



29 January 2021

## hummm Half Year 2021 Trading Update

**hummm group limited** (ASX: HUM) ("**hummmgroup**" or "the Company") today provides a trading update in relation to its unaudited financial results for the half year ended 31 December 2020 ("1H21").

Based on unaudited accounts, **hummmgroup** expects to report 1H21 Cash Net Profit After Tax<sup>1</sup> ("NPAT") of \$43.4m, up 25.8% on pcp (1H20: \$34.5m). Growth in Cash NPAT was driven by:

- management's continued focus on reducing underlying costs with operating expenses of \$87.2m excluding loan impairment expense, down 11.1% (1H20: \$98.1m);
- loan impairment expense of \$25.0m, down 35.3% on pcp (1H20: \$38.6m) as a result of:
  - lower actual losses and strong recoveries leading to a net loss of \$40.0m, down 12.0% (1H20: \$45.5m). This reflects the benefit of continued investment in developing a superior credit decision platform and adopting a customer-centric approach to managing hardships and collections during the pandemic; and
  - a \$4.3m after tax benefit from releasing a proportion of the COVID-19 macro overlay provision booked in FY20 (total provision booked of \$30.9m after tax);
- continued strong profitability in the Commercial & Leasing and Cards segments; and
- continued top line growth in Buy Now Pay Later, with total Company customers of over 2.6m, a growth of 40.4% or 750,000 on pcp.

While **hummmgroup's** credit performance remains robust, the Company continues to take a prudent approach by monitoring the potential impact on arrears and losses from changes to government stimulus, and remains well provisioned for the future.

In 2H21 **hummmgroup** will be making new investments in marketing and people as it enters two international markets. As a result, the Company expects 2H21 Cash NPAT to be lower than 1H21.

**hummmgroup** will report its 1H21 results on Wednesday 24 February 2021.

Authorised for release by the **hummmgroup** Board of Directors.

**-ENDS-**

---

<sup>1</sup> Cash NPAT reflects the reported net profit after tax adjusted for material infrequent items and the amortisation of acquired intangibles.

**Investor Relations Contact**

Suk Hee Lee - Head of Investor Relations  
+61 433 343 888

**Media Contact**

Roger Newby - Domestique Consulting  
+61 401 278 906

**ABOUT HUMMGROUP**

**hummg**roup is a diversified full service payments company with leading offerings in buy now pay later, revolving credit and SME finance. Serving a broad footprint of millennial spenders, through to young families and small and medium businesses, it facilitates purchases for over 2.6 million customers.