Plenti

16 NOVEMBER 2022

ASX RELEASE

FY23 Half Year Results

Plenti Group Limited (ASX:PLT) provides the attached FY23 Half Year Results (incorporating Appendix 4D).

Authorised for release by the Board of Plenti Group Limited.

For more information please contact:

Daniel Foggo	**Miles Drury**	**Jack Gordon**
Chief Executive Officer	Chief Financial Officer	Citadel Magnus
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About Plenti

Plenti is a technology-led lending and investment business.

We offer award-winning automotive, renewable energy and personal loans, delivered by proprietary technology, to help creditworthy borrowers bring their big ideas to life.

Since our establishment in 2014, our loan originations have grown consistently, supported by diversified loan products, distribution channels and funding, and underpinned by our exceptional credit performance and continual innovation.

For more information visit plenti.com.au/shareholders

Plenti Group Limited

Appendix 4D - Half year report

Company details

Name of entity:	Plenti Group Limited
ABN:	11 643 435 492
Reporting period:	For the half-year ended 30 September 2022
Previous period:	For the half-year ended 30 September 2021

Results for announcement to the market

		vs 1H21		$'000
Revenues from ordinary activities	up	71.3%	to	63,750
Profit from ordinary activities after tax attributable to the owners of Plenti Group Limited	up	134.6%	to	2,585
Profit for the half-year attributable to the owners of Plenti Group Limited	up	134.6%	to	2,585

Dividends

There were no dividends paid, recommended or declared during the current financial half-year.

Comments

The profit for the Group after providing for income tax amounted to $2,585,000 (30 September 2021 loss: $7,475,000) an increase of $10,060,000 on the prior comparative period.

Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	43.80	31.16

The increase in the net tangible assets per ordinary security is driven by an increase in net assets due to higher derivative financial assets at the end of the period.

Control gained over entities

None during the period.

Loss of control over entities

None during the period.

Details of associates and joint venture entities

Not applicable.

Audit review

The financial statements were subject to a review by the auditors and the review report is included as part of the 30 September 2022 interim financial report.

Other information

This information should be read in conjunction with Plenti's 2022 Annual Report.

Plenti Group Limited

Interim Report - 30 September 2022

ABN 11 643 435 492

Plenti

plenti.com.au

Contents

General information

The financial statements cover Plenti Group Limited as a Group consisting of Plenti Group Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Plenti Group Limited's functional and presentation currency.

Plenti Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 5
14 Martin Place
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 15 November 2022.

Corporate directory

Directors	Mary Ploughman (Chairman) Daniel Foggo Susan Forrester AM Stephen Benton Peter Behrens
Company secretary	Georgina Koch
Registered office and principal place of business	Level 5 14 Martin Place Sydney NSW 2000
Share register	Automic Pty Limited Level 5 126 Phillip Street Sydney NSW 2000
Auditor	Grant Thornton Audit Pty Ltd Level 17 383 Kent Street Sydney NSW 2000
Stock exchange listing	Plenti Group Limited shares are listed on the Australian Securities Exchange (ASX code: PLT)
Website	www.plenti.com.au
Corporate Governance Statement	www.plenti.com.au/shareholders/corporate-governance

Directors' report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Plenti Group Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 September 2022.

Directors

The following persons were directors of Plenti Group Limited during the financial half-year and up to the date of this report, unless otherwise stated:

- Mary Ploughman (Chairman)
- Daniel Foggo
- Susan Forrester
- Martin Dalgleish (retired on 16 August 2022)
- Peter Behrens
- Stephen Benton (appointed on 1 July 2022)

Principal activities

Plenti is a fintech lending and investment business which provides faster, fairer loans through leveraging its innovative technology. Plenti provides automotive, renewable energy and personal loans, and is focused on borrowers with a strong credit profile. Additionally, Plenti seeks to provide retail investors with attractive, stable returns by investing in loans via its innovative lending marketplace. Plenti operates primarily in Australia.

During the financial half-year, the principal activities continued to be the provision of automotive, renewable energy and personal loans, the operation of schemes to facilitate investment opportunities for investors (through the Plenti Lending Platform and Plenti Wholesale Lending Platform) and the funding of loans via the Group's warehouse and ABS securitisation programs.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Review of operations

During the half-year ended 30 September 2022, Plenti continued to deliver strong operational and financial results including:

- Delivered record Cash NPAT of $1.4 million, up $3.6 million on the prior comparative period (pcp)
- Grew loan originations to $558 million, up 18% on pcp
- Achieved a closing loan portfolio of $1.55 billion, up 69% on pcp
- Increased revenue to $63.8 million, up 71% on pcp
- Recorded exceptional credit performance with a 0.63% annualised net loss rate and low 90+ day arrears at 28bps at the half-year end
- Completed a third asset-backed securities (ABS) issuance, for $437 million, in June, bringing total ABS issuances to over $1 billion over the prior year
- Increased the capacity of and extended the term of its warehouse facilities, resulting in headroom of ~$340 million against the loan portfolio at half-year end

For the half-year ended 30 September 2022, the Group reported a statutory net profit after tax of $2,585,000 (2021 loss: $7,475,000), a $10,060,000 improvement on the pcp.

Earnings per share (EPS) were 1.52 cents on a statutory basis, a 5.95 cent improvement on the prior half-year, which was an EPS loss of 4.43 cents. The positive EPS was driven by the improved operating performance of the Group as well as income tax benefits resulting from recognition of carried-forward losses during the period.

The table below sets out the financial results for the half-year compared to the pcp.

	September 2022 $'000	September 2021 $'000	Change $'000	Change %
Interest revenue	63,151	36,636	26,515	72%
Other income	599	587	12	2%
Total revenue before transaction costs	**63,750**	**37,223**	**26,527**	**71%**
Transaction costs	(8,726)	(3,208)	(5,518)	172%
Loan funding costs	(25,678)	(14,478)	(11,200)	77%
Expense passed to unitholders	(33)	(158)	125	(79)%
Loan impairment expense				
Realised impairment losses	(4,487)	(2,533)	(1,954)	77%
ECL movement	(4,183)	(3,463)	(720)	21%
Sales and marketing expense	(6,004)	(7,326)	1,322	(18)%
Product development expense	(5,066)	(3,313)	(1,753)	53%
General and administrative expense				
Operations	(5,966)	(4,579)	(1,387)	30%
Business overhead	(6,949)	(5,162)	(1,787)	35%
Corporate funding costs	(941)	(22)	(919)	nm
Depreciation and amortisation	(700)	(456)	(244)	54%
Total expenses	**(68,733)**	**(44,698)**	**(24,035)**	**54%**
Income tax benefit/(expense)	7,568	-	7,568	-
Net profit/(loss) after income tax expense	**2,585**	**(7,475)**	**10,060**	**nm**
Cash NPAT	**1,381**	**(2,224)**	**3,605**	**nm**

Notes:
1. A reconciliation of the Net profit after income tax expense to Cash NPAT is set out on page 11.

Total revenue before transaction costs increased 71% in the half-year, with interest revenue interest revenue growing 72% on pcp. Interest revenue growth was driven by the substantial increase in the size of the Group's loan portfolio resulting from continued originations growth across all verticals. Interest revenue also increased as a result of higher customer rates as the Group adjusted its pricing to respond to higher funding costs during the period.

Transaction costs increased 172% reflecting the rapid growth in the Automotive loan book over the prior year. Automotive loans originated through the broker channel carry higher commission payments, which are reflected in the Transaction cost line.

Loan funding costs increased by 77% as a result of higher borrowings to fund loan book growth as well as increased funding costs resulting from the rising market interest rate environment during the period.

Realised impairment losses increased 77%. While broadly in line with loan portfolio growth, this outcome reflected the countervailing impacts of a normalising credit environment and seasoning of the loan portfolio tending to increase credit losses and the shift towards more Automotive loans in the portfolio, which tend to record lower credit losses. The ECL provision only increased 21% due to the reversal of the COVID related provision of $1.2 million as well as the shift in the loan portfolio mix towards Automotive loans, which carry a lower loss provision rate.

Sales and marketing expense decreased 18% to $6.0 million, reflecting the fact that the brand investment activities undertaken in 1H22 were not repeated in the current period, as well as some moderating of digital loan acquisition spend. Product development expense increased 53% to $5.1 million as Plenti continued to invest in its technology platform and technology team. General and administrative (operations) expenses increased 30% driven by higher origination volumes and supporting a substantially larger loan portfolio. General and administrative (business overheads) increased 35%.

Corporate funding costs includes the interest expense paid/payable on Group corporate borrowings and interest expense on the Group's leased assets under AASB 16. The corporate debt facility was entered into in March 2022.

The income tax benefit of $7.6 million reflects the recognition of some of the Group's carried-forward tax losses to offset a deferred tax liability in relation to hedging gains on interest rate swaps that are hedge accounted for in other comprehensive income (i.e. the hedging gains are not reflected in net loss before income tax). Given that the hedging gains should reduce to close to zero over the life of the hedge, the recognised tax benefit should be viewed as a timing difference as it will unwind over the life of the swaps.

Loan originations and portfolio	September 2022	September 2021	Change %
Originations ($'000)	558,194	472,812	18%
Loan portfolio (half-year end) ($'000)	1,547,599	915,134	69%
Loan portfolio (average) ($'000)	1,427,003	754,813	89%
Average monthly amortisation rate (%)	3.6	3.8	(5)%
Average term of originations (months)	64.6	64.8	(0)%
Number of originations	20,982	19,844	6%
Average value of loan originations	26,603	23,826	12%

Loan origination volumes of $558.2 million for the half-year, an increase of 18% on pcp, was a good result in the context of the impact of Plenti being an early market mover in increasing its borrower interest rates.

Driven by strong originations, the loan portfolio grew to $1,547.6 million at 30 September 2022, representing a 69% increase on the prior year. The average loan amortisation rate (rate at which loans pay back) reduced marginally to 3.6% as did the average term of originations.

Loan origination by channel	September 2022	September 2021	Change %
Automotive loan originations ($'000)	302,343	257,690	17%
Renewable loan originations ($'000)	52,617	46,350	14%
Personal loan originations ($'000)	203,234	168,772	20%

Automotive loan originations increased 17% over the pcp. Growth was supported by the Group's investment in expanding its Commercial and electric vehicle (EV) loan offerings. Commercial automotive lending was $60.5 million during the half-year compared to $7.4 million in pcp. Automotive lending was particularly impacted by Plenti's proactive approach to passing through market interest rate increases to customer rates compared with some industry participants.

Renewable energy finance originations grew 14% on pcp. This was driven by the introduction of new installer partners and Plenti's battery partnership strategy with key energy retailers and battery manufacturers as well as the continued consumer demand for finance to fund solar and battery installations in a country experiencing higher energy costs.

Personal loan originations increased 20% on pcp. Growth was particularly strong via the broker channel where introduction of a number of differentiating technology improvements to Plenti's product offering and strong execution by the sales team drove market share gains. Volumes were slightly down in the direct lending channel where spend on digital marketing was reduced prior to new leadership in the channel implementing process improvements to increase spend efficiency in the future.

Product margin and funding costs	September 2022	September 2021
Average interest rate (%)	8.9	9.7
Transaction cost/average loan portfolio (%)	1.2	0.8
Average funding rate (%)	3.5	4.0
Funding debt (half-year end) ($'000)[1]	1,570,997	894,109
Funding debt (average) ($'000)	1,472,060	724,209

Interest revenue in the Group's financial statements represents interest and origination fees on loans funded by Plenti, treated under the effective interest rate method, as well as interest on cash deposits. The average interest rate is calculated by dividing interest revenue by the average loan portfolio for the half-year.

The average interest rate reduced to 8.9% in the half-year, down from 9.7% in the pcp. This reduction primarily reflected the increased proportion of automotive loans in the loan portfolio, which typically earn lower interest rates than personal loans. While the average interest rate reduced year-on-year, the average rate on the portfolio started to increase through the period as the Group wrote more new loans at higher interest rates.

Transaction costs as a percentage of the loan portfolio increased to 1.2% from 0.8% in the pcp. The primary driver of this increase was growth in automotive lending, as automotive loans tend to carry higher rates of commission (paid to referring brokers or referral partners) than renewable energy and personal loans. The rate also increased following a review in March 2022 of the time period over which transaction costs are recognised, which resulted in a slight acceleration of transaction cost recognition.

The average funding rate paid by the Group reduced from 4.0% to 3.6%, largely reflecting the increase in the proportion of funding from the Group's warehouse and ABS issuances compared with the prior year. During 2022, market interest rates have increased significantly, resulting in the average monthly funding costs of loans in the portfolio increasing from ~3.2% to ~3.7% through the period.

Credit performance	September 2022	September 2021
Loan impairment - net charge off ($'000)	4,487	2,533
Loan impairment - provision movement ($'000)	4,183	3,463
Provision rate (%)	1.6	1.8
Net charge off to interest revenue (%)	7.1	6.9
Net charge off to average loan portfolio (%)	0.6	0.7

[1] Funding debt differs to total borrowings per the Group's balance sheet as it is net of cash held in Group bank accounts that relates to funding structures

Total loan impairment expense increased 77.1% compared with the pcp, but the net charge off rate as a percentage of average loan portfolio has reduced from 0.7% to 0.6%. The low loss rate reflects the strong credit quality of the portfolio and ongoing benign credit market conditions in the economy and particularly very low unemployment levels. Despite ongoing seasoning of loans in the portfolio, the 90+ days arrears rate at the end of the period remained low at 28bps.

The Group's expected credit loss ('ECL') provision at 30 September 2022 was $24.3 million, representing 1.6% of the total loan portfolio. This compares with $16.3 million, or 1.8% of the loan portfolio, at 30 September 2021. The ECL value increased by $8.0 million or 49% which is lower than the growth in the loan portfolio. This reflected the removal of the COVID overlay provision of $1.2 million that was included in the ECL provision in the pcp as well as the ongoing shift in the portfolio to secured Automotive loans which carry a lower provision rate.

Operating metrics	September 2022	September 2021
Overall cost-to-income ratio[2]	37.6%	54.7%
Sales and marketing expense to revenue ratio	9.4%	19.7%
Product development expense to revenue ratio	7.9%	8.9%
General and administrative expense to revenue ratio	20.3%	26.1%
Overall cost-to-originations ratio	4.3%	4.3%

Plenti's total operating cost-to-income ratio, decreased to 37.6% in the half-year, from 54.7% in the pcp. The significant reduction was driven by increased revenue which grew 71% during the period while operating costs only increased by 18%. This reflects the operating leverage that the Group has been able to achieve from a growing loan book and efficiencies generated by the investment in technology and operational improvements.

Sales and marketing expense decreased to $6.0 million in the half-year from $7.3 million in the pcp. The reduction was primarily due to the investment in brand advertising undertaken in 1H22 that was not repeated in the current year. The Group also spent slightly less on digital loan acquisition in the period as discussed above in respect of loan originations.

Product development expense increased to $5.1 million, an increase of 53% on the pcp. This was primarily driven by personnel costs due to salary increases in the year and an investment in a larger team focused on the Group's proprietary technology platform to support product enhancements and process efficiencies across the Group.

General and administrative expense ('G&A') increased to $12.9 million. Within this, G&A (operations) increased 30% to $6.0 million. This expense line includes loan origination processing, underwriting, settlement and ongoing loan servicing and therefore increases according to loan origination and portfolio growth. G&A (business overheads) increased 35% to $6.9 million. This expense line includes support functions and the executive team. The majority of the increase in costs for both operations and business overhead related to personnel costs, reflecting increased headcount with higher originations than in the pcp and loan volumes and salary rate increases at the start of the current period.

The cost-to-origination ratio remained stable at 4.3%, reflecting the fact that the Group was more focused on margin restoration in the period and hence had some periods where operating capacity exceeded loan originations.

[2] The cost-to-income ratio is calculated as the sum of Sales and marketing, Product development and General and administrative expense divided by Total revenue before transaction costs

Balance sheet	September 2022 $'000	March 2022 $'000	Change $'000	Change %
Assets				
Cash and cash equivalents	113,167	159,168	(46,001)	(29)%
Customer loans	1,511,689	1,269,370	242,319	19%
Other assets	69,897	40,682	29,215	72%
Total assets	**1,694,753**	**1,469,220**	**225,533**	**15%**
Liabilities				
Trade payables	5,864	5,450	414	8%
Borrowings	1,588,478	1,391,610	196,868	14%
Other liabilities	25,977	19,486	6,491	33%
Total liabilities	**1,620,319**	**1,416,546**	**203,773**	**14%**
Net assets	**74,434**	**52,674**	**21,760**	**41%**

Cash and cash equivalents of $113.2 million is comprised of three components. Corporate cash of $30.5 million (31 March 2022: $40.0 million), Provision Fund cash of $14.5 million (31 March 2022: $14.3 million) and $68.1 million (31 March 2022: $104.9 million) held in the warehouse and ABS facilities or the Plenti Lending Platforms.

The Group's corporate cash balance decreased by $9.5 million, with the majority of the cash outflows relating to equity investments in securitised funding structures of $14.0 million. This primarily related to increased warehouse equity contributions as the loan portfolio grew. This was offset by an additional $4.5 million drawdown on the Group's corporate debt facility in September 2022.

Customer loans increased 19% from 31 March 2022, driven by origination volumes of $558.2 million for the half-year. Gross customer loans outstanding were $1.55 billion at the half year end, with the value of deferred upfront fees of $11.6 million and the ECL provision value of $24.3 million being the items netted-off the value of customer loans in the balance sheet. Of the gross loan value, $899 million (31 March 2022: $745 million) related to automotive loans, $484 million (31 March 2022: $413 million) related to personal loans and $165 million (31 March 2022: $142 million) were renewable energy loans.

Other is comprised of derivative assets, prepayments, capitalised rate commissions and securitisation establishment costs, trade receivables, PPE, right of use assets and other assets. The largest component of the change in the period related to a $25.0 million increase in the derivative asset position, reflecting the mark-to-market value of interest rate swaps entered into by the Group. As medium-term market interest rates continue to rise, the value of historic swaps has increased significantly. The remainder of the increase relates to an increase in prepaid commission expenses in line with the growth in automotive loan originations, establishment costs associated with securitisation structures and increased right-of-use assets with the addition of a new lease for the Group's Adelaide office.

Trade payables represents the amount payable to creditors for the supply of goods and services that have been invoiced and are payable in accordance with the supplier's payment terms.

Borrowings increased in line with the growth in customer loans. Refer below for further details on Plenti's funding sources.

Other liabilities represents lease and other liabilities, provisions and accruals. The increase is mainly due to timing of funds received in the customer collection accounts which are yet to be allocated, increases in payroll liabilities, accrued interest payable on warehouse and ABS borrowings and increased lease liabilities relating to the new lease for the Adelaide office.

Funding	September 2022 $'000	March 2022 $'000	Change $'000	Change %
Borrowings				
Plenti Lending Platform	197,256	226,052	(28,796)	(13)%
Wholesale Lending Platform	24,795	31,790	(6,995)	(22)%
Warehouse facilities and ABS Trust	1,325,318	1,115,768	209,550	19%
Corporate borrowings	22,500	18,000	4,500	25%
Risk retention facilities	18,609	-	18,609	-
Total borrowings	**1,588,478**	**1,391,610**	**196,868**	**14%**

Plenti benefits from having established several loan funding platforms. At the end of the period, $1.3 billion of funding came from the warehouses and ABS trusts, while $222 million of loan funding came from the Plenti Lending Platforms.

During the period, the Group completed another ABS transaction for automotive loans including the establishment of two "risk retention" entities in order to support investment in the ABS by overseas investors. The risk retention entities, which are wholly owned by the Group, borrow funds from third party funders to acquire notes in the ABS with repayment of the notes backed by the Group. This allows the Group to meet European requirements for ABS issuers to retain minimum economic exposures levels to transactions they undertake.

At 30 September 2022, the Group had a total of $34.3 million (31 March 2022: $20.0 million) invested in subordinated notes in warehouse and ABS structures. This value is not shown on the face of the balance sheet as it is eliminated in the consolidated Group accounts.

The value of loans funded by the Plenti Lending Platform and the Plenti Wholesale Lending Platform decreased during the year. The Group expects to increase the funding sourced from the Plenti Lending Platform in the coming year as it provides capital and cost efficient funding in the current environment and increases the funding diversity of the Group. Plenti also sees greater activation of the Plenti Lending Platform as beneficial given that it provides access for retail investors to consumer credit, which is a class of investment they would otherwise have difficulty accessing.

Cash flow	September 2022 $'000	September 2021 $'000	Change $'000	Change %
Interest income received	68,694	42,841	25,853	60%
Other income	599	587	12	2%
Interest and other finance costs paid	(25,773)	(14,184)	(11,589)	82%
Payments to suppliers and employees	(36,970)	(33,518)	(3,452)	10%
Cash flows from/(used in) operating activities	**6,550**	**(4,274)**	**10,824**	
Net increase in loans to customers	(248,577)	(301,246)	52,669	(17)%
Other investing activities	(84)	(351)	267	(76)%
Repayment of term deposits	(183)	(99)	(84)	85%
Cash flows used in investing activities	**(248,844)**	**(301,696)**	**52,852**	
Proceeds from borrowings	867,704	721,028	146,676	20%
Repayment of borrowings	(675,473)	(404,250)	(271,223)	67%
Proceeds from corporate borrowings	4,500	-	4,500	-
Repayment of lease liabilities	(438)	(381)	(57)	15%
Cash flows from financing activities	**196,293**	**316,397**	**(120,104)**	
Net (decrease)/increase in cash	**(46,001)**	**10,427**	**(56,428)**	

	September 2022 $'000	September 2021 $'000	Change $'000	Change %
Reconciliation of net profit/(loss) after tax to cash flow from operating activities:				
Net profit/(loss) after tax	2,585	(7,475)	10,060	(135)%
Add back: loan impairment expense	8,670	5,996	2,674	45%
Add back: share-based payments	1,442	1,190	252	21%
Add back: depreciation and amortisation	700	456	244	54%
Add back: tax benefit on unrealised hedging gain	(7,568)	-	(7,568)	-
Add back: other non-cash items	184	97	87	90%
Movement in working capital	537	(4,538)	5,075	(112)%
Cash flow from/(used in) operating activities	**6,550**	**(4,274)**	**10,824**	

Total statutory cash flow from operating activities in the period was $6.6 million. The Group cash flow position includes cash flows in relation to the Provision Fund. In the half-year, the net operating cash flow of the Provision Fund was $1.3 million (1H22: $2.4 million). Cash inflow from operating activities for the Group excluding the Provision Fund was $5.2 million (1H22: outflow of $6.7 million).

Net cash inflow from operating activities excluding the Provision Fund cash flows improved by $11.9 million. This was largely driven by the increase in income received due to the significant growth in the Group's loan portfolio, while costs, including funding costs and operating costs did not increase to the same extent in dollar terms. The increase in payments to suppliers reflects the increase in operating costs and commissions paid brokers with continued growth in the business. Broker commission payments are treated under the effective interest rate method in the profit or loss and hence cash payments will exceed the reported expense when the business is growing rapidly.

Net cash outflow from investing activities was $248.8 million reflecting the growth in the loan portfolio during the half-year.

Net cash inflow from financing activities decreased to $196.3 million, due to decreased funding from the securitisation vehicles and the Lending Platforms. An additional $4.5 million drawdown was made on the corporate debt facility during the period.

The material reconciling items between the Group operating cash flow (excluding the Provision Fund) of $5.2 million and the movement in Corporate cash of $(9.5) million are:

- $(14.0) million of cash invested in equity tranches in the Group's warehouse and ABS structures
- $(5.0) million of merchant service fees on interest free loans which are reflected on a gross basis in the statutory cash flow as operating cash flow but which are operationally netted off against the amount borrowed from the warehouse to fund the loan with the cash benefit being received through the life of the loan and;
- $4.5 million of funds drawn down from the Group's corporate debt facility.

Net profit/(loss) after income tax to Cash NPAT reconciliation	September 2022 $'000	September 2021 $'000
Profit/(loss) after income tax	2,585	(7,475)
Add back: ECL provision (net of ECL provision expense passed to unitholders)	4,222	3,605
Share based payments	1,442	1,190
Depreciation and amortisation	700	456
Tax benefit on hedging gains	(7,568)	-
Cash NPAT	**1,381**	**(2,224)**

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial half-year.

Matters subsequent to the end of the financial half-year

On 10 October 2022, the Group increased the Plenti Funding Trust No.3 funding limit from $150 million to $250 million providing further funding capacity to increase its Automotive and EV lending.

On 25 October 2022, the Group was successful in extending the RateSetter Funding Trust No.1 facility from 10 November 2022 to 10 November 2023.

No other matter or circumstance has arisen since 30 September 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

Daniel Foggo

Daniel Foggo
Director

Mary Ploughman
Director

15 November 2022
Sydney

Grant Thornton Audit Pty Ltd
Level 17
383 Kent Street
Sydney NSW 2000
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Queen Victoria Building NSW 1230

T +61 2 8297 2400

Auditor's Independence Declaration

To the Directors of Plenti Group Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Plenti Group Limited for the half-year ended 30 September 2022, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b no contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton Audit Pty Ltd
Chartered Accountants

Liam Te-Wierik
Partner – Audit & Assurance

Sydney, 15 November 2022

Statement of profit or loss and other comprehensive income

For the half-year ended 30 September 2022

	Note	Consolidated September 2022 $'000	Consolidated September 2021 $'000
Revenue			
Interest revenue	3	63,151	36,636
Other income	4	599	587
Revenue before transaction costs		**63,750**	**37,223**
Transaction costs		(8,726)	(3,208)
Net income		**55,024**	**34,015**
Expenses			
Loan funding costs		(25,678)	(14,478)
Expense passed to unitholders	5	(33)	(158)
Customer loan impairment expense		(8,670)	(5,996)
Sales and marketing expense		(6,004)	(7,326)
Product development expense		(5,066)	(3,313)
General and administration expense		(12,915)	(9,741)
Corporate funding costs		(941)	(22)
Depreciation and amortisation expense	6	(700)	(456)
Total expenses		**(60,007)**	**(41,490)**
Loss before income tax benefit		(4,983)	(7,475)
Income tax benefit		7,568	-
Profit/(loss) after income tax benefit for the half-year attributable to the owners of Plenti Group Limited		**2,585**	**(7,475)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Hedging gain, net of tax		17,671	27
Other comprehensive income for the half-year, net of tax		17,671	27
Total comprehensive income/(loss) for the half-year attributable to the owners of Plenti Group Limited		**20,256**	**(7,448)**

	Note	September 2022 Cents	September 2021 Cents
Basic earnings per share	16	1.52	(4.43)
Diluted earnings per share	16	1.47	(4.43)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

As at 30 September 2022

	Note	Consolidated September 2022 $'000	Consolidated March 2022 $'000
Assets			
Cash and cash equivalents	7	113,167	159,168
Term deposits		588	405
Customer loans	8	1,511,689	1,269,370
Trade receivables		80	132
Other assets		23,627	21,106
Derivative financial instruments		39,931	14,692
Property, plant and equipment		2,027	1,312
Right-of-use assets		3,644	2,979
Intangibles		-	56
Total assets		**1,694,753**	**1,469,220**
Liabilities			
Trade payables		5,864	5,450
Other liabilities		20,427	15,045
Borrowings	9	1,588,478	1,391,610
Lease liabilities		3,765	2,998
Provisions		1,785	1,443
Total liabilities		**1,620,319**	**1,416,546**
Net assets		**74,434**	**52,674**
Equity			
Issued capital		107,109	106,373
Reserves	10	36,328	17,889
Accumulated losses		(69,003)	(71,588)
Total equity		**74,434**	**52,674**

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

For the half-year ended 30 September 2022

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 April 2021	105,934	5,284	(65,273)	45,945
Loss after income tax expense for the half-year	-	-	(7,475)	(7,475)
Other comprehensive income for the half-year, net of tax	-	27	-	27
Total comprehensive income/(loss) for the half-year	-	27	(7,475)	(7,448)
Transactions with owners in their capacity as owners:				
Share-based payments	-	1,190	-	1,190
Exercise of share options	5	(5)	-	-
Balance at 30 September 2021	**105,939**	**6,496**	**(72,748)**	**39,687**

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 April 2022	106,373	17,889	(71,588)	52,674
Profit after income tax benefit for the half-year	-	-	2,585	2,585
Other comprehensive income for the half-year, net of tax	-	17,671	-	17,671
Total comprehensive income for the half-year	-	17,671	2,585	20,256
Transactions with owners in their capacity as owners:				
Share-based payments	-	1,442	-	1,442
Exercise of share options	333	(271)	-	62
Exercise of performance rights	403	(403)	-	-
Balance at 30 September 2022	**107,109**	**36,328**	**(69,003)**	**74,434**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

For the half-year ended 30 September 2022

	Note	Consolidated September 2022 $'000	 September 2021 $'000
Cash flows from operating activities			
Interest income received		68,694	42,841
Other income received		599	587
Interest and other finance costs paid		(25,773)	(14,184)
Payments to suppliers and employees		(36,970)	(33,518)
Net cash from/(used in) operating activities	15	**6,550**	**(4,274)**
Cash flows from investing activities			
Net increase in loans to customers		(248,577)	(301,246)
Payments for property, plant and equipment		(84)	(351)
Repayment of term deposits		(183)	(99)
Net cash used in investing activities		**(248,844)**	**(301,696)**
Cash flows from financing activities			
Proceeds from borrowings		867,704	721,028
Repayment of borrowings		(675,473)	(404,250)
Proceeds from corporate borrowings		4,500	-
Repayment of lease liabilities		(438)	(381)
Net cash from financing activities		**196,293**	**316,397**
Net (decrease)/increase in cash and cash equivalents		(46,001)	10,427
Cash and cash equivalents at the beginning of the financial half-year		159,168	87,923
Cash and cash equivalents at the end of the financial half-year		**113,167**	**98,350**

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

30 September 2022

Note 1: Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 30 September 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 March 2022 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2: Operating segments

Identification of reportable operating segments

The Group's operations consist primarily of the provision of financial services in Australia. The Group has considered the requirements of AASB 8 'Operating Segments' and assessed that the Group has one operating segment, representing the consolidated results, as this is the only segment which meets the requirements of AASB 8.

Major customers

There are no customers which account for more than 10% of the Group's revenue for the half-year (September 2021: none).

Note 3: Interest revenue

	Consolidated	
	September 2022 $'000	September 2021 $'000
Interest income	54,446	29,981
Origination and loan fees	8,167	6,634
Bank interest	538	21
Total interest revenue	**63,151**	**36,636**

Origination and loan fees are deferred upfront fees and commissions which are paid or received at loan origination but which are recognised as interest revenue over time using the effective interest rate method in accordance with AASB 9.

Note 4: Other income

	Consolidated	
	September 2022 $'000	September 2021 $'000
Other fee income	599	587

Other fee income is recognised at a point in time.

Note 5: Expense passed to unitholders

	Consolidated	
	September 2022 $'000	September 2021 $'000
Platform realised losses	(5)	15
Wholesale ECL movement	38	143
Total expense passed to unitholders	**33**	**158**

Expense passed to unitholders reflects the fact that some impairment expenses recognised by Plenti are passed on to investors in the Plenti Wholesale Lending Platform via a reduction in unitholder liabilities. This is recognised as a reduction in expenses (contra expense) in the statement of profit or loss. Conversely, a reduction in the expected credit loss ('ECL') provision relating to the Plenti Wholesale Lending Platform results in an increase in expenses passed on to unitholders.

Note 6: Expenses

	Consolidated	
	September 2022 $'000	September 2021 $'000
Loss before income tax includes the following specific expenses:		
Depreciation		
Leasehold improvements	119	11
Fixtures and fittings	9	10
Office equipment	65	42
Buildings right-of-use assets	451	325
Total depreciation	**644**	**388**
Amortisation		
Website	56	68
Total depreciation and amortisation	**700**	**456**
Finance costs		
Interest and finance charges paid/payable on warehouse and ABS borrowings	20,633	6,110
Interest and finance charges paid/payable to unitholders	5,045	8,368
Interest and finance charges paid/payable on corporate borrowings	908	-
Interest and finance charges paid/payable on lease liabilities	33	22
Finance costs expensed	**26,619**	**14,500**
Superannuation expense		
Defined contribution superannuation expense	1,173	844
Share-based payments expense		
Share-based payments expense	1,442	1,190

Operating expenses for the half-year were $60,007,000 (2021: $41,490,000), of which employee expenses were $15,260,000 (2021: $11,513,000). In the statement of profit or loss and other comprehensive income these employee expenses are included within the 'sales and marketing expense', the 'product development expense' and the 'general and administration expense' on a departmental allocation basis.

Note 7: Cash and cash equivalents

	Consolidated	
	September 2022 $'000	March 2022 $'000
Cash at bank	30,508	40,007
Cash held in trust	68,120	104,892
Cash held in Provision Fund	14,539	14,269
Total cash and cash equivalents	**113,167**	**159,168**

Note 7: Cash and cash equivalents (continued)

Cash at bank

Cash at bank reflects cash balances that are held in the Group's corporate bank accounts. While the majority of these funds are available generally for Group operations, some corporate accounts relate to collections on loans with proceeds regularly passed through to warehouse/ABS trusts. At 30 September 2022, the total balance of corporate collection bank accounts was $11.7 million (March 2022: $8.1 million).

Cash held in trust

The trust cash balances are held as part of the Group's funding arrangements and are not available to the Group for any other purposes. The balances held in the trust bank accounts include amounts received by investors on the Lending Platforms but not currently on loan to borrowers and amounts drawn from funders in the Warehouse funding facilities which are available for funding loan receivables. As at 30 September 2022, investor cash held in the Lending Platforms totalled $18,221,000 and $48,441,000 of funds in accounts relating to the Warehouse and ABS facilities. A further $1,458,000 was held in a restricted account in relation to funding of a government program.

Cash held in Provision Fund

The Provision Fund was established to help protect retail investors in the Group's Retail Lending Platform from losses relating to borrower late payment or default. Based on a determination by the Provision Fund Claims Committee, cash held in the Provision Fund can be used to compensate retail investors in instances of late payment and default. Cash held in the Provision Fund comes from borrowers who contribute an amount based on their risk profile and is incorporated as part of their loan. Cash held in Provision Fund is not available to the Group for general corporate purposes.

Note 8: Customer loans

	Consolidated	
	September 2022 $'000	March 2022 $'000
Gross customer loans	1,547,599	1,299,750
Less: Deferred upfront fees	(11,623)	(10,276)
Less: Allowance for expected credit losses	(24,287)	(20,104)
Total customer loans	**1,511,689**	**1,269,370**

The gross customer loan receivables and allowance for expected credit losses by portfolio for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	Sept 2022 %	March 2022 %	Sept 2022 $'000	March 2022 $'000	Sept 2022 $'000	March 2022 $'000
Retail lending platform	2.8%	3.2%	184,916	203,887	5,176	6,555
Wholesale lending platform	1.5%	1.3%	23,530	30,379	354	393
Warehouse and ABS trusts	1.4%	1.2%	1,339,153	1,065,484	18,757	13,156
			1,547,599	**1,299,750**	**24,287**	**20,104**

Note 8: Customer loans (continued)

Allowance for expected credit losses

The gross customer loan receivables by stages and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
Consolidated	**Sept 2022 %**	**March 2022 %**	**Sept 2022 $'000**	**March 2022 $'000**	**Sept 2022 $'000**	**March 2022 $'000**
Stage 1-12 month ECL	0.5%	0.5%	1,496,986	1,258,393	7,216	6,521
Stage 2-Lifetime ECL-not credit impaired	26.2%	25.4%	42,601	34,917	11,150	8,872
Stage 3-Lifetime ECL-credit impaired	73.9%	73.2%	8,012	6,440	5,921	4,711
			1,547,599	**1,299,750**	**24,287**	**20,104**

The maturity profile of gross customer loans are as follows:

	Consolidated	
	September 2022 $'000	**March 2022 $'000**
Less than 1 year	22,907	19,802
1 to 2 years	52,668	52,805
2 to 5 years	785,613	639,137
Greater than 5 years	686,411	588,006
	1,547,599	**1,299,750**

Movements in the allowance for expected credit losses are as follows:

	Consolidated	
	September 2022 $'000	**March 2022 $'000**
Opening balance	20,104	12,867
Additional provisions recognised	9,215	12,784
Receivables written off during the half-year as uncollectable	(6,445)	(7,365)
Recoveries during the half-year	1,413	1,818
Closing balance	**24,287**	**20,104**

Note 9: Borrowings

	Consolidated	
	September 2022 $'000	March 2022 $'000
Investor funds on platform	222,051	257,842
Warehouse borrowings	593,261	604,685
ABS borrowings	732,057	511,083
Corporate borrowings	22,500	18,000
Risk retention facilities	18,609	-
Total borrowings	**1,588,478**	**1,391,610**

Investor funds on platform

Investor funds on platform relates to funding from retail and wholesale investors that have been matched against customer loans as well as cash in trust bank accounts that are available for funding. Refer to note 7 for further information.

Funding from retail investors

Funding from retail investors is governed by the constitution of the Group's Retail Lending Platform and its product disclosure statement. Funding on loans are for terms from six months to seven years and are most commonly for amounts less than $50,000.

Funding from wholesale investors

Funding from wholesale investors is in accordance with the provisions of the Trust Deed of the Group's Wholesale Lending Platform, the Information Memorandum relating to the Group's Wholesale Lending Platform and Investor Mandate Agreements entered into between members of the Group's Wholesale Lending Platform ('Members') and the Trustee. Funding are for amounts up to $100,000 for terms from six months to seven years. Members are required to make a minimum investment of $1,000,000 in the Trust, unless otherwise agreed by the Trustee and reflected in a Member's Investment Mandate Agreement.

Warehouse and ABS borrowings

The Group has warehouse borrowings that provide funding for automotive loans and renewable and personal loans. Once the warehouse borrowings reach a sufficient value, Plenti can undertake an asset backed securities ("ABS") issuance, which involves selling notes in a trust holding the assets to investors in the debt capital markets.

During the half-year:

- Plenti completed another ABS issuance - the Plenti Auto ABS 2022-1 ("ABS Trust") transaction in June 2022.
- Plenti Funding Trust No. 1 facility limit was decreased from $650 million to $350 million due to the sale of loans to the ABS Trust. The limit was reduced in order to lower the undrawn fees associated with having a higher limit when actual warehouse utilisation had materially decreased due to the ABS Trust.
- Plenti Funding Trust No. 2 facility limit was increased from $200 million back up to $350 million to fund the growth in its personal and renewable loans.
- Plenti Funding Trust No. 3 facility limit increased from $150 million to $250 million subsequent to 30 September 2022. Further information has been provided in the subsequent events note (note 17).

Corporate borrowings

In March 2022, the Group entered into a corporate debt facility agreement with an Australian funder. The initial value of funds drawn under the facility was $18 million. The facility has a dynamic limit which is proportionate to the size of Group's securitised loan portfolio, providing the ability to draw further funds as the Group's loan portfolio grows, subject to funder approval. The facility has an initial term of two years and carries an interest rate determined by a margin over the bank bill swap rate. In September 2022, the Group drew down a further $4.5 million to provide additional capital for future business growth.

Note 9: Borrowings (continued)

Risk retention facilities

During the period, the Group established two "risk retention" entities to facilitate compliance with capital requirement regulation ("CRR") in relation to the Auto ABS completed in June 2022. CRR is a regulatory requirement that must be met to allow investment in an ABS transaction by certain European and U.K. based investors. The rules require the Group to hold an economic interest of at least 5% of notes in an ABS. In the recent Auto ABS transaction, the risk retention entities purchased 5% of each note in the transaction and raised secured financing to fund the purchase. The result is that the Group did not invest incremental capital but retains the required economic exposure to the transaction.

Auto loan warehouse settlement facility

On 30 September 2022, the Group signed a new settlement funding facility agreement. The purpose of the facility will be to facilitate the settlement process and treasury management of automotive loans originated by the Group. Whereas historically the Group funded loans on its own balance sheet and then sold them into a warehouse the following day, the facility will fund loans from the settlement date. Loans in the settlement facility will then be periodically on-sold to the main automotive warehouses. This reduces the call on the Group's cash to fund daily working capital requirements.

The facility has a limit of $25 million which was entirely undrawn at 30 September 2022. The availability period of the facility is 12 months, which can be extended by mutual agreement of the parties. A security deposit of $2.5 million has been paid by the Group as a guarantee for the operation of the facility. This amount will be released back to the Group on cessation of the facility.

Total secured liabilities

The total secured liabilities are as follows:

	Consolidated	
	September 2022 $'000	**March 2022 $'000**
Warehouse borrowings	593,261	604,685
ABS borrowings	732,057	511,083
Risk retention facilities	18,609	-
	1,343,927	**1,115,768**

Financing arrangements

Unrestricted access was available at the reporting date to the following warehouse facility:

	Consolidated	
	September 2022 $'000	**March 2022 $'000**
Total facilities		
Warehouse facilities	826,000	931,000
Used at the reporting date		
Warehouse facilities	579,485	598,000
Unused at the reporting date		
Warehouse facilities	246,515	333,000

* The warehouse facilities limit excludes $24,000,000 (March 2022: $19,000,000) funding provided by Plenti Finance Pty Ltd.
** The unused amount of the warehouse facilities relates to amounts that are available for drawdown from funders but does not include cash on trust that has already been drawn but has not yet been utilised for funding purposes. Refer to note 7 for further information.
*** The warehouse facility limit increased a further $100 million post 30 September. Refer to note 17 for further information.

Note 10: Reserves

	Consolidated	
	September 2022 $'000	March 2022 $'000
Hedging reserve - cash flow hedges	27,951	10,280
Share-based payments reserve	8,377	7,609
Total reserves	**36,328**	**17,889**

Hedging reserve - cash flow hedges

The reserve is used to recognise the effective portion of the gain or loss of cash flow hedge instruments that is determined to be an effective hedge.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Hedging reserve $'000	Share-based payments reserve $'000	Total $'000
Balance at 1 April 2022	10,280	7,609	17,889
Net investment hedge	17,671	-	17,671
Share-based payments expense	-	1,442	1,442
Share options exercised	-	(271)	(271)
Performance rights exercised	-	(403)	(403)
Balance at 30 September 2022	**27,951**	**8,377**	**36,328**

Note 11: Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 12: Fair value measurement

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Note 12: Fair value measurement (continued)

Consolidated - September 2022	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Interest rate swaps	39,931	-	-	39,931
Total assets	**39,931**	**-**	**-**	**39,931**
Liabilities				
Interest rate swaps	-	-	-	-
Total liabilities	**-**	**-**	**-**	**-**

Consolidated - March 2022	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Interest rate swaps	14,692	-	-	14,692
Total assets	**14,692**	**-**	**-**	**14,692**
Liabilities				
Interest rate swaps	-	-	-	-
Total liabilities	**-**	**-**	**-**	**-**

There were no transfers between levels during the half-year.

Note 13: Related party transactions

Parent entity

Plenti Group Limited is the parent entity.

Transactions with related parties

There were no transactions with related parties during the current and previous financial half-year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	September 2022 $'000	March 2022 $'000
Unitholder liabilities	222,051,157	257,841,879

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 14: Contingent liabilities

The Group has given bank guarantees as at 30 September 2022 of $352,000 (31 March 2022: $352,000) to Perpetual Trustee Company Limited and KI Martin Place Pty Ltd. This is secured by the term deposit held by the Group.

The Group has given bank guarantees as at 30 September 2022 of $9,529 (31 March 2022: $9,529) to Epworth Building Pty Limited. This is secured by the term deposit held by the Group.

Note 15: Reconciliation of profit/(loss) after income tax to net cash from/(used in) operating activities

	Consolidated	
	September 2022 $'000	September 2021 $'000
Profit/(loss) after income tax benefit for the half-year	2,585	(7,475)
Adjustments for:		
Depreciation and amortisation	700	456
Loan impairment expense	8,670	5,996
Tax benefit on unrealised hedging gain	(7,568)	-
Share-based payments	1,442	1,190
Other non-cash items	184	97
Change in operating assets and liabilities:		
Decrease in trade receivables	52	24
Decrease in deferred fees and commission	1,347	1,239
Increase in other operating assets	(3,219)	(5,231)
Increase/(decrease) in trade payables	538	(603)
Increase in other operating liabilities	1,819	33
Net cash from/(used in) operating activities	**6,550**	**(4,274)**

Note 16: Earnings per share

	Consolidated	
	September 2022 $'000	September 2021 $'000
Profit/(loss) after income tax attributable to the owners of Plenti Group Limited	2,585	(7,475)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	169,927,396	168,924,561
Adjustments for calculation of diluted earnings per share		
Options/share rights in relation to ordinary shares	6,276,896	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	176,204,292	168,924,561
	Cents	**Cents**
Basic earnings per share	1.52	(4.43)
Diluted earnings per share	1.47	(4.43)

Note 17: Events after the reporting period

On 10 October 2022, the Group increased the Plenti Funding Trust No.3 funding limit from $150 million to $250 million providing further funding capacity to increase its Automotive and EV lending.

On 25 October 2022, the Group was successful in extending the RateSetter Funding Trust No.1 facility from 10 November 2022 to 10 November 2023.

No other matter or circumstance has arisen since 30 September 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Directors' declaration

In the directors' opinion:

- the attached financial statements and notes comply with, the Australian Accounting Standard AASB 134 'Interim Financial Reporting' and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 September 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

Daniel Foggo

Daniel Foggo
Director

Mary Ploughman
Director

15 November 2022
Sydney

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Independent Auditor's Report

To the Members of Plenti Group Limited

Report on the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of Plenti Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 September 2022, and the statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Plenti Group Limited does not comply with the *Corporations Act 2001* including:

a giving a true and fair view of the Plenti Group Limited financial position as at 30 September 2022 and of its performance for the half year ended on that date; and

b complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES *110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibility for the half-year financial report

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 September 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Grant Thornton Audit Pty Ltd
Chartered Accountants

Liam Te-Wierik
Partner – Audit & Assurance

Sydney, 15 November 2022

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