



Andrew Abercrombie | Chairman  
Stuart Grimshaw | CEO

28 November 2024

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Authorised for release by the hummmgroup Board of Directors

hummm Group Limited, ABN 75 122 574 583  
Level 1, 121 Harrington Street, The Rocks, Sydney NSW 2000

# 20 24

## ANNUAL GENERAL MEETING

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**01**

# **CHAIRMAN'S ADDRESS**

**Andrew Abercrombie**

**02**

**CEO'S ADDRESS**

**Stuart Grimshaw**

# DELIVERED BY STRONG HALF-ON-HALF PERFORMANCE

**01**

18% loan  
growth  
delivered  
**\$5.0b** in  
receivables

**02**

**\$13.6m**  
in 2H24  
cost savings  
delivered

**03**

Net interest  
margin  
stabilised  
in 2H24  
at **5.5%**

**04**

Credit losses  
maintained at  
historic lows  
of **1.8%**

# FY24 HIGHLIGHTS

## BALANCE SHEET GROWTH

**\$5.0b**

18% increase in receivables

**\$3.8b**

6% increase in volumes from continuing products

**\$125.1m**

in Unrestricted cash

## STRONG NET OPERATING INCOME

**5.5%**

NIM<sup>2</sup> stabilising in 2H24  
June 2024 Exit NIM<sup>2</sup> of 5.5%

**1.8%**

Group Net Loss/ANR<sup>1</sup>  
Maintained at low level from prior year

**11.6%**

Gross Yield<sup>3</sup>  
improved by 50bps

## IMPROVING COST EFFICIENCY

**\$13.6m**

Costs removed in 2H24 offsetting inflation and allowing for investment in front office growth

**\$4.9m**

Reduction of origination costs in FY24

**780bps**

Reduction in 2H24 cost to income ratio from 62.0% in FY23 to 53.2% for 2H24

## DRIVING SHAREHOLDER VALUE

**\$48.3m**

Cash profit (after tax) removes \$12.3m of "material one off items" that were previously considered normalisation adjustments

**2.0c**

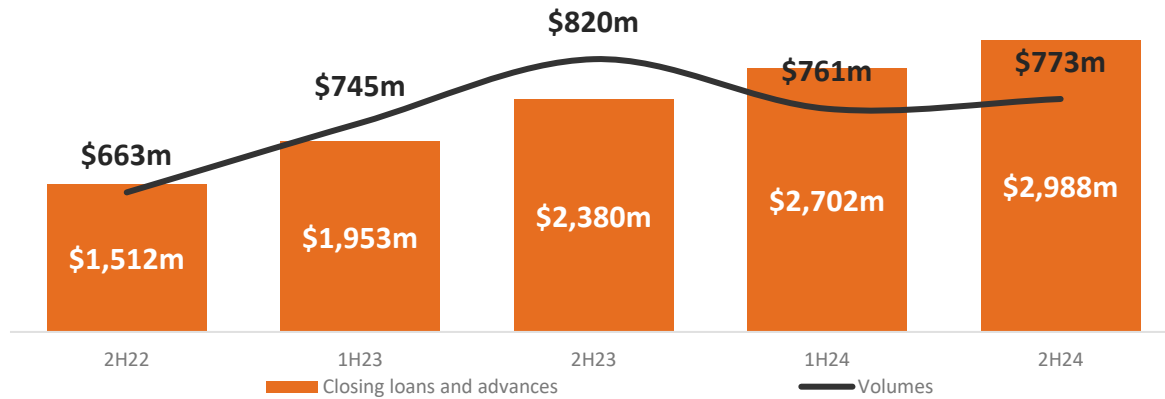
declared dividend for the year following a fully franked final dividend of 1.25 cents per share

**\$60.6m**

Normalised cash profit (after tax) in FY24. \$7.1m Statutory profit (after tax) up 145% on PCP

# STRONG MOMENTUM IN FLEXICOMMERCIAL

COMMERCIAL AU AND NZ: VOLUMES AND LOANS AND ADVANCES

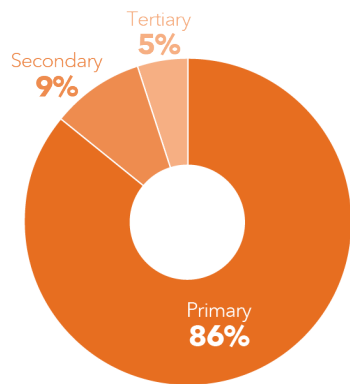


WEIGHTED AVERAGE CREDIT RISK RATING<sup>1</sup>

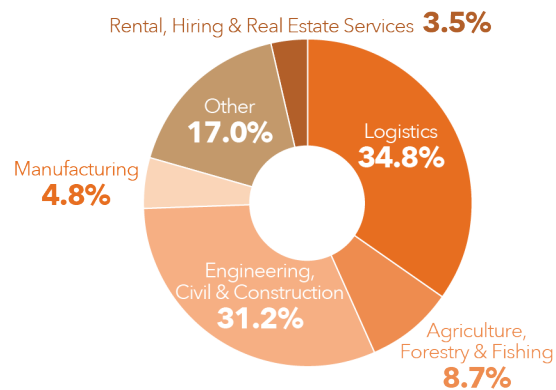
Credit worthiness rated from 1 (Highest) to 10 (Lowest)



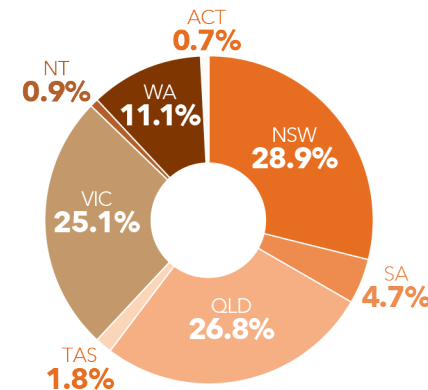
ASSET CATEGORY



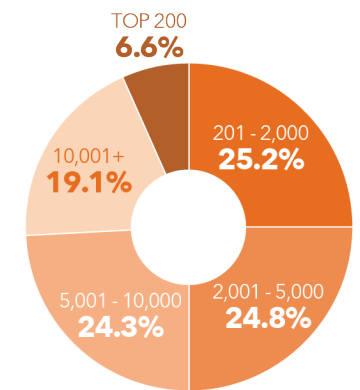
SECTOR CONCENTRATION



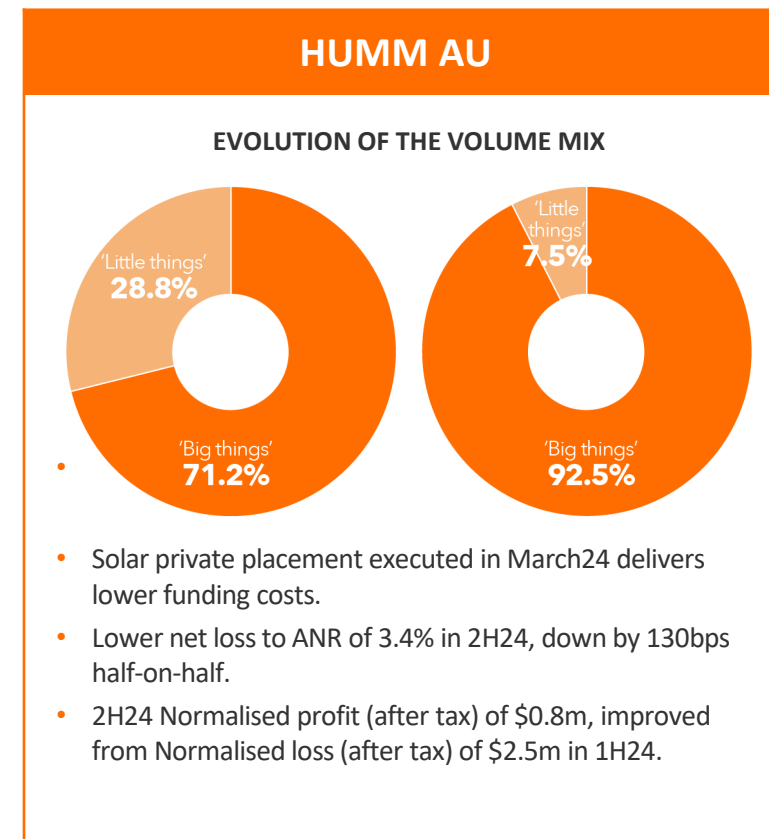
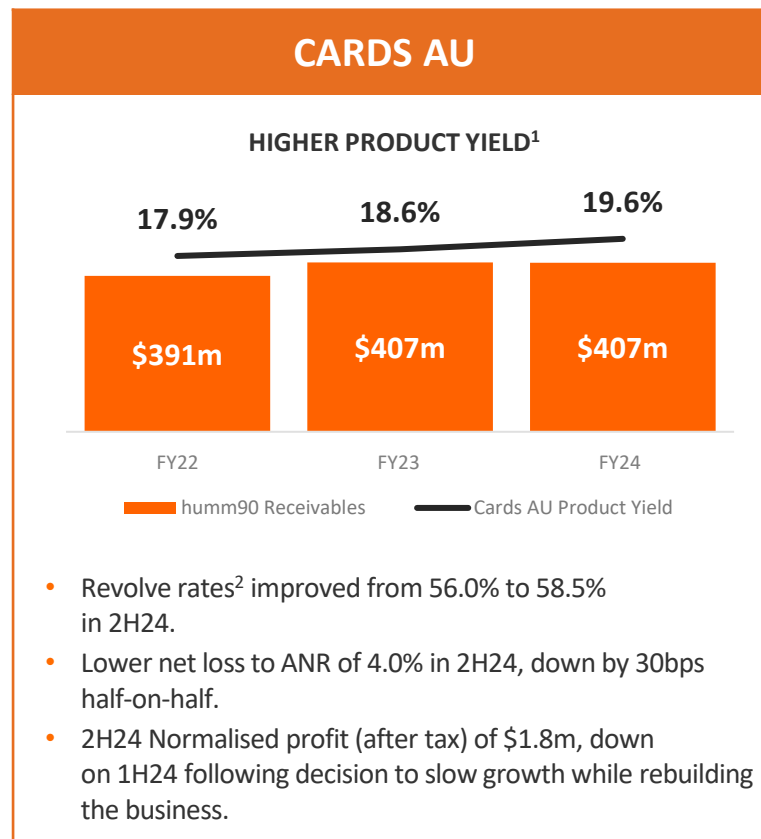
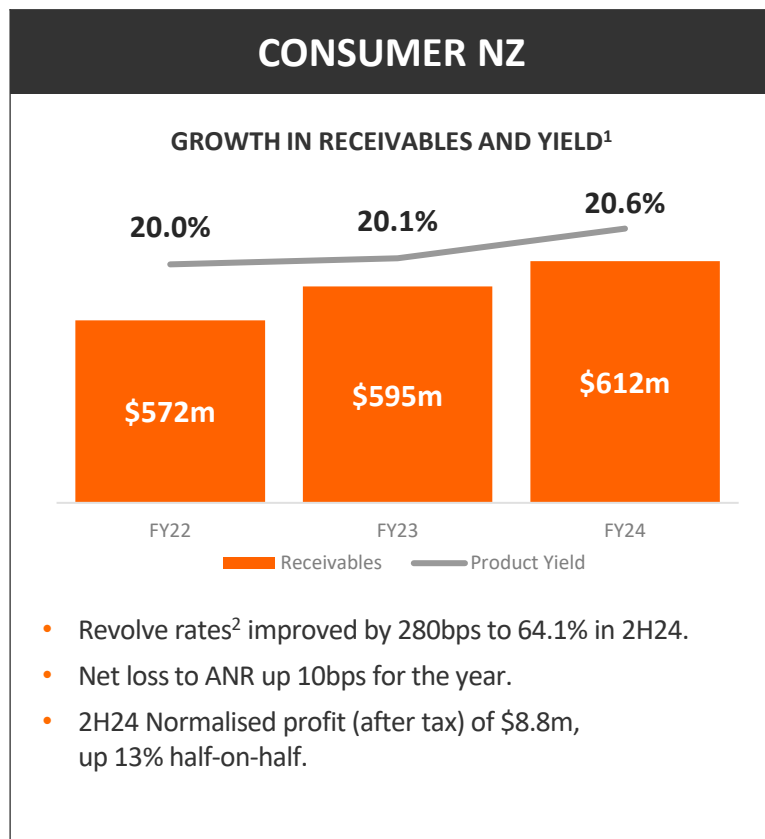
STATE CONCENTRATION



DIVERSE CUSTOMER BASE



# CONSUMER BUSINESS IMPROVING



### FY25+ PRIORITIES

- Optimising profitability with focus on unit economics by product, geography and merchants.
- Focus on cost management to fund transformation and investment for growth.
- New regulated hybrid loan product to be launched in 1H25.

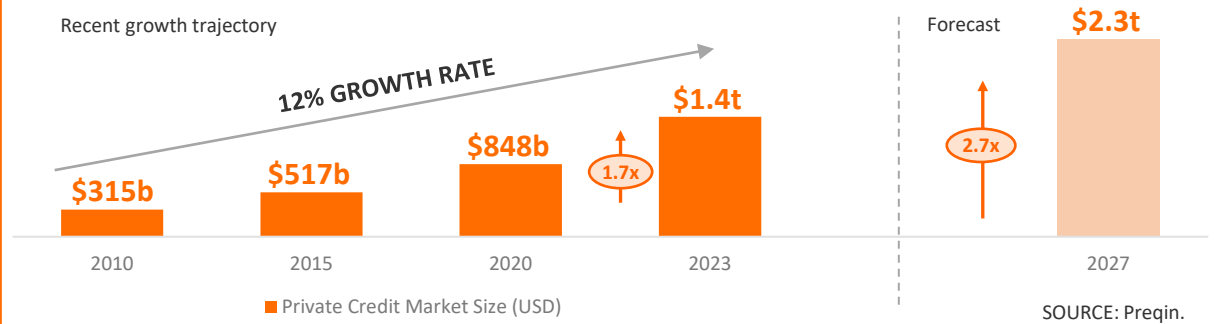


# DIVERSIFIED AND DIFFERENTIATED FUNDING PLATFORM

## UNLOCKS GROWTH RELATIVE TO COMPETITORS

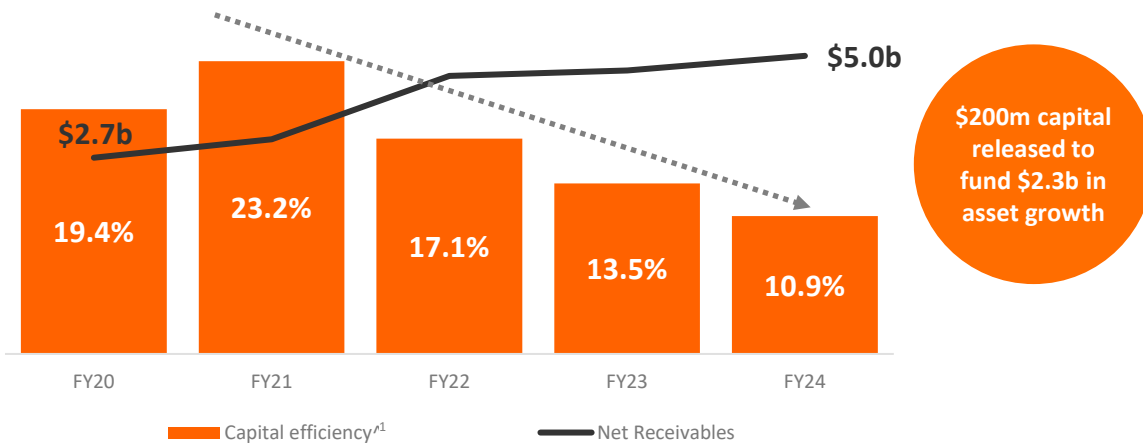
- Leading global and local banks and investors.
- Diversified funding platform with scale for growth.
- Issuing experience across a range of economic environments with sophisticated credit and loan performance history.

## STRATEGIC OPPORTUNITY AS PRIVATE CREDIT EXPANDS GLOBALLY



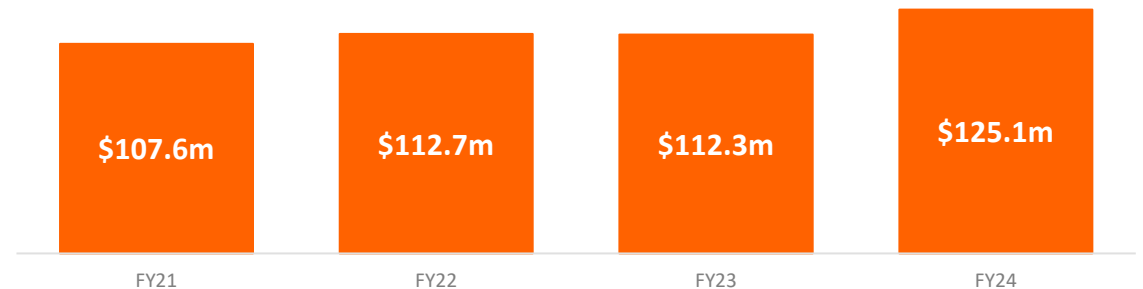
New funding platform provides exposure to growing segment of credit market.

## IMPROVED CAPITAL EFFICIENCY TO FUND GROWTH



## \$12.8M INCREASE IN UNRESTRICTED CASH BALANCE

Increase in unrestricted cash which incorporated a \$15.2m paydown in the corporate 'growth' facility and \$16.0m used to purchase shares on issue via market buy-back and share plan.



# HUMM STRATEGY UPDATE

**Our vision is to empower our customers and channel partners to achieve their goals sooner and support businesses as they grow. We find ways to say yes quickly.**



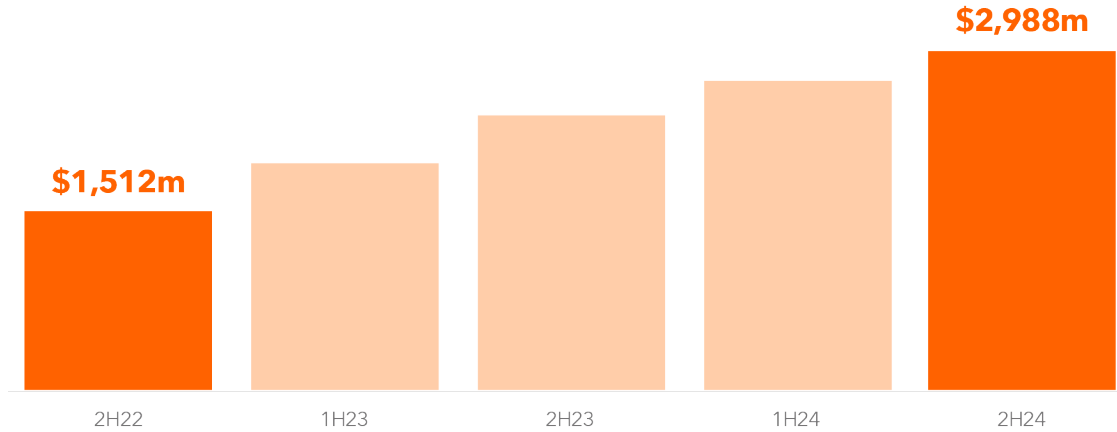
**Unified strategy  
and purpose**

**Simplifying  
operations**

**Modernising  
technology**

# FY25+ GROWTH DRIVERS

## COMMERCIAL FLEXICOMMERCIAL CLOSING RECEIVABLES

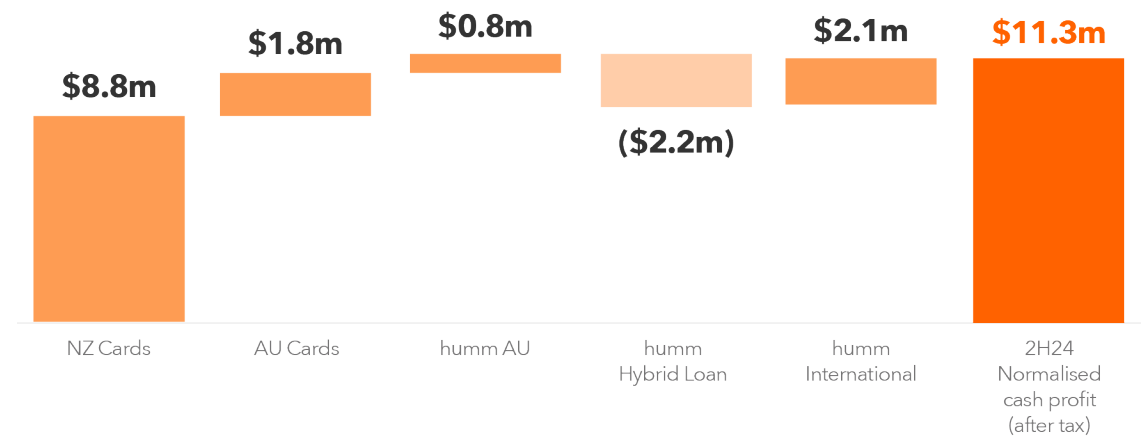


Continued volume and receivables growth from:

- Expanding offering to repeat customers with higher exposures.
- Investing in new geographies.
- Increasing focus on agriculture, medical and other sectors.
- Potential inorganic opportunities in new sectors that leverage our current strength in the broker channel.

Diversified funding platform provides capacity for future growth

## CONSUMER RETURN TO PROFIT IN CONSUMER BUSINESS IN 2H24



Repositioning the consumer business for growth via:

- Launch of regulated hybrid loan product in humm AU in 1H25, delivering a tailored offering to new and existing merchants.
- Enhance Q brand to leverage further opportunities in New Zealand market and improve customer value proposition.
- Profitable growth in international businesses.

Investment in technology and platforms to deliver better customer and merchant experiences

# Q1FY25 UPDATE

**flexicommercial** continues to grow market share in a constrained market as it looks to grow its bank grade flexipremium portfolio

Commercial losses and arrears performing in line with expectation

Along with all industry players we are seeing small pockets of financial stress in Victoria

Successful sale of \$500m receivables to MA Financial – expected impact of \$2-3m post tax in 2H25 as capital redeployed via ROE accretive actions

Continued investment in our Consumer platforms to improve the customer and merchant experience along with cost driving efficiency in our operations

Offshore operations provide opportunities for growth.

Ireland business continues to deliver strong returns in this period

Canada behind expectations but closely monitored to ensure success

# 03

## ITEMS OF BUSINESS

- 01 | Consideration of Reports
- 02 | Election of Director, Mr Andrew Darbyshire
- 03 | Adoption of 2024 Remuneration Report

# ITEM 1.

## Consideration of Reports

To receive and consider the Company's Financial Report, Directors' Report and the Independent Auditor's Report for the year ended 30 June 2024.

## ITEM 2.

### **Election of Director, Mr Andrew Darbyshire**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That, Mr Andrew Darbyshire, who was appointed as a Director of the Company on 21 October 2024, and being eligible, offers himself for election.

## ITEM 2.

# Election of Director, Mr Andrew Darbyshire

## Proxy numbers

For	256,425,593	99.72%
Against	328,973	0.13%
Open	395,869	0.15%
Abstain	43,994	-



## ITEM 3.

### Adoption of Remuneration Report

To consider and, if thought fit, to pass the following non-binding resolution of the Company:

That, for the purposes of section 250R(2) of the *Corporations Act 2001* (Cth), the Company's Remuneration Report for the financial year ended 30 June 2024, as set out in the Annual Report, be adopted.

## ITEM 3.

# Adoption of Remuneration Report

## Proxy numbers

For	120,589,822	95.77%
Against	408,369	0.32%
Open	4,925,532	3.91%
Abstain	313,706	-



**THANK YOU**