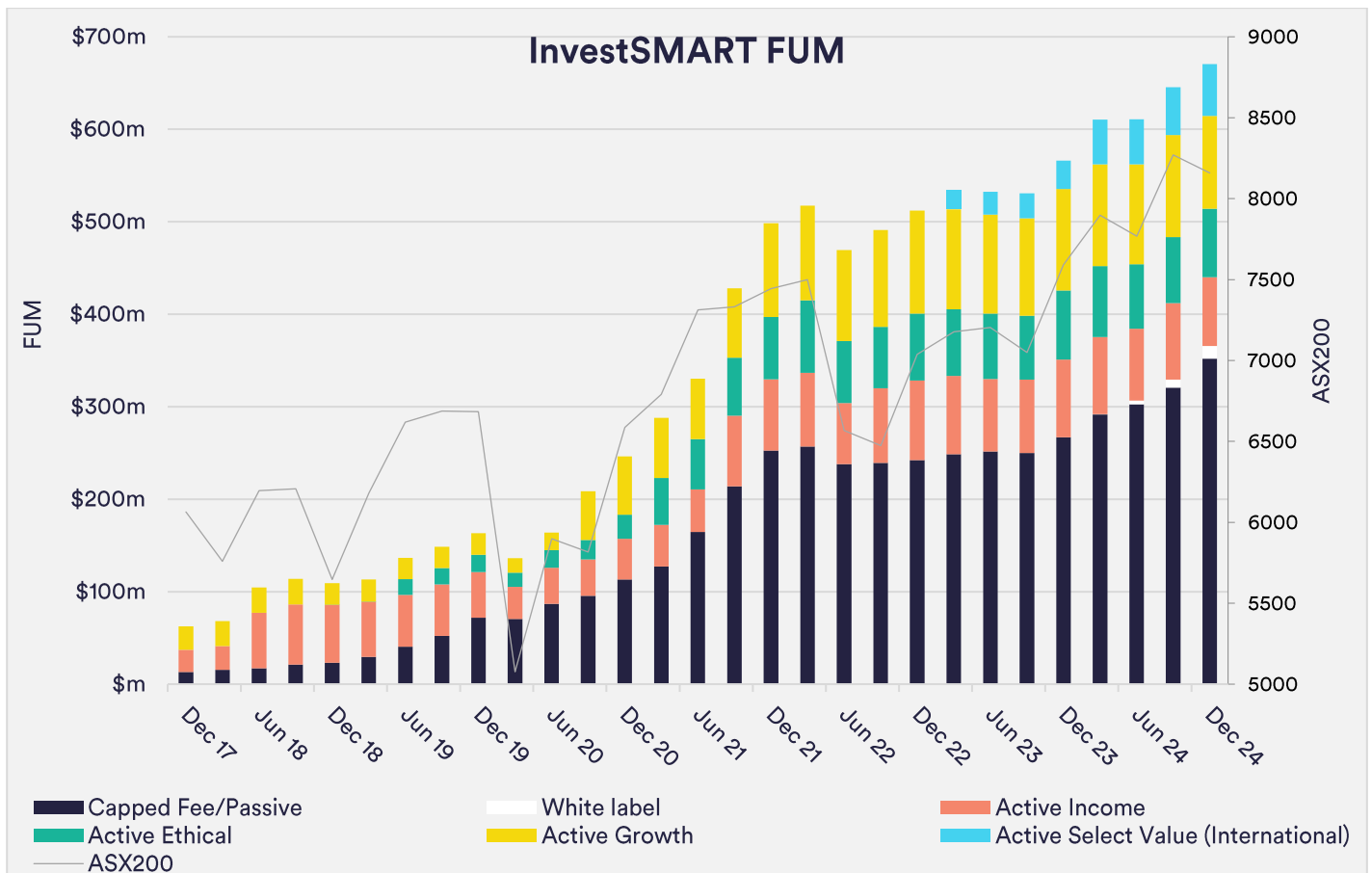


28 January 2025

Business update – quarter ending 31 December 2024

- Total Funds Under Management (FUM) is \$671 million at 31 December 2024.
 - Total FUM increased from \$646m to \$671m (up 4%) quarter on quarter.
 - Total PMA accounts increased by 6% during the quarter to 2,945 accounts at 31 December 2024.
 - InvestSMART portfolios celebrated a 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 December ended quarter, Q2 FY2025.

Financial Results

	FY2025 Q2 December qtr \$	FY2025 Q1 September qtr \$	%
Operating Income			
Management fees - funds	919,262	885,805	4%
Subscription income	1,132,263	1,157,716	-2%
Commissions income - insurance	248,765	307,057	-19%
Other income	9,783	5,628	
Total operating income	2,310,074	2,356,206	-2%
Operating Expenses			
Commissions rebates	70,868	110,220	-36%
Employment expenses	1,323,041	1,435,997	-8%
Marketing costs	177,940	175,511	1%
Other operating expenses	830,048	813,566	2%
Total operating expenses	2,401,897	2,535,294	-5%
Operating Profit/(Loss)	(91,823)	(179,088)	
Cash at bank (end of period)	7,042,382	7,390,701	

* 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 \$671 million at 31 December 2024 from \$646 million at 30 September 2024. Income from management fees - funds increased by 4%. Total PMA accounts increased by 6% during the quarter to 2,945 accounts at 31 December 2024. The Intelligent Investor Select Value Share Fund accounts include a performance fee of \$546k at 31 December 2024 (excluding GST and RITC). Performance fees are not recognised in the InvestSMART Group accounts until they are realised at 30 June each year as performance fees are considered to be variable consideration.

Subscription income declined by 2% compared to the prior quarter to \$1.12 million in Q2 FY2025 vs \$1.16 million in Q1 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.

Net commissions income from insurance (commissions income less rebates) is 10% lower than the prior quarter. The decrease in gross commissions income – insurance is attributable to seasonality and the cancellation of some large high premium policies during the quarter. The decrease brings the overall attrition rate to ~ 8% p.a. since 1 January 2021, in line with previous management forecasts. Management expects an attrition rate of ~ 8% for insurance commissions to continue.

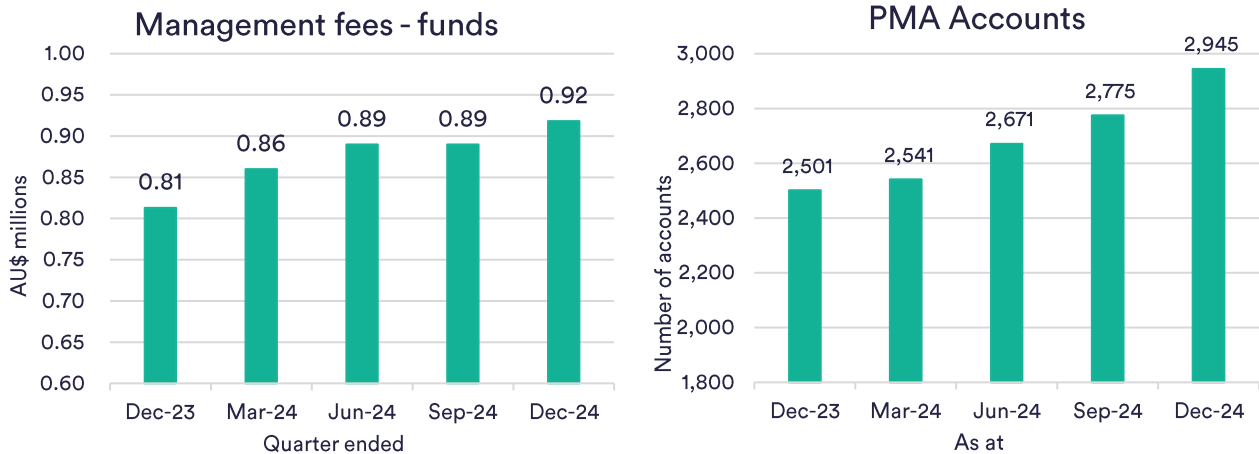
The decrease in employment expenses is due to the movement in leave provisions and payment of annual bonuses in September 2024.

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 6% during the quarter to 2,945 accounts at 31 December 2024 compared to 2,775 accounts at 30 September 2024.



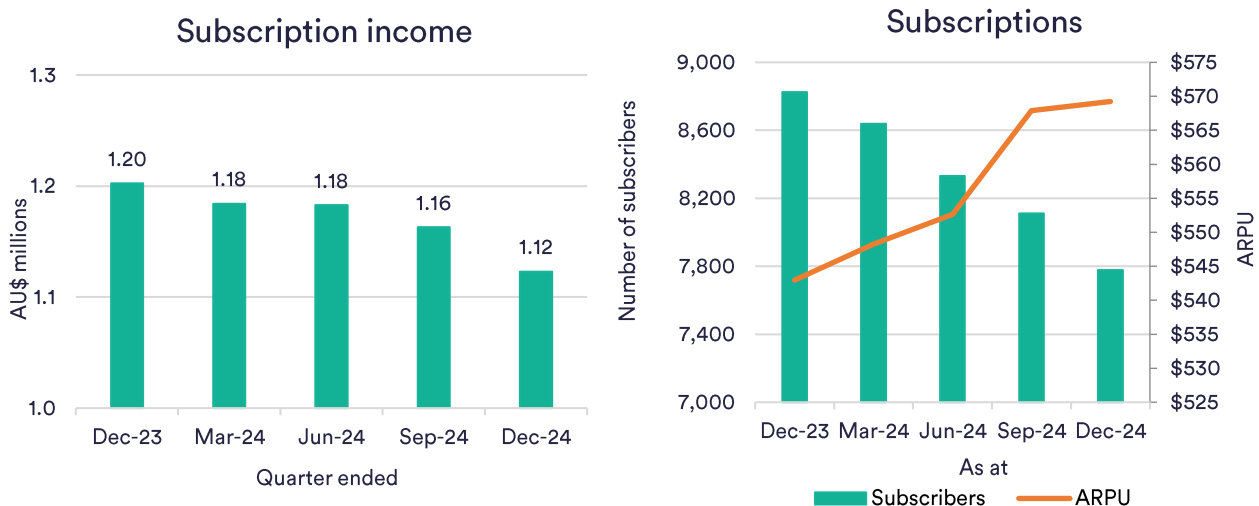
Intelligent Investor ASX listed ETFs

Total funds under management in Intelligent Investor Active ETFs (under a variable fee model) is \$305 million at 31 December 2024, compared to \$316 million at 30 September 2024.

Subscriptions

Subscription income from fee paying subscribers to our *Intelligent Investor* content-driven publication declined by 3% compared to the prior quarter to \$1.12 million. 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 in June 2024. Average Revenue Per User (ARPU) increased to \$569 during the quarter. Total subscribers decreased by 2.6% to 7,778 subscribers at 31 December 2024.

Intelligent Investor and Eureka Report merged in November 2023. The merger is designed to ensure a more coherent and streamlined reader experience for members. During the December 2024 quarter we streamlined our offering to three tiers - Basic, Essentials and Premium.



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 concluded the [testyourinvestmarts](#) quiz during the quarter which saw a large increase in new free sign ups.

We augmented our SEO with Artificial Intelligence in March 2024. Traffic increased by over 12% in the half-year ended 31 December 2024 compared to the half-year ended 30 June 2024 as optimisation of our programme continues.

We continue to focus on conversion of traffic and new users to paying clients. We realised another milestone in October 2024 with the celebration of 10-year track record for our portfolios of ETFs, the bedrock of our robo advice solution. In addition we celebrated 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

Half-year results

The financial report for the half-year ended 31 December 2024 is expected to be released on 20 February 2025.

Annual General Meeting

The Annual General Meeting was held on Friday, 8 November 2024. All resolutions put to shareholders were passed. Chairman Paul Clitheroe's address and Managing Director Ron Hodge's presentation slides can be viewed [here](#).

Outlook

InvestSMART Managing Director, Ron Hodge, said "We are pleased to see continued growth in our Professionally Managed Accounts. We look forward to 2025 with positive momentum for our digital advice platform."

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 \$671m (at 31 December 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 Alan Kohler's team's 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 September 2018) Intelligent Investor <u>Ethical Share Fund</u> – ASX: INES Focused on ethically and socially responsible undervalued stocks (launched September 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.