moneyme

MoneyMe Limited (ACN 636 747 414)

Prospectus

Initial Public Offering

Clayton Yoanis Howes
Signed for and on behalf of MoneyMe Limited pursuant to section 351 of the Corporations Act 2001 (Cth)

Joint Lead Managers

ORD MINNETT

morgans

Important Notices

Offer

The Offer contained in this Prospectus is an invitation for you to apply for fully paid ordinary shares (**Shares**) in MoneyMe Limited (ACN 636 747 414) (**MoneyMe** or **Company**). This Prospectus is issued by the Company. See Section 7 for further information on the Offer, including as to details of the securities that will be issued under this Prospectus.

Lodgement and Listing

This Prospectus is dated 15 November 2019 and was lodged with ASIC on that date (**Prospectus Date**).

The Company will apply to the ASX within seven days after the Prospectus Date for admission of the Company to the Official List and quotation of the Shares on the ASX (**Listing**). Neither ASIC nor the ASX takes any responsibility for the content of this Prospectus or for the merits of the investment to which this Prospectus relates.

Expiry Date

No Shares will be issued or transferred on the basis of this Prospectus after the Expiry Date, being 13 months after the Prospectus Date.

Note to Applicants

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial situation or particular needs (including financial and tax issues) of any prospective investor.

It is important that you read this Prospectus carefully and in its entirety before deciding whether to invest in the Company. In particular, in considering the prospects of the Company, you should consider the risk factors that could affect the performance of the Company. You should carefully consider these risks in light of your investment objectives, financial situation and particular needs (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest in the Shares. Some of the key risk factors that should be considered by prospective investors are set out in Sections 1.5 and 5. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

You should also consider the assumptions underlying the Forecast Financial Information set out in Section 4 and the risk factors set out in Section 5 that could affect the Company's business, financial condition and results of operations.

No person named in this Prospectus, nor any other person, guarantees the performance of the Company, the repayment of capital by the Company or the payment of a return on the Shares.

Exposure Period

The Corporations Act prohibits the Company from processing applications to subscribe for, or acquire, Shares offered under this Prospectus (**Applications**) in the seven-day period after lodgement of this Prospectus with ASIC (**Exposure Period**). This Exposure Period may be extended by ASIC by up to a further seven days.

The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this Prospectus, in which case any Application may need to be dealt with in accordance with section 724 of the Corporations Act.

Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on any Applications received during the Exposure Period.

Photographs and diagrams

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustrative purposes only and they should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus may not be drawn to scale or accurately represent the technical aspects of the products.

Disclaimer and forward-looking statements

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Directors or any other person in connection with the Offer. You should rely only on information in this Prospectus. Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

This Prospectus contains forward-looking statements which are statements that may be identified by words such as 'may', 'will', 'would', 'should', 'could', 'believes', 'estimates', 'expects', 'intends', 'plans', 'anticipates', 'predicts', 'outlook', 'forecasts', 'guidance' and other similar words that involve risks and uncertainties. The Forecast Financial Information is an example of forward-looking statements. These statements are based on an assessment of present economic and operating conditions and on a number of best estimate assumptions regarding future events and actions that, at the Prospectus Date, are expected to take place (including the key assumptions set out in Section 4).

No person who has made any forward-looking statements in this Prospectus (including the Company) has any intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, other than to the extent required by law.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Forward-looking statements should therefore be read in conjunction with, and are qualified by reference to, Sections 4 and 5, and other information in this Prospectus. The Company cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Company, the Company's service provider, Link Market Services (**Share Registry**) and the Joint Lead Managers disclaim all liability, whether in negligence or otherwise, to persons who trade Shares before receiving their holding statement.

Ord Minnett Limited and Morgans Corporate Limited have acted as Joint Lead Managers to the Offer and have not authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Prospectus and there is no statement in this Prospectus which is based on any statement made by any Joint Lead Manager or by any of their respective affiliates or related bodies corporate (as defined in the Corporations Act) (**Related Bodies Corporate**), or any of their respective officers, directors, employees, partners, advisers or agents. To the maximum extent permitted by law, the Joint Lead Managers, their respective affiliates and Related Bodies Corporate, and any of their respective officers, directors, employees, partners, advisers or agents expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Prospectus other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Prospectus.

Statements of past performance

This Prospectus includes information regarding the past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Financial information presentation

All references to FY17, FY18, FY19 and FY20 appearing in this Prospectus are to the financial years ended or ending 30 June 2017, 30 June 2018, 30 June 2019 and 30 June 2020 respectively, unless otherwise indicated.

All financial amounts contained in this Prospectus are expressed in Australian dollars unless otherwise stated. Any discrepancies between totals and sums and components in tables, figures and diagrams contained in this Prospectus are due to rounding.

Section 4 sets out in detail the Financial Information referred to in this Prospectus. The basis of preparation of the Financial Information is set out in Section 4.

The Historical Financial Information has been prepared and presented in accordance with the recognition and measurement principles of Australian Accounting Standards (as adopted by the Australian Accounting Standards Board), which are consistent with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board.

This Prospectus includes Forecast Financial Information based on the best estimate assumptions of the Directors. The basis of preparation and presentation of the Forecast Financial Information, to the extent relevant, is consistent with the basis of preparation and presentation for the Historical Financial Information. The Forecast Financial Information presented in this Prospectus is unaudited.

The Financial Information in this Prospectus should be read in conjunction with, and it is qualified by reference to, the information contained in Sections 4 and 5.

Market and industry data based primarily on management estimates

This Prospectus, including the Industry Overview in Section 2 and the Company Overview in Section 3, contains statistics, data and other information (including forecasts and projections) relating to markets, market sizes, market shares, market segments, market positions and other industry data pertaining to MoneyMe's business and markets. The Company has obtained significant portions of this information from market research prepared by third parties.

Investors should note that market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. There is no assurance that any of the forecasts or projections in the surveys, reports and surveys of any third party that are referred to in this Prospectus will be achieved. The Company has not independently verified, and cannot give any assurances to the accuracy or completeness of, this market and industry data or the underlying assumptions used in generating this market and industry data.

Estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed in the risk factors set out in Section 5.

The market research information sourced from reports prepared by Euromonitor International is included in this Prospectus subject to the disclaimer set out below.

Euromonitor's projections for historical and forecast industry data are based on a number of research methods and sources outlined below.

Euromonitor International's research method is built on a combination of specialist industry knowledge and in-country research expertise being a network of industry specialists, country and regional analysts and in-country research networks.

Each Euromonitor International industry report is based on a core set of six research techniques:

Desk research

Industry events, corporate activity, trends and new product introductions are tracked year-round by the industry team with desk research providing the starting point. Euromonitor's in-country researchers will access the following sources: National statistics offices governmental and official sources; National and international trade press; National and international trade associations; Industry study groups and other semi-official sources; and Company financials and annual reports etc.

Store checks

Store checks are carried out on the ground across a relevant mix of channels to provide first-hand insights into the products being researched.

Trade surveys

Interaction with global players at corporate headquarters and regional levels is supplemented by local data and insights from Euromonitor's in-country trade surveys around the world.

In building the composite industry view, Euromonitor engages with a variety of personnel at key players across the supply chain: materials suppliers, manufacturers, distributors, retailers and service operators. Euromonitor also interviews industry associations; study groups; and third-party observers from the trade and financial press.

Company analysis

At a global level, Euromonitor's company research combines the mix of industry interaction and use of secondary sources such as annual accounts, broker reports, financial press and databases. Euromonitor then builds a 'top-down' estimate of major players' total global and regional sales.

At a country level, in line with local reporting requirements, Euromonitor accesses annual accounts, national-specific company databases and local company websites.

Forecasts

Working with historic trends of 15 years or more, a key aspect of Euromonitor's trade survey is to engage industry insider views of the next five years – particularly on pricing and volume expectations.

Forecasts represent conclusions Euromonitor has reached about the current state of the market, how it works and how it behaves under different macro and micro conditions. Euromonitor's written analysis will state the assumptions and the trade opinion behind whether Euromonitor's predictions are optimistic or pessimistic.

Data validation

All data is subjected to a review process, at country, regional and global levels. Numbers are delivered to regional and global offices with an audit trail of sources and calculations to allow for a thorough evaluation of data sense and integrity.

Euromonitor International disclaimer

Any statements, data or other contents referenced or attributed to reports by Euromonitor International (each a Euromonitor Report) in this Prospectus represent research opinions or viewpoints only of Euromonitor International, and are in no way to be construed as statements of fact. While the views, opinions, projections and information contained in the Euromonitor Reports are based on information believed by Euromonitor International in good faith to be reliable, Euromonitor International is not able to make any representation or guarantee as to the accuracy or completeness of any information upon which a view, opinion or projections or information contained in any Euromonitor Report is based. Any views, opinions or predictions contained in the Euromonitor Reports are subject to inherent risks and uncertainties, and Euromonitor International does not accept responsibility for actual results or future events. Any statement made in a Euromonitor Report is made as at the date of that Euromonitor Report and any projections or expressions of opinion are subject to future change without notice by Euromonitor International. As such, investors are cautioned not to place undue reliance on such information.

Euromonitor International is not obliged to, and will not, update or revise any content of a Euromonitor Report, or of any changes, events, conditions, availability of new information or other factors which may occur subsequent to the date of that Euromonitor Report. The Euromonitor Reports do not represent investment advice, nor do they provide an opinion regarding the merits of the Offer. Information by Euromonitor International Limited should not be relied upon in making, or refraining from making, any investment decision.

Obtaining a copy of this Prospectus

This Prospectus is available in electronic form to Australian and New Zealand residents on the Company's Offer website, investors.moneyme.com.au. The Offer constituted by this Prospectus in electronic form is available only to Australian and New Zealand residents accessing the website within Australia or New Zealand. Copies of this Prospectus are not available to persons in any other jurisdictions, including the United States.

A hard copy of the Prospectus is available free of charge during the Offer Period to any person in Australia or New Zealand by calling the MoneyMe Offer Information Line on 1800 502 914 (toll free within Australia) or +61 1800 502 914 (outside Australia) between 8:30am and 5:30pm (Sydney time), Monday to Friday.

Applications for Shares may only be made on the Application Form attached to, or accompanying, this Prospectus in its hard copy form, or in its soft copy form available online at investors.moneyme.com.au, together with an electronic copy of this Prospectus. By making an Application, you declare that you were given access to the Prospectus, together with an Application Form.

The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to, or accompanied by, this Prospectus in its paper copy form or the complete and unaltered electronic version of this Prospectus.

No cooling-off rights

Cooling-off rights do not apply to an investment in Shares pursuant to the Offer. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

No offering where illegal

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia and New Zealand. The distribution of this Prospectus (including in electronic form) outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus outside Australia and New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus does not constitute an offer to sell, or a solicitation of any offer to buy, securities in the United States. This Prospectus has been prepared for publication in Australia and New Zealand. The Shares to be offered under the Offer have not been, and will not be, registered under the US Securities Act or the securities laws of any State or other jurisdiction in the United States, and may not be offered or sold in the United States, or to, or for the account or benefit of, a US Person. The Offer is not being extended to any investor outside Australia and New Zealand, other than to certain Institutional Investors as part of the Institutional Offer.

See Section 9.13 for more detail on selling restrictions that apply to the Offer and sale of Shares in jurisdictions outside Australia and New Zealand.

Important notice to New Zealand Investors

This Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This Offer and the content of this Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the Offer must be made.

There are differences in how financial products are regulated under Australian law.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this Offer. If you need to make a complaint about this Offer, please contact the Financial Markets Authority, New Zealand (http://www.fma.govt.nz). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

A copy of this Prospectus, other documents relating to the Offer and a copy of the Constitution have been, or will be, lodged with the New Zealand Companies Office and are, or will be, available at www.business.govt.nz/disclose. While the Offer is being extended to New Zealand investors under the New Zealand Mutual Recognition Regime, no application for listing and quotation is being made to NZX Limited.

Privacy

By completing an Application Form, you are providing personal information to the Company through the Share Registry, which is contracted by the Company to manage Applications. The Company and the Share Registry on their behalf, may collect, hold and use that personal information to process your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration.

If you do not provide the information requested in the Application Form, the Company and the Share Registry may not be able to process or accept your Application.

Once you become a Shareholder, the Corporations Act and Australian taxation legislation require information about you (including your name, address and details of the Shares you hold) to be included on the Share register. In accordance with the requirements of the Corporations Act, information on the Share register will be accessible by members of the public. The information must continue to be included on the Share register if you cease to be a Shareholder.

The Company and the Share Registry may disclose your personal information for purposes related to your investment to their agents and service providers including those listed below or as otherwise authorised under the *Privacy Act 1988* (Cth):

- the Share Registry for ongoing administration of the Share register;
- the Joint Lead Managers in order to assess your Application;
- printers and other companies for the purposes of preparation and distribution of documents and for handling mail;
- market research companies for the purpose of analysing the Company's Shareholder base; and
- legal and accounting firms, auditors, management consultants and other advisers for the purpose of administering, and advising on, the Shares and for associated actions.

The Company's agents and service providers may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law.

You may request access to your personal information held by or on behalf of the Company. You may be required to pay a reasonable charge to the Share Registry in order to access your personal information.

You can request access to your personal information or obtain further information about the Company's privacy practices by contacting the Share Registry as follows:

Telephone:	(outside Australia)	+61 1300 554 474
	(toll free within Australia)	1300 554 474
Address:	Link Market Services Limited, Level 12, 680 George Street Sydney NSW 2000	

The Company aims to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact the Company or the Share Registry if any of the details you have provided change.

Financial Services Guide

The provider of the Investigating Accountant's Report on the Financial Information is required to provide Australian retail clients with a Financial Services Guide in relation to that review under the Corporations Act. The Investigating Accountant's Report and accompanying Financial Services Guide is provided in Section 8.

Intellectual Property

This Prospectus may contain trademarks of third parties, which are the property of their respective owners. Third-party trademarks used in this Prospectus belong to the relevant owners and use is not intended to represent sponsorship, approval or association by or with us.

Company website

Any references to documents included on the Company's website are provided for convenience only, and none of the documents or other information on the Company's website, or any other website referred in this Prospectus, is incorporated in this Prospectus by reference.

Defined terms and abbreviations

Defined terms and abbreviations used in this Prospectus, unless specified otherwise, have the meaning given in the glossary in Section 11. Unless otherwise stated or implied, references to times in this Prospectus are to Sydney time.

Unless otherwise stated or implied, references to dates or years are calendar year references.

Questions

If you have any questions in relation to the Offer, contact the MoneyMe Offer Information Line on 1800 502 914 (toll free within Australia) or +61 1800 502 914 (outside Australia) between 8:30am and 5:30pm (Sydney time), Monday to Friday.

This document is important and should be read in its entirety.

Contents

Important Information

Important Dates	
Prospectus lodgement date	15 November 2019
Offer period opens	2 December 2019
Offer period closes	6 December 2019
Settlement	9 December 2019
Issue and allotment of Shares (Completion)	10 December 2019
Expected dispatch of holding statements	10 December 2019
Expected commencement of trading of Shares on ASX on a normal settlement basis	16 December 2019

Dates may change

The dates above are indicative only and may change without notice.

The Company, in consultation with the Joint Lead Managers, reserves the right to vary the times and dates of the Offer including to close the Offer early, extend the Offer or to accept late Applications, either generally or in particular cases, without notification. Applications received under the Offer are irrevocable and may not be varied or withdrawn except as required by law.

How to invest

Applications for Shares can only be made by completing and lodging the Application Form.

Instructions on how to apply for Shares are set out in Section 7 and on the back of the Application Form.

Questions

If you have any questions in relation to the Offer, contact the MoneyMe Offer Information Line on 1800 502 914 (toll free within Australia) or +61 1800 502 914 (outside Australia) between 8:30am and 5:30pm (Sydney time), Monday to Friday. If you are unclear in relation to any matter, or you are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest.

Key Offer Statistics	
Offer Price	$1.25 per Share
Total proceeds under the Offer	$45.0 million
Total number of Shares available under the Offer	36.0 million
Number of Shares to be held by Existing Shareholders after the Offer	133.2 million
Total number of Shares on issue at Completion[1]	169.4 million
Market capitalisation at the Offer Price[2]	$211.8 million
Enterprise Value based on the Offer Price[2,3]	$175.3 million
Enterprise Value to FY20F pro forma total revenue[4]	3.8x

1. Fully paid ordinary Shares only. The Company will also have 2,274,095 Replacement Options and 1,680,000 Performance Rights on issue on Completion. Refer to Section 6 for further details
2. Market capitalisation at the Offer Price is defined as the Offer Price multiplied by the total number of Shares on issue at Completion of the Offer. Shares may not trade at the Office Price after Listing.
3. Enterprise Value is calculated as the sum of market capitalisation based on the Offer Price and pro forma net debt as at 30 June 2019, comprised of $36.5 million of unrestricted cash and cash equivalents. Refer to Section 4 for further detail
4. The Forecast Financial Information is based on assumptions and accounting policies set out in Sections 4 and 10 and is subject to key risks set out in Section 5. There is no guarantee that the forecasts will be achieved.

Chairman's Letter

moneyme

Dear Investor,

On behalf of the Directors, it is my pleasure to offer you the opportunity to become a Shareholder in MoneyMe Limited.

Founded in 2013, MoneyMe is a digital consumer credit business that delivers an innovative loan offering to tech-savvy consumers by leveraging our technology platform (**Horizon Technology Platform**) and big data analytics. Our Horizon Technology Platform allows applications to be completed within approximately five minutes and funds to be disbursed or credit facilities to be available for use shortly after an applicant is approved.

Since inception, we have originated more than $340 million[1] in loans through our risk-based lending platform and are well positioned to take advantage of the evolving consumer credit sector.

MoneyMe has a founder-led management team that has delivered a strong track record of revenue growth, increasing at a Compound Annual Growth Rate (**CAGR**) of 42% from FY17 to FY19.[2] The Board and Executive team believe the Company's growth profile is attractive and will be underpinned by further penetrating the consumer lending sector, continuing to innovate our product offering and capitalising on new revenue opportunities.

The Offer is seeking to raise $45 million. The net proceeds[3] from the Offer will be used to invest in MoneyMe's core business model and pursue our growth strategies, including increasing our market penetration and growing our total addressable market through product innovation and expansion into new markets, and also to repay Corporate Debt.

This Prospectus contains detailed information about the Offer, the industry in which the MoneyMe operates, MoneyMe's business and its financial and operating performance. Key risks associated with an investment in the Company are set out in Section 5. These risks include exposure to bad debts, access to and terms of funding, compliance and regulatory risk, execution of our growth strategy, and reliance on the effective operation of our credit assessment framework and Horizon Technology Platform. It is important that you read this Prospectus in its entirety before deciding whether to invest in the Company.

On behalf of the Directors, I look forward to welcoming you as a Shareholder in the Company.

Yours sincerely

Peter Coad
Chairman

1. From inception to 30 September 2019.
2. Calculated using pro forma Total Revenue from FY17 to FY19. See Section 4.3 for full details of the Company's historical and Forecast Financial performance.
3. $45.0 million less IPO costs of $5.6 million and the payment of $3.5 million to Existing Shareholders for the sale of certain of their shares in MoneyMe Financial Group Pty Ltd to the Company.

Co-Founder's Letter

Dear Investor,

When MoneyMe was founded back in May 2013, we began with a vision of delivering innovative credit products and better experiences for consumers, who we thought were underserved by traditional lenders in the market. The increasing use of digital and mobile technology in the consumer credit sector provided an opportunity to enter a market that was getting ready for change.

Jump forward to today and we have originated over $340 million loans[1] to over 80,000 customers[2] across Australia, and are continuing to grow our loan book with loan originations having increased 66% in FY19.[3] We believe this is because we have built a likeable, innovative and customer-focused brand, with the products, technology and people to match.

We are more than just an agile fintech with positive operating cash flows[4] and an attractive growth profile. Our success to date can be accredited to the people who foster the Company's core values of innovation and transparency, as well as enthusiasm, motivation and integrity for our customers. This has helped build a consumer focussed brand that makes credit outcomes based on each customer's risk profile.

We combine our in-house cloud-based technology platform with artificial intelligence and risk-based lending principles to assess credit risk and streamline the credit approval process, so that we can deliver frictionless credit products and ensure a seamless customer experience.

As a publicly listed company, we believe the associated increased brand profile and added financial flexibility of having access to the capital markets will assist us in driving our growth strategies of:

- increasing market penetration;
- product enhancement and innovation; and
- expanding into new markets.

We believe we will take our place in the nation's financial landscape as an agile fintech that will continue to quickly adapt to efficiently and effectively service our customers. Further, I believe that consumer preferences for faster, more convenient and tailored products are providing a tailwind for Fintech Consumer Lenders like us.

Thank you for taking the time to read these words and for considering becoming a part of the next phase of our journey as a publicly listed company.

Best regards

Clayton Howes
Managing Director and Chief Executive Officer

1. From inception to 30 September 2019.
2. Defined as the number of unique customers who have been funded a loan and calculated from inception to 30 September 2019.
3. See Section 4.3 for full details of the Company's historical and forecast financial performance.
4. Calculated on a pro forma basis – see Section 4.3 for full details of the Company's historical and forecast financial performance.

Section 1.

Investment overview

1.1 Introduction

Topic	Summary	For more information
Who are we?	We are a digital consumer credit business leveraging our technology platform (**Horizon Technology Platform**) and big data analytics to deliver an innovative loan offering to tech-savvy consumers. Founded in 2013, we have originated over $340 million[1] in loans through our risk-based lending platform and are well positioned to take advantage of the sector developments and trends described in Section 2.	Section 3.1
What do we do?	We operate in the online consumer credit sector in Australia, in which lenders provide finance solutions to consumers to fulfil a variety of personal funding requirements. Our target customers seek fast, convenient and simple access to credit direct from their mobile devices. Our technology platform allows applications to be completed within approximately five minutes and funds to be disbursed or credit facilities to be available to the customer shortly after approval. Algorithms allow us to provide personalised, risk-based pricing which better balances risk and return in our loan book.	Section 3.1
Why is the Offer being conducted?	We are seeking to raise funds to: ▪ provide MoneyMe with capital to pursue growth opportunities and invest in its core business, and provide MoneyMe with access to the capital markets which is expected to give it added financial flexibility; ▪ provide MoneyMe with the benefits of an increased profile that arises from being a publicly listed entity; ▪ provide Existing Shareholders with an opportunity to realise all or part of their investment in MoneyMe; and ▪ provide a liquid market for Shares and an opportunity for others to invest in the Company.	Section 7.1

1.2 Key features of our business model

Topic	Summary	For more information
What are our products?	Our revenue is currently generated primarily through our two products: ▪ **Personal Loan product**; and ▪ **Freestyle Virtual Credit Account**.[2] These products are primarily distributed through our flagship MoneyMe brand. In addition, we have a secondary brand, MyOzMoney[3], which we use to distribute our products as part of our broader distribution and market penetration strategy. These products are utilised by consumers for a variety of reasons, including to satisfy funding and budgetary needs, and in relation to a variety of discretionary and non-discretionary expenditures, including home renovation, holiday travel and vehicle expenses.	Section 3.3

1. Calculated since inception to 30 September 2019.
2. The Virtual Credit Account is a line of credit.
3. Loans originated via the secondary brand, MyOzMoney, comprised 10% of the principal loan book at 30 September 2019.

<table>
<tr><th>Topic</th><th>Summary</th><th>For more information</th></tr>
<tr><td>What are our products? continued</td><td>
Summary features of MoneyMe products
<table>
<tr><th>MoneyMe Product</th><th>Personal Loan</th><th>Freestyle Virtual Credit Account</th></tr>
<tr><td>Principal</td><td>$2,100 to $25,000</td><td>$1,000 to $10,000</td></tr>
<tr><td>Term</td><td>Three months up to three years</td><td>Revolving</td></tr>
<tr><td>Product type</td><td>Personal loan</td><td>Revolving line of credit</td></tr>
<tr><td>Rates and fees</td><td>Risk-based[4] pricing with an Annual Simple Interest Rate range of 8.99% to 29.99%
An establishment fee is charged on the origination of each loan of $100 to $1,000</td><td>Risk-based[5] pricing with an Annual Simple Interest Rate range of 16.99% to 25.99%
Annual fee of $100 to $250</td></tr>
<tr><td>Payment profile</td><td>Fixed amortisation with automated direct debit instalments on a weekly, fortnightly or monthly basis</td><td>Dynamic fixed amortisation with automated direct debit instalments on a fortnightly or monthly basis</td></tr>
<tr><td>Security</td><td>Unsecured</td><td>Unsecured</td></tr>
</table>
</td><td>Section 3.3</td></tr>
<tr><td>How do we generate revenue?</td><td>We generate revenue from customers by charging interest and fees for the provision of our credit products. We incur costs in the provision of these products, including borrowing costs, credit losses, sales & marketing costs and other operational costs.

Our loan interest income was approximately 86% of total revenue in FY19 and is generated through a combination of interest rate charges and fees. Pricing is tiered using a risk-based framework to ensure an acceptable risk versus return profile is preserved across our loan book.[6] Loan processing and risk assessment is highly automated with decision-making driven by data through the application of algorithms and scorecards that we have developed in-house. The use of algorithms improves our credit decisioning, making it more consistent, fast and scalable.

Other income we generate comprises of referral fees (income generated from referring applications to third parties with consent from the applicant because they did not meet our credit criteria or otherwise) and late fees and charges.</td><td>Section 3.8</td></tr>
</table>

4. In relation to loans originated via the MyOzMoney secondary brand, there is a risk-based determination of the loan size, term and whether to approve an applicant, but not the interest rate.
5. In relation to loans originated via the MyOzMoney secondary brand, there is a risk-based determination of the loan size, term and whether to approve an applicant, but not the interest rate.
6. In relation to loans originated via the MyOzMoney secondary brand, there is a risk-based determination of the loan size, term and whether to approve an applicant, but not the interest rate.

Topic	Summary	For more information
What is our customer value proposition?	**Fast provision of funding** ▪ Approximately five-minute application process ▪ Capability for loan funds to be disbursed or credit facility to be available shortly after approval **Flexible credit products** ▪ For our Personal Loan product, there is variability in the amount, cost and term, intended to address a range of customer requirements and preferences ▪ For our Freestyle Virtual Credit Account product, there is variability in the credit limit, cost and transaction methods, intended to address a range of customer requirements and preferences **No paperwork** ▪ Our application process is digital and automated with artificial intelligence used to enhance decision-making **Confidence and trust** ▪ We do not charge early repayment fees or direct-debit handling fees ▪ Interest rates and costs are disclosed and tailored to customer's credit profile[7] **Convenience** ▪ The ability to apply 24/7 via mobile phone, PC or tablet, and convenient repayments through automated direct-debit processing **No security** ▪ No security required From the beginning, we focused on building our digital application process with automation and self-service to optimise the user experiences. We consider the impact on customer satisfaction to have been very positive and reflected through our customer feedback, as we have achieved a rating of 4.7 out of 5 from 600+ reviews on the Product Review website[8] as well as a Net Promoter Score (NPS)[9] of 75. NPS is a measure of customer loyalty captured through post-engagement surveys and we consider a score in excess of 70 to be excellent.	Section 3.6

7. In relation to loans originated via the MyOzMoney secondary brand, there is a risk-based determination of the loan size, term and whether to approve an applicant, but not the interest rate.
8. Product Review as at 30 September 2019.
9. Survey Monkey as at 30 September 2019.

Topic	Summary	For more information
Who are our customers?	We have a diverse range of customers across Australia in terms of their location, age and employment. Our target customers are employed, tech-savvy, interested in quick access to credit, and value transaction speed, simplicity and convenience. Our customer base comprises individuals who are typically account holders with the Major Banks but may prefer our services for their greater speed, flexibility and convenience. We have over 80,000 customers[10] split 58% male and 42% female, with the median customer being 30 years old.[11] We have a strong track record of returning customers, with approximately 40% of our Personal Loan and Freestyle Virtual Credit Account customers being returning customers.[12] Our customers take out an average of 2.6 current MoneyMe products[13] with 87% of our customers making repayments on a weekly or fortnightly basis with the remainder paying monthly.[14] The average loan size has begun trending upwards and weighted average loan term has been trending upwards since H2 FY18, corresponding with our loan size offering increasing alongside the credit requirements of our customer base. Our Freestyle Virtual Credit Account customers are also transacting at an increasing volume, with the number of draw transactions trending upwards since the product was launched in the first quarter FY19.	Section 3.5
How do we fund our loan receivables?	Our loan receivables are principally funded via debt warehouse financing facilities and cash.[15] We currently have two Warehouse Facilities: ▪ the Velocity Warehouse Facility; and ▪ the Horizon Warehouse Facility. We are currently in discussions with Major Banks in relation to a new funding facility which, if obtained on the terms being discussed, would be sufficient to support our medium-term growth objectives and would lower our cost of capital.[16]	Section 3.9

10. Defined as the number of unique customers who have been funded a loan from inception to 30 September 2019.
11. Calculated from inception to 30 September 2019.
12. Calculated by dividing the number of returning Freestyle Virtual Credit Account and Personal Loan customers over the total number of Freestyle Virtual Credit Accounts and Personal Loan products issued, each from inception to 30 September 2019.
13. Calculated as the total loans issued over the total number of unique customers from inception to 30 September 2019 excluding discontinued products.
14. Calculated from inception to 30 September 2019.
15. We are required to fund each loan receivable before it is sold into the warehouse facilities as well as fund loan receivables that do not comply with eligibility criteria of our warehouse facilities.
16. However, no assurance can be given that such funding facility (or any comparable funding facility) will be secured, or that it will be secured on acceptable terms. Refer to Section 5.2(b).

<table>
<tr><th>Topic</th><th>Summary</th><th>For more information</th></tr>
<tr><td>How do we distribute our products?</td><td>We distribute our products predominantly by reaching prospective customers directly. A small portion of our distribution is through intermediaries. We consider our direct-to-consumer strategy to be an important strength as it allows us to maintain a lower Customer Acquisition Cost (CAC) and access servicing cost benefits.

MoneyMe's distribution channels

<table>
<tr><th>Channel</th><th>Direct</th><th>Partner/Intermediary</th></tr>
<tr><td>FY19 loan originations for Personal Loans & Freestyle Virtual Credit Accounts</td><td>96%</td><td>4%</td></tr>
<tr><td>Channel type</td><td>▪ Direct relationship with customer
▪ Use of both Search Engine Optimisation (SEO) and Search Engine Marketing (SEM)</td><td>▪ MoneyMe works with select affiliate partners to reach customers both instore[17] and online</td></tr>
<tr><td>Description</td><td>▪ Organic search
▪ Our flagship MoneyMe brand, with secondary brand MyOzMoney
▪ Digital channels, including Google and YouTube
▪ Social media targeted advertising, including Facebook, Instagram
▪ Content marketing</td><td>▪ Merchant partners with approximately a $3,600 typical transaction amount[18] and may offer interest-free terms
▪ Affiliate marketing channels and lead referral arrangements</td></tr>
</table>
</td><td>Section 3.10</td></tr>
<tr><td>What is our technology platform?</td><td>Our Horizon Technology Platform has been developed in-house and is built on cloud-based modular technologies. It was designed with regard to the following key objectives:
▪ support scale and drive efficiency through automation;
▪ enhance credit decisioning;
▪ utilise data analytics to inform and improve data-driven decision-making, through our artificial intelligence module, AIden®;
▪ deliver dynamic customer processes to provide a seamless customer experience;
▪ allow constant product innovation, which is facilitated through the technology platform being modular in nature; and
▪ provide security and protection of customer data through all layers of the platform.

The Horizon Technology Platform is designed to be modular in nature, allowing our developers the ability to test, advance, iterate and upgrade any individual component without disrupting the platform.

The Horizon Technology Platform[19] is able to seamlessly consume data from multiple sources (including third parties like credit bureaus and financial institutions) and, through our artificial intelligence platform, AIden®, is then able to use this data to continue to evolve our data-driven decision-making.</td><td>Section 3.4</td></tr>
</table>

17. Instore refers to loans distributed at the point of sale through introducer arrangements MoneyMe has with certain select merchants.
18. Calculated as the average of Personal Loan and Freestyle Virtual Credit Account originations originated from merchant channels as at 30 June 2019 for FY19.
19. The Horizon Technology Platform relies on third-party software for key functions, including Microsoft Azure (for cloud-hosting and data storage), and third-party service providers for key data, including Equifax (for credit information on applicants).

Topic	Summary	For more information
What is our strategy for growth?	Our growth strategy has the following key components: (a) Increasing our market penetration EVOLVING CONSUMER CREDIT SECTOR We believe evolving technology and the trend towards online and mobile based finance solutions are changing sector dynamics. It is our view that consumers will continue to transition to convenience driven non-credit products as well as technology enabled credit products, such as those provided by MoneyMe. INCREASING OUR FUNDING CAPACITY The market relevance of our credit products and our ability to satisfy current demand has been inhibited by the drawdown capacity remaining in our existing Warehouse Facilities. We have existing substantial and increasing unmet demand. We are currently in discussions with Major Banks in relation to a new funding facility which, if obtained on the terms being discussed, would provide us with sufficient funding capacity to support our medium-term growth objectives and would lower our cost of capital. (b) Increasing our total addressable market through product innovation HORIZON TECHNOLOGY PLATFORM The Horizon Technology Platform provides us with the ability to rapidly rollout additional products in adjacent markets where we see opportunity for disruption through innovation. An example of this is the recent launch of our ListReady product in the real estate sector. LISTREADY ListReady is a payment service that facilitates residential homeowners to defer the payment of their Vendor Paid Advertising (**VPA**) costs closer to the settlement of the sale of their property. It provides a solution for an issue that faces both vendors and real estate agents in relation to the sale of residential property. In the medium-term we intend to organically expand our product set in line with the growing credit needs of our customer base over time. (c) Market expansion into new geographies We have been testing the US market since June 2017 to evaluate the efficacy of our SEO and SEM strategies. To date, our US website has been used for the purpose of building familiarity with customer interactions and monetising the US traffic by referring it into a panel of domestic US lenders via an affiliate partner. We intend to implement the initial phase of our US growth strategy by satisfying the relevant regulatory and licensing requirements to lend in the US and establishing a beta version of MoneyMe in the US market, which we expect to complete in FY21.	Section 3.13
What are our key strengths?	▪ **Strong unit economics** – Loan unit economics that have continually improved since establishing our first Warehouse Trust, due to our cost of debt and Static Loss Rates having reduced. ▪ **Credit product innovation** – Freestyle Virtual Credit Account delivers innovation through the 'dynamic fixed amortisation' feature (as described in Section 3.3), which we believe makes the product an attractive alternative in the traditional credit card market. ▪ **Growing credit needs of customer base** – Our early entry point into our customer base's credit life cycle provides opportunity for low cost growth by scaling our product offering to their evolving credit needs over time. ▪ **The Horizon Technology Platform** – An intelligent, modular, scalable platform which has been developed and tested with over $340 million in originations.[20] Our agile development environment allows us to innovate and capitalise on market opportunities with speed. ▪ **Customer acquisition** – Digital and direct to consumer acquisition model allows us to deliver low CAC. ▪ **Customer satisfaction** – Strong brand advocacy and customer satisfaction with 75 NPS score.[21] ▪ **Funding demand** – Substantial unmet demand, and we believe our products are becoming increasingly relevant.	Section 3.7

20. Calculated from inception to 30 September 2019.
21. Survey Monkey as at 30 September 2019.

Topic	Summary	For more information
Who are our competitors?	The competitive landscape in the Australian consumer credit sector comprises the following types of industry participants: **a) Traditional lenders** Traditional lenders include all retail banks, credit unions and building societies. The largest participants in this group are the Major Banks, but it also includes regional banks (such as the Bank of Queensland, Suncorp Bank, Bendigo Bank and Adelaide Bank). Banks typically offer consumers a range of revolving credit and personal loan products including secured term loans, personal loans, overdraft facilities and credit cards. **b) Non-bank lenders** Non-bank lenders are institutions other than a bank, credit union or building society that offer loan products to consumers. The non-bank lending segment is fragmented in Australia with a range of participants who provide personal loans and revolving credit products to consumers. Latitude Financial Services is a major lender in the non-bank lending segment in Australia, and other lenders who participate in this area include Liberty Finance and Virgin Money. **c) Fintech Consumer Lenders** Fintech Consumer Lenders are a subset of non-bank lenders, that focus on technology and the digital provision of products, like MoneyMe, to address the financing needs of consumers. Within this sub-segment there are a number of different business models including: ▪ 'Balance sheet lending', which requires institutional warehouse funding to issue credit products to consumers. ▪ 'Buy now, pay later', which is an alternative form of balance sheet lending where companies fund an upfront purchase to a merchant on behalf of a consumer who will then repay the purchase amount in instalments that usually do not carry any upfront fees or interest. ▪ 'Peer-to-peer lending', which uses technology to match lenders and borrowers via digital platforms. Other participants in the Fintech Consumer Lending space include Society One, MoneyPlace, Zip Co, RateSetter, Afterpay, Splitit and Now Finance.	Section 2.4
How do we manage risk?	Our risk management framework is based on maintaining an effective system of controls that scales with complexity and growth. Our business model relies on the successful operation, oversight and accountability of our risk management and regulatory compliance framework. The framework includes a combination of policies, systems, technology interface, procedures and standards. Management execute within established governance committees, for structured direction and ongoing oversight of performance and risk management.	Section 3.12

1.3 Key financial metrics

Topic	Summary	For more information
What is the Company's pro forma historical and Forecast Financial performance?	See table below.	Section 4

$ million	Pro Forma Historical Results FY17	Pro Forma Historical Results FY18	Pro Forma Historical Results FY19	Pro Forma Forecast Results FY20F	Statutory Forecast Results FY20F
Total Revenue	15.9	24.1	31.9	45.8	45.8
EBITDA	(3.3)	(2.8)	(1.2)	2.9	0.9
Profit/(loss) before tax	(3.5)	(3.1)	(2.0)	1.8	(0.3)
Net profit/(loss) after tax	(2.4)	(2.2)	(1.6)	1.1	(0.2)

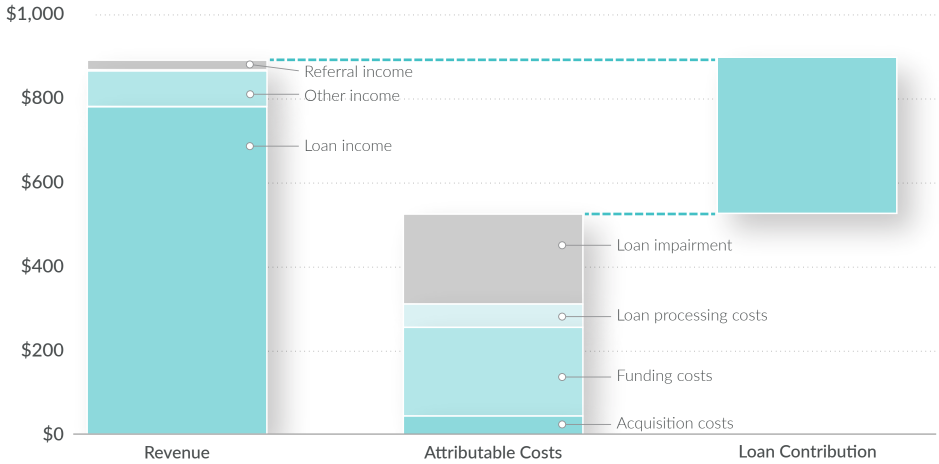
The information presented above contains Non-International Financial Reporting Standards (**IFRS**) financial measures, is intended as a summary only and should be read in conjunction with the more detailed discussion on the Financial Information disclosed in Section 4 as well as the risk factors set out in Section 5.

Investors should read Section 4 for the full details of the Company's pro forma and statutory Financial Information, including the pro forma adjustments and reconciliations in Section 4.3(d).

1.4 Investment highlights

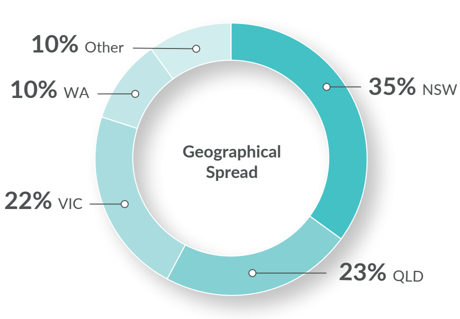
Topic	Summary	For more information
Erosion in the incumbents' market share	We operate in the Australian consumer credit sector, which in 2018 was estimated to have $471 billion in gross lending originations.[22] While the consumer credit originated from traditional lenders is forecast to decline by 6.5% between 2020 and 2024, consumer credit originated by non-bank lenders such as MoneyMe is expected to grow significantly in the same period by 36.6%, from $30 billion in 2020 to $40 billion by 2024.[23] We believe changing consumer preferences (including the emergence of the digital native generation as borrowers), increased scrutiny and regulation arising from the Banking Royal Commission, and the increasing role of new technologies is causing change in and disruption to the consumer credit sector, and driving the recent decline in traditional lenders' market share.	Section 2.2 to 2.4
Attractive growth prospects	We believe the consumer credit sector will continue to evolve, with a growing number of consumers transitioning to convenience driven non-bank financial service providers, providing a tailwind for Fintech Consumer Lenders like MoneyMe. We have existing substantial unmet demand for our credit products because we have been inhibited by capacity constraints under our existing funding facilities from satisfying credit applications received. With access to the Offer proceeds and, if obtained, the new debt financing arrangements the Company aims to put in place, we will be better placed to meet this demand. Our Horizon Technology Platform provides us with the ability to roll out additional products in adjacent markets where we see opportunity for disruption through innovation. An example of this is the recent launch of our ListReady product in the real estate sector, providing a payment solution to the VPA costs associated with selling a house. In the medium term we intend to organically expand our product set in line with the growing credit and payment needs of our customer base over time. With a consumer credit market in excess of US$4 trillion, the US presents an attractive market opportunity for MoneyMe. We have been testing the US market since June 2017 to evaluate the efficacy of our SEO and SEM strategies[24] and plan to establish a beta version of MoneyMe in the US market, which we expect to complete in FY21.	Section 3.13
Strong track record of growth	We have a strong track record of growth, producing: ▪ a 49% three-year CAGR in our gross loan book size from FY17 to FY19; and ▪ a 42% three-year revenue CAGR from FY17 to FY19.	Section 4

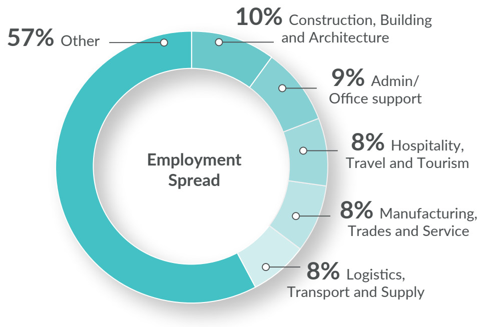
22. Euromonitor International Limited: Consumer Lending in Australia, 2020 edition, 'Market Sizes' – Gross lending assumes Australian dollars, historic balances (2007-2019) are on a current currency basis which includes the impact of inflation and forecast years (2020-2024) are on a constant currency basis, which excludes the impact of inflation. This includes $15.3 billion in secured auto-lending, which is a segment that MoneyMe does not currently participate in.
23. Consumer Lending in Australia, Euromonitor International, 'Consumer Credit by Type' – Gross lending assumes Australian dollars, historic balances (2007-2019) are on a current currency basis which includes the impact of inflation and forecast years (2020-2024) are on a constant currency basis which excludes the impact of inflation. Euromonitor International categorises Consumer Credit into Mainstream Financial Service Providers and Alternative Financial Service Providers. However, we refer to 'Mainstream Financial Service Providers' as 'traditional lenders' and 'Alternative Financial Service Providers' as 'non-bank lenders'.
24. Testing period defined to have started when traffic generated by US website first exceeded 200 visits daily.

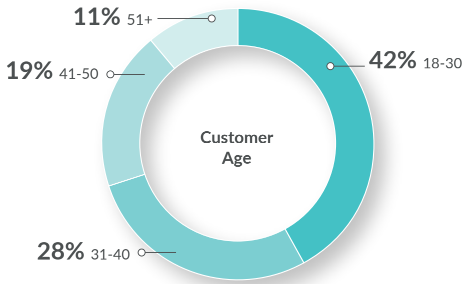
Topic	Summary	For more information
Attractive loan unit economics	▪ We have strong loan unit economics. The figure below illustrates our FY19 blended unit economics for our Personal Loan and Freestyle Virtual Credit Account products. ▪ In FY19 (on a blended new and repeat loan basis), we earned ~$900 of revenue per loan with a 42% net contribution margin per loan.  Our loan unit economics benefit from returning customers (comprising approximately 40% of our customers)[25] and referral income, offsetting our Customer Acquisition Costs.	Section 3.8
Scalable technology platform developed in-house	Our Horizon Technology Platform allows us to: ▪ support scale and drive efficiency through automation; ▪ enhance credit decisioning; ▪ utilise data analytics to inform and improve data-driven decision-making, through our artificial intelligence module, AIden®; ▪ deliver dynamic customer application processes to provide a seamless customer experience; ▪ allow constant product innovation, which is facilitated through the technology platform being modular in nature; and ▪ provide security and protection of customer data through all layers of the platform.	Section 3.4
High customer satisfaction rates drive returning customers	Our products are intended to appeal to a younger, digitally native generation, early in their credit life cycle. We have achieved a rating of 4.7 out of 5 from 600+ reviews on the Product Review website[26] as well as a Net Promoter Score (NPS)[27] of 75. We believe this positive customer feedback is indicative of high levels of customer satisfaction which drives returning customers, as our customers take out an average of 2.6 MoneyMe products.[28]	Section 3.6

25. Calculated by dividing the number of returning Freestyle Virtual Credit Account and Personal Loan customers over the total number of Freestyle Virtual Credit Accounts and Personal Loan products issued, each from inception to 30 September 2019.
26. Product Review as at 30 September 2019.
27. Survey Monkey as at 30 September 2019.
28. Calculated as the total loans issued over the total number of unique customers from inception to 30 September 2019, excluding discontinued products.

Topic	Summary	For more information
Diversified loan portfolio	We have a diverse range of customers across Australia in terms of their location, age and employment.	Section 3.5







Topic	Summary	For more information
Experienced, founder-led team	MoneyMe's co-founder and CEO, Clayton Howes, will continue to lead a passionate and experienced team dedicated to the Company's ongoing growth and profitability. Clayton and co-founder Scott Emery are joined on a majority independent board comprising individuals highly experienced in bank and financial institution management, financial oversight, compliance, branding, marketing, public relations and entrepreneurship.	Section 6.1 and 6.2

1.5 Key Company risks

Topic	Summary	For more information
Customers may not repay their financial obligations to MoneyMe	MoneyMe's customers may not pay the principal, interest and fees owing to it under their contract, which could result in a decrease in revenue and operating cash flows received, and an increase in expenses (including an increase in impairment expenses and funding costs). Any excessive exposure to bad debts as a result of customers failing to repay their financial obligations to MoneyMe will have a material adverse effect on its profitability. MoneyMe may find it more difficult to obtain funding or obtain funding on satisfactory terms if arrears or loss rates exceed limits set out in the facilities.	Section 5.2

Topic	Summary	For more information
MoneyMe may be unable to access funding, or funding available to MoneyMe may be on unsatisfactory terms	MoneyMe's ability to write new loans on favourable terms depends, in turn, on its ability to access funding on satisfactory terms. If MoneyMe is not able to secure additional funding (as and when it is required), it may not be able to write new loans or its ability to do so may be restricted. Further, if there is a loss or an adverse impact (for instance an increase in the cost of capital) to MoneyMe's current funding sources (including the Horizon Warehouse Facility and the Velocity Warehouse Facility), or any future funding sources, MoneyMe's ability to write new loans on favourable and/or competitive terms will be limited. These events could have a material adverse effect on MoneyMe's business, financial condition, results of operation, and/or growth. MoneyMe requires additional funding to meet its growth objectives in the medium term, accordingly, to the extent such funding is not obtained or obtained on acceptable terms, MoneyMe's ability to meet those growth objectives will be impeded.	Section 5.2
MoneyMe may not successfully implement its growth strategies	There is no guarantee that all or any of MoneyMe's growth strategies will be successfully implemented, deliver the expected returns or ultimately be profitable. There is also a risk that the growth strategies may be subjected to unexpected delays and additional implementation costs. There is no guarantee that MoneyMe will establish new products, or that any such new products launched by it will be successful. There is also a risk that any new products launched by MoneyMe will cannibalise the revenues of its existing products to a greater extent than expected. There is no guarantee that MoneyMe will enter the US market or that any such an initiative will be successful. Further, MoneyMe's credit processes and proprietary data may not appropriately assess or measure credit risk in other geographies (including the US) or in respect of other products. MoneyMe may also fail to adopt and execute growth strategies that will enable it to successfully maintain or improve its product offering and match any change in customer preferences. MoneyMe may fail to increase its loan book, which could occur as a result of a variety of reasons, including a deterioration in the MoneyMe brand or customers moving to competitors for better terms or service. This could be due to a failure to attract new customers and/or failure to maintain returning customers.	Section 5.2
Compliance with laws, regulations and industry compliance standards may impact MoneyMe's business	MoneyMe is subject to a range of laws, regulations and industry compliance standards which create conduct and disclosure obligations applicable to it, and are liable to change with developments in political, regulator and consumer needs and expectations. Failure to comply with these laws, regulations and industry compliance standards could adversely impact MoneyMe's business, including through civil penalty proceedings, loss or suspension of licence, increased compliance costs, the cessation of certain business activities, restrictions on product and service expansion, litigation and disputes, regulatory enquiry or investigation and reputational damage. The increasing demands of these laws, regulations and industry compliance standards, and changes to the regulatory landscape, could require MoneyMe to increase the resourcing of its compliance and risk function, which may add to its cost base. MoneyMe operates in a sector that is undergoing a significant period of political and regulatory scrutiny, with the result that regulators are showing a heightened preparedness to take action against consumer credit service providers, and there is uncertainty around future changes to laws, regulations and industry compliance standards. It is likely that changes to laws, regulations and industry compliance standards will continue. The introduction of laws, regulations and industry compliance standards which oblige industry participants to proactively change their business models or product features, alter funding arrangements or change their disclosure practices, could have a material adverse effect on MoneyMe's business, financial position, operating performance, and growth.	Section 5.2

Topic	Summary	For more information
MoneyMe's credit processes may fail	There is a risk that MoneyMe's credit risk framework and the credit assessment process undertaken by the Horizon Technology Platform may fail to accurately assess and monitor credit risk. There is also a risk that inadequate or failed operation of the credit assessment process could result in MoneyMe unintentionally accepting additional credit risk above its expectations, which could occur due to a failure of the Horizon Technology Platform itself or due to a failure of MoneyMe personnel. This could result in MoneyMe originating loans to customers who do not have the capacity to repay the loan, which could result in a breach of its responsible lending obligations, or originating loans in a way that does not effectively balance risk and return through its loan book. These events could have a material adverse effect on MoneyMe's business, financial condition, operating and financial performance, availability and cost of funding and/or growth.	Section 5.2
Failures or disruptions to MoneyMe's technology platform	There is a risk that MoneyMe's technology platform may experience downtime or interruption from system failures, service outages, corruption of information technology network or information systems as a result of computer viruses, bugs, worms or cyber attacks, as well as natural disasters, fire, power outages or other events outside the control of MoneyMe, and that measures implemented by MoneyMe to protect against such events are ineffective. Any systemic failure could cause significant damage to MoneyMe's reputation, its ability to make informed credit decisions and assess the credit performance of its loan book, its ability to service customers in a timely manner, and its ability to retain existing customers and generate new customers, any of which could have a material adverse impact on MoneyMe's business, operating and financial performance, and/or growth.	Section 5.2
Other risks faced by MoneyMe	Section 5 sets out a number of other risks that relate to an investment in MoneyMe as well as generally to an investment in Shares including the following: ▪ interest rate increases not able to be passed on to customers or interest rate rises adversely impacting on demand for loans; ▪ events of Default and Amortisation Events under the Warehouse Facilities being triggered; ▪ MoneyMe's technology platform or product offering becoming obsolete or outdated; ▪ MoneyMe's technology platform's reliance on key inputs from third parties to operate; ▪ MoneyMe may experience security or data breach including from cyber attacks; ▪ MoneyMe operates in a competitive market with a range of alternative providers and increasing levels of competition; ▪ MoneyMe's cost of direct marketing may increase and/or may become less effective; ▪ loss of key management personnel could impact MoneyMe; ▪ MoneyMe's intellectual property could be lost or compromised; ▪ MoneyMe is exposed to adverse economic conditions in the Australian economy; ▪ MoneyMe's brand and/or reputation may be damaged; ▪ MoneyMe is exposed to operational and conduct risk; ▪ MoneyMe may be exposed to fraud; ▪ MoneyMe may be subject to litigation and other claims and disputes; and ▪ other investment risk factors including economic factors, liquidity, tax law changes, accounting standard changes, force majeure events and Shareholder dilution.	Sections 5.2 and 5.3

1.6 Directors and senior management

Topic	Summary	For more information
Who are the Directors of the Company?	▪ Peter Coad – Chairman and Independent Non-Executive Director ▪ Clayton Howes – Managing Director and Chief Executive Officer ▪ Scott Emery – Non-Executive Director ▪ Jonathan Lechte – Independent Non-Executive Director ▪ Susan Wynne – Independent Non-Executive Director	Section 6.1

Topic	Summary	For more information
Who are the members of the Company's senior management?	▪ Clayton Howes – Managing Director and Chief Executive Officer ▪ Neal Hawkins – Chief Financial Officer ▪ Aaron Bassin – Head of Strategy ▪ James Diago – Head of Finance ▪ Roberto Boschiroli – Head of Marketing ▪ Frederick Relenas – Chief Technology Officer ▪ Jonathan Wu – Head of Operations	Section 6.2

1.7 Significant interests of key people, substantial Shareholders and related party transactions

Topic	Summary	For more information
Who are the Existing Shareholders and what will their interest in the Company be immediately following Completion?	(see table below)	Section 7.2

Shareholder(s)[31]	Shareholding in MoneyMe Financial Group Pty Ltd held prior to the Offer[29] (%)	(million)	Shareholding in the Company held at Completion[30] (%)	(million)
Clayton Howes	37.9%	51.5	29.7%	50.3
Scott Emery	35.0%	47.6	28.1%	47.6
Steve Bannigan	20.4%	27.8	15.5%	26.2
Other Existing Shareholders	6.7%	9.1	5.5%	9.4
New Shareholders	–	–	21.2%	36.0
Total	**100.0%**	**136.0**	**100.0%**	**169.4**

Topic	Summary	For more information
What significant benefits are payable to Directors and other persons connected with the Company or the Offer and what significant interests do they have?	(see table and text below)	Section 6

Directors[32]	As at Prospectus Date: Shares[33]	As at Prospectus Date: Performance Rights	At Completion: Shares[34]	At Completion: Performance Rights
Clayton Howes	51,494,716	–	50,294,716	252,000
Scott Emery	47,590,802	–	47,590,802	–
Peter Coad	662,126	–	662,126	200,000
Jonathan Lechte	662,126	–	662,126	200,000
Susan Wynne	–	–	–	60,000
Total	**100,409,774**	**–**	**99,209,770**	712,000

Directors and senior management are entitled to remuneration and fees on commercial terms as described in Section 6.4.

Further, Directors that are Existing Shareholders may receive proceeds in connection with the sale of their Shares in MoneyMe Financial Group Pty Limited to the Company immediately following Completion. See Section 7.1(c).

Advisers and other service providers will receive fees for services on the terms set out in Section 6.3.

Further details of the significant interests of key people, related party transactions and advisor and service provider fee entitlements are set out in Section 6.

29. Reflects a notional 573.88 for 1 share split because, under the Implementation Deed, this is the ratio at which shares in MoneyMe Financial Group Pty Ltd will be sold in consideration for Shares in the Company.
30. The holding information for the Existing Shareholders excludes any other Shares which they may acquire as part of the Offer at the Offer Price.
31. And/or their associated entities.
32. And/or their associated entities.
33. Reflects a notional 573.88 for 1 share split because, under the Implementation Deed, this is the ratio at which shares in MoneyMe Financial Group Pty Ltd will be sold in consideration for Shares in the Company.
34. Excludes any Shares which the Directors may acquire as part of the Offer at the Offer Price.

Topic	Summary	For more information
What related party arrangements are in place?	MoneyMe intends to enter into an agreement with Yarra Valley Commercial, an entity associated with Scott Emery, under which Yarra Valley Commercial will supply certain services and materials in relation to the installation and fit-out of MoneyMe's new premises in Newcastle. This agreement is described in Section 6.6. On Completion, the Company will repay outstanding loans provided by shareholders and non-shareholders in the amount of $2,012,533 from the proceeds of the Offer. These arrangements are described in Section 6.6.	Section 6.6
Will any Shares be subject to restrictions on disposal following Completion?	Yes. The Escrowed Shareholders will, under the terms of the voluntary escrow arrangements, be restricted from dealing with the Escrowed Shares they hold on Completion of the Offer until the expiration of the relevant Escrow Period, subject to certain exceptions. In aggregate, 131.0 million Shares representing approximately 77.3% of total Shares on issue immediately following Completion will be subject to voluntary escrow arrangements. These voluntary escrow arrangements are described in Section 9.8, including details of the escrow restrictions, the applicable Escrow Periods and exceptions to the escrow arrangements.	Section 9.8

Holder	Escrowed Shares (million)	Percentage of Shares at Completion
Howes Advisory Pty Ltd	50.3	29.7%
Emery Pty Ltd	47.6	28.1%
Bannigan Nominees Pty Ltd	26.2	15.5%
Other Existing Shareholders	7.0	4.1%
Total	**131.0**	**77.3%**

1.8 Overview of the Offer

Topic	Summary	For more information
Who is the issuer of this Prospectus?	MoneyMe Limited (ACN 636 747 414)	Important notices
What is the Offer?	The Offer is an Initial Public Offering (**IPO**) of 36.0 million Shares. The Shares offered under this Prospectus will represent approximately 22.7% of Shares on issue at Completion. The Offer is expected to raise approximately $45.0 million. 133.2 million Shares will also be issued to Existing Shareholders on Completion in connection with the Restructure (see Section 9.3). The Shares issued to Existing Shareholders will be issued under the Prospectus at the Offer Price. Each Share issued and transferred under this Prospectus will, from the time they are issued and transferred, rank equally with all other Shares on issue.	Section 7.1
What is the consideration payable for the Shares?	Successful Applicants under the Offer will pay the Offer Price, being $1.25 per Share.	Section 7.1

Topic	Summary	For more information
How will the proceeds of the Offer be used?	The table below sets out a summary of the anticipated use of the proceeds of the Offer.	Section 7.1

Uses of funds	$m	%
Funds to invest in our core business model and pursue our growth strategies[35]	20.0	44.5%
Funds to invest in product development and expansion into new geographies	6.9	15.2%
Repayment of Corporate Debt[36]	2.0	4.5%
Cash to strengthen balance sheet	7.0	15.5%
Cash payment to Existing Shareholders for MoneyMe Financial Group Pty Ltd shares	3.5	7.8%
Pay costs of the Offer	5.6	12.5%
Total	**45.0**	**100%**

Topic	Summary	For more information
	Our Directors believe that on Completion of the Offer, we will have sufficient funds available from the cash proceeds of the Offer and our Company's operations to fulfil the purposes of the Offer and meet our stated business objectives.	
How is the Offer structured?	The Offer comprises: ▪ The **Institutional Offer**, which consists of an invitation to bid for Shares made to Institutional Investors in Australia, New Zealand and a number of other eligible jurisdictions; ▪ The **Broker Firm Offer**, which is open to Australian and New Zealand resident investors who are not Institutional Investors and who have received an invitation from their Broker to participate.	Section 7.1
Is the Offer underwritten?	Yes. The Joint Lead Managers have fully underwritten the Offer. Details are provided in Section 9.5.	Sections 7.6 and 9.5
What is the allocation policy?	The allocation of Shares between the Broker Firm Offer and the Institutional Offer will be determined by the Company and the Joint Lead Managers. For Broker Firm Offer participants, the relevant Broker will decide as to how they allocate Shares among their retail clients. The allocation of Shares among Applicants in the Institutional Offer was determined by the Company and the Joint Lead Managers.	Sections 7.3 and 7.4
Who are the Joint Lead Managers for the Offer?	The Joint Lead Managers are Ord Minnett Limited (ACN 002 733 048) and Morgans Corporate Limited (ABN 32 010 539 607).	Important notices
Will the Shares be quoted on the ASX?	The Company will apply to ASX within seven days of the Prospectus Date for admission to the Official List of, and quotation of its Shares by, ASX under the code 'MME'. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.	Section 7.2

35. Other than the growth strategies covered by the row immediately below.
36. Historical related party loans used for general corporate purposes. It comprises historical shareholder loans from Mr Howes ($100,000), Mr Bannigan ($1,412,500), Mr Emery ($200,033), and non-shareholder loans from relatives of Mr Howes ($300,000).

Topic	Summary	For more information
Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on the acquisition of Shares under the Offer.	Section 7.2
What are the tax implications of investing in the Shares?	Summaries of certain Australian tax consequences of participating in the Offer and investing in Shares are set out in Section 9.12. The tax consequences of any investment in Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to invest.	Section 9.12
How can I apply?	**Broker Firm Offer Applicants** The Broker Firm Offer is only open to Australian and New Zealand resident investors who are not Institutional Investors and who have received an invitation from their Broker to participate. If you are interested in applying under the Broker Firm Offer, you should contact your Broker for additional instructions. **Institutional Offer Applicants** The Joint Lead Managers have separately advised Institutional Investors of the Application procedure under the Institutional Offer. To the extent permitted by law, an Application received under the Offer is irrevocable.	Sections 7.3 and 7.4
What is the minimum Application size?	The minimum Application size in the Broker Firm Offer is $2,000 worth of Shares. Applications in excess of the minimum number of Shares must be in multiples of at least $500. There is no maximum Application under the Broker Firm Offer.	Section 7.2
When will I receive confirmation that my Application has been successful?	It is expected that initial holding statements will be mailed to Successful Applicants by post on or about 10 December 2019.	Section 7.2
When are the Shares expected to commence trading?	It is expected that trading of the Shares on the ASX will commence on or about 16 December 2019, subject to ASX confirmation. It is the responsibility of each Applicant to confirm their own holdings before trading on ASX, and any Applicant who sells their Shares before they receive an initial holding statement does so at their own risk.	Section 7.2
Can the Offer be withdrawn?	The Company may withdraw the Offer at any time before the issue of Shares to Successful Applicants or bidders under Offer. If the Offer, or any part of it, or the acquisition by the Company of MoneyMe's Shares does not proceed, all relevant Application Monies will be refunded (without interest).	Important notices

Section 2.

Industry overview

2.1 Introduction

We operate in the consumer credit sector of the Australian financial services industry, in which financing solutions are provided to consumers for a variety of personal funding requirements. This Section provides an overview of the Australian consumer credit sector, and addresses the competitive landscape, the role of Fintech Consumer Lenders, and relevant key developments and trends in the sector.

2.2 Overview of the Australian consumer credit sector

Euromonitor has estimated that in 2018 there was $471 billion of gross lending originations in the Australian consumer credit sector, which is defined as comprising all non-mortgage consumer debt extended to individuals for personal or household use (including instalment loans and credit cards).[1]

We are a technology-driven online consumer lender operating in this sector and believe we are well placed to compete against large incumbents[2] and grow our share of the market. We currently operate in two key segments of the Australian consumer credit sector, being:

- **Personal loans** – through our Personal Loan product. Personal loans allow consumers to receive a principal sum amount upfront that is repaid, with interest, in instalments over a defined loan term. Interest rates on these types of loans will typically vary depending on the borrower's assessed ability to service the loan and the loan's duration;
- **Revolving credit** – through our Freestyle Virtual Credit Account product. Revolving credit includes products such as credit cards, that are primarily issued by traditional lenders, and have a range of features including varying credit limits and interest rates. With these products, consumers are effectively provided with a line of credit that remains open and can continue to be drawn on and then repaid by the consumer each time.

These credit products seek to address the funding and budgetary needs of consumers and are used for a range of discretionary and non-discretionary expenditure.

Unsecured credit products tend to have higher interest rates than secured credit products.

2.3 Key sector developments and trends in consumer lending

(a) Erosion of large incumbents' market share

Traditional lenders enjoy a significant share of the consumer credit sector in Australia, with an estimated market share of 95.6% in 2018.[3] Traditional lenders here are defined as being the retail banks, credit unions and building societies.

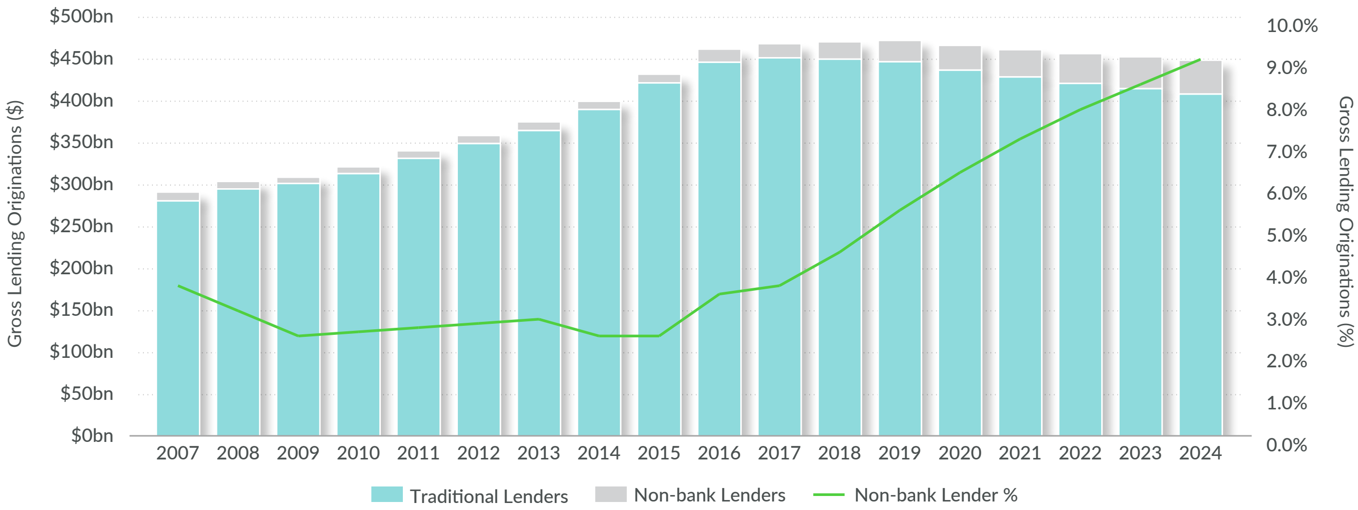
We believe that traditional lenders' market share has been driven and supported by, at least in part, the high barriers to entry in the sector. Larger participants (like the Major Banks) have and continue to benefit from economies of scale and access to cheaper funding not typically available to smaller entrants. Smaller entrants do not have the benefit of those economies of scale or have access to the same scale of funding (and therefore rely heavily on wholesale markets to raise funds), which in turn limits their capacity to be competitive when pricing loans. The Major Banks also benefit from having established brands and broad distribution networks.

However, we believe changing consumer preferences, the increasing role of new technologies, the emergence of the digital native generation as borrowers and increased scrutiny and regulation following the Banking Royal Commission, together with the emergence of non-bank lenders[4], is causing change in and disruption to the consumer credit sector. In our view, this has begun to lower the barriers to entry in the sector and contributed to the erosion of the traditional lenders' market share in recent years. Non-bank lenders are forecast to comprise 4.4% of the consumer lending sector in 2018 (up from an estimated 3.4% in 2016) and this growth is expected to continue with non-bank lenders forecast to comprise 9.0% by 2024.[5]

1. Euromonitor International Limited: Consumer Lending in Australia, 2020 edition, 'Market Sizes' – Gross lending assumes Australian dollars, historic balances (2007-2019) are on a current currency basis which includes the impact of inflation and forecast years (2020-2024) are on a constant currency basis which excludes the impact of inflation. This includes $15.3 billion in secured auto-lending, which is a segment that MoneyMe does not currently participate in.
2. In this Prospectus, 'large incumbents' means the traditional lenders (and in particular the Major Banks).
3. Euromonitor International Limited: Consumer Lending in Australia, 2020 edition, 'Consumer Credit by Type' – Gross lending assumes Australian dollars, historic balances (2007-2019) are on a current currency basis which includes the impact of inflation and forecast years (2020-2024) are on a constant currency basis which excludes the impact of inflation. Euromonitor International categorises Consumer Credit into Mainstream Financial Service Providers and Alternative Financial Service Providers. However, we refer to 'Mainstream Financial Service Providers' as 'Traditional Lenders' and 'Alternative Financial Service Providers' as 'Non-Bank Lenders'.
4. Defined as entities that are not banks, credit unions or building societies, and therefore including Fintech lenders like MoneyMe.
5. Euromonitor International Limited: Consumer Lending in Australia, 2020 edition, 'Consumer Credit by Type' – Gross lending assumes Australian dollars, historic balances (2007-2019) are on a current currency basis which includes the impact of inflation and forecast years (2020-2024) are on a constant currency basis which excludes the impact of inflation. Euromonitor International categorises Consumer Credit into Mainstream Financial Service Providers and Alternative Financial Service Providers. However, we refer to 'Mainstream Financial Service Providers' as 'Traditional Lenders' and 'Alternative Financial Service Providers' as 'Non-Bank Lenders'.

Figure 2-1 below illustrates the changing nature of the Australian consumer credit sector and the growing market share of non-bank lenders, as consumers begin to explore financing alternatives to traditional lenders. While consumer credit originated by non-bank lenders, such as MoneyMe, is expected to grow 36.6% from $30 billion in 2020 to $40 billion in 2024, the value of consumer credit originated from traditional lenders is forecast to decrease 6.5% from $437 billion to $408 billion during the same period.[6]

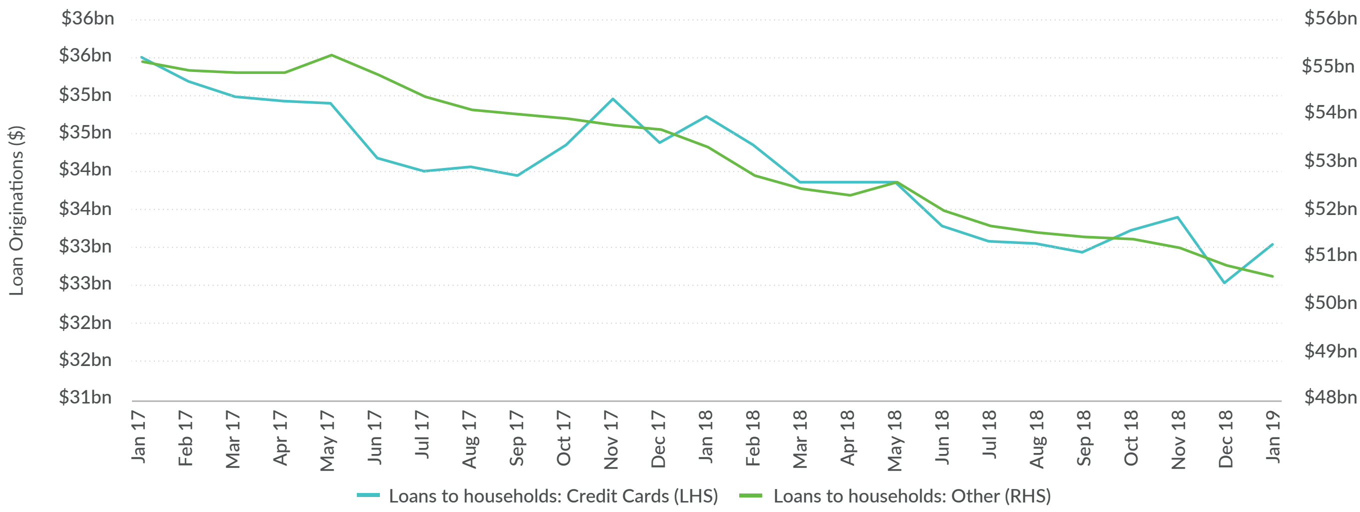
Figure 2-1: Consumer credit by lender type 2007-2024[7]



It is our view that changing consumer behaviours, the increasing role of new technologies and increased regulation and public scrutiny following the Banking Royal Commission, have made areas of the consumer credit sector more difficult and less attractive for traditional lenders than they have historically been, and have contributed to the recent decline in their market share of the sector. Accordingly, we expect traditional lenders will increase their focus on the consumer mortgage market and continue to reduce their exposure to unsecured consumer credit products. As illustrated in Figure 2-2, the Major Banks have experienced a contraction in consumer credit originations since January 2017. This has provided a further opportunity for non-bank lenders, such as MoneyMe, to increase their presence in the sector.

6. Euromonitor International Limited: Consumer Lending in Australia, 2020 edition, 'Consumer Credit by Type' – Gross lending assumes Australian dollars, historic balances (2007-2019) are on a current currency basis which includes the impact of inflation and forecast years (2020-2024) are on a constant currency basis which excludes the impact of inflation. Euromonitor International categorises Consumer Credit into Mainstream Financial Service Providers and Alternative Financial Service Providers. However, we refer to 'Mainstream Financial Service Providers' as 'Traditional Lenders' and 'Alternative Financial Service Providers' as 'Non-Bank Lenders'.
7. Euromonitor International Limited: Consumer Lending in Australia, 2020 edition – Gross lending assumes Australian dollars, historic balances (2007-2019) are on a current currency basis which includes the impact of inflation and forecast years (2020-2024) are on a constant currency basis which excludes the impact of inflation. Euromonitor International categorises Consumer Credit into Mainstream Financial Service Providers and Alternative Financial Service Providers. However, management refers to 'Mainstream Financial Service Providers' as 'Traditional Lenders' and 'Alternative Financial Service Providers' as 'Non-Bank Lenders'.

Figure 2-2: Snapshot of Major Bank Loan Books January 2017 – February 2019[8]



(b) Emergence of Fintech Consumer Lenders

We consider fintech consumer lenders to be a subset of non-bank lenders that focus on technology and the online provision of products to address the financing needs of consumers (**Fintech Consumer Lenders**). They are becoming increasingly important participants in the non-bank lending segment and are contributing to the reshaping of the competitive landscape of the Australian consumer credit sector. Fintech Consumer Lenders, such as MoneyMe, typically draw heavily on data analytics and automated processes to perform client identification, determine consumer credit worthiness, assess credit risk and manage collections, which lowers the barriers to entry discussed above by improving operational leverage and reducing certain costs associated with loan origination.

The increasing role of Fintech Consumer Lenders has occurred in concert with, and we believe has been aided by, the increasing use of digital and mobile technology in the broader economy to access products and services, including credit. This trend has contributed to a more efficient and convenient transaction experience for consumers while also reducing the need for costly investment in branches to service customers.

Increasing awareness and interest in fintech lending among consumers is also evidenced by the rising number of online searches for consumer credit related terms in recent years. Figure 2-3 shows the relative interest for searches addressing 'personal loan' and 'MoneyMe' using Google since August 2015.

8. APRA Monthly Authorised Deposit-taking Institution Statistics. This publication relates to all Authorised Deposit Taking Institutions (ADIs), accordingly, to create Figure 2-2 we have removed the information on ADIs that are not Major Banks from the underlying dataset. From February 2019, the constituents of 'Loans to Households: Other' were changed and could not be compared to previous periods.

Figure 2-3: Australian-based, search volume over time for 'personal loan' and 'MoneyMe' on Google[9]

2.4 Competitive landscape

The evolution of the Australian consumer credit sector, as outlined in Section 2.3, reflects changing consumer preferences, increasing regulatory scrutiny and activity arising from the Banking Royal Commission and the increasing role of technology. The Australian consumer lending sector is comprised of the following types of industry participants:

(a) Traditional lenders

Traditional lenders include all banks, credit unions and building societies. The largest participants in this group are the Major Banks, but it also includes regional banks (such as the Bank of Queensland, Suncorp Bank, Bendigo Bank and Adelaide Bank). Banks typically offer consumers a range of revolving credit and personal loan products including secured term loans, personal loans, overdraft facilities and credit cards.

As discussed in Section 2.3, traditional lenders have historically maintained (and currently maintain) the largest share of the Australian consumer lending sector, driven by advantages in scale, cost, efficiency and funding abilities. However, we believe technology has and will continue to play an important role in levelling certain advantages of traditional lenders in the consumer credit sector, as Fintech Consumer Lenders leverage technology to provide a more consumer friendly and efficient lending process and take advantage of the lower barriers to entry. Consequently, we believe the competitive landscape will continue to broaden.

(b) Non-bank lenders

Non-bank lenders are institutions other than a bank, credit union or building society that offer loan products to consumers. The non-bank lending segment is fragmented in Australia with a range of participants who provide personal loans and revolving credit products to consumers. Latitude Financial Services is a major lender in the non-bank lending segment in Australia, and other lenders who participate in this area include Liberty Finance and Virgin Money.

9. Google trends as at 30 August 2019. Figures represent search interest relative to the highest weekly point since August 2015, which have been presented on a rolling 6-month average basis. A value of 100 is the peak popularity for the term, while a value of 50 means that the term is half as popular.

(c) Fintech Consumer Lenders

Fintech Consumer Lenders are a subset of non-bank lenders that focus on technology and the digital provision of products, like MoneyMe, to address the financing needs of consumers.

Within this subset there are a number of different business models, including:

- 'Balance sheet lending', which typically involves institutional warehouse funding to issue credit products to consumers.
- 'Buy now, pay later', which is an alternative form of balance sheet lending where companies fund an upfront purchase to a merchant on behalf of a consumer who will then repay the purchase amount in instalments that usually do not carry any upfront fees or interest. Income is earned by the Company through a merchant fee.
- 'Peer-to-peer lending', which uses technology to match lenders and borrowers via digital platforms.

Other participants in the Fintech Consumer Lending space include Society One, MoneyPlace, Zip Co, RateSetter, Afterpay, Splitit and Now Finance.

2.5 Regulatory environment

(a) Overview of regulatory areas that impact MoneyMe

We are a credit-licenced business and, due to the nature of our business, are subject to a range of regulatory and compliance requirements. Figure 2-4 below details some of the key regulations that impact our business:

Figure 2-4: Key regulations that apply to MoneyMe:

Regulation	Oversight
Consumer credit regulation	An entity that engages in credit activities to which the National Credit Code (NCC) applies must hold an Australian Credit Licence (ACL) or be entitled to rely on an exemption. The NCC applies to credit that is provided to a consumer wholly or predominantly for personal, domestic or household purposes or residential property investment, in relation to which a fee is or may be charged and the credit is provided in the course of carrying a business in this jurisdiction. MoneyMe was granted an ACL in August 2013 under which it is authorised to carry on a business of providing credit to which the NCC applies and providing credit under a credit contract. MoneyMe's key obligations as an ACL holder include: ▪ demonstrating it has 'fit and proper' people to engage in credit activities, and responsible managers for the purpose of demonstrating and maintaining organisational competence across all of MoneyMe's credit activities; ▪ meeting training requirements for responsible managers; ▪ maintaining adequate arrangements and systems to ensure compliance with its obligations as a credit licensee; ▪ implementing adequate arrangements to ensure that its clients are not disadvantaged by any conflicts of interest arising in relation to credit activities engaged in by MoneyMe or our representatives; ▪ membership of the Australian Financial Complaints Authority (AFCA); ▪ holding funds equivalent to a portion of its loan book for the previous 12 months in lieu of maintaining professional indemnity insurance; ▪ submitting annual compliance certificates (reports) to ASIC detailing its compliance with its obligations as a credit licensee for the relevant year; ▪ complying with responsible lending obligations, including an obligation to conduct an assessment to ensure a credit contract is suitable for the consumer; and ▪ disclosure documents that comply with the form and content requirements prescribed by relevant legislation and ASIC guidance.

Regulation	Oversight
Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF)	An entity that provides 'designated services' with a geographical connection to Australia is a 'reporting entity' under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (**AML/CTF Act**) and must enrol with the Australian Transaction and Reports Analysis Centre (**AUSTRAC**) and comply with the AML/CTF Act and Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1), unless an exemption applies. Providing a loan in the course of carrying on a loans business and, as a lender, allowing a borrower to conduct a transaction in relation to a loan in the course of carrying on a loans business are designated services provided by MoneyMe in Australia. As such, MoneyMe is a reporting entity and has obligations under the AML/CTF Act which include to: ▪ enrol with AUSTRAC; ▪ adopt and maintain an AML/CTF program that complies with the AML/CTF Act; ▪ undertake customer due diligence prior to providing a designated service; and ▪ report certain matters to AUSTRAC including an annual compliance report.
Australian Financial Complaints Authority (**AFCA**)	Credit licensees are required to obtain AFCA membership, effective from 1 November 2018. AFCA is a free external dispute resolution scheme for dealing with complaints from consumers and small businesses. MoneyMe is a member of AFCA and was a member of its predecessors, Financial Ombudsman Service and the Credit & Investment Ombudsman.
Australian Prudential Regulatory Authority (**APRA**)	The *Financial Sector (Collection of Data) Act 2001* (Cth) (**FSCODA**) is intended to assist APRA in the collection of information relevant to financial sector entities. FSCODA applies to any corporation engaging in the provision of finance in the course of carrying on business in Australia, and APRA collects data from registered financial corporations under FSCODA, subject to asset value thresholds. MoneyMe is currently registered as a financial corporation under FSCODA in 'Category Other (Small)'. As a registered financial corporation, from 31 December 2019, MoneyMe will be required to submit returns to APRA under the new Economic and Financial Statistics collection, which commenced from March 2019. This includes lodgement of statements of financial position.
Office of the Australian Information Commissioner (**OAIC**)	OAIC is an independent national regulator for privacy and freedom of information. MoneyMe is regulated by the Privacy Act 1988, including the Australian Privacy Principles, with respect to credit reporting and the collection, storage, use and disclosure of personal information. Our obligations include: ▪ taking reasonable steps to protect personal information from unauthorised access or disclosure; and ▪ adhering to mandatory reporting obligations under notifiable data breach scheme.

(b) Recent regulatory developments

COMPREHENSIVE CREDIT REPORTING (CCR)

The Australian Government has mandated a CCR regime, requiring large authorised deposit-taking institutions and lenders prescribed in regulations (not yet released), but optional for other lenders to supply credit information relating to consumer credit accounts to all credit reporting bodies. Regulations will set out the circumstances in which credit reporting bodies can share supplied credit information.

The purpose of the CCR Bill is to provide lenders, like MoneyMe, with enhanced information to identify a potential customer's true credit capacity and allow for more bespoke lending, which more appropriately reflects a potential borrower's capacity to service and repay loans.

MoneyMe has been an early participant in the CCR regime from December 2018. It has integrated the additional data into its credit decisioning frameworks.

OPEN BANKING REGIME

Introduced in the Federal Government's 2017-2018 budget, the Open Banking Regime is designed to give consumers more ownership of the data that banks and organisations hold on them, and to improve the ability of consumers to compare products to assist in determining what financial products and services best suit their needs.

The Open Banking Regime is being implemented in phases with the first iteration effective from July 2019. Currently, all major Australian banks will be required to publicly share product data about credit and debit cards, deposit accounts and transaction accounts with consumers.

It is expected that the Open Banking Regime will facilitate increased competition between lenders in the consumer credit market in Australia and allow consumers to make informed decisions about where and with whom they choose to transact.

THE NEW PAYMENTS PLATFORM (NPP)

The NPP was launched in February 2018 and is open access infrastructure designed for fast (near real-time) payments in Australia.[10] The NPP was developed to support secure, innovative, data rich payment services to end-users on a 24/7 basis.

MoneyMe is aware of the opportunities available for near real-time payments for its product experience strategies.

BANKING ROYAL COMMISSION

The Banking Royal Commission was established in December 2017 with the intent of investigating and reporting on misconduct in the banking, superannuation and financial services industry.

Following scrutiny of the banking industry, the Banking Royal Commission tabled its Final Report in Parliament on 4 February 2019 and proposed 79 recommendations across the financial sector.[11]

The Final Report did not propose any amendments to the NCCP Act or responsible lending requirements, however the Banking Royal Commission generally reported findings of misalignment of interests between providers and consumers. As such, reforms to the responsible lending obligations applicable to consumer credit providers are currently being considered by the government and ASIC. For example, ASIC is currently engaging in public hearings with the Major Banks on developing regulatory guidance on responsible lending obligations.

10. RBA 'The New Payments Platform' https://www.rba.gov.au/payments-and-infrastructure/new-payments-platform/.

11. Final Report, Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, 1 February 2019.

Section 3.

Company overview

3. Company overview

3.1 About MoneyMe

We are a digital consumer credit business leveraging our technology platform (the **Horizon Technology Platform**) and big data analytics to deliver an innovative loan offering to tech-savvy consumers. Founded in 2013, we have originated over $340 million in loans[1] through our risk-based lending platform and are well positioned to take advantage of the sector developments and trends described in Section 2.

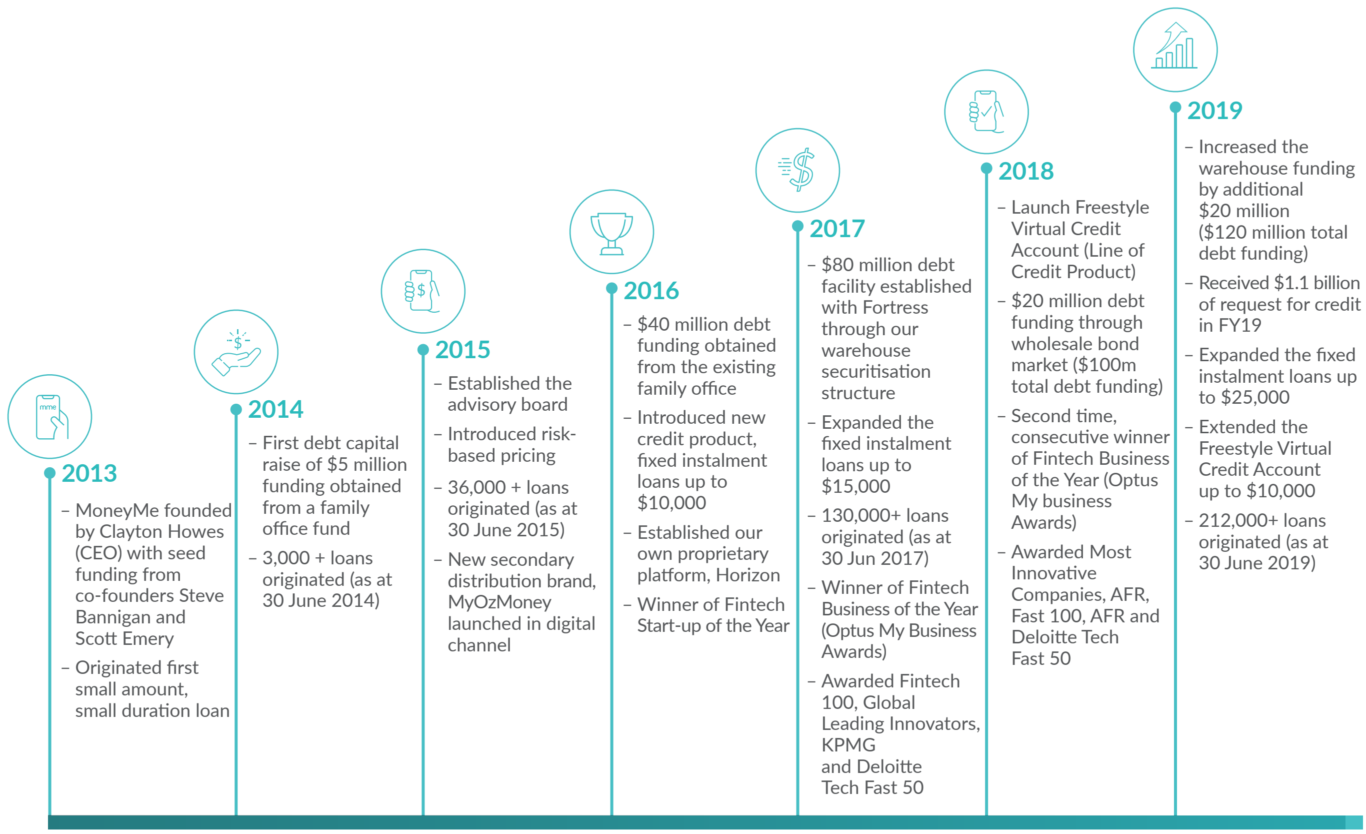
We operate in the consumer lending sector in Australia, in which lenders provide finance solutions to consumers to fulfil a variety of personal funding requirements. Our target customers seek fast, convenient and simple access to credit direct from their mobile devices.

Our technology platform allows applications to be completed within approximately five minutes and funds to be disbursed or credit facilities to be available for use shortly after an applicant is approved. Algorithms allow us to provide personalised, risk-based pricing, which better balances risk and return in our loan book.

3.2 Corporate history

Figure 3-1 details the key Company milestones in our operating history.

Figure 3-1: MoneyMe Corporate History



1. Calculated from inception to 30 September 2019.

3.3 Products

Our revenue is currently generated primarily through two products:

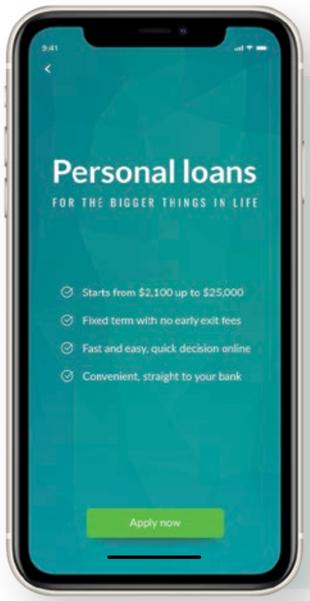
- Personal Loan product; and
- Freestyle Virtual Credit Account[2].

These products are primarily distributed through our flagship MoneyMe brand. In addition, we have a secondary brand, MyOzMoney[3], which we use to distribute our products as part of a broader distribution and market penetration strategy.

These products are utilised by consumers for a variety of reasons, including to satisfy funding and budgetary needs, and in relation to a variety of discretionary and non-discretionary expenditures, including for example home renovation, holiday travel and vehicle expenses.

Our loan revenue reflects a combination of interest rate charges and fees. Pricing is tiered using a risk-based framework to ensure an acceptable risk versus return profile is preserved across our loan book[4]. Loan processing and risk assessment is highly automated with decision-making driven by data through the application of algorithms that we have developed in-house. The use of algorithms improves our credit decisioning, making it more consistent, fast and scalable.

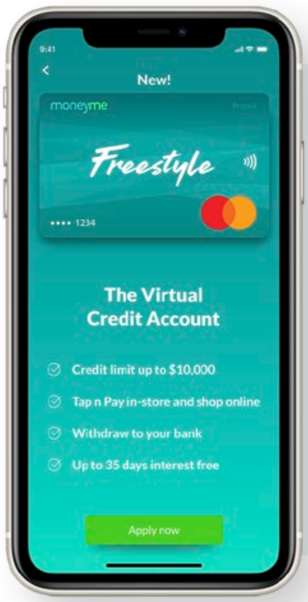
Figure 3-2: Key features of MoneyMe's Personal Loan



PRINCIPAL	$2,100 to $25,000
TERM	Three months up to three years
PRODUCT TYPE	Personal loan
RATES AND FEES	Risk-based pricing with an Annual Simple Interest Rate range of 8.99% to 29.99%[5] An establishment fee is charged on the origination of each loan of $100 to $1,000
PAYMENT PROFILE	Fixed amortisation with automated direct-debit instalments on a weekly, fortnightly or monthly basis
SECURITY	Unsecured

2. The Virtual Credit Account is a Line of Credit.
3. Loans originated via the Secondary brand MyOzMoney comprised 10% of the principal loan book balance at 30 September 2019.
4. In relation to loans originated via the MyOzMoney secondary brand, there is a risk-based determination of the loan size, term and whether to approve an applicant, but not the interest rate.
5. In relation to loans originated via the MyOzMoney secondary brand, there is a risk-based determination of the loan size, term and whether to approve an applicant, but not the interest rate.

Figure 3-3: Key features of MoneyMe's Freestyle Virtual Credit Account

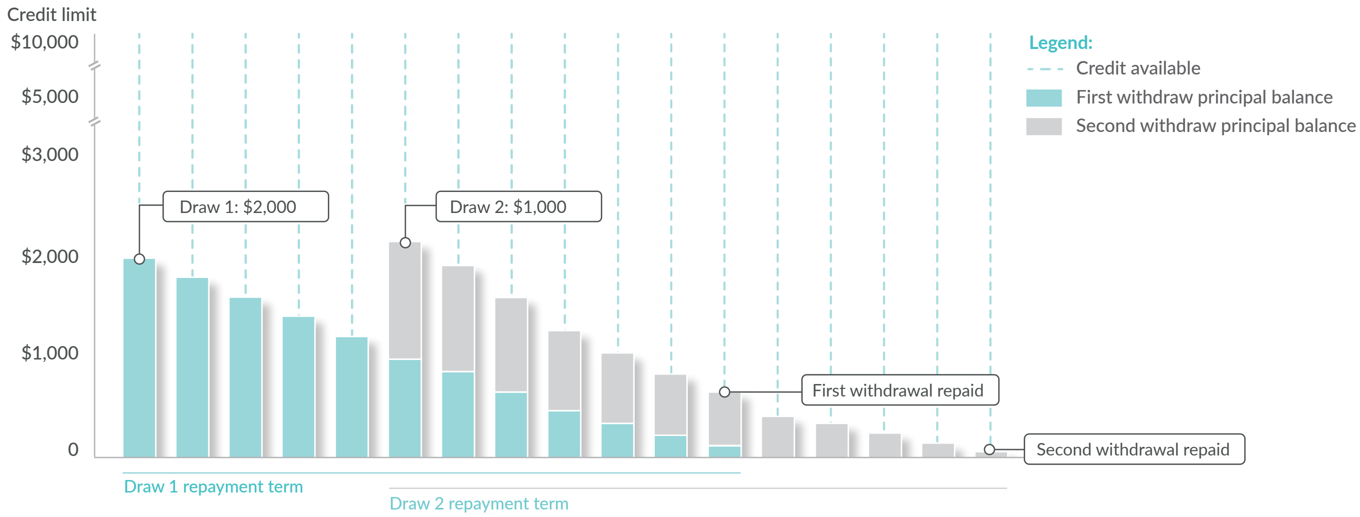


CREDIT LIMIT	$1,000 to $10,000
TERM	Revolving
PRODUCT TYPE	Revolving line of credit
RATES AND FEES	▪ Risk-based pricing with an Annual Simple Interest Rate range of 16.99% to 25.99%[6] ▪ Annual fee of $100 to $250
PAYMENT PROFILE	Dynamic fixed amortisation with automated direct-debit instalments on a fortnightly or monthly basis
SECURITY	Unsecured

Our Freestyle Virtual Credit Account, combines the fixed repayment features of a personal loan with the available and revolving credit limit features of a credit card. Each time a customer transacts using their Freestyle Virtual Credit Account, their amortisation profile adjusts and they are given new repayments over a fixed term to repay their adjusted balance. The dynamic amortising repayment profile of our Freestyle Virtual Credit Account is illustrated in Figure 3-4 below.

Figure 3-4: MoneyMe Freestyle Virtual Credit Account repayment profile

*For illustrative purposes only



Our Freestyle product was launched as the MoneyMe 'Line of Credit' in September 2018. We rebranded this product in August 2019 to the Freestyle 'Virtual Credit Account'. At the moment, customers can track their account balance, withdraw funds into their bank account and make repayments against the line of credit through MoneyMe's Mobile Application and website. We intend to release the product with online payment and 'Tap n Pay' functionality by the end of the year.

6. In relation to loans originated via the MyOzMoney secondary brand, there is a risk-based determination of the loan size, term and whether to approve an applicant, but not the interest rate.

3.4 The Horizon Technology Platform

Our Horizon Technology Platform has been developed in-house and is built on cloud-based modular technologies. It has been designed with regard to the following key objectives:

- support scale and drive efficiency through automation;
- enhance credit decisioning;
- utilise data analytics to inform and improve data-driven decision-making through our artificial intelligence module, AIden®;
- deliver dynamic customer processes to provide a seamless customer experience;
- allow for constant product innovation, which is facilitated through the technology platform being modular in nature; and
- provide security and protection of customer data through all layers of the platform.

Our Horizon Technology Platform relies on third-party software for key functions, including Microsoft Azure (for cloud-hosting and data storage), and third-party service providers for key data, including Equifax (for credit information on applicants).

The Horizon Technology Platform is designed to be modular in nature, allowing our developers the ability to test, advance, iterate and upgrade any individual component without disrupting the platform. We operate in an agile development environment, enabling us to innovate and capitalise on market opportunities with speed.

The Horizon Technology Platform is able to seamlessly consume data from multiple sources (including third parties like credit bureaus and financial institutions) and, through our artificial intelligence platform, AIden®, is then able to use this data to continue to evolve our data-driven decision-making. An overview of our Horizon Technology Platform and its modules are shown in Figure 3-5.

Figure 3-5: MoneyMe's Horizon Technology Platform modules

We have eight key modules within our Horizon Technology Platform.

1. **Treasury Function:** This module enables the efficient management, reporting and control of our loan portfolio to ensure compliance with our obligations under the Warehouse Trusts. We use this module to manage compliance with our securitisation trusts, including the testing of eligibility criteria, sale of assets into each of the trusts, testing of pool parameters and satisfying of subordination requirements. The outputs of the Treasury module are validated by the finance team as well as Perpetual Nominees Limited (**Perpetual**), the trust manager in both of our Warehouse Trusts.
2. **Application Workflow:** This module uses smart processes to provide a dynamic customer journey through adaptive fields which change based on customer inputs. This module enables fast credit assessments and provides a seamless customer experience.
3. **Underwriting:** This module is our credit decision engine and is designed to apply complex loan decisioning rules to assess an applicant's creditworthiness and set risk-based pricing. It performs real-time analysis of credit bureau data and bank transaction data to produce robust credit decisions. AML/CTF verification is also performed within the underwriting module.
4. **AIden®:** This is our artificial intelligence module, a machine learning platform that uses algorithms to efficiently interrogate data based on historical datasets.[7] It finds patterns in customer behaviour using data to assist in determining the likelihood of default.

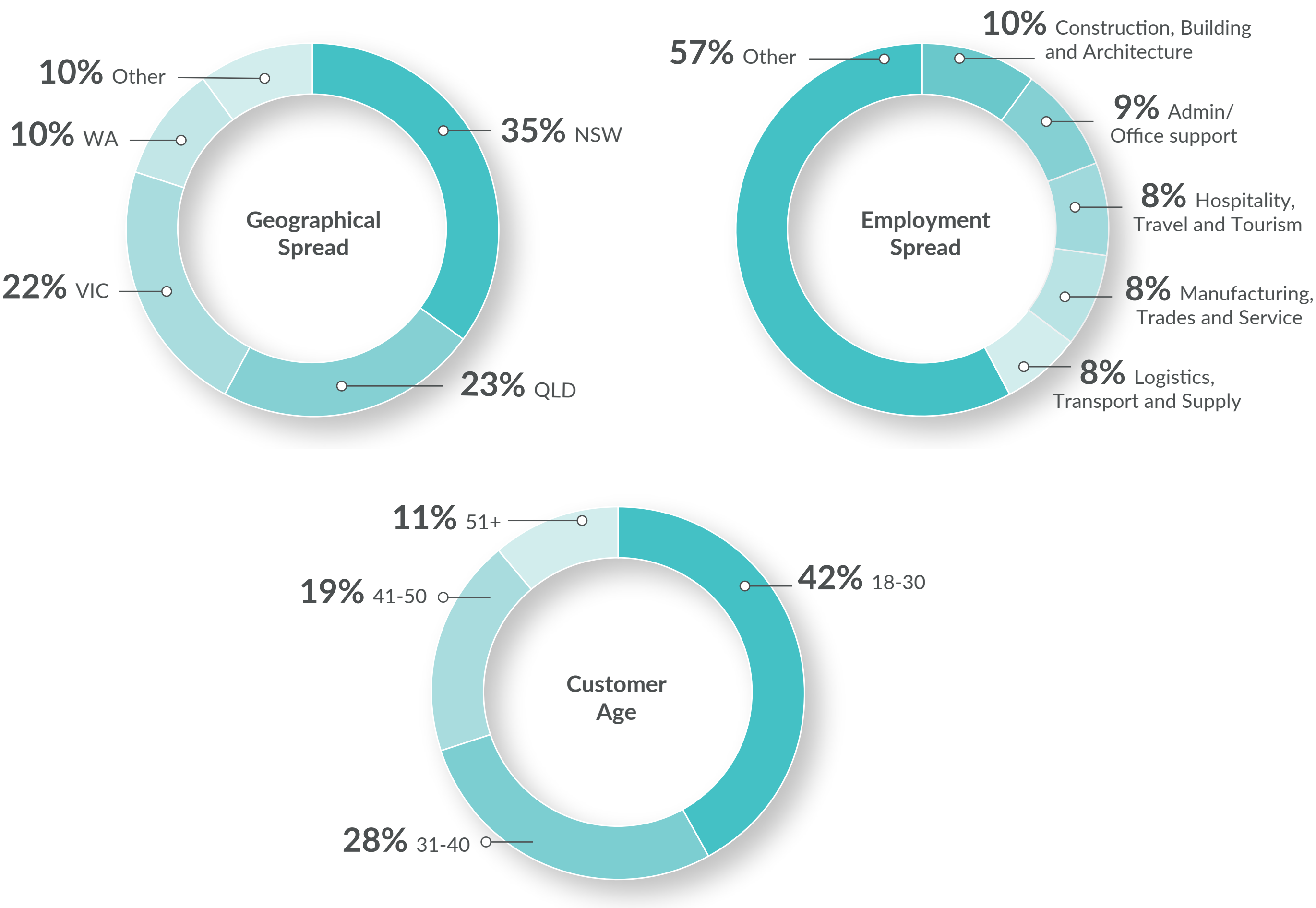
   With AIden®, we are able to apply a bespoke scorecard that enhances our credit risk assessment beyond the use of traditional credit bureau scorecards.
5. **Referral Management:** This module is a lead management platform that matches application data against a panel of lenders based on set buying criteria. We then refer applications to third parties with consent from the customer. We believe this process enables a better user experience, and it partly offsets our Customer Acquisition Costs by receiving a referral fee.
6. **Mobile Application:** This module enables our Personal Loan and Freestyle Virtual Credit Account on Android and iOS platforms, so customers can sign up, apply for a product, use available credit limit, make a payment and manage their account through the Mobile Application. The intention is to further develop the Mobile Application to include 'Tap n Pay' and online payment functionality.
7. **Communications:** This module manages all inbound and outbound voice and SMS communications. The inbound calls of our existing customers are directed to agents using our algorithm, which determines the most relevant department for the customer to be routed based on their loan history. We have also developed an automated dialler, which has the capacity to process thousands of calls in minutes, greatly increasing the efficiency of our operations staff. Our communications module is integrated with service provider Twilio to facilitate SMS, voice and email functionality.
8. **Payments:** This module automates the distribution of loan funds to approved customers' bank accounts and automates the repayment of loans for customers. The payments module includes automation of notifications and reminders, escalation of arrears, issuing of legal notices and the process of credit default listing. We built this module with the regulatory framework in mind, including Regulatory Guide 96 (Debt collection guideline: for collectors and creditors) issued by the Australian Competition and Consumer Commission (**ACCC**) and ASIC (**RG96**).

7. Historical datasets include bank transaction data, credit bureau data and customer entered data through the application form.

3.5 Customer base

We have a diverse range of customers across Australia in terms of their location, age and employment.

Figure 3-6: MoneyMe Customer Demographics[8]



- Geographical spread of loans is broadly consistent with the national population and GDP contribution. Our customers are not concentrated in any particular state or territory of Australia.
- Customer employment by sector is diverse, with the top five job sectors equating to 43%. The balance is spread across 21 other sectors.
- Customer age spread shows diversity of loan book across multiple age demographics.

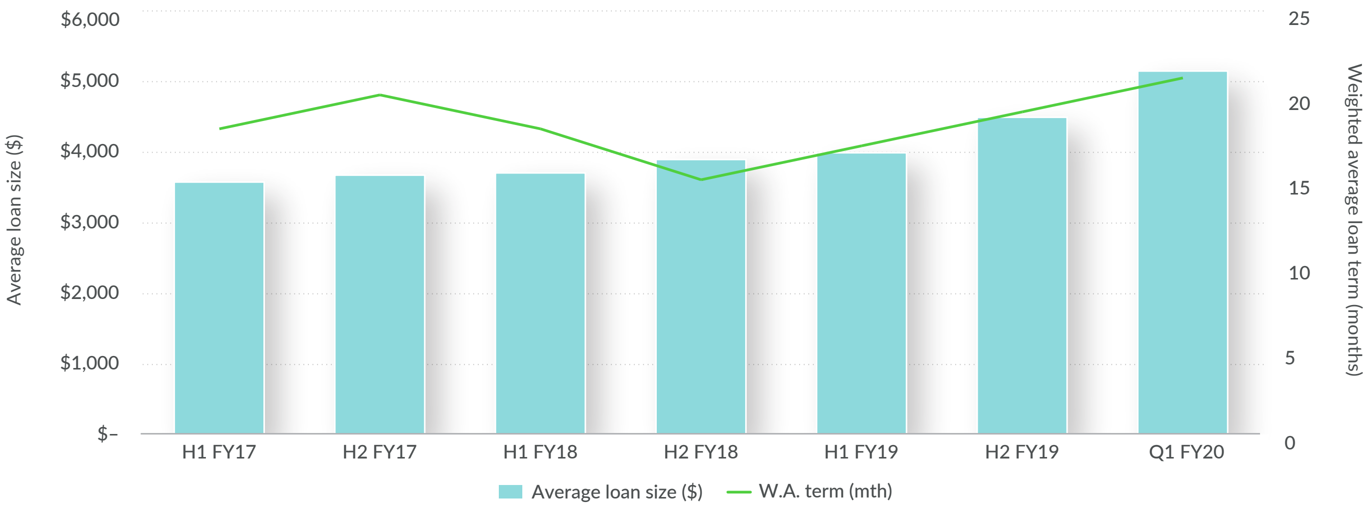
Our customer base comprises individuals who are typically account holders with the Major Banks but may prefer our services for their greater speed, flexibility and convenience.

8. Calculated as proportion of principal loan book balance as at 30 September 2019.

We have over 80,000 customers[9], split 58% male and 42% female, with the median customer being 30 years old[10]. We have a strong track record of returning customers, with approximately 40% of our Personal Loan and Freestyle Virtual Credit Account customers being returning customers[11]. Our customers take out an average of 2.6 MoneyMe products[12] with 87% of our customers making repayments on a weekly or fortnightly basis with the remainder paying monthly[13].

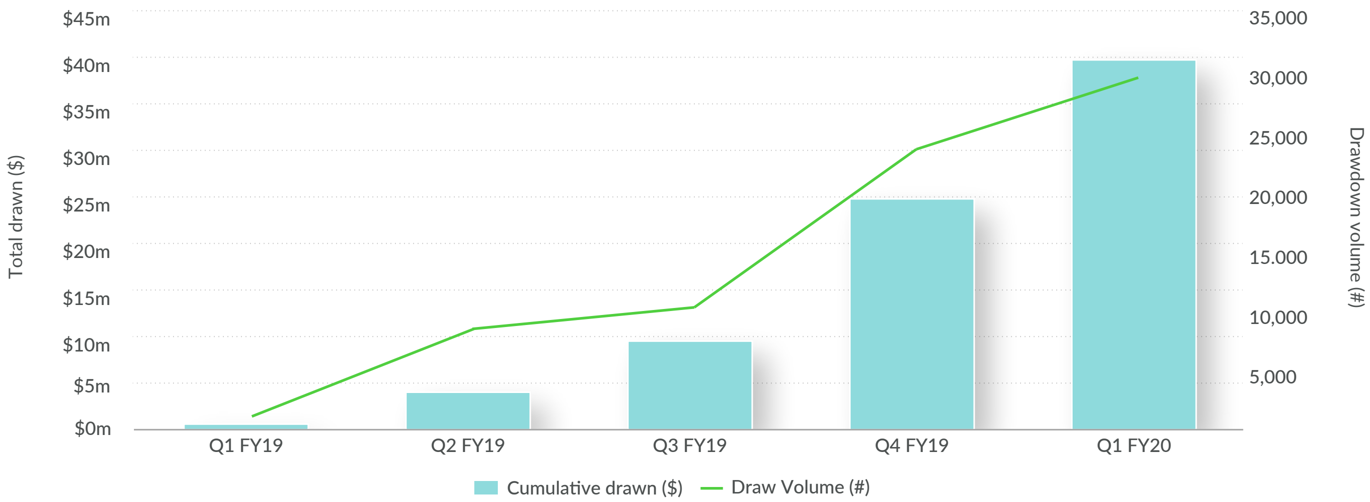
As illustrated in Figure 3-7, the average loan size has been trending upwards and weighted average loan term has begun to trend upwards from H2 FY18, corresponding with our loan offering increasing alongside the credit requirements of our customer base. Our Freestyle Virtual Credit Account customers are also transacting at an increasing volume, with the number of draw transactions trending upwards since the product was launched in the first quarter FY19 as illustrated in Figure 3-8.

Figure 3-7: Average loan size and weighted average loan term of Personal Loan product[14]



9. Defined as the number of unique customers who have been funded a loan from inception to 30 September 2019.
10. Calculated from inception to 30 September 2019.
11. Calculated by dividing the number of returning Freestyle Virtual Credit Account and Personal Loan customers over the total number of Freestyle Virtual Credit Accounts and Personal Loan products issued, each from inception to 30 September 2019.
12. Calculated as the total loans issued over the total number of unique customers from inception to 30 September 2019, excluding discontinued products.
13. Calculated from inception to 30 September 2019.
14. Company data calculated as at 30 September 2019.

Figure 3-8: Freestyle Virtual Credit Account cumulative volume and number of draw transactions[15]



3.6 Customer experience

Our target market are employed, tech-savvy people, interested in quick access to credit, and who value transaction speed, simplicity and convenience[16].

We believe a significant opportunity exists with these types of consumers who are either not addressed or are underserved by the Major Banks and other traditional lenders in Australia.

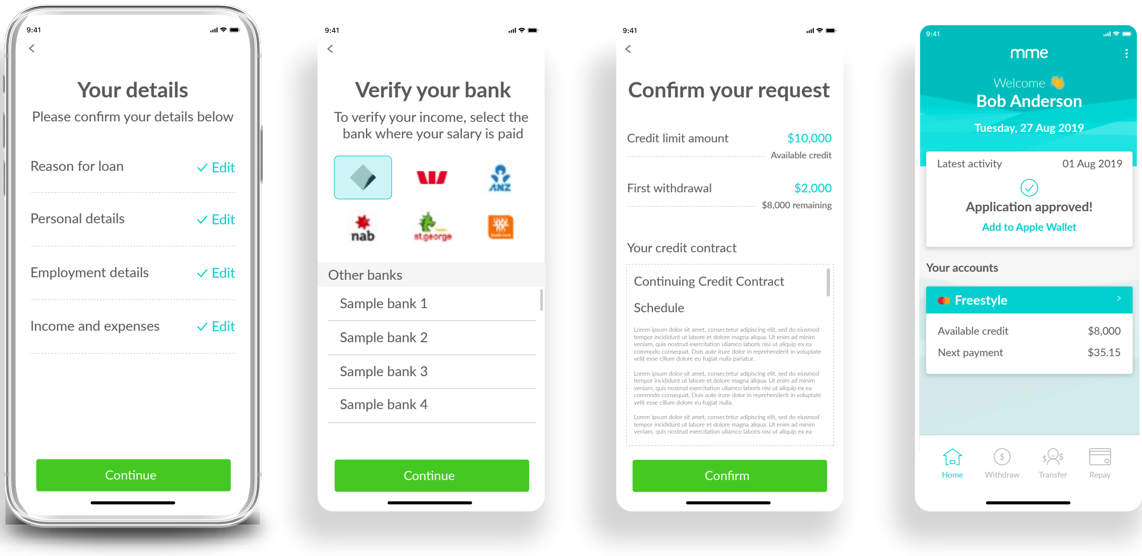
We combine our cloud-based technology platform and risk-based lending principles to assess credit risk and streamline the credit approval process, so that we can deliver frictionless credit products and ensure a seamless customer experience.

A key component of the MoneyMe customer experience is the application process, which takes approximately five minutes to complete and is accessible online at any time via mobile phone, PC or tablet, and the capability for funds to be disbursed or credit facilities to be available to the customer shortly after approval.

15. Draw transactions refer to each redraw made by a customer on their Freestyle Virtual Credit Account since launch in September 2018. Total drawn is calculated as the cumulative principal amount drawn since launch in September 2018.

16. All credit applications are subject to credit approval.

Figure 3-9: MoneyMe application process



On completion of an application form and our automated decisioning process, the applicant is advised whether they have been approved, and if they have, we present to them the credit facility size, pricing and the potential term of the loan. Applicants that do not meet our underwriting requirements may be redirected to third parties, for lending purposes[17], who we earn a referral fee from. We believe that referring such applicants to alternative lenders improves the applicant's customer experience with us and creates an opportunity for future engagement.

Figure 3-10: MoneyMe's customer value proposition

Consumer finance requirement	MoneyMe customer proposition
Fast provision of funding	▪ Approximately five-minute application process ▪ Ability to disburse cash to customer's bank shortly after loan approval
Flexible credit products	▪ For our Personal Loan product, there is variability in the amount, cost and term, intended to address a range of consumer requirements and preferences ▪ For our Freestyle Virtual Credit Account product, there is variability in the credit limit, cost and transaction methods, intended to address a range of consumer requirements and preferences
No paperwork	▪ Our application process is digital and automated with artificial intelligence used to enhance decision-making
Confidence and trust	▪ We do not charge early repayment fees or direct-debit handling fees ▪ Interest rates and costs are disclosed and tailored to customer's credit profile[18]
Convenience	▪ The ability to apply 24/7 on mobile, PC or tablet, and convenient repayments through automated direct-debit processing
No security	▪ No security required

17. Applicants provide permission to MoneyMe to be referred to third parties.
18. Risk-based determination of loan size and term still applies, however, interest rate is not adjusted on loans originated via the MyOzMoney secondary brand.

From the beginning, we focused on building our digital application process with automation and self-service to optimise the user experience. We consider the impact on customer satisfaction to be very positive and is reflected through our consumer feedback, as we have achieved a rating of 4.7 out of 5 from 600+ reviews on the Product Review website[19] as well as a Net Promoter Score (NPS) of 75[20]. NPS is a measure of customer loyalty captured through post-engagement surveys and we consider a score of 70+ to be excellent. Figure 3-11 summarises the positive engagement from our customers across a number of review platforms.

Figure 3-11: Summary of MoneyMe Customer review scores

3.7 MoneyMe's key strengths

We believe our strengths position us well to compete against the incumbents and increase our share of the consumer credit sector. These strengths include:

- Strong unit economics – Loan unit economics that have continually improved since establishing our first Warehouse Trust, due to our cost of debt and Static Loss Rates having reduced.
- Credit product innovation – Freestyle Virtual Credit Account delivers innovation through the 'dynamic fixed amortisation' feature (as described in Section 3.3), which we believe makes the product an attractive alternative to traditional credit cards.
- Growing credit needs of customer base – Our early entry point into our customer base's credit life cycle provides opportunity for low-cost growth by scaling our product offering with their evolving credit needs over time.
- The Horizon Technology Platform – An intelligent, modular, scalable platform which has already been developed and tested with over $340 million in originations[21]. Our agile development environment allows us to innovate and capitalise on market opportunities with speed.
- Customer acquisition – Digital and direct to consumer acquisition model allows us to deliver low CAC.
- Customer satisfaction – Strong brand advocacy and customer satisfaction with 75 NPS score[22].
- Funding demand – We have substantial unmet demand, and we believe our products are becoming increasingly relevant.

19. Product Review as at 30 September 2019.
20. Survey Monkey as at 30 September 2019.
21. Calculated from inception to 30 September 2019.
22. Survey Monkey as at 30 September 2019.

3.8 Earnings model

We generate revenue from customers by charging interest and fees for the provision of our credit products. We incur costs in the provision of these products, including borrowing costs, credit losses, sales & marketing costs and other operational costs.

In FY19, we originated 34,686 loans (including returning customer loans[23]), which had an average term of 17 months and average principal advanced of approximately $3,400[24].

Figure 3-12 below illustrates our FY19 blended unit economics for our Personal Loan and Freestyle Virtual Credit Account products. In FY19, we earned $903 of revenue per product with a 42% net contribution per loan[25].

Figure 3-12: FY19 Loan unit economics

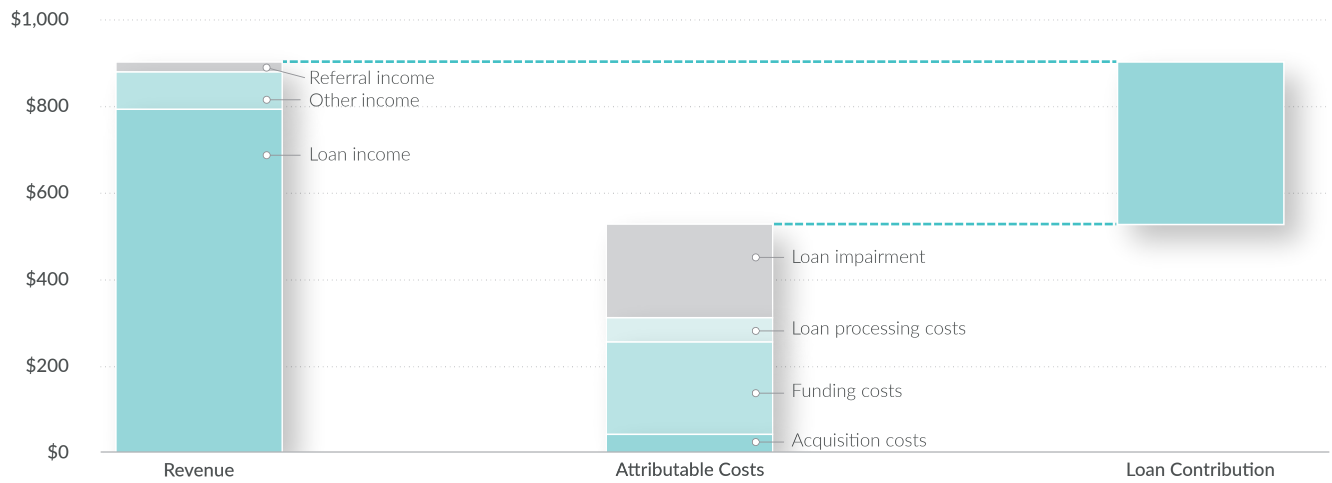


Figure 3-13: Unit economics of a MoneyMe Loan based on FY19 performance

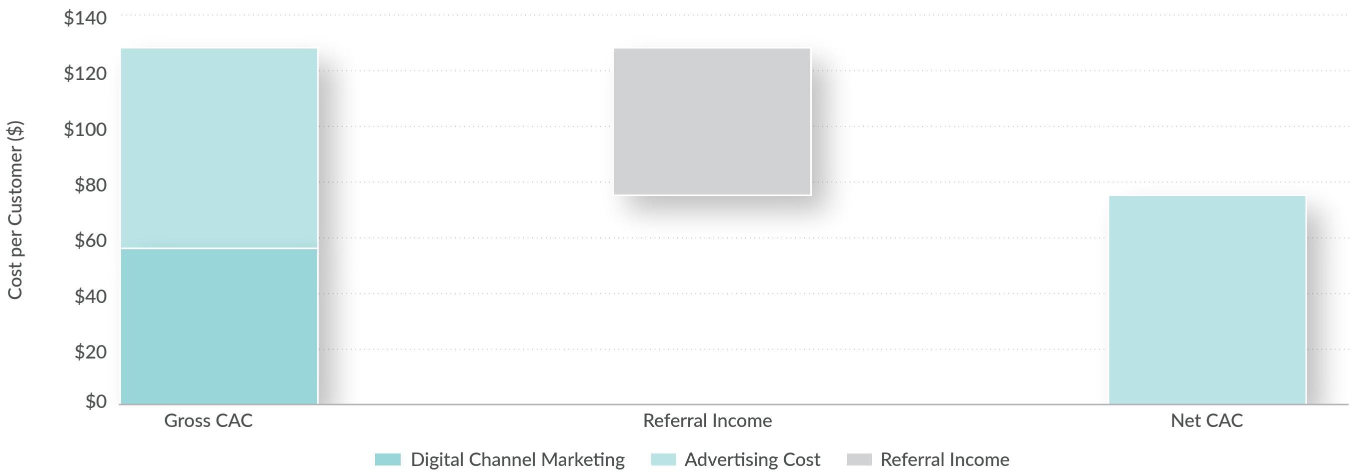
Total Revenue	
Loan Income	▪ Relates to contracted interest and fees from loan originations.
Referral Income	▪ Relates to income earned for the sale of Australian leads.
Other Income	▪ Relates to income from late fees and recoveries on written off loans. ▪ In FY19, late fees accounted for 5% of our total income, which we believe is reflective of our transparent business model as most of our income in FY19 is derived from contracted revenue.
Attributable Cost	
Loan Processing Costs	▪ Relates to costs associated with originating and managing a loan such as credit checks and direct debits.
Funding Costs	▪ Relates to interest costs associated with the Warehouse Facilities used to fund loans.
Acquisition Costs	▪ Relates to the advertising and referral costs associated with acquiring customers.
Loan Impairment	▪ Relates to the write-offs for losses on loan receivables.

23. For the purpose of the unit economic analysis, 'loan' includes the initial drawdown on the Freestyle Virtual Credit Account Product.
24. Calculated as total principal originated divided by number of loans in FY19.
25. Calculated based on FY19 audited financial statement data. Net contribution calculated as total revenue minus all attributable costs as displayed in Figure 3-12.

Customer Acquisition Costs

We consider customer acquisition costs (**CAC**) to be a key driver of our loan unit economics. To this end, we have built a lead selling platform through which we monetise a portion of declined applications by referring these leads on to selected third parties (as discussed in Section 3.6). In our testing of the US market opportunity, we also leverage our digital strategies to monetise US traffic through an affiliate partner (see Section 3.13). The CAC chart in Figure 3-14 reflects only the referral income revenue associated with Australian applicants.

Figure 3-14: Customer acquisition costs calculated for all new customers in FY19[26]



Returning customers

Approximately 40% of all Personal Loan or Freestyle Virtual Credit Account product customers are returning customers[27].

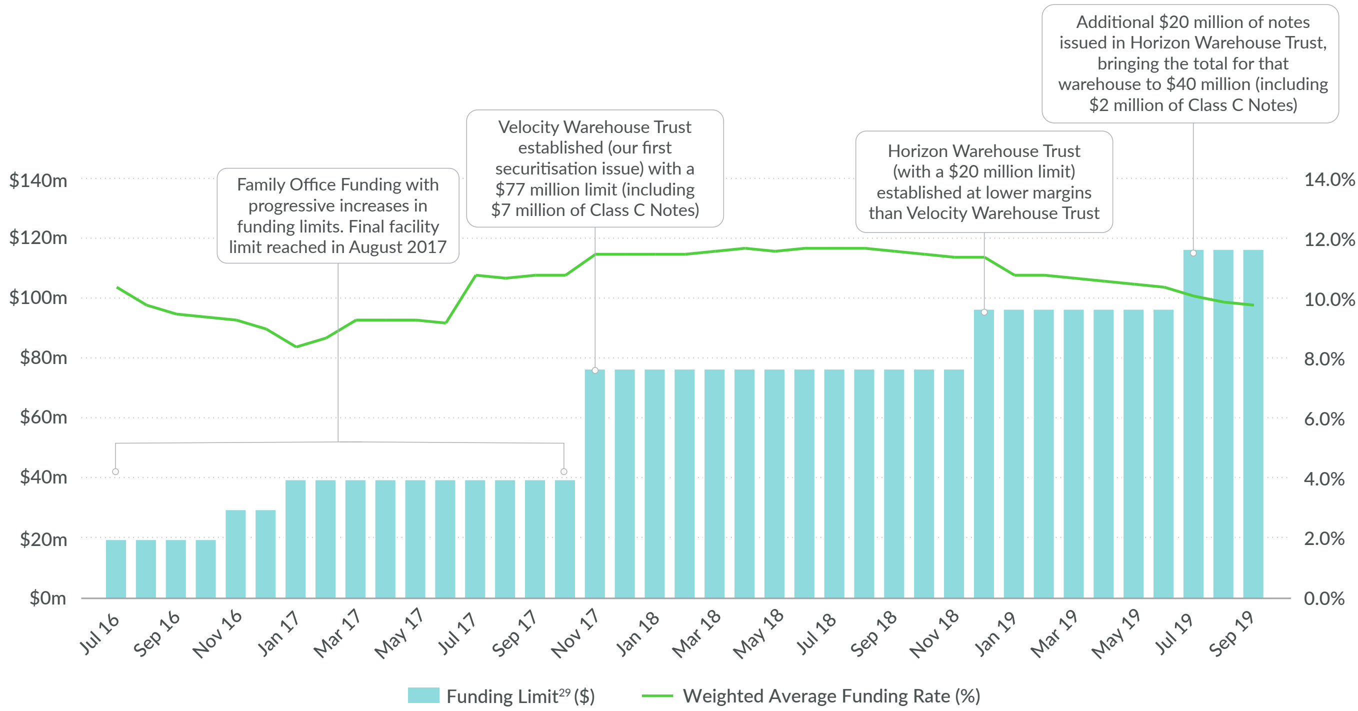
Returning customers benefit the business as the costs of origination and servicing a returning customer are lower than for a first-time customer. In our experience, returning customers have also had lower credit loss rates, partly driven by the returning customer being required to have favourable repayment performance in the past.

26. FY19 audited financial statement data calculated as at 30 June 2019 for FY19.
27. Calculated by dividing the number of returning Freestyle Virtual Credit Account and Personal Loan customers over the total number of Freestyle Virtual Credit Accounts and Personal Loan products issued, each from inception to 30 September 2019.

3.9 Funding model

(a) History

Figure 3-15: MoneyMe funding history[28]



(b) Warehouse Facilities

Our loan receivables are principally funded via debt warehouse financing facilities and we are required to hold the Class C Note within each of the warehouses to satisfy the subordination requirements.

Figure 3-16 below provides a summary of our Warehouse Facilities.

Figure 3-16: MoneyMe Warehouse Facilities[30]

Trust	Lender	Availability Period	Drawn and Unused[31]	Utilised Funds[32]	Limit[33]
Velocity Warehouse Trust	One senior institutional funder holding Class A Notes with multiple wholesale investors holding Class B Notes	3 years expiring November 2020 (with option for 1-year extension on existing terms)	$0.8 million	$68.8 million	$70 million
Horizon Warehouse Trust	Multiple wholesale investors holding Class A Notes and Class B Notes	3 years expiring December 2021 (with option for 1-year extension on existing terms)	$4.8 million (increased to $14.3 million)[34]	$33.2 million	$38 million (increased to $47.5 million)[35]

28. The Weighted Average Funding Rate has been calculated based on: (i) audited financial information of MoneyMe from FY17 to FY19 and (ii) year to date actuals as at 30 September 2019, which represent the FY20F financial information. Velocity Warehouse Trust had a higher interest rate than the family office funding facility introduced in December 2014.
29. This represents the aggregate funding limit under our funding arrangements at each stated point in time. It does not represent the unutilised capacity available under our funding arrangements – for that information, please refer to Section 3.9(b).
30. All balances as at 31 October 2019.
31. Drawn interest bearing funds in trust settlement account that has not been utilised to fund loan receivables.
32. Drawn interest bearing funds has been utilised to fund loan receivables.
33. Facility limit of Class A and Class B Notes.
34. MME Horizon Warehouse Trust's funding limit was increased to $47.5 million on 14 November 2019.
35. MME Horizon Warehouse Trust's funding limit was increased to $47.5 million on 14 November 2019.

1) MME VELOCITY WAREHOUSE TRUST

The MME Velocity Warehouse Trust (**Velocity Warehouse**) is a special purpose unit trust established for the purposes of funding the origination of new loan receivables originated by MoneyMe. The Trustee of the Velocity Warehouse is Perpetual Corporate Trust Limited.

The Velocity Warehouse issues debt instruments (in the form of Notes) to financiers, the proceeds of which are used to fund the Velocity Warehouse's acquisition of MoneyMe loan receivables. Collections from loan receivables are the primary source of repayments of the financiers' debt. That is, repayments from customers in respect of the loan receivables are passed through to the Velocity Warehouse's financiers in order to service interest and principal payments on the Notes. The recourse of financiers to the Velocity Warehouse is limited to the assets of the Velocity Warehouse or under the contractual rights given to it under the transaction documents for that Velocity Warehouse to discharge their debt.

The Class A Financier has made available a revolving facility, such that amounts repaid to the Class A Financier are able to be redrawn up to the facility limit, subject to all terms and conditions of the warehouse transaction documents continuing to be met.

Figure 3-17 below outlines the key features of the Velocity Warehouse Trust.

Figure 3-17: MME Velocity Warehouse Trust

Features	Description
Limit	$70 million (as at 31 October 2019)
Utilised	$68.8 million (as at 31 October 2019)
Drawn and Unused	$0.8 million (as at 31 October 2019)
Revolving period maturity	17 November 2020
Purpose	To fund the acquisition of loan receivables originated by MoneyMe
Structure	Three-tiered notes structure: ▪ Class A Notes: the highest ranking notes with credit support provided by Class B and Class C Notes; ▪ Class B Notes: the second highest ranking notes with credit support provided by Class C Notes; and ▪ Class C Notes the lowest ranking notes (or first loss capital), held by MoneyMe.
Commitments	The commitment of the Class A Financier to subscribe for new Class A Notes issued by the Velocity Warehouse arises through a subscription agreement entered into between the Velocity Warehouse and the Class A Financier. The Velocity Warehouse has also entered into a subscription agreement with an institutional arranger to enable (subject to investor demand) the issuance of Class B Notes to wholesale investors from time to time.
Eligible loans	The Velocity Warehouse may only acquire loan receivables which meet certain 'eligibility criteria', as agreed between MoneyMe and the financiers. The eligibility criteria are only tested at the time the loan is sold to the Velocity Warehouse. These eligibility criteria include: ▪ a requirement that the receivable is denominated in Australian dollars and is made to a customer domiciled in Australia; ▪ the receivable was originated in accordance with MoneyMe's standard origination procedures; ▪ a limit on the customers days in arrears dependent on their repayment frequency; ▪ a minimum yield threshold met; and ▪ the obligor does not have particular designations such as 'Bankruptcy' or 'Under Debt Agreement'. If it is determined that a loan did not comply with any of the eligibility criteria at the time it was sold to the Velocity Warehouse, MoneyMe Financial Group Pty Ltd (as Originator) will be required to repurchase that ineligible loan from the Velocity Warehouse for its full outstanding balance (unless otherwise agreed by the financiers). Loans purchased by the Velocity Warehouse are subject to monthly pool parameter tests. Material tests include geographic and loan product concentration levels, arrears performance and net loss rates. Failure to comply with the pool parameters may trigger Amortisation Events or an Event of Default, meaning that MoneyMe Financial Group Pty Ltd would no longer be able to originate receivables via funding from the Velocity Warehouse. MoneyMe has agreed with the Class A Financier to not incur any indebtedness for the purposes of funding, or to transfer, any receivables which would otherwise be eligible for funding under the Velocity Warehouse, until the earlier of (relevantly) 13 November 2020 or a refinancing of the Class A Notes under the Velocity Warehouse. A breach of this undertaking is an immediate Event of Default. This undertaking does not prevent MoneyMe from incurring any indebtedness for the purpose of funding, or transferring, receivables that are not eligible for funding under the Velocity Warehouse.

Features	Description
Cost of funding	The Class A Notes, Class B Notes and Class C Notes are floating rate notes with the interest cost incorporating a combination of a base rate (1M BBSY) and the agreed margin then applying for each class of Notes agreed in the facility documents. In addition to the interest cost on the notes, Velocity Warehouse also incurs fees and charges that are paid to third-party service providers (such as the trustee, the security trustee and the trust manager) to establish and manage the affairs of the program.
Capital support	MoneyMe is the sole subscriber to the Class C Notes issued by the Velocity Warehouse. MoneyMe Financial Group Pty Ltd is required to maintain a minimum equity contribution via the Class C Notes equal to 5% of the total drawn notes within the MoneyMe Velocity Warehouse Trust. The Class C Notes acts as the first loss capital to absorb any losses (that is, to the extent the customer does not repay the full amount owing under a loan receivable) and to provide credit support to Class A Notes and Class B Notes.
Security and limited recourse	The Velocity Warehouse is a limited recourse vehicle. Collections from loan receivables are the primary source of repayments of the financiers' debt. That is, repayments from customers in respect of the loan receivables are passed through to the financiers to service required interest and principal payments on the Notes. The recourse of financiers to the Velocity Warehouse is limited to the assets of the Velocity Warehouse or under the contractual rights given to it under the transaction documents for that Velocity Warehouse to discharge their debt.
Income from Velocity Warehouse	MoneyMe owns all units in the Velocity Warehouse, entitling it to 100% of the net income distribution of the Velocity Warehouse, equal to the trust income less cost of funds and trust expenses (including losses on loan receivables). MoneyMe is entitled to the total net income distribution assuming no breach of covenants or amortisation triggers.
Events of Default	Events of Default are common for a warehouse facility of this kind, and include: ▪ non-payment in respect of the senior Notes; ▪ breach of obligations by the Trustee or MoneyMe; ▪ breach of representations or warranties by the Trustee or MoneyMe; and ▪ insolvency of the Trust. The occurrence of an Event of Default would permit the financiers to accelerate their debt and appoint a security trustee to realise the loan receivables and other assets of the Velocity Warehouse to recover the financiers' outstanding debt.
Amortisation Events	Amortisation Events "Amortisation Events" include breaches of the monthly pool parameter test, insufficient levels of subordinated Notes supporting the senior Notes, insolvency of MoneyMe, and other breaches of representations, warranties and undertakings. The occurrence of an Amortisation Event, unless waived by the relevant funders, result in (among other things): ▪ MoneyMe no longer being able to originate receivables via funding from the Velocity Warehouse; and ▪ excess income that would otherwise be distributed to MoneyMe as unitholder being redistributed to repay amounts outstanding to the financiers.

2) MME HORIZON WAREHOUSE TRUST

We established the MME Horizon Warehouse Trust (**Horizon Warehouse**) under the master securitisation structure, to fund the purchase of new loan receivables originated by MoneyMe. The Class A and Class B Notes within the facility are structured as publicly tradable retail bonds so they were fully drawn at financial close. This facility can continue to purchase loan receivables from MoneyMe, and its subsidiaries, granted the total amount drawn is within the facility limit and all terms and conditions of the Horizon Warehouse are met. The Trustee of the Horizon Warehouse is Perpetual Corporate Trust Limited.

Figure 3-18: MME Horizon Warehouse Trust

Features	Description
Limit	$38 million (as at 31 October 2019, which was increased to $47.5 million on 14 November 2019)
Utilised	$33.2 million (as at 31 October 2019)
Drawn and Unused	$4.8 million (as at 31 October 2019, which was increased to $14.3 million on 14 November 2019)
Revolving period maturity	19 December 2021
Purpose	To fund the acquisition of loan receivables originated by MoneyMe Financial Group Pty Ltd
Structure	Three-tiered notes structure: ▪ Class A Notes: the highest ranking notes with credit support provided by Class B Notes and Class C Notes; ▪ Class B Notes: the second highest ranking notes with credit support provided by Class C Notes; and ▪ Class C Notes: the lowest ranking notes (or first loss capital), held by MoneyMe.
Commitments	The Horizon Warehouse has also entered into a subscription agreement with an institutional arranger to enable (subject to investor demand) the issuance of Class A Notes and Class B Notes to wholesale investors from time to time.
Eligible loans	The Horizon Warehouse may only acquire loan receivables which meet certain 'eligibility criteria', as agreed between MoneyMe and the financiers. The eligibility criteria are only tested at the time the loan is sold to the Horizon Warehouse. These eligibility criteria include: ▪ a requirement that the receivable is denominated in Australian dollars and is made to a customer domiciled in Australia; ▪ the receivable was originated in accordance with MoneyMe's standard origination procedures; ▪ a limit on the customers days in arrears dependent on their repayment frequency; ▪ a minimum yield threshold met; and ▪ the obligor does not have particular designations such as 'Bankruptcy' or 'Under Debt Agreement'. If it is determined that a loan did not comply with any of the eligibility criteria at the time it was sold to the Horizon Warehouse, MoneyMe (as Originator) will be required to repurchase that ineligible loan from the Horizon Warehouse for its full outstanding balance (unless otherwise agreed by the financiers). Loans purchased by the Horizon Warehouse are subject to monthly pool parameter tests. Material tests include geographic and loan product concentration levels, arrears performance and net loss rates. Failure to comply with the pool parameters may trigger 'Amortisation Events' or an Event of Default, meaning that MoneyMe would no longer be able to originate receivables via funding from the Horizon Warehouse.
Cost of funding	The Class A Notes, Class B Notes and Class C Notes are floating rate notes with the interest cost incorporating a combination of a base rate (1M BBSY) and the agreed margin then applying for each class of Notes agreed in the facility documents. In addition to the interest cost on the notes, Horizon Warehouse also incurs fees and charges that are paid to third-party service providers (such as the trustee, the security trustee and the trust manager) to establish and manage the affairs of the program.

Features	Description
Capital support	MoneyMe is the sole subscriber to the Class C Notes issued by the Horizon Warehouse. MoneyMe is required to maintain a minimum equity contribution via the Class C Notes equal to 5% of the total drawn notes within the MoneyMe Horizon Warehouse. The Class C Notes acts as the first loss capital to absorb any losses (that is, to the extent the customer does not repay the full amount owing under a loan receivable) and to provide credit support to Class A Notes and Class B Notes.
Security and limited recourse	The Horizon Warehouse is a limited recourse vehicle. Collections from loan receivables are the primary source of repayments of the financiers' debt. That is, repayments from customers in respect of the loan receivables are passed through to the financiers to service required interest and principal payments on the Notes. The recourse of financiers to the Horizon Warehouse is limited to the assets of the Horizon Warehouse or under the contractual rights given to it under the transaction documents for that Horizon Warehouse to discharge their debt.
Income from Horizon Warehouse	MoneyMe owns all units in the Horizon Warehouse, entitling it to 100% of the net income distribution of the Horizon Warehouse, equal to the trust income less cost of funds and trust expenses (including losses on loan receivables). MoneyMe is entitled to the total net income distribution assuming no breach of covenants or amortisation triggers.
Events of Default	Events of Default are common for a warehouse facility of this kind and include: ▪ non-payment in respect of the senior Notes; ▪ breach of obligations by the Trustee or MoneyMe; ▪ breach of representations or warranties by the Trustee or MoneyMe; and ▪ insolvency of the Trust. The occurrence of an Event of Default would permit the financiers to accelerate their debt and appoint a security trustee to realise the loan receivables and other assets of the Horizon Warehouse to recover the financiers' outstanding debt.
Amortisation Events	Amortisation Events include breaches of the monthly pool parameter test, insufficient levels of subordinated Notes supporting the senior Notes, insolvency of MoneyMe, and other breaches of representations, warranties and undertakings. The occurrence of an Amortisation Event, unless waived by the relevant funders, would result in (among other things): ▪ MoneyMe no longer being able to originate receivables via funding from the Horizon Warehouse; and ▪ excess income that would otherwise be distributed to MoneyMe as unitholder being redistributed to repay amounts outstanding to the financiers.

(c) Unrestricted cash

We are also required to fund each loan receivable before it is sold into the Warehouse Trusts as well as fund loan receivables which do not comply with the eligibility criteria of the Warehouse Facilities.

(d) Future funding

Further funding will be required to achieve our growth objectives in the medium term, given the drawdown capacity remaining in our existing Warehouse Facilities. Accordingly, we are currently in discussions with Major Banks in relation to a new funding facility which, if obtained on the terms being discussed, would be sufficient to support our medium-term growth objectives and would lower our cost of capital over time[36].

36. However, no assurance can be given that such funding facility (or any comparable funding facility) will be secured, or that it will be secured on acceptable terms. Refer to Section 5.2(b).

3.10 Distribution

We distribute our products predominantly by reaching prospective customers directly. A small portion of our distribution is through intermediaries. We consider our direct to consumer strategy to be an important strength because it allows us to maintain a low cost of customer acquisition and servicing cost benefits.

Figure 3-19 below outlines the primary distribution channels across the Company's products.

Figure 3-19: MoneyMe's distribution channels

Channel	Direct	Partner/Intermediary
FY19 loan originations for Personal Loans and Freestyle Virtual Credit Account	96%	4%
Channel type	▪ direct relationship with customer; ▪ use of both Search Engine Optimisation (SEO) and Search Engine Marketing (SEM).	▪ working with select affiliate partners to reach customers both instore[37] and online.
Description	▪ organic search; ▪ our flagship MoneyMe brand, with secondary brand MyOzMoney; ▪ digital channels, including Google and YouTube; ▪ social media targeted advertising, including Facebook, Instagram; ▪ content marketing.	▪ merchant partners with approximately a $3,600 typical transaction amount[38] and may offer interest-free terms; ▪ affiliate marketing channels and lead referral arrangements.

(a) Direct

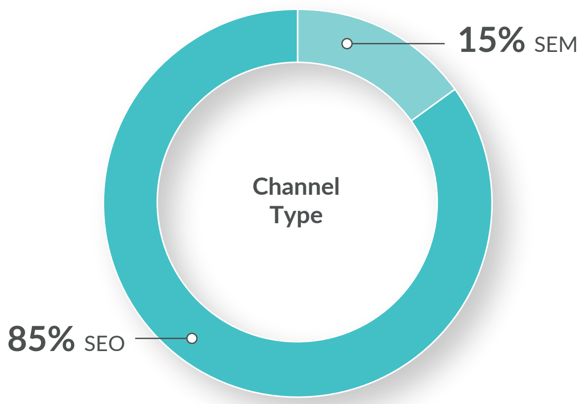
We attract applicants through technology-led marketing strategies, using a combination of Search Engine Optimisation (**SEO**), paid search advertising, online display advertising, social media and digital channel advertising.

To broaden our reach and appeal to customers we have a dual brand approach, with both MoneyMe (our flagship brand) and MyOzMoney (our secondary brand) in market. The key driver for this strategy is to be more relevant to more people. Currently, MoneyMe accounts for 90% of our principal loan book balance and MyOzMoney the remaining 10%[39].

In FY19, 96% of originations across our Personal Loan and Freestyle Virtual Credit Account products were from customers applying for loans through our direct channels, of which more than 80% were via SEO channels, with the balance via digital affiliate marketing and paid search[40].

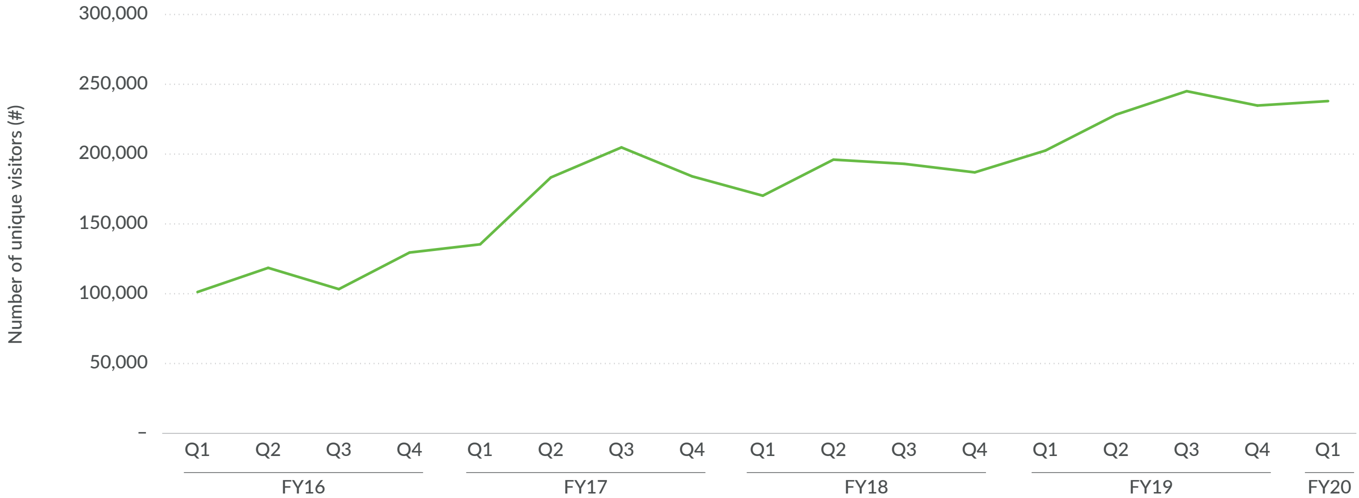
37. Instore refers to loans distributed at the point of sale through introducer arrangements MoneyMe has with certain select merchants.
38. Calculated as the average of Personal Loan and Freestyle Virtual Credit Account originations originated from merchant channels as at 30 June 2019 for FY19.
39. Flagship brand MoneyMe comprised 90% of the principal loan book balance at 30 September 2019.
40. Calculated based on origination volume and as at 30 June 2019 for FY19.

Figure 3-20: FY19 Direct originations by source – Personal Loans & Freestyle Virtual Credit Account[41]



We consider effective online advertising and organic digital customer acquisition as essential to delivering traffic to our website and attracting high quality leads. In the 24 months to 30 September 2019, web traffic to our website increased 40% as Figure 3-21 below demonstrates[42].

Figure 3-21: MoneyMe Australian website traffic (unique visitors)[43]



(b) Partner/intermediary

We have also established partners and other affiliates to generate demand for our products. This channel is comparatively small, relative to direct, but it is an approach we plan to utilise more to expand our customer base. For our Personal Loan product, our strategy has expanded to focus on merchants in select verticals, for example, we have a distribution relationship with a fitness education provider. The approved merchants use our service to provide an option for their customers to finance their purchases. The transaction amounts with customers referred by these merchants selected to date is comparable to the average size of loans originated via the direct channel.

41. Calculated based on origination volume and as at 30 June 2019 for FY19.
42. Calculated as the change in website traffic from Q1FY18 to Q1FY20.
43. Google Analytics as at 30 September 2019.

3.11 Staff and achievements

(a) Our people

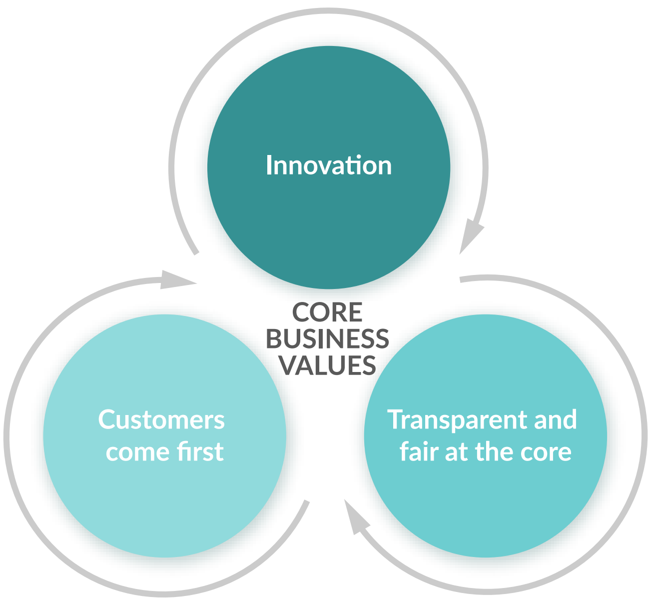
Our management team has expertise across financial services, technology, compliance, marketing and sales, and leads a team of 86 people[44]. People, and a culture of innovation and accountability, are at the core of our business and we believe that both of these will power the success of MoneyMe.

Enabled by our agile working methodology, all our people have the opportunity to contribute to innovation and shape the success of the Company. This working environment has translated into strong employee retention, with the current full-time retention rate at 75% and a strong culture with 92% of staff identifying MoneyMe as having a great culture[45].

(b) Core business values

The culture which we have built is a reflection of our core business values, which drive the behaviour at all levels within our organisation.

Figure 3-22: MoneyMe's core business values



Innovation:
Built on an ethos of innovation, we are dedicated to doing things better.
We are agile and constantly seeking ways to improve.

Transparent and fair at the core:
We are motivated to do what is right. We have a 'No Regrets' policy to ensure our customers are satisfied with our services throughout their engagement with us.

Customers Come first:
Our customers come first. The enthusiasm, motivation and integrity for our customers sets us apart.

44. Includes, as at 30 September 2019, 54 full-time staff in Australia, and 32 workers in the Philippines who are engaged via an offshoring agreement.

45. Culture survey taken July 2019. Calculated with reference to current full-time staff and all full-time staff that passed probation since inception to 30 September 2019, and excludes casual staff and employees who did not pass probation.

(c) Awards

Figure 3-23: MoneyMe Awards

2016	2017	2018	2019
Winner FinTECH 'Fintech of The Year' Award	**Winner** Optus My Business 'Fintech Business of The Year'	**Winner** Optus My Business 'Fintech Business of The Year'	**5th Most Innovative Company in Banking Super & Financial Services** Financial Review Boss Most Innovative Companies
	Finalist Deloitte 'Technology Fast 50'	**Finalist** Deloitte 'Technology Fast 50'	**Finalist** AFR BOSS 'Most Innovative Companies'
	Finalist H2 Ventures & KPMG 'Fintech100 Emerging Star'	**Finalist** AFR 'Most Innovative Companies'	**Finalist** Fintech Australia 'Excellence in Consumer Lending'
	Finalist FinTECH 'Fintech Leader of The Year' Award	**Finalist** AFR 'Fast 100'	**Finalist** Fintech Business 'Lending Innovator of the Year'
			Finalist Fintech Business 'Lending Platform Innovator of the Year'

3.12 Risk management

Our risk management framework is based on maintaining an effective system of controls that scales with complexity and growth. Our business model relies on the successful operation, oversight and accountability of our risk management and regulatory compliance framework. The framework includes a combination of policies, systems, technology interface, procedures and standards.

Management execute within established governance committees, for structured direction and ongoing oversight of performance and risk management.

Figure 3-24: MoneyMe's risk management and regulatory compliance framework

(a) Credit risk framework

Our credit risk framework is inclusive of credit management policies, technology controls and scorecards with risk-based pricing and lending limits, facilitating the approval and management of credit to customers.

The key elements of our credit risk framework include the following:

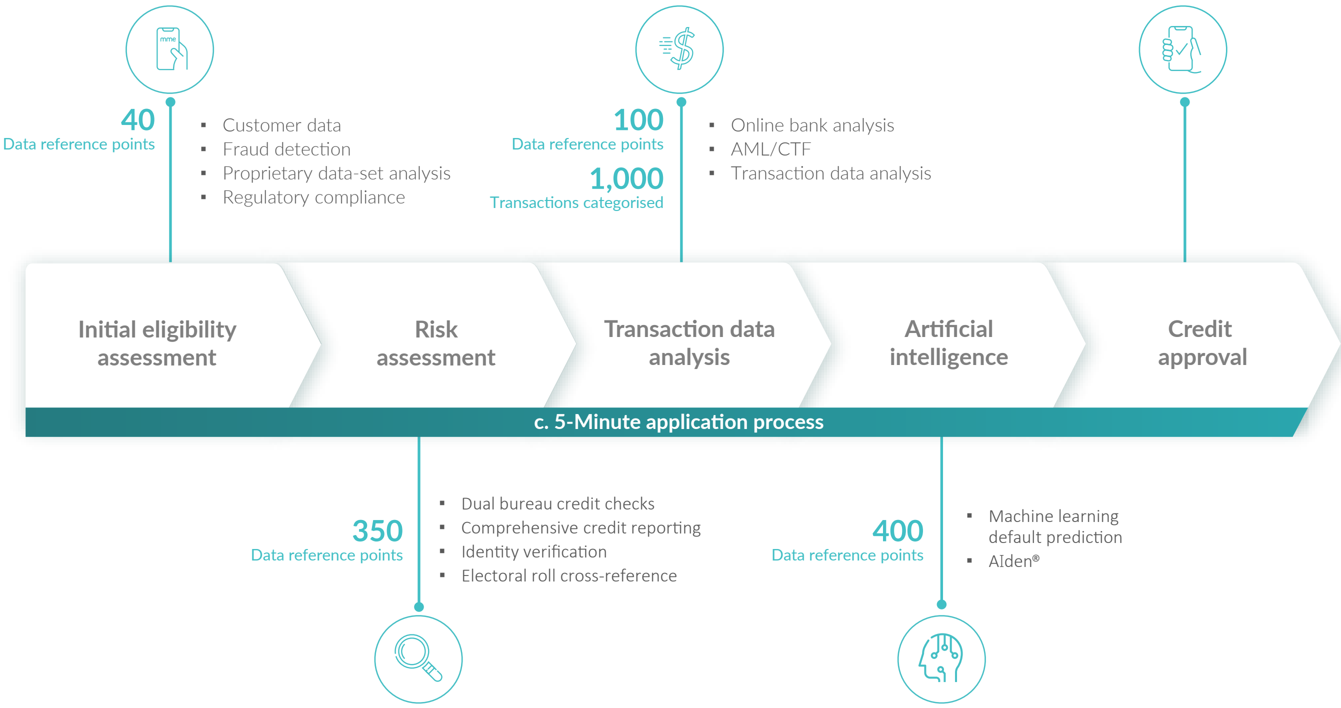
- Credit risk management – our underwriting and compliance functions are responsible for developing and monitoring the credit decision framework, the scorecard effectiveness and changes in the regulatory environment. With close alignment, the collections and compliance functions are responsible for payment solutions and collections strategies.

- Credit policy and responsible lending procedures – form a collective framework for credit risk management and adherence to responsible lending obligations.
- Horizon Technology Platform – our in-house built platform is an end-to-end loan management system with credit decision-making technology, risk assessment, transactional data analysis, artificial intelligence risk analysis, payments processing and collections management. Refer to Section 3.4 for further details on the Horizon Technology Platform.
- Credit risk oversight – various systems, processes and committees established to analyse credit performance and trends, customer satisfaction, service levels and consistency in credit management.

(b) Credit assessment

Our Horizon Technology Platform assesses the credit worthiness of loan applicants by using hundreds of data points from external and internal sources. This credit decisioning technology applies a combination of binary rules-based decisions as well as AIden® performing real-time credit assessment, with regulatory and credit policy parameters built directly into the credit assessment framework. Our credit assessment process is illustrated in Figure 3-25.

Figure 3-25: MoneyMe's credit assessment process[46]



(c) Credit process

Loan applications approved are processed through a comprehensive credit assessment which is driven by our lending platform, the Horizon Technology Platform. The application and underwriting modules built within the Horizon Technology Platform allow for our credit process to be both efficient and scalable, while ensuring compliance with applicable regulatory requirements. We have designed our application and decisioning workflows to ensure, so far as is possible, the consistent application of our credit policy across all loans originated, using manual operational input on a by-exception basis for validation or further review as and where identified by the Horizon Technology Platform. Additionally, for those processes that do require human review, we have designed roles and workflows to ensure permissions and duties are segregated to assist the integrity of appropriate credit decisions and offers. The main stages involved in our credit application process is highlighted in Figure 3-26 below.

46. All data reference points are approximate.

Figure 3-26: MoneyMe's credit application process

Stage	Description
1. Application	▪ Details of the customer and their loan request is captured through an online application ▪ Submission of key personal information by the customer through online platform ▪ Declaration of customer's financial position including income, expenses, debts and loan purpose
2. Risk Scoring	▪ Credit bureau data extracted and decision engine rules applied ▪ Comprehensive Credit Reporting data extracted and decision engine rules applied ▪ Credit risk score applied, and maximum credit exposure identified
3. Repayments and Serviceability Calculation	▪ Customer's bank statement data is captured from nominated bank ▪ Bank statement transaction data analysis performed ▪ Income/expense validation and serviceability calculations conducted
4. Decision Engine and AI Overlays	▪ AML/CTF verification ▪ AIden® application run
5. Loan Offer	▪ Risk adjusted loan offer provided to the customer, which includes: Amount, Term, Annual Percentage Rate (APR), Fees and Repayment Schedule ▪ Horizon Technology Platform generated loan contract provided to customer ▪ Customer E-sign provided for acceptance of proposed loan agreement
6. Acceptance and Funding	▪ Executed loan agreement emailed to the customers ▪ Loan automatically funded to customers account ▪ Repayment schedule set up via direct debit by the Horizon Technology Platform

(d) Collections

Within the Horizon Technology Platform, we have built a collections module and workflows that are algorithmic, automating the end to end collections process including the scheduling and taking of payments, notifications and reminders, escalation of arrears, issuing of legal notices and credit default listing. Our collections platform is built within the collections guidelines and regulatory frameworks set out in applicable regulatory guidance. Approximately 95% of cleared payments are collected using no human resources interaction.

The automation of the repetitive components of the collections process allows our payments agents to be more effective and efficient, focusing on high-value tasks such as severe delinquency, hardship, dispute resolution, skip tracing and enforcement. Our payments agents are trained and skilled in accordance with applicable regulatory guidelines with consumer protection and brand integrity being the primary objective.

(e) Portfolio monitoring

Inbuilt into our Horizon Technology Platform is a task-based monitoring system and reporting module, which enables our Credit Risk Committee to regularly monitor our credit risk and the performance of our portfolio through:

- credit performance reports and monitoring;
- automated task based alerts for agents on arrears flags; and
- a weekly loan book health snapshot.

These controls allow us to monitor a number of key portfolio metrics including direct debit failure rates, loan loss rates, loan arrears rates, application conversion rates and stratification of pool data to analyse demographics and portfolio concentrations. This constant availability of information through the Horizon Technology Platform allows the Credit Risk Committee to quickly detect areas of risk in the portfolio and act accordingly.

(f) Credit outcomes

One of the key indicators that we use to assess our loan portfolio performance is our Static Loss Rate, particularly for our fully seasoned loan cohorts.

Static Loss Rates are a measure of the principal not ultimately recovered on a given cohort, divided by the cohort's loan principal originated.

Based on experience to date the Freestyle Virtual Credit Account has demonstrated lower static losses relative to historical loan book loss rates. The Freestyle Virtual Credit Account is forecast to increase as a proportion of the total portfolio in the forecast period.

Within our loan portfolio, a loan cohort is considered to be 'fully seasoned' where the majority of the cohort's losses have been incurred and there is a strong level of confidence that the cohort's Static Loss Rate is unlikely to further increase significantly.

On average, it takes 24 months from origination for a cohort to become fully seasoned. As such, our loan cohorts that originated in H2 FY18 and later are not yet fully seasoned (depicted in dotted outline in Figure 3-27 and as dotted lines in Figure 3-28).

Figure 3-27: Cumulative Static Loss Rate by half-yearly cohort (net of recoveries) as at 30 September 2019[47]

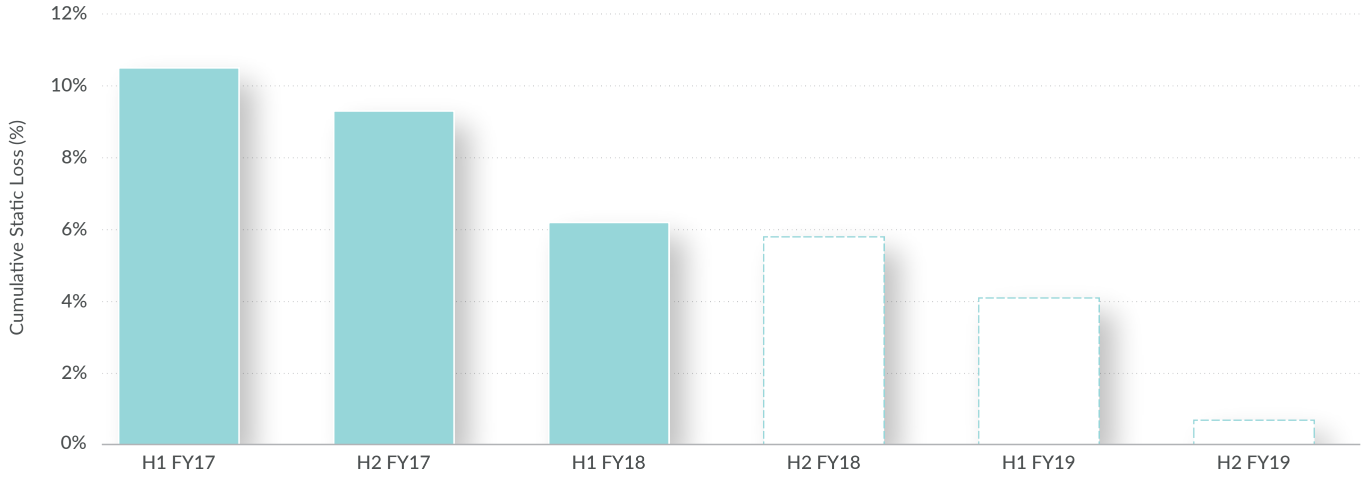
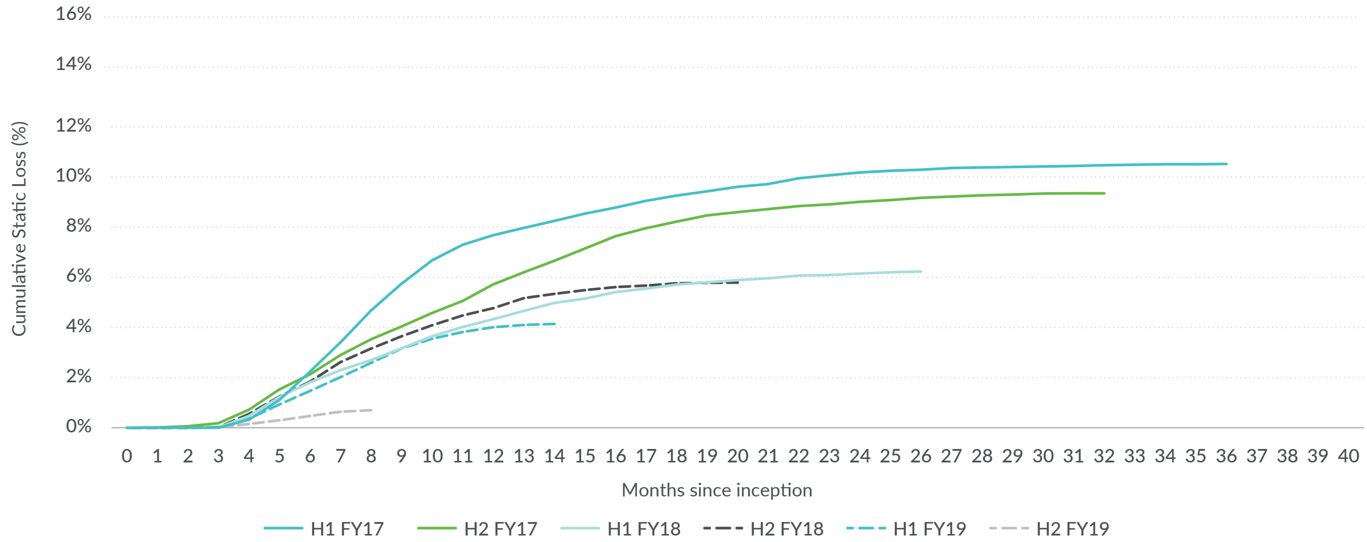


Figure 3-28: Cumulative Static Loss Rate by half-yearly cohort (net of recoveries)[48]



47. As at 30 September 2019. Static losses are inclusive of all loan products. Freestyle Line of Credit losses are calculated as a percentage of the original credit facility limit amount. Cohorts are considered fully seasoned 24 months from origination date. Loan cohorts originated in H2FY18, H1FY19 and H2FY19 have yet to fully season. Principal balances are charged off at 120 days past payment (weekly repaying customers) or 180 days past payment (fortnightly and monthly repaying customers).
48. As at 30 September 2019. Static losses are inclusive of all loan products. Freestyle Line of Credit losses are calculated as a percentage of the original credit facility limit amount. Cohorts are considered fully seasoned 24 months from origination date. Loan cohorts originated in H2FY18, H1FY19 and H2FY19 have yet to fully season. Principal balances are charged off at 120 days past payment (weekly repaying customers) or 180 days past payment (fortnightly and monthly repaying customers).

3.13 Growth Strategies

Our growth strategy has the following key components:

(a) Increasing our market penetration

We are in a market that has seen consumers shifting away from traditional forms of credit towards more innovative credit solutions, which we believe are delivering better customer experiences through the use of technology. The developments and trends in the sector discussed in Section 2, as well as the increasing relevance of our products, will in our view allow us to accelerate the market penetration of our MoneyMe brand and the take-up of our products.

EVOLVING CONSUMER CREDIT SECTOR

As discussed in Sections 2.2 and 2.3, while the consumer credit sector in Australia is forecast to marginally reduce in the next five years,[49] evolving technology and the trend towards online and mobile based finance solutions are changing sector dynamics. We believe that consumer preferences for faster, more convenient and tailored products are providing a tailwind for Fintech Consumer Lenders such as MoneyMe.

Further, we consider that a dynamic regulatory environment and increasing capital requirements are also making it harder for traditional lenders to profitably finance some sectors of the consumer market. It is our view that in the near term, consumers will continue to transition to convenience driven non-credit products (evidenced through the growth in buy now, pay later) as well technology enabled credit products, such as those offered by MoneyMe. We believe these factors are responsible for the almost tripling of the market share held by non-bank financial service providers. It is a trend that we expect to continue in the near term.

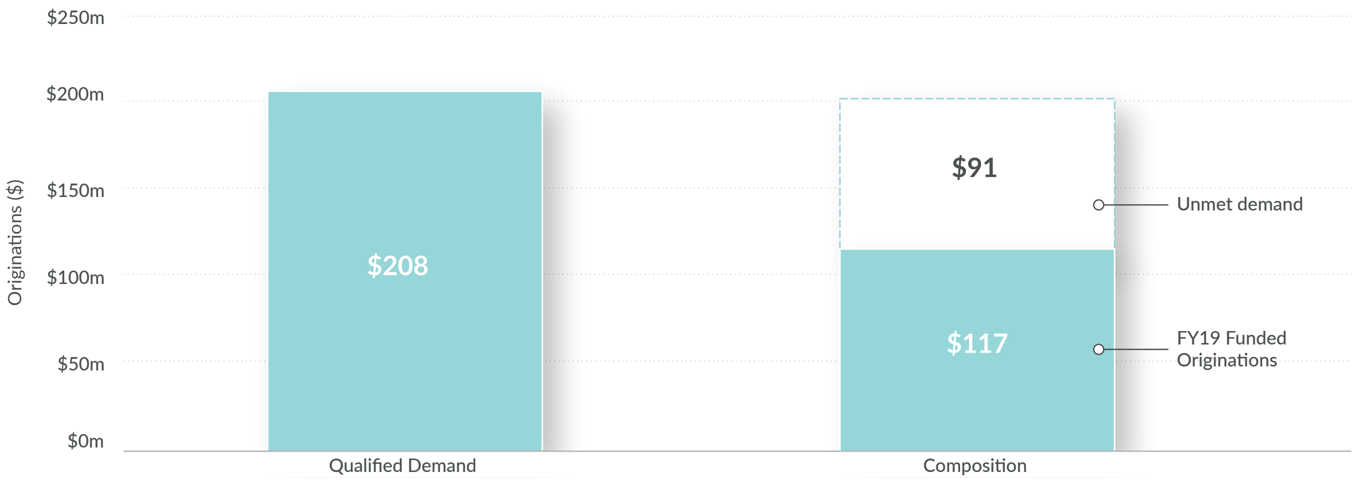
INCREASING OUR FUNDING CAPACITY

The market relevance of our credit products and our ability to satisfy current demand has been inhibited by the drawdown capacity remaining in our existing Warehouse Facilities. Our ability to access new funding structures with larger limits and at lower costs of capital is integral to achieving the growth objectives we have for our loan book. We are currently in discussions with Major Banks in relation to a new funding facility which, if obtained on the terms being discussed, would provide us with sufficient funding capacity to support our growth objectives and would lower our cost of capital. We intend to secure a new funding facility in the short to medium term. It is our view that increasing our funding capacity will allow us to accelerate our market penetration through the following:

- Capture more of our existing substantial and increasing unmet demand. We received aggregate credit applications to the value of approximately $1.1 billion[50] in FY19 and based on historical credit approval information, we would expect approximately 19%[51] of applicants (approximately $208 million[52] of credit demand) to meet our creditworthiness criteria. We only funded approximately $117 million[53] of this 'qualified demand'[54] due to capacity constraints under our existing funding facilities. MoneyMe's current qualified unmet demand for FY19 is illustrated below in Figure 3-29.
- Larger size loan products and ability to lower prices. We will utilise part of the Offer proceeds to increase our funding capacity and enable us to expand into larger loan sizes and more price-competitive credit products, increasing our addressable customer pool. Apart from enhancing our market penetration and growth, it is our view that lower pricing will attract lower risk consumers who are typically more price sensitive, increasing originations and improving the overall credit quality of the loan book.

49. Consumer credit market as defined as Consumer Lending in Australia, Euromonitor International, 'Market Sizes' – Gross lending assumes Australian dollars, historic balances (2007-2019) are on a current currency basis which includes the impact of inflation and forecast years (2020-2024) are on a constant currency basis, which excludes the impact of inflation.
50. Calculated based on credit request volume as at 30 June 2019 for FY19.
51. Calculated as based on Company-approved applications as a percentage of total applications for the 24 months to 30 September 2019.
52. Calculated as the application conversion rate multiplied by the aggregate credit applications received in FY19.
53. Calculated based on loan origination volume as at 30 June 2019 for FY19.
54. 'Qualified demand' means the credit applications received in FY19 that, based on historical credit approval information, we would expect to meet our creditworthiness criteria. The creditworthiness of FY19 applicants may not be consistent with the creditworthiness of applicants historically, such that our expectation of 'qualified demand' expressed above could differ from the FY19 applicants that would have met our creditworthiness criteria.

Figure 3-29: MoneyMe's qualified unmet demand



(b) Increasing our total addressable market through product innovation

The Horizon Technology Platform provides us with the ability to rapidly roll out additional products in adjacent markets where we see opportunity for disruption through innovation. An example of this is the recent launch of our ListReady product in the real estate sector, providing a payment solution to the Vendor Paid Advertising costs (**VPA**) associated with selling a home.

ListReady is a payment service that allows residential homeowners to defer the payment of their VPA until closer to settlement of the sale of their property. It provides a solution for an issue that faces both vendors and real estate agents in relation to the sale of residential property. The demand for the ListReady product is borne out of the following factors:

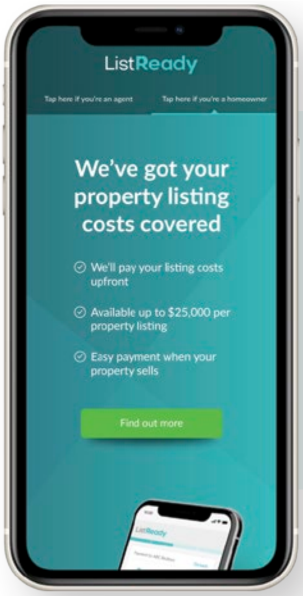
- rising advertising costs for selling a home has driven the average spend to approximately $6,400[55];
- higher advertising spend and better marketing campaigns can drive a higher sale price on the property and a higher probability of selling;
- competition within the real estate industry has resulted in some agencies deferring the payment of the advertising by taking exposure on their own balance sheet; and
- other solutions in the market not being as frictionless or tech-enabled.

ListReady is positioned to capture a higher loan value consumer (relative to the average MoneyMe loan[56]), who has homeowner security, at a very low acquisition cost through the real estate agencies distribution model.

55. Information sourced from industry professionals.

56. Calculated as the average ListReady loan value compared with the average Personal Loan and Freestyle Virtual Credit Account value from inception to 30 September 2019.

Figure 3-30: Key Features of MoneyMe's ListReady product [57]



CREDIT RANGE	$1,000 to $25,000
TERM	60 days
INTEREST RATE RANGE	Interest free[56]
UPFRONT FEES	4% plus GST (service fee)
USES	Property marketing costs and styling

(c) Market expansion into new geographies

With a population over 12 times larger than Australia, and a consumer credit market in excess of US$4 trillion, the United States presents an attractive opportunity to leverage our Horizon Technology Platform to sign up and service new customers.

We have been testing the US market since June 2017 to evaluate the efficacy of our SEO and SEM strategies[58]. To date, our US website has been used for the purpose of building familiarity with customer interactions and monetising the US traffic by referring it into a panel of domestic US lenders via an affiliate partner. In FY19 in the US, we:

- generated approximately 377,000 unique website visits[59];
- estimated to have resulted in approximately 64,000 applications for credit[60]; and
- generated approximately $0.6 million revenue from the referral fee of US credit applications[61].

We intend to implement the initial phase of our US growth strategy by satisfying the relevant regulatory and licensing requirements to lend in the US and establishing a beta version (limited launch before general market release) of MoneyMe in the US market, which we expect to complete in FY21. We have not included any revenue from US operations in our FY20F Forecast Financial Information other than the referral income we generate from the referral of credit applications to third parties.

57. Interest free for 60 days, 1.9% per month thereafter.
58. Testing period defined to have started when traffic generated by US website first exceeded 200 visits daily.
59. Google Analytics as at 30 June 2019 for FY19.
60. Calculated by extrapolating seven months of data which extend over FY19 and FY20.
61. Calculated as at 30 June 2019 for FY19.

Section 4.

Financial information

4.1 Introduction

The financial information contained in Section 4 has been prepared by MoneyMe on a consolidated basis, including all its subsidiaries as at completion of the Restructure, for the financial years ended 30 June 2017 (**FY17**), 30 June 2018 (**FY18**) and 30 June 2019 (**FY19**), together with the Forecast Financial Information for the financial year ending 30 June 2020 (**FY20F**).

Section 4 contains the Statutory Historical Financial Information, Pro Forma Historical Financial Information, Statutory Forecast Financial Information and Pro Forma Forecast Financial Information of MoneyMe as described below.

Table 1: Overview of MoneyMe's Financial Information

	Statutory Financial Information	Pro Forma Financial Information
Historical Financial Information	▪ **Statutory Historical Financial Information** comprises the following: – statutory historical statements of profit or loss for FY17, FY18 and FY19 (**Statutory Historical Results**); – statutory historical cash flows for FY17, FY18 and FY19 (**Statutory Historical Cash Flows**); and – statutory historical statement of financial position as at 30 June 2019 (**Statutory Historical Statement of Financial Position**).	▪ **Pro Forma Historical Financial Information** comprises the following: – pro forma historical statements of profit or loss for FY17, FY18, and FY19 (**Pro Forma Historical Results**); – pro forma historical cash flows for FY17, FY18 and FY19 (**Pro Forma Historical Cash Flows**); and – pro forma historical statement of financial position as at 30 June 2019 (**Pro Forma Historical Statement of Financial Position**).
Forecast Financial Information	▪ **Statutory Forecast Financial Information** comprises the following: – statutory forecast statement of profit or loss for FY20F (**Statutory Forecast Results**); and – statutory forecast cash flow for FY20F (**Statutory Forecast Cash Flows**).	▪ **Pro Forma Forecast Financial Information** comprises the following: – pro forma forecast statement of profit or loss for FY20F (**Pro Forma Forecast Results**); and – pro forma forecast cash flow for FY20F (**Pro Forma Forecast Cash Flows**).

The Statutory Historical Financial Information and the Pro Forma Historical Financial Information are together referred to as the **Historical Financial Information**.

The Statutory Forecast Financial Information and the Pro Forma Forecast Financial Information are together referred to as the **Forecast Financial Information**.

The Historical Financial Information and the Forecast Financial Information together form the **Financial Information**.

The Financial Information has been prepared in accordance with the Australian Standard on Assurance Engagements ASAE 3450 *Assurance Engagement involving Fundraising and/or Prospective Financial Information* by Deloitte Corporate Finance Pty Limited, whose Investigating Accountant's Report is contained in Section 8. Investors should note the scope and limitations of that report.

Also summarised in Section 4 are:

- the basis of preparation and presentation of the Financial Information, including the application of relevant new and revised accounting standards had they applied to the Historical Financial Information and the Forecast Financial Information (see Section 4.2(e));
- information regarding certain non-IFRS financial measures (see Section 4.2(g));
- a summary of the key operating and financial metrics (see Section 4.3(b));
- the pro forma adjustments to the Statutory Historical Financial Information and the Statutory Forecast Financial Information, and reconciliations to the Pro Forma Historical Financial Information and the Pro Forma Forecast Financial Information respectively (see Section 4.3(d));
- details of our indebtedness and a summary of our funding, including debt facilities, liquidity and capital resources (see Section 4.4(b));
- a description of the key drivers affecting our business including key financial and operating metrics set out in Section 4.3(b), and management discussion and analysis of the Pro Forma Historical Financial Information (see Section 4.7);

- the Directors' best estimate general and specific assumptions underlying the Forecast Financial Information (see Sections 4.7(a) and 4.7(b));
- an analysis of the key sensitivities in respect of the Forecast Financial Information (see Section 4.9); and
- a summary of our proposed dividend policy (see Section 4.10).

The information in Section 4 should be read in conjunction with the risk factors set out in Section 5 and other information contained in this Prospectus. In addition, our Significant Accounting Policies adopted in the preparation of the Financial Information are set out in Section 10 and have been consistently applied throughout the financial periods presented in this Prospectus unless stated otherwise.

All amounts disclosed in the tables are presented in Australian dollars and unless otherwise noted, are in millions rounded to one decimal place (the nearest hundred thousand). Rounding of figures provided in the Financial Information may result in some immaterial differences between the sum of components and the totals outlined within tables and percentage calculation.

4.2 Basis of preparation and presentation of the Financial Information

(a) Overview

The Financial Information included in this Prospectus is intended to present potential investors with information to assist them in understanding our underlying historical financial performance, cash flows and financial position, together with our Forecast Financial Performance and cash flows. The Directors are responsible for the preparation and presentation of the Financial Information.

The Statutory Historical Financial Information and Statutory Forecast Financial Information have been prepared in accordance with the recognition and measurement principles of the Australian Accounting Standards (**AAS**) issued by the Australian Accounting Standards Board (**AASB**), which are consistent with the International Financial Reporting Standards (**IFRS**) and interpretations issued by the International Accounting Standards Board (**IASB**).

The Pro Forma Historical Financial Information and Pro Forma Forecast Financial Information have been prepared solely for inclusion in this Prospectus and have been derived from the Statutory Historical Financial Information and the Statutory Forecast Financial Information adjusted for certain transactions and pro forma adjustments as described further below.

The Pro Forma Historical Financial Information and Pro Forma Forecast Financial Information have been prepared in accordance with the recognition and measurement principles contained in AAS, other than that they include adjustments that have been prepared in a manner consistent with AAS that reflects: (i) the exclusion of certain transactions that occurred or are forecast to occur in the relevant periods; and (ii) the impact of certain transactions as if they occurred on or before 30 June 2016 in the Pro Forma Historical Financial Information and in the Pro Forma Forecast Financial Information.

Due to their nature, the Pro Forma Historical Financial Information and Pro Forma Forecast Financial Information do not represent our actual or prospective financial position, financial performance or cash flows.

The Financial Information is presented in an abbreviated form insofar as it does not include all the disclosures, statements or comparative information as required by the AAS applicable to annual financial reports prepared in accordance with the Corporations Act.

We report our operations as a single business operation and there are no parts of our business or geographies that qualify as separate operating segments under AASB 8 *Operating Segments* (**AASB 8**).

(b) Consolidation of the trusts

The Statutory Financial Information in this Prospectus has been prepared on a consolidated basis in accordance with AASB 101 *Presentation of Financial Statements* (**AASB 101**) and AASB 10 *Consolidated Financial Statements* (**AASB 10**). Application of these accounting standards has resulted in the consolidated financial statements for FY18 incorporating the assets and liabilities of MoneyMe Financial Group Pty Ltd and the Velocity Warehouse Trust, and the results of the consolidated group for FY19 incorporating the assets and liabilities of MoneyMe Financial Group Pty Ltd, the Velocity Warehouse Trust and the Horizon Warehouse Trust. The financial asset recognition requirements under AASB 9 *Financial Instruments* (**AASB 9**) were used in preparing the FY19 Statutory Financial Information.

MoneyMe Financial Group Pty Ltd originates all new loans onto its balance sheet prior to them being transferred to a Warehouse Trust. The MoneyMe Financial Group Pty Ltd legal entity materially retains the risks and returns related to the loans when transferred to the Velocity or Horizon Warehouse Trusts as a result of it being both the Residual Beneficiary Income Unit and Class C Note holder to each of the Warehouse Trusts. Consequently, the MoneyMe Financial Group Pty Ltd legal entity continues to recognise the loan assets on its balance sheet after they have been legally transferred to the trust, in compliance with AASB 9. The MoneyMe Financial Group Pty Ltd entity consolidates all Warehouse Trust assets, liabilities, income and expenses due to it having control over these entities given its role as Originator, Servicer and Residual Beneficiary Income Unit and Class C Note Holder to each of the Warehouse Trusts.

(c) Treatment of Restructure

MoneyMe Financial Group Pty Ltd will report the operating activities and financial results of the business until Completion, when the Restructure will be undertaken by the Company which will become the parent entity of MoneyMe Financial Group Pty Ltd and its controlled entities. Refer to Section 9.4 for further details of the Restructure.

The Company and the Existing Shareholders in MoneyMe Financial Group Pty Ltd have entered into conditional contracts for the Company to acquire the holdings of the Existing Shareholders in consideration for cash and Shares in the Company immediately following Completion. The Company entered into conditional contracts to acquire the employee share options in MoneyMe Financial Group Pty Ltd issued to certain employees prior to the date of this Prospectus in exchange for options in the Company that are on substantially the same terms as the Existing Options in MoneyMe Financial Group Pty Ltd.

The substance of the transactions contemplated in the Restructure have been evaluated and are considered to be a form of capital restructuring and group reorganisation that will be accounted for at book value. On this basis:

- the assets and liabilities of the Company at Completion will reflect the carrying values of the assets and liabilities of MoneyMe Financial Group Pty Ltd (rather than at their fair values), and the results of the Company will continue to be reported in a manner consistent with those recorded by MoneyMe Financial Group Pty Ltd;
- the retained earnings and other equity balances recognised in the consolidated financial statements shall be the existing retained earnings and other equity balances of MoneyMe Financial Group Pty Ltd; and
- the amount recognised as issued capital in the consolidated financial statements of the Company will reflect the impact of the Restructure, and thereby the market capitalisation of the Company at the date of Completion (less costs attributable to the Offer that are offset against issued capital). An offsetting Capital Reorganisation reserve will be recognised to align total equity with the net asset position of the Company.

We note that the comparative Financial Information presented in the consolidated financial statements of the Company for the half year ending 31 December 2019 and for the year ending 30 June 2020 will be that of MoneyMe Financial Group Pty Ltd.

The accounting for transactions referred to above and contemplated in the Offer is currently being reviewed by the international accounting standard setters and related bodies and is subject to alternative interpretations and may therefore change. The outcome of these deliberations, the timing of any decisions and whether any potential changes are retrospective or only prospective could mean that the financial reporting outcome could be different to that reported in this Prospectus. In the event that the Restructure was required to be recorded at fair value:

- the assets and liabilities of the Company at Completion would increase to reflect the market capitalisation of the Company at the date of the Offer (an increase of approximately $166.3 million based on the Offer Price);
- the excess of the fair value based on the indicative market capitalisation over the book value of the net assets would be allocated to the fair value of tangible assets (primarily plant, property and equipment), intangible assets including customer contracts, relationships and brand names, liabilities and the remainder to goodwill based on a purchase price allocation exercise which would be required to be undertaken in accordance with AASB 3 *Business Combinations* (**AASB 3**). A deferred tax liability would be recognised for any intangible assets recognised for which there is a difference between the accounting and the tax cost base; and
- to the extent any identifiable intangible assets were recognised, the Company's NPAT would be reduced by the annual non-cash amortisation charge in relation to intangibles that can be amortised. Identifiable intangible assets which could not be amortised would be subject to impairment testing.

The impact of any acquisition accounting, if it were required to be applied in the future, cannot be accurately determined at this time, as a formal purchase price allocation has not been carried out as this is not required due to the accounting treatment adopted in respect of the Restructure.

(d) Preparation of Historical Financial Information

The Statutory Historical Financial Information has been extracted from the consolidated MoneyMe Financial Group Pty Ltd special purpose financial statements for FY17, the general purpose (reduced disclosure requirements) financial statements for FY18 and the general purpose financial statements for FY19. The consolidated financial statements for FY17, FY18 and FY19 were audited by Deloitte Touche Tohmatsu. Audit opinions were issued by Deloitte Touche Tohmatsu in respect of these financial statements and the comparative periods within and were unmodified.

The consolidated general purpose financial statements for FY19 reflected a revised presentation of operating expense categories consistent with the way the business is currently managed and how it expects to report going forward, and in accordance with AAS. The historical and forecast results for all periods presented in the Prospectus have been aligned with these categories and are presented on a consistent basis.

The Pro Forma Historical Financial Information has been prepared for the purpose of this Prospectus and has been derived from the Statutory Historical Financial Information and adjusted for the effects of the pro forma adjustments described in Section 4.3(d) of this Prospectus. In particular, pro forma adjustments have been made to reflect the following (among others):

- the incremental costs of being a publicly listed entity, including Board and governance costs, incremental audit, tax, legal and compliance related costs, and ASX listing fees;
- the impact of the Offer including capital raised and Offer costs, and the capital structure in place following the Offer; and
- incremental executive remuneration expenses to align with the fixed and short-term incentives agreed with key executives going forward.
- the application of AASB 9, with specific reference to the calculation of provision for loan impairment, as if this had occurred as at 1 July 2016 and therefore applied throughout the historical periods presented (see Section 4.2(f) below);
- the application of AASB 16 *Leases* (**AASB 16**) as if this had been applied from 1 July 2016 (see Section 4.2(f) below); and
- the pro forma effective income tax rate which would be applicable going forward.

Investors should note that past results are not a guarantee of future performance.

The Pro Forma Historical Statement of Financial Position is derived from the Statutory Historical Statement of Financial Position, and is adjusted to reflect the following (among others):

- the impact of the Offer, including costs directly attributable to the Offer offset against share capital (with the remainder expensed in Retained Earnings);
- the impact of AASB 16; and
- other impacts of the Restructure discussed in Section 4.2(c) above.

The Pro Forma Historical Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of the future financial position.

(e) Preparation of Forecast Financial Information

We have prepared the Forecast Financial Information solely for inclusion in this Prospectus. The basis of preparation and presentation of the Statutory Forecast Financial Information and the Pro Forma Forecast Financial Information, is consistent with the basis of preparation and presentation of the Statutory Historical Financial Information and Pro Forma Historical Financial Information, respectively.

The Forecast Financial Information has been based on an assessment of the current economic and operating conditions, and should be read in conjunction with the general and specific assumptions set out in Section 4.8(a) and Section 4.8(b), the sensitivity analysis described in Section 4.9, the risk factors described in Section 5, the Significant Accounting Policies set out in Section 10, and the other information in this Prospectus.

The inclusion of these assumptions and these risks is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring and is not intended to be a representation that the assumptions will occur. The Forecast Financial Information presented in this Prospectus has been reviewed by Deloitte Corporate Finance Pty Limited but has not been audited. Investors should note the scope and limitations of the Investigating Accountant's Report on the Historical and Forecast Financial Information (refer to Section 8).

The Directors believe the general and specific assumptions, when taken as a whole, to be reasonable at the time of preparing the Prospectus. However, the information is not fact, and investors are cautioned not to place undue reliance on the Forecast Financial Information. Investors should be aware that the timing of actual events and the magnitude of their impact might differ from that assumed in preparing the Forecast Financial Information and that this may have a material positive or negative effect on our actual financial performance, cash flows or financial position.

In addition, the assumptions upon which the Forecast Financial Information is based are by their very nature subject to significant uncertainties and contingencies, many of which will be outside the control of MoneyMe, the Directors and management, and are not reliably predictable. Accordingly, none of the Company, its Directors and management or any other person can give investors any assurance that the outcomes disclosed in the Forecast Financial Information will arise. Events and outcomes might differ in amount and timing from the assumptions, with a material consequential impact on the Forecast Financial Information.

We do not intend to update or revise the Forecast Financial Information or other forward-looking statements or to publish prospective Financial Information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law or regulation.

The Forecast Financial Information is presented on both a Statutory and Pro Forma basis. The Statutory Forecast Results and Pro Forma Forecast Results for FY20F also have regard to our current trading performance up until the date of lodgement of the Prospectus.

In preparing the Pro Forma Forecast Results, pro forma adjustments have been made to the Statutory Forecast Results to reflect:

- the incremental costs of being a publicly listed entity;
- the incremental executive remuneration expenses to align with the fixed and short-term incentives agreed with key executives going forward;
- the impact of the Offer including capital raised and the capital structure in place following the Offer; and
- the impact as if those adjustments took effect from the beginning of the forecast period.

Section 4.3(d) sets out the pro forma adjustments made to the Statutory Forecast Results and a reconciliation of Statutory Forecast Results to Pro Forma Forecast Results.

(f) Changes in accounting standards

We adopted AASB 9 on 1 July 2018. AASB 9 required that we adopt the expected credit loss model for accounting for impairment of our financial assets (loan receivables) accounted for at amortised cost rather than the incurred loss model required by AASB 139 *Financial Instruments* (**AASB 139**). An expected credit loss model results in the impairment provision being recognised in a period earlier than the incurred loss model because it requires judgements to be made about expected future losses rather than reflecting actual losses. As a result of the adoption of AASB 9, the total loan impairment expense on an annual basis is expected to increase. This Prospectus presents the Pro Forma Historical Financial Information for FY17 and FY18 on a consistent basis to illustrate the impact of AASB 9 had the standard been applied at 1 July 2016. Refer to Section 4.3(d) for further detail on the quantification of this impact.

We adopted AASB 15 *Revenue from Contracts with Customers* (**AASB 15**) on 1 July 2018. The standard applies a five-step model to all revenue arising from contracts to determine when to recognise revenue and at what amount. Under AASB 15, we recognise revenue relating to the transfer of promised services to customers, using values that reflect the consideration to which we expect to be entitled in exchange for those goods or services. We have deemed that our referral income is revenue from contracts with customers under AASB 15 and this is presented accordingly in our income statement. Adoption of the standard has not materially impacted the measurement of any revenues and as such, no pro forma adjustment to the Historical Financial Information has been made.

AASB 16 is applicable to reporting periods beginning on or after 1 January 2019 and therefore we will apply this from 1 July 2019. The accounting treatment for a lessee under AASB 117 *Leases* (**AASB 117**) was based on categorising the lease either as a finance lease (recognised on balance sheet) or an operating lease (not recognised on balance sheet). Under the new standard, we will be required to recognise a lease liability and a right-of-use asset on our balance sheet for most leases. The Statutory Forecast Results for FY20F have been prepared on the basis of adopting AASB 16. As a result of the adoption of AASB 16, operating expenses are expected to decrease and depreciation and interest expense to increase, and the timing of expense recognition to change due to the change from a straight-line rental expense to depreciation and interest expense (with interest expense having an accelerated profile). This Prospectus presents the Pro Forma Historical Financial Information for FY17, FY18 and FY19 on a consistent basis to illustrate the impact of AASB 16, had the standard been applied at 1 July 2016. Refer to Section 4.3(d) for further detail on the quantification of this impact.

(g) Explanation of certain non-IFRS financial measures

We use certain measures to manage and report on our business that are not recognised under AAS or under IFRS. These measures are collectively referred in this Section 4 and under ASIC Regulatory Guide 230 Disclosing Non-IFRS Financial Information as **non-IFRS financial measures**.

These non-IFRS financial measures do not have a prescribed definition under AAS or IFRS and therefore may not be directly comparable to similarly titled measures presented by other entities. These should not be construed as an indication of, or an alternative to, corresponding financial measures determined in accordance with AAS or IFRS.

Although we believe these non-IFRS financial measures provide useful information for measuring the financial performance and condition of the business, they should be considered as supplements to the consolidated statement of profit or loss and consolidated statement of cash flow measures that have been presented in accordance with the AAS and IFRS, not as a replacement for them. Investors are cautioned not to place undue reliance on any non-IFRS financial measures included in the Prospectus.

In the disclosures in this Prospectus, we use the following non-IFRS financial measures:

INCOME STATEMENT

Total revenue represents the sum of loan interest income and other income.

Loan funding expense represents the interest expense and amortised set-up costs related to our Warehouse Trust entities (Funding Debt).

Loan impairment expense represents the sum of the value (including principal, accrued fees and accrued interest) of loans written off in a period (net of recoveries) and the movement in our loan impairment provision for a given period.

EBITDA represents net profit/(loss) before interest on Corporate Debt, interest on the lease liability recognised under AASB 16, income tax expense, depreciation & amortisation.

PBT represents net profit/(loss) before income tax credit/(expense).

CASH FLOW STATEMENT INFORMATION

Net operating cash flow before taxation and funding is net cash flow before financing activities and taxation and before capital expenditure, loan book movements and funding movements.

Capital expenditure includes capitalised expenditure relating to plant and equipment, as well as capitalised expenditure on software, research, development and technology activities.

Net cash flow before corporate financing activities and taxation is net operating cash flow before tax and funding activities but after capital expenditure, movements in the loan book and Funding Debt movements and movement in the lease liability recognised under AASB 16.

4.3 Historical and Forecast Pro Forma Results and Statutory Forecast Results

(a) Overview

Set out below in Table 2 is a summary of our Pro Forma Historical Results for FY17, FY18 and FY19, Pro Forma Forecast Results and Statutory Forecast Results for FY20F.

Table 2: Pro Forma Historical, Pro Forma Forecast and Statutory Forecast Results

		Pro Forma Historical			Pro Forma Forecast	Statutory Forecast
$ millions	**Notes**	**FY17**	**FY18**	**FY19**	**FY20F**	**FY20F**
Interest income	1	14.5	21.8	27.5	40.3	40.3
Other income	2	1.4	2.3	4.3	5.5	5.5
Total revenue		**15.9**	**24.1**	**31.9**	**45.8**	**45.8**
Loan financing expense	3	(2.9)	(5.4)	(8.4)	(12.5)	(12.5)
Sales & marketing expenses	4	(2.2)	(2.8)	(3.4)	(5.5)	(5.5)
Product design & development expenses	5	(1.2)	(1.7)	(1.6)	(2.7)	(2.7)
General & administrative expenses	6	(4.6)	(5.5)	(7.9)	(9.5)	(11.4)
Loan impairment expense	7	(8.2)	(11.4)	(11.8)	(12.9)	(12.9)
Total operating expenses		**(19.2)**	**(26.8)**	**(33.1)**	**(42.9)**	**(44.9)**
EBITDA		**(3.3)**	**(2.8)**	**(1.2)**	**2.9**	**0.9**
Depreciation & amortisation	8	(0.2)	(0.3)	(0.7)	(1.0)	(1.0)
Interest	9	(0.0)	(0.0)	(0.2)	(0.1)	(0.2)
Profit/(loss) before tax		**(3.5)**	**(3.1)**	**(2.0)**	**1.8**	**(0.3)**
Income tax	10	1.0	0.9	0.4	(0.6)	0.1
Net profit/(loss) after tax		**(2.4)**	**(2.2)**	**(1.6)**	**1.1**	**(0.2)**

Notes:
1. **Loan interest income** includes interest and contracted fees on loans that we originate.
2. **Other income** includes referral income, bad debt recoveries, late fees, dishonour fees and interest received on cash deposits.
3. **Loan financing expense** includes the interest charges and set-up costs related to our Funding Debt, which is the primary source of funding for our loan originations. Our Funding Debt can only be used to fund the origination of loans and is limited recourse in nature.
4. **Sales & marketing expenses** include SEO and SEM costs, advertising and referral fees, costs associated with credit assessment for loan approval and employee expenses related to our sales & marketing employees.
5. **Product design & development expenses** includes costs in relation to the enhancement of existing technologies as well as costs associated with research and development of new technologies. This predominantly comprises of employee expenses for our engineering, product, research and development functions.
6. **General & administrative expenses** include employee expenses in relation to customer service, retention and collection management, Non-Executive Directors, finance and risk and legal. They also include costs in relation to the general operations of the business such as rent and office expenses. The statutory forecast also includes costs relating to the Offer of $2.8 million to be expensed during FY20F.
7. **Loan impairment expense** represents the value of loans (including principal, accrued fees and accrued interest) charged off in a period (excluding recoveries) and the change in our loan impairment provision for a given period. The pro forma historical and forecast loan impairment expense as well as the statutory forecast loan impairment expense has been calculated in accordance with AASB 9 as explained in Section 4.2(f).
8. **Depreciation & amortisation** represents depreciation associated with the plant and equipment we use in the business and the depreciation of the right-of-use asset recognised under AASB 16 relating to our premises lease. **Amortisation** is associated with the capitalised website costs, purchased software and capitalised software development.
9. **Interest** for FY20F statutory forecast reflects interest paid on our Corporate Debt up to the date of Completion of the Offer (which is used for general corporate purposes and is forecast to be repaid out of the funds of the Offer) and the interest expense on the lease liability recognised under AASB 16. The Pro Forma Historical Results only include the interest expense on the lease liability.
10. **Income tax** reflects the application of a 30% corporate tax rate on Australian taxable profits after adjusting for share-based payment expenses and research and development tax credits where applicable.

(b) Key operating metrics

Set out below in Table 3 is a summary of our key operational metrics for FY17, FY18, and FY19 derived from the Pro Forma Historical Results, and key metrics for FY20F derived from the Pro Forma Forecast Financial Results, and other operational metrics we use for these periods.

Table 3: Key operating metrics

		Pro Forma Historical			Pro Forma Forecast
	Notes	FY17	FY18	FY19	FY20F
Income					
Total revenue ($m)		15.9	24.1	31.9	45.8
Total revenue growth (%)		154.4%	51.3%	32.6%	43.7%
Weighted average simple interest rate (%)	1	25.0%	21.8%	22.6%	22.9%
Loan book growth					
Originations ($m)	2	76.4	70.3	116.9	168.2
Originations growth (%)		185.5%	(8.0%)	66.1%	43.9%
Closing gross loan book ($m)	3	39.3	48.1	87.5	141.9
Closing gross loan book growth (%)		–	22.4%	81.8%	62.2%
Loan book run off (%)	4	–	56.1%	47.0%	44.5%
Loan book quality					
Net charge off to originations (%)	5	4.1%	6.7%	6.2%	5.8%
Loan provision to gross loan book (%)	6	10.9%	9.7%	10.4%	9.8%
Loan impairment – net charge off ($m)	7	3.2	7.0	5.0	6.6
Loan impairment – provision movement ($m)	8	4.3	2.3	4.4	4.5
Cost measures					
Funding cost rate (%)	9	12.1%	11.8%	12.6%	11.4%
Sales & marketing expenses to total revenue (%)	10	13.7%	11.5%	10.6%	11.9%
General & administrative expenses to total revenue (%)	11	29.1%	23.0%	24.7%	20.7%

Notes:
1. **Weighted average simple interest rate** represents the total interest as a percentage of the original loan amount.
2. **Originations** represents the total principal amount advanced to customers.
3. **Closing gross loan book** is the loan book at 30 June before loan provision.
4. **Loan book run-off** represents the value of principal repaid in a period as a percentage of the opening gross loan book plus principal originations in the period.
5. **Net charge off to originations (%)** is calculated as cumulative loan impairment – net charge off as a percentage of cumulative principal originated.
6. **Loan provision to gross loan book (%)** is calculated as the 30 June loan provision divided by 30 June gross loan book.
7. **Loan impairment – net charge off** represents principal written off in the period net of loss recoveries. Note that loan impairment expense as disclosed in the Income statement, is the sum of the loan impairment – provision movement and loan impairment – net charge off (after adjusting for loss recoveries, accrued fees and accrued interest).
8. **Loan impairment – provision movement** represents the movement in the loan impairment provision over the period.
9. **Funding cost rate (%)** is the all-in interest cost we pay on our drawn and undrawn Funding Debt.
10. **Sales & marketing expenses % of revenue** is calculated as sales & marketing expenses divided by total revenue.
11. **General & administrative expenses % of revenue** is calculated as general & administrative expenses divided by total revenue.

(c) Statutory Historical Results

Set out in Table 4 is a summary of the Statutory Historical Results for FY17, FY18 and FY19.

Table 4: Statutory Historical Results

$ millions	Notes[1]	Statutory historical		
		FY17	FY18	FY19
Loan Interest income		14.5	21.8	27.5
Other income		1.4	2.3	4.3
Total revenue		**15.9**	**24.1**	**31.9**
Loan financing expense		(2.9)	(5.4)	(8.4)
Sales & marketing expenses		(2.2)	(2.8)	(3.4)
Product design & development expenses		(1.2)	(1.7)	(1.6)
General & administrative expenses		(2.5)	(3.4)	(6.2)
Loan impairment expense		(4.8)	(9.8)	(11.8)
Total operating expenses		**(13.7)**	**(23.1)**	**(31.4)**
EBITDA		**2.2**	**1.0**	**0.5**
Depreciation & amortisation		(0.1)	(0.1)	(0.2)
Interest		(0.1)	(0.2)	(0.1)
Profit/(loss) before tax		**2.1**	**0.7**	**0.1**
Income tax		(0.4)	0.1	0.2
Net profit/(loss) after tax		**1.7**	**0.7**	**0.3**

Note:
1. Refer to notes under Table 2. The statutory financial results for FY18 and FY19 have been extracted from the figures contained in the FY18 and FY19 financial statements. The FY19 financial statements were prepared using a revised classification of various income statement line items (including FY18 comparative Financial Information). The statutory financial results for FY17 have been extracted from the FY17 financial statements and reclassified to be consistent with the classification adopted in the FY19 financial statements.

(d) Pro forma adjustments to the Statutory Historical Results and Statutory Forecast Results

Set out below in Table 5 is a summary of the pro forma adjustments made to the Statutory Historical and Statutory Forecast Results for FY17, FY18, FY19 and FY20F.

Table 5: Pro Forma Adjustments to Statutory Historical and Forecast Results

$ millions	Notes	FY17	FY18	FY19	FY20F
Statutory NPAT		1.7	0.7	0.3	(0.2)
Public company costs	1	(1.3)	(1.3)	(1.3)	(0.6)
Executive remuneration	2	(0.9)	(0.9)	(0.9)	(0.3)
Offer costs	3	–	–	–	2.8
Corporate interest	4	0.1	0.2	0.1	0.1
Impact of AASB 9	5	(3.4)	(1.6)	–	–
Impact of AASB 16	6	(0.0)	(0.0)	0.0	–
Total pro forma adjustments		**(5.5)**	**(3.7)**	**(2.1)**	**2.0**
Pro forma tax effective rate applied to Pro forma PBT		1.4	0.8	0.2	(0.7)
Pro forma NPAT		**(2.4)**	**(2.2)**	**(1.6)**	**1.1**

Notes:

1. **Public company costs** reflect the estimate of additional annual costs associated with being an ASX listed entity. These costs include Directors' fees, ASX listing fees, Share Registry costs, Directors' and officers' insurance premiums, investor relations costs, annual general meeting costs, Annual Report costs and other public Company costs. The Statutory Forecast Results includes these costs from the date of Completion of the Offer.
2. **Executive remuneration** reflects the new executive remuneration arrangements that will be in place from Completion of the Offer being applied to the historical periods. In the Statutory Forecast Results remuneration for certain executives was forecast for the entire year.
3. **Offer costs** reflects, costs in relation to the Offer including the Joint Lead Manager's underwriting and offer Management Fees, legal and accounting due diligence fees, tax and structuring advice, associated consultancy and advisory services in relation to the Offer. The forecast Offer costs of $6.3 million in relation to this Prospectus have been apportioned between equity and profit and loss with $2.8 million forecast to be expensed in the profit and loss.
4. **Corporate interest** relates to the adjustment to remove the interest on the historical Shareholder and non-shareholder loans, which will be repaid on Completion.
5. **AASB 9 impact** relates to the PBT impact of AASB 9 as if it had been adopted since the start of FY17. We adopted AASB 9 from 1 July 2018 (as mandatorily required). AASB 9 requires the adoption of an expected credit loss model for accounting for impairment of our loan receivables accounted for at amortised cost rather than the incurred loss model required by AASB 139. See Section 4.2(f) for further information.
6. **AASB 16** reflects the PBT impact of the application of AASB 16 as if it had been adopted since the start of FY17. We formally adopted AASB 16 from 1 July 2019 (as mandatorily required). AASB 16 requires recognition of most lease liabilities on the balance sheet, together with a related right-of-use asset. As a result, the income statement will show lease expense as depreciation relating to the right-of-use asset and interest relating to the lease liability rather than rent expense being shown as an operating expense. As a result of the adoption of AASB 16, operating expenses are expected to decrease and depreciation and interest expense to increase, and the timing of expense recognition will change due to the change from a straight-line rental expense to depreciation and interest expenses (with interest expenses having an accelerated profile). See Section 4.2(f) for further information.

4.4 Statutory and Pro Forma Historical Statement of Financial Position

(a) Overview

Table 6 below presents the pro forma adjustments that have been made to the Statutory Historical Statement of Financial Position of MoneyMe as at 30 June 2019 to present a Pro Forma Historical Statement of Financial Position for MoneyMe as at 30 June 2019, reflecting the following adjustments:

- Completion of the Offer by MoneyMe, including proceeds raised from the Offer and costs incurred in relation to the Offer;
- Repayment of Shareholder and non-shareholder loans from a capital raising post 30 June 2019 and from proceeds of the Offer
- Accounting impacts relating to the pro forma adoption of AASB 16 and the Restructure.

Table 6: Statutory and Pro Forma Historical Statements of Financial Position as at 30 June 2019

$ millions	Notes	Statutory historical 30 June 2019	Capital raising Proceeds[1]	Offer Proceeds[2]	Costs of the Offer[3]	Debt re-payment[4]	Impact of AASB16[5]	Group reorgani-sation[6]	Pro Forma historical 30 June 2019
Cash and cash equivalents	7	6.1	1.7	41.5	(5.6)	(2.0)	–	–	41.6
Trade receivables		0.5		–	–	–	–	–	0.5
Net loan receivables	8	78.3		–	–	–	–	–	78.3
Deferred tax asset		0.8		–	1.9	–	–	–	2.7
Property, plant and equipment		0.1		–	–	–	–	–	0.1
Right-of-Use Asset		–		–	–	–	1.8	–	1.8
Intangible assets		0.8		–	–	–	–	–	0.8
Total assets		**86.6**	**1.7**	**41.5**	**(3.7)**	**(2.0)**	**1.8**	**–**	**125.8**
Trade payables		(1.1)		–	–	–			(1.1)
Employee related provisions		(0.2)		–	–	–	–	–	(0.2)
Borrowings	9	(81.6)	1.3	–	–	2.0	–	–	(78.3)
Lease Liability		–		–	–	–	(2.7)	–	(2.7)
Total liabilities		**(82.9)**	**1.3**	**–**	**–**	**2.0**	**(2.7)**	**–**	**(82.3)**
Net assets		**3.7**	**3.0**	**41.5**	**(3.7)**	**–**	**(0.9)**	**–**	**43.5**
Retained earnings		0.8	–	–	(1.9)	–	(0.9)	–	(2.1)
Reserves		0.1	–	–	–	–	–	(166.3)	(166.2)
Issued capital		2.8	3.0	41.5	(1.8)	–	–	166.3	211.8
Equity		**3.7**	**3.0**	**41.5**	**(3.7)**	**–**	**(0.9)**	**–**	**43.5**

Notes:

1. **Capital raising proceeds**: In July 2019, the Company raised $3.0 million in new equity, a portion of which was used to repay $1.3 million of shareholder loans.
2. **Offer proceeds**: Gross Offer proceeds represent the issuance of $45.0 million of capital to new investors, offset by $3.5 million which will be paid to Existing Shareholders as part of a sell down of equity in the Offer.
3. **Costs of the Offer**: Total Offer costs (inclusive of GST) are forecast at $6.3 million, comprising $5.6 million in cash costs and $0.7 million in non-cash costs relating to equity issued. Of the total offer costs, $2.8 million is forecast to be expensed and the remainder offset against issued capital on the balance sheet in accordance with accounting standards (both tax effected). The deferred tax asset relates to the income tax benefit of the future deductibility of Offer costs, the recognition of which is split between issued capital and retained earnings reflecting where the expenses have been recognised.
4. **Debt repayment**: Debt repayment related to our related party Corporate Debt (comprising of Shareholder and non-shareholder loans), which will be repaid in full and cancelled on Completion.
5. **Impact of AASB16**: AASB 16 adjustment represents the pro forma impact of the adoption of AASB 16, had it been adopted on or before 30 June 2019. This impact reflects the recognition of a right-of-use asset relating to our premises lease and corresponding lease liability as well as the cumulative historical impact on Retained Earnings of depreciation and interest expense.
6. **Group reorganisation**: As part of the Restructure, the existing issued capital in the Company (post conversion and/or exchange) will be marked up to the Offer valuation. This is expected to result in an increase in the cost base of those existing Shares. This is a non-cash increase and will be accounted for against a group reorganisation reserve on the balance sheet.
7. **Cash and cash equivalents** include restricted cash and cash equivalents of $5.1 million (on a statutory and pro forma basis).
8. **Net loan receivables**: represent unpaid principal, earned interest and unpaid fees balance after deducting the provision for loan impairments.
9. **Borrowings**: represents the outstanding Funding Debt that we use for our lending activities and our outstanding Corporate Debt. The Funding Debt balance as at 30 June 2019 included unamortised borrowing costs of $1.2 million in relation to the Velocity Warehouse and $0.5 million Horizon Warehouse.

(b) Indebtedness and capitalisation

Our principal source of funding for the purpose of originating new loans is the Funding Debt as set out in Section 3.9 in conjunction with cash generated from operations.

We expect to have sufficient cash flow, including access to the undrawn portions of our Warehouse Facilities and the proceeds from the Offer, to meet our new loan origination and general operational needs during the Prospectus forecast period.

Table 7 sets out the indebtedness as at 30 June 2019, on a statutory basis (before Completion) and on a pro forma basis (following Completion).

Table 7: Indebtedness and capitalisation as at 30 June 2019

$ millions	Notes	Statutory (before Completion)	Pro forma (including Offer impacts)
Funding Debt			
Funding Debt	1	78.3	78.3
Less: restricted cash and equivalents	2	(5.1)	(5.1)
Net Funding Debt		**73.2**	**73.2**
Corporate Debt			
Corporate Debt	3	**3.3**	**–**
Less: unrestricted cash and equivalents	4	(0.9)	(0.7)
Net Corporate Debt		**2.3**	**(0.7)**
Less: net Offer proceeds	5	–	(35.9)
Net Debt		**75.5**	**36.7**
Balance sheet			
Total assets		86.6	125.8
Total equity		3.7	43.5
Key metrics			
Funding Debt/gross loans		89.5%	89.5%
Net Debt/total assets		87.2%	29.1%

Notes:

1. **Funding Debt** relates to Warehouse Facilities we use to fund our loan book. As set out in Section 3.9, MoneyMe had $107.6 million drawn against the Warehouse Facilities as at 31 October 2019. There was an additional $9.5 million drawn against the Horizon Warehouse on 14 November 2019.
2. **Restricted cash and equivalents** relate to cash in bank accounts controlled by the securitisation trustees.
3. **Corporate Debt** related to our related-party Corporate Debt, which will be repaid in full and cancelled on Completion.
4. **Cash and cash equivalents** relate to our cash at bank we control.
5. **Offer proceeds** relates to the cash raised from the Offer of $45.0 million, net of fees associated with the Offer on a cash basis of $5.6 million and the payment of $3.5 million to Existing Shareholders for the sale of their shares in MoneyMe Financial Group Pty Ltd to the Company.

(c) Liquidity and capital resources

Following Completion, the principal sources of funds are expected to be cash flow generated from operations and available cash on balance sheet.

Based on the above liquidity position and capital resources, there will be sufficient working capital at the time of admission to the Official List to carry out our stated objectives and to meet operational requirements, capital investment in the business and the capital to support growth in the operations over the forecast period.

4.5 Interest rate risk

We originate loans that have variable interest rates that are repaid over a relatively short time period. As such, the interest rate risk associated with long-term structural movements in reference cash rates is minimal as the business can adjust changes in the reference cash rate for both existing loans and new loans originated.[1]

4.6 Statutory Historical and Forecast Cash Flows

(a) Pro Forma Historical and Pro Forma Forecast Cash Flows

Set out below in Table 8 is a summary of the pro forma historical statements of consolidated cash flows for FY17, FY18 and FY19 and the pro forma and statutory forecast consolidated statements of cash flows for FY20F.

Table 8: Pro forma historical, pro forma forecast and statutory forecast consolidated statements of cash flows

$ millions	Notes	Pro Forma Historical			Pro Forma Forecast	Statutory Forecast
		FY17	FY18	FY19	FY20F	FY20F
PBT		**(3.5)**	**(3.1)**	**(2.0)**	**1.8**	**(0.3)**
Add-back non-cash items:						
– Depreciation & amortisation	1	0.2	0.3	0.7	1.0	1.0
– Amortisation of borrowing costs	2	–	0.6	1.0	1.3	1.3
– Loan impairment	3	8.2	11.4	11.8	12.9	12.9
– Other non-cash items	4	0.0	0.1	0.2	0.5	1.2
Working capital movement	5	0.1	(0.2)	0.5	(0.9)	(0.9)
Net operating cash flow before taxation and funding		**5.1**	**9.1**	**12.2**	**16.4**	**15.1**
Capital expenditure	6	(0.3)	(0.9)	(1.6)	(1.0)	(1.0)
Net movement in loan book	7	(38.4)	(16.5)	(46.7)	(62.7)	(62.7)
Net movement in Funding Debt	8	32.2	3.4	37.2	33.5	33.5
Net movement in lease liability	9	(0.2)	(0.1)	(0.6)	(0.6)	(0.6)
Net cash flow before corporate financing activities and tax		**(1.6)**	**(5.1)**	**0.4**	**(14.4)**	**(15.7)**
Proceeds from capital raising	10					3.0
Offer proceeds	11					41.5
Offer costs	12					(3.5)
Income tax paid	13					–
Net cash flow						**25.2**

1. Subject to any applicable laws, including a court's ability to annul any interest rate it considers unconscionable. See Section 5.2(c) for more information on interest rate risk.

Notes:

1. **Depreciation & amortisation**: add-back of depreciation & amortisation as non-cash items.
2. **Amortisation of borrowing costs**: add-back the non-cash amortisation of Funding Debt set up and borrowing costs.
3. **Loan impairment**: add-back of loan impairment expense as a non-cash item.
4. **Other non-cash items**: add-back in relation to Long-term Incentive Plan (LTI) costs and AASB 16 interest expense. In addition, the Statutory Forecast Results include a non-cash expense of approximately $0.7 million relating to performance option rights linked to the Offer. The total face value of employee incentive plans expected to be created in FY20F is $2.1 million.
5. **Working capital movement**: represents movements in working capital balances.
6. **Capital expenditure**: capitalised expenditure relating to plant and equipment, as well as capitalised expenditure on software, research, development and technology activities.
7. **Net movement in loan book**: gross loans disbursed to customers (cash outflow) net of principal collections from customers (cash inflow).
8. **Net movement in Funding Debt**: drawn debt under Warehouse Facilities (cash inflow) net of debt funding repaid under Warehouse Facilities (cash outflow) and add-back for amortisation of borrowing costs associated with Funding Debt.
9. **Net movement in lease liability**: change in liability relating to our leased premises recognised on the balance sheet under AASB 16.
10. **Proceeds from capital raising**: proceeds raised in July 2019.
11. **Offer proceeds**: gross proceeds from the Offer, a portion of which will be used to pay the Offer costs, repay debt and fund forecast growth in the loan book.
12. **Offer costs**: costs incurred in respect of the Offer that are offset against equity on the balance sheet ($3.5 million). The remaining Offer costs of $2.8 million are reflected in the Statutory Forecast Income Statement in FY20F.
13. **Income tax paid**: on a pro forma basis, income taxes paid have been assumed to be consistent with the tax expense forecast for the period. The statutory forecast income tax paid calculation reflects payments for the year at the date of the Prospectus and anticipated payments up until 30 June 2020.

(b) Statutory Historical Cash Flows

Set out below in Table 9 is a summary of MoneyMe's Statutory Historical Cash Flows for FY17, FY18 and FY19

Table 9: Statutory Historical Cash Flows

$ millions	Notes	FY17	FY18	FY19
PBT		**2.1**	**0.7**	**0.1**
Add-back non-cash items:				
– Depreciation & amortisation	1	0.1	0.1	0.2
– Amortisation of borrowing costs	2	–	0.6	1.0
– Loan impairment	3	4.8	9.8	11.8
– Other non-cash items	4	–	0.1	0.0
Working capital movement	5	0.1	(0.2)	0.5
Net operating cash flow before taxation and funding		**7.1**	**11.0**	**13.7**
Capital expenditure	6	(0.3)	(0.9)	(1.6)
Net movement in loan book	7	(38.4)	(16.5)	(46.7)
Net movement in Funding Debt	8	32.2	3.4	37.2
Net movement in lease liability	9	–	–	–
Net cash flow before corporate financing activities and tax		**0.6**	**(3.0)**	**2.6**

Notes:

See notes under Table 8. The statutory financial cash flows for FY17, FY18 and FY19 have been derived from the financial figures contained in the FY17, FY18 and FY19 financial statements respectively and presented broadly consistent with the individual line items other than combining individual line items.

(c) Pro forma adjustments to the Statutory Historical and Forecast Cash Flows

Set out below in Table 10 is a summary of the pro forma adjustments made to statutory historical and forecast consolidated statements of cash flows for FY17, FY18, FY19 and FY20F.

Table 10: Pro forma adjustments to Statutory Historical and Forecast Cash Flows

		Historical			Forecast
$ millions	Notes	FY17	FY18	FY19	FY20F
Statutory net cash flow before corporate financing activities and taxation		**0.6**	**(3.0)**	**2.6**	**(15.7)**
Public company costs	1	(1.3)	(1.3)	(1.3)	(0.6)
Executive remuneration	2	(0.9)	(0.9)	(0.9)	(0.3)
Offer costs	3	–	–	–	2.1
Corporate interest	4	0.1	0.2	0.1	0.1
Pro forma net cash flow before corporate financing activities and taxation		**(1.6)**	**(5.1)**	**0.4**	**(14.4)**

Notes: See notes under Table 5.

4.7 Management discussion and analysis of the Pro Forma Financial Information

(a) General factors affecting our operating results

Section 4.7 is a discussion of the composition of our operating and financial performance during the period of the Historical Financial Information and which we expect may affect our operating and financial performance over the period of the Forecast Financial Information.

The general matters discussed below are a summary only and do not represent all events and factors that affected our historical operating and financial performance, nor everything that may affect our operating and financial performance for future periods. The information in this Section 4.7 should also be read in conjunction with the risk factors set out in Section 5 and the other information contained in this Prospectus.

(i) REVENUE

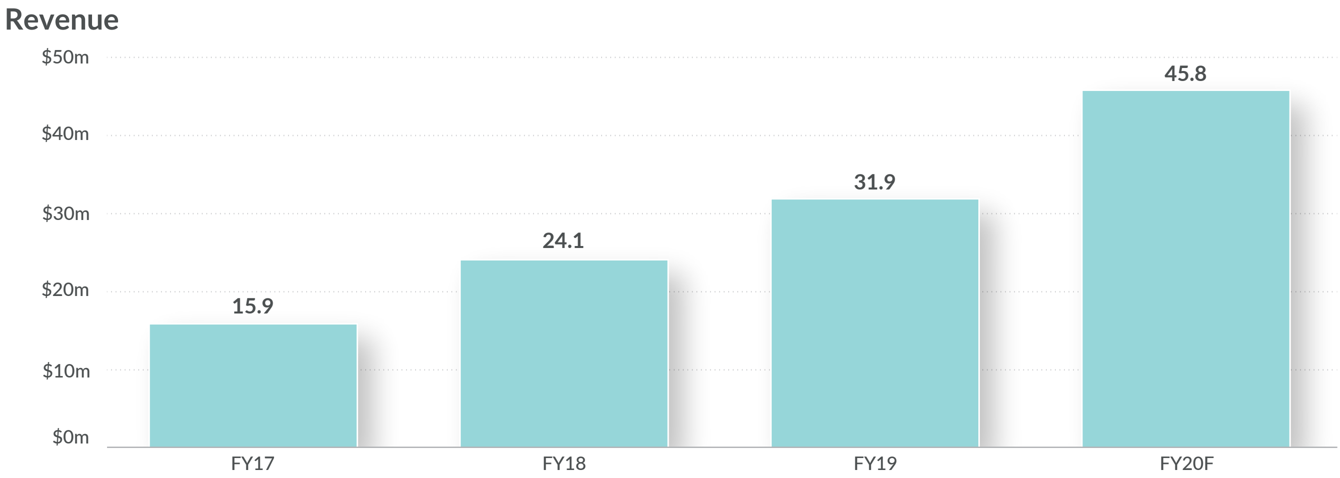
We earn revenue primarily from loan interest income and fees paid by customers to whom we provide loans. We also earn referral income by directing opportunities both onshore and in the US through a redirect website, as well as recovering previously unpaid principal and interest from previously written off loans.

Loan interest income and contracted fees are recognised on an effective interest method over the life of the loan, in accordance with AAS. We use the effective interest method to appropriately apportion loan repayments over the life of the loan between the portfolio income recognised and principal repayments. Where a customer misses a payment, late fees may be applied, which is recognised outside of the effective interest method.

The key drivers of loan interest income revenue are:

- the volume of loan originations; and
- the return we generate on those originations, through the interest that we charge, and fees incurred, including origination fees, annual fees, monthly fees and late fees.

Figure 4-1: Historical and forecast total revenue



Volume of loan originations

The volume of loan originations is driven by several key factors:

- The number of loans we originate, is a function of attracting new customers (new loans) and repeat engagement from existing customers (repeat loans).
- New customer acquisition: driven by a number of factors including the success of our distribution channels (as detailed in Section 3.10), the success of our growth strategies (as detailed in Section 3.13) and further enhancement of our application and underwriting modules in our Horizon Technology Platform.
- Repeat borrowing from existing customers: maintaining high customer satisfaction levels (as detailed in Section 3.5), actively engaging with customers throughout the life of their loan and enhancing our communications and application modules in our Horizon Technology Platform to provide what we consider to be excellent customer experience.
- Loan size: for our Personal Loan product the average loan size multiplied by number of loans originated drives the total loan origination value in a period. The average loan value for the Personal Loan increased from $4,300 in FY19 to $5,150 in September 2019. As we have a risk-based pricing model, loan size is a function of our allowable exposure at varying risk levels, with lower risk customers typically being offered larger loans.
- Transaction volume: for our Freestyle Virtual Credit Account product, loan originations are derived from the aggregate of all transactions made in the period via the Freestyle Virtual Credit Account.
- Loan duration: customers contract with us to repay their loan over a specified duration. The average duration for the Personal Loan increased from 18 months in FY19 to 20 months in FY20F. As we have a risk-based model, loan duration is a function of our allowable exposure at varying risk levels, with lower risk customers typically being offered longer duration loans.

Return on loan originations

The return we generate on loan originations is a function of the interest and fees that are charged on the value originated.

- Loan interest income: our risk-based pricing model adjusts the rate and term correlated to the probability of loss and loan serviceability for every individual applicant. We have multiple risk grades which determine loan offer and terms between the ranges as detailed in Section 3.3. Loan interest income is inclusive of all contracted fees associated with our loan products, including: origination, annual and monthly fees. All contracted fees are amortised through the income statement over the life of the loan as a component of loan interest income.
  - Origination fees relate to up front fees charged to Personal Loan customers at the outset of the loan, to recoup part of the upfront costs associated with originating that loan.
  - Annual fees relate to an annual recurring fee applied to each active Freestyle Virtual Credit Account to recoup in part, the cost of providing the availability of that facility to be drawn on anytime by the consumer.
  - Monthly fees relate to a monthly recurring fee applied to each active Freestyle Virtual Credit Account to recoup in part, the administration cost associated with managing that line of credit on an ongoing basis.

Other income revenue includes:

- Referral income: charged when we refer declined applications by redirecting opportunities;
- Bad debt recovery: income from previously written off loan balances; and
- Other fees:
  - late fees: charged when a customer misses any scheduled payments to us and calculated as a fixed dollar amount;
  - dishonour fees: charged when there has been a direct debit attempted which has dishonoured; and
  - bank interest income: we earn interest on excess cash at bank and cash held within the equity tranche of our securitisation structures.

(ii) OPERATING EXPENSES

We present our operating expense categories within the income statements on a functional basis. The categories used are loan financing, sales & marketing, product design & development, general & administrative and loan impairment expenses.

- Loan and funding costs includes the interest charges (Bank Bill Swap Rate (BBSW) plus a fixed margin) and amortised set-up costs related to our Warehouse Facilities, which is our primary source of funding for loan originations. The cost of these facilities is driven by the average funding cost rates incurred on drawn and undrawn balances and the size of the loan book being funded. Funding costs are driven by:
  - Funding cost rate: we pay interest on both drawn and undrawn amounts within the Warehouse Facilities. We also incur up-front set up costs (such as origination and legal fees) that are amortised over the duration of the loan. The interest financiers charge is a margin on top of market-based interest rates, such as the Bank Bill Swap Rate; and
  - Size of loan book: the size of our loan book is a function of the number of loans originated, number of transactions and draws on our Freestyle Virtual Credit Account, the average size of each loan and transaction, average loan term and payment profile of customers.
- Product design & development costs include costs in relation to the enhancement of existing technologies as well as costs associated with research and development of new technologies. This predominantly comprises employee expenses for our engineering, product, research and development functions.
- Sales & marketing costs include SEO and SEM costs as well as costs incurred to acquire and market to our customers, including advertising and referral costs. They also include costs associated with credit assessment for loan approval and employee costs.
- General & administrative costs include costs in relation to the general operations of the business such as rent and office expenses. They also include employee costs relating to customer service, credit assessment, loan processing, payments, Non-Executive Directors, finance and risk and legal.
- Loan impairment costs represent the value of loans written off in a period and the movement in our loan impairment provision over a given period. Our weighted average cumulative Static Loss Rate for all fully seasoned cohorts[2] was 8.6%. Static Loss Rates represent the principal not ultimately recovered on a given cohort, divided by the cohort's original loan principal or credit limit amount in the case of the Freestyle Virtual Credit Account. We apply different provision rates to the Personal Loan and Freestyle Virtual Credit Account loan books for loan impairments.
- Interest expense represents interest expense we incur under our Shareholder and non-shareholder loans (to be repaid in full from proceeds of the Offer) as well as the interest expense on the lease liability under AASB 16.

(iii) CAPITALISED DEVELOPMENT COSTS AND OTHER CAPITAL EXPENDITURE

We capitalise development costs related to the development of the Horizon Technology Platform. Expenses can be capitalised if they are directly attributable to development, they can be measured reliably, and the future economic benefits are probable. All other product development costs are expensed through the income statement.

Other capital expenditure relates to leasehold improvements and plant and equipment including some IT assets.

(iv) DEPRECIATION & AMORTISATION

Depreciation is a non-cash expense that largely relates to the ongoing use of our fixed asset base, including items such as IT equipment and office furniture. The depreciation expense is based on the assets useful life profile, with any new capital expenditure being depreciated over its useful life in accordance with our accounting policies. Pro forma depreciation expense is also inclusive of the depreciation on the right-of-use asset recognised under AASB 16 relating to our office leases.

Amortisation is a non-cash expense that relates primary to our Horizon Technology Platform intangible asset. Amortisation expense is based on an existing useful life profile, with any new software development being amortised over its useful life in accordance with our accounting policies.

2. As at 30 September 2019, cohorts are considered fully seasoned 24 months from origination date.

(v) WORKING CAPITAL

Working capital is defined to include other receivables and other current assets less payables and provisions. Provisions include employee provisions for annual leave and long service leave as well as bonus accruals, interest accruals to allow for the timing differences between when interest is incurred and when it is paid in cash, and general provisions and accruals to account for the timing differences between when an expense is incurred and when it is paid.

(vi) TAX

We have operations in Australia. The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and unused tax losses.

We claimed the Australian Taxation Office (**ATO**) research and development tax incentive, which is provided by way of a tax offset. We claimed this tax offset in FY17 and FY18 in accordance with the relevant legislation and guidelines. The research and development activities undertaken primarily relate to the development of modules within the Horizon Technology Platform.

(b) Pro Forma Historical Results

Table 11: Pro Forma Historical Results: FY17, FY18 and FY19

		Pro Forma Historical		
$ millions	Notes	FY17	FY18	FY19
Loan interest income	1	14.5	21.8	27.5
Other income	2	1.4	2.3	4.3
Total revenue		**15.9**	**24.1**	**31.9**
Loan financing expense	3	(2.9)	(5.4)	(8.4)
Sales & marketing expenses	4	(2.2)	(2.8)	(3.4)
Product design & development expenses	5	(1.2)	(1.7)	(1.6)
General & administrative expenses	6	(4.6)	(5.5)	(7.9)
Loan impairment expense	7	(8.2)	(11.4)	(11.8)
Total operating expenses		**(19.2)**	**(26.8)**	**(33.1)**
EBITDA		**(3.3)**	**(2.8)**	**(1.2)**
Depreciation & amortisation	8	(0.2)	(0.3)	(0.7)
Interest	9	(0.0)	(0.0)	(0.2)
Profit/(loss) before tax		**(3.5)**	**(3.1)**	**(2.0)**
Income tax	10	1.0	0.9	0.4
Net profit/(loss) after tax		**(2.4)**	**(2.2)**	**(1.6)**

Notes: See notes under Table 2.

(i) REVENUE

Total revenue increased by $8.2 million in FY18 (from $15.9 million to $24.1 million, an increase of 51%), which was predominantly driven by an increase in loan interest income of $7.2 million (from $14.5 million to $21.8 million, an increase of 50%). This increase in loan interest income resulted from an increase in the gross loan book to $48.1 million from $39.3 million. Other income grew by $0.9 million in FY18 (from $1.4 million to $2.3 million, an increase of 66%).

Total revenue increased by $7.8 million in FY19 (from $24.1 million to $31.9 million, an increase of 33%), mainly driven by the $5.8 million increase in loan interest income (from $21.8 million to $27.5 million, an increase of 27%). The increase in loan interest income resulted from an increase in the gross loan book to $87.5 million from $48.1 million. Other income also increased by $2.0 million in FY19 (from $2.3 million to $4.3 million, an increase of 90%) driven by late fee income growth which was in line with loan interest income growth.

(ii) OPERATING EXPENSES

Operating expenses increased by $7.6 million in FY18, (from $19.2 million to $26.8 million, an increase of 40%), primarily due to:

- an increase in loan impairment expenses of $3.2 million, (from $8.2 million to $11.4 million, an increase of 39%), driven by:
  - an increase in bad debt write-offs of $5.1 million consistent with the increase in the overall loan book; and
  - a decrease in the loan impairment provision expense of $2.1 million consistent with decreasing loan provision rate.
- an increase in loan financing costs of $2.5 million (from $2.9 million to $5.4 million, an increase of 85%), driven by an increase in debt funding consistent with growth in gross loan book to $48.1 million from $39.3 million, and negative carry within the Velocity Warehouse (established November 2017) on the margin associated with undrawn portion of the facility. Negative carry relates to the interest expense associated with the drawn but unutilised funds of the Warehouse Facilities;
- an increase in sales & marketing expenses of $0.6 million, (from $2.2 million to $2.8 million, an increase of 27%), driven by increased spend on SEO and SEM strategies to drive loan originations;
- an increase in product design & development expenses of $0.5 million (from $1.2 million to $1.7 million, an increase of 39%), driven by our continued investment in the Horizon Technology Platform; and
- an increase in general & administrative expenses of $0.9 million, from $4.6 million to $5.5 million, due to higher operating costs, higher consulting and legal expenses associated with the formation of our Legacy LTI Plan and transition to top-tier firms for accounting and legal engagements.

Operating expenses increased by $6.3 million in FY19, (from $26.8 million to $33.1 million, an increase of 23%), primarily due to:

- an increase in loan financing costs of $3.0 million, (from $5.4 million to $8.4 million, an increase of 55%), driven by:
  - an increase in debt funding consistent with growth in Gross Loan Receivables to $87.5 million from $48.1 million; and
  - negative carry within the Horizon Warehouse (established December 2018) caused by the facility being fully drawn on day one as a result of the wholesale bond structure.
- an increase in general & administrative expenses of $2.3 million, (from $5.5 million to $7.9 million, an increase of 42%), driven by a higher portion of employee time allocated to general & administrative tasks, as opposed to research and development; and
- an increase in sale and marketing expenses of $0.6 million, (from $2.8 million to $3.4 million, an increase of 22%), driven by continued increase in spend on SEO and SEM strategies to drive loan originations.

(iii) EBITDA, DEPRECIATION & AMORTISATION AND INTEREST ON CORPORATE DEBT

EBITDA increased by $0.5 million in FY18 driven by revenue growth outpacing operating expense growth.

Depreciation was broadly flat in FY18. Amortisation increased by $0.1 million in FY18 resulting predominantly from the amortisation of capitalised costs related to our Horizon Technology Platform intangible asset.

Interest expense was broadly flat in FY18.

EBITDA increased by $1.6 million in FY19 driven by the growth in the business as discussed earlier.

Depreciation increased by $0.3 million in FY19 driven by increased investment in IT equipment and the depreciation of the AASB 16 right to use asset in relation to the establishment of the new head office lease.

Amortisation increased by $0.1 million in FY19 resulting predominantly from the amortisation of capitalised costs related to our Horizon platform intangible asset.

Interest expense increased by $0.1 million in FY19 reflecting the AASB 16 interest expense relating to the establishment of the new head office lease.

(c) Pro Forma Historical Cash Flows

Table 12: Pro Forma Historical Cash Flows: FY17, FY18 and FY19

$ millions	FY17	FY18	FY19
PBT	**(3.5)**	**(3.1)**	**(2.0)**
Add-back non-cash items:			
– Depreciation & amortisation	0.2	0.3	0.7
– Amortisation of borrowing costs	–	0.6	1.0
– Loan impairment	8.2	11.4	11.8
– Other non-cash items	0.0	0.1	0.2
Working capital movement	0.1	(0.2)	0.5
Net operating cash flow before taxation and funding	**5.1**	**9.1**	**12.2**
Capital expenditure	(0.3)	(0.9)	(1.6)
Net movement in loan book	(38.4)	(16.5)	(46.7)
Net movement in Funding Debt	32.2	3.4	37.2
Net movement in lease liability	(0.2)	(0.1)	(0.6)
Net cash flow before corporate financing activities and tax	**(1.6)**	**(5.1)**	**0.4**

Notes: See notes under Table 8.

Net operating cash flow before taxation and funding increased by $4.0 million in FY18, (from $5.1 million to $9.1 million, an increase of 80%) due to the following:

- an increase in PBT of $0.4 million for the reasons described above in Section 4.7;
- an increase in amortisation of borrowing costs add-back to PBT of $0.6 million as a result of establishment costs relating to the Velocity Warehouse Trust in FY18;
- an increase in the loan impairment add-back to PBT from $8.2 million to $11.4 million consistent with the increase in the overall loan book; and
- a decrease in the net cash inflow from working capital movement of $0.3 million, which reflects the net movement of working capital balance sheet items over the period.

Net operating cash flow before taxation and funding increased by $3.1 million in FY19, (from $9.1 million to $12.2 million, an increase of 34%) due to the following:

- an increase in PBT of $1.0 million for the reasons described above in Section 4.7;
- an increase in depreciation & amortisation add-back to PBT of $0.4 million as a result of the amortisation of the capitalised costs associated with the intangible asset and increased investment in fixed assets;
- an increase in amortisation of borrowing costs add-back to PBT of $0.4 million as a result of establishment costs relating to the Horizon Warehouse Trust in FY19;
- an increase in the loan impairment add-back to PBT from $11.4 million to $11.8 million consistent with the increase in the overall loan book and improving credit profile; and
- an increase in the net cash inflow from working capital movement of $0.7 million, which reflects the net movement of working capital balance sheet items over the period.

Net cash flow before corporate financing activities and taxation decreased by $3.5 million in FY18 (from ($1.6) million to ($5.1) million), driven by the above factors and:

- a decrease in cash used to fund the net movement in loan book from ($38.4) million to ($16.5) million, as we were capital constrained prior to establishing the Velocity Warehouse Trust;
- a decrease in the net movement in Funding Debt of $28.8 million, as we were capital constrained prior to establishing the Velocity Warehouse Trust; and
- an increase in capital expenditure of $0.6 million as we continued to invest in our Horizon Technology Platform.

Net cash flow before corporate financing activities and taxation increased by $5.5 million in FY19, (from ($5.1) million to $0.4 million), driven by the above factors and:

- an increase in cash used to fund the net movement in loan book from ($16.5) million to ($46.7) million, as we advanced more loans than principal and interest collections in the period;
- an increase in the net movement in Funding Debt of $33.8 million, from $3.4 million to $37.2 million, as we drew further on our funding facilities; and
- an increase in capital expenditure of $0.7 million as we continued to invest in our Horizon Technology Platform.

4.8 Assumptions underlying the Forecast Financial Information

The Forecast Financial Information is based on various specific and general assumptions, including those set out in this Section 4.8. In preparing the Forecast Financial Information, we have undertaken an analysis of historical performance and applied assumptions where appropriate in order to forecast future performance for FY20F. We believe that we have prepared the Forecast Financial Information with due care and attention and consider all assumptions when taken as a whole to be reasonable at the time of preparing the Prospectus.

The Forecast Financial Information has been prepared based on the Significant Accounting Policies we adopted, which are in accordance with AAS.

(a) General assumptions

In preparing the Forecast Financial Information, the Directors have adopted the following general assumptions:

- no material change in the competitive environment in which we operate;
- no significant deviation from current economic conditions;
- no material changes in government regulations or policies which impact our business or our customers;
- no significant interruptions, industry disturbances or disruptions in relation to our technology, platform, software solutions or operations;
- no material amendment to any material contract, agreement or arrangement relating to our business;
- no material industrial actions or other disturbances, environmental costs or legal claims;
- no material cash flow or consolidated statement of profit or loss or financial position impact in relation to litigation (existing or otherwise);
- no material changes in key personnel, including key management personnel, and we are able to continue to recruit and retain personnel who will be required to support our future growth;
- no material change in our corporate or funding structure other than as set out in, or contemplated by, this Prospectus;
- the Offer proceeds in accordance with the timetable set out in this Prospectus;
- no material unexpected change in applicable AAS, the Corporations Act or other mandatory professional reporting requirements which have a material effect on our financial performance or cash flows, financial position, accounting policies, or financial reporting or disclosures;
- no material acquisitions, divestments, restructuring or investments other than as set out in, or contemplated by, this Prospectus; and
- none of the key risks listed in Section 5 occur, or if they do, none of them has a material adverse impact on our operations.

(b) Specific assumptions

In addition to the general assumptions, the Forecast Financial Information is based on various specific assumptions, of which the key assumptions are set out below. The assumptions are a summary only and do not represent all factors that may affect our financial performance. In preparing the Forecast Financial Information, we have analysed historical performance including the current rates of revenue and expenses and applied assumptions, where appropriate, across the business.

This information is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring and is not intended to be a representation that the assumptions will occur. The assumptions set out below should be read in conjunction with the sensitivity analysis set out in Section 4.9, the risk factors set out in Section 5, the Significant Accounting Policies set out in Section 10 and other information contained in this Prospectus. The Investigating Accountant's Report set out in Section 8 also covers the Forecast Financial Information as set out in this Section.

(i) REVENUE ASSUMPTIONS

The Forecast Financial Information is based on the following revenue assumptions:

- Originations growth of 44% in FY20F from $116.9 million to $168.2 million due to:
  - continued growth and acquisition across digital and direct channel marketing;
  - growth in the Freestyle Virtual Credit Account as the product forms a larger portion of the loan book facilitated by customer ability to repeat purchase and redraw.
- Average customer loan amount growth of 65% from $3,400 in FY19 to $5,600 in FY20F due to:
  - improving credit quality of underlying customers allows us to provide larger facilities;
  - increased funding capacity allows us to increase maximum loan amounts to customers; and
  - increasing returning customer rate, as returning customers are able to borrow larger facilities than new customers.
- The simple interest rate for FY20F is forecast to be lower than the last three-year average, demonstrating a gradual shift towards selection criteria for customers with better credit ratings, leading to lower interest rate with lower default rates.

(ii) OPERATING COST ASSUMPTIONS

The Forecast Financial Information is based on the following key operating cost assumptions:

- Operating expenses to increase 30% from $33.1 million in FY19 to $42.9 million in FY20F. Most of the increase is associated with loan financing expenses as our debt facilities are forecast to increase to write more loans and larger loan sizes than in previous years.
- Funding cost rate is forecast to reduce from 12.6% in FY19 to 11.4% in FY20F due to maximising the utilisation of funds deployed from the Trusts (see Section 3.9 for more detail), in which costs are incurred for undrawn amounts.
- Funding costs have been optimised by using increasing residual income and part of the IPO proceeds to fund part of the loan origination growth in FY20F.
- Sales & marketing expenses expected to increase by 61% from $3.4 million in FY19 to $5.5 million in FY20F to facilitate growth in loan originations.
- Product design & development expenses forecast to increase by 71% from $1.6 million in FY19 to $2.7 million in FY20F largely driven by increased headcount to support enhanced product functionality, new geographies and new product initiatives,
- General & administrative expenses forecast to increase by 21% from $7.9 million in FY19 to $9.5 million in FY20F driven by an increase in key functions associated with a growing loan book such as customer service, capital management, risk management and finance,
- Loan impairment expenses expected to increase by 9% from $11.8 million in FY19 to $12.9 million in FY20F in line with our overall portfolio growth, stable provisioning levels and our bad debt tolerance levels.

(iii) OTHER ASSUMPTIONS

- Depreciation: depreciation policy and useful life assumptions are forecast to remain consistent with historical levels.
- Amortisation: amortisation policy and useful life assumptions are forecast to remain consistent with current levels.
- Tax credit/(expense): assumes an effective corporate tax rate of 30% in Australia in the forecast period.

(c) Pro Forma Forecast Results: FY20F compared to FY19

Table 13: Pro Forma Forecast Results: FY20F compared to FY19

$ millions	Notes	Pro Forma Historical FY19	Pro Forma Forecast FY20F	Change	Change %
Loan interest income	1	27.5	40.3	12.7	46.3%
Other income	2	4.3	5.5	1.2	27.1%
Total revenue		**31.9**	**45.8**	**13.9**	**43.7%**
Loan financing expense	3	(8.4)	(12.5)	(4.0)	(47.9%)
Sales & marketing expenses	4	(3.4)	(5.5)	(2.1)	(60.8%)
Product design & development expenses	5	(1.6)	(2.7)	(1.1)	(70.7%)
General & administrative expenses	6	(7.9)	(9.5)	(1.6)	(20.6%)
Loan impairment expense	7	(11.8)	(12.9)	(1.0)	(8.7%)
Total operating expenses		**(33.1)**	**(42.9)**	**(9.9)**	**(29.8%)**
EBITDA		**(1.2)**	**2.9**	**4.1**	**NM**
Depreciation & amortisation	8	(0.7)	(1.0)	(0.3)	(43.5%)
Interest	9	(0.2)	(0.1)	0.0	NM
Profit/(loss) before tax		**(2.0)**	**1.8**	**3.8**	**NM**
Income tax	10	0.4	(0.6)	(1.1)	NM
Net profit/(loss) after tax		**(1.6)**	**1.1**	**2.7**	**NM**

Notes: See notes under Table 2.

(i) REVENUE

Total Revenue is expected to increase by $13.9 million from $31.9 million to $45.8 million, an increase of 44%, driven by:

- an increase in loan interest income of $12.7 million (from $27.5 million to $40.3 million, an increase of 46%). The increase in loan interest income is expected to be driven by growth in the gross loan book to $141.9 million from $87.5 million; and
- an increase in other income of $1.2 million (from $4.3 million to $5.5 million, an increase of 27%), aligned with the expected growth of active customers in the loan book.

(ii) OPERATING EXPENSES

Operating expenses are expected to increase by $10 million in the forecast period, (from $33.1 million to $42.9 million, an increase of 30%), primarily due to:

- an increase in loan financing expense of $4.0 million, (from $8.4 million to $12.5 million, an increase of 48%), driven by an increase in debt funding consistent with growth in gross loans to $141.9 million from $87.5 million;
- an increase in sales & marketing expenses of $2.1 million, (from $3.4 million to $5.5 million, an increase of 61%), driven by an expected increased spend on SEO and SEM strategies in line with loan book growth and to advertise the Freestyle Virtual Credit Account product to a broader market;
- an increase in product design & development expenses of $1.1 million, (from $1.6 million to $2.7 million, an increase of 71%), driven by investment into US expansion and continued investment in the development of the Horizon Technology Platform in the forecast period; and
- an increase in loan impairment expenses of $1.0 million, (from $11.8 million to $12.9 million, an increase of 9%), driven by historical loss performance modelled against loan book growth in the forecast period.

(iii) EBITDA, DEPRECIATION & AMORTISATION AND INTEREST ON CORPORATE DEBT

EBITDA is forecast to increase by $4.1 million driven by revenue growth outpacing operating expense growth in the forecast period.

While operating expenses (excluding loan impairment and loan financing expense) as a percentage of revenue are forecast to only marginally decline, loan impairment expense as a percentage of revenue is forecast is to reduce from 37.2% to 28.1%, which is a combination of operational leverage and the forecast change in product mix (higher proportion of Freestyle Virtual Credit Account which has a lower write-off rate as discussed Section 3.12). Loan funding costs as a percentage of revenue is also forecast to reduce in FY20F.

Depreciation is forecast to increase by $0.2 million driven by increased investment in IT equipment.

Amortisation is forecast to increase by $0.1 million resulting predominantly from the amortisation of capitalised costs related to our Horizon Technology Platform intangible asset and new capital expenditure projects in the forecast period.

No material change to interest expense is forecast.

(d) Pro Forma Forecast Cash Flows: FY20F compared to FY19

Table 14: Pro Forma Forecast Cash Flows: FY20F compared to FY19

		Pro Forma Historical	Pro Forma Forecast	
$ millions	**Notes**	**FY19**	**FY20F**	**Change**
PBT		(2.0)	1.8	3.8
Add-back non-cash items:				
– Depreciation & amortisation		0.7	1.0	0.3
– Amortisation of borrowing costs		1.0	1.3	0.3
– Loan impairment		11.8	12.9	1.0
– Other non-cash items		0.2	0.5	0.3
Working capital movement		0.5	(0.9)	(1.4)
Net operating cash flow before taxation and funding		**12.2**	**16.4**	**4.3**
Capital expenditure		(1.6)	(1.0)	0.6
Net movement in loan book		(46.7)	(62.7)	(16.0)
Net movement in Funding Debt		37.2	33.5	(3.6)
Net movement in lease liability		(0.6)	(0.6)	(0.0)
Net cash flow before corporate finance activities and tax		**0.4**	**(14.4)**	**(14.8)**

Notes: See notes under Table 8.

Net operating cash flow before taxation and funding expected to increase by $4.3 million, (from $12.2 million to $16.4 million, an increase of 35%), which included the following:

- an increase in PBT of $3.8 million for the reasons described above;
- an increase in depreciation & amortisation add-back to PBT of $0.3 million as a result of the amortisation of capitalised cost associated with the intangible asset and increased investment in fixed assets;
- an increase in amortisation of borrowing costs add-back to PBT of $0.3 million as a result of an extension to the Horizon Warehouse Trust in the first half of FY20F;
- an increase in other non-cash items add-back to PBT of $0.3 million as a result of an increase in expenses relating to the long-term incentive plan; and
- an increase in the loan impairment add-back to PBT from $11.8 million to $12.9 million consistent with the increase in the overall loan book and improving credit profile.

Net cash flow before corporate financing activities and taxation decrease of $14.8 million, from $0.4 million to ($14.4) million, driven by the above factors and:

- a decrease in capital expenditure of $0.6 million, as the majority of development costs associated with ListReady were incurred in FY19. The forecast assumes an ongoing investment into the Horizon Technology Platform for internally developed technologies to support future growth;
- an increase in cash used to fund the net movement in loan book from ($46.7) million to ($62.7) million, as we forecast to advance more loans than principal and interest collections in the period; and
- a decrease in the net movement in Funding Debt of ($3.6) million, from $37.2 million to $33.5 million, as we forecast to maximise our current funding facilities and use part of the Offer proceeds to fund the loan book growth in the forecast period.

4.9 Sensitivity analysis

The Forecast Financial Information is based on a number of estimates and assumptions that are subject to business, economic and competitive uncertainties and contingencies, many of which are beyond our control, and upon assumptions with respect to future business developments, which are subject to change.

Investors should be aware that future events cannot be predicted with certainty and as a result, deviations from the figures forecast in this Prospectus are to be expected. To assist investors in assessing the impact of these assumptions on the forecasts, set out below is a summary of the sensitivity of certain Forecast Financial Information to changes in a number of key variables.

The changes in key variables as set out in the sensitivity analysis are not intended to be indicative of the complete range of variations that may be experienced. For the purposes of the analysis below, the effect of the changes in key assumptions on the FY20F pro forma forecast PBT is presented.

It is important to note that the sensitivity analysis calculations assume changes in a variable are not necessarily impacted by changes in other variables. The sensitivity analysis is intended as a guide only and variations in actual performance could exceed the ranges shown.

Table 15: Sensitivity analysis on the pro forma forecast PBT for FY20F

Assumption	Notes	Variance	FY20F PBT impact
Annualised Simple Interest Rate on new loans (%)	1	+/– 100bps	+/– $0.8m
Number of Loan Originations (#)	2	+/– 5%	+/– $0.2m
Loan financing expense rate (%)	3	+/– 100bps	+/– $1.0m
Loan provision to gross loan book	4	+/– 100bps	+/– $1.4m
Operating expenses to revenue (excluding loan impairment and loan funding costs) (%)	5	+/– 2.5%	+/– $0.4m

Notes:

1. The Annualised Simple Interest Rate forecast for FY20F is 22.9%. The sensitivity above illustrates the impact of the Annualised Simple Interest Rate for FY20F originations being 100 basis points higher (i.e. 23.9%) and 100 basis points lower (i.e. 21.9%). For the purpose of the sensitivity, we have assumed no pricing impact on loans outstanding during FY20F that have been originated in years prior to FY20F. The sensitivity also assumes that change in revenue is offset by changes in loan impairment costs and loan funding costs using the FY20F forecast assumptions in relation to these costs.
2. FY20F loan originations are forecast to be 30,128. The sensitivity above illustrates the impact of the originations being 5% higher or lower.
3. FY20F funding cost rate has been forecast at 11.4%. The sensitivity above illustrates the impact of the funding cost rate being 100 basis points higher (i.e. 12.4%) or 100 basis points lower (i.e. 10.4%).
4. Loan provision to Gross Loan Book for FY20F is 9.8%. The sensitivity above illustrates the impact of this percentage being 100 basis points higher (i.e. 10.8%) and 100 basis points lower (i.e. 8.8%).
5. Operating expenses (excluding loan impairment and loan funding costs) as a percentage of total revenue have been forecast at 38.4% in FY20F. The sensitivity above illustrates the impact of this percentage being 2.5 percentage points higher (i.e. 40.9%) and 2.5 percentage points lower (i.e. 35.9%).

4.10 Dividend policy

We do not have any present plan to pay dividends on our Shares. Any future determination as to the declaration and payment of dividends, if any, will be at our discretion and will depend on then existing conditions including our financial condition, operating results, contractual restrictions, capital requirements, business prospects and other factors we deem relevant.

Section 5.

Risk factors

5.1 Introduction

The Company is subject to risk factors that are both specific to its business activities and of a more general nature. Each of the risks set out below could, in isolation or in combination, if they eventuate, have a material adverse impact on the Company's business, financial condition and results of operations. Investors should note that this Section 5 does not purport to list every risk that may be associated with an investment in Shares now or in the future, and that the occurrence or consequences of some of the risks described in this Section 5 are partially or completely outside the control of the Company, its Directors and management.

The selection of risks has been based on an assessment of a combination of the probability of the risk occurring and impact of the risk if it did occur. The assessment is based on the knowledge of the Directors as at the Prospectus Date, but there is no guarantee or assurance that the importance of risks will not change or other risks will not emerge.

Before applying for Shares, you should satisfy yourself that you have a sufficient understanding of these matters and should consider whether Shares are a suitable investment for you, having regard to your own investment objectives, financial circumstances and taxation position. If you do not understand any part of this Prospectus or are in any doubt as to whether to invest in Shares, it is recommended that you seek professional guidance from your stockbroker, solicitor, accountant, tax adviser or other independent and qualified professional adviser before deciding whether to invest.

5.2 Risks specific to an investment in the Company

(a) Customers may fail to repay their financial obligations to MoneyMe

MoneyMe's customers may not pay the principal, interest and fees owing to MoneyMe under their contract, which could result in a decrease in revenue and operating cash flows received, and an increase in expenses (including an increase in impairment expenses). Customer non-payment is a significant component of MoneyMe's expenses at present. If MoneyMe's excessive exposure to bad debts as a result of customers failing to repay their financial obligations to MoneyMe is higher than expected, it will have a material adverse effect on MoneyMe's profitability.

MoneyMe's funding arrangements also contain limits on the arrears or loss rates of receivables in the Warehouse Trusts which, if exceeded, may result in drawdowns being refused by the funders of those facilities. MoneyMe's ability to access funding is also predicated on its ability to generate stable Static Loss Rates over time, so if funders lose confidence in MoneyMe's ability to underwrite credit to the standard expected MoneyMe may find it more difficult to obtain funding or obtain funding on satisfactory terms.

A customer may not repay their financial obligations to MoneyMe for a variety of reasons including, for example, the customer experiencing a deterioration in their financial circumstances (due to a general economic slowdown or change in their individual circumstances) or prioritising other financial payments ahead of their payments to MoneyMe. MoneyMe may also fail to appropriately assess the ability of customers to repay their financial obligations and, as a consequence, lend money to customers who do not turn out to have the capacity to repay, and do not repay, their financial obligations to MoneyMe in full or at all.

MoneyMe's customers are not required to provide any collateral or other security to secure the repayment of money lent to them, so MoneyMe must successfully enforce its contractual rights in order to recover against a customer. It may not always be economical for MoneyMe to pursue repayment through legal claims, even where MoneyMe has rights against the customer, due to the amount outstanding on the particular loan, the cost involved in pursuing the legal claim and/or the ability of the customer to repay their financial obligations to MoneyMe (especially if the customer has debts owing to other creditors or financiers).

(b) MoneyMe may be unable to access funding, or funding available to MoneyMe may be on unsatisfactory terms

MoneyMe's ability to write new loans on favourable terms depends, in turn, on its ability to access funding and the terms on which such funding is obtained. Accordingly:

- if MoneyMe is not able to secure additional funding (as and when it is required), MoneyMe may not be able to write new loans or its ability to do so may be restricted; and
- if there is a loss or an adverse impact (for instance an increase in the cost of capital) to MoneyMe's current funding sources (including the Horizon Warehouse and the Velocity Warehouse), or any future funding sources, MoneyMe's ability to write new loans on favourable and/or competitive terms will be limited.

MoneyMe may not be able to extend the financing term or increase the funding capacity of its Warehouse Trusts beyond their existing terms and/or, when renegotiating an extension or increase, may not be able to do so on the same or more favourable terms. In addition, MoneyMe may not be able to enter into new warehouse facilities or other funding arrangements (including as part of a refinancing) sufficient to meet its business requirements. This could impact MoneyMe's ability to write new loans or write new loans on competitive terms.

MoneyMe requires additional funding to meet its growth objectives in the medium term, and its ability to satisfy current demand has been inhibited by the drawdown capacity remaining in its existing Warehouse Facilities. Accordingly, to the extent such funding is not obtained, MoneyMe's ability to meet those growth objectives will be impeded, and it could have a material adverse effect on MoneyMe's business, financial condition, results of operations, and/or growth potential. MoneyMe is in discussions with Major Banks in relation to a new funding facility, as mentioned in Section 3.9, however, no assurance can be given that such funding facility (or any comparable funding facility) will be secured, or that it will be secured on acceptable terms. In particular, there is no guarantee that funding will be available on those terms currently being discussed with the Major Banks.

MoneyMe's ability to write new loans has a direct impact on its financial performance, including its ability to meet its financial forecasts and MoneyMe's ability to grow its business through increasing its loan portfolio. It also impacts the market relevance of its products because that depends, in part, on how active MoneyMe is in the market and the amount of loans MoneyMe is originating. Accordingly, if MoneyMe is unable to access funding or funding is only available on terms that are unsatisfactory, it would have a material adverse effect on MoneyMe's business, financial condition, results of operations, and/or growth.

(c) Increase in interest rates

The cash rate set by the Reserve Bank of Australia has been a significant driver of low interest rates for wholesale funding in the Australian market, including the BBSY and BBSW, which are the Benchmark Rates of MoneyMe's Warehouse Facilities.

An increase in the cash rate may increase the cost of funding available to MoneyMe, which is a key variable cost of the business. MoneyMe retains flexibility under its documentation with customers to pass on the impact of an increase in interest rates to them (subject to any applicable laws, including a court's ability to annul any interest rate it considers unconscionable). In practice, however, MoneyMe may not be able to do so in respect of some or all of its loans, including because an increase in the pricing of MoneyMe's products may reduce demand for them because they may be less competitive than other products available to MoneyMe customers.

Accordingly, an increase in the cash rate may have a material adverse effect on MoneyMe's business, financial condition, operating and financial performance, and/or growth.

(d) Terms of the Warehouse Trusts

The Warehouse Trusts contain various provisions, including Events of Default and Amortisation Events (refer to Section 3.9 for further detail) which, if triggered, could impact MoneyMe's profitability, financial position and prospects.

An Amortisation Event or Event of Default may arise from, among other things:

- a breach by MoneyMe of its undertakings under the Warehouse Trusts, including with respect to the origination and servicing of receivables;
- credit related factors relating to the quality or performance of the pool of receivables funded under the Warehouse Trusts;
- the failure or inability to meet relevant pool parameters with respect to the pool of receivables funded under the Warehouse Trusts (for example, aggregate thresholds for loss rates, loan balances, interest rates, seasoning, product types and geographic concentrations for the receivables in the Warehouse Trusts), in each case, subject to any applicable grace periods provided for in the terms of the Warehouse Trust documents;
- in relation to the Velocity Warehouse only, it is also an Amortisation Event if Clayton Howes ceases to be a Director and/or officer of MoneyMe.

If an Amortisation Event were to occur upon expiry of any applicable grace periods, this would prevent MoneyMe from obtaining further funding for the origination of receivables under the relevant Warehouse Trust, and in addition, the timing and quantum of payments to MoneyMe (for example interest payments due to MoneyMe on its subordinated notes in the Warehouse Trust) may be affected. If an Event of Default were to occur upon expiry of any applicable grace periods, this would result in the ability for the secured creditors of the Warehouse Trust to enforce the security over the assets of the Warehouse Trust and sell the receivables funded by that Warehouse Trust, and remove MoneyMe as servicer of those receivables (meaning MoneyMe would no longer interact with customers in relation to the receivables).

The receivables that MoneyMe assigns to the Warehouse Trusts must meet certain eligibility criteria. The eligibility criteria are discussed in Section 3.9 but include, by way of example, that the receivable complies in all material respects with all applicable laws. As noted in Section 3.9(b)(1), MoneyMe is required to repurchase any receivables which it discovers did not meet the eligibility criteria. If MoneyMe is required to repurchase existing receivables because they did not meet the eligibility criteria, or is unable to meet the eligibility criteria for its Warehouse Trusts for newly originated receivables, it may not be able to obtain funding for these receivables, which may affect its profitability, financial position and prospects.

(e) Capital support

MoneyMe is required to subscribe for subordinated debt in the Warehouse Trusts, which provides credit support for the debt issued to its third-party financiers and acts as the 'first loss' capital to absorb any losses. MoneyMe may be required to subscribe for additional subordinated debt from time to time if, for instance, the loan book increases and/or new warehouse funding arrangements are put in place, to ensure that the subordination requirements of the Warehouse Trusts are satisfied. If MoneyMe is unable to obtain cash and equity to satisfy these subordination requirements, MoneyMe's access to warehouse funding may be restricted, which would impact MoneyMe's ability to originate new loans and therefore MoneyMe's business, financial condition, operating and financial performance, and/or growth. If losses on loans in the Warehouse Facilities are sufficiently high, it will result in an erosion of MoneyMe's required 'first loss' capital positions and a permanent loss of such capital that is used to satisfy losses.

(f) Compliance with laws, regulations and industry compliance standards

COMPLIANCE OBLIGATIONS GENERALLY

MoneyMe is subject to a range of laws, regulations and industry standards including the *National Consumer Credit Protection Act 2009* (Cth) (**NCCP Act**), the *Financial Sector (Collection of Data) Act 2001* (Cth) (**FSCODA**) and the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth), each of which creates conduct and disclosure obligations applicable to MoneyMe, and are liable to change with developments in political, regulator and consumer needs and expectations.

Failure to comply with these laws, regulations and industry compliance standards could adversely impact MoneyMe's business, including through civil penalty proceedings, loss or suspension of licence, increased compliance costs, the cessation of certain business activities, restrictions on product and service expansion, litigation and disputes, regulatory enquiry or investigation and reputational damage. The increasing demands of these laws, regulations and industry compliance standards, and changes to the regulatory landscape, could require MoneyMe to increase the resourcing of its compliance and risk function, which may add to its cost base.

MoneyMe is also a member of the Australian Financial Complaints Authority, which is an external dispute resolution scheme that considers complaints made about (among other things) consumer credit products. AFCA has jurisdiction to hear disputes between MoneyMe and its customers, and it if determines there is a systemic issue it is obliged to refer the issue to ASIC. This referral may result in loss or suspension of licence, monetary fines, remedial actions, legal proceedings and reputational damage.

In August 2019, ASIC approved changes to the AFCA Rules to allow AFCA to name financial firms in published determinations. While the presence of complaints referred to AFCA in a consumer facing regulated business such as MoneyMe is not unusual, a public determination naming MoneyMe may give rise to reputational and brand damage.

CHANGES TO LAWS, REGULATIONS AND STANDARDS

The financial services and consumer credit sector is in the midst of a period of political and regulatory scrutiny, with public demands for service providers to lift standards of compliance and realign business models with community expectations. As a result, regulators are showing a heightened preparedness to take action against consumer credit service providers, and it is likely that changes to laws, regulations and industry compliance standards will continue. This environment creates uncertainty around the regulatory treatment of MoneyMe's current and proposed products, practices and procedures, and creates the risk that a regulator may take a different view to MoneyMe on how certain regulations apply to its current and proposed products, practices and procedures and the appropriateness of such proposed products, practices and procedures for consumers.

The introduction of laws, regulations and industry compliance standards which oblige industry participants to proactively change their business models or product features, alter funding arrangements or change their disclosure practices, could have a material adverse effect on MoneyMe's business, financial position, operating performance, and growth. For example, MoneyMe is currently regulated as a non-ADI lender under FSCODA. APRA has existing powers to make rules addressing the financial stability risks introduced by non-ADI lenders. While no active regulation of non-ADI lenders is currently mandated, APRA may choose to use this power and impose rules where it considers there to be a risk to the stability of Australia's financial system. Potential risks include a requirement to hold minimum levels of capital to support lending activity, or restrictions on specific types of lending activities.

ASIC's newly stated approach of 'why not litigate?' indicates an expected increase in ASIC commenced disciplinary actions in response to non-compliance, as opposed to the historical approach that favoured remedial and compliance-focused enforcement outcomes.

In 2017, ASIC brought a case against a major Australian lender concerning the use of its automated assessment system for the provision of credit, alleging that the particular system did not have regard to the actual expenses provided by the consumer and was in breach of its obligations. Although ASIC was ultimately unsuccessful in this case, ASIC had demonstrated that it is prepared to litigate and is considering the use of automated assessments in credit decisions, and may continue to scrutinise the area in the future.

RESPONSIBLE LENDING OBLIGATIONS

In the provision of its consumer loans, MoneyMe must comply with the responsible lending obligations set out in the NCCP Act. Broadly, the responsible lending obligations require consumer credit providers to make an assessment of a consumer's suitability for entry into a credit arrangement before providing a credit product. This includes providing a consumer with a quote setting out the maximum amount payable under the credit contract, making enquiries into the financial situation and objectives of the consumer, providing the consumer with a copy of the financial assessment undertaken if requested and disclosing key features of the credit product and dispute resolution procedure to consumers.

What is required to satisfy (and demonstrate satisfaction of) responsible lending obligations has been the subject of recent regulator and court processes. It is anticipated that ASIC will look to revise responsible lending rules and guidance by the end of 2019. While it is not possible to predict what changes ASIC will require, given ASIC's position in the test case, it is likely that these changes will require credit providers to move away from indexed benchmarks and move towards individually testing a prospective borrower's financial situation.

MoneyMe already relies on an individual assessment of borrower's financial situation (rather than indexed benchmarks), through use of the Horizon Technology Platform to assess an applicant's creditworthiness before it funds a loan. As described in Section 3.4, this credit decisioning technology applies algorithms and artificial intelligence to assess an applicant's creditworthiness, based on data inputs from internal and external sources. In this regard, MoneyMe is less exposed to a regulatory move away from reliance on benchmarks to reliance on customer data. What is not known is ASIC's position regarding the use of algorithms specifically in the context of credit decisions and responsible lending.

Given the regulatory interest in this area and the lack of explicit guidance to date, it is possible that there will be reform to the responsible lending obligations that apply to consumer credit providers that impact the way in which MoneyMe undertakes credit assessments, or that additional compliance or assurance resources (including additional manual review by MoneyMe personnel) are required to support reliance on algorithms, which would require MoneyMe to reconsider the design and operation of its credit risk framework and credit assessment processes.

DESIGN AND DISTRIBUTION OBLIGATIONS AND PRODUCT INTERVENTION POWER

In April 2019, Australian federal legislation was passed requiring product issuers (including consumer credit providers) to assess the target market for products and ensure distribution is consistent with the determined target market (design and distribution obligations), and giving ASIC powers to intervene in relation to certain financial and credit products (product intervention powers), including to prohibit the offering of such products.

Credit providers such as MoneyMe must comply with the design and distribution obligations. This means MoneyMe will need to assess the target market for its credit products and may be required to make changes to the distribution strategy and disclosure documents used to distribute these products.

ASIC's product intervention powers have already commenced and the first use of the powers has been in relation to short-term credit contracts with terms contributing to 'significant consumer detriment'. Consultation is currently open regarding the second use of the power, which relates to car yard intermediaries selling add-on products such as car financing. It is clear that consumer credit products are within ASIC's focus for use of the power. The term 'significant' is not defined in applicable legislation, and ASIC has stated that whether consumer detriment (or likely detriment) is significant will depend on individual circumstances. However, in its media release on the consultation paper, ASIC stated that it considered 'significant consumer detriment' may arise in relation to models designed to provide short term credit at high cost to vulnerable consumers, and add-on products that are sold to a 'captive market' category of consumers (e.g. add-on insurance sold by car yard intermediaries).

MoneyMe is required to take reasonable steps to determine its target market and distribute consistently with those determinations, and continue to ensure that credit products offered by MoneyMe do not cause significant consumer detriment. Monitoring regulatory development and ASIC guidance on the use of these powers will also be relevant in determining the likely impact of the powers on MoneyMe's business and product expansion plans.

(g) MoneyMe may not successfully implement its growth strategies

MoneyMe has developed a number of growth strategies for the business, which are set out in Section 3.13 and include increasing MoneyMe's market penetration, increasing MoneyMe's Total Addressable Market through product innovation and entering new geographies. There is no guarantee that all or any of MoneyMe's growth strategies will be successfully implemented, deliver the expected returns or ultimately be profitable. There is also a risk that the growth strategies may be subjected to unexpected delays and additional implementation costs.

For example, MoneyMe's ability to access further funding on favourable terms is critical to its plan to increase its market penetration and, as mentioned in Section 5.2(b) above, no assurance can be made that MoneyMe will be able to access such funding on favourable terms.

MoneyMe may fail to increase its loan book, which could occur as a result of a variety of reasons, including a deterioration in the MoneyMe brand or customers moving to competitors for better terms or service. This could be due to a failure to attract new customers and/or failure to maintain returning customers.

MoneyMe plans to increase its addressable market through the introduction of new products. However, there is no guarantee that MoneyMe will establish new products, or that any such new products launched by MoneyMe will be successful. For example, ListReady was only officially launched in July 2019 and, accordingly, it is too early to determine whether it will be successful. MoneyMe's ability to launch new products and their success is also impacted by the regulated nature of the industry, as the regulatory treatment of products may be uncertain and may be challenged if, for instance a regulator takes a different view to MoneyMe in relation to the regulation of a product and/or the appropriateness of a product for consumers. There is also a risk that any new products launched by MoneyMe will cannibalise the revenues of its existing products to a greater extent than expected.

MoneyMe's consideration of a formal entry into the US market as a credit provider is in its early stages, notwithstanding that MoneyMe have been testing the US market since Q4 FY17. Accordingly, there is no guarantee that MoneyMe will enter the US market or that any such initiative will be successful. Further, MoneyMe's credit processes and proprietary data may not appropriately assess or measure credit risk in other geographies (including the US) or in respect of other products.

MoneyMe may also fail to adopt and execute growth strategies that will enable it to successfully maintain or improve its product offering and match any change in customer preferences. Failure to do so could result in customers choosing MoneyMe's competitors for their requirements, which could have a materially adverse impact on MoneyMe's business, operating and financial performance, and/or growth.

Any change to MoneyMe's ability to achieve any or all of its growth strategies, or the market's perception of MoneyMe's ability to deliver growth to Shareholders, is likely to have a significant impact on MoneyMe's share price.

(h) MoneyMe's credit assessment framework and processes may fail

MoneyMe seeks to balance risk and return in its loan book through the use of risk-based pricing, with the intention of generating an appropriate return commensurate with the risk of borrower default and ensuring its loan book complies with its funding arrangements. To achieve this, MoneyMe relies on its credit risk framework (refer to Section 3.12) to assess, monitor and manage credit risk. The Horizon Technology Platform is used to assess an applicant's creditworthiness and relies on algorithms to assess data and set personalised, risk-based pricing.

There is a risk that MoneyMe's credit risk framework and the credit assessment process undertaken by the Horizon Technology Platform may fail to accurately assess and monitor credit risk. There is also a risk that inadequate or failed operation of the credit assessment process could result in MoneyMe unintentionally accepting additional credit risk above its expectations, which could occur due to a failure of the Horizon Technology Platform itself (for example, there may be a technical failure in data gathering or the use of the algorithm) or due to a failure of MoneyMe personnel (for example, if they fail to follow defined processes). This could result in MoneyMe originating loans to customers who do not have the capacity to repay the loan, which could result in a breach of its responsible lending obligations, or originating loans in a way that does not effectively balance risk and return through its loan book. These events could have a material adverse effect on MoneyMe's business, financial condition, operating and financial performance, availability and cost of funding and/or growth.

(i) MoneyMe's technology may fail or experience disruptions, or may become obsolete

MoneyMe's ability to deliver fast and convenient access to finance for its customers and to successfully price credit risk depends on the efficient and uninterrupted operation of its technology platform, the Horizon Technology Platform.

There is a risk that the Horizon Technology Platform may experience downtime or interruption due to system failures, service outages, corruption of information technology network or information systems as a result of computer viruses, bugs, worms or cyber attacks, as well as natural disasters, fire, power outages or other events outside the control of MoneyMe, and that measures implemented by MoneyMe to protect against such events are ineffective. MoneyMe's business is highly dependent on its ability to process a large number of loans. Accordingly, any systemic failure could cause significant damage to MoneyMe's reputation, its ability to make informed credit decisions and assess the credit performance of its loan book, its ability to service customers in a timely manner, and its ability to retain existing customers and generate new customers, any of which could have a materially adverse impact on MoneyMe's business, operating and financial performance, and/or growth.

MoneyMe's technology platform or product offering may also become obsolete or outdated through the investment of its peers in superior technology and/or product offerings, increased access to data through the introduction of positive credit reporting reforms or general market developments. This could necessitate MoneyMe to undertake substantial investment in updating or improving its current technology platform and product offering, which could have a material adverse impact on MoneyMe's business, operating and financial performance, and/or growth.

(j) The Horizon Technology Platform is reliant on key inputs from third parties

The Horizon Technology Platform (and by extension the MoneyMe Business) relies on key inputs from third parties to operate. For example MoneyMe:

- uses information from third-party credit agencies (like Equifax) and data providers (like illion) in its credit assessment process;
- relies on contracts with third-party information technology suppliers and software providers to maintain and support the platform, including a cloud communications platform;
- uses third-party payment providers to establish direct debits and support the payment requirements of its products; and
- uses a third party for cloud-hosting and data repository service.

As a result, MoneyMe's business relies on these products and services being delivered in a timely and effective manner for a commercially reasonable cost and is consequently exposed to:

- the availability of these services and products. For example, a change in access to data services such as banks changing or restricting access to their customers' data via services such as Bank Statements, or credit reporting bodies such as Equifax changing the inputs relied upon by MoneyMe to make credit decisions;
- the quality of the services or products provided by third parties deteriorating or not being reliable. For example, MoneyMe's credit assessment process is dependent on the accuracy and reliability of the information provided by third parties (such as bank account information), and direct debit repayments are dependent on the effective operation of a third party's technology;
- a delay or disruption to the products or services provided by, or the termination of arrangements with, third parties, could result in a delay, disruption or an outage of the Horizon Technology Platform, if MoneyMe cannot find alternative providers on commercially reasonable terms or on a timely basis; and
- a change in the terms under which these third-party products and services are provided, including an increase in cost of supply.

These events could increase MoneyMe's cost of doing business, and cause disruption to MoneyMe's operations or a deterioration in MoneyMe's offering, which may damage MoneyMe's reputation and result in customers replacing MoneyMe with alternative providers. These events could have a material adverse effect on MoneyMe's business, financial condition, operating and financial performance, availability and cost of funding and/or growth.

(k) Exposure to security breaches and data protection issues

The use of the Horizon Technology Platform is critical to MoneyMe's ability to operate and grow its business. By their nature, information technology systems are susceptible to security issues, including cyber attacks and other unauthorised access to data and information. Security breaches may involve unauthorised access to MoneyMe's networks, systems and databases, including with respect to its service offerings and technology platforms, and the deployment of viruses or other malicious software designed to create system and service disruptions, exposing financial, proprietary and personal information.

MoneyMe collects, processes and stores through the ordinary course of its business, a wide range of confidential personal data and information on applicants. Despite seeking to maximise the protection of customer and Company data, the measures MoneyMe takes to protect such information and data may be insufficient to prevent security breaches from arising, or other unauthorised access or disclosure of such information and data.

MoneyMe uses secure cloud-based technology to host a number of its key systems and processes including customer data, and had regard to maintaining the confidentiality and security of confidential customer information when designing its technology platform. However, there is a risk that the measures taken by MoneyMe may not be sufficient to detect or prevent unauthorised access to, or disclosure of, such confidential information.

Any data security breaches or MoneyMe's failure to protect private customer information (including through cyber attacks) could result in a significant disruption to MoneyMe's systems, reputational damage, loss of system integrity and breaches of MoneyMe's obligations under applicable laws. An obligation under privacy laws to notify individuals and the Australian Information Commission of the breach, and could reduce MoneyMe's ability to retain existing customers and generate new customers, any of which could have a material adverse impact on its business, operating and financial performance and reputation.

(l) Competitors, new market entrants and alternative products

As described in Section 2, MoneyMe operates in the Australian consumer credit sector, which includes a broad range of participants with diverse business models and product offerings. MoneyMe considers its direct competitors to be those businesses that focus on the fintech or online lender segment of the sector. The consumer credit sector and the fintech or online segment of that market are highly competitive. Accordingly, participants in the sector may seek to imitate MoneyMe's strategies and/or may attempt to aggressively take market share from MoneyMe, or may develop superior products or have more effective consumer engagement which reduces MoneyMe's competitiveness.

In addition to its direct competitors, MoneyMe's products compete against other finance products in the market which may be available to MoneyMe's customers, including bank loans, credit cards and 'buy now, pay later' services. As noted in Section 2, traditional lenders operate in the sector and continue to benefit from economies of scale, access to cheaper funding and established brands and broad distribution networks. Traditional lenders already enjoy significant share of the consumer credit sector, however, they may decide to develop a product or invest in marketing in an attempt to more directly target existing or potential customers of MoneyMe (including the tech-savvy consumers who value transaction speed, simplicity and convenience referred to in this Prospectus).

The level of current and future competition in the market and changes in competitive behaviour may result in a decrease in revenue (including due to lower levels of originations, and having to charge lower fees in order to remain competitive), and an increase in expenditure (including due to increased marketing expenditure), which may have a material adverse effect on MoneyMe's business, financial condition, operating and financial performance, and/or growth.

(m) MoneyMe's direct marketing costs may increase and/or it may need to utilise more expensive channels

MoneyMe predominantly relies on direct marketing to reach consumers. MoneyMe considers this approach to help contain Customer Acquisition Costs and deliver favourable loan unit economics, given there are other marketing channels that are generally more expensive that could be used instead.

There is a risk that MoneyMe's direct advertising and direct marketing channels may become more expensive as a result of an increase in the competition for, or the costs of, online and social media advertisements and bidding for search engine key words. MoneyMe's direct advertising and direct marketing channels may also become less effective if, for instance, mass-marketing becomes less effective or there are changes to the algorithms or terms of services for search engines (like Google), which may cause MoneyMe to be ranked lower or excluded from search results. As a result, MoneyMe may have to turn to more expensive forms of advertising and marketing in order to effectively communicate with and attract consumers.

If the costs of direct advertising materially increase, or MoneyMe has to rely on more expensive forms of advertising as a result of its direct marketing becoming less effective, MoneyMe may be unable to continue to grow at the expected rate or profitability, which would have a material adverse effect on MoneyMe's business, financial condition, operating and financial performance, and/or growth.

(n) Loss of key management personnel

The successful operation of MoneyMe depends on the performance and expertise of its key management personnel and high performing employees with specialist skills (including technology and credit risk assessment). The loss of certain key personnel, and the inability to attract and retain replacements or new key personnel, may have a materially adverse impact on MoneyMe's business, operating and financial performance, and/or growth.

(o) Protection and ownership of technology and intellectual property

MoneyMe has developed its own technology platform, the Horizon Technology Platform, which is a loan management system and therefore important to all aspects of its business (including assessing credit risk and determining risk-based pricing) and, accordingly, for the successful operation and growth of MoneyMe's business.

The commercial value of MoneyMe's intellectual property in the technology platform is dependent in part on operational procedures to maintain confidentiality and legal protections provided by a combination of copyright, trade secrecy laws, confidentiality obligations on employees and third parties and other intellectual property rights.

However, there is a risk that MoneyMe's intellectual property may be compromised in a number of ways, including through unauthorised use or copying of MoneyMe's software, data, specialised technology or platforms. In addition, there is a risk that the validity, ownership or authorised use of intellectual property relevant to MoneyMe's business may be successfully challenged by third parties.

Any such breaches (including by way of employee fraud) or the introduction of competing technologies could erode MoneyMe's competitive position, which could have a material adverse impact on MoneyMe's business, operating and financial performance, and/or growth.

In addition, competitors may be able to work around any of the intellectual property rights used by MoneyMe, or independently develop competing products or services that are not protected by MoneyMe's intellectual property rights.

(p) Exposure to adverse macro-economic conditions

MoneyMe's business depends on demand for consumer finance and customers having the ability to repay their financial obligations, both of which can be affected by changes in general economic conditions. For example, macro-economic conditions such as unemployment, interest rates, inflation, consumer confidence, economic recessions, downturns or extended periods of uncertainty or volatility and government policy all may influence consumer spending and demand for consumer finance and/or the ability of consumers to repay their financial obligations. Adverse economic conditions may therefore have a material adverse impact on MoneyMe's profitability through a reduction in revenue collections and/or increase is bad debts.

(q) MoneyMe may suffer brand and/or reputation damage

MoneyMe's brand and reputation are very important to attracting, retaining and increasing its customer base, managing its relationship with stakeholders and implementing MoneyMe's business strategy. MoneyMe's brand and reputation are also very important to MoneyMe maintaining its existing funding arrangements, obtaining new funding, and also retaining and attracting a skilled and engaged workforce.

MoneyMe manages risks relating to a number of issues and events, including risks relating to legal and regulatory requirements, responsible lending and sales practices, potential conflicts of interest, privacy laws and ethical issues, among other considerations, which may cause harm to MoneyMe's brand, image or reputation through negative publicity, heightened regulatory focus and customer experience. Actions or failures by other market participants could also negatively impact the reputation of the industry and MoneyMe.

There is a risk that unforeseen issues or events may adversely impact MoneyMe's reputation. The strength of MoneyMe's reputation is an important part of retaining and growing its customer bases and, accordingly, an event that has a negative impact on MoneyMe's brand could have a material adverse impact on the demand for MoneyMe's products. This may adversely impact MoneyMe's business, financial condition, operating performance, and/or growth.

(r) MoneyMe's exposure to operational and conduct risk

MoneyMe is exposed to operational risk and conduct risk arising from a number of factors, including human error, processing and communication errors and employees not carrying out their duties responsibly. For example, there is a risk that a MoneyMe employee provides a customer with misleading communications in relation to the cost of their loan or their loan repayment options which could result in an unfair customer outcome. Failure of MoneyMe's controls and procedures to manage operational risk could result in reputational damage and potential litigation for MoneyMe and may have a materially adverse impact on MoneyMe's business, operating and financial performance, and/or growth.

(s) Exposure to fraud

MoneyMe is exposed to the risks imposed by fraudulent conduct, including the risks associated with customers undertaking identity theft, providing fraudulent information or misrepresenting their ability to service the loans. MoneyMe is also exposed to the risk of employee fraud being committed against MoneyMe or its customers. There can be no assurance that the measures taken by MoneyMe will detect and prevent the incidence of fraud. Fraudulent activity may result in damage to MoneyMe's reputation or standing with funding providers, significant losses due to non-repayment of loan obligations, or impact MoneyMe's ability to attract customers, each of which could have a material adverse impact on MoneyMe's business, financial condition, operating performance, and/or growth.

(t) Litigation, claims and disputes

MoneyMe may be subject to litigation and other claims and disputes in the course of its business, including customer disputes, employment disputes, contractual disputes, indemnity claims, occupational health and safety claims, or criminal or civil proceedings in the course of its business. There is a risk that any such litigation, claims and disputes could materially and adversely affect MoneyMe's business, financial condition and operating performance, including due the cost of settling such claims and the effect on MoneyMe's reputation.

5.3 General risks

(a) Price of Shares

Once the Company becomes a publicly listed company on the ASX, it will be subject to general risks applicable to all securities listed on a stock exchange. This may result in fluctuations in the Share price that are not explained by the performance of the Company.

The price at which Shares are quoted on the ASX may increase or decrease due to a number of factors. These factors may cause the Shares to trade at prices below the Offer Price. There is no assurance that the price of the Shares will increase following quotation on the ASX, even if the Company's revenue or earnings increase.

Some of the factors which may affect the price of the Shares include:

- fluctuations in the domestic and international markets for listed stocks;
- general economic conditions, including interest rates, inflation rates, exchange rates, unemployment rates and changes to government;
- changes in fiscal, monetary or regulatory policies, legislation or regulation;
- inclusion in or removal from market indices;
- the nature of the markets in which the Company operates; and
- general operational and business risks.

Deterioration in general economic conditions may adversely impact on our business operations and the price of the Shares after Listing as well as the Company's ability to pay dividends. As a result of the above-mentioned factors, the Company is unable to forecast the market price for Shares and they may trade on ASX at a price that is below the Offer Price.

(b) Trading and liquidity in Shares

Prior to the Offer, there has been no public market in the Shares. Once the Shares are quoted on the ASX, there can be no guarantee that an active trading market for Shares will develop or that the price of Shares will increase. There may be relatively few potential buyers or sellers of Shares on the ASX at any time. It is important to recognise that, on a disposal, Shareholders may receive a market price for their Shares that is less than the price that they paid under the Offer.

In aggregate, 131.0 million Shares representing approximately 77.3% of total Shares on issue immediately following Completion will be subject to voluntary escrow arrangements, which may impact the liquidity of the Shares. Further details of the escrow arrangements are set out in Section 9.8.

The existence of such escrow arrangements may adversely affect the market price of the Shares or at least contribute to limited liquidity in the market for the Shares, while such escrow arrangements apply. Also, following the end of an Escrow Period, a significant sale of the Shares by an Escrowed Shareholder, or the perception that such sales might occur following an Escrow Period, may adversely affect the market price of the Shares.

(c) The Company may be subject to changes in tax law

Tax laws may change in the future. Any changes to the current rate of company income tax may impact Shareholder returns. Any change in tax rules and tax arrangements could have an adverse effect on the level of dividend franking and Shareholder returns.

In addition, tax authorities may review the tax treatment of transactions entered into by MoneyMe. Any actual or alleged failure to comply with, or any change in the application or interpretation of, tax rules applied in respect of such transactions, may increase MoneyMe's tax liabilities or expose it to legal, regulatory or other actions.

An interpretation of the taxation laws by MoneyMe which is contrary to that of a revenue authority in Australia may give rise to additional tax payable. In order to minimise this risk, MoneyMe obtains external expert advice on the application of the tax laws to its operations (as applicable).

(d) Force majeure events

Events may occur within or outside Australia that could impact upon the global, Australian and other local economies, the operations of the Company and the price of the Shares. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, water contamination, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease, or other human-made or natural events or occurrences that can have an adverse effect on the demand for the Company's offerings and its ability to conduct business. The Company has only a limited ability to insure against some of these risks.

(e) Accounting Standards

Australian Accounting Standards are set by the AASB and are outside the control of the Company and its Directors. The AASB may, from time to time, introduce new or refined AAS, which may affect future measurement and recognition of key statement of profit or loss and other comprehensive income, and statement of financial position items, including revenue and receivables. There is also a risk that interpretation of existing Australian Accounting Standards, including those relating to the measurement and recognition of key statement of profit or loss and other comprehensive income, and statement of financial position items, including revenue and receivables, may differ. Changes to the Australian Accounting Standards issued by the AASB or changes to the commonly held views on the application of those standards could materially adversely affect the reported financial performance and position of the Company.

(f) Shareholder dilution

In the future, the Company may elect to issue Shares to raise further funding. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital it is able to issue within a 12-month period (other than where exceptions apply), Shareholders may be diluted as a result of such fundraisings.

Section 6.

Key individuals, interests and benefits

6.1 Board of Directors

Profiles of each member of the Board are set out below.

Directors and experience

Peter Coad

Independent Non-Executive Chairman

- Peter joined MoneyMe as the independent Non-Executive Chairman in October 2019.
- Peter has more than 30 years' experience in domestic and international banking and is a specialist in financial services and risk management with broad experience across financial and capital markets, funds management and consumer finance.
- Prior to this role, Peter served in senior executive roles at National Australia Bank from 2005 to 2017 where his leadership experience included roles as Head of Global Markets and Asset Servicing, Wholesale Banking; Chief Risk Officer, Business Banking; and Executive General Manager of International Branches and Transformation.
- Peter previously worked for Commonwealth Bank of Australia and Chase Manhattan Bank in Australia, Asia and the US where he held global and regional leadership roles in institutional banking and financial/capital markets.
- Peter is a member of the Australian Institute of Company Directors.
- Peter is also the Chairman of the Remuneration and Nomination Committee and a member of the Audit and Risk Committee.

Clayton Howes

Managing Director and Chief Executive Officer

- Clayton is a co-founder and has been the Chief Executive Officer of MoneyMe since its inception.
- Clayton brings more than 15 years' experience in the development of brands, business strategy and innovation. He has a strong background of executing capital strategies, building new technologies to replace legacy processes and fostering highly engaged and rewarding team cultures.
- Prior to establishing MoneyMe, Clayton spent eight years at Vodafone and Vodafone Hutchinson Australia where his roles included Head of Retail Channels & Head of Retail Transformation, Head of Sales Strategy & Distribution Management, Head of Sales Investments & Planning and Commercial Finance Manager. During this time, Clayton was responsible for strategy, finance, sales and business transformation.
- Clayton previously worked for Glaxo Smith Kline in United Kingdom within strategic mergers management and planning.
- Clayton has a Bachelor of Commerce (Statistics, Economics and Finance) from Oxford Brookes University. He also has a Certificate in Business Accounting from the Chartered Institute of Management Accountants.

Directors and experience

Jonathan Lechte

Independent Non-Executive Director

- Jonathan joined MoneyMe as a Non-Executive Director in October 2019.
- Prior to his appointment as a Director, Jonathan had been a member of the MoneyMe's advisory board from 2015.
- Jonathan has more than 20 years' experience in banking and corporate finance.
- Jonathan served in senior executive roles in investment banking, fixed income markets and risk management, including as Head of Fixed Income and Managing Director at UBS Australia, Japan and Asia from 1993 to 2007. More recently, he served as Non-Executive Director of FIIG Securities Australia from 2008 to 2015, responsible for investment strategy and risk governance.
- Jonathan holds a Graduate Diploma in Banking and Finance from Monash University. He is also a graduate of the Australian Institute of Company Directors.
- Jonathan is the Chair of the Audit and Risk Committee.

Scott Emery

Non-Executive Director

- Scott Emery is a co-founder and has been a Non-Executive Director of MoneyMe from its inception.
- Scott has over 30 years' experience in establishing and running property development companies across Australia.
- Scott is the founder and managing Director of a commercial building company, Yarra Valley Commercial, established in 1986, where under his guidance, the business has grown to be a national shopfitting and building company.
- Scott is a member of the Audit and Risk Committee and Remuneration and Nomination Committee.

Susan Wynne

Independent Non-Executive Director

- Susan joined MoneyMe as a Non-Executive Director in October 2019.
- Susan has more than 20 years' corporate and government experience, specialising in brand and business development, stakeholder management, corporate affairs and public relations.
- Susan has served in local government on the Woollahra Council since 2008 including terms as both Deputy Mayor and Mayor. Susan was recently re-elected as the Mayor of Woollahra in September 2019.
- Susan is a graduate of the Australian Institute of Company Directors.
- Susan is a member of the Remuneration and Nomination Committee.

The composition of the Board committees and a summary of its key corporate governance policies are set out in Sections 6.10 and 6.11.

Each Director above has confirmed that they anticipate being able to perform their duties as a Non-Executive Director or Executive Director, as the case may be, without constraint from other commitments.

6.2 Executive management

Profiles of our management team are set out in the table below.

Management and experience

Clayton Howes
Managing Director and Chief Executive Officer

- See Section 6.1.

Neal Hawkins
Chief Financial Officer

Neal joined MoneyMe as CFO in August 2019.

Neal has responsibility for financial control and strategy, treasury, performance management and oversight of corporate governance.

Neal has over 20 years of finance and financial services industry experience gained from working in Australia and overseas. His previous roles include being CFO of 86 400, Head of Finance for Cuscal Ltd and CFO for Resimac Ltd.

Neal is a member of the Chartered Institute of Management Accountants, has an MBA from the Australian Graduate School of Management and is also a member of the Australian Institute of Company Directors.

Aaron Bassin
Head of Strategy

Aaron joined MoneyMe in May 2017.

Aaron has responsibility for portfolio and product margins. This includes risk and reward strategies and the establishment and ongoing management of capital structures. He has a strong background of oversight in financial control functions and driving operational leverage results.

Prior to joining MoneyMe, Aaron worked in Debt Capital Markets at KPMG providing debt advisory services to financial institutions including fintechs, banks and credit unions.

Aaron has a Bachelor of Commerce (majoring in Accounting and Finance) from the University of New South Wales.

James Diago
Head of Finance

James joined MoneyMe at inception and has been the Head of Finance from December 2016.

James has responsibility for financial and management accounting including financial planning, cost controls, reporting and treasury functions.

James has a deep understanding of all functions of the Company. He has extensive experience in executing new products and channels, and revenue and cost management for MoneyMe.

James has a Bachelor of Business (majoring in Economics and Finance) from the University of Technology, Sydney.

Jonathan Wu
Head of Operations

Jonathan joined MoneyMe in March 2015.

Jonathan has responsibility for credit and payments management and customer experience.

Jonathan oversees product performance, end-to-end operations in credit management and executes strategies and manages teams.

Jonathan has a Bachelor of Applied Finance and Bachelor of Economics from Macquarie University.

Roberto Boschiroli
Head of Marketing

Roberto joined MoneyMe in February 2014.

Roberto has responsibility for building brand advocacy, customer acquisition and retention strategies and has a background in digital marketing and online distribution.

Prior to joining MoneyMe, Roberto held senior roles at eBay Australia responsible for customer acquisition, loyalty programs and social media strategies.

Roberto has a Master of Commerce in Marketing from Macquarie University.

Frederick Relenas
Chief Technology Officer

Frederick joined MoneyMe in March 2017.

Frederick has responsibility for management of MoneyMe's technology architecture, systems, security and controls and has a background in delivering Microsoft.Net platforms in financial services.

Frederick has more than 19 years' experience across software development, cloud solutions and product development for UK, US and Australian financial institutions.

Frederick has a Bachelor of Science degree in Geodetic Engineering from the University of the Philippines and a Master of Science in Business Information Technology from Solent University, Philippines.

6.3 Interests and benefits

This Section sets out the nature and extent of the interests and fees of certain persons involved in the Offer. Other than as set out below or elsewhere in this Prospectus, no:

- Director or proposed Director of the Company;
- person named in this Prospectus and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- Underwriter to the Offer or financial services licensee named in this Prospectus as a financial services licensee involved in the Offer,

holds as at the time of lodgement of this Prospectus with ASIC, or has held in the two years before lodgement of this Prospectus with ASIC, an interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the Offer; or
- the Offer,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to any such person for services in connection with the formation or promotion of the Company or the Offer or to any Director or proposed Director to induce them to become, or qualify as, a Director of MoneyMe.

(a) Interests of advisers

We have engaged the following professional advisers:

- Ord Minnett Limited and Morgans Corporate Limited have acted as Joint Lead Managers to the Offer and the fees payable to the Joint Lead Managers pursuant to the Underwriting Agreement and advisory services agreement with Ord Minnett Limited are described in Section 9.5;
- Gilbert + Tobin has acted as Australian legal adviser to the Company in relation to the Offer. The Company has paid, or agreed to pay, approximately $700,000 (excluding disbursements and GST) for these services up until the Prospectus Date. Further amounts may be paid to Gilbert + Tobin in accordance with its normal time-based charges;
- Deloitte Corporate Finance Pty Limited has acted as the Investigating Accountant in connection with the Offer and has performed work in relation to the Investigating Accountant's Report. The Company has paid, or agreed to pay, approximately $620,000 (excluding disbursements and GST) for these services up until the Prospectus Date. Further amounts may be paid to Deloitte Corporate Finance Pty Limited in accordance with its normal time-based charges;
- Deloitte Tax Services Pty Ltd has acted as the Australian tax adviser in relation to the Offer. The Company has paid, or agreed to pay, fees of approximately $180,000 (excluding disbursements and GST) for these services up until the Prospectus Date. Further amounts may be paid to the tax adviser in accordance with its normal time-based charges.

These amounts, and other expenses of the Offer, will be paid by the Company out of funds raised under the Offer. Further information on the use of proceeds and payment of expenses of the Offer is set out in Section 7.1.

(b) Directors' interests and remuneration

Managing Director and Chief Executive Officer

Clayton Howes is employed as Managing Director and Chief Executive Officer. See Section 6.4 for further details.

Directors' appointment letters

Prior to the Prospectus Date, each of the Non-Executive Directors has entered into appointment letters with the Company, confirming the terms of the appointments, their roles and responsibilities and the Company expectations of them as Directors.

Non-Executive Directors remuneration

Under the Constitution, the Board may decide the total amount paid to each Director as remuneration for their services as a Director. However, under the Constitution and the ASX Listing Rules, the total amount of fees payable to all Directors for their services must not exceed, in aggregate in any financial year, the amount approved by the Shareholders in a general meeting. This amount has been fixed by the Company as $650,000 per annum. Any change to that aggregate annual sum needs to be approved by the Shareholders. Directors may seek approval of the Shareholders from time to time, as appropriate.

The following annual base and committee fees are payable to Directors (with effect from Completion).

Director fees	$
Chairman	$125,000
Non-Executive Director	$70,000

The following annual committee fees are payable to the Chairman of the Audit Committee and Remuneration and Nomination Committee (with effect from Completion).

Committee fees	Chairman fee ($)
Audit Committee	$10,000
Remuneration and Nomination Committee	$10,000

Directors will not receive additional fees for being a member of a Board committee. All Directors' fees include superannuation payments required by law to be made. Clayton Howes does not receive any fees in his capacity as a Director.

Deeds of access, insurance and indemnity

The Company has entered into a deed of access, indemnity and insurance with each Director. Each deed contains the Director's right of access to certain books and records of the Company for the period from the date of the deed until seven years after the Director ceases to hold office. This seven-year period can be extended where certain proceedings or investigations commence before the seven-year period expires.

Pursuant to the Constitution, the Company must indemnify all Directors and executive officers, past and present, against all liabilities that arise from their position as an officer of the Company to the extent permitted by law. Under the deed of access, insurance and indemnity, the Company indemnifies each Director against any liability that may arise from their position as an officer of the Company to the extent permitted by law. The deed provides that the Company must meet the full amount of any such liabilities, including legal costs that are reasonably incurred, charges and expenses.

Pursuant to the Constitution, the Company may arrange and maintain Directors' and officers' insurance for its Directors to the extent permitted by law. Under the deed of access, insurance and indemnity, the Company must maintain such insurance for the period from the date of the deed until seven years after the Director ceases to hold office or office of the Group Company. This seven-year period can be extended where certain proceedings or investigations commence before the seven-year period expires.

Other information about Directors' interests and benefits

Directors may also be reimbursed travel and other expenses incurred in attending to Company affairs, including attending and returning from general meetings or meetings of the Board or committees of the Board. A Director who performs additional or special duties for the Company at the request of the Board may be paid such additional or special remuneration (as determined by the Board). There are no retirement benefit schemes for Directors, other than statutory superannuation contributions.

Directors' interests in Shares

Under the Constitution, the Directors are not required to hold any Shares.

The Directors (and their associates) are entitled to apply for Shares under the Offer.

The Company will grant Performance Rights under the Employee and Officers Incentive Plan (EOIP) to Susan Wynne, Peter Coad and Jonathan Lechte in connection with the IPO, which are conditional on Completion occurring and will vest provided certain vesting conditions are met. The Performance Rights will be granted for nil consideration. Further details about these Performance Rights are set out in 6.5(c) (in respect of Susan Wynne) 6.5(d) (in respect of Peter Coad and Jonathan Lechte).

The Directors' interests in Shares in MoneyMe Financial Group Pty Ltd as at the Prospectus Date and Shares in the Company as at Completion are set out below:

	As at Prospectus Date		At Completion	
Directors[1]	Shares[2]	Performance Rights	Shares[3]	Performance Rights
Clayton Howes	51,494,716	–	50,294,716	252,000
Scott Emery	47,590,802	–	47,590,802	–
Peter Coad	662,126	–	662,126	200,000
Jonathan Lechte	662,126	–	662,126	200,000
Susan Wynne	–	–	–	60,000

1. And/or their associated entities.
2. Reflects a notional 573.88 for 1 share split because, under the Implementation Deed, this is the ratio at which shares in MoneyMe Financial Group Pty Ltd will be sold in consideration for Shares in the Company.
3. Excludes any Shares which the Directors acquire as part of the Offer at the Offer Price.

6.4 Executive remuneration

The key management personnel of the Company are Clayton Howes (Managing Director and Chief Executive Officer) and Neal Hawkins (Chief Financial Officer). Their employment arrangements are set out below.

(a) Managing Director and Chief Executive Officer

Fixed Annual Remuneration	Target Short-Term Incentive	Long Term Incentive	Total Target Remuneration
$450,000	$450,000	$315,000	$1,215,000

Under the terms of his employment, Clayton Howes is entitled to receive fixed annual remuneration of $450,000 (base salary exclusive of statutory superannuation contributions).

Term	Description
Short-term incentive (STI)	Clayton is entitled to 100% of fixed annual remuneration subject to achieving set individual and Company Key Performance Indicators (KPIs) or as determined by the Board. The KPIs will relate to: ▪ a revenue target; ▪ an earnings before interest, taxes, depreciation & amortisation target; and ▪ individual strategic targets as determined by the Board.
Long-term incentive (LTI)	Clayton is entitled to participate in the EOIP. Clayton is eligible to receive an annual EOIP Award of up to $315,000 subject to satisfaction of performance conditions determined by the Board. Further details on the EOIP are set out in Section 6.5, including key terms and conditions (such as the performance period and vesting conditions) applicable.
Notice period, termination and termination payments	Under Clayton's employment contract, either he or the Company can terminate his employment by giving the other party six months' notice (or by the Company making payment in lieu of notice of part of or all of the notice period). The Company may summarily terminate his employment contract in certain circumstances including where he engages in serious misconduct, refuses to, or fails to comply with a lawful and reasonable directive or engages in any fraudulent or dishonest conduct. All payments on termination will be subject to the termination benefits cap under the Corporations Act.
Non-solicitation/restrictions of future activities	Clayton's employment contract contains post-employment restraints, including: ▪ Non-competition restraints, which purport to operate across Australia, New Zealand, United States of America, United Kingdom, Singapore and any other country in which the Company or any of its Related Bodies Corporate carry on business from time to time. ▪ Restrictions against enticing away or accepting certain services from our clients and customers. ▪ Restrictions against soliciting our employees, contractors or Directors. The restrictions above purport to operate for up to six months post-employment. The enforceability of these restraints is subject to all usual legal requirements.

(b) Chief Financial Officer

Fixed Annual Remuneration	Target Short-Term Incentive	Long Term Incentive	Total Target Remuneration
$270,000	$50,000	$50,000	$370,000

Under the terms of his employment, Neal Hawkins is entitled to receive fixed annual remuneration of $270,000 (base salary exclusive of statutory superannuation contributions).

Term	Description
Short-term incentive (STI)	Neal is entitled to a maximum of $50,000 in respect of each financial year subject to achieving set individual and Company KPIs as determined by the Board. The KPIs will relate to: ▪ a revenue target; ▪ an earnings before interest, taxes, depreciation & amortisation target; and ▪ individual strategic targets as determined by the Board.
Long-term incentive (LTI)	Neal is entitled to participate in the EOIP. Neal is eligible to receive an annual EOIP Award of up to $50,000 subject to satisfaction of performance conditions determined by the Board. Further details on the EOIP are set out in Section 6.5, including key terms and conditions (such as the performance period and vesting conditions) applicable.
Notice period, termination and termination payments	Under Neal's employment contract, either he or the Company can terminate his employment by giving the other party three months' notice (or by the Company making payment in lieu of notice of part or all of the notice period). The Company may summarily terminate his employment contract in certain circumstances including where he engages in serious misconduct, refuses to or fails to comply with a lawful and reasonable directive or engages in any fraudulent or dishonest conduct. All payments on termination will be subject to the termination benefits cap under the Corporations Act.
Non-solicitation/restrictions of future activities	Neal's employment contract contains post-employment restraints, including: ▪ Non-competition restraints, which purport to operate across Australia, New Zealand, United States of America, United Kingdom, Singapore and any other country in which the Company or any of its Related Bodies Corporate carry on business from time to time. ▪ Restrictions against enticing away or accepting certain services from the Company's clients and customers. ▪ Restrictions against soliciting the Company's employees, contractors or Directors. The restrictions above purport to operate for up to 12 months post-employment. The enforceability of these restraints is subject to all usual legal requirements.

6.5 Equity based remuneration arrangements

(a) Legacy Equity Incentive Plan

MoneyMe had a legacy equity incentive plan under which it had previously issued options over shares in MoneyMe Financial Group Pty Ltd to senior management, certain employees and Directors (**Existing Options**) under its legacy equity incentive plan (**Legacy LTI Plan**). Existing Options issued under the Legacy LTI Plan will be dealt with as described below to ensure that Participants' entitlements are referrable to shares in the Company as part of the Restructure and therefore Participants continue to be motivated to achieve sustained growth of Shareholders following Listing. The treatment of Existing Options as part of the Restructure is further described in Section 9.

Existing Options held by senior management, employees and Directors of MoneyMe (**Legacy Participants**) will be acquired as part of the Restructure at or immediately prior to Listing. Following and in consideration for that acquisition, the Company will issue new options over Shares in the Company to Legacy Participants under the Plan Rules on substantially the same terms as the Existing Options (**Replacement Options**). The Replacement Options will vest subject to satisfaction of vesting conditions, including performance and time-based conditions which are on substantially similar terms to the Legacy LTI Plan. On exercise of any vested Replacement Options and payment of the exercise price, applicable employees will receive Shares. The Replacement Options and any Shares received on vesting will be subject to the Securities Trading Policy.

The total number of Replacement Options held by employees immediately following Completion is 2,274,095 and details relating to each grant is detailed below.

Participant	Number of Replacement Options held immediately post Completion	Exercise Price	Vesting date
Option holders under the 1 December 2017 grant	1,257,461	$0.54	1 December 2020
Option holders under the 1 December 2018 grant	1,016,634	$0.82	1 December 2021

Unless the Company determines otherwise, if a Participant ceases employment before the applicable vesting date, all unvested Replacement Options will lapse.

As at Completion, Clayton Howes and Neal Hawkins do not hold any Replacement Options.

(b) Employee and Officers Incentive Plan

Prior to the Prospectus Date, the Company has established the EOIP in order to assist in the motivation, retention and reward of certain employees and directors engaged by MoneyMe or any of its subsidiaries (**Participants**). The EOIP is designed to align the interests of Participants more closely with the interests of Shareholders. All Awards granted under the EOIP to Participants will be either Options, Performance Rights or Shares.

MoneyMe will make offers under the EOIP of Performance Rights to certain employees and directors on or around Settlement of the IPO, described in detail below.

The rules of the EOIP (**Plan Rules**) will have the following key features:

Term	Description
Eligibility	Offers may be made at the Company's discretion to Non-Executive Directors, employees (including an Executive Director), contractor, casual employee, officers or any other person the Company may determine to be eligible to receive a grant under the Plan Rules.
Vesting	Vesting of the Performance Rights, Options or Shares issued under the Plan Rules to each Participant is subject to vesting or performance conditions specified in the offer document for each grant, and determined by the Company. Subject to the Plan Rules and the terms of an offer document, an offer of Shares, Performance Rights and Options may lapse or be forfeited if such performance or vesting conditions are not satisfied. A Participant is required to pay any exercise price applicable on exercise of an Option.
Types of securities	The Company may grant Performance Rights, Options and/or Shares as incentives, subject to the terms and conditions of each individual offer. ▪ A holder of a Performance Right will be entitled to receive Shares to the satisfaction of applicable performance and vesting conditions (if applicable). ▪ A holder of an Option will be entitled to receive Shares upon satisfaction of applicable conditions and payment of an exercise price (determined at the time of being granted). ▪ Shares offered may be subject to dealing restrictions, vesting conditions or other restrictions or conditions. Unless otherwise specified in an offer document, the Company has the discretion to settle any Performance Rights or Options with cash equivalent payment.

Term	Description
Offers under the Plan Rules	Subject to any requirements for Shareholder approval or any applicable laws, the Company may make offers at its absolute discretion under the Plan Rules. The Board will have the discretion to set the terms and conditions of each incentive offer it intends to make to eligible participants.
Issue Price and Exercise Price	The Board will determine the issue or exercise price for each grant of Performance Rights, Options or Shares allocated under the Plan Rules.
Cessation of employment	Under the Plan Rules, the Board has broad discretion in relation to the treatment of entitlements on cessation of employment. It is intended that individual offer documents will provide more specific information on how the entitlements will be treated if the Participant ceases employment.
Clawback and avoiding inappropriate benefits	The Plan Rules provide the Board with broad clawback powers if, for example, the Participant has acted fraudulently or dishonestly or there is a material financial misstatement.
Change of control	The Board may determine that all or a specified number of a Participant's incentives will vest or cease to be subject to restrictions where there is a change of control event in accordance with the Plan Rules.
Reconstruction, corporate action, right issues, bond issues etc	The Plan Rules include specific provisions dealing with rights issues, bonus issues and corporate actions and other capital reconstructions. These provisions are intended to ensure that there is no material advantage or disadvantage to the Participant in respect of their incentives as a result of such corporate actions.
Restrictions on dealings	Prior to vesting, the Plan Rules provide the Participant must not sell, transfer, encumber, hedge or otherwise deal with their incentives. After vesting, Participants will be free to deal with their incentives, subject to the Securities Trading Policy.
Expiry	Performance Rights will lapse two years after the start of the exercise period if not exercised or lapsed before this date.

(c) Initial grant of Employee incentives

MoneyMe has made a grant to certain employees (including contractors, officers and management) (**EPR Grant**) under the EOIP which is conditional on Completion. The EPR Grant is designed to align the interests of employees, officers and management more closely with the interests of Shareholders by providing them an opportunity to receive the benefit of increases in the value of Shares in MoneyMe through the granting of Performance Rights. The Performance Rights are subject to satisfaction of certain vesting conditions. MoneyMe will allocate a pool of $1,600,000 worth of Performance Rights. The EPR Grant is conditional on Completion.

The key features of the EPR Grant are outlined below:

Term	Description
Eligibility	Offers may be made at the Company's discretion to employees (including contractors, officers and senior managers) of the Company. This is a total of 52 people (**EPR Participants**).
Award	The Award will be a single tranche of Performance Rights that will be granted to EPR Participants around Completion.
Issue and exercise price	Performance Rights under the EPR Grant are issued for nil consideration and have no exercise price.
Performance period	The performance period is between 1 July 2019 and 30 June 2020.
Vesting	The number of Performance Rights that vest is determined by reference to the performance conditions satisfaction of the performance conditions set out in the EPR Participant's invitation letter.

Term	Description
Vesting Period and Conditions	Performance conditions set by the Company and tested over the performance period must be satisfied for EPR Participants to receive an Award. To the extent that the performance conditions are satisfied, any Performance Rights that remain on foot will vest as follows: ▪ 50% of the vested Award can be exercised on the day two days following the release of the Company's annual financial results the financial year ending 30 June 2021; and ▪ 50% of the vested Award can be exercised on the day two days following the release of the Company's annual financial results for the financial year ending 30 June 2022.
Performance condition	Performance conditions set by the Company and tested over the performance period must be satisfied for EPR Participants to receive an Award. The Awards under the EPR Grant will be subject to the following performance conditions tested over the performance period, a percentage of which will vest subject to those performance conditions being met: ▪ revenue forecast and target; ▪ earnings before interest, taxes, depreciation & amortisation forecast and target; and ▪ individual strategic targets as determined by the Company.
Cessation of employment	The default treatment in the Plan Rules applies.
Change of control	The default treatment in the Plan Rules applies where a change of control applies and EPR Participants hold unvested Performance Rights.
Clawback and preventing inappropriate benefits	The default treatment in the Plan Rules applies.
Reconstructions, corporate action, rights issues, bonus issues etc	The default treatment in the Plan Rules applies.
Restrictions on dealing	The default treatment in the Plan Rules applies.
Expiry	The Performance Rights granted under the EPR Grant will lapse two years after the end of each exercise period if not exercised or lapsed before this date.

The following grants of Performance Rights have been made to the following key management personnel and officers of the Company under the EPR Grant:

Participant	Number of Performance Rights to be granted immediately following Completion	Exercise Price*	Final date of vesting periods
Clayton Howes	252,000	Nil	30 June 2022
Neal Hawkins	40,000	Nil	30 June 2022
Susan Wynne	60,000	Nil	30 June 2022
Other EPR Participants	928,000	Nil	30 June 2022

(d) Equity participation by Non-Executive Directors

MoneyMe will make a grant to certain Non-Executive Directors (**BPR Grant**) under the EOIP, which is conditional on Completion. The BPR Grant is designed to align the interests of the Non-Executive Directors more closely with the interests of Shareholders by providing them an opportunity to receive the benefit of increases in the value of Shares in MoneyMe through the granting of Performance Rights. MoneyMe will allocate a pool of $500,000 worth of Performance Rights. The BPR Grant is conditional on Completion.

The key features of the BPR Grant are outlined below:

Term	Description
Eligibility	Offers may be made at the Company's discretion to certain Non-Executive Directors of the Company. This will be a total of two people (**BPR Grant Participants**).
Award	The Award contemplated will be a single tranche of Performance Rights that will be granted to BPR Participants around Completion.
Issue and exercise price	Performance Rights under the BPR Grant are issued for nil consideration and have no exercise price.
Performance period	The performance period is between 1 July 2019 to 30 June 2020.
Vesting	The number of Performance Rights that vest is determined by reference to the performance conditions set out in the BPR Participants' invitation letter.
Vesting Period and Conditions	Performance conditions set by the Company and tested over the performance period must be satisfied for BPR Participants to receive an Award. To the extent that the performance conditions are satisfied, any Performance Rights that remain on foot will vest as follows: ▪ 50% of the vested Award can be exercised on the day two days following the release of the Company's annual financial results for the financial year ending 30 June 2020; and ▪ 50% of the vested Award can be exercised on the day two days following the release of the Company's annual financial results for the financial year ending 30 June 2021.
Performance condition	Performance conditions set by the Company and tested over the performance period must be satisfied for BPR Participants to receive an Award. The Awards under the BPR Grant will be subject to achieving the establishment and financial closing of a Major Bank facility in the FY20 period.
Cessation of being a Director	In order for a BPR Participant to exercise any vested Performance Rights, the BPR Participant must remain a Director of the Company at the time of exercise.
Change of control	The default treatment in the Plan Rules applies where a change of control applies and BPR Participants hold unvested Performance Rights.
Clawback and preventing inappropriate benefits	The default treatment in the Plan Rules applies.
Reconstructions, corporate action, rights issues, bonus issues etc	The default treatment in the Plan Rules applies.
Restrictions on dealing	The default treatment in the Plan Rules applies.
Expiry	The Performance Rights granted under the BRP Grant will lapse two years after the end of each exercise period if not exercised or lapsed before this date.

The following grants of Performance Rights have been made to Non-Executive Directors of the Company under the BPR Grant:

Participant	Number of Performance Rights to be granted immediately following Completion	Exercise Price*	Final date of vesting periods
Peter Coad	200,000	Nil	30 June 2021
Jonathan Lechte	200,000	Nil	30 June 2021

The Pro Forma Forecast Results include share-based payment expenses of $0.2 million reflecting the accounting impacts in relation to the new incentive plan amounting to $2.1 million, consisting of:

- EPR Grant: $1.6 million; and
- BPR Grant: $0.5 million.

In addition to this, the Pro Forma Forecast Results includes share-based payment expenses of $0.1 million in relation to the Legacy LTI Plan.

(e) IPO grants to management

The Company also intends to award a one-off grant of Performance Rights to select employees prior to Completion in connection with their role in the IPO. A total of 240,000 Performance Rights will be granted for nil consideration.

The Plan Rules will be used to deliver these awards. These Performance Rights are not subject to any performance or service conditions and will vest on Completion. Following Completion, the Shares issued in relation to those Performance Rights will be subject to dealing restrictions until the day that is two days following the Company's annual financial results for the financial year ending 30 June 2020 have been released to the ASX.

(f) Grant to an Existing Shareholder

The Company intends to award a further one-off grant of Performance Rights to an Existing Shareholder prior to Completion in connection with their role in the IPO. A total of 300,000 Performance Rights will be granted for nil consideration and will vest in the following tranches, subject to satisfaction of certain performance conditions:

- 150,000 Performance Rights will vest on the date that is 12 months after the date of the grant; and
- 150,000 Performance Rights will vest on the date that is 24 months after date of the grant.

The Plan Rules will be used to deliver these awards.

6.6 Related party agreements

Newcastle fit-out

MoneyMe intends to enter into an agreement with Yarra Valley Commercial, an entity controlled by Mr Emery, under which Yarra Valley Commercial will supply certain services and materials in relation to the installation and fit-out of MoneyMe's new premises in Newcastle. These services and materials will be provided for an estimated amount of $244,799 (plus GST). However, this is an estimate only, so the actual costs incurred by MoneyMe and payable to Yarra Valley Commercial under the agreement may end up being more or less than this amount. The Directors believe the agreement is on terms that would be reasonable if the parties were unrelated and dealing at arm's length.

Repayment of loans

Mr Howes and Mr Emery have provided shareholder loans to MoneyMe. These shareholder loans will be repaid from the proceeds of the Offer. The interest rate on Mr Howes' loans was 9.5% and 13% (each in respect of a loan of $50,000). The interest rate on Mr Emery's loan was 13% (in respect of a loan of $200,033).

The non-Shareholder related party loans, provided by relatives of Mr Howes, will also be repaid from the proceeds of the Offer. The interest rate on these loans was 9.5%.

The Directors believe these loans and the arrangements in relation to them in connection with the Offer are on terms that would be reasonable if the parties were unrelated and dealing at arm's length. As noted in Section 7.1(c), $2.0 million of the proceeds from the Offer will be used to repay the Corporate Debt (being these loans).

6.7 Corporate governance

This Section 6.7 explains how the Board oversees the management of the business. The Board is responsible for the overall corporate governance of the Company, including establishing and monitoring key performance goals. The Board monitors the operational and financial position and performance of the Company and oversees its business strategy, including approving the strategic goals of the Company and considering and approving an annual business plan (including a budget).

The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return, and sustaining the growth and success of the Company. In conducting the Company's business with these objectives, the Board seeks to ensure that the Company is properly managed to protect and enhance Shareholder interests, and that the Company and its Directors, officers and personnel operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing the Company, including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of the Company.

The Company is seeking a Listing on the ASX. The ASX Corporate Governance Council has developed and released its fourth edition of the Corporate Governance Principles and Recommendations for Australian listed entities in order to promote investor confidence and to assist companies in meeting stakeholder expectations. The ASX Recommendations are not prescriptions, but guidelines. However, under the ASX Listing Rules, the Company will be required to provide a statement in its Annual Report disclosing the extent to which it has followed the ASX Recommendations in the reporting period. Where the Company does not follow a recommendation, it must identify the recommendation that has not been followed and give reasons for not following it.

Copies of the Company's key policies and practices and the charters for the Board and each of its committees will be available at investors.moneyme.com.au.

6.8 The Board of Directors

The Board of Directors currently comprises:

- Peter Coad;
- Clayton Howes;
- Jonathan Lechte;
- Scott Emery; and
- Susan Wynne

Biographies of the Board members are provided in Section 6.1.

Each Director has confirmed to the Company that he or she anticipates being available to perform his or her duties as a Non-Executive Director or Executive Director without constraint from other commitments.

The Board considers an independent Director to be a Non-Executive Director who is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally. The Board will consider the materiality of any given relationship on a case-by-case basis and has adopted guidelines to assist in this regard. The Board reviews the independence of each Director in light of interests disclosed to the Board from time to time. In assessing independence, the Board will have regard to the ASX Recommendations.

The Board Charter sets out guidelines of materiality for the purpose of determining independence of Directors in accordance with the ASX Recommendations and has adopted a definition of independence that is based on that set out in the ASX Recommendations.

The Board considers that each of the Non-Executive Directors, apart from Scott Emery, is free from any interest, position, association or relationship that might influence, or reasonably be perceived to influence, the independent exercise of the Director's judgement and that each of them is able to fulfil the role of independent Director for the purpose of the ASX Recommendations.

Clayton Howes is currently considered by the Board not to be an independent Executive Director.

Scott Emery is currently considered by the Board not to be an independent Non-Executive Director because he will be a substantial Shareholder following Completion.

Accordingly, as at Listing, the Board will consist of a majority of independent Directors consistent with the ASX Recommendations.

(i) Board charter

The Board Charter adopted by the Board sets out the responsibilities of the Board in greater detail. It provides that the Board should comprise Directors with the appropriate mix of skills, experience, expertise and diversity which are relevant to the Company's businesses and the Board's responsibilities. The Board Charter allows the Board to delegate powers and responsibilities to committees established by the Board. The Board retains ultimate accountability to Shareholders in discharging its duties.

(ii) Board committees

The Board may from time to time establish appropriate committees to assist in the discharge of its responsibilities. The Board has established an Audit and Risk Committee and a Remuneration and Nomination Committee.

Other committees may be established by the Board as and when required. Membership of Board committees will be based on the needs of the Company, relevant legislative and other requirements, and the skills and experience of individual Directors.

(iii) Audit and Risk Committee

The role of the Audit and Risk Committee is to assist the Board in fulfilling its responsibilities for corporate governance and overseeing the Company's financial reporting, internal control structure, risk management systems and external audit functions. This includes confirming the quality and reliability of the Financial Information prepared by the Company, working with the external auditor on behalf of the Board and reviewing non-audit services provided by the external auditor to confirm they are consistent with maintaining external audit independence.

The Audit and Risk Committee provides advice to the Board and reports on the status and management of the risks to the Company. The purpose of the Committee's risk management process is to assist the Board in relation to risk management policies, procedures and systems and ensure that risks are identified, assessed and appropriately managed.

The Company will comply with the recommendations set by the ASX Corporate Governance Council in relation to the composition and operation of the Committee. The Committee will comprise Jonathan Lechte (Chair), Peter Coad and Scott Emery.

(iv) Remuneration and Nomination Committee

The role of the Remuneration and Nomination Committee is to assist the Board in fulfilling its responsibilities for corporate governance and overseeing the Company's remuneration and nomination policies and practices.

This includes reviewing and making recommendations to the Board on remuneration packages and policies related to the Directors and senior executives. The Remuneration and Nomination Committee is also responsible for administering short-term and long-term incentive plans (including any equity plans). In addition, the Committee is responsible for reviewing and making recommendations in relation to the composition and performance of the Board and its committees and ensuring that adequate succession plans are in place (including for the recruitment and appointment of Directors and senior management). Independent advice will be sought where appropriate.

The Company will comply with the recommendations set by the Listing Rules and the ASX Corporate Governance Council in relation to the composition and operation of the Committee. The Committee will comprise Peter Coad (Chair), Scott Emery and Susan Wynne.

6.9 Corporate governance policies

The Board has adopted the following corporate governance policies, each of which has been prepared having regard to the ASX Principles.

(i) Disclosure Policy

Once listed, the Company will be required to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. Subject to the exceptions contained in the ASX Listing Rules, the Company will be required to immediately advise ASX of any information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company has adopted a Disclosure Policy to take effect from Listing, which reinforces the Company's commitment to its continuous disclosure obligations, and describes the processes in place that enable the Company to provide Shareholders with timely disclosure in accordance with those obligations. Information will be communicated to Shareholders through the lodgement of all relevant financial and other information with ASX, and copies of our announcements to ASX will be available on our website.

(ii) Shareholder Communication Policy

The Company aims to keep Shareholders informed of major developments affecting state of affairs of the Company. The Company recognises that potential investors and other interested stakeholders may wish to obtain information about the Company from time to time. To achieve this, the Company will communicate information regularly to Shareholders and other stakeholders through a range of forums and publications, including the Company's website, at the Company's Annual General Meeting (AGM) and through the Company's Annual Report and ASX announcements.

(iii) Securities Trading Policy

The Company has adopted a Securities Trading Policy that is intended to explain the types of conduct in relation to dealing in securities that are prohibited by law and establish procedures for the buying and selling of securities to ensure that public confidence is maintained in the reputation of the Company and the Company's Directors and employees and in the trading of the Company's securities.

The Securities Trading Policy provides that Directors, employees and contractors must not deal in the Company's securities when they are aware of 'inside' information. Directors and certain restricted employees must not deal in the Company's securities during any of the following blackout periods:

- from the close of the ASX trading day on 30 November each year, until 10:00am Australian Eastern Daylight Time (AEDT) on the ASX trading day following the day on which the Company's half yearly results are released to the ASX;
- from the close of the ASX trading day on 31 May each year, until 10:00am AEDT on the ASX trading day following the day on which the Company's full year results are released to the ASX;
- from the close of the ASX trading day two weeks prior to the date of the Company's AGM until 10:00am AEDT on the ASX trading day following the date of the Company's AGM; and
- any other period that the Board specifies from time to time.

Directors and restricted employees must receive prior approval for any proposed dealing in the Company's securities outside of the above blackout periods (including any proposed dealing by one of their connected persons).

(iv) Diversity Policy

The Board has approved a Diversity Policy, which sets out the Company's commitment to an inclusive and diverse workforce. The Company will include in its corporate governance statement each year details of the measurable objectives set under the Diversity Policy of the year to which the corporate governance statement relates, and a summary of the Company's progress towards achieving those measurable objectives.

(v) Risk management Policy

The identification and proper management of the Company's risks are integral to successful execution of the Company's strategies. The Board has adopted a risk management policy appropriate for the business. This policy sets out the Company's commitment to designing and implementing systems and practices appropriate to minimise and control our risks.

The Board is responsible for overseeing and approving risk management strategy and policies, monitoring risk management, and ensuring that major business risks are identified, consistently addressed and appropriate addressed with the assistance of the Audit and Risk Committee. The Board has in place a system whereby the management is required to report as to its assessment of risk management, which the Board will review regularly.

(vi) Whistleblower protection Policy

The Company is committed to the highest standards of conduct and ethical behaviour in all of its business activities and to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance. This policy has been adopted to provide a safe and confidential environment where concerns can be raised by whistleblowers without fear of reprisal or detrimental treatment.

(vii) Code of Conduct

The Company is committed to a high level of integrity and ethical standards in all business practices. Accordingly, the Board has adopted a formal Code of Conduct that outlines how it expects its representatives to behave and conduct business in the workplace and includes legal compliance and guidelines on appropriate ethical standards.

The Code of Conduct is designed to provide a benchmark for professional behaviour throughout the Company's business, support its business reputation and corporate image within the community and make the Company's Directors and employees aware of the consequences if they breach this policy.

(viii) Anti-bribery and corruption Policy

The Company is committed to complying with all laws of the jurisdictions in which it operates, including those relating to bribery and corruption. The anti-bribery and corruption policy set out the responsibilities of our personnel, including in their dealings with, and through, third parties. It addresses protection of the Company's personnel in seeking to comply with this policy, dealing with false reports, investigations, consequences for breach, examples of improper conduct, contact with government officials, donations, in-kind gifts and corporate hospitality, political and charitable contributions and sponsorships, facilitation payments and secret commissions.

Section 7.

Details of the Offer

7.1 The Offer

This Prospectus relates to an Initial Public Offering of 36.0 million Shares in the Company at the Offer Price of $1.25 per Share. The Offer is expected to raise approximately $45.0 million.

The Shares offered under this Prospectus will represent approximately 22.7% of the Shares on issue at Completion.

The total number of Shares on issue at Completion will be approximately 169.4 million. All Shares will rank equally with each other.

The Offer is made on the terms, and is subject to the conditions, set out in this Prospectus.

(a) Structure of the Offer

The Offer comprises:

- the **Broker Firm Offer**, which is open to persons who receive an allocation of Shares from their Broker and who have a registered address in Australia or New Zealand; and
- the **Institutional Offer**, which consisted of an invitation to bid for Shares made to Institutional Investors in Australia and certain other eligible jurisdictions.

No general public offer of Shares will be made under the Offer. Members of the public wishing to apply for Shares under the Offer must do so through a Broker with a firm allocation of Shares under the Broker Firm Offer.

The allocation of Shares between the Broker Firm Offer and the Institutional Offer was determined by the Company and the Joint Lead Managers.

The Offer has been fully underwritten by the Joint Lead Managers. A summary of the Underwriting Agreement, including the events which would entitle the Joint Lead Managers to terminate the Underwriting Agreement, is set out in Section 9.5.

(b) Purpose of the Offer

The purpose of the Offer is to:

- provide the Company with capital to pursue growth opportunities and invest in its core business and provide the Company with access to the capital markets which is expected to give it added financial flexibility;
- provide MoneyMe with the benefits of an increased profile that arises from being a publicly listed entity;
- provide Existing Shareholders with an opportunity to realise all or part of their investment in MoneyMe; and
- provide a liquid market for Shares and an opportunity for others to invest in the Company.

(c) Source and use of funds

At the Offer Price, the Offer is expected to raise $45.0 million.

Proceeds of the Offer will be applied to:

- investing in our core business model and pursuing our growth strategies, including investment in:
  - increasing our market penetration and growing our customer base, including providing cash to fund our investment in the equity portion of the loan book;
  - further developing our Horizon Technology Platform;
  - increasing our total addressable market, by enhancing and expanding our product range and expanding into new geographies, including the United States.
- repaying our Corporate Debt;
- providing Existing Shareholders with an opportunity to realise all or part of their investment in MoneyMe;
- cash to strengthen the balance sheet; and
- paying the costs of the Offer.

The proceeds of the Offer will be received by the Company and applied as set out in the table below.

Sources	$
Cash proceeds received under the Offer	45.0
Total sources	**45.0**

Uses	$ million	%
Funds to invest in our core business model and pursue our growth strategies[1]	20.0	44.5%
Funds to invest in product development and expansion into new geographies	6.9	15.2%
Repayment of Corporate Debt[2]	2.0	4.5%
Cash to strengthen balance sheet	7.0	15.5%
Cash payment to Existing Shareholders for MoneyMe Financial Group Pty Ltd shares	3.5	7.8%
Costs of the Offer[3]	5.6	12.5%
Total	**45.0**	**100%**

7.2 Shareholding structure

The details of the ownership of MoneyMe Financial Group Pty Ltd prior to Completion and ownership of Shares in the Company at Completion, are set out in the table below.

	Shareholding in MoneyMe Financial Group Pty Ltd prior to the Offer[4]		Shareholding in the Company held at Completion[5]	
Shareholder(s)	(%)	(million)	(%)	(million)
Howes Advisory Pty Ltd as trustee for Howes Family Trust[6]	37.9%	51.5	29.7%	50.3
Emery Pty Ltd as trustee for Scott Emery Family Trust[7]	35.0%	47.6	28.1%	47.6
Bannigan Nominees Pty Ltd as trustee for Bannigan Family Trust[8]	20.4%	27.8	15.5%	26.2
Other Existing Shareholders	6.7%	9.1	5.5%	9.4
New Shareholders	–	–	21.2%	36.0
Total	**100.0%**	**136.0**	**100.0%**	**169.4**

The Company will also have 2,274,095 Replacement Options and 1,680,000 Performance Rights on issue on Completion.

At Completion, 77.3% of the Shares will be subject to voluntary escrow arrangements (i.e. in the opinion of the Company, the free float of Shares at the time of Listing on the Official List will be no less than 20% of Shares on issue at that time). In relation to the Shares held by Existing Shareholders at Completion, 96.4% of those Shares will be subject to voluntary escrow arrangements. Refer to Section 7.6 and Section 9.8 for more information.

1. Other than the growth strategies covered by the row immediately below.
2. Historical related party loans used for general corporate purposes. It comprises historical shareholder loans from Mr Howes ($100,000), Mr Bannigan ($1,412,500), Mr Emery ($200,033), and non-shareholder loans from relatives of Mr Howes ($300,000).
3. The costs of the Offer include the fees payable to advisers as referred to in Section 6.3(a), as well as other costs such as registry fees, ASX listing fees and other adviser fees. The costs of the Offer reflects the cash cost (excluding non-cash items) expected to be paid as a result of the Offer, as disclosed within the statutory cash flows in Section 4.6.
4. Reflects a notional 573.88 for 1 share split because, under the Implementation Deed, this is the ratio at which shares in MoneyMe Financial Group Pty Ltd will be sold in consideration for Shares in the Company.
5. The holding information for the Existing Shareholders excludes any other Shares which they may acquire as part of the Offer at the Offer Price.
6. An entity associated with Clayton Howes.
7. An entity associated with Scott Emery.
8. An entity associated with Steve Bannigan.

(a) Control implications of the Offer

The Directors do not expect any Shareholder to control (as defined in section 50AA of the Corporations Act) the Company on Completion.

(b) Terms and conditions of the Offer

Topic	Summary
What is the type of security being offered?	Shares (being fully paid ordinary Shares in the Company).
What are the rights and liabilities attached to the security being offered?	A description of the Shares, including the rights and liabilities attaching to them, is set out in Section 7.10 below.
What is the consideration payable for each security being offered?	Successful Applicants under the Offer will pay the Offer Price, being $1.25 per Share.
What is the Offer Period?	The key dates, including details of the Offer Period, are set out on page 4 of this Prospectus. The timetable is indicative only and may change. Unless otherwise indicated, all times are stated in Sydney, Australia time. The Company, in consultation with the Joint Lead Managers, reserves the right to vary both the times and dates without notice (including, subject to the ASX Listing Rules and the Corporations Act, to close the Offer early, to extend the Closing Date, to accept late Applications or bids, either generally or in particular cases, or to cancel or withdraw the Offer before Settlement, in each case without prior notice). If the Offer is cancelled or withdrawn before the allocation of Shares, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their Applications as soon as possible after the Offer opens. No Shares will be issued on the basis of this Prospectus later than the Expiry Date of 13 months after the Prospectus Date.
What are the cash proceeds to be raised?	Approximately $45.0 million will be raised under the Offer based on the Offer Price, if the Offer proceeds.
Is the Offer underwritten?	Yes. The Offer is fully underwritten by Morgans Corporate Limited and Ord Minnett Limited. Refer to Section 9.5 for details on the Underwriting Agreement.
What is the minimum and maximum Application size under the Broker Firm Offer?	The minimum Application size in the Broker Firm Offer is $2,000 worth of Shares. Applications in excess of the minimum number of Shares must be multiples of at least $500. There is no maximum Application under the Broker Firm Offer.
What is the allocation policy?	The allocation of Shares between the Broker Firm Offer and the Institutional Offer was determined by the Company and the Joint Lead Managers having regard to the allocation policy outlined in Sections 7.3(d) and 7.4(b). **Broker Firm Offer** With respect to the Broker Firm Offer, it is a matter for the Brokers how they allocate Shares among eligible retail clients. **Institutional Offer** The allocation of Shares among Applicants in the Institutional Offer was determined by agreement between the Joint Lead Managers and the Company.

Topic	Summary
Will the securities be quoted on the ASX?	The Company will apply to ASX within seven days of the Prospectus Date for admission to the Official List of, and quotation of its Shares by, ASX under the code 'MME'. Completion is conditional on ASX approving the application for admission and quotation. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act. The Company will be required to comply with the Listing Rules, subject to any waivers obtained by the Company from time to time. ASX takes no responsibility for the contents of this Prospectus or the investment to which it relates. The fact that ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the Shares offered for subscription.
When are the securities expected to commence trading?	It is expected that trading of the Shares on ASX on a normal settlement basis will commence on or about around 16 December 2019. Following the issue of Shares, Successful Applicants will receive a holding statement setting out the number of Shares issued to them under the Offer. It is expected that holding statements will be dispatched by standard post on or about 10 December 2019. It is the responsibility of each Applicant to confirm their holding before trading in Shares. Applicants who sell Shares before they receive an initial holding statement do so at their own risk. The Company and the Joint Lead Managers disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their initial holding statement, whether on the basis of a confirmation of allocation provided by any of them, by the MoneyMe Offer Information Line, by a Broker or otherwise.
When will I receive confirmation of whether my Application has been successful?	It is expected that initial holding statements will be mailed to Successful Applicants on or about 10 December 2019. Refunds (without interest) to Applicants who make an Application and receive an allocation of Shares, the value of which is smaller than the amount of the Application Monies, will be made as soon as practicable after Completion.
Are there any escrow arrangements?	Yes. The Escrowed Shareholders will be entering into voluntary escrow arrangements, details of which are set out in Section 7.6 and Section 9.8.
Has any ASIC relief or ASIC waiver or modification been obtained or been relied on?	Yes. Details are provided in Section 9.11.
Are there any taxation considerations?	The taxation consequences of any investment in the Shares will depend on your particular circumstances. It is your responsibility to make your own enquiries concerning the taxation consequences of an investment in the Company. Refer to Section 9.12 for general tax considerations.
Are there any brokerage, commission or stamp duty considerations?	No brokerage, commission or stamp duty is payable by Applicants on the acquisition of Shares under the Offer. See Section 6.3(a) for details of various fees payable by the Company to the Joint Lead Managers and by the Joint Lead Managers to certain Brokers.
What should you do with any enquiries?	All enquiries in relation to this Prospectus should be directed to the MoneyMe Offer Information Line on 1800 502 914 (toll free within Australia) or +61 1800 502 914 (outside Australia) between 8:30am and 5:30pm (Sydney time), Monday to Friday (excluding public holidays). All enquiries in relation to the Broker Firm Offer should be directed to your Broker. If you are unclear in relation to any matter or are uncertain as to whether Shares are a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest.

7.3 Broker Firm Offer

(a) Who can apply?

The Broker Firm Offer is open only to Australian and New Zealand resident investors who are not Institutional Investors and who have received an invitation from their Broker to participate in the Offer under this Prospectus.

If you have received an invitation to participate from your Broker, you will be treated as a Broker Firm Applicant under the Broker Firm Offer. You should contact your Broker to determine whether you can receive an invitation from them under the Broker Firm Offer.

(b) How to apply

If you have received an invitation to participate from your Broker and wish to apply for Shares under the Broker Firm Offer, you should contact your Broker for information about how to complete and lodge your Application Form and for payment instructions. Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the Application Form. Applicants under the Broker Firm Offer must not send their Application Forms or payment to the Share Registry.

Applicants under the Broker Firm Offer should contact their Broker to request a Prospectus and Application Form or download a copy at investors.moneyme.com.au. Your Broker will act as your agent and it is your Broker's responsibility to ensure that your Application Form and Application Monies are received before 5.00pm (AEDT) on the Offer Closing Date or any earlier closing date as determined by your Broker.

If you are an investor applying under the Broker Firm Offer, you should complete and lodge your Application Form with the Broker from whom you received your invitation to participate. Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the reverse of the Application Form.

By making an Application, you declare that you were given access to this Prospectus (or any supplementary or replacement prospectus), together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is included in, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

The minimum Application under the Broker Firm Offer is $2,000 worth of Shares. Applications in excess of the minimum number of Shares must be multiples of at least $500. There is no maximum value of Shares that may be applied for under the Broker Firm Offer. The Company and Joint Lead Managers reserve the right to reject or scale back any Applications in the Broker Firm Offer. The Company may determine a person to be eligible to participate in the Broker Firm Offer and may amend or waive the Broker Firm Offer Application procedures or requirements, in its discretion in compliance with applicable laws.

The Company, the Joint Lead Managers and the Share Registry take no responsibility for any acts or omissions committed by your Broker in connection with your Application.

The Broker Firm Offer opens at 9.00am on 2 December 2019 and is expected to close at 5.00pm (AEDT) on 6 December 2019. The Company and the Joint Lead Managers may elect to close the Offer or any part of it early, extend the Offer or any part of it, or accept late Applications. The Offer may be closed at any earlier date and time, without further notice. Your Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their Applications as early as possible. Please contact your Broker for instructions.

(c) How to pay

Applicants under the Broker Firm Offer must pay their Application Monies in accordance with the instructions received from their Broker.

(d) What is the Broker Firm Offer allocation policy?

The basis of allocation of Offer Shares under the Offer will be determined by the Company and the Joint Lead Managers. Shares which are allocated to Brokers for allocation to their retail clients will be issued to the Applicants nominated by those Brokers (subject to the right of the Joint Lead Managers and the Company to reject, aggregate or scale back Applications). It will be a matter for each Broker as to how they allocate Shares among their retail clients, and they (and not the Joint Lead Managers or the Company) will be responsible for ensuring that retail clients who have received an allocation from them receive the relevant Shares.

(e) Acceptance of Applications

An Application in the Broker Firm Offer is an offer by you to the Company to apply for the amount of Shares specified in the Application Form at the Offer Price on the terms and conditions set out in this Prospectus (including any supplementary or replacement document) and the Application Form. To the extent permitted by law, an Application by an Applicant is irrevocable.

An Application may be accepted in respect of the full amount, or any amount lower than that specified in the Application Form, without further notice to the Applicant. Acceptance of an Application will give rise to a binding contract on allocation of Shares to Successful Applicants.

The Joint Lead Managers, in agreement with the Company, reserve the right to reject any Application which is not correctly completed or is submitted by a person who they believe is ineligible to participate in the Broker Firm Offer, or to waive or correct any errors made by an Applicant in completing their Application.

7.4 Institutional Offer

(a) Invitations to bid

The Company and the Joint Lead Managers have invited certain Institutional Investors in Australia, New Zealand and other eligible foreign jurisdictions to bid for Shares in the Institutional Offer.

(b) Allocation policy under the Institutional Offer

The allocation of Shares among bidders in the Institutional Offer was determined by the Company and the Joint Lead Managers. The Company and the Joint Lead Managers have absolute discretion regarding the basis of allocation of Shares among Institutional Investors.

Participants in the Institutional Offer will be advised of their allocation of Shares, if any, by the Joint Lead Managers.

The allocation policy was influenced by a number of factors including:

- the number of Shares bid for by particular bidders;
- the timeliness of the bid by particular bidders;
- the Company's desire for an informed and active trading market following Listing on ASX;
- the Company's desire to establish a wide spread of institutional Shareholders;
- the overall level of demand under the Broker Firm Offer and the Institutional Offer;
- the size and type of funds under management of particular bidders;
- the likelihood that particular bidders will be long-term shareholders; and
- any other factors that the Company and the Joint Lead Managers considered appropriate.

7.5 Acknowledgements

Each Applicant under the Offer will be deemed to have:

- agreed to become a member of the Company and to be bound by the terms of the Constitution and the terms and conditions of the Offer;
- acknowledged having personally received a printed or electronic copy of the Prospectus (and any supplementary or replacement prospectus) including or accompanied by the Application Form and having read them all in full;
- declared that all details and statements in their Application Form are complete and accurate;
- declared that the Applicant(s), if a natural person, is/are over 18 years of age;
- acknowledged that, once the Company or a Broker receives an Application Form, it may not be withdrawn;
- applied for the number of Shares at the Australian dollar amount shown on the front of the Application Form;

- agreed to being allocated and issued the number of Shares applied for (or a lower number allocated in a way described in this Prospectus), or no Shares at all;
- authorised the Company and the Joint Lead Managers and their respective officers or agents, to do anything on behalf of the Applicant(s) necessary for Shares to be allocated to the Applicant(s), including to act on instructions received by the Share Registry upon using the contact details in the Application Form;
- acknowledged that, in some circumstances, the Company may not pay dividends, or that any dividends paid may not be franked;
- acknowledged that the information contained in this Prospectus (or any supplementary or replacement prospectus) is not financial product advice or a recommendation that Shares are suitable for the Applicant(s), given the investment objectives, financial situation or particular needs (including financial and tax issues) of the Applicant(s);
- declared that the Applicant(s) is/are a resident of Australia or New Zealand (except as applicable to the Institutional Offer);
- acknowledged and agreed that the Offer may be withdrawn by the Company or may otherwise not proceed in the circumstances described in this Prospectus; and
- acknowledged and agreed that if Listing does not occur for any reason, the Offer will not proceed.

Each Applicant under the Broker Firm Offer, and each person to whom the Institutional Offer has been made under this Prospectus, will be taken to have represented, warranted and agreed as follows:

- it understands that the Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered, sold or resold in the United States, except in a transaction exempt from, or not subject to, registration under the US Securities Act and any other applicable securities laws;
- it is not in the United States or a US Person;
- it has not sent and will not send the Prospectus or any other material relating to the Offer to any person in the United States; and
- it will not offer or sell the Shares in the United States or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration under the US Securities Act and in compliance with all applicable laws in the jurisdiction in which Shares are offered and sold.

7.6 Underwriting Agreement

The Offer is fully underwritten pursuant to an Underwriting Agreement under which the Joint Lead Managers have been appointed to arrange and manage and act as Joint Lead Managers, joint bookrunners and joint underwriters of the Offer. The Joint Lead Managers agree, subject to certain conditions and termination events, to underwrite severally Applications for all Shares under the Offer.

The Underwriting Agreement is subject to a number of conditions precedent and sets out a number of circumstances under which the Joint Lead Managers may terminate the Underwriting Agreement and their underwriting obligations. A summary of certain terms of the agreement and underwriting arrangements, including the conditions precedent and termination provisions, is provided in Section 9.5.

7.7 Voluntary escrow arrangements

Escrowed Shares held at Completion of the Offer by the Escrowed Shareholders will be subject to voluntary escrow arrangements.

Further details of these arrangements are provided in Section 9.8.

7.8 Restrictions on distributions

No action has been taken to register or qualify this Prospectus, the Shares or the Offer or otherwise to permit a public offering of the Shares in any jurisdiction outside Australia.

This Prospectus does not constitute an offer or invitation to apply for Shares in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue under this Prospectus.

This Prospectus may not be released or distributed in the United States, and may only be distributed to persons to whom the Offer may lawfully be made in accordance with the laws of any applicable jurisdiction.

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act laws and any other applicable securities laws.

7.9 Discretion regarding Offer

The Company may withdraw the Offer at any time before the issue of Shares to Successful Applicants under the Offer. If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest).

The Company and the Joint Lead Managers also reserve the right to, subject to the Corporations Act, extend the Offer or any part of it, accept late Applications or bids either generally or in particular cases, reject any Application or bid, or allocate to any Applicant or bidder fewer Shares than the amount applied or bid for.

7.10 ASX Listing, registers and holding statements and deferred settlement

(a) Application to ASX for Listing and quotation of Shares

The Company will apply to ASX within seven days of the Prospectus Date, for admission to the Official List and quotation of the Shares on ASX under the code 'MME'.

The ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the Shares offered for subscription.

If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest, as soon as practicable in accordance with the requirements of the Corporations Act.

Upon Listing, the Company will be required to comply with the Listing Rules, subject to any waivers obtained by the Company from time to time.

(b) CHESS and issuer sponsored holdings

The Company will apply to participate in ASX's Clearing House Electronic Sub-register System (**CHESS**) and will comply with the Listing Rules and ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on ASX under which transfers are effected in an electronic form.

When the Shares become approved financial products (as defined in ASX Settlement Operating Rules), holdings will be registered in one of two sub-registers, being an electronic CHESS sub-register or an issuer sponsored sub-register. For all Successful Applicants, the Shares of a Shareholder who is a participant in CHESS or a Shareholder sponsored by a participant in CHESS will be registered on the CHESS sub-register. All other Shares will be registered on the issuer sponsored sub-register.

Following Completion, Shareholders will be sent a holding statement that sets out the number of Shares that have been allocated to them. This statement will also provide details of a Shareholder's Holder Identification Number (**HIN**) for CHESS holders or, where applicable, the Securityholder Reference Number (**SRN**) of issuer sponsored holders. Shareholders will subsequently receive statements showing any changes to their Shareholding. Share certificates will not be issued.

Shareholders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under the Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring Broker in the case of a holding on the CHESS sub-register or through the Share Registry in the case of a holding on the issuer sponsored sub-register. The Company and the Share Registry may charge a fee for these additional issuer sponsored statements.

7.11 Summary of rights and liabilities attaching to Shares and other material provisions of the Constitution

(a) Introduction

The rights and liabilities attaching to ownership of Shares are:

- detailed in the Constitution, which may be inspected during normal business hours at the registered office of the Company; and
- in certain circumstances, regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and the general law.

A summary of the significant rights, liabilities and obligations attaching to the Shares and a description of other material provisions of the Constitution are set out below. This summary is not intended to be exhaustive and is qualified by the fuller terms of the Constitution. This summary does not constitute a definitive statement of the rights and liabilities of Shareholders.

The summary assumes that the Company is admitted to the Official List.

(b) Meeting of members

Each Shareholder is entitled to receive notice of and, except in certain circumstances, to attend and vote at general meetings of the Company and receive all financial statements, notices and other documents required to be sent to Shareholders under the Constitution, the Corporations Act and the ASX Listing Rules. At least 28 days' notice of a meeting must be given to Shareholders.

(c) Voting at a general meeting

At a general meeting of the Company, every Shareholder present in person or by proxy, attorney or representative has one vote on a show of hands and on a poll, one vote for each Share held.

On a poll, every member (or his or her proxy, attorney or representative) is entitled to vote for each fully paid share held (with adjusted voting rights for partially paid shares). The Chairperson does not have a casting vote.

(d) Dividends

Subject to the Corporations Act, the Constitution and any special terms and conditions of issue, the Directors may, from time to time, pay, resolve to pay, or declare any interim, special or final dividend as, in their judgement, the financial position of the Company justifies.

The Directors may fix the amount, time and method of payment of the dividends. The payment, resolution to pay, or declaration of a dividend does not require any confirmation by a general meeting.

(e) Transfer of Shares

Subject to the Constitution and to the rights or restrictions attached to any shares or class of shares, a member may transfer all or any of the member's Shares by:

- a Proper ASTC transfer (as that term is defined in the Corporations Regulations); or
- an instrument in writing in any usual form or in any other form that the Directors approve, as permitted by the Corporations Act and ASX Listing Rules.

The Company may, in circumstances permitted under the ASX Listing Rules or ASX Settlement Rules, decline to register a transfer of Shares or apply a holding lock to prevent a transfer of Shares.

If the Directors decline to register a transfer, the Company must give the party lodging the transfer written notice of the refusal and the reason for refusal.

(f) Issue of further Shares

Subject to the Constitution, the ASX Listing Rules, the ASX Settlement Operating Rules and the Corporations Act, the Directors may issue Shares or grant options over unissued Shares to any person and they may do so at such times and on the conditions they think fit. The Shares may be issued with preferred, deferred or special rights, or special restrictions about dividends, voting, return of capital, participation in the property of the Company on a winding up or otherwise as the Directors see fit.

(g) Preference shares

The Company may issue preference shares including preference shares which are liable to be redeemed or convertible to ordinary shares. The rights attaching to preference shares are those set out in the Constitution unless other rights have been approved by special resolution of the Company.

(h) Winding up

If the Company is wound up, then subject to the Constitution and to the rights or restrictions attached to a class of Shares, any surplus assets must be divided among the Company's members in proportion to the Shares held by them (irrespective of the amounts paid or credited as paid on the Shares), less any amounts which remain unpaid on these Shares at the time of distribution.

(i) Sale of non-marketable parcels

Provided that the procedures set out in the Constitution are followed, the Company may sell the Shares of a Shareholder who holds less than a marketable parcel of those shares. A marketable parcel of Shares is defined in the ASX Listing Rules and is, generally, a holding of Shares with a market value of less than $500.

(j) Share buy-backs

The Company may buy back Shares in itself in accordance with the provisions of the Corporations Act and, where applicable, the ASX Listing Rules.

(k) Variation of class rights

Subject to the Corporations Act and the terms of issue of a class of shares, wherever the capital of the Company is divided into different classes of shares, the rights attached to any class of shares may be varied with:

- the written consent of the holders of at least three quarters of the issued shares in the particular class; or
- the sanction of a special resolution passed at a separate meeting of the holders of shares in that class.

(l) Reduction of share capital

Subject to the Constitution, Corporations Act and ASX Listing Rules, the Company may reduce its share capital in any way permissible by the Corporations Act.

(m) Proportional takeover provisions

The Constitution contains provisions requiring Shareholder approval before any proportional takeover bid can proceed. The provision will cease to have effect three years from the date of adoption of the Constitution unless it is renewed by special resolution of Shareholders in a general meeting.

(n) Dividend reinvestment plan

The Constitution contains a provision allowing Directors, on the terms and conditions they think fit, to implement a dividend reinvestment plan (under which any Shareholder or any class of Shareholders may elect that the dividends payable by the Company be reinvested by a subscription for Shares in the Company).

(o) Employee plans

The Directors may implement an employee share plan for officers or employees of the Company on such terms and conditions as they think fit. Further details about the Company's short-term incentive arrangements and long-term incentive arrangements are contained in Section 6.5(b).

(p) Directors – appointment and removal

Under the Constitution, the minimum number of Directors is three and the maximum is seven or such lower number as the Directors determine, provided the proposed lower number has been authorised by general meeting of the Company's members if required under the Corporations Act.

Directors are elected or re-elected by resolution at a general meeting of Shareholders. The Directors may also appoint a Director to fill a casual vacancy on the Board or in addition to the existing Directors, who (other than the Managing Director) will then hold office until the next annual general meeting of the Company and is then eligible for election at that meeting.

No Director (other than the Managing Director) may hold office without re-election after three years or beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected (whichever is later).

(q) Directors – voting

Questions arising at a meeting of Directors will be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter.

In the case of an equality of votes on a resolution, the chair of the meeting has a casting vote, unless there are only two Directors present or qualified to vote, in which case the proposed resolution is taken as having been lost.

(r) Variation of the Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of members present and voting at a general meeting of the Company. The Company must give at least 28 days' written notice of its intention to propose a resolution as a special resolution.

(s) Directors' and officers' indemnity

The Company, to the extent permitted by law, indemnifies each person who is a current or former Director, executive officer, officer or auditor of the Company, and such other officers or former officers of the Company or its Related Bodies Corporate as the Directors in each case determine, against any losses or liability incurred by that person as an officer or auditor of the Company or of a related body corporate of the Company including, but not limited to, a liability for negligence or for legal costs.

The Company, to the extent permitted by law, may enter into and pay premiums on a contract insuring any person who is a current or former Director, executive officer, officer or auditor of the Company, and such other officers or former officers of the Company or its Related Bodies Corporate as the Directors in each case determine, against any liability incurred by the person as an officer or auditor of the Company or of a related body corporate of the Company including, but not limited to, a liability for negligence or for legal costs.

The Company has entered into deeds of access, insurance and indemnity with each Director. These are summarised in Section 6.3(b).

Section 8.

Investigating Accountant's Report

Deloitte.

Deloitte Corporate Finance Pty Limited
ACN 003 833 127
AFSL 241457

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225 George Street
Sydney NSW 2000
PO Box N250 Grosvenor Place
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Tel: +61 (0) 2 9322 7000
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The Directors
MoneyMe Limited
Level 3, 131 Macquarie Street
Sydney NSW 2000

15 November 2019

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT ON THE HISTORICAL AND FORECAST FINANCIAL INFORMATION OF MONEYME LIMITED AND THE FINANCIAL SERVICES GUIDE

Introduction

This report has been prepared at the request of the directors of MoneyMe Limited (ACN 636 747 414) (the Company) (the Directors) for inclusion in the prospectus to be issued by the Company (the Prospectus) in respect of the initial public offering of fully paid ordinary shares in the Company (the Offer) and listing of the Company on the Australian Securities Exchange.

Deloitte Corporate Finance Pty Limited is wholly owned by Deloitte Touche Tohmatsu and holds the appropriate Australian Financial Services licence under the Corporations Act 2001 (Cth) for the issue of this report.

References to the Company mean prior to the allotment of fully paid ordinary shares under the Offer, MoneyMe Financial Group Pty Ltd (ACN 163 691 236) and its controlled entities, and after allotment of such shares under the Offer, MoneyMe Limited and its controlled entities, or where the context requires, the business described in the Prospectus.

Capitalised terms used in this report have the same meaning as defined in the glossary of the Prospectus.

Scope

Statutory Historical Financial Information

Deloitte Corporate Finance Pty Limited has been engaged by the Directors to review the statutory historical financial information, being:

- the statutory historical consolidated statements of profit or loss and other comprehensive income for the financial years ended 30 June 2017, 30 June 2018 and 30 June 2019;
- the statutory historical consolidated statement of financial position as at 30 June 2019; and
- the statutory historical consolidated statements of cash flows before corporate financing activities and tax for the financial years ended 30 June 2017, 30 June 2018 and 30 June 2019,

as set out in Tables 4, 6 and 9 respectively of the Prospectus (the Statutory Historical Financial Information).

The Statutory Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies.

The Statutory Historical Financial Information has been extracted from the Special Purpose Financial Statements of the Company for the financial year ended 30 June 2017, the General Purpose Tier 2 (Reduced Disclosure Requirements) Financial Statements of the Company for the financial year ended 30 June 2018, and the full General Purpose Financial Report for the financial year ended 30 June 2019. The annual financial reports were audited by Deloitte Touche Tohmatsu in accordance with the Australian Auditing Standards. Deloitte Touche Tohmatsu issued an unmodified audit opinion in respect of these financial statements.

Deloitte.

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The Statutory Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001 (Cth).

Pro forma Historical Financial Information

Deloitte Corporate Finance Pty Limited has been engaged by the Directors to review the pro forma historical financial information, being:

- the pro forma historical consolidated statements of profit or loss for the financial years ended 30 June 2017, 30 June 2018 and 30 June 2019;
- the pro forma historical consolidated statement of financial position as at 30 June 2019; and
- the pro forma historical consolidated statements of cash flows before corporate financing activities and tax for the financial years ended 30 June 2017, 30 June 2018 and 30 June 2019,

as set out in Tables 2, 6 and 8 respectively of the Prospectus (the Pro forma Historical Financial Information).

The Pro forma Historical Financial Information has been derived from the Statutory Historical Financial Information, after adjusting for the effects of pro forma adjustments described in Tables 5, 6 and 10 of the Prospectus (the Pro forma Adjustments).

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the Statutory Historical Financial Information and the events or transactions to which the Pro forma Adjustments relate, as if those events or transactions had occurred as at the date of the Statutory Historical Financial Information. Due to its nature, the Pro forma Historical Financial Information does not represent the Company's actual or prospective financial performance, financial position and/or cash flows.

Forecast Financial Information

Deloitte Corporate Finance Pty Limited has been engaged by the Directors to review the forecast financial information, being:

- the statutory forecast consolidated statement of profit or loss and the statutory forecast consolidated net cash flow of the Company for the financial year ending 30 June 2020, as set out in Tables 2 and 8 respectively of the Prospectus (the Statutory Forecast Financial Information). The Directors' best estimate assumptions underlying the Statutory Forecast Financial Information are described in Section 4.8 of the Prospectus. The stated basis of preparation used in the preparation of the Statutory Forecast Financial Information is the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies; and
- the pro forma forecast consolidated statement of profit or loss and the pro forma forecast net cash flow before corporate financing activities and tax of the Company for the financial year ending 30 June 2020 as set out in Tables 2 and 8 respectively of the Prospectus (the Pro forma Forecast Financial Information). The Pro forma Forecast Financial Information has been derived from the Statutory Forecast Financial Information, after adjusting for the effects of the Pro forma Adjustments described in Tables 5 and 10 respectively of the Prospectus.

  An audit/review has not been conducted on the source from which the unadjusted financial information was prepared. The stated basis of preparation used in the preparation of the Pro forma Forecast Financial Information is the recognition and measurement principles contained in Australian Accounting Standards applied to the Statutory Forecast Financial Information and the events or transactions to which the Pro forma Adjustments relate, as if those events or transactions had occurred prior to 1 July 2019. Due to its nature, the Pro forma Forecast Financial Information does not represent the Company's actual prospective financial performance and/or cash flows for the financial year ending 30 June 2020,

(together, the Forecast Financial Information).

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The Forecast Financial Information has been prepared by management and adopted by the Directors in order to provide prospective investors with a guide to the potential financial performance and cash flows of the Company for the financial year ending 30 June 2020. There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to events and transactions that have not yet occurred and may not occur. Actual results are likely to be different from the Forecast Financial Information since anticipated events or transactions frequently do not occur as expected and the variations may be material.

The Directors' best estimate assumptions on which the Forecast Financial Information is based relate to future events and/or transactions that management expect to occur and actions that management expect to take, and are also subject to uncertainties and contingencies, which are often outside the control of the Company. Evidence may be available to support the assumptions on which the Forecast Financial Information is based, however such evidence is generally future orientated and therefore speculative in nature. We are therefore not in a position to express a reasonable assurance conclusion on those best estimate assumptions, and accordingly, provide a lesser level of assurance on the reasonableness of the Directors' best estimate assumptions. We do not express any opinion on the achievability of the results. The limited assurance conclusion expressed in this report has been formed on the above basis.

Prospective investors should be aware of the material risks and uncertainties relating to an investment in the Company, which are detailed in the Prospectus, and the inherent uncertainty relating to the prospective financial information. Accordingly, prospective investors should have regard to the investment risks and sensitivities set out in Section 5 and Section 4.9 of the Prospectus.

The sensitivity analysis set out in Section 4.9 of the Prospectus demonstrates the impacts on the Forecast Financial Information of changes in key assumptions. The Forecast Financial Information is therefore only indicative of the financial performance which may be achievable. We express no opinion as to whether the Forecast Financial Information will be achieved.

We have assumed, and relied on representations from certain members of management of the Company, that all material information concerning the prospects and proposed operations of the Company has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

Directors' Responsibility

The Directors are responsible for:

- the preparation and presentation of the Statutory Historical Financial Information and the Pro forma Historical Financial Information, including the selection and determination of the Pro forma Adjustments made to the Statutory Historical Financial Information and included in the Pro forma Historical Financial Information;
- the preparation of the Forecast Financial Information, including the best estimate assumptions underlying the Forecast Financial Information and the selection and determination of the Pro forma Adjustments made to the Statutory Forecast Financial Information and included in the Pro forma Forecast Financial Information; and
- the information contained within the Prospectus.

This responsibility includes for the operation of such internal controls as the Directors determine are necessary to enable the preparation of the Statutory Historical Financial Information, the Pro forma Historical Financial Information and the Forecast Financial Information that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Statutory Historical Financial Information, the Pro forma Historical Information, the Statutory Forecast Financial Information and the Pro forma Forecast Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Australian Standard on Assurance Engagements (ASAE) 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.*

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A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we will not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

We have performed the following procedures as we, in our professional judgement, considered reasonable in the circumstances:

Statutory Historical Financial Information

- consideration of work papers, accounting records and other documents of the Company, including those dealing with the extraction and compilation of Statutory Historical Financial Information from the audited financial statements and management accounts of the Company for the financial years ended 30 June 2017, 30 June 2018 and 30 June 2019;
- analytical procedures on the Statutory Historical Financial Information;
- a consistency check of the application of the stated basis of preparation, as described in the Prospectus, to the Statutory Historical Financial Information;
- a review of the work papers, accounting records and other documents of the Company and its auditors;
- a review of the application of Australian Accounting Standards; and
- enquiry of the Directors, management and other relevant persons in relation to the Statutory Historical Financial Information.

Pro forma Historical Financial Information

- consideration of work papers, accounting records and other documents of the Company, including those dealing with the extraction and compilation of Statutory Historical Financial Information from the audited financial statements and management accounts of the Company for the financial years ended 30 June 2017, 30 June 2018 and 30 June 2019;
- consideration of the appropriateness of the Pro forma Adjustments described in Tables 5, 6 and 10 of the Prospectus;
- enquiry of the Directors, management, personnel and advisors of the Company;
- the performance of analytical procedures applied to the Pro forma Historical Financial Information;
- a review of work papers, accounting records and other documents of the Company and its auditors; and
- a review of the accounting policies adopted and used by the Company over the relevant periods for consistency of application.

Forecast Financial Information

- enquiries, including discussions with management and Directors of the factors considered in determining the assumptions;
- analytical and other review procedures we considered necessary including examination, on a test basis, of evidence supporting the assumptions, amounts and other disclosures in the Forecast Financial Information;
- review of the accounting policies adopted and used by the Company in the preparation of the Forecast Financial Information; and
- consideration of the Pro forma Adjustments applied to the Statutory Forecast Financial Information in preparing the Pro forma Forecast Financial Information.

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Conclusions

Statutory Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Statutory Historical Financial Information is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 4.2 of the Prospectus.

Pro forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro forma Historical Financial Information is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in Section 4.2 of the Prospectus.

Statutory Forecast Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that:

(i) the Directors' best estimate assumptions used in the preparation of the Statutory Forecast Financial Information do not provide reasonable grounds for the Statutory Forecast Financial Information;

(ii) in all material respects, the Statutory Forecast Financial Information:

   a. is not prepared on the basis of the Directors' best estimate assumptions as described in Section 4.8 of the Prospectus;

   b. is not presented fairly in accordance with the stated basis of preparation, being the accounting policies adopted and used by the Company and the recognition and measurement principles contained in Australian Accounting Standards; and

(iii) the Statutory Forecast Financial Information itself is unreasonable.

Pro forma Forecast Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that:

(i) the Directors' best estimate assumptions used in the preparation of the Pro forma Forecast Financial Information do not provide reasonable grounds for the Pro forma Forecast Financial Information;

(ii) in all material respects, the Pro forma Forecast Financial Information:

   a. is not prepared on the basis of the Directors' best estimate assumptions as described in Section 4.8 of the Prospectus;

   b. is not presented fairly in accordance with the stated basis of preparation, being the accounting policies adopted and used by the Company and the recognition and measurement principles contained in Australian Accounting Standards, applied to the Statutory Forecast Financial Information and the Pro forma Adjustments as if those adjustments had occurred as at 1 July 2019; and

(iii) the Pro forma Forecast Financial Information itself is unreasonable.

Restrictions on Use

Without modifying our conclusions, we draw attention to Section 4.2 and the 'Important Notices' pages of the Prospectus, which describe the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, the Investigating Accountant's Report may not be suitable for use for another purpose.

Consent

Deloitte Corporate Finance Pty Limited has consented to the inclusion of this limited assurance report in the Prospectus in the form and context in which it is included.

Deloitte.

Disclosure of Interest

Deloitte Corporate Finance Pty Limited does not have any interest in the outcome of this Offer other than the preparation of this report and participation in the due diligence procedures for which normal professional fees will be received.

Deloitte Touche Tohmatsu is the auditor of the Company.

Yours sincerely

DELOITTE CORPORATE FINANCE PTY LIMITED

Tapan Verma

Tapan Verma
Authorised Representative of
Deloitte Corporate Finance Pty Limited
(AFSL Number 241457)
AR number 1009181

Deloitte.

November 2018

Financial Services Guide (FSG)

What is an FSG?

An FSG is designed to provide information about the supply of financial services to you.

Deloitte Corporate Finance Pty Limited (DCF) (AFSL 241457) provides this FSG to you, so you know how we are remunerated and who to contact if you have a complaint.

Who supplies the financial services?

We provide this FSG to you where you engage us to act on your behalf when providing financial services.

Alternatively, we may provide this FSG to you because our client has provided financial services to you that we delivered to them.

The person who provides the financial service to you is our Authorised Representative (AR) and DCF authorises the AR to distribute this FSG.

What financial services are we licensed to provide?

We are authorised to provide financial product advice and to arrange for another person to deal in financial products in relation to securities, interests in managed investment schemes, government debentures, stocks or bonds, to retail and wholesale clients. We are also authorised to provide personal and general financial product advice and deal by arranging in derivatives and regulated emissions units to wholesale clients, and general financial product advice relating to derivatives to retail clients.

General financial product advice

We provide general advice when we have not taken into account your personal objectives, financial situation or needs, and you would not expect us to have done so. In this situation, you should consider whether our general advice is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If we provide advice to you in connection with the acquisition of a financial product, you should read the relevant offer document carefully before making any decision about whether to acquire that product.

Personal financial product advice

When we give you advice that takes into account your objectives, financial situation and needs, we will give you a Statement of Advice to help you understand our advice, so you can decide whether to rely on it.

How are we remunerated?

Our fees are usually determined on a fixed fee or time cost basis plus reimbursement of any expenses incurred in providing the services. Our fees are agreed with, and paid by, those who engage us.

Clients may request particulars of our remuneration within a reasonable time after being given this FSG.

Apart from these fees, DCF, our directors and officers, and any related bodies corporate, affiliates or associates, and their directors and officers, do not receive any commissions or other benefits.

All employees receive a salary, and, while eligible for annual salary increases and bonuses based on overall performance, they do not receive any commissions or other benefits as a result of the services provided to you.

The remuneration paid to our directors reflects their individual contribution to the organisation and covers all aspects of performance.

We do not pay commissions or provide other benefits to anyone who refers prospective clients to us.

Associations and relationships

The Deloitte member firm in Australia (Deloitte Touche Tohmatsu) controls DCF. Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu.

We, and other entities related to Deloitte Touche Tohmatsu, do not have any formal associations or relationships with any entities that are issuers of financial products. However, we may provide professional services to issuers of financial products in the ordinary course of business.

What should you do if you have a complaint?

Please contact us about a concern:

The Complaints Officer
PO Box N250
Grosvenor Place
Sydney NSW 1220
complaints@deloitte.com.au
Phone: +61 2 9322 7000

If an issue is not resolved to your satisfaction, you can lodge a dispute with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services dispute resolution free to consumers.

www.afca.org.au
1800 931 678 (free call)
Australian Financial Complaints Authority Limited

GPO Box 3 Melbourne VIC 3001

What compensation arrangements do we have?

Deloitte Australia holds professional indemnity insurance that covers the financial services we provide. This insurance satisfies the compensation requirements of the Corporations Act 2001 (Cth).

Section 9.

Additional information

9.1 Registration

MoneyMe Limited was registered in New South Wales, Australia on 11 October 2019.

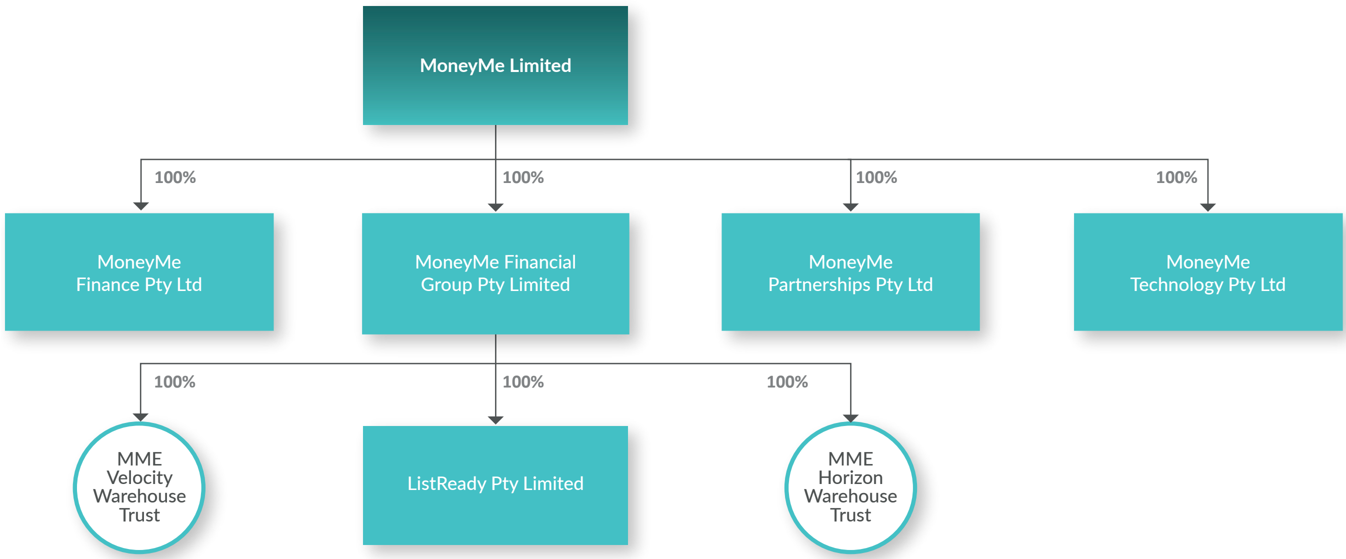
9.2 Company tax status and financial year

The Company will be subject to tax at the Australian corporate tax rate.

The Company's financial year for taxation purposes ends on 30 June.

9.3 Corporate structure

The following diagram shows the entities in the corporate structure of the MoneyMe Group.



The Company intends to transfer the entities shown above as being held by MoneyMe Financial Group Pty Ltd to other entities in the MoneyMe Group following Completion.

9.4 Restructure

The steps for the Restructure are as follows:

- Prior to the Prospectus Date, the Company (a non-operating holding company) was incorporated.
- On or around the Prospectus Date, the Company, MoneyMe Financial Group Pty Ltd and the Existing Shareholders entered into an Implementation Deed under which the Company will, upon successful Completion of the Offer, acquire MoneyMe Financial Group Pty Ltd in consideration for a combination of Shares and cash (with the cash portion reflecting the level of sell-down of Existing Shareholders set out in this Prospectus). A summary of the Implementation Deed is set out in Section 9.6.
- On or around the Prospectus Date, the Company also entered into Option Exchange Deeds with existing optionholders under which the Company will, upon successful Completion of the Offer, acquire their options in MoneyMe Financial Group Pty Ltd in consideration for new options in the Company carrying substantially the same rights and entitlements, described further in Section 9.7.
- After the IPO settles and Shares are issued to Successful Applicants under the Offer, the Company will:
  - acquire MoneyMe Financial Group Pty Ltd, thereby wholly owning MoneyMe Financial Group Pty Ltd and its subsidiaries;
  - issue Shares to the Existing Shareholders under the Implementation Deed; and
  - issue new options in the Company to the existing optionholders under the Option Exchange Deeds.

If the acquisition by the Company of MoneyMe Financial Group Pty Ltd as part of Restructure does not complete for any reason, all proceeds of the Offer received from the public will be promptly returned to those who have successfully subscribed for Shares under the IPO.

9.5 Underwriting Agreement

The Offer is fully underwritten by the Joint Lead Managers pursuant to an Underwriting Agreement dated on or about the date of the Prospectus between the Joint Lead Managers and the Company (**Underwriting Agreement**). Under the Underwriting Agreement, the Joint Lead Managers have agreed to arrange, manage and underwrite the Offer.

Fees and expenses

(i) Fees generally

On Settlement, the Company must pay to each Joint Lead Manager in their relevant portion:

- an Underwriting Fee equal to 3% of the proceeds of the Offer (**Underwriting Fee**); and
- a Management Fee equal to 1% of the proceeds of the Offer (**Management Fee**).

(a) The Company will also pay 1% of the proceeds of the Offer to Ord Minnett Limited for corporate advisory services.

(b) The Joint Lead Managers are responsible for paying any fees payable to Syndicate Brokers (being participating organisations of ASX selected by the Joint Lead Managers to participate in the Offer) or co-managers out of the Underwriting Fee or Management Fee.

The Company has also agreed to reimburse each Joint Lead Manager for reasonable costs of, and incidental to, the Offer (whether such costs or expenses were incurred before or after the date of the Underwriting Agreement or before or after Settlement).

(ii) Costs on termination

If the obligations of the Joint Lead Managers are terminated under the Underwriting Agreement or the Offer is withdrawn or does not proceed, the Company is not obliged to pay:

- the Underwriting Fee or Management Fee in the case of termination by all Joint Lead Managers; or
- to the terminating Joint Lead Manager, the Underwriting Fee or Management Fee in the case of termination by one Joint Lead Manager.

The Company is still obliged to pay:

- to the Joint Lead Managers within five Business Days of termination, reasonable costs of, and incidental to, the Offer in the case of termination by all Joint Lead Managers; or
- to the terminating Joint Lead Manager within five Business Days of termination, reasonable costs of, and incidental to, the Offer in the case of termination by one Joint Lead Manager.

Termination events not subject to materiality

A Joint Lead Manager may, at any time after the date of the Underwriting Agreement until on or before the date of issue and transfer of Shares under the Offer, terminate the Underwriting Agreement without cost or liability by notice to the Company and the other Joint Lead Manager if any of the following events occur:

(i) (Pathfinder and Prospectus) A statement contained in the Pathfinder or the Prospectus is misleading or deceptive, a matter is omitted from the Pathfinder or Prospectus or the Pathfinder or Prospectus otherwise fails to comply with applicable laws;

(ii) (Lodgement) The Company fails to lodge the Prospectus with ASIC on or before the Lodgement Date (or such later date approved in writing by the Joint Lead Managers);

(iii) (Supplementary Prospectus) A Supplementary Prospectus must, in the reasonable opinion of a Joint Lead Manager, be lodged with ASIC under section 719 of the Corporations Act or the Company lodges a Supplementary Prospectus other than in accordance with the Underwriting Agreement;

(iv) (ASIC action) ASIC does one of the following:

(A) gives notice of an intention to hold a hearing under section 739(2) of the Corporations Act or issues an order under section 739(1) of the Corporations Act or an interim order under section 739(3) of the Corporations Act and any such order does not become public and is not withdrawn within two Business Days of when it was made, or if it is made within two Business Days of the Settlement date, it has not been withdrawn by the Settlement Date;

(B) applies for an order under Part 9.5 of the Corporations Act in relation to the Offer, the Pathfinder or the Prospectus and any such application does not become public and is not withdrawn within two Business days of when it is made, or if it is made within two Business Days of the Settlement Date and does not become public, it has not been withdrawn by the Settlement Date; or

(C) commences an investigation or hearing under Part 3 of the *Australian Securities and Investments Commission Act 2001* (Cth) in relation to the Offer, the Pathfinder or the Prospectus and any such investigation or hearing is not withdrawn within two Business Days of when it is made, or if it is made within two Business Days of the Settlement Date and does not become public, it has not been withdrawn by the Settlement Date;

(v) (consent) Any person (other than a Joint Lead Manager) whose consent is required by section 720 of the Corporations Act who has previously consented to the issue of the Prospectus or Supplementary Prospectus withdraws such consent, any person otherwise named in the Prospectus with their consent (other than a Joint Lead Manager) withdraws their consent pursuant to section 733(3) of the Corporations Act;

(vi) (section 730 notice) Any person gives a notice under section 730 of the Corporations Act;

(vii) (withdrawal) The Company withdraws the Prospectus, the Offer or any part of the Offer, or the Company indicates that it does not intend to proceed with the Offer or any part of the Offer;

(viii) (ASX approval) Approval is refused or not granted, other than subject to customary conditions, to the Company's admission to the Official List of the ASX or the official quotation of all of the Offer Shares on ASX on or before the Listing Approval Date or if granted, the approval is withdrawn, qualified or withheld;

(ix) (Insolvency) An Insolvency Event occurs in relation to a member of the Group or there is an act or omission which is likely to result in an Insolvency Event occurring in relation to a member of the Group;

(x) (Directors and senior management) Any Director or member of senior management of the Company is charged with an indictable offence, is disqualified from managing a corporation under sections 206B, 206C, 206D, 206E, 206F or 206G of the Corporations Act or if any government agency commences a public action against the Company or any Director or the CEO or CFO;

(xi) (Certificate) A Certificate which is required to be furnished by the Company under the Underwriting Agreement is not furnished when required or a statement in a Certificate is untrue, incorrect or misleading or deceptive;

(xii) (market fall) The S&P/ASX 200 Index closes on any Business Day before the Settlement Date at a level that is 10% or more below the level of that index at the close of normal trading on ASX on the Business Day immediately preceding the Underwriting Agreement and closes at or below that level for at least three consecutive Business Days or on the Business Day before the Settlement Date;

(xiii) (Timetable) Any event specified in the Timetable is delayed for more than two Business Days (other than any delay caused solely by the Joint Lead Managers or agreed between the parties or expressly permitted by the Underwriting Agreement);

(xiv) (no issue) The Company is or becomes unable, for any reason, to issue or allot the Offer Shares;

(xv) (offer of refund to investors) Any circumstance arises after lodgement of the Prospectus that results in the Company either repaying the money received from persons who have applied for Offer Shares or offering persons who have applied for Offer Shares an opportunity to withdraw their Application for Offer Shares and be repaid their Application money;

(xvi) (ASIC Modifications and ASX Waivers) Any of the ASIC Modifications or ASX Waivers obtained in satisfaction of the Condition Precedent under the Underwriting Agreement are withdrawn, revoked or amended without the prior written approval of the Joint Lead Managers;

(xvii) (illegality) There is an event or occurrence, including any statute, order, rule or regulation, official directive or request (including on compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any government agency which makes it illegal for a Joint Lead Manager to satisfy an obligation under the Underwriting Agreement, or to market, promote or settle the Offer in accordance with the Underwriting Agreement; and

(xviii)(Material Contact) Any of the following occurs:

(A) a Material Contract is terminated;

(B) an event occurs which entitles a party to terminate a Material Contract;

(C) a condition precedent to performance a Material Contract, in the reasonable opinion of a Joint Lead Manager, becomes incapable of being satisfied; or

(D) a party waives any rights it may have under a Material Contract.

Termination events subject to materiality

A Joint Lead Manager may, at any time after the date of the Underwriting Agreement until on or before the issue and transfer of Shares under the Offer (without any cost or liability by notice to the Company and the other Joint Lead Manager), terminate the Underwriting Agreement without any cost or liability by notice to the Company and the other Joint Lead Manager if any of the following events occur and the Joint Lead Manager has reasonable grounds to believe the event:

- has or is likely to have a materially adverse effect on the success, Settlement or marketing of the Offer, or on the ability of the Joint Lead Manager to market, promote or settle the Offer, or on the likely price Shares will trade at on the ASX following the Offer, or the willingness of investors to subscribe for Shares under the Offer, or
- leads, or is likely to lead, to a liability of the Joint Lead Manager under the Corporations Act or any other applicable law, or a contravention by the Joint Lead Manager of, or that Joint Lead Manager being involved in a contravention of, the Corporations Act or any other applicable law:

(i) (misrepresentation) A representation or warranty made or given or deemed to have been made or given by the Company under the Underwriting Agreement proves to be, or has been, or becomes, untrue or incorrect;

(ii) (breach) The Company fails to perform or observe any of its obligations under the Underwriting Agreement, or any representation or warranty given by the Company in the Underwriting Agreement is or becomes incorrect;

(iii) (change in management) There is a change in the senior management or the Board of Directors of the Company or any member of the senior management or a Director dies or becomes permanently incapacitated;

(iv) (change in law) There is introduced into the Parliament of the Commonwealth of Australia or any state or territory of Australia a law or any new regulation is made under any law, or a government agency, or any state or territory of Australia, the Reserve Bank of Australia, or any minister or other government agency adopts a policy, or there is any official announcement on behalf of any of them that such a law or regulation will be introduced or policy adopted (as the case may be) (other than a law or regulation which has been announced before);

(v) (material adverse change) There is a Material Adverse Change, or any development involving a prospective Material Adverse Change, in the condition, financial or otherwise, or in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company or the Group;

(vi) (hostilities) Hostilities not existing at the date of the Underwriting Agreement commence (whether war has been declared or not) or an escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States of America, any member state of the European Union, Singapore, the United Kingdom, Japan or the People's Republic of China or a major terrorist act is perpetrated anywhere in any of those countries;

(vii) (debt facilities) Any of the following occurs which has, or may have a material adverse effect:

(A) a member of the Group breaches, or defaults under, any material provision, undertaking, covenant or ratio of a material debt or financing arrangement or any related documentation to which that entity is a party which has, or may have, a material adverse effect on the Group; or

(B) there occurs an event of default, a review event which gives a lender or financier the right to accelerate or require repayment of the debt or financing or any other similar event;

(viii) (unauthorised alterations) Without the prior written consent of the Underwriter (such consent not to be unreasonably delayed or withheld), a member of the Group alters its share capital (except in relation to the pro rata share split contemplated by the Company), the Constitution (in the case of the Company) or its Constitution (in the case of any other member of the Group); and

(ix) (forecasts) There are not, or there ceases to be, reasonable grounds in the reasonable opinion of the Underwriters for any statement or estimate in the Offer Documents, which relate to a future matter or any statement or estimate in the Offer Documents that relate to a future matter is, in the reasonable opinion of the Underwriters, unlikely to be met in the projected timeframe (including in each case financial forecasts);

(x) (material contract) Any of the following occur:

(A) there is a breach of a material contract including a failure to satisfy a condition precedent to performance of a material contract; or

(B) a material contract is amended without the Joint Lead Managers prior written consent;

(xi) (disruption in financial markets) Any of the following occurs, which in the reasonable judgement of a Joint Lead Manager, makes it impractical to promote the Offer or to enforce contracts to issue and allot the Offer Shares:

(A) a general moratorium on commercial banking activities in Australia, the United States of America or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries;

(B) trading in all securities quoted or listed on ASX, the London Stock Exchange, the New York Stock Exchange or NASDAQ is suspended or limited in a material respect; or

(C) the occurrence of any other adverse change or disruption to financial, political or economic conditions, currency exchange rates or controls or financial markets in Australia, the United Kingdom, Japan, the People's Republic of China, Hong Kong, Singapore or the United States of America or any change or development involving a prospective adverse change in any of those conditions or markets;

(xii) (misleading or deceptive conduct) Any civil or criminal proceedings are brought against the Company or any officer of the Company in relation to any fraudulent, misleading or deceptive conduct relating to the Company whether or not in connection with the Offer except for any Claim where at the time the Claim is made, it is immediately apparent, in the reasonable opinion of a Joint Lead Manager, that, on the face of the Claim, it has no prospect of success, is vexatious or without merit;

(xiii) (disclosures in Due Diligence Report) The Due Diligence Report or any other information supplied by or on behalf of any member of the Group to the Joint Lead Managers in relation to the Group or the Offer is misleading or deceptive.

Representations, warranties, undertakings and other terms

The Underwriting Agreement contains certain standard representations, warranties and undertakings by the Company and the Joint Lead Managers.

The representations and warranties given by the Company relate to matters such as conduct of the Company, power and authorisations, information provided by the Company, Financial Information, information in this Prospectus, the conduct of the Offer, compliance with laws, the ASX Listing Rules and other legally binding requirements.

The Company also provides additional representations and warranties in connection with matters including, but not limited to, the Pathfinder, Final Draft Prospectus and Prospectus, conduct of the Company, financial position and Financial Information, the Offer Shares, and information provided by the Company.

The Company's undertakings include, among other things, that it will:

(i) not contravene any applicable laws, the ASX Listing Rules or the Constitution of the Company;

(ii) not permit an Insolvency Event or Prescribed Occurrence (being the events set out in section 652C of the Corporations Act) before Completion;

(iii) not, without the prior written consent of the Joint Lead Managers at any time after the date of the Underwriting Agreement and before the expiration of 120 days after Completion, allot or agree to allot, or indicate in any way that it may or will allot or agree to allot, any Shares or other securities that are convertible or exchangeable into equity, or that represent the right to receive equity, of the Company or any member of the Group other than under the Offer, the Underwriting Agreement, an employee share plan (including on exercise of options and performance rights), a dividend reinvestment or a bonus share plan described in the Prospectus or as otherwise disclosed in the Prospectus;

(iv) until the expiration of 120 days after Completion, conduct its business and procure that each other member of the Group conducts its business, in the ordinary course and not dispose (or permit any other member of the Group to dispose) of any part of its (or their) business or property except in the ordinary course or as disclosed in the Prospectus;

(v) not withdraw the Offer after lodgement of the Prospectus;

(vi) give notice to the Joint Lead Managers as soon as practicable, and in any case no later than one Business Day, after becoming aware of ASIC taking certain actions;

(vii) not vary the terms of its Constitution or a Material Contract without the prior written consent of the Joint Lead Manager; and

(viii) keep the Underwriter reasonably informed of any Material Adverse Change to the strategic, financial or other position of the Group or any member of the Group and any material developments or trends in the operations or business of the Group, for the period up to and including Completion.

Indemnity

Subject to certain customary exclusions (including gross negligence, recklessness, wilful misconduct or fraud of an indemnified party), the Company agrees to keep the Joint Lead Managers and certain affiliated parties indemnified from losses suffered in connection with the Offer.

9.6 Implementation Deed

On 14 November 2019, the Company, MoneyMe Financial Group Pty Ltd and the Existing Shareholders entered into the Implementation Deed. In summary, the Implementation Deed provides for:

- the acquisition by the Company of all of the Shares in MoneyMe Financial Group Pty Ltd in consideration for the issue to the Existing Shareholders of Shares and, in relation to those Existing Shareholders who are selling down part of their shareholding in connection with the Offer, cash (the payment of which will be satisfied out of proceeds of the Offer). This acquisition is conditional on Settlement occurring under the Underwriting Agreement;
- the waiver of certain rights under the Shareholders' agreement between MoneyMe Financial Group Pty Ltd and each Existing Shareholder to facilitate the above transactions;
- the termination of that Shareholders' agreement on and from Completion;
- certain basic 'title and authority' warranties and representations by MoneyMe Financial Group Pty Ltd and each Existing Shareholder in relation to their ownership of the shares in MoneyMe Financial Group Pty Ltd (but not about the MoneyMe business or its assets); and
- the delivery by the Existing Shareholders of duly signed Escrow Deeds (as to which see Section 9.8 below).

The Implementation Deed will terminate if the Underwriting Agreement is terminated.

9.7 Treatment of Existing Options

The Company has entered into binding agreements with the holders of Existing Options (**Optionholders**) pursuant to which it is proposed that the Existing Options be treated in the following manner in connection with the Offer (with each of the following steps to occur on or around Completion):

- the Company will acquire all the Existing Options held by each Optionholder and, as consideration, will offer to issue Replacement Options to that Optionholder. Such Replacement Options will be issued pursuant to the EOIP and will carry substantially the same terms as the Existing Options they replace (including with respect to the exercise price and vesting schedule); and
- all Replacement Options will remain on foot and will vest in accordance with the vesting schedule applicable to the Existing Options that those unvested Replacement Options replace, in each case subject to the relevant Optionholder's continued employment with MoneyMe at the relevant vesting date and the terms of the EOIP.

Following completion of the above steps, there will be a total of 2,274,095 Replacement Options on issue, each of which will confer upon the relevant Optionholder the right to be issued or transferred one Share upon the exercise of such Replacement Option. It is expected that, immediately following Completion, the Replacement Options will represent approximately 1.32% of the Company's fully diluted share capital.

Other key terms applicable to the Replacement Options are set out in the table below:

Term	Description
Eligibility	Holders of Existing Options may participate in the Options Grant. This is a total of 17 people.
Vesting	The first tranche of MoneyMe Options was issued on 1 December 2017 and the second tranche was issued on 1 December 2018. The vesting conditions applicable to the two tranches of Existing Options will continue to apply to the Replacement Options. The vesting condition for both tranches are the same, in that it requires the Optionholder to be employed by the Company over the applicable vesting period and on the vesting date (as applicable to each person). None of the Existing Options have vested to date, so all Optionholders will be issued unvested Replacement Options on account of the Company retaining the vesting schedule of the Existing Options that the Replacement Options will effectively replace.
Vesting Schedule	The applicable vesting period for each employee is three years from the date the person was issued the Existing Option. Approximately 45% of the Replacement Options issued will vest on 1 December 2020, while the remainder will vest on 1 December 2021, subject to the various holders of Replacement Options meeting the vesting conditions listed above.

Change of control	The default treatment in the Plan Rules applies where a change of control applies and the Optionholder holds unvested Replacement Options
Reconstructions, corporate action, rights issues, bonus issues etc	The default treatment in the Plan Rules applies to Replacement Options.
Restrictions on dealing	The default treatment in the Plan Rules applies to Replacement Options. Optionholders will be free to deal with the Shares allocated on exercise of New Options, subject to the requirements of the Company's Securities Trading Policy.
Dividends and voting	Replacement Options do not carry dividend or voting rights. Shares allocated upon exercise of Replacement Options will carry the same dividend and voting rights as Shares.

9.8 Voluntary escrow arrangements

(i) Escrow arrangements

The following Shareholders are subject to voluntary escrow arrangements:

Shareholder	Number of Escrowed Shares (million)	Percentage of Shares at Completion
Howes Advisory Pty Ltd	50.3	29.7%
Emery Pty Ltd	47.6	28.1%
Bannigan Nominees Pty Ltd	26.2	15.5%
Other Existing Shareholders	7.0	4.1%
Total	131.0	77.3%

Each Escrowed Shareholder has entered into an Escrow Deed in respect of their Escrowed Shares, which prevents them from dealing in their Escrowed Shares for the applicable Escrow Period as described below.

The restriction on 'dealing' is broadly defined in the voluntary Escrow Deeds. It restricts the Escrowed Shareholder from, among other things, selling, assigning, transferring or otherwise disposing of any legal, beneficial or economic interest in the Escrowed Shares, creating or agreeing to create a security interest over the Escrowed Shares, doing, or omitting to do, any act if the act or omission would have the effect of transferring effective ownership or control of any of the Escrowed Shares or agreeing to do any of those things.

(ii) Escrow Periods

The Escrowed Shares held by Howes Advisory Pty Ltd and Emery Pty Ltd will be subject to escrow restrictions:

- (**initial release**) in respect of 5% of the Escrowed Shares held by Howes Advisory Pty Ltd and Emery Pty Ltd, from Completion until the start of the second trading day after the date on which the Company releases its annual financial results for the financial year ending 30 June 2020 to the ASX
- (**second release**) in respect of 45% of the Escrowed Shares held by Howes Advisory Pty Ltd and Emery Pty Ltd, from Completion until the start of the second trading day after the date on which the Company releases its interim financial results for the half year ending 31 December 2020 to the ASX
- (**final release**) in respect of remaining 50% of the Escrowed Shares held by Howes Advisory Pty Ltd and Emery Pty Ltd, from Completion until the start of the second trading day after the date on which the Company releases its annual financial results for the financial year ending 30 June 2021 to the ASX.

The Escrowed Shares held by Bannigan Nominees Pty Ltd will be subject to the escrow restrictions:

- (**initial release**) in respect of 30% of the Escrowed Shares held by Bannigan Nominees Pty Ltd, from Completion until the start of the second trading day after the date on which the Company releases its annual financial results for the financial year ending 30 June 2020 to the ASX;
- (**second release**) in respect of 20% of the Escrowed Shares held by Bannigan Nominees Pty Ltd, from Completion until the start of the second trading day after the date on which the Company releases its interim financial results for the half year ending 31 December 2020 to the ASX; and
- (**final release**) in respect of remaining 50% of the Escrowed Shares held by Bannigan Nominees Pty Ltd, from Completion until the start of the second trading day after the date on which the Company releases its annual financial results for the financial year ending 30 June 2021 to the ASX.

(iii) Terms of Escrow for Directors, management and employees

The Escrowed Shares held by other Existing Shareholders, which includes director Shareholders (Peter Coad and Jonathan Lechte) and management Shareholders (excluding Clayton Howes), will be subject to escrow restrictions from Completion until the start of the second trading day after the date on which the Company releases its annual financial results for the financial year ending 30 June 2020 to the ASX.

(iv) Exceptions to restrictions on transfer

During an Escrow Period, the Escrowed Shareholders may deal in any of their Escrowed Shares to the extent the dealing is required for:

- the Escrowed Shareholder to accept a bona fide takeover bid in respect of all or a proportion of the Shares, provided the holders of at least half of the Shares that are not subject to any voluntary Escrow Deed, and to which the offers under the bid relate, have accepted an offer under the takeover bid;
- the transfer or cancellation of the Escrowed Shares as part of a scheme of arrangement under Part 5.1 of the Corporations Act, provided that the scheme of arrangement has received all necessary approvals, including such necessary court and Shareholder approvals,

provided, in each case, that if for any reason any or all Escrowed Shares are not transferred or cancelled in accordance with such a takeover bid or scheme of arrangement (including because the takeover bid does not become unconditional), then the Escrowed Shareholder agrees that the restrictions applying to the Escrowed Shares under the Escrow Deed will continue to apply;

- the Escrowed Shareholder to transfer the Escrowed Shares if the transfer is required by applicable law;
- the Escrowed Shareholder to transfer the Escrowed Shares upon the death or incapacity of the holder provided that the transferee has agreed to be bound by substantially the same terms.

The Escrowed Shareholder may encumber any (or all) of its Escrowed Shares to a bona fide third-party financial institution (**Financial Institution**) as security for a loan, hedge or other financial accommodation, provided that:

- the encumbrance does not constitute a direct or indirect disposal of the economic interests or decrease an economic interest that the Escrowed Shareholder has in any of its Escrowed Shares; and
- no Escrowed Shares are to be transferred or delivered to the Financial Institution or any other person in connection with the encumbrance and that any agreement with a Financial Institution must provide that the Escrowed Shares are to remain in escrow and subject to the terms of the Escrow Deed as if the Financial Institution were a party to the Escrow Deed.

(v) Permitted dealings

Escrowed Shareholders may exercise any voting rights attaching to Escrowed Shares, receive or be entitled to any dividend, return of capital or other distribution attaching to the Escrowed Shares and receive or participate in any rights or bonus issue in connection with the Escrowed Shares.

9.9 Description of the syndicate

Ord Minnett Limited and Morgans Corporate Limited are Joint Lead Managers to the Offer.

9.10 Litigation and claims

The Company may, from time to time, be party to litigation and other claims and disputes incidental to the conduct of its business, including employment disputes, contractual disputes, indemnity claims and occupational and personal claims. Such litigation, claims and disputes, including the costs of settling claims and operational impacts, could materially adversely affect the Company's business, operating and financial performance.

As far as the Directors are aware, however, there is no current or threatened civil litigation, arbitration proceeding or administrative appeal, or criminal or government prosecution of a material nature in which the Company is directly or indirectly concerned which is likely to have a material adverse impact on the business or financial position of the Company.

9.11 Regulatory relief

ASIC exemptions and relief

The Company has applied for the following exemptions from and modifications to, the Corporations Act:

- a modification to section 606 of the Corporations Act so that the Company will not be taken to have acquired a relevant interest in the Escrowed Shares under the Escrow Deeds in breach of Australia's takeover laws, and a modification to section 671B of the Corporations Act so that the Company will not be taken to have a 'substantial holding' in the Company to the extent the Escrowed Shares represent more than 5% of the total Shares on issue; and
- relief to extend the benefit of ASIC Class Order 14/1000 to each of the grant of Replacement Options, the EPR Grant, the BPR Grant and the IPO grants to management and employees of the Company. This provides the Company with conditional relief from the requirement to issue disclosure documentation in connection with the issue or grant of options in connection with the grant of Replacement Options, Performance Rights under the EPR Grant, BPR Grants and IPO grant, as well as relieving the Company from the operation of the licensing, advertising, securities hawking and management investment scheme provisions of the Corporations Act for offers of such securities in accordance with ASIC's conditions.

ASX waivers and confirmation

The Company has obtained in-principle advice from ASX that it is prepared to give the following confirmations in relation to the Company and the Offer:

- a confirmation that the form of the Restructure is satisfactory to ASX, specifically where the Company acquires all the Shares of MoneyMe immediately after allotment of Shares to the public without the benefit of trading on a conditional and deferred basis;
- a confirmation that the Company may seek admission to the Official List of the ASX under the assets test in Listing Rule 1.3;
- a confirmation that the Company will not be required to lodge management accounts with ASX from the Company's date of incorporation to a date that is two months before the date of lodgement of the ASX Listing application under Listing Rule 1.3.5(a);
- a confirmation that the Company has a track record of operating profit and/or revenue acceptable to ASX such that there will be no mandatory escrow of existing securities pursuant to Listing Rule 9.1.3;
- a confirmation that the timetable that the Company is likely to adopt in the Important Dates Section is acceptable to ASX for the purposes of Listing Rule 7.40; and
- a confirmation that ASX has no objections to the draft Constitution (in relation to the Listing Rules).

The Company has applied to the ASX for the following confirmations and waivers in relation to the Company and the Offer:

- a waiver in respect of Listing Rule 1.1, Condition 12 in relation to the issue of the Replacement Options by the Company pursuant to the Plan Rules; and
- confirmations in respect of Listing Rules 7.1, 10.11 and 10.14 (or in the alternative, a waiver from Listing Rule 10.14) in relation to the issue of the Replacement Options and:
  - the one-off grant of Performance Rights over Shares for nil consideration to certain key employees, senior managers and officers involved with the IPO made under the EOIP;
  - the EPR Grant pursuant to which the Company intends to grant Performance Rights over Shares subject to performance-based vesting conditions for nil consideration to certain employees and senior managers of the Company made under the EOIP; and
  - the BPR Grant pursuant to which the Company intends to grant Performance Rights over Shares subject to performance-based vesting conditions for nil consideration to certain Non-Executive Directors of the Company made under the EOIP.

9.12 Taxation considerations

The following comments provide a general summary of the Australian income tax, capital gains tax (**CGT**), goods and services tax (**GST**) and stamp duty issues for Shareholders who acquire Shares under this Prospectus.

The categories of Shareholders considered in this summary are limited to Australian resident individuals, complying superannuation entities and certain companies, trusts or partnerships, each of whom holds their Shares on capital account.

This summary does not consider the consequences for Shareholders who are insurance companies, banks, Shareholders that hold their Shares on revenue account for or carry on a business of trading in Shares, Shareholders who are non-Australian resident and Shareholders who are exempt from Australian tax. This summary does not cover the consequences for Shareholders who are subject to Division 230 of the *Income Tax Assessment Act 1997* (Cth) (the Taxation of Financial Arrangements or TOFA regime).

This summary is based on the tax laws in Australia in force as at the Prospectus Date (together with established interpretations of those laws), which may change. This summary does not take into account the tax law of countries other than Australia. This summary is general in nature and is not intended to be an authoritative or complete statement of the applicable law.

Given that the precise implications of ownership or disposal of Shares will depend upon each Shareholder's specific circumstances, Shareholders should obtain independent advice on the taxation implications of holding or disposing of Shares, taking into account their specific circumstances (including whether they are an Australian tax resident).

(a) Dividends paid on Shares – Australian tax residents

(i) Individuals and complying superannuation entities

Where dividends on a Share are distributed, those dividends should constitute assessable income of an Australian tax resident Shareholder. Australian tax resident Shareholders who are individuals or complying superannuation entities should include the dividend in their assessable income in the year they derive the dividend. If the Shareholder satisfies the 'qualified person' rules (refer to further comments below), the Shareholder should also include any franking credit attached to the dividend in their assessable income. However, such a Shareholder should be entitled to a tax offset equal to the franking credit. The tax offset can be applied to reduce the income tax payable on the Shareholder's taxable income. Where the tax offset exceeds the income tax payable on the Shareholder's taxable income in an income year, the Shareholder should be entitled to a tax refund equal to the amount of the excess.

Where a dividend is unfranked, the Shareholder should generally be taxed at their prevailing tax rate on the dividend received with no tax offset.

(ii) Corporate Shareholders

Corporate Shareholders are also required to include both the dividend and associated franking credit in their assessable income, subject to satisfaction of the qualified person rules. A tax offset should then be allowed up to the amount of the franking credit on the dividend.

An Australian tax resident corporate Shareholder should be entitled to a credit in its own franking account to the extent of the franking credit attached to the distribution received. This allows the corporate Shareholder to pass on the benefit of the franking credits to its own Shareholder(s) on the payment of dividends.

Where franking credits received by a corporate Shareholder exceeds the income tax payable by that Shareholder, the excess cannot give rise to a refund, but may be able to be converted into carry forward tax losses.

(iii) Trusts and partnerships

Shareholders who are trustees (other than trustees of complying superannuation entities) or partnerships should include dividend in their assessable income in determining the net income of the trust or partnership. Subject to satisfaction of the qualified person rules, such Shareholders should also include any franking credit attached to the dividend in their net income. As a result, a relevant beneficiary or partner may be entitled to a tax offset equal to the beneficiary's or partner's share of the franking credit received by the Shareholder.

Notably, as the qualified person rules can be complex in the context of distributions received indirectly via a trust or partnership, it is recommended that Shareholders seek independent advice on the tax consequences arising in these circumstances.

(iv) Qualified person rules

The benefit of franking credits can be denied where a Shareholder does not satisfy the qualified person rules, in which case the Shareholder should not be required to include an amount for the franking credits in their assessable income and should also not be entitled to a tax offset.

Broadly, to satisfy the qualified person rules, a Shareholder must satisfy the holding period rule or, if necessary, the related payment rule.

The holding period rule requires a Shareholder to hold the Shares continuously 'at risk' for not less than 45 days in the period beginning the day after the day on which the Shareholder acquires the Shares, and ending on the 45th day after the Shares become ex-dividend. In the ordinary case, this means that the holding period rule should be satisfied provided that the Share have been held 'at risk' for a continuous period of 45 days (not including the date of acquisition or disposal) at some time during the period of ownership of the Shares. Very broadly, Shares should be held 'at risk' to the extent that no material 'positions' are adopted in relation to the Shares which may have the effect of diminishing the economic exposure associated with holding the Shares (for example, certain option and derivative arrangements, or agreements to sell the Shares).

Under the related payment rule, a different testing period applies where the Shareholder or an associate of the Shareholder has made, or is under an obligation to make, a related payment in relation to the dividend. A related payment is one where a Shareholder or their associate effectively passes on the benefit of the dividend to another person.

The related payment rule requires the Shareholder to have held the Shares at risk for the continuous period of 45 days not including the date of acquisition or disposal during a window which commences on the 45th day before, and ends on the 45th day after the day the Shares become ex-dividend. Practically, the related payment rule should not impact Shareholders who do not pass the benefit of the dividend to another person. Shareholders should obtain their own tax advice to determine if the related payment rule applies in the context of their particular circumstances.

In the event that no related payments are made with respect to a particular dividend, an individual Shareholder may satisfy the qualified person rules on an alternative basis, provided that the Shareholder satisfies the small holding exemption. This exemption should generally be satisfied where the Shareholder is entitled to total franking credits (from all sources) of no more than $5,000 in the relevant year of income.

As indicated above, the qualified person rules can be particularly complex for distributions received by a Shareholder directly or indirectly (for example, via an interposed trust). It is recommended that Shareholders in such situations seek independent taxation advice.

(v) Dividend washing rules

Dividend washing rules can apply in certain cases such that no tax offset is available (nor is an amount required to be included in assessable income in relation to an attached franking credit) for a dividend received on Shares. Broadly, the rules can apply where Shareholders seek to obtain additional franking benefits by disposing of Shares ex dividend and repurchasing a substantially equivalent parcel of Shares cum dividend on a special market.

Shareholders should seek independent tax advice regarding the dividend washing rules and consider the impact of these rules with regard to their own personal circumstances.

(b) Disposal of Shares – Australian tax residents

The disposal of a Share by a Shareholder should constitute a CGT event. A capital gain should arise to the extent that the capital proceeds on disposal exceed the cost base of the Share (broadly, the amount paid to acquire the Share plus certain non-deductible transaction costs). In the case of an arm's length on-market sale, the capital proceeds should generally equal the cash proceeds from the sale. Where the Shareholder is a partnership, the partners of that partnership (and not the partnership itself) should ordinarily be treated as realising any capital gain arising from the disposal (in their proportionate Shares).

A CGT discount may be applied against any capital gain (after reduction of the capital gain by applicable capital losses) where the entity which realises the capital gain is an individual, complying superannuation entity or trustee. The CGT discount may be applied in these circumstances, provided that the Shares have been held for at least 12 months (not including the date of acquisition or disposal for CGT purposes) and certain other requirements have been met. Where the CGT discount applies, any capital gain arising to individuals and entities acting as trustees (other than trustees of a complying superannuation entity) may be reduced by 50%, after offsetting current year or prior year capital losses. For a complying superannuation entity, any capital gain may be reduced by one third, after offsetting current year or prior year capital losses.

If the Shareholder who realises the capital gain and is entitled to the CGT discount is the trustee of a trust (other than the trustee of a complying superannuation entity), the CGT discount may flow through to the beneficiaries of the trust, provided those beneficiaries are not companies. Shareholders that are trustees should seek specific advice regarding the tax consequences of distributions to beneficiaries who may qualify for discounted capital gains.

A capital loss should be realised to the extent that the reduced cost base of a Share (which should generally be calculated in a similar manner to the cost base) exceeds the capital proceeds from its disposal. Capital losses may only be offset against capital gains realised in the same income year or future income years, subject to certain loss recoupment tests being satisfied. Capital losses cannot be offset against other assessable income. As with capital gains, where the Shareholder realising the capital loss is a partnership, the partners of that partnership (and not the partnership itself) should ordinarily be treated as realising the capital loss (in their proportionate Shares).

(c) GST

Shareholders should not be liable for GST from acquiring or disposing of any Shares. Shareholders may not be entitled to claim full input tax credits in respect of any GST paid on costs incurred in connection with their acquisition or disposal of Shares. Separate

GST advice should be sought by Shareholders in this respect.

(d) Stamp duty

No stamp duty should be payable by Shareholders on the acquisition of Shares. Under current stamp duty legislation, no stamp duty should ordinarily be payable by Shareholders on any subsequent transfer of Shares while the Company remains listed.

Shareholders should seek their own advice as to the impact of stamp duty in their own particular circumstances.

(e) Tax file number

Australian tax resident Shareholders may, if they choose, notify the Company of their tax file number (**TFN**), Australian Business Number (**ABN**) or a relevant exemption from withholding tax with respect to dividends. In the event that the Company is not so notified, pursuant to the TFN withholding rules, tax should be automatically deducted at the highest marginal rate, including where relevant, the Medicare levy, from unfranked dividends and/or other applicable distributions. However, Australian tax resident Shareholders may be able to claim a tax credit/rebate (as applicable) in respect of the tax deducted in their income tax returns.

Shareholders who are not tax residents in Australia should generally be entitled to an exemption from the TFN withholding rules. This means that mandatory withholding may not be required by the Company with respect to unfranked dividends or other relevant distributions paid to such Shareholders, irrespective of whether those Shareholders have notified the Company of their TFN or ABN.

9.13 Selling restrictions

This Prospectus does not constitute an offer of Shares in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

New Zealand

This document must not be circulated to any investor in New Zealand other than a 'wholesale' investor within the meaning of clause 3(2) of schedule 1 of the Financial Markets Conduct Act 2013 (**FMC Act**). This document has not been registered under the FMC Act.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to 'professional investors' (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's Shares, (ii) an 'institutional investor' (as defined in the SFA) or (iii) an 'accredited investor' (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to 'qualified investors' (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together 'relevant persons'). The investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

9.14 Consents to be named and statement of disclaimers of responsibility

Each of the parties listed below in this Section 9.14 each a consenting party, to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility, for any statements in or omissions form this Prospectus, other than the reference to its name in the form and context in which it is named and a statement or report included in this Prospectus with its consent as specified below.

Each of the parties listed below has given and has not, at the time of lodgement of this Prospectus with ASIC, withdrawn its written consent to the inclusion of statements in this Prospectus that are specified below in the form and context in which the statements appear:

- each of Ord Minnett Limited and Morgans Corporate Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, their written consent to be named in this Prospectus as Joint Lead Manager to the Offer in the form and context in which it is named;
- Gilbert + Tobin has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Australian legal adviser other than in relation to taxation matters to the Company in relation to the Offer in the form and context in which it is named;
- Deloitte Corporate Finance Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Investigating Accountant to the Company in relation to the Financial Information in the form and context in which it is named and to the inclusion of its Investigating Accountant's Report on the Financial Information set out in Section 8 in the form and context in which it appears in this Prospectus;
- Deloitte Tax Services Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as tax adviser to the Company in the form and context in which it is so named;
- Deloitte Touche Tohmatsu has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as auditor to the Company in the form and context in which it is so named;

- Euromonitor International Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus in the form and context in which it is so named; and
- Link Market Services Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Share Registry of the Company in the form and context in which it is named. Link Market Services Limited has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registry to the Company. Link Market Services Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.

9.15 Governing law

This Prospectus and the contracts that arise from the acceptance of the Applications and bids under the Prospectus are governed by the laws applicable in New South Wales, Australia and each Applicant submits to the exclusive jurisdiction of the courts of New South Wales, Australia.

9.16 Statement of Directors

This Prospectus is authorised by each Director of the Company who consents to its lodgement with ASIC and its issue.

Section 10.

Significant Accounting Policies

Significant Accounting Policies

The principal accounting policies adopted in the preparation of the Financial Information included in Section 4 of the Prospectus are set out below. These accounting policies are consistent with the general purpose financial reports of MoneyMe for the year ended 30 June 2019, which were audited in accordance with Australian Auditing Standards. The Financial Information has been extracted from the audited financial statements, which comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis of Accounting

The Financial Information has been prepared on the historical cost basis, except for certain assets, which, as noted, are measured at fair value.

Basis of Consolidation

The consolidated financial reports which form the basis of the Historical Financial Information for FY17, FY18 and FY19 incorporated the assets and liabilities of MoneyMe Financial Group Pty Ltd, MoneyMe Velocity Warehouse Trust (from FY18 onwards), MoneyMe Horizon Warehouse Trust (from FY19 onwards) and List Ready Pty Ltd (from FY19 onwards) (together, the Group) and the results of the consolidated group for the financial period then ended.

MoneyMe Financial Group Pty Ltd, as the head entity of the consolidated group, has full control and the power to govern the financial and operating activities of all consolidated entities.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of entities is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of entities to bring their accounting policies into line with MoneyMe accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. This includes elimination of Trust entity residual income units held by MoneyMe that have been classified as financial liabilities at the Trust entity level.

Going Concern

The consolidated financial reports which form the basis of the Historical Financial Information have been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

Segment Information

Management has determined that the Group has one reporting segment being the provision of retail consumer finance. The internal reporting framework is based on the principal activity. The assets as presented relate to the reporting segment, as identified above. No one customer represents greater than 10% of the Group's revenue. The Group operates only in Australia.

Functional and Presentation Currency

The financial statements are presented in Australian dollars, which is the Group's functional currency.

Critical Accounting Estimates and Judgements

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Financial Instruments

10.1 Net Loan Receivables

(a) Recognition, classification and measurement

The Group initially recognises Gross Loan Receivables at fair value, net of any transaction costs and subsequently measures them at amortised cost using the effective interest rate method, less any provision for impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Loan receivables are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event.

(b) Impairment pursuant to AASB 9 *Financial Instruments*

AASB 9 was adopted by the Group from 1 July 2018. In accordance with AASB 9, the Group recognises a loss provision in the statement of financial position for Expected Credit Losses (ECLs) relating to its financial assets, rather than on an incurred loss basis as per AASB 139. This ECL model segments the portfolio into stage 1, stage 2 and stage 3, which are described in further detail below.

Stage 1: Financial assets that have not had a significant increase in credit risk since initial recognition. For these assets, 12 months ECLs are recognised. There is a rebuttable presumption that stage 1 assets comprise loans less than 30 days past due.

Stage 2: Financial assets that have had a significant increase in credit risk since initial recognition, but the loss is not considered to be credit impaired. MoneyMe assesses a significant increase in credit risk when a loan exposure is greater than 30 days past due. For these assets, lifetime ECLs are recognised.

Stage 3: Financial assets that have objective evidence of impairment. For these assets, lifetime ECLs are recognised.

The stage 1 and stage 2 models are built using 'days past due' roll rates to derive a probability of default for each stage. The exposure at default that is derived by the model is applied against the loss given default percentage.

The stage 3 model looks at the collection status of loans past default.

MoneyMe has also added a macro-economic overlay on all three models. The overlay takes into account economic indicators (such as GDP and unemployment) which may impact the credit performance of our loan book.

10.2 Cash, trade receivables, trade payables and commitments

The Group recognises and measures cash, cash equivalents, trade receivables, trade payables and commitments at fair value initially, and subsequently at amortised cost.

Under AASB 9, the Group assesses cash, trade receivables and commitments for impairment. Management have deemed under the simplified approach this to be not material, and therefore no provisioning has been recognised in the financial year.

10.3 Borrowings

The Group recognises and measures financial liabilities when it enters into the obligation initially at their far value and subsequently at amortised cost. The effective interest rate method is used on borrowings to calculate the amortised cost of a financial liability and to allocate fee expenses over the relevant period.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Revenue

The Group recognises revenue in accordance with AASB 9 or AASB 15 depending on its nature and subsequent classification.

Interest income related to loan receivables and bank deposits are measured and presented on an effective interest rate basis. Under AASB 9, the effective interest rate method is used on loan receivables, based on estimated future cash receipts over the expected life of the financial asset. In making their judgement of estimated future cash flows and expected life of the loan receivables balance, management have considered the historical repayment pattern of the loan receivables on a portfolio basis. Further, portfolio income is prepared using the effective interest rate method.

The Group's referral commission income has been classified as revenue from contracts with customers and is recognised under AASB 15 at a point in time when the performance obligation has been satisfied. The performance obligation is deemed satisfied once the lead has been provided to the respective party and is generally payable a month or within a month after the lead has been provided.

Other income includes fees not directly attributable to the origination of loans including late fees and dishonour fees, as well as interest on cash deposits. Other income is recognised when the right to receive payment is established and receipt of the payment is likely and can be reasonably estimated.

Intangible assets

Software development costs are capitalised only when:

- the technical feasibility and commercial viability of the project is demonstrated;
- the Group has an intention and ability to complete the project and use it or sell it; and
- the cost can be measured reliably.

Such costs include payments to external contractors to develop the software, systems and personnel costs of employees directly involved in the project.

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. All other costs are expenditure is expensed as incurred.

The applicable estimated useful life of the Group's intangible assets is five years.

AASB 16 *Leases*

The adoption of the new accounting standard AASB 16 *Leases* is required for financial years commencing on or after 1 January 2019, and therefore the Company will apply this standard in the Forecast Financial period commencing 1 July 2019. AASB 16 removes the accounting distinction between operating and financial leases from a lessee's perspective which existed under AASB 117, and requires the recognition of most lease liabilities on the balance sheet, together with a related right-of-use asset. As a result, the lease expense on the income statement is replaced with a depreciation charge relating to the right-of-use asset and the interest expense recognised in respect of the lease liability.

As a result of the adoption of AASB 16, operating expenses are expected to decrease, and depreciation and interest expense will increase, and the timing of expense recognition will change from a straight-line rental expense to depreciation and interest expenses with an accelerated profile.

This Prospectus presents the Pro Forma Historical Financial Information and the Forecast Financial Information on a consistent basis to illustrate the impact of AASB 16 had the standard been applied from 1 July 2016. Refer to Section 4.2(f) for further detail on the quantification of this impact.

Share-based payments

The Group operates an ownership-based scheme for executives and eligible employees. Under these Shareholder-approved schemes, executives and senior employees may be granted equity-settled Shares or options over Shares in exchange for rendering services.

The cost of these equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using the Black-Scholes pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option, together with non-vesting conditions that do not determine whether we receive the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Income tax expense

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the national income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and unused tax losses.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities that are recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Section 11.

Glossary

Term	Meaning
AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
ABN	Australian Business Number
ACL	Australian Credit Licence
ADI	Authorised Deposit-Taking Institutions
AFCA	Australian Financial Complaints Authority
AML/CTF	Anti-Money Laundering and Counter-Terrorism Financing
AML/CTF Act	Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)
Amortisation Event or **Amortisation Events**	Certain events under the Warehouse Facilities that, unless waived by the relevant funders, result in certain consequences under that facility (including MoneyMe being no longer able to originate receivables via funding from that facility), as discussed in Section 3.9
Applicant	A person who submits an Application
Application	An application made to subscribe for Shares offered under this Prospectus
Application Form	The application form attached to, or accompanying this Prospectus (including the electronic form provided by an online application facility)
Application Monies	The amount of money accompanying an Application Form submitted by an Applicant
APR	Annual percentage rate
APRA	Australian Prudential Regulatory Authority
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
ASX Listing Rules	The rules of the ASX that govern the admission, quotation and removal of securities from the official list of the ASX
ASX Recommendations	Revised in 2019, the fourth edition ASX Corporate Governance Council's Corporate Governance Principles and Recommendations
ASX Settlement Operating Rules	The settlement rules of ASX as amended, varied or waived from time to time
ATO	Australian Taxation Office
Australian Accounting Standards	Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board and Urgent Issues Group interpretations
Banking Royal Commission	Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry
BBSW	Bank Bill Swap Rate
BBSY	Bank Bill Swap Bid Rate

11. Glossary

Term	Meaning
Benchmark Rates	BBSW or BBSY
Board	The Board of Directors of the Company
BPR Grant	The grant of Performance Rights to certain Non-Executive Directors, as defined in Section 6.5(d)
BPR Participants	Non-Executive Directors of the Company who are eligible to receive the BPR Grant, as defined in Section 6.5(d)
Broker	Any ASX participating organisation selected by the Joint Lead Managers and the Company to act as a Broker to the Offer
Broker Firm Offer	The offer of Shares under this Prospectus to Australian and New Zealand resident retail clients of Brokers who have received a firm allocation from their Broker
Broker Firm Offer Applicant	A person who submits an Application under the Broker Firm Offer
Business	The business carried on by the Group
CAC	Customer Acquisition Cost
CAGR	Compound Annual Growth Rate
CCR	Comprehensive credit reporting
CHESS	Clearing House Electronic Sub-register System, operated in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules
Closing Date	The date on which the Offer is expected to close, being 6 December 2019 in respect of the Broker Firm Offer and the Institutional Offer. This date may be varied without prior notice
Completion	The Completion of the Offer, being the date upon which Shares are issued or transferred to Successful Applicants in accordance with the terms of the Offer
Corporate Debt	Loans provided to MoneyMe by the Founders and relatives of Mr Howes for general corporate purposes
CGT	Capital Gains Tax
CCR	Comprehensive Credit Reporting
Constitution	The Constitution of the Company
Corporations Act	*Corporations Act 2001* (Cth)
Directors	Each of the Directors of the Company from time to time
EBITDA	Earnings before interest, tax, depreciation & amortisation
Enterprise Value	The sum of market capitalisation at the Offer Price and pro forma net debt as at 30 June 2019, comprised of unrestricted cash and cash equivalents
EOIP	Employee and Officers Incentive Plan, as defined in Section 6.5(b)
EPR Grant	The grant of Performance Rights to certain employees (including contractors, officers and management) under the EOIP, as defined in Section 6.5(c)

Term	Meaning
EPR Participants	Employees, contractors, officers and senior managers of the Company who are eligible to receive the EPR Grant, as defined in Section 6.5(c)
Escrow Deeds	The escrow deeds entered into between the Company and the Escrowed Shareholders as described in Section 9.8
Escrow Period	The relevant period commencing on Completion and ending on the applicable date set out in Section 9.8
Escrowed Shares	Each of the Shares held by Escrowed Shareholders immediately following Completion of the Offer
Escrowed Shareholders	Howes Advisory Pty Ltd, Emery Pty Ltd, Bannigan Nominees Pty Ltd and the other Existing Shareholders
Euromonitor	Euromonitor International Ltd, registered in England at 60-61 Britton Street, London EC1M 5UX, No. 1040587
Event of Default	Specified contractual events under the terms of the Warehouse Facilities which, if they occur, result in events including the financiers being entitled to accelerate their debt and appoint a security trustee to realise the loan receivables and other assets of that warehouse to recover the financiers' outstanding debt, as discussed Section 3.9
Existing Options	Has the definition given in Section 6.5
Existing Shares	Ordinary Shares in MoneyMe Financial Group Pty Ltd
Existing Shareholders	The holders of Existing Shares of MoneyMe Financial Group Pty Ltd immediately prior to Completion
Exposure Period	The period specified in section 727(3) of the Corporations Act, being a minimum of seven days after the Prospectus Date, during which an Application must not be accepted. ASIC may extend to no more than 14 days after the Prospectus Date
Financial Information	Has the definition given in Section 4
Fintech	Financial technology
Fintech Consumer Lender	A subset of non-bank lenders that focus on technology and the online provision of products to address the financing needs of consumers, as described in Section 2.3
Forecast Financial Information	Has the definition given in Section 4
Founders	Mr Howes, Mr Bannigan and Mr Emery
Freestyle Virtual Credit Account	MoneyMe's Line of Credit product described in Figure 3-3 in Section 3.3
FSCODA	*Financial Sector (Collection of Data) Act 2001* (Cth)
Funding Debt	The drawn balances of our Velocity and Horizon Warehouse Trusts and the respective unamortised borrowing costs
FY17	Financial year ended 30 June 2017
FY18	Financial year ended 30 June 2018
FY19	Financial year ended 30 June 2019

11. Glossary

Term	Meaning
FY20F	Financial year ending 30 June 2020
GST	Goods and services tax
Historical Financial Information	Has the definition given in Section 4.1
H1 FYXX	Six months ended 31 December 20XX
H2 FYXX	Six months ended 30 June 20XX
Horizon Technology Platform	The technology platform that MoneyMe developed in-house and is described in Section 3.4
Horizon Warehouse Facility	The funding facility described in Figure 3-18
Horizon Warehouse Trust	MME Horizon Warehouse Trust, being the funding vehicle established for the purposes of the Horizon Warehouse Facility
IFRS	International Financial Reporting Standards
Implementation Deed	The implementation deed between the Company, MoneyMe Financial Group Pty Limited and Existing Shareholders as summarised in Section 9.6
Institutional Investor	Investors who are: ▪ persons in Australia who are wholesale clients under section 761G of the Corporations Act and either 'professional investors' or 'sophisticated investors' under sections 708(11) and 708(8) of the Corporations Act; ▪ institutional investors in certain other jurisdictions, as agreed by the Company and the Joint Lead Managers to whom offers of Shares may lawfully be made without the need for a lodged or registered prospectus or other form of disclosure document or filing with, or approval by, any government agency (except one with which the Company is willing in its discretion to comply); and ▪ provided that in each case such investors are not in the United States
Institutional Offer	The invitation to Institutional Investors under this Prospectus to acquire Shares, as described in Section 7
IPO	Initial Public Offering
Investigating Accountant	Deloitte Corporate Finance Pty Limited
Joint Lead Managers	Ord Minnett Limited and Morgans Financial Limited
Legacy LTI Plan	Has the definition given in Section 6.5
Legacy Participants	Has the definition given in Section 6.5(a)
Listing	Admission of the Company to the Official List of the ASX
Management Fee	Has the definition given in Section 9.5(i)
Major Banks	Commonwealth Bank of Australia, Australia and New Zealand Banking Group, National Australia Bank and Westpac Banking Corporation

Term	Meaning
MoneyMe	means: ▪ prior to Completion, Pre-IPO MoneyMe Group; and ▪ post Completion, MoneyMe Group and its subsidiaries, and where the context requires, the business conducted by those entities
MoneyMe Group or **the Company**	MoneyMe Limited (ACN 636 747 414), the ultimate holding company of MoneyMe following Completion and completion of the Restructure
NCC	National Credit Code, contained in the NCCP Act
NCCP Act	*National Credit Consumer Protection Act 2009* (Cth)
New Shares	The New Shares to be issued by the Company under the Offer
New Shareholders	Persons acquiring Shares under the Offer (excluding any Existing Shareholders who acquire Shares under the Offer)
Non-bank lender	Institutions other than a bank, credit union or building society that offer loan products to consumers
NPAT	Net profit after tax
NPP	New Payments Platform, as defined in Section 2.5(b)
NPS	Net Promoter Score, as defined in Section 3.6
Offer	The offer under this Prospectus of New Shares for issue by the Company
Offer Period	The period from the Opening Date, and ending on the Closing Date
Offer Price	$1.25 per Share
OAIC	Office of the Australian Information Commissioner
Official List	The Official List of the ASX
Opening Date	The date on which the Broker firm offer opens
Optionholders	Holders of Existing Options, as defined in Section 9.7
Participants	Has the definition given in Section 6.5(b)
PBT	Profit Before Tax
Performance Rights	Rights to acquire Shares in the Company offered to certain employees under the terms and conditions of the Plan Rules as described in Section 6.5(b)
Personal Loan	MoneyMe's personal loan product described in Figure 3-2 in Section 3.3
Plan Rules	The rules of the EOIP, as defined in Section 6.5(b)
Pre-IPO MoneyMe Group	means the entities within the 'MoneyMe Group' prior to the IPO, being: ▪ MoneyMe Financial Group Pty Ltd (ACN 163 691 236); and ▪ ListReady Pty Limited (ACN 633 773 136)
Pro Forma Forecast Cash Flows	Has the definition given in Section 4.1

11. Glossary

Term	Meaning
Pro Forma Forecast Financial Information	Has the definition given in Section 4.1
Pro Forma Forecast Results	Has the definition given in Section 4.1
Pro Forma Statement of Financial Position	Has the definition given in Section 4.1
Pro Forma Historical Cash Flows	Has the definition given in Section 4.1
Pro Forma Historical Results	Has the definition given in Section 4.1
Proper ASTC transfer	Has the meaning given in the *Corporations Regulations 2001* (Cth) reg 1.0.12
Prospectus	This document (including the electronic form of this Prospectus) and any supplementary or replacement prospectus in relation to this document
Prospectus Date	The date on which this Prospectus was lodged with ASIC, being 15 November 2019
Related Bodies Corporate	As that term is defined in the Corporations Act
Replacement Options	Has the definition given in Section 6.5
Restructure	As disclosed in Section 9.4
RG96	Regulatory Guide 96 (Debt collection guideline: for collectors and creditors) issued by the Australian Competition and Consumer Commission (ACCC) and ASIC
SEM	Search Engine Marketing
SEO	Search Engine Optimisation
Settlement	The settlement in respect of the Shares the subject of the Offer occurring under the Underwriting Agreement and associated settlement support arrangements
Share	A fully paid ordinary share in the capital of the Company
Shareholder	A holder of a Share in the Company
Share Registry	Link Market Services Pty Limited
Static Loss Rate	Has the definition given in Section 4.1
Statutory Forecast Results	Has the definition given in Section 4.1
Statutory Forecast Cash Flows	Has the definition given in Section 4.1
Statutory Forecast Financial Information	Has the definition given in Section 4.1
Statutory Historical Statement of Financial Position	Has the definition given in Section 4.1

Term	Meaning
Statutory Historical Cash Flows	Has the definition given in Section 4.1
Statutory Historical Financial Information	Has the definition given in Section 4.1
Statutory Historical Results	Has the definition given in Section 4.1
Successful Applicant	An Applicant who is issued or transferred Shares under the Offer
TFN	Tax File Number
Traditional lenders	All retail banks, credit unions and buildings societies
Underwriting Agreement	The underwriting agreement dated on or about the date of this Prospectus between the Company and the Joint Lead Managers as described in Section 9.5
Underwriting Fee	Has the definition given in Section 9.5(i)
US Person	Has the meaning given in Rule 902(k) of Regulation S under the US Securities Act
US Securities Act	US Securities Act of 1933, as amended
Velocity Warehouse Facility	The funding facility described in Figure 3-17
Velocity Warehouse Trust	MME Velocity Warehouse Trust, being the funding vehicle established for the purposes of the Velocity Warehouse Facility
VPA	Vendor Paid Advertising
Warehouse Facilities	The Velocity Warehouse Facility and Horizon Warehouse Facility
Warehouse Trusts	The Horizon Warehouse Trust and Velocity Warehouse Trust

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Corporate directory

COMPANY'S REGISTERED OFFICE

MoneyMe Financial Group Limited
Level 3
131 Macquarie Street
Sydney, New South Wales 2000

MONEYME OFFER INFORMATION LINE

Between 8:30am and 5:30pm (Sydney time), Monday to Friday

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