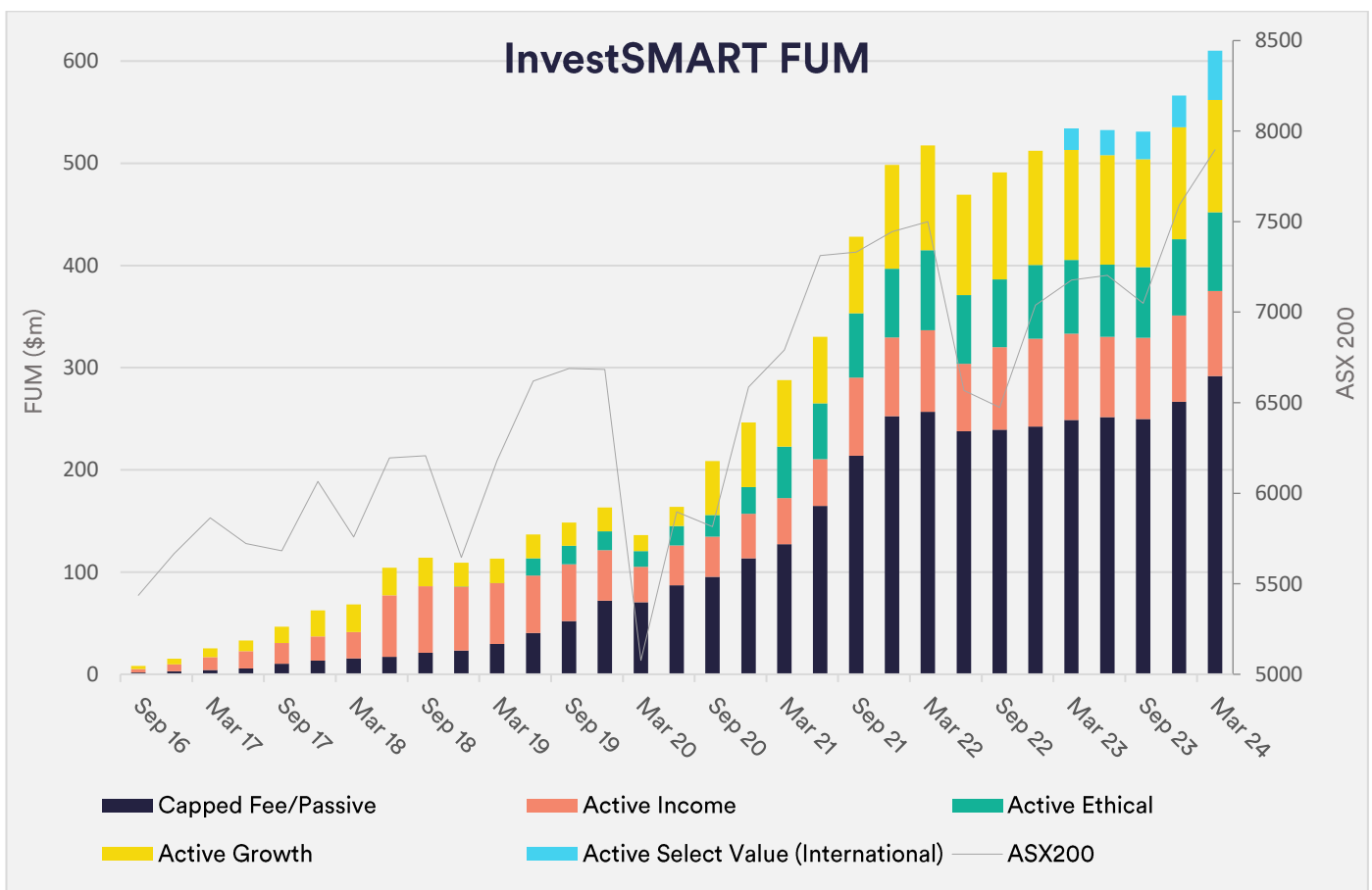


22 April 2024

Business update – quarter ending 31 March 2024

- Total Funds Under Management (FUM) is \$611 million at 31 March 2024, an increase of 7.8% compared to the prior quarter (December 2023 quarter).
 - Funds management fees increased by 6.4% compared to the prior quarter.
- White label investing platform launched with first client onboarded during the quarter.
- InvestSMART home page updated to prioritise the digital advice journey.



ACN 111 772 359

Digital Wealth Platform Results

InvestSMART Group Limited (InvestSMART or the Company) (ASX: INV), a leading Australian digital wealth and advice platform providing low-fee investment solutions, is pleased to provide a business update for the March ended quarter, Q3 FY2024.

Financial Results

	FY2024 Q3 March quarter \$	FY2024 Q2 December quarter \$	%
Operating Income			
Management fees - funds	864,704	813,342	6.3%
Subscription income	1,183,989	1,202,438	-1.5%
Commissions income - insurance	284,536	325,485	-12.6%
Other income	5,998	5,912	
Operating income	2,339,227	2,347,177	-0.3%
Operating Expenses			
Commissions rebates	67,424	91,740	-26.5%
Employment expenses	1,470,861	1,374,099	7.0%
Marketing costs	153,424	164,869	-6.9%
Other operating expenses	806,717	861,078	-6.3%
Total operating expenses	2,498,426	2,491,786	0.3%
Operating Profit/(Loss)	(159,199)	(144,609)	
Cash at bank (end of period)	6,281,454	6,856,225	-8.4%

* Quarterly results are prepared by management and are unaudited.

Income from management fees - funds increased by 6.3% to \$865k in Q3 FY2024 compared to the prior quarter. Funds Under Management (FUM) increased by 7.8% over the quarter to \$611 million at 31 March 2024. The primary focus of InvestSMART is growth in Funds Under Management in Professionally Managed Accounts (portfolios of ETFs, capped at \$550 per annum per account) and actively managed, ASX listed Intelligent Investor funds (see About InvestSMART at the end of this announcement for further details).

Subscription income declined by 2.6% to \$1.18 million in Q3 FY2024 vs \$1.2 million in Q2 FY2024.

Income from management fees on funds and subscriptions remain the focus areas for long-term business growth.

Commissions income from insurance decreased by 12.6% compared to the December 2023 quarter. Management expects a previously communicated attrition rate of ~8% to continue. The larger decrease compared to the December 2023 quarter is seasonal.

Operating income decreased by 0.3% to \$2.34 million (Q3 FY2024 v Q2 FY2024).

Employment expenses on a normalised basis is flat from quarter to quarter. Leave provisions decreased by \$50k in the prior December quarter and increased by 34k in the March quarter. Total staff decreased from 36 at 31 December 2023 to 33 at 31 March 2024. We expect employment expenses to decrease by approximately 5% on a normalised basis. During the quarter Effie Zahos and Maria Bekiaris joined the Content team and Angus Donohoo joined the Intelligent Investor analyst team. Operating profit excludes restructuring costs related to redundancy pay and notice periods paid in-lieu, which is approximately \$187k for the March 2024 quarter.

Cash at bank decreased during the period due to the payment of employee redundancies and associated costs, operating losses and a reduction in trade and other payables.

Products And Services

The InvestSMART website was relaunched in January 2024 to facilitate a goals-based advice journey. The Final Government Response to the Quality of Advice Review advocates legislation which facilitates a “more fit-for-purpose, principles-based, advice record...” The number of new free InvestSMART users increased by 72% compared to the December 2023 quarter. The number of completed digital statements of advice increased exponentially.

We launched our white label online investing platform during the quarter with the appointment of our first external investment manager, The Rask Group Pty Ltd (Rask Invest). Under the arrangement, Rask Invest clients will have their funds professionally managed by Rask Invest in one of three Rask investment portfolios within the InvestSMART Professionally Managed Accounts. InvestSMART will provide the back-end administrative, compliance and technological platform utilising InvestSMART’s proprietary digital solutions.

We conducted a secondary offering for the Intelligent Investor Select Value Fund (ASX: IISV) during the quarter raising \$11.3m. IISV is the fourth listed Intelligent Investor fund and the first to incorporate performance fees.

Marketing

Effie Zahos resigned as a non-executive director in December 2023 to commence a role as Chief Content Officer from January 2024. Marketing will be focussed on content which will form the bedrock for digital retargeting, search engine optimisation and media coverage through our key spokespeople. With over 20 years of experience in dealing directly with small balance retail clients, we know that awareness builds trust and engagement, which leads to conversions.

Divisional Commentary

Funds Under Management (FUM)

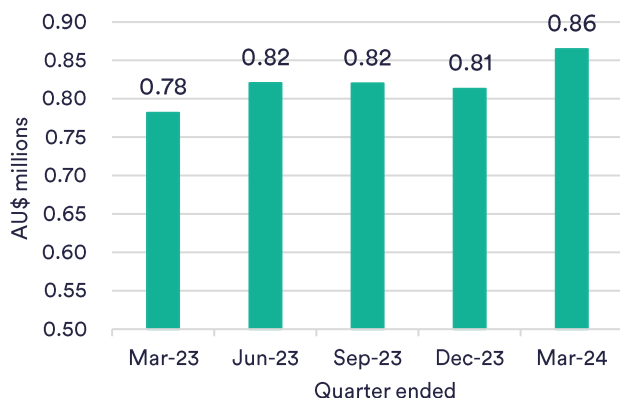
InvestSMART PMA Platform

The InvestSMART Professionally Managed Accounts (PMA) Platform was launched in November 2018. The number of accounts on the Platform (under a capped fee model) increased by 1.6% during the quarter to 2,541 accounts at 31 March 2024 compared to 2,501 accounts at 31 December 2023.

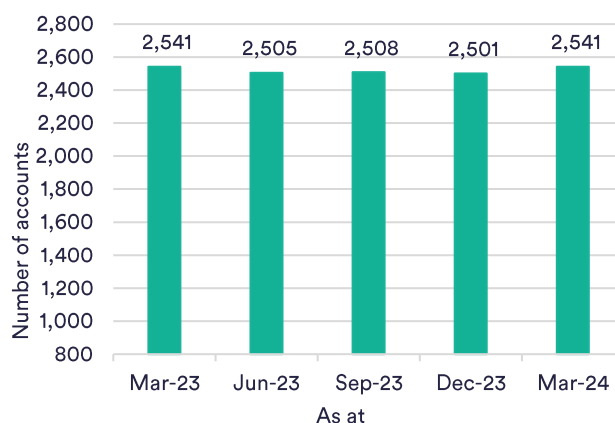
Intelligent Investor ASX listed ETFs

Total funds under management (FUM) across Intelligent Investor investments (under a variable fee model) is \$319 million at 31 March 2024, a 6.4% increase compared to 31 December 2023.

Management fees - funds



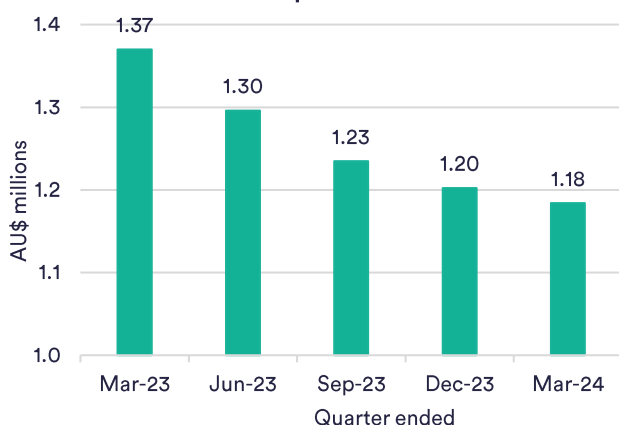
PMA Accounts



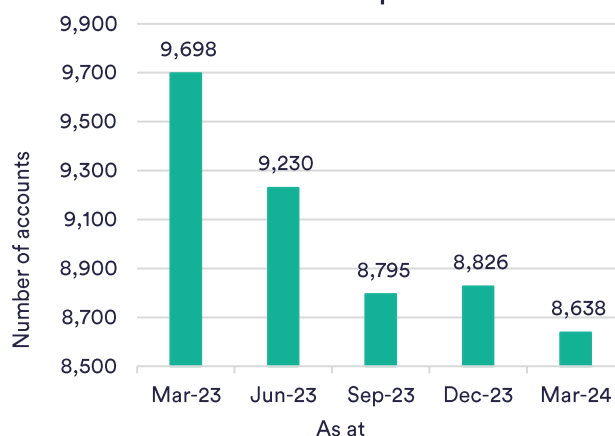
Subscriptions

Subscription income from fee paying subscribers to our *Intelligent Investor* content-driven publication declined by 1.5% compared to the prior quarter to \$1.18 million. Total subscribers decreased by 2.1% to 8,638 subscribers at 31 March 2024. The merger of *Intelligent Investor* and *Eureka Report* is designed to ensure a more coherent and streamlined reader experience for members. It will also have the added benefit of reducing the administrative burden on our developers and focus marketing efforts on only one subscription product.

Subscription income



Subscriptions



Fund Performance

InvestSMART PMA Platform

The latest quarterly report and performance of each of InvestSMART's eleven investment portfolios can be viewed [here](#). Click 'learn more' to view each portfolio.

Intelligent Investor ASX listed ETFs

- Intelligent Investor Australian Equity Income Fund – ASX: INIF
 - Latest quarterly report [here](#)
- Intelligent Investor Ethical Share Fund – ASX: INES
 - Latest quarterly report [here](#)
- Intelligent Investor Australian Equity Growth Fund – ASX: IIGF
 - Latest quarterly report [here](#)
- Intelligent Investor Select Value Share Fund – ASX: IISV
 - Latest quarterly report [here](#)

Corporate

Financial Reporting and Investor Presentation

We released our statutory Interim Consolidated Financial Report for the half-year ended 31 December 2023 during the quarter. Please see our [Investor Presentation](#) and [Interim Report](#) to learn more.

On-market buyback

InvestSMART announced an on-market share buyback. InvestSMART intends on conducting the buyback taking into account the prevailing share price, market conditions and the capital requirements of the business. For further information refer to the [ASX release](#).

Outlook

InvestSMART Managing Director, Ron Hodge, said “It was gratifying to see growth in FUM during the quarter after a lean period. Moreover, we made great strides operationally with the relaunch of the InvestSMART website, the launch of our white label platform and the appointment of Effie Zahos to our management team.”

This document has been authorised for release by order of the Board.

For further information or comment, please contact Paul Clitheroe, Chairman, or Ron Hodge, Managing Director and CEO, at InvestSMART Group on 02 8305 6000.

About InvestSMART Group Limited (ASX: INV)



We seek to be Australia's #1 wealth platform to do-it-yourself investors.

InvestSMART has built Australia's premier direct to investor wealth platform focused on digital investment advice. Our proprietary wealth platform helps clients achieve their financial goals through our low fee funds, content and tools ecosystem.

Every day we interact with Australians who are building investing knowledge by consuming our content, using our tools and growing and protecting their wealth through our investment solutions. Funds Under Management (FUM) total \$611m (at 31 March 2024).

Products & services. InvestSMART Group runs **Professionally Managed Accounts (PMA)* using ETFs** (with fees capped at \$550 p.a.) and **four active ASX listed ETFs** under its Intelligent Investor brand.

PMA Investment Accounts focus on **investing into a large universe of preferred ETFs** selected to provide a unique balance between performance returns, cost efficiency and risk diversification. Our proprietary investment research methodology screens a large universe of Australian and overseas ETFs, selecting only those which deliver leading returns relative to performance benchmarks and which have low management fees. Investors can create customised and diversified investment portfolios (based on ETFs) to suit their individual needs. Investment portfolios differ in the levels of risk and return, and each offers a different investment emphasis. **Fundlater** helps Australians with smaller starting balances invest in a PMA, with an initial investment of \$4,000 and then 20 monthly instalments of \$325 thereafter.

Intelligent Investor is a membership-based content publication developed to assist investors. Intelligent Investor provides research-based views on companies and investment themes together with The Eureka Report team, founded by Alan Kohler, which provides commentary and insights on investment strategy, markets and companies.

Technology. InvestSMART deploys and develops proprietary digital solutions to efficiently and effectively run its business to deliver exceptional customer experience – quality advice, research and easy-to-use tools for its clients.

Investment tools developed by InvestSMART provide foundational knowledge for investors, such as through our short course **'Bootcamp'** and **free tools** to monitor and assess investment performance via our **'Portfolio Manager.'**

* Professionally Managed Account (PMA): the investor holds legal and beneficial ownership (HIN based) and the underlying securities are registered under their name, within the investment portfolio.

Overview of InvestSMART's Investment Products

Name	Type	Description
Professionally Managed Accounts with 'capped fees' *	Professionally managed risk adjusted portfolios	Investments into preferred ETFs (ASX listed)
		<ul style="list-style-type: none"> InvestSMART Conservative Portfolio (diversified across asset classes) InvestSMART Balanced Portfolio (diversified across asset classes) InvestSMART Growth Portfolio (diversified across asset classes) InvestSMART High Growth Portfolio (diversified across asset classes) InvestSMART Ethical Growth Portfolio (diversified across asset classes) InvestSMART Australian Equities Portfolio (single asset class) InvestSMART International Equities Portfolio (single asset class) InvestSMART Property & Infrastructure Portfolio (single asset class) InvestSMART Interest Income Portfolio (single asset class) InvestSMART Hybrid Income Portfolio (single asset class) InvestSMART Cash Securities Portfolio (single asset class)
Active investment ETFs **	ASX listed active ETFs run by InvestSMART Group	Active ETF directly invests into ASX listed equities
		<ul style="list-style-type: none"> Intelligent Investor Australian Equity Income Fund – ASX: INIF Focused on cash rich businesses with ability to pay growing dividends (launched June 2018) Intelligent Investor Ethical Share Fund – ASX: INES Focused on ethically and socially responsible undervalued stocks (launched June 2019) Intelligent Investor Australian Equity Growth Fund – ASX: IIGF Focused on capital growth by investing in undervalued Australian equities (launched October 2020) Intelligent Investor Select Value Share Fund – ASX: IISV Focused on capital growth by investing in undervalued global equities (launched March 2023)

* Professionally Managed Account (PMA): the investor holds legal and beneficial ownership and the underlying securities are registered under their name, within the investment portfolio.

** 'Active' ETFs can be directly purchased on market (are ASX listed) and can also be accessed via InvestSMART's PMAs.