

March 2021 Quarterly business update

ASX Release – 15 April 2021

FUA of \$41.8 billion, 50% growth in past year

Quarterly highlights and outlook

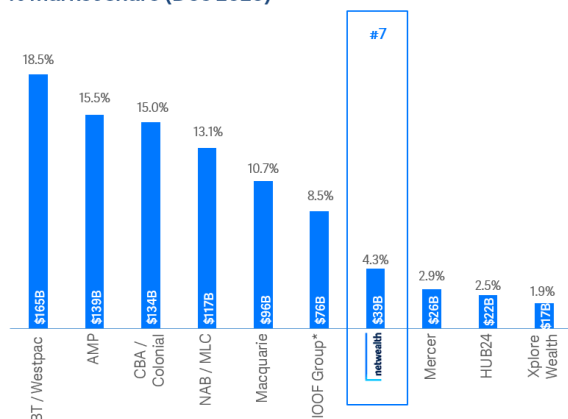
- Funds Under Administration (FUA) at 31 March 2021 of \$41.8 billion, an increase of \$3.0 billion (7.8% increase) for the March quarter including market movement of \$0.8 billion and an increase of \$14.0 billion (50.1% increase) to PCP¹ including positive market movement of \$5.7 billion.
- FUA net inflows of \$2.3 billion for the March quarter and \$6.7 billion YTD².
- Funds Under Management (FUM) at 31 March 2021 of \$10.5 billion, an increase of \$1.2 billion (12.7% increase) for the March quarter and an increase of \$4.2 billion (66.4% increase) to PCP.
- FUM net inflows of \$0.9 billion for the March quarter, includes \$0.9 billion Managed Account net inflows.
- Managed Account balance of \$8.7 billion at 31 March 2021, an increase of \$3.7 billion (73.1% increase) to PCP.
- In the *Investment Trends 2020, Platform Benchmarking Report* Netwealth was ranked first in the industry for:
 - transaction tools;
 - reporting;
 - product offering; and
 - decision support tools.
- Netwealth also received the highest net promotor score, for the second year in a row, as rated by advisers in the *Adviser Ratings 2020 Financial Advice Landscape Benchmarking Study*.
- Netwealth expects full year FUA net inflows to be approximately \$9 billion.

1. PCP: prior comparative period March 2020 quarter
2. YTD: Year to date 1 July 2020 to 31 March 2021

Platform growth and performance

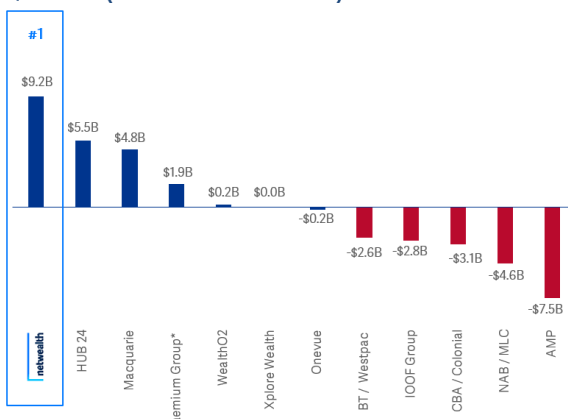
- Netwealth continued to lead the industry for FUA net inflows, as reported in the *Plan for Life* December 2020 quarter platform market update, recording for the eleventh consecutive quarter the largest FUA net inflows of \$9.2 billion for the 12-month rolling period to 31 December 2020.
- Netwealth also achieved the largest quarterly FUA net inflows of \$2.6 billion for the December 2020 quarter.
- Netwealth's market share increased to 4.3% at 31 December 2020 up 1.1% for the 12 months to 31 December 2020.
- Netwealth is the 7th largest and the fastest growing platform provider in Australia.

Platform providers by FUA market share
% market share (Dec 2020)



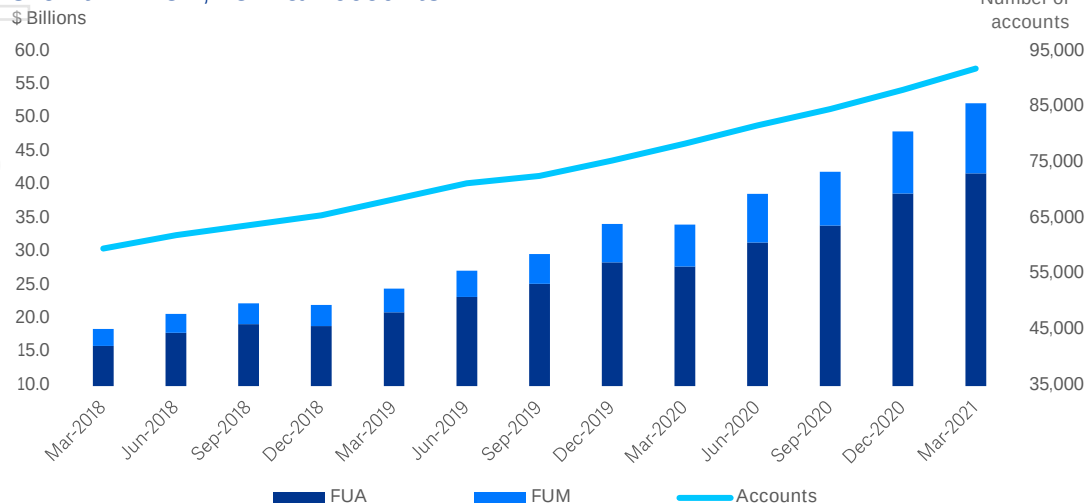
Source: Plan For Life, Analysis of Wrap, Platform and Master Trust Managed Funds as at Dec 2020
Total industry retail FUA of \$894.6B (as at Dec 2020)
*IOOF Group includes acquisition of ANZ OnePath

Platform provider net funds flows
\$'Billions (12 months to Dec 2020)



Source: Plan For Life, Analysis of Wrap, Platform and Master Trust Managed Funds 12 months to Dec 2020. Total net flows of -\$0.5B (Not included above: Others of -\$1.4B)
*Premium Group includes acquisition of Powerwrap

Growth in FUA, FUM & Accounts



Source: Netwealth

Quarterly platform statistics

	Mar-2020	Jun-2020	Sep-2020	Dec-2020	Mar-2021	Growth*
Funds Under Administration						
Funds Under Administration	27,875	31,502	34,023	38,799	41,840	50.1%
Fee Paying FUA %	62.1%	63.1%	64.1%	63.4%	66.4%	
FUA net inflows	3,199	1,525	1,912	2,556	2,266	(29.2%)
Market movement	(3,835)	2,101	609	2,220	775	
Funds Under Management						
Managed Account	5,043	5,795	6,511	7,603	8,730	73.1%
Managed Funds	1,267	1,483	1,551	1,711	1,768	39.6%
Total FUM	6,310	7,277	8,061	9,315	10,499	66.4%
Managed Account net inflows	1,427	393	676	659	889	(37.7%)
Managed Funds net inflows	52	128	121	74	32	(37.8%)
FUM net inflows	1,479	521	797	733	921	(37.7%)
Accounts (number)	78,543	81,804	84,734	88,189	92,008	17.1%

All figures in \$millions unless otherwise stated

All figures provided are unaudited & net flows do not include market movement

** Growth is the percentage increase on prior year corresponding quarter*

- The balance of the Netwealth Cash transaction account was 7.0% of FUA at 31 March 2021.
- The % of fee paying FUA was 66.4% at 31 March 2021, an increase of 3.0% for the quarter as clients who had not already moved to the new pricing by 1 January 2021, were transitioned.
- FUA net inflows were well diversified with the largest licensee accounting for approximately \$0.5 billion of the quarterly net inflows (\$1.4 billion PCP). Excluding the largest licensee, FUA net inflows for the quarter have returned to pre-COVID levels.
- Accounts at 31 March 2021 are 92,008, an increase of 3,819 accounts (4.3% increase) for the quarter.

About Netwealth

Netwealth is a financial services company listed on the Australian Stock Exchange (ASX: NWL). Netwealth was created with an entrepreneurial spirit to challenge the conventions of Australia's financial services.

We are a technology company, a superannuation fund and an administration business. Above all we exist to inspire people to see wealth differently and discover a brighter future.

Founded in 1999, Netwealth is one of the fastest growing wealth management businesses in Australia.

We are rated No.1 by our clients for providing exceptional service*.

Our financial products are:

- superannuation including accumulation and retirement income products;
- investor directed portfolio services for self-managed super and non-super investments;
- managed accounts; and
- managed funds.

Netwealth's digital platform supports how our financial products are delivered to market. For instance, via the platform, financial intermediaries and clients can invest and manage a wide array of domestic and international products.

The platform is built, developed and maintained by Netwealth's technology team. It is continuously enhanced using feedback from financial intermediaries, clients and other users and receives wide industry recognition as having market-leading functionality.

Supporting our financial products and technology platform is a significant investment in our people and resources to administer support, risk and governance and our custodial services.

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

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*Investment Trends May 2020 Planner Technology Report.