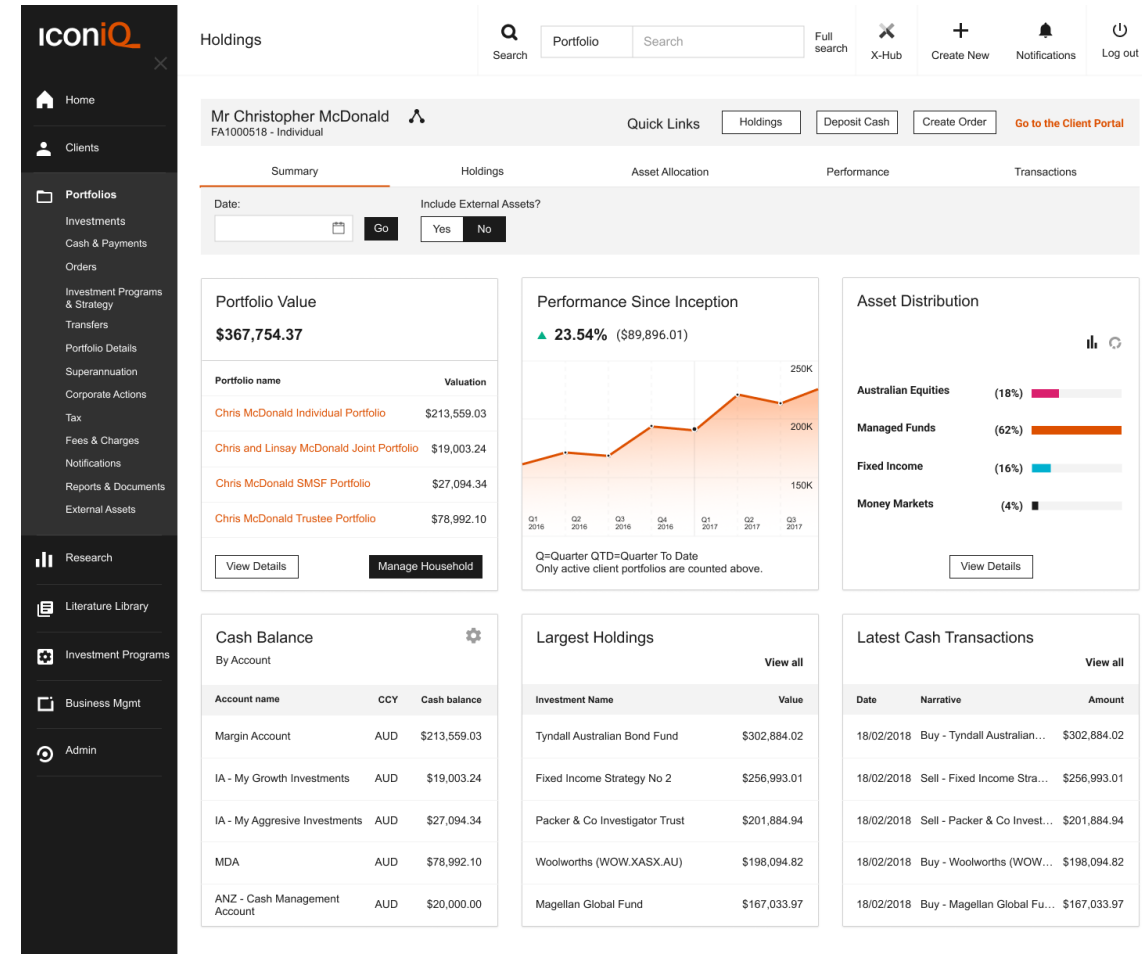
Investment



Super



Separately  
Managed  
Accounts



1. Ventura Investment Management Limited ("VIML") is the operator of the IDPS and promoter of the Super Wrap  
2. Investor Directed Portfolio Service ("IDPS")  
3. VIML is the Responsible Entity of the Separately Managed Accounts ("SMA")

# STRONG FIRST YEAR PERFORMANCE AND DISTRIBUTION ON MAJOR PLATFORMS WILL GENERATE INFLOWS

## iQ Portfolios

Portfolio returns for 12 months ending 31 December 2024 performed above the investment objective across all risk profiles:

|                           | <b>1 year return</b> | <b>Investment Objective</b> | <b>Over/under performance<sup>1,2</sup></b> |
|---------------------------|----------------------|-----------------------------|---------------------------------------------|
| iQ Portfolio Growth 30    | 7.8%                 | Aust. CPI+1%                | 4.3%                                        |
| iQ Portfolio Growth 50    | 10.1%                | Aust. CPI+2%                | 5.6%                                        |
| iQ Portfolio Growth 70    | 13.1%                | Aust. CPI+3%                | 7.6%                                        |
| iQ Portfolio Growth 85    | 15.4%                | Aust. CPI+4%                | 8.9%                                        |
| iQ Portfolio Defensive 70 | 5.5%                 | Aust. CPI+1%                | 2.0%                                        |
| iQ Portfolio Defensive 50 | 6.6%                 | Aust. CPI+2%                | 2.1%                                        |
| iQ Portfolio Defensive 30 | 8.2%                 | Aust. CPI+3%                | 2.7%                                        |

1. Over / under performance is the performance relative to the Australian CPI+ objective in the Product Disclosure Statement ("PDS")

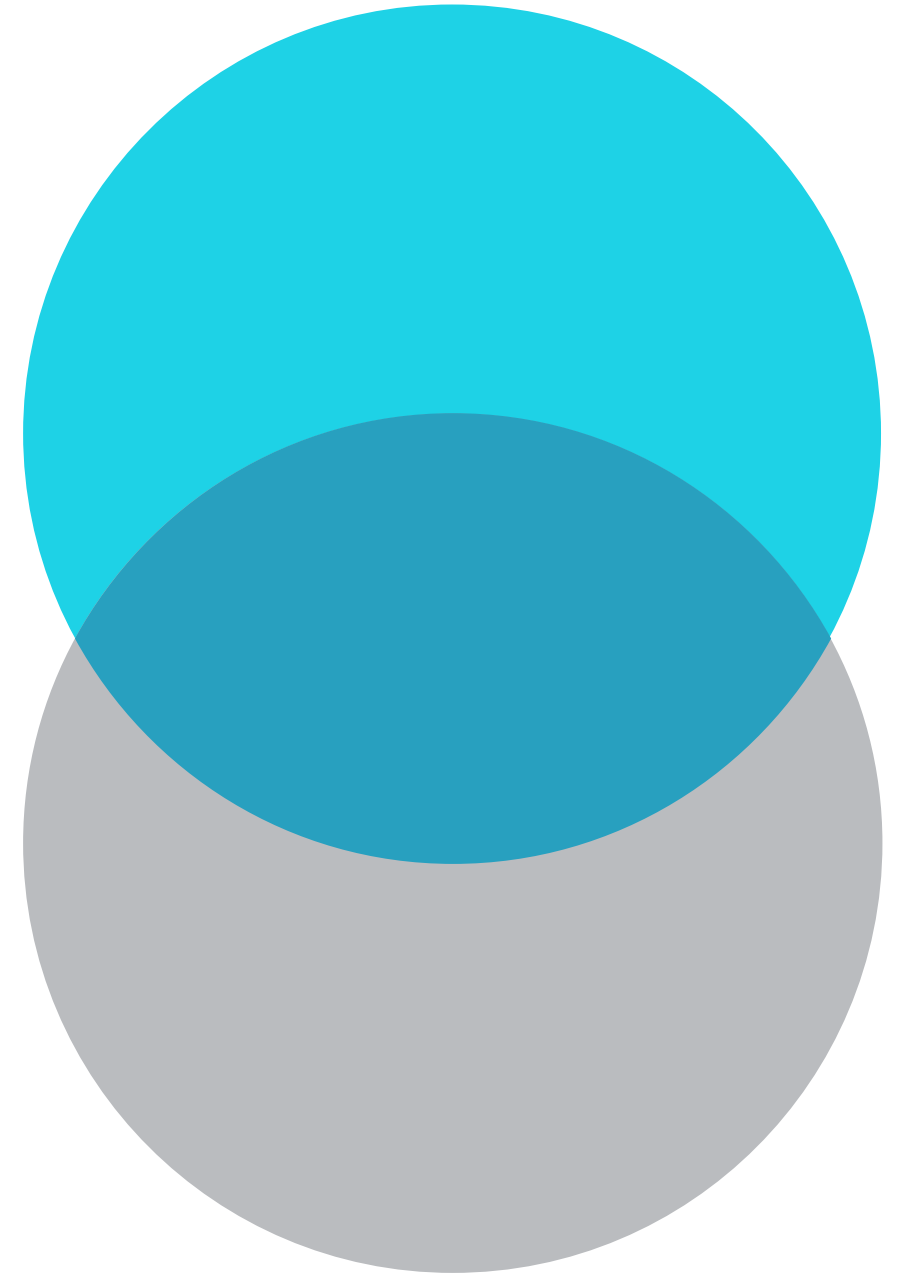
2. Minor variations in numbers due to rounding and weighted adjustments.

## NOW AVAILABLE ON PARTNER PLATFORMS



# FINANCIAL PERFORMANCE

Brendon Glass, CFO



## FINANCIAL RESULTS SUMMARY

| For the period                                                                    | H1 FY24<br>(\$m) | H2 FY24<br>(\$m) | H1 FY25<br>(\$m) |
|-----------------------------------------------------------------------------------|------------------|------------------|------------------|
| <b>Gross Revenue</b>                                                              | <b>140.5</b>     | <b>147.5</b>     | <b>159.7</b>     |
| Adviser fees                                                                      | (123.8)          | (128.1)          | (139.6)          |
| <b>Net Revenue<sup>2</sup></b>                                                    | <b>16.7</b>      | <b>19.4</b>      | <b>20.1</b>      |
| Management Expenses                                                               | (12.6)           | (14.4)           | (14.8)           |
| <b>EBITDA (excluding LTI, One-Off Costs &amp; Deferred Consideration Release)</b> | <b>4.1</b>       | <b>5.0</b>       | <b>5.3</b>       |
| Cost to Income Ratio                                                              | 75%              | 74%              | 74%              |
| LTI Costs                                                                         | (0.2)            | (0.1)            | (0.1)            |
| One-Off Costs                                                                     | (0.7)            | (0.2)            | (0.1)            |
| FAM Contingent Consideration Release                                              | -                | -                | 1.3              |
| <b>EBITDA</b>                                                                     | <b>3.2</b>       | <b>4.7</b>       | <b>6.4</b>       |
| Depreciation, Amortisation, Impairment, Finance Costs                             | (0.8)            | (1.5)            | (1.5)            |
| <b>Net Profit/(Loss) before Tax</b>                                               | <b>2.4</b>       | <b>3.2</b>       | <b>4.9</b>       |
| <b>Net Profit/(Loss) after Tax</b>                                                | <b>4.9</b>       | <b>2.9</b>       | <b>4.6</b>       |

## PCP COMPARATIVES

- Gross revenue up \$19.2m (14%)
- Net revenue<sup>2</sup> up \$3.4m (+20%) driven by revenue uplift from FAM acquisition and organic licenced fee growth offsetting reduction in other revenue
- Management expenses up 3% (17% including FAM acquisition primarily driven by expense increase from FAM acquisition and inflation)
- Cost to income ratio continued to improve from 75% to 74%
- \$1.3m contingent consideration provision release relating to FAM acquisition<sup>1</sup>
- EBITDA (excluding LTI, One-Off Costs & Contingent Consideration Release) of \$5.3m up \$1.2m (+29%) driven by FAM acquisition and organic growth in licenced fees and adviser numbers
- NPBT of \$4.9m up \$2.5m, driven by \$1.2m growth in EBITDA and \$1.3m FAM contingent consideration release in H1 FY25

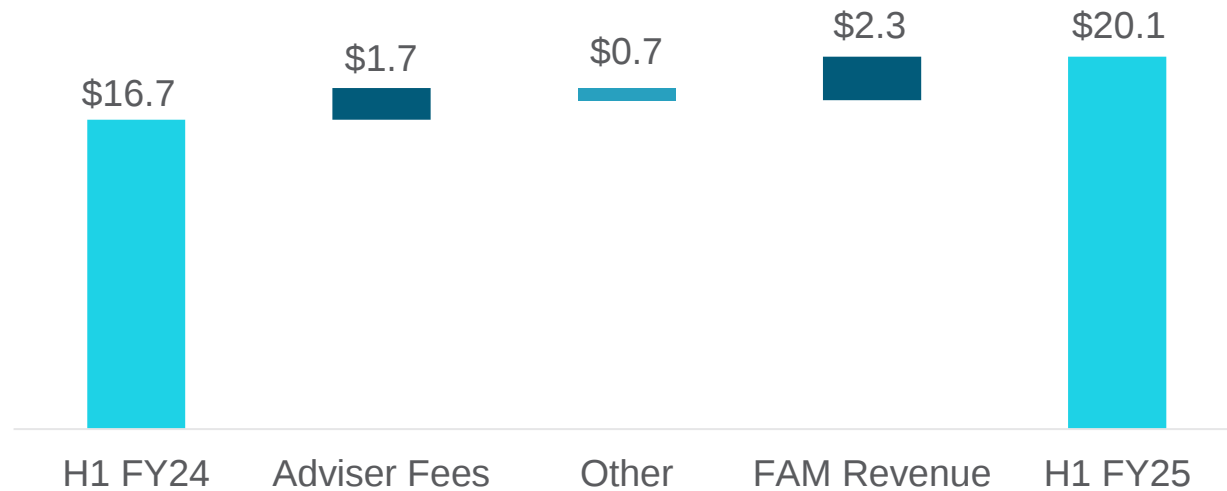
Sources: Centrepont Alliance financial analysis; H1 FY25 financial results.

Note: 1 FAM acquisition completed 1 Dec 2023.

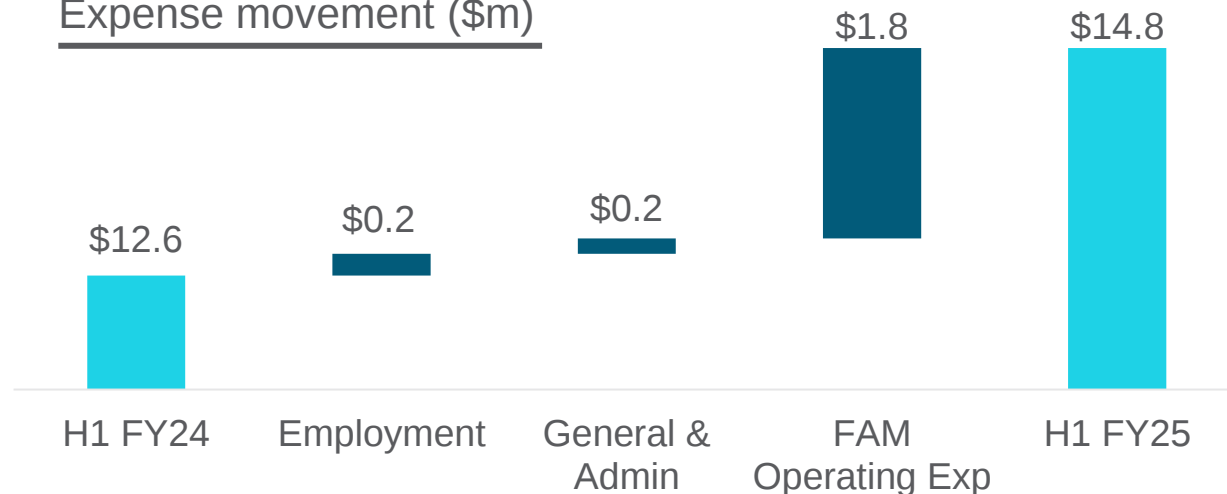
Note: 2 CAF attributable revenue.

## REVENUE AND EXPENSE ANALYSIS

### Net Revenue movement (\$m)



### Expense movement (\$m)



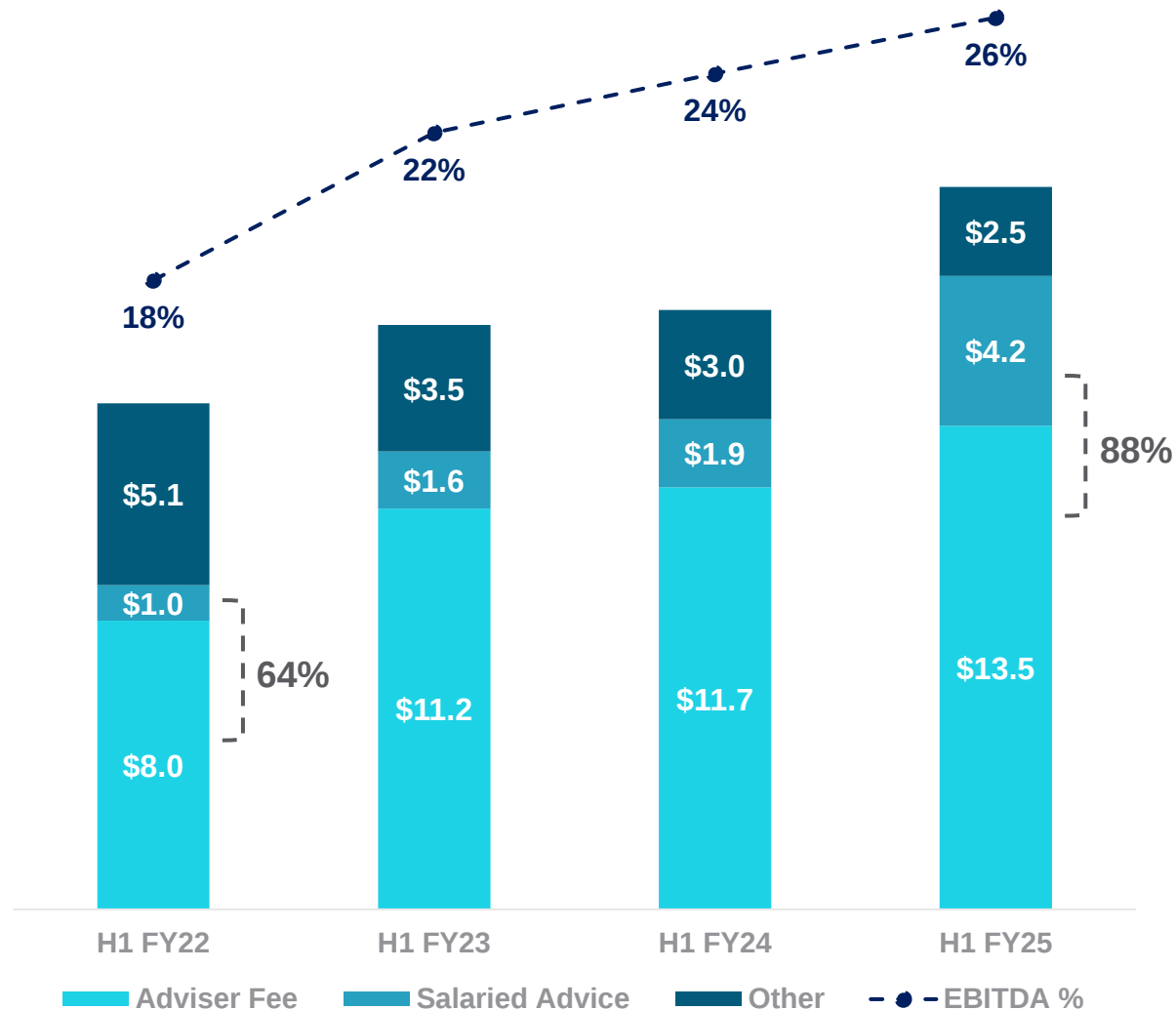
### Key net revenue movements (vs. PCP):

- Adviser fees up \$1.7m primarily driven by:
  - \$0.7m from licenced adviser growth from 518 in H1 FY24 to 556 in H1 FY25
  - \$0.7m from licenced fee rate card increase effective 1 July 2024
  - \$0.1m Fee growth in self-licenced network from fee rate card increase and \$0.2m virtual services revenue growth
- \$0.7m reduction in Other revenue driven by reductions in partner program revenue, lending and VMAPs funds margin
- \$2.3m revenue increase from FAM acquisition (1 month in H1 FY24 vs 6 months in H1 FY25)

### Key expense movements (vs. PCP):

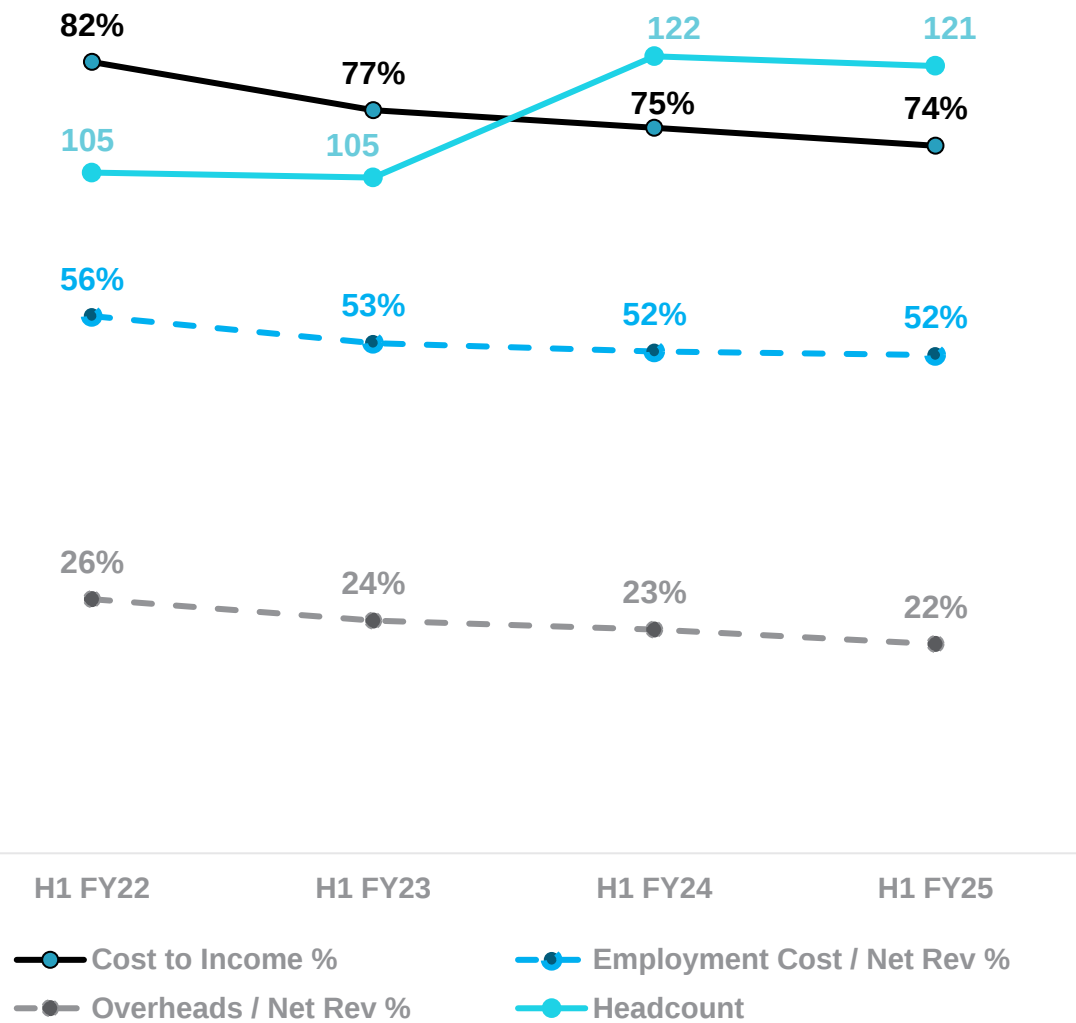
- Excluding the impact of FAM acquisition, expense up by \$0.4m (3%) to PCP mainly driven by inflationary increases:
  - Employment up \$0.2m (2%)
  - General & admin up \$0.2m (4%)
- \$1.8m increase in expense resulting from FAM acquisition (1 month in H1 FY24 vs 6 months in H1 FY25)

## CONTINUED NET REVENUE GROWTH



- Adviser Fee net revenue share has grown from 57% H1 FY22 to 67% H1 FY25 driven by impactful organic recruitment and fee growth
- Salaried Advice net revenue share has grown from 7% H1 FY22 to 21% H1 FY25 driven by contributions from ClearView Advice and FAM acquisitions
- Other revenue contributions have reduced from 36% H1 FY22 to 12% H1 FY25 driven by investment margin & cessation of platform rebates, somewhat offset by development of partner programme sponsorships and noting that investment management has been relaunched in the last quarter of 2024
- EBITDA margin has grown from 18% H1 FY22 to 26% H1 FY25 driven by high margin contributions from salaried advice and disciplined expense management

# CONSISTENT EXPENSE MANAGEMENT



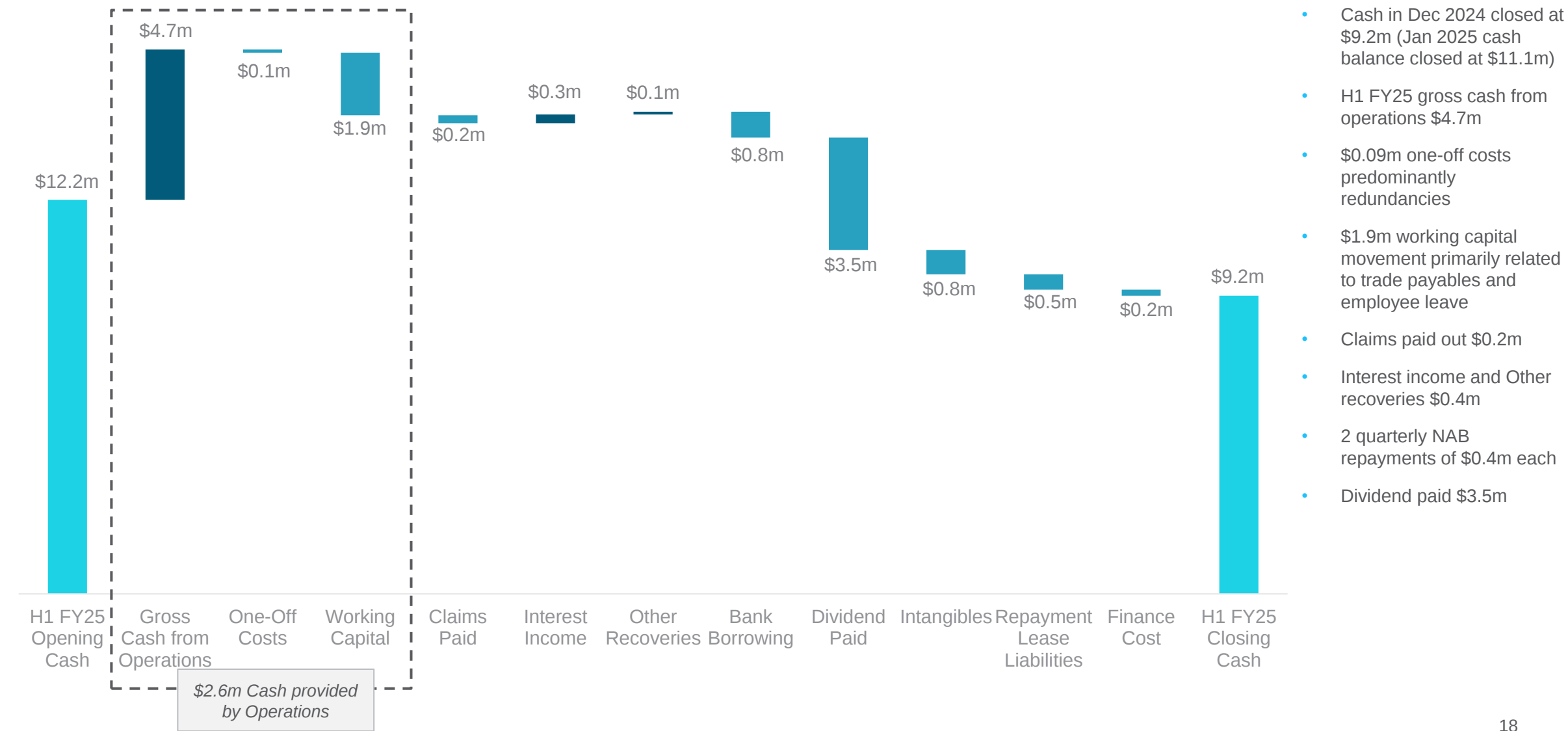
- Cost to Income ratio down from 82% H1 FY22 to 74% H1 FY25 driven by operational efficiencies from acquisitions together with overhead savings
- Expenses down from 26% to 22% of Net Revenue despite net increase in headcount post acquisitions

## BALANCE SHEET

| For the period ended                    | 30Jun24<br>(\$m) | 31Dec24<br>(\$m) |
|-----------------------------------------|------------------|------------------|
| Cash & Cash Equivalents                 | 12.2             | 9.2              |
| Trade and Other Receivables             | 8.7              | 8.8              |
| Property, Plant & Equipment             | 0.4              | 0.3              |
| Right-of-use Assets                     | 2.2              | 1.7              |
| Intangibles and Goodwill                | 26.2             | 26.2             |
| Deferred Tax Assets                     | 7.8              | 8.1              |
| Other Assets                            | 1.5              | 2.4              |
| <b>Total Assets</b>                     | <b>59.0</b>      | <b>56.7</b>      |
| Trade and Other Payables                | 11.0             | 10.2             |
| Lease Liabilities                       | 2.2              | 1.7              |
| Claims Provision                        | 0.5              | 0.2              |
| Employee Entitlements & Other Provision | 5.3              | 3.2              |
| Income Tax Payable                      | -                | 0.8              |
| Loan Payable (NAB)                      | 3.2              | 2.4              |
| Loan Payable (other)                    | -                | 0.4              |
| Deferred Tax Liabilities                | 3.5              | 3.3              |
| <b>Total Liabilities</b>                | <b>25.7</b>      | <b>22.2</b>      |
| <b>Net Assets</b>                       | <b>33.3</b>      | <b>34.5</b>      |
| Net Tangible Assets                     | 2.8              | 3.5              |
| Net Tangible Assets (cents per share)   | 1.4              | 1.7              |

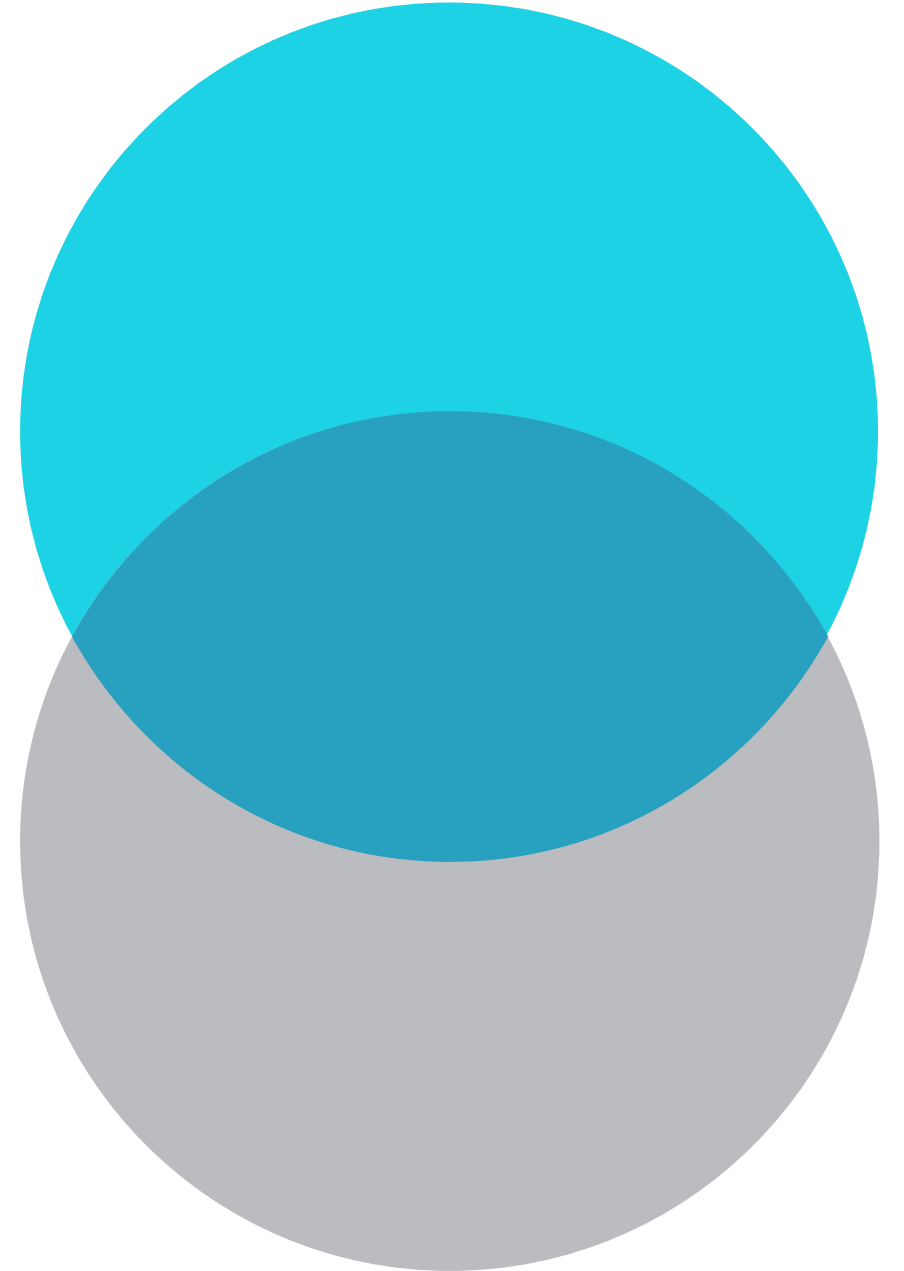
- Cash & cash equivalents decrease of \$3.0m primarily due to \$3.5m dividends paid pertaining to FY24 financial results, \$0.8m NAB loan repayments, \$0.7m payment for intangible assets and property, plant & equipment, \$0.5m repayment of lease liabilities and \$0.2m claims settled, offset by \$2.6m cash provided from operations
- Claims provision decrease of \$0.3m due to cash settlements, primarily from one material claim of \$0.2m. 9 open claims (FY24:10)
- Loan payable (NAB) decreased by \$0.8m due to 2 quarterly repayments
- Net tangible assets increased by \$0.7m primarily due to increase in net assets of \$1.2m offset by increase in intangibles and net deferred tax asset/liabilities of \$0.5m

# CASH MOVEMENT H1 FY25



Sources: Centrepont Alliance financial analysis; H1 FY25 financial results.

# OUTLOOK



## SUMMARY AND OUTLOOK

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**The Group's strength in its core business of licensee services combined with new strategic initiatives position it well for growth**

- Dislocation in the market continues to create recruitment opportunity
- Strategic initiatives focused on higher recurring margins
- Earnings update for FY25 in the range of EBITDA \$10.25m to \$10.5m
- Corporate tax payment obligations commence in H2 FY25 in relation to FY24 earnings



# APPENDIX



# FINANCIAL SNAPSHOT

| Expense Management              | H1 FY23 | H1 FY24 | H1 FY25 |
|---------------------------------|---------|---------|---------|
| Headcount FTE                   | 104.5   | 122.0   | 120.6   |
| Employment Cost / Net Revenue   | 52.7%   | 52.2%   | 51.8%   |
| Employment Cost / Gross Revenue | 6.4%    | 6.2%    | 6.5%    |

| Risk Management            | H1 FY23 | H1 FY24 | H1 FY25 |
|----------------------------|---------|---------|---------|
| ECL to Gross Revenue Ratio | 0.01%   | 0.02%   | 0.03%   |
| Number of Claims Paid Out  | 7       | 7       | 3       |
| Claims Paid Out            | \$0.1m  | \$0.3m  | \$0.3m  |

- Continued headcount management at 120.6 post FAM acquisition
- Employment cost / Net revenue ratio reduced to 51.8% despite inflationary pressure
- Employment cost / Gross revenue ratio in the range of 6% - 6.5%
- Nominal credit risk

| Balance Sheet                | H1 FY23 | H1 FY24  | H1 FY25  |
|------------------------------|---------|----------|----------|
| Closing Cash                 | \$15.4m | \$12.4m  | \$9.2m   |
| Net Current Assets           | \$7.7m  | \$3.3m   | \$3.4m   |
| Net Tangible Assets          | \$9.0m  | \$1.9m   | \$3.5m   |
| Goodwill & Intangible Assets | \$17.5m | \$24.3m  | \$26.2m  |
| Deferred Tax Assets          | \$5.7m  | \$8.3m   | \$8.1m   |
| Loan Payable (NAB)           | -       | (\$4.0m) | (\$2.4m) |

| Shareholder Returns         | H1 FY23 | H1 FY24 | H1 FY25 |
|-----------------------------|---------|---------|---------|
| Ordinary Dividend Yield     | 6.3%    | 10.0%   | 9.4%    |
| Basic Earnings Per Share    | 1.55cps | 2.46cps | 2.30cps |
| Annualised ROE <sup>1</sup> | 18%     | 16%     | 24%     |

- Cash reduction from H1 FY23 primarily driven by \$7.6m paid for FAM acquisition in H1 FY24, \$11.4m dividends paid, \$2.1m in lease repayments & finance cost offset by \$12.4m net cash from operations and net \$2.4m NAB loan (\$4m borrowings less \$1.6m repayments)
- Consistent ordinary dividend yield ranging 8 - 10%
- Basic EPS growth and ROE up 8 percentage points on PCP

# CORPORATE SNAPSHOT

## CAPITAL STRUCTURE

| ASX stock code                                                           | CAF     |
|--------------------------------------------------------------------------|---------|
| Cash balance as at 31 Jan 2025                                           | \$11.1m |
| NAB loan balance as at 31 Jan 2025                                       | \$2.4m  |
| Share price as at 20 Feb 2025                                            | \$0.32  |
| Shares on issue as at 31 Dec 2024                                        | 198.9m  |
| Performance rights as at 31 Dec 2024<br>(nil ex price, various expiries) | 8.6m    |
| Fully diluted shares as at 31 Dec 2024                                   | 207.5m  |

## EXPERIENCED AND INVESTED LEADERSHIP TEAM

| Board & Management      | Role                    | Shares held<br>as at 15/01/25 |
|-------------------------|-------------------------|-------------------------------|
| Mr Georg Chmiel         | Chairman                | 0.97m (0.5%)                  |
| Mr Martin Pretty        | Non-Executive Director  | 0.18m (0.1%)                  |
| Mrs Linda Fox           | Non-Executive Director  | -                             |
| Mr Anthony Vogel (TIGA) | Non-Executive Director  | 0.03m (0.02%)                 |
| Mr Peter Rollason (COG) | Non-Executive Director  | -                             |
| Mr John Shuttleworth    | Chief Executive Officer | 0.2m (0.1%)                   |
| Mr Brendon Glass        | Chief Financial Officer | -                             |
| Total Board & KMP       |                         | 1.4m (0.7%)                   |

## TOP SHAREHOLDERS

| Investors<br>As at 15/01/2025 | Shares held (% of SOI) |
|-------------------------------|------------------------|
| Thorney Investment Group      | 53.4m (27.0%)          |
| COG Financial Services        | 39.6m (20.0%)          |
| Sage Capital Group Pty. Ltd   | 12.4m (6.2%)           |
| Alan Crozier                  | 5.0m (2.5%)            |
| HGL Ltd.                      | 4.2m (2.1%)            |
| Richard Nelson                | 3.6m (1.8%)            |
| Total Top 20                  | 138.5m (69.6%)         |



# QUESTIONS

