

AUTOMOTIVE ACQUISITION ACCELERATES GROWTH INTO NEAR PRIME MARKET SEGMENT



ASX RELEASE
3 DECEMBER 2020

Money3 Corporation Limited (ASX: MNY, "Money3" or the "Company") is pleased to announce it has entered into a binding agreement to acquire Automotive Financial Services Pty Ltd (AFS), a non-bank funder of consumer and commercial vehicles operating in the near-prime automotive segment.

Specialising in vehicle loans up to \$100,000 with competitive interest rates, AFS extends Money3's product offering along the credit quality curve. Following the significant announcement (refer 23 November) of Money3 securing a \$250m warehouse securitisation facility from a globally recognised A+ rated bank, AFS brings funding from a large Australian bank, further diversifying funding lines.

Highlights:

- **Strategic fit:** acquisition aligns with Money3's strategy of financing a broader market and extending Money3's product offering along the credit curve.
- **Acceleration into near prime market:** acquisition adds \$52.1m of gross loan book in the near-prime automotive market.
- **Strong loan book quality:** less than 1% of the loan book in 30+ days arrears.
- **Earnings accretive:** the acquisition is earnings accretive from transaction completion.
- **Funding diversification:** financed by a large Australian bank.
- **Streamlined business model and experienced team:** AFS has over 30 years history, a successful business model with an experienced management team, who are excited about the opportunity of being part of a ASX 300 company.

The Company will host a webinar on **Monday 7th December 2020 at 11:00 am AEDT** to discuss the significance of the acquisition of Automotive Financial Services hosted by Managing Director, Scott Baldwin and Chief Financial Officer, Siva Subramani.

Register for the investor webinar at the link below:

https://us02web.zoom.us/webinar/register/WN_fkKwYUVQTGSEMxLty4lQRg

Investors are invited to send questions prior to the webinar to simon@nwrcommunications.com.au

Money3's MD and CEO, Scott Baldwin, said: "AFS is a very good business with over 30 years of history of providing loans to consumers. It's product set complements Money3's existing products nicely and helps broaden the Group's addressable market.

"AFS has spent considerable time establishing a S&P rated loan book funded by a large Australian bank that will remain in place after acquisition. While the Company is able to bring funding to AFS to allow for expansion of the loan book, AFS will also benefit from being part of a bigger group with like minded individuals.

"I am delighted Brad and Brian are continuing with the Company and that they are excited about working toward Money3's medium term goal of 100,000 customers and a \$1B loan book."

AFS' Executive Director, Brad Dale, said: "We are extremely pleased to announce that AFS will be joining the Money 3 Group. We believe there is a good cultural fit and strong alignment in strategy. By leveraging off our respective strengths we plan to build a real force in the asset finance market and deliver superior growth for shareholders in the years ahead."

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Authorised for release by the Board of Money3 Corporation Ltd.

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ABOUT MONEY3 CORPORATION LIMITED (ASX: MNY)

Money3 is a specialist provider of consumer finance for the purchase or maintenance of a vehicle. Our business model and unique approach to customer care attracts creditworthy customers that are underserved by traditional lenders. Money3 has a fast growing and high-quality loan book with more than 50,000 active accounts.