INVESTSMART GROUP LTD.

Appendix 4E (ASX Listing Rule 4.3A)
PRELIMINARY FINAL REPORT
Year ended 30 June 2025
(previous corresponding period: 30 June 2024)

INVESTSMART GROUP LIMITED AND ITS CONTROLLED ENTITIES ABN 62 111 772 359

RESULTS FOR ANNOUNCEMENT TO THE MARKET

This Appendix 4E should be read in conjunction with InvestSMART Group Limited (InvestSMART or the Group) Audited Consolidated Financial Report and Directors' Report for the year ended 30 June 2025 lodged with the Australian Securities Exchange on 27 August 2025.

	30/06/2025 $'000	30/06/2024 $'000	Movement $'000	Movement %
Revenue from ordinary activities	10,257	10,104	153	2%
Profit/(Loss) from ordinary activities after tax for the period attributable to members	200	(764)	964	126%
Profit/(Loss) for the period attributable to members	200	(764)	964	126%
Net tangible assets (cents per ordinary share)	4.07	3.69		

Commentary on Results for the period

The table below shows the consolidated performance of InvestSMART Group Limited for the years ended 30 June 2025 and 30 June 2024.

	2025 $	2024 $
Management fees - funds	3,692,979	3,390,763
Performance fees - funds	669,492	233,236
Subscription income	4,522,614	4,806,519
Commissions income - insurance	1,062,176	1,272,143
Other Income	34,541	24,970
Total Operating Income	9,981,802	9,727,631
Total Operating Expenses	9,825,313	10,123,816
Operating Profit/(Loss)	156,489	(396,185)
Interest income	275,369	255,331
Government grants	-	113,856
Employee benefit expense	(22,748)	(102,551)
Amortisation of intangibles	(260,489)	(541,692)
Restructure costs	-	(230,982)
Profit/(loss) before income tax	148,621	(902,223)
Income tax benefit	51,759	137,877
Profit/(loss) for the period	200,380	(764,346)

Management fees - funds increased by 9% compared to the prior year. Total funds under management increased from $611 million at 30 June 2024 to $687 million at 30 June 2025. Performance fees – funds earned and receivable at 30 June 2025 are $669,492, a 187% increase compared to the prior year end. Subscription income decreased by 6% compared to the prior year. Funds management fees and subscription income are the focus areas of the business moving forward. Total operating expenses decreased by 3% compared to the prior year. Employee costs decreased by 6%. Total staff decreased from 36 at 1 July 2024 to 33 at 1 July 2025.

Cash and cash equivalents is $8.3 million at 30 June 2025 compared to $7.7 million at 30 June 2024.

Refer to the "Review of Operations" section of the Directors' Report, the Quarterly Business Update lodged separately on 21 July 2025 and the Investor Presentation lodged separately on 27 August 2025 for further commentary.

Dividend Information

The Group did not recommend, declare, or pay a dividend during the year ended 30 June 2025 (2024: nil).

Associate entities

Refer to the attached financial report Note 10.

On-market share buy-back

The company had an on-market share buy-back in place during the year (initially announced 29 February 2024, updated 18 March 2025). 60,000 shares were bought back during the year (2024: 10,000 shares).

Independent Auditors' Report

The Consolidated Financial Report for InvestSMART Group Limited for the year ended 30 June 2025 has been audited by the Company's independent external auditor, BDO Audit Pty Ltd. A copy of the independent external auditor's report may be found at pages 49 to 52 of the Annual Report.

Additional Information

Additional Appendix 4E disclosures and other significant information may be found in InvestSMART Group Limited Audited Consolidated Financial Report and Directors' Report for the year ended 30 June 2025 (lodged with this document), the Quarterly Business Update lodged separately on 21 July 2025 and the Investor Presentation lodged separately on 27 August 2025.

2025 Annual Report

Annual Report for the year ended 30 June 2025

InvestSMART Group Limited
ABN 62 111 772 359

INVESTSMART

www.investsmart.com.au
1300 880 160

OUR VISION

To help all Australians grow and protect their wealth.

WHY?

Because we believe people should be able to take control of their financial future. And it shouldn't be hard or expensive to do so.

HOW?

By providing innovative tools, research and advice that people can trust, empowering them to make better investing decisions.

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
e.g. International, Interest Income

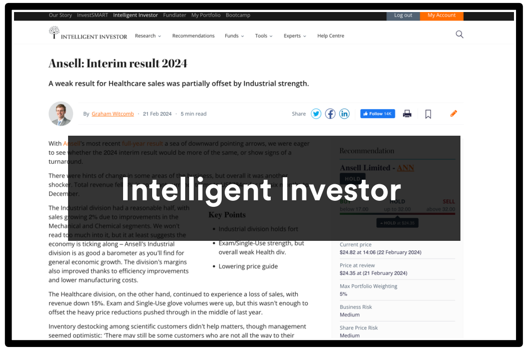
Custom Portfolios
Add custom ETFs

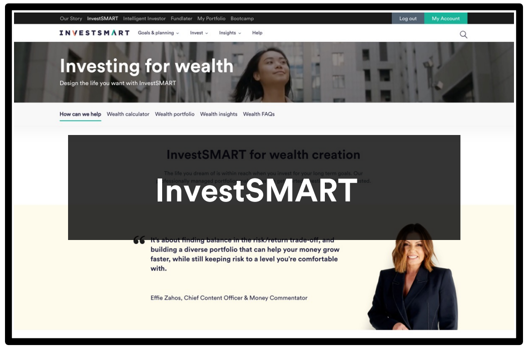
Fundlater
Lending service
+
White label
Variable fees

Intelligent Investor
Active ETFs – ASX-listed
Variable fees

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

Content and tools ecosystem





Well recognised and active ambassadors in the Board and executive

Paul Clitheroe AM
Chairman

Effie Zahos
Non-executive Director

Alan Kohler AM
Founding editor

INVESTSMART

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CHAIRMAN AND MANAGING DIRECTOR'S REPORT

Dear Shareholders,

InvestSMART is a digital ecosystem that guides novices and experienced alike on a journey to grow and protect their wealth. The journey may start with an internet search which leads to our website. The user may then research a specific listed stock, take a bootcamp course or compare their managed fund with others. The content, calculators and expertise developed creates an ecosystem that attracts people to our website to help them improve their financial future. A digital ecosystem is complex, however we believe that we have the architecture, expertise, products, tools and ambassadors to simplify the complex.

On behalf of the Directors we are pleased to announce the results for InvestSMART Group (The Group) for the financial year ended 30 June 2025.

	2025 $	2024 $
Management fees - funds	3,692,979	3,390,763
Performance fees - funds	669,492	233,236
Subscription income	4,522,614	4,806,519
Commissions income - insurance	1,062,176	1,272,143
Other Income	34,541	24,970
Total Operating Income	9,981,802	9,727,631
Commission rebates	356,047	375,870
Brokerage	39,538	-
Employee costs	5,468,510	5,824,824
Marketing costs	623,139	656,148
Other operating expenses	3,338,079	3,266,974
Total Operating Expenses	9,825,313	10,123,816
Operating Profit/(Loss)	156,489	(396,185)

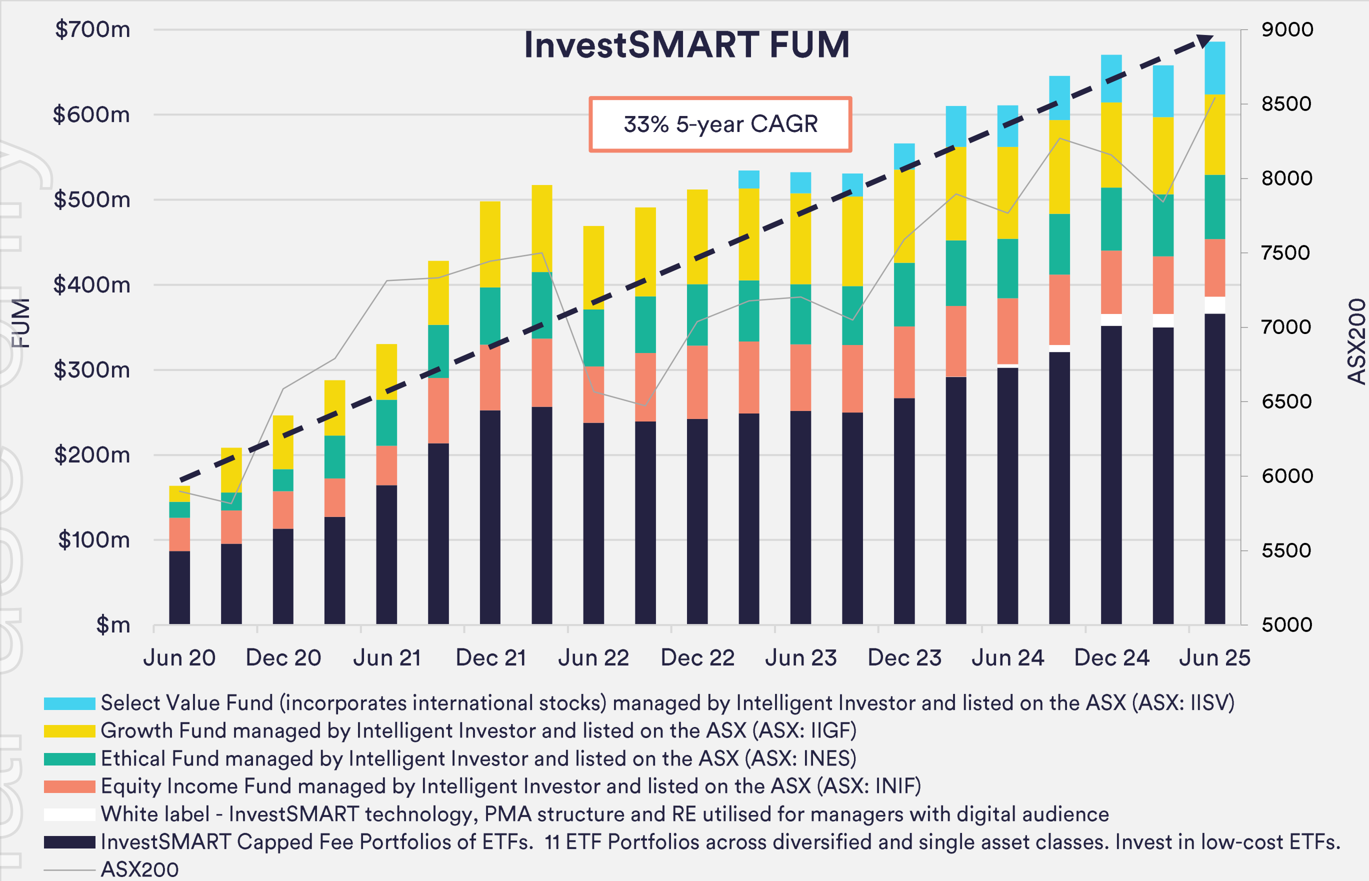
Operating profit excludes interest income, government grants, employee benefits expense, amortisation of intangibles, restructure costs and income tax benefit. Please refer to a reconciliation of operating profit to statutory profit and loss in the directors' report and ASX App4E release.

We are pleased to have posted an operating profit for the year. Creating and maintaining a digital ecosystem for the wealth journey is expensive. The trick is to transcend critical mass, beyond that point is where all shareholders, including our stable long-term staff, benefit. We made significant strides to that point during the financial year but remain acutely aware that we have not transcended that limit yet. Our focus over the coming years will remain on growing funds under management and maintaining our subscription revenue. To that end we made several strides during the financial year:

- Funds Under Management (FUM) increased by 12% compared to the prior year.
- The revenue model for Professionally Managed Accounts was improved making it cheaper for new accounts and rewarding investors for ongoing contributions to help them reach their financial goals sooner.
- We continued to augment the Professionally Managed Accounts platform including developing custom portfolios which launched in July 2025.
- We increased prices for our Intelligent Investor subscription product to "fair value." Average Revenue per User (ARPU) increased by 6% during the financial year. A final price increase of 20% was communicated commencing 1 July 2025.

We are well capitalised and debt free with $8.3m in cash at bank and Net Tangible Assets of $4.5m at 30 June 2025.

Growing FUM is our key revenue driver and we have delivered a 33% 5-year compound annual growth rate in FUM:



The InvestSMART Professionally Managed Accounts investment platform (PMA) was launched in 2018 and contains many innovative features. PMA investment accounts focus on investing into our selection of preferred ETFs which provide a balance between performance returns, cost efficiency and risk diversification. The investor portfolio is registered under the investor's name in a unique HIN, giving the investor legal and beneficial ownership of the underlying securities. This is our simple, low-cost funds management product designed to help those who want a low-touch digital experience to help them achieve their financial goals. We believe that there is a large addressable market of underserviced 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.

Intelligent Investor funds are designed for the more curious investor. These funds hone in on undervalued companies and will pique the interest of investors who can no longer maintain such a portfolio themselves, including current and ex subscribers to Intelligent Investor. The return profile of these funds is inherently different to the index hugging Professionally Managed Accounts. The Select Value Fund (ASX: IISV) outperformed the ASX200 Accumulation Index by 7.6% in FY25 delivering valuable performance fees for the growth and stability of our business in the long-term. The Ethical Fund (ASX: INES) was marginally above the index whilst the Income Fund (ASX: INIF) and Growth Fund (ASX: IIGF) underperformed the index by a large margin. Conversely these funds significantly outperformed the index in FY21 and FY22. These funds remain committed to their time proven value investment philosophy and process. As an example at year end the funds are underweight Australian banks, maintaining the process that has delivered growth in FUM and revenue to date.

SUBSCRIPTIONS

Intelligent Investor continues to deliver original, relevant, expert, timely commentary and financial recommendations. Subscriptions are an important element in the InvestSMART ecosystem, generating valuable cash flow, search engine optimisation and, critically, trust.

Retention for all products remains stable with an annual retention rate of 77% at 30 June 2025. We expect retention to remain stable as evidenced by the number of subscribers who chose to renew in advance before 30 June and the response we received to increasing prices by 20% from 1 July 2025. We have increased prices at 1 July 2024 and 1 July 2025 and expect ARPU to continue to increase. The challenge remains attracting new paying members. We continue to pursue this due to the complimentary nature of engaged paying subscribers, growth in funds under management and the delivery of advice digitally.

OUTLOOK

In March 2025 the 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 drafting of changes recommended by the Levy review remains frustratingly slow. We remain on the front foot with architecture to fit the proposed incoming legislation and a content-based marketing approach. 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. In FY25 we had 14.1 million website pageviews across 7.1 million visitors, an annual increase of 9% in visitor numbers. New free sign-ups to InvestSMART and Intelligent Investor grew to 27k in FY25. We have 144,000 free portfolio manager accounts monitoring nearly $40 billion in assets. InvestSMART is at the forefront of digital advice.

The number of financial advisers remains around 15,000 in Australia, down from 21,500 in 2018 prior to FASEA and the Hayne Royal Commission. At the same time the Australian population is growing, advice needs are increasing, the wealth sector has grown and Artificial Intelligence (AI) is growing at an unforeseen rate. InvestSMART has deployed AI in many ways before it was a buzzword and remains committed to harnessing technological power to solve the advice needs of all Australians.

We continue to expect legacy insurance income to decrease by approximately 8% annually. Commissions on insurance income remain allowable after the first round of legislation from the Delivering Better Financial Outcomes review (aka Levy Review) was released. We have the infrastructure to distribute life insurance to new clients and see this as part of our vision to help all Australians grow and protect their wealth.

Our costs decreased during FY25. We believe that we have found the right balance for our experienced team. With automation at the core of many functions staff growth in the future should be dictated by servicing a growth in clients where automation cannot deliver. Marketing costs decreased and we continue to focus on our strengths within content and SEO. Over many years of marketing financial products digitally we believe our key competitive advantage is original quality content, which forms the base for search engine optimisation, digital retargeting and media coverage through our key spokespeople.

CORPORATE GOVERNANCE

Please refer to the Corporate Governance Statement in this report and the required Appendix 4G for detail on how we meet our corporate governance requirements and standards.

Effie Zahos resigned from the Board in December 2023 to commence a role within the Group as Chief Content Officer. Effie resigned from her executive role in September 2024 to take up a position as Channel 9 News Money Editor and was reappointed as a non-executive Director. We are pleased that we are able to retain the experience and vision that Effie brings to the Board.

The Board and its sub-committees meet regularly and, in addition, there are other sub-committees within the Group for oversight and governance, for example the Investment Committee and the Responsible Entity Compliance Committee. Regular Board meetings include standing items on strategy, performance, compliance and cybersecurity.

SUMMARY

With a fully developed product suite and a unique ecosystem, our focus is to accelerate the growth of funds management income. Making it easier for our clients to invest with us by providing better online experiences with fewer manual processes is central to that goal. InvestSMART provides ideal low-cost solutions for the majority of Australians.

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 our business. We look forward to realising the full potential of our business over coming years and celebrating with you our future success.

Paul Clitheroe
Chairman

Ron Hodge
Managing Director

CORPORATE GOVERNANCE STATEMENT

The InvestSMART Board is committed to achieving and demonstrating best practice standards of corporate governance with the Australian Stock Exchange (ASX) regulations. Our goal is to ensure we protect the rights and interests of all stakeholders and ensure the company is properly managed through the implementation of sound strategies and action plans.

We achieve this through good management and by supervising an integrated framework of controls over the company's resources to ensure our commitment to high standards of ethical behaviour. In developing corporate governance policies and practices for the Group, the Company takes into account the Constitution of the Company (Constitution) and applicable legislation and standards, including:

- Corporations Act 2001 (Cth) (Corporations Act);
- Australian Securities Exchange Listing Rules (Listing Rules);
- Corporate Governance Principles and Recommendations, 4th Edition published by the ASX Corporate Governance Council (ASXCGC); and
- legislation governing Australian Financial Services Licences and other licences held by members of the Group.

A description of the company's corporate governance practices is set out in the Company's corporate governance statement which can be viewed at https://www.investsmart.com.au/shareholder-centre/governance. The 2025 corporate governance statement is dated 27 August 2025 and is approved by the Board. The statement reflects the corporate governance practices in place throughout the 2025 financial year.

Our remuneration report is enclosed in the annual report and outlines group remuneration policies, Board performance and the senior executive remuneration policies and compensation.

DIRECTORS' REPORT

The Directors present their report on InvestSMART Group Limited (the Company) and its subsidiaries (collectively the Group) for the financial year ended 30 June 2025.

Review of operations

The table below shows the consolidated performance of the Group for the years ended 30 June 2025 and 30 June 2024. This information is presented to show the relative changes in operating income over the period.

	2025 $	2024 $
Management fees - funds	3,692,979	3,390,763
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Profit/(loss) before income tax	148,621	(902,223)
Income tax benefit	51,759	137,877
Profit/(loss) for the period	200,380	(764,346)

Total operating income increased by 3% compared to the prior year. Management fees - funds increased by 9% compared to the prior year. Total funds under management increased from $611 million at 30 June 2024 to $687 million at 30 June 2025. Funds under management consists of Professionally Managed Accounts (portfolios of exchange traded funds on the InvestSMART platform) and Intelligent Investor ASX listed Active Exchange Traded Funds. Performance fees – funds earned and receivable at 30 June 2025 are $669,492, a 187% increase compared to the prior year end. Subscription income decreased by 6% compared to the prior year. Subscription income declined by 6% compared to the prior year. Total subscribers declined from 8,331 subscribers at 30 June 2024 to 7,561 subscribers at 30 June 2025. Average Revenue by User increased from $553 at 30 June 2024 to $586 at 30 June 2025. Funds management fees and subscription income are the focus areas of the business moving forward.

Employee costs decreased by 6% compared to the prior year. Total staff decreased from 36 at 1 July 2024 to 33 at 1 July 2025. Amortisation of intangibles ceased on 31 December 2024 as Fund Distribution Contracts acquired on 1 January 2015 reached the end of the amortisation period.

Cash and cash equivalents is $8.30 million at 30 June 2025 compared to $7.74 million at 30 June 2024.
The Net Tangible Assets of the Group is 4.07c per fully paid ordinary share at 30 June 2025 (2024: 3.69c).

The Group has substantial realised capital tax losses that have not been recognised in the financial statements as the Directors believe there are negligible opportunities to utilise those losses in the medium term.

Principal Activities
The principal activities of the Group during the year were the provision of financial services and products to retail investors in particular in the areas of funds management, wealth management and personal insurance.

Business strategies and prospects
The Group will continue to focus on increasing the conversion of users of free products on its website and mobile application to new subscribers and investors in its fund management products. The Group continues to offer free portfolio management services, free content, calculators, education and tools as part of the conversion and trust building process. The Group will continue to focus marketing efforts on our products through targeted campaigns, digital advertising, search engine optimisation and media coverage.

Attrition rates for insurance commissions of approximately 8% are expected to continue.

Earnings/loss per share
Basic earnings per share is 0.18 cents. Diluted earnings per share is 0.14 cents. In 2024 basic and diluted loss per share was 0.69 cents.

Dividends
No dividend has been declared, recommended or paid for the financial year ended 30 June 2025 (2024: nil).

Business Risks
The Group accepts that it is exposed to risks inherent in the services provided. The Group has adopted an enterprise risk management model to mitigate the likelihood of these risks occurring. The Audit, Risk and Compliance Committee appointed by the Board of InvestSMART Group Limited has oversight of the Risk Management Policy, Risk Register and the risk management process. In summary The Group is exposed to the following risks:

- Market and Investment – market conditions, volatility and counterparty risk
- Operational – Outsourcing, fraud and valuation of assets
- Financial – capital management and liquidity
- Technology – data, cyber security and malicious activity
  - Loss of personal data may result in compensation, regulatory notification and reputational damage
  - Denial of service attacks may result in an inability to provide services for a period of time

  The Group continually reviews its cyber resilience including, but not limited to, protection, detection, response and recovery.
- Human Resources – loss of key personnel and employee misconduct
- Strategic – execution of strategy and competition
- Regulatory – adverse regulatory change and non-compliance with laws and regulations
- Reputational
- Governance

Significant Changes in State of Affairs
There were no significant changes in the Group's state of affairs during the period.

Events Subsequent to Balance Date
There have been no significant events since 30 June 2025 up to the date of this report.

Directors

The names and details of the Directors of the Company who held office during the year and at the date of this report (unless otherwise specified) are:

Paul Clitheroe AM (Appointed Non-Executive Chairman 26 November 2014, appointed Executive Chairman 31 March 2015, reappointed Non-Executive Chairman 24 February 2016)
Independent Non-executive Chairman
Bachelor of Arts (UNSW), SNF Fin, CFP
Age 70

Paul Clitheroe was a founding director of leading financial planning firm ipac and has been involved in the investment industry since he graduated from the University of New South Wales in the late 1970s. From 1993 to 2002 Paul hosted the popular Channel 9 program *Money*. Since 1999 he has been the chairman and chief commentator of *Money* magazine. He writes personal finance columns for metropolitan, suburban and regional newspapers across Australia. Paul has been a media commentator and conference speaker for more than 30 years and is regarded as one of Australia's leading experts in the field of personal investment strategies and advice.

Paul is Chairman of the Ensemble Theatre Foundation, Chairman of Ecstra (formerly Financial Literacy Australia) and Chairman of the youth anti-drink driving body, RADD. In 2012, Macquarie University appointed Paul as Chair of Financial Literacy. He is a Professor with the School of Business and Economics.

Paul was previously Chairman of Monash Absolute Investment Company Ltd (commenced: January 2016, ceased: September 2022) and a Director of Wealth Defender Equities Ltd, both ASX-listed investment companies.

Michael Shepherd AO (Appointed 1 March 2014)
Independent Non-Executive Director
Chairman of the Audit, Risk and Compliance Committee
Chairman of the Nomination and Remuneration Committee
SF Fin, MAICD
Age 75

Michael Shepherd has had a successful career in financial services over more than 40 years. He was a director of ASX Limited and group between 1988 and 2007, including a term as Vice-Chairman between 1993 and 2007. Michael was also Chairman of the ASX Derivatives Board and Chairman of the ASX Market Rules Committee.

Michael is currently Chairman of Navigator Global Investments Limited (a listed investment management company, commenced 16/12/2009) and a member of the Responsible Entity Compliance Committee of UBS Global Asset Management (Australia) Limited. He is also a Senior Fellow and Life Member, Financial Services Institute of Australasia, after being a director of that body between 2001 and 2009, including 2 years as National President.

Peter Ronald Hodge (Appointed 1 September 2015, appointed Managing Director 24 February 2016)
Managing Director
BCom, BEcon, MSc, FFin, GAICD
Age 54

Ron Hodge was the founder of InvestSMART in 1999. Mr Hodge later sold this business to Fairfax Media in October 2007 where he continued as General Manager. He has worked in financial services for over 25 years, including at UBS in Singapore and Bell Commodities in Sydney. Ron holds a Masters degree in Computer

Science, Bachelors Degree in Commerce, Bachelors Degree in Economics, a Graduate Diploma in Applied Finance and Investments and is a Graduate of the Australian Institute of Company Directors.

Effie Zahos (Appointed 11 November 2020, resigned 13 December 2023, reappointed 30 September 2024)
Independent Non-executive Director
BEcon
Age 55

Effie Zahos is one of Australia's leading personal finance commentators with nearly three decades of experience in consumer finance topics including banking, investing and property.

Effie resigned from the Board in December 2023 to commence a role within the Group as Chief Content Officer. Effie resigned from her executive role in September 2024 to take up a position as 9News Money Editor and was reappointed as a non-executive Director.

Starting out as a graduate trainee for one of Australia's major banks Effie moved to TV in 1997, kick-starting her career in finance journalism as head researcher of Channel Nine's Money Show. Effie was editor of Money magazine until 2019, having helped establish it in 1999 and Editor-at-Large of Canstar. Effie is also the author of The Great $20 Adventure, A Real Girl's Guide to Money and Ditch the Debt and Get Rich. Passionate about financial literacy, Effie sits on the board of directors for Ecstra, a not-for-profit organisation committed to building the financial capability of all Australians.

Effie holds a Bachelor of Economics Degree from the University of Queensland.

Meetings of Directors

The number of Directors' Meetings (including Meetings of Committees of Directors) and number of Meetings attended by each of the Directors of the Company during the 2025 financial year were:

	Directors' Meetings		Meetings of Audit, Risk and Compliance Committee		Meetings of Nomination and Remuneration Committee*		Meetings of Investment Committee	
	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	Meetings attended
Paul Clitheroe	7	6	4	3	1	1	4	4
Ron Hodge	7	7	-	-	-	-	4	4
Michael Shepherd	7	6	4	4	1	-	-	-
Effie Zahos	6	6	3	3	1	1	4	4

* The 2024 annual review by the Nominations and Review Committee was conducted by circular resolution.

Interests in the Securities of the Company

The relevant interests of each Director in the securities of the Company shown in the Register of Directors' Shareholdings as at the date of this report are:

Director	Ordinary shares
Paul Clitheroe	5,000,000
Michael Shepherd	600,000
Peter Ronald Hodge	14,961,760

Directors are not required under the Company's constitution to hold any shares, options or any other securities in the Company.

Interests in Contracts or Proposed Contracts with the Company

Paul Clitheroe and Ron Hodge have received loans from the company as part of the Employee and Directors Share Plan (EDSP). A non-recourse loan is provided to participants to acquire the shares at the respective prices issued. The loans are required to be paid or the associated shares forfeited on or before the respective maturity dates. The loans for EDSP shares on issue have not been repaid and are not included in fully paid ordinary share capital. The date of issue, maturity and number of shares issued are disclosed in detailed tables in the remuneration report.

Paul Clitheroe and related parties held three Fundlater loans during the year which were repaid in full. Ron Hodge and related parties held two Fundlater loans during the year, one of which was repaid in full during the year. Subject to a minimum investment of $4,000 a client will receive a non-recourse Fundlater loan of up to $6,000 repayable over 20 equal monthly instalments. Professionally Managed Accounts is a scheme issued by InvestSMART Funds Management Ltd. The Fundlater loans were issued by InvestSMART Financial Services Pty Ltd. The loans were sold to Eureka Asset-Backed Loan Fund, a fund issued by InvestSMART Funds Management Limited.

Other than as noted above, none of the Directors have an interest in, or proposed interests in, contracts with the Group.

Unitholdings in Funds

The number of units held during the year by each Director in funds for which InvestSMART Funds Management Ltd acts as Responsible Entity:

	Balance at 30 June 2024	Units acquired	Units disposed	Balance at 30 June 2025
Intelligent Investor Australian Growth Fund				
Paul Clitheroe	52,357	709	-	53,066
Michael Shepherd	13,326	180	-	13,506
Intelligent Investor Select Value Share Fund				
Ron Hodge	20,000	-	(20,000)	-
Professionally Managed Accounts				
Paul Clitheroe	3	-	-	3
Ron Hodge	3	1	-	4
Eureka Asset-Backed Loan Fund				
Ron Hodge	235,000	-	-	235,000

Company Secretary

Catherine Teo was appointed Company Secretary and General Counsel on 12 February 2019. Catherine is a qualified lawyer, admitted in the Supreme Court of New South Wales and the High Court of Australia and has over ten years' experience as a corporate lawyer. Catherine resigned as Company Secretary on 25 February 2021 to commence maternity leave. Catherine was reappointed as company secretary on 31 January 2022.

Remuneration Report (Audited)

The value of benefits given to Directors or key management personnel (KMP) is detailed below for the year ending 30 June 2025.

		Short-term benefits			Post-employment benefits	Long-term benefits	Share based payments^	
Name of Director		Base remuneration	Cash bonus	Annual Leave^^	Super-annuation	Long Service Leave^^	Equity settled	Total
		$	$	$	$	$	$	$
Paul Clitheroe	FY25	82,192	-	-	9,452	-	-	91,644
	FY24	82,192	-	-	9,041	-	-	91,233
Michael Shepherd	FY25	82,192	-	-	9,452	-	-	91,644
	FY24	82,192	-	-	9,041	-	-	91,233
Ron Hodge	FY25	299,432	8,000	2,204	30,000	9,883	-	349,519
	FY24	272,727	-	3,051	30,000	4,553	11,023	321,354
Effie Zahos^^^	FY25	45,000	-	-	-	-	-	45,000
	FY24	25,000	-	-	-	-	-	25,000

^ Share-based payments consists of apportioned expense under AASB 2 – Share-based payments for EDSP shares issued
^^ The movement in annual leave and long service leave entitlements accrued during the year
^^^Effie resigned from the Board in December 2023 to commence a role within the Group as Chief Content Officer. Effie resigned as Chief Content Officer in September 2024 and was reappointed as a non-executive Director. Remuneration in this table is for Effie's role as a Director.

No Director of the Company has received or become entitled to receive a benefit, other than a remuneration benefit as disclosed in the notes to the financial statements, by reason of a contract made by the Company or a related entity with the Director or with a firm of which they are a member, or with a Company in which they have a substantial interest. Paul Clitheroe and related parties held three Fundlater loans during the year. Ron Hodge and related parties held two Fundlater loans at the beginning of the year. The Fundlater loans were issued by InvestSMART Financial Services Pty Ltd. The loans were sold to Eureka Asset-Backed Loan Fund, a fund issued by InvestSMART Funds Management Limited.

Key Management Personnel
Ron Hodge (Managing Director), Nigel Poole (Chief Technology Officer), Alastair Davidson (Head of Funds Management) and Andrew Ward (Chief Financial Officer) were considered to be Key Management Personnel ("KMP") for the year ended 30 June 2025. Andrew Ward was appointed as Chief Operating Officer in addition to his existing role as Chief Financial Officer of the Company, effective 1 July 2025. All of the KMP are on ongoing contracts which require from the KMP 3 months' written notice of intention to terminate employment. The Board may terminate the employment of a KMP with 6 months' written notice, if without cause. The remuneration of the key management personnel who were not Directors for the year to 30 June 2025 is shown below.

		Short-term benefits			Post-employment benefits	Long-term benefits	Share based payments^	
Name of KMP		Base remuneration	Cash bonus	Annual Leave*	Super-annuation	Long Service Leave^^	Equity settled	Total
		$	$	$	$	$	$	$
Nigel Poole	FY25	253,291	6,389	5,740	29,863	6,089	-	301,372
	FY24	243,053	8,985	(7,184)	27,526	5,287	-	277,667
Alastair Davidson	FY25	218,040	5,470	5,189	25,704	(34,396)	-	220,007
	FY24	169,986	-	(222)	18,698	2,833	4,587	195,882
Andrew Ward	FY25	229,121	5,830	5,366	27,019	4,474	7,290	279,100
	FY24	224,727	-	(1,941)	24,720	3,754	14,219	265,479

^ Share-based payments consists of apportioned expense under AASB 2 – Share-based payments for EDSP shares issued
^^ The movement in annual leave and long service leave entitlements accrued during the year

Shares held by Key Management Personnel and Directors

Security	Balance at 30 June 2023	Shares acquired during the year	Balance at 30 June 2024	Shares acquired during the year	Balance at 30 June 2025	Approval or issue date	Value at issue date	Estimated or actual vesting date	Vested balance at 30 June 2023	Shares vested during the year	Vested Balance at 30 June 2024	Shares vested during the year	Vested balance at 30 June 2025
Paul Clitheroe	**5,000,000**	-	**5,000,000**	-	**5,000,000**				**4,000,000**	-	**4,000,000**	-	**4,000,000**
Fully Paid Issued Capital	1,000,000	-	1,000,000	-	1,000,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EDSP 1	1,333,333	-	1,333,333	-	1,333,333	9/12/2020	0.019	9/12/2020	1,333,333	-	1,333,333	-	1,333,333
EDSP 2	1,333,333	-	1,333,333	-	1,333,333	9/12/2020	0.018	30/11/2021	1,333,333	-	1,333,333	-	1,333,333
EDSP 3	1,333,334	-	1,333,334	-	1,333,334	9/12/2020	0.014	30/11/2022	1,333,334	-	1,333,334	-	1,333,334
Michael Shepherd	**600,000**	-	**600,000**	-	**600,000**								
Fully Paid Issued Capital	600,000	-	600,000	-	600,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ron Hodge	**14,685,093**	**216,667**	**14,901,760**	**60,000**	**14,961,760**				**4,896,665**	**166,667**	**5,063,332**	-	**5,063,332**
Fully Paid Issued Capital	9,788,428	50,000	9,838,428	60,000	9,898,428	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EDSP 1	1,522,221	-	1,522,221	-	1,522,221	9/12/2020	0.019	9/12/2020	1,522,221	-	1,522,221	-	1,522,221
EDSP 2	1,522,221	-	1,522,221	-	1,522,221	9/12/2020	0.018	30/11/2021	1,522,221	-	1,522,221	-	1,522,221
EDSP 3	1,522,223	-	1,522,223	-	1,522,223	9/12/2020	0.014	30/11/2022	1,522,223	-	1,522,223	-	1,522,223
EDSP 4	210,000	-	210,000	-	210,000	8/12/2021	0.089	8/12/2021	210,000	-	210,000	-	210,000
EDSP 5	120,000	-	120,000	-	120,000	8/12/2022	0.147	8/12/2022	120,000	-	120,000	-	120,000
EDSP 9	-	166,667	166,667	-	166,667	6/12/2023	0.066	6/12/2023	n/a	166,667	166,667	-	166,667
Nigel Poole	**4,466,666**	-	**4,466,666**	-	**4,466,666**				**4,466,666**	-	**4,466,666**	-	**4,466,666**
EDSP 1	1,488,888	-	1,488,888	-	1,488,888	9/12/2020	0.019	9/12/2020	1,488,888	-	1,488,888	-	1,488,888
EDSP 2	1,488,889	-	1,488,889	-	1,488,889	9/12/2020	0.018	30/11/2021	1,488,889	-	1,488,889	-	1,488,889
EDSP 3	1,488,889	-	1,488,889	-	1,488,889	9/12/2020	0.014	30/11/2022	1,488,889	-	1,488,889	-	1,488,889

Security	Balance at 30 June 2023	Shares acquired during the year	Balance at 30 June 2024	Shares acquired during the year	Balance at 30 June 2025	Approval or issue date	Value at issue date	Estimated or actual vesting date	Vested balance at 30 June 2023	Shares vested during the year	Vested Balance at 30 June 2024	Shares vested during the year	Vested balance at 30 June 2025
Alastair Davidson	**5,912,604**	**243,623**	**6,156,227**	-	**6,156,227**				**4,756,666**	**83,333**	**4,839,999**	-	**4,839,999**
Fully Paid Issued Capital	1,155,938	160,290	1,316,228	-	1,316,228	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
EDSP 1	1,488,888	-	1,488,888	-	1,488,888	9/12/2020	0.019	9/12/2020	1,488,888	-	1,488,888	-	1,488,888
EDSP 2	1,488,889	-	1,488,889	-	1,488,889	9/12/2020	0.018	30/11/2021	1,488,889	-	1,488,889	-	1,488,889
EDSP 3	1,488,889	-	1,488,889	-	1,488,889	9/12/2020	0.014	30/11/2022	1,488,889	-	1,488,889	-	1,488,889
EDSP 4	170,000	-	170,000	-	170,000	1/09/2021	0.089	1/09/2021	170,000	-	170,000	-	170,000
EDSP 5	120,000	-	120,000	-	120,000	21/09/2022	0.123	21/09/2022	120,000	-	120,000	-	120,000
EDSP 9	-	83,333	83,333	-	83,333	4/09/2023	0.055	4/09/2023	n/a	83,333	83,333	-	83,333
Andrew Ward	**1,170,000**	**633,333**	**1,803,333**	-	**1,803,333**				**1,170,000**	**133,333**	**1,303,333**	**166,666**	**1,469,999**
EDSP 1	300,000	-	300,000	-	300,000	9/12/2020	0.019	9/12/2020	300,000	-	300,000	-	300,000
EDSP 2	300,000	-	300,000	-	300,000	9/12/2020	0.018	30/11/2021	300,000	-	300,000	-	300,000
EDSP 3	300,000	-	300,000	-	300,000	9/12/2020	0.014	30/11/2022	300,000	-	300,000	-	300,000
EDSP 4	150,000	-	150,000	-	150,000	1/09/2021	0.089	1/09/2021	150,000	-	150,000	-	150,000
EDSP 5	120,000	-	120,000	-	120,000	21/09/2022	0.123	21/09/2022	120,000	-	120,000	-	120,000
EDSP 9	-	133,333	133,333	-	133,333	4/09/2023	0.055	4/09/2023	n/a	133,333	133,333	-	133,333
EDSP 10	-	166,666	166,666	-	166,666	4/09/2023	0.046	19/09/2024	n/a	-	-	166,666	166,666
EDSP 11	-	166,667	166,667	-	166,667	4/09/2023	0.045	19/09/2025	n/a	-	-	-	-
EDSP 12	-	166,667	166,667	-	166,667	4/09/2023	0.045	19/09/2026	n/a	-	-	-	-

EDSP 1, 2 and 3 shares were approved by shareholders at the Annual General Meeting on 11 November 2020. Maturity dates are 30 November 2025 for EDSP 1, 30 November 2026 for EDSP 2 and 30 November 2027 for EDSP 3. Issue prices are 15c (EDSP 1), 20c (EDSP 2) and 30c (EDSP 3). EDSP 4 shares were issued in lieu of cash bonus in September 2021, vest immediately and have an issue price of 25c. EDSP 5 shares were issued in lieu of cash bonus in September 2022, vest immediately and have an issue price of 34c. EDSP 9 shares were issued lieu of cash bonus in September 2023, vest immediately and have an issue price of 14.5c. Maturity dates are 5 years post issuance. Ron Hodge's EDSP 4, 5 and 9 shares were approved at the Annual General Meeting in November of the year in which they were issued. EDSP 10, 11 and 12 shares were issued on 4 September 2024 to Andrew Ward. Issue prices are 26.5c (EDSP 10), 33c (EDSP 11) and 40c (EDSP 12). The EDSP shares have no performance conditions in order to vest. The directors believed that the issue prices for the EDSP shares better aligned the interests of Paul Clitheroe and key management personnel with the shareholders.

The EDSP shares issued are dependent on the relevant director or employee not resigning or being dismissed for cause before each tranche vests.

Key management personnel transactions concerning dividends and ordinary shares are on the same terms and conditions applicable to ordinary shareholders.

Paul Clitheroe and related parties held three Fundlater loans during the year which were repaid in full. Ron Hodge and related parties held two Fundlater loans during the year, one of which was repaid in full during the year. Subject to a minimum investment of $4,000 a client will receive a non-recourse Fundlater loan of up to $6,000 repayable over 20 equal monthly instalments. The loans are issued at arms-length on the same terms as are made to an unrelated person. The amounts outstanding at the beginning and end of the reporting period are:

	Balance at 30 June 2024 ($)	Repayments made $	Fees charged $	Balance at 30 June 2025 ($
Paul Clitheroe	5,400	(5,850)	450	-
Ron Hodge	8,950	(9,150)	475	275
Total	14,350	(15,000)	925	275

All Directors must have a commitment to good corporate governance. The primary role of the non-executive Directors is the protection and enhancement of sustainable shareholder value through:

(a) ensuring the control and accountability framework is in place so that all significant issues relating to the operation and performance of the Company and its subsidiary entities are brought to the attention of the Board;
(b) monitoring governance policies, practices and systems to ensure they are effective and appropriate; and
(c) monitoring risk policies, practices and systems to ensure they are effective and appropriate.

The Directors agree the remuneration each Director receives (other than any Managing Director or Director who is a salaried officer), subject to the sum determined by the Company in general meeting. No option or bonus plans are in place for Directors other than those listed below.

Under ASX Listing Rule 10.17, the maximum fees payable to Directors may not be increased without prior approval from the Company at a general meeting. Directors will seek approval from time to time as deemed appropriate.

The Directors will be entitled to receive the following benefits:

(a) the maximum total remuneration of the Directors of the Company (excluding the Managing Director) has been approved by shareholders at $400,000 per annum to be divided amongst them in such proportions as they agree. Directors are not required to allocate the entire amount.
(b) Paul Clitheroe is eligible to participate in the EDSP and received 4,000,000 shares divided into three equal tranches and a corresponding limited recourse loan on 9 December 2020, as approved by shareholders at the Annual General Meeting on 11 November 2020. The EDSP shares replaced the 4,000,000 LTIP shares previously issued. Paul's shares have no performance conditions. The first tranche is issued at 15 cents and vested immediately. The second tranche is issued at 20 cents and vested on 30 November 2021. The third tranche is issued at 30 cents and vested on 30 November 2022. The loan relating to each tranche is repayable 5 years after each tranche vests.
(c) Ron Hodge, as Managing Director, is eligible to participate in the EDSP and received 4,566,665 shares divided into three equal tranches and a corresponding limited recourse loan on 9 December 2020, as approved by shareholders at the Annual General Meeting on 11 November 2020. The EDSP shares replaced the 4,566,665 LTIP and ESOP shares previously issued. Ron's shares have no performance conditions. The first tranche is issued at 15 cents and vested immediately. The second tranche is issued at 20 cents and vested on 30 November 2021. The third tranche is issued at 30 cents and vested on 30 November 2022. On 8 December 2021 Ron received 210,000 EDSP shares at a price of 25c in lieu of cash as part of the Group's short-term incentive plan (STI) as approved by shareholders at the Annual General Meeting on 17 November 2021. The shares vested immediately. On 8 December 2022 Ron received 120,000 EDSP shares at a price of 34c in lieu of cash as part of the Group's short-term incentive plan (STI) as approved by shareholders at the Annual General Meeting on 23 November 2022. The shares vested immediately. On 6 December 2023 Ron

received 166,667 EDSP shares at a price of 14.5c in lieu of cash as part of the Group's short-term incentive plan (STI) as approved by shareholders at the Annual General Meeting on 22 November 2023. The shares vested immediately. The loan relating to each tranche of shares is repayable 5 years after each tranche vests.

The table below reflects results and measurements recommended by the Corporations Act for discussion of the relationship between company performance and remuneration.

	2025	2024	2023	2022	2021
Revenue ($)	10,257,171	10,104,491	10,266,019	9,702,468	8,680,504
Total comprehensive profit/(loss) ($)	200,380	(764,346)	(974,565)	(740,176)	35,778
Share price ($)	0.100	0.100	0.170	0.240	0.215
Dividends declared and paid ($)	-	-	-	-	-
Shares bought back on market	60,000	10,000	-	-	377,823

Commissions on funds management and insurance revenue was $5.3 million for the year ended 30 June 2020. Commissions on funds management products was permanently banned from 1 January 2021. The Group shifted strategy towards building and deriving revenue from fees on its own products. The Group recorded a profit in 2025 and will continue to pursue growth in funds management fees to add shareholder value. The table below shows the progress in growing funds management revenue whilst attempting to grow and maintain subscriptions revenue:

	2025	2024	2023	2022	2021
Funds management fees ($)	4,362,471	3,623,999	3,311,250	2,690,468	1,456,246
Subscription revenue ($)	4,522,614	4,806,519	5,375,493	5,278,786	4,883,208
Commissions on funds management and insurance ($)	1,062,176	1,272,143	1,349,487	1,439,998	2,071,280

The Group's remuneration policy is designed to offer a remuneration structure that aligns management incentives with the interests of shareholders and attracts and retains employees and Directors who have extensive experience in the financial services industry and are knowledgeable in investment management best practice. Remuneration is reviewed at least annually by the Nomination and Remuneration committee, which consists of non-executive directors.

Key management personnel may receive fixed remuneration as cash, shares through the Group's EDSP and cash or shares through the Group's short-term incentive plan (STI). Fixed remuneration is reviewed at least annually. The Group aims to position executives and staff at or near the median for comparable roles in a similar industry. Consideration is also given to capability, experience, performance and other elements of remuneration.

All staff and executives are entitled to participate in the STI scheme as part of their total remuneration subject to Group and employee specific indicators. The Group performance indicator is budgeted revenue for the financial year. The total STI pool is determined by the Group's relative performance against budget. The total value of the STI pool increases at a predetermined rate as outperformance against budget increases. Executives and employees receive an STI from this bonus pool where they achieve individual key performance indicators. The STI may be received in cash or shares, subject to restrictions of a cap on cash amount and availability of shares to be issued. The performance conditions were chosen to incorporate overall performance of the company against budget and individual qualitative and quantitative assessments. Ron Hodge, Nigel Poole, Alastair Davidson and Andrew Ward were eligible for and received cash bonuses under the STI in September 2024 after approval by the Nomination and Remuneration Committee. The amounts are disclosed in the remuneration tables and represent 100% of the bonus granted for the year. There are no service or performance criteria in future financial years in relation to bonuses granted and paid in September 2024. In addition to the performance criteria above the KMP were required to be employed for the full duration of the financial year. Where an employee is not employed for the full year that amount will be prorated. Zero % of the bonus was forfeited by any KMP in the financial year. The percentage of remuneration that is performance based is the amount received as a bonus under the STI scheme. The amounts received as a percentage of total remuneration for each eligible KMP for the year ended 30 June 2025 is:

Ron Hodge	2.2% (2024: 3.1%)
Nigel Poole	2.1% (2024: 3.6%)
Alastair Davidson	2.5% (2024: 2.6%)
Andrew Ward	2.1% (2024: 3.0%)

The Group has linked performance with compensation in relation to the performance of the InvestSMART Group share price through the Group's Employee and Director Share Plan (EDSP), which is an equity-settled share-based payment to employees and Directors. A non-recourse loan is provided to participants to acquire the shares at the respective prices issued. The loans for EDSP shares on issue have not been repaid and are not included in fully paid ordinary share capital. On 9 December 2020 all shares issued under the company's previous equity-settled share-based payment plans, the Long-Term Incentive Plan (LTIP) and the Employee Share Ownership Plan (ESOP) were bought back and new shares issued under the new EDSP plan. The market price of InvestSMART Group on this date was 9.1 cents. A total of 32,237,947 EDSP shares are on issue at 30 June 2025. Refer to Note 16 of the Consolidated Financial Statements for a breakdown of the terms of each tranche on issue.

This concludes the Remuneration Report which has been audited.

Environmental regulation
The Group is not subject to any particular or significant environmental regulation under Australian Commonwealth or State Law.

Insurance of Directors
During the financial year, the Company has given indemnity and paid insurance premiums to insure Directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Directors or officers of the Company or subsidiaries, other than conduct involving a wilful breach of duty in relation to the Company or subsidiaries. Details of the nature of the liabilities covered and the amount of premiums paid have not been disclosed as disclosure is prohibited under the terms of the contract.

Indemnification of auditors
The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an auditor of the company or of any related body corporate against a liability incurred as such auditor.

Non-Audit Services
A network firm, BDO Services Pty Ltd, received $30,257 for non-audit services (taxation services). The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act. No other non-audit services have been provided by the auditor or by another person on the auditor's behalf during the year. This statement has been made in accordance with advice provided by the Company's audit committee and has been endorsed by a resolution of that committee.

Proceedings on behalf of the Group
No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the Corporations Act 2001.

Rounding of amounts
The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with the instrument to the nearest dollar.

Auditor's Independence Declaration
The auditor's independence declaration as required under section 307C of the Corporations Act 2001 for the year ended 30 June 2025 has been received and can be found immediately after this Directors' report.

The annual directors' report is signed in accordance with a resolution of the Directors, pursuant to section 298(2)(a) of the Corporation Act 2001.

On behalf of the Directors

Paul Clitheroe
Chairman
Dated this 27th day of August 2025 at Sydney

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Australia

DECLARATION OF INDEPENDENCE BY DANE PEMURAL TO THE DIRECTORS OF INVESTSMART GROUP LIMITED

As lead auditor of InvestSMART Group Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of InvestSMART Group Limited and the entities it controlled during the period.

Dane Perumal

Director

Dane Perumal

BDO Audit Pty Ltd

Sydney

27 August 2025

Consolidated Statement of Comprehensive Income

	Notes	2025 $	2024 $
Management fees - funds		3,692,979	3,390,763
Performance fees - funds		669,492	233,236
Subscription income		4,522,614	4,806,519
Commission income - insurance		1,062,176	1,272,143
Other income	3	303,111	398,092
Net gain on financial instruments at fair value through profit and loss	4	6,799	3,738
Total Income		**10,257,171**	**10,104,491**
Accounting and administrative costs		757,174	779,535
Audit fees	23	195,604	192,869
Business insurance		321,697	329,971
Brokerage		39,538	-
Commission rebates		356,047	375,870
Directors' fees		228,288	207,466
Employee costs		5,468,510	6,046,502
Legal and statutory expenses		58,999	88,777
Marketing and advertising		623,139	656,148
Other expenses		403,266	397,332
Software and website costs		1,193,338	1,058,638
Depreciation and amortisation		440,202	771,055
Employee benefit expense	16	22,748	102,551
Total expenses		**10,108,550**	**11,006,714**
Profit/(loss) before income tax		**148,621**	**(902,223)**
Income tax benefit	7	51,759	137,877
Profit/(loss) for the year		**200,380**	**(764,346)**
Other comprehensive income, net of income tax		-	-
Total comprehensive profit/(loss) for the year		**200,380**	**(764,346)**
Basic earnings/(loss) per share (cents per share)	20	0.18	(0.69)
Diluted earnings/(loss) per share (cents per share)	20	0.14	(0.69)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

	Notes	2025 $	2024 $
ASSETS			
Cash and cash equivalents	19	8,297,543	7,736,213
Trade and other receivables	8	1,507,827	1,036,710
Prepayments and deposits		399,813	428,064
Financial assets at fair value through profit and loss	5	65,045	63,393
Loans receivable	6	288,158	167,850
Fixed assets, including software	12	50,793	72,422
Right of use asset	9	248,959	398,335
Deferred tax asset	7	313,215	363,944
Intangibles	11	-	260,489
Total assets		**11,171,353**	**10,527,420**
LIABILITIES			
Trade and other payables	13	925,594	840,398
Trail commissions to rebate		229,522	226,367
Subscriptions received in advance		4,167,111	3,509,142
Provisions	14	729,707	799,803
Lease liability	9	294,742	440,482
Deferred tax liability	7	62,240	164,706
Total liabilities		**6,408,916**	**5,980,898**
Net assets		**4,762,437**	**4,546,522**
EQUITY			
Issued capital	17	58,554,082	58,561,295
Employee Benefit reserve	16	26,872	2,433,725
Retained losses		(53,818,517)	(56,448,498)
Total equity		**4,762,437**	**4,546,522**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

	Notes	Issued Capital $	Retained losses $	Employee Benefit Reserve $	Total Equity $
Balance at 30 June 2023		58,562,495	(55,684,152)	2,331,174	5,209,517
Comprehensive loss for the year		-	(764,346)	-	(764,346)
Employee benefit share reserve	16	-	-	102,551	102,551
Buyback of issued capital - on market		(1,200)	-	-	(1,200)
Balance at 30 June 2024		**58,561,295**	**(56,448,498)**	**2,433,725**	**4,546,522**
Comprehensive loss for the year		-	200,380	-	200,380
Employee benefit share reserve	16	-	-	22,748	22,748
Buyback of issued capital - on market		(7,213)	-	-	(7,213)
Transfer to retained losses		-	2,429,601	(2,429,601)	-
Balance at 30 June 2025		**58,554,082**	**(53,818,517)**	**26,872**	**4,762,437**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

	Notes	2025 $	2024 $
Cash flows from operating activities			
Receipts from customers		10,161,877	10,235,065
Payments to suppliers and employees		(9,599,094)	(10,328,954)
Interest received		275,369	255,331
Government grants and tax incentives		-	121,530
Net cash provided by operating activities	19(a)	**838,152**	**282,972**
Cash flows from investing activities			
Purchase of investments		(50,000)	(20,400)
Sale of investments		55,148	-
Issue of fundlater loans		(1,873,600)	(1,009,850)
Receipts from repayments of fundlater loans		663,751	150,086
Sale of fundlater loans		1,089,540	733,514
Purchase of fixed assets		(8,708)	(11,784)
Net cash used in investing activities		**(123,869)**	**(158,434)**
Cash flows from financing activities			
Principal payments for leases		(145,740)	(199,340)
Share buy-back		(7,213)	(1,200)
Net cash used in financing activities		**(152,953)**	**(200,540)**
Net increase/(decrease) in cash and cash equivalents		**561,330**	**(76,002)**
Cash and cash equivalents at beginning of the year		7,736,213	7,812,215
Cash and cash equivalents at the end of the year	19(b)	**8,297,543**	**7,736,213**

The above Consolidated Statement of Cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

1. Reporting Entity

InvestSMART Group Limited (the "***Company***") is domiciled in Australia and is the parent entity of the group which includes the entities listed in Note 10 (the "***Group***") and is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The consolidated financial statements of the Group are presented for the year ended 30 June 2025. The Group is primarily involved in operating businesses delivering financial services to retail investors in Australia, primarily in wealth and funds management.

The separate financial statements of the parent entity, InvestSMART Group Limited, have been presented within this financial report.

2. Summary of material accounting policies

Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001.*

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial report has been prepared on an accruals basis, and is based on historical cost, with the exception of the valuation of financial assets as described below.

The financial statements were authorised for issue by the Directors on the date the Directors' declaration was signed. The directors and shareholders have the power to amend these financial statements after issue.

The following material accounting policies have been adopted in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Adoption of New and Revised Accounting Standards

The Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current reporting period. The adoption of these did not have a material impact on the financial statements of the Group.

Any other new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The AASB has issued AASB 18 Presentation and Disclosure in Financial Statements to improve how entities communicate in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss. AASB 18 applies to annual reporting periods beginning on or after 1 January 2027. AASB 18 will replace AASB 101 Presentation of Financial Statements.

Based on the entity's assessment, it is expected that the first-time adoption of these amendments for the year ending 30 June 2028 will have a material impact on presentation and disclosure within the financial statements as follows:

- the presentation of the statement of comprehensive income to be amended such that transactions are classified as one of five categories – operating, investing, financing, income taxes, and discontinued operations.
- presentation and additional disclosure of certain management-defined performance measures utilised in communications with stakeholders by management.
- Disclosure of the nature of externally imposed capital requirements and how those requirements are incorporated into the management of capital.

Current versus non-current classification

The Group presents assets and liabilities in the Statement of Financial Position based on liquidity and not on a current versus non-current classification. The expected period of recovery or settlement of amounts are disclosed in the relevant notes.

Revenue Recognition

Revenue from contracts with customers

Under *AASB 15 Revenue from Contracts with Customers* an entity recognises revenue by applying the following steps:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Group derives revenue from retail customers in Australia. Contract duration is long-term except for subscription revenue which is typically between one month and one year.

The Group has a performance obligation to service customers who have purchased subscriptions in advance for the Intelligent Investor newsletter and recognises revenue when that subscription service has been delivered on a straight-line basis. Where a transfer of services has not occurred a contract liability is recognised for subscriptions in advance. During the year the Group recognised $3,017,712 of revenue that was included in the opening balance of contract liabilities (2024: $2,683,328).

Commission income is derived from trailing commissions on insurance products under a contract to distribute products to the InvestSMART client base. Commissions are recognised when the Group has satisfied its performance obligations, which occurs when control of the goods or services are transferred to the customer. When the performance obligation has been satisfied, the Group will recognise as revenue the amount of the transaction price that is allocated to the performance obligation after excluding any estimates of variable consideration that are constrained.

Management fees – funds are recognised based on net assets under management at the end of each day. Revenue is recognised as the performance obligation is satisfied. Performance fees - funds are recognised when the right to receive payment has been established. The Group's entitlement to a performance fee is dependent on outperformance of the Intelligent Investor Select Value Share Fund over the S&P ASX 200 Accumulation Index and the RBA cash rate over each 12-month period ending 30 June subject to a high-water mark. The high-water mark is the net asset value per Unit at the end of the most recent Calculation Period where there was an entitlement to a performance fee, less any intervening income or capital distribution.

Management and performance fees are variable consideration and are not recognised unless the Group assesses it is probable that a significant reversal in the cumulative amount of revenue will not occur. The performance fee measurement period is the year ending 30 June each year.

Investment and interest revenue

Fundlater fees are recognised in the Consolidated Statement of Comprehensive Income using the effective interest method. Fundlater clients are provided with a non-recourse, asset-backed loan repayable over a fixed period at fixed rate instalments. An effective interest method adjustment is calculated to recognise fees from the date a Fundlater loan is granted to the final instalment at the rate that discounts estimated future cash receipts.

Realised and unrealised gains on investments measured at fair value through profit and loss are recognised in the Statement of Comprehensive Income. Realised gains and losses are calculated as the difference between the consideration received and the fair value at the previous period end.

Dividends and distributions are recognised on the applicable ex-dividend date.

Interest income is recognised as it accrues using the effective interest method.

Other income

Other income is recognised when it is received or the right to receive payment is established. Government grants are recognised once all conditions of the grant have been met.

Investments at Fair Value

The Group's investments are all measured at fair value in accordance with AASB 13: Fair Value Measurement.

The fair values of the Group's listed investments are determined from the amount quoted on the primary exchange of the country of domicile. If a listed investment is measured at fair value and has a bid price and an ask price, fair value is based on a price within the bid-ask spread that is most representative of fair value and allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid-ask spread.

Changes in the fair value of investments are recognised in the Statement of Comprehensive Income. Transaction costs directly attributable to the acquisition of the investments are expensed in the Statement of Comprehensive Income as incurred.

Loans receivable

Loans receivable consist of Fundlater loans. Fundlater clients are provided with a non-recourse loan repayable over a fixed period at fixed rate instalments consisting of principal and facility fee payments. At initial recognition loans are measured at fair value which is the transaction price.

Subsequently loans are measured at fair value through other comprehensive income (FVOCI) where loans are held within a business model whose objective is achieved by both collecting contractual flows and selling the assets. Loans are measured at amortised cost where loans are held solely to collect contractual cash flows of principal and facility fees. An effective interest method adjustment is calculated to recognise loans receivable at the rate that discounts estimated future cash receipts.

Loss allowances under FVOCI are determined using an allowance for expected credit losses (refer to the accounting policy for impairment of financial assets).

Fundlater fees are recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

When loans receivable at FVOCI are derecognised the cumulative gain or loss recognised in other comprehensive income is reclassified to Other Income in the Statement of Comprehensive Income. Loans receivable are derecognised only when the Group assess that it has transferred the contractual rights to receive cash flows for the asset and substantially all the risks and rewards of ownership of the loan have been transferred.

Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at 30 June 2025 and the results of all subsidiaries for the period from 1 July 2024 to 30 June 2025. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

Subsidiaries are all entities (including special purpose entities) over which the Company has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group, or when they are established.

Associates

An associate is an entity over which the Group exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. Investments in associates are accounted for using the equity method of accounting. The equity method is a method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income. Dividends or distributions received or receivable from an associate reduce the carrying value of the investment. Where an associate was previously a controlled entity of the Group, the deemed cost for applying the equity method is the fair value on the date that the Group ceased to have a controlling interest.

Intercompany transactions and balances

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

If the ownership interest in a jointly-controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the consolidated statement of comprehensive income in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates and adjusted on a prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss as the expense category that is consistent with the function of the intangible assets.

Impairment of financial assets

The Group assesses at each reporting date an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Under the general approach for credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. Trade receivables consist of commissions, funds management fees receivable and subscription fees due from merchants which are generally received in the month following recognition.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Share-based Payments to Employees and Directors

Employees (including executive directors) of the Group may receive remuneration in the form of share-based payments, where employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognised, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled in the employee benefits reserve.

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. This cost is reversed in the event that an employee forfeits any share-based payment, when leaving the Group or other circumstances.

The expense in the consolidated statement of comprehensive income for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Income Tax

The Group has formed a tax consolidated group and has executed tax-sharing agreements with each controlled entity. The head entity and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied the Group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the Group also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group. The income tax expense (revenue) for the year comprises current income tax expense and deferred tax expense or benefit.

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities are measured at the amounts expected to be paid to the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year. Current and deferred income tax expense is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit and loss. No deferred income tax is recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised only to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective assets and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Cash and cash equivalents
Cash and cash equivalents include cash on hand, deposits held at call with bank and term deposits which are convertible to a known amount of cash within 3 months and subject to insignificant risk of changes in value.

Long service and Annual leave provisions
The Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period for long service leave which has qualified for utilisation and annual leave. However, the Group does not expect its long service leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method.

Expenses
The Group records all expenses on an accruals basis. This includes accounting, audit, legal and administrative fees, management fees, employee costs, marketing and advertising costs, director's fees, travel and accommodation expense, rent expenses, commission rebates, other expenses, market data costs, software and website costs.

Property, Plant and Equipment
All property, plant and equipment is carried at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Depreciation on assets is calculated using the straight-line method to allocate their cost, net of residual value, over the estimated useful lives as follows:

Computer and office equipment	2-4 years
Network and production equipment	3-4 years
Leasehold improvements	shorter of the expected fitout life or lease term (approximately 3-5 years)

Goods and Services Tax (GST)
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST where the receivable or payable has been invoiced before year end. Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis. The GST component of cash flows arising from financing activities which are recoverable from, or payable to the taxation authority, is presented as operating cash flows.

Earnings/loss per share
Basic earnings/loss per share is calculated by dividing profit/(loss) attributable to members of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for any bonus element.

Diluted earnings/(loss) per share is calculated by dividing profit attributable to members of the Company by the total number of ordinary shares that would be outstanding if all the EDSP shares had vested.

Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.
Functional and presentation currency
The functional and presentation currency of the Group is Australian dollars.

Leases
At the commencement of a contract, the Group assesses whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For identified leases the Group recognises a right-of-use asset and a lease liability at the lease commencement date. No assets or liabilities are recognised if the lease is short term (less than 12 months) or of low value.

Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments) and includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease. Interest expense on the lease liability and depreciation expense (using the straight-line method) on the right-of-use asset is recognised in the statement of profit or loss.

Comparatives
Where necessary, comparative information has been reclassified to be consistent with the current reporting period.

Rounding of amounts
The amounts in the consolidated financial statements and Directors' Report have been rounded to the nearest dollar under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

Critical accounting estimates and judgements
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group has not recognised deferred tax assets relating to carried forward realised capital losses on the basis that it does not expect to derive sufficient future capital gains to utilise the current losses within a 3 to 5-year time period.

The weighted average lessee's incremental borrowing rate applied to lease liabilities recognised in the statement of financial position at the date of initial application is 4.8%. Refer to Note 9 for further information.

The Eureka Asset-Backed Loan Fund (EABL) purchases loans from the Group on a regular basis. The Group may be required to repurchase Fundlater loans at fair value where they are delinquent within one month of sale to EABL. Refer to Note 6 for further information.

Fund distribution contracts were acquired as intangible assets under a business combination on 1 January 2015. Whilst they have no expiry date, it is expected that customers on which the distribution fees are earned will leave over 6 - 10 years.

3. Other income

	2025	2024
	$	$
Government grants	-	121,530
Education - Bootcamp	9,467	14,306
Fundlater Fees	18,275	6,925
Interest	275,369	255,331
	303,111	398,092

Government grants consists of research and development incentives.

4. Change in fair value of financial assets at fair value through profit and loss

	2025	2024
	$	$
Net realised gain on investments	2,383	-
Net unrealised gain on investments	4,416	3,738
	6,799	3,738

5. Financial assets held at fair value

	2025	2024
	$	$
Investments in Professionally Managed Accounts	65,045	63,393

Further information on the fair value determination and the risk exposures of financial assets held at fair value is provided in Note 15.

6. Loans receivable

	2025	2024
	$	$
Loans receivable	288,158	167,850

Loans receivable consists of Fundlater loans. Subject to a minimum investment of $4,000 a client will receive a non-recourse loan of up to $6,000 to fund a new Professionally Managed Account (minimum investment is $10,000). Professionally Managed Accounts is a scheme issued by InvestSMART Funds Management Ltd. A $6,000 loan is repayable over 20 equal monthly instalments of $325 each. The $325 payments are split into $300 for principal repayment and $25 for the administration fee.

Loans receivable are measured at fair value through other comprehensive income (FVOCI) at 30 June 2025 as the loans are held to collect contractual flows and sell the assets. The Eureka Asset-Backed Loan Fund (EABL) purchases loans from the Group on a regular basis. EABL is issued by InvestSMART Funds Management Limited. The fair value of the loans which were sold to EABL that the Group has derecognised and has continuing involvement in is $655,281 at 30 June 2025.

The Group may be required to repurchase Fundlater loans where they are delinquent within one month of sale to EABL. The fair value at 30 June 2025 of loans that were sold within one month of 30 June 2025 is $89,250 (2024: $116,105). This amount represents the Group's maximum exposure to loss from its continuing involvement in derecognised loans and the undiscounted cash flows that would be required to repurchase the loans. The amount was determined by summing all loans that were sold within one month of 30 June 2025. The maturity of the undiscounted cash flows that would be required to repurchase the derecognised loans is less than 1 month from 30 June 2025.

The greatest amount of transfers of loans that took place during the reporting period is loans with a fair value of $288,326 transferred in March 2025.

The Group assesses at each reporting date an allowance for expected credit losses (ECLs). The allowance for ECLs at origination and at 30 June 2025 is assessed as zero. The equity within client's accounts (the $4,000 deposit and subsequent principal repayments) is considered adequate to cover outstanding payments if a client closes their account. Based on a range of possible outcomes the probability that a clients account will be closed with insufficient equity to cover outstanding repayments is remote.

The $25 administration fee is recognised in the Consolidated Statement of Profit and Loss under Other Income and within Other Income as Fundlater Fees (Refer Note 3). The $25 administration fee is adjusted for the requirements of AASB 9 to be recognised under the effective interest method.

7. Income tax

(a) Income tax benefit recognised in the Statement of Comprehensive Income

	2025	2024
The components of income tax benefit:	$	$
Current income tax expense	-	-
Deferred tax income relating to the origination and reversal of temporary differences	51,759	137,877
Total income tax benefit	51,759	137,877

(b) Income tax benefit

A reconciliation of income tax expense/benefit applicable to accounting profit before income tax at the statutory income tax rate to income tax benefit at the entity's effective income tax rate for the years ended 30 June 2025 and 30 June 2024 is as follows:

	2025	2024
	$	$
Prima facie income tax (expense)/benefit calculated at 25% on profit and loss	(37,155)	225,556
Add/(Less) tax effect of:		
Expenditure not deductible in current year	(10,898)	(34,647)
Income not taxable	1,700	30,382
Losses carried forward not recognised	5,126	(82,801)
Utilisation of prior period losses	92,965	-
Adjustments for prior years	21	(613)
Income tax benefit	51,759	137,877

(c) Deferred tax assets and liabilities

Deferred tax assets

The deferred tax asset balance comprises temporary differences recognised as follows:

	2025 $	2024 $
Accruals and provisions not deductible in this period	233,354	251,725
Lease liability	73,686	110,121
Deductible capital expenditure	1,049	2,098
Tax losses carried forward	5,126	-
Closing balance	313,215	363,944
Movements in deferred tax assets		
Opening balance	363,944	410,814
Benefit/(charge) in the income statement	(50,729)	(46,870)
	313,215	363,944

Deferred tax liabilities

The deferred tax liability balance comprises temporary differences recognised as follows:

	2025 $	2024 $
Future tax expense for intangibles acquired	-	65,122
Right-of-use assets	62,240	99,584
	62,240	164,706
Movements in deferred tax liabilities		
Opening balance	164,706	349,453
Benefit in the income statement	(102,466)	(184,747)
	62,240	164,706

A tax rate of 25% was applied for the year ending 30 June 2025 as the Group is classified as a small business for tax purposes. The Group expects to continue to be classified as a small business for tax purposes.

The Group has not recognised deferred tax assets relating to realised capital losses as it is not considered probable that future taxable capital gains will be available against which the unused tax losses can be utilised. The capital loss balance at 30 June 2025 is $15,664,910 (2024: $15,667,293). The potential deferred tax asset that could be realised at 30 June 2025 is $3,916,228 (2024: $3,916,973).

8. Trade and other receivables

	2025 $	2024 $
Trade receivables	1,507,827	978,200
GST receivable	-	58,510
	1,507,827	1,036,710

Trade receivables are expected to be settled wholly within 12 months.

9. Leases

The weighted average lessee's incremental borrowing rate applied to lease liabilities recognised in the statement of financial position at the date of initial application is 4.8%. Leases recognised as right-of-use assets and lease liabilities consist of office premises.

The total cash outflow for lease payments for leases recognised as right of use assets for the year ended 30 June 2025 is $173,564 (2024: $226,009). The interest expense on lease liabilities for the year ended 30 June 2025 is $18,304 (2024: $26,669).

Right-of-use assets	2025	2024
	$	$
Balance at the beginning of the year	398,335	595,633
Depreciation charge	149,376	197,298
Balance at the end of the year	248,959	398,335
Number of right-of-use assets leased at year end	1	1
Range of remaining term	1.7 years	2.7 years
Average remaining lease term	1.7 years	2.7 years
Number of leases with extension options	Nil	Nil
Number of short-term leases at year end	1	1
Expense for short-term leases	31,664	4,620

Lease liabilities

Maturity analysis of lease liability	2025	2024
	$	$
Up to 12 months	173,053	145,740
Between 1 and 5 years	121,689	294,742
Total	294,742	440,482

10. Controlled entities and investments in associates

(a) Controlled entities

The company exercised control over the below entities during the period:

	% owned at	
	30-Jun-25	30-Jun-24
Intelligent Investor Holdings Pty Ltd	100%	100%
The Intelligent Investor Distribution Pty Ltd	100%	100%
InvestSMART Financial Services Pty Ltd	100%	100%
InvestSMART Funds Management Ltd	100%	100%
InvestSMART Advice Pty Ltd	100%	100%
InvestSMART Cashback Pty Ltd	100%	100%
InvestSMART Insurance Pty Ltd	100%	100%
van Eyk Group Holdings Pty Ltd	100%	100%
Eureka Report Pty Ltd	100%	100%
Kohler and Company Pty Ltd	100%	100%

(b) Investments in associates

InvestSMART Funds Management Ltd is the Responsible Entity and issuer of Professionally Managed Accounts and is deemed to have significant influence over the financial and operating policy decisions of the fund. The fund is domiciled and has its principal place of business in Australia. The Group's ownership in the fund was classified as an investment in associate and accounted for using the equity method. The Group holds 2 units in the fund and has a unitholding of 0.06% of Professionally Managed Accounts at 30 June 2025 (2024: 3 units, 0.12%).

Summarised financial information for all associates:

	2025	2024
	$	$
Aggregate carrying amount	2	3
Aggregate profit/(loss) from continuing operations	-	-
Aggregate total comprehensive income	-	-

11. Intangible Assets

	Fund distribution contracts	Subscriber lists	Total
	$	$	$
Balance at 30 June 2023	781,469	20,712	802,181
Amortisation	520,980	20,712	541,692
Balance at 30 June 2024	260,489	-	260,489
Amortisation	260,489	-	260,489
Balance at 30 June 2025	-	-	-

Fund distribution contracts were acquired as intangible assets under a business combination on 1 January 2015. Whilst they have no expiry date, it is expected that customers on which the distribution fees are earned will leave over 6 - 10 years. Subscriber lists were acquired as intangible assets on acquisition of The Constant Investor in December 2018. Amortisation rates are based on the Group's historical experience and are amortised on a straight-line basis. The Constant Investor subscriber lists are assumed to have a 5-year life.

12. Fixed assets

	Plant and equipment	Software	Total
	$	$	$
Cost at 30 June 2023	366,615	115,235	481,850
Additions	23,816	-	23,816
Disposals	76,365	-	76,365
Cost at 30 June 2024	314,066	115,235	429,301
Additions	8,706	-	8,706
Cost at 30 June 2025	322,772	115,235	438,007
Accumulated depreciation at 30 June 2023	273,912	115,235	389,147
Depreciation charge for the period	31,951	-	31,951
Disposals	64,219	-	64,219
Accumulated depreciation at 30 June 2024	241,644	115,235	356,879
Depreciation charge for the period	30,335	-	30,335
Accumulated depreciation at 30 June 2025	271,979	115,235	387,214
Net book value at 30 June 2024	72,422	-	72,422
Net book value at 30 June 2025	50,793	-	50,793

13. Trade and other payables

	2025	2024
	$	$
Trade payables and accruals	583,461	475,005
PAYG and superannuation	41,018	41,574
GST	301,115	323,819
	925,594	840,398

Trade payables are non-interest bearing and unsecured. Payment duration is disclosed in Note 15.

14. Provisions

	2025	2024
	$	$
Annual leave	235,233	253,197
Long service leave	459,670	426,927
Short-term incentive plan	-	84,875
Other	34,804	34,804
	729,707	799,803

Expected payment duration is disclosed in Note 15.

15. Financial risk management

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and accounts payable.

AASB 7 Financial Instruments: Disclosures identifies three types of risk associated with financial instruments (i.e. the Group's investments, receivables and payables).

(i) Credit risk

AASB 7 defines this as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. There are no other material amounts of collateral held as security at 30 June 2025.

Receivables are non-interest bearing and unsecured and will be received within 3 months. The credit risk exposure of the Group in relation to receivables is the carrying amount. The credit risk exposure of the Group in relation to cash is the carrying amount and any accrued unpaid interest. Cash investments are held with a number of banks all of which are rated AA- by Standard and Poor's. None of these assets are over-due or considered to be impaired.

(ii) Liquidity risk

AASB 7 defines this as the risk that an entity will encounter difficulty in meeting obligations associated with liabilities. Senior management monitors the Group's cash-flow requirements daily taking into account upcoming dividends, tax payments and investment activity.

The Group's inward cash-flows depend upon the level of funds management fees, subscription revenue and commissions received. If these decrease by a material amount, the Group will amend its outward cash-flows accordingly. As the Group's major cash outflows are the cost of employees and rebates of trail commissions, the level of both of these is managed by the Board and senior management. The tangible assets of the Group are largely in the form of cash and short-term receivables.

The table below analyses the Group's non-derivative liabilities in relevant maturity groupings based on the remaining period to the earliest possible contractual maturity date at the year-end date. The amounts in the table below are contractual undiscounted cash flows, except for subscriptions in advance which represent the undiscounted value of subscription services to be delivered.

	On-demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
At 30 June 2025:	$	$	$	$	$
Undiscounted cash flows					
Trade and other payables	-	768,858	143,209	13,527	925,594
Trail commissions due to customers	-	96,404	133,118	-	229,522
Lease liabilities	-	44,969	138,183	126,468	309,620
Provisions	-	508,816	131,384	89,507	729,707
	-	1,419,047	545,894	229,502	2,194,443
Undiscounted services to be delivered					
Subscriptions received in advance	-	983,956	2,065,173	1,117,982	4,167,111
At 30 June 2024:					
Undiscounted cash flows					
Trade and other payables	-	687,406	139,465	13,527	840,398
Trail commissions due to customers	-	82,708	143,659	-	226,367
Lease liabilities	-	42,602	130,962	309,620	483,184
Provisions	-	596,518	55,709	147,575	799,802
	-	1,409,234	469,795	470,722	2,349,751
Undiscounted services to be delivered					
Subscriptions received in advance	-	997,916	2,019,791	491,435	3,509,142

(iii) Market risk

AASB 7 defines market risk as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Movements in the ASX All Ords have been used to calculate a "reasonably possible" change in market prices as the data is readily observable.

A general fall in market prices of 7.5 per cent and 15 per cent would lead to a reduction in the Group's equity and increase the reported loss by $4,878 and $9,757 respectively (2024: $4,754 and $9,509 respectively). The sensitivity analysis assumes all investments have a delta of 1 and are spread evenly across all investments.

The Group is not directly exposed to currency risk as all its operations are conducted in Australian dollars. The Group is engaged in activities conducted solely in Australia.

Interest rate risk

The Group's cash balances and term deposits expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

Sensitivity analysis - interest rate risk

An increase of 75 basis points in interest rates at year end would have increased the Group's profit by $53,158 (2024: $52,531). A decrease of 75 basis points would have an equal but opposite effect.

At 30 June 2025, the Group's exposure to interest rate risk and the effective weighted average interest rate for each class of financial asset and liability is set out in the table below:

	Weighted average interest rate	Floating interest rate	Non-interest bearing	Total
Financial assets	(% pa)	$	$	$
Cash assets	3.2%	7,143,131	1,154,412	8,297,543
Trade and other receivables		-	1,507,827	1,507,827
Prepayments and deposits		-	399,813	399,813
Loans receivable		-	288,158	288,158
Financial assets at fair value through profit and loss		-	65,045	65,045
		7,143,131	3,415,255	10,558,386
Financial liabilities				
Trade and other payables		-	925,594	925,594
Trail commissions rebate due to customers		-	229,522	229,522
Lease liabilities		-	294,742	294,742
		-	1,449,858	1,449,858

At 30 June 2024, the Group's exposure to interest rate risk and the effective weighted average interest rate for each class of asset and liability is set out in the table below:

	Weighted average interest rate	Floating interest rate	Non-interest bearing	Total
Financial assets	(% pa)	$	$	$
Cash assets	3.80%	7,239,256	496,957	7,736,213
Trade and other receivables		-	1,036,710	1,036,710
Prepayments and deposits		-	428,064	428,064
Loans receivable		-	167,850	167,850
Financial assets at fair value through profit and loss		-	63,393	63,393
		7,239,256	2,192,974	9,432,230
Financial liabilities				
Trade and other payables		-	840,398	840,398
Trail commissions rebate due to customers		-	226,367	226,367
Lease liabilities		-	440,482	440,482
		-	1,507,247	1,507,247

Fair value hierarchy

AASB 13 requires the Group to classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Directors. The Directors consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The table below sets out the Group's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy at 30 June 2025. Financial assets are separated between those classified as Fair Value through Profit and Loss (FVTPL) and those classified as Fair Value through Other Comprehensive Income according to AASB 9.

	Level 1	Level 2	Level 3	Total
At 30 June 2025	**$**	**$**	**$**	**$**
Financial assets held at FVTPL				
Investment in Professionally Managed Account	65,045	-	-	65,045
Financial assets held at FVOCI				
Loans receivable	-	288,158	-	288,158
At 30 June 2024				
Financial assets held at FVTPL				
Investment in Professionally Managed Account	63,393	-	-	63,393
Financial assets held at FVOCI				
Loans receivable	-	167,850	-	167,850

During the reporting period ending 30 June 2025 there were no transfers between Level 1 and Level 2 fair value measurements.

Financial instruments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities, certain unlisted unit trusts and exchange traded derivatives.

Investments classified within level 2 have inputs based on quoted and unquoted prices. Loans receivable are classified within level 2. The loans are valued using a discounted cash flow approach which reflects the terms of the instrument and the timing of cash flows. The rate used to discount future cash flow is derived from observable data for similar loans.

16. Employee benefit reserve

Employee benefit shares are issued under the Employee and Director Share Plan (EDSP). The majority of EDSP shares (EDSP tranches 1, 2 and 3) were approved at the company's AGM on 11 November 2020, replacing the Long-Term Incentive Plan and Employee Share Option Plan.

The number of shares outstanding and employee benefit reserve at the beginning and the end of the year ended 30 June 2025 is as follows:

For the year ended 30 June	2025		2024	
	Shares	$	Shares	$
Balance at the beginning of the year	31,787,947	2,433,725	30,326,664	2,331,174
EDSP shares granted	450,000	-	1,461,283	-
Transfer to retained income	-	(2,429,601)	-	-
Employee benefit expense for the year	-	22,748	-	102,551
Balance at the end of the year	32,237,947	26,872	31,787,947	2,433,725

The value of all EDSP shares that have vested was transferred to retained income during the year.

The terms of each tranche of EDSP on issue at year end are:

Type	Issue date	Issue price	Vesting date	Maturity date	Shares
EDSP1	9/12/2020	$0.15	9/12/2020	30/11/2025	9,014,999
EDSP2	9/12/2020	$0.20	9/12/2021	30/11/2026	9,179,999
EDSP3	9/12/2020	$0.30	9/12/2022	30/11/2027	9,146,666
EDSP4	^	$0.25	1/09/2021	1/09/2026	910,000
EDSP5	^^	$0.34	^^	^^	575,000
EDSP6	16/03/2023	$0.45	16/03/2024	16/03/2029	500,000
EDSP7	16/03/2023	$0.60	16/03/2025	16/03/2030	500,000
EDSP8	16/03/2023	$0.75	16/03/2026	16/03/2031	500,000
EDSP9	^^^	$0.145	^^^	^^^	961,283
EDSP10	19/09/2023	$0.265	19/09/2024	19/09/2029	166,666
EDSP11	19/09/2023	$0.33	19/09/2025	19/09/2030	166,667
EDSP12	19/09/2023	$0.40	19/09/2026	19/09/2031	166,667
EDSP13	15/05/2025	$0.265	15/05/2026	15/05/2031	150,000
EDSP14	15/05/2025	$0.33	15/05/2027	15/05/2032	150,000
EDSP15	15/05/2025	$0.40	15/05/2028	15/05/2033	150,000
					32,237,947

^700,000 EDSP4 shares were issued to employees on 1 September 2021 in lieu of a cash bonus. 210,000 shares were issued to Ron Hodge in lieu of a cash bonus on 8 December 2021 as approved at the company's AGM on 17 November 2021.
^^455,000 EDSP5 shares were issued to employees on 21 September 2022 in lieu of a cash bonus and mature on 21 September 2027. 120,000 shares were issued to Ron Hodge in lieu of a cash bonus on 8 December 2022 as approved at the company's AGM on 22 November 2022. Ron's shares mature on 8 December 2027. All EDSP5 shares granted vested immediately.
^^^794,616 EDSP9 shares were issued to employees on 4 September 2023 in lieu of a cash bonus and mature on 4 September 2028. 166,667 shares were issued to Ron Hodge in lieu of a cash bonus on 6 December 2023 as approved at the company's AGM on 22 November 2022. Ron's shares mature on 6 December 2028. All EDSP9 shares granted vested immediately.

EDSP 13,14 and 15 shares were issued during the year to employees who were not employed in December 2020, the date when the majority of EDSP shares were issued to staff.

A non-recourse loan is provided to participants to acquire the shares at the respective prices issued. The loans for EDSP shares on issue have not been repaid and are not included in fully paid ordinary share capital.

Loans for EDSP shares include 4,000,000 shares issued to Paul Clitheroe (Chairman), 5,063,332 shares issued to Ron Hodge (Managing Director/member of Key Management Personnel), 4,839,999 shares issued to Alastair Davidson (member of Key Management Personnel), 4,466,666 shares issued to Nigel Poole (member of Key Management Personnel) and 1,803,333 shares issued to Andrew Ward (member of Key Management Personnel).

The fair value at grant date of EDSP shares is determined using a Binomial model. The inputs used include:

- the share price at grant date
- vesting price
- vesting period
- expected volatility (54%)
- expected dividends (1% yield)
- risk free interest rate (3.66%)
- expected life of the option

Expected volatility is based on historic volatility and the implied volatility of comparable exchange traded options. The cost of the EDSP shares is recognised over the applicable vesting period through the statement of comprehensive income. The company estimated the fair value of this share benefit was $14,600 at grant date for EDSP 13, 14 & 15 shares.

The cost of EDSP shares issued are amortised over the applicable vesting period through the statement of comprehensive income.

17. Issued capital

	2025		2024	
Fully paid ordinary share capital	Shares	$	Shares	$
Balance at the beginning of the year	110,882,537	58,561,295	110,892,537	58,562,495
On-market share buyback	(60,000)	(7,213)	(10,000)	(1,200)
Balance at the end of the year	110,822,537	58,554,082	110,882,537	58,561,295

An additional 32,237,947 shares are issued, as part of the EDSP detailed in Note 16 and the Directors Report. The shares have a non-recourse loan outstanding.

Under the EDSP, the director or employee can repay the loan by forfeiting the shares issued under the plan. The shares vest after certain time periods and may be forfeited prior to the loan repayment date and have therefore not been included in the issued share capital total.

All shares have no par value.

(a) Terms and conditions

The Company has ordinary shares on issue. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings.

(b) Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor and market confidence. To achieve this the Directors monitor the monthly performance of the operating entities, the Group's management expenses, and share price movements. Capital relates to equity attributable to investors. The Group maintains liquid capital to meet its responsibilities as a responsible entity.

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust any dividend payment to investors, capital returns or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 30 June 2025 and 30 June 2024.

18. Related party information

Aggregate remuneration paid to Directors and other key management personnel (KMP) by the Group in connection with the management of the affairs of the Group were:

	Short-term Employee Benefit Cash Salary & Fees $	Employment Benefit Superannuation $	Accrued Annual Leave $	Accrued Long Service Leave $	Employee Share Benefit $	Total $
2025	1,234,957	131,490	18,500	(13,950)	7,290	1,378,285
2024	1,108,862	119,026	(6,297)	16,427	29,829	1,267,847

Detailed remuneration disclosures are provided in the remuneration report contained in the Directors' Report.

The Directors' remuneration excludes insurance premiums paid and payable by the Group in respect of Directors' liability insurance. Apart from the details disclosed in this note and the Directors' Report, no key management personnel have entered into a material contract with the Group during the financial year.

The Directors of InvestSMART Group Limited are responsible for determining and reviewing compensation arrangements for the Managing Director and key management personnel. The Directors also assess the appropriateness of the nature and amount of emoluments of each Director on a periodic basis by reference to workload and market conditions. The overall objective is to ensure maximum stakeholder benefit from the retention of a high-quality board whilst constraining costs.

Paul Clitheroe and related parties held three Fundlater loans during the year which were repaid in full. Ron Hodge and related parties held two Fundlater loans during the year, one of which was repaid in full during the year. The Fundlater loans were held by Eureka Asset-Backed Loan Fund, a Fund issued by InvestSMART Funds Management Limited.

Eureka Asset-Backed Loan Fund commenced operations on 6 April 2022. The assets of the Fund consist of Fundlater loans receivable at 30 June 2025. During the year Eureka Asset-Backed Loan Fund purchased loans of $1,089,540 (2024: $773,514) from InvestSMART Financial Services Pty Ltd at fair value. The Group may be required to repurchase Fundlater loans where they are delinquent within one month of sale to EABL. Refer to Note 6 and Note 21 for further disclosure.

Investments in associates are disclosed in Note 10 (b). The Group owned 2 units in Professionally Managed Accounts, a scheme issued by InvestSMART Funds Management Limited, at 30 June 2025 (2024: 3 units). The Group received management fees from managed investment schemes classified as investments in associates of $803,279 for the year ended 30 June 2025 (2024: $609,222). The Group held receivables for management fees from managed investment schemes classified as investments in associates at 30 June 2025 of $106,490 (2024: $53,626).

19. Statement of Cash Flows

(a) Reconciliation of net profit from ordinary activities after income tax to net cash used in operating activities

	2025	2024
	$	$
Profit/(Loss) for the year	200,380	(764,346)
Adjustments to reconcile profit after tax to net cash flows:		
Net gain on financial instruments at fair value through profit and loss	(6,799)	(3,738)
Employee benefit expense	22,748	102,551
Depreciation and amortisation	440,202	771,055
Decrease in deferred tax asset	50,729	46,870
Decrease in deferred tax liability	(102,466)	(184,747)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(471,117)	(209,164)
(Increase)/decrease in prepayments	28,251	(212,400)
Increase in subscriptions received in advance	657,969	720,337
Increase in trade and other payables	18,255	16,554
Net cash provided by operating activities	838,152	282,972

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:

	2025	2024
	$	$
Cash at bank	8,297,543	7,736,213

The credit risk exposure of the group in relation to cash is the carrying amount and any accrued unpaid interest. Cash investments are held with a number of banks all of which are rated AA- by Standard and Poor's.

20. Earnings/(loss) per share

	2025	2024
	cents	cents
Basic earnings/(loss) per share (cents per share)	0.18	(0.69)
Diluted earnings per share (cents per share)	0.14	(0.69)
Earnings/(loss) as per Statement of Consolidated Income	200,380	(764,346)
Weighted average number of ordinary shares outstanding during the year used in calculating basic earnings per share	110,558,432	110,892,291
Weighted average number of ordinary shares outstanding during the year used in calculating diluted earnings per share if all EDSP shares vest and non-recourse loans are repaid	142,281,931	142,321,320

As the Group was in a loss position in 2024 share based incentive plans do not affect the diluted earnings per share calculation as potential ordinary shares shall be treated as dilutive when their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

21. Contingent liabilities and commitments

At 30 June 2025 the Group has the following contingent liabilities:

	2025 $	2024 $
Guarantees for office rentals	63,006	97,106
Guarantees for intermediary facilities	150,000	150,000
	213,006	247,106

InvestSMART Financial Services Pty Ltd, a subsidiary of InvestSMART Group Ltd, may be required to repurchase Fundlater loans where they are delinquent within one month of sale to Eureka Asset-Backed Loan Fund (EABL). Since the inception of EABL zero loans have been repurchased. The estimate of reimbursement of loans purchased at 30 June 2025 is $nil. Loans sold to EABL within one month of 30 June 2025 total $89,250 (2024: 116,105). Any reimbursement would result in a repurchase of the loan at fair value and closure of the loan account if repayment terms are not met. The provision for expected credit losses for Fundlater loans has been assessed as $nil.

22. Franking Account

	2025 $	2024 $
Opening balance of franking account	2,527,389	2,647,303
Adjustment for franking credits received in prior years	162	98
Adjustments for tax refundable in respect of the prior year’s profits	-	(120,012)
Adjusted franking account balance	2,527,551	2,527,389

23. Auditors remuneration

BDO Audit Pty Ltd received $195,604 for audit and review fees (2024: $192,869).

Audit and review fees include fees for:
- Auditing and reviewing the statutory financial report of the parent entity covering the group.
- Auditing the statutory financial report of Australian Financial Services Licensees which are controlled entities.
- Assurance services required by legislation to be provided by the auditor (reporting to ASIC for the purposes of Form FS 71 for AFS licensees).
- Auditing and reviewing schemes issued by InvestSMART Funds Management Limited.
- Audit of compliance plans of schemes issued by InvestSMART Funds Management Limited.
- Technology levy and disbursements.

Fees for other services performed by audit and network firms:

	2025 $	2024 $
BDO Services Pty Ltd - taxation services	30,257	40,238

The nature of taxation services in the current year comprises review and lodgement of income tax returns for the Group and schemes issued by InvestSMART Funds Management Limited.

24. Parent entity information

	2025	2024
Statement of Financial Position	$	$
Assets		
Current assets	65,415	99,051
Non-current assets	5,758,667	5,731,046
Total Assets	5,824,082	5,830,097
Liabilities		
Current liabilities	-	-
Total Liabilities	-	-
Net Assets	5,824,082	5,830,097
Equity		
Contributed Equity	58,554,081	58,561,295
Employee benefit reserve	26,872	2,433,725
Retained earnings	(52,756,871)	(55,164,923)
Total Equity	5,824,082	5,830,097
Statement of Profit or Loss and other Comprehensive Income		
Net loss for the year after income tax expense	21,549	101,718
Total Comprehensive loss for the year	21,549	101,718

At 30 June 2025 InvestSMART Group Ltd has a contingent liability for guarantees for office rentals of $63,006 (2024: $97,106). The accounting policies of the parent entity, InvestSMART Group Limited, used in determining the financial information shown above, are the same as those applied in the Group's consolidated financial statements, as detailed in Note 2.

25. Segment information

The Group has only one reportable segment. The Group is engaged solely in retail financial services conducted in Australia, deriving revenue from commissions, subscriptions and funds management fees. The entity's operations are merged across subsidiaries, management, location and presentation of reporting. The operating segment identification is based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and in determining the allocation of resources. There is no single customer that represents more than 10% of revenue.

26. Events occurring after reporting date

There have been no significant events since 30 June 2025 up to the date of this report.

27. Company details

The registered office and principal place of business of the Company and subsidiaries is:
Suite 2, Level 2, 66 Clarence St
Sydney NSW 2000

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

The company exercised control of the below entities during the period. All entities are body corporates incorporated and tax resident in Australia. None of the entities are tax resident in a foreign jurisdiction. None of the entities are trustee, partner or participant in a joint venture.

		Pre 1 July 2024 disclosures		Disclosures for 1 July 2024 onwards	
Name of entity	% of share capital held	Australian or foreign resident	Foreign tax jurisdiction(s) of foreign residents	Australian resident	Foreign jurisdiction(s) in which the entity is a resident for tax purposes*
Intelligent Investor Holdings Pty Ltd	100%	Australian	N/A	Yes	N/A
The Intelligent Investor Distribution Pty Ltd	100%	Australian	N/A	Yes	N/A
InvestSMART Financial Services Pty Ltd	100%	Australian	N/A	Yes	N/A
InvestSMART Funds Management Ltd	100%	Australian	N/A	Yes	N/A
InvestSMART Advice Pty Ltd	100%	Australian	N/A	Yes	N/A
InvestSMART Cashback Pty Ltd	100%	Australian	N/A	Yes	N/A
InvestSMART Insurance Pty Ltd	100%	Australian	N/A	Yes	N/A
van Eyk Group Holdings Pty Ltd	100%	Australian	N/A	Yes	N/A
Eureka Report Pty Ltd	100%	Australian	N/A	Yes	N/A
Kohler and Company Pty Ltd	100%	Australian	N/A	Yes	N/A

*according to the law of the foreign jurisdiction.

Directors' declaration

In accordance with a resolution of the Directors of InvestSMART Group Limited, I state that:

1. In the opinion of the Directors:

   (a) The financial statements, notes and the additional disclosures included in the Director's Report designated as audited, of the Company are in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the financial position of the Company as at 30 June 2025 and of its performance for the year ended on that date.

   (ii) complying with Australian Accounting Standards, International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board, as disclosed in Note 2 and Corporations Regulations 2001.

   (b) The consolidated entity disclosure statement is true and correct.

   (c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2025.

On behalf of the Board

Paul Clitheroe
Chairman
Dated this 27th day of August 2025 at Sydney

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Australia

INDEPENDENT AUDITOR'S **REPORT**

To the members of InvestSMART Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of InvestSMART Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Share-based Payments

Key audit matter	How the matter was addressed in our audit
Note 16 to the financial report discloses an employee benefits expense in relation to share-based payments. The valuation of the share-based payments is a key audit matter due to the complexity in the technical accounting treatment and the degree of judgement and estimation in the inputs for the fair value of the option.	To address the matter, our audit procedures included, amongst others: • Reviewed the terms of any new or modified employee share option plans and assessed the accounting treatment against the requirements of AASB 2 Share-based Payments; • Obtained and examined supporting worksheets and calculations to evaluate whether the accounting treatment of these transactions was appropriate and in compliance with AASB 2; • Reviewed minutes of meetings and Group announcements to ensure the completeness of information considered in the calculations; • Assessed management's methodology for determining the fair value of share options at grant date, including an evaluation of key valuation inputs with the involvement of internal valuation specialists; and • Evaluated the adequacy of the related disclosures in the financial statements, including the accounting policies adopted and significant judgements made by management.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 16 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of InvestSMART Group Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

Dane Perumal

Dane Perumal
Director

Sydney 27 August 2025

ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange Listing Rules is set out below.

The security holder information set out below was current as at 8 August 2025.

There were 143,040,484 ordinary shares held by 974 shareholders, all of which were quoted on the Australian Securities Exchange. There are no restricted shares on issue. There are no unquoted shares on issue.

Distribution of shareholders

Holding Ranges	Holders	Total Shares	%
1-1,000	314	54,190	0.04%
1,001 - 5,000	218	917,044	0.64%
5,001 - 10,000	124	1,075,260	0.75%
10,001 - 100,000	197	8,260,936	5.78%
100,001 and over	121	132,733,054	92.79%
Totals	974	143,040,484	100.00%

The number of shareholders holding less than a marketable parcel of fully paid ordinary shares is 368.

Top 20 Shareholders:

Shareholder name	**Number of shares held**	**%**
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	19,426,727	13.58%
MRS ROBIN ANNE OWLES & MR PETER RONALD HODGE <HODGE FAMILY SUPER FUND A/C>	9,898,427	6.92%
VADINA PTY LIMITED <JORDAN SUPER FUND A/C>	4,940,000	3.45%
ROBIN ANNE OWLES & RON PETER HODGE <HODGE FAMILY NO 2 A/C>	4,566,666	3.19%
HARRIETTE & CO PTY LTD <HARRIETTE INVESTMENT A/C>	4,100,000	2.87%
MR PAUL HUGH CLITHEROE	4,000,000	2.80%
TORONTO COVE PTY LTD	4,000,000	2.80%
CAMERON RICHARD PTY LTD <CAMERON RICHARD SUPER A/C>	3,962,292	2.77%
MYALL RESOURCES PTY LTD <MYALL GROUP SUPER FUND A/C>	3,898,108	2.73%
BELIKE NOMINEES PTY LIMITED <SHARE PLAN A/C>	3,760,765	2.63%
S M & R W BROWN PTY LTD <ROBERT & SALLY BROWN SF A/C>	3,091,000	2.16%
MRS ANTONIA CAROLINE COLLOPY	3,017,928	2.11%
ALASTAIR JOHN DAVIDSON & ELIZABETH JANE DENNING <DAVIDSON HOLDING A/C>	3,000,000	2.10%
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	2,988,335	2.09%
POOLE FAMILY PTY LTD <POOLE FAMILY SMSF A/C>	2,777,778	1.94%
LEYLAND PRIVATE ASSET MANAGEMENT PTY LTD	2,750,000	1.92%
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	2,702,747	1.89%
PENDEX PTY LTD <PATCAIELITRUST A/C>	2,301,991	1.61%
FROHSHIBER PTY LTD	2,268,326	1.59%
STUART ANDREW PTY LTD <CAMPASPE FAMILY A/C>	2,124,660	1.49%
MR ANDREW WARD	1,803,333	1.26%
Totals	**91,379,083**	**63.88%**
Total securities on issue	**143,040,484**	**100.00%**

Voting rights

At a general meeting, shareholders are entitled to one vote for each fully paid share held. On a show of hands, every shareholder present in person or by proxy shall have one vote and upon a poll, every shareholder so present shall have one vote for every fully paid share held.

Substantial shareholders

The Company has been notified of three shareholders who hold relevant interests of in excess of 5% of the Company's ordinary shares:

Name	Date of Interest	No of shares[1]	Percentage[2]
Leyland Private Asset Management Pty Ltd	20 March 2025	19,834,660	13.9%
Perpetual Limited	17 November 2021	16,276,418	11.7%
Ron Hodge	1 June 2021	13,704,969	9.9%

[1] As disclosed in the last notice lodged with the Australian Securities Exchange by the substantial shareholder.
[2] The percentage set out in the notice lodged with the Australian Securities Exchange is based on the total issued capital of the Company at the date of the interest.

Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited.

On-market buyback

The company has a current on-market buyback in place. The buy-back was announced on 18 March 2025, renewing the previous buyback announced on 29 February 2024. 60,000 shares were bought back during the year ended 30 June 2025.   20,000 shares were bought back subsequent to year end to the date of this report.

Directory

Registered Office

Suite 2, Level 2
66 Clarence Street
Sydney NSW 2000

Telephone: 1300 880 160

Directors

Paul Clitheroe AM (Chairman)
Ron Hodge (Managing Director)
Michael Shepherd AO (Non-Executive Director)
Effie Zahos (Non-Executive Director)

Company Secretary

Catherine Teo

Share Registry

Automic Pty Ltd
Level 5
126 Phillip Street,
Sydney NSW 2000

Shareholder Enquiries

Telephone: 1300 288 664 (within Australia); +61 2 9698 5414 (outside Australia)
Email: hello@automicgroup.com.au
Website: https://investor.automic.com.au

Auditors

BDO Pty Ltd
Level 25, 252 Pitt St
Sydney NSW 2000
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