



Annual General Meeting Managing Director's Address

27 November 2014

Disclaimer

Summary information

The material that follows is a presentation of general background information about HUB24 Limited's ('HUB') activities. This information given in summary form does not purport to be complete and should be read in conjunction with previous ASX filings, Half Year Report and the audited Annual Report as applicable.

Not investment advice

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An investment in HUB shares is subject to investment and other known and unknown risks, some of which are beyond the control of HUB. HUB does not guarantee any particular rate of return or the performance of HUB nor does it guarantee the repayment of capital from HUB or any particular tax treatment.

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Who we are

HUB24 is a financial services company focused on delivering superior investment, superannuation and advice solutions to independently-minded advisers and their clients



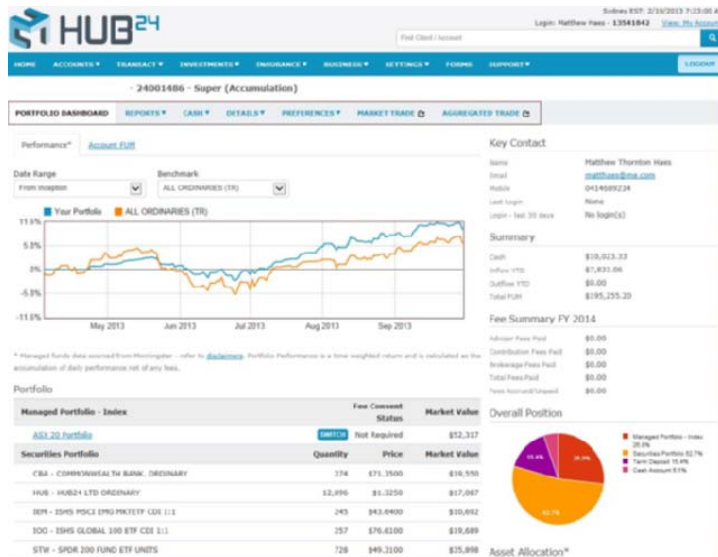
- Market leading Wrap & Managed Account Platform
- \$1.15 billion Funds Under Administration (FUA)
- FUA grown 122% in FY14
- Providing solutions for 401 financial advisers



- Market leading boutique advice licensee
- \$2.5 billion Funds Under Advice
- 20 high quality practices, 50 advisers, national footprint

What we do

We develop, distribute and operate the HUB24 Investment and Superannuation platform



- Our customers are financial advisers, accountants, stockbrokers and institutions
- We allow our larger corporate customers to white label the platform under their own brand
- Very wide investment choice including Managed Portfolios, listed securities, managed funds, term deposits and cash
- Provide financial advice to clients via licensed advisers of the newly acquired Paragem business.

Our advantage

Market leading managed portfolio capability

- Enables dealer groups to offer advisers and their clients fully implemented SMAs and model portfolios made up of a range of asset types and classes.
- Dealers can earn ongoing portfolio management fees and provide a more efficient implementation model for their advisers.
- Supports the achievement of efficient fee and tax outcomes for clients.

Independence

- Independently owned platform, not reliant or influenced by in-house products.
- Responsive to dealer group and adviser service needs.
- Paragem open-architecture and clearly differentiated licensee with full product choice, high quality advisers and strong compliance.

Technology

- Proven in house development team that enhances client responsiveness and quick to market development releases catering for advisers and their clients and regulatory change.
- Fully online scalable solution delivering operational efficiencies translating into sustainable competitive pricing.

Paragem Acquisition

Strategic rationale

- Paragem is a leading dealer group that complements the range of services and solutions that HUB24 can offer to investors and advisers.
- Provides a 'landing pad' for independently minded financial advisers that are currently licensed by 'big 5' institutionally-owned dealer groups, but are looking for an independent, open architecture model.
- Provides an alternative licensing solution for self-licensed financial advisers looking for an independent, open architecture model.
- Diversify HUB24's revenue streams by participating more broadly in the financial services sector and also provide future strategic opportunities.
- Assist HUB24 work closely with Adviser Firms for the purposes of generating product innovation and better market intelligence.
- Support further growth of FUA. Paragem advisers seeking managed account solution and HUB24 is the market leader.
- Together, HUB24 and Paragem can optimise growth to build a leading 'independent dealer' group through the offer of a market leading integrated wrap platform and managed account portfolio solutions.

Market environment

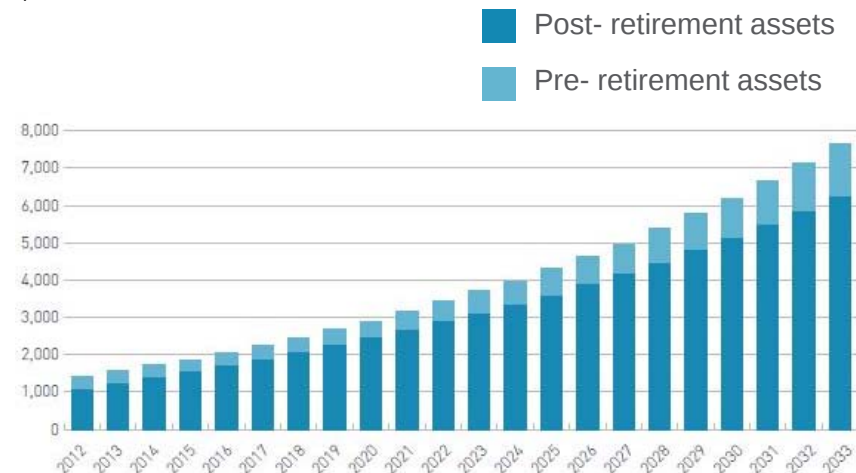
Investment and superannuation growth

- The personal investments market was \$2,275bn as at 30 June 2013 and is expected to grow at 7.8% p.a. (4.8% in real terms) over the next 15 years*.
- Wrap platforms, including separately managed accounts (SMA) and model portfolio products will be the fastest growing segment of the personal investment market with market share growing from 2.0% to 7.5% over the 15 years to 30 June 2028.*

- The value of superannuation assets was \$1,616bn as at 30 June 2013 and is expected to grow at 5.2% in real terms over the next 15 years.* Progressive rise in employer superannuation (SG) to 12% will further fuel net flows to platforms.

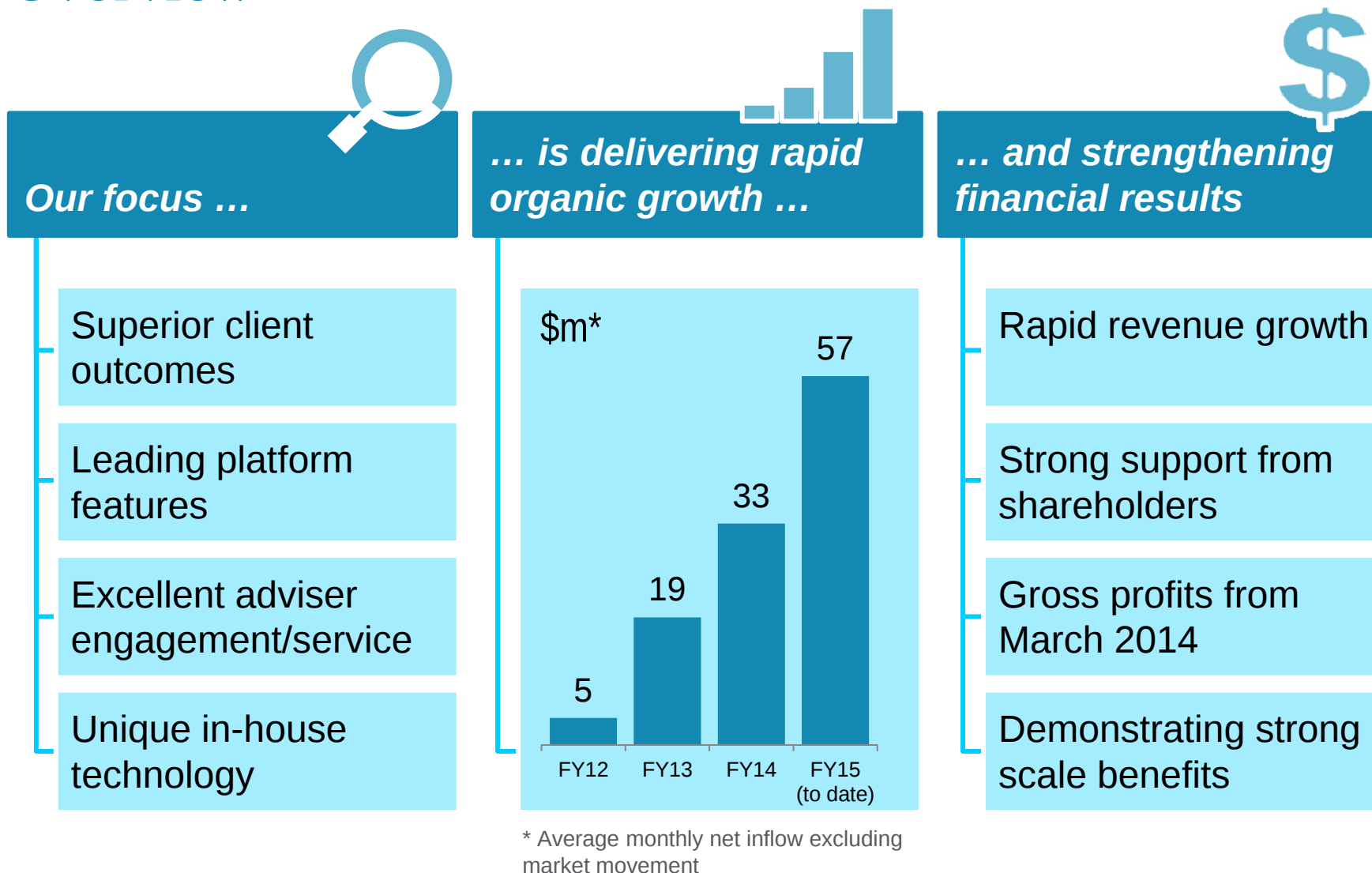
PROJECTED SUPERANNUATION ASSETS**, 2012-33

\$ millions



* Rice Warner – Media Release February 2014 – Personal Investments Market Projections Report 2014 ** Deloitte Actuaries & Consultants, 2013

Overview



FY14 Highlights



FUA growth of
122% to

\$854m

(Now \$1,150m)



Cash and cash
equivalents of

\$13.8m

and no corporate debt.



Launched in
June 2012

Super

Now represents more than
half of all client accounts.



Growth in active advisers
of 109 to

345

Serving 52 financial planning
groups with 3 new white label
agreements



Increase in platform
revenue of

161%

achieved through growing
Funds Under Administration
with consistent gross profit
margins.



HUB24
awarded

3rd

in the Product category by
market researcher Investment
Trends, in December 2013
Platform Report covering 25
leading platforms. Now
ranked ahead of many
mainstream and traditional
industry leaders.



Managed Portfolios
offered

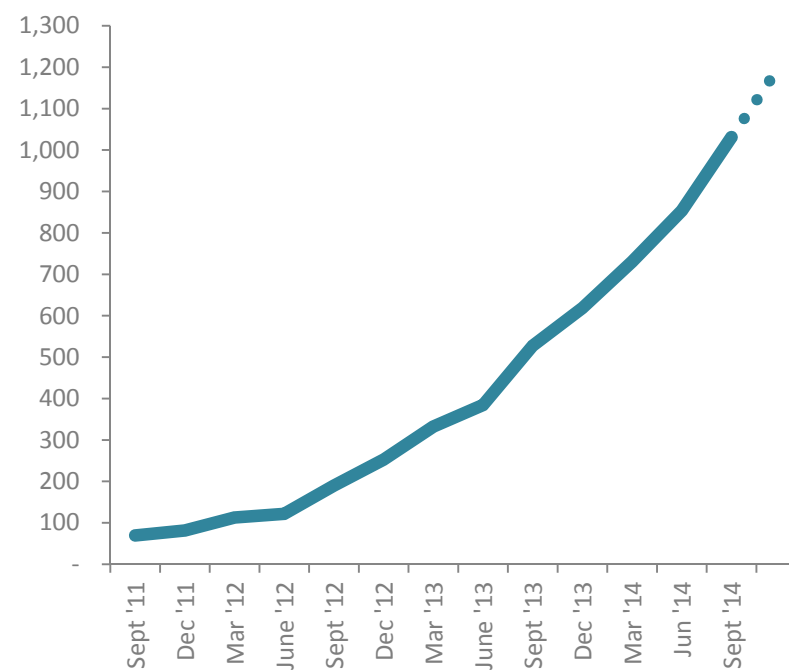
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With FUA in these
increasing 170%.

Growth statistics

FY14 :	2014	% increase on PCP*	
FUA**	854m	122%	
Net inflows	394m	72%	
Gross inflows	494m	67%	
FY15 :	Q1FY15	% increase on PCP*	% increase on Prior Qtr
FUA**	1,031m	95%	21%
Net inflows	171m	60%	45%
Gross inflows	198m	65%	19%

FUA BALANCE \$ millions



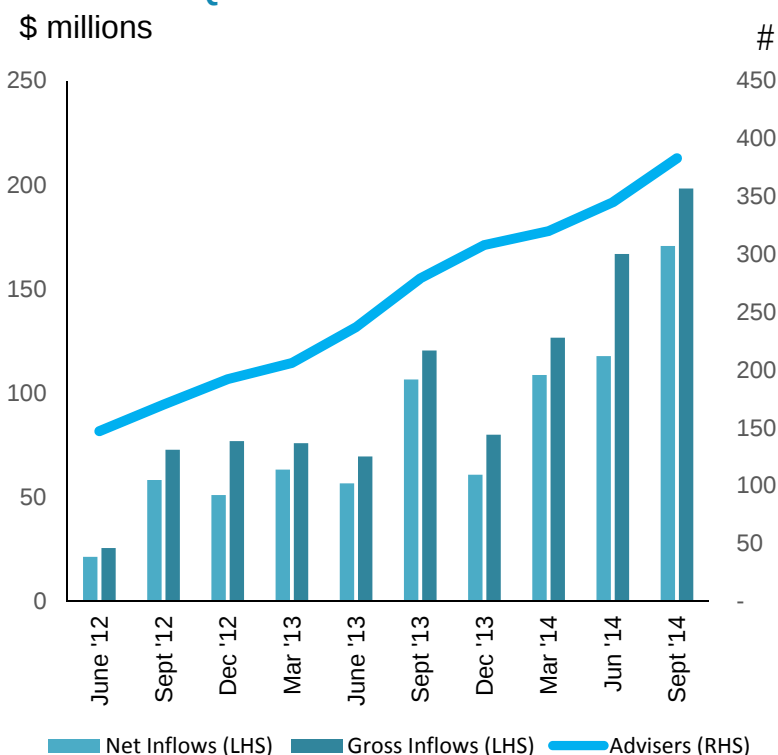
*Annual from 30 June 2013

** FUA includes market movement.

Growth statistics

- Average FUA per adviser increased by 71% during FY14.
- New advisers using the HUB platform during FY14 increased by 109 and by 38 during Q1FY15.
- Many advisers are relatively new with expected upside in both new accounts and average FUA.
- Establishing new advisers relationships will support continuing FUA growth.

INFLOWS - QUARTERLY



Net & Gross flows exclude market movement

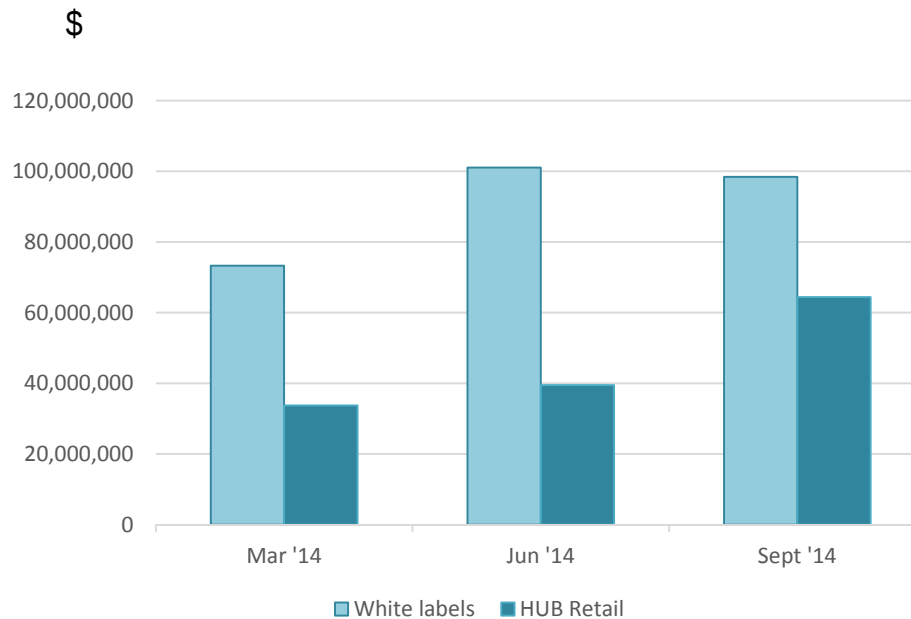
FY14 :	2014	% increase on PCP*	
Active advisers	345	46%	
Managed Portfolios (#)	188	19%	
Managed Portfolios (\$)	357m	170%	
FY15 :	Q1FY15	% increase on PCP*	% increase on Prior Qtr
Active advisers	383	37%	11%
Managed Portfolios (#)	204	28%	9%
Managed Portfolios (\$)	448m	142%	26%

*Annual from 30 June 2013

Growth statistics

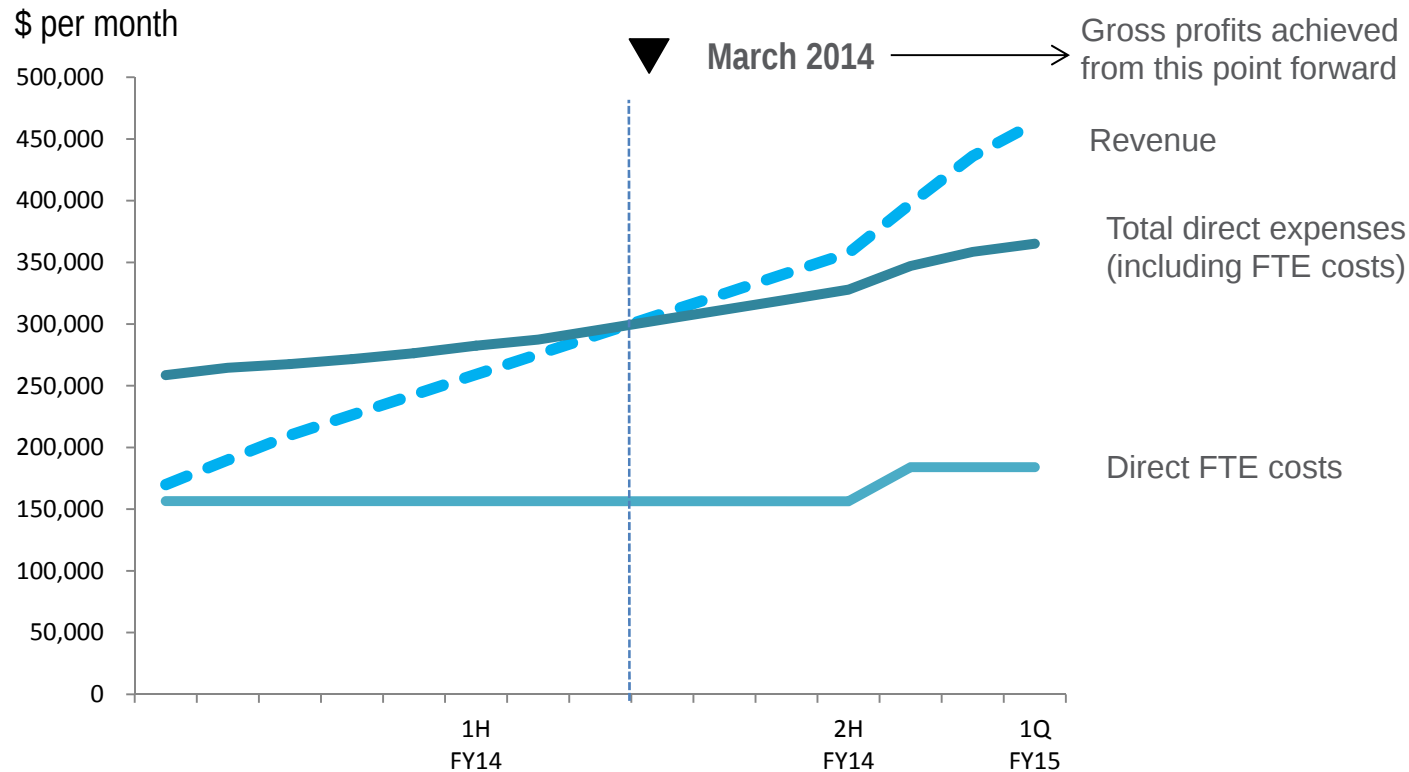
- FY15 has seen a large increase in new account inflows into HUB24's Retail Offer with an increase of 11 active licensees since July 2013.
- Strong growth in white label inflows in FY14 are now paralleled with Retail inflows in FY15.

2014 Trend of inflows from new accounts to the HUB24 Platform



Scale efficiencies and margin expansion

GROSS PROFIT EMERGES WITH INCREASING SCALE



Scale benefits emerging for HUB over the 2 year reporting periods to 30 June 2014:

1. Seven times FUA increase.
2. More than 14 times revenue increase while direct costs (platform & FTE) to service that those revenues has increased only 1.4 times – supporting our scalable business model.
3. FTE to support FUA has incurred a marginal increase only.

1QFY15 Figures are based upon internal management accounts, excludes Paragem and are unaudited.

Financial summary

Continuing rapid increase in FUA is translating into revenue, gross profit and EBITDA improvements.

- Investment increase reflects strengthening headcount across executive team, development, sales and product.
- Investments made in the executive team in FY14:
 - have resourced the business for growth;
 - aim to accelerate growth further over FY15/16;
 - Explore further acquisition opportunities;
 - target efficiencies in supporting this growth and improving gross profit, EBITDA and NPAT margins.

Key financial results	Year ended 30 June 2013	Year ended 30 June 2014	% change	Qtr ended 30 Sept 2013***	Qtr ended 30 Sept 2014***	% change
FUA (million)	\$384	\$854	122.4%	\$528	\$1,031	95.3%
Revenue	1,228,366	3,209,190	161.3%	644,511	1,296,643	101.2%
Platform direct costs*	(2,597,463)	(3,461,416)	33.3%	(845,254)	(1,070,703)	26.7%
Gross profit	(1,369,097)	(252,226)	81.6%	(200,743)	225,940	212.6%
EBITDA pre-investment	(4,678,536)	(3,976,878)	15.0%			
EBITDA post-investment**	(6,520,239)	(7,663,800)	(17.5%)			
NPAT (incl discontinued operations)	(9,782,971)	(8,423,012)	13.9%			

* Includes custody, trustee, super administration, data, research and staff that support the existing FUA on the platform.

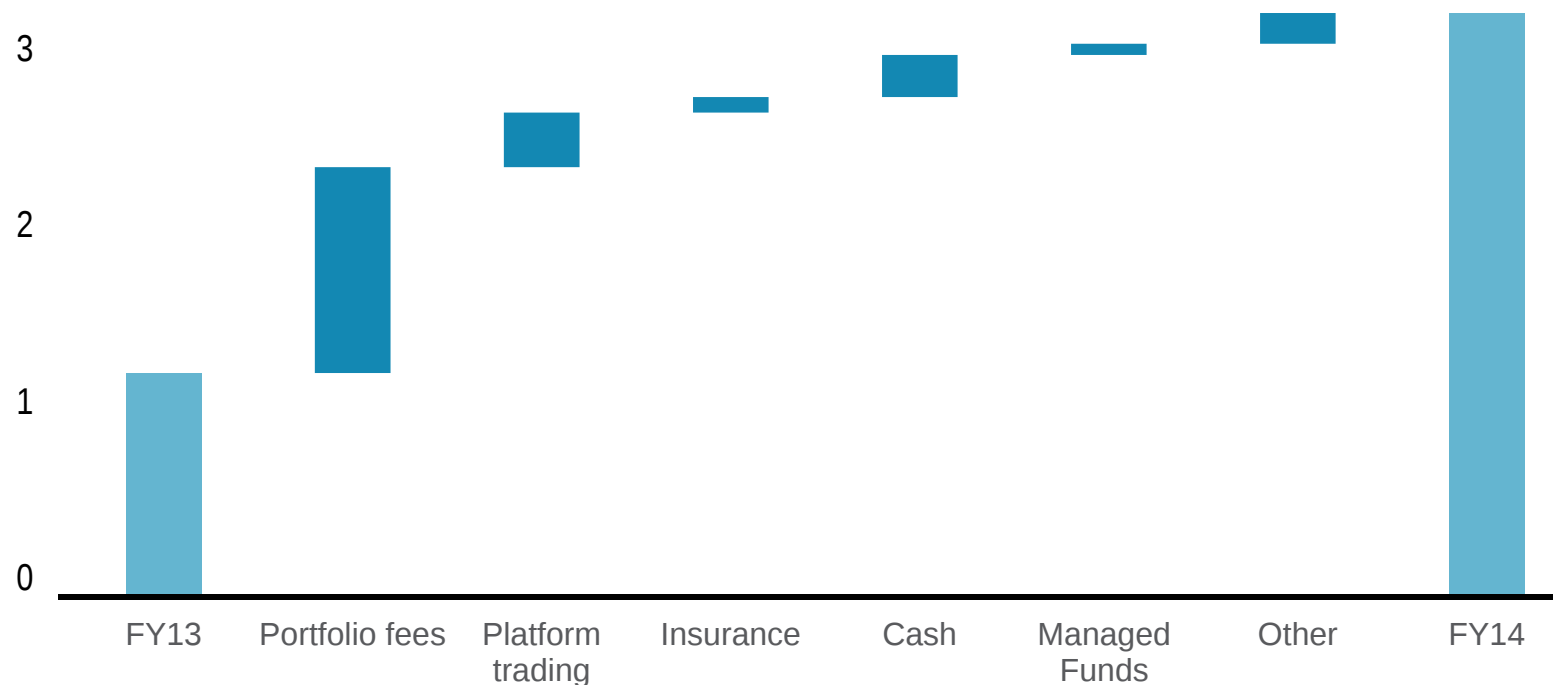
** Includes headcount resources that are dedicated to bringing new FUA onto the platform – sales, transition, new development functions.

*** Figures per internal management accounts, excludes Paragem, not subject to audit.

FY13 to FY14 Revenue movements by category

Increase in revenue margin from 48 bps to 52 bps of average FUA driven by maintaining client portfolio fees and increased transaction activity from platform trading, insurance and managed funds.

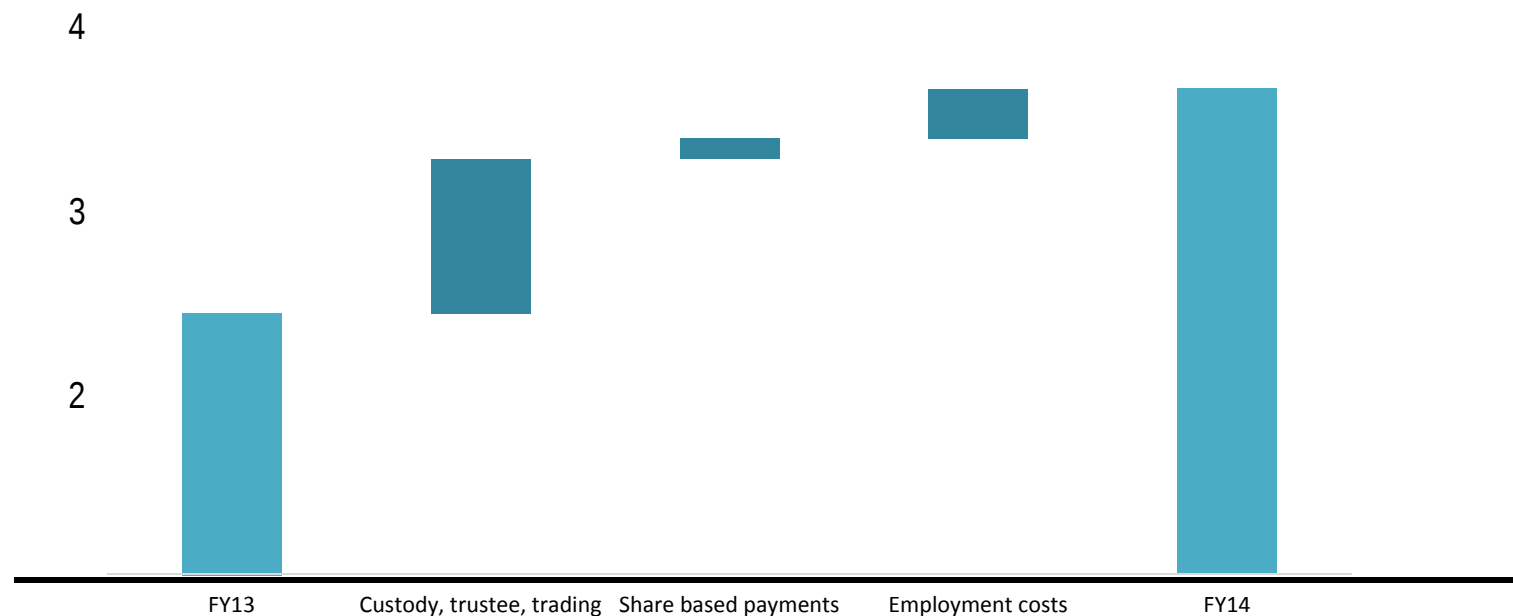
\$ millions



FY13 to FY14 Direct Platform expenses movement by category

Direct platform expense increases predominantly due to transactional services – trading, custody, trustee. HUB is achieving scale efficiencies across these suppliers.

\$ millions



FY15 Business progress



FUA growth of
21% for 1QFY15 to

\$1,031m

(Now \$1,150m)



Launched in
June 2012

Super

Now represents more than
\$500m in FUA.



Growth in active advisers
to

383

Representing an increase of
38 for 1QFY15



Increase in new client account
inflows of

40%

From HUB's retail offer during
1QFY15



Managed Portfolios
offered

204

With FUA of 43% now
represented by this emerging
asset class



Paragem acquisition
completed in September.

FY15 Product update

Recent Completions

- External Broker Trading functionality
- Non-Custody Reporting service, including Tax Reporting
- Additional online self service capabilities for advisers and investors
- Integration of Zurich Insurance

Work in progress

- New Mobile Device friendly user interface –compatible with all mobile device types and sizes
- International equities and foreign currency options within Managed Portfolios
- Additional Insurers & Term Deposit providers
- Additional Managed Portfolio options



Paragem update

- Paragem is a leading dealer group that complements the range of services and solutions that HUB24 can offer to investors and advisers.
- Activity to date has focussed upon integration & transition activities.
- Paragem's recruitment strategy of new practices continues with strong interest in pipeline.
- Initial inflows from Paragem are in line with expectations and are above typical experience for new licensees and white labels.
- Paragem understanding of adviser practices enhancing HUB's capability in engagement, product development and investment selection.

Outlook

- 1 FUA growth trend expected to continue and accelerate**
 - Maximise existing adviser and dealer relationships
 - Ongoing business development including white labels for dealer groups, stockbrokers and accountants
 - Promote our unique managed portfolio capability as a FOFA compliant solution for advisers
 - Leverage our strong foundations to pursue larger / more significant opportunities.
- 2 Continuing investment to maintain and enhance position as leading independent platform**
 - Increase current product range and expand capabilities
 - Enhance adviser and client experience.
- 3 Grow Paragem licensee by recruiting quality practices and providing exceptional advice and platform solutions.**
- 4 Enhance product capability to target high net worth individuals and SMSF clients.**
- 5 Efficiently develop and grow our high calibre talented team to support our future success.**
- 6 Actively reviewing acquisition opportunities and strategic alliances.**

Corporate information

Capital structure at 25 November '14

Shares on issue	47.06m
Share price	\$0.94
Market capitalisation	\$44.23m

Substantial shareholders

Thorney Holdings Ltd	18.95%
Acorn Capital Ltd	10.07%
Ian Litster	7.6%

Balance sheet as at 30 June '14

Current assets	\$14.61m
Non-current assets	\$ 7.07m
Total assets	\$21.68m
Current liabilities	\$ 2.05m
Non-current liabilities	\$ 0.19m
Total liabilities	\$ 2.24m
Net assets	\$ 19.44m
Equity	\$ 19.44m