



<b>Company</b>	HUB24
<b>Code</b>	HUB
<b>Meeting</b>	AGM
<b>Date</b>	26 November 2020
<b>Venue</b>	Warrane Room, Museum of Sydney
<b>Monitor</b>	Allan Goldin assisted by Sue Howes

<b>Number attendees at meeting</b>	<b>In room 7 share/proxy holders, 3 guests &amp; 15 on webcast</b>
<b>Number of holdings represented by ASA</b>	10
<b>Value of proxies</b>	\$153,715
<b>Number of shares represented by ASA</b>	7,299
<b>Market capitalisation</b>	\$1.32B – on day of meeting
<b>Were proxies voted?</b>	Yes, on a poll
<b>Pre AGM Meeting?</b>	Yes with Bruce Higgins - Chairman

### Growth virtually unaffected by COVID

It has been a great year for this new entrant (and exit) from the ASX 200. Hub has shown considerable growth over the last five years in both FUA and profit.

The Chairman elaborated on the Annual Report <https://www.hub24.com.au/wp-content/uploads/2020/08/ASX-RELEASE-25-AUGUST-2020-FY20-HUB24-ANNUAL-REPORT.pdf>

ASA asked why the company did not accept the \$32 million subscribed by shareholders in the recent SPP. The Board decided that \$20m was the right number, as this provided the cash required without diluting shareholders.

The company has three key growth strategies:

- Enhancing the platform and digital on-boarding ability.
- Managed portfolio market leadership
- Consolidate position as "data as a service" leader

The majority of the questions were from the ASA and reiterated our voting Intention. One issue was why not align with shareholders by paying part of STI in equity. The answer was that the company did not want to dilute shareholders

We questioned the use of Fair Value to inflate the number of Performance Rights in their LTI and why the value of the special performance rights was not published. Response was advisor said it was OK and auditors signed off on it. The company has agreed to look at improving the way they report.

The candidates for re-election or election did not address the meeting to allow shareholders to hear why they should be on the board .We found this quite odd. It was also odd that the Managing Director's presentation was after the main business of the meeting. We wonder whether an issue may arise if the MD were to enlighten shareholders about a potential change in the organisation that may have changed their votes.

Another shareholder question was around the 200% premium paid for an acquisitions. The company expects to make mostly cost based synergies and thinks this acquisition is great in terms of growth. It also allows the addition of domestic and international bonds on the platform which allows targeting higher net wealth clients.

The results of the AGM were mixed: the vote was roughly 99% for both directors, the ESOP and the aggregate directors' remuneration. However, the items ASA voted against, dropped to around 90% for the remuneration report and the Constitutional change and to under 80% for the rights and option for the CEO.

Prior and after the meeting ASA had lengthy discussions with the CEO and all directors.