

1 August 2023

ASX Announcement

4Q23 Trading Update¹ Consolidation and technology driving returns

MONEYME Limited ("MONEYME" or "Group") is pleased to announce its FY23 fourth quarter trading update.

Trading Highlights

Scale and automation benefits are driving strong returns

- Gross revenue of >\$230m for FY23, beating FY23 guidance of >\$220m and up >60% from \$143m in
- Office operating cost to income ratio² of <25% for FY23, reduced from 40% in FY22.
- Gross customer receivables \$1.1bn (\$1.3bn, FY22), reflecting the strategy to moderate growth and build a strong credit portfolio.
- Principal originations of \$127m for 4Q23, up 30% from \$98m in 3Q23, reflecting healthy underlying product demand and a controlled increase in originations.
- Expanded automation capabilities with the launch of fully automated approval process for Autopay.

Transition to higher credit quality assets to improve loss performance in time

- 724 FY23 average Equifax credit score (704, FY22; 718, 3Q23).
- 83% of loans with closing Equifax score >600 for FY23 (79%, FY22; 63%, FY21).
- Quarterly net losses³ continued to reduce to 5.6% in 4Q23 (5.9%, 3Q23).

Reset of capital structure positions the business for sustainable growth

- Repayment of SocietyOne acquisition related corporate debt in 4Q23 with improved facility terms.
- Settlement of both \$37m institutional equity placement and \$4.3m Share Purchase Plan in 4Q23.
- Completion of both a \$150m term out transaction and extension of the Autopay warehouse in 4Q23.

FY24 outlook and beyond

- The Group continues its focus on building higher credit quality assets and further increasing the ratio of secured vehicle loan assets.
- Progressing its Horizon technology advantage through automation and AI to create best-in-market digital customer experiences and operating cost efficiencies.
- Well placed to deliver profitable and sustainable growth that builds on existing scale and technology benefits and is preparing a return to high growth when the macro environment is suitable.

Clayton Howes, MONEYME's Managing Director and CEO said:

"It's impressive to see how quickly the team has shifted the business from two years of high growth to consolidate the benefits from scale, transitioned the business to a higher credit quality portfolio, increased its automation capabilities, and recalibrated its capital base to deliver returns in a less favourable credit environment.

³ Net losses are principal write offs in the period (net of recoveries, including proceeds from debt sales to collection agencies) as a % of average gross customer receivables.



 $^{^{1}\,\,\}mathrm{4Q23}$ and FY23 figures in this update are preliminary pre-audit management results

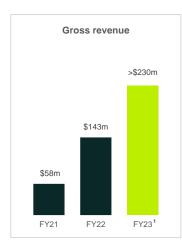
² Office operating cost includes Sales & Marketing, General & Administrative, and Product Design & Development expenses combined.

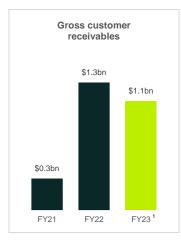


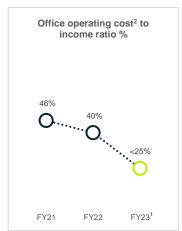
I am pleased to announce that MONEYME's financial performance from the third quarter has continued into 4Q23 with realisation of SocietyOne acquisition synergies benefits and increased originations from servicing the high demand for Autopay. We continue to protect our margins through targeted pricing and cost management and elevate the credit profile of our loan book through more conservative credit risk management whilst the macroeconomic uncertainty exists. It is pleasing to see the downward trajectory of net losses continue as the higher credit quality of the portfolio is coming into effect.

In 4Q23, we achieved a number of significant funding milestones despite tight capital markets. The \$41.3m capital raise and repayment of the SocietyOne acquisition debt and the \$150m term securitisation deal for SocietyOne personal loan assets have successfully reset MONEYME's capital base and strengthened our funding and liquidity position, enabling us to continue to deliver profits and lay the groundwork for future growth."

Scale and automation benefits are driving strong returns





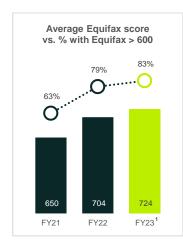


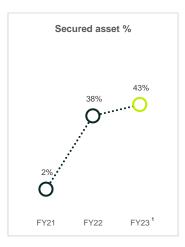
MONEYME delivered >\$230m in gross revenue for FY231, up >60% from \$143m in FY22, reflecting the scale benefits from the \$1.3bn loan book achieved in FY22. The focus on moderating originations resulted in a slight loan book reduction from \$1.3bn in FY22 to \$1.1bn in FY23.

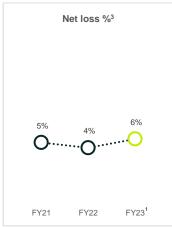
The Group is realising \$20m p.a. in cost synergy savings following the acquisition of SocietyOne in March 2022. These savings, alongside increased automation, have delivered a robust office operating cost to income ratio of <25%, down from 40% in FY22 and 46% in FY21.

The Group looks forward to sharing the overall return impact of these benefits as part of the FY23 Annual Report, which is set to be released at the end of August 2023.

Transition to higher credit quality loan assets to improve loss performance in time





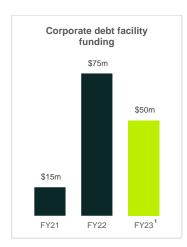


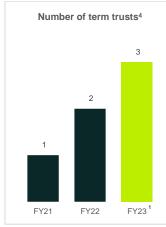


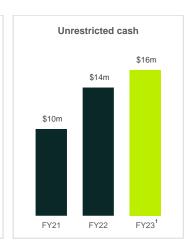
The credit profile of MONEYME's loan book continues to improve in line with the ongoing focus on credit risk management and targeting of higher credit quality borrowers, resulting in a closing average Equifax credit score of 724 for FY23. 83% of the loan book had an Equifax score >600, up from 79% in FY22 and 63% in FY21.

Net losses have reduced in 4Q23 to 5.6% from the prior quarter (5.9%, 3Q23) in line with management's expectations, as the significantly higher credit quality of the book starts to take effect and the lower credit quality assets roll off.

Reset of capital structure positions the business for sustainable growth







MONEYME repaid the SocietyOne acquisition component of its corporate debt facility in May 2023, using proceeds from the \$37m institutional placement that settled in May 2023. The repayment restored the corporate facility principal to its original size, delivering circa \$6m p.a. in interest cost savings. MONEYME continues to expect a facility refinance, renewal, or to use its operating cash flows to pay down the facility before the November 2025 maturity date.

The \$4.3m Share Purchase Plan ("SPP") was completed successfully in June.

Unrestricted cash at \$16m is up on the prior quarter (\$14m in 3Q23) reflecting the net impact of the equity raise, partial corporate facility paydown and investment in new and existing loan receivable assets. MONEYME's cash position is expected to increase further in FY24, as cash optimisation strategies take effect, including realisation of significant interest cost savings from lowering the corporate debt.

Completion of the SocietyOne PL 2023-1 Trust term securitisation in May 2023 marks the Group's third term securitisation, following the SocietyOne PL 2021-14 and MONEYME PL 2022-1 transactions. As planned, an interim extension to October 2024 is in place for the Group's Autopay warehouse, with good engagement from funders to support the longer term funding pipeline.

FY24 outlook and beyond

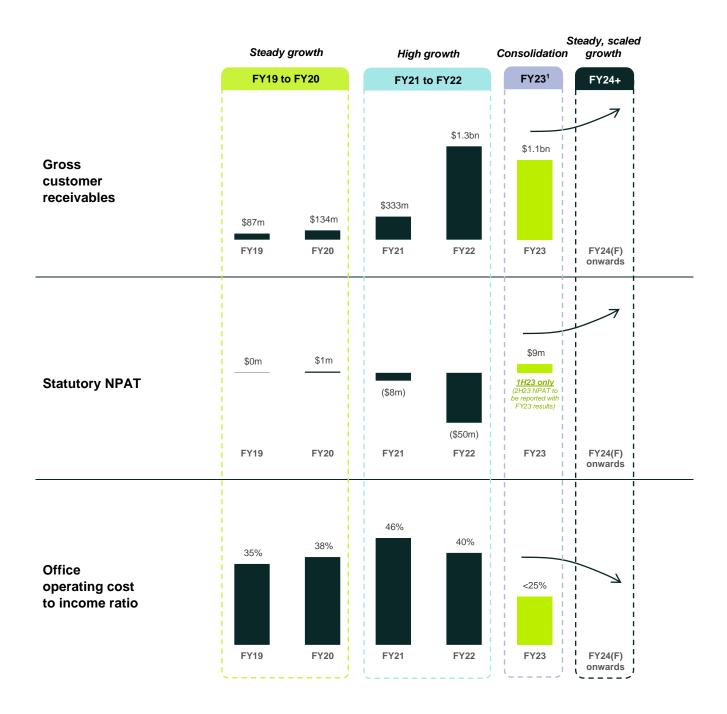
Looking ahead to FY24, MONEYME will continue to leverage its technology advantage, with product innovation, increasing automation, and expanded AI capabilities.

The Group will continue to build a high credit quality portfolio, expand its ratio of secured assets, and build on its existing scale and cost efficiencies to drive profitable and sustainable growth, while preparing for a return to high growth for additional scale advantages when the macro environment is suitable.

⁴ The SocietyOne PL 2021-1 term trust was established by SocietyOne in September 2021, prior to MONEYME's acquisition of SocietyOne in March 2022.







Authorised on behalf of the MONEYME Board and the Disclosure Committee by:

Clayton Howes Managing Director & CEO

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For further information, please contact investors@moneyme.com.au For media enquiries, please contact media@moneyme.com.au





About MONEYME

MONEYME is a leading Australian disruptor using technology to become the #1 challenger to the major banks.

With a focus on innovation, it funds credit approved ambitious people with the advantage of market-leading speed and automated customer experiences. Leveraging AI and advanced cloud-based technology, it offers highly automated credit products across personal, auto and real estate finance.

The Group's core brands MONEYME and SocietyOne reflect digital-first experiences that meet, and exceed, the expectations of 'Generation Now'.

MONEYME Limited is listed on the ASX, and the Group includes licensed and regulated credit and financial services providers operating in Australia.

For more information, visit moneyme.com.au or investors.moneyme.com.au





Historical performance measures⁵

MONEYME Quarterly Performance	<u>4Q22</u>	<u>1Q23</u>	<u>2Q23</u>	<u>3Q23</u>	<u>4Q23</u> 5
Returns					
Gross revenue	\$60m	\$57m	\$64m	\$61m	>\$50m
Contracted revenue	\$398m	\$408m	\$395m	\$375m	\$360m
Net interest margin	14%	11%	14%	13%	
Book profile					
Gross customer receivables	\$1.3bn	\$1.3bn	\$1.2bn	\$1.2bn	\$1.1bn
Originations	\$334m	\$130m	\$112m	\$98m	\$127m
Secured assets in book	38%	40%	41%	42%	43%
Credit profile					
Average Equifax score	704	711	714	718	724
Net losses	4.4%	5.4%	6.6%	5.9%	5.6%
Funding and liquidity					
Unrestricted cash	\$14m	\$19m	\$16m	\$14m	\$16m
Undrawn securitisation facility funding ⁶	\$384m	\$388m	\$430m	\$459m	\$446m
MONEYME Half-Yearly Performance	<u>2H21</u>	<u>1H22</u>	2H22	<u>1H23</u>	2H23 ⁵
Returns	<u></u>				
Net profit after tax (NPAT)	(\$9m)	(\$19m)	(\$32m)	\$9m	
Gross revenue	\$34m	\$48m	`\$95m´	\$121m	>\$109r
Contracted revenue	\$98m	\$178m	\$398m	\$395m	\$360m
Net interest margin	23%	16%	14%	12%	-
Office operating cost to income ratio	44%	48%	35%	23%	<25%
Book profile					
Gross customer receivables	\$333m	\$590m	\$1.3bn	\$1.2bn	\$1.1br
Originations	\$269m	\$441m	\$674m	\$242m	\$224m
Secured assets in book	2%	26%	38%	41%	43%
Credit profile					
Average Equifax score	650	672	704	714	724
Net losses	5.1%	4.4%	4.5%	6.0%	5.7%
Provisioning to receivables	7.9%	7.5%	6.1%	6.1%	
Funding and liquidity					
Unrestricted cash	\$10m	\$23m	\$14m	\$16m	\$16m
Undrawn securitisation facility funding ⁶	\$28m	\$152m	\$384m	\$430m	\$446m
Net assets	\$40m	\$22m	\$91m	\$122m	
MONEYME Yearly Performance	FY1 <u>9</u>	FY20	FY21	FY22	FY23 ⁵
Returns	<u> </u>	1 120	<u> </u>	<u> </u>	<u> </u>
Net profit after tax (NPAT)	\$0m	\$1m	(\$8m)	(\$50m)	
Gross revenue	\$32m	\$48m	\$58m	\$143m	>\$230r
Contracted revenue	\$14m	\$29m	\$98m	\$398m	\$360m
Net interest margin	34%	32%	20%	12%	-
Office operating cost to income ratio	35%	38%	46%	40%	<25%
Book profile					
Gross customer receivables	\$87m	\$134m	\$333m	\$1.3bn	\$1.1br
Originations	\$117m	\$179m	\$384m	\$1.1bn	\$466m
Secured assets in book	-	-	2%	38%	43%
Credit profile					
Average Equifax score	620	635	650	704	724
Net losses	8.1%	6.6%	5.0%	3.7%	5.8%
Provisioning to receivables	10.4%	9.6%	7.9%	6.1%	
Funding and liquidity					
Unrestricted cash	\$1m	\$27m	\$10m	\$14m	\$16m
	\$8m	\$5m	\$28m	\$384m	\$446m
Undrawn securitisation facility funding ⁶	ψΟΠ	ψοπ	ΨΖΟΠ	ΨΟΟΤΙΙΙ	ΨΤΤΟΙΙ

 $^{^{\}rm 6}$ Use of this funding is dependent upon MONEYME's ability to co-invest in the securitisation junior notes.



⁵ 4Q23, 2H23, and FY23 figures in these tables are preliminary pre-audit management results. Any metrics under 4Q23, 2H23, or FY23 left blank will be presented as part of the FY23 Annual Report.