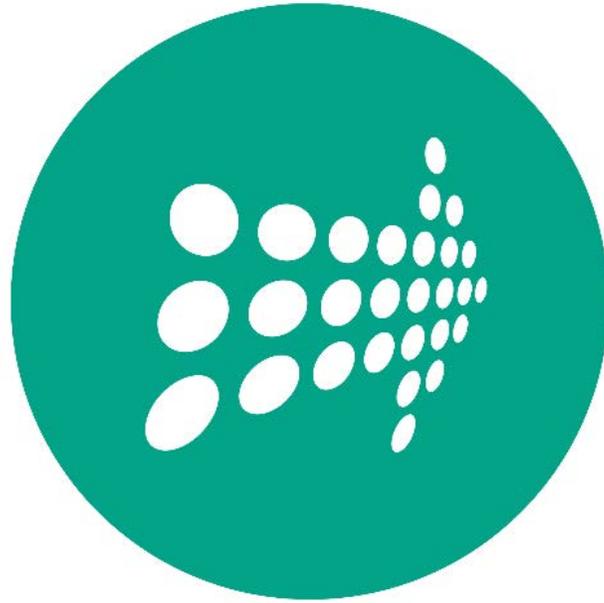




DirectMoney

AGM Update



Chairman's Address



Annual Report 2017



Market leading Technology Platform ready to scale to \$1billion+



Strong Fund¹ performance with a net return of 7.3% for the year ended 30 June 2017



Continued tech investment and innovation in the consumer finance space



\$5.4 million (after costs of capital raising) rights issue



New Executive Leadership Team in place



Customer Applications since inception: 14,725



Major Institutional Funding Deal closed



Overall reduction in net loss



52% of Borrowers in FY17 were Home Owners

- ✓ Protected Balance sheet, keeping capital available to grow the company when ready
- ✓ We will continue to add additional major debt funding partners as we grow
- ✓ Have set up the business for responsible growth in 2018

¹ The DirectMoney Personal Loan Fund ARSN 602 325 628 (the "Fund"), Issued by One Managed Investment Funds Limited ACN 117 400 987 AFSL 297042 as Responsible Entity of the Fund. DirectMoney Investment Management Pty Ltd is the investment manager of the Fund.



Our VISION is to become Australia's
most innovative consumer lending fintech
accounting for a growing share of the \$100-\$150 billion consumer credit market in Australia

We believe in an absolute commitment to prime, ethical lending
and a sincere focus on the customer's best outcomes.
This is imbedded in our culture throughout the company and everything we do.

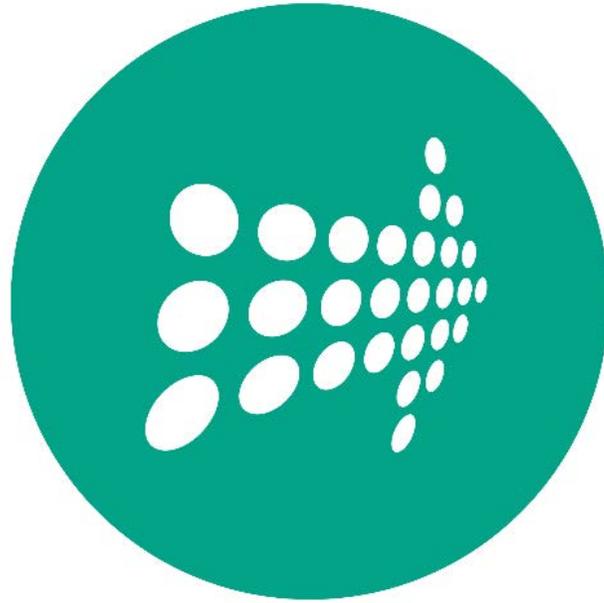
We will continue to invest, develop and innovate as a tech FIRST company

We write ONLY Bank Grade Credit:
Average Income of our Customers in FY17: \$88,000
Average credit score of our customer is FY 747

FY17 CUSTOMER INCOME



● \$50K-\$75K	33%
● \$75K-100K	25%
● \$100K+	26%



CFO's Address

DirectMoney current position



Last 12 months has been about establishing the systems, technology and refining the operations:

- **Getting the foundations right, so we can scale the company responsibly and effectively**
- **Securing additional wholesale funding with more intended to follow**
- **38% reduction in reported net loss FY2017 v FY2016**
- **Material loan sale in October 2017 adding circa \$4M cash to balance sheet**

FY2017	Reported	Excluding significant one-off items ¹
Revenue from ordinary activities	\$1.2 million	\$1.2 million
Loss before income tax	\$5.4 million	\$4.6 million
Earnings per share	(1.4 cents)	(1.2 cents)
Cash balance	\$3.5 million	\$3.5 million
FY2016	Reported	Excluding significant one-off items ²
Revenue from ordinary activities	\$1.2 million	\$1.2 million
Loss before income tax	\$8.8 million	\$4.7 million
Earnings per share	(3.3 cents)	(1.7 cents)
Cash balance	\$1.3 million	\$1.3 million

1: Excludes one-off expenses for Macquarie Bank Limited's Funder Fee (\$0.9 million).

2: Excludes one-off expenses related to the purchase of DirectMoney Finance Pty Ltd (\$2.7 million), the non-recurring capital raising costs conducted by the Company in July 2015 (\$0.9 million) and Macquarie Bank Limited's Funder Fee (\$0.5 million).

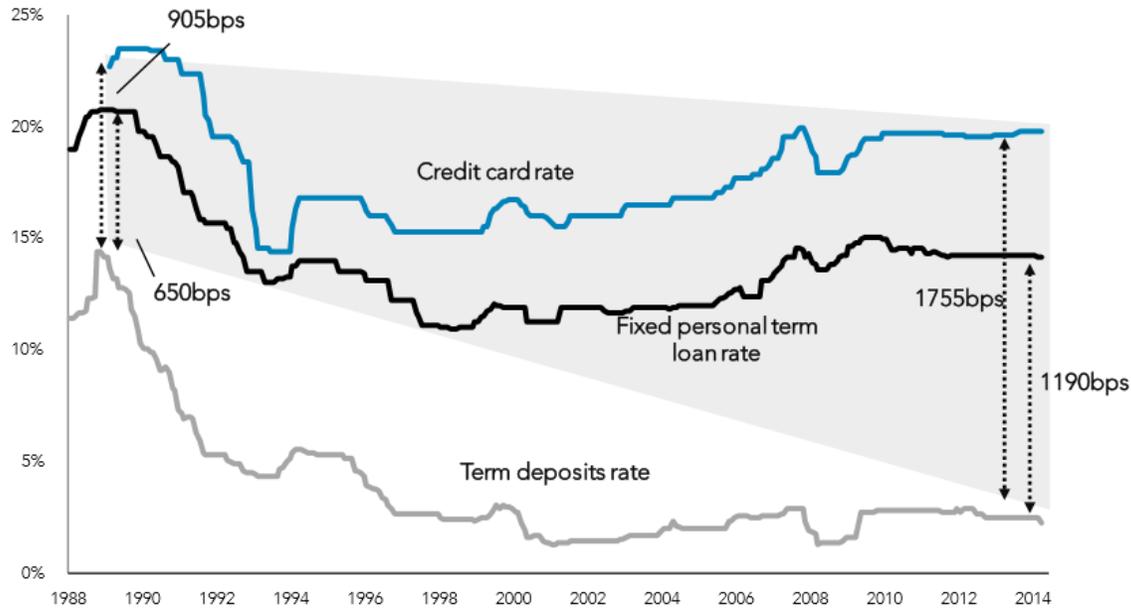
Australian Consumer Lending Market



- A highly profitable market for incumbents which is rife for competition
- A better deal for both borrowers and investors with DirectMoney in the middle
- Diversified funding sources across wholesale and retail

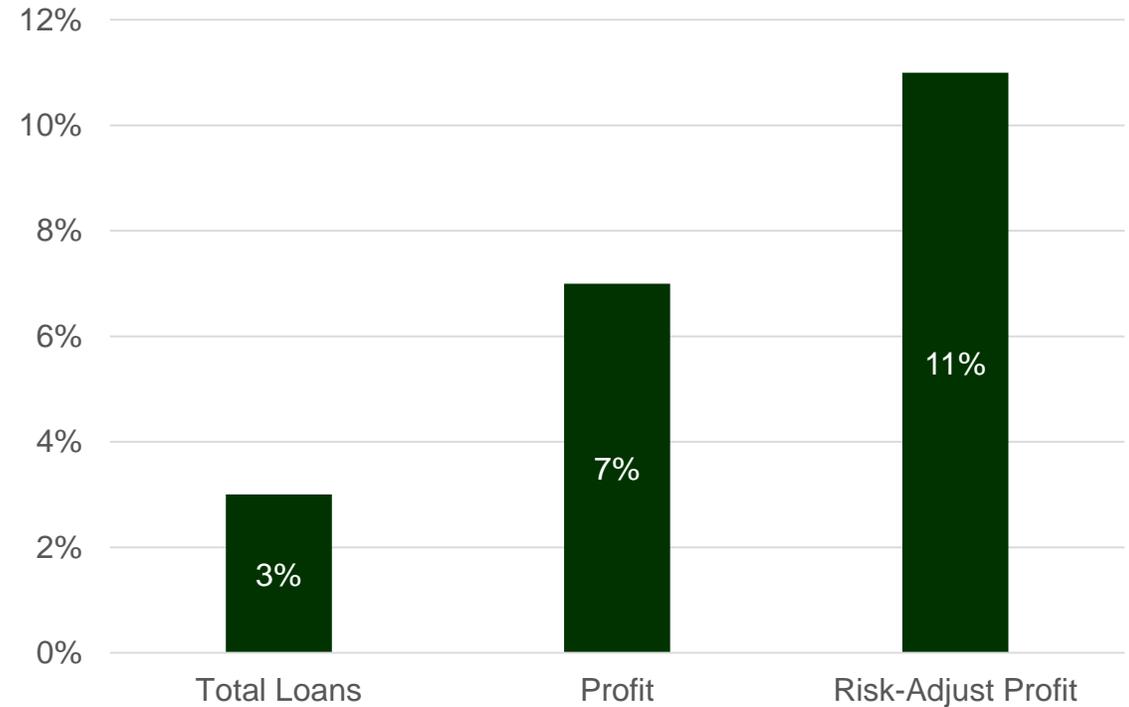
Consumer finance interest rate spread doubled over past 25 years

Australian fixed personal term loan and credit card rate vs. term deposits rate (average %; 1990-2015)



Source: RBA, Bloomberg

Unsecured lending contribution to Big4 bank profits (%)



Source: JPMorgan

Adding value in a low yield environment



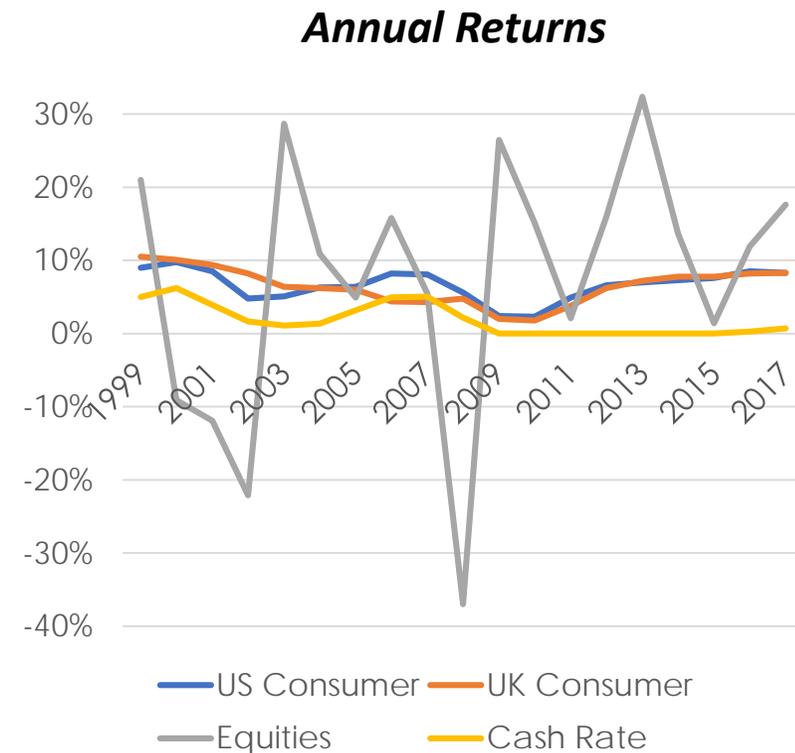
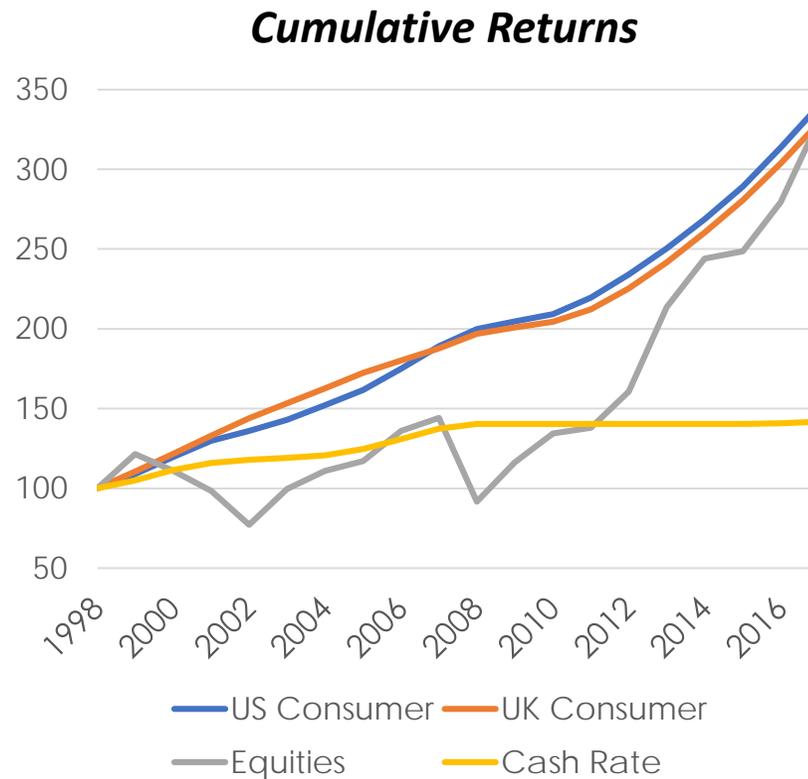
Consumer Lending:

Lessons from the US and UK with Australia to follow

A tried, tested and counter cyclical asset class

20yrs of equities-like yields **but less volatility**

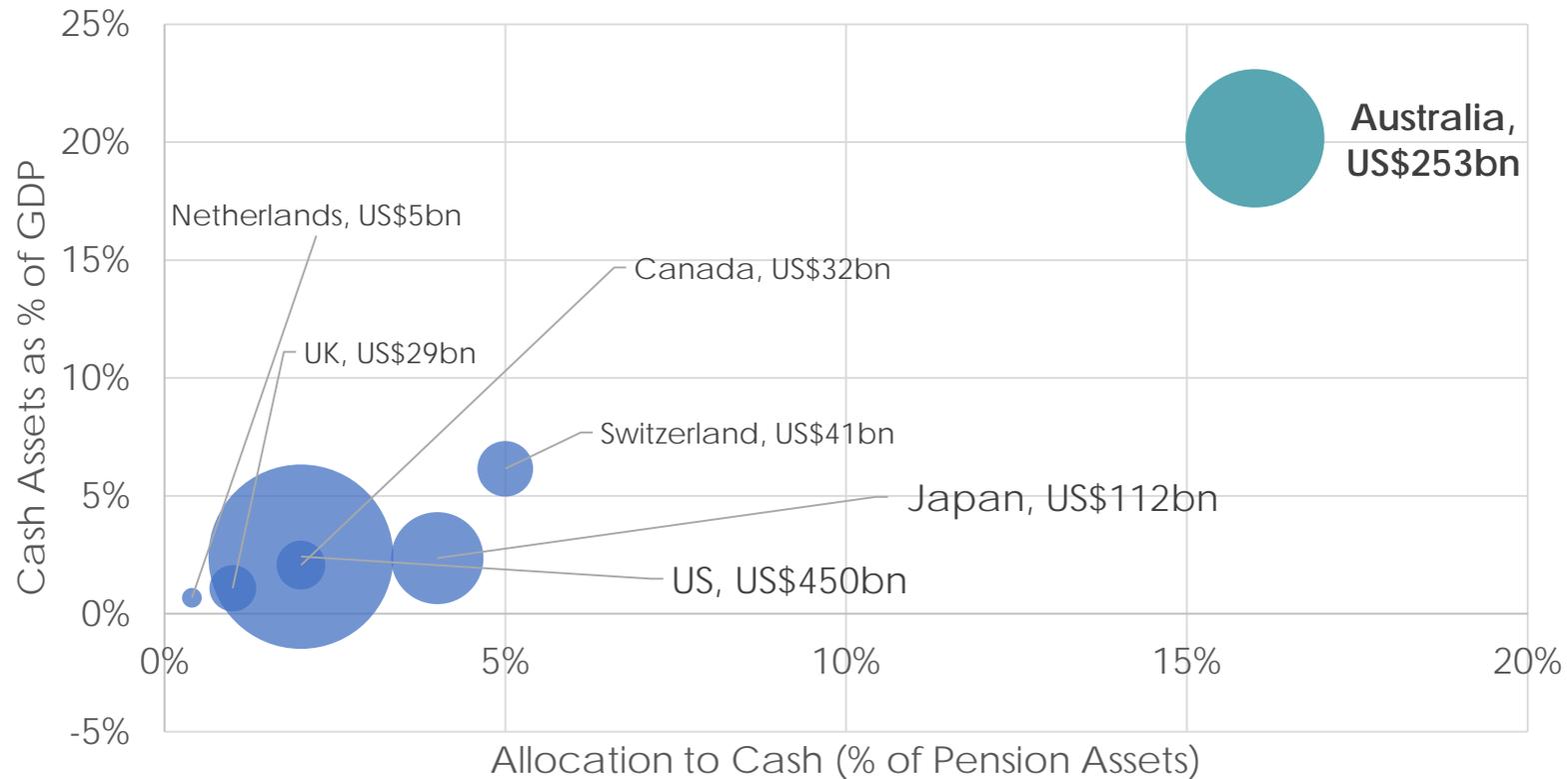
1998-2017, US and UK unsecured consumer lending vs S&P500 Accum Index



Wall of cash looking for income



- Australia has more pension assets in cash than any other country¹
- Term deposits remain at all time lows
- DirectMoney provides ways to access an alternative asset class

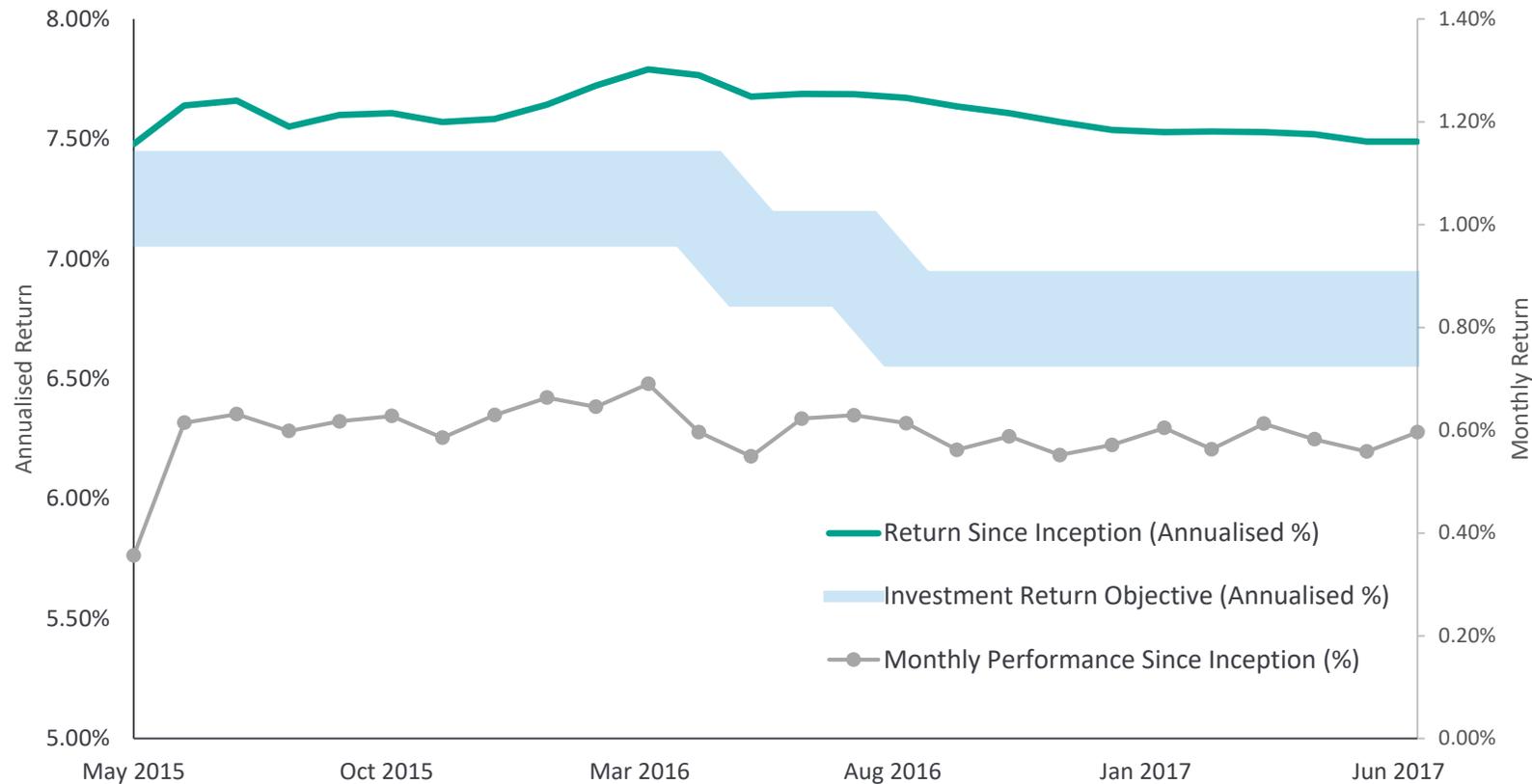


1: Willis Tower Watson, 2017

The DirectMoney Personal Loan Fund¹

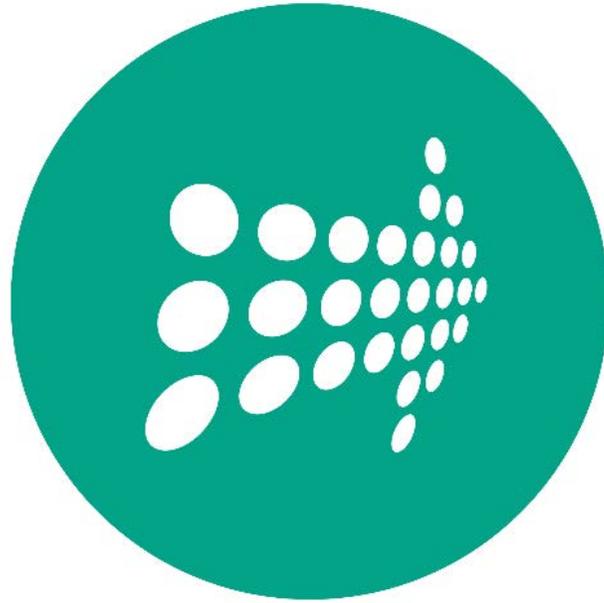


- Net return of 7.5% per annum since inception in May 2015²
- Consistently outperformed target of the RBA Cash Rate plus 5-5.5%
- Monthly distribution income to investors while preserving capital



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² As at 30 June 2017



CEO's Address



Building a market leading tech platform



Introduction of **5 new revenue streams for FY18** to deliver both better outcomes for customers and increase revenue for DM1 going forward

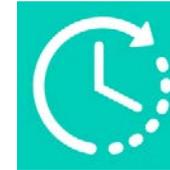


Continually improving credit performance:

0.0% Provision against new loans written in FY17 (as at 30 June 2017), vs 0.4% in FY16



~**150% increased conversion of website traffic** through redesign, customer insight, and optimisation program



Continue to invest in our Proprietary Platform, built and supported by in-house team means **ultra fast to deploy changes, modifications and enhancements** (hours, not months)



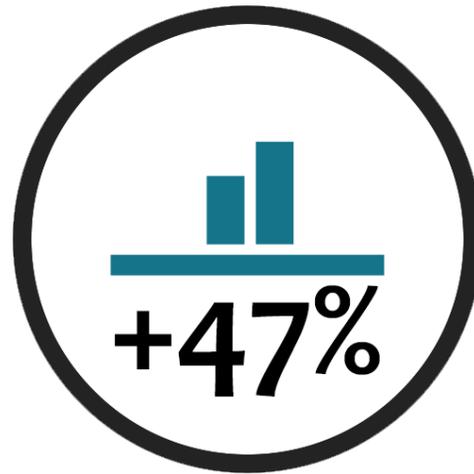
Consistent reduction in our **cost to settle** a personal loan, **with a sub \$500 target for the near term** end-to-end across the platform, allowing us to scale effectively



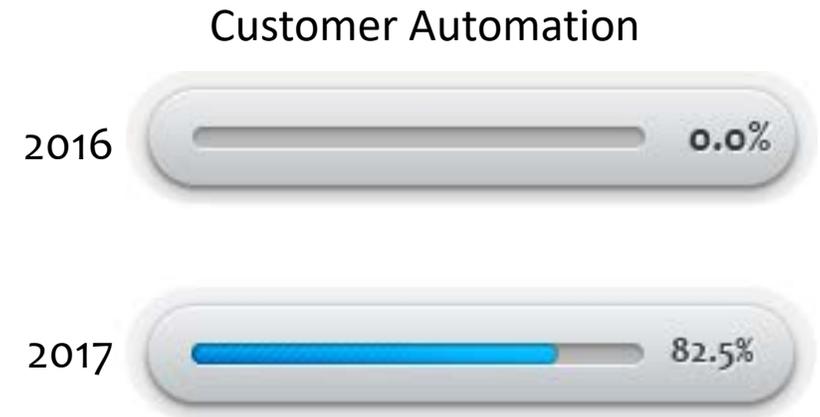
Currently attracting around 10,000 customer enquiries per month, with imbedded analytics, customer insights & tracking at every step of customer journey



Increase from 2.36% to 29.32% revenue generating outcome across funnel for DM1



+47% increased conversation of website visitor into a settled loan (2016 v 2017)



Fully automated processing of applicants increased from 0% to 82.5%

By mid 2018, with enhanced AI and Machine Learning we aim to achieve 90%+ Automation

SUMMARY:

We're in a rapidly growing market..
at the right time,
with the right technology,
the right business model,
and the right team.

