



praemium

FY2015 Half-year results

20 February 2015

The material contained in this document is a presentation of general information about the Praemium Group's activities current as at the date of this presentation (20 February 2015). It is provided in summary and does not purport to be complete. You should not rely upon it as advice for investment purposes as it does not take into account your investment objectives, financial position or needs. These factors should be considered, with or without professional advice when deciding if an investment is appropriate.

To the extent permitted by law, no responsibility for any loss arising in any way (including by way of negligence) from anyone acting or refraining from acting as a result of this material is accepted by the Praemium Group or any of its related bodies corporate.

Who we are

ASX Listed

- Company founded in 2001
- Listed on Australian Stock Exchange (ASX) in 2006

Global Footprint

- Head office in Melbourne, Australia
- Locations across Europe & Asia
- Over 150 staff

Services

- Wealth management software
- Over 700 wealth management clients covering \$80 billion in assets

What we do

Software
as a
Service

Portfolio
Admin
(V-Wrap)

- Non-custodial portfolio administration system
- Record, monitor and report investments
- Web based, with Australian-based clientele

Financial
Planning
(WealthCraft)

- CRM*- client centric financial planning
- Intuitive, flexible, efficient
- Cloud based, global

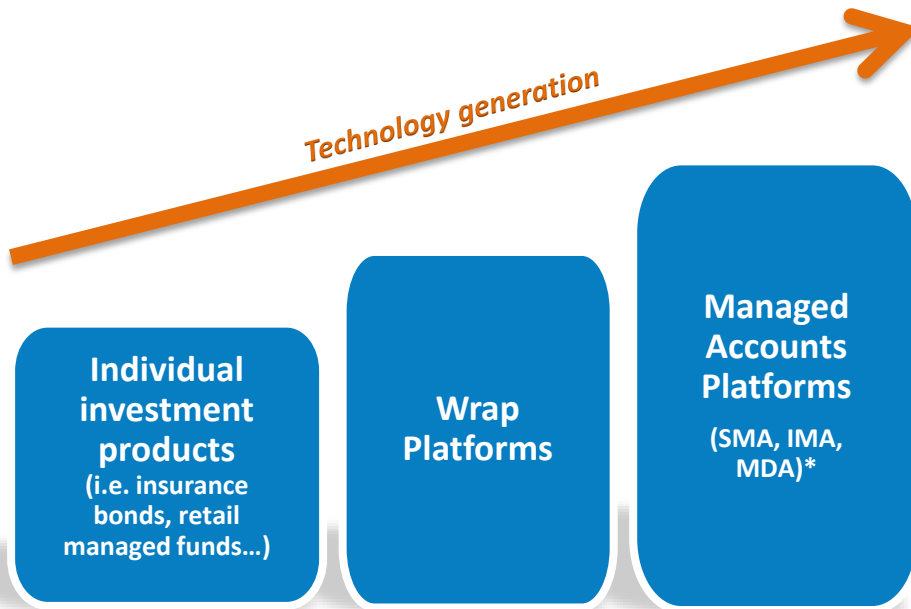
Investment
platform

Separately
Managed
Account
(SMA)

- Custodial platform with proprietary technology
- Next gen platform – managed accounts
- Web based, global

SMA next evolution of platforms

Platform progression



SMA: Transparent, cost effective, beneficial ownership, scalable

SMA's expansion

Significantly increased awareness among financial advisers

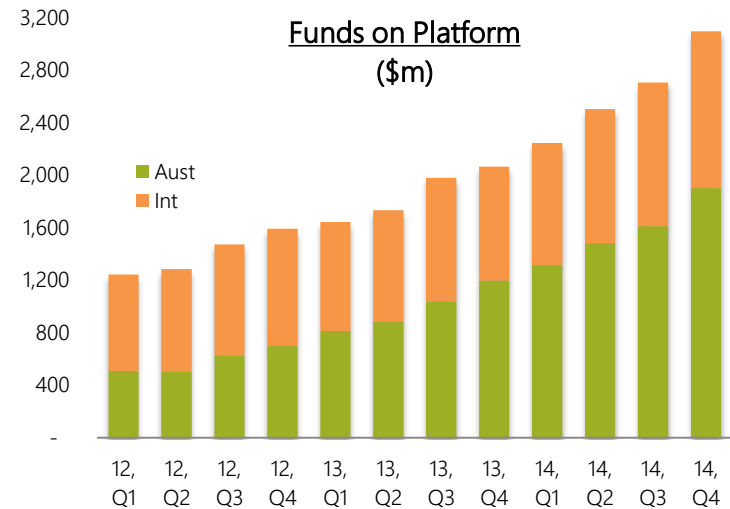
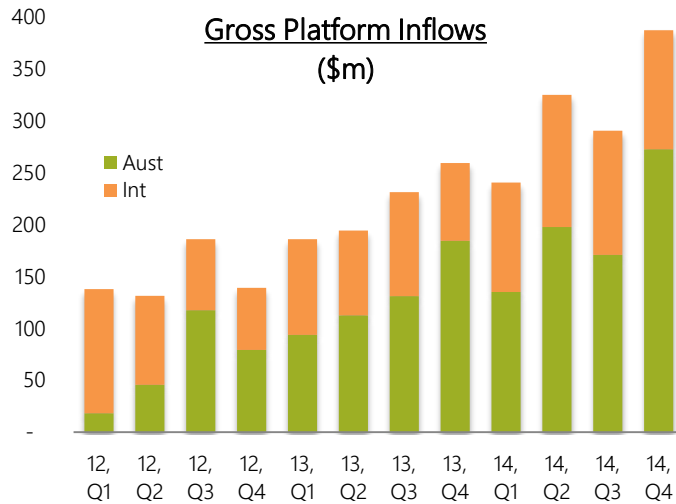
Considerable increase in demand for managed account solutions

Large institutional wrap platforms announcing plans to enter the SMA space

Praemium well placed in SMA:

- Clear leader with proven track record
- Focused SMA strategy to drive excellence
- Winner of 2014 SMA Platform Award
- Superior technology with Praemium's proprietary dynamic SMA engine
- Leverages our excellence and market leadership in reporting

Record fund inflows



SMA driving growth

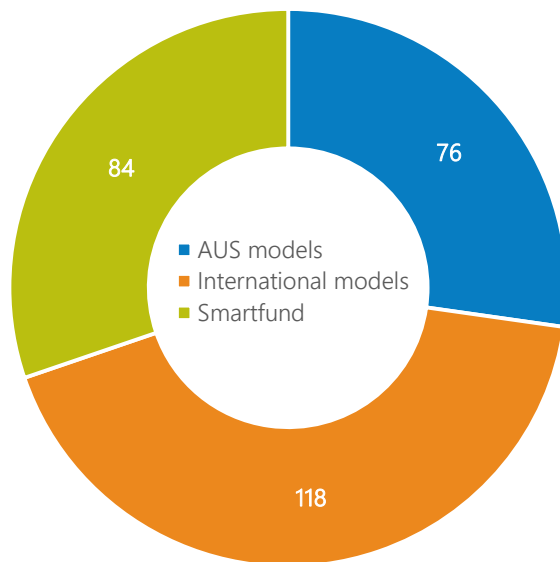
Funds on Platform \$3.1 billion, up 50% (\$1 billion) on prior year*

Record inflows for December 2014 quarter of \$387 million

Solid pipeline for 2015 growth

Excellent start for SIM

Assets under management (SIM)*
(\$Am)



Reached \$278 million in assets after first year

Smart Investment Management (SIM)

Highly experienced team in multi-asset portfolio construction

Team hired November 2013 and first models launched February 2014

Over 3 years experience running models on Praemium's dynamic SMA

Strategies designed to deliver maximum returns at lowest possible volatility

Provides clients with an off-the-shelf, scalable solution

Portfolio administration (V-Wrap)

Continuing improvements driving growth back into V-Wrap (6% annual increase)

Leveraging our strengths of account reconstruction and corporate actions

Release of SMSF compliance monitoring, accounting & ATO reporting modules to come

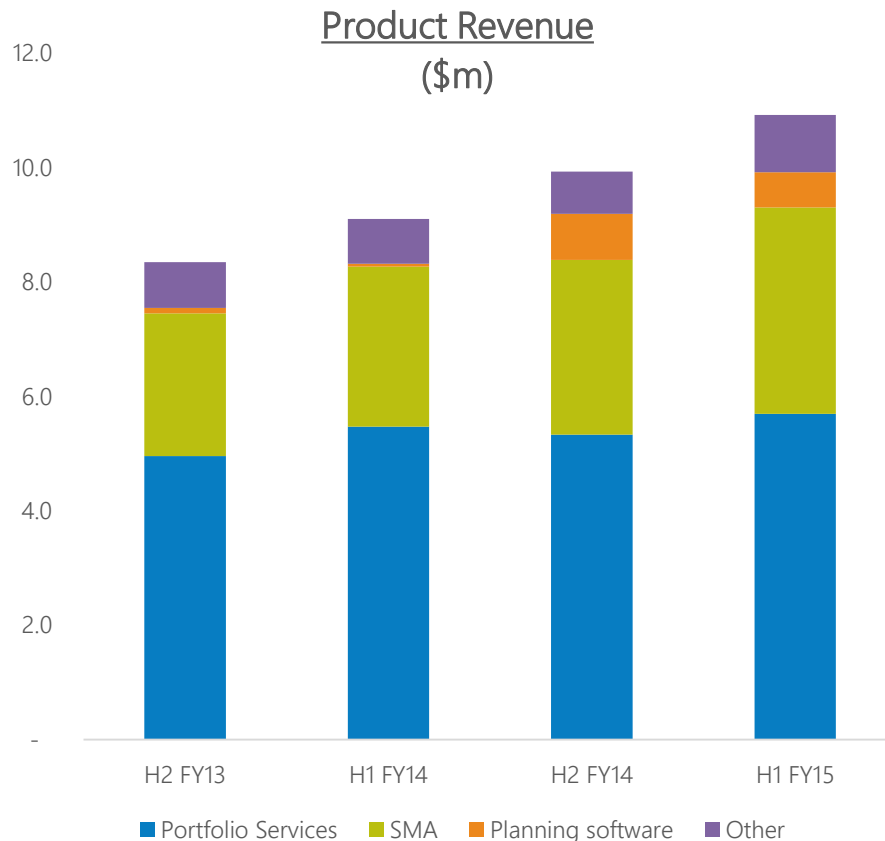
Beta testing of new mobile investor portal

Westfield story

- Westfield (WDC) restructure on 26 June 2014
- Complex corporate action created 2 stapled securities
- Final ATO ruling 1 October 2014
- In-house tax determination uploaded into V-Wrap by mid October
- Unique reconstruction technology updated over 20,000 accounts seamlessly for income tax & CGT positions (back to June 2014)

Highlighting the power of V-Wrap

Revenue growth of 20%



Compared with H1 FY2014

Revenue up 20% to \$10.9 million

SMA revenue up 28% to \$3.6 million

WealthCraft \$0.6 million

Portfolio Services of \$5.7 million, with major contract renewal effective from November 2014 to flow into H2 FY2015

Other income includes R&D refunds

Maiden underlying profit

| PRAEMIUM (\$m) | H1 FY14 | H2 FY14 | H1 FY15 |
|------------------------|--------------|--------------|--------------|
| REVENUE | 9.1 | 9.9 | 10.9 |
| Operations | (2.2) | (2.6) | (2.6) |
| Gross margin | 6.9 | 7.3 | 8.3 |
| GM % | 76% | 74% | 76% |
| Information Technology | (2.1) | (2.3) | (2.4) |
| Sales & Marketing | (2.0) | (2.0) | (1.9) |
| General & Admin | (3.0) | (3.2) | (3.1) |
| EBITDA | (0.2) | (0.2) | 0.9 |
| Depreciation | (0.2) | (0.1) | (0.1) |
| EBIT | (0.4) | (0.3) | 0.8 |
| Other* | (0.3) | 0.2 | 0.1 |
| NPBT | (0.7) | (0.1) | 0.9 |
| Tax [^] | (2.0) | (0.7) | (1.7) |
| NPAT | (2.7) | (0.8) | (0.8) |

Building future IP

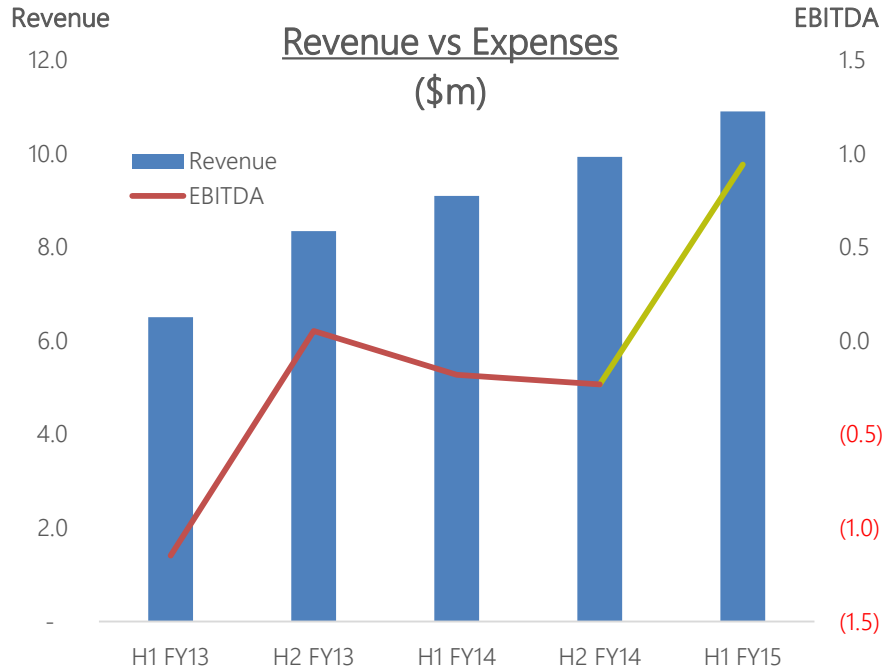
Planning to increase

Cost control focus

*Includes FX and non-recurring items

[^] Tax expense relates to utilisation of tax losses for the AUS business unit (non-cash)

Delivering operating leverage in H1



Scalable business model

Recurring revenue streams from subscription and asset based pricing

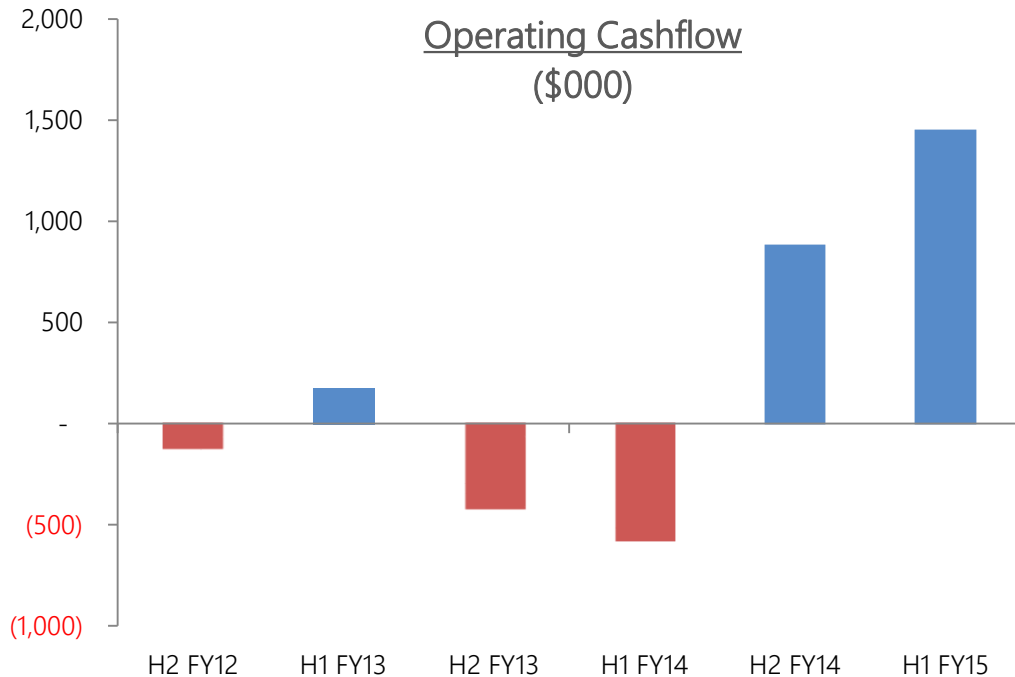
R&D fully expensed

In comparison to H1 FY14:

- Revenue: \$1.8 million increase (20%)
- Expenses: \$0.7 million increase (8%)

On track for underlying profitability in FY15

Now operating cash generating



Positive operating cashflow in 9 of the last 11 quarters

Low capex spend

No debt

Solid cash reserves to progress strategic initiatives

Cash at 31 December 2014 \$10.4 million

Integrated software solutions



Solutions for our financial services clients

- Client centric approach through WealthCraft
- Best in class investment monitoring & reporting
- Adding SMSF compliance and accounting

Global SMA player



A differentiated platform strategy to a large addressable global market

- Dynamic SMA delivers scale and efficiency
- Seamless SMA account opening via WealthCraft
- SIM* risk-weighted discretionary model portfolios

Global, scalable business model

Important product releases in 2015

SMA platform pipeline very solid and inflows expected to continue to expand

WealthCraft momentum to accelerate with release of full product suite in 2015

Launch of SMSF compliance and reporting tools a catalyst for long-term growth of V-Wrap

On track for maiden underlying profit this year



Questions?