

## **MTF Finance Announces HY23 Results**

### **Strong customer growth propels MTF Finance profit and market share to record levels**

MTF Finance has undergone a remarkable six-month period of growth, witnessing a significant increase in market share from 11 percent to 15 percent. Additionally, the company has experienced a notable expansion in its presence within the non-vehicle lending market, further bolstering its overall market position. During this period, the business has:

- Grown retail receivables 23 percent year on year from \$763m to \$879m
- Increased the number of customers by 8 percent
- Underlying profit after tax up 117 percent to \$6.2m
- Interim dividend up 77 per cent, reflecting an annualised dividend yield of 6 percent
- Arrears (31+ days) remain at an exceptionally low level of 0.7 percent
- Launched additional franchise locations and grown its dealer network by 23 percent

Says CEO, Chris Lamers, “MTF Finance has experienced a period of growth well above what the market has grown at. While numerous businesses are adopting a conservative approach and scaling back, we continue to have confidence in our distinctive community-based lending model. As a result, we have successfully assisted a greater number of New Zealanders, setting us apart in these uncertain times. During these challenging times, our customers rely on us to be there for them, and we are unwavering in our dedication to the communities we serve. We remain committed to supporting them through both prosperous and difficult periods, demonstrating our steadfast commitment to their well-being.”

Says Board Chair, Mark Darrow, “Combined with a clear strategy that the Board put in place almost two years ago, and a strong focus on action that benefits the customer, MTF Finance has been able to attract new customers and increase retention of existing customers. The Board is now focussing on the next three years and how we build on this momentum.”

Lamers adds, “Our franchise and dealer network operates within the communities they serve, resulting in a distinctive and unparalleled commitment to customer service. Unlike other finance companies, we offer a remarkable promise: the opportunity for all customers to directly communicate with the business owner and key decision maker, rather than navigating through automated call trees. This personal touch sets us apart, ensuring, a more responsive and tailored experience for our valued customers.”

While the economic outlook is uncertain, MTF Finance is confident of continued strong performance in the second half of the financial year.

“We have worked on reducing the cost to run the business, which is now at record lows as a ratio of income. We have increased access to funding and capital and are confident we can maintain this strong growth rate. We have entered the personal loan market, which is showing strong growth, and through partnerships, we have expanded our insurance offer. We have a strong roadmap of new products, partnerships and locations to expand into that we expect to continue to grow despite the economic environment.”

Arrears continue to trend lower than pre-covid levels, now at 0.7 percent, showing the strong focus on loan quality and ensuring that customer care is prioritised to create great customer outcomes, all in the pursuit to make lending about people again.

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## **About MTF Finance**

Established in 1970, MTF Finance is 100% Kiwi owned and one of New Zealand's most trusted finance companies.

We provide innovative finance solutions to New Zealanders through our 51-strong franchise network, vehicle dealers and partners such as Trade Me. This has helped us grow into a business with assets of more than \$972m.

We are launching new products and partnerships while staying true to our core; that we are people helping people, powered by a world-class funding system.

MTF Finance is listed on the NZDX.