2023 Annual Report
for the year ended 30 June 2023

MoneyMe Limited and its controlled entities
ACN: 636 747 414

ASX: MME

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Business Report

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MONEYME

Acknowledgement of Country

MONEYME acknowledges the Traditional Custodians of the land throughout Australia where we work and live, and in particular we acknowledge the Gadigal and Awabakal peoples and communities on whose land our offices are located. We recognise the continued connection Aboriginal and Torres Strait Islander peoples have with land, waterways, seas, and community, and pay our respect to Elders past and present. MONEYME recognises the systemic discrimination and oppression inflicted on First Nations peoples to eradicate their culture and identity, and their courage, tenacity, and perseverance to keep their culture and sovereignty alive.

In FY23, MONEYME implemented its inaugural Reflect Reconciliation Action Plan (RAP), which was endorsed and published by Reconciliation Australia in March 2023. MONEYME is committed to reconciliation and accepts the generous invitation of the Uluru Statement from the Heart, to walk with First Nations peoples for a better future.

RECONCILIATION
ACTION PLAN
REFLECT

1.1 About MONEYME

Certified B Corporation

A non-bank challenger

MONEYME is a founder-led digital lender and Certified B Corporation™. We challenge the traditional ways of credit and simplify the borrowing experience with digital-first experiences that meet the needs of modern consumers.

We move fast

Our point of difference is delivering unrivalled customer experiences powered by smart technology. From near real-time credit decisioning to loans that settle in minutes, we deliver speed and efficiency in everything we do.

Digital yet personal

We target customers with higher-than-average credit profiles through a range of fast, flexible, and competitively priced products, including car loans, personal loans, and credit cards.

For Generation Now

We service ambitious Australians who expect more from life and the companies they engage with. We uphold a strong ethos of sustainability and hold ourselves accountable to the high standards of the B Corp movement.

4.6/5 Google Reviews

4.6/5 Product Review

1.2 Message from the Chair

On behalf of the Board of Directors, it is my pleasure to present the MONEYME's annual report for the financial year of 2023, the company's fourth year since listing on the ASX.

A successful transition from high growth to profitability

Against the backdrop of rising interest rates, heightened inflation, geopolitical uncertainties, and reduced access to capital markets, MONEYME made a strategic shift to slow originations during FY23. This transition focused on enhanced credit risk management, prudent cash conservation, and an earlier realisation of returns. The successful execution of this strategy, coupled with the efficiencies gained from increased automation and economies of scale, has resulted in a statutory profit of $12 million.

Another key focus has been the consolidation of two entities since the acquisition of SocietyOne in March 2022, delivering annual cost synergy savings of $20 million per annum. In conjunction with the scale benefits stemming from high organic and inorganic growth in FY21 and FY22, these cost synergies have amplified MONEYME's operating leverage. This not only facilitated strong results in FY23 but will also support continued profitable returns in FY24 and beyond.

The spirit of innovation remains strong, illustrated by MONEYME's capacity to drive new technological advancements whilst navigating a rapidly changing external landscape. FY23 saw the business become a standout Australian lender with a fully automated approval and settlement process for secured vehicle loans, launch a new credit score product, and make further improvements to its core offering and digital customer experiences. These accomplishments are even more notable as they unfold alongside the integration of SocietyOne and the simultaneous streamlining of operations, demonstrating the company's exceptional ability to innovate whilst adapting to dynamic circumstances.

Critical funding milestones achieved in tight capital markets

In the second half of the financial year, MONEYME secured $37 million through an institutional placement, followed by a $4 million share purchase plan. While the equity raise was necessary to retire corporate debt incurred from the SocietyOne acquisition in a market not ideal for raising capital, it underscores the confidence of equity investors in our business. We are grateful for our shareholders' support.

In May 2023, MONEYME completed a $150 million term securitisation for SocietyOne personal loan assets, marking the third term transaction for the Group. The two senior tranches of the deal were rated Aaa (sf) by Moody's, demonstrating the credit quality of MONEYME's loan book.

The improving credit profile of our book has supported the business through a higher credit risk and rising interest rate environment by offsetting external factors impacting loss rates. We expect the elevated credit quality of our portfolio will continue to deliver opportunities for more favourable warehouse funding and securitisation when market risk appetite begins to improve.

Strong governance in an evolving risk landscape

MONEYME's strategy is attuned to the broader economic landscape and external influences, with a greater sense of conservatism continuing to guide our near-term strategy. This includes reinforcing our governance structures to ensure rigorous oversight of capital allocation and cyber security. Whilst recognising the potential growth prospects available in a shifting market, our immediate emphasis is on cultivating organic and sustainable returns.

FY23 saw us progress our Environmental, Social, and Governance (ESG) agenda further. Our commitment to ESG best practices is reflected in the recent achievement of B Corp Certification in August 2023. It is pleasing to give our stakeholders confidence in the positive outcomes of our ESG initiatives through independent assessment and an internationally recognised framework.

Looking ahead, MONEYME will continue its focus on enhancing operational efficiencies, strengthening its balance sheet, and prudent credit risk management to ready ourselves to seize emerging opportunities, bolster our access to capital markets, and support our return to stronger originations when the external environment is more suitable.

In closing, I extend our gratitude, on behalf of the Board of Directors, to the MONEYME team, our business and community partners, customers and shareholders for your trust and ongoing support.

Sincerely,

Peter Coad
Independent Chair
Melbourne, 30 August 2023

1.3 Message from the CEO

I am pleased to report MONEYME's strong performance and return to statutory profit in FY23, and the successful execution of our strategy of cost reduction, increased operating leverage, and enhanced loan book credit and secured asset profile. This was achieved alongside advancing our technology platform through increased automation, introducing new product features, and delivering high customer satisfaction.

Scale and automation benefits driving strong returns

MONEYME achieved a statutory profit of $12 million and gross revenue of $239 million for FY23, marking an impressive 67% increase from $143 million in FY22.

Transitioning from high growth to a sustainable and profitable business in the current economic environment, MONEYME has capitalised on scale benefits, technology, and streamlined operations to enhance its operating leverage and provide a solid foundation for profitable growth in FY24 and beyond. We effectively reduced our office operating cost-to-income ratio from 40% in FY22 to 22% in FY23.

MONEYME has successfully maintained a healthy net interest margin (NIM) of 12%, whilst adapting to higher market rates.

Whilst demand for our products is high, particularly for our Autopay vehicle finance product, we moderated originations to conserve capital and build a stronger credit portfolio. As a result, we closed FY23 with a $1.1 billion loan book and 39% Autopay assets.

Transition to higher credit quality of the book improving credit performance

Throughout FY23, we have protected our margins through targeted updates to our risk-based pricing, whilst elevating the credit profile of our loan book through more conservative credit risk management.

We increased our average Equifax credit score of the loan book to 727 in FY23, compared to 704 for FY22, reflecting our long-term focus on strengthening our loan book as well as our near-term focus on managing credit risk in a less favourable credit environment.

Net losses[1] increased to 5.8% in FY23, compared to 3.7% in FY22, reflecting the time lag of losses from our earlier stage portfolio. Encouragingly, net losses reduced quarter-on-quarter in the second half as the higher credit quality of the portfolio is coming into effect. Our improved book quality is expected to continue to drive lower loss rates with time.

Technology creating innovation and operational advantages

Our technology-driven approach has been instrumental in executing our innovation led strategy, with automation and artificial intelligence delivering exceptional customer experiences in car dealerships and much faster personal loan solutions for customers and brokers. Over the past year, MONEYME's operational direction was guided by adaptation to the changing environment with technology streamlining operations and reducing our reliance on human capital, strengthening our defences against cyber threats, and bolstering our competitive advantage through automation and new product features.

Tech-enabled targeted pricing increases and credit policy updates allowed us to move quickly to protect our margins and manage credit risk efficiently, whilst the integration of SocietyOne's technology onto our proprietary technology platform is delivering circa $20 million in annual cost synergies.

In FY23, we enhanced our automation capabilities further through the introduction of a fully automated verification and approval process for our Autopay product. Moreover, we adjusted the set-up of our Freestyle credit card to receive a share of merchant interchange fees, adding to the profitability of the product.

We also launched an app-based credit score product to deepen our engagement with customers, enhance customer retention and support lower-cost acquisition. So far, 90,000 Australians have accessed the tool to gain a better understanding of their credit health.

Our innovative approach earned us the title of 'Digital Disruptor of the Year' in the Finder Innovations Awards in November 2022. MONEYME was also a finalist in the 'Excellence in Consumer Lender' category in Fintech Australia's 2023 Finnies Awards in April.

[1] Principal write offs in the period (net of recoveries, including proceeds from debt sales to collection agencies) as a % of average gross customer receivables.

MONEYME has maintained above-benchmark customer satisfaction with an NPS (Net Promoter Score) score of +60 for FY23, despite a significantly larger customer base and customer pricing updates following continuous cash rate increases.

Sustainability, risk management and culture in focus

FY23 also marked a leap forward in our sustainability journey, highlighted by receiving B Corp Certification in August 2023 with a certified B Impact Assessment score of 91.2, well above the 80-point certification threshold. This was achieved through several impactful ESG initiatives over the past year, which helped us strengthen our governance structures, identify areas of improvement, and further our positive impact on society and the environment.

MONEYME's sharpened risk management focus saw us enhance our processes further. We obtained an ISO 27001:2013 certification for our robust information security practices and executed four internal audits targeting operational risks and regulatory compliance. These audits encompassed the critical functions of customer payments, originations and underwriting, risk management, and information security systems. In parallel, a materiality assessment and climate scenario analysis were conducted to proactively manage ESG and climate-related risks and opportunities.

Whilst fortifying the business against external challenges, we also amplified our positive impact on the environment, community, and our team. In FY23, our efforts resulted in an 86% reduction in Scope 1 and 2 greenhouse gas emissions, a transition to 100% renewable energy in our Australian offices, and offsetting the equivalent to driving 7.5 million kilometres through our Autopay carbon offset initiative.

Our commitment to maintaining a diverse, inclusive, and engaged workforce remains firm and I am pleased that our gender pay gap analysis observed minimal pay disparity in like-for-like roles. Additionally, we launched our Reflect Reconciliation Action Plan to do our part in creating a more inclusive Australia. MONEYME's employee engagement score was 84% in 1H23 and 76% in 2H23, both above industry benchmarks. Our target for FY24 is >80%.

FY24 and beyond

In FY24, our core objectives are continued profit delivery, technology advancement and operational readiness for the next growth phase. This includes progressing our artificial intelligence in operations, increasing the proportion of secured assets in our loan book, and expanding our lower cost distribution channels. In the immediate term, we will continue to simplify the business and align originations with the broader macroeconomic environment.

Our focus is on our core car loan, personal loan, and credit card products. We are excited about this approach to our product roadmap, which envisions enhanced customer experiences, seamless integrations - including real-time direct debit payments through PayTo - and automation to further reduce our service times and costs.

Our Autopay car loan product has garnered significant demand, presenting an ample market opportunity that we intend to capitalise on.

With a solid foundation in place, MONEYME is positioned for profitable and sustainable returns beyond FY24.

As we leverage MONEYME's strong foundations and scale to gear up for the next phase of profitable growth, I extend heartfelt gratitude to Team MONEYME for their dedication, the Board for their expert guidance, our customers and distribution partners for choosing us, and our shareholders for your patience and support today and into the future.

Sincerely,

Clayton Howes
Managing Director and Chief Executive Officer
Sydney, 30 August 2023

1.4 Sustainability Summary

The table below provides a summary of key sustainability items. Refer to MONEYME's *2023 Sustainability Report* to be published as a separate document to the ASX, for further information.

Measure		FY22 Actual	FY23 Targets	FY23 Actual	FY24 Targets
Overall B Corp B Impact Assessment™ self-assessed score		**80.4**	**≥ 90**	**91.2[1] (↑13 %)** ✓	Receive B Corp Certification
Governance	Representation of women on the Board	17%	≥ 30%	**33% (↑16)** ✓	≥ 30%
	ESG materiality assessment conducted to identify key topics according to internal and external stakeholders	N/A	Complete by 30 June	**Completed** ✓	Set KPIs for material topics
Environment	Annual Scope 1 and 2 greenhouse gas (GHG) emissions	22.82 tCO_2e	21.62 tCO_2e	**3.16 tCO_2e (↓86 %)** ✓	< 20.42 tCO_2e
	Set GHG emissions reduction targets that are reviewed and validated by the Science Based Targets initiative (SBTi)	N/A	Complete by 30 June	**Near-term targets set** ✓	Set net-zero targets
	Climate-related transition risk assessment and scenario analysis conducted	N/A	Complete by 30 June	**Completed** ✓	Review and update climate risk indicators
Employees	Organisational engagement score[2]	87%	≥ 80%	**76% (↓11)** ✗	≥ 80%
	Representation of women in employee workforce	42%	≥ 40%	**42% (-)** ✓	≥ 40%
	Proportion of Australian employees participating in MONEYME's Employee Equity Incentive Plan	80%	≥ 65%	**82% (↑2)** ✓	≥ 65%
Community	Ongoing implementation of meaningful and sustainable initiatives to support local communities in both Australia and the Philippines	1 per country	≥ 1 per country	**1 per country** ✓	≥ 1 per country
	Implementation of a Reflect Reconciliation Action Plan (RAP)	N/A	Complete by 30 June	**Completed** ✓	Complete Reflect RAP
Customers	12 month rolling average customer Net Promoter Score (NPS) for the MONEYME brand	76	≥ 60	**60 (↓21%)** ✓	≥ 60
	12 month rolling average number of Australian Financial Complaints Authority (AFCA) customer complaints as a proportion of active customers	0.15%	≤ 1%	**0.33% (↑0.18)** ✓	≤ 1%
	Number of MONEYME Credit Score users with access to financial wellness resources	N/A	≥ 100,000	**~ 90,000** ✗	≥ 100,000

The bracketed comparisons in FY23 Actual column indicate the change in performance from the prior period and the tick or cross icons indicate whether the FY23 Target was achieved or missed.

[1]Reflects the Group's certified B Impact Assessment Score, MONEYME became a Certified B Corporation in August 2023.
[2] Includes engagement survey results of labour hire staff based in the Philippines.

Directors' Report

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2.1 Directors' Report

The Directors present their report together with the Consolidated Financial Statements and accompanying Notes of MoneyMe Limited (the Company) and its controlled entities (the Group) for the period ended 30 June 2023 (FY23).

Information about the Directors

The Directors of the Company at the date of this report were Peter Coad, Clayton Howes, Susan Wynne, Scott Emery, Rachel Gatehouse, and David Taylor.

Jonathan Lechte resigned as a Director of the Company on 30 November 2022. Rachel Gatehouse was appointed as a Director of the Company on 21 December 2022.

All other Directors held office during the whole of the financial year and since the end of the financial year.

The following table sets out the number of Directors' meetings (including meetings of committees of Directors) held during the financial year and the number of meetings attended by each Director (while they were a Director or committee member).

Meetings of Directors	Board		Audit and Risk Management Committee		Remuneration and Nomination Committee	
	Eligible To Attend	Attended	Eligible To Attend	Attended	Eligible To Attend	Attended
Peter Coad	27	27	5	5	5	5
Clayton Howes	27	27	-	-	-	-
Jonathan Lechte	12	11	2	2	-	-
Susan Wynne	27	24	-	-	5	5
Scott Emery	27	25	2	2	5	5
Rachel Gatehouse	14	14	3	3	-	-
David Taylor	27	27	3	3	-	-

The following changes to the composition of the Audit and Risk Management Committee occurred during the year:
- David Taylor was appointed to the Committee effective 29 November 2022.
- Jonathan Lechte ceased to be a member of the Committee on his resignation from the Board on 30 November 2022.
- Rachel Gatehouse was appointed to the Committee as Chair effective 21 December 2022.
- Scott Emery stepped down from the Committee effective 21 December 2022.

The following table sets out each Directors' relevant interest in shares, debentures, and rights or options in shares or debentures of the company or a related body corporate as at 30 June 2023.

Director Shareholdings, Options and Rights	Shareholdings	Options	Rights
	No.	No.	No.
Peter Coad	931,326	-	100,000
Clayton Howes	51,294,717	-	969,159
Susan Wynne	-	-	60,000
Scott Emery	97,308,802	-	-
Rachel Gatehouse	-	-	-
David Taylor	34,015	-	-

As at 30 November 2022, the date of his resignation from the Board, Jonathan Lechte had relevant interests of 981,326 ordinary shares in the Company.

Profiles of each Director are set out below.

Peter Coad
Independent Non-Executive Chair

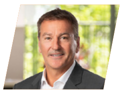
Experience and qualifications	Peter has more than 30 years' experience in domestic and international banking and is a specialist in financial services and risk management with broad experience across financial and capital markets, fund management and consumer finance. Prior to his current role, Peter served in senior executive roles at National Australia Bank from 2005 to 2017 where his leadership experience included roles as Head of Global Markets and Asset Servicing, Wholesale Banking; Chief Risk Officer, Business Banking; and Executive General Manager of International Branches and Transformation. Peter previously worked for Commonwealth Bank of Australia and Chase Manhattan Bank in Australia, Asia, and the United States where he held global and regional leadership roles in institutional banking and financial/capital markets. Peter is a member of the Australian Institute of Company Directors.
Other current listed company directorships	None
Former listed company directorships - last 3 years	None
Special responsibilities	Chair of the Board Member of the Audit and Risk Management Committee Member of the Remuneration and Nomination Committee

Clayton Howes
Managing Director and Chief Executive Officer

Experience and qualifications	Clayton is a founder and has been the Chief Executive Officer of MONEYME and a Director since its inception. Clayton has more than 20 years' experience in the development of brands, business strategy and innovation. He has a strong background of executing capital strategies, building new technologies to replace legacy processes, and fostering highly engaged and rewarding team cultures. Prior to establishing MONEYME, Clayton spent eight years at Vodafone and Vodafone Hutchinson Australia where his roles included Head of Retail Channels, Head of Retail Transformation, Head of Sales Strategy & Distribution Management, Head of Sales Investments & Planning and Commercial Finance Manager. During this time, Clayton was responsible for strategy, finance, sales, and business transformation. Clayton previously worked for GlaxoSmithKline in the UK within Strategic Mergers Management and Planning. Clayton has a Bachelor of Commerce degree (Statistics, Economics and Finance) from Oxford Brookes University. He also has a Certificate in Business Accounting from the Chartered Institute of Management Accountants.
Other current listed company directorships	None
Former listed company directorships - last 3 years	None
Special responsibilities	None

Susan Wynne
Independent Non-Executive Director

Experience and qualifications	Susan has more than 20 years' corporate and government experience, specialising in brand and business development, stakeholder management, corporate affairs, and public relations. Susan is a Non-Executive Director of Clime Investment Management Limited (ASX: CIW) and Litigation Lending Services Ltd (an unlisted public company), a graduate of the Australian Institute of Company Directors and an Affiliate of the Governance Institute of Australia. With a strong focus on corporate social responsibility, Susan is also National Chair of Australian Red Cross Society of Women Leaders and a member of the Sapphire Committee focused on protecting our oceans. Susan is currently Mayor of Woollahra having been elected to Woollahra Council (NSW) in 2008.
Other current listed company directorships	Clime Investment Management Limited (ASX: CIW) since September 2021
Former listed company directorships - last 3 years	None
Special responsibilities	Chair of the Remuneration and Nomination Committee



Scott Emery
Non-Executive Director

Experience and qualifications	Scott has over 30 years' experience in establishing and successfully running property development and accommodation sector companies across Australia. Scott is the founder and managing director of a national commercial building company, Yarra Valley Commercial, established in 1986. Scott has been a Non-Executive Director of MONEYME from an early stage of the business.
Other current listed company directorships	None
Former listed company directorships - last 3 years	None
Special responsibilities	Member of the Remuneration and Nomination Committee

Rachel Gatehouse
Independent Non-Executive Director

Experience and qualifications	Rachel has over 30 years' financial services experience across the asset finance, motor finance, retail banking, structured lending and BNPL sectors. Rachel's most recent experience was in venture capital backed firms, including solar financing fintech Brighte, where as CFO and COO she oversaw finance, credit, operations, and debt funding. Previously, Rachel held CFO and senior finance roles at HBOS Australia and ANZ Bank. Rachel's governance experience includes Acting CEO of the Australian Institute of Company Directors and previous directorships at Landcare Australia and Capital Finance Australia Limited. Rachel holds a Bachelor of Economics and Finance from The University of New South Wales, is qualified as a Certified Practicing Accountant, and has completed the Australian Institute of Directors' course.
Other current listed company directorships	None
Former listed company directorships - last 3 years	None
Special responsibilities	Chair of the Audit and Risk Management Committee

David Taylor
Independent Non-Executive Director

Experience and qualifications	David has over 30 years of financial services experience across retail banking, payment systems, superannuation, wholesale banking, funds management, capital markets and fintech partnerships. From 2010 until July 2021, David was the CEO of G&C Mutual Bank, where he remains a director. He previously held senior executive positions at Credit Union Services Corporation (CUSCAL) and Finance Industry Consulting Services. David is also currently a director of CUFSS Limited (an unlisted public company) and Shared Service Partners Pty Limited. David was a director of SocietyOne Holdings Pty Limited (SocietyOne) from March 2018 until the completion of MONEYME's acquisition of SocietyOne in March 2022, at which point David was appointed to the MONEYME board. David holds a first-class Honours Degree in Political Economy from the University of Adelaide and has completed the Australian Institute of Directors' course.
Other current listed company directorships	None
Former listed company directorships - last 3 years	None
Special responsibilities	Member of the Audit and Risk Management Committee

Jonathan Lechte
Independent Non-Executive Director (resigned 30 November 2022)

Experience and qualifications	Jonathan joined MONEYME as a Non-Executive Director in October 2019 and was the Chair of the Audit and Risk Management Committee. Prior to his appointment as a Director, Jonathan had been a member of the MONEYME Advisory Board from 2015. Jonathan has more than 20 years' experience in banking and corporate finance. Jonathan served in senior executive roles in investment banking, fixed income markets and risk management, including as Head of Fixed Income and Managing Director at UBS Australia, Japan, and Asia from 1993 to 2007. He then served as the Non-Executive Director of FIIG Securities Australia from 2008 to 2015, responsible for investment strategy and risk governance. He is currently the Chief Executive Officer of Income Asset Management Group (ASX: IAM). Jonathan holds a Graduate Diploma in Banking and Finance from Monash University. He has also completed the Australian Institute of Company Directors' course.
Other current listed company directorships	None
Former listed company directorships - last 3 years	None
Special responsibilities	Chair of the Audit and Risk Management Committee (resigned 30 November 2022)

Information about the Company Secretary

Jonathan Swain was appointed as Company Secretary of MONEYME on 11 May 2021. Jonathan is a Senior Company Secretary with Company Matters Pty Limited. He has previously worked in a range of legal, company secretarial and management roles. Jonathan is admitted as a solicitor in New South Wales and is a Fellow Member of the Governance Institute of Australia and has completed the Australian Institute of Directors' course.

Principal activities

The Group's principal activity is to provide consumer finance.

Operating and financial review

An Operating and financial review (OFR) is being presented in a separate single, self-contained section of the *2023 Annual Report* in line with ASIC's Regulatory Guide 247 and Instrument 2016/188 and forms part of this Directors' Report. The OFR provides the Group's stakeholders with a narrative and analysis that supplements the financial report to assist with an understanding of the operations, financial position, business strategies and prospects of the Group.

Changes in state of affairs

As at 30 June 2023, the Group had external securitisation funding facilities to $1.5 billion, with undrawn capacity of $446 million.

The Group undertook three equity issuances in FY23:

1. In September/October 2022, MONEYME undertook a fully underwritten placement to raise $19.4 million (net of transaction costs) through the issue of 40,000,000 new fully paid ordinary shares. This was accompanied by an issuance of 2,400,000 new fully paid ordinary shares to Directors to raise a further $1.2 million.
2. Settlement of a $35.4 million institutional equity placement in May 2023 (net of transaction costs) through the issue of 462,500,000 new fully paid ordinary shares.
3. A $4.3 million share purchase plan in June 2023 through the issue of 54,331,250 new fully paid ordinary shares.

Completion of the $150 million SocietyOne PL 2023-1 trust term securitisation in May 2023 marks the Group's third term securitisation, following the SocietyOne PL 2021-1 and MoneyMe PL 2022-1 transactions.

Non-audit services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 22 of the *Financial Report*.

The Directors are satisfied that the provision of non-audit services during the year, by the auditor is compliant with the general standard of independence for auditors imposed by the *Corporations Act 2001 (Cth).*

The Directors are of the opinion that the services disclosed in Note 22 do not compromise the external auditor's independence, based on advice received from the Audit and Risk Management Committee, 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 auditors; and
- None of the services undermine the general principles as set out in APES *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 Group, acting as advocate for the Group or jointly sharing economic risks and rewards.

Subsequent events

There has not been any additional matter or circumstances occurring subsequent to the end of the year that has significantly affected, or may significantly affect, the Group's financial position as at 30 June 2023.

Future developments

The Group will continue to pursue long-term growth to achieve sound returns for shareholders. This includes growing its loan book, investing in its core operating platform capabilities, and diversifying and expanding its funding platform to support these initiatives.

Environmental regulations

The Group is not subject to any particular or significant environmental regulation under laws of the Commonwealth or of a State or Territory.

Dividends

In respect of the financial year ended 30 June 2023, no dividend was declared or paid to the holders of fully paid ordinary shares.

Movements in options

The table below outlines the movement in all options issued by the Group for each financial year.

No.	Opening	Granted	Lapsed / Cancelled	Exercised	Closing
2022	1,733,481	-	-	(47,305)	1,686,176
2023	1,686,176	-	(867,490)	-	818,686

Movements in performance rights

The table below outlines the movement in all performance rights issued by the Group for each financial year.

No.	Opening	Granted	Lapsed / Cancelled	Exercised	Closing
2022	3,535,857	2,379,532	(413,500)	(17,857)	5,484,032
2023	5,484,032	3,507,177	(1,439,260)	(85,000)	7,466,949

Further details in relation to share-based payments are outlined in Note 18 of the *2023 Annual Report*.

Remuneration report

The Remuneration report forms part of this Directors' report and includes information in relation to Director and Key Management Personnel (KMP) remuneration, including any share options and performance rights.

Indemnification of officers and auditors

The Group has not indemnified or agreed to indemnify an officer or auditor of the Group or of any related body corporate against a liability incurred as such by an officer or auditor, during or since the financial year, except to the extent permitted by law.

Proceedings on behalf of the company

No person has applied to the court under section 237 of the *Corporations Act 2001 (Cth)* 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.

Auditor

Deloitte Touche Tohmatsu continues in office in accordance with section 327 of the *Corporations Act 2001 (Cth)*.

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001 (Cth)* is set out as part of the *2023 Annual Report*.

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

Signed in accordance with a resolution of the Directors.

Peter Coad
Chair
Melbourne, 30 August 2023

Clayton Howes
Managing Director and Chief Executive Officer
Sydney, 30 August 2023

2.2 Operating and Financial Review

Background and purpose

This Operating and Financial Review (OFR) is being presented in a single, self-contained section of the Group's *Annual Report* in line with ASIC's Regulatory Guide 247 and Instrument 2016/188 and forms part of the Directors' Report under the *Corporations Act 2001 (Cth)*. The OFR has been completed to provide stakeholders with a narrative and analysis that supplements the financial report to assist with an understanding of the operations, financial position, business strategies and prospects of the Group.

Business overview

MONEYME is a leading Australian consumer finance disruptor founded in 2013. It has a proprietary cloud-based technology platform that delivers fast, efficient consumer lending products including credit cards, unsecured personal loans, secured motor vehicle financing (Autopay) and a credit score service.

Closing FY23, MONEYME has $1.1 billion in gross customer receivables, having grown more than ten-fold from when it listed on the ASX in December 2019. This significant growth is a function of strong organic demand from consumers as well as the acquisition of SocietyOne in 2022, driving an immediate $0.4 billion uplift in loan assets and ongoing growth through broker relationships and technology harmonisation.

The business's core customer lending is funded from warehouse and term securitisation facilities, supported by a corporate debt facility and operating cash flows.

MONEYME has a history of delivering statutory profits (FY17 to FY20) and is pleased to report a statutory profit of $12 million in FY23. This follows two years of statutory losses as the business invested in growing its receivables book from $333 million in FY21 to $1.3 billion in FY22. The business expects to benefit from its current scale to deliver ongoing steady and profitable growth.

Operational highlights

Managing credit risk

MONEYME deploys strategies and practices aimed at minimising the likelihood of non-payment or default by customers, ultimately safeguarding the company's assets. Highlights for FY23 include:

Credit assessment and scoring:
The credit profile of MONEYME's customer base improved from a closing average Equifax Score of 704 in FY22 to 727 in FY23. The proportion of the portfolio with an average Equifax score of 700 or above increased to 56% in FY23 from 50% in FY22. Across all loan originations in FY23, 71% had an Equifax score of 700 and above.

Segmentation and risk profiling:
We know that not all customers present the same level of credit risk and tailor pricing so that risk is appropriately and transparently managed. We give our customers access to their credit score via our free app-based credit score tool, which has attracted ~90,000 active users since its launch in FY23.

Setting clear credit policies:
In FY23 we harmonised credit policies across MONEYME and SocietyOne into a common framework aligning credit criteria, collections, and debt recovery processes.

Diversification and concentration:
MONEYME's customer distribution aligns geographically with the Australian population, with an industry-sector concentration of 10% or lower across all employment sectors. The age distribution of customers reveals a median age of 33, with 52% falling within the 36-or-above category, while only 12% are 25 or younger. Furthermore, MONEYME increased the proportion of secured assets within the portfolio to 44% from 38% in FY22.

Collection strategies:
In recognition of the increased macro-credit risk environment, MONEYME has enhanced its debt collections and recovery processes through increased on-shore and off-shore personnel, frequent staff training, redesigned communications flows, and upgraded call systems. Early-stage collection processes are in the process of being migrated from an outsourced agency onto MONEYME's proprietary technology platform, Horizon. The transition is expected to complete in 1H24 and drive significant efficiency gains.

Customer support and financial hardship assistance:
We continue to have timely and respectful communications with customers about their overdue payments. In response to cost-of-living pressures, we have improved the process to apply for financial hardship. This includes digitising the application form, automating the decisioning and fast tracking the review process.

In FY23, we are pleased to have reduced our net credit losses through recoveries boosted by a new forward flow program which yielded over $14 million in cash proceeds over FY23 supplementing our existing collections activities.

Despite net losses[1] increasing to 5.8% in FY23 compared to 3.7% in FY22 - largely attributed to the composition of our earlier-stage portfolio - net losses reduced quarter-on-quarter (5.9% in 3Q23 to 5.6% in 4Q23) in the second half. This encouraging trend is expected to continue, driven by the combination of a higher book credit profile and the refinement of our collections processes, and we are seeing early signs of this improvement in our arrears rates.

Technology and innovation

MONEYME's pursuit of innovation continues to enhance its operational and technological advantage. In FY23, MONEYME leveraged its highly automated and artificial intelligence-driven technology to streamline operations further and reduce human capital reliance. This was a key driver in the reduction of core office operating cost to income ratio to 22% in FY23 (compared to 40% for FY22).

Technology-enabled pricing increases and credit policy updates allowed MONEYME to efficiently protect its margins and manage credit risk, whilst the integration of SocietyOne's technology onto Horizon delivered increased operational efficiency and significant cost savings.

In FY23, a data lake was implemented to centralise data and enhance MONYEME's big data analytics capabilities, facilitate faster and more flexible data processing, reduce storage costs, and strengthen information security.

Alongside adapting to the external environment and consolidating two businesses, MONEYME continued to prioritise customer-centric innovation. MONEYME elevated the customer experience through the introduction of several new products and features, including:

- Launching a fully automated process for Autopay origination. Notably, this advancement positions MONEYME as the first Australian lender to introduce a fully automated verification and approval process for secured vehicle finance originations;
- The launch of the app-based MONEYME credit score tool, which has received highly positive customer feedback. The tool's active user base of 90,000 underscores its potential to serve as a key driver of cost-effective customer acquisition and retention;
- Development of a dedicated Partner Area within the Horizon platform, improving the experience for brokers, dealers, and partners;
- Adjusting the setup of Freestyle Mastercard to receive a share of the interchange fees from merchant terminals, enhancing its profitability; and
- In-market testing of Autoscan, a new Autopay feature that enables a simple and transparent experience for consumers to calculate their auto loan repayments and set up their finance at the point of sale.

Continued high customer engagement

MONEYME continues to maintain a strong Net Promoter Score (NPS) of +60 despite having to enact price increases in line with rising interest rates. This stands in contrast to the major banks' average NPS of +1.7. MONEYME's Google Review was 4.6 out of 5 by the end of FY23, far exceeding the major banks' average rating of 1.4 out of 5.

~75% of customer service calls were answered within 10 seconds, reflecting MONEYME's commitment to delivering a faster and more convenient customer experience, enabled by its high automation and technology-driven model.

Customer engagement was further underscored by 35% of MONEYME's customers holding two or more products.

SocietyOne benefits realisation

$20 million per annum of operational cost savings are being realised following the acquisition of SocietyOne in March 2022. This includes front-end efficiencies with all new lending now performed off MONEYME's Horizon platform, giving more customers access to our market leading digital experience and faster time-to-settlement. Further efficiencies will be realised in 1H24 when SocietyOne's personal loan back book customers are migrated to Horizon.

The Group continues to realise revenue synergies from the acquisition, and in particular through SocietyOne's Broker relationships. SocietyOne assets contributed to 23% of the Group's record gross revenue in FY23.

The ~200,000 of SocietyOne's personal loan and credit score customers are an untapped opportunity for nurturing and cross sell which will continue to be realised as customer records are migrated onto Horizon.

Responding to higher interest rate environment

FY23 was a challenging year for both financiers and consumers given higher interest rates and tightening credit. MONEYME has responded by adjusting customer pricing for its variable rate products (>70% of loan book at 30 June 2023) to maintain a net interest margin (NIM) of 12%.

Sustainability: Significant ESG progress resulting in B Corp Certification

MONEYME achieved B Corp Certification in August 2023 following its application in August 2022 and implementation of several ESG initiatives during FY23 to strengthen its governance structures, identify ESG related risks and opportunities, and further its positive impact on the environment, society, customers, and employees.

[1] Principal write offs in the period (net of recoveries, including proceeds from debt sales to collection agencies) as a % of average gross customer receivables.

MONEYME's certified B Impact Assessment score of 91.2 is well above the 80-point certification threshold. B Corp Certification is internationally recognised and provides a framework to measure and verify ESG impact, giving MONEYME, and all its stakeholders, confidence in its sustainability initiatives.

The Group's 2023 Sustainability Report provides a comprehensive outline of MONEYME's ESG achievements in FY23, which include:

- Amended MONEYME's constitution to include its commitment to having an overall positive impact on society and the environment and embed ESG values into business decisions.
- Completed four internal audits, outsourced to BDO, targeting business risks and regulatory requirements in business-critical functions; customer payments, originations and underwriting, risk management, and information security.
- Obtained ISO 27001:2013 certification, which is a globally recognised industry standard for best practice information security management.
- Conducted a double materiality assessment to assess MONEYME's potential environmental and social impacts, as well as how ESG-related factors may impact MONEYME's financial performance.
- Conducted a climate scenario analysis to identify climate-related risks and opportunities.
- Transitioned to 100% renewable energy in MONEYME's offices and reduced Scope 1 and 2 greenhouse gas emissions by 86% from FY22 to just 3.16 tonnes of CO_2e.
- Achieved its diversity target of greater than 30% representation of women on its Board through the appointment of Rachel Gatehouse as a Director in December 2022.
- Conducted a gender pay gap analysis, which identified minimal pay disparity for like-for-like roles.
- Maintained high employee engagement with an overall engagement score of 84% in 1H23 and 76% in 2H23, both of which are above industry benchmarks.
- Launched a Reflect Reconciliation Action Plan (RAP), which has been endorsed by Reconciliation Australia, to begin addressing reconciliation, promote cultural awareness across the organisation, and contribute to a more inclusive Australia.
- Developed and submitted its second Modern Slavery Statement to the Australian Border Force's Modern Slavery Register, which sets out MONEYME's commitments and responsibilities to identify and mitigate the risks of modern slavery within its operations and supply chains.

FY23 financial position highlights

Statutory profit

The Group delivered a statutory profit of $12 million in FY23, achieved primarily through operational cost efficiencies, improved credit quality and moderated growth as set out below.

	FY22 ($'m)	FY23 ($'m)
Gross revenue	143	239
Interest expense	(39)	(90)
Office operating expense	(57)	(52)
Impairment expense	(91)	(68)
Other	(7)	(17)
Statutory net profit / (loss) after tax	**(50)**	**12**

1. Gross revenue
   - The increase in gross revenue is driven by the full year realisation of returns from loan assets originated in FY22 and acquired via the SocietyOne acquisition in March 2022. It also reflects increases to customer rates in FY23 to offset increases to funding costs.

2. Interest expense
   - The increase in interest expense also reflects underlying receivables growth from FY22 and higher market base rates, driven by increases in the RBA cash rate.

3. Office operating expenses
   - Office operating costs comprises of sales and marketing, product design and development, and general and administrative expenses.
   - The reduction in FY23 spend reflects lower sales and marketing expenses in line with the decision to slow customer receivables originations.
   - General and administrative expenses include costs in relation to increased funding and capital raising activities, as well as non-recurring costs relating to the integration of SocietyOne. $20 million of SocietyOne related integration savings now being realised per annum.
   - Product design and development expense increased by $2 million compared to FY22 to $9 million, reflecting SocietyOne acquisition related costs.

4. Impairment expenses	• The Group's impairment expense was $68 million in FY23, compared to $91 million in FY22. The lower charge in FY23 reflects lower new business provisioning requirements that reflects reduced customer receivable originations. The impairment expense in FY23 also reflects a management overlay of $6 million in line with the uncertain macroeconomic environment. • The FY23 impairment expense also reflects debt sales and recoveries of $30 million (compared to $12 million in FY22). The overall business provisioning rate was 6.6% for FY23 and 6.1% for FY22.

Increasing net assets

The Group's net assets were $166 million as at 30 June 2023 compared to $91 million as at 30 June 2022. The change in results is illustrated by the table below supported by the items noted after the table.

	FY22 ($'m)	FY23 ($'m)
Cash and cash equivalents	81	92
Gross customer receivables	1,345	1,150
Customer receivable provisioning	(81)	(76)
Borrowings	(1,358)	(1,115)
Intangibles	100	96
Other	6	19
Net assets	**91**	**166**

1. Cash	Consolidated cash increased to $92 million for FY23 compared to $81 million for FY22. The change reflects: • Equity capital raises totalling $60 million (net of transaction costs). • Paydown of corporate debt facility to $50 million as at 30 June 2023.
2. Gross customer receivables	• Closing gross customer receivables reduced from FY22, in line with the Group's focus on moderating growth to reduce credit risk and support statutory profitability and initiatives to support its funding and liquidity position. • 44% of closing FY23 gross customer receivables were secured, up from 38% as at 30 June 2022.
3. Customer receivable provisioning	• Customer receivable provisioning was 6.6% of gross customer receivables at 30 June 2023. This is an increase of 0.5% from 6.1% at 30 June 2022. The increase in provision in FY23 reflects the management's view of the uncertain macroeconomic environment. • The FY23 provision position reflects significant review and credit risk model updates to consider expected asset performance into the projected macroeconomic environment.
4. Borrowings	• Borrowings were slightly lower for FY23 in line with the movement in gross customer receivables. • This also reflects a paydown of the corporate debt facility to $50 million as at 30 June 2023.
5. Intangibles	• Goodwill of $63.5 million held for the SocietyOne acquisition has been reviewed for impairment and remains unchanged. • The closing SocietyOne acquisition related intangibles of $22.7 million includes amortisation expense of $7.6 million in the current financial year.

Strategy and outlook

MONEYME continues to position itself for growth and profitability, taking into consideration the economic environment and risks and opportunities that may arise. Key focus areas include:

- Organic, sustainable, and profitable growth;
- Enhancing our operating leverage through scale advantages and leveraging increased automation and artificial intelligence;
- Further improving the credit profile of our book, including an increase in the proportion of secured assets;
- Continuing to simplify the business and focus our core products (car loans, personal loans, and credit cards) and decommissioning non-core offerings such as ListReady;
- Continuing to lead in speed and quality of customer experience; and
- Driving down acquisition costs through optimising our distribution channels.

MONEYME's core products are targeting markets where traditional providers are delivering sub-optimal costumer experiences and are limited by inferior technology and legacy processes, presenting exiting market opportunities for high-technology, non-bank lenders like MONEYME. With incumbents exiting the auto finance space, there is an opportunity for MONEYME to grow market share through its Autopay offering.

With a solid foundation in place, MONEYME is positioned for profitable and sustainable growth beyond FY24.

Management expects its focus on strengthening its balance sheet, enhancing operational efficiencies, and prudent credit risk management will position MONEYME strongly to seize these emerging opportunities, provide more access to more favourable warehouse funding and securitisation when market risk appetite improves, and support MONEYME's return to stronger growth when the external environment is more suitable.

Key risks and prospects

MONEYME's Risk Appetite Statement identifies 10 key risk areas to be managed by the Group. The Directors consider there are particular uncertainties in the current macro-environment relating to credit risk, funding and liquidity risk, and cyber security risk, as detailed below.

The Directors recognise the importance of managing these risks and are actively managing them.

Credit risk

Credit risk is defined by the Group as risk its customers may not pay the principal, interest and fees owing to MONEYME under their contract, which could result in a decrease in revenue and operating cash flows received, and an increase in expenses (including an increase in impairment expenses). If MONEYME's exposure to losses is higher than expected, it will have a material adverse effect on MONEYME's expected profitability.

Funding and liquidity risk

MONEYME's ability to write new loans on favourable terms and continue as a going concern depends on the performance of its loan book and its ability to access funding on required terms. Specific funder related risks include the extent to which MONEYME can:

- extend the financing term or increase the funding capacity of its existing warehouse trusts beyond their existing arrangements on favourable or required terms;
- enter into new warehouse facilities or other funding arrangements sufficient to meet its business requirements; and/or
- continue to comply with the terms of its funding facilities.

The Group actively engages with funders in the normal course of business to extend existing facilities and set-up new arrangements. Accordingly, it expects to formally extend the availability periods for its Horizon 2020 and SocietyOne warehouses from September 2023, and its Autopay warehouse from October 2023, into Calendar Year 2024.

Please refer to Notes 4.2, 15 and 19 for further supporting information in this area.

Technology and cyber security risks

By their nature, information technology systems are susceptible to security threats, including cyber-attacks and other unauthorised access to data and information. Any data security breaches or MONEYME's failure to protect private customer information (including through cyber-attacks) could result in a significant disruption to MONEYME's systems, reputational damage, loss of system integrity and breaches of MONEYME's obligations under applicable laws. This in turn could have a material adverse impact on its business, operating and financial performance, and reputation.

MONEYME is dependent on the Horizon Technology Platform to deliver access to finance for its customers, collect payments from its customers and to successfully price credit risk. The Horizon Technology Platform may experience downtime or interruption due to system failures, service outages, corruption of information technology network or information systems as a result of computer viruses, bugs, worms, or cyber-attacks, as well as natural disasters, fire, power outages or other events outside the control of MONEYME. Any systemic failure could cause significant damage to MONEYME's reputation, its ability to make informed credit decisions and assess the credit performance of its loan book, its ability to service customers in a timely manner, retain existing customers and generate new customers, any of which could have a materially adverse impact on MONEYME's business, operating and financial performance, and/or growth.

The Group achieved ISO 27001 Compliance in FY23 and expects to continue to make significant investments to support ongoing improvement in IT controls. This includes addressing risks and issues identified through regular external and internal audits and planning that sets a clear and control prioritised IT development roadmap to support the next phase of its strategic growth.

2.3 Remuneration Report

1. KMP remuneration framework and governance

1.1 Introduction

The Directors of MoneyMe Limited (**MONEYME** or **Group**) present the Financial Year 2023 (FY23) Remuneration Report for MONEYME, which outlines its FY23 remuneration strategy, framework, and outcomes for Non-Executive Directors (NEDs), Executive Directors and other Key Management Personnel (**KMP**), prepared in accordance with the requirements of the *Corporations Act 2001*.

The performance of MONEYME depends upon the Group's ability to attract, motivate, and retain high-quality KMP and non-KMP talent. KMP are those persons having the authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly, which includes the Board of Directors (**Board**). To this end, the remuneration strategy and framework outlined in this report are designed to deliver:

- competitive remuneration aimed at attracting and retaining a high calibre executive team;
- a clear alignment between remuneration and strategic objectives;
- a focus on creating sustainable value for all of our stakeholders;
- merit-based remuneration across a diverse workforce; and
- a level of total remuneration that is competitive by market standards.

The MONEYME Remuneration and Nomination Committee (**RNC**) is responsible for reviewing compensation arrangements for the KMP. The RNC assesses the appropriateness of the nature and amount of remuneration for KMP on a periodic basis by reference to relevant market conditions, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality board and executive team. The RNC makes recommendations to the Board to support its review and approval of remuneration arrangements.

The Board of the Group believes the remuneration framework in this Remuneration Report to be appropriate given the stage and complexity of the Group's operations and is effectively supporting the attraction, motivation, and retention of the best KMP to operate and manage the Group.

The KMP remuneration framework is designed to support the Group's reward philosophies and to underpin the Group's growth strategy. The framework comprises the following components:

- Fixed Annual Remuneration (**FAR**) appropriate to position and experience;
- Short-Term Incentives (**STI**); and
- Long-Term Incentives (**LTI**).

All Executive KMPs were provided STI and LTI in FY23 and FY22.

The Board will continue to review KMP packages annually by reference to the Group's performance, KMP performance and comparable information from industry sectors and other listed companies in similar industries.

1.2 Key Management Personnel (KMP)

Table 1: KMP

KMP[1]	KMP type	Positions held	Term
Peter Coad	NED	Independent Non-Executive Chair Remuneration and Nomination Committee - Member Audit and Risk Committee - Member	Full year
Jonathan Lechte[2]	NED	Independent Non-Executive Director Audit and Risk Committee - Chair	Part year to 30 November 2022
Scott Emery	NED	Non-Executive Director Remuneration and Nomination Committee - Member	Full year
Susan Wynne	NED	Independent Non-Executive Director Remuneration and Nomination Committee - Chair	Full year

KMP[1]	KMP Type	Positions Held	Term
David Taylor	NED	Independent Non-Executive Director Audit and Risk Committee - Member	Full year
Rachel Gatehouse[3]	NED	Independent Non-Executive Director Audit and Risk Committee - Chair	Part year from 21 December 2022
Clayton Howes	Executive KMP	Managing Director (**MD**) & Chief Executive Offices (**CEO**)	Full year
Neal Hawkins	Executive KMP	Chief Financial Officer (**CFO**)	Full year

[1] Refer to the Directors' Report for further information relating to the Directors.
[2] Jonathan Lechte resigned as a Director of the Group on 30 November 2022.
[3] Rachel Gatehouse was appointed as a Director of the Group on 21 December 2022.

1.3 Remuneration framework

MONEYME appreciates that as a publicly listed business there is an obligation to shareholders to ensure alignment between executive remuneration arrangements and shareholder returns and to disclose such arrangements in a transparent manner. The MONEYME remuneration framework balances rewarding individuals for their efforts in the immediate term and incentivises individuals to deliver on the Group's long-term goals.

A summary of MONEYME's remuneration strategy and principles, and how they relate to the Group's mission and the Group's FY23 remuneration framework, is outlined below.

MONEYME

Our mission: To be the #1 challenger to the banks

Remuneration principles

Attract and retain talent

To ensure our remuneration framework enables MONEYME to reward, retain and motivate key employees.

Shareholder alignment

To link the remuneration of key employees to the creation of long-term sustainable shareholder value and align their interests to shareholders through the grant of equity awards.

Pay-for-performance

To enable executives to share in the future growth of the Group and incentivise executives to focus on the achievement of the Group's long-term goals.

Executive KMP remuneration framework

Fixed annual remuneration (FAR)

FAR is set at a competitive level to our peers, enabling us to attract and retain key employees, to achive our mission.

Short-term incentive (STI)

By setting STI performance conditions that align to the achievement of the Group's growth strategy, the aim is to reward employees when the Group's objectives are attained.

Long-term incentive (LTI)

The grant of equity awards (subject to performance conditions) aims to align Executive KMP with shareholders and motivate executives towards the achievement of the Group's long-term goals.

1.4 Remuneration governance

The Board of MONEYME is responsible for evaluating and approving the remuneration arrangements of MONEYME's KMPs. The Board seeks advice and guidance from the RNC as appropriate to discharge this responsibility.

The diagram below outlines how the Board interacts with internal and external stakeholders of the Group.

Board

Ultimately responsible for the active oversight of the remuneration framework and it's effective operation. It may delegate the design, operation and monitoring of the remuneration framework to the Remuneration & Nomination Committee.

Remuneration & Nomination Committee

Responsible for assisting the Board to discharge its responsibilities relating to the Executive KMP remuneration framework and outcomes, and Non-Executive Director remuneration.

External Stakeholder Engagement

Institutional investors and proxy advisors to be consulted on the Group's remuneration arrangements, to ensure their feedback is received.

Management

Responsible for providing the required information to the Committee to support their decision-making. Management may engage external remuneration advisors from time-to-time to provide advice.

External Remuneration Advisors

Remuneration advisors may be appointed by the Remuneration & Nomination Committee or management to provide external advice. No remuneration recommendations were provided in FY23.

1.5 Other related information

Refer to the *2023 Annual Report* for all KMP related party transaction disclosures.

Under the Group's *Securities Trading Policy*, there are clear restrictions on the trading of MONEYME shares where a person is in possession of price sensitive information that is not generally available. This Policy applies to all KMPs and also prohibits individuals from entering into 'protection arrangements', which includes hedging the risk of their MONEYME shareholding (including unvested equity awards). A copy of the Group's *Securities Trading Policy* is available on the MONEYME website.

2. Group performance

Notwithstanding the macroeconomic challenges in FY23, the execution by the Group has been remarkable. Credit management, growth in customer receivables, revenue, new breakthrough innovation, leading customer satisfaction levels and delivering scale benefits for the business. The key Group performance highlights for FY23 include:

- Gross revenue $239 million (FY22: $143 million).
- Gross customer receivables $1.1 billion (FY22: $1.3 billion).
- Net profit after tax $12 million (FY22: $50 million net loss after tax).
- The successful delivery of SocietyOne acquisition synergies to the MONEYME Group.
- High levels of customer satisfaction, with a high NPS score of >60 compared to an industry average of less than 10 for the major banks.
- Ongoing operating efficiencies being delivered through low fixed costs and high automation with core operating costs as a percentage to average assets reducing to 3.3% (FY22: 4.5%).

The tables below set out summary information about the consolidated entity's earnings and movements in shareholder wealth for the four years to 30 June 2023. This represents the full span since the Group was listed on the Australian Stock Exchange (ASX). It is noted that the Group has not paid any dividends since it listed in 2019.

Table 2: Group performance

	30 June 2023 $'000	30 June 2022 $'000	30 June 2021 $'000	30 June 2020 $'000	30 June 2019 $'000
Gross revenue	238,877	143,073	57,575	47,671	31,894
Net profit / (loss) before tax	12,286	(47,782)	(10,032)	(119)	125
Net profit / (loss) after tax	12,286	(50,364)	(7,929)	1,299	324

	30 June 2023	30 June 2022	30 June 2021	30 June 2020	30 June 2019
Share price at the start of the financial year ($)	0.70	2.35	1.18	N/A[1]	N/A[1]
Share price at the end of the financial year ($)	0.08	0.70	2.35	1.18	N/A[1]
Basic earnings per share (cps)	3.8	(26.4)	(4.7)	1.0	132
Diluted earnings per share (cps)	3.8	(26.4)	(4.7)	1.0	131

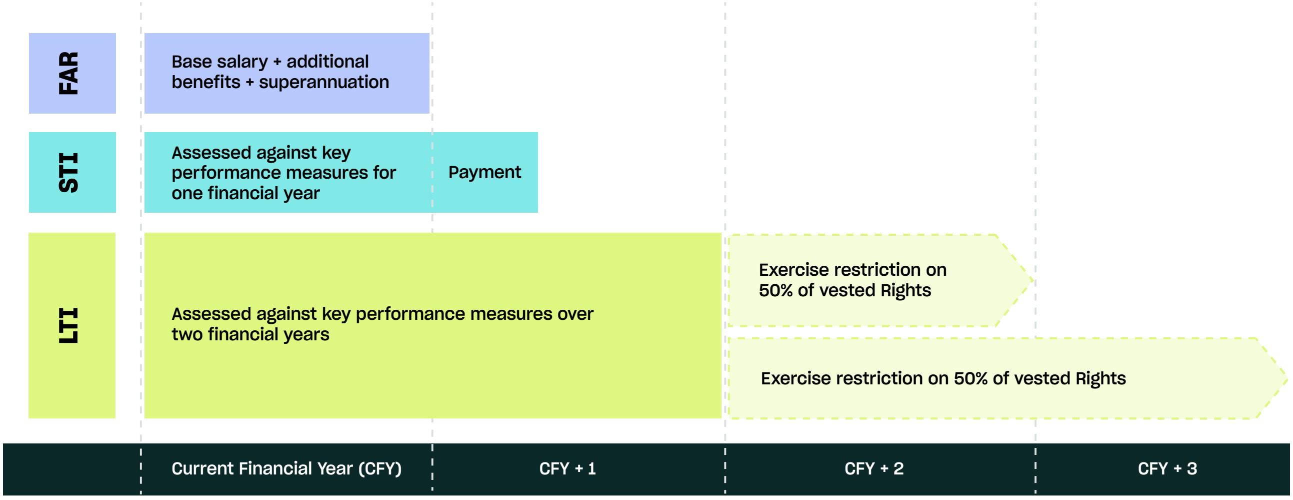
[1] The Group listed on the ASX on 12 December 2019.

3. Executive KMP remuneration

3.1 Remuneration framework

To ensure shareholder value is delivered, MONEYME maintains a strong link between Group performance and remuneration outcomes.

For Executive KMP, the remuneration package comprises of FAR and a variable mix of STI and LTI remuneration (or 'at risk' remuneration) as summarised for FY23 in the diagram below.

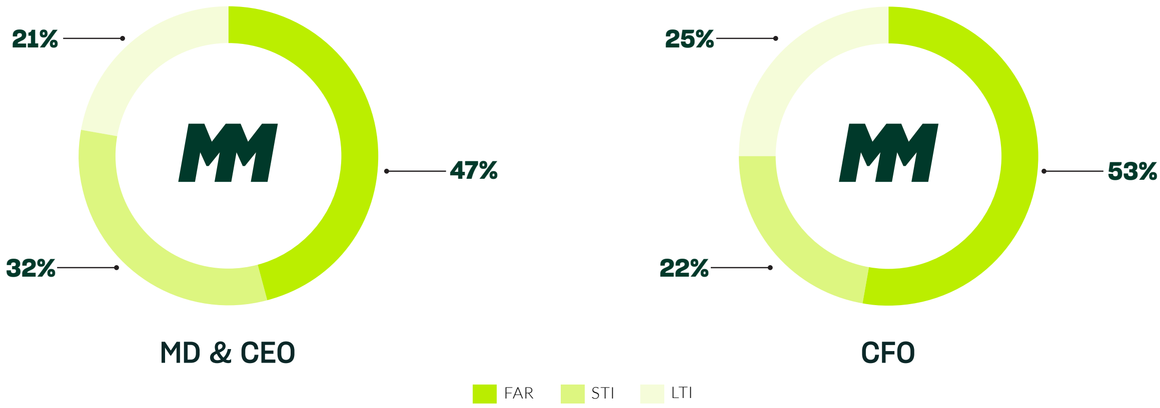


It is noted that the performance assessment period for FY23 issued STIs and LTIs is FY23-FY24, while FY25-FY26 is the payment/ vesting period.

MONEYME is committed to complying with its regulatory remuneration requirements. The Group will continue to monitor and make changes to its remuneration framework in future years as required from a statutory perspective and to take into account its growth trajectory and positioning in the market.

3.1.1 Remuneration mix

The FY23 remuneration mix for MONEYME's MD & CEO, and CFO is displayed below at maximum opportunity levels.



3.1.2 Remuneration elements

FAR	
Description	FAR is set at a competitive level to attract and retain high-quality and experienced Executive KMP for MONEYME. FAR comprises of base salary, additional benefits, and superannuation contributions at a rate of 10.5% (10.0%, FY22). Superannuation contributions are paid to the concessional contributions cap ($27,500 for the current financial year), with any excess over this cap paid out as ordinary income. Where KMPs are only appointed for part of the financial year, their FAR will be pro-rated.
Market positioning	FAR levels are reviewed regularly to ensure that they remain at a competitive level. In assessing the appropriateness of FAR levels provided to Executive KMP, MONEYME will consider its positioning relative to the following comparator groups: • peer financial services and technology companies; and/or • companies with a comparable market capitalisation to MONEYME.

STI	
Description	Executive KMP are eligible to participate in the annual STI plan which comprises a portion of their variable remuneration in FY23 and is subject to performance conditions.
Performance period	1 year (1 July 2022 to 30 June 2023).
Maximum opportunity if all performance measures met	MD & CEO: $450,000 CFO: $150,000
Delivery	The STI award is wholly delivered as cash following the end of the performance period. Should the recipients have fulfilled either a portion or none of their KPIs the STI will be paid at an equally proportionate rate.
Performance measures	For each financial year, the STI outcome is subject to achieving a set of Corporate and Individual KPIs, which align to the achievement of the Group's growth strategy. The performance measures reflect operational, business development and financial outcomes. The measures include quantitative outcomes to support objective assessments that are based on both internal and external factors to the company. In the current year they also include those noted below as part of the LTI.
Employment conditions	Typically, where employment ceases or notice to cease employment has been given by the individual or Group prior to the payment date, no STI payment will be made.
Malus/Clawback	The Group has malus (downwards adjustment of unvested or unpaid remuneration) and clawback (repayment of vested or paid remuneration) provisions in place for its KMP. Typically, in circumstances of any serious misconduct by the individual, and/or any material misstatement in the Financial Statements of the Group or any of its Related Bodies Corporate during any of the preceding 3 financial years, the Board may: • reduce current year STI outcomes yet to be paid ('malus'); or • request the repayment of some or all of the previous STI payments or adjust current year remuneration arrangements (FAR and incentive arrangements) to match the amount due to be repaid ('clawback').
Board discretion	The Board retains absolute discretion regarding the operation of the STI plan subject to compliance with the ASX Listing Rules.

LTI	
Description	Executive KMP are eligible to participate in the annual LTI plan, which comprises a portion of their variable remuneration in FY23 and is subject to performance conditions. The LTI is delivered via the granting of Employee Performance Rights (EPRs). Both executive KMPs were awarded EPRs in January 2023 as part of a broader S1 2023 EPR Series issuance made to MONEYME employees.
Performance periods	**S1 2023 EPR Series issuance** 2 years (1 July 2022 to 30 June 2024). Following the performance period, there is an additional 1 and 2-year exercise restriction. This operates as follows: • 50% of vested Performance Rights can be exercised on the day following the release of the Group's annual financial results for the financial year ending 30 June 2024; and • 50% of the vested Performance Rights can be exercised on the day following the release of the Group's annual financial results for the financial year ending 30 June 2025.
Exercise period	Executive KMPs have 2 years to exercise their Performance Rights before they lapse following the end of any applicable exercise restriction on any vested Performance Rights.
Maximum opportunity if all performance measures met	MD & CEO: 338,710 shares CFO: 188,172 shares
Delivery	The EPR Grant is wholly delivered via Performance Rights, granted to the individual for $nil consideration.
Allocation methodology	The number of Performance Rights granted was calculated by dividing maximum dollar value of the award by $0.93, being the volume weighted average share price for MONEYME shares traded on ASX during the calendar months of May and June 2022.
Performance vesting conditions	The grant of the S1 2023 Performance Rights is subject to three Performance Conditions to be measured over the performance period. These Performance Conditions have been linked to the achievement of key financial and strategic goals that will enable MONEYME to achieve its strategic objectives. The Performance Conditions are based on the measures set out in the table below, with 30% of the total number of Performance Rights available to vest dependent on the achievement of each of Performance Conditions 1 and 3, and 40% of the total number of Performance Rights available to vest dependent on the achievement of Performance Condition 2.

Performance condition	Measure	Weighting
1 - ESG	B Corp Score of at least 80 (refer to the Explanatory Notes for Resolution 4 for more information on B Corp certification)	30%
2 - Growth	Compound Annual Growth in Revenue of at least 20%	40%
3 - Returns	Total Shareholder Return (reflecting share price and dividends) at least 10% above the S&P ASX Small Ordinaries Index	30%

Employment vesting conditions	Typically: • where the individual ceases employment as a 'bad leaver' (i.e., due to resignation, dismissal for cause or poor performance, or any other circumstances determined by the Board to constitute 'bad leaver'), any vested or unvested Performance Rights will lapse; and • where the individual ceases employment as a 'good leaver' (i.e., due to disablement, mental illness, redundancy, death, terminal illness or for reasons other than those of a 'bad leaver'), any unvested Performance Rights will lapse, and any vested Performance Rights will remain exercisable until the end of the exercise period.
Malus/clawback	The Group has malus (downwards adjustment of unvested or unpaid remuneration) and clawback (repayment of vested or paid remuneration) provisions in place for its KMP. In circumstances of any serious misconduct by the individual, and/or any material misstatement in the Financial Statements of the Group or any of its Related Bodies Corporate during any of the preceding 3 financial years, the Board may: • lapse all/a portion of unexercised Performance Rights ('malus'); and/or • request the repayment of the after-tax value of exercised Performance Rights or adjust current year remuneration arrangements (FAR and incentive arrangements) to match the after-tax value of the amount due to be repaid ('clawback').
Board discretion	The Board retains absolute discretion regarding the operation of the EPR Grant subject to compliance with the ASX Listing Rules.

3.1.3 Contractual arrangements

The terms of employment (including remuneration) for Executive KMP are outlined as per their executive service agreements with the Group. A summary of key terms is provided below.

Table 3: Executive KMP service agreements

Name	Salary	FAR[1]	Duration of service	Notice period		Severance payment	Restraint period
				By executive	By Group		
Clayton Howes (MD & CEO)	$497,625	$658,788	Ongoing	6 months	6 months	No entitlement	6 months
Neal Hawkins (CFO)	$302,500	$350,039	Ongoing	3 months	3 months	No entitlement	6 months

[1] FAR = salary + additional benefits + superannuation. Refer to table 4 for further details.

3.2 2023 outcomes

3.2.1 Remuneration summary

The table below summarises current and prior financial year executive KMP remuneration.

Table 4: Executive KMP remuneration

MONEYME Remuneration for the current & prior financial years	Financial year	FAR			STI	LTI	Total
		Salary[1]	Additional benefits[2]	Superannuation[3]	Cash payment[1]	Performance rights[4]	
		$	$	$	$	$	$
Clayton Howes	**2023**	**497,625**	**133,663**	**27,500**	**337,500**	**280,099**	**1,276,388**
	2022[5]	442,500	116,929	27,500	450,000	305,455	1,342,383
Neal Hawkins	**2023**	**302,500**	**20,039**	**27,500**	**150,000**	**151,823**	**651,861**
	2022[5]	273,973	7,633	27,397	150,000	141,017	600,021
Total	**2023**	**800,125**	**153,702**	**55,000**	**487,500**	**431,922**	**1,928,249**
	2022[5]	716,473	124,562	54,897	600,000	446,472	1,942,404

[1] Salary and cash payments comprise the short-term benefits.
[2] Additional benefits include a monthly car allowance, rental payments, and accrued leave entitlements. Leave is included on a net movement basis.
[3] Superannuation is a post-employment benefit.
[4] Performance rights are subject to meeting the vesting criteria. The amount disclosed is representative of the accounting remuneration.
[5] The additional benefits for 2022 have been updated to include the accrued leave entitlements. This adjustment has resulted in a $34,412 increase for Clayton Howes and $7,633 increase for Neal Hawkins in the 2022 comparatives respectively.

Table 5: Executive KMP fixed and performance-related remuneration

The relative proportions of those elements of remuneration of executive KMP that are linked to performance are detailed in the table below.

	Fixed remuneration		Remuneration linked to performance	
	2023	2022	2023	2022
Clayton Howes	51%	44%	49%	56%
Neal Hawkins	54%	51%	46%	49%

3.2.2 STI outcomes

The table below summarises the FY23 actual outcomes for Executive KMPs. It is noted that the Board has applied its discretion in respect of some STI measures following an assessment these were not met due to over performance in other areas and the reasonable expectation that their current results reflect reporting timing differences.

Table 6: Current year Executive KMP STI outcomes

Executive KMP	Maximum STI ($)	% of maximum STI vested	% of maximum STI cancelled	STI payment ($)
Clayton Howes (MD & CEO)	$450,000	75%	25%	$337,500
Neal Hawkins (CFO)	$150,000	100%	0%	$150,000

3.2.3 LTI outcomes

The MD & CEO and CFO S1 2022 EPR LTI grant performance conditions will be fully assessed following confirmation of the Group's FY23 results from the annual report. The S1 2023 EPR LTI grant performance conditions are to be fully assessed at the end of the two-year performance period ended on 30 June 2024 and 30 June 2025 respectively.

The Board has assessed a vesting outcome as noted below for the performance period to 30 June 2023. It is noted that the following performance conditions were achieved or not achieved:

- Average Annual ESG Scorecard Performance Score – Achieved
- Compound Annual Growth in Revenue of at least 40% – Achieved
- Total Shareholder Return (reflecting share price and dividends) at least 10% above the S&P ASX Small Ordinaries Index – Not Achieved

Table 7: Current year Executive KMP LTI outcomes

The below table outlines the Remuneration & Nominations Committee's assessment of the MD & CEO and CFO S1 2022 EPR LTI grant performance outcomes.

Executive KMP	Maximum LTI (No.)	% of LTI vested	% of LTI to vest	% of LTI cancelled	No. of LTI vested
Clayton Howes (MD & CEO)	168,449	35%	35%	30%	58,957
Neal Hawkins (CFO)	93,583	35%	35%	30%	32,754

The Board has considered the following when making the above assessments of performance to 30 June 2023:

1. Average annual ESG scorecard performance

MONEYME's ESG Scorecard is set annually to reflect the company's unique circumstances and the ESG targets and metrics that the company deems to be material. The Group's ESG framework and performance scorecards used to inform the assessment noted above have been developed in reference to B Corp Certification, and the B Impact Assessment (BIA), B Corp's comprehensive impact management tool. The BIA measures a company's impact across five key areas: Governance, Workers, Community, Environment, and Customers. MONEYME has chosen to align to B Corp's framework, and has adopted the BIA to measure ESG performance because

- B Corp is well renowned;
- The BIA provides thorough coverage across the full domain of ESG, and uses a very specific, quantitative impact measurement regime; and
- B Corp Certification requires external verification and public disclosure.

MONEYME achieved B Corp Certification in August 2023. For more information on MONEYME's approach to ESG, refer to the Group's 2023 and 2022 *Sustainability Reports*.

2. Compound annual growth in revenue of at least 40%

This has been calculated based upon the increase in revenue from FY22 to FY23 as reported in the FY23 Income Statement. The final outcome assessment is to be calculated using FY22 and FY23 revenue as reported in the FY23 and FY22 Consolidated Statement of Profit or Loss and Other Comprehensive Income.

3. Total shareholder return

This has been calculated by an independent investor relations counterparty using the S&P ASX Small Ordinaries Index.

4. NED remuneration

4.1 Remuneration framework

4.1.1 Fees

Directors are provided with fees to compensate them for the time commitments required in their role. These fees are set at a level which allows the Group to attract and retain experienced and skilled Directors who are collectively responsible for the success of the Group by directing the strategy and supervising of the Group's business operations. The total remuneration paid to Directors is not to exceed the fee pool, which is currently set at $650,000. The FY23 fee levels for NEDs have increased from the FY22 fees.

The FY23 fee levels are set out below.

Table 8: Current year NED fees

Position	FY23 fees
Board Chair	$137,500
Board Members	$77,000
Committee Chair	$11,000

Directors who sit as Committee members receive no additional fees. The fees outlined above are exclusive of statutory superannuation contributions and pro-rated for part-year Directors.

4.1.2 Equity plan

No new equity plan-based incentives were provided to NEDs in the 2023 financial year.

4.1.3 Contractual arrangements

NEDs are appointed on a 3-year term and must not hold office without re-election for 3 or more years or for 3 or more Annual General Meetings since they were last elected to office.

4.2 2023 outcomes

4.2.1 Remuneration summary

The table below summarises current and prior financial year NED remuneration.

Table 9: NED remuneration

MONEYME Remuneration for the current & prior financial years	Financial year	FAR			STI	LTI	Total
		Salary[1]	Additional benefits	Superannuation[2]	Cash payment[1]	Performance rights[3]	
		$	$	$	$	$	$
Peter Coad	**2023**	**137,500**	**–**	**14,437**	**–**	**34,416**	**186,353**
	2022	129,015	–	12,902	–	70,130	212,047
Jonathan Lechte[4]	**2023**	**36,667**	**–**	**3,850**	**–**	**–**	**40,517**
	2022	80,000	–	8,000	–	70,130	158,130
Scott Emery	**2023[5]**	**74,985**	**–**	**13,619**	**–**	**–**	**88,604**
	2022	70,000	–	6,417	–	–	76,417
Susan Wynne	**2023**	**88,000**	**–**	**9,240**	**–**	**2,273**	**99,513**
	2022	75,985	–	7,598	–	17,208	100,791
David Taylor	**2023**	**77,000**	**–**	**8,085**	**–**	**–**	**85,085**
	2022	21,000	–	2,100	–	–	23,100
Rachel Gatehouse[6]	**2023**	**38,449**	**–**	**4,037**	**–**	**–**	**42,486**
	2022	–	–	–	–	–	–
Total	**2023**	**452,601**	**–**	**53,269**	**–**	**36,688**	**542,558**
	2022	376,000	–	37,017	–	157,468	570,485

[1] Salary and cash payments comprise the short-term benefits.
[2] Superannuation is a post-employment benefit.
[3] Performance rights are subject to meeting the vesting criteria. The amount disclosed is representative of the accounting remuneration.
[4] Jonathan Lechte resigned from the Board in November 2022.
[5] The difference between the $77,000 NED fees for the financial year and the salary is due to salary sacrificing.
[6] Rachel Gatehouse joined the Board in December 2022.

Table 10: NED fixed and performance-related remuneration

	Fixed remuneration		Remuneration linked to performance	
	2023	**2022**	**2023**	**2022**
Peter Coad	82%	67%	18%	33%
Jonathan Lechte	100%	56%	0%	44%
Scott Emery	100%	100%	N/A	N/A
Susan Wynne	98%	83%	2%	17%
David Taylor	100%	100%	N/A	N/A
Rachel Gatehouse	100%	0%	N/A	N/A

5. KMP performance rights and share ownership

5.1 Performance rights

The table below outlines the movements in performance rights for KMP, including those granted, vested/exercised, and lapsed during the financial year.

Table 11: KMP performance right movements

KMP		Opening balance	Performance rights granted	Performance rights vested	Performance rights exercised	Performance rights lapsed	Closing balance[1]
	Financial year	No.	No.	No.	No.	No.	No.
Clayton Howes	**2023**	**630,449**	**338,710**	**231,000**	-	-	**969,159**
	2022[2]	462,000	168,449	126,000	-	-	630,449
Neal Hawkins	**2023**	**233,583**	**188,172**	**70,000**	**90,000**	-	**331,755**
	2022[2]	140,000	93,583	20,000	-	-	233,583
Peter Coad	**2023**	**100,000**	-	**50,000**	-	-	**100,000**
	2022	100,000	-	-	-	-	100,000
Jonathan Lechte[3]	**2023**	**100,000**	-	-	-	**100,000**	-
	2022	100,000	-	-	-	-	100,000
Scott Emery	**2023**	-	-	-	-	-	-
	2022	-	-	-	-	-	-
Susan Wynne	**2023**	**60,000**	-	**30,000**	-	-	**60,000**
	2022	60,000	-	30,000	-	-	60,000
David Taylor	**2023**	-	-	-	-	-	-
	2022	-	-	-	-	-	-
Rachel Gatehouse	**2023**	-	-	-	-	-	-
	2022	-	-	-	-	-	-
Total	**2023**	**1,124,032**	**526,882**	**381,000**	**90,000**	**100,000**	**1,460,914**
	2022	862,000	262,032	176,000	-	-	1,124,032

[1] Vested performance rights are not subtracted from the KMP's closing balance until they are exercised.
[2] The opening balance has been updated to reflect the correct shareholding for KMPs at 30 June 2022.
[3] Jonathan Lechte resigned as a Director of the Group on 30 November 2022.

The table below outlines the performance rights held by KMP under the EPR and Board Performance Rights (BPR) Grants.

Table 12: KMP performance rights granted

KMP	Award	Grant date	Performance period start date	No. of rights at 30 June 2023	Exercise date
Clayton Howes	2020 Series 2 EPR	December 2019	1 July 2019	252,000	Day after result release of annual reports for 2021 (50%) and 2022 (50%)
	2021 Series 1 EPR	December 2020	1 July 2020	210,000	Day after result release of annual reports for 2023 (50%) and 2024 (50%)
	2022 Series 1 EPR	December 2021	1 July 2021	168,449	Day after result release of annual reports for 2024 (50%) and 2025 (50%)
	2023 Series 1 EPR	January 2023	1 July 2022	338,710	Day after result release of annual reports for 2025 (50%) and 2026 (50%)
Neal Hawkins	2021 Series 1 EPR	December 2020	1 July 2020	50,000	Day after result release of annual reports for 2023 (50%) and 2024 (50%)
	2022 Series 1 EPR	December 2021	1 July 2021	93,583	Day after result release of annual reports for 2024 (50%) and 2025 (50%)
	2023 Series 1 EPR	January 2023	1 July 2022	188,172	Day after result release of annual reports for 2025 (50%) and 2026 (50%)
Peter Coad	2021 Series 1 EPR	December 2020	1 July 2020	100,000	Day after result release of annual reports for 2023
Susan Wynne	2020 Series 2 EPR	December 2019	1 July 2019	60,000	Day after result release of annual reports for 2021 (50%) and 2022 (50%)
Jonathan Lechte	N/A	N/A	N/A	N/A	N/A
Scott Emery	N/A	N/A	N/A	N/A	N/A
David Taylor	N/A	N/A	N/A	N/A	N/A
Rachel Gatehouse	N/A	N/A	N/A	N/A	N/A

5.2 Shares

The table below outlines the shareholdings of KMP and their related parties. This includes MONEYME shares received from the Group's variable remuneration arrangements and shares acquired outside of these arrangements.

Table 13: KMP shareholdings

KMP	Opening balance[1]	Received on exercise of rights	Purchased/ acquired	Disposed	Closing balance
	No.	No.	No.	No.	No.
Clayton Howes	**50,294,717**	-	1,000,000	-	**51,294,717**
Neal Hawkins	**20,000**	90,000	375,000	-	**485,000**
Peter Coad	**731,326**	-	200,000	-	**931,326**
Jonathan Lechte[2]	**731,326**	50,000	200,000	-	**981,326**
Scott Emery	**46,308,802**	-	51,000,000	-	**97,308,802**
Susan Wynne	**-**	-	-	-	**-**
David Taylor	**34,015**	-	-	-	**34,015**
Rachel Gatehouse	**-**	-	-	-	**-**
Total	**98,120,186**	140,000	52,775,000	-	**151,035,186**

[1] The opening balance has been updated to reflect the correct shareholding for KMPs at 30 June 2022.
[2] Jonathan Lechte's holdings are as at 30 November 2022.

Financial Report

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3.1 Financial Report

Directors' Declaration

In the opinion of the Directors of MoneyMe Limited:

(1). the 2023 Financial Statements and Notes are in accordance with the *Corporations Act 2001*, including compliance with the accounting standards and give a true and fair view of the financial position of the Group as at 30 June 2023, and of its performance for the financial year ended at that date;

(2). the Financial Statements are in compliance with International Financial Reporting Standards as stated in Note 3.1.1 to the Financial Statements;

(3). there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and

(4). as at the date of this declaration, there are reasonable ground to believe that the members of the closed group identified in Note 1.3 will be able to meet any liabilities to which they are, or may become, subject because of the deed of cross guarantee described in Note 1.3.

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

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

On behalf of the Directors.

Peter Coad
Chair
Melbourne, 30 August 2023

Clayton Howes
Managing Director and Chief Executive Officer
Sydney, 30 August 2023

3.2 Independent Auditor's Report

Deloitte.

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Independent Auditor's Report to the Members of MoneyMe Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of MoneyMe Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- 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 & 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Goodwill impairment assessment As at 30 June 2023, the Group's non-current assets include goodwill amounting to $63.5m as disclosed in Note 11. The determination of the recoverable amount of goodwill is complex and requires management to exercise significant judgement including: • Identification of appropriate Cash Generating Units (CGU) to which goodwill is allocated for the purpose of impairment testing; • Selection of appropriate valuation methodology; and • Determination of assumptions and estimates, in particular the forecast cashflows, loan growth CAGR, ECL provision rate, terminal growth rate and the discount rate.	Our procedures included, but were not limited to: • Obtaining an understanding of any changes to the internal and external impairment indicators in assessing goodwill impairment through inquiries with management and external market evidence; • Assessing management's position paper and board minutes to identify the CGU to which goodwill has been allocated and ensured that CGU is not defined at a higher level than its operating segment; • Evaluating consistency of management's projections, historical track record and external market evidence; and • In conjunction with our valuation specialists, assessing the integrity of value in use models used, including the accuracy of the underlaying calculation formulas and challenging key assumptions used in the model prepared by management, including the forecast cashflows, loan growth CAGR, ECL provision rate, terminal growth rate and discount rate. We have also assessed the adequacy of the disclosures in Notes 4.6 and 11 to the consolidated financial statements.
Expected credit loss provisioning As at 30 June 2023, the Group has recognised a loss allowance for Expected Credit Losses (ECL) amounting to $76m in accordance with AASB 9 *Financial Instruments* as disclosed in Notes 3.2, 4.3, and 10. During FY23, management has reassessed their ECL methodology and refined their models in line with the industry practice. The ECL models developed by management to determine expected credit losses require judgement and assumptions to be made by management, including: • The application of the requirements of AASB 9 as reflected in the Group's ECL model, including the methodology of assessing days past due, which was revised during the year; • The identification of exposures with significant increase in credit risk to determine whether a 12-month or lifetime ECL should be recognised; and • Assumptions used in the ECL model such as the financial condition of the counterparty, repayment capacity and forward-looking macroeconomic factors as disclosed in Note 4.3.	In conjunction with our specialists, our audit procedures included, but were not limited to: Testing the design and implementation of controls over the ECL loss allowance including: • The accuracy of data input into the system used for determining past due status and the approval of credit facilities; and • The ongoing monitoring and identification of loans displaying indicators of significant increases in credit risk and whether they are migrating on a timely basis to appropriate stages including generation of days past due reports. **Assessing ECL model adequacy:** We assessed the adequacy of management's internally developed model in determining the ECL allowance. Our procedures included, but were not limited to: • Assessing whether the ECL model adequately addresses the requirements of AASB 9; the revisions made to the model were appropriate or in line with industry practice, and the disclosures made for the quantitative impact of refinements were adequate;

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
	• Evaluating management's assessment of the impact of forward-looking macroeconomic factors on the loan portfolio and as a result the estimate of expected credit loss allowance; • Testing a sample of individual exposures to assess if they are classified into appropriate default stages and aging buckets for the purpose of determining the ECL allowance; • Assessing the reasonableness of assumptions driving Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) including performing retrospective review of the key assumptions; and • Assessing the reasonableness of management overlays to the modelled collective provision by recalculating the coverage provided by the collective ECL loss allowance (including overlays) to the loan book, taking into account recent history, performance and de-risking of the relevant portfolios. We have also assessed the adequacy of the disclosures in Notes 3.2, 4.3, and 10 to the consolidated financial statements.
Effective Interest Rate The Group reported interest income amounting to $230 m for the year ended 30 June 2023 and net loans receivable of $1.1 bn as at 30 June 2023. Interest income received from loan receivables is determined using the effective interest rate (EIR) method in accordance with AASB 9 *Financial Instruments.* The loan receivable balance is measured and presented at amortised cost using the EIR method. The Group's disclosure over the effective interest rate is disclosed in Notes 3.3, 4.4. Management judgement is required in calculating the EIR, including: • Identifying the fees received between parties to the loan contract which should be included in the determination of the EIR; and • Determining the period over which expected cash flows are estimated to be received. Significant management judgement is required in calculating the EIR, considering the impact of loans which have been repaid early in the current	Our procedures included, but were not limited to: • Assessing the Group's accounting policy for revenue recognition with reference to the relevant accounting standards including the appropriateness of the inclusion of fees received between parties to the loan contract in the determination of the EIR; • Understanding the controls relating to the calculation of the EIR; • Challenging management's assumptions used in the EIR model, including estimated future cash flows, historical repayment patterns and the behavioural life of each lending product; • Assessing the impacts of changes in estimated cash flows due to early repayment of loans; • Agreeing a sample of key inputs to the EIR model to underlying source data such as signed loan agreements and bank statements; and • Testing on a sample basis the appropriateness of EIR calculation and recalculating interest income under the EIR method.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
environment to those estimates, based on the behavioural life analysis performed by management. In addition, the EIR model is both manual and complex and therefore may be subject to arithmetical and modelling errors.	We have also assessed the appropriateness of the disclosures in Notes 3.3 and 4.4 to the consolidated financial statements.
Information technology The Group's operations and financial reporting processes are heavily dependent on IT systems for the processing and recording of a significant volume of transactions. Due to this, we consider the operation of financial reporting IT systems and controls to be a key audit matter. The IT systems and controls, as they impact the financial recording and reporting of transactions, has a significant impact on our audit approach, and is dependent on the effective operation of the Group's IT controls.	Our procedures, performed in conjunction with our IT specialists included, but were not limited to: • Developing an understanding of the business processes, IT systems used to generate and support those balances, associated IT application controls and IT dependencies in manual controls; and • Where we identified control deficiencies relating to IT systems or application controls relevant to our audit we evaluated the design and implementation of manual controls where applicable and varied the nature, timing and extent of our substantive procedures.

Other Information

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 30 June 2023, 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 ability of the Group 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 has no realistic alternative but to do so.

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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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 24 to 35 of the Directors' Report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of MoneyMe Limited, for the year ended 30 June 2023, 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

M Stretton

Mark Stretton
Partner
Chartered Accountants

Melbourne, 30 August 2023

3.3 Independent Auditor's Statement of Independence

Deloitte.

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30 August 2023

The Board of Directors
MoneyMe Limited
3/131 Macquarie Street
SYDNEY NSW 2000

Dear Board Members

Auditor's Independence Declaration to MoneyMe Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Board Members of MoneyMe Limited.

As lead audit partner for the audit of the financial report of MoneyMe Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

DELOITTE TOUCHE TOHMATSU

Mark Stretton
Partner
Chartered Accountants

Consolidated Statement of Profit / (Loss) and Other Comprehensive Income

For the year ended 30 June 2023

	Note	2023 $'000	2022 $'000
Interest income		229,659	127, 784
Other income	5	9,218	15, 289
Gross revenue		**238,877**	**143, 073**
Commission expense		(5,939)	(2,293)
Net revenue		**232,938**	**140,780**
Interest expense	6.1	(89,805)	(38,493)
Sales and marketing expense	6.2	(7,906)	(22,029)
Product design and development expense	6.2	(8,570)	(6,621)
General and administrative expense	6.2	(35,488)	(28,162)
Customer receivable impairment expense	10	(67,543)	(91,018)
Depreciation and amortisation expense	11, 12, 13	(11,340)	(2,239)
Total operating expenses		**(220,652)**	**(188,562)**
Profit / (loss) before tax		**12,286**	**(47,782)**
Income tax (expense) / benefit	7	–	(2,582)
Net profit / (loss) after tax		**12,286**	**(50,364)**
Other comprehensive income		–	–
Total comprehensive income		**12,286**	**(50,364)**
		cents	**cents**
Basic profit / (loss) per share	8	3.8	(26.4)
Diluted profit / (loss) per share	8	3.8	(26.4)

The Financial Statements are to be read in conjunction with the Notes to the Financial Statements.

Consolidated Statement of Financial Position

As at 30 June 2023

	Note	2023 $'000	2022 $'000
Cash and cash equivalents		91,714	80,675
Net customer receivables	10	1,073,653	1,263,788
Current tax asset	7.2	–	13
Derivative financial instruments	19.5	7,934	10,486
Other receivables	14.1	14,422	10,197
Deferred tax asset	7.3	3,192	3,192
Intangible assets	11.1	32,757	36,053
Right of use assets	12.1	2,961	2,500
Property, plant and equipment	13	3,082	1,380
Goodwill	11.2	63,510	63,510
Total assets		**1,293,225**	**1,471,794**
Borrowings	15	1,115,421	1,358,271
Other payables	14.2	6,199	15,461
Lease liabilities	12.2	3,117	2,662
Employee related provisions	16	2,425	4,124
Total liabilities		**1,127,162**	**1,380,518**
Net assets		**166,063**	**91,276**
Share capital	17	203,428	143,055
Reserves	18	6,657	4,529
Retained losses		(44,022)	(56,308)
Total equity		**166,063**	**91,276**

The Financial Statements are to be read in conjunction with the Notes to the Financial Statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2023

	Note	Share capital $'000	Reserves $'000	Retained losses $'000	Total $'000
Balance as at 30 June 2021		**44,108**	**2,074**	**(5,944)**	**40,238**
Profit / (loss) for the period		–	–	(50,364)	(50,364)
Share-based payment expense	18	–	2,455	–	2,455
Issuance of shares - SocietyOne acquisition		98,947	–	–	98,947
Balance as at 30 June 2022		**143,055**	**4,529**	**(56,308)**	**91,276**
Profit / (loss) for the period		–	–	12,286	12,286
Issuance of shares	17	62,547	–	–	62,547
Share issuance transaction costs	17	(2,174)	–	–	(2,174)
Share-based payment expense	18	–	2,128	–	2,128
Balance as at 30 June 2023		**203,428**	**6,657**	**(44,022)**	**166,063**

The Financial Statements are to be read in conjunction with the Notes to the Financial Statements.

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Consolidated Statement of Cash Flows

For the year ended 30 June 2023

	Note	2023 $'000	2022 $'000 Restated[1]
Net customer receivable inflows / (outflows)		118,116	(708,801)
Income from customers		203,945	116,005
Borrowings interest and fees paid	i	(83,229)	(29,266)
Income from delinquent asset sales and recoveries		30,798	14,173
Payments to suppliers and employees		(62,168)	(51,000)
Income tax refund received		13	–
Proceeds from disposal of interest rate swaps		911	–
Net cash inflows / (outflows) from operating activities	9	**208,386**	**(658,889)**
Payments for intangible asset development		(5,977)	(3,506)
Payments for property, plant and equipment		(2,587)	(349)
Investment in SocietyOne Holdings		–	(14,524)
Acquired cash balances		–	38,095
Net cash (outflows) / inflows from investing activities		**(8,564)**	**19,716**
Net (repayment of) / proceeds from borrowings		(244,642)	704,956
Transaction costs related to borrowings		(3,484)	(10,359)
Principal repayment of leases	ii	(1,116)	(812)
Proceeds from issued share capital		62,546	–
Transaction costs related to issue of share capital		(2,087)	–
Loan - other		–	(101)
Net cash (outflows) / inflows from financing activities		**(188,783)**	**693,684**
Net increase in cash and cash equivalents		**11,039**	**54,511**
Cash and cash equivalents at the beginning of the period		80,675	26,164
Cash and cash equivalents		**91,714**	**80,675**
Cash at Bank		16,117	14,168
Restricted cash held in the Group's Funding Structures	iii	75,597	66,507
Cash and cash equivalents		**91,714**	**80,675**

[1] Comparative information has been restated to align the presentation with the current period in respect of the reclassification of net customer receivable disbursements from cash flows from investing activities to cash flows from operating activities and the reclassification of interest and fees paid on borrowings from cash flows from financing activities to cash flows from operating activities.

i: Includes interest related to borrowings (see Note 15).

ii: Includes $0.2 million of implied interest as calculated in accordance with AASB 16 *Leases*.

iii: Refers to cash that is held by the Group that is not available for immediate ordinary business use. This predominately relates to cash held in securitisation structures.

The Financial Statements are to be read in conjunction with the Notes to the Financial Statements.

Notes to the Financial Statements

For the year ended 30 June 2023

1. Group information

1.1 Company information

MoneyMe Limited (the **Company** or **MONEYME**) is a listed public company limited by shares, incorporated and domiciled in Australia. The Company is the ultimate controlling entity of the controlled entities listed in Note 1.2 below and is otherwise described as the parent company. The Company was incorporated on 17 October 2019. The address of its registered office and principal place of business is:

Level 3
131 Macquarie Street
Sydney NSW 2000

The principal activity of the Company and its controlled entities (the **Group**) is to provide consumer finance.

1.2 Controlled entities information

Name	Location	Date of control / acquisition	Proportion of ownership held by the Group	
			2023	2022
MoneyMe Financial Group Pty Ltd	Australia	9 May 2013	100%	100%
MoneyMe Finance Pty Limited[1]	Australia	7 November 2019	100%	100%
MoneyMe Technology Pty Limited	Australia	7 November 2019	100%	100%
MoneyMe Partnership Pty Limited[2]	Australia	7 November 2019	100%	100%
MoneyMe International Pty Ltd[3]	Australia	13 October 2020	100%	100%
ListReady Pty Limited	Australia	29 May 2019	100%	100%
RentReady Pty Limited	Australia	7 May 2020	100%	100%
Price Enquiry Pty Limited	Australia	3 February 2021	100%	100%
MoneyMe TM Pty Ltd	Australia	6 December 2021	100%	100%
S.One SPV Pty Limited	Australia	15 March 2022	100%	100%
MoneyMe Employment Services Pty Ltd (formerly SocietyOne Holdings Pty Ltd)	Australia	15 March 2022	100%	100%
SocietyOne Australia Pty Ltd[4]	Australia	15 March 2022	100%	100%
SocietyOne Investments Pty Ltd	Australia	15 March 2022	100%	100%
SocietyOne Investment Management Pty Ltd	Australia	15 March 2022	100%	100%
Broker Services Pty Ltd (formerly SocietyOne Services Pty Ltd)	Australia	15 March 2022	100%	100%
SocietyOne Livestock Lending Pty Ltd	Australia	15 March 2022	100%	100%
MME Horizon Warehouse Trust[5]	Australia	19 December 2018	100%	100%
MME Horizon 2020 Trust[5]	Australia	25 August 2020	100%	100%
MME Autopay 2021 Trust[5]	Australia	23 November 2021	100%	100%
MME PL Trust 2022-1[5]	Australia	12 May 2022	100%	100%
MME Share Plan Trust[6]	Australia	7 December 2020	100%	100%
SocietyOne Funding Trust No. 1[5]	Australia	15 March 2022	100%	100%
SocietyOne PL 2021-1 Trust[5]	Australia	15 March 2022	100%	100%
SocietyOne PL 2023-1 Trust[5]	Australia	19 May 2023	100%	–
SocietyOne Funding Trust No. 2[5]	Australia	15 March 2022	100%	100%
SocietyOne Personal Loans Trust[7]	Australia	15 March 2022	–	–
ListReady (NZ) Pty Limited	New Zealand	14 April 2020	100%	100%
MoneyMe Financial Group (UK) Limited	United Kingdom	21 October 2020	100%	100%

[1] Owns the residual income units relating to MME Horizon Warehouse Trust, MME Horizon 2020 Trust, MME Autopay 2021 Trust, MME PL Trust 2022-1 and SocietyOne PL 2023-1 Trust, and also owns 100% of the shares of MoneyMe TM Pty Limited.

[2] Owns 100% of the shares of ListReady Pty Limited, RentReady Pty Limited, ListReady (NZ) Pty Limited and Price Enquiry Pty Limited.

[3] Owns 100% of the shares of MoneyMe Financial Group (UK) Limited.

[4] Owns the residual income units relating to SocietyOne Funding Trust No. 1, SocietyOne Funding Trust No. 2 and SocietyOne PL 2021-1 Trust. Is the trustee of SocietyOne Personal Loans Trust and SocietyOne P2P Lending Trust.

[5] Ownership reflects capital and residual income unit ownership.

[6] The purpose of the Trust is to support management of MME Share Plan Trust.

[7] The Group holds assets on trust for investors in the SocietyOne Personal Loans Trust. The Group holds no units in SocietyOne Personal Loans Trust, however, has power over the relevant activities of the structured entity. The Group is exposed to variable returns from its involvement in the structured entity and has the ability to affect its returns, therefore the Group consolidates the structured entity in the financial statements. The trust is a Structured Entity such that voting or similar rights are not the dominant factor in deciding who controls the entity.

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1.3 Deed of Cross Guarantee

Pursuant to the relief provided under ASIC Corporations (Wholly-owned Companies) Instrument 2016/785, the entities listed below are relieved from the Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports, and Directors' reports.

The Group's Deed of Cross Guarantee covers all eligible entities in the Group. This arrangement results in each of the included entities (collectively, the **Closed Group**) guaranteeing to creditors of each other member of the Closed Group payment in full of any debt in the event of winding up of a member of the Closed Group under certain provisions of the Corporations Act.

The following entities became parties to the Deed of Cross Guarantee on 29 June 2022: MoneyMe Limited, MoneyMe Finance Pty Limited, MoneyMe Financial Group Pty Ltd and SocietyOne Australia Pty Ltd. On 30 June 2023, MoneyMe Employment Services Pty Ltd became a party to the Deed of Cross Guarantee pursuant to an assumption deed.

The Consolidated Statement of Profit or Loss and Other Comprehensive Income and Consolidated Statement of Financial Position of the entities that are members of the Closed Group, after eliminating all transactions between members of the Closed Group, are as follows:

	2023 $'000	2022 $'000
Consolidated Statement of Profit or Loss and Other Comprehensive Income		
Interest income	48,719	24,139
Other income	57,250	44,550
Gross revenue	**105,969**	**68,689**
Commission expense	(5,939)	(2,293)
Net revenue	**100,030**	**66,396**
Interest expense	(17,706)	(12,389)
Sales and marketing expense	(7,936)	(21,974)
Product design and development expense	(8,570)	(6,621)
General and administrative expense	(28,230)	(26,246)
Customer receivable impairment expense	(5,751)	(48,914)
Depreciation and amortisation expense	(11,340)	(2,239)
Total operating expenses	**(79,533)**	**(118,383)**
Profit / (loss) before tax	**20,497**	**(51,987)**
Income tax (expense) / benefit	–	(2,582)
Net profit / (loss) after tax	**20,497**	**(54,569)**
Other comprehensive income	–	–
Total comprehensive income	**20,497**	**(54,569)**

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	2023 $'000	2022 $'000
Consolidated Statement of Financial Position		
Cash and cash equivalents	17,025	16,094
Net customer receivables	13,373	10,482
Current tax asset	–	13
Derivative financial instruments	–	–
Other receivables	128,193	106,811
Deferred tax asset	3,192	3,192
Intangible assets	32,757	36,053
Right of use assets	2,961	2,500
Property, plant and equipment	3,082	1,380
Goodwill	63,510	63,510
Total assets	**264,093**	**240,035**
Borrowings	42,569	70,743
Other payables	7,624	35,508
Lease liabilities	3,117	2,662
Employee related provisions	2,425	4,124
Total liabilities	**55,735**	**113,037**
Net assets	**208,358**	**126,998**
Share capital	243,805	183,433
Reserves	6,657	4,529
Retained losses	(42,104)	(60,964)
Total equity	**208,358**	**126,998**

1.4 Acquisition of SocietyOne

On 15 March 2022, the Group acquired 100% of the ordinary shares of SocietyOne Holdings Pty Limited (SocietyOne), obtaining control of SocietyOne. SocietyOne was a consumer lender and qualified as a business as defined in AASB 3 *Business Combinations*.

89% of SocietyOne shareholders received 66.4 million MoneyMe Limited shares, with 11% of the consideration paid as a cash consideration option totalling just over $14.5 million. The equity portion of the total consideration was calculated as the 66.4 million MoneyMe Limited shares received multiplied by the MoneyMe Limited closing share price on the Completion Date – 15 March 2022 ($1.49). The cash consideration plus the equity component resulted in a total consideration of $113.5 million.

2. New and amended accounting standards

The Group has assessed that there are no new or amended accounting standards for this reporting period that are likely to have a material impact for this report.

3. Significant accounting policies

3.1 Basis of preparation

3.1.1 Statement of compliance

The Group is a for-profit business which is publicly accountable. The Financial Report is a general-purpose financial report, which has been prepared in accordance with the *Corporations Act 2001 (Cth)* and authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS).

The Group has adopted all the new and revised standards and interpretations issued by the AASB that are relevant to its operations and effective for the current financial year.
The Consolidated Financial Statements were authorised for issue in accordance with a resolution of the Directors on the date as set out on the Directors' Declaration.

3.1.2 Basis of accounting

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments as appropriate. Cost is based on the fair values of the consideration given in exchange for assets. In addition, the financial statements have been prepared using the accrual basis of accounting, except for the cash flow statement.

3.1.3 Basis of consolidation

The Consolidated Financial Statements incorporate the assets and liabilities of all controlled entities of MoneyMe Limited as at 30 June 2023 and the results of all controlled entities for the twelve months then ended (for newly formed controlled entities since establishment date or acquired entities since acquisition date).

Controlled entities are all entities over which the Company has control. Control is achieved when the Company:

- Has power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power over the investee to affect its returns.

Consolidation of an entity begins when the Company obtains control over the entity and ceases when the Company loses control of the entity. Specifically, income and expenses of an entity acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the entity.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full upon consolidation.

3.1.4 Reclassification of cash flows

For the year ended 30 June 2023, the Group has changed its accounting policy for the presentation of cash flows in relation to net customer receivable inflows and outflows and reclassified these from cash flows from investing activities to cash flows from operating activities. Interest and fees paid on borrowings were also reclassified, from cash flows from financing activities to cash flows from operating activities. These changes provide more relevant and reliable information for users of the financial statements by providing information in a more comparable manner to other financial institutions.

As a result of the above, the comparative period cash flows were restated with net customer receivable disbursements reclassified from cash flows from investing activities to cash flows from operating activities and interest and fees paid on borrowings reclassified from cash flows from financing activities to cash flows from operating activities. Net cash used in investing activities increased from a cash outflow of $689 million to a cash inflow of $20 million. Net cash from financing activities increased from a net cash inflow of $664 million to a cash inflow of $694 million. Net cash from operating activities decreased from a net cash inflow of $79 million to a cash outflow of $659 million. This reclassification had no impact on the statement of financial position or to profit or loss. The historic presentation is compared to the revised presentation below.

	30 June 2022 $'000 (After reclassification)	30 June 2022 $'000 (Previously presented)
Net cash inflows / (outflows) from operating activities before net customer receivable inflows / (outflows) and borrowing interest and fees paid	**79,178**	**79,178**
Net customer receivable inflows / (outflows)	(708,801)	–
Borrowing interest and fees paid	(29,266)	–
Net cash inflows / (outflows) from operating activities	**(658,889)**	**79,178**
Net cash (outflows) / inflows from investing activities before net customer receivable inflows / (outflows)	**19,716**	**19,716**
Net movement in loans advanced to customers	–	(708,801)
Net cash (outflows) / inflows from investing activities	**19,716**	**(689,085)**
Net cash (outflows) / inflows from financing activities before borrowing interest and fees paid	**693,684**	**693,684**
Borrowing interest and fees paid	–	(29,266)
Net cash (outflows) / inflows from financing activities	**693,684**	**664,418**

3.1.5 Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Refer to Note 4.2 for further information.

3.1.6 Segment information

Management has determined that the Group has one reporting segment being the provision of consumer finance. The internal reporting framework is based on the principal activity. The assets as presented relate to the reporting segment, as identified above. The Group operates predominately in Australia.

3.1.7 Functional and presentation currency

The Financial Statements are presented in Australian dollars, which is the Group's functional currency.

3.1.8 Rounding

The Group is of a kind referred to in the Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission. Amounts in this report have been rounded off to the nearest thousand dollars in accordance with the Corporations Instrument 2016/191.

3.1.9 Recognition, classification, and measurement

3.1.9.1 Gross customer receivables

The Group initially recognises gross customer receivables at fair value, net of any transaction costs and subsequently measures them at amortised cost as:

- The Group's business model is to collect contractual cash flows for its products until the account with the customer is closed; and
- The Group's contractual cash flows are solely payments of principal and interest (SPPI) on the principal outstanding (the SPPI test).

Transferred customer receivables into the warehouse trusts are still recognised in the Consolidated Financial Statements as the Group:

a. is exposed to, or has rights to, variable equity returns in its capacity as the residual unit holder (or beneficiary as the case may be) of these trusts;

b. has the ability to impact the variable equity returns in its capacity as the originator of customer receivables and the servicer of these receivables on behalf of the trusts; and

c. is the sole subscriber to the Seller Notes issued by the trusts.

The Seller Notes go towards maintaining the minimum equity contribution/subordination buffer. In addition to the Seller Notes, the Group's asset-backed securitisation program includes multiple classes of notes, which carry a floating interest rate.

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The effective interest rate method is applied to customer receivable balances to include related fee income and brokerage commissions paid. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. The Group has updated its estimates relating to the effective life of the underlying financial assets that are used to calculate effective yield income since the prior financial year. The updates reflect a review of further historic data and the expected effective life of customer receivables. The Group plans to continue to review and update its estimates in this area for future reporting periods on the same basis.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Customer receivables are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. In certain cases, the Group estimates the expected subsequent debt sale when measuring ECL. The recoveries related to subsequent debt sale are recognised as a reduction to impairment expense in the period in which they are recognised. Due to the maturity of the Group's debt sale program as at 30 June 2023, the Group is able to recognise an estimated value of the expected recoveries at period end. The expected recoverable amount receivable from the debt sale is recognised as a debt sale recovery asset, until received. A true-up/down adjustment is made post period end to the actual principal received as part of the debt sale.

3.1.9.2 Cash, other receivables, and payables

The Group recognises and measures cash, cash equivalents, other receivables, and payables at amortised cost.

3.1.9.3 Interest rate swaps

The Group enters into interest rate swaps to manage its exposure to interest rate risk. These derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset.

The realised gains and losses from interest rate swaps are classified under interest expense and unrealised gains and losses from interest rate swaps are classified under other income in the statement of profit or loss and other comprehensive income. This approach reflects the use of the interest rate swaps to manage exposure to interest rate risk, which rises because entities in the Group borrow funds at floating interest rates and lend funds at fixed interest rates.

For further details on interest rate swaps, refer to Notes 5, 6 and 19 of the *Financial Report*.

3.1.9.4 Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

The Group has not entered into any embedded derivative contracts.

3.2 Expected credit loss provisioning

3.2.1 Customer receivables

In accordance with AASB 9 Financial Instruments, the Group recognises a loss provision in the Statement of Financial Position for Expected Credit Losses (ECLs) relating to its financial assets. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Net receivable related provisioning includes an assessment in relation to the credit risk of undrawn commitments.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). It consists of three components:

(a) Probability of default (PD): PD is an estimate of the likelihood that a customer receivable will default within a set period.

(b) Loss given default (LGD): LGD is an estimate of the loss arising on default.

(c) Exposure at default (EAD): EAD is the total value the business is exposed to when a customer receivable defaults.

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The Group's provisioning considers general hardship ("hardship"). All new business applications undergo credit assessment in accordance with the Credit Policy and Responsible Lending Policy to establish the underlying credit risk. The Group has guidelines and solutions for customers experiencing financial hardship after the loan facility has been originated which involves completion of information gathering, verification and assessment that concludes that the borrower will be unable to continue to make contractual customer repayments without experiencing hardship. A borrower may be in hardship if they can only repay by reducing non-discretionary expenses. Hardship receivables have been classified in stage 2, unless they have a 90+ days past due (DPD) profile, in which case they are classified in stage 3. This has been updated from the FY22 approach where hardship receivables were classified based on their DPD profile.

ECL is collectively assessed and measured by classes of financial assets with the same level of credit risk. The Group applies the three-stage AASB 9 model to determine the loss allowance of its financial assets as follows:

Stage 1	At initial recognition of financial assets and where there has not been a significant increase in credit risk (SICR) since origination, an allowance equal to 12-month ECL is recognised. 12-month ECL represents the portion of lifetime ECL that arises due to default events within 12 months from the reporting date. It is measured as the product of the PD over the next 12 months, LGD and EAD. The assessment that there has been no increase in credit risk since initial recognition is made in reference to a customer receivable being less than 30 DPD and not in hardship. Stage 1 assets exclude any receivables classified in stage 2 or 3.
Stage 2	The Group determines that there has been a significant increase in credit risk since initial recognition when a receivable exposure is greater than or equal to 30 DPD and less than 90 DPD or if a borrower declares financial difficulty and applies for hardship. An allowance equal to lifetime ECL is recognised for loans in Stage 2. Lifetime ECL represents credit losses resulting from default events throughout the expected life of the instrument. The Group recognises a loss provision for stage 2 assets as a product of the PD for the lifetime of the financial asset, LGD and EAD.
Stage 3	A financial asset is in 'default' when one or more contractual payments or customer receivable payments are equal to or more than 90 DPD. An allowance equal to lifetime ECL is recognised for loans in Stage 3. The Group recognises a loss provision as a product of the PD for Stage 3 loans, LGD and EAD for a stage 3 asset. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. In certain cases, the Group subsequently recovers a portion of the written off amount through debt sales. Stage 3 assets exclude any receivables classified in stage 1 or 2.

Refer to Notes 4.3 and 10 for further information.

3.2.2 Cash, other receivables, and payables

The Group recognises and measures cash, cash equivalents, other receivables, and payables at amortised cost.

The Group assesses cash and other receivables for expected credit losses on an annual basis. Management have assessed under the simplified approach this to be not material, and therefore no provisioning has been recognised in the financial year.

Refer to Note 9 for cash and cash equivalents and Note 14 for other receivables and payables.

3.3 Revenue

The Group recognises revenue in accordance with AASB 9 *Financial Instruments* or AASB 15 *Revenue from Contracts with Customers* depending on its nature and classification. Interest income related to customer receivables, which includes all customer contractual and non-contingent interest and fees charged and brokerage commission paid to introducers, is measured and presented on an effective interest rate basis. Under AASB 9, the effective interest rate method is used on customer receivables, based on estimated future cash receipts over the expected life of the financial asset. In making their judgement of estimated future cash flows and expected life of the customer receivables balance, management have considered the contractual and historical repayment pattern of the customer receivables.

The Group's referral commission income has been classified as revenue from contracts with customers and recognised under AASB 15 at a point in time when the performance obligation has been satisfied. The performance obligation is deemed satisfied once the lead has been provided to the respective party and is generally payable a month or within a month after the lead has been provided.

Contingent customer fee income (such as late fees) not classified under the effective interest rate method is reflected as other income and recognised as received at a point in time.

Prior to 1 July 2022, principal recoveries from previously written off receivable balances were reflected as other income as received at a point in time. From 1 July 2022, principal recoveries are recognised as contra-transactions to customer receivable impairment expense at a point in time. This change provides clearer information for users of the financial statements by aligning with the recognition of debt sale recoveries being reported in the customer receivable impairment expense line in the Statement of Profit or Loss and Other Comprehensive Income.

Refer to Notes 4.4, 5 and 6 for further information.

3.4 Intangible assets

3.4.1 Intangible assets excluding goodwill

Recognition, classification, and measurement

Acquired Intangibles

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses.

The acquisition date estimated useful lives of the Group's acquired intangible assets were 5 to 15 years.

The remaining useful lives of the acquired intangible assets are:

Software: Less than 1-4 years
Brand Name: 9 years
Broker Relationships: 13 years

Internally-generated intangibles

Costs relating to internally developed software are capitalised only when:

- the technical feasibility of completing the intangible asset and commercial viability of the project is demonstrated;
- the Group has an intention and ability to complete the project and use it or sell it;
- the Group can demonstrate how the intangible asset will generate probable future economic benefits;
- there is availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset; and
- the cost can be measured reliably.

Such costs include payments to external contractors to develop the software, systems and personnel costs of employees directly involved in the project.

Internally developed software is stated at capitalised cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

The applicable estimated useful life of the Group's internally developed software is 2 to 5 years.

Derecognition and impairment of intangible assets excluding goodwill

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

At the end of each reporting period, the Group reviews the carrying amounts of its intangible assets, including non-financial assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Refer to Note 11 for further information.

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3.4.2 Goodwill

Recognition, classification, and measurement

Goodwill is initially measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill has an indefinite useful life and is not amortised but reviewed for impairment at least annually.

Derecognition and impairment of goodwill

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata, based on the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Refer to Notes 4.6 and 11 for further information on the impairment assessment, including assumptions used in determining the recoverable amount of goodwill.

3.5 Taxation

The Company and its wholly-owned Australian resident entities are members of a tax-consolidated group under Australian tax law. The Company is the head entity within the tax-consolidated group. In addition to its own current and deferred tax amounts, the company also recognises the current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax-consolidated group.

3.5.1 Income tax benefit / expense

The income tax expense or benefit represents the sum of the tax currently payable and the application of any deferred tax in the period.

3.5.2 Current tax

The tax currently payable or receivable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

Current tax is recognised in profit or loss, except where it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively.

3.5.3 Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is settled at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the way the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is recognised in profit or loss, except where it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively. Where deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.5.4 Goods and services tax

Revenues, expenses, and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or for receivables and payables that are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Refer to Notes 4.5 and 7 for further information.

3.6 Funding and liquidity

The Group recognises and measures financial liabilities when it enters into the obligation at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability. Transaction costs are defined as incremental costs that are directly attributable to the issue of the financial liability that would not have been incurred if the Group had not acquired the financial instrument. The effective interest rate method is used on borrowings to calculate the amortised cost of a financial liability and to allocate fee expenses over the relevant period.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

Refer to Notes 15 and 19 for further information.

4. Critical accounting estimates and judgements

4.1 Overview

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant estimates and judgements made have been described below.

4.2 Going concern

The financial statements have been prepared on the going concern basis, which anticipates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

During the financial year ended 30 June 2023, the Group recorded a net profit after income tax of $12 million (net loss after income tax of $50 million, 30 June 2022), had a net asset position of $166 million ($93 million, 30 June 2022) and unrestricted cash and cash equivalents of $16 million ($14 million, 30 June 2022). As at 30 June 2023, the Group had current assets of $0.1 billion and non-current assets of $1.2 billion, and current liabilities of $0.01 billion and non-current liabilities of $1.1 billion.

The Group has undrawn facilities of $446 million across its warehouse trusts as at 30 June 2023 ($384 million, 30 June 2022) and as of the date of signing these financial statements has complied with the covenant requirements under its various funding agreements and successfully obtained waivers where required.

The Group's cash flow forecast demonstrates 12 months of continued operations with access to funds from operating cash flows, existing funding arrangements, and other funding sources to support ongoing operations.

The Directors' Going Concern judgement reflects consideration of the revised Syndicated Facility Agreement (SFA) that was agreed in March 2023, as well as completion of two equity placement capital raises net of transaction costs of $20.6 million and $35.4 million that completed in October 2022 and May 2023 respectively. The placement in May supported a paydown of the Group's Corporate Debt to $50 million at 30 June 2023. The Group's Corporate Debt facility matures in November 2025. The Group also completed a $4 million share purchase plan in June 2023.

Notwithstanding the above, the Group has demonstrated its ability to obtain funding in the capital markets with the execution of its SocietyOne PL 2023-1 Trust transaction in May 2023 and in private markets with the extension of the MME Autopay 2021 Trust in June 2023. The Directors consider there is a clear basis for the Group to continue normal business activities, realise assets and settle liabilities in the normal course of business and that the Group will continue to operate as a going concern. The Group actively engages with funders in the normal course of business to extend existing facilities and set-up new arrangements. Accordingly, it expects to formally extend the availability periods for its Horizon 2020 and SocietyOne warehouses from September 2023, and its Autopay warehouse from October 2023, into Calendar Year 2024.

No adjustments have been made to the financial statements relating to the recoverability and classification of asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern

Refer to the *Operating and Financial Review*, and Notes 15 and 19 of the *Financial Report* for further related information.

4.3 Expected credit losses

4.3.1 Customer receivable credit risk and default

ECLs are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. AASB 9 Financial Instruments does not define what constitutes a significant increase in credit risk. The Group judges that the credit risk of an asset has significantly increased to be stage 2 when a customer receivable exposure is greater than or equal to 30 DPD and less than 90 DPD or if a borrower declares financial difficulty and applies for hardship. The Group judges that a financial asset is in stage 3 when one or more contractual payments customer receivable payments are equal to or more than 90 days past payment.

4.3.2 Base loss allowance calculation

4.3.2.1 Overview

Probability of default (PD) constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon based on historic customer repayment data. Loss given default (LGD) is an estimate of the loss arising on default. They are used to calculate the difference between the contractual cash flows due and those that the Group would expect to receive.

Management have historically used models built with a credible third party to support the Group's ECL provisioning compliance since inception and application of AASB 9. These models have been improved and enhanced over time. In FY22, these models were supplemented by a SocietyOne ECL model following the acquisition of SocietyOne. For FY23, the Group has introduced new ECL models to support the focus on continuous improvement in this key judgement area. These models have been built and reconciled by an experienced external third party. The models have been developed by the third party based on instructions and key inputs from management. These include a business/product overview, changes to credit strategies, a forward-looking view on the macroeconomic environment and their relationship to the model inputs.

There were differences in DPD estimation methodologies used by MONEYME and SocietyOne. In FY23, the Group aligned the MONEYME methodology to the SocietyOne methodology. This has had minimal impact on the ECL provision.

4.3.2.2 Autopay loan asset ECL

The secured Autopay product was launched as a pilot in April 2021. In FY23 and FY22, it has been provisioned based on benchmarking and book performance reviews to estimate a reasonable provision rate, i.e., using a coverage rate approach to derive the product's ECL.

The loss rates and overall coverage rates are benchmarked externally to other asset finance products and how they are performing in the market.

The Group expects to be able to apply full data modelling as it does for its other assets in future reporting periods in line with the availability of an appropriate level of historic data.

4.3.2.3 Non-Autopay loan asset ECL

The Group has separate models for its unsecured suite of products, which comprises the variable rate and fixed rate PL, Freestyle and ListReady products.

The unsecured products in the MONEYME Group portfolio are the Personal Loan (PL), Freestyle and ListReady products. The variable rate PL and Freestyle modelling applies up to 7 years of the historical data (2 years, 30 June 2022) and fixed rate PL modelling applies up to 4 years of historical data (2 years, 30 June 2022).

The PD models are developed based on the historical default rates for each segment. PD for fixed rate and variable rate PLs have been segmented into various groups based on DPD status, product type, Veda scores and their residential status. This has been updated from the metrics used for FY22, where variable rate PL PD segmentation was based on marital status.

Freestyle PD has been segmented into various groups based on DPD status, Veda scores and the loan size. This has been updated from the metrics used for FY22, where variable rate PL PD segmentation was based solely on Veda scores. These changes reflect analysis and modelling to further align calculations with the product credit risk drivers.

LGD is calculated using historical data of recoveries from loans defaulted in the past. LGD has been segmented into PLs and Freestyle based on product type to account for different risk profiles and recovery patterns. LGD for PL is further segmented into variable rate PL and fixed rate PL. The LGD for PL and Freestyle was previously segmented based on borrower's employment with a specific industry sector.

The credit conversion factor (CCF) is used to assess expected losses from undrawn commitments on Freestyle. In FY22, the CCF was based on external benchmarks, and 25% CCF was applied for customers not in arrears and 1% CCF was applied for customers in arrears. This has been enhanced in FY23 and CCF is calculated through a MONEYME Group-specific modelled CCF. The weighted average CCF was 54% for FY23.

Recovery expectations have been refreshed at a product level in reference to historic data, as well as current and expected new forward flow debt sale agreements. In the revised modelling for FY23, recovery expectations have been incorporated into the base ECL models as part of the LGD calculation. The change in FY23 reflects the maturity of the Group's debt sale program, which started in December 2021.

The fixed rate PL product was acquired by the Group as part of the SocietyOne acquisition in FY22 (see Note 1 for further information). As at 30 June 2023, 18% of the fixed rate PL customer receivables portfolio are secured (16%, 30 June 2022), while the remaining balance are unsecured.

The Group uses separate models for its fixed rate PL product. The PD model is developed based on the historical default rates for each segment. LGD is calculated for fixed rate PL product using historical data of recoveries from loans defaulted in the past.

In FY23, the fixed rate PL ECL model for customer receivables considers the aging of receivables historical collection rates, specific knowledge of the individual borrower's financial circumstances and expected performance of the customer receivables portfolio. The calculation of PDs were a function of internal credit ratings (based on a scorecard) and shared characteristics that are highly correlated to credit risk such as previous defaults. The LGD associated with the PD used is the magnitude of the ECL in a default event. The LGD is estimated using historical loss rates considering relevant factors for individual exposures or portfolios. This is the same method used to calculate PD, LGD and exposure at default (EAD) for the secured fixed rate PL product in FY22.

4.3.3 Loss allowance overlay calculations

4.3.3.1 Model risk overlay

Management have applied model risk overlays to address the risk of data modelling errors. Similar to FY22, in FY23 management have considered the model risk overlay at an individual product level. Overall, the model risk overlay in FY23 has been reduced from prior periods as the Group have utilised the revised models.

4.3.3.2 Modelled macroeconomic overlay

Management have also applied a macroeconomic overlay to reflect uncertainty from the broader economic environment. Macroeconomic overlays for FY23 and FY22 have been determined based on the same overall statistical modelling approach. This modelling involves regression analysis using historical macroeconomic data sourced from a credible third party to support the determination of key macroeconomic predictors to be used for scenario modelling.

The principal macroeconomic indicators referenced in the economic scenarios considered for the position at 30 June 2023 are cash rate and unemployment. The 30 June 2022 position referenced gross domestic product (GDP), cash rate, and unemployment. The models referenced information from the Australian Prudential Regulation Authority (APRA) Authorised Deposit-Taking Institution (ADI) quarterly performance statistics for losses data, with a set of variables obtained from the Australian Bureau of Statistics (ABS) including GDP, GDP growth rates and headline consumer price index (CPI) growth.

In FY23, macroeconomic scenario modelling references a base-case forecast sourced from credible third parties, which is adjusted to determine upside and downside scenarios. The weightings used in FY23 are 68% for base case scenario (2022: 70%) and 16% each for the upside and downside scenarios (2022: 15%). In FY22, management adopted a conservative approach by not applying the modelled macroeconomic overlay as its use would have resulted in a reduction of the overall coverage rate. Management decided to apply a higher model risk overlay in FY22 that considered the macroeconomic outlook.

A 100% upside scenario weighting would result in a reduction of the Group's FY23 provision by $6.4 million to 6.1%. A 100% downside scenario weighting would result in an increase to the Group's FY23 provision by $6.4 million to 7.1%.

Refer to Notes 3.1.8 and 11 for further information.

4.3.3.3 Management overlay

Management have decided to apply a 9% management overlay to the total ECL balance for the current financial year. This has the effect of increasing the ECL provision by $6.3 million, taking the final provision balance to $76.0 million (6.6% of gross customer receivables) from $70.7 million (6.1% of gross customer receivables). This overlay reflects the potential for the macroeconomic environment to have a further adverse impact on customer receivable losses than reflected in the Group's base and macroeconomic models. Factors with the potential to cause such an incremental loss impact include the unemployment rate, inflation and interest rates.

4.4 Fee income and expense recognition

The Group's interest and fees on customer receivables uses the effective interest rate method that reflects the expected useful life of the underlying financial asset and the rate that discounts cash flows back to the present value. In making their judgements around the expected life of the underlying customer receivables balance and the discount rate applicable, management have considered the contractual and historical repayment patterns of the customer receivables. The Group has further updated its estimates relating to the effective life of the underlying financial assets that are used to calculate effective yield income since the prior reporting period. The updates reflect a review of further historic data and the expected effective life of customer receivables. The Group plans to continue to review and update its estimates in this area for future reporting periods on the same basis.

The Group's Autopay and Personal Loan products involve distribution via a broker/dealer commission model. Commissions paid for loan origination are considered within an effective yield calculation and amortised over the expected life of the loan.

Refer to Note 3.3 for further information.

4.5 Taxation

The Group's current tax balances reflect management's assessment of the amount of tax payable or receivable in the current period. This assessment is supported by specialist independent tax advice.

The Group's deferred tax balances reflect an expectation to recover or settle temporary differences that relate to tax. These assessments and expectations reflect an interpretation of tax legislation regarding arrangements entered into by the Group and the application of tax rates that are expected to apply in the period when tax liabilities are expected to settle or tax assets are expected to be utilised.

Deferred tax asset (DTA) recognition reflects an assessment that it is probable that there will be enough taxable profits against which to utilise the benefits of the temporary differences and that they are expected to reverse in the foreseeable future. Management have applied overlay adjustments to all deferred tax asset balances to reflect uncertainties relating to model risk, business uncertainties and uncertainties that reflect the macroeconomic environment. Management has assessed that it is probable there will be enough taxable profits against which to utilise the benefits of the temporary tax compared to accounting differences and that these are expected to reverse in the foreseeable future.

Refer to Note 7 for further information.

4.6 Impairment of intangible assets, including goodwill

Management have determined that no impairment of the intangible assets or goodwill is required for the period ending 30 June 2023.

In determining the recoverable amount of the Group, management are required to make certain estimates and judgments which are key inputs in calculating the value in use (VIU). These are:

- The type of valuation model used: management determined that a Discounted Cashflow Model (DCF) is the appropriate valuation model.
- Financial plans, which include forecasts of loan book growth, net interest margin (NIM), expected credit losses (ECL) and overheads. Management recognises that future performance is inherently uncertain, particularly in relation to expected credit losses and NIM. These outcomes could be both favourable and adverse. The financial plan has been subject to significant oversight, review, and stress testing. It has also been endorsed by the Board.
- The discount rate used in the VIU model, which is a function of the risk-free rate plus the market risk premium, multiplied by the beta. A dynamic discount rate has been utilised as this best reflects the risk of recourse debt on the Group's equity investors. The dynamic discount rate is the weighted-average cost of equity adjusted for recourse debt across the forecast period.
- The growth rate used in the VIU model, which reflects management's projections included and approved in the financial plan. This expected growth is based on prior experience, adjusted for Management's expectations of the business' product offering and the macroeconomic environment in future periods.
- The terminal growth rate used in the VIU model, which is the long-term growth rate reflective of a going concern entity expected to perform into perpetuity. It is not reflective of management's expectations of the Group's growth trajectory, which exceed the terminal growth rate, and has been used for the purposes of impairment testing only.

The Group plans to continue to review and update its estimates in this area for future reporting periods on the same basis.

Management believe that the potential impacts of the current economic environment have been adequately considered and that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the Group.

Refer to Note 11.3 for further detail on these estimates and judgements.

5. Other income

	Note	2023 $'000	2022 $'000
Recoveries[1]	3.3	–	3,525
Referral income	3.3	278	194
Fair value gains / (losses) on interest rate swaps	19	1,928	6,417
Other customer fee income[2]		5,870	3,649
Other		1,142	1,504
Total other income		**9,218**	**15,289**

[1] Income from previously written off loans (recoveries) have been reallocated to customer receivable impairment expense in 2023. This is to align the Group's approach of classifying proceeds from debt sales under customer receivable impairment expense.
[2] Relates to contingent customer revenue, including late fees and dishonour charges.

At 30 June 2023, the Group recognised $7.9 million of interest rate swaps as derivative financial instrument assets in the Statement of Financial Position. The $1.9 million net gain recognised in other income reflects $2.6 million fair value loss on interest rate swaps, net of $4.5 million swap fair value income received during the financial year.

Refer to Notes 3, 6 and 19 for further information on derivative financial instruments.

6. Operating expenses

6.1 Interest expense

	Note	2023 $'000	2022 $'000
Interest on borrowings	15	89,633	38,403
Lease liability interest	12	172	90
Interest expense		**89,805**	**38,493**

6.2 Operating expenses

Operating expenses include employee expenses of $19 million in 2023 ($15 million, 30 June 2022). These are attributed across the sales and marketing expense, product design and development expense, and general and administrative expense categories.

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7. Taxation

7.1 Income tax expense / (benefit)

The components of tax expense comprise:	2023 $'000	2022 $'000
Current tax	4,855	–
Deferred tax	(4,855)	2,582
Income tax expense / (benefit)	**–**	**2,582**

Numerical reconciliation between tax expense and pre-tax accounting profit:

	2023 $'000	2022 $'000
Profit / (loss) related to group before income tax	**12,286**	**(47,782)**
Profit / (loss) related to entities outside the consolidated tax group	(1,413)	(199)
Adjusted profit / (loss) related to group before income tax	**13,699**	**(47,583)**
Income tax using the domestic tax rate of 30.0% in 2023 (2022: 30.0%)	4,110	(14,275)
Effect of expenses that are not deductible	745	3,196
Effect of concessions (R&D and other allowances)	–	(531)
(Recognition of previously unrecognised deferred tax assets) / Deferred tax assets not recognised	(4,855)	14,192
Income tax expense / (benefit)	**–**	**2,582**

7.2 Current tax asset

	2023 $'000	2022 $'000
Opening current tax asset / (payable) balance as at 30 June 2022	**13**	**13**
Tax payments made/ (refunds received)	(13)	–
Closing current tax asset / (payable) balance 30 June 2023	**–**	**13**

7.3 Net deferred tax

30 June 2023	Net balance at 30 June 2022 $'000	Recognised in P&L	Net deferred tax at 30 June 2023 $'000
Cash and cash equivalents	**–**	–	**–**
Net customer receivables	**4,879**	403	**5,282**
Intangible asset	**(2,213)**	(1,317)	**(3,530)**
Right of use assets	**(751)**	(138)	**(889)**
Property, plant and equipment	**34**	88	**122**
Other receivables	**18**	7	**25**
Borrowings	**40**	75	**115**
Other payables	**69**	(9)	**60**
Lease liabilities	**218**	162	**380**
Employee related provisions	**206**	74	**280**
IPO costs	**692**	655	**1,347**
Tax losses	**–**	–	**–**
Net deferred tax asset / (liability)	**3,192**	–	**3,192**

A deferred tax asset has been utilised that reflects an estimate as to the tax recoverable on differences between the carrying amounts of assets in the Financial Statements and the corresponding tax bases used in the computation of taxable profit as at 30 June 2023.

The closing net tax asset balance in the Group's accounts has no movement from the opening balance of $3.2 million. The carrying amount of deferred tax assets has been reviewed as at 30 June 2023, and it is assessed that there is appropriate certainty to support the reported deferred tax asset, with overlays applied, after considering tax regulations, current economic environment, business plans and probable projected taxable profits. Further, the balance reflects consideration of the Group's gross customer receivables, the credit risk of those receivables, the contracted revenue associated with the receivables and the reduction achieved in the Group's funding and operating costs relative to the customer receivable growth. It also reflects a momentum in customer receivable originations that is reasonably expected to continue, supported by the core Personal Loan, Freestyle, and Autopay products. These factors provide convincing evidence that sufficient taxable profit will be available against which the recognised deferred tax asset to be utilised by the Group.

It is noted that the reported deferred tax asset excludes $42 million ($43 million, 30 June 2022) of unrecognised deferred tax asset arising from temporary differences (i.e., held off-balance sheet) as part of set overlays that reflect consideration for tax regulations, current economic environment, business plans, model risk and probable projected taxable profits. The Group has unrecognised deferred tax asset of $31 million ($23 million, 30 June 2022) relating to accumulated tax losses, capital losses and R&D offsets. $21 million of this balance relates to tax losses transferred to the Group upon entrance of SocietyOne to the MoneyMe Tax Consolidated Group.

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8. Earning per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Group by the weighted-average number of ordinary shares outstanding during the financial year, adjusted for ordinary shares issued during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider the after-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.

	Note	2023 $'000	2022 $'000
Profit / (loss) after income tax		12,286	(50,364)
		No.	**No.**
Weighted average number of ordinary shares used in calculating basic EPS	17	321,359,863	190,801,578
Adjustments for calculation of diluted EPS:			
Options		–	–
Rights		–	–
Weighted average number of ordinary shares used in calculating diluted EPS		321,359,863	190,801,578
		cents	**cents**
Basic profit / (loss) per share		**3.8**	**(26.4)**
Diluted profit / (loss) per share		**3.8**	**(26.4)**

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9. Reconciliation of operating profit / (loss) after income tax to net cash used in operating activities

	2023 $'000	2022 $'000
Operating profit / (loss) income tax	**12,286**	**(50,364)**
Adjustments for:		
Net interest income	4,366	(7,952)
Impairment expense	97,254	101,448
Share-based payment expense	2,128	2,455
Depreciation and amortisation expense	11,340	2,239
Commission expense	–	(1,169)
Non-cash fee income	4,480	360
Gain on derivatives	(1,928)	(6,417)
Gain on disposal of assets	21	4
Gain on disposal of swap	911	–
Net customer receivable inflows / (outflows)	86,368	(708,801)
Decrease / (Increase) in other receivables	2,259	(1,876)
Decrease / (Increase) in current tax	13	–
Decrease / (Increase) in deferred tax asset	–	2,582
Interest accrued as part of borrowings	172	90
Increase / (Decrease) in other payables	(9,585)	6,737
Increase / (Decrease) in employee related provisions	(1,699)	1,775
Net cash inflows / (outflows) from operating activities	**208,386**	**(658,889)**

10. Net customer receivables

All disclosures in Note 10 include effective interest rate related balances.

10.1 Balances summary

10.1.1 Overview

	2023 $'000	2022 $'000
Gross customer receivables	1,149,646	1,345,276
Customer receivable provisions	(75,993)	(81,488)
Net customer receivables	**1,073,653**	**1,263,788**
Provisions as % gross customer receivables	6.6%	6.1%

The provision as a percentage of gross customer receivables has increased to 6.6% as at 30 June 2023, from 6.1% as at 30 June 2022.

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10.1.2 Gross customer receivable movements

	2023 $'000	2022 $'000
Opening balance	**1,345,276**	**332,550**
Customer receivables originated during the year	541,686	1,133,433
Acquired receivables[1]	–	341,798
Payments received	(645,370)	(414,879)
Net customer receivables written off	(91,946)	(47,627)
Closing balance	**1,149,646**	**1,345,276**

[1] Represents the receivables originated by SocietyOne during FY22, prior to the date of the acquisition.

The Group's customer receivables has decreased over the latest financial year, driven by a reduction in originations and an increase in collections.

10.1.3 Customer receivable provision movements

	2023 $'000	2022 $'000
Opening balance	**81,488**	**26,271**
Additional provisioning	86,451	102,844
Recoveries on customer receivables previously provided for	8,146	3,420
Gross customer receivables written off	(100,092)	(51,047)
Closing balance	**75,993**	**81,488**

The reduction in the provision balance in FY23 reflects the reduction in the Group's gross customer receivables.

The additional provision reduction in FY23 reflects the decrease in loan originations and exposure, as well as a change in model methodology.

The increase in recoveries on customer receivables previously provided for is primarily driven by continued efforts to improve the Group's collection efforts year-on-year.

The increase in gross customer receivables written off reflects the increase in loan originations in FY21 and FY22.

10.2 Customer receivable balances by impairment stage

10.2.1 Drawn gross and provision customer receivable balances by impairment stage

The following table shows movements in gross carrying amounts of customer receivables subject to impairment requirements to net customer receivables for the prior and current period.

30 June 2023	**Stage 1 $'000**	**Stage 2 $'000**	**Stage 3 $'000**	**Total $'000**
Gross customer receivables	1,061,815	52,847	34,984	1,149,646
Provision	(25,389)	(21,404)	(29,200)	(75,993)
Net customer receivables	**1,036,426**	**31,443**	**5,784**	**1,073,653**
Stage % of gross customer receivables	92.4%	4.6%	3.0%	100.0%
Provisions as % gross customer receivables	2.4%	40.5%	83.6%	6.6%

30 June 2022	**Stage 1 $'000**	**Stage 2 $'000**	**Stage 3 $'000**	**Total $'000**
Gross customer receivables	1,279,506	36,128	29,642	1,345,276
Provision	(40,225)	(15,168)	(26,095)	(81,488)
Net customer receivables	**1,239,281**	**20,960**	**3,547**	**1,263,788**
Stage % of gross customer receivables	95.1%	2.7%	2.2%	100.0%
Provisions as % gross customer receivables	3.1%	42.0%	88.0%	6.1%

The year-on-year comparison between the stages reflects the heightened credit risk largely due to the impact of the broader macroeconomic environment (weak economic outlook and rising interest rates) in 2023 compared to 2022.

10.2.2 Customer receivable movements by impairment stage

The following table shows movements in gross carrying amounts of customer receivables subject to provisioning requirements for the prior and current period.

30 June 2023	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Opening balance	**1,279,506**	**36,128**	**29,642**	**1,345,276**
Originations	541,686	-	-	541,686
Repayments	(693,192)	(22,670)	70,492	(645,370)
Transferred from 12 months ECL, collectively assessed	(72,661)	46,889	25,772	-
Transer to/(from) lifetime ECL not credit impaired, collectively assessed	5,934	(7,752)	1,817	-
Transfer to/(from) lifetime ECL credit impaired, collectively assessed	542	252	(794)	-
Write-offs	-	-	(91,946)	(91,946)
Closing balance	**1,061,815**	**52,847**	**34,984**	**1,149,646**
Secured	479,187	13,751	9,199	502,137
Unsecured	582,628	39,096	25,785	647,510
Closing balance	**1,061,815**	**52,847**	**34,984**	**1,149,646**

30 June 2022	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Opening balance	**316,680**	**9,425**	**6,445**	**332,550**
Originations	1,133,433	-	-	1,133,433
Acquired receivables	331,610	8,644	1,544	341,798
Repayments and transfers between stages	(502,218)	18,058	69,279	(414,879)
Write-offs	-	-	(47,627)	(47,627)
Closing balance	**1,279,506**	**36,128**	**29,642**	**1,345,276**
Secured	494,366	10,281	5,081	509,728
Unsecured	785,140	25,847	24,561	835,548
Closing balance	**1,279,506**	**36,128**	**29,642**	**1,345,276**

The above table reflects $1.1 billion, 92% (2022: $1.3 billion, 95%) of FY23 closing gross customer receivables being in stage 1 provisioning.

The FY23 book comprises 44% of secured gross customer receivables (2022: 38%), while the unsecured portion of the book is 56% (2022: 62%). The secured book comprises the Autopay product and a portion of the fixed rate PL portfolio. The unsecured book comprises the rest of the MONEYME Group's suite of products.

10.2.3 Customer receivable provision movements by impairment stage

The following table shows movements in provisions for the prior and current period.

30 June 2023	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Opening balance	**40,225**	**15,168**	**26,095**	**81,488**
Originations	17,029	-	-	17,029
Transferred from 12 months ECL, collectively assessed	(6,727)	3,688	3,039	-
Transer to/(from) lifetime ECL not credit impaired, collectively assessed	236	(1,000)	764	-
Transfer to/(from) lifetime ECL credit impaired, collectively assessed	28	64	(92)	-
Risk parameter changes[1]	(25,403)	3,485	91,341	69,422
Write-offs	-	-	(91,946)	(91,946)
Closing balance	**25,389**	**21,404**	**29,200**	**75,993**

30 June 2022	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Opening balance	**16,213**	**4,025**	**6,033**	**26,271**
Originations	72,551	-	-	72,551
Transfers between stages	(56,297)	8,042	48,255	-
Risk parameter changes[1]	7,758	3,101	19,434	30,293
Write-offs	-	-	(47,627)	(47,627)
Closing balance	**40,225**	**15,168**	**26,095**	**81,488**

[1] The risk parameter changes includes the impact of model risk overlays, modelled macroeconomic overlays, management overlays, and changes in modelled assumptions, such as those relating to LGD and PD.

The above table reflects a $5.5 million (7%) decrease in the Group's customer receivable provision from $81.5 million in 2022 to $76.0 million in 2023. The originations have reduced to $17.0 million year-on-year, reflecting the Group's moderated originations strategy for FY23. The table also reflects $25.3 million (33%) of the closing 2023 provision balance in stage 1 with $21.4 million (28%) in stage 2 and $29.2 million (38%) in stage 3. Write-offs materially relate to assets originated in the prior year.

99% of undrawn balances arise from stage 1, with a small portion coming from the potential for stage 2 borrowers to cure and subsequently redraw. Net undrawn customer receivables as at 30 June 2023 were $41.9 million (2022: $102.6 million). This comprised gross undrawn customer receivables of $44.1 million (2022: $115.4 million) less provision balance $2.2 million (2022: $12.8 million).

Refer to Notes 3.1.8 and 4.3 for further information.

11. Intangible assets including goodwill

11.1 Intangible assets (excluding goodwill)

30 June 2023	Other software	Acquired software	Brand names	Broker relationships	Advertising contract	Total
Opening balance	**5,665**	**18,757**	**5,613**	**5,018**	**1,000**	**36,053**
Additions - in the ordinary course of business	6,230	–	–	–	–	6,230
Additions - on acquisition of subsidiary	–	–	–	–	–	–
Amortisation expense for the period	(1,866)	(5,468)	(727)	(455)	(1,000)	(9,516)
Impairment expense for the period	(10)	–	–	–	–	(10)
Closing balance	**10,019**	**13,289**	**4,886**	**4,563**	**–**	**32,757**
Intagible assets at cost	14,943	18,757	5,613	5,018	1,000	45,331
Accumulated amortisation	(4,924)	(5,468)	(727)	(455)	(1,000)	(12,574)
Total intangible assets	**10,019**	**13,289**	**4,886**	**4,563**	**–**	**32,757**

30 June 2022	Other software	Acquired software	Brand names	Broker relationships	Advertising contract	Total
Opening balance	**3,265**	**–**	**–**	**–**	**–**	**3,265**
Additions - in the ordinary course of business	3,506	–	–	–	–	3,506
Additions - on acquisition of subsidiary	–	18,757	5,613	5,018	1,000	30,388
Amortisation expense for the period	(1,106)	–	–	–	–	(1,106)
Impairment expense for the period	–	–	–	–	–	–
Closing balance	**5,665**	**18,757**	**5,613**	**5,018**	**1,000**	**36,053**
Intagible assets at cost	8,144	18,757	5,613	5,018	1,000	38,532
Accumulated amortisation	(2,479)	–	–	–	–	(2,479)
Total intangible assets	**5,665**	**18,757**	**5,613**	**5,018**	**1,000**	**36,053**

The Group's intangible asset balance primarily relates to intangible assets that were recognised upon acquisition of SocietyOne Holdings Pty Limited in FY22. Under the acquisition method outlined in AASB 3 *Business Combinations*, the Group is required to separately recognise intangible assets at the Valuation Date only if it meets the definition of an intangible asset as set out in AASB 138 *Intangible Assets* and its fair value can be measured reliably.

The Group engaged independent technical advisers to assist with the identification of identifiable intangible assets upon the acquisition of SocietyOne Holdings Pty Limited in line with the relevant accounting standards. Intangible assets of $30.4 million were identified and recognised on the date of acquisition with useful life of 5 years.

Subsequent to initial recognition, the Group has reviewed the expected useful lives for each of the proprietary software programs acquired. Remaining expected useful life of software related to the Group's Banking-as-a-service platform has been revised to 30 September 2023 in line with planned discontinuation of the platform. Useful lives of other platforms acquired that support the management of the SocietyOne back book have been revised to 30 June 2024 in line with management plans to finalise the migration of the SocietyOne back book onto MONEYME's Horizon Technology Platform (HTP).

Other software intangible assets held at 30 June 2023 with closing balance $10.0 million ($5.7 million, 30 June 2022) comprises of internally generated intangible assets relating to the Group's Horizon Technology Platform (Horizon) as well as external costs incurred in developing the Group's intangible assets. Horizon supports the Group's customer receivable processes, from origination, underwriting and settlement to servicing, securitisation funding and collection management. Capitalised spend reflects both the addition of new product capability to the system, and further system capability enhancements, such as Artificial Intelligence capability developments. The Horizon asset is being amortised on a straight-line basis over 5 year.

The Group recognised expenses of $8.5 million, relating to research and development during the year. These expenses did not meet the criteria to be capitalised.

Refer to Note 3.4 for further information as to nature, recognition, and subsequent measurement of intangible assets.

11.2 Goodwill

	2023 $'000	2022 $'000
Opening balance	**63,510**	**–**
Movement in the year	–	63,510
Closing balance	**63,510**	**63,510**

The Group recognised goodwill of $63.5 million upon acquisition of SocietyOne Holdings Pty Limited in FY22. There has been no impairment of goodwill in FY23.

11.3 Impairment of intangible assets

Impairment testing approach

The Group performed an impairment test as at 30 June 2023. Management has considered the Group's reporting and operating segments and determined that the Group is one cash-generating unit (CGU) for the purposes of allocating goodwill balance of $63.5 million. The CGU judgement reflects the lowest level at which the Group is able to independently generate cash flows.

The impairment test compared the Group's recoverable amount against its carrying value as at this date. The recoverable amount of the Group as a CGU is determined based on a value in use (VIU) calculation. The VIU is based on a forecast budget prepared by management and approved by the directors for a four-year period. The cash flows beyond the four-year forecast period are extrapolated using the terminal growth rates stated below.

Key judgements and assumptions

The following table sets out the key assumptions used by the management to determine the VIU.

Key assumptions	30 June 2023 VIU Model %
4-year Loan Growth CAGR	22%
4-year ECL Provision Rate	4.9%
Terminal Growth Rate	2.3%
Post-Tax Discount Rate	13.5%

Management has determined the values assigned to each of the above key base case assumptions as follows:

- Loan Compounded Annual Growth Rate (CAGR): Average annual growth rate over the four-year forecast period; based on past performance, management's expectations of market development and considering the impact of current macro-economic environment, rising interest rates and economic outlook.
- Expected Credit Loss (ECL) Provision Rate: Reflects the simple average of the closing ECL provision rate over the 4-year forecast period. The rate is calculated as the closing provision divided by the closing gross customer receivables.
- Post-Tax Discount Rate: Reflects specific risks relating to the Group and the fintech sector in Australia.
- Terminal Growth Rate: This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.

Whilst the table above has been completed using managements best estimates of key assumptions and reasonably possible changes in key value drivers, changes in the level of business activity may also materially impact the determination of recoverable amount. Should the regulatory and macroeconomic environment factors that are specific to the Australian domestic market change, this could impact the level of activity in the market, as well as competition, and thereby affect the Group's revenue and cost initiatives. If conditions change unfavourably, changes in the recoverable amount estimate may arise.

Impact of possible changes to key assumptions

The table below has been completed to comply with the requirements of accounting standards. Any variation in the key assumptions in the table below used to determine the recoverable amount would result in a change to the estimated recoverable amount. If variations in assumptions had a negative impact on recoverable amount it could indicate a requirement for some impairment of intangible assets. In reference to the table below, an impairment would arise if the 4-year Loan Growth CAGR is lower than 8%. An impairment would also arise, in reference to the table, if the 4-year Loan CAGR is 8% and the key assumptions changed, independently of each other, to the values noted below:

Key assumptions	Change
4-year ECL Provision Rate	>5.2%
Terminal Growth Rate	<2.1%
Post-Tax Discount Rate	>13.5%

Each of the sensitivities above assumes that the specific assumption moves in isolation, while all other assumptions are held constant. In reality, a change in one of the aforementioned assumptions may accompany a change in another assumption. Action is usually taken to respond to adverse changes in economic assumptions that may mitigate the impact of any such change.

The assumptions in this note should not be used as reference for projected financial results guidance of the Group.

12. Leases

The Group's lease commitments during the financial year relate to office premises leases at 131 Macquarie Street, Sydney NSW 2000, 352 Hunter Street, Newcastle NSW 2300 and 317 Hunter Street, Newcastle NSW 2300. In September 2022, the lease for office premises at 317 Hunter Street, Newcastle NSW 2300 was surrendered.

The Group also has a commitment related to a short-term property lease in Potts Point, which it accounts for according to AASB 16 *Leases* paragraph 6, with lease payments being expensed when incurred. Expense incurred in relation to this lease to 30 June 2023 was $61,100 ($52,800, 30 June 2022).

All the above leases have been recognised in accordance with AASB 16 *Leases* as follows

12.1 Right of use assets

	2023 $'000	2022 $'000
Opening balance	**2,500**	**1,381**
Additions - in the ordinary course of business	–	2,030
Additions - on acquisition of subsidiary	–	79
Lease term modification adjustment [1,2]	1,399	(303)
Depreciation expense for the period	(938)	(687)
Closing balance	**2,961**	**2,500**

[1] 2023 – reflects adjustments for the extension of the Sydney lease for a further two years.
[2] 2022 – reflects adjustments based on management expectations that renewal of the lease for 317 Hunter Street Newcastle would not be exercised, as well as early termination of office premises and equipment leases acquired upon acquisition of SocietyOne Holdings Pty Limited. The renewal option for 317 Hunter Street was not exercised.

12.2 Lease liabilities

	2023 $'000	2022 $'000
Opening balance	**2,662**	**1,557**
Additions - in the ordinary course of business	–	2,030
Additions - on acquisition of subsidiary	–	103
Interest accrual in the period	172	90
Payments in the period	(1,116)	(812)
Lease term modification adjustment [1 2]	1,399	(306)
Closing balance	**3,117**	**2,662**
Net lease related asset / (liability)	**(156)**	**(162)**

[1] 2023 – reflects adjustments for the extension of the Sydney lease for a further two years.
[2] 2022 – reflects adjustments based on management expectations that renewal of the lease for 317 Hunter Street Newcastle would not be exercised, as well as early termination of office premises and equipment leases acquired upon acquisition of SocietyOne Holdings Pty Limited. The renewal option for 317 Hunter Street was not exercised.

13. Property, plant and equipment

	2023 $'000	2022 $'000
Opening balance	**1,380**	**1,456**
Additions - in the ordinary course of business	2,610	349
Additions - on acquisition of subsidiary	–	23
Disposals	(22)	(2)
Movements in accumulated depreciation	(886)	(446)
Closing balance	**3,082**	**1,380**

	2023 $'000	2022 $'000
Property, plant and equipment at cost	5,102	3,194
Accumulated depreciation	(2,020)	(1,814)
Total property, plant and equipment	**3,082**	**1,380**

Property, plant and equipment includes office fit out costs with written down value of $2.8 million as at 30 June 2023 ($1.1 million, 30 June 2022).

Property, plant, and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable post-acquisition. The Group's policy is to provide for any "make-good" property lease-related requirements.

The depreciable amount of all fixed assets is depreciated on straight-line basis over their estimated useful lives to the entity, commencing from the time the asset is classified as ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The estimated useful life, residual values and depreciation method are reviewed at the end of each annual reporting period.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The estimated useful lives used in calculation of depreciation ranges from 1 to 8 years in relation to the underlying asset being depreciated.

14. Other receivables and payables

14.1 Other receivables

	2023 $'000	2022 $'000
Marketing prepayments[1]	4,048	4,568
Other prepayments	820	1,645
Delinquent assets recoverable[2]	7,913	1,400
Rental bond[3]	–	739
Other	1,641	1,845
Total other receivables	**14,422**	**10,197**

[1] Relates to marketing placements predominately in the form of advertisements with a third-party provider that must be fully utilised by 31 December 2024. Any unused media placements will lapse after this date.
[2] During the year ended 30 June 2023, the Group established more formal arrangements in relation to its debt sale program. As a result of these arrangements, a proportion of loans written off that are expected to be recovered have been recognised as a receivable asset.
[3] The amount of the rental bond is held on deposit as a bank guarantee. Rental bond was reclassified as restricted cash in the 2023 financial year.

The other receivables balance is considered to have low credit risk following an assessment of the relevant counterparties.

14.2 Other payables

	2023 $'000	2022 $'000
Sales and marketing	442	4,628
Tax, audit and consulting related services	498	7,488
Legal and related consulting services	2,592	279
General office expenses	1,533	1,224
Unidentified customer receipts	221	–
Other	913	1,842
Total other payables	**6,199**	**15,461**

15. Borrowings

	2023 $'000	2022 $'000
Opening balance	**1,358,271**	**299,728**
Drawdowns – in the ordinary course of business	299,752	1,121,466
Borrowings – via acquisition	–	352,142
Repayments	(551,633)	(410,376)
Other	9,031	(4,689)
Closing balance	**1,115,421**	**1,358,271**

The Group sells customer receivables to special purpose vehicle securitisation warehouses through its asset-backed securitisation program. The Group owns all units of the special purpose vehicle trusts, entitling it to 100% of the net income distribution. If a trust warehouse facility is not renewed or should there be a default under the existing terms and conditions, the warehouse facility funder will not have a right of recourse against the remainder of the Group.

Transaction costs incurred that are attributable to the issue of borrowings or significant modification of existing borrowing terms are capitalised and amortised across the respective borrowing term on a straight-line basis. During the 2023 financial year, $5 million of transaction costs were capitalised ($11 million in the 2022 financial year).

The table below reconciles the gross carrying amounts of securitised customer receivables and customer receivables held on trust.

	2023 $'000	2022 $'000
MME Horizon 2020 Warehouse Trust	298,353	322,666
MME Autopay 2021 Trust	320,528	308,247
SocietyOne Funding Trust No. 2	113,822	157,448
SocietyOne Funding Trust No. 1	–	120,351
MME Horizon Warehouse Trust	85,579	85,761
MME PL Trust 2022-1	98,506	200,933
SocietyOne PL 2021-1 Trust	58,676	112,799
SocietyOne PL 2023-1 Trust	134,545	–
SocietyOne Personal Loans Trust	26,641	21,454
MoneyMe Financial Group Pty Limited	12,996	15,617
Gross customer receivables	**1,149,646**	**1,345,276**

The figures above reflect an allocation of effective yield between loan funding sources for the current and prior year.

Refer to Note 19 for further information including the drawn balance, funding limits and undrawn balances of borrowing facilities, as well as information on borrowings maturity.

16. Employee related provisions and Key Management Personnel (KMP) remuneration

16.1 Employee related provisions

	2023 $'000	2022 $'000
Opening balance	**4,124**	**1,542**
Additional provisions	6,632	5,290
Provision reductions	(8,331)	(2,708)
Closing balance	**2,425**	**4,124**

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include annual leave and long service leave.

16.2 KMP remuneration

	2023 $'000	2022 $'000
Fixed annual remuneration[1]	1,407	1,217
Post-employment benefits	108	92
Share-based payments	469	604
Short-term incentives	488	600
Total KMP remuneration	**2,472**	**2,513**

[1] Fixed annual remuneration for FY22 has been updated to include accrued leave entitlements. This adjustment has resulted in a $42,045 increase in the 2022 comparatives respectively.

KMPs are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group. Refer to the *Remuneration Report* for further information.

17. Share capital

	Date	Shares (No.)	Issue price ($)	$'000
Ordinary and treasury shares	**30 June 2022**	**237,847,226**		**143,055**
Issuance of ordinary shares[1]	**15 December 2022**	3,000,000	0.25	
Balance		**240,847,226**		**143,055**
Issuance of shares - Tranche 1[2]	**6 September 2022**	35,677,083	0.50	17,839
Issuance of shares - Tranche 2[2]	**19 October 2022**	4,322,917	0.50	2,161
Issuance of shares to Directors	**19 October 2022**	2,400,000	0.50	1,200
Transaction costs		–	–	(620)
Issuance of shares - Capital raise	**22 May 2023**	462,500,000	0.08	37,000
Issuance of shares - share purchase plan	**15 June 2023**	54,331,250	0.08	4,347
Transaction costs		–	–	(1,554)
Ordinary and treasury shares		**800,078,476**		**203,428**
Elimination of inter-group transactions[2]		(5,000,000)	–	–
Ordinary shares	**30 June 2023**	**795,078,476**		**203,428**

[1] Issuance of treasury shares to the MoneyMe Share Plan Trust. The value of treasury shares issued is eliminated on consolidation.
[2] Elimination of inter-group transaction between MoneyMe Limited and the MoneyMe Share Plan Trust. The elimination amount of 5,000,000 shares includes treasury shares issued in prior periods.

MONEYME completed a $20.6 million (net of transaction costs) institutional placement in September/October 2022 at a fixed price of $0.50 per share. 40,000,000 ordinary shares were issued as part of this placement.

MONEYME completed an additional capital raise of $35.4 million (net of transaction costs) in May 2023 and a share purchase plan of $4 million (in June 2023) at a fixed price of $0.08 per share. The capital raise placement was utilised for the repayment of borrowings and equity subordination requirements in MONEYME's warehouse facilities to support originations.

18. Reserves

18.1 Reserves summary

The Group operates an ownership-based scheme for eligible employees and Directors to assist with motivation, retention, and reward. Under this scheme employees or Directors may be granted equity-settled performance rights or options over shares in exchange for rendering services.

	Note	2023 $'000	2022 $'000
Share options	18.2	293	247
Performance rights	18.3	4,236	1,827
Opening balance		**4,529**	**2,074**
Share option expense	18.2	–	46
Performance right expense	18.3	2,128	2,409
Share-based payment expense		**2,128**	**2,455**
Share options	18.2	293	293
Performance rights	18.3	6,364	4,236
Closing balance		**6,657**	**4,529**

18.2 Share options

	Current period expense ($'000)	Weighted average exercise price ($)	Fair value per option ($)	Grant date	Vesting date	Fair value model volatility[1]	Fair value model risk-free interest rate[2]	Fair value model dividend yield
S2 2020	–	0.82	0.23	12/2018	12/2021	37.98%	2.53%	0.00%

[1] The fair value model volatility rate reflects a management estimate made in reference to the share prices for similar listed entities.
[2] The fair value model risk-free rate reflects a management estimate made in reference to government bond interest rates.

2023	Opening balance	Granted	Lapsed/ Cancelled	Exercised	Closing balance	Exercisable at the end of the period
No.						
S1 2020	**867,490**	–	(867,490)	–	**–**	–
S2 2020	**818,686**	–	–	–	**818,686**	818,686
Total	**1,686,176**	–	(867,490)	–	**818,686**	818,686

2022	Opening balance	Granted	Lapsed/ Cancelled	Exercised	Closing balance	Exercisable at the end of the period
No.						
S1 2020	**914,795**	–	–	(47,305)	**867,490**	867,490
S2 2020	**818,686**	–	–	–	**818,686**	818,686
Total	**1,733,481**	–	–	(47,305)	**1,686,176**	1,686,176

The cost of these equity-settled transactions is measured at fair value on grant date of the shares to be issued using the Black-Scholes pricing model. 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 actual number of awards still on foot with the potential 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.

The Group cancelled employee share options issued in December 2017 and December 2018 on listing and replaced them with new options that reflect the same terms of the cancelled options. The incremental fair value between the old and replacement options for both tranches is $nil. The Group accounts for the granting of replacement equity instruments in accordance with AASB 2 *Share Based Payments* that results in the replacement options being measured at the legacy grant dates and fair value of the options they are replacing. The number and exercise price of the replacement options reflects the changes in share equity and the number of shares as a result of MONEYME's listing as a public company

18.3 Performance rights

	Current period expense ($'000)	Fair value per right ($)	Grant date (contractual)	Projected tranche 1 vesting date (contractual)	Projected tranche 2 vesting date (contractual)
S2 2020 EPR	70,554	1.25	12/2019	08/2021	08/2022
S3 2020 EPR	–	1.25	12/2019	11/2020	11/2021
S1 2021 EPR	765,564	1.46	12/2020	08/2021	08/2022
S1 2022 EPR	1,174,377	1.87	12/2021	08/2023	08/2024
S1 2023 EPR	117,207	0.35	01/2023	08/2025	08/2026
S2 2023 EPR	–	0.35	01/2023	01/2023	–

2023	**Opening balance**	Granted	Lapsed/ Canceled	Vested/ Exercised	**Closing balance**	Exercisable at the end of the period
No.						
S2 2020 EPR	**887,000**	–	(169,000)	–	**718,000**	718,000
S3 2020 EPR	**300,000**	–	–	–	**300,000**	300,000
S1 2021 EPR	**2,037,500**	–	(472,500)	–	**1,565,000**	782,500
S1 2022 EPR	**2,259,532**	–	(507,500)	–	**1,752,032**	–
S1 2023 EPR	**–**	3,056,551	(290,260)	(85,000)	**2,681,291**	–
S2 2023 EPR	**–**	450,626	–	–	**450,626**	450,626
	5,484,032	3,507,177	(1,439,260)	(85,000)	**7,466,949**	2,251,126

2022	**Opening balance**	Granted	Lapsed/ Canceled	Vested/ Exercised	**Closing balance**	Exercisable at the end of the period
No.						
S2 2020 EPR	**1,018,000**	–	(131,000)	–	**887,000**	407,000
S3 2020 EPR	**300,000**	–	–	–	**300,000**	300,000
S1 2021 EPR	**2,200,000**	–	(162,500)	–	**2,037,500**	–
S2 2021 EPR	**17,857**	–	–	(17,857)	**–**	–
S1 2022 EPR	**–**	2,379,532	(120,000)	–	**2,259,532**	–
	3,535,857	2,379,532	(413,500)	(17,857)	**5,484,032**	707,000

The Group issued employee performance rights (EPRs) in 2023 and 2022. EPRs have $nil consideration, $nil exercise price and are equity settled. EPRs issued are subject to business and individual performance conditions for a determined performance period. Performance conditions for the 2024 issuances include the Group achieving its revenue targets, Environmental, Social and Governance (ESG) targets and Total Shareholder Return (TSR) targets, and their individual targets. EPRs also have a vesting condition for the holder to be contracted to provide services to the Group at the time of vesting.

19. Financial risk management

19.1 Overview

The Group's activities expose it to a variety of financial risks: market risk (such as interest rate risk), credit risk and liquidity risk. The Group uses different methods to measure and manage the different types of risks to which it is exposed. These methods include sensitivity analysis in the case of interest rate, ageing analysis to manage credit risk and cash flow forecasting to monitor and manage liquidity risk.

Risk management is carried out by senior management, identifying and evaluating financial risks within the Group and reporting to the board on a regular basis. The Group 's risks and exposures are as below.

19.2 Credit risk

MONEYME's Chief Credit Risk Officer has primary responsibility for Credit Risk Management with oversight by the Credit Committee which meets quarterly and more frequently if or as required.

The Group's exposure to credit risk arises through potential risk a counterparty will default on its contractual obligations, with the maximum exposure of the risk equal to the carrying amount of these receivables at the end of the reporting period being $1.1 billion ($1.3 billion, 30 June 2022).

The Group utilises its proprietary risk decisioning to mitigate against credit risk, leveraging multiple data points including credit agency information and bank statement data, to confirm suitability and appropriate credit limits prior to the issuance of credit to individual borrowers.

Gross customer receivables do not have collateral held as security except for the ListReady, Autopay and SocietyOne secured personal loan products. The Group has the right to place a caveat over the property related to the ListReady offering. Collateral security is typically taken over a motor vehicle for Autopay related advances. A loss provision is calculated in relation to all products, regardless of whether or not they have collateral held as security.

The business has continued to originate customer receivables with credit decision rules executed through its Horizon Technology Platform and decision settings calibrated for the current and expected changes to the environment. Regular and enhanced reporting and analysis of customer receivable performance and new originations has continued to be completed to inform and guide timely and appropriate decision-making.

The Group continues to monitor credit performance of the book against external indicators such as inflation rates and unemployment rate along-side book specific credit performance measures for any changes to credit appetite settings.

The Group is aware that some borrowers had previously benefited from government stimulus-related measures as a result of COVID-19, such as JobKeeper or early access to superannuation funds. It is also likely that some borrowers may have benefited from hardship arrangements put in place by other financial institutions. The Group has not identified any impact resulting from such measures being discontinued.

The Group also manages the credit risk profile of its book through a focus on loan portfolio diversification. This is assessed on an ongoing basis in relation to key criteria that include customer residency and loan purpose, among other factors. As at 30 June 2023, gross customer receivables reflected:

- 30% in NSW, 27% VIC, 24% QLD and 9% WA.
- 10% in Construction, Building & Architecture, 9% in Logistics, Transport & Supply, 8% in Hospitality, Travel and Tourism, 7% in Manufacturing, Trades and Services and 8% in Medical & Healthcare.
- 12% to borrowers aged from 18 to 25, 36% to borrowers aged 26 to 35 and 52% to borrowers over 36.
- 68% to borrowers in full-time employment, 7% to borrowers in part-time employment, 6% to self-employed, 7% to casual employment borrowers and 13% to other borrowers.
- An average Equifax score of 727 as at 30 June 2023 (704 as at 30 June 2022).

The Group monitors the portfolio to support avoiding disproportionate exposures to any single debtor or its monitored groups of debtors.

Once a customer receivable has been advanced, the Group regularly reviews customer collections and balances in arrears in line with the approach used for provision staging. Customer receivables that are deemed uncollectable are written off by the Group.

The Group regularly reviews the adequacy of the provisioning to ensure that it is sufficient for financial reporting purposes. The provision is determined through management's best estimates of losses based on historical experience and their experienced judgement. The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount disclosed in the consolidated statement of financial position and Notes to the consolidated financial statements.

Refer to Note 10 for further information.

19.3 Market risk

MONEYME's Treasurer has primary responsibility for Market Risk Management with oversight by the Asset and Liability Committee.

Market risk is the risk that changes in market prices will affect the Group's income or the value of holdings in its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The Group's exposure to market risk arises through interest rate changes and foreign currency exposure.

Of the Group's total gross customer receivables, 73% (71% FY22) are variable rate loans. In the event of a movement in interest rates, the Group reviews its pricing as appropriate. The Group have been passing on the increase in interest rates to customers to the extent required in the current interest rate environment. The Group will continue to do this in the coming financial year, as it appropriately manages its market risk.

The Group is exposed to interest rate risk because entities in the Group borrow funds at floating interest rates and lend funds at fixed interest rates. The Group earns fixed interest from $313 million of its customer receivables as at 30 June 2023. The risk is managed by the Group using interest rate swap contracts. As at 30 June 2023, 73% of the fixed rate loan book is covered by interest rate swaps (94%, 30 June 2022). Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite; ensuring the most cost-effective hedging strategies are applied. The Group is exposed to AUD BBSW. The exposures arise on derivatives and non-derivative financial assets and liabilities (e.g. debt).

The sensitivity below shows the effect of a 1% movement in interest rates on the interest rate swaps. This represents the fair value mark to market (MTM) movements of the swap. This is a non-cash impact which will reduce to zero over the life of the swap.

The second sensitivity shows the net impact of a 1% movement in interest rates on the unhedged fixed rate loan book.

No sensitivity is presented on the variable rate loan book because the market risk is effectively managed by passing increases in interest rates to the customer.

Interest rate sensitivity analysis

	2023	**2022**
	$'000	**$'000**
Net P&L impact of interest rate swaps[1]		
1% increase in interest rates	3,401	6,142
1% decrease in interest rates	(3,401)	(6,142)

[1] This represents the fair value mark to market (MTM) movements of the swap. This is a non-cash impact which will reduce to zero over the life of the swap.

	2023	**2022**
	$'000	**$'000**
Net P&L impact on unhedged fixed rate loan book		
1% increase in interest rates	(543)	(310)
1% decrease in interest rates	543	310

The Group's exposure to foreign exchange risk is minimal and is deemed not to be material in the current and prior financial year.

19.4 Liquidity risk

MONEYME's Treasurer has primary responsibility for Liquidity Risk Management with oversight by the Asset and Liability Committee.

The Group's exposure to liquidity risk arises through the potential imbalance of cash outflows exceeding inflows. Trade payables and other financial liabilities mainly originate from the financing of customer receivables, other fixed assets, and investments in working capital.

Liquidity risk is managed through the monitoring of cash flow forecasts to actuals to ensure that liability obligations are met when they fall due. The Group's balance sheet shows an excess of assets over liabilities as at 30 June 2023 of $166 million ($91 million, 30 June 2022), with the Group having access to $446 million ($384 million, 30 June 2022) in committed undrawn debt facilities to fund continued growth of the loan portfolio. The Group's current assets, available financing facilities, and ongoing positive net cash flows continue to be sufficient to satisfy all payment obligations within the timeframes required. Management have undertaken an analysis to look at the earliest terms of which contractual obligations may be paid and assessed the cash flows required.

The following tables show all contractually fixed payments and receivables for settlement, repayments and interest resulting from recognised financial assets and liabilities.

2023	Less than 1 year $'000	1 to 5 years $'000	Greater than 5 years $'000	Total amounts $'000
Cash and cash equivalents	91,509	205	–	91,714
Other receivables	14,422	–	–	14,422
Net customer receivables	26,425	778,070	269,158	1,073,653
Derivative financial instruments	–	7,934	–	7,934
Total financial assets	**132,356**	**786,209**	**269,158**	**1,187,723**
Other payables	6,199	–	–	6,199
Borrowings	–	887,684	227,737	1,115,421
Lease liabilities	1,030	2,087	–	3,117
Total financial liabilities	**7,229**	**889,771**	**227,737**	**1,124,737**
Net maturity	**125,127**	**(103,562)**	**41,421**	**62,986**

2022	Less than 1 year $'000	1 to 5 years $'000	Greater than 5 years $'000	Total amounts $'000
Cash and cash equivalents	80,675	–	–	80,675
Other receivables	10,193	4	–	10,197
Net customer receivables	22,049	948,838	292,901	1,263,788
Derivative financial instruments	–	10,486	–	10,486
Total financial assets	**112,917**	**959,328**	**292,901**	**1,365,146**
Other payables	15,461	–	–	15,461
Borrowings	–	915,988	442,283	1,358,271
Lease liabilities	1,038	1,624	–	2,662
Total financial liabilities	**16,499**	**917,612**	**442,283**	**1,376,394**
Net maturity	**96,418**	**41,716**	**(149,382)**	**(11,248)**

The Group's principal source of funding is revolving warehouse facilities and asset-backed securities issued in Australia. The table below reconciles the borrowings associated with the warehouse trusts and Syndicated Facility Agreement including the drawn balance, funding limits and undrawn balances. The difference between the drawn balance and total borrowings disclosed on the balance sheet reflects capitalised borrowing costs.

	2023 $'000	2022 $'000
MME Horizon 2020 Warehouse Trust[1]	273,464	306,550
MME Autopay 2021 Trust[1]	298,703	299,791
SocietyOne Funding Trust No. 2[2]	104,602	156,900
SocietyOne Funding Trust No. 1[2]	–	121,710
MME Horizon Warehouse Trust[1]	80,750	80,750
MME PL Trust 2022-1[1]	89,990	190,000
SocietyOne PL 2021-1 Trust[2]	55,304	113,070
SocietyOne PL 2023-1 Trust[1]	145,050	–
Corporate Debt Facility	50,261	75,000
Drawn balances	**1,098,124**	**1,343,771**
MME Horizon 2020 Warehouse Trust[1]	230,236	197,150
MME Autopay 2021 Trust[1]	130,697	129,609
SocietyOne Funding Trust No. 2[2]	85,398	33,100
SocietyOne Funding Trust No. 1[2]	–	23,790
MME Horizon Warehouse Trust[1]	–	–
MME PL Trust 2022-1[1]	–	–
SocietyOne PL 2021-1 Trust[2]	–	–
SocietyOne PL 2023-1 Trust[1]	–	–
Corporate Debt Facility	–	–
Undrawn balances	**446,331**	**383,649**
MME Horizon 2020 Warehouse Trust[1]	503,700	503,700
MME Autopay 2021 Trust[1]	429,400	429,400
SocietyOne Funding Trust No. 2[2]	190,000	190,000
SocietyOne Funding Trust No. 1[2]	–	145,500
MME Horizon Warehouse Trust[1]	80,750	80,750
MME PL Trust 2022-1[1]	89,990	190,000
SocietyOne PL 2021-1 Trust[2]	55,304	113,070
SocietyOne PL 2023-1 Trust[1]	145,050	–
Corporate Debt Facility	50,261	75,000
Funding limits	**1,544,455**	**1,727,420**

[1] Excludes note investments by MoneyMe Finance Pty Limited.

[2] Excludes note investments by SocietyOne Australia Pty Limited.

Actual securitisation liability repayments occur when the trust reaches contractual amortisation periods based on assumed repayment patterns in underlying receivables. The securitisation facilities provide for additional funding as shown in the table above. Significant changes in funding during the year include:

- SocietyOne PL 2023-1 – $150 million term securitisation issued in Australia of personal loan receivables originated by SocietyOne from the SocietyOne Funding Trust No. 1 and SocietyOne Funding Trust No. 2 warehouse trusts.
- SocietyOne Funding Trust No. 1 – closure of the warehouse and consolidation of non-term out receivables into the SocietyOne Funding Trust No. 2 warehouse trust.

The Group also revised the Syndicated Facility Agreement (SFA), completed two equity placement capital raises of $20.6 million and $35.4 million (net of transaction costs), as well as a $4 million share purchase plan during the year. The placement in 2H23 supported a $32 million pay-down of the SFA to $50 million. The SFA has a maturity date in November 2025.

19.5 Fair value of financial instruments

Fair value is 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the consolidated entity. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, if market participants act in their economic best interest.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level in the fair value measurement hierarchy as follows:

Level 1 – the instrument has quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – a valuation technique is used using inputs other than quoted prices within level 1 that are observable for the financial instrument, either directly (i.e., as prices), or indirectly (i.e., derived from prices).

Level 3 – a valuation technique is used using inputs that are not observable based on observable market data (unobservable inputs).

The following table summarises the attribution of financial instruments measured at fair value to the fair value hierarchy:

	2023				2022			
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial assets measured at fair value								
Derivative financial instruments	–	7,934	–	7,934	–	10,486	–	10,486
Total financial assets measured at fair value	**–**	**7,934**	**–**	**7,934**	**–**	**10,486**	**–**	**10,486**
Financial liabilities measured at fair value								
Derivative financial instruments	–	–	–	**–**	–	–	–	–
Total financial assets measured at fair value	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

The Group has $1.2 billion assets measured at amortised cost and $1.1 billion liabilities measured at amortised cost at 30 June 2023.

Except for the fixed rate loans, management consider that the carrying amounts of financial assets and liabilities measured at amortised cost in the consolidated financial statements approximate their fair value. Refer to Notes 3.1.8.1, 3.1.8.2 and 3.1.8.3 respectively for further detail as to the measurement of these financial instruments.

The following table presents the fair value of financial assets that are not measured at fair value (but fair value disclosures are required):

	Note	Carrying value	Fair value
		$'000	$'000
Fixed rate loans	10	313,324	329,135
Total financial assets requiring disclosure		**313,324**	**329,135**

20. Related party transactions

20.1 Newcastle and Sydney office fit-out

A related party was engaged to complete office fit outs in Sydney and Newcastle in the 2022 and 2023 financial years. The transactions were made in accordance with normal terms and conditions of the market with pricing assessed to be on an arm's length basis. Total contracted spend was $0.3 million and $2.4 million for the 2022 and 2023 financial years respectively. The transactions are deemed to be related party transactions due to a common Key Management Personnel (KMP) relationship. There are no amounts due or payable in relation to these transactions.

20.2 Australian Financial Services Licence (AFSL) responsible manager services

A related party was engaged to provide AFSL responsible manager services to SocietyOne Investment Management Pty Ltd in the 2023 financial year. The transactions were made in accordance with normal terms and conditions of the market with pricing assessed to be on an arm's length basis. Total spend was $0.01 million at 30 June 2023. The transactions are deemed to be a related party transactions due to a common KMP relationship. There are no amounts due or payable in relation to these transactions.

20.3 Other related parties

A related party has investments of $24.3 million in investment trust arrangements related to the Group as at 30 June 2023 and a shareholding in MoneyMe Limited of 1,987,981 shares. These investments have become related party arrangements for the Group as a direct result of the SocietyOne acquisition. These arrangements were made in accordance with normal terms and conditions of the market with pricing assessed to be on an arm's length basis. The transactions are deemed to be a related party transactions due to a common KMP relationship. There are no amounts due or payable in relation to these transactions.

20.4 Unconsolidated P2P Lending Trust

An entity controlled by the Group, SocietyOne Australia Pty Ltd, acts as trustee as well as servicer of the asset investments of the unconsolidated SocietyOne P2P Lending Trust. The Group earns service income from investment management agreements entered with the investors and/or trust. The transactions are deemed to be a related party transactions due to a common KMP relationship. In the 2023 financial year, the Group received income of $1.0 million from SocietyOne P2P Lending Trust. Further, there is a receivable amount owing from the Trust to the Group of $0.6 million as at 30 June 2023.

21. Parent entity information

The table below provides a summary view of the parent entity, MoneyMe Limited, for the 2023 and 2022 financial years.

	2023 $mil	2022 $mil
Consolidated Statement of Profit or Loss and Other Comprehensive Income		
Net profit / (loss)	(96)	–
Total comprehensive income	(96)	–
Consolidated Statement of Financial Position		
Current assets	–	24
Non-current assets	153	161
Total assets	153	185
Current liabilities	–	–
Non-current liabilities	3	5
Total liabilities	3	5
Net assets	**150**	**180**
Total equity	**150**	**180**

The accounting policies of the parent entity, are consistent with those of the Group, as disclosed in Note 2, noting that the consolidation related policies are not applicable to this Note.

22. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the Group and its network firm.

	2023 $'000	2022 $'000
- Group financial reporting	862	668
- Controlled entities financial reporting	66	66
Statutory assurance services required by legislation to be provided by the auditor	**928**	**734**
- APRA regulatory report assurance	27	27
- Audit/ review of AFSL License	20	10
- Sustainability Report assurance	–	30
Other assurance and agreed-upon procedures under other legislation or contractual arrangements	**47**	**67**
Financial and tax due diligence in relation to inorganic growth opportunity	**–**	**524**
Debt sale services	**50**	**264**
Operation process reviews	**110**	**–**
Tax compliance services	**230**	**298**
Total	**1,365**	**1,887**

23. Subsequent events

There has not been any additional matter or circumstances occurring subsequent to the end of the year that has significantly affected, or may significantly affect, the Group's financial position as at 30 June 2023.

4 Other Information

Additional information required pursuant to ASX Listing Rule 4.10 and not disclosed elsewhere in this report is set out below. The information is current as at 26 July 2023.

Stock exchange listing

The Company's shares are listed on the Australian Securities Exchange under the code MME.

Information relating to equity securities on issue

Number of holders and securities on issue by class

Class of equity securities	Total number on issue	Total number of holders
Fully paid ordinary shares	800,078,476	2,815
Unquoted options	818,686	13
Unquoted performance rights	7,454,949[1]	88

Note: all options and performance rights were issued or acquired under an employee incentive scheme.

[1] This figure differs to the amount quoted in Note 18.3 of the *Financial Report* as 12,000 performance rights were exercised on the 6th of July 2023.

Voting rights

As set out in rule 6.10 of the Company's Constitution, at a general meeting:

- on a show of hands, each holder of ordinary shares present at the meeting has one vote; and
- on a poll each holder of ordinary shares present has one vote for each fully paid share held.

No voting rights are attached to the options or performance rights.

Distribution schedule – fully paid ordinary shares:

Range	Number of holders	Number of shares	% of shares
100,001 and over	327	770,264,296	96.27
10,001 to 100,000	698	24,946,796	3.12
5,001 to 10,000	291	2,224,042	0.28
1,001 to 5,000	799	2,275,037	0.28
1 to 1,000	700	368,305	0.05
Total	2,815	800,078,476	100.00

Distribution schedule – unquoted options:

Range	Number of holders	Number of options	% of options
100,001 and over	1	122,103	14.91
10,001 to 100,000	12	696,583	85.09
5,001 to 10,000	-	-	-
1,001 to 5,000	-	-	-
1 to 1,000	-	-	-
Total	13	818,686	100.00

Distribution schedule – performance rights

Range	Number of holders	Number of rights	% of rights
100,001 and over	23	5,229,199	70.14
10,001 to 100,000	39	1,991,750	26.72
5,001 to 10,000	26	234,000	3.14
1,001 to 5,000	-	-	-
1 to 1,000	-	-	-
Total	88	7,454,949	100.00

Unmarketable parcels

1,636 holders of fully paid ordinary shares held less than a marketable parcel of shares as at 26 July 2023, based on the closing market price of shares on that date. The total number of shares held by these holders was 3,481,711.

Top 20 shareholders

The 20 largest registered holders of fully paid ordinary shares held are set out below:

Rank	Registered holder	Number of shares	% age of shares
1	Thorn Group Limited	64,408,413	8.05
2	Resimac Limited	62,500,000	7.81
3	Howes Advisory Pty Ltd	51,294,716	6.41
4	Emery Pty Ltd	50,000,000	6.25
5	Citicorp Nominees Pty Limited	48,472,543	6.06
6	National Nominees Limited	42,145,074	5.27
7	HSBC Custody Nominees (Australia) Limited	41,266,505	5.16
8	Emery Pty Ltd	39,671,897	4.96
9	Merrill Lynch (Australia) Nominees Pty Limited	31,023,816	3.88
10	Seymour Global Capital Pty Ltd	27,000,000	3.37
11	Down The Line Consulting Pty Ltd	26,913,274	3.36
12	Maxim Wealth Pty Ltd	24,138,800	3.02
13	Somers Limited	21,875,000	2.73
14	J P Morgan Nominees Australia Pty Limited	19,036,368	2.38
15	BNP Paribas Noms Pty Ltd	8,083,055	1.01
16	Spenceley Management Pty Ltd	8,000,000	1.00
17	News Pty Ltd	7,917,589	0.99
18	Reinventure Group Pty Ltd	6,621,645	0.83
19	Spenceley Management Pty Ltd	6,447,104	0.81
20	Tom Cregan	6,250,000	0.78
	Total top 20 holders	593,065,799	74.13
	Total balance of holders	207,012,677	25.87
	Total shares	800,078,476	100.00

Escrowed securities

There are no restricted securities or securities subject to voluntary escrow.

Substantial holders

The names of substantial holders in MoneyMe Limited and the number of equity securities in which each substantial holder and their associates have a relevant interest, as disclosed in substantial holding notices given to MoneyMe Limited, are set out below.

Name of substantial holder	Number of shares	Voting power
Somers Limited and Associates	148,858,413	19.96%
Emery Pty Ltd and Scott Emery	97,308,802	13.05%
Perennial Value Management Ltd	84,585,083	11.34%
Regal Funds Management Pty Ltd	67,984,522	9.12%
Thorn Group Limited and Associates	64,408,413	8.64%
Howes Advisory Pty Ltd and Clayton Howes	51,294,717	6.88%
Bannigan Nominees Pty Ltd[1]	19,973,010	N/A

[1] This holding is no longer a substantial holding but no notice of ceasing to be a substantial holder has been received.

Corporate governance

The Group's Corporate Governance Statement for the financial year ended 30 June 2023 can be found at https://moneyme.com.au/investor-centre.

Other matters

There is no current on-market buy back. No securities were purchased on market during the year ending 30 June 2023 under or for the purposes of an employee incentive scheme or to satisfy the entitlements of the holders of options or other rights to acquire securities granted under an employee incentive scheme. There are no issues of securities approved for the purposes of item 7 of section 611 of the *Corporations Act 2001 (Cth).*

5 Corporate Directory

COMPANY'S REGISTERED OFFICE
MoneyMe Limited
Level 3
131 Macquarie Street
Sydney, New South Wales 2000

SHARE REGISTRY
Link Group
Level 12
680 George Street
Sydney, New South Wales 2000

DIRECTORS
Peter Coad (Chair and Independent Non-Executive Director)
Susan Wynne (Independent Non-Executive Director)
David Taylor (Independent Non-Executive Director)
Scott Emery (Non-Executive Director)
Clayton Howes (Managing Director and Chief Executive Officer)
Rachel Gatehouse (Independent Non-Executive Director)

AUDITOR
Deloitte Touche Tohmatsu
Quay Quarter Tower
50 Bridge Street
Sydney, New South Wales 2000

COMPANY SECRETARY
Jonathan Swain

WEBSITE
www.moneyme.com.au

INVESTOR RELATIONS
investors@moneyme.com.au

ASX: MME

ABN: 29 636 747 414

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