

30 March 2023

ASX Announcement

MONEYME Announces Capital Raise and Trading Update

MONEYME Limited (ASX:MME) (“MONEYME” or “Group”) is pleased to announce the successful launch of a fully underwritten **\$37m Conditional Equity Placement**.

Placement Overview

- A \$37m fully underwritten share placement (“Placement”) at \$0.08 per share, issuing approximately 462.5m new fully paid ordinary shares (“New Shares”)
- Issue price of \$0.08 per share represents a 24% discount to the last traded price on 20 March 2023 of \$0.105
- The majority of the capital has been committed by existing and long-term shareholders
- The Placement is subject to shareholder approval under ASX Listing Rule 7.1 and 10.11 with a shareholder Extraordinary General Meeting (“EGM”) planned for May 2023 with settlement to follow shortly thereafter
- Fully underwritten by Morgans Corporate Limited, with Gilbert + Tobin acting as legal adviser
- A non-underwritten Share Purchase Plan (“SPP”) for up to \$5m at \$0.08 per share is intended to follow the successful completion of the Placement. The SPP will also be subject to shareholder approval under ASX Listing Rule 7.1

Proceeds from the Placement will be used to:

- Pay down \$32m of the Group’s corporate debt facility
 - Full repayment of the short-term SocietyOne acquisition component¹ of the corporate facility
 - Improved commercial terms on the remaining \$50m corporate facility, including a 200 bps reduction in annualised interest costs driving cost-savings of circa \$7m p.a. and the potential for further savings
 - Relaxed covenant settings
 - Remaining balance due November 2025
- Additional cash of \$3m to support balance sheet growth, with ongoing focus on higher credit quality borrowers
- Transaction costs of \$2m

Investor participation in fully underwritten Placement

MONEYME has received a significant level of commitment in the Placement from existing investors, including from Somers Limited (a substantial shareholder in Resimac Group Limited and Thorn Group Limited) and Perennial Value.

The planned SPP is to be offered to existing eligible shareholders for the opportunity to apply for up to \$30,000 of fully paid shares. The SPP will be subject to shareholder approval under ASX Listing Rule 7.1.

¹ Including accrued interest and fees projected to be due 30 June 2023.

Clayton Howes, MONEYME’s Managing Director and CEO said:

“We are pleased to announce that MONEYME has secured \$37 million in a fully underwritten institutional equity placement and plans to offer retail investors a \$5 million share purchase plan on the same terms.

The support from new and existing investors despite extremely tight capital markets underpins their confidence in our profitable business model, unique tech-driven advantages, and ability to execute on our strategic vision.

The proceeds from the equity raising will be used to repay the short-term component of our corporate debt facility that was used to finance the SocietyOne acquisition, and in turn remove the associated concerns that contributed to the significant downward pressure on our share price recently. This repayment will also support our focus on increasing profitability through circa \$7m in annualised savings.

The raise will also further strengthen our balance sheet and unrestricted cash balance and support measured growth and the pursuit of the significant opportunities ahead of us.

I am very proud of our business and our team’s ability to execute successfully on our strategy to combat the challenging times for the sector. We have proven an ability to grow, adapt, and deliver profit, while also launching industry-disrupting, hard-to-replicate innovations.

MONEYME delivered NPAT of \$9 million in 1H23 and another \$7 million across January and February 2023. With over \$16 million in NPAT year-to-date, and the significant cost-savings associated with repaying our short-term debt, we project a strong year for the business.”

Trading Update

MONEYME’s profits have increased further, with \$7 million NPAT delivered across January and February, following \$9 million NPAT in 1H23. The average credit quality of the book also continues to increase, in line with the Group’s focus on higher credit quality borrowers.

As part of its measured growth strategy going forward, MONEYME will continue its focus on:

- Driving margins and profitability through a disciplined credit strategy and cost control
- Exploration of opportunities for technology licencing, white label solutions and forward flow partnership arrangements to increase revenue and returns
- Reducing customer acquisition costs through customer cross sell opportunities
- Optimising funding structures to increase capital efficiency, with a term transaction planned to refinance SocietyOne loans from 2 warehouses.

Trading Update

	1H23	Jan + Feb unaudited
Statutory NPAT	\$9m	\$7m
Gross revenue	\$121m	\$42m
Office operating cost to income ratio %²	23%	17%

² Sales & marketing, product design & development, and general & administrative expenses as a % of gross revenue

Please refer to the Group’s Investor Presentation for further material information, including a trading update to 28 February 2023 and the key dates for completion of the Placement and SPP.

Authorised on behalf of the MONEYME Board and the Disclosure Committee by:

Clayton Howes
Managing Director & CEO

– ENDS –

**For further information, please contact investors@moneyme.com.au
For media enquiries, please contact media@moneyme.com.au**

About MONEYME

MONEYME is a leading Australian disruptor, using technology to become the #1 challenger to the major banks.

With a focus on innovation, it funds credit approved ambitious people with the advantage of market-leading speed and automated customer experiences. Leveraging AI and advanced cloud-based technology, it offers highly automated credit products across personal, auto and real estate finance.

The Group’s core brands MONEYME and SocietyOne reflect digital-first experiences that meet, and exceed, the expectations of ‘Generation Now’.

MONEYME Limited is listed on the ASX and the Group includes licensed and regulated credit and financial services providers operating in Australia.

For more information, visit moneyme.com.au or investors.moneyme.com.au

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This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any jurisdiction in which such an offer would be illegal. The shares offered in the Placement and proposed to be offered under the SPP (“New Shares”) have not been, and will not be, registered under the U.S. Securities Act of 1933 as amended (the “Securities Act”) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares to be offered and sold in the Placement may not be offered or sold, directly or indirectly, in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

FORWARD-LOOKING STATEMENTS

This announcement contains certain “forward-looking statements”. The words “expect”, “anticipate”, “estimate”, “intend”, “believe”, “guidance”, “should”, “could”, “may”, “will”, “predict”, “plan” and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of MONEYME, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Investors are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of MONEYME’s business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of MONEYME, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to MONEYME as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), none of MONEYME, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.