

9 April 2025

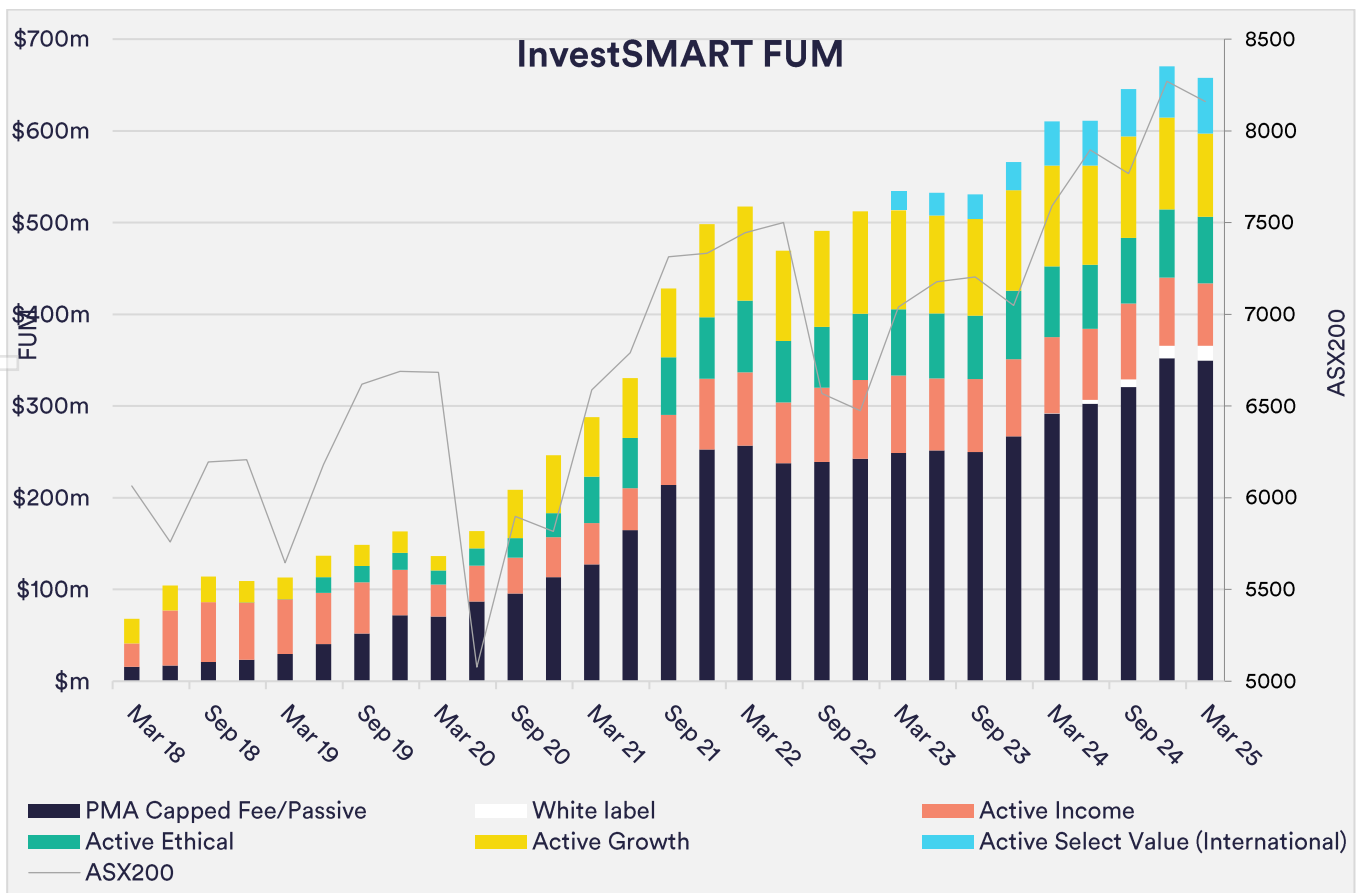
Business update – quarter ending 31 March 2025

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 FY2025.

The primary focus of InvestSMART is growth in Funds Under Management in Professionally Managed Accounts (PMA) (portfolios of ETFs) and actively managed, ASX listed Intelligent Investor funds (see About InvestSMART at the end of this announcement for further details).

Highlights

- Total Professionally Managed Accounts increased to 3,137 accounts at 31 March 2025, an increase of 6.6% compared to the prior quarter end (December 2024).
- Total Funds Under Management (FUM) is \$658 million at 31 March 2025.



ACN 111 772 359

Quarterly Financial Results

	FY2025 Q3 March quarter \$	FY2025 Q2 December quarter \$	%
Operating Income			
Management fees - funds	882,466	919,262	-4%
Subscription income	1,097,370	1,132,263	-3%
Commissions income - insurance	236,169	248,765	-5%
Other income	7,770	9,783	
Operating income	2,223,775	2,310,074	-4%
Operating Expenses			
Commissions rebates	77,354	70,868	9%
Employment expenses	1,329,691	1,323,041	1%
Marketing costs	135,736	177,940	-24%
Other operating expenses	809,602	830,048	-2%
Total operating expenses	2,352,384	2,401,897	-2%
Operating Profit/(Loss)	(128,609)	(91,823)	
Cash at bank (end of period)	6,409,973	7,042,382	

* Quarterly results are prepared by management and are unaudited.

Fees on Professionally Managed Accounts will change effective 1 April 2025. Professionally Managed Accounts has 3,137 accounts at 31 March 2025 with \$350 million in Funds Under Management under the capped fee structure. From 1 April 2025 an administration fee of 0.11% is introduced which is uncapped. Our management fee will reduce from 0.55% to 0.44%, capped at \$880 per annum (or at an account balance of \$200k). The fee cap was previously \$550 (or at an account balance of \$100k). Brokerage on buy-side transactions will be paid by InvestSMART, reducing costs for new investors and rewarding investors for ongoing contributions. For further information refer to the [ASX announcement](#).

Income from management fees - funds decreased by 4% compared to the prior quarter. Fees for our Funds are calculated and accrued on a daily basis. There are 90 fee accruing days in the March quarter compared to 92 days in the December quarter. Funds under management for actively managed ASX listed Intelligent Investor ETFs decreased from \$305 million at 31 December 2024 to \$293 million at 31 March 2025. Total PMA accounts increased by 6.6% during the quarter to 3,137 accounts at 31 March 2025.

Subscription income declined by 3% compared to the prior quarter to \$1.1 million in Q3 FY2025 vs \$1.13 million in Q2 FY2025. Subscription fees increased by 12% from 1 July 2025 for Intelligent Investor products. Approximately 2,500 subscribers chose to renew in advance of the price rises. The majority of the decrease in cash at bank is due to the renewals in advance, as deferred income (subscriptions in advance) decreased by \$400k during the quarter.

Commissions income from insurance is 5% lower than the prior quarter. Management expects an annual attrition rate of ~ 8% for insurance commissions to continue.

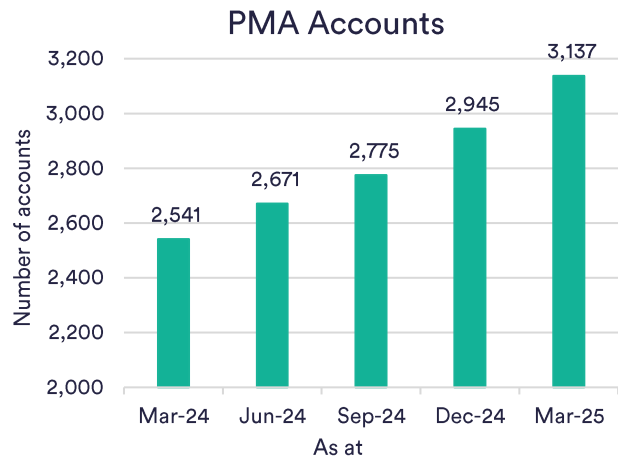
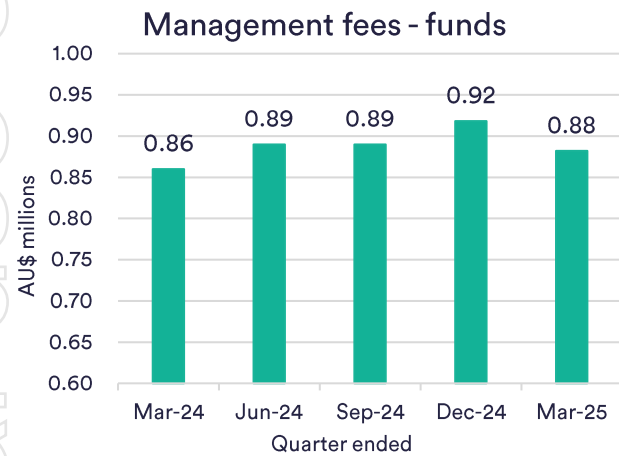
Performance fees are not recognised in the InvestSMART Group accounts until they are realised at 30 June each year as performance fees are considered to be variable consideration.

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 6.6% during the quarter to 3,137 accounts at 31 March 2025 compared to 2,945 accounts at 31 December 2025.

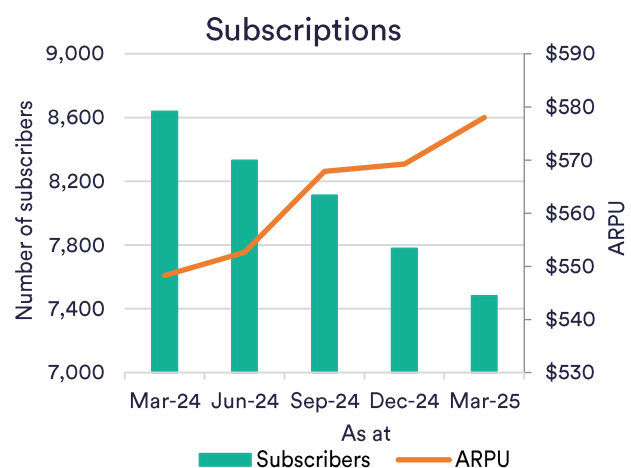
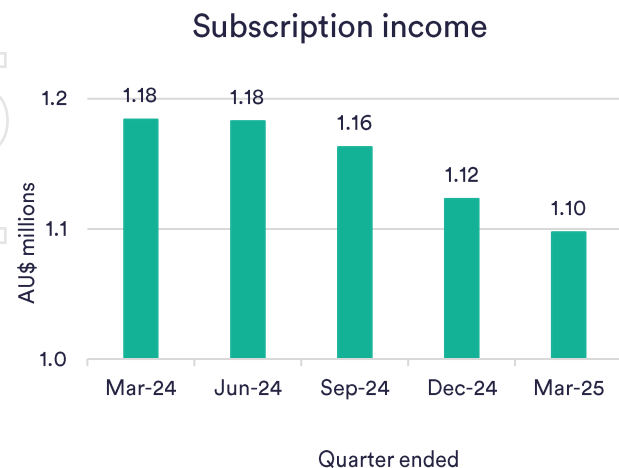


Intelligent Investor ASX listed ETFs

Total funds under management in Intelligent Investor Active ETFs (under a variable fee model) is \$293 million at 31 March 2025, compared to \$305 million at 31 December 2025. A secondary raise for the Intelligent Investor Select Value Share Fund (ASX: IISV) was conducted in February 2025, raising \$6m. IISV is the fourth listed Intelligent Investor fund and the first to incorporate performance fees and international securities.

Subscriptions

Subscription income from fee paying subscribers to our *Intelligent Investor* content-driven publication declined by 3% compared to the prior quarter to \$1.1 million. We announced a 12% increase in prices for [Intelligent Investor subscriptions from 1 July 2025](#). Approximately 2,500 subscribers chose to renew in advance of the price rises in June 2025. Average Revenue Per User (ARPU) increased to \$578 during the quarter.



Marketing

A targeted campaign for new [Fundlater](#) clients was conducted during the quarter. 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. The campaign relied heavily on existing content. 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.

Adoption of Artificial Intelligence on website pages continued which has resulted in increased engagement, particularly for Intelligent Investor.

Products And Services

The Albanese government released long-awaited draft legislation on Tranche 2 of the Delivering Better Financial Outcomes legislation. Replacing Statements of Advice will be an advice record, officially called a Client Advice Record in the draft bill. The purpose is to make advice more accessible to all Australians. InvestSMART's organisational and technology architecture is structured to enable affordable advice at scale. We believe that well drafted legislative changes, properly implemented, will accelerate the adoption of digital advice.

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

Financial Reporting and Investor Presentation

We released our statutory Interim Consolidated Financial Report for the half-year ended 31 December 2024 during the quarter. Please see our [Investor Presentation](#) and [Interim Report](#) to learn more.

On-market buyback

InvestSMART announced an on-market share buyback due to the annual expiry of the previous 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 “We are pleased to see continued growth in our Professionally Managed Accounts and look forward to the remainder of 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.

For personal use only

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.

Products & services. InvestSMART Group runs **Professionally Managed Accounts (PMA)* using ETFs** (with management fees capped at \$880 p.a. plus 0.11% administration fee) 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 Australian Bond 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.