



1HFY22 Results Presentation

22 February 2022

HUB²⁴

Internal use only

1HFY22 Delivered strong financial results growth¹



\$81.6m

72%

Total Group Revenue³



\$29.7m

80%

Group Underlying
EBITDA³



\$77.3m

76%

Platform Revenue



\$30.0m

72%

Platform Underlying
EBITDA

Total FUA
\$68.3bn

Platform FUA
\$50.0bn⁴

PARS FUA
\$18.3bn

Statutory NPAT

\$8.4m Up 38%

Including \$8.3m of transaction
& implementation costs

Underlying NPAT²

\$14.2m Up 103%

Half Year Dividend

7.5cps Up 67%

Fully franked

EPS (diluted)

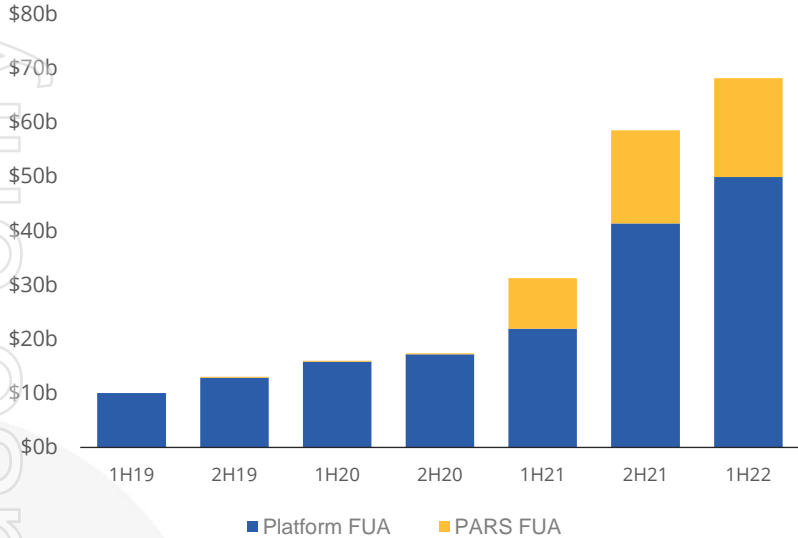
11.86cps Up 27%

1. Comparisons are from 1H21, unless stated otherwise
2. A non-IFRS measure which is used to assess the operating performance of the business. Underlying NPAT represents Net Profit After Tax excluding abnormal items. See the HUB24 Analyst & Investor Pack for a reconciliation

3. From continuing operations
4. FUA as at 17th February 2022 remains stable at \$49.9 billion with net inflows for 2HFY22 to date offsetting negative market movements (unaudited)

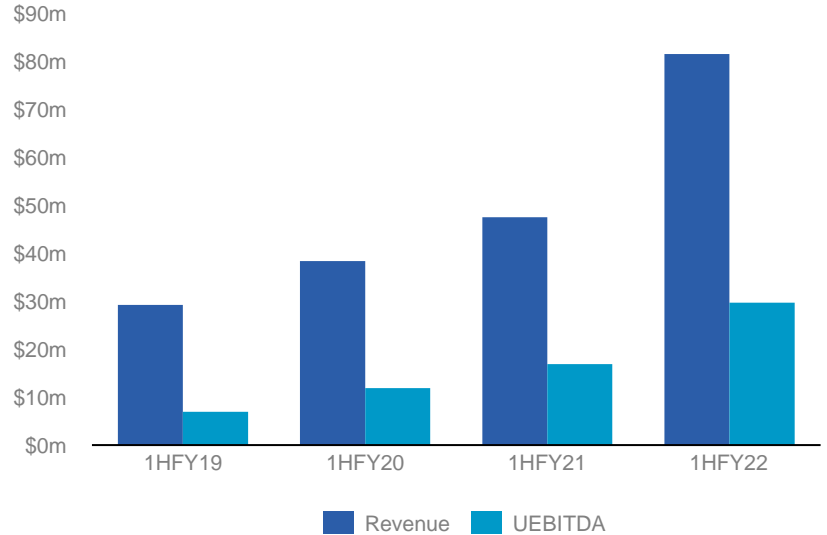
Consistently delivering record growth¹

FUNDS UNDER ADMINISTRATION



REVENUE CAGR +41%² ↑

UEBITDA CAGR +63%² ↑



HUB24 Group

HUB²⁴ XPLORE_{WEALTH}

PLATFORM

Custodial administration



Platform FUA
\$50.0bn



3,402 Advisers
using the platform



Managed Portfolio
& MDA FUA
\$22bn

PARS

Non-custodial administration



PARS FUA
\$18.3bn



PARS accounts
8,020

Total FUA \$68.3bn

HUB^{CONNECT}



92
Financial Services Clients

96
Data Integrations^^

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^

220+
Data Integrations^^

Class Super

SMSF administration

Class Trust

Trust administration

Class Portfolio

Investment Reporting &
Administration

NowInfinity

Corporate compliance &
documentation

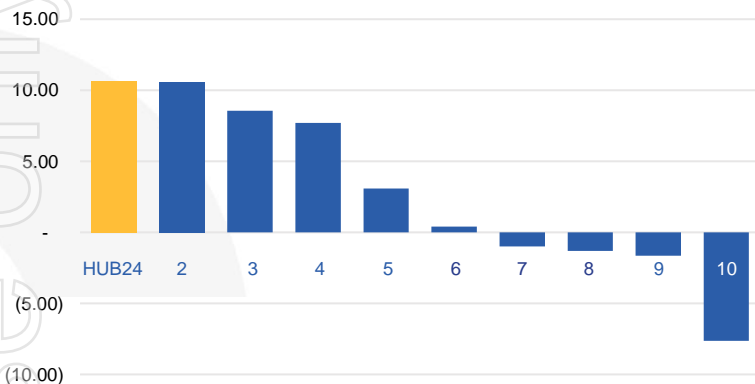
Data as at 31 December 2021 unless otherwise stated

^ Class customer proforma using FY21 customers plus TopDocs customer base

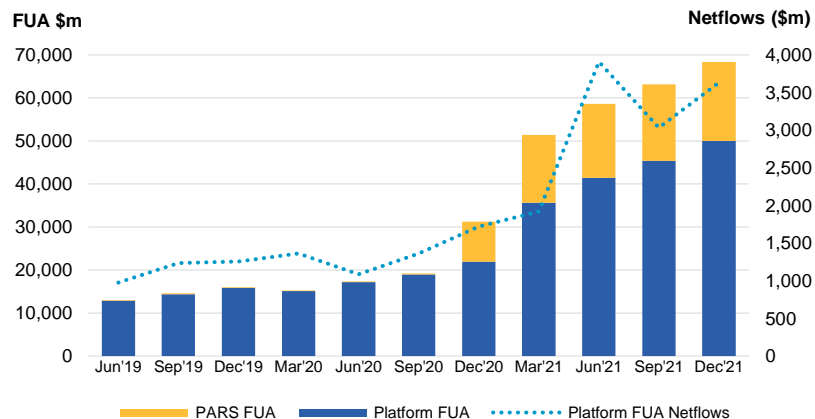
^^ Duplication between HUBconnect data integrations and Class partner integrations

HUB24 – Australia’s fastest growing platform provider¹

Netflow share to underlying market share ratio¹



Growth in Platform FUA, PARs FUA & net flows per quarter²



- HUB24 market share has grown from 2.3% to 4.6%³
- 7th largest platform provider from 9th place by market share ³

- Ranked 2nd for annual net inflows³
- Platform FUA 5-year CAGR 65%

1. Custodial platform data sourced from Strategic Insights comparison to key competitors. Analysis of Wrap, Platform and Master Trust Managed Funds at September 2021 based on share of FUA vs netflows
 2. June Quarter 2021 includes bulk transition of \$1.4bn
 3. Strategic Insights, Analysis of Wrap, Platform and Master Trust Managed Funds at September 2021.

1HFY22 Business highlights



Record net inflows for 3 consecutive quarters

Nº.2



ranking for annual platform net inflows (7th position market share)

Nº.1



Platform Managed Accounts functionality 6th year running¹

Nº.1

Product Offer¹



No.2

Best Platform Overall¹

Top 2 in 5 out of 6 categories¹



339 new advisers using the platform

3,402 total advisers



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**

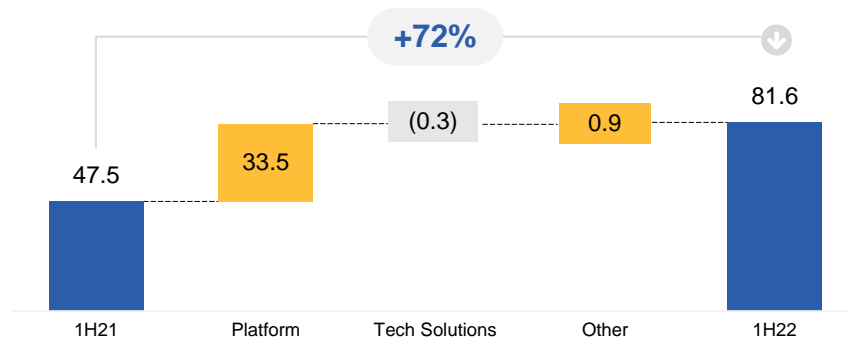
FINANCIAL RESULTS

KITRINA SHANAHAN
Chief Financial Officer

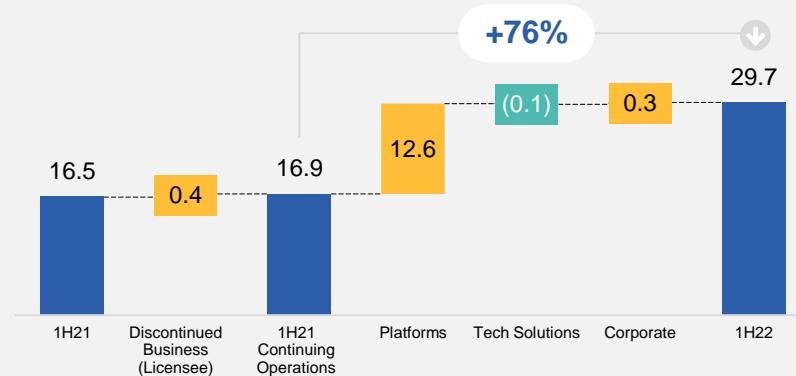
Group financial results¹

	1H22	1H21	Change
	\$m	\$m	%
Operating Revenue	81.6	47.5	72%
Operating Expenses	(51.9)	(30.6)	70%
Underlying EBITDA from Continuing Operations ²	29.7	16.9	76%
Underlying EBITDA margin² (%)	36.4	35.5	0.9%
Cost to income ratio (%)	63.6	64.5	(0.9)%
EBITDA from Discontinued Business (Licensee)	-	(0.4)	100%
Underlying EBITDA (including discontinued)	29.7	16.5	80%
EBITDA	23.7	13.5	76%
Underlying NPAT ³	14.2	7.0	103%
Statutory NPAT	8.4	6.1	38%

Operating Revenue (\$m)



Underlying EBITDA (\$m)



1. Continuing operations basis unless otherwise stated

2. Underlying EBITDA represents earnings before interest, tax, depreciation, amortisation and abnormal items. Refer HUB24 Analyst & Investor Pack for a reconciliation to Statutory EBITDA.

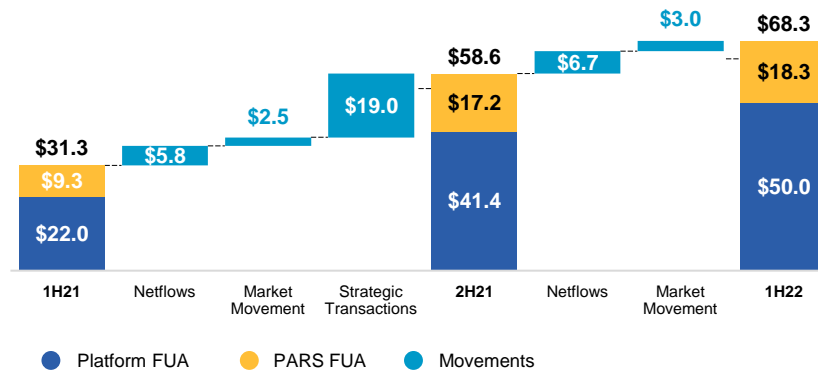
3. Underlying NPAT is a non-IFRS measure which is to assess the operating performance of the business. Underlying NPAT represents Net Profit After Tax excluding non-recurring items. Refer HUB24 Analyst & Investor Pack for a reconciliation to Statutory NPAT.

Platform segment results

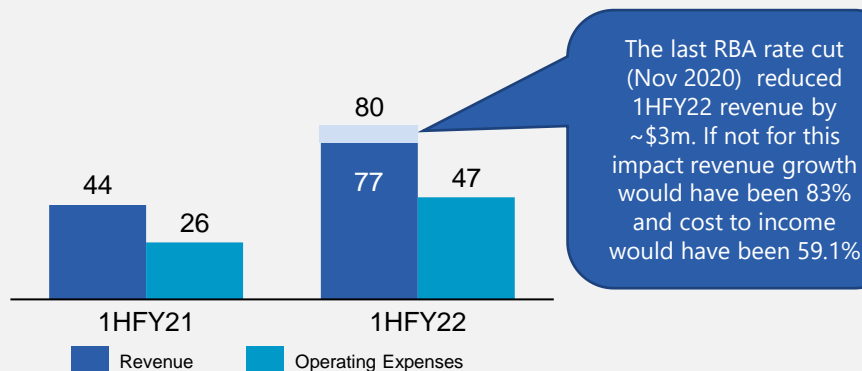
Benefits of strategic transactions and continued FUA growth driving increased revenue, offset by changing market conditions

	1H22	1H21	Change
	\$m	\$m	%
Platform FUA	50.0bn	22.0bn	128%
PARS FUA	18.3bn	9.3bn	97%
Total FUA	68.3bn	31.3bn	118%
Platform Net Flows	6.7bn	3.1bn	116%
Revenue	77.3	43.8	76%
Total Operating Expenses	(47.3)	(26.4)	79%
Cost to income ratio (%)	61.2	60.3	0.9%
Underlying EBITDA²	30.0	17.4	72%
Profit before tax³	18.6	14.7	27%

Funds Under Administration (\$bn)



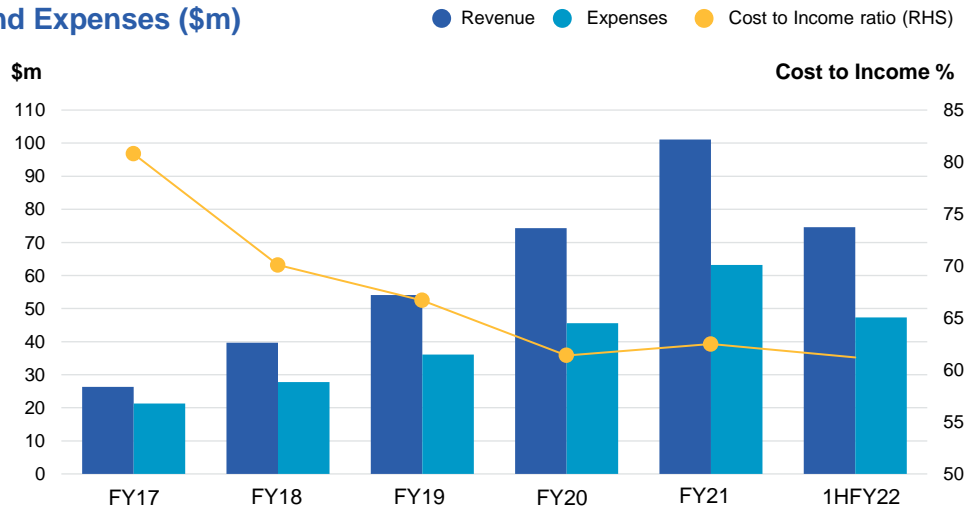
Impact of last RBA rate cut (\$m)



Platform segment results

FUA growth delivering scale benefits

Revenue and Expenses (\$m)



Platform Cost to income ratio (%)	80.8	70.1	66.7	61.4	62.5	61.2
Platform Underlying EBITDA \$m	5.1	11.9	18.0	28.7	37.9	30.0 ¹



Platform Cost to Income ratio has improved by 1.3% to 61.2% (compared to FY21), resulting from operating leverage as the business momentum and net inflows continue to grow



\$30m Platform UEBITDA for the half represents a 55% 5-year CAGR



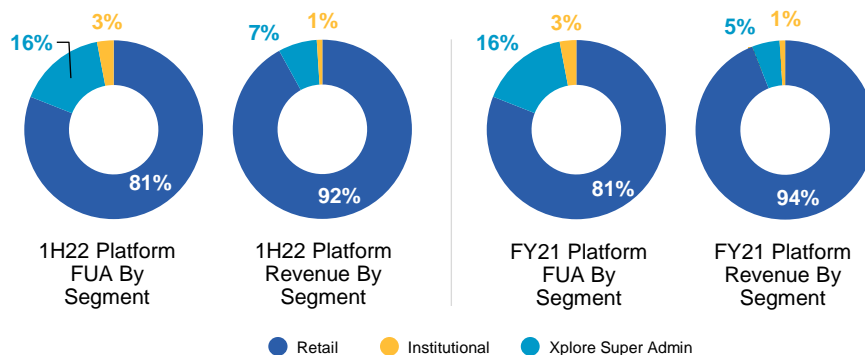
Record net flows are the foundation for delivering revenue and EBITDA growth

Composition of platform FUA

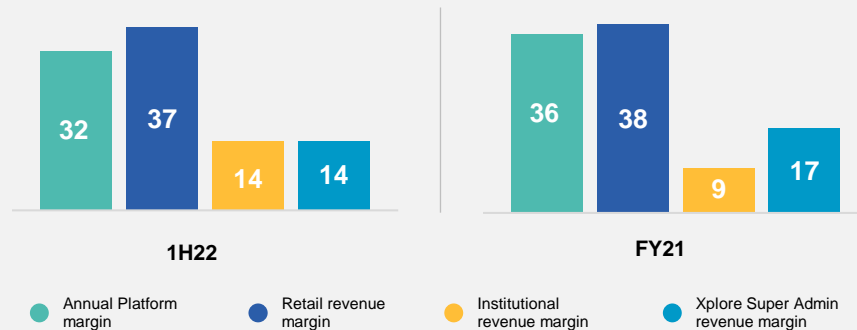
The acquisition of Xplore and launch of private labels has diversified FUA and increased market share

- Retail clients now represent 81% of Platform FUA and 92% of revenues (94% FY21)
- Diversification into HNW & Private Client segments increases HUB24's market reach²
- Institutional includes Private and High-Net-Wealth clients and Private Labels which attract high value portfolios at wholesale pricing reflecting scale efficiencies
- 1HFY22 revenue margins reflect a full period impact of the Xplore acquisition. FY21 revenue margins reflect a part period impact due to a March 2021 completion (i.e. four months impact).

Composition of Platform FUA and Revenue (\$m)



Revenue Margin by Customer Segment (bps)



Platform revenue

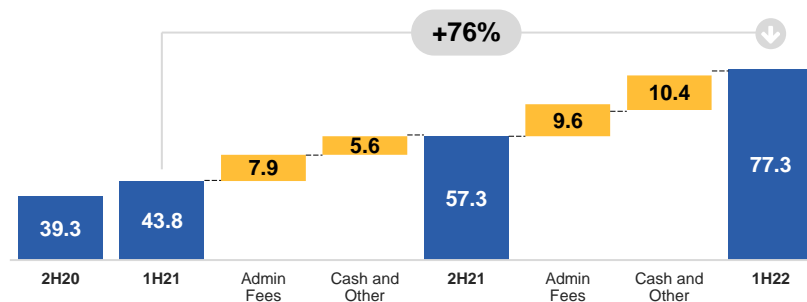
Platform revenue growth of 76% reflecting record net flows and acquisitions

→ Platform revenue increased to \$77.3 million (up 76% on pcp) with the combined contribution of the acquisitions being ~\$14 million during 1H22

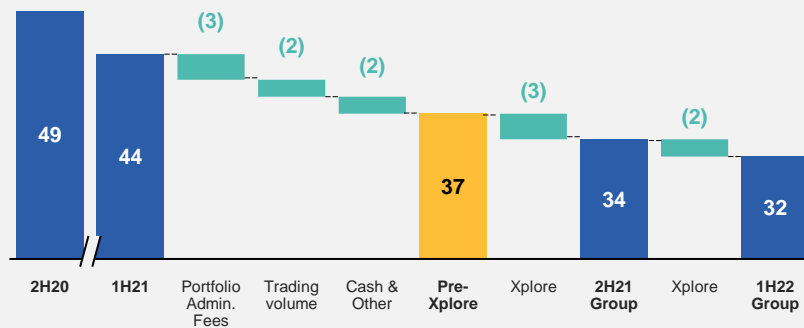
→ Revenue continues to increase with the scale of the business, however platform revenue margin reduced 12bps on pcp driven by:

- RBA official cash rate cuts reduced cash fee income from 1H21¹
- Average account balances grew organically and as a result of positive markets leading to increased revenue at a lower margin due to fee tiering
- Trading volumes returned to pre COVID levels in 2HFY21 leading to slightly lower transaction fee income
- Revenue differential on Xplore business due to customer and product profile

Platform Revenue (\$m)²



Platform Revenue Margin (bps)²



1. The RBA reduced interest rates by 15bps to 10bps in November 2020

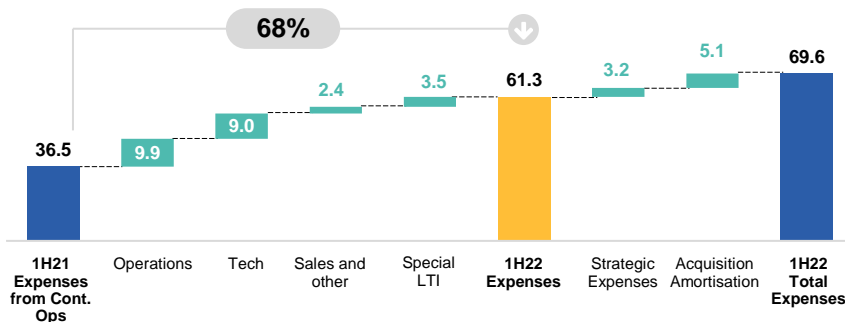
2. Platform Revenue includes PARS revenue, Platform Revenue Margin relates to custodial FUA only

Group expenses

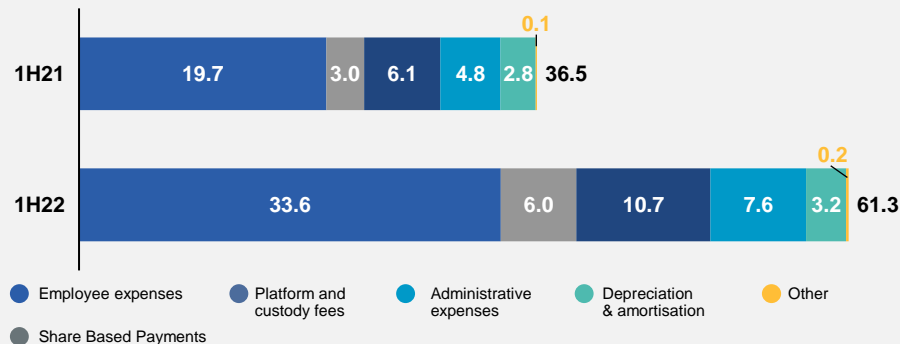
Investing for future growth and product innovation

- Group expenses grew \$24.8 million or 68% before costs associated with strategic transactions and other abnormal items
- Employee expenses contributed \$16.9 million to the increase, with headcount increasing 64% to 460 including acquisition headcount of 81
- IT spend increased \$9 million largely due to increased scale following the Xplore acquisition and HUB24 Platform growth
- Investment in Sales and Distribution team delivered growth in net flows throughout the year
- \$8.3m abnormal items largely relating to acquisition amortisation and Xplore and Ord Minnett PARS implementation costs

Group Expenses by function (\$m)²



Group Expenses by category (\$m)²



1. Refer to table below for breakdown
2. Group expenses from continuing operations

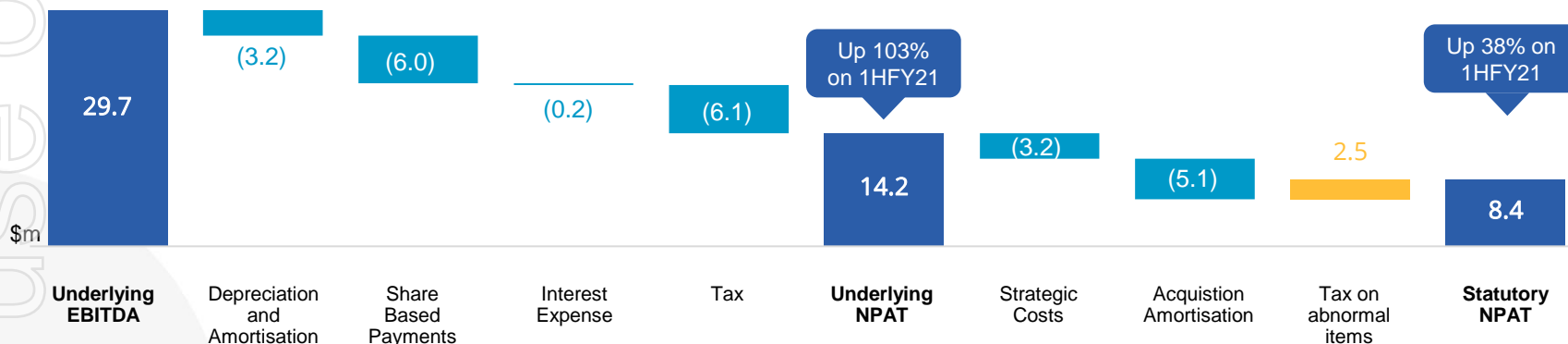
NPAT

Strong growth before strategic transaction costs

Share based payments of \$6.0 million in 1HFY22 in relation to the Employee Share Plans. This follows record FUA growth and the increased probability of vesting particularly relevant for the FY21 SPARS²

\$3.2 million of non-recurring corporate costs supporting strategic growth related to the implementation and integration costs for Xplore, Ord Minnett.

Higher amortisation, as development and capitalisation of IT assets continues, and acquisition related amortisation on the Xplore and Ord Minnett strategic transactions.



1. Three consecutive quarter of record netflows

2. SPARS refers to Special Performance Award Rights with 5YR growth hurdles and employee retention requirements

UPDATE ON CLASS ACQUISITION

ANDREW ALCOCK

Managing Director



Class acquisition progress & next steps



Execution phase



- Transaction implemented 16 February 2022
- Joint project team established
- Jason Entwistle appointed as interim CEO and MD (and continuing as HUB24 Director of Strategic Development)
- Establish ongoing communications with Class team and customers
- Implement transitional governance frameworks

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

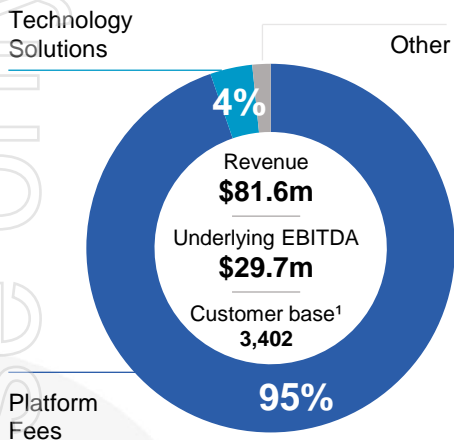


- Focus on extending core SMSF strategy to benefit customers of both businesses, deliver growth and grow the market
- Collaborate on solutions to simplify the implementation of strategic, tax and investment advice delivering efficiencies for customers
- Co-develop data-as-a-service combining the market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

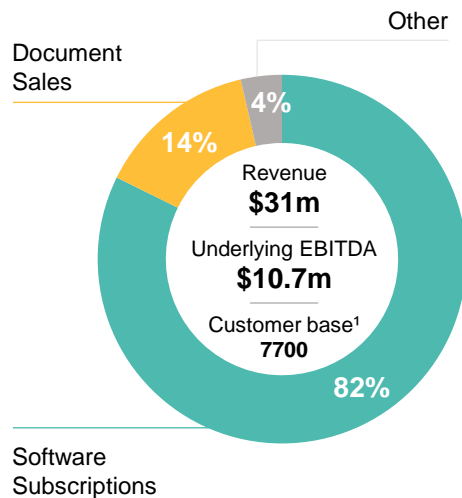
Accelerate HUB24's platform of the future strategy consolidating the Group's position as a leading provider of integrated platforms, technology and data solutions

Combined group snapshot as at 31 December 2021

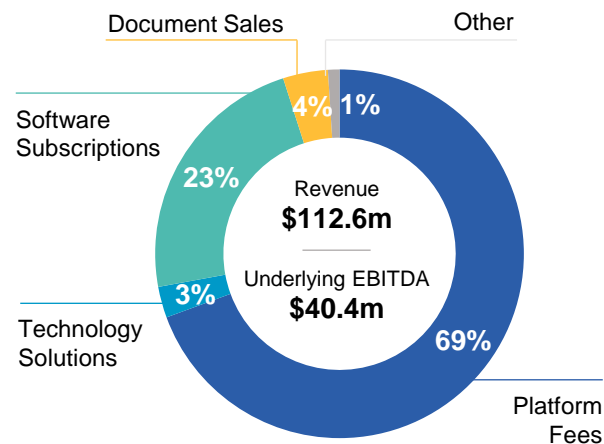
HUB24



Class²



Combination Pro Forma



1. HUB24 customer base represents Financial Advisers as at 31 December 2021 and Class customer base represents practices as at FY21.
2. Class represents unaudited 31 December 2021 revenue and underlying EBITDA

OUTLOOK

ANDREW ALCOCK
Managing Director



HUB24 Group well positioned to capture market opportunities

Australian Investment Platform Market¹

HUB24 market share
4.6%

Investment
\$312bn



Superannuation
\$678bn

Managed Account Market²

HUB24 market share
19%

Other services
\$10.25bn



SMA
\$39.86bn

MDA
\$39.86bn

PARS Market³

HUB24 market share
12%

Inhouse
\$70.5bn



Outsourced
\$78.5bn

SMSF Market⁴

Class market share
29%

Class Super Accounts⁵
179k



1. Strategic Insights Data September 2021

2. MAP market sizing 30 June 2021 – data updated annually

3. HUB24 estimates the private Client PARS market to be \$144 billion based on readily identifiable participants. HUB24 is confident the market family office and other segments. HUB24 internal analysis – July 2021 data updated annually

4. ATO SMSF market data not yet released – estimated as at December 2021

5. Total Class Super accounts excluding duplicate ABNs, SMSFs with cancelled, non-complying or indeterminate status and ABNs (including banks) not validated as belonging to an SMSF

Continuing to grow and enhance our proposition

Deliver customer value & growth



- Deliver platform enhancements to support advisers with regulations and efficiency
- Launch market leading digital reporting features that allow advisers to customise client presentations in real-time
- Enhanced trading and customisation features for Managed Portfolios
- Development underway for market-leading payments platform to deliver greater efficiency in managing inbound, outbound and automated payments

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, Chi-X

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 FY24¹

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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HUB²⁴