



ASX Release: 26 February 2019

## HUB24 reports record net inflows and strong profit for 1HFY19

Leading investment platform provider HUB24 (ASX: HUB) today announced its results for the half year ended 31 December 2018 (1HFY19), reporting Underlying Net Profit After Tax (NPAT)<sup>1</sup> of \$3.1m (up 46% on 1HFY18) from Underlying EBITDA of \$6.5m (up 32% on 1HFY18). Funds Under Administration (FUA) increased by 46% to \$10.0 billion (currently \$11.0 billion<sup>2</sup>) and the Group set a new record for net funds flow of \$2.1bn, up 95% on 1HFY18.

Other key highlights for 1HFY19 are:

- Platform segment Revenue of \$25.4 million, up 35% on 1HFY18
- Platform segment Underlying EBITDA of \$8.0 million, up 60% on 1HFY18
- First in Overall Platform Offering<sup>3</sup>, IT/Web Functionality<sup>3</sup>, Managed Accounts (2016/2017/2018)<sup>4</sup> and Decision Support Tools<sup>4</sup>
- First half dividend of 2.0 cents per share, unfranked, declared.

HUB24 recorded a Statutory NPAT of \$3.2 million, up 39% on 1HFY18.

During 1HFY19 HUB24 maintained its strong growth trajectory whilst continuing to invest to capture increasing market opportunities and building strong foundations for the future. HUB24 is well-positioned post the release of the final recommendations of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry. HUB24 is expected to benefit from the removal of grandfathered commissions, the potential opening up of institutional Approved Product Lists and the need for ongoing annual client engagement from advisors. Collectively these are anticipated to encourage the adoption of modern platform and investment solutions and the transfer of FUA from incumbent institutional platforms to platforms such as HUB24.

HUB24 successfully completed its largest FUA transition to date, from a leading licensee group to the HUB24 platform, providing evidence of HUB24's technology capability and expertise in managing large and complex transitions without disruption to the overall business.

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<sup>1</sup> Underlying NPAT is a non-IFRS measure used internally by management and by some in the investment community to assess the operating performance of the business. Underlying NPAT represents NPAT after excluding non-recurring items. See the HUB24 Analyst Pack for a reconciliation to Statutory NPAT.

<sup>2</sup> Unaudited, as at 22 February 2019

<sup>3</sup> Results from Wealth Insights Platform Service Level Report 2018

<sup>4</sup> Results from Investment Trends December 2018 Platform Competitive Analysis and Benchmarking Report based on extensive analyst reviews of 19 platforms across 526 functional points



HUB24 Managing Director Andrew Alcock said, “we have maintained our position as the fastest growing platform provider in the market. Our constant innovation and ongoing investment to capture market share is resulting in momentum in the second half with strong net inflows and continued conversion of HUB24’s growing opportunity pipeline”.

**For shareholder enquiries:**

Mark Goodrick  
Chief Financial Officer & Company Secretary  
HUB24 Limited  
Telephone: +61 2 8274 6079

**For media enquiries:**

Fiona Harris  
PR & Media Relations  
Telephone: +61 466 012 434

**About HUB24**

The Australian Securities Exchange-listed HUB24 Ltd ABN 87 124 891 685 (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 Pty Ltd, a financial advice licensee, and Agility Applications Pty Ltd and ConnectHUB Pty Ltd which provide data, reporting and software services to Australian stockbroking and wealth management market. HUB24’s award-winning investment and superannuation platform provides 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](http://www.HUB24.com.au)