

FY25 Half Year Results

18 February 2025

HUB²⁴

Empowering better
financial futures,
together

Overview

1. Highlights & operating review

Andrew Alcock, Managing Director

2. Financial results

Kitrina Shanahan, Chief Financial Officer

3. Strategy & outlook

Andrew Alcock, Managing Director



HUB24 – Australia’s Best Platform 3rd year running



Australia’s best platform
(3rd year running)¹



#1 managed account capability
(awarded to HUB24 in 8 of the last 9 years)¹



Most impactful new enhancement – advice fee consent²



#1 for annual platform and retail superannuation net inflows³



#1 net inflows across all superannuation funds from member switching⁴



2024 Platform Competitive Analysis and Benchmarking Report

Best Platform Overall

HUB24



2024 Platform Competitive Analysis and Benchmarking Report

Best Platform Managed Accounts Functionality

HUB24



2024 Platform Competitive Analysis and Benchmarking Report

Best in Product Offering

HUB24



2024 Platform Competitive Analysis and Benchmarking Report

Best in Decision Support Tools

HUB24



2024 Platform Competitive Analysis and Benchmarking Report

Best in Online Business Management

HUB24



2024 Platform Competitive Analysis and Benchmarking Report

Most Improved in 2024

HUB24

1. Investment Trends Platform Competitive Analysis and Benchmarking Report 2024.

2. SuitabilityHUB 2025 Platform Market Wrap.

3. HUB24 ranked first for quarterly and annual platform net inflows. Latest available data, Strategic Insights Master Trusts, Platforms & Wraps, September 2024.

4. APRA, Annual fund-level superannuation statistics. Net flows for FY24. Retail superannuation net inflows and net inflows across all super funds from member switching are both adjusted to exclude successor fund transfers.






Highlights & operating review

Andrew Alcock

CEO & Managing Director



1HFY25 financial highlights¹

| | Revenue | Underlying EBITDA ² |
|--|----------------|--------------------------------|
|  Total Group | \$195.2m ↑ 25% | \$77.6m ↑ 41% |
|  Platform | \$154.2m ↑ 29% | \$66.7m ↑ 39% |
|  Tech Solutions | \$38.0m ↑ 9% | \$13.8m ↑ 37% |

Total FUA
\$120.9b
 ↑ 33%

Platform FUA
\$98.9b ↑ 36%
 \$102.6b as at 13 Feb 2025³

PARS FUA
\$22.0b
 ↑ 17%

Statutory NPAT **\$33.2m** Up 54%

Underlying NPAT² **\$42.6m** Up 40%

Interim Dividend **24.0cps** Up 30%
 Fully franked⁴

Underlying EPS (diluted) **51.0cps** Up 41%

1HFY25 business highlights

Market leadership

- Outperforming stronger industry growth with record half-year Platform net inflows of \$9.5 billion¹
- Increased growth in advisers choosing HUB24 with 361 net additions in 1HFY25
- HUB24 Super selected as successor fund for ClearView WealthFoundations, with FUA to migrate to Discover²
- Building advocacy and leveraging group relationships with additional myprosperity enterprise agreements
- NowInfinity growing above system and Class growth increased³

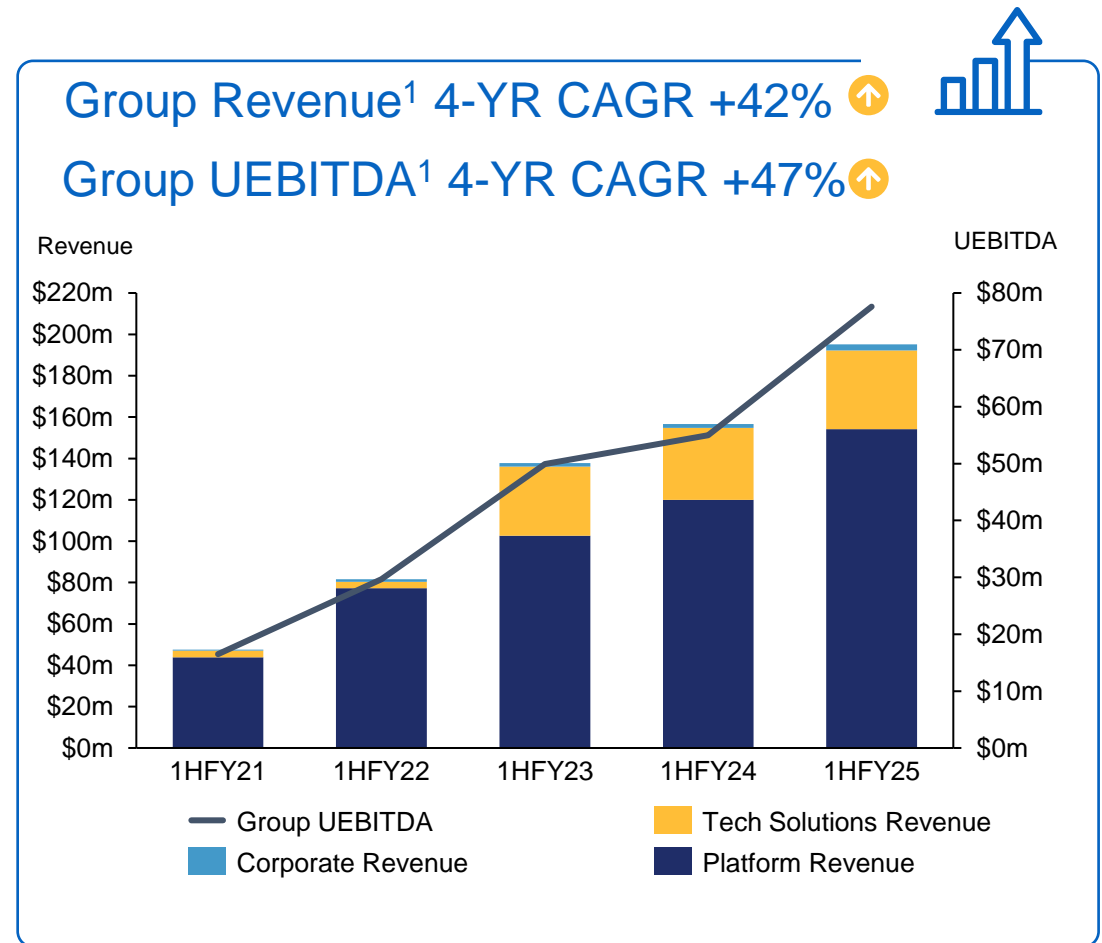
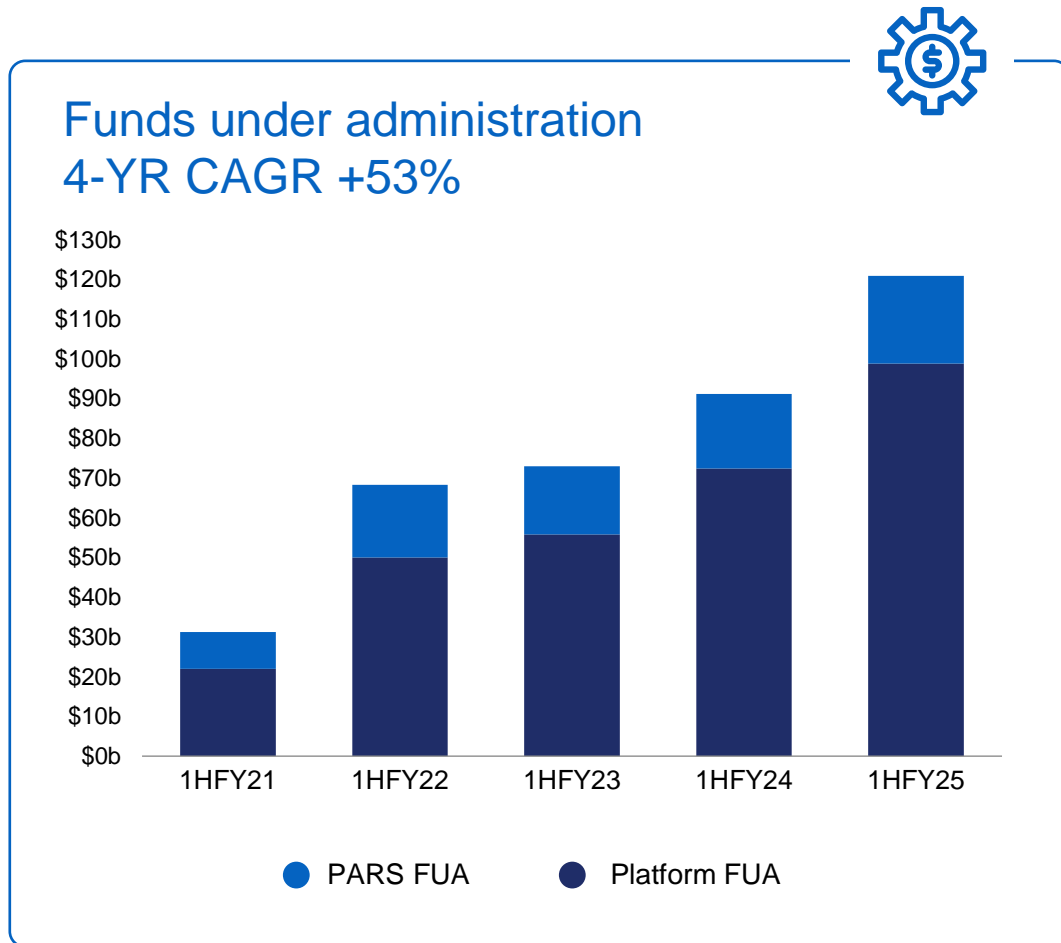
Innovation

- Strategic alliance with Reach Alternatives to broaden access to alternative investments
- Engage, the next evolution of HUB24's client reporting capability (leveraging HUBconnect), now in pilot
- Continued enhancements to HUB24 platform to deliver adviser productivity, customer experience and choice
- Significant Class product enhancements, including registry feeds, property title search, and institutional document integrations

Future-ready

- Investing in automation, to deliver quality, service & efficiency benefits
- Enhancing core infrastructure to support future growth, streamline processes, and maximise cost-effectiveness
- Investing in our people and culture, continuing to build our employer brand and enhance employee experience
- Investing in AI to solve key advice delivery and implementation challenges

Consistently delivering growth and shareholder value



Recognised for innovation, customer service and product leadership



2024 Platform Competitive Analysis and Benchmarking Report

Best Platform Overall

HUB24

#1 Best Overall Platform¹
3 years running

#1 Best Platform Managed Accounts Functionality¹

- #1 Best in Product Offering¹
- #1 Best in Online Business Management¹
- #1 Best in Decision Support Tools¹
- Most Improved Platform in 2024¹



2024 Adviser Technology Needs Report

Overall satisfaction: Wrap Platform

HUB24

#1 Overall Satisfaction Wrap Platforms²

#1 Platform advocacy²

- **#1 NPS for platform users²**
- #1 Tax Optimisation tools²
- #1 Contact Centre Support²
- #1 Practice Management Reporting²
- #1 Regulatory Support Tools²
- #1 Online Transaction Capabilities²
- #1 Demonstrating Client Value²
- #1 Range of investment Options²



- **Overall Best Advice Platform³**
- **Overall Satisfaction³**
- Best Adviser Experience³
- Best Client Experience³
- Ease of Onboarding³
- Best Investment Options³
- Best Online/Call Centre Support³
- Best BDM Support³

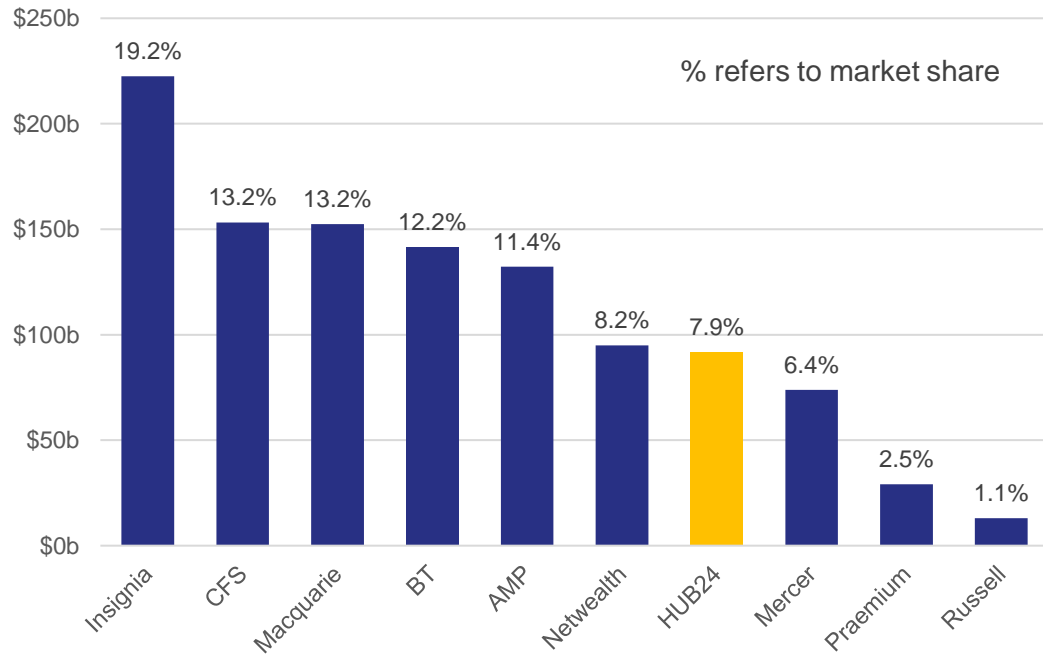


- **#1 Overall Satisfaction⁴**
- **#1 Platform Offering⁴**
- #1 BDM Support⁴
- #1 Reporting & Communication⁴
- #1 IT/Web functionality⁴
- #1 Brand Image and Reputation⁴

Growing our market share

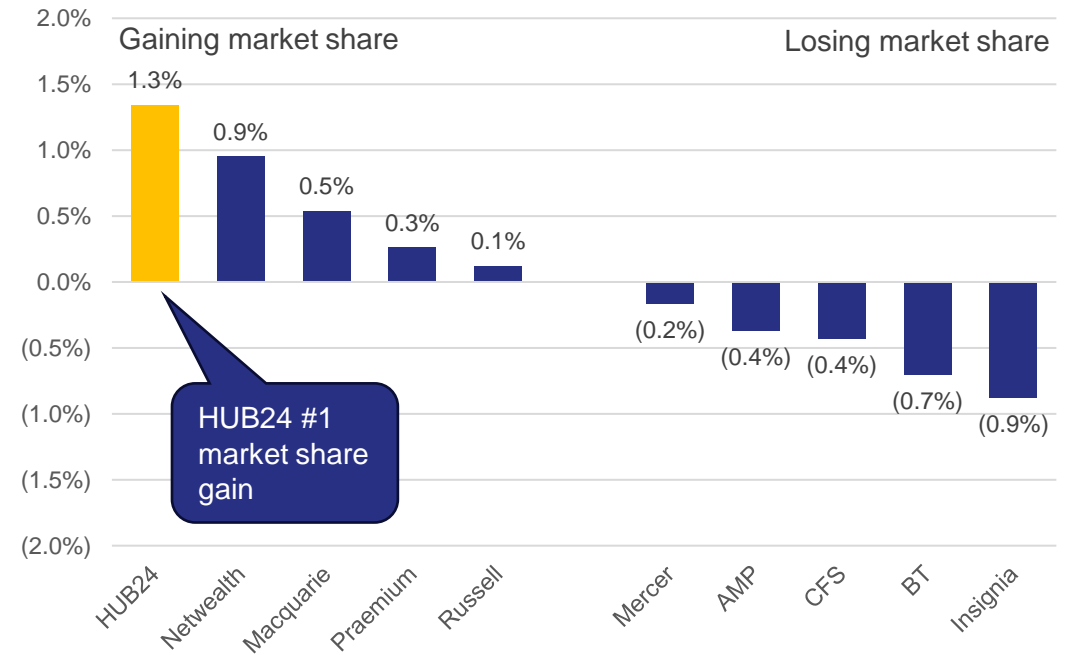
HUB24 ranked #7 by FUA as at September 2024

Top 10 platforms by FUA as at September 2024¹



HUB24 increased market share 6.6% to 7.9% over last 12 months¹

12-month change in market share of top 10 platforms¹



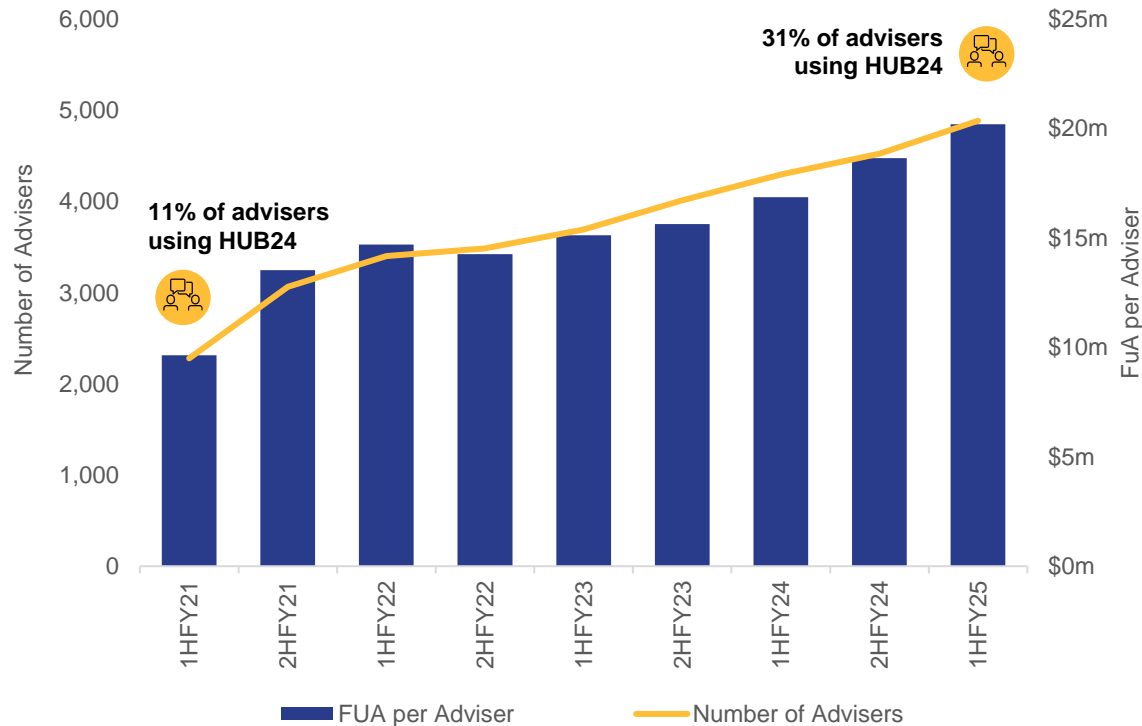
Strong industry growth over last 12 months¹  **+17% system FUA growth (PCP: +7%)¹**

Growing adviser base and increasing FUA per adviser

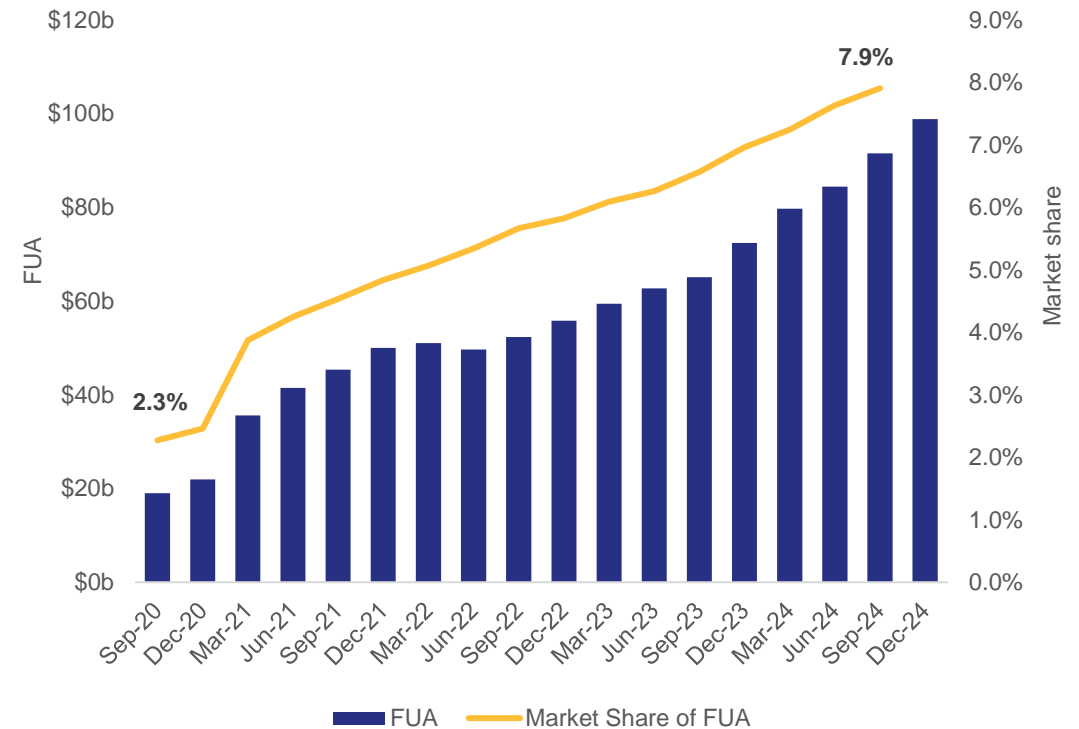
Advisers 4-YR CAGR +22%
31% of advisers use HUB24¹

Market share increased from ~2% to ~8% over last 4 years²
#1 market share gains over last 12 months²

Advisers using HUB24 and FUA per adviser¹



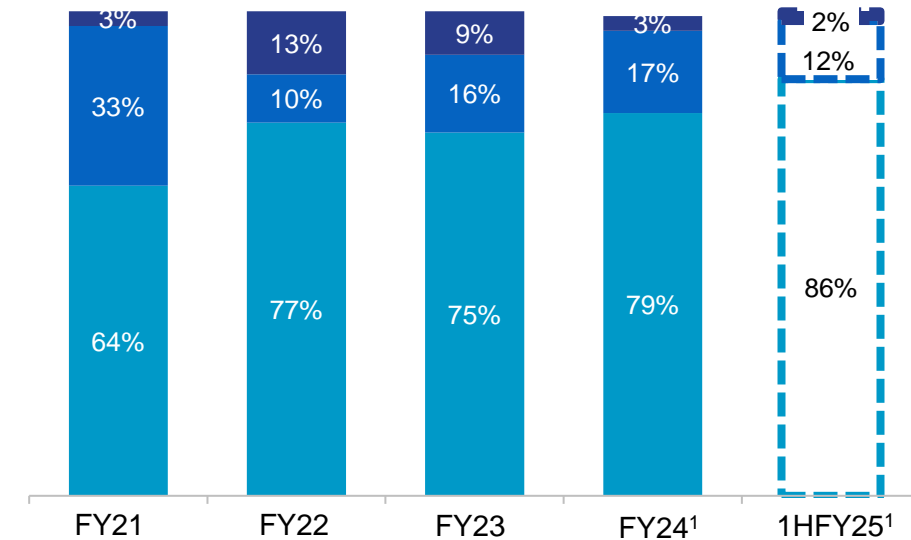
HUB24 custody FUA and market share²



Significant growth opportunity from existing and new advisers

Net inflows from new and existing advisers

Composition of net inflows by tenure of adviser relationship



- New Licensee Relationship
- Existing Licensee but new Adviser relationship
- Existing Licensee and existing Adviser relationship

Latent opportunity



HUB24 has access through relationships to more than **77%** of the total adviser market²



- Active advisers using HUB24² (31% of market)
- Advisers covered by a HUB24 distribution agreement who are not using the platform (46% of the market)²

361 adviser net additions in 1HFY25 (prior three years first half average was 277)

FUA per adviser at 1HFY25 was \$20m, up from \$10m in 1HFY21

Industry average FUA per adviser estimated to be \$75m per adviser, providing further opportunity for growth⁴

11% of advisers using the platform at 1HFY25 have more than \$50m FUA on HUB24, up from 9% in 1HFY24

New adviser relationships deliver transition/flow benefits for up to 6 years⁵

1. Excludes Equity Trustees (EQT) large migration.

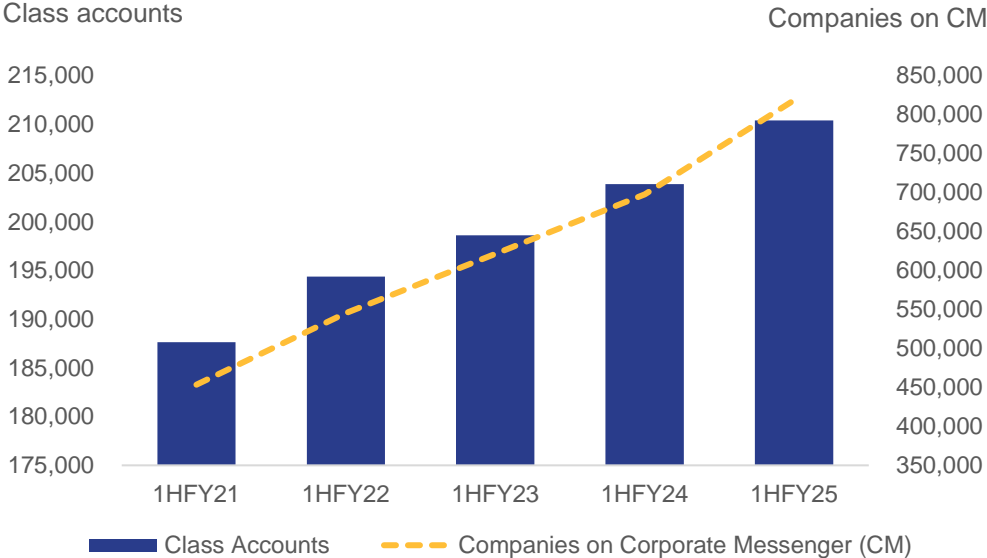
2. HUB24 analysis based on ASIC - Financial Adviser dataset and number of advisers based on Adviser Ratings, Musical Chairs Report Q3 2024. Includes access to private label products.

3. Adviser Ratings Musical Chairs Q3 2024. As at 30 September 2024.

4. Industry average per adviser as at 30 September 2024 based on total platform market and total number of advisers. Plan for Life Master Trusts, Platforms & Wraps data, September 2024. Adviser Ratings Adviser Musical Chairs Report Q3 2024.

5. Based on HUB24 internal analysis.

Tech Solutions & myprosperity delivering consistent growth



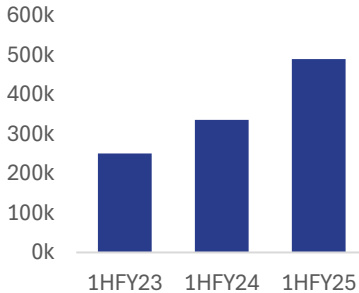
~93k households³
+18k households in 1HFY25



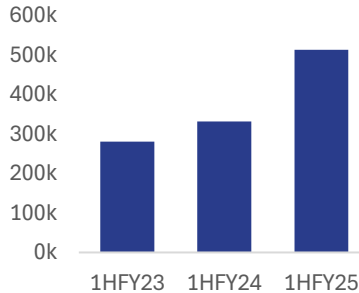
520 wealth practices³
+23 practices in 1HFY25

Increased engagement and usage as value proposition resonates with financial professionals

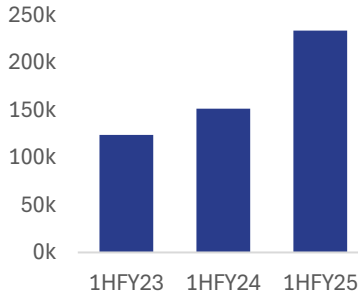
Logins - Firm



Logins - Customer



New Documents Stored



Class SMSF market share 30.4% and growing with system¹

More than 210,000 total Class accounts

More than 818,000 Companies on Corporate Messenger and growing at 1.7x system²



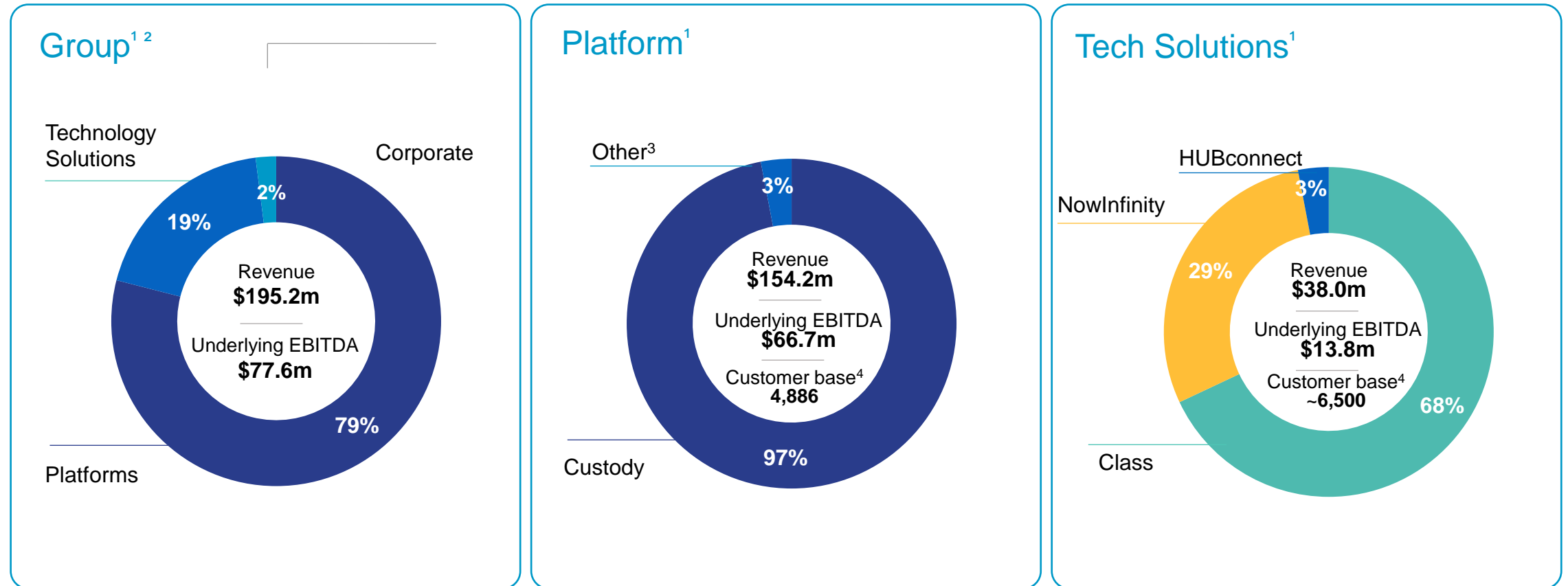
Financial results

Kitrina Shanahan

Chief Financial Officer



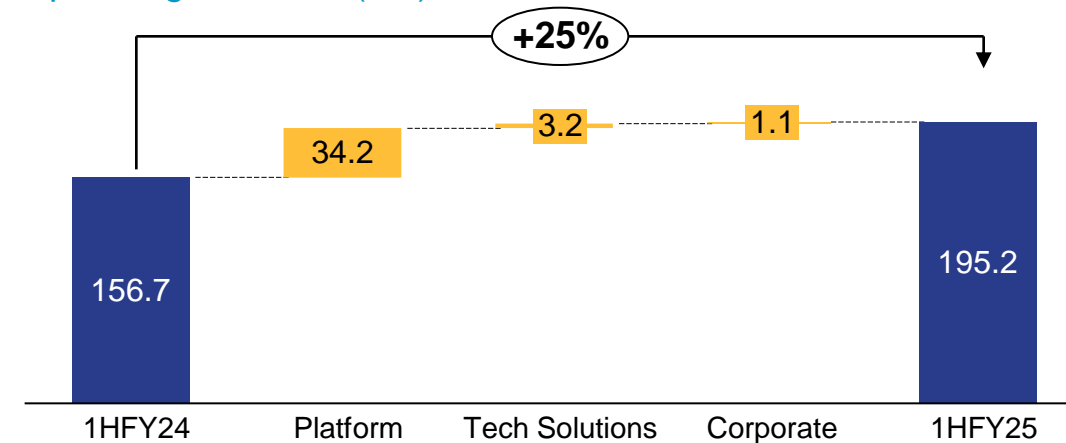
Group snapshot as at 31 December 2024¹



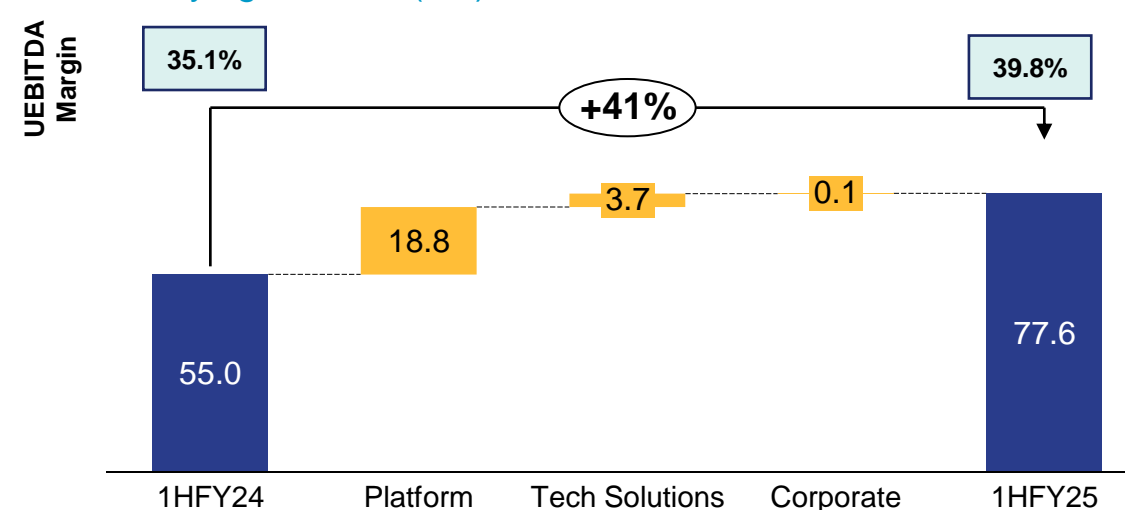
Group financial results

| | 1HFY25 | 1HFY24 | Change |
|---|-------------|-------------|------------|
| Operating Revenue (\$m) | 195.2 | 156.7 | 25% |
| Operating Expenses (\$m) | (117.6) | (101.7) | 16% |
| Underlying EBITDA (\$m) ¹ | 77.6 | 55.0 | 41% |
| Underlying EBITDA margin (%)¹ | 39.8 | 35.1 | 4.7 |
| EBITDA (\$m) | 70.9 | 49.2 | 44% |
| Underlying NPAT (\$m) ² | 42.6 | 30.4 | 40% |
| Statutory NPAT (\$m) | 33.2 | 21.5 | 54% |
| Fully Franked Interim Dividend (cents per share) | 24.0 | 18.5 | 30% |
| Underlying Diluted Earnings per share (cents) | 51.0 | 36.2 | 41% |

Operating Revenue (\$m)



Underlying EBITDA (\$m)

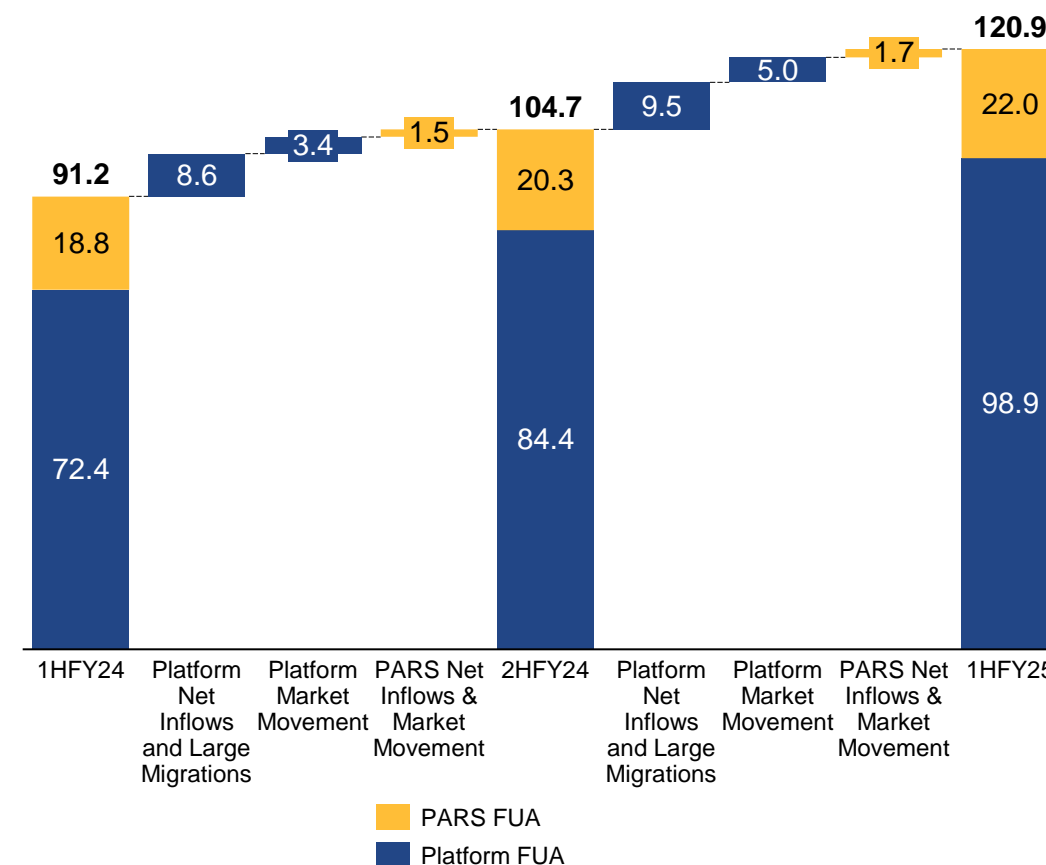


Platform financial results

- Strong Platform FUA growth driven by record half-year of net inflows of \$9.5b and positive market movements
- Platform custody FUA growth of 36% to \$98.9b, with 66% of the growth driven by net inflows and 34% driven by market performance
- Expanding UEBITDA margin to 43% in 1HFY25

| | 1HFY25 | 1HFY24 | Change |
|---|---------------|---------------|------------|
| Platform FUA (\$b) | 98.9 | 72.4 | 36% |
| PARS FUA (\$b) | 22.0 | 18.8 | 17% |
| Total FUA (\$b) | 120.9 | 91.2 | 33% |
| Platform Net Inflows (\$b) | 9.5 | 7.2 | 31% |
| Revenue (\$m) | 154.2 | 120.0 | 29% |
| Operating Expenses (\$m) | (87.5) | (72.1) | 21% |
| Underlying EBITDA (\$m)¹ | 66.7 | 47.9 | 39% |
| Underlying EBITDA margin (%)¹ | 43.2 | 39.9 | 3.3 |

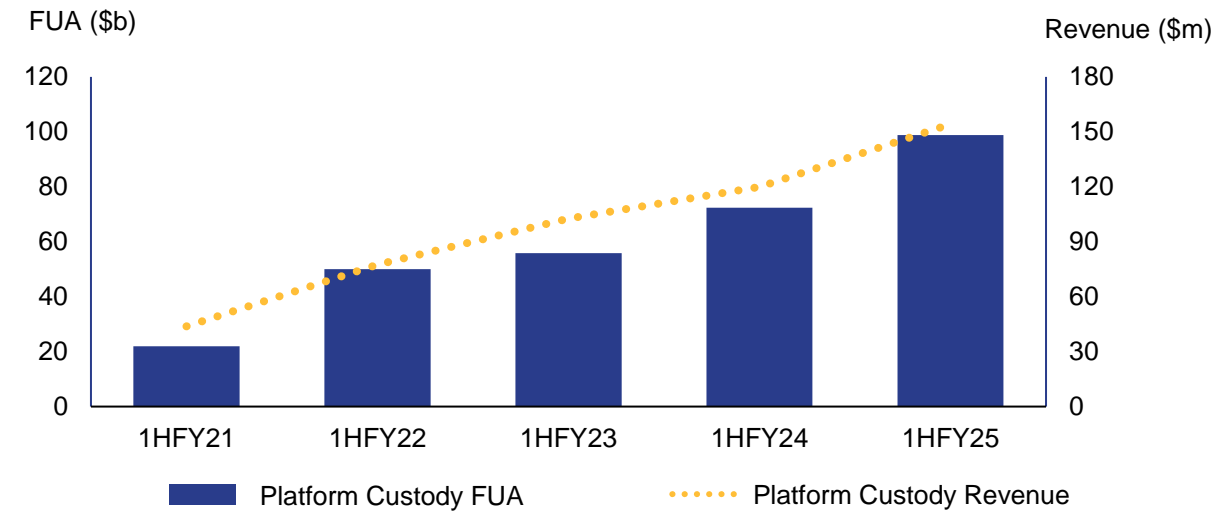
Funds Under Administration (\$b)



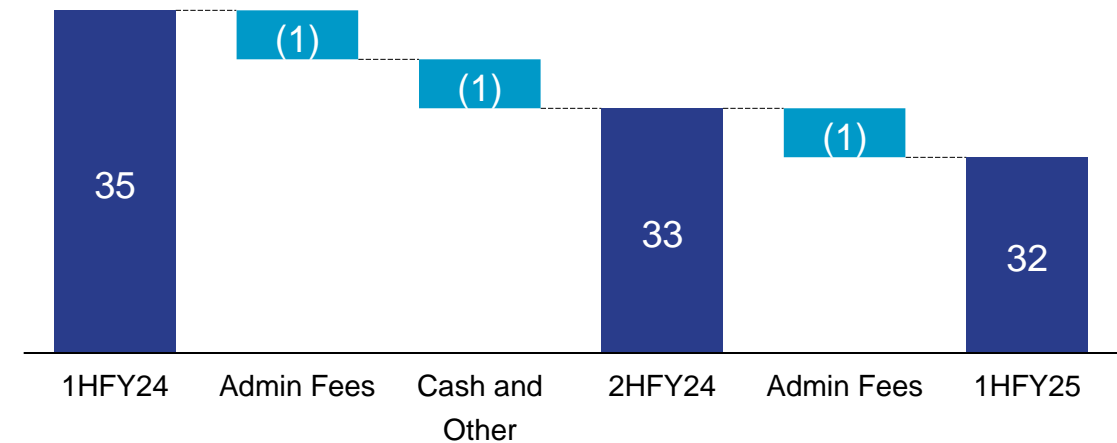
Platform custody revenue and revenue margin

- ➔ Platform revenue up 29% to \$154m in 1HFY25 driven by growth in FUA and an uplift in trading volumes
- ➔ Platform revenue margin of 32bps in 1HFY25
 - 1bp decline on 2HFY24 due to lower admin fee margin from tiering & capping impacts
 - 3bps decline on 1HFY24 due to lower admin fee margin (2bps) from tiering & capping and a small impact from revisions to published rate cards; and a lower contribution from the cash management fee margin (1bp) due to lower average cash as a % FUA
 - Average cash as a % FUA in 1HFY25 was 7.0%, down from 1HFY24 (7.8%) and stable on 2HFY24 (7.0%)
- ➔ The number of accounts on the Platform for 1HFY25 were up 23% year on year

Platform FUA and Custody Revenue¹



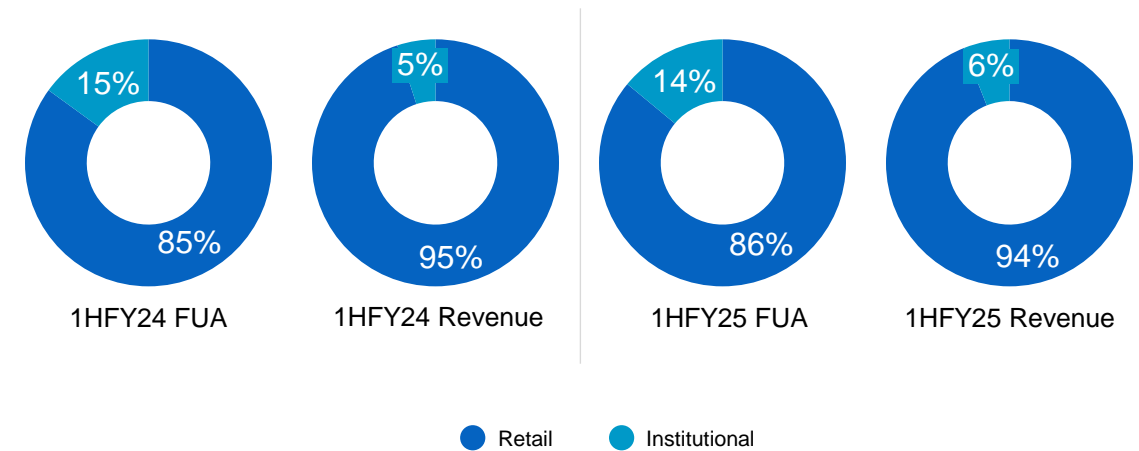
Platform Revenue Margin (bps)²



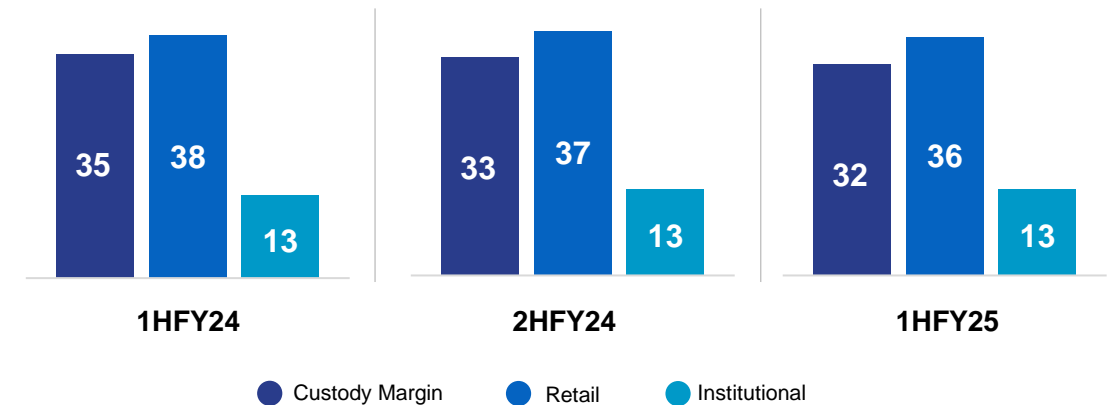
Composition of platform revenue

- Increase in portion of FUA classified as Retail FUA driven by strong Retail net inflows which offset the impact of \$4.1b of Equity Trustees large migrations¹
 - Retail represents 86% of Platform FUA (85% 1HFY24) and 94% of revenue (95% 1HFY24)
 - Institutional represents 14% of Platform FUA (15% 1HFY24) which includes High-Net-Wealth clients and Private Labels which attract high value portfolios at wholesale pricing reflecting scale efficiencies
 - Mix of portfolios and timing of migrations impacts revenue composition across Retail and Institutional
- PARS revenue growing in line with PARS accounts which increased 5% compared to 1HFY24

Portfolio composition of custody FUA and revenue (%)



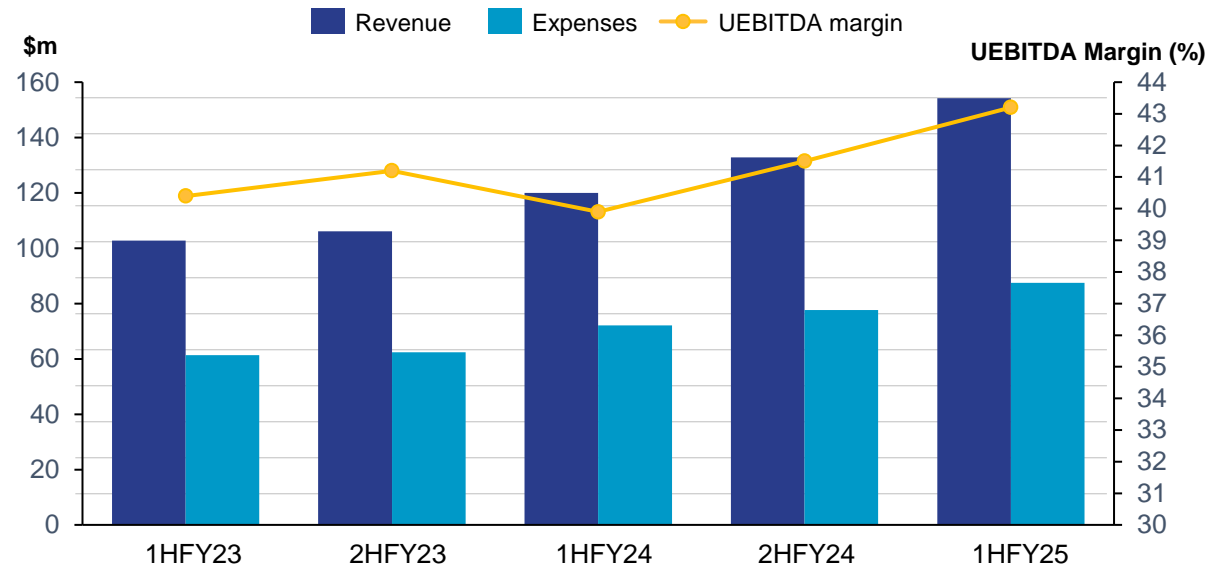
Custody revenue margin by channel (bps)¹



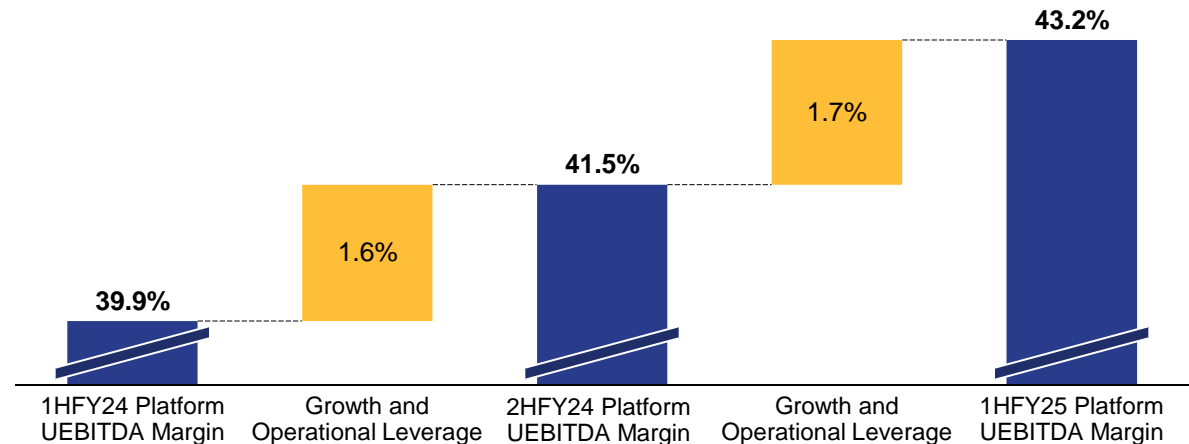
Platform UEBITDA and margins

- ➔ Platform UEBITDA growth of 39% on 1HFY24 to \$66.7m in 1HFY25
 - Higher Platform net inflows, growth in FUA and associated revenues
 - Continued investment in people and resources to support growth
- ➔ Delivering consistent growth with Platform UEBITDA 4-year CAGR of 40%
- ➔ Platform UEBITDA margin increased 3.3% on 1HFY24 to 43.2% in 1HFY25 benefiting from scale and investment in operating efficiency delivering results

Platform Revenue and Expenses



Platform UEBITDA margin (%)

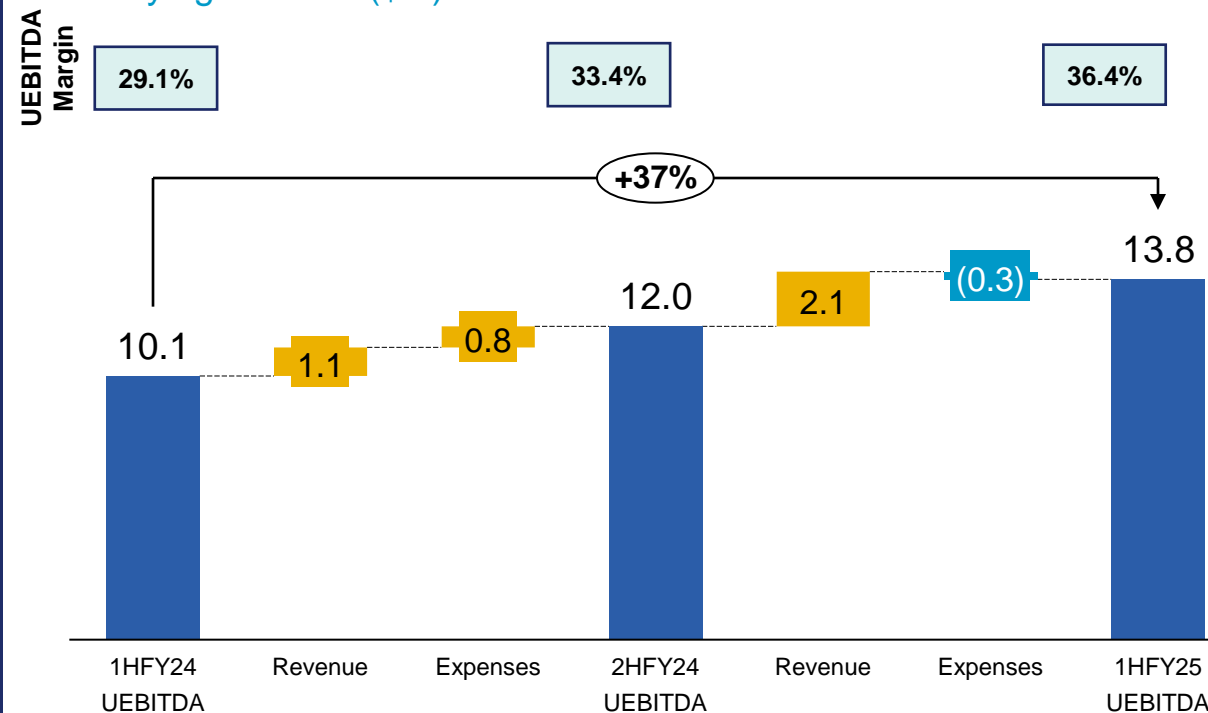


Tech Solutions financial results

- Tech Solutions UEBITDA \$13.8m for 1HFY25, up 37% YoY
- UEBITDA margin 36.4%, up 7.3% to due to:
 - Revenue growth of 9% driven by price increases and growth in Class accounts and companies on NowInfinity
 - Operating expenses decreased 2% driven by expense management and group synergies

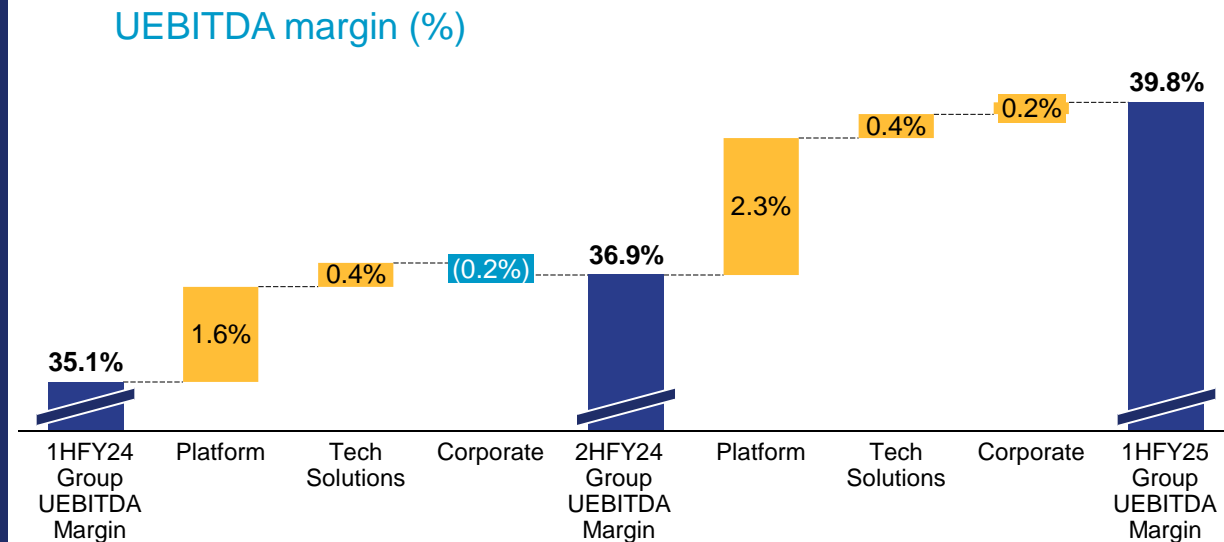
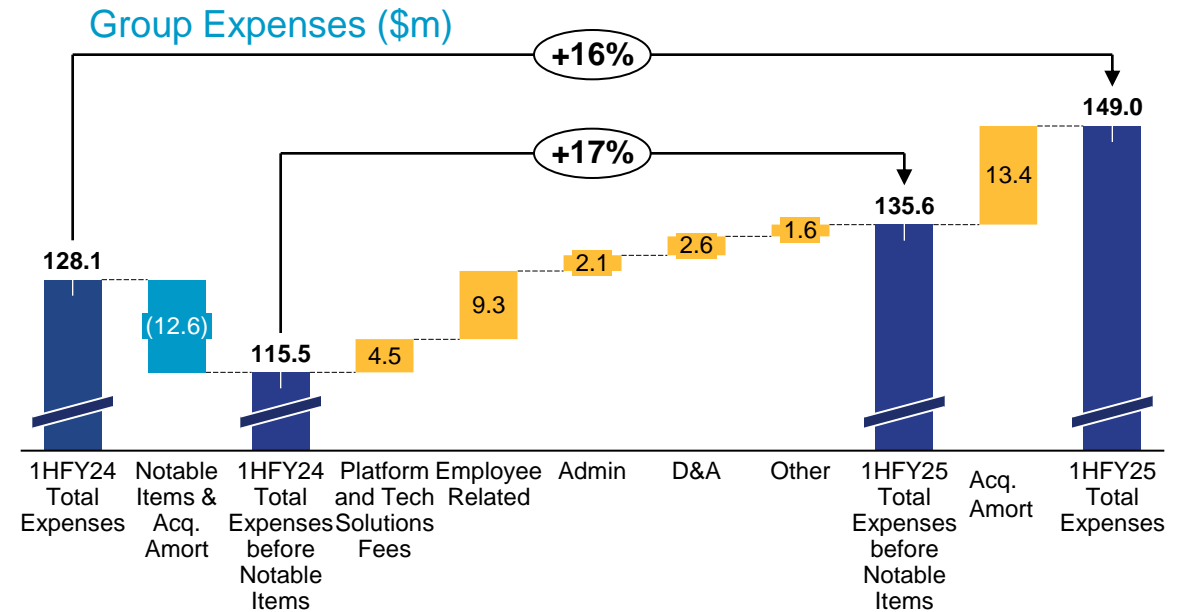
| | 1HFY25 | 1HFY24 | Change |
|---|---------------|---------------|-------------|
| Class accounts ¹ | 210,414 | 203,860 | 3% |
| Class Document Orders ² | 200,440 | 182,204 | 10% |
| Companies on Class Corporate Messenger ³ | 818,486 | 697,573 | 17% |
| Revenue (\$m) | 38.0 | 34.8 | 9% |
| Operating Expenses (\$m) | (24.2) | (24.7) | (2%) |
| Underlying EBITDA (\$m) | 13.8 | 10.1 | 37% |
| Underlying EBITDA margin (%) | 36.4% | 29.1% | 7.3 |

Underlying EBITDA (\$m)



Group expenses and margins

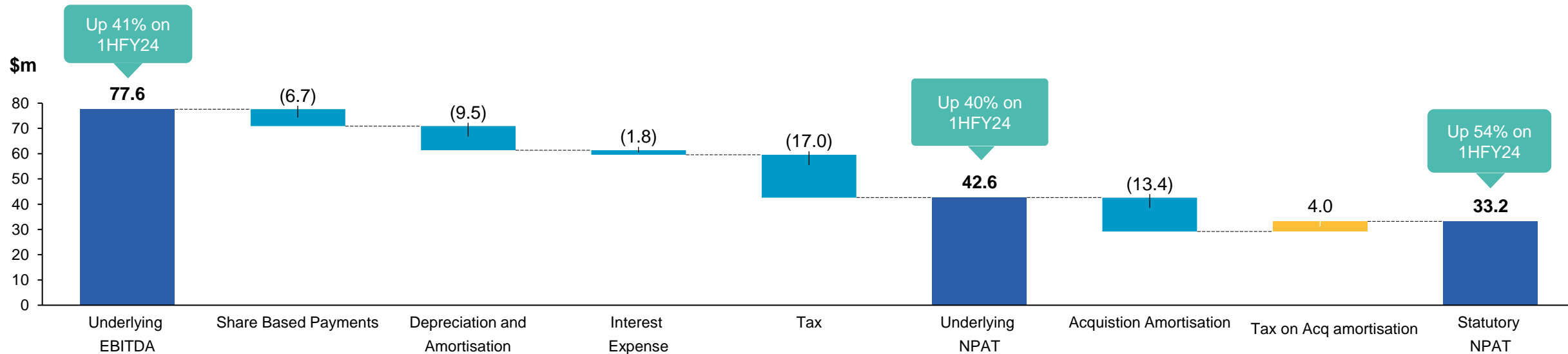
- Investing to support both increased scale and strategic growth objectives
- Group Total Expenses before Notable Items increased 17% on 1HFY24 driven by higher variable expenses linked to higher FUA and higher employment related costs due to continued investment in people in product and operations
- Group FTE stable at 882 (1HFY24: 883) reflecting the addition of customer facing (20) and corporate (9) roles offset by the reduction of project roles related to the integration and migration activities (~30)
- UEBITDA margin up 4.7% on 1HFY24 to 39.8% demonstrating scalable operating model and benefits of investment in automation
 - Investing across business to maintain leadership and capitalise on the current market opportunity
 - Scalable operations leveraging innovative technologies to support further efficiencies



Increasing profitability

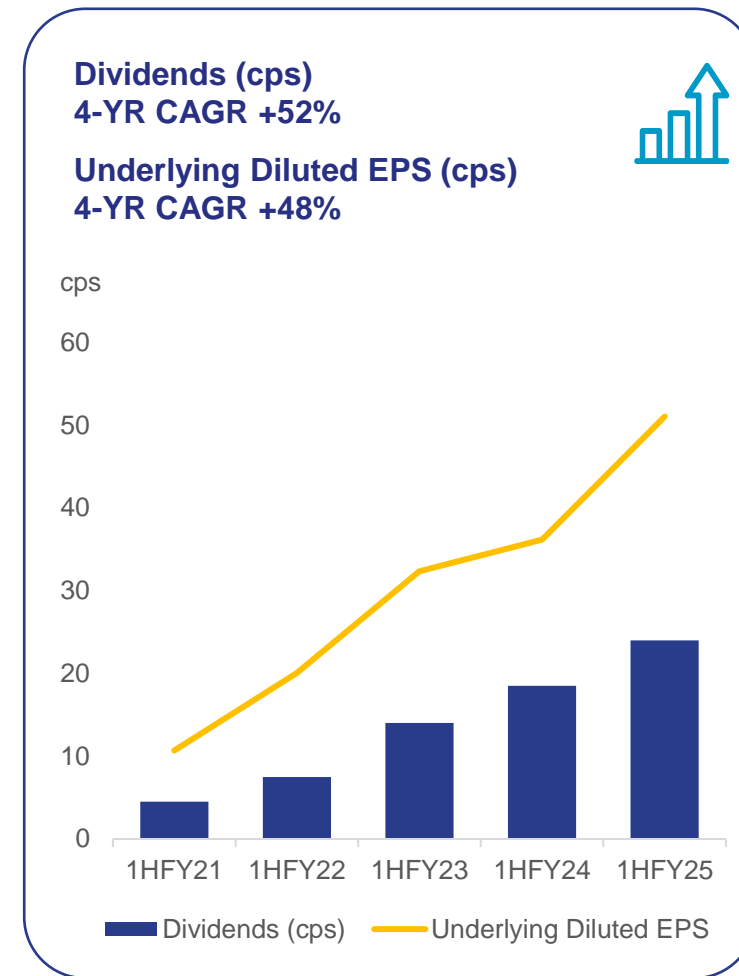
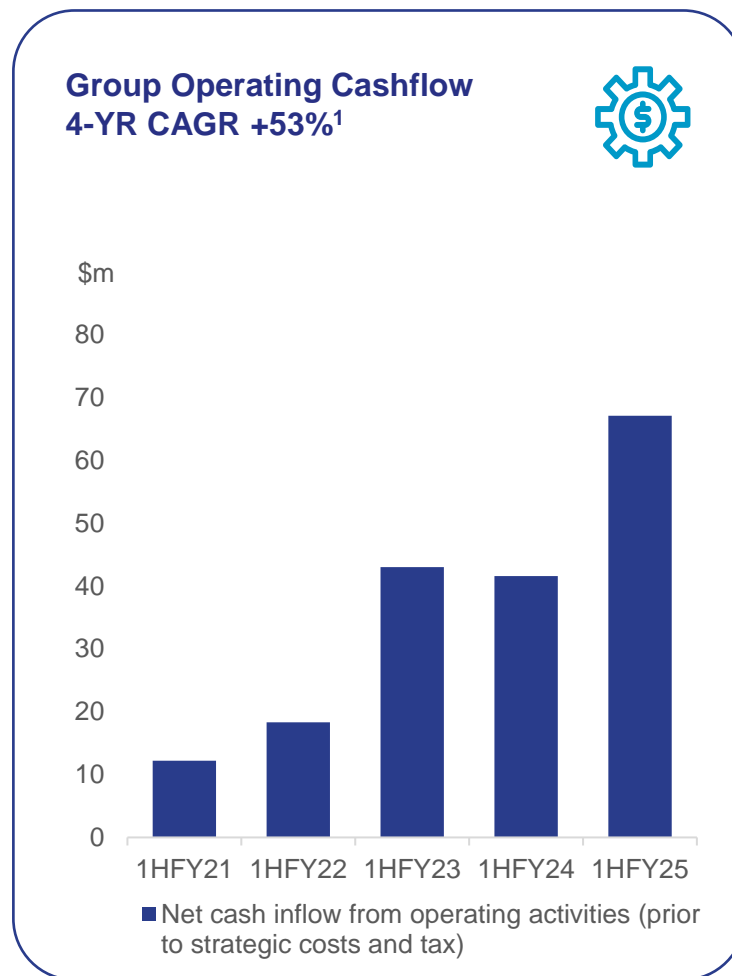
Statutory NPAT up 54% and Underlying NPAT up 40%

- Higher depreciation and amortisation in 1HFY25 as amortisation tracks towards capex levels and increase from new premises (FY25 expected to be \$19-21m pre-tax)
- Higher acquisition amortisation due to alignment of useful lives of acquired intangibles in FY24 (FY25 expected to be ~\$26m pre-tax)¹
- Effective tax rate of ~28% (1HFY24: ~25%) impacted by movements in deferred tax balances related to timing of purchases and utilisation of treasury shares



1HFY25 strong financial performance and capital management

- ➔ Fully franked interim dividend of 24.0 cps up 30% on 1HFY24
- ➔ Strong operating cashflows of \$67.1m with 86% correlation between UEBITDA and operating cashflows¹
- ➔ Ongoing investment with \$10m of capex (~\$20m expected in FY25)
- ➔ Strong balance sheet with net cash of \$73m (\$30m of debt maturing in June 2026)
- ➔ Mitigating dilution from Employee Share Schemes (ESS) with \$20m of treasury shares purchased on-market in 1HFY25
- ➔ Potential for Operational Risk Financial Requirement (ORFR) changes to require loan from HUB24 to super trustee
- ➔ Opportunities for small bolt on acquisitions (eg Reach Alternatives)





Strategy & outlook

Andrew Alcock
Managing Director

HUB24 is uniquely positioned to capture significant opportunity arising from new wave of transformation

Industry continues to transform, driving need for innovative wealth solutions

- Emergence of advice networks to leverage scale and build sustainable business models
- Separation of aligned advisers to privately owned groups
- Lack of investment in advice infrastructure following WEXIT
- Continued uncertainty of ownership and strategy of institutionally owned platforms
- Cyber security risks driving demand for secure client solutions

- Demand for advice is increasing, supply is limited
- Inefficiency & regulation is increasing the cost of advice delivery
- Client demographics driving need for new products and single view of wealth
- Data integration & quality alongside disparate tech solutions causing inefficiency
- Increasing demand for managed portfolios to deliver productivity & customer value

2.3m

Australians with unmet advice needs¹

3.6m

Australians to transition from accumulation to retirement phase over next decade²

\$4.9tr

Intergenerational wealth transfer³

90%

Advisers now at privately owned licensees (up from 52% at Dec 2017)⁴

Growing market leadership while transforming the industry and enhancing shareholder value



Strong growth outlook in existing established businesses



Create additional shareholder value through tech solutions

HUB24 Platform

Market leadership with significant opportunity to capture further market share

- Market leading platform, managed accounts and client portal capability
- Ranked #1 for net inflows¹
- Strong and growing relationships with advisers including privately owned groups
- Well positioned to increase market share from current ~8%
- Continue to benefit from industry transformation

Class & NowInfinity

Delivering consistent and sustainable growth

- Leading SMSF and Corporate Compliance solutions
- Class growing with system with NowInfinity growing above system, supported by structurally growing markets (SMSFs and company registrations)
- Ongoing investment in customer solutions to enable market share gains and ARPU growth²

Technology & data solutions

Building solutions that create value and strengthen competitive advantage

- Leveraging Group capabilities to build solutions that drive efficiencies for financial professionals and their clients - HUBconnect, client portals, Engage
- Harnessing Group footprint to deliver more products to more customers
- Strengthening customer relationships and driving advocacy for HUB24 and Class

Creating growth synergies

Leveraging our combined capabilities to lead industry change



Lead today

Delivering customer value and growth



Create tomorrow

Creating integrated wealth technology and platform solutions



Build together

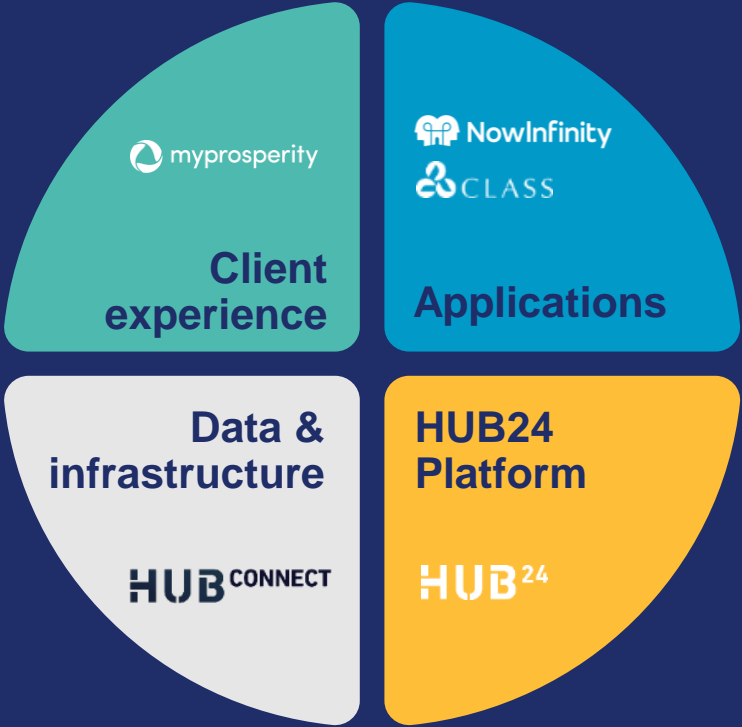
Collaborating to shape the future of the wealth industry



Be future ready

Developing our people, capabilities and infrastructure to support our future growth strategies

Be the best provider of integrated platform, technology and data solutions



To enhance productivity for financial professionals though

- One way of doing business with access to market-leading solutions
- Single view of wealth for financial professionals and their clients
- Efficient access to ecosystem partners
- Flexibility for advisers and insights for networks
- Reporting and insights for businesses



And deliver solutions to meet needs across the customer lifecycle

Investing to extend leadership & maximise opportunities

Delivering solutions for evolving customer needs



- Enhancing retirement functionality with flexible pension payments and seamless transition from super to retirement
- Further enhancing integrated custody and non-custody offer enabling 'whole of wealth' view
- Enhancing our HNW offer with innovative wholesale solution to expand addressable market
- Broadening access to alternative asset classes
- Enhancing investment options for Discover

Enabling productivity for financial professionals



- Continuing to deliver HUB24 Platform enhancements
 - Evolving our market leading reporting capability with Engage, to enable efficient reporting for advisers & their clients
 - Enhancing payments functionality
- Additional data feeds & integrations for Class products
- Collaborating with customers and integrating with leading providers to enable open architecture wealth ecosystem
- Leveraging AI, robotics & automation to
 - Enable advice networks & practices with insights, benchmarking and enable proactive compliance monitoring (powered by HUBconnect)
 - Deliver solutions for practices to reduce manual tasks & increase productivity

Significant opportunity for growth and value creation for customers and shareholders



Leverage structurally growing markets and demand for integrated solutions



Strong and reliable growth from both existing and new customer relationships



HUB24 Platform positioned to significantly grow market share



Capitalise on unique Group capabilities to unlock value for customers and shareholders



Scalable operations and growth enabling both UEBITDA margin expansion and ongoing investment



Strong balance sheet, increasing profitability and cash flows supporting ongoing investment and shareholder returns



Platform FUA target (excluding PARS FUA)



\$123b-\$135b
for FY26¹

Platform FUA target comprises

- Strong start to 1HFY25 (flows & markets)
- Net inflows ~\$11-15b p.a. ex large migrations
- Known large migrations (e.g. Equity Trustees, ClearView)²
- Potential outflows from Xplore MDA discontinuation³
- Range of market growth assumptions



Questions?



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.

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This presentation was authorised for release to the market by the Managing Director.

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About HUB24

HUB24 Limited is listed on the Australian Securities Exchange, and includes the award-winning HUB24 Platform, HUBconnect, 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.

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