



Investorfirst Ltd

Investorfirst Ltd Chairman's Address & Corporate Update

Bruce Higgins
Chairman

Jason Entwistle
Acting CEO

30 November 2012

Disclaimer



Summary information

The material that follows is a presentation of general background information about Investorfirst Limited's ('INQ') activities current at the date of the presentation, 30 November 2012. It is information given in summary form and does not purport to be complete.

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Chairman's Address



To receive and consider Investorfirst's financial report, Director's and Auditor's report for the year ended 30 June 2012.

Dear Shareholders,

On behalf of the Directors I have pleasure in welcoming shareholders to the Annual General Meeting of Investorfirst.

The company reported a loss of \$30.5 million comprising amortisation and impairment charges of \$21.5m, and operating loss of \$8.2m. This result is disappointing for the Company and shareholders. The board and management are focused on improving our performance and the creation of shareholder value.

The very significant amortisation and impairment charges were a result of the closure and write-down of the Alert Trader business and a review of carrying value of the stockbroking and investment platform businesses considering their performance and the prevailing market conditions.

Our balance sheet had Total Net Assets of \$31 million and Net Tangible Assets of \$24 million as at 30 June 2012. In July and August we raised \$8.4m in working capital through a rights issue and placement. Jason Entwistle, Acting CEO will speak in greater detail on the financial results, operational review and outlook for the year ahead immediately after the formal meeting agenda items.

Chairman's Address



The company's main businesses are;

HUB24, a next-generation investment and superannuation platform service. As specialists in proprietary platform technology, we build and provide state-of-the-art portfolio management, transaction and reporting solutions for institutional, corporate and retail clients.

Investorfirst Securities which offers full-service advice broking and 'instruction only' broking (instruction and settlement services) to both retail and wholesale investors. We also provide a range of equity market services for corporate clients

Both these operations have made significant progress to establish a presence in our markets and to deliver a high quality financial service to our clients. I am pleased to report that we have achieved many significant operational and product development achievements throughout the year although poor market conditions resulted in weaker than expected stockbroking and corporate advisory revenues and a significant delay in the release of the HUB24 personal superannuation product until June 2012 resulted in much slower transition of funds under administration (FUA) than expected. I take this opportunity to detail the progress of each of these businesses in more detail

Investorfirst Securities

We have invested in the establishment and development of an ASX market participant full service broking operation in Melbourne and Sydney. We have a total of 22 advisors and research staff who are focused on the research and advice for our clients in Australian equities.

Chairman's Address



Investorfirst Securities also provides both advisory and non-advisory broking services to retail and wholesale investors. Our focus is on generating unique investment ideas and opportunities to drive investment outperformance designed to meet our clients investment needs. Our investment advisors have an excellent track record of providing quality professional advice with a personal touch. By leveraging off our extensive corporate network we are able to access quality research, trading ideas and capital raisings.

Investorfirst Securities offers two types of broking services:

Advisory Broking- Services based on our experienced advisers consulting to understand client personal objectives, financial situation and needs before providing financial product advice. This also may include making an investment recommendation on a particular security or asset class.

Non-Advisory Broking- Non-advisory service encompasses general advice and share trading services by a team of experienced stockbrokers.

Research- Our research analysts provide both qualitative and quantitative analysis based on proprietary insight and tools; Some of our achievements are;

Investorfirst research department offers detailed coverage on 30 small and emerging companies. Calendar year to date we have ranked number one in broker market share for six of the stocks we research and top five in market share for 14 of the companies we research. Our analysts have backed some of the most exciting online growth stocks of the year (with Jumbo Interactive up 470% in the calendar year to date and Webjet up 55%).

Chairman's Address



Equity Capital Markets- Investorfirst raised \$47 million of new capital in the calendar year to date, or \$56 million of capital raised if INQ capital raising is included.

HUB24

We are making excellent progress in the establishment of HUB24 as a next-generation investment and superannuation platform service. The HUB24 Solution comprised two main offerings;

HUB24 Invest; A comprehensive investment portfolio solution customised to meet the needs of both advisers and investors. Operating as an Investor Directed Portfolio Service (IDPS), HUB24 Invest allows you to tailor an investment strategy from a broad range of investments.

HUB Super; A comprehensive, public offer superannuation fund that provides accumulation, account-based pension and transition to retirement pension accounts to help build your superannuation savings and draw a pension in retirement.

During the year the Company achieved a number of milestones including the launch of the HUB24 superannuation and insurance offerings at the end of the year resulting in a significant uplift in funds under administration over the past year and successful acquisition of Marketsplus and its unique Evolve online share trading platform which is now being integrated into the HUB24 products.

Chairman's Address



The HUB24 funds within our platform are growing strongly with Funds Under Administration (FUA) currently at approximately \$216 million and growing since June by an average of \$24 million per month. We expect this growth to accelerate. There are a number of white-label versions of the platform under development for third party use with their clients which are expected to provide a substantial lift in momentum.

Corporate

During the year there have been changes to the Directors, Chairman and CEO of the company. I am pleased to report that based on my meetings with shareholders that we have a Board that has the full support of the shareholders and this is also indicated by the proxy voting on the resolutions for the re-election of Directors and the Directors Report with overwhelming support in excess of 90% for all resolutions. The corporate governance practices at Investorfirst comply with the ASX Corporate Governance Principles and Recommendations. Our compliance with these and also details of our Remuneration Report are set out in the Annual Report and the Directors and Auditors are present to answer any questions by shareholders during the AGM today.

On behalf of the Directors I wish to thank Jason Entwistle, his senior management team and all employees for their commitment, exceptional customer service during the year. I also thank our customers and shareholders for their continuing support for Investorfirst.

Bruce E. Higgins
Chairman of Directors

Corporate Snapshot



Investorfirst Ltd

- **Revenue** – FY'13 YTD up 90% on pcp
 - Platform up 321%
 - Stockbroking / ECM up 81%
- **Earnings Before Interest & Tax (EBIT)** – FY'13 YTD up 10% on pcp
- **Employees & Contractors** = FTE 46 Vs FTE 55 pcp

Financial data presented is unaudited

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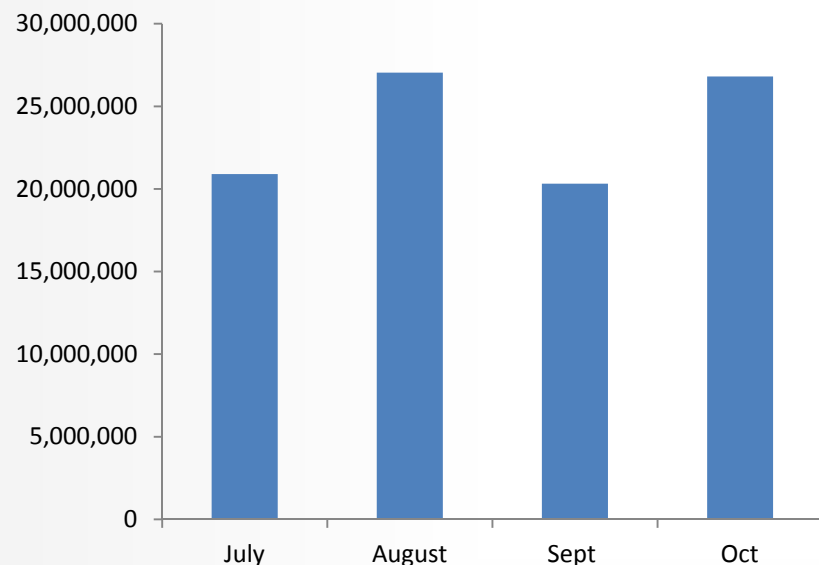
HUB24 Platform Funds Under Administration



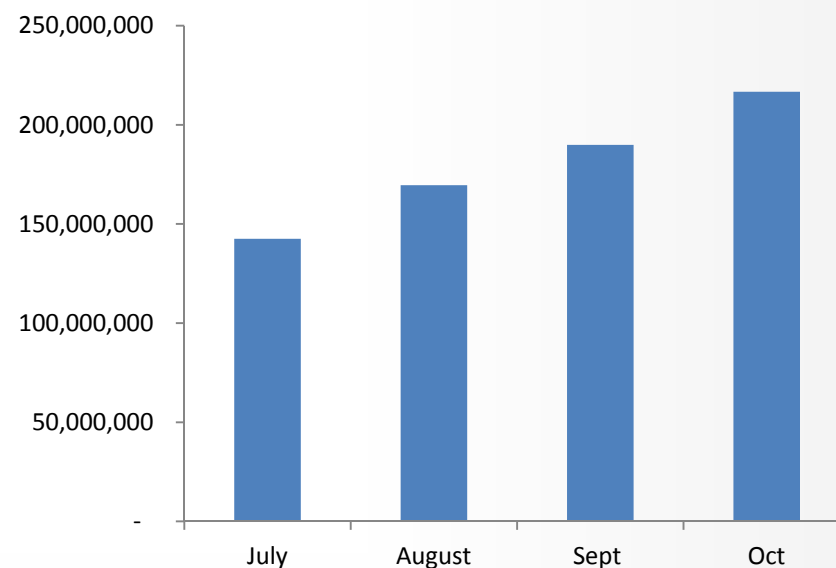
Investorfirst Ltd

HUB24 Platform Net Inflows above \$20m each month for the first four months of the year.

HUB24 PLATFORM
MONTHLY NET FUA INFLOW - JUL '12 TO OCT '12



HUB24 PLATFORM
MONTHL FUA - JULY '12 TO OCTOBER '12



Pipeline continuing to build. Direct Market Access share trading functionality due for release early in the new year expected to provide an additional boost.

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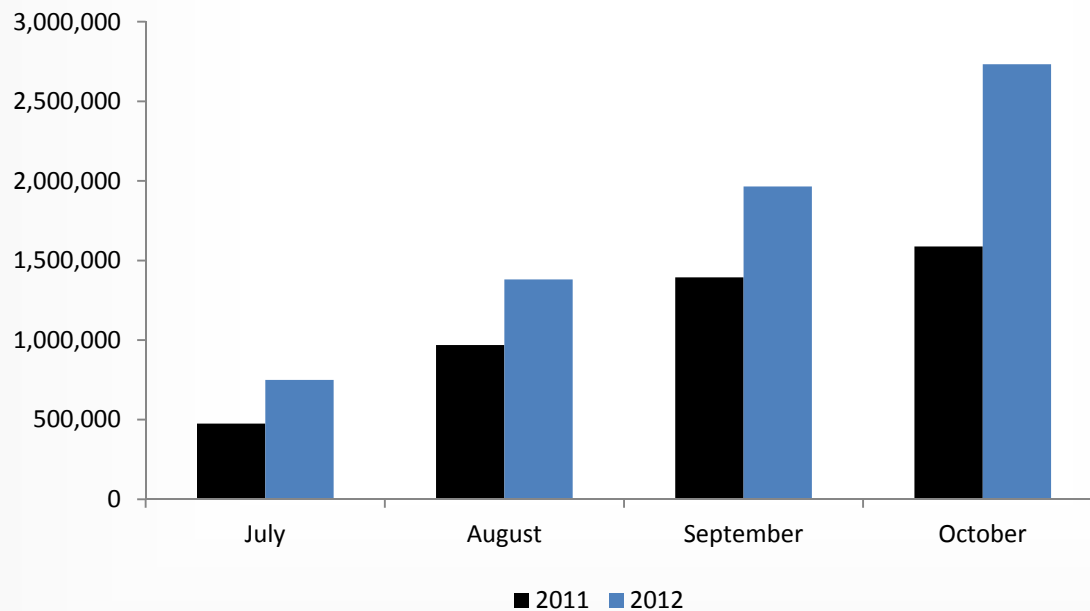
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Monthly Revenues



Monthly revenue trending higher than pcp due increased broking volumes and platform FUA

INVESTORFIRST - REVENUE
ACCUMULATED REVENUE - JULY '12 TO OCTOBER '12 VERSUS PRIOR YEAR



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Corporate Strategy



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Grow Revenue

- Accelerate HUB24 Rollout
- Direct Market Access Share Trading to drive new FUA
- Additional Support for Advisers to Transition FUA
- Exploit competitive advantage of SMAs/Models & FOFA Compliance

Review Costs

- Strategic Review of Operations Underway
- Material cost reductions starting to flow through

Strategic Partnerships

- Alignments or Acquisitions to provide Distribution

Financial data presented is unaudited

**Completion of Chairman's Address &
Corporate Update**



Questions ?

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