

HUB24 reports record first half

Financial services provider HUB24 (ASX: HUB) today announced its results for the half year ended 31 December 2020 (1HFY20), reporting Group Underlying Net Profit After Tax (NPAT)¹ of \$5.4m (up 75% on 1HFY19) and Group Underlying EBITDA² of \$11.7m (up 71% on 1HFY19). Funds Under Administration (FUA) increased by 58% to \$15.8 billion (currently \$17.4 billion³) and the Group set a new record for net inflows of \$2.5bn, up 18% on 1HFY19 (up 79% excluding a large client transition in December 2018).

Other key highlights for 1HFY20 are:

- Platform segment Revenue of \$35.0 million, up 38% on 1HFY19
- Platform segment Underlying EBITDA² of \$13.8 million, up 73% on 1HFY19
- First for Managed Accounts, Product Offering and Integration in the recent Investment Trends survey and maintained 2nd place overall⁴.
- First half dividend of 3.5 cents per share (unfranked) declared, a 75% increase from 1HFY19.

HUB24 recorded a Statutory NPAT of \$6.0 million, up 90% on 1HFY19.

During 1HFY20 HUB24 has continued its growth momentum posting record net inflows from new and existing clients and increased market share to 1.6% at 30 September 2019 (from 1.1% at 31 September 2018). Additionally, the company has maintained 2nd place position for both quarterly and annual net flows, moving up to 11th place in FUA market share from 14th place⁵.

Strong growth and new business opportunities have been driven by HUB24's market-leading technology, product leadership and customer focus. Advisers and their clients are increasingly choosing specialist platforms as they provide enhanced functionality and choice to better meet client needs. The HUB24 platform is becoming available to an increasing number of advisers given the transition away from institutional alignment towards alternative licensee models.

HUB24 has consolidated our position as the market leader in the rapidly growing managed accounts space, having been awarded first place for managed accounts for the fourth year running in the recent Investment Trends survey. The company also achieved first place and won awards for both the Integration and Product Offering categories. HUB24's overall score improved, and the platform maintained its position as second overall in terms of platform functionality⁴.



HUB24 Managing Director Andrew Alcock commented “we are pleased to see that our continued focus on product innovation and customer service is delivering the right outcomes for our clients and our shareholders. We have strong momentum as we head into the second half of the year and a significant pipeline of opportunities.”

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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 HUBconnect Pty Ltd which provide data, reporting and software services to the 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

This announcement was authorised for release to the market by the HUB24 Limited Sub-Committee.

1 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 abnormal items. See the HUB24 Analyst Pack for a reconciliation to Statutory NPAT

2 Underlying EBITDA represents earnings before interest, tax, depreciation, amortisation and other significant items. 1HFY20 includes impact of AASB 16 Leases, which reduced Group operating expenses and increased interest expense as well as depreciation and amortisation. See HUB24 Analyst Pack for further details

3 Unaudited company data, as at 21 February 2020

4 Investment Trends Platform Competitive Analysis & Benchmarking Report December 2019

5 Strategic Insights Master Trusts, Platforms & Wraps