



Raiz Invest Limited
ABN 74 615 510 177
Level 11, 2 Bulletin Place
Sydney NSW 2000
T 1300 754 748
www.raizinvest.com.au

ASX Release

19 January 2022

Email to Raiz Invest (RZI) customers from George Lucas, Managing Director/Joint Group CEO

In early 2021, Raiz Invest set itself an important target – A\$1 billion in Funds under Management (**FUM**) in Australia by 31 December 2021. The ongoing economic, medical, and social impact of COVID notwithstanding, we were confident of reaching this significant milestone for the business.

As the year progressed and our operations gathered pace in Southeast Asia, we set two more targets for calendar 2021 – for Active Customers in Indonesia and Malaysia to reach 200,000 and 100,000, respectively. In the event, we reached two out of three of these targets, with Australian FUM reaching A\$1 billion in November and Indonesia reaching the 200,000 Active Customers milestone in December with a 7.1% increase in the final month of 2021. Malaysia fell short, but only just, finishing 2021 at 97,079.

It is worth reflecting on these numbers as they bring into sharp focus some attributes of Raiz that underpin our growth. Firstly, we have stuck to our strategy that we outlined on listing in 2018, and have set ambitious targets we have largely met.

Second, it has not just been about FUM and Active Customers, although it is worth noting that in calendar 2021 FUM grew 70.8%, while Active Customers in Indonesia and Malaysia grew 202.3% and 155.7%, respectively – all strong numbers. But having the Australian business operating cashflow positive also was a critical target for us. Having done so, we are one of the few Wealth Fintechs globally to be in this position – an achievement the team can be proud of.

Finally, the numbers reflect soundly on the dedication, enthusiasm, hard work and loyalty of the global Raiz team as their collective efforts ensure we continue to meet these targets at a time when COVID is still having such a debilitating economic impact in the countries where we operate.

The concept of an investment app that allows anyone with a smart phone and as little as \$5 to invest is an idea whose time has come. The ranks of the sceptics are thinning. And there is no better evidence of this market reality than the recent decision by the diversified media group, Seven West Media (ASX: SWM), to invest in Raiz.

The deal saw SWM take a strategic 6.6% investment via a \$10 million share placement, aligning the interests of both companies. Payment will be split between \$2 million in cash and the equivalent of \$8 million in advertising across Seven's broadcast television, publishing, and digital media assets – their combined reach exceeds 18 million Australians – to significantly accelerate our Australian growth.

As our Joint Group CEO, Brendan Malone, said when SWM's investment was announced: "(It's) a strong endorsement of (our) business model and management's ability to execute. After extensive discussions with Seven, we have concluded that its media assets and reach are an excellent means to promote Raiz's products and services to achieve the accelerated growth we require.

"We are excited to be working on new creative campaigns that can not only be used in Australia but in the Southeast Asian countries where we operate, determining a media strategy in conjunction with Seven to maximise our reach, and building brand stock that will not only accelerate growth in the next one to two years but put us in a good position to continue our growth trajectory beyond this."



From SWM's perspective, Managing Director and Chief Executive Officer, James Warburton, said: "Raiz is a disruptive digital player that is targeting a huge market opportunity. Combining Raiz's consumer offering, which has widespread appeal, with SWM's scale and audience reach provides a significant opportunity to grow the business and is a strong fit with the strategic strategy of our Seven West Ventures group."

The SWM investment really gives the stamp of market acceptability to what we have been achieving over nearly seven years at Raiz. It's an enormous opportunity and I am confident that the global Raiz team will work diligently to take full advantage of it.

Over this time, we have grown the business, including through a global pandemic that has disproportionately affected our customer base. I am very confident we will continue to do so in 2022.

George Lucas
Managing Director /Joint Group CEO
Raiz Invest Limited

The information in this email is prepared by RAIZ Invest Australia Limited (ABN 26 604 402 815) (Raiz), an authorised representative AFSL 434776. This email has been prepared for informational purposes only and are not intended to amount to financial product advice or a recommendation in relation to any investments or securities. You should not rely on it to make investment decisions. This email contains general factual information only generated by an algorithmic system that uses the portfolio data input into the system. Information used as raw data to generate the email has not been independently verified. Therefore, we have not taken into account your investment objectives, financial situation or needs. You should seek professional financial, legal and taxation advice. Any returns shown or implied in this email are not forecasts and are not reliable guides of future performance. Information contained in this report has been calculated based on variable factors and may not eventuate. Any opinions or information expressed in the email are subject to change without notice.

This document has been prepared for informational purposes only and is not intended to amount to financial product advice or a recommendation in relation to any investments or securities. You should not rely on it to make investment decisions. This document contains general factual information only and has not been independently verified. Any opinions or information expressed in the document are subject to change without notice.

- ENDS -

Market Announcement authorised by:

George Lucas
MD /Joint Group CEO
Raiz Invest Limited

Investor and Media Enquiries:

Brendan Malone
ir@raizinvest.com.au