

Douough builds strong momentum in Q3, set for accelerated growth in Q4

- Douough has now validated strong customer demand for its value proposition.
- Q3 focus was optimising key growth strategies in acquisition and activation, ensuring we can scale up core metrics as we increase acquisition spend in Q4.
- Total debit card spend across the platform is up 6.5x from the end of Q2, with total deposits up 5.5x and customer acquisition up 2.6x.
- Douough is in late stage development of its Android App, having launched Autopilot (self-driving money) feature and instant virtual card issuing in partnership with Mastercard.
- Douough's newly granted RIA licence enables the launch of risk-weighted managed portfolios into Savings Jars, which is on track for Q4. The Douough Wealth offering will later be expanded to offer access to investing in single stocks and crypto.
- The partnership with Rakuten enables us to tap into the world's leading affiliate network, driving new customer acquisition from strategic publishers from Q4.
- After completion of Goodments acquisition, we will re-launch their platform locally to accelerate customer and revenue growth, leading to the Australian launch of the Douough platform in partnership with BaaS partner RAB.

8 April 2021 (Sydney | New York): AI-driven financial wellness App provider **Douough Ltd** (ASX: DOU) (Company or Douough) is pleased to announce that it has continued to build strong momentum on key transactional growth metrics in Q3, since its full market launch in November 2020.



Figure 1: Total \$AUD value of spending by Customers using the Douough Platform. Pleasingly customers are using their Douough card to pay their bills e.g. Uber, Netflix.

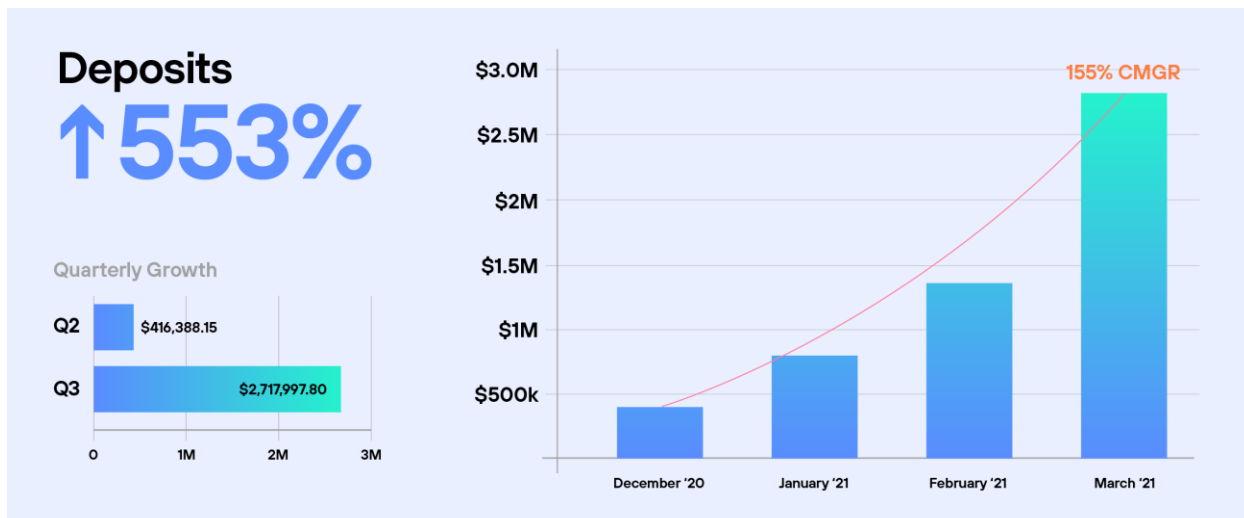


Figure 2: Total \$AUD value of deposits by Customers using the Dough Platform. Customers are starting to deposit their salaries directly into their Dough account, new initiatives will further encourage this behaviour.

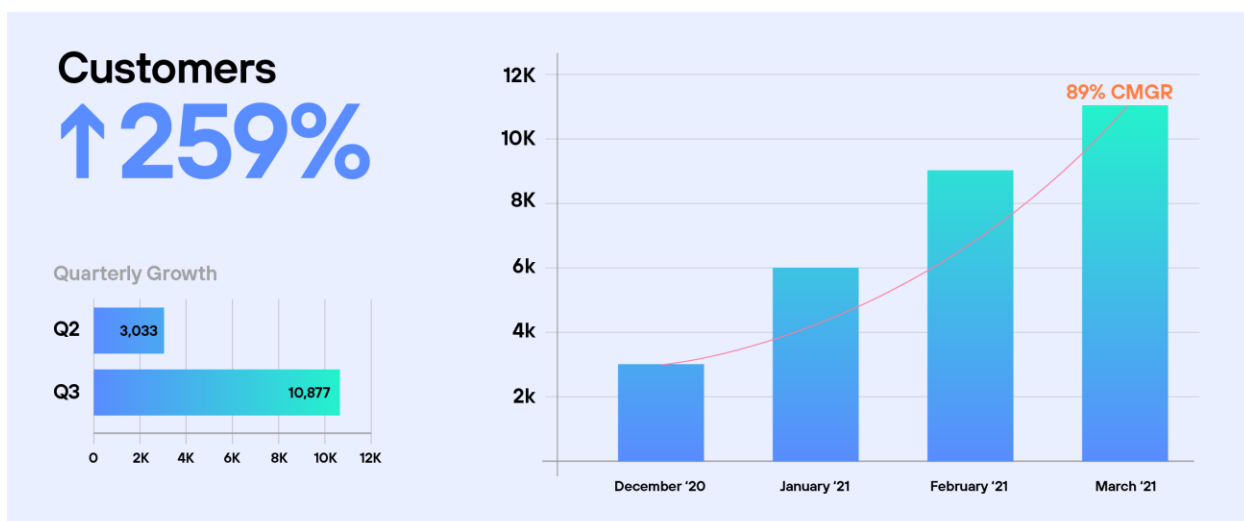


Figure 3: Total number of Customers signed up to the Dough Platform. Marketing budget restricted in Q3 until the implementation of virtual card provisioning.

Commenting on the Company's progress, Dough's Founder and CEO **Andy Taylor** said:

"We continue to build strong momentum in key growth metrics since our November launch and have worked hard to optimise onboarding and activation rates. To the extent that we now have confidence in dialling up the marketing spend and knowing the corresponding rate of customer acquisition."

We have sought out and received in-depth customer feedback, allowing us to prioritise key improvements on the iOS App, which are now being incorporated into the Android App as we develop it.

Like all card issuers in the US, we have not been immune from the impacts of the pandemic and in March we saw plastic card manufacturing become disrupted, resulting in us being unable to secure supply of new plastic card inventory. Subsequently we have reacted quickly by slowing down customer acquisition and fast-tracking the launch of instant virtual card issuing with Mastercard. This has led to 2.6x growth during Q3 rather than the 5x forecasted. But we plan to catch up on lost ground in Q4."

“Overall we are very happy to see the generation and acceleration of interchange revenue in-line with the growth in deposits and card spend. We are showing that customers are seeing real value in the money management tool and specifically Jars for bill payments and short-term savings, especially in the absence of Douugh paying an interest rate. The launch of Douugh Wealth will ensure we will be in a position to offer risk-weighted returns on people’s savings, allowing us to attract larger deposits and ultimately salary deposits. This should further accelerate the overall level of card spend on the platform. The launch of the Android App will also allow us to broaden our reach and lower our CAC.”

In Australia, we are planning to make some key enhancements to the Goodments App to accelerate its growth in the short-term, prior to launching the Douugh platform.

The second half of 2021 is therefore setting up to be very strong in terms of the acceleration of overall growth metrics. More partnerships are planned as well as the launch of key new features to further accelerate growth.”

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About Douugh

Douugh is a purpose-led fintech company, on a mission to help customers autonomously manage AND grow their money to live financially healthier.

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ASX Release Approved by the CEO on behalf of the Board. All numbers presented in this announcement are unaudited.

Compounded monthly growth (CMGR) rate calculation is the average month-over-month growth over Q3FY21.