

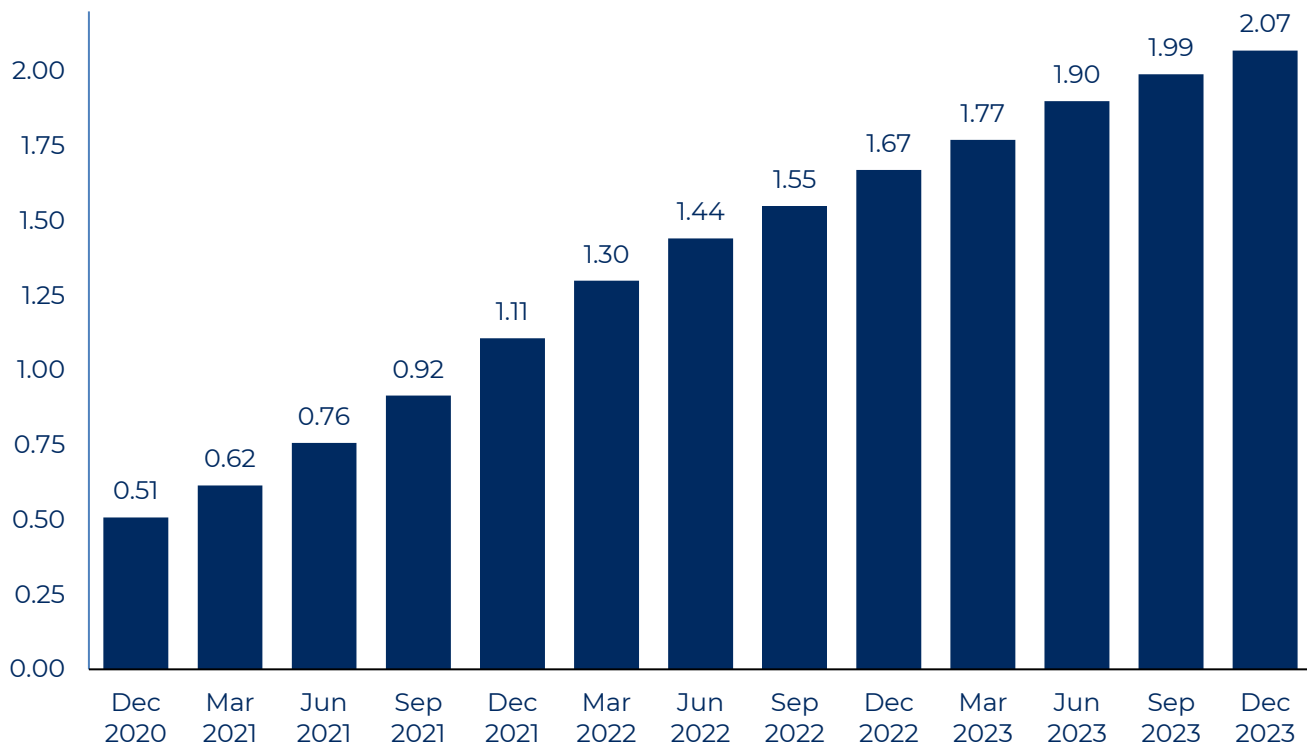
Focus on effective execution

Plenti Group Limited (Plenti) provides this trading update for the quarter ended 31 December 2023 (3Q24).

Highlights

- **Loan portfolio increased to \$2.07 billion**, 24% above PCP and 4% above prior quarter
- **Loan originations of \$291 million**, 2% below PCP and in line with prior quarter, reflecting ongoing focus on loan profitability
- **Entered into strategic partnership with NAB**, initially to provide “NAB powered by Plenti” car/EV loans and to make Plenti renewable energy finance available to NAB customers
- **90+ day arrears of 46 basis points** at quarter end, stable on 45 basis points at the end of the prior quarter
- **Annualised net credit losses of 123 basis points**, broadly consistent with recent quarters
- **Quarterly revenue of \$54.4 million**, 46% above PCP, driven by loan portfolio growth and the higher interest rate environment

Loan portfolio (\$bn)



Commenting on the quarter, Daniel Foggo, Plenti’s Chief Executive Officer, said:

“We achieved strong operational performance across all areas of our business in our third quarter, which was especially pleasing given the focus and resources applied to the establishment and then implementation of our strategic partnership with NAB.”

“We enter 2024 excited about our ability to drive strong operational results in our existing activities, whilst also delivering on exciting new initiatives, most notably the launch of the ‘NAB powered by Plenti’ car loan.”

Loan portfolio growth

Loan portfolio (\$m)	31 Dec 22	31 Dec 23	Growth
Automotive	958	1,185	24%
Renewable energy	182	256	40%
Personal	532	628	18%
Total	1,672	2,069	24%

Plenti's loan portfolio, which is a key driver of revenue, increased to \$2.07 billion at 31 December 2023, a 24% increase from 31 December 2022 and a 4% increase from 30 September 2023. The loan portfolio remains diversified across Plenti's three lending verticals, with the contribution from renewable energy continuing to increase over the period.

Loan originations and margins

Loan originations for the quarter totalled \$291 million, 2% below the prior comparable period (PCP) and in line with loan originations in the prior quarter, as Plenti maintained its focus on optimising across loan origination volumes, loan net interest margins and portfolio credit characteristics.

Automotive loan originations were \$153 million, up 7% on PCP, but down 1% from the prior quarter. Renewable energy loan originations reached a record of \$42 million, up 25% on PCP and 5% above the prior quarter, supported by the continued market adoption of Plenti's unique GreenConnect platform. Personal loan originations were \$96 million, down 21% on PCP and 2% on the prior quarter, reflecting some tightening of Plenti's credit appetite through the year as the business maintained a focus on delivering stable credit outcomes.

Product level net interest margins on new loan originations saw a positive trend as the quarter progressed, supported by the reduction in funding costs in line with medium term market interest rates.

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 capital, based on the achievement of certain product milestones.

The first product under the strategic partnership, a “NAB powered by Plenti” car and EV loan, remains on track to launch to customers in the second quarter of calendar 2024. Strong progress has been made in the development of this product since the announcement of the strategic partnership, including technology integration workstreams and operational processes required to deliver a leading customer experience.

Credit performance

90+ day arrears were 46 basis points at the end of the quarter, stable on the end of the prior quarter result of 45 basis points. Early-stage arrears continue to be stable, reflecting resilience in broader consumer credit, and assisted by the continual refinement of Plenti's credit risk appetite and settings.

Annualised net losses for the quarter were 123 basis points, broadly consistent with the 107 basis points underlying result in 2Q24 and 117 basis points in 1Q24.

The loan portfolio weighted average Equifax credit score remained high at 833 at the end of the quarter, versus 832 at the end of the prior quarter.

Funding

Plenti completed extensions of its two automotive warehouse facilities in the quarter. One was restructured using an innovative rated structure to achieve a funding cost benefit, offsetting a funding cost increase from the second warehouse facility, which had been established in 2021 at a low point in market funding costs.

Plenti also launched a \$300 million personal and renewable energy loan ABS transaction in late January 2024, which has seen strong investor demand to date and is expected to be priced over coming days. The transaction may be upsized to \$375 million.

Outlook

Plenti is on track to achieve the FY24 priorities and objectives set out below:

Priority	FY24 objective
Growth	- Drive growth in loan originations and loan portfolio - Grow revenue to over \$200 million
Profitability	- Deliver full year Cash NPAT growth, skewed towards 2H24
Efficiency	- Reduce cost-to-income ratio to <30% - Remain on target to deliver \$25m in efficiencies as loan portfolio scales towards \$3 billion

Further information

All numbers in this release are preliminary and unaudited. This release was approved by the Plenti board of directors.

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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.