Quarterly Cash Flow and Activities Report

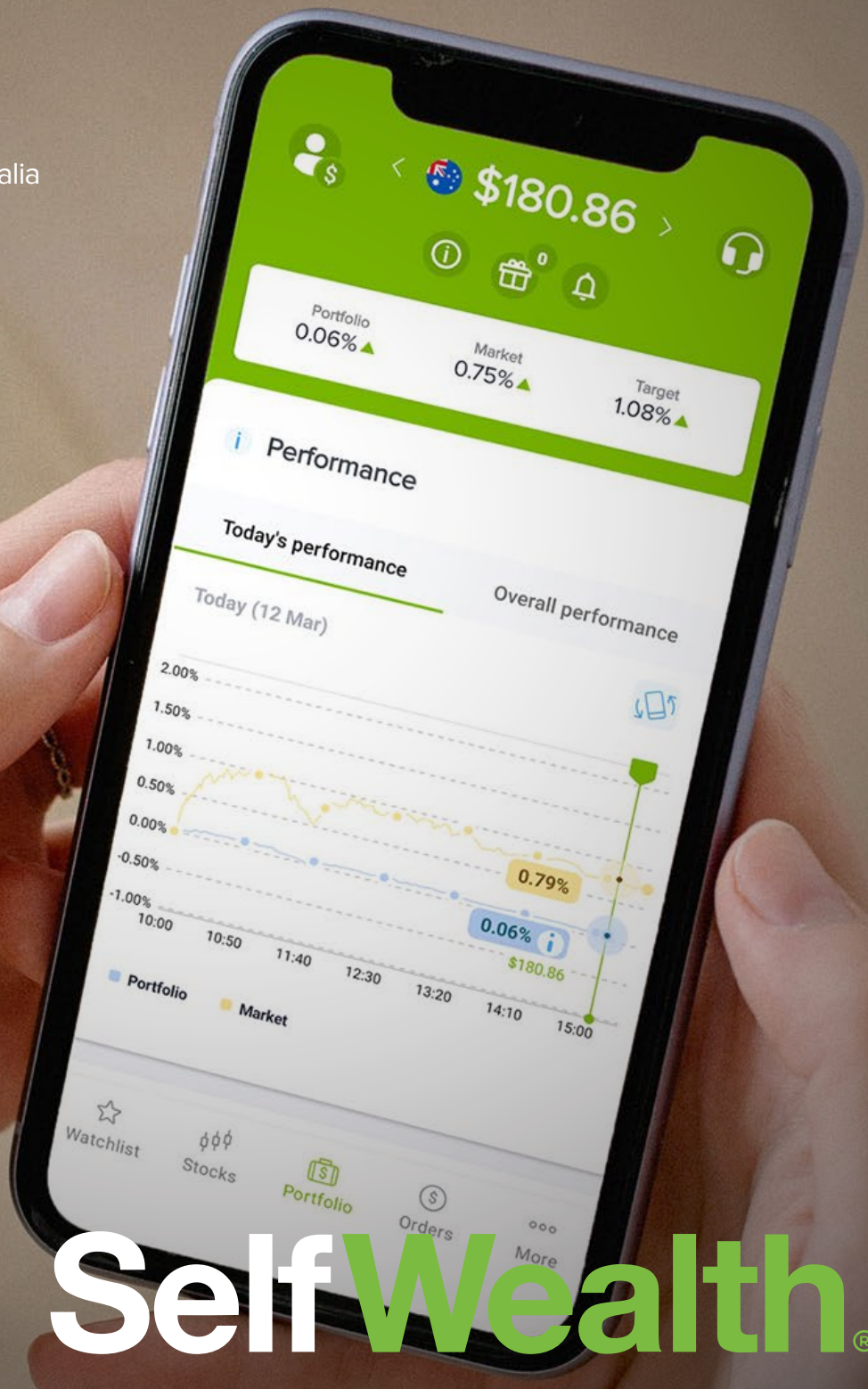
Appendix 4C

Quarter 3, Financial Year 2021

12th April, 2021

SelfWealth Ltd
Level 2, 613 Canterbury Road
Surrey Hills, 3127, Victoria, Australia

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SelfWealth®

Trade smarter. Every time.

Our goal is to empower people to build their own wealth, which is why we've created a place where every investor can learn and benefit from the experience of a large community.

It's a revolutionary way to trade and it's more affordable, too.

SelfWealth. Trade smarter. Every time.

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Quarterly Activities Report

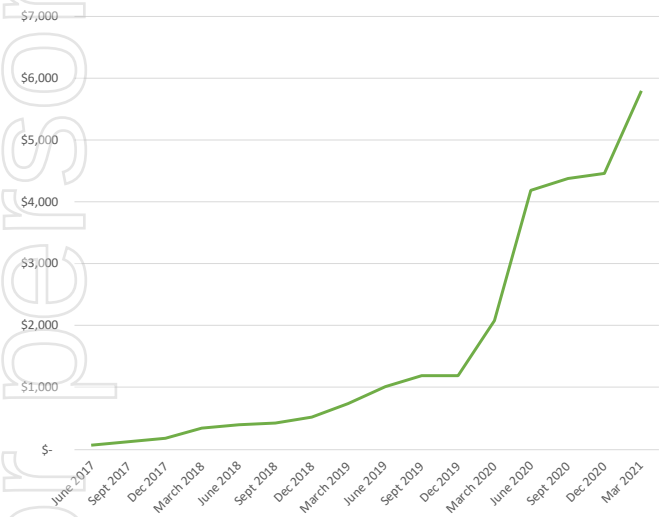
Highlights

- Record quarterly operating revenue of $5.78m. Up 178% YOY.
- Record quarterly increase of 18,645 active traders to 85,944. Up 166% YOY.
- Record quarterly trade volume breaks 500,000 for the quarter. Up 220% YOY.
- Positive quarterly cash flow from operating activities of $558k
- Value of AUD 'client cash held' increases to $452m whilst $86m transferred to USD wallets
- Value of securities held on HIN breaks $5bn mark to $5.15bn

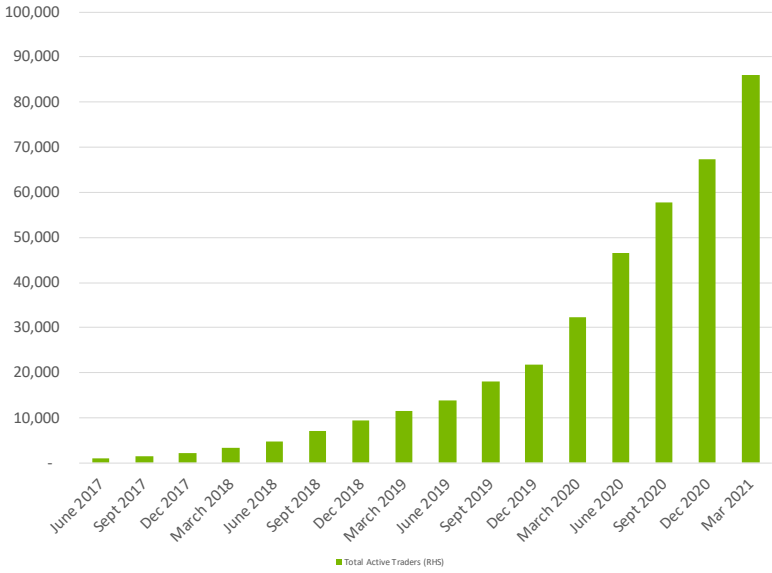
YOY Growth Rates

	Mar '20	Dec '20	Mar '21	YOY Change
Operating Revenue (m)	$2.08	$4.46	$5.78	178%
Active Traders	32,313	67,394	85,994	166%
Quarterly Trades	160,863	378,430	514,246	220%
Client Cash (m)	$359	$435	$452	26%
Securities Held on HIN (bn)	$1.56	$4.30	$5.15	230%

Operating Revenue by Quarter ('000)



Active Trader Growth by Quarter



Melbourne, Australia – 12th April 2021: SelfWealth Ltd (ASX:SWF) ("SelfWealth" or "the Company") has released its third FY21 Quarterly Cash Flow and Activities Report.

This report shows another record quarter of growth in client acquisition and operating revenue, primarily driven by the introduction of US trading and record interest in US securities from Australian investors. In addition, the February half year reporting season drove stronger trading activity from a growing 'active trader' base.

SelfWealth Ltd
ACN 154 324 428

Level 2, 613 Canterbury Road
Surrey Hills
Melbourne, VIC, 3127

shareholders@selfwealth.com.au
investors.selfwealth.com.au

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The introduction of US trading contributed to 18,645 new 'active traders' joining the platform during the quarter. This record significantly exceeded the surge in account openings recorded at the beginning of the COVID-19 pandemic. Over 25% of total 'active traders' have added US functionality to their existing ASX portfolios.

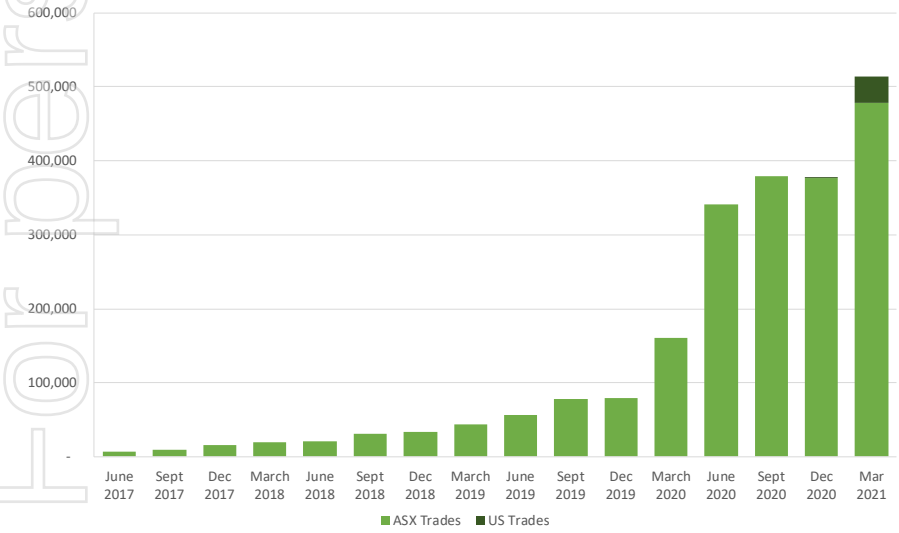
In the March quarter, we successfully launched our new iPhone app to enable clients to trade effortlessly on both domestic and US markets. Our commitment to ongoing product innovation is an important component of our customer acquisition and retention strategy.

SelfWealth recently announced the appointment of a new CEO, Cath Whitaker, and a restructured Board with current Managing Director, Rob Edgley, transitioning to the Chairman role (see ASX announcement 29th March 2021). These changes embed global expertise in financial services technology and digital transformation within the leadership team, in order to continue expanding as Australia's leading low-cost, online trading platform.

SelfWealth Managing Director, Rob Edgley, commented, "SelfWealth continues to benefit from the key structural changes in investment markets, driven by ultra-low interest rates globally and the digitalisation of investment markets, which were accelerated by the COVID-19 pandemic. We remain focused on the opportunities for market share expansion in this growing market and we are committed to ongoing product innovation to lead disruption in the industry."

Key Performance Indicators

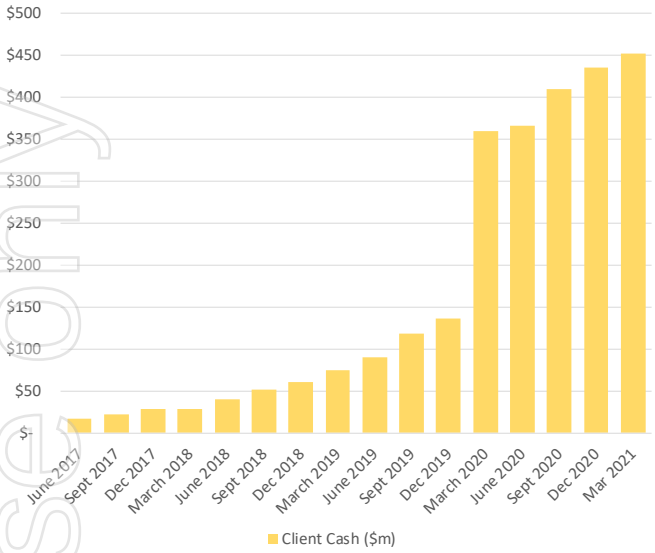
Trade Growth by Quarter



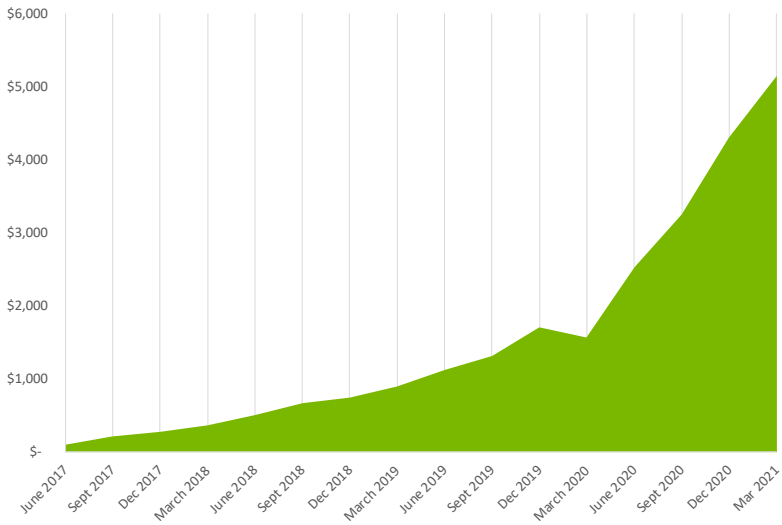
The March quarter saw a significant step up in the number of trades executed by clients for a total of 514,246 trades, up 36% quarter on quarter and 220% year on year. The first full quarter of US trading saw 36,266 trades completed by SelfWealth clients, which represents 7% of total trades for the quarter. During February, a healthy Australian reporting season saw increased client activity and a record number of trades for the month.

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Total Client Cash by Quarter



Total Securities Held on HIN by Quarter



Total 'client cash held' in Australian dollars on the SelfWealth trading platform finished the March quarter at $452m. This final figure was particularly encouraging, considering that $86m AUD was transferred from clients AUD accounts into their USD wallets during the quarter.

At the end of March, total securities held on HIN finished at $5.15b from $4.30bn at the end of December, in line with a generally positive market over the quarter and a continuation of new clients transferring their securities to SelfWealth from other brokers.

Update on US Trading

US stock trading began on December 14th 2020 and therefore the March quarter provided the first full quarter of US trading on the SelfWealth platform. The performance of our new US trading product throughout the GameStop trading frenzy was particularly pleasing amidst platform issues and trading restrictions at competing trading platforms. This led to record client acquisition for SelfWealth together with a much larger than expected 25% take up of US trading functionality from amongst SelfWealth active traders by quarter end.

Revenue for US Trading is received monthly in arrears and consists of both a foreign exchange (FX) margin and a USD brokerage fee. As a result, the revenue shown in the attached Appendix 4C only represents 2.5 months from the beginning of trading on December 14th until the end of February.

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Product and Technology Update

Following the successful launch of US trading in December 2020, we launched a new iPhone app in March. The new app delivers a new 'look and feel' and additional functionality that will continue to be upgraded over time. The app has received positive reviews from SelfWealth clients and is currently rated 4.6 on the app store – one of the highest rated Australian trading apps. The Android version of the new trading app will be available in April.

In addition, the March quarter saw several releases targeting increasing retail trading functionality such as:

- Real-time ASX announcements to all clients
- The launch of detailed stock research reports for all US and Australian equities
- The automation of account update processes, such as updating addresses online

During the June quarter, the following additional functionality and new features will be released onto the SelfWealth trading platform to improve the client experience and ultimately generate higher activity levels.

Minor accounts – this feature will give our customers the ability to set up and invest on their children's behalf. We expect this to increase new accounts, trading volumes and cash deposits.

ESG data – leveraging our existing relationship with Refinitiv, we will provide access to topically relevant company data on Environmental, Social and Governance (ESG) issues, a popular theme amongst our many millennial customers.

Live pricing platform-wide – we will be rolling out a 'live pricing' beta test throughout the whole platform. Currently, 'live pricing' is only available on the stock and order pages. The beta test will be available to SelfWealth Premium subscription members.

Balance Sheet & Cashflow

The Company returned to a healthy $558k positive operating cash flow for the March quarter, a net cash position of $7.41m and no outstanding debt.

Marketing costs increased during the March quarter to promote our new retail trading functionality in US trading and take advantage of new customer acquisition opportunities. Our customer acquisition costs remain at historically low levels, thus providing a significant ROI on marketing spend.

The new OpenMarkets contract for settlement, execution and clearing services came into effect on January 4th, further strengthening gross profit margins. In accordance with the terms of that contract, SelfWealth

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placed a $400k security bond with OpenMarkets for the provision of those services to our clients in early January. This is reflected in item 2.1 (f) of the Appendix 4C.

In accordance with listing rule 4.7C, payments made to related parties and their associates including in items 6.1 of the Appendix 4C incorporates Directors fees, remuneration and superannuation at commercial rates.

Investor Enquiries
Rob Edgley, Managing Director
shareholders@selfwealth.com.au

Media Enquiries
Jarrod Purchase, Head of Marketing
jarrod.purchase@selfwealth.com.au

Robert Edgley, Managing Director of SelfWealth Pty Ltd has authorised the release of this announcement to the market.

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Who is SelfWealth?

The Story

SelfWealth is the solution to a problem: how to provide a fair and simple service to Australian investors, that grants them access to some of the world's most cutting edge investment insights, without breaking the bank.

Since SelfWealth's humble beginnings in 2012, the company listed in late 2017 and introduced what is now known as Australia's most popular low-cost share trading platform. The key offerings are the $9.50 flat-fee brokerage and a community-driven insights tool that pools information from over 80,000 Australian investor portfolios.

This inquisitive company and its leadership continue to innovate and surprise the industry with new solutions to an age-old problem: how to trade smarter.

Product Suite



Share Trading Platform
Australia's most popular low-cost ASX trading platform. Now with US stocks!



Power of the Crowd
Actionable insights from over 80,000+ real investor portfolios that assist members in outperforming the market.



SelfWealth SMSF Leaders Fund
World-first Australian equities ETF driven by community data.



SelfWealth Adviser Platform
Introducing an industry-changing adviser platform for share trading.

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shareholders@selfwealth.com.au
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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

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Name of entity	
SelfWealth Limited	
ABN	**Quarter ended ("current quarter")**
52 154 324 428	31 March 2021

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	5,777	14,609
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(3,344)	(8,751)
	(c) advertising and marketing	(400)	(823)
	(d) leased assets	(35)	(94)
	(e) staff costs	(936)	(2,707)
	(f) administration and corporate costs	(510)	(1,560)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	6	20
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	179
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**558**	**873**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(16)	(25)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	(400)	(525)

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(416)**	**(550)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	1,827
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**1,827**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	7,269	5,261
4.2	Net cash from / (used in) operating activities (item 1.9 above)	558	873
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(416)	(550)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,827
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**7,411**	**7,411**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	2,911	2,769
5.2	Call deposits	4,500	4,500
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**7,411**	**7,269**

6.	**Payments to related parties of the entity and their associates**	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	83
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	558
8.2	Cash and cash equivalents at quarter end (item 4.6)	7,411
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	7,411
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	N/A

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 12th April 2021

Authorised by: The Board of SelfWealth Limited

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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