

30 March 2020

EVANS DIXON

Trading Update and impact of COVID-19, including withdrawal of FY20 guidance

Evans Dixon Limited ("Group") today provides an update on the impact of COVID-19 on its business.

Health and wellbeing of staff and clients

The health and wellbeing of our clients, our team and our business networks remains the Group's highest priority. With that in mind we have implemented a well-considered program of measures and protocols to allow us to remain fully operational during the period ahead.

Importantly, although the Group has changed the way we interact with our clients whilst this health event plays out, our level of service has not altered.

Our robust IT infrastructure has been specifically designed to enable our team members across all office locations to work remotely, as and when necessary.

This capability has now been enacted and - except for a small number of staff performing roles critical to maintain our infrastructure - all our team are working remotely until further notice.

As we process the growing body of information about COVID-19 and the widespread implications on our day-to-day life, we will continue to monitor and evaluate the situation and remain agile in our ability to respond with effective solutions to support our staff and clients.

Trading update

Driven by market volatility, the Group has seen a significant increase in trading activity by clients of both its E&P and Wealth Advice divisions over the past two months, generating strong brokerage revenues.

However, revenue in Wealth Advice will likely be impacted in coming months on the back of a significant reduction in the market value of funds under advice. In Funds Management, revenue from managing equities portfolios will likely be impacted as a result of market weakness. E&P division revenues will likely be significantly negatively impacted in the near term by the effect of market uncertainty on corporate advisory activity levels.

Outlook and balance sheet position

The Group's operating model remains relatively robust under the social isolation regime required in response to the COVID-19 pandemic. However, our financial performance will be negatively impacted in the near term as a result of the substantial drop in value across global financial markets and the resulting impact on the level of corporate transactions.


Given the increasing level of uncertainty arising from COVID-19, the Board considers it appropriate to withdraw its previously announced FY20 underlying EBITDA guidance.



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The Group's balance sheet remains strong with net cash of over \$30 million and access to undrawn overdraft facilities. The Board reaffirms the previously declared interim dividend of 2.5 cents per share with a payment date of 14 April 2020.

Authorised by the Evans Dixon Limited Board.

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