

June 2021 quarterly update

Record quarter drives Præmium's FUA over \$41 billion

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Key results for the quarter

Praemium is pleased to report record results for the June 2021 quarter, with the key milestones being:

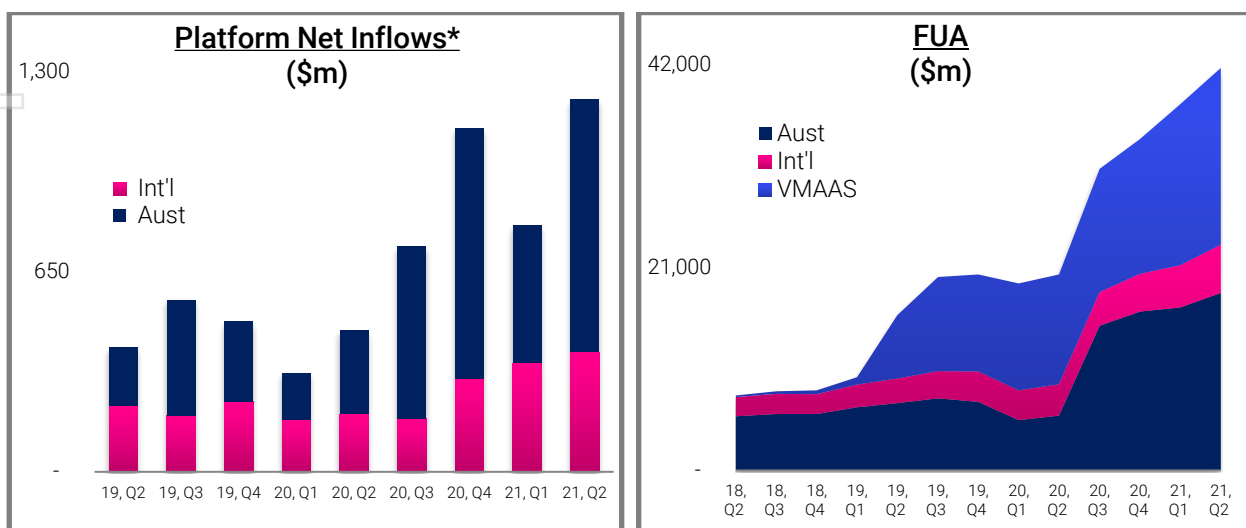
- » Record quarterly inflows of \$1.2 billion*;
- » Record total funds under administration (FUA) of \$41.7 billion; and
- » Record FUA for both the Australian and International investment platforms.

FUA achieved a new high of \$41.7 billion, from record levels in all global segments, with:

- » Australia platform FUA of \$18.4 billion, up 223% in the 2021 financial year on reported FUA and up 30% for the consolidated Praemium and Powerwrap;
- » International platform FUA of \$5.0 billion, up 55% in the 2021 financial year; and
- » FUA for VMAAS of \$18.3 billion, up 61% in the 2021 financial year.

Net platform inflows were also a record \$1.2 billion* for the June 2021 quarter. Platforms in both Australia and International reported record results with:

- » Net inflows of \$820 million* for the Australian platform, a 201% increase compared to the reported June 2020 quarter and a 166% increase for the consolidated Praemium and Powerwrap; and
- » Net inflows of \$389 million for the International platform, a 109% increase compared to the June 2020 quarter.



Refer to the Key Statistics table for further detail (*Net inflows exclude client transition)

* Net flows exclude a client transition of \$169 million in the current quarter

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Industry recognition

During the quarter Præmium was acknowledged at the Financial Standard Marketing & Advertising Excellence (MAX) awards. The Platform of Everything campaign won the Digital Marketing Campaign of the Year and Præmium's Head of Marketing, Adele Welsh, was named the Marketing Executive of the Year. These awards provide independent confirmation that our efforts to raise our profile amongst independent financial advisors and to be seen as a thought leader in the industry are bearing fruit.

Further verification of the quality of our current, comprehensive offering is that over 40% of the advisors named in Barron's Top 100 Financial Advisors utilise some combination of Præmium's technology, administration service and platform to manage their clients' portfolios. The list is dominated by high net wealth advisors for whom Præmium offers a comprehensive solution.

Development highlights

Our platform development focus has continued during the June 2021 quarter, delivering functionality to support advisers as they prepare for the new advice fee regulatory obligations that became effective from 1 July, 2021.

Some further development highlights during this quarter were:

- » The development of a second-generation machine learning and artificial intelligence solution that benefits users of our non-custodial solutions. Using machine learning across a range of data sets, transactions that may have been incorrectly entered or categorised can be identified. This functionality has been utilised by several of our institutional clients to quickly detect and rectify manual processing errors at scale;
- » Further enhancements to our superannuation services including expanded on-line reporting, together with a number of additional cash targeting options;
- » Rollout of our new API Centre for UK, international and offshore clients which provides deeper access to key data. We have also progressed rollout of the new EPI 4.3 data feeds following successful beta testing with a number of key clients; and
- » The release of a new Currency Exposure Report that recognizes the increasing use of international investments and multi-currency holdings by our clients.

Præmium is well progressed with enhancements to be rolled out over the coming quarter, including further rollout of our expanded digital forms capability and preparation for the new Design and Distribution Obligations which will be effective from October 2021.

Comments from CEO

Præmium Interim CEO Anthony Wamsteker made the following comments about the quarter:

"We are delighted to report strong and continuing momentum in net flows this quarter. For the Australia business, it is pleasing to see a strong end to the financial year. Our platform inflows achieved a new record, with the combination of Præmium and Powerwrap platforms delivering strong results. Our non-custody solution (VMAAS) also reached a record level of FUA, as advice firms continue to seek outsourced administration for their off-platform assets.

"The International business had a standout quarter, with record inflows and FUA exceeding \$5 billion for the first time. We continue to execute on our on-boarding of new clients and opportunities. As separately announced today, the strategic review of Præmium's international business has reached a conclusion and the Board believes an alternative owner would better realise the full potential of the international opportunity.

"The 2021 financial year was a year of transition for Præmium. The acquisition of Powerwrap was a significant milestone, and the post-merger integration initiatives are enhancing our service and functionality for clients. The merged group is one of Australia's largest independent specialist platform providers and when VMA portfolios are included, there is now over \$170 billion in funds administered on our technology. Præmium has a solid pipeline of opportunities to support future growth."

Key statistics

Platform flows (\$m) ¹	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21
Gross inflows					
Australia	441	1,483	1,514	1,235	2,120
International	280	258	396	466	523
Total gross inflows	721	1,741	1,910	1,701	2,643
Net inflows					
Australia	273	561	813	448	820
International	186	172	303	353	389
Total net inflows²	459	733	1,116	801	1,209

FUA (\$m)	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21
Australia Platform	5,684	15,005	16,445	16,873	18,384
International Platform ³	3,226	3,465	3,905	4,368	5,007
Total Platform FUA	8,910	18,470	20,350	21,241	23,391
VMAAS ⁴	11,376	12,771	13,974	16,692	18,290
TOTAL FUA	20,286	31,241	34,324	37,933	41,681

Investment Mgmt, Smart ^{im} (\$m)	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21
Managed Funds, FUM	258	253	255	259	258
Model Portfolios, FUA	342	350	377	384	372
TOTAL	600	603	632	643	630

Notes (all figures provided are unaudited):

¹ Current quarter's International flows are translated at the quarter average of 0.5484.

² Net flows exclude the ANZ transition of \$169 million in the current quarter (previous quarter \$403 million). The remaining balance in the ANZ portfolio is \$284 million.

³ International FUA in GBP is translated at spot rate for quarter end FUA of 0.5429.

⁴ VMAAS comprises FUA under the non-custodial VMA Administration Service.

This announcement is authorised by the Board of Praemium Limited

For further information contact Paul Gutteridge, Company Secretary, Ph: 1800 571 881

About Praemium (ASX: PPS): Praemium is a global leader in the provision of technology platforms for managed accounts, investment administration and financial planning. Praemium services in excess of 300,000 investor accounts covering over \$170 billion in funds globally for more than 1,000 financial institutions and intermediaries, including some of the world's largest financial institutions.

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