

19 February 2021

Unaudited 1H21 financial result and investor briefing details

ASX Announcement

E&P Financial Group Limited (**EP1** or **Company**) is pleased to provide the following update on the Company's unaudited 1H21 financial and operating performance ahead of the release of its half year financial results on Thursday 25th February 2021.

Key financial highlights:

- Net revenue¹ of \$99.1 million, up 11% on immediately prior period driven by strong transaction activity in E&P Capital as origination efforts gained traction and economic conditions improved in Q2, supported by mark-to-market gains on cornerstone investments; down 4% on the prior corresponding period with ongoing reset of Dixon Advisory revenue and wind down of Dixon Projects.
- Adjusted EBITDA of \$19.8 million, up 15% on prior corresponding period; Adjusted NPATA of \$7.8 million up 29%².
- Statutory NPAT of \$4.5 million up 114% on the prior corresponding period.
- Dividend reinstated given materially improved macro environment and positive operating momentum; fully franked dividend of 2.0 cents per share, to be paid on 15 April 2021.
- Strengthened balance sheet with increased cash and liquidity – net cash balance of \$40.2 million and \$42.2 million in financial assets and equity accounted investments.
- Employee Share Plans (ESP) suspended in 1H21 – no change to employee total remuneration but cash bonus accruals higher than prior periods, an overlap of cash bonuses and amortisation of historical ESP expenses exists until ESP run-off completed.

Key operational highlights:

- **Group:** structural change projects ongoing with good progress achieved despite COVID-19 delays; medium-term growth initiatives building momentum across all three divisions.
- **E&P Wealth:** funds under advice up 8% in the six months to 31 December 2020 to \$21.7 billion with strong growth across the Evans & Partners platform and soft launch of mass affluent retail market offerings.
- **E&P Capital:** net revenue was up 51% on the immediately prior period to \$27.9 million after completing a significant number of capital markets transactions in November and December 2020.
- **E&P Funds:** rebranding of Flagship series of equities funds to Orca Funds Management to further promote external distribution, ongoing structural improvements across real asset portfolio to enhance both fund value and liquidity.

¹ Excludes interest income and US Paycheck Protection Program income. Includes net gain on equity accounted investment during the period.

² On 18 December 2020, the Company announced the suspension of its Employee Share Plans (ESP). E&P does not intend to grant further deferred equity to E&P employees as part of the Company's discretionary bonus awards. Nevertheless, E&P reserves the right to grant at any time deferred equity securities to employees, including to Key Management Personnel, in selected circumstances or generally at any time in the future. For the avoidance of doubt, any employees with contractual entitlements to participate in the ESP will continue to be eligible to receive such entitlements. Adjusted EBITDA and Adjusted NPATA, which adjust for the suspension of the ESP and businesses in wind-down (Dixon Projects) are presented to assist with like-for-like comparison with prior periods.

Chief Executive Officer, Peter Anderson said:

“We are pleased to report that over the past six months the company delivered a solid underlying result from its core businesses. During the period, EP1 continued to successfully execute on its refocused strategy, implementing its structural change projects and growth initiatives, with good progress achieved despite COVID-19 delays. We look forward to providing a more fulsome update on the result and the company’s achievements during the period at our investor briefing next week.”

1H21 result date and webcast details

EP1 intends to announce its half year financial results on Thursday 25th February 2021 at approximately 9:00am AEDT.

Chief Executive Officer, Peter Anderson and Chief Financial Officer, Paul Ryan will host a briefing for investors via webcast at 10:30am AEDT.

Investors can pre-register for the result webcast [here](#). Alternatively, the webcast can be accessed via the following link: <https://webcast.openbriefing.com/7108/>.

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

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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 9,200 clients, representing \$21.7 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 \$6.6 billion of assets across a diverse range of asset classes.