



Raiz Invest Limited

ABN 74 615 510 177

PROSPECTUS

Prospectus for the issue of 8,400,000 fully paid ordinary shares at an issue price of \$1.80 per share to raise approximately \$15 million

Lead Manager and Underwriter

The Bell Potter logo consists of a horizontal line with a small downward-pointing chevron in the center, positioned above the words 'BELL POTTER' in a bold, white, uppercase sans-serif font.

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

Contents

IMPORTANT NOTICES	3
KEY OFFER INFORMATION	7
CHAIRMAN'S LETTER	9
01. INVESTMENT OVERVIEW	10
02. INDUSTRY OVERVIEW	25
03. BUSINESS OVERVIEW	33
04. FINANCIAL INFORMATION	46
05. RISK FACTORS	59
06. PEOPLE, INTERESTS AND BENEFITS	64
07. DETAILS OF THE OFFER	79
08. INVESTIGATING ACCOUNTANT REPORT	88
09. ADDITIONAL INFORMATION	94
10. GLOSSARY	111

Important notices

Offer

The offer contained in this Prospectus is an invitation for you to apply for fully paid ordinary shares in Raiz Invest Limited ABN 74 615 510 177 (**Company**) (**Offer**). This Prospectus is issued by the Company for the purposes of Chapter 6D of the Corporations Act 2001 (Cth) (**Corporations Act**).

Lodgement and Listing

This Prospectus is dated 9 May 2018 and a copy was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date (**Prospectus Date**). The Company will apply to the Australian Securities Exchange (**ASX**) within seven days after the Prospectus Date, for admission of the Company to the Official List and quotation of its Shares on ASX. The fact that the ASX may admit the Company into the Official List is not to be taken in any way as an indication of the merits of the Shares, the Offer or the Company.

None of ASIC, ASX nor their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Expiry Date

This Prospectus expires on the date which is 13 months after the Prospectus Date (**Expiry Date**), and no Shares will be issued on the basis of this Prospectus after the Expiry Date.

Not investment advice

The information in this Prospectus is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. This prospectus should not be construed as financial, taxation, legal or other advice. The Company is not licensed to provide financial product advice in respect of its securities or any other financial products.

It is important that you read this Prospectus carefully and in its entirety and seek professional advice where necessary before deciding whether to invest in the Company. There are risks associated with an investment in the Company. Some of the key risks you should consider are set out in Section 5 "Risk Factors". You should carefully consider these risks in light of your personal circumstances (including financial and tax issues). There may also be risk factors in addition to these that should be considered having regard to your personal circumstances.

If you do not fully understand this Prospectus or are in doubt as to how to deal with it, you should seek professional guidance from your financial advisor, solicitor, accountant, tax advisor or other independent and qualified professional adviser before deciding whether to invest in the Company.

Except as required by law, and only to the extent required, no person named in this Prospectus, nor any other person, warrants or guarantees the performance of the Company or any return on investment or any return of capital, made pursuant to this Prospectus.

This Prospectus includes information regarding the past performance of the Company and the Raiz Group. Investors should be aware that past performance is not indicative of future performance.

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information not so contained may not be relied upon as having been authorised by the Company, the Lead Manager or any other person in connection with the Offer. You should rely only on information contained in this Prospectus.

Foreign jurisdictions

This Prospectus does not constitute an offer or invitation to apply for Shares in any jurisdiction other than Australia. No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of the Shares, in any jurisdiction outside Australia.

There may be legal restrictions related to the distribution of this Prospectus (including in electronic form) outside Australia and therefore any person who resides outside of Australia and who receives this Prospectus outside Australia should seek advice on, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. For details of selling restrictions that apply to Shares in certain jurisdictions outside of Australia, refer to Section 7.13.

This Prospectus may not be distributed to, or relied upon by, persons in the United States. The Shares being offered pursuant to this Prospectus have not been registered under the United States Securities Act of 1933, as amended (**U.S. Securities Act**) and may not be offered or sold in the United States absent registration or an applicable exemption from registration under the U.S. Securities Act and applicable United States securities laws of any state of the United States. The Shares may not be offered or sold in the United States, except in a transaction exempt from, or not subject to, registration under the U.S. Securities Act and applicable U.S. state securities laws.

Financial information presentation

Section 4 sets out in detail the financial information referred to in this Prospectus and the basis of preparation of that information. All financial amounts contained in this Prospectus are expressed in Australian dollars. Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

The financial information in this Prospectus is presented in abbreviated form insofar as it does include all the presentation and disclosures required by the Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

Investors should be aware that certain financial data included in this Prospectus may be 'non-IFRS financial information' under Regulatory Guide 230 Disclosing non-IFRS financial information, published by ASIC. The Company believes this non-IFRS financial information provides useful information to users in measuring the financial performance and conditions of the Company (as applicable). The non-IFRS measures do not have standardised meanings prescribed by Australian Accounting Standards and therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information and ratios included in this Prospectus.

Unless otherwise stated or implied, all pro forma data in this Prospectus gives effect to the pro forma adjustments referred to in Section 4.

Forward looking statements

This Prospectus may contain forward looking statements concerning the Company's business and operations, and condition, as well as the Company's plans, objectives, and expectations of its business, operations and financial performance and condition. Any statements contained in this Prospectus that are not of historical facts may be deemed to be forward-looking statements. You can identify these statements by words such as 'aim', 'anticipate', 'assume', 'may', 'could', 'believes', 'estimates', 'expects', 'intends', 'should', 'target', 'goal' and other similar words that are predictions of or indicate future events and future trends.

Any forward looking statements are subject to various risks that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Forward looking statements should be read in conjunction with, and are qualified by reference to, the risks as set out in Section 5, and other information in this Prospectus. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Board and management. The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward looking statements.

You are urged to consider the risk factors carefully for evaluating the forward-looking statements and are cautioned not to place undue reliance on the forward-looking statements. These forward-looking statements speak only as at the date of this Prospectus. Unless required by law, the Company does not intend to publicly update or revise any forward-looking statements to reflect new information or future events or otherwise. You should, however, review the information and the risks the Company describes in the reports to be filed from time to time with the ASX after the Prospectus Date.

No financial forecasts have been prepared nor included in this Prospectus.

This Prospectus contains market data, industry forecasts and projections. The Company has obtained some of this information from market research prepared by third parties. There is no assurance that any of the forecasts contained in the reports, surveys and research of such third parties which are referred to in this Prospectus, will be achieved. The Company has not independently verified this information. Estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed in the risks set out in Section 5 of this Prospectus.

Exposure Period

The Corporations Act prohibits the Company from processing Applications to subscribe for Shares under this Prospectus (**Applications**) during the seven (7) day period after the Prospectus Date (**Exposure Period**). The Exposure Period may be extended by ASIC by up to another seven days, that is, up to fourteen (14) days. The purpose of the Exposure Period is to enable the Prospectus to be examined by market participants prior to the raising of funds under the Offer. Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on Applications received during the Exposure Period.

Prospectus availability

During the Offer Period, a paper copy of this Prospectus will be available for Australian residents free of charge by contacting the Offer Information Line on 1300 109 678 (within Australia) and +61 3 9415 4140 (outside Australia) between 9.00am and 5.00pm (Sydney time), Monday to Friday (Business Days only).

The Prospectus is also available in electronic form at the Offer website at www.raizinvestoffer.com.au.

The Offer constituted by this Prospectus in electronic form is available only to persons within Australia. It is not available to persons in other jurisdictions (including the United States). Persons who access the Prospectus in electronic form should ensure that they download and read the entire Prospectus. If unsure about the completeness of this Prospectus received electronically, or a print copy of it, you should contact the Company.

Applications

Applications for Shares under this Prospectus may be made only during the Offer Period on the appropriate application form (**Application Form**) attached to, or accompanying, this Prospectus in its paper copy form, or in its electronic form which must be downloaded in its entirety from the Offer website at www.raizinvestoffer.com.au. By submitting an Application, you declare that you were given access to this Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing on to another person the Application Form unless it is attached to, or accompanied by, the complete and unaltered version of this Prospectus.

No cooling-off rights

Cooling-off rights do not apply to an investment in Shares issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been received.

Underwriting of the Offer

This Offer is underwritten by Bell Potter Securities Limited ABN 25 006 390 772.

Responsibility statement by AETL

To the maximum extent permitted by law, AETL expressly disclaims and takes no responsibility for any part of this document other than the references to its name. AETL does not guarantee the repayment of capital or any particular rate of capital or income return.

Defined Terms and Time

Some of the terms and abbreviations used in this Prospectus have defined meanings. These are capitalised and defined in Section 10 of this Prospectus. Unless otherwise stated or implied, a reference to a time is a reference to Sydney time.

Currency

Unless otherwise noted in this Prospectus, all references to "\$", "A\$" or "dollars" are to Australian dollars.

Timetable

Notwithstanding any provision of this Prospectus, the Company may from time to time and without giving any notice, abridge or further abridge, extend or further extend any period or vary or further vary any date referred to in this Prospectus and for such period or to such later date as the Company thinks fit, whether or not the period to be extended has expired, or the date to be varied has passed.

Privacy

By filling out an Application Form to apply for Shares, you are providing personal information to the Company through the Share Registry, which is contracted by the Company to manage Applications. The Company and the Share Registry on behalf of the Company, may collect, hold and use that personal information in order to process your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration.

If you do not provide the information requested in the Application Form, the Company and the Share Registry may not be able to process or accept your Application.

Your personal information may also be used from time to time to inform you about other products and services offered by the Company, which it considers may be of interest to you.

Your personal information may also be provided to the Company's agents and service providers on the basis that they deal with such information in accordance with the Company's privacy policy. The agents and service providers of the Company may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- > the Share Registry for ongoing administration of the Shareholder register;
- > printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- > market research companies for the purpose of analysing the Shareholder base and for product development and planning; and
- > legal and accounting firms, auditors, contractors, consultants and other advisors for the purpose of administering, and advising on, the Shares and for associated actions.

If an Applicant becomes a Shareholder, the Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public Shareholder register. If you do not provide all the information requested, your Application Form may not be able to be processed.

The information contained in the Company's Shareholder register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's Shareholder register is also used to facilitate dividend payments and corporate communications (including the Company's financial results and annual reports and other information that the Company may wish to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements. An Applicant has a right to gain access to the information that the Company and the Share Registry hold about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing or by telephone call to the Company's registered office or the Share Registry's office, details of which are disclosed in the Corporate Directory of this Prospectus. For more information, please email the Share Registry at privacy@computershare.com.au or visit the Share Registry's website at www.computershare.com.au.

Offer website

Any references to documents included on the Company's website are provided for convenience only and none of the documents or other information on the Company's website are incorporated by reference into this Prospectus.

Photographs, diagrams and trademark

Photographs used in this Prospectus which do not have descriptions are for illustration or design purposes only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables, is based on information available as at the Prospectus Date.

This Prospectus also includes trademarks, trade names and service marks that are the property of other organisations. Unless indicated, the Company does not purport to own this property.

Investigating Accountant's Report

The provider of the Investigating Accountant's Report in relation to the financial information (**Investigating Accountant's Report**) is required to provide Australian retail investors with a financial services guide in relation to its independent report under the Corporations Act. The Investigating Accountant's Report and accompanying financial services guide is provided in Section 8.

Further queries

Call the Offer Information Line on 1300 109 678 (within Australia) and +61 3 9415 4140 (outside Australia) between 9.00am and 5.00pm (Sydney time), Monday to Friday (Business Days only) if you require assistance to complete the Application Form, require additional copies of this Prospectus or have any questions in relation to the Offer.

If you are unclear in relation to any matter or are uncertain as to whether obtaining Shares in the Company is a suitable investment for you, you should seek professional advice from your solicitor, financial advisor, accountant, tax adviser or other independent and qualified professional adviser before deciding whether or not to invest in the Company.

Key offer information

KEY DATES

DATE	
Lodgment of Prospectus with ASIC	Wednesday, 9 May 2018
Opening Date for the Offer (Broker Firm Offer, Chairman's List Offer and Priority Offer)	Thursday, 17 May 2018
Closing Date for the Offer (Broker Firm Offer, Chairman's List Offer and Priority Offer)	(5.00pm) Friday, 1 June 2018
Settlement Date	Wednesday, 6 June 2018
Expected dispatch of holding statements	Friday, 8 June 2018
Expected commencement of trading on a normal settlement basis	Thursday, 21 June 2018

Dates may change

This timetable is indicative only and may change. Unless otherwise indicated, all times are stated in Sydney time. The Company, in agreement with the Lead Manager, reserves the right to vary any and all of the above dates and times without notice (including, subject to the ASX Listing Rules and the Corporations Act, to close the Offer early, to extend the Closing Date, or to accept late Applications, either generally or in particular cases, or to cancel or withdraw the Offer before Completion, in each case without notifying any recipient of this Prospectus or Applicants). If the Offer is cancelled or withdrawn before the issue of Shares, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their Applications as soon as possible after the Offer opens.

KEY OFFER STATISTICS

	STATISTIC
Offer Price per Share	\$1.80
Total number of Shares to be issued under the Offer	8,400,000
Gross proceeds from the Offer	\$15,120,000
Total number of existing Shares on issue prior to Completion	57,829,988
Total number of Shares on issue following Completion ⁽¹⁾	66,229,988
Indicative market capitalisation at the Offer Price ⁽²⁾	\$119,213,978
Total number of Options on Issue pursuant to the LTEIP ⁽³⁾	2,090,000
Total number of Management Options on Issue pursuant to the Historical Option Plan ⁽⁴⁾	4,379,550

Notes:

- ⁽¹⁾ A number of the Shares on issue following Completion will be subject to escrow restrictions. Further details regarding these restrictions are provided in Section 9.3.
- ⁽²⁾ Calculated as the total number of Shares on issue on Completion multiplied by the Offer Price. The Shares may not trade at the Offer Price after Listing. If the Shares trade below the Offer Price after Listing, then the market capitalisation may be lower.
- ⁽³⁾ There are 2,090,000 Options granted to key management personnel of the Company pursuant to the Company's LTEIP. Further details regarding the terms and conditions of the Options and the LTEIP are provided in Section 6.4.2.
- ⁽⁴⁾ There are 4,379,550 Management Options that have been granted to key management personnel pursuant to the Company's Historical Option Plan. Subject to the satisfaction of all relevant conditions specified in the Historical Option Plan, these options are convertible into a maximum of 4,379,550 shares. No further Management Options will be granted under the Historical Option Plan. Further details regarding the terms and conditions of the Management Options and the Historical Option Plan are provided in Section 6.4.1.

How to invest

Applications for shares can only be made by completing and lodging the Application Form attached to or accompanying this Prospectus. In respect of the Broker Firm Offer and Priority Offer, the minimum Application is 3,000 Shares (being worth \$5,400), and in multiples of 500 Shares (being, worth \$900) thereafter.

Instructions on how to apply for Shares are set out in Section 7 of this Prospectus and on the back of the Application Form.

Questions

If you have any questions about the Application Form, please contact the Offer Information Line on 1300 109 678 (within Australia) or +61 3 9415 4140 (outside Australia) between 9.00am and 5.00pm (Sydney time), Monday to Friday (Business Days only).

If you have any doubt as to what to do in relation to the Offer, you should seek professional advice from a licensed financial adviser, accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest in the Company.

Chairman's letter

9 May 2018

Dear investor

On behalf of the Board, it is my pleasure to invite you to read this Prospectus and to offer you the opportunity to become a shareholder in Raiz Invest Limited (**Raiz or Company**).

Raiz is an Australian financial services business offering a unique micro-investing platform which allows Raiz customers to regularly save and invest. Since its launch in Australia in February 2016, Raiz has grown rapidly and has approximately \$170 million in funds under management and over 155,000 active monthly customers.

Raiz appeals to a new generation of investors, by providing its simple micro-investing solution via its smartphone or internet applications. This allows customers to automatically invest in managed funds and link their savings and spending on a single platform.

The main operating entity of the Raiz Group, Raiz Invest Australia (formerly, Acorns Grow Australia), was previously a joint venture arrangement with Acorns US, which launched in Australia in February 2016. In January 2018, the joint venture arrangement ceased as Acorns US became a minority shareholder of Raiz Invest Australia. In connection with this transaction, it was agreed that the Australian operation would cease use of the Acorns brand, and accordingly, rebranded to "Raiz" and that the Australian operation would be permitted to expand into certain overseas territories in South East Asia. Following completion of another subsequent transaction between the Raiz Group and Acorns US, Acorns US is now a minority shareholder of the Company, and the Company directly holds the entire issued share capital of Raiz Invest Australia.

Raiz has developed an innovative way for its customers to access financial services as evidenced by our recent selection as the winner of the Investment Innovator of the Year for 2017 and 2018 by Fintech Business Awards. Our technology is focused on a continuous cycle of platform improvements, managed by an in-house technology team and driven by customer feedback and data. This combination of factors gives Raiz the opportunity to grow with its customers and broaden its offering into new products and international markets. Raiz is committed to giving the best customer experience possible both on and off line.

In addition to the funds management aspects of our business, we have also launched machine learning and artificial intelligence algorithms to assist our customers to manage their everyday financial circumstances through our offering known as My Finance. This offering is provided to customers via our smartphone or internet applications and provides customers with a personalised overview of where their money is spent and forecasts future cashflow. Our commitment to improving financial literacy is not limited to only savings and investing but also relates to every day financial issues as was recently recognised by our selection as one of the top 100 leading fintech companies promoting financial inclusion.

As Australians are amongst the highest per capita users of smartphones in the world, the Board believes that Raiz customers will continue to develop and mature in the future by accessing a multitude of financial services through the Raiz platform. As a result, Raiz will endeavour to continue to support its customers by providing an innovative range of financial services and products that are developed in response to requests made from the Raiz customer base.

The Offer pursuant to this Prospectus will raise approximately \$15 million and is an important next step in the evolution of Raiz. The Board believes that the funds raised from the Offer will enable the Company to advance its business strategy, meet its regulatory requirements and gain access to a broader investor base. In addition, the funds will be allocated to pursue growth into new markets such as Indonesia, Malaysia and Thailand. These South East Asian markets are experiencing rapid increases in smartphone usage and therefore present an exciting opportunity for Raiz to offer its products across these regions.

This Prospectus contains detailed information about the Offer, the industries in which the Company operates and the Raiz Group's historical operating and financial information. It does not contain any forecast financial information. An investment in the Company should be considered as highly speculative and is subject to a range of risks, including the Company's limited operating history and historical losses, the potential for loss of key suppliers and management personnel, failure to attract and retain skilled staff, failure to increase customer sign-ons and establish the Raiz brand, the impact of new competitors to the Company's market and potential additional requirements for capital, amongst others. For more information about the key risks associated with an investment in the Company please refer to Section 5 of this Prospectus.

Finally, it is crucial for you to note that there can be no guarantee that the Company will achieve its stated objectives or that any forward-looking statements in this Prospectus will be realised or will otherwise eventuate. I strongly encourage you to read this document carefully and in its entirety before making your investment decision.

On behalf of the Board, I look forward to welcoming you as a Shareholder.

Peter Anthony (Tony) Fay

Chairman
Raiz Invest Limited

01. Investment overview

The information contained in this Section 1 is a summary only. You should read this Section 1 in conjunction with the information set out in the remainder of the Prospectus.

1.1 ABOUT THE COMPANY

QUESTION	ANSWER	FOR MORE INFORMATION
Who is the Issuer of this Prospectus?	Raiz Invest Limited ACN 615 510 177 (Company or Raiz), a company incorporated in New South Wales, Australia. The Company is the ultimate holding company of the Raiz Group.	Section 3.2
What is the Raiz business?	Raiz provides financial services through its mobile first micro-investing platform which offers its customers an easy way to regularly invest either small or large amounts of money using the Raiz application or through the Raiz website. Through the Raiz platform, Raiz customers are able to automatically invest, through their Raiz Investment Account, into a chosen diversified portfolio of exchange traded funds (ETFs) on the ASX. The minimum account balance required before a Raiz customer can commence investing on the Raiz platform is just \$5. There are four different ways in which customers can make contributions to their account: they may make a lump sum deposit; activate "round-ups" (being the automatic investing of a customer's virtual 'spare change'); setup a regular savings plan; or through Raiz Rewards (formerly, Found Money). Since its launch in Australia in February 2016, Raiz has amassed over 440,000 customer sign-ups, 155,000 active monthly customers and \$170 million in funds under management.	Section 3
What is the Raiz Group's history?	The Raiz Group was previously a joint venture with Acorns US in Australia and known as "Acorns". Acorns US launched in August 2014 in the US, and together with what is now "Raiz", launched via a joint venture in Australia in February 2016 to provide a micro investing application designed to make investing and saving simple. The founders of Acorns US saw a demand in the market to offer an easy to use app, with affordable fees, that removes traditional barriers to investing. Both in Australia and the US, the micro-investing application has appealed to a new generation of investors who traditionally would not have had access to such investment markets.	Section 3.2

QUESTION	ANSWER	FOR MORE INFORMATION
What is the Raiz Group's history? Continued	The main operating entity of the Raiz Group, being Raiz Invest Australia (previously, Acorns Grow Australia), maintains the Raiz platform and develops new functionality for the platform when needed, manages, operates and administers the Raiz Invest Australia Fund (previously, Acorns Grow Australia Fund) and markets and operates the Raiz Group's business. Raiz Invest Australia, since the launch of the business in Australia in February 2016, has always operated independently from Acorns US. In January 2018, the joint venture arrangement ceased and Acorns US became a minority shareholder in Raiz Invest Australia. In connection with this transaction, it was agreed that the Australian operation would cease to use the Acorns brand, and accordingly, rebrand to "Raiz", and that the Australian operation would be permitted to expand into certain overseas territories in South East Asia. More recently, the Company acquired from Acorns US its remaining minority holding in Raiz Invest Australia. As a result, the Company now holds directly all of the shares on issue in Raiz Invest Australia.	
What is the Company's corporate group structure?	A structure of the Raiz Group as at the Prospectus Date is as follows: Figure 1.1: Raiz Group corporate group structure <pre> graph TD A["RAIZ INVEST LIMITED (formerly, Acorns Investment Company Limited)"] --> B["INSTREET INVESTMENT LIMITED (Responsible Entity, AFSL, No. 434776)"] A --> C["RAIZ INVEST AUSTRALIA LIMITED (formerly, Acorns Grow Australia Limited)"] A --> D["INSTREET ACORNS PTY LIMITED"] B --> E["RAIZ INVEST AUSTRALIA FUND ARSN 607 533 022 (formerly, Acorns Grow Australia Fund)"] </pre> Note: Instreet Acorns Pty Ltd was incorporated on 3 March 2015 so to, at that time, hold the interest in Raiz Invest Australia. As a result of the Raiz Group restructure, the Company is now the ultimate holding company of Instreet Acorns, and the Company holds directly all of the shares on issue in Raiz Invest Australia. Accordingly, Instreet Acorns holds no assets or liabilities and generates no cash flow. As at the Prospectus Date, it is the intention of the Raiz Group to deregister Instreet Acorns.	Section 3.2.2
What industry does Raiz operate within?	Raiz operates in the Australian retail financial services industry which provides investing and financial services and wealth products to Australian retail customers.	Section 2

QUESTION	ANSWER	FOR MORE INFORMATION
What is a micro-investing platform?	A micro-investing platform allows a customer to invest small amounts of money into financial markets and be fully invested into the chosen portfolio. This is achieved due to the platform's ability to allocate fractional interests in ETF units to individual investors.	Section 2.3
What is the Raiz micro-investing platform?	The Raiz mobile first micro-investing platform is an Australian financial service business offering its customers a first of its kind financial services application, enabling customers to regularly save and invest automatically. The technology is a proprietary technology derived from the technology of, and based in part upon, a technology licence from Acorns US. The Raiz mobile first micro-investing platform allows Raiz customers to consistently invest funds as they become available including virtual 'spare change', rather than having to wait until they have enough money to buy a complete ETF unit. The customer's investment is invested into one of six diversified portfolios (as selected by the customer) of ETFs quoted on the ASX.	Section 3.7.1
What products are offered on the Raiz platform?	Raiz's financial product offering can be broadly divided into two key categories, Raiz Investment Accounts in the Raiz Invest Australia Fund; and Raiz Invest Super. Raiz customers can invest into their Raiz Investment Account in the Raiz Invest Australia Fund through four different features of the Raiz smartphone application, including: > round-ups: invests a customer's virtual 'spare change' accrued from daily purchases; > lump sums: invests lump sums deposited by customers; > recurring: invests recurring investment amounts on a daily, weekly or monthly frequency; and > Raiz Rewards (formerly, Found Money): rewarding customers who shop with Raiz's partner brands online through bonus investments into their account. Raiz has introduced a superannuation product, Raiz Invest Super, for which a Product Disclosure Statement in-use notice has been lodged with ASIC on 27 April 2018. Raiz Invest Super is a sub-plan of the DIY Master Trust, with Diversa Trustees Limited as the trustee. Raiz also offers a personal finance management feature, known as My Finance, that assists customers with budgeting and managing their finances.	Section 3.5 Section 3.9

1.2 KEY FEATURES OF THE RAIZ BUSINESS

FEATURES	DESCRIPTION	FOR MORE INFORMATION
How does the Company generate its revenue and what are its main costs?	The Raiz Group currently generates revenue through the following methods: 1. maintenance fees; 2. account fees; 3. netting; and 4. third party advertising and marketing leveraging off Raiz data. Raiz's primary costs are employee benefits, information technology, payment transactions and transaction monitoring, and marketing.	Section 3.10
Who are Raiz's customers?	All Raiz customers must be over 18 years old. Raiz's primary customers fall into the age range of 18-44 years, with millennials (aged between 18-35 years) making up the majority of the customer base. As at the Prospectus Date, key statistics with respect to Raiz's customer base, include: > 70% of customers are between 18-35 (millennials); > 87% of customers are between 18-44; > 63% of customers are male; and > 37% of customers are female. Over 80% of Raiz customers invest at least once a month into their Raiz Investment Account.	Section 3.4
Which geographies does Raiz operate in?	As at the Prospectus Date, the Raiz Group operates in Australia only. It has established an office in Indonesia but is yet to establish any business operations in that jurisdiction. It is the intention of the Board, that following Completion, the Raiz Group's business operations will expand into the South East Asia market as described in Section 3.11 of this Prospectus.	Section 3.11.3
Does the Raiz Group hold the rights and licence to the Raiz technology platform?	Yes. As part of the cessation of the joint venture arrangement with Acorns US, Raiz Invest Australia now holds an exclusive, perpetual and irrevocable right and licence (granted by Acorns US) to use and further develop the Raiz technology platform originally provided by Acorns US.	Section 9.7.1
What is the Company's strategy?	The Board has established a comprehensive strategy to deliver continued growth in active customers through: > promoting the new Raiz Invest Super product to leverage off the Raiz Group's existing customer base; > accelerating the Raiz Group's growth in Australia; > expanding the Raiz Group's operations into South East Asia; and > developing and distributing new innovative financial services to meet the needs of the Raiz customer base.	Section 3.11

FEATURES	DESCRIPTION	FOR MORE INFORMATION																									
How does the Company expect to fund its operations and growth?	To date, the Raiz Group’s operations have been funded through shareholder equity and debt financing (i.e. share issuance, convertible notes and loans). After Listing, it is expected that the Company will have sufficient cash flow from operations and cash on balance sheet to meet its stated business objectives.	Section 4																									
What is the Company’s historical financial performance?	The Company’s historical financial performance has been summarised in the table below: <table><tr><th></th><th>FY2015</th><th>FY2016</th><th>FY2017</th><th>HY2018</th></tr><tr><td>Revenue</td><td>-</td><td>166,434</td><td>1,044,974</td><td>1,044,396</td></tr><tr><td>EBITDA</td><td>(462,151)</td><td>(1,788,766)</td><td>(2,125,991)</td><td>(1,799,721)</td></tr><tr><td>EBIT</td><td>(504,328)</td><td>(1,878,372)</td><td>(2,377,583)</td><td>(1,975,389)</td></tr><tr><td>NPBT</td><td>(527,498)</td><td>(1,931,838)</td><td>(2,429,472)</td><td>(2,017,126)</td></tr></table> Note: The financial information presented in this table is intended as a summary only and should be read in conjunction with the more detailed discussion of the financial information in Section 4, as well as the key risk factors set out in section 5. For more information, see Section 4.3.		FY2015	FY2016	FY2017	HY2018	Revenue	-	166,434	1,044,974	1,044,396	EBITDA	(462,151)	(1,788,766)	(2,125,991)	(1,799,721)	EBIT	(504,328)	(1,878,372)	(2,377,583)	(1,975,389)	NPBT	(527,498)	(1,931,838)	(2,429,472)	(2,017,126)	Section 4
	FY2015	FY2016	FY2017	HY2018																							
Revenue	-	166,434	1,044,974	1,044,396																							
EBITDA	(462,151)	(1,788,766)	(2,125,991)	(1,799,721)																							
EBIT	(504,328)	(1,878,372)	(2,377,583)	(1,975,389)																							
NPBT	(527,498)	(1,931,838)	(2,429,472)	(2,017,126)																							
What is the financial position of the Company before and after the Offer?	Raiz’s financial position before and after the Offer (including pro forma adjustments) is set out below: <table><tr><th></th><th>PRO FORMA BALANCE SHEET 31 DECEMBER 2017 BEFORE OFFER</th><th>PRO FORMA BALANCE SHEET 31 DECEMBER 2017 AFTER OFFER</th></tr><tr><td>Total Assets</td><td>25,974,182</td><td>37,135,657</td></tr><tr><td>Total Liabilities</td><td>3,796,856</td><td>3,555,156</td></tr><tr><td>Net Assets</td><td>22,177,326</td><td>33,580,501</td></tr></table> Note: Please refer to Section 4.5 for a more detailed discussion about the financial position of the Company before and after the Offer.		PRO FORMA BALANCE SHEET 31 DECEMBER 2017 BEFORE OFFER	PRO FORMA BALANCE SHEET 31 DECEMBER 2017 AFTER OFFER	Total Assets	25,974,182	37,135,657	Total Liabilities	3,796,856	3,555,156	Net Assets	22,177,326	33,580,501	Section 4													
	PRO FORMA BALANCE SHEET 31 DECEMBER 2017 BEFORE OFFER	PRO FORMA BALANCE SHEET 31 DECEMBER 2017 AFTER OFFER																									
Total Assets	25,974,182	37,135,657																									
Total Liabilities	3,796,856	3,555,156																									
Net Assets	22,177,326	33,580,501																									

1.3 KEY STRENGTHS AND INVESTMENT HIGHLIGHTS

STRENGTH	DESCRIPTION	FOR MORE INFORMATION
Mobile first platform	The Raiz mobile first platform is an end-to-end solution providing registry, operations, administration, funds management and customer communication in the one platform. The Raiz smartphone application is easy to understand and is aimed at the Raiz target market of customers aged between 18 to 44 years old. It is flexible in nature, and allows customers to control everything online through the Raiz smartphone application. Raiz has a customer-centric approach, and in this regard, the Raiz platform evolves with its customers by providing them with offers and features suited to their age and lifestyle. Raiz does this by using Raiz customer feedback to continually improve the customer experience of the Raiz platform, smartphone application features and product offerings.	Section 3.7.1
Scalable and innovative technology platform	Raiz's emphasis on continuous improvements and the versatility of the Raiz platform allows Raiz to add new products and features to the platform with minimal systems integration and capital expenditure. This allows Raiz to introduce new product offerings, such as Raiz Invest Super (for which a Product Disclosure Statement in-use notice has been lodged with ASIC) and new features such as Raiz Kids (formerly, Little Acorns), in an efficient and cost-effective manner.	Section 3.7
Simple and unique business model	To date, Raiz's simple fee model has historically provided the business with a stable monthly recurring revenue. Raiz has been able to leverage technology to offer, and facilitate, the provision of financial services and products at a lower cost and with greater efficiency than a traditional financial services business.	Section 3.10
Favourable market opportunity	Australia represents a large target market for the Raiz business, with high mobile penetration, and a significant population of millennials. Since its launch in Australia in February 2016, Raiz has had over 440,000 customer sign-ups of the Raiz smartphone application and has over 155,000 active monthly customers and \$170 million in funds under management. The Board believes that Raiz is in a strong position to continue to gain momentum with existing and new customers.	Section 2
Robust strategy to expand platform offerings	The Company's strategy is to grow the Raiz active customer base through expanding the Raiz product portfolio with new products and innovative financial solutions, while also expanding geographically. Consistent with its growth strategy, Raiz has recently introduced Raiz Invest Super, its superannuation fund product (for which a Product Disclosure Statement in-use notice has been lodged with ASIC). In addition, the Raiz Group intends to expand its business operations into South East Asia in the future.	Section 3.11

STRENGTH	DESCRIPTION	FOR MORE INFORMATION
Raiz provides a value proposition for individuals	Raiz provides a simple micro-investing solution via its smartphone application or website, which is the first of its kind in the Australian market. Linking this with “invest the change” which links spending to savings eliminates the need for Raiz customers to determine how much they can afford to invest. In addition, the low cost of investing through Raiz, and the opportunity to invest in one of six diversified portfolios, further removes barriers to traditional investing.	Section 3.7

1.4 SUMMARY OF KEY RISKS

There are a number of risks associated with an investment in the Company and the Raiz Group that may affect its financial performance, financial position, cash flows, distributions, growth prospects and share price. The following table is a summary of key risks that the Raiz Group is exposed to. Further details about these and other specific and general risks associated with an investment in the Company are set out in Section 5. An investment in the Shares offered under this Prospectus should be considered as highly speculative and investors should consider the risk factors described below, including the additional risks in Section 5, before making an investment decision.

Raiz Group risks

RISK	DESCRIPTION	FOR MORE INFORMATION
SUMMARY OF MATERIAL RISKS SPECIFIC TO THE RAIZ GROUP		
Limited operating history and historical losses	The Raiz Group's main operating entity, Raiz Invest Australia, which undertakes the Raiz Invest Australia business, has a limited operating and performance history, having commenced operations in 2015. In addition, the Company was incorporated in October 2016 and also has limited operating and performance history. The Raiz Group business to date has generated historical losses. Accordingly, the Raiz Group's limited financial and operating track records are not sufficient to provide any certainty or assurance that the Raiz Group can or will achieve the objectives set out in this Prospectus. Investment in the Company is therefore highly speculative.	Section 5.2.1
Loss of key suppliers	The Raiz Group business uses and depends heavily on certain key suppliers. There can be no guarantee that these relationships with key suppliers will continue or, if they do continue, that these relationships will continue to be successful and commercially viable for the Raiz Group.	Section 5.2.2
Loss of key management personnel	The Raiz Group's ability to effectively execute its growth strategy depends upon the performance and expertise of its key management personnel. The loss of these key management personnel, or any delay in their replacement, may adversely impact the Raiz Group's future business and financial performance.	Section 5.2.3

RISK	DESCRIPTION	FOR MORE INFORMATION
Need to attract and retain skilled staff	The Raiz Group's ability to effectively execute its growth strategy also depends on the skills, working relationship and continued services of its key staff. There is a risk that the Raiz Group may not be able to attract and retain key staff or be able to find effective replacements in a timely manner or recruit suitably qualified and talented staff in a time frame that meets its growth objectives.	Section 5.2.4
Failure to increase customer sign-ons	The Raiz Group's operations and revenues rely heavily on its ability to attract customers to use the Raiz Group's products. Poor uptake of the Raiz Group's products and services will adversely affect the Raiz Group's financial performance.	Section 5.2.5
Competition	The Board considers that the Raiz Group has a competitive advantage in being one of the first to provide a micro-investing smartphone application that invests the virtual change of the Australian retail market. However, there is always the risk of new entrants in the market or that an existing financial services organisation may disrupt the Raiz Group's business operations and market share.	Section 5.2.6
No assurance that future plans will be commercially successful	The Raiz Group intends to expand its business by, amongst other things, expanding the product range, smartphone application features and market presence in existing markets as well as new markets in select parts of the world, in particular South East Asia. These expansion plans involve many risks, including but not limited to capital expenditures incurred in respect of the costs of setting up new facilities, increased marketing and promotional expenses as well as other working capital requirements.	Section 5.2.7
Data security and electronic delivery risk	As the Raiz Group's main customer product is an online financial product, the Raiz Group is dependent on the performance, reliability and availability of its technology platforms, communications systems, servers and the internet in order to provide its services. Any disruption or failure of the Raiz Group's technology systems, including those provided by third party providers, may adversely affect the Raiz Group's business and financial position.	Section 5.2.8
Additional requirements for capital	The Raiz Group may seek to exploit opportunities of a kind that will require it to raise additional capital from equity and/or debt sources in the future. There can be no assurances that the Raiz Group will be able to raise such capital on favourable terms if at all. If the Raiz Group is unable to obtain such additional capital, it may be required to reduce the scope of its current or anticipated business activities, which could adversely affect its business, financial condition and operating results.	Section 5.2.9
Failure to establish new brand	The Board believes that establishing, expanding and maintaining the 'Raiz' brand following the recent rebranding exercise is integral to the Raiz Group's ability to achieve economies of scale and to optimise its system. However, there is no guarantee that the Raiz Group's brand development and marketing strategies will be successful.	Section 5.2.10

RISK	DESCRIPTION	FOR MORE INFORMATION
Expansion into new and unfamiliar markets	As the Raiz Group expands its presence in new international jurisdictions, such as certain South East Asia countries, it will become subject to the risks associated with doing business in regions that may have political, legal and economic instability and unfamiliar legal and regulatory systems and frameworks. This gives rise to risks relating to labour practices, foreign ownership restrictions, tax regulation, difficulty in enforcing contracts, changes to or uncertainty in the relevant legal and regulatory regimes and other issues in foreign jurisdictions in which the Raiz Group may operate. This could interrupt or adversely affect parts of the Raiz Group's business and may have an adverse effect on the Raiz Group's operations and financial performance.	Section 5.2.11
Loss of Instreet Investment AFSL	If Instreet Investment loses, or has restrictions imposed on its AFSL, so as to prevent it from continuing its present business operations, the Raiz Group will need to identify an alternate way to continue operating the Raiz Group business. Any loss or restriction on the Instreet Investment AFSL is likely to have a material adverse effect on revenue margins, profitability and the Raiz Group's operations.	Section 5.2.12
SUMMARY OF MATERIAL RISKS SPECIFIC TO THE FUND		
Performance risk	There is a risk that the value of an investor's Raiz Investment Account can go up or down. Returns are not guaranteed and a customer may lose money. The rate of return varies, so future returns may differ from past returns. In addition, risk impacts differ for individual customers depending on age, investment time frame, other investments held and risk tolerance.	Section 5.3.1
Market risk	Changes in financial markets, the economy, political changes, technological developments and changes in market sentiment continually affect the value of investments in the portfolios and the level of income they generate.	Section 5.3.2
Interest rate risk	Changes in interest rates can directly and indirectly affect investment value and returns. For example, an increase in official interest rates can result in a fall in the value of fixed interest securities.	Section 5.3.3
Other risks	More details on these and a number of other risks relevant to the Raiz Group are included in Section 5, including risks specific to the Fund such as portfolio and ETF performance risk and concentration risk.	Section 5

1.5 DIRECTORS AND KEY MANAGEMENT PERSONNEL

TOPIC	SUMMARY	FOR MORE INFORMATION
Who are the Directors of the Company?	> Peter Anthony Fay, Independent Non-Executive Chairman > George Simon Lucas, Chief Executive Officer and Managing Director > Kieran Moore, Independent Non-Executive Director > David Gordon, Independent Non-Executive Director > Nina Finlayson, Independent Non-Executive Director	Section 6
Who are the key management personnel of the Company and what is their expertise?	The Company's executive team is led by its Chief Executive Officer and Managing Director, Mr George Simon Lucas. Mr Lucas is supported by: > Brendan Barry Malone, Chief Operating Officer; and > James Poon, Chief Product Officer & International	Section 6.2
What are the Directors paid?	The Independent, Non-Executive Directors will receive the following remuneration from Listing: > Peter Anthony Fay - \$75,000 per annum (plus superannuation) > Kieran Moore - \$65,000 per annum (plus superannuation) > David Gordon - \$65,000 per annum (plus superannuation) > Nina Finlayson - \$65,000 per annum (plus superannuation) Mr Lucas is remunerated for his services in accordance with his employment contract with the Company (details of which are set out in Section 6.3.3.4).	Section 6.3

1.6 INTERESTS, BENEFITS AND RELATED PARTY TRANSACTIONS

TOPIC	SUMMARY	FOR MORE INFORMATION			
Who are the substantial Shareholders of the Company before the Offer and what will be their interest following Completion?	SHAREHOLDER	AS AT PROSPECTUS DATE	AS AT COMPLETION ⁽¹⁾		
		SHARES	%	SHARES	%
	Mr George Lucas ⁽²⁾	6,548,251	11.32	6,548,251	9.89
	Acorns US ⁽³⁾	5,186,309	8.97	5,186,309	7.83
	Merrill Lynch Australia Nominees Pty Ltd (as nominee for Regal Emerging Company Fund)	4,298,800	7.43	4,298,800	6.49
					Section 6.3

TOPIC	SUMMARY	FOR MORE INFORMATION																														
Who are the substantial Shareholders of the Company before the Offer and what will be their interest following Completion? Continued	Notes: (1) The above table does not take into account any Shares any of the substantial Shareholders may acquire under the Offer. (2) Mr Lucas' shareholding is held through each of Back Beach Family Trust and G&S Lucas SMSF Trust, each of which Mr Lucas is a director, trustee and a beneficiary. Mr Lucas also holds a nominal amount of Shares personally. Mr Lucas' shareholding percentage excludes any Options that have been granted to Mr Lucas under the LTEIP (the details of which are set out in Section 6.4.2). (3) Recently, the Company acquired from Acorns US its remaining minority holding in Raiz Invest Australia. The consideration payable by the Company to Acorns US for the remaining minority holding in Raiz Invest Australia was satisfied in full by the Company by way of issue of 5,186,309 Shares to Acorns US. See Section 3.2.2 for further details.																															
What are the current interests of the Board in the Company, and what will the interests of the Board be following Completion?	<table><tr><th>DIRECTOR</th><th>SHARES AS AT PROSPECTUS DATE</th><th>% AS AT PROSPECTUS DATE</th><th>SHARES AS AT COMPLETION</th><th>% AS AT COMPLETION⁽¹⁾</th></tr><tr><td>George Lucas⁽²⁾</td><td>6,548,251</td><td>11.32</td><td>6,548,251</td><td>9.89</td></tr><tr><td>Peter Anthony Fay⁽³⁾</td><td>2,875,898</td><td>4.97</td><td>2,875,898</td><td>4.33</td></tr><tr><td>Kieran Moore</td><td>-</td><td>-</td><td>-</td><td>-</td></tr><tr><td>David Gordon⁽⁴⁾</td><td>1,425,280</td><td>2.46</td><td>1,425,280</td><td>2.15</td></tr><tr><td>Nina Finlayson</td><td>107,163</td><td>0.19</td><td>107,163</td><td>0.16</td></tr></table> Notes: (1) The above table does not take into account any Shares the Directors may acquire under the Offer. (2) Mr Lucas' shareholding is held through each of Back Beach Family Trust and G&S Lucas SMSF Trust, each of which Mr Lucas is a director, trustee and a beneficiary. Mr Lucas also holds a nominal amount of Shares personally. Mr Lucas' shareholding percentage excludes any Options that have been granted to Mr Lucas under the LTEIP (the details of which are set out in Section 6.4.2). (3) The majority of Mr Fay's shareholding is held through Roslyndale Nominees Pty Ltd, of which, together with his spouse, Mr and Mrs Fay are the only directors and shareholders of this entity. Mr Fay also holds a nominal amount of Shares personally, and has an interest in the Shares that are held by Mrs Fay personally. (4) The majority of Mr Gordon's shareholding is held through Ourimbah Creek Holdings Pty Ltd as trustee for The Gordon Family Trust (of which Mr Gordon is a beneficiary) and David and Sylvia Gordon ATF David and Sylvia Gordon PSF (of which Mr Gordon is a beneficiary). Mr Gordon also holds a nominal amount of Shares personally.	DIRECTOR	SHARES AS AT PROSPECTUS DATE	% AS AT PROSPECTUS DATE	SHARES AS AT COMPLETION	% AS AT COMPLETION ⁽¹⁾	George Lucas⁽²⁾	6,548,251	11.32	6,548,251	9.89	Peter Anthony Fay⁽³⁾	2,875,898	4.97	2,875,898	4.33	Kieran Moore	-	-	-	-	David Gordon⁽⁴⁾	1,425,280	2.46	1,425,280	2.15	Nina Finlayson	107,163	0.19	107,163	0.16	Section 6.3
DIRECTOR	SHARES AS AT PROSPECTUS DATE	% AS AT PROSPECTUS DATE	SHARES AS AT COMPLETION	% AS AT COMPLETION ⁽¹⁾																												
George Lucas⁽²⁾	6,548,251	11.32	6,548,251	9.89																												
Peter Anthony Fay⁽³⁾	2,875,898	4.97	2,875,898	4.33																												
Kieran Moore	-	-	-	-																												
David Gordon⁽⁴⁾	1,425,280	2.46	1,425,280	2.15																												
Nina Finlayson	107,163	0.19	107,163	0.16																												
What significant benefits are payable to Directors and other persons connected with the Company or the Offer?	<table><tr><th>PARTIES</th><th>INTEREST OF BENEFIT</th></tr><tr><td>Directors</td><td>Remuneration and fees</td></tr><tr><td>Management team</td><td>Remuneration pursuant to employment agreements with the Company</td></tr><tr><td>Advisers</td><td>Fees for service</td></tr></table> Note: In addition to the above, out of the \$15,120,000 to be raised under the Offer, approximately \$2,000,000 will be applied towards staff entitlements, specifically, as one-off cash bonus payments to key employees of the Raiz Group. Please refer to Section 1.9 for further information in relation to the proposed use of funds under the Offer.	PARTIES	INTEREST OF BENEFIT	Directors	Remuneration and fees	Management team	Remuneration pursuant to employment agreements with the Company	Advisers	Fees for service	Section 6.3.1																						
PARTIES	INTEREST OF BENEFIT																															
Directors	Remuneration and fees																															
Management team	Remuneration pursuant to employment agreements with the Company																															
Advisers	Fees for service																															
Does the Company have any employee and executive incentive plans in place?	The Company has put in place a long term equity incentive plan (LTEIP), the details of which are set out in Section 6.4.2.	Section 6.4.2																														

TOPIC	SUMMARY	FOR MORE INFORMATION
What escrow arrangements will be in place as at Completion?	Subject to the Company being admitted to the Official List, it is anticipated that the ASX will treat up to approximately 46,360,992 Shares as restricted securities for the purposes of the ASX Listing Rules. The Company will announce to the ASX full details (quantity and duration) of the Shares that are 'restricted securities' and that will be held in escrow prior to the Shares commencing trading on the ASX.	Section 9.3
Have there been any significant related party transactions prior to the Offer?	Yes. Some of the Directors of the Company (or their associated companies) have provided loans to members of the Raiz Group, as follows: > There are convertible notes on issue in Instreet Investment to Mr George Lucas and Mr David Gordon, that will be paid out in full prior to Completion from existing funds of the Raiz Group for the total aggregate amount of \$541,700 (which includes the repayment of the face value and all interest payable on the convertible notes).	Section 9.6

1.7 SUMMARY OF THE OFFER

TOPIC	SUMMARY	FOR MORE INFORMATION
What is the Offer?	This Prospectus provides investors with the opportunity to participate in the public offering to acquire fully paid ordinary shares in the Company to be quoted on ASX. Under the Offer, the Company is offering 8,400,000 Shares at an Offer Price of \$1.80 per Share to raise \$15,120,000.	Section 7
How is the Offer structured?	The Offer will consist of the: > Institutional Offer; > Broker Firm Offer; > Priority Offer; and > Chairman's List Offer. No general public offer of Shares will be made under the Offer.	Section 7
What rights and liabilities attach to the Shares being offered under this Prospectus?	The Shares will rank equally with all existing Shares currently on issue in the Company. A description of the Shares including the rights and liabilities attaching to them is set out in Section 9.5.	Section 9.5

TOPIC	SUMMARY	FOR MORE INFORMATION
Why is the Offer being conducted?	The Offer is being conducted by the Company to: > provide the Company with access to capital markets to give financial flexibility to pursue the Raiz Group's business strategy to drive growth; > provide a liquid market for the Company's Shares; and > provide the Company with the benefits of an increased profile arising from being listed on the ASX.	Section 7.2
Will the Shares be quoted on ASX?	The Company will within seven days of the Prospectus Date, apply to the ASX for admission to the Official List and quotation of the Shares on the ASX under the code RZL.	Section 7.11.1
How will the Offer affect the Company's capital structure?	On Completion, the Company will have on issue: > 66,229,988 Shares; > 4,379,550 Management Options; and > 2,090,000 Options.	Section 7.3
Is the Offer underwritten?	Yes, the Offer is fully underwritten by the Lead Manager.	Section 9.8
What is the allocation policy?	The Company will determine the allocation of Shares in agreement with the Lead Manager. The Company and Lead Manager have absolute discretion regarding the level of scale-back and the allocation of Shares under the Offer (if any).	Section 7.5
What is the minimum application under the Offer?	Applications under the Broker Firm Offer and Priority Offer must be for a minimum of 3,000 Shares (being, worth \$5,400), and in multiples of 500 Shares (being, worth \$900) thereafter.	Section 7.5
When will I know if my Application has been successful?	A holding statement confirming your allocation under the Offer will be sent to you if your Application is successful.	Section 7.11.2
Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on acquisitions of Shares under the Offer.	Section 7.5
What are the tax implications of investing in the Shares?	Given that the taxation consequences of an investment will depend upon the investor's particular circumstances, it is the obligation of investors to make their own enquiries concerning the taxation consequences of an investment in the Company. An overview of the tax treatment for Australian resident investors is included in Section 9.12 of this Prospectus.	Section 9.12

TOPIC	SUMMARY	FOR MORE INFORMATION
What is the Company's dividend policy?	The policy of the Company will be to invest all cash flow into the business in order to maximise its growth potential. Accordingly, no dividends will be payable for the foreseeable future following the Company's listing on the ASX and the Board cannot and does not give any assurance as to the extent, timing, level, franking or payment of dividends in the future. Any future dividend payment will be at the discretion of the Board.	Section 4.8
How can I apply?	> Broker Firm Applicants may apply for Shares under the Broker Firm Offer by completing a valid Application Form and returning it to their Broker. > Priority Applicants may apply for Shares by completing a valid Application Form. > Chairman's List Applicants, being those who received a personalised invitation to apply for Shares under the Chairman's List Offer, should follow the instruction in their personalised invitation. To the extent permitted by law, an Application under the Offer is irrevocable.	Sections 7.6 - 7.9
Can the Offer be withdrawn?	Yes, the Company reserves the right not to proceed with the Offer at any time before the issue of Shares to Successful Applicants. If the Offer does not proceed, Application Monies will be refunded. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offer.	Section 7.5
Where can I find more information?	Call the Offer Information Line on 1300 109 678 (within Australia) or +61 3 9415 4140 (outside Australia) between 9.00am and 5.00pm (Sydney Time), Monday to Friday (Business Days only). If you are unclear in relation to any matter or are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.	Section 7.5

1.8 PROPOSED USE OF FUNDS

USE OF FUNDS	OFFER PROCEEDS (\$A)
Meet regulatory requirements under AFSL ⁽¹⁾	4,000,000
International expansion ⁽²⁾	5,000,000
Re-branding and advertising costs	2,000,000
Staff entitlements ⁽³⁾	2,000,000
Working Capital and Offer costs	2,120,000
TOTAL	15,120,000

Notes:

- (1). Held to meet regulatory requirements associated with the Instreet Investment AFSL (in accordance with the relevant requirements detailed in ASIC Regulatory Guide 166).
- (2). The Company is currently in the process of obtaining regulatory approvals with various South East Asia countries for international expansion. This expansion will be through joint venture partners and the use of funds will be applied to meet certain regulatory required capital injections for this purpose. Current discussions are well progressed with the relevant regulators in Indonesia and Malaysia while investigations in Thailand are expected to begin later this year.
- (3). Approximately \$2,000,000 will be applied as one-off cash bonus payments to key employees of the Raiz Group. In determining that these cash bonus payments are to be made to these key employees, and the relevant amount of each cash bonus payment, the Board has had regard to the fact that each of these key employees played a key role in establishing the business operations in Australia, and since then each has:
- (i) been pivotal to the growth and success of the business;
 - (ii) invested significant effort and time in the business; and
 - (iii) in addition to the continued performance of their current roles in the Company and the Raiz Group, they have attended to the majority of the demands required to be undertaken in preparation for the Offer and Listing.
- In particular, Mr George Lucas, will receive a one-off cash bonus payment of \$1 million, with the remaining amount to be distributed amongst other key employees of the Raiz Group.

The above table is a statement of current intentions as at the date of this Prospectus based on the Company's present plans and business conditions. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of sales success, operational and development activities, regulatory developments, and market and general economic conditions and also having regard to the risks specified in Section 5 of this Prospectus. In light of this, the Board reserves its right to alter the way the funds are applied with respect to the Company's current stated business objectives and/or alter the Company's business objectives (as applicable). More generally, the Board may consider the use of further equity or debt funding if appropriate to further accelerate growth or the Company's stated business objectives, or otherwise fund a specific project, transaction or expansion of the Company (including if the Company's stated business objectives change).

02. Industry overview

2.1 INTRODUCTION

Raiz is a financial technology company operating in the Australian retail financial services industry which provides personal investing and financial services and products to Australian retail customers.

Raiz owns and operates a mobile first micro-investing platform that allows its customers to invest in financial markets with small amounts of money via the Raiz smartphone application or website. In particular, Raiz is recognised for its “round up” offering which links savings and spending together by enabling Raiz customers to invest their virtual ‘spare change’ through Raiz automated technology. The Raiz micro-investing platform also provides Raiz customers with:

- > additional ways to save and invest in an automated fashion;
- > hands on financial markets education; and
- > a personal finance management tool in your pocket.

Further information regarding the Raiz micro-investing platform is provided in Section 3.7.1.

More specifically, Raiz operates within the following market areas of the Australian financial services industry:

- > the retail financial services market that is both inside and outside of superannuation;
- > the provision of mobile first automated and simple financial services, including platforms and technology automated investing, which are predominantly driven by investor demand; and
- > the e-commerce market.

This Section 2 provides relevant industry information for each of the key market areas of the Australian financial services industry that Raiz operates within, along with the key trends impacting these markets relevant to Raiz as at the Prospectus Date.

2.2 OVERVIEW OF THE AUSTRALIAN FINANCIAL SERVICES INDUSTRY

The retail financial services industry in Australia is a large and growing sector of the economy, predominantly due to the Australian Government's mandated superannuation savings plan⁽¹⁾. Australians invest and save either personally and/or through their contributions to their superannuation⁽²⁾. Investments consist typically of cash and term deposits, Australian and international shares and fixed interest securities, managed funds and real property.⁽³⁾

2.3 INVESTMENT PLATFORMS, MICRO-INVESTING AND MOBILE FIRST

2.3.1 What is an investment platform?

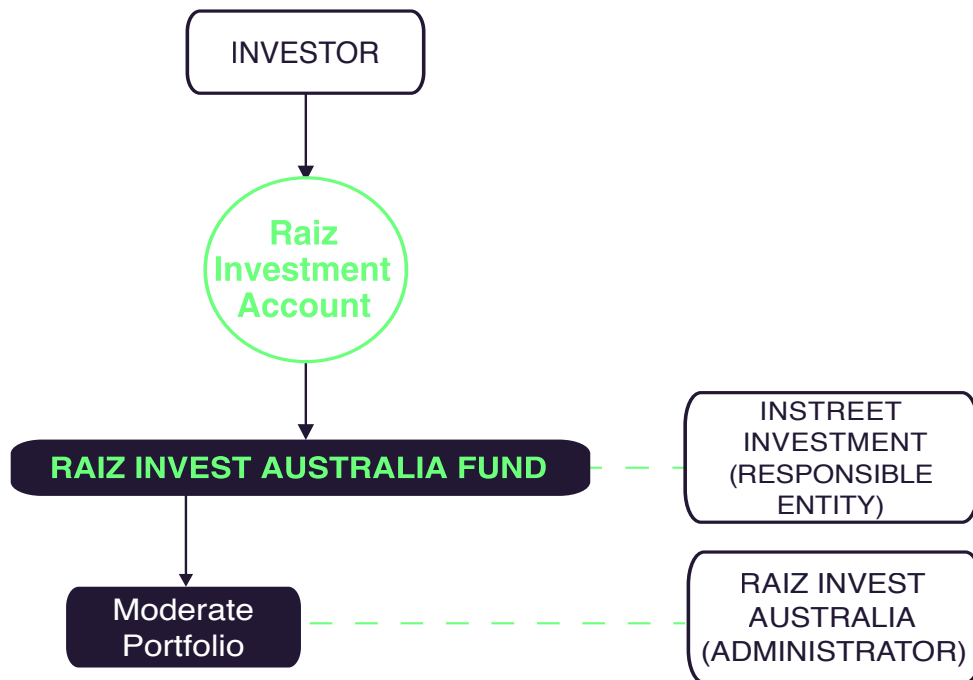
An investment platform provides investors with a simple way to acquire, hold and track the performance of their investments. Client investments can be consolidated into one easy to view page via a smartphone application or online portal. Investments tend to be held in custody. This means that investors do not need to deal with the operational aspects of holding a financial asset as this is managed by the custodian. The platform provides transaction reports and summarises taxation information for investors.

⁽¹⁾ Australian Trade and Investment Commission, Australian Government, Australian industry capabilities – Financial Services (2018) <<https://www.austrade.gov.au/International/Buy/Australian-industry-capabilities/financial-services>>.

⁽²⁾ ASIC's MoneySmart, Australian Securities & Investments Commission, Australian superannuation (10 October 2017) <<https://www.moneysmart.gov.au/superannuation-and-retirement/how-super-works/australian-superannuation>>.

⁽³⁾ Australian Securities Exchange, Understanding Managed Funds (2018) <https://www.asx.com.au/mfund/education.htm>>

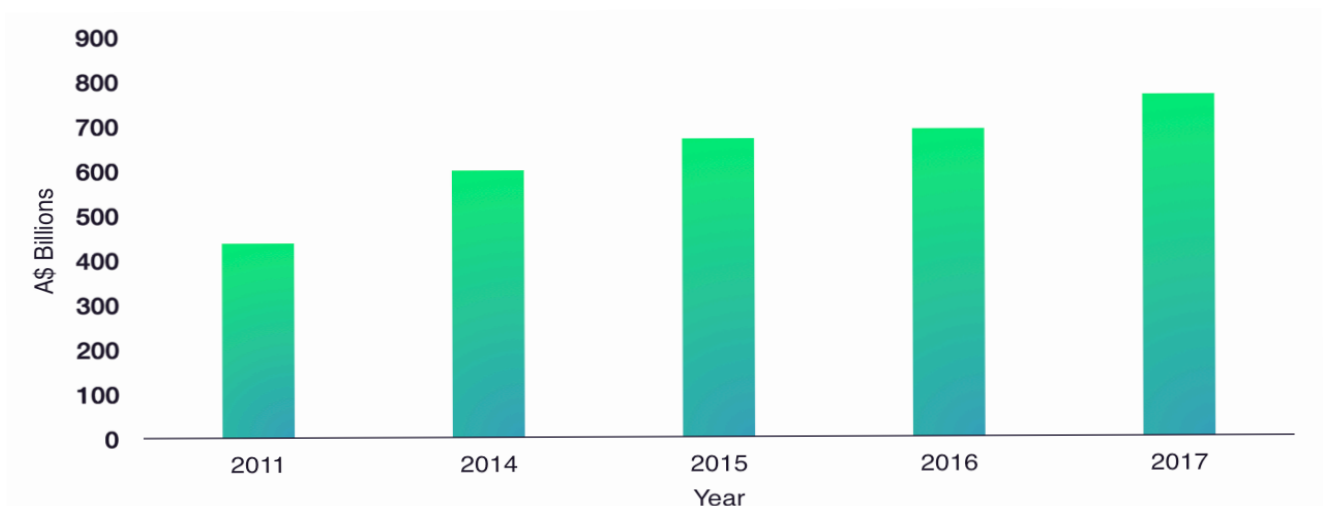
Figure 2.1: Raiz mobile first micro-investment platform



2.3.2 The investment platform industry

The investment platform industry is growing in Australia. Funds under administration on investment platforms has grown from \$436 billion in June 2011 to \$765 billion in June 2017⁽⁴⁾. Raiz provides a unique, customer-focused, mobile first micro-investment platform.

Figure 2.2: Funds under administration on investment platforms 2011 to 2017



Source: Strategic Insight - Analysis of Wrap, Platform and Master Trust Managed Funds.

⁽⁴⁾ Strategic Insight Actuaries & Researchers, 'Analysis of Wrap, Platform and Master Trust Managed Funds at June 2017' (Media Release, 19 September 2017).

Full service investment platforms provide access to listed equities (both in Australia and overseas), managed funds, cash products and bonds. Providers of full service platforms in Australia include AMP, BT/Westpac, CBA/Colonial, NAB/MLC and specialist platform providers such as Netwealth and Hub24. Full service platforms generally do not market directly to retail customers but are recommended to clients by licensed financial advisors.

Raiz is a mobile first micro-investing platform that markets directly to retail financial services clients and does not directly compete against full service investment platforms which generally attract high net worth investors.

2.3.3 Micro-investing platforms

A micro-investing platform allows customers to start investing in financial markets with small amounts of money, which in the case of Raiz is \$5. Micro-investing platforms remove the traditional barriers of investing typically seen in full service investment platforms, by lowering minimum investment amounts, eliminating paperwork, simplifying the choice of options and having a simplified fee structure.

Raiz is in a unique market position as it is a mobile first micro-investing platform and there are currently no other platforms in the Australian market that offer the same products and smartphone application features as Raiz.

2.4 SMARTPHONE USAGE

As explained further in Section 3.1, Raiz's business model and offering is technology based and its mobile first micro-investing platform is available via the Raiz smartphone application or website. The majority of Raiz customers access the platform on a day-to-day basis through the Raiz smartphone application. Since the launch of smartphone applications by the major banks in Australia, financial services has been increasingly moving away from online portals and towards smartphones.

Australians have one of the highest smartphone adoption rates in the world with 88% of the population owning a smartphone. More specifically, the adoption rate amongst millennials is 95%⁽⁵⁾ with research statistics indicating that Australians check their phones an average of 560 million times per day or individually more than 35 times per day.⁽⁶⁾

The number of Australians that browse online merchandise has increased by 14% since 2016, however online purchases have increased by more than 25%.⁽⁷⁾ Customers who previously 'browsed only' online are now purchasing through their smartphone. This has been enabled by easier payment options and an increase in the number of businesses moving to online retailing models.

Since over 90% of Raiz customers access the platform via the Raiz smartphone application, Raiz expects that it will continue to benefit from the growth in use of smartphone technology for financial transactions, and from the constant daily interaction of Australians with their smartphones.

2.5 OUTSIDE SUPERANNUATION

Personal investments outside superannuation funds totalled approximately \$2.6 trillion in 2017 and are expected to grow to over \$5 trillion within the next 15 years⁽⁸⁾. Typically, personal investments excludes the family home and personal effects, and a large proportion of the wealth is held through direct property (net of debt), cash and term deposits.

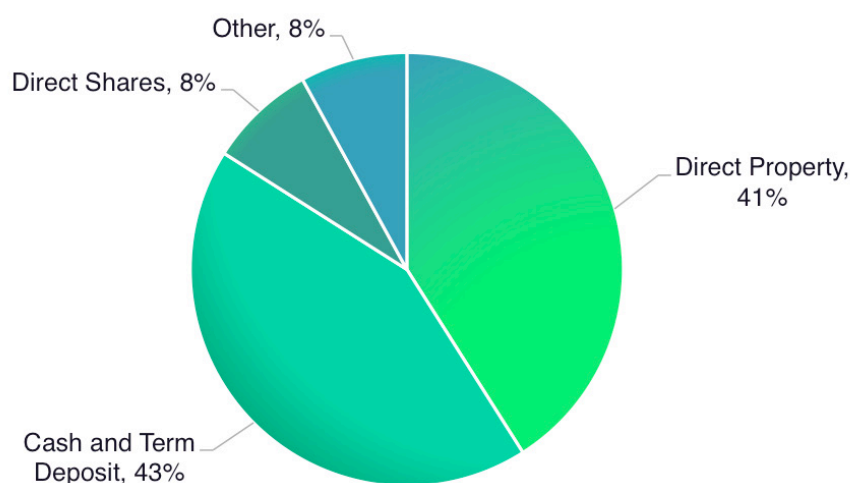
⁽⁵⁾ Deloitte Touche Tohmatsu Limited, Mobile Consumer Survey (2017) <<https://www2.deloitte.com/au/mobile-consumer-survey>>.

⁽⁶⁾ Deloitte Touche Tohmatsu Limited, Mobile Consumer Survey (2017), Phone Usage <<https://www2.deloitte.com/au/mobile-consumer-survey>>.

⁽⁷⁾ Mobile Consumer Survey, Deloitte. The 2017 study comprises more than 51,500 responses across 33 countries. Australian findings are based on a nationally representative sample of over 2000 consumers aged 18-75, polled online during May and June 2017.

⁽⁸⁾ Rice Warner Pty Limited, Personal Investments Market Projections 2017 Report (12 March 2018) <<http://www.ricewarner.com/rice-warners-personal-investments-market-projections-2017-report/>>.

Figure 2.3: Personal assets outside superannuation



Source: Rice Warner Personal Investment Market Projections Report 2017

The vast majority of personal investments (92%) are held directly by individuals rather than through investment products and platforms.⁽⁹⁾ However, recent reports indicate that there is expected to be significant movement from directly held investments to investments held on platforms, with the value of personal investments held on platforms projected to rise to \$315 billion in 2030 – up by more than four times the value reported in 2015.⁽¹⁰⁾

Raiz is a direct to retail financial service mobile first micro-investing platform promoted to Australians who are seeking affordable access to financial services and products and want to use mobile technology to monitor and control their financial situation.

Technology led financial advice is forecasted to manage approximately 10% of all global assets under management by 2020 which equates to approximately US\$8 billion.⁽¹²⁾

2.6 EVOLUTION OF THE FINANCIAL ADVICE INDUSTRY

Medium to high net worth investors have traditionally used the services of a financial advisor to assist them with their investments. They have also sought advice from financial advisors in relation to personal insurance, investments, debt consolidation, estate planning, retirement, health and aged-care planning. Since the introduction of technology and a broader awareness of the fees associated with financial advice, the financial services industry has undergone a structural change, such that there are only 2.2 million active clients of financial planners in Australia, compared with 3 million from 10 years ago.⁽¹¹⁾

2.7 RAIZ'S POSITION IN THE MARKET

Prior to its launch in February 2016, Raiz saw a significant opportunity to participate in the changing financial services industry. The Board believes that Raiz's success to date in being able to acquire customers to the Raiz platform has been primarily driven by Raiz's mobile-first strategy together with its ability to remove the traditional barriers to investing by making it affordable, simple and easy for customers to access financial products and services.

Raiz is able to leverage technology to offer and facilitate the provision of financial services and products at a lower cost with greater efficiency than a traditional financial services business. This is further detailed in Section 3.7.1.

⁽⁹⁾ Rice Warner Pty Limited, Personal Investments Market Projections 2017 Report (12 March 2018) <<http://www.ricewarner.com/rice-warners-personal-investments-market-projections-2017-report/>>.

⁽¹⁰⁾ Rice Warner Pty Limited, Australia's Personal Investments Market (10 August 2016) <<http://www.ricewarner.com/australias-personal-investments-market/>>.

⁽¹¹⁾ Investment Trends, Financial Advice Report (2017).

⁽¹²⁾ Business Insider, *Is robo investing better than traditional investing?* See the pros and cons (9 January 2017).

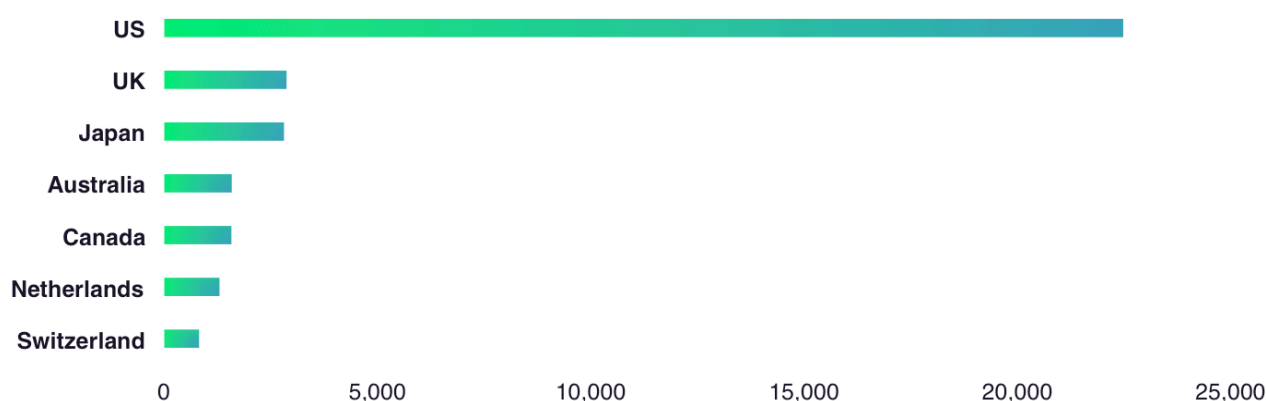
2.8 INSIDE SUPERANNUATION

2.8.1 Investments through superannuation

Superannuation forms a big part of an Australian's savings plan. Under the superannuation guarantee, mandated by the Australian Government, employers are required to make minimum payments to an employee's complying superannuation fund to help employees save for retirement. The current mandatory rate is 9.5% of an employee's gross salary, increasing to 12% per annum over the next 8 years.⁽¹³⁾ There are currently approximately 14.8 million superannuation accounts in Australia.⁽¹⁴⁾

There is currently over \$2.7 trillion invested through superannuation.⁽¹⁵⁾ On a global scale, Australia has the 4th largest pension market, after the United States, United Kingdom and Japan.⁽¹⁶⁾

Figure 2.4: 2017 Global Pension Market



Source: Global Pensions Asset Study 2017, Willis Tower Watson

Both superannuation accounts and total superannuation managed funds are expected to continue to grow at a significant rate, with total superannuation managed funds predicted to grow from the current \$2.7 trillion to \$5 trillion by 2030.⁽¹⁷⁾

⁽¹³⁾ Australian Taxation Office, Australian Government, Super guarantee percentage (4 April 2018) <<https://www.ato.gov.au/Rates/Key-superannuation-rates-and-thresholds/?anchor=Superguaranteepercentage#Superguaranteepercentage>>.

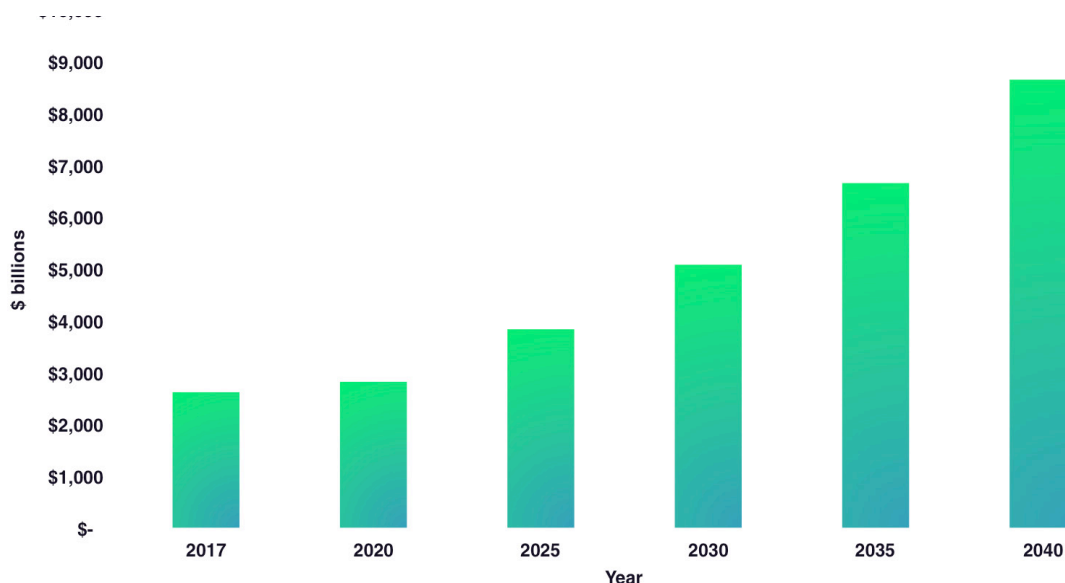
⁽¹⁴⁾ Australian Taxation Office, Australian Government, Super accounts data overview (9 October 2017) <<https://www.ato.gov.au/about-ato/research-and-statistics/in-detail/super-statistics/super-accounts-data/super-accounts-data-overview/>>.

⁽¹⁵⁾ Australian Bureau of Statistics, Managed Funds, Australia, Dec 2017 (31 December 2017) <<http://www.abs.gov.au/ausstats/abs@.nsf/mf/5655.0>>.

⁽¹⁶⁾ Willis Towers Watson, Global Pensions Asset Study 2017 (30 January 2017) <<https://www.willistowerswatson.com/en/insights/2017/01/global-pensions-asset-study-2017>>.

⁽¹⁷⁾ The Association of Superannuation Funds of Australia Limited, The voice of super article (1 March 2018) <https://www.superannuation.asn.au/Resources/Superfunds-Magazine/Issues/2018/March/Full-articles-March-2018/the-voice-of-super-article_mar>.

Figure 2.5: Projected superannuation funds growth



Source: Treasury RIM Group

2.8.2 Raiz Invest Super

The Product Disclosure Statement (PDS) in-use notice for the Raiz Invest Superannuation product (**Raiz Invest Super**) was lodged with ASIC on 27 April 2018. As further detailed in Section 3.9, Raiz Invest Super is a superannuation product which will allow Raiz customers, through the Raiz smartphone application or website, to open an account in Raiz Invest Super, consolidate superannuation monies from other superannuation funds, rollover from existing superannuation funds, opt in or out of life insurance and transfer money from their Raiz Investment Account into their Raiz Invest Super Account (being voluntary contributions). Through Raiz Invest Super, Raiz customers will also be able to set up superannuation guarantee contributions from their employer.

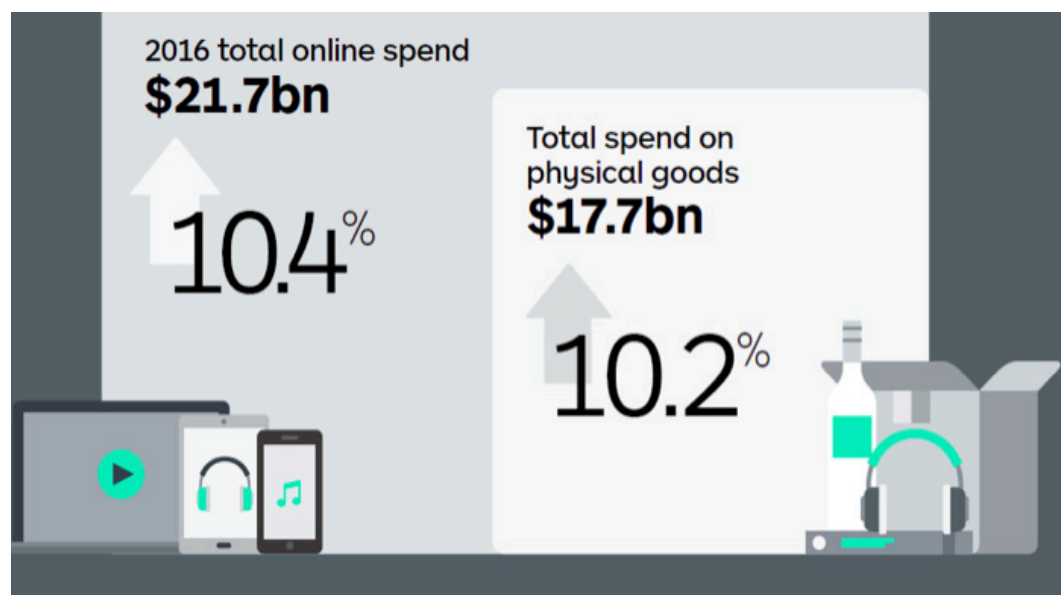
2.9 A GROWING E-COMMERCE MARKET

Raiz is well known for its “round-up” feature that allows customers to invest their spare change from purchases. This particular feature allows Raiz to leverage its business through its customers’ online spending and shopping patterns by personalising and tailoring advertisements specifically relevant to a customer.

In 2016, Australians spent \$21.65 billion shopping online across both physical goods and digital services (music, video streaming and food delivery). This is a total increase spend of 10.4% compared to 2015. Growth in online spending significantly outperformed traditional retail spending, up 10.2% compared to an increase of 3.3% of consumers spending in traditional shops. Despite international access, domestic purchases still make up the majority of online spending in Australia. At the end of 2016, domestic spend represented 79% of the total online market.⁽¹⁸⁾

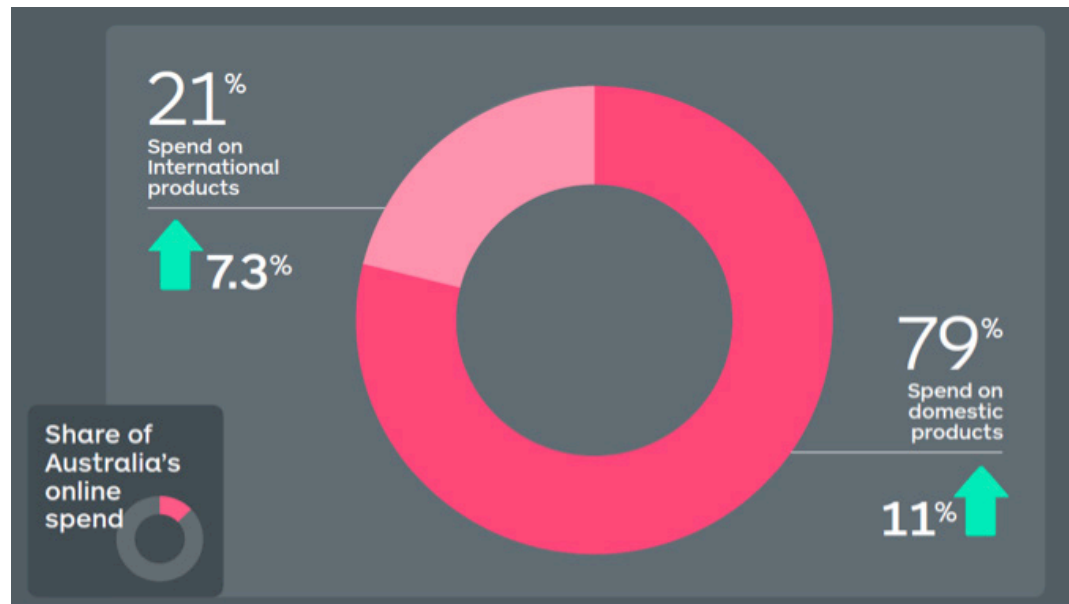
⁽¹⁸⁾ Star Track Express Pty Limited, Inside Australian Online Shopping (2017) <<https://acquire.startrack.com.au/pdf/Inside%20Australian%20Online%20Shopping%202017.pdf>>.

Figure 2.6: Australian online spending market



Source: Inside Australian Online Shopping, 2017 Industry eCommerce Paper

Figure 2.7: Share of Australia's online spending market



Source: Inside Australian Online Shopping 2017 Industry eCommerce Paper

2.9.1 Millennials driving e-commerce

Although the spending power in retail is still enjoyed by baby boomers, as they hold the highest disposal income, millennials, who make up the majority of the Raiz customer base, make up a large and growing percentage of the Australian population.

Millennials are heavily influencing the future of e-commerce in Australia. Retailers are evolving quickly and finding savvy ways to cater for this demographic shift to find ways to grow their share of wallet with their customers. In addition to its “round-up” offering, Raiz has further developed its features to capture this growing market through the recent launch of “Raiz Rewards”. Raiz works with online retailers to reward loyal customers through the Raiz Rewards partnership programme, which allows customers to receive bonuses invested into their Raiz Investment Accounts by the relevant retailer.

2.9.2 Competitive landscape

Raiz is in a unique market position with no other mobile first micro-investing platforms in Australia currently offering customers the same breadth of products and features.

- > Raiz developed, and received ASIC approval for, an innovative legal structure that facilitates micro-investing through fractional ownership. The legal structure is costly and difficult to replicate. Developing and maintaining a similar structure would be a barrier to entry.
- > The Raiz Group has the benefit of the Instreet Investment AFSL (Instreet Investment is a wholly-owned subsidiary of the Company) with respect to the Raiz Invest Australia Fund. The ability to obtain an AFSL creates a barrier to entry in providing financial services in general. There is a significant cost of maintaining an AFSL as well as a regulatory capital requirement.

2.10 BARRIERS TO ENTRY

There are a number of barriers to entry for micro-investing platforms in Australia. These include:

- > Due to the scale Raiz has in the market, it is now difficult for new start-up companies to replicate the relatively low cost at which Raiz can provide its services to customers. Raiz will continue to use its low costs of acquisition for financial services customers to solidify this competitive advantage.
- > The technical complexity of building a mobile first micro-investing platform which includes registry, administration, operations, funds management and marketing. Many competitors only provide smartphone applications to simplify the application process and display customer information and the registry, funds management or operations parts of the business will be provided by an external supplier. This means a higher percentage of their fee is being paid to external service providers and they can lose control of the customer experience. The Raiz platform includes registry, administration, operations, marketing, customer communication, customer onboarding (including anti money laundering procedures) as well as the application process and customer communication via the smartphone application and emails.

03. Business overview

3.1 INTRODUCTION TO RAIZ

Raiz is a mobile first micro investing platform that offers an easy way to regularly invest, either small or large amounts of money, from the Raiz application on a smartphone or from its website www.raizinvest.com.au. Previously called Acorns Grow Australia, the business was launched in Australia in February 2016, and changed its name to Raiz in April 2018.

Raiz is well known for its “round up” offering which links savings and spending together by enabling customers to invest their virtual ‘spare change’ through the Raiz platform’s automated technology.

The Raiz platform also provides Raiz customers with additional features and products and acts as a personal finance management assistant in their pocket.

Raiz appeals to a new generation of investors, mainly millennials, with its simple and automated process of applying for financial products that allows saving and investing and customer investor reporting on a single mobile first platform.

Since its launch in Australia in February 2016, Raiz has grown rapidly and has approximately \$170 million in funds under management and over 155,000 active monthly customers.

The Company’s strategy is to grow its active customer base through increased marketing, expanding its product portfolio with new financial products and innovative financial solutions in Australia, while also expanding into new markets in South East Asia.

3.2 CORPORATE HISTORY AND GROWTH

3.2.1 Corporate history

The main operating entity of the Raiz Group, Raiz Invest Australia (formerly, Acorns Grow Australia), was previously a joint venture arrangement with Acorns US (which was founded in the US in 2012) and launched in Australia in February 2016. In January 2018, the joint venture arrangement ceased as Acorns US became a minority shareholder of Raiz Invest Australia. In connection with this transaction, it was agreed that the Australian operation would cease to use the Acorns brand, and accordingly, rebranded to “Raiz”. More recently, the Company acquired from Acorns US its remaining minority holding in Raiz Invest Australia. As a result, the Company now holds directly all of the shares on issue in Raiz Invest Australia.

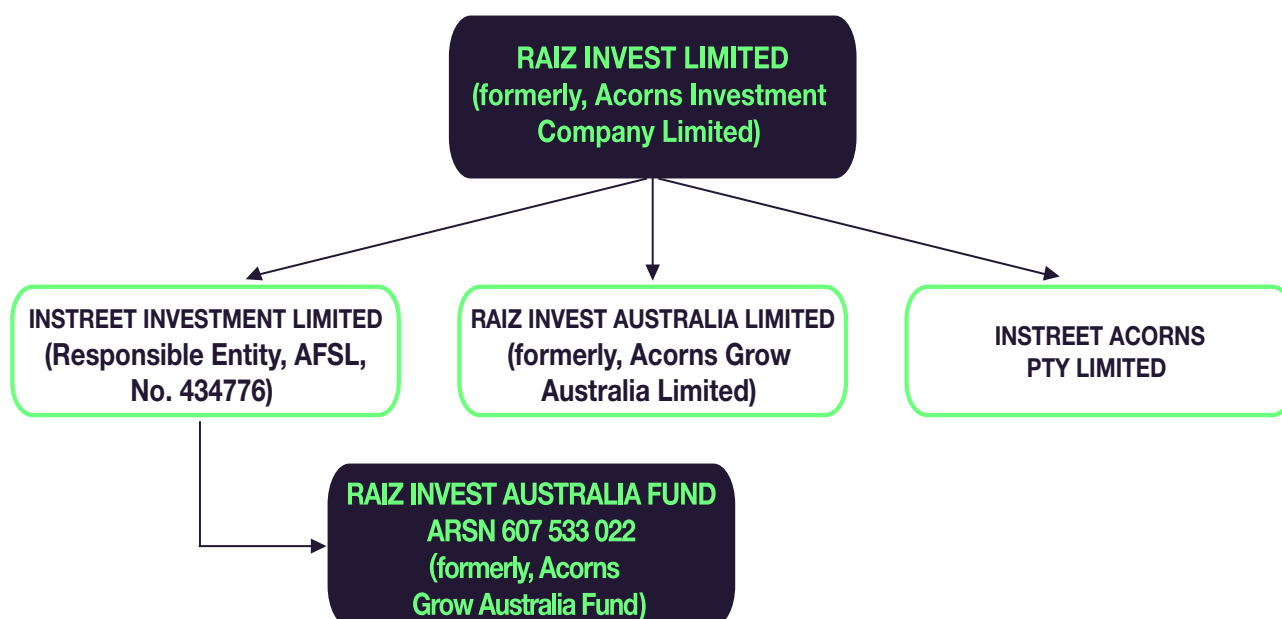
3.2.2 Corporate structure

Prior to the Prospectus Date, the Raiz Group underwent a group restructure which resulted in the Company becoming the ultimate holding company of the Raiz Group. The aim of the restructure was to:

- > demerge Instreet Investment Australia (and the business it conducts) from Instreet Investment, with Instreet Investment continuing in its role as responsible entity of the Raiz Invest Australia Fund (for which Instreet Investment holds an AFSL);
- > combine Instreet Investment (the responsible entity of the Raiz Invest Australia Fund) with the Raiz Group’s business; and
- > hold directly all of the shares on issue in Raiz Invest Australia.

The following diagram shows the entities in the corporate structure of the Raiz Group as at the Prospectus Date:

Figure 3.1: Raiz Group corporate group structure



- > **Raiz Invest Limited** was incorporated on 24 October 2016 as a public company limited by shares. It is the ultimate holding company of the Raiz Group. As part of the Raiz Group restructure, Raiz made an offer to the shareholders of each of Instreet Investment and Instreet Acorns to exchange their respective shares in these entities for Shares in Raiz. As a result, Raiz now holds directly all of the shares on issue in Instreet Investment, Instreet Acorns and also Raiz Invest Australia (as detailed further below).
- > **Instreet Investment Limited** is the responsible entity of the Raiz Invest Australia Fund. Instreet Investment holds the AFSL for the operation of the Raiz Invest Australia Fund, AFSL 434776. The Raiz Invest Australia Fund is a registered managed investment scheme. Instreet Investment appointed Raiz Invest Australia as an authorised representative of its AFSL to manage the investments of the Raiz Invest Australia Fund and promote and distribute the Raiz Invest Australia Fund via the Raiz mobile first micro-investing platform.
 - **26 February 2018:** Instreet Investment Australia Limited (and the business it conducts) was demerged from Instreet Investment, with Instreet Investment continuing in its role as responsible entity of the Raiz Invest Australia Fund (for which it holds an AFSL).
 - **1 March 2018:** Raiz offered the shareholders of Instreet Investment the opportunity to exchange all of their shares in Instreet Investment for Shares in Raiz, on the basis of 10.7163 Shares for every Instreet Investment share held.
 - **10 April 2018:** Raiz had acquired all of the shares on issue in Instreet Investment.
- > **Raiz Invest Australia Limited** is the Raiz Group Company that undertakes the Raiz Invest Australia operational business of promoting, distributing, operating and managing the Fund. In addition, Raiz Invest Australia also provides administration, accountancy, scheme compliance, AML/CTF and other regulatory services to the Fund.
 - **6 March 2015:** Raiz Invest Australia was incorporated as a 50/50 joint venture arrangement between Instreet Acorns and Acorns US.
 - **16 May 2017:** Instreet Acorns increased its shareholding in Raiz Invest Australia to 52.4% through the acquisition of new shares in Raiz Invest Australia, with Acorns US holding 47.6% of Raiz Invest Australia.
 - **25 January 2018:** Instreet Acorns acquired from Acorns US an additional 37.6% of Raiz Invest Australia for the total amount of A\$17,654,000 (**Majority Acquisition**). This increased Instreet Acorns' holding in Raiz Invest Australia to 90% of the total shares on issue, with Acorns US holding the remaining 10%. In order to fund the Majority Acquisition, Instreet Acorns undertook a private placement with select institutional investors raising \$20.7 million. The proceeds were applied by Instreet Acorns to pay for the Majority Acquisition, towards associated costs and expenses, and also to fund working capital requirements. As a result of the Majority Acquisition, the joint venture arrangement ceased with Acorns US becoming a minority shareholder of Raiz Invest Australia.

- **20 February 2018:** Raiz Invest Australia undertook an issue of shares in which Instreet Acorns participated, and Acorns US did not participate. Under that February 2018 share issue, Instreet Acorns further increased its shareholding in Raiz Invest Australia to 90.37% for which the purchase price for the additional shares was \$1,792,000.
- **19 April 2018:** Raiz acquired from Acorns US its remaining minority holding in Raiz Invest Australia (being, the remaining 9.63%). The consideration payable by Raiz to Acorns US for the remaining minority holding in Raiz Invest Australia was an effective purchase price of A\$4,692,834.05, which was satisfied in full by way of issue to Acorns US of 5,186,309 Shares.
- **24 April 2018:** Raiz holds directly all of the shares on issue in Raiz Invest Australia (see further details below).
- > **Instreet Acorns Pty Ltd** was incorporated on 3 March 2015 so to, at that time, hold the interest in Raiz Invest Australia.
 - **16 March 2018:** Raiz offered the shareholders of Instreet Acorns the opportunity to exchange all of their shares in Instreet Acorns for Shares in Raiz, on the basis of 1.0747 Shares for every Instreet Acorns share held.
 - **11 April 2018:** Raiz Invest Limited had acquired all of the shares on issue in Instreet Acorns (excluding those shares that were held by Instreet Investment).
 - **24 April 2018:** Instreet Investment transferred the shares it held in Instreet Acorns to Raiz, so that Raiz holds directly all the shares on issue in Instreet Acorns.

As a result of the Raiz Group restructure, the Company is now the ultimate holding company of Instreet Acorns, and the Company holds directly all of the shares on issue in Raiz Invest Australia. Accordingly, Instreet Acorns holds no assets or liabilities and generates no cash flow. As at the Prospectus Date, it is the intention of the Raiz Group to deregister Instreet Acorns.

- > **Raiz Invest Australia Fund** is a registered managed investment scheme (ARSN 607 533 022). The Raiz Invest Australia Fund Product Disclosure Statement dated 10 April 2018 (**PDS**) is issued by Instreet Investment to offer interests in the Fund. The Fund's PDS details, among other things, the way in which money in a Raiz Investment Account is invested by Instreet Investment (as responsible entity of the Fund) into a mix of ETFs quoted on the ASX in accordance with the Fund's PDS into one of six different risk adjusted portfolios (which range from conservative to aggressive and also include a socially responsible option).

3.3 INTELLECTUAL PROPERTY AND LICENSING

As part of the cessation of the joint venture arrangement with Acorns US, Raiz Invest Australia now holds an exclusive, perpetual and irrevocable right and licence (granted by Acorns US) to use and further develop the Raiz technology platform originally provided by Acorns US. The original software includes the whole software stack from the front end applications that run on smartphones and web browsers to the backend software that runs the registry, administration, operations and funds management features.

Since its launch in Australia, Raiz Invest Australia had developed a significant part of the software stack, adding many back-end features to improve the registry, administration, customer reporting, operation, funds management and trading function of the platform. A significant amount of work was also done in developing machine learning and artificial intelligence algorithms with the aim to assist in marketing and improving the customer experience.

In the last two years, Raiz Invest Australia also added new features to the Raiz smartphone application which have been driven by customer demand. Specifically:

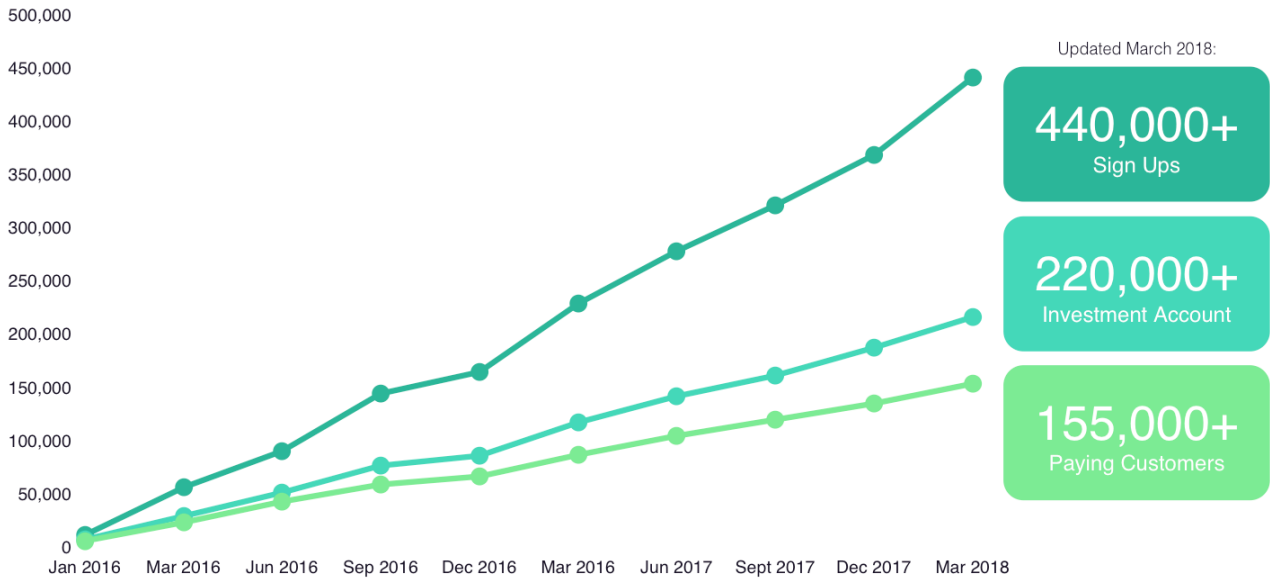
- > Raiz Rewards (formerly Found Money), was launched in October 2016;
- > My Finance and machine learning personal finance assistance, was launched as a feature in May 2017;
- > The Emerald Portfolio, a socially responsible investment option for Raiz customers, was added to the platform in June 2017;
- > Raiz Kids (previously, Little Acorns), which was launched in November 2017; and
- > most recently, in April 2018, a goal-based saving function, Savings Goal, was launched as a new feature to assist customers to save for a goal.

It is the intention of the Board that more innovative features will continue to be added to the Raiz platform, driven by customer feedback and demands, so as to ensure continued improvements in the Raiz customer experience, relevant new features and backend speed.

3.4 RAZI CUSTOMERS

As at the Prospectus Date, Raiz has over 155,000 active monthly customers. Its customer base can be defined as those that are over 18 years old, have signed up to Raiz, opened a Raiz Investment Account and have access to the Raiz financial education tools and products through the Raiz smartphone application. They may not have a balance in their Raiz Investment Account and are therefore not a paying customer.

Active customers are classified as that segment of Raiz's customer base that have a balance in their Raiz Investment Account. Raiz active customers have an average account balance of over \$1,100.

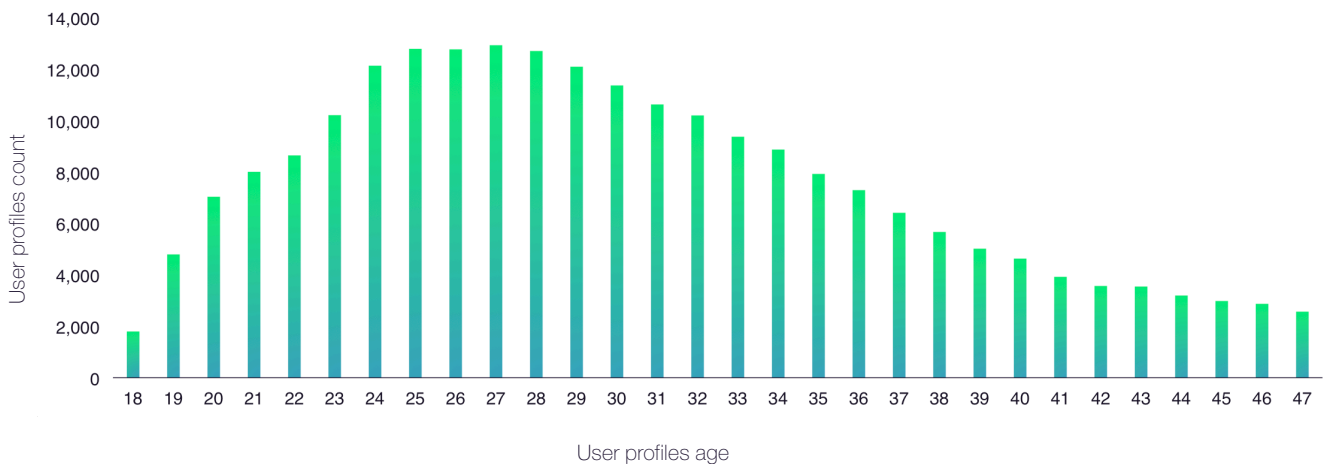
Figure 3.2: Raiz growth since product launch in Australia in February 2016

3.4.1 Customer profile

Raiz appeals to a new generation of investors, with its simple and automated process of linking savings and spending on a single platform.

Customers of the Raiz platform must be over 18 years old and are typically aged 24 years and older with:

- > 70% of customers aged between 18 – 35 years;
- > 87% of customers aged between 18 – 44 years;
- > 37% of customers being female and 63% being male; and
- > 80% of customers investing on the Raiz platform at least once a month.

Figure 3.3: Raiz customers' age profile

3.5 PRODUCTS AND SERVICES

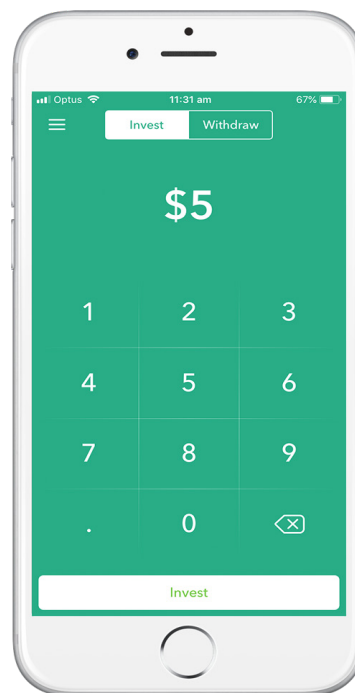
3.5.1 Overview

Raiz's financial product offering can be broadly divided into two key categories; namely:

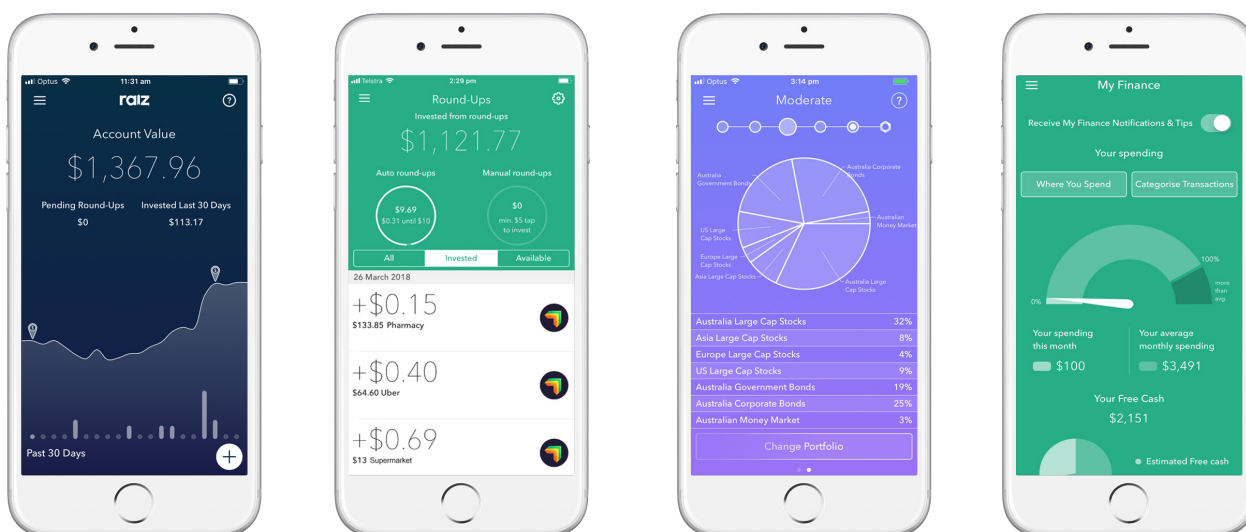
- > Raiz Investment Accounts in the Raiz Invest Australia Fund; and
- > Raiz Invest Super, for which the Product Disclosure Statement in-use notice was lodged with ASIC on 27 April 2018. Please refer to Section 3.9 for further information.

There are four features provided on the Raiz smartphone application that allow Raiz customers to invest money into their Raiz Investment Account, being:

- > **Lump sums:** invests lump sums into a chosen managed fund;
- > **Round-ups:** automatically invests the change from daily purchases;
- > **Recurring/Saving goal:** sets an automatic recurring investment on a daily, weekly or monthly frequency; and
- > **Raiz Rewards:** transfers of rewards offered by online shops to an investment into a Raiz Investment Account.



Raiz has also launched machine learning and artificial intelligence algorithms to assist its customers to manage their everyday finances through its offering known as My Finance. This offering is delivered to customers via the Raiz smartphone or internet applications and provides Raiz customers with a personalised overview of where their money is spent and forecasts future cash flow.



3.5.2 Raiz Investment Account

If a Raiz customer applies to participate in the Raiz Invest Australia Fund then they are applying to receive an interest in the Raiz Invest Australia Fund. This interest is known as a 'Raiz Investment Account'. There is no minimum investment amount required to open a Raiz Investment Account however a Raiz customer must have a minimum account balance amount of \$5 before they can start investing. Raiz customers can make regular contributions to their Raiz Investment Account or can withdraw all or part of the investment at any time with no penalty.

Money in a Raiz Investment Account is invested by Instreet Investment (as the responsible entity of the Fund) into a mix of ETFs quoted on the ASX, in accordance with the Fund PDS, into one of six different risk-adjusted portfolios (which range from conservative to aggressive risk profiles and have different expected returns). These investments are held by the custodian of the Fund, AETL. AETL's role, as custodian of the Fund, is to hold the assets of the Fund in its name and act on the direction of the responsible entity to effect cash and investment transactions on behalf of the Raiz Investment Accounts (that is, Raiz customers).

3.5.3 Customer options for investing in the Raiz Investment Account

There are four different ways in which Raiz customers can make contributions to their Raiz Investment Account which do not attract any fees or charges when making contributions:

A. Lump Sum Deposit

Raiz customers may add money to their Raiz Investment Account at any time from their funding account by entering the desired amount on the deposit/withdraw screen of the Raiz smartphone application.

B. Round-Ups

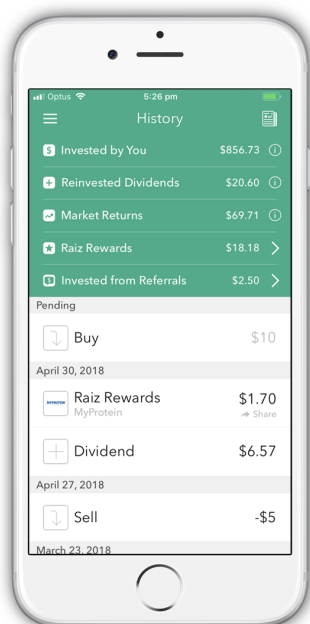
Raiz customers may link their spending accounts (bank account, credit card or debit card) and then round up the virtual change from every transaction. These round-up contributions can be transferred into their Raiz Investment Account manually or automatically. The virtual spare change that has been rounded-up from card transactions is automatically invested each time the sum of pending round-ups associated with a customer's spending account reaches their nominated round-up amount which starts at a minimum of \$5.

C. Recurring deposits/Savings Goal

Recurring deposits may be set up from a Raiz customer's funding account on a daily, weekly, or monthly basis. Raiz customers can select the amount of money they wish to invest regularly, and then choose the desired frequency. A saving goal can also be setup in recurring deposits which names and informs the customer of their progress for a specific savings goal.

D. Raiz Rewards (formerly known as Found Money)

Raiz Rewards, rewards a customer who shops with Raiz's partner brands online by investing bonus investments into customer's Raiz Investment Account.



Round-Ups

Invest spare change, set it and forget it



Lump Sum

Any amount at any time



Recurring/Savings Goal

Scheduled on a daily, weekly, or monthly basis



Raiz Rewards

Transform rewards to investable cash by shopping with brands

3.6 SUPERIOR CUSTOMER EXPERIENCE

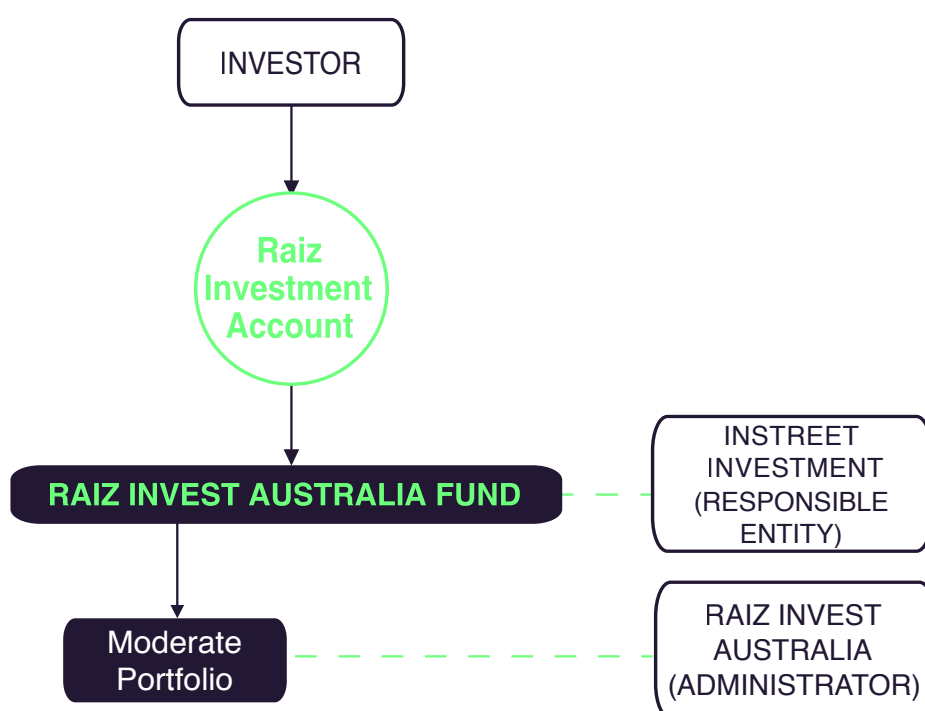
Raiz is committed to providing the best online and offline customer experiences possible. It does this in several ways, including:

- > **Agile mobile first technology platform:** allows Raiz to redesign the Raiz smartphone application or add new features to improve the customer experience on the Raiz smartphone application and reduce or eliminate the issues that Raiz customers experience often.
- > **Real-time communication:** Raiz platform is fully automated and controls the whole investment process from trading, registry, operations, administration and customer reporting. This means Raiz can produce and distribute online and all customer communications in real-time and solve issues in a timely manner without requesting help from external service providers.
- > **Responsive customer service:** most customer enquiries are sent via online input through the Raiz smartphone application and are answered and solved within one business day. There is also a customer service team that customers can contact to resolve issues. All the information about a customer is contained in a purpose-built customer reporting system. This allows Raiz's customer service team to simply view all customers' activity, down to their key strokes on the Raiz smartphone application. This centralised system greatly assists the customer service team in resolving issues.
- > **Interactive communication:** Raiz customers receive notifications, both through push notifications and inside the Raiz smartphone application, about their personal finances, for example how much they are expected to pay in credit card interest over the next six months or that they have spent a significant amount on ridesharing instead of taking public transport, walking or riding.
- > **Regular education pieces:** Raiz is committed to customer communication, not only with respect to financial markets, which is done on a regular basis, but also with one off emails informing customers of major events that may affect the value of their Raiz Investment Account.

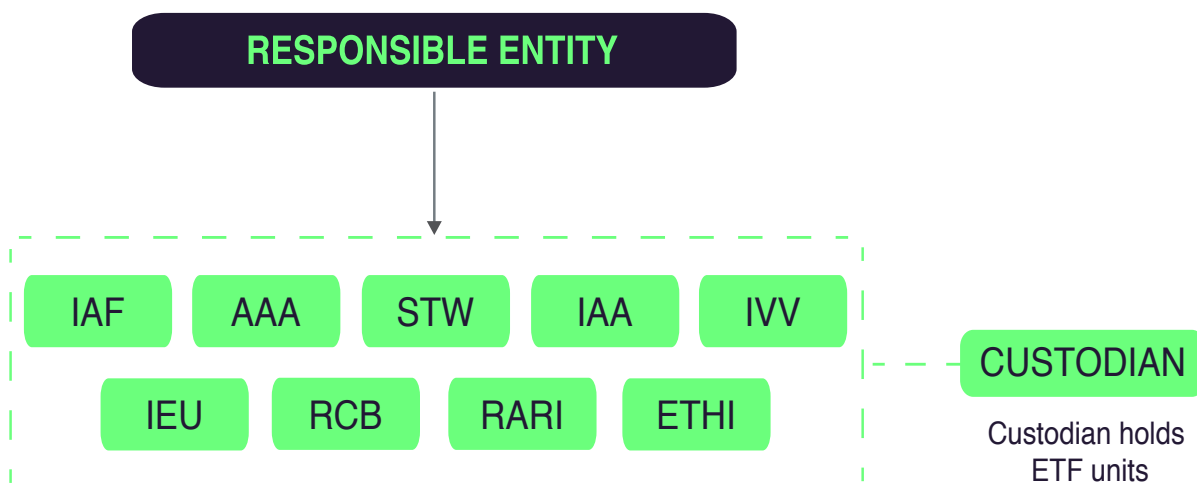
3.7 THE INVESTMENT PROCESS

Raiz's key strength is the simple automated process customers experience for investing and savings. The below diagram outlines the process at a high level using the example of an investment of \$10 by a Raiz customer.

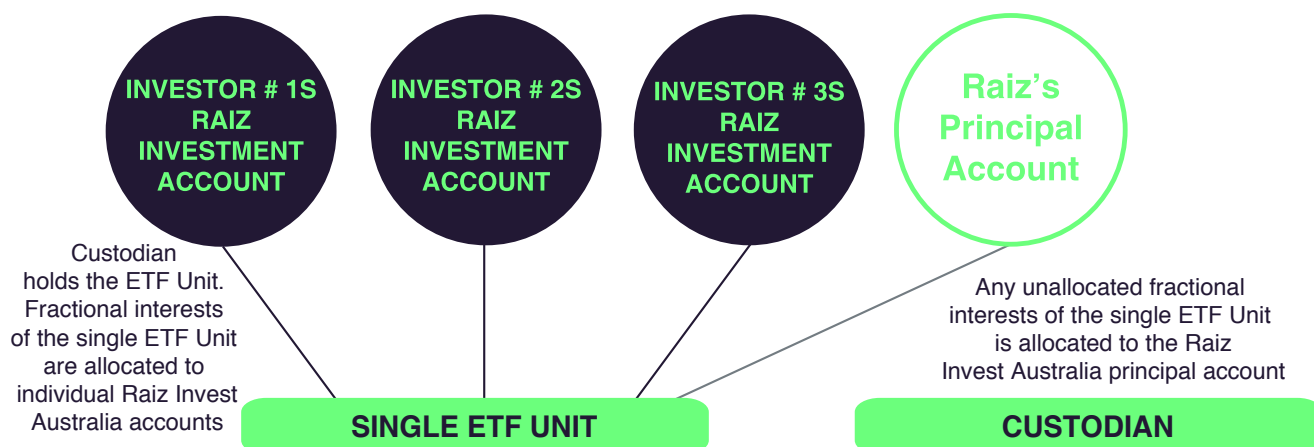
Step 1: Raiz customer deposits \$10 into their Raiz Investment Account, and then selects the “Moderate Portfolio”.



Step 2: Raiz calculates the required ETF units that need to be purchased, and purchases ETF units, which are held by AETL, as the custodian of the Fund.



Step 3: The registry in Raiz allocates fractions of the ETF units to the individual Raiz customer, corresponding to the amounts of funds they have invested into their Raiz Investment Account. The whole ETF units will be held in a pooled account with the custodian of the Fund on behalf of all customers who have been allocated a fractional interest in that ETF unit. Any excess fractional interests (that are not allocated to a Raiz customer) are allocated to Raiz Invest Australia's principal account in the Raiz Invest Australia Fund.



3.7.1 Raiz's mobile first investment platform

Raiz's mobile first micro-investing platform and individual smartphone application features, including "round-ups" and My Finance, harness new proprietary technology. This provides Raiz with an advantage over its competitors looking to replicate the Raiz offering, which is constantly evolving, thanks to a dedicated team of software developers and technicians.

Raiz has developed a significant amount of its core technology in-house notwithstanding that Raiz's infrastructure uses Amazon Web Services, with application and database tiers that are designed to scale by adding capacity in Amazon Web Services.

Raiz maintains a robust information security program based on security policies and procedures that are designed to safeguard the confidentiality, integrity and availability of customer information. An external independent consultant is regularly testing the Raiz system for security vulnerabilities at a procedural level as well as penetration testing the points of the system that are exposed to the public. Security protocols include risk assessment, training, access control, encryption, IP white listing, service provider security policy reviews, an incident response program and continuous monitoring and review of security processes and policies.

3.7.2 Investment platform functionality

In particular, Raiz's platform allows the following functionality:

A. Fractional investing

One of the key features of Raiz is the ability to allocate fractional interests in ETF units to individual Raiz customers, allowing customers to open a Raiz Investment Account and invest in their selected portfolio with only \$5. The Raiz system will facilitate the purchase of the relevant number of ETF units required across the Fund, and allocate fractional interests in these ETF units to individual Raiz customers corresponding to the amount of funds they have invested in their selected portfolios. The whole ETF units themselves will be held in a pooled account with AETL, as the custodian of the Fund, on behalf of all Raiz customers who have been allocated a fractional interest in that ETF unit. Excess fractions will be held for and on behalf of Raiz Invest Australia as principal.

Fractional interests allow customers to consistently invest funds (including their virtual spare change) as it becomes available, rather than having to wait until they have enough money to buy a complete ETF unit.

B. Automatic rebalancing

The Raiz Investment Account can automatically rebalance and re-invest all ETF distributions. The Raiz algorithm is designed to keep the allocation of the Raiz Investment Account within the range specified for the selected portfolio, even when the market prices of the ETFs fluctuate. As Raiz customers invest or withdraw money, Raiz will initiate corresponding transactions to rebalance their Raiz Investment Account to bring it within the target allocation range for the selected portfolio with no brokerage fees. If a Raiz customer changes their selected portfolio, Raiz will rebalance the Raiz Investment Account to bring it within the target allocation range specified for the new selected portfolio, with no switching fees.

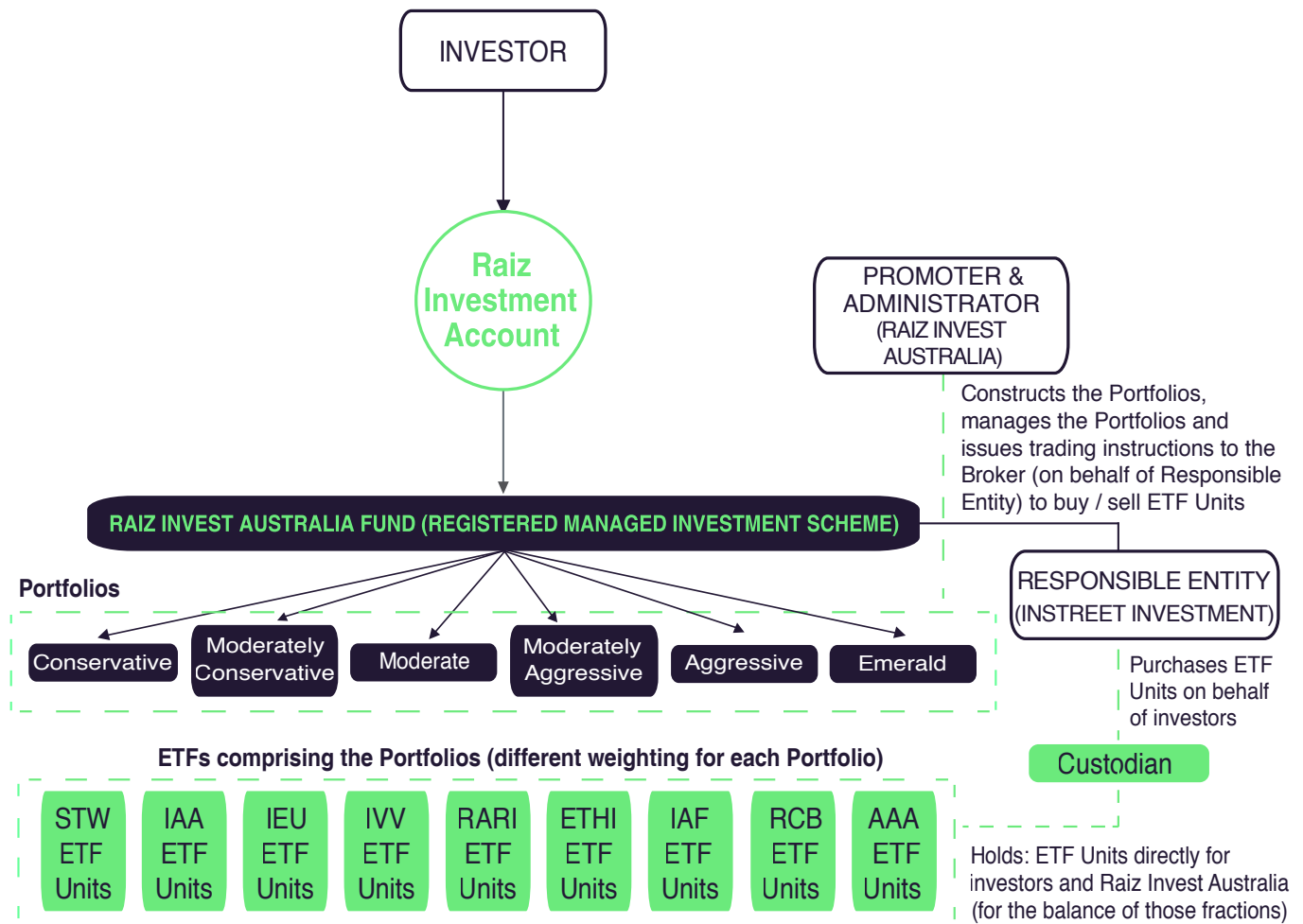
C. Automatic savings

Raiz is designed on the principle that regular investment, even if in small amounts, can lead to large savings over time. Raiz customers can add to their Raiz Investment Account frequently (for no additional cost) by enabling round-ups, or by setting an automatic investment (i.e. recurring deposit).

D. Netting of transactions

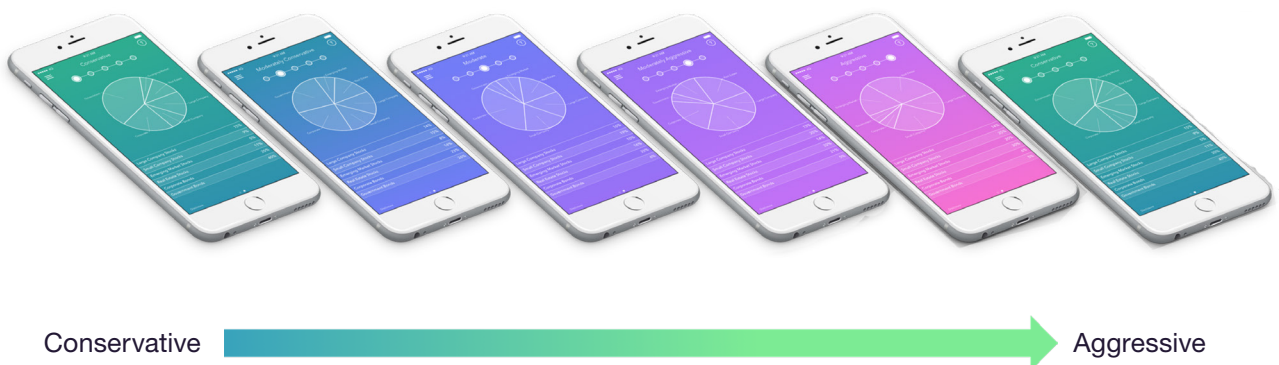
Raiz is able to avoid charging brokerage fees to Raiz customers, by eliminating unnecessary market transactions by relying on a process known as netting. This process works by offsetting buy and sell transactions between individual Raiz Investment Accounts, so that only the net position is traded on market. These netting transactions occur daily.

Figure 3.4: A structure diagram of the Raiz Invest Australia Fund



3.8 RAIZ PORTFOLIOS

There are six intuitive and risk-adjusted portfolios available through the Raiz smartphone application ranging from 'Conservative' to 'Aggressive' portfolios plus an additional portfolio called Emerald which is a socially responsible portfolio.



3.9 RAZ INVEST SUPERANNUATION

The Product Disclosure Statement in-use notice for the Raiz Invest Superannuation product (**Raiz Invest Super**) was lodged with ASIC on 27 April 2018. Raiz Invest Super is a sub-plan of the DIY Master Trust, with Diversa Trustees Limited as the Trustee.

Raiz Invest Super is a superannuation product which will allow Raiz customers to choose from one of the six portfolios on offer that Raiz Invest Super will invest directly into the Fund.

The same fees will be charged by Raiz for managing a Raiz Invest Super Account as are charged for managing a Raiz Investment Account (as detailed in Section 3.10.2).

It is intended, that through the Raiz smartphone application or website, customers will be able to open a Raiz Invest Super Account, consolidate superannuation monies from other superannuation funds, rollover from existing superannuation funds, opt in or out of life insurance and transfer money from their Raiz Investment Account into their Raiz Invest Super Account (voluntary contributions). Customers will also be able to set up superannuation guarantee contributions from their employer.

As set out in Section 7.2, the Offer is being conducted to, among other things, promote Raiz Invest Super to leverage off the Raiz Group's existing customer base.

3.10 REVENUE MODEL

To date, Raiz has had a recurring revenue model based on the number of active customers it has had on a monthly basis or the value of the customer's investment account and the netting of ETF trades. In addition, revenue is generated through highly targeted advertising using the metrics stored in the Raiz database. Due to the large number of active customers the income earned on a monthly basis is very granular.

Raiz's revenue fall under four main categories, which are further explained below.

3.10.1 Maintenance fees

Raiz charges a monthly maintenance fee of \$1.25 to active customers with account values of less than \$5,000 at the end of each month (but greater than \$1). Approximately 71% of the Raiz Group's revenue is currently generated from maintenance fees. The maintenance fee is direct debited from the customer's funding account, rather than from their Raiz Investment Account, which means that the maintenance fee does not impact upon the balance of a customer's Raiz Investment Account.

3.10.2 Account fees

If a Raiz Investment Account has a value equal to or greater than \$5,000 at the end of the month, no maintenance fee will be payable for that month as an account fee will be charged.

For account balances equal to or greater than \$5,000, Raiz applies an account fee of 0.275% per annum charged monthly, computed daily. This currently accounts for approximately 8% of the Raiz Group's revenue. There are no switching fees or transaction costs charged by Raiz. The account fees include an allowance for all the ordinary ongoing costs of the Fund including responsible entity fees, investment administration fees, custodian fees, administration fees and other expenses incurred by the Fund.

3.10.3 Netting

Where the acquisition or disposal of ETF units on behalf of a Raiz's customer does not require a transaction on-market, Raiz applies a buy sell spread, also known as netting. Raiz earns revenue from applying a buy sell spread rather than paying away the spread on the market. By netting Raiz can absorb brokerage fees rather than passing this fee on to its customers. This accounts for approximately 9% of the current revenue of the Raiz Group.

3.10.4 Advertising

Raiz receives financial benefits from highly targeted advertising by utilising its rich data set through the Raiz smartphone application or emails. The financial benefit amount varies depending on the partner and commercial arrangements. Advertising currently comprises approximately 12% of the Raiz Group's revenue.

3.11 GROWTH STRATEGY

Raiz's strategy is to grow active customers through increased marketing, broadening its product portfolio and expanding into new geographies.

3.11.1 Marketing

For the last half of 2017 Raiz spent less than \$26,000 a month on advertising and effectively relied solely on word of mouth and "growth hacking" marketing strategies to achieve its previous growth targets. This approach led to a cost of acquisition of a paying customer of less than \$2.91 and also demonstrated the robustness of the Raiz Group's business model.

The Board are of the opinion that in order to accelerate growth of active Raiz customers, further funds should be invested in future marketing of Raiz.

3.11.2 New products

Raiz's emphasis on continuous improvements and the versatility of the Raiz mobile first micro-investing platform, allows Raiz to add new products and features to the platform with minimal systems upgrades and capital expenditure. This allows Raiz to introduce new product offerings such as most recently, Raiz Invest Super (for which a Product Disclosure Statement in-use notice was lodged with ASIC on 27 April 2018) and features like Raiz Kids, in an efficient and cost-effective manner. Raiz's future product offerings will be led by Raiz customer requests and may include products such as, life-insurance, variety of funds management products, robo-advise, broking or possibly other e-commerce products and services.

3.11.3 Geographical expansion

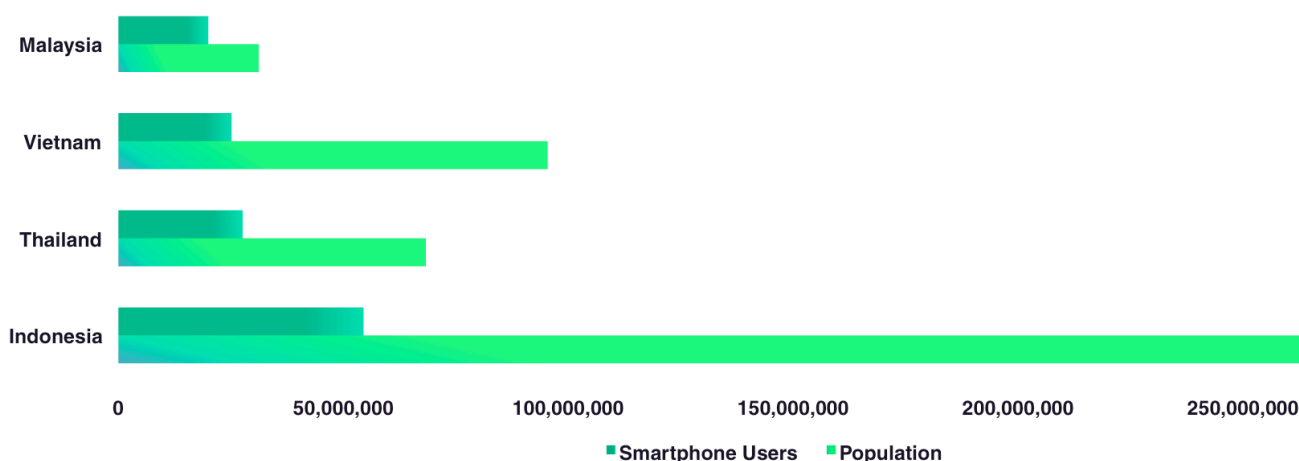
Raiz has a long-term strategy to expand into many of the growing markets in South East Asia. The initial focus will be to expand into Indonesia, Malaysia, and Thailand financial services markets.

Historically, investing in the capital markets of South East Asian countries is more prevalent in the affluent demographics of these regions, given the fees and costs associated with financial products and service offerings in these countries are generally high. As a result, there is a significant opportunity for Raiz to enter these markets to change the landscape of investing through its micro-investing platform driven by a need for more financial inclusion in these markets.

The Board believes that the possibility of financial inclusion offered by the Raiz smartphone application is likely to be attractive to these markets and their governments' stated policies.

Officially, there are currently over 653 million people residing in South East Asia, with only around half of the population urbanised⁽¹⁹⁾. The median age is 28.8 years compared to Australia's median age of 37.2.⁽²⁰⁾ Accordingly, the population of this region is relatively young and technologically savvy, with the population of smartphone users already exceeding that of Australia (see Figure 3.5 below). Further, more than 90% of this region's internet users are on smartphones and spend an average of 3.6 hours per day on mobile internet⁽²¹⁾, more than any other region in the world.⁽²²⁾ This level of engagement is significant for a company such as Raiz as it is likely to result in more people in South East Asia being able to access financial services and products through technology to improve their financial literacy and well-being.

Figure 3.5: Comparison of smartphone users in different countries



Source: Newzoo's 2017 Global Mobile Market Report

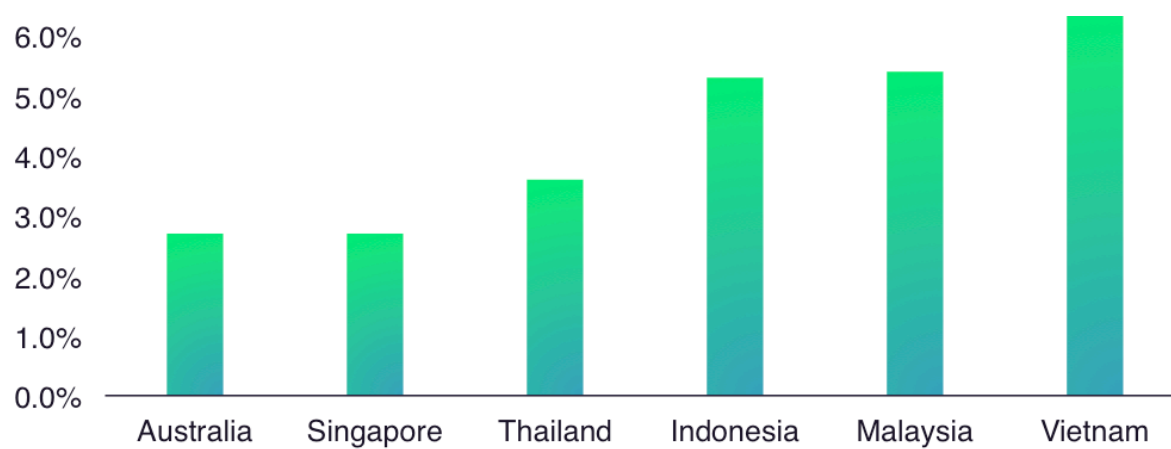
⁽¹⁹⁾ Worldometers, South-Eastern Asia Population <<http://www.worldometers.info/world-population/south-eastern-asia-population/>>.

⁽²⁰⁾ Australian Bureau of Statistics, Population by Age, Sex and Religions of Australia, 2016 (28 August 2017) <<http://abs.gov.au/ausstats/abs@.nsf/0/151AA7593B394934CA2573210018DA4A?OpenDocument>>.

⁽²¹⁾ Hootsuite 2017 report, based on a GlobalWebIndex survey of internet users in the age group 16-64.

⁽²²⁾ Google and Temasek, e-Conomy SEA Spotlight 2017 – Unprecedented growth for Southeast Asia's \$50B internet economy.

Figure 3.6: 2018 Gross domestic product forecast for Australia and certain South East Asian countries



Source: Asian Development Bank

04. Financial information

4.1 INTRODUCTION

The Pro Forma Financial Information provided in this section represents the consolidation of four entities:

- > Raiz Invest Limited (formerly Acorns Investment Company Limited);
- > Instreet Investment Limited;
- > Raiz Invest Australia Limited (formerly Acorns Grow Australia Limited); and
- > Instreet Acorns Pty Ltd.

For further information on these entities please see Section 3.2.2.

The above entities form the “Raiz Group” referred to in this section.

The Pro forma Financial Information below includes the historic activities associated with the investing and financial services offered through the Raiz mobile phone application and website. This information has been extracted from the audited accounts for FY2015, FY2016, FY2017 and for the FY2018 ending 31 December 2017, of the above entities, as detailed below. The audit was completed by Hall Chadwick Chartered Accountants NSW.

There is no forecast period included in this financial information section. Raiz Invest Limited was established in October 2016. Prior to the Prospectus Date, the Raiz Group underwent a group restructure which resulted in the Company becoming the ultimate holding company of the Raiz Group. The aim of the restructure was to:

1. demerge Instreet Investment Australia Limited (and the business it conducts) from Instreet Investment Limited, with Instreet Investment Limited continuing in its role as responsible entity of the Raiz Invest Australia Fund, for which it holds an Australian Financial Services licence;
2. to combine Instreet Investment Limited (the responsible entity of the Raiz Invest Australia Fund) with the Raiz Group's business; and
3. hold directly all of the shares on issue in Raiz Invest Australia Limited.

As a result, the Company now holds:

- > 100% of Raiz Invest Australia Limited;
- > 100% of Instreet Investment Limited; and
- > 100% of Instreet Acorns Pty Ltd.

Please refer to Section 3.2.2 for further information.

Financials from FY2015 include one-off costs associated with establishing Raiz Invest Australia Limited, and the revenue from Instreet Investment (established in December 2007) as well as the operating costs associated with meeting its obligations under the AFSL, including personnel, and other operational costs such as systems and rent. These costs are included as they will continue to be met by the Company going forward.

Raiz Invest Australia Limited was established in March 2015. The company commenced earning revenue from its operations in February 2016 (therefore FY2016 only included five months of revenue).

Instreet Acorns Pty Ltd was established in 2015 to, at that time, hold the interest in Raiz Invest Australia Limited. As a result of the Raiz Group restructure, the Company is now the ultimate holding company of Instreet Investment Limited, Raiz Invest Australia Limited and Instreet Acorns Pty Ltd. Instreet Acorns Pty Ltd holds no assets or liabilities and generates no cash flow. As at the Prospectus Date, it is the intention of the Raiz Group to deregister Instreet Acorns Pty Ltd. Please see Section 3.2.2 for further information.

Also summarised in this Section 4 are:

- > the basis of preparation and presentation of the Financial Information;
- > the pro forma adjustments to the Statutory Historical Financial Information;
- > details of Raiz's indebtedness and capitalisation;
- > information regarding Raiz's liquidity and capital resources;
- > management's discussion and analysis of the Pro Forma Historical Financial Information; and
- > details of the proposed dividend policy (refer to Section 4.8).

Information provided in this Section 4 should be read in conjunction with the risk factors outlined in Section 5 of the Prospectus, and the other information provided in this Prospectus.

4.1.1 Basis and Method of Preparation

This section contains a summary of the Pro forma Consolidated Historical Financial Information for the Group.

The Pro Forma Financial Information presented comprises the following:

- > Pro forma Consolidated Historical Profit and Loss Statements for the years ended 30 June 2015 (**FY2015**), 30 June 2016 (**FY2016**) and 30 June 2017 (**FY2017**) and for the six-month period ended 31 December 2017 (**HY2018**);

- > Pro forma Consolidated Historical Statements of Cash Flows for FY2015, FY2016, FY2017 and HY2018;
- > Pro forma Consolidated Balance Sheet as at 31 December 2017 based on the Consolidated Balance Sheets at 31 December 2017 of the entities now in the Raiz Group which reflects the restructure of the Raiz Group, the Offer and other material events occurring after 31 December 2017; and
- > Significant Accounting Policies and Material Accounting Matters.

The Pro Forma financial information is a consolidation of the audited historical financial reports of Raiz Invest Limited, Raiz Invest Australia Limited, Instreet Investment Limited and Instreet Acorns Pty Ltd adjusted to reflect the restructure of the group. Adjustments include, but are not limited to, the issue of capital, acquisition of Raiz Invest Australia Limited, the costs of restructuring the Raiz Group and the presentation of the operational performance of the Raiz Group to reflect the business model after Completion of the Offer.

As members of the Raiz Group (specifically, Instreet Investment Limited and the Raiz Invest Australia Fund) operate in a high-compliance focus sector due to the legal and regulatory regime in which they operate, some of the additional costs that would otherwise be typically incurred as a result of Raiz becoming an ASX listed company are already being incurred by the Raiz Group. Additional costs, such as director's fees, ASX listing fees and other minor costs will be incurred. These have not been included as pro forma adjustments to the Pro Forma Financial Information. The addition of these costs is estimated to be \$350,000 per annum.

The Pro Forma Financial Information has been prepared and presented in accordance with the recognition and measurement principles of Australian equivalents of International Financial Reporting Standards (IFRS) and the adopted accounting policies of the Company. The Pro forma Consolidated Historical Financial Information has been prepared in a manner consistent with the recognition and measurement principles contained in AASB, which are consistent to IFRS, applied to the consolidated balance sheet and the events or transactions to which the pro forma adjustments relate, as described in Section 4.3 "Consolidated Balance Sheet as at 31 December 2017."

The Pro Forma Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001. Investors should note that past results do not guarantee future performance. Due to its nature, the Pro forma Consolidated Historical Financial Information does not represent the Company's actual or prospective or financial position.

4.1.2 Audit of Historical Financial Information

The General Purpose Financial Reports for Raiz Invest Limited, Raiz Invest Australia Limited, Instreet Investment Limited and Instreet Acorns Pty Ltd were subject to an audit for FY2015, FY2016 and FY2017 and half year review for HY2018 by Hall Chadwick Chartered Accountants NSW.

4.1.3 Additional Information and Support for Financial Information

The Consolidated Pro forma Financial Information should be read in conjunction with the Investigating Accountants Report set out in Section 8 as well as the risk factors set out in Section 5 of the Prospectus.

4.2 MANAGEMENT DISCUSSION AND ANALYSIS OF HISTORICAL RESULTS

These are the factors that have affected Raiz Invest Limited operations historically, and which the Directors expect will continue to affect it in the future. The discussion is intended to provide a brief summary only and does not detail all factors which affected Raiz Invest Limited historical operating and financial performance, nor everything which may affect operations and financial performance in the future.

The key metric driving costs and revenue is the number of customers using the Raiz technology platform.

4.2.1 Revenue

Raiz Invest Limited is a consolidation of four entities. Raiz Invest Australia Limited generated revenue for the last five months of FY2016, full 12 months of FY2017 and first 6 months of FY2018. The key drivers of revenue are set out below:

- > Raiz receives its revenue primarily from the \$1.25 Maintenance Fee charged on a monthly basis to customers with account balances greater than one dollar. These are charged monthly and direct debited from the customer's bank account. The quantum of this fee will be directly correlated to the number of customers using Raiz.
- > Revenue is also received from Account Fees, which is 0.275% for account balances of \$5,000 or greater, charged monthly from the Raiz balance. At the moment this represents the smallest proportion of revenue generated by Raiz. However, as it is expected by the Raiz Group that future balances to be in Raiz Super will predominantly be greater than \$5,000, it is also expected going forward that this will become a major revenue source for Raiz⁽²³⁾.

⁽²³⁾ The Product Disclosure Statement in-use notice for Raiz Invest Super was lodged with ASIC on 27 April 2018. See Section 3.9 for further information.

- > Netting revenue from trading the ETFs has been consistently growing in line with the number of transactions on the platform. However, the number of transactions will also be affected by market conditions and the flow of money into the platform. As Raiz Super will be less transactional, it is expected this will become a smaller percentage of revenue going forward.
- > Finally, advertising revenue has been growing in line with the growth of customers using Raiz and as they become more familiar with Raiz Rewards. This is a new area where we are currently doing research to improve how we can leverage our data to improve personalisation and relevance of the adverts or new products.

In addition to the above, as detailed in Section 9.7.7 of the Prospectus, on 26 February 2018 Instreet Investment Australia Limited and its subsidiaries, were demerged from Instreet Investment Limited. On and from the date of that demerger, and for a transitional period until Instreet Investment Australia Limited is granted its own Australian financial services licence by ASIC with respect to the demerged business, Instreet Investment Limited has appointed Instreet Investment Australia Limited as a corporate authorised representative under the Instreet Investment AFS licence. Accordingly, Instreet Investment Australia Limited has agreed to pay to Instreet Investment Limited a fee based on 20% of revenue for this transitional period for the use of its AFS licence. This fee will terminate when Instreet Investment Australia Limited is granted an AFSL and is not included in the Pro Forma Financial Information.

4.2.2 Expenses

The Company's expenses include Sales and Administrative expenses which are the day to day transactional costs and the costs of onboarding a customer and Operating costs which include marketing, employment, compliance and other costs. The key drivers of expenses are set out below.

The Raiz platform was originally built by Acorns US but has been maintained and further developed since launch by the Company. The expenses associated with this are capitalised onto the balance sheet and depreciated over a five-year period.

4.2.2.1 Sales and Administrative Expenses

Detailed below are the ongoing costs of the Raiz Invest Australia operational business. They include direct debit/credit costs, online Anti-Money Laundering and Counter-Terrorism Financing verification costs and the costs of running the IT infrastructure associated with the Raiz Business.

Raiz has made the traditional fund management business transactional and as such Raiz effects over 800,000 direct debit/credit transactions a month to facilitate the goal of Raiz to allow investing and savings to happen as part of the background of life. This cost is directly correlated to the number of customers using Raiz. Raiz is in the process of re-negotiating the contract which will reduce the cost of each transaction as well as the dishonour fees, and also the costs associated with monitoring client's transactions which will be directly linked to the number of customers.

The Raiz system runs on AWS infra-structure whose costs is linked indirectly to the number of customers as resources will scale up and increase as the number of users increase as will the data through put.

The onboarding costs are linked directly to the number of new clients onboarded to the Raiz platform.

4.2.2.2 Operating Expenses

Operating expenses are not directly linked to the number of Raiz customers and are more fixed in nature but will grow as the Raiz business grows or runs advertising campaigns to accelerate customer signups.

The key expenses are:

- > **Labour expense** – includes contractor fees, salaries and wages, superannuation and other on-costs for staff;
- > **Rental expenses** – being rental costs for the corporate office. This cost has increased by 4% annually. A new lease on the floor, for a period of 3 years, is currently being renegotiated and is expected to be renewed in October 2018;
- > **Marketing expense** – includes online and traditional advertising and public relations costs. This tends to be seasonal with the majority being spent in the first half of the calendar year; and
- > **Compliance and Legal expense** – the Raiz Group, through Instreet Investment Limited, holds its own AFSL, which creates ongoing compliance obligations such as insurance, audit, legal and independent compliance committee members.

Raiz Invest Australia has been in a growth phase since establishment. Marketing expenses have increased from FY2015 to FY2017 to drive customer acquisition. As previously mentioned in the first half of FY 2018 marketing expenses were reduced as the Company relied on growth hacking strategies to meet the growth goals for customers.

Professional expenses, increased dramatically in FY2018 as the Raiz Group underwent the Raiz Group restructure, the outcome of which was to demerge Instreet Investment Australia Limited (and the business it conducts) from Instreet Investment Limited, combine Instreet Investment Limited with the Raiz Group and to acquire directly all of the shares on issue in Raiz Invest Australia Limited (please see Section 3.2.2 for further information).

The growth in employment expenses are associated with a company in the growth phase. Initially when Raiz Invest Australia was launched it had 3 employees, and it wasn't until February 2016 that the Raiz Invest Australia team began to grow. Currently the Raiz Group employs 12 people.

4.2.2.3 Depreciation and amortisation

Amortisation primarily relates to Raiz Invest intellectual property, not only for the development work on IT but also the legal costs associated with the managed investment scheme structure of the Raiz Invest Australia Fund (being a registered managed investment scheme with ASIC). This legal cost was a one-off cost, however, there will be ongoing legal costs associated with maintaining the managed investment scheme structure to ensure it meets regulatory changes and the growing needs of Raiz customers. These legal costs may also be capitalised and amortised over a five year period. In general, Raiz assumes a 20% amortisation rate.

The Company is in the process of valuing the Raiz technology platform, which at the moment is capitalised into Goodwill. It is expected that this will then become a separate item which can also be depreciation over a five year period.

4.3 PROFIT AND LOSS STATEMENTS

Set out in the table below are the summarised Pro forma Consolidated Historical Profit and Loss Statements for the Raiz Group. This information should be read in conjunction with the information provided elsewhere in this Prospectus. The consolidated historical profit or loss statements below have been normalised to remove any revenues or costs which will not be represented in the business going forward.

This Pro-forma statement has not been normalised for the additional expenses of listing on the ASX which are estimated to be approximately \$350,000 a year. It also includes \$560,825 of one off costs which are associated with restructuring Instreet Investment Limited before it became part of the Raiz Group (that is, the demerger of Instreet Investment Australia Limited (and the business it conducts) from Instreet Investment Limited, which occurred in February 2018 and is detailed further in Section 3.2.2), and some costs associated with the purchase by the Company of the Acorns US remaining interest in Raiz Invest Australia Limited.

	(\$)	FY2015	FY2016	FY2017	HY2018
Revenue		-	166,434	1,044,974	1,044,396
Sales and Administrative expenses		-	418,478	1,307,402	1,015,844
Professional Fees		279,488	311,980	275,446	1,141,354
Employee benefits expenses		42,815	205,413	486,694	426,595
Marketing expenses		24,160	549,695	715,967	155,275
Other expenses		115,688	469,634	385,456	105,049
EBITDA		(462,151)	(1,788,766)	(2,125,991)	(1,799,721)
DEPRECIATION AND AMORTISATION		42,177	89,606	251,592	175,668
EBIT		(504,328)	(1,878,372)	(2,377,583)	(1,975,389)
NET INTEREST EXPENSE		23,170	53,466	51,889	41,737
NET PROFIT BEFORE TAX		(527,498)	(1,931,838)	(2,429,472)	(2,017,126)

Notes:

1. FY2015 reflects the operational expenses of Instreet Investment Limited and costs associated with the establishment of the Raiz business.
2. FY2016 includes less than five months of revenue of Raiz Invest Australia.
3. FY2017 includes twelve months of the operational expenses and revenue of Raiz Invest Australia.
4. HY2018 includes six months of operations to 31 December 2017. HY2018 includes \$560,825 of one off costs which are associated with restructuring Instreet Investment Limited (that is, the demerger of Instreet Investment Australia Limited (and the business it conducts) from Instreet Investment Limited, which occurred in February 2018 and detailed further in Section 3.2.2), before it became part of the Raiz Group and some costs associated with the purchase by the Company of the Acorns US remaining interest in Raiz Invest Australia Limited.
5. In addition to the above, the Raiz Group estimates approximately \$350,000 being ongoing costs arising from operating as a listed vehicle such as additional director fees, ASX annual listing fees, AGM and annual report fees and share registry fees.
6. The pro forma statements of profit or loss exclude any income tax benefit associated with the losses being incurred by the Raiz Group on the basis that the loss was partially absorbed by other parts of the Raiz Group not being acquired and the directors have also made an election no to bring to account the benefit of losses at this stage.

The Raiz Group will also pay approximately \$2,000,000 in cash entitlements to Raiz Group key employees which is not captured as an expense in the six months to 31 December 2017. In conjunction with this, the group has also issued 2,090,000 Options to employees and contractors with a total value of \$1,223,404. An expense of \$407,801 per year will be recognised for three years (vesting term of the Options) from the date of issue of these Options which is not captured in the six months to 31 December 2017. These two items will apply to the full FY2018 accounts.

4.4 STATEMENTS OF CASH FLOWS

Set out in the table below are the summarised Pro forma Consolidated Historical Statements of Cash Flows for the Raiz Group. This information should be read in conjunction with the information provided elsewhere in this Prospectus. The consolidated historical statements of cash flows below have been normalised to remove any revenues or costs which will not be represented in the business going forward.

	(\$)	FY2015	FY2016	FY2017	HY2018
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	-	79,048	990,424	965,499	
Payments to suppliers and employees	(421,932)	(1,752,242)	(3,005,078)	(2,592,196)	
Interest paid	(23,170)	(53,466)	(51,889)	(41,737)	
Interest received	-	3,821	21,846	17,132	
NET CASH USED IN OPERATING ACTIVITIES	(445,102)	(1,722,839)	(2,044,697)	(1,651,302)	
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of property plant and equipment	-	(4,152)	(2,502)	-	
Payment for Licenses and Software	(166,772)	(596,858)	(633,779)	(389,173)	
NET PROFIT BEFORE TAX	(166,772)	(601,010)	(636,281)	(389,173)	
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares (net of costs)	290,000	1,455,000	2,752,094	-	
Repayment of convertible notes	-	-	270,000	-	
Proceeds from/Repayment of borrowing	323,546	882,032	(339,151)	2,030,376	
NET CASH PROVIDED BY FINANCING ACTIVITIES	613,546	2,337,032	2,682,943	2,030,376	
Net increase/(decrease) in cash held	1,672	13,183	1,965	(10,099)	

Notes:

1. Funding for the Company also came from borrowings from Instreet Investment Australia Limited (and the business it conducts), being, the demerged business of Instreet Investment Limited, which were capitalised during the Raiz Group restructuring which completed in April 2018.

4.5 CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2017

Set out in the table below is the Pro Forma Consolidated Balance Sheet for Raiz Invest Limited as at 31 December 2017 and the Pro Forma Balance Sheet for Raiz Invest Limited assuming completion of the Raiz Group restructure, acquisition of Raiz Invest Australia Limited and the Offer as disclosed in the Prospectus and other material events that have occurred or are expected to occur subsequent to 31 December 2017. This information should be read in conjunction with the information provided elsewhere in this Prospectus.

The pro forma financial information presented below has been prepared on the assumption that Applications totalling \$15,120,000 as detailed in this Prospectus will be received, less the adjusted costs of the Offer totalling \$877,017 (see note 3d). It also includes the cancellation of all of the C Class shares that were previously on issue in Instreet Investment Limited, for a \$1.00 per C Class share, and the repayment of all outstanding debt on the convertible notes in Instreet Investment Limited that will have been repaid prior to Completion of the Offer (as detailed in Section 9.6). The balance sheet also reflects the cash entitlements to be paid to Raiz Group key employees of \$2,000,000, which is being funded out of the proceeds to be raised from the Offer.

Funding for the Company also came from borrowings from Instreet Investment Australia Limited (and the business it conducts), being, the demerged business of Instreet Investment Limited, which were forgiven during the Raiz Group restructuring which completed in April 2018. These intercompany borrowings are not shown on the Consolidated Balance Sheet.

Consolidated Balance Sheet as at 31 December 2017

	(\$)	PRO FORMA BALANCE SHEET 31 DECEMBER 2017 ⁽¹⁾	MOVEMENT DUE TO IPO	PRO FORMA BALANCE SHEET AFTER OFFER ⁽²⁾
CURRENT ASSETS				
Cash assets		2,551,465	11,161,475 (3.a)	13,712,940
Trade and other receivables		1,847,887		1,847,887
Financial assets		19,931		19,931
Other current assets		85,327		85,327
		4,504,610		15,666,085
NON-CURRENT ASSETS				
Property, plant and equipment		46,633		46,633
Intangibles/Goodwill		21,386,579	- (3.b)	21,386,579
Financial assets		6,189		6,189
Deferred Tax Assets		30,171		30,171
		21,469,572		21,469,572
TOTAL ASSETS		25,974,182		37,135,657

	(\$)	PRO FORMA BALANCE SHEET 31 DECEMBER 2017 ⁽¹⁾	MOVEMENT DUE TO IPO	PRO FORMA BALANCE SHEET AFTER OFFER ⁽²⁾
CURRENT LIABILITIES				
Trade and other payables		2,660,456	300,000 ^{(3)(c)}	2,960,456
Financial liabilities		-		-
Current tax Liabilities		461,841		461,841
Short term provisions		50,364		50,364
		3,172,661		3,472,661
NON-CURRENT LIABILITIES				
Deferred Tax Liabilities		3,580		3,580
Provisions		78,915		78,915
Convertible Notes		541,700	(541,700) ^{(3)(a)}	-
		624,195		82,495
Total Liabilities		3,796,856		3,555,156
NET ASSETS		22,177,326		33,580,501
EQUITY				
Issued capital		52,458,209	14,242,983 ^{(3)(d)}	66,701,192
Common Control Reserve		(25,494,988)		(25,494,988)
Accumulated losses		(4,785,895)		(7,625,703)
TOTAL EQUITY		22,177,326		33,580,501

Notes:

- ⁽¹⁾ Column 1 represents the Pro forma Balance Sheet of the Raiz Group as at 31 December 2017, reflecting the Raiz Group restructure and the acquisition of Raiz Invest Australia Limited. Pro forma adjustments included in this column to account for material events subsequent to 31 December 2017 include:
- (a) The pre-Offer capital raise of \$20,700,000 to fund the acquisition of an additional 37.6% of Raiz Invest Australia Limited from Acorns US, totalling \$17,654,000 and associated costs.
 - (b) The cancellation of all of the C Class shares in Instreet Investment Limited.
 - (c) The repayment of convertible notes in Instreet Investment Limited.
- ⁽²⁾ Column 3 is the Pro forma Consolidated Balance Sheet of Raiz Invest Limited assuming the raise from the Offer of \$15,120,000 less estimated costs for the Offer to be satisfied in cash of \$1,450,000. Column 3 also reflects a Pro forma adjustment for the payment of cash entitlements to key employees of the Raiz Group amounting to \$2,000,000, which is expected to be funded from the proceeds to be raised under the Offer.

(3) Notes to the Pro forma Balance Sheet

(a) Cash assets comprise the following:

BALANCE IN THE COMPANY AS AT 31 DECEMBER 2017	98,476
Balance in Instreet Investment Limited as at 31 December 2017	634,666
Balance in ACA as at 31 December 2017	6,721
Effect on cash items in relation to removal of business	71,675
Cash raised from pre-Offer capital raising	20,700,000
Fees paid in relation to pre-Offer capital raising	(1,306,073)
Cash paid to Acorns US for acquisition of an additional 37.6% of Raiz Invest Australia Limited	(17,654,000)
PRO FORMA BALANCE PRE-OFFER	2,551,465
Cash to be raised from Offer	15,120,000
Repayment of convertible notes in Instreet Investment Limited	(541,700)
Staff entitlements expected to be paid out from proceeds from the Offer	(2,000,000)
Listing fees	(160,825)
Costs of the Offer	(1,256,000)
PRO FORMA BALANCE POST-OFFER	13,712,940

(b) Intangible assets comprise the following:

BALANCE IN THE COMPANY AS AT 31 DECEMBER 2017	-
Formation costs	137,408
Intellectual property in Instreet Investment Limited – written down value	20,688
Licences and software in Raiz Invest Australia Limited – written down value	1,342,172
Goodwill Arising from Acquisition of Raiz Invest Australia Limited by Instreet Acorns Pty Ltd	19,886,311
PRO FORMA BALANCE POST-OFFER	21,386,579

(c) \$300,000 estimated professional fee payable in relation to the Offer

(d) Issued capital comprises the following:

BALANCE IN THE COMPANY AS AT 31 DECEMBER 2017	1,401,000
Shares Issued to acquire 55% of Instreet Acorns Pty Ltd from Instreet Investment Limited	22,256,162
Shares Issued to acquire 42% of Instreet Acorns Pty Ltd from various other investors	24,108,213
Shares issued to acquire 9.63% of Raiz Invest Australia Limited	4,692,834
PRO FORMA BALANCE PRE-OFFER	52,458,209
Shares issued from Offer	15,120,000
Costs in relation to raising	(877,017)
PRO FORMA BALANCE POST-OFFER	66,701,192

The costs in relation to raising, \$877,017 include the full cost of underwriting plus a proportion of the professional and other costs associated with the raise.

4.6 INDEBTEDNESS

On completion of the Offer the Company will have \$13,712,940 cash on hand and no outstanding loans.

4.7 LIQUIDITY AND CAPITAL RESOURCES

Following Completion, Raiz's principal sources of funds are expected to be cash on hand (including the proceeds of the Offer) and revenue generated from operations.

Raiz's main use of cash is meeting regulatory requirements, funding its technology and platform development, including but not limited to, technology development and growth in employee headcount, as well as to fund marketing activities.

The Directors believe that on Completion, the Company will have sufficient funds available from the cash proceeds of the Offer to fulfil the purposes of the Offer and meet the Company's current stated business objectives, as set out in this Prospectus.

Investors should note that, as with any budget, the allocation of funds set out in the "Proposed Use of Funds" in Section 7.2 may change depending on a number of factors, including the outcome of sales success, operational and development activities, regulatory developments, and market and general economic conditions and also having regard to the risks specified in Section 5 of this Prospectus. In light of this, the Directors have reserved the right to alter the way the funds are applied with respect to the Company's current stated business objectives and/or alter the Company's business objectives (as applicable).

More generally, the Board may consider the use of further equity or debt funding if appropriate to further accelerate growth or fund the Company's current stated business objectives, or otherwise a specific project, transaction or expansion of the Company (including if the Company's stated business objectives change).

4.8 DIVIDEND POLICY

The policy of the Company will be to reinvest all cash flow into the business in order to maximize its growth. Accordingly, no dividends are expected to be paid in the near-term following the Company's listing on the ASX.

The payment of a dividend by Raiz, if any, is at the discretion of the Directors and will be a function of a number of factors (many of which are outside the control of the Directors), including the general business environment, the operating results, cash flows and the financial condition of Raiz, future funding requirements, capital management initiatives, taxation considerations (including the level of franking credits available), any contractual, legal or regulatory restrictions on the payment of dividends by Raiz, and any other factors the Directors may consider relevant. The Directors do not provide any assurance of the future level of dividends paid by the Company.

4.9 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The pro forma financial information covers the economic entity of Raiz Invest Limited and its controlled entities, Instreet Investment Limited, Raiz Invest Australia Limited and Instreet Acorns Pty Ltd, together referred to as the Raiz Group.

The following is a summary of the material accounting policies adopted by the Raiz Group in the preparation of the pro forma financial information. The accounting policies have been consistently applied, unless otherwise stated.

The principal accounting policies adopted in the preparation of the pro forma historical financial information (collectively referred to as the "financial statements") are set out below. The financial statements are for the consolidated Group. The financial statements are presented using the Australian currency.

Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent Raiz Invest Limited and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Raiz Group from the date on which control is obtained by the Raiz Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Raiz Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Raiz Group are presented as "non-controlling interests". The Raiz Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses. A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed are recognised (subject to certain limited exceptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Business Combinations Under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that the control is not transitory.

Where an entity within the group acquires an entity under common control, the acquirer consolidates the carrying values of the acquired entity's assets and liabilities from the date of acquisition. The consolidated financial statements of the group include the acquired entity's income and expenses from the date of acquisition onwards. Any difference between the fair value of the consideration paid/transferred by the acquirer and the net assets/(liabilities) of the acquired entity are taken to the common control reserve within other equity.

Income Tax

The income tax expense for the period comprises current income tax expense and deferred tax expense.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

Current and deferred income tax expense is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are 20%.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Impairment of Assets

At each reporting date, the company reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

Revenue

Revenue from the rendering of financial services is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Intangible Assets

License costs and development expenditure on software is recognised at cost of acquisition or when the expenditure is incurred. Such capitalised expenditure has a finite life and is carried at cost less any accumulated amortisation and any impairment losses. The capitalised expenditure is amortised over its estimated useful life of 5 years.

Equity-Settled Compensation

The Raiz Group operates an employee share and option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

05. Risk factors

5.1 INTRODUCTION

An investment in the Shares offered under this Prospectus should be considered as highly speculative. An investment in the Company is not risk free and the Board strongly recommends that potential investors consider the risk factors described below, together with the other information contained in this Prospectus and consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

This Section identifies the major risks associated with an investment in the Company, but should not be viewed as an exhaustive list of the only risk factors to which the Company and its Shareholders are exposed. There are specific risks that relate directly to the Company and also the Fund. In addition, there are other general risk factors, individually or in combination, which could have a material adverse impact on the Company's assets and liabilities, financial position and performance, profits and losses and prospects and the market price for the Shares.

5.2 SPECIFIC RISKS TO THE RAIZ GROUP

5.2.1 Limited operating history and historical losses

The Raiz Group's main operating entity, Raiz Invest Australia, which undertakes the Raiz Group's business, has a limited operating and performance history, having commenced operations in 2015. In addition, the Company was incorporated in October 2016 and also has limited operating and performance history. The Raiz Group's business to date has generated historical losses.

Accordingly, the Raiz Group's limited financial and operating track records are not sufficient to provide any certainty or assurance that the Raiz Group can or will achieve the objectives set out in the Prospectus.

The information in this Prospectus about the business strategies and objectives of the Raiz Group are not forecasts, projections or the result of any simulation of future performance. There is a real material risk that the Raiz Group's strategic business objectives and growth will not be achieved. Investment in the Company is therefore highly speculative.

5.2.2 Loss of key suppliers

The Raiz Group's business model and operations are dependent on contractual arrangements with certain key third party suppliers who provide essential banking infrastructure and computer management resources to members of the Raiz Group, including:

- > Cuscal, with respect to the provision of payment settlement services to Instreet Investment;
- > Yodlee, with respect to the provision of access to RIA to the Yodlee platform software development kit;
- > AETL, with respect to the appointment of AETL as the custodian of the Fund to hold legal title to the investments held by each Raiz Investment Account; and
- > DIY, with respect to the provision and administration of the superannuation fund sub-plan for the Raiz Invest Super product.

There is the risk that the operations of one or more of these third parties could change in a material and adverse way or that one or more of these third parties could reduce their support for the Raiz Group. Similarly, there can be no guarantee that these relationships will continue or, if they do continue, that these relationships will continue to be successful and commercially viable for the Raiz Group. Although there are other suppliers in the Australian market who provide these, or similar, services, a loss of a key supplier could adversely affect the Raiz Group's financial performance.

More specifically, with respect to the Raiz Invest Super product, if the distributor deed with DIY is terminated (DIY being the appointed administrator and promoter of the DIY Master Plan superannuation plan, which is the underlying financial product for Raiz Invest Super), then this would significantly delay the growth and implementation of the product, and as a result, delay the Raiz Group's growth strategy, adversely affecting the Raiz Group's financial performance.

5.2.3 Loss of key management personnel

The Raiz Group is heavily reliant on the capabilities of its key management personnel who have extensive experience in, and knowledge of, the Raiz Group's technology, its business and customers, and the market in which it operates. In particular, the loss of one or more of each of George Lucas, Brendan Malone or James Poon or other key executives and any delay in their replacement may adversely impact the ability of the Raiz Group to implement and expand its business and growth strategies. There can be no assurance that the Raiz Group will be able to retain its key management personnel or, in the event that their employment is terminated, be able to replace them in a timely manner with qualified individuals who have the necessary skills and expertise. This could have a material adverse impact on the Raiz Group's business, operating or financial performance.

5.2.4 Need to attract and retain skilled staff

In addition to the risk specified in Section 5.2.3 regarding loss of key management personnel, the Raiz Group's success and future growth is also dependent on the skills, working relationship and continued services of its key staff. If one or more of the Raiz Group's key staff are unable or unwilling to continue in their present positions, the Raiz Group might not be able to replace them easily or at all. The Raiz Group's business may be severely disrupted, its financial condition and results of operations may be materially adversely affected, and it may incur additional expenses to recruit, train and retain personnel.

5.2.5 Failure to increase customer sign-ons

The Raiz Group's operations and revenues rely heavily on its ability to attract customers to use the Raiz Group's products and smartphone application features. Various factors can affect the adoption of the Raiz Group's products and services, including:

- > **marketing and promotions:** if the Raiz Group's marketing and promotion efforts are not effective this may result in reduced adoption of its services;
- > **brand damage:** if the Raiz Group suffers from reputational damage, adoption of its services may be affected; and
- > **value of services:** a failure to deliver real or perceived value to its customers may lead to minimal or declining adoption of the Raiz Group's services.

Low uptake of the Raiz Group's services and products will adversely affect the Raiz Group's financial performance.

5.2.6 Competition

The Board considers that the Raiz Group has a competitive advantage as being one of the first to provide a micro-investing smartphone application that invests the virtual change of the Australian retail market. As at the Prospectus Date, the Board is not aware of any other investment application of the same kind as the Raiz smartphone application in Australia. However, these circumstances may change over time as barriers to entry are relatively low, there is always a risk of new entrants in the market or that an existing financial services organisation may disrupt the Raiz Group's business operations and market share. The Company cannot predict the timing and scale of new competitors to emerge in the Raiz Group's industry.

If the Raiz Group is unable to compete effectively, attract new customers or expand into new jurisdictions, its financial performance may be materially impacted and reduce the value of an investment in the Shares.

5.2.7 No assurance that future plans will be commercially successful

The Raiz Group's success will materially depend on its ability to successfully execute its business strategy. As mentioned in Section 3.11 of this Prospectus, the Raiz Group intends to expand its business by, amongst other things, expanding the product range and market presence in existing markets, as well expanding into new markets in select parts of the world, in particular South East Asia. These expansion plans involve a number of risks, including but not limited to capital expenditures incurred in respect of the costs of setting up new facilities, increased marketing and promotional expenses as well as other working capital requirements. While the Raiz Group may utilise significant resources in the business expansion plans, there is no assurance that it will be successful in increasing its revenue through such business expansion. Any failure to do so may materially and adversely affect the business operations and financial performance of the Raiz Group.

5.2.8 Data security and electronic delivery risk

As the Raiz Group's main product is an online financial product, the Raiz Group is dependent on the performance, reliability and availability of its technology platforms, communications systems, servers and the internet in order to provide its services. As the Raiz Group relies on third party services for the delivery of certain of its services, many potential operational issues are outside the Raiz Group's control. There is a risk that these systems may be adversely affected by disruption, failure, service outages or corruption of the Raiz Group's IT network and information systems that may occur as a result of bugs, viruses and other destructive or disruptive software as well as natural disasters, power outages, terrorist attacks and similar events. Any disruption or failure of the Raiz Group's technology systems, including those provided by third party providers, may adversely affect the Raiz Group's business and financial position.

5.2.9 Additional requirements for capital

Whilst the Board believes that the Raiz Group will have sufficient funds after Completion to meet all of its growth and capital requirements for the near term, the Raiz Group may seek to exploit opportunities of a kind that will require it to raise additional capital from equity or debt sources (i.e. additional capital may be required to further progress the Raiz Group's South East Asia strategy should this prove to be a successful expansion). There can be no assurances that the Raiz Group will be able to raise such capital on favourable terms if at all. If the Raiz Group is unable to obtain such additional capital, it may be required to reduce the scope of its current or anticipated business activities, which could adversely affect its business, financial condition and operating results.

If the Raiz Group incurs unexpected costs or is unable to generate sufficient operating income, further funding may be required. For example, the Raiz Group may require additional funding to carry out further product development or product improvement. Any additional financing through share issues may dilute shareholdings acquired under this Prospectus. Debt financing may not be available to support the scope and extent of proposed developments. Alternatively if it is available, it may impose restrictions on operating activities or anticipated expansion of the Raiz Group's operations.

5.2.10 Failure to establish new brand

The Board believes that establishing, expanding and maintaining the 'Raiz' brand following the recent rebranding exercise is integral to the Raiz Group's ability to achieve economies of scale and to optimise its systems. As a result, the Raiz Group intends to continue to focus on brand development and marketing to continue to build its market presence. However, there is no guarantee that the Raiz Group's brand development and marketing strategies will be successful. In the event that they are not, this may materially and adversely impact the Raiz Group's ability to achieve economies of scale and therefore adversely impact the Raiz Group's ability to improve its future profitability.

5.2.11 Expansion into new and unfamiliar markets

As the Raiz Group intends to expand its operations into certain overseas jurisdictions of South East Asia, it will become exposed to a range of different legal and regulatory regimes. As a result, it will become subject to the risks associated with doing business in regions that may have political, legal and economic instability and unfamiliar legal and regulatory systems and frameworks, including:

- > unexpected changes in, or inconsistent application of, applicable foreign laws and regulatory requirements;
- > different technology standards;
- > difficulties engaging local resources; and
- > potential for political upheaval or civil unrest.

Accordingly, there is a risk that the Raiz Group may fail to understand the laws, regulations and business customs of these regions. This gives rise to risks relating to labour practices, foreign ownership restrictions, tax regulation, difficulty in enforcing contracts, changes to or uncertainty in the relevant legal and regulatory regimes and other issues in foreign jurisdictions in which the Raiz Group may operate. This could interrupt or adversely affect parts of the Raiz Group's business and may have an adverse effect on the Raiz Group's operations and financial performance.

5.2.12 Loss of Instreet Investment AFSL

The Raiz Group's business is conducted in a highly regulated environment and, specifically, Instreet Investment is required to hold an AFSL in its capacity as responsible entity of the Raiz Invest Australia Fund. If Instreet Investment loses, or has restrictions imposed on its AFSL, so as to prevent it from continuing its present business operations, the Raiz Group will need to identify an alternate way to continue operating the Raiz Group business. Any loss or restriction on the Instreet Investment AFSL is likely to have a material adverse effect on revenue margins, profitability and the Raiz Group's operations. Further, any changes in these laws and regulations (including interpretation and enforcement) could adversely affect the Raiz Group's ability to provide its online service offerings and adversely impact on the Raiz Group's financial performance.

5.3 SPECIFIC RISKS TO THE FUND

5.3.1 Performance risk

There is a risk that the Fund's investments will fall in value over the short or long term. The Fund's investments are exposed to this risk and the rate of return will vary, such that future returns will differ from previous returns. In addition, risk impacts vary for individual investors depending on age, investment time frame, other investments held and risk tolerance.

5.3.2 Market risk

Changes in financial markets, the economy, political changes, technological developments, and changes in market sentiment continually affect the value of investments in the portfolios and the level of income they generate. As a result no guarantee can be given in respect of the future earnings of the Fund.

5.3.3 Interest rate risk

Changes in interest rates can directly and indirectly affect investment value or returns. For example, an increase in official interest rates can result in a fall in the value of fixed interest securities.

5.3.4 Fund risk

The Fund could terminate, fees and expenses could increase and any service provider may change. There is no guarantee that the investment strategy of the Fund will be managed successfully.

5.3.5 Portfolio performance risk

The performance of an investment account may vary from the performance of another investment account which invests in the same selected portfolio. This is because contributions will be invested in the selected portfolio over time and for differing amounts, and the rebalancing algorithm may lead to different weightings between portfolios, differences in fees charged and in buy/sell spreads incurred when selling ETF units to pay fees.

5.3.6 ETF performance risk

Some of the underlying ETFs may not achieve their investment objective. This may mean that the return that is generated for a portfolio may differ from the stated investment objective of that portfolio.

5.3.7 Concentration risk

Because the assets of the Fund are invested only in the ETFs comprising each portfolio, the Fund will be subject to potential issuer concentration risk. If the underlying ETF does not perform well, the relevant portfolio will not perform well.

5.4 GENERAL RISKS

5.4.1 Liquidity risk

In accordance with the escrow requirements under Chapter 9 of the ASX Listing Rules, approximately 70% of the Shares on issue in the Company on Completion will be subject to escrow restrictions for a period of up to 24 months commencing from the date of quotation of the Shares. Following release from escrow, Shares held by the Escrowed Shareholders may be freely tradeable on the ASX. A significant sale by an Escrowed Shareholder of its Shares following their release from escrow (or a perception that such sale has occurred or might occur), could also adversely affect the price of Shares. Please refer to 'Escrow Arrangements' in Section 9.3 for further information.

5.4.2 Price of Shares

The price at which Shares are quoted on ASX may increase or decrease due to a number of factors. These factors may cause the Shares to trade at prices below the Offer Price. There is no assurance that the price of the Shares will increase, or not decrease below the Offer Price, following the commencement of quotation on ASX, even if the Company's earnings increase.

Some of the factors which may affect the price of the Shares include:

- > fluctuations in the domestic and international market for listed stocks;
- > general economic conditions, including interest rates, inflation rates, exchange rates, commodity and oil prices;

- > changes to government fiscal, monetary or regulatory, policies, legislation or regulation;
- > inclusion in or removal from market indices;
- > the nature of the markets in which the Company operates; or
- > general operational and business risks.

5.4.3 Economic and government risks

The future viability of the Company is also dependent on a number of other factors affecting performance of all industries and not just the financial services industry including, but not limited to, the following:

- > general economic conditions in jurisdictions in which the Company operates;
- > changes in government policies, taxation and other laws in jurisdictions in which the Company operates;
- > the strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards the financial services sector;
- > movement in, or outlook on, interest rates and inflation rates in jurisdictions in which the Company operates; and
- > natural disasters, social upheaval or war in jurisdictions in which the Company operates.

5.4.4 Litigation risk

The Raiz Group may, from time to time, be involved in legal proceedings or disputes with a variety of parties, including, but not limited to, employees, former employees, members of the communities around its facilities, Government agencies or regulators, end-consumers, customers, vendors or suppliers arising in the ordinary course of business or otherwise. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material adverse effect on the Raiz Group's business, reputation, financial condition and operations.

The Company has become aware of a person who was previously involved in the business of one of the members of the Raiz Group, who has threatened to make a claim for additional entitlements to compensation, challenging the remuneration structure that forms the basis of the entitlement. Discussions have commenced with the view of resolving the matter. However, there is a risk that the parties may not be able to resolve the matter, and accordingly, the matter may eventuate into legal proceedings being commenced against the Company or another member of the Raiz Group.

5.4.5 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation point of view and generally.

Further, changes in tax law, or changes in the way taxation laws are interpreted may impact the tax liabilities of the Company or the tax treatment of an investor's investment. In particular, both the level and basis of taxation may change.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Shares under this Prospectus.

5.4.6 Accounting standards

Any change in accounting standards or how they are applied and interpreted may have an adverse impact on the Company's financial performance and position.

5.4.7 Speculative nature of investment

The above list of risk factors set out in this Prospectus should not be taken as an exhaustive list of the risk factors faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus. Accordingly, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to returns of capital or the market value of those Shares.

Potential investors should consider an investment in the Company as highly speculative and should consult their professional advisers before deciding whether to apply for Shares under this Prospectus.

06. Key people, interests and benefits

6.1 BOARD OF DIRECTORS

The Directors bring to the Board relevant experience and skills, including industry and business knowledge, financial management and corporate governance experience.



PETER ANTHONY FAY

Independent Non-Executive Chairman

Mr Fay has worked in financial markets since he graduated from Melbourne University in 1982. He has worked for several leading investment banks and brokerage firms and held senior positions with various industry bodies. He has a deep understanding of financial markets with particular expertise in derivative products. He was instrumental in establishing the agricultural derivatives markets in Australia and holds investments in a diverse portfolio of start-up ventures.

His skills include management, product development, compliance, risk management, governance and marketing.



GEORGE SIMON LUCAS

**Chief Executive Officer and
Managing Director**

Mr Lucas is the founder, CEO and Managing Director of Raiz Invest Australia.

He has over 30 years' experience in the investment banking and fund management industry. His experience spans retail product strategy, managing investment risk, portfolio management, financial quantitative methods and regulatory compliance.

Prior to founding Raiz Invest Australia, Mr Lucas was the Chief Investment officer of Mariner Financial. He has been a director of two listed investment trusts and was the head of the London equity derivative trading and structuring for First Chicago.

George is a regular presenter at finance industry forums and Sky Business, and has written a book and tertiary courses regarding the use of derivatives and quantitative trading models.

George holds a Bachelor of Science from the University of New South Wales and is a member of the Australian Institute of Company Directors.



KIERAN MOORE

**Independent Non-Executive
Director**

Kieran is currently the Chair of Ogilvy PR Australia and CEO Public Relations and Public Affairs, WPP AUNZ.

As CEO of WPP AUNZ, Kieran oversees 19 WPP agencies across the WPP AUNZ group's public relations, public affairs, and government relation agencies and has a client base of more than 500 organisations.

Prior to becoming Chair of Ogilvy PR, Kieran was the CEO and during her seven year tenure, grew the business to become the largest PR group in Australia. In that role she had responsibility for 120 people, across six businesses in Sydney, Canberra and Melbourne.

Prior to becoming Ogilvy PR CEO, Kieran was the managing director of Howorth, Ogilvy PR's largest business for eight years. Before that Kieran was in London for almost 14 years serving as board director and shareholder of London-based Firefly Communications for eight years which had offices in England, Scotland, France and Germany.

As well as the operations for the WPP AUNZ PR & PA companies, Kieran is actively involved in client campaigns and advises at the most senior level. Her teams have won more than 30 international awards for client campaigns and over the years she has been named twice as one of The Australian's top 10 Women to Watch.

She is an active campaigner for gender equality and diversity in the workplace and donates her time to a number of social justice organisations both in Australia and overseas. Kieran is a Fellow of the PRIA and in 2015 joined the worldwide board of Ogilvy PR.



DAVID GORDON

**Independent Non-Executive
Director**

David Gordon has over 30 years' experience in the advisory industry specialising in financial, tax and business advisory. He has been a partner since 1985 in GHR Accounting Group, a BRW top 100 accounting practice and is a foundation director of Premium Wealth Management Ltd (**Premium**). Premium has over 20 investment advisory firms as members and supervises the investment of over \$2.5 billion of clients' monies. David is also on the board of Premium.

David has extensive experience in providing financial services advice to clients, portfolio construction and in ensuring that managed investment schemes and structured and other financial products are relevant for individual investment portfolios.

David holds a practising certificate with CPA Australia, is a registered tax agent and a current member of the Financial Planning Association of Australia. He also has a Bachelor of Business (Accounting) from University of Technology Sydney.



NINA FINLAYSON

**Independent Non-Executive
Director**

Nina has over 26 years' experience as a leading market researcher and adviser to business on consumer attitudes, behaviour and experience.

She is the managing director of Buzz Strategic Insights which was founded in 1995 and specialises in qualitative market research. Nina has worked with many of Australia's leading brands and organisations.

With a UNSW Bachelor of Commerce, majoring in Marketing, Nina began her career in an undergraduate program with Price Waterhouse Coopers, before joining pioneering qualitative research agency, Kaleidoscope.

Nina's skills in sifting out critical customer and user insights, often in highly immersive environments, are invaluable in shaping strategy, user experience and brand propositions.

The composition of the Board committees and a summary of its key corporate governance policies are set out in Section 6.5.

Each Director above has confirmed to the Company that he or she anticipates being available to perform his or her duties as a Non-Executive or Executive Director, as the case may be, without constraint from other commitments.

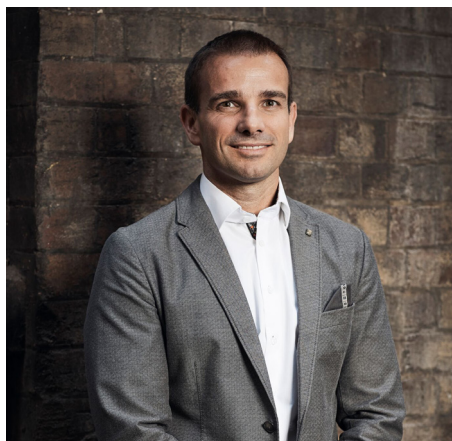
6.2 SENIOR MANAGEMENT



Refer to Section 6.1.

GEORGE SIMON LUCAS

**Chief Executive Officer and
Managing Director**



BRENDAN BARRY MALONE
Chief Operating Officer

Brendan Malone has over 20 years' experience in financial institutions including The Royal Bank of Scotland (**RBS**) and ABN AMRO (**AMRO**). Brendan has extensive experience across all aspects of investment banking, client coverage and strategy, along with compliance and all operational functions. Brendan is known for his ability to innovate and operate at a highly strategic level, whilst driving operational excellence with a strong attention to detail. He has led large scale workforces across most front and back office functions. He has delivered transformational agendas resulting in significant synergies through mergers, acquisitions, restructuring and downsizing. Brendan has experience working across various continents, jurisdictions, legislations and regulatory environments as well as cultures in both developed and emerging economies. Brendan's previous roles have consisted of both front and back office functions across key financial hubs including London, Hong Kong, Singapore and Sydney.

Brendan is responsible for the day to day operations of the Raiz Group's business and is passionate about his customer-centric, highly efficient, productive and dynamic team who specialise in customer service, technology, finance and marketing.

Brendan graduated from the University of Newcastle with a Bachelor of Commerce, majoring in accounting and finance. Brendan is a member of both The Chartered Institute of Management Accountants and the Australian Institute of Company Directors.



JAMES POON
Chief Product Officer & International

James Poon has over 19 years' experience working in financial markets, institutional and investment banking and wealth management in leading financial institutions such as Westpac, AMRO, RBS and more recently as the Head of Product at Instreet Investment. James was a Director of Structuring at RBS and was a nominated responsible manager for RBS' AFSL. James has broad experience across multi-assets in sales, trading and financial engineering of investment products. James is committed to improving the financial well-being and literacy of clients through sound education.

James holds a Bachelor of Business (Accounting) and LLB (Hons) from University of Technology Sydney and has been admitted as a legal practitioner in NSW.



MARTIN JAMES CONLEY
Company Secretary

Martin Conley has over 20 years of experience as a company secretary and corporate governance professional. Martin was previously the company secretary for the Australian and New Zealand operations of RBS and AMRO for over 16 years and led the APAC Secretariat function for RBS during his last five years with the organisation. His experience encompasses the management of the company secretariat and corporate governance advisory functions across large, complex and dynamic corporate structures.

In his roles with RBS and AMRO, he led the company secretarial function on all major corporate transactions (including acquisitions, capital injections, corporate restructures and divestments / wind ups) and assisted the in-house legal team and business functions in reviewing and arranging execution of transaction related documentation. He was closely involved in the preparation and approval of subsidiary company annual financial statements and AFSL documentation and held full responsibility for company and AFSL lodgements with ASIC and assisted with lodgements to other regulators.

Martin graduated from the University of Adelaide with a Bachelor of Laws and a Bachelor of Economics majoring in Accountancy. Martin has completed Graduate Diplomas in Applied Corporate Governance and Company Secretarial Practice through the Governance Institute of Australia and holds the credentials of AGIA / ACIS as an Associate Member of this body.

6.3 INTERESTS AND BENEFITS

This Section 6.3 of the Prospectus sets out the nature and extent of the interests and fees of certain persons involved in the Offer.

Other than as set out below or elsewhere in this Prospectus, no:

- > Director of the Company;
- > person named in this Prospectus and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- > promoter of the Company; or
- > underwriter to the Offer or financial services licensee named in this Prospectus as a financial services licensee involved in the Offer,

holds as at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- > the formation or promotion of the Company;
- > property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- > the Offer,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given to any such person for services in connection with the formation or promotion of the Company or the Offer or to any Director to induce them to become, or qualify as, a Director.

6.3.1 Interests of advisers

The Company has engaged the following professional advisers in relation to the Offer:

- > Bell Potter has acted as Lead Manager and Underwriter to the Offer. The Company has agreed to pay Bell Potter the fees described in Section 9.8 for these services.
- > KPMG Law has acted as Australian legal adviser (other than in respect of taxation matters) to the Company in relation to the Offer. The Company has paid, or agreed to pay, approximately \$250,000 (excluding disbursements and GST) for these services up until the Prospectus Date. KPMG Law has been paid other fees in connection with the corporate work undertaken for the Company (not in connection with the Offer) and further amounts may be paid to KPMG Law for other work in accordance with its normal time-based charges.

- > Hall Chadwick has acted as the Investigating Accountant on the Financial Information and has prepared an Investigating Accountant's Report included in Section 8 of this Prospectus. The Company has paid, or agreed to pay, approximately \$43,500 (excluding disbursements and GST) for these services up until the Prospectus Date. Further amounts may be paid to Hall Chadwick for other work in accordance with its normal time-based charges.
- > Hall Chadwick Tax has acted as tax adviser to the Company in relation to the Offer. The Company has paid, or agreed to pay, approximately \$18,000 (excluding disbursements and GST) for these services up until the Prospectus Date. Further amounts may be paid to Hall Chadwick Tax for other work in accordance with its normal time-based charges.

These amounts, and other expenses of the Offer, will be paid by the Company out of funds raised under the Offer or available cash. Further information on the use of proceeds and payment of expenses of the Offer is set out in Section 7.2.

6.3.2 Directors' disclosures

No Director of the Company has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director of the Company or which is relevant to an investor's decision as to whether to subscribe for Shares.

Except as set out below, no Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12 month period after they ceased to be an officer.

Mr Peter Anthony Fay was a director of MF Global Australia Limited ACN 001 662 077, MF Global Securities Australia Limited ACN 125 669 801 and Brokerone Pty Ltd ACN 070 037 482 (together the **Administration Companies**). The Administration Companies provided a full range of financial products and services including exchange-traded futures and options and was an intermediary in the markets of foreign exchange, securities, and other major financial instruments around the globe. Each of the Administration Companies was placed into voluntary administration on 1 November 2011.

The other Directors do not believe that the above matter is material to, or indicative of, the future performance of Mr Fay with respect to his duties as a Director of the Company or the future performance or prospects of the Company.

6.3.3 Directors' interest and remuneration

6.3.3.1 Non-Executive Director remuneration

Under the Constitution, the Board decides the total amount paid to each Director as remuneration for their services as a Director of the Company. However, under the ASX Listing Rules, the total amount paid to all Non-Executive Directors for their services must not exceed in aggregate in any financial year the amount fixed by the Company's general meeting.

This amount has been fixed by the Company at \$270,000 per annum. As at the date of this Prospectus, the annual Non-Executive Directors' fees agreed to be paid by the Company to the Chairman, Mr Fay, is \$75,000 and each of the other Non-Executive Directors is \$65,000. There will be no additional fees payable to the Non-Executive Directors for their membership on the Audit and Risk Committee and Remuneration and Nomination Committee. All Non-Executive Directors' fees are exclusive of superannuation contributions required by law to be made by the Company.

6.3.3.2 Deed of access, insurance and indemnity

The Company has entered into deeds of access, insurance and indemnity with each Director which contain rights of access to certain books and records of the Company for a period of seven years after the Director ceases to hold office. This seven year period can be extended where certain proceedings or investigations commence before the seven year period expires.

Pursuant to the Constitution, the Company may indemnify Directors and officers, past and present, against liabilities that arise from their position as Director or officer to the full extent permissible by law. Under the deeds of access, insurance and indemnity, the Company indemnifies each Director against all liabilities to another person that may arise from their position as a Director of the Company (or any of its subsidiaries) to the full extent permitted by law. The deed stipulates that the Company will meet the full amount of any such liabilities, including reasonable legal costs and expenses.

Pursuant to the Constitution, the Company may arrange and maintain Directors' and officers' insurance for its Directors to the full extent permissible by law. Under the deed of access, insurance and indemnity, the Company must obtain such insurance during each Director's period of office and for a period of seven years after a Director ceases to hold office. This seven year period can be extended where certain proceedings or investigations commence before the seven year period expires.

6.3.3.3 Directors' interests in Shares and other securities

The Directors are not required under the Constitution to hold any Shares in the Company. The Directors (and their associates) are entitled to apply for Shares in the Offer. The table below sets out the Directors' (and their associated entities') direct and indirect interests in the Company's Shares on Completion.

DIRECTOR	SHARES AS AT PROSPECTUS DATE	% AS AT PROSPECTUS DATE	SHARES AS AT COMPLETION	% AS AT COMPLETION ⁽¹⁾
George Lucas ⁽²⁾	6,548,251	11.32	6,548,251	9.89
Peter Anthony Fay⁽³⁾	2,875,898	4.97	2,875,898	4.33
Kieran Moore	-	-	-	-
David Gordon⁽⁴⁾	1,425,280	2.46	1,425,280	2.15
Nina Finlayson	107,163	0.19	107,163	0.16

Notes:

- ⁽¹⁾ The above table does not take into account any Shares the Directors may acquire under the Offer.
- ⁽²⁾ Mr Lucas' shareholding is held through each of Back Beach Family Trust and G&S Lucas SMSF Trust, each of which Mr Lucas is a director, trustee and a beneficiary. Mr Lucas also holds a nominal amount of Shares personally. Mr Lucas' shareholding percentage excludes any Options that have been granted to Mr Lucas under the LTEIP (the details of which are set out in Section 6.4.2).
- ⁽³⁾ The majority of Mr Fay's shareholding is held through Roslyndale Nominees Pty Ltd of which, together with his spouse, Mr and Mrs Fay are the only directors and shareholders of this entity. Mr Fay also holds a nominal amount of Shares personally, and has an interest in the Shares that are held by Mrs Fay personally.
- ⁽⁴⁾ The majority of Mr Gordon's shareholding is held through Ourimbah Creek Holdings Pty Ltd as trustee for The Gordon Family Trust (of which Mr Gordon is a beneficiary) and David and Sylvia Gordon ATF David and Sylvia Gordon PSF (of which Mr Gordon is a beneficiary). Mr Gordon also holds a nominal amount of Shares personally.

6.3.3.4 Executive employment arrangements

Chief Executive Officer – Mr George Simon Lucas

TERMS OF AGREEMENT

The Company has entered into an ongoing employment agreement with Mr George Lucas to act as Chief Executive Officer and Managing Director.

The terms of Mr Lucas' employment agreement, including its enforcement, are interpreted and governed by the laws of New South Wales.

REMUNERATION PACKAGE

Mr Lucas receives a base salary of \$500,000 plus superannuation contributions equivalent to 9.5% of base salary (with superannuation contributions to be made in excess of the legislative maximum superannuation contributions base).

Mr Lucas is entitled to participate in the Company's short term incentive scheme, in accordance with which the award of any incentive is determined by the Board of the Company in its discretion. Key performance indicators will be agreed with Mr Lucas, which will be considered by the Board in the exercise of its discretion. The maximum incentive that may be awarded under this scheme is 100% of Mr Lucas' base salary.

As at the Prospectus Date, Mr Lucas holds 1,000,000 Options issued under the LTEIP detailed at Section 6.4.2 with an exercise price of \$1.80 per Option. Each Option will entitle Mr Lucas to one Share on the exercise of the Option and payment of the exercise price. Subject to the rules of the LTEIP, Options that have not lapsed will vest and become exercisable on the date of three years from the date of issue. Once Options vest and become exercisable, they may be exercised at any time prior to 30 April 2028 unless they lapse prior to this date.

Mr Lucas' remuneration is inclusive of any directors' fees for his position as director of the Company and any of its related bodies corporate.

TERMINATION

Mr Lucas' employment may be terminated by the Company on the provision of 12 months' notice, or by Mr Lucas on the provision of six months' notice.

In the event that a "fundamental change" occurs (defined as a material diminution, reduction or variation in or to Mr Lucas' role, duties, level of responsibilities, change in reporting line, remuneration or usual place of work to which he has not agreed), Mr Lucas will be entitled to elect to resign from his employment on the provision of one month's notice. If he so elects, the Company will make all payments to him as though the Company had terminated his employment on the provision of 12 months' notice and elected to make a payment in lieu of all the notice period. He will also be deemed to be a "good leaver" for the purposes of any relevant incentive or compensation plans.

RESTRAINT

Following termination of his employment, Mr Lucas will be restrained for a period of 12 months from, directly or indirectly:

- > participating in, promoting or performing work for any business that competes with the Company in any jurisdiction in which the Company conducts business;
- > participating in, promoting or being involved with any activity the same or substantially the same as he performed during his employment with the Company in which the use of the Company's confidential information may be advantageous to the business or detrimental to the Company;
- > interfere with the business relationship between the Company and its customers, personnel or providers; or
- > solicit any customers, personnel or providers of the Company.

Any period of time that Mr Lucas spends on garden leave will reduce the period of his restraints.

Chief Operating Officer – Mr Brendan Malone

TERMS OF AGREEMENT

The Company has entered into an ongoing employment agreement with Mr Brendan Malone to act as Chief Operating Officer.

The terms of Mr Malone's employment agreement, including its enforcement, are interpreted and governed by the laws of New South Wales.

REMUNERATION PACKAGE

Mr Malone receives a base salary of \$300,000 plus superannuation contributions equivalent to 9.5% of base salary (with superannuation contributions to be made in excess of the legislative maximum superannuation contributions base).

Mr Malone is entitled to participate in the Company's short term incentive scheme, in accordance with which the award of any incentive is determined by the Board of the Company in its discretion. Key performance indicators will be agreed with Mr Malone, which will be considered by the Board in the exercise of its discretion. The maximum incentive that may be awarded under this scheme is 100% of Mr Malone's base salary.

As at the Prospectus Date, Mr Malone holds 250,000 Options issued under the LTEIP detailed at Section 6.4.2 with an exercise price of \$1.80 per Option. Each Option will entitle Mr Malone to one Share on the exercise of the Option and payment of the exercise price. Subject to the rules of the LTEIP, Options that have not lapsed will vest and become exercisable on the date of three years from the date of issue. Once Options vest and become exercisable, they may be exercised at any time prior to 30 April 2028 unless they lapse prior to this date.

TERMINATION

Mr Malone's employment may be terminated by the Company on the provision of 12 months' notice, or by Mr Malone on the provision of six months' notice.

In the event that a "fundamental change" occurs (defined as a material diminution, reduction or variation in or to Mr Malone's role, duties, level of responsibilities, change in reporting line, remuneration or usual place of work to which he has not agreed), Mr Malone will be entitled to elect to resign from his employment on the provision of one month's notice. If he so elects, the Company will make all payments to him as though the Company had terminated his employment on the provision of 12 months' notice and elected to make a payment in lieu of all the notice period. He will also be deemed to be a "good leaver" for the purposes of any relevant incentive or compensation plans.

RESTRAINT

Following termination of his employment, Mr Malone will be restrained for a period of 12 months from, directly or indirectly:

- > participating in, promoting or performing work for any business that competes with the Company in any jurisdiction in which the Company conducts business;
- > participating in, promoting or being involved with any activity the same or substantially the same as he performed during his employment with the Company in which the use of the Company's confidential information may be advantageous to the business or detrimental to the Company;
- > interfere with the business relationship between the Company and its customers, personnel or providers; or
- > solicit any customers, personnel or providers of the Company.

Any period of time that Mr Malone spends on garden leave will reduce the period of his restraints.

Chief Product Officer & International – Mr James Poon

TERMS OF AGREEMENT

The Company has entered into an employment agreement with Mr James Poon to act as Chief Product Officer & International.

The terms of Mr Poon's employment agreement, including its enforcement, are interpreted and governed by the laws of New South Wales.

REMUNERATION PACKAGE

Mr Poon receives a base salary of \$280,000 plus superannuation contributions equivalent to 9.5% of base salary (with superannuation contributions to be made in excess of the legislative maximum superannuation contributions base).

Mr Poon is entitled to participate in the Company's short term incentive scheme, in accordance with which the award of any incentive is determined by the Board of the Company in its discretion. Key performance indicators will be agreed with Mr Poon, which will be considered by the Board in the exercise of its discretion. The maximum incentive that may be awarded under this scheme is 100% of Mr Poon's base salary.

As at the Prospectus Date, Mr Poon holds 200,000 Options issued under the LTEIP detailed at Section 6.4.2 with an exercise price of \$1.80 per Option. Each Option will entitle Mr Poon to one Share on the exercise of the Option and payment of the exercise price. Subject to the rules of the LTEIP, Options that have not lapsed will vest and become exercisable on the date of three years from the date of issue. Once options vest and become exercisable, they may be exercised at any time prior to 30 April 2028 unless they lapse prior to this date.

TERMINATION

Mr Poon's employment may be terminated by the Company on the provision of 12 months' notice, or by Mr Poon on the provision of six months' notice.

In the event that a "fundamental change" occurs (defined as a material diminution, reduction or variation in or to Mr Poon's role, duties, level of responsibilities, change in reporting line, remuneration or usual place of work to which he has not agreed), Mr Poon will be entitled to elect to resign from his employment on the provision of one month's notice. If he so elects, the Company will make all payments to him as though the Company had terminated his employment on the provision of 12 months' notice and elected to make a payment in lieu of all the notice period. He will also be deemed to be a "good leaver" for the purposes of any relevant incentive or compensation plans.

RESTRAINT

Following termination of his employment, Mr Poon will be restrained for a period of 12 months from, directly or indirectly:

- > participating in, promoting or performing work for any business that competes with the Company in any jurisdiction in which the Company conducts business;
- > participating in, promoting or being involved with any activity the same or substantially the same as he performed during his employment with the Company in which the use of the Company's confidential information may be advantageous to the business or detrimental to the Company;
- > interfere with the business relationship between the Company and its customers, personnel or providers; or
- > solicit any customers, personnel or providers of the Company.

Any period of time that Mr Poon spends on garden leave will reduce the period of his restraints.

6.4 EMPLOYEE AND EXECUTIVE INCENTIVE PLANS

6.4.1 Historical Option Plan

Under the Historical Option Plan, a number of Management Options were granted to certain members of senior management and employees of the Raiz Group. No further options will be issued under this plan. Going forward, the Company intends to use the new LTEIP (described in Section 6.4.2 below) in place of the Historical Option Plan as a means to reward, retain and motivate its Directors, senior management, and any other key employees. The key terms of the previously granted Management Options are set out in Section 9.4.

6.4.2 Long Term Equity Incentive Plan

The Company has recently adopted an employee incentive plan known as the Raiz Invest Limited Long Term Equity Incentive Plan (**LTEIP**), to assist in the reward, retention and motivation of the Company's Directors, senior management, and other key employees, and to align the interests of participants in the LTEIP more closely with the interests of Shareholders by providing an opportunity for participants to receive an equity interest in the form of an award granted under the LTEIP.

Under the rules of the LTEIP, the Board has a discretion to offer any of the following awards:

- > options to acquire Shares (**Options**);
- > rights to acquire Shares (**Rights**); and/or
- > Shares, including to be acquired under a limited recourse loan funded arrangement,

(collectively, **Awards**).

A summary of the key terms of the LTEIP are set out below.

TERMS	SUMMARY
Eligibility	The Board has the discretion to determine which executives and employees are eligible to participate in the LTEIP, and the number and type of Awards that they will be offered (Eligible Employee). The definition of employee under the LTEIP rules includes any full-time or part-time employee, casual employee, director, contractor or prospective employee of a Raiz Group Company.
Awards	The Board has the discretion to set the terms and conditions on which it will offer Awards under the LTEIP. The Board may determine that the Awards will be subject to performance, service, or other conditions which must be satisfied or waived before the Award vests (Vesting Conditions) and, if so, will specify those Vesting Conditions in the offer to each Eligible Employee. In addition, the Board may determine that Awards in the form of Options or Rights will be subject to further conditions which must be satisfied or waived before vested Options or Rights may be exercised (Exercise Conditions). The grant of Awards under the LTEIP may be subject to the payment of an acquisition price by the participant as determined by the Board, or otherwise Awards may be granted at no cost to the participant. The exercise of Awards in the form of Options or Rights may be subject to payment of an exercise price by the participant as determined by the Board.
Waiver	The Board may, at its discretion, reduce or waive any Vesting Conditions and/or Exercise Conditions attaching to Awards at any time, subject to applicable law.

TERMS	SUMMARY
Shares as an Award or on vesting of an Award	Shares granted under the LTEIP or issued or transferred on the exercise of Options or Rights will rank equally in all respects, and carry the same rights and entitlements, as other issued Shares, including dividend and voting rights. Depending on the terms of an Award, Shares may be subject to disposal and/or forfeiture restrictions, which means that they may not be disposed of or dealt with for a period of time and/or may be forfeited if certain further conditions are not satisfied. Shares allocated to participants under the LTEIP may be issued by the Company or acquired on or off market by the Company or its nominee. The Company may initially issue Shares to a trustee before transferring the Shares to a participant.
Vesting of Shares	Shares granted under the LTEIP which have not been forfeited under the LTEIP will vest if and when any applicable Vesting Conditions have been satisfied or waived by the Board. On vesting, Shares will cease to be subject to disposal restrictions and the forfeiture provisions of the LTEIP (except where Shares have been acquired using a loan provided by a Raiz Group Company and the participant breaches the loan agreement).
Vesting and exercise of Options and Rights	Options and Rights which have not lapsed under the LTEIP will vest if and when any applicable Vesting Conditions have been satisfied or waived by the Board. However, vested Options or Rights will not become exercisable until any applicable Exercise Conditions have been satisfied or waived by the Board. Subject to applicable law, following the valid exercise of an Option or Right, the Company will issue or arrange the transfer of such number of Shares to the participant that relate to the Option or Right being exercised or, subject to any discretion conferred on the Board in the offer, make a cash payment in lieu of the issue or transfer of Shares.
Expiry of Options and Rights	Options or Rights which have not been exercised by the date 10 years from the date of grant of the Options or Rights, or such other date determined by the Board and specified in the offer (LTEIP Expiry Date), will lapse unless the Board determines otherwise.
Forfeiture / lapse of Awards	Unless otherwise determined by the Board, a Share granted under the LTEIP will be forfeited, and an Option or Right will lapse, in certain circumstances including: > where the Board determines that any Vesting Condition applicable to the Award cannot be satisfied; > where the participant purports to dispose of the Award, or enter into any arrangement in respect of the Award, in breach of any disposal or hedging restrictions; > in the case of an Option or Right, on the LTEIP Expiry Date applicable to the Option or Right; > where the Award has been acquired using a loan provided by a Raiz Group Company and the participant breaches the loan agreement; > in certain circumstances if the participant's employment is terminated (see 'Cessation of employment' below); > if the Board determines that the Award will be forfeited or lapse in the event of a change of control in respect of the Company (see 'Change of control' below); and > if the Board determines that the Award is liable to clawback (see 'Clawback' below).
Dividend and voting entitlements	Awards, other than Shares, are not entitled to dividend or voting rights. However, the Board may determine prior to making an offer that any Options or Rights the subject of the offer will carry rights entitling the holder to receive a payment in cash or Shares equivalent to the value of dividends that would have been payable to the holder had they been the holder of the underlying Shares over which the Option or Right is exercisable.

TERMS	SUMMARY
Participation rights of Options and Rights	Options and Rights do not confer the right to participate in new issues of Shares or other securities in the Company. However, the LTEIP provides for adjustments to be made to the number of Shares which a participant would be entitled on the exercise of Options or Rights or the exercise price (if any) of the Options or Rights in the event of a bonus issue or pro-rata issue to existing holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) or a reorganisation of capital.
Quotation	Awards, except Shares, will not be quoted on the ASX. The Company will apply for official quotation of any Shares issued under the LTEIP, in accordance with the ASX Listing Rules.
Cessation of employment	Generally, if a participant ceases employment in 'bad leaver' circumstances including resignation (other than due to death, terminal illness, total and permanent disablement, mental illness, redundancy or retirement or dismissal for cause or poor performance), unless the Board determines otherwise, all of their unvested Awards will be forfeited or lapse, and the participant will be required to exercise any vested Options or Rights within 60 days or they will also lapse. If a participant ceases employment in 'good leaver' circumstances, the participant will be entitled to retain a pro-rata amount of their unvested Awards based on the proportion of any applicable vesting period which has elapsed at the date that employment ceases, and all other unvested Awards will be forfeited or lapse. Any retained Awards will remain subject to any applicable Vesting Conditions and Exercise Conditions. Notwithstanding the above, the Board may also, subject to any requirement for shareholder approval, determine to treat awards in a different manner to that set out above.
Clawback	If the Board becomes aware of a material misstatement in the Company's financial statements, that a participant has committed an act of fraud, negligence or gross misconduct or failed to comply in a material respect with any restrictive covenant or that some other event has occurred which, as a result, means that a participant's Award should be reduced or extinguished, or should not vest, then the Board may clawback or adjust any such Award at its discretion to ensure no unfair benefit is derived by the participant.
Change of control	If a change of control event occurs with respect to the Company, the Board may determine, in its discretion, the manner in which all unvested Shares, or Options or Rights, will be dealt with.
Restrictions	Awards may not be sold, transferred, mortgaged, pledged, charged, granted as security or otherwise disposed of, without the prior approval of the Board, or unless required by law. Participants must not enter into any arrangement for the purpose of hedging, or otherwise affecting their economic exposure to any unvested Shares, or Options or Rights.
LTEIP trust	A trust may be established in connection with the operation and administration of the LTEIP. The trust, if established, may be used to acquire Shares that are then used to satisfy the Company's obligations to deliver Shares to participants upon the exercise of Option and Rights under the LTEIP.
Amendments	The Board may, in its discretion, amend the LTEIP rules, or waive or modify the application of the LTEIP rules in relation to a participant, provided that (except in specified circumstances) if such amendment would reduce the rights of a participant in respect of their Awards acquired under the LTEIP, the Board must obtain the consent of the participant.
Other terms	The LTEIP also contains customary and usual terms having regard to Australian law for dealing with the administration, variation, suspension and termination of the LTEIP.

6.5 CORPORATE GOVERNANCE

This Section 6.5 explains how the Board oversees the management of the Company's business. The Board is responsible for the overall corporate governance of the Company. The Board monitors the operational and financial position and performance of the Company and oversees development of the Company's corporate strategy. The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return and sustaining the growth and success of the Company. In conducting the Company's business with these objectives, the Board seeks to ensure that the Company is properly managed to protect and enhance Shareholder interests and that the Company, its directors, officers and personnel operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing the Company which it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of the Company.

The Company is seeking a listing on the ASX. The ASX Corporate Governance Council's ASX Corporate Governance Principles and Recommendations, third edition is designed to promote investor confidence and to assist companies in meeting stakeholder expectations. The principles and recommendations are not prescriptions, but guidelines. However, under the ASX Listing Rules, the Company will be required to provide a corporate governance statement in its annual report, disclosing the extent to which it has followed the recommendations in the reporting period. Where the Company does not follow a recommendation, it must identify the relevant recommendation that has not been followed and give reasons for not following it.

The main policies and practices adopted by the Company, and the charters for the Board and each of its committees are summarised below. Copies of these documents are available at www.raizinvest.com.au.

6.5.1 The Board

6.5.1.1 Independence of Directors

The Board is comprised of the Chief Executive Officer and Managing Director and four other Non-Executive Directors, one of which is the Chair of the Board.

6.5.1.2 Independence of Directors

The Board considers an independent Director to be a Non-Executive Director who is not a member of the Company's management and who is free of any business or other relationship that could materially interfere with or reasonably be perceived to interfere with the independent exercise of their judgement. The Board will consider the materiality of any given relationship on a case-by-case basis, having regard to both quantitative and qualitative principles, and has adopted guidelines to assist in this regard. The Board reviews the independence of each Director in light of interests disclosed to the Board from time to time.

The Company's board charter sets out guidelines and thresholds of materiality for the purpose of determining independence of Directors in accordance with the ASX principles and recommendations, and has adopted a definition of independence that is based on that set out in the ASX principles and recommendations.

The Board considers each of Mr Peter Anthony Fay, Ms Kieran Moore, Mr David Gordon and Ms Nina Finlayson to be "independent" for this purpose, on the basis that they are free from any business or any other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of their judgement and are able to fulfil the role of an independent Director for the purposes of the ASX principles and recommendations.

6.5.2 Roles and responsibilities

The Board has responsibility for providing overall strategic guidance for the Company and effective oversight of management. The Board ensures that the activities of the Company comply with its Constitution, from which the Board derives its authority to act, and with the relevant legal and regulatory requirements.

The Board has delegated day-to-day management of the business and affairs of the Company to executive management and will set the levels of authority for the Chief Executive Officer and Managing Director and other members of executive management. These levels will be periodically reviewed by the Board and documented.

The Board has delegated some of its functions to committees, although ultimate responsibility for those functions remains with the Board.

6.5.3 Board Charter

The Board has adopted a written charter to provide a framework for the effective operation of the Board, which sets out:

- > the roles and responsibilities of the Board including to provide overall strategic guidance for the Company and effective oversight of management, oversight of the Company's financial and capital management, the promotion and facilitation of effective disclosure of material information, along with compliance and risk management;
- > the role and responsibilities of the Chairman and company secretary;
- > the delegations of authority of the Board to both committees of the Board and the Chief Executive Officer and other management of the Company;
- > the membership of the Board, including in relation to the Board's composition and size and the process of selection and re-election of Directors, independence of Directors and conduct of individual Directors; and
- > the Board process, including how the Board meets.

6.5.4 Board committees

To assist in carrying out its responsibilities, the Board has established an Audit and Risk Committee and a Nomination and Remuneration Committee.

The membership of the Audit and Risk Committee is restricted to Non-Executive Directors of the Company. The Nomination and Remuneration Committee will consist of a majority of independent Non-Executive Directors. Each of the Audit and Risk Committee and the Nomination and Remuneration Committee (and any other committee established by the Board from time to time) has terms of reference which set out the roles, responsibility, composition and processes of that committee.

6.5.5 Audit and Risk Committee

The Audit and Risk Committee is responsible for monitoring, reviewing, and reporting to the Board on the propriety of related party transactions, financial reporting matters, risk management and internal controls and external audit functions, including oversight of:

- > the integrity of the Company's external financial reporting and financial statements;
- > the appointment, remuneration, independence and competence of the Company's external auditors;
- > the performance of the external audit function and review of their audits;

- > the effectiveness of the Company's system of risk management and internal controls; and
- > the Company's systems and procedures for compliance with applicable legal regulatory requirements.

The Company will comply with the recommendations set by the ASX principles and recommendations in relation to the composition and operation of the Audit and Risk Committee. It is proposed that Mr David Gordon will be the chairperson of the Audit and Risk Committee.

6.5.6 Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for establishing, overseeing and advising the Board in relation to:

- > nomination matters, being, Board succession planning, induction and continuing professional development of Directors and Board and committee performance evaluation; and
- > remuneration matters, being, remuneration arrangements and incentive plans, preparation of the annual remuneration report, assessment of management performance and other human resources related matters.

The Nomination and Remuneration Committee will be comprised solely of Non-Executive Directors, a majority of whom will be Independent Directors. It is proposed that Ms Kieran Moore will be the chairperson of the Nomination and Remuneration Committee.

6.5.7 Corporate governance policies

The Board has adopted the following corporate governance policies, each of which has been prepared having regard to the ASX principles and recommendations. The Company's policies and corporate governance practices will continue to be reviewed regularly and will continue to be developed and refined to meet the needs of the Company and best practice.

Code of Conduct

The Company is committed to providing an ethical and legal framework within which its employees conduct the Company's business. Accordingly, the Company has adopted a Code of Conduct which sets out the values, commitments, ethical standards and policies of the Company and outlines the standards of conduct expected of the business and the Company's employees, taking into account the Company's legal and other obligations to its stakeholders.

Disclosure and Communication Policy

The Company is committed to the objective of promoting investor confidence and the rights of Shareholders. The Company's Disclosure and Communications Policy details the Company's commitment through:

- > complying with the continuous disclosure obligations imposed by law;
- > ensuring that Company announcements are presented in a factual, clear and balanced way;
- > ensuring that all Shareholders have equal and timely access to material information concerning the Company; and
- > communicating effectively with Shareholders and making it easy for them to participate in general meetings.

Securities Trading Policy

The Company has adopted a written policy to take effect from Listing for dealing in securities which is intended to explain the prohibited type of conduct in relation to dealings in securities under the Corporations Act and to establish a best practice procedure in relation to Directors', officers', employees', contractors' and their families and associates' dealings in Shares.

The securities trading policy sets out the restrictions that apply to dealing with Shares including "prohibited periods", during which certain persons are generally not permitted to deal with Shares along with a procedure under which certain persons are required to submit prior notification and obtain written confirmation prior to dealing in Shares outside "prohibited periods".

Privacy Policy

The Company is committed to protecting the safety and security of its registered users of its sites and is sensitive to their concerns about the safety of their personal information provided to the Company. The Privacy Policy details how any personal information collected by the Company is used.

07. Details of the offer

7.1 DESCRIPTION OF THE OFFER

This Prospectus relates to a public offering of 8,400,000 Shares at \$1.80 per Share to raise \$15,120,000. The total number of Shares on issue following Completion will be 66,229,988. The Offer is comprised of:

- > the Institutional Offer (see Section 7.6);
- > the Broker Firm Offer (see Section 7.7);
- > the Priority Offer (see Section 7.8); and
- > the Chairman's List Offer (see Section 7.9).

The Offer is fully underwritten by the Lead Manager. A summary of the Underwriting Agreement, including the events which would entitle the Lead Manager to terminate the Underwriting Agreement, is set out in Section 9.8.

The Company in agreement with the Lead Manager will determine the allocation of Shares between the Institutional Offer, Broker Firm Offer, Priority Offer and Chairman's List Offer. Consideration will be given to the allocation policies for the various components of the Offer as outlined in Section 7.5.

7.2 PURPOSE OF THE OFFER AND PROPOSED USES OF FUNDS

The Offer is being conducted to:

- > promote the Raiz Invest Super product to leverage off the Raiz Group's existing customer base;
- > introduce a life insurance product both inside and outside of the superannuation fund;
- > expand into South East Asia;
- > accelerate the Raiz Group's growth strategy in Australia;
- > develop and distribute new innovative financial services to the Raiz Group's customer base;
- > provide a liquid market for the Company's Shares;
- > raise funds to pay the expenses of the Offer; and
- > provide the Company with additional financial flexibility and access to capital markets.

The proposed use of funds associated with the Offer are as follows:

USE OF FUNDS	OFFER PROCEEDS (\$A)
Meet regulatory requirements under AFSL ⁽¹⁾	4,000,000
International expansion ⁽²⁾	5,000,000
Re-branding and advertising costs	2,000,000
Staff entitlements ⁽³⁾	2,000,000
Working Capital and Offer costs	2,120,000
TOTAL	15,120,000

Notes:

- ⁽¹⁾ Held to meet regulatory requirements associated with the Instreet Investment AFSL (in accordance with the relevant requirements detailed in ASIC Regulatory Guide 166).
- ⁽²⁾ The Company is currently in the process of obtaining regulatory approvals with various South East Asia countries for international expansion. This expansion will be through joint venture partners and the use of funds will be applied to meet certain regulatory required capital injections for this purpose. Current discussions are well progressed with the relevant regulators in Indonesia and Malaysia while investigations in Thailand are expected to begin later this year.
- ⁽³⁾ Approximately \$2,000,000 will be applied as one-off cash bonus payments to key employees of the Raiz Group. In determining that these cash bonus payments are to be made to these key employees, and the relevant amount of each cash bonus payment, the Board has had regard to the fact that each of these key employees played a key role in establishing the business operations in Australia, and since then each has:
- (i) been pivotal to the growth and success of the business;
 - (ii) invested significant effort and time in the business; and
 - (iii) in addition to the continued performance of their current roles in the Company and the Raiz Group, they have attended to the majority of the demands required to be undertaken in preparation for the Offer and Listing.
- In particular, Mr George Lucas will receive a one-off cash bonus payment of \$1 million, with the remaining amount to be distributed amongst other key employees of the Raiz Group.

The Directors believe that on Completion the Company will have sufficient funds available from the cash proceeds of the Offer to fulfil the purposes of the Offer and meet the Company's current stated business objectives.

The above table is a statement of current intentions as at the date of this Prospectus based on the Company's present plans and business conditions. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of sales success, operational and development activities, regulatory developments, and market and general economic conditions and also having regard to the risks specified in Section 5 of the Prospectus. In light of this, the Board reserves its right to alter the way the funds are applied with respect to the Company's current stated business objectives and/or after the Company's business objectives (as applicable).

More generally, the Board may consider the use of further equity or debt funding if appropriate to further accelerate growth or fund the Company's current stated business objectives, or otherwise a specific project, transaction or expansion of the Company (including the Company's stated business objectives change).

7.3 CAPITAL STRUCTURE

7.3.1 Shareholding by investor type

The details of the Company's capital structure on Completion are set out below:

AS AT PROSPECTUS DATE				AFTER COMPLETION OF THE OFFER		
Investors	Options held	Shares held	As a % of total Shares on issue	Options held	Shares held	As a % of total Shares on issue ⁽¹⁾
Directors	1,000,000 ⁽²⁾	10,956,592	18.9	1,000,000 ⁽²⁾	10,956,592	16.5
Management	1,090,000 Options ⁽³⁾ 4,379,550 Management Options ⁽⁴⁾	1,027,971	1.8	1,090,000 Options ⁽³⁾ 4,379,550 Management Options ⁽⁴⁾	1,027,971	1.6
Other Existing Shareholders	-	45,845,425	79.3	-	45,845,425	69.2
Investors in the offer	-	-	-	-	8,400,000	12.7
Total Shares	-	57,829,988	100		66,229,988	100

Notes:

- ⁽¹⁾ The above table does not take into account any Shares the Directors or management of the Company may acquire under the Offer.
- ⁽²⁾ Out of the 2,090,000 Options that have been granted to key management personnel of the Company pursuant to the Company's LTEIP, 1,000,000 Options have been granted to Mr George Lucas.
- ⁽³⁾ There are 2,090,000 Options granted to key management personnel of the Company pursuant to the Company's LTEIP. This includes the Options granted to Mr Lucas. Further details regarding the terms and conditions of the Options and the LTEIP are provided in Section 6.4.2.
- ⁽⁴⁾ There are 4,379,550 Management Options that have been granted to key management personnel pursuant to the Company's Historical Option Plan. Subject to the satisfaction of all relevant conditions specified in the Historical Option Plan, these options are convertible into a maximum of 4,379,550 Shares. No further Management Options will be granted under the Historical Option Plan. Further details regarding the terms and conditions of the Management Options and the Historical Option Plan are provided in Section 6.4.1.

7.4 CONTROL OF THE OFFER

The Board does not expect any Shareholder will control (as defined by section 50AA of the Corporations Act) the Company on Completion.

7.5 TERMS AND CONDITIONS OF THE OFFER

TOPIC	SUMMARY
What is the type of security being offered?	Shares (being fully paid ordinary shares in the issued capital of the Company).
What are the rights and liabilities attached to the security being offered?	A description of the Shares, including the rights and liabilities attaching to them is set out in Section 9.5.
What is the consideration payable for each security being offered?	The Offer Price is \$1.80 per Share.
What are the cash proceeds to be raised?	\$15,120,000 will be raised under the Institutional Offer, the Broker Firm Offer, the Priority Offer and the Chairman's List Offer.
What is the minimum and maximum Application size under the Offer?	The minimum Application under the Broker Firm Offer and Priority Offer is 3,000 Shares (being, worth \$5,400), and in multiples of 500 Shares (being, worth \$900) thereafter. There is no maximum value of Shares that may be applied for under the Broker Firm Offer and Priority Offer. If you have received a personalised invitation to participate in the Chairman's List Offer, you may apply for an amount up to and including the amount indicated on your invitation to apply. The Company and the Lead Manager reserve the right to: > treat any Applications under the Broker Firm Offer that are from persons who they believe may be Institutional Investors, as bids under the Institutional Offer; > aggregate any Applications that they believe may be multiple Applications from the same person; and > reject any Application or allocate a lesser number of Shares than that applied for.
What is the allocation policy?	The allocation of Shares between the Institutional Offer, Broker Firm Offer, Chairman's List Offer and Priority Offer will be determined by the Company in agreement with the Lead Manager. The allocation of Shares among Applicants in the Institutional Offer was determined by the Company in agreement with the Lead Manager. The allocation of Shares among applicants in the Broker Firm Offer is a matter for Brokers in how they allocate firm stock amongst their eligible clients. The allocation of Shares under the Chairman's List Offer, will be determined by the Company in agreement with the Lead Manager.

TOPIC	SUMMARY
What is the allocation policy? Continued	The allocation of Shares under the Priority Offer, will be determined by the Company in agreement with the Lead Manager. For further information on the: > Institutional Offer, see Section 7.6; > Broker Firm Offer, see Section 7.7; > Priority Offer, see Section 7.8; and > Chairman's List Offer, see Section 7.9.
Will the Shares be quoted?	The Company will apply for quotation of the Shares on ASX under the code RZI. Completion is conditional on ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.
When are the Shares expected to commence trading?	Normal settlement trading of Shares is expected to commence on or about Thursday, 21 June 2018. It is the responsibility of each Applicant to confirm their holding before trading in Shares. Applicants who sell Shares before they receive an initial statement of holding do so at their own risk. The Company, the Share Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their initial statement of holding, even if such person received confirmation of allocation from the Offer Information Line, a Broker or otherwise.
Is the Offer underwritten?	Yes, the Lead Manager has fully underwritten the Offer. Further details are provided in Section 9.8.
Are there any escrow arrangements?	Yes, details of escrow arrangements are provided in Section 9.3.
Has an ASIC relief or ASX waiver been obtained or been relied on?	Yes, the Company has applied for certain ASX waivers and confirmations. Further details are provided in Section 9.9.
What are the tax implications of investing in the Shares?	Given that the taxation consequences of an investment will depend upon the investor's particular circumstances, it is the obligation of investors to make their own enquiries concerning the taxation consequences of an investment in the Company. An overview of the tax treatment for Australian resident investors is included in Section 9.12 of this Prospectus.
Is there any brokerage, commission or stamp duty considerations?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of Shares under the Offer.
Can the Offer be withdrawn?	Yes. The Offer can be withdrawn by the Company at any time prior to Completion. The Company reserves the right not to proceed with the Offer at any time before the issue of Shares to successful Applicants. If the Offer does not proceed or complete, Application Monies will be refunded to Applicants. No interest will be paid on any Application Monies refunded.

TOPIC	SUMMARY
What should you do with any enquiries?	If you require more information about this Prospectus or the Offer, call the Offer Information Line on 1300 109 678 (within Australia) or +61 3 9415 4140 (outside Australia) between 9.00am and 5.00pm (Sydney time), Monday to Friday (Business Days only). If you are unclear in relation to any matter or are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.

7.6 INSTITUTIONAL OFFER

7.6.1 Invitations to bid

The Institutional Offer consisted of an invitation to certain Institutional Investors in Australia and certain Institutional Investors in Hong Kong and Singapore, and any other jurisdictions as determined by the Company and the Lead Manager, to apply for Shares. The Lead Manager separately advised Institutional Investors of the application procedures for the Institutional Offer.

7.6.2 What is the allocation process?

The allocation of Shares among Applicants in the Institutional Offer will be determined by the Company in agreement with the Lead Manager. The Lead Manager, in agreement with the Company, has absolute discretion regarding the basis of allocation of Shares among Institutional Investors, and there is no assurance that any Institutional Investor will be allocated any Shares, or the number of Shares for which it has bid. The allocation policy is influenced by the following factors:

- > the number of Shares bid for by particular bidders;
- > the timeliness of the bid by particular bidders;
- > the Company's desire for an informed and active trading market following listing on ASX;
- > the Company's desire to establish a wide spread of Institutional Investors;
- > overall demand under the Offer;
- > the size and type of funds under management of particular bidders;
- > the likelihood that particular bidders will be long-term Shareholders; and
- > any other factors that the Company and the Lead Manager consider appropriate.

7.7 BROKER FIRM OFFER

7.7.1 Who may apply?

The Broker Firm Offer is open to persons who have received an allocation from their Broker and who are residents of Australia. If you have been offered an allocation by a Broker having a firm allocation, you will be treated as an Applicant under the Broker Firm Offer in respect of that allocation. You should contact your Broker to determine whether they may allocate Shares to you under the Broker Firm Offer.

7.7.2 How to apply?

Investors who have received an allocation of Shares in the Broker Firm Offer must follow instructions provided by their Broker.

Applications for Shares may only be made on a Broker Firm Application Form attached to or accompanying this Prospectus. If you are an investor investing under the Broker Firm Offer, you should complete and lodge your Application Form with the Broker from whom you received your firm allocation. Application Forms for the Broker Firm Offer must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the reverse of the Application Form. By making an Application, you declare that you were given access to the Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

The minimum Application under the Broker Firm Offer is 3,000 Shares (being worth \$5,400), and in multiples of 500 Shares (being, worth \$900) thereafter. There is no maximum number or value of Shares that may be applied for under the Broker Firm Offer. The Company and the Lead Manager also reserve the right to aggregate any Applications which they believe may be multiple applications from the same person.

The Lead Manager may determine a person to be eligible to participate in the Broker Firm Offer, and may amend or waive the Broker Firm Offer application procedures or requirements, at its discretion, in compliance with applicable laws. Applicants under the Broker Firm Offer must lodge their Application Form and Application Monies with the relevant Broker in accordance with the relevant Broker's directions in order to receive their firm allocation.

Applicants under the Broker Firm Offer must not send their Application Forms to the Share Registry.

The Broker Firm Offer opens at 9.00am (Sydney time) on Thursday, 17 May 2018 and is expected to close at 5.00pm (Sydney time) on Friday, 1 June 2018. The Company, after agreement with the Lead Manager, may elect to close the Offer or any part of it early, extend the Offer or any part of it, or accept late Applications either generally or in particular cases. The Offer or any part of it may be closed at any earlier date and time, without further notice. Your Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their Applications as early as possible. Please contact your Broker for instructions.

7.7.3 How to pay?

Applicants under the Broker Firm Offer should make payments in accordance with the directions of the Broker from whom you received an allocation.

7.7.4 What is the allocation policy?

Shares which have been allocated to Brokers for allocation to their Australian resident clients will be issued to the Applicants nominated by those Brokers (subject to the right of the Company and the Lead Manager to reject or scale back Applications). It will be a matter for the Brokers how they allocate firm stock among their eligible clients and they (and not the Company or the Lead Manager) will be responsible for ensuring that clients who have received a firm allocation from them receive the relevant Shares.

7.7.5 Confirmation of allocations under the Broker Firm Offer

Applicants in the Broker Firm Offer should confirm their final allocation with the Broker from whom they received their allocation.

If you sell Shares before receiving a holding statement, you do so at your own risk, even if you have confirmed your firm allocation with your Broker or obtained details of your holding from the Offer Information Line.

7.7.6 How to obtain a copy of this Prospectus

Please contact your Broker for instructions. You may also obtain a copy of this Prospectus as follows:

- > you can download a copy at www.raizinvestoffer.com.au; or
- > request a copy from the Share Registry.

While you may obtain a copy of these documents as set out above, your Application will not be accepted under the Broker Firm Offer if it is not lodged through your Broker.

7.8 PRIORITY OFFER

7.8.1 Who may apply?

The Priority Offer is open to Raiz customers who have received a personalised invitation to participate in the Offer from the Company and who have a registered address in Australia. The Priority Offer opens at 9.00am (Sydney time) on Thursday, 17 May 2018 and is expected to close at 5.00pm (Sydney time) on Friday, 1 June 2018. The Priority Offer may be closed at an earlier date without notice.

If you have been invited by the Company to participate in the Priority Offer, you will be treated as an Applicant under the Priority Offer in respect of those shares that are allocated to you.

7.8.2 How to apply?

If you have received a Priority Offer invitation and you wish to apply for Shares, you should follow the instructions on your personalised invitation.

The minimum Application under the Priority Offer is 3,000 Shares (being, worth \$5,400), and in multiples of 500 Shares (being, worth \$900) thereafter. There is no maximum number of Shares which may be applied for under the Priority Offer. However, the Company in agreement with the Lead Manager reserves the right to reject or scale back Applications, in whole or in part, without giving any reason.

By making an Application under the Priority Offer, you declare that you were given access to the Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

7.8.3 How to pay?

Applicants under the Priority Offer must pay their Application Monies by BPAY in accordance with the instructions on the online Application Form.

When completing your BPAY payment, please make sure to use the specific biller code and unique Customer Reference Number (CRN) provided to you or generated by the online Application Form. Application Monies paid via BPAY must be received by the Share Registry by no later than 5.00pm (Sydney Time) on Friday, 1 June 2018 and it is your responsibility to ensure that this occurs. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. Neither the Company nor the Lead Manager takes any responsibility for any failure to receive Application Monies or payment by BPAY before the Priority Offer closes arising as a result of, among other things, delays in processing of payments by financial institutions.

For more details, prospective Applicants should refer to www.raizinvestoffer.com.au or contact the Offer Information Line on 1300 109 678 (within Australia) or +61 3 9415 4140 (outside Australia) between 9.00am and 5.00pm (Sydney time), Monday to Friday (Business Days only).

7.8.4 Acceptance of Applications

An Application in the Priority Offer is an offer by the Applicant to the Company to subscribe for or purchase Shares for all or any of the Application amount specified in and accompanying the Application Form at the Offer Price on the terms and conditions set out in this Prospectus including any supplementary or replacement prospectus and the Application Form. To the extent permitted by law, an Application is irrevocable.

The Company in agreement with the Lead Manager reserves the right to reject, or scale back, any Application in whole or in part, without giving any reason. An Application may be accepted by the Company and the Lead Manager in respect of the full number of Shares specified in the Application Form or any of them, without further notice to the Applicant. Acceptance of an Application will give rise to a binding contract.

If an Application is accepted or rejected in part only, the relevant part of the Application Monies will be refunded. No interest will be paid on any Application Monies refunded.

7.8.5 What is the allocation policy?

The allocation of Shares under the Priority Offer will be at the absolute discretion of the Company in agreement with the Lead Manager. The Company reserves the right to close the Priority Offer prior to the Closing Date. Shares which have been allocated to Applicants under the Priority Offer will be issued to the Applicants who have received a valid allocation of Shares from the Company.

7.9 CHAIRMAN'S LIST OFFER

7.9.1 Who may apply?

The Chairman's List Offer is open to certain investors nominated by the Company. If you are a Chairman's List Offer Applicant, you should have received a personalised invitation to apply for Shares in the Chairman's List Offer.

7.9.2 How to apply?

If you have received a personalised invitation to participate in the Chairman's List Offer, you should follow the instructions on your personalised invitation to apply.

7.9.3 How to pay?

If you are a Chairman's List Offer Applicant, you must pay for Shares applied for following the instructions on your personalised invitation.

7.9.4 What is the allocation policy?

The allocation of Shares among Applicants in the Chairman's List Offer will be determined by the Company in agreement with the Lead Manager. Chairman's List Offer Applicants will receive an allocation for the amount indicated on their personalised invitation. The Company reserves the right to reject or scale back Applications, in whole or in part, without giving any reason under the Chairman's List Offer. Any scaled back amount and amounts applied for in excess of the allocated amount will be refunded in full (without interest), where Applicants receive a lesser number of Shares than the amount applied for.

7.9.5 Acceptance of Applications

An Application in the Chairman's List Offer is an offer by the Applicant to the Company to subscribe for or purchase Shares for all or any of the Application Monies specified in and accompanying the Application Form at the Offer Price on the terms and conditions set out in this Prospectus, including any supplementary or replacement Product Disclosure Statement and the Application Form. To the extent permitted by law, an Application by an Applicant under the Chairman's List Offer is irrevocable.

An Application may be accepted by the Company or Lead Manager in respect of the full number of Shares specified in the Application Form or any number of them, calculated by dividing the Application Monies by the Offer Price. Where the Offer Price does not divide evenly into the Application Monies, the number of Shares to be allocated will be determined by the Company. Acceptance of an Application will give rise to a binding contract.

An Application may also be rejected by the Company or the Lead Manager in whole or part, without giving any reason. Application Monies will be refunded to the extent that an Application is rejected or scaled back, or the Offer is withdrawn. No interest will be paid on refunded amounts. The Company will retain any interest earned on Application Monies.

7.10 DISCRETION REGARDING THE OFFER

The Company may withdraw the Offer, or any part of it, at any time before the issue of Shares to Successful Applicants in the applicable part of the Offer. If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest).

The Company and the Lead Manager also reserve the right to close the Offer or any part of it early, extend the Offer or any part of it, accept late Applications or bids either generally or in particular cases, reject any Application or bid, or allocate to any Applicant or bidder fewer Shares than applied or bid for.

7.11 ASX LISTING, REGISTERS AND HOLDING STATEMENTS AND NORMAL SETTLEMENT TRADING

7.11.1 Application to the ASX for listing of the Company and quotation of Shares

The Company will apply to the ASX within seven days of the Prospectus Date for admission of the Company to the Official List and quotation of the Shares on the ASX. The Company's ASX code is expected to be RZL.

The ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the Shares offered for subscription.

If the Company has not been admitted to the Official List within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

The Company will be required to comply with the ASX Listing Rules, subject to any waivers obtained by the Company from time to time.

7.11.2 CHESS and issuer sponsored holdings

The Company will apply to participate in the ASX's Clearing House Electronic Subregister System (**CHESS**) and will comply with the ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on the ASX under which transfers are effected in an electronic form.

When the Shares become approved financial products (as defined in the ASX Settlement Operating Rules), holdings will be registered in one of two subregisters, being an electronic CHESS subregister or an issuer sponsored subregister. For all Successful Applicants, the Shares of a Shareholder who is a participant in CHESS or a Shareholder sponsored by a participant in CHESS will be registered on the CHESS subregister. All other Shares will be registered on the issuer sponsored subregister.

Following Completion, Shareholders will be sent a holding statement that sets out the number of Shares that have been allocated to them. This statement will also provide details of a Shareholder's Holder Identification Number for CHESS holders or, where applicable, the Security holder Reference Number of issuer sponsored holders. Shareholders will subsequently receive statements showing any changes to their shareholding. Certificates will not be issued.

Shareholders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under the ASX Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring broker in the case of a holding on the CHESS subregister or through the Share Registry in the case of a holding on the issuer sponsored subregister.

The Company and the Share Registry may charge a fee for these additional issuer sponsored statements.

7.11.3 Normal settlement trading of Shares

Trading of Shares on a normal settlement basis is expected to commence on ASX on Thursday, 21 June 2018.

7.12 ESCROW ARRANGEMENTS

Subject to the Company being admitted to the official list of the ASX, certain Shares on issue prior to the Offer are likely to be classified by the ASX as restricted securities and will be required to be held in escrow. Please refer to 'Escrow arrangements' in Section 9.3 for further information.

7.13 OVERSEAS JURISDICTIONS

This Prospectus does not constitute an offer in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer. No action has been taken to register or qualify the Shares or the Offer under this Prospectus, or to permit a public offering of Shares in any jurisdiction other than Australia.

The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law. It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to their Application.

7.13.1 Hong Kong

WARNING: This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (**SFO**). No action has been taken in Hong Kong to authorise or register this Prospectus or to permit the distribution of this Prospectus or any documents issued in connection with it. Accordingly, the Shares have not been and will not be offered or sold in Hong Kong other than to “professional investors” (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

7.13.2 Singapore

This Prospectus and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (**SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an “institutional investor” (as defined in the SFA) or (iii) a “relevant person” (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

7.14 Questions or further information

If you have any queries in relation to this Prospectus, including how to complete the Application Form or how to obtain additional copies, then you can:

- > call the Offer Information Line on 1300 109 678 (within Australia) or +61 3 9415 4140 (outside Australia) between 9.00am and 5.00pm (Sydney time), Monday to Friday (Business Days only); or
- > visit www.raizinvestoffer.com.au to download an electronic copy of the Prospectus.

If you are unclear in relation to any matter or are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.

08. Investigating accountant report

HALLCHADWICK Corporate Finance & Advisory Services

9th May 2018

The Directors
Raiz Invest Limited
Level 11, 2 Bulletin Place
SYDNEY NSW 2000

Dear Directors,

Independent Limited Assurance Report on Pro-forma Consolidated Historical Financial Information

We have been engaged by Raiz Invest Limited ("the Company") to report on pro forma consolidated historical financial information for inclusion in the Prospectus relating to the proposed issue of shares in the Company to raise up to \$15,120,000 before the costs of the issue (the "Offer").

Expressions and capitalised terms defined in the Prospectus have the same meaning in this report.

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Services Licence (No. 227902) under the *Corporations Act 2001*. Hall Chadwick Corporate (NSW) Limited holds the appropriate Australian Financial Services Licence under the *Corporations Act 2001*.

Background

As part of the ASX listing process, a restructure has occurred whereby the consolidated group to be listed comprises:

- Raiz Invest Limited (formerly Acorns Investment Company Limited) ("the Company")
- Instreet Investment Limited ("IIL"), the Responsible Entity of the Raiz Invest Australia Fund
- Raiz Invest Australia Limited (formerly Acorns Grow Australia Limited) ("RIA")
- Instreet Acorns Pty Limited

The above entities comprise the "Raiz Group" referred to in this report.

As part of the Raiz Group restructure, a demerger of the assets of IIL has also occurred, leaving it only with its Australian Financial Services Licence (AFSL) and certain employees who will remain in the Raiz Group. In addition, a pre-Offer capital raise was undertaken to fund the acquisition by the Raiz group of the remaining holding in RIA.

The Raiz Group operates in the Australian retail financial services industry and provides investing services and wealth products to Australian retail customers. The Raiz Group provides financial services through its mobile first micro-investing platform which offers its users an easy way to regularly invest either small or large amounts of money using the Raiz mobile phone application or through the Raiz website.

HALL CHADWICK CORPORATE
(NSW) LIMITED
ACN 080 462 488
SYDNEY
Level 40, 2 Park Street Sydney
NSW 2000 Australia
GPO Box 3555 Sydney NSW
2001
Ph: (612) 9263 2600
Fx: (612) 9263 2800
E:
hcsyinfo@hallchadwick.com.au

www.hallchadwick.com.au



Scope
Pro forma Consolidated Historical Financial Information

The financial information in the Prospectus is presented on a pro forma basis taking into account the effect of the restructure of the Raiz Group.

You have requested Hall Chadwick Corporate (NSW) Limited to review the following pro forma historical consolidated financial information of the Raiz Group:

- a) the pro forma historical profit and loss statements for the financial years ended 30 June 2015 ("FY2015"), 30 June 2016 ("FY2016") and 30 June 2017 ("FY2017") and for the six-month period ended 31 December 2017 ("HY2018");
- b) the pro forma consolidated historical statements of cash flows for FY2015, FY2016, FY2017 and HY2018; and
- c) the pro forma consolidated balance sheet as at 31 December 2017 based on the consolidated balance sheets at 31 December 2017 of the entities now in the Group and effects of the restructure of the Group, the Offer and other material events occurring after 31 December 2017.

The financial information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles detailed in the Australian Accounting Standards and the adopted accounting policies of the Company.

The historical financial information of the entities in the Raiz Group have been subject to an annual audit and half year review by Hall Chadwick Chartered Accountants Sydney.

The financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by the Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

The stated basis of preparation is the recognition and measurement accounting principles applied to the financial information and the transactions to which the pro forma adjustments relate, as described in the Prospectus, as if those transactions had occurred as at the date, or prior to the date, of the financial information. Due to its nature, the pro forma consolidated historical financial information does not represent the company's actual or prospective financial position.

Directors' responsibility

The directors of the Company are responsible for the preparation of the historical and pro forma consolidated historical financial information, including the selection and determination of pro forma adjustments made to the historical financial information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of pro forma

HALLCHADWICK

Corporate Finance & Advisory Services

consolidated historical financial information that is free from material misstatement whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the financial information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review 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 reasonable assurance that we have become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the pro forma consolidated historical financial information is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in the Prospectus.

Restriction on Use

Without modifying our conclusions, we draw attention to the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

We disclaim any assumption of responsibility for any reliance on this report or on the financial information to which it relates, for any purpose other than that for which it was prepared.

Disclosure of Interest

Hall Chadwick Corporate (NSW) Limited does not have any interest in the outcome of the Prospectus other than the issue of this report for which normal professional fees will be received. Hall Chadwick Corporate (NSW) Limited does not hold nor have any interest in the ordinary shares of the Company. Hall Chadwick Corporate (NSW) Limited was not involved in the preparation of any part of the Prospectus and accordingly, makes no representations or warranties as to the completeness and accuracy of any information contained in the Prospectus.

Consent

Hall Chadwick Corporate (NSW) Limited has consented to the inclusion of this assurance report in the Prospectus in the form and context in which it is included.

Yours faithfully



Drew Townsend

HALL CHADWICK CORPORATE (NSW) LIMITED

FINANCIAL SERVICES GUIDE

Dated 9th May 2018

What is a Financial Services Guide (FSG)?

This FSG is designed to help you to decide whether to use any of the general financial product advice provided by Hall Chadwick Corporate (NSW) Limited ABN 28 080 462 488, Australian Financial Services Licence Number 227902 ("HCC").

This FSG includes information about:

- HCC and how they can be contacted;
- the services HCC is authorised to provide;
- how HCC are paid;
- any relevant associations or relationships of HCC;
- how complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- the compensation arrangements that HCC has in place.

This FSG forms part of an Investigating Accountant's Report ("Report") which has been prepared for inclusion in a disclosure document. The purpose of the disclosure document is to help you make an informed decision in relation to a financial product. The contents of the disclosure document, as relevant, will include details such as the risks, benefits and costs of acquiring the particular financial product.

Financial services that HCC is authorised to provide

HCC holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for securities and interests in managed investment schemes, including investor directed portfolio services, to retail clients. We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of finance products.

HCC's responsibility to you

HCC has been engaged by the Directors of Raiz Invest Limited to prepare this Report for inclusion in a Prospectus in relation to the public offering of shares in Raiz Invest Limited on the ASX ("Offer").

You have not engaged HCC directly but have received a copy of the Report because you have been provided with a copy of the Prospectus. HCC nor the employees of HCC are acting for any person other than Raiz Invest Limited. HCC is responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

General advice

As HCC has been engaged by Raiz Invest Limited, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

You should also consider the other parts of the Prospectus before making any decision in relation to the Offer.

Fees HCC may receive

HCC charges fees for preparing reports. These fees will usually be agreed with, and paid by, Raiz Invest Limited. Fees are agreed on either a fixed fee or a time cost basis. In this instance, Raiz Invest Limited has agreed to pay HCC \$25,000 (excluding GST and out-of-pocket expenses) for preparing the Report on the Pro forma Consolidated Historical Financial Information to be included in the Prospectus. HCC and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of this Report.



HCC officers and representatives receive remuneration from Hall Chadwick Sydney professional advisory and accounting practice (the Hall Chadwick Sydney Partnership). Remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report. Further details may be provided on request.

Referrals

HCC does not pay commissions or provide any other benefits to any person for referring customers to them in connection with a Report.

Associations and relationships

Through a variety of corporate and trust structures HCC is controlled by and operates as part of the Hall Chadwick Sydney Partnership. HCC's directors may be partners in the Hall Chadwick Sydney Partnership. Mr Drew Townsend, director of HCC and partner in the Hall Chadwick Sydney Partnership, has prepared this Report. The financial product advice in the Report is provided by HCC and not by the Hall Chadwick Sydney Partnership.

From time to time HCC, the Hall Chadwick Sydney Partnership and related entities ("HC Entities") may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses. HC Entities have previously provided audit and advisory services to the Group for which fees on a time-cost basis have been charged.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of, Raiz Invest Limited or has other material financial interests in the Offer.

Complaints resolution

If you have a complaint, please let HCC know. Formal complaints should be sent in writing to:

The Complaints Officer
Hall Chadwick Corporate (NSW) Limited
GPO Box 3555
Sydney NSW 2001

If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer on (02) 9263 2600 and he will assist you in documenting your complaint.

Written complaints are recorded, acknowledged within 5 days and investigated. As soon as practical, and not more than 45 days after receiving the written complaint, the response to your complaint will be advised in writing.

External complaints resolution process

If HCC cannot resolve the complaint to your satisfaction within 45 days, you can refer the matter to the Financial Ombudsman Service (FOS). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website www.fos.org.au or by contacting them directly at:

Financial Ombudsman Service Limited
GPO Box 3, Melbourne Victoria 3001
Telephone: 1300 78 08 06
Facsimile (03) 9613 6399
Email: info@fos.org.au

The Australian Securities and Investments Commission also has a free call infoline on 1300 300 630 which you may use to obtain information about your rights.

**Compensation arrangements**

HCC has professional indemnity insurance cover as required by the Corporations Act 2001(Cth).

Contact details

You may contact HCC at:

Hall Chadwick Corporate (NSW) Limited

GPO Box 3555

Sydney NSW 2001

Telephone: (02) 9263 2600

Facsimile: (02) 9263 2800

09. Additional information

9.1 REGISTRATION

The Company was registered in New South Wales on 24 October 2016 as an Australian public company limited by shares.

The Company is the ultimate holding company of the Raiz Group.

9.2 COMPANY TAX STATUS

The Company is and will be subject to tax at the Australian corporate tax rate on its taxable income.

9.3 ESCROW ARRANGEMENTS

The Company has a number of Shares that certain Existing Shareholders will be restricted from dealing in. These restrictions will be imposed by the ASX.

The ASX Listing Rules require that certain persons such as seed capitalists, related parties and promoters enter into restriction agreements under which they are restricted from dealing in a specified number of securities in the Company held by them, for up to 24 months from the date of quotation of the Shares.

The restriction agreements will be in the form required by the ASX Listing Rules over a number of securities and a period as determined by the ASX and restrict the ability of those persons to dispose of, create any security interest in or transfer effective ownership or control over the securities. ASX may consent to the removal of the restrictions, subject to the satisfaction of certain conditions, to enable a holder of escrowed securities to accept an offer under a takeover bid, or enable the restricted securities to be transferred or cancelled as part of a merger by way of a scheme of arrangement.

The table below sets out the details of the Escrowed Shareholders that will be escrowed under the ASX Listing Rules and the period during which they will be restricted from dealing in their restricted securities pursuant to the terms of the restriction agreements.

ESCROWED SHAREHOLDERS	NUMBER OF SHARES	RESTRICTION ENDS
Existing Shareholders who are related parties or promoters		
Mr George Lucas ⁽¹⁾	6,548,251	24 months from Listing
Mr Peter Anthony Fay ⁽²⁾	2,875,898	24 months from Listing
Mr David Gordon ⁽³⁾	1,425,280	24 months from Listing
Ms Nina Finlayson	107,163	24 months from Listing
Acorns US ⁽⁴⁾	5,186,309	24 months from Listing
Existing Shareholders who are not related parties or promoters		
Other Existing Shareholders who are not related parties or promoters	30,218,091	12 months from the issue date (expires April 2019)
Total	46,360,992⁽⁵⁾	

Notes:

- ⁽¹⁾ Mr Lucas' shareholding is held through each of Back Beach Family Trust and G&S Lucas SMSF Trust, each of which Mr Lucas is a director, trustee and a beneficiary. Mr Lucas also holds a nominal amount of Shares personally.
- ⁽²⁾ The majority of Mr Fay's shareholding is held through Roslyndale Nominees Pty Ltd of which, together with his spouse, Mr and Mrs Fay are the only directors and shareholders of this entity. Mr Fay also holds a nominal amount of Shares personally, and has an interest in the Shares that are held by Mrs Fay personally.
- ⁽³⁾ The majority of Mr Gordon's shareholding is held through Ourimbah Creek Holdings Pty Ltd as trustee for The Gordon Family Trust (of which Mr Gordon is a beneficiary) and David and Sylvia Gordon ATF David and Sylvia Gordon PSF (of which Mr Gordon is a beneficiary). Mr Gordon also holds a nominal amount of Shares personally.
- ⁽⁴⁾ Recently, the Company acquired from Acorns US its remaining minority holding in Raiz Invest Australia. The consideration payable by the Company to Acorns US for the remaining minority holding in Raiz Invest Australia was satisfied in full by the Company by way of issue of 5,186,309 Shares to Acorns US. See Section 3.2.2 for further details.
- ⁽⁵⁾ Subject to the Company being admitted to the Official List of ASX, it is therefore anticipated that the ASX will treat up to approximately 46,360,992 Shares as restricted securities for the purposes of the ASX Listing Rules, which represents approximately 70% of the total Shares on issue in the Company following Completion.

9.4 MANAGEMENT OPTIONS

Management Options that are convertible into a maximum of 4,379,550 Shares in the Company have been granted under the Historical Option Plan described in Section 6.4.1. The terms of these Management Options are as follows:

KEY FEATURE	DESCRIPTION
Participants	Any employee, contractor or director (or prospective, employee, contractor or director) of the Raiz Group selected by the Board to participate in the Historical Option Plan.
Grant date	> 1 July 2015 (2015 Options) in respect of 2,025,029 Management Options; > 1 June 2016 (2016 Options) in respect of 181,117 Management Options; > 1 March 2017 (March 2017 Options) in respect of 1,086,702 Management Options; and > 1 October 2017 (October 2017 Options) in respect of 1,086,702 Management Options.
Grant of Management Options	Grant of Management Options to acquire up to a maximum of 4,379,550 Shares.
Performance conditions, performance period and vesting	An offer for Management Options may specify any vesting conditions or other vesting events which must be satisfied before a Management Option vests (as determined by the Board in its absolute discretion). If an offer for Management Options does not specify any vesting conditions or other vesting events, the following conditions will apply: > Options: – only vest while the participant remains employed with, continues to provide consulting services to or acts as a director of, a company within the Raiz Group; or – cease to vest for the duration of any unpaid leave of absence. If the unpaid leave period includes part of a month, no vesting will occur in that month. > Options vest: – in respect of 25% of the Management Options offered to a participant, on the date which is 12 months from the relevant issue date (Year 1); and – in respect of the remaining 75% of the Management Options offered to a participant, on a quarterly basis over the 3 year period after the end of Year 1 (i.e. 1/12th of the remaining Management Options vest at the end of each quarter following the end of Year 1).
Exercise of options	> In respect of the: > 2015 Options, the exercise price is \$0.20 per option. > 2016 Options, the exercise price is \$0.25 per option. > March 2017 Options and October 2017 Options, the exercise price is \$0.95 per option.
Rights associated with options	The Management Options do not carry dividend or voting rights prior to exercise.
Restrictions on dealing	Participants must not sell, transfer or otherwise deal with the Management Options until the earlier of: > 3 years after the issue of the Management Option or such earlier time as the Commissioner of Taxation allows in accordance with section 83A-45(5) of the Tax Act; and > where the participant ceases to be employed or contracted by a company within the Raiz Group.

KEY FEATURE	DESCRIPTION
Cessation of employment	Where a participant ceases to be employed or contracted by a company within the Raiz Group (Leaver), the Board may, its absolute discretion: > advise the Leaver that all or some of his or her unvested Management Options have lapsed; > require the Leaver to sell some or all of his or her vested Management Options to any person nominated by the Board on the terms determined by the Board. For the avoidance of doubt, each Leaver has previously appointed the directors of the Company as its power of attorney for this purpose under the executed Historical Option Plan documentation; or > allow the Leaver to retain some or all of his or her Management Options.

Subject to the satisfaction of all relevant conditions specified in the Historical Option Plan, these options are convertible into a maximum of 4,379,550 Shares. No further Management Options will be granted under the Historical Option Plan.

9.5 SUMMARY OF RIGHTS AND LIABILITIES ATTACHING TO SHARES AND OTHER MATERIAL PROVISIONS OF THE CONSTITUTION

9.5.1 Introduction

The rights and liabilities attaching to ownership of Shares are:

- > detailed in the Constitution which may be inspected during normal business hours at the registered office of the Company; and
- > in certain circumstances, regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and the general law.

A summary of the significant rights, liabilities and obligations attaching to the Shares and a description of other material provisions of the Constitution are set out below. This summary is not intended to be exhaustive and is qualified by the fuller terms of the Constitution. This summary does not constitute a definitive statement of the rights and liabilities of Shareholders.

All Shares issued pursuant to this Prospectus will, from the time they are issued, rank equally with all existing Shares.

9.5.2 Voting at a general meeting

At a general meeting of the Company, every Shareholder present in person or by proxy, representative or attorney has one vote on a show of hands and, on a poll, one vote for each Share held.

On a poll, every member (or his or her proxy, attorney or representative) is entitled to vote for each fully paid Share held and in respect of each partly paid Share, entitled to a fraction of a vote equivalent to the proportion which the amount paid up (excluding any amount credited as paid up) on that partly paid Share bears to the total issue price of that Share. Amounts paid in advance of a call are ignored when calculating the proportion.

9.5.3 Meetings of members

Each Shareholder is entitled to receive written notice of, and except in certain circumstances to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act and the ASX Listing Rules.

9.5.4 Dividends

Subject to the Corporations Act, the Constitution and the terms of issue or rights of any shares with special rights to dividends, the Directors may determine that a dividend is payable, fix the amount and the time for payment and authorise the payment or crediting by the Company to, or at the direction of, each member entitled to that dividend.

A dividend may only be paid in accordance with the Corporations Act.

9.5.5 Transfer of Shares

Subject to the Constitution, Shares may be transferred by:

- > a written instrument of transfer which complies with the Constitution;
- > a proper transfer effected in accordance with the ASX Settlement Operating Rules; or
- > any other method permitted by the Corporations Act, the ASX Listing Rules or the ASX Settlement Operating Rules.

The Board may refuse to register a transfer of Shares:

- > if permitted to do so under the Constitution or under the ASX Listing Rules; or
- > on which the Company has a lien or which are subject to forfeiture.

The Board must refuse to register any transfer of Shares if the registration of the transfer would result in a breach of, or failure to observe, the provisions of any applicable law, the ASX Listing Rules or a restriction agreement.

9.5.6 Issue of further Shares

Subject to the Constitution, the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules and any rights and restrictions attached to a class of shares, the Board has full discretion to issue additional shares or other equity securities and determine the terms of such issue.

9.5.7 Winding up

If the Company is wound up, then with the sanction of a special resolution of the Company's members, the liquidator may divide among the Company's members in kind the whole or part of the Company's property, set the value of that property and determine how the division is to be carried out between members or different classes of members.

9.5.8 Sale of non-marketable parcels

Subject to the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules, the Board may sell the Shares of a Shareholder who holds less than a marketable parcel of Shares.

9.5.9 Share buy-backs

The Company may in accordance with the Corporations Act buy back its own shares.

9.5.10 Variation of class rights

Subject to the Corporations Act and the terms of issue of the shares, wherever the capital of the Company is divided into different classes of shares, the rights attached to any class of shares may be varied with:

- > the written consent of the holders of at least three quarters of the issued shares in the particular class; or
- > the sanction of a special resolution passed at a separate meeting of the holders of shares in that class.

9.5.11 Conversion or reduction of share capital

Subject to the Corporations Act, the Company may convert all or any of its shares into a larger or smaller number of shares by resolution passed at a general meeting or with the written consent of all members entitled to vote on the matter.

The Company may reduce its share capital in any way permissible by the Corporations Act.

9.5.12 Election to reinvest dividend

The Constitution allows the Board to grant to Shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company on such terms and conditions as the Directors think fit. It is not currently intended that a dividend reinvestment plan will be implemented at or prior to Completion.

9.5.13 Directors – appointment and removal

Under the Constitution, the Company will have at least three Directors, unless otherwise provided by the Corporations Act. There is a maximum of eight Directors prescribed in the Constitution. Directors are elected at annual general meetings of the Company. Retirement will occur on a rotational basis so that any Director who has held office for two or more years or two or more annual general meetings (excluding any chief executive officer) faces re-election. The Directors may also appoint a Director to fill a casual vacancy on the Board or as an addition to the existing Directors, who will then hold office until the next annual general meeting of the Company and is then eligible for election at that meeting.

9.5.14 Directors – voting

Questions arising at a meeting of the Board will be decided by a majority of votes cast by Directors present and entitled to vote at a meeting at which a quorum is present. If an equal number of votes are cast for and against a resolution, the chairperson does not have a casting vote in addition to the chairperson's vote as a Director and the resolution is not passed.

9.5.15 Directors remuneration

See Section 6.3 for a description of the remuneration arrangements for Directors.

9.5.16 Indemnity and insurance

The Company, to the fullest extent permitted by the Corporations Act, may indemnify any current or former Director, or officer, of the Company or its subsidiaries against any liability incurred by that person in that capacity, including certain legal costs.

The Company, to the fullest extent permitted by the Corporations Act, may enter into and pay premiums on a contract insuring any current or former Director, or officer, of the Company or its subsidiaries against any liability incurred by that person in that capacity, including legal costs.

Under the Constitution, the Company must provide indemnification and may obtain insurance for each Director, or officer, of the Company or its subsidiaries during their period of office and for a certain period after the person ceases to be a Director, or officer, of the Company or its subsidiaries.

The Company has entered into deeds of access and indemnity with each Director and the Company Secretary.

These are summarised above in Section 6.3.3.2 of this Prospectus.

9.5.17 Variation of the Constitution

The Constitution can only be amended by special resolution passed by at least three-quarters of the votes cast by shareholders present (in person or by proxy) and entitled to vote on the resolution at a general meeting of the Company.

The Company must give at least 28 days written notice of a general meeting of the Company.

9.6 RELATED PARTY TRANSACTIONS

Some of the Directors of the Company (or their associated companies) have provided loans to members of the Raiz Group, as follows:

- > There are convertible notes on issue in Instreet Investment to Mr George Lucas and Mr David Gordon that will be paid out in full prior to Completion from existing funds of the Raiz Group for the total aggregate amount of \$541,700 (which includes the repayment of the face value and all interest payable on the convertible notes).

9.7 MATERIAL CONTRACTS

The Directors consider that the material contracts described below are those which an investor would reasonably regard as material and which investors and their professional advisers would reasonably expect to find described in this Prospectus for the purpose of making an informed assessment of an investment in the Company under the Offer.

This Section 9.7 contains a summary of the material contracts and their substantive terms which are not otherwise disclosed elsewhere in the Prospectus.

9.7.1 Technology Agreement with Acorns US

OVERVIEW

On 25 January 2018, following the acquisition of a majority interest in Raiz Invest Australia by Instreet Acorns from Acorns US, Acorns US, Instreet Acorns, Instreet Investment, Raiz Invest Australia and Mr George Lucas entered into a technology agreement under which the parties granted certain technology licenses and non-compete covenants to each other.

TECHNOLOGY LICENCES

Under the terms of the agreement, Acorns US granted to Raiz Invest Australia an exclusive, perpetual and irrevocable right and licence to use and develop the Acorns US' technology that Raiz Invest Australia had been using in its business at the date of the agreement, within the territories of Australia, New Zealand, Indonesia, Singapore, Malaysia, Thailand, Vietnam Cambodia, Laos, Myanmar (Burma) and Brunei. The terms of the licence do not however restrict Acorns US from licensing the use to the technology anywhere outside of these territories.

In addition, under the terms of the agreement Raiz Invest Australia granted Acorns US an exclusive, perpetual and irrevocable right and licence to use and develop all additions and modifications to the Acorns US technology developed by Raiz Invest Australia as well as all software and content developed by Acorns US as requested by Raiz Invest Australia that Acorns US had been using at the date of the agreement. The licence allows Acorns US to use these technologies for the operation of the Acorns US business anywhere in the world.

RESTRAINT OF TRADE

The Technology Agreement imposes a number of restraint of trade obligations on the other parties in favour of Acorns US that restrict the other parties to the agreement from competing with the Acorns US business in a number of ways. The terms of the agreement provide that each of the other parties must not engage in any business activities similar to the Acorns US business or in competition with the Acorns US business, do anything harmful to the reputation of the Acorns US business or interfere with Acorns US' relationship with its existing or potential customers, employees, distributors or suppliers.

The restraint of trade obligations operate on a cascading restraint, with the restraint period starting from the date of the agreement and continuing in perpetuity and cascading down to a period of 6 months depending on the enforceability of the restraint period. Similarly, the restraint location starts at restraining the conduct outside the territories for the licence grant and cascades down to any country, state, county, dominion or territory outside the defined territories in which Acorns US carries on a business prior to the conduct of any restrained activities by Raiz Invest Australia.

As part of the restraint, Raiz Invest Australia is required to indemnify Acorns US under the agreement for any loss, including loss of profit, incurred by Acorns US as a result of any breach by the other parties of the restraint obligations.

INTELLECTUAL PROPERTY

In addition to the licensing arrangements, the terms of the agreement also provide for the division of intellectual property rights between the parties. The agreement provides that Raiz Invest Australia holds the intellectual property rights to all technologies developed by Raiz Invest Australia, all software and content developed for and under the request of Raiz Invest Australia by Acorns US, the database of users of the Raiz Invest Australia platform and application and content made available to users of the Raiz Invest Australia platform and application for investments in Australia and the day to day operation of the Raiz Invest Australia business. All other intellectual property rights, including in relation to the Acorns US brand and brand materials and assets situated anywhere in the world, belong to Acorns US and Raiz has no right in relation to such intellectual property other than as licensed under the agreement.

REBRANDING

In connection with the majority acquisition, Raiz Invest Australia (and the other parties to the agreement) was required to cease using the Acorns brand within 270 days from the commencement of the technology agreement. As such, the Raiz Group entities have rebranded as follows:

1. the Company, from Acorns Investment Company Limited to Raiz Invest Limited;
2. Raiz Invest Australia, from Acorns Grow Australia Limited to Raiz Invest Australia Limited; and
3. the Fund, from Acorns Grow Australia Fund to Raiz Invest Australia Fund.

9.7.2 Core Functions Payment Processing Services Agreement (Read with Standard T&Cs and Service Agreements and Operations Manual)

Instreet Investment is a party to a Core Functions Payment Processing Services Agreement with Cuscal Limited (**Cuscal**) dated 19 June 2015 with an initial term of three years, under which Cuscal provides Instreet Investment with payment settlement services. The terms of the agreement provide for Instreet Investment to utilise Cuscal's membership of card schemes and payment systems to facilitate, process and settle a variety of payment transactions.

TERMINATION RIGHTS

The agreement provides both Cuscal and Instreet Investment with the right to terminate the services agreement without cause after the initial service period of three years by providing the other party with 6 months written notice specifying the date of termination and the services to be terminated.

In addition, Cuscal may terminate the agreement immediately on notice in writing to Instreet Investment where an insolvency event occurs in relation to Instreet Investment, Instreet Investment materially breaches the agreement and fails to remedy the breach within 20 business days of being notified of such a breach by Cuscal, an event of default (being a failure to settle with Cuscal resulting in a shortfall in Instreet Investment's settlement account, a failure to comply with the requirement to fund the Instreet Investment settlement account or a failure to maintain the required security deposit) occurs, where Instreet Investment fails to pay Cuscal fees or any other amount owing under the agreement or fails to comply with the requirements for settlement or any security arrangements under the agreement, and where Instreet Investment's membership or participation in a card scheme or payment system has been terminated other than by way of a breach of the Cuscal agreement.

SECURITY OBLIGATIONS

In security of Instreet Investment's obligations under this agreement, Instreet Investment is required to provide Cuscal with a security deposit account which must not go below a minimum amount of \$2,580. On an event of default, Cuscal may take possession of the amount in the security deposit account. In addition, Cuscal may utilise the balance of the security deposit account and any funds credited in Instreet Investment's settlement account to deal with any amount secured under the agreement which is owed by Instreet Investment to Cuscal.

INDEMNITY

Under the terms of the agreement both parties have covenanted to indemnify the other party from and against all claims, liabilities, damage, suits and losses, made against or suffered by an indemnifying party as a direct result of:

- > any fraudulent, wilful or negligent act or omission of the indemnifying party which arose in connection with the agreement;
- > any breach of the agreement by the indemnifying party;
- > any act or omission of the indemnifying party which causes the indemnified party to be in breach of the law or industry codes;
- > any claim by a third party against the indemnified party alleging that the use of the services or any materials owned and provided by the indemnifying party pursuant to this agreement infringes the intellectual property of that person; and
- > personal injury or death, or property damage caused or contributed to by the indemnifying party.

EXCLUSIVITY

Instreet Investment has agreed that for the duration of the service period, Cuscal shall be the exclusive provider of the services in which Cuscal is engaged for under the applicable service agreement.

9.7.3 Credit Services Agreement

Instreet Investment engaged Dun & Bradstreet (Australia) Pty Limited (**D&B**) under a credit services agreement on 1 August 2015, pursuant to which D&B provided a number of credit related services to Instreet Investment. In accordance with the agreement, D&B provides Instreet Investment with access to the DNBI Information Platform which allows Instreet Investment to conduct a number of different credit verification checks for the purposes of commercial and consumer credit.

The initial term for this agreement ran from 1 August 2015 to 20 July 2016, however this was extended until 20 July 2018 pursuant to a variation agreement between Instreet Investment and D&B dated 19 July 2016.

9.7.4 Yodlee Services Agreement

OVERVIEW

RIA is party to a services agreement dated 17 June 2015 with Yodlee Inc. (**Yodlee**), pursuant to which Yodlee provides RIA with access to the Yodlee platform software development kit. The software development kit is used in conjunction with the RIA micro-investing platform and provides for data aggregation in relation to the RIA application. In accordance with the agreement, RIA has been granted a non-exclusive, non-transferrable, limited right and licence to use the software development kit for the purposes of developing and integrating applications on the RIA platform for use by customers of RIA in Australia.

TERM AND TERMINATION

The initial term of the agreement runs for a period of two years and is automatically and continuously renewed for an additional year unless otherwise terminated. However, both RIA and Yodlee have the right not to renew the agreement by providing the other party with at least 90 days prior notice to the end of the applicable term.

Either party may terminate the agreement where the other party ceases to conduct its business in the ordinary course, becomes subject to an insolvency event or materially breaches any term of the agreement which is not remedied within 30 days of receipt of a request to remedy the breach. Additionally, Yodlee may terminate the agreement immediately where it reasonably determines that RIA poses a security or reputational risk to Yodlee.

Further, Yodlee may in its sole discretion suspend the provision of services under the agreement or terminate the agreement immediately where RIA fails to pay any fees owing under the agreement which are undisputed.

SECURITY STANDARDS

In accordance with the terms of the agreement both RIA and Yodlee are required to comply with a number of security standards and privacy requirements including payment card industry data security standards and relevant privacy laws, and both parties must conduct security reviews to ensure data security is maintained.

INDEMNITY

Each party has covenanted in favour of the other party that it will indemnify the other party in relation to:

- > a claim of infringement of any trade secrets or U.S. copyright, patent or trademark of any third-party to the extent attributable to any services, solutions, information or technology provided by the indemnifying party to the indemnified party;
- > any use, sale, license, distribution or disclosure of customer data by the indemnifying party in violation of the agreement provided that the disclosure does not result from third party unauthorised access;
- > any material security breach resulting in a disclosure of customer data to a third party to the extent such breach results from the indemnifying party's failure to adhere to the applicable security standards;
- > the indemnifying party's failure to comply with applicable laws, rules and regulations;
- > an incorrect display of customer account data on the service page resulting from an error caused solely by the indemnifying party,

provided that in each case the indemnified party provides the indemnifying party with:

- > prompt written notice of such claim;
- > exclusive control over the defence and settlement of such claim; and
- > proper and full information and assistance to settle or defend any such claim.

However neither party shall be liable to the other party or to any other entity for any loss of profits, costs of cover or other special, consequential, incidental or indirect damages however caused.

GOVERNING LAW

The agreement is governed by the laws of England and Wales.

9.7.5 Moneythor Licence Agreement

RIA is party to a licence agreement dated 1 March 2017 with Moneythor Pte Ltd (**Moneythor**), a Singaporean entity, under which Moneythor has granted RIA a personal, royalty free, non-exclusive and non-transferable licence to use certain Moneythor software. The licence provides RIA with access to elements of the Moneythor software application under which RIA can access Moneythor's tracking and categorisation services.

TERM AND TERMINATION

The agreement is valid for a period of two years and automatically extends for a further period of two years unless either party provides at least 3 months' notice of its wish not to extend the agreement for a further term or the agreement is otherwise terminated.

Moneythor may terminate the agreement immediately on notice in writing where RIA has not paid any fees due under the agreement for 30 days after receiving written notice from Moneythor requesting payment to be made or where RIA is in material breach of the agreement and has not remedied the breach within 30 days of being notified by Moneythor to remedy such breach. In addition either party may terminate the agreement on notice in writing where the other party becomes subject to an insolvency event.

GOVERNING LAW

The agreement is governed by the laws of the Republic of Singapore.

9.7.6 Raiz Invest Superannuation Distributor Deed

OVERVIEW

RIA and DIY Master Pty Ltd (**DIY**) have entered into a commercial relationship pursuant to a distributor deed dated 16 January 2018 in relation to the offering of the Raiz Invest Superannuation product (**Product**), being a sub plan for members of the DIY superannuation fund administered by the trustee of the fund, Diversa Trustees Limited (**Trustee**).

Pursuant to the terms of the agreement, users may subscribe for the Product by completing an online application to become a member of the DIY superannuation fund and then may subscribe for interests in the Product through the Fund. Once a user has become a member of the DIY superannuation fund and subscribed for interests in the Product, the Trustee must establish a separate sub-account in the DIY superannuation fund for the user and must invest the users sub-fund in accordance with the user's instructions.

TERM AND TERMINATION

The initial term of the agreement runs for a period of 3 years from the date of the agreement, and unless terminated automatically rolls over for a further period of 12 months. Either party may however terminate the agreement without cause by providing at least 12 months' notice of termination prior to the expiry of the initial term or subsequent roll over term.

In addition the agreement terminates where certain termination events occur (such as insolvency events and material breaches of the agreement), following which the non-defaulting party may terminate by providing 6 months written notice to the defaulting party that it wishes to terminate the agreement. Further where DIY ceases to offer the Product or the sub plan of the DIY superannuation fund, RIA may terminate this agreement by notice to DIY in order to transition the Product to a new superannuation trustee as determined by RIA. DIY is required to give RIA at least 60 days' notice of any proposed change in plan trustee or merger with another superannuation fund, following which RIA may terminate the agreement for cause if it can demonstrate that the proposed change will have a detrimental effect on the operation of the Product.

Further, the parties may consult together to determine whether to terminate or continue offering the Product where the Product does not meet designated performance targets.

INDEMNITY

Each party indemnifies and keeps indemnified the other party and the other party's associates, directors, officers, employees and agents (together the indemnified parties) against all loss, cost and damage that an indemnified party suffers in connection with the indemnifying party's:

- > breach of the agreement;
- > fraud;
- > negligence; or
- > acts or omissions.

However, neither party is liable for indirect or inconsequential loss or damage suffered by any person or any loss, damage or cost suffered or incurred by the other party as a result of the other party not being able to perform its obligations due to a force majeure event.

9.7.7 Instreet Investment Australia – appointment as authorised representative and indemnity to Instreet Investment

On 26 February 2018 (**Demerger Date**) Instreet Investment Australia and its subsidiaries, being a transactional business which issues financial products, distributes financial products to financial advisors and wholesale clients and provides other financial services (**Demerged Business**), were demerged from Instreet Investment (the demerger having been previously approved by the Instreet Investment shareholders on 19 February 2018). On and from the Demerger Date, and for a transitional period until Instreet Investment Australia is granted its own AFSL by ASIC with respect to the Demerged Business, Instreet Investment has appointed Instreet Investment Australia as its authorised representative under the Instreet Investment AFSL.

Accordingly, Instreet Investment Australia has agreed, to the fullest extent permitted by law, to irrevocably indemnify and keep indemnified as a primary liability, Instreet Investment, with respect to any loss incurred by Instreet Investment out of or in connection with:

- > the Demerged Business, whether or not relating to the period on, before, or after the Demerger Date; and
- > Instreet Investment Australia's appointment as an authorised representative of the Instreet Investment AFSL and any actions or omissions by Instreet Investment Australia in reliance on that licence.

In addition, Instreet Investment Australia has also agreed to unconditionally and irrevocably release and discharge Instreet Investment from any potential claim that may be made by it to recover from Instreet Investment any potential loss suffered with respect to the Demerged Business.

9.7.8 Material contracts specific to the Fund

9.7.8.1 Instreet Investment AFSL

Instreet Investment, the responsible entity for the Fund, is the holder of AFSL No. 434776.

The AFSL authorises Instreet Investment to provide general financial product advice in relation to a number of different classes of financial products related to the Fund, as well as operating a custodial or depository service, other than investor directed portfolio services, to retail and wholesale clients. It is proposed that the AFSL will be updated through the appropriate channels to reflect the rebranding of the Fund.

9.7.8.2 Custodian Agreement

OVERVIEW

Pursuant to a custodian agreement between Instreet Investment and AETL dated 23 June 2015, Instreet Investment, in its capacity as responsible entity of the Fund, has appointed an independent custodian to hold the assets of the Fund. The custodian's role is to hold the assets in its name and act on the direction of Instreet Investment to effect cash and investment transactions. AETL has no supervisory role in relation to the operation of the Fund and has no liability or responsibility to a unit holder for any act done or omission made in accordance with the custodian agreement. AETL's role as custodian is limited to holding the assets of the Fund.

APPOINTMENT OF SUB-CUSTODIANS

The terms of the custodian agreement provide AETL with the ability to appoint a sub-custodian to hold any of the assets of the Fund provided that AETL notifies Instreet Investment of the appointment prior to the sub-custodian taking up any assets of the Fund. Regardless of AETL's decision to appoint a sub-custodian, Instreet Investment may direct AETL not to appoint a particular sub-custodian prior to the sub-custodian taking up any assets of the Fund.

Where AETL appoints a related body corporate (as defined under the Corporations Act) as sub-custodian, AETL remains liable for all acts and omissions of the appointed sub-custodian as if the custodian of the relevant assets was AETL.

Where AETL appoints a sub-custodian which is not a related body corporate (as defined under the Corporations Act), the appointment must be made under a written agreement that meets the relevant requirements under the Corporations Act.

TERMINATION

The appointment of AETL as agent of Instreet Investment continues until termination under the custodian agreement. The agreement terminates either on:

- > the winding up of the Fund;
- > Instreet Investment or AETL providing 3 months' worth of prior written notice of termination to the other party;
- > where either Instreet Investment or AETL materially breaches their obligations under the agreement; or
- > on the occurrence of specified insolvency events.

9.7.8.3 Fund Constitution and Compliance Plan

FUND CONSTITUTION

The Fund was established by constitution dated 7 August 2015, as amended by supplemental deed dated 19 August 2015, and is a registered managed investment scheme. On 24 April 2018, a change of name to "Raiz Invest Australia Fund", and replacement constitution (reflecting this new name for the Fund) was lodged with ASIC, as authorised by Instreet Investment, in its capacity as the responsible entity of the Fund.

Key provisions of the Fund's constitution include:

- > Instreet Investment's obligation to hold respective investor's Raiz Investment Account on a separate trust for each respective investor;
- > investor's rights to direct Instreet Investment to invest their Raiz Investment Account in specified investments;
- > investor's rights to income in relation to their Raiz Investment Account;
- > when Instreet Investment may retire and appoint a new responsible entity;
- > changing the constitution - generally, Instreet Investment needs investor approval if the change is adverse to investors;
- > Instreet Investment's right of indemnity from the Fund for any liabilities incurred by Instreet Investment in the proper performance of Instreet Investment's duties as responsible entity of the Fund;
- > Instreet Investment's power to terminate the Fund at any time—including where Instreet Investment determines the Fund is no longer economical to operate; and
- > the rights of investors to requisition meetings and the rules for meetings.

FUND COMPLIANCE PLAN AND COMMITTEE

The Fund has a compliance plan which describes the procedures applied in operating the Fund to ensure compliance with its constitution, the Corporations Act and other laws. The compliance plan is lodged with ASIC and audited annually.

A compliance committee (of which the majority of members are independent of Instreet Investment) monitors Instreet Investment's compliance with the compliance plan. Alternatively, if the majority of Instreet Investment's board of directors are independent of Instreet Investment, then Instreet Investment's board of directors will monitor Instreet Investment's compliance with the compliance plan.

LIMITS ON RESPONSIBILITY

Subject to the Corporations Act, so long as Instreet Investment acts in good faith and in the proper performance of its duties, Instreet Investment is not liable to investors in contract, tort or otherwise for any loss investors suffer in any way relating to the Fund or their Raiz Investment Account. Instreet Investment is indemnified out of the property of the Fund for any liability incurred by it in properly performing or exercising any of its powers or duties in relation to the Fund. Instreet Investment's liability is limited to the extent to which it is indemnified out of the property of the Fund, except any liability arising out of any fraud, negligence or wilful misconduct on the part of Instreet Investment.

LIMITS ON INVESTOR RESPONSIBILITY

The Fund's constitution limits investors' liability to Instreet Investment or any creditor of the Fund to the value of their Raiz Investment Account. However, Instreet Investment cannot give investors certain assurance on this as this issue has not been finally determined by Australian courts.

9.8 UNDERWRITING AGREEMENT

The Company and Lead Manager have entered into an underwriting agreement dated on or about the date of this Prospectus with respect to the Offer (**Underwriting Agreement**). Under the Underwriting Agreement, the Lead Manager has agreed to lead manage and underwrite the Offer.

9.8.1 Fees and expenses

Under the Underwriting Agreement, the Company has agreed to pay the Lead Manager an underwriting and management fee equal to 5.0% of the funds raised under the Offer.

In addition to the fees above, the Company has agreed to reimburse the Lead Manager for certain agreed costs and expenses, including legal expenses, incurred by the Lead Manager in relation to the Offer.

9.8.2 Termination events

The Lead Manager may terminate the Underwriting Agreement by notice in writing to the Company on the occurrence of certain termination events (subject to, in the case of some termination events only, satisfaction of specified materiality thresholds). These termination events include, among others:

- > the S&P/ASX 200 Index falls to a level that is 90% or less of the level as at 5.00pm on the Business Day immediately preceding the date of the Underwriting Agreement and remains at or below that 90% level for three consecutive Business Days prior to the Settlement Date;

- > ASIC issues an order (including an interim order) under section 739 of the Corporations Act and any such order is not withdrawn within 3 Business Days or if it is made within 3 Business Days of the Settlement Date it has not been withdrawn by the day before the Settlement Date; or ASIC holds a hearing under section 739(2) of the Corporations Act (which becomes public and is not otherwise withdrawn within 3 Business Days); or an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Offer or this Prospectus or ASIC commences any investigation or hearing under Part 3 of the ASIC Act in relation to the Offer or this Prospectus, and any such application inquiry or hearing is not withdrawn within 3 Business Days or if it is made within 3 Business Days of the Settlement Date it has not been withdrawn by the day before the Settlement Date;
- > any person who has previously consented to the inclusion of its name in this Prospectus (or any supplementary prospectus) (other than the Lead Manager) withdraws that consent;
- > any person gives a notice under section 730 of the Corporations Act in relation to this Prospectus (or any supplementary prospectus) (other than the Lead Manager);
- > ASIC issues or threatens to issue proceedings in relation to the Offer, or commences any hearing, inquiry or investigation in relation to the Offer;
- > ASIC commences or gives notice of an intention to commence a prosecution of the Company;
- > ASX makes an official statement to any person, or indicates to the Company or the Lead Manager that official quotation of the Shares will not be granted by ASX or will be granted subject to conditions that are not customary pre-quotation conditions or otherwise acceptable to the Lead Manager (acting reasonably) or such approvals will not be given by the date that the Shares commence trading on the ASX (or such later date agreed in writing by the Lead Manager acting reasonably) or is withdrawn (without being immediately replaced); or that the Company will not be admitted to the official list of the ASX;
- > a new circumstance that would be adverse in a material respect from the point of view of an investor arises that would have been required to be disclosed in this Prospectus had it arisen before this Prospectus was lodged with ASX;
- > this Prospectus or any aspect of the Offer does not comply with the Corporations Act, Listing Rules or any other applicable law including due to a statement in this Prospectus which is or becomes misleading or deceptive or likely to mislead or deceive, or omit any information that is required; or any forecasts, expressions of opinion, intention or expectation which are not based on reasonable grounds;
- > the Company commits a breach of the Corporations Act, Listing Rules, the Constitution, or a material breach of other applicable laws, or has failed to comply with its continuous disclosure obligations or its Constitution;
- > any director of the Company is disqualified from managing a corporation under the Corporations Act;
- > the Company withdraws the Offer;
- > any event specified in the timetable is delayed for 2 or more Business Days without the prior written consent of the Lead Manager;
- > a director or officer of the Company is charged with an indictable offence;
- > trading in all securities quoted or listed on ASX, NYSE or LSE is suspended or limited in a material respect for one day on which that exchange is open for trading (**Trading Day**) or substantially all of a Trading Day; or
- > a general moratorium on commercial banking activities in Australia, the United States or the United Kingdom, is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries.

The Underwriting Agreement also contains certain customary termination events (i.e certain changes in law, any representation and warranty by the Company becoming untrue or incorrect, changes in management (without the prior written consent of the Lead Manager) and an occurrence which constitutes a material adverse change.

9.8.3 Conditions, warranties, undertakings and other terms

Under the Underwriting Agreement, the Company provides to the Lead Manager certain standard representations and warranties, including in relation to the Company's corporate authority, power and authorisations.

The Company also provides additional representations and warranties, including that the Prospectus complies with the Corporations Act, there are no material misleading or deceptive statements in the Prospectus, and the issue of the Prospectus will not constitute misleading or deceptive conduct.

9.8.4 Indemnity

Subject to certain exclusions relating to, among other things, fraud, wilful misconduct or gross negligence by the Lead Manager (and certain affiliated parties), the Company indemnifies the Lead Manager (and certain affiliated parties) against all losses suffered or claims made against them arising out of or in connection with the Offer, the Underwriting Agreement or in respect of any transaction contemplated by the Underwriting Agreement.

9.9 REGULATORY RELIEF

9.9.1 ASX waivers and confirmation

The Company has applied to the ASX for certain waivers and confirmations with respect to the ASX Listing Rules in connection with its application to the ASX for admission to the Official List, including:

- > Confirmation that the cash formula will apply on a “look through” basis to certain investors in the Raiz Group.
- > Confirmation that the issue of securities to the Company's Chief Executive Officer and Managing Director, as part of the LTEIP and the Company's existing Option holders (on conversion of the Options) will not be counted towards the Company's placement capacity under ASX Listing Rule 7.1.
- > Waiver in relation to ASX Listing Rule 10.14 to permit the issue of securities under the LTEIP to the Company's Chief Executive Officer and Managing Director and Shares on the vesting of those securities without Shareholder approval.

9.10 OWNERSHIP RESTRICTIONS

The sale and purchase of Shares in Australia is regulated by a number of laws that restrict the level of ownership or control by any one person (either alone or in contribution with others). This Section 9.10 contains a general description of these laws.

9.10.1 Foreign Acquisition and Takeovers Act 1975 (Cth) and Federal Government Foreign Investment Policy

Generally, the Foreign Acquisitions and Takeovers Act 1975 (FATA) applies to acquisitions of shares and voting power in a company of 20% or more by a single foreign person and its associates, or 40% or more by two or more unassociated foreign persons and their associates, where the acquisition meets a threshold value (which varies by investor type and industry). In addition, FATA applies to acquisitions of a direct interest in an Australian company by foreign governments and their related entities irrespective of the acquisition value. A “direct interest” is an interest of 10% in the entity but may include an interest of less than 10% where the investor has entered into business arrangements with the entity or the investor in a position to influence or participate in the management and control or policy of the entity. There are exemptions which can apply to certain acquisitions.

Where FATA applies to the acquisition, the acquisition may not occur unless notice of it has been given to the Federal Treasurer and the Federal Treasurer has either notified that there is no objection to the proposed acquisition (with or without conditions) or a statutory period has expired without the Federal Treasurer objecting. An acquisition to which the FATA applies may be the subject of a divestment order by the Federal Treasurer unless the process of notification, and either a non-objection notification or expiry of a statutory period without objection, has occurred. Criminal offences and civil penalties can apply to failing to give notification of certain acquisitions, undertaking certain acquisitions without a no objection notification or contravening a condition in a no objection notification.

9.10.2 Corporations Act

The takeover provisions in Chapter 6 of the Corporations Act restrict acquisitions of shares in listed companies, and unlisted companies with more than 50 members, if the acquirer's (or another party's) voting power would increase to above 20%, or would increase from a starting point that is above 20% and below 90%, unless certain exceptions apply. The Corporations Act also imposes notification requirements on persons having voting power of 5% or more in the Company either themselves or through an associate.

9.11 LITIGATION

The Company may be involved from time to time in disputes or other claims. These disputes may lead to legal and other proceedings, and may cause the Company to suffer additional costs. Other than as noted below, the Directors, at the Prospectus Date, are not aware of any current, pending or threatened litigation with which the Raiz Group is directly or indirectly involved which the Company believes is likely to have a material adverse impact on the business of the Raiz Group going forward.

The Company has become aware of a person who was previously involved in the business of one of the members of the Raiz Group, who has threatened to make a claim for additional entitlements to compensation, challenging the remuneration structure that forms the basis of the entitlement. Discussions have commenced with the view of resolving the matter.

Further details regarding litigation risks relevant to the Raiz Group are provided in Section 5.4.4.

9.12 AUSTRALIAN TAXATION CONSIDERATIONS

The following comments provide a general summary of the Australian income tax, capital gains tax (**CGT**), goods and services tax (**GST**) and stamp duty issues for Shareholders who acquire Shares under the Offer.

The categories of Shareholders considered in this summary are limited to individuals, complying superannuation entities and certain companies, trusts or partnerships, each of whom holds their Shares on capital account.

This summary does not consider the consequences for Shareholders who are insurance companies, banks, Shareholders that hold their shares on revenue account or carry on a business of trading in shares, Shareholders who acquired Shares in connection with an employee share scheme, or Shareholders who are exempt from Australian tax. This summary also does not cover the consequences for Shareholders who are subject to Division 230 of the Income Tax Assessment Act 1997 (Cth) (the **Taxation of Financial Arrangements** or **TOFA regime**).

This summary is based on the tax laws in Australia in force at the time of the Offer (together with established interpretations of those laws), which may change. This summary does not take into account the tax law of countries other than Australia. This summary is general in nature and is not intended to be an authoritative or complete statement of the applicable law.

Given that the precise implications of ownership or disposal of Shares will depend upon each Shareholder's specific circumstances, Shareholders should obtain independent advice on the taxation implications of owning or disposing of Shares, taking into account their specific circumstances (including whether they are an Australian tax resident).

9.12.1 Australian tax resident Shareholders

DIVIDENDS

Individuals and complying superannuation entities

Individuals and complying superannuation entities who receive a dividend should include the dividend in their assessable income. If the Shareholder satisfies the "qualified person" rules (refer to further comments below), the Shareholder should also include any franking credit attached to the dividend in their assessable income. However, such Shareholder should be entitled to a tax offset equal to the franking credit. The tax offset can be applied to reduce the income tax payable on the Shareholder's taxable income. Where the tax offset exceeds the income tax payable on the Shareholder's taxable income in an income year, the Shareholder should be entitled to a tax refund equal to the amount of the excess.

Companies

Corporate Shareholders should include the dividend in their assessable income. Subject to satisfaction of the qualified person rules, corporate Shareholders should also include any franking credits attached to the dividend in their assessable income. A tax offset should then be allowed up to the amount of any franking credit attached to the dividend. In addition, the corporate Shareholder should be entitled to a credit in its own franking account to the extent of the franking credit attached to the dividend. The corporate Shareholder can then pass on the benefit of the franking credit to its own Shareholder(s) on the payment of dividends by the corporate Shareholder.

Where franking credits received by a corporate Shareholder exceed the income tax payable by that Shareholder, the excess cannot give rise to a refund, but may be able to be converted into carry forward tax losses.

Trusts and partnerships

Shareholders who are trustees (other than trustees of complying superannuation entities) or partnerships should include the dividend in their assessable income in determining the net income of the trust or partnership. Subject to satisfaction of the qualified person rules, such Shareholders should also include any franking credit attached to the dividend in their net income. As a result, a relevant beneficiary or partner may be entitled to a tax offset equal to the beneficiary's or partner's share of the franking credit received by the Shareholder.

Notably, as the qualified person rules can be complex in the context of distributions received indirectly via a trust or partnership, it is recommended that Shareholders seek independent advice on the tax consequences arising in these circumstances.

Qualified person rules

The benefit of franking credits can be denied where a Shareholder does not satisfy the qualified person rules, in which case the Shareholder should not be required to include an amount for the franking credits in their assessable income and should also not be entitled to a tax offset.

Broadly, to satisfy the qualified person rules, a Shareholder must satisfy the holding period rule or, if necessary, the related payment rule.

The holding period rule requires a Shareholder to hold the Shares continuously “at risk” for not less than 45 days in the period beginning the day after the day on which the Shareholder acquires the Shares, and ending on the 45th day after the day on which the Shares become ex-dividend. In the ordinary case, this means that the holding period rule should be satisfied provided that the Shares have been held “at risk” for a continuous period of 45 days (not including the date of acquisition or disposal) at some time during the period of ownership of the Shares. Very broadly, Shares should be held “at risk” to the extent that no material “positions” are adopted in relation to the Shares which have the effect of diminishing the economic exposure associated with holding the Shares (for example, certain option and derivative agreements, or agreements to sell the Shares).

Under the related payment rule, a different testing period applies where the Shareholder or an associate of the Shareholder has made, or is under an obligation to make, a related payment in relation to a dividend. A related payment is one where a Shareholder or their associate effectively passes on the benefit of the dividend to another person.

The related payment rule requires the Shareholder to have held the Shares at risk for a continuous period of 45 days (not including the date of acquisition or disposal) during the period which commences on the 45th day before, and ends on the 45th day after the day on which the Shares become ex-dividend. Practically, the related payment rule should not impact Shareholders who do not pass the benefit of the dividend to another person. Shareholders should obtain their own tax advice to determine if the related payment rule applies in the context of their particular circumstances.

In the event that no related payments are made with respect to a particular dividend, an individual Shareholder may satisfy the qualified person rules on an alternative basis, provided that the Shareholder satisfies the small holdings exemption. This exemption should generally be satisfied where the Shareholder is entitled to total franking credits (from all sources) of no more than \$5,000 in the relevant year of income.

As indicated above, the qualified person rules can be particularly complex for distributions received by a Shareholder indirectly (for example, via an interposed trust). It is recommended that Shareholders in such situations seek independent tax advice.

Dividend washing rules

Dividend washing rules can apply in certain cases, such that no tax offset is available (nor is an amount required to be included in assessable income in relation to an attached franking credit) for a dividend received on Shares. Broadly, the rules can apply where Shareholders seek to obtain additional franking benefits by disposing of Shares ex-dividend and re-purchasing a substantially equivalent parcel of Shares cum-dividend on a special market.

Shareholders should seek independent tax advice regarding the dividend washing rules, and consider the impact of these rules, having regard to their own personal circumstances.

Disposal of Shares

The disposal of a Share by a Shareholder should constitute a CGT event. A capital gain should arise to the extent that the capital proceeds on disposal exceed the cost base of the Share (broadly, the amount paid to acquire the Share plus certain non-deductible transaction costs). In the case of an arm's length on-market sale, the capital proceeds should generally equal the cash proceeds from the sale. Where the Shareholder is a partnership, the partners of that partnership (and not the partnership itself) should ordinarily be treated as realising any capital gain arising from the disposal (in their proportionate shares).

A CGT discount may be applied against any capital gain (after reduction of the capital gain by applicable capital losses) where the entity which realises the capital gain is an individual, complying superannuation entity or trustee. The CGT discount may be applied in these circumstances, provided that the Shares have been held for at least 12 months (not including the date of acquisition or disposal for CGT purposes) and certain other requirements have been satisfied. Where the CGT discount applies, any capital gain arising to individuals and entities acting as trustees (other than trustees of a complying superannuation entity) may be reduced by 50%, after offsetting current year or prior year capital losses. For a complying superannuation entity, any capital gain may be reduced by one third, after offsetting current year or prior year capital losses.

If the Shareholder who realises the capital gain and is entitled to the CGT discount is the trustee of a trust (other than the trustee of a complying superannuation entity), the CGT discount may flow through to the beneficiaries of the trust, provided those beneficiaries are not companies. Shareholders that are trustees should seek specific advice regarding the tax consequences of distributions to beneficiaries who may qualify for discounted capital gains.

A capital loss should be realised to the extent that the reduced cost base of a Share (which should generally be calculated in a similar manner to the cost base) exceeds the capital proceeds from its disposal. Capital losses may only be offset against capital gains realised in the same income year or future income years, subject to certain loss recoupment tests being satisfied. Capital losses cannot be offset against other assessable income. As with capital gains, where the Shareholder realising the capital loss is a partnership, the partners of that partnership (and not the partnership itself) should ordinarily be treated as realising the capital loss (in their proportionate shares).

9.12.2 Non-Australian tax resident Shareholders

DIVIDENDS

Shareholders who are not tax resident in Australia should generally be subject to Australian dividend withholding tax with respect to any unfranked dividends received. Australian dividend withholding tax should be imposed at a flat rate of 30% on the amount of the dividend that is unfranked unless the Shareholder is tax resident in a country that has concluded a double tax treaty with Australia.

If that is the case, and the Shareholder is otherwise able to rely on the double tax treaty, the rate of Australian dividend withholding tax may be reduced (typically to 15%), depending on the terms of the double tax treaty.

Dividends received which are fully franked should not be subject to Australian dividend withholding tax.

DISPOSAL OF SHARES

The disposal of a Share by a Shareholder who is not tax resident in Australia should constitute a CGT event. A capital gain may initially arise to the extent that the capital proceeds on disposal exceed the cost base of the Share.

However, any capital gain initially arising as a result of the CGT event should be disregarded unless the Share constitutes “taxable Australian property”. Broadly, a Share should constitute taxable Australian property if both of the following requirements are satisfied:

- > the Shareholder (together with any associates of the Shareholder) holds an interest of at least 10% in the Company at the time of the disposal, or has held such an interest throughout a 12 month period in the 24 months preceding the disposal; and
- > the Company is land rich for Australian income tax purposes (broadly, because more than 50% of the value of the Company’s assets, including those of certain downstream subsidiaries, is comprised by Australian real property interests and/or certain interests in respect of Australian minerals).

A Share should also constitute taxable Australian property if it is used by a Shareholder in carrying on a business in Australia through a permanent establishment (for example, a fixed place of business, such as an office, which is located in Australia).

In the event that a Shareholder who is not tax resident in Australia realises a capital gain in connection with the disposal of a Share that constitutes taxable Australian property, the Shareholder should ordinarily be required to lodge an Australian income tax return including the capital gain. In such circumstances, the Shareholder should generally not be entitled to claim the benefit of the CGT discount to reduce the amount of the capital gain included, but may be able to offset the capital gain with any available capital losses, subject to certain loss recoupment tests being satisfied. The amount of the capital gain, after application of any available capital losses, should be subject to Australian income tax at the Shareholder’s marginal tax rate.

A capital loss should initially be realised by a Shareholder who is not tax resident in Australia to the extent that the reduced cost base of a Share exceeds the capital proceeds from its disposal. However, as with capital gains, a capital loss should be disregarded by the Shareholder unless the Share being disposed of constitutes taxable Australian property. Capital losses which are not disregarded may only be offset against capital gains from the disposal of taxable Australian property in the same income year or future income years, subject to certain loss recoupment tests being satisfied.

NON-RESIDENT CGT WITHHOLDING

New rules have recently been introduced which can apply to the disposal of certain taxable Australian property under contracts entered into on or after 1 July 2016. Pursuant to the new rules, a 12.5% non-final withholding tax may be applied to such transactions at settlement.

However, transactions conducted through an approved stock exchange are excluded, hence the new rules should not apply to the disposal of a Share on the ASX.

9.12.3 Other taxation considerations

GST

Shareholders should not be liable for GST from acquiring or disposing of any Shares. Shareholders may not be entitled to claim full input tax credits in respect of any GST paid on costs incurred in connection with their acquisition or disposal of Shares. Separate GST advice should be sought by Shareholders in this respect.

STAMP DUTY

Shareholders should not be liable for stamp duty in respect of their investment in Shares, unless they acquire, either alone or with an associated/related person, an interest of 90% or more in the Company and the Company is a landholder. Under current stamp duty legislation, no stamp duty should ordinarily be payable by Shareholders on any subsequent transfer of listed Shares.

Shareholders should seek their own advice as to the impact of stamp duty in their own particular circumstances.

TAX FILE NUMBER (TFN)

Australian tax resident Shareholders may, if they choose, notify the Company of their TFN, ABN or a relevant exemption from withholding tax with respect to dividends. In the event that the Company is not so notified, pursuant to the TFN withholding rules, tax should be automatically be deducted at the highest marginal rate, including where relevant, the Medicare levy and Temporary Budget Repair Levy, from unfranked dividends and/or other applicable distributions. However, Australian tax resident Shareholders may be able to claim a tax credit/rebate (as applicable) in respect of the tax deducted in their income tax returns.

Shareholders who are not tax resident in Australia should generally be entitled to an exemption from the TFN withholding rules. This means that mandatory withholding may not be required by the Company with respect to unfranked dividends or other relevant distributions paid to such Shareholders, irrespective of whether those Shareholders have notified the Company of their TFN or ABN. As indicated in Section 9.12.2, Shareholders who are not tax resident in Australia should generally be subject to final non-resident withholding tax on unfranked dividends.

9.13 Consent to be named and statement of disclaimers of responsibility

Written consents to the issue of this Prospectus have been given and, at the time of lodgement of this Prospectus with ASIC, had not been withdrawn by the following parties:

- > Bell Potter has given, and has not withdrawn prior to the Prospectus Date, its written consent to be named in this Prospectus as the Lead Manager and Underwriter to the Offer;
- > KPMG Law has given, and has not withdrawn prior to the Prospectus Date, its written consent to be named in this Prospectus as Australian legal advisor (other than in relation to taxation matters) to the Company in relation to the Offer in the form and context in which it is named;
- > Hall Chadwick has given, and has not withdrawn prior to the Prospectus Date, its written consent to be named in this Prospectus as Investigating Accountant to the Company in relation to the Financial Information in the form and context in which it is named and has given and not withdrawn its consent to the inclusion in this Prospectus of its Investigating Accountant's Report in the form and context in which it is included;
- > Hall Chadwick Tax has given, and has not withdrawn prior to the Prospectus Date, its written consent to be named in the Prospectus as provider of tax due diligence for the Company in relation to the Offer in the form and context in which it is included;
- > Hall Chadwick has given, and has not withdrawn prior to the Prospectus Date, its written consent to be named in this Prospectus as auditor to the Company in relation to auditing the Company's FY15, FY16 and FY17 consolidated financial reports and having reviewed Company's 1H FY18 consolidated half year report, in the form and context in which it is named and has given and not withdrawn its consent to be named as auditor in the form and context in which it is included;
- > Computershare has given, and has not withdrawn prior to the Prospectus Date, its written consent to be named in this Prospectus as the Share Registry in the form and context in which it is named; and
- > AETL has given, and has not withdrawn prior to the Prospectus Date, its written consent to be named in this Prospectus as the custodian of the Fund in the form and context in which it is named. AETL does not make,

or purport to make, any statement that is included in this Prospectus and there is no statement in this Prospectus which is based on any statement by AETL.

No entity or person referred to above in this Section 9.13 has made any statement that is included in this Prospectus or any statement on which a statement made in this Prospectus is based, except as stated above. Each of the persons and entities referred to above in this Section 9.13 has not authorised or caused the issue of this Prospectus, does not make any offer of Shares and expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus except as stated above in this Section 9.13.

9.14 GOVERNING LAW

This Prospectus and the contracts that arise from the acceptance of the Applications and bids under this Prospectus are governed by the laws applicable in New South Wales, and each Applicant under this Prospectus and bidder submits to the non-exclusive jurisdiction of the courts of New South Wales.

9.15 EXPENSES OF THE OFFER

The Company has paid, or will pay, all of the costs associated with the Offer. If the Offer proceeds, the total estimated cash expenses in connection with the Offer (including underwriting, management, advisory, legal, accounting, tax, listing and administrative fees as well as printing, advertising and other expenses) are estimated to be approximately \$1,450,000.

9.16 INVESTOR CONSIDERATIONS

Before deciding to participate in this Offer, you should consider whether the Shares to be issued are a suitable investment for you. There are general risks associated with any investment in the stock market. The value of Shares listed on ASX may rise or fall depending on a range of factors beyond the control of the Company.

If you are in doubt as to the course you should follow, you should seek advice on the matters contained in this Prospectus from a stockbroker, solicitor, accountant or other professional adviser.

The potential tax effects relating to the Offer will vary between investors. Investors are urged to consider the possible tax consequences of participating in the Offer by consulting a professional tax adviser.

9.17 STATEMENT OF DIRECTORS

This Prospectus is authorised by each director of Raiz Invest Limited who consents to its lodgement with ASIC and its issue.

10. Glossary

TERM	MEANING
2015 Options	The 2015 Management Options described in Section 9.4
2016 Options	The 2016 Management Options described in Section 9.4
1H	First half of the relevant financial year
ABN	Australian Business Number
ACN	Australian Company Number
Acorns US	Acorns Grow Incorporated
Administration Companies	Each of MF Global Australia Limited ACN 001 662 077, MF Global Securities Australia Limited ACN 125 669 801 and Brokerone Pty Ltd ACN 070 037 482
AETL	Australian Executor Trustees Limited
AFSL	Australian financial services licence
Applicant	A person who submits an Application
Application	An application made to subscribe for Shares offered under this Prospectus
Application Form	The application form attached to or accompanying this Prospectus (including the electronic form provided by an online application facility)
Application Monies	The amount of money accompanying an Application Form submitted by an Applicant
ASIC	Australian Securities and Investments Commission
ASIC Act	Australian Securities and Investment Commission Act 2001 (Cth)
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange (as the context requires)
ASX Listing Rules	The rules of the ASX that govern the admission, quotation and removal of securities from the Official List as amended, varied or waived from time to time
ASX Settlement Operating Rules	The settlement rules of the ASX as amended, varied or waived from time to time
AUD, A\$ or \$	Australian dollar
Audit and Risk Committee	The committee described in Section 6.5.5
Australian Accounting Standards	Accounting Standards defined by the Corporations Act

TERM	MEANING
Australian Government	Government of the Commonwealth of Australia
Awards	As described in Section 6.4.2
Bell Potter	Bell Potter Securities Limited ABN 25 006 390 772
Board	The board of directors of the Company
Broker	Any ASX participating organisation selected by the Lead Manager and the Company to act as a broker to the Offer
Broker Firm Applicant	A person who submits an Application under the Broker Firm Offer
Broker Firm Offer	The offer of Shares under this Prospectus to Australian resident retail clients of Brokers who have received a firm allocation from their Broker
Business Day	Has the meaning given in the ASX Listing Rules
CEO	Chief Executive Officer
CGT	Capital gains tax
Chairman	Peter Anthony Fay, as at the Prospectus Date
Chairman's List Applicants	A person who submits an Application under the Chairman's List Offer
Chairman's List Offer	The offer of Shares under this Prospectus to Australian resident retail investors and Institutional Investors who have received a personalised invitation to participate in the Offer from the Company
CHESS	Clearing House Electronic Subregister System, operated in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules
Closing Date	The date on which the Offer is expected to close, being Friday 1 June 2018 as at the Prospectus Date. This date may be varied without prior notice
Code of Conduct	The corporate governance policy document described in Section 6.5.7
Company or Raiz	Raiz Invest Limited ACN 615 510 177
Company Secretary	Each company secretary of the Company from time to time
Completion	The completion of the Offer, being the date on upon which Shares are issued to Successful Applicants in accordance with the terms of the Offer
Constitution	The constitution of the Company as amended from time to time
Corporations Act	Corporations Act 2001 (Cth)
CRN	Customer Reference Number

TERM	MEANING
Cuscal	Cuscal Limited
Directors	Each of the directors of the Company from time to time
Disclosure and Communications Policy	The policy document described in Section 6.5.7
DIY	DIY Master Pty Ltd
D&B	Dun & Bradstreet (Australia) Pty Limited
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
Escrowed Shareholders	Those Shareholders whose Shares in the Company will be subject to escrow arrangements, as described in Section 9.3
ETF	Exchange traded fund
Existing Shareholders	Those persons holdings Shares immediately prior to Completion
Expiry Date	The date which is 13 months after the Prospectus Date
Exposure Period	The seven day period after the Prospectus Date, which may be extended by ASIC for up to an additional seven days, during which an Application must not be accepted
FATA	Foreign Acquisitions and Takeovers Act 1975 (Cth)
Financial Information	Has the meaning given in Section 4
Fund or Raiz Invest Australia Fund	Raiz Invest Australia Fund, a registered managed investment scheme ARSN 607 533 022
FY	Year to 30 June
GST	Goods and Services Tax
Hall Chadwick	Hall Chadwick Corporate (NSW) Limited
Hall Chadwick Tax	Hall Chadwick Corporate (NSW) Limited
Historical Option Plan	The historical option plan under which the Management Options were issued, as described in Section 6.4.1

TERM	MEANING
Institutional Investor	An investor: > in Australia who is a “wholesale client” for the purposes of section 761G of the Corporations Act and who is also either a “professional investor” or “sophisticated investor” under sections 708(11) and 708(8) of the Corporations Act; or > in certain other jurisdictions, as agreed between the Company and the Lead Manager, to whom offers or invitations in respect of securities can be made without the need for a lodged or registered prospectus or other form of disclosure document or filing with, or approval by, any governmental agency (except one with which the Company is willing, in its absolute discretion, to comply), provided that in either case such investors are not in the United States
Institutional Offer	The invitation to Institutional Investors under this Prospectus to acquire Shares
Instreet Acorns	INstreet Acorns Pty Ltd ACN 604 462 179
Instreet Investment	INstreet Investment Limited ACN 128 813 016
Instreet Investment Australia	INstreet Investment Australia Limited ACN 622 827 589
Investigating Accountant	Hall Chadwick
Investigating Accountant Report	The report contained in Section 8
Lead Manager or Underwriter	Bell Potter
Listing	The admission of the Company to the Official List of the ASX and quotation of the Shares on the ASX
LTEIP	Raiz Invest Limited Long Term Equity Incentive Plan
Management Options	The options issued to management and employees under the Historical Option Plan, as described in Section 6.4.1
March 2017 Options	The March 2017 Management Options described in Section 9.4
Moneythor	Moneythor Pte Ltd
My Finance	The personal finance management feature developed by the Raiz Group
New Shareholders	Persons acquiring Shares under the Offer (excluding any Existing Shareholders who acquire Shares under the Offer)
Nomination and Remuneration Committee	The committee described in Section 6.5.6
October 2017 Options	The October 2017 Management Options described in Section 9.4
Offer	The offer under this Prospectus of new Shares for issue by the Company

TERM	MEANING
Offer Period	The period commencing from the Opening Date and ending on the Closing Date
Offer Price	\$1.80 per Share
Official List	The official list of the ASX
Opening Date	Thursday, 17 May 2018
Options	Options to acquire Shares as granted under the Company's LTEIP
PDS or Product Disclosure Statement	Product disclosure statement
Priority Applicant	A Raiz customer who is ordinarily resident in Australia and who has received an invitation to participate in the Priority Offer
Priority Offer	The offer of Shares to Priority Applicants at an Offer Price of \$1.80 per Share, as described in Section 7.5
Privacy Policy	The policy document described in Section 6.5.7
Prospectus	This document (including the electronic form of this Prospectus) and any supplementary or replacement prospectus in relation to this document
Prospectus Date	The date on which a copy of this Prospectus is lodged with ASIC, being 9 May 2018
Raiz Group	Means, together: > the Company; > Instreet Investment; > Raiz Invest Australia; > Raiz Invest Australia Fund; and > Instreet Acorns
Raiz Group Company	Any company which is as member of the Raiz Group
Raiz Investment Account	As described in Section 3.5.2
Raiz Invest Super	The Raiz Group's superannuation product which allows Raiz customers, through the Raiz smartphone application or website, to open an account in Raiz Invest Super, consolidate superannuation monies from other superannuation funds, rollover from existing superannuation funds, opt in or out of life insurance and transfer money from their Raiz Investment Account into their Raiz Invest Super Account (being voluntary contributions)
Raiz Invest Super Account	As described in Section 3.9
Raiz Rewards	A feature of the Raiz platform offered by the Raiz Group which rewards customers who shop with Raiz's partner brands online by investing bonus investments into customer's Raiz Investment Account
RIA or Raiz Invest Australia	Raiz Invest Australia Limited ACN 604 402 815

TERM	MEANING
Rights	Rights offered under the LTEIP, as described in Section 6.4.2
Share	A fully paid ordinary share in the capital of the Company
Shareholder	A holder of Shares
Share Registry	Computershare Investor Services Pty Limited
Successful Applicant	An Applicant who is issued Shares under the Offer
Sydney time	Australian Eastern Daylight Time
Tax Act	Income Tax Assessment Act 1997 (Cth)
TFN	Tax file number
Underwriting Agreement	The underwriting agreement dated on or around the Prospectus Date between the Company and the Lead Manager
US or United States	United States of America, its territories and possessions
US Person	A person resident in the United States
US Securities Act	US Securities Act of 1933, as amended
Yodlee	Yodlee Inc

Corporate directory

Company's registered office

Level 11
2 Bulletin Place
Sydney NSW 2000

Lead Manager and Underwriter

Bell Potter Securities Limited
Level 29, 101 Collins Street
Melbourne VIC 3000

Australian Legal Adviser

KPMG Law
Tower Three
International Towers Sydney
300 Barangaroo Avenue
Sydney NSW 2000

Investigating Accountant

Hall Chadwick Corporate (NSW) Limited
Level 40
2 Pitt Street
Sydney NSW 2000

Auditor

BDO East Coast Partnership
Level 11
1 Margaret Street
Sydney NSW 2000

Offer Information Line

1300 109 678 (within Australia)

+61 3 9415 4140 (outside Australia)

Between 9.00am and 5.00pm (Sydney time), Monday to Friday (Business Days only)

Offer website

www.raizinvestoffer.com.au

Share Registry

Computershare Investor Services Pty Limited
Level 4
60 Carrington Street
Sydney NSW 2000

Proposed ASX code

RZI



Return your form to your broker:

Broker Firm Offer Applicants must contact their broker for information on how to submit this Broker Firm Offer Application Form and Application Monies.

For all enquiries:

1300 109 678 (within Australia)

+61 3 9415 4140 (outside Australia)

Monday to Friday 9.00am to 5.00pm (Sydney time)

www.raizinvestoffer.com.au

--	--	--	--	--	--	--	--	--

Number of Shares in Raiz Invest Limited at \$1.80 per Share. Applications must be a minimum of 3,000 Shares (\$5,400.00) and in multiples of 500 shares (\$900) thereafter.

A\$

--	--	--	--	--	--	--	--	--	--	--

 -

--	--

Title or Company Name	Given Name(s)	Surname

Joint Applicant 2 or Account Designation

[illegible]

Joint Applicant 3 or Account Designation

[illegible][illegible]

City/Suburb/Town

[illegible]

State

--	--	--

Postcode

--	--	--	--

Contact Name

Telephone Number - Business Hours

()

Holder Identification Number (HIN)

X									
---	--	--	--	--	--	--	--	--	--

Please note that if you supply a CHES HIN but the name and address details on your form do not correspond exactly with the registration details held at CHES, your application will be deemed to be made without the CHES HIN, and any Shares issued as a result of the Offer will be held on the issuer sponsored subregister.

Drawer	Cheque Number	BSB Number	Account Number	Amount of cheque
				A\$

See overleaf for completion guidelines ➔

How to complete this Broker Firm Application Form

A**Number of Shares applied for**

Enter the number of Shares you wish to apply for. The minimum Application under the Broker Firm Offer is 3,000 Shares (being, worth \$5,400), and in multiples of 500 Shares (being, worth \$900) thereafter. The Offer Price of the Shares is payable in full on Application.

There is no maximum value of Shares that may be applied for under the Broker Firm Offer.

B**Application Monies**

Enter the amount of Application Monies. To calculate the amount, multiply the number of Shares applied for in Step A by the Offer Price of \$1.80.

C**Applicant Name(s)**

Enter the full name you wish to appear on the statement of shareholding. This must be either your own name or the name of a company. Up to 3 joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applications using the wrong form of names may be rejected. Clearing House Electronic Subregister System (CHES) participants should complete their name identically to that presently registered in the CHES system.

D**Postal Address**

Enter your postal address for all correspondence. All communications to you from the Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

E**Contact Details**

Enter your contact details. These are not compulsory but will assist us if we need to contact you regarding this Application.

F**CHES**

Raiz Invest Limited will apply to the ASX to participate in CHES, operated by ASX Settlement Pty Limited, a wholly owned subsidiary of ASX Limited. If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold Shares issued to you under this Application on the CHES Subregister, enter your CHES HIN. Otherwise, leave this section blank and on issue, you will be sponsored by Raiz Invest Limited and allocated a Securityholder Reference Number (SRN).

G**Payment**

Applicants under the Broker Firm Offer must lodge their Application Form and Application Monies with the relevant broker in accordance with the relevant broker's directions in order to receive their firm allocation. Applicants under the Broker Firm Offer must not return this Application Form or Application Monies to Computershare Investor Services Pty Limited (Computershare).

Cheque(s) must be crossed 'Not Negotiable' and made payable in accordance with the directions of your broker. Complete the cheque details in the boxes provided.

If you need any assistance in deciding whether to apply under the Broker Firm Offer, please contact your broker or other professional adviser without delay. You should read the entire Prospectus carefully before completing this Broker Firm Application Form.

By applying under the Broker Firm Offer, you make the acknowledgements, declarations, representations and warranties set out in section 7.7 of the Prospectus.

Lodgement of Application

Applicants under the Broker Firm Offer must lodge their Application Form and Application Monies with the relevant Broker in accordance with the relevant Broker's directions in order to receive their firm allocation.

The Company and the Lead Manager also reserve the right to aggregate any Applications which they believe may be multiple applications from the same person. The Lead Manager may determine a person to be eligible to participate in the Broker Firm Offer, and may amend or waive the Broker Firm Offer application procedures or requirements, at its discretion, in compliance with applicable laws.

Neither Computershare nor Raiz Invest Limited accepts any responsibility if you lodge the Application Form at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by Computershare, as registrar for the securities issuer (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting Computershare using the details provided overleaf or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Correct forms of registrable title(s)

Note that ONLY legal entities are allowed to hold Shares. Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to Raiz Invest Limited. At least one full given name and the surname is required for each natural person. Application Forms cannot be completed by persons less than 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual — Use given name(s) in full, not initials	Mr John Alfred Smith	J.A. Smith
Joint — Use given name(s) in full, not initials	Mr John Alfred Smith & Mrs Janet Marie Smith	John Alfred & Janet Marie Smith
Company — Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts — Use trustee(s) personal name(s) — Do not use the name of the trust	Ms Penny Smith <Penny Smith Family A/C>	Penny Smith Family Trust
Deceased estates — Use executor(s) personal name(s) — Do not use the name of the deceased	Mr Michael Smith <Est John Smith A/C>	Estate of Late John Smith
Minor (a person under the age of 18) — Use the name of a responsible adult with an appropriate designation	Mr John Alfred Smith <Peter Smith A/C>	Peter Smith
Partnerships — Use partners' personal name(s) — Do not use the name of the partnership	Mr John Smith & Mr Michael Smith <John Smith & Son A/C>	John Smith & Son
Clubs/Unincorporated Bodies/Business Names — Use office bearer(s)' personal name(s) — Do not use the name of the club etc	Mrs Janet Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds — Use the name of trustee of the fund — Do not use the name of the fund	John Smith Pty Ltd <Super Fund A/C>	John Smith Pty Ltd Superannuation Fund