

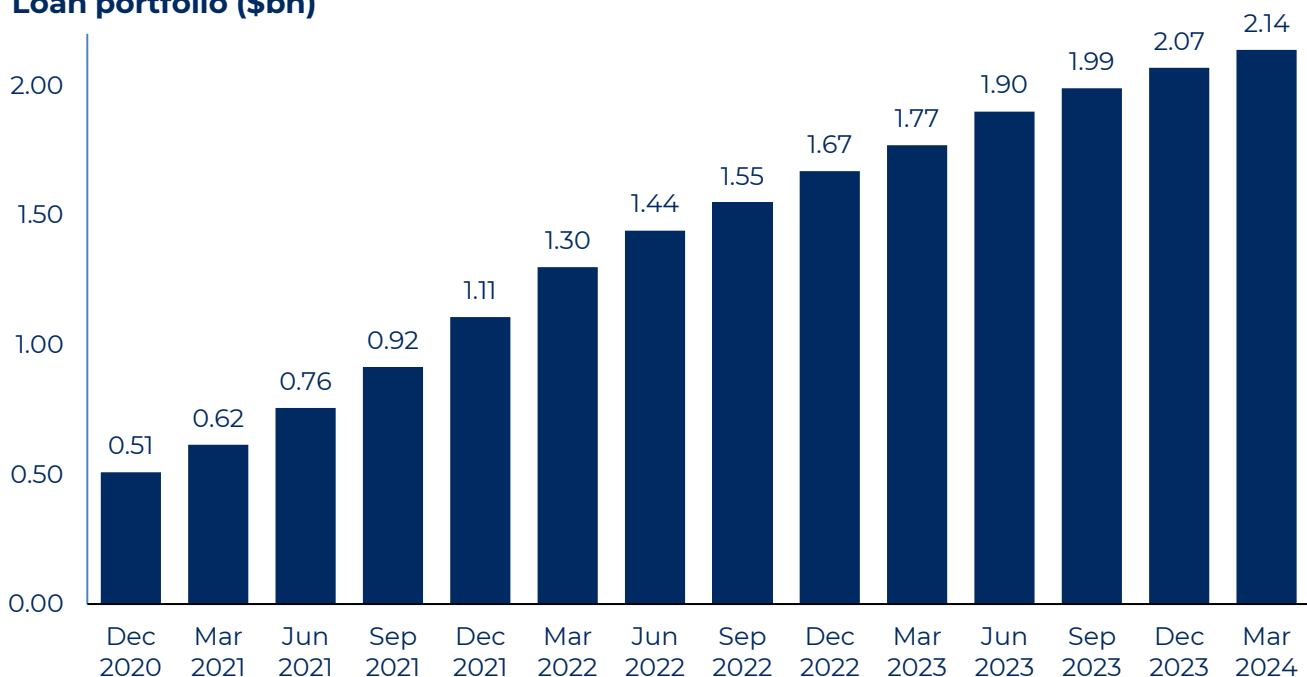
## Plenti delivers record Cash NPAT

Plenti Group Limited (**Plenti**) provides this trading update for the quarter ended 31 March 2024 (**4Q24**).

### Highlights

- **Loan portfolio increased to \$2.14 billion**, 21% above PCP and 3% above prior quarter
- **Loan originations of \$286 million**, 4% above PCP and broadly in line with prior quarter, reflecting ongoing focus on loan profitability
- **Commenced testing of “NAB powered by Plenti” car loan** customer experience and NAB system integrations, ahead of expected delivery this quarter
- **Operating efficiency enhanced** through first full quarter without off-shore operational staff
- **Annualised net credit losses of 102 basis points**, down from 123 basis points in the prior quarter
- **90+ day arrears of 58 basis points** at quarter end, from 46 basis points at the end of the prior quarter, impacted by the Easter holidays coinciding with period end
- **Quarterly revenue of \$59.8 million**, 41% above PCP, driven by loan portfolio growth and increased customer interest rates
- **Unaudited H2 Cash NPAT of \$4.6 million** resulting in **full year Cash NPAT of \$6.1 million** (Cash NPAT is after the expensing of all technology investment)
- **FY24 objectives for growth, profitability and efficiency delivered**

### Loan portfolio (\$bn)



Commenting on the quarter, Daniel Foggo, Plenti's Chief Executive Officer, said:

"Our focus over the quarter was delivering on our full year objectives, whilst laying strong foundations across the technology and operational processes required for the upcoming 'NAB powered by Plenti' car loan launch. By delivering on our objectives we have continued to differentiate Plenti compared with other lenders in each of our diverse lending markets."

"We are pleased to have grown our Cash NPAT over 35% in FY24 despite funding cost and credit headwinds experienced across the industry, proving the operational leverage inherent in our business model, as well as the prime nature of our loan portfolio."

"We enter our FY25 financial year excited about our ability to drive strong operational and financial results in our existing lending channels, whilst also delivering on exciting new growth initiatives including the 'NAB powered by Plenti' car loan."

### Loan portfolio growth

Loan portfolio (\$m)	31 Mar 23	31 Mar 24	Growth
Automotive	998	1,223	23%
Renewable energy	201	273	36%
Personal	568	643	13%
<b>Total</b>	<b>1,766</b>	<b>2,138</b>	<b>21%</b>

Plenti's loan portfolio, which is a key driver of revenue and profitability, increased to \$2.14 billion at 31 March 2024, a 21% increase from 31 March 2023 and a 3% increase from 31 December 2023. The loan portfolio remains diversified across Plenti's three lending verticals, with the contribution from renewable energy continuing to increase over the period as Plenti's GreenConnect platform, which is focused on accelerating household uptake of battery technology, built traction.

### Loan originations and margins

Loan originations for the quarter totalled \$286 million, 4% above the prior comparable period (**PCP**) and broadly in line with the \$290m in loan originations in the prior quarter, as Plenti maintained its focus on optimising across loan origination volumes, loan net interest margins and portfolio credit characteristics in a seasonally lower volume quarter.

Automotive loan originations were \$144 million, up 13% on PCP, but down 6% from the prior quarter. Renewable energy loan originations were \$41 million, up 15% on PCP but down 2% on the record prior quarter. Personal loan originations were \$101 million, down 10% on PCP, reflecting some tightening of Plenti's credit appetite through the last year, but up 5% on the prior quarter.

Product level net interest margins on new loan originations improved on the prior quarter, supported by the reduction in medium term market interest rates.

## **Strategic partnership with NAB**

Plenti announced in November 2023 that it entered into a strategic partnership with NAB under which Plenti will provide “NAB powered by Plenti” and Plenti own-branded finance solutions to NAB’s large personal banking customer base. Plenti and NAB concurrently entered an equity investment agreement, which provides for NAB to acquire or subscribe for up to 15% of Plenti’s share capital, based on the achievement of certain product milestones.

The first product under the strategic partnership, a ‘NAB powered by Plenti’ car and EV loan, remains on track to be delivered to customers by the end of the current quarter (i.e. by the end of June 2024). Strong progress has been made in the development of this product since the announcement of the strategic partnership, including the technology integration and operational processes required to deliver a leading customer experience.

## **Credit performance**

Annualised net losses for the quarter were 102 basis points, an improvement on the 123 basis points in 3Q24.

90+ day arrears were 58 basis points at the end of the quarter, up on the end of the prior quarter result of 46 basis points. Period end arrears were impacted by the end of March coinciding with the Easter holiday weekend, with consequent disruption and delay of some bank payments processing.

The loan portfolio weighted average Equifax credit score remained high at 835 at the end of the quarter, versus 833 at the end of the prior quarter.

## **Funding**

Plenti completed a \$375 million personal and renewable energy loan ABS transaction in early February 2024, which brought its total ABS issuance to over \$2.1 billion. The transaction attracted strong investor demand and reduced both funding costs and the corporate capital required to be applied to the loan portfolio.

Plenti launched a \$400 million automotive loan ABS transaction in April 2024, which has seen strong investor demand to date and is expected to be priced over coming weeks. This transaction may be upsized to \$450 million.

Plenti continued to provide investors on its retail investor platform, the Plenti Lending Platform, with an ability to invest in notes issued as part of its ABS transactions by offering a new series of notes on its Notes Market in April. As well as providing investors on the Plenti Lending Platform with access to higher investment returns and providing further diversity to Plenti’s ABS funding, the Notes Market can release corporate capital to support growth in other funding structures.

In March, Plenti extended its corporate funding facility on terms that represented a small improvement over the existing facility. There were no further drawdowns in the period and the drawn balance remains below the facility limit.

## Achievement of FY24 objectives

Plenti has achieved its FY24 priorities and objectives as set out below:

Priority	FY24 objective
Growth	<ul style="list-style-type: none"><li>- Drive growth in loan originations and loan portfolio</li><li>- Grow revenue to over \$200 million</li></ul>
Profitability	<ul style="list-style-type: none"><li>- Deliver full year Cash NPAT growth, skewed towards 2H24</li></ul>
Efficiency	<ul style="list-style-type: none"><li>- Reduce cost-to-income ratio to &lt;30%</li><li>- Remain on target to deliver \$25m in efficiencies as loan portfolio scales towards \$3 billion</li></ul>

Further information in relation to Plenti's performance in 2H24 and FY24 year will be provided when Plenti releases its full year results.

Plenti enters its new financial year excited about its ability to continue to improve its offering to its customers, drive growth and profitability, and enhance its efficiency as it takes advantage of its platform-based business model.

## Full year results

Plenti expects to release its full year results for the 12 months to 31 March 2024 on Wednesday 22 May 2024.

## Clarification in relation to NAB equity investment term

Plenti clarifies that under the terms of the Equity Investment Agreement entered into with NAB and announced on 28 November 2023, Plenti has agreed to issue 9,061,061 shares to NAB under Placement 1 and 10,067,846 shares to NAB under Placement 2 (on certain conditions). The reference in the announcement to 5% of Plenti's share capital in relation to each Placement was intended to provide shareholders with context for the size of the equity investment, rather than indicating that Plenti was obliged to issue shares equating to a percentage of Plenti's share capital.

The total number of shares relevant to the Placements was set out in the Appendix 3B accompanying the announcement on 28 November 2023.

## Further information

All numbers in this release are preliminary and unaudited. This release was approved by the Plenti board of directors.

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**About Plenti**

Plenti is a fintech lender. We provide faster, fairer loans by leveraging our smart technology.

We offer award-winning automotive, renewable energy and personal loans, delivered by our 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](https://plenti.com.au/shareholders).