



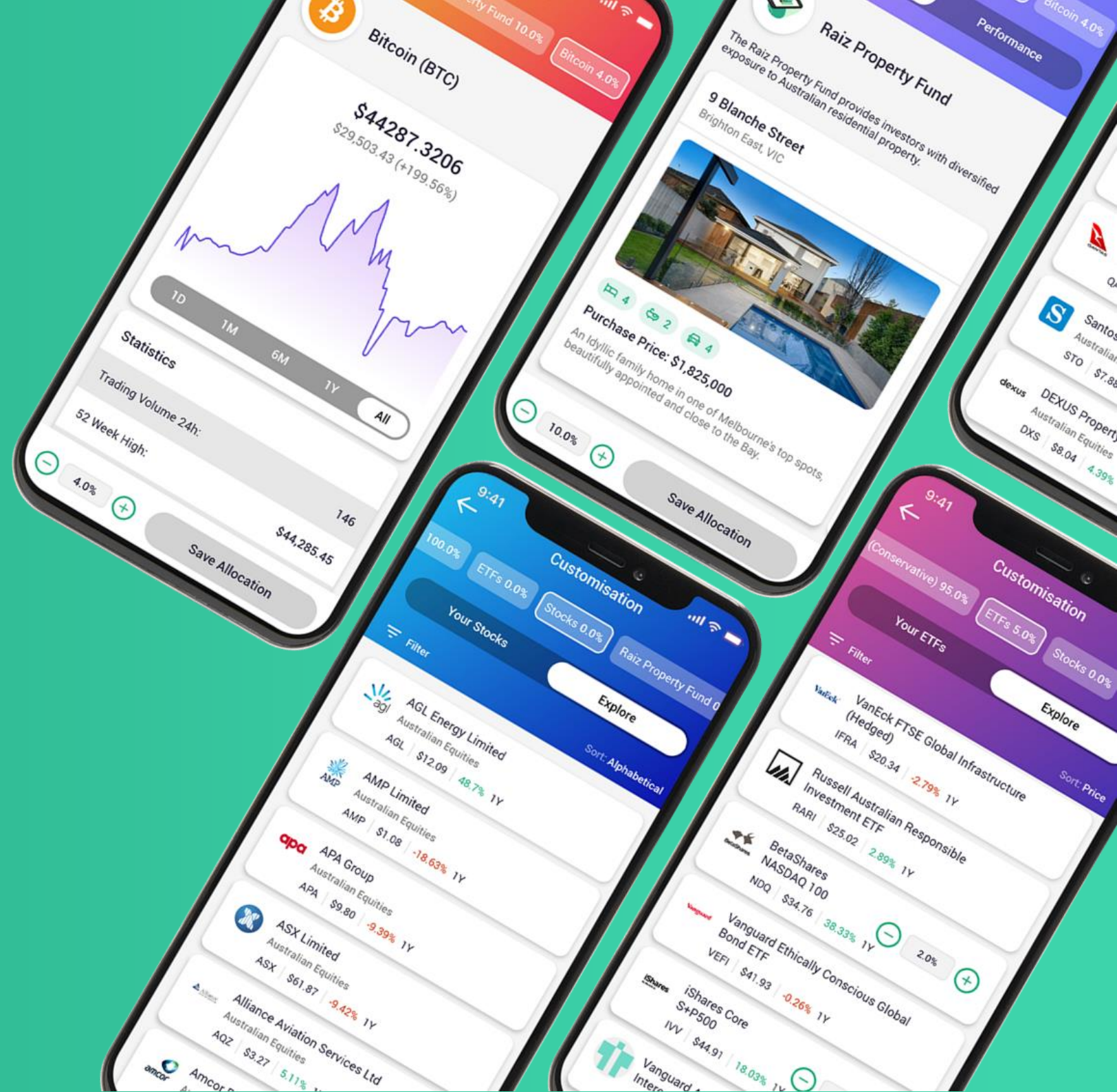
FY 2023 Results Presentation

28 August 2023

*Australia's leading WealthTech
delivering in all economic cycles*

Level 11, 2 Bulletin Place, Sydney NSW 2000

Announcement authorised by the Board of Directors



Important notice and disclaimer



This presentation has been prepared by Raiz Invest Limited (ACN 615 510 177) (RAIZ). References in this presentation to RAIZ include its group of companies and trusts.

This presentation is subject to the conditions outlined below. Your receipt or viewing of the Presentation evidences your acceptance of those conditions and that you agree to be bound by them.

This presentation is provided to recipients for information purposes and should be read in that context. The information in this presentation is in a summary form, does not purport to be complete, is not investment or financial product advice and is not intended to be relied upon as advice to investors or other persons or to be used as the basis for making an investment decision. Please note that, in providing this presentation, RAIZ has not considered the objectives, financial position or needs of any particular recipient. Any person considering an investment should consider whether such an investment is appropriate for their particular investment objectives, financial situation and needs, and conduct their own independent investigation and assessment including obtaining investment, legal, tax, accounting and such other advice as they consider necessary or appropriate, prior to making an investment decision.

The information contained in this presentation is based on information available to RAIZ. Statements in this presentation are, unless otherwise stated, made only on the basis of information known to RAIZ as at the date of this presentation and relate in part to events that are changing. Circumstances may change at anytime. The information contained in this presentation is therefore subject to change without notice and RAIZ may, in its absolute discretion, but without being under any obligation to do so, update or supplement that information.

RAIZ and its affiliates, related bodies corporate and shareholders, their respective directors, employees, officers and advisers (Limited Parties), accept no responsibility or liability whatsoever for the contents of this presentation. No representation or warranty, express or implied, is made as to the accuracy, reliability, completeness, correctness or fairness of the information, or the opinions and conclusions contained in this presentation. No Limited Party makes any representation or warranty that this presentation is complete or that it contains all material information about RAIZ of which a prospective investor may require in evaluating a possible investment in RAIZ. To the maximum extent permitted by law, the Limited Parties disclaim all liability and responsibility (including, without limitation, any liability arising out of fault or negligence) for any direct or indirect loss or damage which may be suffered by any person through the use of or reliance on anything contained in or omitted from, or otherwise arising in connection with, this presentation and its contents, including without limitation, any liability arising out of fault or negligence on the part of any of them. RAIZ has not independently verified any of the contents of this presentation (including, without limitation, any of the information attributed to third parties).

Certain statements in this presentation may constitute forward-looking statements or statements about future matters that are based upon information known and assumptions made as of the date of this presentation. Forward looking statements can generally be identified by the use of forward looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target", "project", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. These statements are subject to internal and external risks and uncertainties, many of which are beyond the control of RAIZ, that may have a material effect on future business. No representation is made or will be made that any forward-looking statements will be achieved or will prove correct. Actual future results and operations could vary materially from the forward-looking statements. As such, undue reliance should not be placed on any forward-looking statement and RAIZ assumes no obligation to update such information. Past performance is not necessarily a guide to or a reliable indicator of future performance. Nothing contained in this presentation nor any information made available to you is, or can be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future.

This presentation is not a prospectus, product disclosure statement or any other disclosure document under Australian law or any other law. It does not constitute financial product advice or an offer or invitation to subscribe for or purchase any Shares or an offer for subscription or purchase of any Shares nor is it a solicitation to engage in or refrain from engaging in any acquisition of Shares or other associated derivatives transaction nor will anything contained in it form the basis of any offer, contract or commitment.

This presentation is not, and does not constitute, an offer to sell or the solicitation, invitation or recommendation to purchase any securities in RAIZ in any jurisdiction. In particular, this presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The distribution of this presentation in jurisdictions outside of Australia may be restricted by law. Persons who come into possession of this presentation who are not in Australia should seek independent professional advice and observe any such applicable restrictions. Neither this presentation nor any copy of it may be transmitted or released in the United States or distributed, directly or indirectly, to any person in the United States. By accepting this presentation, the recipient agrees to comply with these restrictions.

This presentation contains certain pro forma and non-IFRS financial information. Such financial information has not been prepared in accordance with disclosure requirements of applicable accounting standards and other mandatory reporting requirements in Australia.

All references to dollars, cents or \$ in this presentation are to AUD currency, unless otherwise stated.

01

FY23 Results overview



Group results highlights

Achieved significant cost reductions for ongoing growth and path to profitability

Improved Group economics

83%

Reduction in operating cash burn in H2FY23

96%

Reduction of adjusted normalised loss on previous year*

c\$21

Maintained world-class financial services CAC in Australia with less than 6-month payback

Strategic Review of Global Operations



Australia: Consistent innovative product offering, including Raiz Plus, Superannuation, Raiz Kids and Raiz Residential Property Fund along with improved user experience



Indonesia: Significantly reduced cash burn, corporate restructure approved at the EGM paving the way to divest our equity position as we pivot to revenue generating license-based agreement



Malaysia: Finalising agreement with strong JV partner to reduce equity position and update business operating model to revenue generating license-based agreement



FY2023 Financial Summary

685k

Global Customers

A\$1.15b

Global FUM

296k

Active Australian Customers

A\$1.13b

Total Australian FUM

A\$16.6m

Australian Platform Revenue

A\$906m

Australian Retail FUM

63%

Australian Platform Gross Profit Margin

A\$225m

Australian Superannuation FUM

Australia delivering strong unit economics

Continued robust growth

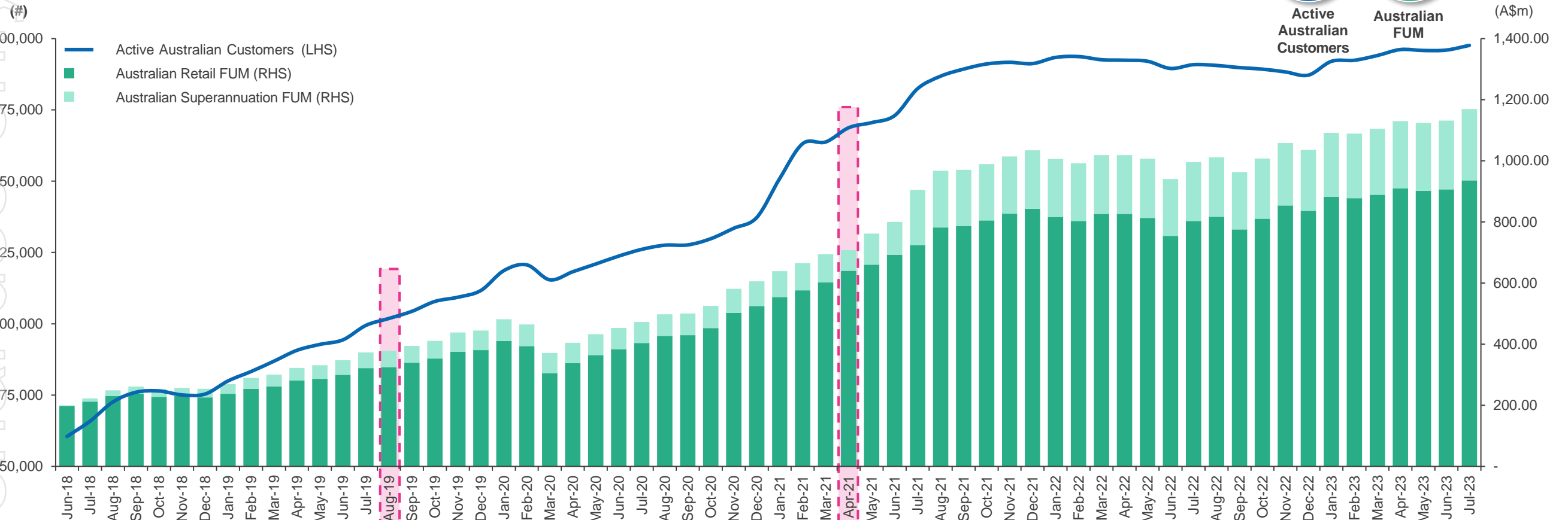
Consistent active customer and FUM growth achieved with increased pricing



July 2023: **298k** **\$1.17bn**

Active
Australian
Customers

Australian
FUM



A\$/mth Australian Maintenance Fees:

1-Aug-19 price increase

1-Apr-21 price increase

1.25

2.50

3.50

New price increase
from 1-Aug-23
Standard portfolios
moving to \$4.50+/mth

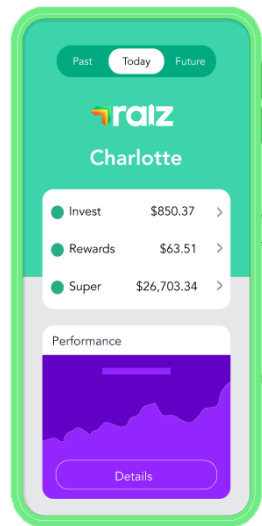
Australian maintenance fees have been consistently raised with no discernible impact to customer growth

Our digital investment products unlock financial freedom

Comprehensive investment product suite that has continued to evolve to suit the needs and requests of target customers

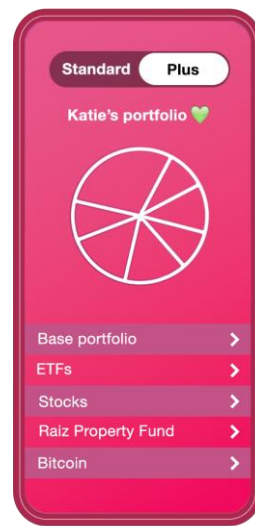


Raiz Invest



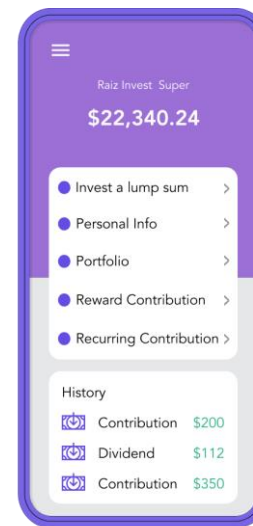
- **Raiz Invest** users choose to invest in a range of portfolios at varying risk levels
- Ability to invest spare change automatically through round-ups, recurring investments, and lump sums

Raiz Plus



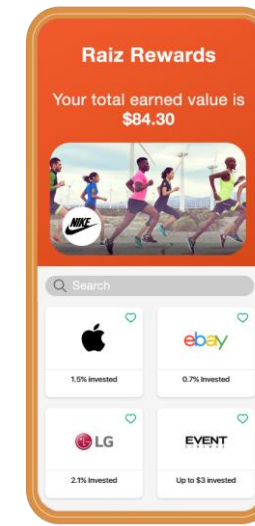
- **Raiz Plus** (launched August 2023) provides customers with the ability to customise their portfolios
- Customers have a choice from our standard portfolios, 50 ASX listed stocks, ETFs, the Raiz Property Fund, and Bitcoin

Raiz Invest Super



- **Raiz Invest Super** includes guaranteed contributions and automated recurring voluntary contributions
- Ability to onboard customers' SMSFs
- Supports property investment – the only super fund focused on residential property investment

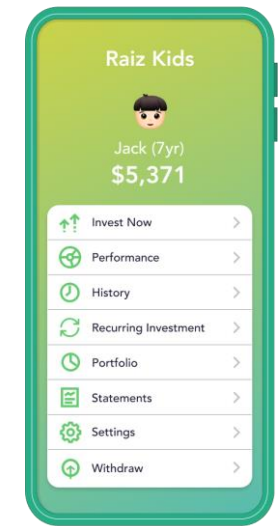
Raiz Rewards



- **Raiz Rewards** is a loyalty program which allows users to accelerate their Raiz accounts & Super balances through purchases made with partnership brands



Raiz Kids



- **Raiz Kids** is a simple way to save and invest small amounts regularly for children and dependents who are under the age of 18
- Dependents can have direct access to their own investment portfolio with their parent or guardian's permission

Our product innovation continues to unlock financial freedom

Continuous product development and innovation from customer feedback

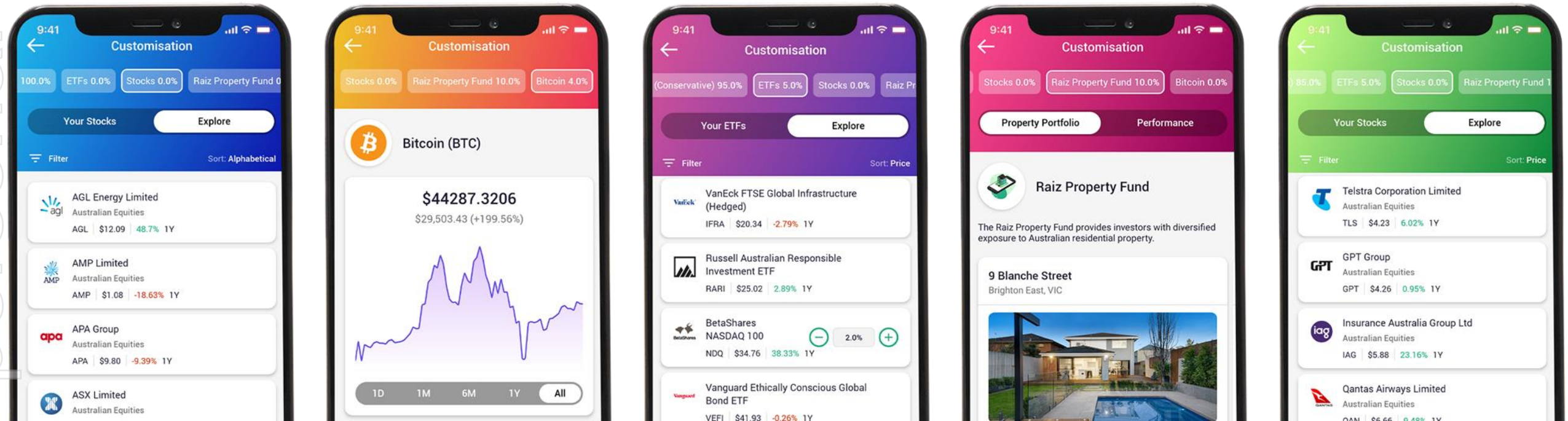


Product Launch: Plus

- In August 2023 Raiz announced the new product release of Plus
- Plus provides customers with the ability to add up to 50 individual ASX stocks to portfolios for a bespoke investing experience
- This enhanced functionality empowers Raiz users to build fully personalised portfolios including ASX listed stocks alongside existing ETFs, bitcoin and Australian residential property

Pricing Update

- From 1 August 2023 the fees updates for the use of the Raiz platform are as follows:
 - **Standard portfolios:** \$4.50 (was \$3.50) per month for account balances less than \$20,000 and 0.275% p.a. for account balances over \$20,000
 - **Sapphire portfolio:** \$4.50 (was \$3.50) per month and 0.275% p.a.
 - **Plus portfolios:** \$5.50 (Custom was \$4.50) per month for account balances less than \$25,000 and 0.275% p.a. for account balances over \$25,000
 - **Property portfolios:** remained unchanged (\$4.50 per month)



Strategic Review of Southeast Asian Operations

Reduce equity positions with strong local JV partners who will be the majority owners



Indonesia

Finalise opportunity with local partner to operate and move to license-based brand and technology agreement

Growth costs have been removed



Malaysia

Finalise agreements with current strong local partner and PNB, to reduce our equity position

Growth costs have been removed



Thailand

Review local JV partners who would take the operational lead with licenced agreements



Vietnam

Review local JV partners who would take the operational lead with licenced agreements

Raiz has not provided growth funding since March 2023 to the Southeast Asian operations & is finalising new restructuring agreements

Majority of revenue is independent of market performance

~80% of revenue not impacted by market performance



Sources of Revenue



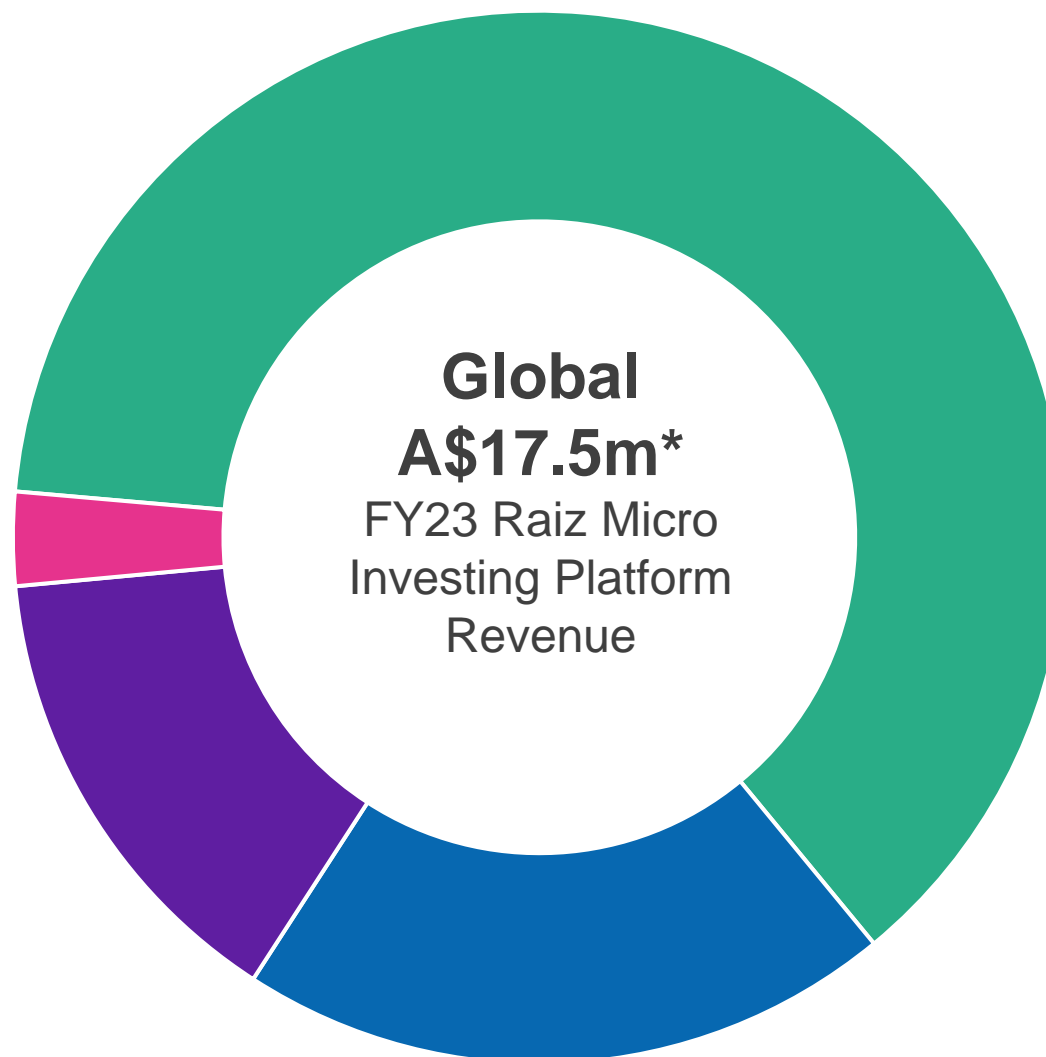
Netting
3%

Bid/Offer spread captured where an acquisition or disposal of ETF units does not require an on-market transaction



Advertising
13%

Over 1,300 rewards partners pay to advertise on the Raiz platform, emails and mobile push messaging in Australia



Maintenance Fee
63%

A monthly subscription fee of A\$4.50* per month for Standard Portfolios and A\$5.50* for Raiz Plus

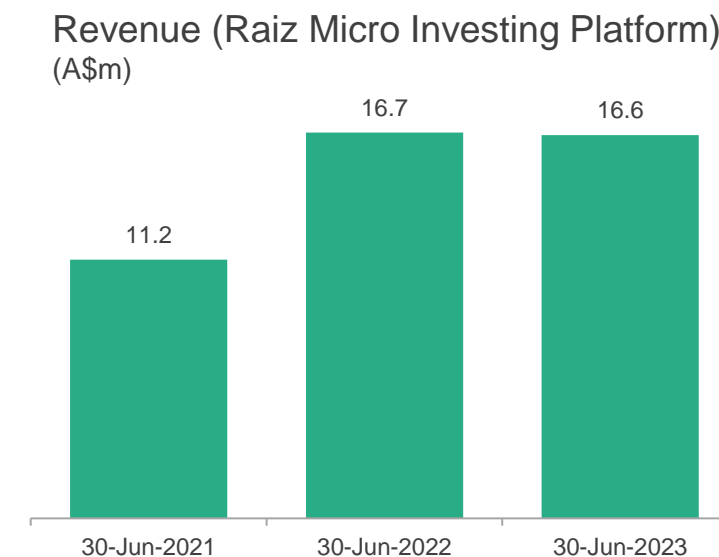
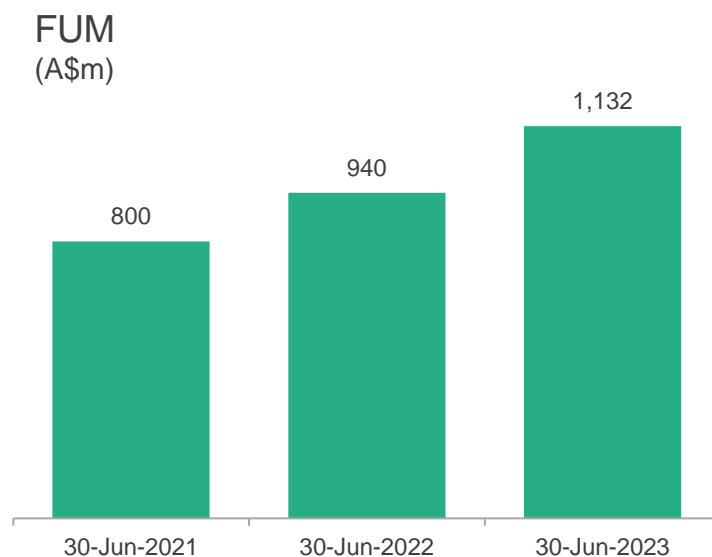
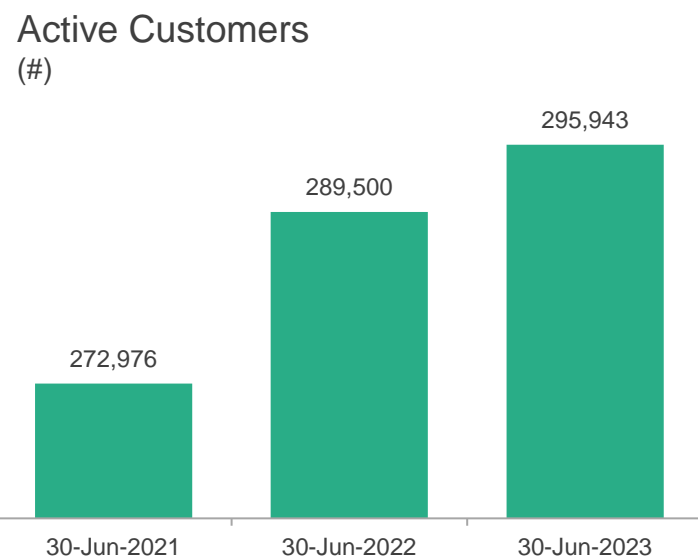
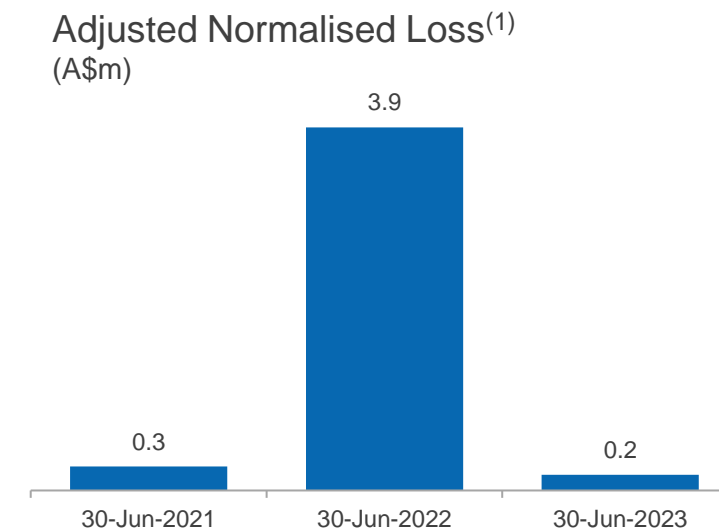
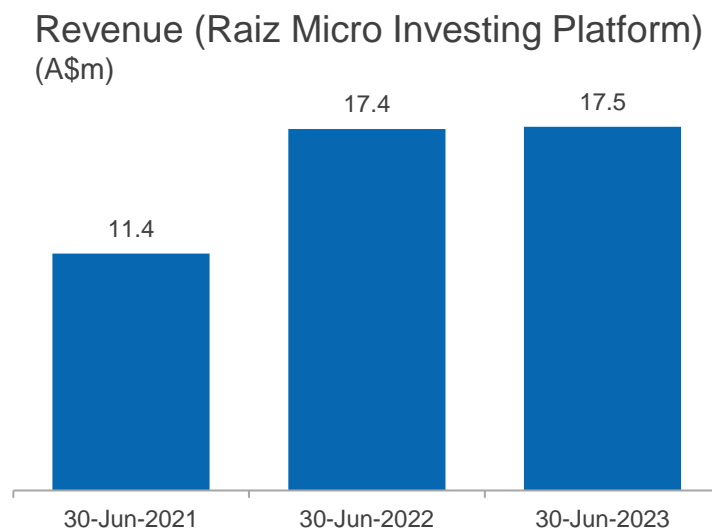
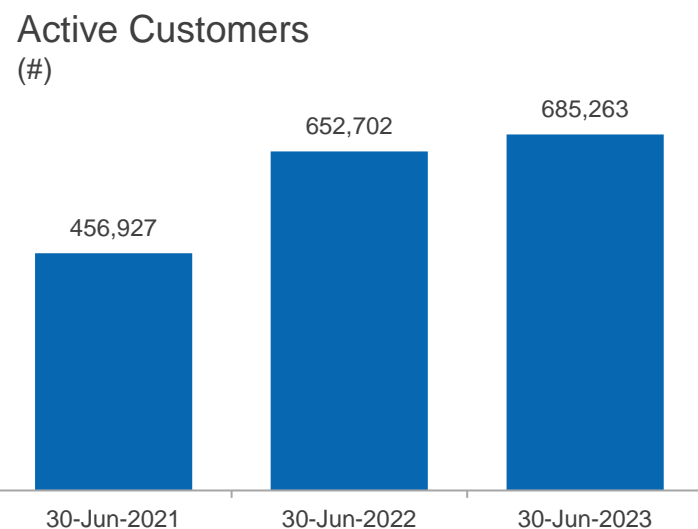


Account Fee
21%

A percentage fee per annum is charged on account balances

We have delivered continued outperformance across key metrics

Strong results providing a solid platform for ongoing growth and path to profitability demonstrated by Australian business



02

Detailed financial information



Statement of Profit or Loss and other Comprehensive Income



To be read in conjunction with the Financial Report for the year end 30 June 2023

A\$'000	FY22	FY23	% vs FY22
Micro investing platform	17,384	17,506	1%
Other financial services	1,311	1,055	(20%)
Group revenue	18,695	18,561	(1%)
Other income	644	608	(6%)
Employee benefits expense	(6,657)	(6,987)	(5%)
Sales and administrative expense	(6,377)	(6,677)	(5%)
Professional fees	(2,380)	(1,918)	19%
Marketing expenses	(8,275)	(4,685)	43%
Other expenses	(3,265)	(3,650)	(12%)
EBITDA (Loss)	(7,615)	(4,748)	38%
Finance cost	(84)	(72)	14%
Depreciation and amortisation expense	(3,307)	(3,099)	6%
Loss before income tax	(11,006)	(7,919)	28%
Tax (expense) / benefit	(182)	(134)	26%
Loss after income tax	(11,188)	(8,053)	28%
Exchange differences on translation of foreign operations	(61)	(47)	23%
Total comprehensive income (loss) for the year	(11,249)	(8,100)	28%
Loss attributable to Owners of the parent entity	(9,634)	(6,897)	28%
Addback:			
Depreciation & amortisation expense	3,307	3,099	6%
Share option expense	425	433	(2%)
Contra advertising non-cash expense	1,970	1,887	4%
Non-recurring restructuring costs	-	1,309	100%
Adjusted Normalised Loss	(3,932)	(169)	96%

- Group revenue up 1% year on Year (YOY) to A\$18.7m
- Micro Investing Platform revenue up 1% YOY to A\$17.5m
- Significant reduction of marketing spend, down 43% to \$4.7m and including \$1.9m non-cash contra advertising with Seven West Media
- \$1.3m non-recurring restructuring costs in relation to Board and staff restructuring and Successor Fund Transfer
- Adjusted normalised loss attributable to Owners of the parent entity after adding back non-cash expenses and non-recurring restructuring costs at \$169k

Statement of Cash Flows

To be read in conjunction with the Financial Report for the year end 30 June 2023



A\$'000	FY22	FY23
Receipts from customers	20,136	20,334
Payments to suppliers and employees	(24,109)	(24,714)
Government grants and tax incentives	1,298	1,452
Finance cost paid	(84)	(72)
Net operating activities	(2,759)	(3,000)
Payment for fixed assets	(87)	-
Payment for intangible assets	(2,947)	(3,618)
Net investing activities	(3,034)	(3,618)
Proceeds from capital raising	2,000	-
Proceeds from changes in ownership interests in subsidiaries	642	218
Share issue costs	(39)	-
Repayment of borrowing from related parties	-	(199)
Principal payment for leases	(515)	(507)
Net financing activities	2,088	(488)
Net increase / (decrease) in cash and cash equivalents	(3,705)	(7,106)
Cash and cash equivalents at the beginning of the Period	19,199	15,538
Effect of movements in exchange rates on cash held	44	17
Cash & cash equivalents at year end⁽¹⁾	15,538	8,449

- 83% reduction in operating cash burn in the second half of FY23 (\$0.43m) compared to the first half of FY23 (\$2.57m)
- Australian business remained operating cash flow positive
- Operating expenses include \$1.3m non-recurring restructuring costs in relation to Board and staff restructuring and Successor Fund Transfer
- Investing Activities: Payment for intangibles assets increased \$0.7m for product and software developments
- As of 30 June 2023, Raiz has cash and cash equivalents totaling \$8.4 million (\$8.6 million including term deposits)
- Working capital of \$5.2 million after deducting regulatory capital

Statement of Financial Position

To be read in conjunction with the Financial Report for the year end 30 June 2023



A\$'000	FY22	FY23
Assets		
Cash and cash equivalents	15,538	8,449
Trade and other receivables	1,959	1,877
Other financial assets	598	677
Other assets	6,296	4,417
Total current assets	24,391	15,420
Property, plant and equipment	135	77
Right-of-use assets	1,119	601
Trade and other receivables	180	178
Deferred tax assets	583	454
Intangible assets	27,779	28,019
Total non-current assets	29,796	29,329
Total assets	54,187	44,749
Liabilities		
Trade and other payables	4,826	3,645
Current lease liabilities	503	490
Provisions	542	424
Total current liabilities	5,871	4,559
Trade and other payables	199	-
Deferred tax liabilities	1,302	1,307
Non-current lease liabilities	641	147
Provisions	143	154
Total non-current liabilities	2,285	1,608
Total liabilities	8,156	6,167
Total equity	46,031	38,582

- As of 30 June 2023, Raiz has cash and cash equivalents totaling \$8.4 million (\$8.6 million including term deposits)
- Other assets includes \$4.1m advertising credit held with Seven West Media (\$6.0m FY22)
- Raiz is currently holding c.A\$5.7 million (our maximum holding requirement) in regulatory capital
- Net assets of A\$38.6 million, include intangible assets at A\$28.0 million and cash, cash equivalents and term deposits at A\$8.6 million
- 27% reduction in total trade and other payables (current & non-current)
- Unencumbered balance sheet

03

Outlook

Consistent and disciplined delivery of our strategy

Focusing on continued growth, customer experience leading to a strong path to profitability



Utilise best-in-class infrastructure to launch customer focused products



Growth in customer & product in the core Australian business



Restructure Southeast Asian presence



Focus on low cost of customer acquisition to drive new accounts



Increase 'Lifetime Value of Customers' through new products and services



Maintain disciplined focus on costs – sustainable organisation

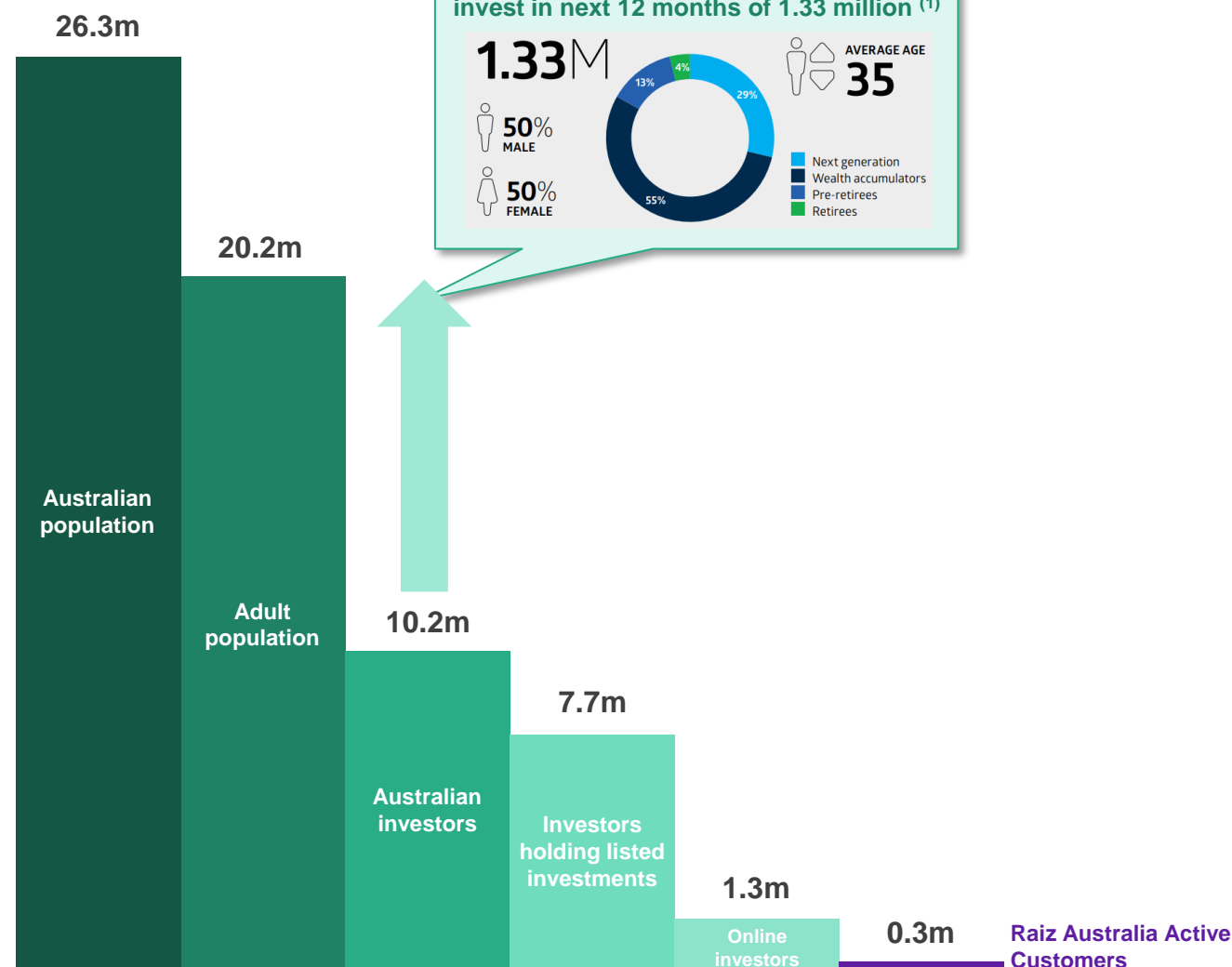


We have a large addressable market in front of us

Favourable market dynamics support a large addressable market opportunity in Australia in both Investing and Super



Investing



Superannuation

- The Superannuation industry in Australia currently holds ~A\$3.4tn in AUM
- Growth is supported by Australia's Superannuation Guarantee, requiring compulsory contributions of 11.0% (FY24), rising to 12% by FY25
- Raiz has consolidated the Superannuation offering onto one platform in FY23 and is set up for customer acquisition through new channels
- Raiz Super offering creates significant opportunities to attract early millennials, as well as Gen Z and older members in accumulation phase



Raiz currently has <1bp of the A\$15tn Australian Wealth Market⁽²⁾

Management strategic outlook

Significant growth opportunity continues – delivered by a strong culture and people



Customer Growth & Experience

- Building on strong loyalty with **exceptional customer service** and personalised experience
- Continue to **grow core Australian business** with improved product offering
- Continue to promote the benefits of saving and investing in **Raiz Super** and **Raiz Kids**

Maintain our brand & reputation

- Increase brand awareness amongst all Australians looking to **save and invest**
- Continue to be a **trusted provider** of **financial education** supporting customer **financial security**
- **Strong and robust** systems and infrastructure for the financial security of our customers

Exceptional products & service

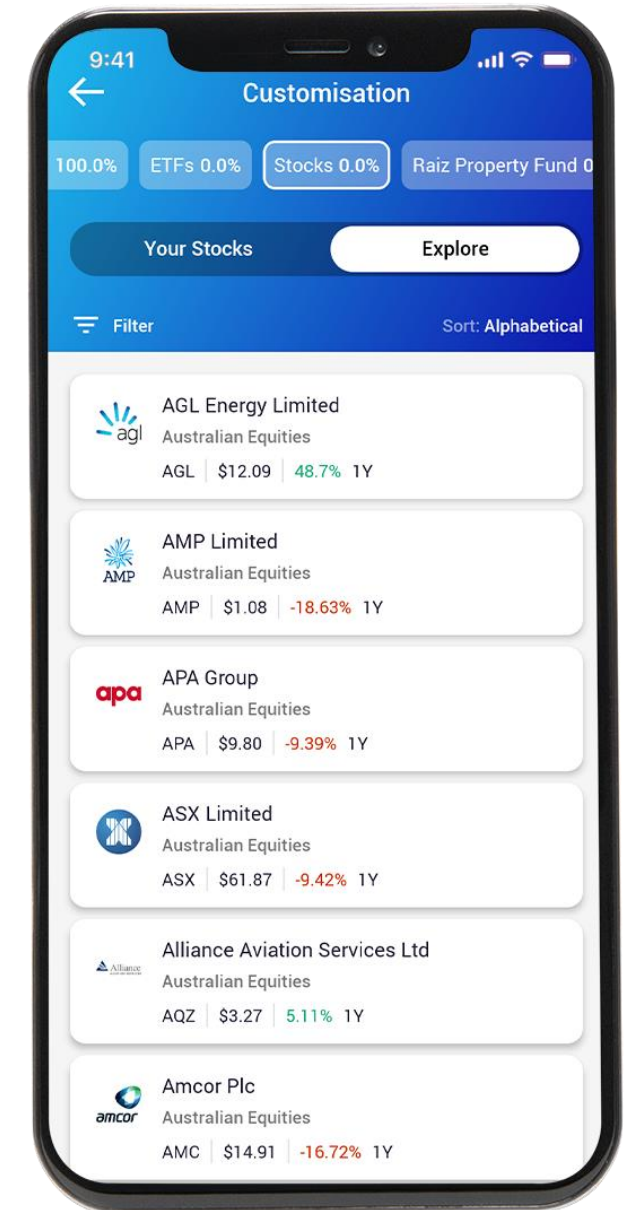
- Maintain **world class** financial services CAC with new products and new channels
- Deepen **customer trust** to increase share of wallet to drive revenue growth
- **Listen to customers** to design products to enhance our existing core platform

Operating leverage

- Australian unit economics **above break-even**, generating cashflow to support ongoing investment
- **Reinvestment** in infrastructure – resilient and secure systems with strong technology strategy
- Build on the **strong risk culture** and capability and our **people**

Sustainable Organisation

- Staying relevant and continue to reinvest into **product development** for innovation
- Maintain **efficient use of capital** and prudent cost control strategy
- Restructured to generate **revenue streams** from technology and brand license agreements in Southeast Asia



Appendix





Business description

- Raiz (formerly a joint venture with Acorns US) launched in Australia in 2016
- Raiz allows customers to invest small amounts of money into a diversified portfolio of assets that include single stocks in the ASX50, ETFs, Bitcoin and Australian residential property and provides personal financial management tools including “round ups”
- As at 31 July 2023, Raiz has over 298k active Australian customers, with ~10% kids and ~80% Gen Z and Millennials
- Raiz offers eight portfolios ranging from conservative to aggressive, along with the Emerald portfolio (socially responsible themed), the Sapphire portfolio (Bitcoin holding) and the Raiz Plus portfolio (customised, allowing single stock ASX 50 companies)
- Listed on the ASX in June 2018 (ASX:RZI), the current CEO, Brendan Malone, was appointed to Managing Director/Group CEO in September 2022
- In February 2023, Raiz undertook a strategic review of Southeast Asian operations, deciding to transition to a licensing fee model and structure new equity arrangements

Investment highlights

- 

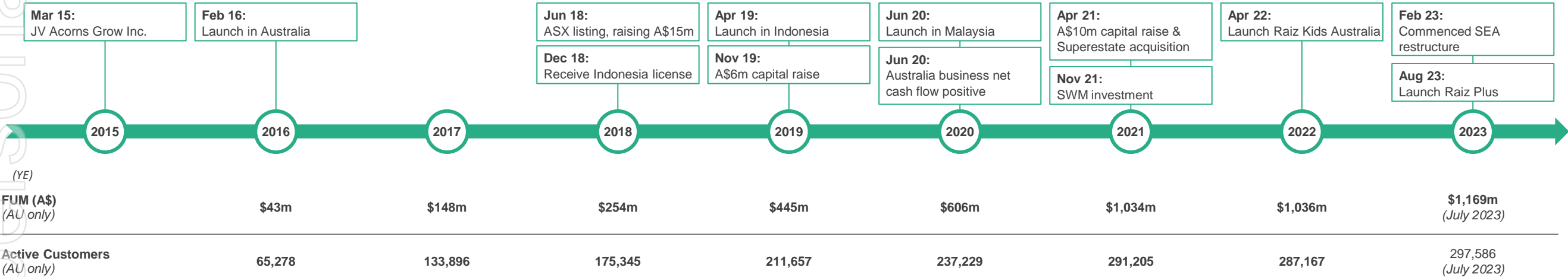
Favourable macroeconomic drivers and increasing addressable market supporting growth in online investing
- 

Highly engaging digital investment products to unlock financial freedom and drive customer growth with engaged customer base
- 

Brand and effective marketing delivering customer growth at low cost of acquisition
- 

Powerful financial profile with significant operating leverage

Company history



Market information

Share price, capital structure, and substantial shareholders



Share Price & Volume



Capital structure (17-Aug-23)

Shares on issue	93.4m
Share price	A\$0.49
12-month range	A\$0.29 - A\$0.71
Market capitalisation	A\$45.8m
Net cash & term deposits 30 June 2023	A\$8.6m

Substantial shareholders (17-Aug-23)		Shares	(%)
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	6.4m	6.8%
2	SEVEN WEST MEDIA INVESTMENTS PTY LTD	6.2m	6.6%
3	UBS NOMINEES PTY LTD	6.0m	6.4%
4	ACORNS GROW INCORPORATED	5.2m	5.6%
Top 20 shareholders		53.4m	57.2%
Other investors		40.0m	42.8%
Total		93.4m	100.0%



Thank you

Investor and media enquiries:

Brendan Malone / Grant Brits

ir@raizinvest.com.au

ASX:RZI