

Plenti



FY21 Results Presentation

Year to 31 March 2021

Who we are

Plenti is a fintech lender.

Traditional lenders can be slow, complicated and offer poor value.

We established Plenti to use smart technology to provide faster, fairer loans.

We laid strong foundations as a private company in anticipation of long-term market shifts and our future growth.

We've reached a tipping point in performance and scale since listing in September 2020.

We're taking market share in three large prime customer lending verticals.

We're just **getting started**.

Plenti

We're on a mission

Purpose

To bring our customers' big ideas to life

Vision

Fairer, faster loans through smart technology

Mission

To build Australia's best lender



FY21 highlights

We delivered strong growth and improved key metrics.

Key highlights



Originations

\$470m

+64% yoy



Loan portfolio

\$615m

+61% yoy



Revenue

\$53.1m

+28% yoy



Pro forma Cash NPAT

\$(6.8m)

42% improvement



90+ arrears

31 bps

down 5bps yoy

Raised \$55m via IPO
in September 2020 to
accelerate growth

First fintech
consumer lender to
reach \$1bn in lending
in November 2020

Launched BNPL
renewable energy
finance

Our growth

Our loan origination growth has accelerated.

FY21 loan origination growth

64%

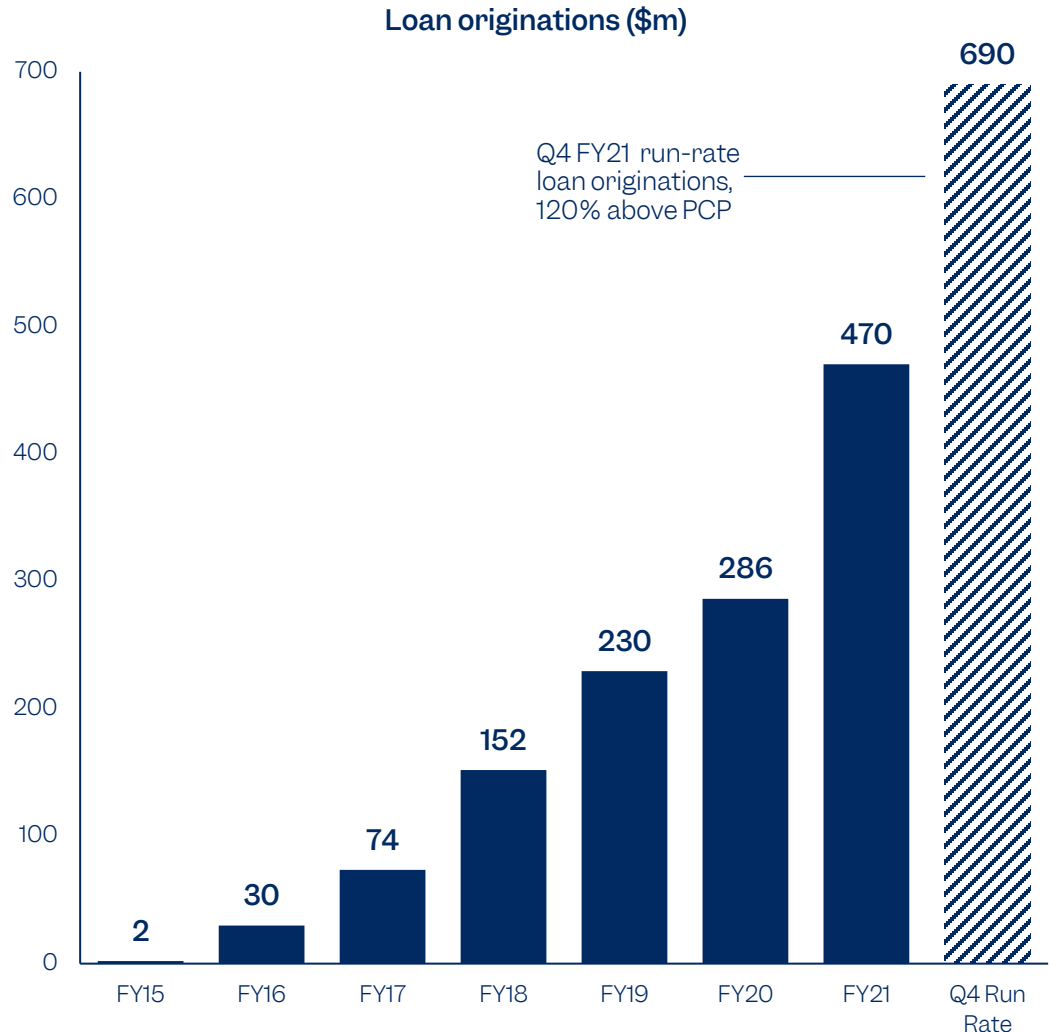
Q4 loan originations versus PCP

120%

Cumulative lending since launch

\$1.3bn

Plenti



Note: Q4 run-rate represents Q4 FY21 loan originations multiplied by four



Who We Are

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Our opportunity



We are building a large, enduring brand and business across three substantial lending verticals.

Automotive

\$33bn+

Annual Lending¹



Banks/traditional lenders exiting as they struggle to deliver required technology and compliance

Car purchase and finance journey moving online

Estimated penetration

1%

Renewable energy

378k

Households installing solar annually²



Strong household solar installation growth, up 32% in 2020²

Increasing battery adoption, increasing finance requirement

Estimated penetration

7%

Personal loans

\$12bn+

Annual Lending³



Bank market share declining - increasingly accessing market via wholesale funding

Consumers seeking convenience and value

Estimated penetration

2%

Notes:
1) Includes consumer and commercial lending segments. ABS 5601.0 Table 7 LTM to Jun-20, and ABS 5671.0 Table 9 LTM to Nov-18; ABS discontinued ABS 5671.0 in Nov-18.

2) Clean Energy Council, Clean Energy Australia Report 2021. There were 378,451 solar installations in 2020, versus 287,504 in 2019, representing 32% growth

3) ABS 5601.0 Table 27 LTM to Jun-20

Estimated penetration for each lending vertical is based on Plenti's share of estimated annual market loan originations. Renewable energy market size based on Plenti's estimate of OEM and installer-led point-of-sale finance provided to consumers.

Our strategy

We are committed to building Australia's best lender.

Establish market leadership

- Establish prime lending leadership positions across lending verticals – measured by borrower demand, loan portfolio size and customer experience

Extend technology advantage

- Continually invest in our technology platform to innovate and deliver the fastest and easiest loan experiences to customers
- Leverage our technology platform to continually increase operating efficiency

Optimise funding

- Develop and maintain funding structures that provide funding diversity and scalability
- Continue to reduce funding costs (interest rates)

Our customer experience



With more 5 star reviews than any other consumer lender, we are recognised for providing outstanding customer experiences – ease, simplicity, speed, value – driving trust and adoption.



Outstanding value personal loan (2015 – 2020)



Outstanding value car loan (new and used, 2019 – 2020)



Expert's choice personal loan (2017-2019)



Gold award – personal loans (2020)



Winner – personal loans (2018-2019)



Fintech Business Excellence Awards



Investment Innovator of the Year



Best P2P Personal Loan



Innovation Award, CoreData SMSF Service Provider Award



FinTech Leader of the Year, Fintech CTO/CIO of the Year & Excellence in Consumer Lending



Australian Tech Fast 50 Awards – 2019 & 2020



Asia Pacific Tech Fast 500 Awards - 2019 & 2020



Financial Services Growth Company of the Year

Note: based on aggregate number of 5-star reviews across TrustPilot, ProductReview and Google Reviews

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Strengthened customer reach

We continued to broaden our customer reach, allowing us to drive \$3bn of loan demand in FY21.

Broker partners

10,400

up 1,400 yoy

Renewable energy partners

700

up 150 yoy

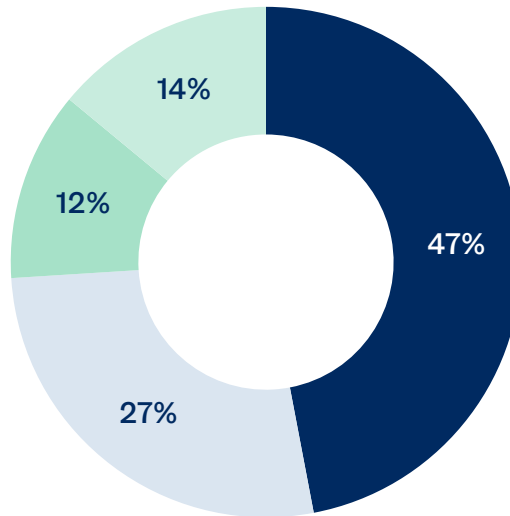
Customer profiles in ecosystem

>560k

up ~100,000 yoy

Notes:
Partner figures represent the number at 31 March 2021. Figures for broker and renewable energy partners are approximate

Loans funded by source



■ Broker partners ■ Renewable energy partners
■ Digital partners ■ Direct customers

Notes:
Represents contribution of source by number of loans funded in FY21
Contribution of broker and renewable energy partners of 74% in FY21 represents an increase from 71% in FY20

Borrower averages

- >800 credit score
- \$92k income
- 42 years old
- Homeowner

Broker partners (e.g.)



Renewable partners (e.g.)





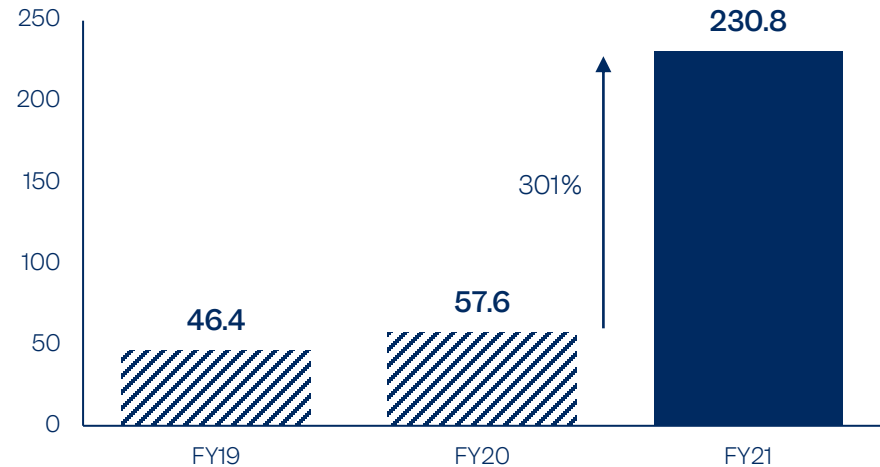
Automotive lending growth

Plenti

We took market share

- Achieved exceptional growth following 3+ years investment in technology, customer reach, sales teams and funding
- Extended origination capabilities through penetration of car brokers, mortgage brokers and building direct to consumer capabilities
- Deployed significant product feature improvements (e.g. portal enhancements, residual payments, term flexibility)

Loan originations (\$m)



Plenti customer offering



Secured loans to consumer borrowers for new and used vehicle purchases, and for refinancing existing loans



Loan amounts up to \$100k, with an average loan size of ~\$33k



Faster, fairer car loans, with market-leading application and settlement experiences



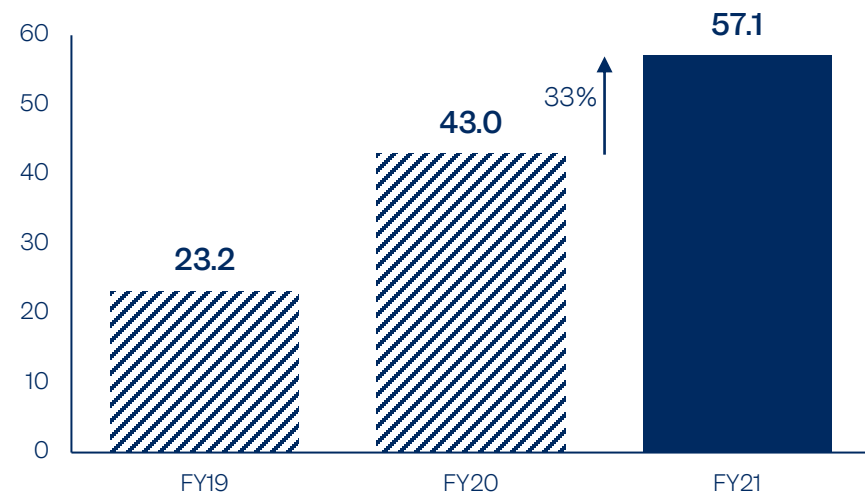
Renewable energy finance growth

Plenti

We continued our market share gains

- Onboarded ~150 new merchant firm partners
- Executed delivery of two significant Government renewable energy programs
- Launched BNPL finance in Q4 (represented 38% of renewable energy applications in April)

Loan originations (\$m)



Plenti customer offering



Transparent loans and BNPL finance for the purchase of renewable energy systems



Exclusive administrator of South Australia Home Battery Scheme (HBS)



Exclusive delivery partner of NSW Empowering Homes Program (EHP) pilot



Loans typically for solar panels and home batteries, with an average loan of ~\$9k



Personal lending performance

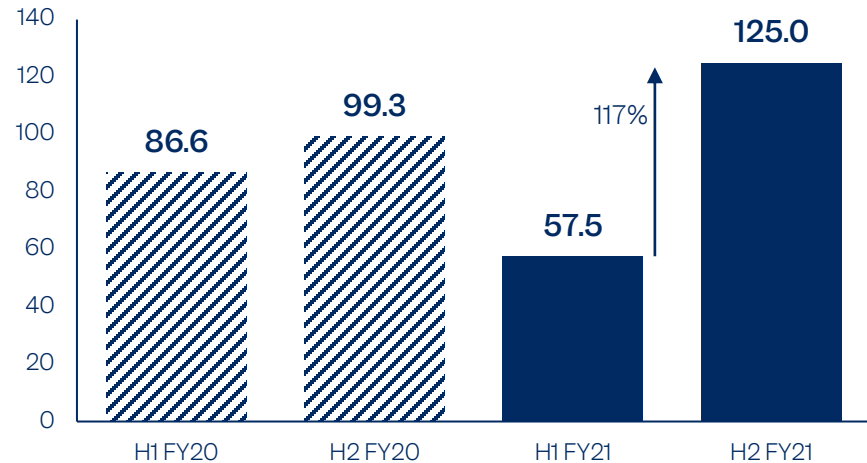
Plenti



Our personal lending rebounded strongly

- Substantial change in environment at half year:
 - Reduced marketing investment and tightened credit criteria in H1, in response to the uncertain credit outlook
 - Achieved record loan originations in H2, **117%** above H1 and **26%** above PCP
- Gained share in direct to consumer from large incumbents as COVID accelerated on-going changes in consumer preferences
- Made significant market share gains in broker channel through the year

Loan originations (\$m)



Plenti customer offering



Fast, flexible personal loans for a diverse range of loan purposes



Outstanding digital application and settlement experiences



Customer reach through digital, broker and corporate referral channels



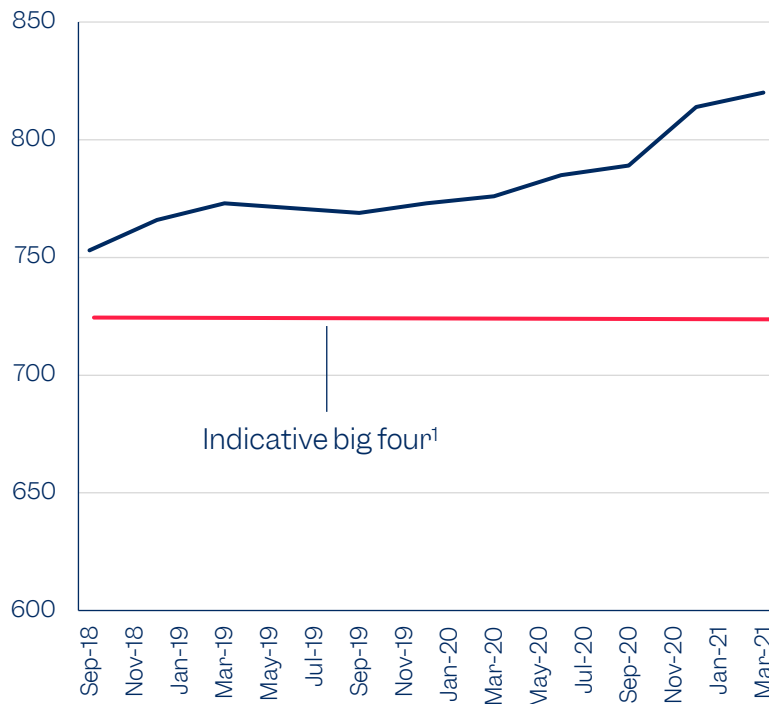
Granular risk-based pricing rewarding good borrowers

Credit performance

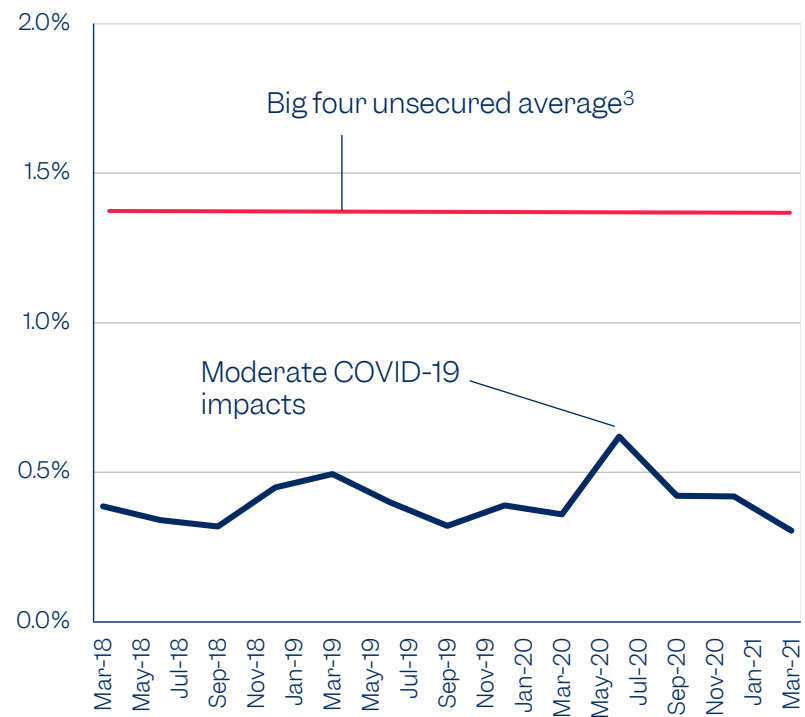


We maintained our low-risk, prime loan portfolio, with low arrears.

Average credit score on loan portfolio



90+ days arrears²



Notes:

1) Represents median credit score for fixed term personal loans, Equifax Consumer Update – November 2020


2) 90+ days arrears calculated as total value of loans over 90 days in arrears but not yet written off divided by loan portfolio value. Plenti arrears included secured and unsecured loans

3) Represents big four bank simple average for consumer loan (predominantly personal loans and credit cards portfolios noting Westpac secured automotive loan arrears not disclosed) sourced from respective results presentations. Where personal loan and credit card arrears are disclosed separately, a simple average has been applied. Figures at 31 March 2021 except CBA which is at 31 December 2020

Net loss rate on the Plenti loan portfolio in FY21 was 0.96%

Funding sources

We continued to build resilience by diversifying and deepening our funding sources.

	Warehouse funding	Plenti Lending Platform	Plenti Wholesale Lending Platform	Overall advancements 
Description	<ul style="list-style-type: none"> Warehouse and securitisation program Commenced in December 2019 	<ul style="list-style-type: none"> 23,500+ registered retail, institutional and government investors 	<ul style="list-style-type: none"> Flexible funding platform available to wholesale or sophisticated investors 	<ul style="list-style-type: none"> Reduced average funding cost on new loan originations by ~190bps from FY20 Increased warehouse facility limit from \$50m to \$450m, with \$160m undrawn at period end Maintained funding supply across all three funding platforms during the COVID-induced lockdowns
FY21 advancements	<ul style="list-style-type: none"> Automotive warehouse upsized several times, from \$50m to \$350m Established new \$100m renewable energy and personal loan warehouse 	<ul style="list-style-type: none"> Attracted over 3,323 new investors Utilised to introduce BNPL finance Substantial reduction in cost of funds 	<ul style="list-style-type: none"> Attracted the Government's CEFC as a funder Commenced funding interest-free loans which form part of NSW Empowering Homes Program pilot 	

Who We Are

Operational
Performance

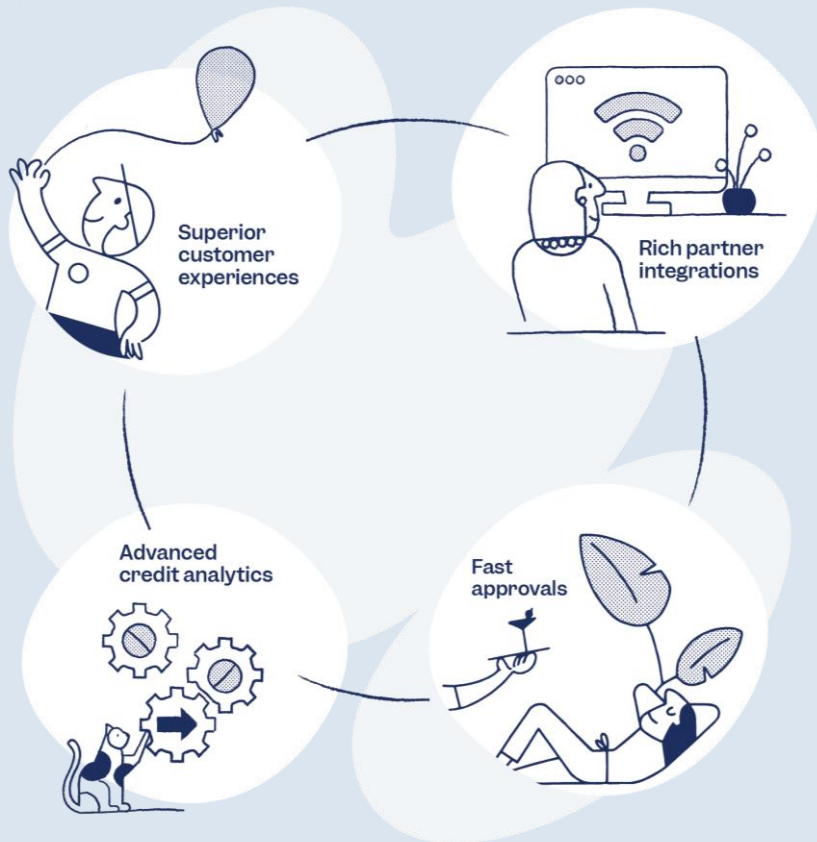
Technology

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Technology-led lending

We've built a market-leading platform.



- ✓ End-to-end technology platform built and maintained in-house, supported by over 40 onshore and offshore engineers, product specialists and designers
- ✓ Allows Plenti to deliver faster, fairer loans to partners and borrowers through:
 - Outstanding application experiences
 - Fast approvals and settlements
 - Streamlined, automated credit decisioning
 - Multi-channel customer reach
 - Deep partner integration capabilities
- ✓ Built on modern cloud services allowing Plenti to scale efficiently
- ✓ Allows Plenti to innovate, and rapidly launch new products and features

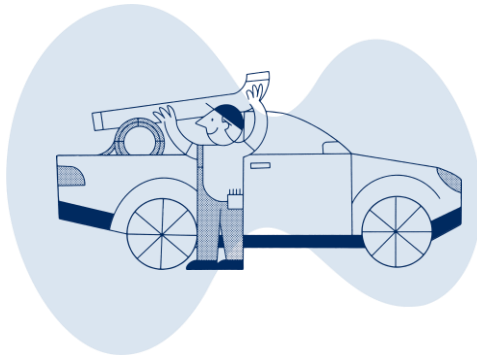
Technology by the numbers

We are a true fintech lender.



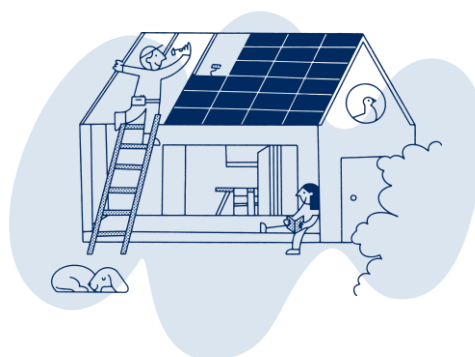
Technology-led growth

Constant innovation helped drive our market share gains.



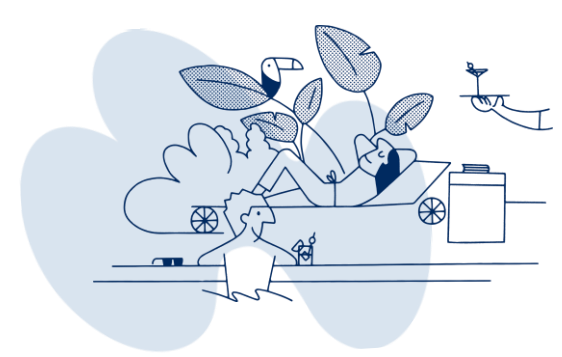
Automotive lending

- For broker partners
 - Improvements to broker portal delivered faster, simpler loans
 - Integrations with partner platforms delivered superior application experiences
 - Advanced credit engine delivered loan credit decisions in market-leading times
- For direct customers
 - Australia's first end-to-end digital car loan experience



Renewable energy finance

- Transparent BNPL finance launched to complement existing loan offerings
- Constant feature releases to better service 700+ merchant partners and their customers
 - Interest rate subvention feature
 - Payment holiday feature
 - Immediate approvals
- Rapidly implemented bespoke government loan program



Personal lending

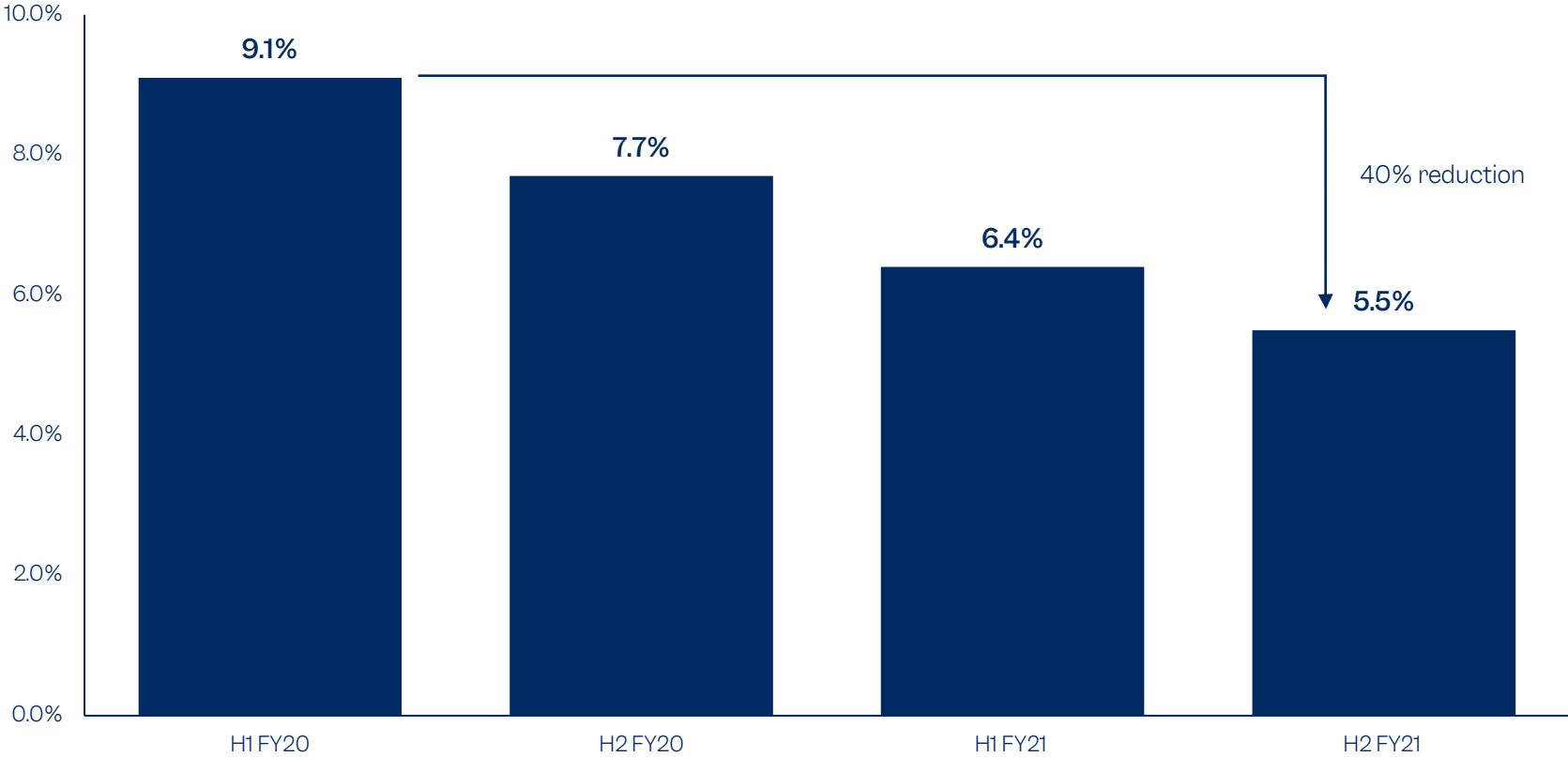
- Deeper technology integrations with referral partners delivered highly efficient loan application funnel, resulting in market-leading borrower acquisition economics
- Granular, accurate, risk-adjusted pricing and advanced credit engine delivered strong credit risk outcomes
- Deep data and analytics capabilities allowed for rapid learning and improvement in marketing and credit practices

Technology-led operational efficiency



Our operational efficiency has consistently improved as we scale.

Costs (S&M, PD, G&A - normalised) as % of dollars funded¹



¹Averages exclude March, April and May 2020 which were impacted by reduced lending due to COVID so are not representative of performance trend. Costs as % of dollars funded is impacted by various factors including average loan size and origination channel

Technology-led experiences

Our technology helped us deliver loan experiences that our partners and customers loved.

Referral partner feedback

"Plenti is our go to lender when we want quick, easy to understand product and well-priced car loans for our customers. They are miles ahead in terms of technology, they have the simplest portal to use and takes 5 minutes to fully complete an application."

Zaheer Jappie
Founder, Car Clarity

"Working with Plenti provides us an enormous point of difference, allowing us to offer tailored finance solutions to meet and exceed our customer expectations. We have worked with several finance companies over the years, however what Plenti offers in terms of its technology, speed and innovation, means we have the one-stop shop of finance offerings at our fingertips."

James Strathee
Director, One Power

"Plenti are quickly establishing themselves as a market leader in the personal finance space. Their dedication to continuous improvement in innovation, technology, customer service & competitive product range differentiate them for their competitors. Customers are receiving fast service, great rates, flexible loan terms & an extremely user-friendly platform."

Ryan Toppin
NSW Sales Manager
Stratton Finance

"Plenti has enabled clients of Gordon & Barry to continue to access legal services at a complex time of their life... We have no hesitation in suggesting Plenti to our clients that are in need of it."

David Barry
Legal Practitioner Director
Gordon & Barry Lawyers

Customer reviews

"Great customer service & very easy process. No hidden costs and would highly recommend to friends and family. I applied online on a Saturday. Received a call from Megan in loan processing on the Monday. Approved on the Tuesday & funds in my account on Wednesday evening. Easiest process to apply for a loan."

Megan
ProductReview



"Plenti has been amazing in all aspects of personal lending. The service is caring, understanding and always at the customers best interest at heart. I highly recommend Plenti to all in need of a hand to get to where they need to be. They have helped me through a tough time in my life and continue to do so. I will be for ever thankful for their help and concern for my welfare."

Matthew,
ProductReview



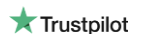
"Quick, easy lending process. Money was disbursed within 48 hours of approval. I love that I could get an idea of the interest rate prior to doing a credit check and it was cheaper than the big banks with no early repayment fees or monthly service fees. I love the website and the extensive information provided on your account. No frills (but banking doesn't need frills)."

Victoria
Trustpilot



"I approached Plenti to help me cover my legal bills until settlement. They were very professional in there handling of my case and supportive. I would recommend them to everyone who needed help"

Barbara
Trustpilot



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Results summary

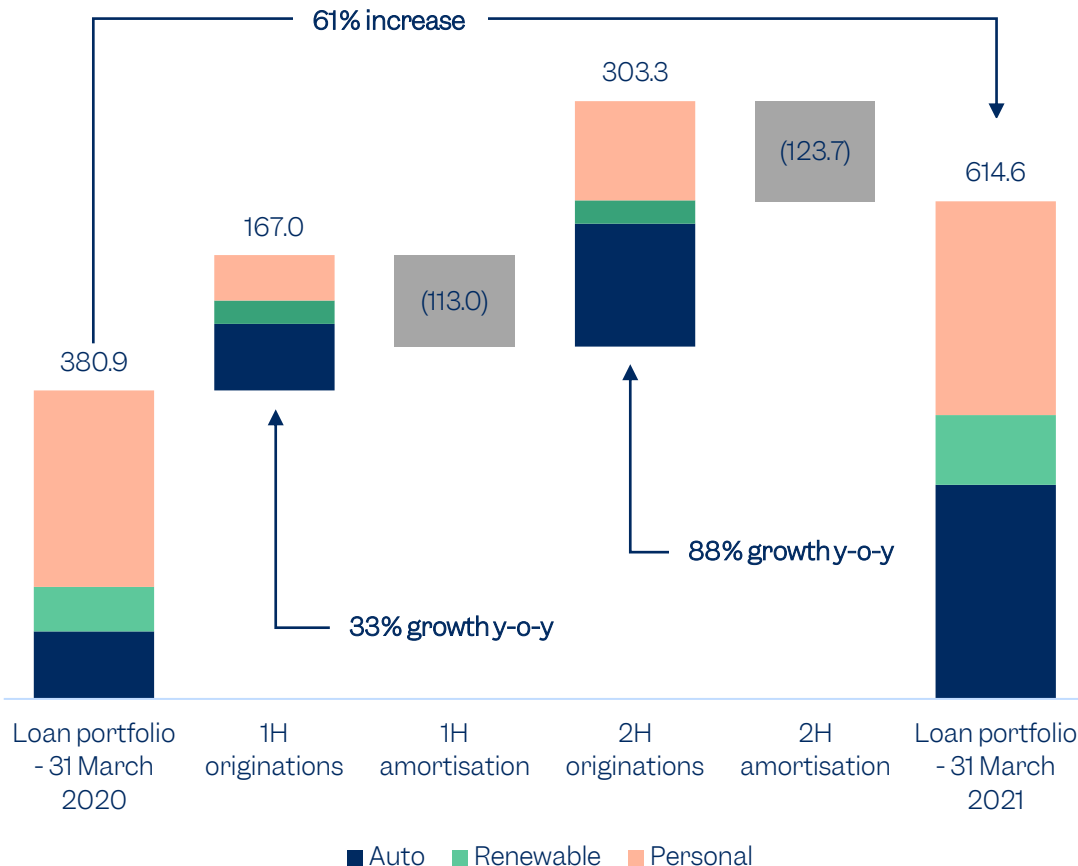


We delivered strong growth and progressed towards achieving profitability.

(\$m, year ending 31 March)	FY20	FY21	Change
Loan originations	286.4	470.4	+64%
Loan portfolio period end	380.9	614.6	+61%
Loan portfolio average	310.8	452.2	+45%
Revenue	41.5	53.1	+28%
Net charge off rate	2.3%	1.0%	(59)%
NPAT (pro forma)	(16.4)	(11.9)	+\$4.5m
Cash NPAT (pro forma)	(11.6)	(6.8)	+\$4.8m

Originations and loan portfolio

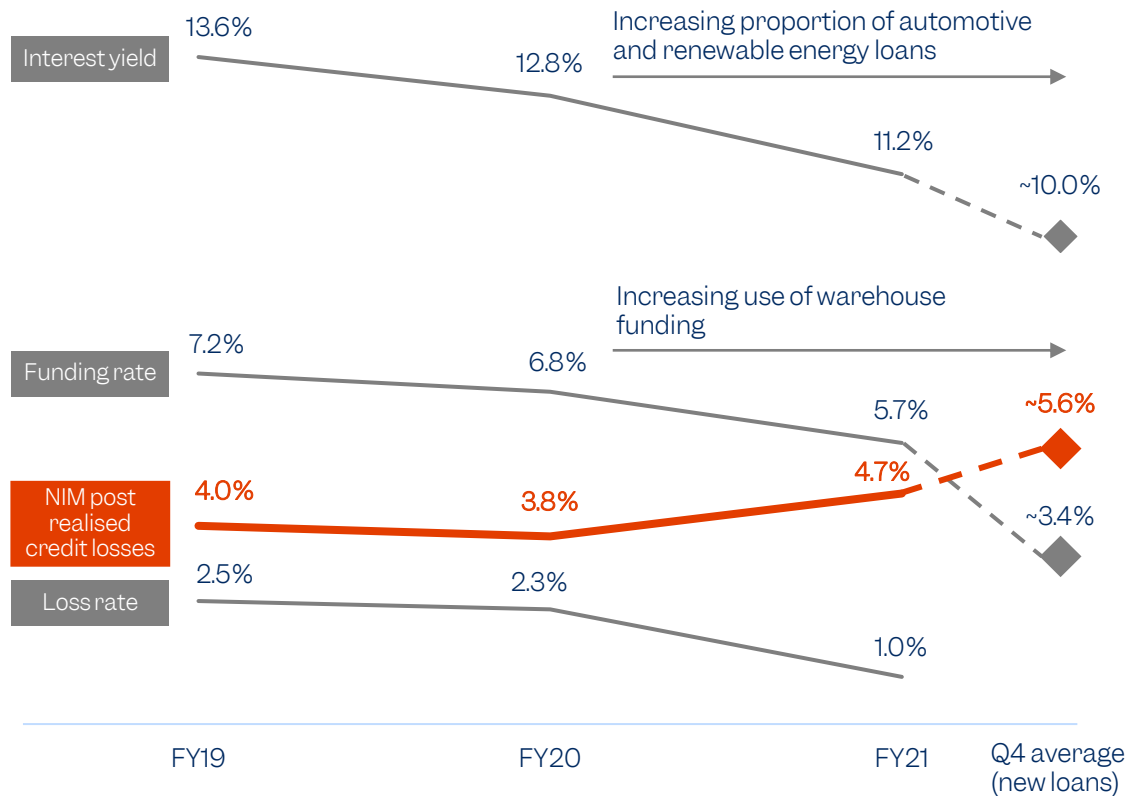
Our loan portfolio growth reflected strong loan originations and our shift towards long term automotive and renewable energy loans.



- Loan portfolio size is the key driver of Plenti's revenue and profitability. The 61% increase in FY21 was driven by:
 - Strong originations – 1H grew 33% on PCP despite COVID impacts and 2H grew 88% on PCP
 - Slowing loan amortisation (loan payback) rates
 - a) 4.8% per month in H1 as COVID uncertainty drove higher repayments
 - b) 4.0% per month in H2 as early repayments normalised and as the portfolio shifted towards longer loan term automotive and renewable energy loans
 - c) Amortisation rate is expected to continue to reduce in future, noting H2 monthly amortisation rate for automotive loans was 2.7%

Margins

We drove a material uplift in net interest margin post realised credit losses in FY21.



- Net interest margin (NIM) is the driver from loan portfolio size to earnings
- Interest yield (the yield on customer loans) reduced due to:
 - The shift in the loan portfolio to automotive and renewable energy loans which, being lower risk, typically attract lower interest rates (~60% of yield reduction in loans originated in FY21 vs FY20 loans)
 - Borrower interest rate reductions, in part reflecting a lower interest rate environment including the 140bps cut in the RBA cash rate over the past two years (~40% of FY21 interest yield reduction)
- The funding rate declined mostly as a consequence of a greater proportion of loans being funded from lower cost warehouse facilities
- Realised credit losses reduced materially due to the mix shift to lower risk loans, the higher proportion of newer loans in the portfolio and economy-wide factors such as JobKeeper
- The NIM post realised credit margins increased materially during FY21, reflecting the net impact of the factors described above

1. Q4 NIM post realised credit losses assumes loss rate of 1.0%, in line with FY21 experience

Profit and loss

Our Cash NPAT improved in FY21 despite COVID-19 impacts.

(\$m, year ending 31 March, pro forma ¹)	FY20	FY21	% change
Interest revenue	39.8	50.7	27%
Other income	1.7	2.4	42%
Total revenue pre transaction costs	41.5	53.1	28%
Transaction costs	(1.6)	(2.7)	73%
Net income	39.9	50.4	26%
Funding costs	(20.7)	(25.1)	21%
Expense passed to unitholders	0.7	(0.0)	n.m.
Customer loan impairment expense	(10.7)	(7.3)	(32)%
<i>Realised loan impairment expense</i>	<i>(7.3)</i>	<i>(4.4)</i>	<i>(40)%</i>
<i>ECL provision expense</i>	<i>(3.5)</i>	<i>(3.0)</i>	<i>(14)%</i>
Sales and marketing expense	(10.1)	(9.7)	(4)%
Product development expense	(4.7)	(5.5)	19%
General and administration expense	(10.2)	(13.9)	37%
<i>Operations expense</i>	<i>(4.2)</i>	<i>(6.0)</i>	<i>42%</i>
<i>Other overhead expense</i>	<i>(6.0)</i>	<i>(7.9)</i>	<i>32%</i>
Depreciation & amortisation	(0.7)	(0.7)	6%
NPAT	(16.4)	(11.9)	(28)%
Cash NPAT²	(11.6)	(6.8)	(41)%
Key cost metrics			
Cost to income ratio ⁴	60.1%	54.8%	(534)bps
Cost to originations ratio ⁵	8.7%	6.2%	(252)bps

- Revenue growth reflects loan origination and loan portfolio growth
- Other income represents R&D rebate and income from government programs
- Transaction costs primarily represent broker commissions, with growth corresponding to automotive loan origination growth
- Loan impairment expense reduced due to lower realised losses in benign credit environment and reduction in ECL provision given greater economic certainty
- Sales and marketing expense reduced in part due to reduced investment during COVID-induced lockdown periods
- Product development investment increased to accelerate technology enhancements
- G&A increased due to increased loan processing and credit costs, as well as investment in team, including post IPO equity incentive program
- Cost to income ratio reduced despite higher investment in H2 and loan revenue being recognised over a number of years
- Cost to origination revenue continued to trend down

Note: 1) Refer to page 38 for a reconciliation of pro forma to statutory results. 2) Refer to page 39 for a reconciliation between NPAT and Cash NPAT. 3) Net charge-off rate calculated as actual loan receivables written off in the period net of loss recoveries divided by average loan portfolio value. 4) Sales and marketing expense, product development expense and general and administration expense as a % of total revenue. 5) Sales and marketing expense, product development expense and general and administration expense as a % of total loan originations.

Cash flow

Group net operating cashflows remained broadly consistent with the FY20 result.

(\$m)	FY20	FY21
Operating cash flow		
Interest income received	41.0	53.8
Other income received	1.7	4.1
Interest and other finance costs paid	(20.7)	(25.1)
Payments to suppliers and employees	(24.2)	(35.6)
Net operating cash flow	(2.2)	(2.9)
Investing and financing cash flow		
Net increase in loans to customers	(135.1)	(237.4)
Net proceeds of borrowings	132.7	236.4
Net proceeds from issue of shares	-	50.5
Net proceeds from issue of convertible notes	10.1	-
Other	7.9	(0.6)
Net investing and financing cash flow	15.7	48.0
Net increase in cash and cash equivalents	13.5	45.9

- Overall group operating cash outflow of \$2.9m in FY21, compared with \$2.2m in FY20
- Interest income higher than in profit and loss as based on actual cash flows – in P&L, upfront fees are spread over life of loan under effective interest rate method
- Other income includes \$1.7m of JobKeeper receipts
- Payment to suppliers has similar dynamic to interest income – loan commissions paid upfront in cash but recognised over life of loan in the P&L
- Total operating cash flow of \$(2.9)m comprised of \$(10.2)m corporate cash flow and \$7.3m Provision Fund cash flow

Balance sheet



We retain a substantial net cash position.

(\$m)	31-Mar-20	31-Mar-21
Assets		
Cash and cash equivalents	42.0	87.9
Customer loans	360.2	591.6
Other assets	5.0	9.7
Total assets	407.2	689.2
Liabilities		
Trade payables	3.4	4.6
Borrowings	402.0	629.5
Other	8.2	9.1
Total liabilities	413.6	643.3
Net assets	(6.5)	45.9

(\$m)	31-Mar-21
Corporate cash	29.4
Liquid assets	3.4
Provision Fund cash	14.0
Corporate debt	0.0
Total corporate/PF liquidity	46.8

- Corporate liquidity available to Plenti includes:
 - \$29.4m of corporate cash
 - \$3.4m of liquid assets able to be realised at short notice
- Cash also includes \$14.0m in Provision Fund, available to cover credit losses on the Retail Lending Platform
- With no corporate debt, total corporate and Provision Fund net cash and liquid assets is \$46.8m
- Balance of cash primarily represents funds held on trust for investors on lending platforms or warehouse facility funds not yet utilised (\$44.5m)
- Customers loan asset of \$591.6m reflects \$614.6m loan portfolio less \$12.9m ECL provision and \$10.2m in deferred upfront fees
- Borrowings of \$629.5m comprises \$348.2m of funds via lending platforms and \$281.3m of drawn warehouse facilities
- Plenti \$15.5m subordinated note investment in warehouses eliminates on consolidation
 - Detailed loan funding reconciliation in appendix on slide 41

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Market outlook

We see favourable market conditions across each of our three lending verticals, supporting our continued growth.



Automotive

- Strong post-COVID-19 demand for vehicles expected to be sustained
- Large incumbents expected to continue to reduce focus on automotive market, or preference funding via businesses like Plenti
- Continual increase in referral partner and customer expectations, favouring:
 - Transparent, fair loans
 - Fully digital loan processes
 - Fast turnaround times



Renewable energy

- Adoption of batteries and associated need for finance expected to accelerate
- Potential for a number of Government state programs facilitating cost effective household adoption of renewable energy systems to commence in FY22



Personal lending

- Strengthening economy and increased people movement expected to expand market
- Consumer preferences expected to continue to drive market share growth of fintechs over large incumbents
- Responsible lending reform and open banking roll-out represent material opportunities

Implementing our strategy

We have executable plans to help us drive continued growth, leveraging our technology, reach and funding advantages.

Market leadership

- Leverage new brand to help drive market leadership
- By vertical:
 - *Automotive*: further enhance consumer offering and effectively execute launch of commercial loan offering (pilot program has commenced)
 - *Renewable energy*: attract new merchant partners and drive growth of BNPL
 - *Personal loans*: exploit low cost-of-acquisition capabilities to build scale

Product and technology

- Build out product and feature set in each lending vertical to support deeper market penetration
- Leverage technology to enhance:
 - Customer and referral partner experience across all channels
 - Credit decisioning speed and pricing accuracy
 - Repeat customer experience and penetration
 - Operating efficiency

Loan funding

- Continue to reduce funding costs and reduce equity funding requirements:
 - Execute first term transaction (securitisation) in FY22
 - Optimise equity contribution to warehouse and term structures during FY22
 - Establish third warehouse facility in FY22



Financial priorities

We have set ourselves clear financial priorities.

Growth

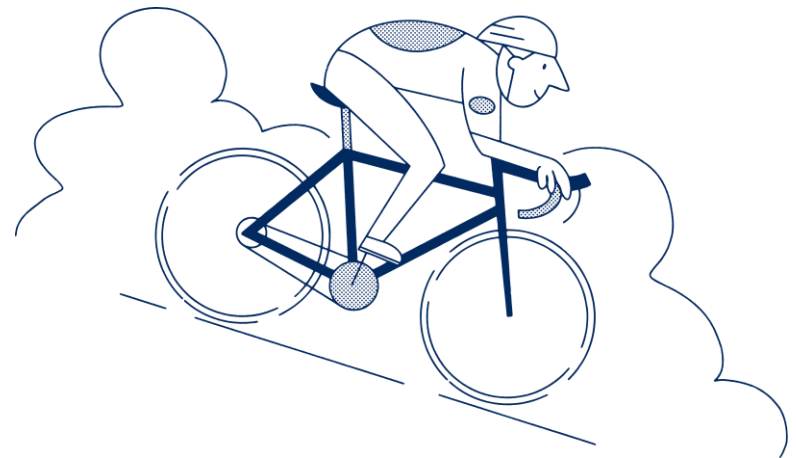
Reach \$1bn loan book by March 2022

Profitability

Achieve positive monthly Cash NPAT prior to June 2022, while investing in and achieving strong growth

Efficiency

Drive towards cost to income ratio of below 35% over medium term



Plenti

Appendices

Our people



Our Board and founder-led executive team are committed to achieving Plenti's mission.



Mary Ploughman
Independent Chairman

- Experienced board member and CEO, with particular expertise in securitisation markets
- Previously Joint CEO of Resimac Group and on board of Sydney Motorway Corp
- Senior adviser at Gresham



Peter Behrens
Non-Executive Director

- Co-founded Retail Money Market, an innovative UK consumer and commercial lending business acquired by Metro Bank PLC
- Currently assisting Metro with strategy and product



Daniel Foggo
Director & Founder

- 20+ years of fintech and investment banking experience
- Cofounder of PartPay (acquired by Zip)
- Formerly at Rothschild and Barclays



Miles Drury
CFO

- Previously CFO of Caltex Retail division and General Manager Strategy for Caltex
- 14 years finance experience at UBS Investment Bank



Glenn Riddell
COO & Co-founder

- 10+ years leading and advising fintech scaleups
- Broad-based responsibilities, with accountability for technology and operations



Martin Dalgleish
Non-Executive Director

- Experienced director with particular expertise in technology and media
- Currently a NED of KPMG Australia, Partner at Asia Principal Capital and Partner at Morpheus Ventures



Susan Forrester AM
Non-Executive Director

- Extensive commercial, strategic and governance experience, including in technology
- Awarded AO for her strategic and governance roles and for her advocacy for women



Ben Milsom
CCO & Co-founder

- 10+ years leading and advising fintech scaleups
- Broad-based responsibilities, including third party channels and new growth initiatives



Georgina Koch
General Counsel

- Previously General Counsel at Ampol Limited
- 20+ years experience advising on corporate, competition and commercial legal issues
- Held senior roles at CBA and Clayton Utz



Simon Cordell
Chief Risk Officer

- 20+ years of credit risk experience across Australia, NZ, and the UK
- Previously Head of Consumer Risk and Head of Business Risk at Amex Australia

Strengthened positioning

We continued to advance our core foundations and competitive strengths.

Technology platform

Strength

- Proprietary, end-to-end technology provides sustainable competitive advantages, supporting growth and efficiency

FY21 advancements

- Expanded technology and product teams to ~40 FTE including offshore support
- 1,847 new technology features and improvements deployed

Diversified loan products & customer reach

Strength

- Diversity of lending products and customer reach provides a broader opportunity set and extended growth runway

FY21 advancements

- Bolstered existing sales teams
- Established direct to consumer sales team
- Introduced BNPL renewable energy finance
- Commenced NSW renewable energy Empowering Homes Program pilot
- >60k current borrower and investor customers

Diversified funding

Strength

- Diversity of funding platforms provides funding resilience and scalability

FY21 advancements

- Expanded secured automotive warehouse facility limit from \$50m to \$350m
- Established renewable energy and personal loan warehouse facility (upsized May 2021 from \$100m to \$200m)
- Introduced >3,280 new retail investors and two new mezzanine funders
- Enhanced transaction reporting capabilities

Credit capabilities

Strength

- Proven credit track record and in-house capabilities

FY21 advancements

- Expanded credit analytics team
- Commenced automated credit approvals
- Commenced development of second-generation decision and pricing models (with benefit of 6-years of lending data)
- Engaged AI technology partner

Key operating and financial metrics



(\$m)	H1 FY20	H2 FY20	H1 FY21	H2 FY21
Loan originations (\$m)	125.2	161.3	167.0	303.3
Average term of new originations (months)	53.7	55.9	62.5	61.8
Closing loan portfolio (\$m)	306.0	380.9	435.1	614.6
Average loan portfolio (\$m)	274.9	346.8	393.5	511.0
Average borrowings (\$m)	269.8	341.3	389.1	490.7
Average interest rate (% of average gross loan portfolio)	13.3%	12.4%	12.1%	10.5%
Average funding cost rate (% of average borrowings)	7.1%	6.5%	6.3%	5.2%
Net charge off ¹ (% of average closing loan portfolio)	2.7%	2.0%	1.1%	0.8%
Loan portfolio amortisation rate ² (% of closing loans, monthly)	4.8%	4.7%	4.9%	4.7%
Loan portfolio amortisation rate ² (% of average loans, monthly)	4.4%	4.2%	4.8%	4.0%

Notes:

1) Net charge-off rate calculated as actual loan receivables written off in the period net of loss recoveries divided by average loan portfolio value.

2) Calculated as change in closing loan portfolio less new loan originations for the period as a % of the previous period closing loan portfolio

3) Calculated as change in closing loan portfolio less new loan originations for the period as a % of the period average loan portfolio

Key product level metrics



(\$m)	H1 FY20	H2 FY20	H1 FY21	H2 FY21
Loan originations (\$m)	125.2	161.3	167.0	303.3
Automotive	19.2	38.4	81.1	149.7
Renewable energy	19.4	23.6	28.5	28.7
Personal	86.6	99.3	57.5	125.0
Closing loan portfolio (\$m)	306.0	380.9	435.1	614.6
Automotive	55.7	83.4	146.0	264.4
Renewable energy	38.2	54.6	71.2	86.1
Personal	212.1	243.0	217.8	264.1

P&L reconciliation: pro forma to statutory

(\$m, 12 months to March)	FY21 Pro forma	Convertible notes ¹	JobKeeper and COVID ²	IPO costs ³	Share- based payments ⁴	Other ⁵	FY21 Statutory
Interest revenue	50.7	-	-	-	-	-	50.7
Other income	2.4	-	-	-	-	-	2.4
Total revenue pre transaction costs	53.1	-	-	-	-	-	53.1
Transaction costs	(2.7)	-	-	-	-	-	(2.7)
Net income	50.4	-	-	-	-	-	50.4
Funding costs	(25.1)	(0.5)	-	-	-	-	(25.6)
Expense passed to unitholders	(0.0)	-	-	-	-	-	(0.0)
Customer loan impairment expense	(7.3)	-	-	-	-	0.2	(7.1)
Sales and marketing expense	(9.7)	-	0.8	-	-	-	(8.9)
Product development expense	(5.5)	-	0.3	-	-	-	(5.3)
General and administration expense	(13.8)	(0.4)	0.9	(2.3)	(2.5)	0.4	(17.8)
Depreciation and amortisation	(0.7)	-	-	-	-	-	(0.7)
NPAT	(11.9)	(0.9)	1.9	(2.3)	(2.5)	0.6	(15.1)

Notes:

- 1) Funding cost component relates to interest charged on convertible notes which converted to ordinary equity at IPO. G&A expense relates to the loss on derivative fair value due to an increase in the fair value of the derivative liability to listing date on the convertible notes.
- 2) JobKeeper payments relate to payments received from the Australian government in relation to COVID-19. One-off COVID-19 salary reductions net of IPO bonus paid to staff who took salary cuts.
- 3) IPO costs include legal and accounting due diligence costs, as well as corporate adviser fees and listing costs. A further \$2.8m of IPO costs were recognised directly in equity and are included in the cash flow statement in investing activities.
- 4) Share-based payments relates to the expected accelerated vesting of the existing incentive plan arrangement on IPO which is a one-off non-cash transaction. Ordinary ESOP costs incurred in the period have not been adjusted.
- 5) Customer loan impairment expense component relates to a change in Plenti's bad debt write-off policy during the period, which was increased from 120 to 180 days to align with market practice. This resulted in a period of lower than usual net charge-offs being recorded. While the lower charge-off expense was partially offset by a higher loan impairment provision charge resulting from fewer aged loans being written off, Plenti has sought to estimate the net remaining benefit and has reversed this out of the pro forma result as this is a non-recurring benefit. G&A expense relates to the pro forma adjustment for costs of being a public company in 1H21.

P&L reconciliation: NPAT to Cash NPAT



(\$m, 12 months to March)	FY20	FY21
NPAT (pro forma)	(16.4)	(11.9)
Add: movement in provision for expected losses	3.5	3.0
Add: share-based payments	0.6	1.4
Add: depreciation & amortisation	0.7	0.7
Cash NPAT (pro forma)	(11.6)	(6.8)

Cost structure – further details

Our cost to loan origination ratio reduced to 6.2% from 8.7% in FY20, with operating leverage evident across all major cost lines.

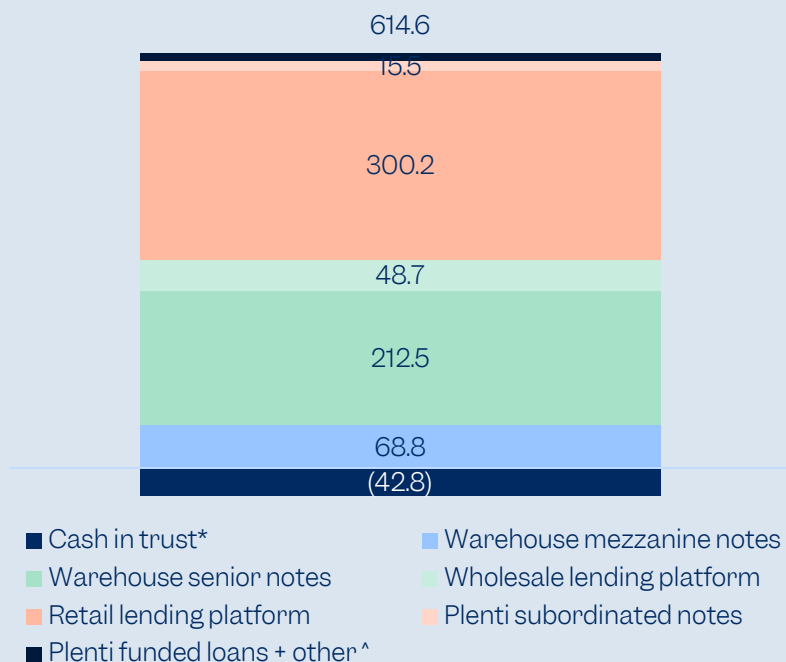
- **Sales & Marketing** – FY21 reduction reflects, improved direct and broker sales efficiency, greater proportion of broker business (fees amortised with revenue) and reduced marketing spend during COVID period
- **Product Development** – FY21 increase reflects investment in team and higher platform costs on volume increases
- **G&A**
 - **Operations** increase driven by higher volumes and small transfer of cost from S&M (support team restructure)
 - **Other overhead** driven by senior resource cost and introduction of equity incentive program for leadership team post IPO

	FY19	FY20	FY21			
Sales & Marketing	8.3	10.1	9.7	}	People	55%
<i>% of originations</i>	<i>3.6%</i>	<i>3.6%</i>	<i>2.1%</i>		Marketing	45%
Product Development	3.9	4.7	5.5	}	People	67%
<i>% of originations</i>	<i>1.7%</i>	<i>1.6%</i>	<i>1.2%</i>		Technology	33%
G&A	7.6	10.2	13.9	}	Operations	43%
<i>% of originations</i>	<i>3.3%</i>	<i>3.5%</i>	<i>3.0%</i>		Other overhead	57%
Total	19.7	24.9	29.1			
<i>% of originations</i>	<i>8.6%</i>	<i>8.7%</i>	<i>6.2%</i>			

Loan portfolio funding

Plenti's loan portfolio is now majority funded via lower cost warehouse facilities.

Loan portfolio funding 31 March 2020 (\$m)



Loan portfolio – balance sheet view - 31 March 2020

Reported loan portfolio	591.6
Deferred fees	10.2
ECL provision	12.9
Total loan portfolio	614.6

Equity financing

- Subordinated note tranches (equity) in warehouse of \$15.5m are an asset for Plenti
- Anticipate amount of equity contributed to warehouses and term transactions will reduce over time
 - Potential to reduce equity funding requirements as credit track record develops
 - Term transactions typically require lower equity contributions
 - Potential to raise debt finance to support equity requirements of funding structures
- Plenti also holds \$4.4m of 'commission notes' which can be sold to third party investors

Senior and mezzanine

- The senior tranches of Plenti's two warehouse facilities are funded by a big four bank
- Plenti has five mezzanine funders across its two warehouse facilities, helping to bring depth and diversity of funding

Lending platforms

- Lending platforms contribution to funding reduced from 97% to 55% of external funding between March 2020 and March 2021, as Plenti grew its lower-cost warehouse funding program
- Lending platforms expected to remain important funding sources

* Reconciliation between \$42.8m in cash above and total cash on trust of \$44.5m is \$1.7m restricted cash held for a Government program

^ Plenti funded loans include loans originated by Plenti yet to transfer to warehouse facilities

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