

ASX Release

13 June 2018

Fitzpatricks chooses HUB24 for platform solution

HUB24 Limited (“HUB24”) (ASX: HUB) is pleased to announce that Fitzpatricks Private Wealth, one of Australia’s largest privately-owned licensees with over 75 authorised representatives, has selected HUB24 as its platform and technology partner. HUB24 will deliver a managed portfolio solution for their current MDA and a new administration solution for the advisers across their network.

Fitzpatricks is a national advisory and wealth management firm that provides premium private wealth advice to successful individuals and families. Fitzpatricks has been providing managed account solutions to clients for more than 15 years.

In announcing the selection, John McMurdo, Fitzpatricks’ Group Managing Director said: “After completing an extensive and rigorous review of all options available in the market we chose HUB24 as our partner, not only for their market-leading product capability, but also for their focus on customer service and their ability to deliver a customised solution, in an efficient timeframe. The advanced managed portfolio functionality available on HUB24 allowed us to replicate our MDA offer to provide a sophisticated solution for our advisers and their clients.”

HUB24 has built a tailored solution that offers advisers access to the Fitzpatricks range of managed portfolios, plus a broad range of other investment choices.

The Fitzpatrick’s Private Wealth MDA will be replicated via the market-leading managed portfolio functionality on HUB24, including the recently launched Progressive Portfolio Implementation (PPI) tool, which allows portfolio managers to allocate new inflows differently in anticipation of highly probable portfolio changes and may help enhance performance and deliver tax efficiencies for investors. The MDA which currently has funds under management (FUM) of over \$700 million is planned to transition to HUB24 by late 2018.

Advisers will also benefit from the new ‘ConnectHUB’ functionality which will deliver historical performance reporting on their clients’ portfolios sourced from other product providers.

Andrew Alcock, Managing Director of HUB24, added: “We’re delighted to be working with Fitzpatricks to deliver a tailored solution across multiple product structures including MDA, IDPS and Super in a short period of time. Fitzpatricks is highly regarded in the market as one of Australia’s premium private wealth advisory firms and is known as an early pioneer in the managed accounts space.

Licensees and advisers are increasingly searching the market looking for advanced platform capabilities and flexible technology solutions. Our market-leading technology and ability to deliver a customised solution efficiently and cost effectively sees us ideally placed to meet their requirements.”

HUB24 is the market-leader in terms of adviser satisfaction and managed portfolio functionality, and in a recent survey by Adviser Ratings HUB24 topped the polls in terms of adviser net promoter score.

About this Agreement

Fitzpatricks and HUB24 have entered into an initial five-year agreement with commercial terms that reflect the scale of the MDA transition and ongoing opportunity. HUB24 expects that this agreement will support increasing growth in Funds Under Administration (FUA) and improve financial results.

HUB24 has significantly increased its distribution footprint which in turn has resulted in an increase in average client account balances on its platform. The company typically offers a tiered pricing structure with client fees reducing as a percentage as account balances increase. The Fitzpatricks relationship is expected to further accelerate this trend, whilst improving profitability due to HUB24's scalable business model.

HUB24 anticipates that under this agreement over the next twelve months the FUA increase may represent between five to ten percent of total FUA on the HUB24 platform¹.

– Ends –

For further information please contact:

Andrew Alcock
Managing Director
HUB24 Limited
(02) 8274 6000

Guy McKanna
Honner
Telephone: +612 8248 3740

About HUB24

The Australian Stock Exchange-listed HUB24 (ASX: HUB) connects advisers and their clients through innovative solutions that create opportunities. The business is focussed on the delivery of the HUB24 platform and the growth of its wholly owned subsidiaries Paragem, a financial advice licensee, and Agility Applications which provides data, reporting and software services to Australian stockbroking and wealth management market. HUB24's award-winning investment and superannuation platform offers broad product choice and an innovative experience for advisers and investors. Its flexible technology allows advisers and licensees to customise their platform solution to fit their individual business so they can move faster and smarter. It serves a growing number of respected and high profile financial services companies.

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

About Fitzpatricks

Fitzpatricks Private Wealth is a privately owned national advisory and wealth management firm. Clients are typically business owners, business leaders, successful individuals, wealthy families and charitable foundations. The Group maintains a rigorous approach to its selection criteria for financial advisers. Advising partners are strenuously tested for the highest ethical, technical and professional standards in wealth management in Australia.

Fitzpatricks has earned an enviable reputation for its commitment to clients based on the core principles of genuine client advocacy, best interest advice, and strong portfolio construction outcomes.

The Group has offices in Sydney, Melbourne, Brisbane, Perth, Adelaide, and Canberra.

Our Advisers are authorised representatives of Fitzpatricks Financial, Australian Financial Services Licence (AFSL) 247429.

¹ FUA is dependent upon continuing net inflow trends and movements in the ASX.