



OneVue Holdings Limited

Half Year Results Presentation

H1 FY 2017

27 February 2017

All about you.

Our Vision

OneVue is a fintech company that partners to disrupt the superannuation value chain

Half Year Highlights

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All about you

OneVue – A Growth Story

- Revenue up 50%
- EBITDA improvement 212%
- Operating cash flow improves by \$2m
- Strong Balance Sheet with \$26.3m of cash
- Well diversified and recurring revenue streams
- Diversa synergies to be fully realised by Q4
- Strong momentum set to continue



Highlights

Earnings momentum accelerates , material NAB contract signed and Diversa synergies ahead of schedule

- Third consecutive quarter of positive cash flow, with positive operating cash flow for the half of \$1.1m
- Diversa acquisition completed in October 2016 and synergies tracking ahead of schedule with full \$4m cost savings to be realised by Q4 FY 2017
- NAB's Asset Services signed 5 year contract to outsource unit registry, potentially doubling number of transactions, fund managers and funds
- Fund Services Unit Registry FUA increased by \$23b for the half closing at \$436b, transactions up 76%
- Platform Services record gross inflows of \$616m for the half, up 27% on the pcp, taking FUA to \$3.8b
- Superannuation Services FUA increased by 53% reaching \$1.7b, and members grew by 57,000 to over 90,000
- Superannuation Trustee Services FUT grew by \$443m since acquisition in October 2016

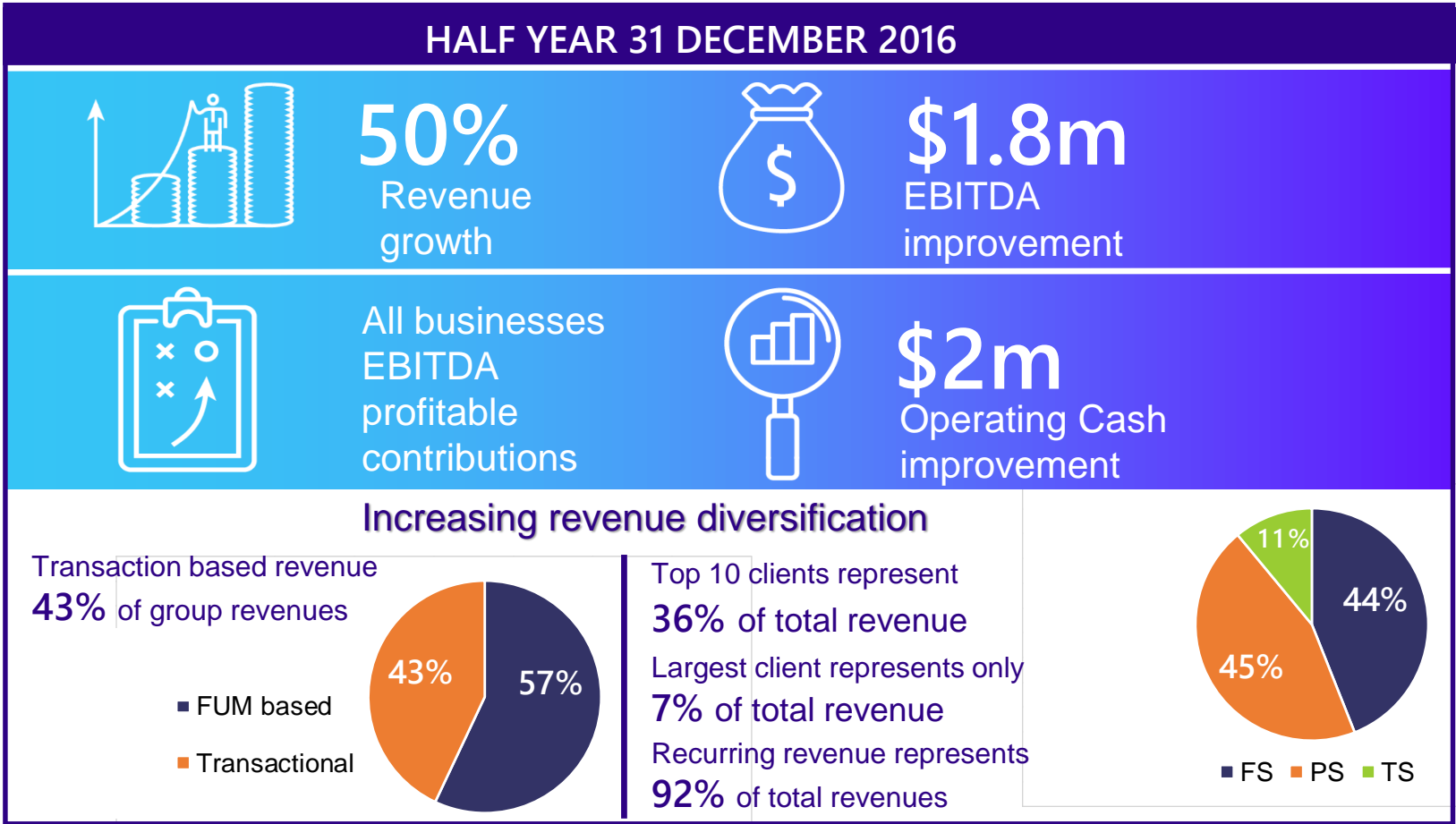
OneVue's Growth Strategy delivering

Major drivers of value

Growth through successful acquisitions	Growth through new clients and cross selling to existing clients	Growth from product development and innovation	Growth from operational scale and efficiency
<ul style="list-style-type: none">□ OneVue continues to make acquisitions and deliver integration benefits□ Diversa acquisition completed 6 October 2016 delivering synergies ahead of schedule□ OVSS acquisition (Super Managers) in Dec 2015 delivering ahead of expectations through organic growth	<ul style="list-style-type: none">□ Fund Services wins NAB 5 year contract□ Super Services appointed by Praemium as its super administrator, live December 2016□ Platform Services signed three white labels in Q2□ Strong new client pipeline across the group	<ul style="list-style-type: none">□ Strategic initiatives team established to deliver efficiencies across the group□ Managed funds initiative (the FUND.eXchange) launched in December 2016□ Managed Account services enhanced through Superannuation Trustee and Platform Services	<ul style="list-style-type: none">□ Margins across the group expanding with scale and acquisition benefits□ Diversa synergies of \$4m p.a ahead of schedule□ Investment in automation drives further efficiency

OneVue Group Dashboard

Strong revenue growth delivers earnings momentum



OneVue has evolved from a Platform business to a diversified financial services group

Growth achieved both organically and by acquisition

Diversa synergies ahead of schedule

Further EBITDA growth underpinned by synergy and scale benefits

Financial Summary

Strong revenue growth delivers earning momentum

Profit and loss statement

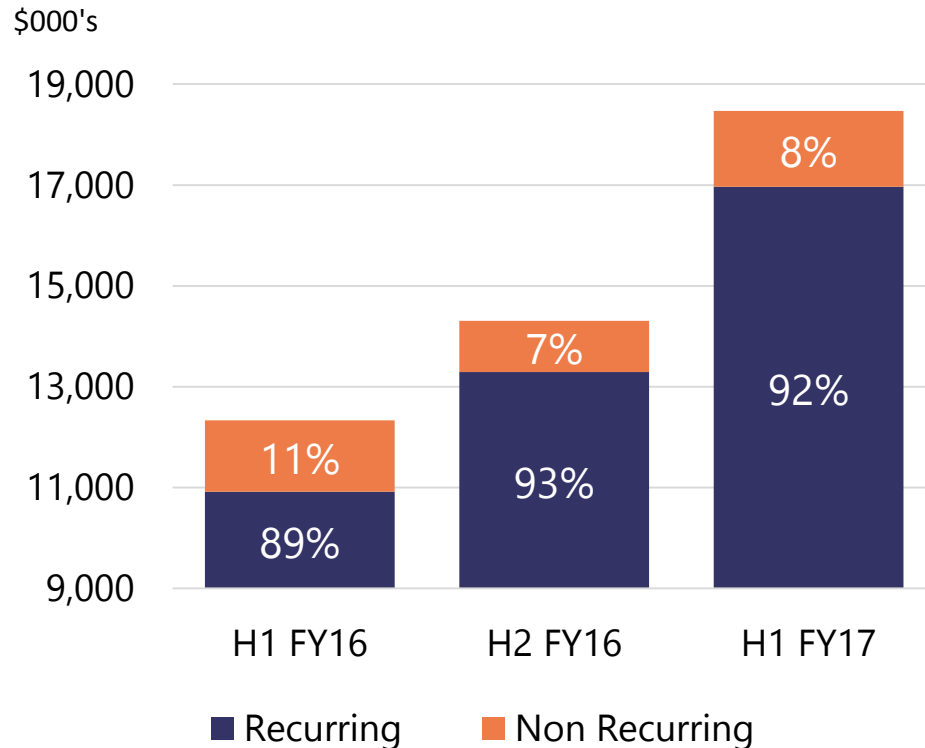
\$m	H1 FY2017	H1 FY2016	Change	Change %
Revenue	18.5	12.3	6.2	50%
EBITDA	0.9	(0.8)	1.8	212%
EBIT	(0.9)	(2.0)	1.2	57%
Interest	(0.2)	-	(0.2)	Nmf
Non recurring expenses	(0.9)	-	(0.9)	Nmf
Tax	2.3	-	2.3	Nmf
NPAT	0.3	(2.0)	2.4	117%

H1 FY 2017 Commentary

- Strong revenue growth reflects benefits of OVSS/Diversa acquisitions and new client growth
- EBITDA turnaround highlights earnings momentum of the business
- Non recurring costs of acquisitions and restructure
- Tax credit from recognition of tax losses

Recurring Revenue Profile

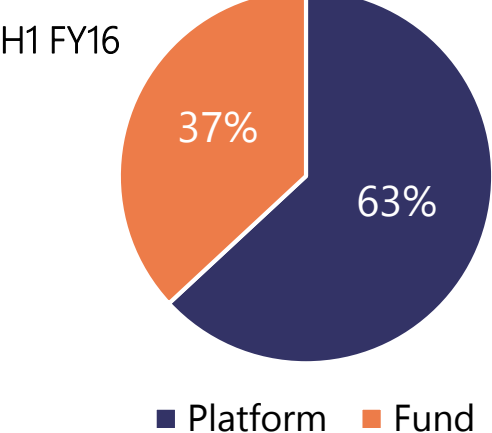
Recurring revenues underpin the stable nature of the diverse group revenues



- Strong **revenue growth of 50%** underpinned by high levels of recurring revenue
- Recurring revenue represents **92%** of total revenues up from **89%**
- Recurring revenues comprise a mix of fees based on assets, transactions and member numbers

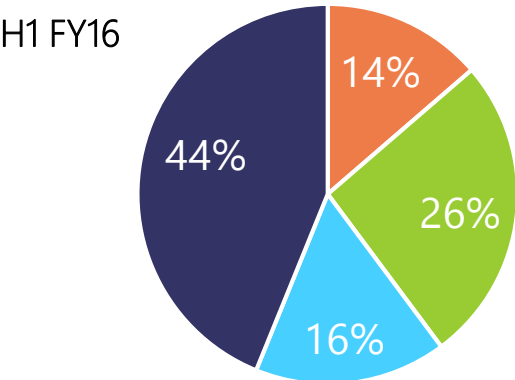
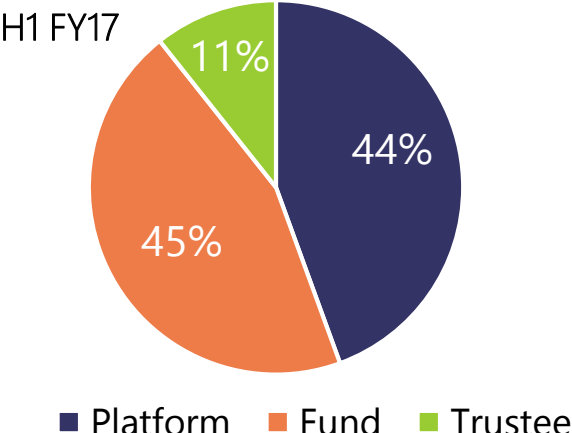
Revenue Diversity Profile

Revenue streams are more diversified with a broad client mix



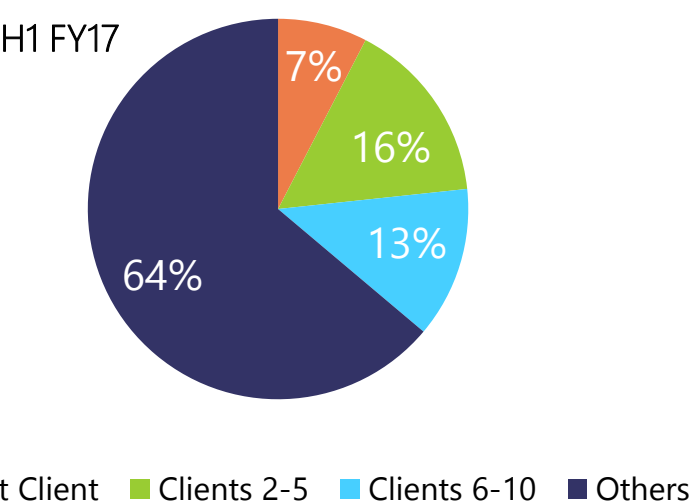
Revenue by division

- Over the past five years OneVue has evolved from a Platform business to a diverse financial services business
- Three growing divisions now compared to a Platform centric business a year ago **(63%)**



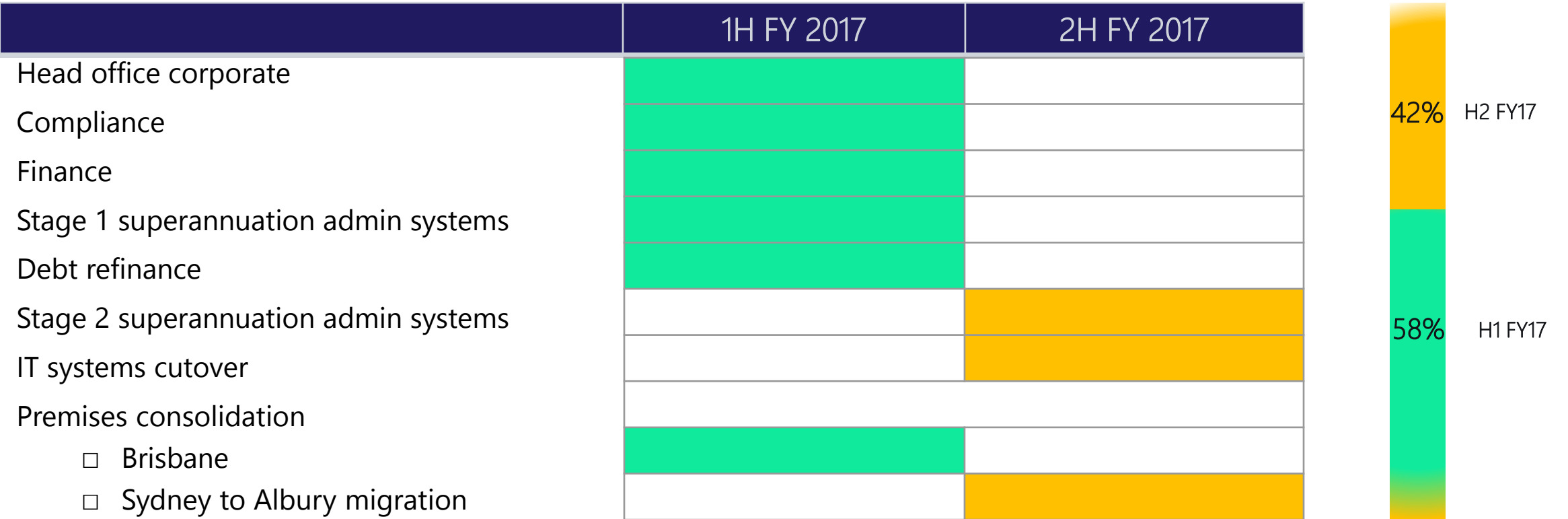
Revenue by client

- Largest client now represents only **7%**, (pcp 14%)
- Top ten represents **36%** (pcp 56%)



Diversa integration and synergies ahead of schedule

Full \$4m pa cost saving by end of H2 FY 2017



Business Update






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All about you



Fund Services Dashboard

Strong revenue growth delivers EBITDA and margin improvement despite ongoing investment in client acquisition

HALF YEAR 31 DECEMBER 2016			
			
86% Revenue growth		\$0.8m EBITDA improvement	
			
9% EBITDA margin growing		\$0.9m EBITDA result	
Unit Registry Outlook		Superannuation Services	
<p>\$435.9 billion in FUA</p> <p>76% increase in transactions</p> <p>34 fund managers, Over 500 funds</p>		<p>\$835% increase in revenue</p> <p>\$1.7 billion in FUA</p> <p>23 funds, Over 90,000 members</p>	
<p>\$7.7m incremental revenue from contracted transition pipeline</p> <p>\$5m additional annualised revenues from potential new client pipeline</p>		<p>Benefits of two successfully integrated acquisitions (OVSS & Diversa)</p> 	

#1 in Unit Registry
Strong organic and acquisition growth
Major new client signings; NAB and Praemium
EBITDA Margin run rate increasing with scale
Unit Registry clients continue to fund development of proprietary software

Fund Services Segment Result

Strong acquisition and organic revenue growth drives margin improvement

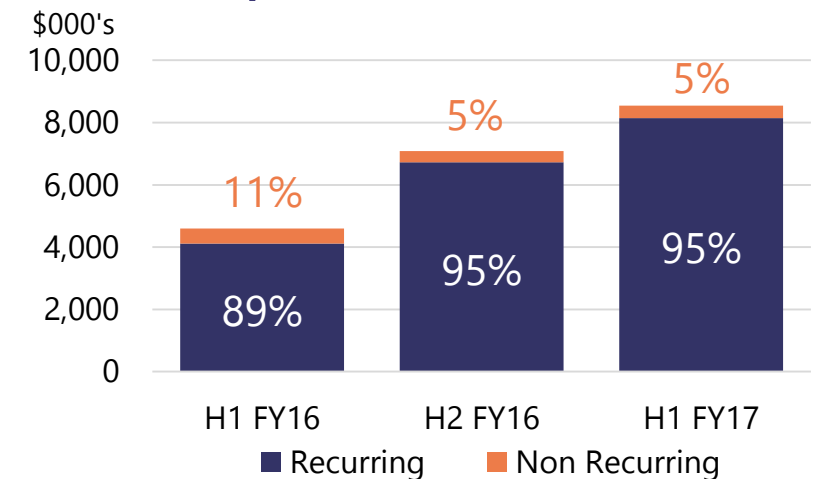
Financials

\$'000	H1 FY2017	H1 FY2016	Change	Change %
Revenue				
Unit Registry Services	5,108	4,233	875	21%
Super Services	3,432	367	3,065	835%
Total Revenue	8,540	4,600	3,940	86%
Operating expenses	7,781	4,620	(3,161)	(68%)
EBITDA	759	(20)	779	nmf
EBITDA margin %	9%	0%	9%	n/a

Commentary

- Unit Registry growth from transitions from existing custodial relationships, onboarding new fund managers, increased transaction volumes
- New Super Services clients secured and benefits OVSS and Diversa Super acquisitions (3 months from October 2016)
- Increased costs reflect acquisitions and ongoing investment in growth
- Margin improvement reflects operating leverage and growth from new clients
- Increasing momentum from transitions and automation initiatives

Revenue profile









Commentary

- 86% revenue growth on pcp
- Recurring revenue represents 95% of total revenues

Superannuation Trustee Services Dashboard

Strong revenue growth delivers EBITDA profitability since acquisition

HALF YEAR 31 DECEMBER 2016	
 \$2m Revenue Strong contribution since acquisition in October 2016	 \$0.7m EBITDA contribution
 \$8.9b Funds under Trusteeship (FUT)	 FUT growth of \$443m since acquisition
	 33 Funds New managed account client secured

- #1 outsourced retail superannuation trustee
- Leveraged to managed accounts growth
- Integration and synergies delivered ahead of schedule
- Focus on automation initiatives

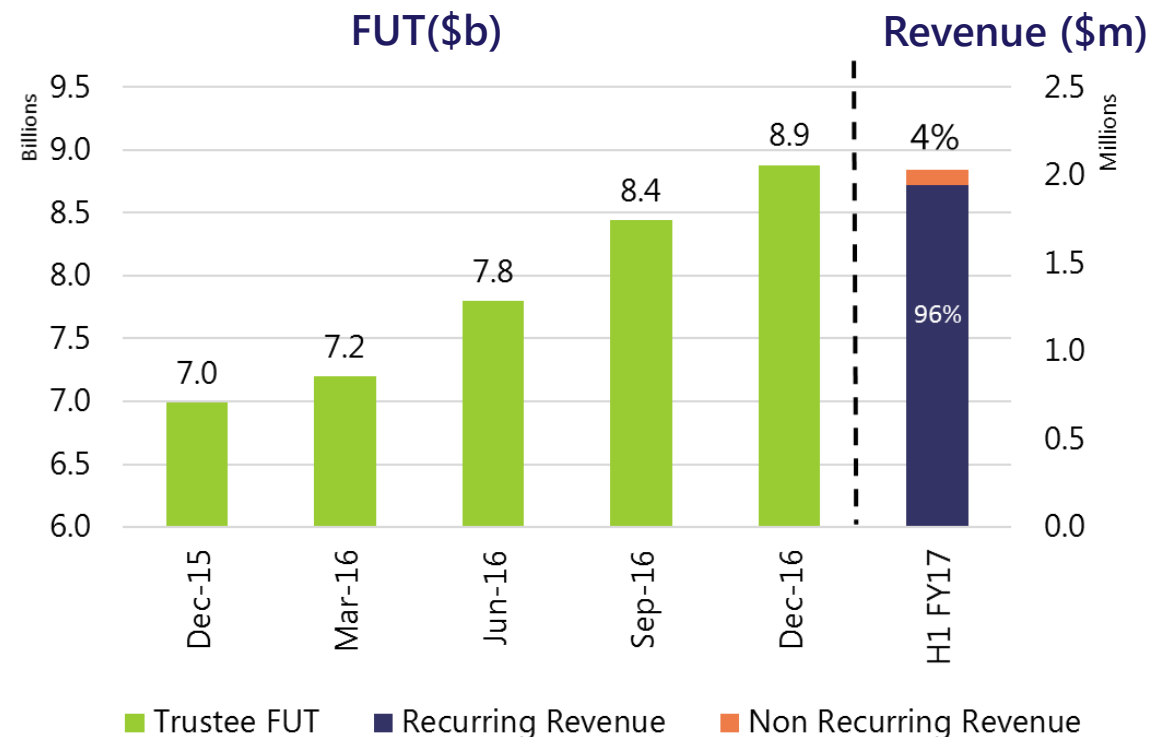
Superannuation Trustee Services Segment Result

Financials

\$'000	H1 FY2017
Trustee Services	2,033
Total Revenue	2,033
Operating expenses	1,301
EBITDA	732
EBITDA margin %	36%

Commentary

- Results represent three months since acquisition of Diversa
- Revenues continue to grow driven by retail superannuation client growth
- Benefits of synergies realised










Commentary

- Strong recurring revenues represent 96% of total revenues
- FUT (Funds under Trusteeship) growth driven by leverage to growing managed funds sector of retail superannuation
- FUT growth since acquisition of \$443m or 5% for the quarter

Platform Services Dashboard

Strong revenue growth delivers EBITDA profitability

HALF YEAR 31 DECEMBER 2016

	8% Revenue growth		\$0.8m EBITDA improvement
	\$3.8b Retail FUA		\$1.5m EBITDA result
	Managed Funds accessed via the FUND.eXchange and Managed Accounts gaining traction	Three new white labels 	 \$0.6b Record Gross inflows

Recognised by industry for fintech leadership and innovation

Record gross inflows

EBITDA margins maintained

Ongoing cost management focus

Platform Services Segment Result

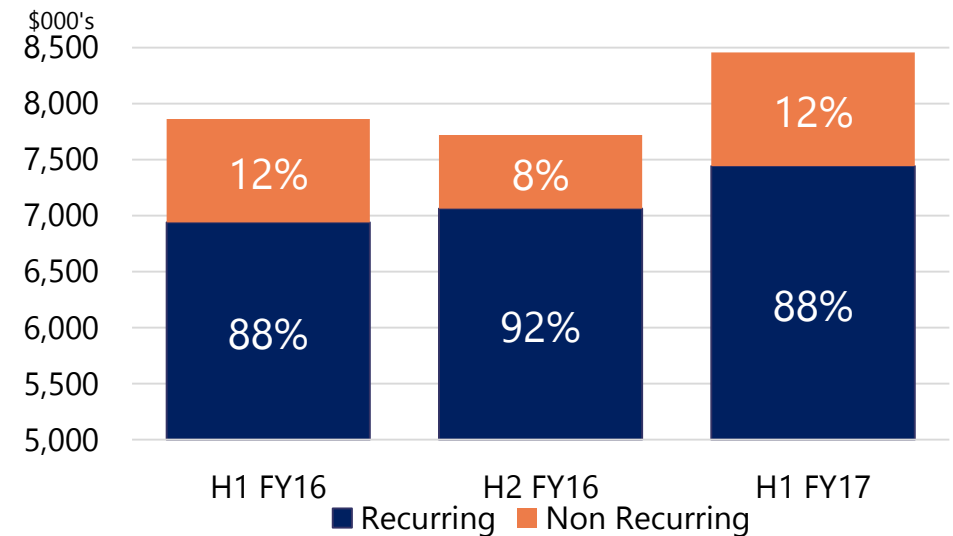
Financials

\$'000	H1 FY2017	H1 FY2016	Change	Change %
Revenue				
Platform services	7,753	7,862	(109)	(1%)
Performance fees	703	-	703	n/a
Total Revenue	8,456	7,862	594	8%
Operating expenses	6,970	7,189	219	3%
EBITDA	1,486	673	812	121%
EBITDA margin %	18%	9%	9%	100%
Service EBITDA margin %	10%	9%	1%	11%

Commentary

- Positive impact of record gross inflows reduced by MAP member fee reduction and one off loss of investment management client loss
- Performance fees of \$0.7m earned in the period
- Disciplined costs management helps underpin margin performance
- Margin increased with operating leverage and performance fee benefits

Revenue profile



Commentary

- Recurring revenues represent 88% of total revenues
- Recurring revenues increased by 7%

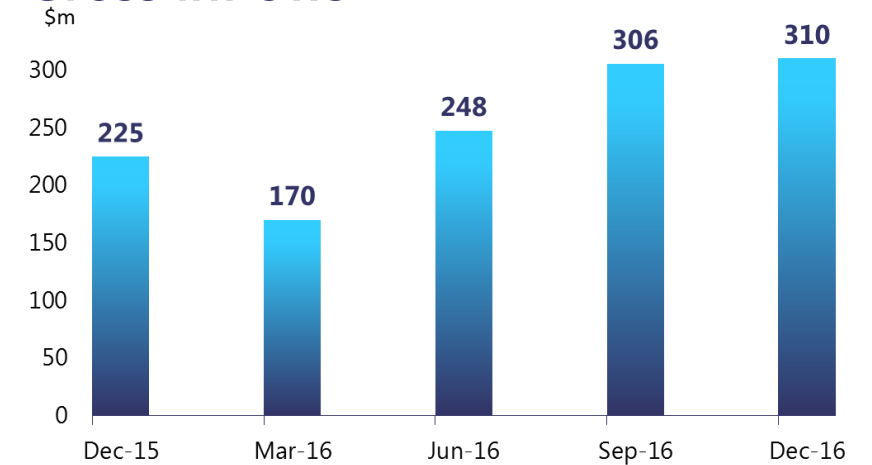
Platform Services FUA

Retail FUA grows by 16% to \$3.8b, with record inflows of \$616m

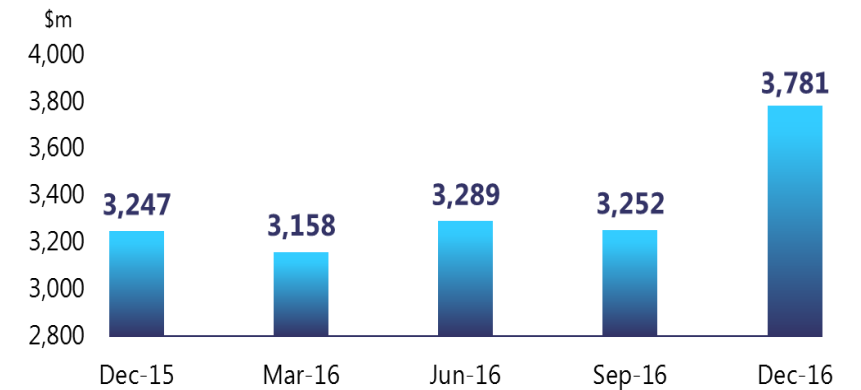
Key metrics

Total FUA \$m	H1 FY2017	H1 FY2016	Change	Change %
Retail FUA	3,781	3,247	534	16%
Gross inflows	616	484	132	27%
Net inflows	135	210	(75)	(36%)

Gross inflows



Retail FUA



Outlook

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Outlook

In the next 6 months our focus is on:

- Extracting the full synergies from the Diversa acquisition
- Continuing to execute the Unit Registry transitions
- Raising the profile of the FUND.eXchange
- Continuing to evaluate strategically aligned earnings accretive transactions
- Client retention
- Securing new clients
- Delivering further operating leverage through scale and automation
- Ongoing cost disciplines

Appendices

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All about you



Group Profit and Loss Summary

Period (\$'000's)	H1 FY2017	H1 FY2016	Change	Change %
Services revenue	17,763	12,331	5,432	44%
Performance fees	703	-	703	n/a
Revenue	18,466	12,331	6,135	50%
Staff costs	(10,794)	(7,684)	(3,110)	(40%)
IT costs	(1,505)	(921)	(584)	(63%)
Occupancy	(1,155)	(789)	(366)	(46%)
Other expenses	(4,069)	(3,776)	(293)	(8%)
Operating expenses	(17,523)	(13,170)	(4,353)	(33%)
EBITDA	943	(839)	1,782	212%
Depreciation & amort	(1,842)	(1,231)	(611)	(50%)
EBIT	(899)	(2,070)	1,171	57%
Interest	(208)	27	(235)	Nmf
Non-recurring expenses	(891)	-	(891)	n/a
Loss before tax	(1,998)	(2,043)	45	2%

Commentary

- Refer Segment Results commentary
- Full period of OVSS, acquisition of Diversa and expansion to support growth
- Interest on Diversa loans
- Acquisition and restructure costs

Segment Summary Profit and Loss

(\$000s)	Fund Services	Platform Services	Trustee	Corporate	Elimination	Total
H1 2017						
Services revenue	8,539	7,753	2,033	(5)	(557)	17,763
Performance fees	-	703	-	-	-	703
Total revenue	8,539	8,456	2,033	(5)	(557)	18,466
Operating expenses	7,780	6,970	1,301	2,029	(557)	17,523
EBITDA	759	1,486	732	(2,034)	-	943
EBITDA margin	9%	18%	36%	n/a	n/a	5%
H1 2016						
Services revenue	4,600	7,862	-	8	(139)	12,331
Performance fees	-	-	-	-	-	-
Total revenue	4,600	7,862	-	8	(139)	12,331
Operating expenses	4,620	7,189	-	1,500	(139)	13,170
EBITDA	(20)	673	-	(1,492)	-	(839)
EBITDA margin	0%	9%	-	n/a	-	(7%)

Commentary

- Refer Segment Results commentary
- Revenue growth of 50% with expenses only growing by 33%
- **EBITDA growth \$1.8m and margin uplift to 5%**

Cash Flow

(\$000s)	H1 FY2017	H1 FY2016	Change
Receipts from customers	19,523	12,954	6,569
Interest received	407	104	303
Interest paid	(188)	-	(188)
Payments for staff	(10,929)	(8,069)	(2,860)
R&D tax credit received	0	1,014	(1,014)
Restructure and acquisition costs	(718)	-	(718)
Other expenses	(6,961)	(6,066)	(895)
Net operating cash flows	1,134	(63)	1,197
Purchase of business	7,821	(4,228)	12,049
Payments for intangibles	(1,378)	(1,479)	101
Payments for PPE	(65)	(9)	(56)
Redemptions of investments	100	-	100
Net cash used in investing activities	6,478	(5,716)	12,194
Proceeds from share issue	-	12,432	(12,432)
Proceeds from borrowings	-	2,500	(2,500)
Net cash from financing activities	-	14,932	(14,932)
Net increase in cash	7,612	9,153	(1,541)

Commentary

- Increase in line with revenue growth
- Interest on cash balances post capital raising
- Paid on Diversa borrowings
- Prior period final R&D tax incentive
- **3 positive quarters of operating cash flows**
- Diversa cash inflow reflects cash balances acquired net of \$2.5m consideration

EBITDA Reconciliation to Operating Cash Flow

(\$000s)	H1 FY2017	H1 FY2016	Change
EBITDA	943	(839)	212%
R&D tax incentives	-	1,014	Nmf
Non cash items	(197)	(89)	(121%)
Working capital movement	1,331	(175)	Nmf
Interest received	(208)	26	(900%)
Non recurring costs	(891)	-	Nmf
Investing cash flows	156	-	Nmf
Operating cash flow	1,134	(63)	Nmf

Commentary

- **\$1.8m EBITDA turnaround**
- Prior period final R&D tax incentive
- Includes Diversa working capital
- Interest includes Diversa loans
- Acquisition and restructure costs
- **\$2m improvement excluding prior R&D tax incentive**

Balance Sheet

As at (\$000s)	31 Dec 2016	30 Jun 2016	Change
Cash and cash deposits	26,285	18,673	7,612
Trade receivables and other assets	6,731	4,649	2,082
Intangible assets	75,455	21,469	53,986
Other non-current assets	775	559	216
Total assets	109,246	45,350	63,896
Trade and other payables	13,684	5,925	(7,759)
Current borrowings	7,670	-	(7,670)
Other current liabilities	2,305	1,804	(501)
Non-current financial liabilities	490	381	(109)
Other non-current liabilities	489	362	(127)
Total liabilities	24,638	8,472	(16,166)
Contributed equity	109,939	62,568	47,371
Reserves and retained earnings	(25,331)	(25,690)	359
Net assets/ equity	84,608	36,878	47,730

Commentary

- Refer cash flow
- Debtors from Diversa
- Diversa goodwill and client relationship assets
- Acquired balances from Diversa
- Borrowings acquired with Diversa
- Share capital issued for Diversa acquisition

Segment Key Metrics

	H1 FY2017	H1 FY2016	Change	Change %
Fund Services				
Unit Registry FUA (\$'b)	435.9	413.2	22.7	5%
Unit Registry transactions	92,282	52,547	39,735	76%
Super Services FUA (\$'m)	1,728	1,126	602	53%
Super Services members	90,395	33,422	56,973	170%
Platform Services				
Retail FUA (\$'m)	3,781	3,247	534	16%
FUA Gross inflows (\$'m)	616	484	132	27%
Net inflows (\$'m) ¹	135 *	210	(75)	(36%)
Superannuation Trustee Services				
FUT (\$'m)	8,882	6,994 **	1,888	27%

¹ Net inflows exclude market movements

* Includes \$225m transition out by one client. Net inflows excluding the client loss amounted to \$360m

** The business was acquired on 6 October, prior statistics provided by Diversa Limited are provided for information



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