

## Investor Presentation

**30 May 2018, Melbourne:** Praemium is pleased to provide the attached company update as presented at Shaw and Partners Emerging Leaders Conference (today) and Wilsons Rapid Insights Conference (31 May).

**About Praemium** (ASX: PPS): Praemium is a global leader in the provision of investment administration, Separately Managed Account (SMA) and financial planning technology platforms. Praemium administers in excess of 475,000 investor accounts covering approximately \$100 billion in funds globally, and currently provides services to approximately 800 financial institutions and intermediaries, including some of the world's largest financial institutions.

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**praemium**

## Investor Presentation

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*Michael Ohanessian - CEO*

**30 May 2018**

Praemium Limited  
ACN: 098 405 826



# Disclaimer

The material contained in this document is a presentation of general information about the Praemium Group's activities current as at the date of this presentation (30 May 2018) and is supplementary to the Group's previous ASX filings, and audited financial reports as applicable.

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# Our integrated technology solution

*The leading managed accounts provider*  
*Investment platforms across AUS, UK and International markets*

**Investment Management**  
*Multi-asset model portfolios and funds*

**Portfolio Administration**  
*Excellence in tax reporting*

**CRM & Financial Planning**  
*Cloud-based CRM and financial planning systems*

*Our market leading technology*

Performance analytics



Asset allocation



Tax



Consolidated reporting



Client portal



Sophisticated and scalable technology to support our wealth management clients globally

Over 800 clients covering \$100 billion in assets



# Our global footprint

## International

- High-growth markets across UK, Europe, Middle East and Asia
- Regulation driving significant industry change
- Exposure to fast growing pension markets
- Diversified products across managed accounts, funds & financial planning
- Emerging business model with scalable platform economics

## Australia

- High-growth market, significant industry change
- Diversified client base across institutions and retail advisers
- Exposure to fast-growing superannuation markets
- Diversified products across managed accounts and software-as-a-service
- Strong profit margins (40%+ EBITDA\*) over the past 3 years



# Managed accounts disrupting the platform market

Market  
growth

## Platform market \$821 billion<sup>1</sup>

Compulsory super contributions underpinning annual growth of 11.9% in 2017

Still dominated by the big 7 institutions (84% market share)

Shift to  
independence

## End of the vertical model?

Loss of 66 advisers per month from the large institutions over the past year<sup>2</sup>

Many already moving to independent platforms, with 4% of market taking 40% of 2017 net inflows<sup>1</sup>

Royal Commission fallout could accelerate this trend

Shift to  
Managed  
Accounts

## Growth of managed accounts

Managed accounts market \$57 billion, up 45% in 2017<sup>3</sup>

Delivering huge efficiency benefits to advisers; Praemium users saving 17.1 hours per week (43%) compared to wraps<sup>4</sup>

<sup>1</sup> Strategic Insight (Plan for Life) media release, March 2018: Funds Under Management at 31 December 2017

<sup>2</sup> Bell Potter Adviser Landscape, April 2018

<sup>3</sup> Institute of Managed Account Professionals, Managed Account FUM Census at 31 December 2017

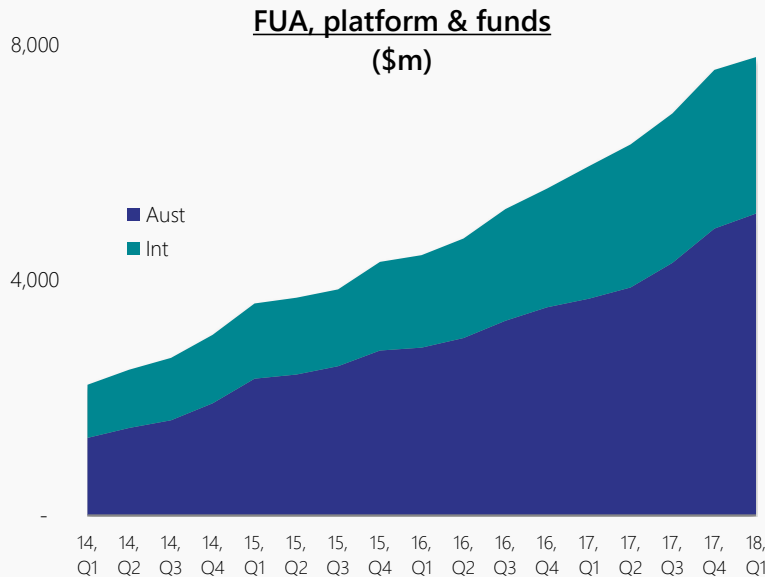
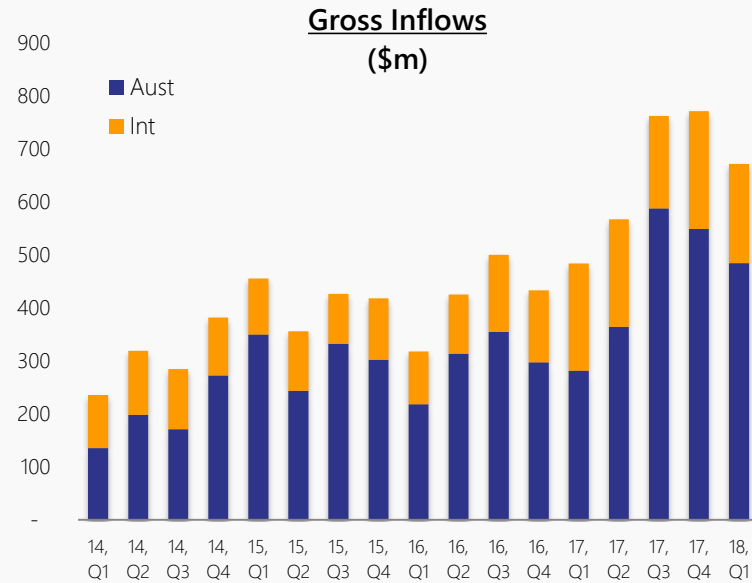
<sup>4</sup> Investment Trends Managed Accounts Report, February 2018



# The leading managed accounts provider

## Increasing inflow momentum

- Record inflows over the last 12 months
- Annual inflows up 51% to \$2.8 billion
- Launch of international securities in Australia in 2018 a further accelerator

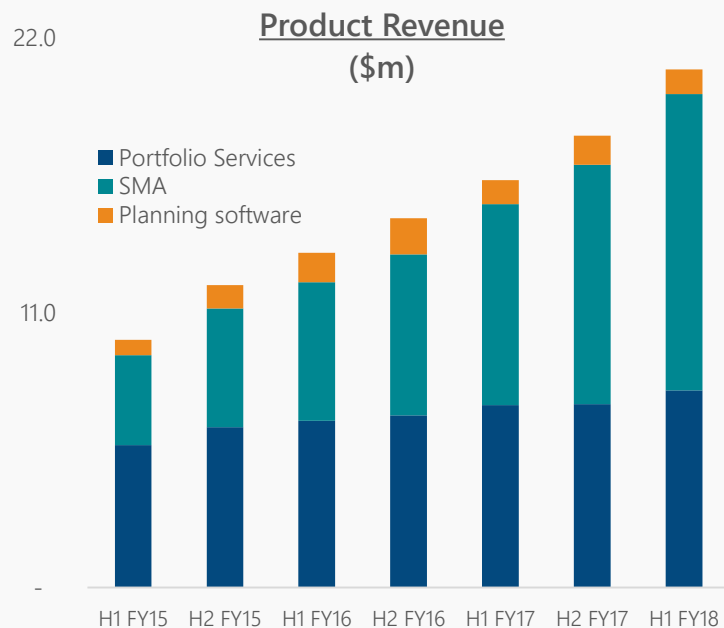


## Accelerating FUA

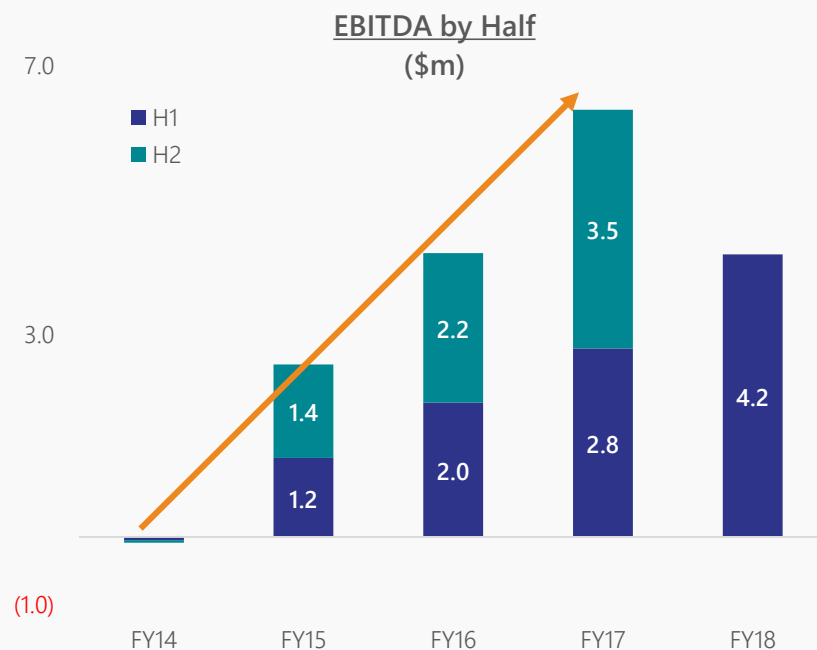
- FUA up 37% on last year to \$7.8 billion
- Australia \$5.1 billion, up 39%
- International \$2.7 billion, up 33%
- Further upside from global focus on superannuation / pension solutions



# Sustained revenue & earnings growth



\$m	H1 FY17	H1 FY18	Change
SMA	8.0	11.8	47%
Portfolio services	7.3	7.9	8%
Planning software	1.0	1.0	2%
Other	0.9	0.8	(10%)
<b>Revenue</b>	<b>17.2</b>	<b>21.5</b>	<b>25%</b>



\$m	H1 FY17	H1 FY18	Change \$	Change %
EBITDA (pre R&D)	2.0	3.5	1.5	74%
UK R&D incentive	0.8	0.7	(0.1)	(11%)
<b>EBITDA (underlying)</b>	<b>2.8</b>	<b>4.2</b>	<b>1.4</b>	<b>51%</b>
<b>EBITDA% to Revenue</b>	<b>16%</b>	<b>20%</b>		





# Building a compelling proposition

## Key enhancements delivered



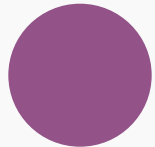
### Launch of International Models

*The Australian SMA now live with global securities*



### Launch of digital acceptance

*Paperless, fast account opening*



### Launch of Portfolio Admin Service

*Cost-efficient administration of non-custodial assets*



### Ready for MiFID II & GDPR

*Implemented the new EU regulatory requirements*



### 60% increase in investment menu

*Managed portfolios from 388 to 553;  
Funds, ETFs and XTBs from 244 to 467*

## R&D roadmap

Create leading digital dashboards

Evolve to a Unified Managed Account (UMA)

Develop retirement solutions that span the “kangaroo route”

Continue to build upon our best-in-breed reporting engine

Create a seamless advice process via CRM/Platform integration

 Questions?

**p**raemium