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ASX Announcement

2 May 2022

Pepper Money (ASX:PPM)

## Pepper Money Limited - Macquarie Australia Conference

Attached is the presentation to be given at the Macquarie Australian Conference on 3 May 2022.

The announcement has been authorised for release by the Company Secretary.

For further information:

Company Secretary  
**John Williams**  
Pepper Money Limited  
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jwilliams@pepper.com.au

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About Pepper Money

Pepper Money is one of Australia and New Zealand's leading non-bank lenders. It was established in 2000 as a specialist residential home loan lender in Australia with a focus on providing innovative home loan solutions to customers that were being underserved by traditional lenders. Pepper Money today has a broad product offering of residential home loans, asset finance commercial real estate and novated leases in Australia and residential home loans in New Zealand. For more information visit <https://www.pepper.com.au>



# Pepper Money Limited

Investor Presentation

Macquarie Conference

3 MAY 2022

**Mario joined Pepper Money in 2011 and has held various roles including Managing Director, Australian Mortgages and Personal Loans, Director of Sales and Distribution, Australian Mortgages and Personal Loans.**

Mario was appointed Chief Executive Officer of Pepper Money in 2017 and is responsible for the strategy and oversight of Pepper Money's businesses across Australia and New Zealand.

With over 20 years of extensive experience across banking and finance, Mario has held senior positions in both the bank and non-bank sector, including State Manager, Mortgage Broker Distribution – Western Australia and South Australia for Westpac. Mario is a known champion of mortgage broker education and growing the specialist lending category. In 2019 and 2021, Mario was included in the MPA Mortgage Global 100 List featuring leaders who are making a difference in today's mortgage industry.

**MARIO REHAYEM**

**Chief Executive Officer**



# One of Australia's leading non-bank lenders with a mission to help people succeed.

**A leader** in non-bank finance with an established and **proven track record through-the-cycle**

Strong **growth record** and **underlying momentum in a \$2.5 trillion<sup>1</sup>** total addressable lending market

21+ years of **purpose-built historical data** provides **insights** from which the business has grown

**Digitally-enabled distribution tools**, allowing brokers to help people succeed with confidence

Strong **through-the-cycle** credit performance, underpinned by a robust risk framework and **21+ years** of loan performance data that drives **disciplined returns**

Robust funding, **significant warehouse capacity** provided by **15+ funders** across a deep global investor base of **100+ investors**

Clear path for continued **organic growth** through extension of products, asset classes and geographies. Extending further through **targeted acquisitions**

**Strong, experienced, tenured management team** with proven record of success



# Who is Pepper Money?

Pepper Money is one of Australia and New Zealand's **largest non-bank lenders**, focusing on underserved customer segments in the residential, commercial real estate and consumer finance sectors.

**In 2000**

Pepper Money launched as a specialist mortgage lender in Australia

**A\$41bn**

Loans originated since inception<sup>1</sup>

**A\$17bn**

December 2021 Closing AUM<sup>2</sup>

**288,900+**

Customer accounts<sup>3</sup>

**6,780+**

Active Distribution Partners<sup>4</sup>

## Pepper Money Customer Solutions

### Description

### Products

### Originations CY2021 (A\$bn)

### AUM December 2021 (A\$bn)

### Total Addressable Market December 2021 (A\$bn)

### Pepper Money Market Share (closing AUM)

### Mortgages



- Finance home loans in Australia and New Zealand and small balance commercial real estate loans (<A\$3.5m) in Australia

- Prime
- Near prime
- Specialist

**\$6.4bn**

**\$12.3bn**

**\$2,322bn<sup>6</sup>**

**~0.5%**

### Asset Finance



- Finance range of asset types
- Focus on underserved segments

- Consumer
- Commercial
- Novated lease

**\$2.1bn**

**\$3.5bn**

**\$185bn<sup>7</sup>**

**~1.9%**

### Loan & Broker Servicing



- Independent loan servicing provider
- Broker servicing for Mortgage Aggregators<sup>5</sup>

- Residential mortgages
- Personal loans
- Broker servicing

**n/a**

**\$1.2bn**

1. From 2001 to 31 December 2021 (includes Personal Loans). 2. AUM: Assets Under Management. Includes Personal Loans originated by Pepper. As at 31 December 2021. 3. Cumulative 2014 to 31 December 2021. 4. Active brokers defined as: for Mortgages brokers submitting an application within 12 months and for Asset Finance: brokers who have settled at least one deal in 12 months. Includes New Zealand. 5. Broker servicing commenced November 2020. 6. Combination of Australia and New Zealand mortgage markets as at December 2021 (Total housing credit, RBA D2 Lending and credit aggregates (including owner-occupier housing credit and investor housing credit)); Housing, RBNZ C5 Sector lending (registered banks and non-bank lending institutions), December 2021, converted at an assumed exchange rate of NZD:AUD = 0.9311. 7. Asset Finance Australian market as at 31 December 2021 (New household loan commitments for purchase of road vehicles, other transport vehicles and equipment, New household loan commitments, ABS 5601.0 Lending Indicators Table 27, January 2021 – December 2021 (published February 2022). Assumes market size is approximately 4x lending commitments for last 12 months. New business loan commitments, finance lease and fixed term, purchase of vehicles, plant and equipment, ABS 5601.0 Table 29, 31 and 33, January 2021 – December 2021 (published February 2022). Assumes market size is approximately 4x lending commitments for last 12 months).

# Pepper Money's mission is to help people succeed



# Pepper Money's core competencies

## UNDERSERVED CUSTOMER SEGMENTS

**6 in 10** eligible non-conforming borrowers did not get a loan<sup>1</sup>

Product proposition designed for underserved and undervalued customer segments

## FUNDING CAPABILITIES

**100+** Investors<sup>2</sup>

Diversified funding strategy, leveraging long-term relationships with a broad array of funders

## CREDIT EXPERTISE

**21+ years** Underwriting history

Comprehensive understanding of consumer credit risk

## DISTRIBUTION

**6,780+** Active brokers<sup>3</sup>

Multi-channel distribution network, with a focus on embedded, scalable and automated distribution processes



LISTED 25 MAY 2021

Pepper Money is one of Australia and New Zealand’s largest non-bank lenders and our mission is to help people succeed.



Helping customers succeed

288,900+

Customers now helped by Pepper Money<sup>1</sup>



Record originations  
\$8.5bn

Record results

AUM

\$17.0bn

↑ 13%

Lending AUM up 19% to \$15.8bn



Total Operating income

\$375.8m

↑ 18%

Record NPAT

Pro-forma

\$141.9m

↑ 34%

Statutory

\$130.7m

↑ 31%



Funding – supporting growth

Funding capacity

\$9.9bn

up 31%

Deep and diversified investor base, with over 100 local and offshore

Strong dividend yield

5.5%

annualised<sup>2</sup>



Investing in Pepper Money

New platforms & processes

ISO27001 compliant

Digital tools supporting record volumes PPS and Pepper Resolve.



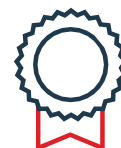
Our People

Engagement

+80

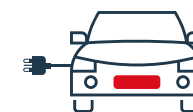
Top 10% of high performing companies globally

Diversity F|M - 53|47



Recognised by our Partners

Non-bank of the Year & Best Specialist Lender



One of Australia’s largest electric vehicle lender

Facilitating more than 3,800 tonnes reduction of greenhouse gas emissions



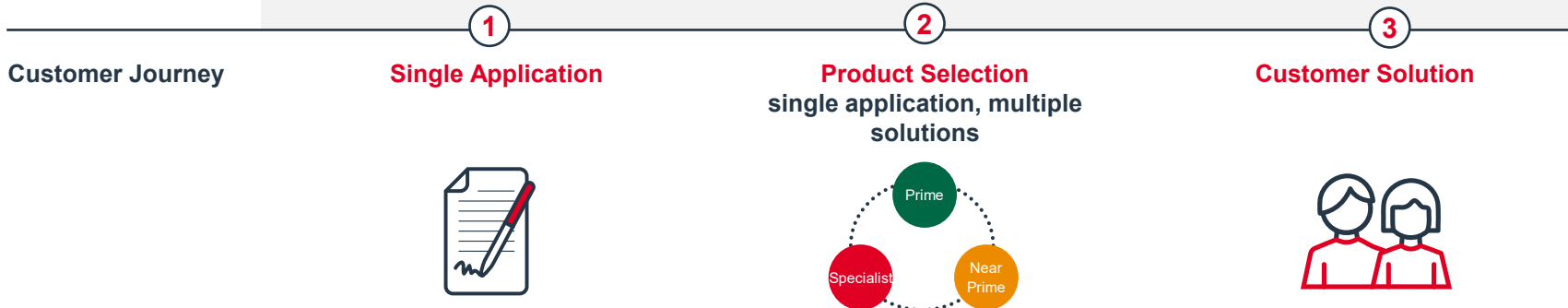
Supporting our communities

Assisting families by funding properties that have saved 27% in CO<sub>2</sub> emissions through our Green Bond program

1. Cumulative customers helped from 2014 to 31 December 2021.  
2. Dividend yield based on average share price from time of IPO to year end (25 May – 31 December 2021)  
3. All growth rates are prior comparable period (PCP) – CY2021 vs CY2020.

# Customer Solutions – Mortgages

Average time to solution **6.8** hours<sup>1</sup>



CY2021	Conforming	Non-Conforming	
<b>Product Risk Tiers</b>	<b>PRIME</b> Borrowers with a clear credit history	<b>NEAR PRIME</b> Borrowers who have had a minor adverse credit event	<b>SPECIALIST</b> Borrowers whose credit history is impacted by a "life event"
<b>Origination<sup>2</sup> composition</b>	<b>58%</b>	<b>36%</b>	<b>6%</b>
<b>Origination<sup>2</sup> Growth on PCP</b>	<b>\$3.7bn</b> +85%	<b>\$2.3bn</b> +100%	<b>\$0.4bn</b> +72%
<b>AUM Close<sup>3</sup> Growth on PCP</b>	<b>\$6.2bn</b> +20%	<b>\$4.7bn</b> +15%	<b>\$1.3bn</b> -3%
<b>Weighted Average Interest Rate<sup>4</sup></b>	<b>3.5%</b> Weighted average interest rate <sup>4</sup>	<b>4.5%</b> Weighted average interest rate <sup>4</sup>	<b>5.3%</b> Weighted average interest rate <sup>4</sup>

## Overview of Distribution Channels<sup>2</sup>

### RETAIL

Mortgage brokers managed through various aggregators

**52%**

### WHITE LABEL

Third party originators distribute Pepper Money's products under their own brand

**45%**

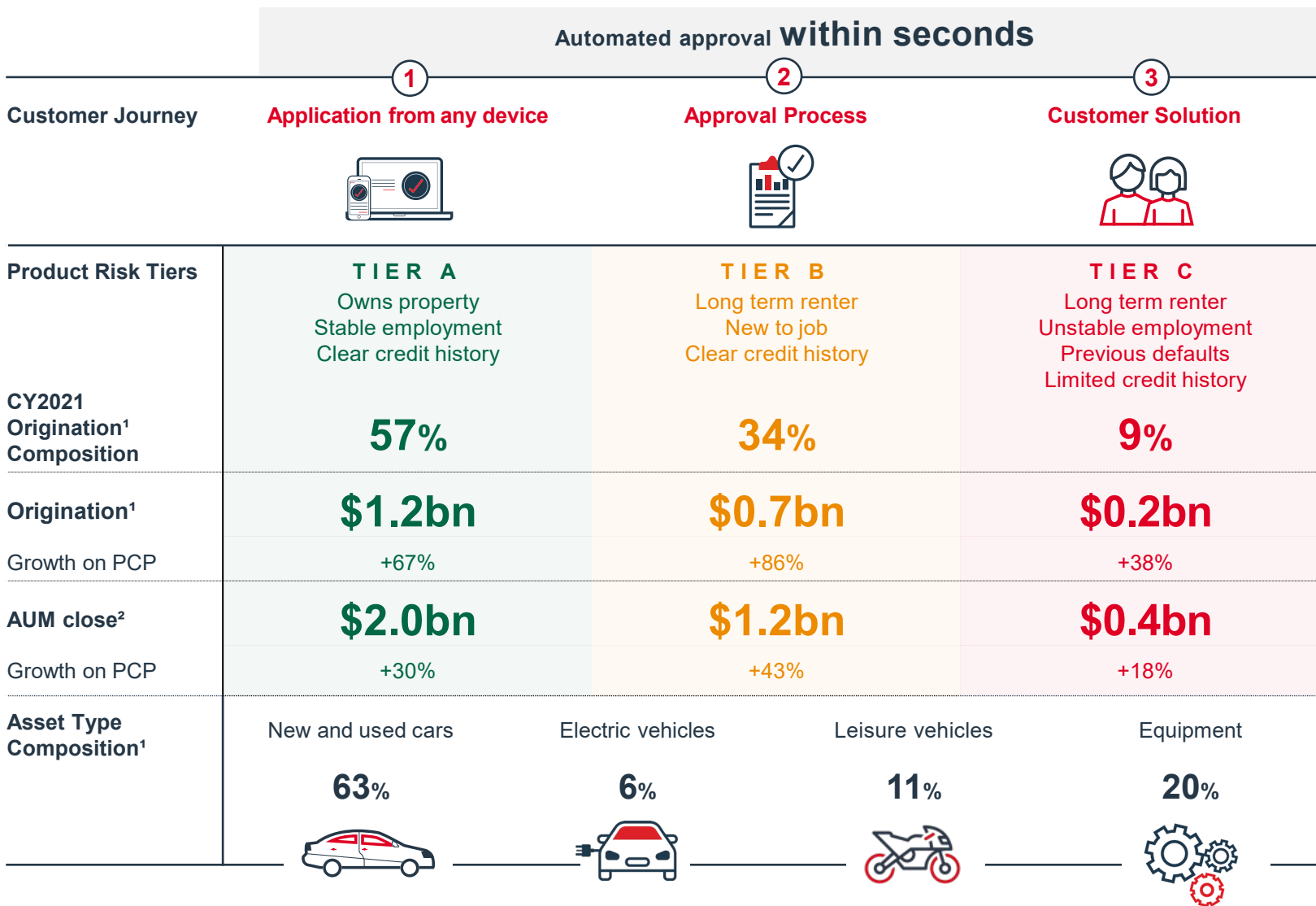
### DIRECT

Direct to consumer origination

**3%**



# Customer Solutions – Asset Finance



## Overview of Distribution Channels<sup>1</sup>

### AUTO BROKER

Brokers who provide an online finance solution

**26%**

### COMMERCIAL BROKER

SME brokers, typically focusing on equipment finance solutions

**28%**

### CAR DEALER

Typically large used car dealer operations

**18%**

### MORTGAGE BROKER

Arrange car loans alongside mortgages

**19%**

### NOVATED LEASE

Supporting the salary packaging industry

**3%**

### PARTNERSHIPS

OEM and distribution partner

**6%**

Core Productivity<sup>1</sup> **+70%**

# Technology delivering scale & efficiency

## MORTGAGES

### Pepper Sage – Underwriting

Automation of simple solicitor instructions

Digital ID deployed

AVM providing instant valuation

Desktop valuations average 4 hours

**47%** application<sup>2</sup> flow through new system

## OPERATIONS

### Pepper Apollo – service task automation

#### Collections transaction effort<sup>4</sup>

**14%** reduction in Mortgages  
**32%** reduction in Asset Finance

Collections Activity

**4.5 FTE per month saved<sup>5</sup>**

Hardship Activity

**0.4 FTE per month saved<sup>5</sup>**

**\$19m collected<sup>6</sup>**

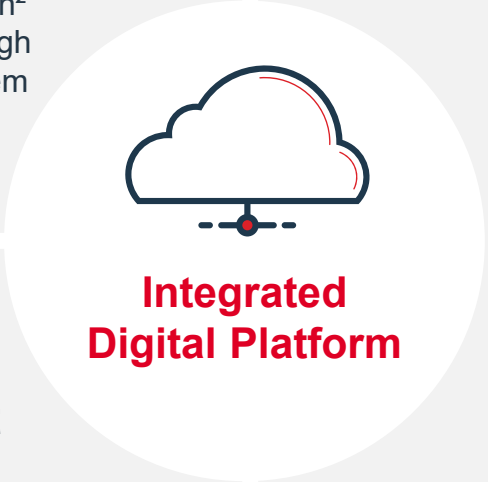
## ASSET FINANCE

### Pepper Solana – API Connect

Full suite of API delivering seamless integration

Biometrics pilot commenced

**53% increase in productivity<sup>3</sup>** for Credit & Settlement Officers to process applications



EFFICIENCY

SCALE

# Technology delivering broker and customer confidence

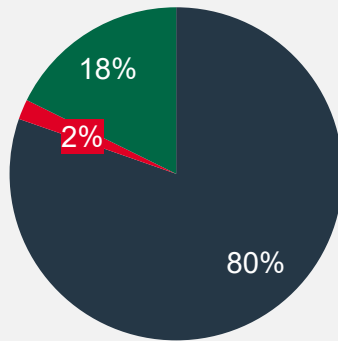
## Mortgages – time to approve

Mortgage Applications

First response: **6.8 hrs<sup>1</sup>**

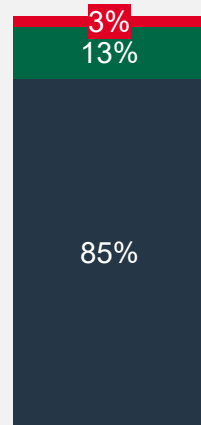
Approval rate: **80% in principle**

First Response Type



- Approved in principle
- Declined
- Request for more info

First Response Duration



- <=1 day
- 1-2 days
- >2 days

## Asset Finance – time to approve

Approval rate

**27% auto approved**  
in 2 seconds H2 2021<sup>2</sup>

**37% auto approved**  
in 2 seconds Q1 2022<sup>3</sup>

And increasing as new platform is rolled out.

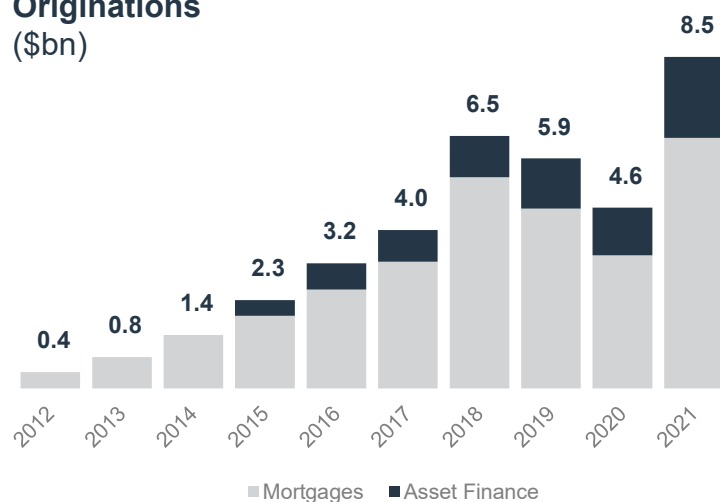


# Outperformed CY2021... have always managed through the cycle

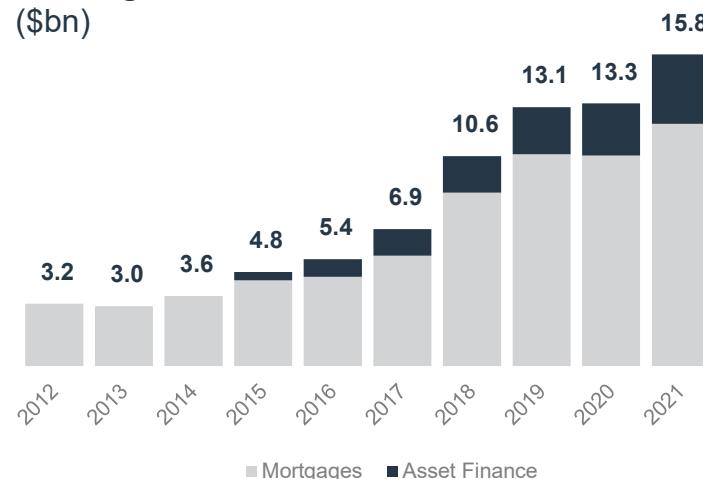
<p>Pro-forma NPAT <b>\$141.9m</b> ↑ 34% on PCP 18% ahead of IPO Forecast of \$120.7m</p>	<p>Delivered record originations <b>\$8.5bn</b></p>	<p>Grew market share • Mortgage <b>2.6x</b> system<sup>1</sup> • Asset Finance <b>8.2x</b> system<sup>1</sup></p>	<p>Double digit growth <b>Total AUM</b> <b>\$17.0bn</b> ↑ 13%</p>	<p>Strong Asset quality <b>Loan Loss %</b> <b>AUM<sup>2</sup> 2bp</b> <b>improvement</b></p>	<p>Productivity gains <b>Investment for</b> <b>scaled growth</b></p>	<p>Funding capacity <b>\$9.9bn</b> ↑ 31%</p>
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## Our proven track record...

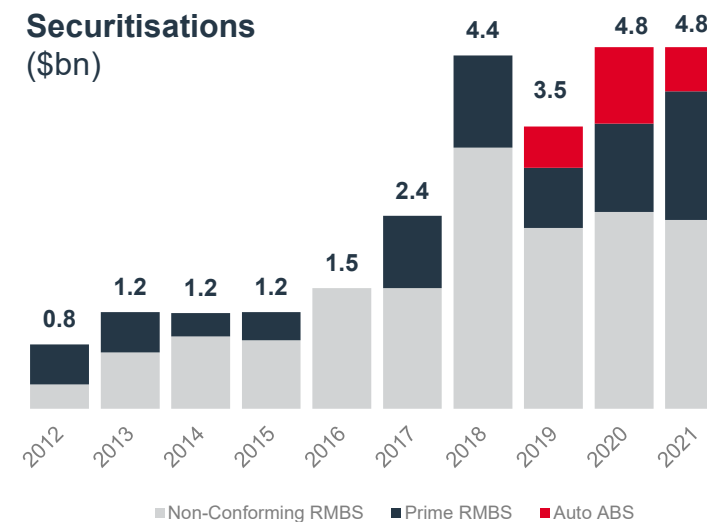
Originations  
(\$bn)



Lending AUM  
(\$bn)



Securitisations  
(\$bn)



# Quarter 1 CY2022



## HIGHLIGHTS

### CUSTOMER

**Originations of \$2.6bn**  
Up **60%** on PCP<sup>1</sup>

**Lending AUM of \$16.8bn**  
Up **24%** on PCP

**Near Prime Clear:** launched  
**Fixed rate:** launching Q2

### BUSINESS

#### EASY TO DO BUSINESS WITH

**Mortgages**  
Automated and Electronic valuations  
E-sign documents: customer and brokers

**Asset Finance**  
**37% loans<sup>2</sup>** auto approved in 2 seconds up 10pp **on Q4**  
**22% settlements<sup>3</sup>** via API

**Customer Operations**  
**mypeppermoney.com.au** launched to Asset Finance (Consumer) – 44% active users<sup>3</sup>

### FUNDING

**\$1.0bn Prime RMBS**  
+ \$330m Green Bond

**\$0.5bn Non Conforming RMBS**

**\$0.6bn ABS**  
**SPARKZ 5** (May 2022)

### BRAND

**Canstar Inaugural Green Excellence Award**  
**Electric Vehicle Loan**





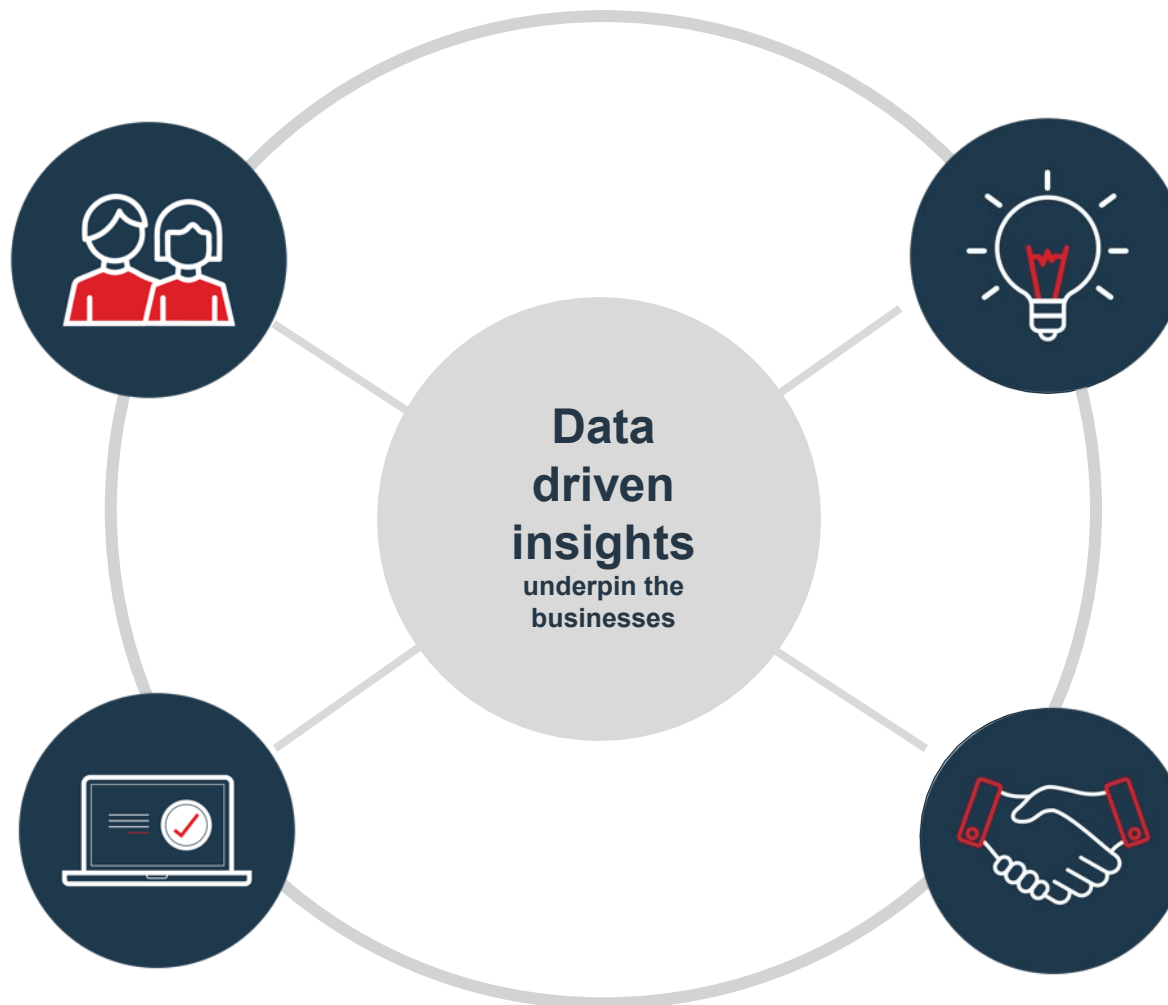
# Acquisition of Stratton Finance

## DIRECT TO CONSUMER

- Stratton gives Pepper Money **the insights of D2C in scale**
- Stratton's **1.3m+** contact data base
- Stratton's lead generating capabilities – will benefit from **Pepper Money's product manufacturing** capabilities
- Platform for originating wide range of asset finance products, residential and small balance commercial loans, plus personal loans

## CONNECTED TECHNOLOGY

Closer connection will increase already strong integration levels and **improve operating efficiency** for each of Stratton and Pepper Money



## PRODUCT & INNOVATION

- Increase insights into what customers want and **need** in asset finance products and **where** there are areas of **underserved** demand
- Combined **business helps to better refine** product offering to borrowers and introducers making Pepper Money loans the **best choice** for more borrowers

## BROKER DISTRIBUTION

- Brokers continue to be **key focus** for Pepper Money
- Stratton provides the opportunity to build on relationships and to deliver **further product and technology opportunities**

## CY2022 Outlook



## STRONG FINISH TO 2021

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**Applications pipeline  
Q4 vs PCP up**

- Mortgages **+59%**
- Asset Finance **+60%**

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**Warehouses  
\$9.9bn**


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**New product pipeline**  
Near Prime Clear in pilot

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**Distribution**

- Increased number of active brokers
- Increased usage per broker
- Increased share of distribution partners

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**Cash position** provides strategic flexibility to fund growth initiatives

## SET US UP FOR 2022 AND BEYOND

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**Applications pipeline Q1  
CY2022 vs PCP**  
**up 35%**


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**Originations Q1 CY2022  
vs PCP up**

- Total **60%**
- Mortgages **+25%**
- Asset Finance **+72%**

---

**Lending AUM**  
up **+24%** on PCP

---

**Annualised growth from CY2020/21  
initiatives**

- **Mortgages:** New Zealand & CRE  
Asset Finance: Novated Lease, EV Lending, Partnerships.

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**Growth from CY2022 new initiatives**

- **New products** – Near Prime Clear, Fixed rates.
- **2H Stratton** acquisition estimate to complete.

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**Funding off to fast start in Q1**

- New investor **\$0.8bn +**
- Green Bond **\$0.3bn**
- 4<sup>th</sup> Australian bank – bringing **\$0.7bn** extra limit

## EXTERNAL FACTORS

Interest rate rises  
Geopolitical  
Macroeconomics

# Questions & Answers

# Appendices

# Large addressable market

- **Markets grew** over CY2021
- Pepper Money **grew** share in Asset Finance and **maintained** share in a rapidly expanding Mortgage market



## MORTGAGES



## ASSET FINANCE

December 2021

Total Addressable Market (AUM)

**\$2,322bn<sup>1</sup>**

88% Conforming  
12%<sup>2</sup> Non-Conforming

**\$185bn**

Consumer: \$59bn<sup>4</sup>  
Commercial: \$126bn<sup>5</sup>

Pepper Money's Market Share (closing AUM)

**~0.5%<sup>3</sup>**

**~1.9%<sup>6</sup>**

Consumer: ~3.2%  
Commercial: ~1.3%

Targeted Customer Segments

- First home buyers
- SME/self employed (e.g. including casual and gig economy)
- Minor adverse credit event in history (e.g. late utilities bill)
- Credit history impacted by "life event" (e.g. divorce)

- Used cars
- Caravans
- Commercial vehicles
- Novated lease
- Small to medium business equipment

Notes: 1. Combination of Australia and New Zealand mortgage markets as at December 2021 (Total housing credit, RBA D2 Lending and credit aggregates (including owner-occupier housing credit and investor housing credit)); Housing, RBNZ C5 Sector lending (registered banks and non-bank lending institutions), December 2021, converted at an assumed exchange rate of NZD:AUD = 0.9331). 2. Independent research conducted by Fifth Dimension Research and Consulting in March 2021. 3. Represents Pepper Money's Mortgages AUM as at 31 December 2021 (closing) as a proportion of Total housing credit. 4. New household loan commitments for purchase of road vehicles, other transport vehicles and equipment, New household loan commitments, ABS 5601.0 Lending Indicators Table 27, January 2021 – December 2021 (published February 2022). Assumes market size is approximately 4x lending commitments for last 12 months. 5. New business loan commitments, finance lease and fixed term, purchase of vehicles, plant and equipment, ABS 5601.0 Table 29, 31 and 33, January 2021 – December 2021 (published February 2022). Assumes market size is approximately 4x lending commitments for last 12 months. 6. Represents Pepper Money's Asset Finance AUM as at 31 December 2021 (closing) as a proportion of total consumer and commercial motor and equipment financing.



# Australia's non-bank lending sector

## PEPPER MONEY SOLUTIONS

Pepper Money provides **flexible financial solutions** across property, asset finance and personal lending in a growing market sector



Residential Property Finance



Motor Vehicle Finance



Equipment and Leasing Finance



Commercial Finance



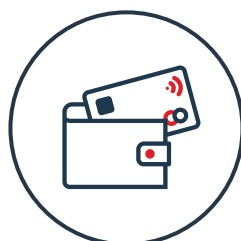
Personal Finance



Credit Cards



Buy Now Pay Later



Payday Lending

Over 600 non-bank lenders and financiers operate in the Australian market providing a range of services<sup>1</sup>

Non bank lending sector annual growth 2014-2019

**3.6%**<sup>2</sup>

Projected annual growth 2019-2024

**9.6%**<sup>3</sup>

Sector total assets

**\$356bn**<sup>4</sup>

Accounts for:

**7%**<sup>1</sup>

debt financing in Australia

**5%**<sup>5</sup>

Mortgage Lending

# CY2021 Business Performance

CY2021 Pro-forma  
NPAT \$141.9m,  
+34% above PCP



## Helping **customers** succeed

**59,780** customer helped of which self employed / small business **50%**

### Record originations **\$8.5bn**

**Mortgages: \$6.4bn, +89%**

Prime	\$3.7bn	+ 85%
Near Prime	\$2.3bn	+100%
Specialist	\$0.4bn	+ 72%

### **Asset Finance: \$2.1bn, +70%**

Consumer	\$1.0bn	+55%
Commercial	\$1.1bn	+86%



## Efficient and scalable **business** growth

### Complex done simply...

Leading turnaround times:

#### **Mortgages**

Average: **6.8 hrs**  
Non-Conforming: **7.0 hrs**

#### **Asset Finance**

**27%** auto approved in 2 secs

### **Core Productivity**

**70%** uplift

### **CTI of 43.3%**

**1.3%** improvement



## Engaged and empowered **people**

### **80+ Engagement**

**Top 10%** of high performing companies globally

### **Sustainability**

- Employee nominated Giving (small G)
- Community programs

### **Diversity**

Female **53** / Male **47**



## **Brand** strength and security

### **69%**

Leading Customer Satisfaction<sup>2</sup> for home loans

### **4 in 5**

Asset Finance / Personal Loan<sup>1</sup> customers **are highly satisfied**

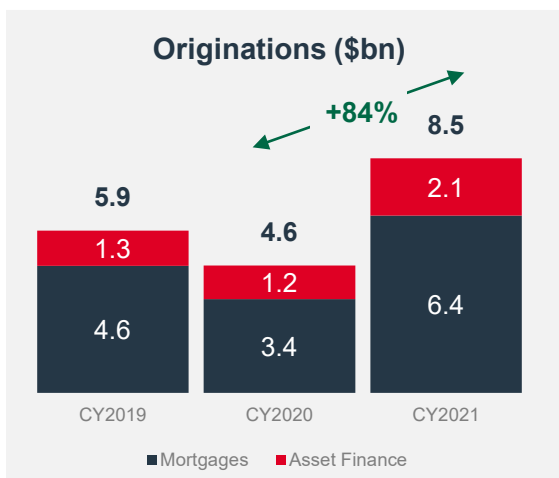
### **Recognised**

by partners and peers

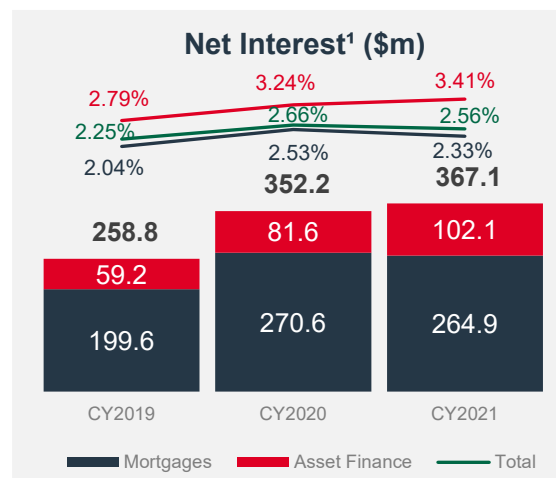
# CY2021 Financial performance (Pro-forma)

Calendar year to December

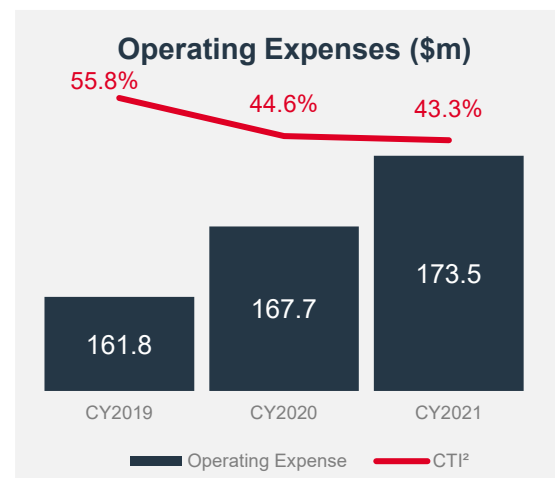
## VOLUME



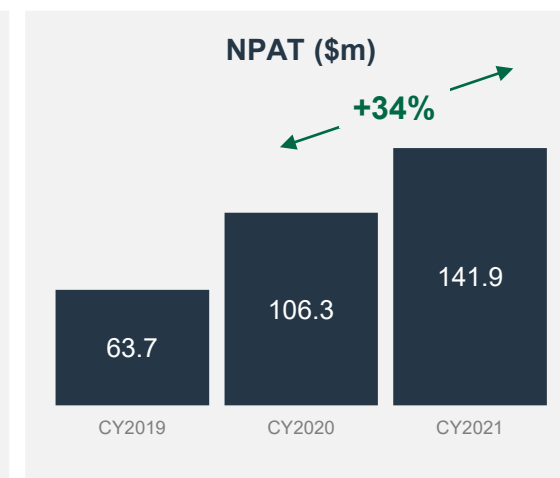
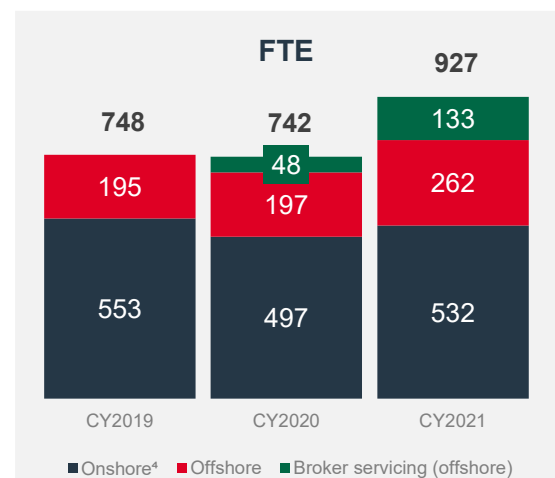
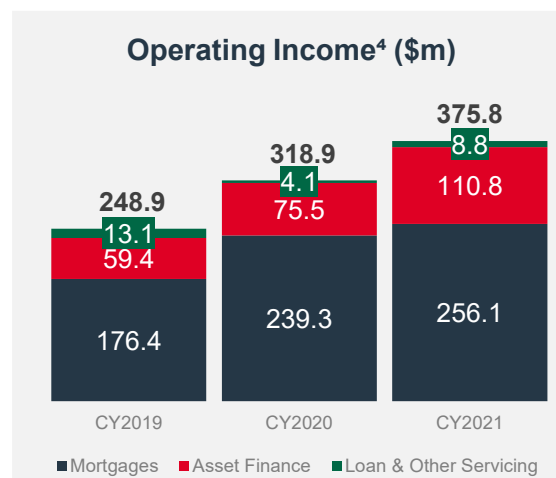
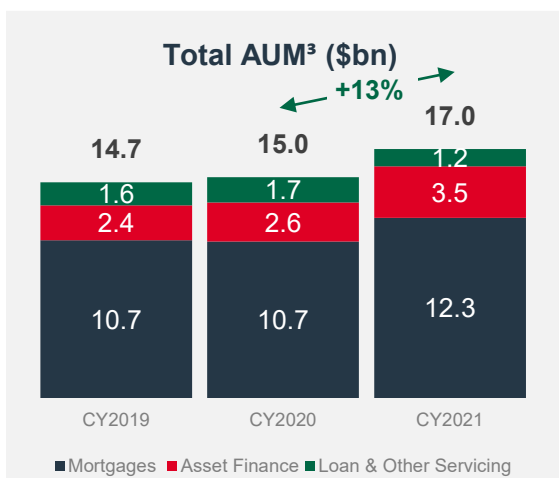
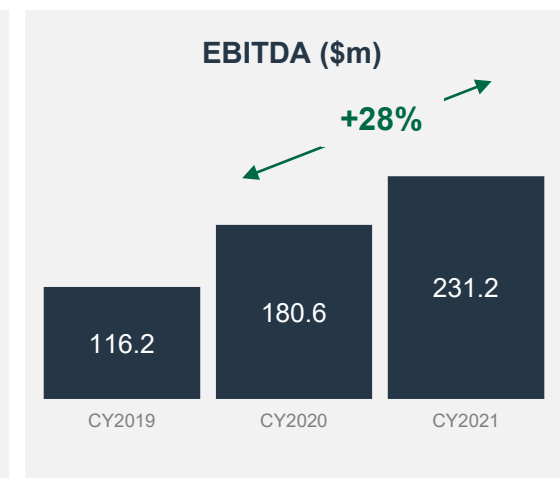
## INCOME



## EXPENSES / FTE



## PROFIT



# Pro-forma Income statement

Calendar year to December

\$M	Calendar Year		Change B/(W)
	2021	2020	
Interest income	690.3	705.9	(2.2%)
Interest expense	(323.7)	(353.7)	8.5%
<b>Net interest income from continuing operations</b>	<b>366.6</b>	<b>352.2</b>	<b>4.1%</b>
Net lending fees	12.7	6.5	94.7%
Whole loan sales gain	9.5	9.6	(0.7%)
Loan losses	(24.6)	(56.7)	56.7%
Servicing fees and other income	11.6	7.3	59.1%
<b>Total operating income from continuing operations</b>	<b>375.8</b>	<b>318.9</b>	<b>17.8%</b>
Employee benefits expense	(98.6)	(84.0)	(17.4%)
Marketing expense	(10.8)	(10.4)	(3.3%)
Technology expense	(19.9)	(19.9)	(0.0%)
General and administration expense	(14.6)	(19.5)	25.4%
Occupancy expense	(1.0)	(1.5)	34.0%
Fair value losses on FVTPL	0.2	(2.9)	Lge
<b>EBITDA</b>	<b>231.2</b>	<b>180.6</b>	<b>28.0%</b>
Depreciation and amortisation expense	(24.6)	(24.6)	0.2%
Corporate interest expense	(4.3)	(4.8)	10.2%
<b>Profit before income tax from continuing operations</b>	<b>202.3</b>	<b>151.2</b>	<b>33.8%</b>
Income tax expense	(60.4)	(44.9)	(34.5%)
<b>Net profit after income tax from continuing operations</b>	<b>141.9</b>	<b>106.3</b>	<b>33.5%</b>

# Pro-forma Metrics

Calendar year to December

\$M	Calendar Year		
	2021	2020	Change B/(W)
<b>Volume</b>			
Originations - Mortgages	6,403	3,383	89.3%
Originations - Asset Finance	2,069	1,218	69.8%
<b>Total Originations</b>	<b>8,472</b>	<b>4,601</b>	<b>84.1%</b>
AUM lending - Mortgages	12,272	10,663	15.1%
AUM lending - Asset Finance	3,514	2,645	32.8%
<b>AUM lending</b>	<b>15,785</b>	<b>13,308</b>	<b>18.6%</b>
<b>AUM servicing</b>	<b>1,176</b>	<b>1,734</b>	<b>(32.2%)</b>
<b>Total AUM</b>	<b>16,961</b>	<b>15,043</b>	<b>12.8%</b>
<b>Income</b>			
Operating income - Mortgages	256.1	239.3	7.0%
Operating income - Asset Finance	110.8	75.5	46.7%
Operating income – Loan and Other Servicing	8.8	4.1	114.7%
<b>Total operating income</b>	<b>375.8</b>	<b>318.9</b>	<b>17.9%</b>
<b>Profitability</b>			
Net interest margin <sup>1</sup> - Mortgages	2.33%	2.53%	(20bps)
Net interest margin <sup>1</sup> – Asset Finance	3.41%	3.24%	17bps
<b>Total net interest margin<sup>1</sup></b>	<b>2.56%</b>	<b>2.66%</b>	<b>(10bps)</b>
Employee benefits expense / Total operating income	26.2%	26.3%	0.1%
Employee cost per FTE (\$'000)	106.4	113.1	6.0%
Cost-to-income ratio <sup>2</sup>	43.3%	44.6%	1.3%
<b>Asset Quality</b>			
Total losses <sup>3</sup> (ex. Overlay <sup>4</sup> )% AUM lending - Mortgages	0.01%	0.05%	4bps
Total losses <sup>3</sup> (ex. Overlay <sup>4</sup> )% AUM lending – Asset Finance	1.06%	1.11%	5bps
<b>Total losses<sup>3</sup> (ex. Overlay<sup>4</sup>)% AUM lending</b>	<b>0.23%</b>	<b>0.25%</b>	<b>2bps</b>
<b>Return</b>			
<b>Total operating income yield</b>	<b>2.4%</b>	<b>2.1%</b>	<b>0.3%</b>
<b>Return on average equity</b>	<b>25.0%</b>		
<b>Dividend yield<sup>5</sup> (annualised)</b>	<b>5.5%</b>		



# Balance Sheet

Statutory

## KEY MOVEMENTS

### Assets and Liabilities distributed or sold

Assets disposed of under the Restructure to separate Australia, New Zealand and the shared service operation in the Philippines from rest of world.

### Issued Capital

Issued additional ordinary shares as part of an IPO which raised \$500.1m in gross proceeds, partly offset by a capital reduction of \$395.5m relating to the Restructure.

### Retained Earnings

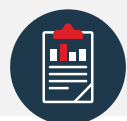
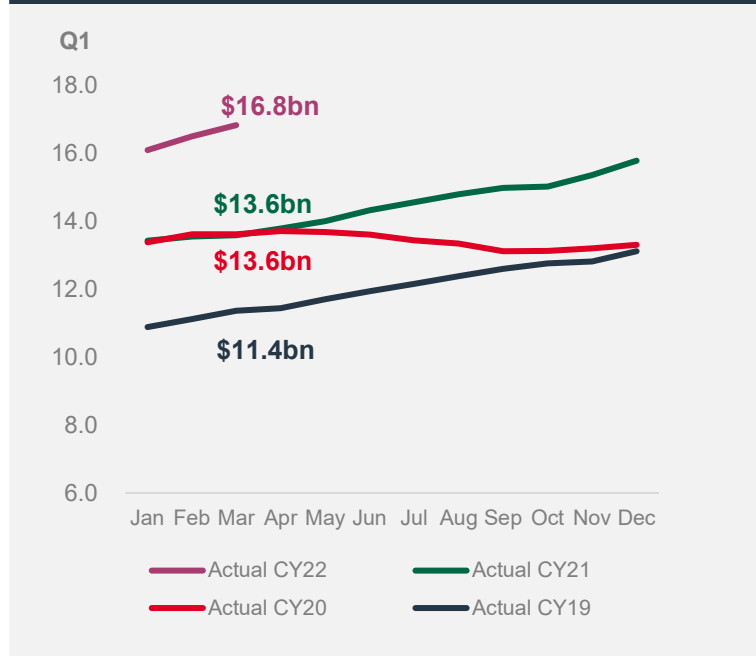
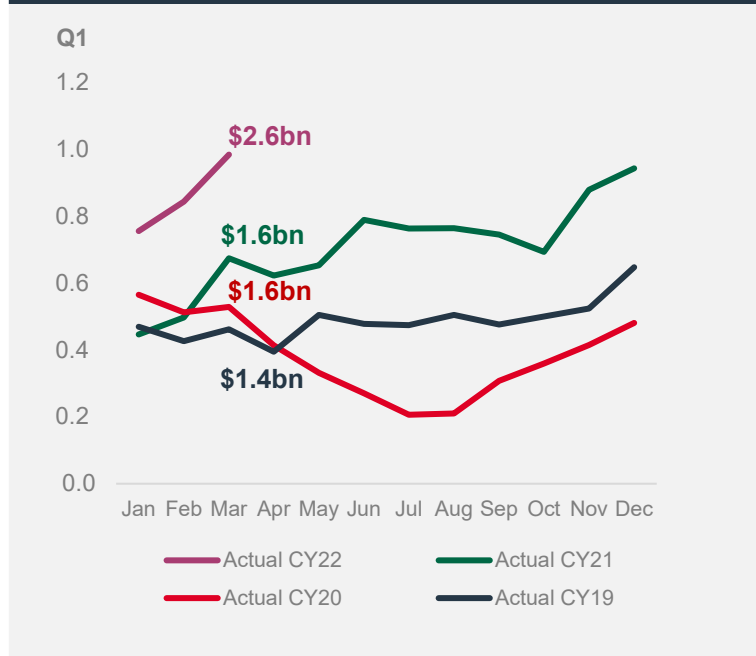
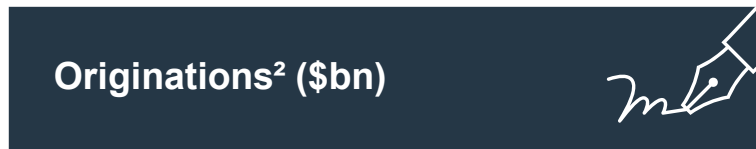
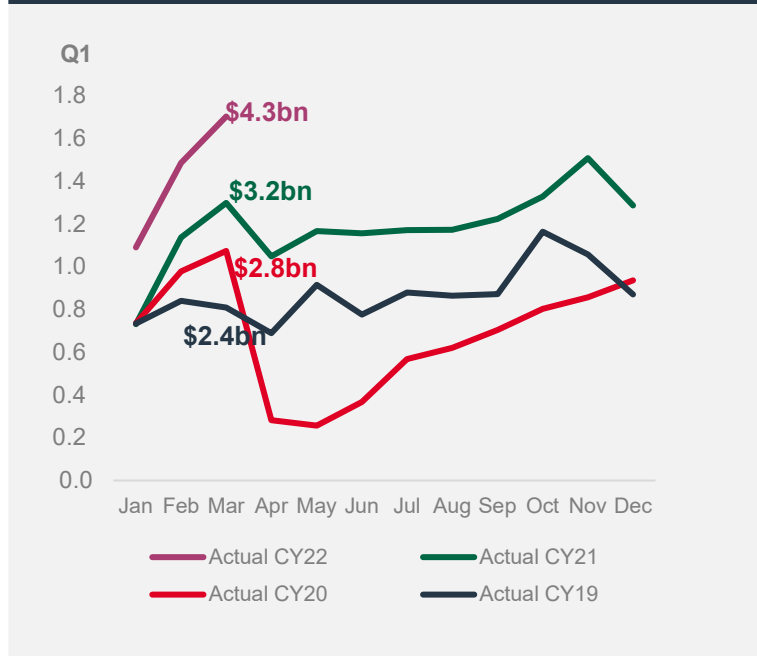
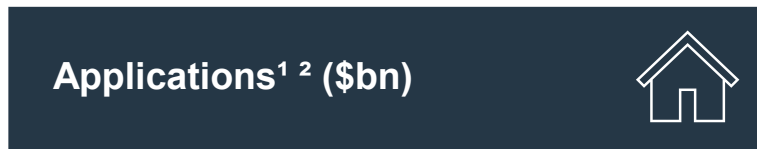
Includes CY2021 earnings after tax less dividend repatriation and other minor equity movements relating to the Restructure.

Balance as at	Dec 2021 \$M	Dec 2020 \$M
<b>Assets</b>		
Cash and cash equivalents	1,309.2	885.5
Receivables	9.4	5.4
Loans and advances	15,819.8	13,310.8
Derivative financial assets	23.7	1.1
Other financial assets	23.0	19.6
Other assets	7.5	4.0
Deferred tax assets	37.5	52.3
Property, plant and equipment	6.6	13.6
Intangible assets	31.5	38.9
Assets held for sale or distribution	-	8,769.2
<b>Total assets</b>	<b>17,268.2</b>	<b>23,100.4</b>
<b>Liabilities</b>		
Trade payables	11.2	15.2
Current tax	39.2	37.8
Provisions	26.8	18.8
Borrowings	16,517.2	13,797.0
Derivative liabilities	17.5	86.7
Other liabilities	19.9	21.6
Liabilities directly associated with assets held for sale or distribution	-	8,388.4
<b>Total liabilities</b>	<b>16,631.8</b>	<b>22,365.5</b>
<b>Total net assets</b>	<b>636.4</b>	<b>734.9</b>
<b>Equity</b>		
Issued capital	729.3	601.8
Other equity	-	(19.5)
Other reserves	12.4	(45.6)
Retained earnings	(105.3)	197.2
<b>Total equity attributable to owners of Pepper Money Limited</b>	<b>636.4</b>	<b>733.9</b>
Non-controlling interests	-	1.0
<b>Total equity</b>	<b>636.4</b>	<b>734.9</b>

Pepper Money has continued to deliver strong growth over Q1 CY2022

# Quarter 1 CY2022 Volume

## TOTAL LENDING



Quarter 1 Applications	CY2022	CY2021	CY2020	CY2019
	\$4.3bn	\$3.2bn	\$2.8bn	\$2.4bn

Quarter 1 applications in CY2022 were **35%** above CY2021, and **53%** above CY2020.



# Experienced Executive

Pepper Money has a dedicated, focused executive team with the experience and proven track record, both at Pepper Money and externally, to **continue to grow and drive the business**



**Mario Rehayem**  
Chief Executive Officer  
20+ years | 11 years

Industry Years | Pepper Years



**Therese McGrath**  
Chief Financial Officer

25+ years | 4 years



**Anthony Moir**  
Treasurer

25+ years | 1 year



**Barry Saoud**  
General Manager  
Mortgages &  
Commercial Lending

25+ years | Jul 2021



**Ken Spellacy**  
General Manager,  
Asset Finance

25+ years | 6 years



**Sarah Pikardt**  
General Manager,  
Marketing & Brand

14 years | 10 years



**Steven Meek**  
Chief Information  
Officer

23+ years | Oct 2021



**Matthew Tinker**  
Chief Service  
Officer

15 years | 10 years



**Michael Vainauskas**  
Chief Risk Officer

30+ years | 1 year



**Sue Kent**  
Chief Human  
Resources Officer

25+ years | 12 years



**John Williams**  
General Counsel &  
Company Secretary

15+ years | 10 years

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## Summary information

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