

Plenti delivers outstanding H1, achieves monthly Cash NPAT profitability and hits \$1 billion loan portfolio

Plenti Group Limited (**Plenti**) is pleased to announce its half-year results for the six months ended 30 September 2021 (**1H22**), announce significant milestones achieved post half-year end, and announce new financial objectives.

Financial highlights

- Record half-year loan originations of \$473 million, up 183% on prior comparable period (**PCP**)
- Record loan portfolio at half-year end of \$915 million, up 110% on PCP
- Record half-year revenue of \$37 million, up 43% on PCP (interest income up 53%)
- Cash NPAT of \$(2.2) million, a 56% improvement on 2H21
- Market-leading credit performance, with 0.7% net realised loss rate
- \$306.3 million inaugural asset-backed securities transaction, significantly reducing funding costs
- Corporate cash position maintained over the half, despite \$300 million loan portfolio growth

Operational highlights

- Launched commercial auto loan in May, doubling addressable automotive market
- Materially reduced operating costs per dollar funded, evidencing operating leverage
- Continued to deliver significant technology and product advancements

Significant milestones achieved post half-year end

- Positive monthly Cash NPAT achieved in October
- \$1 billion loan portfolio reached in November
- Launched specialist EV loan

New financial objectives set

- 2H22 objectives
 - o Closing loan portfolio > \$1.25 billion
 - o Cash NPAT > \$1 million
 - o Cost-to-income ratio <50%
- An ambition to reach \$5 billion loan portfolio in calendar 2025

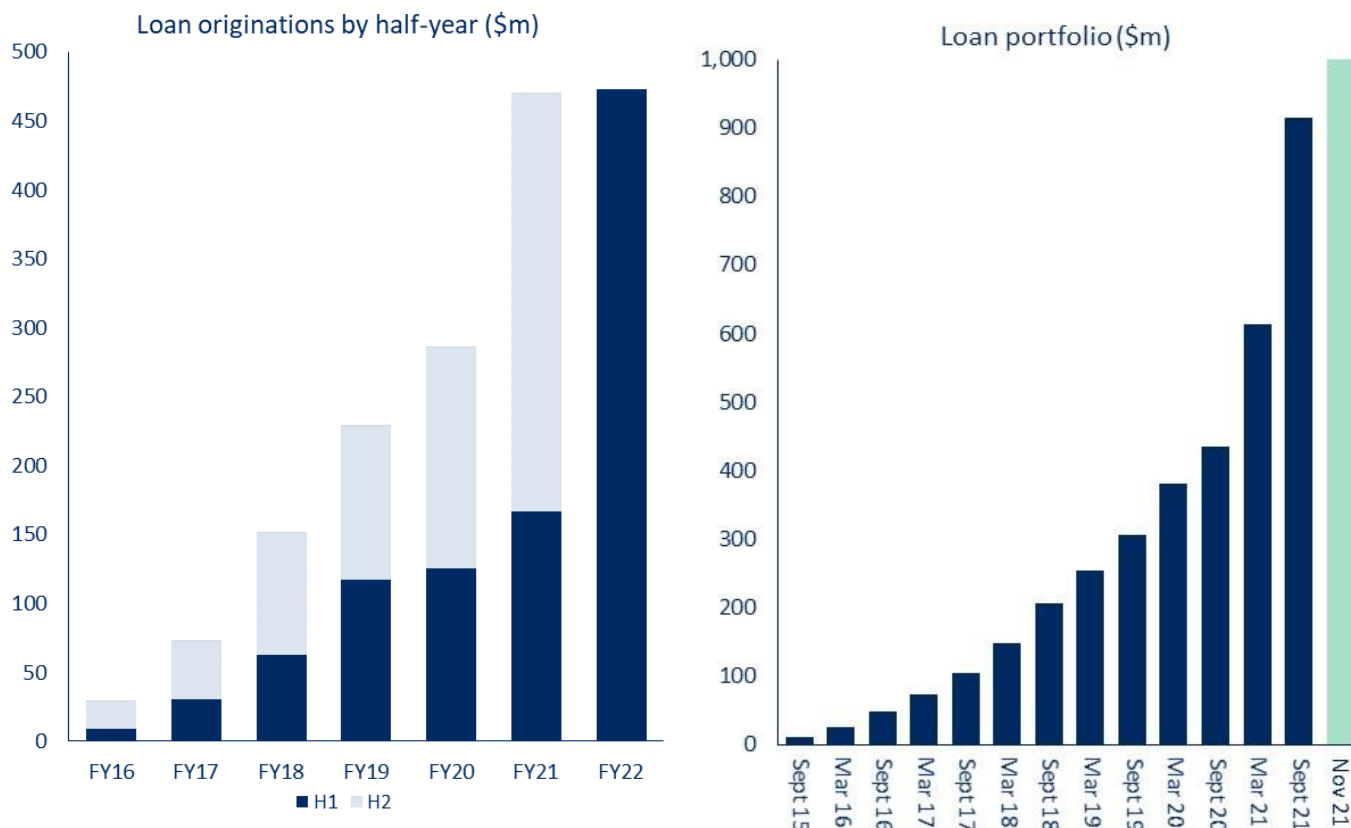
Commenting on the half-year result, Daniel Foggo, Plenti's Chief Executive Officer, said: "This was an outstanding half for Plenti. We grew strongly and evidenced our operational leverage, which set us up to achieve profitability in the second half.

"As an Australian fintech lending pioneer, being the first listed fintech to achieve a \$1bn loan portfolio is a significant milestone on our mission to build Australia's best lender. It shows that our technology-led offering is resonating with our partners and customers.

“Looking forward, the momentum in our business gives us the confidence to express our ambition of reaching a \$5 billion loan portfolio in 2025, noting our loan portfolio would grow approximately 150% by end 2025 even if our monthly originations ceased growing from this month onwards.

“We continue to see exciting opportunities to extend our technology advantages and develop market leadership in the automotive, renewable energy and personal loan markets.”

Loan originations and loan portfolio growth



Plenti achieved strong loan origination growth in the first half, with loan originations of \$473 million, up 183% on PCP. Growth was particularly strong in automotive finance, where annual loan originations of \$258 million were up 218% on PCP. Renewable energy originations of \$46 million were up 63% on PCP. Personal lending grew to \$169 million, up 194% on PCP (noting 1H21 personal loan originations were impacted by COVID-19).

Lending vertical	H1 originations	Growth on PCP
Automotive	\$258 million	218%
Renewable energy	\$46 million	64%
Personal	\$169 million	194%

Plenti’s total loan portfolio grew to \$915 million at 30 September 2021, up 110% on PCP, comprising \$464 million in automotive loans, \$114 million in renewable energy loans and \$337 million in personal loans.

Operations and technology

Plenti delivered significant advancements in its technology platform across customer experience, credit decisioning and pricing, as well as partner integrations. Additionally, the Company launched its commercial automotive loan in May, doubling its addressable automotive market, and continued to show operating leverage through materially reducing its operating costs per dollar funded in the period.

Exceptional credit performance maintained

Plenti maintained its exceptional credit performance during the half. Annualised net realised losses were approximately 0.7%, 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 half year.

Funding

Plenti substantially reduced its cost of funding in the half and achieved significantly greater capital efficiency across its funding programs. The average funding cost reduced to 4.0% in 1H22, down 2.3% on PCP, and reduced further to 3.4% in September, following completion of the ABS transaction.

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. The Company is now well placed to complete further ABS issuance during 2022.

Plenti ended the period with net cash¹ of \$43.5 million, flat on its 31 March 2021 net cash position of \$43.4 million, despite \$300 million in loan portfolio growth in the half. This was achieved by releasing funds through the auto ABS transaction and negotiating materially improved terms in the automotive warehouse facility. Post half-year, Plenti has agreed additional changes to its automotive warehouse which will further support its corporate cash position.

Financial priorities achieved

Plenti is pleased to announce it has achieved ahead of target two of the financial priorities set out in its FY21 results presentation²:

- **Positive monthly Cash NPAT** achieved in October
- **\$1 billion loan portfolio** reached on 12 November

Financial objectives

Plenti has set the following financial objectives for 2H22:

- Growth: a period-end loan portfolio of over \$1.25 billion
- Profitability: Cash NPAT of over \$1.0 million
- Efficiency: cost-to-income ratio of below 50% (in progress towards medium term target of below 35%)

Additionally, Plenti has set an ambition of reaching a \$5 billion loan portfolio in calendar 2025.

¹ Net cash includes corporate cash and Provision Fund cash

² As updated in Plenti's Q2 update released to the ASX on 12 October 2021

Mr Foggo said: “Plenti has continued to perform strongly in the start of the second half year, with the Company on target to fund over \$100 million in November. Looking forward, we have a significant growth opportunity in front of us, and we have a clearly defined strategy for achieving our objective of building Australia’s best lender.”

Investor webcast

An online investor presentation will be held at 11:00am AEDT / Sydney time on 17 November 2021. Investors can register for the online investor presentation through the following link:

https://plenti-au.zoom.us/webinar/register/WN_EWw_FV54RwKzf1t3dW7c-Q

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