

ASX Announcement | 21 November 2023 Raiz Invest (ASX:RZI)

Raiz achieves stability driving a strong outlook

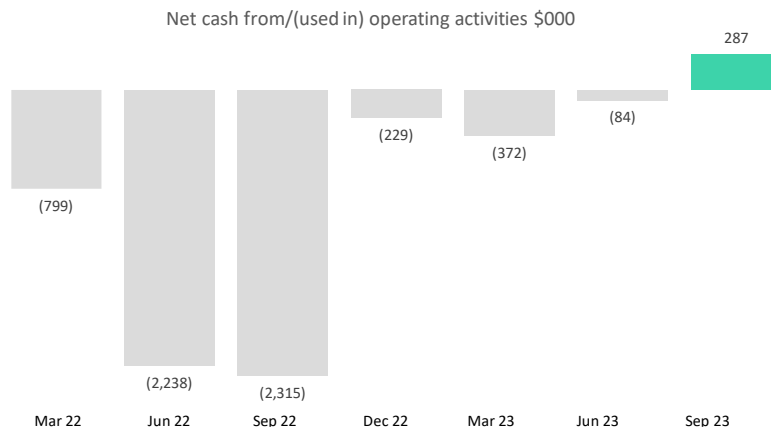
Raiz Invest Limited (ASX:RZI) ("Raiz Invest" or "the Company") is pleased to present a strategy update for the 12 months to 30 September 2023, along with our outlook for the year ahead.

This period has been defined by a refocussing and restructuring of the business to enable enhanced performance for our shareholders and customers.

The significant progress made this year is detailed in this summary of our financial and investment highlights and product development which, combined with our refreshed marketing program and considerable market opportunity, form the foundations for our positive outlook for the year ahead.

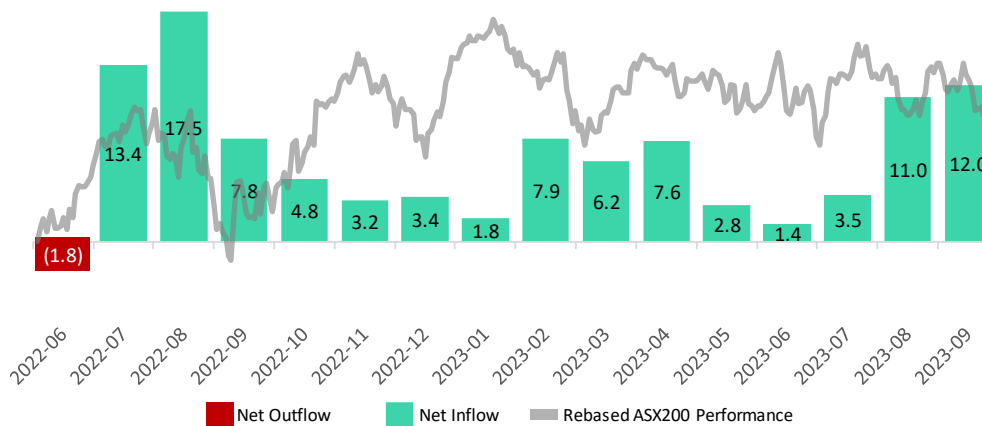
Financial and Investment Highlights

- Raiz remains Australia's largest mobile-first financial services platform designed to boost investing, savings and financial education, offering something to everyone via an app and our website.
- The total normalised revenue for the Raiz platform accrued in the September 2023 quarter (Q1 FY24) was \$5.16m, up 20.4% on the prior corresponding period (PCP) and 16.8% on a quarter on quarter (QOQ) basis.
- Global active customers reached 679,918, up 1.3% year on year (YOY).
 - Australian active customers up 2.2% YOY to 296,114
 - Indonesian active customers down 1.7% YOY to 264,433
 - Malaysian active customers up 6.1% YOY to 119,371
- Global funds under management (FUM) was \$1.16bn at the end of Q1 FY24, up 19.1% YOY.
 - Australian retail FUM was up 18.0% YOY at \$915.6m (QOQ: +1.0%)
 - Australian superannuation FUM was up 23.8% YOY at \$231.7m (QOQ: +2.9%)
 - Indonesian FUM was up 3.7% YOY to \$1.1m (QOQ: -17.6%)
 - Malaysian FUM was up 13.0% YOY to \$14.4m (QOQ: +7.1%)
- Improvements made in operating activities throughout the year saw The Group deliver its first positive operating cash flow position since Jan 2022:



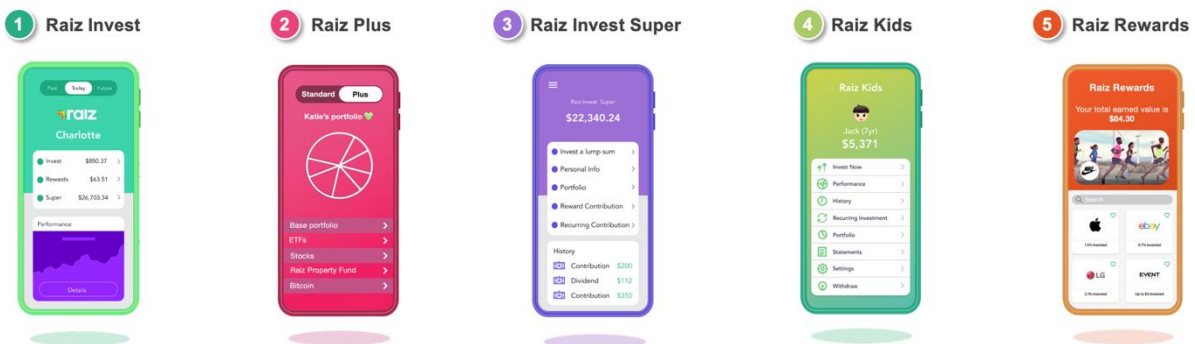
- Sustaining a minimal churn of customers during a volatile market period, with cost-of-living pressure and rising interest rates, contributed to the positive results.

- Maintaining a robust and unencumbered balance sheet by strategically reducing and restructuring existing third-party contracts and mitigating future liabilities.
- Achieving a significant milestone of delivering over \$100m in dividends to our customers.
- Advancing the restructuring of Southeast Asian operations without the need for additional funding and strictly adhering to the approved budget.
- Despite significant market volatility, Raiz Australia has continued to receive positive net FUM inflows during the year. Net FUM inflows includes all deposits and withdrawals:



Product and Development

Raiz has a comprehensive investment product suite that is designed to match our customers' needs at every stage of their life.



- Raiz Kids active kid's accounts increased to over 32,000 with more than \$24m in FUM, reflecting impressive growth in excess \$15m for the year.
- Raiz Invest Emerald, our socially responsible themed portfolio, was rated the number 1 SRI themed Superannuation portfolio over the last 12 months by SuperRatings, as published in the Australian Financial Review ⁴.

⁴ AFR article dated 17th July 2023 - <https://www.afr.com/policy/tax-and-super/top-10-super-funds-for-2022-revealed-20230717-p5dorc>



- Raiz Invest Super and Superestate Super were consolidated over the period in preparation for increased growth.
- Revenue generated from more than 1,300 instore and online partners paying to advertise on the Raiz platform, with high engagement from customers. We are actively expanding our network to include additional everyday household retailers, providing increased opportunities for savings.
- Raiz Plus portfolio was launched in August 2023 offering customers an innovative portfolio to fractionalise not only ETFs, Bitcoin and Property but also ASX stocks.
- The Raiz Property Fund customers grew to over 13,000 users (+138% YOY) and FUM to over \$22.3m.
- The Raiz Property Fund purchased two new properties during the year, bringing the total to 11 properties across Australia.
- Raiz Invest was named in CNBC's Top 200 Global Fintech companies in August 2023.
- Raiz Invest was awarded Best Fintech App at the August 2023 Fintech Australia Awards.



CNBC's top 200 global fintech companies



Marketing and Brand

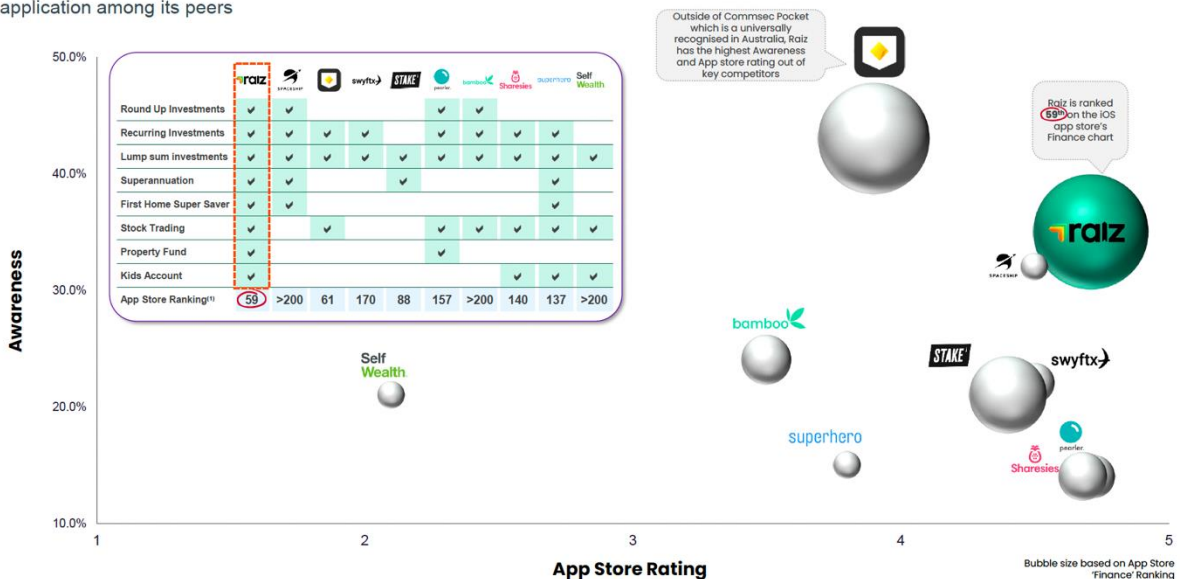
As we head into the new year, we have been working hard with our partner Seven West Media to structure a campaign to position Raiz top of mind as Australians set their New Year resolutions and 2024 financial goals. Our new campaigns for brand awareness and call to action will go live on 1 January 2024 as we finalise product and app enhancements over the coming month.

Industry Dynamics

Raiz continues to lead the way in Australia for micro-investing services and is strongly positioned to move further ahead with product innovations and new integrated marketing and branding campaigns, delivering the right message at the right time to all Australians.

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



Source: Latest company disclosure, Apple App Store as of 13 October 2023, YouGov research for awareness data, Investment Trends. (1) 'Finance' Category App Store Rankings >200 are not specified in App Store rankings.



Media Exposure

Raiz launches new feature allowing micro-investors to invest in properties – <https://www.savings.com.au/news/raiz-property-investment>

Raiz Emerald portfolio was rated as the number 1 SRI themed Superannuation portfolio over the last 12 months by SuperRatings, as published in the Australian Financial Review - <https://www.afr.com/policy/tax-and-super/top-10-super-funds-for-2022-revealed-20230717-p5dorc>

Raiz Invest launches fully customisable Plus portfolio with access to single stocks - <https://itwire.com/guest-articles/company-news/raiz-invest-launches-fully-customisable-plus-portfolio-with-access-to-single-stocks.html>

Raiz Invest at the Australian Microcap Investment Conference – <https://www.proactiveinvestors.co.uk/companies/news/1030419/raiz-invest-at-the-australian-microcap-investment-conference-1030419.html>

Raiz Invest named on CNBC's top 200 global fintech companies – <https://www.cnbc.com/2023/08/02/cnbcs-top-200-global-fintech-companies-the-complete-list.html>

Seven's Phoenix takes flight with new partnerships with Raiz Invest – <https://www.adnews.com.au/news/seven-upfront-phoenix-total-tv-trading-system>

Strategy Update and Outlook

At our AGM in November 2022 we outlined a number of strategic goals, which we have achieved by:

- Reducing operating cost to return to a positive operating cashflow across The Group.
- Continuing to grow our customer base, including demonstrating strong customer retention in a volatile economic environment.
- Continuing to broaden and grow our consumer offer by introducing new products and innovating on our core product set based on requests by customers.
- Consolidating the Super products to enhance our Super offering.
- Restructuring and neutralizing the Southeast Asian cash burn and not providing further operational capital.
- Determining the future of our Indonesian business and commencing legal and regulatory actions to close this business.
- Improving ROI by strategically deploying capital in the correct places.

Moving Forward – Our Strategic Positioning

Raiz is a market leader with first-time investors. A recent ASX study found the subset of non-investors who intend to invest in the next 12 months was 1.33 million¹.

Raiz is positioned extremely well to move forward on the refocussed Australian opportunity aimed at delivering continued growth and innovation.

¹ ASX (ASX Australian Investor Study 2023), Investment Trends (2023 1H Online Investing Report)

¹ ASX (ASX Australian Investor Study 2023), Investment Trends (2023 1H Online Investing Report)



Key Strategic Plans Looking Forward Include:

- **Product Development:** Our defined product development roadmap, informed by our customers, will deliver innovative new products that they value and need.
- **Active Customers:** Building active customer numbers with the goal of achieving over 500,000 active customers in the next three years. This will be achieved through stronger brand awareness and calls to action in partnership with Seven West Media, driving attraction, conversion and customer retention rates.
- **Revenue Growth:** Cross sell our revenue generating products to our customer base and increase the re-engagement rate with customers on the app.
- **Strategic Partnerships:** Develop appropriate partnerships that can improve our reach within the Australian market with a focus on our Super offering.
- **Financials:** Continue to reinforce the company's financially sustainable position with a focus on Total Shareholder Return (TSR) and Earnings per Share (EPS).
- **Our People:** Lift leadership capacity and talent and continue to develop and retain our high performing team.

Brendan Malone, Raiz Invest Managing Director and CEO said:

"Raiz has achieved a great deal in the last 12 months, both for our customers and our shareholders.

We are confident that our refocus and restructure over the past year will lead to stronger growth in our customer numbers, increased FUM and revenue. While the changes for Southeast Asian operations have taken longer than we had hoped, it has been managed in line with a strict budget and no additional capital being deployed.

The team keep delivering. We continue to listen to customers and have a very strong product roadmap, supported by integrated marketing campaigns coming for 2024."

Ends



Authorised for release by The Board of Directors.

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Raiz Invest

About Raiz Invest Limited

Raiz Invest Limited (ASX: RZI) ('Raiz' or 'the Company') is a multi-award-winning micro-investing and fintech platform with operations in Australia and Southeast Asia.

Raiz is the market leader in Australia for micro-investing. Raiz pioneered the concept of "round-ups" in Australia; when you buy a coffee for \$4.50, the Raiz app automatically rounds-up the \$0.50 change and invests it in a diversified portfolio for you.

Raiz is also a pioneer and market leader in fractionalised investment. Our technology enables our customers to start investing in ETFs, Bitcoin, Raiz Property Fund and up to 50 of the most recognised stocks on the ASX with as little as \$5.00, and once a customer has started there is no minimum investment or withdrawal amount.

Because of the market leading innovations, Raiz remains the number one investment App and a clear leader in the Australian market. To learn more, please visit: www.raizinvest.com.au
