

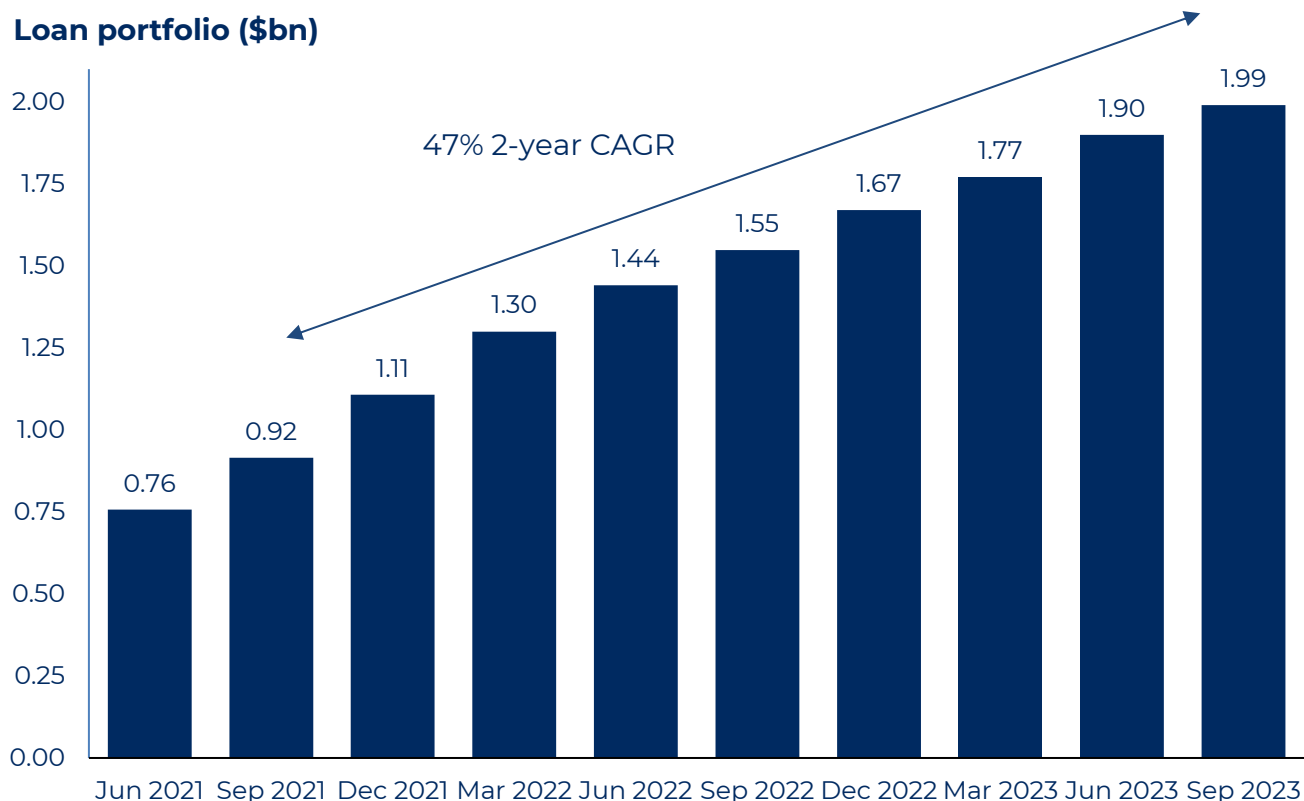
Strong credit supports profitable growth

Plenti Group Limited (**Plenti**) provides this trading update for the quarter ended 30 September 2023 (**2Q24**).

Highlights

- **Loan portfolio increased to \$1.99 billion**, 29% above PCP and 5% above prior quarter
- **Loan originations of \$292 million**, 9% above PCP and 12% below last quarter's record loan originations
- **90+ day arrears of 45 basis points** at quarter end, down from 49 basis points at the end of the prior quarter, reflecting the continued credit strength of the loan portfolio
- **Annualised net credit losses of 82 basis points**, down from 117 basis points in the prior quarter, supported by the sale of certain written-off or defaulted loans
- **Quarterly revenue of \$51 million**, 53% above PCP
- **1H24 Cash NPAT of \$1.5 million**, stronger than anticipated in prior trading update

Loan portfolio (\$bn)



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

"Evidencing stability in credit performance was a priority for this quarter, so it's pleasing to deliver net annualised credit losses of below 1%, further demonstrating Plenti's capabilities in credit underwriting and loan portfolio management."

“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)	30 Sept 22	30 Sept 23	Growth
Automotive	899	1,136	26%
Renewable energy	165	237	44%
Personal	484	620	28%
Total	1,548	1,992	29%

Plenti’s loan portfolio, which is a key driver of revenue, increased to \$1.99 billion at 30 September 2023, a 29% increase from 30 September 2022 and a 5% increase from 30 June 2023. A \$2 billion loan portfolio was achieved in the first week of October 2023, after quarter end.

Loan originations and margins

Loan originations for the quarter totalled \$292 million, 9% above the prior comparable period (**PCP**) and 12% below the record loan originations achieved in the prior quarter.

Automotive loan originations were \$154 million, up 10% on PCP, but down from the June quarter which benefited from strong commercial loan originations at June financial year-end. Renewable energy loan originations reached a record of \$40 million, up 39% on PCP and 12% above the prior quarter, supported by the continued market adoption of Plenti’s unique GreenConnect platform. Personal loan originations were \$98 million, down 2% on PCP and 19% on the prior quarter, primarily reflecting refinements in Plenti’s credit appetite, driven by its focus on delivering stable credit outcomes.

Net interest margins remained stable, with margins on new loan originations in the quarter slightly above the average portfolio net interest margin, offset by incremental costs from funding facility changes.

Credit performance

90+ day arrears were 45 basis points at the end of the quarter, down from 49 basis points at the end of the prior quarter. Early-stage arrears continue to be stable, reflecting resilience in broader consumer credit, and assisted by the continual refinement of Plenti’s credit risk appetite and settings.

Annualised net losses for the quarter were 82 basis points, supported by the sale of certain written-off or defaulted loans. Annualised net losses for the quarter, excluding the debt sale, were 107 basis points, down from 117 basis points in the prior quarter.

The loan portfolio weighted average Equifax credit score remained high at 832 at the end of the quarter, versus 830 at the end of the prior quarter.

Outlook

Plenti is on track to achieve the FY24 priorities and objectives set out below:

Priority	FY24 objective
Growth	<ul style="list-style-type: none">- Drive 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

Half-year results

Cash NPAT (unaudited) for 1H24 was \$1.5 million, above the “around break even” indicated in Plenti’s 1Q24 trading update, supported by a debt sale in the period. Consistent with prior periods, all investment in product and technology was expensed through the profit and loss statement, rather than capitalised onto the balance sheet.

Plenti will release its full financial results for the six months to 30 September 2023 in late November 2023. Further information including webcast registration details will be provided prior.

Further information

All numbers in this release are preliminary and unaudited. This release was approved by 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.