Appendix 4D

1. ENTITY AND REPORTING PERIOD

Name of entity: MoneyMe Limited

ABN: 29 636 747 414

Reporting period: Six months ended 31 December 2022

Previous corresponding reporting period: Six months ended 31 December 2021

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

Six months ended December	**2022**	**2021**		
Gross revenue from ordinary activities ($'000)	121,091	47,979	Up	152%
Profit / (loss) from ordinary activities after tax attributable to members ($'000)	8,797	(18,675)	Up	147%
Net tangible asset backing per ordinary share	0.09	0.11	Down	23%

No dividends have been declared for the interim period ended 31 December 2022 or for the previous corresponding period.

3. CONTROL GAINED OVER ENTITIES HAVING MATERIAL EFFECT

Nil.

4. OTHER INFORMATION

This report is based on the consolidated financial statements for the half-year ended 31 December 2022 which have been reviewed by Deloitte. It is being provided to the ASX to comply with Rule 4.2A. The report should be read in conjunction with the *2023 Interim Report* and all public announcements made in the period by the Group in accordance with the continuous disclosure requirements of the *Corporations Act 2001 (Cth)* and the ASX Listing Rules.

Appendix D disclosure requirements relating to Statements of Comprehensive Income, Financial Position, Cash Flows and Changes in Equity are provided as part of the *2023 Interim Report* with supporting notes and commentary on the results for the period.

2023 Interim Report

for the six months ended 31 December 2022

MoneyMe Limited ('MONEYME') and its controlled entities
ACN: 636 747 414

ASX: MME

Contents

MONEYME

Where ambitions are backed.

Acknowledgement of Country

MONEYME acknowledges the Aboriginal and Torres Strait Islander peoples who are the Traditional Custodians of the land throughout Australia where we work and live. We recognise them as Australia's First Peoples and recognise their continued connection with land, waterways, seas, and community. MONEYME pays its respect to Elders past and present.

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

A non-bank challenger.

MONEYME is a founder-led digital non-bank lender. We challenge the traditional way of credit with digital-first experiences that exceed the expectations of Generation Now. We innovate for tomorrow's world today, and we are well on our way to be the #1 challenger to the banks.

Digital yet personal.

We offer a range of fast, flexible, and competitively priced products that span our customers' credit lifecycle from everyday spending and loans for bigger ticket items, to real estate expenses and auto financing. Our point of difference is delivering unrivalled customer experiences powered by smart technology.

We make speed a priority.

Opportunities do not wait, and today's consumers have no time for outdated processes. That is why we focus on building products that are modern, simple, and fast. From near real-time credit decisioning to loans that settle in minutes, we deliver speed and efficiency in everything we do.

For Generation Now.

We service ambitious Australians that expect more from life and the companies they engage with. And thanks to our proprietary technology and AI, we will continue to find new solutions that meet the ever-evolving needs of our customers.

Our MONEYME values

We challenge

We dare to question, we aim higher, and we fight for better

We move fast

We exist to save you time, we drive change, and we move in the same direction

We have heart

We are bold, we lead with purpose, and we are passionate about our people and planet

At MONEYME, we're for the everyday ambitious.

Those with goals big and small.

Positive people with positive purpose.

Because money shouldn't be tricky.

It should be an opportunity.

Awards and recognition

CANSTAR Innovation Excellence Award 2022

finder Awards 2022 Winner – Digital Disruptor of the Year

finder Awards 2022 Finalist – Best Tech Innovation

finder Awards 2022 Finalist – Best Lending Innovation

Financial Review BOSS Most Innovative Companies

50 Technology Fast 50 2018 APAC Winner Deloitte.

4.7/5 Google Reviews

4.6/5 ProductReview.com.au

ASX:MME

*Canstar's Innovation Excellence Award 2022 was for MONEYME's product Autopay.

MONEYME

Award-winning digital lender disrupting the status quo.

Message from the Chair

On behalf of the Board of Directors, it is my pleasure to present MONEYME's interim report for the six-month period ending 31 December 2022.

A return to statutory profit

MONEYME achieved its target of statutory profit of $9 million in 1H23 despite the macroeconomic headwinds impacting the sector. This demonstrates the strength, scale, and operating leverage of MONEYME.

At the start of the current fiscal year, in light of the challenging macroeconomic environment characterised by rising interest rates, recessionary concerns, geopolitical uncertainty, and reduced access to capital markets, the Group announced its intention to focus on building resilience, preserving cash balances, and moderating near-term growth. The Group has sufficient funding capacity and unrestricted cash available to support planned originations and statutory profits in FY23.

The SocietyOne integration process continued ahead of plan, culminating in the successful migration of SocietyOne's new business flows onto the Horizon platform during the first half. This was a critical milestone for the Group and has provided a solid foundation for future growth, enhancing our operating leverage.

As first announced during the 2022 Annual General Meeting (AGM), MONEYME continues to explore strategic capital alternatives to support its growth, and funding and liquidity requirements.

Continuous product innovation

During 1H23, we continued to focus our efforts on the opportunities in our domestic market, particularly in the auto finance space. The Group rolled out significant improvements across multiple products and launched a trial of Autoscan, a consumer-facing feature for Autopay, designed to transform the experience for prospective car buyers.

MONEYME also broadened its product offering with an app-based credit score service that enables customers to gain a better understanding of their financial wellness and improve their financial literacy. During the trial for MONEYME Credit Score, over 37,000 customers accessed their score via the app.

It is pleasing to note that MONEYME's customer satisfaction continues to be high, with a Net Promoter Score (NPS) above industry benchmarks.

A commitment to Environmental, Social, and Governance (ESG)

At MONEYME, we are committed to doing what is right for our customers, employees, community, and the environment.

The Group applied for B Corp Certification in August 2022, recognising that striving for the highest ESG standards benefits not only people and the planet but also our shareholders. The B Corp framework provides a means of measuring and improving our impact in a verifiable and recognisable manner, fostering confidence in our sustainability initiatives. While we await certification, we continue to advance our ESG agenda and our self-assessed B Impact Assessment score of 93.2 at the end of the first half sits well above the minimum requirement for certification.

During the half, the Group also submitted its 2022 Modern Slavery Statement to the Modern Slavery Register, further demonstrating our commitment to ethical business practices and transparency.

I am pleased to welcome Rachel Gatehouse to the MONEYME Board as our newest Director. Rachel brings significant financial services and governance experience that complements the Board's existing capabilities, and her appointment in December 2022 enabled us to achieve our target of over 30% female representation on the Board. Rachel's governance and industry experience has already been of great value in her role as the Chair of our Audit & Risk Management Committee.

On behalf of the Board, I would like to express our gratitude for your continued support.

Sincerely,

Peter Coad
Chair, MONEYME

Message from the CEO

While the business has been tested by an evolving macro-environment, our shift from high growth to profit delivery in the past 6 months has been swift and disciplined, and the performance has been remarkable. We continue to leverage the demand for our innovative products, our technology advantage, and our high-performance culture, while remaining steadfast in our commitment to leading the industry on Environmental, Social, and Governance (ESG) practices.

Operations

In 1H23, MONEYME has navigated a rising interest rate environment through proactive cost optimisation, prudent credit risk management, and customer pricing adjustments to preserve risk adjusted return.

Some of the key operational highlights for the 6 months to 31 December 2022 include:

- Migrating SocietyOne new business onto our technology platform Horizon. This was a major milestone in the post-acquisition integration, further supporting MONEYME's significant technology advantage in the industry and providing SocietyOne customers with our market-leading digital experience and faster time-to-settlement. The consolidation of MONEYME and SocietyOne has been a major contributor to our strong performance in 1H23 with over $20 million in annualised cost synergies realised at 31 December 2022.
- Increasing our average Equifax credit score to 714, compared to 704 for 2H22. The elevated quality of our loan book is expected to drive lower loss rates in the coming months.
- Deploying staggered pricing increases across MONEYME's variable rate loan book to protect margins from rising interest rates.
- Continuing progression of our ESG agenda. MONEYME's self-assessed B Impact Assessment score was 93.2 as at 31 December 2022, up from 80.4 at 30 June 2022 and 69.8 in 1H22. The requirement for B Corp Certification is a score of 80.
- Launching our MONEYME app-based credit score service, which has received very positive customer feedback. Adding this new offering to our ecosystem, with already over 37,000 users to date, is expected to create significant future value.
- Adjusting the set-up of our Freestyle Mastercard, which enables us to receive a share of the interchange fees from merchant terminals, adding to the profitability of our credit card product.
- Maintaining above-benchmark customer satisfaction with a Net Promoter Score (NPS) score of 59 for 1H23, despite a significantly larger customer base and customer pricing updates following multiple cash rate increases.
- High employee engagement of 84% in 1H23, which is particularly pleasing to see after the successful integration of the SocietyOne team into the MONEYME Group.

Financials

I am also very pleased to report MONEYME's strong financial performance for 1H23, reflecting the successful execution of our moderated growth strategy and the realisation of scale advantages from triple-digit loan book growth in FY22. Financial highlights include:

- Record statutory net profit after tax (NPAT) of $9 million, up from a $19 million loss in 1H22.
- Record gross revenue of $121 million, up 152% from 1H22.
- Core operating costs down to 3% of average customer receivables compared to 7% in 1H22 reflecting increased operating leverage and scale advantages.
- Weighted average closing cost of funds of 7%, compared to 5% in 1H22, reflecting market base rate increases.
- Customer originations of $242 million, down 45% from 1H22 in line with our moderated growth strategy.
- Gross customer receivables of $1.2 billion, down by 8% on the 30 June 2022 position, as a result of reduced originations and organic run-off.
- Provisions as a percentage of gross customer receivables remains unchanged at 6.1%, as the benefits of a higher credit quality book are offset by prudent provisioning to reflect macro-environmental factors.
- The Group's cash and cash equivalent balance remains stable at $79 million as at 31 December 2022.

2H23 and beyond

MONEYME is dedicated to creating long-term shareholder value through a focused and strategic approach to revenue and profit growth. Our priorities for the second half of 2023 include strengthening our balance sheet via the strategic capital initiative that we discussed at the 2022 AGM and positioning the business for future growth opportunities.

Expanding the proportion of secured asset finance and prioritising the higher credit rated consumer segments will continue to be a focus to safeguard the loan book for tougher macro-conditions, and we are doubling down on our efforts to build a best-in-class collections process that can scale with the growth of our business.

The acquisition of SocietyOne added a well-regarded brand to our portfolio and broadened our customer base, while strengthening our human capital with skilled talent and a highly experienced credit team. We are looking forward to seeing the long-term benefits materialise, including increased channel distribution, reduced customer acquisition costs, and a stronger credit approach.

With a keen eye on the evolving industry landscape, we are poised to capitalise on emerging market trends and regulatory changes. We see particular potential for growth in the auto financing market, where we believe incumbent players are without a compelling product in market.

As we continue to structure the business for its next profit growth phase, our capable and driven team look forward to seizing new opportunities and advancing our position as a leading non-bank challenger.

I would like to thank Team MONEYME for their hard work and dedication, the Board for their expert guidance, our customers for choosing us, and our shareholders for your support today and into the future.

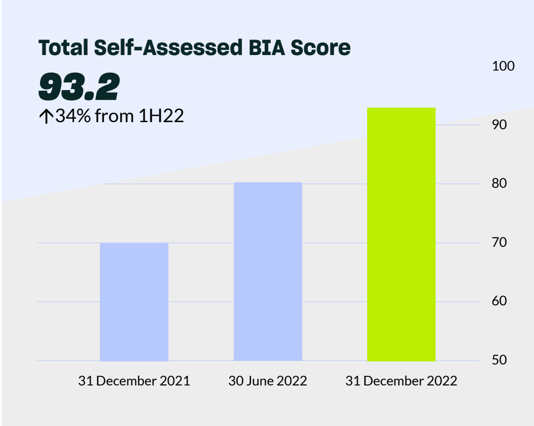
Yours sincerely,

Clayton Howes
Managing Director and Chief Executive Officer, MONEYME

Sustainability Update

MONEYME's *2022 Sustainability Report* provides a detailed account of MONEYME's approach to sustainability, along with the Group's performance and targets across the pillars of Environmental, Social, Governance (ESG) in FY22. Sustainability remains a core focus for the business in FY23 and this continued commitment is demonstrated through MONEYME's ESG achievements in 1H23, some of which are outlined in this update.

The Group submitted its formal application for B Corp Certification in August 2022, following the release of its *2022 Sustainability Report* in the *2022 Annual Report*[1]. In order to apply for certification, the Group is required to have a self-assessed B Impact Assessment (BIA) score of greater than 80 points[2]. As at 31 December 2022, MONEYME's self-assessed BIA score was 93.2, significantly higher than the certification threshold.

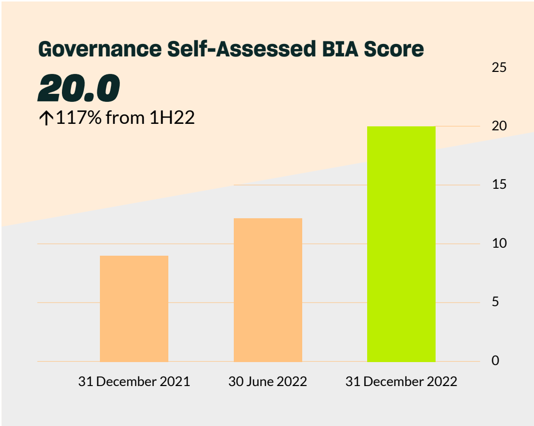


Governance

1H23 reflected another period of maintained focus on the continuous improvement of MONEYME's good governance values and conduct, along with the ongoing integration of environmental and social considerations into its Corporate Governance Framework.

At the Group's AGM in November 2022, shareholders voted 98% in favour of inserting two clauses into MONEYME's constitution:

1. MONEYME's purpose is to deliver returns to shareholders whilst having an overall positive impact on society and the environment.
2. Directors and Officers have a responsibility to consider the impact their decisions have on a range of ESG-related stakeholders, including employees, customers, suppliers, community, and the environment.



By including these statements in the constitution, MONEYME is further embedding environmental and social considerations into the centre of the business, ensuring that the Group will always strive to have a positive impact on people and the planet. This change results in a high level of accountability for the business and its Directors, which MONEYME embraces. The Group recognises that meaningful action follows from accountability and transparency.

In 1H23, MONEYME appointed Rachel Gatehouse to its Board of Directors. With considerable governance and financial services experience across a number of sectors, Rachel complements the Board's existing capabilities and assists with the Group's continuous improvement of good governance practices, particularly as chair of the Audit & Risk Management Committee. With this appointment, MONEYME has also achieved its target of greater than 30% female representation on its Board of Directors, which is 33% as at 31 December 2022.

MONEYME's governance-related areas of focus for the remainder of FY23 are:

1. conducting a thorough ESG materiality assessment, which includes stakeholder engagement, as is recommended by the Global Reporting Initiative (GRI) Standards; and
2. completing the first year of the internal audit plan with BDO.

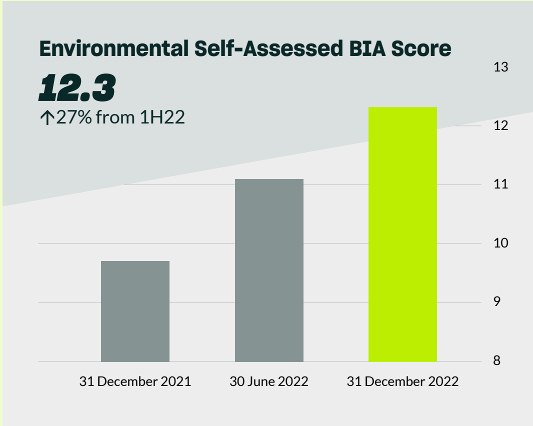
[1] For more information on B Corp and why MONEYME is seeking this certification, please refer to the *2022 Sustainability Report*, accessible at: https://investors.moneyme.com.au/investor-centre/?page=sustainability.

[2] The B Impact Assessment (BIA) is B Corp's comprehensive measurement tool for social and environmental impact, it covers the five key areas of ESG: Governance, Workers, Community, Environment, and Customers.

Environmental

MONEYME remains committed to taking action on climate change, through measuring its greenhouse gas (GHG) emissions, decarbonising the business wherever possible, and striving to have an overall positive impact on the environment.

MONEYME's *2022 Sustainability Report* contains an account of the Group's GHG emissions for FY22. A multi-stage external assurance process was conducted for this disclosure, to ensure a high quality and accurate emissions report. The Group continues to regularly track its GHG emissions and a summary of the emissions for 1H23 is reported below[3].



Scope	1H22 (tCO_2e)	1H23 (tCO_2e)	Change from 1H22 (%)
Scope 1 emissions	1.14	1.43	25.4
Scope 2 emissions	7.89	7.74	(1.9)
Scope 3 emissions (excluding financed emissions)	1,646.48	2,632.27	59.9
Total Net GHG emissions	1,655.51	2,641.44	59.6

The nature of MONEYME's activities as a digital lender means the Group's environmental impact is inherently minimal, particularly in the Scope 1 and Scope 2 categories. Scopes 1 and 2 reflect company vehicle and office emissions; the Sydney office electricity is already 100% carbon neutral certified. In 1H23, the Group's Scope 1 emissions were 1.43 tonnes of carbon dioxide equivalent (tCO_2e), and 7.74tCO_2e for Scope 2. MONEYME observed a minimal 1.6% increase in its overall Scope 1 and 2 emissions, which were 9.17tCO_2e for 1H23 compared to 9.03tCO_2e for 1H22. Maintaining unchanged and low Scope 1 and 2 emissions is particularly impressive considering the increased office space and additional employees from the acquisition of SocietyOne.

MONEYME's Scope 3 emissions increased in comparison to 1H22 figures, due to the significant growth the business experienced in the past 12 months. The Group is committed to reducing its emissions wherever possible and will consider a number of methods in order to do so, including engaging with key suppliers on climate-related matters. MONEYME also acknowledges that its gross Scope 3 emissions are likely to increase as the business grows.

MONEYME Autopay

We've offset the emissions produced from driving over...

15,000,000 km

☑ Conserving biodiversity ☑ Restoring natural habitats

In partnership with Greenfleet

MONEYME's carbon offset program for Autopay has now offset the emissions produced from driving over 15 million kilometres, which is equivalent to over 375 laps around the world. The project involves voluntarily offsetting the carbon emissions produced from the first 1,000 kilometres driven in every car purchased through Autopay. These offsets are completed through tree-planting projects in Australia, in partnership with environmental charity, Greenfleet. Greenfleet plant thousands of legally protected native trees in Australia, conserving biodiversity and restoring habitat for wildlife.

MONEYME's environmental-related areas of focus for the remainder of FY23 are:

1. conducting a climate-related risk assessment, considering the short, medium, and long term;
2. sourcing renewable energy for its offices wherever possible; and
3. launching an electric vehicle finance incentive for Autopay.

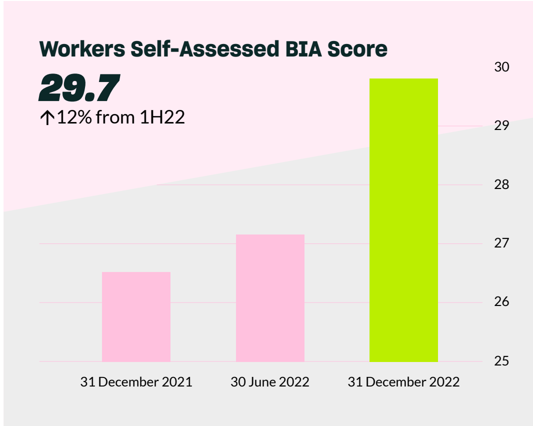
[3] 1H23 and 1H22 GHG emissions are management's numbers and have not been reviewed or assured by an external party.

Our employees

The Group's engaging, supportive, and high-performance culture allows Team MONEYME to thrive. In 1H23, MONEYME implemented a number of initiatives to further improve the employee experience.

The Group made a number of upgrades to its employee policies, and to the leave entitlements offered, including:

1. Increasing parental leave for both the primary and secondary caregivers. Primary caregivers are now entitled to 12 weeks of paid parental leave including superannuation, as well as an additional 6 weeks' superannuation. Secondary caregivers are entitled to two weeks paid leave, and MONEYME will also top up the two weeks Government parental leave pay to the employees' contracted salary. The parental leave entitlement is an important part of MONEYME's Diversity, Equity, and Inclusion (DEI) strategy, and the Group believes that this improvement will help attract and retain employees, particularly female staff.



2. Implementing a bonus annual leave entitlement, to reward high performance and to further encourage employees to take healthy breaks, enjoy their holidays, and avoid burnout. Employees are eligible to receive up to five days additional annual leave each calendar year.

Other key employee metrics for 1H23:

84%
Employee engagement score in 1H23
(89% for 1H22)

44%
Female representation*
(36% for 1H22)

>40%
Employees identify as being from a racial/ethnic minority group in 1H23
(>30% for 1H22)

92%
Employees taking part in the equity incentive plan
(84% for 1H22)

MONEYME's employee-related areas of focus for the remainder of FY23 are:

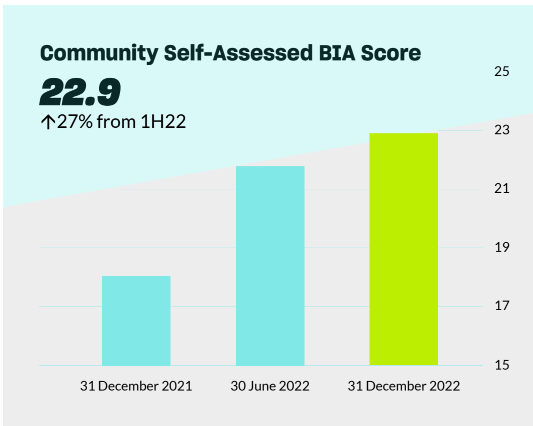
1. conducting a gender pay gap analysis;
2. maintaining employee engagement scores of greater than 80%;
3. providing further volunteering opportunities for employees to increase the utilisation of the 3 days paid volunteering leave entitlement; and
4. maintaining and improving its strong employee culture and value proposition, which is led by MONEYME's Kulture Klub Committee.

Our community

In FY23, MONEYME continued its support of Canteen as principal partner of their Education and Career Support Service (ECS). Since the beginning of the partnership in February 2022, Canteen has provided education and career support to 272 young people with cancer, who have accessed over 1,000 individual support sessions.

The partnership has involved various fundraising campaigns and engagement initiatives in 1H23, including:

1. a renovation project to give triple cancer survivor and Canteen youth leader, Lena, the gift of a new living area;
2. MONEYME doubling donations for Canteen's Dry July campaign, which helped raise over $180,000 for ECS;



* As at 31 December 2022.

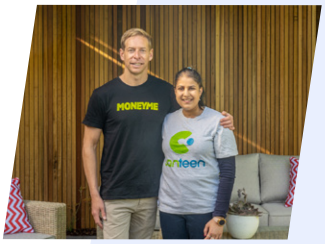
3. 30 MONEYME employees fundraising and running for Canteen at City2Surf. MONEYME's staff raised over $8,500, which was then matched and topped-up by MONEYME to achieve a grand total of over $20,000; and
4. MONEYME matching donations for Canteen's National Bandanna Day fundraiser, which helped raise an additional $55,000.

In 1H23, the Group supported several other charities, including the Royal Hospital for Women Foundation, for which employees raised funds via a 24-hour cycle spin-a-thon. MONEYME also organised a food drive for OzHarvest in each of its offices.

In 1H23, MONEYME submitted its second Modern Slavery Statement to the Australian Border Force's Modern Slavery Register. The statement reflects a step change in the Group's approach to understanding and mitigating the risks of modern slavery in its operations and supply chains. As well as submitting this updated statement, MONEYME also developed and implemented a Modern Slavery Policy. The policy outlines the Group's zero-tolerance approach to modern slavery and further details the controls and processes it maintains in order to prevent, mitigate, and where appropriate, remedy modern slavery in its operations and supply chains.

MONEYME's community-related areas of focus for the remainder of FY23 are:

1. continuing the highly engaged partnership with Canteen; and
2. implementing an inaugural Reconciliation Action Plan to address and improve the Group's engagement with First Nations Australians.

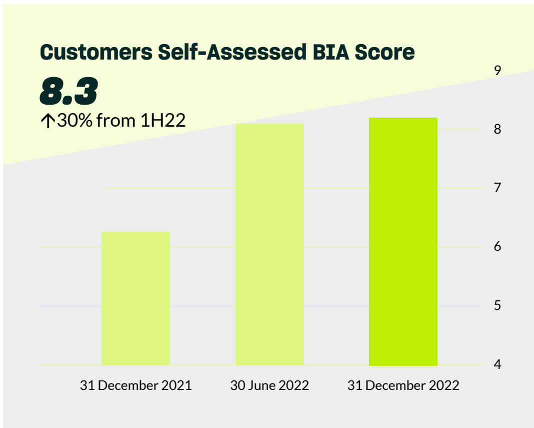


"I'm so excited and thankful for this amazing new outdoor space for my family, where we can enjoy quiet time and share moments of joy and peacefulness together. I love to spend time at home with my family and friends, so I love that it is such a beautiful space. I'm so grateful for kind and caring organisations like Canteen, and for the generosity of MONEYME."

Lena, Canteen Youth Leader

Our customers

In 1H23, MONEYME implemented a free credit score service on its app, which attracted over 37,000 users during the beta trial, without any marketing spend on the product. The Credit Score product allows users to check their credit score for free, view what is on their credit file, and track how their score is changing over time. It also provides a range of helpful financial wellness tips and tricks to help customers understand and improve their credit score. The Credit Score product was officially launched to all MONEYME customers and app users in January 2023.



Protecting customer data and implementing and maintaining world-class cyber security remain key focuses for the business. This is particularly relevant given that Australians have witnessed a number of companies experience significant cyber security and customer data breaches in the past 12 months. MONEYME is progressing well towards achieving the ISO 27001 (information security management) certification and fully adopting the Zero Trust security framework.

MONEYME's customer-related areas of focus for the remainder of FY23 are:

1. continuing to promote its Credit Score product, which provides financial wellness support for customers; and
2. achieving ISO 27001 certification and aligning to the Zero Trust security framework.

Directors' Report

The Directors present their report together with the Condensed Consolidated Financial Statements and accompanying Notes of MoneyMe Limited (the Company) and its controlled entities (the Group) for the 6-month period ended 31 December 2022 (1H23).

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.

Principal activities

The Group's principal activity in the course of the half year was 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 Group's *Interim 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.

Signed in accordance with a resolution of the Directors.

Peter Coad
Chair
Melbourne, 27 February 2023

Clayton Howes
Managing Director and Chief Executive Officer
Sydney, 27 February 2023

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 *Interim 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.

MONEYME has $1.2 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 our target segment ($0.9 billion) and the acquisition of SocietyOne in March 2022 ($0.3 billion).

The business is funded by a combination of corporate term debt, warehouse securitisation facilities and positive operating cash flows. In 1H23, the Group raised $21 million of equity capital.

MONEYME delivered a statutory profit of $9 million in 1H23.

1H23 operational highlights

Responding to adverse operating conditions

In 2022, the economy experienced a sharp rise in interest rates, high inflation, and concerns over credit performance. These weak fundamentals led to deterioration in access to debt and capital markets.

In response, the Group has repositioned its operations as follows:

1. Reduced cash outflows
   - Reduced new business originations and associated trust funding requirements. 1H23 originations were $242 million compared to $674 million in 2H22.
   - Delivered over $20 million annualised reduction in operational cost savings through SocietyOne acquisition synergies.
   - Improved the cost to income ratio to 23% for 1H23 compared to 35% for 2H22.
2. Further reduced credit risk
   - Improved portfolio credit quality as demonstrated through an increase in the average Equifax score (714 in 1H23 compared to 704 as at 30 June 2022).
   - Reduced fraud risk through the implementation of biometric identification technology.
3. Re-set funding arrangements
   - Revised Tangible Net Worth (TNW) covenant settings in 1H23 from relevant financiers and complied with all such covenants.
   - Completed a $21 million equity raise to support ongoing balance sheet growth and the Group's funding and liquidity position.
   - Revised the Syndicated Finance Agreement (SFA) with Pacific Equity Partners (PEP).
   - Expanded debt funding program to $8 million in debt sales in 1H23, up from $5 million in 2H22 and $7 million in 1H22.
4. Net interest income (NIM) protection
   - Responded to increases in the RBA cash rate by adjusting the customer rate on variable loans (72% of the portfolio) and adjusting the rate on new fixed loans.
   - 1H23 NIM was 12% compared with 14% for 2H22 reflecting a change in product mix from unsecured to secured lending. The Group has in place swap derivatives to hedge against adverse interest rate increases on its fixed rate book.

B Corp and ESG

The B Corp framework provides a tool to measure and improve Environmental, Social and Governance (ESG) impact in a verifiable and recognisable manner, giving us, and all our stakeholders, confidence in our sustainability initiatives.

MONEYME submitted its application for B Corp Certification in 1H23 and is awaiting final approval. On a self-assessment basis, MONEYME calculated its B Impact Assessment score as 93.2, well above the minimum 80-point benchmark for certification.

In furthering its ESG agenda, MONEYME has:

- developed and submitted to the Australian Border Force's Modern Slavery Register a Modern Slavery Statement that sets out MONEYME's commitments and responsibilities to identify and mitigate the risks of modern slavery within its operations and supply chains;
- achieved its target to have at least 30% female representation on its Board with the appointment of Rachel Gatehouse to the Board in December 2022;
- amended its constitution to commit to having an overall positive impact on society and the environment, and embed ESG values into business decisions; and
- appointed BDO as MONEYME's internal auditor with a mandate to undertake regular business reviews and report to the Board to enhance governance.

Continued innovation

The Group continues to deliver market leading innovation. Key highlights this half include:

- in market testing of Autoscan 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;
- trial of an app-based credit score service that enables customers to monitor their credit score, helping them stay in control of their borrowing capacity and circumstances; and
- switching the MONEYME Freestyle product card program to earn merchant interchange fees.

1H23 financial position highlights

Statutory profit

The Group delivered a statutory profit of $9 million in 1H23, due primarily to operational cost efficiencies, improved credit quality and moderated growth as set out below.

	FY22		FY23
	1H ($'m)	2H ($'m)	1H ($'m)
Gross revenue	48	95	121
Interest expense	(12)	(26)	(42)
Office operating expense	(24)	(33)	(28)
Impairment expense	(30)	(61)	(34)
Other	(1)	(6)	(8)
Statutory net profit after tax	**(19)**	**(31)**	**9**

1. Gross revenue
   - The increase in gross revenue reflects a combination of strong organic growth, customer interest rate increases and revenue from the SocietyOne acquisition in March 2022.

2. Interest expense
   - The increase in interest expense is a function of underlying receivables growth and higher market base rates, including increases in the RBA cash rate.
   - Corporate debt constituted 14% of the total interest expense as at 31 December 2022, compared to 15% for 1H22 and 18% for 2H22.

3. Office operating expenses
   - Office operating costs comprises of sales and marketing, product design and development, and general and administrative expenses.
   - The reduction in 1H23 spend reflects lower sales and marketing expenses in line with the decision to slow customer receivables growth.
   - General and administrative expenses include $4 million in non-recurring costs relating to the integration of SocietyOne.
   - Product design and development spend increased by $2 million compared to 1H22, to $5 million as a result of acquired SocietyOne technology licensing arrangements to be decommissioned once the legacy software platforms are fully integrated.

4. Impairment expenses	• Secured customer receivables comprised 41% of the gross customer receivables by the end of 1H23, further supporting lower credit risk-related earnings. • The Group's impairment expense was $34 million in 1H23, compared to $30 million in 1H22 and $61 million in 2H22. The lower charge compared to 2H22 reflects lower new business provisioning requirements in line with lower customer receivable originations. • The 1H23 impairment expense also reflects debt sales and recoveries of $12 million.

Increasing net assets

The Group's net assets were $122 million for 1H23 compared to $22 million and $91 million in 1H22 and 2H22 respectively. The change in results is illustrated by the chart below supported by the items noted after the chart.

	FY22		FY23
	1H ($'m)	**2H ($'m)**	**1H ($'m)**
Cash and cash equivalents	68	81	79
Gross customer receivables	590	1,345	1,237
Customer receivable provisioning	(44)	(81)	(75)
Borrowings	(595)	(1,358)	(1,235)
Intangibles	4	100	98
Other	(1)	4	18
Net assets	**22**	**91**	**122**

1. Cash	Consolidated cash reduced marginally to be $79 million for 1H23 compared to $81 million for 2H22. The changes reflect: • An equity capital raise of $21 million (net of transaction costs). • Trust distributions of $11 million (net of business as usual operating costs). • One-off operating expenses of $10 million relating largely to SocietyOne business related integration costs. • $20 million of additional funding related to customer receivable losses largely reflecting impacts from legacy lower credit risk assets.
2. Gross customer receivables	• Closing gross customer receivables for 1H23 were slightly lower than 2H22, in line with the Group's focus on statutory profitability and initiatives to support its funding and liquidity position. • 41% of closing 1H23 gross customer receivables were secured, slightly up from 38% at 2H22.
3. Customer receivable provisioning	• Customer receivable provisioning was 6.1% of gross customer receivables at 31 December 2022, unchanged from 6.1% at 30 June 2022. • The 1H23 provision position reflects significant review and model updates to consider expected asset performance into the projected macroeconomic environment. • This *Interim Report* includes corrected disclosures for Notes 11.2.1 and 11.2.2 (comparison page 82 of the *2022 Annual Report*) as reported to the market on 30 September 2022. The updated notes reflect the correct stage allocation of gross customer receivables, with a reduction of the stage 3 and stage 2 balances and changes to the corresponding ratios. The revisions do not impact any other part of the *2022 Annual Report*.
4. Borrowings	• Borrowings are slightly lower for 1H23 in line with the movement in gross customer receivables. • $80 million of borrowings relates to the senior corporate debt facility.
5. Intangibles	• Goodwill of $63.5 million held for the SocietyOne acquisition has been reviewed for impairment and remains unchanged. • Acquired intangibles of $26 million at 1H23 relate to the SocietyOne acquisition, reflecting an amortisation from the acquisition date in March 2022.

Strategy and outlook

Core products opportunities

MONEYME continues to disrupt the industry, having been named Digital Disruptor of the Year in the 2022 Finder Innovations Awards, and finalist in the Best Lending and Best Tech Innovation categories for its Autopay product and its AI-driven technology platform. MONEYME also won Canstar's Innovation Excellence Award in 2022 for Autopay's unrivalled speed in the auto finance industry, with 60-minutes loan settlement, 7 days a week.

This, combined with high customer satisfaction and technology, places MONEYME in a unique position to grow market share in its core product suite of unsecured and secured personal lending.

Funding and liquidity

The Group expects the challenging securitisation and capital market conditions, as well as a higher interest rate environment, to continue into the 2023 calendar year. This in turn will continue to make it more difficult to achieve and maintain the level of capital needed to take advantage of the substantial growth opportunities available to the business.

In accordance with the revised SFA, the Group is progressing towards implementation of a strategic capital initiative, assisted by a leading investment bank, to provide the Group with the capital required to take advantage of its growth opportunities, restore the senior secured financing facility back to its original size of $50 million and reduce the cost of funds in relation to the facility.

A broad range of capital and strategic solutions are being considered, with potential transactions including a strategic capital investment, partnership, and other strategic transactions. Despite positive expectations, there is no certainty that any transaction will eventuate.

Environmental, Social, and Governance (ESG)

MONEYME continues to actively progress its ESG agenda and recently amended its constitution to embed ESG values into business decision making.

The Group is actioning a range of ESG initiatives in the second half of the year including conducting an ESG materiality and climate risk assessment, sourcing renewable energy for its offices, embedding an incentive for electric vehicles into its Autopay product, and implementing a Reconciliation Action Plan.

The Group is awaiting the outcome of its application for B Corp Certification, further solidifying its commitment to responsible business practices and providing added assurance to stakeholders regarding the Group's ESG strategy and performance.

Revenue and profit

Revenue is expected to exceed $220 million in FY23 as the business continues to realise the benefits from the increased scale of its loan book.

As market interest rates rise, MONEYME expects to continue adjusting customer pricing.

Operating expenses are expected to grow at a modest rate compared to loan book growth, reflecting efficiencies derived from automation, scale, and lower-cost regional workforces.

Impairment expense is expected to decline as a ratio to receivables, reflecting a higher proportion of lower risk, secured assets and higher cut-off credit scores on new business, notwithstanding macroeconomic factors that may partially offset this benefit.

The Group has recognised a deferred tax asset of $3.2 million and has a further estimated $39.7 million in unrecognised deferred tax assets which it expects to realise in the future.

The Group expects statutory profits to continue for FY23.

Key risks and prospects

The business'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 in particular and consider that they are being managed appropriately to allow the business to deliver its strategy.

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

This is identified as a key risk for the Group and is defined in the Group's risk appetite statement as follows:

MONEYME's ability to write new loans on favourable terms depends, in turn, on its ability to access funding and the terms on which such funding is obtained. Accordingly:

- if MONEYME is not able to secure additional funding (as and when it is required), MONEYME may not be able to write new loans or its ability to do so may be restricted; and
- if there is a loss or an adverse impact (for instance an increase in the cost of capital) to MONEYME's current funding sources, or any future funding sources, MONEYME's ability to write new loans on favourable and/or competitive terms will be limited.

MONEYME may not be able to extend the financing term or increase the funding capacity of its warehouse trusts beyond their existing terms and/or, when renegotiating an extension or increase, may not be able to do so on the same or more favourable terms. In addition, MONEYME may not be able to enter into new warehouse facilities or other funding arrangements (including as part of a refinancing) sufficient to meet its business requirements. It is noted that the business received waivers in relation to its funding facilities in FY22 with the potential that future covenant breaches may not be waived.

These risks could impact MONEYME's ability to write new loans on competitive terms.

In addition, MONEYME also relies upon a corporate debt facility. Continued compliance with the terms of that facility is important to MONEYME's current ability to continue to operate. This includes an obligation to partially repay that facility as outlined above.

Cyber security risk

By their nature, information technology systems are susceptible to security issues, 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. An obligation under privacy laws to notify individuals and the Office of the Australian Information Commissioner of a data breach could reduce MONEYME's ability to retain existing customers and generate new customers, any of which could have a material adverse impact on its business, operating and financial performance, and reputation.

Financial Report

Directors' Declaration

In the opinion of the Directors of MoneyMe Limited:

(1). The 2023 Interim Financial Statements and Notes are in accordance with the *Corporations Act 2001 (Cth)*, and give a true and fair view of the financial position of the Group as at 31 December 2022, and of its performance for the financial period ended at that date;

(2). the Financial Statements are in compliance with International Financial Reporting Standards as stated in Note 3 to the Financial Statements; and

(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.

Signed in accordance with a resolution of the directors made pursuant to section 303(5) of the *Corporations Act 2001 (Cth)*.

On behalf of the Directors.

Peter Coad
Chair
Melbourne, 27 February 2023

Clayton Howes
Managing Director and Chief Executive Officer
Sydney, 27 February 2023

Independent Auditor's Report

Deloitte.

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Independent Auditor's Review Report to the Shareholders of MoneyMe Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of MoneyMe Limited (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2022, and the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on page 21 to 44.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001.*

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a *Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the annual 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 review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 4.2 in the condensed consolidated financial statements which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Independent Auditor's Report

Deloitte.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

M Stretton

Mark Stretton
Partner
Chartered Accountants

Melbourne, 27 February 2023

Independent Auditor's Statement of Independence

Deloitte.

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27 February 2023

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

Dear Board Members

Auditor's Independence Declaration to MoneyMe Limited and its subsidiaries

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of MoneyMe Limited and its subsidiaries.

As lead audit partner for the review of the financial statements of MoneyMe Limited for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

M Stretton

Mark Stretton
Partner
Chartered Accountants

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

For the six months ended 31 December 2022

	Note	For the six months ended 31 December 2022 $'000	For the six months ended 31 December 2021 $'000
Interest income		118,716	44,766
Other income		2,375	3,213
Gross revenue		**121,091**	**47,979**
Commission expense		(1,866)	(298)
Net revenue		**119,225**	**47,681**
Interest expense		(41,981)	(11,885)
Sales and marketing expense		(5,698)	(7,846)
Product design and development expense		(5,098)	(2,342)
General and administrative expense		(17,352)	(13,066)
Customer receivable impairment expense	8	(34,267)	(30,219)
Depreciation and amortisation expense		(6,032)	(998)
Total operating expenses		**(110,428)**	**(66,356)**
Profit / (loss) before tax		**8,797**	**(18,675)**
Income tax (expense) / benefit	5	–	–
Net profit / (loss) after tax		**8,797**	**(18,675)**
Other comprehensive income		–	–
Total comprehensive income		**8,797**	**(18,675)**
		cents	**cents**
Basic profit / (loss) per share	6	3.4	(11.0)
Diluted profit / (loss) per share	6	3.3	(10.9)

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

Condensed Consolidated Statement of Financial Position

As at 31 December 2022

	Note	31 December 2022 $'000	30 June 2022 $'000
Cash and cash equivalents	7	79,479	80,675
Net customer receivables	8	1,161,323	1,263,788
Current tax asset		–	13
Deferred tax asset	5	3,192	3,192
Derivative financial instruments		10,020	10,486
Intangible assets	9	34,669	36,053
Right-of-use assets	10	2,026	2,500
Property, plant and equipment		3,471	1,380
Other receivables	11	10,245	10,197
Goodwill	9	63,510	63,510
Total assets		**1,367,935**	**1,471,794**
Borrowings	12	1,235,445	1,358,271
Other payables	11	6,257	15,461
Lease liabilities	10	2,167	2,662
Employee-related provisions		2,176	4,124
Total liabilities		**1,246,045**	**1,380,518**
Net assets		**121,890**	**91,276**
Share capital	13	163,635	143,055
Reserves	14	5,766	4,529
Retained losses		(47,511)	(56,308)
Total equity		**121,890**	**91,276**

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

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2022

	Note	Share capital $'000	Reserves $'000	Retained losses $'000	Total $'000
Balance as at 1 July 2021		**44,108**	**2,074**	**(5,944)**	**40,238**
Profit / (loss) for the period		–	–	(18,675)	(18,675)
Share-based payment expense	14	–	855	–	855
Balance as at 31 December 2021		**44,108**	**2,929**	**(24,619)**	**22,418**
Balance as at 1 July 2022		**143,055**	**4,529**	**(56,308)**	**91,276**
Profit / (loss) for the period		–	–	8,797	8,797
Issuance of shares	13	21,200	–	–	21,200
Share issuance transaction costs	13	(620)	–	–	(620)
Share-based payment expense	14	–	1,237	–	1,237
Balance as at 31 December 2022		**163,635**	**5,766**	**(47,511)**	**121,890**

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

Condensed Consolidated Statement of Cash Flows

For the six months ended 31 December 2022

	Note	31 December 2022 $'000	31 December 2021 $'000
Income from customers		101,442	42,737
Payments to suppliers and employees		(39,385)	(15,714)
Income from delinquent asset sales and recoveries		11,354	5,449
Income tax refund received		13	–
Net cash inflows from operating activities		**73,424**	**32,472**
Net customer receivable disbursements		75,383	(273,376)
Payments for intangible asset development		(3,780)	(1,497)
Payments for property, plant and equipment		(2,496)	(100)
Net cash inflows / (outflows) from investing activities		**69,107**	**(274,973)**
Net (repayment of) / proceeds from borrowings		(125,863)	297,890
Borrowings interest and fees paid	i	(37,589)	(8,904)
Transaction costs related to borrowings		(271)	(4,308)
Principal repayment of leases		(584)	(362)
Proceeds from issued share capital		21,200	–
Transaction costs related to issue of share capital		(620)	–
Net cash (outflows) / inflows from financing activities		**(143,727)**	**284,316**
Net (decrease) / increase in cash and cash equivalents		**(1,196)**	**41,815**
Cash and cash equivalents at the beginning of the period		80,675	26,164
Cash and cash equivalents		**79,479**	**67,979**

i: includes interest related to borrowings (see Note 12).

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

Notes to the Financial Statements

For the six months ended 31 December 2022

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, 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	
			31 December 2022	30 June 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%
MoneyMe Employee Equity Incentive 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 2022-1 Trust[5]	Australia	22 August 2022	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 and MME Horizon 2020 Trust. Also owns the residual income units relating to MME Autopay 2021 Trust, MME PL Trust 2022-1 and 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, SocietyOne PL 2021-1 Trust, and SocietyOne PL 2022-1 Trust. Is the trustee of SocietyOne Personal Loans Trust and P2P Lending Trust.

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

[6] The purpose of the Trust is to support management of MONEYME's Employee Equity Incentive Plan.

[7] Funding for SocietyOne Personal Loans Trust is a structured entity the Group consolidates under AASB 10.

1.3 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. Basis of preparation

The Group is a for-profit business which is publicly accountable. The interim financial report is a general-purpose financial report, which has been prepared in accordance with the *Corporations Act 2001 (Cth)* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*. The interim financial report is also compliant with International Financial Reporting Standards.

The interim financial report does not include notes of the type normally included in an annual report and should be read in conjunction with the MoneyMe Limited *2022 Annual Report* and any public announcements made by the Group.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the end of the Group's 2022 reporting period. Significant and other accounting policies applied in this consolidated *Interim Report* are the same as those applied by the Group and disclosed in the *2022 Annual Report*, unless otherwise stated.

The Condensed Consolidated Financial Statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments as appropriate. All amounts are presented in Australian dollars, unless otherwise stated.

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 period ended 31 December 2022, the Group recorded a net profit after income tax of $9 million ($19 million loss, 31 December 2021) and received net cash inflows from operating activities of $73 million ($32 million, 31 December 2021). As at 31 December 2022, the Group had a net asset position of $122 million ($91 million, 30 June 2022) and unrestricted cash and cash equivalents of $16 million ($14 million, 30 June 2022).

The Group has undrawn facilities of $430 million across its warehouse trusts as at 31 December 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.

In December 2022 the Group revised its Syndicated Finance Agreement (SFA). The revisions included a reset of financial covenants and a requirement to meet agreed milestones relating to the progression and implementation of a strategic capital initiative. The milestones included (a) an announcement of a binding transaction under that initiative by the start of 4Q23; and (b) an obligation to pay down $25 million (plus accrued interest, fees, and other amounts) in 1Q24 in order to bring the balance of the debt facilities outstanding under the SFA to $50 million (plus capitalised interest on such amount). If the Group is not compliant with the SFA and if agreement on alternative terms, or extensions of time, cannot be reached with the Group's corporate lender, the Group will be required to repay the total amount outstanding (plus accrued interest and fees) under the SFA ($78 million as at 31 December 2022) in calendar year 2023.

To mitigate the risk of not meeting the terms of the SFA, as disclosed to the 2022 AGM, the Group has accelerated its strategic capital program and engaged a leading investment bank to assist in conducting a competitive program. The initiatives under consideration include a range of corporate transactions with ongoing engagement with interested credible parties.

Acknowledging the current challenging market conditions, in the event the Group is unable to comply with certain commitments under the SFA, a material uncertainty would exist that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, its ability to realise its assets and discharge its liabilities in the ordinary course of business and at the amounts stated in the financial statements.

In reference to the above, 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.

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.

4.3 Expected credit losses

4.3.1 Staging changes

The AASB 9 *Financial Instruments* accounting standard applied by the Group requires the following provision staging measurement approach:

- Stage 1 assets: 12-month expected credit loss (ECL) provision.
- Stage 2 and 3 assets: Lifetime ECL provision.
- An asset to move to stage 2 and then stage 3 when its credit risk has increased significantly.

AASB 9 does not define what constitutes a significant increase in credit risk. As a result, this is a key judgement area.

The Group judges the staging credit risk as follows:

- Stage 1 assets: 0-29 days past due (DPD), excluding hardship receivables and any receivables classified in stage 2 or 3.
- Stage 2 assets: 30-89 DPD, including any hardship receivables that would otherwise have been included as stage 1 or 3.
- Stage 3 assets: 90+ DPD.

Hardship receivables have been classified in stage 2 as at 31 December 2022, unless they have a 90+ DPD profile, in which case they are classified in stage 3.

99.9% of assets were judged using a DPD approach as at 31 December 2022 (95.4%, 30 June 2022). This reflects the Group's transition from the consecutive days in arrears (CDIA) approach, as disclosed in the *2022 Annual Report*.

4.3.2 Calculation changes

The calculation of ECL inherently involves key judgements. The Group's judgement updates from the 30 June 2022 position to the 31 December 2022 position reflect the items noted below.

Historic data-based modelling	• Historic data-based models used to calculate the base provision for the variable rate Personal loan (PL), Freestyle, ListReady and fixed rate PL products have been updated to reflect two years of historic data to 31 December 2022. • The credit conversion factor (CCF) has been updated in relation to undrawn commitments on Freestyle for customers not in arrears. This is based upon analytical review of historic and expected outcomes. The CCF used for Freestyle customers who are in arrears remains consistent with 30 June 2022. • Model risk overlays have been updated in reference to actual loss experience at a product level. • Probability of default (PD) segmentations were changed from the 30 June 2022 position to be based on marital status and Veda score for the variable PL and Freestyle products respectively based upon statistical driver analysis (employment sector and credit limit segmentations were applied respectively at 30 June 2022). Loss given default (LGD) industry segments were updated to include new industry sectors for both product areas also.
Market benchmarking	• The Group's Autopay product provision has been updated to reflect available market benchmarks in particular, alongside consideration of past, current and projected book performance. • It is expected that Autopay product provisioning will transition to a statistical data-based approach in 2023, in line with the availability of an adequate period of observable data. The product was launched in April 2021.
Current asset performance and profile	• The Group's 31 December 2022 provision reflects updates for the Group's current product mix and risk profile from the 30 June 2022 position. This includes reference to the secured vs unsecured asset mix and the risk profile of assets originated during the six months to 31 December 2022. • Current asset performance factors considered included arrears and loss measures.

Projected data-based modelling	• The Group's 31 December 2022 provision also reflects data-based projections by product areas for arrears and losses based upon credit risk profiles.
The macroeconomic environment	• The Group's 31 December 2022 provision also reflects updates relating to the current and projected macroeconomic environment. • Key considerations in this area include reference to an updated regression analysis- based statistical model that uses Australian Prudential Regulation Authority (APRA) and Australian Bureau of Statistics (ABS) data to support the determination of key macroeconomic predictors to be used for scenario modelling. • Key historic and projected data points referenced include GDP, unemployment, inflation, and interest rates.
Recovery expectations	• Recovery expectations have been refreshed at a product level in reference to past experiences, as well as current and expected new forward flow debt sale agreements. This includes reference to what has been achieved over the last year in particular from debt sale programs and projected debt sale pricing that considers competition in the debt purchase market, the Group's established credentials within that market, the profile of potential assets to be sold and advice from debt sale program partners. • Management recognises that there is significant judgement in this area. • A 10% increase to the recoveries adjustment would decrease the Group's 1H23 provision by $1.0 million to 6.0% of gross customer receivables, from 6.1%. This would result in a net profit after tax (NPAT) of $9.8 million, from $8.8 million. A 10% decrease to the downside scenario weighting of the recoveries overlay would increase the Group's 1H23 provision by $1.0 million to 6.2% of gross customer receivables, from 6.1%. This would result in a NPAT of $7.8 million, from $8.8 million.

Refer to Note 8 for further information.

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 PL 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.

4.5 Taxation

MoneyMe Limited is the head entity of the Group's income tax consolidated group. Current and deferred tax asset (DTA) balances are considered at a group level, with transactions between the entities in the tax consolidated group ignored for tax purposes.

Management have judged that it is appropriate to maintain the same DTA balance at 31 December 2022 as reported at 30 June 2022. This reflects an assessment 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 5 for further information.

4.6 Intangible asset impairment testing

AASB 136 *Impairment of Assets* requires an impairment assessment to be completed in relation to the Group's intangible assets and goodwill, where there is an event that could result in asset impairment.

Management have conducted an assessment and determined that as at 31 December 2022:

- There is no evidence available of obsolescence or damage of the Horizon intangible asset, or the intangible assets and residual goodwill recognised from the SocietyOne acquisition.
- No significant changes with an adverse effect on MONEYME have taken place during the period or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which the asset belongs, plans to dispose of an asset before the previously expected date, and reassessing the useful life of an asset as finite rather than indefinite.
- There is no evidence available from internal reporting that indicates that the economic performance of the Horizon intangible asset, or the four acquired intangible assets and goodwill are, or will be, worse than their balance sheet values.

5. Taxation

5.1 Income tax expense / (benefit)

	31 December 2022 $'000	31 December 2021 $'000
The components of tax expense comprise:		
Current tax	–	–
Deferred tax	–	–
Income tax expense / (benefit)	–	–

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

	31 December 2022 $'000	31 December 2021 $'000
Profit / (loss) before income tax	**8,797**	**(18,675)**
Income tax using the domestic tax rate of 30% in 2022 (2021: 30%)	2,639	(5,603)
Effect of expenses that are not deductible	799	9
Effect of concessions (R&D and other allowances)	(304)	207
(Recognition of previously unrecognised deferred tax assets) / Deferred tax assets not recognised	(3,134)	5,387
Income tax expense / (benefit)	**–**	**–**

5.2 Current tax asset

	$'000
Current tax asset / (payable) as at 30 June 2022	**13**
Current tax expense for the period	–
R&D tax offset	–
Tax refunds received	(13)
Current tax asset / (payable) as at 31 December 2022	**–**

5.3 Net deferred tax

31 December 2022	Net deferred tax at 1 July 2022 $'000	Recognised in P&L $'000	Net deferred tax at 31 December 2022 $'000
Cash and cash equivalents	–	–	–
Net customer receivables	4,879	(961)	3,918
Intangible assets	(2,213)	985	(1,228)
Right-of-use assets	(751)	142	(609)
Property, plant and equipment	34	18	52
Other receivables	18	(9)	9
Borrowings	40	(38)	2
Other payables	69	102	171
Lease liabilities	218	(52)	166
Employee-related provisions	206	(55)	151
IPO costs	692	(132)	560
Tax losses	–	–	–
Net deferred tax asset / (liability)	**3,192**	–	**3,192**

A deferred tax asset has been recognised 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 31 December 2022.

During the current reporting period, no further on-balance sheet deferred tax asset balances have been recognised. The closing net tax asset balance in the Group's accounts has remained the same as at 30 June 2022, i.e., a net deferred tax asset on-balance sheet amount of $3.2 million.

It is noted that the reported deferred tax asset excludes an estimated value of $39.7 million ($42.6 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.

6. Earnings per share

	31 December 2022 $'000	31 December 2021 $'000
Profit / (loss) after income tax	8,797	(18,675)
	No.	**No.**
Weighted average number of ordinary shares used	261,527,964	169,440,001
Adjustments for calculation of diluted EPS:		
Options	818,686	867,490
Rights	4,913,782	609,000
Weighted average number of ordinary shares used	267,260,432	170,916,491
	cents	**cents**
Basic profit / (loss) per share	**3.4**	**(11.0)**
Diluted profit / (loss) per share	**3.3**	**(10.9)**

7. Cash and cash equivalents

	31 December 2022 $'000	30 June 2022 $'000
Cash at Bank	16,322	14,168
Restricted cash held in the Group's Funding Structures[1]	63,157	66,507
Total cash and cash equivalents	**79,479**	**80,675**

[1] Refers to cash that is held by the Group that is not available for immediate ordinary business use.

8. Net customer receivables

All disclosures in note 8 include effective interest rate related balances.

8.1 Balances summary

31 December 2022	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Gross customer receivables	1,163,993	44,145	28,607	1,236,745
Provision	(37,572)	(15,595)	(22,255)	(75,422)
Net customer receivables	**1,126,421**	**28,550**	**6,352**	**1,161,323**
Stage % of gross customer receivables	94.1%	3.6%	2.3%	100.0%
Provisions as % gross customer receivables	3.2%	35.3%	77.8%	6.1%

The below table reflects the revised note disclosure as part of the *2022 Annual Report*.

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 provision as a percentage of the gross customer receivables has remained consistent at 6.1% as at 31 December 2022, compared to the prior comparable period.

8.2 Customer receivable provision movements

Changes in the movements in the customer receivable provisions between periods are detailed below.

	1H23 $'000	2H22 $'000	1H22 $'000
Opening balance	**81,488**	**44,254**	**26,271**
Additional provisioning	41,987	65,352	37,492
Net customer receivables written off	(48,053)	(28,118)	(19,509)
Closing balance	**75,422**	**81,488**	**44,254**
Additional provisioning as % of opening balance	51.5%	147.7%	142.7%
Net write-offs as % of opening balance	(59.0%)	(63.5%)	(74.3%)

The reduction in the provision balance as at 31 December 2022 reflects the lower gross customer receivables and materially lower originations in 1H23 compared to 2H22.

Additional provisioning of $42.0 million excludes the impact of bad debt sale income totalling $7.7 million in 1H23 ($7.3 million, 1H22). The sales were executed throughout the half year, with proceeds offsetting against customer receivable impairment expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

8.3 Gross customer receivable movements by impairment stage

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

	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Opening balance as at 30 June 2022	**1,279,506**	**36,128**	**29,642**	**1,345,276**
Originations	258,646	–	–	258,646
Acquired receivables	–	–	–	–
Repayments, transfers between stages and parameter changes	(374,159)	8,017	47,018	(319,124)
Customer receivables written off	–	–	(48,053)	(48,053)
Closing balance as at 31 December 2022	**1,163,993**	**44,145**	**28,607**	**1,236,745**
Secured	482,687	13,664	7,628	503,979
Unsecured	681,306	30,481	20,979	732,766
Closing balance as at 31 December 2022	**1,163,993**	**44,145**	**28,607**	**1,236,745**

The above table reflects $1.2 billion, 94% of 1H23 closing gross customer receivables being in stage 1 provisioning (30 June 2022: $1.3 billion, 95%).

The 1H23 gross customer receivables associated with the secured loan book was 41% (30 June 2022: 38%), while the unsecured portion of the book was 59% (30 June 2022: 62%). The Group's secured book comprises the Autopay product and a portion of the fixed rate personal loan portfolio. The unsecured book comprises the rest of the Group's suite of products.

8.4 Customer receivable provision movements by impairment stage

The following table shows movement in provisions for the current period.

	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Opening balance as at 30 June 2022	**40,225**	**15,168**	**26,095**	**81,488**
Transfer between stages	(695)	3,081	(2,386)	–
Originations	5,443	75	26	5,544
Write-offs	–	–	(48,053)	(48,053)
Risk parameter changes	(7,401)	(2,729)	46,573	36,443
Closing balance as at 31 December 2022	**37,572**	**15,595**	**22,255**	**75,422**

The 1H23 expected credit losses (ECL) associated with the secured gross customer receivables book was 22% (30 June 2022: 18%), while the unsecured portion of the book was 78% (30 June 2022: 82%).

The above table reflects a $6.1 million (7%) decrease in the customer receivable provision from $81.5 million as at 30 June 2022 to $75.4 million as at 31 December 2022. $5.5 million of the incremental increase relates to the growth in new assets that were originated during the half year. As expected, assets originated in the prior period substantially represent stage 3 closing customer receivable provisioning before write-offs and risk parameter changes.

The table also reflects $37.6 million (50%) of the closing 1H23 provision balance in stage 1, with $15.6 million (21%) in stage 2 and $22.3 million (29%) in stage 3. Write-offs materially relate to assets originated in the prior year.

The risk parameter changes reflect a reduction in the macroeconomic overlay driven by historical data and macroeconomic projection assumption updates included in further modelling.

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 31 December 2022, gross customer receivables reflected:

- 30% in NSW, 26% VIC, 24% QLD, 10% WA and 10% for the rest of Australia.
- 10% in Construction, Building & Architecture, 9% in Logistics, Transport & Supply, 8% in Hospitality, Travel and Tourism, 8% in Medical & Healthcare and 7% in Manufacturing, Trades and Services.
- 12% to borrowers aged from 18 to 25, 33% to borrowers aged 26 to 35 and 55% to borrowers over 35.
- 68% to borrowers in full-time employment and 32% to other categories of employment. Other includes part-time and casually employed borrowers.
- An average Equifax score of 714 as at 31 December 2022 (704 as at 30 June 2022).

Refer to Note 4.3 for further information

	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Opening balance as at 31 December 2021[1]	**27,178**	**8,682**	**8,394**	**44,254**
Transfers between stages	(24,224)	4,263	19,961	–
Originations	31,797	–	–	31,797
Write-offs	–	–	(28,118)	(28,118)
Risk parameter changes	5,474	2,223	25,858	33,555
Closing balance as at 30 June 2022	**40,225**	**15,168**	**26,095**	**81,488**

[1] The table above reflects revisions to the 2022 balance disclosure in Note 11 of the *2022 Annual Report*. The revisions do not impact on the 1H22 and 2H22 Consolidated Statement of Financial Position or the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

9. Goodwill and intangible assets

9.1 Intangibles

	$'000
Balance as at 30 June 2022	**36,053**
Additions	3,780
Amortisation expense for the period	(5,154)
Impairment expense for the period	(10)
Balance as at 31 December 2022	**34,669**

The total $34.7 million of intangible assets includes $26.0 million of acquired intangible assets (net of amortisation costs) as part of the SocietyOne acquisition.

9.2 Goodwill

Goodwill is an intangible asset that is associated with the purchase of one company by another. Specifically, goodwill is the portion of the purchase price that is higher than the sum of the net fair value of all the assets purchased in the acquisition and the liabilities assumed in the process.

Goodwill on acquisition is initially measured at cost, being the excess of the consideration for the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities, and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill has an indefinite useful life and is not amortised but is reviewed for impairment at least annually or whenever there is an indication of impairment. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination.

The Group recognised goodwill of $63.5 million on the acquisition of SocietyOne Holdings Pty Limited in March 2022. All units within the Group are expected to benefit from the revenue and cost synergies of this combination, and therefore the Group is considered one group of cash-generating units for the purpose of allocating the $63.5 million of goodwill. The recoverable amount of this group of cash-generating units is determined using the fair value less costs of disposal method. Goodwill is assessed as not impaired as at 31 December 2022.

See Note 4.6 for further information on impairment testing.

10. Leases

10.1 Overview

The Group's lease commitments relate to existing leases for the office premises at 131 Macquarie Street, Sydney NSW 2000 and 352 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. Expense incurred in relation to this lease to 31 December 2022 was $0.03 million.

All the above leases have been recognised in accordance with AASB 16.

10.2 Right-of-use assets

	$'000
Balance as at 30 June 2022	**2,500**
Depreciation expense for the period	(474)
Balance as at 31 December 2022	**2,026**

10.3 Lease liabilities

	$'000
Balance as at 30 June 2022	**2,662**
Interest accrual in the period	89
Payments in the period	(584)
Balance as at 31 December 2022	**2,167**
Net lease related liability	**(141)**

A lease interest expense relating to the lease liability was recognised as part of interest expense during the period. No explicit incremental borrowing rate has been outlined in the lease agreements.

11. Other receivables and payables

11.1 Other receivables

	31 December 2022 $'000	30 June 2022 $'000
Marketing prepayments	4,375	4,568
Other prepayments	1,606	1,645
Delinquent asset sales	2,390	1,400
Rental bond[1]	559	739
Other	1,315	1,845
Total other receivables	**10,245**	**10,197**

[1]The amount of the rental bond is held on deposit as a bank guarantee.

11.2 Other payables

	31 December 2022 $'000	30 June 2022 $'000
Sales and marketing	486	4,628
Tax, audit and consulting related services	215	7,488
Legal and related consulting services	2,130	279
General office expenses	1,545	1,224
Other	1,881	1,842
Total other payables	**6,257**	**15,461**

12. Borrowings

	1H23 $'000	2H22 $'000	1H22 $'000
Opening balance	**1,358,271**	**594,660**	**299,728**
Drawdowns – in the ordinary course of business	222,710	732,917	388,549
Borrowings – via acquisition	–	352,142	–
Repayments	(359,791)	(291,841)	(118,535)
Other	14,255	(29,607)	24,918
Closing balance	**1,235,445**	**1,358,271**	**594,660**

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 securitisation warehouses trusts, entitling it to 100% of the net income distribution.

The Group also 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.

The table below reflects the funding source for the Group's gross customer receivables.

	31 December 2022 $'000	30 June 2022 $'000
MME Horizon 2020 Trust	303,171	322,666
MME Autopay 2021 Trust	319,843	308,247
SocietyOne Funding Trust No. 2	153,134	157,448
SocietyOne Funding Trust No. 1	105,949	120,351
MME Horizon Warehouse Trust	87,494	85,761
MME PL Trust 2022-1	146,240	200,933
SocietyOne PL 2021-1 Trust	81,290	112,799
SocietyOne Personal Loans Trust	25,966	21,454
MoneyMe Financial Group Pty Limited	13,658	15,617
Gross customer receivables	**1,236,745**	**1,345,276**

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

	31 December 2022 $'000	30 June 2022 $'000
MME Horizon 2020 Trust[1]	279,460	306,550
MME Autopay 2021 Trust[1]	304,013	299,791
SocietyOne Funding Trust No. 2[2]	151,770	156,900
SocietyOne Funding Trust No. 1[2]	103,060	121,710
MME Horizon Warehouse Trust[1]	80,750	80,750
MME PL Trust 2022-1[1]	139,000	190,000
SocietyOne PL 2021-1 Trust[2]	79,466	113,070
SocietyOne Personal Loans Trust	–	–
Corporate Debt Facility	78,013	75,000
Drawn balances	**1,215,532**	**1,343,771**
MME Horizon 2020 Trust[1]	224,240	197,150
MME Autopay 2021 Trust[1]	125,387	129,609
SocietyOne Funding Trust No. 2[2]	38,230	33,100
SocietyOne Funding Trust No. 1[2]	42,440	23,790
MME Horizon Warehouse Trust[1]	–	–
MME PL Trust 2022-1[1]	–	–
SocietyOne PL 2021-1 Trust[2]	–	–
SocietyOne Personal Loans Trust	–	–
Corporate Debt Facility	–	–
Undrawn balances	**430,297**	**383,649**
MME Horizon 2020 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	145,500
MME Horizon Warehouse Trust[1]	80,750	80,750
MME PL Trust 2022-1[1]	139,000	190,000
SocietyOne PL 2021-1 Trust[2]	79,466	113,070
SocietyOne Personal Loans Trust	–	–
Corporate Debt Facility	78,013	75,000
Funding limits	**1,645,829**	**1,727,420**

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

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

The Group is compliant with the tangible net worth (TNW) financial covenants of MME Horizon 2020 Trust and SocietyOne Funding Trust No. 2 as tested on 31 December 2022. The Group was in breach of these financial covenants as tested on 30 June 2022, however, waivers were obtained from all respective financiers prior to the release of the Group's *2022 Annual Report*.

The Group agreed to recalibrated financial covenant settings with Pacific Equity Partners (PEP) in December 2022 and entered into a revised Syndicated Facility Agreement (SFA). The revised SFA and updated financial covenant settings reflect the Group's larger operations, stemming from high organic growth and the acquisition of SocietyOne, and have been set to sustainable levels. The Group was compliant with all financial covenants of the PEP facility as tested on 31 December 2022. The Group was in breach of the SFA's Liquidity Ratio tested on 31 March 2022 and Loan Asset to Debt Ratio and Liquidity Ratio financial covenants tested on 30 June 2022. Waivers were obtained from the financier prior to the release of the Group's *2022 Annual Report*. Refer to the Group's *2022 Annual Report* for further information on the waivers obtained.

13. Share capital

	Date	Shares (No.)	Issue Price	$'000
Ordinary and treasury shares	**30 June 2022**	**237,847,226**		**143,055**
Issuance of shares - Tranche 1	**5 September 2022**	35,677,083	0.50	17,839
Issuance of shares - Tranche 2	**11 October 2022**	4,322,917	0.50	2,161
Issuance of shares to Directors	**19 October 2022**	2,400,000	0.50	1,200
Share issuance transaction costs		–	–	(620)
Issuance of treasury shares [1]	**15 December 2022**	3,000,000	0.25	–
Ordinary and treasury shares	**31 December 2022**	**283, 247, 226**		**163,635**
Elimination of inter-group transactions[2]		(5,000,000)	–	–
Ordinary shares	**31 December 2022**	**278,247,226**		**163,635**

[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 million includes treasury shares issued in prior periods.

The Group completed an institutional placement and issuance of shares to Directors of the Group, raising $20.6 million of equity capital (net of transaction costs). This capital raise will assist MONEYME in achieving management's growth plans and to meet cash and cash equivalent requirements. There are no special rights attached to these shares.

14. Reserves

14.1 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.

The following reconciles the movement in the share-based payment reserve in the six months to 31 December 2022.

	$'000
Balance as at 30 June 2022	**4,529**
Recognition of additional share-based payment expense	1,237
Balance as at 31 December 2022	**5,766**

14.2 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.

	Opening balance 1 July 2022	Granted	Lapsed/ Cancelled	Vested/ Exercised	Closing balance 31 December 2022	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

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.

14.3 Performance rights

	Current period expense ($'000)	Fair value per right ($)	Grant date (contractual)	Projected vesting date (contractual)	Projected vesting date (contractual)
S2 2020 EPR	71	1.25	12/2019	08/2021	08/2022
S3 2020 EPR	–	1.25	12/2019	11/2020	11/2021
S1 2021 EPR	485	1.46	12/2020	08/2021	08/2022
S1 2022 EPR	681	1.87	12/2021	08/2023	08/2024

	Opening balance 1 July 2022	Granted	Lapsed/ Canceled	Vested/ Exercised	Closing balance 31 December 2022	Exercisable at the end of the period
No.						
S2 2020 EPR	**887,000**	–	(9,000)	(115,000)	**763,000**	763,000
S3 2020 EPR	**300,000**	–	–	–	**300,000**	300,000
S1 2021 EPR	**2,037,500**	–	(48,750)	(235,000)	**1,753,750**	765,000
S1 2022 EPR	**2,259,532**	–	(162,500)	–	**2,097,032**	–
	5,484,032	–	(220,250)	(350,000)	**4,913,782**	1,828,000

The Group did not issue any employee performance rights (EPRs) in 1H23. The next tranche of issuance occurred in January 2023, after reporting date. See Note 18 for further information.

EPRs have nil consideration and exercise price. EPRs issued are subject to business and individual performance conditions for a determined performance period.

15. 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 carrying value of customer receivables, cash and other receivables/payables and borrowings materially approximates fair value.

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.

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

	31 December 2022				30 June 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	–	10,020	–	10,020	–	10,486	–	10,486
Total financial assets measured at fair value	**–**	**10,020**	**–**	**10,020**	**–**	**10,486**	**–**	**10,486**
Financial liabilities measured at fair value								
Derivative financial instruments	–	–	–	–	–	–	–	–
Total financial assets measured at fair value	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

16. Related party transactions

16.1 Newcastle and Sydney office fit-out

A related party was engaged to complete office fit-outs in Sydney and Newcastle in the 2022 financial year and 2023 half 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 contracted spend was $0.3 million for the 2022 financial year and $2.4 million for the 2023 half year. The transactions are deemed to be related party transactions due to a common KMP relationship.

16.2 Other related parties

A related party had investments of $19 million in investment trust arrangements related to the MoneyMe Group as at 31 December 2022 and a shareholding in MoneyMe Limited of 1,987,981 shares. These investments became related party arrangements for the MoneyMe 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 related party transactions due to a common KMP relationship.

17. Parent entity information

The parent entity had a nil net profit after tax and comprehensive income for the current and prior year periods.

The parent entity had total assets of $198.5 million as at 31 December 2022 ($185.0 million, 30 June 2022), total liabilities of $3.2 million as at 31 December 2022 ($4.5 million, 30 June 2022) and total equity of $195.3 million as at 31 December 2022 ($180.5 million, 30 June 2022).

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in Note 3, noting that the consolidation related policies are not applicable to this Note.

18. Subsequent events

In January 2023, 3,507,177 performance rights were issued as part of the Group's Employee Equity Incentive Scheme. Performance conditions for the 2023 issuances include the Group's achievement of its revenue targets, B Corp targets and Total Shareholder Return (TSR) targets, as well as achievement of 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.

	Fair value per right ($)	Grant date (contractual)	Projected vesting date (contractual)	Projected vesting date (contractual)
S1 2023 EPR	0.35	01/2023	08/2024	08/2025

Other than the event noted above, there has not been any additional matter or circumstances occurring subsequent to the end of the half year that has significantly affected, or may significantly affect, the Group's financial position as at 31 December 2022.

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Susan Wynne (Independent Non-Executive Director)
David Taylor (Independent Non-Executive Director)
Rachel Gatehouse (Independent Non-Executive Director)
Scott Emery (Non-Executive Director)
Clayton Howes (Managing Director and CEO)

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