

Propell delivers significant growth in customers and lending

- **Platform customer growth up 35% on Q2 FY22 to 1,700~, up 420%+ since IPO (Apr 2021)**
- **Significant lending growth, up 211% on Q2 to \$2.53m for the quarter, and with January and March representing largest months on record**
- **Launched new lending product to public with significant immediate take up, further proving the Platform's ability to launch new products quickly and smoothly**
- **Completed implementation of major platform upgrades including new customer-facing Mobile Apps and Dashboard, Website and Platform Automation**

Leading SME-focused Fintech, Propell Holdings Limited (ASX:PHL, Propell or the Company) is pleased to provide a summary of its activities for the quarter ended 31 March 2022.

Overview

Propell is the first and only digital multi-product finance platform focussed on the small business segment in Australia. Driven by a vision to revolutionise how small businesses manage their finances, Propell centralises access to what those businesses need; deep insights into their financial health, and direct access to a suite of finance tools, including payments and lending, to enable them to operate and grow.

The future of finance is digital. Small businesses, left underserved by traditional providers, are searching for alternative solutions to their finance needs. Propell is positioned for this accelerating shift and disruption of traditional service providers and their business models.

The Company has delivered many significant accomplishments during the March quarter as set out below.

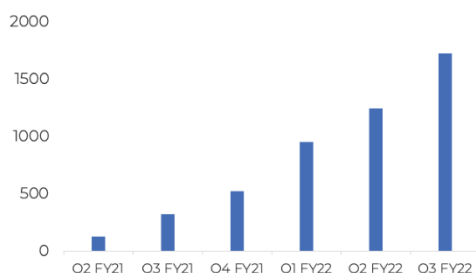
Company Metrics

During the quarter there was continued growth in Platform customers, increasing 35% from 31 December 2021 to more than 1,700.

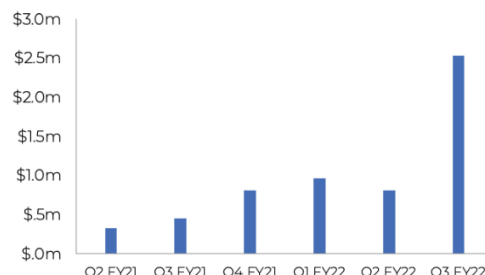
The Company saw a record quarter for Lending, delivering a 211% increase on Q2. This growth was supported by the launch of a new Line of Credit product, and improvements seen in Platform customer financials and sentiment.

Apart from rising borrower numbers, lending volumes were also driven by a 138% increase in average loan size, a key indicator of customer quality. This represents a critical measure in scaling the business.

35% QoQ growth in Platform customers



New lending up 211% QoQ



138% QoQ increase in average loan size



Product and Technology

During the quarter, the Company continued to make significant developments to the Platform, completing the majority of projects outlined at IPO at or ahead of time. This completion of work allows the Company to shift emphasis primarily to growth, having the components in place to scale customers and platform usage.

New Lending Product

Following the ongoing success of our 6-month Line of Credit product and consistent feedback from our customers on providing a longer dated and larger facility, during the last half Propell developed a new lending product on the Platform.

The new longer dated loan product has been built off the back of Propell's leading credit decisioning engine and broader loan management system.

Results to date

- Increase in Total Approved Facilities of \$3.9m
- Significant increase in monthly lending, underpinned by the 12-mth LOC
- Increase in average loan size by 138% QoQ

- Improvement in customer quality as measured through traditional credit scoring and Propell's own assessment engine

Key features of the new product include:

- Unsecured, Line of Credit Facility
- Loans from \$5,000 to \$250,000
- Simple pricing with a flat rate monthly fee and no application or account charges
- Up to 12 months duration, however flexibility to repay the loan at any time
- All customers gain access to Propell Platform benefits
 - Simple and fast, 100% digital customer journey with signup and approval in minutes, and drawdown and settlement within hours
 - All customers are enabled with access to all of Propell's expanding range of SME finance tools including Payments, Lending and Insights

Following successful trials in December and January, the product launch has proved incredibly successful. This is an important milestone for the Company as it builds on Propell's core proposition, further enabling fast and simple access for small businesses to the finance products they need to run and grow. Given its characteristics, larger average loan size and target segment demand, the product represents a new important revenue line that is expected to contribute materially to the future income growth.

It is essential to note that this launch is further evidence of the platform's ability to deliver new products in a fast and flawless way. This key ability is based on the extensive development investments made in the Platform technology throughout 2021.

Platform Automation

The Company has continued development of the underlying Platform throughout the quarter, delivering continued updates to Platform automation, and enabling volume growth without headcount growth.

Automation work has continued to focus on 4 key areas;

- Customer Management – Onboarding and Personalisation
- Servicing – Streamlined management of customers and their Platform products
- Lending Management – Automation of lending processes and simplification of new product creation
- Collections – Automation of many collections functions delivering improved lending performance and freeing the collections team to focus on high-value tasks

About Propell

Propell Holdings Limited (ASX:PHL) is the first and only multi-product financial services platform targeted at addressing all financial needs of Australian small business owners, in one simple app.

Propell's digital platform is aimed at improving the cashflow and financial wellbeing of small businesses by aggregating a range of finance products and services including lending, payments and cashflow forecasting tools. The company leverages its extensive customer data with an artificial intelligence (AI) based engine to deliver its products in an entirely digital manner.

Propell launched the platform in mid-2020 and is focused on further customer growth and development of its product suite.

For more information see <https://propellme.com.au/> and the investor website <https://propellholdings.com/>

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