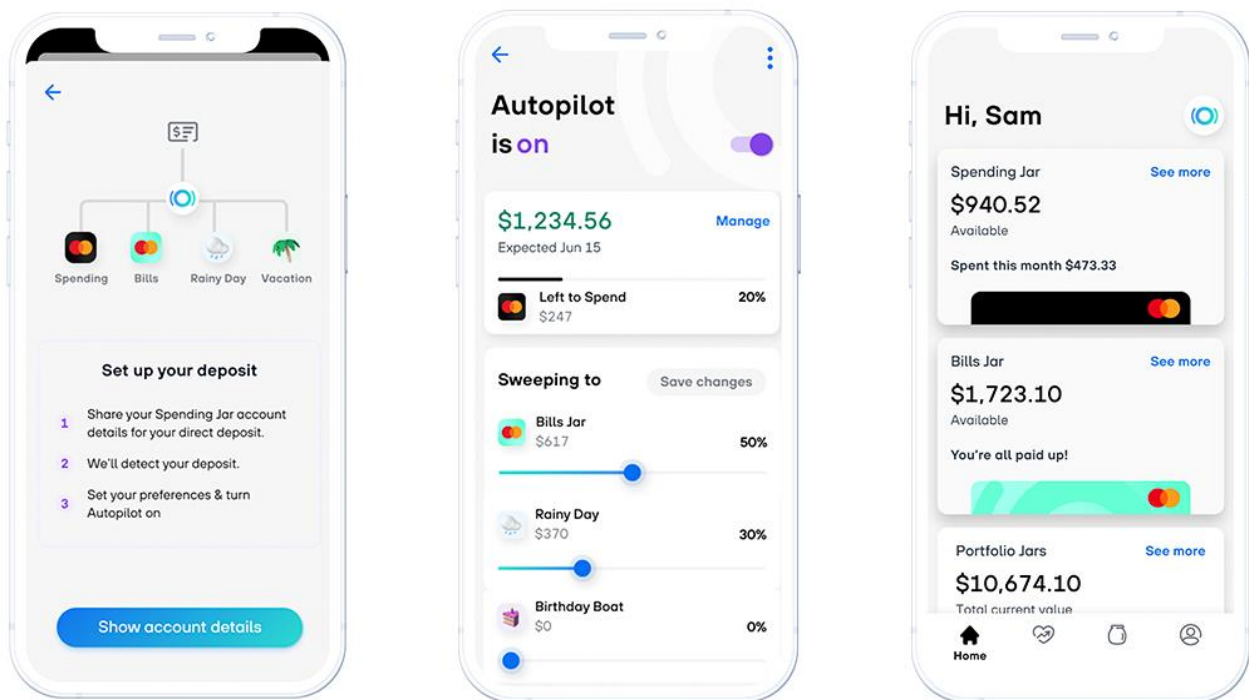


Dough's strong growth continues across key metrics with target market expanded to accelerate growth

- The US customer base grew to 65,028 in January, up 21% MoM (up 1,032% YoY).
- Total customers on the platform grew to 91,857 in January, up 14% MoM (up 278% YoY).
- Accumulated customer revenue grew to \$290,700, up 24% MoM (up 18,202% YoY).
- Accumulated customer deposits grew to \$25M in January, up 13% MoM (up 2,287% YoY).
- Accumulated card spend grew to \$12.5M in January, up 18% MoM (up 9,030% YoY).
- Autopilot has now distributed over \$3.1m in sweeps to help people budget, save and invest.
- Following the results of a recent quantitative research study, Dough is now refocusing its efforts to win and build scale in the ~160m mass-market segment to deliver a step change in activation and revenue growth.

Sydney|New York, 15 February 2022 -- Dough Ltd (ASX: DOU), the banking super app helping customers budget, save and invest to live financially healthier lives, is pleased to provide an update on the Company.

Following the completion of a broad market research study commissioned by Dough, the Company has reprioritised its feature roadmap and adjusted its marketing strategy to more accurately service and target the needs of the ~160 million Americans (47% of the population), who are in desperate need of help to better budget and manage their money.



Our research shows that this mass market segment struggles to afford a \$400¹ emergency expense without going into debt. They are living paycheck to paycheck and need assistance to budget & save their money.

To better support these customers, we have launched Early Pay (announced 7 February).

Early Pay is a new bank account feature that allows customers to receive their paycheck up to 2 days earlier than offered by traditional banks. It's been achieved by streamlining the back end processes, resulting in faster processing of payment files. Early Pay helps Douough members to stay on top of their budgeting. For US customers this is a critical budgeting feature designed to overcome the issues of when their paycheck, either paper or electronic, comes after rent or car payment, etc. become due. This drives adoption of connecting a paycheck to Douough, resulting in higher balances, card spend and repeat use.

Included in the Super App offering and within the monthly Douough Membership fee, by providing employees early access to their pay, we help our members avoid high cost Payday Lenders, late charges, and bank overdraft fees which alone total about \$35 billion annually in the United States².

This feature has been a critical pillar to delivering substantial growth to leading market players such as [Chime](#), [Current](#) and [Dave](#) who between them have ~17m customers with a combined market capitalisation of ~\$35b, having raised in excess of \$2b³ to scale up their operations⁴.

Chime, the leading market player, has proven that through interchange and ATM fees alone at scale, the business model is sustainable⁵.

The Company firmly believes that with its proprietary Autopilot feature, coupled with a focus on budgeting features, cash rewards and integrated portfolio investing services, it is now well positioned to compete in this segment and win customers away from the incumbent and challenger fintechs and banks. This belief will be further cemented with the introduction of the previously announced interest-free overdraft feature.

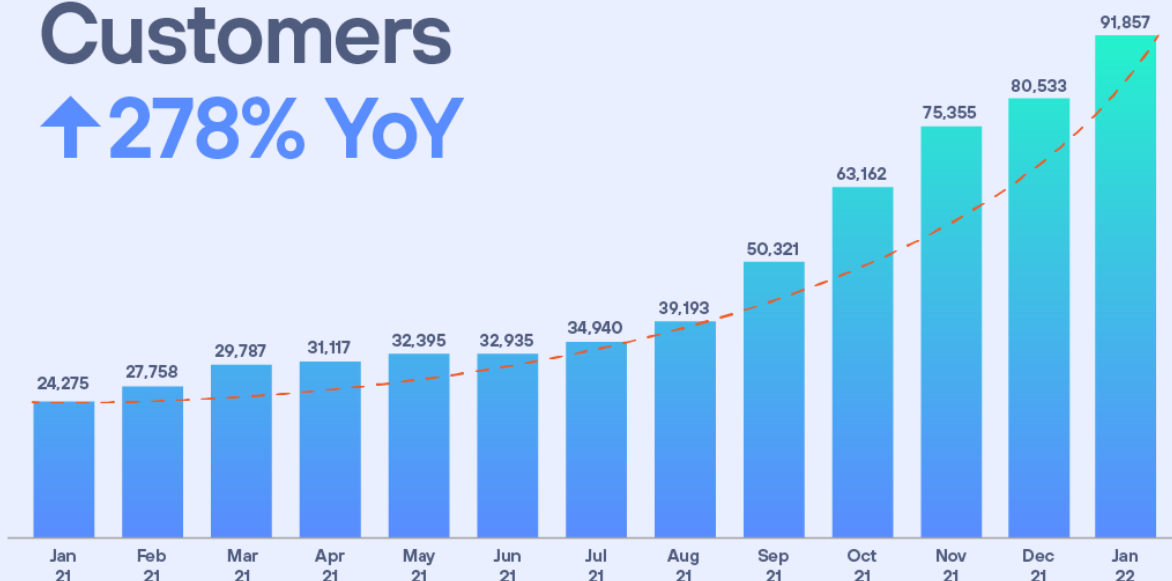
January platform metrics

Following on from the strong growth delivered in Q2, the Company continued to see steady growth in January across key platform KPIs following a pull back in marketing spend, as many new customers entered the free trial period and started to familiarise themselves and use the service, with Douough's in app member-get-member service continuing to be the highest performing distribution channel.

Douough is putting more focus into this to expand the offering to better incentivise the right platform behaviors in order to maximise its revenue opportunity (increase deposits and card spend).

Customers

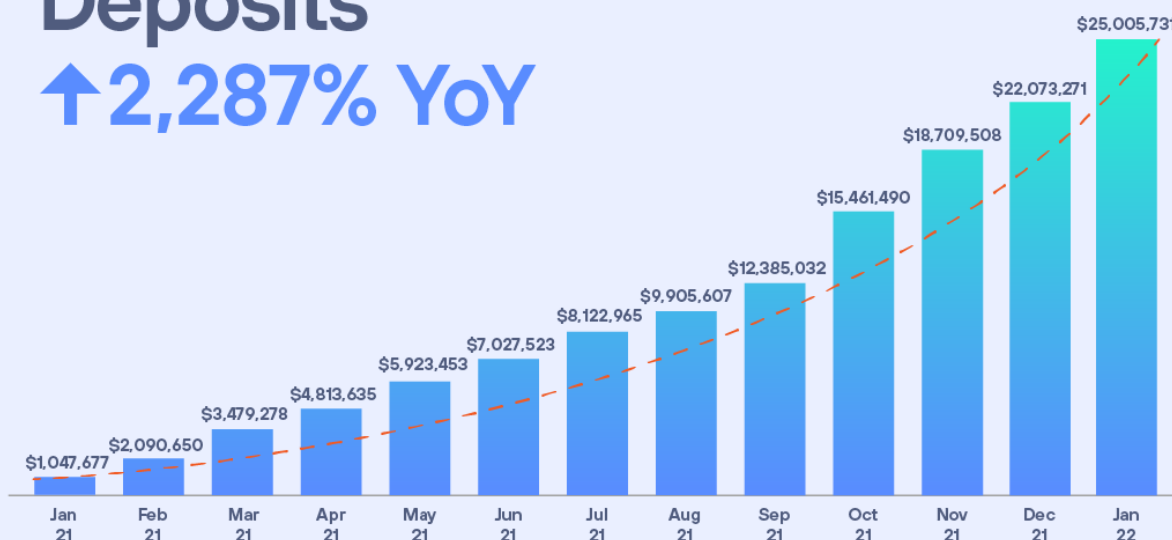
↑278% YoY



Registered Customers: Consolidated registered customer growth across US & AU since the Dough USA launch in Nov 2020 including the acquired Goodments user base.

Deposits

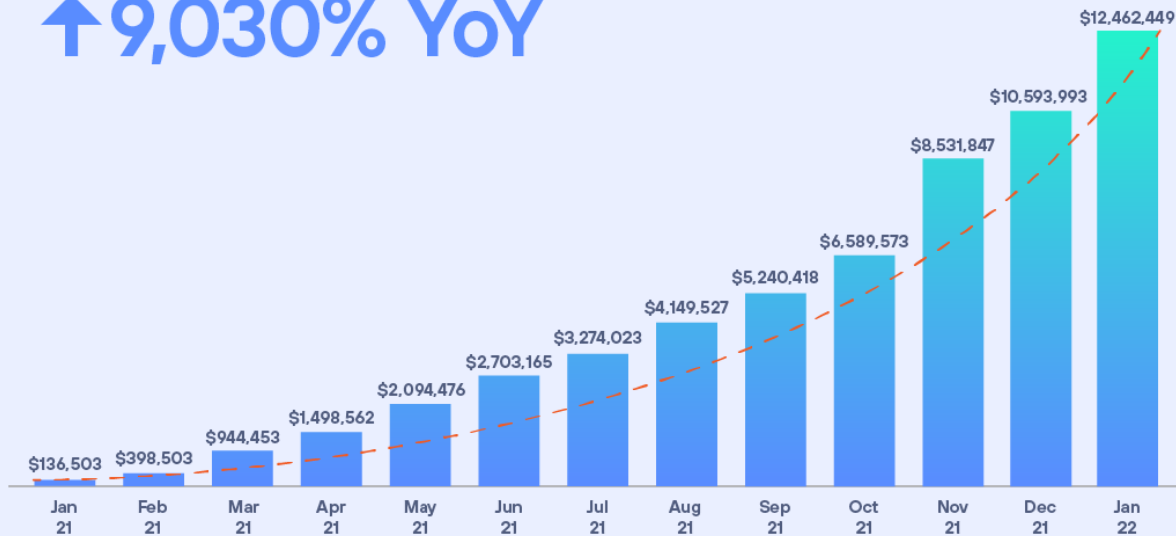
↑2,287% YoY



Total Deposits: Accumulated cash deposits on the platform across the US & AU, a reflection of customer engagement. AU revenue is driven off deposits converted into USD to trade US securities. Additionally, funds deposited in the US are available for customers to spend with their linked debit card, save and invest.

Card Spend

↑9,030% YoY



Total Card Spend: Accumulated card spend, an indicator of US customer engagement and the driver of interchange revenue.

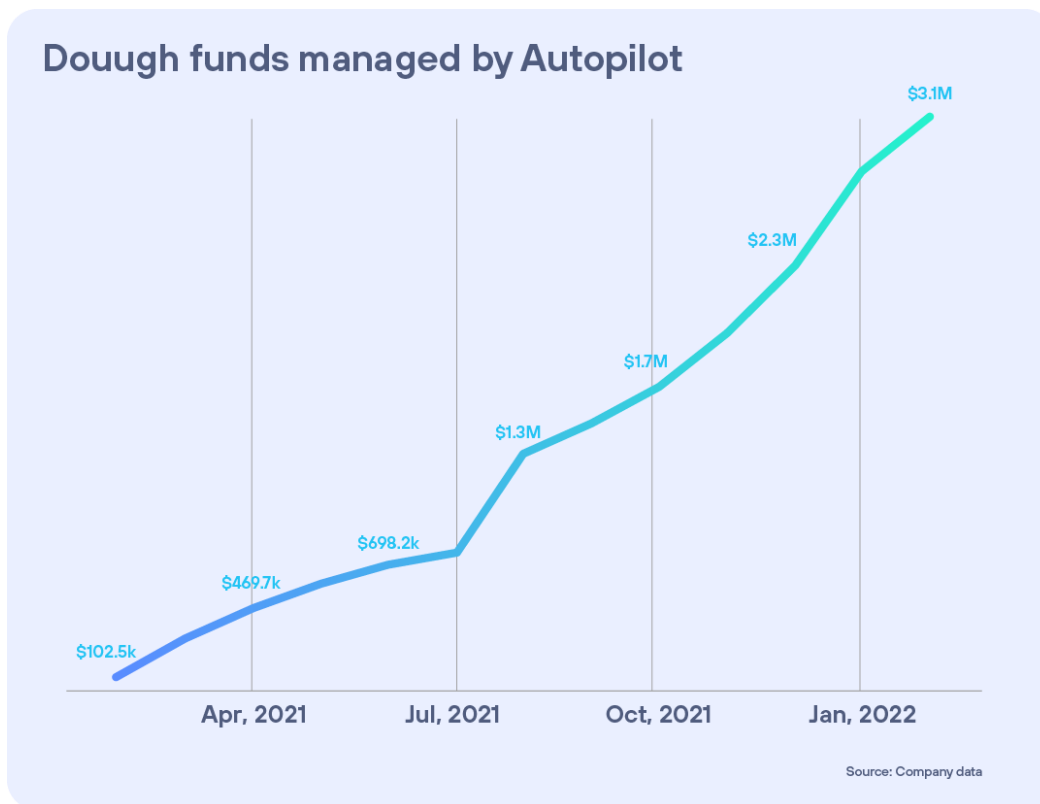
Revenue

↑18,202% YoY



Total Revenue: Accumulated revenue since Dough's launch. Revenue made up of interchange, bank fees and monthly subscription from active customers.

Dough's Autopilot feature in the US also reached its own milestone, having now processed over **\$3.1m** in automated sweeps to cover people's bills and contribute to savings and investing goals since its launch last year.



Dough introduced a major upgrade to the feature in January, widening the amount of acceptable deposit funding sources to lower the barrier to entry. Customers can now use Venmo, Cash App, Zelle and Open Banking connected accounts (ACH pull), rather than having to rely solely on paying in their salary. This makes it easier for customers to test drive the feature prior to committing bigger deposits.

Dough now believes a reduction in top line growth and marketing spend is prudent based on the current market environment. As such, the Company's focus is moving to improving core activation rates that support our key business KPIs and revenue generation.

Specifically capturing larger average deposit balances and transactional card spend to increase ARPU. We expect these key measures will be significantly aided with the launch of Early Pay, the success of which will be reported in due course.

This focus may result in lower growth rates of registered customers, offset by higher activation rates, which will translate directly into increased revenue and uplift in ARPU. Contributing revenue drivers towards this are predominately interchange, out of network ATM fees, monthly subscription and the introduction of a Cryptocurrency trading spread on the conversion of USD to Crypto once launched.

Supported of course by the expansion of the affiliate revenue received from our over 30,000 merchant partners, providing cashback and coupon offers to customers through the Dough Rewards [Google Chrome extension](#).

Douough Australia

The Douough Australia project is also well underway with Railsbank and Volt, with the Company targeting a closed beta launch in early Q4, followed by a full market launch later in the year, subject to final bank approvals and the raising of additional growth capital.

The Company is continuing to make light touch updates to its Goodments by Douough App in preparation for its migration into the Douough App prior to its full market launch. This will see the reintroduction of sustainability features, a key driver of Goodments early success. However, Goodments will remain focused on US stock trading, with ASX share trading capabilities being added into the Douough App down the line.

Commenting on the Company's progress, Douough's Founder and CEO **Andy Taylor** said:

"Our core strategy remains, to build out a banking super app over the long-term that incorporates key banking, credit, stock trading and crypto features to enable Douough to deliver on its mission of helping customers manage and grow their money to live financially healthier lives - bridging the world of centralised and decentralised finance in a way that traditional banks are incapable of doing, without destroying their legacy business model."

"Whilst investors should be encouraged by our progress to date, we are constantly striving toward building a high revenue, profitable business model. Following our first full quarter of marketing since the launch of our subscription and investing product, we have been carefully analysing customer behaviors and feedback, as well as commissioning our first piece of external quantitative research in December, which has uncovered some important insights."

"We initially set out to appeal to the HENRY (Higher Earning, Not Rich Yet) segment of the market, estimated to be ~28m in the US alone. Whilst this user base has asked for better assistance around money management, our research shows that their core driver for switching has shifted to having access to integrated Stock and Crypto trading functionality, which we are working to deliver on in the future."

"However, we now have a clearer insight that our current proposition is resonating well with the mass-market segment of ~160m Americans who are living paycheck to paycheck, earning between \$25k-\$75k a year."

"We're excited to tilt our focus to these customers as a means to unlock rapid growth. Adding Early Pay puts us in a strong position to win this core segment of users, having them commit their paycheck and accelerate member-get-member growth."

"This means moving away from top line customer acquisition in favor of a balanced approach to growth, focussing on delivering a step change in activation of customers, scaling up our member-get-member program and revenue."

--End--

About Dough

[Dough](#) is a banking super app on a mission to help customers budget, save and invest their money to live financially healthier lives. Dough was founded in 2016 by Andy Taylor, Co-founder of SocietyOne.

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ASX Release approved by the CEO on behalf of the Board. The numbers presented are unaudited.

1. <https://www.federalreserve.gov/publications/2021-economic-well-being-of-us-households-in-2020-dealing-with-unexpected-expenses.htm>
2. <https://www.forbes.com/sites/tomgroenfeldt/2019/04/18/early-access-to-wages-a-prized-benefit-costs-employers-little-or-nothing/?sh=5939d99d6312>
3. www.crunchbase.com
4. <https://www.forbes.com/sites/jeffkauflin/2021/10/23/chime-in-talks-to-go-public-at-35-to-45-billion-valuation/?sh=4de26ceb32ff>
5. <https://www.businessofapps.com/data/chime-statistics/>