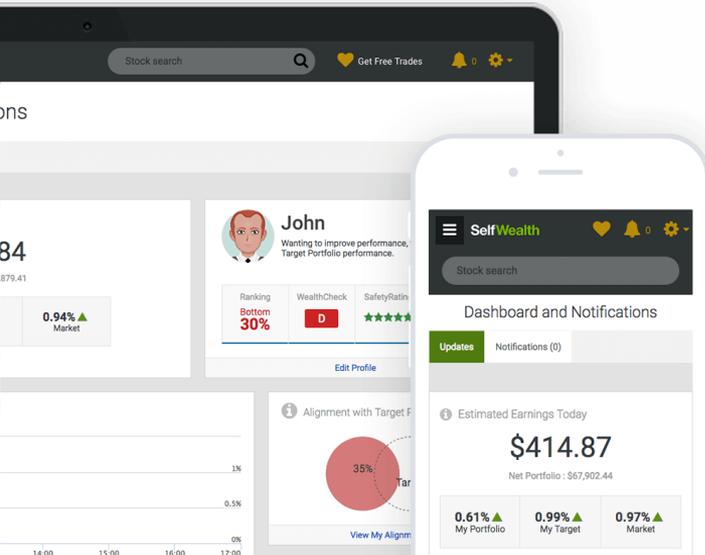


# SelfWealth<sup>®</sup>

Trading knowledge not just shares



*Half Year FY18  
presentation*

*February 2018*

# Half-Year Highlights



✓ SelfWealth has demonstrated rapid growth across all key metrics for 1H FY18.

✓ 1H FY18 performance comparatives :

Key metrics		1H FY18	1H FY17		% Change	2H FY17	% Change
Revenue	\$000s	278	21	UP	1224%	104	UP 167%
Active Users		2,261	150	UP	1407%	998	UP 127%
Trade Volume		26,269	1,875	UP	1301%	10,162	UP 159%
Client stock holding	\$M	277	12	UP	2208%	91	UP 204%
Client cash	\$M	29	4	UP	625%	17	UP 71%

✓ Successfully listed on the ASX on 23 November after raising \$7.3 million.

✓ SelfWealth will substantially increase its marketing spend CY18 to further accelerate growth across all key metrics.

✓ 2H FY18 has commenced with continued momentum and further strong growth is expected.

# Our vision: Australia's #1 'low-cost flat fee' online share broker

## Our Business

\$9.50 flat fee brokerage

Community peer investing solution

Growing A\$1.7bn+ market opportunity

Executing on a clear plan

## Validation

2,261

Active Trading Members

6,881

Trading Applications launched

A\$281m

Total value of client HINs (Dec 2017)

A\$29m

Total client cash holdings (Dec 2017)

~39,000

Cum. trades executed (Dec 2017)

A\$1bn+

Cum. trade value executed (Dec 2017)

## Recognition



2018 Winner  
Cheapest Online Broker



2017 Finalist  
Fintech Business Awards  
Investment Innovator of the Year



2016 Winner  
Australian Business Awards  
Software Innovation



2016 Winner  
Optus My Business Awards  
Fintech Business of the Year



2016 Finalist  
Ifa Excellence Awards  
Innovator of the Year



2016 Finalist  
Benzinga Fintech Awards

# Business model: Underpinned by three existing revenue streams, with scope to add multiple additional sources in the medium term

## Existing revenue streams

### Trading revenue

- Flat fee of A\$9.50 per trade (irrespective of the trade size)
- Brokerage fees for both consumers and enterprise / corporate agreements
- Low cost brokerage

### PREMIUM revenue

- A\$20 per month (free access provided for the first 90 days)
- SelfWealth PREMIUM for consumers and enterprise / corporate agreements
- Subscription-based fees provide recurring revenue stream

### Interest revenue

- RBA cash rate + 0.5% p.a.
- Represents TRADING cash account interest income, with clients' monies held with ANZ bank

## Imminent revenue streams

Exchange traded funds revenue

International shares

## Potential revenue streams

Margin Lending

Data Licensing

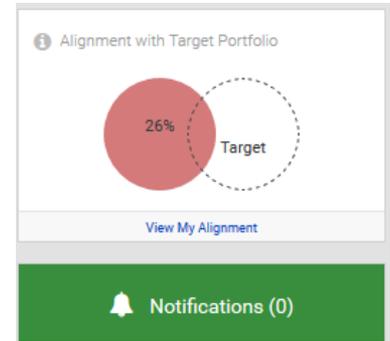
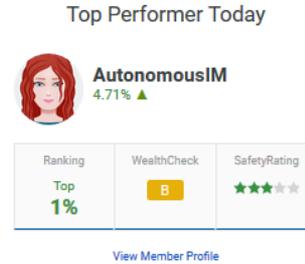
Advertising

# SelfWealth PREMIUM access benefits

SelfWealth PREMIUM provides members with a range of performance enhancements alerts and emails, including:

- ✓ Access the power of the community – 30,000+ portfolios
- ✓ Target portfolio – peer to peer portfolio construction
- ✓ Track top performing members, member profiles like you, receive alerts as they trade.
- ✓ Top stock of the day, most traded stock, community sentiment on stocks in your portfolio
- ✓ Mobile phone app notifications create reliance on SelfWealth PREMIUM with portfolio movements and other member/index activity.

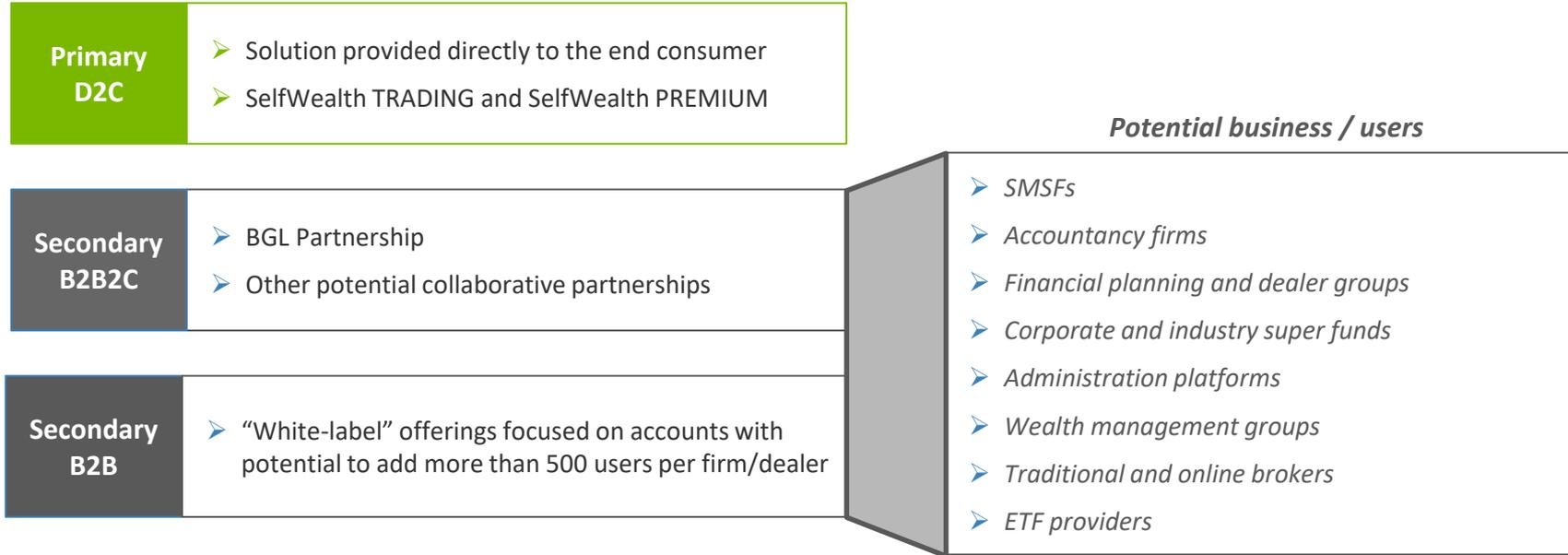
SelfWealth is Australia's first peer- to-peer investing solution, providing a well-established financial community and access to “follow” top investors to help members outperform.



# Distribution strategy

Distribution strategy in place to maximise potential users and aligned with SelfWealth’s existing revenue model

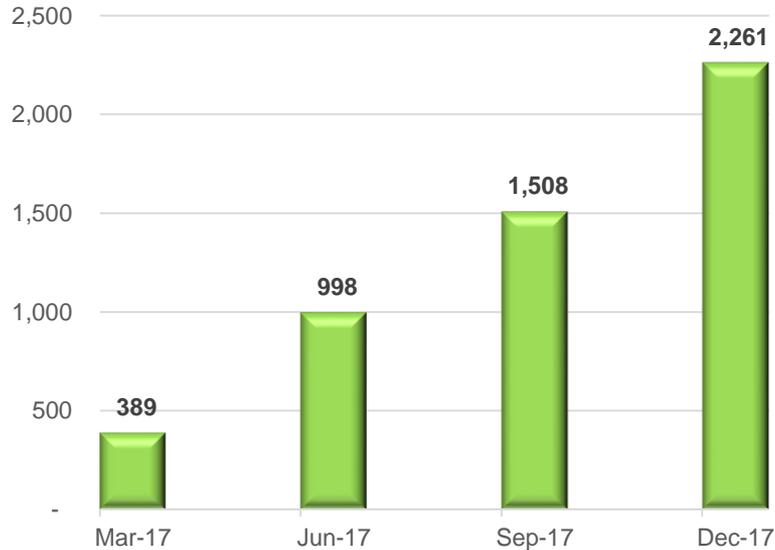
## Distribution channels



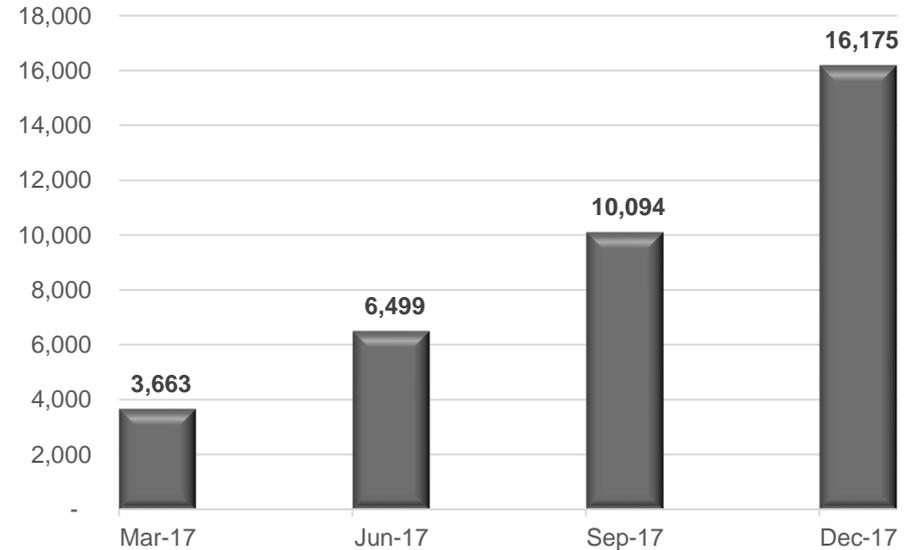
*SelfWealth is focused on distributing the platform through relevant channels with existing distribution networks*

# SelfWealth KPI traction to December 2017

## Number of active traders - cumulative

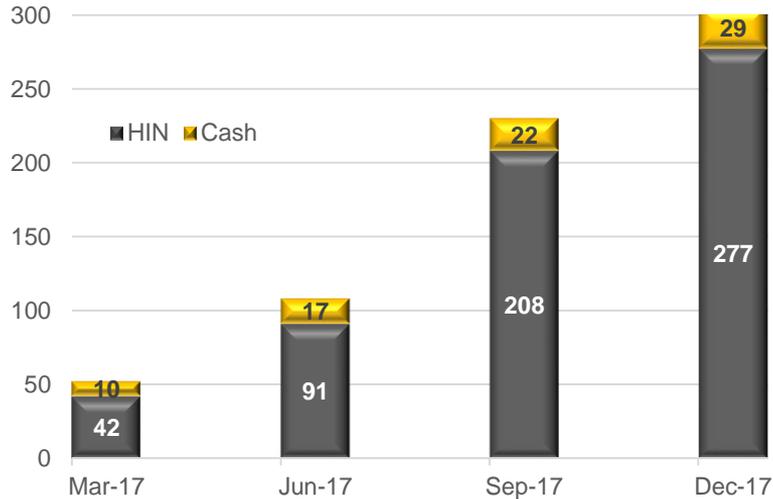


## Trade volumes by quarter

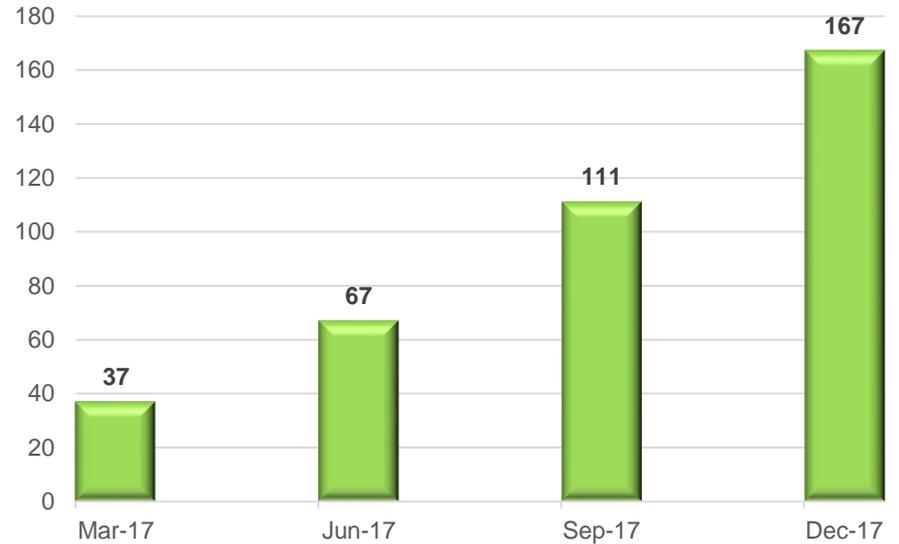


# SelfWealth KPI traction to December 2017 (cont'd)

## Client HIN and cash holdings (\$m)



## Quarterly revenue (\$000s)

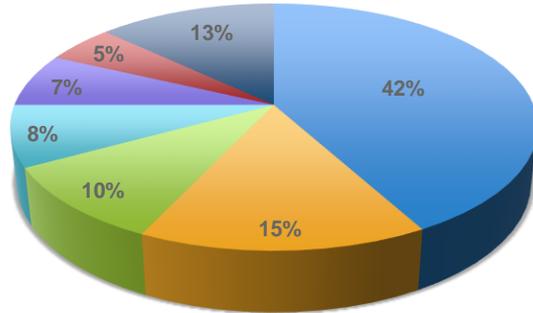


# SelfWealth is well positioned to capture market share

Our trading costs are significantly more attractive than any other provider in the market... <sup>1</sup>

...and we are only just beginning to optimise how frequently our users trade with us

Online Trading Market Share



■ Commsec ■ ANZ ■ WBC ■ NAB ■ CMC ■ Bell Direct ■ Other

Source : 2014 Investment Trends publication.

Trade Size	SelfWealth	Comm Sec	ANZ	Bell Direct
< \$1,000	\$9.50	\$10.00	\$24.95	\$15.00
\$5,001	\$9.50	\$19.95	\$24.95	\$15.00
\$10,001	\$9.50	\$29.95	\$29.95	\$25.00
\$100,001	\$9.50	\$120+	\$100+	\$100
\$1,000,000	\$9.50	\$1,200+	\$1,000+	\$1,000

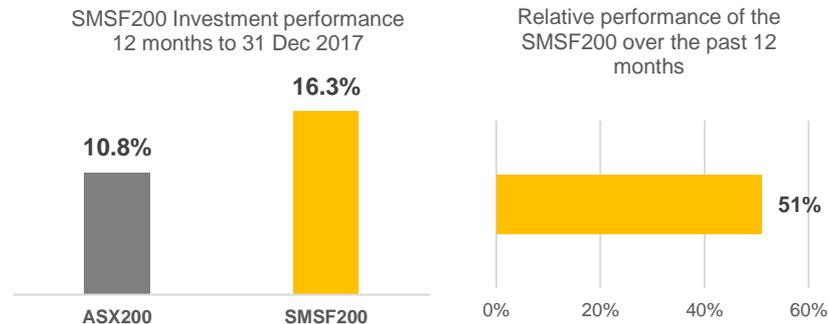
1. Other brokerage costs based on the following companies – CommSec, ANZ, WBC, NAB, Bell Direct, IG Markets. Assuming one trade only (i.e. no volume discounts) –Current @ August 2017

# Exchange Traded Funds (ETF)

Strategic partnership with BGL underpins the expected growth trajectory of **SelfWealth's SMSF ETF**

## Exchange Traded Funds

- **SelfWealth will offer an Australian representative 'Self Managed Super Fund ETF' in CY18, sourced from a large SMSF data base**
- Act as a reference index for 600,000 SMSFs in existence
- SMSF data sourced from BGL Simple Fund 360 (BGL's cloud solution)
- SMSF data base target is 250,000 funds, already transitioned > 28,000
- Performance data of 28,000 funds is distilled to the top performing 200 SMSFs by Wealthcheck score and the top weighted 200 stocks therein:



If the SelfWealth SMSF ETF had been available, ETF participants would have achieved an 51% higher performance than the ASX 200 benchmark for the year ended 31 December 2017.

## BGL overview

- BGL is Australia's largest SMSF administration and compliance software provider
- Servicing ~60% of the Australian SMSF market representing a client base of ~350,000 SMSFs (~A\$90bn AUM)
- BGL is transitioning clients to SimpleFund 360 cloud solution
- Broader market data opportunity exists post IPO

## Focus for next 6 months

- Increased marketing to grow brand awareness
- Grow key metrics:
  - > Active Traders, Trade volumes, Tradeable Assets, and Revenue
- Financial planner portal launch – March 2018
- ETF product launch – April 2018
- Upweight user functionality

# Summary

- ✓ Significant market opportunity identified and targeted
- ✓ Compelling user propositions launched and rapidly established traction in the market
- ✓ Experienced and motivated senior management team on board
- ✓ Clear strategy and execution plan in place

THANK YOU

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