

27 February 2025

APPENDIX 4D – HALF-YEAR REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

Name of Entity:	Raiz Invest Limited
ABN:	74 615 510 177
Reporting period (“Current period”):	1 July 2024 to 31 December 2024
Previous corresponding period:	1 July 2023 to 31 December 2023

Results for announcement to the market

Key Information	31 Dec 2024 \$000	31 Dec 2023 \$000	% Change
Revenue from ordinary activities	11,604	10,154	14.3%
Loss attributed to owners of the parent entity	(1,188)	(1,451)	18.1%

Dividends Paid and Proposed

The Group did not recommend, declare, or pay a cash dividend during the half-year ended 31 December 2024 (2023: nil).

Net Tangible Assets per Share

	31 Dec 2024 \$/share	31 Dec 2023 \$/share
Net tangible assets per share	0.09	0.09

Control Gained or Lost over Entities in the Period

Following a comprehensive strategic review of its Southeast Asian operations in 2023, Raiz made the decision to close all overseas operations. The divestment of the overseas operations was successfully completed in December 2024.

Changes in Subsidiaries and Joint Ventures

	2024 %	2023 %
PT. Raiz Invest Indonesia	0	99
PT Raiz Solusi Indonesia	0	98
Raiz Malaysia SDN BHD	0	70
Raiz (Thailand) Limited	0	100
Raiz Vietnam Ltd	0	100

Commentary on the Results for the Period

Refer to the commentary on the results for the period contained in the Director’s Report included within the Review of Operations section of the financial report.



Status of Review

The Raiz Invest Limited half-year financial report for the half-year ended 31 December 2024 has been subject to review by our external auditors, BDO Audit Pty Ltd. A copy of the independent review report to the members of Raiz Invest Limited is included in the accompanying half-year report.

Kelly Humphreys
Chair

27 February 2025

Brendan Malone
Managing Director/CEO

27 February 2025

Notes:

1. All the documents comprise the information required by listing rule 4.2A. The Information should be read in conjunction with the half-year ended 31 December 2024 financial report and all ASX announcements made by the Company during the period.

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Half-Year Report 31 December 2024

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Directors' Report

DIRECTORS' REPORT

Your Directors present their interim report on the consolidated group (referred to hereafter as the 'Group') consisting of Raiz Invest Limited (referred to hereafter as the 'Company' or 'Raiz') and its controlled entities for the half-year ended 31 December 2024 (1H25).

GENERAL INFORMATION

Directors

The following persons were/are directors of Raiz Invest Limited during or since the end of the half-year.

- > **Kelly Humphreys** - Independent Non-Executive Chair
- > **Jon Brett** - Independent Non-Executive Director
- > **Juliana Nguyen** – Independent Non-Executive Director (Appointed on 13 January 2025)
- > **Paul Rogan** - Independent Non-Executive Director (Appointed on 13 January 2025)
- > **Brendan Malone** - Managing Director/Group CEO
- > **Robert Hines** - Independent Non-Executive Director (Resigned on 26 November 2024)

Company Secretary

- > **Kamille Dietrich** – Company Secretary

REVIEW OF OPERATIONS AND FINANCIAL RESULTS

Group Overview

Raiz is a financial services company that launched its services in February 2016 and is a leading provider in micro investing services via its award winning mobile first platform. The platform provides customers with a seamless and convenient way to save and invest both small or large amounts of money regularly, utilising the Raiz mobile application or the Raiz website.

Raiz Invest Ltd is listed on the Australian Securities Exchange (ASX) under the code 'RZI' and had a market capitalisation as at 25 February 2025 of approximately \$77 million.

Having closed its operations in Southeast Asia (hereafter referred to as 'discontinued operations'), the Group is now focused exclusively on the Australian market, with its head office based in Sydney.

Raiz is committed to enriching the financial wellbeing of all Australians. At Raiz, we believe that everyone deserves a better financial future, regardless of age, income, or experience. Our vision is simple: to enrich the financial wellbeing of all Australians by providing accessible, empowering, and smart investment options. Our purpose is to transform the way people think about saving and investing, making it easier for them to take control of their financial future.

As at 31 December 2024, Raiz employed 31 people on a full time equivalent basis.

Significant Changes to Activities

With the exception of completing the closure of the discontinued operations previously announced, there were no significant changes in the nature of the principal activities during the half-year ended 31 December 2024.

DIRECTORS' REPORT

Overview of Performance

	1H25	1H24	Change %
Revenue	\$11,604,000	\$10,154,000	14.3%
Underlying EBITDA ¹	\$706,000	\$104,000	578.8%
Active Customers ²	317,995	293,101	8.5%
FUM	\$1.61 billion	\$1.21 billion	32.4%
Netflows	\$105.8 million	\$29.7 million	256.2%
ARPU ³	\$74.29	\$68.95	7.7%
Average account balance	\$5,054	\$4,141	22.1%

Review and Results of Operations

The key items regarding the Group's performance for 1H25 were:

Active Customers, Fund Under Management (FUM) and Annualised Revenue Per User (ARPU)

The Group generated strong growth in each of its key revenue drivers as highlighted below:

- Active Customers increased 8.5% to 317,995 (1H24: 293,101)
- FUM increased 32.4% to \$1.61 billion (1H24: \$1.21 billion)
- ARPU increased 7.7% to \$74.29 (1H24: \$68.95)

Revenue:

- Operating revenue from continuing operations increased by 14.3% to \$11.6 million (1H24: \$10.15 million).

Underlying EBITDA:

- The Group's preferred measure of profitability is Underlying EBITDA (UEBITDA)¹, which increased by 578.8% to \$706,000 (1H24: \$104,000).
- UEBITDA included operating expenses which increased 8.4% to \$10,898,000 (1H24: \$10,050,000), and included non-cash advertising credits through Seven West Media of \$1,332,000 (1H24: \$1,367,000).

Underlying Net Profit/(Loss) After Tax (UNPAT):

- UNPAT loss of \$947,000 (1H24: \$987,000 loss) is after deducting share-based payments for employee share options of \$82,000 (1H24: \$57,000), finance costs of \$48,000 (1H24: \$21,000), Depreciation and Amortisation of \$1,232,000 (1H24: \$1,111,000) and adjusting for non-recurring items of (\$365,000) (1H24: \$139,000).

Net Profit/(Loss) After Tax (NPAT):

- Net Loss After Tax of \$1,107,000 (1H24: \$1,867,000 loss) of which \$1,188,000 loss (1H24: \$1,451,000 loss) was attributable to owners of the parent entity and a \$55,000 loss (1H24: \$330,000 loss) was attributable to non-controlling interests.

¹ Raiz's preferred (non-IFRS) measure which is used to assess the operating performance of the business is Underlying EBITDA (UEBITDA) which is EBITDA before share based payments for employee share options and abnormal or non-recurring items.

² Active Customers are fee paying accounts.

³ Annualised Revenue Per User (ARPU) is calculated as (half-yearly revenue x 2)/(average Active Customers in the period).

DIRECTORS' REPORT

Reconciliation of Underlying EBITDA to Statutory NPAT	1H25	1H24
	\$'000	\$'000
Underlying EBITDA	706	104
- Depreciation and amortisation expenses	(1,232)	(1,111)
- Finance cost	(48)	(21)
- Share option expenses	(82)	(57)
- Non-recurring items:		
o R&D tax grant	-	640
o Short Term Incentive (STI) accrual timing adjustment	(365)	(501)
- Tax benefit/(expense)	74	(41)
Underlying Net Profit / (Loss) After Tax (UNPAT)	(947)	(987)
- Net loss after income tax from discontinued operations	(296)	(794)
- Exchange differences on translation of foreign operations	136	(86)
Statutory Net Profit / (Loss) After Tax (NPAT)	(1,107)	(1,867)

Cash Flows:

- The Group generated operating cash flows from continuing operations of \$1,559,000 down 14.8% (1H24: \$1,830,000), primarily due to changes in working capital.
- Operating cash outflow from discontinued operations was \$1,234,000 (1H24: \$687,000 outflow), including a \$672,000 cash transfer to the liquidator of Raiz Malaysia.
- As noted above, operating cashflows benefited from the non-cash advertising credits through Seven West Media of \$1,332,000 (1H24: \$1,367,000), which were fully utilised by January 2025.

Capital Management:

The Australian business held \$12.0 million in cash and cash equivalents at balance date (1H24: \$6.3 million) with no debt (1H24: \$nil). This represents a \$3.5 million increase from \$8.5 million as of 30 June 2024.

As announced to market, during the period the Group:

- Successfully raised \$3.9 million in new equity through the issuance of 9,540,313 new ordinary shares at an average price of \$0.41 per share (1H24; nil). The funds raised will be used for strategic opportunities, including artificial intelligence initiatives, further product innovation and other market opportunities.
- 37,405 shares were issued on the exercise of 90,000 employee share options on a no consideration basis, calculated using a 10-day VWAP of \$0.4278 (1H24: \$nil).

During the period the Group maintained material buffers in excess of minimum regulatory capital requirements.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no other significant changes in the nature or state of affairs of the Group.

SIGNIFICANT EVENTS OCCURRING AFTER BALANCE DATE

On 13 January 2025, the Board appointed Juliana Nguyen and Paul Rogan as Non-Executive Directors.

In January, a total of 267,274 new shares were issued following the exercise of employee share options. This included 479,000 options exercised on a no consideration basis, resulting in the issuance of 42,274 shares, calculated using a 10-day VWAP of \$0.5484 per share. A further 225,000 options were exercised at an exercise price of \$0.50 per share.

No other matters or circumstances have arisen since 31 December 2024 which significantly affected or could significantly affect the operations of the Group in future financial years.

FUTURE DEVELOPMENTS, PROSPECTS and BUSINESS STRATEGIES

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

- continuing to enhance the 'Lifetime Value of Customers' by developing and introducing new products and services tailored to meet evolving customer needs, improving retention rates through cross promotion and improving the conversion rate of new 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 and data analytics 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 Group has established a comprehensive enterprise risk framework, incorporating risk registers, a risk appetite statement, Risk and Technology Committee and other Management Committees to effectively address 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 Group 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 Group can swiftly adapt to changes and maintain resilience in a dynamic business environment.

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 Auditor's independence declaration for the half-year ended 31 December 2024 has been received and can be found following the Directors Report of the financial report.

Signed in accordance with a resolution of the Board of Directors, pursuant to section 306(3)(a) of the Corporation Act 2001.

On behalf of the Directors,



Kelly Humphreys

Chair

27 February 2025



Brendan Malone

Managing Director/CEO

27 February 2025

DECLARATION OF INDEPENDENCE BY JESHAN VELUPILLAI TO THE DIRECTORS OF RAIZ INVEST LIMITED

As lead auditor for the review of Raiz Invest Limited for the half-year ended 31 December 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

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

Jeshan Velupillai

Jeshan Velupillai
Director

BDO Audit Pty Ltd

Sydney, 27 February 2025

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Half-Year Report 31 December 2024

Financial Statements

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	Note	31 Dec	
		2024 \$'000	2023* \$'000
Revenue	2	11,604	10,154
Other income (R&D tax grant)		-	640
Sales and administrative expenses		(3,808)	(3,200)
Employee benefits expenses (including share-based payments)		(3,062)	(2,879)
Marketing expenses		(2,382)	(2,499)
Professional fees		(797)	(586)
Other expenses		(1,296)	(1,444)
Depreciation and amortisation expenses		(1,232)	(1,111)
Finance costs		(48)	(21)
Loss before income tax from continuing operations		(1,021)	(946)
Tax benefit/(expense)		74	(41)
Loss for the period after income tax from continuing operations		(947)	(987)
Discontinued operations			
Net loss after income tax from discontinued operations	12	(296)	(794)
Loss for the period		(1,243)	(1,781)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit and loss</i>			
Exchange differences on translation of foreign operations		136	(86)
Total comprehensive loss for the period		(1,107)	(1,867)
Loss attributed to:			
Owners of the parent entity		(1,188)	(1,451)
Non-controlling interest		(55)	(330)
		Cents	Cents
Earnings per share			
Basic loss per share	8	(1.2)	(1.6)
Diluted loss per share	8	(1.2)	(1.6)

The accompanying notes form part of these financial statements.

*Comparative information has been restated to reflect discontinued operations. Please refer to Note 12: Discontinued Operations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	31 Dec 2024	30 Jun 2024
		\$'000	\$'000
ASSETS			
Cash and cash equivalents	3	12,039	9,738
Trade and other receivables		2,432	2,160
Other financial assets		734	513
Other assets	4	620	1,699
TOTAL CURRENT ASSETS		15,825	14,110
Right-of-use assets		1,403	134
Deferred tax assets		815	376
Intangible assets	5	28,666	28,260
TOTAL NON-CURRENT ASSETS		30,884	28,770
TOTAL ASSETS		46,709	42,880
LIABILITIES			
Trade and other payables		3,474	3,686
Preference shares	6	-	973
Current lease liabilities	11	208	142
Provisions		808	515
TOTAL CURRENT LIABILITIES		4,490	5,316
Deferred tax liability		1,308	944
Non-current lease liabilities	11	1,225	-
Provisions		571	262
TOTAL NON-CURRENT LIABILITIES		3,104	1,206
TOTAL LIABILITIES		7,594	6,522
NET ASSETS		39,115	36,358
EQUITY			
Issued capital	7	106,379	102,581
Restructuring reserve		(26,328)	(26,328)
Share option reserve		6,170	6,104
Foreign currency translation reserve		-	(136)
Accumulated losses		(47,106)	(44,235)
Equity attributable to owners of the parent entity		39,115	37,986
Non-controlling interest		-	(1,628)
TOTAL EQUITY		39,115	36,358

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	Issued Capital	Restructuring Reserve	Foreign Exchange Reserve	Share Option Reserve	Non- Controlling Interests	Accumulated Losses	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2024	102,581	(26,328)	(136)	6,104	(1,628)	(44,235)	36,358
Loss for the period	-	-	-	-	(55)	(1,188)	(1,243)
Other comprehensive income	-	-	136	-	-	-	136
Total comprehensive loss for the period	-	-	136	-	(55)	(1,188)	(1,107)
<i>Transactions with owners in capacity as owners:</i>							
Issue of shares	3,911	-	-	-	-	-	3,911
Cost in relation to capital raising	(129)	-	-	-	-	-	(129)
Changes in ownership interests in subsidiaries	-	-	-	-	1,683	(1,683)	-
Exercise of share options	16	-	-	(16)	-	-	-
Share option expenses	-	-	-	82	-	-	82
Balance at 31 December 2024	106,379	(26,328)	-	6,170	-	(47,106)	39,115

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Issued Capital	Restructuring Reserve	Foreign Exchange Reserve	Share Option Reserve	Non- Controlling Interests	Accumulated Losses	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2023	102,176	(26,328)	(378)	5,956	(2,856)	(39,988)	38,582
Loss for the period	-	-	-	-	(330)	(1,451)	(1,781)
Other comprehensive income	-	-	(86)	-	-	-	(86)
Total comprehensive loss for the period	-	-	(86)	-	(330)	(1,451)	(1,867)
<i>Transactions with owners in capacity as owners:</i>							
Changes in ownership interests in subsidiaries	-	-	-	-	2,037	(2,037)	-
Share option expenses	-	-	-	57	-	-	57
Balance at 31 December 2023	102,176	(26,328)	(464)	6,013	(1,149)	(43,476)	36,772

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	Note	31 Dec	
		2024	2023
		\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Cash flows from continuing operations</i>			
- Receipts from customers		12,411	10,676
- Payments to suppliers and employees		(10,804)	(8,826)
- Finance cost paid		(48)	(20)
Cash flows from continuing operations		1,559	1,830
<i>Cash flows from discontinued operations</i>			
- Receipts from customers		69	499
- Payments to suppliers and employees		(631)	(1,181)
- Finance cost paid		-	(5)
- Transfer to liquidator (Raiz Malaysia)		(672)	-
Cash flows from discontinued operations		(1,234)	(687)
Net cash from operating activities		325	1,143
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for intangible assets		(1,488)	(1,802)
Payments for term deposits*		(191)	-
Net cash used in investing activities		(1,679)	(1,802)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of shares		3,911	-
Share issue costs		(129)	-
Principal payment for leases (continuing operations)		(125)	(155)
Principal payment for leases (discontinued operations)		(20)	(115)
Proceeds from issuance of preference shares	6	-	973
Net cash from financing activities		3,637	703
Net increase in cash and cash equivalents		2,283	44
Cash and cash equivalents at the beginning of the period		9,738	8,449
Foreign exchange on cash balance		18	(25)
Cash and cash equivalents at the end of the period		12,039	8,468

The accompanying notes form part of these financial statements.

* The \$191,000 term deposit (5 years) is held as a bank guarantee in connection with the new lease. For further details on the lease arrangement refer to Note 11.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

The consolidated financial statements and notes represent those of Raiz Invest Limited and its Controlled Entities. The financial statements were authorised for issue on 27 February 2025 by the directors of the Company.

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Basis of Preparation

The consolidated financial statements for the half-year ended 31 December 2024 have been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

The consolidated financial statements do not include all of the information and disclosure normally required in the annual financial report and should be read in conjunction with the Group's annual report for the year ended 30 June 2024 and considered together with any public announcements made by the Company during or in relation to the half-year ended 31 December 2024 in accordance with the continuous disclosure obligations of the ASX listing rules.

New or amended Accounting Standards and interpretations adopted

The consolidated entity 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.

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.

NOTE 2: REVENUE

	For the Half-Year ended 31 Dec	
	2024 \$'000	2023* \$'000
Continuing operations		
Revenue:	11,604	10,154
Total Revenue	11,604	10,154

Disaggregation of revenue

The Group derives its revenue from the services offered on its Raiz Invest Micro-Investing Platform. Please refer to Note 9 for more information on segments.

The disaggregation of revenue presented in this interim financial report is consistent with the full-year annual financial statements. No significant changes have occurred in the nature, amount, timing, or uncertainty of revenue and cash flows during the interim period.

*Comparative information has been restated to reflect discontinued operations. Please refer to Note 12: Discontinued Operations.

NOTE 3: CASH AND CASH EQUIVALENTS

	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
Cash at bank and on hand	12,039	9,738
	12,039	9,738

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 know amounts of cash and which are subject to an insignificant risk of changes in value.

NOTE 4: OTHER ASSETS

	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
CURRENT		
Advertising credit (Seven West Media)*	79	1,411
Others	541	288
Total other assets	620	1,699

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 expired in January 2025.

NOTE 5: INTANGIBLE ASSETS

	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
Goodwill:		
Cost	21,213	21,213
Net carrying amount	21,213	21,213
Computer software and other Intangible assets:		
Cost	22,436	20,948
Accumulated amortisation	(14,983)	(13,901)
Net carrying amount	7,453	7,047
Total intangible assets	28,666	28,260

	Goodwill	Computer Software: Intangible Assets
	\$'000	\$'000
Period ended 31 December 2024		
Balance at the beginning of the period (1 July 2024)	21,213	7,047
Additions	-	1,488
Amortisation charge	-	(1,082)
Closing value at 31 December 2024	21,213	7,453
Year ended 30 June 2024		
Balance at the beginning of the year (1 July 2023)	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

NOTE 6: PREFERENCE SHARES

	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
Preference shares issued to Malaysian JV partner	-	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). They 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. They were classified as current financial liabilities on the Group's balance sheet and were derecognised upon the disposal of the subsidiary. Any residual cash remaining after the liquidation process is expected to be distributed to the preference shareholder, as they rank above ordinary shareholders in the capital structure. As a result, Raiz does not anticipate receiving any payments from the liquidation.

NOTE 7: ISSUED CAPITAL

	31 Dec 2024	30 Jun 2024
	No.	No.
Fully paid ordinary shares	95,470,495	95,470,495
Issue of shares – 29 August 2024 (placement)	7,252,662	-
Issue of shares – 20 September 2024 (share purchase plan)	2,287,651	-
Issue of shares – 2 October 2024 (exercise of options)	37,405	-
	105,048,213	95,470,495

	31 Dec 2024	31 Dec 2023
	\$	\$
Ordinary Shares		
At the beginning of the reporting period (1 July)	102,580,836	102,175,830
Issue of shares – 29 August 2024 (placement)	2,973,591	-
Issue of shares – 20 September 2024 (share purchase plan)	937,910	-
Share issue costs	(129,459)	-
Issue of shares – 2 October 2024 (exercise of options)	16,002	-
At the end of the reporting period (31 December)	106,378,880	102,175,830

NOTE 8: EARNINGS PER SHARE

	31 Dec 2024 \$'000	31 Dec 2023* \$'000
a. Reconciliation of earnings to loss:		
- Loss attributable to Owners of the parent entity	(1,188)	(1,451)
- Loss used in the calculation of dilutive EPS	(1,188)	(1,451)
i) Loss from continuing operations		
- Loss attributable to Owners of the parent entity	(892)	(657)
- Loss used in the calculation of dilutive EPS	(892)	(657)
ii) Loss from discontinued operations		
- Loss attributable to Owners of the parent entity	(296)	(794)
- Loss used in the calculation of dilutive EPS	(296)	(794)
	No.	No.
b. Closing number of ordinary shares outstanding	105,048,213	93,445,466
Weighted average number of ordinary shares outstanding during the period used in calculating basic and dilutive EPS*	101,696,662	93,445,466
	(cents)	(cents)
c. Basic EPS	(1.2)	(1.6)
- continuing operations	(0.9)	(0.7)
- discontinued operations	(0.3)	(0.9)
d. Diluted EPS*	(1.2)	(1.6)
- continuing operations	(0.9)	(0.7)
- discontinued operations	(0.3)	(0.9)

* The company has excluded outstanding options from the diluted EPS calculation as it is reporting a loss for the period. Including them would be anti-dilutive, increasing rather than reducing EPS.

NOTE 9: OPERATING SEGMENTS

Description of segments

Identification of reportable operating segments

Raiz operates a single business segment. Following its exit from Southeast Asia, Raiz now operates exclusively in Australia.

Following a strategic review of its Southeast Asian operations in 2023, Raiz decided to cease all overseas operations. The divestment of the Indonesian business was successfully completed in March 2024. In the first half of FY25, the remaining businesses were classified as discontinued operations.

Each 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 UEBITDA as a principal profit measure. The accounting policies adopted for internal reporting are consistent with those adopted in the financial statements.

Types of services

The principal service is the provision of financial services via the Raiz Invest Platform.

Major customers

Raiz does not rely on any major customers. No customer accounts for more than 1% of total revenue (1H24: 1%).

Segment Income

Period ended 31 December 2024	1H25	1H24
	\$'000	\$'000
Segment Revenue	11,604	10,154
Operating expenses	(10,898)	(10,050)
UEBITDA	706	104
Depreciation and amortisation expenses	(1,232)	(1,111)
Finance costs	(48)	(21)
Share option expenses	(82)	(57)
Non-recurring items:		
- R&D tax grant	-	640
- Short Term Incentive accrual timing adjustment	(365)	(501)
Loss before income tax from continuing operations	(1,021)	(946)
Tax benefit	74	(41)
Loss for the period after income tax from continuing operations	(947)	(987)
Net loss after income tax from discontinued operations	(296)	(794)
Exchange differences on translation of foreign operations	136	(86)
Total comprehensive loss for the year	(1,107)	(1,867)

	31 Dec 2024	31 Dec 2023
	\$'000	\$'000
Segment assets	46,709	44,807
Segment liabilities	7,594	8,035

Profit or Loss by geographical areas		
	1H25	1H24
Australia	\$'000	\$'000
Segment Revenue	11,604	10,154
Operating expenses	(10,898)	(10,050)
UEBITDA	706	104
Depreciation and amortisation expenses	(1,232)	(1,111)
Finance costs	(48)	(21)
Share option expenses	(82)	(57)
Non-recurring items:		
- R&D tax grant	-	640
- Short Term Incentive accrual timing adjustment	(365)	(501)
Loss before income tax from continuing operations	(1,021)	(946)
Income tax benefit/(expense)	74	(41)
Loss after income tax from continuing operations	(947)	(987)
Southeast Asia		
	\$'000	\$'000
Segment Revenue	69	499
Operating expenses	(602)	(1,141)
EBITDA	(533)	(642)
Depreciation and amortisation expenses	(50)	(148)
Finance costs	-	(4)
Gain on disposal of subsidiaries	287	-
Loss before income tax	(296)	(794)
Income tax benefit	-	-
Loss after income tax	(296)	(794)

Financial Position by geographical areas		
	31 Dec 2024	30 June 2024
Australia	\$'000	\$'000
Segment assets	46,709	41,525
- Current assets	15,825	12,789
- Non-current assets	30,884	28,736
Segment liabilities	7,594	5,393
- Current liabilities	4,490	4,187
- Non-current liabilities	3,104	1,206
Southeast Asia		
	\$'000	\$'000
Segment assets	-	1,355
- Current assets	-	1,321
- Non-current assets	-	34
Segment liabilities	-	1,129
- Current liabilities	-	1,129
- Non-current liabilities	-	-

*For more information about discontinued operations, please refer to Note 12: Discontinued Operations.

NOTE 10: 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:

	31 Dec 2024	31 Dec 2023
	\$'000	\$'000
(i) <i>Other related parties:</i>		
Directors' fees:	197	178
KMP remuneration*:	662	740
Total	859	918

* KMP includes CEO, CFO & General Counsel (2023: CEO, CFO & COO).

NOTE 11: 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 2024		134	
Depreciation (continuing operations)		(150)	
Depreciation (discontinued operations)		(36)	
Adjustment on termination of old lease (continuing operations)		(34)	
Addition - new lease* (continuing operations)		1,489	
At 31 Dec 2024		1,403	
Lease Liabilities		Total	
		\$'000	
Balance as at 1 July 2024		142	
Interest expense (continuing operations)		38	
Lease payments (continuing operations)		(163)	
Lease payments (discontinued operations)		(20)	
Adjustment on termination of old lease		(53)	
Addition - new lease*		1,848	
Incentives (new lease)		(359)	
At 31 Dec 2024		1,433	
At 31 Dec 2024	Up to 12 months	Between 1 and 5 years	Total
	\$'000	\$'000	\$'000
Lease Liabilities	208	1,225	1,433

*In September 2024, the Company entered into a new lease for a period of 5 years.

NOTE 12: DISCONTINUED OPERATIONS

Following a comprehensive strategic review of its Southeast Asian operations in 2023, Raiz made the decision to close all overseas operations. The Malaysian (MY), Thai (TL) and Vietnamese (VN) businesses are classified as discontinued operations in the consolidated financial statements for the half-year ended 31 December 2024. The divestment of the Indonesian (IND) business was completed in March 2024.

The Group does not anticipate any further financial impact from discontinued operations.

	2024			
	\$'000	\$'000	\$'000	\$'000
	MY	TL	VN	Total
Revenue	69	-	-	69
Operating expenses	(587)	(8)	(7)	(602)
EBITDA	(518)	(8)	(7)	(533)
Depreciation and amortisation expenses	(50)	-	-	(50)
Loss from the ordinary activities	(568)	(8)	(7)	(583)
Gain/(loss) on disposal of subsidiaries	302	(15)	-	287
Loss before income tax benefit	(266)	(23)	(7)	(296)
Income tax benefit	-	-	-	-
Loss after income tax benefit from discontinued operations	(266)	(23)	(7)	(296)
As at 31 Dec 2024	\$'000	\$'000	\$'000	\$'000
Assets and Liabilities:	MY	TL	VN	Total
Total Assets	-	-	-	-
Total Liabilities	-	-	-	-
Net Assets	-	-	-	-
Cash flow information:	2024			
	\$'000	\$'000	\$'000	\$'000
	MY	TL	VN	Total
Net cash used in operating activities	(1,234)	-	-	(1,234)
Net cash used in investing activities	-	-	-	-
Net cash used in financial activities	(20)	-	-	(20)
Net decrease in cash from discontinued operations	(1,254)	-	-	(1,254)
Cash and cash equivalents at the beginning of the period	1,254	-	-	1,254
Cash and cash equivalents at the end of the period	-	-	-	-

Assets and Liabilities of Controlled Entities at Date of Disposal:	MY \$'000	TL \$'000	VN \$'000	Total \$'000
Assets				
Cash and cash equivalents	672	-	-	672
Trade and other receivables	2	4	-	6
Other assets	39	9	-	48
Total Assets	713	13	-	726
Liabilities				
Trade and other payables	449	12	-	461
Total Liabilities	449	12	-	461
Net Assets	264	1	-	265

	2023				
	\$'000	\$'000	\$'000	\$'000	\$'000
	MY	TL	VN	IND	Total
Revenue	493	-	-	6	499
Operating expenses	(650)	(21)	(10)	(460)	(1,141)
EBITDA	(157)	(21)	(10)	(454)	(642)
Depreciation and amortisation expenses	(49)	-	-	(99)	(148)
Interest expense	(2)	-	-	(2)	(4)
Loss before income tax benefit	(208)	(21)	(10)	(555)	(794)
Income tax benefit	-	-	-	-	-
Loss after income tax benefit from discontinued operations	(208)	(21)	(10)	(555)	(794)
As at 31 Dec 2023	\$'000	\$'000	\$'000	\$'000	\$'000
Assets and Liabilities:	MY	TL	VN	IND	Total
Total Assets	2,479	4	4	54	2,541
Total Liabilities	1,253	4	1	85	1,343
Net Assets	1,226	-	3	(31)	1,198

	2023				
	MY	TL	VN	IND	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Net cash used in operating activities	(294)	-	(13)	(380)	(687)
Net cash used in investing activities	-	-	-	-	-
Net cash from financial activities	950	-	-	345	1,295
Net decrease in cash from discontinued operations	656	-	(13)	(35)	608
Cash and cash equivalents at the beginning of the period	1,545	-	14	72	1,631
Effect of movement in exchange rates on cash held	(22)	-	-	(8)	(30)
Cash and cash equivalents at the end of the period	2,179	-	1	29	2,209

NOTE 13: CONTINGENT LIABILITIES

As at 31 December 2024, the Group has outstanding bank guarantee amounting to \$191,000, issued in favour of the landlord as security for lease obligations. These guarantees are secured by a term deposit.

The bank guarantees do not represent a liability of the Group unless a claim is made by the beneficiary under the guarantee terms. As at the reporting date, no claims have been made, and the Directors consider the likelihood of a claim being made to be remote.

NOTE 14: FAIR VALUE MEASUREMENT

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

Consolidated - 31 Dec 2024	Level 1	Level 2	Total
	\$'000	\$'000	\$'000

Assets

<i>Listed shares/ETFs at fair value through profit or loss</i>	379	-	379
<i>Term deposits</i>	-	355	355

Consolidated – 30 Jun 2024	Level 1	Total
	\$'000	\$'000

Assets

<i>Listed shares/ETFs at fair value through profit or loss</i>	349	-	349
<i>Term deposits</i>	-	164	164

There were no transfers between levels during the financial half-year.

Listed equities have inputs based on quoted market prices in active markets and are classified within level 1.

Term deposits have inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly and are classified within level 2.

The Group does not hold level 3 investments.

NOTE 15: EVENTS AFTER THE REPORTING PERIOD

On 13 January 2025, the Board appointed Juliana Nguyen and Paul Rogan as Non-Executive Directors.

In January, a total of 267,274 new shares were issued following the exercise of employee share options. This included 479,000 options exercised on a no consideration basis, resulting in the issuance of 42,274 shares, calculated using a 10-day VWAP of \$0.5484 per share. A further 225,000 options were exercised at an exercise price of \$0.50 per share.

No other matters or circumstances have arisen since 31 December 2024 which significantly affected or could significantly affect the operations of the Group in future financial years.

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DIRECTORS' DECLARATION

In the opinion of the directors:

1. The financial statements and notes of the Group are in accordance with the Corporations Act 2001, including:
 - a. Give a true and fair view of the financial position as at 31 December 2024 and of the performance for the half-year ended on that date; and
 - b. Complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.
2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors,



Kelly Humphreys

Chair

27 February 2025



Brendan Malone

Managing Director/CEO

27 February 2025

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Half-Year Report 31 December 2024

Independent Auditor's Review Report

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Raiz Invest Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Raiz Invest Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 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 half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of 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 the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of



the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

BDO

Jeshan Velupillai

Jeshan Velupillai

Director

Sydney, 27 February 2025

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