

ASX Release: 20th July 2020

Record June quarter and annual inflows for FY20

June Quarter FY20 Highlights

- Funds Under Administration (FUA) of \$17.2 billion at 30 June 2020, an increase of \$4.3 billion (34%) for FY20 with negative market impact of \$0.6 billion for the year
- Record annual net inflows of \$4.95 billion up 27% from FY19¹
- FUA increase for the quarter of \$2.1 billion including market movement of \$1 billion
- Record net inflows for a June quarter of \$1.1 billion (up 11% on pcp), gross inflows of \$1.6 billion (up 7% on pcp)¹
- Maintained 2nd place in both adviser satisfaction and adviser advocacy in the recent Investment Trends report³
- HUB24 platform market share increased to 1.94%²
- New business pipeline continues to grow with 34 new licensee agreements signed during the quarter and 110 new advisers using the platform

Net Inflows and Growth in FUA

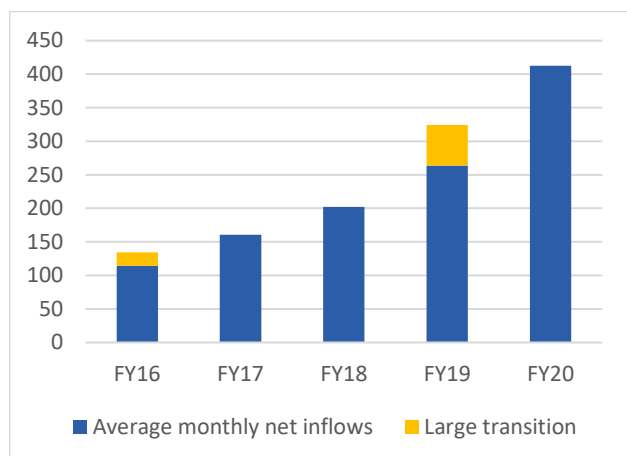
HUB24 continued to experience strong net inflows in the June quarter of \$1.1 billion with FY20 average monthly net inflows of \$412 million up from \$326 million (26%) for FY19 (\$264 million excluding large client transition). FUA for the quarter increased by \$2.1 billion to \$17.2 billion, up 14.0% as a result of inflows and favourable market movement.

Net Inflows were at record levels for a June quarter with momentum building following a softer month in April as advisers adjusted to the COVID-19 environment. Inflows continued to be driven by client transitions from incumbent platforms, including strong inflows from both key accounts and broker clients.

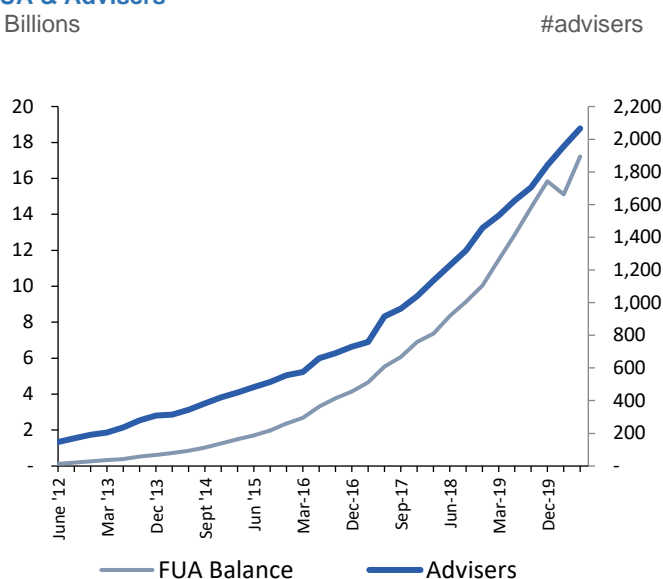
HUB24's new business pipeline is growing with 34 new licensee agreements signed during the quarter, including a new large national licensee, a large national broker, boutique licensees and self-licensed advisers. Flows have already commenced from some of these new licensees and we are also gaining momentum from opportunities secured earlier in the year. Whilst actively pursuing new relationships, the distribution team is also focussed on working with our large key accounts and their advisers to leverage growth opportunities within their network.

According to the latest available Strategic Insights data for the Australian platform market, HUB24 has maintained 2nd place ranking for both quarterly and annual net inflows. Market share has increased from 1.3% to 1.94% from March 2019².

Average Monthly Net Inflows
\$ millions



FUA & Advisers
\$ Billions



Platform Statistics	JUN'19	SEP'19	DEC'19	MAR'20	JUN'20	Growth on pcp
FUA	\$12,870m	\$14,383m	\$15,837m	\$15,104m	\$17,217m	33.7%
Flows*						
Net Inflows	\$979m	\$1,238m	\$1,259m	\$1,363m	\$1,089m	11.2%
Gross Inflows	\$1,475m	\$1,673m	\$1,668m	\$1,826m	\$1,583m	7.3%
Advisers						
Number of Advisers	1,625	1,705	1,841	1,956	2,066	27.1%

Statistics are for each quarter, have been rounded and are not audited.

* Inflows exclude market movements.

Business Update

In the recent Investment Trends Planner Technology report HUB24 ranked 2nd in both adviser satisfaction and adviser advocacy and has now ranked in the top two platforms for the past 5 years. Additionally, the company's focus on supporting advisers during the COVID-19 pandemic has been well-received with HUB24 being rated the top platform in terms of primary users perceiving they received good support. HUB24 was ranked 1st place in 5 categories including range of investments, client portal, integration with planning software, client reporting and tax optimisation tools. Overall HUB24 was ranked in the top 2 in 17 out of 25 categories³.

In the June quarter there were 20 new managed portfolios added to our platform menu which included the ClearView Wealth Limited (ClearView) portfolios, Australian share portfolios and diversified ETF portfolios. The ETF portfolios were added in response to demand for low cost managed portfolio options to meet client needs. The majority of the new portfolios were structured as MIS portfolios using a third-party Responsible Entity, with HUB24 now having added 101 of these MIS portfolios to the platform since the introduction of this option last financial year.

During the quarter, the team has remained focused on supporting advisers through the pandemic including launching new functionality which efficiently provides advisers with choices regarding how the recently legislated pension drawdown minimums will be applied for their clients. Our approach has been to provide flexibility and to ensure customers have a choice when implementing these changes rather than applying one approach across the board.

Operationally we have continued to support clients during this period and meet our service levels without interruption. Whilst we expect uncertainty to continue due to COVID-19 we are observing advisers and clients are adapting well to the new environment. In addition to ensuring current clients are being serviced many advisers are bringing on new clients and reporting increasing demand for professional advice.

We remain committed to investing for the future and continuing to deliver our strategic initiatives including the advice enablement project working with five licensees to review advice documentation and moving into pilot phase with Fortnum Financial Group. The rollout of HUBconnect is progressing well with pilot groups, and an additional boutique dealer group who has signed an agreement to adopt the technology this quarter.

Work is also continuing to progress deliverables for ClearView. This quarter we continued the rollout of the new white label adding ClearView's own managed portfolios for their advice networks with initial inflows now having commenced. Progress has been made on the integration of ClearView LifeSolutions insurance product to the HUB24 platform and development work for the bulk transition of the existing WealthSolutions product to the HUB24 platform. Whilst we expect the bulk transition to occur during FY21, the completion date has not been confirmed at this stage given the current environment and the complexity of working with multiple parties to affect the transition.

Andrew Alcock, Managing Director commented "We remain committed to delivering the highest levels of service to support advisers and their clients as they seek to meet their objectives. We would like to thank our customers and our staff for their continued support during this challenging environment."

1 Net Inflows represent gross inflows less outflows and do not include market movement.

2 Strategic Insights Master Funds Platforms and Wraps March 2020.

3 Investment Trends Planner Tech Report May 2020.

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About HUB24

The Australian Securities Exchange-listed HUB24 Ltd ABN 87 124 891 685 (ASX: HUB) connects advisers and their clients through innovative solutions that create investment opportunities. The business is focussed on the delivery of the HUB24 platform and the growth of its wholly owned subsidiaries Paragem Pty Ltd, a financial advice

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licensee, Agility Applications Pty Ltd and HUBconnect Pty Ltd which provide data, reporting and software services to the Australian stockbroking and wealth management market. HUB24's award-winning investment and superannuation platform provides broad product choice and a market-leading experience for advisers and their clients. Its flexible technology allows advisers and licensees to customise their platform solution to fit their individual business so they can move faster and smarter. It serves a growing number of respected and high-profile financial services companies.

This release is not financial product advice. Past performance is not indicative of future performance and any forward- looking statements in this release are not representations or guarantees as to future performance.

This announcement was authorised for release to the market by the HUB24 Limited Board.

For further information, please visit www.HUB24.com.au