

1 August 2024

ASX Announcement

4Q24 Trading Update¹

MONEYME delivers growth and strong loan performance

MONEYME is pleased to provide its fourth quarter trading update for the period ending 30 June 2024.

Trading Highlights

Growth in the loan book, lower credit losses, proportion of secured loans increased, and maintained NIM

- Loan originations increased to \$165m for 4Q24 (\$133m, 3Q24; \$127m, 4Q23), up 25% on the prior quarter and up 30% on prior comparable period (pcp), reflecting strategic growth in target segments.
- Gross loan book balance increased to \$1.22bn for 4Q24 (\$1.15bn, 3Q24; \$1.15bn, 4Q23), up 6% on the prior quarter and pcp, with an increased ratio of secured loan assets.
- Gross revenue of \$54m for 4Q24 (\$53m, 3Q24; \$56m, 4Q23), up 1% on the prior quarter and down 5% on pcp, reflecting our shift to higher credit quality and secured assets.
- Net interest margin (NIM) at 10% for 4Q24 (10%, 3Q24; 12%, 4Q23), maintained on the prior quarter.
- Net credit losses reduced to 4.5% for 4Q24 (4.8%, 3Q24; 5.8%, 4Q23), lower on the prior quarter.
- The increased credit quality of the loan book drove lower provisions, reduced to 4.7% for 4Q24 (5.5%, 3Q24; 6.6%, 4Q23).
- Ratio of secured assets increased to 55% for 4Q24 (51%, 3Q24; 44%, 4Q23).
- Average credit score² increased to 763 for 4Q24 (751, 3Q24; 727, 4Q23).
- Improved efficiencies in our warehouse funding, releasing cash for growth.
- \$178m term securitisation completed in July 2024, marking MONEYME's first public transaction for FY25, providing further capacity for originations growth. Priced competitively, with the Aaa-tranche priced at 1.35% over 1-month BBSW.

Innovation and product updates

- Expanded offer to include Autopay secured car loans up to \$150k, enabling access to new distribution channels and high credit quality customer segments.
- Launched new mobile app with additional functionality and improved user experience, leveraging MONEYME's proprietary technology platform, Horizon, with speed and cost efficiencies.
- Enhanced credit decisioning engine, optimising for volume, risk, pricing, and yield.
- Beta testing of automated customer service interactions and email responses leveraging generative AI capabilities, scheduled to launch in 1H25.

FY25 outlook and beyond

- Management's outlook for FY25 is continuing loan book growth, benefiting from scale and technology efficiencies to create operating leverage and deliver profitable returns.
- Continuing to leverage MONEYME's product advantage with Autopay and speed of distribution to target high credit quality customers.
- Expanding funding programs and accessing term securitisation markets for capital efficient growth.

¹ FY24 figures in this update are preliminary unaudited management results. Refer to the end of this release for key measure definitions.

² Average credit score presented refers to the weighted average Equifax credit score.

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

“We are pleased to present our fourth quarter results, which finished the year strongly and marks our return to growth as we head into FY25. We have navigated the high interest rate environment effectively, achieving a profitable outcome that we look forward to reporting in our full-year results.

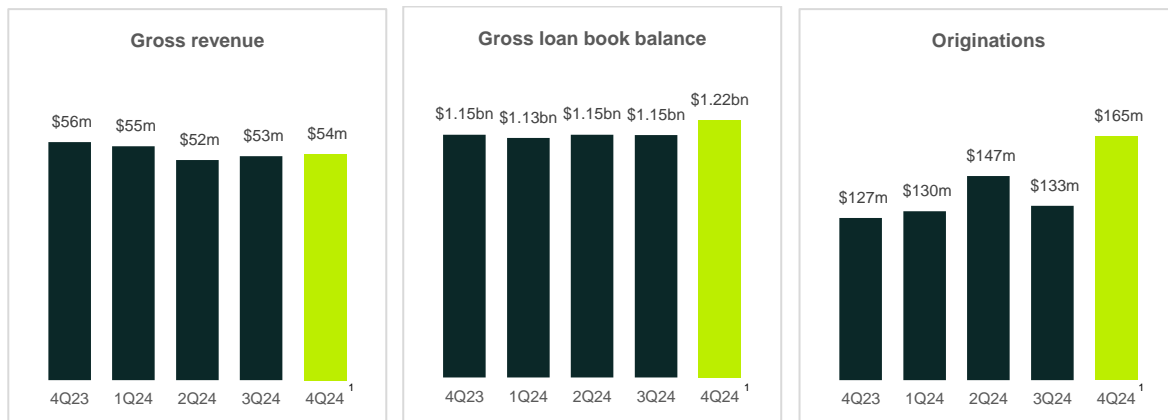
Loan originations grew by 25% to \$165m in the quarter, increasing our loan book to \$1.22bn. We continue to see the benefits of the credit quality of our loan book, with net credit losses reducing to 4.5%, down from 4.8% in the prior quarter and 5.8% in 4Q23. The average credit score now sits at 763 and secured assets at 55% of the loan book, while NIM remained strong at 10%.

It was great to see another quarter of high customer satisfaction and a net promoter score (NPS) of 69, as we continued to enhance customer experiences. During the quarter, we launched our new mobile app and several key technology updates, including enhancing our credit decisioning with advanced analytics to optimise pricing and provide further confidence as we resume growth.

Debt capital investors continue to have conviction in MONEYME’s growth profile and the quality of the underlying assets. Our first ABS transaction for FY25 saw strong investor engagement, and looking ahead, we will continue to leverage domestic and international debt capital markets for price advantages.

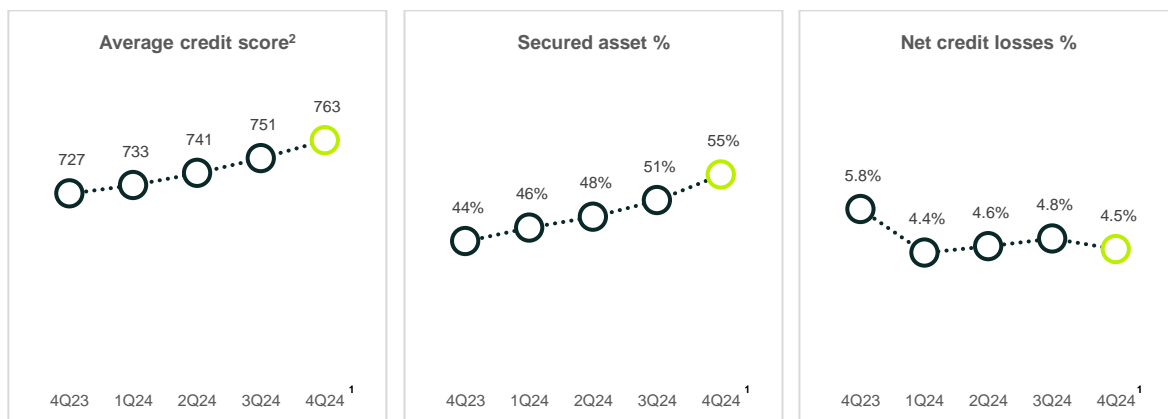
With strong fundamentals, MONEYME’s business settings are now in place to deliver sustainable and profitable growth in the year ahead.”

Sustainable returns from a growing loan book



Gross revenue was steady at \$54m for 4Q24 (\$53m, 3Q24; \$56m, 4Q23). NIM remained strong at 10% for 4Q24 (10%, 3Q24; 12%, 4Q23), moving in line with MONEYME’s shift to higher credit quality assets and secured loans to reduce credit risk and lower loss rates. MONEYME’s loan book balance increased by 6% on the prior quarter to \$1.22bn with \$165m in principal originations for 4Q24 (\$133m, 3Q24; \$127m, 4Q23), up 25% on the prior quarter and up 30% on pcp. Management anticipates continued growth in originations through FY25.

Higher credit quality book delivers lower loan book losses



MONEYME continues to lift the credit profile of its loan book with the closing average credit score² increasing to 763 in 4Q24. The ratio of secured assets increased to 55% in 4Q24, up from 51% in 3Q24 and 44% in 4Q23.

Net credit losses are at 4.5% for 4Q24, down from 4.8% in the prior quarter and 5.8% in the pcp, in line with management's expectations, as the higher credit quality of the book takes effect.

Innovation drives improved customer and broker experiences

In the quarter, MONEYME launched a new mobile app with enhanced functionality and an improved user experience, including better management of multiple accounts, easier arrears rectification, and updates to the credit score tool. Digital application journeys were improved with increased automation of Optical Character Recognition technology, facilitating efficient data processing and faster customer onboarding.

The credit decisioning engine and product offering for customers and brokers were enhanced, optimising for volume, risk, pricing, and yield. This included pricing updates and increasing the maximum funding amount for secured car loans to \$150k.

Additionally, MONEYME commenced beta testing of an internal tool leveraging generative AI to enhance the speed and accuracy of customer service interactions with automated email responses, scheduled to launch in 1H25.

Expanded funding program enables growth

MONEYME continues to optimise its funding program to drive growth. During 4Q24, MONEYME further improved efficiencies in its warehouse funding, releasing cash for growth. Planned initiatives to enhance funding efficiency and capacity are set for completion during 1H25.

Additionally, MONEYME executed a \$178m term securitisation in July 2024. Further term deals are anticipated to conclude during FY25.

FY25 outlook and beyond

MONEYME expects to continue to increase its loan book while maintaining profitability, benefiting from scale advantages and technology efficiencies. The focus on high credit quality and secured assets will continue as MONEYME leverages the strong demand for its secured car loan product, Autopay.

FY24 Annual Report

MONEYME looks forward to sharing its FY24 Annual Report on Thursday, 29 August 2024.

Authorised by the Disclosure Committee.

Historical performance measures³

MONEYME Quarterly Performance	4Q23	1Q24	2Q24	3Q24	4Q24³
Returns					
Gross revenue	\$56m	\$55m	\$52m	\$53m	\$54m
Book profile					
Gross customer receivables	\$1.15bn	\$1.13bn	\$1.15bn	\$1.15bn	\$1.22bn
Principal originations	\$127m	\$130m	\$147m	\$133m	\$165m
Secured assets in book	44%	46%	48%	51%	55%
Credit profile					
Average credit score ²	727	733	741	751	763
Net credit losses ⁴	5.8%	4.4%	4.6%	4.8%	4.5%
Funding and liquidity					
Undrawn securitisation facility limits ⁵	\$446m	\$385m	\$196m	\$667m	\$566m
MONEYME Half-Yearly Performance	2H22	1H23	2H23	1H24	2H24³
Returns					
Net profit / (loss) after tax	(\$32m)	\$9m	\$3m	\$6m	tbc
Gross revenue	\$95m	\$121m	\$118m	\$108m	\$107m
Net interest margin	14%	12%	12%	10%	10%
Office operating cost to income ratio	35%	23%	20%	23%	<25%
Book profile					
Gross customer receivables	\$1.35bn	\$1.24bn	\$1.15bn	\$1.15bn	\$1.22bn
Principal originations	\$674m	\$242m	\$224m	\$277m	\$298m
Secured assets in book	38%	41%	44%	48%	55%
Credit profile					
Average credit score ²	704	714	727	741	763
Net credit losses ⁴	3.7%	5.9%	5.8%	4.6%	4.5%
Provisioning to receivables	6.1%	6.1%	6.6%	5.8%	4.7%
Funding and liquidity					
Unrestricted cash	\$14m	\$16m	\$16m	\$15m	\$20m
Undrawn securitisation facility limits ⁵	\$384m	\$430m	\$446m	\$196m	\$566m
Net assets	\$91m	\$122m	\$166m	\$173m	\$190m
MONEYME Yearly Performance	FY20	FY21	FY22	FY23	FY24³
Returns					
Net profit / (loss) after tax	\$1m	(\$8m)	(\$50m)	\$12m	tbc
Gross revenue	\$48m	\$58m	\$143m	\$239m	\$214m
Net interest margin	32%	20%	12%	12%	10%
Office operating cost to income ratio	38%	46%	40%	22%	<25%
Book profile					
Gross customer receivables	\$134m	\$333m	\$1.35bn	\$1.15bn	\$1.22bn
Principal originations	\$179m	\$384m	\$1.1bn	\$466m	\$574m
Secured assets in book	-	2%	38%	44%	55%
Credit profile					
Average credit score ²	635	650	704	727	763
Net credit losses ⁴	6.6%	5.0%	3.7%	5.8%	4.5%
Provisioning to receivables	9.6%	7.9%	6.1%	6.6%	4.7%
Funding and liquidity					
Unrestricted cash	\$27m	\$10m	\$14m	\$16m	\$20m
Undrawn securitisation facility limits ⁵	\$5m	\$28m	\$384m	\$446m	\$566m
Net assets	\$47m	\$40m	\$91m	\$166m	\$190m

³ 4Q24, 2H24 and FY24 figures in these tables are preliminary unaudited management results. Any metrics under 4Q24, 2H24 and FY24 with "tbc" will be presented as part of the Annual Report.

⁴ Net credit losses are defined as principal write-offs (net of recoveries, including proceeds from debt sales to collection agencies) financial year to date as a % of principal customer receivables, annualised.

⁵ Use of this funding is dependent upon MONEYME's ability to co-invest in the securitisation junior notes.

About MONEYME

MONEYME is a founder-led digital lender and Certified B Corporation™. We challenge the traditional ways of credit and simplify the borrowing experience with digital-first experiences that meet the needs of modern consumers.

We target customers with above average credit profiles through a range of fast, flexible, and competitively priced products, including car loans, personal loans, and credit cards. Our point of difference is delivering unrivalled customer experiences powered by smart technology. From near real-time credit decisioning to loans that settle in minutes, we deliver speed and efficiency in everything we do.

We service 'Generation Now', ambitious Australians who expect more from life and the companies they engage with. We uphold a strong ethos of sustainability and hold ourselves accountable to the high standards of the B Corp movement.

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 investors.moneyyme.com.au or contact investors@moneyyme.com.au
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