



25 November 2019

flexigroup announces pricing of A\$265m ABS transaction

FlexiGroup Limited (ASX: FXL) (“**flexigroup**”) has announced the pricing of A\$265m asset-backed securities (“**ABS**”), supported by a pool of unsecured, consumer receivables originated in Australia under its rebranded Buy Now Pay Later offering - **hum**m.

flexigroup is a regular ABS issuer and has been executing securitisations of its Buy Now Pay Later (“**BNPL**”) receivables under the Flexi ABS programme since 2011. Following the relaunch of its BNPL offering in April 2019, **flexigroup** has seen great momentum across **hum**m’s target verticals with total retail partners climbing to over 18,000 and strong volume growth across these key verticals. In FY20 **flexigroup** has added over 132,000 new customers to the **hum**m platform and experienced a 35% increase in the number of transactions versus the prior comparable period.

The strong momentum has meant that for the first time **flexigroup** has brought two BNPL transactions to market in a calendar year with a record A\$565m of asset-backed securities issued.

flexigroup continues to be a market leader in the issue of green ABS and upon successful execution of the Flexi ABS Trust 2019-2 transaction will have issued over A\$375m of green notes across five transactions since 2016. This transaction represents another first for the Australian securitisation market with green tranches of notes offered across all ratings levels from ‘AAA’ down to ‘BB’. Consistent with **flexigroup**’s previous transactions, the green tranches, backed by solar receivables, have been Climate Bond Certified by the Climate Bonds Standard Board based in London.

Ross Aucutt, Chief Financial Officer at **flexigroup** said:

*“With this latest transaction and the offer of green notes across all ratings levels, **flexigroup** has cemented itself as the market leader in the green ABS space. There continues to be increasing appetite amongst current and new investors to support green initiatives and industries, which is evident in the pricing achieved in connection with this latest transaction.*”

*“This transaction will give **flexigroup** substantial headroom to continue to grow our **hum**m receivables book and support the new Buy Now Pay Later products, **bundll** and **wired money**, that we are planning to launch in the coming year.”*

The Flexi ABS Trust 2019-2 transaction includes the following tranches of notes:

| Notes | Issue size (A\$) | Expected ratings - Moody's/Fitch | Margin over 1m BBSW |
|--------------|------------------|----------------------------------|---------------------|
| Class A1 | 148.93m | Aaa(sf) / AAAsf | +0.90% |
| Class A1-G | 47.70m | Aaa(sf) / AAAsf | +0.90% |
| Class B-G | 21.46m | Aa2(sf) / AA+sf | +1.35% |
| Class C-G | 18.29m | A2(sf) / Asf | +1.70% |
| Class D-G | 10.86m | Baa2(sf) / BBBsf | +2.50% |
| Class E-G | 4.51m | Ba1(sf) / BB+sf | +4.60% |
| Class F | 13.25m | Unrated | Undisclosed |
| Total | 265.00m | | |

The transaction is arranged by National Australia Bank and joint lead managed by Commonwealth Bank of Australia and National Australia Bank.

Authorised for release by the **flexigroup** Disclosure Committee.

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ABOUT FLEXIGROUP

flexigroup provides a diverse range of finance solutions to consumers and business through a network of retail and business partners. This includes Buy Now Pay Later products, credit cards and consumer and business leasing. **flexigroup** has been operating in Australia for over 30 years, has partnerships with over 65,000 sellers and now serves more than 1.76 million customers across Australia, New Zealand and Ireland.

For more information visit: flexigroup.com.au