

ASX Release: 17 October 2023

HUB24 announces strong Q1 FY24 FUA growth

September Quarter FY24 Highlights

- Total Funds Under Administration (FUA) of \$82.7 billion as at 30 September 2023 (up 21.0% on pcp), comprising Platform FUA of \$65.1 billion (up 24.3% on pcp) and Portfolio, Administration and Reporting Services (PARS) FUA of \$17.6 billion (up 10.3% on pcp)
- Platform net inflows for the quarter of \$2.8 billion (down 6.3% on pcp), Platform FUA increased by 3.8% for the quarter
- Expanding the HUB24 Platform proposition with a new cost-effective platform option called Discover, an innovative retirement solution, a revision to our published rate cards and other new features to be launched during November
- Class Super net promoter score (NPS) improved to 48 and now ranked equal 1st place¹

Platform Net Inflows and FUA

HUB24 has had a strong start to FY24 with net inflows of \$2.8 billion for the quarter, up 34.7% on the previous quarter and broadly in line with the prior corresponding period (down 6.3% pcp). This is an improvement over previous quarters and is pleasing given the ongoing macroeconomic environment. HUB24's opportunity pipeline is also strengthening and during the quarter 41 new distribution agreements were signed.

The previously announced EQT transition of approximately \$4 billion of FUA is continuing to progress with integration builds between EQT chosen systems well underway. The first transition is now planned to be completed in Q3 FY23.

Platform FUA was \$65.1 billion as at 30 September 2023, which included negative market movement of \$0.4 billion for the quarter.

In the latest available Plan for Life data, HUB24's market share has increased to 6.3% (up from 5.4% as at 30 June 2022) and is ranked in 8th place overall. HUB24 is ranked 2nd for quarterly and annual net inflows and has the fastest growth rate as a percentage of FUA based on annual net inflows.²

The total number of advisers using the Platform is now 4,026 (up 10.6% on pcp).

1. Investment Trends SMSF Accountant & Adviser Report 2023 – primary user NPS score

2. Rankings and growth rate terms are based on internal analysis of Plan for Life Master Trusts, Platforms and Wraps June 2023 data for HUB24's continuous business operations, excluding HUB24's planned discontinuation of the Xplore Wealth Super Admin business (\$1.4 billion FUA with \$1.0 billion outflow via Successor Fund Transfer and \$0.4 billion migrated to the HUB24 platform in Q2 FY23). As a result of industry consolidation and transitions between providers, HUB24's ranking moved from 7th place to 8th place for this reporting period.

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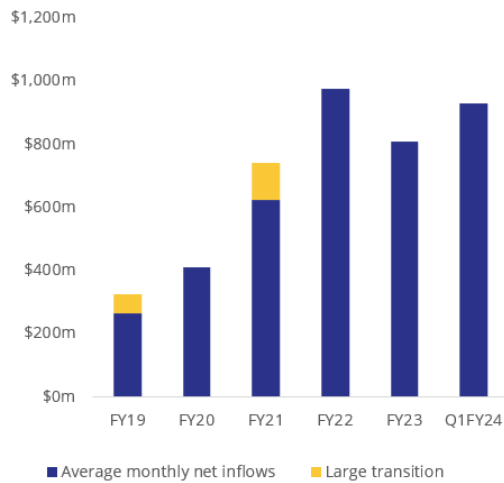
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PARS FUA

PARS FUA was \$17.6 billion at 30 September 2023. During the quarter the number of PARS accounts increased to 8,206 (up 2.8% on pcp).

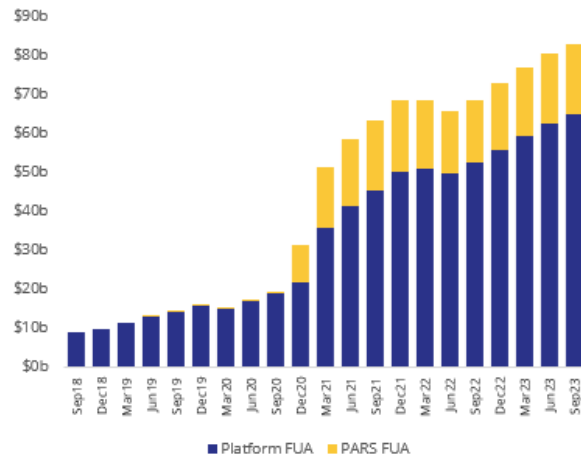
Platform Average Monthly Net Inflows

\$ Millions



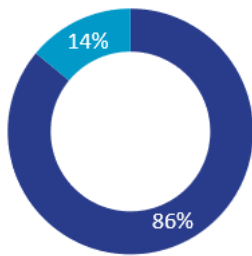
Total FUA

\$ Billions

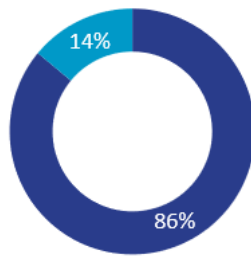


Composition of Platform FUA

FY24 Q1 Platform FUA



FY23 Platform FUA



■ Retail ■ Institutional

Platform Statistics*	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Growth on pcp
Platform FUA	\$52,362m	\$55,822m	\$59,438m	\$62,710m	\$65,085m	24.3%
PARS FUA	\$15,992m	\$17,172m	\$17,481m	\$17,636m	\$17,638m	10.3%
Total FUA	\$68,354m	\$72,994m	\$76,919m	\$80,346m	\$82,723m	21.0%
Platform Flows						
Platform Net Inflows**	\$2,985m	\$2,774m	\$1,870m	\$2,092m	\$2,798m	(6.3%)
Platform Gross Inflows	\$4,970m	\$4,372m	\$3,626m	\$4,586m	\$4,979m	0.2%
Xplore Super Admin - discontinued operations ***		(\$944m)		(\$15m)		
Platform Advisers						
Number of Advisers	3,639	3,692	3,748	4,011	4,026	10.6%

*Statistics are for each quarter, have been rounded and are not audited. Platform FUA refers to custodial administration services and PARS FUA refers to non-custodial administration services.

** Platform net inflows of \$2.8 million (Dec 22 quarter) and \$2.1 million (Jun 23 quarter) from continuing business operations (excluding the Xplore Super Admin discontinued operations).

*** Successor Fund Transfer (SFT) from Xplore Super Admin discontinued operations of \$944 million during Dec 22 quarter and \$15m during Jun 23 quarter.

Class Statistics

The number of accounts across Class Super, Class Portfolio and Class Trust products increased during the quarter to 203,153 (up 2.2% on pcp), while Document Orders on NowInfinity increased to 173,924 (down 1.8% on pcp with market sentiment impacting corporate establishments over the last 12 months). The number of companies using Corporate Messenger increased to 666,432 during the quarter (up 7.1% on pcp).

Metrics	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Growth on pcp
No. of accounts*	198,843	198,619	200,247	202,149	203,153	2.2%
Document Orders**	177,196	173,142	170,929	173,148	173,924	-1.8%
Companies on Corporate Messenger***	622,324	621,478	636,996	645,190	666,432	7.1%

*Number of Class accounts at the end of each quarter consists of Class Super, Class Portfolio and Class Trust licenses

**Documents paid for by PAYG and subscription customers during the last 12 months

***Number of active companies at the end of each quarter



Business Update

HUB24

Given our commitment to market-leadership and delivering customer value, during Q2 FY24 HUB24 is expanding our platform proposition with new options and product features to broaden our reach and provide advisers with a range of solutions to support the client lifecycle. This includes access to unlisted domestic fixed income securities and direct access to 11 foreign currencies.

New Discover offer

HUB24's new Discover offer, complements HUB24's Core and Choice offer and creates opportunities for HUB24 to meet the needs of lower balance advised clients. This includes early-stage wealth accumulators and later stage retirees with less complex needs. Discover, designed in conjunction with portfolio managers provides a streamlined selection of managed portfolios in a cost-effective platform and investment solution, and extends HUB24's reach to this part of the market. This new option, which aims to strengthen HUB24's competitive position and support further growth, will be available in November and further details will be provided at <https://www.hub24.com.au/product-documents/>.

Revised published rate card

In conjunction with our platform enhancements, from November HUB24 will be reducing percentage based tiered administration fees published in the retail HUB24 Super and HUB24 Invest disclosure documents. Whilst a small number of clients may benefit from this adjustment, the change in administration fees will have minimal impact to HUB24's revenue and margin expectations.

New retirement solution

As more Australians approach retirement there is a growing need for innovative solutions that will deliver a sustainable retirement income. HUB24 has collaborated with Allianz Retire+ to launch AGILE (Allianz Guarantee Income For Life) which is an innovative longevity product designed to support the growth of clients' retirement assets and the delivery of a guaranteed retirement income stream. AGILE will be integrated into the HUB24 platform as an investment option within HUB24 Invest or HUB24 Super.

Class

A continued focus on enhancing customer satisfaction has resulted in an improvement in NPS in the latest Investment Trends SMSF Accountant and Adviser Report. Class's primary user NPS increased to 48 and is now ranked equal first for customer satisfaction.¹

During the quarter Class held their flagship industry conference Class Ignite for the first time since 2019, a key initiative in supporting the continued education and growth of the SMSF segment. Held over 2 days in Sydney, Class Ignite provided over 300 delegates with opportunities to network and access to insights and thought leadership from key industry experts. The Class Annual Benchmark



Report was launched at the event, leveraging Class and industry data to deliver key insights on the trends driving the future of the SMSF sector.

In September, NowInfinity's SMSF deed was enhanced, providing greater flexibility and clarity for advisers and trustees with regards to estate planning, and enabling customers to establish and maintain entities on behalf of their clients more efficiently. This enhancement will act as the cornerstone to NowInfinity's enhanced SMSF compliance solution, SuperComply, which is due to be released in 2H FY24.

myprosperity

Development of client portal solution for HUB24 customers is progressing, additionally there is strong demand from licensees for a customised solution for their advisers. Consequently, an enterprise offer is now also being developed.

2023 Annual Investor Strategy Day

As part of our commitment to keep the market informed, HUB24 will be holding its Annual Investor Strategy Day on 21st November 2023, featuring presentations from the HUB24 Group Executive team. Further details regarding the event will be provided shortly.

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About HUB24

HUB24 Limited is listed on the Australian Securities Exchange, and includes the award-winning HUB24 platform, HUBconnect, the Xplore Wealth platform, Class and myprosperity.

The HUB24 platform offers advisers and their clients a comprehensive range of investment options, including market-leading managed portfolio solutions, and enhanced transaction and reporting functionality. As one of the fastest growing platforms in the market, the platform is recognised for providing choice and innovative product solutions that create value for advisers and their clients. HUBconnect focuses on leveraging data and technology to provide solutions to common challenges for stockbrokers, licensees and advisers and enable the delivery of professional advice to more Australians.

Class is a pioneer in cloud-based wealth accounting software and is recognised as one of Australia's most innovative technology companies. Class delivers trust accounting, portfolio management, legal documentation and corporate compliance solutions to financial professionals across Australia who depend on Class to drive business automation, increase profitability and deliver better client service.



myprosperity is a leading provider of client portals for accountants and financial advisers, enabling streamlined service delivery, increased productivity and enhanced customer experience for finance professionals and their clients.

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 Managing Director.

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