

01 November 2021

ASX ANNOUNCEMENT – ANNUAL GENERAL MEETING PRESENTATIONS

In accordance with the ASX Listing Rules, the Chairman's and CEO addresses and presentations to the Annual General Meeting ("AGM"), are appended.

This announcement has been approved for release by the Board of Directors.

For further information please contact:

Kim Clark
Company Secretary
Ph: 0448 690 364

Chairman's Update

I am pleased to present the 2021 Annual Report for Centrepoint Alliance and report on a year in which we consolidated our position as a leading provider of licensing, advice, business services and technology solutions for Australian financial advisers.

It has been a privilege as Chair to be part of the substantial development of Centrepoint Alliance since our last AGM. We must acknowledge the continuing impacts of the COVID-19 pandemic on the markets in which we operate and on our stakeholders, including our staff, advisers, partners and shareholders. In FY21, we have mitigated these impacts and have delivered a strong financial turnaround in a challenging market.

The financial, operational and strategic outcomes that Centrepoint Alliance achieved in FY21 have vindicated our decision to move away from provider rebates to a scalable and recurring fee-based revenue model. Making this change has allowed Centrepoint Alliance to strengthen its reputation for leadership and integrity, while also providing a first-mover advantage during a time of industry disruption. With our transition to a fee-for-service model now complete, our company is well positioned in a rapidly evolving industry.

Centrepoint Alliance achieved a 6% increase in gross revenue during FY21 and earned net profit after tax of \$1.8 million compared to a net loss after tax of \$2 million in FY20. In parallel, expenses were reduced by nearly 16%, demonstrating our continuing commitment to generate value for shareholders.

A strong cash performance saw our operations generate net operational cash flow of \$2.6 million, providing the balance sheet support not only to execute the Company's growth strategy, but also to pay shareholders fully franked dividends, totalling 4 cents per share during FY21.

We believe these financial achievements validate our strategy and underline the success of Centrepoint Alliance as it focuses on its core business of providing valuable services to financial advisers. We will continue to seek to improve our business and the services that we provide to our clients, and provide them at a scale that generates growth in revenue and increased profitability for years to come.

To complement our retuned business model and improved performance, we continue to seek opportunities to build scale and operational leverage. To that end, we agreed to acquire ClearView Advice in early FY22 to build our combined group into a market-leading advice service business.

Acquiring ClearView Advice is a natural fit for Centrepoint Alliance. This transformational combination of two strong brands will be substantially accretive, adding a strong technology and compliance capability to our business while welcoming 281 advisers to our network.

Through this transaction, ClearView Wealth Limited will become a strategic shareholder in Centrepoint Alliance, and we have been fortunate to welcome ClearView's Managing Director and CEO, Mr Simon Swanson, to the Centrepoint Alliance Board as a Non-Executive Director.

We continue to assess partnerships and other acquisition opportunities, as well as look at ways in which we can deliver stronger financial results and enhanced shareholder value in the years ahead.

We finished FY21 with a strong balance sheet and a closing cash balance of \$11.1 million to fund the continued execution of the Company's growth strategy.

Looking ahead to FY22, we will continue to execute our plan to extend new services to our existing adviser network while also aiming to attract high quality financial advice firms and individual advisers to our ranks. This plan will see Centrepoint Alliance lead the charge to ensure the financial services industry provides the very best service to its many clients. We will actively explore consolidation opportunities in what is a fragmented industry but one which continues to improve and strengthen.

I will now hand over to our CEO John Shuttleworth to provide an operational review of the year and a report on the Company's outlook for the year ahead.

CEO's address

As Centrepoint Alliance's CEO, I would like to give an overview of our business and our achievements during the past financial year and also provide some insight into our plans for the year ahead.

Centrepoint Alliance provides licensee services, including compliance, research, technical and practice management support to financial advisers across Australia. We provide our services to more than 700 self-licensed financial advisers as well as 320 individual advisers who utilise our license, creating a community of 1,000 advisers throughout Australia. These advisers in turn provide advice to thousands of businesses and individuals seeking advice on personal and business-related financial matters.

Our business is well-positioned to take full advantage of strengthening tailwinds for the advice industry. A range of factors impacting the wealth management market mean the need for advice has never been greater. Australians now have \$3.1 trillion in superannuation assets, which is the 4th largest pool globally. Australian retirees are also living longer, running the risk of outliving their retirement savings. At the same time, the interplay of superannuation, retirement, tax and social security is increasingly complex, with fewer advisers in the industry post Royal Commission to meet the demand for these services.

Under this rapidly evolving industry backdrop, the strength of our platform empowers us to deliver services at scale, positioning Centrepoint Alliance as a destination of choice for advisers who value autonomy and flexibility, along with industry-leading advice and governance support and technology.

Centrepoint Alliance differentiates itself from its peers by helping advisers to spend more facetime with clients, reduce their administrative burden, run an efficient practice and stay compliant at all times. Our focus on creating a community for our members and providing them with the best available support, services, technology solutions and opportunities allows advisers to deliver the best quality advice to their clients.

We continue to focus on providing service excellence to our advisers. Of the 21,000 enquiries that our adviser network made between October 2020 and June 2021, we resolved 93% within 2 days, leading to 83% of advisers expressing satisfaction with the Centrepoint Alliance service. This also helps us to attract new advisers and boosts the engagement and average tenure of licensed advisers on our platform.

Our results for the year show a business with disciplined financial management. In FY21 we increased gross revenue by \$8.2 million, an increase of 6% year-on-year, through higher authorised representative fees, the recruitment of quality advisers, strong performance of the licensee solutions business and the impact of having integrated Enzumo, which we acquired in late FY20.

We maintained a diligent focus on expense management during the year given the uncertain environment created by the COVID-19 pandemic. This focus has been really important in allowing us to deliver sustainable growth, particularly as the run-off of rebates saw gross profit down slightly

compared to the previous year. However, the expected run-off of legacy claims expenses allowed us to deliver significantly stronger net profit after tax of \$1.8 million, compared to a net loss after tax of \$2 million in FY20. This result represents solid performance through challenging trading conditions.

This return to profitability, along with a strong cashflow performance, has created a solid platform for future growth.

Our growth strategy is based on three key pillars

1. Growing the licensee solutions business to build scale and profitability
2. Investing in financial services technology to improve efficiency and productivity
3. Providing the highest quality portfolio implementation solutions at the lowest cost

In August 2021, we announced the acquisition of Clearview's advice business to accelerate the growth of the licensee solutions business, delivering to our first strategic pillar.

The acquisition of ClearView Advice will transform our Company by boosting our financial scale and delivering new compliance and technology capabilities which are highly complementary to our existing business.

The acquisition creates a powerful combination of complementary intellectual property, skills, experience and balance sheet access, setting the platform to participate in further organic and strategic transactional growth as industry disruption continues.

Post-acquisition, we will have more than 1,300 licensed and self-licensed advisers across Australia, making the Company one of a select number of independent advice and business services firms with the scale and efficiency to deliver strong profitability. We have been impressed in the first few months by what the award-winning ClearView, Matrix and LaVista advice businesses have contributed operationally, and also by what ClearView Wealth Ltd has contributed strategically as a key partner and stakeholder. With the combined business expected to deliver in excess of \$8 million in annualised EBITDA, we are excited by what the future together will bring us.

Since announcing the acquisition, we are well advanced with our integration planning. The operating model and organisational structure has been finalised. We have a strengthened senior leadership team comprising employees from both Clearview and Centrepoint and we are well advanced with our integration planning. From tomorrow employees will be co-located in the Centrepoint offices and we will commence operating as one integrated company.

When I joined Centrepoint Alliance in August, I found a Company that benefits from a very favourable position in a rapidly evolving advice industry, with competitive pricing and capabilities in both the licenced and self-licensed segments. In a regulatory environment that is becoming increasingly complex, Centrepoint Alliance remains well positioned to assist firms to run compliant practices and benefit from quality support services.

Focusing on our core business has positioned Centrepoint Alliance with a strong platform for growth that continues to present an attractive destination for advisers. The Company has entered FY22 well-positioned financially and strategically to achieve its growth agenda, from a robust, cash-generative and scalable platform, backed by the balance sheet strength to grow quickly and opportunistically. We continue to explore opportunities for industry consolidation and further acquisitions to build and enhance our services and customer base.

We have a wonderful team and pipeline of opportunities and remain well placed to deliver high quality and sustainable growth. I look forward to keeping you up to date on our achievements through the remainder of the year, and I thank you for your time today and your interest in Centrepoint Alliance.

-END-



ANNUAL GENERAL MEETING

ASX: CAF

1 November 2021



BOARD MEMBERS

Alan Fisher | Chairman

Martin Pretty | Non-executive Director

Georg Chmiel | Non-Executive Director

Alexander Beard | Non-Executive Director

Kim Clark | Company Secretary

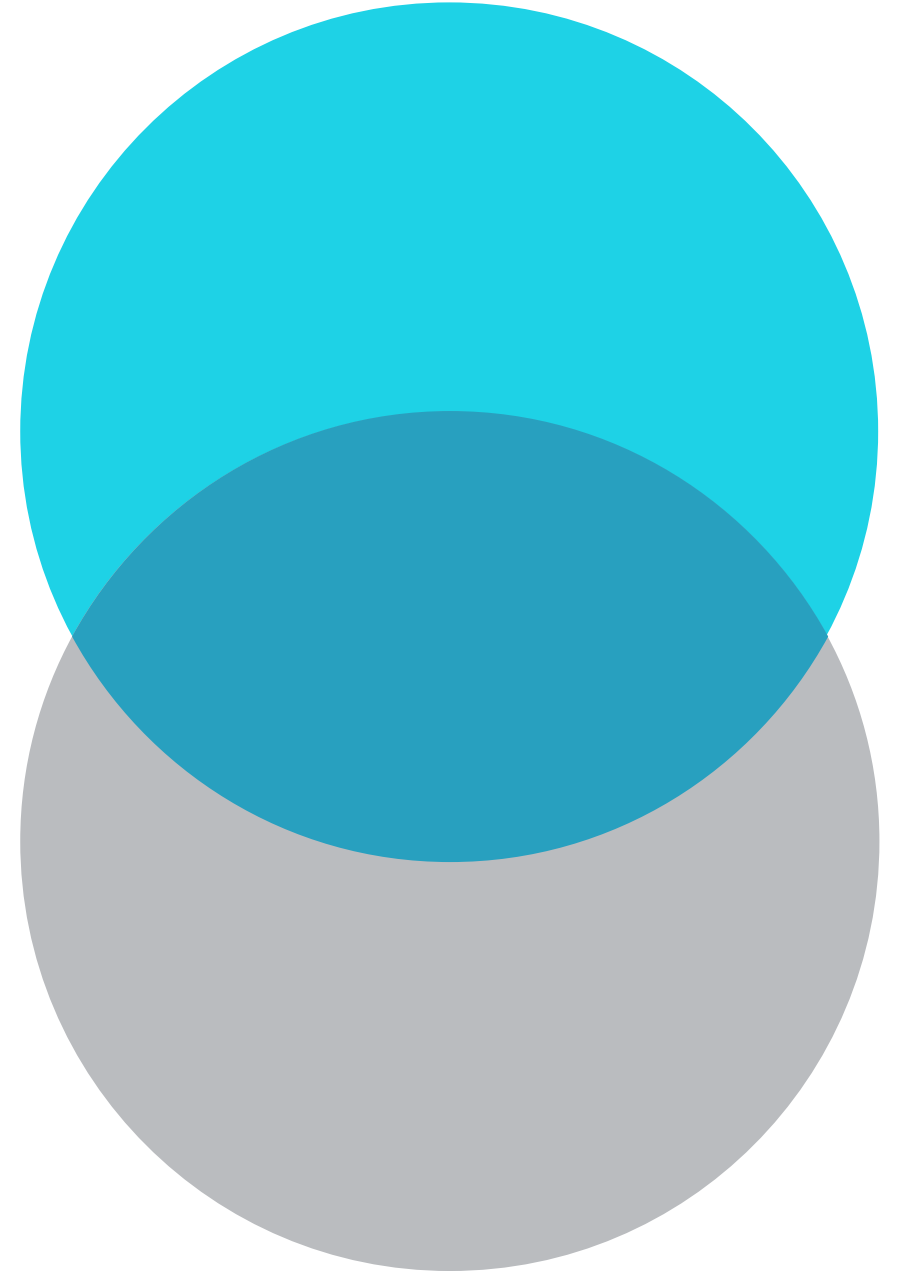
EXECUTIVES

John Shuttleworth | Chief Executive Officer

Brendon Glass | Chief Financial Officer

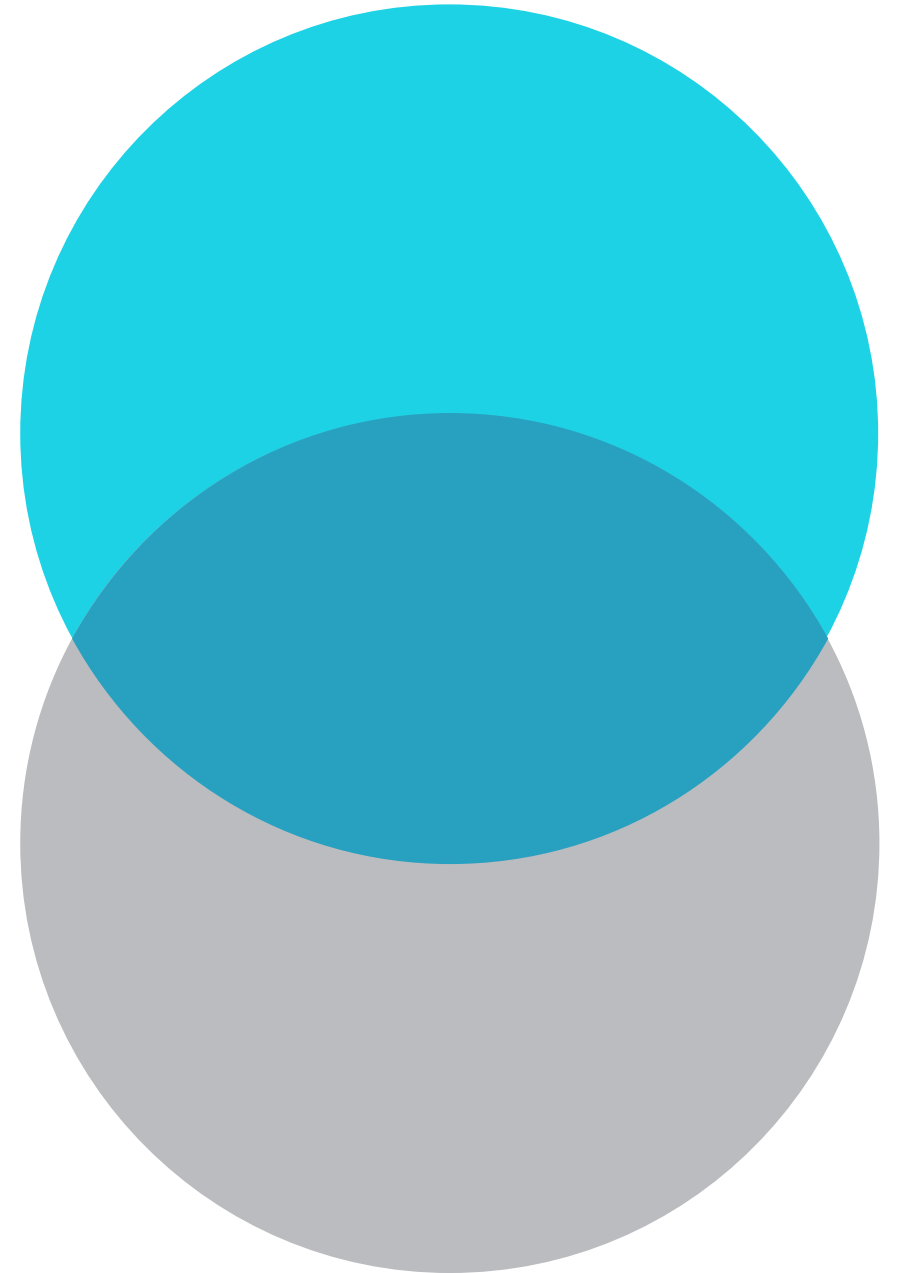
CHAIRMAN'S REMARKS

Alan Fisher

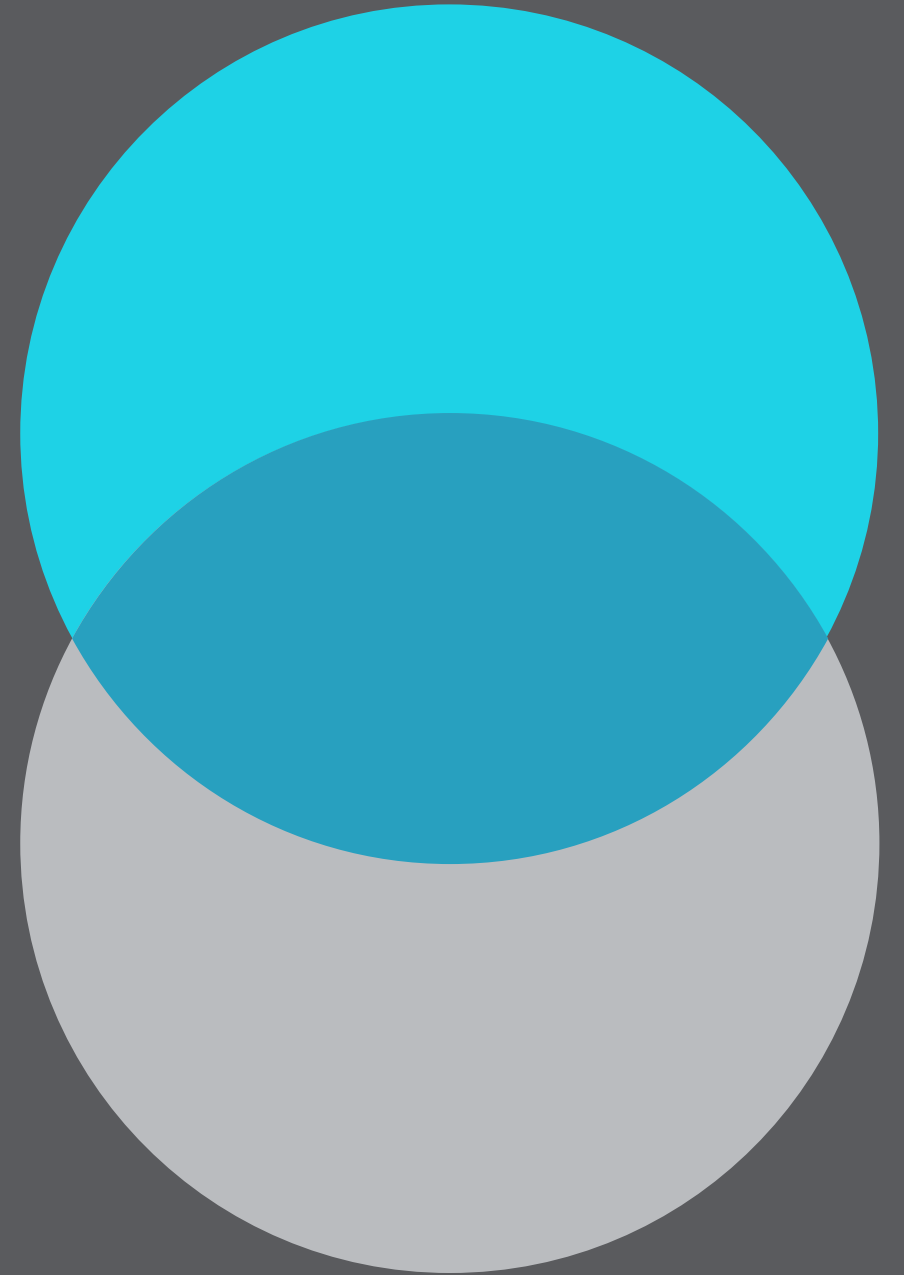


CEO ADDRESS

John Shuttleworth



CREATING A NEW WORLD OF FINANCIAL ADVICE



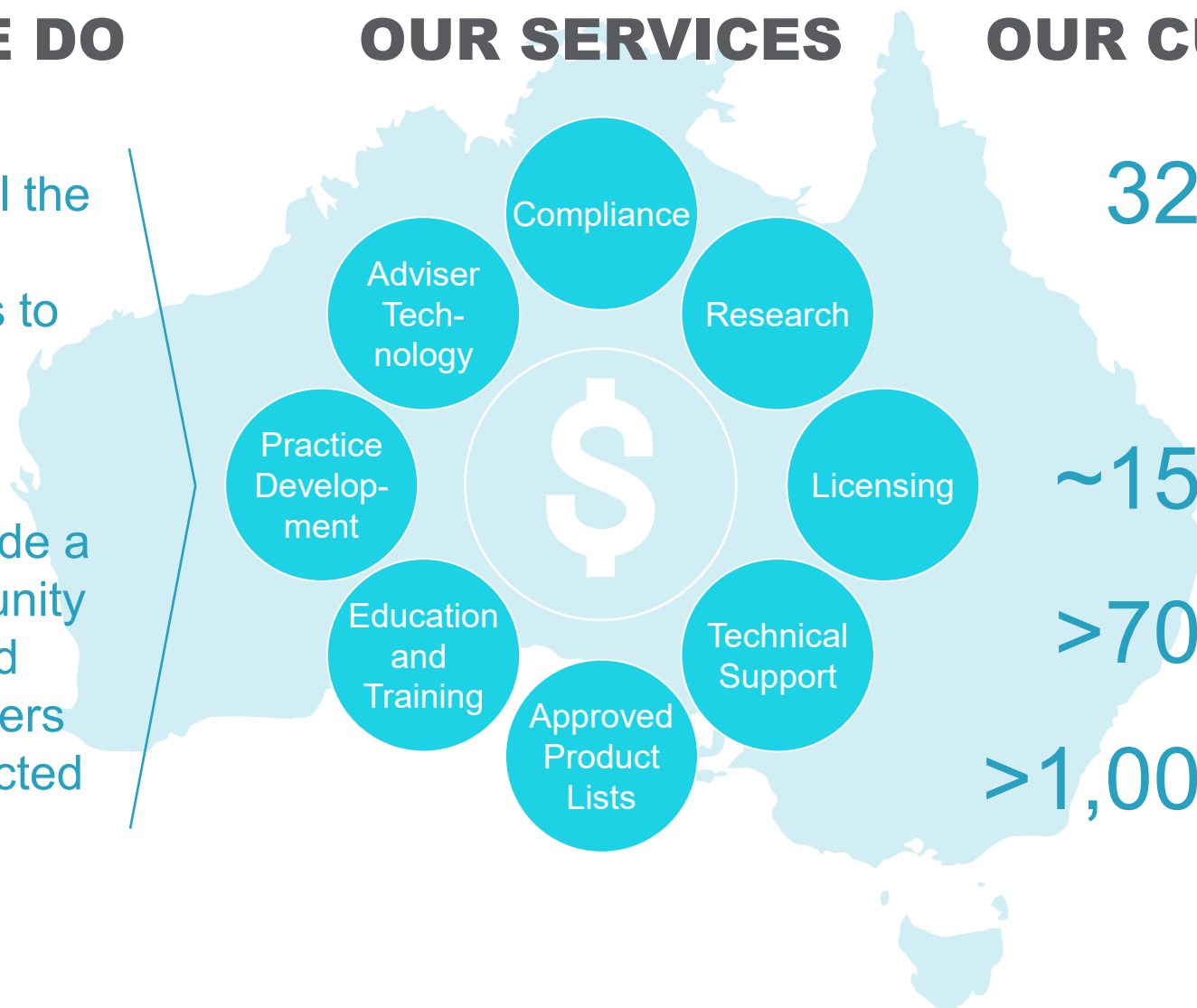
Centrepont is a leading provider of licensee services to over 1,000 financial advisers across Australia

WHAT WE DO

We provide all the services an adviser needs to run an advice practice

We also provide a strong community for like minded business owners to stay connected

OUR SERVICES



OUR CUSTOMERS

320 independent advisers that are authorised representatives operating under the Centrepont Australian Financial Services License (AFSL)

~150 self licensed businesses comprising ...

>700 advisers who operate under their own AFSL

>1,000 advisers throughout Australia

Strategic context

THE NEED FOR ADVICE HAS NEVER BEEN GREATER

\$12.6 trillion in household assets¹
\$3.1 trillion in super
\$8.3 trillion land and dwellings
\$2.8 trillion investments
\$3.5 trillion inter-generational wealth transfer³



The great **shift from accumulation to retirement** incomes driven by the ageing population



Increased complexity through the interplay of superannuation, retirement, tax and social security



Reduced accessibility to financial advisers – adviser numbers - **more demand and less advisers**



\$3.1 trillion in superannuation¹
4th largest pool globally²



Longevity – Australians are living longer, **risk of outliving their retirement savings**

¹ Source: ABS National Accounts March 2021.

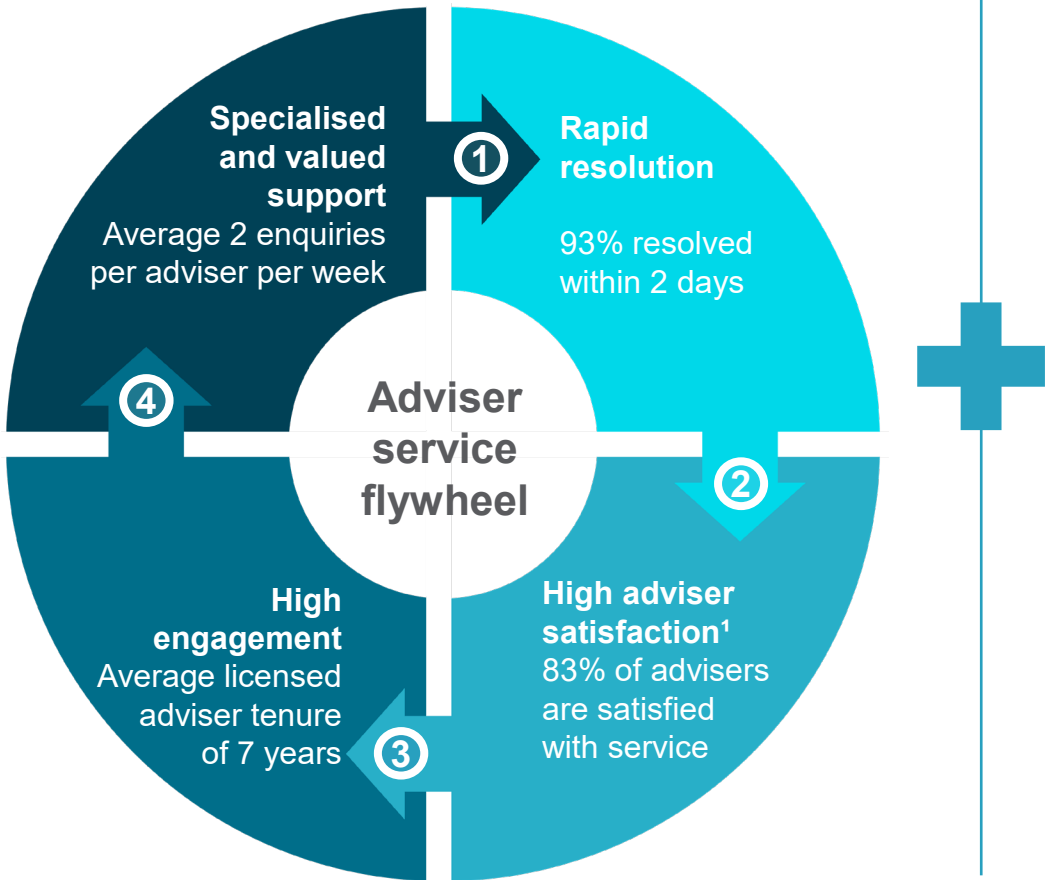
² Source: Willis Towers Watson Global Pensions Asset Study – 2020.

³ Source: McCrindle, 2017, Wealth Transfer Report.

Service quality and technology – our key differentiators

SERVICE QUALITY

21,000 enquiries with 93% resolved within 2 days



TECHNOLOGY CAPABILITY

Applications designed to improve efficiency and enhance service

 Centrepont Alliance Xplan site investment	All service teams migrated to 8,000 enquiries tracked in Q2 FY21	Centrepont AI (live practice management)
 acquisition	 partnership commences	Centrepont Connect launch (adviser intranet hub)
	Data team and data warehouse build	Compass (Xplan site) integration with third-party advice technology applications

¹ Centrepont Alliance satisfaction measures from Centrepont Alliance Adviser Survey July 2020 independently conducted by Woolcott Research. Satisfaction measured as greater than or equal to 7/10
Source: Centrepont Alliance servicing data and analysis from October 2020 to June 2021

Snapshot of 2021 core earnings



**GROSS
REVENUE**

\$139.2m

↑ \$8.2m
on FY20

↑ 6%
Year-on-year



EXPENSES

\$25.0m

↓ 2%
on FY20¹



**GROSS
PROFIT**

\$28.1m

↓ 4%
on FY20



**LEGACY
CLAIMS**

\$0m

↓ \$3.6m
on FY20



EBITDA

\$3.1m

↑ \$3.0m
on FY20

1. Expenses down 10% on FY2020 excluding Enzumo.

The business has built a strong foundation for future growth

CONSOLIDATION

Strong **foundation**

Centrepoint's focus over the last 3 years was to **move to a sustainable model**

Fee for service

End of rebates and commissions

Open architecture

Offboard advisers that don't fit the new world

Recruit new advisers with right cultural fit

Invest in technology to improve productivity – Salesforce, Enzumo

GROWTH PHASE

Three core pillars underpinning our strategy



1. Grow the Licensee solutions and **build scale and profitability**

Organic growth

Inorganic growth



2. Invest in **financial services technology** to improve efficiency and productivity

Everything you need to run an advice business available in the cloud



3. **Provide the highest quality portfolio implementation solutions** at the lowest cost

Traditional platforms

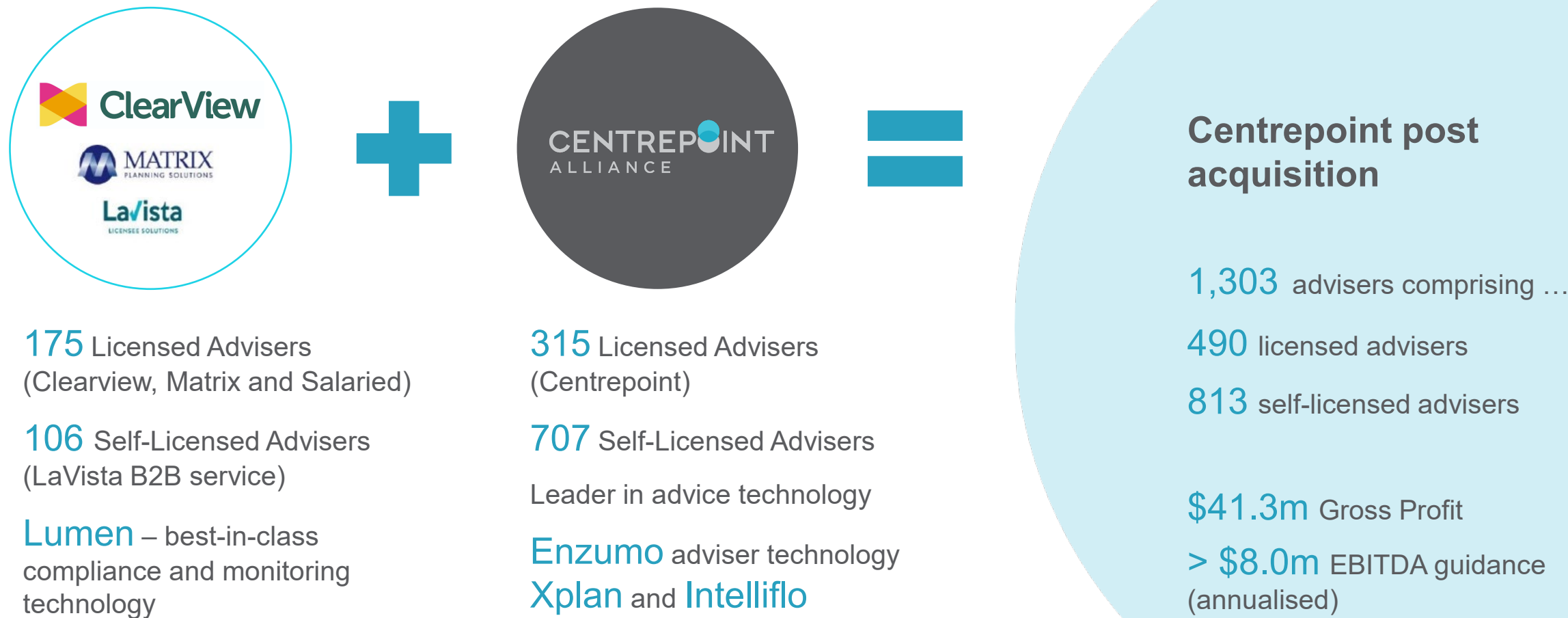
New portfolio services

Investment management



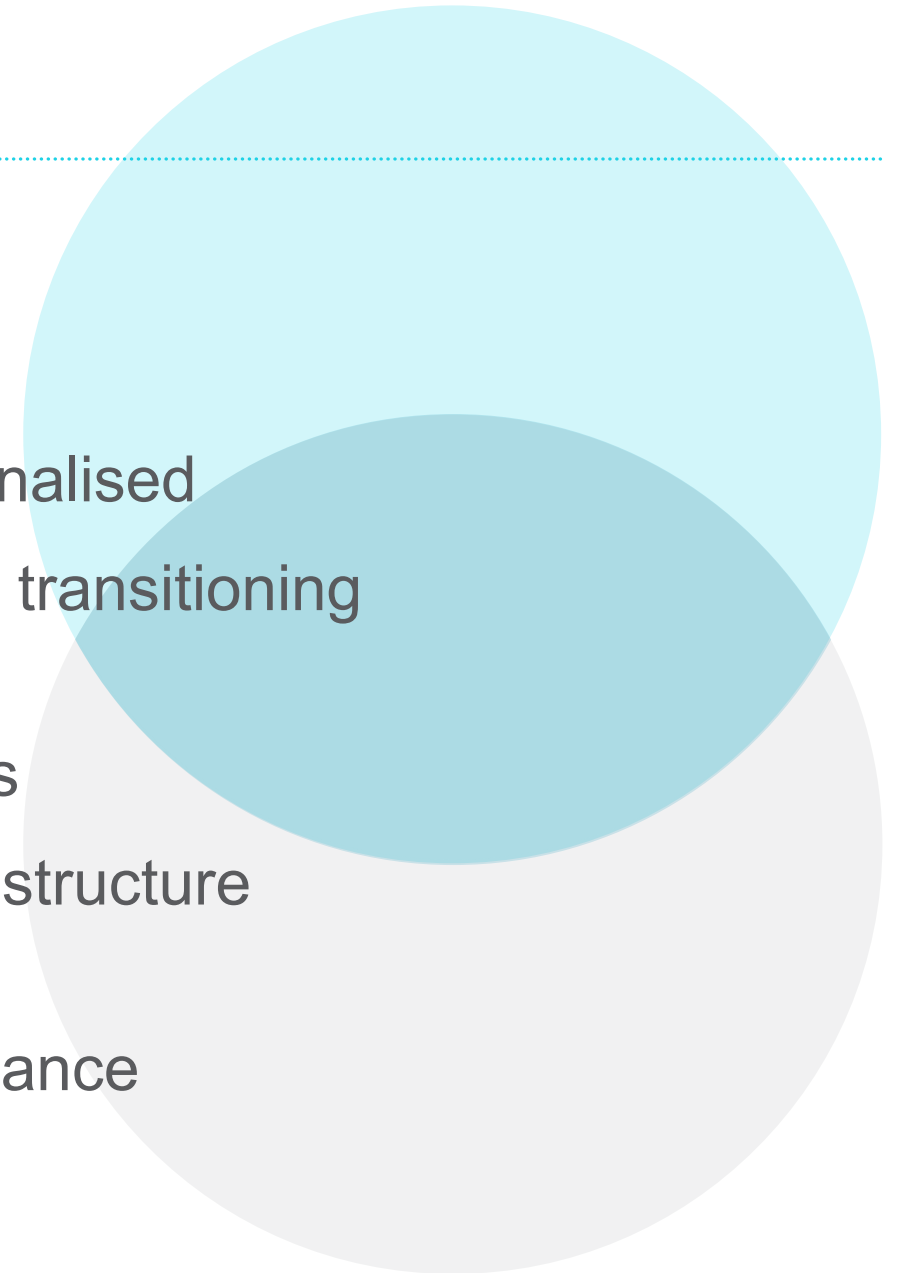
The acquisition of Clearview Advice will create a business with significant scale and operational leverage

TRANSACTION RATIONALE



Integration is on track

- ✓ Well advanced with integration planning
- ✓ Operating model and organisational structure finalised
- ✓ Key Clearview / Matrix and La Vista Executives transitioning to the new business
- ✓ Clean separation – minimal transitional services
- ✓ Businesses will commence working under new structure from 1 November 2020
- ✓ On track to deliver synergies and earnings guidance





ANNUAL GENERAL MEETING

01 November 2021



Disclaimer

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All numbers are as at 30 June 2021 unless otherwise stated. Numbers may not add up due to rounding.

All data presented in this document reflects the current views of the Company with respect to future events. Forward-looking statements are subject to a variety of risks, uncertainties and assumptions relating to the operations, results of operations, growth strategy and liquidity of the Company. Forward looking statements are also subject to external matters outside the control of the Company.

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