

Strong growth in Active Traders and Funds Under Management driving market share gains

Highlights

- **Strong growth in leading indicators:** Active Traders increased by 75% in 1H FY22 vs 1H FY21 to 117,674, and Equities Under Administration increased by 110% to \$8.2B.
- **Revenue growth in volatile market conditions:** Revenue increased by 18% in 1H FY22 to \$9.9m, up from \$8.4m in 1H FY21 in a competitive and volatile market.
- **Growing Market Share:** SelfWealth is the fourth largest online broker and the second most popular platform chosen by investors looking to set up a new online account, according to independent research firm, Investment Trends (covering May to November 2021).
- **Signed agreement with crypto exchange:** Signed a Heads of Agreement with BTC Markets to provide access to select cryptocurrency assets on the SelfWealth platform.
- **Executing on the product roadmap:** First Australian retail platform to offer USA Early Access and the launch of Hong Kong international trading is on track for this quarter.

Melbourne, Australia – 21 February 2022: SelfWealth Ltd (ASX:SWF) (“SelfWealth” or “the Company”) is pleased to report its first half year results for the FY22 financial year.

1H FY22 Results Summary

	1H FY22	1H FY21	Change
Revenue	\$9.9m	\$8.4m	18%
Active Traders*	117,674	67,394	75%
Total Trades	857,384	757,960	13%
Equities Under Administration**	\$8.2B	\$3.9B	110%
Client Cash**	\$677m	\$441m	53%
Funds Under Administration**	\$8.8B	\$4.3B	104%
EBITDA	(\$2.3m)	(\$0.4m)	508%
Net Loss	(\$2.4m)	(\$0.4m)	459%
Operating Cash flow	(\$2.1m)	\$0.4	(\$2.4m)
Cash Balance	\$14.9m	\$7.3m	105%

*Active Traders are portfolios that are ready to trade, with cash and/or equities in their portfolio

**Equities Under Administration, Client Cash and Funds Under Administration, include both Australian and US securities, with US securities converted to AUD

Overview of 1H FY22 Financial Performance

SelfWealth has continued to deliver exceptional growth in Active Traders and Funds Under Administration (FUA) on the platform (including both equities and cash in Australia and the US) over the past year.

SelfWealth delivered strong revenue growth of 18% in 1H FY22 to \$9.9m, up from \$8.4m in 1H FY21, driven by an increase in Active Traders of 75% and an increase in FUA of 104% to \$8.8B over the past year.

In December 2020, SelfWealth launched US Trading and over 35% of Active Traders have added US functionality within the first year.

SelfWealth has cemented its position as the fourth largest online broker and the second most popular platform chosen by investors looking to set up a new online account, according to independent research firm, Investment Trends.¹

Executing on the growth strategy

SelfWealth's mission is to empower people to achieve financial freedom and the Company's growth strategy is to diversify revenue streams by offering a broad product portfolio to retail investors to support their wealth creation journey.

In July 2021, SelfWealth raised \$11.74m through a Placement Offer to institutional and sophisticated investors and a Share Purchase Plan (SPP), in order to accelerate its growth strategy.

There are five pillars to the growth strategy:

1. Broaden product offering and invest in IT resources for development of new products;
2. Invest in the user experience and high-demand features;
3. Pursue a more aggressive marketing strategy;
4. Implement a leading edge data & analytics strategy; and
5. Building capability across the organisation to enable growth

SelfWealth has made considerable progress on all these strategic initiatives, including onboarding top technology, data and product resources as well as introducing new features such as instant payments, free ESG data, early access to the US markets.

¹ Investment Trends, 2021 H2 Australia Online Investing Report. 20% growth in primary relationships identified between reporting periods.

SelfWealth is focused on competitive differentiation through the provision of exceptional client service and the Company continues to build out its marketing capabilities, delivering best in class education and content to its growing customer base.

Signed agreement with crypto exchange

SelfWealth has executed a Heads of Agreement with BTC Markets, Australia's largest and most liquid cryptocurrency exchange to provide access to select cryptocurrency assets via the SelfWealth platform. SelfWealth aims to be the first Australian-based online platform to combine direct Australian equities, US equities and cryptocurrency in a single account on the one wealth creation platform.

This product offering is in response to strong demand from SelfWealth's customer base and ongoing retail investor demand in Australia. The addition of a cryptocurrency asset class to the SelfWealth platform will further enhance revenue diversification. A competitive percentage fee will be applied to cryptocurrency trading volumes undertaken on the SelfWealth platform.

The design and development of cryptocurrency on the SelfWealth platform is underway. The launch will be subject to satisfying the compliance requirements of all relevant authorities and the successful completion of development and testing.

Ongoing Product Innovation

Over the past six months, SelfWealth has introduced instant deposits, live pricing and ESG data which were all deployed since September 2021, as well as the deployment of Chi-X ETF access and additional US trading features, including pre-market access and advanced order types. The launch of Hong Kong international trading is on track for this quarter.

Update on trading in Q3 FY22

Over the past few months, market conditions have become more volatile and investors are starting to adjust their behaviour to prepare for a rising interest rate environment. SelfWealth is effectively adapting to these market changes through a focus on value-added content and client retention to ensure the Company continues to gain market share in a competitive environment.

SelfWealth Managing Director and CEO, Cath Whitaker, commented, "Over the past six months, we have continued to invest in our marketing and brand awareness strategies, thus leading to the strong growth in Active Traders and FUA on our platform. These variables are the leading indicators of future revenue growth and provide a strong platform for cross-selling new products, such as cryptocurrency and Hong Kong trading, to our growing customer base."

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