

## Plenti delivers profitable growth in 1H23

Plenti Group Limited (**Plenti**) provides its results for the six months ended 30 September 2022 (**1H23**).

### Financial highlights

- Loan portfolio grew to \$1.55 billion, 69% above PCP and 19% above prior half
- Half-year loan originations of \$558 million, 18% above PCP, despite material borrower rate increases
- Record revenue of \$63.8 million, 71% above PCP and 24% above prior half
- Exceptional credit performance, with annualised net credit losses of 63 basis points
- \$437 million automotive loan asset-backed securities ABS transaction completed in June
- Warehouse loan funding capacity increased to provide ~\$340 million of headroom
- Cash NPAT of \$1.4 million, a \$3.6 million improvement on PCP

### Operational highlights

- Increased volume of loans funded by retail investors via innovative Plenti Lending Platform, which provides low cost and capital efficient funding
- Continued investment in extending technology advantages, including updated investor mobile app

### Significant milestones

- Reached \$3 billion in total loans funded since inception
- Reached \$1 billion in total loans funded by investors via Plenti Lending Platform since inception

### Sharpened ambitions

- Sharpened focus on driving profitability both short and medium-term
- FY23 ambitions include reaching closing loan portfolio of ~\$1.75 billion, achieving a cost-to-income ratio <35% and driving robust half-on-half Cash NPAT growth
- Medium-term ambition to realise \$25+ million in cost benefits as loan portfolio doubles from \$1.5 billion to \$3.0 billion

Commenting on the half-year result, Daniel Foggo, Plenti's Chief Executive Officer, said:

"Not all lending businesses are the same - these results demonstrate Plenti's clear competitive strengths.

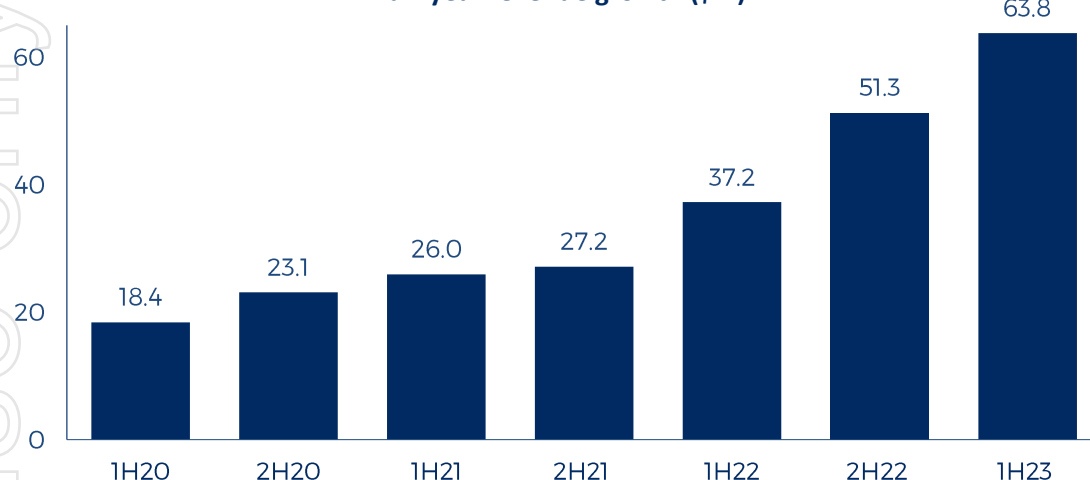
"In line with our focus on protecting margins, we have successfully increased yields on new lending to offset higher funding costs, helping to drive a positive Cash NPAT result for the half-year.

"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".

## Financial performance

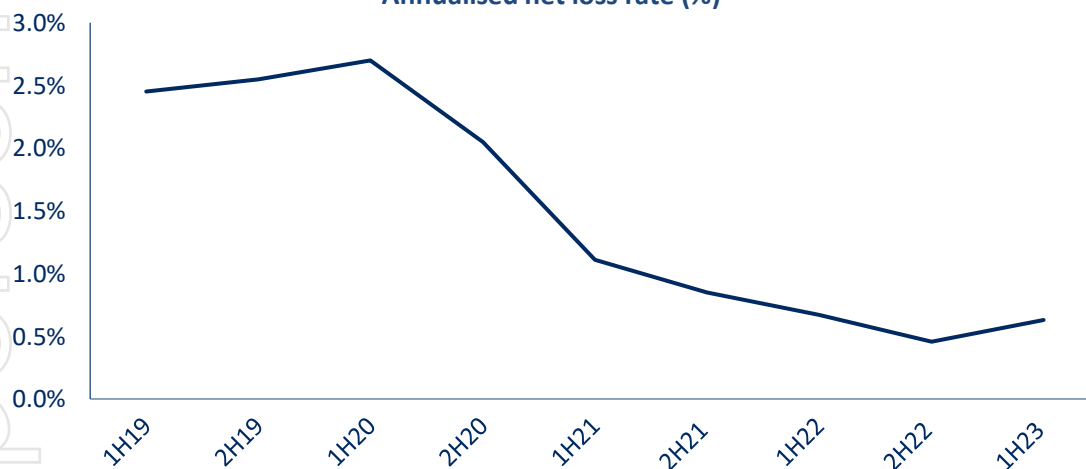
Total revenue was \$63.8 million, up 71% on the prior comparable period (**PCP**), driven by loan portfolio growth and higher rates being passed on to borrowers over the course of 2022.

Half-year revenue growth (\$m)



Plenti maintained its strong and stable credit performance, with annualised net losses for the half-year of only 63 basis points, reflecting the prime nature of Plenti's borrowers across each of its three loan verticals.

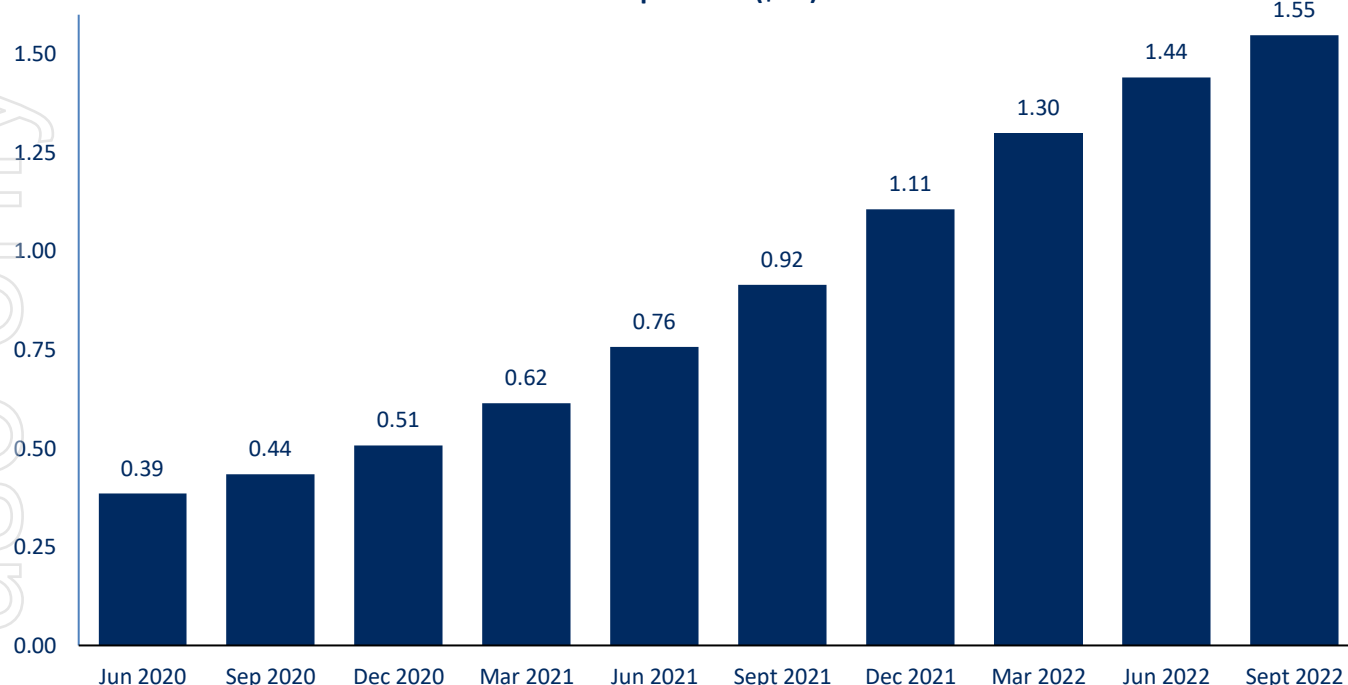
Annualised net loss rate (%)



Plenti generated **Cash NPAT of \$1.4 million in H1 FY23, a \$3.6 million improvement on PCP** and consistent with the outlook provided in May 2022. All technology development investments in the period were expensed, consistent with Plenti's accounting policies.

## Loan portfolio and loan originations

Loan portfolio (\$bn)



Note: chart represents historical data only, historical growth rates are not necessarily an indicator of future growth rates

Plenti's diversified loan portfolio increased to \$1.55 billion at 30 September 2022, up 69% from 30 September 2021 (\$0.92 billion) and up 19% from 31 March 2022 (\$1.3 billion). Strong growth was achieved in the loan book of each vertical over PCP. Automotive loans represented 58% of the loan portfolio, up from 37% on 30 September 2021.

Total loan originations were \$558 million, up 18% on PCP. Increasing yields on new loan originations during the period was prioritised over absolute loan origination volumes, consistent with statements made in Plenti's FY22 results presentation.

### Funding

Plenti benefits from maintaining diversified, resilient and low-cost sources of loan funding.

Warehouse facility headroom was ~\$340 million against the period end loan portfolio, taking into account post period capacity increases.

Plenti completed a \$437 million automotive loan asset-backed securities ABS transaction in June, bringing its total ABS issuance since August 2021 to over \$1 billion.

During the half Plenti renewed its focus on its unique retail investment platform, the Plenti Lending Platform. This has attracted over 26,000 investors and funded over \$1 billion in loans, provides meaningful funding cost benefits and is capital efficient.

## Strategy and objectives

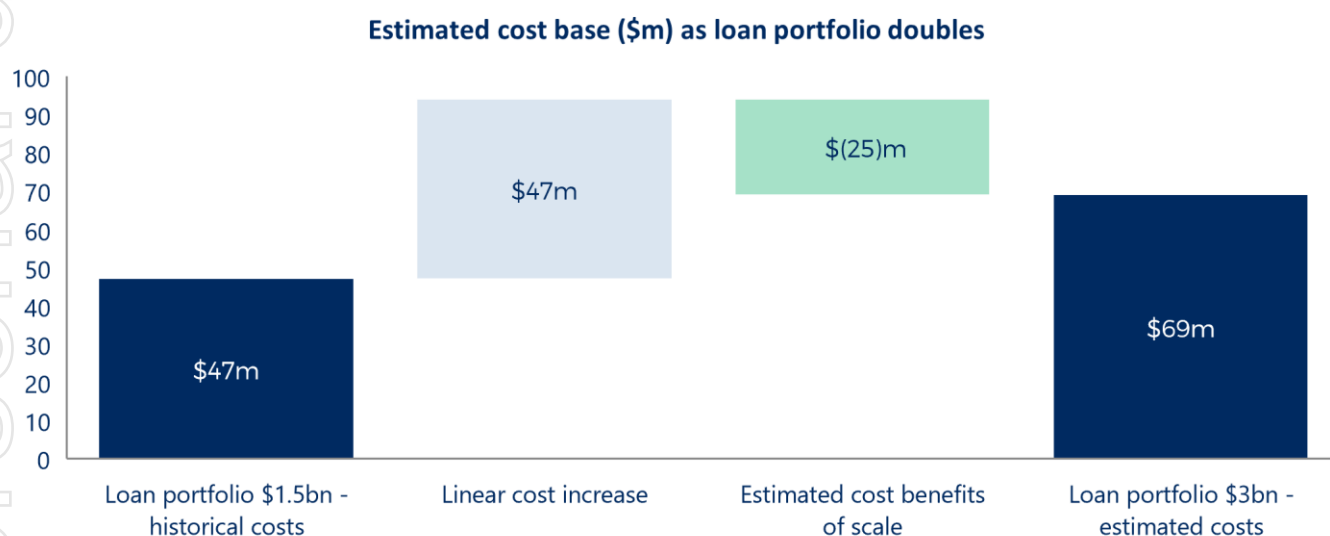
Plenti's strategy is to establish market leadership positions in each of its segments, extend its product and technology advantage and optimise its funding.

During 2H23, Plenti will remain focused on maximising the yield it achieves on new loan originations, while driving further operational efficiencies and Cash NPAT results. Plenti has set the following financial objectives for 2H23:

### 2H23 objectives

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%

As set out in its quarterly trading update on 26 October, Plenti's medium-term ambition is to achieve cost efficiencies of at least \$25 million when its loan portfolio doubles to reach \$3 billion. The chart below shows Plenti's actual cost base<sup>1</sup> for the 12 months prior to it achieving a \$1.5 billion loan portfolio, and its estimated cost base for the 12 months prior to reaching a loan portfolio of \$3 billion.



Plenti has continued to experience solid demand in 2H23 across each of its loan verticals. This has supported the loan portfolio growing to reach over \$1.6 billion at 15 November 2022.

## Investor webcast

An online investor presentation will be held at 9:30am AEDT / Sydney time on 16 November 2022. Investors can register for the online investor presentation through the following link:

[https://plenti-au.zoom.us/webinar/register/WN\\_j7i3f9V0Thy92z5WcBGSMQ](https://plenti-au.zoom.us/webinar/register/WN_j7i3f9V0Thy92z5WcBGSMQ)

<sup>1</sup> Cost base includes Sales & marketing, Product development and General & administrative expense as presented in Plenti's Statement of Profit or Loss on a statutory basis. This includes the value of share-based payments which are not included in the calculation of Cash NPAT.

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

**Jack Gordon**

Citadel Magnus  
jack.gordon@citadelmagnus.com  
0478 060 362

**About Plenti**

Plenti is a technology-led lending and investment business.

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](https://plenti.com.au/shareholders)