

ASX Release - 23 November 2022

ASX Market Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Netwealth Group Ltd
ABN 84 620 145 404

Level 6/180 Flinders Street
Melbourne VIC 3000

2022 Annual General Meeting Addresses and Presentation

Netwealth Group Limited (ASX: NWL) is holding its 2022 Annual General Meeting (AGM) at 3.00 pm (AEDT) today on Level 6/180 Flinders Street, Melbourne VIC 3000.

Attached is a copy of the Chairman's and Managing Director's addresses and accompanying presentation to be delivered at the AGM.

This document has been authorised for release by CFO and Company Secretary, Mr Grant Boyle.

For further information please contact:

Grant Boyle
Chief Financial Officer
shareholder@netwealth.com.au

Chairman's Address

[Slide 2]

Good afternoon and welcome to the 2022 Annual General Meeting of Netwealth Group Limited.

My name is Tim Antonie, I am the Chairman of the company.

As it is now 3.00pm and a quorum is present I declare the meeting open.

I would like to begin by acknowledging and paying respects to the Traditional Owners and Custodians of the land and waters from where each of us might be joining today and to their Elders, past, present and emerging.

I would now like to introduce your Board of Directors and other attendees.

[Slide 3]

I am joined at the table from my left by:

- Kate Temby, our chair of the Investment Committee and Corporate Sustainability Committee
- Sally Freeman, our chair of the Audit Committee
- Davyd Lewis, our chair of the Remuneration Committee and Compliance and Risk Management Committee; and
- Our Managing Director, Matt Heine.

And on my right by

- Our Founder and Executive Director, Michael Heine; and
- Our Group CFO and company secretary, Grant Boyle.

[Slide 4]

Also joining us today are:

- Our chair of Netwealth Superannuation Services, Rita Harris; and new director Lewis Bearman; and
- Lani Cockrem our lead audit partner from Deloitte.

[Slide 5]

Today, we have 5 items of formal business

- The receipt and consideration of the 2022 Annual Report;
- The adoption of the Remuneration Report;
- The re-election of Non-Executive Directors Sally Freeman and Davyd Lewis; and
- Approval of the Managing Director's Long Term Incentive award.

Before we turn to the formal business of the meeting, Matt Heine and I would like to take the opportunity to discuss the 2022 financial year and recent performance.

We are happy to take any questions on the presentations when we consider the 2022 Annual Report.

[Slide 7]

Turning to my presentation, the 2022 financial year was another record year for Netwealth on many financial metrics.

This was despite very challenging conditions in the second half due to the combination of the war in Ukraine and the emergence of high single digit inflation causing substantial dislocation in global financial markets.

Netwealth achieved record annual Funds Under Administration ("FUA") net inflows of \$13 billion for the financial year taking total FUA at 30 June 2022 to \$55.7 billion.

Over this period Netwealth was recognised as the fastest growing platform with market share growing 1.2% to 6.0%.

[Slide 8]

Netwealth's total income increased by 19.6% to \$173.3 million.

This enabled Netwealth to re-invest a substantial amount of this revenue increase into platform upgrades and capability, and its service offering while delivering record EBITDA and NPAT of \$85.1 million and \$55.9 million respectively.

This strategic investment positions us well for sustainable growth.

Since our IPO 5 years ago total income and EBITDA have grown at impressive compound average growth rates of 23.1% and 27.8% respectively.

[Slide 9]

Total dividends per share increased by 7.8% to 20 cents. The group's balance sheet remains very strong with net cash at 30 June 2022 of \$88 million.

Netwealth's market leading position was again recognised with many awards including being rated 1st by Investment Trends in its December 2021 Competitive Analysis and Benchmarking report.

[Slide 10]

Achievement of these record results is due to the dedication and prowess of our Netwealth team across Australia and Vietnam.

I would like to particularly recognise and thank our executive management team for their leadership.

[Slide 11]

The Netwealth team is now very much enjoying its new offices at 180 Flinders Street in Melbourne, under our evolving hybrid working arrangements.

This is empowering our team to maximise productivity, collaboration and innovation while supporting health and wellbeing.

[Slide 12]

Environmental, social and governance matters have again been an increasing focus of the Board with significant progress achieved.

In July 2021, Netwealth Superannuation Services Pty Ltd (NSS), the Trustee of our superannuation activities, commenced operations and is operating very effectively under Rita Harris's chairmanship.

Jack Diamond, a former Non-Executive Director of NSS sadly passed away during the year. Jack was a true gentleman and is missed by all.

Our Corporate Sustainability Committee was also formed and is immediately delivering on its objectives.

[Slide 13]

I congratulate Matt Heine on his appointment as Managing Director.

The transition over recent years between Michael Heine and Matt has been seamless and this continues. Importantly, Michael remains very much involved at the executive level, including all matters of importance.

I would like to take this opportunity to thank my fellow Directors, our shareholders, and clients for your continuing support.

We look forward to working with you again this financial year for what we hope is a very successful year for all.

Managing Director's Address

[Slide 14]

Thanks Tim and thank you to everyone here for joining us today in our wonderful new office.

As you have heard from Tim, the last financial year was another successful one, which despite many well understood headwinds saw the business go from strength to strength.

Before providing an update on our strategy and focus I would also like to take this opportunity to thank my fellow directors, our executive team, many of whom are here today, all of our fantastic staff and importantly our clients for the support and guidance they provide.

[Slide 15]

Looking back on 2022, in addition to delivering strong financial results we have also continued to grow our market share and delivered on many of our strategic initiatives setting us up well to maintain this trend.

As a business, our strategy, which is deliberately simple, is based on 4 key pillars which we believe create a strong foundation for success and help us to achieve our purpose "to enable our clients to see wealth differently" and "discover a brighter future".

We believe we need to provide and deliver the best technology in the industry across our key market segments and to the advisers that service them.

We are committed to offering our advisers and clients broad investment solutions which can be tailored to their needs across various asset classes and investment types spanning both domestic and international markets.

We are focused on remaining the no 1 platform for service and support and finally...

We will continue to deliver thought leadership and insights which leverage our research and relationships to assist in driving the profession forward.

[Slide 16]

With this as a backdrop, the past and current year has been a year of consolidation and investment.

We are focused on improving client experiences as well as adviser efficiency which we believe will in turn help reduce the cost of advice and make it more accessible to more Australians.

We are delivering a new record of advice solution to advisers that allow them to provide prompt and real time advice to their clients.

We have uplifted our reporting and review tools and are making good headway to relaunch our reporting and review service that we believe will be market leading and provide high levels of customisation including the capability to personalise to different clients and personas.

Further to this in the coming weeks we will be launching our new task and activity centre and release new upgrades for our managed account service.

Through our partnership with Xeppo as well as our internal data team, we launched our new API and developer portal and a range of business intelligence reports and will be increasing the number of 3rd party integrations as we receive demand from the market.

Mobile and client engagement remains a core to our business and we successfully launched our new mobile app in 2022 with new features progressively being added including the addition of xeppo data which supports non netwealth portfolios. The feedback received to date has been incredibly positive and is already resulting in new client wins.

During the year, we also upgraded our back-office service and successfully released a new workflow system as we continue to move our technology into the cloud.

As a business with continued growth, we are also understandably focussed on ensuring our platform remains stable and secured. We have consistently invested in our cyber security and technology team and we will continue to do so into 2023 to ensure we can meet our long-term strategic goal of achieving sustainable and scalable growth.

[Slide 17]

At Netwealth we believe in delivering a “whole of wealth” view of a client’s financial situation which includes not just the assets they hold in custody with Netwealth but their other bank accounts, loans, property and “off platform” assets.

As such we have just introduced our new Multi Assets Portfolio Service (MAPs) which extends our Wealth Accelerator product to include administration and reporting for both custodial and non-custodial assets in a single account. The launch of “MAPs” is perhaps the most transformational new feature set to be introduced to our platform since Managed Accounts were first introduced, on platform, back in 2015 when we first launched the Super and Wealth accelerator Series.

Clients in the new product will receive timely update of information with both custodial and non-custodial assets forming part of the client’s Tax Report and Annual Statement, which can be viewed and reported on via the client portal or mobile app.

This capability opens significant new opportunities for Netwealth and will extend our addressable market well beyond the circa \$1 trillion traditional platform market. It should also embed our position as a leader in the high net-worth market segments.

[Slide 18]

In summary, our business is performing well, and we have delivered strong growth across all our key metrics in FY2022.

We have a strong balance sheet which remains debt free, low capital expenditure and significant cash reserves.

With the combination of strong correlation of our EBITDA and cash flow, and the high level of recurring and growing revenue, Netwealth can continue to invest strategically in IT infrastructure, people, and software.

Industry trends remain favourable, and with a market leading and award-winning platform, we are well positioned for continuing growth and market share gains.

I would now like to hand back to Tim to conduct the formal business of this meeting.

ENDS



Annual General Meeting FY2022

See wealth differently

23 November 2022

FY
20
22

Acknowledgement of Country

We acknowledge the traditional owners and custodians of the lands and waters that we work and live on.

Our offices are on the traditional lands of the Wurundjeri people of the Kulin Nation in Melbourne, the Turrbal and Jagera peoples in Brisbane, the Gadigal people of the Eora Nation in Sydney, the Kaurna people of the Adelaide Plains and the Whadjuk Nyoongar people in Perth.

We celebrate the stories, culture and traditions of Aboriginal and Torres Strait Islander people of all nations, and pay our respects to Elders past, present and emerging.

Netwealth's Board of Directors



Tim Antonie
Chairman and Non-Executive Director (joined 2015)

- Commenced his career at Price Waterhouse (now PwC) and qualified as a chartered accountant.
- Worked at a number of investment banks, including as a Managing Director at UBS
- Currently chairman of Breville Group Limited and a director of Premier Investments Limited



Matt Heine
Managing Director (joined 2001)

- Over 20 years' experience in the wealth management industry
- Appointed as Director in 2004, Joint Managing Director in January 2015 and sole Managing Director since October 2022
- Instrumental in the development of Netwealth platform



Michael Heine
Executive Director

- Founded Netwealth in 1999
- Previously founded Heine Investment Management which was sold to Mercantile Mutual (now ING) in 1999



Davyd Lewis
Non-Executive Director (joined 2009)

- Was a partner of Mallesons Stephen Jaques (now King & Wood Mallesons) for 20 years until his retirement in 2008
- Specialised in M&A and Equity Capital Markets



Sally Freeman
Non-Executive Director (joined 2019)

- Has over 30 years' experience as a Risk Consulting and Corporate Governance executive and was head of KPMG's National Risk Consulting Practice
- Currently a director of Regional Investment Corporation, Eastern Health, Melbourne Football Club, Regis Aged Care and Suburban Rail Loop Authority



Kate Temby
Non-Executive Director (joined Feb 2021)

- Has worked in global roles as a Managing Director at Goldman Sachs Asset Management and a Consultant at PwC.
- Currently a partner with Affirmative Investment Management and a member of Investment Committees for Conscious Investment Management

Other attendees



Rita Harris
**Independent Chairman of Netwealth
Superannuation Services**
(joined Sep 2020)

- Previously Senior Partner at Mercer
- Extensive experience in the Financial Services industry and as a trustee director
- Bachelor of Laws and Bachelor of Economics



Lewis Bearman
**Independent Non Executive Director
of Netwealth Superannuation Services**
(joined Mar 2022)

- Currently Chief Operating Officer at Blue Orbit Asset Management, Responsible Manager of Koda Capital and Non-Executive Chair of Qualitas Securities
- Extensive experience in the Financial Services industry and as a trustee director
- Bachelor of Business, member of CPA and a fellow of FINSIA.



Grant Boyle
**Chief Financial Officer and Company
Secretary (joined 2017)**

- Over 30 years' experience in financial services and the accounting profession
- Bachelor of Business (Accounting) and a member of Chartered Accountants Australia & New Zealand



Lani Cockrem
**Deloitte Lead Audit Partner on
Netwealth**

- Appointed as the new lead audit partner from 2021
- Responsible for overseeing the overall audit for Netwealth Group Limited

Items of formal business

1. Consideration of the FY2022 Annual Report
2. Adoption of the FY2022 Remuneration Report
3. Re-election of Non-Executive Directors Mr. Davyd Lewis
4. Re-election of Non-Executive Directors Ms. Sally Freeman
5. Approval of the Managing Director's Long Term Incentive Award

2022

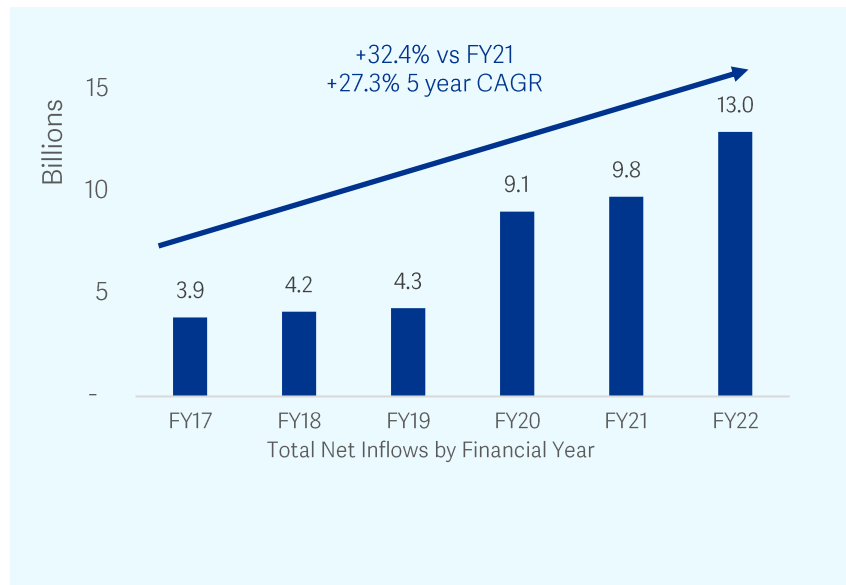
Chairman's Address

Mr. Tim Antonie

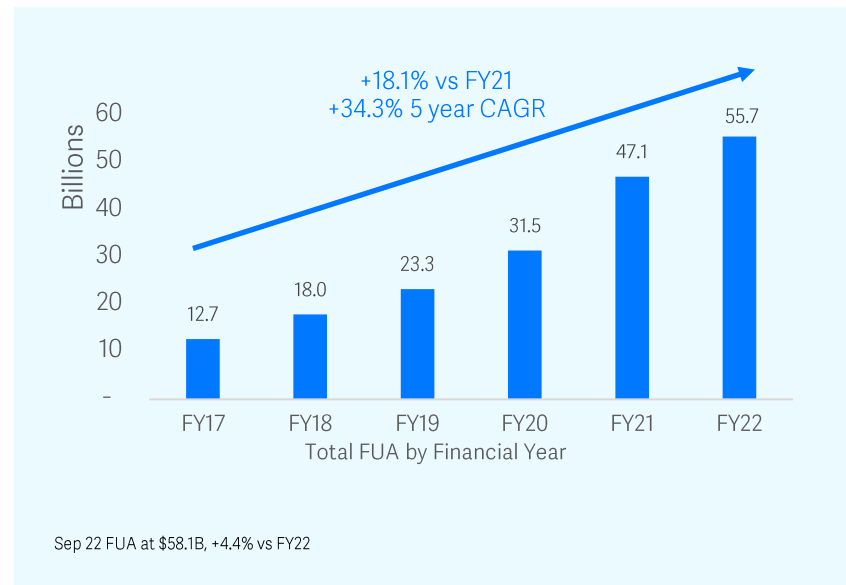
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Net inflows and FUA

FY22 Net Inflows of \$13.0B

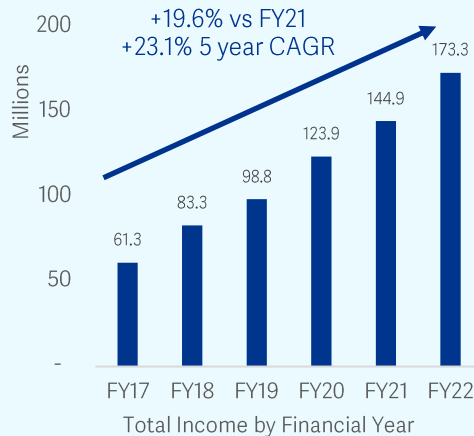


FY22 FUA at \$55.7B



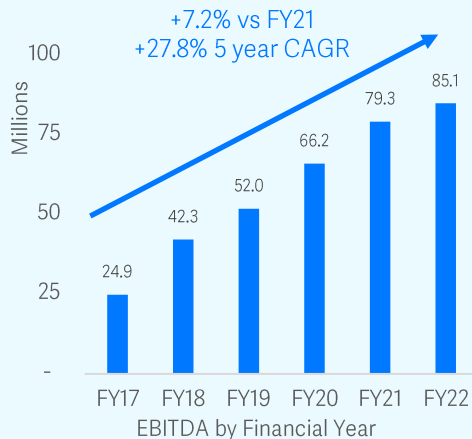
Group FY22 financial highlights

FY22 Total income* \$173.3M



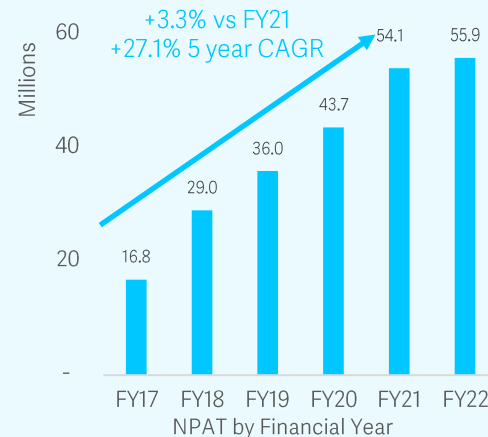
*Results are on continuing operations basis excluding non-recurring transactions

FY22 EBITDA* \$85.1M



*Results are on continuing operations basis excluding non-recurring transactions

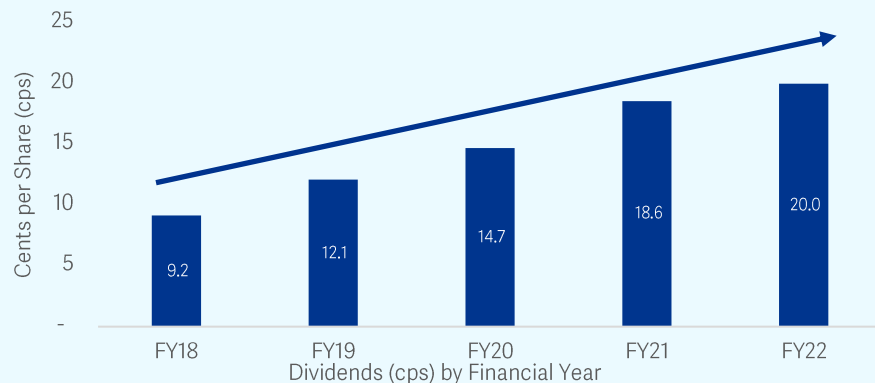
FY22 NPAT* \$55.9M



*Results are on continuing operations basis excluding non-recurring transactions

Total dividends & key awards

FY22 Dividend Per Share (DPS) 20.0 cents (+7.8% vs FY21)



*Excludes a once-off pre-IPO special dividend of 5.18 cps paid in FY18



2022 Adviser Technology Needs Report

Overall Satisfaction: Platform

Netwealth



2021 Platform Competitive Analysis and Benchmarking Report

Best Platform Overall

Netwealth



2022 Adviser Technology Needs Report

Adviser Satisfaction with Mobile Access for Clients

Netwealth



2022

Australian Financial Advice Landscape Report

Platforms:

Best Overall Functionality

Netwealth



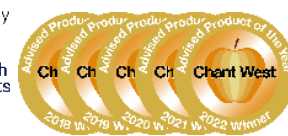
2022

Australian Financial Advice Landscape Report

Platforms:

Best Client Experience

Netwealth



Rated by Investment Trends as number 1 in Overall Satisfaction by users for the tenth consecutive year and again rated number 1 by Investment Trends for Best Platform Overall in 2021. Rated by ChantWest as best Advised Product of the Year for five consecutive years (2018-2022). Rated by Adviser Ratings Best Overall functionality and Best client experience In 2022.

Executive Team

Netwealth Group Limited



Matt Heine
Managing
Director



Michael Heine
Founder/ Executive
Director



Grant Boyle
Chief Financial Officer
and Company
Secretary



John Hanrahan
Chief Information
Officer



Alistair Densley
General Manager,
Transformation &
Special Projects



Philip Coldwell
General Manager,
Product



Amanda Atkinson
General Manager,
Service, Administration
& Support



Damian Holland
General Manager,
Sales &
Distributions



David Sutherland
General Manager,
Investment Operations
& Managed Accounts

*Chief Risk Officer recently appointed, commencing early 2023

New Melbourne office

New Flinders Street office officially open late 2021

Designed based on staff feedback

Flexible spaces for collaboration with meeting rooms and casual areas

Natural lighting and plants to catch up socially and unwind

Low carbon footprint



Environmental, social and governance

Netwealth Superannuation Services (Pty Ltd)

- Trustee of Netwealth Superannuation Master Trust
- Separate Board of Directors
- Two independent trustee directors



Rita Harris



Lewis Bearman

Corporate Sustainability Committee

Key Areas of Focus:

- Enhancing our core business
- Foster diversity, talent and wellbeing.
- Be ethical, genuine, and transparent in our dealings
- Partner with and financially support organisations that create lasting positive and environmental impact.

Concluding comments

- Congratulations to Matt Heine, Managing Director
- Thank you
- Board and our team at Netwealth
- Shareholders
- Clients



2022

Managing Director's Address

Mr. Matt Heine

2



Specialist technology

Market leading, home grown platform, agile and tailored to client needs



Broad investment solutions

Asset class diversity, global specialists, investment vehicle options



Dedicated service team

Award winning, nimble and highly responsive – ‘we make advisers look good’



Insights that matter

Provide deep insights to our clients to help them spot change that matters

Our strategy is to deliver

Advice efficiency focused on reducing cost of advice



Reporting & Reviews

- Report customisation
- Bulk reporting enhancements
- Benchmarks
- Report & review builder



Adviser efficiency

- Tasks & activities
- Managed Accounts enhancements & reporting
- Auto ROA enhancements



Data and analytics

- 3rd party integrations, inc. Xeppo
- API & Developers portal
- Business intelligence reports



Scale and stability

- Back office upgrades & enhancements
- Ongoing cloud migration
- Security enhancements



Mobile and client engagement

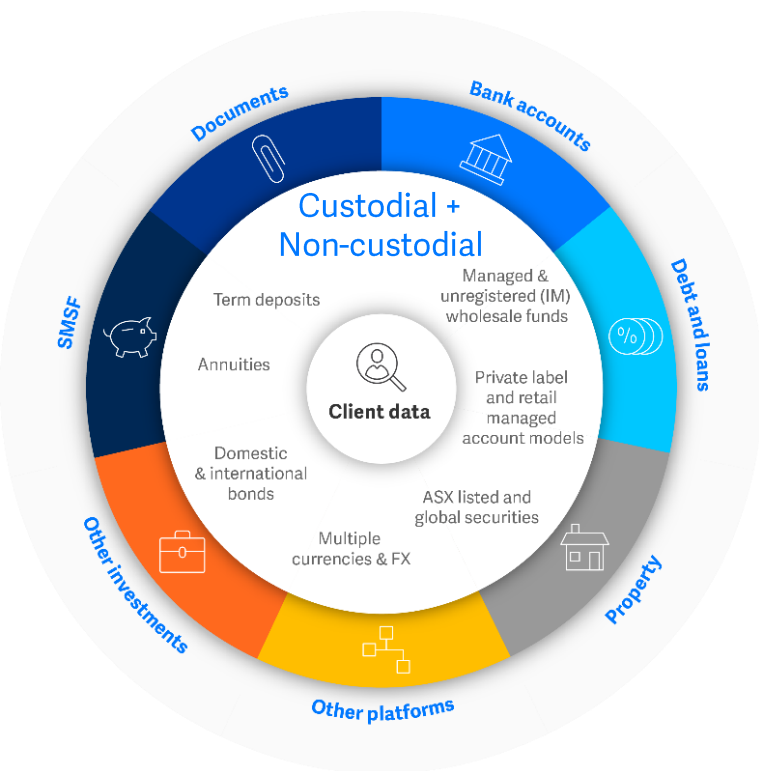
- Apps & onboarding
- Access management & sharing
- 3rd party data integrations



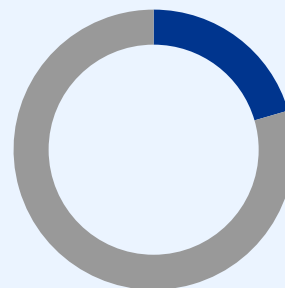
MAPs

- Custodial and non-custodial
- Administration service
- Report enhancements

Netwealth's whole of wealth platform







Introducing Wealth Accelerator MAPs (Multi-asset portfolio service)



● 20.5%
non-custodial assets

86.1% in-house

Advice firm who use in-house resources for data entry and administration of the off-platform assets

-  Netwealth assisted applications
-  Timely update of information
-  Tax Reporting & Annual Statements
-  Advice fee calculation

Summary: Strong financial and market position



Strong balance sheet

- low capital expenditure
- no debt
- significant cash reserves



Exceptional correlation between EBITDA and Cash Flow



High level of recurring and growing revenue



Ongoing strategic investment across IT infrastructure, people and software



A leader in mass affluent, high net-worth and private wealth solutions



#1 Platform for technology

Well positioned for future growth and market share gains

1. Rated by Investment Trends as number 1 in Overall Satisfaction by users for the tenth consecutive year and rated number 1 by Investment Trends for Best Platform Overall in 2017-2019 and 2021-2022.

2022
Formal Business
Mr Tim. Antonie

3

Item 1

Annual Financial Report and Directors' and Auditor's Reports

To consider Netwealth's Annual Financial Report, Directors' Report and the Independent Auditor's Reports for the financial year ended 30 June 2022.

No resolution is required for this item of business.

Any Questions?

Item 2

Adoption of the Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That the Remuneration Report for the year ended 30 June 2022, which forms part of the Directors’ Report, be adopted.”

Item 2

Adoption of the Remuneration Report

Proxy Votes Received

For	Open	Against	Abstain
81,442,941	67,412	749,009	44,378
99.01%	0.08%	0.91%	

*Open votes totalling 24,195 (0.03%) in favour of the Chairman (whether by election or default) will be voted in favour of Item 2.

Item 3

Re-election of Independent Non-Executive Director, Mr Davyd Lewis

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Mr. Davyd Lewis be re-elected as a director of Netwealth."

Item 3

Re-election of Independent Non-Executive Director, Mr Davyd Lewis

Proxy Votes Received

For	Open	Against	Abstain
197,810,639	67,562	8,636,209	3,889
95.79%	0.03%	4.18%	

*Open votes totalling 24,245 (0.01%) in favour of the Chairman (whether by election or default) will be voted in favour of Item 3.

Item 4

Re-election of Independent Non-Executive Director, Ms Sally Freeman

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Ms Sally Freeman be re-elected as a director of Netwealth."

Item 4

Re-election of Independent Non-Executive Director, Ms Sally Freeman

Proxy Votes Received

For	Open	Against	Abstain
205,983,502	67,562	463,486	3,749
99.74%	0.03%	0.22%	

*Open votes totalling 24,245 (0.03%) in favour of the Chairman (whether by election or default) will be voted in favour of Item 4.

Item 5

Approval of the Managing Director's Long Term Incentive Award

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.14, approval is given to grant 30,257 Performance Rights to Mr. Matt Heine, on the terms set out in the Explanatory Notes to the Notice of Meeting."

Item 5

Approval of the Managing Director's Long Term Incentive Award

Proxy Votes Received

For	Open	Against	Abstain
72,992,421	67,462	9,197,129	46,728
88.74%	0.08%	11.18%	

*Open votes totalling 24,245 (0.03%) in favour of the Chairman (whether by election or default) will be voted in favour of Item 5.

Important notice and disclaimer

General Information only

Information provided is general information presented in a summary format as at 23 November 2022, and is therefore not necessarily complete. This presentation is for informational purposes only and is not to be relied upon as advice to investors or potential investors. This presentation does not take into consideration the investment objectives, financial situation or particular needs of any particular investor. Investors should not rely on this presentation to make any investment decision, and should make their own assessment, conduct their own research of Netwealth and the Netwealth Group and consider these factors with their legal, tax, business and/or financial adviser before making any investment decision.

Forward-looking statements

This presentation may contain certain forward-looking statements with respect to the financial condition, operations and business of the Netwealth Group and certain plans and objectives of the management of Netwealth. Forward-looking statements can be identified by the use of forward-looking terminology, including, without limitation, the terms “believes”, “estimates”, “anticipates”, “expects”, “predicts”, “intends”, “plans”, “goals”, “targets”, “aims”, “outlook”, “guidance”, “forecasts”, “may”, “will”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which because of their nature may cause the actual results or performance of the Netwealth Group to be materially different from the results or performance expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Netwealth Group’s present and future business strategies, the political and economic environment in which the Netwealth Group will operate in the future and financial market conditions, which may not be reasonable, and are not guarantees or predictions of future performance.

No representation is made that any of these statements or forecasts will come to pass or that any forecast result will be achieved, or that there is a reasonable basis for any of these statements or forecasts. Forward-looking statements speak only as at the date of this presentation and to the full extent permitted by law, Netwealth, the Netwealth Group, and their respective affiliates and related bodies corporate and each of their respective related parties and intermediaries disclaim any obligation or undertaking to release any updates or revisions to information to reflect any change in any of the information contained in this presentation (including, but not limited to, any assumptions or expectations set out in the presentation).

Past performance

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Financial data

All figures in the presentation are provided in Australian dollars. Financial data may be subject to rounding.

This document has been authorised for release by the Board.

For further information please contact:

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T: 03 9657 1488

Thank you

See wealth differently
Discover the possibilities

