

INVESTSMART

# Helping all Australians grow and protect their wealth

ASX: INV

Investor Presentation  
Dated 20 February 2025



ersonal use only

# Company highlights

ersonal use only

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.

- 1 The website is the front end of our digital wealth platform encompassing tools, content and innovative products:
  - 7 million visits in calendar year 2024.
  - 22,000 fee paying accounts across funds management, subscriptions and insurance products.
- 2 Three core products
  1. InvestSMART Professionally Managed Accounts (PMAs) – Robo advice portfolios of ASX listed ETFs (capped fees).
  2. Intelligent Investor – manages four of its own ASX listed 'active' ETFs (INIF, INES, IIGF and IISV).
  3. Subscriptions – premium paid content through Intelligent Investor:
    - ASX & International Buy, Hold, Sell stock recommendations and analysis.
    - Market commentary and insights, delivered by business commentator Alan Kohler.
- 3 Low cost of customer acquisition through unique content and tools ecosystem.
- 4 Well recognised ambassadors and visible Board:
  - Paul Clitheroe AM – Chairman
  - Effie Zahos – Non-executive director
  - Alan Kohler AM – Editor-in-chief
  - Michael Shepherd AO – Non-executive Director

# 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)

Latest Alerts  
REX Key Mortgage Choice  
EPG: Test-walks  
Conservative Income offer  
ANZ: Shares and spreads

**Stock Recommendations**

Latest Research  
The cigar butt special  
New Hope: more money, new problems  
Outrage Friday: The Sad Sachs edition  
Brexville shows the best of Aussie culture

Markets and Economics

How COVID has changed the role of central banks  
Does AGL deserve a place in your portfolio?  
Market Watch: V remain risk-on as drops

★★★★★ 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**

**Paul Clitheroe AM**  
Chairman

**Effie Zahos**  
Non-executive Director

**Alan Kohler AM**  
Founding editor

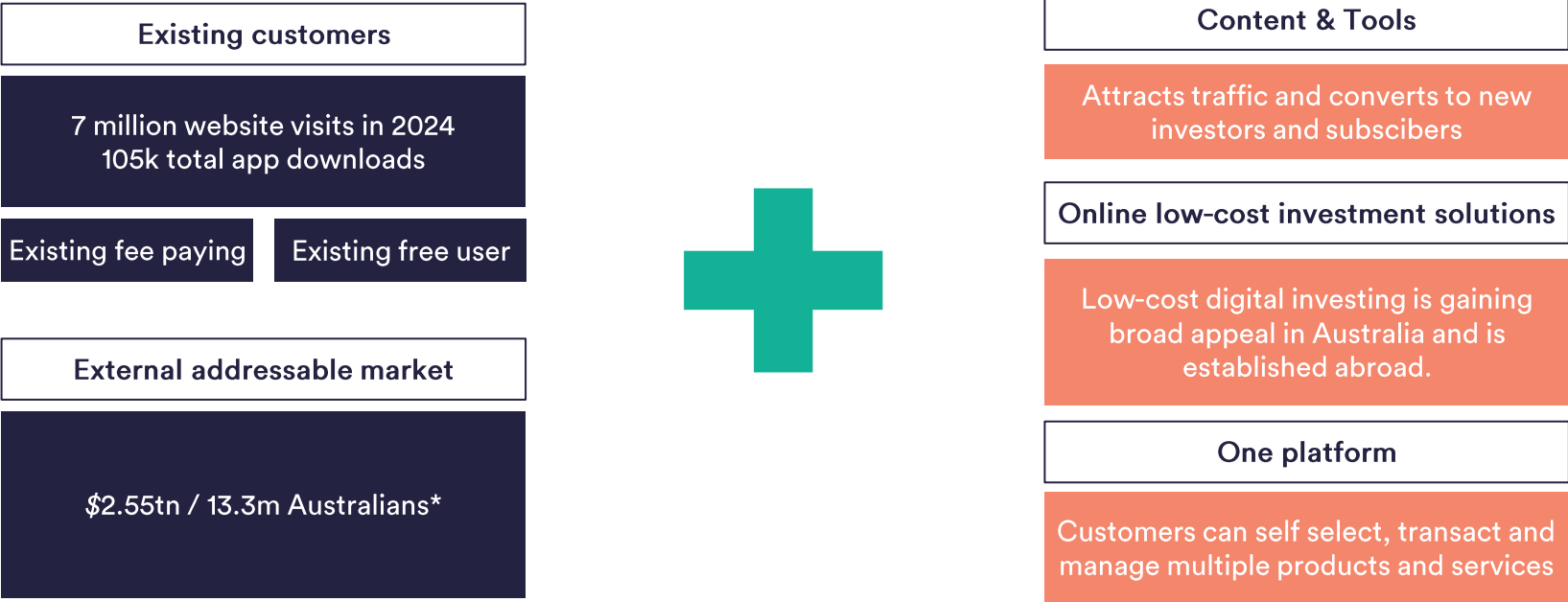
Well recognised and active ambassadors in the Board and executive

Personal use only

# Customer acquisition

InvestSMART can significantly grow FUM from existing and new customers attracted to its ecosystem

We have the content, tools, distribution and personnel to grow FUM direct to market from a large external addressable market



Measured:

- # Australian users
- # content subscribers
- # tool users
- # PMA accounts
- # portfolios set up
- # app Downloads
- # Fundlater Loans

\* 10.2m Australian Adults hold investments outside super & property plus 1.3m intending investors plus 1.8m lapsed investors = 13.3m Australians (ASX Investor Study 2023) / \$2.85tn held outside Super, 42% of this is Investment Property -> \$1.65tn held outside superannuation excl. investment property (Rice Warner report 2020), plus \$0.9tn in SMSFs (ATO March 2023) = \$2.55tn addressable market (excludes \$2.9tn in APRA regulated superannuation entities).

ersonal use only

# Profit & loss HY2025

Profit & loss for the half-year ended 31 December 2024. To be read in conjunction with InvestSMART Group Ltd Appendix 4D and Financial Report for the half-year ended 31 December 2024).

	HY2025	HY2024	%
	\$	\$	
<b>Operating Income</b>			
Management fees - funds	1,805,067	1,633,395	11%
Subscription income	2,289,979	2,437,248	-6%
Commissions income - insurance	555,822	665,589	-16%
Other income	15,411	10,805	
<b>Total operating income</b>	<b>4,666,279</b>	<b>4,747,037</b>	<b>-2%</b>
<b>Operating Expenses</b>			
Commissions rebates	181,088	204,535	-11%
Employment expenses	2,759,038	2,933,993	-6%
Marketing costs	353,451	343,919	3%
Other operating expenses	1,643,615	1,670,123	-2%
<b>Total operating expenses</b>	<b>4,937,192</b>	<b>5,152,570</b>	<b>-4%</b>
<b>Operating Profit/(Loss)</b>	<b>(270,913)</b>	<b>(405,533)</b>	<b>33%</b>
Interest income	147,935	133,342	
Employee benefit expense	(13,067)	(81,493)	
Amortisation of intangibles	(260,489)	(281,202)	
Restructure costs	-	(34,285)	
Income tax benefit	47,961	60,606	
<b>Statutory Profit/(Loss) for the period</b>	<b>(348,573)</b>	<b>(608,565)</b>	<b>43%</b>
<b>Cash at bank (end of period)</b>	<b>7,042,382</b>	<b>6,856,225</b>	<b>3%</b>

Management fees from InvestSMART Professionally Managed Accounts and Intelligent Investor ASX listed Active ETFs. Performance fees are not recognised at 31 December 2024 as they are crystallised at 30 June each year.

Premium paid content for Australian/Internationally listed shares and general macroeconomic/finance commentary.

Attrition rate of ~8% since 31 December 2020 in line with expectations. Plan to market in future as part of estate planning/protect wealth hub.

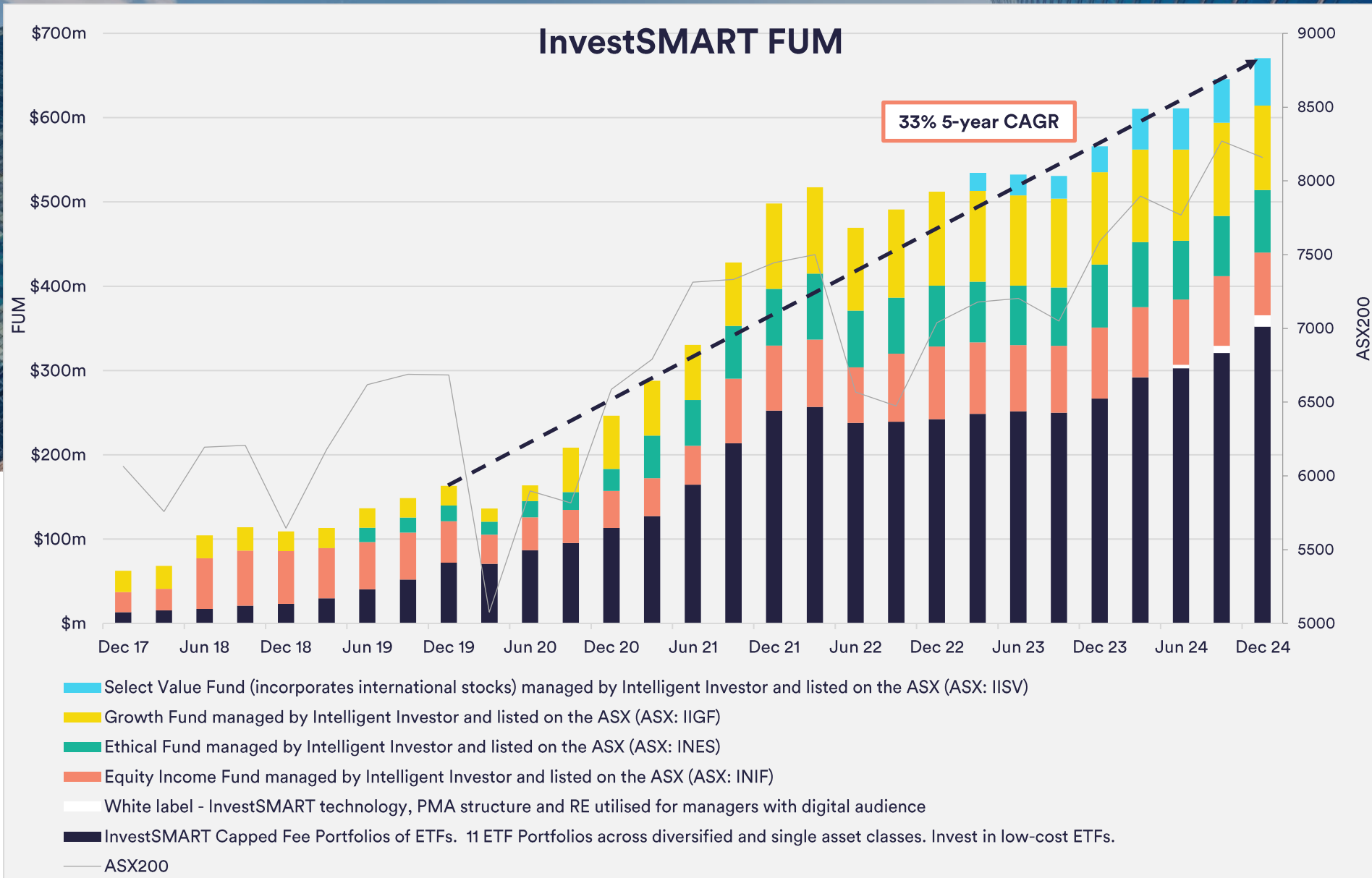
36 Staff , built for a highly scalable business

Content based marketing. Scale other marketing activity opportunistically

All intangibles fully amortised at 31 December 2024.

Strong runway to grow the business

# Growth of funds under management (FUM)



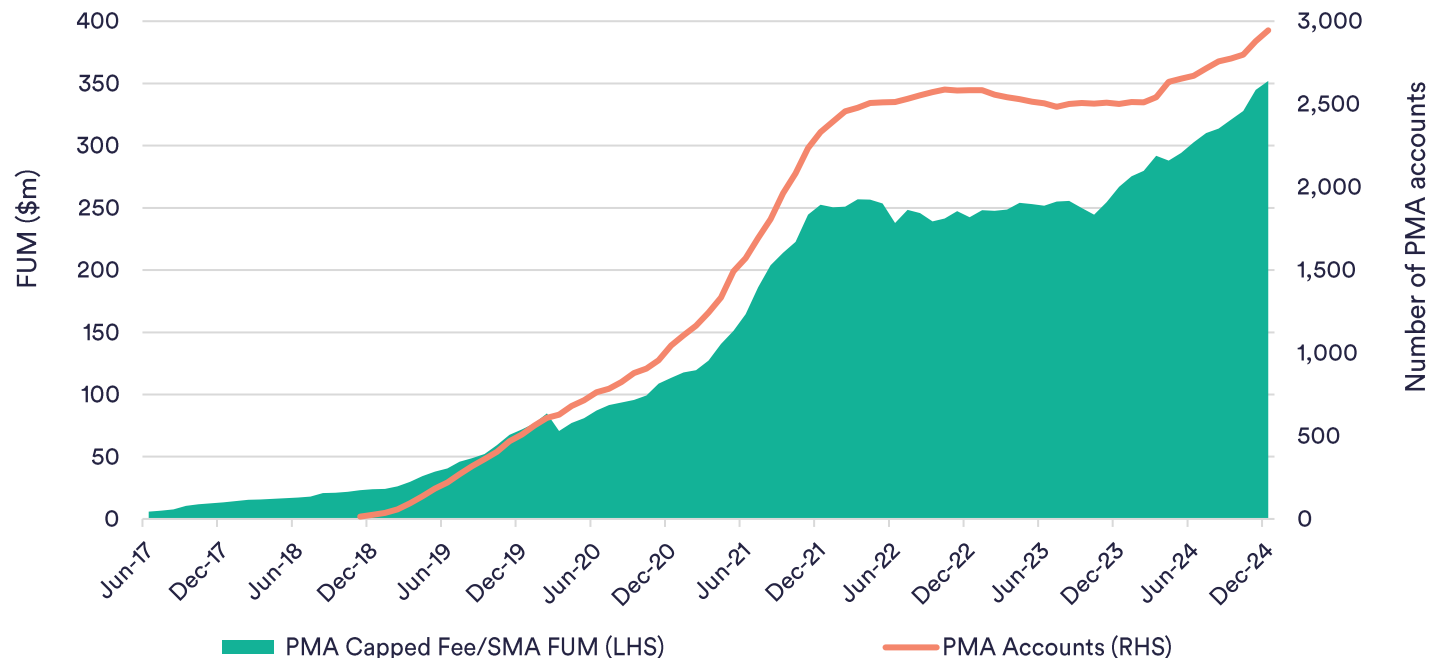
ersonal use only

# Funds under management

## InvestSMART Professionally Managed Accounts (PMA) capped fee portfolios

- PMA accounts is our core growth engine for digital financial advice.
- 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”).
- 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.
- Data driven investment process.
- PMA Platform investor accounts increased by 18% over calendar year 2024 to 2,945 accounts at 31 December 2024.
- Portfolios continue to outperform their peers.
- Diversified portfolios (Conservative, Balanced, Growth and High Growth) are the building blocks of a roboadvice portfolio. These portfolios and the International portfolio celebrated their 10Yr anniversary during the half-year ended 31 December 2024.

### Professionally Managed Accounts FUM

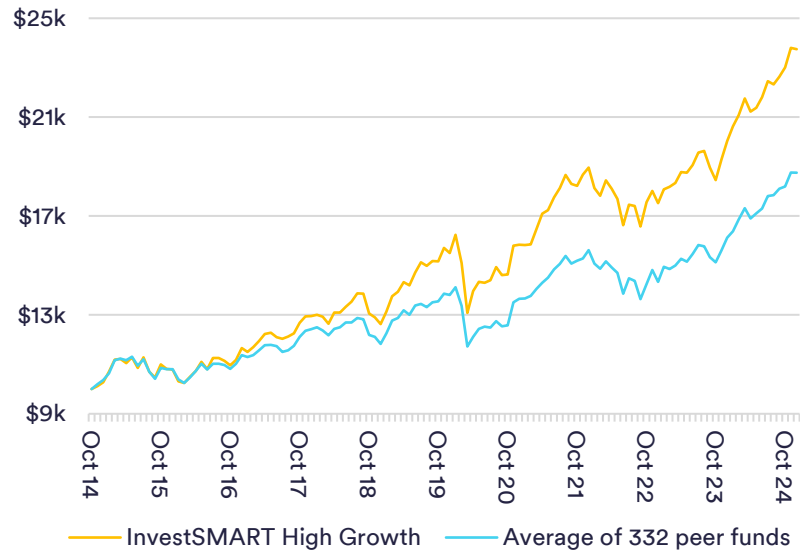


# InvestSMART Capped Fee Portfolios Performance

Our InvestSMART branded [Capped Fee portfolios](#) continue to outperform their peers^ (sample performance of 2 of 10 Portfolios). Performance is to 31 December 2024.

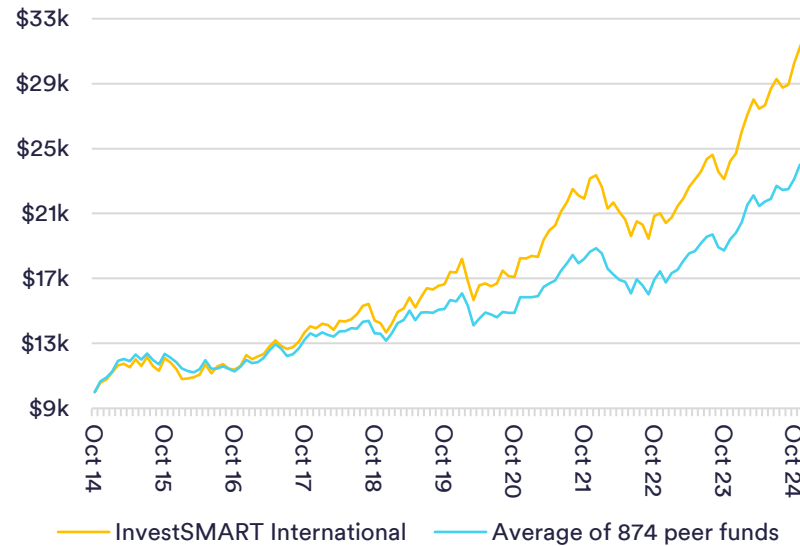
## High Growth Model performance

(growth of \$10k to 31 December 2024)  
Inception date 27 October 2014



## International Equities Model performance

(growth of \$10k to 31 December 2024)  
Inception date 27 Oct 2014



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

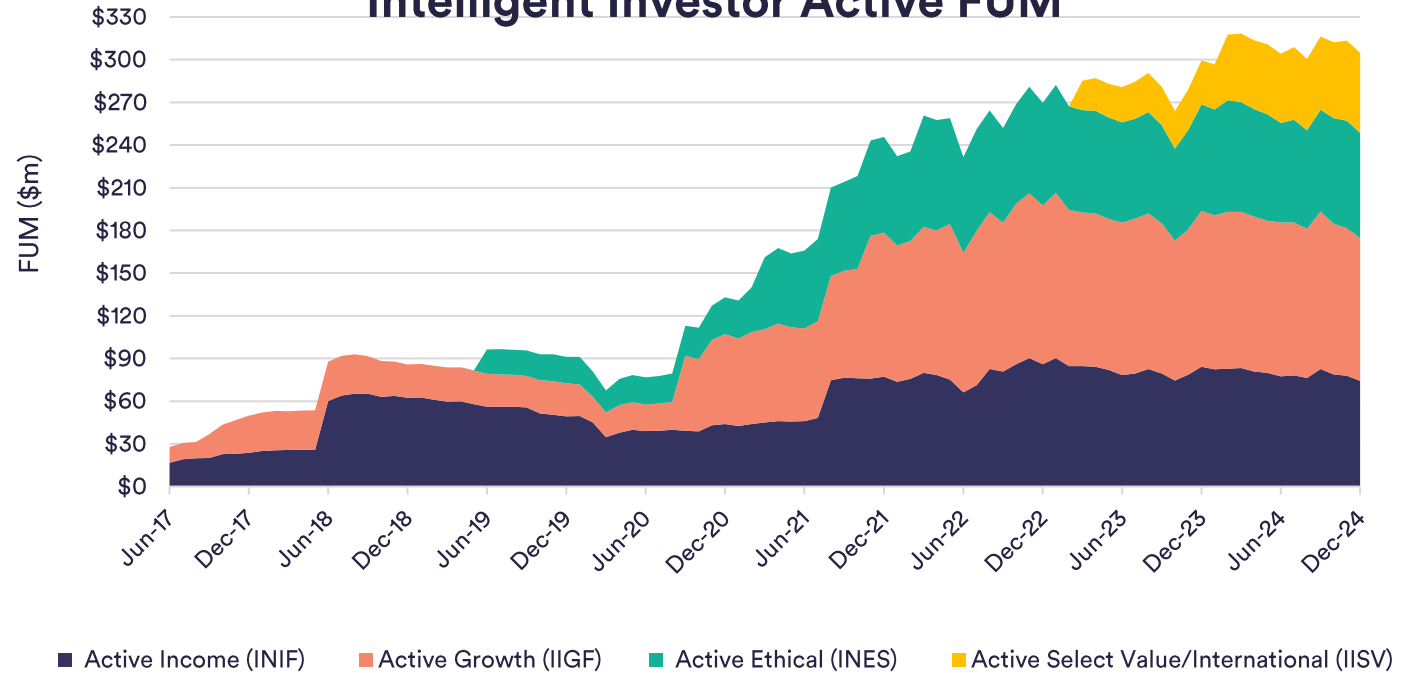
^ Performance figures are after management and admin fees excl. brokerage and assuming dividends re-invested and no withdrawals. Performance figures for periods greater than one year are annualised and presented as "per annum" values. The peer comparison figures have been sourced from Morningstar data 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 realised Performance fee \$161k
  - FY24 realised Performance fee \$233k
  - At 31 December 2024 the unrecognised performance fee is \$546k (net of GST and RITC). The fee is not recognised in the InvestSMART half-year accounts as performance fees are realised at 30 June each year. The amount is subject to change and dependant on the Fund's performance against benchmark.

## Intelligent Investor Active FUM



All active funds have a management fee of 0.97%.

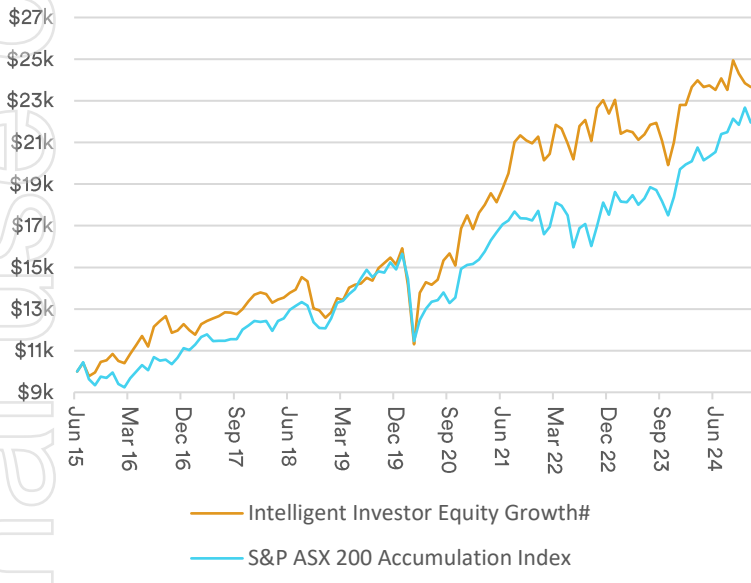
# Active Intelligent Investor ETFs Performance



Our Intelligent Investor branded active ETFs. Performance is to 31 December 2024.

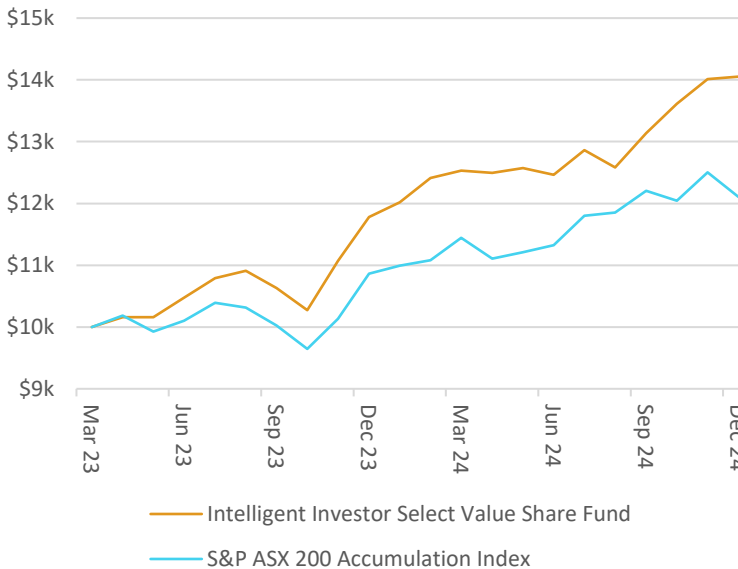
## Growth Model (ASX: IIGF) Performance

(growth of \$10k)



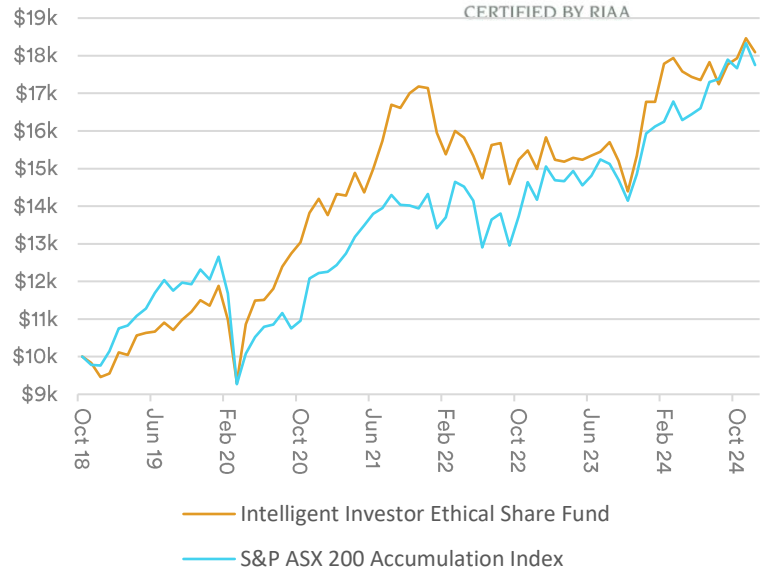
## Select Value (ASX: IISV) (International) Performance

(growth of \$10k)



## Ethical (ASX: INES) performance

(growth of \$10k)



CERTIFIED BY RIAA

#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.

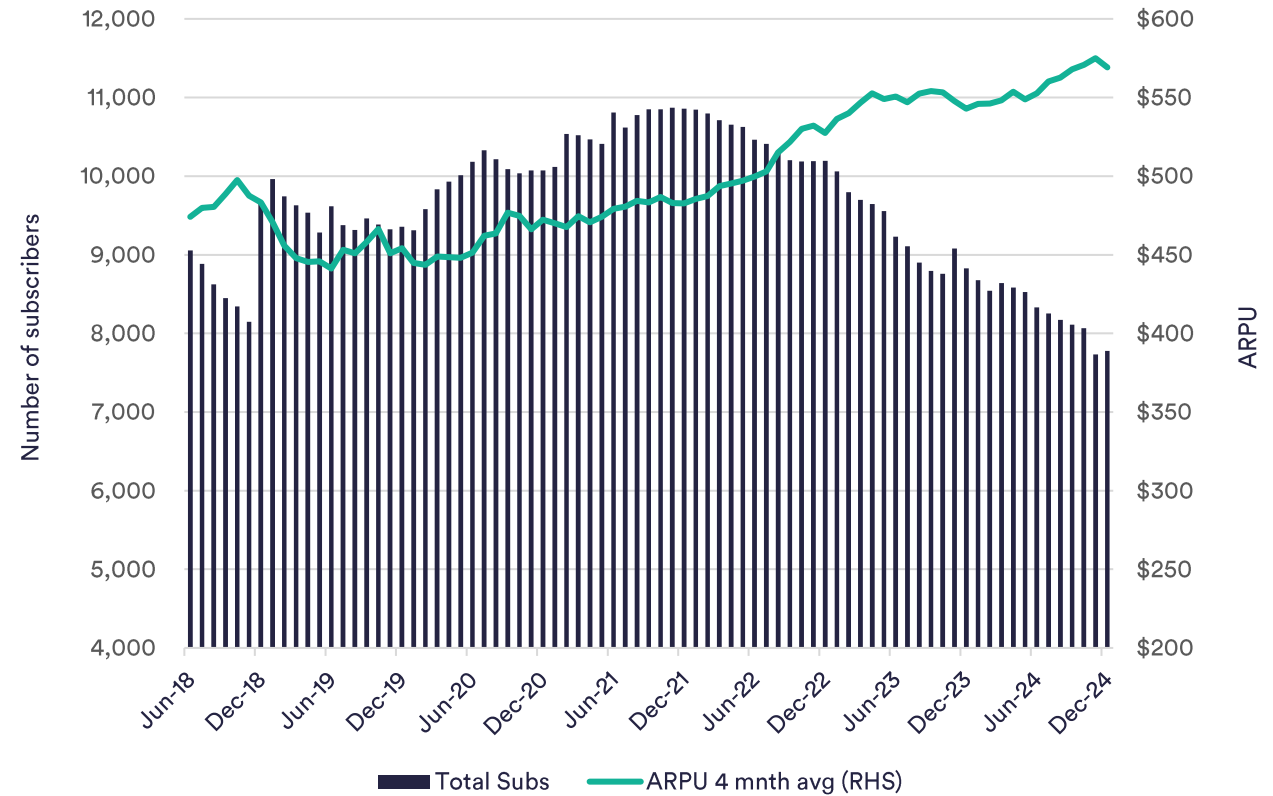
RIAA's RI Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that Intelligent Investor Australian Ethical Share Fund (ASX: INES) adheres to the strict operational 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.responsiblereturns.com.au](http://www.responsiblereturns.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.

# Subscriptions

- Intelligent Investor was founded in 1998 and provides high quality research-based views on companies and investment themes.
- Alan Kohler provides commentary and insights on investment strategy, markets and companies.
- Intelligent Investor and Eureka Report merged into one product in November 2023.
- Provides the backbone for digital general advice and Active ETF portfolio construction.
- Provides a long tail for search engine optimisation.
- Annual retention rate of 75%.
- Price increase of 12% from 1 July 2024
  - Existing subscribers allowed to renew in advance ahead of price rise before 30 June 2024. 2,560 subscribers chose to renew in advance.



### Subscribers and Average Revenue per User (ARPU)



# Growth outlook 2025

## Funds under management



- Launch of new PMA dashboard should improve engagement and lead to further increase in conversions.
- After the successful launch of our first two white label PMA partners, 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



- Achieve an average monthly retention rate above 85%.
- Consolidate II and ER content and products. Renamed II Basic, II Essentials and II Premium to 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

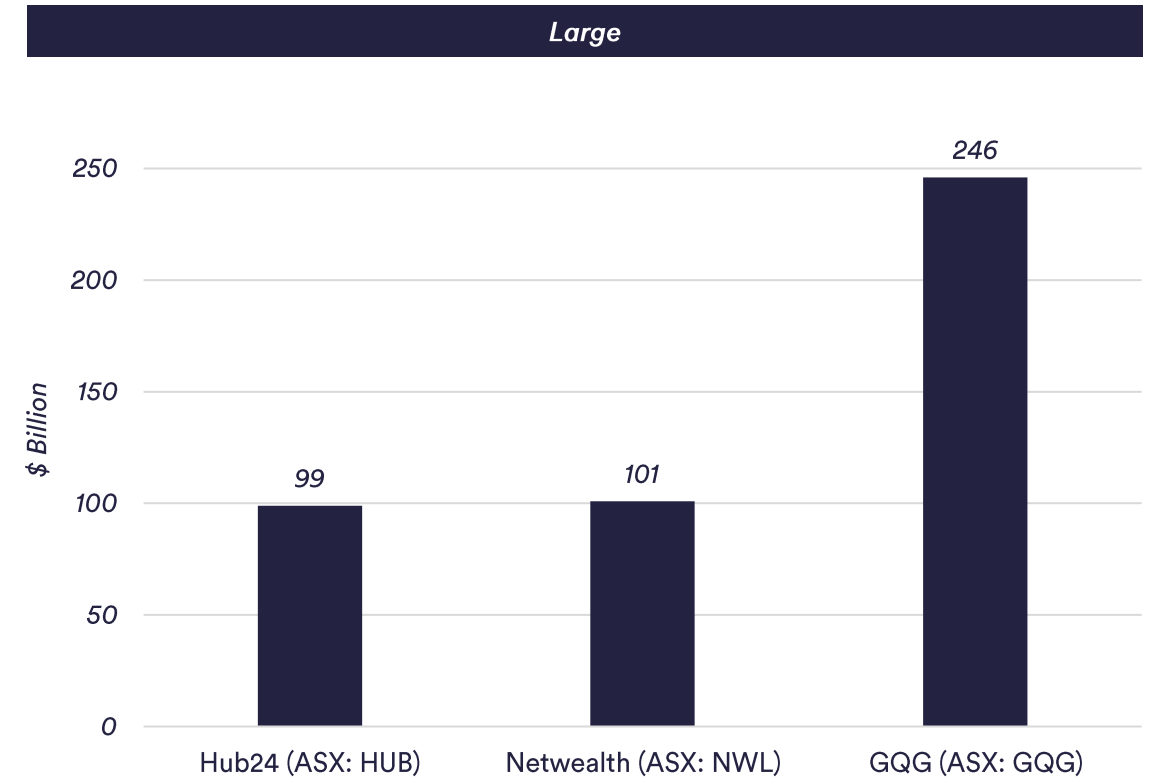
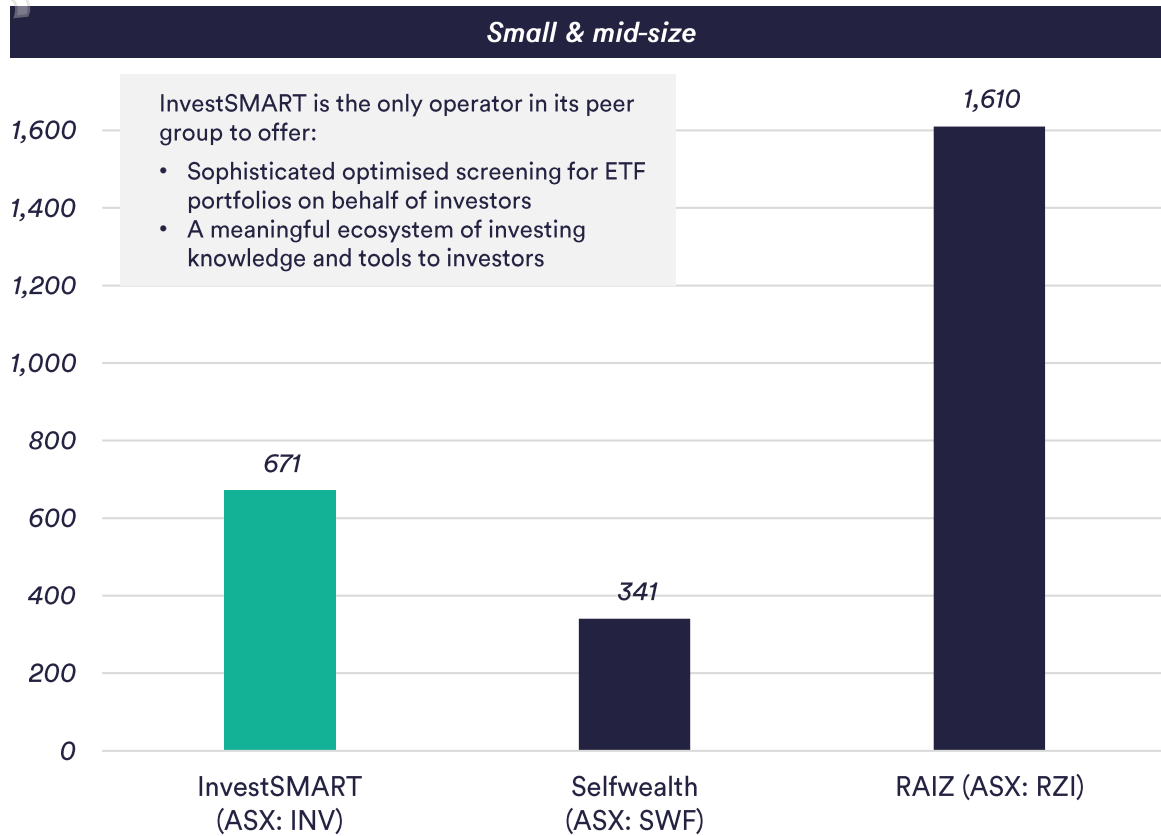


- Continued focus on amplifying content through socials, PR and affiliates to grow members.
- 10yr anniversary of PMA and continued outperformance to peers will drive marketing and content initiatives in FY25.
- Continue to improve our ETF Scorecard Report , ETF Star rating system and Testyourinvestsmarts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

# Company benchmarks

InvestSMART has a highly scalable platform and service offering with potential to quickly grow into a mid-size player

## Funds Under Management / Advice



Market Cap:	\$17m	\$64m	\$82m	\$6.5b	\$7.6bn	\$6.5bn
-------------	-------	-------	-------	--------	---------	---------

Market Cap is at 4/2/2025. FUM is at 31/12/2024. Selfwealth – broker, based on ‘client cash held’ (FUA: ‘securities held on HIN’ = \$11.6bn). Raiz – Includes Super FUM  
 Hub24 – based on ‘Platform FUA’ / excluding “PARS” FUA; Netwealth based on FUA – Custodial; GQG: US\$ FUM converted to AUD

# Company corporate structure & holders

Capital structure	
Share price at 4 February 2025	\$0.12
- Ordinary shares on issue*	142.7m
- Market cap*	\$17.1m
- Market cap – excluding EDSP	\$13.3m
Net Tangible Assets (31/12/2024)	\$4.0m
Cash at bank (31/12/2024)	\$7.0m

Substantial shareholders	
Leyland Private Asset Management Pty Ltd	18.94%
Perpetual Limited	11.70%
Ron Hodge	9.90%

\*Includes 31,787,947 EDSP (employee) shares. The shares are issued at various prices from 14.5c to 75c. If an employee sells their shares they must repay the loan from the company at the price issued i.e. the shares are similar to options and result in a capital inflow at the issue price to the company when the employee sells the shares. The shares are broken down as follows:

- o 27,481,664 shares issued in November 2020 divided into 3 equal tranches: 15 cents, 20 cents and 30 cents.
- o 910,000 shares issued in September 2021 at 25c, 575,000 shares issued in Sep/Dec 2022 at 34c, 1,500,000 shares issued in March 2023 divided into 3 equal tranches at 45c, 60c and 75c, 961,000 shares issued in Sep/Dec23 at 14.5c and 500,000 shares issued in September 2023 divided into 3 equal tranches at 26.5c, 33c and 40c.

# 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  
**\$671m**  
(at 31 Dec 2024)

# Thank you

Contact:

**Ron Hodge**

*Managing Director & CEO*  
[r.hodge@investsmart.com.au](mailto:r.hodge@investsmart.com.au)

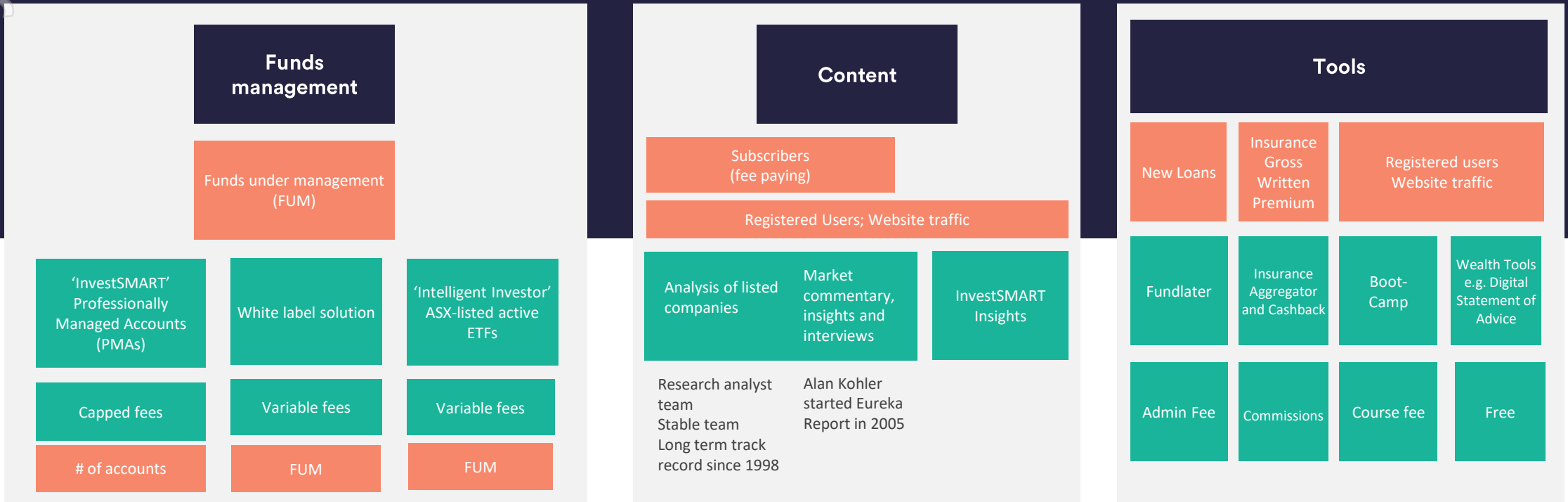
**Andrew Ward**

*Chief Financial Officer*  
[a.ward@investsmart.com.au](mailto:a.ward@investsmart.com.au)

# Appendix: 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

ersonal use only



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

= Key operating indicator

## Disclaimer

The material contained in this document is a presentation of general information about the activities of InvestSMART Group Limited (InvestSMART) and its wholly owned entities (together, the Group). The information in this document is current as at the date of this presentation (20 February 2025). It is provided in summary and does not purport to be complete. You should not rely on it as advice for investment purposes, as it does not take into account your investment objectives, financial position or needs. These factors should be considered, with or without professional advice, when deciding if an investment is appropriate.

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.

This document may contain forward-looking statements with respect to the financial condition, results of operations, and business strategy of the Group. These forward-looking statements are based on estimates, projections and assumptions made by the Group about circumstances and events that have not yet taken place. Although the Group believes the forward-looking statements to be reasonable, they are not certain. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond the Group's control, and which may cause actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results).

The Group makes no representation or warranty as to the accuracy of any forward-looking statements in this document and undue reliance should not be placed upon such statements.

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.

Past performance information in this document is given for illustrative purposes only. Past performance information cannot be relied on as an indicator of (and provides no guidance as to) the future performance of InvestSMART. Nothing contained in this document nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future.

This document may not be reproduced or published, in whole or in part, for any purpose without the prior written consent of InvestSMART.