

22 July 2021

# ASX Announcement

## MONEyme Q4 TRADING UPDATE RECORD ORIGINATIONS AND REVENUE GROWTH

### AUTOPAY ACCELERATES

MoneyMe Limited (ASX: MME) ("MoneyMe" or "Group") is pleased to provide a trading update to 30 June 2021.<sup>1</sup>

#### Highlights (Q4 and FY21)

- Q4 Originations of \$161m up 391% on PCP
- Autopay originations of \$12m in 12 weeks since launch and accelerating
- Q4 Revenue of \$19m up 73% on PCP
- Cost of Funds reduced by 55% from 11% in Q1FY21 to 5% in Q4FY21
- Core Operating Costs margin<sup>2</sup> reduced by 17% from 12% in FY20 to 10% in FY21

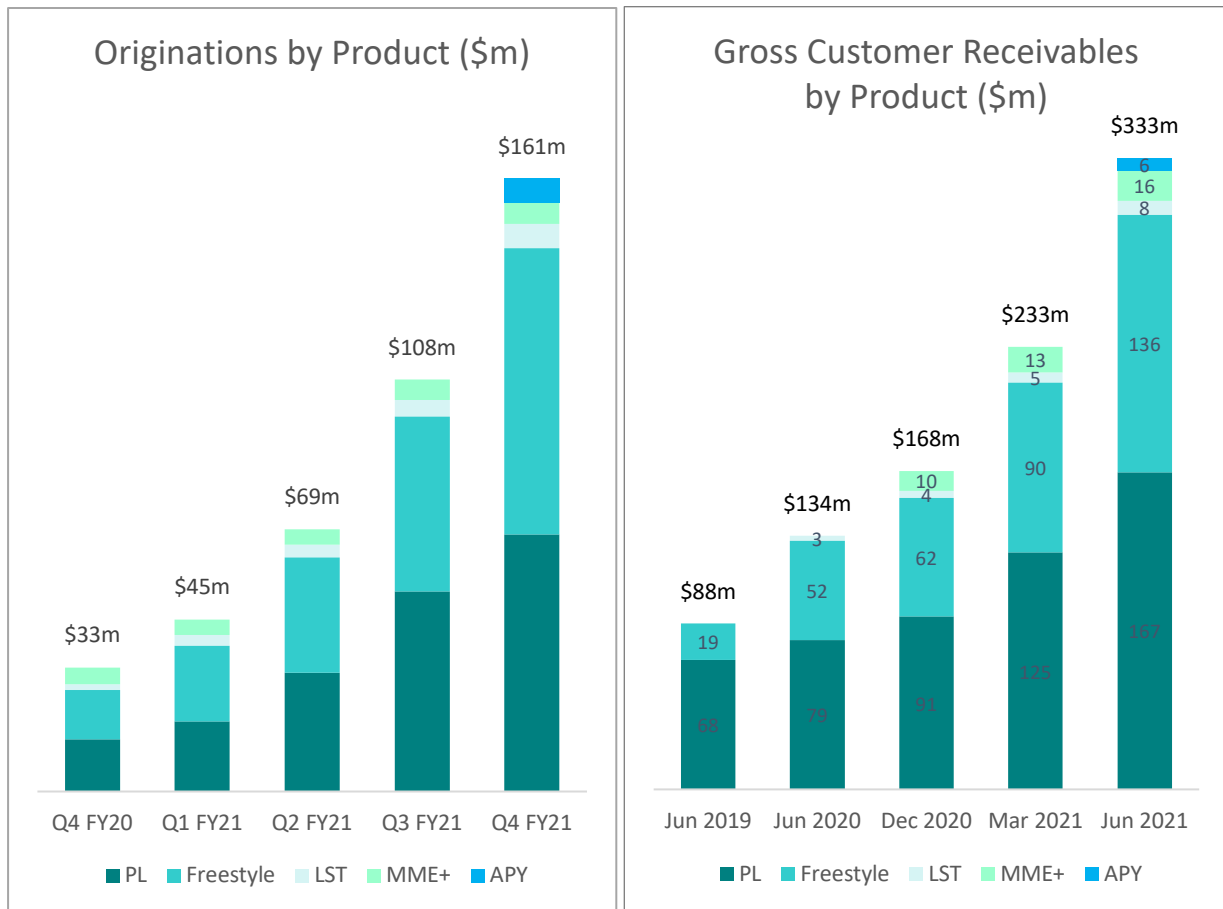
Clayton Howes, MoneyMe's Managing Director and CEO said:

*"We are extremely pleased to report incredible growth and momentum in MoneyMe. The record revenue, originations and customer receivables demonstrate our business is accelerating. At the same time credit quality is increasing and we're seeing strong take-up from customers across diversified products and distribution channels. This quarter's results include significant momentum in our first secured product, Autopay, the breakthrough innovation in car lending with dealerships signing up to the new platform and a faster than expected take-up from car purchasers."*

- **Record Originations & Gross Customer Receivables**
  - Originations of \$161m for Q4FY21, up 391% on pcp (\$33m, Q4FY20), and up 49% on prior quarter (\$108m, Q3FY21)
  - Originations of \$384m for FY21, up 115% on pcp (\$179m, FY20)
  - Autopay originations of \$12m in 12 weeks since launch (\$6.2m, Q4FY21)
  - Gross customer receivables of \$333m, up 149% on pcp (\$134m, Q4FY20), and up 43% on prior quarter (\$233m, Q3FY21)

<sup>1</sup> Q4 FY21 trading update measures are unaudited preliminary management results.

<sup>2</sup> Sales & marketing and general and administration expenses as % average gross customer receivables.



Originations (a leading indicator of future revenue) of \$161m in Q4FY21 represent an increase of 391% on the prior comparable period (\$33m, Q4FY20) and are 49% higher than the previous (Q3FY21) quarter record of \$108m.

Full year (FY21) originations of \$384m are up 115% on the prior year (\$179m, FY20), reflecting growth that continues to accelerate across MoneyMe's product suite.

Strong originations were predominantly achieved through Personal Loan and Freestyle products, and through direct-to customer-channels. The recently launched Autopay innovation, while only contributing \$6.2m to the \$161m, is expected to grow substantially.

Gross customer receivables of \$333m at the end of FY21 beat expectations, and were 149% above the prior comparable period (\$134m, FY20). The Group's high growth in gross customer receivables is a reflection of the diversified product strategy being successfully implemented. The Group expects the average loan value of a customer will increase further.

### • **Record Revenue & Increasing Returns**

- Revenue of \$19m in Q4FY21, up 73% on pcp (\$11m, Q4FY20), and up 27% on prior quarter (\$15m, Q3FY20)
- Revenue of \$58m for FY21, up 21% on pcp (\$48m, FY20)
- Q4FY21 average customer receivables term increased to 38 months (35 months, Q3FY21)

Revenue increased to \$19m for Q4FY21, up 73% on the prior comparable period (\$11m, Q4 FY20), higher than Q3FY21 revenue by 27% (\$15m, Q3FY21).

Full year revenue of \$58m for FY21 is up 21% on the prior year (\$48m, FY20).

Returns are strong with the average receivable term increasing to 38 months (35 months, Q3FY21) and the average receivable size increasing to \$10,200 (\$8,750, Q3FY21), increasing the average contract life-time value. The Group expects revenue from Q4 to continue to grow in FY22.

### • **Increasing operating leverage and cost efficiencies**

- Cost of funds reduced by 55%, from the beginning of FY21 to the last quarter as the Group continues to leverage its major bank warehouse facility
- Core operating costs margin<sup>3</sup> reduced by 17%, from 12% in FY20 to 10% in FY21

The Group is building scale with operating leverage expanding to deliver strong business economics. The cost of funds reduced by 55%, down from 11% at the beginning of FY21 to 5% at the end of FY21 as the Group continues to leverage its major bank warehouse facility. The recent increase in the capacity of the Group's Major Bank funding warehouse by \$108m will further support high gross customer receivable growth and will further improve the Group's cost of funds.

With the Group increasing scale, the core operating costs margin<sup>4</sup> reduced by 17%, from 12% in FY20 to 10% in FY21.

### • **Strong Credit & Book Quality**

- Average Equifax score of the book increased to 650 for Q4FY21 (644, Q3FY21)
- COVID-19 deferrals steady at 0.1% of gross customer receivables (0.1%, Q3 FY21) and net charge-offs reduced from 7% in FY20 to 5% in FY21

Credit and book quality metrics continue to perform strongly with the Group increasing its average Equifax score to 650 in Q4FY21 (644 Q3FY21) with net charge-offs reduced from 7% in FY20 to 5% in FY21. COVID-19 deferrals remained low at 0.1% of gross customer receivables (0.1%, Q3FY21).

<sup>3</sup> Sales & marketing and general and administration expenses as % average gross customer receivables.

<sup>4</sup> Sales & marketing and general and administration expenses as % average gross customer receivables.

The business continues to be well placed through it's diversified customer receivables and calibrated underwriting in the continuing Covid-19 environment.

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

Clayton Howes  
Managing Director & CEO

ENDS

For further information please contact:

Managing Director and CEO  
Clayton Howes  
[clayton@moneyme.com.au](mailto:clayton@moneyme.com.au)

Chief Financial Officer  
Neal Hawkins  
[neal@moneyme.com.au](mailto:neal@moneyme.com.au)

Company Secretary  
Jonathan Swain  
[companysecretary@moneyme.com.au](mailto:companysecretary@moneyme.com.au)

For general investor enquiries, please email [investors@moneyme.com.au](mailto:investors@moneyme.com.au)

#### **About MoneyMe**

MoneyMe is a leader in innovation with its own technology (Horizon Technology Platform) and AI to deliver highly automated innovative credit products and customer experiences.

MoneyMe originates through a diversified mix of credit products and distribution channels to create significant scale and long-term customer advantages. Our automotive finance, personal loans, revolving line of credit and at point-of-sale instalment 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, security to be established, 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.