



FY23 Business Update

7th November 2022

Mark Bouris
Executive Chairman

Stephen McKenzie
Group Executive & CFO

Kevin Mangano
Chief Digital Officer



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Our Business

We distribute home loans from a panel of lenders, and offer our own lending products, via our YBR franchise and Vow aggregator channels comprised of 1,200 Brokers



Independent aggregator model with stringent compliance principles and best in class technology



1,077 Brokers (30 Sep 2022)



\$4.8bn in settlements for FY23 YTD to Sep-22



\$51.1bn in underlying loan book at Sep-22



\$15.4m in NPV of future trail (30 Jun 2022) *



Franchise model leveraging YBR brand throughout Australia



120 Brokers (30 Sep 2022)



\$0.6bn in settlements for FY23 YTD to Sep-22



\$8.0bn in underlying loan book at Sep-22



\$13.7m in NPV of future trail (30 Jun 2022) *



Own your **dream**

Product design through White Label, Credit Assessment and Securitisation capabilities



\$450 million Warehouse facility, plus other wholesale funding lines



\$145m in settlements in for FY23 YTD to Sep-22



\$1.2bn in underlying loan book at Sep-22



\$8.0m in NPV of future trail (30 Jun 2022) **

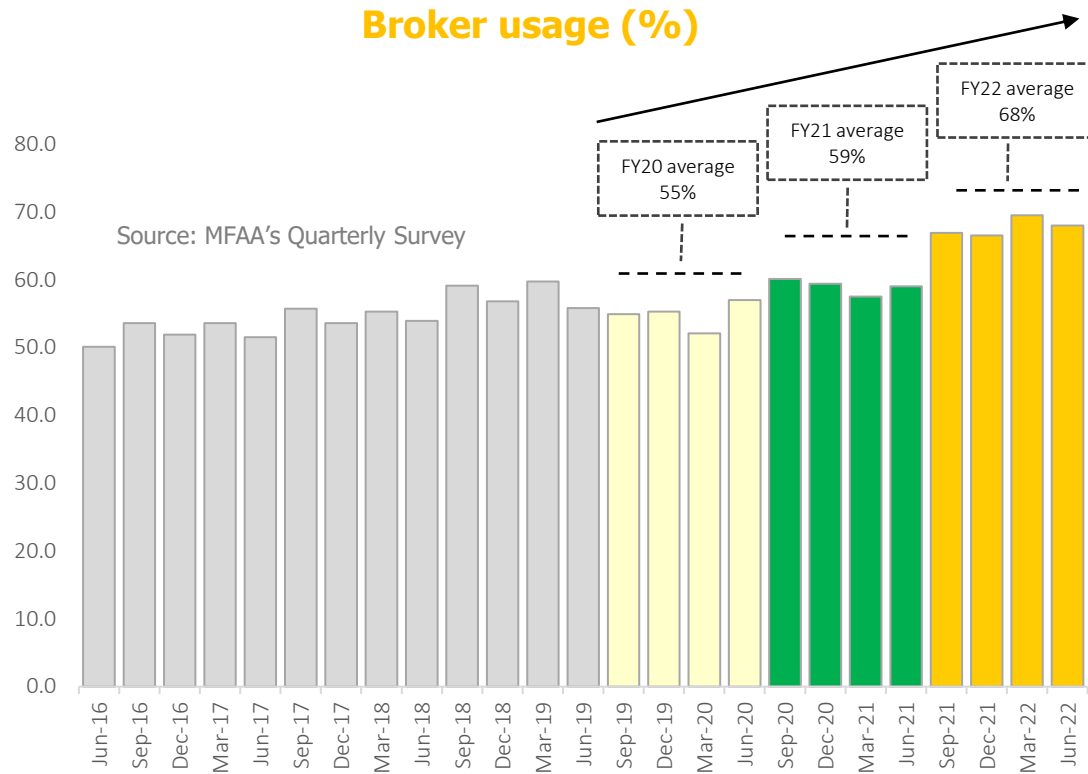
FY23 numbers are unaudited

* Represents the actuarial assessed net present value of future net cashflows from the existing underlying book of loans

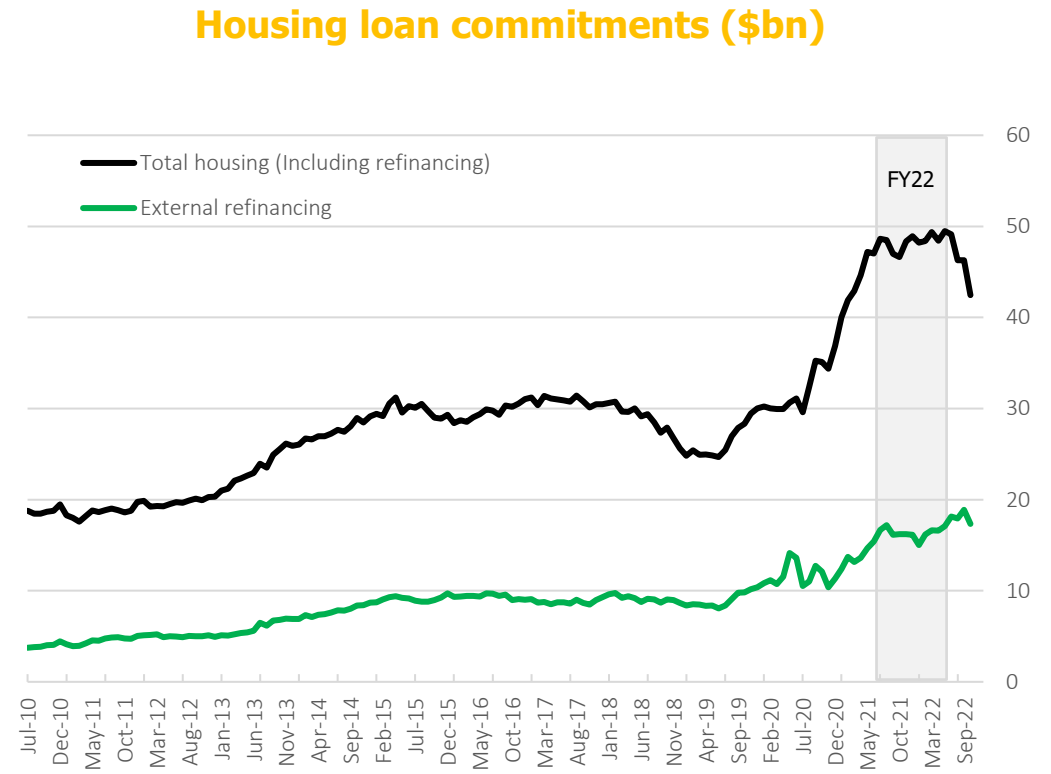
** Does not include any NPV of RWF's Net Interest Margin from its own loan book

Our Industry

Broker channel proposition remains strong, home lending activity starting to slow, though refinancing momentum is supporting the market



- MFAA Survey shows brokers continue to be the main channel for mortgage distribution
- Brokers usage increased from 59% in FY21 to 68% in FY22



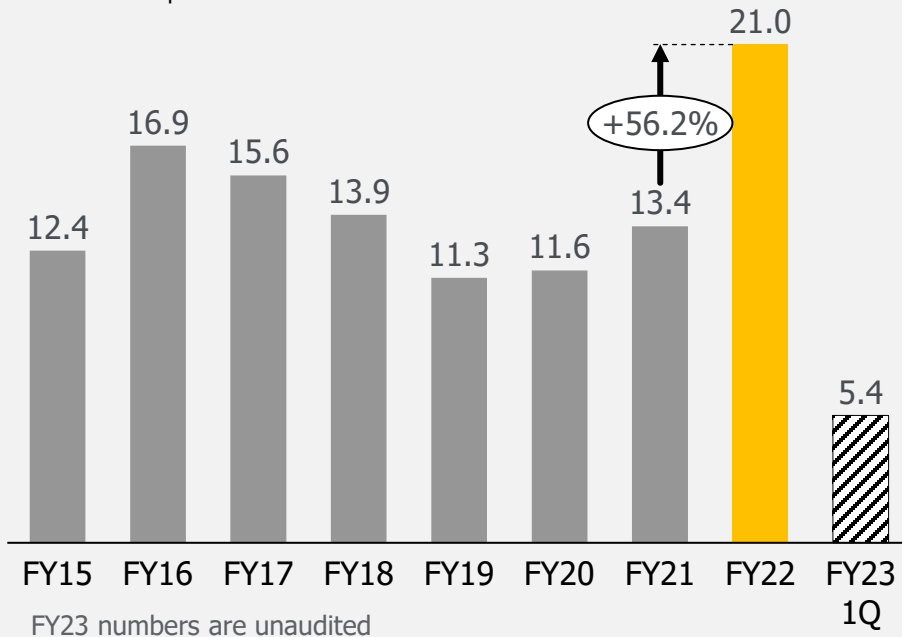
- FY22 experienced strong market activity
- Market remains strong, although 1QFY23 dropped ~8% from 4QFY22
- Refinance activity continues to support the level of home loan commitments driven by the competitive offers in the market

Our journey

Settlement volumes and the loan book growth have held up well in FY23 Q1 despite reduced overall market activity

Settlements trend (FY12 to FY23)

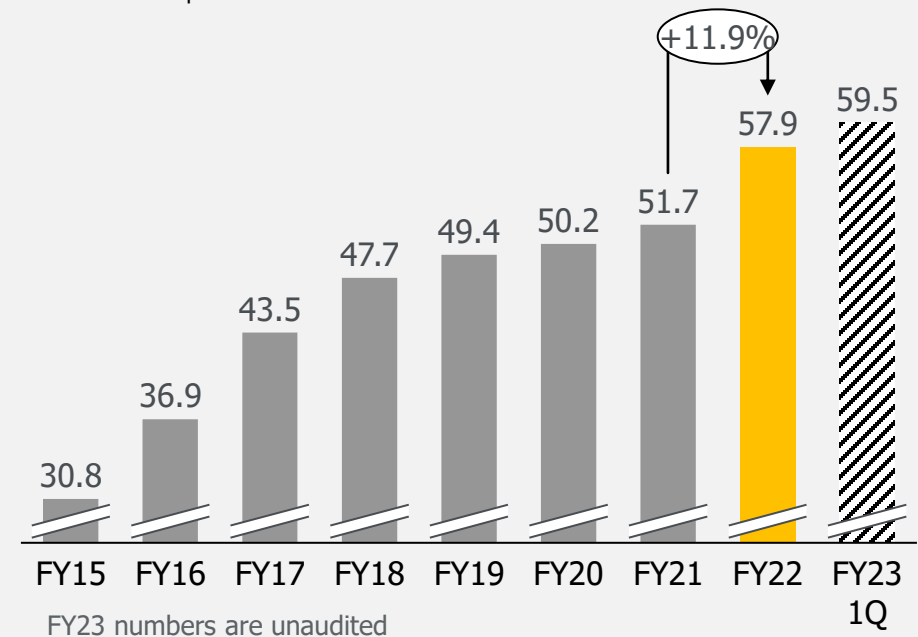
Values in \$bn



FY23 Q1 Settlements up 2% on pcp

Loan book growth (FY12 to FY23)

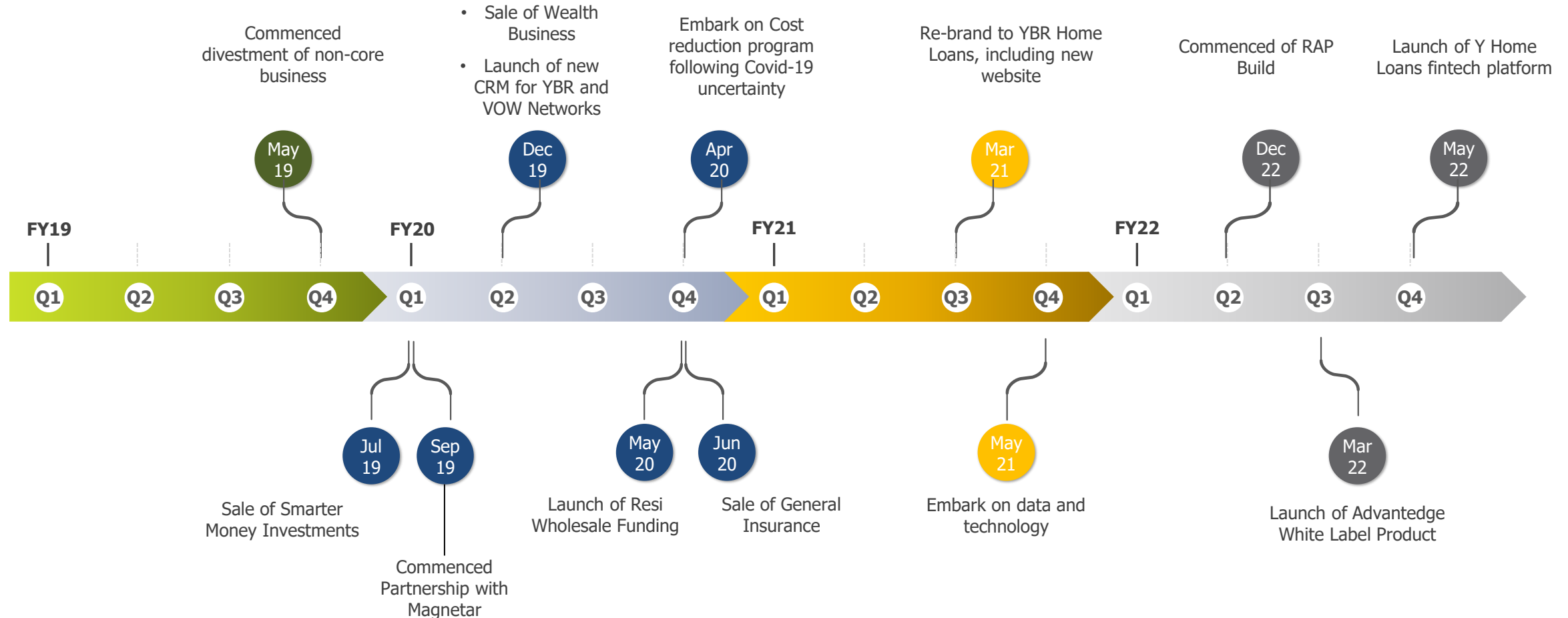
Values in \$bn



Loan book continues its strong growth, up 13% on Q1 FY22

Key Business Milestones

The organisation has undertaken a large transformation over the past 3 years, simplifying the business, reducing costs and embarking upon new initiatives relating to data & technology, margin improvements and distribution growth



Update on FY21 & FY22 Strategic Initiatives

We are delivering on our long-term strategy

Digitalisation

Transform to a Digital & Data Driven Business

Y Home Loans

Launched in May 22 providing customers with a web and app digital platforms, property insights series & online loan applications via smartphone

Data-driven compliance

Integrating broker and sales data to enhance risk-based compliance

Franchise recruitment opportunities

Utilisation of market and geographical data for all regions to convert opportunities and expand YBR distribution footprint

Customer Retention

Piloting a data analytics project, which provides predictive customer retention triggers

Resi, Our Own Products Suite

Expanding the Resi Warehouse Funding (RWF) securitisation program

Resi Assessment Platform

Investment in technology – the 1st phase of the Resi Assessment Platform to be rolled out in November '22. The Platform will significantly increase the productivity of credit assessors and enable 24 hour or better turnaround times to conditional approval

Broker adoption of Resi Products

Use of data analytics – broker profiles utilised for sales engagement program to match to RWF's credit appetite

Growth in Funding

Warehouse at \$450m.
Credit parameters have been expanded to enable a broader suite of products to meet market demand

Distribution Growth

Increasing Branded Branch Network

Franchise value proposition has been reset and rolled out

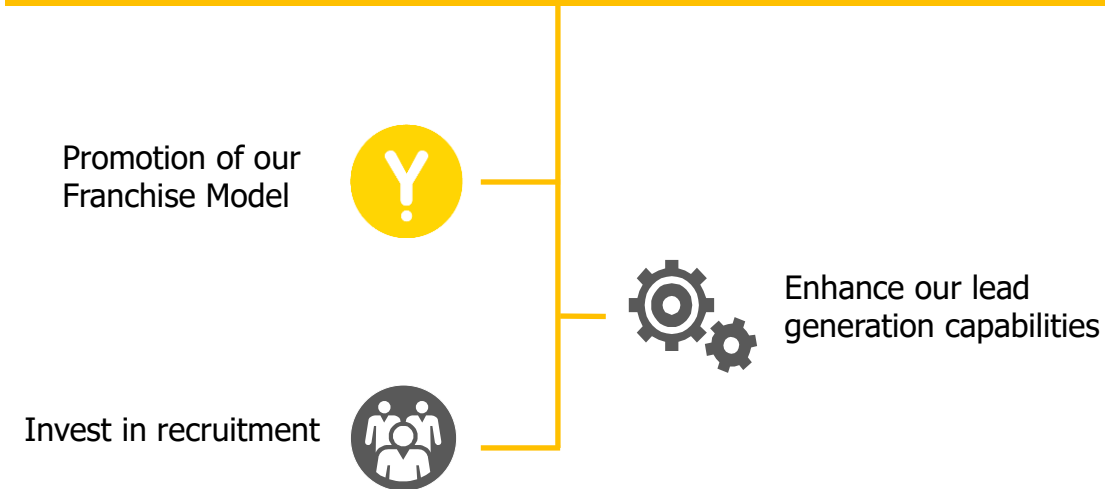
- Rebranding from Wealth Management to Home Loans
- Ramp up of brand awareness through targeted TVC advertising, maximisation of digital channels and utilisation of Mark Bouris in PR activities
- Roll-out of best in market Broker Offering which includes Full Franchise, Hub Model, Branded Mobile Broker and Wholesale Aggregation
- Appointment of experienced Recruitment Executive, refined processes and built a strong candidate pipeline
- Quality Franchisees recruited in NSW, VIC and SA metro and regional areas

FY23 & Beyond - Business Imperatives

Our Imperatives:

Grow our distribution, increase revenue and margin, transform to a digital and data driven organisation

YBR Group Distribution Growth



Increase Revenue & Margin



Enabler - Data & Digital Strategy



Data Driven Organisation



Digital Products and Services



Digital Marketing, Advertising, and Media

FY23 & Beyond - Business Imperatives

We adjusted our Franchise Model to be THE BEST option for any prospective Brokers considering to join a Mortgage Broking Franchise Network

YBR Group Distribution Growth

Attractive proposition to new Franchisees

- To further enhance our broker proposition, we commit to deliver a minimum number of leads to new franchisees (Q2 FY23) in their first year
- Recent partnership with Effi assists in the delivery of this initiative

Enhanced Product Suite available through referral model

Flexible referral framework rolled out for brokers to leverage Commercial and Equipment Finance opportunities (implemented)



Further promotion of our Franchise model

Mark Bouris as our ambassador

Promotion at new to industry broker forums, targeting successful bank lending staff and the introduction of live on-line broker information sessions (implemented)



Enhancement of lead-generation



Further investment in recruitment activities

Best possible experience for our new joiners

- Streamlined and automated onboarding system for brokers entering network (target Q3 FY23)
- Rollout of a 13-week incubator program for new YBR franchisees (implemented)
- Introduction of the YBR Broker Academy to attract and retain new to industry brokers from universities (Q3 FY23)

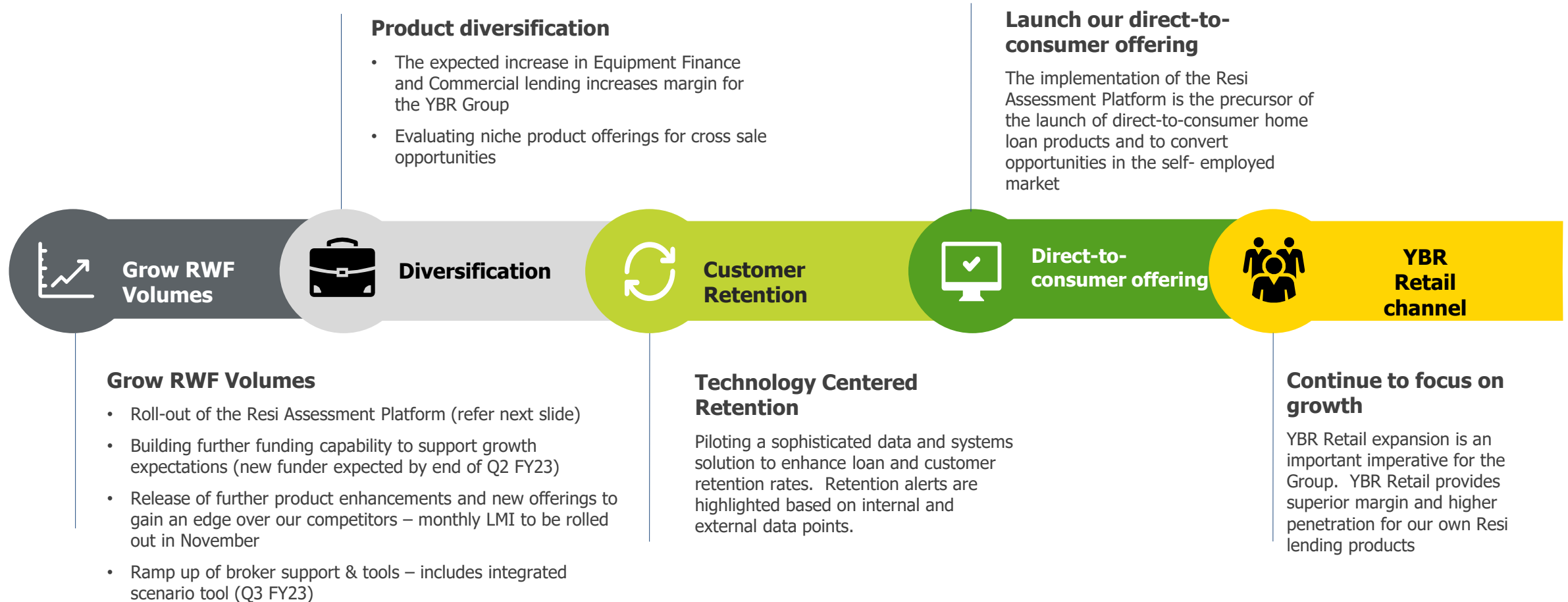


Provision of increased diversification

FY23 & Beyond - Business Imperatives

Align innovation and customer offerings with key opportunities across the business

Increase Revenue & Margin



FY23 & Beyond - Business Imperatives

Resi Assessment Platform, the infrastructure for scale, acceleration of the long-term strategy and resilience



RAP - What it is

The technology that will allow us to automate the credit assessment processes, creating scalability and industry leading turnaround times. This platform will cater for Prime, Near Prime and Alt Doc loan types



How it works

Development of a fully integrated loan assessment system consisting of integrations with:

- Origination System (Salestrekker)
- Property Valuation provider (Corelogic)
- Credit check provider (Equifax)
- Lender Mortgage Insurance (LMI) provider
- Loan Document Solicitor
- Loan Servicer

Phase 1 to be delivered by end of November 2022 with remainder by Q3 FY23



Benefits of the RAP Program

- Offer an easy and frictionless loan approval and settlement experience for brokers
- Enable fast, efficient and scalable loan decisioning for Resi – Critical to support expected growth
- Reduce loan conditional approval turn-around time SLAs to within 1 day (Broker submitted) by Q1 23
- Delivering the digital direct to consumer channel and realise fast loan pre-approvals
- Commercial and strategic opportunities to expand the Resi footprint into other Aggregators
- Enable value-add broker services e.g. digital serviceability calculator, instant scenario tool

Digital & Data Strategy

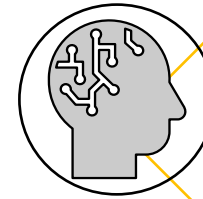
FY22 Achievements

- Significant increase in leveraging our digital data assets across our leads and sales pipeline, marketing performance, and back-book management

FY23 Outlook

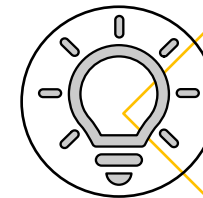
- Executed agreement with Servian, a Cognizant company and market leader in delivering innovative data and advanced analytics solutions to enhance data analytics capabilities, business decisioning and customer insights.
- Invest in data analytics technology to aggregate key data sources and utilize machine learning to generate predictive insights on consumer and borrower trends
- Leverage the analytics platform to identify market opportunities and develop first-to-market products to meet borrowers needs
- Integrate online technologies with our mobile app to enhance customer experience
- Deliver to industry and media, insights and thought leadership to continue to increase our audience reach, trusted brand, reputation, and influence in the market

Data Driven Organisation



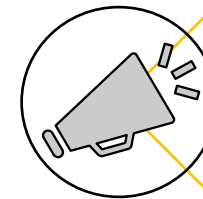
Data Insights

- YBR/Resi Data Sources
- Media Monitoring – Trend and sentiment analysis on the sector
- Data Analytics Services – acquire dataset to enrich our data
- Competitor Analysis – Monitoring of our competition through open source data
- Externalities – ABS and demographic data, RBA Cash prices announcements, Politics, environment, Infrastructure and Supply Chains, Adjacent Markets, Regulators



Digital Products

- Y Home Loans – Expand the existing platform to leverage data insights to inform and support customer interactions
- Create new offerings to meet the needs of borrowers based of the data insights
- Identify market gaps and develop first to market products to meet the need
- Complimentary products and features adjacent to our product offerings



Digital Services

- Y Home Loans Mobile App – Integrate data capabilities into our mobile platform to further enhance features
- New educational content development opportunities
- Produce market analysis and insights to industry and media

Digital & Data Strategy

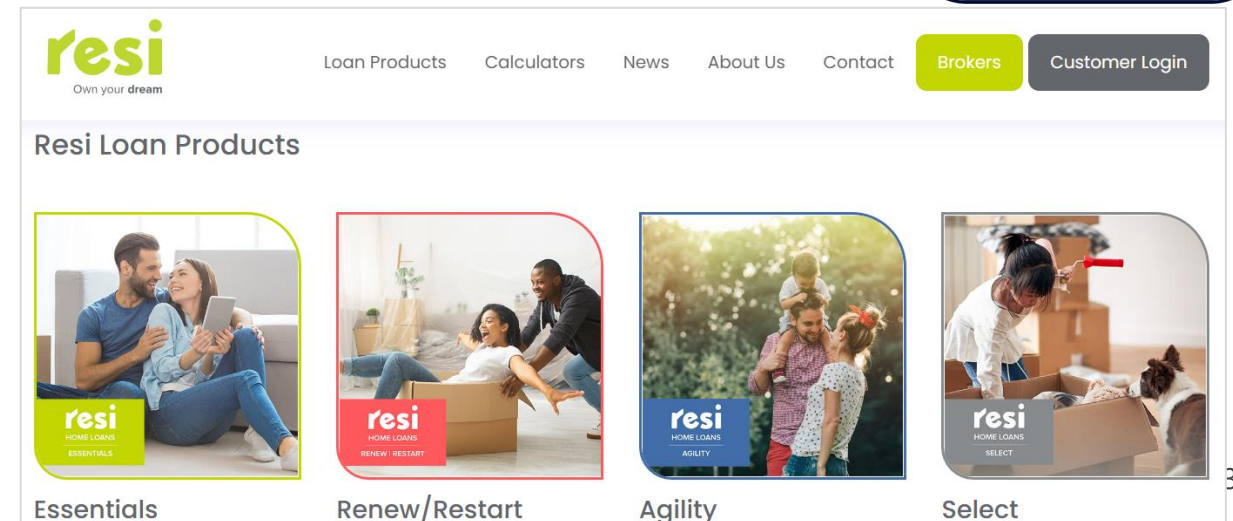
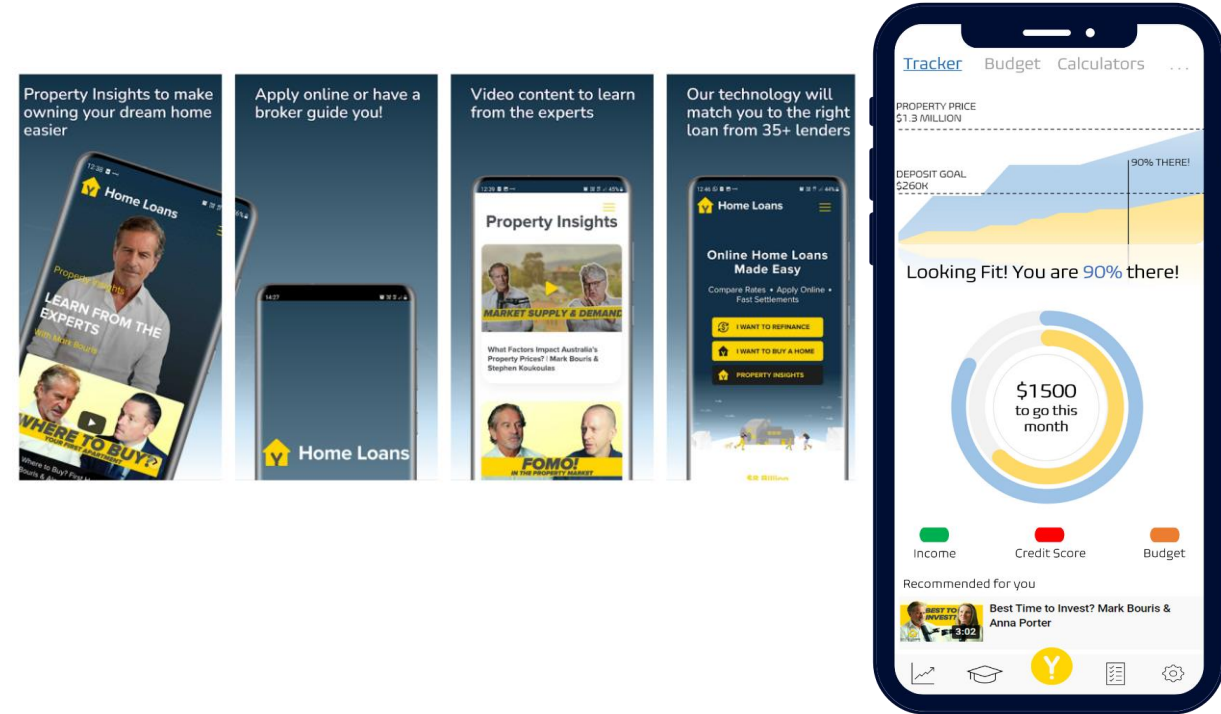
FY22 Achievements

- Launch of Y Home Loans Fintech Platform – website, mobile app, educational content, and online application
- Enhanced out Leads Management platform with real-time notifications and automation ensuring brokers are in contact with a customer consistently under 2hrs

FY23 Outlook

- Enhance the Y Home Loans mobile into a “Mortgage Fit” lifestyle app – new feature development, and customizable experience, to be the first step in a customers property buying journey
 - New features include goal setting, progress tracking, dynamic action plans, targeted educational content, loan/finance health check tools, budgeting, and market intel.
- Resi - Fully renovated digital experience for customers and brokers
 - Launch a new look Resi website and content
 - Streamlined broker portal with simplified product information, real time tracking and updates for brokers, and online serviceability calculators and scenario tools

Digital Solutions to open markets and increase automation



Digital & Data Strategy

FY22 Achievements

- Increased our channels of engagement of Web, Online Search, and Social Media, to include a Mobile App - print and video series "Property Insights"
- Increased media presence of Mark Bouris with regular appearances on Sky News, and Today Extra (Channel 9)
- National television advertising, regional and metropolitan radio advertising

FY23 Outlook

- Broaden our omni-channel leads generation capability to include affiliate websites and other third-party services
- "Take the Lead" Broker recruitment campaign for new Branches, offering a leads commitment initiative to accelerate business development and broker success
- Maintain and grow our presence in mainstream media, leveraging Mark Bouris' reputation, introducing new thought leadership and market insights
- Generate PR events and opportunities to increase media focus and engagement through continual innovation and development of our brands and our digital products and services.

Digital Marketing Advertising & Media

