



ASX Release: Monday, 20 August 2018

FY18 Results: HUB24 delivers inaugural dividend

HUB24 (ASX: HUB) today announced its results for the year ended 30 June 2018 (FY18), reporting underlying Net Profit After Tax (NPAT)¹ of \$5.4m and underlying EBITDA of \$11.4m.

Key Company highlights for FY18 are:

- FUA up 51% to \$8.3b (currently \$8.7b)
- Revenue of \$84m, up 36% with platform revenue up 51%
- Underlying EBITDA of \$11.4m, up 123%
- Operating cashflows of \$12.2m, up 201%
- Inaugural dividend of 3.5 cents per share

The Company recorded a statutory NPAT of \$7.4m for FY18 (\$18.9m for FY17 which included the first-time recognition of deferred tax assets of \$15.9m). Given the company's ongoing strong performance the directors have declared the inaugural dividend for HUB24 of 3.5 cents per share to be paid on 19 October 2018.

As the fastest growing platform provider in the market² HUB24 is well-positioned to take advantage of key trends shaping the industry, including the continued growth of the managed account industry, increasing regulation and compliance for advice businesses and increasing demand by advisers for market leading platforms offering choice and flexibility.

The investment in growing our distribution footprint has resulted in 61 new distribution agreements being signed with licensees, 310 new advisers introduced to the platform and record annual inflows of \$2.4bn. The pipeline for ConnectHUB continues to gain momentum as adviser and licensee demand increases for integrated technology solutions.

HUB24 is committed to continually connecting advisers and their clients to innovative solutions that provide opportunities to create wealth and has delivered a number of market-leading enhancements this year. These include supporting advisers in the provision of advice with both a Record of Advice generator and a superannuation contributions tracker, the addition of OneCare life insurance to the other three personal insurance options already available, and Progressive Portfolio Implementation (PPI) which enhances the company's market leading managed accounts capability. Additionally, a new Core offer has been

¹ Underlying NPAT is a non - IFRS measure used to assess the operating performance of the business. Underlying NPAT represents NPAT after excluding non-recurring items. Underlying NPAT for FY17 has been restated from \$3.9m to \$2.4m due to the misallocation of the initial recognition of the deferred tax asset. There is no impact on statutory NPAT.

² Strategic Insights: March 2018



released which provides a smaller investment menu for clients with simpler investment needs and lower platform administration fees.

HUB24 Managing Director Andrew Alcock commented, “our record annual flows and strong pipeline are a reflection of our continued investment to leverage the opportunities that are emerging across the industry. Our focus is on continuous innovation so that we are delivering choice, superior outcomes and customer service excellence for our licensees, advisers and their clients”.

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About HUB24

HUB24’s award-winning investment and superannuation platform connects customers to innovative solutions that create wealth. HUB24 is leading the change in the wealth management industry which is in the midst of significant disruption. A market leader in managed portfolio functionality and adviser satisfaction, HUB24 already serves a growing number of respected and high profile financial services companies and is now the fastest growing platform in the market.

For further information, please visit: www.hub24.com.au