



ASX Announcement

28 February 2020

Powerwrap reports strong funds, revenue and margins in first half

Wealth platform Powerwrap Limited (ASX: PWL) today reported strong growth in funds, revenue and margins.

Funds Under Administration increased 20% over the calendar year to 31 December 2019 to a record \$8.76 billion, as previously reported. Net flows over the 6 months to 31 December were \$252 million.

Platform revenue for the first half increased 21% to \$9.4 million compared with the previous corresponding period.

Powerwrap has maintained its Revenue to FUA margin at 23 basis points.

Underlying EBITDA improved, with a loss of \$1.52 million in the half compared with a loss of \$2.97 million in the previous corresponding half. The underlying NPAT loss also improved from \$2.95 million to \$2.25 million.

Powerwrap CEO Will Davidson said, "This result shows that our key financial measures are improving in line with our strategy. Revenue is growing, expenses are under control and losses are reducing.

"Encouragingly, platform margins are being maintained due to growth in additional revenue streams.

"Powerwrap is the premier platform for high net worth investors and a leader in offering alternative investments.

"The half saw Powerwrap add several new groups to the platform, the benefits of which will flow through in the current half.

"These wins confirm our strategy and the importance of Powerwrap's focus on high net worth investors."

The Powerwrap/Investment Trends HNW Investor report released during the half revealed that the number of HNW investors in Australia increased to 490,000, controlling just over \$2 trillion in investable assets.

Powerwrap had \$15.8 million in cash on hand at the end of the period, and no debt.

Mr Davidson said the second half was expected to produce strong new flows and growth in existing clients and new business.

"The outlook for Powerwrap is strong. We are expanding the range of product for advisers to use for their clients, improving our technology interface and growing our Tickr offering.

"We are focused on continuing the differentiation of our platform as the platform of choice for high net worth investors and their advisers."



Authorised by the board.

About

Powerwrap Limited (AFSL No. 329829) is one of Australia's leading wealth management platforms, offering a comprehensive suite of investment, administration and shared services to high net worth investors.

Powerwrap's unique, bespoke-style platform service offers the broadest range of products in the market across all asset classes and utilises best of breed execution capabilities for all securities, something most platforms cannot do. Through Tickr, Powerwrap supports investment professionals looking to start an advisory business with a range of key shared services including compliance, finance and technology services. Powerwrap's open-architecture technology and experienced in-house execution team enable it to deliver unique flexibility and efficiency for its clients.

Further information contact

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