

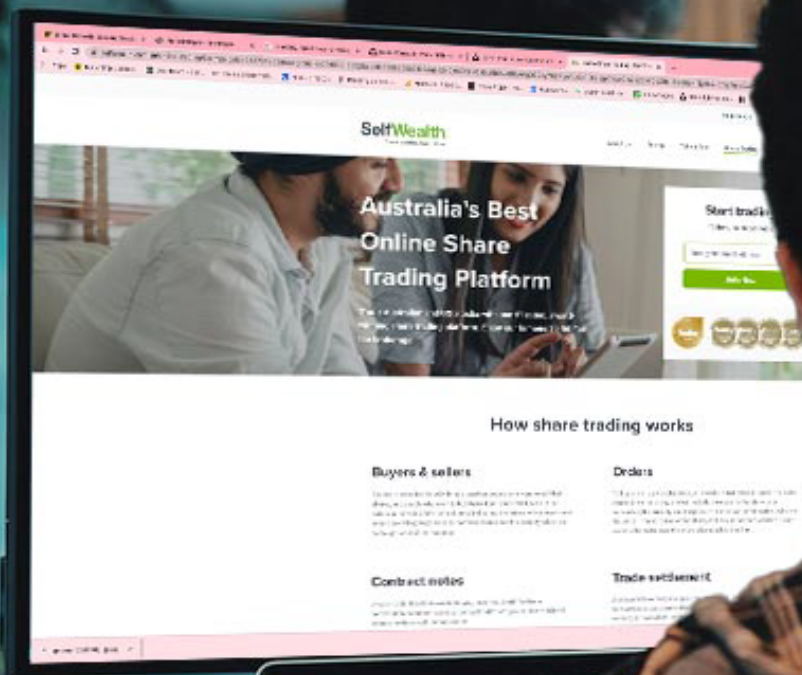
Quarterly Cash Flow and Activities Report and Appendix 4C – Q3 FY22

12 April 2022

SelfWealth Limited
ABN 52 154 324 428

Level 7, 130 Lonsdale Street
Melbourne, Victoria, 3000

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SelfWealth[®]

Trade smarter. Every time.

Quarterly Activities Report

New Revenue Stream and Record \$9bn Funds on Platform

Ongoing momentum as SelfWealth passes halfway mark of 18-month transformation program to build a leading retail wealth creation platform

Highlights

- **Solid quarterly revenue growth:** Operating revenue increased 6% quarter-on-quarter to \$5.4m.
- **Positive customer growth:** Net new Active Traders¹ up 5% quarter-on-quarter to 123,523.
- **Record funds on wealth platform:** Over \$9.3bn in Funds Under Administration (FUA), up 66% year-on-year.
- **Record cash balance:** Cash balances on the platform increased by 22% quarter-on-quarter to a record \$744m.
- **Improved operating cash flow:** Operating cash flow improved by \$600k quarter-on-quarter down to an outflow of \$1.8m.
- **New revenue streams:** Launch of an additional international market in Hong Kong equities trading. Australia, US, and HK Equities all now available on platform.
- **Award-winning, high-growth company:** SelfWealth ranked 4th in Australia in the *Financial Times' Asia-Pacific High-Growth Companies 2022 Awards* and 27th in the *Deloitte Tech Fast 50 Awards*.

Market conditions

- **Investors going to cash:** In Q3, SelfWealth clients responded to the inflation outlook, interest rate speculation, and geopolitical tensions by switching out of equities and into cash, leading to the record cash balance on the platform and lower trading activity.
- **Interest rates on the move:** With increasing cash balances on platform, SelfWealth is well positioned to benefit from an interest rate tightening cycle in Australia, as the Company has the ability to increase the net interest margin on cash.
- **Sustainable business model in post COVID 'new normal':** Following heightened levels of retail trading activity in equities over the past two years, Q3 represented the first post lockdown quarter with lower trading numbers across the market. In Q3, SelfWealth observed a 'new normal', as retail investors increased spending on consumer goods, travel, and entertainment. Over the past two years, the number of retail traders increased, however competition for disposable income among millennials and Gen Zs has recently intensified. SelfWealth is well positioned to continue growing in this 'new normal' environment. In Q3, SelfWealth continued to grow Active Traders and top line revenue, reinforcing SelfWealth's sustainable business model and growth potential.

¹ Active Traders are portfolios that are ready to trade, with cash and/or equities in their portfolio

Melbourne, Australia – 12 April 2022: SelfWealth Ltd (ASX:SWF) ('SelfWealth' or 'the Company') has released its Q3 FY22 Quarterly Cash Flow and Activities Report.

SelfWealth Managing Director and CEO Cath Whitaker comments, "SelfWealth is halfway through its 18-month transformation program to build a leading retail wealth creation platform. We have attracted top technology and marketing talent, and our focus is now on increasing deployment velocity. In Q3, Hong Kong trading went live, and in this quarter, we remain on track with the launch of crypto. Based on original roadmap projections, deployment has been delayed by a quarter on each of these new revenue streams due to complex regulatory approvals required and delays in onboarding team members in a COVID disrupted environment."

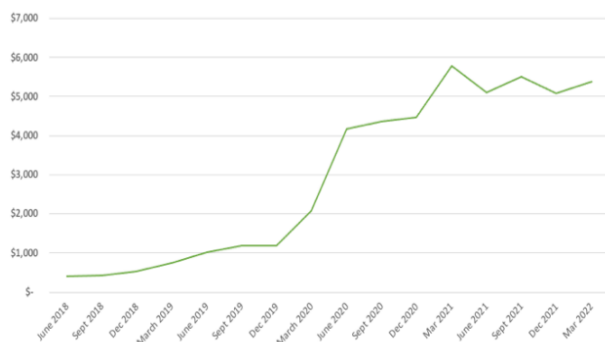
"We are future-proofing SelfWealth by creating a market-leading wealth management platform for retail investors. We are not engaged in the race to the bottom. Instead, we are building a sustainable business model, where savvy retail investors can trust that their cash and equities are safe."

Key Financial Metrics

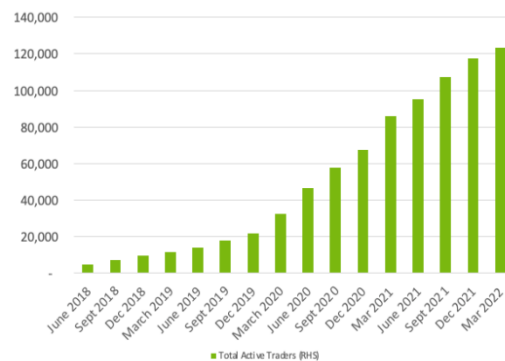
| | Q3 FY21* | Q2 FY22 | Q3 FY22 | YOY Change |
|-----------------------------|----------|---------|---------|------------|
| Operating Revenue (m) | \$5.78 | \$5.07 | \$5.37 | -7% |
| Active Traders | 85,994 | 117,674 | 123,523 | 44% |
| Quarterly Trades | 514,246 | 421,764 | 380,029 | -26% |
| Client Cash (m) | \$452 | \$646 | \$744 | 65% |
| Securities Held on HIN (bn) | \$5.15 | \$7.97 | \$8.18 | 59% |

*Q3 FY21 was the 'GameStop' quarter which represented the historical high-water mark for retail trading activity.

Operating Revenue by Quarter ('000)

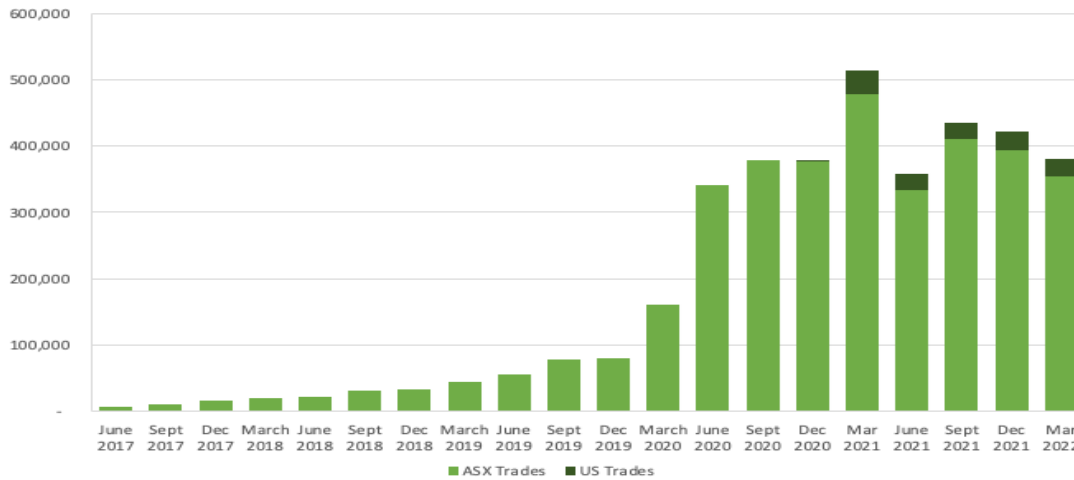


Active Trader Growth by Quarter



In Q3 FY22, operating revenue increased by 6% quarter-on-quarter to \$5.37m, and Active Traders increased to 123,523.

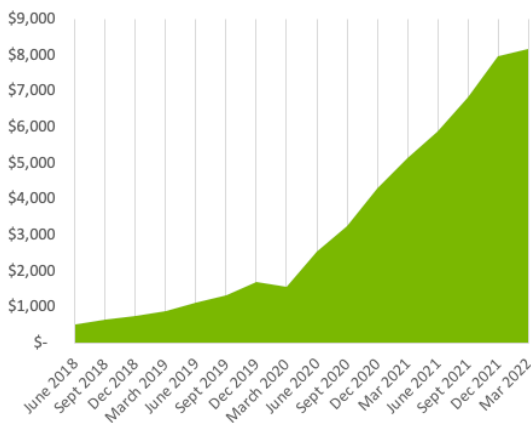
Quarterly Equities Trade Volumes



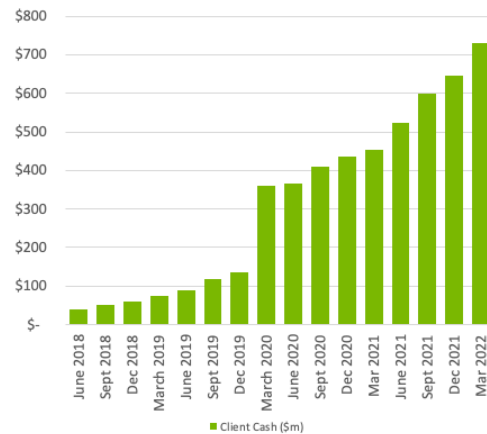
The number of trades executed during the quarter was 380,029, down 10% quarter-on-quarter and in line with an industry-wide reduction in market trading activity in early 2022.

Despite the competitive environment, SelfWealth continues to attract new customers from its targets – the big four banks. The continued net inflow of HINs onto the platform shows the Company is consistently gaining market share.

Total Securities Held on HIN (\$B)



Total Client Cash (\$m)



Cash balances on the platform increased by 22% quarter-on-quarter to a record \$744m. The SelfWealth customer base is well-funded and has capacity to invest in new asset classes as they are added to the platform. The company continues to see increases in the value of assets held on HIN, reaching \$8.2bn by the quarter-end, and FUA including cash and International holdings at a record \$9.3bn.

Launch of Hong Kong Equities

In March 2022, SelfWealth launched Hong Kong equities, providing access to China’s largest and fastest growing tech stocks. This provides SelfWealth with additional competitive differentiation in market.

Education and Content

SelfWealth is continuing to implement market-leading investor education content via YouTube live sessions that provide a weekly forum for member engagement with tens of thousands of quarterly views. In Q3, the Company updated the format to include interviews with top fund managers, and harness the platform's 'virtual portfolio' feature to model investing strategies viewers can follow at home.

The launch of SelfWealth's *Big Swinging Stocks* podcast is an important differentiator in the investor content landscape. The initial two episodes were ranked in the top three Australian business podcasts by Spotify.

Ongoing Product Innovation

SelfWealth remains on track to launch crypto capabilities late in Q4, an industry first that will again see the Company lead the market.

Mobile updates are important to SelfWealth customers and pivotal to maintaining a competitive edge. Mobile has become a priority, and the Company is committed to improving the user experience.

Through better utilisation of data, analytics, and customer segmentation, SelfWealth is developing tailored service offerings that will improve customer acquisition, engagement, and retention.

Balance Sheet & Cashflow

The quarterly cash outflow from operating activities was \$1.8m for the March quarter, down from the cash burn of \$2.4m in Q2 FY22. The increase in staff costs supports the Company's strategy to utilise key talent and remains in line with our budgeted growth plans.

Cash and cash equivalents at the end of the quarter were \$13.1m and the Company is fully funded to execute on its growth strategy. SelfWealth continues to have no outstanding debt.

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

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

Investor Inquiries

Cath Whitaker, CEO & Managing Director
shareholders@selfwealth.com.au

Media Inquiries

Jarrod Purchase, General Manager of Marketing
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Appendix 4C

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

Name of entity

SelfWealth Limited

ABN

52 154 324 428

Quarter ended ('current quarter')

31 March 2022

| 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 | 5,367 | 15,922 |
| 1.2 Payments for | | |
| (a) research and development | - | - |
| (b) product manufacturing and operating costs | (2,765) | (8,836) |
| (c) advertising and marketing | (955) | (3,015) |
| (d) leased assets | (138) | (194) |
| (e) staff costs | (2,698) | (6,898) |
| (f) administration and corporate costs | (579) | (2,317) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 9 | 28 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | 26 |
| 1.8 Other (provide details if material) | - | 2 |
| 1.9 Net cash from / (used in) operating activities | (1,759) | (5,282) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) businesses | - | - |
| (c) property, plant, and equipment | (32) | (224) |
| (d) investments | - | - |
| (e) intellectual property | - | - |

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| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| | (f) other non-current assets | (5) | (60) |
| 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 (bond refund) | 63 | 63 |
| 2.6 | Net cash from / (used in) investing activities | 26 | (221) |
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | 11,736 |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | 50 |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | (661) |
| 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 | - | 11,125 |
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 14,880 | 7,525 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (1,759) | (5,282) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | - | (221) |

| 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) | 26 | 11,125 |
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 13,147 | 13,147 |

| 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 | 2,647 | 4,380 |
| 5.2 | Call deposits | 10,500 | 10,500 |
| 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) | 13,147 | 14,880 |

| 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 | 118 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | 0 |

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.

| 7. Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> | | |
| <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 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) | (1,759) |
| 8.2 Cash and cash equivalents at quarter end (item 4.6) | 13,147 |
| 8.3 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.4 Total available funding (item 8.2 + item 8.3) | 13,147 |
| 8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1) | 7.5 |
| <i>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.</i> | |
| 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 | |
| <i>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.</i> | |

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: 12 April 2022

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 – e.g., 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.

**Quarterly Cash Flow and
Activities Report and
Appendix 4C –
Q3 FY22**

12 April 2022

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