



ASX Release

25 August 2021

Raiz Invest achieves strong growth across all key metrics in FY21

Investment highlights

- Group revenue up 37% year on year (YOY) to \$13.4m
- A consolidated loss of \$258,000 attributed to shareholders after add backs, see annual report for details
- Global Active Customers up 87% YOY to 456,927
- Australian funds under management (FUM) up 76% YOY to \$799.6 million
- Superannuation FUM up 53% YOY to \$106.6 million
- Micro Investing Platform segment revenue up 40% YOY to \$11.4m
- Revenue Per Customer (run rate) in Australia up 32% YOY to \$62.0

Operational highlights

- Officially launched the Raiz App in Malaysia in conjunction with our joint venture partner
- Introduced Custom Portfolios and the onboarding of self-managed superannuation funds (SMSFs) in Australia
- Launched Raiz Home Ownership assisting first home buyers on their journey to own a home
- Expanded the Indonesia platform by introducing Syariah compliant funds and capital protected funds
- Agreed to acquire Superestate, which will provide Raiz with the capability to offer residential property as an asset class both inside and outside of superannuation (completed 29 July 2021)

Corporate

- Reorganised the Raiz leadership team, with George Lucas appointed as Group CEO and Brendan Malone was appointed as CEO Australia.
- Alex Gao appointed to leadership team as CFO effective 1 July 2021
- Raised \$10.4 million via an institutional Placement and Share Purchase Plan
- As of 30 June 2021, Raiz has a strong balance sheet with cash, cash equivalents and term deposits totalling \$19.4 million

Raiz Invest Limited ('Raiz' or 'the Company') (ASX: RZI) a multi-award-winning micro-investing and fintech platform with operations in Australia and Southeast Asia, is pleased to provide an overview of its financial results for the fiscal year ended 30 June 2021 (FY21). This overview should be read in conjunction with the financial report for the year ended 30 June 2021.



Sustained strong growth across all key metrics

Raiz achieved record results in every quarter of FY21 for Global Active Customers and Funds Under Management (FUM).

Global Active Customers increased by 87% to 456,927 year on year (YOY) and Australian FUM grew to \$799.6 million YOY, a rise of 76%. Superannuation FUM also grew by a solid 53% to \$106.6 million during the period. Meanwhile, Micro Investing Platform revenue was up 40% YOY to \$11.4m.

Australia

The Australian operation remained operating cashflow positive in FY21, with normalised revenue growing by 36% YOY.

With the continued significant growth in Australian FUM, Raiz remains on track to reach its target of \$1 billion by the end of the calendar year.

During FY21, the Company continued to implement a number of enhancements to the user experience in the Australian App, with a sustained focus on increasing customer engagement.

For example, Raiz introduced Custom Portfolios in Australia due to customer demand, bringing in new customers and FUM.

The Company also introduced the onboarding of self-managed superannuation funds (SMSFs), providing Raiz with an entry point into the thriving superannuation space with the aim of further increasing FUM.

In addition, the Company launched its Raiz Home Ownership business, which focuses on first homeowners and helps both existing and newly acquired customers enter the property market.

In line with Raiz's entry into the property and superannuation spaces, the Company agreed to acquire the holding company of Superestate, a niche integrated superannuation and Australian residential property investment platform.

The proposed acquisition also includes Vali, a property data & technology platform, which has a database of more than 13.5 million property valuations and is integral to the investment strategy of the residential property fund.

Indonesia and Malaysia

Throughout FY21, Raiz continued to see impressive growth across Southeast Asia despite the ongoing impacts of Covid-19 on the Company's two markets in the region, Indonesia and Malaysia.

In July 2020, Raiz's Malaysian business was officially launched in partnership with Permodalan Nasional Berhad (PNB), one of Malaysia's largest fund management firms.

Uptake in Malaysia has quickly ramped up since then, with active customers growing to 66,028 as of 30 June 2021.

Indonesia also performed well, with active customers growing by 498% YOY to 117,923 as of the same date.



In order to drive continued growth in the region, the Company also undertook a number of strategic initiatives during FY21.

In September 2020, Raiz introduced two Syariah compliant funds in Indonesia, increasing the number of portfolios on the platform and providing more choices to customers in the world's largest Muslim country. The funds are managed by the global financial services group Manulife.

Indonesian business also added capital protected products to attract more customers and assets under management onto the Raiz platform.

During the March quarter, Raiz introduced new payment gateways in Indonesia to easily facilitate the setting up of recurring payments to improve customer experience and increase FUM.

In addition, the Company increased its engagement with Southeast Asian regulators to enable continued expansion in the region. Further to this, Raiz has established an office in Thailand, which is the Company's next target market, followed by Vietnam.

Corporate

In August 2020, the Raiz Leadership team was restructured in order to capitalise on Southeast Asian expansion opportunities.

George Lucas became Group CEO while retaining his position of Managing Director of Raiz Invest. Brendan Malone remains Group COO and was also appointed as CEO of Raiz Australia. The CEOs of Australia, Indonesia, and Malaysia report to Mr Lucas.

Effective 1 July 2021 Alex Gao who joined Instreet Investment Limited in 2012 as the finance and operations manager and has worked closely with MD/Group CEO George Lucas since then was appointed CFO.

During the June quarter, the Company raised a total of \$10.4 million from an oversubscribed institutional placement and subsequent Share Purchase Plan (SPP).

Raiz is using the capital to accelerate customer growth, develop new products and services, expand into new geographies and integrate the acquisition of Superestate.

The Company ended FY21 with a strong balance sheet. As at 30 June 2021, Raiz had \$19.4 million in cash, cash equivalents and term deposits. This is 52% of the Company's Net Assets.

Raiz Managing Director/Group CEO George Lucas said: "During FY21 we continued to execute our market-leading strategy of acquiring customers at low costs while delivering a world-class customer experience.

"Thanks to the hard work of our global team, we saw record growth across all of our key metrics including Active Customers, Funds under Management, revenue per customer, and Superannuation FUM.

"I am proud that the Raiz team was able to deliver a consolidated loss of \$258,000 attributed to shareholders after adding back the cost of the employee share option and amortisation and depreciation expenses.



“In Australia, we remain on track to hit our goal of \$1 billion of FUM by the end of 2021. We see the Superstate acquisition, the first in our five-year history, as an important component in our domestic strategy going forward. In addition to giving us more FUM and Active Customers, it will allow us to offer residential property as an asset class and enhance our data analytics.

“Despite headwinds produced by the Covid-19 pandemic, we remain very bullish about our prospects in Southeast Asia. Our growth in Indonesia and Malaysia is tracking well and we are now planning our expansion into Thailand and Vietnam.

“I would like to take this opportunity to thank Brendan Malone, and all of the Raiz team globally as well as the users of the Raiz App and our shareholders for their support in our journey. We look forward to continuing to deliver value to our Raiz users and shareholders through the execution of our strategy.”

- ENDS -

Market Announcement authorised by:

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About Raiz

Raiz Invest Limited (ASX: RZI) is Australia’s largest, mobile-first financial services platform designed to boost investing and savings in and outside of superannuation, available via the Raiz app or its website.

Since launching in 2016 Raiz has achieved solid growth, amassing more than 1.95 million downloads, 1,901,000 sign-ups, with over 484,000 Active monthly Customers and over \$904 million in FUM as at 31 July 2021.

Raiz continues to enhance its platform, adding 18 new products and features since its inception. In addition, Raiz is ramping up its growth strategy across Asia-Pacific, with offices in Malaysia and Indonesia as well as plans to expand into Thailand and Vietnam.



To gain greater insight to the Raiz business and our strategy and watch our short video on the company please visit <https://raizinvest.com.au/investors/>

For more information: www.raizinvest.com.au

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