Plenti

22 May 2024 **ASX RELEASE**

Plenti Annual Report 2024

Plenti Group Limited (ASX:PLT) provides the attached Annual Report 2024.

Authorised for release by the Board of Plenti Group Limited.

For more information please contact:

Daniel Foggo	Miles Drury
Chief Executive Officer	Chief Financial Officer
shareholders@plenti.com.au	

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.

Plenti

Building Australia's **best lender**

Annual Report
2024

Plenti uses **smart technology** to provide faster, fairer loans so our customers can bring their big ideas to life.

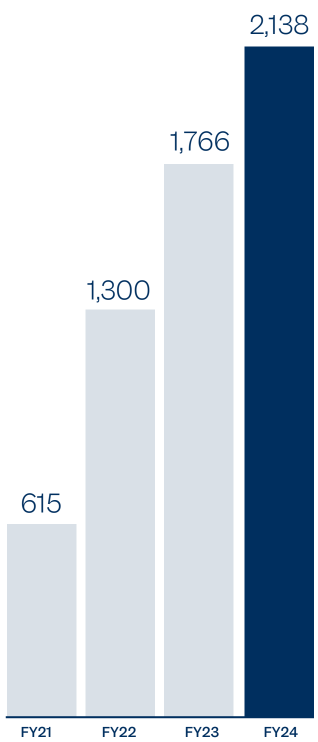
Our ambition is **to build Australia's best lender.**

About Plenti

We offer award-winning automotive, renewable energy and personal loans, delivered by our proprietary technology.

Since our establishment in 2014, our loan originations have grown strongly, driven by our leading technology and the innovation we continually bring to market. Our growth has been supported by our diversified loan offerings, broad customer reach, diversified funding, and the strength of our credit performance.

Loan portfolio ($m)



Our purpose

To bring our customers' **big ideas** to life

Our vision

Faster, **fairer loans** through smart technology

Our mission

To build Australia's **best lender**

Contents

About this report

This FY24 Annual Report for Plenti Group Limited (ACN 643 435 492) is issued on 22 May 2024.

Shareholders can request a printed copy of the Annual Report, free of charge, by emailing or writing to:

Plenti
14 Martin Place
SYDNEY NSW 2000

shareholders@plenti.com.au

FY24 highlights

Operational highlights

Automotive

Continued optimisation of loan volumes, versus lending net interest margins and credit appetite, whilst laying strong foundations for growth via the launch of the 'NAB powered by Plenti' car loan.

Loan portfolio

$1,223m

▲23% on pcp

Renewable energy

Strong lending growth reflecting the winning of new referral partners and the successful launch of Plenti's innovative GreenConnect platform to help package solar, battery and energy plan solutions for customers.

Loan portfolio

$273m

▲36% on pcp

Personal

Enhanced end user experience through increased automation rates and improved processes, whilst helping to increase operational efficiency.

Loan portfolio

$643m

▲13% on pcp

Financial highlights

Strong P&L performance

Revenue

$211m

▲47%

Cash NPAT

$6.1m

▲36%

Strong portfolio growth

Loan portfolio

$2.14bn

▲21%

Loan originations

$1.2bn

▲6%

Differentiated credit performance

90 day arrears

58bp

▲16bp

Annualised credit losses

106bp

▲38bp

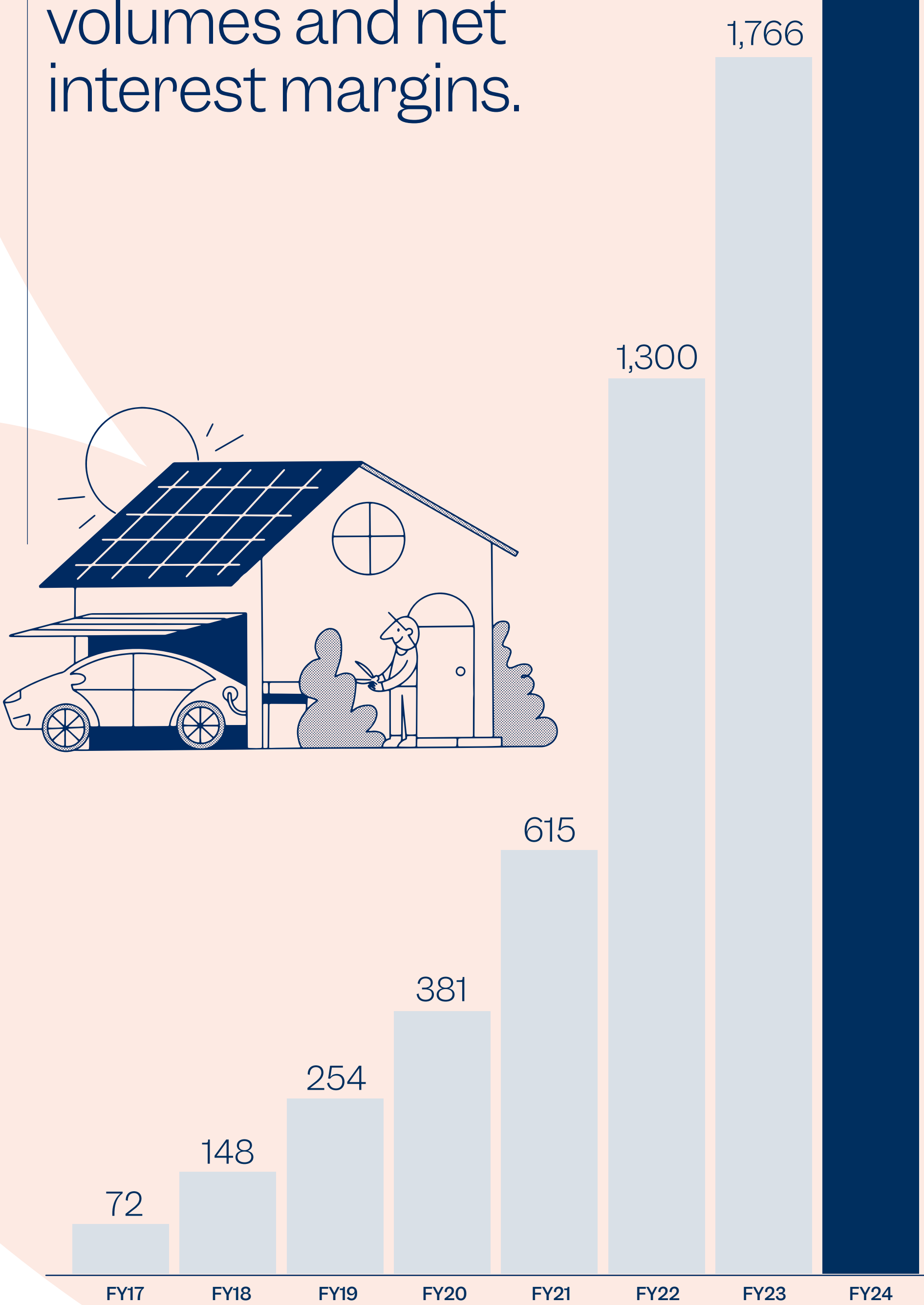
Our growth highlights

Strong loan portfolio growth achieved, whilst optimising across lending volumes and net interest margins.

Loan portfolio ($m)

$2,138

▲ 21% on pcp[1]



1. Prior corresponding period.

Our journey so far

Since launching in 2014 with an ambition to deliver marketing-leading customer experiences, Plenti has grown consistently to become Australia's largest fintech consumer lender

- Automotive
- Personal
- Borrowers/Investors
- Renewable energy
- Achievements

PRE-IPO

2014

– Launched as Australia's first licensed peer-to-peer lender

– Introduced granular risk-adjusted pricing to Australian personal loan market

– Introduced innovative digital end-to-end borrower experience with unique 'RateEstimate' rate quote technology

2015

– Carsales invests **$10m**

2017

– Renewable energy lending launched – supported by **$20m** in CEFC funding

– Secured automotive lending launched – supported by funding from several banks

2018

– Adelaide office established

– Appointed exclusive administrator for Home Battery Scheme in South Australia

– **$100m** of funding secured from CEFC to support renewable energy lending in South Australia

2019

– Direct-to-consumer secured automotive loan launched

– First bank warehouse funding facility established for secured automotive loans

$0.5bn cumulative loans funded

2020

– Appointed exclusive administrator of Empowering Homes Program pilot by NSW Government

– Rebranded as Plenti from RateSetter

– **Listed on the ASX in a $280m IPO**

POST-IPO

2020

Warehouse funding facility established for renewable and personal loans

Supported customers through COVID period

$1.0bn cumulative loans funded

2021

Automotive loan for commercial customers launched with market-leading digital experience

Inaugural asset-backed securities transaction completed **$306m**

Electric vehicle loan offering and integration with Tesla launched to help Australia transition to EV ownership

Second automotive warehouse established with dedicated EV-specific tranche

Loan portfolio reached **$1bn**

$2.5bn cumulative loans funded >100,000 borrowers

2022

Partnership with AGL established to accelerate home solar-battery uptake

Renewable energy and personal loan ABS transaction completed **$280m**

Cash NPAT profitability achieved

Launched first automotive manufacturer integration

Launched Notes Market in the Plenti Lending Platform

2023

Launched GreenConnect, an industry-first platform that brings together equipment, installation, VPP and finance offerings to make household renewable energy more affordable

Signed strategic partnership agreement with NAB, initially to focus on the launch of a 'NAB powered by Plenti' car and EV loan, and then offering renewable energy finance solutions to NAB customers

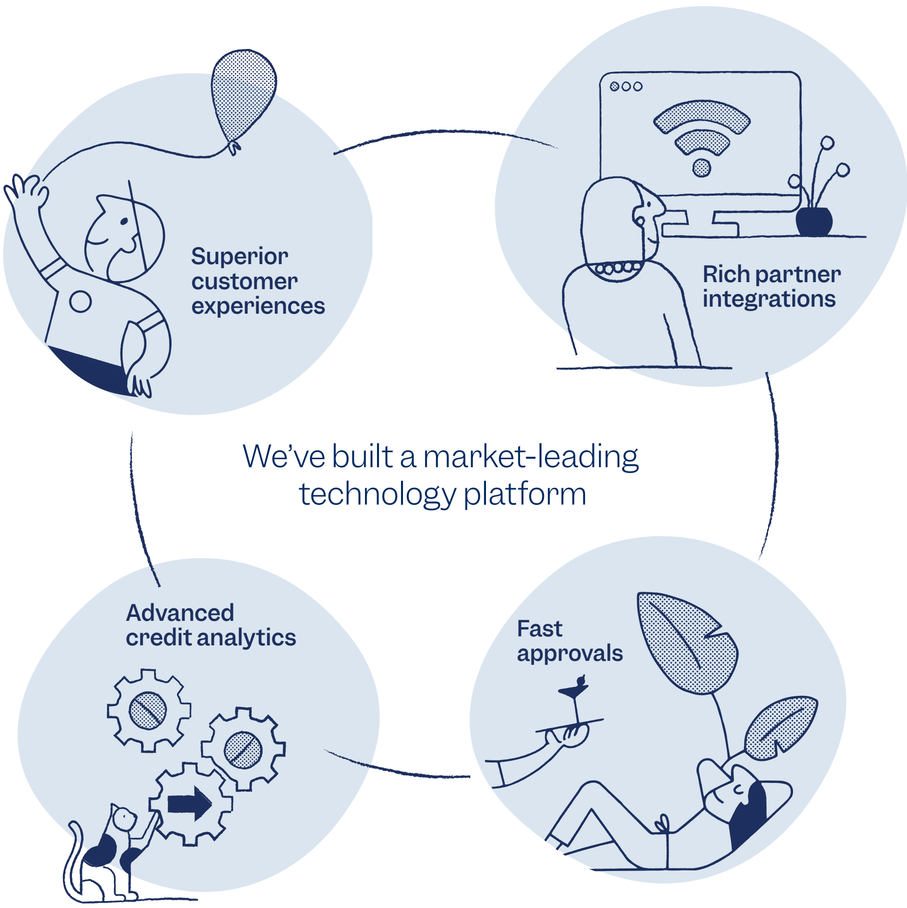
2024

Renewable energy and personal loan ABS transaction completed bringing total ABS issuance to over **$2.1bn**

Pilot OEM dealership partnership launched

Technology-led lending

Using technology to build Australia's best lender



Fast | **Scalable** | **Efficient** | **Extensible**

Our platform by numbers

~56 Engineers, product managers and designers	**>99.5%** Uptime over the past 12 months	**~5** Deployments of new products and features per day
~2.4m Web and API requests from customers and partners per day	**Up to 103** Credit algorithms and rules evaluated per credit decision	**~5,630** Payments processed per day

Chairman's message

Plenti has grown and matured significantly since I was appointed Chairman in July 2020. At that time Plenti was managing a loan portfolio of less than $400 million, and whilst the Company was achieving exciting growth and driving substantial innovation, we knew we would need to deepen its foundations across capabilities such as people and culture, corporate governance, risk management, and cyber security to ensure a smooth transition into a larger business, with a multi-billion dollar loan portfolio.

Today, Plenti has a loan portfolio of over $2.1 billion, and in my view has the people, infrastructure and practices not just to manage its current scale but to achieve the much larger scale we plan for Plenti to reach over the medium term. Reflecting on the last year I am immensely proud of how effectively Plenti has solidified foundations to help ensure the business can achieve its potential whilst maintaining its entrepreneurial culture and growth mindset.

Plenti's performance in the last year has been especially strong in the context of the broader market. Over a period when many lending businesses have seen their loan portfolios stagnate and their profitability decline, Plenti has continued to grow its loan portfolio at a responsible rate, whilst delivering strong growth in Cash NPAT. This performance is testament to the resilience and adaptability of our business model, the pricing advantages our simple customer experiences afford us, the benefits of our diversification across numerous lending channels, our diverse funding, and sound capital management. Despite the challenges posed by increases in funding costs, higher market credit losses, and intensified competition in some quarters, we have remained steadfast in our commitment to delivering sustainable, long-term profitability and value for our shareholders.

Advancing our funding program remains a significant priority. In the past year, we have executed two ABS transactions, bringing our total ABS issuance to over $2.1 billion, while further increasing the breadth of domestic and international investors supporting our capital markets program.

One of the key attractions of Plenti's business model is that it competes in prime credit segments of lending. This not only provides the business with a large growth runway, but helps it to deliver strong and predictable credit outcomes, as we again witnessed in the last year.

A highlight of the year was signing a strategic partnership agreement (including an equity investment agreement) with NAB. This strategic partnership represents a significant milestone for Plenti, as it not only validates the strength of our business capabilities but also opens doors to exciting new opportunities for growth and innovation. The initial focus of this partnership is delivery of a 'NAB powered by Plenti' car loan, which we believe has the potential to be disruptive to the large automotive financing landscape.

We see strong potential to continue collaborating closely with NAB – combining NAB's trusted brand and deep customer relationships with Plenti's award-winning consumer finance experiences, efficiency and technology – to introduce new products and services beyond our initial automotive and renewable energy finance offerings.

I would like to thank my fellow Directors for all that they have contributed during the year. I also wish to recognise the exceptional work of the entire Plenti team for delivering the strong results set out in this annual report.

Finally, on behalf of the Board, I would like to thank you for your ongoing support as shareholders of Plenti.

Yours faithfully,

Mary Ploughman
Chairman

CEO's message

When we first embarked on building Plenti in 2012 we were confident we could build an enduring business that set new standards in customer experience, whilst also contributing positively to the Australian financial system.

A lot has changed since then, both in Australia's lending markets and within Plenti. However, our commitment to leveraging our technology to set new standards in speed, simplicity and service, and our desire to shift finance from being a friction to being an enabler of our economy, remain firm. We have now set our sights further, as we make strong progress towards achieving our more recently defined mission, which is to build Australia's best lender.

We have helped over 180,000 Australians bring their dreams to life, whether that has been financing the purchase of a car to get to work, or financing the installation of a solar battery system to help reduce their energy bills and carbon footprint. We have done this whilst achieving outstanding customer feedback, with more 5/5 star ratings (across major review websites) than any other lender in Australia, whilst also achieving an NPS of over 70, showing we really are 'raising the bar'.

Over the past year, we have driven strong loan portfolio growth and increased our profitability. This can be attributed to our focus throughout the year on:

- Optimising our loan origination volumes whilst preserving net interest margins and borrower credit quality, in recognition that short-term growth is only part of the equation when building profitability over the longer term
- Further streamlining and simplifying our processes to help drive efficiencies as we scale, as evidenced by the decline in our cost-to-income ratio to below 27%. Notably, at the end of 2023, we completed the wind-down of all support services that were previously provided out of Manila, Philippines, mostly by increasing levels of automation in our day-to-day activities
- Ensuring we manage credit risks prudently, which resulted in the tightening of our credit appetite during the year, especially in personal loan channels, in recognition of current pressures on household budgets
- Making daily enhancements to our technology platform, to improve everything from customer experience to resilience against cyber threats. These enhancements ensure that we remain at the forefront of technological innovation and are equipped to meet the evolving needs of our customers

The most exciting development of the year was the execution of our strategic partnership with NAB, as announced in November 2023. This followed an extensive period of engaging with NAB to determine how we can best combine our strengths to achieve our respective goals and ambitions. Our team has since been working very closely with NAB and executing preparations for the launch of our first joint product, a 'NAB powered by Plenti' car loan, which is expected to launch to initial target customer segments in the first quarter of the new financial year.

More generally, we see our strategic partnership with NAB as providing an important new pillar to our business, supporting our ambitions for Plenti's scale, diversity, and profitability, and which will support our aspirations across technology leadership, product differentiation, brand recognition, and impact.

Looking ahead, we see exciting opportunities to continue to innovate and drive our growth across each of our key verticals – car lending, renewable energy finance and personal lending. To this end, our focus areas for FY25 will include:

- Growing our core lending activities by expanding our product offerings and reaching new customer segments
- Delivering on opportunities presented through our strategic partnership with NAB
- Investing in our technology and data capabilities to drive further differentiation and underpin future growth and profitability

I thank each Director for the valuable advice and support they provide across many facets of our activities. We continue to benefit from a highly engaged and motivated Board, who continues to support Plenti in delivering differentiated results for our shareholders.

Finally, I thank our team of now over 200 Plentineers, the team who 'make it happen'. I am grateful for each Plentineer's ongoing commitment to supporting our ambitions. The capabilities of our team give me great confidence that we will continue to outperform and deliver value for our shareholders.

Yours truly,

Daniel Foggo
CEO

Our strategy

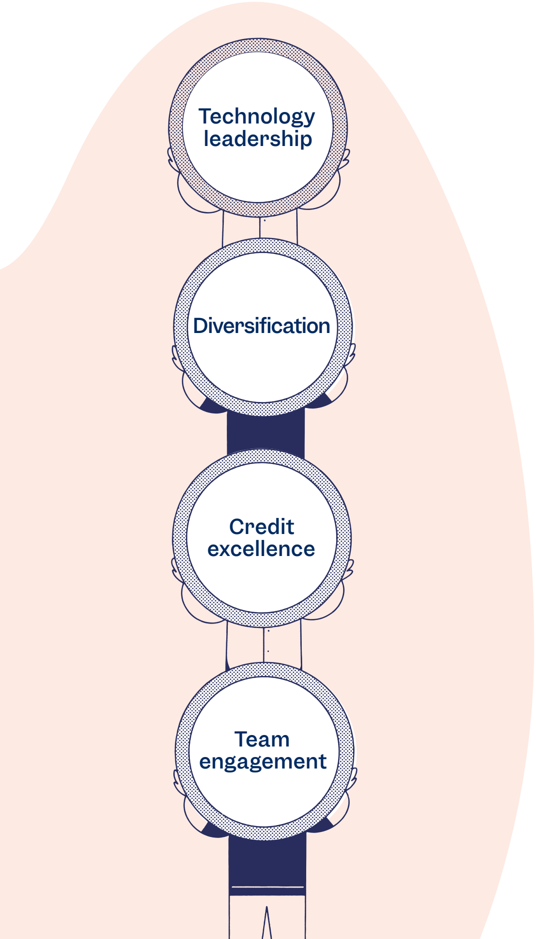
Our ambition is to further develop Plenti into a large, highly diversified and highly profitable business. Our strategy for achieving our ambitions centres around differentiating Plenti's capabilities across its technology, product and distribution diversification, credit capabilities and team engagement.

Technology leadership

Plenti has a strong track record for setting new standards across customer and partner experience, speed of activities, cadence of innovation and improvement, depth of partner integrations, and levels of operational efficiency. The setting of new standards in these areas is commonly facilitated by Plenti's ownership of its own technology platform, which is operated and constantly enhanced by its in-house engineering team.

Plenti continually invests in its technology platform to drive further innovation and product improvements. In the past year, key technology improvements have focused on loan application speed and efficiency, the development of APIs to facilitate rich integrations with referral partners, and enhancements to the technology underpinning Plenti's credit decisioning and pricing activities.

Strategic priorities



Diversification

Since its inception, Plenti has consistently added to the diversity of its loan offerings, its distribution channels, and its funding sources, with the ambition of building strength and resilience through its diversity. An example of this diversification includes the expansion of its focus from personal loans to renewable energy finance, and then to automotive finance; and in relation to the latter, the expansion from consumer to commercial customers. This continual diversification has helped underpin Plenti's growth, whilst also making it a more resilient business which is better able to withstand disruption to any particular market or activity.

Plenti's strategy is to further leverage its technology capabilities to broaden its activities efficiently and effectively, most notably by entering into adjacent lending markets and by working with new, large referral partners.

Credit excellence

Plenti has an outstanding track record for delivering predictable (and relatively consistent) credit outcomes, underpinned by a relentless focus on attracting and funding creditworthy borrowers. Plenti also has a strong track record for bringing new levels of sophistication to the loan application and approval processes, as well as to pricing loans according to the risk represented by the underlying borrower. Plenti's risk-adjusted pricing differentiation dates back to the launch of its personal loan offering in 2014, when it introduced granular risk-adjusted pricing, leveraging more data than just an applicant's credit score, as was common at that time.

Plenti's strategy is to continue to attract and retain talented credit executives, to continue to invest in its credit decisioning technology, and further enhance its use of data to refine its credit models and enhance the sophistication and accuracy of its loan pricing.

Team engagement

Plenti is a founder-led business, with a strong track record for attracting and retaining exceptional talent across its business functions. Typically talent will be recruited not because of their years of experience at a traditional lender, but because of their creative thinking abilities and dedication to tackling problems, including finding new ways to more effectively achieve real-world outcomes.

Plenti has developed a strong and identifiable culture, as characterised by its four cultural values.

- Be the best
  - We give it 100%
  - We embrace big, innovative ideas and tackle hard things
  - We raise the bar
- Make it happen
  - We are empowered
  - We work as a team
  - We go above and beyond and get the job done
- Think like a customer
  - We see it from our customer's perspective
  - We make it simple
  - We love feedback
- Do what's right
  - We respect each other
  - We exceed regulatory expectations
  - We help shape our industry for the better

Over the year ahead, in addition to building on the above competitive strengths, Plenti will apply particular focus to ensuring the effective delivery of new products via its strategic partnership with NAB, and to further enhancing its use of data across all business activities.

Plenti's strategy will continue to be refined as it leans into its commitment to building a sustainable and profitable business which delivers strong returns for its investors.

Operational overview

Automotive lending

Plenti has established a meaningful presence in the ~$35 billion secured automotive loan market since launching its secured automotive offering in 2017. Secured automotive lending remained the largest volume vertical during the year, with loan originations of $624 million, up 9% on the prior year, and automotive loan portfolio growth of 23%.

More moderate loan origination growth compared to prior years reflected a continued focus on margins and offsetting funding cost increases experienced during the year, as well as adjustment of credit risk settings to ensure stability in credit outcomes.

Plenti's proprietary technology platform continued to provide a significant advantage relative to traditional lenders encumbered with legacy technology, facilitating the delivery of market-leading customer approval, settlement and funding experiences across a broad range of distribution channels.

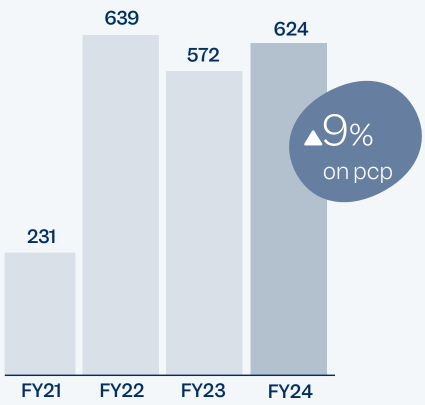
Plenti maintained its focus on further enhancing its market-leading automotive loan application experiences, extending its distribution capabilities through digital and broker referral partners, developing a highly effective sales team, enhancing its fast and efficient loan processing capabilities, and advancing its automotive funding program.

Additionally, Plenti's presence was expanded into the automotive dealership channel, with pilot programs commencing in the final quarter of the year with both large dealership groups and manufacturer partners.

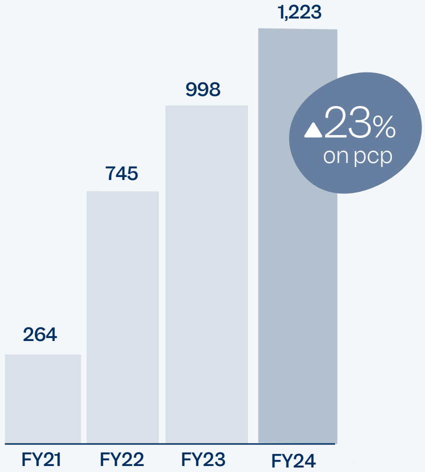
Several product and technology enhancements were delivered over the year, including enhancing our proprietary credit underwriting engine to increase the portion of both consumer and commercial loans that were decisioned on an automated basis, extending eligible commercial finance assets to include trucks and light commercial vehicles (up to 12 tonnes), and improving the customer application process for automotive loans acquired via the direct-to-consumer channel. In addition to improving the cost-of-acquisition for automotive loans acquired via the direct channel, these application improvements will support the launch of the 'NAB powered by Plenti' car and EV loans.

Plenti's ongoing automotive lending activities were supported by the completion of a $406 million secured automotive loan ABS transaction, bringing total secured automotive ABS issuance to over $1.1 billion.

Loan originations ($m)



Closing loan book ($m)



$1,223m
Loan book
▲23% on pcp

>45%
New car loan funding

$35bn+
Annual lending[1]
~3% estimated Plenti market penetration

1. Management estimate.

Operational overview

Renewable energy lending

Plenti is committed to helping Australian households transition to a clean energy future through financing the installation of solar panels and home batteries.

Renewable energy loan originations further accelerated year-on-year, increasing by 31% to $160 million, against a 6% increase in overall growth in the installation of household solar systems across Australia, which reached 339,498 in 2023, up from 315,449 in 2022.

The market continued to benefit from favourable trends, including:

- Continued significant increases in household energy costs (up 4–25% in 2023[2]), making the economics of solar and solar battery systems more appealing
- Increase in proportion of systems installed with batteries, now 16% of total installations, up from 7% in 2022, driving demand for finance given the higher cost of these systems
- Government programs continuing to promote/subsidise the installation of household renewable energy systems and electrification technologies such as solar and heat-pump hot water

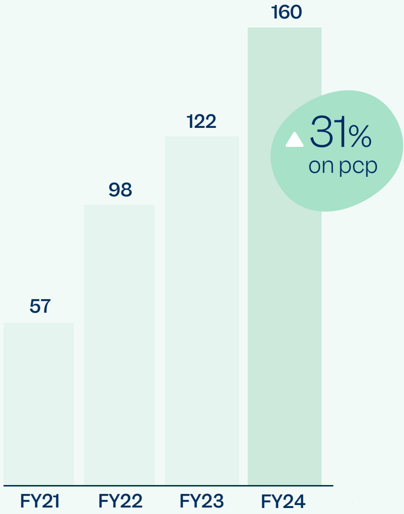
Plenti increased market share by continuing to expand its accredited referral partner network, supported by its diverse product offering which allows referral partners to offer both interest-free finance and simple interest-bearing green loan solutions at the point-of-sale. Additionally, the range of equipment eligible to be financed was expanded to include a range of electrification technologies including solar and heat-pump hot water, energy efficient air-conditioning and EV charging systems.

Lending growth was supported by the development of Plenti's GreenConnect offering, an innovative point-of-sale platform that brings together product manufacturers, energy retailers, installers, and Plenti's cost-effective finance to provide households with access to a broad selection of more affordable home solar-battery systems. Through this platform both installers and customers can access a range of incentives for connecting a battery storage system to a virtual powerplant (VPP), including equipment discounts, upfront cash incentives and energy bill credits. With these incentives, battery system costs can be reduced by up to 25%, helping drive customer demand for both systems and related finance.

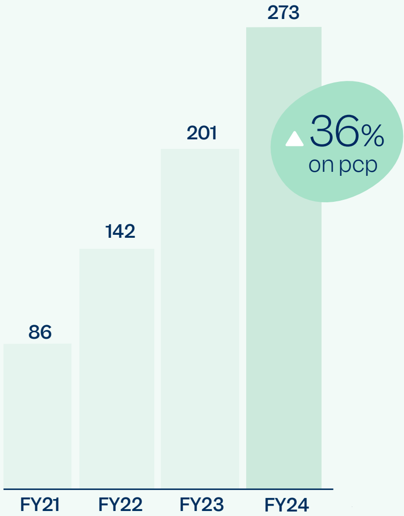
In 2023, GreenConnect facilitated over 12MWh of VPP connected storage, and is now the largest VPP and orchestration aggregator in Australia.

Since inception, Plenti's renewable energy lending has facilitated the installation of over 35,516 solar and solar-battery systems, helping deliver significant carbon savings estimated to equal 72,936 tonnes of CO_2 per year.

Loan originations ($m)



Closing loan book ($m)



>700
Partner network of renewable energy equipment vendors

$273m
Loan book
▲36% on pcp

26%
Funding with batteries

~340k
Households installing solar annually[1]
~10% estimated finance market penetration

1. Clean Energy Council Australia – Clean Energy Report 2024.
2. Treasury estimates.

Personal lending

Personal loan originations were $418 million, down 5% on the prior year but driving loan book growth of 13% given the strong loan origination growth achieved in the prior years.

Moderation in loan originations across both direct-to-consumer and broker introduced loans reflected a broadly flat overall personal loan market as well as a more conservative approach to pricing, focused on maintaining net interest margins and some tightening of credit appetite through the year to support the future delivery of stable credit outcomes.

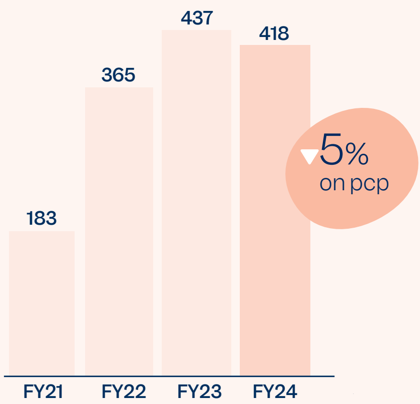
Growth in originations via the direct-to-consumer channel continued, growing 17%, due to continued investments in direct origination marketing, technology and capabilities. This enabled Plenti to improve the customer experience for new and repeat customers, reduce application processing and decisioning times, and further optimise customer acquisition costs.

In particular, further investments in enhancing Plenti's automated credit decisioning engine, and new marketing automation and customer nurture tools, delivered improvements in funnel conversion rates. The improved use of data assisted in leveraging the over 950,000 profiles in Plenti's ecosystem[1] to drive additional originations from repeat and cross-sell borrower customers.

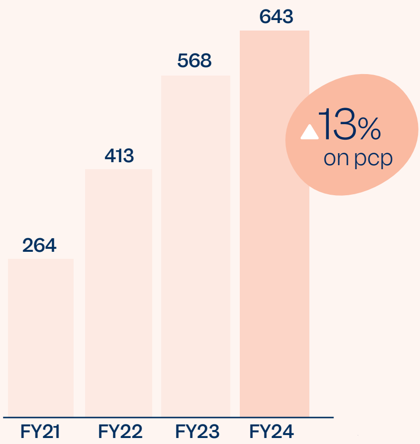
Loan originations were also supported by sustained selection of Plenti's loan offering by leading mortgage and asset finance brokers, who continued to find Plenti's speed, ease of application and funding experience to set the standard amongst personal loan providers.

Plenti's ongoing personal loan activities were supported by the completion of a $375 million personal loan and renewable energy receivables ABS transaction.

Loan originations ($m)



Closing loan book ($m)



>9,000
Network of accredited broker partners
17 loan aggregator partners

$643m
Loan book
▲13% on pcp

>950k
Customers in ecosystem

$12bn
Annual lending opportunity[2]
3% estimated market share

1. Profiles in ecosystem represents current and past borrowers and investors, and loan applicants.
2. *ABS 5601.0* Table 27 LTM to Jun-20.

Operational overview

Credit performance

Plenti is focused on lending to creditworthy borrowers and has, since its launch to customers in 2014, delivered predictable credit outcomes. Credit outcomes and lending profitability have been supported by Plenti's ongoing investment in its people, credit analytics and credit decisioning and pricing technology. As Plenti has scaled, to have now funded over $4.5 billion in loans to over 180,000 borrowers, it has been able to leverage an increasingly rich pool of historical data to enhance its credit decisioning and loan portfolio management.

Specifically throughout FY24, Plenti focused on using its historical credit performance data to perform advanced analytics, enabling it to increase its credit decisioning automation levels. These improvements helped to deliver enhanced customer experiences, with faster, more consistent decisions as the year progressed, whilst maintaining Plenti's track record for achieving a strong, predictable credit performance.

FY24 was characterised by credit losses across lending markets returning toward pre-COVID levels, following a period of exceptionally low delinquency and losses.

Plenti's net loss rate was 1.06% of its average loan portfolio, versus 0.68% in the prior year, which overall was a pleasing performance and consistent with Plenti's expectations.

The average credit strength of Plenti's loan borrowers (at time of application) continued to improve during the year, following credit appetite refinements made at the start of the financial year, as indicated by the weighted average Equifax CCR score of underlying borrowers increasing to 835, from 831 in the prior period.

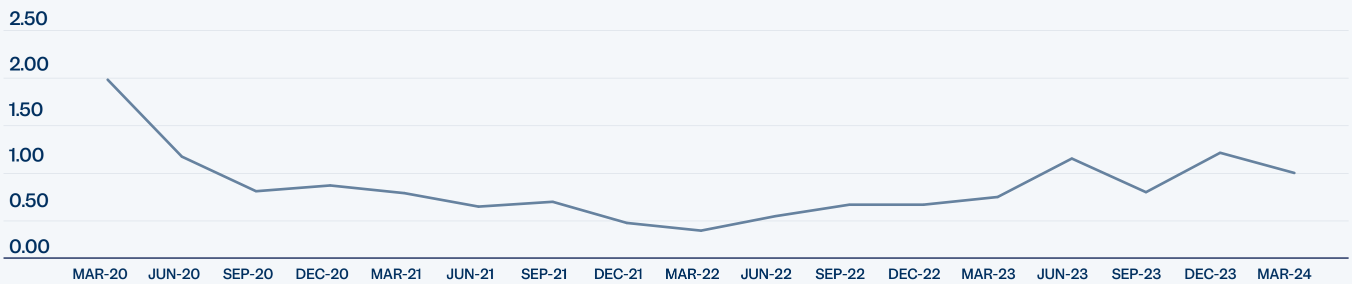
During the past year Plenti's credit risk, credit analytics and data teams pursued three important priorities, being:

- To increase access and use of company, applicant and external data to improve insights and learnings, to better inform the design of pricing and operational processes
- To increase automation rates across credit decisioning and loan settlement processes, to provide faster and more consistent experiences for partners and borrowers, and to improve the productivity and accuracy of underwriting and operational teams
- To invest in collections and hardship technology, processes and human resources, given the continued growth and maturing of the loan portfolio

Plenti made significant progress across each of these priorities, with each adding tangible benefits to the overall performance of the business. The investments made in the collections and hardship teams, for example, reduced overall operational risks but also supported strong recoveries through Plenti's ongoing internal collections program and its second inventory debt sale completed in the second half of the year.

Overall, Plenti believes that its credit technology, credit analytics and credit functions continue to be an important contributor to its customer experiences and business profitability, and that they represent a key differentiator to competitors.

Annualised net loss rate (%)



Funding

Plenti's diverse, flexible and scalable funding sources represent a key business strength. Over the past 12 months, Plenti continued to broaden its ABS investor base through the introduction of new domestic and international investors. Plenti also continued to efficiently manage its warehouse funding facilities and introduced structural enhancements to improve warehouse cost efficiency. Plenti also continues to benefit from the flexible funding provided by the Plenti Lending Platform, its original peer-to-peer lending marketplace.

Over the past year Plenti reinforced its position as a programmatic issuer of high-quality ABS transactions, executing two ABS transactions which brought total issuance through its ABS program to date to over $2.1 billion across six transactions. The two transactions were a $406 million automotive loan ABS and a $375 million personal and renewable energy loan ABS.

The automotive loan ABS was rated by two rating agencies, Moody's and Fitch, with 86% of the notes issued rated Aaa by both agencies, a reflection of the high credit quality of the underlying borrowers funded by Plenti. The transaction was completed in June 2023 and, despite volatile market conditions, attracted strong demand from both domestic and international investors, and priced at attractive levels relative to peers at the time.

The personal and renewable energy loan ABS was completed in February 2024 and was the first ABS transaction in the Australian securitisation market for 2024. The transaction included $108.75 million of notes green-certified under the Climate Bonds Standard, representing 29% of the total issuance, a larger share than the same transaction in 2023 which had 24.5% green-certified notes. This increase reflected the growth of the renewable energy business over the past 12 months. The 2024 personal and renewable energy loan ABS attracted a record number of investors, both domestic and international, supporting attractive pricing compared to that achieved in 2023.

In addition to the successful ABS transactions, Plenti continues to manage funding requirements for new originations through its warehouses. During the year, Plenti restructured one of its two automotive loan warehouses into a stapled dual trust structure with one trust being rated by Moody's, allowing Plenti to achieve a more efficient capital structure and improved pricing.

At year end, Plenti had total available warehouse facilities of $1.08 billion, providing $290 million of funding headroom. Plenti actively managed its warehouse capacity through the year to balance funding capacity and costs, by increasing limits as the warehouse portfolio grew and decreasing limits post ABS transactions.

The Plenti Lending Platform continues to play an important role in loan funding due to its competitive cost, the flexibility it provides the business in supporting growth initiatives, and the equity capital efficiency it delivers. Plenti continued to utilise the 'Notes Market' during the year and sold additional Plenti ABS notes previously held on balance sheet, providing investors with an attractive investment opportunity whilst also releasing capital to be invested to support further loan portfolio growth.

Plenti continues to benefit from a corporate funding facility which was extended in March 2024 at an improved margin compared to the prior year. The facility limit is linked to the size of Plenti's securitised loan portfolio, providing the ability to access more capital, if needed, as the loan portfolio grows. This facility was drawn to $27.5 million at year end, which was below the facility capacity.

Warehouse funding

Description

- Warehouse funding program, commenced in December 2019

FY24 highlights

- Restructure of one of Plenti's automotive loan warehouse into a stapled dual trust structure with one trust rated by Moody's
- Ongoing management of the warehouses through changing market conditions, with strong support by relationship financiers
- Dynamic management of limits to balance cost and funding headroom

Asset-backed securitisation transactions

Description

- Term securitisation program to access institutional debt capital markets

FY24 highlights

- Reinforced Plenti as a consistent issuer in ABS markets, with total issuance over $2.1 billion to date
- $406 million secured automotive loan ABS transaction completed
- $375 million renewable energy and personal loan ABS transaction completed

Plenti Lending Platform and Plenti Wholesale Lending Platform

Description

- Flexible funding platforms available to retail, institutional, government and wholesale investors respectively, funding a diverse range of loans including personal and renewable energy finance

FY24 highlights

- Attracted ~700 new investors to the Plenti Lending Platform bringing the total to over 27,800 registered investors
- Continued to offer selected ABS notes to investors via the 'Notes Market' allowing Plenti to release capital and fund new growth

Environment, social and governance

The establishment of Plenti in part reflected an ambition to enable borrowers and investors to participate in a more fair and equitable financial system. Intrinsically linked to this ambition is Plenti's commitment to providing value to its borrowers and investors, including contributing positively to the community and environment in which Plenti operates.

Since inception, Plenti has funded the finance needs of over 180,000 borrowers, and by its estimates, saved them tens of millions of dollars in interest compared to what they would have paid if they had obtained a loan from a traditional lender. Additionally, Plenti has paid investors in the Plenti Lending Platform over $100 million in interest, with each investor receiving all amounts of principal and interest due.

A key component of Plenti's commitment to supporting the environment is its household renewable energy finance activities. During the year, Plenti continued to grow its GreenConnect platform, a first-of-its-kind point-of-sale platform designed to bring together renewable energy product manufacturers, energy retailers and Plenti's cost-effective finance to provide Australian households with access to a broad selection of more affordable solar-battery systems. Since its inception, over 150 installers have signed up to GreenConnect, delivering over 3 MWh of VPP-connected batteries in its first year.

Plenti's commitment to supporting environmentally sustainable products was further enhanced during the year through the announcement of its strategic partnership with NAB, where (amongst other things) the parties will introduce an innovative 'NAB powered by Plenti' car and EV loan, and then make Plenti's household renewable energy finance available to NAB customers.

Throughout the year, Plenti has continued its efforts to create a dynamic, rewarding, and engaging work environment. Plenti's exceptional employee engagement scores demonstrate its unwavering dedication to offering employees more than just competitive compensation, but also opportunities for professional growth in a diverse and purpose-driven environment.

To support its ambition of being an employer of choice, Plenti has developed a feedback loop that helps to improve all areas of its business and to ensure that its employees have the best possible experience.

Plenti continued its community partnership with Good Return in line with its support for furthering financial independence. Other charitable giving and service initiatives undertaken throughout the year include working with the Cancer Council, Dress for Success and R U OK? Additionally, Plenti committed funding, via its membership of the Australian Financial Industry Association (AFIA) , to support financial counselling services in Australia.

Plenti's sustainable business priorities are outlined in the table on the next page.

Our values

Be the **best**

We're a high performance team with ideas that make a difference

Make it **happen**

We keep it simple, do it together, and get the job done

Think like a **customer**

We never forget that our customers are what it's all about

Do what's **right**

Our decisions matter

Material issue	Issues considered	FY24 focus and progress

Environment

Material issue	Issues considered	FY24 focus and progress
Impact of business activities on our environment	Ability to enhance Australia's clean energy future through business activities	▪ Ambition to accelerate the uptake of renewable energy and decarbonisation technology in Australian households: – Funded 14,481 loans to households installing solar systems and/or battery systems, solar and heat-pump hot water systems and EV chargers – Continued to grow GreenConnect, an innovative point-of-sale platform to help connect Australian homeowners with solar and battery offers and incentives, including VPP programs – Strategic partnership with NAB, where an innovative 'NAB powered by Plenti' car and EV loan is expected to be launched in the first half of 2024. Further Plenti household renewable energy finance solutions are expected to be made available to NAB customers in 2024 ▪ Ambition to accelerate Australia's transition to EV ownership: – Offered EV-specific loans and services to make the purchase of EVs easier and more affordable, with loan rates discounted by at least 0.5% – Maintained Clean Energy Finance Corporation (CEFC) funding to support the provision of discounted rates to EV finance customers ▪ Issued a personal and renewable loan ABS transaction in February 2024 with ~30% of notes issued being Green Bond Certified
Carbon footprint	Ability to offset carbon emissions resulting from business activities and to reduce carbon emissions over time	▪ Commitment to becoming carbon neutral: – Continued work to better understand direct carbon emissions and measurement process ▪ Engaged in industry forums regarding adoption of climate-related financial disclosures and its application to non-bank lenders
Supply chain	Ability to influence suppliers' environmental impact through consideration of their environmental protection credentials when evaluating potential service providers	▪ Continued use of technology providers with robust environmental credentials including commitments to renewable energy use and/or carbon neutrality: – Primary provider Amazon Web Services is supported by its solar energy farm, and expects to reach its goal of 100% renewable-energy-powered operations by 2025 – Key provider Microsoft has been carbon neutral since 2012 and has a commitment to achieve carbon negative status by 2030 ▪ Updated office energy plans to buy 100% carbon neutral energy sources

Social

Material issue	Issues considered	FY24 focus and progress
Financial inclusion and consumer welfare	Support of consumer financial access and inclusion	▪ Pioneering provision of access for retail investors to consumer credit, historically only available to banks and institutional investors: – Further growth in investors registered to invest via the Plenti Lending Platform, bringing the total number of registered investors to approximately 27,800 ▪ Seek to provide a more flexible approach to lending than traditional lenders, to better serve the community of people with finance needs. Member of multiple industry bodies, signatory, and active contributor to the development of relevant industry codes of practice to help raise industry standards and improve consumer outcomes, including: – Australian Finance Industry Association – Australian Retail Credit Association – Fintech Australia – Smart Energy Council
Workforce diversity	Attraction and retention of a diverse workforce to support business performance and more accurately reflect the community in which we operate	▪ Set diversity and inclusion targets including: – Evolve workforce gender representation to 40/40/20 – Continued commitment to 40:40 Vision at Board level – Board female representation currently at 40 per cent – Maintain Board's female representation at 40 per cent

Environment, social and governance

Social (continued)

Material issue	Issues considered	FY24 focus and progress
Gender diversity	**Gender diversity to support business performance and gender equality**	■ Industry-leading female representation at Board level: – Female Chairman since 2020 – 40% female Board representation, including Chairman ■ Average female workforce representation of 36% ■ Senior executive female representation of 17% ■ Continuation of leadership development programs aimed at progressing and retaining female talent ■ Measures in place aimed at reducing selection bias in the hiring process including the requirement to have minimum one female staff member on the assessment panel
Employee mental health	**Employer responsibility to support staff wellness and mental health**	■ Provide access to an employee assistance program, offering access to wellness information and support on a no-cost and confidential basis as well as access to dedicated well-being coaches and therapists ■ Regular company-wide, team-specific, and activity-specific initiatives to maintain inter-personal connection and promote mental well-being
Employee environment and benefits	**Employer responsibility to provide staff with a safe, comfortable, and enjoyable work environment, whilst also helping each employee achieve their potential**	■ Significant investments in the working environment of staff and staff benefits: – Updated the Company's employee performance framework to assist with determinations around staff including talent development and training needs, and to better assess employee movements – Implemented a number of new policies, processes and procedures to further support the different ways of working at Plenti, including the introduction of a flexible work policy, working from home policy, and updating the Company's work, health and safety policies and procedures – Launch of a company-wide Individual Milestone Awards acknowledging and celebrating employee milestones ■ Enhanced employee benefits program including the provision of superannuation on unpaid parental leave, increased services with the Company's EAP provider for staff, and the introduction of a cultural swap day ■ Continued investment in employees through company-wide and targeted learning and development programs to foster and enhance employee capabilities ■ Demographic and Diversity & Inclusion & Engagement surveys to better understand the motivations of employees, drive the Company's Diversity & Inclusion Action Plans, and to enable targeted initiatives to support staff throughout the business: – Key internal survey showed that 80% of surveyed participants felt valued at Plenti and 85% felt that they could be their authentic self whilst at work
Community financial empowerment	**Financial literacy and capability in recognition of socio-economic imbalance, particularly in communities in developing settings** **Access to finance that enables critical quality-of-life improvements**	■ Continued partnership with Good Return, a not-for-profit organisation that delivers development programs and improved access to financial services
Hardship and vulnerable customers	**Legal and moral responsibility of retail financial services to assist customers suffering financial hardship**	■ Delivered a comprehensive range of assistance measures for customers suffering financial hardship ■ Enhanced training for customer-facing employees to build capabilities in identifying, supporting and referring customers suffering financial hardship
Modern Slavery	**Legal and moral responsibility of organisations to combat modern slavery in its operations and supply chain**	■ Submitted its first Modern Slavery Statement to the Attorney-General's Department outlining the steps the Company has taken to identify and manage modern slavery risks in its operation and supply chain ■ Key activities undertaken included: – Assessment of modern slavery risks across its operations and supply chain – Revision of its governance and policy framework including its supplier onboarding – Introduction of new training relating to modern slavery – Introduction of a new Supplier Code of Conduct – Insertion of modern slavery clauses in template agreements

Governance (including cyber security)

Material issue	Issues considered	FY24 focus and progress
Overall governance frameworks	ASX Corporate Governance Principles and industry best practice	▪ Compliant ASX corporate governance principles and all other applicable regulatory requirements ▪ Frameworks in place to meet legal, regulatory and Australian Financial Services Licence and Australian Credit Licence obligations
Company values and ethics	The importance of having a culture where strong governance, risk management and compliance policies, processes and actions are understood and prioritised	▪ Company values guide decision-making requirements of directors, senior executives and employees: – A key Plenti value is to 'Do what's right' which instils a culture of doing what is right by borrowers and lenders, and by applicable legal and regulatory requirements ▪ Conducted regular compliance training both on a company-wide and targeted level ▪ Introduced a Supplier Code of Conduct which sets out the Company's expectations of its suppliers, contractors, business partners and service providers to, amongst other things, share the values of the Company and its standards
Compliance and reporting	The importance of financial service businesses in complying with their legal and regulatory obligations for the benefit of stakeholders	▪ Comprehensive compliance plan in place to help ensure all legal and regulatory obligations are met ▪ External compliance committee in place providing an objective measure of existing compliance risks and independent assessment of emerging risks ▪ Enhanced our Quality Assurance team to monitor adherence to processes and procedures ▪ Conducted regular reviews to ensure compliance with all legal and regulatory requirements as a responsible financial service business
Enterprise risk management	The governance, legal, regulatory, operational and other non-financial risks associated with operating a diverse, regulated financial services business	▪ Further enhanced risk management framework, including risk appetite statement, risk strategy, risk management policy, risk register and controls ▪ Updated Board Committee Charters to reflect increased risk oversight as company matures
Cyber security	Financial services' responsibility to keep customer data secure Contribution to the ongoing fight against financial crime	▪ Plenti understands the deep trust that is placed in us by our customers and partners when they choose to transact with us, and we take the security of our customers' data very seriously. We have deployed a range of best-practice controls and tests across our people, premises, processes and technology platforms to mitigate the risks of, and consequences associated with, cyber security incidents. Additionally, we employ advanced monitoring to identify anomalous behaviours across our technology platforms. Importantly, we conduct regular information security risk reviews of our technology vendors ▪ In the past year we continued to invest in improving our cyber risk management framework, including (amongst other things) significant improvements to our cyber security monitoring systems, data architecture, and personnel training programs

Board & management





Board of Directors

Appearing above from left to right:

Mary Ploughman

Chairman and Independent Non-Executive Director

Mary was appointed Independent Non-Executive Chairman in July 2020. Mary brings 30 years of leadership, financial services (including the non-bank sector), capital markets, securitisation, mergers & acquisition, governance and risk management experience on a range of financial institutions, infrastructure and not-for-profit boards. Mary served as a Non-Executive Director of Sydney Motorway, and as Deputy Chairman of the Australian Securitisation Forum. Mary is a former CEO of Resimac Group Ltd. Before joining Resimac, Mary worked at Price Waterhouse Coopers and Macquarie Bank. Mary currently serves as Non-Executive Director on Prospa Group Ltd, Qualitas Ltd and Housing Australia Boards, and Chairman on Pitcher Partners' Board. Mary holds a Bachelor of Economics from The University of Sydney, is an Associate of the Securities Institute of Australia, a Graduate Member of the Australian Institute of Company Directors and is a Fellow of the Australian Securitisation Forum.

Length of service: 4 years.

Peter Behrens

Non-Executive Director

Peter has over 20 years' experience in law, financial services and growth companies with Ashurst, Royal Bank of Scotland plc, Laxfield Capital, RateSetter and Metro Bank plc. Peter previously served as a Non-Executive Director of George Banco Limited. Peter co-founded and currently serves as an Executive Director of Hexla Limited, a clean energy business focused on carbon neutral hydrogen production.

Length of service: 4 years.

Susan Forrester AM

Non-Executive Director

Susan was appointed as a Non-Executive Director in October 2020. Susan has extensive commercial, strategic and governance experience across a range of industries, including technology and financial services. Susan is a qualified lawyer, has an EMBA from the Melbourne Business School and is a Fellow and Councillor of the Australian Institute of Company Directors. Susan currently serves as Non-Executive Director of Data#3 Limited, the Non-Executive Chair of Jumbo Interactive Limited and Chair of South Bank Corporation Board. She is also currently an Advisory Board Member of Diligent Corporation. In 2019 Susan was awarded a Member in the General Division of the Order of Australia for significant services to business through her strategic and governance roles and for her advocacy for women.

Length of service: 3 years.

Daniel Foggo

Executive Director and Chief Executive Officer

Daniel founded Plenti and has acted as CEO since its inception. Prior to that, he worked in investment banking for over a decade, including at Rothschild in London and at Barclays in Sydney. Daniel was a co-founding director of PartPay, a buy-now-pay-later business, which was acquired by Zip Co Limited in 2019. He has been recognised for his achievements in the fintech industry, being named the Fintech Leader of the Year at the inaugural Australian Fintech Awards in 2016 and Fintech Entrepreneur of the Year at the Australian Fintech Business Awards in 2017. Daniel holds a Bachelor of Commerce, Economics (Honours) and a Master of Business, Finance (Distinction) from the University of Otago.

Length of service: 4 years.

Stephen Benton

Non-Executive Director

Stephen Benton has 30 years' experience in leading financial services businesses across large organisations, challenger brands and growth companies.

He also holds experience specific to consumer lending, product development, and debt collection. His most recent executive role was CEO and Managing Director of EFTPOS, where he spearheaded a strategic reset. Prior to that, he was Head of Consumer Finance, Payments and Emerging Businesses at Westpac. Stephen has also held executive and commercial roles at Bankwest and Citibank, and financial services growth company Once. His board experience includes acting as Chairman of Infochoice Limited and of Once Private, and as a director of EFTPOS Limited, Baycorp Collection Services, as well as other financial services businesses. Stephen holds a Bachelor of Commerce, Accounting and Finance and is a Graduate of the Australian Institute of Company Directors.

Length of service: 2 years.

Executive Committee

Appearing above from left to right:

Glenn Riddell

Chief Operating Officer

Glenn joined Plenti as a co-founder and Chief Operating Officer in April 2014. Glenn has broad experience in building and advising disruptive finance platforms, and was named FinTech CTO/CIO of the year at the inaugural Australian Fintech Awards in 2016. Prior to joining Plenti, Glenn was a principal at Boston Partners providing advisory services in digital strategy, marketing and online product development. Glenn holds a Bachelor of Commerce and a Master of Commerce (First Class Honours) in Economics.

Ben Milsom

Chief Commercial Officer

Ben joined Plenti as a co-founder in April 2014 and in April 2018 was appointed to his current position as Chief Commercial Officer responsible for key commercial relationships. Ben has diverse experience in financial services and online strategy, and is well-practised in high-growth digital ventures. Prior to joining Plenti, Ben was a principal at Boston Partners providing advisory services in digital strategy, marketing and online product development. Ben holds a Bachelor of Laws (Honours) and a Bachelor of Engineering (First Class Honours) in Computer Systems. Ben is admitted as a Barrister and Solicitor of the High Court of New Zealand.

Simon Cordell

Chief Risk Officer

Simon joined Plenti in April 2016 and was appointed to his current position as Chief Risk Officer in April 2016, through which he holds primary responsibility for Plenti's credit functions and risk management activities. Prior to joining Plenti, Simon was Head of Consumer Risk and then Head of Small Business Risk at American Express Australia, responsible for the full credit life cycle from origination through to collections. Simon holds a Bachelor of Science.

Daniel Foggo

Executive Director and Chief Executive Officer

See previous page 'Board of Directors'.

Georgina Koch

General Counsel, Company Secretary and Executive for People and Culture

Georgina joined Plenti in April 2021 in her current position as General Counsel, Company Secretary and Executive for People and Culture. Prior to joining Plenti, Georgina was the General Counsel and Company Secretary at Ampol Limited. Georgina has over 20 years' legal experience advising on mergers & acquisitions, commercial, competition and corporate legal issues. Georgina holds a Bachelor of Economics (Social Sciences), a Bachelor of Laws (First Class Honours) and a Masters in Labour Law and Relations from The University of Sydney. Georgina is a Graduate of the Australian Institute of Company Directors and is admitted as a solicitor to the Supreme Court of NSW.

Miles Drury

Chief Financial Officer

Miles joined Plenti, and was appointed to his current position as Chief Financial Officer, in March 2020. Prior to joining Plenti, Miles served as a senior executive with Caltex Australia from 2015 to 2019, initially as General Manager – Strategy, and then as Chief Financial Officer of Caltex's Retail business. Prior to Caltex, Miles worked in investment banking at UBS for 14 years. Miles holds a Bachelor of Commerce and a Bachelor of Law (First Class Honours).

Directors' report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Plenti Group Limited (referred to hereafter as the 'Company', 'Plenti' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 March 2024.

Directors

The following persons were directors of Plenti Group Limited and remained a director during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mary Ploughman (Chairman)

Daniel Foggo

Susan Forrester AM

Peter Behrens

Stephen Benton

Principal activities

Plenti is a fintech lending and investment business which provides faster, fairer loans through leveraging its innovative technology. Plenti provides automotive, renewable energy and personal loans, and is focused on borrowers with a strong credit profile. Additionally, Plenti seeks to provide retail investors with attractive, stable returns by investing in loans via its innovative lending marketplace. Plenti operates primarily in Australia.

During the financial year, the principal activities continued to be the provision of automotive, renewable energy and personal loans; the operation of schemes to facilitate investment opportunities for investors (through the Plenti Lending Platform and Plenti Wholesale Lending Platform); and the funding of loans via the Group's warehouse and securitisation programs.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

Plenti achieved strong financial and operational results for the year ended 31 March 2024, including:

- Delivered a record Cash NPAT of $6.1 million, up 36% on prior year
- Grew closing loan portfolio to $2.14 billion, up 21% year-on-year with average loan portfolio of $1.98 billion up 28% year-on-year
- Increased total revenue to $211 million, up 47% year-on-year
- Delivered loan originations of $1.20 billion, up 6% year-on-year while maintaining net interest margins
- Demonstrated ongoing strength in credit performance with a 1.06% annualised net loss rate and 90+ day arrears of 58bps at year end
- Completed two asset-backed securities (ABS) transactions, across $781 million of loan receivables, increasing Plenti's lifetime ABS issuance to over $2.1 billion
- Entered 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
- Continued to drive adoption of GreenConnect, an innovative platform which brings together renewable energy product manufacturers, energy retailers and equipment installers, with Plenti's finance offerings

For the year ended 31 March 2024, the Group reported Cash NPAT, the Group's preferred measure of earnings, of $6,106,000 (2023: $4,485,000).

On a statutory basis, the Group reported a net loss after tax for the period of $14,707,000 (2023: $13,581,000). Earnings per share (EPS) decreased to (8.53) cents from the prior year of (7.99) cents. The statutory loss was higher than the prior year, with the improved Cash NPAT result and lower ECL expense offset by an income tax expense of $3,082,000 (2023: income tax benefit of $1,064,000) resulting from an unwind in income tax benefits on unrealised hedging gains which reduced in value at period end against the prior period. These items do not influence the Cash NPAT result.

Directors' report

The table below sets out the financial results for the current year compared to the prior year results.

	2024 $'000	2023 $'000	Change $'000	Change %
Interest revenue	207,154	142,074	65,080	46%
Other income	3,839	1,383	2,456	178%
Total revenue before transaction costs	**210,993**	**143,457**	**67,536**	**47%**
Transaction costs	(22,714)	(18,774)	(3,940)	21%
Loan funding costs	(104,961)	(61,732)	(43,229)	70%
Expense passed to unitholders	(233)	(143)	(90)	63%
Realised impairment losses	(20,992)	(10,558)	(10,434)	99%
ECL movement	(12,867)	(14,174)	1,307	(9%)
Sales and marketing expense	(13,675)	(12,326)	(1,349)	11%
Product development expense	(12,617)	(10,390)	(2,227)	21%
General and administrative expense				
Operations	(13,944)	(12,075)	(1,869)	15%
Business overhead	(15,762)	(14,205)	(1,557)	11%
Corporate funding costs	(3,312)	(2,264)	(1,048)	46%
Depreciation and amortisation	(1,541)	(1,461)	(80)	5%
Total expenses	**(199,904)**	**(139,328)**	**(60,576)**	**43%**
Net loss before income tax expense	**(11,625)**	**(14,645)**	**3,020**	**(21%)**
Income tax benefit/(expense)	(3,082)	1,064	(4,146)	(390%)
Net loss after income tax expense	**(14,707)**	**(13,581)**	**(1,126)**	**8%**
Cash NPAT[1]	**6,106**	**4,485**	**1,621**	**36%**

Notes:

1 Refer to page 29 for reconciliation of statutory loss after income tax to Cash NPAT.

Total revenue before transaction costs increased 47% in the year. Interest revenue growth was driven by the increase in the size of the Group's loan portfolio and higher average customer interest rates on loans. The average loan portfolio for the year increased 28% while the average interest rate increased to 10.5% from 9.2% in the prior period. Other income increased mainly from NAB fees received in respect of the establishment of the 'NAB powered by Plenti' car loan offering.

Transaction costs, which recognise amortisation of commissions paid on loan originations, increased 21% to $22.7 million.

Loan funding costs increased 70% as a result of higher borrowings to fund loan portfolio growth as well as the continued increase in market interest rates during the year.

Realised impairment losses increased 99%, reflecting the larger loan portfolio as well as a return to loss rates more in line with historical norms for each loan category. Through calendar 2021 and 2022, credit losses in Australia had reduced to historically low levels due to, amongst other reasons, COVID related Government stimulus measures and historically low market interest rates. As some of these factors have dissipated or unwound, there has been a general increase in credit loss rates across Australian loan markets.

Expense relating to the movement in the ECL provision reduced from the prior year, reflecting more material movement in the credit environment across 2023 than 2024, as well as the lower relative growth rate of the loan portfolio in the 2024 year.

Sales and marketing expense increased 11% to $13.7 million, reflecting salary increases and higher digital loan acquisition spend. Product development expense increased 21% to $12.6 million as Plenti continued to invest in its technology platform and technology team. General and administrative (operations) expenses increased 15% driven by higher origination volumes and the need to support a substantially larger loan portfolio. General and administrative (business overheads) increased 11%.

Corporate funding costs include the interest expense paid/payable on Group corporate borrowings and interest expense on the Group's leased assets under AASB 16. Corporate funding costs have increased 46% to $3.3 million driven by higher average corporate borrowings as well as the increase in market interest rates.

The income tax expense of $3.1 million reflects the reversal of some of the Group's carried-forward tax losses that were used to offset a deferred tax liability in relation to hedging gains on interest rate swaps that are hedge accounted for in other comprehensive income (i.e. the hedging gains are not reflected in net loss before income tax). As noted in prior years, this is a timing difference which can increase or decrease at different times over the life of the swaps, depending on the direction of market interest rates, but should net to close to zero over the life of the relevant interest rate hedging.

Loan originations and portfolio	2024	2023	Change %
Originations ($'000)	1,201,252	1,130,982	6%
Loan portfolio (period end) ($'000)	2,138,332	1,766,247	21%
Loan portfolio (average) ($'000)	1,976,861	1,545,156	28%
Average monthly amortisation rate (%)	3.5	3.6	(2%)
Average term of originations (months)	64.1	64.4	(0%)
Number of originations	48,062	44,027	9%
Average loan amount	24,994	25,688	(3%)

Loan originations of $1.2 billion for the year, an increase of 6% on pcp, was a good result in the context of the market environment, where Plenti focused on balancing loan origination levels with the economics it could achieve on new loan originations.

The loan portfolio grew to $2,138 million at 31 March 2024, representing a 21% increase on the prior year. The average loan portfolio in the period was $1,977 million, up 28% on prior year. The average loan amortisation rate (rate at which loans pay back) reduced marginally, to 3.5%, as did the average term of new loans originated.

Loan origination by channel	2024	2023	Change %
Automotive originations ($'000)	624,191	571,688	9%
Renewable originations ($'000)	159,467	122,005	31%
Personal loan originations ($'000)	417,594	437,289	(5%)

Directors' report

Automotive loan originations increased 9% over the prior year. Growth was supported by an increase in Commercial automotive lending which grew 50% on prior year, with particularly strong originations achieved in the June financial year-end period.

Renewable energy finance originations grew 31% on prior year. This growth was driven by the introduction of new installer partners and the industry adoption of Plenti's unique GreenConnect platform, which seeks to make it easier for partners to access offers from energy retailers and renewable equipment suppliers, supporting home battery uptake. Demand for finance to fund solar and battery installations was also supported by ongoing increases in energy costs for households, making renewable energy systems economically more attractive.

Personal loan originations decreased 5% on prior year, reflecting some tightening of Plenti's credit appetite during the year as the Group focused on delivering stable credit outcomes and relative competitor pricing, particularly in the broker channel.

Product margin and funding costs	2024	2023
Average interest rate (%)	10.5	9.2
Average funding rate (%)	5.2	3.9
Transaction costs/average loan portfolio (%)	1.1	1.2
Net interest margin (%)	5.2	5.2
Funding debt (period end) ($'000)	2,169,932	1,814,915
Funding debt (average) ($'000)	2,009,947	1,581,044

Interest revenue in the Group's financial statements represents interest and origination fees on loans funded by Plenti, treated under the effective interest rate method, as well as interest on cash deposits. The average interest rate is calculated by dividing interest revenue by the average loan portfolio for the year.

The average interest rate increased to 10.5%, up from 9.2% in the prior year, driven by the increase in customer rates on new loan originations as the Group responded to higher funding costs. Average funding costs increased to 5.2% up from 3.9% in the prior year.

Net interest margin has remained stable on the prior period at 5.2%. This was a pleasing result for the Group given levels of market competition and the fact that the predominant direction of market interest rates through the year was upwards, which all other things being equal, has a tendency to compress the Group's margins as customer rate adjustments lag funding cost increases.

Transaction costs as a percentage of the loan portfolio were also down slightly on the prior year, to 1.1% from 1.2%.

Credit performance	2024	2023
Loan impairment – net charge off ($'000)	20,992	10,558
Loan impairment – provision movement ($'000)	12,867	14,174
Provision rate (%)	2.2	1.9
Net charge off to interest revenue (%)	10.1	7.4
Net charge off to average loan portfolio (%)	1.06	0.68

Net charge off to average loan portfolio increased from 0.68% in the prior year to 1.06%. The increase in the loss rate in the year reflected a return to more typical normal credit loss conditions across the market, noting that loss rates were at historically low levels throughout calendar 2021 and 2022, supported by substantial Government stimulus payments, early access to superannuation, and high employment rates. Notwithstanding the absolute increase in the net loss rate, the Group considers that 1.06% result in 2024 to be robust and consistent with expectations for portfolio credit performance in normal economic conditions.

Plenti has continued to invest in its collections capabilities to support loss recovery rates. The Group also completed a sale of certain defaulted or written-off receivables during the year, which supported credit loss recoveries. The value of recoveries relating to the sale of receivables was similar in quantum to the prior year when a debt sale was also undertaken.

The Group's expected credit loss (ECL) provision at 31 March 2024 was $47.1 million, representing 2.2% of the total loan portfolio. This compares with $34.3 million, or 1.9% of the loan portfolio, at 31 March 2023. The increase in the ECL provision rate reflected a slightly higher proportion of loans being in arrears at the end of the 2024 year. The March 2024 arrears position was impacted by the fact that the period end coincided with the Easter weekend which disrupted some loan repayment processing at month end.

Operating metrics	2024	2023
Overall cost-to-income ratio	26.5%	34.2%
Overall cost-to-originations ratio	4.7%	4.3%

Plenti's overall operating cost-to-income ratio decreased to 26.5% from 34.2% in the prior year. The significant reduction was driven by increased revenue which grew 47% during the year, in contrast operating costs only increasing by 14%.

The increase in operating costs of 14% contrasted with 28% growth in the average loan portfolio with the Group continuing to demonstrate economies of scale as the portfolio grows. Operating costs for the year did include some incremental expenses related to negotiation and establishment of the NAB strategic partnership.

Sales and marketing expense increased to $13.7 million in the year, from $12.3 million in the prior year. The increase was driven by higher personnel costs, including due to salary increases at the start of the year as well as increased digital acquisition spend of $0.5 million.

Product development expense was $12.6 million, an increase of 21% on the prior year. This was primarily driven by personnel costs due to salary increases at the start of the year and incremental headcount additions to the product and technology team, including additions to support the upcoming NAB powered by Plenti, automotive loan product. Software and hosting costs also increased due to a greater volume of transactions on loan portfolio growth and the weakening of the Australian dollar, with a number of technology costs being US dollar denominated.

General and administrative expense (G&A) increased to $29.7 million, from $26.3 million in the prior year. Within this, G&A (operations) increased 15% to $13.9 million. This expense line includes loan origination processing, underwriting, settlement and ongoing loan servicing, and therefore increases according to loan origination and portfolio growth. G&A (business overheads) increased 11% to $15.8 million. This expense line includes support functions and the executive team.

The cost-to-origination ratio increased to 4.7%, reflecting more moderate growth in originations in the current period as the Group sought to balance growth in originations and margins, and a higher cost base from managing a materially larger loan portfolio.

Directors' report

	2024 $'000	2023 $'000	Change $'000	Change %
Balance sheet				
Assets				
Cash and cash equivalents	148,866	142,959	5,907	4%
Customer loans[1]	2,061,827	1,714,832	346,995	20%
Derivative assets	12,769	20,848	(8,079)	(39%)
Other assets	35,140	31,439	3,701	12%
Total assets	**2,258,602**	**1,910,078**	**348,524**	**18%**
Liabilities				
Trade payables	5,339	4,957	382	8%
Borrowings	2,157,492	1,808,077	349,415	19%
Corporate borrowings	27,500	22,500	5,000	22%
Derivative liabilities	4,790	2,596	2,194	85%
Other liabilities	37,161	26,910	10,251	38%
Total liabilities	**2,232,282**	**1,865,040**	**367,242**	**20%**
Net assets	**26,320**	**45,038**	**(18,718)**	**(42%)**

1. Customer loans are presented net of deferred upfront fees and ECL provision. For further details refer to note 10 of the financial statements.

Cash and cash equivalents of $148.9 million is comprised of three components: Corporate cash of $44.8 million (2023: $27.8 million); Provision Fund cash of $12.6 million (2023: $13.7 million); and $91.4 million (2023: $101.5 million) held in the warehouse and ABS facilities, the Plenti Lending Platform and the Plenti Wholesale Lending Platform.

The movement in Corporate cash primarily reflected an increase of $14.0 million in cash balances in customer collections accounts yet to be transferred to the Group's warehouses and ABS trusts (which is not available for general corporate purposes) and $5.0 million drawn from the Group's corporate debt facility. While the Group continued to invest cash in loan funding facilities as the loan portfolio grew, this was offset by cash released from funding facilities through the Group's capital recycling initiatives.

Customer loans increased 20% from 31 March 2023, driven by loan originations of $1.20 billion for the year. Gross customer loans outstanding were $2.14 billion at year end, with the value of deferred upfront fees of $29.4 million and the ECL provision value of $47.1 million being the items netted-off the value of customer loans in the balance sheet. Of the gross loan value, $1,223 million (31 March 2023: $998 million) related to automotive loans, $643 million (31 March 2023: $568 million) related to personal loans and $273 million (31 March 2023: $201 million) were renewable energy loans.

Derivative assets which reflect the mark-to-market value of interest rate swaps entered into by the Group decreased by $8.1 million to $12.8 million. The decrease in the value of derivative assets compared to the prior year is due to the fact that the swaps held by the Group with the highest mark-to-market value were those entered into in 2020 to 2022, when market interest rates were lower than at the current time. These swaps have continued to amortise over the past 12 months. More recent swaps are priced more in line with where current rates are and hence show less variance in their mark-to-market value. As a result of the amortisation of higher value historic swaps, the value of derivative assets on the Group's balance sheet has declined.

Other assets are comprised of prepayments, capitalised rate commissions and securitisation establishment costs, trade receivables, PPE, right-of-use assets and other assets. The increase relates to an increase in prepaid commission expenses in line with the growth in automotive loan originations and establishment costs associated with additional ABS issuances during the year.

Trade payables represents the amount payable to creditors for the supply of goods and services that have been invoiced and are payable in accordance with the supplier's payment terms and well as unsettled borrower and/or lender transactions that are yet to be paid.

Borrowings increased in line with the growth in customer loans. Refer below for further details on Plenti's funding sources.

Other liabilities represents lease liabilities, provisions and accruals. The increase is mainly due to timing of funds received in the customer collection accounts which are yet to be allocated, accrued interest payable on warehouse and ABS borrowings as funding facilities have expanded, and increases in employee related provisions.

	2024 $'000	2023 $'000	Change $'000	Change %
Funding				
Borrowings				
Plenti Lending Platform	179,799	200,026	(20,227)	(10%)
Wholesale Lending Platform	10,511	19,485	(8,974)	(46%)
Warehouse facilities and ABS trusts	1,915,235	1,556,428	358,807	23%
Corporate borrowings	27,500	22,500	5,000	22%
Risk retention facilities	49,469	29,774	19,695	66%
Loan settlement facility	2,478	2,364	114	5%
Total borrowings	**2,184,992**	**1,830,577**	**354,415**	**19%**

Plenti benefits from having established several loan funding sources. At the end of the period, warehouses and ABS trusts represented $1.97 billion of funding, while the investor lending platforms represented $190 million of loan funding. Corporate debt provided a further $27.5 million of funding for the business.

The risk retention facilities, which are wholly owned by the Group, borrow funds from third party funders to acquire notes in the ABS trusts, with repayment of the notes backed by the Group. This allows the Group to meet European requirements for ABS issuers to retain minimum economic exposure levels to transactions they undertake. The increase in risk retention facility balances was due to the addition of the Auto ABS Trust 2023-1 and PL and Green ABS Trust 2024-1 issuances during the year.

At 31 March 2024, the Group had a total of $55.8 million (2023: $41.5 million) invested in subordinated notes in warehouse and ABS structures. This value is not shown on the face of the balance sheet as it is eliminated in the consolidated group accounts. Of the $55.8 million notes held at 31 March 2024, $14.0 million of ABS subordinated notes are held against loans in the Notes Market on the Plenti Lending Platform and when the relevant ABS transaction is called, the proceeds received on the relevant notes will be used to repay the Plenti Lending Platform investors.

The value of loans funded by the Plenti Lending Platform and the Plenti Wholesale Lending Platform decreased during the year by 10% and 46% respectively.

	2024 $'000	2023 $'000	Change $'000	Change %
Cash flow				
Interest income received	220,368	153,033	67,335	44%
Other income	3,838	1,383	2,455	178%
Interest and other finance costs paid	(108,066)	(60,729)	(47,337)	78%
Payments to suppliers and employees	(76,897)	(73,098)	(3,799)	5%
Cash flows from operating activities	**39,243**	**20,589**	**18,654**	
Net increase in loans to customers	(386,158)	(474,097)	87,939	(19%)
Other investing activities	(59)	(1,146)	1,087	(95%)
Cash flows used in investing activities	**(386,217)**	**(475,243)**	**89,026**	
Proceeds from borrowings	2,053,217	1,578,879	474,338	30%
Repayment of borrowings	(1,704,308)	(1,144,018)	(560,290)	49%
Proceeds from corporate borrowings	5,000	4,500	500	11%
Repayment of lease liabilities	(1,028)	(916)	(112)	12%
Cash flows from financing activities	**352,881**	**438,445**	**(85,564)**	
Net increase/(decrease) in cash	**5,907**	**(16,209)**	**22,116**	

Directors' report

	2024 $'000	2023 $'000	Change $'000	Change %
Reconciliation of net loss after tax to cash flow from operating activities:				
Net statutory loss after tax	**(14,707)**	**(13,581)**	**(1,126)**	**8%**
Add back: loan impairment expense	33,859	24,732	9,127	37%
Add back: share-based payments	3,180	3,385	(205)	(6%)
Add back: depreciation and amortisation	1,541	1,461	80	5%
Add back: other non-cash items	293	327	(34)	(10%)
Deduct: tax benefit on unrealised hedging gain	3,082	(1,064)	4,146	(390%)
Movement in working capital	11,995	5,329	6,666	125%
Cash flow from operating activities	**39,243**	**20,589**	**18,654**	

Total statutory cash flow from operating activities in the year was $39.2 million (2023: $20.6 million). The Group cash flow position includes cash flows in relation to the Provision Fund. For the year, the net operating cash flow of the Provision Fund was $1.3 million (2023: $2.3 million). Cash inflow from operating activities for the Group excluding the Provision Fund was $37.9 million (2023: $18.3 million).

Net cash inflow from operating activities excluding the Provision Fund cash flows continued to increase year on year. The $19.6 million increase was largely driven by the increase in income received by the Group due to the continued growth in the loan portfolio, while costs, including funding costs and operating costs, did not increase to the same extent. The increase in payments to suppliers mainly relates to personnel costs and information technology costs.

Net cash outflow from investing activities was $386.2 million (2023: $475.2 million) reflecting the growth in the loan portfolio during the year.

Net cash inflow from financing activities decreased to $352.9 million. An additional $5.0 million was drawn from the Group's corporate debt facility during the year.

Excluding $14.0 million of increase due to higher cash balances in customer collections accounts that are yet to be transferred to the Group's warehouse and ABS trusts, the Group's corporate cash position increased by $3.0 million during the year. The material reconciling items between the Group's operating cash flow (excluding the Provision Fund) of $37.9 million and the increase in underlying corporate cash are:

- Net $(18.3) million of merchant service fees on interest free loans which are reflected on a gross basis in the statutory cash flow as operating cash flow but which are operationally netted off against the amount borrowed from the warehouse to fund the loan with the cash benefit being received through the life of the loan
- $(17.3) million of realised credit losses which are recognised in investing cashflows in the cash flow statement (note that a portion of the Group's realised credit losses are covered by the Provision Fund and hence are excluded from this amount)
- Net $(1.3) million of cash invested to support growth in the Group's warehouse and ABS structures, comprising:
  - $(28.0) million of cash invested in equity tranches in the Group's warehouse and ABS structures
  - $26.7 million of cash released, primarily through capital recycling initiatives involving ABS notes held by the Group
- $5.0 million of funds drawn down from the Group's corporate debt facility

Statutory net loss after income tax to Cash NPAT reconciliation

In addition to the statutory results presented above, the Group also assesses profitability based on a 'Cash NPAT' measure, which is calculated as set out below. Management believes that Cash NPAT is a useful metric, including due to the fact that it reverses out the impact of the non-cash ECL provision expense in a period. In any given credit environment, the ECL expense will be higher when loan book growth has been material and lower if loan book growth is limited. This is because as the loan portfolio grows, if there is no change in the credit environment and hence no change in the expected rate of loss on the portfolio, the ECL provision will increase proportionately, leading to a higher ECL provision expense in the statement of profit or loss. If the portfolio does grow meaningfully, all other things being equal, statutory profit will be reduced due to the higher ECL provision expense even though the incremental growth in the loan portfolio should be value accretive for the Group.

The tax expense/(benefit) of hedging fair value movement has also been removed from the Cash NPAT calculation. The tax benefit is a non-cash benefit relating to recognition of carried forward tax losses to offset a deferred tax liability of hedging mark-to-market movements on interest rate swaps. Given that the positive mark-to-market should reduce over time and the tax benefit will therefore unwind also, this value is not considered reflective of the actual performance of the Group in the period.

Share based payments expense and depreciation and amortisation expense are excluded from the Cash NPAT calculation as they are material non-cash items.

	Consolidated	
	2024 $'000	2023 $'000
Net statutory loss after income tax	(14,707)	(13,581)
Add back:		
ECL provision (including ECL provision expense passed to unitholders)	13,010	14,284
Share based payments expense	3,180	3,385
Depreciation and amortisation expense	1,541	1,461
Tax benefit on hedging gains	3,082	(1,064)
Cash NPAT	**6,106**	**4,485**

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

On 3 May 2024 the Group successfully priced a $458 million automotive loan ABS (the Plenti Auto ABS 2024-1) which settled on 10 May 2024. Following settlement of the transaction, on 10 May 2024 the Group reduced the combined limit across the RateSetter Funding Trust No.1 and the Plenti Rated Funding Trust No.4 from $875 million to $500 million.

On 8 May 2024, the Group issued 1,887,500 options to a number of employees across the business. The options were issued to employees with significant specialist knowledge of the Plenti business who are central to the delivery of the Group's business objectives in coming years, including the partnership with NAB. The options were intended to align those employees with delivering shareholder value and to promote retention of tenured employees with business knowledge that would be time consuming and costly to replicate. The options have an exercise price of $0.74 and vest in two equal tranches post release of the Group's full year financial results in 2026 and 2027.

On 13 May 2024, the Group was successful in extending the Plenti Funding Trust No.2 facility from June 2023 to June 2024. Concurrently the limit on the facility was increased from $250 million to $375 million.

No other matter or circumstance has arisen since 31 March 2024 that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Group.

Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Directors' report

Information on directors

Mary Ploughman

Independent Non-Executive Chairman

BEc

Experience and expertise:
Mary was appointed independent Non-Executive Chairman in July 2020. Mary brings 30 years of leadership, financial services (including the non-bank sector), capital markets, securitisation, mergers & acquisition, governance and risk management experience on a range of financial institutions, infrastructure and not for profit boards. Mary served as a Non-Executive Director of Sydney Motorway, and as Deputy Chairman of the Australian Securitisation Forum. Mary is a former CEO of Resimac Group Ltd. Before joining Resimac, Mary worked at Price Waterhouse Coopers and Macquarie Bank. Mary currently serves as Non-Executive Director on Qualitas Ltd, Prospa Group Ltd and is Chairman of Pitcher Partners. Mary is also a senior advisor at Gresham and an advisor to Indigenous Business Australia. Mary holds a Bachelor of Economics from The University of Sydney, is an Associate of the Securities Institute of Australia, a Graduate member of the Australian Institute of Company Directors and is a Fellow of the Australian Securitisation Forum.

Other current directorships:
Prospa Group Limited (ASX:PGL) since March 2021
Qualitas Ltd (ASX: QAL.AX) since October 2021
Housing Australia (a corporate Commonwealth entity) since November 2023

Former directorships (last 3 years):
None

Special responsibilities:
Member of the Audit and Risk Committee; Chair of the People and Culture Committee (until 21 March 2023); Member of the People and Culture Committee (from 22 March 2023)

Interests in shares:
90,000 ordinary fully paid shares

Interests in options:
None

Interests in rights:
None

Contractual rights to shares:
None

Daniel Foggo

Executive Director and Chief Executive Officer
BComm (Honours), MBus (Distinction)

Experience and expertise:
Daniel co-founded Plenti and has acted as CEO since its inception. Previously he worked in investment banking for over a decade, including at Rothschild in London and at Barclays in Sydney. Daniel was a co-founding director of PartPay, a buy-now-pay-later business, which was acquired by Zip Co Limited in 2019. Daniel has been recognised for his achievements in the FinTech industry, being named the FinTech Leader of the Year at the inaugural Australian FinTech Awards in 2016 and FinTech Entrepreneur of the Year at the Australian FinTech Business Awards in 2017.

Other current directorships:
None

Former directorships (last 3 years):
None

Special responsibilities:
None

Interests in shares:
3,765,142 ordinary fully paid shares

Interests in options:
None

Interests in rights:
1,993,251 rights to acquire ordinary fully paid shares

Contractual rights to shares:
None

Susan Forrester AM

Independent Non-Executive Director
BA, LLB (Hons), EMBA, FAICD

Experience and expertise:
Susan was appointed as a Non-Executive Director in October 2020. Susan has extensive commercial, strategic and governance experience across a range of industries, including technology and financial services. Susan is a qualified lawyer, has an EMBA from the Melbourne Business School and is a Fellow and Councillor of the Australian Institute of Company Directors. Susan was awarded a Member in the General Division of the Order of Australia for significant services to business through her strategic and governance roles and for her advocacy for women.

Other current directorships:
Data#3 Limited (ASX: DTL) since March 2022
Jumbo Interactive Limited (ASX:JIN) since October 2020
Chair of South Bank Corporation (a Queensland statutory corporation) since December 2023

Former directorships (last 3 years):
G8 Education Limited (ASX:GEM) (resigned May 2021),
Over the Wire Holdings Ltd (ASX: OTW) (resigned March 2022)

Special responsibilities:
Chair of the Audit and Risk Committee (from 1 February 2021 until 16 March 2023), Member of the Audit and Risk Committee (from 17 March 2023); Member of the People and Culture Committee (until 22 March 2023); Chair of the People and Culture Committee (from 22 March 2023)

Interests in shares:
425,000 ordinary fully paid shares

Interests in options:
None

Interests in rights:
None

Contractual rights to shares:
None

Peter Behrens

Independent Non-Executive Director
MA (with Honours)

Experience and expertise:
Peter co-founded and serves as a Non-Executive Director of Hexla Limited. Peter has 20 years' experience in law, financial services and growth companies with Ashurst, Royal Bank of Scotland plc, Laxfield Capital, Retail Money Market Limited (which traded as 'RateSetter', a leading United Kingdom-based peer-to-peer lending business) and Metro Bank plc. Peter previously served as a non-executive director of George Banco Limited.

Other current directorships:
None

Former directorships (last 3 years):
Retail Money Market Ltd (resigned December 2021)

Special responsibilities:
Member of Audit and Risk Committee

Interests in shares:
1,337,124 ordinary fully paid shares all beneficially held by Citicorp Nominees (Suffolk Life Annuities Limited)

Interests in options:
None

Interests in rights:
None

Contractual rights to shares:
None

Directors' report

Stephen Benton

Independent Non-Executive Director
BCom, Graduate of the Australian Institute of Company Directors

Experience and expertise:
Stephen was appointed as a Non-Executive Director in July 2022. Stephen's most recent executive role was CEO and Managing Director of EFTPOS, where he spearheaded a strategic reset. Prior to that, he was Head of Consumer Finance, Payments and Emerging Businesses at Westpac. Stephen has also held executive and commercial roles at Bankwest and Citibank, and financial services growth company Once. Stephen has 30 years' experience in leading financial services businesses across large organisations, challenger brands and growth companies. He also holds experience specific to consumer lending, product development, and debt collection. Stephen's board experience includes acting as Chairman of Infochoice Limited, and of Once Private, and as a director of EFTPOS limited, Baycorp Collection Services, as well as other financial services businesses.

Other current directorships:
None

Former directorships (last 3 years):
None

Special responsibilities:
Member of the People and Culture Committee; Member of the Audit and Risk Committee (until 15 March 2023); Chair of the Audit and Risk Committee (from 16 March 2023)

Interests in shares:
None

Interests in options:
None

Interests in rights:
None

Contractual rights to shares:
None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Georgina Koch was appointed company secretary on 6 May 2021. Prior to joining Plenti, Georgina was General Counsel and Company Secretary at Ampol Limited. Georgina has over 20 years' legal experience advising on commercial, competition and corporate legal issues, and held senior roles at Commonwealth Bank and Clayton Utz prior to Ampol. Georgina holds a Bachelor of Economics (Social Sciences), a Bachelor of Laws (first class honours) and a Masters in Labour Law and Relations from The University of Sydney. Georgina is a Graduate of the Australian Institute of Company Directors and is admitted as a solicitor to the Supreme Court of NSW.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 March 2024, and the number of meetings attended by each director were:

	Full Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Mary Ploughman	14	14	4	4	4	4
Daniel Foggo	12	14	N/A	N/A	N/A	N/A
Susan Forrester AM	14	14	4	4	4	4
Stephen Benton	14	14	4	4	4	4
Peter Behrens	13	14	N/A	N/A	4	4

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Approach to remuneration
- Short term incentive plan (STIP)
- Long term incentive plan (LTIP)
- Details of remuneration for KMP
- Service agreement summaries
- Share-based compensation
- Additional disclosures relating to KMP

Approach to remuneration

The objective of the Group's executive reward framework is to attract highly capable personnel capable of delivering value for shareholders, to align their interests to those of shareholders and to reward executives for results delivered. The reward framework also places an emphasis on the responsible and compliant operation of the Group, which is a threshold requirement before any executive incentives are payable.

As part of the IPO of Plenti on the ASX in September 2020, a review was undertaken to determine an appropriate executive remuneration framework for the Group as a listed business. The review took into account existing management remuneration, peer and market benchmarks and best practice remuneration structures. The base remuneration, short term incentive and long term incentive structures outlined in this report resulted from this review process. The Board of Directors (the Board) ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage/alignment of executive compensation
- transparency

The People and Culture Committee is responsible for reviewing remuneration arrangements for directors and executives. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

The People and Culture Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group. An extensive benchmarking exercise was undertaken by the Company in early 2022 to ensure executive remuneration remains appropriate and in line with the market.

The reward framework is designed to align executive reward with shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- delivering a material component of incentive remuneration in the form of equity instruments
- recognising the importance of the Group achieving scale in its operations while managing cost and risk, leading to a focus on growth in originations and revenue, cost ratios and compliance in the setting of reward targets
- setting remuneration at a level that enables the Group to attract and retain high calibre executives

Additionally, the reward framework seeks to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the People and Culture Committee. The People and Culture Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market.

Executive remuneration

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has three primary components:

- fixed remuneration
- at risk short-term performance incentives (STI)
- at risk long-term performance incentives (LTI)

The combination of these comprises the executive's total remuneration. A number of executives also retain exposure to Group performance via options as described further below.

Fixed remuneration, consisting of base salary and superannuation, is reviewed annually by the People and Culture Committee based on individual and business unit performance, the overall performance of the Group and comparable market remuneration.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits where it does not create any additional costs to the Group and provides additional value to the executive.

Directors' report

Short-term incentive plan

The STIP is designed to align the targets of the business with the performance hurdles of executives within an annual performance cycle. STI payments are granted to executives based on specific annual targets and key performance indicators (KPI's) being achieved.

Plan objective	▪ The STIP rewards financial and non-financial results delivered by the executive team in respect of a given financial year ▪ The objective of the STIP is to provide an incentive for executives to deliver strong results for the Group, to reward them for delivering such results and to attract and retain highly capable personnel
Availability	▪ The STIP is only available to senior leaders of the Group, principally the Executive Committee and their direct reports
Reward construct	▪ The STI opportunity for each participant is set annually as a percentage of their base salary at both a "Target" and "Maximum" level ▪ STI payments are made via a combination of cash and share rights – For KMP in FY23 the STI award was comprised of 25% cash and 75% equity (share rights) – In FY24, given the market price of the Group's shares, the Board adjusted the STI award composition to reduce the number of share rights issued, resulting in the following award construct – 35% cash and 65% equity (CEO/CFO) and 50% cash and 50% equity (COO and CCO) ▪ Assessment of delivery against STI performance criteria is made at the conclusion of the relevant financial year, with cash payments made immediately following the release of the Group's annual financial results. Any share rights entitlement is also determined at this time, however, the rights vest in two equal tranches 2 months and 8 months post results if the executive remains employed by the Group at that time
Performance criteria	▪ Awards under the STIP are determined based on both Group wide performance and individual performance against set targets with the proportion being set annually by the Board ▪ Performance criteria are measured against "Threshold", "Target" and "Maximum" targets – For performance at or below Threshold, no STI is awarded – For performance between Threshold and Target, the STI award is determined pro-rata against the Target STI opportunity for the executive – For performance between Target and Maximum, the STI award is determined pro-rata against the Maximum STI opportunity for the executive
Compliance requirements	▪ All awards under the STIP are subject to a gateway hurdle in relation to there being no compliance breaches which have a material financial or reputational impact on the Group
Board discretion	▪ All STI awards are subject to a general Board discretion, including in relation to general compliance and appropriate conduct of business

In respect of the STI for FY24, the performance criteria and outcomes were as follows:

Criteria	Weighting	KPI result	Award as % of maximum
Group performance measures			
Cash NPAT	30%	$6.1m	14%
Total loan originations (adjusted)	10%	$1,083m	0%
Shared executive performance measures			
Achieve self-funding position	10%	Various	54%
Growth innovation – NAB relationship or new product	10%	Qualitative	100%
Achieve regrettable attrition <25%	5%	8%	100%
Board relationship and communications	5%	Qualitative	100%
Individual performance measures	30%	Various	Various

Additional detractors were also included in the FY24 plan, including:

- Team engagement scores below a threshold level
- Loss of data or privacy breach event
- Significant legal or compliance breach(es)

Long-term incentive plan

The LTIP is intended to align the interests of senior executives with those of shareholders and provide an incentive for building medium to longer term value for shareholders. Shares are awarded to executives over a period of three years based on their continued tenure with the Group and specified performance thresholds.

All LTIs are subject to a compliance and governance gateway. Failure to meet appropriate compliance and governance standards will result in a forfeiture of some or all LTIs for the relevant period.

Plan objective	▪ The LTIP rewards the building of shareholder value in the Group over the medium to longer term ▪ The objective of the LTIP is to align the interests of senior executives with shareholders, to reward them for executing a business strategy that builds the value of the business over the longer term and to enable the Group to attract and retain highly capable senior executives
Availability	▪ The LTIP is only available to members of the Executive Committee
Reward construct	▪ The LTI award for an executive in a given year is set as a percentage of their base salary ▪ The LTI is comprised 100% of share rights which are granted to participating executives at the start of the relevant financial year ▪ 50% of the share rights granted in a given year will vest after 2 years (first performance period) and the remaining 50% after 3 years (second performance period) dependent on the extent to which the vesting conditions for that award series has been met at the end of each performance period
Vesting conditions	▪ Vesting of share rights under the LTIP is determined based on achievement of performance hurdles and on continued service
Compliance requirements	▪ All awards under the LTIP are subject to a gateway hurdle in relation to there being no compliance breaches which have a material financial or reputational impact on the Group
Board discretion	▪ All LTI awards are subject to a general Board discretion, including in relation to general compliance and appropriate conduct of business

FY22 LTI

In respect of the LTIs award granted at the start of FY22, the applicable performance hurdles in respect of the second performance period ending 31 March 2024 were as follows:

Criteria	Weighting	KPI result	Award
Service condition	50%		
Revenue growth – compound annual growth rate above FY21 year	20%	58.4%	100%
Cost-to-income ratio – improvement in ratio in most recent financial year from FY21 year	20%	Reduction from 54.9% to 26.5%	100%
Strategic development hurdles – execution of key elements of the Group's funding strategy and delivery of positive operating cashflows (pre variable rate commissions)	10%	Partially met	70%

The above results in respect of the FY22 LTI will result in vesting of 94% of rights related to achievement of performance hurdles for the second performance period.

Directors' report

FY23 LTI

In respect of the LTIs award granted at the start of FY23, the applicable performance hurdles in respect of the first performance period ending 31 March 2024 were as follows:

Criteria	Weighting	KPI result	Award
Service condition	40%		
Revenue growth – compound annual growth rate above FY22 year	20%	54.4%	100%
Cost-to-income ratio – improvement in ratio in most recent financial year from FY22	15%	Reduction from 48.4% to 26.5%	100%
Strategic development hurdles – i) Remain on track to achieving $5bn loan portfolio in 2025 (12.5%) and ii) Grow Cash NPAT each year as a minimum with Board discretion in relation to level of Rights vesting given growth achieved (12.5%)	25%	i) Not met ii) Met	50%

The above results in respect of the FY23 LTI will result in vesting of 82.5% of rights related to achievement of performance hurdles for the first performance period.

FY24 LTI

In respect of the LTIs granted in FY23 the first performance period has not yet concluded. The applicable performance hurdles for LTIs granted in FY24 are as follows:

Criteria	Weighting
Net interest income – compound annual growth rate above FY23 year	35%
Cost-to-net interest income ratio – improvement in ratio in most recent financial year from FY23	35%
Strategic development hurdles – i) Achieve product and technology objectives and key results (OKRs) each year (15%) ii) Grow Cash NPAT each year as a minimum with Board discretion in relation to level of Rights vesting given growth achieved (15%)	30%

Voting and comments made at the Company's 2023 Annual General Meeting (AGM)

At the 2023 AGM, 99.29% of the votes received supported the adoption of the remuneration report for the year ended 31 March 2023. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Employee option issue

In November 2023, 1,153,995 options issued to employees in October 2021 and 21,666 options issued in January 2022 expired at below the option exercise price.

Details of remuneration for KMP

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group consisted of the following directors of Plenti Group Limited:

- Mary Ploughman – Non-Executive Chairman
- Daniel Foggo – Chief Executive Officer
- Susan Forrester AM – Non-Executive Director
- Stephen Benton – Non-Executive Director
- Peter Behrens – Non-Executive Director

And the following persons:

- Miles Drury – Chief Financial Officer
- Benjamin Milsom – Chief Commercial Officer
- Glenn Riddell – Chief Operating Officer

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		
2024	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled share rights $	Equity-settled share options and rights $	Total $
Non-Executive Directors:								
Mary Ploughman	208,000	–	–	22,550	–	–	–	230,550
Susan Forrester AM	117,000	–	–	12,684	–	–	–	129,684
Stephen Benton	122,188	–	–	13,253	–	–	–	135.441
Peter Behrens	104,000	–	–	–	–	–	–	104,000
Executive Directors:								
Daniel Foggo[1]	465,000	71,659	–	58,320	(11,246)	130,395	337,490	1,051,618
Other Key Management Personnel:								
Miles Drury	435,000	68,130	–	54,713	–	126,526	340,811	1,025,180
Benjamin Milsom	365,000	78,055	–	48,149	19,150	78,055	310,476	898,885
Glenn Riddell	365,000	78,950	–	48,247	19,150	78,950	310,476	900,773
	2,181,188	296,794	–	257,916	27,054	413,926	1,299,253	4,476,131

Notes:

1. The number of share rights to be issued to Daniel Foggo as part of the FY23 STIP and FY24 LTIP were calculated on the same basis as other executives, using the 20-day volume weighted share price up to and including 23 May 2023 (STIP) and from and including 25 May 2023 (LTIP). However, these rights were not issued until 1 September 2023 due to the requirement to receive shareholder approval at the Group's AGM for the issue of share rights to a director. Per AASB 2: Share-based Payment, if an arrangement is subject to a shareholder approval process, the appropriate recognition date is the date on which approval was granted. For the purpose of Mr Foggo's rights, the appropriate recognition date was 8 August 2023 as this was the date of shareholder approval at the Annual General Meeting. The Group's share price was broadly stable from May and August, but there was a small reduction in the expense recognised in respect of Mr Foggo's rights as a result of market price variance.

Directors' report

2023	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		
	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled share rights $	Equity-settled share options and rights $	Total $
Non-Executive Directors:								
Mary Ploughman	213,760	–	–	22,205	–	–	–	235,965
Susan Forrester AM	118,284	–	–	12,286	–	–	–	130,570
Martin Dalgleish	41,474	–	–	3,973	–	–	–	45,447
Peter Behrens	100,000	–	–	–	–	–	–	100,000
Stephen Benton	76,330	–	–	8,015	–	–	–	84,345
Executive Directors:								
Daniel Foggo[1]	454,330	48,375	–	52,229	21,975	108,095	442,380	1,127,384
Other Key Management Personnel:								
Miles Drury	429,388	46,219	–	51,493	–	138,656	410,055	1,075,811
Benjamin Milsom	353,427	38,063	–	40,674	16,714	114,188	350,978	914,044
Glenn Riddell	353,427	38,063	–	40,674	16,714	114,188	350,978	914,044
	2,140,420	170,720	–	231,549	55,403	475,127	1,554,391	4,627,610

Notes:

1. The number of share rights to be issued to Daniel Foggo as part of the FY22 STIP and FY23 LTIP were calculated on the same basis as other executives, using the 20-day volume weighted share price up to and including 17 May 2022 (STIP) and from and including 19 May 2022 (LTIP). However, these rights were not issued until 18 August 2022 due to the requirement to receive shareholder approval at the Group's AGM for the issue of share rights to a director. Per AASB 2: Share-based Payment, if an arrangement is subject to a shareholder approval process, the appropriate recognition date is the date on which approval was granted. For the purpose of Mr Foggo's rights, the appropriate recognition date was 16 August 2022 as this was the date of shareholder approval at the Annual General Meeting. The decrease in the Group's share price between May and August results in a lower share-based payment expense to be recognised in respect of Mr Foggo's rights.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		STI		LTI	
Name	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Non-Executive Directors:						
Mary Ploughman	100%	100%	–	–	–	–
Susan Forrester AM	100%	100%	–	–	–	–
Martin Dalgleish	N/A	100%	–	–	–	–
Peter Behrens	100%	100%	–	–	–	–
Stephen Benton	100%	100%	–	–	–	–
Executive Directors:						
Daniel Foggo	49%	47%	19%	14%	32%	39%
Other Key Management Personnel:						
Miles Drury	48%	45%	19%	17%	33%	38%
Benjamin Milsom	48%	45%	17%	17%	35%	38%
Glenn Riddell	48%	45%	18%	17%	34%	38%

The level of STI award in any given year is determined by the extent to which the Group overall and each executive individually meets their agreed objectives. The Board retains an overriding ability to adjust the STI award up or down dependent on a holistic assessment of Group and individual performance.

The STI remuneration outcomes for FY24 are as follows:

2024 STI as % of base salary

Name	Target opportunity %	Maximum opportunity %	Actual outcome %	Actual outcome as a % of target opportunity %	Actual outcome as a % of maximum opportunity %
Daniel Foggo	50%	70%	44.0%	88%	63%
Miles Drury	50%	70%	44.2%	88%	63%
Benjamin Milsom	50%	70%	42.8%	86%	61%
Glenn Riddell	50%	70%	43.3%	87%	62%

Directors' report

Service agreement summaries

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	**Daniel Foggo**
Title:	**Chief Executive Officer**
Details:	Daniel Foggo is entitled to receive total fixed remuneration of $465,000 per annum plus superannuation. Daniel is also eligible to earn a short term incentive of up to 70% of salary during each financial year and a long term incentive up to 100% of salary (subject to the achievement of performance hurdles). Daniel's employment agreement may be terminated by Plenti or Daniel giving the other six months' notice in writing of such termination. If either party gives notice of termination, Plenti may make a payment in lieu of notice. In the event notice of termination is given by either party, Plenti may direct Daniel to take enforced leave (Gardening Leave) during any notice period of termination, during which time his remuneration will not be reduced or withheld. Plenti may terminate Daniel's employment immediately for gross misconduct and in other specified circumstances. Upon the termination of Daniel's employment, he will be subject to a maximum post-employment restraint of trade period of 12 months. The enforceability of the restraint clause is subject to standard legal requirements. Daniel is entitled to five weeks' annual leave per annum plus other leave in accordance with applicable legislation.
Name:	**Miles Drury**
Title:	**Chief Financial Officer**
Details:	Miles Drury is entitled to receive total fixed remuneration of $435,000 per annum plus superannuation. Miles is also eligible to earn a short term incentive of up to 70% of salary during each financial year and a long term incentive of up to 100% of salary (subject to the achievement of performance hurdles). Miles' employment agreement may be terminated by Plenti or Miles giving the other four months' notice in writing of such termination. If either party gives notice of termination, Plenti may make a payment in lieu of notice. In the event notice of termination is given by either party, Plenti may direct Miles to take Gardening Leave during any notice period of termination, during which time his remuneration will not be reduced or withheld. Plenti may terminate Miles' employment immediately for gross misconduct and in other specified circumstances. Upon the termination of Miles' employment, he will be subject to a maximum post-employment restraint of trade period of 12 months. The enforceability of the restraint clause is subject to all usual legal requirements. Miles is entitled to leave in accordance with applicable legislation
Name:	**Benjamin Milsom**
Title:	**Chief Commercial Officer**
Details:	Ben Milsom is entitled to receive total fixed remuneration of $365,000 per annum plus superannuation. Ben is also eligible to earn a short term incentive of up to 70% of salary during each financial year and a long term incentive of up to 100% of salary (subject to the achievement of performance hurdles). Ben's employment agreement may be terminated by Plenti or Ben giving the other six months' notice in writing of such termination. If either party gives notice of termination, Plenti may make a payment in lieu of notice. In the event notice of termination is given by either party, Plenti may direct Ben to take Gardening Leave during any notice period of termination, during which time his remuneration will not be reduced or withheld. Plenti may terminate Ben's employment immediately for gross misconduct and other specified circumstances. Upon the termination of Ben's employment, he will be subject to a maximum post-employment restraint of trade period of 12 months. The enforceability of the restraint clause is subject to all usual legal requirements. Ben is entitled to leave in accordance with applicable legislation

Name:	**Glenn Riddell**
Title:	**Chief Operating Officer**
Details:	Glenn Riddell is entitled to receive total fixed remuneration of $365,000 per annum plus superannuation. Glenn is also eligible to earn a short term incentive of up to 70% of salary during each financial year and a long term incentive of up to 100% of salary (subject to the achievement of performance hurdles). Glenn's employment agreement may be terminated by Plenti or Glenn giving the other six months' notice in writing of such termination. If either party gives notice of termination, Plenti may make a payment in lieu of notice. In the event notice of termination is given by either party, Plenti may direct Glenn to take Gardening Leave during any notice period of termination, during which time his remuneration will not be reduced or withheld. Plenti may terminate Glenn's employment immediately for gross misconduct and in other specified circumstances. Upon the termination of Glenn's employment, he will be subject to a maximum post-employment restraint of trade period of 12 months. The enforceability of the restraint clause is subject to all usual legal requirements. Glenn is entitled to leave in accordance with applicable legislation

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of share rights

Details of share rights issued to directors and other key management personnel as part of compensation during the year ended 31 March 2024 are set out below:

Name	Date	Share rights	Issue price	$
Daniel Foggo	1 September 2023	1,200,930	$0.3872	465,000
Daniel Foggo[1]	1 September 2023	367,871	$0.3872	142,440
Miles Drury	1 September 2023	1,136,364	$0.3872	440,000
Miles Drury	2 June 2023	351,473	$0.3945	138,656
Benjamin Milsom	1 September 2023	848,399	$0.3872	328,500
Benjamin Milsom	2 June 2023	289,449	$0.3945	114,188
Glenn Riddell	1 September 2023	848,399	$0.3872	328,500
Glenn Riddell	2 June 2023	289,449	$0.3945	114,188

Note:
1. As noted on page 37, share rights issued to Daniel Foggo were issued on a later date than other KMP due to the requirement to receive shareholder approval for their issue. Pursuant to AASB2 the value of the rights in the Group's accounts is recognised at the approval date, resulting in a different value to that used for other KMP.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date[1]	Expiry date[1]	Exercise price	Fair value per option at grant date
Miles Drury	75,000	1 September 2022	September 2024	August 2025	$0.0000	$0.593
Benjamin Milsom	183,700	1 September 2022	September 2024	August 2025	$0.0000	$0.593
Glenn Riddell	183,700	1 September 2022	September 2024	August 2025	$0.0000	$0.593

Note:
1. Options issued in September 2022 are structured as zero exercise price options with a barrier price of $0.88 that must be achieved for the option to vest and become exercisable.

Directors' report

Options granted carry no dividend or voting rights.

The number of options over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 31 March 2024 are set out below:

Name	Number of options granted during the year 2024	Number of options granted during the year 2023	Number of options vested during the year 2024	Number of options vested during the year 2023
Daniel Foggo	–	–	–	–
Miles Drury	–	75,000	–	–
Benjamin Milsom	–	183,700	–	–
Glenn Riddell	–	183,700	–	–

Additional disclosures relating to KMP

Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Additions during the year	Disposals/ other	Balance at the end of the year
Ordinary shares				
Mary Ploughman	90,000	–	–	90,000
Daniel Foggo[1]	2,970,970	794,172	–	3,765,142
Susan Forrester AM	425,000	–	–	425,000
Peter Behrens	1,337,124	–	–	1,337,124
Miles Drury	479,153	707,078	–	1,186,231
Benjamin Milsom[2]	194,155	440,371	–	634,526
Glenn Riddell[3]	291,005	321,671	(275,000)	337,676
	5,787,407	**2,263,292**	**(275,000)**	**7,775,699**

Note:

1. Daniel Foggo is a discretionary beneficiary of the Westbourne Trust which holds 34,417,643 fully paid ordinary shares in the Company. However, Mr Foggo does not hold a relevant interest in any of the shares which are held in the Trust.
2. Benjamin Milsom is a discretionary beneficiary of a trust which holds 4,068,000 fully paid ordinary shares in the Company. However, Mr Milsom does not hold a relevant interest in any of the shares which are held in the trust.
3. Glenn Riddell is a discretionary beneficiary of a trust which holds 4,068,000 fully paid ordinary shares in the Company. However, Mr Riddell does not hold a relevant interest in any of the shares which are held in the trust.

Share right holding

The number of share rights in relation to ordinary shares in the Company held during the financial year by each director and other key management personnel of the Group, is set out below:

Name	Balance at the start of the year	Issued during the year	Exercised during the year	Forfeited during the year	Balance at the end of the year	Balance at the end of the year – vested
Daniel Foggo	1,154,165	1,568,801	(719,172)	(10,543)	1,993,251	–
Miles Drury	1,123,318	1,487,837	(707,078)	(10,543)	1,893,534	–
Benjamin Milsom	982,505	1,137,848	(406,189)	(7,531)	1,706,633	289,449
Glenn Riddell	965,757	1,137,848	(321,671)	(7,531)	1,774,403	357,219

Option holding

The number of options over ordinary shares in the Company held during the financial year by each director and other key management personnel of the Group, including their personally related parties, is set out below:

Name	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year	Balance exercisable at the end of the year
Miles Drury	190,000	–	–	(38,333)	151,667	–
Benjamin Milsom	468,700	–	–	(95,000)	373,700	–
Glenn Riddell	468,700	–	–	(95,000)	373,700	–
	1,127,400	**–**	**–**	**(228,333)**	**899,067**	**–**

Share rights on issue

Grant date	Expiry date	Exercisable dates	Number of rights
1 October 2020	29 September 2030	May 2022, May 2023	67,770
1 June 2021	30 May 2031	May 2023, May 2024	591,037
26 August 2021	24 August 2031	May 2023, May 2024	159,588
1 July 2022	29 June 2032	May 2024, May 2025	2,077,475
18 August 2022	16 August 2032	May 2024, May 2025	632,733
17 November 2022	15 November 2032	May 2024, May 2025	73,819
2 June 2023	1 June 2033	Jul 2023, Jan 2024	743,841
1 September 2023	31 August 2033	May 2025, May 2026	5,309,273
			9,655,536

Directors' report

Shares issued on exercise of share rights

Date share rights granted	Number of shares issued
2 June 2022	2,151,814
1 September 2023	5,677,144
	7,828,958

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of Plenti Group Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price[1]	Number under option
1 October 2021	November 2024	$1.8250	1,153,995
1 October 2021	November 2025	$1.8250	1,154,010
14 January 2022	November 2024	$1.8250	21,666
14 January 2022	November 2025	$1.8250	21,668
1 September 2022	August 2025	$0.0000	1,785,400
			4,136,739

Note

1. Options issued in September 2022 are structured as zero exercise price options with a barrier price of $0.88 that must be achieved for the option to vest and become exercisable.

On 27 November 2023 the Company entered into a strategic partnership with NAB as part of which it agreed to undertake future placements to NAB of Plenti Group ordinary shares on the following terms:

1. Placement 1 – placement of up to 9,061,061 shares within 2 months of the launch of the 'NAB powered by Plenti' car loan product. The placement will be priced at the lower of $0.90 per share or a 25% premium to the 1-month VWAP prior to the placement notification date.
2. Placement 2 – placement of up to 10,067,846 shares within 1 month of the NAB powered by Plenti car loan portfolio reaching $500 million, subject to this being achieved with 18 months of product launch. The placement will be priced at the higher or $1.20 per share or a 25% discount to the 1-month VWAP prior to the placement notification date.

Indemnity and insurance of officers

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 26 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The directors are of the opinion that the services as disclosed in note 2 to the financial statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants* issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of Grant Thornton

There are no officers of the Company who are former partners of Grant Thornton.

Rounding of amounts

The Company is of a kind referred to in *Corporations Instrument 2016/191*, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

Auditor

Grant Thornton continues in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors

Daniel Foggo
Director

Mary Ploughman
Director

21 May 2024
Sydney

Auditor's independence declaration

Grant Thornton Audit Pty Ltd
Level 17
383 Kent Street
Sydney NSW 2000
Locked Bag Q800
Queen Victoria Building NSW
1230

T +61 2 8297 2400

Auditor's Independence Declaration

To the Directors of Plenti Group Ltd

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Plenti Group Ltd for the year ended 31 March 2024, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton Audit Pty Ltd
Chartered Accountants

L Te-Wierik
Partner – Audit & Assurance

Sydney, 21 May 2024

Financial statements

General information

The financial statements cover Plenti Group Limited as a Group consisting of Plenti Group Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Plenti Group Limited's functional and presentation currency.

Plenti Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 5
14 Martin Place
Sydney NSW 2000

A description of the nature of the Group's operations and its principal activities is included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 21 May 2024. The directors have the power to amend and reissue the financial statements.

Statement of profit or loss and other comprehensive income

For the year ended 31 March 2024

	Note	Consolidated 2024 $'000	Consolidated 2023 $'000
Revenue			
Interest revenue	4	207,154	142,074
Other income	5	3,839	1,383
Revenue before transaction costs		**210,993**	**143,457**
Transaction costs		(22,714)	(18,774)
Net income		**188,279**	**124,683**
Expenses			
Loan funding costs	6	(104,961)	(61,732)
Expense passed to unitholders		(233)	(143)
Customer loan impairment expense		(33,859)	(24,732)
Sales and marketing expense		(13,675)	(12,326)
Product development expense		(12,617)	(10,390)
General and administration expense		(29,706)	(26,280)
Corporate funding costs	6	(3,312)	(2,264)
Depreciation and amortisation expense	6	(1,541)	(1,461)
Total expenses		**(199,904)**	**(139,328)**
Loss before income tax (expense)/benefit		(11,625)	(14,645)
Income tax (expense)/benefit	7	(3,082)	1,064
Loss after income tax (expense)/benefit for the year attributable to the owners of Plenti Group Limited		**(14,707)**	**(13,581)**
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss			
Net hedging gain/(loss), net of tax		(7,191)	2,497
Other comprehensive income/(loss) for the year, net of tax		(7,191)	2,497
Total comprehensive loss for the year attributable to the owners of Plenti Group Limited		**(21,898)**	**(11,084)**

		Cents	Cents
Basic earnings per share	33	(8.53)	(7.99)
Diluted earnings per share	33	(8.53)	(7.99)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Statement of financial position

As at 31 March 2024

		Consolidated	
	Note	2024 $'000	2023 $'000
Assets			
Cash and cash equivalents	8	148,866	142,959
Term deposits	9	589	588
Customer loans	10	2,061,827	1,714,832
Trade receivables		111	87
Other assets	11	30,660	25,680
Derivative financial instruments	12	12,769	20,848
Property, plant and equipment	13	1,323	1,806
Right-of-use assets	14	2,457	3,278
Total assets		**2,258,602**	**1,910,078**
Liabilities			
Trade payables		5,339	4,957
Other liabilities	15	32,449	21,736
Borrowings	16	2,184,992	1,830,577
Lease liabilities	17	2,649	3,437
Derivative financial instruments	18	4,790	2,596
Provisions	19	2,063	1,737
Total liabilities		**2,232,282**	**1,865,040**
Net assets		**26,320**	**45,038**
Equity			
Issued capital	20	110,763	107,797
Reserves	21	15,433	22,410
Accumulated losses		(99,876)	(85,169)
Total equity		**26,320**	**45,038**

The above statement of financial position should be read in conjunction with the accompanying notes

Statement of changes in equity
For the year ended 31 March 2024

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 April 2022	106,373	17,889	(71,588)	52,674
Loss after income tax benefit for the year	–	–	(13,581)	(13,581)
Other comprehensive income for the year, net of tax	–	2,497	–	2,497
Total comprehensive income/(loss) for the year	–	2,497	(13,581)	(11,084)
Transactions with owners in their capacity as owners:				
Share-based payments (note 34)	–	3,385	–	3,385
Exercise of share options	334	(271)	–	63
Exercise of performance rights	1,090	(1,090)	–	–
Balance at 31 March 2023	107,797	22,410	(85,169)	45,038

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 April 2023	107,797	22,410	(85,169)	45,038
Loss after income tax expense for the year	–	–	(14,707)	(14,707)
Other comprehensive loss for the year, net of tax	–	(7,191)	–	(7,191)
Total comprehensive loss for the year	**–**	**(7,191)**	**(14,707)**	**(21,898)**
Transactions with owners in their capacity as owners:				
Share-based payments (note 34)	–	3,180	–	3,180
Exercise of performance rights	2,966	(2,966)	–	–
Balance at 31 March 2024	**110,763**	**15,433**	**(99,876)**	**26,320**

The above statement of changes in equity should be read in conjunction with the accompanying notes

Statement of cash flows
For the year ended 31 March 2024

		Consolidated	
	Note	2024 $'000	2023 $'000
Cash flows from operating activities			
Interest income received		220,368	153,033
Other income received		3,838	1,383
Interest and other finance costs paid		(108,066)	(60,729)
Payments to suppliers and employees		(76,897)	(73,098)
Net cash from operating activities	**31**	**39,243**	**20,589**
Cash flows from investing activities			
Net increase in loans to customers		(386,158)	(474,095)
Payments for property, plant and equipment	13	(59)	(965)
Investments in term deposits		–	(183)
Net cash used in investing activities		**(386,217)**	**(475,243)**
Cash flows from financing activities			
Proceeds from borrowings	32	2,053,217	1,578,879
Proceeds from corporate borrowings	32	5,000	4,500
Repayment of borrowings	32	(1,704,308)	(1,144,018)
Repayment of lease liabilities	32	(1,028)	(916)
Net cash from financing activities		**352,881**	**438,445**
Net increase/(decrease) in cash and cash equivalents		5,907	(16,209)
Cash and cash equivalents at the beginning of the financial year		142,959	159,168
Cash and cash equivalents at the end of the financial year	**8**	**148,866**	**142,959**

The above statement of cash flows should be read in conjunction with the accompanying notes

Notes to the financial statements

For the year ended 31 March 2024

Note 1. Material accounting policy information

The accounting policies that are material to the Group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for financial instruments which are measured at fair value.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 35.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Plenti Group Limited ('Company' or 'parent entity') as at 31 March 2024 and the results of all subsidiaries for the year then ended. Plenti Group Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented as one operating segment through satisfying the aggregation criteria in AASB 8 'Operating Segments'. The information presented is on the same basis as the internal reports provided to the Chief Executive Officer on an aggregated basis. Refer to note 3 for further information.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Plenti Group Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition

The Group recognises revenue as follows:

Interest income

Interest income includes interest and loan origination fees. Interest income is recognised using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Transaction costs

Transaction costs include commissions for brokers and broker aggregator groups directly attributable to the origination of loans. These costs are recognised in profit or loss using the effective interest method.

Funding costs

Funding costs include interest paid and payable to retail and wholesale investors via the Plenti Lending Platform and Plenti Wholesale Lending Platform. Interest and establishment costs relating to the Group's securitisation trust warehouse facilities are disclosed as Funding costs. Interest expense is recognised as it accrues using the effective interest rate method.

Expense passed to unitholders

Expense passed to unitholders reflects the fact that some impairment expenses recognised by the Group are passed on to investors in the Plenti Wholesale Lending Platform via a reduction in unitholder liabilities. This is recognised as a reduction in expenses (contra expense) in the statement of profit or loss. Conversely, a reduction in the expected credit loss provision relating to the Plenti Wholesale Lending Platform results in an increase in expenses passed to unitholders. Expenses passed to unitholders are recognised at the point in time the impairment expenses are incurred by the Group.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Plenti Group Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Notes to the financial statements

For the year ended 31 March 2024

Note 1. Material accounting policy information continued

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Term deposits

Term deposits are held with financial institutions with original maturities greater than three months.

Customer loans

Customer loans are initially recognised at fair value plus capitalised origination fees less capitalised transaction costs and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. The initial fair value of customer loans includes capitalised origination fees net of capitalised transaction costs.

Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and recognised initially at fair value and subsequently at amortised cost. They are generally due for settlement within 30 days.

Investments and other financial assets

Investments and other financial assets are initially measured at amortised cost. Transaction costs are included as part of the initial measurement. Such assets are subsequently measured at amortised cost. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ('ECL') on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain. ECL on the Plenti Wholesale Lending Platform is offset by passing the losses to the wholesale investors. This is reflected in expense passed to unitholders in the statement of profit or loss.

The Group has applied the general approach to measuring ECL based on credit migration between three stages. ECL is modelled collectively for portfolios of similar exposure and is measured as the product of the probability of default ('PD'), the loss given default ('LGD') and the exposure at default ('EAD') and includes forward-looking and macroeconomic information. As detailed in note 2, the calculation of ECL requires judgement and the choice of inputs, estimates and assumptions used involves uncertainty at the time that they are made. Outcomes within the next financial period that are different from management's assumptions and estimates could result in changes to the timing and amount of ECL to be recognised.

Stage 1	12 month ECL	No significantly increased credit risk	Financial instruments that have not had a significant increase in credit risk since initial recognition require, at initial recognition, a provision for ECL associated with the probability of default events occurring within the next 12 months ('12 month ECL').
Stage 2	Lifetime ECL	Significantly increased credit risk	In the event of a significant increase in credit risk since initial recognition, a provision is required for the lifetime ECL representing probable losses over the life of the financial instrument ('lifetime ECL'). This stage references exposures that are at least 30 days past due (equivalent to at least one missed payment cycle) but less than 90 days past due (less than three missed payment cycles).
Stage 3	Lifetime ECL	Objective evidence of impairment	Financial instruments that move into Stage 3 require a lifetime ECL to be recognised. This stage references exposures that are at least 90 days past due (more than 3 missed payment cycles).

To measure ECL, the Group applies a PD x EAD x LGD approach incorporating the time value of money. For stage 1 loans, a forward-looking approach on a 12-month horizon is applied. For stage 2 loans, a lifetime view on the credit is applied. The lifetime ECL is the discounted sum of the portions of lifetime losses related to default events within each time window of 12 months until maturity. For stage 3 loans, the PD equals 100% and the LGD and EAD represent a lifetime view of the losses based on characteristics of defaulted loans.

In addition to the base PD x EAD x LGD approach, management may apply further adjustments to reflect expectations relating to macroeconomic or other factors that management believe are not adequately reflected in the base ECL position.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in the statement of profit or loss.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Leasehold improvements	5 years
Office equipment	4 years
Fixtures and fittings	10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Fees paid on the establishment of warehouse loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over 7 years, being the maximum term of the loan being funded by the warehouse facility.

Fees paid in relation to the arrangement of Asset Backed Security (ABS) transactions are recognised as prepayments and amortised on a straight-line basis over the expected term of the ABS trust of 3 to 4 years.

Notes to the financial statements
For the year ended 31 March 2024

Note 1. Material accounting policy information continued

Unitholder liabilities

Unitholder (also referred to as member) liabilities are funds invested by retail and wholesale investors into the lending platforms managed by the Group. Investors' interests are structured as units in the relevant managed investment scheme under which the platform operates. Unitholder liabilities are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest rate method. Unitholder liabilities are included within borrowings on the statement of financial position.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments including on-costs to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, rights to shares or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value for options is determined using either the Black-Scholes option pricing model or a barrier option pricing model using a trinomial lattice, taking into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled prior to vesting, an adjustment is made in that period to reverse all historically recognised expenses. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Hedge accounting

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationship meets all the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Cash flow hedges

Cash flow hedges are used to cover the Group's exposure to variability in cash flows that is attributable to particular risks associated with a recognised asset or liability or a firm commitment which could affect profit or loss. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income through the cash flow hedges reserve in equity, whilst the ineffective portion is recognised in profit or loss. Amounts taken to equity are transferred out of equity and included in the measurement of the hedged transaction when the forecast transaction occurs.

Cash flow hedges are tested for effectiveness on a regular basis both retrospectively and prospectively to ensure that each hedge is highly effective and continues to be designated as a cash flow hedge. If the forecast transaction is no longer expected to occur, the amounts recognised in equity are transferred to profit or loss.

If the hedging instrument is sold, terminated, expires, exercised without replacement or rollover, or if the hedge becomes ineffective and is no longer a designated hedge, the amounts previously recognised in equity remain in equity until the forecast transaction occurs.

The Group uses amortising interest rate swaps with notional amounts that amortise over a specified term as the preferred hedging instrument to hedge its exposure to floating rate borrowings. Refer to note 23 interest rate risk for further details.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes to the financial statements
For the year ended 31 March 2024

Note 1. Material accounting policy information continued

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Plenti Group Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the post income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares. The diluted earnings per share were not adjusted for share options and share rights as they were anti-dilutive. Refer to note 33 for further information.

Goods and Services Tax (GST) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on various other factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. In respect of options, the fair value is determined by using either the Black-Scholes model or a barrier option pricing model using a trinomial lattice, taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities but may impact profit or loss and equity.

Amortisation of deferred upfront fees

The expected life used for the amortisation of deferred upfront fees requires a degree of estimation and judgement. It is based on customer prepayment history analysis at the product level and industry prepayment trends where available. If historical product information is not sufficiently available, or for simplicity, 85% of the contractual term is used as the expected life for these products. Where the expected life differs from the actual repayment life of the loan, such differences will impact the carrying value of the customer loans and the interest income that is recognised in the current and future periods.

Allowance for expected credit losses

The assessment of credit risk, and the estimation of ECL requires a degree of estimation and judgement. It is based on unbiased probability weightings and incorporates all available information relevant to the assessment, including information about past events, current conditions and reasonable and supportable information about future events and economic conditions at the reporting date. As detailed in note 1, the Group has established a process whereby forward-looking macroeconomic scenarios and probability weightings are developed for ECL calculation purposes.

ECL estimates disclosed in these financial statements are based on forecasts of economic conditions which reflect assumptions and expectations as at 31 March 2024. There is a considerable degree of judgement involved in preparing forecasts. The underlying assumptions are subject to uncertainties which are often outside the control of the entity. Accordingly, actual economic conditions are likely to be different from those forecast since anticipated events frequently do not occur as expected, and the effect of those differences may significantly impact accounting estimates included in these financial statements.

Fair value measurement hierarchy

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

Derivative financial instruments

Interest rate swap contracts, designated as cash flow hedges, are measured at fair value. Reliance is placed on future cash flows and judgement is made on a regular basis, through prospective and retrospective testing, including at the reporting date, that the hedges are still highly effective.

Notes to the financial statements

For the year ended 31 March 2024

Note 3. Operating segments

Identification of reportable operating segments

The Group's operations consist primarily of the provision of financial services in Australia. The Group has considered the requirements of AASB 8 'Operating Segments' and assessed that the Group has one operating segment, representing the consolidated results, as this is the only segment which meets the requirements of AASB 8.

Major customers

There are no customers which account for more than 10% of the Group's revenue for the year ended 31 March 2024 (2023: none).

Note 4. Interest revenue

	Consolidated	
	2024 $'000	2023 $'000
Interest income	184,308	123,889
Origination and loan fees	17,645	15,939
Bank interest	5,201	2,246
	207,154	**142,074**

Origination and loan fees are deferred upfront fees and commissions which are paid or received at loan origination but which are recognised as interest revenue over time using the effective interest rate method in accordance with AASB 9.

Note 5. Other income

	Consolidated	
	2024 $'000	2023 $'000
Other fee income	3,839	1,383

Note 6. Expenses

	Consolidated	
	2024 $'000	2023 $'000
Loss before income tax includes the following specific expenses:		
Depreciation		
Leasehold improvements	396	320
Fixtures and fittings	19	19
Office equipment	127	132
Buildings right-of-use assets	938	919
Office equipment right-of-use assets	61	15
Total depreciation	**1,541**	**1,405**
Amortisation		
Website	–	56
Total depreciation and amortisation	**1,541**	**1,461**
Finance costs		
Interest and finance charges paid/payable on warehouse and ABS borrowings	94,371	51,783
Interest and finance charges paid/payable to unitholders	10,590	9,949
Total loan funding costs	**104,961**	**61,732**
Interest and finance charges paid/payable on corporate borrowings	3,253	2,198
Interest and finance charges paid/payable on lease liabilities	59	66
Total corporate funding costs	**3,312**	**2,264**
Superannuation expense		
Defined contribution superannuation expense	2,919	2,403
Share-based payments expense		
Share-based payments expense	3,180	3,385

Operating expenses for the year were $199,904,000 (2023: $139,328,000), of which employee expenses were $35,899,000 (2023: $31,673,000). In the statement of profit or loss and other comprehensive income these employee expenses are included within the 'sales and marketing expense', the 'product development expense' and the 'general and administration expense' on a departmental allocation basis.

Notes to the financial statements
For the year ended 31 March 2024

Note 7. Income tax expense/(benefit)

	Consolidated 2024 $'000	Consolidated 2023 $'000
Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate		
Loss before income tax (expense)/benefit	(11,625)	(14,645)
Tax at the statutory tax rate of 30%	(3,488)	(4,394)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Permanent differences	(526)	(467)
	(4,014)	(4,861)
Tax offsets utilised	–	752
Current year losses for which no tax benefit was recognised	3,665	2,444
Current year temporary differences for which no deferred tax asset was recognised	349	1,665
Carried forward tax losses offset against hedging gain in OCI	3,082	(1,064)
Income tax expense/(benefit)	3,082	(1,064)

As at 31 March 2024, the balance of carry forward tax losses for which a tax benefit was not recognised were $33,747,170 (2023: $41,623,824). Tax loss analysis has been performed and the tax losses satisfy the criteria under the Business Continuity Tests to be carried forward and utilised from an income tax perspective.

Note 8. Cash and cash equivalents

	Consolidated 2024 $'000	Consolidated 2023 $'000
Cash at bank	44,800	27,754
Cash held in trust	91,428	101,463
Cash held in Provision Fund	12,638	13,742
	148,866	**142,959**

Cash in bank

Cash at bank reflects cash balances that are held in the Group's corporate bank accounts. While these funds are available generally for Group operations, some corporate accounts relate to collections on loans with proceeds regularly passed through to warehouse/ABS trusts. At 31 March 2024 the total balance of corporate collection bank accounts was $24.0 million (2023: $10.0 million).

Cash held in trust

The trust cash balances are held as part of the Group's funding arrangements and are not available to the Group for any other purposes. The balances held in the trust bank accounts include amounts received by investors on the Lending Platforms but not currently on loan to borrowers and amounts drawn from funders in the warehouse funding facilities which are available for funding loan receivables. As at 31 March 2024, investor cash held in the Lending Platforms totalled $15,199,000 (2023: $15,945,000) with $75,541,000 (2023:$84,399,000) of funds available in accounts relating to the warehouse facilities. A further $689,000 (2023: $1,119,000) was held in a restricted account in relation to funding of a government program.

Cash held in Provision Fund

The Provision Fund was established to help protect retail investors in the Group's Retail Lending Platform from losses relating to borrower late payment or default. Based on a determination by the Provision Fund Claims Committee, cash held in Provision Fund can be used to compensate retail investors in instances of late payment and default. Cash held in Provision Fund comes from borrowers who contribute an amount based on their risk profile and is incorporated as part of their loan. Cash held in Provision Fund is not available to the Group for general corporate purposes.

Note 9. Term deposits

	Consolidated	
	2024 $'000	2023 $'000
Restricted term deposits	589	588

Refer to note 24 for further information on fair value measurement.

The restricted term deposits bears interest of 4.30% (2023: 1.45%) per annum and have a maturity of greater than one year.

Note 10. Customer loans

	Consolidated	
	2024 $'000	2023 $'000
Gross customer loans	2,138,332	1,766,247
Less: Deferred upfront fees	(29,361)	(17,137)
Less: Allowance for expected credit losses	(47,144)	(34,278)
	2,061,827	**1,714,832**

The gross customer loan receivables and allowance for expected credit losses by portfolio for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2024 %	2023 %	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Retail	4.8%	3.3%	155,978	182,774	7,557	5,995
Wholesale	1.4%	1.6%	9,850	18,188	139	283
Warehouse	2.0%	1.8%	1,972,504	1,565,285	39,448	28,000
			2,138,332	**1,766,247**	**47,144**	**34,278**

Allowance for expected credit losses

The gross customer loan receivables by stages and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
Consolidated	2024 %	2023 %	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Stage 1 – 12 month ECL	0.7%	0.5%	2,043,588	1,691,616	14,767	8,768
Stage 2 – Lifetime ECL – not credit impaired	20.8%	25.7%	73,370	61,656	15,501	15,820
Stage 3 – Lifetime ECL – credit impaired	77.6%	74.7%	21,374	12,975	16,876	9,690
			2,138,332	**1,766,247**	**47,144**	**34,278**

Notes to the financial statements
For the year ended 31 March 2024

Note 10. Customer loans continued

The maturity profile of gross customer loans are as follows:

	Consolidated	
	2024 $'000	2023 $'000
Less than 1 year	29,785	24,700
1 to 2 years	82,132	61,645
2 to 5 years	1,295,409	932,271
Greater than 5 years	731,006	747,631
	2,138,332	**1,766,247**

Movements in the allowance for expected credit losses are as follows:

	Consolidated	
	2024 $'000	2023 $'000
Opening balance	34,278	20,104
Additional provisions recognised	35,305	25,998
Receivables written off during the year as uncollectable	(29,448)	(16,669)
Recoveries during the year	7,009	4,845
Closing balance	**47,144**	**34,278**

Note 11. Other assets

	Consolidated	
	2024 $'000	2023 $'000
Prepayments	25,296	21,988
GST receivable	2,127	1,791
Other assets	3,237	1,901
	30,660	**25,680**

Prepayments also includes capitalised commission payments, warehouse and ABS establishment costs.

Note 12. Derivative financial instruments

	Consolidated	
	2024 $'000	2023 $'000
Interest rate swap contracts – cash flow hedges	12,769	20,848

Refer to note 24 for further information on fair value measurement.

Note 13. Property, plant and equipment

	Consolidated 2024 $'000	Consolidated 2023 $'000
Leasehold improvements – at cost	1,903	1,894
Less: Accumulated depreciation	(866)	(470)
	1,037	**1,424**
Fixtures and fittings – at cost	218	198
Less: Accumulated depreciation	(132)	(113)
	86	**85**
Office equipment – at cost	721	691
Less: Accumulated depreciation	(521)	(394)
	200	**297**
	1,323	**1,806**

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below. With the growth of the Group's business, in the 2023 financial year the Group entered a long term lease agreement to take a new office in Adelaide and undertook a fit-out of the office. The cost of this investment is reflected in the Leasehold improvements and Office equipment additions in 2023.

Consolidated	Leasehold improvements $'000	Fixtures and fittings $'000	Office equipment $'000	Total $'000
Balance at 1 April 2022	865	102	345	1,312
Additions	879	2	84	965
Depreciation expense	(320)	(19)	(132)	(471)
Balance at 31 March 2023	1,424	85	297	1,806
Additions	10	20	29	59
Depreciation expense	(397)	(19)	(126)	(542)
Balance at 31 March 2024	**1,037**	**86**	**200**	**1,323**

Notes to the financial statements
For the year ended 31 March 2024

Note 14. Right-of-use assets

	Consolidated	
	2024 $'000	2023 $'000
Land and buildings – right-of-use	4,690	7,071
Less: Accumulated depreciation	(2,453)	(3,895)
	2,237	**3,176**
Plant and equipment – right-of-use	296	117
Less: Accumulated depreciation	(76)	(15)
	220	102
	2,457	**3,278**

Refer to note 6 for disclosure of the depreciation expense relating to the above right-of-use assets.

Additions to the right-of-use assets during the year were $179,000 (2023: $1,233,000).

There is no low-value assets expensed during the year (2023: $168,000).

The Group leases its Adelaide office under an agreement of five years expiring on 30 April 2027.

The Group leases its Sydney office under an agreement of five years expiring on 31 May 2026.

Refer to note 17 for the details on the lease liabilities.

Note 15. Other liabilities

	Consolidated	
	2024 $'000	2023 $'000
Interest payable	7,007	6,208
GST payable	1,904	1,670
Accrued expenses	4,522	1,965
Subsidies received in advance	706	1,149
Other liabilities	18,310	10,744
	32,449	**21,736**

Other liabilities include payroll and other accruals as well as outgoing lender and borrower payments that are yet to be cleared.

Note 16. Borrowings

	Consolidated	
	2024 $'000	2023 $'000
Investor funds on platform	190,310	219,511
Warehouse borrowings	802,983	695,718
ABS borrowings including risk retention facilities	1,161,721	890,484
Corporate borrowings	27,500	22,500
Loan settlement facility	2,478	2,364
	2,184,992	**1,830,577**

Refer to note 23 for further information on financial instruments.

Investor funds on platform

Investor funds on platform relates to funding from retail and wholesale investors that have been matched against customer loans as well as cash in trust bank accounts that are available for funding. Refer to note 8 for further information.

Funding from retail investors

Funding from retail investors is governed by the constitution of the Group's Retail Lending Platform and its product disclosure statement. Funding on loans are for terms from six months to seven years and are most commonly for amounts less than $50,000.

Funding from wholesale investors

Funding from wholesale investors is in accordance with the provisions of the Trust Deed of the Group's Wholesale Lending Platform, the Information Memorandum relating to the Group's Wholesale Lending Platform and Investor Mandate Agreements entered into between members of the Group's Wholesale Lending Platform ('Members') and the Trustee. Funding is for amounts up to $100,000 for terms from six months to seven years. Members are required to make a minimum investment of $1,000,000 in the Trust, unless otherwise agreed by the Trustee and reflected in a Member's Investment Mandate Agreement.

Warehouse borrowings and ABS borrowings

The Group has warehouse borrowings that provide funding for automotive loans and renewable and personal loans. Once the warehouse borrowings reach a sufficient value, Plenti can undertake an asset backed securities ("ABS") issuance, which involves selling notes in a trust holding the assets to investors in the debt capital markets.

During the year:

- Plenti completed the $406 million Plenti Auto ABS 2023-1 (Auto ABS Trust) transaction in June 2023.
- Plenti completed the $375 million Plenti PL and Green 2024-1 (PL & Green Trust) transaction in February 2024.
- On 24 November 2023, the Group extended the availability period for the RateSetter Funding Trust No.1 to November 2024 and established the Plenti Rated Funding Trust No.4 as a new funding facility also available until November 2024. The two facilities will operate together to provide a more efficient funding structure for the Group via use of a rated trust structure. Concurrent with the extension, the overall capacity of funding through these two warehouses was increased from $275 million to $400 million and increased further to $508 million in February 2024.
- On 19 October 2023, the Group increased the Plenti Funding Trust No.2 funding limit from $400 million to $500 million providing further funding capacity to increase its Personal loans and Renewables lending. This was subsequently reduced to $250 million post the ABS issuance in February 2024.
- On 31 October 2023, the Group extended the availability period for the Plenti Funding Trust No.3 to December 2024 and increased the funding limit from $250 million to $311 million, providing further funding capacity to increase for Automotive and EV lending growth. In March 2024, the limit increased to $325 million.

Notes to the financial statements
For the year ended 31 March 2024

Note 16. Borrowings continued

Corporate borrowings

In March 2022, the Group entered into a corporate debt facility agreement with an Australian funder. The facility has a dynamic limit which is proportionated to the size of Group's securitised loan portfolio, providing the ability to draw further funds as the Group's loan portfolio grows, subject to funder approval. The facility has an initial term of two years and carries an interest rate determined by a margin over the bank bill swap rate. In August 2023, the Group drew down a further $5 million to provide additional capital for business growth.

The facility's initial term expired in March 2024 and was extended by mutual agreement to March 2025 on slightly improved terms.

The corporate debt facility includes covenants with respect to the performance of loans in the Group's securitised portfolio. The Group remained in compliance with all facility level covenants during the year.

Risk retention facilities

In May 2022, the Group established two 'risk retention' entities to facilitate compliance with capital requirement regulation (CRR) in relation to ABS transactions. CRR is a regulatory requirement that must be met to allow investment in an ABS transaction by certain European and U.K. based investors. The rules require the Group to hold an economic interest of at least 5% of notes in an ABS. In the recent Auto ABS transaction, the risk retention entities purchased 5% of each note in the transaction and raised secured financing to fund the purchase. The result is that the Group did not invest incremental capital but retains the required economic exposure to the transaction.

Auto loan warehouse settlement facility

The Group entered into a settlement funding facility agreement on 30 September 2022. The purpose of the facility is to facilitate the settlement process and treasury management of automotive loans originated by the Group. New loans originated are sold into the settlement warehouse on a daily basis and then on-sold to the main automotive warehouses on a periodic basis.

The facility has a limit of $25 million. The facility was extended in September 2023 for a period of 14 months to December 2025. A security deposit of $2.5 million has been paid by the Group as a guarantee for the operation of the facility. This amount will be released back to the Group on cessation of the facility.

Total secured liabilities
The total secured liabilities are as follows:

	Consolidated	
	2024 $'000	2023 $'000
Warehouse borrowings	802,983	695,718
ABS borrowings	1,112,252	860,709
Risk retention facilities	49,469	29,774
Loan settlement facility	2,478	2,364
	1,967,182	**1,588,565**

Financing arrangements

Unrestricted access was available at the reporting date to the following warehouse facilities:

	Consolidated 2024 $'000	Consolidated 2023 $'000
Total facilities		
Warehouse facilities	1,058,800	904,250
Loan settlement facility	25,000	25,000
	1,083,800	**929,250**
Used at the reporting date		
Warehouse facilities	798,923	691,357
Loan settlement facility	2,478	2,364
	801,401	**693,721**
Unused at the reporting date		
Warehouse facilities	259,877	212,893
Loan settlement facility	22,522	22,636
	282,399	**235,529**

The warehouse facilities limit excludes $24,820,000 (2023: $20,750,000) of funding provided by Plenti Finance Pty Ltd. The unused amount of the warehouse facilities relates to amounts that are available for drawdown from funders but does not include cash in trust that has already been drawn but has not yet been utilised for funding purposes. Refer to note 8 for further information.

Note 17. Lease liabilities

	Consolidated 2024 $'000	Consolidated 2023 $'000
Lease liability	2,649	3,437

Refer to note 23 for further information on financial instruments.

The weighted average incremental borrowing rate was 2.07% (2023: 1.83%).

Notes to the financial statements
For the year ended 31 March 2024

Note 18. Derivative financial instruments

	Consolidated	
	2024 $'000	2023 $'000
Interest rate swap contracts – cash flow hedges	4,790	2,596

Refer to note 23 for further information on financial instruments.

Refer to note 24 for further information on fair value measurement.

Note 19. Provisions

	Consolidated	
	2024 $'000	2023 $'000
Annual leave	1,517	1,383
Long service leave	546	353
Other provisions	–	1
	2,063	**1,737**

Note 20. Issued capital

	Consolidated			
	2024 Shares	2023 Shares	2024 $'000	2023 $'000
Ordinary shares – fully paid	174,627,584	170,887,434	110,763	107,797

Movements in ordinary share capital

Details	Date	Shares	$'000
Balance	01 April 2022	169,422,808	106,373
Exercise of share options	26 May 2022	463,333	334
Exercise of performance rights	30 May 2022	189,756	315
Exercise of performance rights	01 June 2022	77,896	87
Exercise of performance rights	28 November 2022	711,344	667
Exercise of performance rights	28 February 2023	22,297	21
Balance	31 March 2023	170,887,434	107,797
Exercise of performance rights	02 June 2023	118,913	103
Exercise of performance rights	10 July 2023	1,153,816	1,530
Exercise of performance rights	08 December 2023	1,550,258	966
Exercise of performance rights	01 March 2024	917,163	367
Balance	**31 March 2024**	**174,627,584**	**110,763**

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Note 21. Reserves

	Consolidated	
	2024 $'000	2023 $'000
Hedging reserve – cash flow hedges	5,586	12,777
Share-based payments reserve	9,847	9,633
	15,433	**22,410**

Hedging reserve – cash flow hedges

The reserve is used to recognise the effective portion of the gain or loss of cash flow hedge instruments that is determined to be an effective hedge.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Notes to the financial statements
For the year ended 31 March 2024

Note 21. Reserves continued

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Hedging reserve $'000	Share-based payments reserve $'000	Total $'000
Balance at 1 April 2022	10,280	7,609	17,889
Hedging gain	2,497	–	2,497
Share-based payments expense	–	3,385	3,385
Share options exercised	–	(271)	(271)
Exercise of performance rights	–	(1,090)	(1,090)
Balance at 31 March 2023	12,777	9,633	22,410
Hedging loss	(7,191)	–	(7,191)
Share-based payments expense	–	3,180	3,180
Exercise of performance rights	–	(2,966)	(2,966)
Balance at 31 March 2024	**5,586**	**9,847**	**15,433**

Note 22. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 23. Financial instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by senior executives under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits.

Market risk

Price risk
The Group is not exposed to any significant price risk.

Interest rate risk
The Group's main interest rate risk arises from cash at bank, term deposits and borrowings. Cash at bank, term deposits and borrowings obtained at variable rates expose the Group to interest rate risk. Cash at bank and term deposits obtained at fixed rates expose the Group to fair value interest rate risk.

For the Group, the investor funds on platform (note 16) are principal payment loans. The amount is not subject to interest rate and thus not subject to interest rate risk.

As at the reporting date, the Group had the following variable rate cash at bank and term deposits outstanding:

	2024		2023	
Consolidated	Weighted average interest rate %	Balance $'000	Weighted average interest rate %	Balance $'000
Cash and cash equivalents	4.11%	148,866	3.54%	142,959
Restricted term deposit	4.30%	589	1.45%	588
Net exposure to cash flow interest rate risk		**149,455**		**143,547**

An official increase/decrease in interest rates of 100 (2023: 100) basis points would have an adverse/favourable effect on profit before tax of $1,495,000 (2023: $1,435,000) per annum. The percentage change is based on the expected volatility of interest rates using market data and analysts' forecasts.

Borrowings from the warehouse facilities are variable rate borrowings where the interest rates are based on current market rates. Interest rate risk is managed on these borrowings by entering into interest rate swaps, whereby the Group pays fixed rate and receives floating rate interest payments. The contracts require settlement monthly of net interest receivable or payable. The settlement dates coincide with the dates on which interest is payable on the underlying borrowing. The gain or loss from remeasuring the hedging instruments at fair value is recognised in other comprehensive income and deferred in equity in the cash flow hedge reserve, to the extent that the hedge is effective.

It is reclassified into the statement of profit or loss if the hedging relationship ceases. In the year ended 31 March 2023, nil amounts were reclassified into profit or loss. There was no material hedge ineffectiveness in the current year.

The Group hedges a significant portion of the variability in future cash flows attributable to the interest rate risk on floating rate borrowings using interest rate swaps. As at 31 March 2024, the Group had a hedge ratio of 100% (2023: 100%).

As at the reporting date, the Group had the following floating rate borrowings and the notional value of interest rate swaps:

	Consolidated	
	2024 $'000	2023 $'000
Floating rate borrowings	1,994,683	1,611,066
Interest rate swap notional amortised principal amount	(1,949,562)	(1,619,037)

The Group also has indirect exposure to interest rate fluctuations via the fees it generates on funds invested in the lending platforms it manages. The Group charges Plenti Lending Platform investors a fee of 10% of interest they receive from borrowers. If market interest rates reduce, and if as a result the rate required by investors on this lending platform reduces, this will have an impact on the Group's income over time. This will, however, only impact new loans and existing variable rate loans as the rate on existing fixed rate loans will not change.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. All credit decisions are governed by product level credit policies prescribing how prospective customers are assessed including obtaining third party credit reporting data, responsible lending obligations and setting appropriate credit/loan limits. The Group obtains security in respect of loans in some circumstances to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

As disclosed in note 1, the Group has applied a PD x EAD x LGD approach in estimating expected credit losses on customer loans (note 10) and is based on assumptions as detailed in note 2. These assumptions include the assessed creditworthiness of the borrower.

Notes to the financial statements
For the year ended 31 March 2024

Note 23. Financial instruments continued

Where there has been a significant increase in the credit risk of a customer loan since origination, the allowance will be based on the lifetime expected credit loss. The Group uses a rebuttable presumption that a significant deterioration in credit risk exists when contractual payments are more than 30 days past due (i.e. ECL model Stage 2).

Where there has been objective evidence of impairment for a customer loan, the allowance will be based on lifetime expected credit loss. In certain cases, a customer loan will be considered in default when internal or external information indicate that the Group is unlikely to receive the outstanding contractual amount in full (i.e. ECL model Stage 3).

The definition of default used in measuring ECLs is aligned to the definition used for internal credit risk management purposes across all portfolios. Default occurs when there are indicators that a borrower is unlikely to meet contractual credit obligations to the Company in full, or the borrower is a minimum of 90 days past due. Loans are classified as credit impaired where there is doubt as to whether the full amounts due, including interest and other payments, will be received in a timely manner. Loans are written-off when there is no realistic probability of recovery or at 180 days past due.

Recovery prospects may include but are not limited to primary security (realisation of the underlying receivable assets or other business balance sheet assets) or secondary security (including but not limited to pursuing personal guarantors or mortgages).

For loans funded from the Retail Lending Platform, retail investors can recover credit losses from the Provision Fund, as described in note 8. This recovery process does alter the level of credit losses reported by the Group given that the Provision Fund is consolidated within the financials of the Group and hence the recovery of credit losses by retail investors is funded by cash held within the Group.

The Group has no significant concentration of credit risk with any single counterparty or group of counterparties.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements

Unused borrowing facilities at the reporting date:

	Consolidated	
	2024 $'000	2023 $'000
Warehouse facilities	259,877	212,893
Loan settlement facility	22,522	22,636
	282,399	**235,529**

The warehouse facilities limit excludes $24,820,000 (2023: $20,750,000) of funding provided by Plenti Finance Pty Ltd. Including funding provided by the Group, total unused warehouse capacity was $284,697,000 (2023: $233,643,000).

As is customary with warehouse facilities, availability of the facility requires periodic extension with consent of the existing funders, or replacement of any funder who does not wish to extend.

The Plenti Funding Trust No.1 and Plenti Funding Trust No.4 has a 12 month availability period and is due for extension by November 2024. If the warehouse is not extended it will enter an amortisation period.

The Plenti Funding Trust No.2 has a 13 month availability period which is due for extension by June 2024.

The Plenti Funding Trust No.3 has a 24 month availability period and is due for extension by December 2025.

All warehouses contain provisions which could result in the Group either being unable to draw further funds from the facility or the facility being placed into amortisation if certain terms set out in the facility agreements are breached.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated – 2024	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade payables	5,339	–	–	–	5,339
Subsidies received in advance	706	–	–	–	706
Other liabilities	18,310	–	–	–	18,310
Interest-bearing					
Unitholder liabilities	78,336	59,810	58,668	1,360	198,174
Warehouse borrowings	834,816	–	–	–	834,816
ABS borrowings	511,197	354,013	284,590	–	1,149,800
Corporate borrowings	31,033	–	–	–	31,033
Lease liability	1,115	1,135	457	–	2,707
Loan settlement facility	2,586	–	–	–	2,586
Total non-derivatives	**1,483,438**	**414,958**	**343,715**	**1,360**	**2,243,471**
Derivatives					
Interest rate swaps net settled	4,790	–	–	–	4,790
Total derivatives	**4,790**	**–**	**–**	**–**	**4,790**

Consolidated – 2023	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade payables	4,957	–	–	–	4,957
Subsidies received in advance	1,149	–	–	–	1,149
Other liabilities	10,744	–	–	–	10,744
Interest-bearing					
Unitholder liabilities	90,131	73,094	80,600	2,463	246,288
Warehouse borrowings	583,504	144,277	–	–	727,781
ABS borrowings	382,583	295,892	233,273	–	911,748
Corporate borrowings	3,001	22,766	–	–	25,767
Lease liability	1,004	1,050	1,498	–	3,552
Loan settlement facility	2,437	–	–	–	2,437
Total non-derivatives	**1,079,510**	**537,079**	**315,371**	**2,463**	**1,934,423**
Derivatives					
Interest rate swaps net settled	2,596	–	–	–	2,596
Total derivatives	**2,596**	**–**	**–**	**–**	**2,596**

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Notes to the financial statements
For the year ended 31 March 2024

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 24. Fair value measurement

Fair value hierarchy
The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated – 2024	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Interest rate swaps	–	12,769	–	12,769
Total assets	**–**	**12,769**	**–**	**12,769**
Liabilities				
Interest rate swaps	–	4,790	–	4,790
Total liabilities	**–**	**4,790**	**–**	**4,790**

Consolidated – 2023	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Interest rate swaps	–	20,848	–	20,848
Total assets	**–**	**20,848**	**–**	**20,848**
Liabilities				
Interest rate swaps	–	2,596	–	2,596
Total liabilities	**–**	**2,596**	**–**	**2,596**

Note 25. Key management personnel disclosures

Directors
The following persons were directors of Plenti Group Limited during the financial year:

Mary Ploughman – Non-Executive Director

Daniel Foggo – Chief Executive Officer

Susan Forrester AM – Non-Executive Director

Stephen Benton – Non-Executive Director

Peter Behrens – Non-Executive Director

Other key management personnel
The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, during the financial year:

Miles Drury – Chief Financial Officer

Benjamin Milsom – Chief Commercial Officer

Glenn Riddell – Chief Operating Officer

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	2024 $	2023 $
Short-term employee benefits	2,477,981	2,311,140
Post-employment benefits	257,916	231,549
Long-term benefits	27,055	55,403
Share-based payments	1,713,179	2,029,518
	4,476,131	**4,627,610**

Investments in the Retail Lending Platform

The value of investments made via the Retail Lending Platform by the directors and key management personnel is set out below:

	Consolidated	
	2024 $	2023 $
Directors	510	1,379
Other key management personnel	134,204	155,311
	134,714	**156,690**

Other investments

The value of investments made in G-Notes of the Auto ABS Trust 2020-1 by the directors or their related parties is set out below:

	Consolidated	
	2024 $	2023 $
Directors and their related parties	500,000	500,000

Note 26. Related party transactions

Parent entity

Plenti Group Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 29.

Key management personnel

Disclosures relating to key management personnel are set out in note 25.

Transactions with related parties

There were no transactions with related parties outside of the consolidated group during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Notes to the financial statements
For the year ended 31 March 2024

Note 26. Related party transactions continued

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2024 $	2023 $
Investor funds held on the Plenti Lending Platforms (note 16)	190,310,180	219,510,827

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 27. Remuneration of auditors

	Consolidated	
	2024 $	2023 $
Audit and review of financial reports		
Group	175,751	181,471
Controlled entities	66,974	60,115
	242,725	**241,586**
Other assurance services		
AFSL and Compliance plan audit	20,950	19,045
ABS issuance audits	15,193	14,750
	36,143	**33,795**
Other services		
Tax compliance services	67,801	67,350
Total services provided by Grant Thornton	**346,669**	**342,731**

Note 28. Contingent liabilities
The Group has given bank guarantees as at 31 March 2024 of $396,000 (2023: $396,000) to Perpetual Trustee Company Limited and KI Martin Place Pty Ltd with respect to its Sydney office. This is secured by the term deposit held by the Group.

The Group has given bank guarantees as at 31 March 2024 of $192,596 (2023: $192,596) to 89 Pirie St Pty Ltd with respect to its Adelaide office. This is secured by the term deposit held by the Group.

Other than the above, there were no other contingent liabilities as at 31 March 2024 (2023: nil).

Note 29. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

		Ownership interest	
Name	Principal place of business/ Country of incorporation	2024 %	2023 %
Plenti Pty Limited	Australia	100.0%	100.0%
Plenti RE Limited	Australia	100.0%	100.0%
– The Trustee for Plenti Provision Fund*	Australia	–	–
– The Trustee for Plenti Lending Platform*	Australia	0.1%	0.1%
– The Trustee for Plenti Wholesale Lending Platform*	Australia	0.4%	0.5%
Plenti Facility Provider Pty Limited	Australia	100.0%	100.0%
– The Trustee for Plenti Subvention Trust	Australia	99.9%	99.9%
– The Trustee for Plenti Early Access Facility Trust	Australia	99.9%	99.9%
Plenti Finance Pty Limited	Australia	100.0%	100.0%
– RateSetter Funding Trust No.1	Australia	100.0%	100.0%
– Plenti Funding Trust No.2	Australia	100.0%	100.0%
– Plenti Funding Trust No.3	Australia	100.0%	100.0%
– Plenti Auto ABS Trust 2021-1	Australia	100.0%	100.0%
– Plenti PL Green ABS Trust 2022-1	Australia	100.0%	100.0%
– Plenti Corporate Funding No 1 Pty Limited	Australia	100.0%	100.0%
– Plenti Auto ABS Trust 2022-1	Australia	100.0%	100.0%
– Plenti Risk Retention No.1 Pty Limited	Australia	100.0%	100.0%
– Plenti Risk Retention No.2 Pty Limited	Australia	100.0%	100.0%
– The Trustee for Plenti Settlement Trust	Australia	100.0%	100.0%
– The Trustee for Plenti Note Purchase Trust	Australia	100.0%	100.0%
– Plenti PL Green ABS Trust 2023-1	Australia	100.0%	100.0%
– Plenti Auto ABS Trust 2023-1	Australia	100.0%	–
– Plenti PL & Green ABS Trust 2024-1	Australia	100.0%	–
– Plenti Rated Funding Trust No.4	Australia	100.0%	–
Plenti Services Pty Limited	Australia	100.0%	–

* Management has determined that the Company controls the subsidiaries, Plenti Lending Platform, Plenti Wholesale Lending Platform and the Plenti Provision Fund, even though it holds less than half of the voting rights of these entities. This is because the Company has the power to direct the relevant activities of these subsidiaries, has the rights to variable returns from its involvement with these subsidiaries and has the decision making right over the subsidiaries.

Notes to the financial statements
For the year ended 31 March 2024

Note 30. Deed of cross guarantee

The following entities are party to a deed of cross guarantee under which each company guarantees the debts of the others:

Plenti Group Limited

Plenti Pty Limited

Plenti Finance Pty Limited (opted into the deed on 16 November 2023)

The deed of cross guarantee was executed and approved by the Board on 19 March 2021.

By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare financial statements and directors' report under Corporations Instrument 2016/785 issued by the Australian Securities and Investments Commission.

The above companies represent a 'Closed Group' for the purposes of the Corporations Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by Plenti Group Limited, they also represent the 'Extended Closed Group'.

Set out below is a consolidated statement of profit or loss and other comprehensive income and statement of financial position of the 'Closed Group'.

Statement of profit or loss and other comprehensive income	2024 $'000	2023 $'000
Interest revenue	15,275	13,724
Other income	61,390	47,252
Transaction costs	(25,889)	(26,319)
Depreciation and amortisation expense	(1,541)	(1,461)
Loan funding costs	(2,694)	–
Customer loan impairment expense	(397)	–
Sales and marketing expense	(13,675)	(12,326)
Product development expense	(12,617)	(10,390)
General and administration expense	(27,521)	(24,151)
Corporate funding costs	(59)	(66)
Operating loss	(7,728)	(13,737)
Loss before income tax expense	(7,728)	(13,737)
Income tax expense	–	–
Loss after income tax expense	(7,728)	(13,737)
Other comprehensive income for the year, net of tax	–	–
Total comprehensive loss for the year	**(7,728)**	**(13,737)**

Statement of financial position	2024 $'000	2023 $'000
Assets		
Cash and cash equivalents	34,498	3,845
Term deposits	588	588
Customer loans	6,351	–
Trade receivables	4,401	3,492
Investment in commission notes	8,706	–
Investment in subordinated notes in Warehouses	17,360	–
Investment in notes in ABS trusts	24,445	–
Other assets	15,458	12,708
Property, plant and equipment	1,323	1,806
Right-of-use assets	2,457	3,277
Total assets	**115,588**	**25,716**
Liabilities		
Trade payables	51,269	13,320
Other liabilities	47,846	4,416
Lease liabilities	2,649	3,437
Provisions	2,145	1,794
Total liabilities	**103,909**	**22,967**
Net assets	**11,679**	**2,749**
Equity		
Issued capital	110,763	107,797
Reserves	9,847	9,633
Accumulated losses	(108,931)	(114,681)
Total equity	**11,679**	**2,749**

Notes to the financial statements

For the year ended 31 March 2024

Note 31. Reconciliation of loss after income tax to net cash from operating activities

	Consolidated 2024 $'000	Consolidated 2023 $'000
Loss after income tax (expense)/benefit for the year	(14,707)	(13,581)
Adjustments for:		
Depreciation and amortisation	1,541	1,461
Loan impairment expense	33,859	24,732
Tax benefit on unrealised hedging gain	3,082	(1,064)
Share-based payments	3,180	3,385
Other non-cash items	293	327
Change in operating assets and liabilities:		
Decrease in customer loans	12,225	6,862
Decrease/(increase) in trade receivables	(24)	45
Increase in other operating assets	(4,980)	(4,577)
Increase/(decrease) in trade payables	113	(1,040)
Increase in other operating liabilities	4,661	4,039
Net cash from operating activities	**39,243**	**20,589**

Note 32. Changes in liabilities arising from financing activities

Consolidated	Investor funds on loan $'000	Warehouse and ABS borrowings $'000	Corporate borrowings $'000	Lease liabilities $'000	Total $'000
Balance at 1 April 2022	257,841	1,115,768	18,000	2,998	1,394,607
Proceeds from borrowings	69,683	1,509,196	4,500	–	1,583,379
Repayment of borrowings	(108,157)	(1,036,398)	–	(916)	(1,145,471)
Interest	–	–	–	66	66
Acquisition of leases	–	–	–	1,289	1,289
Other changes	144	–	–	–	144
Balance at 31 March 2023	219,511	1,588,566	22,500	3,437	1,834,014
Proceeds from borrowings	46,664	2,006,553	5,000	–	2,058,217
Repayment of borrowings	(76,098)	(1,628,051)	–	(1,028)	(1,705,177)
Interest	–	–	–	61	61
Acquisition of leases	–	–	–	179	179
Other changes	233	114	–	–	347
Balance at 31 March 2024	**190,310**	**1,967,182**	**27,500**	**2,649**	**2,187,641**

Note 33. Earnings per share

	Consolidated	
	2024 $'000	2023 $'000
Loss after income tax attributable to the owners of Plenti Group Limited	(14,707)	(13,581)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	172,379,335	170,006,073
Weighted average number of ordinary shares used in calculating diluted earnings per share	172,379,335	170,006,073

	Cents	Cents
Basic earnings per share	(8.53)	(7.99)
Diluted earnings per share	(8.53)	(7.99)

4,136,739 (2023: 5,312,400) options and 9,655,536 share rights (2023: 5,611,532) were excluded from the weighted average number of ordinary shares used in calculating diluted earnings per share as they were non-dilutive given EPS is negative.

Note 34. Share-based payments

Share-based payments for the Group relate to securities issued under the Plenti Group Limited Employee Equity Plan adopted in 2020 ('2020 EEP'). The 2020 EEP is intended to allow the Group to attract and retain skilled and experienced employees, motivate them to drive Group performance and reward them for delivery of results.

2020 EEP

The 2020 EEP was implemented in August 2020, shortly prior to the IPO of the Group, to provide for ongoing equity-based remuneration of employees in the listed environment. Granting of share rights under the Group's short term incentive plan and long-term incentive plan (as described further in the Remuneration Report) is facilitated by the 2020 EEP. As at 31 March 2024, a total of 14,742,358 (2023: 6,913,400) rights to fully paid ordinary shares have been issued under the 2020 EEP, subject to the following conditions:

- achievement of applicable performance hurdles over the relevant performance period
- continued employment with the Group until the vesting date of the relevant tranche

In the financial year, the Group issued nil options (2023: 1,785,000) under the 2020 EEP.

Notes to the financial statements
For the year ended 31 March 2024

Note 34. Share-based payments continued

Share rights

Set out below is a summary of options outstanding as at 31 March 2024 and 31 March 2023 issued under the 2020 EEP:

2024

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
17/09/2020	15/09/2030	nil	105,422	–	(94,879)	(10,543)	–
01/10/2020	29/09/2030	nil	391,564	–	(298,189)	(25,605)	67,770
08/12/2020	06/12/2030	nil	86,552	–	(77,896)	(8,656)	–
01/06/2021	30/05/2031	nil	1,182,072	–	(591,035)	–	591,037
26/08/2021	24/08/2031	nil	319,175	–	(159,587)	–	159,588
02/06/2022	01/10/2027	nil	118,917	–	(118,917)	–	–
02/06/2022	01/07/2028	nil	526,968	–	(526,968)	–	–
01/07/2022	29/06/2032	nil	2,077,475	–	–	–	2,077,475
18/08/2022	01/07/2028	nil	96,835	–	(96,835)	–	–
18/08/2022	16/08/2032	nil	632,733	–	–	–	632,733
17/11/2022	15/11/2032	nil	73,819	–	–	–	73,819
02/06/2023	01/06/2033	nil	–	2,151,814	(1,407,973)	–	743,841
01/09/2023	31/08/2033	nil	–	367,871	(367,871)	–	–
01/09/2023	31/08/2033	nil	–	5,309,273	–	–	5,309,273
			5,611,532	**7,828,958**	**(3,740,150)**	**(44,804)**	**9,655,536**

2023

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
17/09/2020	15/09/2030	nil	210,843	–	(94,878)	(10,543)	105,422
01/10/2020	29/09/2030	nil	512,047	–	(94,878)	(25,605)	391,564
08/12/2020	06/12/2030	nil	173,104	–	(77,896)	(8,656)	86,552
01/06/2021	30/05/2031	nil	1,372,340	–	(176,765)	(13,503)	1,182,072
26/08/2021	24/08/2031	nil	360,478	–	(41,303)	–	319,175
02/06/2022	01/10/2027		–	537,655	(418,738)	–	118,917
02/06/2022	01/07/2028		–	537,655	–	(10,687)	526,968
01/07/2022	29/06/2032		–	2,077,475	–	–	2,077,475
18/08/2022	01/10/2027		–	96,835	(96,835)	–	–
18/08/2022	01/07/2028		–	96,835	–	–	96,835
18/08/2022	16/08/2032		–	632,733	–	–	632,733
17/11/2022	15/11/2032		–	73,819	–	–	73,819
			2,628,812	**4,053,007**	**(1,001,293)**	**(68,994)**	**5,611,532**

For the share rights granted during the current and previous financial year, the fair value at the grant date is set out below:

Grant date	Share rights issued	Fair value at grant date
01/09/2023	5,677,144	$0.3872
01/06/2023	2,151,814	$0.3945
17/11/2022	73,819	$0.4178
18/08/2022	826,403	$0.6749
01/07/2022	2,077,475	$0.7112
02/06/2022	1,075,310	$0.8661

Set out below are summaries of options outstanding as at 31 March 2024 issued under the 2020 EEP:

2024

Grant date	Expiry date	Exercise price[1]	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
01/10/2021	21/11/2023	$1.8250	1,153,995	–	–	(1,153,995)	–
01/10/2021	21/11/2024	$1.8250	1,153,995	–	–	–	1,153,995
01/10/2021	21/11/2025	$1.8250	1,154,010	–	–	–	1,154,010
14/01/2022	21/11/2023	$1.8250	21,666	–	–	(21,666)	–
14/01/2022	21/11/2024	$1.8250	21,666	–	–	–	21,666
14/01/2022	21/11/2025	$1.8250	21,668	–	–	–	21,668
31/08/2022	01/08/2025	$0.0000	1,785,400	–	–	–	1,785,400
			5,312,400	**–**	**–**	**(1,175,661)**	**4,136,739**

Note 1:
Options issued in September 2022 are structured as zero exercise price options with a barrier price of $0.88 that must be achieved for the option to vest and become exercisable.

Notes to the financial statements
For the year ended 31 March 2024

Note 34. Share-based payments continued

2023

Grant date	Expiry date	Exercise price[1]	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
16/10/2015	31/05/2022	$0.5000	630,000	–	–	(630,000)	–
14/03/2016	31/05/2022	$0.5000	390,000	–	–	(390,000)	–
01/04/2016	31/05/2022	$0.5000	120,000	–	–	(120,000)	–
31/03/2017	31/05/2022	$0.8250	810,000	–	–	(810,000)	–
09/06/2017	31/05/2022	$0.8250	280,000	–	–	(280,000)	–
20/09/2017	31/05/2022	$0.8250	120,000	–	–	(120,000)	–
23/11/2017	31/05/2022	$0.9567	–	–	–	–	–
22/01/2018	31/05/2022	$0.9567	30,000	–	–	(30,000)	–
01/04/2018	31/05/2022	$0.9567	750,000	–	–	(750,000)	–
05/05/2018	31/05/2022	$0.9567	270,000	–	–	(270,000)	–
01/08/2018	31/05/2022	$0.9567	60,000	–	–	(60,000)	–
03/09/2018	31/05/2022	$1.3333	120,000	–	–	(120,000)	–
03/12/2018	31/05/2022	$1.3333	120,000	–	–	(120,000)	–
06/05/2019	31/05/2022	$1.3833	840,000	–	–	(840,000)	–
01/06/2019	31/05/2022	$1.3833	360,000	–	–	(360,000)	–
01/08/2019	31/05/2022	$1.3833	120,000	–	–	(120,000)	–
01/12/2019	31/05/2022	$1.3833	439,998	–	–	(439,998)	–
02/12/2019	31/05/2022	$1.3833	210,000	–	–	(210,000)	–
13/01/2020	31/05/2022	$1.3833	2,190,000	–	–	(2,190,000)	–
19/02/2020	31/05/2022	$1.3833	240,000	–	–	(240,000)	–
20/03/2020	31/05/2022	$1.3833	30,000	–	–	(30,000)	–
31/03/2020	31/05/2022	$1.3833	300,000	–	–	(300,000)	–
08/07/2020	31/05/2022	$1.3833	390,000	–	–	(390,000)	–
22/07/2020	31/05/2022	$1.3833	600,000	–	–	(600,000)	–
01/10/2021	21/11/2023	$1.8250	1,300,994	–	–	(146,999)	1,153,995
01/10/2021	21/11/2024	$1.8250	1,300,994	–	–	(146,999)	1,153,995
01/10/2021	21/11/2025	$1.8250	1,301,012	–	–	(147,002)	1,154,010
10/12/2021	21/11/2023	$1.8250	13,333	–	–	(13,333)	–
10/12/2021	21/11/2024	$1.8250	13,333	–	–	(13,333)	–
10/12/2021	21/11/2025	$1.8250	13,334	–	–	(13,334)	–
14/01/2022	21/11/2023	$1.8250	21,666	–	–	–	21,666
14/01/2022	21/11/2024	$1.8250	21,666	–	–	–	21,666
14/01/2022	21/11/2025	$1.8250	21,668	–	–	–	21,668
31/08/2022	01/08/2025	$0.0000	–	1,785,400	–	–	1,785,400
			13,427,998	**1,785,400**	**–**	**(9,900,998)**	**5,312,400**

The weighted average share price and exercise price during the financial year was $1.04 (2023: $1.21).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 0.65 years (2023: 1.88 years).

The share-based payment expense during the financial year was $3,180,000 (2023: $3,385,000).

For the options granted during the current and previous financial year, the inputs used to determine the fair value at the grant date using the Black-Scholes option pricing model, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
01/10/2021	21/11/2023	$1.4000	$1.8250	44.00%	–	0.20%	$0.229
01/10/2021	21/11/2024	$1.4000	$1.8250	44.00%	–	0.34%	$0.308
01/10/2021	21/11/2025	$1.4000	$1.8250	44.00%	–	0.46%	$0.376
10/12/2021	21/11/2023	$1.2500	$1.8250	44.00%	–	0.36%	$0.151
10/12/2021	21/11/2024	$1.2500	$1.8250	44.00%	–	0.93%	$0.227
10/12/2021	21/11/2025	$1.2500	$1.8250	44.00%	–	1.25%	$0.294
14/01/2022	21/11/2023	$1.1400	$1.8250	44.00%	–	0.45%	$0.106
14/01/2022	21/11/2024	$1.1400	$1.8250	44.00%	–	1.00%	$0.173
14/01/2022	21/11/2025	$1.1400	$1.8250	44.00%	–	1.35%	$0.235

For the options granted on 1 September 2022, the inputs used to determine the fair value at the grant date using a barrier option pricing model, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price[1]	Expected volatility %	Risk-free interest rate – spot %	Risk-free interest rate – 2 year tenor %	Risk-free interest rate – 4 year tenor %	Fair value at grant date
01/09/2022	31/08/2025	$0.6200	$0.0000	50.00%	2.35%	3.21%	3.43%	$0.593

Note 1:
Options issued are structured as zero exercise price options with a barrier price of $0.88 that must be achieved for the option to vest and become exercisable.

Note 35. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2024 $'000	2023 $'000
Loss after income tax	(3,889)	(4,127)
Other comprehensive income for the year, net of tax	–	–
Total comprehensive loss	**(3,889)**	**(4,127)**

Notes to the financial statements
For the year ended 31 March 2024

Note 35. Parent entity information continued

Statement of financial position

	Parent	
	2024 $'000	2023 $'000
Total current assets	64,505	65,224
Total non-current assets	1,423	1,423
Total assets	65,928	66,647
Total current liabilities	2	12
Total non-current liabilities	–	–
Total liabilities	2	12
Net assets	**65,926**	**66,635**
Equity		
Issued capital	110,763	107,797
Reserves	(32,972)	(33,186)
Accumulated losses	(11,865)	(7,976)
Total equity	**65,926**	**66,635**

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity has provided a guarantee in support of the obligation of Plenti Finance to pay interest on certain loans issued by the Plenti Note Purchase Trust. As at 31 March 2024, the total value of loans in respect of which a guarantee had been issued was $14.0 million. The guarantee is only in respect of interest payments and not in relation to loan principal. The parent entity had no other guarantees in relation to the debts of its subsidiaries as at 31 March 2024.

Contingent liabilities

The parent entity had no contingent liabilities as at 31 March 2024.

Capital commitments – Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 31 March 2024.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 36. Events after the reporting period

On 3 May 2024 the Group successfully priced a $458 million automotive loan ABS (the Plenti Auto ABS 2024-1) which settled on 10 May 2024. Following settlement of the transaction, on 10 May 2024 the Group reduced the combined limit across the RateSetter Funding Trust No.1 and the Plenti Rated Funding Trust No.4 from $875 million to $500 million.

On 8 May 2024, the Group issued 1,887,500 options to a number of employees across the business. The options were issued to employees with significant specialist knowledge of the Plenti business who are central to the delivery of the Group's business objectives in coming years, including the partnership with NAB. The options were intended to align those employees with delivering shareholder value and to promote retention of tenured employees with business knowledge that would be time consuming and costly to replicate. The options have an exercise price of $0.74 and vest in two equal tranches post release of the Group's full year financial results in 2026 and 2027.

On 13 May 2024, the Group was successful in extending the Plenti Funding Trust No.2 facility from June 2023 to June 2024. Concurrently the limited on the facility was increased from $250 million to $375 million.

No other matter or circumstance has arisen since 31 March 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Directors' declaration

31 March 2024

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 March 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 30 to the financial statements.

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the directors

Daniel Foggo
Director

Mary Ploughman
Director

21 May 2024
Sydney

Independent auditor's report

to the members of Plenti Group Limited

Grant Thornton Audit Pty Ltd
Level 17
383 Kent Street
Sydney NSW 2000
Locked Bag Q800
Queen Victoria Building NSW
1230

T +61 2 8297 2400

Independent Auditor's Report

To the Members of Plenti Group Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of Plenti Group Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 March 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 31 March 2024 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditor's report

Key audit matter	How our audit addressed the key audit matter
Customer loans recoverability – Note 10	
As at 31 March 2024, the Group recognised $47.1 million in expected credit loss (ECL) provision in accordance with AASB 9 *Financial Instruments.* The recoverability of the loan carrying values is impacted by the quality of the loan assessment and origination process, the value of the security held, the performance of the loan book and factors external to the Group, such as economic conditions. Under AASB 9, entities must perform a forward-looking analysis to identify internal and external factors that may impact expected credit losses. This analysis requires significant management judgement. The accounting standard also requires a detailed analysis of assets that have experienced a significant deterioration in credit quality based on a 3-stage model. This process is inherently complex and requires significant judgement and assumptions. Accordingly, we have determined that this is a key audit matter.	Our procedures included, amongst others: • Understanding the controls relating to loan approvals and identifying loans in arrears; • Engaging our internal credit risk modelling experts to test the application of management's assumptions and the mathematical accuracy of the models; • Proving the mathematical accuracy of the ECL model and testing data inputs to support; • Assessing the appropriateness of assumptions used in the model concerning external and internal factors, including an analysis of the reasonableness of assumptions in the ECL model when compared to historical loan book performance, other financial institutions and market commentary; • Performing a sensitivity analysis of the ECL model to challenge management's assumptions, including macroeconomic factors and forward-looking overlay; • Comparing classification and measurement assessment for all financial assets and liabilities; and • Comparing the disclosures relating to accounting estimates for compliance with AASB 7 *Financial Instruments: Disclosures* and AASB 9.
Revenue recognition – Note 4 & Note 10	
The Group reported interest revenue of $207.2 million for the year ended 31 March 2024 and reported net customer loans of $2.062 billion at year end. Interest revenue on customer loans is determined using the effective interest rate (EIR) method in accordance with AASB 9 *Financial Instruments.* The EIR is used for revenue recognition and will encompass any fees or other charges that a customer incurs when acquiring a loan asset from the Group. Consequently, these fees (or expenses) are not recognised when the cash is collected but over the life of the loan asset contract. Therefore, management employs significant judgement to determine which fees and charges qualify for the EIR method and over which period of time the fees are recognised. As a result, the EIR model has elements of significant complexity. Given the inherent complexity and significant management judgement, we have determined that this is a key audit matter.	Our procedures included, amongst others: • Assessing the policy of revenue recognition for any new lines of revenue and comparing to requirements of the accounting standards; • Obtaining management's EIR model and proving mathematical accuracy; • Inspecting a sample of loan contracts and verifying the fees and charges as part of the loan contract; • Obtaining management's effective life model for loans, sampling key data inputs and validating to source documentation and proving mathematical accuracy; • Inspecting a sample of loan contracts and verifying their start and end dates and agreeing to data in the effective life model; • Inspecting and analysing EIR accounting entries; and • Comparing the disclosures relating to revenue recognition for compliance with AASB 101 *Presentation of Financial Statements* and AASB 9.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 March 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf.This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 33 to 34 of the Directors' report for the year ended 31 March 2024.

In our opinion, the Remuneration Report of Plenti Group Ltd, for the year ended 31 March 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton Audit Pty Ltd
Chartered Accountants

L J Te-Wierik
Partner – Audit & Assurance

Sydney, 21 May 2024

Shareholder information

The shareholder information set out below was applicable as at 10 May 2024.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares		Options over ordinary shares		Performance rights over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total options on issue	Number of holders	% of total performance rights on issue
1 to 1,000	302	0.10	–	–	–	–
1,001 to 5,000	1,113	1.35	3	0.25	–	–
5,001 to 10,000	229	0.99	–	–	1	0.07
10,001 to 100,000	330	5.87	23	18.49	5	1.64
100,001 and over	108	91.69	17	81.26	6	98.29
	2,082	100.00	43	100.00	12	100.00
Holding less than a marketable parcel	–	–	–	–	–	–

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
MARJORIE JEAN FOGGO & VERITAS (2012) LIMITED WESTBOURNE A/C >	34,417,643	19.71
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	22,716,920	13.01
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	10,230,313	5.86
EQUITY TRUSTEES LIMITED FED ALT ASS PVT EQ 1A2 A/C >	7,388,027	4.23
NATIONAL AUSTRALIA INVESTMENT CAPITAL PTY LTD	6,148,250	3.52
BNP PARIBAS NOMS PTY LTD	5,688,992	3.26
FIVE V BARE NOMINEE NUMBER 2 PTY LTD	5,228,253	2.99
UBS NOMINEES PTY LTD	5,214,826	2.99
FIVE V FUND II LP	4,461,590	2.55
ROBYN LESLEY BARNETT SIMON GLENN RIDDELL WHAKAAHU WHAKAMUA A/C >	4,068,000	2.33
JAMES ANTHONY CARNIE & LUCY ANNABEL HARRIET MILSOM	4,068,000	2.33
ORCHID EQUITY LIMITED	3,652,098	2.09
BIRDSONG CAPITAL LIMITED	3,177,595	1.82
MR ANDREW WADE JONES	3,055,212	1.75
DANIEL ROBERT FOGGO	2,822,034	1.62
CITICORP NOMINEES PTY LIMITED	1,926,532	1.10
WILBOW GROUP PTY LTD WILBOW GROUP A/C>	1,862,411	1.07
MR ANTHONY JOHN HUNTLEY	1,852,931	1.06
GPMG HOLDINGS LIMITED	1,725,374	0.99
MICHAEL WHITE	1,589,478	0.91
ROSSI CAPITAL LIMITED	1,367,382	0.78
	132,661,861	**75.97**

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	5,948,239	43
Performance rights over ordinary shares issued	9,655,536	12

Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Marjorie Jean Foggo and Veritas (2012) Limited as trustees for the Westbourne Trust	34,417,643	19.71
The Myer Family Investments Pty Ltd	20,548,420	11.77
Five V Group	9,689,843	5.54

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Corporate directory

Directors
Mary Ploughman
Daniel Foggo
Susan Forrester AM
Peter Behrens
Stephen Benton

Company secretary
Georgina Koch

Notice of annual general meeting
The details of the annual general meeting of Plenti Group Limited are:
Level 5
126 Phillip Street
Sydney NSW 2000
27 August 2024 at 3pm

Registered office and principal place of business
Level 5
14 Martin Place
Sydney NSW 2000

Share register
Automic Pty Limited
Level 5
126 Phillip Street
Sydney NSW 2000

Auditor
Grant Thornton Audit Pty Ltd
Level 17
383 Kent Street
Sydney NSW 2000

Stock exchange listing
Plenti Group Limited shares are listed on the Australian Securities Exchange (ASX code: PLT)

Website
www.plenti.com.au

Corporate Governance Statement
www.plenti.com.au/shareholders/corporate-governance

Plenti

www.plenti.com.au