

ASX Release: 14 December 2021

Chairman's Address to the HUB24 Annual General Meeting

In what has been another challenging year for Australian communities and businesses with the COVID-19 pandemic still having a significant impact, maintaining the wellbeing and effectiveness of our teams has remained a priority. Our HUB24 team has worked tirelessly to achieve our business objectives and continue to deliver customer service excellence. Our management team have performed very well in leading the business throughout this period of transformation and growth whilst the pandemic has continued.

HUB24's footprint in financial services has grown considerably through FY21, as the Company completed a series of strategic transactions which delivered increased scale, provided new client relationships and product capability to access new client segments.

Slide 1 – FY21 Financial Highlights

HUB24 has achieved strong organic growth through our core business and in addition we also increased Funds Under Administration (FUA) from acquisitions and the Company's success has been reflected in the key financial metrics for the year;

- with HUB24 Group revenue up 34% and
- Platform revenue increased by 36%
- The Group's preferred measure of profitability is Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (Underlying EBITDA), increased 47% to \$36.2 million.
- Our statutory Net Profit after Tax (NPAT) was \$9.8 million after incurring transaction related costs of \$8.2 million from the completion of the series of strategic transactions announced in October 2021.

Given these strong financial results the Company announced a fully franked full year dividend 5.5 cents, which brings the full year dividend to 10 cents, an increase of 43% on the prior year.

Slide 2 – Growing FUA and Market Share

During FY21 the Company has delivered significant growth and according to the latest available platform market share data, HUB24 has maintained second position for annual net inflows and has increased our market share to 4.3% which now includes acquired business Xplore. HUB24 is now the 7th largest platform by market share up from 9th place at this time last year.

HUB24 has now delivered a compound annual growth rate of 66% in FUA over the last five years.

HUB24's record organic growth is a result of the increased distribution footprint, product innovation and customer service excellence. HUB24 has built strong relationships across all segments of the market including the growing mid-tier licensee segment, self-licensed advisers, advice collectives, boutiques and brokers.

Overall, market conditions for HUB24's value proposition continue to present significant opportunity for growth and our sales pipeline remains strong across all segments. As a result, the Company will continue to invest appropriately to take advantage of these opportunities.

Slide 3 – Share price and dividend trend

Given these strong financial results the Company announced a fully franked full year dividend 5.5 cents, which brings the full year dividend to 10 cents, an increase of 43% on the prior year. Our share price has also reflected the company performance and improved by 33% since the last AGM.

Slide 4 – A year of growth, innovation and delivering on our strategy

As well as delivering strong growth and supporting our clients, the company has remained committed to continued innovation and delivering on our strategic objectives.

Throughout FY21 the Company has continued to make enhancements to the platform to provide flexibility and ensure advisers and their clients have access to a broad range of investment options.

HUB24 is committed to supporting licensees and advisers through ongoing regulatory change. This year HUB24 worked with licensees and advisers to deliver a flexible approach to the new advice fee opt-in requirements and are supporting licensees with education for the requirements, arising from legal obligations to comply with Distribution and Design Obligations.

During FY21, the Company completed a project to streamline our market-leading managed portfolios into a non-unitised managed investment scheme, laying the foundations for future innovation and providing additional client benefits.

Throughout the year, the Company worked with two large licensee clients to launch our first private label offerings. In May, the bulk transition of \$1,4 billion in FUA was completed from ClearView Wealth across to the new ClearView Wealth private label solution on HUB24. In December, to the IOOF network of advisers in Q4 FY21.

We also welcomed both the Ord Minnett PARS and Xplore teams to HUB24 during the year. The acquisition of Ord Minnett's PARS was completed at the end of November which together with the acquisition of Xplore facilitated HUB24's entry to this segment and work is underway to transition PARS from Ord Minnett systems to HUB24.

The acquisition of Xplore Wealth was completed in March. Distribution, Product and compliance teams have been integrated and we are leveraging our collective capability to progress the development of product solutions for existing and new clients.

As part of the strategic investment in Easton, a Technology and Partnership agreement is in place, under which HUB24 will collaborate with Easton to develop product solutions which leverage HUB24's data and technology expertise.

Given growing demand for cost-effective financial advice, HUB24 has been working with a group of licensees for some time to better understand their business challenges and provide the data they need to run more efficient businesses and replace the manual processes that increase the cost of advice. HUBconnect Licensee provides a range of solutions can help licensees to create efficiencies and reduce manual processes by leveraging data to support business management activities like monitoring key risk indicators or remuneration reporting.

A pilot program is underway with four licensees and the capability will be rolled out to other licensees during FY22.

During October this year, we announced the proposed acquisition of Class Limited. The proposed transaction is expected to accelerate the Company's platform of the future strategy, consolidating the Group's position as a leading provider of integrated platforms, technology and data solutions. The combined business will provide a compelling and unique competitive advantage and diversification of revenue. You may have seen an announcement this morning providing an amendment to the Scheme Implementation Deed, our Managing Director Andrew Alcock will cover this in more detail during his presentation.

Slide 5 - Corporate Governance

HUB4's Board of Directors and Management remains committed to their duties and obligations to maintain and improve our robust system of corporate governance.

The ongoing review and improvement of corporate governance practices and processes are fundamental to our business and ensuring HUB24 maintains industry best practice including our reporting, commitment to diversity and expanding the skillset across the Board.

As the Company grows, we continue to invest in our corporate governance, risk and compliance frameworks to develop and articulate our ESG principals to ensure they are fit for purpose and commensurate with not just the present demands but for our growth trajectory.

In March, Ian Litster retired from the Board, we would like to thank him for his many years of service. An extensive search was undertaken and in July 2021, we announced the appointment of Ms Catherine Kovacs as Non-executive Director. Ms Kovacs has broad financial services experience spanning fintech, business strategy and growth, and investments including M&A. Catherine's re-election is set out in resolution number 3

Conclusion

The Company is proud to have delivered an extremely successful year, achieving record levels of platform net inflows, and FUA growth as well as the completion of three strategic

transactions and continued industry recognition as a market leader in both the platforms and managed portfolios space. Shareholder value has grown significantly in recognition of our strong financial and operating performance.

As a result of our continued investment and the completion of strategic transactions this year, we are well-placed to pursue emerging opportunities for growth, as we lead the industry in the provision of integrated wealth platform, technology and data solutions.

I am pleased to report that record growth in FUA has continued into the first part of this financial year FY22 and I look forward to providing shareholders an update for the full half year in February.

As mentioned previously, we will open for questions following the completion of the formal proceedings of the AGM. Now I would like to hand over to our Managing Director, Andrew Alcock who will go through achievements in FY21 as well as future outlook in further detail.

Bruce Higgins
Chairman HUB24
14th December 2021

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About HUB24

HUB24 Limited (ACN 124 891 685) (ASX: HUB) is a company listed on the Australian Securities Exchange. The company consists of the award-winning HUB24 platform, HUBconnect business and Xplore platform. HUB24 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 licensees and advisers and enable the delivery of professional advice to more Australians.

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

CHAIRMAN'S ADDRESS

Bruce Higgins

Chairman

FY21 FINANCIAL HIGHLIGHTS¹

↑ 34%

\$110.9m

Total Group Revenue³

↑ 36%

\$101.1m

Platform Revenue³

↑ 47%

\$36.2m

Group Underlying EBITDA

↑ 47%

\$37.9m

Platform Underlying EBITDA³

Statutory NPAT

\$9.8m Up 20%

Including \$7.5m of transaction & implementation costs



Full Year Dividend

10cps Up 43%

Fully franked
Final Dividend of 5.5cps



1. Comparisons are from FY20, unless stated otherwise

2. A non-IFRS measure which is used to assess the operating performance of the business. Underlying NPAT represents Net Profit After Tax excluding abnormal items. See the HUB24 Analyst & Investor Pack for a reconciliation

3. From continuing operations

CONTINUED FUA GROWTH

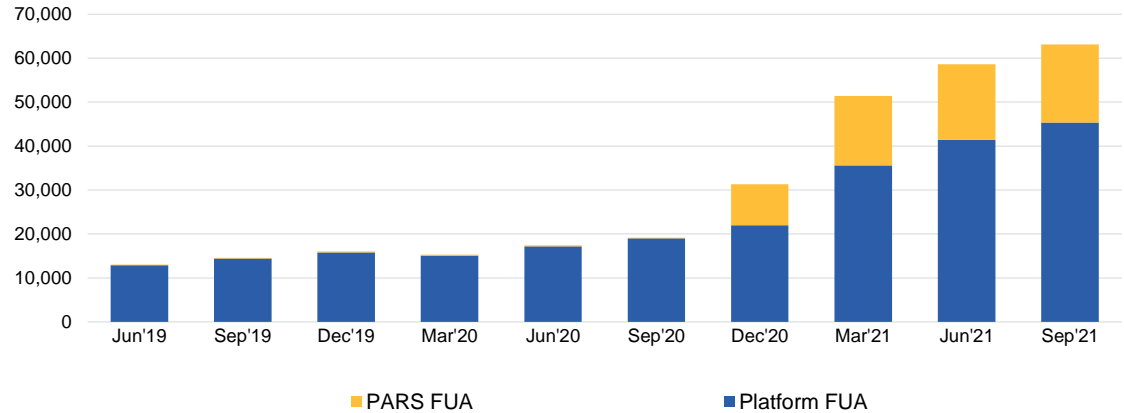


Total Platform FUA of \$45.4 billion as at Sept 30 2021

Platform Netflows for Q1 FY21 were \$3 billion

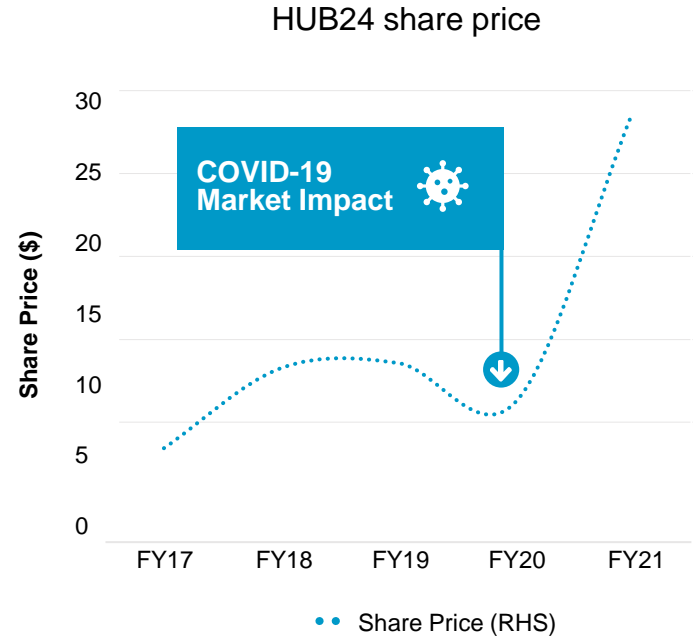
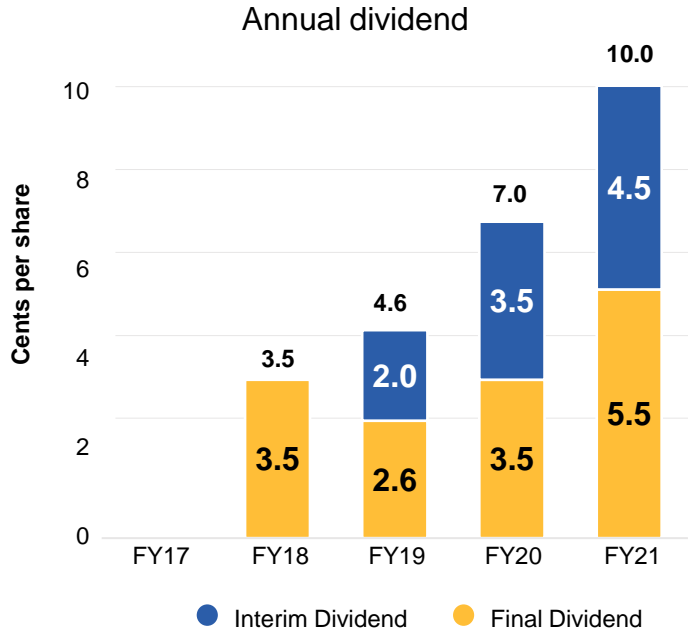
Up from \$1.3 billion Q1 FY20

FUA \$m



1. June Quarter 2021 includes bulk transition of \$1.4bn

DIVIDEND & SHARE PRICE TREND



A YEAR OF GROWTH, INNOVATION & DELIVERING ON STRATEGY



Completed three strategic transactions



Supporting licensees & advisers through regulatory change



Collaborated with licensees to build & pilot HUBconnect Insight



Completed \$1.4bn bulk FUA transition



Launched new private label offers with 2 large national licensees

CORPORATE GOVERNANCE



Committed to robust system of corporate governance



Significant investment risk & compliance



Increasing focus on ESG principals



New non-executive director Cathy Kovacs July 2021



New shareholder portal on HUB24.com.au



Disclaimer

→ SUMMARY INFORMATION

The material herein is a presentation of general background information about HUB24 Limited's ('HUB') activities current as at date of presentation. This information given in summary form does not purport to be complete and should be read in conjunction with previous ASX filings, Half Year Report and the audited Annual Report as applicable. Any arithmetic inconsistencies are due to rounding.

→ NOT INVESTMENT ADVICE

This presentation is not a prospectus or a product disclosure statement under the Corporations Act 2001 (Cth) and has not been lodged with ASIC. The information provided in this presentation is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice when deciding if an investment is appropriate.

→ RISK OF INVESTMENT

An investment in HUB shares is subject to investment and other known and unknown risks, some of which are beyond the control of HUB. HUB does not guarantee any particular rate of return or the performance of HUB nor does it guarantee the repayment of capital from HUB or any particular tax treatment.

→ FORWARD LOOKING STATEMENTS

This presentation contains certain forward-looking statements. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of HUB, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You should not place reliance on forward-looking statements and neither HUB nor any of its directors, employees, consultants, contractors, advisers or agents assume any obligation to update such information.