

2021 Annual General Meeting

18 NOVEMBER 2021



Authorised for release by Belinda Hannover, Company Secretary
humm group limited
ACN 122 574 583
Level 1, 121 Harrington St, The Rocks, Sydney NSW 2000

CHAIRMAN'S ADDRESS **ANDREW ABERCROMBIE**



CEO'S ADDRESS REBECCA JAMES

| COMMITMENT TO SHAREHOLDERS

- 01 | Committed to growing shareholder value
- 02 | Will balance returns and investment for growth
- 03 | Investment to be measured against key performance hurdles

| OUR ACHIEVEMENTS

1. Proven ability to scale

- Strongly grown the BNPL business – hitting over \$1b in volume in FY21
- Strongly grown the Commercial business – on a pathway to \$1b in volume over the medium-term
- Almost doubled total hummmgroup customers from 1.4m as at June 2018 to 2.7m in June 2021
- More than doubled our BNPL merchants from 9.5k as at June 2018 to 20.8k in June 2021

2. Proven ability to deliver technology transformation

- Swiftest credit decision in market: 3 minutes to apply for up to \$30k
- Fully digitised customer experience: 4.8 app rating
- New BNPL stack for UK and Canada to be replatformed for AU
- Continual roll-out of new features to drive engagement and transaction frequency to 19x per year across Australian consumer products in FY21

3. Continued efficiency gains

- Remain committed to target sub 40% CTI
- Employees down from ~1,100 in December 2018 to ~700 in June 2021
- Operating expenses excluding marketing and depreciation reduced from \$150.8m in FY19 to \$134.0m in FY21¹
- Advanced on decommissioning legacy products and technology

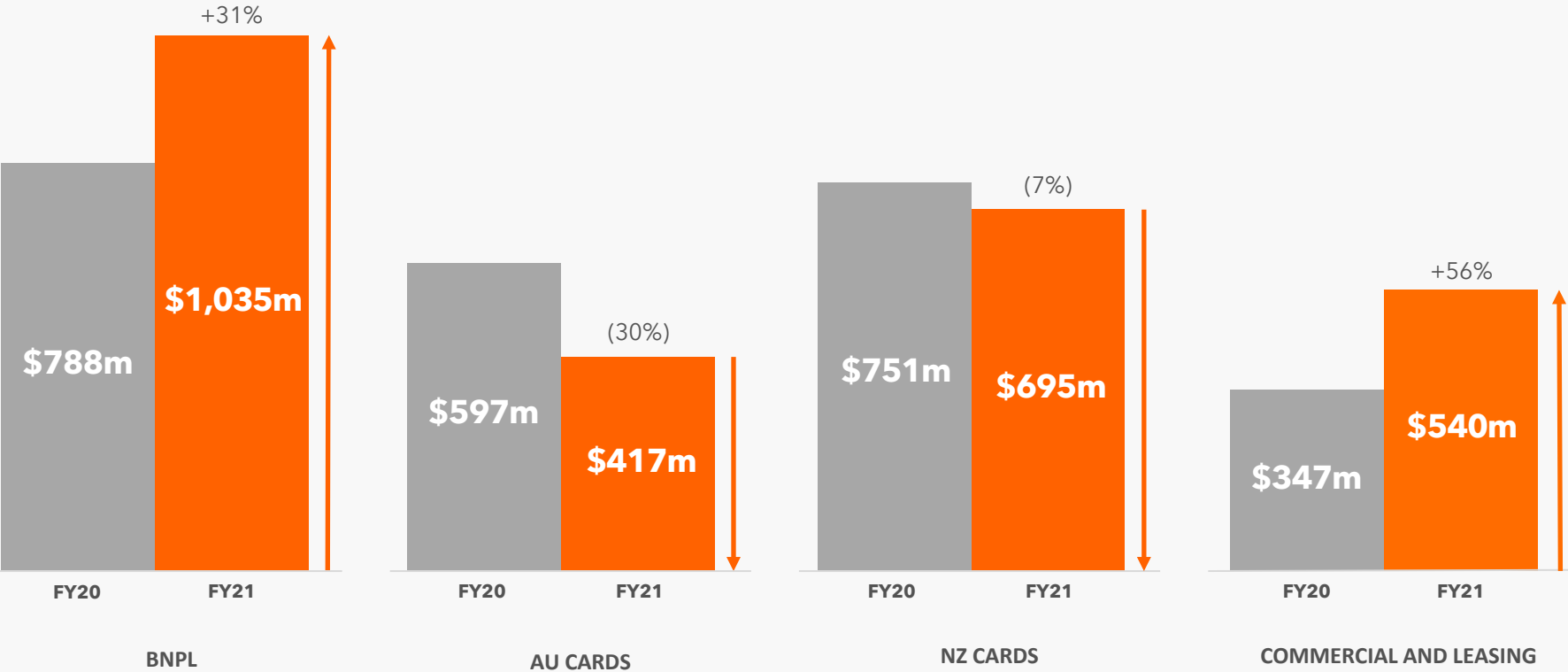
4. 15-year proven record in capital markets

- Securitised over \$5b in receivables through public markets
- Decisioned and financed almost \$20b in purchases
- Improved capital efficiency by 210 basis points between FY18 (16.0%) and FY21 (13.9%)²
- Reduced corporate gearing from 36% in June 2018 to nil in June 2021

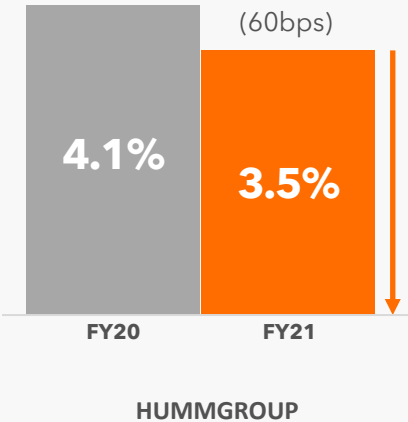
1. On a Cash NPAT basis. 2. Average direct capital employed / average net receivables.

hummg[®]group | FY21 PERFORMANCE

VOLUME

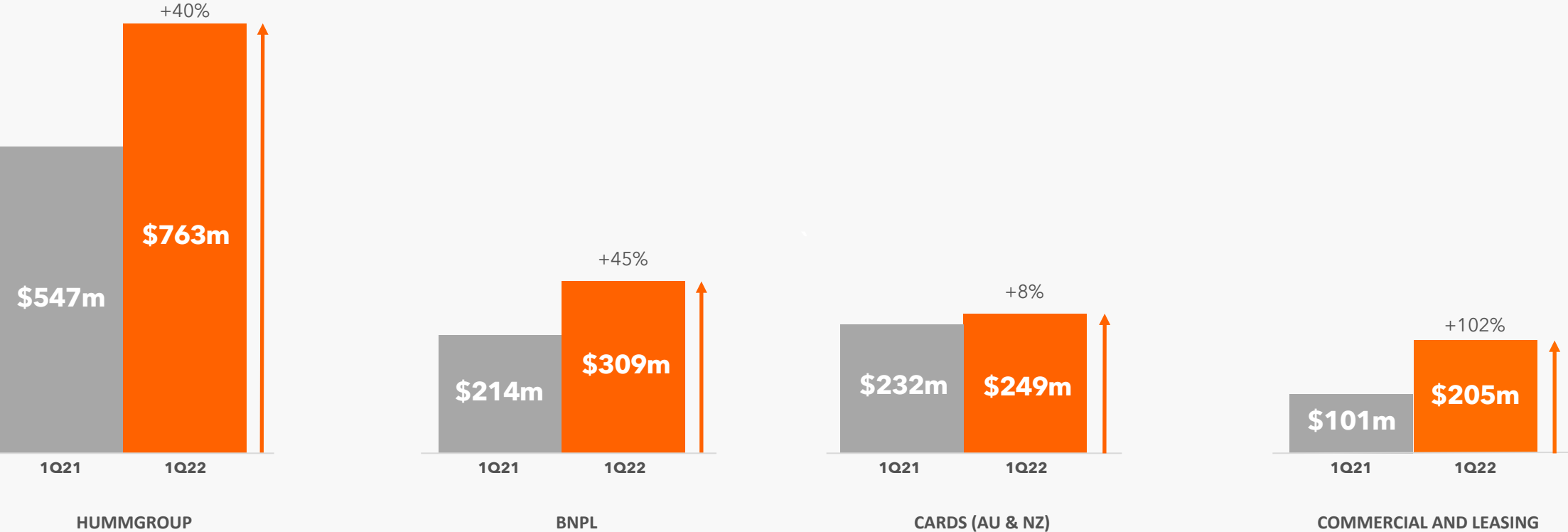


NET LOSS / ANR



hummg[®]group | 1Q22 PERFORMANCE

VOLUME



| STRATEGY FOR GROWTH

1 Expanding the reach of instalment payments

New merchants and platforms
in current markets

2 Driving customer engagement

Driving customer
engagement and
transaction frequency

3 New audiences New products New partnerships

Finding new
audiences through
partnerships for our
innovative products

4 International expansion

Expansion into
new markets

hummgroup | CLEAR PARTNER OF CHOICE

THE BNPL/CREDIT PARTNER OF CHOICE FOR BLUE CHIP COMPANIES

RELIABLE



INNOVATIVE



RESPONSIVE



TRUSTED

We deliver

We lead in
product
development

We don't have
fintech arrogance

Blue chips
attracted to our
inherently strong
and profitable
business model

ANNOUNCING TODAY

A 10-YEAR PARTNERSHIP BETWEEN

AIR NEW ZEALAND 

&



hummg[®]group | AIR NEW ZEALAND PARTNERSHIP ANNOUNCEMENT

AIR NEW ZEALAND 

airpoints[™]

AIR NEW ZEALAND, POWERED BY HUMMGROUP







- 10-year partnership with Air New Zealand announced today to offer financial services products to 2.6 million Airpoints members in New Zealand
- First product to launch in 2022

hummg[®]group | PARTNERSHIP RATIONALE

FOR HUMMGROUP

- 01 | **CAPITAL LIGHT**
Capital light model
- 02 | **LOW CUSTOMER ACQUISITION COSTS/FAST SCALING**
Access to high quality pre-qualified customers at a low cost
- 03 | **DEMAND FOR OUR TECHNOLOGY**
Unsolicited enquiries from more than 20 local and global banks, loyalty programs and retailers. Active discussions are ongoing

FOR ENTERPRISES

BANKS	LOYALTY PROGRAMS	RETAILERS	SCHEMES
	 AIR NEW ZEALAND 	 	 mastercard
Banks partnering with BNPL to attract Millennials and Gen Z	Loyalty programs partnering to drive engagement	Merchants looking to BNPL to drive sales	Partnering with BNPL in changing payments landscape

hummm® | TOTAL ADDRESSABLE MARKET

Total addressable retail market (A\$1.9t)



\$77b



\$91b



\$349b



\$613b



\$778b

'Big things' total addressable market (A\$500b+)²



\$69b



\$74b



\$59b



\$2b



\$2b

Home & Home Improvement

\$13b

\$63b

\$55b

\$5b

\$5b

Health

\$12b

\$51b

\$11b

\$7b

\$3b

Automotive

\$4b

\$7b

\$2b

\$1b

\$1b

Luxury

\$8b

\$55b¹

\$38b

\$2b

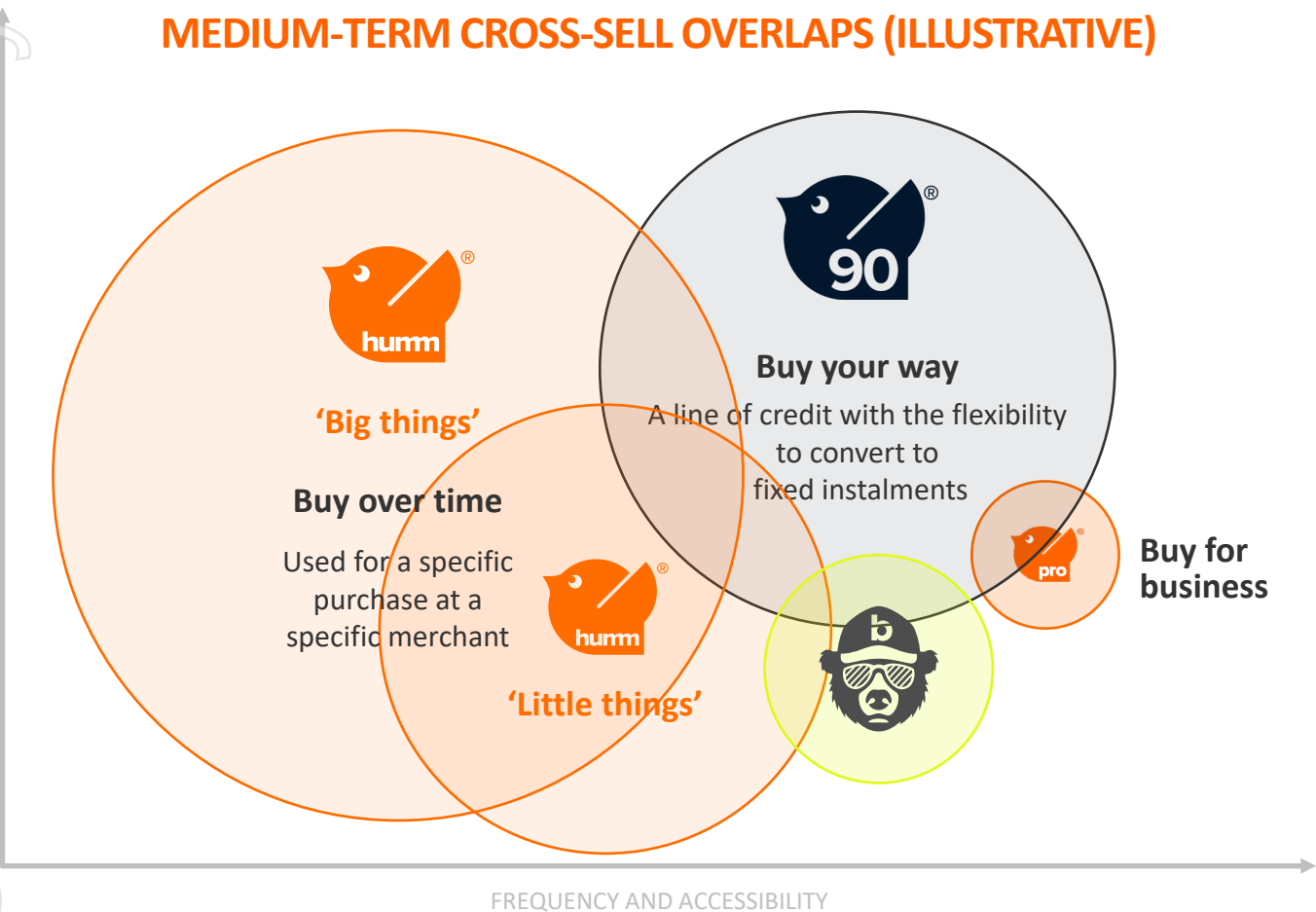
\$1b

Personal loans

1. Total personal loan balance. 2. Figures based on a range of sources and management estimates.

hummm[®]group | CROSS-SELL/CUSTOMER ACQUISITION STRATEGY

MEDIUM-TERM CROSS-SELL OVERLAPS (ILLUSTRATIVE)



FY21

CURRENT CROSS-SELL

18% overlap between hummm ('Big things' and 'Little things')

25% of bundll customers have hummm

3% overlap between Cards and hummm



MEDIUM-TERM TARGETS EXPECTED ECO-SYSTEM CROSS-SELL

30%+ overlap between hummm ('Big things' and 'Little things')

35%+ of bundll customers have hummm

15%+ overlap between Cards and hummm

Cross sell rates represents Australian consumer products only.

hummg[®]group | GROWTH TARGETS



FY21

\$2.7b

Volume

\$443.9m

Gross income

\$2.6b

Average net
receivables

\$68.4m

CNPAT

54.6%

Cost to income

MEDIUM-TERM¹ TARGETS

\$>2x FY21

Volume

\$~2x FY21

Gross income

\$~2x FY21

Average net
receivables

\$100m+²

CNPAT

Sub 40%

Cost to income



1. Medium-term refers to a timeframe of between 3-4 years. 2. Includes impairment provision with current coverage ~3%.

| INVESTMENT CHECKLIST

Strong and sustainable unit economics

A profitable business that can self-fund growth

Diversified business model

Portfolio of successful growth and seasoned products

Partnership strategy

Partner of choice for blue chip companies

Experienced management team

Leading experience across finance, payments and marketing

Reducing capital intensity

Strong access to capital markets and competitive funding

Focus on shareholder value

Regular cash returns combined with focus on earnings growth



CEO'S ADDRESS IN CLOSING

| ITEMS OF BUSINESS

- 01** | Consideration of the Financial Report, Directors' Report and Auditor's Report of the Company for the financial year ended 30 June 2021
- 02** | Adoption of the 2021 Remuneration Report
- 03** | Election of Alistair Muir as a Director
- 04** | Re-election of Andrew Abercrombie as a Director
- 05** | Re-election of Carole Campbell as a Director

Item 1.

Financial Report, Directors' Report and Auditor's Report



To receive and consider the Financial Report, Directors' Report and Auditor's Report of the Company for the financial year ended 30 June 2021.

Item 2.

Remuneration Report

To consider and, if thought fit, to pass the following resolution:

“

That the Remuneration Report (which forms part of the Directors' Report) for the financial year ended 30 June 2021 be adopted.

Item 2.

Remuneration Report: Proxy numbers

For	—	113,685,565	96.65%
Against	—	2,767,109	2.35%
Open (at Chair's discretion)	—	1,168,532	0.99%
Abstain	—	435,980	—

Item 3.

Election of Director

To consider and, if thought fit, to pass the following resolution:

“

That Alistair Muir be elected as a Director of **hummm**group.



Item 3.

Election of Director: Proxy numbers

For	—	215,653,947	99.12%
Against	—	624,712	0.29%
Open (at Chair's discretion)	—	1,300,715	0.60%
Abstain	—	598,601	—

Item 4.

Re-election of Director

To consider and, if thought fit, to pass the following resolution:



“

That Andrew Abercrombie be re-elected as a Director of **hummg**roup.

Item 4.

Re-election of Director: Proxy numbers

For	—	215,122,334	98.81%
Against	—	1,425,498	0.65%
Open (at Chair's discretion)	—	1,162,715	0.53%
Abstain	—	467,428	—

Item 5.

Re-election of Director

To consider and, if thought fit, to pass the following resolution:



“

That Carole Campbell be re-elected as a Director of **hummg**roup.

Item 5.

Re-election of Director: Proxy numbers

For	—	215,604,326	99.06%
Against	—	784,016	0.36%
Open (at Chair's discretion)	—	1,258,215	0.58%
Abstain	—	531,418	—



QUESTIONS

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