30 October 2026

Business update – quarter ending 30 September 2026

InvestSMART Group Limited (InvestSMART) (ASX: INV), a leading Australian digital wealth and advice platform helping Australians grow and protect their wealth, from automated investing to financial advice, is pleased to provide its business update for the quarter ended 30 September 2026. This update is released together with InvestSMART's Notice of 2026 Annual General Meeting (Notice of Meeting), which seeks Shareholder approval for the proposed sale of the Intelligent Investor business.

Proposed sale of Intelligent Investor to Teaminvest Private Group Limited (TIP) (ASX: TIP)

As announced on 20 May 2026, InvestSMART entered into a binding term sheet with TIP for the sale of the Intelligent Investor business, comprising the Intelligent Investor and Eureka Report subscription publications and the management rights to the four Intelligent Investor ASX-listed active ETFs (collectively, Intelligent Investor). The principal commercial terms of the Sale are substantially agreed, and InvestSMART expects to sign the formal Sale Agreement, and announce it to ASX, before the Annual General Meeting.

The headline consideration is $16.0 million in cash, payable in full at completion with no deferred component, less subscription revenue received in advance at completion (currently estimated at approximately $2.5 million). The amount payable is also subject to completion adjustments, including for working capital and net debt, and for funds under management, subscription revenue and costs (these last three adjustments are capped in aggregate at $1.0 million and, where greater the $1.0 million, allow either party to terminate). Completion is subject to a number of conditions precedent, including Shareholder approval, and is expected to occur in the first quarter of 2027.

The Sale will be put to Shareholders at the Annual General Meeting on Monday 30 November 2026. Please refer to the Notice of Meeting for further detail.

Financial results for the quarter ended 30 September 2026

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

Total Funds Under Management (FUM) was $734 million at 30 September 2026 (30 June 2026: $753 million).

Operating income by revenue type for the quarter ended 30 September 2026, compared to the quarter ended 30 June 2026, is below:

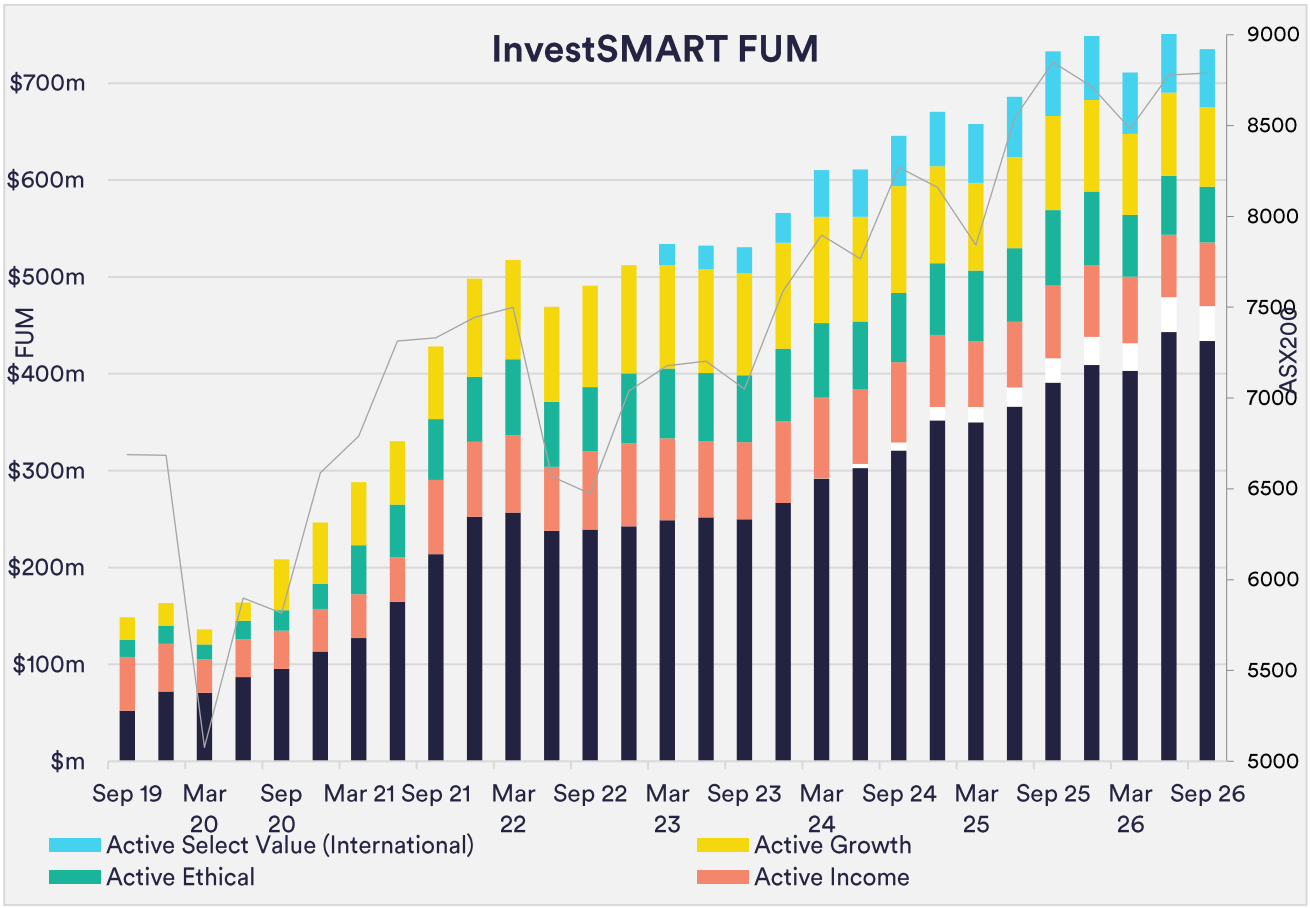
	FY2027 Q1 Sep qtr $	FY2026 Q4 Jun qtr $	%
Operating Income			
Management fees - funds	1,012,289	1,030,038	-2%
Performance fees - funds	-	2,446	
Subscription income	1,171,997	1,174,179	0%
Commissions income - insurance	281,310	239,096	18%
Other income	2,390	3,198	
Operating income	**2,467,987**	**2,448,957**	1%
Operating Expenses			
Commissions rebates	98,052	80,393	22%
Brokerage	48,618	34,767	40%
Employment expenses	1,455,301	1,422,247	2%
Marketing costs	174,637	188,347	-7%
Other operating expenses	858,856	809,967	6%
Total operating expenses	**2,635,464**	**2,535,721**	4%
Operating Profit/(Loss)	**(167,477)**	**(86,764)**	
Cash at bank (end of period)	**6,859,840**	**7,782,875**	-12%

*Quarterly results are prepared by management and are not audited. Operating Profit/(Loss) is a non-IFRS measure and excludes interest income and non-recurring items such as corporate legal and transaction costs.

InvestSMART increased total operating income by 1% compared to the June 2026 quarter, led by an 18% increase in insurance commissions and higher subscription ARPU. The operating loss of approximately $167k for the quarter includes higher employment costs in September 2026 from the payment of FY26 staff bonuses.

InvestSMART retains a strong cash position, with $6.9 million at bank at 30 September 2026.

Cash at bank decreased principally due to the payment of FY26 staff bonuses in September 2026 and a $650k investment in August 2026 in the Eureka Asset-Backed Loan Fund (EABL), the fund that finances Fundlater loans, to facilitate the buy-out of its remaining loans and the wind-down of the Fund (see below). The remaining Fundlater balances are expected to be paid over the next 18 months.



InvestSMART PMA Platform

The InvestSMART Professionally Managed Accounts (PMA) platform was launched in November 2018. The PMA platform enables investors to hold portfolios of exchange traded funds with full legal and beneficial ownership aligned to their investment goals. Investing into a large universe of preferred ETFs, PMA portfolios provide a unique balance between performance returns, cost efficiency and risk diversification. The platform has expanded to include white label, equity securities and, in September 2026, a product that facilitates low balance investment, WealthBuilder. WealthBuilder reduces the minimum investment in a PMA to $1,000 and opens the platform to more Australians starting their investment journey. Following the launch of WealthBuilder, the Board decided to close Fundlater to new loans. Bringing small balance investors onto a single product will deliver operational efficiencies and lower the cost of running two products, while WealthBuilder continues to help small balance investors start their investment journey and reach their financial goals. Recent YouGov research commissioned by InvestSMART found that 51% of Australians aged 18 to 34 have put off investing because the amount they had available felt too small, and that Australians believe an average of $6,626 is needed before investing becomes worthwhile.

The platform continued to attract new investors, with 128 new accounts during the quarter. Funds under management on the platform is $469 million at 30 September 2026 (30 June 2026: $479 million).

Intelligent Investor ASX listed ETFs

Intelligent Investor was founded in 1998 as a membership-based share and markets analysis publication. Utilising the skill and experience developed over 20 years the first Intelligent Investor Active ETF was launched in 2018. Intelligent Investor is the investment manager for four ASX listed Active ETFs. Total funds under management in Intelligent Investor Active ETFs decreased to $266 million at 30 September 2026 (30 June 2026: $274 million), reflecting net outflows and weaker returns in September 2026. Since quarter end, funds under management has recovered to approximately $274 million at 26 October 2026.

Subscriptions

Intelligent Investor provides value style research on companies and investment themes together with Alan Kohler's team's commentary and insights on investment strategy, markets and companies. Subscription income was in line with the June 2026 quarter, supported by continued growth in ARPU. Average Revenue Per User (ARPU) increased to $702 compared to $686 at 30 June 2026. Total subscribers decreased to 6,664 at 30 September 2026 compared to 6,742 at 30 June 2026.

Insurance Commissions

Commissions income from insurance increased by 18% compared to the June 2026 quarter, reflecting the timing of policy renewals. Management expects an annual attrition rate of ~ 8% for insurance commissions to continue, with quarter-to-quarter variations dependant on the timing of policy renewals.

Outlook

The transition of InvestSMART to a pure-play wealth platform and hybrid advice business is underway. During the quarter the team progressed the separation of Intelligent Investor ahead of its proposed sale to TIP, launched WealthBuilder, simplified the Group's offering for small balance investors, and continued to assess opportunities to build InvestSMART's personal financial advice capability, both organically and through strategic acquisitions.

InvestSMART Managing Director, Ron Hodge, said "This has been a quarter of real progress. The proposed sale of Intelligent Investor is a key step in reducing the vertical integration in our business and transitioning InvestSMART to a pure-play platform and hybrid advice business, helping Australians grow and protect their wealth, from automated investing to personal financial advice. I want to thank our team, who have worked incredibly hard over the past three months on the separation of Intelligent Investor, the launch of WealthBuilder and building the foundations of our advice business, while continuing to look after our clients. We look forward to updating the market as we take the next steps."

Fund Performance

InvestSMART PMA Platform

The latest quarterly report and performance of each of InvestSMART's eleven investment portfolios can be viewed here. Click 'learn more' to view each portfolio.

Intelligent Investor ASX listed ETFs

1. Intelligent Investor Australian Equity Income Fund – ASX: INIF
   - Fund profile here
2. Intelligent Investor Ethical Share Fund – ASX: INES
   - Fund profile here
3. Intelligent Investor Equity Growth Fund – ASX: IIGF
   - Fund profile here
4. Intelligent Investor Select Value Share Fund – ASX: IISV
   - Fund profile here

Corporate

Full year results

The Annual Report for the year ended 30 June 2026 and Corporate Governance Statement was released on 19 August 2026.

Annual General Meeting

The Annual General Meeting will be held on Monday, 30 November 2026 at 9.30am (AEDT) at the offices of BDO located at Level 25, 252 Pitt St, Sydney NSW 2000. Details about how to participate, ask questions and vote at the AGM are contained in the Notice of Meeting.

On market buyback

InvestSMART has an on-market share buyback in place. InvestSMART intends on conducting the buyback taking into account the prevailing share price, market conditions and the capital requirements of the business. For further information refer to the ASX release. 40,000 shares were bought back in the on-market buyback during the quarter at 11c.

Employee and Director Share Plan

910,000 shares were issued to certain staff and the Managing Director under the EDSP at an issue price of $0.25 per share in September 2021. Following the maturity of the associated loans shares held by former employees were cancelled. Loans for current employees were extended. Loans for shares held by the Managing Director were extended subject to shareholder approval at the annual general meeting. For further information refer to the ASX release.

This document has been authorised for release by order of the Board.

For further information or comment, please contact Paul Clitheroe, Chairman, or Ron Hodge, Managing Director and CEO, at InvestSMART Group on 1300 880 160.

About InvestSMART Group Limited (ASX: INV)

INTELLIGENT INVESTOR

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

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

Every day we interact with Australians who are building investing knowledge by consuming our content, using our tools and growing and protecting their wealth through our investment solutions.

Products & services. InvestSMART Group runs **Professionally Managed Accounts (PMA)* using ETFs** (with management fees capped at $880 p.a. plus 0.11% administration fee) and **four active ASX listed ETFs** under its Intelligent Investor brand.

PMA Investment Accounts focus on **investing into a large universe of preferred ETFs** selected to provide a unique balance between performance returns, cost efficiency and risk diversification. Our proprietary investment research methodology screens a large universe of Australian and overseas ETFs, selecting only those which deliver leading returns relative to performance benchmarks and which have low management fees. Investment portfolios differ in the levels of risk and return, and each offers a different investment emphasis. **WealthBuilder** helps Australians with smaller starting balances begin investing in a PMA, with a minimum initial investment of $1,000.

Intelligent Investor is a membership-based content publication developed to assist investors. Intelligent Investor provides research-based views on companies and investment themes together with Alan Kohler's team's commentary and insights on investment strategy, markets and companies.

Technology. InvestSMART deploys and develops proprietary digital solutions to efficiently and effectively run its business to deliver exceptional customer experience – quality advice, research and easy-to-use tools for its clients. Existing infrastructure and resources are utilised to provide **white label solutions** for selected partners.

Investment tools developed by InvestSMART provide foundational knowledge for investors, such as through our short course '**Bootcamp**' and **free tools** to monitor and assess investment performance via our '**Portfolio Manager.**'

Overview of InvestSMART's Investment Products

Name	Type	Description
Professionally Managed Accounts with 'capped fees'*	Professionally managed risk adjusted portfolios	Investments into preferred ETFs (ASX listed)
• InvestSMART Conservative Portfolio (diversified across asset classes) • InvestSMART Balanced Portfolio (diversified across asset classes) • InvestSMART Growth Portfolio (diversified across asset classes) • InvestSMART High Growth Portfolio (diversified across asset classes) • InvestSMART Ethical Growth Portfolio (diversified across asset classes) • InvestSMART Australian Equities Portfolio (single asset class) • InvestSMART International Equities Portfolio (single asset class) • InvestSMART Property & Infrastructure Portfolio (single asset class) • InvestSMART Australian Bond Portfolio (single asset class) • InvestSMART Hybrid Income Portfolio (single asset class) • InvestSMART Cash Securities Portfolio (single asset class) • InvestSMART Custom Portfolio (see website for details)		
Active investment ETFs**	ASX listed active ETFs run by InvestSMART Group	Active ETF directly invests into ASX listed equities
• Intelligent Investor Australian Equity Income Fund – ASX: INIF Focused on cash rich businesses with ability to pay growing dividends (launched September 2018) • Intelligent Investor Ethical Share Fund – ASX: INES Focused on ethically and socially responsible undervalued equities (launched September 2019) • Intelligent Investor Equity Growth Fund – ASX: IIGF Focused on capital growth by investing in undervalued Australian and global equities (launched October 2020) • Intelligent Investor Select Value Share Fund – ASX: IISV Focused on capital growth by investing in undervalued global equities (launched September 2023)		

* Professionally Managed Account (PMA): the investor holds legal and beneficial ownership and the underlying securities are registered under their name, within the investment portfolio.

** 'Active' ETFs can be directly purchased on market (are ASX listed) and can also be accessed via InvestSMART's PMAs.