

Half Year 2025 Financial Results

Presented by

Anthony Wamsteker CEO

David Coulter CFO

**At Praemium we acknowledge the Traditional
Custodians of Country**

We pay our respect to their Elders past and present

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Presenters



Anthony Wamsteker
CEO



David Coulter
CFO

- ▶ Business Highlights
 - ▶ Results
 - ▶ Investment Trends
 - ▶ Strategy
 - ▶ OneVue
 - ▶ Stakeholders
- ▶ Financials, FUA and flows
- ▶ Strategic and sectoral outlook
- ▶ Questions

Business Highlights

HY25 business highlights

\$12.9m

HY EBITDA (underlying)

Up 43%

\$52.3m

Revenue and other income

Up 32%

\$62.1b

Custodial and non-custodial
FUA

Up 29%

\$7.5 m

Returned to
Shareholders HY25

- ▶ **Strong** 32% revenue growth, flowing through to underlying EBITDA ex OneVue
- ▶ No. 1 platform in 2 categories in 2024 Investment Trends Report
- ▶ **Market-leading** \$31.9b Scope+ non-custody solution
- ▶ **Spectrum** launched, and captured \$69m in Q2 FY25
- ▶ **Higher** margin **SMA** now at \$12.5b, including **20%** 5-year CAGR
- ▶ **Powerwrap** returns to positive net flows
- ▶ **\$2.7m** of buy-back and **\$4.8m** dividend – \$24.1m (\$0.58 avg price) buy-back in total up to 31 Dec 24

2024 Investment Trends

sustained strong performance



2024 Platform Competitive
Analysis and Benchmarking
Report

Best in
Reporting

Praemium



2024 Platform Competitive
Analysis and Benchmarking
Report

Best in Data, Integration
and Security

Praemium



► **No. 1** in 2 key categories



► **No. 1** in 18 sub-categories



► **No. 3** platform overall



► **89%** platform rating

Strategy progress update

Product	Operations	Customer Service	Superannuation	Acquisition opportunities
▶ Spectrum launched with onboarded clients adding FUA ▶ Continued growth in Scope+ ▶ Repricing of Scope ▶ Enhancements to consolidated view	▶ Transfer of functions from Armenia to India ▶ Ongoing operational enhancements using LSS ▶ AI pilot programmes underway to improve efficiencies	▶ Improved adviser onboarding process underway ▶ Annual customer experience survey completed ▶ Implementation of feedback in progress	▶ Workflow and process improvements with current administration provider ▶ Review of administration options in progress	▶ OneVue integration tracking to plan ▶ Several files open on new opportunities – same line of business and/or related and synergistic adviser desktop applications

OneVue

transition update

- ▶ Transition tracking to plan
- ▶ First earn-out statement issued
 - ▶ NIL owed
 - ▶ 15 January FUA below \$3b threshold
- ▶ Emphasis on ensuring relationships are commercially sustainable
- ▶ Second earn-out statement to be issued after 15 October measurement date
 - ▶ Expect FUA \$2.5b - \$3b at second earn-out

Stakeholder engagement programme



- ▶ Enhanced **Cybersecurity** Framework
- ▶ **Cybersecurity webinar** to advisers and firms to build resilience and strengthen defences
- ▶ Dedicated 8 module **Adviser Portal Training** program to provide the best customer experience
- ▶ Net growth x3 **ESG-themed** investment options on platform
- ▶ First ever **Investor Forum** showcasing executive bench strength and focus areas
- ▶ Implementation of an outsourced **Internal Audit function** to leverage best-in-class capability and skills
- ▶ **Corporate Governance Statement** aligned to the ASX "Corporate Governance Principles and Recommendations (4th Edition)"

- ▶ Launched **Praemium Academy**, encompassing all aspects of employee wellbeing and development
- ▶ A new **Career Framework** aligned to our Values, encouraging staff to consider areas of development and prepare for performance conversations
- ▶ A new **Leadership Development Program** for middle managers focusing on improving outcomes through performance, feedback and coaching
- ▶ Refreshed **WHS Charter** and **Workplace Behaviour** training provided with a core focus on a **Speak Up** culture supported by a Whistleblower Hotline
- ▶ Established the **Community Committee** with a focus on values-based volunteering activities facilitated by Community Service Leave
- ▶ Praemium staff participated in **OzHarvest Cooking for a Cause**, Australia's leading food rescue organisation
- ▶ Company wide **R U OK Day** in support of the National Day of Action of starting meaningful conversations around mental health

Financial Results

Group results

Group results \$m	1H25	1H24	\$ change	% change
Platform	40.9	28.5	12.4	43
Portfolio services	10.5	10.0	0.5	5
Revenue	51.4	38.5	12.9	33
Expense recovery	1.7	1.4	0.3	19
Direct costs	(7.3)	(4.1)	(3.2)	(80)
Gross Profit	45.7	35.8	10.0	28
Cost of Operations	(10.9)	(9.0)	(1.9)	(21)
Information Technology	(9.6)	(6.5)	(3.1)	(47)
Sales & Marketing	(6.6)	(6.3)	(0.4)	(6)
General & Admin (incl corp)	(5.8)	(5.0)	(0.8)	(17)
Expenses*	(32.9)	(26.8)	(6.1)	(23)
EBITDA (underlying)	12.9	9.0	3.9	43
<i>EBITDA %</i>	<i>25.0%</i>	<i>23.3%</i>		
Share schemes	(0.8)	(1.1)	0.3	28
D&A	(3.4)	(2.7)	(0.7)	(26)
EBIT	8.6	5.2	3.5	68
Acquisition & restructure	(2.2)	(0.7)	(1.6)	(238)
Interest & other	1.1	1.0	0.1	5
NPBT	7.5	5.5	2.0	36
Tax	(1.7)	(1.5)	(0.2)	11
NPAT	5.8	4.0	1.8	46

*Includes \$23,199,334 (1H24: \$19,133,721) allocation of employee costs, incl OneVue \$3,002,488 (1H24: nil)

- ▶ **Reconciles underlying EBITDA to statutory profit**
- ▶ **Impacted by 6 months OneVue 1H25 vs nil 1H24**

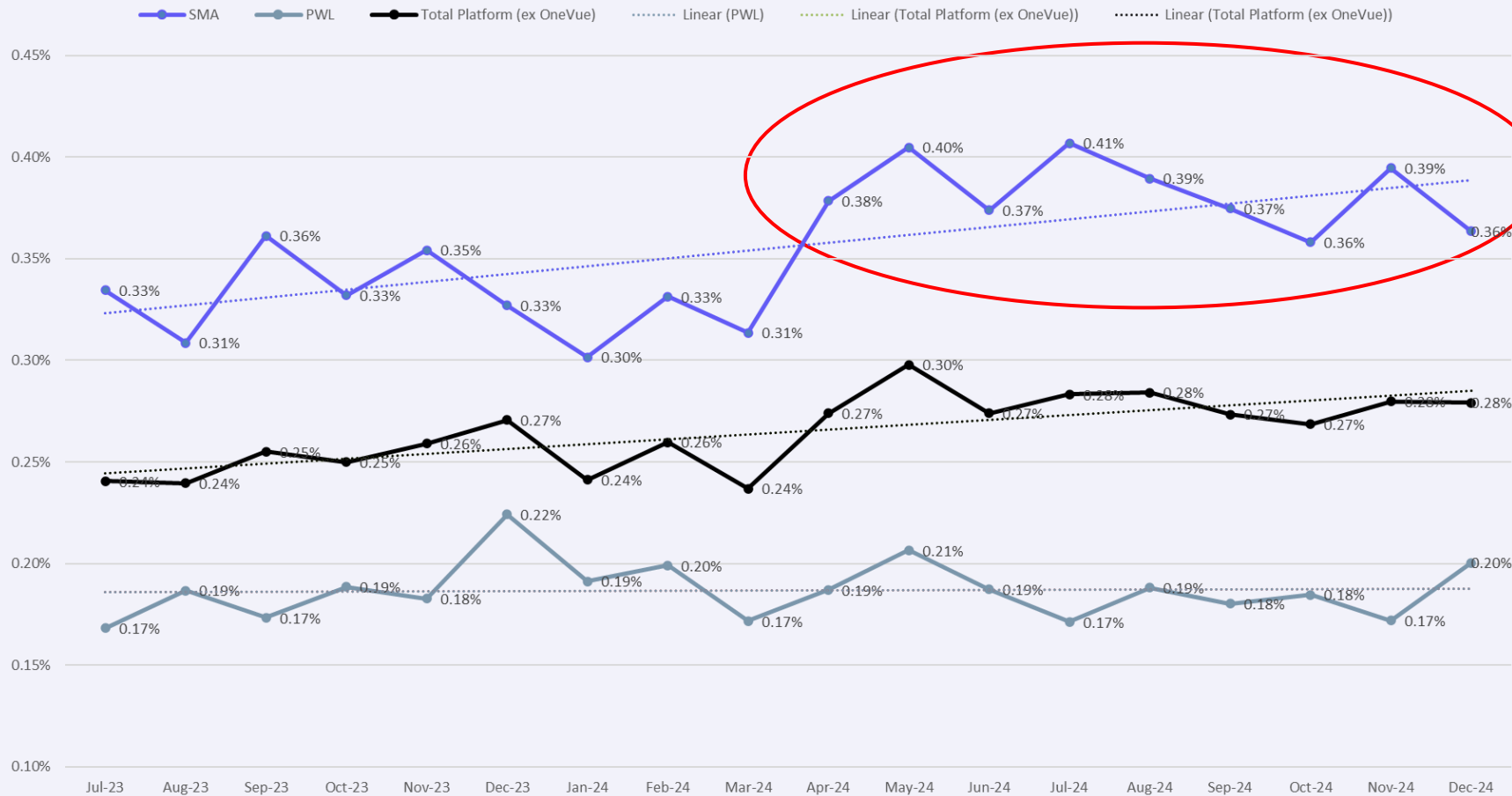
Group results ex OneVue

Group results \$m (ex OneVue)	1H25	2H24	\$ change	% change	1H24	\$ change	% change
Platform	35.0	31.3	3.7	12	28.5	6.5	23
Portfolio services	10.5	10.5	-	-	10.0	0.5	5
Revenue	45.5	41.8	3.7	12	38.5	7.0	18
Expense recovery	1.7	2.4	(0.8)	(31)	1.4	0.3	19
Direct costs	(5.4)	(4.7)	(0.8)	(17)	(4.1)	(1.4)	(34)
Gross Profit	41.7	39.5	2.2	6	35.8	5.9	17
Cost of Operations	(8.8)	(8.8)	-	-	(9.0)	0.2	2
Information Technology	(8.3)	(7.1)	(1.2)	(17)	(6.5)	(1.7)	(27)
Sales & Marketing	(6.1)	(5.8)	(0.4)	(6)	(6.3)	0.2	3
General & Admin (incl corp)	(5.2)	(5.1)	(0.2)	(3)	(5.0)	(0.2)	(5)
Expenses	(28.5)	(26.7)	(1.8)	(7)	(26.8)	(1.7)	(6)
EBITDA (underlying) ex OneVue	13.3	12.8	0.4	3	9.0	4.3	48
OneVue EBITDA (underlying)	(0.5)	(0.3)	(0.2)	(55)	-	(0.5)	-
Group EBITDA (underlying)	12.9	12.5	0.3	2	9.0	3.9	43

- ▶ Platform – improved margins via repricing and increased FUA (flow + market)
- ▶ Portfolio services – organic growth offset by client rationalisation, repricing tailwind 2H25
- ▶ IT – ongoing investments in capability, resilience and agility
- ▶ Spectrum launch – ~\$0.8m incremental across IT, marketing and general costs
- ▶ OneVue – run rate from 2H24, transition to Praemium solutions will deliver synergies and accretion FY26

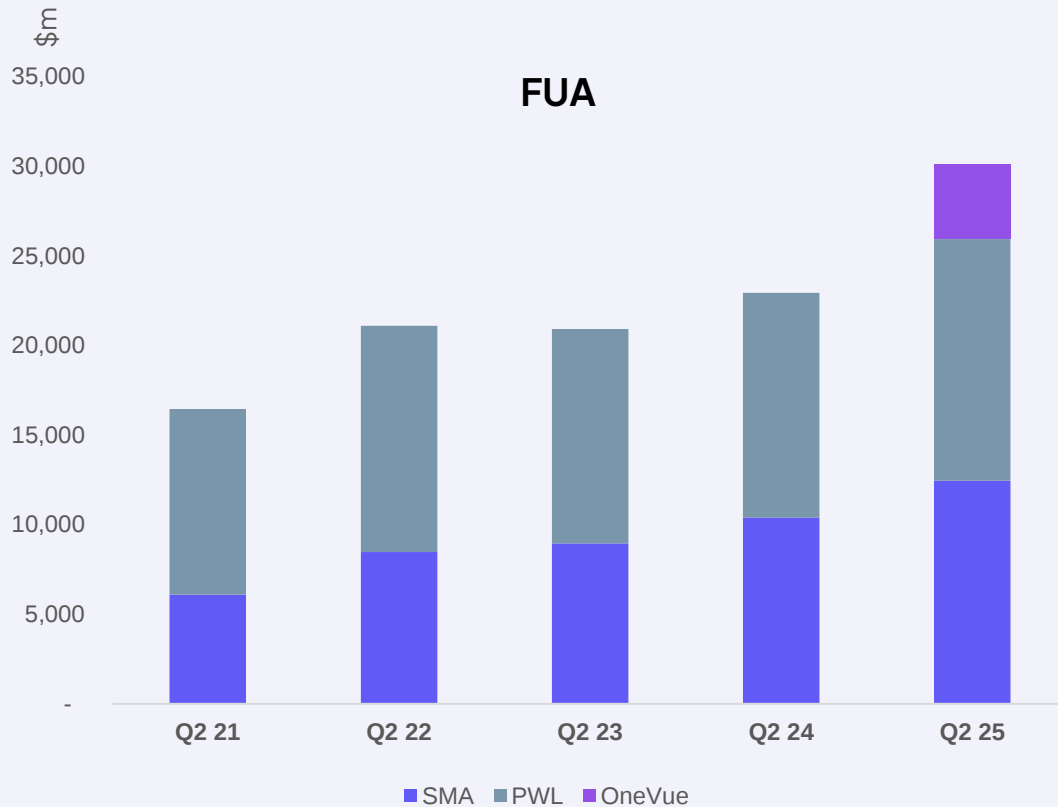
Platform revenue margins elevated by SMA repricing

Revenue Margins by Platform



OneVue margin for the current half was 28 bps cf ex OneVue average of 28 bps

Net flows and FUA custody



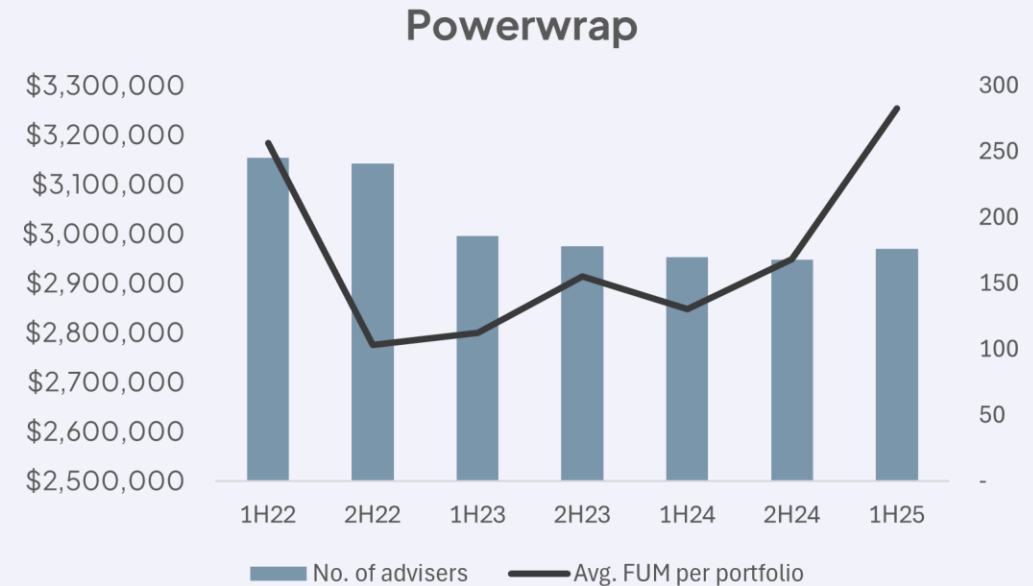
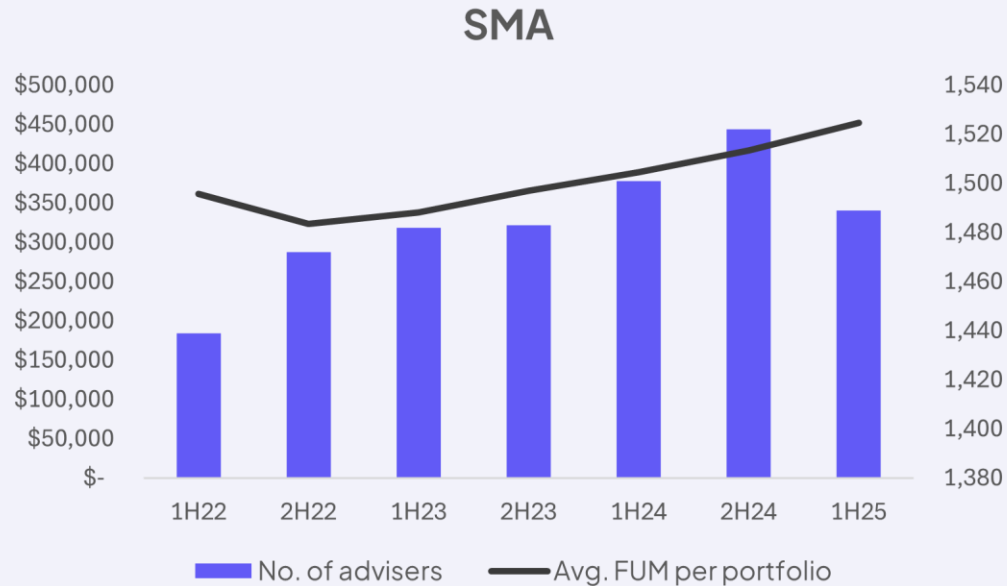
FUA (DEC 24 V DEC 23) \$30.2b – up 32%

- ▶ SMA \$12.5b – **up 20%**
- ▶ Powerwrap \$13.5b – **up 8%**
- ▶ OneVue \$4.2b – acquired April 24
- ▶ Spectrum \$72m – launched Oct 24
- ▶ **20% SMA FUA CAGR 5 years to Dec 24**

NET FLOWS HY25 \$510m – up \$479m

- ▶ SMA \$426m net inflow
- ▶ Powerwrap \$18m net inflow
- ▶ OneVue \$3m net outflow
- ▶ Spectrum \$69m net inflow
- ▶ Market movement \$1,621m increase

Platform portfolios and revenue



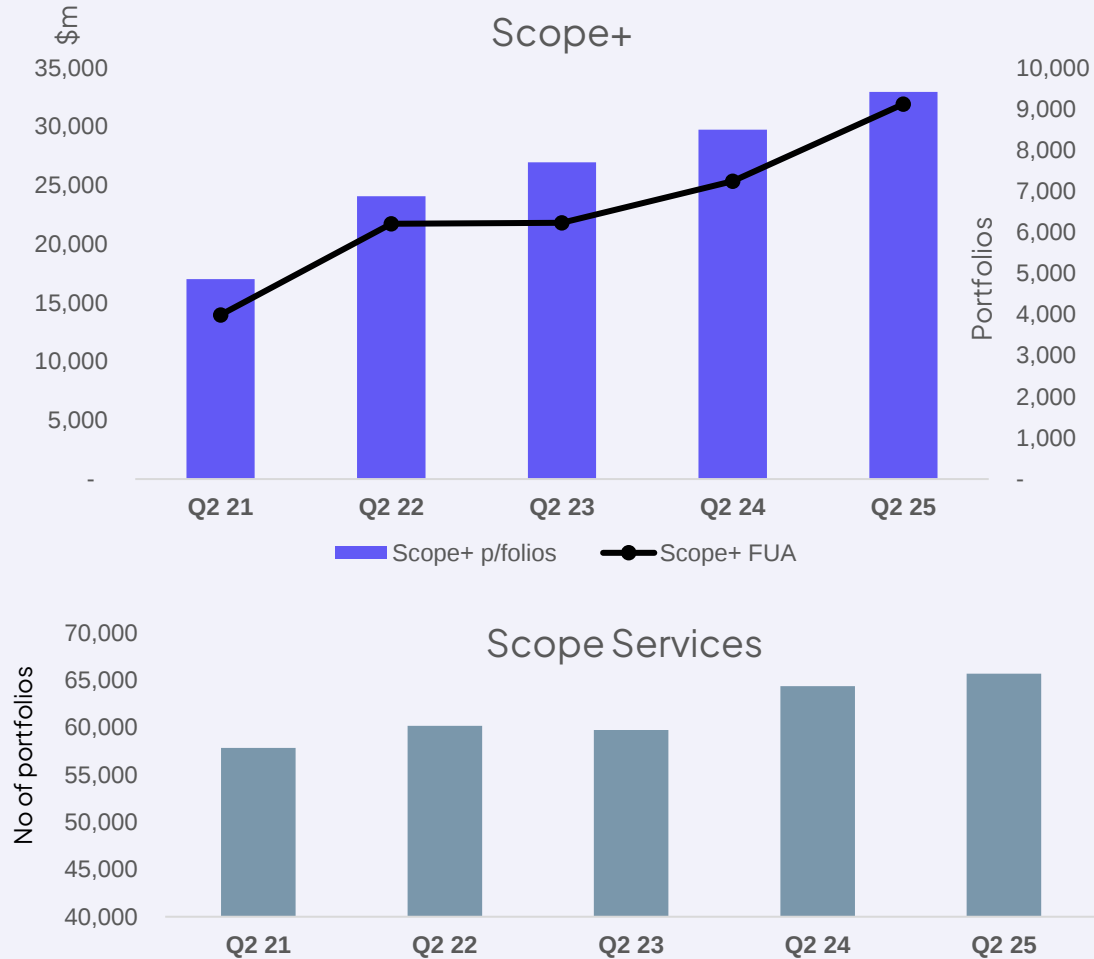
Average revenue per portfolio (average portfolio #)

- ▶ 1H 24 \$628 (26,527)
- ▶ 2H 24 \$704 (26,954)
- ▶ 1H 25 \$839 (27,253)

- ▶ 1H 24 \$2,673 (4,357)
- ▶ 2H 24 \$2,815 (4,350)
- ▶ 1H 25 \$2,781 (4,221)

Net flows and FUA

non-custody



- ▶ **Reinvigorated growth** in non-custodial services with 12 new client firms signed.
- ▶ Scope 65,706, up from 64,384.
- ▶ Scope+ 9,416, up from 8,493.
- ▶ Scope+ FUA \$31.9b – up 26%.
- ▶ Pipeline remains strong with continued engagement and success with stockbroking clients.
- ▶ Acquisition focused.

Cashflow

Cashflow (\$m)	HY25	HY24
Operating cashflow	10.8	4.9
Tax paid	(3.4)	2.6
One-off costs	(2.2)	(0.7)
Net operating cashflow	5.2	6.8
Intangible capex	(3.7)	(3.9)
Equipment capex	(0.2)	(0.2)
Investments	(0.6)	(0.1)
Net investing cashflow	(4.4)	(4.2)
Dividends paid	(4.8)	-
Share buy-back	(2.7)	(7.5)
Other items	(0.3)	(0.3)
Net financing cashflow	(7.8)	(7.8)
Net cash movement	(7.0)	(5.2)
Opening cash	44.3	46.3
Unrealised FX	-	(0.1)
Closing cash	37.3	41.0

- ▶ Operating cashflow below EBITDA due to working capital and share plan deployment in a growth business
- ▶ PAYG income tax returned to conventional cadence following HY24 divestment loss refund
- ▶ One-off costs largely OneVue transition
- ▶ R&D capex of \$3.7m, broadly in line with HY24, substantially directed to Spectrum development
- ▶ Financing cashflow represents solid return to shareholders

Balance Sheet

Balance Sheet (\$m)	Dec-24	Jun-24
Cash	37.3	44.3
Receivables	12.1	10.8
Financial assets	2.5	2.3
Intangibles	69.7	68.8
Other assets	8.6	8.3
Assets	130.2	134.6
Tax liabilities	1.3	2.5
Other liabilities	21.0	22.9
Liabilities	22.2	25.4
Net Assets	108.0	109.1

- ▶ Strong balance sheet available to fund future growth
- ▶ Group regulatory cash requirement remains \$20m, including OneVue
- ▶ Focus on license rationalisation FY26

OneVue

one-off costs

Acquisition

- ▶ \$1.8m total (\$1.5m forecast at deal stage)
 - ▶ 1H25: \$0.1m
 - ▶ 2H24 \$1.7m
- ▶ Largely advisory and legal
- ▶ Slightly over forecast on legal drafting and PPA
- ▶ No further costs to be incurred

Integration

- ▶ \$2.3m total (\$4.0m forecast at deal stage)
 - ▶ 1H25: \$1.4m
 - ▶ 2H24: \$0.9m
- ▶ Largely TSA and contractor project management
- ▶ Expected to track to forecast

Strategy

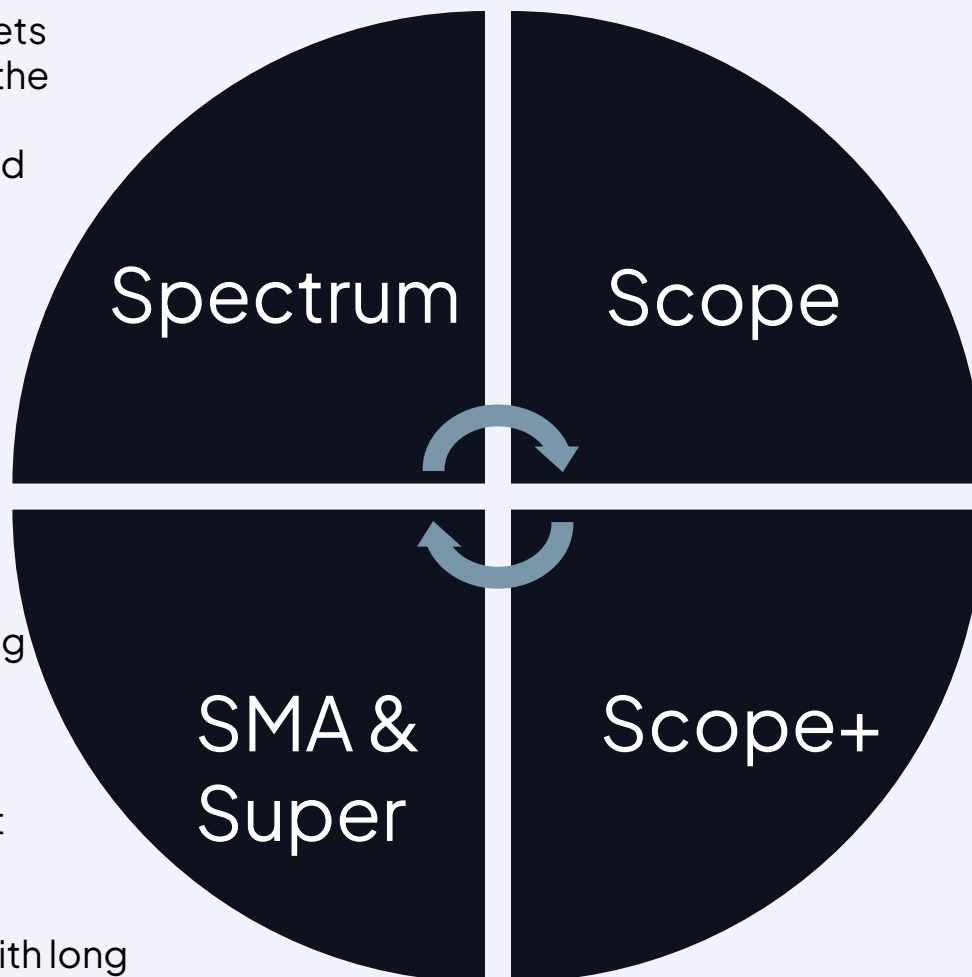


Growing market share in our core markets



Comprehensive market-leading solutions in HNW advice

- ▶ Largest choice of alternative assets supporting growing demand for the asset class. StroPro partnership supporting demand for structured products
- ▶ Market-leading solution for holistic and sophisticated wealth management
- ▶ Continued enhancements to meet the needs of HNW advice
- ▶ Super remains strong and growing market
- ▶ Continued focus on supporting efficient advice and quality client engagement
- ▶ 20 years in managed accounts with long client tenure of growing businesses



- ▶ No.1 platform for non-custody investments
- ▶ Reporting uplift to support greater efficiencies for clients
- ▶ Repricing roll out underway
- ▶ Expected growth in non-custody market to drive ongoing growth
- ▶ Trend towards outsourcing administration to concentrate on high-touch service
- ▶ Consistent and steady growth in FUA
- ▶ Strong pipeline

Strategic focus and outlook

- ▶ Realise the potential of Spectrum, Scope and Scope+ as the best overall platform and administration solution for HNW advice
- ▶ Further develop our leadership position in alternative assets
- ▶ Realise the financial benefit of the Scope repricing
- ▶ Complete the full integration of OneVue
- ▶ Target greater scale to allow both ongoing investment in the development of technology and a gradual increase in profit margin



Q&A

Appendices

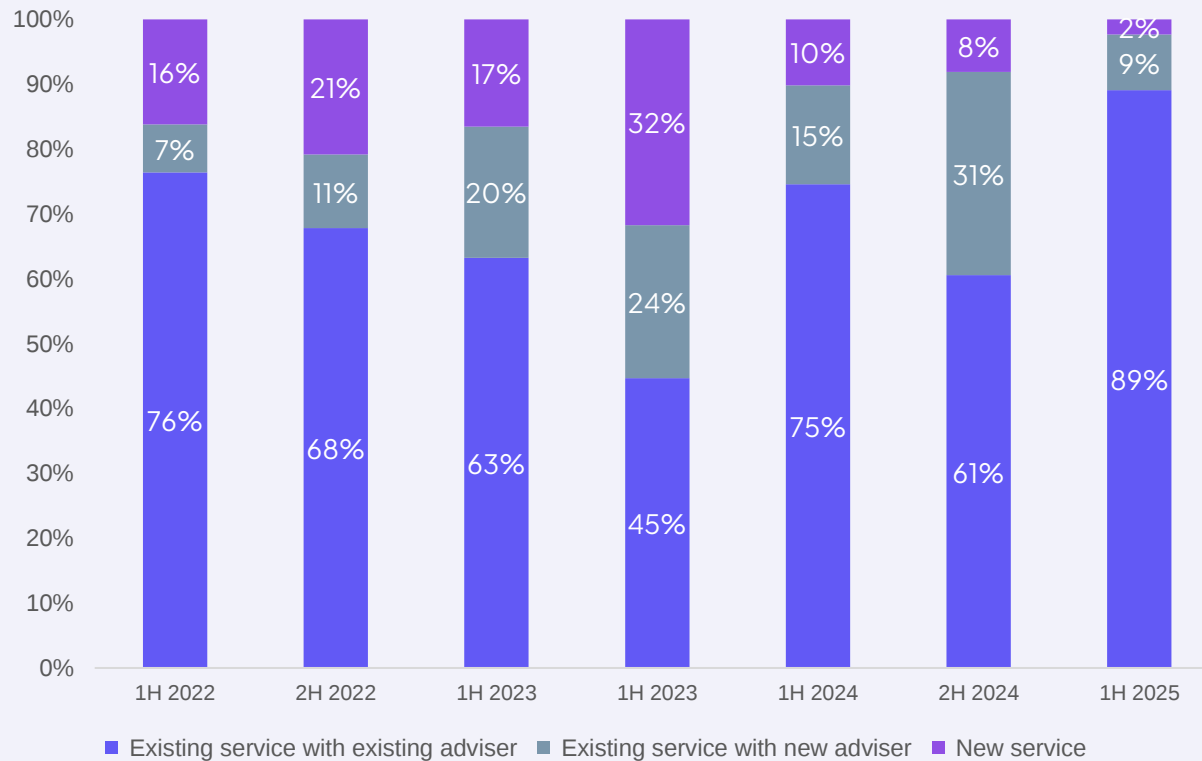
Group result – reconciliation to OneVue contribution

Group results \$m	1H25 (ex OneVue)	1H25 OneVue	1H25 Group	2H24 (ex OneVue)	2H24 OneVue	2H24 Group
Platform	35.0	5.9	40.9	31.3	2.4	33.7
Portfolio services	10.5	-	10.5	10.5	-	10.5
Revenue	45.5	5.9	51.4	41.8	2.4	44.2
Expense recovery	1.7	-	1.7	2.4	-	2.4
Direct costs	(5.4)	(1.9)	(7.3)	(4.7)	(0.8)	(5.4)
Gross Profit	41.7	4.0	45.7	39.5	1.6	41.2
Cost of Operations	(8.8)	(2.1)	(10.9)	(8.7)	(1.2)	(9.9)
Information Technology	(8.3)	(1.3)	(9.6)	(7.1)	(0.4)	(7.5)
Sales & Marketing	(6.1)	(0.4)	(6.6)	(5.8)	-	(5.8)
General & Admin (incl corp)	(5.2)	(0.6)	(5.8)	(5.1)	(0.3)	(5.4)
Expenses	(28.5)	(4.4)	(32.9)	(26.7)	(1.9)	(28.7)
EBITDA (underlying)	13.3	(0.5)	12.9	12.8	(0.3)	12.5
EBITDA %	29.1%	-7.7%	25.0%	30.7%	-12.0%	28.4%
Share schemes	(0.8)	-	(0.8)	(1.1)	-	(1.1)
D&A	(3.2)	(0.2)	(3.4)	(2.9)	(0.1)	(3.0)
EBIT	9.3	(0.6)	8.6	8.8	(0.4)	8.5
Acquisition & restructure	(2.2)	-	(2.2)	(3.3)	-	(3.3)
Interest & other	0.9	0.2	1.1	1.0	-	1.0
NPBT	8.0	(0.5)	7.5	6.6	(0.4)	6.2
Tax	(1.9)	0.2	(1.7)	(1.8)	0.4	(1.4)
NPAT	6.1	(0.3)	5.8	4.8	-	4.8

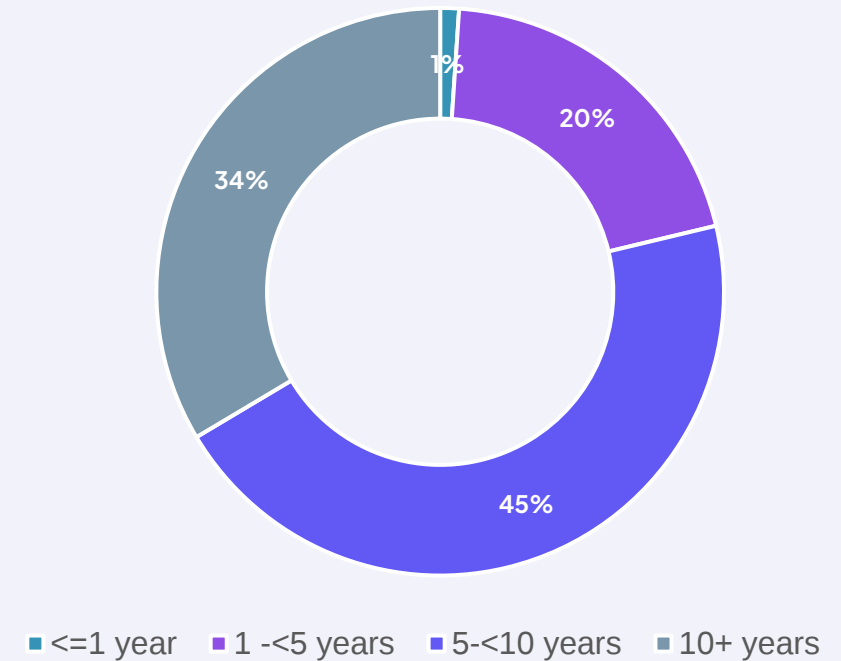
Strong partners

Spectrum will boost pipeline

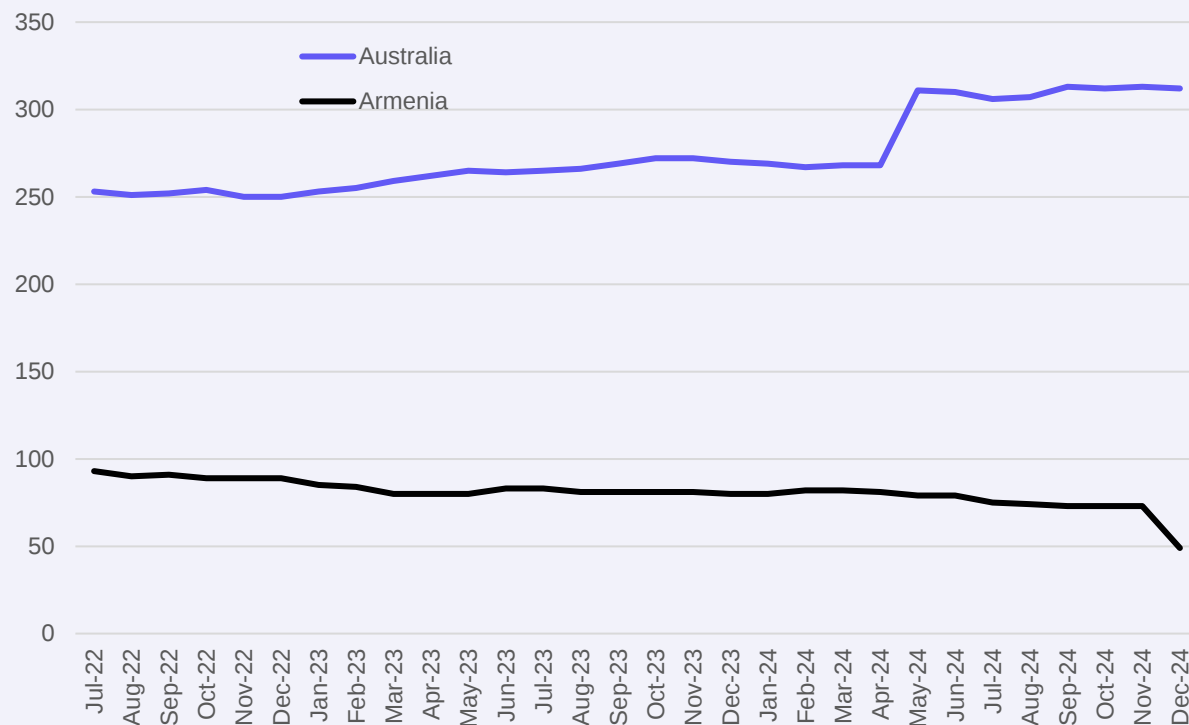
SMA Half Yearly Netflow Analysis



FUA by adviser length of tenure



FTE by Geography



► FTE totals

- » Dec 22: 347 (Aus 253)
- » Jun 23: 347 (Aus 264)
- » Dec 23: 349 (Aus 269)
- » Jun 24: 377 (Aus 261, OV 41)
- » Dec 24: 360 (Aus 273, OV 38)«

► Higher average FTE v pcp

- » Group Dec 24: 374 v Dec 23: 350«

► FTE Dec 24 by geography

- » Aus: 164 Ops, 80 IT, 36 S&M, 31 Corp
- » Arm: 45 IT, 4 Corp