



29 August 2024

## FY24 Results Announcement

### ASX Announcement

#### Summary for the twelve months to 30 June 2024

##### Key highlights:

- Solid growth in revenue and contribution from E&P Wealth driven by growth in funds under advice and increase in proportion of FUA-based revenue; strong FUA growth to \$29.4 billion at period end.
- Resolution of legacy issues and exit from Real Asset funds business achieved.
- Encouraging momentum displayed across core businesses with growth in annuity-like revenue lines across all divisions.
- Whilst full year net revenue of \$140.9 million was down 16% on prior period and Underlying EBITDA of \$2.0 million was materially below FY23, second half revenue increased 8.8% on the first half, notwithstanding a 30.5% second half decline in E&P Funds revenue as a result of our exit from Real Asset funds. Similarly, second half EBITDA of \$6.6 million was significantly higher than first half EBITDA loss of \$4.7 million.
- Statutory loss after tax of \$27.7 million was heavily impacted by a non-cash goodwill impairment of \$19.3 million in E&P Capital recognised in 1H24.
- Cash balance of \$48.9 million and no debt as at 30 June 2024.
- No final dividend declared given the FY24 financial performance.

Managing Director and CEO, Ben Keeble said “Financial year 2024 was a transitional year, marked by several key developments as we resolved our outstanding legacy issues, reset our strategy for the future and solidified our core business. However, challenging market conditions impacted the level of activity in our transactional businesses as mentioned in our first half result.

The Group reached a settlement of the Representative Proceeding against EP1, DASS and former Directors, which was approved in the Federal Court, representing an important milestone in the resolution of legacy issues. Additionally, the transformation of the E&P Funds division was completed during the period.”

E&P Wealth delivered an improved result, with 8% growth in revenue on the prior period and a continued improvement in margins. The division continued to increase the proportion of client assets on FUA-based fees, which, subject to markets, should provide strong momentum for future periods.

E&P Capital delivered a softer divisional performance in light of challenging market conditions specifically impacting Corporate Advisory transaction volumes. The second half of the year, however, represented an improvement with net revenue up 47% on the first half. Prior period investment in our Research and sales capability continues to support the Institutional business which delivered solid revenue growth in FY24. The division again achieved strong results in the 2023 Peter Lee Associates’ Australian Equity Investors survey, which is an endorsement of the firm’s continued commitment to high quality, independent equity research.

E&P Funds completed the rationalisation of Real Asset strategies during the period, following the transition of US Solar Fund plc to a replacement Investment Manager, the wind-up of New Energy Solar Ltd and the US Masters

Residential Property Fund Ltd Responsible Entity internalisation. The Claremont Global strategy continues to expand its distribution network and product offering following the launch of its suite of Exchange Traded Managed Funds (ETMFs) in February 2024. As anticipated, while we have seen growth from E&P Fund's core equity strategies, the division's financial performance was softer than the prior period following the wind-up of the Real Asset funds and rationalisation of non-core strategies.

## Outlook

Looking ahead, the strategic growth pillars which underpin the Group's success and are central to shaping E&P's go-forward growth strategy are as follows:

- 1) Revenue growth: accelerating revenue growth across each of E&P Wealth, E&P Capital and E&P Funds;
- 2) Shareholder value: delivering sustainable returns to shareholders through a continued focus on operating efficiency and capital management;
- 3) People & values: attracting, retaining and incentivising our people; and
- 4) Offering and experience: enhancing our product offering for key segments and ensuring optimal client experience across the business.

With legacy issues resolved and business rationalisation complete, the active focus for the Group is on returning EP1 to long-term profit growth and restoring value for shareholders. This includes the consideration of formally applying to the ASX to delist the Company. The start of FY25 has been promising, with July trading consistent with the improved performance in the second half of FY24. The implementation of strategic initiatives aimed at driving revenue growth and enhancing operating margins continues to progress as planned.

Whilst the Board has not declared a full year dividend, the Board's current dividend policy is to target a full year dividend payout ratio of 75% to 85% of NPATA over time in a normal operating environment.

Further information regarding E&P Financial Group's results is set out in the Group's Financial Report and Investor Presentation for the full year ended 30 June 2024, which are available at [www.eandp.com.au](http://www.eandp.com.au).

## Results webcast

Managing Director & CEO, Ben Keeble and Chief Financial Officer, Robert Darwell will host a result webcast for investors at 10:30am today. The webcast can be accessed via the following link:

<https://webcast.openbriefing.com/ep1-fyr-2024/>

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 7,400 clients, representing \$29.4 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 \$2.2 billion of assets across international equities and private equity.