



16 November 2021

**ASX RELEASE**

**Resimac Group Ltd 2021 Annual General Meeting  
CEO's Address**

Please see attached the address to be delivered by Resimac Chief Executive Officer, Scott McWilliam, to shareholders at the Annual General Meeting.

-ENDS-

**For more information:**

Peter Fitzpatrick

Company Secretary

P: 02 9248 0304

---

**About Resimac Group:**

Resimac Group Ltd ("Resimac Group") is a leading non-bank lender and multi-channel distribution business, recognised as Non-Bank of the Year by the Australian Mortgage Awards 2020. Its fully integrated business model comprises originating, servicing and funding prime, non-conforming residential mortgages and asset finance products in Australia and New Zealand. With over 250 people operating across Australia, New Zealand and the Philippines, Resimac Group has in excess of 50,000 customers with a portfolio of home loans on balance sheet of over \$14 billion and assets under management of over \$16 billion.

Resimac Group has issued over \$35 billion of mortgage-backed securities in domestic and global markets since 1987. It has access to a diversified funding platform with multiple warehouse lines provided by domestic and offshore banks for short term funding in addition to a global securitisation program to fund its assets longer term.

**resimac.com.au**

**p** 1300 764 447 **e** [info@resimac.com.au](mailto:info@resimac.com.au)

PO Box H284 Australia Square NSW 1215

Resimac Group Ltd. ABN 55 095 034 003. Australian Credit Licence 247829



## CEO's Address

### Resimac Group Ltd 2021 Annual General Meeting

Thank you, Warren.

Good morning everyone, and welcome again to Resimac's second virtual AGM.

Before I get into Resimac's accomplishments over the last 12 months, I wanted to take a moment to reflect on how grateful we are.

We're grateful to our people across Australia, New Zealand and the Philippines for their resilience in continuing to weather pandemic-related disruption with minimal impact to the business.

We're grateful to the Federal and State Governments for all their hard work in keeping our country safe, our economy going, and facilitating the vaccination programs that have enabled us to ease out of lockdown restrictions and start coming together again as a community.

And we're grateful to our customers – both our end customers and our brokers – as well as our business partners and investors, for their cooperation, collaboration and support over the past 12 months.

### **Financial performance**

Turning now to our financial results.

I'm pleased to report that Resimac has continued its track record of exceptional performance, enabling us to maximise returns to shareholders while continuing to support the needs of customers and business partners.

For the year ended 30 June 2021, we reported a record profit while growing our home loan portfolio for the fourth consecutive year – these results have been driven by:

- our growth across prime and specialist portfolios in Australia and New Zealand;
- the development of our broker and direct-to-consumer brands;
- strong investor demand for our bonds; and
- our ongoing investments into our digital transformation.

Our normalised net profit after tax of \$104 million represents an 87% increase on the previous full year result. Our statutory NPAT of \$107.6 million also increased 92% on the prior year.

This profit increase was underpinned by home loan assets under management that increased by 11% to \$13.8 billion, with record second half settlements increasing by 25% compared to the first half.

Furthermore, as a result of our continued focus on process and technology to drive scale in the business, our cost-to-income ratio decreased significantly to 32.1%.

We were also pleased to declare a fully franked final dividend of 4.0 cents per share, resulting in a total dividend of 6.4 cents per ordinary share – a payout ratio of 24.3%.

Investor demand continues to be strong for our global funding program, which provides our business with a platform for future growth. Throughout FY21, we issued close to \$6 billion of prime and non-conforming RMBS at the lowest senior margins since before the GFC.

Stable funding markets and lower cost of funds provide us with a runway to aggressively target future growth in FY22 and beyond.

## **Diversification**

Diversification has been a major theme for Resimac over the last 12 months. We acquired the remaining 40% of asset finance lender International Acceptance Group, which we subsequently relaunched as Resimac Asset Finance earlier this year.

This launch enables Resimac to offer a full suite of lending products to consumer and commercial borrowers, and we expect this division to grow materially over the next three years.

We also introduced new products to our direct-to-consumer brand [homeloans.com.au](https://homeloans.com.au) to capitalise on segment-specific market opportunities, demonstrating our agility as a non-bank lender.

This includes our affordability product, which helps first home buyers better manage the up-front costs of purchasing a home.

And we are piloting a new Green Loan, which is an ultra-low-rate product we're offering to existing customers so they can purchase and install energy-efficient products in their home. Clean energy solutions are a fast-growing segment of the market, and we're excited to be one of the first lenders to help customers move towards a cleaner and more sustainable future. Throughout 2022, we will be announcing a suite of sustainable and socially responsible products that will form the basis of our ESG initiatives in global funding markets.

## **Digital transformation**

Our investments in technology have been driven by the need to position our business as not just accommodating the needs and wants of customers today but ensuring that we're flexible enough to meet and exceed their expectations in the future.

Our new loan origination system successfully went live in NZ recently, with the Australia environment to roll out next month. This system will drive the required scale in our origination process to facilitate the targeted \$8b of home loan settlements in FY24. Furthermore, our new digital core banking system is on track to roll out in New Zealand next month, with the Australian go-live scheduled for late FY22.

But these milestones are really just the start of an ongoing digital journey that we're committed to for the long haul, whereby we continually evolve our business to remain relevant to our customers.

## **Operating Environment**

The lending market remains highly competitive and I expect it to continue for at least the next 6 months. Despite this, as announced to the market this morning, Resimac settled \$2.5b of loans

between July and October this calendar year. These levels demonstrate the production capability and opportunity for Resimac during periods of minimal disruption during Q4FY21.

Funding markets remain supportive, highlighted by our upsized \$1.5b non-conforming RMBS transaction last month. Pricing is normalising to both pre COVID levels and in line with offshore markets, as COVID related programmes from the RBA and other regulators being to taper.

## **Closing**

In closing, I want to thank our business partners – from our brokers to our bankers – who are critical to Resimac’s ongoing growth.

Thanks to our Board for the invaluable service and support they provide to our business.

Another big thanks to our staff, who have once again demonstrated remarkable resilience this year – not just in ensuring the success of our business, but also through their commitment to the financial wellbeing of our customers.

And I want to thank you, our shareholders for your continued support and investment in our business.

Thank you.