



March 2024 update

Record Total Australian FUA up 22% to \$53.3 billion
Platform FUA up 12% to \$24.3 billion

ASX Release: 18 April 2024, Melbourne

Key results to 31 March 2024

Praemium reports its funds and flows for the quarter to 31 March 2024. All figures are unaudited:

- » Total funds under administration (FUA) of **\$53.3 billion** (31 March 2023: \$43.7 billion, up 22%). The addition of OneVue Platform FUA of \$4.1 billion, as at 15 April 2024, brings total FUA to \$57.4 billion, and Platform FUA to \$28.4 billion
 - » Platform, excluding OneVue, **\$24.3 billion** (31 March 2023: \$21.7 billion, up 12%)
 - Praemium Separately Managed Accounts (SMA) **\$11.2 billion** (31 March 2023: \$9.4 billion, up 19%)
 - Powerwrap **\$13.0 billion** (31 March 2023 \$12.4 billion, up 5%)
 - » VMAAS non-custodial Portfolio Administration and Reporting Service **\$29.0 billion** (31 March 2023: \$21.7 billion, up 32%)
- » Quarterly net inflows of **\$201 million** (quarter to 31 December 2023: \$175 million net outflow)
 - » Praemium SMA quarterly net inflows **\$254 million** (quarter to 31 December 2023: \$159 million)
 - » Powerwrap quarterly net outflows **\$53 million** (quarter to 31 December 2023: net outflow \$334 million)
- » Cash management account holdings
 - » Praemium SMA \$632 million (5.7% of FUA)
 - » Powerwrap \$552 million (4.2% of FUA)

Net platform inflows for the quarter to 31 March 2024 were materially augmented by \$1,124 million in positive market movement. This represents approximately 4.9% of the value of Platform FUA at 31 December 2023.

Quarterly highlights

Key technology and business developments included:

- Completed the acquisition of OneVue Wealth Platform from Iress on 15 April 2024
- Best rated platform in the Investment Trends Competitive Analysis and Platform Benchmarking Survey for those categories of greatest relevance to High Net Worth investors and their advisers:
 - #1 platform for the categories of Security, Data and Integration, and Decision Tools; and
 - #1 in 17 sub-categories, the second highest #1 ratings of any platform
- Nominated for Advised Product of the Year in 2024 Chant West Super Fund Awards and Best Platform in Australian Wealth Management Awards 2024
- Implemented revenue uplift program for SuperSMA and SMA with new fee schedules effective 1 April 2024
- Enhanced data feeds for AUSIEX and Xero
- Streamlined the account maintenance process for SMA margin loan accounts to improve efficiency
- Ability to include more than one direct debit for SuperSMA applications.

Comments from CEO

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

“The March quarter showed a continuation of the previous quarter’s encouraging flows environment. The positive quarter for the Praemium scheme was noteworthy for the positive impact of improved cross-selling from our non-custodial VMA and VMAAS services. Non-systemic outflows from Powerwrap retreated significantly from the previous quarter’s levels, however we remain alert to the risk posed to FUA associated with transitioning advisers.

In addition to this positive momentum, OneVue FUA of \$4.1 billion was added in April. The addition of this new FUA is underpinned by long-term relationships with high-quality clients. The increase to platform FUA of 17% to \$28.4 billion represents a material uplift in scale.

The Praemium SMA scheme is our cornerstone product and highest revenue margin service. It achieved quarterly net inflows of \$254 million. On an annualised basis, this represents approximately 10% of the quarter’s opening FUA.

The Powerwrap scheme experienced \$53 million in net outflow. This was a significant retreat from the elevated \$334 million in net outflows of the previous quarter. The risk remains that a small number of key advisers who have moved advice groups will transition their clients to a non-Powerwrap solution. Gross outflows from these transitioning advisers exceeded \$700 million over the three most recent quarters.

Absent any further adviser movements, it is currently estimated that the rate of outflow will continue at a similar rate for at least a further six months. Whilst unfortunate, over the long term Praemium and Powerwrap clients have typically grown their businesses at strong rates. This should ameliorate the negative impact of the transitions which might arise from the known adviser exits.

The strong growth in FUA on VMAAS highlights the tremendous potential of that service. Our non-custodial capability remains market leading and represents a significant opportunity for Praemium. Inclusive of the core VMA software offering, Praemium provides comprehensive reporting solutions for more than 64,000 portfolios (~60,000 at 31 March 2023). Our non-custodial solutions are essential in providing advisers and their clients with a whole of wealth view across their investment portfolios. In the financial year to date, Praemium has welcomed 36 new client organisations to the VMA and VMAAS services.”

Key statistics

Quarterly Platform flows (\$m)	Mar 23	Jun 23	Sep 23	Dec 23	Mar 24
Praemium SMA	470	547	640	593	638
Powerwrap	679	783	641	520	543
Gross inflows	1,149	1,330	1,241	1,113	1,181
Praemium SMA	(355)	(467)	(383)	(434)	(384)
Powerwrap	(571)	(741)	(692)	(854)	(596)
Gross outflows	(926)	(1,208)	(1,075)	(1,289)	(980)
Praemium SMA	115	80	257	159	254
Powerwrap	108	42	(51)	(334)	(53)
Net inflows	223	122	206	(175)	201

FUA (\$m)	Mar 23	Jun 23	Sep 23	Dec 23	Mar 24
Praemium SMA	9,350	9,621	9,807	10,403	11,218
<i>Net Flow % of opening FUA</i>	<i>1.3%</i>	<i>0.9%</i>	<i>2.7%</i>	<i>1.6%</i>	<i>2.4%</i>
Powerwrap	12,372	12,580	12,476	12,524	13,034
<i>Net Flow % of opening FUA</i>	<i>0.9%</i>	<i>0.3%</i>	<i>-0.4%</i>	<i>-2.7%</i>	<i>-0.4%</i>
Australia Platform FUA	21,722	22,201	22,284	22,928	24,253
VMAAS	21,930	21,823	22,305	25,340	29,016
TOTAL FUA	43,652	44,024	44,589	48,268	53,269

Platform FUA Movement (\$m)	Mar 23	Jun 23	Sep 23	Dec 23	Mar 24
Opening Platform FUA	20,918	21,722	22,201	22,284	22,928
Praemium SMA	115	80	257	159	254
Powerwrap	108	42	(51)	(334)	(53)
Net inflows	223	122	206	(175)	201
Market revaluation / other	581	357	(123)	819	1,124
Closing Platform FUA	21,722	22,201	22,284	22,928	24,253

This announcement is authorised by the Board of Praemium Limited. For further information contact Anthony Wamsteker, CEO, or David Coulter, CFO, Ph: 1800 571 881

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