



ASX Release

2 September 2021

## Section 249D Notice - Update from the Board of Directors

Dear Shareholders,

Raiz Invest Limited (**Raiz** or **the Company**) has received in a letter from BBH-GL Nominees Pty Ltd <Back Beach P/L & Family A/C>, an entity controlled by Raiz Invest Founding Director and Group CEO George Lucas, with a notice pursuant to section 249D of the Corporations Act.

The letter requires the company to convene a general meeting to put a proposal to members to vote on whether to remove 3 of the company's 4 Non-Executive Directors; Independent Chair, Kevin Moore, Independent Non-Executive Director, Kelly Humphreys and Independent Non-Executive Director, Nina Finlayson. A general meeting will be convened for the purpose of considering this resolution in accordance with the timetable in the Corporations Act.

George Lucas is acting in his capacity as a shareholder in seeking removal of 3 of the company's 4 NEDs.

Your company is performing very well. The growth of your company, Raiz Invest, has continued strongly as recently reported in our annual report. Key indicators – active customers, funds under management (FUM), expanding product range and revenue - are growing. This year we ended with a positive final quarter of operational cash flow across the whole group (\$481,000 positive), and not just in Australia (\$1,402,000 positive).

As at 30 June 2021, your management team has delivered 456,927 active customers (up 86.7% YoY) with Australian FUM ending the year at \$799.6 million (up 76.3% YoY) Superannuation FUM alone was up 53.0% YoY to \$106.6 million. We are well on our way to the \$1 billion of funds under management targeted by Raiz Invest.

Following a successful \$10.4 million Institutional placement and Share Purchase Plan supported by our shareholders, Raiz Invest has a strong balance sheet with cash, cash equivalents and term deposits totalling \$19.4 million.

Your Board of Directors is fully aligned with the strategy being delivered by the MD/Group CEO and his very competent management team in Australia, Indonesia and Malaysia.

Raiz Invest's progress in Southeast Asia continues apace. As a platform play, your company's future value lies in its now proven ability to roll out its brand and "mobile first" market and language tailored technology stack via respected local partners across the growing SE Asia region. In these countries, the wealth and growth levels of younger populations far outstrip Australia.

Your company is both a successful and fast growing ASX listed company and a financial services institution. It is subject to the highest level of regulatory and governance framework. Raiz Invest has



implemented and embedded strong, rigorous regulatory and governance frameworks that reflect the latest community expectations and regulatory standards.

As your company continues to transition and grow from a successful founder led private start up into a successful and fast growing ASX listed company there is a requirement for the Board to work together within the regulatory and governance frameworks our markets and shareholders demand. The interpretation of these frameworks has led to conflict in the boardroom.

Your company is strong. Your management is outstanding, with bench strength across all the markets we operate in, and a deep knowledge and understanding of financial services requirements globally.

Your Board of Directors remain committed to working with your CEO and his management team to continue to build companywide competencies and capabilities to support future growth.

- ENDS -

**Market Announcement authorised by the Board of Directors.**

**Investor and Media Enquiries:**

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