E&P

E&P FINANCIAL GROUP

Annual Report 2024

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Contents

"We exist to help our clients prosper. Focused on their objectives, we harness the collective expertise of our business to deliver their full potential.

David Evans – Non-Executive Chairman

FY24 Highlights

Key FY24 Achievements

Legacy issues resolved
Exit from Real Assets and URF Responsible entity internalisation complete; conclusion of Representative Proceedings

Wealth business refined and improved
Evans & Partners well positioned to take advantage of the positive momentum from the macro trends in wealth advice

Core business solidified
Group poised to capitalise on collective expertise across the business

Clients and community

~7,400
clients and families provided with access to quality financial services

$2.5b
for-purpose capital provided with specialist investment advice[1]

40:40:20
Diversity targets introduced across senior leadership and female representation

Innovate Reconciliation Action Plan
Launch of inaugural Innovate Reconciliation Action Plan (RAP)

Carbon Neutral
Group-wide operational (scope 1 and 2) Greenhouse Gas emissions, via renewable energy procurement[4]

$340,000 +
raised for community organisations through E&P and staff[3]

Financial measures

$29.4b
Funds under Advice

$2.2b
Funds under Management

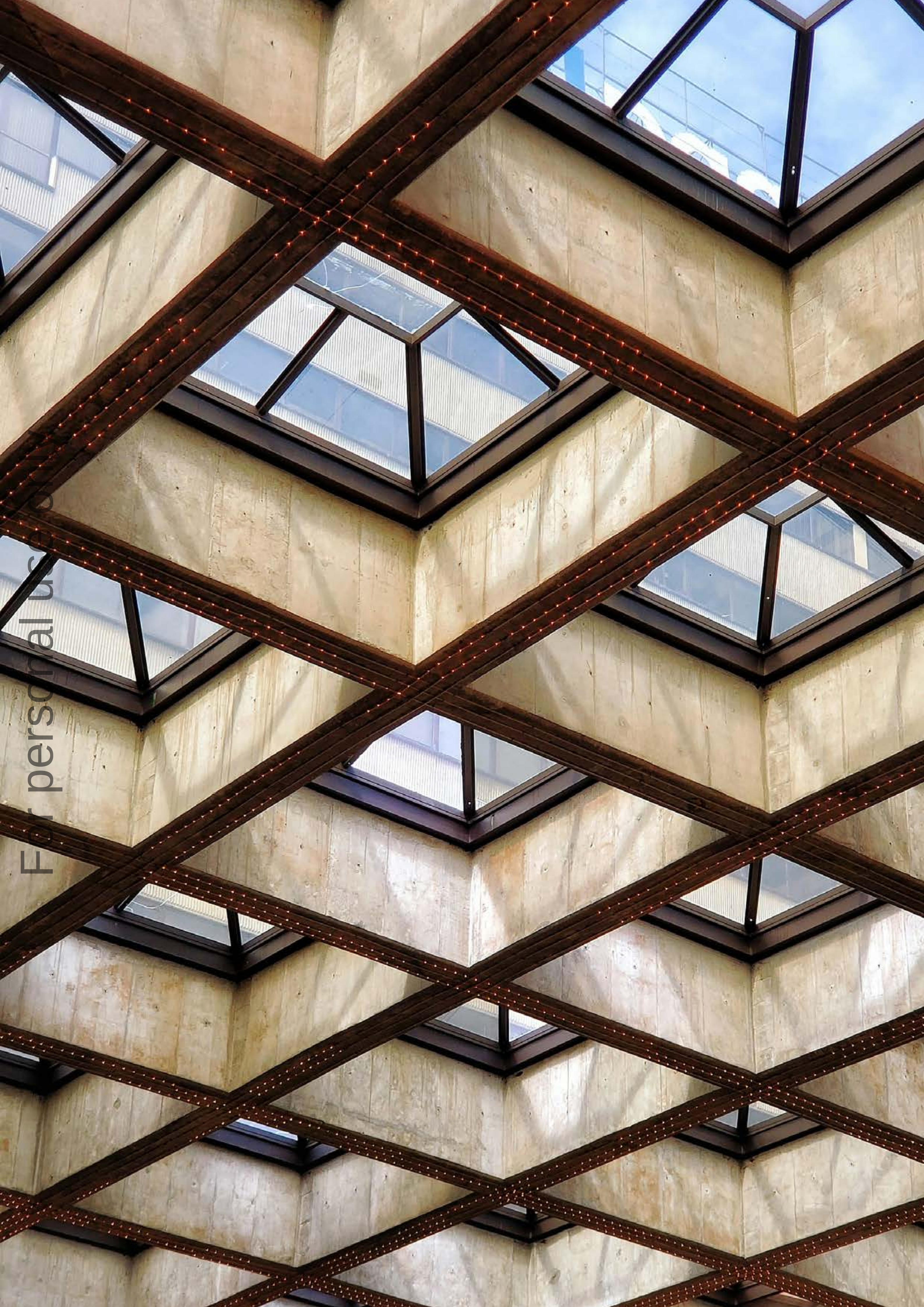
$148.8m
Total revenue[2]

$2.0m
Underlying EBITDA

$5.4m
Underlying NPATA loss

$27.7m
Net loss after tax

1 For-purpose capital includes foundations, endowments and other non-profit organisations
2 FY24 revenue excludes interest income of $1.8 million
3 Excludes industry sponsorships
4 Scope 1 and 2 emissions only, using market-based carbon accounting methodology



Chairman's Letter

E&P

David Evans
Non-Executive Chairman

On behalf of the Board of Directors and Management team, I am pleased to share with you E&P Financial Group's Annual Report for the financial year ended 30 June 2024.

During the period, settlement approval of the Representative Proceedings against Dixon Advisory & Superannuation Services Pty Ltd (DASS), E&P and former directors was achieved, bringing to a close the legacy issues that have faced the business for a number of years. The settlement that was approved by the Federal Court in April and funded in June allows our group to reset our strategy with a clear focus on servicing our valued clients. We maintain our will to continue to improve, innovate and value add to our service offering.

It was pleasing to see growth in ongoing annuity-like revenue across all divisions, particularly in E&P Wealth which continued to grow both Funds under Advice and the proportion of FUA-based revenue. The persistence of challenging market conditions for our transactional revenue and the costs associated with finalising the simplification of the Group did however, impact the financial result. The Corporate Advisory industry across the board has been challenging with very low levels of activity.

Overall, the Group recorded a statutory loss after tax of $27.7 million in financial year 2024, which was heavily impacted by a $19.3 million non-cash impairment of goodwill in E&P Capital recognised in the first half of the year. Underlying earnings before interest, tax, depreciation and amortisation (Underlying EBITDA) of $2.0 million and underlying loss after tax before amortisation of acquired intangibles (Underlying NPATA) of $5.4 million were both materially lower than the prior period.

While the overall financial result was disappointing, the second half of the year represented an improvement, as stronger capital market conditions and the ongoing growth of E&P Wealth led to a material uplift in Group performance. Despite the softer underlying result, we saw an opportunity to continue to invest in, refine and solidify our core businesses particularly within E&P Wealth, Claremont Global and our equities platform.

The Financial Services industry is a challenging industry to operate in at times. We now feel we have a real platform of growth to build upon. We ultimately have worked profoundly hard to serve and respect all of our stakeholders. Particularly our clients in a challenging period. Over the last few years our investment advice, backed by our research, has helped preserve our clients' wealth in volatile conditions.

In his first letter to shareholders as Chief Executive Officer, Ben Keeble will elaborate on this alongside the FY24 operational highlights.

Governance and Legal Matters

In November 2023, the Company reached a settlement on the matter of the Representative Proceeding against DASS, E&P and former directors filed by Shine Lawyers. This settlement was approved in the Federal Court in April 2024 and consequently, the proceeding was dismissed against E&P and former directors and permanently stayed against DASS. The Representative Proceeding filed by Piper Alderman was also dismissed against EP1 following the court approval of the settlement.

The approval of the settlement has brought to a close a long and challenging chapter in E&P's history. Importantly, it provides the opportunity for staff, clients and shareholders to move forward confident in the Group's future and its ability to grow.

Proposed Delisting of EP1

As recently announced, the Board of E&P has submitted a formal application to the Australian Securities Exchange (ASX) to be removed from the official list of the ASX. This formal request follows the Company obtaining in-principle approval from ASX subject to the satisfaction of certain conditions including shareholder approval at an Extraordinary General Meeting (EGM). For various financial and non-financial reasons, the Board believes that the Group's medium to long-term strategic objectives would be best pursued as an unlisted entity.

The delisting has been a key priority of our Board. E&P's Chief Executive Officer, Ben Keeble, provides further detail on the proposed transaction in his letter to shareholders overleaf.

Sustainability

At E&P, we have long integrated Environmental, Social, and Governance (ESG) considerations into our corporate strategy, internal governance, and client services. Having launched our formal ESG reporting program three years ago, we have taken significant steps over the course of that journey including across both our corporate footprint and in the development of sustainable investment solutions for our clients.

During the period, E&P developed and launched our inaugural Innovate Reconciliation Action Plan (RAP). Our commitment to supporting the self-determination of First Nations peoples and communities echoes our longstanding purpose – to empower our clients to prosper. While we join over 2,700 organisations who have formalised commitments through a RAP, E&P is particularly proud to be one of only 40 private 'Financial and Insurance' companies (as at date of RAP publication) with an Innovate RAP or higher. Moreover, we are proud that our existing work and the calibre of our strategy has been recognised at an 'Innovate' tier, rather than commencing within the 'Reflect' tier.

We also achieved carbon neutral scope 1 and 2 GHG emissions during financial year 2024. All of our Australian offices are subject to renewable energy (Greenpower) procurement arrangements with utility providers and landlords. Further reductions to total electricity consumption were also achieved during the period.

As our client commitments to sustainable investment increases, we are also pleased to have formalised bespoke services to meet a broader set of client needs within our Wealth business. For more information on the sustainable investment solutions we are offering our clients, please refer to our third annual Sustainability Overview which is available now on our website.

Dividends

The Directors have not declared a final dividend given the financial performance of the business in financial year 2024. We understand that dividends are important to our shareholders and as a Board, remain committed to improving profitability such that we can recommence declaring dividends for our shareholders.

Market conditions will continue to play a big role in our year ahead. Market challenges and volatility always are front of mind and we feel we have positioned the business well for the market conditions that might prevail.

On behalf of the Board, I would like to take this opportunity to acknowledge the commitment and hard work undertaken by all our staff across the business in order to provide an exceptional level of service and care to our clients. I would also like to thank our shareholders for your ongoing support and contribution. The business is embarking on a transformational change and I look forward to engaging with shareholders at the Extraordinary General Meeting on 24 October 2024.

Yours sincerely

David Evans

Non-Executive Chairman
E&P Financial Group Limited

Managing Director and CEO's letter

Ben Keeble
Managing Director and CEO

Observations from first year as CEO

In my first few months as Chief Executive Officer of E&P Financial Group, it has been pleasing to witness first-hand the strengths of the organisation which enable us to deliver outstanding performance to our clients.

Firstly, our people are exceptional, and this is something that comes across in every interaction I have with our clients and colleagues. I have been overwhelmingly impressed with the way our staff embody the values of the firm and work together so we can lead with the best ideas across our business. As I mentioned at the half-year result, a key objective of the Board and Management is to attract, retain and incentivise our people. Our team is key to our success and despite a period of significant turbulence over the past few years, have remained loyal to the firm and extraordinarily resilient.

Our collective expertise enables us to leverage our business units to enable our clients to navigate the increasing complexities of the financial landscape. This collective expertise means our clients have to access the intellectual capital of the broader group and the deep understanding of the global investment landscape that underpins our investment activities. We pride ourselves on our collaborative approach, where the shared wisdom and experience of our team members leads to superior outcomes for our clients and stakeholders.

Increased regulation and risk and compliance controls, rapidly evolving technology and the increasing complexities of global financial markets mean that size and breadth in wealth management is increasingly important. E&P's Wealth platform is a highly scalable strategic asset that allows us to efficiently grow our client base and funds under advice, with revenue growth linked to market performance and a clear objective of constantly improving operating margins.

In E&P Capital, we have made a number of new hires over the past couple of years, each of which has contributed significantly to the growth and development of our institutional and capital markets businesses. In a competitive environment, where the best talent is highly sought after, a differentiated offering is key. The consistency of client endorsement of our platform continues to be a highlight.

With the simplification of our Funds business complete, our focus is on the growth of Claremont Global, our strong performing global, long-only equity fund, increasing its penetration of the broader Australian wealth advice market.

Group Performance and FY24 Highlights

While the financial performance was well below expectations for financial year 2024, the core drivers of long-term shareholder value have continued to improve, most relevantly in our non-transactional businesses.

This is best demonstrated through strong revenue and earnings growth in E&P Wealth, but we have also seen a recovery in institutional brokerage and most notably in the second half of the year, increasing capital markets activity. The disappointing result in E&P Capital was indicative of a softer M&A market overall, but notwithstanding a mixed economic outlook, it is pleasing to see a stronger overall pipeline of activity in early financial year 2025.

The year was marked by several positive developments as we resolved the legacy issues that we have been working towards for a number of years. Firstly, the transformation of E&P Funds is now complete following the transition of US Solar Fund plc (USF) to a replacement Investment Manager, the wind-up of New Energy Solar Ltd (NEW) and the Responsible Entity internalisation for the US Masters Residential Property Fund Ltd (URF).

In April, the Federal Court approved a settlement of the Representative Proceedings, which David detailed in his letter. I would like to take this opportunity to thank all of those involved who worked tirelessly to bring about a conclusion to these proceedings. I will also take this opportunity to thank Peter Anderson, under whose guidance the Settlement Deed was executed in November last year, and of course, our Board of Directors for their steadfast support of the firm throughout this period. I would also like to acknowledge our team for their patience and unwavering focus on their clients whilst the Representative Proceedings were brought to a conclusion.

Segment Performance

E&P Wealth delivered strong financial performance through a combination of growth in Funds under Advice (FUA) and careful management of the cost base. Total Funds under Advice (FUA) increased 26% from the prior year, driven by growth in share of wallet and solid investment performance. Underlying EBITDA increased 34% on the prior period driven by revenue growth and active management of the cost base, leading to improved margins.

The financial performance of E&P Capital continued to be impacted by challenging market conditions, leading to materially lower earnings compared to the prior period. The second half of the year, however, represented an improvement, with revenue up 47% on the first half of the year. The division is working to capitalise on improved market conditions as we move into financial year 2025, with prior period investment in the platform positioning the business for future growth.

In the E&P Funds division it was pleasing to see continued growth in the Claremont Global strategy as the team further expanded the number of Independent Financial Adviser (IFA) groups and external investors in the fund. In an effort to further expand the growth channels of the Claremont Global strategy, two exchange-traded managed funds (ETMFs) were launched in February 2024, providing increased access to the strategy for investors. Whilst divisional revenue decreased by 51%, this is largely due to the wind-up of the real asset funds and rationalisation of non-core strategies. Moving into this financial year, the divisional financial performance will better reflect the future strategy for the business.

Delisting

As recently announced to the market and discussed in David's letter, the Board of EP1 has formally applied to delist from the ASX.

The Board considers that the delisting is in the best interests of shareholders and that value creation can be best achieved in an unlisted environment. The ongoing administrative, compliance and direct costs associated with maintaining the listing of the Company's shares on the ASX are disproportionate to the benefit obtained by remaining listed. Moreover, EP1's shares are highly illiquid, and the Group has limited requirements for incremental capital.

Furthermore, the Board considers that the Company will have greater flexibility to pursue and execute value enhancing strategic opportunities following the proposed delisting. The Notice of Meeting and Explanatory Memorandum provides a comprehensive summary of the rationale for delisting from ASX and the anticipated benefits.

Alongside the proposed delisting, the Board will also propose a resolution at the EGM to conduct an equal access off-market share buy-back at a price of $0.52 per share, conditional on the delisting being approved by shareholders. Acknowledging that there may be some shareholders who do not wish to remain on the register in an unlisted environment, the buy-back will provide shareholders the opportunity to partially or wholly exit their investment at a material premium to the three-month Volume Weighted Average Price.

The buy-back will be funded via a Placement of Convertible Notes and attaching Options of up to $12.5 million raised from E&P senior executives, certain existing shareholders, and through accessing a short-term debt facility of $12.5 million.

One of my main areas of focus as CEO is to establish the appropriate mechanisms to increase the level of staff ownership of the company to deliver stronger alignment with shareholders. The benefits of staff ownership in a 'people business' are well documented, providing increased engagement, an alignment of interests, the ability to attract and retain talent and increased financial reward. We anticipate that engaging the senior team in a meaningful way will create strong alignment to deliver value for shareholders as we move into the next phase of growth.

If the delisting occurs, the Company currently intends to explore undertaking an entitlement offer in the first half of 2025 with the capital raised to be applied towards refinancing the short-term debt facility. The entitlement offer would provide an opportunity for all shareholders who remain on the register to participate on broadly the same terms as the placement.

Looking Ahead

With a strong mandate from the E&P Board, the legacy matters resolved, and the simplification of the business complete, our overarching focus is on restoring E&P to long-term profitable growth and delivering for our shareholders. Whilst the Board is confident that this is best executed in an unlisted environment, the core strategy remains the same.

Since taking on the role of CEO in December 2023, in collaboration with the E&P Board and executive management we have refined the four key pillars that guide the Group's go-forward growth strategy:

1. Revenue growth – accelerating revenue growth across the Group
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
4. Offering & experience – enhancing our product offering for key segments and ensuring optimal client experience across the business

E&P will continue to invest in our value proposition for our clients, our staff and other important stakeholders. We will continue our efforts to make E&P an outstanding place for all employees to work and build their careers, with a team that reflects our client base and our community. Each of these steps will restore value in our equity and deliver consistent returns to our shareholders.

Yours sincerely

Ben Keeble

Managing Director and CEO
E&P Financial Group Limited

About E&P Financial Group

About E&P

Our Business

E&P Financial Group (E&P) is an ASX-listed business delivering financial services across wealth management, corporate advisory, institutional sales and trading and research. We provide high-quality, trusted financial advice for individuals, families, for-purpose organisations, corporates and institutions.

An unwavering focus on our clients drives everything we do. We help our clients realise their goals. They value our collective expertise that delivers knowledge and insights to help unlock opportunities and drive growth in a constantly changing financial and economic landscape.

Above all, our integrity underpins our thinking. And with our focus on building solid relationships, we are more than an adviser—we are a financial partner.

E&P's operations are grouped into three segments:

- E&P Wealth;

EVANS & PARTNERS

- E&P Capital; and

E&P

- E&P Funds.

Claremont Global

CD PRIVATE EQUITY FUND SERIES

E&P Wealth services approximately 7,400 clients, representing $29.4 billion in funds under advice as at 30 June 2024.

In E&P Capital we are an advisor to many leading Australian corporations and institutions through the provision of equity 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.

E&P has offices across Melbourne, Sydney, Canberra, Brisbane and Hong Kong.

About E&P

Continued

Serving Diverse Clients

We deliver a broad range of financial services to a diverse client base, including corporations, organisations and individuals.

In each part of our business, we strive to demonstrate the power of collaborative thinking, transformative strategies and an unwavering focus on addressing our client's needs.

Our Purpose

We empower our clients to prosper.

At the heart of our business is a philosophy that the best ideas are only formed when talented minds work together.

Our culture is one where clients benefit from our combined strengths. We cultivate enduring relationships which are centred on trust and guide our clients towards confident and well-informed decisions built on leading research and strategic insights.

Our People

At E&P, we are committed to creating a diverse and inclusive workplace that brings together a range of perspectives to meet the unique needs of our clients and shareholders.

By cultivating talent and investing in our people, we will help them realise their potential and expand the professional opportunities that will see them contribute positively to their colleagues, clients, and the broader community.

About E&P

Continued

Our Values

E&P Financial Group is a firm that is built on core values. The below values are a set of core beliefs that act as guiding principles that set the tone for our interactions with our clients and our people. They guide our decision making.

Client First

We always put our clients' interests first

Integrity

We are ethical and always act with integrity

Growth & Innovation

We are committed to continuous client, people and business growth

Respect & Inclusion

We treat people with honesty, transparency and dignity

Collaboration

We work together so we can lead with the best ideas

The Group's values connect to its Purpose of "We exist to help our clients prosper", and are underpinned by the following three purpose pillars:

Empower

We empower our people and clients

People

We are people centric

Prosper

We cultivate prosperity

Year in Review

Year in Review

E&P’s operations are grouped into three segments:

E&P Wealth	E&P Capital	E&P Funds
Provides a full-service solution for private clients through a complementary suite of wealth management services including strategic financial advice, investment advice, stockbroking, portfolio administration and reporting, self-managed superannuation fund administration and legal services. Revenues are primarily derived from asset-based advice fees, fee for service investment and financial advice and administration, and securities brokerage. The segment also receives fees for participation in equity and debt capital raisings.	Provides stockbroking and investment advisory services to institutional clients and advice to corporations, including advice on equity and debt capital market transactions, public markets and private treaty mergers and acquisitions, corporate divestments, private equity buyouts, debt financing and corporate restructurings. The segment generates revenue through institutional brokerage and securities execution commissions, corporate advisory services fees and debt and equity capital markets fees.	A specialist global fund manager with a portfolio of client assets under management across global listed equities and private equity. The segment generates its revenue primarily from investment management fees and performance fees.

Year in Review

Continued

Segment Operating Performance

E&P Wealth

For the period ($M)	FY23	FY24	VAR TO FY23	VAR TO FY23
Net revenue	83.2	89.9	6.7	8%
Direct expenses	(56.8)	(59.0)	(2.2)	4%
Allocated expenses	(13.3)	(13.4)	(0.1)	1%
Underlying EBITDA	**13.1**	**17.5**	**4.4**	**34%**
Underlying EBITDA margin	16%	20%	4% pts	
Closing FUA	23,393	29,369	5,976	26%
Average FUA	22,538	25,869	3,331	15%

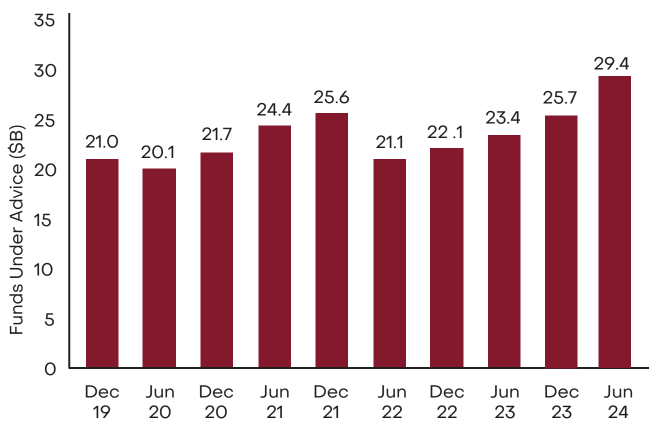
E&P Wealth generated net revenue of $89.9 million in the full year ended 30 June 2024, 8% higher than the $83.2 million recorded in the prior period. The strong revenue growth achieved reflects the ongoing benefit from the strategic initiatives to expand the full-service FUA-based advice offering. Annuity-like revenue was up 10% on the prior period, driven by Funds under Advice (FUA) growth as well as net client growth for FUA-based services and growth in Family Investment Office client numbers and FUA.

E&P Wealth underlying EBITDA of $17.5 million was 34% higher than the prior period due to revenue growth and active management of the cost base, leading to improved margins. Direct expenses were up a modest 4% on the prior period, reflecting a prudent approach to cost management in an inflationary environment.

Total E&P Wealth FUA was $29.4 billion at 30 June 2024, representing an increase of 26% over the year due to a substantial uplift in Family Investment Office client balances and growth in the value of existing client portfolios driven by increased share of wallet and solid investment performance. Pleasingly, the quality of E&P Wealth's FUA also improved over the year with more clients joining or transferring to a FUA-based fee service. At 30 June 2024, 69% of all client FUA was serviced under a FUA-based fee arrangement, up from 62% at 30 June 2023 and 41% at June 2020. These numbers are a reflection of the success of previous initiatives to transition the broader service offering to a contemporary FUA-based model.

Overall, total client numbers of approximately 7,400 as at 30 June 2024 were broadly stable compared to 30 June 2023, as full-service client growth led by Retail Wealth Management (RWM) was offset by a reduced number of clients on a fixed-fee arrangement.

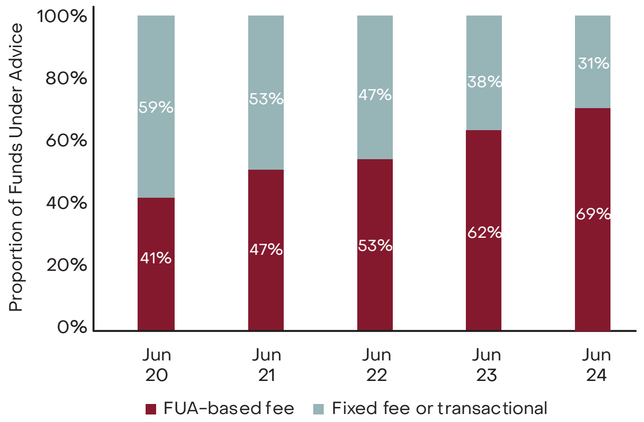
E&P Wealth FUA



Year in Review

Continued

Funds under advice by fee type



The focus moving forward for E&P Wealth will be the prosecution of new client and adviser growth led by centralised business development initiatives focused on targeted market segments with growing demand for wealth services.

E&P Capital

For the period ($M)	FY23	FY24	VAR TO FY23	VAR TO FY23
Net revenue	44.6	31.9	(12.7)	(29%)
Direct expenses	(27.7)	(23.2)	4.5	(16%)
Allocated expenses	(11.8)	(14.7)	(2.9)	25%
Underlying EBITDA	**5.1**	**(6.0)**	**(11.1)**	**n.m.**
Underlying EBITDA margin	12%	(19%)	(31% pts)	

E&P Capital net revenue for the year of $31.9 million was 29% lower than the prior period as challenging market conditions led to materially lower Corporate Advisory transaction volumes. Partially offsetting the softer Corporate Advisory result was solid revenue growth from the Institutional equities and fixed income business, which was 28% higher than FY23, reflecting prior period investment in the platform across sales, trading and equity research.

Underlying EBITDA for the period was a loss of $6.0 million, which was materially below the prior period. However, significant revenue improvement in the second half of the 2024 financial year, with net revenue up 47% on the first half, led to an improvement in second half earnings. While direct expenses were down 16%, primarily due to lower remuneration expenses, earnings were disproportionally impacted by the fixed component of the cost base.

During the year, E&P Capital continued its counter-cyclical investment in the equities platform with further senior hires. This historical investment was reflected in another strong result in the 2023 Peter Lee Associates' Australian Equity Investors survey. The results across each of sales, trading and research were as follows:

- Trading – 1st in Small Cap Trading
- Sales – 2nd in Sales Capability
- Research – Top 5 analysts in 5 sectors across Top 20 investors and 2nd in research Independence and Objectivity

Over FY24, the equity research team expanded its research coverage to 167 ASX securities under coverage as of 30 June 2024. This represents approximately 85% of the ASX200 by market capitalisation and is an increase of 18 securities since 30 June 2023.

1. Across Top 20 investors and All investors
2. Equal 2nd with the Top 20 investors

Year in Review

Continued

E&P Funds

For the period ($M)	FY23	FY24	VAR TO FY23	VAR TO FY23
FUM-based revenue	*24.3*	*16.3*	*(8.0)*	*(33%)*
Non-FUM-based revenue	*13.8*	*1.8*	*(12.0)*	*(87%)*
Performance fee	*1.2*	*1.0*	*(0.2)*	*(18%)*
Net revenue	39.3	19.1	(20.2)	(51%)
Direct expenses	(24.1)	(15.6)	8.5	(35%)
Allocated expenses	(4.2)	(3.3)	0.9	(21%)
Underlying EBITDA	**11.0**	**0.2**	**(10.8)**	**(98%)**
Underlying EBITDA margin	28%	1%	(27% pts)	
Closing FUM	4,308	2,239	(2,069)	(48%)
Average FUM	4,959	3,627	(1,332)	(27%)

E&P Funds recorded net revenue of $19.1 million, down 51% on the prior period following the exit of the Real Asset funds business.

E&P Funds recorded underlying EBITDA of $0.2 million, $10.8 million lower than the prior period, noting financial year 2023 included asset disposal fees associated with the Real Asset wind-down totaling $10.6 million. While direct expenses were 35% lower than the prior period driven by cost savings associated with the simplified and significantly reduced size of the business, they remain elevated compared to the go-forward cost base and are expected to decrease further as the cost savings are annualised over the next financial year.

Funds under Management (FUM) at 30 June 2024 was $2.2 billion, down 48% on the prior period following the rationalisation of Real Asset strategies through the transition of US Solar Fund plc (USF) to new investment management, wind-up of New Energy Solar (NEW) and Responsible Entity internalisation of the US Masters Residential Property Fund (URF).

During the year, the Group partnered with independent investment management firm Loftus Peak to transition investment management of the Global Disruption strategy. The arrangement served as a sustainable solution for the ongoing management of the strategy while maintaining the availability of the global disruption thematic to E&P's wealth clients.

The focus for E&P Funds moving forward is on the core Claremont Global strategy, which continued to deliver strong growth in expanding external distribution during the period. The Claremont Global strategy added over 40 new Independent Financial Adviser (IFA) groups to its platform for a total of 125 IFA groups invested in the strategy at period end. During the period, two ASX-listed Exchange Traded Managed Funds were launched for both the hedged and unhedged products. This development adds an important distribution channel for the strategy, complementing the existing unlisted unit trusts, managed discretionary accounts and separately managed accounts, that is expected to drive further growth. Overall FUM for the Claremont Global strategy was $1.4 billion at period end, which is up 6% driven by positive market movements and net inflows from external investors.

During the year, the Group received carried interest revenue totalling $1.0 million from the CD Private Equity Fund series. Receipt of further performance fees are conditional on the performance of the underlying portfolio companies.

Sustainability

At E&P, we have long integrated Environmental, Social, and Governance (ESG) considerations into our corporate strategy, internal governance,

Year in Review

Continued

and client services. Having launched our formal sustainability reporting program three years ago, we have taken significant steps over the course of that journey across both our corporate footprint and in the development of sustainable investment solutions for our clients.

During the period, E&P launched our revised Equity, Diversity & Inclusion program. As an organisation we recognise that our workforce must reflect the communities in which we work; our people must feel supported; and that organisations with diverse teams perform better. To help deliver this, we established a cross-divisional Diversity Working Group and set specific, measurable targets to ensure we take the required steps towards a more diverse and inclusive workplace. Diversity targets include areas such as company-wide female representation, 40:40:20 distribution within leadership, promotion pathways, and gender pay.

We also launched our inaugural Innovate Reconciliation Action Plan (RAP). Our commitment to supporting the self-determination of First Nations peoples and communities echoes our longstanding purpose – to empower our clients to prosper. While we join over 2,700 organisations who have formalised commitments through a RAP, E&P is particularly proud to be one of only 40 private 'Financial and Insurance' companies (as at date of RAP publication) with an Innovate RAP or higher. Moreover, we are proud that our existing work and the calibre of our strategy has been recognised at an 'Innovate' tier, rather than commencing within the 'Reflect' tier.

We delivered on our operational emissions reduction program, achieving carbon neutral scope 1 and 2 GHG emissions for the full year. All of our Australian offices are now subject to renewable energy (Greenpower) procurement arrangements with utility providers and landlords. We also embedded sustainability requirements and principles into the design and implementation of our new office fit-out in Melbourne.

We continue to deliver on our firm-wide community engagement program, including multi-year partnerships with key organisations such as Red Dust, and the Australian Business and Community Network (ABCN) mentoring programs. The E&P Social Committee at each office also coordinates local giving partnerships, to encourage greater staff participation.

We made further enhancements to our sustainability focused services to ensure we meet a broad set of client needs. Notably, we launched a turn-key Sustainable Core Multi-Asset Portfolio solution that aims to address some of the barriers in accessing professional and streamlined sustainable investment solutions for lower balance investors. Importantly, this initiative harnesses the firms extensive ESG intellectual property in a commercial way for the benefit of our clients.

For more information on the sustainable investment solutions we are offering our clients, please refer to our FY24 Sustainability Overview which will be launched alongside the Annual Report.

Non-IFRS Information

The Group utilises certain non-IFRS financial measures when assessing the financial performance of the Group. These measures which include net revenue, underlying Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) and underlying Net Profit After Tax before Acquired Amortisation (NPATA), are not prepared in accordance with IFRS and are therefore considered 'non-IFRS' financial measures. Management uses non-IFRS information, in addition to financial data prepared in accordance with IFRS to attain a more transparent understanding of the Group's performance. We use non-IFRS measures consistently in our internal planning and forecasting, to establish strategic goals and to allocate resources.

The Directors therefore believe that the non-IFRS measures provide useful information to assist investors and analysts to understand the business and its performance. The non-IFRS financial measures reflect adjustments for items or events that the Directors consider are not part of the usual business activities or reflect the underlying performance of the Company. The adjustments have been consistently applied in all reporting periods, regardless of their impact on the underlying result.

The table below sets out the adjustments to EBITDA and NPAT that were made for FY23 and FY24.

Underlying EBITDA and NPATA reconciliation in financials

For the period ($'000s)	FY23	FY24
Net profit / (loss) before tax	**(15,442)**	**(31,572)**
Interest revenue and finance costs	761	436
Depreciation, amortisation and impairment of PPE and ROUA	10,624	10,610
Impairment of goodwill, intangible assets and investments	19,250	19,273
EBITDA	**15,193**	**(1,253)**
Non-underlying adjustments		
Employee termination and other employee-related payments	1,930	1,443
Legal/regulatory proceedings and related costs (net of insurance)[1]	1,512	862
Additional net DOCA contribution	1,045	–
Other administrative costs	–	628
Net change in value of non-core investments[2]	547	282
Onerous contract expense / (benefit)	(464)	–
Underlying EBITDA[3,4]	**19,763**	**1,963**
Statutory NPAT	**(17,026)**	**(27,679)**
After tax amount of underlying adjustments	3,258	2,350
Amortisation of acquired intangibles	471	471
Impairment of property, plant and equipment	–	169
Impairment of goodwill	19,250	19,273
Underlying NPATA[5,6]	**5,953**	**(5,416)**

1 Regulatory proceedings and related costs are net of insurance recovery and include administrative costs incurred in relation to the DASS VA.

2 Non-core investments reflect the Group's legacy investment in an asset or enterprise that is unrelated to the core activities of the Group.

3 The FY24 Underlying EBITDA adjustments include employee-related payments of $1.4 million ($1.0 million after tax), $0.9 million in expenses relating to legal/regulatory proceedings and related costs ($0.6 million after tax), other administrative costs of $0.6 million ($0.5 million after tax) and net fair value adjustments on non-core investments of $0.3 million ($0.3 million after tax).

4 The FY23 Underlying EBITDA adjustments include employee-related payments of $1.9 million ($1.4 million after tax), $1.5 million in expenses relating to legal/regulatory proceedings and related costs ($1.1 million after tax), net DOCA contribution of $1.0 million ($0.7 million after tax), net fair value adjustments on non-core investments of $0.5 million ($0.4 million after tax) and net onerous contracts benefit of $0.5 million ($0.3 million after tax).

5 The FY24 Underlying NPATA excludes the impact of amortisation of intangible assets that arose from the merger with Evans & Partners, totalling $0.5 million after tax, a $19.3 million impairment in E&P Capital due to softer capital markets activity and outlook experienced across the industry as well as the impact of personnel changes and a $0.2 million impairment of right of use assets relating to the surrender of a US office lease.

6 The FY23 Underlying NPATA excludes the impact of amortisation of intangible assets that arose from the merger with Evans & Partners, totalling $0.5 million after tax and a $19.3 million impairment in E&P Capital due to soft capital markets activity and the impact of an elevated interest rate environment.

Year in Review

Continued

Balance Sheet and Capital Management

The Group continues the prudent management of its balance sheet in order to maintain a strong financial position through economic cycles, maintain the financial resources to take advantage of attractive investment or business opportunities that may arise, and to maximise shareholder risk-adjusted returns through the optimisation of the Group's debt and equity capital.

As at 30 June 2024 the Group held cash of $48.9 million and no debt. Cash and cash equivalents reduced by $4.4 million over the year primarily due to lower cash from operations given the reduced transaction volumes in E&P Capital. The Group's net cash position is supported by $16.8 million of investments in financial assets and equity accounted investments which continue to be monetised over time. During the period, the Group disposed of its principal positions in the now exited Real Asset funds, this included a full disposal of its interests in the URF and reduced its position in the US Solar Fund (USF) via the off-market tender offer in June 2024.

No final dividend was declared for financial year 2024 noting the financial performance of the business during the period. However, the Board's current dividend policy is for a payout range of 75% to 85% of NPATA over time in normal trading conditions.

Outlook

With legacy issues resolved and business rationalisation complete, the active focus is now on returning EP1 to long-term profit growth and restoring value for shareholders. This includes the consideration of formally applying to the Australian Securities Exchange (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.

E&P

Risk Management

Risk Management

Risk Management Framework

E&P's Risk Management Framework defines the minimum standards and processes for enterprise risk management across E&P Financial Group. It is the collective policies, procedures, systems, processes and people utilised to consistently and proactively identify, assess, monitor and manage risks to help the group achieve its strategic objectives.

The diagram below shows the various components of E&P's Risk Management Framework.

Risk Management

Continued

Risk Appetite	The type and amount of risk E&P is willing to accept in pursuit of its strategic objectives. The Risk Appetite sets risks limits and boundaries approved by the Board within every business must operate, and sets risks limits and boundaries.
Risk Governance & Reporting	The Risk Governance Model enables the Group to govern and manage the risks associated with its business operations, AFSL obligations, regulatory expectations and other financial services obligations.
Risk Policies	Risk policies direct how the business will manage its material risks and operationalise the Risk Appetite Statement.
Technology & Data	A robust Technology and Data Management environment helps manage technology and information security related risks and also supports an effective risks management framework.
Control Environment	A robust control environment will manage the Group's material risks within risk appetite.
Risk Identification, Measurement & Management	Captures and assesses all material risks which may impact the Group's ability to meet its strategic objectives.
Incident & Breach Management	Enables the Group to ensure timely and appropriate escalation, identification, assessment and management of incidents and breaches in compliance with the relevant financial services laws. A robust Incident and Breach Management Process also enables the business to identify risks, weakness in the control environment and implement management actions to prevent re-occurrence or similar incidents.

Risk Management

Continued

At the heart of E&P's Risk Management Framework is a sound risk culture which is underpinned by E&P's core values imbedded in the way we act and our company policies. E&P identifies the following as our values:

1. Client First – We always put our clients' interests first;
2. Integrity – We are ethical and always act with integrity;
3. Growth & Innovation – We focus on continuous clients, people and business growth;
4. Respect & Inclusion – We treat people with honesty, transparency and dignity; and
5. Collaboration – We work together so we can lead with the best ideas.

E&P promotes a sound risk culture which:

- supports transparency and openness of risks, events and issues;
- facilitates effective internal controls and risk reporting;
- encourages awareness of risks and responsibility for managing those risks;
- ensures that appropriate actions are taken in a timely manner for issues and risks identified that are outside of set thresholds and tolerances/limits; and
- ensures consequences are applied to employees for poor risk management behaviours.

E&P monitors and promotes its risk culture through the following mechanisms (not exhaustive):

1. Governance, risk and compliance frameworks, policies and procedures
2. Risk and compliance committee oversight
3. Risk and Control Self Assessments
4. Incidents and breaches and other KRI monitoring and reporting
5. Employee remuneration framework
6. Employee Competency Framework
7. Ongoing training and risk awareness
8. Consequence Management Framework

Risk Management

Continued

Three Lines of Defence

E&P continues to invest in and operate its Three Lines of Defence risk governance model to govern and manage the risks associated with its business operations, AFSL obligations, regulatory and community expectations and other financial services obligations. E&P's Three Lines of Defence model provides structured and multi-layered risk management with clear accountability and responsibility aligned to and supportive of E&P's strategic goals. This drives value preservation and creation across the group as individuals make more informed decisions in an efficient and effective manner.

The E&P Board, Audit, Risk and Compliance Committee, and other relevant committees will receive regular risk and compliance reporting to monitor performance of the Risk Management Framework.

Reporting includes key risk indicators which enables the monitoring of material risks:

- Line 1 are risk owners - Executive and local management, Responsible Managers, and other business roles are responsible for the identification, assessment and management of risks
- Line 2 – Risk and Compliance provide risk oversight and is responsible for developing and implementing policies, processes and procedures, as well as monitoring Line 1 compliance
- Line 3 – Internal Audit – external consultants responsible for conducting an independent and objective review on the adequacy, effectiveness of and compliance with the Risk Management Framework

Board

- Defines and owns the risk appetite
- Ensures a sound risk management culture is established
- Establishes the risk management framework
- Ensures independence of Line 2 function

1st Line of Defence
Risk Owners

- Involved in day-to-day management of risk
- Implement and action controls and risk management processes
- Supervise processes

2nd Line of Defence
Review and Challenge

- Oversee and challenge risk management
- Provide assurance over Line 1 monitoring
- Provide guidance and direction

3rd Line of Defence
Independent Assurance

- Review Line 1 & 2 processes on a regular basis
- Provide an independent perspective and challenge process

Risk Management

Continued

Key Risks

Regulatory Risk, Compliance and Legislative Change

The Company operates within a highly regulated environment that is subject to a range of legislative and regulatory compliance requirements. The Company through its operating subsidiaries holds a number of AFSLs and its operating subsidiary Evans & Partners is also an ASX Trading Participant and a Cboe Australia Trading Participant. These licences and authorisations are integral to the provision of the Group's core services and require continuing compliance, where failure to comply with the applicable laws and guidelines can have a material impact on the Group's performance. If the Company were to lose any AFSL or market participant status, the services it provides to its clients would be significantly disrupted and have severe ramifications on the Group's performance. Similarly, the legislative regime governing the Company's business is subject to changes. Changes in legislation and/or interpretation of the existing legislation may positively or negatively affect the Group. Changes to the laws governing the provision of financial product advice and investment management services could have a materially adverse impact on the Group. The Company cannot predict what legislative changes may be made in the future, or the impact of those changes. Changes to the interpretation of such legislation may have a similar effect and impact the Group's ability to continue to provide financial products and services in their existing capacity. This may have a materially adverse effect on the financial performance and prospects of the Group.

Changing Market Conditions

As a financial services group, the Company is affected by conditions in the global financial markets and economic conditions throughout the world. Future market and economic climate may deteriorate because of many factors beyond the Company's control, including rising interest rates or inflation or political uncertainty. Changing market conditions can adversely affect the Company by reducing the volume of transactions executed across the E&P Capital segment and by reducing the value of assets under management or advice in the E&P Funds and E&P Wealth segments, both of which would adversely affect the Company's revenue. Profitability may also be adversely affected if the Company is unable to sufficiently scale back costs to match any decreases in revenue.

Reputation and Brand Risk

The success of the Company largely depends on its reputation and branding. The E&P brand image and those of its operating subsidiaries is central to the Group's ongoing performance. The Group's image is influential in retaining existing clients and sourcing new clients across the Company's entire service offering. There is a risk that certain issues or events may adversely affect the reputation of the Company and its subsidiaries. In the event of such occurrences, the strength of the Company and its subsidiaries may be undermined resulting in loss of clients, failure to attract new clients and reduced demand for the Company's services. If risks to brand image and reputation were to eventuate this may result in materially adverse effects to the Company's financial performance and returns to Shareholders.

Risk Management
Continued

E&P's faces a number of key enterprise wide risks which include:

Strategic Risks

Risk	Description	Key Controls and Risk Mitigants
Changing investor / client requirements	The risk that our product or service range is not suitably diversified, viable or consistent with investor/client objectives and needs	■ Comprehensive group and divisional strategic planning and monitoring ■ Product and service selection, governance and oversight ■ Continued investment in systems, processes and people, and other improvement initiatives
Business model disruption	Risk that we suffer business model disruption due to technological innovations, competition or issues with our partners and counterparties	■ Ongoing technological and competitor analysis ■ Third Party Risk Framework
People risk	Risk that our people and employment practices negatively impact our ability to attract, retain and manage key employees	■ Employee Competency Framework and Career Map ■ Learning & Development ■ Succession planning ■ Employee wellness offering ■ Diversity and inclusion initiatives ■ Employee remuneration framework

Risk Management

Continued

Business Risks

Risk	Description	Key Controls and Risk Mitigants
Reputational risk	Risk that we suffer reputational damage impacting our relationships with clients, regulators, partners and shareholders	■ Code of Conduct ■ Employee awareness and training ■ Control framework incl. Supervision and Monitoring program ■ Incident and Breach Management ■ Complaints Handling process
Investment performance risk	Risk that we fail to deliver value for clients because our investments consistently underperform or fail to meet client expectations	■ Product selection, oversight and monitoring ■ Pre and post trade monitoring ■ Supervision and Monitoring program
Climate change risk	Risk that the physical risks of climate change and/or the transition to a low carbon economy negatively impact our business or the demand for our services	■ Greenhouse gas emissions footprint monitoring (investment portfolio and operations) ■ Operational emissions reduction initiatives ■ Corporate sustainability program and reporting
Business concentration risk	Risk that our business is insufficiently diversified in distribution channels, products, clients, markets, or income streams resulting in a decline in revenue if these change	■ Committee and Board oversight and monitoring ■ Revenue stream diversification
Financial risk	The risk that the group and/or its divisions have sufficient financial resources to operate	■ Finance division continuous monitoring and management ■ Committee and Board oversight and monitoring ■ Cost control discipline ■ Insurance management ■ Counterparty settlement risk framework

Risk Management

Continued

Operational Risks

Risk	Description	Key Controls and Risk Mitigants
Conduct risk	The risks of client and/or staff detriment arising from inappropriate conduct, management practice or behaviour, failure to manage conflicts, or failing to meet client needs, interests or expected outcomes due to our conduct or the conduct of third parties we engage	■ Policies and processes ■ Employee awareness and training ■ Supervision and Monitoring program ■ Committee and Board oversight and monitoring ■ Consequence Management Framework ■ Employee remuneration framework ■ Incident and Breach Management ■ Whistleblowing program ■ Third Party Management Framework
Regulatory risk	The risk arising from our failure to meet existing regulations or failure to respond appropriately to new regulations	■ Compliance frameworks, policies and procedures ■ Supervision and Monitoring program ■ Continued investment in Risk and Compliance systems ■ Dedicated Risk and Compliance function supported by internal and external legal ■ Line 1 Risk & Advice ■ Incident and Breach Management ■ Committee and Board oversight and monitoring ■ Employee awareness and training
Legal risk	The risk of legal claims and loss	■ Policies and processes ■ Incident and Breach Management ■ Supervision and Monitoring program ■ Complaints Handling process ■ Internal and external legal support
Process risk	The risk that a significant business process failure results in a material adverse impact	■ Incident and Breach Management ■ Policies and processes ■ Employee training ■ Continued investment in system development

Risk Management

Continued

Operational Risks

Risk	Description	Key Controls and Risk Mitigants
Fraud risk	The risk of internal or external parties defrauding the firm or our clients by circumventing processes or controls including those operated by our third-party providers	■ Supervision and Monitoring program ■ Compliance framework, policies and procedures incl. AML/CTF Framework ■ Third Party Management Framework ■ User access management, dual authorisation and segregation of duties ■ Employee awareness and training
Business Services resilience risk	Risk that we do not have sufficient processes and procedures in place to ensure that we can effectively recover our critical business services in the event of a severe disruption at a third party, to a system or to the availability of data	■ Business Continuity and Disaster Recovery Plan ■ Ongoing business continuity testing and simulations ■ Failover mechanisms ■ Multi-layered data back ups ■ Third Party Management Framework ■ 24/7 hardware assurance
Technology risk	Risk of failure to deliver scalability of systems and functionality which align with business and client expectations, that leads to a negative impact on the business and client experience	■ Project Management Framework ■ Third Party Management Framework ■ Continued investment in internal and external systems ■ Incident and Breach management ■ Operational efficiency reviews
Cyber risk	The risk that the business is impacted by confidentiality, privacy, security and data integrity due to the activities of a malicious insider or external party	■ Information Security Framework ■ Business Continuity and Disaster Recovery Plan ■ Data Breach Response Plan ■ 24/7 Security Operations Centre ■ Employee awareness, training and testing ■ Independent penetration testing ■ Incident and Breach Management
Conflicts risk	The risk that the business does not appropriately manage conflicts of interest resulting in regulatory or financial consequences	■ Conflicts Management Framework ■ Employee awareness and training ■ Supervision and Monitoring program ■ Committee and Board oversight and monitoring ■ Physical and electronic information barriers

Corporate Governance Statement

Corporate Governance Statement

Introduction

The board of E&P Financial Group Limited (the "**Company**") recognises the importance of good corporate governance and its impact on investor confidence. The board of the Company (the "**Board**") is responsible for the corporate governance of the Company and its related bodies corporate (the "**Group**").

This corporate governance statement documents the Company's key corporate governance practices that were put in place by the Company, in line with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) ("ASX Principles and Recommendations").

The various corporate governance policies and charters adopted by the Company and referred to in this document are available at www.eandp.com.au/investor-centre/.

Role and Responsibilities of the Board

The Board is responsible for the overall corporate governance of the Group. The Board monitors the operational and financial position and performance of the Group and oversees its business strategy, including approving the strategic goals of the Group and considering and approving its annual business plan and the associated budget.

The Board is committed to maximising performance, generating appropriate level of Shareholder value and financial return and sustaining the growth and success of the Group. In conducting the Group's business consistent with these objectives, the Board seeks to ensure that the Group is properly managed to protect and enhance shareholder interests and that the Group, its Directors, officers and personnel operate in an appropriate corporate governance environment.

The Board has adopted a written charter to clarify the roles and responsibilities of the Board members. The charter sets out:

- the Board composition;
- the Board's role and responsibilities;
- the relationship and interaction between the Board and management; and
- the authority delegated by the Board to management and Board committees.

A copy of the Board Charter is available www.eandp.com.au/investor-centre/.

Although the Board is ultimately responsible for the overall direction and performance of the Company and the Group, the Managing Director & Chief Executive Officer, under the direction of the Board, is responsible for the day-to-day management and operation of the Company.

Corporate Governance Statement

Continued

The below diagram summarises the Company's governance model.

Board

- **Audit, Risk & Compliance Committee**
- **People, Nomination & Remuneration Committee**

Managing Director & Chief Executive Officer

- **Chief Financial Officer**
- **Chief Risk Officer**
- **Executive Management**

Role of the Company Secretary

The Company Secretary is responsible for providing support to the Board and its Committees by:

- monitoring whether the Company's corporate governance policies and charters are followed;
- advising the Board and the Committees on governance related matters;
- coordinating distribution of Board and Committee packs;
- preparing meeting minutes for the Board and Committees; and
- coordinating induction and professional development for directors.

Company Secretaries will be appointed by the Board and will be directly accountable to the Board through the Chair.

Statement of Values

The Group's values inform decision making and set the tone for the Group's culture. The values are identified as:

- Client's First – We always put our clients' interests first;
- Integrity – We are ethical and always act with integrity;
- Growth & Innovation – We focus on continuous client, people and business growth;
- Respect & Inclusion – We treat people with honesty, transparency and dignity;
- Collaboration – We work together so we can lead with the best ideas.

The Group's values connect to its Purpose of "We exist to help our clients prosper", and are underpinned by the following three purpose pillars:

- Empower – we empower our people and clients;
- People – we are people centric;
- Prosper – we cultivate prosperity.

E&P

Corporate Governance Statement

Continued

Code of Conduct

The Company is committed to maintaining the highest ethical standards in the conduct of its business activities. The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board has adopted a formal Code of Conduct to be followed by Directors, senior executives, and other employees.

The key aspects of this code are to:

- articulate the high standards of honesty, integrity, and ethical, law-abiding, and values aligned behaviour expected of directors, senior executives, and other employees;
- encourage the observance of those standards to protect and promote the interest of shareholders and other stakeholders (including employees, clients, service providers and creditors);
- guide directors, senior executives, and employees as to the practices thought necessary to maintain confidence in the Company's integrity; and
- set out the responsibility and accountability of directors, senior executives, and employees to report and investigate any reported violations of this code, or any unethical or unlawful behaviour, or behaviour that does not align to our values.

The Code of Conduct requires that the Board of the Company is informed of any material breaches of the code.

A copy of the Code of Conduct is available at https://www.eandp.com.au/investor-centre/.

Appointment of Directors or Senior Executives

The Company has a formal process in place to ensure that appropriate background checks are undertaken before appointing a person as director or senior executive or putting forward to shareholders a candidate for election as a director. Background checks include verification of a candidate's experience, criminal record, and bankruptcy history.

Upon proposing a candidate for election or re-election as a director, the Company will provide shareholders with the relevant material information in its possession to allow shareholders to make an informed decision. This generally includes:

- biographical details of the candidate, including their qualifications, experience and skills which may be beneficial to the Board of the Company; and
- details of any current or past directorships held by the candidate.

Each director or senior executive is appointed by a formal letter or contract of appointment setting out the key terms and conditions of their appointment to ensure that each director or senior executive clearly understands the Company's expectations of him or her.

Corporate Governance Statement

Continued

Board skills matrix

The Company seeks to maintain a Board of Directors with a broad range of skills and diversity. The Board has developed the following matrix which lists the skills and industry experience across the five members of the Board as at 30 June 2024. This skills matrix is reflective of the Board as at 30 June 2024.

Skills	Number of directors
Leadership & Strategic Direction	5
Corporate Governance	5
Financial & Accounting	5
Risk Based Auditing & Risk Management	5
Legal & Regulatory Compliance	5

Industry Experience	Number of directors
Financial Markets	5
Wealth Management	5
Funds Management	5
Corporate Advisory	5
Sustainability	4

Composition of the Board for FY2024

The Company's Board as at 30 June 2024 comprised of the following persons:

Director	Position
David Evans	Non-Executive Chair
Ben Keeble	Managing Director & Chief Executive Officer
Tony Johnson	Executive Director
Sally McCutchan	Independent Non-Executive Director
Josephine Linden	Independent Non-Executive Director

Board appointments and resignations during the reporting period were as follows:

Director	Position
Ben Keeble	Managing Director & Chief Executive Officer (appointed 1 December 2023)
Peter Anderson	Managing Director & Chief Executive Officer (retired 30 November 2023)

Corporate Governance Statement

Continued

Detailed biographies of each of the above Directors are given in the Directors' Report (see pages 52-55 of the Annual Report), including the number of years in office, skills, experience and current and former directorships.

The ASX Principles and Recommendations state at Recommendation 2.4 that a majority of the board of a listed entity should be independent directors. While there is a majority of non-executive directors, only two are currently independent. Mr Evans was an executive employee of the Group for a number of years until 30 June 2022, accordingly, although now a non-executive, Mr Evans will be considered non-independent until such time as it can be determined that he complies with the criteria for independence. Notwithstanding that the Board is not majority independent, the Company believes the current Board composition is well positioned and appropriate as it continues through its strategic transition towards its next stage of growth.

The ASX Principles and Recommendations state at Recommendation 2.5 that the chair of a listed entity should be an independent director and should not be the same person as the CEO of the entity. The Directors have reserved absolute discretion to determine the appropriate composition of the Board and have determined not to follow Recommendation 2.5 to the extent that it recommends the Chair position be held by an independent Director. The Chair throughout the reporting period was Mr Evans, who is not the CEO of the Company. Mr Evans will be considered a non-independent Non-Executive Chair until such time it can be determined that Mr Evans complies with the criteria for independence. The Company believes it remains appropriate for Mr Evans to be the Chair given he is the founder of Evans & Partners and has deep experience and knowledge in the industry sectors in which the Group operates. Mr Evans also has a proven track record of facilitating effective contributions from all Company directors and of promoting constructive relations between directors and also between the Board and Group management. Further, Mr Evans' transition to a Non-Executive function from 1 July 2022 has strengthened the separation between Group management and the Board's oversight of such management.

The Company's Board Charter provides that the Board has the ability to appoint a lead independent director where the Chair of the Company is not independent. The lead independent director's responsibilities include:

- perform the role and function of the Chair in the absence of the Chair for any reason;
- be available to facilitate (as appropriate and required) Chair succession planning, approvals and actions required to be performed by the Chair where the Chair may be conflicted;
- support in the performance evaluation of the role and function of the Chair; and
- act as a separate channel of communication for security holders in particular where those communications may concern the Chair.

The Board has not considered it necessary to formally appoint a Lead Independent Director at this time.

Equity, Diversity & Inclusion

The Group strives to have a workforce that reflects the community in which it works, and the clients that it services. The Group aims to be an employer of choice, attracting and retaining the best talent in the financial marketplace at all levels, up to and including the Board.

The Board recognises the importance of focusing on equity, diversity and inclusion and supports the Group in its strategic focus to deliver a range of positive outcomes for its people, clients, and shareholders. The Group believes that embracing equity, diversity and inclusion in its workforce contributes to the achievement of its corporate objectives and enhances its reputation.

The Company has adopted a Diversity & Inclusion Policy which outlines the Company's commitment to achieving diversity across the Group. Under the policy, the Board is expected to establish measurable objectives for achieving gender diversity and to annually review and assess both the measurable objectives for achieving gender diversity and the Group's progress in achieving them.

Measurable objectives

As required by the Group's Diversity & Inclusion Policy, the Board is required to set measurable objectives with the goal of increasing workplace diversity across the Group.

The Board had previously set measurable gender-based objectives that it maintained across FY22 and FY23. During FY24, the Group established a Diversity, Equity & Inclusion (**DEI**) Working Group to develop a new DEI strategy which was adopted by the People, Nomination and Remuneration Committee (**PNRC**) and the Board. The strategy encompasses key targets under four clear areas of focus:

- Recruitment & Career;
- Policies & Practices;
- Clients & Networking; and
- Gender Pay.

Corporate Governance Statement

Continued

In connection with the above, the following new measurable objectives and associated targets were set for FY24 and beyond:

Objective	Target	Achieved
Female Representation	Year-on-year improvement by 30 June 2025	Achieved
	Increase female representation to 40% by 30 June 2026	36%
40:40:20 in Leadership	The Board to maintain 40:40:20 in leadership	Achieved
	Improve representation on the senior leadership team to 40:40:20 by 2029	22:71:7
Promotion	Promotion ratio to remain at 50/50	Achieved
Intern & Graduate Recruitment	50% female intern and graduate hires each year	Achieved
Gender Pay	Year-on-year reduction of like-for-like gender pay gap to be no greater than 2% by 2029.	Not applicable[1]

Table Notes: [1]Initial data point is 3.7% as at October 2023. First year-year on comparison will be published in FY25 Corporate Governance Statement

Gender diversity data

The proportion of men and women employed by the Company as at 30 June 2024 is set out in the table below.

Level	Men	Women	Total Staff
Board	60%	40%	5
Key Management Personnel (excluding Directors)	100%	0%	2
Other executives/managers	79%	21%	86
All other employees	58%	42%	253
Total	**64%**	**36%**	**346**

Corporate Governance Statement

Continued

Induction and Ongoing Professional Development for Directors

The Company has adopted an induction program which is used for the induction of new directors of the Company. The purpose of the program is to provide new directors with an overview of the organisation, its activities and to position them to discharge their responsibilities effectively and to add value.

Under the program, an induction meeting will be held with each new director. The new director will be given the opportunity to meet with the Chair, other directors, key executives (CEO, CFO and CRO) and management to gain an understanding of the Company's structure, business operations, history, culture and key risks. If the new director is not familiar with the legal framework that governs the entity, the director will also be provided with training on their legal duties and responsibilities as a director under the key legislation governing the Company and the listing rules. If the new director does not have accounting skills or knowledge, they will receive training on key accounting matters and on the responsibility of directors in relation to the financial statements. On appointment, the directors of the Company are individually briefed by the Board, CEO, CFO and senior management.

The Company Secretary is responsible for facilitating the induction and ongoing development of all directors, and where necessary, from time to time, may recommend relevant courses and industry seminars which may benefit the directors and assist members in discharging their duties.

The Board regularly participates in educational sessions in areas of relevance to develop and maintain the skills and knowledge needed to perform their role as director.

Board Performance Evaluation Process

The Board has delegated the responsibility to the PNRC for establishing processes to evaluate the performance of the Board, and the committees, both collectively and individually. The Company has adopted the following evaluation process:

- on an annual basis, each director must complete an evaluation questionnaire concerning the Board, Committees and each individual director;
- the Chair of the People, Nomination and Remuneration Committee is responsible for collating the responses from each director and presenting the aggregated information to the Board for discussion and feedback; and
- results from the current questionnaire may be benchmarked against data gathered through the performance evaluation process conducted in prior years.

A performance evaluation for the Board was undertaken for the relevant period in accordance with the processes described above.

Corporate Governance Statement

Continued

Senior Executive Performance Evaluation Process

The Company has entered into an employment contract with each of its senior executives setting out the terms and conditions of their employment.

The Board is responsible for regularly reviewing the performance of key senior executives against measurable and qualitative indicators as decided by the Board. The People, Nomination and Remuneration Committee is responsible for annually reviewing the performance of the Group CEO against the achievement of strategic and financial objectives of the Group in addition to a review of the Group CEO's personal performance in respect of his leadership of the Group.

The Group CEO is responsible for annually reviewing the performance of the Executive Key Management Personnel. Performance review criteria vary according to the individual's role but include (as appropriate) financial performance, risk management, business and people leadership and culture.

A performance evaluation for the senior executives, including the CEO in relation to FY2024 was undertaken in accordance with the processes described above.

Policies

Fraud and Corruption Policy

Any fraud or corruption committed against the Company is a major concern to the Company. The Company requires all officers, Associates and employees at all times to act honestly and with integrity and to safeguard the Company resources for which they are responsible. The Company is also committed to protecting all revenue, expenditure and assets from any attempt to gain illegal financial or other benefits. Accordingly, the Board has adopted a fraud and corruption policy.

The Fraud and Corruption Policy applies to all officers and employees (including directors, executives and managers) of the Company and the Group. Where an incident is considered a material breach of the policy, the Board will be notified in accordance with the reporting procedures. A copy of the Fraud and Corruption Policy is available at www.eandp.com.au/investor-centre/.

Whistleblowing Policy

In line with the Company's expected standards of conduct and culture, the Company has adopted a Whistleblowing Policy which aims to promote a culture of compliance, honesty and ethical integrity by providing an avenue, without fear of persecution or intimidation, for the reporting of improper conduct or behaviour (i.e. wrongdoing). Improper conduct or behaviour may relate to the Company's business activities, licensing conditions, internal policies and other standards of behaviour expected of the Company's employees.

Corporate Governance Statement

Continued

The Board of the Company encourages all individuals associated with the Company to report suspected instances of wrongdoing that could potentially harm the Company's employees, its assets, and the Company's long-term sustainability and reputation. The Company has zero tolerance for any breach of the policy. Any material breach of the policy is required to be reported to Board.

A copy of the Whistleblowing Policy is available at www.eandp.com.au/investor-centre/.

Securities Trading Policy

The Company has adopted a Securities Trading Policy which applies to the Company, its directors and officers, and to Group employees, including those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly (i.e. key management personnel) and associates of the Company directors, officers and employees (**Associates**).

The policy is intended to explain the types of conduct in relation to dealings in shares of the Company that are prohibited under the Corporations Act and establish procedures in relation to Directors, officers, employees, key management personnel or Associates dealing in shares of the Company.

The Securities Trading Policy defines certain 'trading windows' during which trading in shares of the Company by directors, officers and certain key management personnel is permitted. In all instances, buying or selling of shares of the Company is not permitted at any time by any person who possesses price-sensitive information.

A copy of the Securities Trading Policy is available at www.eandp.com.au/investor-centre/.

Market Disclosure Policy

The Company is required to comply with the continuous disclosure obligations of the ASX Listing Rules and the Corporations Act. The Company is committed to observing its continuous disclosure obligations and has adopted a Market Disclosure Policy which establishes procedures that are aimed at ensuring that directors and management are aware of and fulfil their obligations in relation to the timely disclosure of material price sensitive information. The CEO, in consultation with the Board, will review the policy as often as it considers necessary.

The Board is responsible for monitoring compliance with the policy. The CEO, CFO, Company Secretary and any other persons nominated by the Board from time to time have the responsibility for managing the Company's compliance with its continuous disclosure obligations. The disclosure officer will be responsible for the disclosure of material information to the ASX. Any items of materiality that require disclosure require the approval of the chair of the Board prior to release.

The Board receives copies of all announcements promptly after they have been made.

All presentations containing price-sensitive information which may be presented to potential or substantive investors/analysts, are published on the ASX ahead of presenting. A copy of the Market Disclosure Policy is available at www.eandp.com.au/investor-centre/.

Corporate Governance Statement

Continued

Shareholder Communications Policy

The Board's aim is to provide shareholders with sufficient information to assess the performance of the Company and to inform them of major developments affecting the affairs of the Company relevant to shareholders in accordance with all applicable laws. The Company has adopted a Shareholders Communications Policy which aims to promote effective communication with its shareholders and encourage effective participation at general meetings of the Company.

Information will be communicated to shareholders through the lodgement of all relevant financial and other information with the ASX and publishing information on the Company's website. In particular, the Company's website will contain information, including media releases, key policies and the terms of reference of its Board committees. All relevant announcements made to the market and any other relevant information will be posted on the Company's website as soon as they have been released to the ASX.

Each shareholder is provided online access to the Registry to allow them to receive communications from, and send communication to, the Company and the Registry. The Board encourages full participation of shareholders at the annual general meeting. Shareholders who are unable to attend the annual general meeting are given the opportunity to provide questions or comments ahead of the meeting and where appropriate, these questions are answered at the meeting. All substantive resolutions at a meeting of shareholders are decided by a poll.

The Company will ensure that its external auditor attends the Company's annual general meeting and is available to answer questions from the shareholders relevant to the audit.

A copy of the Shareholder Communications Policy is available at www.eandp.com.au/investor-centre/.

Board Committees

People, Nomination and Remuneration Committee

The Board has established a People, Nomination and Remuneration Committee to help the Board fulfil its statutory, fiduciary and regulatory responsibilities and achieve its objectives to seek to ensure that the Company:

- has a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- has coherent remuneration policies and practices to attract and retain executives and directors who can reasonably be expected to create value for shareholders;
- observes those remuneration policies and practices; and
- fairly and responsibly rewards executives having regard to the performance of the Group, the performance of the executives and the general external pay environment.

The People, Nomination and Remuneration Committee is also responsible for:

- identifying and recommending to the Board nominees for membership of the Board;
- annually evaluating the performance of the Board, both collectively and individually;
- reviewing, approving and recommending to the Board for adoption executive remuneration and incentive policies and practices;

Corporate Governance Statement

Continued

- reviewing the remuneration of Non-Executive Directors for serving on the Board and any committee (both individually and in total); and
- reviewing any insurance premiums or indemnities for the benefit of directors and officers.

The committee is governed by the People, Nomination and Remuneration Committee charter. The charter provides that the committee must comprise of at least three directors, majority of whom are independent directors. The chair of this committee must be an independent Non-Executive Director.

Members of the People, Nomination and Remuneration Committee during FY24 were:

- Josephine Linden (Chair, Independent Non-Executive Director)
- Sally McCutchan (Independent Non-Executive Director)
- David Evans (Non-Independent Non-Executive Director)

A copy of the People, Nomination and Remuneration Committee Charter is available at www.eandp.com.au/investor-centre.

Audit, Risk & Compliance Committee

The role of the Audit, Risk and Compliance committee is to assist the Board to carry out its role in overseeing the audit, risk management and compliance practices of the Company. The Committee is accountable to the Board for its performance.

The Audit, Risk & Compliance Committee has adopted a formal charter which includes the role and responsibilities of the committee. The charter provides that the committee must comprise of at least three directors, a majority of who are independent. All members of this committee must be able to read and understand financial statements and at least one member be a qualified accountant or other financial professional with experience of financial and accounting matters.

The CEO, CFO and CRO are standing invitees of each meeting of the committee. The chair of the committee (or a person nominated by the chair of the committee) must report to the Board following each meeting of the committee on all matters relevant to the committee's duties and responsibilities.

Members of the Audit, Risk & Compliance Committee during FY24 were:

- David Evans (Chair, Non-Independent Non-Executive Director)
- Sally McCutchan (Independent Non-Executive Director)
- Josephine Linden (Independent Non-Executive Director)

The ASX Principles and Recommendations recommend that a Board's audit committee have at least three members, all of whom are non-executive and a majority of whom are independent. There is no recommendation for the members of a Company's risk committee to be non-executive. Throughout the reporting period to 30 June 2024, the committee has met the recommended audit committee composition of three non-executive members, the majority of whom are independent.

The ASX Principles and Recommendations also recommend that the audit and risk committee chair be an independent director. Having regard to the current composition of the Board, it is considered that the committee is of sufficient

Corporate Governance Statement

Continued

size and independence and that the background of Mr Evans makes him an appropriate chair notwithstanding his non-independence.

More information on the number of committee meetings held during the reporting period and the individual committee member attendance can be found in the Directors Report on page 57.

A copy of the Audit, Risk & Compliance Committee Charter is available at www.eandp.com.au/investor-centre/.

Audit and Risk Management

Risk Management Framework

The Audit, Risk and Compliance Committee assists the Board with its oversight of the Company's risk management systems. The Committee assist the Board in ensuring that the Company is operating with due regard to the risk appetite set by the Board. Each of the Company's key underlying divisions maintain a risk management framework which is reviewed on a quarterly basis by the respective compliance committee of that division that is overseen by the Board. A formal review of the Company's risk management systems and respective division's risk management framework is undertaken at least annually.

An annual review of the Company's risk management systems has taken place during the reporting period.

Internal Audit Function

The Company does not currently have an internal audit function in place. For its current size and scale, the Company relies on senior executives and internal operational, risk and compliance teams to perform supervising and monitoring over the Company's risk management systems, internal controls and governance. The Company compliments this with the use of external consultants who will work with the executive, operational, risk and compliance teams. The Company regularly reviews the size and scale of its operations with respect to the suitability of establishing an internal audit function.

External Audit Function

The Audit, Risk & Compliance Committee is responsible for overseeing the external auditor who demonstrates independence. The performance of the external auditor is reviewed annually. The external auditor attends each Annual General Meeting where they are available to answer any shareholder questions about the conduct of the audit and the preparation of the auditor's report.

Environmental, Social and Governance (ESG) risks

The Board and management recognise the importance of effective Environmental, Social and Governance (**ESG**) practices as part of their responsibility to stakeholders. In FY22, the Company formalised an ESG framework and reporting approach structured around ESG focus areas considered to be material. These focus areas reflect the risks and opportunities identified by the Company and the issues of interest to our stakeholders.

Corporate Governance Statement

Continued

The approach to ESG risk is built around three key areas of focus: governance and conduct (our approach to ethical conduct and client-first outcomes), social capital (how we develop, retain and protect our staff and engage with communities), and natural capital (how we utilise ESG factors in our investment related activities and monitor and mitigate the environmental footprint of our operations). Material risks across these topic areas are overseen by the Board and supported by mechanisms that track, monitor and manage risk that may result in shareholder detriment.

Information on our identification process and management of material ESG risks are provided within our 'Sustainability Overview 2024' report available at www.eandp.com.au/investor-centre/.

Financial Statements Declarations

As required under section 295A of the *Corporations Act 2001*, the CEO and CFO are required to provide written declarations for a financial period confirming that in their opinion, the financial records of the Company have been properly maintained and the financial statements and accompanying notes comply with the Accounting Standards and give a true and fair view of the financial position and performance of the Company, based on their review of the internal control systems, management of risk, the financial statements and the letter from the Company's external auditor.

The CEO and CFO have provided a written statement in compliance with section 295A of the Corporations Act 2001 (Cth) in respect of the 2024 full year statutory accounts of the Company.

Prior to releasing any periodic corporate reports to the market which are not audited or reviewed by an external auditor, the Company ensures the corporate reports are reviewed in accordance with an internal verification procedure to ensure the integrity and accuracy of the information included in these reports are materially accurate. This verification process involves systemic checking by the internal finance, risk and compliance teams and Company officer or Board approval.

Remuneration Policies and Practices

The Company's policies and practices regarding the remuneration of Non-Executive Directors and the remuneration of executive directors and other senior executives are disclosed in the Company's Remuneration Report on pages 60-72 of the Annual Report.

Equity Based Remuneration Schemes

The Company has adopted a Loan Funded Share Plan (**LFSP**) and a share options/rights plan (**ORP**) for Australian-based employees. During the period the company has issued interests in the ORP for Australian-based employees to:

- provide an incentive for them to remain in their employment;
- recognise their ongoing ability and expected efforts;
- acknowledge their contribution to the performance and future success of the Group; and
- provide a means through which they may acquire shares in the Company and benefit from the potential growth in the Company's share price.

Corporate Governance Statement

Continued

On 18th December 2020, the Group announced the suspension of its Employee Share Plans. Aside from Key Management Personnel or to satisfy contractual obligations, the Group does not presently intend to grant further deferred equity to employees as part of the Group's discretionary bonus awards. This does not impact previously issued employee share options.

Further details of the LFSP and ORP are provided in the notes to the financial statements (see pages 112 to 114 of the Annual Report).

The Company's Securities Trading Policy prohibits directors, officers and employees of the Company from using derivatives in relation to any unvested Company shares in any way.

Directors' Report

Directors' Report

Introduction

The Directors of E&P Financial Group Limited (the **Company**) submit herewith the annual report of the consolidated entity comprising the Company and its controlled entities (herein referred to as the **Group**) for the financial year ended 30 June 2024. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Directors

The names and particulars of the directors of the company during or since the end of the financial year are:

- David Evans, Non-Executive Chairman
- Ben Keeble, Managing Director & Chief Executive Officer (appointed 1 December 2023)
- Josephine Linden, Independent Non-Executive Director
- Sally McCutchan, Independent Non-Executive Director
- Tony Johnson, Executive Director
- Peter Anderson, Managing Director & Chief Executive Officer (retired 30 November 2023)

Company secretaries

The following persons were company secretaries of E&P Financial Group Limited during the financial year and up to the date of this report:

- Mike Adams
- Robert Darwell (appointed 1 July 2024)
- Stephen Hill (retired 30 June 2024)

Directors' Report

Continued

Information on current directors

Chairman of:
Audit, Risk and Compliance Committee

Member of:
People, Nomination and Remuneration Committee

David Evans

David Evans has been a director of E&P Financial Group Limited since February 2017.

David is the Non-Executive Chairman of E&P Financial Group Limited, having initially established Evans and Partners Pty Ltd in June 2007.

Since 1990, he has worked in a variety of roles within JB Were & Son and then the merged entity Goldman Sachs JBWere Pty Ltd. Prior to establishing Evans and Partners, David ran Goldman Sachs JBWere's (GSJBW) Private Wealth business and the Institutional Equities business. His most recent role at GSJBW was as Managing Director and Chief of Staff.

He is a director of Seven West Media and a member of the People, Nomination & Remuneration Committee. He is a member of the Victorian Police Corporate Advisory Group and Chairman of Cricket Australia's Investment Committee. David holds a Bachelor of Economics from Monash University.

Ben Keeble

Ben was appointed CEO and Managing Director of E&P Financial Group in December 2023.

Ben has over 25 years' experience advising on public and private markets M&A, financings, trade sales and capital markets transactions, working with domestic and international private equity firms and corporates across a range of industry sectors.

Ben was formerly Head of E&P Capital and previously a Principal of Fort Street Advisers, acquired by E&P in 2018. Ben has also held roles as Head of Financial Sponsors and General Industrials at UBS Investment Bank and Managing Director at CVC Asia Pacific.

Ben has a Bachelor of Arts (Honours) degree in Modern Languages and Literature from the University of Bristol, is a Graduate of the Australian Institute of Company Directors and is on the Board of Governors of Wenona School.

Directors' Report

Continued

Chairman of:
People, Nomination and Remuneration Committee

Member of:
Audit, Risk and Compliance Committee

Josephine Linden

Josephine Linden has been a director of E&P Financial Group Limited since March 2018.

Josephine Linden is Founder and CEO of Linden Global Strategies, a wealth management advisory firm and multifamily office. She retired from Goldman Sachs as a partner and managing director in 2009, after being with the firm for over twenty-five years and was previously an Adviser to Goldman Sachs JBWere, Australia.

Josephine serves on private and non-profit boards. She is the Chairman of Lands' End, Director of Sears Hometown & Outlet Stores Inc. and member of the Advance Global Advisory Council. She is the financial adviser for The Prince of Wales Foundation.

She is a Trustee for the Collegiate School, and currently chairs the Financing Committee, sits on the Executive Committee and Investment Committee, and served as Treasurer.

She was an Adjunct Professor at the Business School of Columbia University, where she taught a class in wealth management, and currently teaches and moderates ad hoc sessions. She is a member of the Council on Foreign Relations.

Having spent her childhood and young adult life in Sydney, Josephine continues to maintain strong ties to Australia despite being based in New York City. Josephine is an active contributor to the Australian Consulate in New York and has had the honour of presenting at the Australia Day address on two occasions.

Directors' Report

Continued

Member of:
People, Nomination and Remuneration Committee

Audit, Risk and Compliance Committee

Sally McCutchan

Sally McCutchan has been a director of E&P Financial Group Limited since November 2021.

Sally McCutchan has extensive experience in finance, funds management and strategy, particularly in Asia Pacific markets.

She is currently the Chief Asset Management Officer of Breakthrough Victoria an independent investment company established by the Victorian Government. She is a Non-Executive Director and was previously the CEO of Impact Investing Australia (IIA), where she led the organisation's strategic direction and oversaw the delivery of several ESG and impact investment initiatives. IIA represent Australia on the Global Steering Group for Impact Investment and work closely with its member countries to grow opportunities for investments that deliver social, environmental and cultural benefits alongside financial returns.

Sally was also a Partner and the CEO of Bridges Australia, an independent affiliate of Bridges Fund Management, an international impact fund manager and has previously held senior roles with Accenture, Legg Mason, Citigroup and UBS.

Sally was a member of the Expert Panel of Australia's Social Impact Investing Taskforce and until recently served on the QBE Committee for Social Impact. She is also a non-executive director of Oxfam Australia and PNGSDP and previously served on the Boards of Indigenous Business Australia Asset Management, ygap and a National Australia Bank securitisation company.

Sally is a CPA and a Graduate of the Australian Institute of Company Directors. She received an Order of Australia for her work in Ethical investment in 2020.

Directors' Report

Continued

Tony Johnson

Tony Johnson has been an Executive Director of E&P Financial Group since June 2022 with a focus on identifying and developing growth opportunities across the group.

Tony is a company director and adviser, currently a Director of Bupa ANZ (Chair), Allianz Australia, Mercer Superannuation (Australia) Limited and Kieser Australia, Advisory Board member of Fujitsu ANZ (Chair), member of the Melbourne Cricket Club Committee, Melbourne Theatre Company Board of Management, The Royal Melbourne Hospital Foundation Committee, Executive Committee of UNSW Business Advisory Council and Trustee of the Collier Charitable Fund.

Previously Tony was a Partner and CEO of EY in Oceania, Managing Partner of EY's Financial Services business across Asia Pacific and member of EY Asia Pacific and global leadership teams. Over 34 years he combined firm leadership roles with client work at large Australian and global organisations predominately in the financial services sector.

Tony was formerly a member of Champions of Change Coalition, Leadership Council on Cultural Diversity, Business Council of Australia Committees, Business Advisory Board of Monash Business School and Board of ABCN.

Tony has a Bachelor of Economics, Master of Business Administration (Executive), Graduate Diploma in Applied Finance & Investment, Graduate and Member of the Australian Institute of Company Directors and recipient of a Distinguished Alumni Award from Monash University. He is a Fellow of the Chartered Accountants in Australia and New Zealand and a Fellow of FINSIA.

Information on previous directors

Peter Anderson

Peter Anderson was a director of E&P Financial Group from November 2021, until his retirement from the Board on 30 November 2023. Peter was previously the Chief Executive Officer of E&P Financial Group from July 2019 and Managing Director from November 2021.

Peter led a number of Australia's largest and most complex restructuring engagements including across the Global Financial Crisis. He had operational responsibility for the restructuring of many prominent listed Australian entities and structured finance projects across a broad range of industries, including Babcock & Brown, Slater and Gordon, Hastings Funds Management, Arrium, Wiggins Island Coal Export Terminal, Centro and McAleese. Peter regularly advised syndicates of banks, bond holders and hedge funds, as well as private equity investors.

Peter has a Bachelor of Commerce and Diploma of Finance from the University of Melbourne. He is a member of Chartered Accountants Australia and New Zealand and the Australian Institute of Company Directors and was an Official Liquidator.

Directors' Report

Continued

Information on current company secretaries

Mike Adams

Mike Adams has been joint Company Secretary and General Counsel of the E&P Financial Group since December 2021.

Mike has extensive experience as a lawyer across a broad range of corporate, commercial and private client sectors. His core practice areas have involved the provision of advice and transactional expertise in retail and wholesale financial products, related regulatory frameworks, debt and equity financing, intellectual property, and general corporate, among others.

Prior to his appointment as joint Company Secretary and General Counsel, Mike worked within the Group for a number of years as a consultant, providing legal services and carrying out board and committee functions. Before joining the Group, he performed private practice and in-house roles in Australia, New Zealand, and the United Kingdom across multiple industries, acting for financial institutions, high-net worth individuals, and listed and unlisted corporate entities.

Mike is admitted as a solicitor of the Supreme Court of NSW and holds a Bachelor of Laws from the University of Otago.

Robert Darwell

Robert has been Chief Financial Officer & Joint Company Secretary of E&P Financial Group since July 2024. Robert oversees the company's financial planning, risk management and reporting with a focus on group strategy and growth.

Robert brings a deep understanding of the E&P group built over his nine years with the company prior to his appointment as CFO in July 2024. During this time, Robert led the group's internal corporate finance function, with responsibilities covering corporate development, investor relations, FP&A, company secretary and broader group strategy execution.

Robert holds a Bachelor of Economics from the University of Sydney, a Diploma of Financial Planning (Kaplan), is a CFA charterholder and is a SEC registered investment adviser.

E&P

Directors' Report

Continued

Directors' meetings

The following table sets out the number of Directors' meetings (including meetings of committees of Directors) held during the financial year and the number of meetings attended by each Director (while they were a Director or committee member):

	Board meeting		**People, Nomination and Remuneration Committee**		**Audit, Risk and Compliance Committee**	
	H	**A**	**H**	**A**	**H**	**A**
David Evans	19*	19*	7	6	8	7
Ben Keeble	9*	9	#	#	#	#
Peter Anderson	10*	9*	#	#	#	#
Josephine Linden	17	15	7	6	8	8
Sally McCutchan	17	16	7	6	8	7
Tony Johnson	17	17	#	#	#	#

H – Number of meetings held during the time the Director held office during the year.
A – Number of meetings attended
Not a member of committee
*includes sub-committee meetings.

Principal activities and significant changes to nature of activities

The principal activities of the Group during the financial year were the provision of financial advice, investment advice, stockbroking services, self-managed superannuation fund administration, the management of investment companies and managed investment schemes, Responsible Entity services to managed investment schemes and advisory services to corporations on equity and debt capital market transactions.

The Group ceased providing Responsible entity services in June 2024, following the successful internalisation of Responsible Entity for the US Masters Residential Property Fund. There has been no other significant change in the nature of these activities during the year.

Directors' Report
Continued

Significant changes in state of affairs

There have been no other significant changes in state of affairs during the year.

Review and results of operations

The consolidated loss of the Group after providing for income tax amounted to $27.7 million (2023: loss of $17.0 million). Please refer to the section 'Year in review' on page 16 for further detail on the review and results of operations for the year ended 30 June 2024.

Dividends

Nil dividends (2023: Nil dividends) were declared or paid to shareholders during the year.

Subsequent Events

On 10 July 2024, the Group entered into a premium financing arrangement in the amount of $2.24 million, for the purposes of funding upfront premiums due in respect of Group insurance policies.

Other than the matters referred above, there has not arisen in the interval between the end of the year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Indemnification of officers and auditors

During the financial year, the Group has paid premiums to insure each of the directors and officers against liabilities for costs and expenses incurred by them, to the extent permitted by the *Corporations Act 2001*, in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the Company or a controlled entity, other than conduct involving a wilful breach of duty in relation to the Company or a controlled entity. This indemnity applied in the case of ASIC v Paul Ryan which remains before the Federal Court of Australia.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Environmental regulation

The Directors are satisfied that adequate systems are in place for management of the Group's environmental responsibility and compliance with various requirements and regulations in Australia and the United States of America. The Directors are not aware of any material breaches to these requirements, and to the best of their knowledge, all activities have been undertaken in compliance with environmental requirements.

Non-audit services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 8 to the financial statements. The Directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act.

Directors' Report

Continued

The Directors are of the opinion that the services as disclosed in Note 8 to the financial statements do not compromise the external auditor's independence, for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor.
- None of the services undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Auditor's independence declaration

The auditor's independence declaration is included immediately after this report on page 73.

Rounding off of amounts

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials/ Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

This directors' report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors,

Director: ....
David Evans

Director: ....
Ben Keeble

Dated: 29th August 2024

Directors' Report: Remuneration Report

This Remuneration Report, which forms part of the Directors' Report, sets out information about the remuneration of E&P Financial Group Limited's key management personnel for the year ended 30 June 2024. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. The prescribed details for each person covered by this report are detailed below under the following headings:

- Details of Key Management Personnel (**KMP**)
- Remuneration policies and practices
- Relationship between the remuneration policy and group performance
- Remuneration of Non-Executive Chairman and Non-Executive Directors
- Remuneration of Executive KMP
- Remuneration of Executive KMP – Executive Director
- Remuneration of Executive KMP – Managing Director & Chief Executive Officer
- Remuneration of Executive KMP – Chief Risk Officer
- Remuneration of Executive KMP – Chief Financial Officer & Joint Company Secretary
- Details of KMP remuneration
- Key terms of employment contracts – Executive KMP
- KMP equity holdings
- Other transactions with KMP

Details of Key Management Personnel (KMP)

The following persons are considered Key Management Personnel of the Group during the financial year:

Name	Role	Period
Current KMP		
David Evans	Non-Executive Chairman	1 July 2023 – 30 June 2024
Josephine Linden	Independent Non-Executive Director	1 July 2023 – 30 June 2024
Sally McCutchan	Independent Non-Executive Director	1 July 2023 – 30 June 2024
Tony Johnson	Executive Director	1 July 2023 – 30 June 2024
Ben Keeble*	Managing Director & Chief Executive Officer	1 December 2023 - 30 June 2024
Francis Araullo	Chief Risk Officer	1 July 2023 – 30 June 2024
Former KMP		
Peter Anderson*	Managing Director & Chief Executive Officer	1 July 2023 – 30 November 2023
Stephen Hill**	Chief Financial Officer & Joint Company Secretary	1 July 2023 – 30 June 2024

Note:
* Represents KMP for the portion of the year stated only
** Stephen Hill retired from the position Chief Financial Officer & Joint Company Secretary on 30 June 2024 and was replaced by Robert Darwell on 1 July 2024.

Directors' Report: Remuneration Report

Continued

Remuneration policies and practices

Executive remuneration and incentive policies and practices are performance based and aligned with the Group's vision, values and overall business objectives.

The Board established a People, Nomination and Remuneration Committee (**PNRC**) which operates in accordance with its charter approved by the Board, and which is responsible for reviewing compensation arrangements for the directors and executive management team and recommending these for approval by the Board. The PNRC monitors people, remuneration practices and performance to ensure good governance, risk management, equal employment opportunity and diversity. In doing so it takes into account the best interests of the Group as well as those of shareholders, clients and employees.

Executive remuneration and incentive policies and practices are designed to:

- motivate directors and senior management to pursue the Group's growth and success;
- demonstrate a clear connection between the Group's overall performance and the contribution and behaviours of executives; and
- motivate compliance with all relevant legal and regulatory provisions as well as the Code of Conduct of the Group and other relevant policies.

Relationship between the remuneration policy and group performance

The review of the performance of the Executive KMP includes both qualitative and quantitative factors, including delivery on strategic objectives, the financial performance of the Group and role-specific Key Performance Indicators (KPIs). The Board and PNRC take into account competitive remuneration including the market for talented executives in the financial services sector. The Managing Director & Chief Executive Officer's remuneration level, including annual bonus outcome, is recommended by the Non-Executive Chairman, considered by the PNRC and submitted to the Board for approval. The other Executive KMP and certain Senior Executives remuneration levels, including annual bonus outcomes, are recommended by the Managing Director & Chief Executive Officer, considered by the PNRC and submitted to the Board for approval. Non-Executive Directors receive a fixed fee.

The Group's annual financial performance for the current and past financial year is detailed in the Financial Reports. Group performance metrics for the last five financial years are also listed below.

Commencing during FY20, the Group implemented a significant restructure under the leadership of former CEO, Peter Anderson. This included an overhaul of the Group's governance structure and management team, the exit from the real asset funds management business, and a substantial reduction in the Group's operating infrastructure and cost base.

While much of the business restructure was completed by or during FY24, the Group's financial performance in FY24 was impacted by costs incurred in addressing the outstanding representative proceedings associated with the abovementioned legacy issues, in addition to challenging wider market conditions impacting the E&P Capital segment in particular.

Directors' Report: Remuneration Report

Continued

The Group's annual financial performance and indicators of shareholders' wealth for the current and past financial years are summarised below:

Group performance

	FY24	FY23	FY22	FY21	FY20	FY19
Net revenue ($ million)	140.9	167.1	193.3	187.9	191.8	212.1
EBITDA ($ million) [1]	(1.3)	15.2	25.2	10.5	34.4	35.1
Statutory NPAT ($ million)	(27.7)	(17.0)	6.3	(18.8)	(30.5)	16.8
Statutory EPS (cents per share)	(12.0)	(7.4)	2.8	(8.3)	(13.6)	7.5
Segment EBITDA ($ million) [2]	2.0	19.8	28.9	28.0	37.2	37.1
Segment NPATA ($ million) [2]	(5.4)	6.0	10.3	7.2	13.3	21.8
Share price at end of year	$0.440	$0.420	$0.485	$0.735	$0.535	$0.800
Dividends declared (cents per share) [3]	0.0	0.0	2.7	2.0	2.5	8.0
Key management personnel remuneration ($ million)	4.6	4.5	5.4	5.1	4.8	2.7

1 EBITDA is not an IFRS measure but has been presented to provide a comparable measure to the Segment EBITDA result. Please see note 4 within the Financial Report for further details

2 Please see note 4 within the Financial Report for further details

3 Franked at 100% at 30% corporate income tax rate

Remuneration of Non-Executive Chairman and Non-Executive Directors

Under the Constitution, the total amount of fees paid to all Directors for their services (excluding the salary of an Executive Director) must not exceed in aggregate $1,200,000 per annum in any financial year. Any change to this aggregate annual sum needs to be approved by Shareholders at a general meeting. The ASX Listing Rules require that the remuneration of Executive Directors must not include a commission on, or a percentage of, operating revenue.

Annual Directors' fees currently agreed to be paid by the Company to the Non-Executive Chairman is $275,000 per annum and to a Non-Executive Director are $175,000 per annum plus $25,000 per annum in aggregate if the Director is appointed a member of any Board committees for the Company.

Shares, options, rights and other share-based payments may be provided to Non-Executive Directors as part of their remuneration according to the rules of any share plan that has or may be introduced and adopted by the Company, subject to the Listing Rules and requirements of the Corporations Act. The value of any such shares, options, rights and other share-based payments will not be included in the aggregate maximum amount.

Remuneration of Executive Key Management Personnel

In this Remuneration Report, the term 'Executive KMP' is used to refer to Tony Johnson, Francis Araullo and Stephen Hill for the full financial year from 1 July 2023 to 30 June 2024. In addition, Peter Anderson was considered Executive KMP for the period 1 July 2022 to 30 November 2023 and Ben Keeble was considered Executive KMP for the period 1 December to 30 June 2024.

The Executive KMPs receive a variable level of remuneration. To achieve the aims of attracting, motivating and retaining capable individuals,

Directors' Report: Remuneration Report

Continued

remuneration for all employees includes a mix of fixed and variable remuneration components. The fixed component is delivered through a base salary inclusive of superannuation. The variable component is delivered through the annual discretionary bonus scheme. The process for determining remuneration as it applies to Executive KMP is described in this Remuneration Report.

Each Executive KMP is eligible to participate in the annual bonus scheme. Participation is determined through Executive KMP performance evaluation against group performance and individual performance, which includes an assessment of financial and non-financial measures including strategic initiatives and behavioural expectations for Executives.

Payment of bonuses are made in cash, with the Managing Director & Chief Executive Officer, Chief Financial Officer and Chief Risk Officer also offered the opportunity to participate in the previously established options/ rights plan (ORP), at the Board's discretion.

For the year ended 30 June 2024, the Board exercised its discretion and offered the opportunity to participate in the ORP to the Managing Director & Chief Executive Officer only. Participation in the ORP is subject to vesting conditions. Participants will forfeit their rights if the vesting conditions are not met. Participants who forfeit their rights will not be entitled to any gains. No performance hurdles are attached to the existing tranches under the ORP.

The review of salaries and the payment of bonuses to Executive KMPs is determined annually by the Board on recommendation from the People, Nomination and Remuneration Committee. Fixed remuneration reflects the role scope and the Executive's skills and experience.

In determining salary increases (if any) and the bonus amounts (if any) for Executive KMPs, the Board takes into account a range of factors including the performance of the Group, market remuneration levels, key metrics such as total compensation of all employees as a percentage of Group net profit, as well as the performance of each Executive KMP appropriately weighted to ensure shared accountability against financial and non-financial measures.

Remuneration of Executive Key Management Personnel – Executive Director

Tony Johnson commenced as Executive Director on 1 June 2022.

The key focus of Tony's executive role is to support strategic market and business development initiatives. The Board has the discretion to pay Tony a bonus should it deem that his business development performance in any given year was exceptional.

Tony has made a strong and valuable contribution to the Group in FY24 including in terms of business development, however a discretionary bonus is not considered appropriate by the Board for the year ended 30 June 2024.

Remuneration of Executive Key Management Personnel – Managing Director & Chief Executive Officer

Peter Anderson

Peter Anderson was recruited in July 2019 to become Chief Executive Officer from his previous role as Executive Chairman of McGrath Nicol. His executive experience, restructuring skills and leadership were consistent with the Board's mandate for a restructure to address

Directors' Report: Remuneration Report

Continued

significant issues facing the Group at that time.

As announced to the ASX on 29 June 2023, noting that the abovementioned restructuring program was expected to be completed by the end of 2023, and consistent with the Group's long-term succession plan, Peter Anderson stepped down from his role as Managing Director and Chief Executive Officer on 30 November 2023 and was replaced by Ben Keeble, who was previously Head of E&P Capital.

Upon his departure, the Board determined not to award a bonus to Peter for the FY24 period.

Ben Keeble

Ben Keeble was appointed Managing Director and Chief Executive Officer on 1 December 2023 with a clear agenda to drive and execute group strategy and deliver growth following the period of business transformation and simplification in previous years.

Ben's KPIs for the year ending 30 June 2024 were:

i. financial performance against FY24 reforecast;

ii. implementation and delivery of outcomes against the full Board approved strategic plan;

iii. adherence to, and promotion of, the company's values; and

iv. specific KPIs covering areas including;
   - promotion of firm culture, development and diversity,
   - maximisation of shareholder value,
   - stakeholder relationships, and
   - staff development and retention.

The Directors of the Board are unanimous in their view that Ben made an excellent start as the firm's CEO and in his first seven months has had a material impact on the business.

Ben assumed the leadership position after a disappointing first half financial result driven in large part by the challenging environment for M&A and capital markets transactions. Since his appointment, Ben oversaw a strong improvement in the second half of the financial year, particularly within E&P Wealth and the Institutional business.

Ben has seen overwhelming support from colleagues and delivered a strategic pathway to E&P's staff that has been widely endorsed and adopted. He has also continued his revenue generation role this year with a contribution to the company in developing new business opportunities.

Acknowledging the lack of share price appreciation and earnings growth the Board has taken a conservative approach to determining Ben's STI and LTI for FY24.

Taking into consideration these factors and his performance against KPIs, the Board approved Ben being awarded a:

- short-term incentive (STI) in the form of a $500,000 cash bonus, equating to 71% of the maximum STI payable (with the maximum full year STI target equating to $1,200,000 or 150% of his total fixed remuneration, equivalent to $700,000 when pro-rated for the period of the year as CEO); and
- long-term incentive (LTI) in the form of an opportunity to participate in the ORP to the value of $250,000, equating to 77% of the maximum LTI payable (with the maximum LTI target equating to $560,000 or 70% of his total fixed remuneration on a full year basis).

Directors' Report: Remuneration Report

Continued

Remuneration of Executive Key Management Personnel – Chief Risk Officer

Francis Araullo commenced as Chief Risk Officer on 9 June 2021. Francis's KPIs for the year ending 30 June 2024 were:

i. financial performance against FY24 Board approved budget;
ii. implementation and delivery of outcomes against risk and compliance aspects of the Board approved strategic plan;
iii. adherence to, and promotion of, the company's values; and
iv. specific KPIs covering areas including:
   - management of legal proceedings and interactions with regulators,
   - realisation of efficiency gains and enhanced reporting following rollout of an enterprise risk model and governance, risk and compliance system,
   - integration of Risk & Compliance training within enterprise-wide learning and development program,
   - management and resolution of ASIC proceeding and representative proceeding,
   - regulator engagement,
   - further development of cyber defence programs, and
   - staff development and retention.

Taking into consideration his performance against KPIs, the Board approved Francis being awarded a total discretionary bonus of $250,000, equating to 66.7% of this total fixed remuneration compared to a maximum of 66.7%. The Board exercised the discretion available to it under Francis' employment contract to award the bonus 100% in cash.

Remuneration of Executive Key Management Personnel – Chief Financial Officer & Joint Company Secretary

Stephen Hill commenced as Chief Financial Officer & Joint Company Secretary on 24 November 2022.

As announced to the ASX on 2 April 2024, Stephen stepped down as CFO and Joint Company Secretary on 30 June 2024, and was replaced by Robert Darwell from 1 July 2024.

In recognition of Stephen's contribution to the firm and his performance in FY24, including the orderly transition of leadership to Robert, the Board has determined to award Stephen a bonus for the FY24 year.

Stephen's KPIs for the year ending 30 June 2024 were:

i. financial performance against FY24 Board approved budget;
ii. implementation and delivery of outcomes against financial and operational aspects of the Board approved strategic plan;
iii. adherence to, and promotion of, the company's values; and
iv. specific KPIs covering areas including:
   - internal and external financial reporting quality and timeliness,
   - insurance coverage,
   - banking facilities,
   - monetisation of financial investments,
   - resourcing and leadership transition,
   - external audit efficiencies and relationship, and
   - staff development and retention.

Directors' Report: Remuneration Report

Continued

The Board determined that Stephen performed strongly against his KPIs for the period he was a KMP, however in light of his departure from the firm on 30 June 2024, Stephen was awarded a reduced total discretionary bonus of $100,000 for FY24, equating to 26.7% of this total fixed remuneration compared to a maximum of 66.7% The Board exercised the discretion available to it under Stephen's employment contract to award the bonus 100% in cash.

Details of key management personnel remuneration

Executive KMP	Period Start	Period End	Salaries & Fees	Bonuses	Other[1]	Superannuation	Long Service Leave	Options and rights	Total
Tony Johnson	1/07/2023	30/06/2024	$400,000	–	$300	–	$3,654	–	$403,954
	1/07/2022	30/06/2023	$393,675	–	($9,052)	$6,323	$1,185	–	$392,131
Ben Keeble[2,3]	1/12/2023	30/06/2024	$450,684	$500,000	($7,371)	$13,699	$7,781	$1,078	$965,870
	N/A	N/A	–	–	–	–	–	–	–
Francis Araullo	1/07/2023	30/06/2024	$347,605	$250,000	($2,668)	$27,399	$11,436	$26,194	$659,964
	1/07/2022	30/06/2023	$349,711	$162,500	($352)	$25,292	$9,444	$43,739	$590,334
Stephen Hill[4]	1/07/2023	30/06/2024	$347,604	$100,000	$25,591	$27,399	($31,203)	$1,120	$470,510
	24/11/2022	30/06/2023	$210,779	$97,500	($8,354)	$15,032	$3,750	$7,693	$326,400
Peter Anderson[2]	1/07/2023	30/11/2023	$488,588	–	$479,615	$13,699	($57,573)	$469,899	$1,394,228
	1/07/2022	30/06/2023	$1,174,726	$432,000	($25,794)	$25,292	$23,913	$559,808	$2,189,946
Paul Ryan[5]	N/A	N/A	–	–	–	–	–	–	–
	1/07/2022	23/11/2022	$168,705	$135,000	($6,923)	$12,038	$3,000	$37,999	$349,819
Non-Executive KMP									
David Evans	1/07/2023	30/06/2024	$247,748	–	–	$27,252	–	–	$275,000
	1/07/2022	30/06/2023	$249,708	–	–	$25,292	–	–	$275,000
Josephine Linden	1/07/2023	30/06/2024	$200,000	–	–	–	–	–	$200,000
	1/07/2022	30/06/2023	$200,000	–	–	–	–	–	$200,000
Sally McCutchan	1/07/2023	30/06/2024	$180,180	–	–	$19,820	–	–	$200,000
	1/07/2022	30/06/2023	$180,996	–	–	$19,005	–	–	$200,000
Total 2023-24			**$2,662,408**	**$850,000**	**$495,466**	**$129,268**	**($65,906)**	**$498,290**	**$4,569,528**
Total 2022-23			**$2,928,299**	**$827,000**	**($50,475)**	**$128,274**	**$41,292**	**$649,239**	**$4,523,630**

Notes

1 Other relates to annual leave, adjustments for movement in leave entitlements during the year and fitness allowances.

2 KMP for only the period listed during the year ended 30 June 2024.

3 As part of Ben Keeble's LTI, Ben has the opportunity to participate in the next issue of Share rights (expected to be in October 2024), to the equivalent value of $250,000).

4 Stephen Hill retired as Chief Financial Officer & Joint Company Secretary on 30 June 2024.

5 KMP for only the period listed during the previous year ended 30 June 2023.

Directors' Report: Remuneration Report

Continued

The table below provides the relative proportion of FY24 Executive KMP remuneration (for the period the individual was considered an Executive KMP), including bonuses:

Executive KMP	Fixed	Variable
Tony Johnson	100%	0%
Ben Keeble	48%	52%
Francis Araullo	58%	42%
Stephen Hill	79%	21%
Peter Anderson	66%	34%

Share based payments

As part of his LTI's in relation to the previous year ended 30 June 2023, Peter Anderson was awarded share options under the Group's Share options/rights plan (ORP) during the year ended 30 June 2024. Refer to note 33 for details of the Group's ORP.

No other Executive or Non-Executive KMPs were awarded share options under the Group's ORP during the year ended 30 June 2024.

The number of share options granted during this financial year was endorsed by the PNRC and approved by the Board, taking into account Peter's performance against KPIs with reference to his predetermined LTI target range in the previous financial year.

Details of the share options granted during the year to key management personnel are detailed below:

	Peter Anderson		
ORP	Tranche Y	Tranche AA	Tranche AB
Number of rights	296,468	296,468	296,468
Grant Date	15-Oct-23	15-Oct-23	15-Oct-23
Vesting Date	15-Oct-24	15-Oct-25	15-Oct-26
Exercise Expiry Date	15-Oct-30	15-Oct-30	15-Oct-30
Market value of shares at grant date	$0.4250	$0.4250	$0.4250

The value of share rights issued on 15 October 2023 to Peter Anderson was $378,000. This was determined by the Board as disclosed in the 30 June 2023 remuneration report after assessing Peter's service conditions and performance criteria for the year ended 30 June 2023.

During the financial year (since the grant date of 15 October 2023), there has been no alteration of the terms and conditions of the above share-based payment arrangements. Share rights will vest in future periods as per the dates included in the above table as per the conditions of the ORP.

Directors' Report: Remuneration Report

Continued

During the financial year (since the grant date of 15 October 2023), none of the above share option rights granted to Peter Anderson either vested, were exercised or were forfeited/lapsed.

During the financial year share rights granted to Peter Anderson, Ben Keeble, Francis Araullo and Stephen Hill in prior financial years vested, as per the below summary.

	Peter Anderson			Francis Araullo		Stephen Hill	Ben Keeble
ORP	**Tranche I**	**Tranche N**	**Tranche S**	**Tranche I**	**Tranche S**	**Tranche I**	**Tranche I**
Number of rights	395,108	379,517	405,515	26,431	46,790	23,519	38,884
Grant date	15-Oct-20	15-Oct-21	15-Oct-22	15-Oct-20	15-Oct-22	15-Oct-20	15-Oct-20
Vesting date	15-Oct-23	15-Oct-23	15-Oct-23	15-Oct-23	15-Oct-23	15-Oct-23	15-Oct-23
Exercise Expiry Date	15-Oct-27	15-Oct-28	15-Oct-29	15-Oct-27	15-Oct-29	15-Oct-27	15-Oct-27
Market value of shares at grant date	$0.5315	$0.5709	$0.5343	$0.5315	$0.5343	$0.5315	$0.5315

Key terms of employment contracts – Executive KMP

The major terms and conditions of the employment contracts of current Executive KMP are as follows:

Executive Director

A controlled entity of the Company, E&P Operations Pty Limited (E&P Ops), has entered into a contract of employment with Tony Johnson to govern his employment with the Group as Executive Director. Key provisions of the contract of employment are as follows:

- salary compensation of $400,000 per annum (including superannuation entitlements, where required);
- the ability to participate in E&P Operations Pty Limited (E&P Ops) bonus schemes applicable to the Executive Director which, subject to achievement of key performance indicators (which maybe based on individual performance, company performance or other financial or non-financial objectives), as determined by the E&P Financial Group Board in its absolute discretion;
- at any time, a right for either E&P Ops or the Executive Director to terminate the Executive Director's employment by giving three months' written notice;
- a right for E&P Ops to terminate the Executive Director's employment immediately without notice if it considers that he has engaged in serious misconduct;
- non-compete and non-solicitation restraints which operate for three and six months respectively from termination of his contract; and
- fourteen weeks annual leave per year as well as other customary leave entitlements.

E&P

Directors' Report: Remuneration Report

Continued

Managing Director and Chief Executive Officer

A controlled entity of the Company, E&P Ops, has entered into a contract of employment with Ben Keeble to govern his employment with the Group as Managing Director & Chief Executive Officer (CEO). Key provisions of the contract of employment are as follows:

- total salary compensation of $800,000 per annum (including superannuation entitlements);
- the ability to participate in any of the Group's short-term incentive (STI) arrangements applicable to the CEO with a target of up to 150% of total fixed remuneration;
- the ability to participate in any of the Group's long-term incentive (LTI) arrangements applicable to the CEO with a target of up to 70% of total fixed remuneration;
- the ability to be eligible for discretionary bonuses with respect to his contribution to revenue generated by the Corporate Advisory business unit within E&P Capital, as determined by agreement with E&P Capital and the E&P People, Nomination & Remuneration Committee, subject to the Company outperforming budget in the relevant financial year by a threshold percentage determined annually by the Board in its absolute discretion.
- at any time, a right for either E&P Ops or the CEO to terminate the CEO's employment by giving 6 months' written notice;
- a right for E&P Ops to terminate the CEO's employment immediately without notice if it considers that he has engaged in serious misconduct;
- non-compete and non-solicitation restraints which operate for twelve and six months respectively from termination of his contract; and
- six weeks annual leave per year as well as other customary leave entitlements.

Directors' Report: Remuneration Report

Continued

Chief Financial Officer & Joint Company Secretary

A controlled entity of the Company, E&P Ops, has entered into a contract of employment with Robert Darwell to govern his employment with the Group as Chief Financial Officer & Joint Company Secretary (CFO). Key provisions of the contract of employment are as follows:

- total salary compensation of $320,000 per annum (including superannuation entitlements);
- the ability to participate in E&P Ops' bonus schemes applicable to the CFO which, subject to achieving agreed performance metrics, represents up to $180,000 gross payment (on a pro-rated basis where relevant);
- consistent with other KMP, the ability to participate in the Company's share rights plan;
- eligible to receive referral bonuses in respect of client referrals made under the Company's business referral program prior to his appointment as CFO;
- at any time, a right for either E&P Ops or the CFO to terminate the CFO's employment by giving three months' written notice;
- a right for E&P Ops to terminate the CFO's employment immediately without notice if it considers that he has engaged in serious misconduct;
- non-compete and non-solicitation restraints which operate for three and twelve months respectively from termination of his contract; and
- four weeks annual leave per annum as well as other customary leave entitlements.

E&P

Directors' Report: Remuneration Report

Continued

Chief Risk Officer

A controlled entity of the Company, E&P Ops, has entered into a contract of employment with Francis Araullo to govern his employment with the Group as Chief Risk Officer (**CRO**). Key provisions of the contract of employment are as follows:

- total salary compensation of $375,000 per annum (including superannuation entitlements);
- the ability to participate in E&P Ops's bonus schemes applicable to the CRO which, subject to achieving agreed performance metrics, represents up to $250,000 gross payment (on a pro-rated basis where relevant);
- the Company may, at its election in part satisfaction of its obligation to pay the aforementioned bonus amount, apply up to 30% of this amount in an opportunity for subscription of shares in the Company's share rights plan;
- at any time, a right for either E&P Ops or the CRO to terminate the CRO's employment by giving three months' written notice;
- a right for E&P Ops to terminate the CRO's employment immediately without notice if it considers that he has engaged in serious misconduct;
- non-compete and non-solicitation restraints which operate for three and twelve months respectively from termination of his contract; and
- four weeks annual leave per annum as well as other customary leave entitlements.

Directors' Report: Remuneration Report

Continued

KMP equity holdings

The following table sets out each KMP's interest or that of related parties in equity instruments in the Company as at 30 June 2024:

	Equity instrument	Balance as at 1 July 2023	Purchased or granted during the year	Exercised during the year	Sold or lapsed during the year	Balance as at 30 June 2024
David Evans	Ordinary shares	16,131,156	–	–	–	16,131,156
	Share rights	–	–	–	–	–
	Loan funded shares	–	–	–	–	–
Josephine Linden	Ordinary shares	–	–	–	–	–
	Share rights	–	–	–	–	–
	Loan funded shares	–	–	–	–	–
Sally McCutchan	Ordinary shares	100,000	–	–	–	100,000
	Share rights	–	–	–	–	–
	Loan funded shares	–	–	–	–	–
Tony Johnson	Ordinary shares	200,000	–	–	–	200,000
	Share rights	–	–	–	–	–
	Loan funded shares	–	–	–	–	–
Ben Keeble[1]	Ordinary shares	5,985,416	–	–	–	5,985,416
	Share rights	–	–	–	–	–
	Loan funded shares	–	–	–	–	–
Francis Araullo	Ordinary shares	6,679	–	–	–	6,679
	Share rights	237,050	–	–	–	237,050
	Loan funded shares	126,365	–	–	–	126,365
Stephen Hill[2]	Ordinary shares	63,840	23,519	–	–	87,359
	Share rights	23,519	–	(23,519)	–	–
	Loan funded shares	104,110	–	–	–	104,110
Peter Anderson[3]	Ordinary shares	796,909	–	–	–	796,909
	Share rights	3,540,422	889,404	–	–	4,429,826
	Loan funded shares	–	–	–	–	–

Note 1 – Ben Keeble was appointed as Managing Director & Chief Executive Officer on 1 December 2023 and therefore the balance of equity instruments held as at 1 July 2023 represents the balance held at the date of appointment, accordingly all movements in equity instrument holdings disclosed reflect only those movements which took place during the period that Ben Keeble was a key management person.

Note 2 – Stephen Hill retired from the position Chief Financial Officer & Joint Company Secretary on 30 June 2024 and therefore the balance of equity instrument held as at 30 June 2024 represents the balance held at the date of retirement, accordingly all movements in equity instrument holdings disclosed reflect only those movements which took place during the period that Stephen Hill was a key management person.

Note 3 – Peter Anderson retired from the position Managing Director & Chief Executive Officer on 30 November 2023 and therefore the balance of equity instrument held as at 30 June 2024 represents the balance held at the date of retirement, accordingly all movements in equity holdings disclosed reflect only those movements which took place during the period that Peter Anderson was a key management person.

Other transactions with KMP

All transactions with KMPs and KMP-related entities are conducted on arm's-length commercial or employment terms.

During the financial year, KMP were charged for various services by the Group including international equities managed discretionary account services, funds under advice and brokerage totalling $242,103.

Auditor's Independence Declaration

Deloitte.

Deloitte Touche Tohmatsu
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Quay Quarter Tower
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Sydney, NSW, 2000
Australia

Phone: +61 2 9322 7000
www.deloitte.com.au

29 August 2024

The Board of Directors
E&P Financial Group Limited
Level 32
1 O'Connell Street
Sydney NSW 2000

Dear Board Members

Auditor's Independence Declaration to E&P Financial Group Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of E&P Financial Group Limited.

As lead audit partner for the audit of the financial report of E&P Financial Group Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

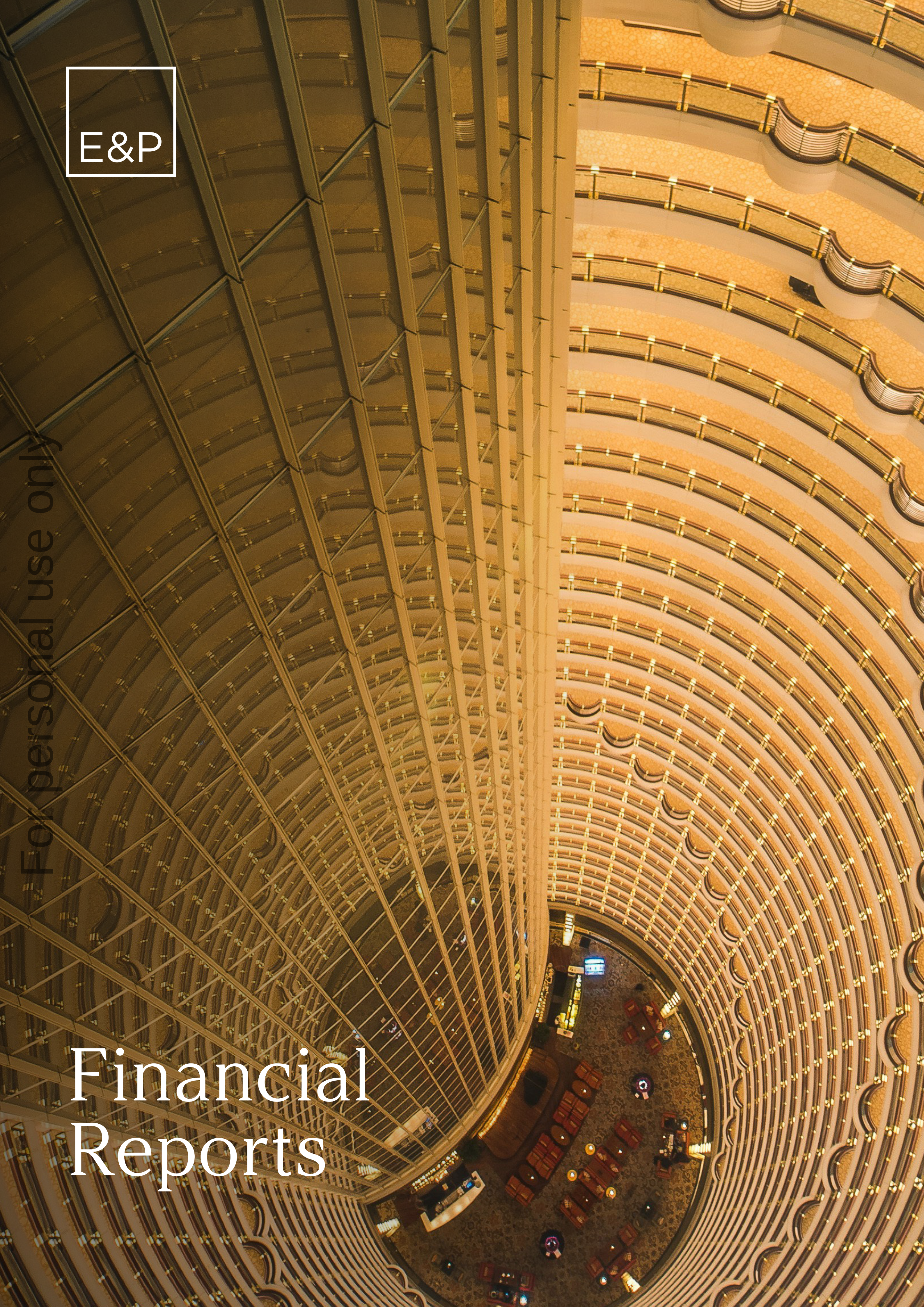
Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

David Haynes

David Haynes
Partner
Chartered Accountants

E&P



Financial Reports

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FOR THE YEAR ENDED 30 JUNE 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	2024 $'000	2023 $'000
REVENUE			
Provision of services	5	146,140	170,764
Interest		1,805	1,232
Share of profits of associates and jointly controlled entities		1,233	1,970
Gain on investments and leases		–	1,021
Other income	5	1,302	1,347
Total revenue		**150,480**	**176,334**
EXPENSES			
Employee benefits	6	(108,589)	(113,153)
Administrative expense		(10,977)	(14,854)
Occupancy		(1,270)	(1,319)
Depreciation and amortisation	6	(9,905)	(10,443)
Impairment of plant, equipment and right of use assets		(660)	(1,192)
Impairment of goodwill, intangible assets and investments	6	(19,273)	(19,250)
Information technology		(11,316)	(10,555)
Commissions		(7,650)	(6,768)
Finance costs	7	(2,242)	(1,994)
Legal proceedings and related costs, net of insurance	6	(842)	(1,114)
Deed of Company Arrangement		–	(1,045)
Other expenses		(9,328)	(10,089)
Total expenses		**(182,052)**	**(191,776)**
Profit/(loss) before income tax expense		**(31,572)**	**(15,442)**
Income tax benefit/(expense)	9	3,893	(1,584)
Profit/(loss) for the year		**(27,679)**	**(17,026)**
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(12)	164
Items that will not be reclassified subsequently to profit or loss			
Fair value loss on financial assets measured at FVTOCI		(1,743)	(1,385)
Total		**(1,755)**	**(1,221)**
Total comprehensive loss for the year		**(29,434)**	**(18,247)**
LOSS PER SHARE			
Basic (cents per share)	10	(12.0)	(7.4)
Diluted (cents per share)	10	(12.0)	(7.4)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

E&P

FOR THE YEAR ENDED 30 JUNE 2024

Consolidated Statement of Financial Position

	Note	2024 $'000	2023 $'000
ASSETS			
Current assets			
Cash and cash equivalents	12	48,905	53,284
Trade and other receivables	14	23,576	23,075
Investments in financial assets	18	4,487	5,929
Finance lease receivable	23	1,032	965
Prepayments		1,566	1,596
Deposits	13	–	5,578
Total current assets		**79,566**	**90,427**
Non-current assets			
Investments accounted for using the equity method	15	11,429	13,739
Investments in financial assets	18	853	3,062
Property, plant and equipment	19	14,111	7,831
Goodwill and other indefinite life intangible assets	20	55,954	75,227
Finite life intangible assets	21	6,738	7,651
Right of use assets	22	27,748	20,747
Deposits		3,473	3,465
Prepayments		38	168
Finance lease receivable	23	727	1,757
Other receivables		795	–
Deferred tax assets	9	7,065	2,662
Total non-current assets		**128,931**	**136,309**
Total assets		**208,497**	**226,736**
LIABILITIES			
Current liabilities			
Trade and other payables	24	10,362	10,113
Contract liabilities	25	7,768	5,545
Provisions	26	33,361	38,189
Lease liabilities	27	5,286	6,199
Other liabilities	37	429	–
Current tax liabilities	9	251	112
Total current liabilities		**57,457**	**60,158**
Non-current liabilities			
Provisions	26	1,887	1,999
Lease liabilities	27	37,867	24,374
Total non-current liabilities		**39,754**	**26,373**
Total liabilities		**97,211**	**86,531**
Net assets		**111,286**	**140,205**
EQUITY			
Share capital	28	317,539	317,889
Reorganisation reserve	29	(135,099)	(135,099)
Investment revaluation reserve	30	(3,770)	(1,945)
Foreign currency translation reserve	31	4,380	4,392
Share based payment reserve	32	13,723	12,858
Accumulated losses	34	(85,487)	(57,890)
Total equity		**111,286**	**140,205**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

FOR THE YEAR ENDED 30 JUNE 2024

Consolidated Statement of Changes in Equity

	Share capital $'000	Re-organisation reserve $'000	Foreign currency translation reserve $'000	Share based payments reserve $'000	Investment revaluation reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2022	317,992	(135,099)	4,228	11,388	(560)	(34,499)	163,450
Loss after income tax expense for the year	–	–	–	–	–	(17,026)	(17,026)
Other comprehensive income/(loss) for the year, net of tax	–	–	164	–	(1,385)	–	(1,221)
Total comprehensive income/(loss) for the year	**–**	**–**	**164**	**–**	**(1,385)**	**(17,026)**	**(18,247)**
Transactions with owners in their capacity as owners:							
Treasury shares acquired	(103)	–	–	–	–	–	(103)
Equity-settled share-based payments	–	–	–	1,470	–	–	1,470
Dividends paid	–	–	–	–	–	(6,417)	(6,417)
Dividends paid in prior years reclassified to profit and loss	–	–	–	–	–	52	52
Balance at 30 June 2023	**317,889**	**(135,099)**	**4,392**	**12,858**	**(1,945)**	**(57,890)**	**140,205**
Balance at 1 July 2023	317,889	(135,099)	4,392	12,858	(1,945)	(57,890)	140,205
Loss after income tax benefit for the year	–	–	–	–	–	(27,679)	(27,679)
Other comprehensive loss for the year, net of tax	–	–	(12)	–	(1,743)	–	(1,755)
Total comprehensive loss for the year	**–**	**–**	**(12)**	**–**	**(1,743)**	**(27,679)**	**(29,434)**
Transactions with owners in their capacity as owners:							
Treasury shares acquired	(350)	–	–	–	–	–	(350)
Equity-settled share-based payments	–	–	–	865	–	–	865
Transfer of accumulated investment reserve on disposal of equity investments at fair value through other comprehensive income to accumulated losses	–	–	–	–	(82)	82	–
Balance at 30 June 2024	**317,539**	**(135,099)**	**4,380**	**13,723**	**(3,770)**	**(85,487)**	**111,286**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

E&P

FOR THE YEAR ENDED 30 JUNE 2024

Consolidated Statement of Cash Flows

	Note	2024 $'000	2023 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		161,658	188,963
Payments to suppliers and employees		(163,917)	(185,327)
Payment of Deed of Company Arrangement[1]		(3,017)	(15,536)
Receipts from insurance		360	1,232
Interest received		1,658	1,028
Income and other taxes paid		(1,648)	(3,083)
Income and other tax refund received		1,708	2,318
Net cash used in operating activities	39	**(3,198)**	**(10,405)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends received from jointly controlled entities and investments		4,141	2,896
Purchase of financial assets		(795)	(97)
Purchase / development costs of intangible assets (software)		(1,682)	(1,870)
Purchase of property, plant and equipment		(2,374)	(600)
Proceeds on sale of financial assets		1,543	2,420
Net cash generated by investing activities		**833**	**2,749**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from finance lease		1,112	1,093
Interest paid on lease liabilities & other	7	(2,242)	(1,994)
Payments of lease liabilities		(5,937)	(6,588)
Proceeds from release of short-term deposits[2]		4,578	655
Purchase of treasury shares		(350)	(103)
Proceeds of lease incentive		823	–
Dividends paid		–	(6,417)
Net cash used in financing activities		**(2,016)**	**(13,354)**
Net decrease in cash and cash equivalents		(4,381)	(21,010)
Cash and cash equivalents at beginning of year		53,284	74,181
Effect of exchange rate fluctuations on cash held		2	113
Cash and cash equivalents at end of year	12	**48,905**	**53,284**

[1] Tranche B payment inclusive of interest paid to Deed Administrators of the Deed of Company Arrangement

[2] Refer to Note 13 for further details

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

1. General information

E&P Financial Group Limited (the Company) is a limited company incorporated in Australia. The address of its registered office and principal place of business are disclosed in the Corporate Directory at the end of this Financial Report. The principal activities of the Company and its subsidiaries (the Group) are described in the Directors' Report.

2. Material accounting policy information

Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board (**AASB**), and comply with other requirements of the law. The financial statements comprise the consolidated financial statements of the Group, comprising the Company and its controlled entities. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

The financial statements were authorised by the directors for issue on 29th August 2024.

Compliance with International Financial Reporting Standards

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Company and the Group comply with International Financial Reporting Standards (**IFRS**).

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Income and expense of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests having a deficit balance. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Notes to the Consolidated Financial Statements

Continued

2. Material accounting policy information (continued)

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group. Subsidiaries are deconsolidated when control ceases.

Foreign currency

i. Translation of foreign currency transactions

The presentation currency of the Group is Australian dollars.

The functional currency of some of the Company's subsidiaries is US dollars, and one subsidiary in HK dollars. As at the reporting date, the assets and liabilities of those entities are translated into Australian dollars at the rate of exchange ruling at the Statement of Financial Position date, and the Statement of Profit or Loss and Other Comprehensive Income is translated at the average exchange rates for the period.

Financial Instruments

i. Non-derivative financial assets

The Group has the following non-derivative financial assets: receivables, cash and cash equivalents, unlisted equity investments at fair value through profit or loss (FVTPL) and listed equity investments at fair value through other comprehensive income (FVTOCI).

Unlisted equity investments held by the Group are classified as FVTPL. The carrying cost is considered to materially represent fair value when no evidence is available to support a material change in the value of an unlisted investment.

Investments in listed equity instruments at FVTOCI are initially measured at fair value. Gains and losses relating to these financial assets are recognised in other comprehensive income and accumulated in the investment revaluation reserve. Cumulative gain or loss is not to be reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

ii. Impairment of financial assets

The Group always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Notes to the Consolidated Financial Statements

Continued

2. Material accounting policy information (continued)

Leases

The Group as Lessee

The Group recognises a right of use asset and a lease liability at the lease commencement date in the consolidated statement of financial position, except for short-term leases and leases of low value assets. Depreciation of right of use assets is recognised in the consolidated statement of profit or loss, the average depreciation period for the right of use assets is 4.5 years.

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised.

The Group as lessor

The Group has entered into lease agreements as a lessor with respect to its previously used office premises at 140 Broadway, New York, USA.

Earnings per share

Basic earnings per share is calculated by dividing the Group's profit after income tax by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing the Group's profit after income tax for the year attributable to equity holders of the Company, adjusted by profit attributable to all the dilutive potential ordinary shares by the weighted average number of ordinary shares and potential ordinary shares that would be issued on the exchange of all the dilutive potential ordinary shares into ordinary shares.

Taxation

The Australian entities within the Group form a tax-consolidated group under Australian taxation law, of which E&P Financial Group Limited is the head entity.

The tax sharing agreement entered into between Australian members of the tax-consolidated group provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations or if an entity should leave the tax-consolidated group. The effect of the tax sharing agreement is that the Company's liability for tax payable by the tax consolidated group is limited to the amount payable to the head entity under the tax funding arrangement.

Revenue recognition

Revenue from the rendering of services is recognised upon delivery of the services to the Group's customers. Prepaid amounts received in advance of the provision of services are recorded as a contract liability in the financial statements and are then recognised in profit or loss over the service period. The Group's major categories of revenue from the rendering of services includes:

- **Advisory, administration and brokerage** includes financial strategy advice and fee for service investment advice where revenue is charged and recognised on a time incurred basis when the service is provided, as well as brokerage commissions where revenue is recognised at the point in time when the transaction is settled. Also included within this category is asset and investment management

Notes to the Consolidated Financial Statements

Continued

advisory and SMSF accounting and tax services where revenue is recognised on a straight-line basis over the period the services are performed and the customer consumes the benefit associated with the services;

- **Corporate advisory revenue** includes services provided to corporations in respect of mergers, acquisitions, equity and debt capital market transactions, where revenue is recognised at the point the transaction is finalised, generally coinciding with the time the Group's non-extinguishable entitlement to its fee is established. Also included within the category is institutional brokerage commission revenue which is recognised at the point in time the trade transaction is settled;
- **Funds management** includes responsible entity and administration services, investment management and accounting services where revenue is recognised on a straight-line basis over the time the services are performed. Also included within this category is asset management services where revenue is recognised at the point in time the purchase or sale transaction is finalised, generally coinciding with the time the Group's entitlement to its fee is established. Additionally, performance fee variable consideration is recognised when there is no high probability of significant reversal, generally at the time a non-extinguishable entitlement to the fee is established; and

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

All revenue is stated net of the amount of goods and services tax (**GST**).

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Application of new and revised Australian Accounting Standards

Amendments to Accounting Standards that are mandatorily effective for the current year:

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the **AASB**) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2023.

Accounting Standards and Interpretations in issue not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2024, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Group.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting policies which are subject to significant accounting estimates and judgements include:

- allocation of the goodwill and other intangible assets to cash generating units (CGUs);
- recognition and impairment assessments of goodwill and other indefinite life intangible assets (refer (i) below);
- fair value and recoverable value assessments in respect of equity investments, equity settled transactions and interests in associates and jointly controlled entities (refer (iii) below);
- determining the lease term for lease contracts in which it is a lease that includes renewal options, including assessing whether the Group is reasonably certain to exercise such options;
- meeting recognition criteria of revenue, including performance service fees and corporate transaction fees (refer (ii) below); and
- estimates inherent in calculating share-based payments expense associated with the expected probability of staff remaining employed until the vesting date of the relevant tranche issued

i. Goodwill and other intangible assets

The Group tests annually, or more frequently if events or changes in circumstances indicate that goodwill or other indefinite life intangible assets (with a total carrying value of $56.0 million at balance date, 2023: $75.2 million), have suffered any impairment. Impairment assessments include significant judgements and estimates applied in determining inputs in the impairment models, including future cash flows, discount rates and growth rates (see Note 20).

Software and customer relationships assets (total carrying value $6.7 million at balance date, 2023: $7.7 million), are finite intangible assets that are amortised over their expected lives. Assets subject to amortisation are reviewed for impairment whenever events or circumstances arise that indicate the carrying amount of the asset may be impaired. Judgements and estimates are inherent in impairment assessments including determining the useful lives of these assets (see Note 21).

Notes to the Consolidated Financial Statements

Continued

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

ii. Revenue recognition

Performance fee arrangements involve the Group assessing the performance of relevant managed assets against specified performance hurdles. The fee calculations involve complex formulae and judgement is applied in determining when the fee recognition criteria are met, including the probability that a significant reversal in the amounts of revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Corporate advisory transaction fee arrangements involve individually significant transactions where judgement is applied in determining the Group's entitlement to the fees and the correct timing of recognition based on satisfaction of relevant recognition criteria.

iii. Fair value and recoverable value assessments

Fair value assessments are required to be made annually in respect of certain financial instruments, including equity investments, and recoverable value assessments are required to be made in respect of investments in associates and jointly controlled entities where there is an indication of impairment in the investments. An active market may not exist for equity investments and underlying equity interests held by jointly controlled entities, and as a result, significant judgement is applied in the valuation assumptions and estimates used in determining the fair value of the investments.

iv. Insurance receivable asset

Insurance recoveries are recognised only when it is determined that the Group has insurance cover for the incident and a claim will be settled by the insurer. Judgement has been applied in determining the recognition of insurance receivable asset in relation to those specific claims and costs that will be fully or partially covered by the insurance.

4. Segment information

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Group's Board of Directors as chief operating decision maker (**CODM**) in order to allocate resources to the segment and to assess its performance. Information reported to the CODM for the purposes of resource allocation and assessment of performance is more specifically focused on the category of services provided to customers and the wider economic circumstances and market forces within which each segment operates. As such, the principal categories of services provided to customers as reported to and assessed by the CODM in the current reporting period, which represent the Group's reportable segments under *AASB 8* are as follows

- E&P Wealth
- E&P Capital
- E&P Funds

E&P Wealth relates to the provision of full-service investment advisory, financial strategy, portfolio administration and stockbroking services to affluent self-managed superannuation trustees, retail clients, wholesale clients and high net worth individuals and the provision of share trading and execution services.

4. Segment information (continued)

E&P Capital relates to the provision of stockbroking and investment advisory services to institutional clients and advice to corporations on mergers, acquisitions, equity and debt capital market transactions.

E&P Funds relates to the provision of investment management services, and administration services and Responsible Entity services to managed investment schemes (ceased on 25 June 2024, following the successful internalisation of Responsible Entity service for the US Masters Residential Property Fund).

Corporate unallocated is the aggregation of corporate activities that do not fall under any of the above three segments as they do not engage in business activities that may earn revenue and there is no basis to accurately allocate expenses to the three operating segments in order for the CODM to reliably assess performance or allocate resources within the operating segments. Therefore, this category is not a reportable segment as defined within *AASB 8*, but is included below in order for the total amounts to reconcile to the condensed consolidated statement of profit or loss and other comprehensive income as contained earlier in this report.

Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Notes to the Consolidated Financial Statements

Continued

4. Segment information (continued)

The following is an analysis of the Group's revenue and results by reportable operating segment for the year:

Operating Segment Note	**Notes**	**E&P Wealth**	**E&P Capital**	**E&P Funds**	**Corporate unallocated**	**Total**
Year ended 30 June 2024		**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Revenue						
Provision of services		94,886	33,361	17,893	–	146,140
Recognised as follows:						
Over time		*79,351*	*2,056*	*16,206*	–	*97,613*
At a point in time		*15,535*	*31,305*	*1,687*	–	*48,527*
Share of profits of associates and jointly controlled entities		1	–	1,416	–	1,417
Other income		440	–	761	–	1,201
Total revenue	4A	**95,327**	**33,361**	**20,070**	**–**	**148,758**
Total cost of sales		(5,394)	(1,477)	(999)	–	(7,870)
Net revenue		**89,933**	**31,884**	**19,071**	**–**	**140,888**
Direct expenses		(59,020)	(23,144)	(15,554)	–	(97,718)
Overhead expenses		(6,211)	(4,092)	(1,515)	–	(11,818)
Allocated staff expenses		(7,164)	(10,614)	(1,819)	–	(19,597)
Unallocated group staff expenses		–	–	–	(5,813)	(5,813)
Unallocated group operating expenses		–	–	–	(3,979)	(3,979)
Segment EBITDA		**17,538**	**(5,966)**	**183**	**(9,792)**	**1,963**
Add/(Less): Segment adjustments before tax	4B	(248)	(172)	(1,150)	(1,646)	(3,216)
EBITDA		**17,290**	**(6,138)**	**(967)**	**(11,438)**	**(1,253)**
Depreciation and amortisation expenses	4C	–	–	–	(4,114)	(4,114)
Amortisation of acquired intangibles		–	–	–	(672)	(672)
Right-of-use asset depreciation		(2,609)	(939)	(440)	(1,176)	(5,164)
Impairment of property, plant and equipment		–	–	–	(660)	(660)
Impairment of goodwill, intangible assets and investments		–	(19,273)	–	–	(19,273)
EBIT		**14,681**	**(26,350)**	**(1,407)**	**(18,060)**	**(31,136)**
Interest revenue		–	–	–	1,659	1,659
Finance costs		(1,101)	(397)	(99)	(498)	(2,095)
Profit/(loss) before tax		**13,580**	**(26,747)**	**(1,506)**	**(16,899)**	**(31,572)**
Income tax benefit						3,893
Net profit/(loss) after tax						**(27,679)**
Add: Segment adjustments after tax	4B					22,263
Segment NPATA						**(5,416)**

Glossary

EBIT is defined as earnings before interest and tax

EBITDA is defined as earnings before interest, tax, depreciation and amortisation

NPATA is defined as net profit after tax before amortisation of acquired intangibles

Notes to the Consolidated Financial Statements

Continued

4. Segment information (continued)

Note 4A: Revenue reconciliation Year ended 30 June 2024	E&P Wealth $'000	E&P Capital $'000	E&P Funds $'000	Corporate unallocated $'000	Total $'000
Total revenue per Statement of Profit or Loss	95,327	33,361	19,886	1,906	150,480
Interest income	–	–	–	(1,805)	(1,805)
Net change in value of non-core investments	–	–	184	–	184
Other income	–	–	–	(101)	(101)
Total revenue per Operating Segment note	**95,327**	**33,361**	**20,070**	**–**	**148,758**

Note 4B: Segment adjustments Year ended 30 June 2024	E&P Wealth $'000	E&P Capital $'000	E&P Funds $'000	Corporate unallocated $'000	Total $'000
Segment adjustments before tax					
Legal/regulatory proceedings and related costs (net of insurance)[1]	(50)	–	(4)	(808)	(862)
Net change in value of non-core investments[2]	–	(13)	(184)	(85)	(282)
Other administrative costs	(198)	–	–	(431)	(629)
Employee termination and other employee-related payments	–	(159)	(489)	(795)	(1,443)
Total segment adjustments before tax	**(248)**	**(172)**	**(677)**	**(2,119)**	**(3,216)**
Segment adjustments after tax					
Legal/regulatory proceedings and related costs (net of insurance)	(35)	–	(3)	(566)	(604)
Net change in value of non-core investments	–	(9)	(184)	(59)	(252)
Other administrative costs	(138)	–	–	(346)	(484)
Employee termination and other employee-related payments	–	(111)	(342)	(557)	(1,010)
Impairment of property, plant and equipment	–	–	–	(169)	(169)
E&P Capital goodwill impairment	–	(19,273)	–	–	(19,273)
Amortisation of acquired intangibles	–	–	–	(471)	(471)
Total segment adjustments after tax	**(173)**	**(19,393)**	**(529)**	**(2,168)**	**(22,263)**

Note 4C: Depreciation and amortisation reconciliation Year ended 30 June 2024	E&P Wealth $'000	E&P Capital $'000	E&P Funds $'000	Corporate unallocated $'000	Total $'000
Total Depreciation and Amortisation per Statement of Profit or Loss	(2,609)	(939)	(440)	(5,917)	(9,905)
Right of use asset depreciation	2,609	939	440	1,176	5,164
Amortisation of acquired intangibles	–	–	–	672	672
Loss on leases	–	–	–	(45)	(45)
Total Depreciation & Amortisation per Operating Segment note	**–**	**–**	**–**	**(4,114)**	**(4,114)**

Notes:

1. Legal/regulatory proceedings and related costs are net of insurance recovery and include administrative costs incurred in relation to the DASS VA.
2. Includes net fair value adjustment of non-core investments. Non-core investments reflect the Group's legacy investment in an asset or enterprise that is unrelated to the core activities of the Group.

FOR THE YEAR ENDED 30 JUNE 2024

Notes to the Consolidated Financial Statements

Continued

4. Segment information (continued)

Operating Segment Note **Year ended 30 June 2023**	**Notes**	**E&P Wealth** **$'000**	**E&P Capital** **$'000**	**E&P Funds** **$'000**	**Corporate unallocated** **$'000**	**Total** **$'000**
Revenue						
Provision of services		88,084	45,821	36,859	–	170,764
Recognised as follows:						
Over time		*72,422*	*3,968*	*26,279*	–	*102,669*
At a point in time		*15,662*	*41,853*	*10,580*	–	*68,095*
Share of profits of associates and jointly controlled entities		87	–	2,082	–	2,169
Other income		496	–	731	–	1,227
Total revenue	4A	**88,667**	**45,821**	**39,672**	**–**	**174,160**
Total cost of sales		(5,434)	(1,223)	(390)	–	(7,047)
Net revenue		**83,233**	**44,598**	**39,282**	**–**	**167,113**
Direct expenses		(56,837)	(27,650)	(24,032)	–	(108,519)
Overhead expenses		(5,988)	(3,640)	(1,820)	–	(11,448)
Allocated staff expenses		(7,299)	8,170)	(2,386)	–	(17,855)
Unallocated group staff expenses		–	–	–	(5,546)	(5,546)
Unallocated group operating expenses		–	–	–	(3,982)	(3,982)
Segment EBITDA		**13,109**	**5,138**	**11,044**	**(9,528)**	**19,763**
Add/(Less): Segment adjustments before tax	4B	(588)	(174)	(1,126)	(2,682)	(4,570)
EBITDA		**12,521**	**4,964**	**9,918**	**(12,210)**	**15,193**
Depreciation and amortisation expenses	4C	–	–	–	(2,999)	(2,999)
Amortisation of acquired intangibles		–	–	–	(673)	(673)
Right-of-use asset depreciation		(2,685)	(1,010)	(694)	(1,371)	(5,760)
Impairment of property, plant and equipment		–	–	–	(1,192)	(1,192)
Impairment of goodwill, intangible assets and investments		–	(19,250)	–	–	(19,250)
EBIT		**9,836**	**(15,296)**	**9,224**	**(18,445)**	**(14,681)**
Interest revenue		–	–	–	1,028	1,028
Finance costs		(890)	(335)	(107)	(457)	(1,789)
Profit/(loss) before tax		**8,946**	**(15,631)**	**9,117**	**(17,874)**	**(15,442)**
Income tax expense						(1,584)
Net profit/(loss) after tax						**(17,026)**
Add: Segment adjustments after tax	4B					22,979
Segment NPATA						**5,953**

Glossary

EBIT is defined as earnings before interest and tax

EBITDA is defined as earnings before interest, tax, depreciation and amortisation

NPATA is defined as net profit after tax before amortisation of acquired intangibles

Notes to the Consolidated Financial Statements

Continued

4. Segment information (continued)

Note 4A: Revenue reconciliation Year ended 30 June 2023	E&P Wealth $'000	E&P Capital $'000	E&P Funds $'000	Corporate unallocated $'000	Total $'000
Total revenue per Statement of Profit or Loss	**88,667**	**45,821**	**39,473**	**2,373**	**176,334**
Interest income	–	–	–	(1,232)	(1,232)
Net change in value of non-core investments[2]	–	–	199	–	199
Foreign exchange gains	–	–	–	(120)	(120)
Gains on leases	–	–	–	(1,011)	(1,011)
Gains on investments	–	–	–	(10)	(10)
Total revenue per Operating Segment note	**88,667**	**45,821**	**39,672**	**–**	**174,160**

Note 4B: Segment adjustments Year ended 30 June 2023	E&P Wealth $'000	E&P Capital $'000	E&P Funds $'000	Corporate unallocated $'000	Total $'000
Segment adjustments before tax					
Legal/regulatory proceedings and related costs (net of insurance)[1]	(366)	–	–	(1,146)	(1,512)
Net change in value of non-core investments[2]	–	(174)	(309)	(64)	(547)
Onerous contract benefit	464	–	–	–	464
DOCA contribution	–	–	–	(1,045)	(1,045)
Employee termination and other employee-related payments	(686)	–	(817)	(427)	(1,930)
Total segment adjustments before tax	**(588)**	**(174)**	**(1,126)**	**(2,682)**	**(4,570)**
Segment adjustments after tax					
Legal/regulatory proceedings and related costs (net of insurance)[1]	(256)	–	–	(802)	(1,058)
Net change in value of non-core investments[2]	–	(122)	(276)	(44)	(442)
Onerous contract expense	325	–	–	–	325
DOCA contribution	–	–	–	(732)	(732)
Employee termination and other employee-related payments	(481)	–	(572)	(298)	(1,351)
E&P Capital goodwill impairment	–	(19,250)	–	–	(19,250)
Amortisation of acquired intangiblest	–	–	–	(471)	(471)
Total segment adjustments after tax	**(412)**	**(19,372)**	**(848)**	**(2,347)**	**(22,979)**

Note 4C: Depreciation and amortisation reconciliation Year ended 30 June 2023	E&P Wealth $'000	E&P Capital $'000	E&P Funds $'000	Corporate unallocated $'000	Total $'000
Total Depreciation and Amortisation per Statement of Profit and Loss	**(2,685)**	**(1,010)**	**(694)**	**(6,054)**	**(10,443)**
Right of use asset depreciation	2,685	1,010	694	1,371	5,760
Amortisation of acquired intangibles	–	–	–	673	673
Gain on leases	–	–	–	1,011	1,011
Total Depreciation & Amortisation per Operating Segment note	**–**	**–**	**–**	**(2,999)**	**(2,999)**

Notes:

1 Regulatory proceedings and related costs are net of insurance recovery and include administrative costs incurred in relation to the DASS VA.

2 Includes net fair value adjustment of and acquisition loss on non-core investments. Non-core investments reflect the Group's legacy investment in an asset or enterprise that is unrelated to the core activities of the Group.

Notes to the Consolidated Financial Statements

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4. Segment information (continued)

The Group operates in three principal geographic areas – Australia (country of domicile), United States of America and Hong Kong. The Group's revenue from external customers and non-current assets by location of operations is detailed below.

	2024 $'000	2023 $'000
Revenue from external customers (provision of services revenue)		
Australia	142,710	163,498
United States of America	3,161	6,754
Hong Kong	269	512
Total revenue from external customers	**146,140**	**170,764**
Non-current assets		
Australia	125,941	130,234
United States of America	2,969	6,053
Hong Kong	21	22
Total non-current assets	**128,931**	**136,309**

5. Revenue

	2024 $'000	2023 $'000
Provision of services revenue:		
At a point in time		
Advisory, administration and brokerage	15,535	15,662
Corporate advisory and institutional brokerage	31,305	41,853
Funds management	1,687	10,580
Total revenue earned at a point in time	**48,527**	**68,095**
Over time		
Advisory, administration and brokerage	79,351	72,422
Corporate advisory revenue	2,056	3,968
Funds management	16,206	26,279
Total revenue earned over time	**97,613**	**102,669**
Total provision of services revenue	**146,140**	**170,764**

	2024 $'000	2023 $'000
Other income		
Dividends	560	607
Management fees	428	411
Other income	314	329
Total other income	**1,302**	**1,347**

Notes to the Consolidated Financial Statements

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6. Expenses

	2024 $'000	2023 $'000
Profit / Loss before income tax includes the following specific expenses		
Employee benefits		
Salaries and other employee benefits	(95,793)	(98,896)
Employer related taxes	(5,616)	(5,821)
Post employment benefits	(5,160)	(5,036)
Share based payment expense	(865)	(1,470)
Termination benefits	(1,155)	(1,930)
Total employee benefits	**(108,589)**	**(113,153)**
Depreciation and amortisation		
Depreciation and amortisation – property, plant and equipment	(2,170)	(2,025)
Amortisation – computer software	(1,902)	(1,985)
Amortisation – customer relationships	(672)	(673)
Amortisation – right of use assets	(5,161)	(5,760)
Total depreciation and amortisation	**(9,905)**	**(10,443)**
Impairment of goodwill, intangible assets and investments		
Goodwill (Note 20)	(19,273)	(19,250)
Legal proceedings and related costs, net of insurance		
Other legal and related costs	(1,202)	(2,346)
Insurance recovery income	360	1,232
Total net of insurance	**(842)**	**(1,114)**

Other expenses included in the consolidated statement of profit or loss and other comprehensive income totalling $9.3m (2023 : $10.1m) primarily comprise direct fund costs, insurance costs, travel costs, advertising costs and other office-related expenses.

7. Finance expense

	2024 $'000	2023 $'000
Recognised directly in profit or loss:		
Interest expense on leases	(2,240)	(1,992)
Other finance costs	(2)	(2)
Finance expense recognised directly in profit or loss	**(2,242)**	**(1,994)**

8. Remuneration of auditor

The auditor of E&P Financial Group Limited is Deloitte Touche Tohmatsu. The following fees were paid or are payable for services provided by Deloitte Touche Tohmatsu and network firms of the parent entity auditor:

		2024 $'000	2023 $'000
Deloitte Touche Tohmatsu – auditor of parent entity			
Audit services:	Audit of the Group's annual financial statements	310	310
	Audit of the subsidiaries' annual financial statements	226	200
Review services:	Review of the Group's half-year financial statements	191	170
Other services:			
	Taxation services	10	95
	Audit fee of managed funds paid by the Group	–	59
	Other	–	150
Total		**737**	**984**
Network firm of the parent entity auditor:			
Deloitte Touche Tohmatsu Hong Kong			
Audit services:	Audit of the foreign subsidiaries' annual financial statements	48	45
Deloitte Tax LLP			
Other services:	Taxation services	424	189
Deloitte Tax and Business Advisory			
Other services:	Taxation services	4	7
Total		**1,213**	**1,225**

Notes to the Consolidated Financial Statements

Continued

9. Income tax

	2024 $'000	2023 $'000
Current tax		
In respect of the current year	337	236
In respect of prior years	(257)	42
Total current tax	**80**	**278**
Deferred tax		
In respect of the current year	(3,973)	1,306
Income tax (benefit)/expense recognised in the current year	**(3,893)**	**1,584**
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit/(loss) before income tax expense	**(31,572)**	**(15,442)**
Income tax expense at 30% (2023: 30%)	(9,472)	(4,633)
Effect of different tax rates of subsidiaries operating in other jurisdiction	27	(33)
Effect of income that is exempt from taxation	–	(244)
Effect of expenses that are not deductible in determining taxable profit	5,365	6,130
Deferred tax assets not recognised	444	322
Adjustments recognised in the current period in relation to the current tax of prior periods	(257)	42
Income tax (benefit)/expense recognised in profit or loss	**(3,893)**	**1,584**
Current tax assets / liabilities		
Income tax payable	**(251)**	**(112)**
Deferred tax balances		
The following is the analysis of deferred tax assets / (liabilities) presented in the consolidated statement of financial position:		
Deferred tax assets	16,987	13,453
Deferred tax liabilities	(9,922)	(10,791)
Total deferred taxes	**7,065**	**2,662**

As at 30 June 2024 the Group had $11,456,869 (tax effect $3,437,060) realised and unrealised net capital losses that were not booked as a deferred tax asset (2023: $10,402,909, tax effect $3,120,872). These capital losses can be carried forward to shelter future realised net capital gains.

Notes to the Consolidated Financial Statements

Continued

9. Income tax (continued)

Deferred tax balances (continued)

Deferred tax assets / (liabilities) in relation to:

	Opening balance $'000	Recognised in profit or loss $'000	Recognised in debt/ equity $'000	Closing balance $'000
2024				
Property, plant and equipment	1,029	467	–	1,496
Intangible assets	(9,925)	202	–	(9,723)
Provisions, prepayments, accruals, receivables	8,589	(407)	–	8,182
Provision for lease incentives	28	78	–	106
Accrued revenue	(866)	667	–	(199)
Financial assets at fair value	947	120	–	1,067
Lease liabilities	8,182	4,166	–	12,348
Right of use asset	(7,661)	(3,781)	–	(11,442)
Tax Losses	2,101	2,582	428	5,111
Other	238	(119)	–	119
Deferred tax assets / (liabilities)	**2,662**	**3,975**	**428**	**7,065**
2023				
Property, plant and equipment	391	638	–	1,029
Intangible assets	(10,127)	202	–	(9,925)
Provisions, prepayments, accruals, receivables	12,453	(3,864)	–	8,589
Provision for lease incentives	241	(213)	–	28
Accrued revenue	(904)	38	–	(866)
Financial assets at fair value	388	799	(240)	947
Lease liabilities	10,720	(2,538)	–	8,182
Right of use assets	(9,720)	2,059	–	(7,661)
Tax Losses	–	2,101	–	2,101
Other	766	(528)	–	238
Deferred tax assets / (liabilities)	**4,208**	**(1,306)**	**(240)**	**2,662**

10. Earnings per share

	2024 No.	2023 No.
Weighted average number of ordinary shares		
Weighted average number of ordinary shares during the year used to calculate basic earnings per share	229,911,078	228,995,703
Effect of dilutive potential ordinary shares	–	–
Weighted average number of ordinary shares during the year used to calculate diluted earnings per share	**229,911,078**	**228,995,703**
Profit/(loss) attributable to ordinary shareholders		
Profit/(loss) attributable to ordinary shareholders	(27,679)	(17,026)
Profit/(loss) used in the calculation of basic and diluted earnings per share	(27,679)	(17,026)
Basic earnings per share (cents per share)	(12.0)	(7.4)
Diluted earnings per share (cents per share)	(12.0)	(7.4)

Treasury shares issued pursuant to the E&P Employee Share Plans are anti-dilutive and are therefore excluded.

Notes to the Consolidated Financial Statements

Continued

11. Dividends

During the previous two financial years, E&P Financial Group Limited made the following dividend payments:

	2024		2023	
	Cents per share	**Total $'000**	**Cents per share**	**Total $'000**
Fully paid ordinary shares				
2022 Interim dividend			2.7 cents	6,417
2022 Final dividend			–	–
2023 Interim dividend	–	–		
2024 Interim dividend	–	–		
Total		**–**		**6,417**

The franking account balance as at 30 June 2024 was $29.5 million (2023: $29.5 million).

12. Current assets – Cash and cash equivalents

	2024 $'000	**2023 $'000**
Cash on hand	2	2
Cash at bank[1]	44,543	53,282
Restricted cash[2]	4,360	–
Total cash and cash equivalents	**48,905**	**53,284**

[1] Cash at bank earns interest at floating rates based on daily bank deposit rates. Average interest rates during the period were 3.5283% (2023: 3.6501%). Included in cash at bank is $11.7 million (2023: $11.7 million) which is required to be retained to meet various regulatory requirements relating to licences held, and is not available for general use.

[2] Includes short-term deposits of $4.4 million to cash back the bank guarantee facility with National Australia Bank with a $4.4 million limit. These funds are not available for general use and cannot be used to meet the liabilities of the Group.

13. Current assets – Deposits

	2024 $'000	**2023 $'000**
Current		
Short-term deposits[1]	–	4,360
Other deposits[2]	–	1,218
Total deposits	**–**	**5,578**

[1] Short-term deposits of $4.4 million are presented in Cash & cash equivalents during the year ended, as the previously six month term deposit has converted into a one month term deposit.

[2] Other deposit of $1.0m as per the terms of Deed of Company Arrangement was applied against the DOCA Tranche B payment during the period. Refer to note 26 for further details

14. Current assets – Trade and other receivables

	2024 $'000	2023 $'000
Current:		
Trade receivables	19,853	17,360
Loss allowance	(111)	(128)
Contract assets	3,425	4,612
Other receivables	409	392
Other related party receivables	–	393
Insurance receivables	–	446
Total trade and other receivables	**23,576**	**23,075**

Trade receivables

The average credit period on sales is 30 days. No interest is charged on trade receivables. The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses (ECL). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed into liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off are subject to enforcement activities.

The following table details the risk profile of trade receivables based on the Group's provision matrix.

	Expected credit loss rate* %	Carrying amount of trade receivables $'000	Allowance for expected credit losses $'000
30 June 2024			
0–30 days current/overdue	0.00%	15,931	–
31–60 days overdue	1.41%	3,660	(52)
61–120 days overdue	6.20%	121	(7)
121+ days overdue	36.72%	141	(52)
Total loss allowance		**19,853**	**(111)**
30 June 2023			
0–30 days current/overdue	0.00%	16,298	–
31–60 days overdue	1.11%	451	(5)
61–120 days overdue	6.50%	200	(13)
121+ days overdue	26.76%	411	(110)
Total loss allowance		**17,360**	**(128)**

*Expected credit loss rate % has been rounded to two decimal places.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables.

	2024 $'000	2023 $'000
Balance at beginning of the year	(128)	(155)
Change in loss allowance	(53)	(69)
Amounts written off	70	96
Balance at end of the year	**(111)**	**(128)**

Notes to the Consolidated Financial Statements

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15. Non-current assets – Investments accounted for using the equity method

	2024 $'000	2023 $'000
Investments in associates[1]	933	2,530
Investments in jointly controlled entities	10,496	11,209
Total	**11,429**	**13,739**

Note 1: During the year, one of the associates, US Select Private Opportunities Fund III, GP LLC recognised a profit share of $1.0 million and distributed a dividend of $2.6 million.

Reconciliation of movement in carrying values of jointly controlled entities

	Dixon Associates PE III $'000	CVC Emerging Companies Fund $'000	Other $'000	Total $'000
Balance at 1 July 2022	**8,106**	**4,089**	**953**	**13,148**
Share of profits /(loss) of jointly controlled entities	653	(242)	(203)	208
Less: dividends received	(1,559)	–	(67)	(1,626)
Effect of foreign currency exchange differences	–	–	28	28
Transfer to joint ventures held for sale*	–	–	(549)	(549)
Balance as at 30 June 2023	**7,200**	**3,847**	**162**	**11,209**
Balance at 1 July 2023	7,200	3,847	162	11,209
Share of profits of jointly controlled entities	208	205	(6)	407
Less: dividends received/receivable	(593)	(527)	–	(1,120)
Balance as at 30 June 2024	**6,815**	**3,525**	**156**	**10,496**

* The remaining entity included as Other is CVC Emerging Companies IM Pty Limited.

Summarised financial information for the Group's material jointly controlled entities

	Dixon Associates PE III $'000	CVC Emerging Companies Fund $'000	Other $'000	Total $'000
2024				
Current assets	205	1,779	356	2,340
Non-current assets	8,233	35,696	20	43,949
Current liabilities	(8)	(1,906)	(64)	(1,978)
Non-current liabilities	(276)	–	–	(276)
Net assets	**8,154**	**35,569**	**312**	**44,035**
The above amounts of assets and liabilities include the following:				
Cash and cash equivalents	88	1,644	209	1,941
Revenue	241	409	702	1,352
Profit/(loss) for the year	248	1,869	(7)	2,110
Other comprehensive loss for the year	–	–	–	–
Total comprehensive income/(loss) for the year	**248**	**1,869**	**(7)**	**2,110**

Notes to the Consolidated Financial Statements

Continued

15. Non current assets – Investments accounted for using equity method (continued)

	Dixon Associates PE III $'000	CVC Emerging Companies Fund $'000	Other $'000	Total $'000
2023				
Current assets	81	2,112	402	2,595
Non-current assets	8,922	37,774	15	46,711
Current liabilities	(45)	(1,071)	(93)	(1,209)
Non-current liabilities	(343)	–	–	(343)
Net assets	**8,615**	**38,815**	**324**	**47,754**
The above amounts of assets and liabilities include the following:				
Cash and cash equivalents	81	1,584	255	1,920
Revenue	847	1,056	641	2,544
Profit/(loss) for the year	777	(1,250)	(8)	(481)
Other comprehensive loss for the year	–	–	–	–
Total comprehensive income for the year	**777**	**(1,250)**	**(8)**	**(481)**

* The remaining entity included as Other is CVC Emerging Companies IM Pty Limited.

Reconciliation of the above summarised financial information to the carrying amount of the interest recognised in the consolidated financial statements:

	Dixon Associates PE III $'000	CVC Emerging Companies Fund $'000	Other $'000	Total $'000
2024				
Net assets	8,154	35,569	312	44,035
Proportion of Group's ownership interest in the jointly controlled entities	6,815	3,526	156	10,497
Carrying amount of the Group's interest in the associate	**6,815**	**3,526**	**156**	**10,497**
2023				
Net assets	8,615	38,815	324	47,754
Proportion of Group's ownership interest in the jointly controlled entities	7,200	3,847	162	11,209
Carrying amount of the Group's interest in the associate	**7,200**	**3,847**	**162**	**11,209**

* The remaining entity included as Other is CVC Emerging Companies IM Pty Limited.

Notes to the Consolidated Financial Statements

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16. Associates and jointly controlled entities

Details of the Group's associates and jointly controlled entities at the end of the reporting period are as follows:

Name	Principal place of business / Country of incorporation	Ownership interest 2024 %	Ownership interest 2023 %
Associates of E&P Financial Group Limited			
Clear Law Pty Limited	Australia	49%	49%
US Select Private Opportunities Fund II, GP LLC	USA	50%	50%
US Select Private Opportunities Fund III, GP LLC	USA	42.5%	42.5%
US Select Private Opportunities Fund IV, GP LLC	USA	42.5%	42.5%
US Select Direct Private Equity, GP LLC	USA	42.5%	42.5%
Jointly controlled entities of E&P Financial Group Limited			
Laver Place Sub Pty Limited	Australia	33.3%	33.3%
CVC Emerging Companies IM Pty Limited	Australia	50%	50%
CVC Emerging Companies Fund	Australia	9.9%	9.9%
Dixon Associates PE III Wholesale Fund*	USA	83.6%	83.6%
UA Dixon 168 Manager, LLC**	USA	50%	50%
UA Dixon 30-58/64 34th Street, LLC**	USA	50%	50%
UA Dixon 523 West 135th Street Manager, LLC**	USA	50%	50%

*Despite the Group holding a majority interest in Dixon Associates PE III Wholesale Fund, by virtue of the Fund's Constitution, control is vested in the Trustee. The Group does not control the Board of the Trustee (it has 50% representation), nor is it able to remove the Trustee, and accordingly it does not exercise control over the Fund.

** This investment was classified as "Joint ventures held for sale". Refer to notes 18 & 36 for further details.

All of the above associates and jointly controlled entities are accounted for using the equity method in these consolidated financial statements.

Notes to the Consolidated Financial Statements

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17. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities in accordance with the accounting policy described in Note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2024 %	2023 %
Ultimate parent entity:			
E&P Financial Group Limited	Australia	100%	100%
Subsidiaries of ultimate parent entity:			
E&P Operations Pty Limited	Australia	100%	100%
Dixon Advisory & Superannuation Services Pty Limited*	Australia	100%	100%
E&P Private Investments Pty Limited	Australia	100%	100%
Dixon Advisory Property Pty Limited**	Australia	–	100%
E&P SMSF Services Pty Limited	Australia	100%	100%
E&P Financial Group USA Inc.	USA	100%	100%
E&P Investments Limited	Australia	100%	100%
E&P Funds Management Pty Limited	Australia	100%	100%
E&P Funds Group Pty Limited	Australia	100%	100%
Dixon Projects LLC	USA	100%	100%
US Select Asset Management Inc	USA	100%	100%
Walker Street Partners Pty Limited**	Australia	–	100%
DGP Inc	USA	100%	100%
US Select Private Opportunities Fund GP LLC	USA	100%	100%
Australian Fund Accounting Services Pty Limited	Australia	100%	100%
E&P Investment Services Pty Limited**	Australia	–	100%
E&P International Investments Pty Limited	Australia	100%	100%
New Energy Solar Manager Pty Limited	Australia	100%	100%
Evans and Partners Pty Limited	Australia	100%	100%
Orca Funds Management Pty Limited	Australia	100%	100%
NES Project Services LLC	USA	100%	100%
E&P Employee Investments Pty Limited	Australia	100%	100%
E&P Capital Pty Limited (formerly E&P Corporate Advisory Pty Limited)	Australia	100%	100%
E&P Asia (HK) Limited	Hong Kong	100%	100%
Claremont Funds Management Pty Ltd	Australia	100%	100%
E&P Facilities Pty Limited	Australia	100%	100%

* Subject to Deed of Company Arrangement.

** De-registered as a company in July 2023

Notes to the Consolidated Financial Statements

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18. Current and non-current assets – Investments in financial assets

	2024 $'000	2023 $'000
Current		
Financial assets held at FVTOCI	4,121	5,380
Financial assets held at FVTPL	–	–
Joint ventures held for sale[1]	366	549
Total investments in financial assets	**4,487**	**5,929**

Non-Current:		
Financial assets held at FVTOCI	–	2,104
Financial assets held at FVTPL	853	958
Total investments in financial assets	**853**	**3,062**

Note: Please refer to Note 36 for further details

Note 1: The Group's investment in UA Dixon 30-58/64 34th Street LLC of $0.4 million was sold in July 2024. The Group's remaining two investments, UA Dixon 168 Manager LLC and UA Dixon 523 West 135th Street Manager LLC, were fully written down to nil.

19. Non-current assets – Property, plant and equipment

	2024 $'000	2023 $'000
Carrying amounts of		
Furniture and equipment	584	1,137
Computer equipment	319	373
Leasehold improvements	13,208	6,321
Total property, plant and equipment	**14,111**	**7,831**

Cost	**Furniture and equipment $'000**	**Motor vehicles $'000**	**Computer equipment $'000**	**Leasehold improvements $'000**	**Total $'000**
Balance at 1 July 2022	3,103	32	1,937	13,714	18,786
Additions	73	–	286	495	854
Disposals	(132)	(33)	(548)	(2,077)	(2,790)
Effect of foreign currency exchange differences	16	1	12	–	29
Balance as at 30 June 2023	**3,060**	**–**	**1,687**	**12,132**	**16,879**
Balance at 1 July 2023	3,060	–	1,687	12,132	16,879
Additions	111	–	103	8,700	8,914
Disposals	(1,284)	–	(221)	(4,537)	(6,042)
Effect of foreign currency exchange differences	(39)	–	(51)	–	(90)
Balance as at 30 June 2024	**1,848**	**–**	**1,518**	**16,295**	**19,661**

Notes to the Consolidated Financial Statements

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19. Non-current assets – Property, plant and equipment (continued)

Cost	Furniture and equipment $'000	Motor vehicles $'000	Computer equipment $'000	Leasehold improvements $'000	Total $'000
Accumulated depreciation/ amortisation					
Balance at 1 July 2022	(1,667)	(32)	(1,709)	(4,451)	(7,859)
Depreciation/amortisation	(342)	(1)	(127)	(1,555)	(2,025)
Impairment	(32)	–	(15)	(1,145)	(1,192)
Disposal	132	33	548	1,340	2,053
Effect of foreign currency exchange differences	(14)	–	(11)	–	(25)
Balance as at 30 June 2023	**(1,923)**	**–**	**(1,314)**	**(5,811)**	**(9,048)**
Balance at 1 July 2023	(1,923)	–	(1,314)	(5,811)	(9,048)
Depreciation/amortisation	(227)	–	(134)	(1,809)	(2,170)
Impairment	(104)	–	32	(347)	(419)
Disposal	994	–	219	4,880	6,093
Effect of foreign currency exchange differences	(4)	–	(2)	–	(6)
Balance as at 30 June 2024	**(1,264)**	–	**(1,199)**	**(3,087)**	**(5,550)**
Net book value as at 30 June 2024	**584**	–	**319**	**13,208**	**14,111**

Assets are recognised at cost and depreciated over a straight line basis. The depreciation rates used for each class of depreciable assets are generally:

Furniture & equipment	2% - 40%
Computer equipment	25% - 50%
Leasehold improvements	10% - 35%

20. Non-current assets – Goodwill and other indefinite life intangible assets

	2024 $'000	2023 $'000
Carrying amounts of		
Goodwill	26,621	45,894
Brand	29,333	29,333
Total indefinite life intangible assets	**55,954**	**75,227**

Cost	Goodwill $'000	Brand $'000	Total $'000
Balance at 1 July 2022	**65,144**	**29,333**	**94,477**
Impairment of goodwill	(19,250)	–	(19,250)
Balance as at 30 June 2023	**45,894**	**29,333**	**75,227**
Balance at 1 July 2023	**45,894**	**29,333**	**75,227**
Impairment of goodwill	(19,273)	-	(19,273)
Balance as at 30 June 2024	**26,621**	**29,333**	**55,954**

Notes to the Consolidated Financial Statements

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20. Non-current assets – Goodwill and other indefinite life intangible assets (continued)

Allocation of goodwill to cash-generating units

Goodwill has been allocated for impairment testing purposes to the following groups of cash-generating units (CGUs):

- E&P Wealth
- E&P Capital
- E&P Funds

The carrying amount (after impairment) of goodwill has been allocated as follows:

	2024 $'000	2023 $'000
CGU		
E&P Wealth	–	–
E&P Capital	26,621	45,894
E&P Funds	–	–
Balance as at 30 June 2024	**26,621**	**45,894**

Impairment testing - CGU

E&P Wealth

The recoverable value of the E&P Wealth CGU has been determined by a fair value less cost of disposal calculation which uses cash flow projections based on internal forecasts covering financial years 2025 to 2029 derived for impairment testing purposes. Cash flows beyond FY29 are extrapolated using a steady long term growth rate of 2.50% per annum (December 2023: 2.50% per annum, June 2023: 2.35% per annum). A post-tax discount rate of 10.3% (December 2023: 10.9%, June 2023: 11.0%) has been applied to the forecast cash flows. The valuation is considered to be level 3 in the fair value hierarchy.

The Directors believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

E&P Capital

An impairment to the goodwill allocated to the E&P Capital CGU of $19.3 million was recorded at 31 December 2023, which is included in "Impairment of goodwill" within the consolidated statement of profit or loss and other comprehensive income for the full year ended 30 June 2024. The factors resulting in the impairment of goodwill recorded at 31 December 2023 included particularly soft capital markets activity experienced across the industry in the first half of financial year 2024 as well as the impact of an elevated interest rate environment. The Directors also applied a prudent view towards the achievability of the internal forecasts in light of personnel changes.

Notes to the Consolidated Financial Statements

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20. Non-current assets – Goodwill and other indefinite life intangible assets (continued)

The E&P Capital CGU experienced solid revenue growth within the equities facing business in the six months to 30 June 2024, leading to stronger cash flows. This growth has been factored into the future cash flow forecasts for impairment testing purposes, resulting in an increased recoverable value of the CGU compared to 31 December 2023.

The recoverable value of the E&P Capital CGU has been determined by a fair value less cost of disposal calculation which uses cash flow projections based on internal forecasts covering financial years 2025 to 2029 derived for impairment testing purposes. Cash flows beyond FY29 are extrapolated using a steady long term growth rate of 2.50% per annum (December 2023: 2.50% per annum, June 2023: 2.35% per annum). A post-tax discount rate of 13.2% (December 2023: 13.2%, June 2023: 13.2%) has been applied to the forecast cash flows. The valuation is considered to be level 3 in the fair value hierarchy.

The Directors believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

E&P Funds

The recoverable value of the E&P Funds CGU has been determined by a fair value less cost of disposal calculation which uses cash flow projections based on internal forecasts covering financial years 2025 to 2029 derived for impairment testing purposes. Cash flows beyond FY29 are extrapolated using a steady long term growth rate of 2.50% per annum (December 2023: 2.50% per annum, June 2023: 2.35% per annum). A post-tax discount rate of 11.7% (December 2023: 11.9%, June 2023: 11.7%) has been applied to the forecast cash flows. The valuation is considered to be level 3 in the fair value hierarchy.

The Directors believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

Other indefinite life intangible assets – Brand

The recoverable value of the Evans & Partners (E&P) brand has been assessed using a relief-from-royalty approach.

Consistent with prior periods, the recoverable value of the brand has been determined at the group level using a relief-from-royalty valuation model ('highest and best use' approach per AASB 13, Appendix B, para 2B (b)) on the basis that the Evans & Partners/ E&P brand is a corporate asset utilised across multiple CGUs (E&P Wealth and E&P Capital).

Consistent with the goodwill impairment test, the relief-from-royalty brand valuation utilises 5-year revenue projections based on internal forecasts covering financial years 2025 to the 2029 derived for impairment testing purposes. Cash flows beyond FY29 have been extrapolated using a steady long term growth rate of 2.50% per annum. A post-tax discount rate of 10.3% has been applied to the forecast cash flows for E&P Wealth and 13.2% for E&P Capital.

20. Non-current assets – Goodwill and other indefinite life intangible assets (continued)

Under this treatment, for the purposes of the goodwill impairment test, the brand intangible asset is excluded from the carrying value of the cash generating units, with an implied royalty instead charged to the cash generating units.

Using the above methodology, the directors conclude that it remains appropriate for the carrying value of the brand to be held at $29.3 million, and for no impairment to be recorded in the current year.

21. Non-current assets – Finite life intangible assets

	2024 $'000	2023 $'000
Carrying amounts of		
Computer software	3,658	3,899
Customer relationships	3,080	3,752
Total finite life intangible assets	**6,738**	**7,651**

Cost	**Computer software $'000**	**Customer relationships $'000**	**Restraint covenants $'000**	**Contracts in progress $'000**	**Total $'000**
Balance at 1 July 2022	19,669	10,700	10,000	700	41,069
Additions	1,870	–	–	–	1,870
Disposals	(116)	–	–	–	(116)
Balance as at 30 June 2023	**21,423**	**10,700**	**10,000**	**700**	**42,823**
Balance at 1 July 2023	21,423	10,700	10,000	700	42,823
Additions	1,682	–	–	–	1,682
Disposals	(6,135)	–	(10,000)	(700)	(16,835)
Balance as at 30 June 2024	**16,970**	**10,700**	**–**	**–**	**27,670**

Accumulated amortisation	**Computer software $'000**	**Customer relationships $'000**	**Restraint covenants $'000**	**Contracts in progress $'000**	**Total $'000**
Balance at 1 July 2022	(15,655)	(6,276)	(10,000)	(700)	(32,631)
Amortisation expense	(1,985)	(672)	–	–	(2,657)
Impairment	–	–	–	–	–
Eliminated on disposal of assets	116	–	–	–	116
Balance as at 30 June 2023	**(17,524)**	**(6,948)**	**(10,000)**	**(700)**	**(35,172)**
Balance at 1 July 2023	(17,524)	(6,948)	(10,000)	(700)	(35,172)
Amortisation expense	(1,902)	(672)	–	–	(2,574)
Impairment	(2)	–	–	–	(2)
Eliminated on disposal of assets	6,116	–	10,000	700	16,816
Balance as at 30 June 2024	**(13,312)**	**(7,620)**	**–**	**–**	**(20,932)**
Net book value as at 30 June 2024	**3,658**	**3,080**	**–**	**–**	**6,738**

The amortisation period for the above finite life intangible assets is as follows:

Computer software	4 years
Customer relationships	2 – 12 years

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22. Non-current assets – Right of use assets

Cost	Office premises $'000	Office equipment $'000	Total $'000
Opening balance at 1 July 2022	38,809	2,331	41,140
Modifications	(2,068)	–	(2,068)
Effect of foreign currency exchange differences	29	–	29
Balance as at 30 June 2023	**36,770**	**2,331**	**39,101**
Opening balance at 1 July 2023	36,770	2,331	39,101
Additions	11,881	–	11,881
Modifications	518	–	518
Disposals	(4,984)	–	(4,984)
Impairment	(241)	–	(241)
Effect of foreign currency exchange differences	3	–	3
Balance as at 30 June 2024	**43,947**	**2,331**	**46,278**
Accumulated depreciation			
Opening balance at 1 July 2022	(11,750)	(834)	(12,584)
Depreciation expense	(5,461)	(299)	(5,760)
Eliminated on disposal	–	–	–
Effect of foreign currency exchange differences	(10)	–	(10)
Balance as at 30 June 2023	**(17,221)**	**(1,133)**	**(18,354)**
Opening balance at 1 July 2023	(17,221)	(1,133)	(18,354)
Depreciation expense	(4,862)	(299)	(5,161)
Eliminated on disposal	4,984	–	4,984
Effect of foreign currency exchange differences	1	–	1
Balance as at 30 June 2024	**(17,098)**	**(1,432)**	**(18,530)**
Net book value as at 30 June 2024	**26,849**	**899**	**27,748**

The Group leases several office premises in Australia and the USA as well as office equipment including photocopiers and printers. The average lease term is 4.46 years (2023: 3.1 years).

The maturity analysis of lease liabilities is presented in Note 27.

	2024 $'000	2023 $'000
Amounts recognised in profit and loss		
Depreciation expense on right of use assets	5,161	5,760
Interest expense on lease liabilities	2,240	1,992
Total	**7,401**	**7,752**

Notes to the Consolidated Financial Statements

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23. Current and non-current assets - Finance lease receivables

	2024 $'000	2023 $'000
Amounts receivable under finance leases		
Less than one year	1,112	1,111
One to five years	741	1,851
Total undiscounted lease payments receivable	**1,853**	**2,962**
Present value of lease payments receivable	(94)	(240)
Net investment in the lease	**1,759**	**2,722**
Current	1,032	965
Non-current	727	1,757
Total finance lease receivable	**1,759**	**2,722**

The Group is exposed to foreign currency risk as a result of this finance lease arrangement as the lease is denominated in USD.

Amounts recognised in the consolidated Statement of Profit or Loss and other Comprehensive Income		
Finance income on the net investment in finance leases	**148**	**204**

The Directors of the Group estimate the loss allowance on finance lease receivables at the end of the reporting period at an amount equal to lifetime ECL. None of the finance lease receivables at the end of the reporting period are past due, and taking into account the future prospects of the industries in which the lessees operate, the directors of the Group consider that no finance leases receivable are impaired.

24. Current liabilities – Trade and other payables

	2024 $'000	2023 $'000
Current:		
Trade payables	1,203	2,603
Sundry payables and accrued expenditure	7,192	5,957
GST payable	1,967	1,553
Total trade and other payables	**10,362**	**10,113**

The average credit period on purchases of goods and services for the Group is 22 days (2023: 20 days).

25. Current liabilities – Contract liabilities

	2024 $'000	2023 $'000
Contract liabilities	**7,768**	**5,545**

Revenue relating to advisory and administration services are recognised over time although the customer pays up-front in full for these services. A contract liability is recognised for revenue relating to these services at the time of the initial sale transaction and is released over the service period.

Notes to the Consolidated Financial Statements

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26. Current and non-current liabilities – Provisions

	2024 $'000	2023 $'000
Current:		
Employee benefits	33,361	33,487
Other[1]	–	4,000
Provision for make-good	–	702
Total current provisions	**33,361**	**38,189**
Non-current:		
Employee benefits	970	1,082
Provision for make-good	917	917
Total non-current provisions	**1,887**	**1,999**

Reconciliation of movement in the current year:

	Other[1] $'000	Provision for make-good $'000
Balance as at 1 July 2023	4,000	1,619
Additional provision in the year	–	–
Utilisation of provision	(4,000)	(702)
Unwinding of unused provision	–	–
Balance as at 30 June 2024	**–**	**917**

Note 1: Following the Court approval of the settlement of the representative proceedings on 17 April 2024, the Tranche B payment of $4m was paid to the Deed Administrators on 11 June 2024, less the $1m deposit initially made at the commencement of the DOCA. The balance of the settlement amount is comprised of remaining available insurance proceeds.

Consequently, the Shine Proceeding was dismissed against E&P, Mr Alan Dixon and Mr Christopher Brown, and permanently stayed against DASS, without admission of any liability. The representative proceeding filed by Piper Alderman in the Federal Court of Australia in November 2021 was also dismissed against E&P and Mr Alan Dixon, and permanently stayed against DASS.

Notes to the Consolidated Financial Statements

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27. Current and non-current liabilities – Lease liabilities

	2024 $'000	2023 $'000
Maturity analysis – contractual undiscounted cashflows		
Less than one year	7,776	7,826
One to five years	28,524	20,401
More than five years	18,594	8,394
Total undiscounted lease liabilities	**54,894**	**36,621**
Lease liabilities included in the consolidated Statement of Financial Position		
Opening balance at the beginning of the year	30,573	40,067
Additions of leases during the year	17,948	–
Interest incurred	2,240	1,992
Payments of lease liabilities	(8,177)	(8,580)
Lease modifications	563	(3,079)
Impact of foreign exchange on lease liabilities balance	6	173
Total lease liabilities	**43,153**	**30,573**
Current	5,286	6,199
Non-current	37,867	24,374
Total lease liabilities	**43,153**	**30,573**
Amounts recognised in the consolidated Statement of Profit or Loss and other Comprehensive Income		
Interest expense on lease liabilities	**2,240**	**1,992**
Amounts recognised in the consolidated Statement of Cash Flows		
Interest paid on lease liabilities	(2,240)	(1,992)
Lease liability payments	(5,937)	(6,588)
Total cash outflow for leases	**(8,177)**	**(8,580)**

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's finance function.

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28. Equity – Issued capital

	Number of shares	Share capital $
Balance of issued share capital as at 1 July 2022	237,680,090	328,491,298
Treasury shares re-issued under the share rights plan during the year	–	(2,218,129)
Balance of issued share capital as at 30 June 2023	**237,680,090**	**326,273,169**
(Less): treasury shares held by Group entities	(9,604,495)	(8,384,080)
Balance of share capital as at 30 June 2023	**228,075,595**	**317,889,089**
Balance of issued share capital as at 1 July 2023	237,680,090	326,273,169
Treasury shares re-issued under the share rights plan during the year	–	(1,417,009)
Balance of issued share capital as at 30 June 2024	**237,680,090**	**324,856,160**
(Less): treasury shares held by Group entities	(7,955,462)	(7,316,805)
Balance of share capital as at 30 June 2024	**229,724,628**	**317,539,355**
Movement in treasury shares balance during the year can be reconciled as follows:		
Opening balance of treasury shares held by Group entities 1 July 2023	(9,604,495)	(8,384,080)
(Less): Treasury shares purchased during the year	(686,042)	(349,734)
Add: Treasury shares issued (options exercised) during the year	2,335,075	1,417,009
Closing balance treasury shares held by Group entities 30 June 2024	**(7,955,462)**	**(7,316,805)**

Fully paid ordinary shares carry one vote per share and carry a right to dividends.

29. Equity – Reorganisation reserve

	2024 $'000	2023 $'000
Reserve arising out of corporate reorganisation	**(135,099)**	**(135,099)**

The reorganisation reserve reflects the change in organisational structure when E&P Financial Group Limited became the parent entity of the Group on 18 March 2016.

30. Equity – Investment revaluation reserve

	2024 $'000	2023 $'000
Investment revaluation reserve	**(3,770)**	**(1,945)**

The investment revaluation reserve represents the cumulative gains or losses arising on changes in the fair value of equity investments measured at fair value through other comprehensive income.

Movements in investment revaluation reserve

Movements in the investment revaluation reserve during the current financial year is set out below:

	2024 $'000	2023 $'000
Balance at the beginning of the year	(1,945)	(560)
Fair value loss on financial assets measured at FVTOCI	(1,743)	(1,145)
Deferred tax liability arising on revaluation of financial assets	–	(240)
Transfer of gain on disposal of equity investments at FVTOCI	(82)	–
Balance at the end of the year	**(3,770)**	**(1,945)**

Notes to the Consolidated Financial Statements

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31. Equity – Foreign currency translation reserve

	2024 $'000	2023 $'000
Foreign currency translation reserve	**4,380**	**4,392**

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Movements in foreign currency translation reserve
Movements in the foreign currency translation reserve during the current and previous financial year are set out below:

	2024 $'000	2023 $'000
Balance at the beginning of the year	4,392	4,228
Exchange differences arising on translating the foreign operations	(12)	164
Balance at the end of the year	**4,380**	**4,392**

32. Equity – Share based payments reserve

The share-based payments reserve represents the cumulative amount of share based payments expense recognised during the respective vesting periods of each tranche of shares that have been issued under the Loan Funded Share Plan and share options /rights plan (refer Note 33).

Movements in based payments reserve
Movements in the share based payments reserve during the current and previous financial year are set out below:

	2024 $'000	2023 $'000
Balance at the beginning of the year	12,858	11,388
Share based payments expense recognised in the year – Loan funded share plan	–	259
Share based payments expense recognised in the year – Share options/rights plan	865	1,211
Balance at the end of the year	**13,723**	**12,858**

33. Share based payments

Employee share options

On 18th December 2020, the Group announced the suspension of its Employee Share Plans. Aside from Key Management Personnel or in order to satisfy contractual obligations, the Group does not intend to grant further deferred equity to employees as part of the Group's discretionary bonus awards. This does not impact previously issued employee share options as detailed below and in previous period financial statements.

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33. Share based payments (continued)

Share options/rights plan

During the year ended 30 June 2024, the Group continued its Share Options/Rights Plan (**ORP** or **Plan**) for its Australian domiciled employees (Eligible Person). The key terms of the ORP are listed as follows:

Nature of Rights	Each Right represents a right to acquire one (1) ordinary share of capital of the Company, subject to the terms and conditions of the Plan rules
Determination of the Number of Rights	The number of Rights has been determined by dividing an Eligible Persons' Discretionary Share Rights Bonus amount by the volume weighted average of the price (VWAP) at which the Company shares traded on the ASX during the 10 trading days immediately prior to the Grant Date.
Grant Dates	15 October 2023 and 15 April 2024 (tranches X,Y,Z,AA,AB,AC,AD,AE)
Vesting Dates	Refer below
Exercise Expiry Date	Refer below
Vesting Conditions	Continuous employment on the Vesting Dates or such other date the Board of the Company determines the Vesting Condition to have been met.
Right Exercise Price	Nil
Dividend and voting entitlements	Rights do not confer an entitlement to receive dividends, to vote at Company meetings or to capital distributions. Once a Right has vested and is exercised, the holder will have the same benefits as other holders of ordinary shares in the Company.
Funding of Rights	In order to satisfy the obligations of the Company arising from the grant of the Rights, the Company intends to, over time, purchase ordinary shares on-market, to be held in an employee share trust (Trust) or issue the relevant ordinary shares or a combination of those actions.

During the year ended 30 June 2024, five tranches of rights have been issued under the ORP as follows:

ORP	Tranche X	Tranche Y	Tranche Z	Tranche AA	Tranche AB	Tranche AC	Tranche AD	Tranche AE
Number of rights	74,113	332,523	90,139	296,468	296,468	708,164	708,164	708,168
Grant date	15 Oct 2023	15 Oct 2023	15 Oct 2023	15 Oct 2023	15 Oct 2023	15 Apr 2024	15 Apr 2024	15 Apr 2024
Vesting date	15 Apr 2024	15 Oct 2024	15 Apr 2025	15 Oct 2025	15 Oct 2026	15 Apr 2025	15 Apr 2026	15 Apr 2027
Exercise Expiry Date	15 Oct 2030	15 Oct 2030	15 Oct 2030	15 Oct 2030	15 Oct 2030	15 Apr 2031	15 Apr 2031	15 Apr 2031
Market value of shares at grant date	$0.425	$0.425	$0.425	$0.425	$0.425	$0.471	$0.471	$0.471

The rights issued under the ORP have been treated as 'in substance options' which have been valued using a Black-Scholes option pricing methodology with key inputs shown below. The resulting value is amortised over the vesting period on a probability adjusted basis. The total expense recorded for the period in relation to the below tranches since grant date was $0.87 million.

ORP	Tranche X	Tranche Y	Tranche Z	Tranche AA	Tranche AB	Tranche AC	Tranche AD	Tranche AE
Option life	0.5 years	1 years	1.5 years	2 years	3 years	1 year	2 years	3 years
Share price at grant date	$0.425	$0.425	$0.425	$0.425	$0.425	$0.460	$0.460	$0.460
Expected volatility	50%	50%	50%	50%	50%	50%	50%	50%
Dividend yield	0.00%	0.90%	3.40%	6.10%	7.70%	0.40%	3.50%	5.10%
Risk-free rate	4.24%	4.01%	3.76%	3.68%	3.89%	4.16%	3.88%	3.77%
Fair value per right	$0.425	$0.421	$0.404	$0.376	$ 0.338	$0.458	$0.429	$0.395
Valuation methodology	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes

33. Share based payments (continued)

Details of the share options outstanding during the period are as follows:

	Number of share rights
Balance at the start of the year	**7,829,564**
Granted during the year	3,214,207
Vested and exercised during the year (current employees)	(1,948,905)
Vested and exercised during the year ("good" leavers under the terms of the Plan)	(290,695)
Vested and exercised during the year ("other" leavers under the terms of the Plan)	(98,798)
Forfeited during the year ("good" leavers under the terms of the Plan)	(9,207)
Forfeited during the year ("other" leavers under the terms of the Plan)	(45,640)
Balance at the end of the year	**8,650,526**

The following tranches vested during the year ended 30 June 2024:

ORP	Tranche I	Tranche L	Tranche N	Tranche R	Tranche S	Tranche V	Tranche X
Number of rights	1,975,095	105,303	449,581	99,259	527,169	84,276	74,113
Number of rights exercised	1,128,048	–	–	99,259	–	–	74,113
Grant date	15/10/2020	15/04/2021	15/10/2021	15/10/2021	15/10/2022	15/04/2023	15/10/2023
Vesting date	15/10/2023	15/10/2023	15/10/2023	15/04/2024	15/10/2023	15/04/2024	15/04/2024

In addition to the above tranches, there was a further 34,494 (2023: 45,404) shares that vested during the year in relation to good leavers that are yet to be exercised.

Loan funded share plan (LFSP)

During the year ended 30 June 2024, no further tranches of shares have been issued under the LFSP. Further details of previously issued LFSP tranches of shares are disclosed in previous years' annual financial reports. No further expense relating to LFSP were recorded for the year as all tranches have vested.

	Number of Loan Funded Shares
Balance at the start of the year	**5,761,046**
Forfeited during the year ("good" leavers under the terms of the Plan)	(2,112,557)
Forfeited during the year ("other" leavers under the terms of the Plan)	(29,925)
Balance at the end of the year	**3,618,564**

Notes to the Consolidated Financial Statements

Continued

34. Equity – Accumulated losses

	2024 $'000	2023 $'000
Balance at the beginning of the year	**(57,890)**	**(34,499)**
Loss attributable to the owners of the Company	(27,679)	(17,026)
Payment of dividends	–	(6,417)
Dividends paid in prior years reclassified to profit and loss	–	52
Transfer of fair value through other comprehensive income to accumulated losses	82	–
Balance at the end of the year	**(85,487)**	**(57,890)**

35. Parent entity information

As of and throughout the financial year ended 30 June 2024, the parent entity of the group was E&P Financial Group Limited. The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australian Accounting Standards.

Summarised financial information	2024 $'000	2023 $'000
Summarised statement of financial position		
Current assets	117,005	116,547
Non-current assets	116,318	147,660
Total assets	**233,323**	**264,207**
Current liabilities	775	581
Non-current liabilities	4,472	7,499
Total liabilities	**5,247**	**8,080**
Net assets	**228,076**	**256,127**
Equity		
Issued capital	404,436	405,853
Reserves	13,723	12,858
Accumulated losses	(190,083)	(162,584)
Total Equity	**228,076**	**256,127**
Summarised statement of profit or loss and other comprehensive income		
Loss for the year, after income tax	(27,498)	(3,097)
Other comprehensive income	–	–
Total comprehensive loss	**(27,498)**	**(3,097)**

Notes to the Consolidated Financial Statements

Continued

36. Financial Instruments

Financial risk management objectives

The Group's principal financial assets comprise cash and cash equivalents, trade and other receivables and investments in listed and unlisted securities, finance lease receivables and deposits. The Group's principal financial liabilities comprise trade and other payables and lease liabilities.

The Group's activities expose it to a variety of financial risks: for example, market risk (including interest rate risk and foreign currency risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to ensure the potential adverse effects on the financial performance of the Group are kept to within acceptable limits. The Group uses different methods to measure different types of risks to which it is exposed. These methods include sensitivity analysis in the case of interest rate risk and foreign currency risk, and ageing analysis for credit risk.

Risk management is carried out by senior management and the Board. The Board identifies and monitors the risk exposure of the Group and determines appropriate procedures, controls and risk limits. Senior management identifies, evaluates and monitors financial risks within the Group's operations. There has been no material change to the nature of the financial risks the Group is exposed to, or the manner in which these risks are managed and measured.

	2024 $'000	2023 $'000
Material categories of Financial Instruments		
Financial assets		
Cash and cash equivalents	48,905	53,284
Trade and other receivables	23,576	23,075
Finance lease receivables	1,759	2,722
Investments in financial assets	5,340	8,991
Deposits	3,473	9,043
Other receivables	795	–
Financial liabilities		
Trade and other payables	10,362	10,113
Lease liabilities	43,153	30,573
Other liabilities	429	–

Capital management

The capital structure of the Group consists of cash (cash and cash equivalents) and equity (comprising contributed equity, (accumulated losses)/retained profits and reserves). The Group manages its capital with the aim of ensuring that the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

Notes to the Consolidated Financial Statements

Continued

36. Financial Instruments (continued)

A subsidiary of the Group, Evans and Partners Pty Limited, is a market participant on the ASX and Chi-X, and therefore has an externally imposed capital and liquidity requirement. Another subsidiary of the Group, E&P Asia (HK) Limited, holds a Type 1 and Type 4 Securities and Futures Commission (SFC) licence in Hong Kong, and also has an externally imposed capital and liquidity requirement. In addition, the subsidiaries Evans and Partners Pty Limited, E&P Investments Limited, E&P Funds Management Pty Limited and E&P Capital Pty Limited all have Australian Financial Services Licenses which require the maintenance of a minimum level of net assets.

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currencies that are different to the functional currency of the respective entities undertaking the transactions, hence the exposures to exchange rate fluctuations arise which are recorded through profit or loss and other equity. The carrying amounts of the Group's foreign currency denominated assets at the reporting date that are denominated in a currency different to the functional currency of the respective entities holding the monetary assets are as follows:

	2024 $'000	2023 $'000
Assets denominated in currency of USA		
Cash at bank	1,522	1,204
Trade debtors	111	272
Related party loan	14,082	13,947
Investment in financial assets – FVTOCI	4,121	6,359

i. Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 10% increase and decrease in the Australian dollar against the relevant foreign currencies. 10% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates. A negative number below indicates a reduction in profit and other equity where the Australian dollar strengthens 10% against the relevant currency. For a 10% weakening of the Australian dollar against the relevant currency, there would be a comparable increasing impact on the profit and other equity, and the balances below would be positive.

Notes to the Consolidated Financial Statements

Continued

36. Financial Instruments (continued)

	2024 $'000	2023 $'000
***Profit or loss*[1]**		
+ 10% strengthening	(1,572)	(1,542)
– 10% weakening	1,572	1,542
Other equity[2]		
+ 10% strengthening	(412)	(636)
– 10% weakening	412	636

[1] This is mainly attributable to the exposure outstanding on currency of USA denominated cash at bank, trade debtors and related party loan.

[2] This is a result of changes in fair value of investment in financial assets through other comprehensive income

Interest rate risk

The Group is exposed to change in interest rates on cash at bank and deposits.

i. Interest rate sensitivity analysis

A 100 basis points (BP) increase or decrease in interest rates represents management's assessment of the reasonably possible change in interest rates based on cash at bank and short-term deposit balances at balance date.

	2024 $'000	2023 $'000
Impact of 100 BP change in interest rate applied on year-end cash at bank balance		
+ 100 basis points	444	490
– 100 basis points	(433)	(479)

Credit risk management

Credit risk management is the risk that a counterparty defaults on its contractual obligations resulting in financial loss to the Group. A default may arise through a counterparty failing to meet its obligation to pay invoiced fees.

i. Invoices for services

The credit worthiness of clients is taken into account when accepting client assignments. Receivables consist of a number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of customers. As at 30 June 2024 the Group does not have a significant credit risk exposure to any single customer. Note 14 includes an ageing of receivables past due.

Notes to the Consolidated Financial Statements

Continued

36. Financial Instruments (continued)

ii. Cash balances

The credit risk of the banks holding the Group's cash is considered limited because the banks have high credit ratings assigned by international credit rating agencies. Cash and cash equivalents are only deposited with reputable financial institutions. The majority of funds at year end were deposited with three banks in Australia, three banks in the USA and one bank in Hong Kong.

iii. Finance lease receivables

The Group is exposed to credit risk on finance lease receivable. The Group has a policy to continuously assess and monitor the credit quality of the lessee taking into account the future prospects of the industries in which the lessees operate. The maximum exposure to credit risk at 30 June 2024 is under Note 23.

Liquidity risk management

Liquidity is the risk that financial obligations of the Group cannot be met as and when they fall due without incurring significant costs. The Group manages liquidity risk by monitoring forecast cash requirements, both short and longer term, against its current liquid assets. In determining the level of liquidity to maintain, regard is had to cash flows required over the next 12 to 24 months and regulatory obligations such as Australian Financial Services Licence requirements of the Group.

i. Liquidity and interest rate tables

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Financial liabilities	Weighted average effective interest rate $'000	Less than 1 month $'000	1 - 3 months $'000	3 - 12 months $'000	1 - 5 years $'000	5+ years $'000	Total $'000
30 June 2024							
Non-interest bearing	–	(5,881)	(1,865)	(2,616)	–	–	(10,362)
Interest bearing lease liabilities	6.169%	(651)	(1,310)	(5,815)	(28,524)	(18,594)	(54,894)
30 June 2023							
Non-interest bearing	–	(6,274)	(2,141)	(1,698)	–	–	(10,113)
Interest bearing lease liabilities	6.030%	(1,036)	(2,055)	(4,735)	(20,401)	(8,394)	(36,621)

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

Notes to the Consolidated Financial Statements

Continued

36. Financial Instruments (continued)

Fair value of financial instruments

This note provides information about how the Group determines fair value of various financial assets and financial liabilities. Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used).

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	2024 $'000	2023 $'000		
Current				
Investments in financial assets:				
Listed corporations				
– Fair value through other comprehensive income	4,121	5,314	Level 1	Quoted bid prices in an active market.
– Fair value through other comprehensive income	–	66	Level 3	Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. As observable prices are not available. Alternative Level 3 valuation techniques may be used adopting market or asset-specific inputs and assumptions.
– Joint ventures held for sale	366	549	Level 2	Where relevant Level 2 market information, such as a recent valuation report or offer for sale of an asset, is available, this information is used to determine the fair value of the investment.
Total	4,487	5,929		
Non-current				
Investments in financial assets:				
Listed corporations				
– Fair value through other comprehensive income	–	2,104	Level 1	Quoted bid prices in an active market.
– Fair value through profit and loss	–	13	Level 1	Quoted bid prices in an active market.
Shares / bonds in corporations – Fair value through profit and loss	653	745	Level 2	Where relevant Level 2 market information, such as a recent capital raising or offer for sale of an asset, is available, this information is used to determine the fair value of the investment.
Shares / bonds in unlisted corporations – Fair value through profit and loss	200	200	Level 3	For remaining investments, alternative Level 3 valuation techniques may be used adopting market or asset specific inputs and assumptions. In the absence of any other available information indicating material change in value, the directors may deem that the fair value of assets materially approximates their historical cost. Movements in carrying values include movements in foreign exchange rates at balance date where the investments are held by foreign subsidiaries.
Total	853	3,062		
Other receivables	795	–	Level 3	Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. As observable prices are not available. Alternative Level 3 valuation techniques may be used adopting market or asset-specific inputs and assumptions.

36. Financial Instruments (continued)

There were no other transfers between Level 1, Level 2 or Level 3 in the year. The fair value of financial assets and financial liabilities which are not measured at fair value on a recurring basis materially approximates their carrying value at reporting date.

37. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

Trading transactions

During the year, group entities entered into the following trading transactions with related parties that are not members of the Group and key management personnel:

	Provision of services		Purchase of services	
	Year ended 30 June 2024 $'000	Year ended 30 June 2023 $'000	Year ended 30 June 2024 $'000	Year ended 30 June 2023 $'000
Associates of E&P Financial Group Limited				
Clear Law Pty Limited	–	–	14	33
US Select Private Opportunities Fund II GP, LLC	–	674	–	–
US Select Private Opportunities Fund III GP, LLC	816	794	–	–
US Select Private Opportunities Fund IV GP, LLC	923	1,008	–	–
Total	**1,739**	**2,476**	**14**	**33**
Jointly controlled entities of E&P Financial Group Limited				
CVC Emerging Companies IM Pty Limited	20	20	–	–
CVC Emerging Companies Fund	–	–	–	–
Total	**20**	**20**	**–**	**–**

Key management personnel (KMP) of E&P Financial Group Limited:

Trading transactions: During the year, KMP and KMP-related entities were charged for various services including international equities managed discretionary account services and brokerage totalling $242,102 (2023: $263,374). The terms and conditions of these transactions were at arms-length and were no more favourable than those available to non-KMP.

Notes to the Consolidated Financial Statements

Continued

37. Related party transactions (continued)

The following balances were outstanding at the end of the reporting period:

	Amounts owed by related parties		Amounts owed to related parties	
	30 June 2024 $'000	**30 June 2023 $'000**	**30 June 2024 $'000**	**30 June 2023 $'000**
Associates of E&P Financial Group Limited				
Clear Law Pty Limited	–	393	12	–
Total	**–**	**393**	**12**	**–**
Other liabilities				
Related party tax loan account -E&P Financial Group Limited & DASS[1]	–	–	429	–
Total	**–**	**–**	**429**	**–**

Note 1: On 19 December 2022, the Group announced that creditors voted in favour of executing the Deed of the Company Arrangement (DOCA) proposed by the Group in respect of Dixon Advisory & Superannuation Services Pty Limited (DASS), and the involved parties have accordingly executed the DOCA. As a result of this arrangement, any tax receivable owed to DASS as part of the Company's tax funding and sharing arrangements in regard to the year ended 30 June 2024 has been recognised during the period.

38. Key management personnel remuneration

The remuneration of directors and other members of key management personnel during the year was as follows:

	2024 $'000	**2023 $'000**
Short-term employee benefits	4,008	3,706
Post-employment benefits	129	128
Long-term employee benefits	(66)	41
Share based payments	498	649
Total	**4,569**	**4,524**

Notes to the Consolidated Financial Statements

Continued

39. Net cash provided by operating activities

Reconciliation of loss for the year to net cash flows from operating activities:

	2024 $'000	2023 $'000
Loss after tax for the year	(27,679)	(17,026)
Add: Depreciation and amortisation	9,905	10,443
Add: Impairment of plant, equipment and right of use assets	660	1,192
Add: Impairment of goodwill, intangible assets and investments expense	19,273	19,250
Add: Share based payments expense	865	1,522
Add: Interest expense – lease liability	2,242	1,994
(Less): Onerous contracts expense	–	(464)
Add/(less): Unrealised foreign exchange	28	(218)
Add: Movement of fair value of investments	56	347
(Less): Dividend income from investments	(560)	(607)
(Less): Share of profits of associates and jointly controlled entities	(1,233)	(1,970)
Add/(less): Loss/gain on investments and leases	45	(1,011)
(Less): Interest income – finance lease receivable	(148)	(204)
Changes in assets and liabilities:		
(Increase) / decrease in trade and other receivables	(235)	2,826
(Increase) / decrease in prepayments	159	139
(Increase) / decrease in current tax liabilities	(112)	(487)
(Increase) / decrease in deposits	(8)	(808)
(Increase) / decrease in deferred tax assets	(4,151)	1,307
(Decrease)/increase in other liability	429	–
Increase / (decrease) in trade and other payables	(1,018)	(19,913)
Increase / (decrease) in contract liabilities	2,223	435
Increase / (decrease) in provisions	(3,939)	(7,152)
Net cash used by operating activities	**(3,198)**	**(10,405)**

Reconciliation of liabilities arising from financial liabilities:

		Financing					
	1 July 2023	Cash inflows	Cash outflows	Addition of leases	Disposal of leases	Other changes[1]	30 June 2024
Lease liabilities (refer to Note 27)	30,573	_	(5,937)	17,947	–	570	43,153
Total liabilities from financing activities	**30,573**	**–**	**(5,937)**	**17,947**	**–**	**570**	**43,153**

Note 1: Other changes include change in lease terms, lease modifications, interest incurred and impact of foreign exchange.

Notes to the Consolidated Financial Statements

Continued

40. Borrowings

As at 30 June 2024, the Group has a bank guarantee facility with National Australia Bank (NAB) with a $4.4 million limit, which were used to secure the Group's Australian commercial office leases. This bank guarantee has been cash backed by a one month short-term bank deposit maturing on 12 July 2024 (refer to Note 13).

41. Contingent liabilities

Settlement of Representative Proceeding filed by Shine Lawyers

On 17 April 2024, the Group announced that Federal Court of Australia approved the settlement of the representative proceeding filed by Shine Lawyers in December 2021 (Shine Proceeding) against Dixon Advisory & Superannuation Services Pty Limited (Subject to Deed of Company Arrangement) (DASS), E&P, Mr Alan Dixon and Mr Christopher Brown.

Consequently, the Shine Proceeding was dismissed against E&P, Mr Alan Dixon and Mr Christopher Brown, and permanently stayed against DASS, without admission of any liability. The representative proceeding filed by Piper Alderman in the Federal Court of Australia in November 2021 was also dismissed against E&P and Mr Alan Dixon, and permanently stayed against DASS.

As a result, there are no remaining contingent liabilities related to this matter.

Joint lessee

The Group is joint lessee of the premises located at 140 Broadway, New York, with US Masters Residential Property Fund (**URF**). The Group is jointly and severally liable for all lease charges, and thus has a contingent liability in respect of URF's share of future leases charges which are summarised below:

	2024 $'000	2023 $'000
Less than one year	1,150	1,139
One to five years	767	1,915
Total	**1,917**	**3,054**

Notes to the Consolidated Financial Statements

Continued

42. Commitments for expenditure

The Group has a remaining commitment for investment into Dixon Associates PE III Wholesale Fund totalling $0.3 million.

43. Subsequent events

On 10 July 2024, the Group entered into a premium financing arrangement in the amount of $2.24 million, for the purposes of funding upfront premiums due in respect of Group insurance policies.

Other than the matters referred above, there has not arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

FOR THE YEAR ENDED 30 JUNE 2024

Consolidated Entity Disclosure Statement

The consolidated entity disclosure statement has been prepared in accordance with the Corporations Act and applicable accounting standards. It includes all subsidiaries within the Group, including dormant entities, to provide a comprehensive view of the Group's structure. The tax jurisdictions of each entity have been determined and disclosed, ensuring transparency in the Group's financial reporting and compliance with relevant regulatory requirements.

		Body corporates		Tax residency	
Entity name	**Entity type**	**Placed formed or incorporated**	**% share of capital held**	**Australian or foreign**	**Foreign jurisdiction**
E&P Financial Group Limited	Body corporate	Australia	N/A	Australian	N/A
E&P Operations Pty Limited	Body corporate	Australia	100%	Australian	N/A
E&P Private Investments Pty Limited	Body corporate	Australia	100%	Australian	N/A
E&P SMSF Services Pty Limited	Body corporate	Australia	100%	Australian	N/A
E&P Financial Group USA Inc.	Body corporate	USA	100%	Foreign	USA
E&P Investments Limited	Body corporate	Australia	100%	Australian	N/A
E&P Funds Management Pty Limited	Body corporate	Australia	100%	Australian	N/A
E&P Funds Group Pty Limited	Body corporate	Australia	100%	Australian	N/A
Dixon Projects LLC	Body corporate	USA	100%	Foreign	USA
US Select Asset Management Inc	Body corporate	USA	100%	Foreign	USA
DGP Inc	Body corporate	USA	100%	Foreign	USA
US Select Private Opportunities Fund GP LLC	Body corporate	USA	100%	Foreign	USA
Australian Fund Accounting Services Pty Limited	Body corporate	Australia	100%	Australian	N/A
E&P International Investments Pty Limited	Body corporate	Australia	100%	Australian	N/A
New Energy Solar Manager Pty Limited	Body corporate	Australia	100%	Australian	N/A
Evans and Partners Pty Limited	Body corporate	Australia	100%	Australian	N/A
Orca Funds Management Pty Limited	Body corporate	Australia	100%	Australian	N/A
NES Project Services LLC	Body corporate	USA	100%	Foreign	USA
E&P Employee Investments Pty Limited*	Body corporate	Australia	100%	Australian	N/A
E&P Capital Pty Limited	Body corporate	Australia	100%	Australian	N/A
E&P Asia (HK) Limited	Body corporate	Hong Kong	100%	Foreign	Hong Kong
Claremont Funds Management Pty Ltd	Body corporate	Australia	100%	Australian	N/A
E&P Facilities Pty Limited	Body corporate	Australia	100%	Australian	N/A
Evans Dixon Loan Funded Share Plan Trust	Trust	N/A	N/A	Australian	N/A
Dixon Advisory & Superannuation Services Pty Limited (subject to Deed of Company Arrangement) **	Body corporate	Australia	100%	Australian	N/A

* E&P Employee Investments Pty Limited is the trustee of Evans Dixon Loan Funded Share Plan Trust

** Dixon Advisory & Superannuation Services Pty Limited is currently subject to a Deed of Company Arrangement and as a result no longer controlled by the Group. However, it remains 100% owned by the Group and continues to be included in the tax consolidated group for taxation purposes.

E&P

FOR THE YEAR ENDED 30 JUNE 2024

Directors' Declaration

The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;

(b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 2 to the financial statements;

(c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity,

(d) in the directors' opinion, the attached consolidated entity disclosure statement is true and correct; and

(e) the directors have been given the declarations required by s.295A of the *Corporations Act 2001.*

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the *Corporations Act 2001.*

On behalf of the Directors

Director: .... David Evans

Director: .... Ben Keeble

Dated: 29th August 2024

Independent Auditor's Report to the Members of E&P Financial Group Limited

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Independent Auditor's Report to the members of E&P Financial Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of E&P Financial Group Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the directors' declaration and the consolidated entity disclosure statement.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2024 and of their financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report to the Members of E&P Financial Group Limited

Continued

Deloitte.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Carrying value of goodwill As at 30 June 2024 the Group has recognised goodwill of $26.6 million which comprises 12.8% of the Group's total assets. The carrying value of goodwill is allocated to the E&P Capital cash generating unit ("CGU"). As disclosed in Note 20, management has performed an impairment assessment and has concluded that the carrying value of goodwill is impaired and recognised an impairment charge of $19.3 million. As disclosed in Note 3, significant judgement is required in the assessment of the recoverable value of goodwill. The impairment assessment is complex in respect of the assumptions and estimates used in preparing discounted cash flow models, including the determination of: • future cash flows for the CGU; • revenue and terminal growth rates; • royalty charges; and • discount rate. Accordingly, the carrying value of goodwill is considered to be a key audit matter.	Our procedures in relation to the E&P Capital CGU, in conjunction with our valuation specialists, included but were not limited to: • Obtaining an understanding and evaluating the controls associated with the impairment assessment; • Obtaining the impairment model and challenging the key assumptions and estimates used in the model, including cash flow forecasts, growth rates, terminal growth rate and discount rates by: o performing a retrospective review of the accuracy of management's budgets against actual results; o evaluating the reasonableness of royalty charges imposed on the CGU with reference to third party valuations and related royalty rates; o calculating an independent discount rate to assess the discount rate used by management; and o assessing the integrity of the impairment model including the mathematical accuracy. Assessing the adequacy of the disclosures in Notes 2, 3 and 20 to the financial statements.
Carrying value of brand name As referred to in Note 20, included in indefinite life intangible assets is a brand name of $29.3 million. Management has performed an impairment assessment of the value of the brand name using a relief from royalty method to ascertain the recoverable amount value at balance date. No impairment was identified by management. Significant judgement is required in the assessment of the recoverable value of the brand name as a number of estimates are required in preparing a relief from royalty calculation, including the determination of: • future revenue growth; • royalty rates; • terminal growth rate; and • discount rate. Accordingly, the carrying value of the brand name is considered to be a key audit matter.	Our procedures included, but were not limited to: • Obtaining an understanding and evaluating the controls associated with the Group's assessment of the recoverable amount of the brand name. • Obtaining an understanding and evaluating the appropriateness of the Group's method adopted for assessing the recoverable amount of the brand name. • Obtaining the Group's relief from royalty calculation, and with the assistance of our valuation specialists: o assessing the integrity of the models including the mathematical accuracy of the underlying calculation; o challenging the key assumptions and estimates used in the calculation, including the reasonableness of future revenue growth, royalty rates and terminal growth rate; and o calculating an independent discount rate to assess the discount rates used by management. • Undertaking an independent sensitivity assessment of the key assumptions within the model. Assessing the adequacy of the Group's disclosures in Notes 2, 3 and 20 to the financial statements.

Independent Auditor's Report to the Members of E&P Financial Group Limited

Continued

Deloitte.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditor's Report to the Members of E&P Financial Group Limited

Continued

Deloitte.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of E&P Financial Group Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

David Haynes

David Haynes
Partner
Chartered Accountants
Sydney, 29 August 2024

E&P

Additional Stock Exchange Information

Additional Stock Exchange Information

Dividend details

It is the current intention of the Board to pay interim dividends in respect of half years ending in December and final dividends in respect of full years ending in June each year. It is anticipated that interim dividends will be paid in April and final dividends will be paid in October following the relevant financial period end. It is expected that all future dividends will be franked to the maximum extent possible without the Company incurring an additional tax liability.

Statement of quoted securities as at 1 August 2024

There are 1,671 shareholders holding a total of 237,680,090 ordinary shares.

The 20 largest shareholders between them hold 67.95% of the total shares on issue.

Share registry information

The following information is correct as at 1 August 2024:

20 largest shareholders

Registered holder	Number of shares held	% of ordinary shares
MCF3 E&P Holdco Limited	34,661,934	14.58%
J P Morgan Nominees Australia Pty Limited	20,933,788	8.81%
Jolimont Terrace Investments Pty Ltd <Thornton Investments A/C>	15,581,955	6.56%
National Nominees Limited	12,336,639	5.19%
BNP Paribas Nominees Pty Ltd <HUB24 Custodial Serv Ltd>	10,468,679	4.40%
E&P Employee Investments Pty Limited	7,952,140	3.35%
HSBC Custody Nominees (Australia) Limited	7,397,089	3.11%
Citicorp Nominees Pty Limited	6,765,585	2.85%
Bki Investment Company Limited	6,631,759	2.79%
BNP Paribas Nominees Pty Ltd <Ib Au Noms Retailclient>	5,191,901	2.18%
Inishail Pty Ltd <Keeble Family A/C>	5,105,648	2.15%
Laver Place Nominees Pty Limited	4,308,334	1.81%
BNP Paribas Noms Pty Ltd	4,289,382	1.80%
Morey Ankatell Pty Ltd <Bluebombers S/F A/C>	3,841,369	1.62%
Richard Anthony Lang Hunt	3,753,925	1.58%
Premiership Player Pty Ltd <Premiership Legend Super A/C>	3,266,084	1.37%
Walker Street Lb Nominees Pty Limited	2,432,708	1.02%
Ohjs Group Pty Limited <Super Hans Super Fund A/C>	2,288,758	0.96%
Ipch Investments Pty Limited <Ipch Investment A/C>	2,162,674	0.91%
Zonda Capital Pty Ltd <Flinders Family A/C>	2,134,533	0.90%
Total	**161,504,884**	**67.95%**

Additional Stock Exchange Information

Continued

Distribution of shareholders

Holding	Number of shareholders	Number of shares held	% of ordinary shares
1 – 1,000	100	49,709	0.02%
1,001 – 5,000	239	699,292	0.29%
5,001 – 10,000	537	4,322,549	1.82%
10,001 – 100,000	370	12,962,570	5.45%
100,001 and over	147	219,645,970	92.41%
Total	**1,393**	**237,680,090**	**100.00%**

Substantial shareholders

The following holders are registered by the Company as a substantial shareholder, having declared a relevant interest, in accordance with the *Corporations Act*. The relevant interests disclosed below for non-director holdings are as per the latest substantial shareholder notices lodged with the Company.

Name	Number of shares	% of ordinary shares
MCF3 E&P Holdco Limited, MCF3B General Partner Limited as general partner of MCF3B Limited Partnership, MCF3 Feeder Services Pty Ltd as trustee of the MCF3 Feeder Trust, Mercury Capital Investments Pty Ltd, MCF3 GP Limited as general partner of the MCF3 NZ Limited Partnership and Clark Perkins together, "Mercury Capital"[1]	52,331,317	22.02%
The Australian Wealth Advisors Group Limited (AWAG) and its associates[2]	19,885,769	8.37%
Jolimont Terrace Investments Pty Limited & Attunga Super Pty Limited (David Evans)	16,131,156	6.79%

Note 1: Mercury Capital's shareholdings are held directly through "MCF3 E&P Holdco Limited" and indirectly through nominee accounts including "J P Morgan Nominees Australia Pty Limited".

Note 2: As per a Substantial Shareholder Notice lodged with the Company on 12 March 2024, AWAG and its associates have a relevant interest in 8.37% of the Company's ordinary shares. This includes a voting option over 7,995,518 shares (representing 3.37%) under a shareholder voting agreement with Lanyon Asset Management Pty Ltd which expires on 25 September 2024.

Directors' shareholdings

Director	Number of shares held
David Evans	16,131,156
Ben Keeble	5,985,416
Josephine Linden	nil
Sally McCutchan	100,000
Tony Johnson	200,000

Voting rights

At meetings of members or classes of members, each member may vote in person or by proxy, attorney or (if the member is a body corporate) corporate representative. On a show of hands, every person present who is a member or a proxy, attorney or corporate representative of a member has one vote and on a poll every member present in person or by proxy, attorney or corporate representative has one vote for each fully paid Share held by the member.

Corporate Directory

Directors

David Evans
Ben Keeble
Josephine Linden
Sally McCutchan
Tony Johnson

Company secretaries

Mike Adams
Robert Darwell

Registered office
(principal place of business)

Level 32, 1, O'Connell Street
Sydney NSW 2000
Tel: 1300 852 017

Share registry

Boardroom Pty Limited
Level 8
210 George Street
Sydney NSW 2000
Tel: 1300 737 760
www.boardroomlimited.com.au

Auditor

Deloitte Touche Tohmatsu
Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000

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