9 November 2022

ASX Limited
ASX Market Announcements Office
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sir / Madam,

E&P Financial Group Limited 2022 Annual General Meeting

E&P Financial Group Limited (**EP1** or **Company**) makes the following announcements in respect of the Company's 2022 Annual General Meeting (**AGM**):

1. **Chairman's & CEO's Addresses**
2. 2022 AGM Presentation

The Company advises that the announcements include revisions to previous FY23 guidance, which can be found on page 5 of the Chairman's & CEO's Addresses announcement and page 19 of the 2022 AGM Presentation announcement.

Yours faithfully,

Paul Ryan
Chief Financial Officer & Company Secretary
(Authorising Officer)

9 November 2022

Chairman's address to 2022 Annual General Meeting

David Evans, Non-Executive Chairman, E&P Financial Group Limited

Good morning, Ladies and Gentlemen,

It gives me great pleasure to welcome you to the 2022 Annual General Meeting of E&P Financial Group Limited. My name is David Evans and I'm the Non-Executive Chairman of E&P Financial Group Limited.

I am happy to be able to meet many of you in person this year and thank you for your attendance with us in person today and online.

Financial year 2022 was an important year for the Group. It marked the third year of our refocused strategy under our management team led by Peter Anderson. The period has been notable for the stabilisation of the business, consolidation of our platform, most notably reflected by the transition to a single Wealth business under the Evans & Partners brand, and continued careful navigation of legacy issues. With growth now increasingly front of mind, the Group saw an improved underlying financial performance from our core businesses, driven by the successful delivery of strategic priorities and record levels of transaction activity, notwithstanding volatile markets and ongoing legacy issues which presented challenges across our business.

I would like to start by thanking our clients and shareholders for their ongoing support and to acknowledge the commitment and hard work of our staff who continue to tirelessly service our clients. Our firm is a proud one and we are privileged to look after a wonderful group of clients across all divisions.

FY22 Achievements

Financial year 2022 saw significant progress in executing the consolidation and growth strategies of our three divisions and further progress in resolving legacy issues.

As I mentioned earlier, in E&P Wealth we consolidated the business under the Evans & Partners brand with all Advisers now authorised and operating under the Evans & Partners AFSL. In E&P Capital we expanded our capability in target sectors via senior recruitment across the platform. In E&P Funds we made significant further progress in reshaping the business to deliver improved value and liquidity outcomes for clients invested in our internally managed Real Asset funds. Finally, the Group made a number of key management hires over the year to assist in the strategic direction and execution of our core business growth initiatives, including the appointment of India McLean as Managing Director - Marketing and Rose Clark as Chief People Officer.

Solid progress has been made in delivering further value and liquidity outcomes for investors across our internally managed Real Asset funds and we are systematically implementing a plan to complete this important task.

During the year we completed withdrawal offers for the FSREC Property Fund providing $425 million of liquidity for unitholders. We have since completed another withdrawal offer in July providing up to a further $96 million in liquidity. During the year, New Energy Solar disposed of its Australian assets with proceeds totalling $288 million applied towards debt reductions and a buyback of units, and in August 2022 New Energy Solar announced that it had entered an agreement to dispose of its remaining US assets at approximately NAV representing approximately $352 million Australian dollars, which has since been approved by shareholders in an Extraordinary General Meeting.

The appointment of voluntary administrators to Dixon Advisory & Superannuation Services, or DASS, was a disappointing but necessary step in addressing significant legacy issues for the Group. We continue to work with the voluntary administrators to sponsor a Deed of Company Arrangement which includes a mechanism to accommodate the settlement of the ongoing representative proceedings against EP1, DASS and certain former directors.

FY22 Result Recap

When considering the medium-term business drivers across each division, equity market declines, Dixon Advisory client departures and the deliberate progressive exit from real asset strategies impacted E&P Wealth and E&P Funds, with funds under advice down 14% in the twelve months to 30 June 2022 to a total of $21.1 billion and funds under management down 8% to a total of $6.2 billion. E&P Capital delivered a record result driven by an uplift in Corporate Advisory transactions, with net revenue up 8% to a total of $62.2 million for financial year 2022.

The successful execution of growth initiatives core to our reset strategy has contributed to an improved underlying financial performance for the Group, notwithstanding significant structural changes in E&P Wealth and E&P Funds.

In financial year 2022, the Company delivered Underlying Earnings before Interest, Tax, Depreciation and Amortisation of $28.9 million and Underlying Net Profit After Tax before Amortisation of Acquired Intangibles of $10.3 million. These results represent an improvement in underlying profitability of 3% and 42% respectively when compared to the 2021 financial year. Underlying earnings per share of 4.5 cents was up 41% on financial year 2021, reflecting the robust performance of our core business and lower premises expenses after efforts to rationalise our office footprint in prior periods.

Strong performances from the E&P Capital and the Evans & Partners private wealth businesses were the key drivers of the improvement in core earnings despite the challenging market conditions. The result was supported by positive investment outcomes on principal positions, non-recurring revenue from E&P Funds and growth in core equities funds under management, which helped offset a softer performance in the now closed Dixon Advisory wealth business, which was impacted by regulatory proceedings, the DASS Voluntary Administration and related costs. The Group also recorded a $0.6 million impairment of the remaining goodwill in E&P Wealth due to the regulatory matters.

In terms of our balance sheet, the Group maintained its prudent cash management approach over the year noting that we still have a number of legacy matters to resolve. As of 30 June 2022, the Group held cash of $74.2 million and no debt.

I am pleased to report that the Board declared and paid a final dividend of 2.7 cents per share in light of the improved earnings and meaningful progress made in resolving legacy issues. The dividend is in line with the Board’s stated dividend policy range, representing 80% of FY22 NPATA. I note the Board remains committed to an annual target dividend payout range of 75-85% of NPATA.

Director changes

Reflective of our ongoing Board renewal and succession planning, we welcomed two new Directors over the year with the appointment of Ms Sally McCutchan as Non-Executive Director and Mr Tony Johnson as Executive Director.

Tony was appointed an Executive Director of the Company in June 2022 with a focus on identifying and developing growth opportunities across the Group. As Tony was appointed part way through the year, in accordance with Listing Rule 14.4 Tony is required to submit himself for re-election today.

Tony’s current roles include being a Non-Executive Director of Bupa ANZ and Chair of the Advisory Board of Fujitsu ANZ. Previously, Tony enjoyed a successful 34-year career with EY where he amassed extensive experience in the financial services sector locally and internationally, most recently in his role as CEO and Managing Partner of EY Oceania.

Together with the announcement of Tony’s appointment, I announced that my role with our firm would change from Executive Chairman to Non-Executive Chairman, effective 1 July 2022. Whilst I have stepped back from day-to-day executive duties, I am staying on the Board in a non-executive role and remain confident and excited by the firm’s prospects. As I made clear at the time of the announcement of my changed role, I have no intention of selling my shares and will continue to support the firm in any way I can, including being a client.

Having founded Evans & Partners in 2007, I am excited by the opportunities that lie ahead, and it is my judgement that now is the right time to continue the transition to the next generation of leaders. I have been enriched by the ongoing friendships that have been fostered amongst staff, clients and people associated with the firm on so many levels. To serve clients in financial markets is an honour and a privileged responsibility.

I’ll now hand over to our CEO, Peter Anderson.

CEO’s address to 2022 Annual General Meeting

Peter Anderson, Chief Executive Officer, E&P Financial Group Limited

Thank you, David, and good morning shareholders.

Financial year 2022 was another challenging but fruitful year for the Group, with our efforts focussed on a combination of platform consolidation initiatives, such as the transition to a single wealth business under the Evans & Partners brand, and growth initiatives such as expanding our sector capability within E&P Capital and continuing to invest in the external distribution of our core equities funds. In addition to progressing these initiatives management has continued to work towards the resolution of the remaining legacy issues which emanated from the Dixon Advisory business.

Strategic priorities

The Group’s wealth business was successfully consolidated under the Evans & Partners brand and its more contemporary operating model led by greater governance and independence. This backdrop has enabled the business to focus on growing its full-service advice offering, which has helped contribute to a greater proportion of FUA-based annuity revenue as compared to fixed fees for advice. The investments made in prior years in developing strong compliance, risk and governance systems means Evans & Partners is well placed to add scale to its operations through the provision of advice to the underserviced mass affluent retail segment of the market.

In E&P Capital we continue to expand our boutique offering to corporate and institutional clients. In addition to targeted recruitment in key sectors, we focused on enhancing E&P Capital’s equity research coverage and origination capability, particularly within equity capital markets. Augmenting the strategy is the continued expansion of E&P Capital into Asia through E&P Asia (HK) providing increased penetration in the Asian market.

In E&P Funds we have taken steps to expand the external distribution and marketability of our strong performing direct equities strategies together with executing necessary structural changes across the Real Asset portfolios. Several initiatives remain ongoing, which the business is firmly focused on finalising to complete an orderly exit of related party and non-core activities.

I’ll now provide an update on the performance of our three segments, beginning with E&P Wealth.

E&P Wealth

In E&P Wealth we have made great progress to date in establishing and rolling out our Evans & Partners Retail Wealth Management service offering, in part assisted by the transition of many Dixon Advisory clients to Evans & Partners. As of 30 June 2022, substantially all DASS clients had transferred to a replacement service provider, with just over three quarters choosing to transition to Evans & Partners. By financial year end we had over 1,000 clients under the RWM service, representing approximately $2 billion in funds under advice.

From June 2022 we commenced the rollout of industry standard pricing for our remaining fixed fee clients. Since then we have seen client transitions to the RWM service accelerate through financial year 2023 with 1,530 clients at 30 September 2022 representing FUA of $2.8 billion. We believe the service is well positioned for growth as more clients transition and as our initiatives to win new clients gain traction.

The Evans & Partners Family Investment Office is another pillar of our long-term growth strategy that represents an attractive opportunity to leverage the Group’s intellectual property to provide clients with a bespoke offering for managing complex affairs and intergenerational wealth. This period saw significant further development of the service offering, and we now have full-time Family Investment Office staff dedicated to the service offering.

Underlying earnings for E&P Wealth for the year was impacted by a softer second half, largely driven by the one-off impact of the DASS VA and Dixon Advisory client exits. Net revenue remained stable year on year as these factors were offset by growth from the Evans & Partners high net wealth and RWM offerings. However, underlying EBITDA was down 29% on the prior comparable period as direct expenses increased 7% during the period, reflecting higher linked variable remuneration in Evans & Partners and additional costs incurred in retaining Dixon Advisory clients and staff in response to the voluntary administration of DASS.

From an operational standpoint, funds under advice decreased 14% over the year primarily due to equity market declines and client exits. Total client numbers of approximately 8,000 were down from 9,100 at 30 June 2021 due to Dixon Advisory exits following the DASS VA. Pleasingly, just over three quarters of former Dixon Advisory clients elected to transition their service to Evans & Partners.

A number of client service initiatives were implemented during the year including enhancements to our client portal through the addition of a suite of ESG data and metrics against investment holdings. Finally, we invested in adviser growth through sales training, business development and enhanced marketing support to ensure we can deliver on our strategy over the long term.

E&P Capital

In E&P Capital we continued to enhance our position in target sectors and key products with senior recruitment across E&P Capital's services. The period saw record revenue for the division driven by a record number of completed M&A advisory transactions, supported by selected Capital Market mandates.

Our Institutional business continued to perform solidly in a competitive environment and we made further investment in our people and systems. An important component of this strategy is our presence in Hong Kong, with the desk increasing penetration in the Asian market and broadening the platform's reach.

During the year we refined our equity research coverage, with 136 stocks under coverage as at 30 June 2022, representing approximately 73% of the ASX200 by market cap. The reshaping of our research offering with a focus on expansion of ASX100 coverage will complement the division's core verticals focus and continue to be a key differentiator for E&P Capital.

E&P Capital delivered a strong result during the year with high levels of Corporate Advisory activity and solid Institutional brokerage. Underlying EBITDA was $14.6 million, representing an increase of 3% compared to the prior year, driven by strong revenue growth in the first half notwithstanding an extraordinary market dynamic given new entrants, and despite challenging market conditions in the second half. Margins were impacted by a more competitive market in which to retain key staff and the investment we made in senior recruitment to enable expanded sector coverage.

Finally, E&P Capital again performed exceptionally well in the Peter Lee Associates survey. This demonstrated the quality of the division's institutional sales, trading and equity research teams and their client relationships, particularly in the small-to-mid cap space. This result included 2nd in both sales team capability and execution of small caps plus repeated high rankings for a number of our sector analysts.

E&P Funds

In E&P Funds we progressed value and liquidity initiatives across our Real Asset funds and achieved a resilient performance from our core equities strategies and private equity funds, noting the challenging market conditions in the second half. These initiatives included withdrawal offers for the FSREC Property Fund providing $425 million of liquidity for unitholders during financial year 2022 with an additional withdrawal offer in July 2022 providing up to a further $96 million in liquidity. The URF asset sale program is progressing with over US$200 million of asset sales completed since the program commenced, with initiation of further significant cost reductions to the operating platform, on market buybacks and exploration of alternative structures such as outsourcing. After completing the sale of NEW Energy Solar's Australian assets in July 2021 for $288 million followed by debt reductions and buyback, New Energy Solar also announced it had entered an agreement to dispose of its remaining US assets at approximately NAV representing approximately $352 million Australian dollars and has subsequently received unitholder approval.

These improved outcomes for investors were complemented by a series of operating platform enhancements to improve the marketability of our strongly performing equity strategies. Claremont Global received upgraded "recommended" investment ratings from Lonsec and Zenith and access to the Claremont Global strategy was improved with listings on key platforms resulting in total net inflows of $91 million for financial year 2022.

In FY22, E&P Funds achieved a resilient underlying result with net revenue up 1% on the prior year. FUM-based revenue fell 3% as a result of the URF and NEW asset sale programs and the sale of the Group's interests in the manager of the FSREC Property Fund. However, base management fees received from the Group's core equities strategies were up 5% on the prior year despite being impacted by equity market declines in the second half. Non-FUM-based revenue grew by 18% against the prior period driven by Solar asset disposal fees and non-recurring revenue, including contribution from principal positions in our joint venture private equity funds. This revenue contribution in combination with lower operating expenses following the rationalisation of our equities offering drove a 46% increase in underlying EBITDA compared to the prior corresponding period to $14.0 million.

Operational highlights over the year included the strong performance from the Claremont Global strategy which was ranked the number one performing global equity manager in Australia in calendar year 2021. Furthermore, the CD Private Equity Funds announced distributions to investors totalling $86 million following a period of strong returns and realisations, which also led to an increase in the value of the Group's principal positions in the funds.

Outlook

Looking ahead to FY23, the resolution of remaining legacy issues and continued implementation of our divisional growth initiatives will remain our primary focus. In E&P Wealth, the growth of the full-service FUA-based RWM service offering in combination with the rollout of industry standard pricing for our remaining fixed fee clients is expected to improve earnings and margins over the medium-term as the one-off impacts of the DASS voluntary administration recede.

In E&P Capital, the Company will focus on enhancing equity research coverage and origination capability supported by continued recruitment to complement the existing platform and the division's recent expansion into Hong Kong.

In E&P Funds, the Company will seek to grow through a greater focus on the external distribution and marketability of our core equities offerings as we finalise the orderly exit of related party real asset and non-core activities.

At a group level our efforts lie in enhancing and uplifting our human capital through structured staff development programs and career mapping to foster and retain talent.

Turning to our earnings outlook for the 2023 financial year, we believe prevailing uncertain market conditions, driven by rising interest rates globally, geopolitical instability in both Europe and Asia and the attendant energy crisis, are likely to persist in the near term. This in turn is likely to present challenges for all of our trading divisions and E&P Capital in particular. While our Corporate Advisory business has made a solid start to the new financial year, the pipeline of new transactions is softening in line with market conditions. Institutional equities trading is very subdued across the market, as is Capital Markets activity. FUM-based revenue in E&P Wealth and E&P Funds is similarly impacted by softer markets. As previously communicated at the FY22 result, E&P Wealth remains in transition with 1H23 impacted by the provision of services for no consideration to those transitioned Dixon Advisory clients yet to reach their annual service renewal date. The transition in E&P Funds is ongoing, with the contribution from Real Assets to reduce as planned structural changes continue.

In that context, and subject to key transaction completion in E&P Capital, we expect 1H23 Underlying EBITDA excluding asset disposal fees to be circa 10% below budget. If challenging market conditions persist, then FY23 earnings are likely to be materially below those reported in FY22.

Finally, further investment will be necessary as we progress towards closing out the Voluntary Administration of DASS and class action proceedings. We intend to present a Deed of Company Arrangement proposal for creditors to vote on at the meeting to be scheduled in the next month which includes a mechanism to accommodate the settlement of the ongoing representative proceedings against EP1, DASS and certain former directors. The formulation of a Deed of Company Arrangement proposal is progressing but remains subject to further discussion with the Voluntary Administrators.

Solid foundation for ongoing growth

I'd like to conclude by reminding our shareholders of the high-quality business we are building for the long term. Through our work in recent years, we've consolidated E&P Financial Group into a fully integrated financial services group leveraging our core strengths. Our Wealth business has a leading market presence across the high net wealth and mass affluent retail client spectrum, underpinned by a scalable advice platform. E&P Capital is a leading provider of corporate advisory, capital markets and investment research solutions in our key sectors, occupying a unique position in the market due to its client relationships, scale and focus. In our Funds business we are building a high-quality suite of thematic equity strategies with a diversified investor base. Structural change initiatives that have been achieved to date, particularly in E&P Funds, have allowed Management's focus to increasingly turn to core business growth. We are confident this will be reflected in the financial performance of the business in due course. We continue to work hard as a team every day to realise the strategic and financial objectives of the Group and look forward to updating shareholders as we progress.

Thank you for your attendance today. I look forward answering your questions in a moment.

This announcement has been authorised for release by the Board of E&P Financial Group Limited.

Investors:

Paul Ryan
+ 61 3 9631 9866
paul.ryan@eap.com.au

Media Enquiries:

James Strong, Citadel Magnus
+ 61 448 881 174
jstrong@citadelmagnus.com

About E&P Financial Group Limited

E&P Financial Group is an Australian Securities Exchange listed financial services group. In E&P Wealth we service approximately 8,000 clients, representing $21.1 billion in funds under advice. In E&P Capital we are an advisor to many leading Australian institutions through the provision of research, institutional sales and trading, corporate advisory, equity capital market and debt capital market services. In E&P Funds, we manage $6.2 billion of assets across a diverse range of asset classes.