

COMPLETION OF ACQUISITION OF AUTOMOTIVE FINANCIAL SERVICES



ASX RELEASE
5 January 2021

Money3 Corporation Limited (ASX: MNY, “Money3” or the “Company”) is pleased to advise the acquisition of Automotive Financial Services (AFS) has completed.

As highlighted in the ASX announcement released on 3 December 2020, AFS specialises in vehicle loans up to \$100,000. AFS extends Money3’s product offering, in Australia, along the credit curve and accelerates the Company’s growth into the new, used and commercial vehicle finance market.

Highlights:

- **Strategic fit:** acquisition aligns with Money3’s strategy of financing a broader market and extending the Company’s product offering along the credit curve,
- **Acceleration into near prime market:** acquisition adds \$48.8m of gross loan book as of 1 January 2021,
- **Strong loan book quality:** less than 1% of the loan book in 30+ days arrears,
- **Earnings accretive:** the acquisition is earnings accretive immediately, is expected to improve FY22 earnings by \$2m in Net Profit after Tax (NPAT) with improving NPAT contribution in future years,
- **Funding diversification:** ongoing finance from a large Australian trading bank.

The acquisition completed in full for a total purchase consideration of \$10.8m, made up of a cash settlement of \$3.24m and the issue of 2.88m ordinary shares of Money3 Corporation Limited.

Money3’s Managing Director and CEO, Scott Baldwin, said: “The completion of the AFS acquisition significantly expands the Company’s core product offering to address a wide group of customers looking to finance a new, used, or commercial vehicle. The acquisition increases the Company’s market share to approximately 4% of the \$6bn annual used vehicle finance market.”

“The Company has experienced strong demand for vehicle finance during the first half of FY21 with record new loan originations in November 2020 and the strongest half year result the company has ever produced. The acquisition of AFS further strengthens the Company and expands the addressable market in which the company operates, enabling us to continue to increase our market share further in 2021. “

-ENDS-

Authorised for release by the Board of Money3 Corporation Ltd.

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ABOUT MONEY3 CORPORATION LIMITED (ASX: MNY)

Money3 is a specialist provider of consumer finance for the purchase or maintenance of a vehicle. Our business model and unique approach to customer care attracts creditworthy customers that are underserved by traditional lenders. Money3 has a fast growing and high-quality loan book with more than 50,000 active accounts.