

Fiducian FY2022 results – Fiducian Delivers Double Digit Growth: Underlying Profit up 11%, Net Inflows up 36% and Gross Revenue up 18%

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Fiducian Group Ltd (ASX: FID) in its 26th financial year since inception has again delivered double digit earnings growth this year in spite of the sharp decline in financial markets, that adversely impacted Funds Under Management, Administration and Advice (FUMAA) and truncated earnings expansion over the last quarter.

Record breaking net inflows of \$309 million was achieved (up from \$228 million in previous year) from our existing network of 86 financial advisers. In spite of the market volatility, our business model has continued to be resilient, weathered the adverse impact of a changed economic environment and enabled the consolidated entity to deliver an Underlying Net Profit After Tax increase of 11% to \$15.7 million (2021: \$14.1 million). The underlying earnings per share lifted 11.1% from 44.9 cents in 2021 to 49.9 cents in the current year. After the acquisition of client bases and absorbing recent share market declines, the combined FUMAA grew 5% to \$10.9 billion over the previous year (June 2021 \$10.4 billion). The statutory net profit after tax also increased by 9% to \$13.3 million (2021: \$12.2 million). Any recovery in financial markets should consolidate further revenue increases in the year ahead.

Talking about the company's results, Indy Singh, Executive Chairman of the Group said that Fiducian "has continued to capitalise on the main revenue earning segments of our business model - Platform Administration, Funds Management and Financial Planning. All of them are supported by our Fintech capability, which has produced in-house proprietary technology and software systems that allow us to innovate, lift productivity and subsequently generate profits for our shareholders."

During the year Fiducian acquired the financial planning business of South Australia's People's Choice Credit Union which has assimilated well in our network, added \$1.1 billion under advice at the time and provided additional employment to 40 persons comprising financial advisers and support staff. Further funding was provided to the franchisee network to acquire additional FUA of \$70 million. Management believes that subject to meeting the best interest of clients, the full benefit from these acquisitions could be realised in the coming years.

In the current low interest rate environment, a retiree that invested \$1,000 in Fiducian shares in financial year 2013, would today earn a fully franked dividend of \$306 or 30% of the capital invested plus any franking benefits. The dividend payout has increased each year over the last 10 years.

Our principles of People, Planet and Profit stand firm. We are indeed fortunate to have a loyal and experienced management and dedicated staff who have delivered seamless operations with efficiency under trying conditions, be they COVID-19 variants, work from home, floods, financial market gyrations, legislative changes or transport dislocations. Our focus to deliver a great client experience has remained steadfast.

"Management and the Board remain positive for further growth of Fiducian in the future. Wars always end and modern medicine finds cures for pandemics," said Mr Singh. Our expanded network of financial advisers is expected to deliver funds flows that exceed our recent record breaking year. Significant effort is being directed to distribution of new products and services and as well, we remain on the lookout for further earnings per share accretive acquisitions of client bases. As is always the case, the recent market volatility may likely be offset by strong share market growth in years to come and we intend to capitalise on this transformation for the benefit of our shareholders, stakeholders and people.

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About Fiducian Group Ltd (ASX:FID) Publicly listed Fiducian Group Ltd (FGL) is a successful end-to-end financial services company in this fiercely competitive sector in Australia. FGL is Australian-owned and operated. Fiducian provides platforms for investment and superannuation, funds management and investment, financial planning and technology solutions for financial planners and their clients.

Through the vision of founding Executive Chairman Indy Singh, the company was established in 1996 and listed on ASX in 2000. Funds under Management, Administration & Advice (FUMAA) total \$11.5 billion as at 31 July 2022.