

29 August 2024

ASX Announcement

FY24 Financial Results

Strong loan book performance, profit, and positive growth outlook

MONEYME Limited (“MONEYME” or “Group”) is pleased to announce its results for the financial year ending 30 June 2024.

FY24 Financial Highlights¹

Returns

| Statutory NPAT | Gross revenue | Net interest margin | Cost to income ratio |
|--------------------|---------------------|---------------------|----------------------|
| \$23m | \$214m | 10% | 22% |
| ↑85% (\$12m, FY23) | ↓10% (\$239m, FY23) | ↓2% (12%, FY23) | - (22%, FY23) |

Book profile

| Closing loan book | Originations | Secured assets on book |
|----------------------|---------------------|------------------------|
| \$1.2bn | \$574m | 55% |
| ↑16% (\$1.1bn, FY23) | ↑23% (\$466m, FY23) | ↑11% (44%, FY23) |

Credit profile

| Average Equifax score | Net credit loss | Provisioning for credit loss |
|-----------------------|--------------------|------------------------------|
| 763 | 4.5% | 4.7% |
| ↑15% (727, FY23) | ↓1.3% (5.8%, FY23) | ↓1.9% (6.6%, FY23) |

Cash & Assets

| Unrestricted cash | Net assets |
|--------------------|---------------------|
| \$20m | \$190m |
| ↑23% (\$16m, FY23) | ↑14% (\$166m, FY23) |

¹ Refer to the Group's FY24 Investor Presentation, released on the same day as this release, for measure definitions and supporting analysis.

FY24 Operational Highlights

Loan book and originations growth

- Loan originations increased 23% to **\$574m** in FY24 (\$466m, FY23), illustrating a return to growth in 2H24 which is expected to continue in FY25.
- Loan book increased by 6% to **\$1.2bn** in FY24 (\$1.1bn, FY23), primarily reflecting an increase in secured car loan originations, with secured assets increasing to 55% of the loan book (44%, FY23).

Credit quality increased

- Improved credit profile with average Equifax score of **763** as at 30 June 2024 (727, 30 June 2023).
- Net credit losses reduced to **4.5%** (5.8%, FY23), a significant benefit from the shift to higher credit quality and secured assets.
- In line with the improved credit profile of the loan book and increased proportion of secured assets, loan provisions reduced to **4.7%** for FY24 (6.6%, FY23).
- Two Moody's credit rating upgrades of the Group's Personal Loan ABS transactions, reflecting the performance of the underlying assets.

Revenue and margins

- Achieved revenue of **\$214m** in FY24 (\$239m, FY23), reduced by 10% in line with a higher proportion of secured assets.
- Achieved a healthy net interest margin of **10%** for FY24 (12%, FY23), amidst a higher interest rate environment and the shift to secured assets.

Operational efficiencies

- Operating costs reduced by **7%** to \$48m (\$52m, FY23) while the loan book grew by 6%, reflecting increased operating leverage from our scale and technology advantages.
- The operating cost to income ratio remained broadly in line with FY23 at **22%** (22%, FY23).
- Autopay warehouse facility extended and doubled from \$375m to \$750m to facilitate future growth.
- Warehouse financing renewals executed, with Autopay, Horizon 2020 and SocietyOne warehouses extended as planned.
- Phased out new business for non-core products as part of the strategy to focus on car loans, personal loans and credit cards.

Technology-led innovation

- Expanded our product offer to include secured car loans up to \$150,000, enabling access to new distribution channels and high credit quality customers.
- Launched new mobile app with additional functionality, driving an uplift in user engagement.
- Developed internal application leveraging generative AI to enhance customer service interactions with automated responses, expected to launch in FY25.

Strong customer engagement

- Maintained above-benchmark customer satisfaction with Net Promoter Score of **69**.
- Saved our customers' time with **73%** of customer calls answered **within 10 seconds**.

B Corp Certified with strong sustainability performance

- Became a Certified B Corporation with a B Impact Assessment score of **91.2**, well above the minimum 80-point threshold for certification.

- Continued to attract and retain top talent with an overall employee engagement score of **81%**, above the 71% Australian benchmark.
- **>115,000** users have accessed financial wellness support via MONEYME's free Credit Score tool since its launch.

FY25 Strategy and Outlook

MONEYME's key strategies for FY25 include:

- **Extending technology leadership** through increased automation and AI to enhance customer experiences and drive greater operational efficiencies.
- **Focusing on high credit quality and secured assets**, leveraging our fast distribution, strong customer value proposition, and the growing demand for our Autopay product.
- **Expanding and optimising our funding program** to support capital-efficient growth, including additional ABS transactions.
- **Modelling strong ESG practices**, serving as a key differentiator for environmentally and socially conscious customers, investors, and partners.
- **Product innovation and expansion** through a new credit card product, expected to launch in FY25, and exploring direct-to-consumer distribution for Autopay.

Management anticipates continued loan book growth and profitable returns in FY25. With 77% of the loan book on a variable rate, Management expects to realise margin efficiencies as the RBA reduces the cash rate.

Clayton Howes, MONEYME's Managing Director and CEO said:

"We are very pleased with MONEYME's performance and results in FY24, ending the financial year with a larger and stronger loan book, maintained profits, increased operating leverage, and a positive outlook for FY25.

With a 23% increase in new loan originations, we marked our return to growth and expanded the loan book to \$1.2bn, while simultaneously building its credit profile. Secured assets now comprise 55% of the total loan book, while the average Equifax credit score sits at 763. Our shift to higher credit quality and secured assets achieved lower credit losses and, in turn, reduced our provisioning.

We delivered a statutory net profit after tax of \$23m, up from \$12m in FY23, reflecting scale and technology advantages, healthy revenue, higher credit performance, and a realised deferred tax asset.

Our relentless focus on innovation continues to drive operational efficiencies and strong customer satisfaction, while our B Corp Certification helps ensure we contribute to a more inclusive, equitable and sustainable society.

Looking ahead, we will continue to execute on our strategy, extending our technology advantage, prioritising higher credit quality and secured assets, expanding our funding program for capital-efficient growth, and deepening our ESG impact. With this, we are confident that we will deliver loan book growth and profitable returns in FY25."

Refer to the Group's FY24 Annual Report and the Investor Presentation for further information. MONEYME's 2024 Sustainability Report will be published to the ASX on Friday 30 August 2024.

Authorised by Jamie McPhee, Chair, and Clayton Howes, MD and CEO, on behalf of the Board.

Key operating measures

| | <u>FY22</u> | <u>FY23</u> | <u>FY24</u> |
|--------------------------------------|-------------|-------------|-------------|
| Returns | | | |
| Statutory NPAT | (\$50m) | \$12m | \$23m |
| Normalised NPAT ² | \$11m | \$26m | \$22m |
| Gross revenue | \$143m | \$239m | \$214m |
| Net interest margin | 12% | 12% | 10% |
| Operating cost to income ratio | 40% | 22% | 22% |
| Book profile | | | |
| Closing gross customer receivables | \$1.3bn | \$1.1bn | \$1.2bn |
| Originations | \$1.1bn | \$466m | \$574m |
| Secured assets in book | 38% | 44% | 55% |
| Average balance outstanding per loan | \$17,850 | \$17,103 | \$21,460 |
| Average remaining loan term | 51 months | 48 months | 49 months |
| Credit profile | | | |
| Average Equifax score | 704 | 727 | 763 |
| Net loss | 3.7% | 5.8% | 4.5% |
| Provisioning to receivables | 6.1% | 6.6% | 4.7% |
| Funding and liquidity | | | |
| Unrestricted cash | \$14m | \$16m | \$20m |
| Net assets | \$91m | \$166m | \$190m |

About MONEYME

MONEYME is a founder-led digital lender and Certified B Corporation™. We challenge the traditional ways of credit and simplify the borrowing experience with digital-first experiences that meet the needs of modern consumers.

We target customers with above average credit profiles through a range of fast, flexible, and competitively priced products, including car loans, personal loans, and credit cards. Our point of difference is delivering unrivalled customer experiences powered by smart technology. From near real-time credit decisioning to loans that settle in minutes, we deliver speed and efficiency in everything we do.

We service 'Generation Now', ambitious Australians who expect more from life and the companies they engage with. We uphold a strong ethos of sustainability and hold ourselves accountable to the high standards of the B Corp movement. MONEYME Limited is listed on the ASX, and the Group includes licensed and regulated credit and financial services providers operating in Australia.

For more information, visit investors.moneyyme.com.au or contact investors@moneyyme.com.au

For media, please contact media@moneyyme.com.au



² 'Normalised NPAT' is calculated by adjusting statutory profit for non-cash depreciation, ECL provision movements, and significant infrequent items. This provides a clearer understanding of MONEYME's underlying operating performance.