

SelfWealth Ltd – Results for six months ended 31 December 2024

Melbourne, Australia – 23 January 2025: SelfWealth Ltd (ASX: SWF) (“Selfwealth” or “the Company”), a leading Australian fixed-fee, low-cost broker, today announced its half year financial results for the six months ended 31 December 2024 (H1 25).

Selfwealth achieved revenue growth of 4% and continued profitability. The Company recorded underlying earnings before interest, tax, depreciation and amortisation (Underlying EBITDA) of \$1.3m, net profit after tax (NPAT) of \$0.4m and continued growth in funds under administration, which increased 15% to \$11.6bn.

Key highlights:	H1 25	H1 24	pcp %
Operating revenue	\$14.1 m	\$13.6 m	4%
Gross profit	\$10.2 m	\$9.8 m	4%
Underlying EBITDA	\$1.3 m	\$3.5 m	-63%
NPAT	\$0.4 m	\$1.6 m	-75%
Net operating cash flow	\$1.3 m	\$1.3 m	0%
Cash at bank	\$10.1 m	\$12.0 m	-16%
Funds under administration ¹	\$11.6 bn	\$10.1 bn	+15%
Number of active traders	128.9 k	128.6 k	0%
Number of trades	406 k	372 k	+9%
Trading revenue	\$4.4 m	\$3.5 m	+27%

Commenting on the result, Selfwealth’s Chair Christine Christian AO said:

"Selfwealth grew both revenue and gross profit in H1 25 and has now delivered five consecutive half year periods of positive Underlying EBITDA. This financial outcome is commendable, demonstrating sustained profitability despite the heightened investment in our transformation program.

Also, during the half we received several acquisition proposals, culminating in Selfwealth entering into a scheme implementation deed with Bell Financial Group (“Bell”). The Board and Management of Selfwealth view the Bell offer as compelling for Selfwealth’s shareholders, team members and clients.

¹ Aggregate customer assets held on the Selfwealth platform including cash balances and securities with ASX, NYSE, Nasdaq & HKEX exchanges, with all financial amounts expressed in Australian Dollars.



It is testament to the strength of the Selfwealth offering and team that we have been able to deliver a solid result during this intense period of transformation and change.”

Craig Keary, Selfwealth’s Chief Executive Officer, said:

“Our focus during the period has been on the transformation from a technology-based business to a customer led growth business by providing customers with superior customer service, improving efficiencies and functionality in our trading platform. Importantly, a key aspect of the second part of our transformation program has been to begin rightsizing the business and reducing the cost to serve.

It’s pleasing that during this period of intense activity we were able to achieve a meaningful uplift in trading revenue, continue to grow funds under administration and retain our loyal customer base, all in an increasingly competitive market.”

H1 25 results overview:

Revenue from ordinary activities for the half year ended 31 December 2024 was \$14.1m, an increase of 4.3% on the previous corresponding period (pcp).

Selfwealth reported a trading revenue of \$4.4m for the six months ending on 31 December 2024, which represents a 27.5% increase compared to the previous period's \$3.5m. This increase was due to higher brokerage fees in the equity exchange markets. Trading volumes reached 406k, a 9.3% rise from last year's 372k.

Active portfolios remained steady at 128,859 in line with last year’s 128,609 active portfolios.

Interest income earned from customer cash held on behalf of customers was \$9.5m, down 3.8% on pcp, with lower cash balances held on behalf of customers than last year.

Cost of providing services of \$4.0m increased 3.7% with gross profit of \$10.2m up 4.5% on last year. Gross profit margin increased by 20 bp on the comparative period to 72.1% of total revenue.

Operating expenses adjusted for non-recurring expenses were \$9.3m compared to \$6.5m pcp. The Company accelerated its transformation program given the increased focus on risk and IT security, as well as capitalising on opportunities to drive sustainable operating efficiency. This investment program has spanned all aspects of operations, including compliance, cost management, systems upgrades, customer management and engagement, and developing productive relationships with the industry and strategic partners.



H1 25 Underlying EBITDA was \$1.3m, a decrease of 63% pcp, with NPAT of \$0.4m, down 75% on H1 24.

Cash and capital management:

Cash and cash equivalents at the end of 31 December 2024 is \$10.1m compared to \$12.0m pcp.

Net operating cashflow was \$1.3m, in line with last year. Selfwealth continued to invest in technology with \$2.0m of capitalised software development costs, compared to \$1.4m pcp.

The Company continues to have no debt.

Pursuant to the on-market share buy-back that commenced on 1 May 2024, during H1 25 Selfwealth bought back 1,308,255 ordinary shares for a total consideration of \$160k. The buy-back has been paused given the receipt of acquisition proposals. The total number of ordinary shares acquired under the buy-back is 3,391,748, with a total consideration of \$425k. The buy-back has been funded from cash reserves.

Proposed acquisition of Selfwealth by Bell:

On 25 November 2024 Selfwealth announced that it had entered a scheme implementation deed with Bell, under which Bell has agreed to acquire 100% of the shares in Selfwealth for \$0.25 cash per share, with a Bell share consideration alternative at Selfwealth shareholders' election, by way of a scheme of arrangement ("Bell Offer").

The Bell Offer is subject to various conditions set out in the scheme implementation deed, which includes approval by Selfwealth shareholders at a scheme of arrangement meeting, which is expected to be held before the end of March 2025.

Selfwealth shareholders do not need to take any action in relation to the Bell Offer at this time. A scheme booklet, containing important information relating to the scheme of arrangement and the scheme meeting, including the reasons for the Selfwealth Board's recommendation and the independent expert's report, will be sent to shareholders in advance of the scheme meeting.

Selfwealth shareholders should read the scheme booklet in its entirety before deciding on whether or not to vote in favour of the Bell Offer at the scheme meeting.

The Board of SelfWealth Limited has authorised the release of this announcement to the market.

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Investor Enquiries

Craig Keary
Chief Executive Officer
SelfWealth Limited
shareholders@selfwealth.com.au

Media Enquiries

Louise Watson
Symbol Strategic Communications
Tel: 0419 185 674
lwatson@symbolstrategic.com.au

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