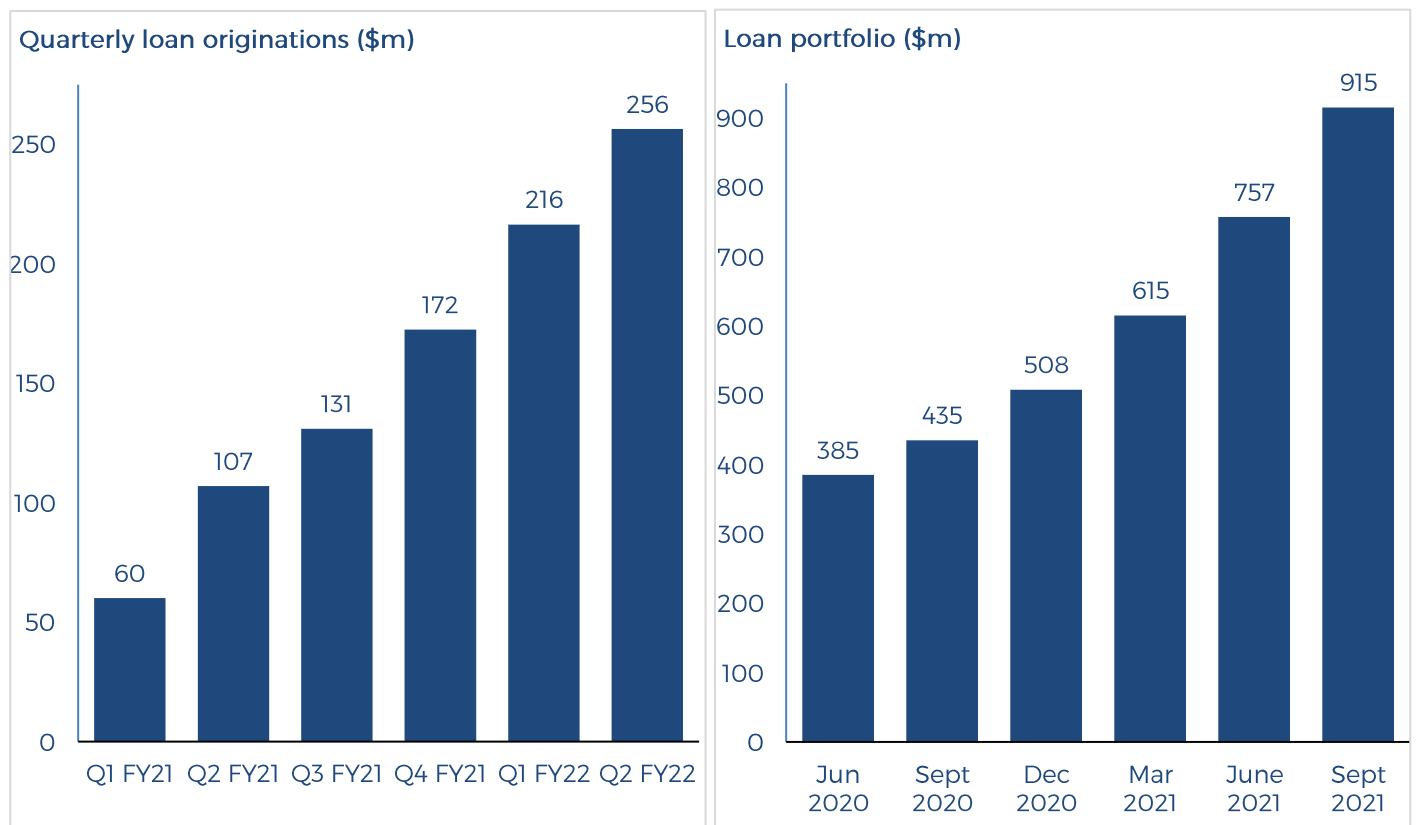


## Plenti delivers 140% year-on-year growth, brings forward profitability

Plenti Group Limited (**Plenti**) is pleased to provide a trading update for the quarter ended 30 September 2021 (**Q2 FY22**).

### Highlights

- Record quarterly loan originations of **\$256.4 million, 140% above prior corresponding period (PCP)** and **18% above prior quarter**
- Record monthly loan originations of **\$95.5 million** in September, **159% above September 2020**, which at that time represented a record month for loan originations
- H1 FY22 loan originations of **\$473 million, 183% above PCP** and **56% above prior half**
- Loan portfolio increased to **\$915 million, 110% above PCP** and **21% above prior quarter**
- Inaugural asset-backed securities **\$306.3 million transaction** completed, **significantly reducing funding costs**
- Exceptional credit performance maintained with 90+ day arrears at **26 basis points**
- Financial priorities of **\$1 billion loan book** and **monthly Cash NPAT profitability target dates brought forward** to the current quarter ending 31 December 2021



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

"I am delighted to report yet another outstanding quarter for Plenti, with record quarterly loan originations across each lending vertical. By continuing to take market share, Plenti has achieved strong growth despite COVID-induced lockdowns.

"This strong growth along with the high level of operational leverage from our technology-led business model has accelerated our targeted timeframes for achieving a one-billion-dollar loan book and reaching Cash NPAT profitability, now targeted by end December 2021.

"I am incredibly proud of each member of the Plenti team for their relentless focus on delivering faster, fairer loans to our partners and customers, while continuing to drive towards our mission of building Australia's best lender."

### Record loan originations

Loan originations	Q2 FY21	Q2 FY22	Growth vs. PCP	Q1 FY22	Q2 FY22	Growth vs. prior qtr
Automotive	55.4	143.1	159%	114.6	143.1	25%
Renewable energy	14.6	25.9	78%	20.5	25.9	26%
Personal	37.0	87.4	136%	81.4	87.4	7%
Total	<b>106.9</b>	<b>256.4</b>	<b>140%</b>	<b>216.4</b>	<b>256.4</b>	<b>18%</b>

Plenti achieved record quarterly loan originations of \$256.4 million in Q2 FY22, 140% above the PCP and 18% above the prior quarter. A new monthly record of \$95.5 million in loan originations was set in September, representing 159% growth versus September 2020, which at that time represented a record month for loan originations. Each lending segment achieved a record quarter of loan originations:

- **Automotive** loan origination growth reflected continued gains in market share, driven by Plenti's on-going investments in technology and product development, and sales and distribution capabilities;
- **Renewable energy** finance growth was driven by the continued adoption by referral partners of Plenti's buy-now-pay-later offering, as well as the accreditation of an additional 50 commercial partners; and
- **Personal lending** growth of 136% versus PCP showed the resilience and depth of Plenti's multi-channel customer reach and digital distribution capabilities, and also reflected the comparable quarter in FY21 being impacted by COVID-19 related factors.

Loan origination growth versus the prior quarter was achieved in all states and territories except for the ACT. Restrictions in place in NSW reduced the relative contribution of NSW loan originations by over 4% across all loan products (and over 6% in personal loans) compared to the average over the prior 12 months, presenting a potential growth catalyst as re-opening proceeds.

Importantly, this strong loan origination growth was achieved without compromising credit quality. The weighted average new borrower Equifax credit score during the quarter was 828, equal to the portfolio weighted average score of 828 at the end of June 2021.

## Substantial loan portfolio growth

Loan portfolio	Sept 20	Sept 21	Growth vs. PCP		Jun 21	Sept 21	Growth vs. prior qtr
Automotive	146	464	218%		355	464	31%
Renewable energy	71	114	60%		98	114	16%
Personal	218	337	55%		304	337	11%
Total	<b>435</b>	<b>915</b>	<b>110%</b>		<b>757</b>	<b>915</b>	<b>21%</b>

Plenti's loan portfolio increased to \$915 million at 30 September, up 110% from 30 September 2020 and up 21% from the end of June 2021.

## Exceptional credit performance maintained

Plenti maintained its exceptional credit performance during the quarter.

Annualised net losses for the quarter were approximately 70 basis points, reflective of the prime attributes of Plenti's loan portfolio and strong underlying borrower characteristics.

90+ day arrears were 26 basis points at the end of the quarter, down from 35 basis points at the end of June 2020.

## Inaugural ABS transaction significantly reduced funding costs

Plenti completed a \$306.3 million asset-backed securities transaction during the period, which substantially reduced the cost of its automotive loan funding. 87.8% of the notes were rated Aaa by Moody's, allowing Plenti to achieve a 0.97% day one weighted-average margin above one-month BBSW on notes sold, reducing the all-in funding costs for these receivables by over 100 basis points. Additionally, Plenti's equity contribution was reduced to 0.50% of the loan receivables.

Plenti continues to fund the majority of its new loan originations from its two warehouse facilities, with funding flexibility, capacity and diversity enhanced by Plenti's two investor marketplace platforms.

## Financial priorities brought forward

Plenti is pleased to bring forward the expected timing for achieving two of its financial priorities set out in its FY21 results presentation:

1. **Growth** – Plenti expects to achieve a \$1 billion loan portfolio by the end of December 2021 (previously by March 2022); and
2. **Profitability** – Plenti expects to achieve positive monthly Cash NPAT by the end of December 2021 (previously by June 2022), assuming consistent credit performance.

Plenti continues to target a cost to income ratio of below 35% over the medium term.

ENDS

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

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### **About Plenti**

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

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

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

For more information visit [plenti.com.au/shareholders](http://plenti.com.au/shareholders)