

Plenti delivers 135% year-on-year growth

Plenti Group Limited (**Plenti**) provides this trading update for the quarter ended 31 December 2021 (**Q3 FY22**).

Growth and strategic highlights

- Record quarterly loan originations of **\$307.6 million, 135% above prior corresponding period (PCP)** and **20% above prior quarter**
- Loan portfolio increased to **\$1.1 billion** at 31 December 2021, **118% above PCP** and **21% above prior quarter**
- **Assumed leadership position amongst fintech consumer lenders**, after becoming the first to reach a \$1 billion consumer loan portfolio and fund over \$100 million in a month
- Successful strategic launch into the fast-growing **electric vehicle (EV)** market with an EV specific loan offering to help more Australians transition to EV ownership
- Secured **highly efficient EV funding** after establishing a second automotive warehouse facility, with Westpac as senior debt funder and the Clean Energy Finance Corporation (**CEFC**) providing mezzanine finance

Financial highlights

- **Run-rate annual revenue of \$97 million** based on December revenue of \$8.05 million, up 88% on PCP
- **Cash NPAT profitability achieved** in October, with positive trajectory in subsequent months
- Exceptional credit performance maintained and 90+ day arrears declined to **20 basis points** at 31 December 2021



Commenting on the record quarter, Daniel Foggo, Plenti’s Chief Executive Officer, said:

“The Plenti team has delivered another outstanding quarter, achieving strong growth in each lending vertical and further demonstrating the strength of our credit capabilities.

“We are delighted to have secured Westpac as a senior debt funder to support our strategic entry into the rapidly growing electric vehicle market and look forward to helping more Australians transition to EV ownership.

“I am excited by the strong momentum across the business and outlook for 2022, as we deliver faster, fairer loans to our partners and customers and continue on our mission to build Australia’s best lender.”

Record loan originations

Loan originations	Q3 FY21	Q3 FY22	Growth vs. PCP	Q2 FY22	Q3 FY22	Growth vs. prior qtr
Automotive	68.7	178.6	160%	143.1	178.6	25%
Renewable energy	13.6	28.0	105%	25.9	28.0	8%
Personal	48.6	101.0	108%	87.4	101.0	16%
Total	130.9	307.6	135%	256.4	307.6	20%

Plenti achieved record quarterly loan originations of \$307.6 million in Q3 FY22, 135% above PCP (\$130.9 million) and 20% above prior quarter (\$256.4 million). A new monthly record of \$112.0 million in loan originations was set in November, with a strong loan origination run-rate maintained in December until the seasonal slowdown of the Christmas holiday period.

Record loan originations were achieved in each lending segment:

- **Automotive** loan origination growth of 25% on prior quarter reflected gains in market share, driven by Plenti’s investments in technology, and the continued strengthening of its sales and distribution capabilities. Further growth in Plenti’s consumer automotive lending was supported by the rollout of its commercial automotive loan offering to additional broker partners, and the launch of its suite of innovative EV finance products and tools in November;
- **Renewable energy** finance growth of 8% on prior quarter was a strong result in light of household solar and battery supply constraints during the period. This growth was driven by increased finance penetration with existing merchant partners and the accreditation of over 50 new merchant partners. Additionally, Plenti is successfully executing its strategy of partnering with large energy retailers, having entered into a partnership with Energy Australia to deliver a bundled energy solution, and recently being appointed by AGL to provide interest-free finance to its residential solar and battery customers, following a competitive tender process; and
- **Personal lending** growth of 16% on prior quarter reflected a strengthening of demand for personal loans as well as the benefits of Plenti’s multi-channel customer reach. In particular, Plenti continued to expand its presence in the broker channel, increasing its active broker base and on-boarding over 200 new broker partners, by leveraging its technology-led broker offering and the strength of its industry relationships.

This strong loan origination growth was achieved while maintaining credit quality. The weighted average Equifax credit score for new borrowers during the quarter was 840, above the portfolio weighted average score of 828 at the end of September 2021.

Substantial loan portfolio growth

Loan portfolio	Dec 20	Dec 21	Growth vs. PCP	Sept 21	Dec 21	Growth vs. prior qtr
Automotive	201	598	198%	464	598	29%
Renewable energy	78	130	66%	114	130	14%
Personal	228	379	66%	337	379	13%
Total	508	1,107	118%	915	1,107	21%

Plenti's loan portfolio increased to \$1,107 million at 31 December 2021, up 118% from 31 December 2020 (\$508 million) and up 21% from 30 September 2021 (\$915 million).

Exceptional credit performance maintained

Plenti maintained its exceptional credit performance during the quarter, underpinned by its proprietary credit decisioning and pricing technology and supported by data it has derived from funding over 100,000 loans amounting to over \$2 billion since it commenced lending in 2014.

Annualised net losses for the quarter were approximately 50 basis points, reflective of the prime attributes of Plenti's loan portfolio and strong underlying borrower characteristics.

90+ day arrears were 20 basis points at the end of the quarter, down from 26 basis points at 30 September 2021.

Funding enhancements

Plenti established a second automotive warehouse facility in December, with Westpac as senior debt funder and the CEFC providing mezzanine finance. This facility, which has an initial limit of \$250 million, includes an EV-specific tranche, which is structured to provide preferential and highly efficient funding for electric vehicles.

This new warehouse facility complements the funding depth and diversity already provided through Plenti's existing automotive warehouse facility, its renewable energy and personal loan warehouse facility, its existing asset-backed securities (ABS) issue and its two investor marketplace platforms.

Plenti is working towards completing a renewable energy and personal loan ABS transaction in Q4 FY22, subject to market conditions, which offers the potential to reduce the funding costs and required corporate funding of the underlying receivables.

Corporate funding

Whilst Plenti reported corporate cash of \$29.3 million at 30 September 2021, it is in advanced discussions with a funding partner to provide a debt facility as an additional source of capital to support Plenti's growth ambitions in FY23 and beyond. The facility remains subject to legal documentation.

ENDS

All numbers in this release are preliminary and unaudited. This release was approved by the Plenti board of directors. For more information please contact:

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About Plenti

Plenti is a fintech lender, providing faster, fairer loans through smart technology.

We offer award-winning automotive, renewable energy and personal loans, delivered by proprietary technology, to help creditworthy borrowers bring their big ideas to life.

Since establishment in 2014, our loan originations have grown consistently, supported by diversified loan products, distribution channels and funding, and underpinned by our exceptional credit performance and continual innovation.

For more information visit plenti.com.au/shareholders