

HUB24 acquisition of myprosperity

—
3 May 2023

HUB²⁴

Acquisition of myprosperity

Accelerates HUB24 strategy, strengthens value proposition and creates further growth opportunities.



High value strategic asset with established capability & client base



A market-leading client wealth portal positioned for growth



Financial professionals adopting secure, digital portals for client engagement & interaction



Accelerates HUB24's Platform of the Future strategy



Will provide single client front-end across HUB24, Class, NowInfinity & HUBconnect








Reinforces HUB24 platform's #1 position supporting our current growth trajectory



Strengthens competitive advantage to support further market share growth and new growth opportunities

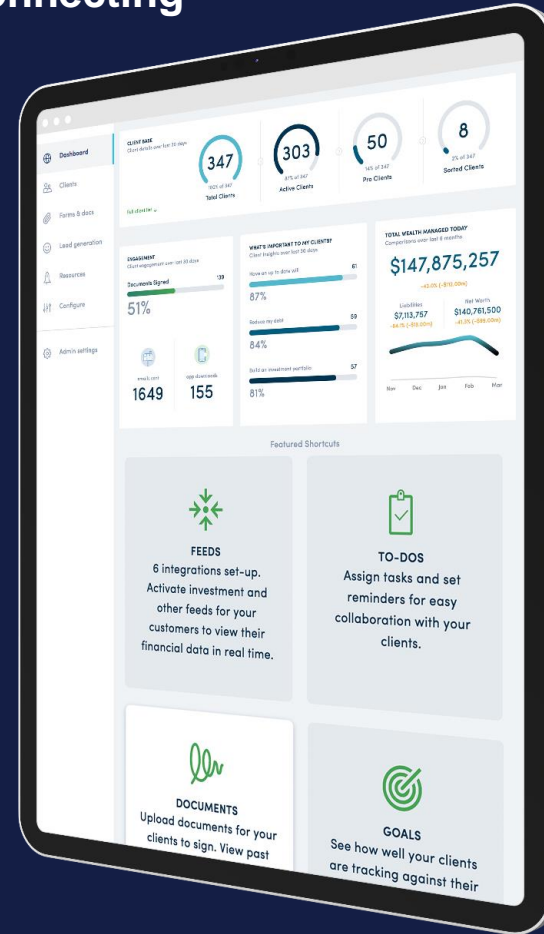
Overview

 Transaction	<ul style="list-style-type: none">• HUB24 Limited has entered into an agreement to acquire 100% of myprosperity Pty Ltd
 Transaction Consideration	<ul style="list-style-type: none">• \$40 million of HUB24 Limited ordinary shares issued at the 30-day VWAP prior to the date of announcement being \$27.63 and 1.4 million shares issued• Up to a further \$11.5 million in HUB24 ordinary shares being 416,214 potential shares issued, subject to certain conditions and performance hurdles to be met progressively over the next 3 years (fully achieved on successful integration of myprosperity functionality into HUB24 Platform, Class software, NowInfinity and HUBconnect offers and revenue synergy targets of \$7.2 million in FY24 increasing to \$21.2 million in FY26)¹
 Financial Impact	<ul style="list-style-type: none">• The transaction is expected to be underlying EBITDA positive in FY25 and EPS neutral in FY26 and EPS accretive in FY27 (4 to 5%)²• Transaction costs of ~ \$400,000 in FY23 and minimal implementation costs³
 Operating Model	<ul style="list-style-type: none">• CEO/Founder Peter McCarthy and the myprosperity team will remain a core part of the business• myprosperity will operate as a wholly-owned subsidiary of HUB24 retaining its own corporate identity, brand, and Melbourne-based team• myprosperity will continue to operate in the market servicing their current clients & pursuing growth opportunities as well as integrating with HUB24 to accelerate our strategy
 Expected Completion Timeline	<ul style="list-style-type: none">• Target completion date prior to 30 June 2023⁴

About myprosperity

Leading provider of secure client portal connecting financial professionals and their clients.

- ➔ Melbourne-based, privately owned company founded in 2011 with 33 employees
- ➔ A market leading client portal for accountants, financial advisers & their clients that increases practice efficiency & streamlines customer engagement
- ➔ Existing integrations with HUB24 platform & Class
- ➔ Combines proprietary technology with an extensive ecosystem of third-party integrations to deliver holistic view of individual & household wealth
- ➔ Enriches household data to provide insights to enhance service delivery & customer experience
- ➔ Software subscription revenue model
- ➔ Uniquely positioned for the next phase of growth with increasing adoption of client portals by accountants, financial advisers and multidisciplinary firms



myprosperity profile:

440+

Accounting
& financial
advisory firms¹

~60k

Households¹

~16k

Premium
subscribers¹

\$4M

Revenue
FY23¹

\$135B

Value of
household
assets tracked¹

\$22B

Value of
household
liabilities tracked¹

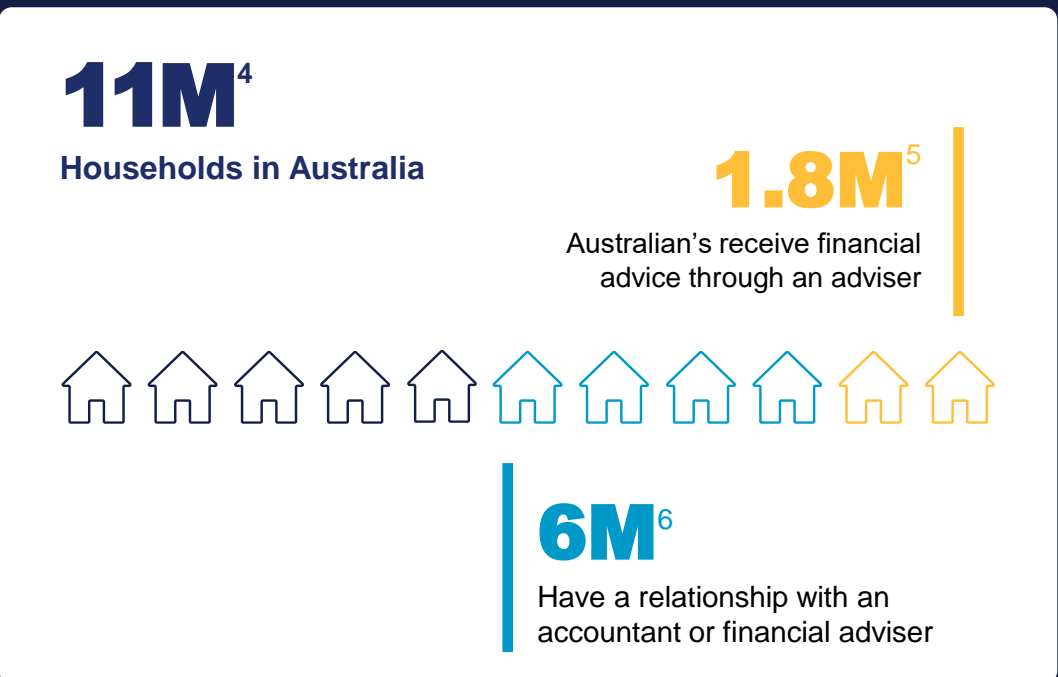
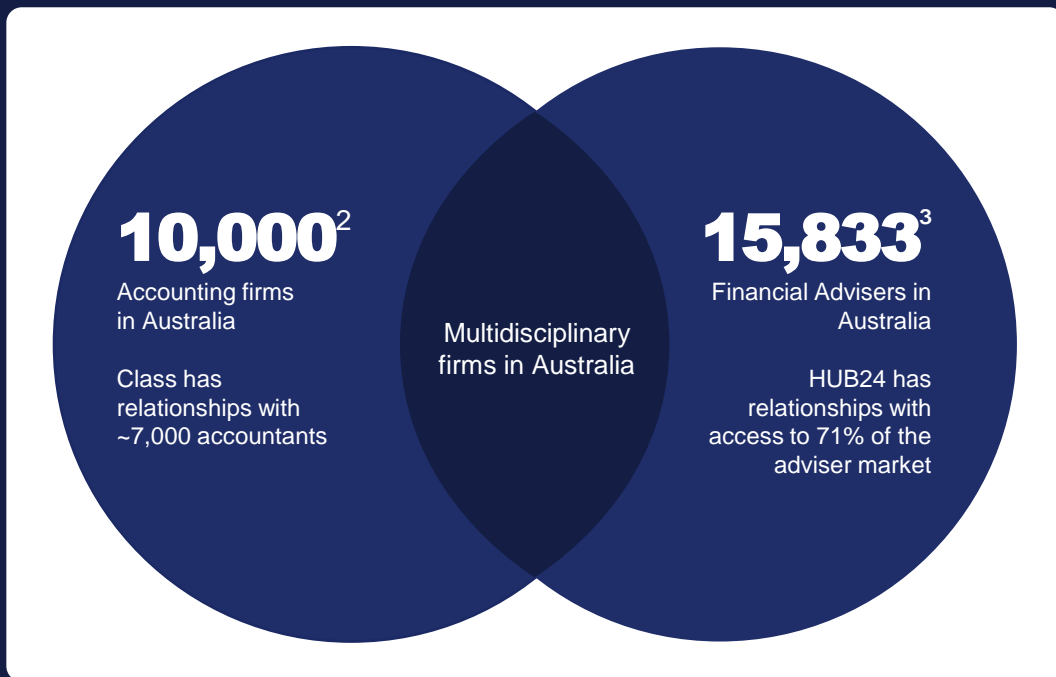
Secure portal key features:

- Digital document signing
- Document sharing
- Digital forms
- Tax checklists
- Reporting
- Digital Fact finds
- Task automation
- Virtual rooms enabling client collaboration
- Integration with practice management systems

Strengthens HUB24 value proposition to broaden market access

myprosperity is well-positioned to grow market share as the only client portal offering a solution across financial advice and accounting services¹

Together, **myprosperity with HUB24** will be uniquely positioned to provide market-leading, integrated solutions to empower a better financial future for more Australians

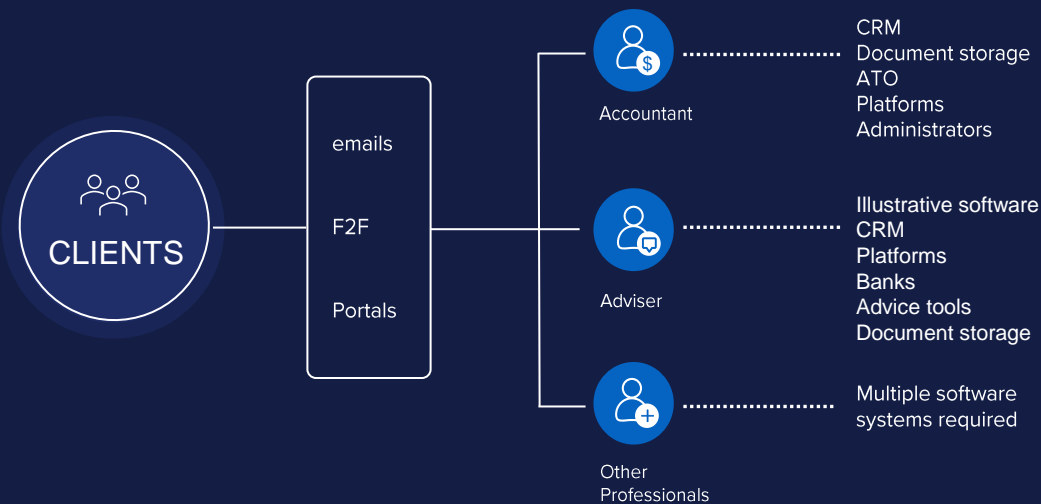


Client portals are transforming client engagement and experience

Delivering enhanced experience through integration & better collaboration.

Client experience today – without integrated client portal

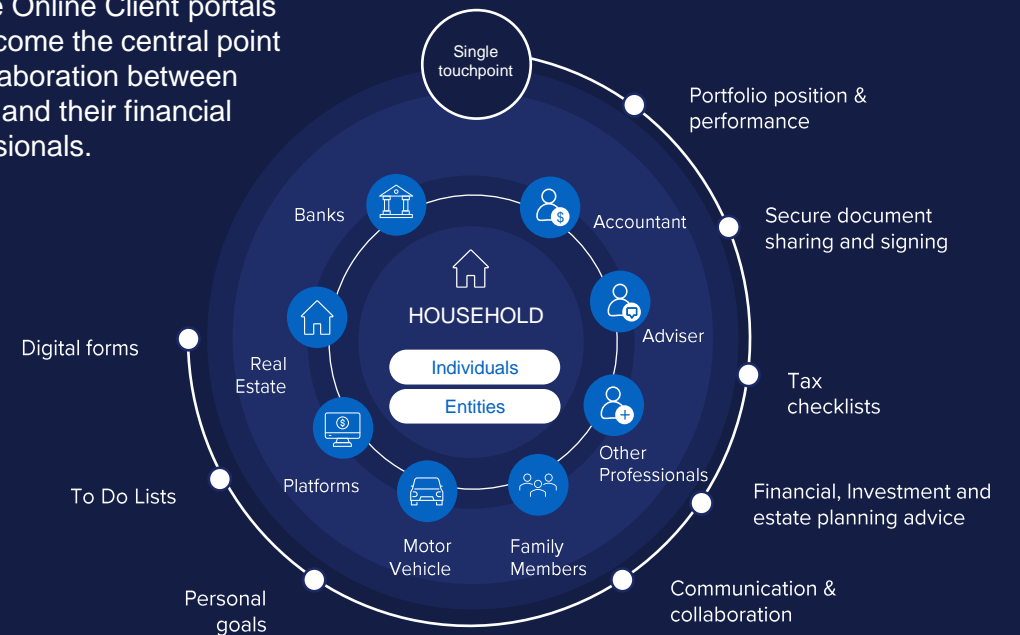
Intermediaries rely on a range of software/tools to generate the client experience.



➔ Disparate solutions resulting in complexity, inefficiency and cost

myprosperity client experience

Secure Online Client portals will become the central point for collaboration between clients and their financial professionals.



- ➔ Delivering total view of household wealth, enabling better collaboration, eliminating double-handling and lowering costs
- ➔ Replaces emails for secure exchange of personal information

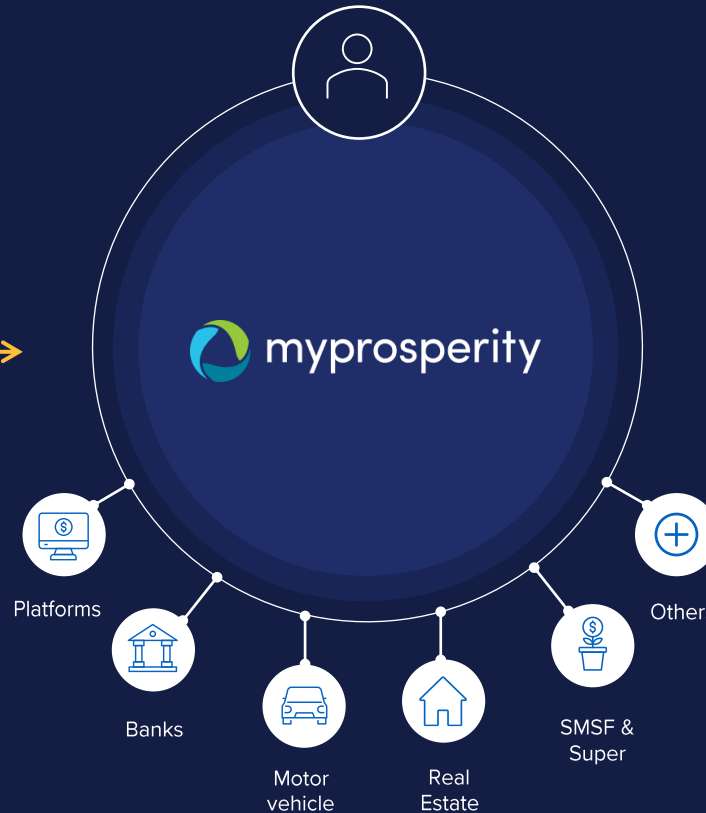
myprosperity delivers seamless integration enabling ease of implementation

Connecting leading accounting & financial advice solutions with client data in one place.

Six easy steps for implementation:

1. Join myprosperity
2. Connect your practice manager
3. Connect investment feeds
4. Configure branded app
5. Rollout your portal to your clients
6. Clients download app

Accounting Practice Management



Financial Advice Practice Management



myprosperity's role in the platform of the future

Platforms Purpose

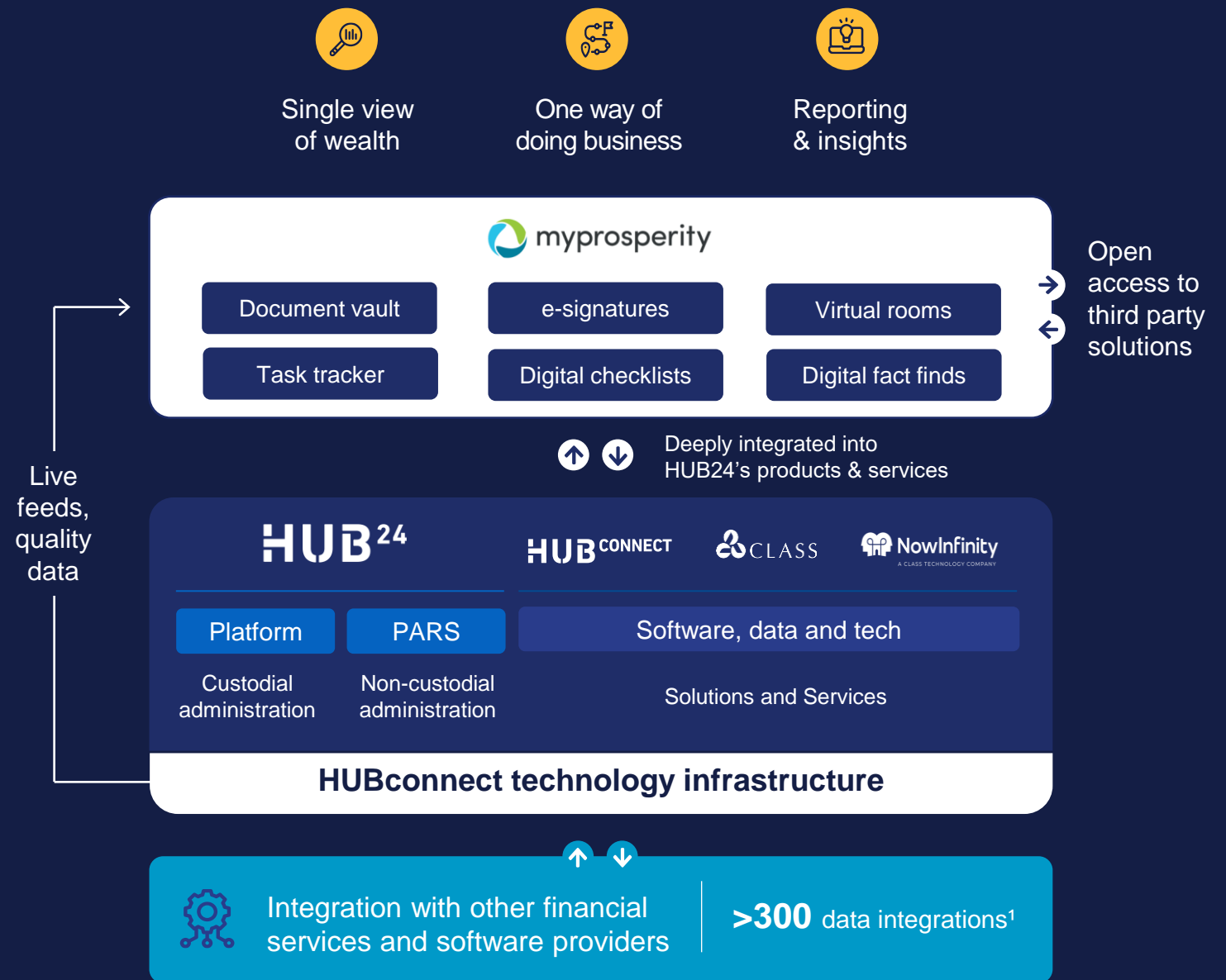
-  **Single view of wealth** for advisers and their clients
-  **One way of doing business** incorporating custody and non custody
-  **Efficient access** to investment manager IP
-  **Flexibility** for advisers & **Visibility** for licensees
-  **Reporting and insights** for businesses

HUB24 leading the evolution of platforms



Integrated with HUB24, myprosperity

- enables a single client view across all of our offers
- streamlines client engagement
- creates efficiency for financial professionals & transforms the client experience



As part of HUB24, myprosperity will benefit from

A long term committed partner

Part of a growing ASX200 company leveraging investment, capability and expertise to achieve a leading market position.



Continuity for myprosperity team & customers

With a commitment to current strategy and entrepreneurial culture, the full myprosperity solution will continue to be developed and offered to the broader market on a standalone basis.



Investment to drive growth

HUB24 committed to invest in myprosperity's team, technology and cyber security to accelerate growth.



Enhanced customer value from deeper integration

Longer term, myprosperity customers will benefit from deeper integration between myprosperity & HUB24, Class & NowInfinity.



Access to HUB24 group relationships

Access to HUB24 group's relationships will provide opportunities for further growth.



myprosperity acquisition in summary



Highly complementary businesses with aligned vision, culture & values.



myprosperity accelerates delivery of HUB24's strategy, extends market leadership and underpins further growth.



Strengthens HUB24's value proposition, builds customer advocacy and aims to deliver revenue synergies.



All-in-One secure portal delivering total view of household wealth.



Increase practice efficiency, helping to reduce the cost of advice & makes advice accessible to more Australians.

Financial Summary

\$40 million

upfront consideration

1.4 million

shares issued

Up to a further \$11.5 million

shares over 3 years

~\$400,000

in transaction and due diligence costs

Underlying EBITDA impacts

- FY24 \$1 – \$1.5 million negative
- FY25 neutral
- FY26 \$3 - \$5 million positive

EPS

(including share-based payments expense)

- FY26 EPS neutral
- FY27 EPS accretive 4 - 5%
- myprosperity will be incorporated into the Platform segment within HUB24's financial reporting disclosures

Disclaimer

Summary information

The material herein is a presentation of general background information about HUB24 Limited's ('HUB') activities current as at date of presentation. This information given in summary form does not purport to be complete and should be read in conjunction with previous ASX filings, Half Year Report and the audited Annual Report as applicable. Any arithmetic inconsistencies are due to rounding.

Not investment advice

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This presentation was authorised for release to the market by the HUB24 Limited Board of Directors.



HUB²⁴