



## ASX Announcement

20 December 2016

### CENTREPOINT ANNOUNCES SALE OF THE PREMIUM FUNDING BUSINESS

Centrepont Alliance Limited (ASX:CAF) has finalised the strategic review of its wholly owned subsidiary Centrepont Alliance Premium Funding Pty Ltd ACN 062 762 921 (**Premium Funding**) which has resulted in an agreement for sale of all of the shares in the Premium Funding business to BOQ Finance (Aust) Limited (BOQ Finance) for \$20m. The effective date for the transfer of the business will be 1 January 2017.

The strong performance and opportunities of both the Wealth and Premium Funding businesses were the drivers for the strategic review and have resulted in identifying a better long term owner for the Premium Funding business in BOQ Finance.

Centrepont Managing Director, John de Zwart commented, "We are delighted with the sale to BOQ Finance as it is a strong fit and supports the Premium Funding team's growth plans. Importantly, it allows Centrepont to focus its resources and strong momentum to take advantage of the many opportunities in the wealth market.

"Centrepont will seek to strengthen and increase its position as one of the fastest growing and most respected wealth advice companies in Australia. Some of the funds will be deployed to accelerate new organic growth initiatives and the Board will also explore capital initiatives.

"The Premium Funding team join a group with a great reputation for customer focus, a broader product offering, and lower cost of funds which will support the future success of the Premium Funding business."

Full financial details will be reported to the market in the FY17 Half Year Update in February 2017. The transaction price of \$20m was based on an adjusted net equity of \$13m as at 30 June 2016. The sale price will be adjusted in February to reflect after tax profits for the period up to 31 December 2016. The impact on Centrepont's financial statements is as follows:

#### FINANCIAL IMPACT

Particulars & Method of Calculation	Before transaction (From latest audited figures 30 June 2016)	Increase/Decrease due to transaction (Actual Increase/ (Decrease) due to transaction)	After transaction	% change due to transaction
Total Consolidated Assets	\$168,505,000	(\$128,636,000)	\$39,869,000	(76%)
Cash and Cash Equivalents	\$10,192,000	\$25,000,000*	\$35,192,000	245%
Total Equity Interests	\$39,550,000	\$5,000,000	\$44,550,000	13%

<b>Particulars &amp; Method of Calculation</b>	<b>Before transaction</b> (From latest audited figures 30 June 2016)	<b>Increase/Decrease due to transaction</b> <i>(Projected Increase/Decrease) due to transaction</i>	<b>After transaction</b>	<b>% change due to transaction</b>
Annual Profit (before tax and extraordinary items)	\$4,561,000	(\$2,205,000)	\$2,356,000	(48%)
Annual Revenue	\$41,881,000	(\$10,125,000)	\$31,756,000	(24%)

Note: \*Includes sale proceeds (\$20m) transaction costs (\$1m) and settlement of intercompany loans (\$6m).

The timetable for implementing the transaction is as follows:

<b>Date</b>	<b>Action</b>
20 December 2016	Binding sale agreement executed
31 December 2016	Completion Date (settled 30/12/16)
31 March 2017	Transition completed and finalised

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