

# Money3 - Consumer automotive finance

#### **Focus**

Money3 Group provides automotive finance for the purchase and maintenance of vehicles



#### Responsible Lending

Responsible lending and compliance leadership is the cornerstone of our sustainable lending practices

1 / 500 vehicles in Australia have a current Money3 loan

1 / 800 vehicles in New Zealand have a current Go Car Finance loan

Over \$1bn lent to customers since inception

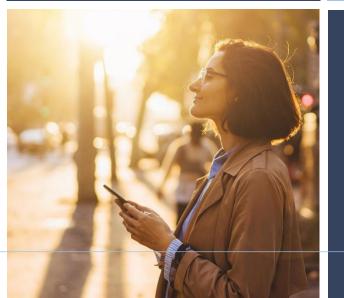
Originated loans for over 500,000 customers



#### **Customer Care**

Unique approach to customer care, providing consumers with tailored and flexible repayments

Money3 is the lender of choice for over 47,000 active customers



#### **Technology**

A data driven organisation with unique integration to third parties

Application simplicity through technology

# YTD Feb 2020 Financial results (Unaudited)

54.0%

Revenue growth

63.4%
EBITDA
growth

4.7% Annualised

Bad debts FY20 forecast 4.5%-5.5%

Group Financial Results (continuing operations)  Amounts in \$m unless otherwise stated	YTD Feb 20	YTD Feb 19	% Growth
Revenue	82.9	53.8	54.0%
(-) Bad debts (net of recoveries)	13.7	9.3^	
(-) Impairment allowance	3.3	1.6	
(-) Operating expenses	26.1	18.6	
EBITDA (normalised)	39.8	24.3^	63.4%
NPAT (normalised)	20.1	13.0^	54.1%

**48.0%**EBITDA margin (PCP: 45.2%)

24.2%

NPAT margin (PCP: 24.2%)

\$46m

Cash balance at 22 March 20

^normalised for one-off additional bad debt recoveries from divested operation in FY19.



# Short Term (FY20) Outlook - 'COVID-19' Response



#### Lending & collections

- Loan applications up 30% pcp (YTD Feb 2020). It is anticipated this will decline during the current crisis
- Money3's cloud-based technology allows staff to work remotely in a secure environment with minimal reduction in productivity
- Money3's Customer Care team are built around supporting customers through difficult times
- Teams are flexible and cross trained. Easy to deploy additional resources to focus on Customer Care and manage customer repayments
- Lifting lending requirements, limiting exposure to high risk sectors for new applicants



#### **Financial**

- Estimated earnings for the 9 months ending 31 March 2020 to be approximately \$23 million, which is consistent with previous guidance of in excess of \$30m NPAT for FY20
- Well funded with a strong cash balance sheet position of \$46m (as of 22 March 2020)
- Money3 loan book predominantly funded by equity
- Australian debt facility can be unilaterally extended to Dec 2022 and existing NZ debt facilities run until Apr 2022



#### **Business continuity**

- Supporting customers through these unprecedented times
- The Company has already implemented robust business continuity measures to maintain resilience for the business and protect the health and well-being of our staff and customers
- Money3's Australian and New Zealand teams continue to be fully operational and have introduced team splitting in order to reduce the number of staff in the office at any one time
- Adoption of cloud-based technology to allow staff to work from remote locations

# Summary

- Estimated earnings for the 9 months ending 31 March 2020 to be approximately \$23 million, consistent with previous guidance of in excess of \$30m NPAT for FY20
- Well funded with strong cash balance sheet position of \$46m (as of 22 March 2020)
- Company anticipates a decline in loan applications as the result of the COVID-19 outbreak
- Money3's loan book has low leverage and is predominantly funded by equity
- Australian debt facility can be unilaterally extended to December 2022 and existing New Zealand debt facilities run until April 2022



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