ASX Release: 25 November 2015

Chairman's Address
HUB24 Annual General Meeting

Dear Shareholders

HUB24 has achieved strong growth and improved financial performance over the past 12 months. We have continued our focus on marketing the leading capabilities of the HUB24 platform and to invest in product and technology features. The directors have high expectations of HUB24's growth prospects in an environment where we have a strong pipeline of interest by potential clients in a market that exceeds over $500 billion[1] on Wraps and Platforms in one of the fastest growing sectors.

HUB24 progress has been demonstrated by the following key metrics;

- Strong growth in Funds under Administration (FUA) from $854 million at 30 June 2014 to $1.7bn as at 30 June 2015 and standing at 2.23bn as of today;
- Platform Operating EBITDA for the year up by 94% with positive Operating EBITDA for the second half FY2015;
- Total group revenue of $29.3 million up 626%. Platform segment revenue growth of 151% with direct platform expenses increase of 45%;
- Strong balance sheet and no debt as at June 30, 2015;
- Increasing industry recognition with HUB24 achieving first place for both Value for Money, and Ease of Use awards in the Investment Trends 2015 Planner Technology Report[2].

In September 2014, HUB24 completed the acquisition of Paragem Pty Limited, a leading advice licensee for independently minded financial advisers, and reached agreement with two other licensees to launch new white label platform offers. During the year we also released a new online user interface to become fully transaction capable across all popular mobile devices as well as extending HUB24's online capability to support self-directed investors to transact and manage their own portfolios.

FINANCIAL PERFORMANCE

Revenue from ordinary activities increased by 626% to $29.3 million including the results from the acquisition of Paragem Pty Ltd on 3 September 2014. In our Platform segment revenue increased to $8.1 million for the financial year, an increase of 151% over the prior corresponding period (PCP) which was driven by an increase in Funds Under Administration (FUA) of 100% to $1.704 billion as at 30 June 2015. This Platform revenue was on average

[1] Source: Plan for Life. Analysis of Wrap, Platform and Master Trusts at June 2015

[2] Results from Investment Trends 2015 Planner Technology Report, based on an online survey of over 890 financial planners.

63 basis points of FUA (52 basis point PCP) driven by increasing transaction activity across the platform.

During the same period, direct platform costs increased by only 45% as a result of increased transaction volumes and were at an average of 38 basis points of FUA. This is a decrease from 55 basis points of FUA for the prior corresponding period demonstrating that scale benefits are accelerating with growing FUA and revenues.

Having achieved positive gross profits during FY2014 the business has now achieved its maiden quarter of positive Operating EBITDA in the third quarter of the past financial year, which represents profit before growth investment expenses and other significant items.

GROWTH

We have delivered growth in FUA of 100% to $1.704 billion to 30 June 2015 and we now service over 522 financial advisers. Further growth in fund inflows since the end of the period has increased FUA to a total of $2.23 billion. Monthly average net inflows on an historical basis are continuing to rise with the average for FY2015 being $66 million per month compared to $34 million in FY2014 and $19 million in FY2013. In the last quarter (Sept 2015) average monthly net inflows were $112 million.

The number of advisers using the platform has increased by 40.3%. Given that many of the advisers are relatively new to using the HUB24 platform, we expect significant upside in both the level of usage in advisers' businesses leading to an increase in the average FUA per adviser. We continue to focus on securing new adviser relationships to further increase the momentum in FUA growth.

Two new white label agreements were signed during the financial year and new online functionality developed allowing self-directed investors to transact and manage their own portfolios.

We have made a strong start to the new financial year with the announcement in September of an agreement with Infocus Wealth Management Group, comprising PATRON Financial Advice and Infocus Securities Australia who represent around 120 financial planning firms nationally with over $4 billion in funds under advice. In October we also announced agreement to partner with Fortnum Financial Group (Fortnum), an independently-owned dealer group with around 100 advisers across 34 practices in Australia with approximately $3.4 billion in funds under advice. This Agreement expected to result in the transfer of over $600 million to Hub in the first half of CY16, subject to the necessary approvals.

OPERATIONS

During the financial year HUB24 developed a non-custody solution allowing advisers to consolidate the reporting of clients assets held outside of the HUB24 platform such as cash and shares through integrated data feeds from stockbrokers and other industry participants. These new developments support the company's strategic intent to secure further relationships with stockbroking based licensees and their clients who value holding their own assets while still receiving the benefits of a Wrap Platform. HUB24 also released a new streamlined, intuitive user interface which enables access to our entire service from all popular mobile devices for both advisers and their clients.

Industry recognition of HUB is reflected in the awards of Best Tablet/Smartphone Access in the Investment Trends December 2014 Platform Benchmarking Report[3]. In addition, HUB24 delivered new functionality to support self-directed investors ability to manage and transact their own portfolios and undertook a transition of an existing $29 million client book from another industry participant to this new service which completed on 1 July 2015.

To support the company's growth, improve service levels and adviser experience, HUB24 has implemented SupportHub which offers full transparency for clients and advisers to monitor progress of enquiries through to completion. The company has undertaken substantial effort to incorporate the introduction of significant new regulatory requirements during the financial year including AML/CTF, ASIC RG133 for Managed Investments and Custodial Services (IDPS) and Stronger Super. The Managing Director Andrew Alcock will provide further detail on the financial and operational performance of the company in his presentation.

CORPORATE

During the period, shareholders have continued to be supportive of the company with the capital raising completed in March 2015 raising $5.25 million. This was a placement of five million ordinary shares to sophisticated and professional investors at $1.05 per share, representing a premium of 2.6 cents per share over the 30 day VWAP at the time of raising. At 30 June 2015 HUB24 had $12.1 million in cash and cash equivalents and is well resourced to meet the company's operating requirements. The Chief Executive Officer of the company, Andrew Alcock was appointed to the Board and position of Managing Director on 29 August 2014 and on 1st of September 2015 Tony McDonald joined the board as non-executive director.

CORPORATE GOVERNANCE

The Board of HUB24 is committed to achieving and demonstrating standards of corporate governance that are best practice consistent with the size and scale of the company and compliant with the Australian Stock Exchange (ASX) regulations. Our goal is to ensure that we protect the rights and interests of shareholders and ensure the company is properly managed through the implementation of sound strategies and action plans. We achieve this

[3] Investment Trends December 2014 Platform Benchmarking Report, based on extensive analyst reviews of 22 platforms across 466 functional points.

through the management team of our company and by supervising an integrated framework of controls over the company's resources to ensure our commitment to high standards of ethical behaviour. Our remuneration report is included in the annual report and outlines the group remuneration policies, Board performance and the senior executive remuneration policies and compensation.

OUTLOOK

We have an exciting opportunity to build a leadership position in a sector where superannuation assets are projected to double over the next 10 years[4], and Wrap Platforms are projected as one of the fastest growing segments. HUB24 has a market share of less than 1% as a Wrap Platform while being ranked as one of the market leaders. Management within the company believe this to be an opportunity for continued strong growth. HUB24 aims to continue to build a profitable and scalable business aligned with our vision to be the leading independent platform provider, revolutionising the way people manage their investments. We will continue to invest in platform development, operational efficiency and in accelerating FUA to the platform to take advantage of favourable market conditions which support the growth and success of an innovative and independent platform provider that offers real choice to advisers and investors.

Our leading platform features, unique in-house technology and service proposition is being validated by increasing industry recognition and support from existing and new clients.

We are projecting that HUB24 will transition to be cash flow positive commencing on a monthly basis in the Quarter ending March 31 2016, presuming the continuation of normal market conditions. Management are targeting $8bn - $10bn in FUA by the end of the decade.

On behalf of Directors, we wish to thank our management team and all employees for their commitment and customer service focus during the year. We would also like to thank our customers and shareholders for their continuing support for HUB24.

Bruce Higgins
Chairman
25th November 2015

[4] Deloitte: Dynamics of the Australian Superannuation System, November 2015 Report.