

ASX announcement

CountPlus Limited



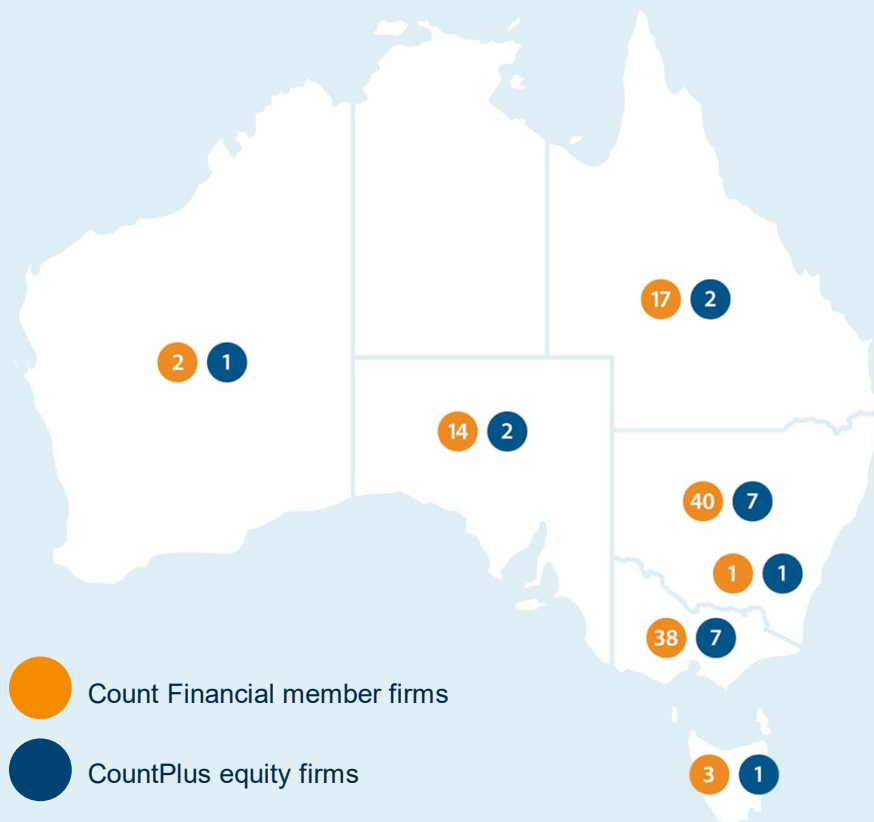
AGM Market Update Presentation

15 November 2022 (Sydney).

This presentation has been authorised for release
to the ASX by the Board of CountPlus Limited.

CountPlus Network

The CountPlus and Count Financial network now represents 136 firms and 3,455 people across our three operating segments of Accounting, Wealth and Services.



2022 Full-Year Underlying Headline Results

FY22 results saw continued growth in our three segments in challenging conditions, enabling a +33% increase in the final dividend per share.



Aggregated revenue

↑ 24%

to \$221M

Aggregated contrib. margin

↑ 17%

to \$68M

Underlying EBITA

↑ 49%

to \$11.35M

Underlying NPAT

↑ 90%

to \$7.2M

Underlying NPAT attr. CountPlus

↑ 127%

to \$5.0M

Final Dividend per share

↑ 33%

to 2.00 cents

Net tangible asset per share

↓ 26%

to 27.72 cents

Underlying earnings per share

↑ 127%

to 4.47 cents

Comments

The above data reflects underlying figures.

On-market share buy-back progress*

The ASX: CUP share buyback is progressing well with c1.3m shares now acquired at a volume weighted average price of c.\$0.71 per share.



Shares bought

1,322,144

% of maximum buy-back
quota purchased to date

11.58%

Maximum Quota 11,422,255

Volume Weighted Average
Price Paid

\$0.7103

Buy-back % of total market
trades

29.16%

Since commencement of the
on-market buy-back

* Data as at close of business 8 Nov 2022

Acquisitions and divestment summary YTD FY2023

The acquisition of two new tuck-ins, a stake in WSC Group, and the divestiture of Cooma Accounting are evidence of execution against CountPlus' strategic growth plans.



Acquisitions

Equity Partnership - WSC Group

- CountPlus acquired a 32.75% shareholding for c.\$3M.
- WSC Group revenues were c.\$7M in FY2022.
- WSC Group is a financial services and advice practice with offices in South Sydney, Sydney CBD, Brisbane, the Gold Coast, Melbourne and Newcastle.
- The financial advice business of WSC Group, WSC Group (Aust) – Private Wealth Pty Ltd is now authorised by Count Financial Limited, adding additional three Authorised Representatives to the CountPlus-owned licensee.

Tuck-ins

- Two tuck-ins were completed in FY2023 by CountPlus member firms (CountPlus One and Advice Co) with revenues totaling c.\$1.1M.

Divestiture

Sale of Cooma Accounting and Financial Services Pty Ltd

- Subsidiary firm (part of the group of companies forming Addvantage Financial Freedom), Beames & Associates, sold a 100% stake in Cooma Accounting and Financial Services Pty Ltd (Cooma Accounting) to MLJ Accounting Pty Ltd, a firm owned by the Cooma Accounting Principals (Mark Kenmir, Lisa Rowbotham, Jodie Dobbie).
- The consideration for the transaction was c.\$1.5M.
- Their Canberra-based accounting and financial planning arm has become part of Twomeys Group Pty Ltd, which post-transaction is a 55% owned subsidiary of CountPlus Limited.
- The transaction was part of a CountPlus strategy to retain and merge part of the business that fits the CountPlus strategy (Addvantage Financial Freedom) and exit Cooma Accounting.

Our M&A and Recruitment pipelines

Our M&A pipeline is strong with a number of active discussions, whilst recruitment of Advisers into Count Financial shows positive momentum



Active M&A opportunities

12

Qualified M&A leads

80

**New Advisers
FY23 YTD**

+16

With 24 Advisers in
the due diligence stage

**Early-stage M&A
discussions**

24

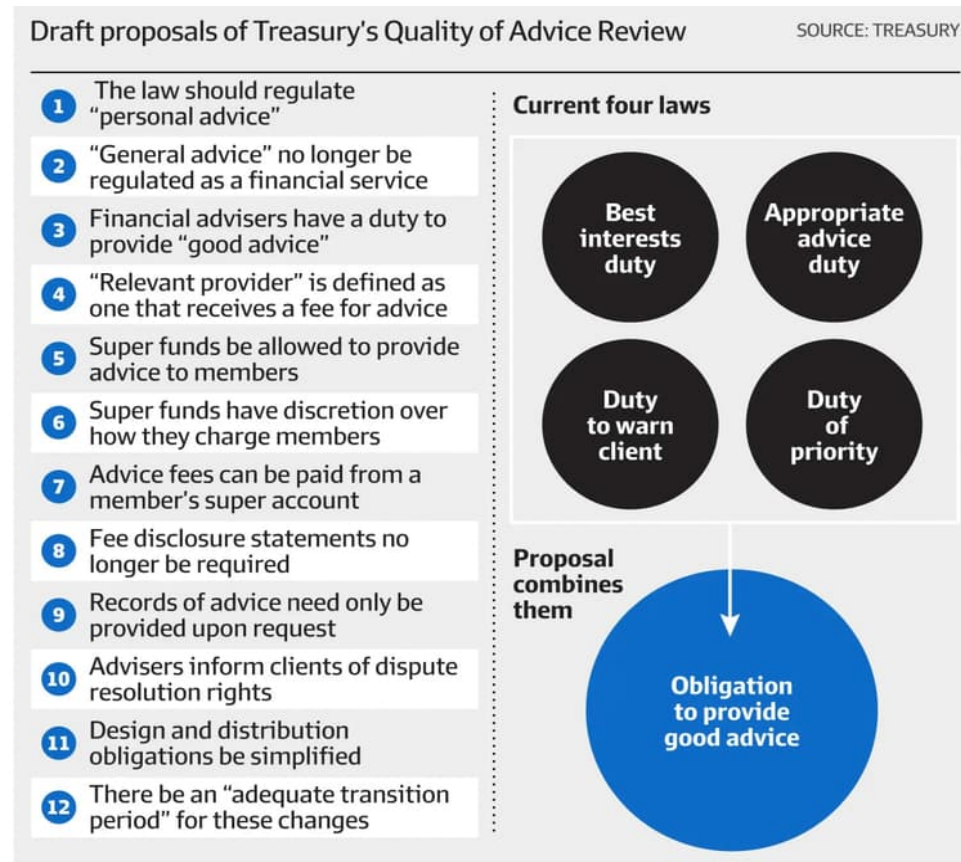
Prospective Advisers

156

At various stages

Quality of Advice Review and CountPlus House Views

In early 2022 the Federal Government announced the Quality of Advice Review to consider if changes should be made to the advice regulatory framework to improve accessibility and affordability.



CountPlus House Views

CountPlus has made a submission to the Review and included the following principles in support of better outcomes for clients and their advisers:

- ✓ We believe in the power of advice and the importance of presenting high quality advice documents to clients, as this serves as a critical the physical (or digital) artefact from the advice experience. We are passionate about improving the advice experience, and we included a number of suggestions in our submission.
- ✓ We believe that some information currently included in Financial Services Guides can be loaded on firm websites as an alternative means of disclosure to clients.
- ✓ We are supportive of a standardised single fee consent form, and the removal of the current duplicated fee disclosure regime.
- ✓ We believe that the costs of upfront and one-off advice must be tax deductible, greatly reducing the cost to clients and improving access to advice for more Australians.
- ✓ We have shared doubts and concerns whether the intention of replacing some existing duties with a requirement to provide 'good advice' will be achieved.
- ✓ Financial advice provided by professional advisory firms must be less regulated and less constrained than financial product advice provided by an organisation that manufactures financial products. This will help to ensure that historical conflicts do not re-emerge.

CBA indemnity and the advice remediation provision

CBA continues to report progress towards meeting the remediation program milestones and expects substantive completion at the end of 2022.



- As of today, CBA have not identified any material concerns to the achievement of the schedule.
- CBA anticipates being able to substantially meet its commitment to finalise sending remediation outcome letters to customers by the end of 2022.
- As at 12 October 2022, approximately 51,000 remediation outcome letters had been sent with approximately \$111m offered or paid through the program.
- Based on the advanced state of the remediation program, CountPlus expects CBA will shortly be in a position to confirm the average refund rate.
- In the event that the actual average refund rate is found to be higher than the assumed refund rate, and where that meant customer payments would exceed the remaining headroom in the \$300 million indemnity, consistent with past practice a variation to the indemnity deed would be required.

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