

FY 2023 RESULTS

INVESTOR PRESENTATION

Indy Singh – Executive Chairman, Fiducian Group

Rahul Guha – Executive Chairman, Fiducian Services

Sydney, 14 August 2023



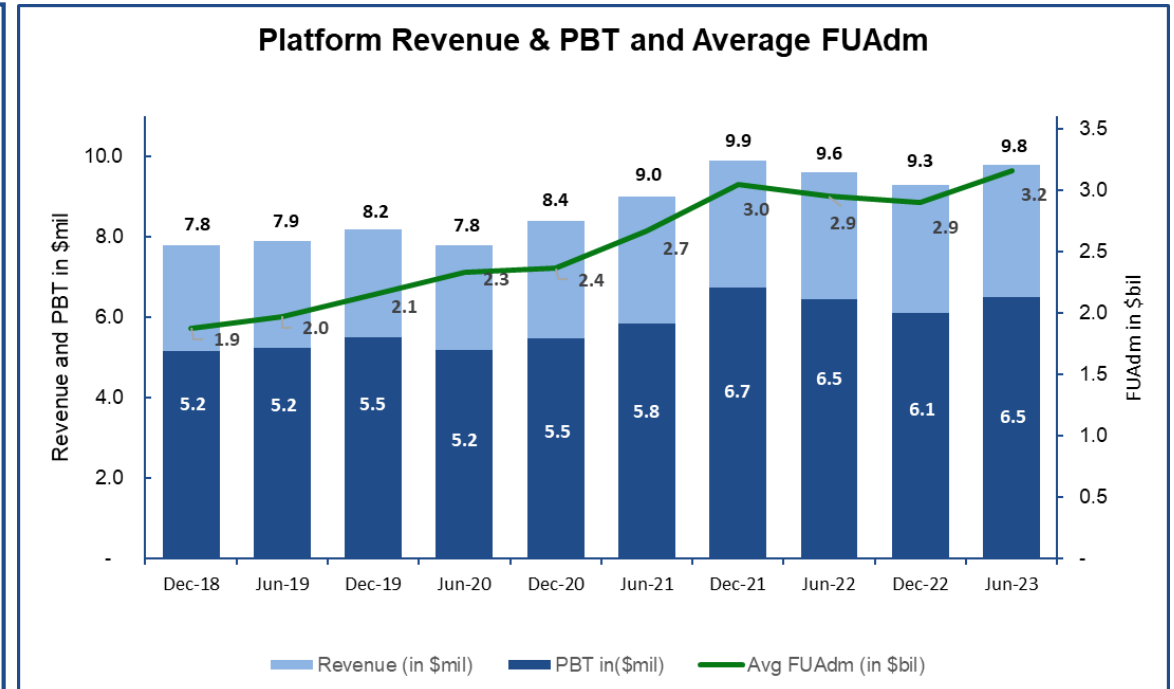
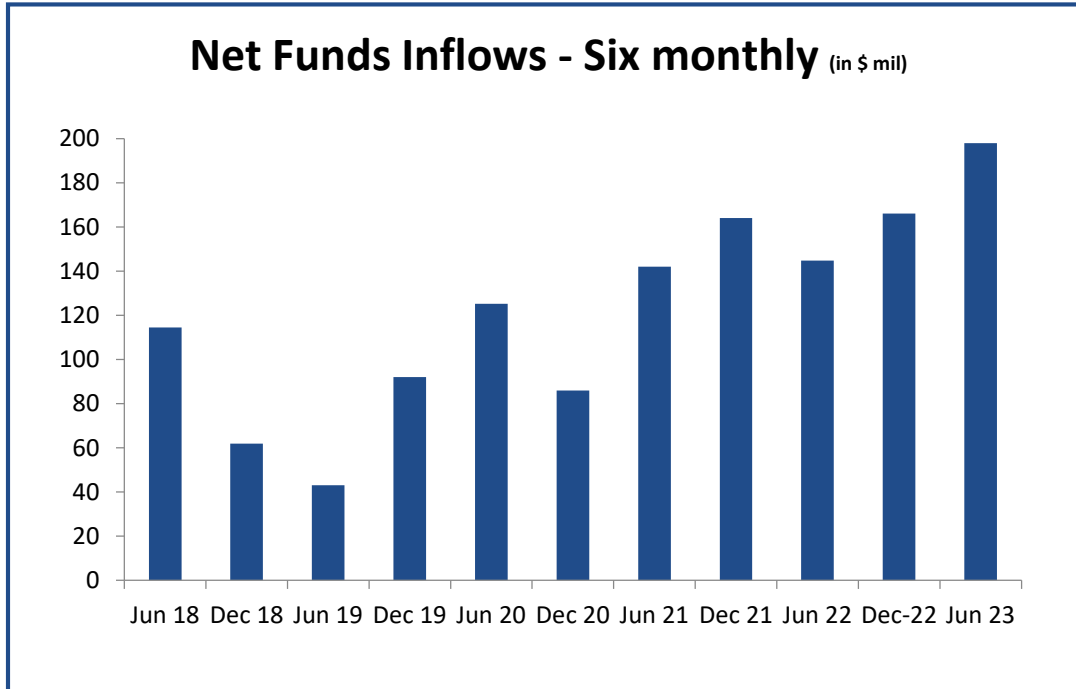
FIDUCIAN
INTEGRITY • TRUST • EXPERTISE

FY2023 Full Year Update

- Business Overview
- Financials
- Key Dates and Contacts



- **Net Inflows \$364 million** in FY2023 including \$100 million from Auxilium and Badges
- Almost 100% of Inflows from our aligned advisers are invested through Fiducian platform and in Fiducian multi-manager funds
- Funds Under Administration (FUAdm):
 - \$2,752 million as at June 2022 (\$2,999 million average)
 - \$3,273 million as at June 2023 (\$3,027 million average)
 - \$3,333 million as at July 2023, an increase of 10% over FY 2023 average
 - **Potentially contributing to additional annualised revenue of \$1.2 million**
- Advanced leading-edge technology platform linked to financial planning software
- Fiducian branded Core platform primarily catered towards the requirements of aligned Advisers: Investment menu comprising Fiducian Funds and Managed Accounts, over 60 external Managed Funds, Shares and Term Deposits tailored to financial adviser and client demands



- **PBT Margins 66% of Gross Revenue** including margins from cash held in the platform

- New IFA product launched
 - Low-cost value proposition, **Auxilium**, directly competing to disrupt the existing disruptor platforms through in-house technology, extensive product menu, advanced reporting capabilities and high standard of service
 - **Two new badges** launched for dealer-groups requiring customised product offerings
 - Strong momentum in distribution and relationship building – industry approximately 10,000 Authorised Representative (AR)
 - Excellent response from users in relation to product offering, features and level of service received
 - **Extensive investment menu**: ASX listed and International shares, over 75 Exchange Traded Funds, 300 Managed funds, 25 Managed Accounts and Bank Term Deposits. Capability to add further investment options based on adviser demands
 - **\$100 mil Net Inflows** during the year
 - **Total FUAdm \$210 million** as at June 2023 in Auxilium and badged products from Independent Financial Advisers
- Potential negotiations underway with advisers to use financial planning software, FORCe

FY2023: Funds Management

- Funds Under Management (FUM):
 - \$3,795 million as at June 2022 (\$4,130 million average)
 - \$4,463 million as at June 2023 (\$4,105 million average)
 - \$4,592 million as at July 2023, an increase of 12% over FY 2023 average
 - **Potentially contributing to additional annualised revenue of \$2.0 million**
- New product launched: **Investment Bond** badged through Generation Life offering Fiducian Growth Fund to pre-empt the Government’s proposed \$3 million cap to superannuation balances for tax concession
- Fiducian Deep Green portfolio Managed Account launched
- Comprehensive offerings of Manage-The-Manager funds: 14 Managed Investment Schemes and 5 Managed Accounts



- **Consistently superior results over long term** against the world’s best fund managers in the Australian market
- Over 20 years, the four Fiducian diversified funds ranked in the top decile to top quartile in **43 out of 64** readings against up to **168** fund managers on Morningstar survey

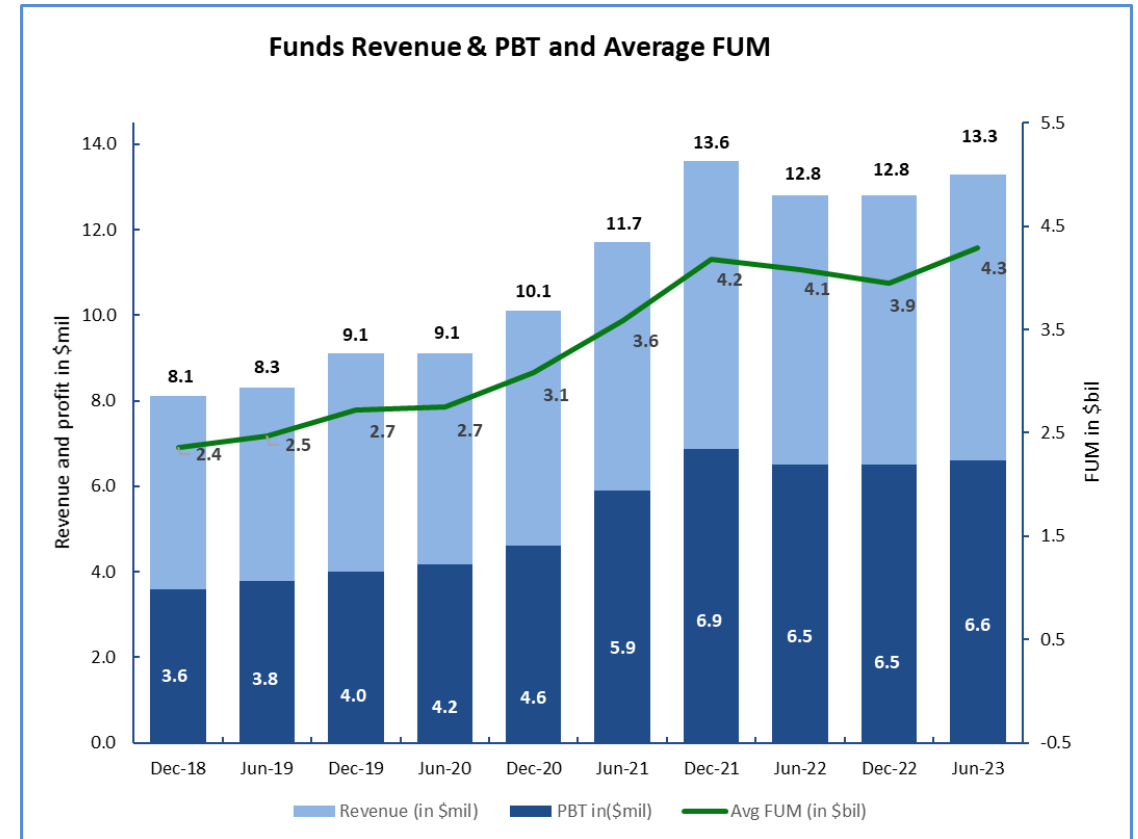
| Fiducian Funds | 3-years return (ranking) p.a. | | 5-years return (ranking) p.a. | | 7-years return (ranking) p.a. | | 10-years return (ranking) p.a. | |
|-----------------------------------|-------------------------------|----------------|-------------------------------|----------------|-------------------------------|---------------|--------------------------------|--------------|
| Capital Stable | 2.0% | 46/103 | 2.7% | 24/94 | 3.4% | 14/90 | 4.4% | 8/84 |
| Balanced | 6.4% | 94/168 | 5.2% | 49/158 | 6.8% | 22/150 | 7.7% | 6/142 |
| Growth | 7.8% | 33/168 | 5.9% | 20/158 | 7.6% | 2/150 | 8.7% | 2/142 |
| Ultra Growth | 7.7% | 109/120 | 5.0% | 101/113 | 7.2% | 73/106 | 9.4% | 8/94 |
| Other specialist MTM funds | | | | | | | | |
| Technology | -0.9% | | 7.4% | | 12.2% | | 15.2% | |
| India | 23.9% | | 9.6% | | 10.4% | | 15.2% | |

**Source: Morningstar Direct June 2023*

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.

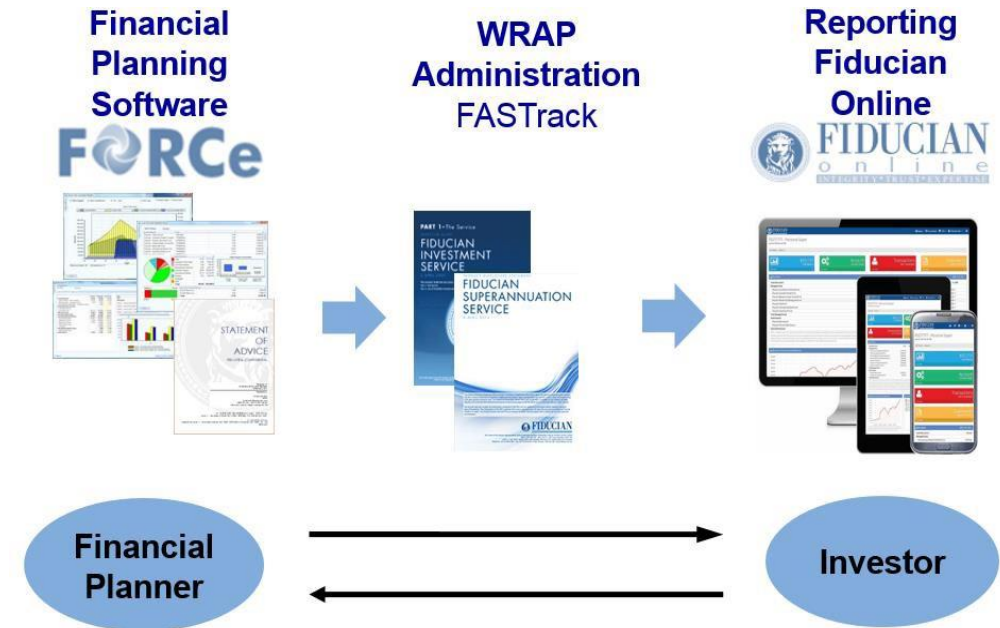
Funds Management

- Fiducian fund fees are market competitive to other single manager funds fees
- Highly defensible products for Advisers (RG175.346)
- Added benefits for clients are access to multiple managers whose fees are paid by Fiducian through the relevant Fiducian Funds
- As volumes increase Fiducian margins increase
- New Zealand distribution continues through webinars and electronic direct marketing to financial advisers
- **PBT margins 50% of Gross Revenue** including margins from cash held in the funds. Revenue fell slightly in FY 2023 as the average FUM declined over the year due to market volatility



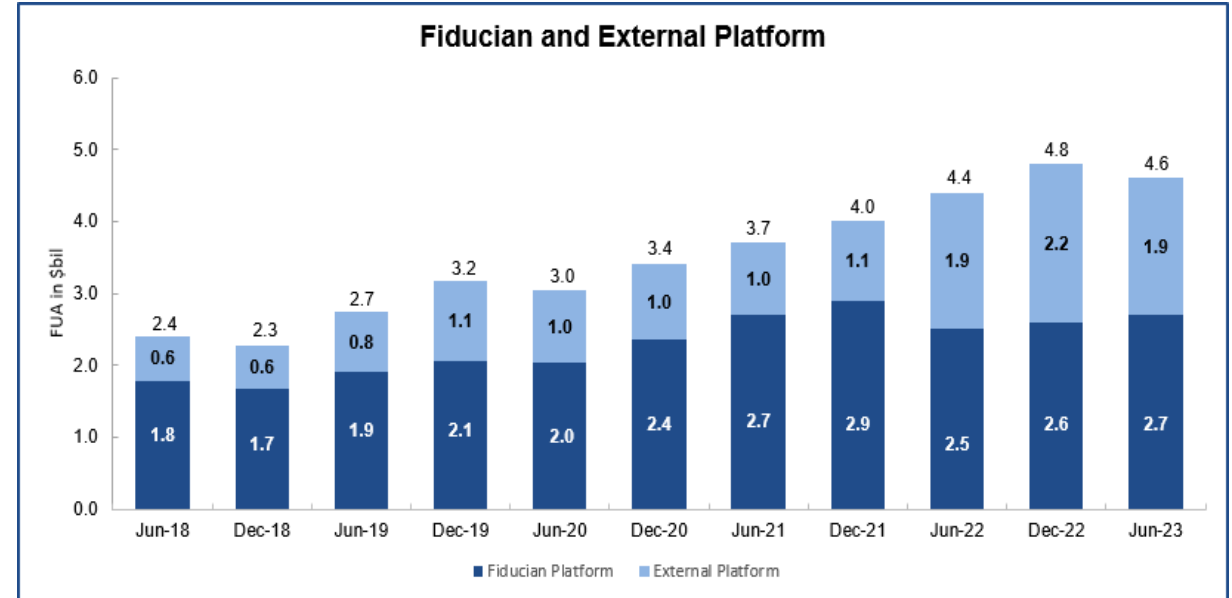
FinTech Capabilities

- 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 and badges to market
- Promotion of FORCe to external dealer groups and Software as a Service (SaaS) external offering has now begun
- Cyber security strengthened through Multi-Factor Authentication

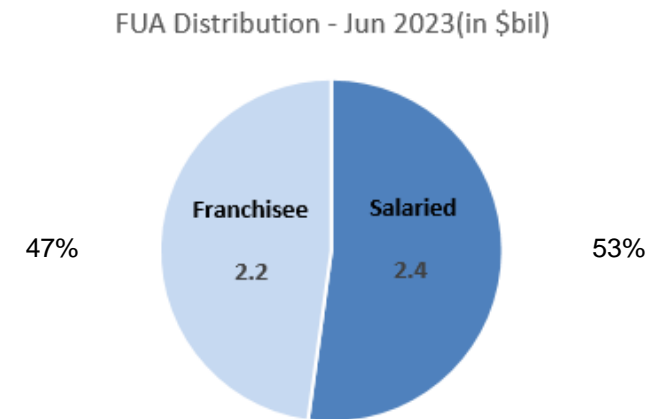
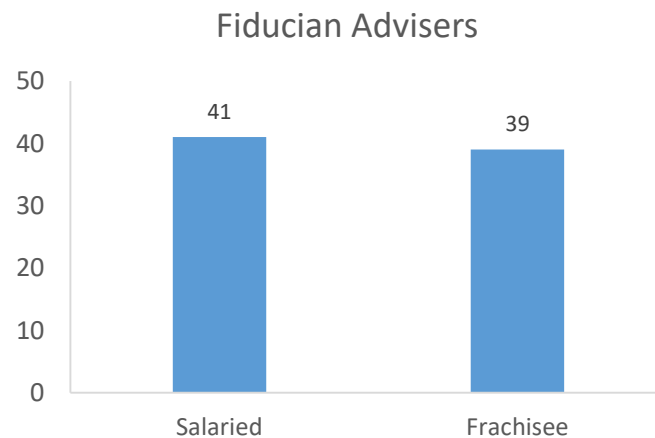


FY2023: Financial Planning

- **Enabler of steady flows** to Funds and Platform
- **3 new offices:** 3 new offices opened in NSW (Illawarra, Ultimo and Sutherland) – offices in all States now
- 80 Financial Advisers numbers and 45 offices
- Inflow targets raised up to \$6 million for each Financial Adviser
- Revenue targets raised 10% to 20% per annum for Salaried Advisers

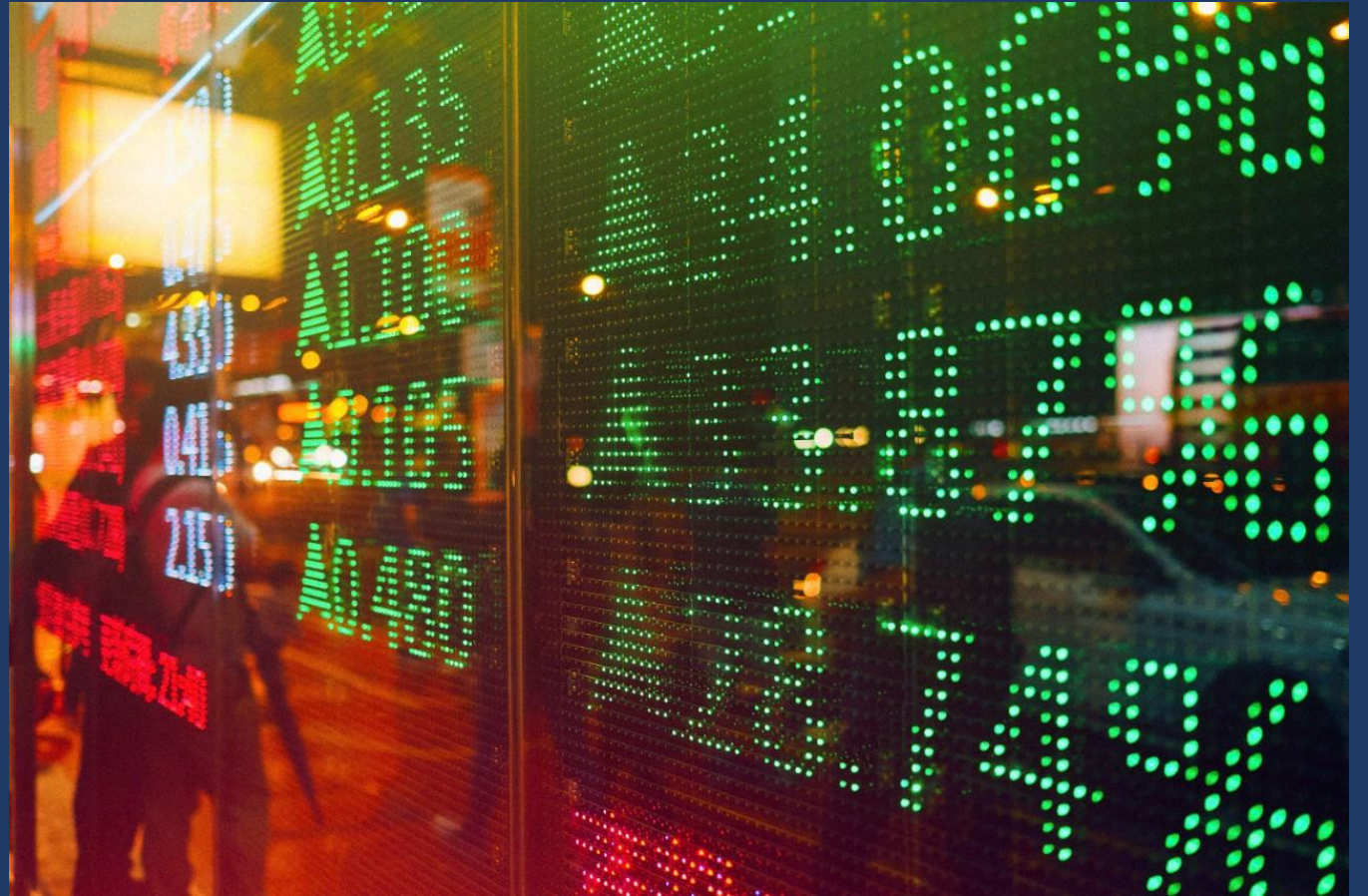


- Funds Under Advice (FUA):
 - \$4,389 million as at June 2022
 - \$4,613 million as at June 2023
- \$1,878 million in external platforms – work underway to transition clients to proven & successful compliant Fiducian process where in their best interest
- Estimated \$0.7 billion non-fee paying non-advised clients are in the process of being engaged or being removed – no revenue impact anticipated for the latter



- June 23 staff number remained static at 178 (compared to June 22) inclusive of the following recruitments
 - Additional 40 staff from PCCU to support our new offices in South Australia and Darwin
 - Group HR Manager
 - Additional Practice Development Managers
 - Additional IT Support
- Staff loyalty and knowledge base remain high. Continuing Training and professional development assist with growth, efficiency and motivation
- Staff retention is key – increase of salary in July 2023 to remain competitive
- Increased staff costs of \$4.6 million – expected to support high level of service resulting in client retention and business growth

Financials



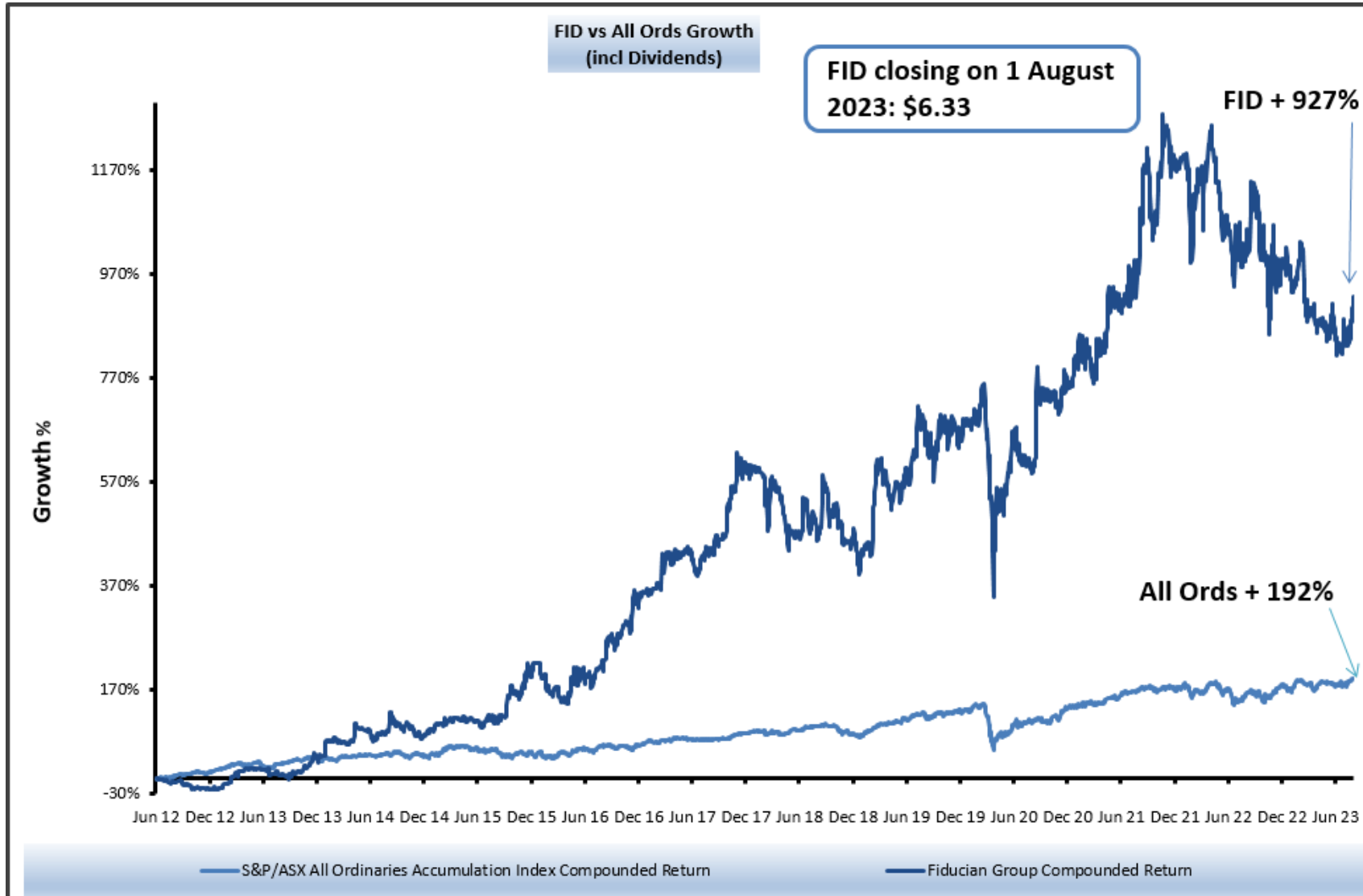
FY 2023 Financial Highlights

| Financial highlights | | | | |
|--|----------------------|----------------------|--------------------|--------------|
| Year Ending 30 June | 2023 | 2022 | \$ Change | % Change |
| Funds Under Management, Advice and Administration (FUMAA) | 12.34 Billion | 10.94 Billion | 1.4 Billion | 13% ▲ |
| | \$'000 | \$'000 | | |
| Operating Revenue | 73,311 | 69,539 | 3.8 Million | 6% ▲ |
| Fees and Charges paid | (18,849) | (18,356) | | |
| Net Revenue | 54,462 | 51,183 | 3.3 Million | 6% ▲ |
| Gross Margin | 74% | 74% | | |
| EBITDA | 22,442 | 23,156 | 0.7 Million | 3% ▼ |
| Add back rent and deduct interest on lease liabilities | (1,587) | (1,365) | | |
| Underlying EBITDA | 20,855 | 21,791 | 0.9 Million | 4% ▼ |
| Depreciation | (388) | (303) | | |
| Tax on underlying earnings | (5,357) | (5,791) | | |
| Underlying NPAT (UNPAT) | 15,110 | 15,697 | 0.6 Million | 4% ▼ |
| Amortisation | (2,772) | (2,269) | | |
| AASB 16 <i>Leases</i> adjustment impacts - Office Lease | (19) | (111) | | |
| Statutory NPAT | 12,319 | 13,317 | 1.0 Million | 7% ▼ |
| Basic EPS based on UNPAT (in cents) | 48.0 | 49.9 | | 4% ▼ |
| Basic EPS based on NPAT (in cents) | 39.1 | 42.3 | | |

Segment Reporting

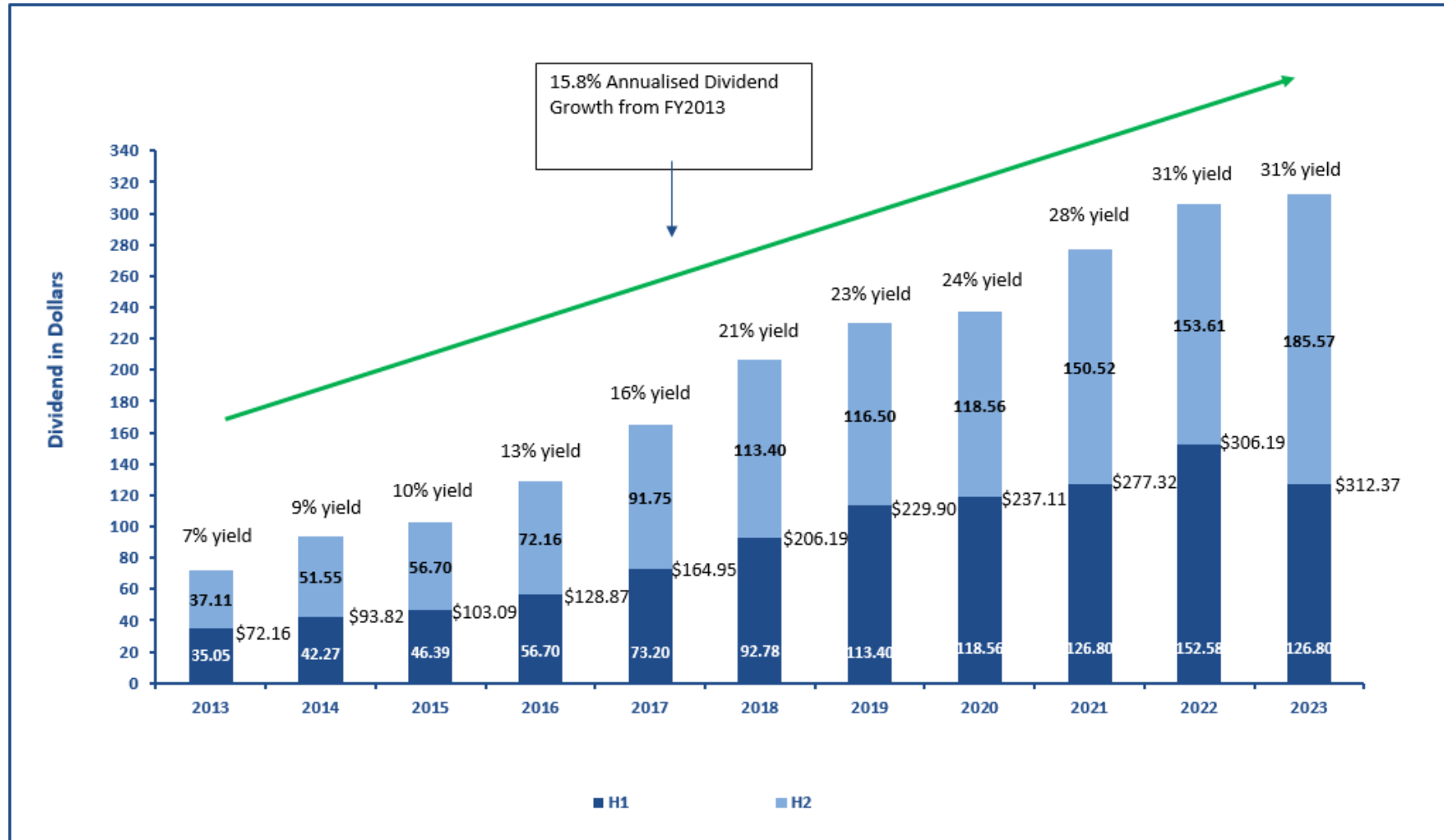
| | Funds Management | Financial Planning | Platform Administration | Corporate Services | Segment Eliminations | Consolidated |
|---|------------------|--------------------|-------------------------|--------------------|----------------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2023 | | | | | | |
| Revenue from external clients ¹ | 25,896 | 27,324 | 19,138 | - | - | 72,358 |
| Inter-segment sales ² | (6,283) | (320) | (4,400) | 11,003 | - | - |
| Other revenue | 222 | 551 | - | 180 | - | 953 |
| Total segment revenue | 19,835 | 27,555 | 14,738 | 11,183 | - | 73,311 |
| Profit from ordinary activities before income tax, depreciation and amortisation | 13,141 | 3,693 | 12,601 | (6,992) | - | 22,443 |
| Depreciation, amortisation and impairment | | | | | | (4,775) |
| Profit from ordinary activities before income tax | | | | | | 17,668 |
| Income tax expense | | | | | | (5,349) |
| Profit from ordinary activities after income tax expense | | | | | | 12,319 |
| Segment assets | 11,995 | 45,712 | 3,273 | 100,345 | (92,178) | 69,147 |
| Segment liabilities | 3,482 | 44,963 | - | 49,250 | (79,453) | 18,242 |

FID outperformance against All Ords Accum Index



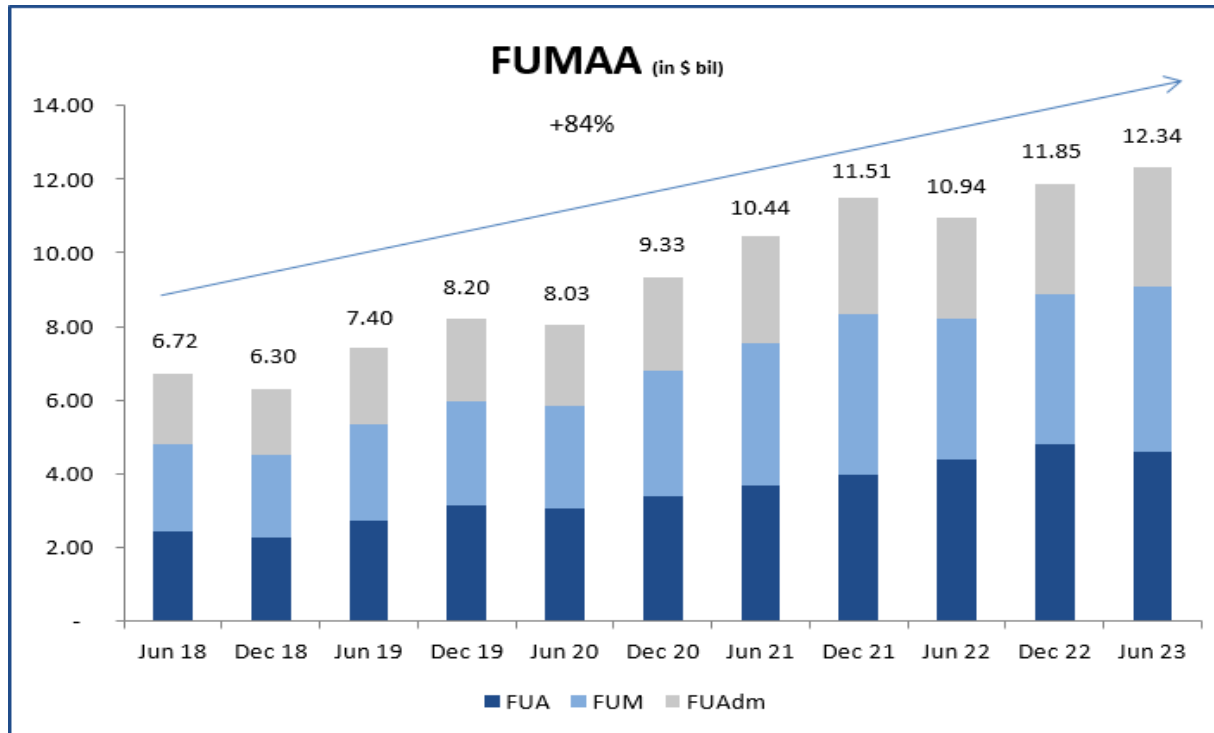
- Since June 2012, FID has **outperformed All Ords by 735%** (including dividend)
- Dividend pay-out policy revised to 60-80% of Underlying Net Profit After Tax
- H2 2023 dividend is **18.0 cents per share**
- FY 2023 full year dividends **30.30 cents per share (fully franked)**

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 **\$312.37 in FY2023**
- **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 |
|--------|------|------|-------|-------|
| 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 |
| Jun 23 | 4.61 | 4.46 | 3.27 | 12.34 |

- ✓ Consistent FUMAA growth from organic and inorganic inflows
- ✓ Increase in FUA as % of FUMAA reflects recent acquisition
- ✓ Marginal decline in average funds due to market volatility resulting in lower revenue

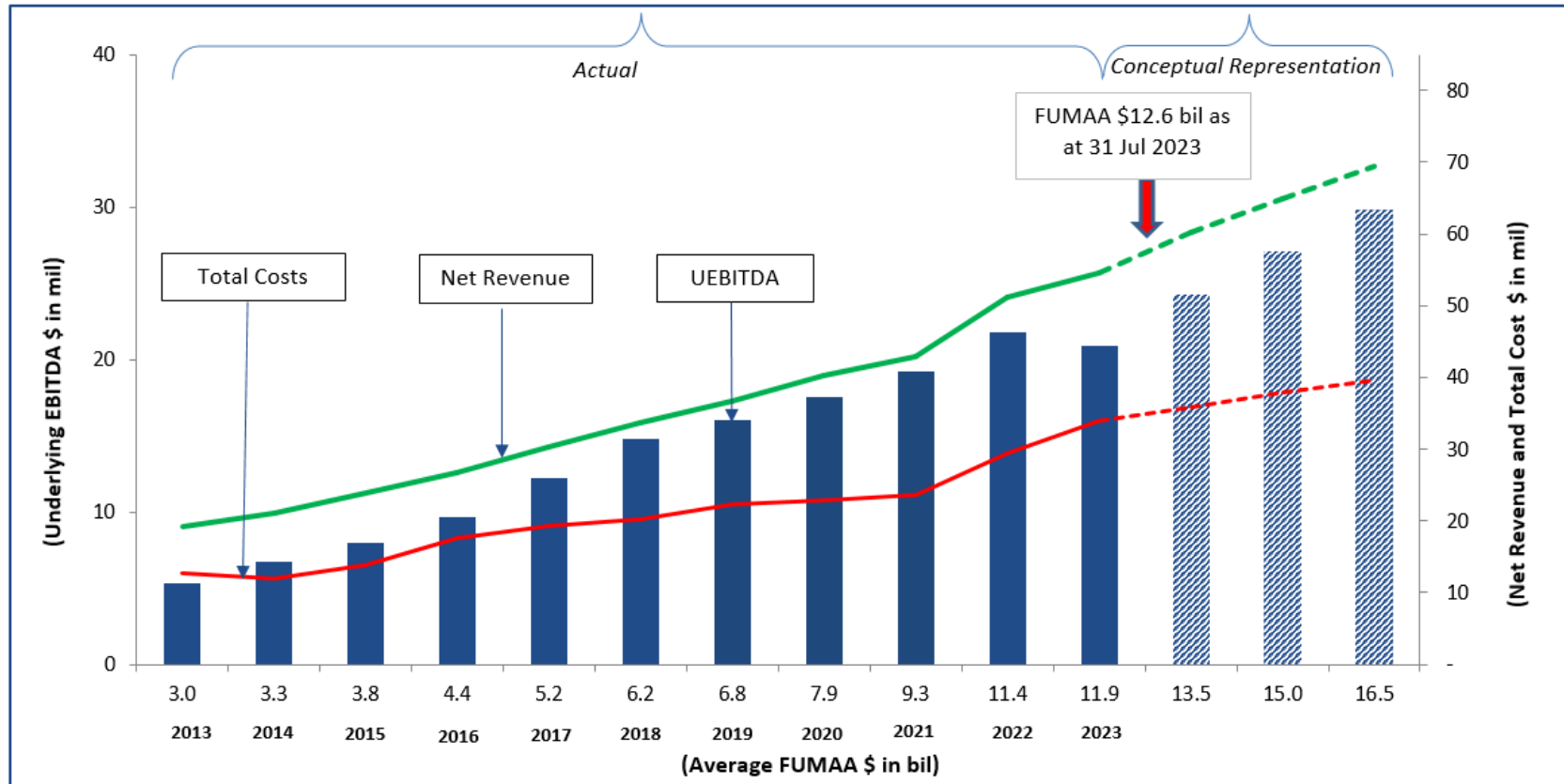
Explanatory Notes:

- 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 \$2,777 million
- FUAdm includes Aligned Fiducian Advisers \$3,063 million and IFAs / badges \$210 million

Projecting the Potential: Conceptual Representation

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

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



- 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**

- This is simply extrapolating how revenue and EBITDA could grow and is not a forecast
- FUMAA balances shown are averages for the respective Financial Years

Key Dates and Contacts

Retail Investor Presentation (Online)

- Time / Date: 12:30 to 1.30 pm AEST, Wednesday 16 August 2023
- Join-in details (Zoom): <https://zoom.us/j/98200349433?pwd=K1E5WUcvOTBkTUhyUlhxa2l6WVVERQT09>
- Dial-in: +61 2 8015 6011 Meeting ID: 982 0034 9433 Passcode: 103147

Key Dates

- Final Dividend Record Date: 28 August 2023, Payment Date: 11 September 2023
- Full year results announcement date: 14 August 2023
- Annual General Meeting (Hybrid) date: 19 October 2023

Contacts

Investor Relations:

Rahul Guha

Executive Chairman, Fiducian Services

+61 2 8298 4600

rahulgua@fiducian.com.au

Media Relations:

Julie Hargrave

Head of Marketing and Communications

+61 2 8298 4621

juliehargrave@fiducian.com.au

Disclaimer



Information in this document and given in the presentation is of a general nature. It is not intended to be, nor does it, constitute financial, legal or tax advice. The information is given in good faith and, although care has been exercised in compiling it, Fiducian Group Limited and the other members of the Fiducian Group (Fiducian) neither represent nor warrant that the information is free of errors, omissions or inaccuracies.

Fiducian takes no responsibility for losses suffered by a person relying on the information except for statutory liability that cannot be excluded.

Do not rely on this information without first seeking professional advice based on your own personal circumstances.

Information provided is current as at 30 June 2023 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 August 2023.

Disclaimer



Source: Morningstar Direct.

© 2023 Morningstar, Inc. All rights reserved. Neither Morningstar, its affiliates, nor the content providers guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution. Any general advice or 'regulated financial advice' under New Zealand law has been prepared by Morningstar Australasia Pty Ltd (ABN: 95 090 665 544, AFSL: 240892) and/or Morningstar Research Ltd, subsidiaries of Morningstar, Inc, without reference to your objectives, financial situation or needs. For more information refer to our Financial Services Guide (AU) or Financial Advice Provider Disclosure Statement (NZ) at www.morningstar.com.au/s/fsg.pdf and www.morningstar.com.au/s/fapds.pdf. You should consider the advice in light of these matters and if applicable, the relevant Product Disclosure Statement before making any decision to invest. Our publications, ratings and products should be viewed as an additional investment resource, not as your sole source of information. Past performance does not necessarily indicate a financial product's future performance. To obtain advice tailored to your situation, contact a professional financial adviser. Fiducian Balanced and Fiducian Growth Fund belong to Morningstar Multisector Growth. Fiducian Capital Stable belong to Morningstar Multisector Moderate. Fiducian Ultra Growth belong to Morningstar Multisector Aggressive.

Returns are accurate as at 30 June 2023, after fees and are annualised over 1 year. The information in this document is given in good faith and we believe it to be reliable and accurate at the date of publication. The Fiducian Group and its officers give no warranty as to the reliability or accuracy of any information and accept no responsibility for errors or omissions in the published information. It does not purport to be advice and does not have regard to any investors' individual circumstances, objectives, financial situation or needs. You should assess whether the information is appropriate for you and consider obtaining independent taxation, legal, financial or other professional advice before making an investment decision. Except to the extent that it cannot be excluded, the Fiducian Group accepts no liability for any loss or damage suffered by anyone who has acted on any information in this document. Past performance is not a reliable indicator of future performance and Fiducian Group does not guarantee the performance of the Funds or any specific rate of return.