



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

20 July 2020

Email to Raiz Invest customers from George Lucas, Managing Director/CEO

The 2019-20 financial year has been bitter-sweet for Raiz Invest. At a corporate level, it has been a year of remarkable achievement, both in Australia and Southeast Asia. However, this achievement has been overshadowed by COVID-19, a human tragedy that has exacted a heavy toll on many of our customers' lives.

Australia may have managed this pandemic better than most countries. However, the second wave that has erupted in Melbourne, forcing another strict shutdown, is a reminder that we are still combatting this virus and its impact on the economy.

Throughout this pandemic, which has been with us for nearly five months, the health, safety and well-being of our customers and staff remain a priority, and we hope you and your families are keeping safe during these troubled times.

The last quarter (April-June) of the 2019-20 financial year capped a very successful 12 months for Raiz. There is no better evidence of this than the fact both Funds Under Management (FUM) and active customers rose, with FUM up 30.6% to \$453.6 million and active customers up 15.1% to 223,730 during the financial year. Pleasingly, superannuation FUM grew despite the fact customers are drawing down their super by taking advantage of COVID-19 Early Release.

Revenue also rose by more than 60% (unaudited), illustrating that revenue in the Raiz business model can grow significantly faster than customer growth, in contrast to transactional financial services businesses.

This growth again highlights the customer loyalty we enjoy, which is a testament to our commitment to service and the increasing relevance of our products and services.

Raiz is a savings and investing mobile first platform, but we are also proud that our moderate (balance fund) portfolio option has outperformed the largest superannuation fund in Australia, AustralianSuper, for the past two financial years. The performance of AustralianSuper has been a bellwether for the superannuation industry.

In May, we offered users exposure to Bitcoin, a relevant alternative asset class for many of our customers, with the launch of our seventh investment portfolio, Sapphire. It is not for everyone, but we have more than \$11 million in FUM and over 8500 customers using this portfolio. We will continue to expand our investment options as part of our commitment to offer the complete savings and investment package.

In Southeast Asia, it was exciting to announce in June that our joint venture subsidiary, Raiz Malaysia, had been issued a Digital Investment Management licence, and that we have started marketing our products to the 33 million Malaysians. We have more than 12,000 sign-ups, and growing, in just over a month.

Indonesia continues to grow. We have learnt a lot from our beta testing, we have attracted over 95,000 signups to the App. We are now launching the new App that includes all our learnings from the beta testing and will start introducing fees. Indonesia is a unique market, accelerating at a significant pace. The fact that



we have a licence and strategic partnership relationships ensure we are well positioned to participate in this growth.

Raiz's future has been set. The Australian business continues to be cashflow positive. We have \$13 million in the bank as at 30 June 2020, and our Southeast Asian operations are up and running.

We have been tested as a company by this pandemic, but management and staff have been equal to the task. What has driven us in these past difficult months has been our customers' loyalty at a time when many of you are experiencing real hardship.

So, let me thank you. And, please, stay safe.

Yours sincerely,

George Lucas
Managing Director /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 / CEO
Raiz Invest Limited

Investor and Media Enquiries:

Brendan Malone
ir@raizinvest.com.au