Raiz Invest Limited
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26 August 2024

APPENDIX 4E – YEAR ENDED 30 JUNE 2024

Name of Entity: Raiz Invest Limited
ABN: 74 615 510 177
Reporting period ("Current period"): Year ended 30 June 2024
Previous corresponding period: Year ended 30 June 2023

Results for announcement to the market

Key Information	2024 $000	2023[1] $000	% Change
Revenue from continuing operations	21,958	18,498	19%
EBITDA from continuing operations	509	(3,322)	115%
EBITDA from Australian operations	1,318	(2,383)	155%
Total comprehensive loss for the year	(2,777)	(8,100)	66%
Net Loss attributable to members of the parent entity	(1,868)	(6,897)	73%

Dividends Paid and Proposed

The Group did not recommend, declare, or pay a cash dividend during the financial year ending 30 June 2024 (2023: nil).

Statement of Profit or Loss and Other Comprehensive Income with Notes to the Statement

Refer to page 27 of the 30 June 2024 financial report and accompanying notes for Raiz Invest Limited and controlled entities (Group).

Statement of Financial Position with Notes to the Statement

Refer to page 28 of the 30 June 2024 financial report and accompanying notes for the Group.

Statement of Cash Flows with Notes to the Statement

Refer to page 31 of the 30 June 2024 financial report and accompanying notes for the Group.

Statement of Retained Earnings Showing Movements

	2024 $000	2023 $000
Balance at the beginning of the year	(39,988)	(33,091)
Net loss attributable to owners of the parent entity	(1,868)	(6,897)
Transaction with non-controlling interest	(2,379)	-
Balance at the end of the year	(44,235)	(39,988)

[1] Comparative information has been restated to reflect discontinued operations in the current financial year. Please refer to Note 27: Discontinued Operations in the audited 30 June 2024 financial report.

Net Tangible Assets per Share

	2024 $/share	2023 $/share
Net tangible assets per share	0.08	0.11

Control Gained or Lost over Entities in the Year

Following a comprehensive strategic review of its Southeast Asian operations, Raiz made the decision to close all overseas operations. The divestment of the Indonesian business was successfully completed in March 2024.

Investment in Subsidiaries and Joint Ventures

	2024 %	2023 %
Material investments in subsidiaries and joint ventures are as follows:		
Raiz Invest Australia Limited	100.0	100.0
Instreet Investment Limited	100.0	100.0
Instreet Acorns Pty Ltd	100.0	100.0
Raiz Malaysia SDN BHD	70.0	70.0
Raiz (Thailand) Limited	100.0	100.0
Raiz Home Ownership Pty Ltd	100.0	100.0
Superestate Pty Limited	100.0	100.0
Raiz Vietnam Ltd	100.0	100.0
PT. Raiz Invest Indonesia	-*	80.0
PT Raiz Solusi Indonesia	-*	79.2

* The divestment of the Indonesian business was successfully completed in March 2024.

Commentary on the Results for the Period

Refer to the commentary on the results for the period contained in the “Operating Results” included within the operating and financial review section of the annual report.

Status of Audit

The 30 June 2024 financial statements and accompanying notes for the Group have been audited and are not subject to any disputes or qualifications. Refer to page 73 of the 30 June 2024 financial report for a copy of the auditor’s report.

Kelly Humphreys
Chair
Dated: 26 August 2024

Brendan Malone
Managing Director/CEO
Dated: 26 August 2024

Notes:

1. All the documents comprise the information required by listing rule 4.3A. The Information should be read in conjunction with the audited 30 June 2024 annual financial report and all ASX announcements made by the Company during the year.

Raiz Invest Limited

ABN 74 615 510 177
and Controlled Entities

FINANCIAL REPORT

for the year ended 30 June 2024

Contents

CHAIR & CEO MESSAGE

Dear Shareholders

On behalf of the Board, it is a pleasure to present the Raiz Invest FY24 Annual Report.

This past year has seen Raiz refocus on our core Australian operations. We have delivered revenue growth, four consecutive quarters of positive operating cash flow and achieved a stable cost base whilst undertaking the restructure of operations and the move out of SE Asia.

Despite the significant tightening of economic conditions, particularly in the discretionary spend of millennials, due to cost-of-living pressures and higher interest rates, we are pleased that Raiz has successfully maintained and expanded its customer base by consistently addressing their evolving needs and expectations.

Total revenue was up 19% to $22m, Australian operations generated positive EBITDA of $1.3m, and our net loss after tax of $2.8m was a significant improvement on the prior net loss of $8.1m.

Our customer base grew to 306,776 and funds under management increased by 23.4% to $1.4b. We also observed improved engagement from our existing customers, evidenced by higher average balances and the growth of Raiz Plus, Raiz Kids accounts and Raiz Invest Super customers.

Throughout the year, we introduced new products and enhancements, including the Raiz Plus Portfolio for both Retail and Super and the automatic Raiz Rewards feature; providing our customers with greater investment choices and control and further solidifying our position in the market.

Raiz accomplished significant achievements and earned notable industry recognition:

- #2 top Performing Balanced Super Fund for the Raiz Invest Super Moderately aggressive portfolio as announced by SuperRatings for FY24 for 1 year
- #1 Social responsible portfolio for performance for the Emerald portfolio as announced by SuperRatings for the FY24 1 year
- Best Fintech App in the 2023 Fintech Australia Awards
- Named in CNBC's Top 200 Global Fintech companies
- Finalist for best mobile experience WeMoney Investment Awards 2024
- AFR Shortlisted - Most innovative companies 2024

In line with our commitment to continued innovation, we are excited to share that we are advancing plans to further leverage AI and data analytics to enhance customer acquisition and retention, optimise portfolio management and increase efficiency whilst reducing costs.

Most recently, the team developed an enhanced re-engagement campaign using AI driven analytics to analyse customer data, enabling us to deliver more targeted marketing campaigns and messages to our customer base. We are seeing immediate benefits of this work, with customer numbers growing by 3,177 to a total of 309,953 as of 23 August 2024. Our FUM has also grown to $1.46b.

With AI capabilities and digital marketing driving strong organic growth and improving the customer experience our outlook for the coming year is positive. We are well-positioned to expand our market reach through strategic partnerships and are in the final stages of testing, preparing to pilot a white-label solution for the wealth management industry. Simultaneously, we continue to identify and review opportunities for strategic acquisitions that will deliver value for all stakeholders.

To our dedicated staff who continue to work hard for Raiz and our customers - thank-you for all that you do.

On behalf of the Board we extend our sincere thank-you for your continuing support.

Kelly Humphreys	**Brendan Malone**
Chair of the Board	Managing Director/Group CEO
26 August 2024	26 August 2024

Principal Activities

The Company offers financial services products through its mobile first micro-investing platform. This platform provides customers with a seamless and convenient way to invest both small or large amounts of money regularly, utilising the Raiz mobile application or the Raiz website in Australia.

Significant Changes to Activities

On 1 August 2023, Raiz successfully launched Raiz Plus Portfolios in Australia. This innovative feature allows customers to add selected ASX-listed stocks to their portfolios alongside ETFs, Bitcoin and the Australian Residential Property Fund.

In March 2024, Raiz completed the transaction to transfer its Indonesian operations to senior local management, marking its exit from the Indonesian market.

During the financial year 2024 (FY24), a strategic review of the Malaysian business was conducted. Following this review, the joint venture partners agreed to close the business. Upon successful closure, the Malaysian operations will be classified as discontinued operations. The divestment of the Malaysian business is expected to be completed in the financial year 2025 (FY25).

Raiz Thailand and Raiz Vietnam are non-operational. The decision has been made to close both legal entities, with the expected completion date in FY25.

There were no other significant changes in the nature of the principal activities during the financial year.

Our Business Model and Objectives

The Group operates a recurring revenue model, deriving income by offering financial services. We also offer products to customers on the Raiz platform. Additionally, the Group earns commission revenue through highly targeted advertising, leveraging the data and metrics stored in the Raiz database.

In Australia, Raiz's revenue is categorised into four main streams, as detailed below.

Maintenance fees

Raiz charges a monthly maintenance fee to active customers with account balance below $20,000 for the Standard Portfolios, below $25,000 for Plus Portfolio, and for any balance with the Sapphire or Property Portfolio.

Account fees

Raiz applies a monthly account fee to active customers with account balances above $20,000 for the Standard Portfolios, above $25,000 for the Plus Portfolio, and for any balance within the Sapphire or Property Portfolio.

Netting

When acquiring or disposing of financial assets or Bitcoin (BTC) units on behalf of a Raiz customer in Australia without requiring an on-market transaction, Raiz applies a buy-sell spread (at or below market rates), a process known as netting. Raiz earns income from this buy-sell spread instead of paying the spread on the market. Through netting, Raiz absorbs brokerage fees, rather than passing them on to its customers.

Advertising

Raiz earns commission income through highly targeted advertising by leveraging aggregated data from multiple sources, including comprehensive data from the Raiz application and external providers. The revenue amount varies depending on the partner and specific commercial arrangements.

Operating Results

The consolidated loss attributed to the owners of the parent entity amounted to $1,868,000 for FY24, a significant improvement from the $6,897,000 loss in FY23, representing a decrease of $5,029,000 or 73%. This figure is after accounting for income tax and eliminating non-controlling equity interests.

The loss from continuing operations before income tax was $1,809,000 for FY24, compared to a $6,281,000 loss in FY23, a decrease of $4,472,000 or 71%.

The loss from Australian operations before income tax was $905,000 for FY24, down from $5,241,000 loss in FY23, which is a reduction of $4,336,000 or 83%. Additionally, EBITDA from Australian operations showed a positive turnaround, amounting to positive $1,318,000 for FY24, compared to a $2,383,000 loss in FY23, an increase of $3,701,000 or 155%.

Revenue from Australian operations increased by 19% to $21,016,000 for FY24, up from $17,663,000 in FY23. Total expenses for Australian operations decreased by $951,000 or 4% in FY24, with reductions in professional fees (25%), depreciation and amortisation expenses (22%), employee benefits expenses (14%), and other expenses (21%).

Marketing expenses for Australian operations increased by 30% to $4,721,000 in FY24, compared to $3,635,000 in FY23. This rise was driven by increased spending on Seven West Media (SWM) campaigns, which amounted to $2,732,000 in FY24, up from $1,887,000 in FY23. These campaigns utilised advertising credits from SWM (a non-cash expense) that are set to expire in January 2025.

The divestment of the Indonesian business was completed in FY24, and the operations are classified as discontinued operations for that fiscal year. The net loss from discontinued operations in FY24 was $1,269,000, which includes $657,000 in costs related to divesting the business and transferring operations to the senior management of the Indonesian business. Please refer to Note 27 for more information about discontinued operations.

Raiz anticipates the divestment of the remaining Southeast Asia businesses to be finalised in FY25.

Below is an overview of the operating results for continuing operations - categorised by geographical locations.

	FY24 $'000 Australia[1]	FY24 $'000 Malaysia[1]	FY24 $'000 Thailand[1]	FY24 $'000 Vietnam[1]	FY24 $'000 Total
Revenue	21,016	942	-	-	21,958
Other income	640	-	-	-	640
Employee benefits expenses	(5,189)	(350)	(13)	-	(5,552)
Sales and administrative expenses	(6,755)	(440)	-	-	(7,195)
Professional fees	(1,284)	(19)	(15)	(33)	(1,351)
Marketing expenses	(4,721)	(250)	-	-	(4,971)
Other expenses (excluding interest expense)	(2,389)	(592)	(34)	(5)	(3,020)
EBITDA from continuing operations	**1,318**	**(709)**	**(62)**	**(38)**	**509**
Depreciation and amortisation expenses	(2,187)	(91)	-	-	(2,278)
Interest expense	(36)	(4)	-	-	(40)
Loss before income tax from continuing operations	**(905)**	**(804)**	**(62)**	**(38)**	**(1,809)**

[1] Please refer to Note 20: Operating Segments for more information.

Financial Position

Below is an overview of the financial position of continuing operations in different regions as of 30 June 2024.

	$'000	$'000	$'000	$'000	$'000
	Australia	Malaysia[1]	Thailand[1]	Vietnam[1]	Total
Cash and cash equivalents	8,484	1,254	-	-	9,738
Trade and other receivables	2,128	32	-	-	2,160
Other financial assets	513	-	-	-	513
Other assets	1,664	35	-	-	1,699
TOTAL CURRENT ASSETS	**12,789**	**1,321**	**-**	**-**	**14,110**
Right-of-use assets	100	34	-	-	134
Deferred tax assets	376	-	-	-	376
Intangible assets	28,260	-	-	-	28,260
TOTAL NON-CURRENT ASSETS	**28,736**	**34**	**-**	**-**	**28,770**
TOTAL ASSETS	**41,525**	**1,355**	**-**	**-**	**42,880**
Trade and other payables	3,572	98	16	-	3,686
Current lease liabilities	104	38	-	-	142
Financial liabilities	-	973[2]	-	-	973
Provisions	511	4	-	-	515
TOTAL CURRENT LIABILITIES	**4,187**	**1,113**	**16**	**-**	**5,316**
Deferred tax liabilities	944	-	-	-	944
Provisions	262	-	-	-	262
TOTAL NON-CURRENT LIABILITIES	**1,206**	**-**	**-**	**-**	**1,206**
TOTAL LIABILITIES	**5,393**	**1,113**	**16**	**-**	**6,522**
NET ASSETS	**36,132**	**242**	**(16)**	**-**	**36,358**

[1] Please refer to Note 20: Operating Segments for more information.

[2] On 30 November 2023, 3 million preference shares were issued to Jewel Digital Ventures Sdn Bhd (JDV) by RAIZ Malaysia Sdn Bhd for 1 Malaysian Ringgit per share (equivalent to $973,000 in total). These preference shares are classified as current financial liabilities. The Malaysian entity has sufficient capital to fund the expenses relating to the closure, with the JV partner having previously committed a further RM3m to ensure a structured, coordinated and timely wind down process. For more information, please refer to Note 19.

The net assets of the consolidated Group were $36,358,000 as at 30 June 2024 (2023: $38,582,000).

As of 30 June 2024, the Group's working capital (current assets minus current liabilities) was $8,794,000, compared to $10,861,000 as of 30 June 2023.

As of 30 June 2024, cash and cash equivalents for Australian operations were $8,484,000, an increase of $1,666,000 from 30 June 2023. The Group's total cash balance was $9,738,000 as of 30 June 2024.

The Group is currently required to hold approximately $5,700,000 in regulatory capital. This requirement will decrease to around $5,000,000 upon the closure of Malaysian operations.

The Directors believe the Group is in a strong and stable financial position to expand and grow its operations based on the Company's current business strategy.

Events after the Reporting Period

On 5 July 2024, Raiz announced its decision to exit the Malaysian market. This decision was made jointly by the venture partners after a comprehensive review of Southeast Asian operations. As part of this process, customer accounts will be closed, with remaining balances automatically withdrawn and transferred to their designated withdrawal accounts on 20 September 2024. Raiz expects to finalise the divestment of its Malaysian entity in FY25.

On 26 August 2024, Raiz announced its plans to raise up to $2 million through a non-underwritten placement of fully paid ordinary shares at an issue price of $0.41 per new share. In addition, a non-underwritten share purchase plan (SPP) will be undertaken for eligible shareholders to raise up to $2 million. The SPP Shares will be priced at the lower of $0.41 per SPP Share, being the same as the Placement Price and a 2.5% discount to the VWAP of Raiz shares traded on ASX during the five trading days up to, and including, the SPP closing date.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated Group in future financial years.

Future Developments, Prospects and Business Strategies

The Group's current strategic focus encompasses the following areas:

- enhancing the 'Lifetime Value of Customers' by introducing new products and services, minimising churn through cross-promotion, and improving the conversion rate of active customers;
- accelerating revenue growth through organic expansion, cross-sell, re-engagement, strategic partnerships and seizing new opportunities;
- deepening trust and brand loyalty with exceptional customer service, and developing strong and robust systems and infrastructure;
- developing and distributing innovative financial services and products tailored to meet the evolving needs of our customer base;
- leveraging artificial intelligence to improve customer insights, optimise operational efficiency, and enhance personalised customer experiences; and
- efficient use of capital, focus on talent retention and developing team capabilities.

Business Risks

The Company has established a comprehensive enterprise risk framework, incorporating risk registers, a risk appetite statement, risk and technology committee and management committees to effectively address financial and operational risks. The primary financial and operational risks identified as the most significant to the Group include:

- privacy, data and cybersecurity;
- damage to the brand;
- failure to meet customer needs and expectations;
- business continuity management;
- failure to execute on formulated strategy;
- loss of key management personnel;
- regulatory and compliance risk;
- technical disruptions and innovation challenges; and
- environmental, social, and governance (ESG) risks.

To mitigate these key risks, the Company has formulated and implemented targeted risk management strategies. Additionally, a robust monthly reporting dashboard has been developed to continuously monitor these risks along with any emerging risks. This proactive approach ensures that the Company can swiftly adapt to changes and maintain resilience in a dynamic business environment.

Environmental Regulation

Raiz is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Raiz Invest Limited's Corporate Governance Arrangements

The Board of Raiz Invest Limited is committed to ensure the Company is creating and delivering trusted financial services to its customers, maximising performance and sustaining the Company's long-term growth and success. The Board seeks to protect and enhance stakeholder interests, including shareholder value in the long-term. While the Company's business activities hold significant value and make a substantial contribution towards achieving these objectives, creating and managing the governance environment in which the Company's stakeholders operate, is viewed as critical to maximising potential and sustainability.

The Board considers there to be an unambiguous and positive relationship between the creation and delivery of long-term shareholder value and high-quality corporate governance. Accordingly, in pursuing its business objectives, the Board has committed to corporate governance arrangements that strive to foster the values of integrity, trust and openness among all stakeholders including Directors, management, employees, customers, shareholders and the investment community, regulators and suppliers.

Raiz Invest Limited and its subsidiaries operate as a single economic entity with a unified board and management. As such, the Board's corporate governance arrangements apply to all entities within the economic Group.

Raiz Invest Limited is listed on the Australian Securities Exchange (ASX Code:RZI) and is the parent entity of Instreet Investment Limited, a holder of Australian Financial Services Licence (AFSL 434776). Accordingly, unless stated otherwise in this document, the Board's corporate governance arrangements comply with the recommendations of the ASX Corporate Governance Council's Governance Principles and Recommendations, as well as ASIC requirements for a Responsible Entity. The corporate governance statements have been approved by the Board and can be found on our website at https://investorhub.raizinvest.com.au/corporate-governance.

DIRECTORS' REPORT

Your Directors present their report on the consolidated entity (referred to herein as the Group) consisting of Raiz Invest Limited and its controlled entities for the financial year ended 30 June 2024. The information in the preceding operating and financial review forms part of this report for the financial year ended 30 June 2024 and is to be read in conjunction with the following information:

GENERAL INFORMATION

Directors

The following persons were Directors of Raiz Invest Limited during or since the end of the financial year up to the date of this report:

Current Directors:

- **Kelly Humphreys** - Independent Non-Executive Chair
- **Jon Brett** - Independent Non-Executive Director (Appointed on 28 November 2023)
- **Robert Hines** - Independent Non-Executive Director (Appointed on 28 November 2023)
- **Brendan Malone** - Managing Director/Group CEO

Previous Directors in FY24:

- **Harvey Kalman** - Independent Non-Executive Director (Resigned on 31 August 2023)
- **Philippa Taylor** - Independent Non-Executive Director (Resigned on 28 November 2023)

Directors' experience and qualifications are set out below.

Information relating to Directors and Company Secretary as at 30 June 2024

Kelly Humphreys	**Independent Non-Executive Chair**
Qualifications and Experience	Kelly is an experienced non-executive director and accomplished financial services professional with current board roles across diverse sectors including health, financial services and ecommerce. Kelly has extensive senior executive experience in insurance and lending and a depth of technical expertise in operations, risk management and governance. She brings a strong commercial approach to achieving objectives in complex regulatory environments and demonstrated ability in engaging stakeholders and working effectively to deliver business growth and improved performance. Kelly holds a Master of Management, a Diploma of Financial Services and is a graduate member of the Australian Institute of Company Directors.
Interest in Shares and Options	140,000 ordinary shares in Raiz Invest Limited (including related entities) and options to acquire a further 175,000 ordinary shares.
Special Responsibilities	Independent Chair, Chair of the Risk & Technology Committee, Member of the Audit Committee, and Member of the Nomination, Remuneration & Culture Committee.
Directorships held in other listed entities during the three years prior to the current year	Non-Executive Chair of Toys "R" Us Limited (ASX: TOY) Non-Executive Director of NSX Limited (ASX: NSX) Non-Executive Director of Victory Offices Ltd (ASX: VOL) from 1 December 2021 to 25 May 2022

Jon Brett	Independent Non-Executive Director (Appointed on 28 November 2023)
Qualifications and Experience	Jon Brett has extensive board and management experience with a background in finance, technology and corporate advisory. Jon was formerly an executive director of Investec Wentworth Private Equity Limited, and an executive of Investec Bank (Australia) Limited. He was also the CEO of Techway Limited which pioneered internet banking in Australia. His former directorships include Deputy President of the NRMA and Vocus Group Limited from its listing on ASX. Jon holds a Bachelor of Commerce, a Bachelor of Accounting, a Master of Commerce and a CA(SA).
Interest in Shares and Options	No ordinary shares in Raiz Invest Limited (including related entities) and no options to acquire a further ordinary share.
Special Responsibilities	Independent Non-Executive Director, Chair of the Remuneration, Nomination & Culture Committee, Member of the Audit Committee, and Member of the Risk & Technology Committee.
Directorships held in other listed entities during the three years prior to the current year	Non-Executive Chair-elect of Infomedia Limited (ASX: IFM) Non-Executive Director of Corporate Travel Management Limited (ASX: CTD) Non-Executive Director of Mobilicom Limited (ASX: MOB) from 2018 to 2023
Robert Hines	**Independent Non-Executive Director (Appointed on 28 November 2023)**
Qualifications and Experience	Mr Hines has over 35 years' experience in banking, finance and funds management services, agriculture and energy sectors with senior executive roles focused on finance, retail and operations. His breadth of experience covers mergers and acquisitions, capital funding, strategic financial advice, liquidity management and corporate and financial risk management. Robert has held executive positions of Chief Financial Officer and Chief Operating Officer at some of Australia's leading companies including Queensland Sugar Limited, Queensland Investment Corporation, Bank of Queensland Limited and Suncorp Group Limited. Robert holds a Bachelor of Financial Administration, a Graduate Diploma in Advanced Accounting, and a Graduate Diploma in Applied Finance. He is also a Fellow of the Australian Institute of Company Directors, a Senior Fellow of the Financial Services Institute of Australasia (FINSIA), and a Fellow of both CPA Australia and the Institute of Chartered Accountants.
Interest in Shares and Options	250,000 ordinary shares in Raiz Invest Limited (including related entities) and no options to acquire a further ordinary share.
Special Responsibilities	Independent Non-Executive Director, Chair of the Audit Committee, Member of the Risk & Technology Committee, and Member of the Nomination, Remuneration & Culture Committee.
Directorships held in other listed entities during the three years prior to the current year	Non-Executive Director of Cash Converters International Limited (ASX: CCV) Non-Executive Director of Humm Group Limited (ASX: HUM)

Brendan Malone	Managing Director and Group CEO
Qualifications and Experience	Brendan Malone is the Managing Director and Group CEO of Raiz Invest Limited and brings a depth of experience in the financial services industry to the role. Brendan's areas of expertise include strategic leadership, investment banking, client relations, compliance and operations. Brendan has led large-scale teams and delivered transformational outcomes through mergers and acquisitions and restructuring initiatives in complex regulatory environments. Brendan has previously held senior executive roles at The Royal Bank of Scotland and ABN AMRO with global experience in London, Hong Kong and Singapore. Brendan holds a Batchelor of Commerce majoring in accounting and Finance, CIMA and MAICD.
Interest in Shares and Options	2,360,429 ordinary shares in Raiz Invest Limited (including related entities) and options to acquire a further 1,116,488 ordinary shares.
Special Responsibilities	Managing Director and Group CEO
Directorships held in other listed entities during the three years prior to the current year	Nil

Kamille Dietrich	Company Secretary (Appointed on 26 March 2024)
Qualifications and Experience	Ms Dietrich is a governance and compliance professional and is currently Company Secretary for a number of ASX listed and unlisted public and private companies. She is a qualified lawyer and a Certified Mediator with over 3 years experiences in Company Secretarial. She is also an affiliated member of The Governance Institute of Australia.

Dividends Paid or Recommended

The Group did not recommend, declare, or pay a cash dividend during the financial year ending 30 June 2024 (2023: nil).

Indemnity and Insurance of Officers

During or since the end of the financial year, the Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

- The Company has in place Directors & Officers liability cover for each of the Directors above and company officers.

Indemnity and Insurance of Auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company did not paid any premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on Behalf of the Company

No person has applied for leave of Court under section 237 of the Corporations Act 2001 to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-audit Services

The Board of Directors, in accordance with advice from the Audit Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Audit Committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: *Code of Ethics for Professional Accountants* set by the Accounting Professional and Ethical Standards Board.

Options

At the date of this report, the unissued ordinary shares of Raiz Invest Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
1 June 2016	1 June 2026	$0.250	181,117
1 March 2017	1 March 2027	$0.950	965,957
1 October 2017	1 October 2027	$0.950	1,086,702
20 June 2018	20 June 2028	$1.800	1,670,000
31 December 2019	31 December 2024	$0.500	1,009,000
1 January 2020	1 January 2030	$1.130	255,756
4 January 2021	3 January 2026	$1.144	750,000
11 January 2021	10 January 2026	$0.500	50,000
11 January 2021	10 January 2026	$0.860	100,000
21 July 2021	31 January 2026	$0.900	10,000
21 July 2021	31 March 2026	$1.500	50,000
1 December 2021	1 December 2026	$2.177	1,000,000
27 May 2022	26 May 2027	$1.078	100,000
9 December 2022	1 February 2027	$1.937	175,000
			7,403,532

Option holders do not have any right to participate in any issues of shares or other interests of the Company or any other entity.

There have been no options granted over unissued shares or interests of any controlled entity within the Group during or since the end of the reporting period.

Meetings of Directors

Director name	Board meetings		Committee meetings: Audit			Committee meetings: Risk & Technology			Committee meetings: Nomination, Remuneration & Culture		
	Held	Attended	Held	Attended	Observed	Held	Attended	Observed	Held	Attended	Observed
Kelly Humphreys	7	7	3	3		4	4		5	5	
Jon Brett	3	3	2	2		2	2		3	3	
Robert Hines	3	3	2	2		2	2		3	3	
Brendan Malone	7	7	3		3	4	1	3	5	1	4
Harvey Kalman[1]	2	2	1	1		1	1		1	1	
Philippa Taylor[2]	4	4	1	1		2	2		2	2	

[1] Harvey Kalman resigned from the Board on 31 August 2023

[2] Philippa Taylor resigned from the Board on 28 November 2023

Letter from the Chair of the Nomination, Remuneration and Culture Committee

Dear shareholders

On behalf of the Nomination, Remuneration and Culture committee, I am pleased to present you with Raiz' s remuneration report for the year ended 30 June 2024.

During the year, a number of changes were made to the Board. Philippa Taylor decided not to stand for re-election at the AGM on 23 November 2023 and Jon Brett and Robert Hines were appointed as Non-Executive Directors shortly thereafter.

At this AGM, resolution 5, the Issue of 1,502,075 Performance Rights to the CEO, was voted against by 53% of those voting. These performance rights had the following measures, a financial measure comprising 'Total Shareholder Returns' and 'Earnings Per Share', plus a strategic measure of 'Active Customers and Funds Under Management'.

As such, throughout the year, your new board has made significant efforts to enhancing our governance framework for remuneration structures, including conducting comprehensive organisation-wide benchmarking across all roles to ensure alignment with our strategic objectives and shareholders' interests. Comparative data from ASX industry peers has been instrumental in informing our remuneration decisions for FY25.

We maintain a strong commitment to rigorously evaluating executive performance and have enhanced transparency in setting and assessing financial targets, strategic milestones, and individual non-financial goals.

These measures underscore our ongoing dedication to aligning remuneration practices with performance and shareholder value, reflecting our commitment to responsible corporate governance.

Performance related to remuneration Outcomes.

For FY25, Key Management Personnel (KMP) performance will be evaluated against agreed Key Performance Indicators (KPIs). Our Short- Term Incentive (STI) Plan includes accountability for financial profit attainment, specifically against 'Cash Profit' generated, 'Revenue Per Customer', 'Funds under Management' and 'Active Customers'. The Cash profit generated will need to be satisfied before any other STI can be paid and will encompass both 'on target' and 'stretch' awards.

Long-Term Plan

We maintain our commitment to aligning executive incentives with sustainable growth and shareholder value. It is disappointing that the Performance rights to be issued last year were not approved at the AGM and no LTI was awarded. This year we propose to re-introduce an LTI for the CEO based on the same criteria as was used last year, being 'Total Shareholder Returns' and 'Growth in EPS', and will be issued within 3 years from the date of this meeting, if approved by Shareholders.

Non-Executive Directors Fees

No changes have been proposed to these fees.

Executive Leadership Development

We constantly review the executive leadership team to ensure we have the right talent in place for the on-going growth and success of Raiz. The comprehensive organisation-wide benchmarking of the remuneration included these roles.

On behalf of the Committee, I extend sincere thanks for your continued support of Raiz.

We look forward to welcoming you to the 2024 AGM.

Yours sincerely,

Jon Brett
Nomination, Remuneration and Culture Committee Chair
26 August 2024

REMUNERATION REPORT - AUDITED

This remuneration report details the director and executive remuneration arrangements for Raiz Invest Limited and its controlled entities (Raiz) in accordance with the requirements of the *Corporations Act 2001* and Regulations thereto. The aim of this report is to enable our shareholders and other interested stakeholders (particularly members of the Raiz Invest Australia Fund) to understand the corporate governance framework that has been put in place to link remuneration with the Company's strategy, culture, and performance.

Overview of Company Performance

	2024	2023	Change %
Share price performance as at y/e ($/share)	0.37	0.315	17.5
Total dividend paid ($/share)	-	-	-
Total revenue from Australian operations ($ 000)	21,016	17,663	19.0
Active customers (Australia)	306,776	295,943	3.7
FUM ($ million, Australia)	1,396	1,132	23.3
EBITDA from Australian operations ($ 000)	1,318	(2,383)	155.3

Key Management Personnel (KMP)

Raiz Invest Limited's KMPs comprise one executive Director of the Company and Senior Executives. 'Senior Executives' refer to the CEO and those other executives with authority and responsibility for planning, directing, and controlling the activities of the Company and the Group, directly or indirectly.

The Board has considered what constitutes "independence" of Directors, noting that to describe a director as "independent" carries with it a particular connotation that the Director is not allied with the interests of management, a substantial security holder or other relevant stakeholders and can and will bring an independent judgment to bear on issues before the Board. The Board assesses the materiality of the Directors' interests, positions, associations, or relationships on a case-by-case basis to determine whether it might influence, or reasonably be perceived to influence, in a material respect, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally. The Board has considered and approved each of the Non-Executive Directors of the Company as being Independent from their appointment and until at the date of this Report.

The names and details of the Directors and Senior Executives (KMPs) of Raiz in office during the financial year are as follows:

Current Directors and Senior Executives

Kelly Humphreys – Independent Non-Executive Chair

Jon Brett – Independent Non-Executive Director (Appointed on 28 November 2023)

Robert Hines – Independent Non-Executive Director (Appointed on 28 November 2023)

Brendan Malone – Managing Director/Group CEO

Weiwei (Alex) Gao – Chief Financial Officer

Bradley Edwards – General Counsel (Appointed on 1 June 2024)

Previous Directors held office during FY24

Harvey Kalman – Independent Non-Executive Director (Resigned on 31 August 2023)

Philippa Taylor – Independent Non-Executive Director (Resigned on 28 November 2023)

Previously Senior Executive in FY24

Grant Brits – Chief Operating Officer (Resigned on 5 June 2024)

Nomination, Remuneration & Culture Committee Charter

The Nomination, Remuneration & Culture Committee Charter of Raiz is current as at the date of this report and has been approved by the Board and can be found on our website at: https://raizinvest.com.au/investors/governance/

Remuneration Policy

The Company's remuneration policy has been designed to align KMP objectives with the Company's culture, strategy, risks, and objectives by providing a fixed remuneration component and offering specific short and long-term incentives based on key performance areas. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain high-quality KMP to run and manage the consolidated Group in a way that creates congruence between Directors, executives, stakeholders, and shareholders.

The Board's policy for determining the nature and amount of remuneration for KMP of Raiz is as follows:

- The remuneration policy is developed by the Nomination and Remuneration Committee and approved by the Board. Professional advice may be sought from independent external consultants.
- Under the Raiz Invest Limited Constitution, the Board decides the total amount paid to each Non-Executive Director as remuneration for their services as a Director of the Company, subject to the aggregate paid in any financial year not exceeding the amount fixed by the Company's general meeting.
- All Senior Executive KMP receive a base salary (which is based on factors such as duties and accountabilities, benchmarking against the market and experience), superannuation, fringe benefits and performance incentives.
- Performance incentives are generally only paid based on predetermined key performance indicators (KPIs).
- Performance incentives paid in the form of options or rights are intended to align the interests of the KMP and the Company with those of the shareholders. In this regard, KMP are prohibited from limiting risk attached to those instruments by use of derivatives or other means.
- The Nomination and Remuneration Committee reviews KMP packages annually with reference to the consolidated Group's performance, executive performance, and comparable information from industry sectors.

Remuneration – Non-Executive Directors

The Board's policy is to remunerate Non-Executive Directors for their time, commitment, and responsibilities. The Nomination, Remuneration and Culture Committee recommends payments to the Board for Non-Executive Directors and reviews their remuneration, based on market practice, duties, and accountability. Independent external advice may be sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the annual general meeting.

The maximum amount payable to Non-Executive Directors has been fixed by the Company at $550,000 per annum (inclusive of superannuation contributions required by law to be made by the Company). This amount was resolved during the FY22 annual general meeting held 25 November 2022. Under the ASX Listing Rules, the total amount paid to all Non-Executive Directors for their services must not exceed the aggregate in any financial year the amount fixed by the Company's general meeting.

Remuneration – Senior Executives

The performance of Senior Executive KMP is measured against group and individual performance criteria agreed annually with each executive. All bonuses and incentives are linked to predetermined targets, with KPIs relating to "Strategic", "Customer Growth", and "Financial Performance" being the main criteria by weight.

KPIs are set in consultation with KMP. The KPIs target areas that the Board believes hold greater potential for the Group expanding the financial and non-financial goals of the Company. Where relevant, the level set for an individual KPI is aligned with budgeted figures for the Group.

Performance in relation to the KPIs is assessed annually, with short and long-term incentives being awarded depending on the weighting and priorities of the KPIs achieved.

The Board may exercise its discretion in relation to approving short and long-term incentives and can recommend changes to the committee's recommendations. Any change must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance results.

KMP receive a superannuation guarantee contribution required by the government, which is currently 11.5% from 1 July 2024 (11% from 1 July 2023 to 30 June 2024) but limited to the maximum contributions base as determined by the Australian Taxation Office for any given year.

Senior Executive KMP are also entitled and encouraged to participate in the employee share and option arrangements to align KMP interests with shareholders' interests.

Options granted under the arrangement do not carry any dividend or voting rights. Each option is entitled to be converted into one ordinary share once the vesting conditions have been met and the interim or final financial report has been disclosed to the public. The value of options granted is measured using the Black-Scholes option methodology.

Relationship between Remuneration Policy and Company Performance

The remuneration policy has been tailored to increase goal congruence between investors in the Raiz Invest Australia Fund, shareholders, Directors, and executives. Two methods have been applied to achieve this aim: the first being a performance-based bonus based on KPIs; and the second being the granting of options to the majority of executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth in future years.

As disclosed in the 2018 Remuneration Report, the Board has adopted a long-term equity incentive plan (LTEIP) to assist in the reward, retention and motivation of the Company's Directors, Senior Executives and other key employees; and to align the interests of participants in the LTEIP more closely with the interests of Shareholders by providing an opportunity for participants to receive an equity interest in the form of an award granted under the LTEIP. This LTEIP was refreshed and approved at the 2020 AGM.

Also disclosed in the 2018 Remuneration Report, was the Company's Historical Option Plan (HOP). Under the HOP, a number of Management Options were granted to certain members of Senior Executive and employees of the Raiz Invest Group. No further options will be granted under the HOP. The key terms of the previously granted Options under the HOP were set out in the Company's Prospectus.

Performance Conditions Linked to Remuneration

The Group seeks to emphasise reward incentives for results and continued commitment to the Group through the provision of a cash bonus reward schemes, with incentive payments based on goals relating to the following areas: leadership; financial; strategic; risk and compliance; and people. The performance-related proportions of remuneration based on these targets are included in the following table. The objective of the reward schemes is to both reinforce the short and long-term goals of the Group and provide a common interest between management, stakeholders, and shareholders. There has been no alteration to the terms of the bonuses paid since grant date.

Employment Details of Members of Key Management Personnel

The employment terms and conditions of all Senior Executive KMP are formalised in contracts of employment effective from 11 February 2022 for Brendan Malone, 1 July 2021 for Alex Gao, and 1 June 2024 for Bradley Edwards. These remain unchanged at 30 June 2024 except for the amount payable in superannuation (adjusted for the annual maximum superannuation contributions base).

Periods of notice required to terminate Senior Executive KMP:

- each Senior Executive KMP must provide 6 months' written notice of intention to terminate employment agreement; and
- the Board may terminate the employment agreement of a Senior Executive KMP:
    - For the Managing Director/Group Chief Executive Officer and Chief Financial Officer on 12 months' notice; and
    - For General Counsel on 6 months' notice.

Termination payments:

- Senior Executive KMP contracts provide the Company with the flexibility to undertake a payment in lieu of notice period, where termination occurs other than for cause. In such circumstances the Board may exercise certain discretions in respect of a KMP's existing STI and/or LTI payments, for example in good leaver, retirement, death or redundancy circumstances, however the KMP has no entitlement to such payments.

As in previous years, all Short-Term Incentive (STI) payments made to KMP have been evaluated against agreed Key Performance Indicators (KPIs). Specifically, for FY23, the $252,000 STI cash bonus paid to the CEO in FY24 was in relation to strategy, customer & product Innovation (30%), revenue and effective capital management (40%) and risk & people (30%). All KPIs were met except for the Active Customer numbers (95% met).

In addition to the above, an amount of $54,000 will be paid in FY25 and $54,000 will be paid in FY26, subject to certain criteria being met.

For FY24, 58% of the target KPIs were met with $67,430 to be paid in FY25, $27,585 to be paid in FY26 and $27,585 to be paid in FY27. The KPIs were strategy, customer & product innovation (30%), revenue and effective capital management (20%), customer numbers and FUM (30%), building depth of leadership (15%), and return on marketing investment (5%).

For FY25, the STI Plan includes accountability for financial profit attainment, specifically against 'Cash Profit' generated, 'Revenue Per Customer', 'Funds under Management' and 'Active Customers'. The Cash profit generated will need to be satisfied before any other STI can be paid and will encompass both 'on target' and 'stretch' awards.

The target STI payable to the CEO has been set at $164,000.

The LTI for the CEO to be approved at the AGM, will encompass performance rights to a value of $164,000 at target.

The following table details the benefits and payments made to KMP (Directors and Senior Executives) for the year ended 30 June 2024 (with 2023 comparatives). Such amounts have been calculated in accordance with Australian Accounting Standards.

	Short-term		Post-employment	Long-term benefits	Termination benefits	Share-based payments	Total (Gross)
	Salary & fees (Gross)	Cash Bonus (Gross)	Superannuation contributions[1] (SGC)	Long service leave accrued during financial year			
	$	$	$	$	$	$	$
Non-Executive Directors							
Kelly Humphreys							
2024	**150,000**	**-**	**16,500**	**-**	**-**	**1,559**	**168,059**
2023	109,375	-	11,484	-	-	912	121,771
Jon Brett							
2024	**66,563**	**-**	**7,322**	**-**	**-**	**-**	**73,885**
2023	-	-	-	-	-	-	-
Robert Hines							
2024	**66,563**	**-**	**7,322**	**-**	**-**	**-**	**73,885**
2023	-	-	-	-	-	-	-
Harvey Kalman[2]							
2024	**18,750**	**-**	**2,063**	**-**	**-**	**-**	**20,813**
2023	118,125	-	12,403	-	-	-	130,528
Philippa Taylor[3]							
2024	**46,250**	**-**	**5,088**	**-**	**-**	**-**	**51,338**
2023	109,375	-	11,484	-	-	-	120,859
Stuart Grimshaw[4]							
2024	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2023	128,750	-	13,519	-	-	-	142,269
Sub-total Non-Executive Directors							
2024	**348,126**	**-**	**38,295**	**-**	**-**	**1,559**	**387,980**
2023	465,625	-	48,890	-	-	912	515,427

[1] Superannuation 11% pa to maximum contributions base.

[2] Harvey Kalman was a director and Chair of Raiz and resigned on 31 August 2023.

[3] Philippa Taylor was a director Raiz and resigned on 28 November 2023.

[4] Stuart Grimshaw was a director of Raiz and resigned on 31 May 2023.

	Short-term		Post-employment	Long-term benefits	Termination benefits	Share-based payments	Total (Gross)
	Salary & fees (Gross)	Cash Bonus (Gross)	Superannuation contributions[1] (SGC)	Long service leave accrued during financial year			
	$	$	$	$	$	$	$
Pre-appointment options							
Harvey Kalman							
2024	**-**	**-**	**-**	**-**	**-**	**-***	**-***
2023	-	-	-	-	-	38,753	38,753
Philippa Taylor							
2024	**-**	**-**	**-**	**-**	**-**	**-***	**-***
2023	-	-	-	-	-	26,380	26,380
Sub-total Non-Executive Directors							
2024	**-**	**-**	**-**	**-**	**-**	**-***	**-***
2023	-	-	-	-	-	65,133	65,133

*The pre-appointment options lapsed during the financial year ending 30 June 2024.

Executive Director and Senior Executives							
Brendan Malone							
2024	**595,875**	**252,000**	**27,399**	**15,506**	**-**	**63,973**	**954,753**
2023	525,000	100,000	25,292	17,484	-	83,647	751,423
Alex Gao							
2024	**250,000**	**105,000**	**27,114**	**12,047**	**-**	**18,743**	**412,904**
2023	217,409	50,000	23,491	8,532	-	26,857	326,289
Bradley Edwards							
2024	**23,333**	**-**	**2,567**	**-**	**-**	**-**	**25,900**
2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grant Brits[1]							
2024	**330,988**	**-**	**27,399**	**-**	**-**	**-**	**358,387**
2023	300,000	30,000	25,292	1,279	-	2,855	359,426
George Lucas[2]							
2024	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2023	262,500	-	12,646	-	681,190	145,333	1,101,669
James Poon[3]							
2024	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2023	365,017	-	25,292	-	-	39,976	430,285

[1] Grant Brits resigned on 5 June 2024.

[2] George Lucas resigned on 26 September 2022.

[3] James Poon resigned on 30 June 2023.

	Short-term		Post-employment	Long-term benefits	Termination benefits	Share-based payments	Total (Gross)
	Salary & fees (Gross)	Cash Bonus (Gross)	Superannuation contributions[1] (SGC)	Long service leave accrued during financial year			
	$	$	$	$	$	$	$
Sub-total Executive Director and Senior Executives							
2024	**1,200,196**	**357,000**	**84,479**	**27,553**	**-**	**82,716**	**1,751,944**
2023	1,669,926	180,000	112,013	27,295	681,190	298,668	2,969,092
Total Directors and Senior Executives							
2024	**1,548,322**	**357,000**	**122,774**	**27,553**	**-**	**84,275**	**2,139,924**
2023	2,135,551	180,000	160,903	27,295	681,190	364,713	3,549,652

Options

No options were granted during the financial year ending 30 June 2024.

Directors and KMP	Options granted in prior years	Date Options granted	Vesting date	Exercise price $	Expiry date	Number vested up to end of the year	Value of Options granted as at issue date $
Kelly Humphreys	175,000	9/12/2022	1/02/2025	1.937	1/02/2027	-	3,386
Brendan Malone	300,000	1/12/2021	1/12/2024	2.177	1/12/2026	-	168,690
Alex Gao	100,000	1/12/2021	1/12/2024	2.177	1/12/2026	-	56,230
Brendan Malone	150,000	4/01/2021	4/01/2024	1.144	3/01/2026	150,000	46,455
Brendan Malone	175,000	31/12/2019	31/12/2022	0.5	31/12/2024	175,000	71,593
Alex Gao	119,000	31/12/2019	31/12/2022	0.5	31/12/2024	119,000	48,683
Brendan Malone	250,000	20/06/2018	21/06/2021	1.80	20/06/2028	250,000	153,525
Alex Gao	20,000	20/06/2018	21/06/2021	1.80	20/06/2028	20,000	12,282
Brendan Malone	241,488	1/03/2017	1/03/2021	0.95	1/03/2027	241,488	197,683
Alex Gao	241,488	1/03/2017	1/03/2021	0.95	1/03/2027	241,488	197,683
Brendan Malone	2,025,029	1/07/2015	1/07/2020	0.20	1/07/2025	2,025,029	1,657,689

The number of options held during the financial year by each Director and senior executives, including their personally related parties, is set out below:

	Number of options held at 1 July 2023	Granted	Exercised	Lapsed	Number of RZI options held at 30 June 2024
Kelly Humphreys	175,000	-	-	-	175,000
Jon Brett	-	-	-	-	-
Robert Hines	-	-	-	-	-
Harvey Kalman	200,000	-	-	(200,000)	-
Philippa Taylor	175,000	-	-	(175,000)	-
Total Non-Executive Directors	**550,000**	**-**	**-**	**(375,000)**	**175,000**
Brendan Malone	3,141,517	-	(2,025,029)	-	1,116,488
Alex Gao	480,488	-	-	-	480,488
Grant Brits	30,000	-	-	(30,000)	-
Bradley Edwards	-	-	-	-	-
Total Executive Director and Senior Executives	**3,652,005**	**-**	**(2,025,029)**	**(30,000)**	**1,596,976**
Total All KMP (Directors and Senior Executives)	**4,202,005**	**-**	**(2,025,029)**	**(405,000)**	**1,771,976**

Shareholdings

The number of shares in the Company held during the financial year by each Director and senior executives, including their personally related parties, is set out below:

	Number of RZI shares held at 1 July 2023	Number of RZI shares purchased/(sold) during the year ended 30 June 2024	Number of RZI shares held at 30 June 2024
Kelly Humphreys	140,000	-	140,000
Jon Brett	-	-	-
Robert Hines	19,000	231,000	250,000
Harvey Kalman	62,000	(62,000)	-
Philippa Taylor	58,500	-	58,500
Total Non-Executive Directors	**279,500**	**169,000**	**448,500**
Senior Executives			
Brendan Malone	335,400	2,025,029	2,360,429
Alex Gao	290,363	39,000	329,363
Grant Brits	2,933,232	(2,933,232)	-
Bradley Edwards	100,000	50,000	150,000
Total Executive Director and Senior Executives	**3,658,995**	**(819,203)**	**2,839,792**
Total All KMP (Directors and Senior Executives)	**3,938,495**	**(650,203)**	**3,288,292**

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

		Consolidated Group	
		2024 $'000	2023 $'000
(i)	*Other related parties:*		
	Purchase of goods and services:	-	-
(ii)	*Key management personnel:*		
	Management fees and occupancy fees paid which Directors and executives have a beneficial interest	-	-
(iii)	*Loans from other key management personnel & related entities:*		
	Beginning of the year	-	199
	Loan repayment received	-	(199)
	End of the year	-	-
(iv)	*Payments received from related parties:*		
	Authorised Representative fees	-	39
	Management fees	-	440
	Total	**-**	**479**

Raiz received authorised representative fees and management fees from Instreet Investment Australia Limited for use of the Group's AFSL and recovery of expenses during the financial year but ceased on 30 June 2023.

Directors and Key management personnel compensation

The totals of remuneration paid to Directors and KMP of the Group during the year are as follows:

	2024 $'000	2023 $'000
Short-term employee benefits	1,905	2,316
Post-employment benefits	123	161
Other long-term benefits	28	27
Termination benefits	-	681
Share-based payments	84	365
Total Directors and KMP compensation	**2,140**	**3,550**

This concludes the remuneration report which has been audited.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2024 has been received and can be found following the Directors Report of the financial report.

BDO Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

Signed in accordance with a resolution of the Board of Directors, pursuant to section 298(2)(a) of the Corporation Act 2001.

On behalf of the Directors,

Kelly Humphreys
Chair
Dated: 26 August 2024

Brendan Malone
Managing Director/CEO
Dated: 26 August 2024

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www.bdo.com.au

Level 11, 1 Margaret Street
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY TIM AMAN TO THE DIRECTORS OF RAIZ INVEST LIMITED

As lead auditor of Raiz Invest Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Raiz Invest Limited and the entities it controlled during the period.

Tim Aman

Director

BDO Audit Pty Ltd

Sydney

26 August 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Note	Consolidated Group	
		2024 $'000	**2023* $'000**
Continuing operations			
Revenue	2	21,958	18,498
Other income		640	608
Employee benefits expenses	3	(5,552)	(6,394)
Depreciation and amortisation expenses	3	(2,278)	(2,900)
Sales and administrative expenses		(7,195)	(6,672)
Professional fees		(1,351)	(1,802)
Marketing expenses		(4,971)	(4,243)
Other expenses		(3,060)	(3,376)
Loss before income tax from continuing operations		**(1,809)**	**(6,281)**
Tax income benefit/(expense)	4	286	(134)
Loss for the year after income tax from continuing operations		**(1,523)**	**(6,415)**
Discontinued operations			
Net loss after income tax from discontinued operations	27	(1,269)	(1,638)
Other comprehensive income			
Exchange differences on translation of foreign operations		15	(47)
Total comprehensive loss for the year		**(2,777)**	**(8,100)**
Loss attributable to:			
Owners of the parent entity		(1,868)	(6,897)
Non-controlling interest		(924)	(1,156)
		Cents	**Cents**
Earnings per share			
Basic loss per share	7	(2.0)	(7.4)
Diluted loss per share	7	(2.0)	(7.4)

The accompanying notes form part of these financial statements.

*Comparative information has been restated to reflect discontinued operations in the current financial year. Please refer to Note 27: Discontinued Operations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	Consolidated Group	
		2024	2023
		$'000	$'000
ASSETS			
Cash and cash equivalents	8	9,738	8,449
Trade and other receivables	9	2,160	1,877
Other Financial assets	10	513	677
Other assets	11	1,699	4,417
TOTAL CURRENT ASSETS		**14,110**	**15,420**
Property, plant and equipment		-	77
Trade and other receivables	9	-	178
Right-of-use assets	18	134	601
Deferred tax assets	4	376	454
Intangible assets	12	28,260	28,019
TOTAL NON-CURRENT ASSETS		**28,770**	**29,329**
TOTAL ASSETS		**42,880**	**44,749**
LIABILITIES			
Trade and other payables	14	3,686	3,645
Current lease liabilities	18	142	490
Preference shares issued to Malaysian JV partner	19	973	-
Provisions	15	515	424
TOTAL CURRENT LIABILITIES		**5,316**	**4,559**
Deferred tax liabilities	4	944	1,307
Non-current lease liabilities	18	-	147
Provisions	15	262	154
TOTAL NON-CURRENT LIABILITIES		**1,206**	**1,608**
TOTAL LIABILITIES		**6,522**	**6,167**
NET ASSETS		**36,358**	**38,582**
EQUITY			
Issued capital	16	102,581	102,176
Restructuring reserve	17	(26,328)	(26,328)
Share option reserve	17	6,104	5,956
Foreign currency translation reserve	17	(136)	(378)
Accumulated losses		(44,235)	(39,988)
Equity attributable to owners of the parent entity		37,986	41,438
Non-controlling interest		(1,628)	(2,856)
TOTAL EQUITY		**36,358**	**38,582**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

Year ended 30 June 2024	Issued Capital	Restructuring Reserve	Share Option Reserve	Foreign Currency Translation Reserve	Non-controlling Interests	Accumulated Losses	Total Equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2023	**102,176**	**(26,328)**	**5,956**	**(378)**	**(2,856)**	**(39,988)**	**38,582**
Loss attributable to members of the parent equity	-	-	-	-	(924)	(1,868)	**(2,792)**
Other comprehensive income (loss)	-	-	-	15	-	-	**15**
Total comprehensive loss for the year				**15**	**(924)**	**(1,868)**	**(2,777)**
Transactions with owners in capacity as owners:							
Exercise of options	405	-	-	-	-	-	**405**
Transaction with non-controlling interest	-	-	-	227	2,152	(2,379)	**-**
Share option expenses	-	-	148	-	-	-	**148**
Balance at 30 June 2024	**102,581**	**(26,328)**	**6,104**	**(136)**	**(1,628)**	**(44,235)**	**36,358**

The accompanying notes form part of these financial statements.

The Consolidated Statement of Changes in Equity is continued over next page.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

Year ended 30 June 2023	Issued Capital $'000	Restructuring Reserve $'000	Share Option Reserve $'000	Foreign currency translation reserve $'000	Non-controlling interests $'000	Accumulated Losses $'000	Total Equity $'000
Balance at 1 July 2022	**102,176**	**(26,328)**	**5,523**	**(331)**	**(1,918)**	**(33,091)**	**46,031**
Loss attributable to members of the parent equity	-	-	-	-	(1,156)	(6,897)	**(8,053)**
Other comprehensive income (loss)	-	-	-	(47)	-	-	**(47)**
Total comprehensive loss for the year				**(47)**	**(1,156)**	**(6,897)**	**(8,100)**
Transactions with owners in capacity as owners:							
Transaction with non-controlling interest	-	-	-	-	218	-	**218**
Share option expenses	-	-	433	-	-	-	**433**
Balance at 30 June 2023	**102,176**	**(26,328)**	**5,956**	**(378)**	**(2,856)**	**(39,988)**	**38,582**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Note	Consolidated Group 2024 $'000	Consolidated Group 2023 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		23,677	20,334
Payments to suppliers and employees		(21,690)	(24,714)
Government grants and tax incentives		1,665	1,452
Finance cost paid		(43)	(72)
Net cash from/(used in) operating activities	21	**3,609**	**(3,000)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for intangible assets		(3,267)	(3,618)
Net cash used in investing activities		**(3,267)**	**(3,618)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Exercise of options	16	405	-
Proceeds from changes in ownership interests in subsidiaries		-	218
Proceeds from borrowings	19	973	
Repayment of borrowings to related parties	24	-	(199)
Principal payment for leases	18	(427)	(507)
Net cash from/(used in) financing activities		**951**	**(488)**
Net increase/(decrease) in cash and cash equivalents		1,293	(7,106)
Cash and cash equivalents at the beginning of financial year		8,449	15,538
Effect of movement in exchange rates on cash held		(4)	17
Cash and cash equivalents at the end of financial year*	8	**9,738**	**8,449**

The accompanying notes form part of these financial statements.

*Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The consolidated financial statements and notes represent those of Raiz Invest Limited and Controlled Entities (the "Consolidated Group" or "Group").

The separate financial statements of the parent entity, Raiz Invest Limited, have been presented within this financial report as permitted by the *Corporations Act 2001*.

The financial statements were authorised for issue on 26 August 2024 by the Directors of the Company.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose consolidated financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a. **Principles of Consolidation**

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Raiz Invest Limited) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 13.

The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in the ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

b. **Parent entity information**

In accordance with the Corporation Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in Note 28.

c. **Business Combinations**

Business combinations occur where an acquirer obtains control over one or more businesses. A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed are recognised (subject to certain limited exceptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of profit or loss and other comprehensive income.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

d. **Business Combinations Under Common Control**

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that the control is not transitory.

Where an entity within the Group acquires an entity under common control, the acquirer consolidates the carrying values of the acquired entity's assets and liabilities. The consolidated financial statements of the Group include the acquired entity's income and expenses. Any difference between the fair value of the consideration paid/transferred by the acquirer and the net assets/(liabilities) of the acquired entity are taken to the restructuring reserve within other equity.

e. **Income Tax**

The income tax expense for the period comprises current income tax expense and deferred tax expense.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

Current and deferred income tax expense is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised, or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled, and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Raiz Invest Limited and its wholly owned Australian subsidiaries formed a tax consolidated group effective from 12 April 2018.

f. **Fair Value of Assets and Liabilities**

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

g. **Property, Plant and Equipment**

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The cost of fixed assets constructed within the Company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are between 20%-33%.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

h. **Financial Instruments**

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value or at amortised cost using the effective interest method.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Group's Accounting Policy.

The Group does not designate any interests in subsidiaries, associates or joint ventures as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

i. **Impairment of Assets**

At each reporting date, the Group reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

j. **Interests in Joint Venture**

Joint Venture represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venture partners with an interest to net assets are classified as a joint venture and accounted for using the equity method.

k. **Intangible Assets Other than Goodwill**

Licence costs and development expenditure on software is recognised at cost of acquisition or when the expenditure is incurred. Such capitalised expenditure has a finite life and is carried at cost less any accumulated amortisation and any impairment losses. The capitalised expenditure is amortised over its estimated useful life of 5 years. R&D tax incentives received in relation to capitalised costs are deducted from the cost of the asset upon receipt of the claim.

l. **Foreign Currency Transactions and Balances**

Functional and presentation currency

The functional currency of each of the Group’s entities is the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, which is the parent entity’s functional currency.

m. **Employee Benefits**

Short-term employee benefits

Provision is made for the Group’s obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group’s obligations for short-term employee benefits such as wages and salaries are recognised as part of current trade and other payables in the statement of financial position. The Group’s obligations for employees’ annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees’ long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Group’s obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Equity-settled compensation

The Group operates an employee option plan. Share-based payments to employees are measured at the fair value of the instruments at grant date and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amounts are recognised in the option reserve and statement of profit and loss respectively. The fair value of options is calculated using the Black-Scholes model, considering the terms and conditions under which the instruments were granted. The fair value of performance rights is determined using a combination of Monte Carlo simulation and by subtracting the present value of expected dividends per share over the vesting period from the spot price on the grant date. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

n. **Provisions**

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

o. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are reported within borrowings in current liabilities on the statement of financial position.

p. **Revenue and Other Income**

Revenue Recognition

Revenue from rendering of services

Raiz platform fees

Raiz platform fees are charged to customers under the contract to allow them to invest with Raiz. Revenue is recognised over time using the output method in accordance with AASB 15. The performance obligation is to allow a user access to the platform for a period of one month. Revenue is recognised in arrears when the performance obligation for the relevant period is met. Raiz platform fee is collected via either direct debit from customer's bank account or selling ETF and Bitcoin assets on the customer's Raiz account. This includes fees charged on our Superannuation products.

Raiz rewards

Raiz establishes partnerships with companies allowing advertising on the Raiz platform. Commission is then received when a customer makes a purchase via Raiz. Revenue is recorded when a customer has made a purchase via Raiz as this is the point when the performance obligation is met, and Raiz recognises the commission. Commission receivables have 7-30 days payment terms.

Interest

Interest revenue is recognised as it accrues, taking into account the effective yield of the financial asset.

Management fees

Management fees are charged to Instreet Investment Australia Limited for use of the Raiz's Australian Financial Services Licence (AFSL). Licence fees and expense recharges are recognised via a management fee and charged to Instreet Investment Australia Limited, see related party Note 24. Revenue is recognised over time as the service is provided. Management fee receivables have 14 days payment terms.

Other income

Other income is recognised when it is received or the right to receive payment is established. Government grants are recognised once all conditions of the grant have been met.

q. **Trade and Other Receivables**

Trade and other receivables include amounts due from customers for services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any expected credit loss.

r. **Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Due to their short-term nature they are measured at amortised cost and are not discounted.

s. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

t. **Earnings per share**

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Raiz Invest Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

u. **Critical Accounting Estimates and Judgements**

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates

(i) Impairment

The Group assesses impairment at the end of each reporting period by evaluating the conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

No impairment has been recognised in respect of goodwill at the end of the reporting period.

(ii) Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options is calculated using the Black-Scholes model, considering the terms and conditions under which the instruments were granted. The fair value of performance rights is determined using a combination of Monte Carlo simulation and by subtracting the present value of expected dividends per share over the vesting period from the spot price on the grant date. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to Note 22 for further information.

(iii) Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

(iv) Goodwill and other indefinite life intangible assets

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in Note 12. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

(v) Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

(vi) Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

(vii) Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

(viii) Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

(ix) Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

(x) Lease make good provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

(xi) Business combinations

As discussed in Note 1, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting are retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

v. **Rounding of amounts**

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

w. **Discontinued operations**

A discontinued operation is a component of the consolidated entity that has been disposed of or classified as held for sale. It represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with the intent to resell. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income. These results, including any gain or loss on disposal, are reported in a single line item, net of tax, in the statement of comprehensive income. The Group has elected to present a statement of cash flows that analyses all cash flows in total – i.e., including both continuing and discontinued operations. Please refer to Note 27 for further details, including amounts related to discontinued operations from operating, investing and financing activities.

x. **New or amended Accounting Standards and Interpretations adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the Group:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The Group has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the Group's financial statements.

y. **New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2024. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

NOTE 2: REVENUE AND OTHER ACTIVITIES

		Consolidated Group	
		2024 $'000	2023* $'000
Revenue from continuing operations			
Sales revenue:			
–	Raiz platform	21,958	17,919
–	other revenue	-	579
Total Revenue		**21,958**	**18,498**

Disaggregation of revenue

The Group derives its revenue from the services offered on its Raiz Invest Micro-Investing Platform. The table above provides a breakdown of revenue by major business line. Please refer to Note 20 for more information on segments.

*Comparative information has been restated to reflect discontinued operations in the current financial year. Please refer to Note 27: Discontinued Operations.

NOTE 3: EXPENDITURE

	Consolidated Group	
	2024 $'000	2023* $'000
Profit before income tax from continuing operations includes the following specific expenses:		
Employee benefits expenses	5,552	6,394
Depreciation expenses	376	379
Amortisation expenses	1,902	2,521
Foreign currency translation loss/(gains)	15	(31)
Finance cost	40	59

*Comparative information has been restated to reflect discontinued operations in the current financial year. Please refer to Note 27: Discontinued Operations.

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NOTE 4: TAX EXPENSE

	Consolidated Group	
	2024 $'000	2023 $'000
The prima facie tax on loss from ordinary activities before income tax is reconciled to income tax as follows:	(3,078)	(7,919)
Prima facie tax payable on loss from ordinary activities before income tax at 25% (2023: 25%)	(770)	(1,980)
ADD:		
Tax effect of:		
– Share option expense not deductible	37	108
– Other non-allowable items	3	3
– R&D expenditures not deductible	(420)	462
– Losses carried forward not recognised	798	1,593
– Effect of tax rate difference in foreign jurisdictions	5	4
LESS:		
Tax effect of:		
– Other adjustments	-	(1)
– Under/over provision from prior year	61	(55)
Income tax (benefit)/expense	**(286)**	**134**
Income tax credit comprises:		
– Current Tax	-	-
– Deferred taxation	(286)	134
Unrecognised tax losses		
Unused tax losses for which no deferred tax asset recognised	26,883	24,161
Potential benefit at 25%	6,721	6,040
Deferred Tax Assets	376	454
Deferred Tax Liabilities	944	1,307
Provision for Income Tax	-	-
Deferred Tax Asset Reconciliation		
Opening Balance	454	583
Movement in Provisions	13	13
Movement in Accrued Expenses	48	(13)
Lease Liabilities	(81)	(71)
Other (Business-related capital expenditure)	(58)	(58)
Balance at 30 June	**376**	**454**
Deferred Tax Asset comprises:		
Employee provisions	233	218
Business-related capital expenditure	5	12
Accruals	74	29
Lease Liabilities	29	110
Capital raising costs	35	85
Balance at 30 June	**376**	**454**

NOTE 4: TAX EXPENSE

	Consolidated Group	
	2024 $'000	2023 $'000
Deferred Tax Liability Reconciliation		
Opening Balance	1,307	1,302
Unrealised FX gains	(17)	5
Fixed Assets	(271)	75
Right-of-use Assets	(75)	(75)
Balance at 30 June	**944**	**1,307**
Deferred Tax Liability Comprises:		
Fixed Assets	915	1,186
Unrealised FX Gain	4	20
Right-of-use Assets	25	101
Balance at 30 June	**944**	**1,307**

NOTE 5: AUDITOR'S REMUNERATION

	Consolidated Group	
	2024 **$**	**2023** **$**
Remuneration of the auditor for:		
Audit services for the Group and its controlled entities (BDO Audit Pty Ltd)	146,500	132,750
	146,500	**132,750**

NOTE 6: DIVIDENDS

The Group did not recommend, declare, or pay a cash dividend during the financial year ending 30 June 2024 (2023: nil).

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NOTE 7: EARNINGS PER SHARE

		Consolidated Group	
		2024 $'000	**2023* $'000**
a.	**Reconciliation of earnings to loss:**		
	Loss attributable to Owners of the parent entity	(1,868)	(6,897)
	Loss used in the calculation of dilutive EPS	(1,868)	(6,897)
b.	**Loss from continuing operations**		
	Loss attributable to Owners of the parent entity	(599)	(5,259)
	Loss used in the calculation of dilutive EPS	(599)	(5,259)
c.	**Loss from discontinued operations**		
	Loss attributable to Owners of the parent entity	(1,269)	(1,638)
	Loss used in the calculation of dilutive EPS	(1,269)	(1,638)
		No.	**No.**
d.	Closing number of ordinary shares outstanding as at 30 June 2024 (30 June 2023)	95,470,495	93,445,466
	Weighted average number of ordinary shares outstanding during the year used in calculating basic and dilutive EPS	94,055,749	93,445,466
		Cents	**Cents**
e.	**Earnings Per Share from Continuing Operations**		
	Basic loss per share	(0.6)	(5.6)
	Diluted loss per share[1]	(0.6)	(5.6)
f.	**Earnings Per Share from Continuing Operations and Discontinued Operations**		
	Basic loss per share	(2.0)	(7.4)
	Diluted loss per share[1]	(2.0)	(7.4)

[1]Share options are excluded in calculating the diluted EPS. The potential number of Raiz shares that could be issued under the share option arrangements will only be determined on exercise which will occur at a future date and based on future valuations which are unable to be reliably estimated today.

*Comparative information has been restated to reflect discontinued operations in the current financial year. Please refer to Note 27: Discontinued Operations.

NOTE 8: CASH AND CASH EQUIVALENTS

	Consolidated Group	
	2024 $'000	**2023 $'000**
Cash at bank and on hand	9,738	8,449
	9,738	**8,449**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

As of 30 June 2024, cash and cash equivalents for Australian operations totalled $8,484,000, reflecting an increase of $1,666,000 from $6,818,000 on 30 June 2023.

NOTE 9: TRADE AND OTHER RECEIVABLES

	Consolidated Group	
	2024 $'000	2023 $'000
CURRENT		
Trade receivables	2,368	2,110
Expected credit loss	(208)	(233)
Total current trade and other receivables	**2,160**	**1,877**
NON-CURRENT		
Other receivables	-	178
Total non-current trade and other receivables	**-**	**178**
Total trade and other receivables	**2,160**	**2,055**

Credit risk

The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as "trade and other receivables" is the main source of credit risk related to the Group.

On a geographical basis, the Group has credit risk exposures in Australia given the substantial operations in those regions. The Group's exposure to credit risk for receivables at the end of the reporting period in those regions is as follows:

	Consolidated Group	
	2024 $'000	2023 $'000
Australia	2,128	1,884
Indonesia	-	54
Malaysia	32	117

The balances of receivables that remain within initial trade terms are of high credit quality. There has been no change to credit risk since initial recognition.

The Group applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables and contract assets. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing. The expected loss rates are based on the Group's historical credit losses experienced over the two-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers.

A reconciliation of the movement in the impairment allowance for receivables under the expected credit loss model is shown below:

	Consolidated Group
	2024 $'000
Expected credit loss provision as at 30 June 2023	233
Amounts provided	734
Bad debts written off	(759)
Expected credit loss provision as at 30 June 2024	208

NOTE 10: OTHER FINANCIAL ASSETS

	Consolidated Group	
	2024 $'000	2023 $'000
Financial assets		
CURRENT		
Australian listed shares*	349	434
Term Deposits (12-month maturity)	164	164
Other financial assets	-	79
Total current financial assets	**513**	**677**

*Shares held for the purpose of managing the operational risks associated with the platform or for tracking the performance of the Raiz Invest Australia Fund. These are not held for the purpose of short-term profit taking. Changes in fair value are included in the statement of comprehensive income.

NOTE 11: OTHER ASSETS

	Consolidated Group	
	2024 $'000	2023 $'000
Other assets		
CURRENT		
Advertising credit (Seven West Media)*	1,411	4,143
Others	288	274
Other assets	**1,699**	**4,417**

Key estimates and judgements

Advertising credit

*The $8 million in advertising credits received as a result of the Seven West Media (SWM) investment in December 2021 falls within AASB 2 Share Based Payments, whereby Raiz has recognised the fair value of services received as a direct increase in equity at the time the shares were issued. There is a corresponding increase to other assets to recognise the future services to be provided by SWM. The advertising credit unwinds upon consumption of these advertising credits by Raiz. Under the advertising services agreement, the advertising credit will expire on 31 January 2025.

NOTE 12: INTANGIBLE ASSETS & GOODWILL

	Consolidated Group	
	2024 $'000	2023 $'000
Goodwill:		
Cost	21,213	21,213
Net carrying amount	21,213	21,213
Computer software and other Intangible assets:		
Cost	20,948	18,805
Accumulated amortisation	(13,901)	(11,999)
Net carrying amount	7,047	6,806
Total intangible assets	**28,260**	**28,019**

	Goodwill $'000	Computer Software - Intangible Assets $'000
Consolidated Group:		
Year ended 30 June 2023		
Balance at the beginning of the year	21,213	6,566
R&D Grant	-	(858)
Additions	-	3,618
Amortisation charge	-	(2,520)
Year ended 30 June 2023	**21,213**	**6,806**
Year ended 30 June 2024		
Balance at the beginning of the year	21,213	6,806
R&D Grant	-	(1,041)
Additions	-	3,267
Impairment (Malaysian operations)	-	(83)
Amortisation charge	-	(1,902)
Closing value at 30 June 2024	**21,213**	**7,047**

Impairment disclosures

Goodwill is allocated to cash-generating units which are based on the Group's reporting segments:

	2024 $'000	2023 $'000
Raiz Invest Micro Investing Platform segment	21,213	21,213
Total	**21,213**	**21,213**

The recoverable amount of each cash-generating unit above is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a five-year period for the Raiz micro investing platform segment only with the period extending beyond five years by calculating a terminal value using a terminal value growth rate of 5.7% p.a.. The cash flows and terminal value are discounted using a 15.0% p.a. discount rate.

Key Assumptions used in value-in-use calculation

Growth Rates

Growth rates used reflect management's plans for the Raiz Invest Micro Investing platform segment only and where possible are based on historic performance.

Discount Rate

The discount rate of 15.0% p.a. (2023: 15.0% p.a.) pre-tax reflects the market determined, risk-adjusted discount rate that is adjusted for specific risks relating to the CGU. Any residual value will be calculated using a terminal value growth rate of 5.7% p.a. then discounted at 15.0% p.a..

There were no other key assumptions.

Sensitivity analysis also examined the effect of a change in a key assumption on the cash-generating unit. The discount rate would need to increase by 23.7% to 38.7% p.a. or the terminal value growth rate would need to decrease by 24.1% to negative 18.4% p.a. before the recoverable amount of the CGU would equal its carrying value.

Key estimates and judgements

Impairment

Raiz assesses impairment at each reporting date by evaluating conditions specific to Raiz and the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves value-in-use calculations, which incorporate a number of key estimates and assumptions.

Estimation of useful lives of assets

Raiz determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite intangible assets. The useful lives could change significantly because of technical innovations, change in laws, or some other event. The depreciation or amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

NOTE 13: INTERESTS IN SUBSIDIARIES

a. **Information about Principal Subsidiaries**

The subsidiaries listed below have share capital consisting solely of ordinary shares which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation.

Name of Subsidiary	Principal Place of Business	Ownership Interest Held by the Group		Proportion of Non-controlling Interests	
		2024	2023	2024	2023
		%	%	%	%
Raiz Invest Australia Limited	NSW Australia	100.0	100.0	-	-
Instreet Investment Limited	NSW Australia	100.0	100.0	-	-
Instreet Acorns Pty Limited	NSW Australia	100.0	100.0	-	-
Raiz Home Ownership Pty Limited	NSW Australia	100.0	100.0	-	-
Superestate Pty Limited	NSW Australia	100.0	100.0	-	-
Raiz Malaysia SDN BHD	Kuala Lumpur Malaysia	70.0	70.0	30.0	30.0
Raiz (Thailand) Limited	Bangkok Thailand	100.0	100.0	-	-
Raiz Vietnam Ltd	Ho Chi Minh Vietnam	100.0	100.0	-	-
PT Raiz Invest Indonesia*	Jakarta Indonesia	-	80.0	-	20.0
PT Raiz Solusi Indonesia*	Jakarta Indonesia	-	79.2	-	20.8

* The divestment of the Indonesian business was completed in March 2024.

In FY24, a strategic review of the Malaysian business was conducted. Following the completion of the review, the JV partners agreed to close the business. Upon completion of the closure, the Malaysian operations will be classified as discontinued operations. The Company expects the divestment of the Malaysian business to be completed in FY25.

Raiz Thailand and Raiz Vietnam are not operational. The Company decided to close both businesses, with the expected completion date in FY25.

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

b. **Significant Restrictions**

There are no significant restrictions over the Group's ability to access or use assets, and settle liabilities, of the Group.

Deed of Cross Guarantee

A Deed of Cross Guarantee (pursuant to ASIC (wholly-owned companies) instrument 2016/785 and ASIC Class Order 98/1418) was entered into between Raiz Invest Limited and its wholly owned subsidiaries, Instreet Investment Limited and Raiz Invest Australia Limited during the financial year ended 30 June 2018 and relief was obtained from preparing financial statements for Raiz Invest Australia Limited under ASIC Class Order 98/1418. Pursuant to this Deed of Cross Guarantee, the wholly owned subsidiaries rely upon relief afforded to the financial reporting requirements of Chapter 2M Corporations Act 2001, such that Raiz Invest Limited prepares audited financial statements on a Group basis.

NOTE 13: INTERESTS IN SUBSIDIARIES

		Parties to Deed of Cross Guarantee	
		2024 $'000	2023 $'000
Financial information in relation to:			
(i)	Statement of profit or loss and other comprehensive income:		
	Revenue	21,583	17,246
	Sales and Administration expenses	(6,506)	(5,656)
	Employee benefits expenses	(5,189)	(6,028)
	Depreciation and amortisation	(1,820)	(2,793)
	Professional fees	(1,314)	(1,398)
	Marketing expenses	(4,721)	(3,610)
	Other expenses	(10,215)	(2,143)
	Loss before income tax	(8,182)	(4,382)
	Income tax expense	82	(195)
	Loss after income tax	(8,100)	(4,577)
	Loss attributable to owners of the parent entity	**(8,100)**	**(4,577)**
(ii)	**Statement of financial position:**		
	Cash and cash equivalents	8,468	6,515
	Trade and other receivables	2,107	1,730
	Other financial assets	5,386	12,426
	Other assets	1,664	4,383
	TOTAL CURRENT ASSETS	**17,625**	**25,054**
	Investments	67,688	69,483
	Right-of-use assets	101	402
	Deferred tax assets	364	444
	Intangible assets	5,984	5,299
	TOTAL NON-CURRENT ASSETS	**74,137**	**75,628**
	TOTAL ASSETS	**91,762**	**100,682**
	Trade and other payables	3,559	4,803
	Current lease liabilities	104	291
	Provisions	511	407
	TOTAL CURRENT LIABILITIES	**4,174**	**5,501**
	Deferred tax liabilities	1,096	1,105
	Non-current lease liabilities	-	147
	Provisions	264	154
	TOTAL NON-CURRENT LIABILITIES	**1,360**	**1,406**
	TOTAL LIABILITIES	**5,534**	**6,907**
	NET ASSETS	**86,228**	**93,775**
	EQUITY		
	Issued capital	114,047	113,642
	Share option reserve	6,104	5,956

NOTE 13: INTERESTS IN SUBSIDIARIES

Other reserve	4,284	4,284
Retained earnings	(38,207)	(30,107)
TOTAL EQUITY	**86,228**	**93,775**

NOTE 14: TRADE AND OTHER PAYABLES

	Consolidated Group	
	2024 $'000	2023 $'000
CURRENT		
Trade and other payables	3,686	3,645
	3,686	**3,645**

NOTE 15: PROVISIONS

	Consolidated Group	
	2024 $'000	2023 $'000
CURRENT		
Employee benefit provision	515	424
	515	**424**
NON-CURRENT		
Employee benefit provision	262	154
	262	**154**

NOTE 16: ISSUED CAPITAL

	Consolidated Group 2024 No.	Consolidated Group 2023 No.
Fully paid ordinary shares	95,470,495	93,445,466
	95,470,495	**93,445,466**

		Date	Consolidated Group 2024 No.	Consolidated Group 2023 No.
a.	**Ordinary Shares**			
	At the beginning of the reporting period		93,445,466	93,445,466
	Issue of shares - exercise of options	12 March 2024	2,025,029	-
	At the end of the reporting period (No.)		**95,470,495**	**93,445,466**

		Date	Consolidated Group 2024 $	Consolidated Group 2023 $
b.	**Ordinary Shares**			
	At the beginning of the reporting period		102,175,830	102,175,830
	Issue of shares - exercise of options	12 March 2024	405,006	-
	At the end of the reporting period ($)		**102,580,836**	**102,175,830**

c. **Options**

(i) For information relating to the Raiz Invest Limited Long-Term Equity Incentive Plan (LTEIP), including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end, refer to Note 22.

(ii) For information relating to share options issued to key management personnel during the financial year, refer to Remuneration Report.

d. **Capital Management**

Management controls the capital of the Group to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital include ordinary share capital and financial liabilities, supported by financial assets.

The Group maintains liquid capital to meet its obligations as a responsible entity.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group.

NOTE 16: ISSUED CAPITAL

	Note	Consolidated Group	
		2024 $'000	**2023 $'000**
Total liabilities		6,522	6,167
Less cash and cash equivalents	8	9,738	8,449
Net debt		(3,216)	(2,282)
Total equity		**36,358**	**38,582**
Total assets		**42,880**	**44,749**
Gearing ratio		(7.5%)	(5.1%)

NOTE 17: RESERVES

	Consolidated Group	
	2024 $'000	**2023 $'000**
Restructuring reserve	(26,328)	(26,328)
Share option reserve	6,104	5,956
Foreign currency translation reserve	(136)	(378)
Total reserves	**(20,360)**	**(20,750)**

Restructuring reserve:

The restructuring reserve relates to a business combination in a prior year whereby the Group was re-organised. The transaction was accounted for under the pooling of interest method as there was no change to overall controlling interest in the Group.

Share option reserve:

The share option reserve represents the cumulative charge for share-based payments.

Foreign currency translation reserve:

The Consolidated Financial Statements are presented in Australian dollars ($), which is the Group's functional and presentation currency. Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income and accumulated in a separate reserve within equity.

NOTE 18: LEASES

All leases are accounted for by recognising a right-of-use asset and a lease liability except for the following where certain practical expedients have been adopted:

· Leases of low value assets; and

· Leases with a duration of 12 months or less at initial application date.

(i) The balance sheet shows the following amounts relating to leases:

Right-of-use Assets	Total $'000
Balance as at 1 July 2023	**601**
Depreciation	(354)
Adjustment of the right-of-use assets	(113)
At 30 June 2024	**134**

Lease Liabilities	Total $'000
Balance as at 1 July 2023	**637**
Interest expense	22
Adjustment of the lease liabilities	(90)
Lease payments	(427)
At 30 June 2024	**142**

At 30 June 2024	Up to 12 months $'000	Between 1 and 5 years $'000	Total $'000
Lease Liabilities	**142**	**0**	**142**

NOTE 19: PREFERENCE SHARES ISSUED TO MALAYSIAN JV PARTNER

	Consolidated Group	
	2024 $'000	2023 $'000
Preference shares issued to Malaysian JV partner by Raiz Malaysia Sdn Bhd	973	-

On 30 November 2023, 3 million preference shares were issued to Jewel Digital Ventures Sdn Bhd (JDV, a subsidiary of Permodalan Nasional Berhad) by RAIZ Malaysia Sdn Bhd for 1 Malaysian Ringgit per share (equivalent to $973,000 in total). These preference shares can be redeemed anytime by JDV and can also be converted to ordinary shares after 31 December 2024 based on valuation at the time of conversion. The preference shares carry a fixed dividend of 4% per annum. Due to the redeemable nature of these preference shares and the decision by the JV partners to wind up the entity, these preference shares are classified as current financial liabilities on the Group's balance sheet.

NOTE 20: OPERATING SEGMENTS

Description of segments

Identification of reportable operating segments

As disclosed in Raiz's FY23 Annual Report, Raiz ceased to receive revenue from Other Financial Services on 30 June 2023. Consequently, Raiz no longer operates Other Financial Services segment.

In addition to service type, the Group is segmented into five geographical locations: Australia, Malaysia, Indonesia, Thailand, and Vietnam.

Following a strategic review of its Southeast Asian operations, Raiz decided to cease all overseas operations. The divestment of the Indonesian business was successfully completed in March 2024, with Indonesian operations now classified as discontinued operations in the FY24 results. Upon the closure of the Malaysian, Thai, and Vietnamese businesses, all overseas operations will be similarly classified as discontinued operations. Raiz anticipates the divestment of these operations to be finalised in FY25. The Thai and Vietnamese operations were set up to explore opportunities in these countries and were non-operational.

This operating segment is based on the internal reports that are reviewed and used by the chief operating decision makers (CODMs) in assessing the performance and in determining the allocation of resources. There is no aggregation of operating segments below this level.

The CODMs also use EBITDA (earnings before interest, tax, depreciation and amortisation) as a principal profit measure. The accounting policies adopted for internal reporting are consistent with those adopted in the financial statements.

The information reported to the CODMs is on at least a quarterly basis.

Types of services

The principal service is the provision of financial services via the Raiz Invest micro-investing platform (Raiz Platform).

Major customers

Raiz Platform does not rely on any major customers. The largest single customer accounts for estimated 0.03% of total revenue.

The majority of Other Financial Services that ceased in FY23 were paid by Instreet Investment Australia Limited (IIAL), for rent and other expenses as well as a corporate authorised representative (CAR) fee.

Segments by service types

Year ended 30 June 2024	**Raiz Platform**	**Total**
	$'000	**$'000**
Segment Revenue	21,958	21,958
Other Income	640	640
Operating expenses	(22,089)	(22,089)
EBITDA	**509**	**509**
Depreciation and amortisation expenses	(2,278)	(2,278)
Interest expense	(40)	(40)
Loss before income tax from continuing operations	(1,809)	(1,809)
Income tax benefit	286	286
Loss after income tax from continuing operations	**(1,523)**	**(1,523)**
Net loss after income tax from discontinued operations	(1,269)	(1,269)
Exchange differences on translation of foreign operations	15	15
Total comprehensive loss for the year	**(2,777)**	**(2,777)**

Year ended 30 June 2023	Raiz Platform	Other Financial Services*	Total
	$'000	$'000	$'000
Segment Revenue	17,919	579*	18,498
Other Income	608	-	608
Operating expenses	(21,938)	(490)	(22,428)
EBITDA	**(3,411)**	**89**	**(3,322)**
Depreciation and amortisation expenses	(2,883)	(17)	(2,900)
Interest expense	(50)	(9)	(59)
Loss before income tax from continuing operations	(6,344)	63	(6,281)
Income tax expense	(127)	(7)	(134)
Loss after income tax from continuing operations	**(6,471)**	**56**	**(6,415)**
Net loss after income tax from discontinued operations	(1,638)	-	(1,638)
Exchange differences on translation of foreign operations	(47)	-	(47)
Total comprehensive loss for the year	**(8,156)**	**56**	**(8,100)**

*Restatement of comparatives

$476,000 Interest received in FY23 has been restated from Other Financial Services to the Raiz Platform to ensure consistency with its treatment in FY24. This restatement does not result from a change in accounting policy or a correction of an error but to maintain the consistency of the presentation.

As at 30 June 2024	Raiz Platform	Total
	$'000	$'000
Segment assets	42,880	42,880
Segment liabilities	6,522	6,522

As at 30 June 2023	Raiz Platform	Other Financial Services	Total
	$'000	$'000	$'000
Segment assets	38,421	6,328	44,749
Segment liabilities	5,970	197	6,167

Profit or Loss by geographical areas

	FY24	FY23*
Australia	$'000	$'000
Segment Revenue	21,016	17,663
Other Income	640	608
Operating expenses	(20,338)	(20,654)
EBITDA	**1,318**	**(2,383)**
Depreciation and amortisation expenses	(2,187)	(2,805)
Interest expense	(36)	(53)
Loss before income tax from continuing operations	(905)	(5,241)
Income tax benefit	286	(134)
Loss after income tax from continuing operations	**(619)**	**(5,375)**

*FY23 figures in above table include Other Financial Services, which ceased on 30 June 2023.

Australia (Raiz platform only)	FY24 $'000	FY23* $'000
Segment Revenue	21,016	17,084
Other Income	640	608
Operating expenses	(20,338)	(20,164)
EBITDA	**1,318**	**(2,472)**
Depreciation and amortisation expenses	(2,187)	(2,788)
Interest expense	(36)	(44)
Loss before income tax from continuing operations	(905)	(5,304)
Income tax benefit	286	(127)
Loss after income tax from continuing operations	**(619)**	**(5,431)**

*FY23 figures in above table are Raiz platform only and exclude Other Financial Services.

Malaysia	FY24 $'000	FY23 $'000
Segment Revenue	942	835
Other Income	-	-
Operating expenses	(1,651)	(1,675)
EBITDA	**(709)**	**(840)**
Depreciation and amortisation expenses	(91)	(95)
Interest expense	(4)	(6)
Loss before income tax from continuing operations	(804)	(941)
Income tax benefit	-	-
Loss after income tax from continuing operations	**(804)**	**(941)**

Thailand	FY24 $'000	FY23 $'000
Segment Revenue	-	-
Other Income	-	-
Operating expenses	(62)	(69)
EBITDA	**(62)**	**(69)**
Depreciation and amortisation expenses	-	-
Interest expense	-	-
Loss before income tax from continuing operations	(62)	(69)
Income tax benefit	-	-
Loss after income tax from continuing operations	**(62)**	**(69)**

Vietnam	FY24 $'000	FY23 $'000
Segment Revenue	-	-
Other Income	-	-
Operating expenses	(38)	(30)
EBITDA	**(38)**	**(30)**
Depreciation and amortisation expenses	-	-
Interest expense	-	-

Loss before income tax from continuing operations	(38)	(30)
Income tax benefit	-	-
Loss after income tax from continuing operations	**(38)**	**(30)**

Financial Position by geographical areas

Australia	**30 June 2024 $'000**	**30 June 2023 $'000**
Segment assets	**41,525**	**42,559**
- Current assets	12,789	13,660
- Non-current assets	28,736	28,899
Segment liabilities	**5,393**	**5,652**
- Current liabilities	4,187	4,084
- Non-current liabilities	1,206	1,568

Malaysia	**30 June 2024 $'000**	**30 June 2023 $'000**
Segment assets	**1,355**	**1,860**
- Current assets	1,321	1,628
- Non-current assets	34	232
Segment liabilities	**1,113**	**330**
- Current liabilities	1,113	290
- Non-current liabilities	-	40

Thailand	**30 June 2024 $'000**	**30 June 2023 $'000**
Segment assets	**-**	**2**
- Current assets	-	2
- Non-current assets	-	-
Segment liabilities	**16**	**6**
- Current liabilities	16	6
- Non-current liabilities	-	-

Vietnam	**30 June 2024 $'000**	**30 June 2023 $'000**
Segment assets	**-**	**16**
- Current assets	-	16
- Non-current assets	-	-
Segment liabilities	**-**	**5**
- Current liabilities	-	5
- Non-current liabilities	-	-

Indonesia*	**30 June 2024 $'000**	**30 June 2023 $'000**
Segment assets	**-**	**312**
- Current assets	-	114
- Non-current assets	-	198

Segment liabilities		**-**	**174**
-	Current liabilities	-	174
-	Non-current liabilities	-	-

*For more information about Indonesia operations, please refer to Note 27: Discontinued Operations.

NOTE 21: CASH FLOW INFORMATION

		Consolidated Group	
		2024 $'000	**2023 $'000**
a.	**Reconciliation of Cash Flows from Operating Activities with Profit after Income Tax**		
	Total comprehensive loss for the year	(2,777)	(8,100)
	Non-cash flows in profit:		
	– Amortisation and depreciation (non-cash)	2,377	3,099
	– Advertising credit (Seven West Media)	2,732	1,887
	– Currency translation difference	(15)	47
	– Share option expenses (non-cash)	148	433
	– Tax (benefit)/expense	(286)	134
	Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
	– (Increase) / Decrease in trade and term receivables	(283)	84
	– Increase / (Decrease) in trade payables and accruals	41	(1,181)
	– Decrease in other assets	1,473	704
	– Increase / (Decrease) in provisions	199	(107)
	Cash flows from / (used in) operating activities	3,609	(3,000)

NOTE 22: SHARE-BASED PAYMENTS

a. Raiz Invest Limited has in place two share option schemes:

Key Management Personnel Historical Share Options Plan

The options are granted subject to the completion of four years' continued employment with Raiz Invest Limited and subject to the individual meeting predetermined performance criteria. The options vest evenly at the anniversary of the grant date for four years. Should the performance criteria not be met for a particular year, the portion of options which were available for vesting for that year shall be considered forfeited.

Raiz Invest Employee Share Option Plan

The Group established the Raiz Invest Limited long-term equity incentive plan as disclosed in the Prospectus as a long-term incentive scheme to recognise talent and motivate employees to strive for group performance. All employees (other than Key Management Personnel) are entitled to participate in the share option scheme upon completion of five years' employment with the consolidated Group. Employees are granted options which evenly vest over five years, subject to meeting specified performance criteria. The options are issued for no consideration and carry no entitlements to voting rights or dividends of the Group. The number available to be granted is determined by the Board and is based on performance measures including growth in shareholder return, return on equity, cash earnings and Group earnings per share growth.

b. No new options were granted during the financial year ending 30 June 2024.

c. A summary of the movements of all Group options issues is as follows:

	Number	Weighted Average Exercise Price $
Options outstanding as at 30 June 2022	10,182,561	
Granted	175,000	1.94
Expired	(349,000)	1.50
Lapsed	(175,000)	2.037
Options outstanding as at 30 June 2023	9,833,561	
Exercised	(2,025,029)	0.20
Lapsed	(405,000)	2.07
Options outstanding as at 30 June 2024	7,403,532*	

The fair value of options granted during the year was $0 (2023: $3,386).

The share option expense recognised during the financial year to 30 June 2024 was $148,000 (2023: $433,000).

*Please refer to page 13 for more details on the options.

NOTE 23: EVENTS AFTER THE REPORTING PERIOD

On 5 July 2024, Raiz announced its decision to exit the Malaysian market. This decision was made jointly by the venture partners after a comprehensive review of Southeast Asian operations. As part of this process, customer accounts will be closed, with remaining balances automatically withdrawn and transferred to their designated withdrawal accounts on 20 September 2024. Raiz expects to finalise the divestment of its Malaysian entity in FY25.

On 26 August 2024, Raiz announced its plans to raise up to $2 million through a non-underwritten placement of fully paid ordinary shares at an issue price of $0.41 per new share. In addition, a non-underwritten share purchase plan (SPP) will be undertaken for eligible shareholders to raise up to $2 million. The SPP Shares will be priced at the lower of $0.41 per SPP Share, being the same as the Placement Price and a 2.5% discount to the VWAP of Raiz shares traded on ASX during the five trading days up to, and including, the SPP closing date.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated Group in future financial years.

NOTE 24: RELATED PARTY TRANSACTIONS

a. **Related parties**

The Group's main related parties are as follows:

(i) *Entities exercising control over the Group:*

The ultimate parent entity that exercises control over the Group is Raiz Invest Limited, which is incorporated in New South Wales, Australia.

(ii) *Key management personnel:*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, are considered key management personnel.

(iii) *Entities subject to significant influence by the Group:*

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity that holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

(iv) *Other related parties:*

Other related parties include entities controlled by the ultimate parent entity and entities over which key management personnel have joint control.

b. **Transactions with related parties**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

		Consolidated Group	
		2024 $'000	**2023 $'000**
(i)	*Other related parties:*		
	Purchase of goods and services:	-	-
(ii)	*Key management personnel:*		
	Management fees and occupancy fees paid which directors and executives have a beneficial interest	-	-
(iii)	*Loans from other key management personnel related entities:*		
	Beginning of the year	-	199
	Loan repayment	-	(199)
	End of the year	-	-
(iv)	*Payments received from related parties:*		
	Authorised Representative fees	-	39
	Management fees	-	440
	Total	**-**	**479**

In FY23, Raiz received authorised representative fees and management fees from Instreet Investment Australia Limited for use of the Raiz's Australian Financial Services Licence (AFSL) and recovery of expenses but ceased on 30 June 2023.

NOTE 25: DIRECTORS AND KEY MANAGEMENT PERSONNEL COMPENSATION

Refer to the remuneration report contained in the Directors' report for details of the remuneration paid or payable to each member of the Group's Directors and key management personnel (KMP) for the year ended 30 June 2024.

The totals of remuneration paid to Directors and KMP of the Group during the year are as follows:

	2024 $'000	2023 $'000
Short-term employee benefits	1,905	2,316
Post-employment benefits	123	161
Other long-term benefits	28	27
Termination benefits	-	681
Share-based payments	84	365
Total Directors and KMP compensation	**2,140**	**3,550**

Short-term employee benefits

These amounts include fees and benefits paid to the Non-Executive Chair and Non-Executive Directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other KMP.

Other long-term benefits

These amounts represent long service leave benefits accruing during the year, long-term disability benefits and deferred bonus payments.

Share-based payments

These amounts represent the expense related to the participation of KMP in equity-settled benefit schemes as measured by the fair value of the options, rights and shares granted on the grant date.

NOTE 26: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk, credit risk, foreign currency risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Different methods are used to measure different types of risk to which the Group is exposed, such as sensitivity analysis for interest rate risk and ageing analysis for credit risk.

The Group's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, bills and leases.

	Note	Consolidated Group	
		2024 $'000	2023 $'000
Financial assets			
Cash and cash equivalents	8	9,738	8,449
Financial assets at fair value through profit or loss:			
– Australian listed shares	10	349	434
Financial assets held at amortised cost:			
Term deposits	10	164	164
Other	10	-	79
Receivables	9	2,160	2,055
Total financial assets		**12,411**	**11,181**
Financial liabilities			
Financial liabilities at amortised cost:			
– trade and other payables	14	3,686	3,645
Total financial liabilities		**3,686**	**3,645**

Financial Risk Management Policies

The CFO has been delegated responsibility by the Board of Directors for, among other issues, managing financial risk exposures of the Group. The CFO monitors the Group's financial risk management policies and exposures and approves financial transactions within the scope of the limits. The CFO also reviews the effectiveness of internal controls relating to market risk, counterparty credit risk, foreign currency risk, liquidity risk, and interest rate risk.

Specific financial risk exposures and management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk, and market risk consisting of interest rate risk, foreign currency risk and other price risk (commodity and equity price risk). There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

	Note	Consolidated Group	
		2024 $'000	2023 $'000
Cash and cash equivalents:			
– AA- rated	8	9,738	8,449
Term deposits:			
– AA- rated	10	164	164

Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operating, investing and financing activities;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of expected liabilities with the realisation profile of expected revenue and financial asset revenue.

Financial liability and financial asset maturity analysis

Consolidated Group	Within 1 Year		Greater than 1 Year		Total	
	2024	2023	2024	2023	2024	2023
	$'000	$'000	$'000	$'000	$'000	$'000
Financial liabilities due for payment						
Trade and other payables	3,686	3,645	-	-	3,686	3,645
Total expected outflows	3,686	3,645	-	-	3,686	3,645
Financial assets – cash flows realisable						
Cash and cash equivalents	9,738	8,449	-	-	9,738	8,449
Trade and other receivables	2,160	1,877	-	178	2,160	2,055
Other	-	-	-	79	-	79
Australian listed shares	349	434	-	-	349	434
Term deposits	164	164	-	-	164	164
Total anticipated inflows	12,411	10,924	-	257	12,411	11,181
Net inflow/(outflow) on financial instruments	8,725	7,279	-	257	8,725	7,536

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group mitigates credit risk by undertaking transactions with a large number of customers. The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral. Trade and other receivables that are neither past due nor impaired are considered to be high credit quality. There has been no change to credit risk since initial recognition and reviews are undertaken regularly.

The Group applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables and contract assets. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and ageing. The expected loss rates are based on the Group's historical credit losses experienced over the two-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers.

A reconciliation of the movement in the impairment allowance for receivables under the expected credit loss model is shown below:

	Consolidated Group
	2024 $'000
Expected credit loss provision as at 30 June 2023	233
Amounts provided	734
Bad debts written off	(759)
Expected credit loss provision as at 30 June 2024	208

Market risk

(i) *Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

(ii) *Foreign currency risk*

Exposure to foreign currency risk result from payments to foreign companies for services provided. Fluctuations in the US dollar may impact on the Group's financial results as those exposures are not hedged.

The Group is also exposed to securities price risk linked to funds under management which are influenced by changes in securities prices. This risk is unhedged.

Sensitivity analysis

Year ended 30 June 2024	Consolidated Group Earnings $'000
+/–0.50% in interest rates	49
+/–5.0% in $A/$US	18
+/–5.0% in $A/MYR	(16)
+/–10.0% in listed securities	484

There have been no changes in any of the methods or assumptions used to prepare the above sensitivity analysis from the prior year.

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position. Refer to Note 1(f) for detailed disclosures regarding the fair value measurement of the Group's financial assets and financial liabilities.

		2024		2023	
Consolidated Group	Note	Carrying Amount $'000	Fair Value $'000	Carrying Amount $'000	Fair Value $'000
Financial assets					
Cash and cash equivalents[1]	8	9,738	9,738	8,449	8,449
Total trade and other receivables	9	2,160	2,160	2,055	2,055
Other	10	-	-	79	-
Term deposits	10	164	164	164	164

Financial assets at fair value through profit or loss:					
– Australian listed shares	10	349	349	434	434
Total financial assets		**12,411**	**12,411**	**11,181**	**11,102**
Financial liabilities					
Trade and other payables[1]	14	3,686	3,686	3,645	3,645
Total financial liabilities		**3,686**	**3,686**	**3,645**	**3,645**

[1] Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term instruments in nature whose carrying amounts are equivalent to their fair values.

NOTE 27: DISCONTINUED OPERATIONS

Following a comprehensive strategic review of its Southeast Asian operations, Raiz made the decision to close all overseas operations. The divestment of the Indonesian business was successfully completed in March 2024, and as a result, Indonesian operations are classified as discontinued operations in the FY24 results.

Upon the closure of the Malaysian, Thai, and Vietnamese businesses, these will be reclassified as discontinued operations. Raiz anticipates the divestment of these businesses to be completed in FY25.

The information provided here pertains exclusively to the Indonesian operations. For further details on operations in Malaysia, Thailand and Vietnam, please refer to the Operating and Financial Review and Note 20: Operating Segments.

Results of Discontinued Operations:	**2024 $'000**	**2023 $'000**
Revenue	6	63
Operating expenses	(516)	(1,490)
EBITDA	(510)	(1,427)
Depreciation and amortisation expenses	(99)	(198)
Interest expense	(3)	(13)
Loss from the ordinary activities	(612)	(1,638)
Loss on disposal of subsidiaries	(657)	-
Loss before income tax benefit	(1,269)	(1,638)
Income tax benefit	-	-
Loss after income tax benefit from discontinued operations	(1,269)	(1,638)
Assets and Liabilities:	**2024 $'000**	**2023 $'000**
Total Assets	-	312
Total Liabilities	-	174
Net Assets	-	138

Assets and Liabilities of Controlled Entities at Date of Disposal:	**Total $'000**
Assets	
Cash and cash equivalents	28
Trade and other receivables	9
Other Financial assets	1
Other assets	16
Total Assets	54
Liabilities	
Trade and other payables	85
Total Liabilities	85
Net assets	(31)

Cash flow information:	2024 $'000	2023 $'000
Net cash flow from operating activities	(1,170)	(1,440)
Net cash used in investing activities	-	-
Net cash provided by financing activities	1,143	1,370
Net decrease in cash from discontinued operations	(27)	(70)
Cash and cash equivalents at the beginning of financial year	27	97
Cash and cash equivalents at the end of financial year	-	27

NOTE 28: PARENT INFORMATION

The following information has been extracted from the books and records of the financial information of the parent entity set out below and has been prepared in accordance with Australian Accounting Standards.

	2024 $'000	2023 $'000
Statement of Financial Position		
ASSETS		
Current assets	1,829	4,545
Non-current assets	91,251	91,668
TOTAL ASSETS	**93,080**	**96,213**
LIABILITIES		
Current liabilities	22,506	18,891
Non-current liabilities	192	273
TOTAL LIABILITIES	**22,698**	**19,164**
EQUITY		
Issued capital	102,581	102,176
Accumulated loss	(36,851)	(29,631)
Share option reserve	4,652	4,504
TOTAL EQUITY	**70,382**	**77,049**
Statement of Profit or Loss and Other Comprehensive Income		
Total loss	(7,220)	(7,920)
Total comprehensive income	(7,220)	(7,920)

Guarantees

In line with prior period, Raiz Invest Limited entered a deed of cross guarantee with its subsidiaries Instreet Investment Limited and Raiz Invest Australia Limited (see Note 13).

Consolidated Entity Disclosure Statement

The ultimate controlling entity of the Group is Raiz Invest Limited. Outlined below is the Group's consolidated entity disclosure statement as at 30 June 2024 prepared in accordance with the Corporations Act 2001 (Cth).

Name of entity	Type of entity	Trustee, partner or participant in joint venture	% of share capital held	Country of incorporation	Australian resident or foreign resident (for tax purposes)	Foreign tax jurisdiction(s) of foreign residents
Raiz Invest Limited	Body Corporate	N/A	N/A	Australia	Australian	N/A
Raiz Invest Australia Limited	Body Corporate	N/A	100	Australia	Australian	N/A
Instreet Investment Limited	Body Corporate	N/A	100	Australia	Australian	N/A
Instreet Acorns Pty Limited	Body Corporate	N/A	100	Australia	Australian	N/A
Raiz Home Ownership Pty Limited	Body Corporate	N/A	100	Australia	Australian	N/A
Superestate Pty Limited	Body Corporate	N/A	100	Australia	Australian	N/A
Raiz Malaysia SDN BHD	Body Corporate	Joint Venture	70	Malaysia	Foreign	Malaysia
Raiz (Thailand) Limited	Body Corporate	N/A	100	Thailand	Foreign	Thailand
Raiz Vietnam Ltd	Body Corporate	N/A	100	Vietnam	Foreign	Vietnam

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Raiz Invest Limited, the Directors of the Company declare that:

1. the attached financial statements and notes thereto, are in accordance with the *Corporations Act 2001* and:
   a. comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
   b. give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the consolidated Group;
2. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
3. the Directors have been given the declarations required by s 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer; and
4. the consolidated entity disclosure statement prepared in accordance with subsection 295(3A) of the Corporations Act 2001 (Cth) and included in the financial report is true and correct.

The Company and its wholly owned subsidiaries, Instreet Investment Limited and Raiz Invest Australia Limited, have entered into a deed of cross guarantee under which the Company and its subsidiaries guarantee the debts of each other.

At the date of this declaration, there are reasonable grounds to believe that the companies which are party to this deed of cross guarantee will be able to meet any obligations or liabilities to which they are, or may become, subject to by virtue of the deed.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors,

Kelly Humphreys
Chair
Dated: 26 August 2024

Brendan Malone
Managing Director/CEO
Dated: 26 August 2024

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INDEPENDENT AUDITOR'S REPORT

To the members of Raiz Invest Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Raiz Invest Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying value of goodwill - impairment assessment

Key audit matter	*How the matter was addressed in our audit*
The Group is required to perform an annual impairment test on the carrying value of goodwill in accordance with AASB 136 *Impairment of Assets*. The Group has tested goodwill for impairment at the reporting date by comparing the carrying value to its recoverable amount. Recoverable amount has been determined through a value in use calculation. The Group's assessment of the value in use involves significant judgements such as the future results of the business, and the discount and growth rates applied to the future cash flows. Consequently, we considered this a key audit matter. Refer to Note 12 in the financial report for key disclosures relating to the impairment assessment of goodwill.	Our audit procedures included, among others: • An assessment of the historical accuracy of management's forecasts in the context of the value in use model; • Evaluating the key inputs and assumptions used in the value in use model, in particular those relating to forecast revenue, and the growth and discount rates applied; • Assessing the sensitivity of the key assumptions for reasonably possible changes in the value in use model prepared by the Group; and • Assessing the adequacy of the Group's disclosures in Note 12 in relation to the impairment testing performed and management's assessment of the sensitivity with respect to changes to key assumptions.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 24 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Raiz Invest Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

BDO

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

Tim Aman
Director

Sydney, 26 August 2024

ASX Additional Information

The shareholder information set out below is as at 16 August 2024.

Substantial holders

Substantial holders in the Company are set out below based on the shares disclosed as held from the last Form 604 lodged by the shareholder:

Holders of Equitable Securities	Units	% of total Securities issued
TIGA TRADING PTY LTD	9,876,182	10.34
SEVEN WEST MEDIA INVESTMENTS PTY LTD	6,184,292	6.48
SG HISCOCK & COMPANY LIMITED	5,355,225	5.61
ACORNS GROW INCORPORATED	5,186,309	5.43

Distribution of Equitable Securities

Range	Number of holders of ordinary shares	Units	% Units
1 to 1,000	1,478	786,145	0.82
1,001 to 5,000	1,760	4,311,994	4.52
5,001 to 10,000	373	2,782,347	2.91
10,001 to 100,000	432	12,726,581	13.33
100,001 and over	87	74,863,428	78.42
Total	**4,130**	**95,470,495**	**100.00**

Distribution of Unquoted Options

Range	Number of holders of unquoted options	Units	% Units
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	4	40,000	0.54
10,001 to 100,000	21	1,010,756	13.65
100,001 and over	12	6,352,776	85.81
Total	**37**	**7,403,532**	**100.00**

Number of holders

	Number of holders
Fully paid ordinary shares	4,130
Unquoted options	37

Less than marketable parcels of ordinary shares (UMP shares)

As at 16 August 2024, the number of shareholders holding less than a marketable parcel of $500 worth of shares, based on closing market price on that date of $0.365 per share, is 1,777.

Voting rights of equity securities

The only class of equity securities on issue in the Company which carries voting rights is fully paid ordinary shares. As at 16 August 2024, there were 4,130 holders of a total of 95,470,495 ordinary shares of the Company.

At a general meeting of the Company, every holder of ordinary shares present in person or by proxy, attorney or representative has one vote on a show of hands and, on a poll, one vote for each ordinary share held. On a poll, every member (or his or her proxy, attorney or representative) is entitled to vote for each fully paid share held and, in respect of each partly paid share, is entitled to a fraction of a vote equivalent to the proportion which the amount paid up (not credited) on that partly paid share bears to the total amounts paid and payable (excluding amounts credited) on that share. Amounts paid in advance of a call are ignored when calculating the proportion.

Twenty largest shareholders

The names of the twenty largest security holders of quoted equity securities:

	Registered Holders of Securities	Number of Securities Held	% of total Securities issued
1	UBS NOMINEES PTY LTD	10,700,848	11.21
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,547,615	7.91
3	SEVEN WEST MEDIA INVESTMENTS PTY LTD	6,184,292	6.48
4	CITICORP NOMINEES PTY LIMITED	5,350,496	5.60
5	ACORNS GROW INCORPORATED	5,186,309	5.43
6	BBH-GL NOMINEES PTY LTD <BACK BEACH P/L & FAMILY A/C>	4,358,338	4.57
7	BRENDAN MALONE & RELATED ENTITIES	2,345,029	2.46
8	SANDHURST TRUSTEES LTD <CYAN C3G FUND A/C>	2,227,485	2.33
9	INSTREET SHARE SCHEME NOMINEE PTY LTD <JUSTIN BYRNE A/C>	1,721,853	1.80
10	MR DAVID ROBERT GORDON + MRS SYLVIA GORDON <D&S GORDON PERSONAL S/F A/C>	1,534,577	1.61
11	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAIL CLIENT>	1,336,306	1.40
12	BBH-GL NOMINEES PTY LTD <CAREY CORPORATION & FAM A/C>	1,232,375	1.29
13	SUZIAN INVESTMENTS PTY LIMITED <IAN & SUZANNE RAE PSF A/C>	1,184,708	1.24
14	MUTUAL TRUST PTY LTD	1,174,712	1.23
15	BANGALLEY HOLDINGS PTY LIMITED <BANGALLEY EMP PROV F N1 A/C>	1,169,751	1.23
16	ROSLYNDALE NOMINEES PTY LTD	1,140,843	1.19

17	JOHNSTON FUND PTY LIMITED <JOHNSTON SUPER FUND A/C>	1,100,000	1.15
18	GARRETT SMYTHE LTD	923,590	0.97
19	DMX CAPITAL PARTNERS LIMITED	779,146	0.82
20	BUTTONWOOD NOMINEES PTY LTD	714,090	0.75
	TOTAL FOR TOP 20:	**57,912,363**	**60.66**
	TOTAL OTHER INVESTORS:	**37,558,132**	**39.34**
	TOTAL SECURITIES ON ISSUE:	**95,470,495**	**100.00**

Corporate directory

Company's registered office (Australia)

Level 11
2 Bulletin Place
Sydney NSW 2000
1300 754 748

Company's registered office (Malaysia)

D-8-3A, Menara Suezcap 1
KL Gateway, Kuala Lumpur
59200 W.P. Kuala Lumpur
Malaysia

Company's registered office (Thailand)

No. 2/3 Bangna Tower A,16th Floor, Moo 14
Debaratna Road, Tambon Bangkaew
Amphoe Bangplee, Samutprakarn Province
Thailand

Company's registered office (Vietnam)

6th Floor, Me Linh Point Building
2 Ngo Duc Ke, Ben Nghe Ward, District 1
Ho Chi Minh City
Vietnam

Australian Legal Adviser

Herbert Smith Freehills

ANZ Tower 161 Castlereagh Street
Sydney NSW 2000

Auditor

BDO Audit Pty Ltd

Level 11
1 Margaret Street
Sydney NSW 200

Company website

http://www.raizinvest.com.au

Share Registry

Computershare Investor Services Pty Limited

6 Hope Street,
Ermington NSW 2115
(OS) +61 (03) 9415 4000
(AUS) 1300 855 080
Computershare Investor Centre: https://www-au.computershare.com/Investor/

Investor and Media Enquiries

ir@raizinvest.com.au

Securities Exchange Listing

ASX Code: RZI

Corporate Governance Statement

The Corporate Governance Statement which was approved by the Board can be found at https://investorhub.raizinvest.com.au/corporate-governance

Notice of AGM

The Company's Annual General Meeting will be held on 26 November 2024