WEALTHO2

# Agenda

- Causes of adviser stress and other alarming stats

- Valuations of platforms skyrocketing

- Dynamics of practice valuations

- Achieving scale and efficiency in the 2020s

Alarming Stats
11,000 Advisers have left the industry since 2018
2,000 this year and many more expected before end of 2025
1/3 of Advisers are in regular sessions with a mental health specialist
1/2 say they have been depressed this last year
Planner fees have risen 16% over the last 12months alone
At some point the approach needs to change

Average practice costs have increased by

# 16% over the last 12 months

Steve Prendeville – Forte Asset Solutions

Practices need to be operating at greater than 40% EBITDA to maintain the valuations of several year's ago

Steve Prendeville – Forte Asset Solutions

Most one-man bands work at around 5% EBIT while typical advice practices (over 500k recurring rev) operate at 25 – 30% EBIT

Terry Bell – Business Health

# What is causing adviser stress?

82% Regulation change and compliance burden

51% Meeting education standards

48% Cashflow and business performance

Source AIA and Deakin University

WEALTHO2

# Age of Tech

## NETWEALTH

2000

First USB flash drive sold in the U.S by IBM

## XPLAN

2003

"Where 2 Technologies" is founded, it is today known as GoogleMaps

## MIDWINTER

2006

Facebook goes global
Internet explorer still dominating

## HUB24

2007

Google purchases Youtube
Apple births iPhone
GFC

## IMAP INVESTTECH

Today

Advice process is disjointed and time consuming

NWL • ASX

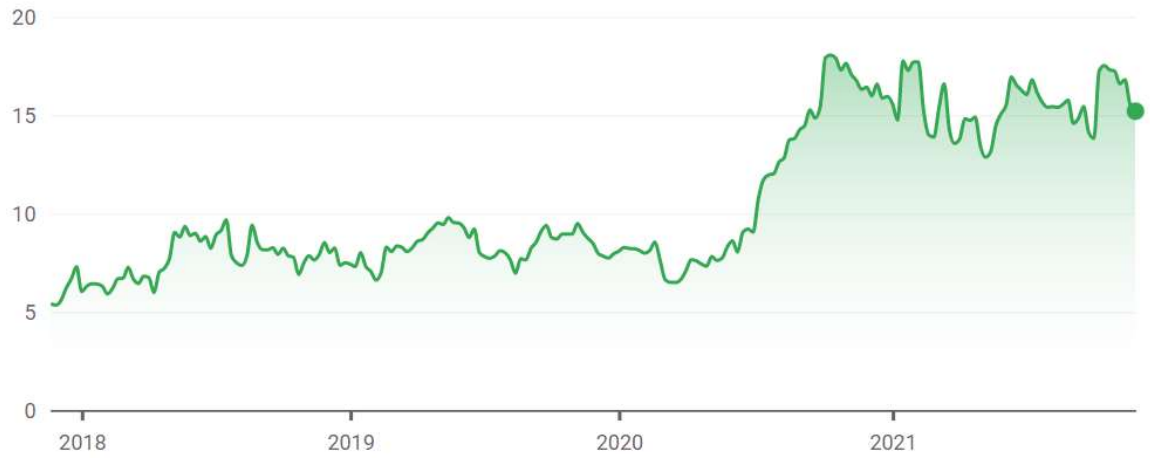
# Netwealth Group Ltd

MARKET CAP 3.70B AUD

$15.19 ↑181.30% +9.79 5Y

Dec 3, 7:00:01 PM UTC+11 · AUD · ASX · Disclaimer

1D 5D 1M 6M YTD 1Y 5Y MAX



HUB • ASX

# Hub24 Ltd

MARKET CAP 17.45B AUD

$27.59 ↑435.73% +22.44 5Y

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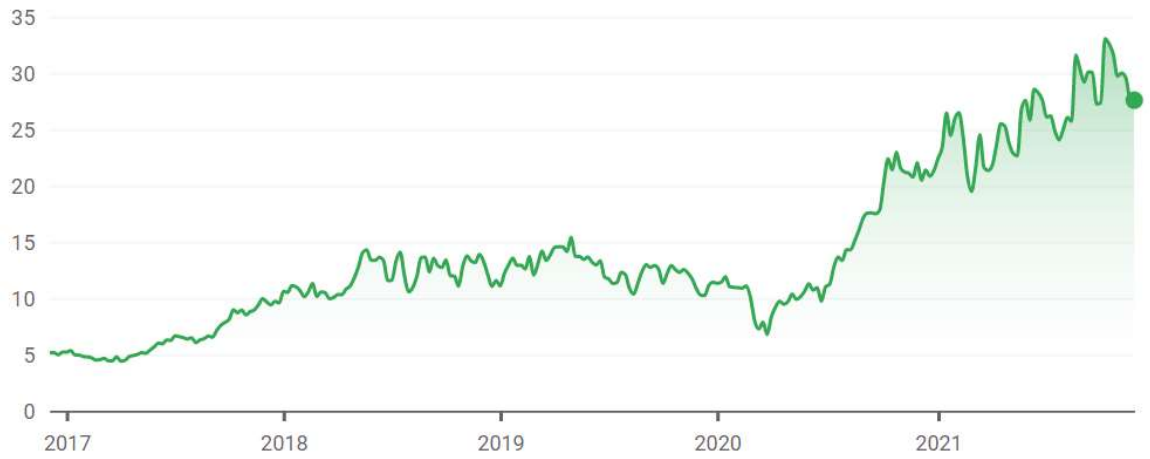

IRE • ASX

## Iress Ltd

MARKET CAP 2.38B AUD

$12.54 ↑12.87% +1.43 5Y

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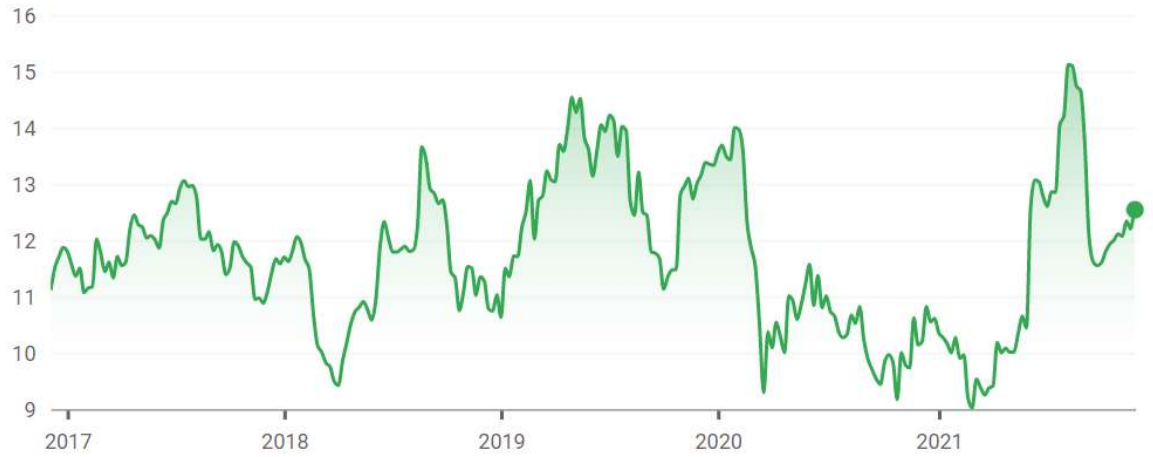
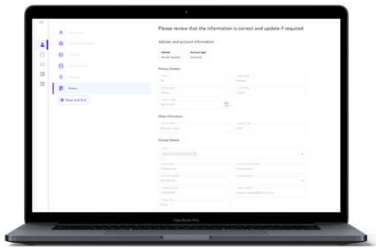
1D 5D 1M 6M YTD 1Y 5Y MAX



WEALTHO2

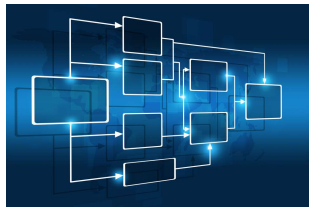
# Project Bullseye



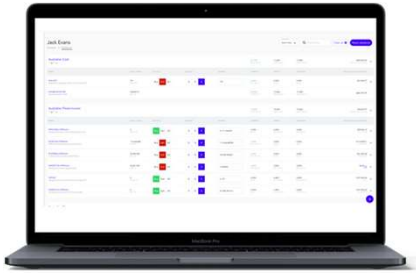
## Onboarding & Account Creation

Complete the onboarding process within WealthO2 using the new onboarding experience which guides the adviser through what is required to establish account in an intuitive workflow.

## Client/Investor Creation



New set of public facing APIs that will receive data to facilitate the pre fill the onboarding wizard within WealthO2.

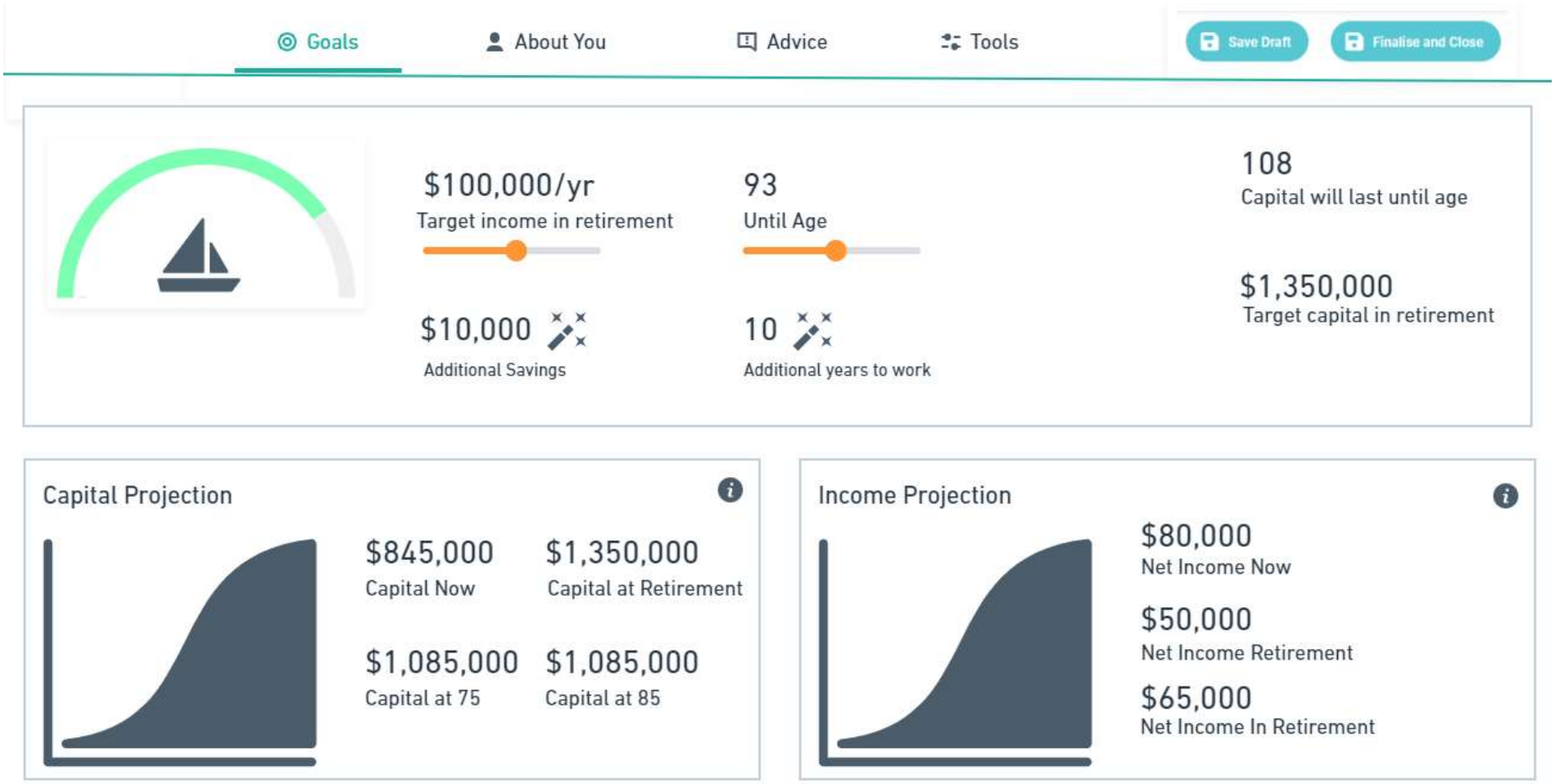


## Implementation of Advice & data flow

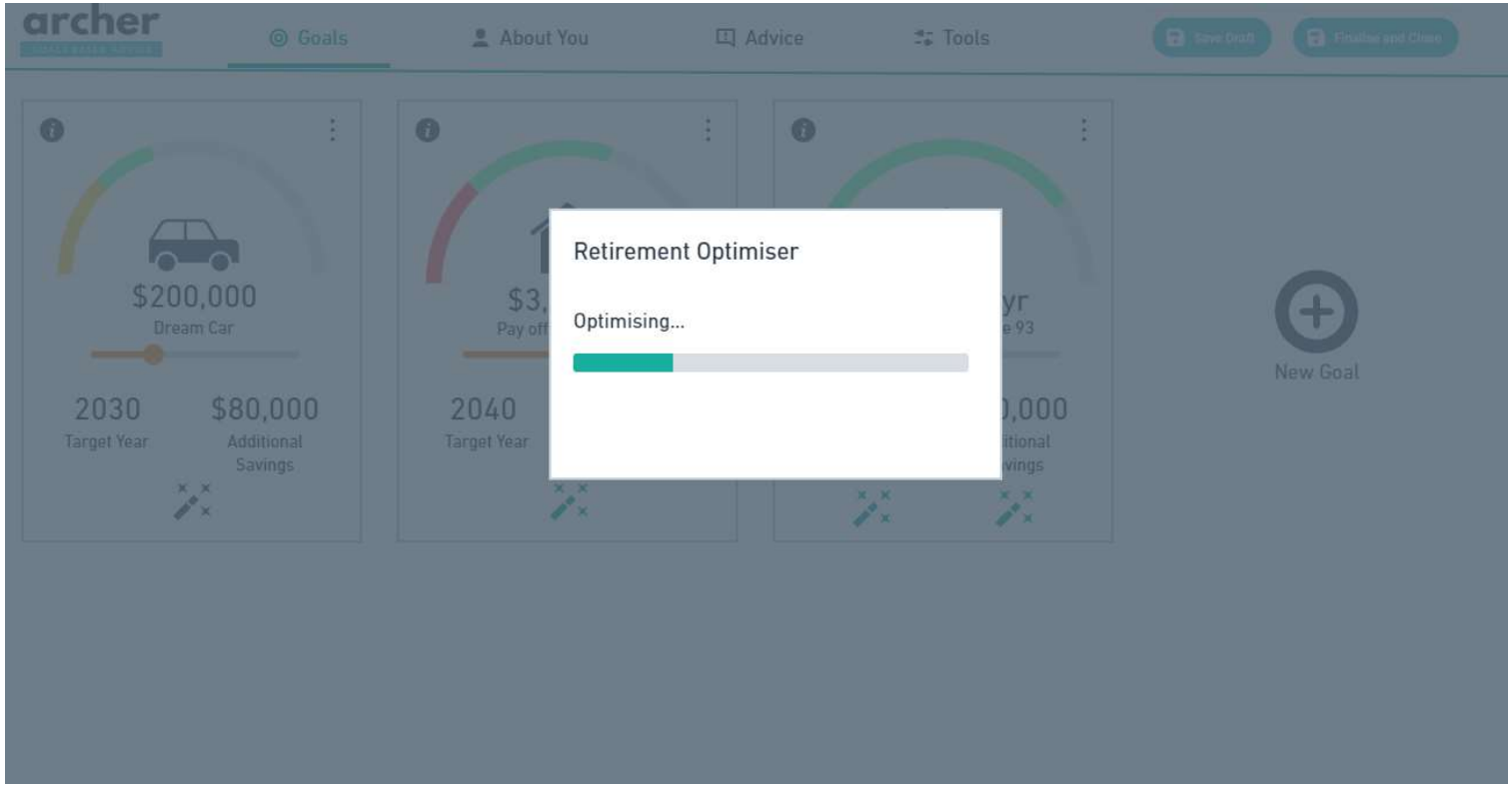
Implement the approved advice via WealthO2's industry leading rebalance engine.

Data is then sent back to facilitate reviews and goals tracking.

# IDENTIFY GOALS WITH THE CLIENT



# OPTIMISE CLIENT OUTCOMES

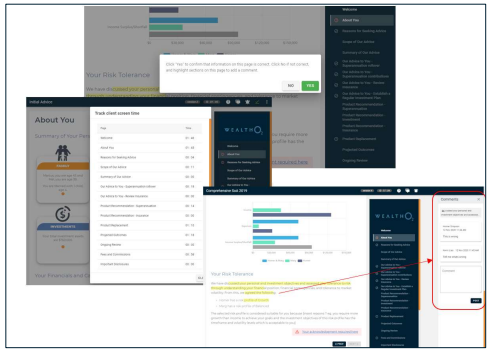


# ADVICE/PLATFORM STP

Adviser

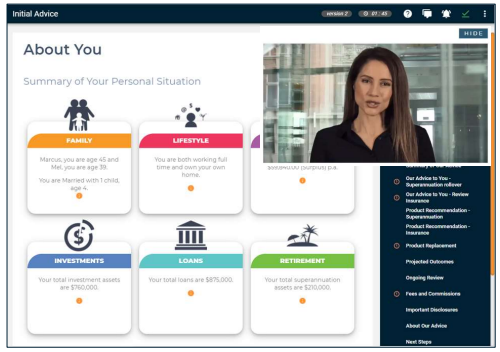
Client

Dynamic Docs




Dynamic Docs / Video

(low balance clients)




STP

STP

AI automated

# CLIENT PORTAL – STAGE 2

ROAR SOFTWARE

Archer / Quest

WEALTHO2

Non platform asset balance

Platform asset

**Client Portal**

WEALTHO2

“80% or more of heirs will look for a new financial advisor after inheriting their parents’ wealth”

Andrew Osterland - CNBC

# GAMIFY CLIENT PORTALS

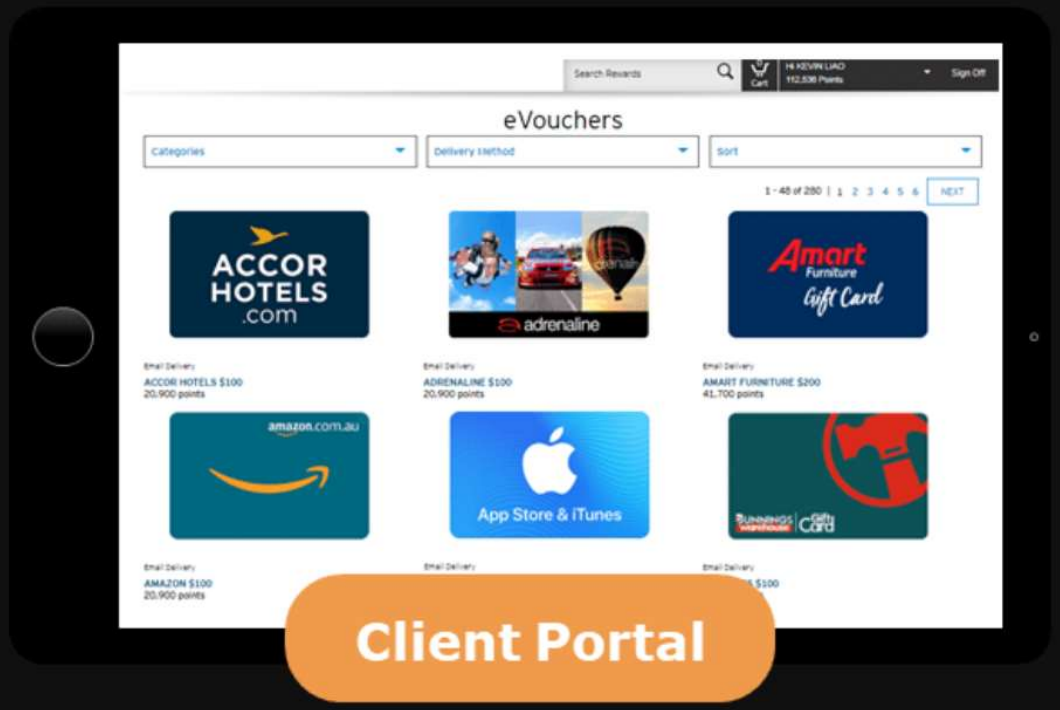
Keep customers more engaged and drive behaviour

Reward clients for reaching agreed milestones or performing specified tasks

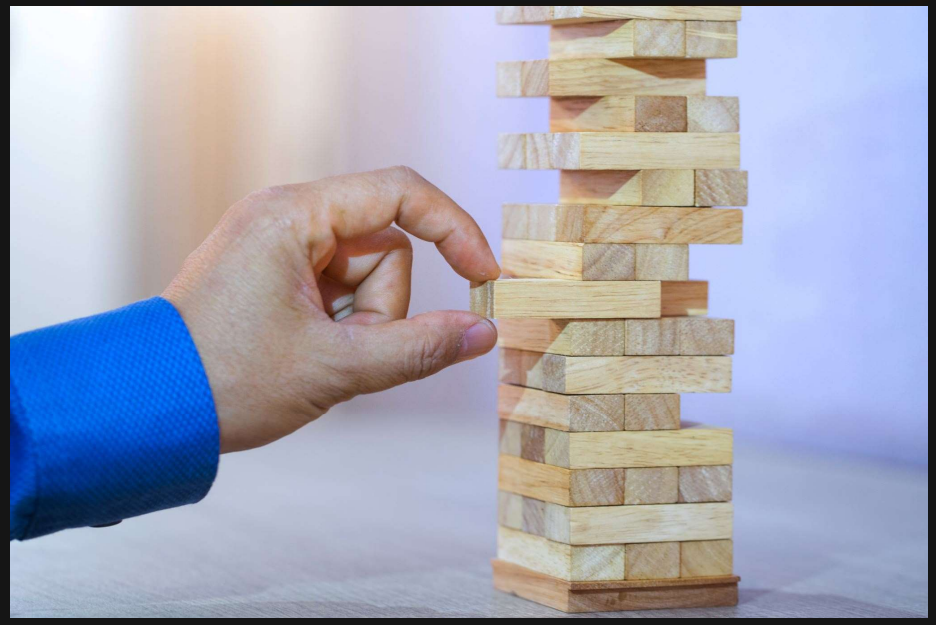
Retain customers

Increase customer lifetime value

Show customers appreciation



# PROBLEMS WE WILL SOLVE



Ownership of connectivity

Scale in a consulting business

Enhanced compliance

2.8 platforms per practice

Re-keying data in 2021

Trial and error modelling

Tracking on / off platform assets to goals --- FINALLY!

Get value out of upgrading your platform