

ASX Release: 21 February 2023

HUB24 delivers record financial results for 1HFY23

Financial services provider HUB24 Limited (ASX: HUB) today announced the results for the half year ended 31 December 2022 (1HFY23), reporting Group Underlying Net Profit After Tax (NPAT) of \$26.6m (up 87% on 1HFY22) and Group Underlying EBITDA of \$49.9m (up 68% on 1HFY22).

The Company has reported statutory NPAT of \$15.5 million in 1HFY23, an increase of 85%, including \$2.8 million (after tax) of strategic and project costs. Earnings per share increased by 59% to 18.9 cents per share and reflecting the Group's ongoing strong performance, the Directors have determined a fully franked interim dividend of 14.0 cents per share (up 87% on 1HFY22) to be paid on 18th April 2023.¹

Total Funds Under Administration grew to \$73.0 billion, with Platform Funds Under Administration (FUA) increasing to \$55.8 billion and PARS FUA of \$17.2 billion (at 31 December 2022). Platform net inflows for the period from continuing operations were \$5.8 billion.²

Key highlights for 1HFY23:

- Awarded Best Overall Platform, Best Reporting and Best Online Business Management in the newly released Investment Trends report³
- 1st for overall platform quarterly net inflows including the highest superannuation platform net inflows on both a quarterly and annual basis⁴
- Platform segment Revenue of \$102.7 million, up 33% on 1HFY22
- Platform segment Underlying EBITDA of \$41.4 million, up 38% on 1HFY22
- Tech Solutions segment Revenue of \$33.4 million and Underlying EBITDA of \$10.5 million, both significantly up on 1HFY22 following the acquisition of Class in February 2022.

HUB24 is now rated Australia's best platform and has the fastest growth rate as a percentage of FUA based on annual net inflows. HUB24's market share has increased to 5.7% (up 1.1% from 4.6% as at September 2021) and is ranked in 7th place.^{3,4}

¹ Diluted earnings per share.

² Following the planned discontinuation of the 'Xplore Super Admin' business (\$1.4 billion total FUA), there was a \$1.0 billion outflow via Successor Fund Transfers (SFTs) and \$0.4 million migrated to the HUB24 platform.

³ As awarded in the Investment Trends Platform Competitive Analysis and Benchmarking Report 2022.

⁴ Strategic Insights Analysis of Wrap, Platform and Master Trusts and Managed Funds, September 2022. Fastest growing as a percentage of FUA based on internal analysis using the same Plan for Life Master Trusts, Platforms & Wraps data September 2022.

HUB24 continues to be recognised for innovative product solutions that deliver choice, value and efficiency for advisers and their clients. In the most recent Investment Trends Platform Competitive Analysis and Benchmarking survey, HUB24 has been awarded Best Platform Overall (up from 2nd place in FY22), Best Reporting and Best Online Business Management functionality. In addition, HUB24 has been ranked 1st for Managed Portfolio Product Offer and 1st in 22 out of 46 of the functional sub-categories.³

As a result of our strong relationships and solid pipeline of opportunities, including 58 new distribution agreements signed and 206 new advisers using the platform in 1HFY23, we expect the growth momentum to continue and reaffirm the Platform FUA target of \$80-89 billion for FY24.⁵

Reflective of our continued focus on attracting, retaining and developing talented people and enabling our teams for the Company's ongoing success, HUB24 has recently appointed Ms Amy Rixon as Chief People Officer to lead the People & Culture function. Ms Rixon has joined the Group executive team this month, bringing over 20 years of leadership and HR experience gained across financial services, technology and telecommunications.

HUB24 CEO and Managing Director Andrew Alcock commented, "We've delivered strong results on all key financial metrics for 1HFY23 with an increase of 69% in Group Revenue to \$138 million and 87% in Underlying NPAT to \$27 million over the prior corresponding period. Given this strong performance, we are increasing our fully franked interim dividend by 87% to 14 cents per share."

"I am proud that our team's commitment to delivering innovative products and solutions that make a real difference for our clients has been recognised by being awarded Best Platform Overall by Investment Trends this week. We are in a unique position to build on our success by leveraging our Group capabilities and strong relationships to grow market share, capitalise on emerging opportunities and continue to create value for our customers and shareholders."

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 unexpected or ongoing impacts that may affect platform FUA and revenue.



For further information please contact:

Kitrina Shanahan
Chief Financial Officer
HUB24 Limited
0478 474 590

Natalie Pennisi
Senior Manager Media & Public Relations
HUB24 Limited
03 9275 7835

About HUB24

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

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 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.

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