

ASX Announcement **22 February 2019**

Centrepont's focus on delivering Strategic Refresh positions the Company well to capitalise on the changing market place

Centrepont Alliance Limited (ASX:CAF) ('Centrepont', the 'Company' or the 'Group') is pleased to announce its financial results for the half year ended 31 December 2018 (1H19).

1H19 results summary:

- **Centrepont's net profit before tax for 1H19 is \$1.7m (1H18 \$1.9m loss)**
- **EBITDA for 1H19 is \$2.2m (1H18 \$1.4m loss)**
- **Despite difficult trading conditions gross profit remained flat on prior periods**
- **Net increase in licenced and self-licenced advisers over the half**
- **Strategic Refresh program being implemented as planned, focused on creating the future of advice and business services for the Adviser Community**
- **Debt free with \$7.4m in cash and \$7.9m in interest bearing receivables**

Centrepont continues to implement its Strategic Refresh program announced at the 2018 full year results and outlined further at the 2018 AGM.

With a renewed executive team and investment in strong operational capability, the business maintained stable revenue, attracted new advisers, and is successfully absorbing the costs of executing the Strategic Refresh program through re-deploying resources and adding new digital and data capabilities funded through productivity gains. This has been delivered despite challenging market conditions and the intense public scrutiny the financial advice sector has received as a result of the Royal Commission into misconduct in the Banking, Superannuation & Financial Services Industry.

Angus Benbow, Chief Executive Officer, said, "There remains an unequivocal demand for quality financial advice, and with the structural disruption of the industry that is occurring Centrepont is uniquely placed to capitalise on these unfolding changes. We have a strong community of quality licenced advisers, as well as providing services to over 200 self-licenced firms. We have made solid progress on our Strategic Refresh over the last six months, working to transform Centrepont to become a quality scale operator to the adviser market, with a new digitally enabled service offering. It is pleasing to be able to deliver a solid result against this backdrop of transition for the business and industry."

During the period no further changes to the provision were required for legacy claims (claims that originated from advice given prior to 1 July 2010). The current legacy claims provision is \$1.8m.

Alan Fisher, Chairman, said, "Centrepont has undergone significant change since the arrival of Angus. With a new look executive team in place, we have made solid progress over the last six months in delivering our Strategic Refresh, which is consistent with the recent recommendations from the

Royal Commission. We are well placed to capitalise on the disruption taking place across the industry, and the opportunities this presents to a renewed and refocused Centrepoint.”

Investor Briefing

Angus Benbow, Chief Executive Officer and Peter Loosmore, Chief Financial Officer, will hold an investor briefing at 11:00am (AEDT) on Friday, 22 February 2019.

If you wish to participate in the briefing, please register at the Events section of the Centrepoint website - www.centrepoinalliance.com.au/events/.

Centrepoint’s Appendix 4D and Half Year Report are appended.

For further information please contact:

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CENTREPOINT ALLIANCE LIMITED
AND ITS CONTROLLED ENTITIES

ABN 72 052 507 507

Appendix 4D

Half year ended 31 December 2018

RESULTS FOR ANNOUNCEMENT TO THE MARKET

In thousands of Australian dollars	1H18		1H19		Variance
Revenues from ordinary activities	\$61,626	to	\$59,643	Down	3%
Profit before tax and non-controlling interests	(\$1,853)	to	\$1,739		nm
Profit after tax attributable to members	(\$1,303)	to	\$ 133		nm

Dividends (distributions)	Amount per security	Franked amount per security
Interim dividend	0.0 cents	0.0 cents
Previous corresponding period	1.2 cents	1.2 cents
Record date for determining entitlements to dividend	N/A	
Payment date of interim dividend	N/A	
Dividend Reinvestment Plan		
Plan active	No	
Discount	N/A	
Pricing period	N/A	
Last DRP election date	N/A	
Net tangible assets per share	31 Dec 2018 9.27 cents	30 June 2018 7.96 cents

Results are extracted from the attached Half Year Financial Report for the six months ended 31 December 2018 which was subject to an independent review.

For explanation and commentary on the results refer to the Directors' Report in the attached Half Year Financial Report.

nm refers to 'not-meaningful'