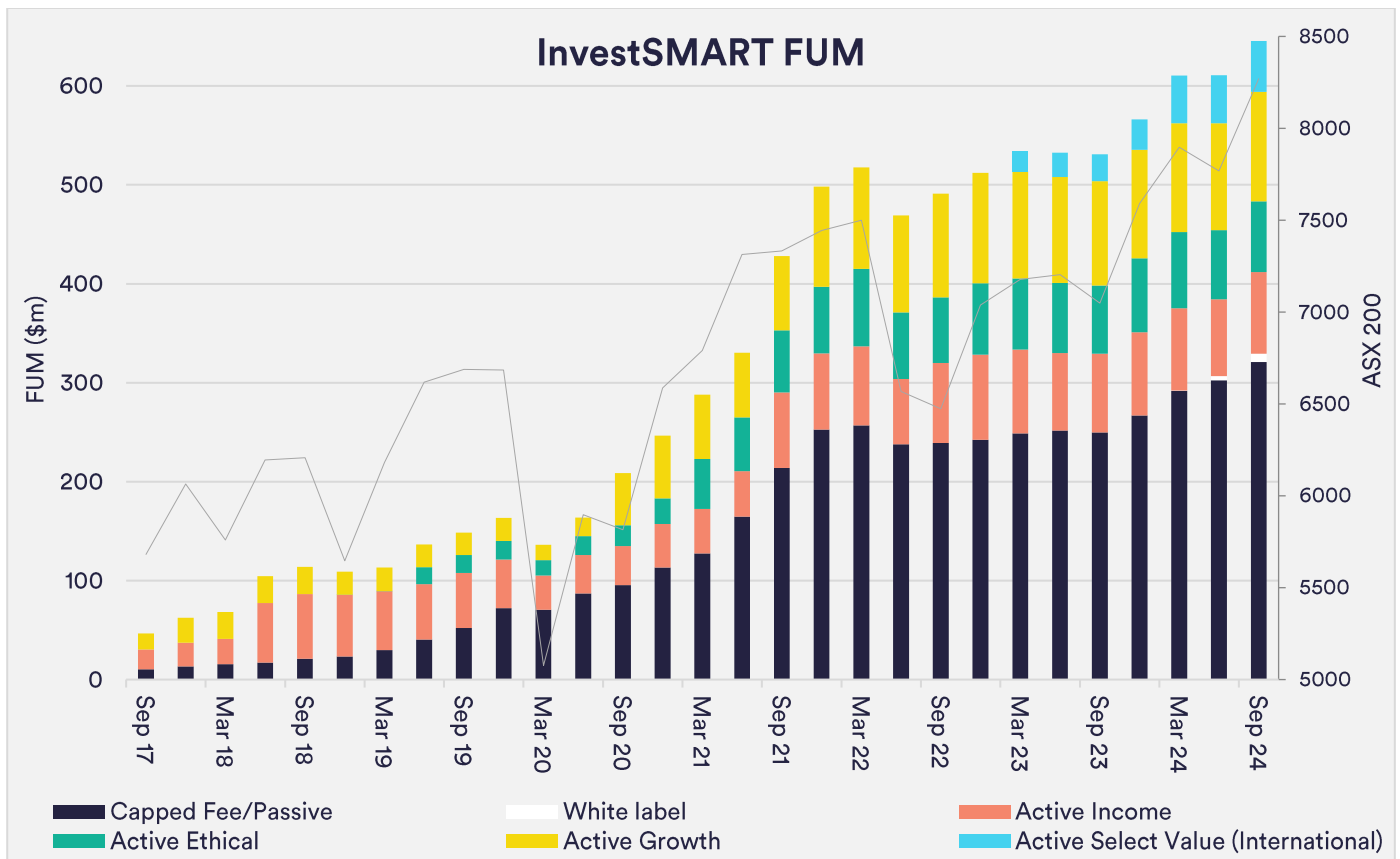


16 October 2024

Business update – quarter ending 30 September 2024

- Total Funds Under Management (FUM) is \$646 million at 30 September 2024.
 - Total FUM increased from \$611m to \$646m (up 5.7%) quarter on quarter and from \$531m (up 21.7%) year on year. Every \$100m in FUM is approximately \$600k in annual revenue growth.
 - Total PMA accounts increased by 4% during the quarter to 2,775 accounts at 30 September 2024.
 - Market matters onboarded as second white label partner.
 - InvestSMART portfolios celebrate 10-year track record in October 2024.



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 September ended quarter, Q1 FY2025.

Financial Results

	FY2025 Q1 September qtr \$	FY2024 Q4 June qtr \$	%
Operating Income			
Management fees - funds	885,805	892,665	-0.8%
Subscription income	1,157,716	1,185,282	-2.3%
Commissions income - insurance	307,057	322,017	-4.6%
Other income	5,628	8,166	
Operating income excluding performance fees	2,356,206	2,408,129	-2.2%
Performance fees - funds	-	233,236	
Operating income	2,356,206	2,641,366	
Operating Expenses			
Commissions rebates	110,220	103,911	6.1%
Employment expenses	1,435,997	1,419,971	1.1%
Marketing costs	175,511	158,804	10.5%
Other operating expenses	813,566	790,134	3.0%
Total operating expenses	2,535,294	2,472,820	2.5%
Operating Profit/(Loss)	(179,088)	168,546	
Cash at bank (end of period)	7,390,701	7,736,212	

* Quarterly results are prepared by management and are unaudited.

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).

Total FUM increased to \$646 million at 30 September 2024 from \$611 million at 30 June 2024. Income from management fees - funds decreased marginally. Intelligent Investor Active FUM declined to \$301m at 30 August 2024 from \$305m at 30 June 2024. Late in the quarter Active FUM recovered to finish at \$317 million.

We recorded a performance fee for the Intelligent Investor Select Value Share Fund of \$233k at 30 June 2024 (in the prior quarter). Performance fees are realised and recorded at 30 June each year with no accrual for performance fees during the year as performance fees are considered to be variable consideration.

Subscription income declined by 2% compared to the prior quarter to \$1.68 million in Q1 FY2025 vs \$1.18 million in Q4 FY2024. Subscription fees increased by 12% from 1 July 2024 for Intelligent Investor products. Approximately 2,500 subscribers chose to renew in advance of the price rises.

Commissions income from insurance decreased by 5% compared to the June 2024 quarter. Management expects a previously communicated attrition rate of ~8% to continue.

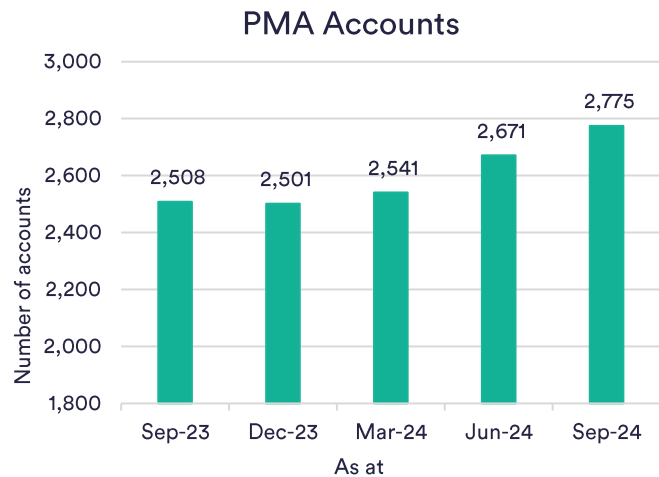
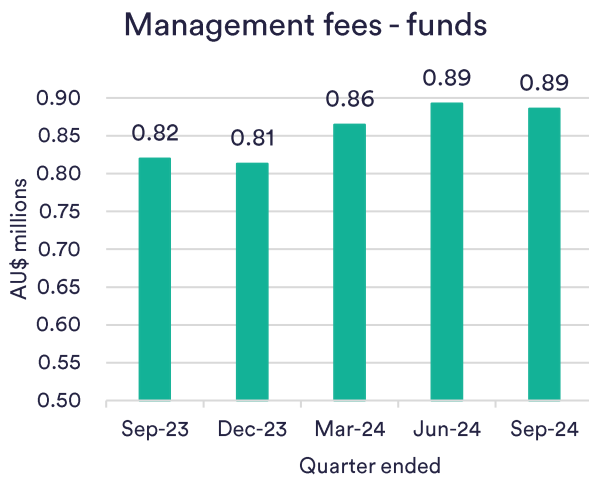
Marketing expenses increased due to the promotion of the [test your investsmarts](#) quiz including use of paid digital channels. Marketing costs are expected to decrease in Q2 FY2025.

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 3.9% during the quarter to 2,775 accounts at 30 September 2024 compared to 2,671 accounts at 30 June 2024.



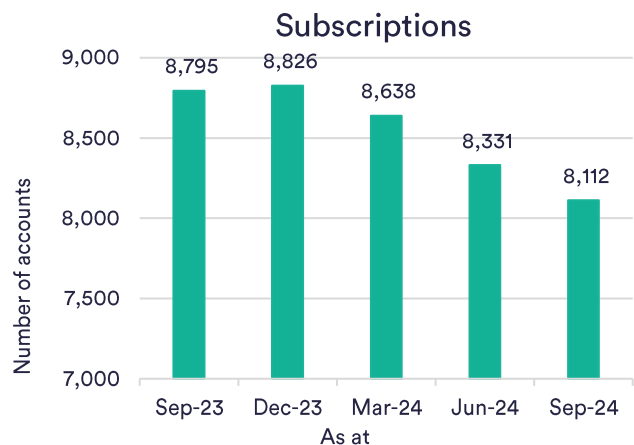
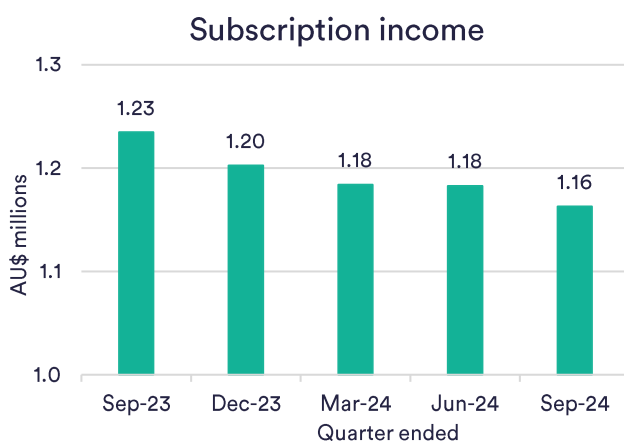
Intelligent Investor ASX listed ETFs

Total funds under management in Intelligent Investor Active ETFs (under a variable fee model) is \$317 million at 30 September 2024, a 4.0% increase compared to 30 June 2024.

Subscriptions

Subscription income from fee paying subscribers to our *Intelligent Investor* and *Eureka Report* content-driven publications declined by 2% compared to the prior quarter to \$1.16 million. Total subscribers decreased by 2.6% to 8,112 subscribers at 30 September 2024. We announced a 12% [increase in prices for Intelligent Investor subscriptions from 1 July 2024](#). Approximately 2,500 subscribers chose to renew in advance of the price rises.

Intelligent Investor and Eureka Report merged in November 2023. The merger is designed to ensure a more coherent and streamlined reader experience for members. The next phase of the merger will commence in the December quarter with our offering streamlined to a tiered Basic, Essentials and Premium offering.



Products And Services

We launched our white label online investing platform in March 2024 with the appointment of our first external investment manager, The Rask Group Pty Ltd (Rask Invest). We appointed a second manager during the September quarter, Market Matters, with the first account funded in October 2024.

Under the arrangements InvestSMART will provide the back-end administrative, compliance and technological platform utilising InvestSMART's proprietary digital solutions. White label FUM is \$8.4 million at 30 September 2024.

Marketing

Marketing has focussed on content since January 2024. Content forms the bedrock for digital retargeting, search engine optimisation and media coverage through our key spokespeople. This strategy has seen a material increase in conversion of new unique website visitors to free sign ups to InvestSMART. We launched a [test your investsmarts](#) quiz during the quarter which saw a further large increase in new free sign ups.

We augmented our SEO with Artificial Intelligence in March 2024. Traffic increased by over 15% in the September quarter compared to the June quarter as optimisation of our programme continues.

We continue to focus on conversion of traffic and new users to paying clients. We realise another milestone in October 2024 with the celebration of 10-year track record for our portfolios of ETFs, the bedrock of our roboadvice solution. In addition we celebrate 25 years of Intelligent Investor and InvestSMART.

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

1. Intelligent Investor Australian Equity Income Fund – ASX: INIF
 - Fund profile [here](#)
2. Intelligent Investor Ethical Share Fund – ASX: INES
 - Fund profile [here](#)
3. Intelligent Investor Australian Equity Growth Fund – ASX: IIGF
 - Fund profile [here](#)
4. Intelligent Investor Select Value Share Fund – ASX: IISV
 - Fund profile [here](#)

Corporate

Full year results

The [Annual Report](#) for the year ended 30 June 2024, [Investor Presentation](#) and [Corporate Governance Statement](#) was released on 28 August 2024.

Annual General Meeting

The Annual General Meeting will be held on Friday, 8 November 2024 at 11.00am (AEDT) at the offices of BDO located at Level 11, 1 Margaret St, Sydney NSW 2000. Details about how to participate, ask questions and vote at the AGM are contained in the [Notice of Meeting](#).

Appointment of non-executive director

Effie Zahos resigned as Chief Content Officer to take up a role as *Money Editor, for Nine News and A Current Affairs, Nine Entertainment*. Effie was reappointed as an InvestSMART non-executive director effective 30 September 2024.

Outlook

InvestSMART Managing Director, Ron Hodge, said “We were pleased to see continued growth in our Professionally Managed Accounts. We wish Effie best of luck with her new media role and look forward to the value she will continue to add as a non-executive director and advocate.”

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 \$646m (at 30 September 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. 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. Existing infrastructure and resources are utilised to provide **white label solutions** for selected partners.

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.'**

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 <u>Australian Equity Income Fund</u> – ASX: INIF Focused on cash rich businesses with ability to pay growing dividends (launched June 2018) Intelligent Investor <u>Ethical Share Fund</u> – ASX: INES Focused on ethically and socially responsible undervalued stocks (launched June 2019) Intelligent Investor <u>Australian Equity Growth Fund</u> – ASX: IIGF Focused on capital growth by investing in undervalued Australian equities (launched October 2020) Intelligent Investor <u>Select Value Share Fund</u> – 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.