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ASX Limited

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Director Retirement and COVID-19 Market Update

Easton Investments Limited (**Easton or the Company**) advises that Mr Rodney Green has stepped down as a director of the Company with effect from today's date.

Rodney is the Company's longest serving director, having joined the Board in 2012, and has variously served as chairman and deputy chairman.

During this period, Rodney has made an extremely valuable contribution to Easton as a non-executive director with his sound commercial judgment, a preparedness to challenge where appropriate and strong people empathy.

His resignation was foreshadowed earlier this year in the context of continual Board renewal, which the Company endorses as an essential on-going process.

The intention is to replace Rodney with a person having requisite skills and experience consistent with having a balanced Board, although the Board has decided to defer a non-executive appointment for the time being and until more normal conditions return.

COVID-19 Market Update

The Board believes that Easton is well placed to navigate the current economic environment, given the Company's business model and strong recurring revenue base.

In response to the Coronavirus, our first priority has been the health and safety of our people, transitioning all of our teams to be able to work remotely.

Recognising the inherent uncertainty in both the severity and duration of the virus and its potential economic and financial impact, the Board has also focused on protecting the Company and its businesses.

We are exercising discipline with balance sheet capital and reviewing costs to more appropriately align our cost structure to the current environment. Swift and decisive action has resulted in material, short-term cost savings.

At the same time, in the training area, whilst we have cancelled a number of face-to-face programs, the majority of these have moved to an on-line delivery format.

The current environment has also caused an increase in demand for training, particularly as it relates to the release of new tax and stimulus measures, together with record demand for our help-desk support as most accountants have moved to work remotely. Consistent with this, the number of members subscribing to the help-desk service has to-date not varied to any meaningful degree.



Like a lot of companies, we believe that Easton will emerge a stronger entity once the current disruption and dislocation unwinds. Our two core businesses, serving the Accounting and Wealth markets respectively, each have strong competitive positions with excellent growth prospects to support future earnings growth once normal trading conditions resume.

Whilst too early to tell, the current increase in on-line engagement with our clients in both the Accounting and Wealth sectors may accelerate a longer-term behavioral shift to an increase in on-line training, support and communication beyond the current period, but always maintaining the embedded relationships that our businesses have developed with our Accounting and Wealth clients.

On behalf of the Board, I thank shareholders for your continued support during these extraordinary and challenging times.

Authorised for release by the Chairman of the Board.

Kevin White
Chairman

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