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ASX Announcement | 13 October 2026

Historical tax withholding and reporting matters

Raiz Invest Limited (ASX: RZI) (Raiz or the Company) provides this announcement in relation to the material operational and regulatory reporting matters referred to in its request for a trading halt dated 9 October 2026.

Key points

- Raiz has identified historical tax compliance matters relating to tax file number (TFN) and Australian Business Number (ABN) withholding and reporting obligations in respect of certain Funds[1] offered through the Raiz platform from its establishment in 2015.
- The matters were identified through a review of operations and processes initiated by Chief Executive Officer Craig Keary following his recent appointment on 1 June 2026.
- The first phase of an independent expert review of tax compliance matters led by WTS Australia has been completed. The review is continuing and may identify further matters.
- The Company has proactively notified the ATO and ASIC and is cooperating with them.
- A Board directed remediation program has begun.
- Importantly, customer funds are secure and held by independent custodians. Customers do not need to take any action at this time.
- Based on the preliminary work to date, the Board is not yet able to reliably estimate the potential financial impacts.
- For FY26 the Company reported Underlying EBITDA of $5.5 million and free cashflows of $2.7 million with cash of $15.4 million held as at 30 June 2026.
- The Company will provide further updates to the market as the review and engagement with regulators progresses.

Background

Following his recent appointment on 1 June 2026, Chief Executive Officer Craig Keary initiated a review of the Company's operations and processes. That review identified historical tax compliance matters from the Fund's establishment in 2015.

The Company engaged WTS Australia to conduct an independent expert review. The first phase of that review considered the TFN/ABN withholding and ATO reporting obligations that apply to the operations of the Funds[1] offered through the Raiz platform.

Where an investor does not quote a TFN or ABN or claim an exemption, tax must be withheld from certain payments to them and remitted to the ATO. Based on the information to date, the review identified that this withholding was not applied and the related reports were not lodged with the ATO. This may give rise to liabilities, including penalties and interest. The Company is assessing if this has any implications for customers.

Customers

Customers funds remain secure and held by independent custodians.

The ongoing review will include an assessment of potential impacts on customers of the Funds. Based on the work undertaken to date, the Company is not yet able to determine whether customers may have any financial, tax or reporting consequences arising from the matters identified. The review is assessing this. Customers do not need to take any action at this time. If the review identifies that customers are affected, the Company will contact them directly and update the market.

Members of the Raiz Invest Super Fund are not affected by these tax matters.

[1] Funds mean Raiz Invest Australia Fund, Raiz Property Fund and Raiz Residential Property Fund.

Regulators

The Company has proactively notified ASIC and has lodged a voluntary disclosure with the ATO and will continue to cooperate with regulators.

Financial position

For FY26 the Company reported Underlying EBITDA of $5.5 million and free cashflows of $2.7 million with cash of $15.4 million held as at 30 June 2026.

Based on the preliminary work to date, the Board considers that the matters identified may have a material financial impact on the Company. In addition to the costs of the remediation program, the potential exposures relate to penalties for TFN/ABN withholding that was not applied, together with penalties for reports not lodged and general interest charges. Due to the ongoing nature of the review the Company is not able to reliably estimate the amount of potential costs and liabilities at this time.

Review, remediation and governance

The Board appointed WTS Australia to conduct the independent review. Oversight of the review and the remediation program rests with the Board. The remediation program includes:

- strengthening systems and processes for the collection and handling of TFNs, tax reporting, reconciliations and oversight;
- conducting forensic analysis of the identified matters, determining corrective actions and engaging with the ATO and ASIC on how these actions may be resolved;
- assigning clear accountability for all tax obligations; and
- independent assurance that the changes are operating effectively.

The Company is not yet able to quantify the amounts that should have been withheld or the number of affected account holders. The matter requires a complex and time-consuming reconstruction of historical data.

Mr Keary said: “These issues have existed since inception in 2015 and fixing them will take time. We have completed the first phase of an independent review, informed the regulators and started a remediation program. The review is continuing and there may be further matters. We will keep shareholders and customers informed as the review and remediation progresses.

We remain committed to driving the growth strategy of the Company and as the remediation program progresses, we will be in a position to provide updates on the potential impact on strategic initiatives including product development.”

Forward-looking statements

This announcement contains forward-looking statements, including in relation to the review, the remediation program, the potential financial impact of the matters identified and the Company’s financial position. They are based on information available at the date of this announcement and are subject to risks and uncertainties, many of which are outside the Company’s control. Actual outcomes may differ materially.

Ends

Authorised for release by the Board of Directors.

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About Raiz Invest Limited

Raiz Invest Limited (ASX: RZI) is a multi-award-winning fintech platform helping Australians build long-term wealth. Raiz pioneered the 'Round-Up' concept in Australia – where everyday purchases are rounded-up to the next dollar and the difference is invested into a Raiz Investment account – opening the door for first-time investors.

Raiz is committed to improving the financial wellbeing of all Australians. At Raiz, we believe that everyone deserves the tools to build a better financial future, regardless of age, income, or experience. Our vision is to empower Australians by providing accessible, empowering, and smart investment options. We are on a mission to reshape the way people think about saving and investing, making it easier for all Australians to take control of their financial future. Raiz – Investing made simple.

To find out more, please visit www.raizinvest.com.au or the Investor Hub https://investorhub.raizinvest.com.au/ .

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