

3 October 2017

iSelect expands in South-East Asia with majority interest in iMoney

Transaction summary

- iSelect's shareholding in iMoney to increase from 23.8% to 51.5% via the purchase of US\$4.15 million worth of shares from other iMoney shareholders
 - The purchase price payable for the shares equates to a value of 5.9x FY17 revenue
- After completion of this transaction, iSelect intends to invest a further US\$4.0 million in a new capital raising in iMoney, to accelerate iMoney's growth strategy
- Upon completion of the share transfers, iSelect will have the right to appoint three directors on iMoney's five-member Board, including Scott Wilson as Chair
- iMoney is expected to post an FY18 loss before interest and tax in the range US\$1.2-1.7 million as it scales to profitability

Strategic rationale

- iMoney operates in South-East Asia's high-growth markets underpinned by attractive structural trends
- iMoney is the largest regional consumer product comparison site in South-East Asia
- iMoney is aligned with iSelect's core product and service competencies
- With a majority holding in iMoney, iSelect will have greater influence over iMoney's growth strategy
- iSelect's proprietary iConnect technology platform, coupled with iSelect's operational and marketing expertise, will be implemented within iMoney to support increased conversion and greater customer engagement.

iMoney and South-East Asia

Founded in 2012, Intelligent Money Sdn. Bhd (**"iMoney"**) is headquartered in Kuala Lumpur and currently operates in the high-growth consumer markets of Malaysia, Singapore, Indonesia and the Philippines. These countries have high-growth middle classes and a combined audience of almost 200 million internet users. iMoney's business model is the same as iSelect's, offering a unique, technology driven and largely end-to-end service to its customers in personal financial services, insurance and broadband/telco products. iSelect's further investment in iMoney increases its exposure to the fast-growing South-East Asian region.

Commenting on the increased investment in iMoney, iSelect Managing Director & CEO Scott Wilson said: "The countries that iMoney currently operates in are located in the world's fastest growing region, and feature a rapidly expanding credit and technology-savvy middle class. They have GDP growth rates averaging around 4% and up to 6.5% per annum, with accelerating internet penetration rates."

“iMoney was recently named **in the top 10 fastest growing FinTech businesses in Malaysia** by IDC Financial Insights 2017 Fintech report. The iMoney team, led by Co-founder and CEO Mr Lee Ching Wei, has built an excellent business across the South East Asian region and iMoney is now set to reach scale and ubiquity as the leading destination for financial services comparison.”

Co-founder and CEO of iMoney Mr Lee Ching Wei commented, “We’re extremely delighted that iSelect is increasing its interest and commitment in iMoney. iMoney is entering a particularly exciting growth stage and with the addition of iSelect’s systems, technology and wider group resources, we are confident our growth trajectory can be further accelerated.”

iMoney is in a high-growth phase, with revenue having increased by an average of over 80% per annum over the past three years. Based on iMoney’s current projections, the business is expected to achieve a cash flow breakeven point within the next 2-3 years.

Accelerated growth

Following completion of the share purchases, iSelect will appoint senior management and work with its current leadership team to introduce iSelect’s methodologies and proprietary iConnect technology platform into the business. iSelect’s know-how and technology is expected to leverage the high level of visitation to the iMoney site, dramatically improving the monetisation rate of its unique visitors (UVs).

iSelect and iMoney Comparative Metrics (FY17)

	iMoney	iSelect
Unique Visitors (UVs)	10.4 million	9.8 million
Revenue per UV	A\$0.304	A\$18.90

“iMoney is at an exciting inflection point, with the ability to generate a substantial number of UVs” Mr Wilson continued. “It operates several product verticals that complement iSelect’s own business model including financial services, personal loans, credit cards, insurance and broadband. Incorporating iSelect’s proprietary iConnect contact centre conversion technologies and know-how, and increasing iMoney’s marketing efforts, present significant opportunities to substantially lift UV monetisation and increase conversion rates.”

iSelect expects the transaction to complete over the next three months following the transfer of shares and regulatory approval.

- ENDS -

Investor and analyst conference call

The Company will be holding an investor and analyst conference call at **9:30 AM AEDST today**.

Participants can dial +61 2 9007 8048 or 1800 908 299 (toll free) to join the call. When prompted, please provide CONFERENCE ID: 400246



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About iSelect

At [iSelect](http://www.iselect.com.au), we get that most people find insurance, utilities and personal finance boring. But we understand that it's really important to always get these things right. As Australia's Life Admin Store™, iSelect gives customers the confidence to make the right call on some of the things that matter most.

Last year, more than 9 million Australians visited our website and we provided recommendations to over 6 million customers. But we are much more than just another online comparison website. Our highly-trained experts at iSelect HQ help customers to choose and buy from thousands of available policies, products and plans. And we provide our advice at no cost to the customer.

We compare and sell some of Australia's biggest brands and are proud to be ASX-listed and, unlike other comparison sites, we are not owned by an insurance company. From health and life insurance through to energy and broadband, as well as car insurance and home loans, iSelect helps Australians take care of the boring but important stuff. [www.home.iselect](http://www.home.iselect.com.au)