

ASX Release: 23rd August 2022

HUB24 reports record growth and profit

HUB24 (ASX:HUB) today announced its results for the year ended 30 June 2022 (FY22) reporting Underlying NPAT of \$35.9 million (up 133% on FY21), Underlying Group EBITDA of \$70.4 million (up 92% on FY21) and Underlying Platform EBITDA of \$62.3 million (up 64% on FY21).

Key company highlights for FY22 are:

- Record platform net inflows of \$11.7 billion up 32% on FY21¹
- Total Funds Under Administration (FUA) \$65.6 billion up 12% on FY21
- Platform FUA \$49.7 billion up 20% on FY21 (\$54.1 billion as at 18 August 2022)²
- Platform Revenue of \$160.5 million up 59% on FY21
- Final fully franked dividend of 12.5 cps (full year dividends of 20 cps up 100% on FY21)
- Platform market share of 5.1% (up from 3.9% in FY21)³

The Company recorded a statutory NPAT of \$14.7 million in FY22 after incurring \$17.9 million in relation to strategic transactions and other project costs. Given the company's strong performance the Directors have determined a final fully franked dividend of 12.5 cps to be paid on 14th October 2022.

HUB24 has delivered record growth during FY22 whilst remaining focussed on enhancing value for our clients, delivering on our strategic objectives and our purpose to empower better financial futures, together.

HUB24's business footprint has continued to evolve with the acquisition of Class Limited (Class), which has provided further opportunities to leverage collective capabilities across the HUB24 Group to deliver products and solutions that enhance value for existing and new customers, whilst increasing market share and growing the SMSF market.

HUB24's platform market share has grown from 3.9% to 5.1% (an increase of 31%) as a result of our continued commitment to delivering innovative products and solutions and customer service excellence.³

The platform achieved record levels of organic growth during FY22 with the number of advisers using the platform increasing to 3,486 up 14% on the prior comparative period, and 112 new distribution agreements were signed.

HUB24 continues to be recognised by financial advisers and the industry for customer service excellence and innovative product solutions, having been awarded Best Platform, Best Investment Options and Best Adviser Experience in the Adviser Ratings Financial Advice Landscape Report. HUB24 was also ranked first for product offer in the Investment Trends Platform Competitive Analysis and Benchmarking Report and maintained 1st place for Platform Managed Accounts functionality for the 6th year running. More recently HUB24 was awarded 1st place for Value for Money.⁴

The business remains focussed on our strategy to continue to lead the wealth industry as the best provider of integrated platform, technology and data solutions by developing innovative products and solutions that enhance customer value, create opportunities for further growth and progress our vision for the platform of the future.

Given the negative market movement experienced during FY22 (\$3.5 billion on Platform FUA) the Platform FUA guidance at FY24 has been revised to a range of \$80-\$89 billion (excluding PARS FUA).⁵

Andrew Alcock, HUB24's Managing Director commented "Our strong financial and operating performance during FY22 has delivered Underlying Group EBITDA of \$70.4 million up 92%, Underlying NPAT up 133% and a fully franked final dividend of 12.5 cents, resulting in full year dividends for FY22 of 20 cps up 100%. HUB24 has achieved record levels of organic growth, whilst also completing the acquisition of Class. The HUB24 platform has continued to be recognised by the industry and our customers including most recently being awarded 1st place for Value for Money by Investment Trends and for our Platform and Managed Portfolio market-leadership. "

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1. Net inflows represent gross inflows less outflows and do not include market movements
 2. Unaudited
 3. Strategic Insights Masterfunds Platforms and Wraps March 2022
 4. No.1 Product Offer & No.1 Platform Managed Account solution Investment Trends Competitive Analysis & Benchmarking Report Dec 2021, No.1 Value for Money Investment Trends Adviser Technology Needs Report 2022
 5. The company expects strong growth and increasing profitability moving forward subject to consistent and stable investment markets, HUB24 terms of business and further significant or unexpected impacts arising from the COVID-19 pandemic that may affect platform FUA and revenue

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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 Platform and Class Limited.

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 Limited is a pioneer in cloud-based wealth accounting 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 over 7,000 clients across Australia who depend on Class to drive business automation, increase profitability and deliver better client service.

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 HUB24 Limited Board of Directors.

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