



Prospa announces new Junior Funding Partner

- **Junior Funding Partner has subscribed to Class B Notes in warehouse facility**
- **Transaction releases \$17.8m of capital**
- **Funds to be redeployed into Prospa's fast growing Australian & New Zealand business**
- **Total third party funding limits for Prospa's Australian operations is now at \$409m**

23 December 2019

Prospa Group Limited (ASX: PGL) ("Prospa" or "Company") is pleased to announce the introduction of a new Junior Funding Partner into one of its Australian Warehouse Facilities that funds small business loans and line of credit facilities. The committed Junior Note facility will have an initial capacity of A\$20 million and is designed to seamlessly scale up over time as Prospa continues to expand its Australian operations.

Prospa has partnered with a top-tier local Junior Funding Partner who has a deep understanding of the Australian securitisation market and a long-term interest in supporting Australian small businesses. The Junior Funding Partner has subscribed to Class B Notes in the warehouse facility and this lays a foundation should Prospa pursue a Term Asset Backed Security issuance.

This transaction represents an important part of Prospa's long term capital management strategy. It will allow the Company to redeploy approximately \$17.8m of equity capital back into its fast-growing Australian and New Zealand business. These funds will support Prospa's cash position to enable investment in the development of new and existing products as a part of its "Grow, Run, Pay" strategy.

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For further information please contact:

Company	Investor Relations	Media
Nicole Johnschwager General Counsel and Company Secretary nicole.j@prospa.com	Anna Fitzgerald Group Head of Corporate Relations anna.f@prospa.com	Roger Newby Domestique Consulting Mob: 0401 278 906 roger@domestiqueconsulting.com.au

About Prospa

- Prospa provides cash flow products and services that allow small businesses to prosper
- Prospa has originated over \$1.35 billion in loans to date across Australia and New Zealand
- Prospa has over 24,000 small business customers
- Prospa was awarded AON Hewitt Employer of Choice in 2017 and 2018
- Prospa's Net Promoter Score is in excess of +77
- In 2018 and 2019 Prospa won Australian Fintech Lender of the Year, achieving a clean sweep of the MFAA Excellence awards in all five States