

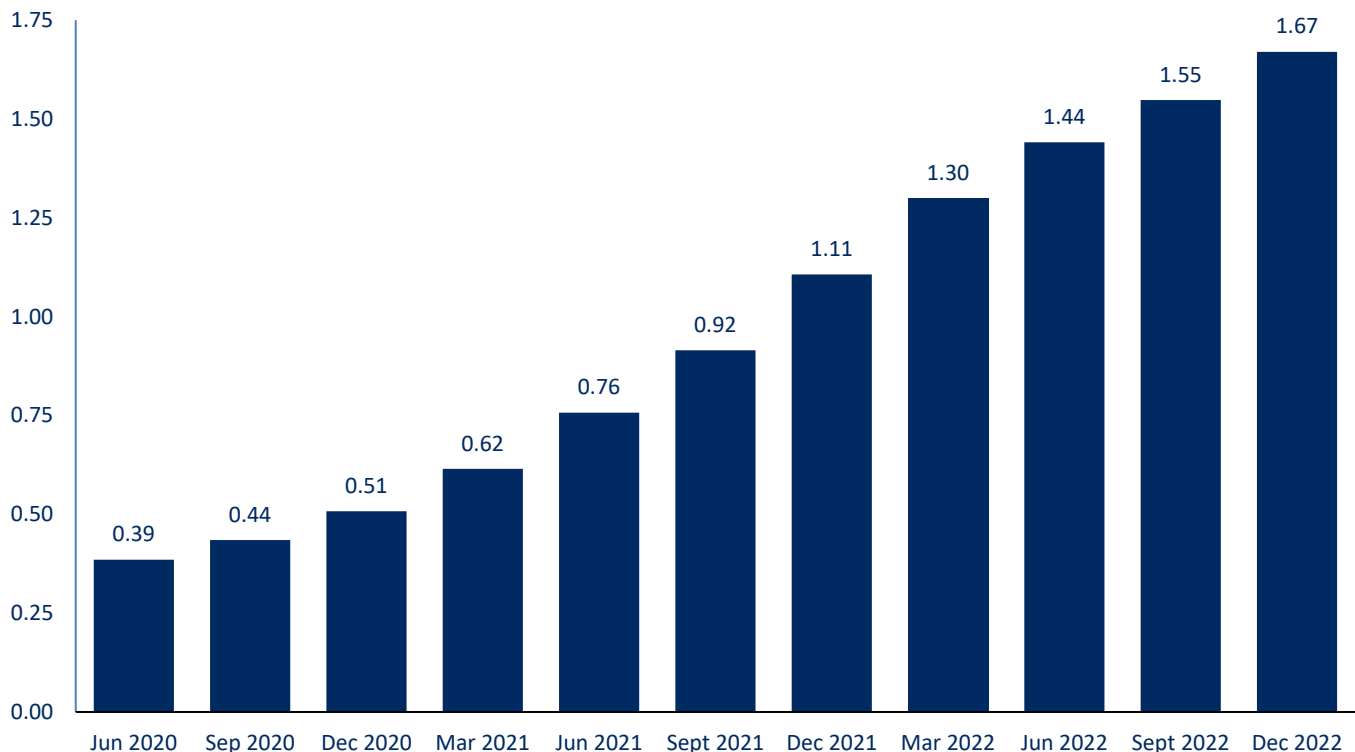
Plenti continues to deliver profitable growth

Plenti Group Limited (**Plenti**) provides this trading update for the quarter ended 31 December 2022 (**3Q23**).

Highlights

- Loan portfolio increased to \$1.67 billion, 51% above PCP and 8% above prior quarter
- Strong quarterly loan originations of \$297 million, up 10% on prior quarter
- Increased net interest margins on new loan originations
- Strong credit performance with annualised net credit losses of 69 basis points and 90+ day arrears of 35 basis points at period end
- Substantial retail investor platform enhancements, including the reshaping of investment markets and the introduction of a new investment market to provide exposure to Plenti ABS notes
- Sale of certain written-off or defaulted loans executed, with the financial benefit to be recognised in 4Q23
- Revenue of \$37.4 million, positive Cash NPAT in the quarter and remain on-track to meet 2H23 objectives

Loan portfolio (\$bn)



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

“This was another positive quarter for Plenti, with strong loan portfolio growth achieved whilst also increasing net interest margins on new originations, demonstrating the continued appeal of Plenti offerings to both referral partners and customers.

“We continue to invest in extending our technology-led customer experience and efficiency advantages as we work towards achieving our mission of building Australia’s best lender”.

Loan portfolio growth

Loan portfolio (\$m)	31 Dec 21	31 Dec 22	Growth
Automotive	598	958	60%
Renewable energy	130	182	40%
Personal	379	532	40%
Total	1,107	1,672	51%

Plenti’s loan portfolio, which is a key driver of revenue, increased to \$1.67 billion at 31 December 2022, up 51% from 31 December 2021 (\$1.11 billion) and up 8% from 30 September 2022 (\$1.55 billion).

Loan originations and margins

Total loan originations were \$297 million, down 3% on the prior comparable period (PCP), but over 10% above the prior quarter, despite Plenti continuing to prioritise increasing yields on new loan originations in a higher interest rate environment. Automotive loan originations were \$142 million, broadly flat on prior quarter. Renewable energy loan originations were \$34 million, a record quarter and 16% above the prior quarter. Personal loan originations were \$121 million, a record quarter and 21% above the prior quarter.

Net interest margins on new loans originated increased in the quarter, however, the overall portfolio net interest margin remained broadly stable on the prior quarter due to the offsetting impact of an interest rate increase in one of Plenti’s automotive warehouse facilities, which was extended in November 2022.

Strong and stable credit performance

Plenti has maintained its strong and stable credit performance. Annualised net losses for the quarter were 69 basis points, consistent with the prior quarter and reflecting the prime nature of Plenti’s borrowers across each of its three loan verticals. 90+ day arrears were 35 basis points at the end of the quarter.

The loan portfolio weighted average Equifax credit score remained high at 833 at the end of the quarter.

During the quarter Plenti executed a transaction to sell certain written-off or defaulted loans to a third-party debt purchaser, with the financial benefit of this transaction expected to be recognised in 4Q23. Similar debt sales are expected to take place in the normal course of business as Plenti continues to build scale.

Retail investment platform and funding

Plenti renewed its focus on growing its retail investor platform, the Plenti Lending Platform, during the quarter. The investment markets were simplified and reshaped to allow retail investors the opportunity to fund a higher proportion of Plenti’s lending. Additionally, a new investment market, the Notes Market, was introduced to provide qualifying investors with a higher investment return option through providing exposure to notes issued as part of Plenti’s ABS transactions.

The Notes Market provides further diversity to Plenti’s ABS funding whilst also releasing corporate capital invested in Plenti’s ABS transactions.

2H23 objectives reaffirmed

Plenti remains on track to achieve its objectives for 2H23 which were set out in its 1H23 financial results released in November 2022:

Growth	Reach loan portfolio of ~\$1.75 billion at 31 March 2023 (~35% annual growth)
Profitability	Drive robust Cash NPAT growth
Efficiency	Achieve cost-to-income target of <35%

Further information

All numbers in this release are preliminary and unaudited. This release was approved by the Plenti Board of Directors.

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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 our 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.