

ASX Release: 18 February 2025

HUB24 delivers strong 1HFY25 financial results and upgrades FY26 Platform FUA target

HUB24 Limited (ASX: HUB) today announced the results for the half year ended 31 December 2024 (1HFY25), reporting Group Underlying EBITDA of \$77.6 million (up 41% on 1HFY24) and Group Underlying Net Profit After Tax (NPAT) of \$42.6 million (up 40% on 1HFY24).

The company reported statutory NPAT of \$33.2 million in 1HFY25, an increase of 54% and Underlying Diluted Earnings per share increased by 41% to 51.0 cents per share, reflecting the Group's ongoing strong performance. The Directors have determined a fully franked interim dividend of 24.0 cents per share (up 30% on 1HFY24) to be paid on 15th April 2025.

Total Funds Under Administration grew to \$120.9 billion as at 31 December 2024, with Platform Funds Under Administration (FUA) increasing to \$98.9 billion (\$102.6 billion as at 13th February 2025) and PARS FUA of \$22.0 billion.

Key highlights for 1HFY25:

- Record half year Platform net inflows of \$9.5 billion (up 31% on 1HFY24)
- 1st for overall platform quarterly and annual net inflows¹
- Platform segment Revenue of \$154.2 million (up 29% on 1HFY24) and Underlying EBITDA of \$66.7 million (up 39% on 1HFY24)
- Tech Solutions segment Revenue of \$38.0 million (up 9% on 1HFY24) and Underlying EBITDA of \$13.8 million (up 37% on 1HFY24)
- Awarded Best Platform Overall²
- Awarded Best Platform Managed Accounts Functionality and awarded Best Product Offering, Best in Online Business Management and Best in Decision Support Tools²

Total Revenue of \$195.2 million (up 25% on 1HFY24) driven by strong growth in the Platform segment and consistent growth in Tech Solutions.

There was continued investment to support our increased scale and strategic growth objectives, with Group Operating Expenses of \$117.6 million (up 16% on 1HFY24), driven by higher variable expenses linked to FUA and investment in our people.

The Group Underlying EBITDA margin was 39.8% (up 4.7% from 35.1% in 1HFY24), demonstrating operational scale and the benefits of investment in automation.

HUB24 Platform

During 1HFY25, HUB24 delivered record half year Platform net inflows of \$9.5 billion (up 31% on 1HFY24 including large migrations of \$1.5 billion) and was ranked 1st for both quarterly and annual net inflows. HUB24 is the 7th largest platform and continues to gain market share which increased to 7.9% (up from 6.6% as at September 2023).¹

The number of advisers using the Platform increased by 361 during 1HFY25 to 4,886 (up 14% on 1HFY24) and 84 new distribution agreements were signed.

In the recent Investment Trends Platform Competitive Analysis and Benchmarking Report, the HUB24 Platform was awarded Best Platform Overall for the third year running, and Best Platform Managed Accounts Functionality (which HUB24 has won in eight out of the last nine years), as well as being awarded Best in Product Offering, Best in Online Business Management, Best in Decision Support Tools and Most Improved platform.²

These awards recognise HUB24's continued investment in leveraging innovation to drive productivity for advisers.

During 1HFY25 advice fee consent capability was enhanced to provide further flexibility and efficiency for advisers and was recently recognised as 'most impactful new enhancement'.³

Additionally, Engage the next evolution of HUB24's client reporting functionality, leveraging HUBconnect capability, is now in pilot. Engage, enables advisers to efficiently deliver increasingly customised and engaging client reporting.

During 1HFY25, HUB24 Super was selected as the successor fund for ClearView WealthFoundations, with up to \$1.3 billion of FUA (subject to client retention and market movements) expected to be migrated to Discover on HUB24 Super in 2HFY25.

As part of our strategy to collaborate with industry providers to develop innovative products that support emerging client needs, in Q1 FY25 HUB24 announced a strategic alliance with Reach Alternative Investments, that has resulted in HUB24 taking a minority equity holding.

HUB24 is collaborating with the team at Reach and other industry providers to co-design alternative investment options to meet the increasing adviser and client demand for these investments.

During 1HFY25, the HUB24 Group has remained focused on integrating and leveraging its combined capabilities to strengthen advocacy and extend market leadership.

Demand for secure client portal capability continues to drive strong interest for myprosperity.

During 1HFY25, the enterprise offer has been extended to several new advice networks and rollout to advisers is continuing.

Tech Solutions

Within Tech Solutions, Class continued to deliver consistent growth, with the number of SMSFs using its software growing in line with system and maintained its position as the second largest SMSF software provider in Australia. NowInfinity increased the number of companies administered on the platform above system growth.

As part of Class's program of enhancements to drive productivity and value for customers, during 1HFY25 Class has integrated additional residential property valuation options and new property title search capability. Class products now provide direct connections with three of Australia's largest share registries and new institutional document feeds from major providers.

During 1HFY25, there was continued investment developing solutions in the Innovation Lab, leveraging AI, machine learning, robotics and automation to deliver quality and efficiency benefits for both the HUB24 Group and our customers. This has included continuing to invest in HUBconnect and collaborating with our 'think tank' licensees to deliver solutions to solve key challenges in the delivery and implementation of advice.

Outlook

Given strong net inflows and market movements during 1HFY25 and a pipeline of opportunities across all customer segments, the Platform FUA target has been upgraded to a range of \$123 billion to \$135 billion for FY26 (from \$115 billion to \$123 billion).⁴

HUB24 CEO and Managing Director Andrew Alcock commented, "We've delivered strong financial results for 1HFY25 with an increase of 25% in Group Revenue to \$195.2 million and 40% in Underlying NPAT to \$42.6 million over the prior corresponding period. Given this strong

performance, we have announced a fully franked interim dividend of 24.0 cents per share (up 30% on pcg).

As well as achieving record net inflows, we are delighted to have once again been recognised as Australia's Best Platform and Best Platform Managed Accounts Functionality. The wealth management landscape is continuing to evolve, and financial professionals are seeking solutions that enable productivity so they can empower better financial futures for their clients.

With significant opportunities from existing and new customers across the Group, we expect strong growth and increasing profitability. By leveraging our unique Group capabilities, we will continue to drive industry transformation while enhancing value for our customers and shareholders."

¹ Plan for Life. Data for period ended 30 September 2024 and based on Administrator View.

² Investment Trends Platform Competitive Analysis & Benchmarking Report 2024.

³ SustainabilityHUB 2025 Platform Market Wrap.

⁴ FY26 Platform FUA target excludes PARS FUA. The company expects strong growth and increasing profitability moving forward, subject to consistent and stable investment markets and HUB24 terms of business that may affect platform FUA and revenue.

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About HUB24

HUB24 Limited is listed on the Australian Securities Exchange, and includes the award-winning HUB24 Platform, HUBconnect, Class, NowInfinity and myprosperity.

The HUB24 platform 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 stockbrokers, licensees and advisers and enable the delivery of professional advice to more Australians.

Class is a pioneer in cloud-based wealth accounting software and is recognised as one of Australia's most innovative technology companies. Class delivers trust accounting, portfolio management, legal documentation and corporate compliance solutions to financial professionals across Australia who depend on Class to drive business automation, increase profitability and deliver better client service.



myprosperity is a leading provider of client portals for accountants and financial advisers, enabling streamlined service delivery, increased productivity and enhanced customer experience for finance professionals and their clients.

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