



Investor Presentation Results – 1H FY22

15 February 2022

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& CEO

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ASX: MNY



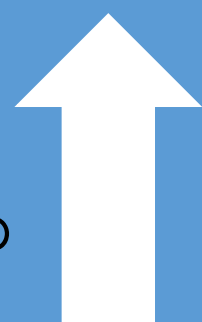
Highlights – 1H FY22

New loan originations

(cash advanced)

56.3%

increase on pcp
to \$236.2m



Revenue increased

34.5%

to \$91.3m
on pcp



NPAT increased

29.6%

to \$25.8m
on pcp



EBITDA

increased

***27.1%**

to \$48.8m
on pcp



Loan book

increased

45.7%

to **\$690.8m** on
pcp, 15.1% increase
since June 30



Cash collected

increased

33.8%

to \$220.9m
on pcp



Annualised net bad debts of 3.9% of
gross loan book

Momentum on track to exceed
\$1 Billion of loan book in 2023

1H FY22 declared fully franked **dividend
of 6 cents** payable on 29 April 2022

Loan Book leverage at ~50% (net)

Net Promotor Score

77*

Available funding to support loan book
growth to ~\$950.0 million

*EBITDA normalised for wage subsidy in 1HFY21

* Average of GCF and Money3 Business unit taken at settlement

About the Group



Market leading customer care

In house market leading collections teams sit at the heart of the business – Driving flexible payment solutions for customers



New loan originations

Group now funding approximately \$40.0 million per month



Ubiquitous customer journey

From introducer to loan settlement – a unique customer approach facilitates 1 in 3 customers returning for a second / third + loan to Money3



Strong Proprietary technology

Allowing for seamless integration with introduction partners and providing for ease of customer access



AU & NZ Market

Large addressable Consumer and Commercial market across Australia and New Zealand of \$33.0 Billion



Customer focused

Customer focused, Consumer & Commercial finance company



Group Business Units



Non-conforming loans Australia

- Over 20 years of trading history
- Originated over \$2.0 Billion of loans
- Strong in-house Customer Care team of collection professionals
- Growing market opportunity with approx. 20.0 million¹ vehicles in Australia increasing approx. 2% annually
- Annual target market opportunity – >\$14.0 billion² of new and used vehicles
- Growing personal loan market
- Used asset pricing stabilising with inflation and supply chain issues likely to maintain current pricing for the foreseeable future



¹ Motor Vehicle Census, Australia, 31 Jan 2021 | Australian Bureau of Statistics (abs.gov.au)
² Lending indicators, December 2021 | Australian Bureau of Statistics (abs.gov.au)



Automotive loans
(consumer)



Personal loans
(consumer)



Prime Consumer and Commercial loans Australia

- Over 30 years of trading history
- Acquired in January 2021
- Leverage of Money3 distribution channels driving over 70% growth since acquisition
- Market opportunity with approx. 20.0 million¹ vehicles in Australia increasing approx. 2% annually
- Annual target market opportunity – >\$14.0 billion² of new and used vehicles
- Large commercial market for new and used assets
- Used asset pricing stabilising with inflation and supply chain issues likely to maintain current pricing for the foreseeable future



Automotive loans
(consumer)



Automotive loans
(commercial)



Prime and non-conforming Consumer and Commercial loans New Zealand

- Over 15 years trading history
- Acquired in March 2019
- 2021 significantly impacted by lockdowns when Dealerships were closed
- Strong rebound expected in 2H due to easing of pandemic restrictions
- NZ\$9.5 billion³ annual motor vehicle sales
- Go Car estimates it finances <2% of the total car market



³ December 2020 Motor Fax published by the Financial Services Federation



Automotive loans
(consumer)



Vehicle compliance & maintenance services ⁴

1H FY22 Financial Results

Group Financial Results

Amounts in \$m unless otherwise stated

	1H FY22	1H FY21	Mvt %
Revenue	91.3	67.9	34.5%
Bad debts, net	(13.6)	(7.6)	78.9%
Movement in impairment provisions	(0.1)	(0.4)	(75.0%)
Expenses	(28.8)	(21.5)	34.0%
EBITDA	48.8	38.4*	27.1%
EBITDA margin	53.5%	56.5%	
NPAT	25.8	19.9	29.6%
NPAT Margin	28.3%	29.3%	

**Normalised for the impact of 2021 wage subsidy*

34.5%
Increase in
Revenue

27.1%
Increase in
EBITDA
adjusted for wage subsidy

29.6%
Increase in
Group NPAT

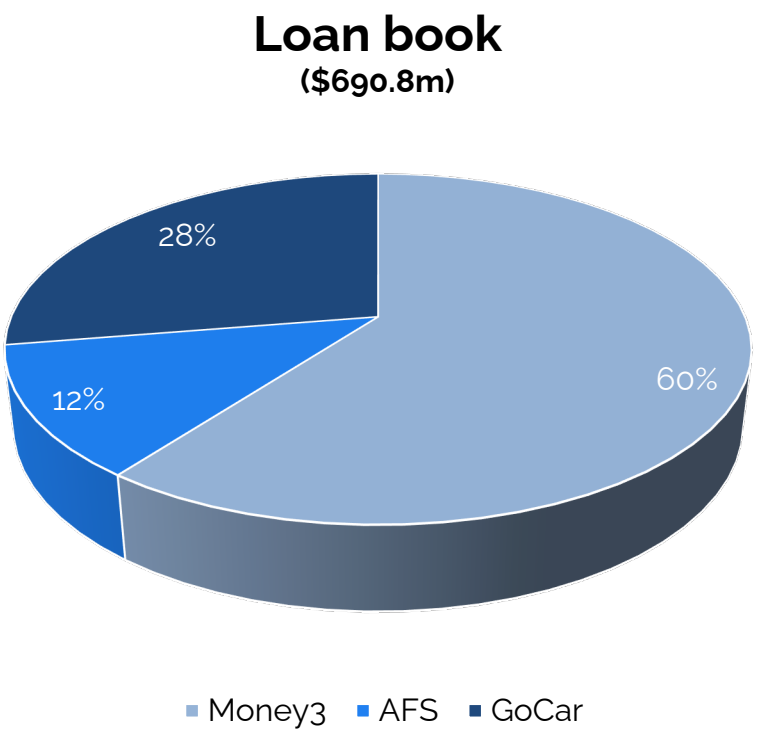
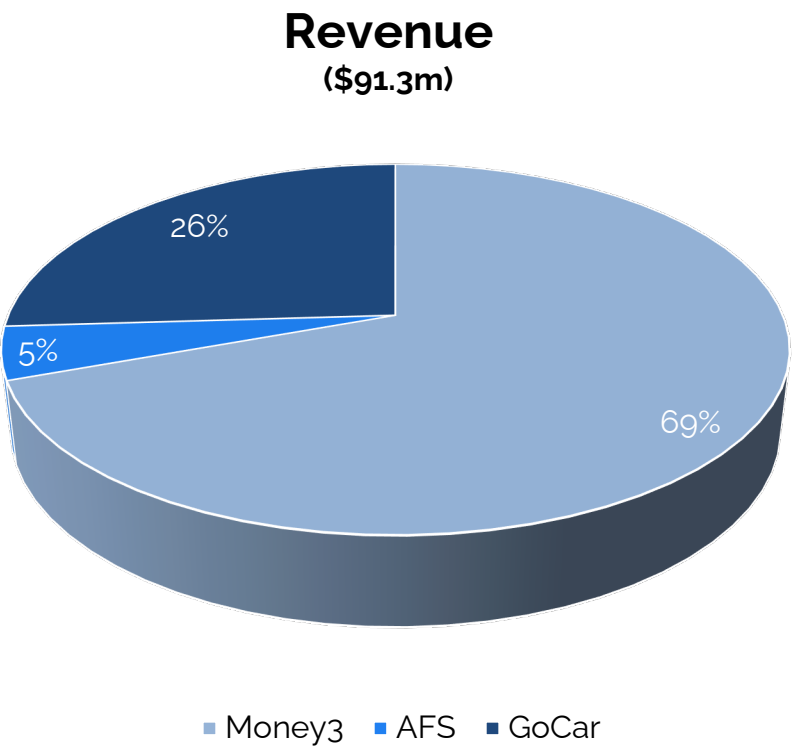
Loan Book
1H Growth of
15.0% to
\$690.8m

Business Unit Highlights

- ✓ **Automotive Financial Services (AFS)**
 - Acquired in Jan 2021
 - Broadened Groups addressable market into prime and commercial lending
 - Approximately 1/3 of new customers source assets from Australian manufacturers
 - Loan book growth of 79.6% since acquisition to \$83.7million;
 - Leverage of Group distribution network driving growth with monthly originations to exceed \$10.0 million in 2H FY22

- ✓ **Go Car Finance (GCF)**
 - Acquired in March 2019
 - Broadened Groups addressable market for consumer and commercial lending into New Zealand
 - Loan book growth of 300% since acquisition to NZ\$204.6 million;
 - Strategic partnerships expected to drive continued loan book growth post easing of pandemic restrictions

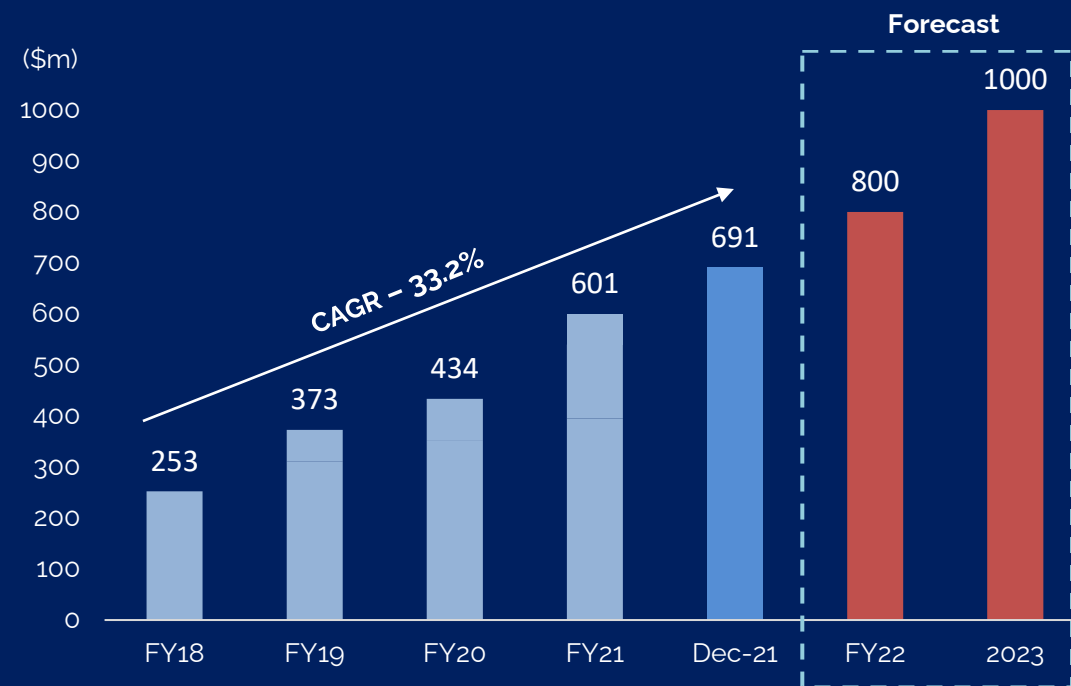
- ✓ **Money3**
 - Groups core business with over 20 years of profitable lending experience in Australia advancing and collecting over \$2.0 Billion in loans
 - 1H loan number up 31% on pcp while average loan size increased approx. 5% on pcp
 - Large team of dedicated Customer Care professionals managing Money3 and M3HOL Pty Ltd (Formerly trading as Holden Financial Services) loan books
 - Clear leader in non-conforming auto finance for a used vehicle



Group – Loan book & Capital structure

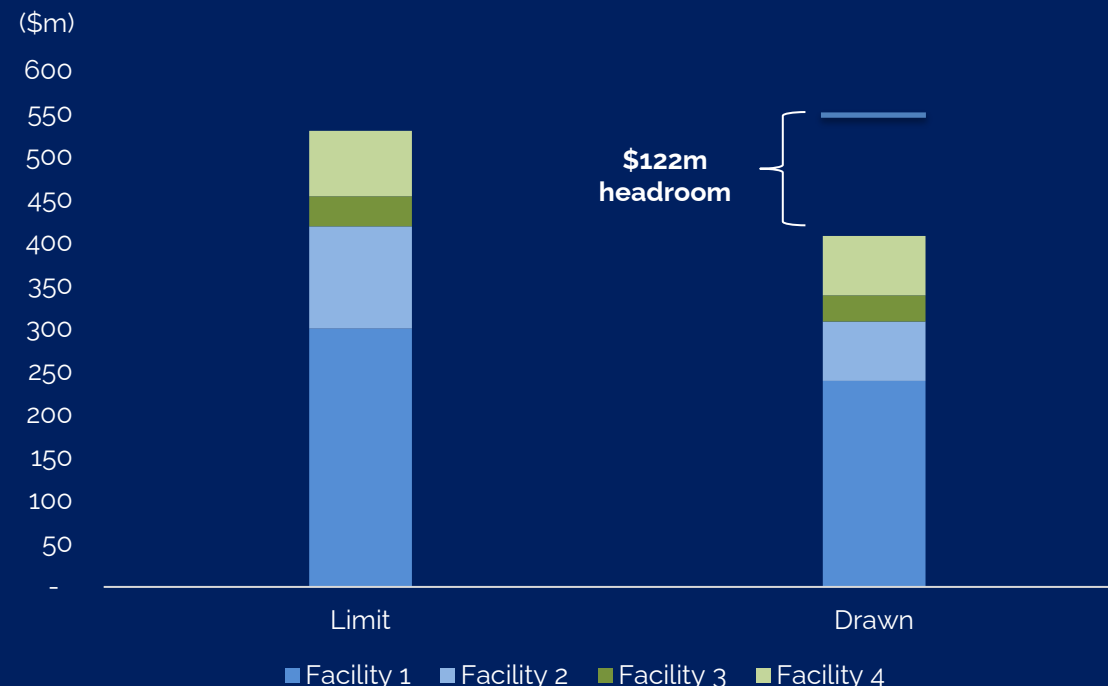
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Loan book



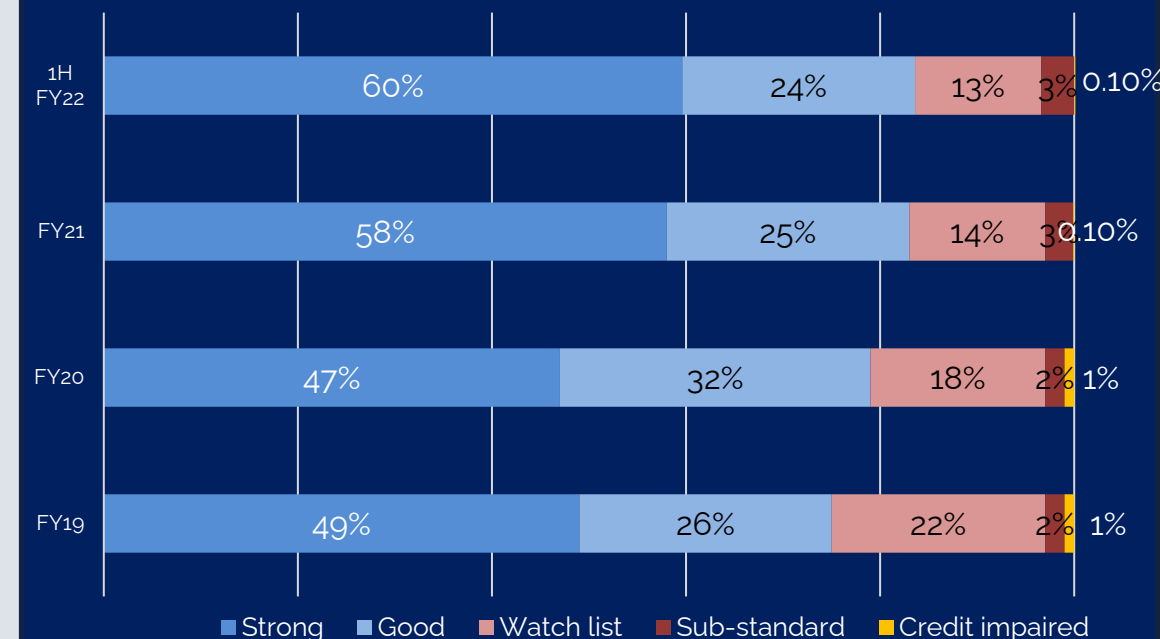
- Increasing target market accelerating timeline to \$1.0 billion loan book
- On track to \$800.0 million loan book by FY22
- Well positioned to grow Return on Equity (RoE) toward 20%

Debt facilities



- Diversified debt facilities with five funding partners
- Existing debt facilities and equity growth support \$950.0 million loan book
- ~\$200.0 million in available funds (including free cash on balance sheet)
- ~50% loan book leverage (net) from 40% in Jun-21 with scope to increase further

Improving loan book quality



- Positive trend in loan book quality continues
- Strong customer servicing is aiding growth in returning customers (1 in 3 in Australia)
- 3.9% in impairment losses (annualised) and trending down
- Impairment provisioning decreasing to 5.4%

*On Gross Loan Book



Funding – very solid foundation

- ✓ **\$300m warehouse facility with Credit Suisse** – supporting the ongoing growth of the Money3 business unit
- ✓ **\$100m warehouse facility with an Australian Bank** – supporting the growth of Automotive Financial Services (AFS)
- ✓ **Mezzanine facility with MA Australia** – Providing for a capital lite structure supporting the on-going growth of the AFS business unit
- ✓ **\$115m debt facility with 2x New Zealand banks** – Supporting ongoing growth of Go Car finance
- ✓ **Group leverage** – Group remains conservatively geared with over \$300.0 million of equity supporting existing \$690.8 million loan book

FY22 - Outlook

Forecast NPAT >\$50 million

- FY22 forecast takes into consideration the release of any additional provisions taken previously as a result of the pandemic
- FY22 dividends to be in line with Group dividend policy of 40-70% pay-out ratio - **6 cents fully franked dividend** declared for 1H FY22
- A Dividend Reinvestment Program will be active for this dividend with a 2.5% discount applied
- ROE continuing to improve and trending toward 20%

Target Loan Book \$1 Billion in 2023

- Strong loan book growth and significant improvement in the cost of debt will provide the foundation a significant uplift in NPAT and ROE in FY23

Strategic Acquisitions

- Continue to pursue strategic acquisitions to add scale in terms of product or distribution channels

Appendix 1 – Corporate Information

CAPITAL STRUCTURE

ASX 300 Company

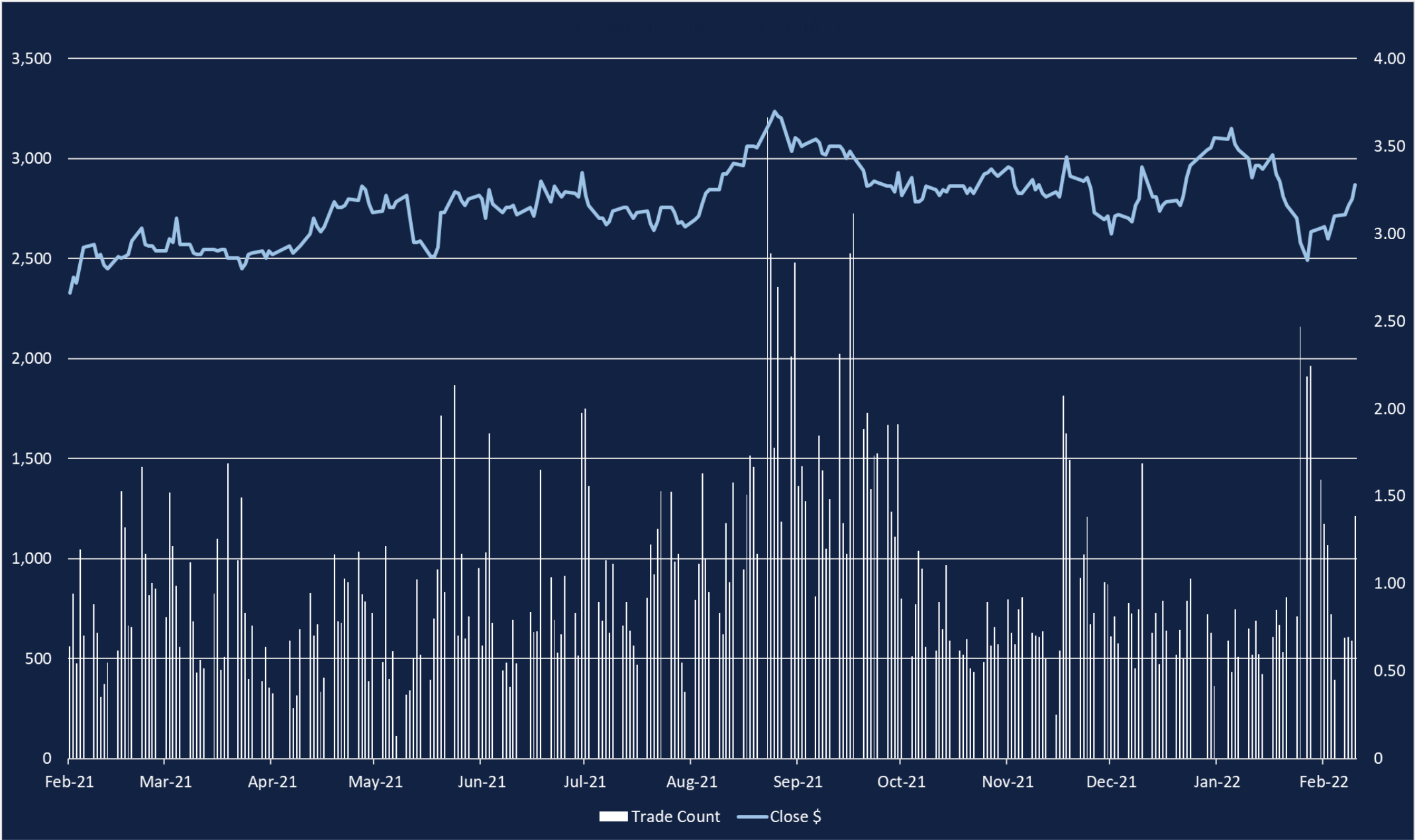
Shares on issue 212.0 million

Share Price (14th February 2022) \$3.30

Market capitalisation \$700.0 million

Earnings per share (1H FY22) – Basic 12.26 cents

Fully Franked Dividends per share (interim) 6.0 cents



Appendix 2 – The Group – Business structure

money3

money3

AFS
AUTOMOTIVE
FINANCIAL
SERVICES

Go Car Finance

Future growth
opportunity

Money3 is well positioned to leverage its corporate operating model into its existing business units as well as future growth opportunities.

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Vehicle type funded by AFS in 2021

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