

CENTREPOINT
ALLIANCE



BUSINESS UPDATE
NOVEMBER MASTERCLASS

agenda

Results – FY 24

Adviser numbers across industry

Adviser centred strategy framework

FAM Acquisition

Managed accounts

Adviser Cloud

Partner Summit

Key highlights for FY23

The Group is well positioned with strong earnings and balance sheet to capitalise on the positive changes occurring in the industry

- Strong FY23 result with revenue and profit growth
- Strong balance sheet
- Final dividend 2 cents (full year 3 cents)
- Clear number three in the market
- Scalable and efficient business post integration
- New initiatives are building momentum, Lending as a Service and Managed Accounts
- Industry is showing signs of growth returning
- \$10m debt facility secured to assist with organic growth or M&A

Snapshot of FY23 results



\$271.6m

Gross revenue



\$43m

+19%
on FY22



\$7.6m

EBITDA (normalised)

Excludes asset sales,
LTI and one-off costs



\$0.4m

+5.6%
on FY22



\$32.5m

Gross profit



\$1.3m

+4%
on FY22



\$6.6m

Profit before tax



\$4m

+154%
on FY22

Primarily \$1.8m from asset sales
(Ventura) and \$0.4m increased
EBITDA



\$15.6m

Cash

at 30 June 2023



6%

on 30 June 22



Dividend

Fully franked to be paid
29 Sept 2023

2¢ +

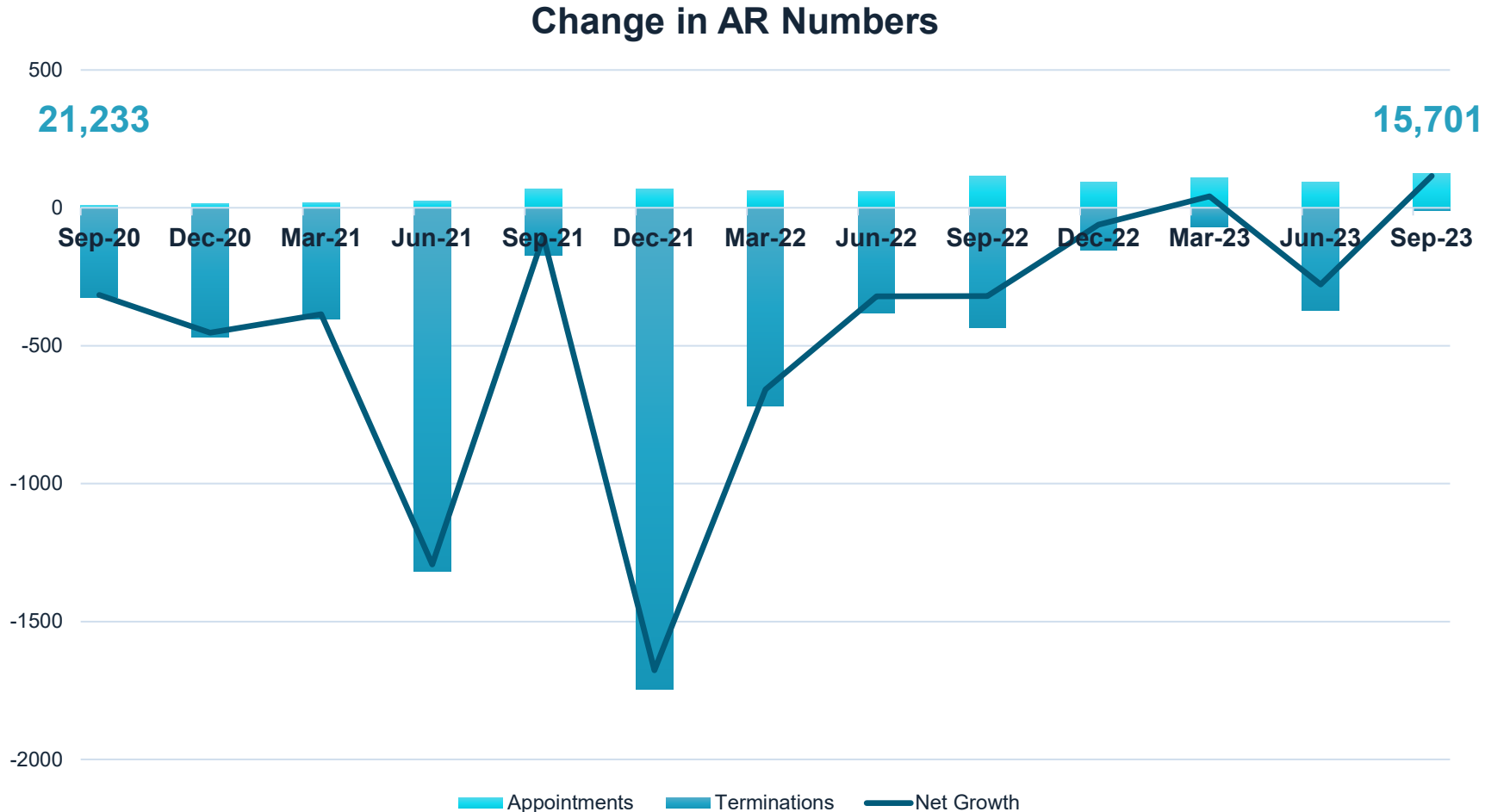
Fully franked paid
17 March 2023

1¢ Interim

0.5c ordinary
+ 0.5c special

Adviser numbers have stabilised and there are 'green shoots'

CHANGE IN AR NUMBERS¹



AR numbers have stabilised in the last 4 quarters (after large falls for the prior 16 quarters)

Professional Year graduate numbers are growing off a small base











'Experience Pathway'² will retain advisers and may result in advisers re-entering

1. Wealthdata / ASIC

2. Experience Pathway is legislation that recognises prior experience exempting advisers from new education standards

Centrepoint – stability in a sea of turmoil

CHANGES IN ADVISER NUMBERS BY LICENSEE 1/7/2021 TO 30/06/2023

RANK	LICENSEE GROUP	NUMBER OF ARS ¹	APPOINTMENTS	RESIGNATIONS	NET CHANGE
1	 Insignia Financial	975	196	653	-457
2	 AMP	901	145	528	-383
3	 CENTREPOINT ALLIANCE	510	172	160	12
4	 wealthtoday	428	93	303	-210
5	 diverger	396	92	233	-141
6	 CountPlus	378	132	161	-29
7	 sequoia WEALTH MANAGEMENT	316	107	145	-38
8	 Lifespan FINANCIAL PLANNING	255	76	71	5
9	 Capstone FINANCIAL PLANNING	253	71	74	-3
10	 NTAA	246	25	445	-420

Adviser losses continue, advice business being spun out from Group

Class action, adviser losses continue, questions over future business model

Large adviser losses, still integrating Synchron, pre-vetting all advice

Takeover by Count, rival offer from COG, it will be sold question is to who

In a bidding war with COG for Diverger, still integrating Affinia

EU against former adviser, working through remediation program

Specialises in licensing accountants, this market is still shrinking

¹ Authorised Representatives

Source: Wealthdata. Note appointments and resignations of ARs of entities purchased by the Licensee Group during the period are included in the statistics.

We are very positive about the business outlook

- ✓ Business is in good shape – integration complete, uniform pricing and efficient operating model
- ✓ Industry attrition of advisers has bottomed out post FASEA and showing signs of growth
- ✓ Regulatory change has shifted to practical changes to reduce compliance burden
- ✓ Adviser recruitment has started strongly with 30 new advisers joining the group since 1 July
- ✓ New initiatives (Lending / Managed Accounts) building momentum
- ✓ On track to replicate earnings for core business \$7.5m to \$8m EBITDA



Advisers are at the centre of Centrepont Alliance's strategy



BUSINESS SNAPSHOT

Funds under advice **\$65b¹**

Insurance in force premiums **1b²**

Licensed Advisers

- Firms **356**

- Advisers **511**

Self-Licensed Advisers

- Firms **196**

- Advisers **797**

Advised clients **~150,000³**

Managed accounts **\$295m**

Mortgage broking

- Brokers **80**

- Loan book **\$3.4b**

Lending as a Service

- Participating firms **30**

Source: 1. CAF Estimate 1308 advisers x average FUA \$50m = \$65b

2. CAF Estimate based on total commission paid

3. CAF estimate 1308 advisers x 120 clients = 156,960

All numbers as at 30 June 2023 unless stated

Acquisition of Financial Advice Matters (FAM)

- Entered into a binding agreement to acquire 100% of Brisbane-based financial planning business FAM
- FAM is one of the largest corporatised financial planning groups in Queensland
- Established in current form in 2015
- FAM provides financial planning services to 1,450 household clients
- Funds under advice in excess of \$1 billion
- 8 offices throughout Queensland
- FAM has been a Corporate Authorised Representative of Alliance Wealth since 2015
- The acquisition will boost Centrepoin's salaried advice network to 19 advisers
- Strong strategic and cultural fit
- Consistent with our strategy to accelerate earnings growth



Key transaction details

- FAM \$6.1 million in FY23
- Full year EBIT contribution to Centrepont in the range of \$1.1 million to \$1.5 million in first twelve months of operations
- Total potential consideration of \$10 million cash funded from Centrepont's existing cash reserves and newly established \$10 million debt facility with National Australia Bank
- 80% of consideration paid upfront and remaining 20% subject to deferred incentives and performance hurdles over a 12-month period based on a minimum EBIT contribution of \$1.5 million
- Completion expected by 1 December 2023 (subject to fulfilment of closing conditions)



Lending as a Service ('LaaS') has been enthusiastically embraced by advice firms

37 firms participating, **30** firms in pipeline

75 leads in October

More than **90** loans settled

More than **40** loans in progress

Over **100** loan prospects in the pipeline

3rd salaried broker appointed



ABOUT LaaS

A unique solution for advisers to deliver credit advice to clients

- Enable advisers to build a lending business by operating as authorised representatives under our credit licence
- Advisers retain ownership of clients, it is their business
- Advisers leverage our infrastructure partner with our in-house lending specialists
- We manage the end-to-end lending process
- Launched September 2022

Managed Accounts update

We have been working with platforms to bring Research-based SMAs – IQ Portfolios

- Requires significant due diligence due to our structure
- Has been delayed several times due to the complexity of the model
- Have selected an Asset Consultant to work with our Research Team



Model Name	Potential Risk Profiles
IQ Portfolios, Core and Satellite	G50, G70, G85
IQ Portfolios, Income	G30, G50

Research Models are available currently on:

- Ventura Managed Account Portfolios (VMAPS) – Low-cost and Active
- FirstChoice

Where and when will the Research-based SMAs be available

- Macquarie Manager – December/January
- Hub24 – January/February
- BT Panorama – January/March
- CFS Edge – February/March
- **Please note there is no guarantee we will be able to add models to all these platforms, nor are the dates certain**

Future Developments:

- Investigating the opportunity for us to
 - Provide Bespoke SMAs through internal mechanisms
 - Provide Bespoke SMAs on selected platforms
- Considering various models

Adviser Cloud

All you need to manage your legal and regulatory obligations, provide sound advice, and run an effective and efficient business.

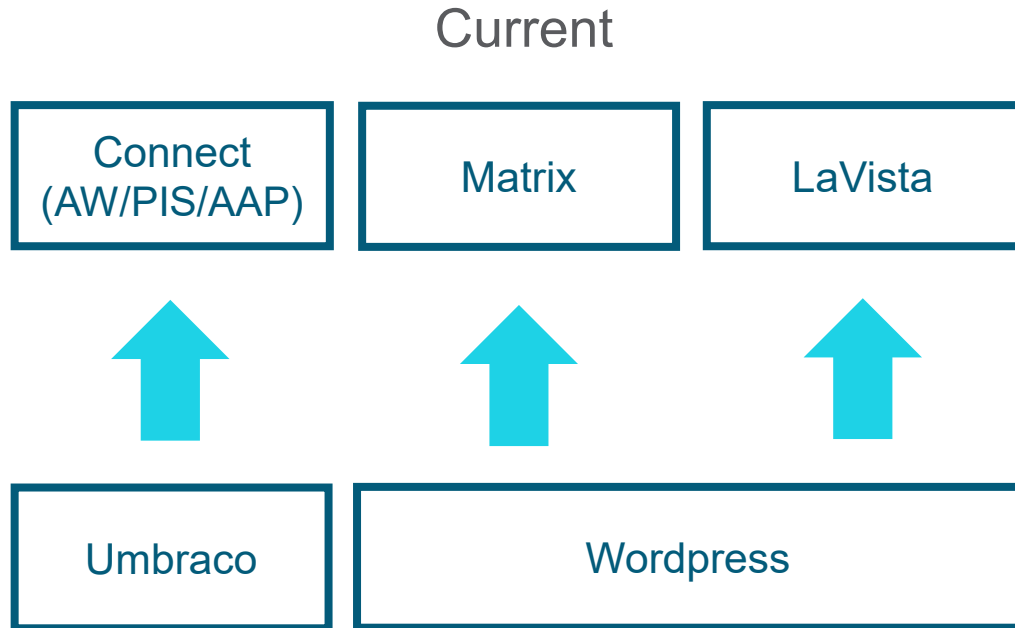
The screenshot displays the Adviser Cloud website interface. At the top, the navigation bar includes the logo 'adviserCloud' and menu items: NEWSFEED, GUIDE, SUPPORT, MARKETPLACE, and COMMUNITY. There are also icons for search, shopping cart, settings, user profile, and a grid menu.

The main content area is titled 'FEED' and features a search bar. Below the search bar, there are filter sections for 'NEWS', 'UPDATES', 'EVENTS', and 'POSTED'. The 'NEWS' section is expanded, showing a list of items with checkboxes: 'LaVista Viewpoint', 'TechniView', 'Realise your dream', and 'Prepare for life'. The 'UPDATES' section shows 'Research', 'Technical', and 'Guide changes'. The 'EVENTS' section shows 'Webinars', 'Masterclass', and 'Summit'. The 'POSTED' section has 'From' and 'To' date pickers.

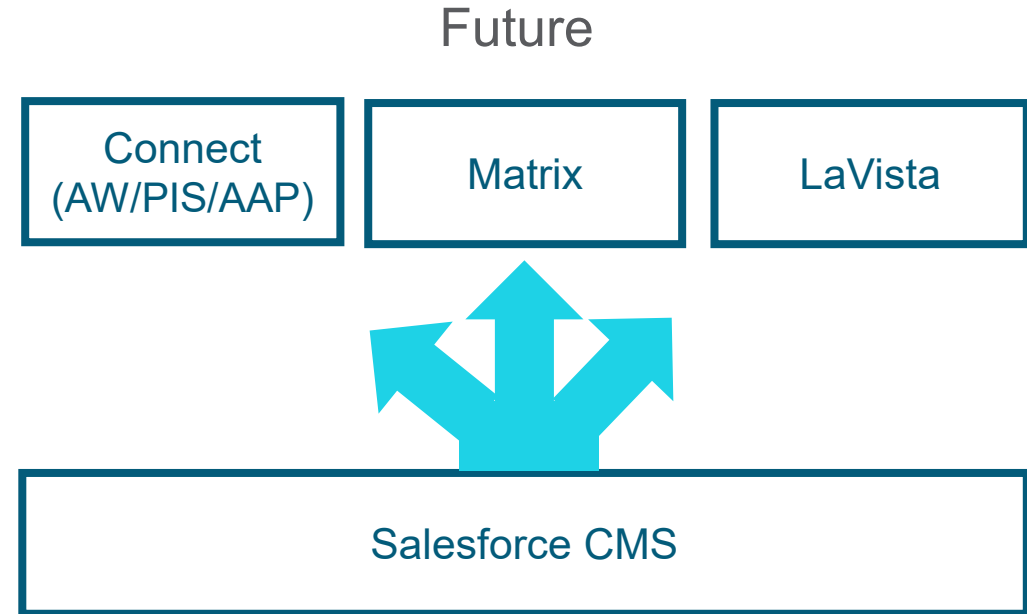
The main feed content starts with a 'Welcome to Adviser Cloud!' banner with a 'LAUNCH TOUR' button. Below this, there are tabs for 'All news & updates', 'Requires attention', and 'Bookmarked'. The 'All news & updates' tab is active, showing a list of news items. The first item is a 'Newsletter' by Mike Pope, dated Mar 22, 2023, titled 'Viewpoint – March 2023'. It lists 'In this edition:' with bullet points: 'Masterclass registration', 'CWT webinar', 'Research updates', and 'Xplan: Did you know?'. A link 'Click to launch Viewpoint March 2023' is provided. The second item is a 'Guide' dated Today (22 Mar 2023) titled 'New Governance framework'. It states: 'We are pleased to release new and updated compliance documents for licensees. We have undertaken a comprehensive review and update of the framework taking into account legislative and regulatory changes and the new material is now available to licensees.' A link 'Download your guide to the updates here' and a checkbox 'Tick to acknowledge this update' are also present.

On the right side, there is a 'Upcoming events' section with a 'Past events' link. It lists several events: '24 MAR WEBINAR Managing your service agreements on Xplan', '28 MAR GOLD COAST March Masterclass', '29 MAR BRISBANE March Masterclass', '30 MAR SUNSHINE COAST March Masterclass', '4 APR WEBINAR LaVista Governance and Compliance document upgrade', and '6 APR WEBINAR Licensee Solutions Live'.

ADVISER CLOUD – CURRENT VS FUTURE STATE



- Content uploaded 3 times (inefficient for staff)
- Layouts and categories are different for each site
- Connect end of life /custom purpose build
- Multiple CMS



- Content uploaded once and permissions used to deliver to correct audience
- Continual investment and development by salesforce that can be customised
- Single system

ADVISER CLOUD – IMPROVED ADVISER EXPERIENCE

The screenshot displays the AdviserCloud web application interface. At the top left is the logo for CENTREPOINT ALLIANCE. The top navigation bar includes links for FEED, GUIDE, SUPPORT, MARKETPLACE, and COMMUNITY, along with icons for search, shopping cart, settings, user profile, and a grid menu.

FEED

Search bar with a magnifying glass icon.

Select all Clear all

NEWS

- LaVista Viewpoint
- TechniView?
- Realise your dream
- Prepare for life

UPDATES

- Research
- Technical
- Guide changes

EVENTS

- Webinars
- Masterclass
- Summit

Welcome to AdviserCloud
Let's get you oriented with our quick tour... [LAUNCH TOUR](#)

All news & updates Requires attention Bookmarked

Upcoming events Past events

Support ticket 87654321 has been updated

Viewpoint – March 2023
2 weeks ago • 12 Mar 2023
In this edition:

- Masterclass registration
- CWT webinar
- Research updates
- Xplan: Did you know?

[Launch Viewpoint March 2023](#)

TechniView – February 2023
1 months ago • 2 Feb 2023

Upcoming events calendar:

- 24 MAR 2023** WEBINAR: Managing your service agreements on Xplan
- 28 MAR 2023** GOLD COAST: March Masterclass
- 29 MAR 2023** BRISBANE: March Masterclass
- 30 MAR 2023** SUNSHINE COAST: March Masterclass
- 4** WEBINAR

ADVISER CLOUD - MARKETPLACE

The screenshot displays the Centrepoint Alliance Marketplace interface. At the top, the Centrepoint Alliance logo is on the left, and navigation links for FEED, GUIDE, SUPPORT, MARKETPLACE, and COMMUNITY are in the center. On the right, there are icons for search, shopping cart, settings, user profile, and a grid menu. Below the navigation, the 'MARKETPLACE' section is active, featuring a search bar and a list of categories on the left sidebar. The main content area is titled 'All providers' and contains a grid of nine provider cards. Each card includes a logo, the provider name, and a short description of their services.

CENTREPOINT ALLIANCE FEED GUIDE SUPPORT MARKETPLACE COMMUNITY

MARKETPLACE

Search

All providers

CATEGORIES

Featured

New

Centrepoint services

Discount partners

PROVIDER TYPES

Technology

Financial Auditors

Insurance

Investment services

Research services

Lending services

Legal services

Retirement

Technology Solutions
Tailored technology that simplifies your operations and powers your business performance

CWT (Xplan)
Some text to go here to describe why this service is exactly what the user needs.

iress Xplan
Some text to go here to describe why this service is exactly what the user needs.

AdviserLogic
Some text to go here to describe why this service is exactly what the user needs.

PayLogic
Some text to go here to describe why this service is exactly what the user needs.

Revex
Some text to go here to describe why this service is exactly what the user needs.

Umlaut AdviserTools
New digital technology takes the

Intelliflo
Some text to go here to describe

Captegra
Some text to go here to describe

A scenic sunset over a beach. The sun is low on the horizon, casting a warm glow over the sky and water. In the middle ground, a small island with a traditional pavilion is silhouetted against the bright sun. The foreground shows a sandy beach and some green foliage.

25th Annual Partners Summit
Nusa Dua – Bali March 18-21 March 2024

Theme – Work/Life Balance