

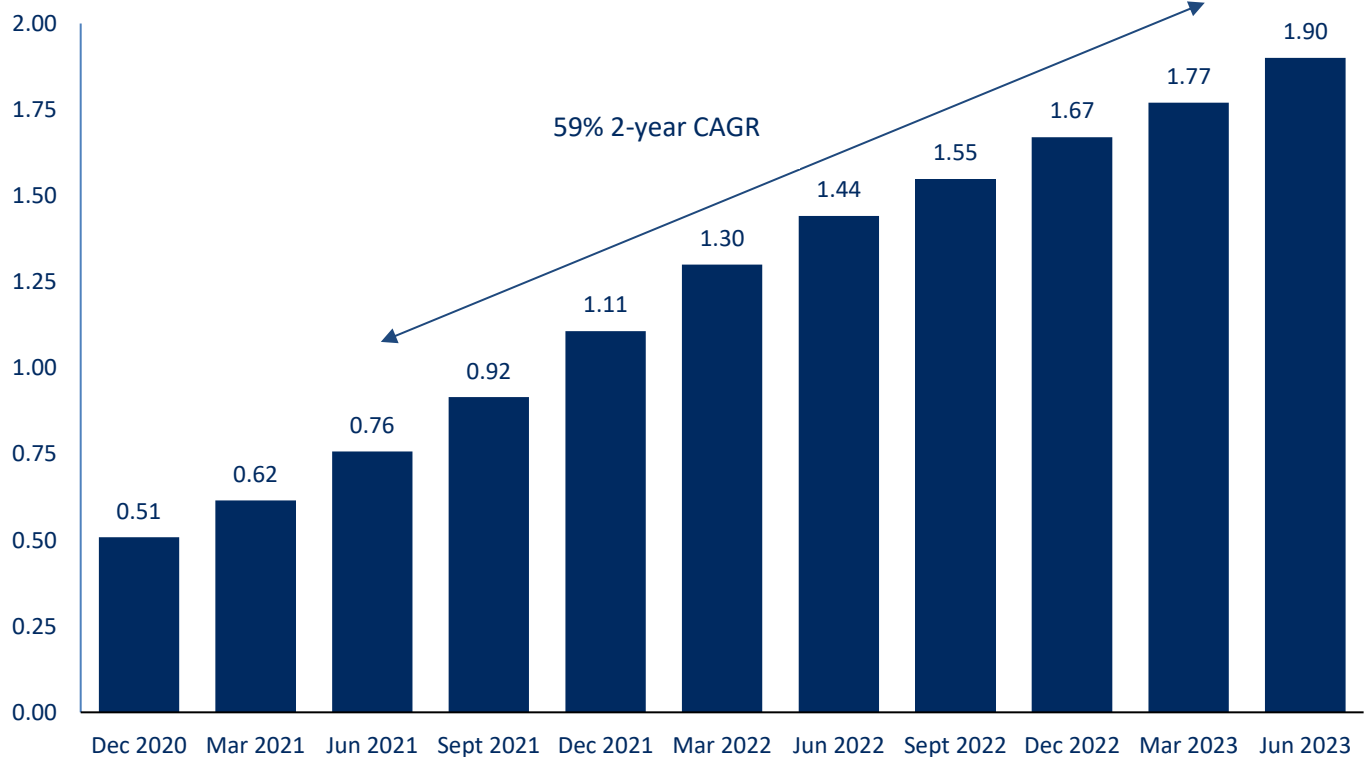
Plenti achieves record loan originations

Plenti Group Limited (**Plenti**) provides this trading update for the quarter ended 30 June 2023 (**1Q24**).

Highlights

- **Loan portfolio increased to \$1.90 billion**, 32% above PCP and 8% above prior quarter
- **Automotive loan book reached \$1 billion milestone**
- **Record quarterly loan originations of \$332 million**, 15% above PCP and 20% above prior quarter, driven by record renewable energy and record personal lending, combined with a strong recovery in automotive loan originations
- **Annualised net credit losses of 117 basis points** and **90+ day arrears of 49 basis points** at quarter end, reflecting the credit strength of Plenti's loan portfolio
- Completed **\$406 million automotive asset-backed securities (ABS)** transaction in June 2023, priced attractively relative to comparable ABS transactions, reflecting strong support from a broad range of investors
- **Quarterly revenue of \$46 million**, 51% above PCP

Loan portfolio (\$bn)



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

"We're delighted to have delivered record quarterly loan originations, as our priority moving into the new year has been to drive strong origination growth to help us maximise the economies of scale our technology-led model offers.

“We achieved record monthly lending of over \$130m in June 2023 and we expect our differentiated customer experiences to continue to attract healthy levels of demand across each of our three core lending verticals.”

Loan portfolio growth

Loan portfolio (\$m)	30 June 22	30 June 23	Growth
Automotive	838	1,079	29%
Renewable energy	151	218	44%
Personal	451	607	35%
Total	1,441	1,904	32%

Plenti’s loan portfolio, which is a key driver of revenue, increased to \$1.90 billion at 30 June 2023, a 32% increase from 30 June 2022 (\$1.44 billion) and an 8% increase from 31 March 2023 (\$1.77 billion). The automotive loan book reached the milestone of \$1 billion in April 2023.

Loan originations and margins

Loan originations for the quarter totalled \$332 million, 15% above the prior comparable period (PCP) and 20% above prior quarter.

Automotive loan originations were \$174 million, 37% above prior quarter, reflecting the continued adoption of Plenti’s commercial loan offering as well as the benefits of a seasonally strong June. Renewable energy loan originations were \$36 million, slightly above the prior quarter but 53% above PCP. Personal loan originations were \$122 million, 8% above the prior quarter, supported by the continued growth in Plenti’s direct to consumer lending.

Net interest margins on new loan originations were negatively impacted in the last 6 weeks of the quarter by higher interest rate hedging costs, due to the significant increase in market interest rate expectations and a corresponding increase in the yield curve. The increase in funding costs has now been largely passed through to average borrower rates.

Credit performance

Annualised net losses for the quarter were 117 basis points, reflecting increasing overall industry loss rates but also the relative credit strength of Plenti’s loan portfolio.

90+ day arrears were 49 basis points at the end of the quarter, up from 42 basis points at the end of the prior quarter. Early-stage arrears have been relatively stable since February 2023, assisted by continual refinement of Plenti’s credit risk appetite and settings.

The loan portfolio weighted average Equifax credit score remained high at 830 at the end of the quarter, versus 831 at the end of the prior quarter.

Funding

Plenti completed a \$406 million automotive loan ABS transaction in June 2023, which increased its total ABS issuance to over \$1.7 billion and refreshed capacity in its automotive warehouse facilities. Plenti’s regular ABS issuance and the credit strength of its underlying receivables supported strong demand from both domestic and international investors.

Plenti continued to provide investors on its retail investor platform, the Plenti Lending Platform, with an ability to invest in notes issued as part of its ABS transactions via the recently launched ‘Notes Market’. As well as providing investors on the Plenti Lending Platform with access to higher investment returns and providing further diversity to

Plenti's ABS funding, the Notes Market has continued to release corporate capital, which has been invested to support growth in other funding structures.

Outlook

Plenti's FY24 priorities and objectives as set out in its results presentation released in May 2023 were as follows:

Priority	FY24 objective
Growth	<ul style="list-style-type: none">- Drive solid growth in loan originations and loan portfolio- Grow revenue to over \$200 million
Profitability	<ul style="list-style-type: none">- Deliver robust full year Cash NPAT growth, skewed towards 2H24
Efficiency	<ul style="list-style-type: none">- Reduce cost-to-income ratio to <30%- Remain on target to deliver \$25m in efficiencies as loan portfolio scales towards \$3 billion

Plenti is on track to achieve its FY24 objectives, although the increase in interest rate hedging costs experienced in the second half of the quarter will impact profitability. Cash NPAT is now expected to be around break even in 1H24. Plenti continues to expect robust growth in full year Cash NPAT, from the \$4.5m achieved in FY23.

Further information

All numbers in this release are preliminary and unaudited. This release was approved by the Chief Executive Officer on behalf of the Plenti board of directors.

For more information please contact:

Daniel Foggo
Chief Executive Officer
shareholders@plenti.com.au

Miles Drury
Chief Financial Officer
shareholders@plenti.com.au

About Plenti

Plenti is a fintech lender. We provide faster, fairer loans by leveraging our smart technology.

We offer award-winning automotive, renewable energy and personal loans, delivered by our 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.