



# Macquarie Australia

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**HUB**<sup>24</sup>

# HUB24 Group

## HUB<sup>24</sup> XPLORE<sub>WEALTH</sub>

### PLATFORM

Custodial administration



Platform FUA  
**\$51.0bn<sup>1</sup>**



**3,432<sup>1</sup>** Advisers  
using the platform



Managed Portfolio  
& MDA FUA  
**\$22bn**

### PARS

Non-custodial administration



PARS FUA  
**\$17.3bn<sup>1</sup>**



PARS accounts  
**8,020**

**Total FUA \$68.3bn**

## HUB<sup>CONNECT</sup>



**92**  
Financial Services Clients  
**96**  
Data Integrations<sup>^^</sup>

### HUBconnect Broker

Customer management &  
operational support for  
stockbrokers

### HUBconnect Licensee

Database insights to support  
advice licensees with business  
management & compliance  
obligations

## CLASS



**7,700+**  
Unique Customers<sup>^</sup>  
**220+**  
Data Integrations<sup>^^</sup>

### Class Super

SMSF administration

### Class Trust

Trust administration

### Class Portfolio

Investment Reporting &  
Administration

### NowInfinity

Corporate compliance &  
documentation

## 1HFY22 Delivered strong financial results growth<sup>1</sup>



**\$81.6m**

**72%**

Total Group Revenue<sup>3</sup>



**\$29.7m**

**80%**

Group Underlying EBITDA<sup>3</sup>



**\$77.3m**

**76%**

Platform Revenue



**\$30.0m**

**72%**

Platform Underlying EBITDA

Total FUA  
**\$68.3bn**

Platform FUA  
**\$50.0bn**  
Now \$51bn as at 31  
March 2022<sup>4</sup>

PARS FUA  
**\$18.3bn**  
Now \$17.3bn as at 31  
March 2022<sup>4</sup>

### Statutory NPAT

**\$8.4m** Up 38%

Including \$8.3m of transaction & implementation costs

### Underlying NPAT<sup>2</sup>

**\$14.2m** Up 103%

### Half Year Dividend

**7.5cps** Up 67%

Fully franked

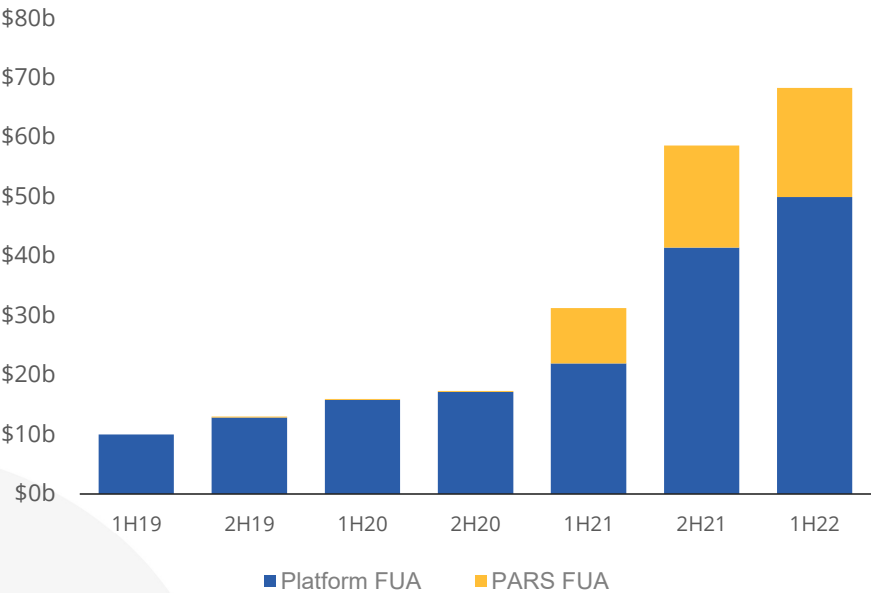
### EPS (diluted)

**11.86cps** Up 27%



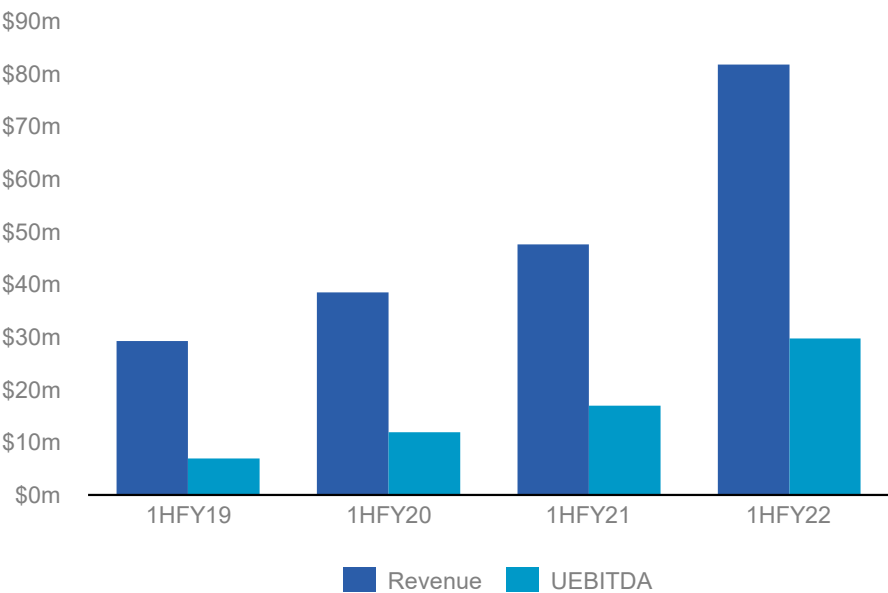
# Consistently delivering record growth<sup>1</sup>

## FUNDS UNDER ADMINISTRATION



## REVENUE CAGR +41%<sup>2</sup>

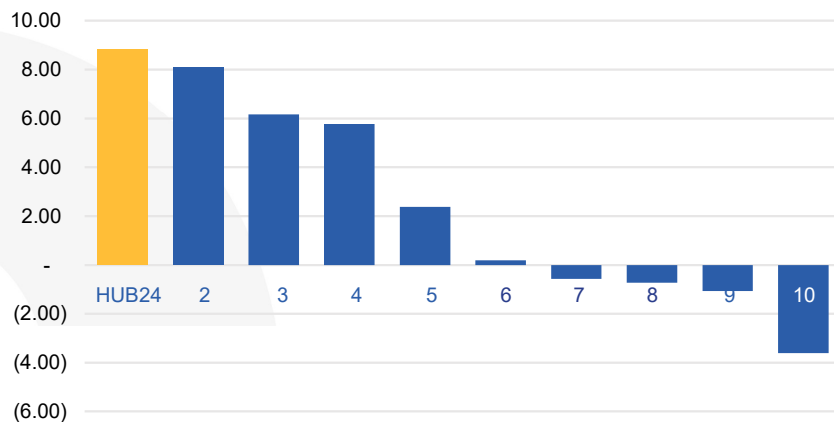
## UEBITDA CAGR +63%<sup>2</sup>



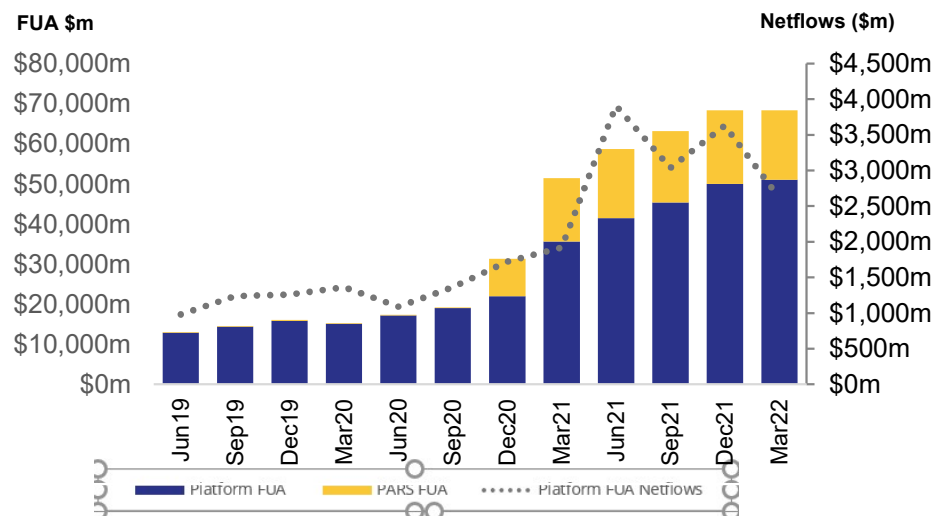
1. Three consecutive quarter of record netflows  
2. Group Operating revenue and Group Underlying EBITDA for continuing operations 4-year trend.

# HUB24 – Australia's fastest growing platform provider<sup>1</sup>

## Netflow share to underlying market share ratio<sup>1</sup>



## Growth in Platform FUA, PARs FUA & net flows per quarter<sup>2</sup>



- ➔ HUB24 market share has grown from 2.5% to 4.9%<sup>3</sup>
- ➔ 7<sup>th</sup> largest platform provider from 9<sup>th</sup> place by market share<sup>3</sup>

- ➔ Ranked 2<sup>nd</sup> for annual net inflows<sup>3</sup>
- ➔ Platform FUA 5-year CAGR 65%

## Business highlights

**Nº.2**



ranking for annual  
platform net inflows  
(7<sup>th</sup> position market  
share)

**Nº.1**



Platform satisfaction<sup>2</sup>

**Nº.1**

Platform Managed  
Accounts functionality  
6<sup>th</sup> year running<sup>1</sup>

**Nº.1**

Product Offer<sup>1</sup>



**No.2**

Best Platform Overall<sup>1</sup>

**Top 2** in 5 out of 6  
categories<sup>1</sup>



**3,432** advisers using  
the platform



Ongoing platform  
enhancements

- Advice fee consent
- Bulk trading efficiency
- Online account opening



Xplore integration  
progressing and benefit  
realisation on track with  
13% EPS growth FY22



Acquisition of  
Class Ltd will  
accelerate growth  
strategy

# Empowering better financial futures, together.

## Strategic pillars

### Deliver customer value & growth



Continue to develop our platform proposition to meet evolving customer needs, extend our market-leadership and grow market share

### Continue to build the platform of the future



Deliver an integrated customer experience that supports financial professionals to implement investment, tax and strategic advice.

- Single view of wealth
- Seamless integration between Custody & Non-Custody solutions
- Product solutions that improve retirement outcomes for all client segments

### Collaborate to shape the future of the wealth industry



Leverage our technology & data expertise, collaborate with industry participants & build solutions that enable the evolution of our industry

Lead the wealth industry as the best **provider** of integrated **platform, technology & data solutions**

# UPDATE ON CLASS ACQUISITION





# Class acquisition

## Transition phase



- ➔ Operate Class as a business unit while streamlining some corporate functions
- ➔ Progress development of additional strategies to increase opportunities for growth
- ➔ Define joint product development opportunities to enhance value and provide efficiencies for customers
- ➔ Appoint permanent CEO & refine operating model with HUB24 Group

## Growth phase



- ➔ Focus on extending core SMSF strategy to benefit customers of both businesses, deliver growth and grow the market
- ➔ Collaborate on solutions to simplify the implementation of strategic, tax and investment advice delivering efficiencies for customers
- ➔ Co-develop data-as-a-service combining the market leading capabilities of both companies
- ➔ Target acquisition benefits beyond 8% EPS accretion

Initial joint product development pilot launch Q1 FY23

Accelerate HUB24's platform of the future strategy consolidating the Group's position as a leading provider of integrated platforms, technology and data solutions

# OUTLOOK



# HUB24 Group well positioned to capture market opportunities

## Australian Investment Platform Market<sup>1</sup>

HUB24 market share  
**4.6%**

Investment  
**\$312bn**



Superannuation  
**\$678bn**

## Managed Account Market<sup>2</sup>

HUB24 market share  
**19%**

Other services  
**\$10.25bn**



SMA  
**\$39.86bn**

MDA  
**\$39.86bn**

## PARS Market<sup>3</sup>

HUB24 market share  
**12%**

Inhouse  
**\$70.5bn**



Outsourced  
**\$78.5bn**

## SMSF Market<sup>4</sup>

Class market share  
**29%**

Class Super Accounts<sup>5</sup>  
**179k**



Market  
**597k**

## Continuing to grow and enhance our proposition

### Deliver customer value & growth



- ➔ Deliver platform enhancements to support advisers with regulations and efficiency
- ➔ Collaborate with Class to extend core SMSF strategy to grow the market
- ➔ Launch market leading digital reporting features that allow advisers to customise client presentations in real-time delivering;
  - Enhanced client engagement for review meetings
  - Consolidated asset allocation & performance reporting
  - Interactive & personalised

### Continue to build the platform of the future



- ➔ Continue delivery of 'whole of wealth' reporting and integrated non-custody administration services (PARS)
- ➔ Progress additional strategies and product initiatives across HUB24 and Class
- ➔ Develop industry leading data services combining Class and HUBconnect capabilities and new datafeeds
- ➔ Complete Xplore integration and leverage product features across HUB24 platform e.g. unlisted bonds, Cboe, internationally domiciled funds

### Collaborate to shape the future of the wealth industry



- ➔ Accelerate development of HUBconnect offers supporting efficiency, compliance and affordability of financial advice
- ➔ Continue Innovation Lab collaboration with licensee 'think-tank' to develop new machine learning/AI solutions – e.g. advice validator
- ➔ Promote HUBconnect Licensee from 'active-beta' to 'production' for foundation licensees and agree roadmap for future developments

# Outlook

## Position HUB24 for ongoing success



- Continued investment in product innovation, customer service excellence and developing the platform of the future
- Mature & scale our Private Client & Non-Custody offers
- Continue integration of new capabilities
- Expand executive team with new Chief Risk Officer and Chief Growth Officer roles

## Pursue Growth



- Leverage existing relationships with financial professionals and develop new opportunities
- Leverage expanded product features across customer segments
- Develop new market opportunities leveraging Class and HUB24 capabilities
- Continue to evaluate strategic growth opportunities to lead change in the wealth industry

## Continuing strong financial results



- Leverage FUA growth and scalability to deliver shareholder value
- Increased scale and revenue diversification following the acquisition of Class
- Increased profitability and enhanced margins
- Deliver expected synergy benefits and EPS growth from the Xplore & Class transactions

Lead the wealth industry as the best **provider** of integrated **platform, technology & data solutions**



Platform FUA target (excluding PARS FUA) increased to

**\$83bn-**  
**\$92bn**  
for FY24<sup>1</sup>



## Disclaimer

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