



15 November 2022

ASX RELEASE

**Resimac Group Ltd – 2022 Annual General Meeting
CHAIRMAN’S ADDRESS**

Please see attached the address to be delivered by Resimac Chairman, Warren J McLeland, to shareholders at the Annual General Meeting.

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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. 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 300 people operating across Australia, New Zealand and the Philippines, Resimac Group has in excess of 55,000 customers with a portfolio of home loans on balance sheet of over \$15 billion, a \$400 million asset finance portfolio, and total assets under management of over \$16 billion.

Resimac Group has issued over \$41 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

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PO Box H284 Australia Square NSW 1215

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



Chairman's Address

RESIMAC GROUP LTD – 2022 ANNUAL GENERAL MEETING

Good morning Ladies and Gentlemen and welcome to your Company's Annual General Meeting for the financial year to June 30 2022. On behalf of your directors, I acknowledge the Gadigal people of the Eora nation as the traditional custodians of this land on which we are meeting and pay respects to their elders, past, present and emerging.

We trust this is our last AGM to be held virtually. Next year we expect to convene this meeting using both virtual and live channels at which shareholders will once again be invited to be present.

I am joined today in person by my director colleagues Duncan Saville, Susan Hansen, Caroline Waldron, along with Wayne Spanner who joins us virtually from New York City. Resimac's key management team members present are CEO Scott McWilliam, Company Secretary Peter Fitzpatrick, Chief Financial Officer Jason Azzopardi, Chief Operating Officer Danielle Corcoran and our General Manager for Asset Finance Michael Moloney.

Also present is Heather Baister from our auditing firm Deloitte. She and Jason Azzopardi are available to address questions you may have on the financial statements and the results therein.

During FY22, COVID's impact on work absenteeism and the consequential staff shortages slowed down the scope and speed of our economic recovery out of the pandemic's. Resimac was not immune to these challenges in Australia and New Zealand.

Compounding this were the natural disasters, particularly in Australia, from bushfires followed by floods across the eastern states commencing in early 2021.

During the second half of FY22, the Russian invasion of Ukraine spearheaded and compounded supply chain shortages, resulting in global market turbulence and then inflation.

The reaction was increasing interest rates, widening credit spreads, and higher volatility in all asset classes.

No industry nor investor segment has been spared.

It is axiomatic that risk and uncertainty has accelerated and for at least the next six to nine months, there is little to no improvement expected.

Despite the deteriorating macro environment, Resimac's financial performance for FY22 was outstanding. 1H22 results were particularly impressive. 2H22 are a fairer reflection of the current operating environment.

Early in FY22, your board and executive leadership team allocated time and resources to recalibrate and refocus our medium-term business strategy, setting new priorities and measuring progress. Our aim is to extend our industry leadership position among non-banks and to embed digital into our way of doing business.

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One of the major decisions has been to further expand our asset-based financing business. We aim to move to a dual business model with asset-based financing supplementing our two-product based mortgage financing (prime and specialist).

A new management structure has also been adopted to enhance the prominence of a focus on our customers.

As part of our engagement, our new loan origination banking platform has just gone live in both Australia and New Zealand. This investment has been the single largest capital investment we have made in our history.

Notwithstanding Resimac facing incessant aggressive pricing competition, our mortgage asset loan book under management grew, by end FY22, to in excess of \$15 billion.

Full year NPAT was again, in excess of a \$100 million (\$102 million for statutory – down 5% on FY21 NPAT, and \$104 million normalised – flat on FY21), permitting us to pay a fully franked dividend for FY22 of 8 cents per share to all shareholders. This represents a payout ratio of 30% on normalised NPAT and a 25% increase over FY21.

Our cost to income ratio remained a low 33.4%.

We consider Resimac has an obligation which it relishes to accept, to ensure ESG and climate change in particular plays a pivotal role in the group for the next 10-15 years. We have implemented several initiatives over the last few years and our intention is to continue to expand our investment in this programme. Your board is thrilled at the direct involvement of our people, who have enthusiastically contributed to a number of our initiatives. Sustainability is one dimension of our ESG programme and a principal driver underlying our ambition.

On behalf of my fellow directors, I thank our shareholders and stakeholders for their support and loyalty. I acknowledge the extraordinary commitment of our employees and the amazing efforts they have made in Australia, New Zealand and Manila, and in particular to recognise the exemplary efforts of all those responsible for bringing to life our new origination and servicing platforms.

Warren J McLeland