

FY 2023 HALF-YEAR RESULTS

INVESTOR PRESENTATION

Indy Singh – Executive Chairman, Fiducian Group

Rahul Guha – Executive Chairman, Fiducian Services

Sydney, 13 February 2023



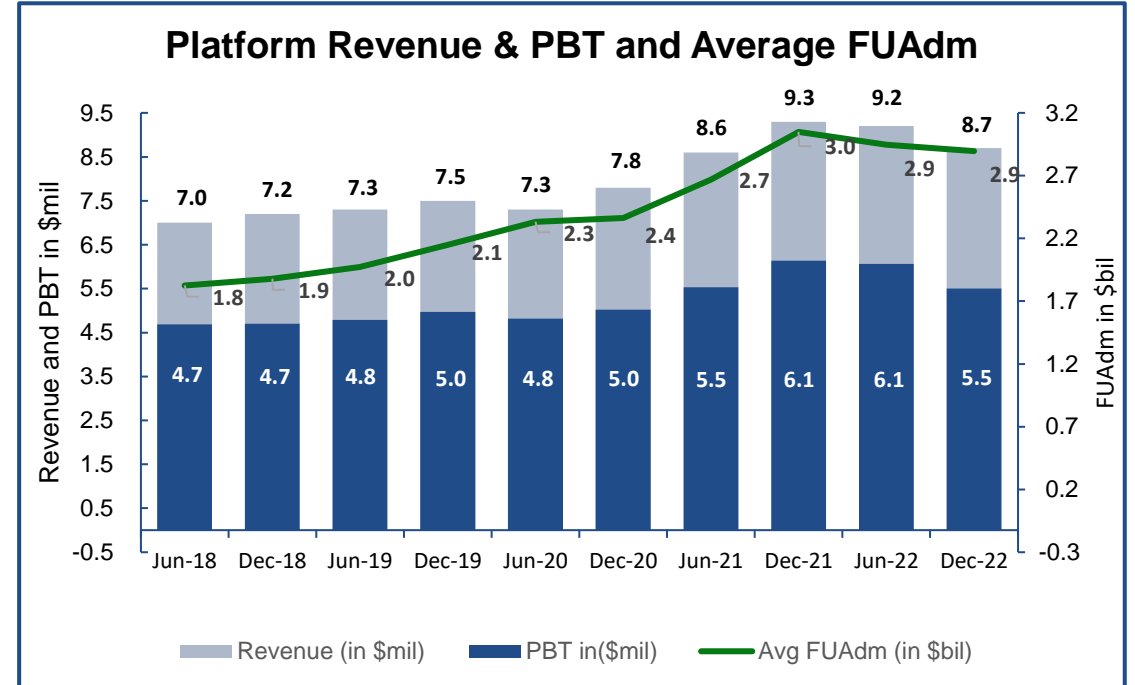
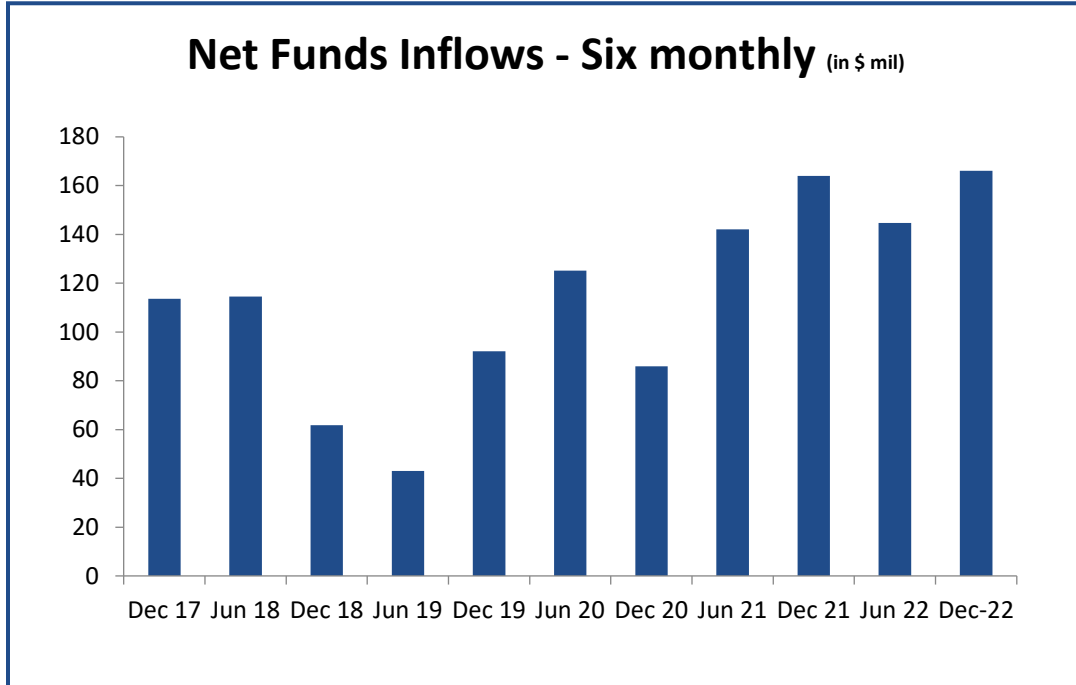
FIDUCIAN
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FY2023 Half Year Update

- Business Overview
- Financials
- Key Dates and Contacts



- **Net Inflows \$166 million** in first half
- Almost 100% of new Inflows are invested through Fiducian platform and in Fiducian multi-manager funds
- Funds Under Administration (FUAdm):
 - \$2,949 million as at December 2021
 - \$2,969 million as at December 2022
 - \$3,104 million as at January 2023, an increase of 5% over December 2022
 - **Contributing to additional annualised revenue of \$0.4 million**
- New product **Auxilium** launched
 - Low-cost value proposition with the objective of disrupting the disruptor platforms through in-house technology
 - Strong momentum in distribution and relationship building – industry approximately 10,000 Authorised Representative (AR). 85 ARs registered already and 16 ARs currently completing documentation, totalling 101 ARs (first phase target 500 ARs)
 - **FUAdm \$134 million from Independent Financial Advisers including in badged products**
- Advanced leading-edge technology platform linked to financial planning software
- Extensive investment menu comprising Managed Funds, Managed Accounts and Term Deposits tailored to financial adviser and client demands



- **PBT Margins 64% of Gross Revenue**
- Both Salaried and Franchised networks contributing to the Net Inflows
- Combination of organic flows from active referrals and inorganic flows from strategic acquisitions

FY2023 Half-Year: Funds Management

- Launched **Deep Green** SMA to capture ESG market
- Funds Under Management (FUM):
 - \$4,066 million as at December 2021
 - \$4,083 million as at December 2022
 - \$4,225 million as at January 2023, an increase of 3% over December 2022
 - **Contributing to additional annualised revenue of \$0.6 million**
- Over 20 years, the four Fiducian diversified funds ranked in the top decile to quartile in **55 out of 64** readings against up to **185** fund managers on Morningstar survey
- Comprehensive manage-the-manager offerings



Sector Funds	Diversified Funds	Specialist Funds	Managed Portfolios
Australian Shares	Capital Stable	India	Imputation
International Shares	Balanced	Technology	Growth
Property Securities	Growth	Capital Safe	Emerging Leaders
Australian Smaller Companies	Ultra Growth	Geared Australian Shares	Property Securities
		Diversified Social Aspirations	Deep Green
		Global Smaller Companies & Emerging Markets	

- **Consistently superior results** against the world's best fund managers in the Australian market over long term

Fiducian Funds	3-years return (ranking) p.a.		5-years return (ranking) p.a.		7-years return (ranking) p.a.		10-years return (ranking) p.a.	
Capital Stable	0.6%	33/102	2.5%	19/95	3.3%	17/89	4.5%	9/85
Balanced	2.7%	55/168	4.9%	31/160	6.1%	20/151	8.0%	7/144
Growth	3.3%	29/168	5.5%	11/160	6.9%	4/151	9.0%	2/144
Ultra Growth	3.0%	83/125	4.8%	72/120	6.8%	41/108	9.7%	9/100
Other specialist MTM funds								
Technology	0.4%		7.0%		9.2%		16.8%	
India	11.9%		4.8%		8.9%		14.5%	

**Source: Morningstar Direct December 2022*

Past performance is not a reliable indicator of future performance and Fiducian does not guarantee the performance of the Funds or any specific rate of return.

2020 Money Management Fund Manager of the Year

Finalist: Fiducian Balanced Fund (Multi Asset – Balanced)

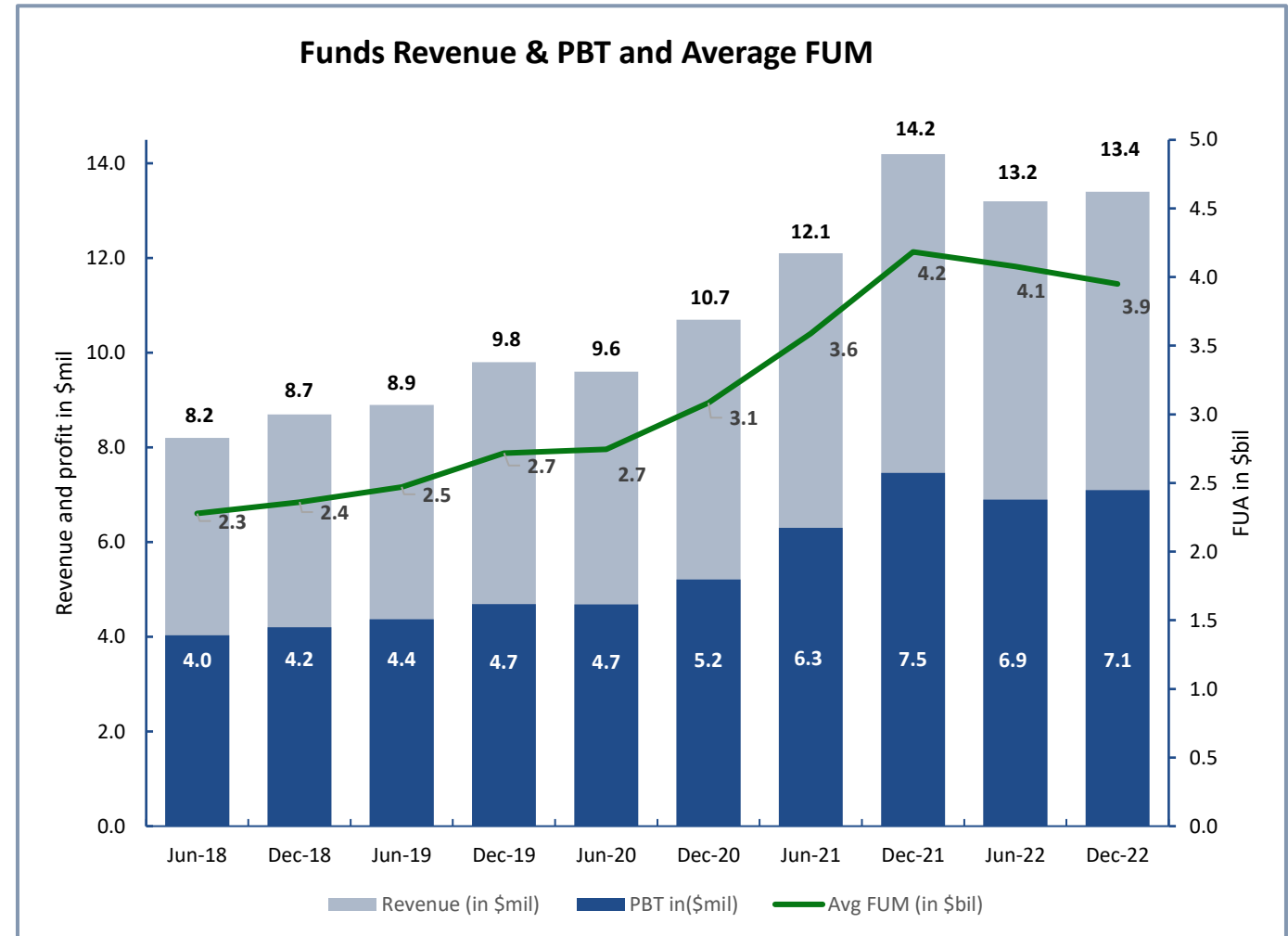
2017 FundSource Awards – International Equity Sector

Winner: **Fiducian Funds management** - Technology Fund

Finalist: **Fiducian Funds management** - India Fund

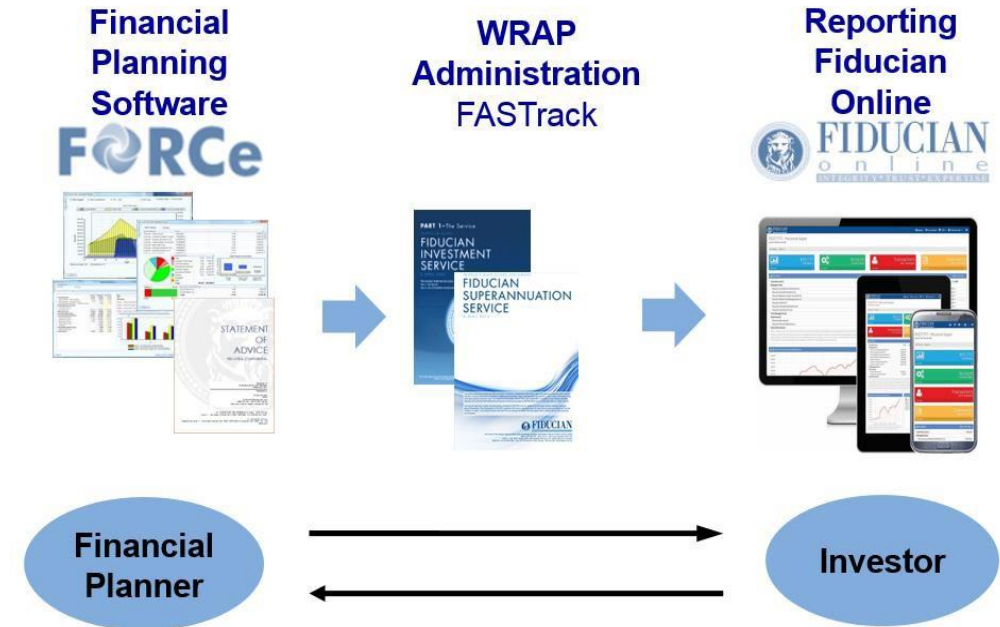


- Fiducian fund fees are similar to other single manager funds fees
- Added benefits for clients are access to multiple managers whose fees are paid by Fiducian through the relevant Fiducian Funds
- Underlying fund manager fees scale down as volumes increase and therefore Fiducian margins increase
- **New Zealand** distribution continues through webinars and electronic direct marketing to financial advisers
- **PBT margins 53% of Gross Revenue**



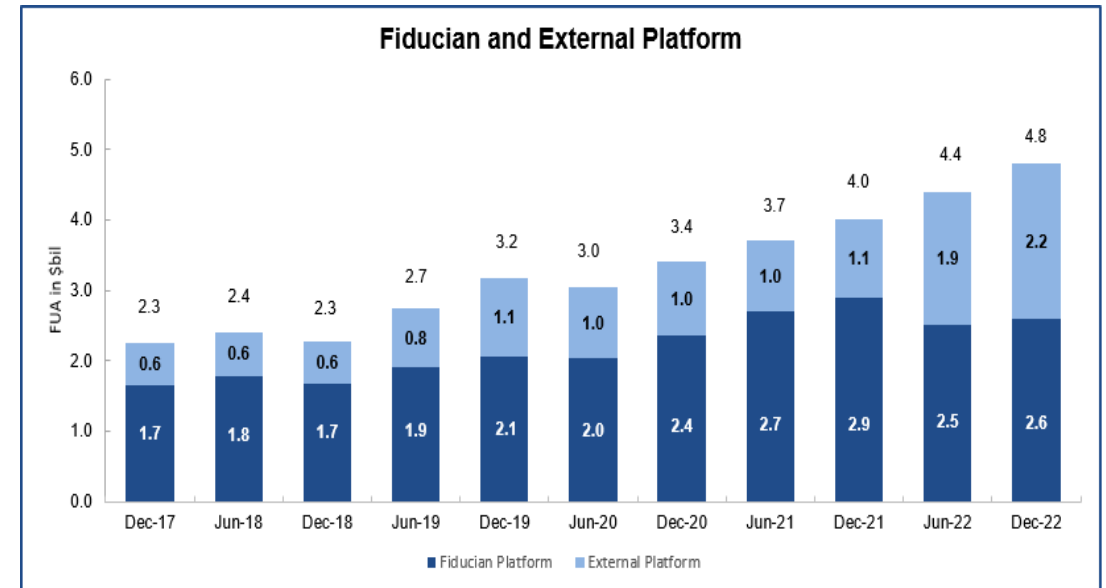
FinTech Capabilities

- Proven and time tested Fintech capabilities underpin Fiducian's successful business model
- Market leading in-house systems:
 - **'Fastrack'** Platform Administration System
 - **'FORCe'** Adviser driven Financial Planning Software
 - **'Fiducian Online'** Holistic Client reporting
- Internal development team facilitated quick release of Auxilium to market
- Promotion of FORCe to external dealer groups and Software as a Service (SaaS) external offering now begun

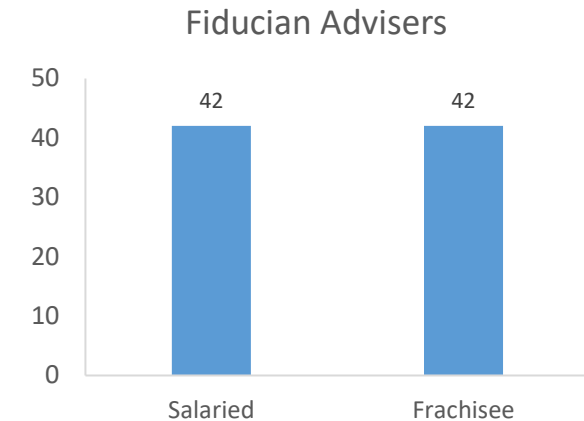


FY2023 Half-Year: Financial Planning

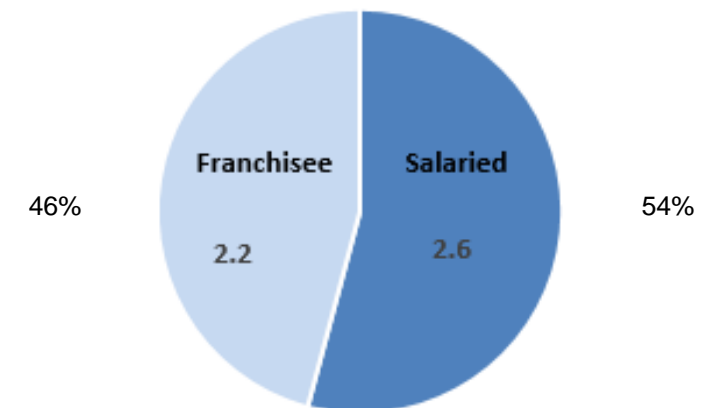
- **Enabler of steady flows** to Funds and Platform
- **4** new offices opened in South Australia (Adelaide, Modbury, Glenelg and Blackwood) and **1** in Darwin – offices in all States now
- Financial Advisers numbers **increased from 66 to 84**
- In addition, **5** new franchised Financial Advisers are progressing to induction and training (WA: Parkside; NSW: Illawara, Sutherland, Ultimo; NT: Darwin)
- Inflow targets being raised to \$4-6 million for each Financial Adviser
- Practice Development Managers increased from 4 to 6 for supervision and support for increased Inflows



- Funds Under Advice (FUA):
 - \$3,892 million as at December 2021
 - \$4,798 million as at December 2022 (includes PCCU acquisition \$791 million)
 - \$4,955 million as at January 2023, an increase of 3% over December 2022
 - **Contributing to additional annualised revenue of \$0.2 million**
- \$2,218 million in external platforms – work underway to transition to proven & successful compliant Fiducian process where in clients' best interest



FUA Distribution - Dec 2022 (in \$bil)

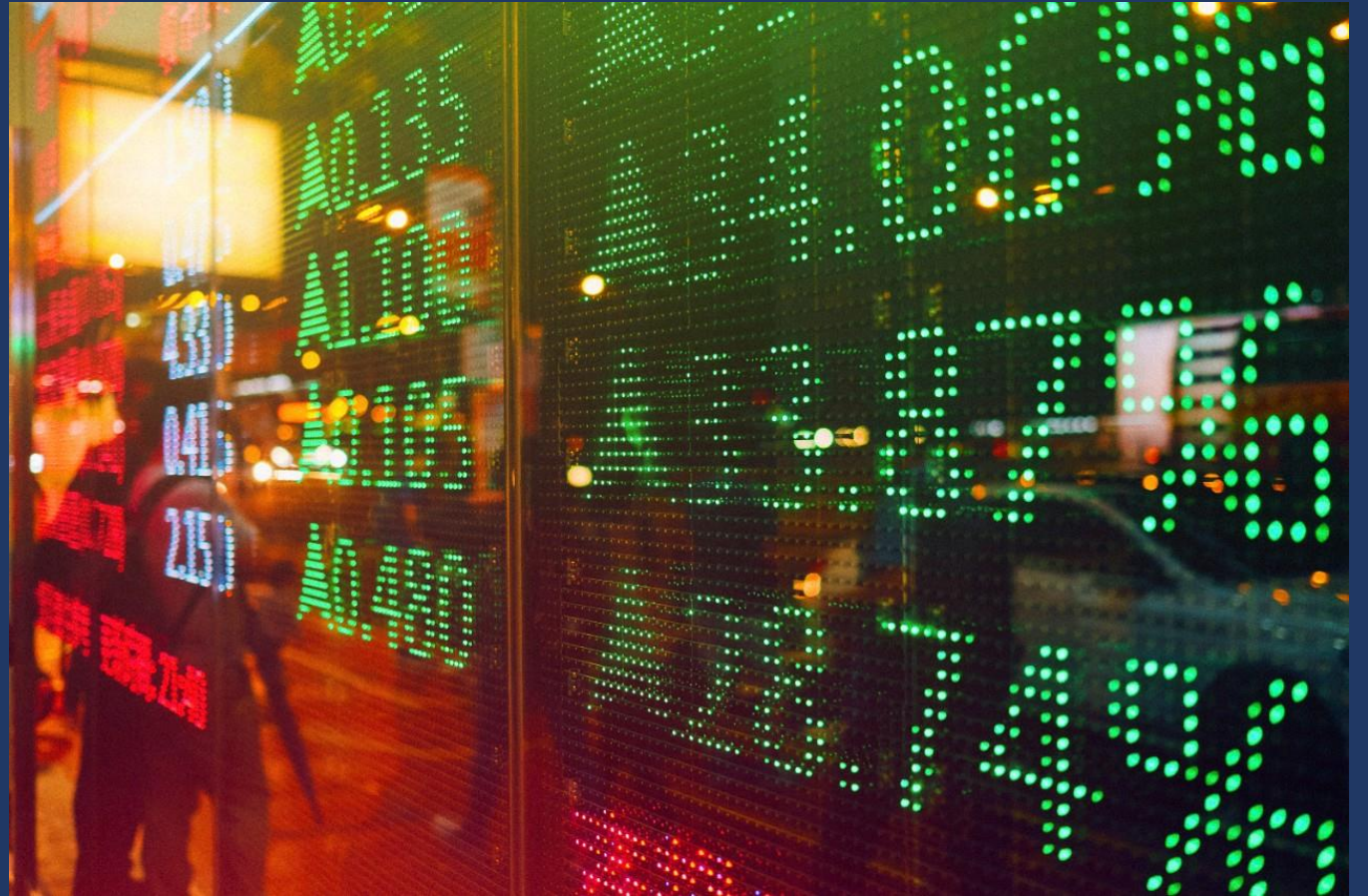


Acquisition of Financial Planning Business of People's Choice Credit Union (PCCU)

- **41 staff including 16 planners** joined Fiducian on 1 February 2022
- Introduced the Fiducian way and process, restructured operations and stabilised our acquisition
- **Transitioning over 3,500 clients** to the Fiducian processes took longer than anticipated while we completed the required actions to ensure regulatory compliance
- Approximately 22% of acquired client revenue did not opt-in to the Fiducian process, mainly being clients serviced by advisers who did not join Fiducian, something not unexpected
- Net revenue \$5.4 million (annualised) from the PCCU acquisition has been lower than anticipated due to a market driven decline in funds under advice and client losses with \$791 million in current FUA
- Original contract was \$13.2 million – likely final payment is \$11.0 million including estimated deferred consideration of \$2.4 million
- All clients have been communicated with as high level of personalised service continues
- In addition, Fiducian has funded two smaller acquisitions totalling \$88 mil in FUA during the period

- Staff number increased to 181 to support business expansion
 - Transition staff from PCCU to support our new offices in South Australia and Darwin
 - Group HR Manager
 - Additional Practice Development Managers
 - IT Support
- Staff retention is key – increase of salary in July 2022 to match inflation
- Increased staff costs of \$2.8 million – expected to support high level of service resulting in client retention and business growth

Financials



FY 2023 Half-Year Financial Highlights

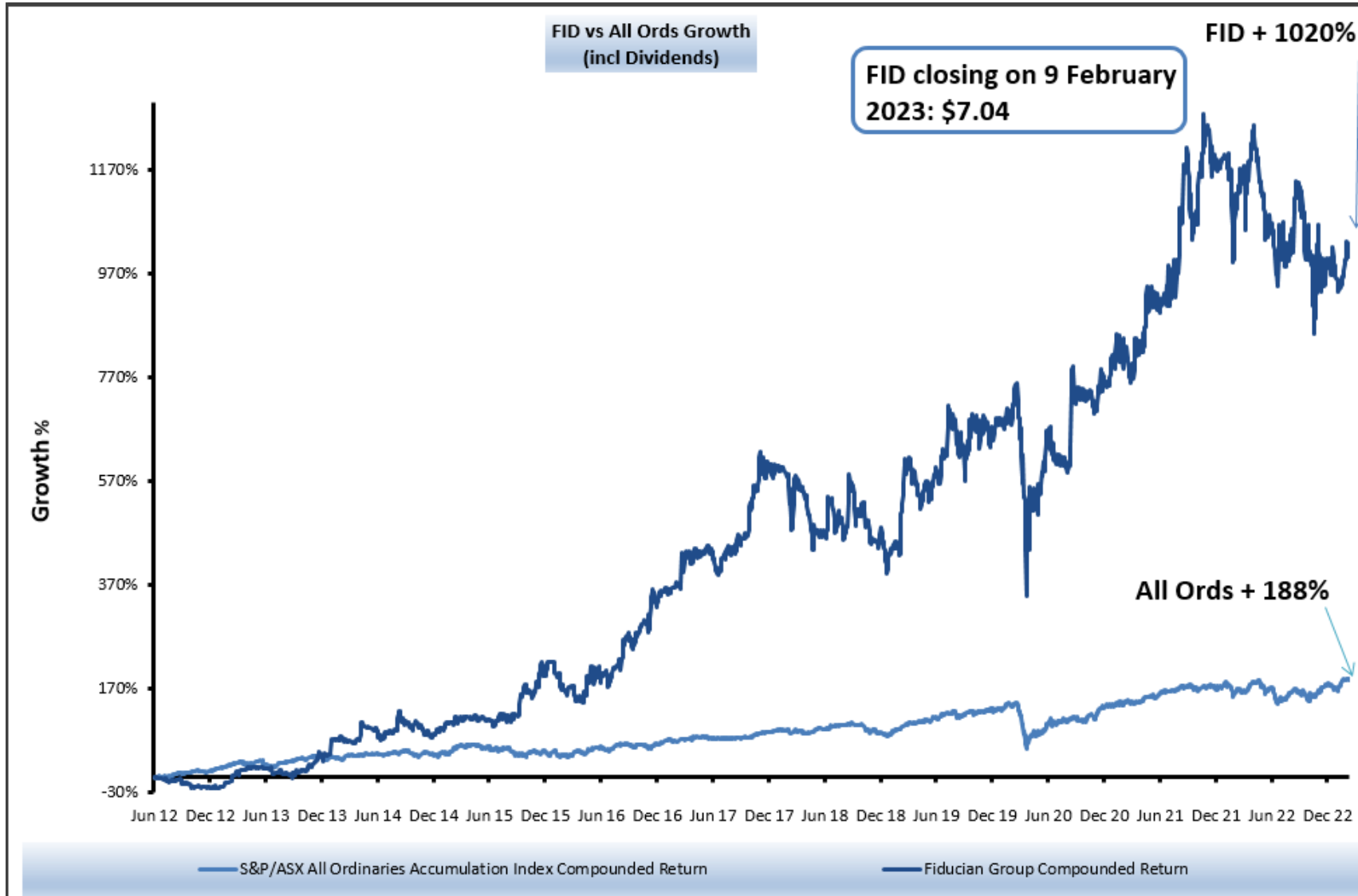


Financial highlights			
Half-year ending 31 December	2022	2021	% Change
	\$'000	\$'000	
Operating Revenue	35,438	33,991	4%
Fees and Charges paid	(8,916)	(9,365)	
Net Revenue	26,522	24,626	8%
Gross Margin	75%	72%	
Underlying EBITDA (including lease rents paid)	9,637	10,767	-10%
Underlying EBITDA Margin	27%	32%	
Depreciation	(183)	(140)	
Tax on underlying earnings	(2,431)	(2,919)	
Underlying NPAT (UNPAT)	7,023	7,708	-9%
Amortisation	(1,451)	(911)	
AASB 16 <i>Leases</i> adjustment impacts - Office Lease	(28)	(86)	
Statutory NPAT	5,544	6,711	-17%
Basic EPS based on UNPAT (In cents)	22.3	24.5	-9%
Basic EPS based on NPAT (in cents)	17.6	21.3	
Funds Under Management, Advice and Administration FUMAA (\$ in millions)	11,850	11,510	3%

Segment Reporting

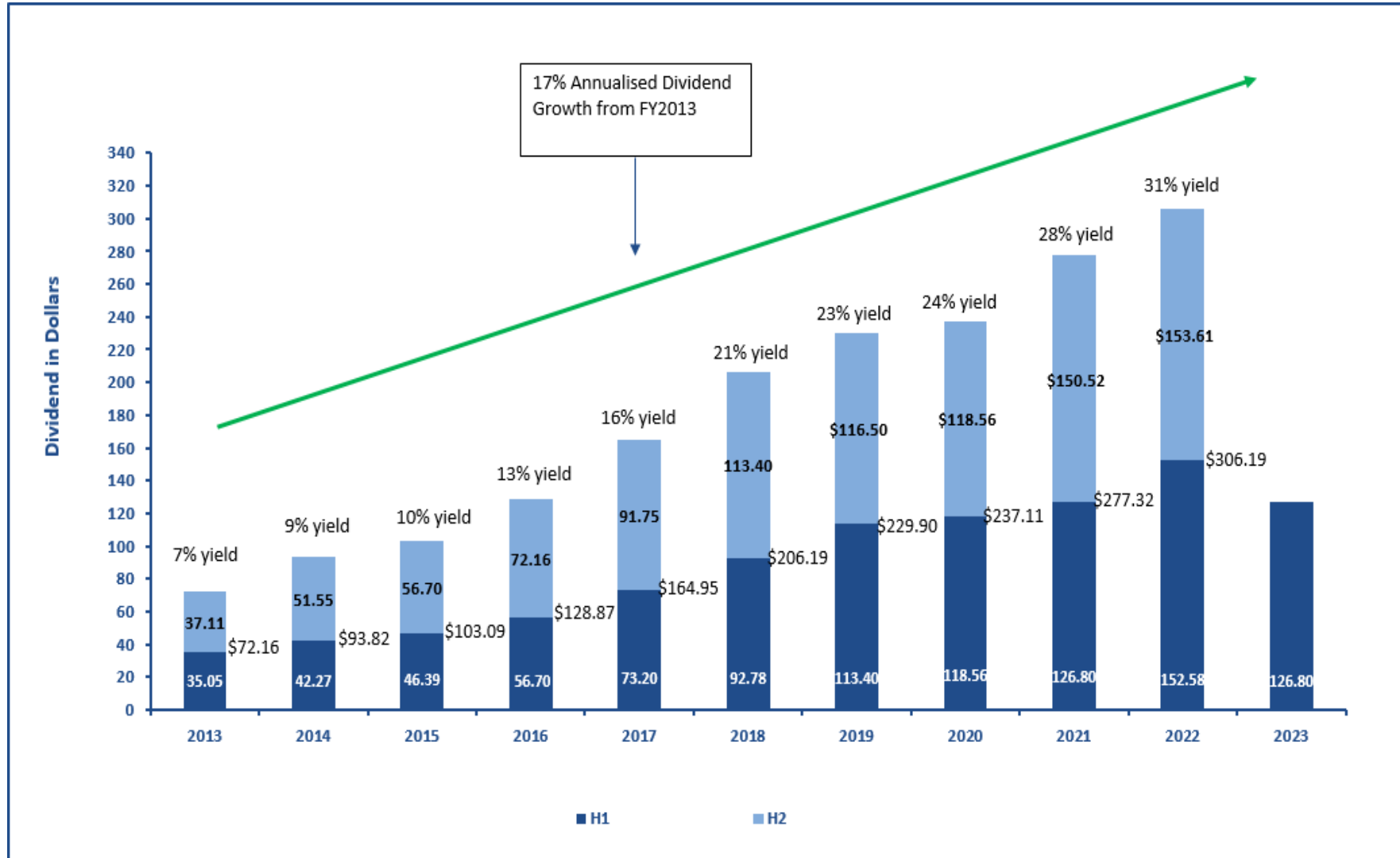
	Funds Management	Financial Planning	Platform Administration	Corporate Services	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000
Half-year 2022					
Revenue from external customers	13,393	12,477	8,680	-	34,550
Inter-segment sales	(3,136)	(1,200)	(2,200)	6,536	-
Other revenue	86	733	-	69	888
Total segment revenue	10,343	12,010	6,480	6,605	35,438
Profit from ordinary activities before income tax, depreciation and amortisation	7,093	233	5,556	(2,475)	10,408
Depreciation and amortisation					(2,445)
Profit from ordinary activities before income tax expense					7,963
Income tax expense					(2,419)
Profit from ordinary activities after income tax expense					5,544
Segment assets	10,784	46,746	3,084	8,342	68,956
Segment liabilities	6,718	12,690	-	1,561	20,970

FID outperformance against All Ords Accum Index



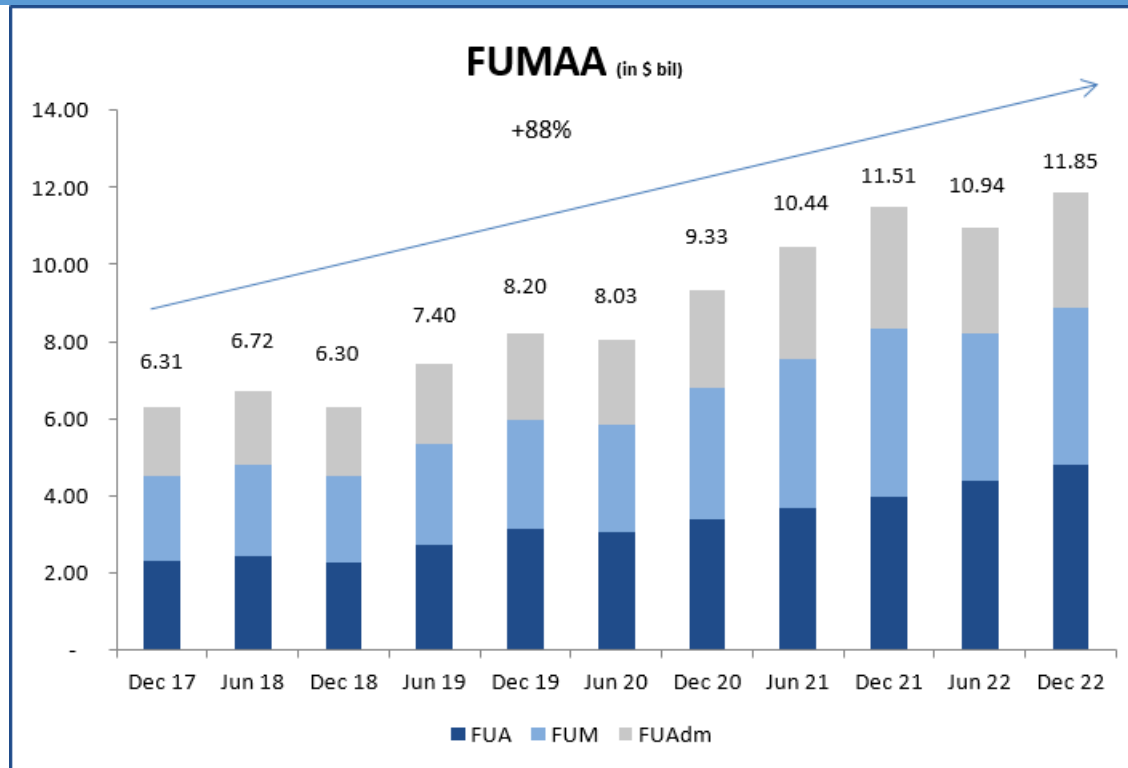
- Since Jun 12, FID has **outperformed All Ords by 832%** (including dividend)
- Dividend pay-out policy is 60-70% of Net Profit After Tax
- H1 2023 dividend is **12.30 cents**

Dividends – \$1,000 invested on 1 July 2012



- The graph shows that **\$1,000 invested** in FID on 1 July 2012 delivered a fully franked dividend of **\$126.80 in H1**
- **Double digit EPS growth (based on UNPAT)** in 17 out of 23 years since listing

Funds Under Management, Administration and Advice (FUMAA) Growth



FUMMA Closing Balance (in \$ bil)

Years	FUA	FUM	FUAdm	Total
Dec 17	2.31	2.21	1.79	6.31
Jun 18	2.41	2.37	1.94	6.72
Dec 18	2.27	2.22	1.82	6.30
Jun 19	2.74	2.60	2.06	7.40
Dec 19	3.14	2.83	2.23	8.20
Jun 20	3.05	2.79	2.19	8.03
Dec 20	3.40	3.38	2.55	9.33
Jun 21	3.67	3.89	2.88	10.44
Dec 21	3.98	4.36	3.17	11.51
Jun 22	4.39	3.80	2.75	10.94
Dec 22	4.80	4.08	2.97	11.85

- ✓ Consistent FUMAA growth from strong organic and inorganic inflows
- ✓ Increase in FUA as proportion of FUMAA reflects recent acquisition

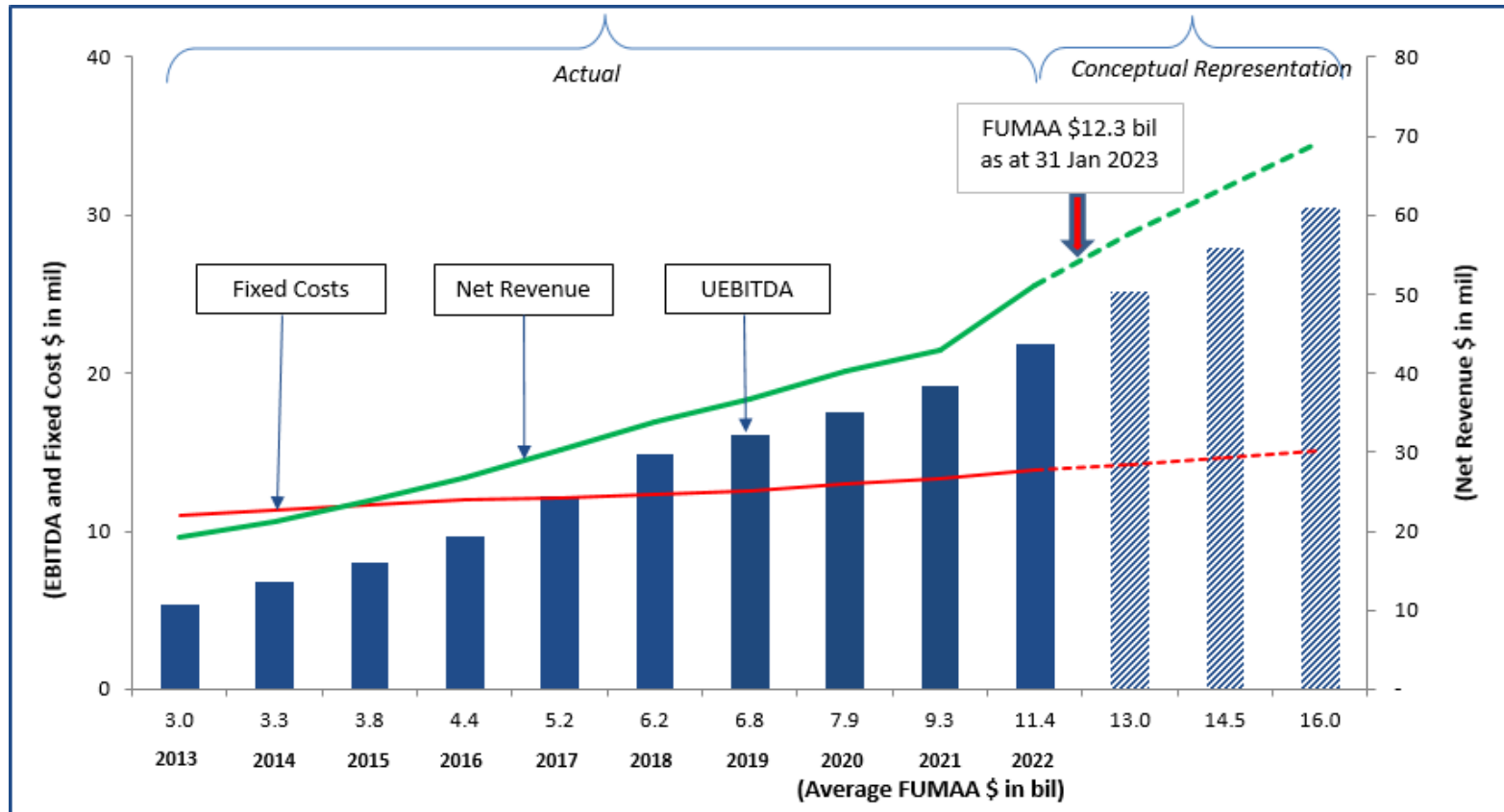
Explanatory Notes:

- FUA includes assets held in Fiducian and External platforms
- FUM includes cross holdings from diversified funds into sector/specialised funds. Excluding cross holdings, FUM is \$2,612 million
- FUAdm includes Aligned Fiducian Advisers \$2,726 million and IFAs / badges \$244 million

Projecting the Potential: Conceptual Representation

The following is a conceptual extrapolation* of how increasing **scale lifts EBITDA at an accelerating rate** above a relatively fixed cost base:

Funds under Management, Administration and Advice (FUMAA) & EBITDA



- This is simply extrapolating how revenue and EBITDA could grow and is not a forecast
- FUMAA balances are as at end of the Financial Year

- This is not a projection or a forward-looking statement, and should not be read or relied upon as such. This conceptual extrapolation may or may not be correct or accurate
- **Acquisition of PCCU could accelerate our journey along the green line**

Key Dates and Contacts

Retail Investor Presentation (Online)

- Time / Date: 12:30 to 1.30 pm AEST, Tuesday 14 February 2023
- Join-in details (Zoom): <https://zoom.us/j/94747551830?pwd=Z1ZZRIVCU2FRV25PYnZJKzVNaDU4QT09>
- Dial-in: +61 2 8015 6011 Meeting ID: 947 4755 1830 Passcode: 502234

Key Dates

- H1 Dividend Record Date: 27 February 2023, Payment Date: 13 March 2023
- Full year results announcement date: 14 August 2023
- Annual General Meeting (Hybrid) date: 19 October 2023

Contacts

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Information provided is current as at 31 December 2022 unless otherwise mentioned. Figures presented are subject to rounding. Prior period figures may have been restated where applicable to be on comparable basis with the current period.

The information was prepared on 10 February 2023.

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