



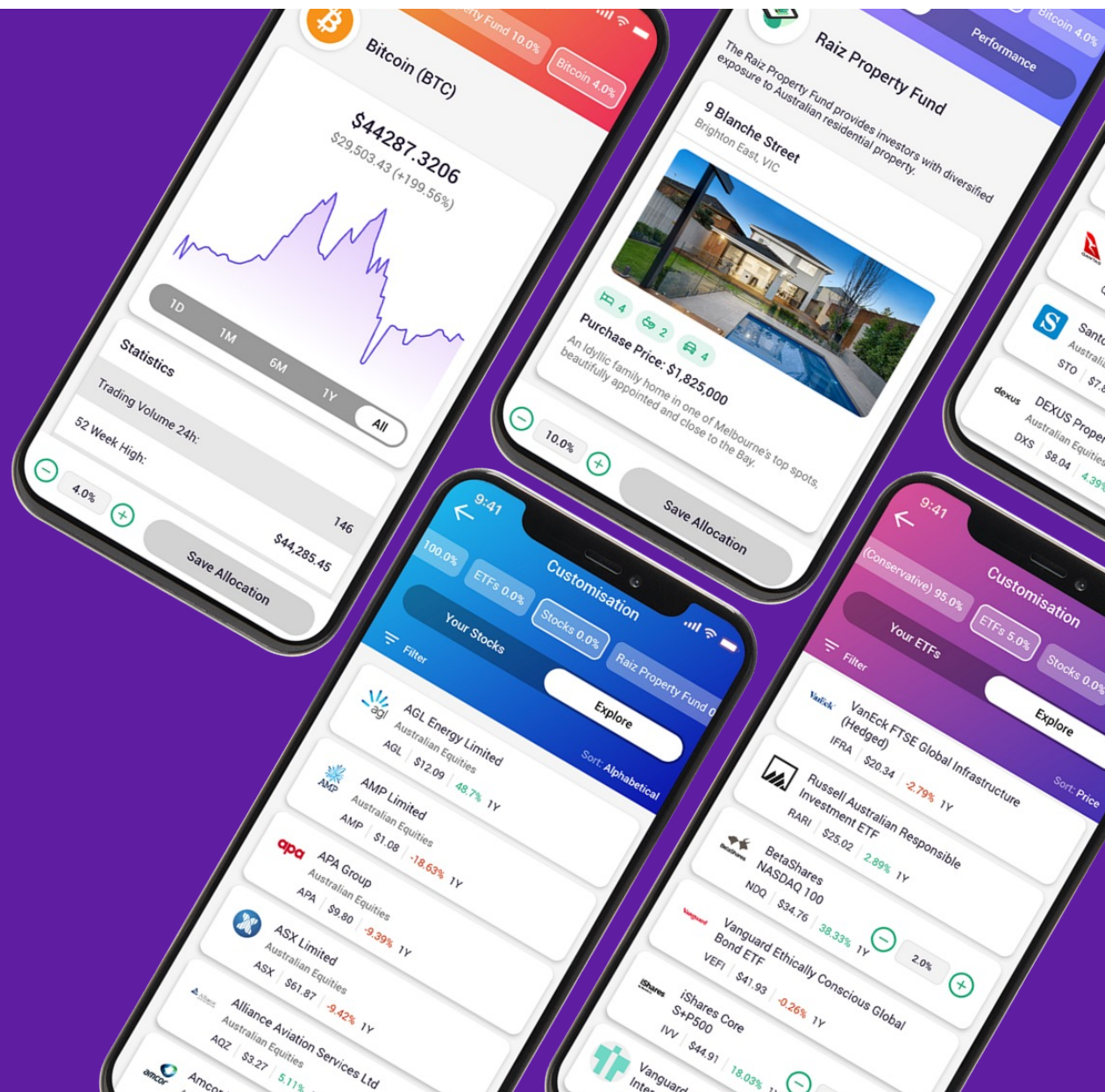
# MicroCap Conference Presentation

25 October 2023

*Australia's leading WealthTech  
delivering in all economic cycles*

Level 11, 2 Bulletin Place, Sydney NSW 2000

*Authorised for release by the Board of Directors*



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# 01

## Corporate Snapshot





# Raiz at a glance

Australia's market leading WealthTech



## Business description

- Raiz (formerly Acorns) launched in Australia in 2016, listed on the ASX in June 2018 (ASX:RZI), the current CEO, Brendan Malone, was appointed CEO in September 2022
- Raiz allows customers to invest small amounts of money into a diversified portfolio of assets that include single stocks in the ASX50, ETFs, Bitcoin and Australian residential property and provides personal financial management tools including “round ups”
- Raiz has over 296k active Australian customers, with ~10% kids and ~80% Gen Z and Millennials
- Raiz offers eight portfolios ranging from conservative to aggressive, along with the Emerald portfolio (socially responsible themed), the Sapphire portfolio (Bitcoin holding) and the Raiz Plus portfolio (customised, allowing single stock ASX 50 companies)
- Southeast Asian operations transitioning to a licensing fee model and structure new equity arrangements

## Investment highlights



**Favourable macroeconomic drivers and increasing addressable market** supporting growth in online investing



**Highly engaging digital investment products** to unlock financial freedom and drive customer growth with engaged customer base

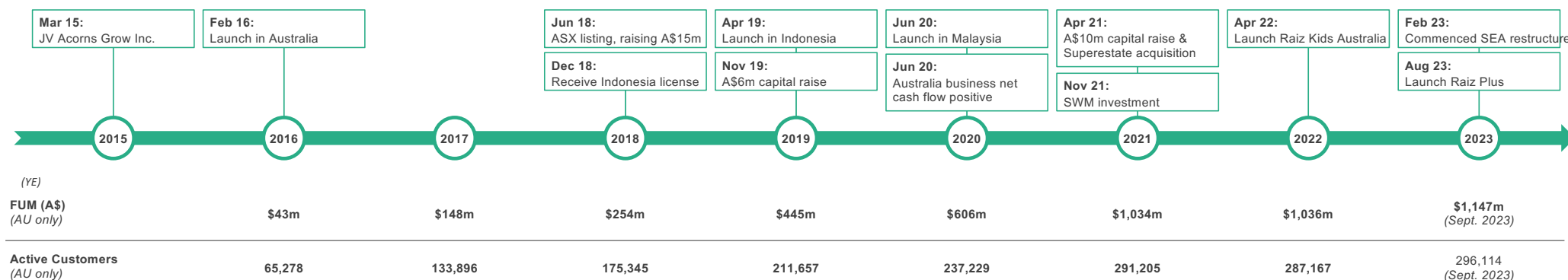


**Brand and effective marketing** delivering customer growth at low cost of acquisition



**Powerful financial profile** with significant operating leverage

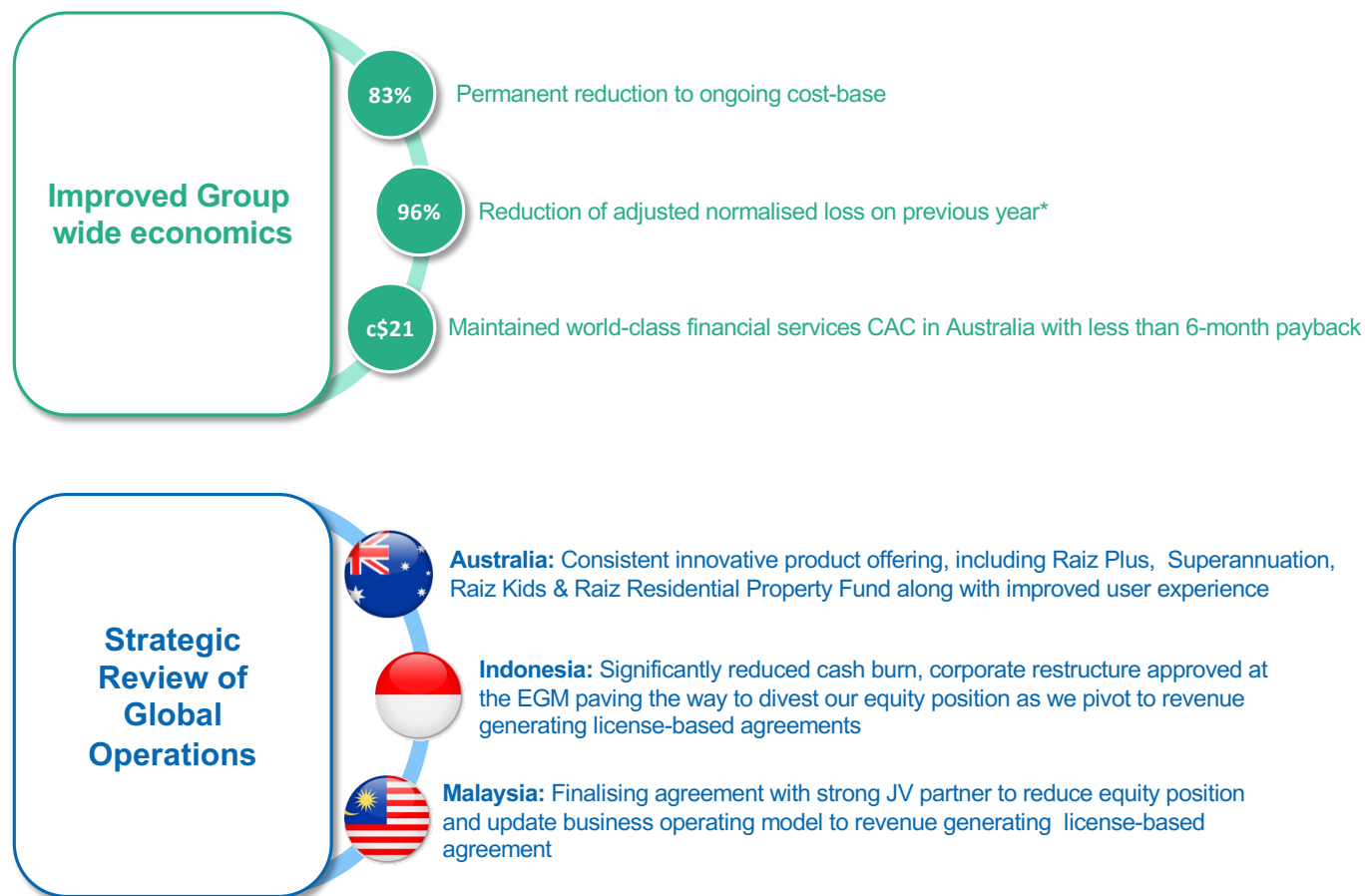
## Company history






## Group FY23 results highlights

Achieved significant cost reductions for ongoing growth and path to profitability



 <b>FY2023</b> <b>Financial Summary</b>	
<b>685k</b> Global Customers	<b>A\$1.15b</b> Total FUM
<b>296k</b> Active Australian Customers	<b>A\$1.13b</b> Total Australian FUM
<b>A\$16.6m</b> Australian Platform Revenue	<b>A\$906m</b> Australian Retail FUM
<b>63%</b> Australian Platform Gross Profit Margin	<b>A\$225m</b> Australian Superannuation FUM
<b>Australia delivering strong unit economics</b>	



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## Company Overview





# Investment Highlights

Award-winning Investment Platform, Delivering on Growth and Innovation



## 1 #1 Leading Platform

Highly engaging digital investment platform unlocking financial freedom and security

## 2 Industry Low CAC

Best in class marketing engine driving industry low CAC of A\$21 in FY23

## 3 Customer Experience

Strong and well credentialed management team focused on delivering customer growth and experience

## 4 Innovation

Robust product pipeline with significant cross sell opportunity to capitalise on data rich product suite

## 5 Technology

Proprietary full-stack scalable technology platform enabling growth & customer data analytics

## 6 Stable Financial Position

Operating cash flow positive and an unencumbered balance sheet

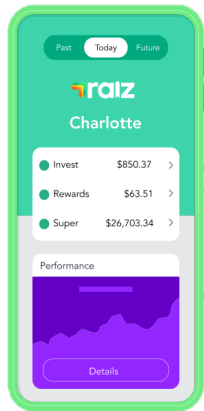


# Our digital investment platform unlocks financial freedom

Comprehensive investment product suite that evolves to match full customer lifecycle

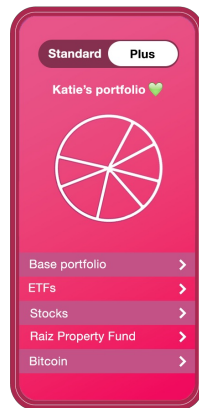


## 1 Raiz Invest



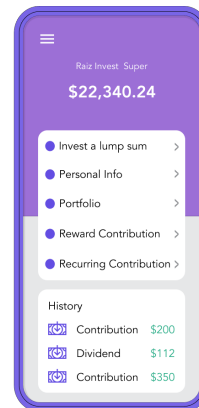
- **Raiz Invest** users choose to invest in a range of portfolios at varying risk levels
- Ability to invest spare change automatically through round-ups, recurring investments, and lump sums

## 2 Raiz Plus



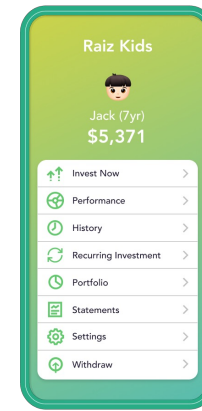
- **Raiz Plus** (launched August 2023) provides customers with the ability to customise their portfolios
- Customers have a choice from our standard portfolios, 50 ASX listed stocks, ETFs, the Raiz Property Fund, and Bitcoin

## 3 Raiz Invest Super



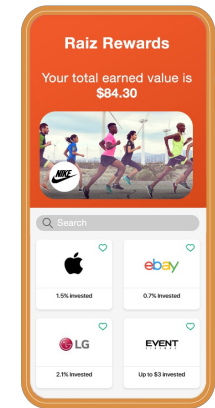
- **Raiz Invest Super** includes guaranteed contributions and automated recurring voluntary contributions
- Ability to onboard customers' SMSFs
- Supports property investment – the only super fund focused on residential property investment

## 4 Raiz Kids



- **Raiz Kids** is a simple way to save and invest small amounts regularly for children and dependents who are under the age of 18
- Dependents can have direct access to their own investment portfolio with their parent or guardian's permission

## 5 Raiz Rewards



- **Raiz Rewards** is a loyalty program which allows users to accelerate their Raiz accounts & Super balances through purchases made with partnership brands



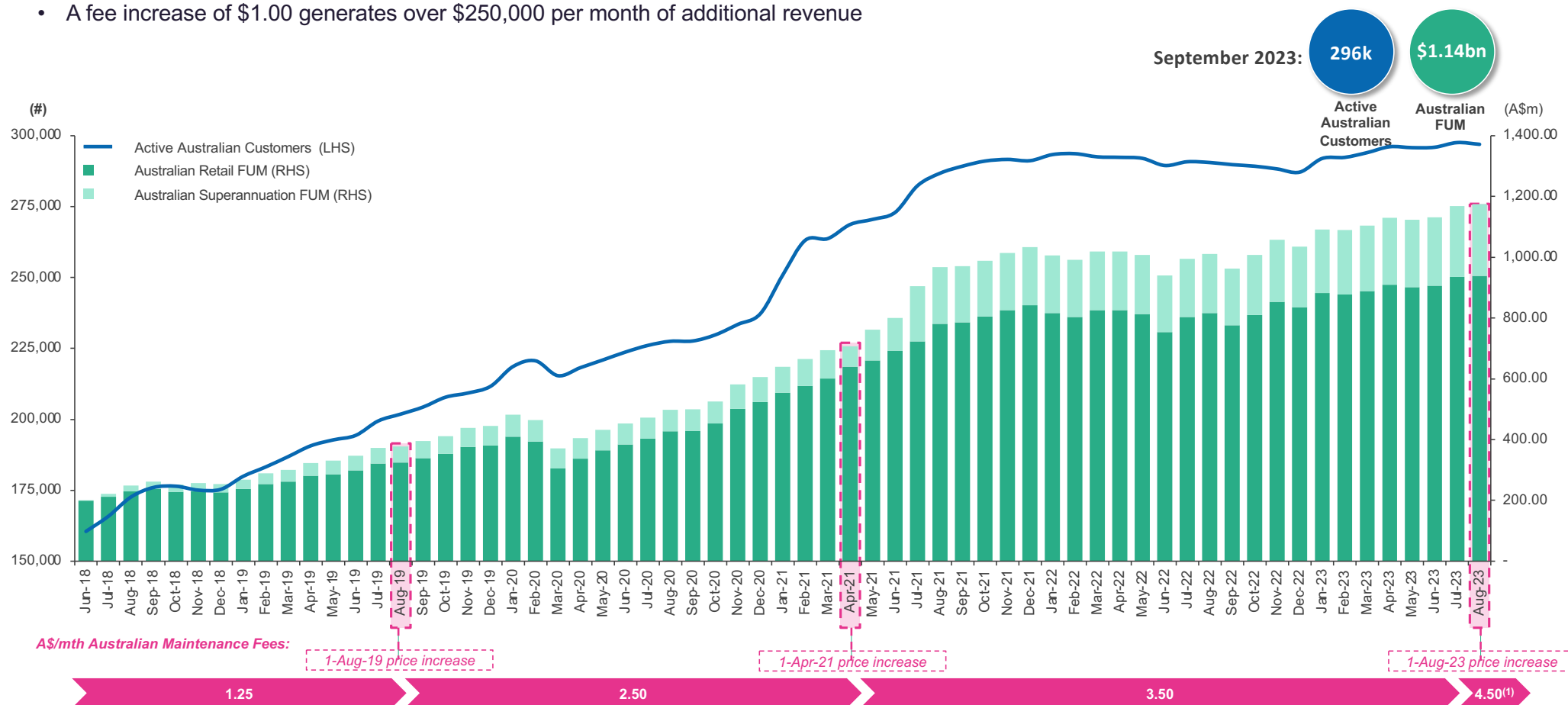
Raiz is designed to nurture and grow with customers financial needs

# Continued robust growth

Consistent active customer and FUM growth achieved with increased pricing



- Australian maintenance fees have been consistently raised with no discernible impact to customer growth.
- Raiz has also maintained world-class financial services CAC in Australia with less than 6 months payback (~A\$21)
- A fee increase of \$1.00 generates over \$250,000 per month of additional revenue





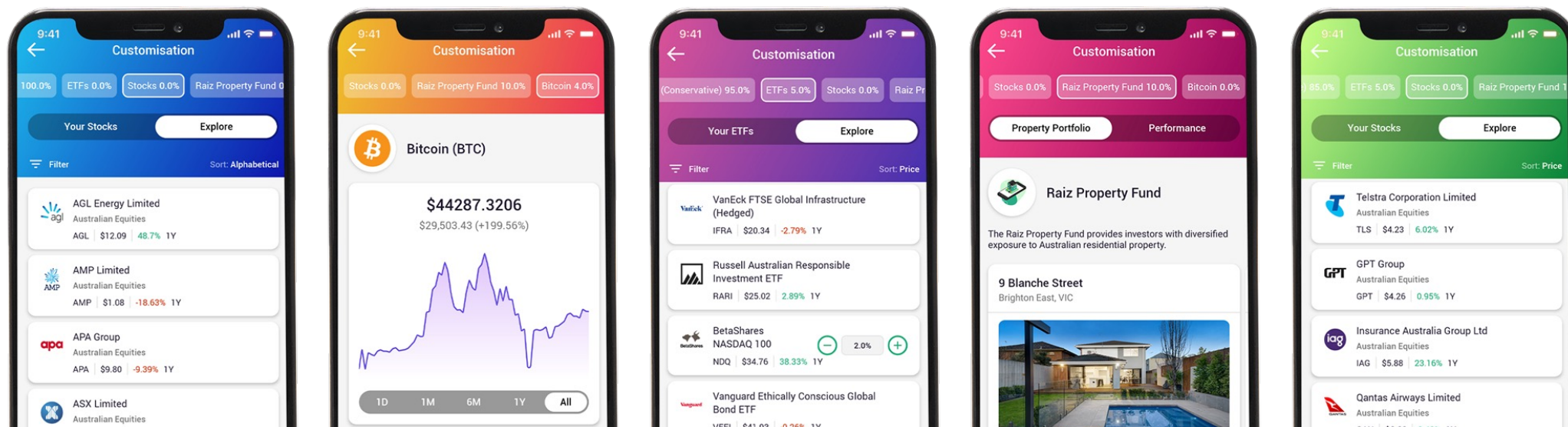
# Our product innovation continues to unlock financial freedom

Continuous product development and innovation from customer feedback



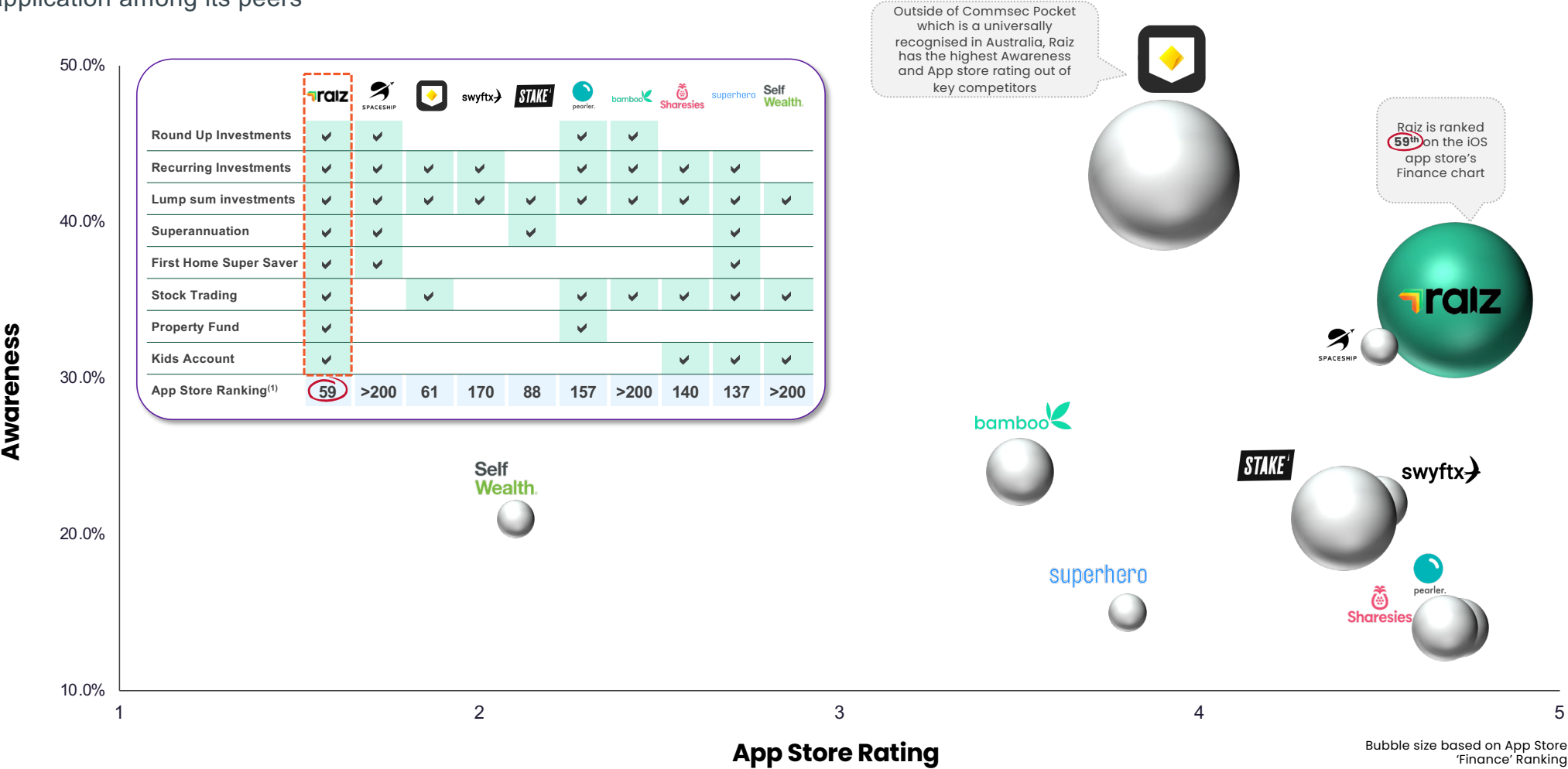
## Product Launch: Plus

- In August 2023 Raiz announced the new product release of Plus
- Plus provides customers with the ability to add up to 50 individual ASX stocks to portfolios for a bespoke investing experience
- This enhanced functionality empowers Raiz users to build fully personalised portfolios including ASX listed stocks alongside existing ETFs, bitcoin and Aussie residential property



# Raiz Continues to Outscore Contemporary Online Investing Apps

Raiz has a market-leading online investing platform, being ranked as the one of the highest rated financial services application among its peers



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Source: Latest company disclosure. Apple App Store as at 12 October 2023. YouGov research for awareness data. Investment Trends.  
(1) 'Finance' Category App Store Rankings >200 are not specified in App Store rankings.

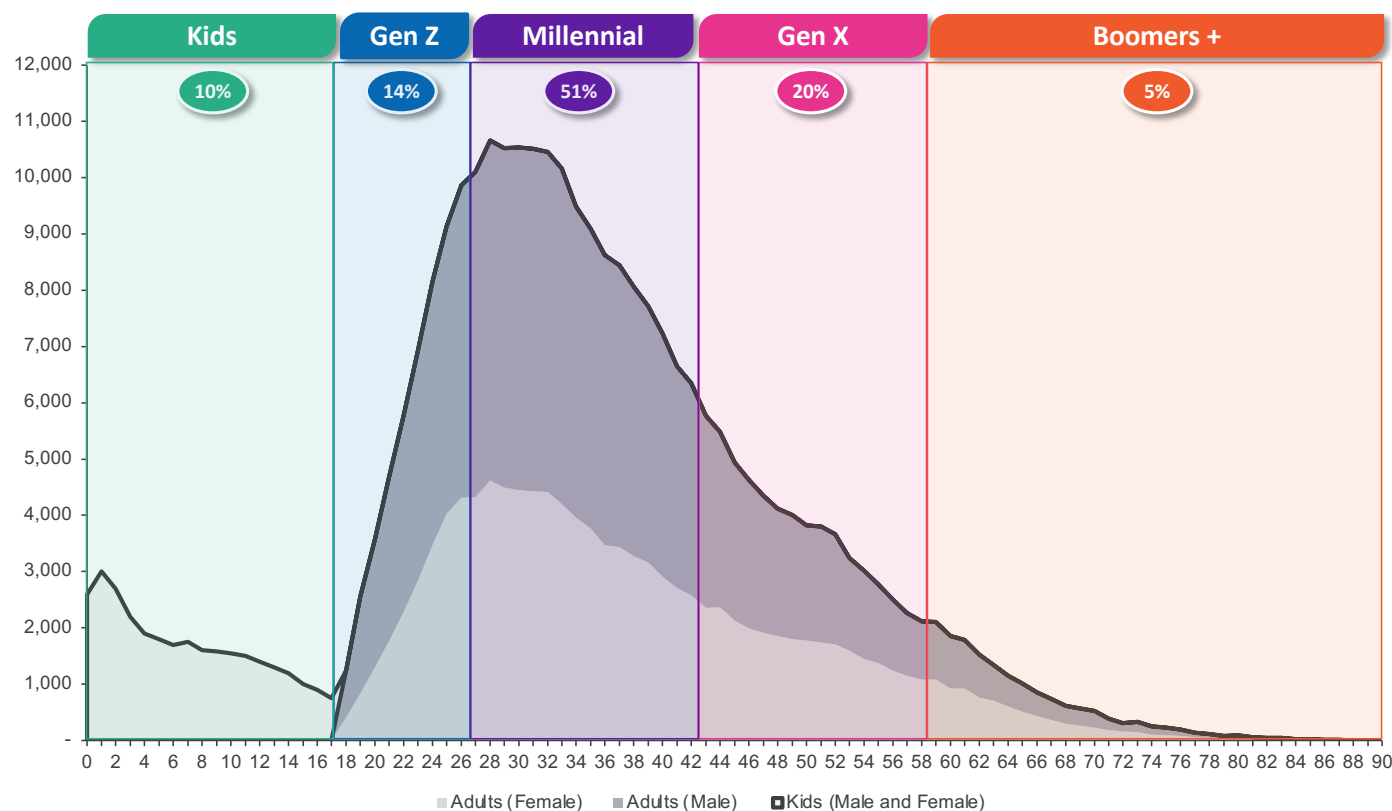


# Innovative Products Supporting Younger Customers on Their Wealth Journey

Raiz's customer distribution highlights its market-leading support of younger customer demographics



## Distribution of Customers Balances >\$500



1

Average adult customer is ~34 years old<sup>(1)</sup>

2

Over 85% of adult customers are Gen Z, Millennials and Gen X, who are approaching significant wealth transfer milestones

3

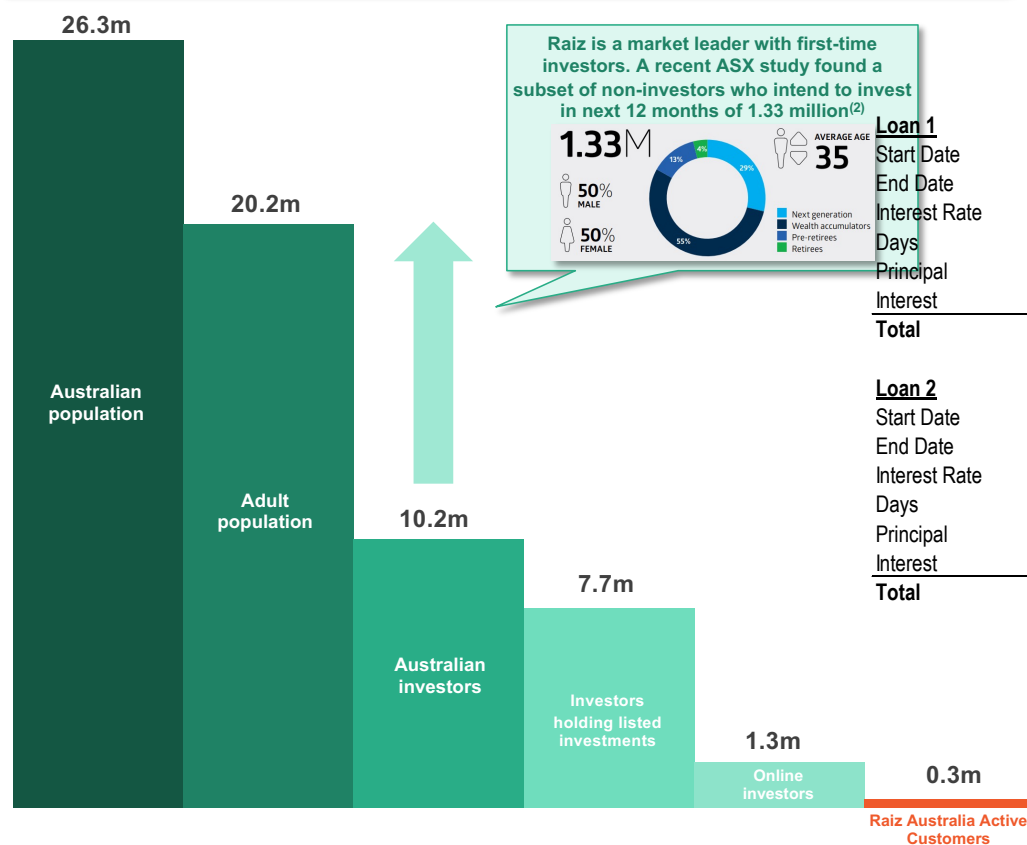
Over 80% of adult customers make monthly investment deposits

# We have a large addressable market in front of us



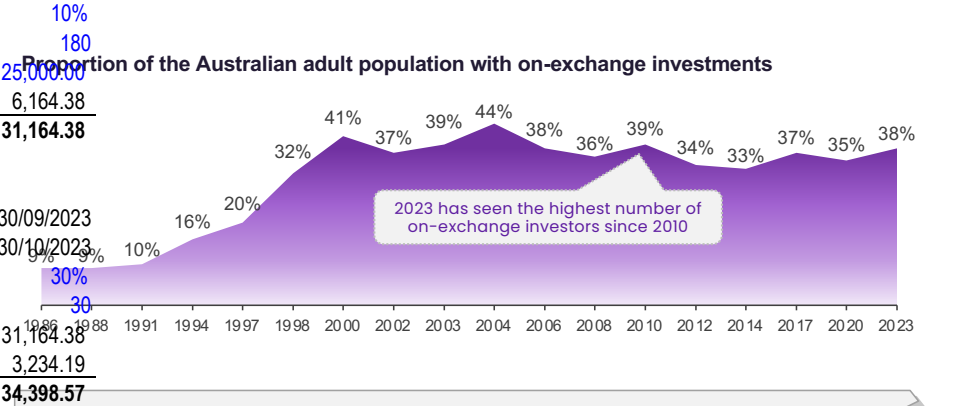
Raiz has an opportunity to capitalise on a large and improving addressable market in Australia

## Investing



## Raiz's Market Proposition

- 1 There is a significant opportunity for further penetration of the adult population who are not yet investors, providing an easy entry in wealth management at low cost
- 2 These industry dynamics are supported by Raiz's strong track record of turning non-investors into first time investors



**"More Australians are becoming investors – that is, they are investing in assets and financial products other than their primary residence and superannuation (excluding a self managed superannuation fund, or SMSF). Out of the total population of 20.2 million adults, our research revealed that 51% of the adult population or 10.2 million Australians now hold other types of investments, including investments held personally or in SMSFs, trusts and company structures. This is an increase of 13% or 1.2 million investors since 2020. The COVID-19 pandemic may be behind at least some of this push towards new investment."**

**Australian Investor Study, 2023**

**Raiz currently has <1bp of the A\$15tn Australian Wealth Market<sup>(1)</sup>**

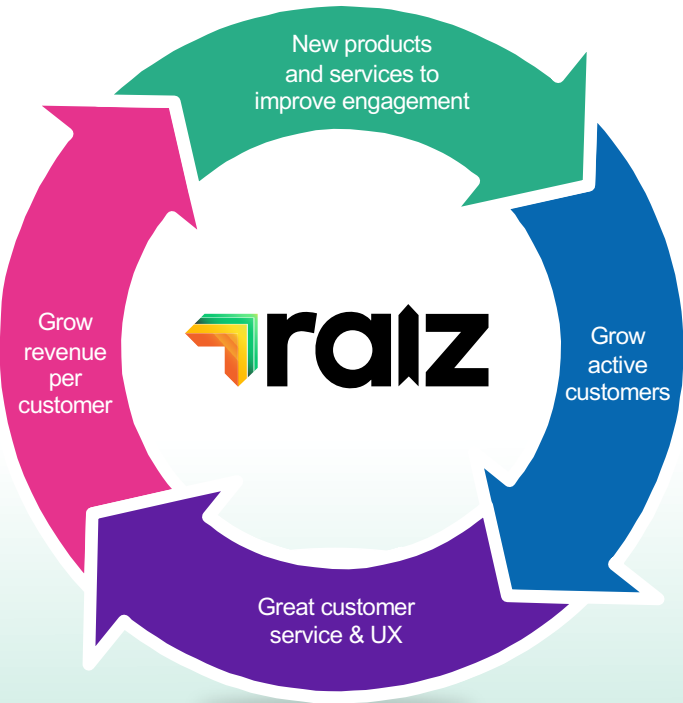
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Source: ABS, ASX (ASX Australian Investor Study 2023), Investment Trends (2023 1H Online Investing Report), IBISworld, Apple App Store (Accessed August 2023).  
(1) Credit Suisse Global Wealth Databook 2023.  
(2) ASX Investor Study 2023




# Consistent and disciplined delivery of our strategy

Focusing on continued growth, customer experience leading to a strong path to profitability



Delivering our strategy is underpinned by our ability to effectively action customer feedback

Utilise best-in-class infrastructure to launch customer focused products 	Growth in customer & product in the core Australian business 	Restructure Southeast Asian presence 	Focus on low cost of customer acquisition to drive new accounts 	Increase 'Lifetime Value of Customers' through new products and services 	Maintain disciplined focus on costs – sustainable organisation 
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# Management strategic outlook

Significant growth opportunity continues – delivered by a strong culture and people



## Customer Growth & Experience

- Building on strong loyalty with **exceptional customer service** and personalised experience
- Continue to **grow core Australian business** with improved product offering
- Continue to promote the benefits of saving and investing in **Raiz Super** and **Raiz Kids**

## Maintain our brand & reputation

- Increase brand awareness amongst all Australians looking to **save and invest**
- Continue to be a **trusted provider** of **financial education** supporting customer **financial security**
- **Strong and robust** systems and infrastructure for the financial security of our customers

## Exceptional products & service

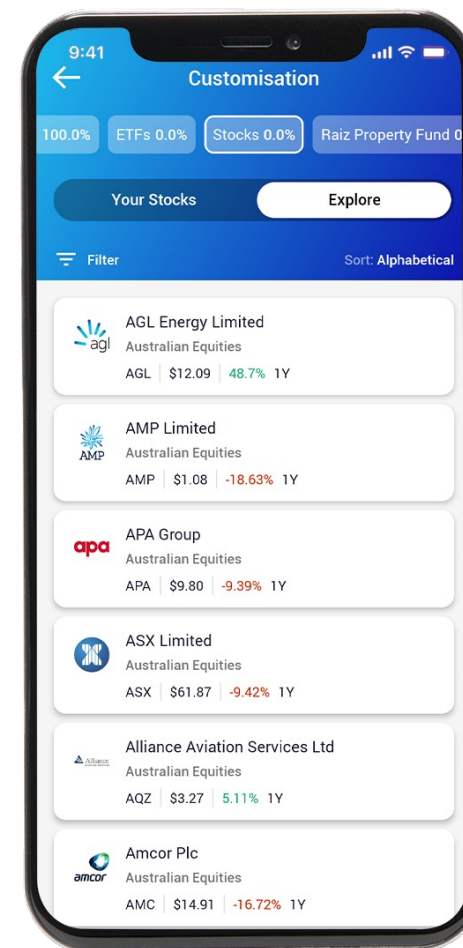
- Maintain **world class** financial services CAC with new products and new channels
- Deepen **customer trust** to increase share of wallet to drive revenue growth
- **Listen to customers** to design products to enhance our existing core platform

## Operating leverage

- Australian unit economics **above break-even**, generating cashflow to support ongoing investment
- **Reinvestment** in infrastructure – resilient and secure systems with strong technology strategy
- Build on the **strong risk culture** and capability and our **people**

## Sustainable Organisation

- Staying relevant and continue to reinvest into **product development** for innovation
- Maintain **efficient use of capital** and prudent cost control strategy
- Restructured to generate **revenue streams** from technology and brand license agreements in Southeast Asia

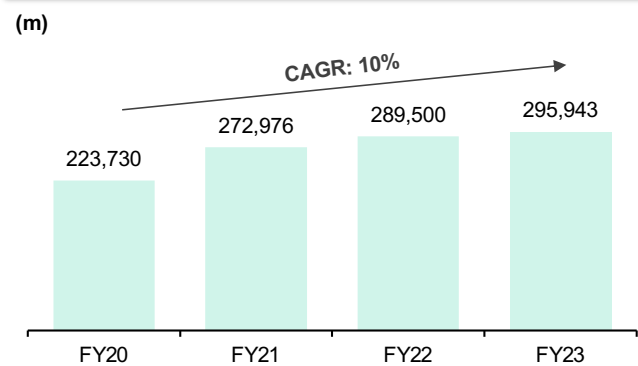


# Continued Outperformance Across Key Metrics in Australia

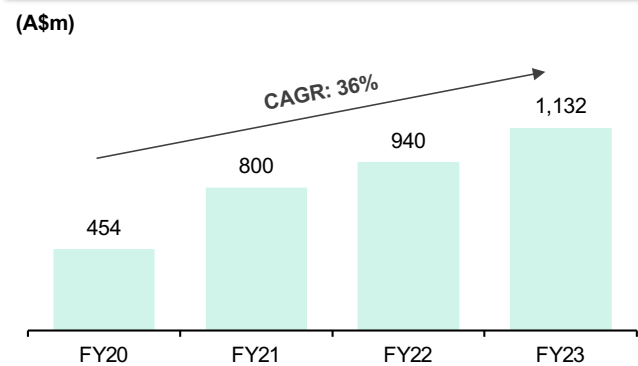
Strong Results Providing a Solid Platform for Ongoing Growth



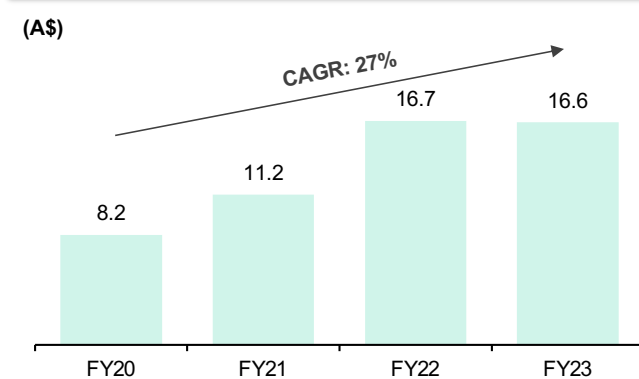
Active Customers (Australia)



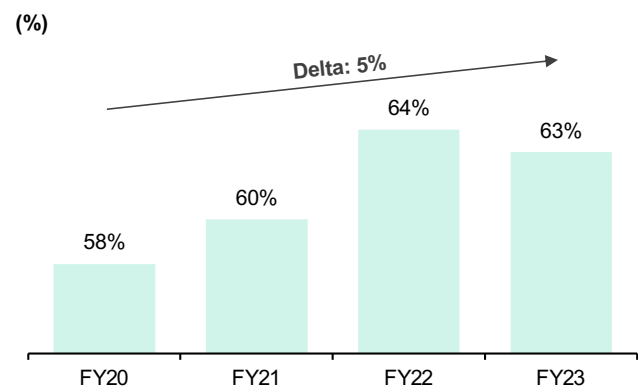
FUM (Australia)



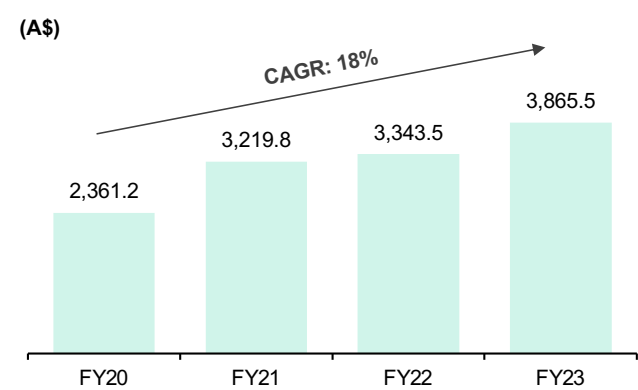
Revenue (Raiz Micro Investing Platform Aus)



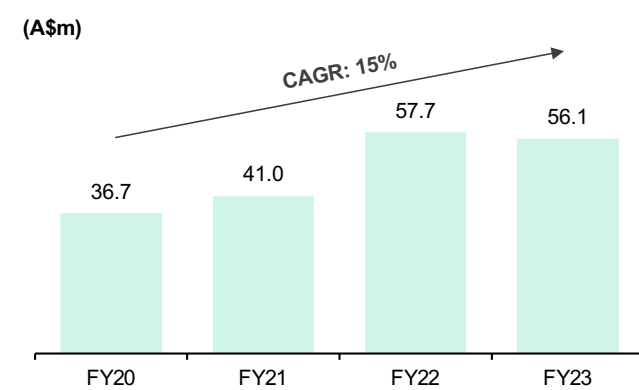
Gross Margin (Australia)



Average Account Balance (Australia)



Average Revenue Per Customer (Australia)

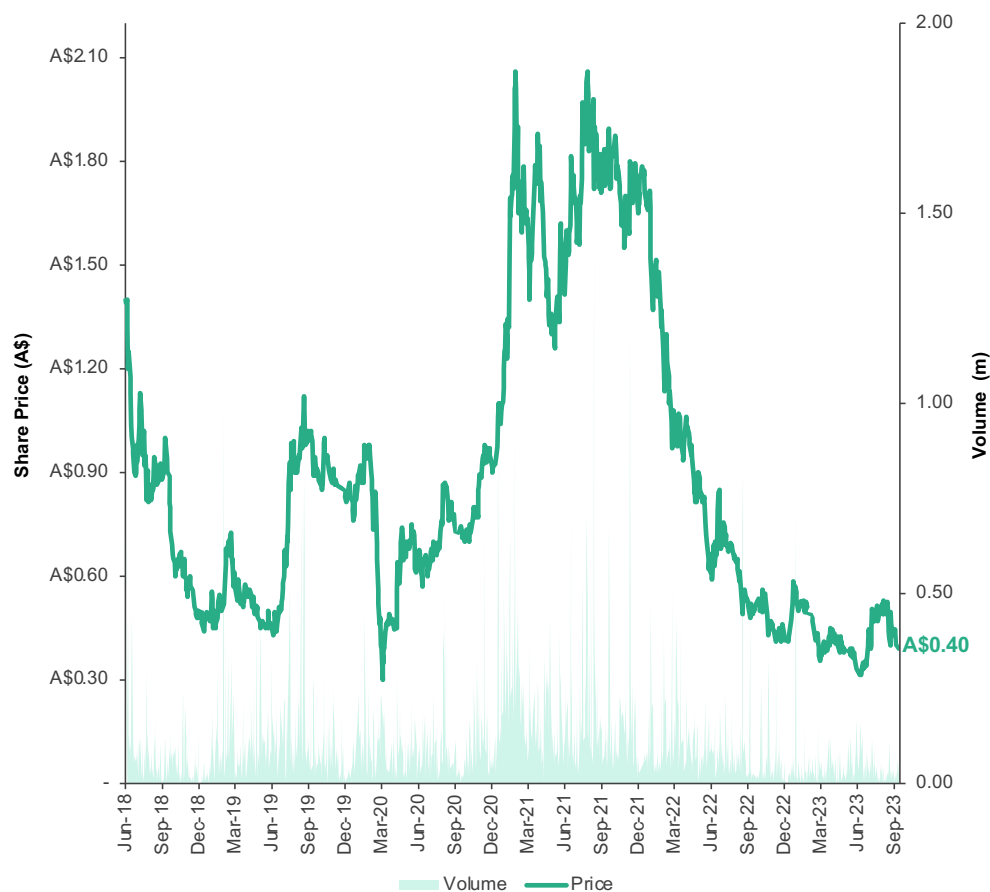




# Stock Performance Since IPO and Current Capital Structure and Substantial Holders



## Share Price & Volume



## Capital Structure and Substantial Shareholders

### Capital structure (FY23 Reported)

Shares on issue	93.4m
Share price <sup>(1)</sup>	A\$0.40
12 month range	A\$0.40 - A\$0.49
Market capitalisation	A\$36.9m
Net cash & term deposits 30 June 2023	A\$8.6m

Substantial shareholders (FY23 Reported)		Shares	(%)
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	6.4m	6.8%
2	SEVEN WEST MEDIA INVESTMENTS PTY LTD	6.2m	6.6%
3	UBS NOMINEES PTY LTD	6.0m	6.4%
4	ACORNS GROW INCORPORATED	5.2m	5.6%
Top 20 shareholders		53.4m	57.2%
Other investors		40.0m	42.8%
Total		93.4m	100.0%



Thank you

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