

June 2022 quarterly update

Annual flows of \$2.9b, up 92%

ASX Release: 18 July 2022, Melbourne

Divestment of Praemium's International operations was successfully completed on 30 June 2022. The focus of this release is Praemium's ongoing Australian business.

Key results for the quarter

Praemium reports its results for the June 2022 quarter, with the key milestones to prior comparative period (pcp) being:

- » Total funds under administration (FUA) of \$40.5 billion (pcp: \$36.7 billion, up 10%)
 - » Platform \$19.5 billion (pcp: \$18.4 billion, up 6%)
 - » VMAAS non-custodial Portfolio Administration and Reporting Service \$21.0 billion (pcp: \$18.3 billion, up 15%)
- » Financial year net inflows of \$2.9 billion (pcp: \$1.5 billion, up 92%)
- » Quarterly net inflows of \$306 million (pcp: \$651 million, down 53%)

Net platform inflows for the June 2022 quarter were offset by \$1.5 billion in negative market movements on FUA (negative \$1.8 billion for the year to 30 June 2022).

The June 2022 quarter saw heightened uncertainty over inflation, labour availability, supply chain vulnerability and global conflict which subdued investment activity overall. Irrespective, Praemium has performed strongly given these headwinds for all wealth management businesses.

International (divested business) FUA was \$5.4 billion when sold. Annual flows were \$1.2b, the same as prior year.

Quarterly highlights

- » Successful divestment of the international business for £35 million and the declaration of a fully franked special dividend of 5 cents per share, equating to \$25.7 million based on the total issued capital as at 30 June 2022.
- » Introduced new functionality to provide more choice of how assets are held within managed accounts on the platform. This provides advisers with more flexibility in customising portfolios for their client.
- » Numerous reporting enhancements, including a new infographic asset allocation report and improvements to dynamic reporting for high volume customers.
- » Praemium was recently ranked 1st in Online Business Management by Investment Trends for our digital consent functionality which has helped advice groups meet their fee consent obligations during the transitional period.

Comments from CEO

Praemium CEO Anthony Wamsteker made the following comments about the quarter:

“Despite unsettled market conditions which have impacted all wealth management firms, Praemium delivered solid net inflows this quarter and strong annual net inflows. The divestment of our International business allows us to focus on our strategy to become one of Australia’s largest independent specialist platform providers.

The Praemium Separately Managed Accounts (SMA) scheme is our cornerstone product and highest revenue earning service. The SMA added annual net inflows of \$2.0 billion, and \$284 million for the quarter. Its annual net funds flow represents 28.8% of the starting FUA, an outstanding growth achievement.

We are fully committed to our advisers and their clients. We will grow these relationships and our FUA by being focussed on even better technology and service for the remainder of the year and on into 2023.”

Key statistics

Platform flows (\$m) ¹	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Gross inflows	2,120	2,247	2,085	1,553	1,492
Net inflows	651	1,249	937	446	306

FUA (\$m)	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Praemium SMA	6,936	7,677	8,473	8,478	8,084
Powerwrap	11,448	12,250	12,624	12,225	11,397
Australia Platform FUA	18,384	19,927	21,098	20,703	19,481
VMAAS ¹	18,290	20,188	21,721	21,414	21,000
TOTAL FUA	36,674	40,115	42,819	42,117	40,481

Aust Platform FUA Movement (\$m)	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Opening Platform FUA	17,033	18,384	19,927	21,098	20,703
Net inflows	651	1,249	937	446	306
Market revaluation / other	700	294	234	(841)	(1,528)
Closing Platform FUA	18,384	19,927	21,098	20,703	19,481

International – divested (\$m)	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Net Flows ²	389	407	311	279	178
FUA ³	5,007	5,513	6,150	5,600	5,405

Notes (all figures provided are unaudited):

¹ VMAAS comprises FUA under the non-custodial VMA Administration Service.

² Current quarter’s International flows in GBP are translated at the June 2022 quarter average of 0.5693.

³ International FUA in GBP is translated at spot rate for 30 June 2022 quarter end of 0.5671.



This announcement is authorised by the Board of Praemium Limited.
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About Praemium (ASX: PPS): Praemium is the leading investment platform in Australia, catering to the emerging and established HNW investor market. Servicing more than 125,000 investor portfolios covering over \$150 billion in funds for Private Wealth firms, intermediaries, and some of the world's largest financial institutions, Praemium offers access to a comprehensive suite of investment solutions which cater for all investor structures.

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