

19 April 2021

ASX Announcement

Q3 FY21 TRADING UPDATE MONEyme ACCELERATES

MoneyMe Limited (ASX: MME) ("MoneyMe" or "Group") is pleased to provide a trading update to 31 March 2021.

MoneyMe outperforms originations run rate with \$108m originations, revenue of \$15m and exceeds \$230m in gross loan receivables with strong loan unit economics.¹

Highlights (Q3 FY21)

- **Record Originations & Gross Customer Receivables.**
 - Originations of \$108m, up 111% on pcp (\$51m, Q3 FY20).
 - Gross customer receivables of \$233m, up 63% on pcp (\$143m, Q3 FY20).
- **Record Revenue & Increasing Returns.**
 - Revenue of \$15m, up 22% on prior quarter (\$12m, Q2 FY21).
 - Revenue contracted for Q4 FY21 increased to \$19m².
 - Average customer receivables term increased to 35 months (32 months, Q2 FY21).
- **Increasing operating leverage and cost efficiencies.**
 - Funding costs reduced to 6% (9%, 1H FY21) as the Group continues to leverage its bank warehouse facility.
 - Core operating costs margin³ continues to reduce further to 9% (12%, 1H FY21).
- **Strong Credit & Book Quality.**
 - Average Equifax score of the book increased to 644 (638, Q2 FY21).
 - COVID-19 deferrals reduced even further to 0.1% of gross customer receivables (0.4%, Q2 FY21) and net charge-offs stable at 4% (4%, Q2 FY21).

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

"We are incredibly pleased to report the growth and momentum the business is achieving, with increasing revenues and another set of records in originations and customer receivables. Our business is accelerating with the credit quality of our customers increasing and it is fantastic to see the strong take-up of our recently launched products by our customers and merchants. Another great quarter for the business as it delivers on its strategy to build returns through innovation, scale and technology."

¹ Note all Q3 FY21 trading update measures are unaudited.

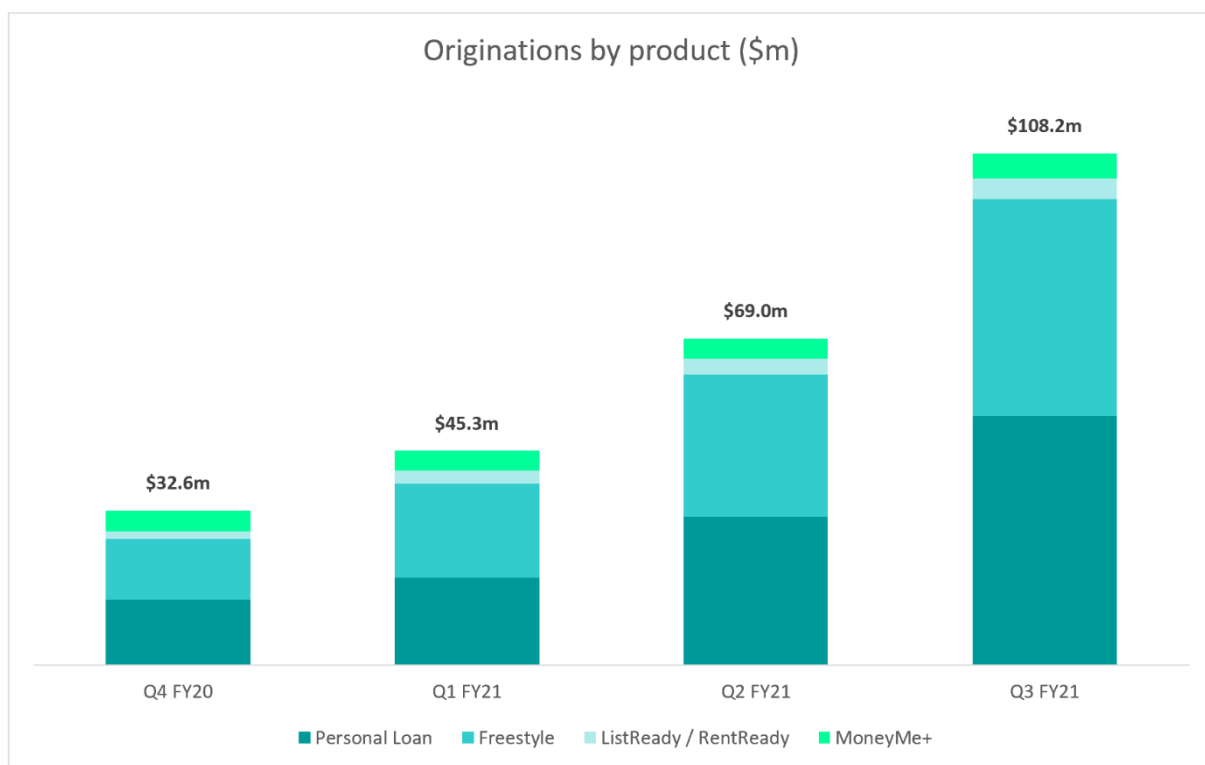
² Year To Date (YTD) FY21 Interest Income Margin % multiplied by YTD FY21 closing gross receivables.

³ Sales & marketing and general and administration expenses as % average gross customer receivables, annualised.

Record Originations & Gross Customer Receivables

Originations in Q3 FY21 of \$108m, (\$51m, Q3 FY20), reflects continued acceleration in originations growth of 57% on Q2 FY21, beating a previous record (\$69m). Gross customer receivables of \$233m, up 63% on pcp (\$143m, Q3 FY20) with growth from the existing Personal Loan and Freestyle products as well as the momentum from the more recently added MoneyMe+ and ListReady products.

The accelerated growth contrasts to relative flat growth within the consumer credit market⁴, reflecting the Group's ability to attract customers from incumbent consumer credit providers with its Generation Now suite of offers.



Record Revenue & Increasing Returns

Q3 FY21 revenue was \$15m (\$12m, Q2 FY21) with Q4 FY21 contracted revenue increasing to over \$19m⁵. Returns are robust with revenue yield at 29% (32%, 1H FY21) and the average receivable term increased to 35 months (32 months, Q2 FY21).

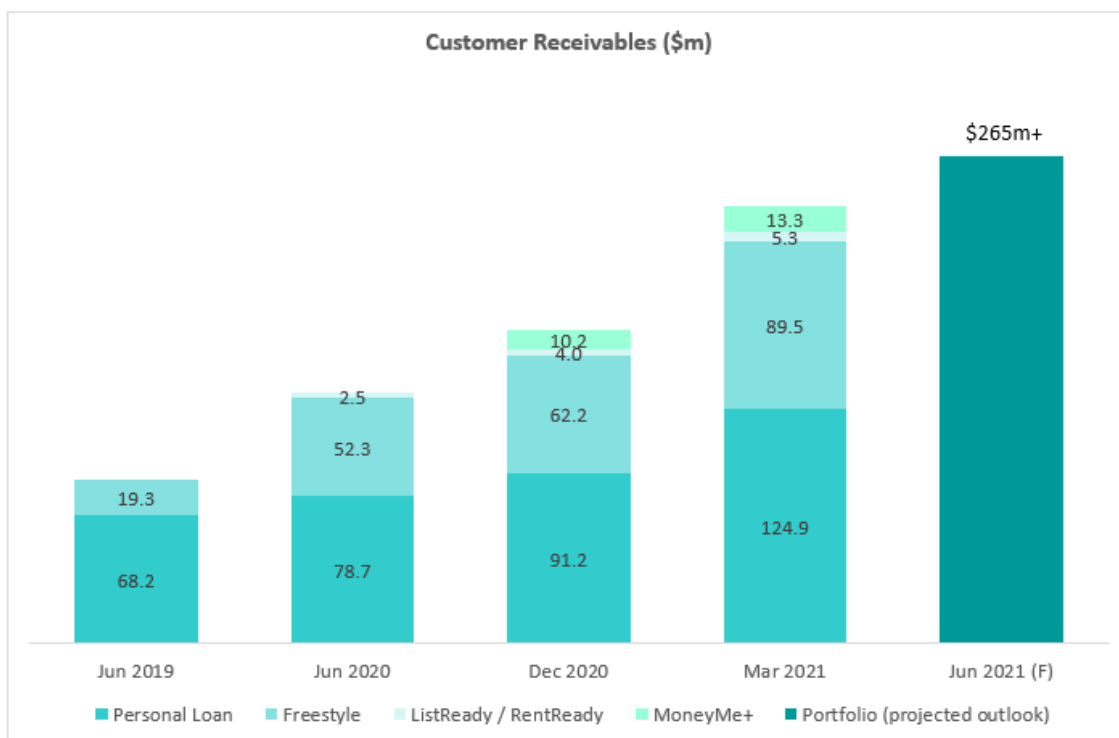
⁴ Calculated in reference to the ABS 5601.0 Lending Indicator Table 27 reporting dated 1 April 2021.

⁵ Year To Date (YTD) FY21 Interest Income Margin % multiplied by YTD FY21 closing gross receivables.

Increasing operating leverage and cost efficiencies

Funding costs to Q3 FY21 reduced to 6% (9%, 1H FY21) as the Group continues to leverage its bank warehouse facility. The Group is confident in its funding program to support the growth with an unrestricted cash balance of above \$11m at 13 April 2021. The Group achieved a further reduction in its core operating costs margin⁶ to 9% in Q3 FY21 (12%, 1H FY21).

FY21 Gross customer receivables are expected to exceed \$265m (\$133m FY20).



Strong Credit & Book Quality

The Group is continuing to deliver strong credit book quality with the average Equifax score increasing further to 644 in Q3 FY21 (638, Q2 FY21). COVID-19 hardship payment plan deferrals continue to be insignificant, reducing to 0.1% of gross receivables at Q3 FY21 (0.4% at 1H FY21). Q3 FY21 net charge-offs were stable at 4% (4%, Q2 FY21).

Authorised on behalf of the MoneyMe Board and Disclosure Committee by:

Clayton Howes
Managing Director & CEO

⁶ Sales & marketing and general and administration expenses as % average gross customer receivables, annualised.

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About MoneyMe

MoneyMe is a leading player in the digital credit business with technology (Horizon Technology Platform) and AI to deliver highly automated innovative products and customer experiences.

We originate through a diversified mix of credit products and distribution channels to create significant scale and long term customer advantages. Our personal loans, revolving credit accounts and at point of sale retail products are for credit approved customers who are seeking simplicity, fair pricing and flexibility.

Our technology platform enables applications to be completed and checked within minutes and funds to be disbursed, or credit limits to be available, to the customer shortly after approval.

MoneyMe is an ASX-listed, licensed and regulated credit provider operating in Australia.