

ASX Release: 13th October 2020

HUB24 posts record September quarter

September Quarter FY21 Highlights

- Funds Under Administration (FUA) of \$19 billion at 30 September 2020 (up 32% on pcip).
- Record net inflows for a September quarter of \$1.36 billion (up 10% on pcip) this is an increase of \$260 million from the June quarter demonstrating the strength of the business since the initial impact of COVID-19¹
- HUB24 platform market share increased to 2.1%²
- Maintained 2nd place for both quarterly and annual net inflows²
- New business pipeline continues to grow with 27 new licensee agreements signed during the quarter and 101 new advisers using the platform

Net Inflows and Growth in FUA

HUB24 has experienced a strong start to FY21 with record net inflows for a September quarter of \$1.36 billion with average monthly net inflows to date of \$454 million up from \$412 million for FY20 (+10%). FUA for the quarter increased by \$1.8 billion to \$19 billion, up 10.4% including positive market movement of \$436 million.

Momentum has continued from the June quarter with strong flows driven from both new and existing licensee channels across self-licensed and boutique advisers, brokers and large national accounts. This includes advisers winning new clients as well as funds being transitioned from incumbent platforms.

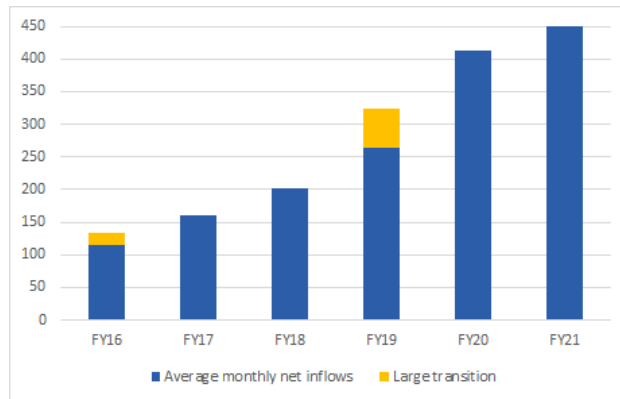
HUB24's new business pipeline continues to grow with 27 new licensee agreements signed during the September quarter, with both large boutique licensees and self-licensed practices.

HUB24 is confident that the new business pipeline will continue to grow as additional opportunities emerge given adviser movement from institutional licensees and further industry consolidation. Given market dynamics, HUB24 continues to be a platform of choice as advisers look for stability, delivering innovative product solutions that provide their clients with choice and customer service excellence. Additionally, business development activity across all states is continuing as advisers have adapted to the current environment and the team continue to leverage growth opportunities from within our existing customer base whilst actively pursuing new relationships.

According to the latest available Strategic Insights data for the Australian platform market HUB24 has maintained 2nd place ranking for both quarterly and annual net inflows. Market share has increased to 2.1% from 1.5% at June 2019.²

Average Monthly Net Inflows

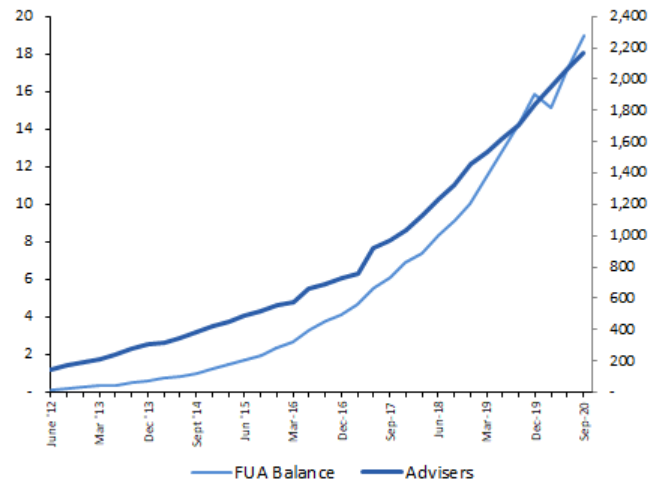
\$ millions



FUA & Advisers

\$ Billions

#advisers



Platform Statistics	SEP'19	DEC'19	MAR'20	JUN'20	SEP'20	Growth on pcp
FUA	\$14,383m	\$15,837m	\$15,104m	\$17,217m	\$19,015m	32.2%
Flows*						
Net Inflows	\$1,238m	\$1,259m	\$1,363m	\$1,089m	\$1,362m	10.0%
Gross Inflows	\$1,673m	\$1,668m	\$1,826m	\$1,583m	\$1,927m	15.2%
Advisers						
Number of Advisers	1,705	1,841	1,956	2,066	2,167	27.1%

Statistics are for each quarter, have been rounded and are not audited.

* Inflows exclude market movements.

Business Update

The company is focused on building foundations for future growth. During the quarter the team completed the move to the newly appointed independent trustee for HUB24 Super, HTFS Nominees Pty Limited a subsidiary of Equity Trustees. Additionally, the project to streamline managed portfolios by moving current IDPS and Super portfolios into a non-unitised managed investment scheme (MIS Scheme) is nearing completion. This will provide additional client benefits and will lay the foundations for future innovation.

As the market-leader in managed portfolios HUB24 continues to provide advisers and their clients with investment choice. During the quarter 15 new managed portfolios were added to the platform, which were a combination of diversified and Australian equity portfolios. Additionally, 27 new ETFs were added providing clients with more options for low cost access to Australian and US markets.

Providing advisers and their clients with product solutions and tools to help them meet their retirement goals remains a priority. During the quarter we announced the integration of Allianz Retire+ retirement product Future Safe on the HUB24 platform. Advisers can now access Future Safe

reporting, retirement tools and resources through the adviser desktop. Clients can also view their Future Safe investments alongside other investments on the platform.

Additionally, during Q1 in collaboration with Blackrock, our team ran a successful pilot program with a group of advisers providing them with access to Blackrock's iRetire tool through the HUB24 adviser desktop. iRetire by Blackrock supports advisers in guiding retirement outcome conversations with their clients by demonstrating their portfolio today against their future needs and how they can start to close their retirement income gaps. The pilot was well-received by advisers and will now be rolled out nationally over coming months.

The need to provide financial advice to more Australians has become increasingly important given the current environment, with a recent Investment Trends report citing the demand for advice has doubled over the last five years³. We are committed to delivering technology solutions that enable advisers to be responsive to their clients' needs, as previously announced in January, the bionic advice and product solution we have been developing in collaboration with Aberdeen Standard Investments will be released into pilot during Q2 FY21. This bionic advice solution combines the power of an AI assisted digitally led advice process with the ability to access a financial adviser where required. The client engagement tool will allow financial advisers to efficiently provide a wider range of clients with a tailored solution. The client engagement tool has been developed in collaboration with advisers and licensees, and also integrates the company's new offer "HUB24 Access" designed for this target segment providing clients with a streamlined selection of investment options to meet their retirement goals.

Delivery for the ClearView Wealth Limited program is progressing well with the transition of the ClearView LifeSolutions insurance product to the HUB24 Super Fund to be completed at the end of October. The bulk transition of the existing WealthSolutions platform to the HUB24 platform remains on track for completion during FY21 with all parties working collaboratively.

Continuing consolidation in wealth management has resulted in more advice practices reconsidering their licensee and providing opportunities with a number of applications to join Paragem in progress.

Additionally, there is growing demand for data integration services from the broader wealth management market including brokers, advisers and more recently FinTech's and product providers, leading to new opportunities for the Technology Solutions business.

HUB24 is continuing to absorb some of the impact of the historically low interest rates since the Reserve Bank of Australia (RBA) cash rate reductions announced in March 2020. Should the RBA announce a further rate reduction, HUB24 expects to absorb this reduction which will negatively impact platform segment revenue until interest rates begin to rise.

¹ Net Inflows represent gross inflows less outflows and do not include market movement.

² Strategic Insights Master Funds Platforms and Wraps June 2020

³ Investment Trends 2020 Financial Advice Report July 2020.

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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 investment 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, 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 a market-leading experience for advisers and their clients. 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.

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 HUB24 Limited Board.

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