

8 November 2024

ASX Market Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

By E-Lodgement

AGM ADDRESSES BY THE CHAIRMAN AND THE MANAGING DIRECTOR AND CEO

Attached are copies of the addresses to be given by Mr Michael Shepherd (Interim Chairman) and Mr Ron Hodge (Managing Director and CEO) at the 2024 Annual General Meeting of InvestSMART Group Limited today.

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

By order of the Board

CHAIRMAN'S ADDRESS AT AGM

Good morning and welcome to the 2024 Annual General Meeting of InvestSMART Group Limited.

InvestSMART's vision is to "help all Australians grow and protect their wealth." The strategic goal to achieve this vision is to be Australia's #1 digital wealth platform.

The Board made a strategic decision many years ago to deliver our own managed funds to provide ongoing annuity revenue. It is worth pausing to reflect on the progress made on this journey:

- Fees from our funds management products have grown every year over the past five years driven by our Intelligent Investor Active ETF products and our portfolios of passive ETFs. We believe that there is a large addressable market of underserved retail clients who will benefit from a digital product to help grow their wealth. We have purposefully chosen portfolios of ETFs to deliver that solution at scale.
- At times the growth of funds under management (FUM) to deliver funds management fees has pleased and frustrated us. Looking forward we have seen a small uptick in growth and positive sentiment during FY24 as we emerge from a period of increasing interest rates and cost of living pressures. We don't know when the next surge in growth will be, but we know that we have built the tools, technology, infrastructure, governance and trust to capitalise.
- During the last financial year:
 - Management fees from funds grew by 8% in FY24 compared to FY23.
 - Total FUM increased by 15% over the course of FY24 to \$611 million at 30 June 2024.
 - We also achieved growth in our performance fee of 45% compared to FY24.

The Delivering Better Financial Outcomes package should galvanise the finance industry to deliver what millions of investors want but haven't previously been able to get - independent, low-cost financial advice and products.

As a digital-first company with a unique, developed ecosystem and hundreds of thousands of do-it-yourself investors, we have a head start in the race.

The Board remains confident in InvestSMART's long term strategy to be Australia's #1 digital wealth platform for all Australians looking to take control of their investments to meet their financial goals.

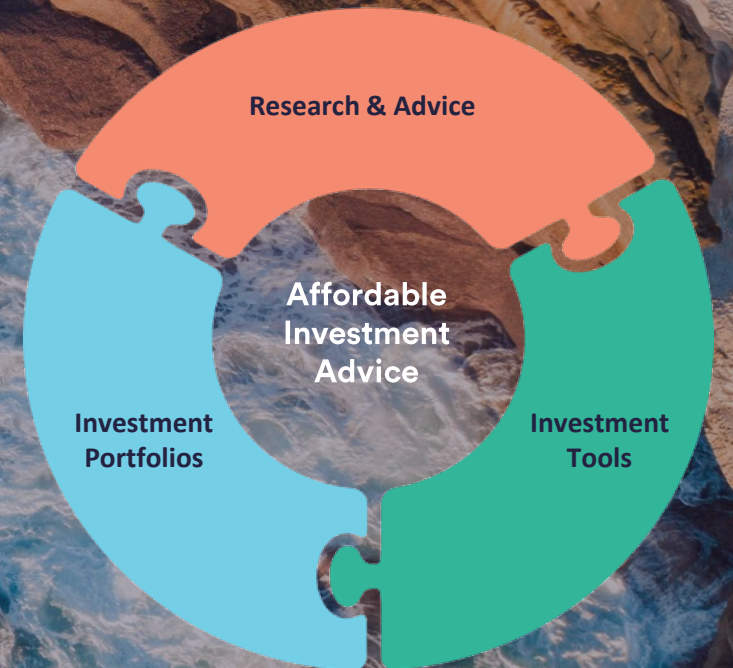
The Board would like to thank our staff, shareholders, and clients for their continued contribution to the ongoing success of our business. We look forward to realising the full potential of our business over coming years and celebrating with you our future success.

INVESTSMART

Helping all Australians grow and protect their wealth

ASX: INV

Investor Presentation
Dated 8 November 2024



Company highlights FY24

InvestSMART has built Australia's premier direct-to-investor wealth platform helping members achieve their financial goals through low-cost funds, content and tools ecosystem.

Digital Wealth Platform is delivering strong annual growth in funds under management (FUM), achieved through trust, high quality content, technology, and innovative products. In the June 2024 Financial Year:

22%

Growth in InvestSMART PMA FUM

(to \$307m)

7%

Professionally managed accounts (PMA) growth

(to 2,671accounts)

8%

Intelligent Investor ETFs FUM growth

(to \$304m)

15%

Total funds under management growth

(to \$611m)

35%

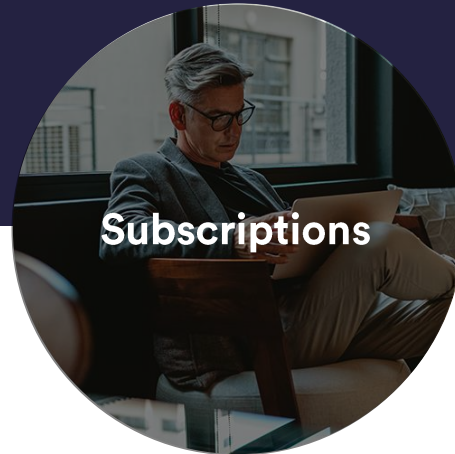
5Yr CGAR Growth in Total FUM

(30 June 2019 to 30 June 2024)

Key developments



- **Funds Management Fees** growth of 8% to \$3.4m compared to FY23.
- **PMA Platform investor accounts up 7%** to 2,671 compared to 2,505 in FY2023.
- **Launched new white label online** investing platform in March 2024. White label FUM is \$4.2m at 30 June 2024.



- **Average monthly retention rates for subscriptions of 85%.**
- **Subscription prices increased** by 12% on 1 July 2024, with 2,500 subscribers choosing to renew in advance prior to price rise.
- **Subscription income** of \$4.81m for the year, down 11% on FY23 with subscriber numbers down from 9,230 at 30 June 2023 to 8,331 at 30 June 2024.



- **Content focused marketing since January 2024 yielding positive results**, with marketing expense down 44% and new traffic to site up 13% in September 2024 quarter compared to September 2023 quarter.
- **Redesign of automated Statement of Advice (SOA)** has led to a 25x increase in SOAs completed.

One Digital Platform

Our proprietary wealth platform operates within a content and tools ecosystem

- Self select, transact and manage multiple products and services
- Product & service delivery
- Administration and tax reporting

Investment products

InvestSMART
Professionally
Managed Accounts
Capped fees

Diversified ETF portfolios
Conservative, Balanced, Growth,
High Growth, Ethical Growth

Single Asset Class ETF portfolios
International, Interest Income, Hybrid Income,
Property and Infrastructure, Australian
Equities, Cash

Fundlater
Lending service
+
White label
Variable fees

Intelligent Investor
Active ETFs –
ASX-listed
Variable fees

Australian Equity Income Fund (ASX: INIF)
Australian Equity Growth Fund (ASX: IIGF)
Ethical Share Fund (ASX: INES)
Select Value Fund incl. International (ASX: IISV)

Content and tools ecosystem
(subscription based)

Intelligent Investor website interface showing 'Stock Recommendations' and 'Latest Alerts'.

Pureka website interface showing 'Markets and Economics' content.

★★★★★ 4.6 (89 reviews)

Bootcamp for Beginner Investors

Set yourself up for financial freedom. Learn how to invest in today's market. **Total cost \$49.50**

Enrol now

Well recognised and active ambassadors in the Board and executive

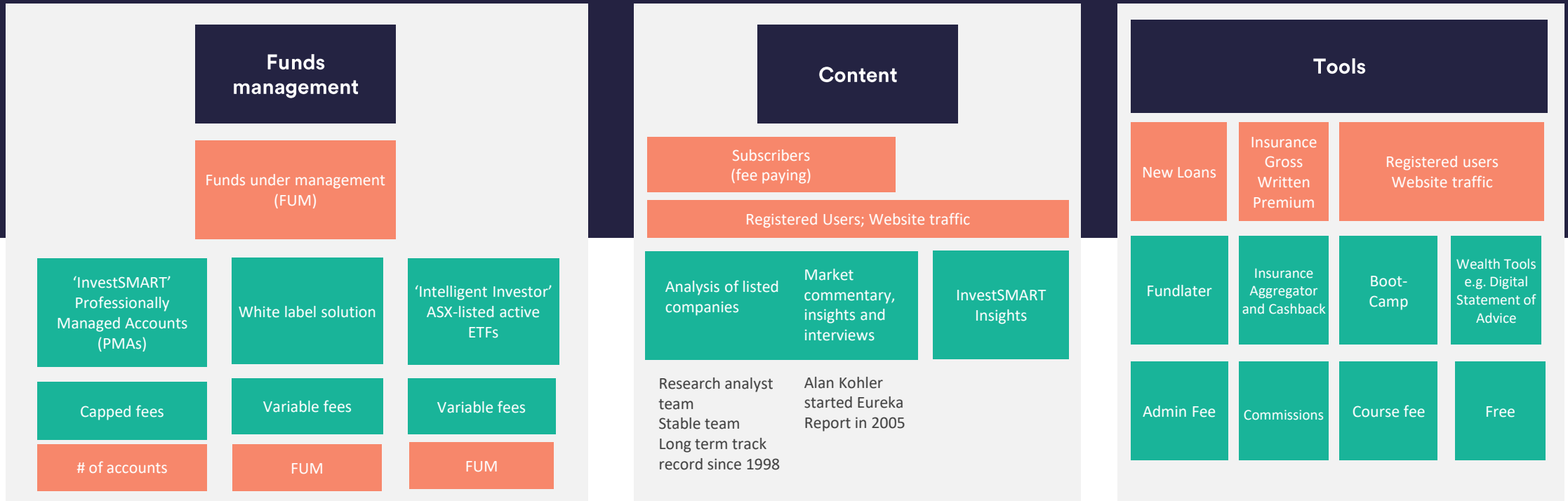
Paul Clitheroe AM
Chairman

Effie Zahos
Non-executive Director

Alan Kohler AM
Founding editor

Unique digital wealth platform

InvestSMART has built Australia's premier direct to investor wealth platform featuring unique content, low-cost funds and wealth tools in an integrated technology ecosystem



DIGITAL PLATFORM

product & service delivery / administration / focus on customer experience and cost efficiency

= Key operating indicator

Profit & loss FY24

(To be read in conjunction with InvestSMART Group Ltd Appendix 4E and Financial Report for the year ended 30 June 2024)

	FY2024	FY2023	%
	\$	\$	
Operating Income			
Management fees - funds	3,390,763	3,150,693	8%
Performance fees - funds	233,236	160,557	45%
Subscription income	4,806,519	5,375,493	-11%
Commissions income - insurance	1,272,143	1,349,487	-6%
Other income	24,970	16,389	52%
Total operating income	9,727,631	10,052,620	-3%
Operating Expenses			
Commissions rebates	375,870	395,632	-5%
Employment expenses	5,824,824	5,922,906	-2%
Marketing costs	656,148	1,175,723	-44%
Other operating expenses	3,266,973	3,185,768	3%
Total operating expenses	10,123,816	10,680,029	-5%
Operating Profit/(Loss)	(396,185)	(627,409)	36.9%
Interest income	255,331	144,989	
Government grants	113,856	58,600	
Employee benefit expense and contingent payments	(102,551)	(148,379)	
Amortisation of intangibles	(541,692)	(570,688)	
Restructure costs	(230,982)	-	
Income tax benefit	137,877	168,321	
Statutory Profit/(Loss) for the period	(764,346)	(974,566)	
Cash at bank (end of period)	7,736,213	7,812,215	-1%

Two main business areas
– the focus of InvestSMART moving forward

36 Staff , built for a highly scalable business

Scale marketing activity up/down opportunistically

Strong runway to grow the
business

Results highlights

FY24

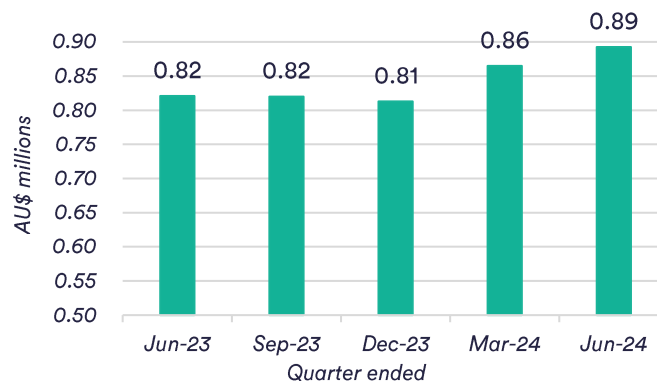
Digital wealth platform continues to deliver revenue growth.

FUM growth driven by:

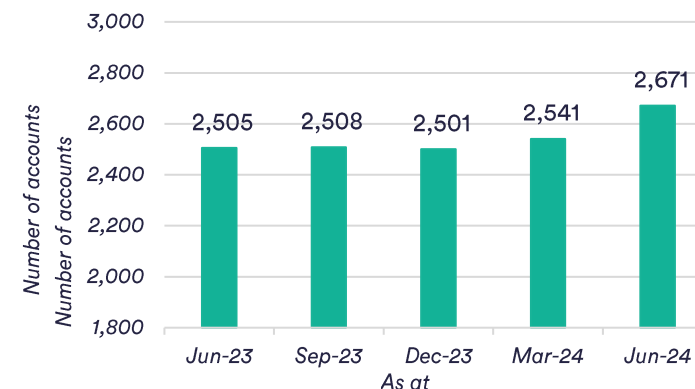
- Targeted campaigns and organic growth in Professionally Managed Accounts
- InvestSMART PMA 10Yr anniversary celebrations
- Secondary offers for Intelligent Investor Funds



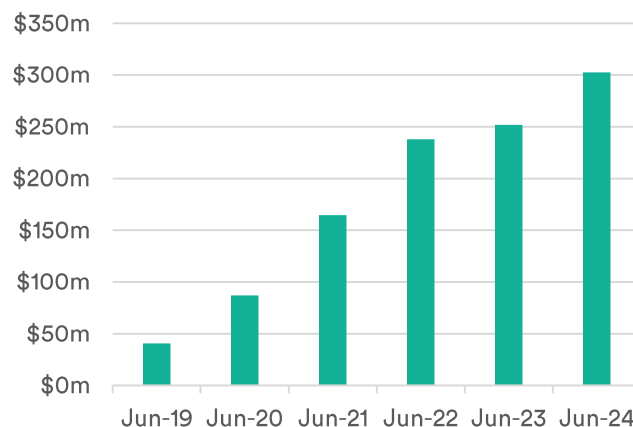
Fund management fees income



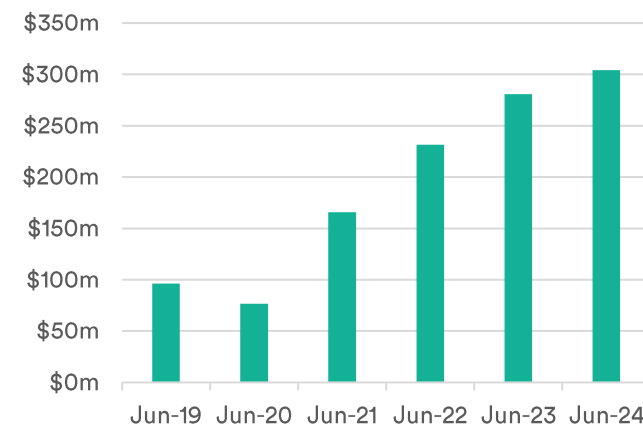
PMA Accounts*



InvestSMART PMA FUM



Intelligent Investor Active ETF FUM

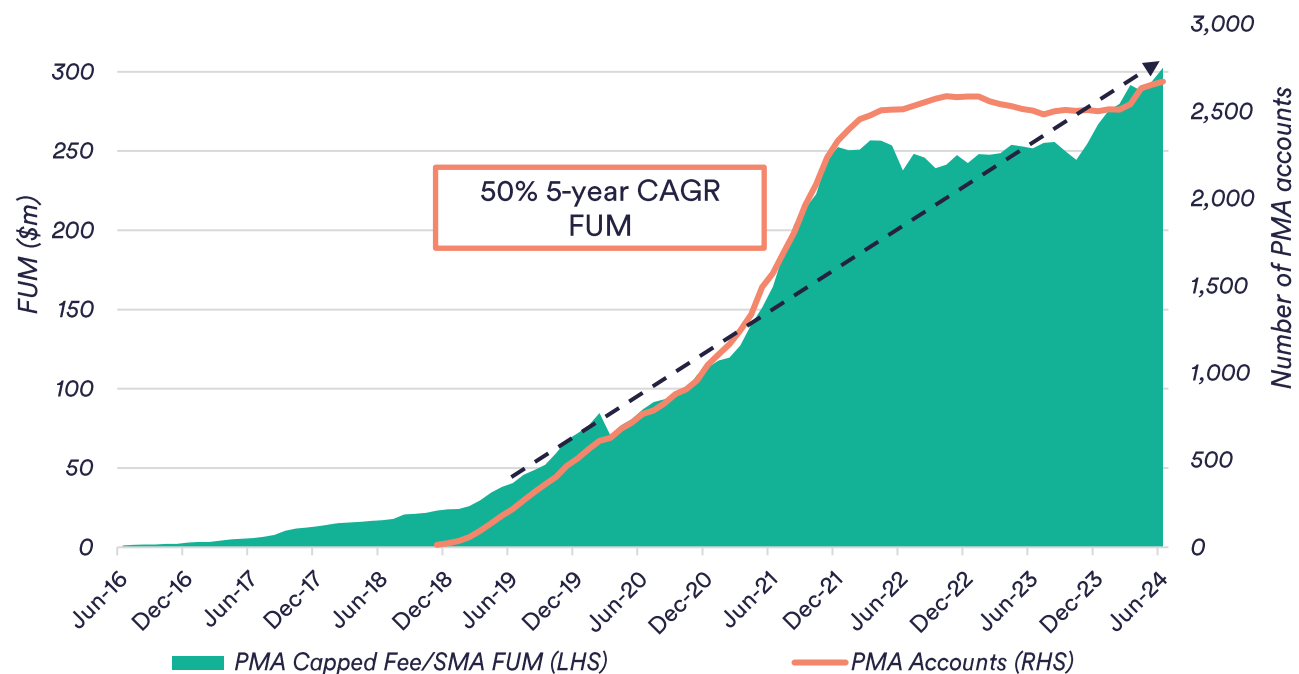


*InvestSMART Professionally Managed Accounts (PMAs) invest in portfolios of ASX-listed ETFs (under a capped fee model)

Funds under management

InvestSMART PMA capped fee FUM

- PMA accounts is our core growth engine for digital financial advice.
- 5 diversified portfolios and 6 single asset portfolios which invest in passive ETFs.
- Simple, low-cost fee structure of 0.55% capped at \$550 per annum. Minimum investment of \$10k.
- Portfolios continue to outperform their peers.
- PMA Platform investor accounts up 7% to 2,671 at 30 June 2024 compared to 2,505 at 30 June 2023.
- Three of the InvestSMART PMA portfolios, Growth, High Growth and International portfolios-celebrated their 10Yr anniversary on 27 October 2024.
- Ongoing celebrations of our 10Yr milestone and continued outperformance to relevant peers expected to drive FUM higher over FY25.



Professionally Managed Accounts was established in November 2018. Professionally Managed Accounts is a unique portfolio solution where the investor holds legal and beneficial ownership. The underlying securities are registered under their name, within the investment portfolio (“on HIN”).

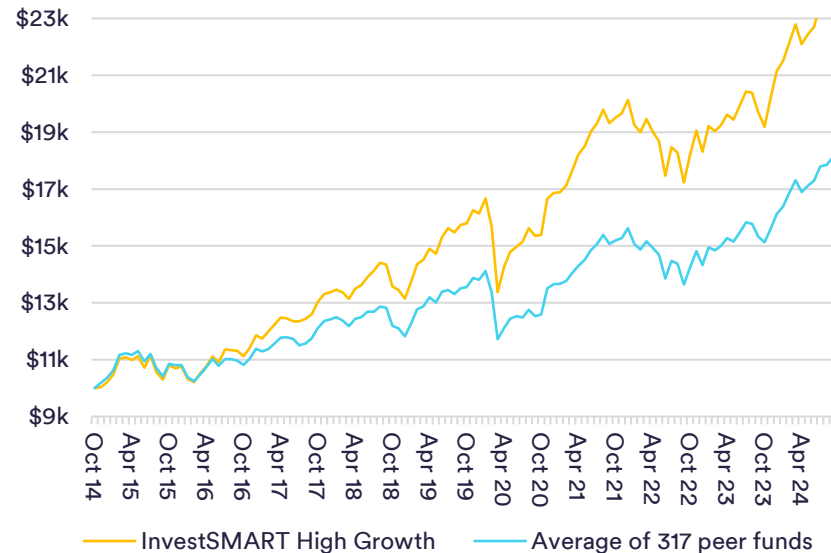
InvestSMART Capped Fee Portfolios Performance

Our InvestSMART branded [Capped Fee portfolios](#) continue to outperform their peers^ (sample performance of 2 of 10 Portfolios). Performance is to 30 September 2024.

High Growth Model performance

(growth of \$10k)

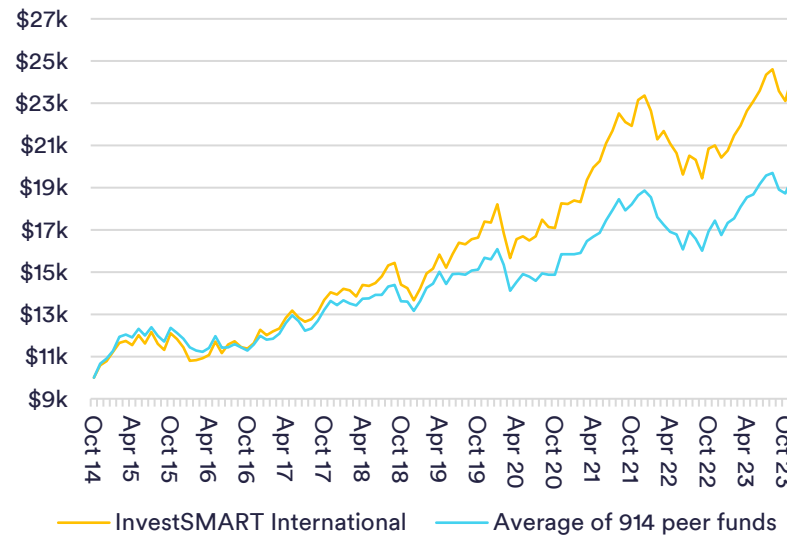
Inception date 27 October 2014



International Equities Model performance

(growth of \$10k)

Inception date 27 Oct 2014



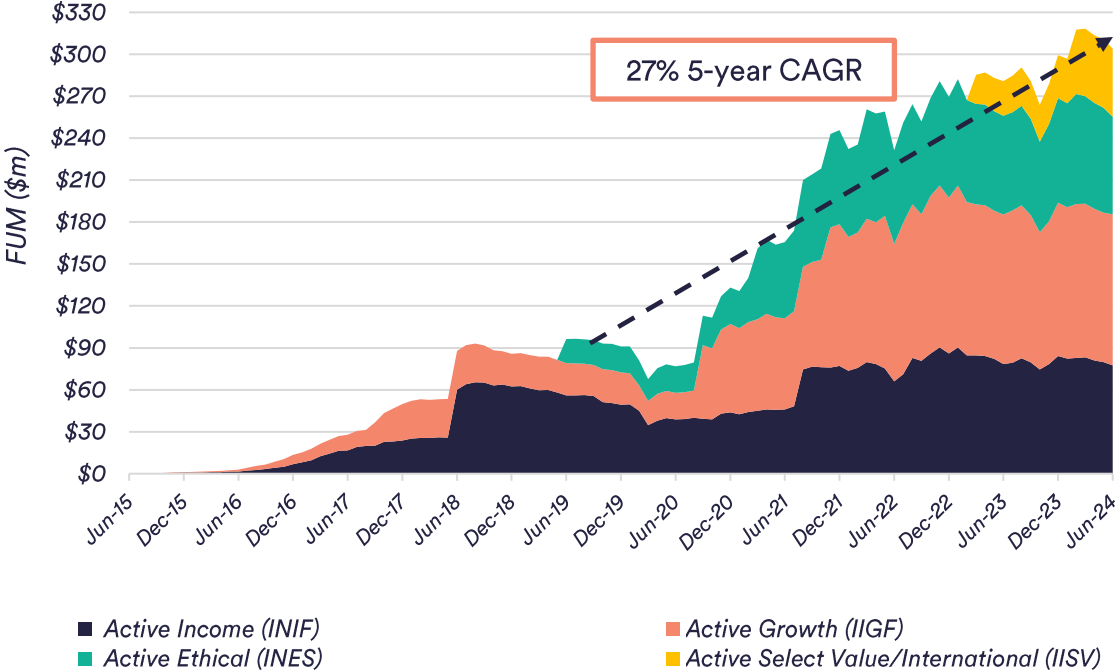
Capped Fees
 Unique to InvestSMART our fees are 0.55% p.a. capped at \$550 for investments over \$100k

^ Performance figures are after management and admin fees excl. brokerage and assuming dividends re-invested and no withdrawals. Performance figures for periods greater than one year are annualised and presented as "per annum" values. The peer comparison figures have been sourced from Morningstar data and is therefore limited to the funds and investment products included in their database. This may not include all funds available for retail investment in Australia. The peer calculation is inclusive of admin and management fees; excludes brokerage and no withdrawals have been made. InvestSMART cannot determine whether or not franking has been included, nor if dividends have been reinvested. Whilst every care has been taken in producing these numbers, InvestSMART does not guarantee the accuracy of the figures produced in the table. Fee data may not include all costs being charged such as platform and adviser fees. For the effect of fees on your cumulative returns, please see our report [How Fees Can Destroy Your Wealth](#). Historical performance is not a reliable indicator of future performance.

Funds under management

Intelligent Investor active ETFs (ASX-listed)

- Intelligent Investor active ETFs are listed on the ASX, providing a convenient, transparent and reliable process for applications, withdrawals and pricing.
- IISV is the fourth listed Intelligent Investor fund and the first to incorporate internationally listed shares and performance fees:
 - FY23 Performance fee \$160,557
 - FY24 Performance fee \$233,236



All active funds have a management fee of 0.97%.

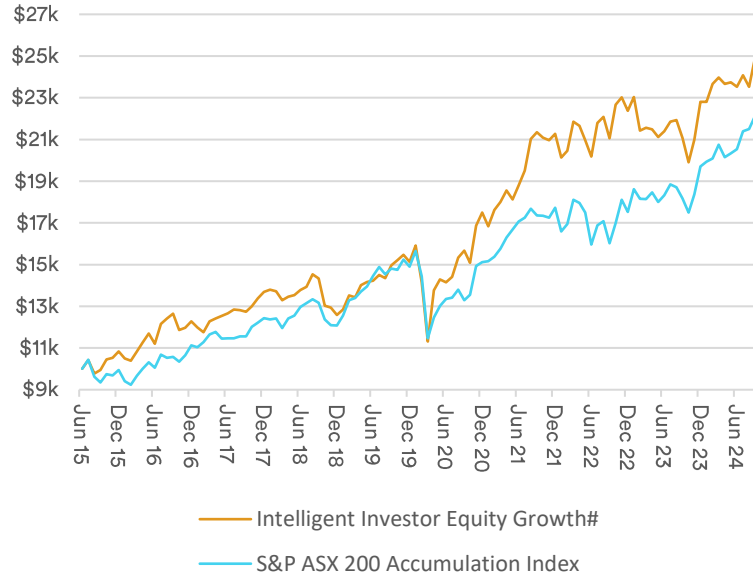
Active Intelligent Investor ETFs Performance



Our Intelligent Investor branded active ETFs. Performance is to 30 September 2024.

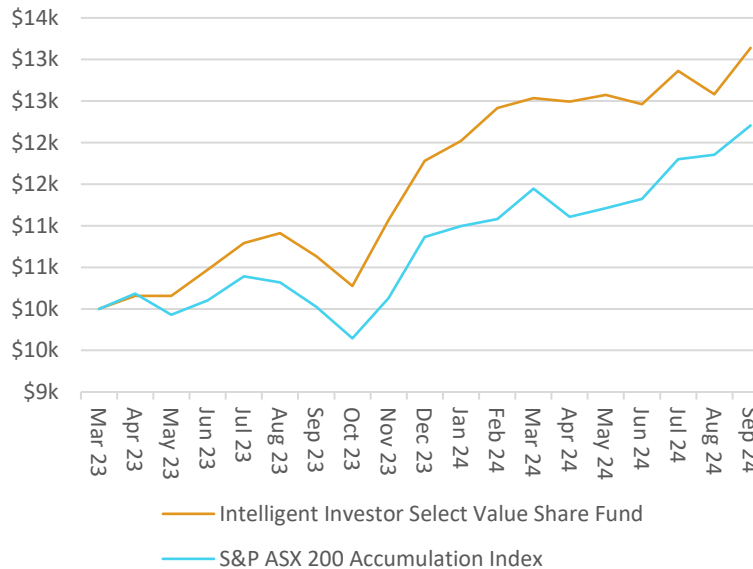
Growth Model (ASX: IIGF) Performance

(growth of \$10k)



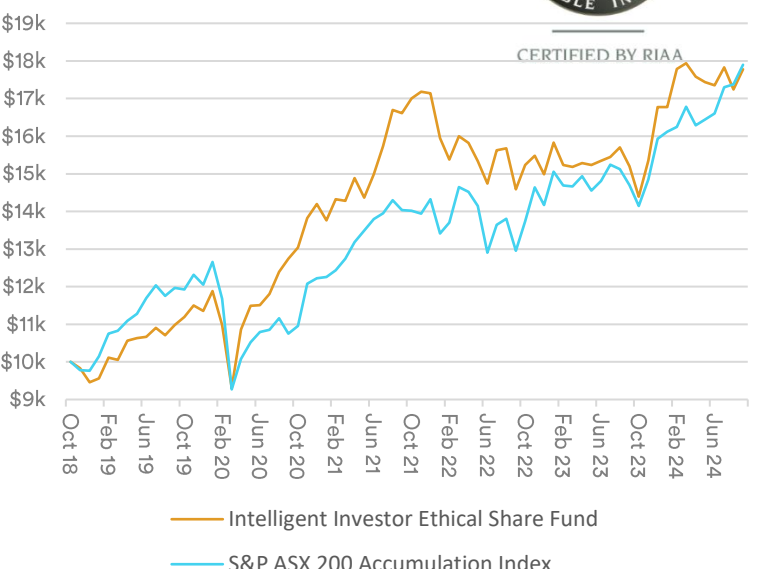
Select Value (ASX: IISV) (International)

Performance (growth of \$10k)



Ethical (ASX: INES)

performance (growth of \$10k)

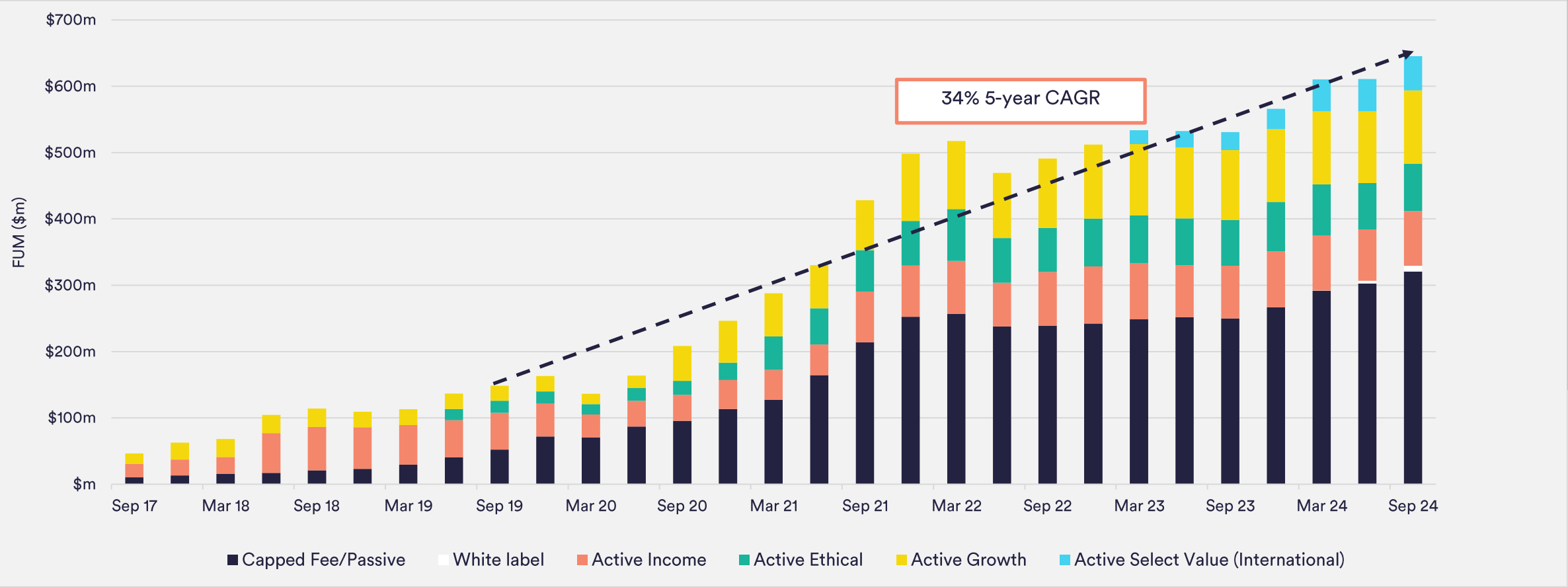


#The performance figures for the Intelligent Investor Growth Model Portfolio is since 1 July 2015. Performance figures (after fees and brokerage) were recorded from the Separately Managed Accounts that mirrored these models. After 5 October 2020 performance figures have been recorded from the performance figures (after fees and brokerage) from the Australian Equity Growth ETF (ASX: IIGF) which mirrors the Growth Model. Past performance may not be a reliable indicator of future performance.

RIAA's RI Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that Intelligent Investor Australian Ethical Share Fund (ASX: INES) adheres to the strict operational and disclosure practices required under the Responsible Investment Certification Program for the category of Product. The Certification Symbol is a Registered Trademark of the Responsible Investment Association Australasia (RIAA). Detailed information about RIAA, the Symbol and Intelligent Investor Australian Ethical Share Fund (ASX: INES) methodology, performance and stock holdings can be found at www.responsibleinvestments.com.au, together with details about other responsible investment products certified by RIAA. The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

Subsequent to 30 June 2024

Total funds under management grew to \$646 m as at 30 September 2024 (increase of 6% from 30 June 2024)



InvestSMART won all three categories in the [Finder Robo-Advisor Customer Satisfaction Awards 2024](#)



Growth outlook **FY25**

Funds under management



- Launch of new PMA dashboard in FY25 should improve engagement and lead to further increase in conversions.
- After the successful launch of our first two white label PMA partner, Rask in April 2024 and Market Matters in October 2024, we expect to bring on more partners in FY25.
- Continued secondary offers for Intelligent Investor Growth (ASX: IIGF), Income (ASX: INIF), Ethical (ASX: INES) and Select Value (ASX:IISV) Funds.

Subscriptions



- Maintain average monthly retention rates above 85%.
- Further consolidation of II and ER content and products to be renamed II Basic, II Essentials and II Premium will help retain and grow subs.
- II dashboard improvements to improve conversion to 15 day free Trial.
- Better customisation of content to improve conversion from Trial to subscriber.

Product & services



- Continued focus on amplifying content through socials, PR and affiliates to grow members.
- 10yr anniversary of PMA and continued outperformance to peers will drive marketing and content initiatives in FY25.
- Continue to improve our ETF Scorecard Report , ETF Star rating system and Testyourinvestsmarts quiz in FY25 to continue to grow traffic.

About InvestSMART Group Ltd

ASX:INV

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

Today, 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.

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

Products & services

InvestSMART Group runs **Professionally Managed Accounts** (PMAs)* using ETFs (with **capped fees** up to \$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. Our investment portfolios differ in the levels of risk and return, and each offers a different investment emphasis.

The **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**.

* *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.*

FUM of
\$646m
(at 30 September
2024)



Thank you

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Andrew Ward

Chief Financial Officer
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Disclaimer

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To the extent permitted by law, no responsibility for any loss arising in any way (including by way of negligence) from anyone acting or refraining from acting as a result of this material is accepted by InvestSMART, including any of its related bodies corporate.

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Forward-looking statements may be identified by words such as "aim", "anticipate", "assume", "continue", "could", "estimate", "expect", "intend", "may", "plan", "predict", "should", "will", or "would" or the negative of such terms or other similar expressions that are predictions of or otherwise indicate future events or trends.

The forward-looking statements included in this document speak only as of the date of this document. The Group does not intend to update the forward-looking statements in this document in the future.

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