

A year of strong execution

Plenti Group Limited (**Plenti**) is pleased to provide its full year results for the year ended 31 March 2024 (**FY24**).

Financial highlights

- Closing loan portfolio of \$2.1 billion, up 21% on PCP
- Loan originations of \$1.2 billion, up 6% on PCP
- Revenue of \$211 million, up 47% on PCP
- Robust credit performance, with a 1.06% net loss rate
- Cash NPAT of \$6.1 million, up 36% on PCP

Operational highlights

- Materially reduced cost-to-income ratio to 26.5% from 34.2% in PCP, evidencing operating leverage inherent in Plenti's technology-led business model
- Enhanced operating efficiency by removing all off-shore operational support in final quarter, with technology largely replacing previously off-shored activities
- Completed two ABS transactions, bringing total ABS issuance to over \$2.1 billion
- Delivered significant enhancements to proprietary technology platform, and built a new customer journey and integration with NAB systems to support 'NAB powered by Plenti' car loan

Strategic highlights

- Entered strategic partnership with NAB through which Plenti will provide 'NAB powered by Plenti' and Plenti own-branded finance solutions to NAB's large personal banking customer base
- Plenti and NAB entered an equity investment agreement, which provides for NAB to acquire or subscribe for up to 15% of Plenti's share capital, on achievement of milestones
- Demonstrated value of retail investor platform by continuing to provide eligible investors with a higher investment return option via the 'Notes Market', while further diversifying Plenti's funding sources and releasing corporate capital

Daniel Foggo, Plenti's CEO and founder, said:

"Plenti's FY24 was defined by the strategic partnership we entered into with NAB, given the work that has gone into bringing the first product to life, and the growth opportunity it represents.

Additionally, growing Cash NPAT to \$6.1 million in a year with headwinds across funding costs and industry credit losses is testament to the strength of our technology-led business model and the talents of our team.

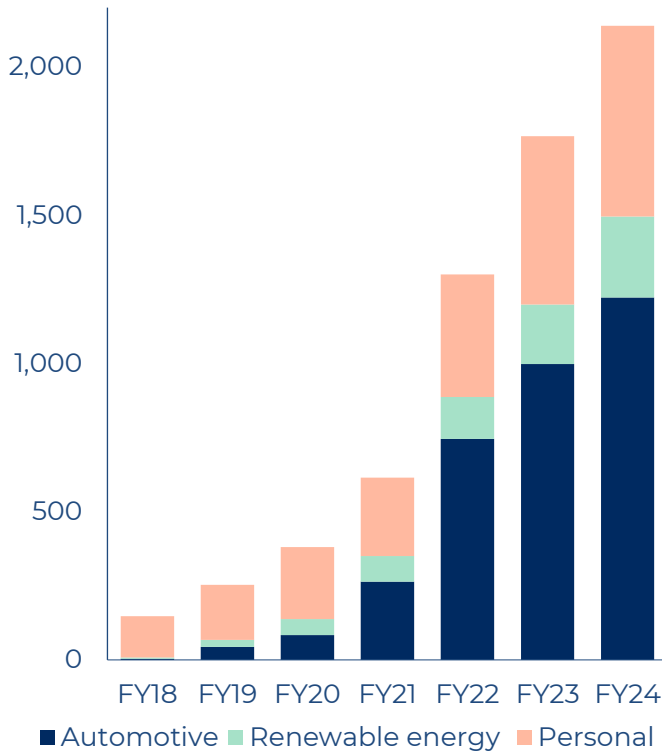
We leveraged our diverse product set and capabilities across technology, customer reach, funding and credit to deliver another differentiated performance.

We enter our new financial year excited about continuing to build market share in each of our core lending verticals, while executing on the significant growth opportunity that our strategic partnership with NAB represents.”

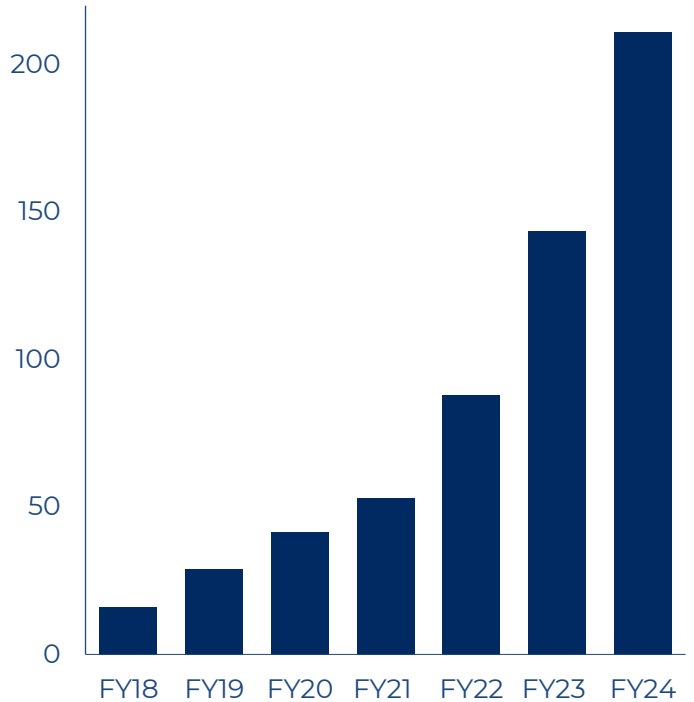
Loan portfolio and revenue growth

Plenti’s diversified loan portfolio increased to \$2.1 billion at 31 March 2024, up 21% from the prior comparable period (PCP). The strongest growth was achieved in Plenti’s renewable energy loan book, up 36% on PCP, in part reflecting the positive impact of Plenti’s unique GreenConnect platform.

Loan portfolio (\$m)



Revenue (\$m)



The growth in Plenti’s loan portfolio, combined with higher borrower interest rates, drove revenue to \$211 million, up 47% on PCP. Revenue in 4Q24 was \$59.8 million, representing ~\$240 million on an annualised basis.

Loan originations by lending vertical

Total loan originations were \$1.2 billion, up 6% on PCP. Plenti prioritised optimisation of loan margins and credit appetite over loan origination levels during the period, whilst continuing to grow its loan portfolio.

Automotive loan originations were \$624 million, up 9% on PCP, supported by 50% growth in lending to commercial customers. Renewable energy loan originations were \$160 million, up 31% on PCP, driven by the continued adoption of Plenti’s GreenConnect platform, which is helping to accelerate uptake of household battery systems. Personal loan originations were \$418 million, down 5% on PCP, reflecting some tightening of Plenti’s credit appetite through the year.

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Technology enhancements

Plenti delivered significant advancements in its technology platform during the year, including improvements to customer experiences, credit decisioning and pricing, partner integrations and operational efficiency.

Significant technology resources were applied to building the customer journey, integration and processes required to deliver a leading 'NAB powered by Plenti' car loan. Plenti also made material investments in further advancing its data security systems and processes to align with those required for a partnership with a major bank.

Consistent with prior periods, all investment in product and technology, which amounted to \$12.6 million in the year, was expensed through the profit and loss statement, rather than capitalised on the balance sheet.

Credit performance

Plenti delivered another year of strong credit performance, reflecting the prime nature of its loan portfolio. The net credit loss rate for the full year was 1.06%, up from 0.68% in the PCP, with the increase reflecting the seasoning of the loan portfolio and generally higher credit losses across lending markets post historic lows induced during the COVID period. Plenti completed its second sale of previously written-off loan receivables, which helped support loan recoveries in the period.

90+ day arrears were 0.58% at the end of the period, which represents a low level relative to market competitors, although higher than 0.42% at the end of the PCP, again reflecting the seasoning of the loan portfolio, generally higher levels of arrears across loan markets and payments at period-end being impacted by the timing of the Easter holiday period.

Lower-risk secured automotive loans and renewable energy loans together represented ~70% of the loan portfolio at the end of the period, up from 68% in PCP.

Margins, costs and profitability

Optimising across loan origination levels, loan profitability and credit appetite was a key focus during the year, given the sustained volatility in the interest rate environment and funding costs. Plenti's net interest margin for FY24 was 5.2%, consistent with the net interest margin in FY23. Margins were also broadly stable between the first and second half.

Plenti continued to demonstrate the operational leverage inherent in its technology-led business model, materially reducing its cost-to-income ratio to 26.5% from 34.2% in the PCP.

The improvement in the cost-to-income ratio was supported by increased levels of automation across business activities. Increased automation supported the removal of off-shore support operations which had reached over 40 personnel, with all previously off-shored activities now either automated or brought on-shore to support improved customer experiences.

Cash NPAT profit for FY24 of \$6.1 million represented an increase of 36% on PCP. The improvement in profitability was driven by 28% growth in the average loan portfolio and

operating leverage (operating costs increased 14% on PCP), offsetting the increase in realised credit losses.

Financial position and funding

Plenti completed two ABS transactions during the year. The first was a \$406 million automotive ABS transaction completed in June 2023, and the second was a \$375 million personal and renewable energy loan transaction completed in February 2024, which was notable for \$109m of the notes being green-certified under the Climate Bonds Standard. Plenti continued to broaden its domestic and international ABS investor base through these transactions, helped by it now being a regular issuer of ABS, with over \$2.1 billion of issuance since August 2021.

Plenti funded its operations from business cashflows during the period. The equity requirement for funding the \$372 million increase in the loan portfolio was broadly offset by the release of capital from existing funding structures.

The Notes Market, an investment option on Plenti's retail investor platform, continued to be utilised to provide eligible investors with a higher investment return option, whilst further diversifying Plenti's ABS funding and releasing corporate capital

Plenti extended the term of its corporate debt facility to support ongoing business growth. The facility limit is linked to the size of Plenti's securitised loan portfolio, providing an ability to access more capital with loan portfolio growth. A further \$5.0 million was drawn under the facility during the year, bringing the total drawn amount to \$27.5 million, which was below the year-end available capacity.

Corporate cash at 30 September 2023 was \$44.8 million or \$20.8 million excluding customer collections account cash. This was up from \$27.8 million (\$17.8 million underlying) at 31 March 2023.

Strategic partnership with NAB

Plenti announced in November 2023 that it entered into a strategic partnership with NAB under which Plenti will provide 'NAB powered by Plenti' and Plenti own-branded finance solutions to NAB's large personal banking customer base. Plenti and NAB concurrently entered an equity investment agreement, which provides for NAB to acquire or subscribe for up to 15% of Plenti's share capital¹, based on the achievement of certain product milestones.

The first product under the strategic partnership, a 'NAB powered by Plenti' car and EV loan, is expected to be launched by the end of the current quarter (i.e. by the end of June 2024).

¹ 15% based on Plenti's shares on issue as at 27 November 2023, where right is to acquire up to 5% via on-market purchases and up to 19,128,907 shares via two placements as described in release dated 28 November 2023

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Objectives

Plenti's objectives for the year to 31 March 2025 are set out below:

Priority	FY25 objective
Growth	- Drive growth in loan originations and loan portfolio
Profitability	- Deliver full year Cash NPAT growth, skewed towards 2H25
Efficiency	- Reduce cost-to-income ratio to <24% - Remain on target to deliver \$25m in efficiencies as loan portfolio scales from \$1.5 billion towards \$3 billion

Additionally, Plenti is prioritising a successful roll-out of the 'NAB powered by Plenti' car loan, and then the launch of its renewable finance offering to NAB's large customer base.

Investor webcast

An online investor presentation will be held at 9.00am AEST / Sydney time on 22 May 2024. Investors can register for the online investor presentation through the following link:

https://plenti-au.zoom.us/webinar/register/WN_i109Bii0R7OXo37fobjVaA

This release was approved by the Plenti Board of Directors. For more information please contact:

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About Plenti

Plenti is a fintech lender. We provide faster, fairer loans by leveraging our smart technology.

We offer award-winning automotive, renewable energy and personal loans, delivered by our proprietary technology, to help creditworthy borrowers bring their big ideas to life.

Since our establishment in 2014, our loan originations have grown consistently, supported by diversified loan products, distribution channels and funding, and underpinned by our exceptional credit performance and continual innovation.

For more information visit plenti.com.au/shareholders.